

**TOURISM'S CONTRIBUTION TO
THE TASMANIAN ECONOMY
RESEARCH REPORT
MARCH 2009**

Prepared For



By

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Summary of the Results

This report contains the results of a survey conducted between March 16th and March 19th 2009 for the Tourism Industry Council of Tasmania and compares results from the same survey conducted in EMRS' February 2007 Omnibus. It should be noted, however, that the data may not be directly comparable due to the different style of data collection (omnibus versus ad hoc).

1000 Tasmanians over the age of 18 years were interviewed Statewide; 500 were from the South of the State, 250 from the North and North East and 250 from the North and North West. The questions were not leading or loaded and either consisted of "top-of-the-mind" questions or presented tourism as one of a series of industries from which the respondents were asked to identify the ones that they believed had contributed most or had the most potential to contribute to the Tasmanian economy.

INDUSTRIES THAT HAVE MADE THE GREATEST CONTRIBUTION TO TASMANIA'S ECONOMIC GROWTH

Unprompted Recall of Industries

Respondents were asked which industries have made the greatest contribution to Tasmania's economic growth. Tourism was again said to be the main industry contributing to the growth of the Tasmanian economy, with 40% of respondents mentioning this industry (compared to 42% in 2007). Mining was also high, with 22% mentioning this industry as having made the greatest contribution to economic growth (compared to 17% in 2007).

Respondents from the South and the North and North East of the state were more likely to mention "tourism" (42% and 41% respectively) compared to the North West and West of the state (35%). Mining was far more likely to be mentioned in the North West and West (35%) than the other regions.

Prompted Recall of Industries

Once prompted, the percentage who thought the Tourism industry had made the greatest contribution increased considerably to 79%. The four other industries more than doubled.

There were some regional differences. A higher proportion of those in the North and North East saw tourism as having made a major contribution to Tasmania's growth in recent years (compared to the 2007 survey, in which respondents from the South were more likely to perceive tourism as having made a major contribution). In both the South and North West and West, Tourism was also identified by more respondents than any other industry.

INDUSTRIES THAT HAVE MADE THE GREATEST CONTRIBUTION TO TASMANIA'S ECONOMIC DEVELOPMENT

Once again, the perceptions of the majority of Tasmanian respondents claimed that Tourism had the potential to make the greatest contribution to Tasmanian growth in the next 5 years. Respondents in the North and North East of the state were most likely to mention "Tourism" (58%) and respondents in the North West and West were least likely to mention this industry (44%). 52% of respondents in the South of the state mentioned "tourism".

IMPORTANCE OF TOURISM

The vast majority of respondents claimed that the importance of a healthy tourism industry for Tasmania in the future was "very important" or "quite important" (98%). Only 1% each claimed that it was "not very important" or "not at all important".

93% of respondents claimed that tourism could be "very important" or "quite important" during 2009 and 2010 with the impact of the global financial crisis. 4% of respondents said it could be "not very important" and 3% were "unsure".

STATE GOVERNMENT INVESTMENT IN THE PROMOTION OF TASMANIA

Over half of respondents (55%) thought that the state government should be investing "more" in the promotion of Tasmania to attract visitors to the state in light of the global financial crisis. Over one third (36%) claimed they thought the state government should spend "the same", while 5% thought they should spend "less". 4% of respondents said they were "unsure".

CONCLUSIONS

Public perceptions in the 2009 survey are again that tourism has not only made the greatest contribution to Tasmania's growth in the past 5 years, but also that it has the potential to do so during the *next* 5 years. More than 80% see that it is "very important" for Tasmania to have a healthy tourism industry in the future, and 70% think that it could be "very important" during 2009 and 2010 with the impact of the global financial crisis. Positive views on the past, as well as the potential contribution of tourism, were stronger in North and North East of Tasmania than in the South and the North West and West Coast regions.

Overall, the majority of respondents believe that the state government should be investing more in the promotion of Tasmania to attract visitors in light of the global financial crisis.

Section one – Introduction

1.1 Background and Purpose

The purpose of this survey is to determine attitudes regarding the importance of Tourism to the Tasmanian economy. EMRS conducted a similar survey in the February 2007 OMNIBUS, and this survey will build on the results of the previous work. It should be noted, however, that the data may not be directly comparable due to the different style of data collection (omnibus versus ad hoc).

1.2 Informational Objectives

- To gather information on the attitudes of the Tasmanian general public regarding the contribution made by tourism to the Tasmanian economy in recent years,
- To put such attitudes in perspective by testing its relative importance in the past and its potential for contributing to the future development of the Tasmanian economy,
- Segment response by age, gender, electorate, household situation, employment status, income group and voting intentions.

1.3 Research Methods

EMRS conducted a telephone survey with 1000 Tasmanian householders. Whilst telephone numbers are randomly selected, the sample is quota controlled to ensure that the achieved sample of 1000 has the same profile as the Tasmanian adult population with respect to age, gender and geographic distribution. This provides a representative sample of the population.

The questions were not leading or loaded. They either consisted of “top-of-the-mind” questions, or presented tourism as one of a series of industries from which the respondents were asked to identify the ones that they believed had contributed the most or had the most potential to contribute to the Tasmanian economy.

The required information was gathered using a structured questionnaire administered using Computer Assisted Telephone Interviewing (CATI) conducted from our Moonah Call Centre. CATI allows for immediate analysis and reporting on completion of the interviewing component of the project.

1.4 People Interviewed

**Table 1 – Respondents’ Demographics
(Percentage of all respondents)**

Sub Group	Number	Percentage
<i>Region of Tasmania</i>		
South	500	50
North or North East	250	25
North West or West	250	25
<i>Gender</i>		
Male	467	47
Female	533	53
<i>Age</i>		
Under 25 years	66	7
25 and under 35 years	117	12
35 and under 45 years	183	18
45 and under 55 years	214	21
55 and under 70 years	261	26
70 years and over	158	16
Declined to answer	1	0

1.5 Structure of the Report

Specifically the report contains the following:

- Section 2 – Industries That Have Made the Greatest Contribution to Tasmania’s Economic Growth,
- Section 3 – Industries That Have Made the Greatest Contribution to Tasmania’s Economic Development,
- Section 4 – Importance of Tourism, and
- Section 5 – State Government Investment in the Promotion of Tasmania.

Section Two – Industries That Have Made the Greatest Contribution to Tasmania’s Economic Growth

2.1 Unprompted Recall of Industries

Respondents were asked;

The Tasmanian economy has grown at a faster rate than a number of the other Australian states in the last few years. In your opinion, which industries do you think have made the greatest contribution to this growth?

Initially, respondents were not prompted. No possible industries were suggested at this stage.

Table 2 – Industries That Have Made the Greatest Contribution to the Growth of the Tasmanian Economy in the Last Few Years (Percentage of respondents)

Industry	All Respondents		The South		North and North East		North West and West	
	2007	2009	2007	2009	2007	2009	2007	2009
Tourism	42	40	48	42	35	41	37	35
Mining	17	22	11	16	10	18	36	35
Forestry	24	15	21	14	24	16	30	16
Agriculture	14	15	12	12	14	12	20	24
Construction	16	13	19	16	14	14	13	8
Manufacturing	9	6	11	6	6	4	8	7
Retail Trades	5	5	4	7	5	4	5	2
Fisheries	-	5	-	7	-	2	-	5
Financial/business services	3	3	4	4	5	4	1	1
Hospitality	-	3	-	4	-	2	-	2
Personal services	2	2	2	2	3	2	1	2
Wholesale Trades	1	2	1	3	2	1	1	0
Electricity, gas and water	2	1	2	1	2	0	2	1
Transport & storage	2	1	2	1	1	0	2	1
Education	-	1	-	1	-	0	-	0
Information Technology	-	1	-	1	-	0	-	0
Health and Community services	-	1	-	1	-	0	-	0
Unsure	17	21	17	22	20	22	14	16

Tourism was again said to be the main industry contributing to the growth of the Tasmanian economy, with 40% of respondents mentioning this industry (compared to 42% in 2007).

Mining was also high, with 22% mentioning this industry as having made the greatest contribution to economic growth (compared to 17% in 2007).

Respondents from the South and the North and North East of the state were more likely to mention “tourism” (42% and 41% respectively) compared to the North West and West of the state (35%). Mining was far more likely to be mentioned in the North West and West (35%) than the other regions.

2.2 Prompted Recall of Industries

They were asked,

Which of the following industries do you think have made the greatest contribution to this growth? (Tourism, Agriculture, Forestry, Manufacturing, Financial Services)

Table 3 – Industries that Have Made the Greatest Contribution to the Growth of the Tasmanian Economy in the Last Few Years (Percentage of respondents)

Industry	Unprompted		Prompted 1 st or 2 nd		Prompted and Unprompted combined	
	2007	2009	2007	2009	2007	2009
Tourism	42	40	34	39	76	79
Forestry	24	15	21	18	45	33
Agriculture	14	15	18	17	33	32
Manufacturing	9	6	10	12	19	17
Financial Services	3	3	6	5	10	8

Once prompted, that percentage who thought the Tourism industry had made the greatest contribution increased considerably to 79%. The four other industries more than doubled.

Table 4 – Industries that Have Made the Greatest Contribution to the Growth of the Tasmanian Economy in the Last Few Years – Prompted and Unprompted Combined – By Region (Percentage of respondents)

Industry	All Respondents		The South		North and North East		North West and West	
	2007	2009	2007	2009	2007	2009	2007	2009
Tourism	76	79	85	79	73	86	63	73
Forestry	45	33	42	30	47	41	49	31
Agriculture	33	32	29	27	32	30	39	45
Manufacturing	19	17	23	17	14	15	16	21
Financial Services	10	8	10	10	13	9	5	4

There were some regional differences. A higher proportion of those in the North and North East saw tourism as having made a major contribution to Tasmania's growth in recent years (compared to the 2007 survey, in which respondents from the South were more likely to perceive tourism as having made a major contribution). In both the South and North West and West, Tourism was also identified by more respondents than any other industry.

Section Three – Industries That Have Made the Greatest Contribution to Tasmania’s Economic Development

Respondents were also asked,

Which industries have the potential to make the greatest contribution to Tasmania’s economic development in the next 5 years?

Table 5 – Industries that Have the Potential to Make the Greatest Contribution to Tasmania’s economic development in the next 5 years (Percentage of respondents)

Industry	All Respondents		The South		North and North East		North West and West	
	2007	2009	2007	2009	2007	2009	2007	2009
Tourism	51	52	56	52	47	58	44	44
Forestry	24	17	21	13	25	24	28	19
Agriculture	21	20	19	17	23	21	25	25
Mining	15	10	10	8	8	6	32	18
Manufacturing	8	7	9	8	9	6	6	6
Construction	7	6	8	8	5	7	4	3
Retail Trades	3	2	3	2	4	2	2	2
Electricity, gas and water	3	2	4	2	2	2	2	1
Financial/business services	3	2	4	3	1	2	2	0
Personal services	1	1	1	0	1	0	1	0
Transport & storage	1	0	1	0	0	1	0	-
Wholesale Trades	1	1	1	1	2	0	1	-
Fisheries	-	3	-	5	-	2	-	2
Education	-	1	-	1	-	2	-	-
Hospitality	-	2	-	3	-	0	-	2
Information technology	-	1	-	2	-	1	-	1
Health and community services	-	1	-	0	-	0	-	1
Unsure	9	11	9	13	9	12	9	8

Once again, the perceptions of the majority of Tasmanian respondents claimed that Tourism had the potential to make the greatest contribution to Tasmanian growth in the next 5 years. Respondents in the North and North East of the state were most likely to mention “Tourism” (58%) and respondents in the North West and West were least likely to (44%). 52% of respondents in the South of the state mentioned “tourism”.

Section Four – Importance of Tourism

4.1 Importance of a Healthy Tourism Industry for Tasmania in the Future

Respondents were then asked,

How important do you think a healthy tourism industry is for Tasmania in the future?

Table 6 – The Importance of a Healthy Tasmanian Tourism Industry for Tasmania in the Future (Percentage of respondents*)

Importance	All Respondents		The South		North and North East		North West and West	
	2007	2009	2007	2009	2007	2009	2007	2009
Very important	82	81	84	81	80	85	78	75
Quite important	16	17	14	17	18	14	18	22
Very or quite important	98	98	98	98	98	98	96	98
Not very important	2	1	1	2	2	2	2	1
Not at all important	1	1	0	1	0	-	1	2

* Percentages may not sum to 100 due to rounding.

The vast majority of respondents claimed that the importance of a healthy tourism industry for Tasmania in the future was “very important” or “quite important” (98%). Only 1% each claimed that it was “not very important” or “not at all important”.

4.2 Importance of Tourism in 2009 and 2010

Two additional questions were asked to respondents in the 2009 survey.

Respondents were asked;

How important do you think tourism could be during 2009 and 2010 with the impact of the global financial crisis?

Table 7 – The Importance of Tourism in 2009 and 2010 (Percentage of respondents*)

Importance	All Respondents	The South	North and North East	North West and West
Very important	70	68	74	72
Quite important	22	26	20	18
Very or quite important	93	94	94	90
Not very important	4	4	4	6
Not at all important	0	0	-	1
Unsure	3	3	2	3

* Percentages may not sum to 100 due to rounding.

93% of respondents claimed that tourism could be “very important” or “quite important” during 2009 and 2010 with the impact of the global financial crisis. 4% of respondents said it could be “not very important” and 3% were “unsure”.

Section Five – State Government Investment in the Promotion of Tasmania

Respondents from the 2009 survey were asked one final question;

Do you think the state government should be investing more, less or the same in the promotion of Tasmania to attract visitors to our state in light of the global financial crisis?

Table 8 – State Government Investment in the Promotion of Tasmania to Attract Visitors in Light of the GFC (Percentage of respondents*)

Industry	All Respondents	The South	North and North East	North West and West
More	55	56	57	51
Less	5	4	6	7
The Same	36	35	33	39
Unsure	4	5	4	3

Over half of respondents (55%) thought that the state government should be investing “more” in the promotion of Tasmania to attract visitors to the state in light of the global financial crisis. Over one third (36%) claimed they thought the state government should spend “the same”, while 5% thought they should spend “less”. 4% of respondents said they were “unsure”.

The Appendix – The Questionnaire

Tourism Industry Council General Public Perceptions of the contribution of the Tourism Industry

Preliminary Information (to be entered)

1. Interview	2. Interviewer	3. Date
4. Phone Number	5. Region of Tasmania 1. North & North East 2. North West & West 3. South	6. Town or Suburb
7. Post Code	8. Sex of Respondent 1. Male 2. Female	9. First name (audit)
10. Time Commenced		

**Good morning/afternoon/evening,
This is Jane from the research company EMRS. We are speaking with people about some topical issues. I only have 4 or 5 quick questions that will take no more than 2 minutes of your time.**

The Tasmanian economy has grown at a faster rate than a number of the other Australian states in the last few years.

<p>1. In your opinion, which industries do you think have made the greatest contribution to this growth?</p> <p>DO NOT READ OUT RECORD IN ORDER MENTIONED MULTIPLE RESPONSES MENTIONED</p> <p>IF ONLY 1 INDUSTRY IS MENTIONED PROBE WITH ANY OTHERS?</p> <p>IF ONLY 1 IS MENTIONED ASK Q1A ELSE SKIP TO Q2</p>	<ol style="list-style-type: none"> 1. Agriculture 2. Forestry 3. Fisheries 4. Mining 5. Manufacture 6. Construction 7. Tourism 8. Electricity, gas and water 9. Transport and storage 10. Retail trades 11. Wholesale trades 12. Financial, business services 13. Personal services 14. Other (specify) 15. Only 1 mentioned
<p>1A. Which of the following industries do you think have made the GREATEST contribution to this growth?</p> <p>READ OUT AND ROTATE RECORD ONE ONLY FOLLOW WITH</p>	<ol style="list-style-type: none"> 1. Tourism 2. Agriculture 3. Forestry 4. Manufacture 5. Financial services

<p>1B And what would be SECOND?</p> <p>READ OUT AGAIN IF NECESSARY</p>	<p>1. Tourism 2. Agriculture 3. Forestry 4. Manufacture 5. Financial services</p>
<p>2. Which industries have the potential to make the greatest contribution to Tasmania's economic development in the next 5 years?</p> <p>DO NOT READ OUT RECORD IN ORDER MENTIONED</p>	<p>1. Agriculture 2. Forestry 3. Fisheries 4. Mining 5. Manufacture 6. Construction 7. Tourism 8. Electricity, gas and water 9. Transport and storage 10 Retail trades 11. Wholesale trades 12. Financial, business services 13. Personal services 14. Other (specify)</p>
<p>3. How important do you think a healthy tourism industry is for Tasmania into the future? Is it...</p> <p>READ OUT OPTIONS 1-4</p>	<p>1. Very important 2. Quite important 3. Not very important 4. Not at all important 5. Unsure</p>
<p>4. How important do you think tourism could be during 2009 and 2010 with the impact of the global financial crisis?</p> <p>READ OUT OPTIONS 1-4</p>	<p>1. Very important 2. Quite important 3. Not very important 4. Not at all important 5. Unsure</p>
<p>5. Do you think the state government should be investing more, less or the same in the promotion of Tasmania to attract visitors to our state in light of the global financial crisis?</p>	<p>1. More 2. Less 3. the same 4. unsure</p>
<p>Thank you for helping with this survey. Just to remind you that my name is Jane from the research company EMRS. This survey has been conducted for the Tasmanian Tourism Council. If you have any questions about the survey please contact my supervisor at EMRS on 62 111 222.</p>	