

Attachment C

Economic impact of bushfires to visitation in Southern NSW

This attachment supports the
DSNSW Bushfire Support Advocacy paper.



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Economic impact of bushfires to visitation in Southern NSW

Bushfires began to impact visitation to destinations in Southern NSW from the 1st December 2019 when the main highways were intermittently closed. During December, businesses started reporting lost revenue as bookings were being cancelled and visitors were advised not to travel into fire affected areas. In January, some visitors that had arrived were directed to leave the area in their own best interest and safety. Later in January, some areas in the region were open for business, and visitors are being encouraged to return, while other parts remain unsafe for visitors. Seven LGAs within Southern NSW, highlighted in this study, were impacted more than others. Recent survey data of small businesses has determined that 72% of businesses were significantly impacted in Southern NSW¹.

VISITATION AND REVENUE IN LOCAL GOVERNMENT AREAS

In order to estimate the economic impact of this disaster to visitation, baseline data has been sourced from Tourism Research Australia, national and international visitor surveys for each LGA. As shown, the economic impact of the fires to visitation in each LGA varies with the ratio of visitors attracted in the summer months (Dec and Jan) and the average expenditure of visitors. Visitation and economic data from the seven highly impacted LGAs below, shows an estimated total of 9.26 million annual visitors and an average total expenditure of \$2.44 billion across all LGA's. As shown, the summer months of Dec-Jan create an estimated \$415 million, yet as a result of the fires, businesses in these seven LGAs lost an estimated 70% of this revenue over these months - equivalent to \$292 million.

The extended economic impact across these LGA's of this revenue loss is estimated at \$458 million, impacting 3,365 EFT local jobs.

5 year av 2014-2019	Annual visitation	Annual revenue from visitation ² \$ million	Revenue Dec and Jan	Dec and Jan 70% revenue loss \$ million	Extended economic impact \$ million	# EFT local jobs ³
Eurobodalla	1,421	\$356	\$70	\$50	\$68	525
Bega Valley	859	\$380	\$75	\$53	\$91	663
Snowy Monaro	1,062	\$572	\$74	\$52	\$72	515
Snowy Valleys	419	\$86	\$14	\$10	\$18	140
Queanbeyan Palerang	581	\$97	\$15	\$11	\$20	155
Shoalhaven	3,248	\$672	\$120	\$84	\$144	1050
Wingecarribee	1,674	\$285	\$47	\$32	\$45	317
Total \$million	9,264	\$2,448	\$415	\$292	\$458	3,365

VISITATION AND REVENUE IN BEGA VALLEY

Bega Valley LGA was significantly impacted by the fires in both December and January which are peak times, attracting the highest volume of visitors throughout the year. As shown in the summary table below, Jan to March accounts for approx. 32% of yearly visitation¹, while Oct to Dec is 27%. During these times the estimated total revenue per month is \$34 and \$41 million – for a total of \$75 million for the months of December and January.

5 year av 2014-2019	July to Sep	Oct to Dec	Jan to Mar	Apr to June	Total
% of the year	20%	27%	32%	21%	100%
Total visitors per quarter	171,800	231,930	274,880	180,390	859,000
Expenditure per quarter \$million	\$76	\$103	\$122	\$80	\$380
Average visitors per month	57,267	77,310	91,627	60,130	
Expenditure per month \$million	\$25	\$34	\$41	\$27	

As shown, the summer months of Dec-Jan produce an estimated \$75 million per year, yet as a result of the fires, businesses lost an estimated 70% of this revenue over these months, equivalent to \$53 million. Further analysis using Economic Impact Modelling² shows the effect of this revenue as it circulates through the wider economy, it is estimated that:

**The total impact on the local economy was \$91 million
and the equivalent loss of 663 local EFT jobs.**

Impact Summary - Assumes a \$53 million direct impact ²			
	Output (\$m)	Value-added (\$m)	Local jobs
Direct impact on Tourism and Hospitality	-53	-24	-497
Industrial impact	-19	-8	-71
Consumption impact	-18	-8	-95
Total impact on Bega Valley economy	-91	-40	-663
Type 1 multiplier (direct & industrial)	1.37	1.34	1
Type 2 multiplier (direct, ind. & consumption)	1.71	1.66	1
Impact on New South Wales economy			
Total impact - NSW outside local Shire	-22	-10	-92
Total impact NSW economy	-113	-50	-755



VISITATION AND REVENUE IN SHOALHAVEN

Shoalhaven City Council area was significantly impacted by the fires in both December and January which are important times for attracting high volumes of visitors. As shown in the summary table below, Oct to Dec accounts for 25% of yearly visitation¹ while Jan to March is 29%. During these times the estimated total revenue per month is \$55 and \$65 million – for a total of \$120 million for the months of December and January.

5 year av 2014-2019	July to Sep	Oct to Dec	Jan to Mar	Apr to June	Total
% of the year	22%	25%	29%	24%	100%
Total visitors per quarter	724,336	800,870	945,154	777,641	3,248,000
Expenditure per quarter \$million	\$150	\$166	\$196	\$161	\$672
Average visitors per month	241,445	266,957	315,051	259,214	
Expenditure per month \$million	\$50	\$55	\$65	\$54	

As shown, the summer months of Dec-Jan produce an estimated \$120 million per year, yet as a result of the fires, businesses lost an estimated 70% of this revenue over these months, equivalent to \$84 million. Further analysis using Economic Impact Modelling² shows the effect of this revenue as it circulates through the wider economy, it is estimated that:

**The total impact on the local economy was \$144 million
and the equivalent loss of 1,050 local EFT jobs.**

Impact Summary - Assumes a \$84 million direct impact²

	Output (\$m)	Value-added (\$m)	Local jobs
Direct impact on Tourism and Hospitality	-84	-38	-787
Industrial impact	-31	-13	-112
Consumption impact	-29	-12	-151
Total impact Shoalhaven economy	-144	-63	-1,050
Type 1 multiplier (direct & industrial)	1.37	1.34	1
Type 2 multiplier (direct, ind. & consumption)	1.71	1.66	1
Impact on New South Wales economy			
Total impact - NSW outside local Shire	-36	-16	-146
Total impact NSW economy	-179	-79	-1196



VISITATION AND REVENUE IN SNOWY MONARO

Snowy Monaro Regional area was significantly impacted by the fires in both December and January which are important times for attracting solid volumes of visitors. As shown in the summary table below, Oct to Dec accounts for 20% of yearly visitation¹ while Jan to March is 18%. During these times the estimated total revenue per month is \$39 and \$35 million – for a total of \$74 million for the months of December and January.

5 year av 2014-2019	July to Sep	Oct to Dec	Jan to Mar	Apr to June	Total
% of the year	43%	20%	18%	18%	
Total visitors per quarter	459,106	217,673	196,341	188,881	1,062,000
Expenditure per quarter \$million	\$247	\$117	\$106	\$102	\$572
Average visitors per month	153,035	72,558	65,447	62,960	
Expenditure per month \$million	\$82	\$39	\$35	\$34	

As shown, the summer months of Dec-Jan produce an estimated \$74 million per year, yet as a result of the fires, businesses lost an estimated 70% of this revenue over these months, equivalent to \$52 million. Further analysis using Economic Impact Modelling² shows the effect of this revenue as it circulates through the wider economy, it is estimated that:

**The total impact on the local economy was \$72 million
and the equivalent loss of 515 local EFT jobs.**

Impact Summary - Assumes a \$52 million direct impact ²			
	Output (\$m)	Value-added (\$m)	Local jobs
Direct impact on Tourism and Hospitality	-52	-23	-441
Industrial impact	-15	-6	-53
Consumption impact	-5	-2	-21
Total impact on Snowy Monaro economy	-72	-31	-515
Type 1 multiplier (direct & industrial)	1.29	1.25	1
Type 2 multiplier (direct, ind. & consumption)	1.38	1.33	1
Impact on New South Wales economy			
Total impact - NSW outside local Shire	-35	-17	-143
Total impact NSW economy	-106	-48	-658



VISITATION AND REVENUE IN SNOWY VALLEYS

Snowy Valleys LGA was significantly impacted by the fires in both December and January which are important times for attracting solid volumes of visitors. As shown in the summary table below, Oct to Dec accounts for 21% of yearly visitation¹, while Jan to March is 28%.

During these times the estimated total revenue per month is \$6 and \$8 million – for a total of \$14 million for the months of December and January.

5 year av 2014-2019	July to Sep	Oct to Dec	Jan to Mar	Apr to June	Total
% of the year	29%	21%	28%	22%	100%
Total visitors per quarter	142,515	103,259	137,091	109,134	419,000
Expenditure per quarter \$million	\$25	\$18	\$24	\$19	\$86
Average visitors per month	47,505	34,420	45,697	36,378	
Expenditure per month \$million	\$8	\$6	\$8	\$6	

As shown, the summer months of Dec-Jan produce an estimated \$14 million per year, yet as a result of the fires, businesses lost an estimated 70% of this revenue over these months, equivalent to \$10 million. Further analysis using Economic Impact Modelling² shows the effect of this revenue as it circulates through the wider economy, it is estimated that:

**The total impact on the local economy was \$18 million
and the equivalent loss of 140 local EFT jobs.**

Impact Summary - Assumes a \$10 million direct impact ²			
	Output (\$m)	Value-added (\$m)	Local jobs
Direct impact on Tourism and Hospitality	-10	-5	-101
Industrial impact	-5	-2	-18
Consumption impact	-3	-2	-21
Total impact on Snowy Valleys economy	-18	-8	-140
Type 1 multiplier (direct & industrial)	1.46	1.36	1
Type 2 multiplier (direct, ind. & consumption)	1.81	1.69	1
Impact on New South Wales economy			
Total impact - NSW outside local Shire	-6	-3	-8
Total impact NSW economy	-24	-10	-149



VISITATION AND REVENUE IN WINGECARRIBEE

Wingecarribee Shire Council area was significantly impacted by the fires in both December and January which are important times for attracting high volumes of visitors. As shown in the summary table below, Oct to Dec accounts for 25% of yearly visitation¹ while Jan to March is 25%. During these times the estimated total revenue per month is \$23 and \$23 million – for a total of \$46 million for the months of December and January.

5 year av 2014-2019	July to Sep	Oct to Dec	Jan to Mar	Apr to June	Total
% of the year	24%	25%	25%	26%	
Total visitors per quarter	408,881	412,612	411,696	440,812	1,674,000
Expenditure per quarter \$million	\$70	\$70	\$70	\$75	\$285
Average visitors per month	136,294	137,537	137,232	146,937	
Expenditure per month \$million	\$23	\$23	\$23	\$25	

As shown, the summer months of Dec-Jan produce an estimated \$46 million per year, yet as a result of the fires, businesses lost an estimated 70% of this revenue over these months, equivalent to \$32 million. Further analysis using Economic Impact Modelling² shows the effect of this revenue as it circulates through the wider economy, it is estimated that:

**The total impact on the local economy was \$45 million
and the equivalent loss of 317 local EFT jobs.**

Impact Summary - Assumes a \$32 million direct impact²

	Output (\$m)	Value-added (\$m)	Local jobs
Direct impact on Tourism and Hospitality	-32	-14	-258
Industrial impact	-7	-3	-28
Consumption impact	-6	-3	-31
Total impact Wingecarribee economy	-45	-21	-317
Type 1 multiplier (direct & industrial)	1.23	1.23	1
Type 2 multiplier (direct, ind. & consumption)	1.4	1.42	1
Impact on New South Wales economy			
Total impact - NSW outside local Shire	-16	-7	-75
Total impact NSW economy	-61	-28	-392



VISITATION AND REVENUE IN EUROBODALLA

Eurobodalla LGA was significantly impacted by the fires in both December and January which are peak times, attracting the highest volume of visitors throughout the year. As shown in the summary table below, Oct to Dec accounts for 26% of yearly visitation¹ while Jan to March is 34%. During these times the estimated total revenue per month is \$30 and \$40 million – for a total of \$70 million for the months of December and January.

5 year av 2014-2019	July to Sep	Oct to Dec	Jan to Mar	Apr to June	Total
% of the year	19%	26%	34%	21%	100%
Total visitors per quarter '000	270	355	483	313	1,421
Expenditure per quarter \$million	\$68	\$89	\$121	\$78	\$356
Average visitors per month	90	118	161	104	
Expenditure per month \$million	\$23	\$30	\$40	\$26	

As shown, the summer months of Dec-Jan produce an estimated \$70 million per year, yet as a result of the fires, businesses lost an estimated 70% of this revenue over these months, equivalent to \$50 million. Further analysis using Economic Impact Modelling² shows the effect of this revenue as it circulates through the wider economy, it is estimated that:

**The total impact on the local economy was \$68 million
and the equivalent loss of 525 local EFT jobs.**

Impact Summary - Assumes a \$50 million direct impact ²			
	Output (\$m)	Value-added (\$m)	Local jobs
Direct impact on Tourism and Hospitality	-50	-23	-456
Industrial impact	-12	-4	-40
Consumption impact	-5	-2	-28
Total impact on Eurobodalla economy	-68	-29	-525
Type 1 multiplier (direct & industrial)	1.25	1.14	1
Type 2 multiplier (direct, ind. & consumption)	1.35	1.28	1
Impact on New South Wales economy			
Total impact - NSW outside local Shire	-41	-17	-154
Total impact NSW economy	-108	-46	-679



VISITATION AND REVENUE IN QUEANBEYAN-PALERANG

Queanbeyan-Palerang Regional Council area was significantly impacted by the fires in both December and January which are important times for attracting high volumes of visitors. As shown in the summary table below, Oct to Dec accounts for 22% of yearly visitation¹ while Jan to March is 24%. During these times the estimated total revenue per month is \$7 and \$8 million – for a total of \$15 million for the months of December and January.

5 year av 2014-2019	July to Sep	Oct to Dec	Jan to Mar	Apr to June	Total
% of the year	26%	22%	24%	28%	100%
Total visitors per quarter	153,763	128,549	136,950	161,737	581,000
Expenditure per quarter \$million	\$26	\$21	\$23	\$27	\$97
Average visitors per month	51,254	42,850	45,650	53,912	
Expenditure per month \$million	\$9	\$7	\$8	\$9	

As shown, the summer months of Dec-Jan produce an estimated \$15 million per year, yet as a result of the fires, businesses lost an estimated 70% of this revenue over these months, equivalent to \$11 million. Further analysis using Economic Impact Modelling² shows the effect of this revenue as it circulates through the wider economy, it is estimated that:

**The total impact on the local economy was \$20 million
and the equivalent loss of 155 local EFT jobs.**

Impact Summary - Assumes a \$11 million direct impact ²			
	Output (\$m)	Value-added (\$m)	Local jobs
Direct impact on Tourism and Hospitality	-11	-5	-111
Industrial impact	-5	-2	-20
Consumption impact	-3	-2	-24
Total impact on Queanbeyan-Palerang economy	-20	-8	-155
Type 1 multiplier (direct & industrial)	1.46	1.36	1.18
Type 2 multiplier (direct, ind. & consumption)	1.81	1.69	1.39
Impact on New South Wales economy			
Total impact - NSW outside local Shire	-6	-3	-9
Total impact NSW economy	-26	-11	-164

