



EXPO 88 IMPACT

THE IMPACT OF WORLD EXPO 88 ON
QUEENSLAND'S TOURISM INDUSTRY

QUEENSLAND TOURIST AND
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EXECUTIVE SUMMARY

1. From April 30 to October 31, 1988, Brisbane, Queensland hosted the first international Exposition to be held in Australia during the twentieth century. The total attendance level expressed in terms of visits to the site (by all visitors other than Expo staff), based on official gate counts taken by the World Expo 88 Authority, was estimated to be 16,465,000 visits. This was 70 percent higher than even the most optimistic of the original attendance projections formulated in 1983.
2. The characteristics of visitation both to the Expo site and within Queensland by Expo visitors was monitored by Expo Visitor Surveys commissioned by the Queensland Tourist and Travel Corporation, (QTTC) and these form the basis of this report.
3. These survey results indicate the estimated total of 16,465,000 visits included 10,765,000 visits (65.4%) by local residents (of south east Queensland) on day trips, just over one million visits (6.1%) by Queensland residents on overnight trips, 3,827,000 visits (23.2%) by interstate visitors and a further 870,000 (5.3%) by overseas visitors.
4. The vast majority of visitors and visits to the site involved the use of either a season or three-day pass. Survey results show season passes accounted for 17.8% of all visitors and 52.4% of visits, while three-day passes accounted for 64.9% of visitors and 39.6% of visits. For daytrip (local resident) visitors the season pass dominated and accounted for 76.2% of visits. In contrast the vast majority (80%) of visits by overnight visitors to south east Queensland involved the use of three-day passes.
5. The average number of visits per daytrip visitor was 6.74, more than treble the average of 2.1 visits for overnight visitors. Thus, an estimated total of 4,308,000 visitors to Expo included 1,597,000 daytrippers and 2,711,000 overnight visitors.
6. The 2,711,000 overnight Expo visitors included 397,000 Queenslanders (i.e. intrastate visitors), 1,897,000 from interstate (of whom 92% were from New South Wales and Victoria) and 417,000 overseas visitors (of whom 40% were from New Zealand).
7. The more specific and detailed component of this assessment of Expo's impact on tourism in Queensland during 1988 focuses on those 2,711,000 overnight Expo visitors. For this assessment, three levels of impact were defined as follows:

TOTAL IMPACT

which refers to the total number of intrastate, interstate and overseas travellers who visited Expo during a trip on which they spent at least one night away from their usual place of residence, as well as their total nights and expenditure in Queensland.

NET IMPACT

which is defined as those overnight trips; nights and expenditure in Queensland generated by Expo visitors, that would not have been made if Expo had not been on.

NET ADDITIONAL IMPACT

which refers to those Expo visitor trips, nights and expenditure in Queensland that would not have been made if Expo had not been on and which were additional to trips that would otherwise have been taken in Queensland in 1988, if Expo had not been on.

8. The estimated visitor trip and visitor night impact of Expo 88 is summarised in the table below. This shows that of the estimated total of 2,711,000 Expo visitor trips, 1,680,000 (62%) were Net and 1,370,000 (just over half) were Net Additional. The table also shows that the average length of stay of Net and Net Additional Expo visitors from all origin markets were

of shorter average duration than Total Expo visitor trips. Thus, the estimated 11.84 million Net Expo visitor nights and the 8.5 million Net Additional Expo visitor nights represented smaller proportions (40.8% and 29.3% respectively) of the estimated 29.02 million Total Expo visitor nights.

VISITOR TRIP AND VISITOR NIGHT IMPACT OF EXPO 88 IN QUEENSLAND

IMPACT LEVEL	ORIGIN			TOTAL
	QUEENSLAND	INTERSTATE	OVERSEAS	
TOTAL				
Visitor Trips (000's)	397	1897	417	2711
<i>Average Nights per Trip</i>	9.8	10.1	14.1	10.7
Visitor Nights (000's)	3900	19220	5900	29020
NET				
Visitor Trips (000's)	306	1184	190	1680
<i>Average Nights per Trip</i>	6.0	6.5	11.8	7.0
Visitor Nights (000's)	1838	7752	2250	11840
NET ADDITIONAL				
Visitor Trips (000's)	306	894	170	1370
<i>Average Nights per Trip</i>	4.3	6.2	9.7	6.2
Visitor Nights (000's)	1325	5519	1656	8500

9. From the above table it can also be deduced that approximately 87% of Total and 85% of Net and Net Additional Expo visitor nights were generated by interstate and overseas visitors.
10. Not surprisingly, the regional distribution of Expo visitor nights was somewhat different to the regional distribution of total visitor nights in Queensland in previous years as shown in Table 5.5 of this report.

According to Domestic Tourism Monitor (DTM) results, in 1986/87 south east Queensland (Brisbane, Gold Coast, Sunshine Coast and Darling Downs) received 63.6% of all domestic visitor nights spent in Queensland. In comparison south east Queensland gained 90.5% of Total domestic Expo visitor nights, and 93% and 95% of Net and Net Additional domestic Expo visitor nights respectively. Expo visitors from overseas spent a somewhat larger proportion (27.8%) of their total 5.9 million nights in regions other than south east Queensland than did domestic Expo visitors but this proportion was still much lower than the 40% recorded by these regions according to the 1986 International Visitors Survey (IVS) results.

11. Brisbane was clearly the major beneficiary attracting almost 11.8 million (41% of the State Total) Expo visitor nights including 1.86 million by overseas visitors, 2.4 million by intrastate visitors and just over 7.5 million by interstate visitors (which is 25% more than the total interstate visitor nights recorded for this region in the 1986/87 year). An estimated 5.32 million (45%) of Total Expo visitor nights in Brisbane were Net Additional.
12. The regions of Gold Coast, Sunshine Coast and Darling Downs attracted Totals of 8.8 million, 3.86 million and 679,000 Expo visitor nights respectively, of which the large majority (95%, 80% and 94% respectively) were generated by interstate and overseas Expo

visitors. However much lower proportions of the Total Expo visitor nights in these regions were Net Additional-1.54 million (17.3% of the Total) for the Gold Coast; 723,000 (18.7% of the Total) for the Sunshine Coast and 173,000 (25.5% of the Total) for the Darling Downs.

13. In the "Rest of Queensland", 3.83 million Total Expo visitor nights were recorded, the vast majority (93.5%) of which were generated by interstate and overseas visitors. It is estimated just over 700,000 interstate and overseas Expo visitor nights in the "Rest of Queensland" were Net Additional. This represents approximately 6% of all interstate and overseas visitor nights in these regions in 1986/87.
14. At the time of preparing this report, it was only possible to compare Expo 88 impacts with overall performance in 1988, for tourism based in commercial accommodation (i.e. Hotels, Motels, Units/Flats and Caravan Parks). An estimated 16.76 million (57.8%) of the 29.02 million Total Expo visitor nights in Queensland were spent in commercial accommodation. This represents 45.7% of the 36.71 million nights spent by all visitors in commercial accommodation throughout Queensland during 1988, according to the QTTC's Major Survey Research Programme (MSRP).
15. The vast majority of Queensland regions recorded higher than average growth in visitor nights spent in commercial accommodation during 1988 as the following comparison of percentage increases 1987-1988 and average annual 1983-1987 reveals.

GROWTH IN VISITOR NIGHTS IN COMMERCIAL ACCOMMODATION

DESTINATION REGION	PERCENTAGE CHANGE 1987-1988	AVERAGE ANNUAL PERCENTAGE CHANGE 1983-1987
Brisbane	+92.6%	+9.5%
Gold Coast	+ 7.2%	+14.6%
Sunshine Coast	+23.5%	+12.8%
Darling Downs	+25.4%	- 0.9%
Maryborough/Bundaberg	+19.7%	+2.0%
Rockhampton/Gladstone	- 5.9%	+10.6%
Mackay/Whitsunday	+19.2%	+13.8%
Townsville/Bowen	+17.6%	+9.0%
Cairns/Tablelands	+ 3.3%	+19.6%
Other Queensland	+15.0%	+5.0%
TOTAL QUEENSLAND	+17.1%	+12.7%

16. A closer examination of results by market origin (as provided in tabular form in Appendix 2A) reveals that all regions recorded very substantial increases in nights spent by overseas visitors. However, many recorded declines in intrastate and interstate visitor nights. For the Gold Coast, while substantial increases were recorded in interstate and overseas visitation, the number of nights spent by Queenslanders during 1988 was half of the 1987 total, largely explaining the lower than average total growth rate recorded for the year. Rockhampton/Gladstone and Cairns/Tablelands were the only other regions for which the 1987 -1988 growth rate was lower than average and both recorded decreases in interstate and intrastate visitor nights.
17. As noted above, Expo visitors generated 45.7% of all nights spent in commercial accommodation in Queensland during 1988 with this proportion being somewhat higher (57.7%) in south east Queensland, lower (22.8%) in the "Rest of Queensland" and on a region by region basis ranging from a high of 72.9% for Brisbane to a low of 10.9% for

Western Queensland (termed "Other Queensland" in this report - see Table 5.7 for further details).

18. The estimated Net and Net Additional visitor night impact of Expo 88 in Queensland's commercial tourist accommodation sector amounted to 5.88 million visitor nights and 4.2 million visitor nights respectively. This represented 16% and 11.4% of the State's 1988 total commercial visitor nights respectively.
19. Another way of looking at the commercial visitor impact of Expo 88 is vis-a-vis the growth that took place between 1987 and 1988, i.e. the 5.54 million additional visitor nights recorded in Queensland's commercial tourist accommodation during 1988. The 4.2 million Net Additional Expo visitor nights represent just over three-quarters of this total increase. Therefore, all other things being equal, it could be said, if Expo had not been held in Queensland during 1988, the growth in total commercial visitor nights might have only been around 4% instead of the 17.8% recorded.
20. This growth pattern is not consistent across markets. In fact there was an 11% decline in total intrastate travel in Queensland during 1988. If this intrastate component is excluded from the figures (as can be determined from Table 5.9) it is revealed that Net Additional interstate and overseas Expo visitors generated some 3.86 million commercial visitor nights. This represents just over 55% of the 6.97 million increase in commercial visitor nights for all interstate and overseas visitors in Queensland in 1988 (as can be determined from Appendix 2A). Therefore, as shown in Table 5.10 (which is reproduced overpage), the increase in these markets may have been around 17% instead of 37.2%, if Expo had not been on.

Similar conclusions can be drawn at the regional level as shown in the following table. Without Expo, i.e. excluding the Net Additional interstate and overseas visitor nights, growth rates for each region would be substantially lower than those actually achieved.

**GROWTH IN INTERSTATE AND OVERSEAS VISITOR NIGHTS
IN COMMERCIAL ACCOMMODATION
1987-1988**

DESTINATION REGION	ACTUAL		EXCLUDING NET ADDITIONAL EXPO VISITOR NIGHTS	
			OOO's	%
Brisbane Gold Coast Sunshine Coast Darling Downs	+2012	+725.0	+370	+23.5
	+2437	+30.2	+1334	+16.5
	+1111	+45.7	+636	+26.2
	+143	+86.7	+77	+46.7
Sub-Total South East Queensland	+5703	+46.5	+2417	+19.7
Rest of Queensland	+1262	+19.5	+689	+10.6
TOTAL QUEENSLAND	+6965	+37.2	+3106	+16.6

The impact in these terms is clearly most significant for south east Queensland, however, even for the "Rest of Queensland" the growth in interstate and overseas tourism combined might have almost been halved if Expo had not in 1988.

21. The most immediate and tangible benefits of the visitation generated by Expo 88 are the economic benefits that flow from Expo visitor expenditures and these are detailed in Chapter Six. The Expo Visitor Surveys were designed to obtain estimates of visitor expenditures both on and off the Expo site.

- 22. On-site expenditure (excluding entry pass purchases) by all Expo visitors was estimated to total just under \$230 million. Estimated average expenditure per visit by overnight visitors (\$20.29) was almost twice that of daytrippers (\$10.58), but because the latter generated almost twice as many visits to the site, both groups generated very similar total amounts of expenditure of almost \$114 million and \$116 million respectively.
- 23. Total overnight Expo visitor expenditure in Queensland during 1988 (including the \$116 million spent on the Expo site) was estimated to be \$1,913 million of which spending by Net and Net Additional overnight Expo visitors amounted to \$830 million and \$630 million respectively.
- 24. \$ 1,423 million (almost three-quarters) of the \$ 1,913 million was generated by Expo visitors based in commercial accommodation and this represented almost half of total expenditure by all visitors based in commercial accommodation in Queensland during 1988.

The remaining \$490 million was the estimated total expenditure of Expo visitors using private accommodation (i.e. mainly the homes of friends and/or relatives).

- 25. Of the \$1,423 million spent by Expo visitors in commercial accommodation, the estimated Net and Net Additional components were \$555 million and \$395 million respectively.

South east Queensland (i.e. the regions of Brisbane, Gold Coast, Sunshine Coast and Darling Downs combined) attracted 83% of the total commercial accommodation based Expo visitor expenditure and an even higher proportion (88%) of their Net and Net Additional expenditures.

In Brisbane, estimated Net Additional commercial Expo visitor expenditure of \$176 million represented 42% of the 1988 total commercial visitor expenditure and a massive 88% of the growth in total commercial visitor expenditure in 1988 (i.e. an additional \$200 million).

Net Additional commercial Expo visitor expenditure accounted for 10-12% of the 1988 total commercial visitor expenditure recorded in the three other south east Queensland regions and an average of 5% in the "Rest of Queensland".

Townsville/Bowen was the only region other than Brisbane where estimated Net Additional Expo visitor expenditure represented more than half of the growth in total commercial visitor expenditure recorded in 1988, but it did represent between 40% and 50% of the growth recorded in the regions of Gold Coast, Sunshine Coast and Cairns/Tablelands. (See Table 6.2 for further details.)

- 26. A closer examination of the origin of visitor expenditure which is detailed in Appendices 2B and 3, provides further insight into Expo's impact in terms of visitor expenditure.

As shown in Appendix 2B, in south east Queensland there were very significant increases in total expenditure by interstate and overseas visitors based in commercial accommodation during 1988. However, the overall growth rate was moderated by a 20% drop in expenditure by intrastate visitors in south east Queensland. Estimated Net Additional interstate and overseas Expo visitor expenditure in south east Queensland of just over \$234 million and \$93 million respectively (see Appendix 3C) actually represented around half of the total increase recorded from these markets.

The growth recorded in all other regions was largely buoyed by the very significant increases in expenditure generated by overseas visitors. As shown in Appendix 2B, all regions recorded increases in excess of 50% in total overseas visitor expenditure during 1988.

Growth in expenditure by domestic visitors during 1988 was lower than the average growth rate recorded in recent years for most of these regions with the exception of Maryborough/Bundaberg and "Other Queensland". However, in no region was this moderating effect significant enough to bring the overall growth in visitor expenditure in 1988 below the

inflation rate. In fact all regions with the exception of Townsville/Bowen and Rockhampton/Gladstone recorded overall growth in excess of 20% during 1988.

The estimated \$48 million of Net Additional interstate and overseas Expo visitor expenditure in the "Rest of Queensland" accounted for almost one-third of the total increase in interstate and overseas visitor spending in these regions during 1988.

27. As stated in the introduction to this report, the main objective has been to assess the impact of Expo on tourism in Queensland during 1988. For the purposes of this exercise, "Tourism" is defined as encompassing the activities and expenditure of visitors on trips of one or more nights duration (i.e. excluding daytrips). Therefore, the scope of the calculation of the contribution of Expo visitor expenditure to the Queensland economy is confined to the estimated total expenditures by overnight Expo visitors itemised and summarised in the following Table.

**ITEMISED EXPENDITURE BY OVERNIGHT EXPO VISITORS IN QUEENSLAND
\$ Million**

LEVEL OF IMPACT	ITEMS OF EXPENDITURE					
	Accommodation	Food & Beverages	Transport	Shopping	Other	Total
TOTAL						
On-Site	-	71.1	-	42.2	2.3	115.6
Off-Site	364.8	492.8	313.5	401.4	224.9	1797.4
Total	364.8	563.9	313.5	443.6	227.2	1913.0
NET						
On-Site	-	44.4	-	26.1	1.4	71.9
Off-Site	145.8	213.6	122.0	163.8	112.9	758.1
Total	145.8	258.0	122.0	189.9	114.3	830.0
NET ADDITIONAL						
On-Site	-	33.1	-	19.2	1.0	53.3
Off-Site	118.2	175.4	88.3	108.2	86.6	576.7
Total	118.2	208.5	88.3	127.4	87.6	630.0

Input/Output analysis was employed to measure the economic impact of the Expo visitor expenditures. This impact is expressed in terms of the output, income and employment generated.

28. As detailed in Table 6.6 of this report, the \$1,913 million of direct expenditure (both on and off the Expo site) by all overnight Expo 88 visitors generated the following economic impacts in Queensland when both production and consumption induced flow-ons are considered:

\$4,493.7 Million of Output;

\$1,280.5 Million of Income; and

the equivalent of 58,929 jobs for a year.

29. The Net Impact, as defined for this analysis, relates to the estimated \$830 million of direct expenditure in Queensland during overnight trips, involving Expo visits, which would not have been made if the event had not been on. The economic benefit of this expenditure was estimated as follows:

\$1,954.1 Million of Output;

\$ 558 Million of Income; and

the equivalent of 25,778 jobs for a year.

30. But perhaps the most relevant of the three economic impact measures presented, is the one which we have termed "Net Additional". As shown in Table 6.6, overnight Expo visitors who made a special or additional trip to or within Queensland during 1988 for the purpose of visiting Expo generated an estimated total direct expenditure (which represents the initial output) of \$630 million. When fed through the Queensland economy this results in the estimated:

\$1,510.3 Million of Output;

\$ 421.6 Million of Income; and

the equivalent of 19,308 jobs for a year.