

The Contribution of the Antarctic and Southern Ocean Sector to the Tasmanian Economy 2019-20

(Summary of a report to the Department of State Growth by Wells Economic Analysis, April 2021)

The Department of State Growth commissioned a report by Wells Economic Consulting on the value of the Antarctic sector to Tasmania in 2019-20. This was a companion piece to similar reports by Wells Economic Consulting for 2015-16 and 2017-18 and a report by Blacklow Economic Consulting for 2011-12.

As a series, these reports provide a picture of the growth of the importance of the sector to Tasmania over the past decade.

Summary

In the two years since the last report (2017-18), there has been continued growth in the sector. Total spending in Tasmania by the public-sector institutions has risen and employment has continued to increase.

The findings for the 2019-20 report captures employment in the sector (FTE), instead of a figure for Gross Value Added (GVA), as provided in previous years. The consultant has indicated that employment in the sector (FTE) provides a more accurate picture of the importance of the sector to the Tasmanian economy. It was also noted as providing a more consistent measure, as the data is relatively reliable and does not rely on comparatively inconsistent data and interpretation as is the case with GVA.

Value of the Antarctic sector to Tasmania 2011/12 to 2019-20

Year	Expenditure by Antarctic organisations	Expenditure in Tasmania
2011-12	\$167.4 million	\$116.5 million
2015-16	\$180.6 million	\$113.8 million
2017-18	\$185.9 million	\$120.3 million
2019-20	\$229.4 million	\$158.7 million

Note: Values are in 2019-20 prices.

Value of the Antarctic sector to Tasmania 2011/12 to 2019-20

Year	FTE	% Tas employment	Antarctic sector wage % of Tas average wage	Conference delegate/ expeditioner expenditure	PhD students
2011-12	671	0.34%	131%	N/A	N/A
2015-16	755	0.38%	71%	N/A	N/A
2017-18	855	0.42%	181% *	\$6.5	63
2019-20	947	0.47%	171%	\$3.5	52

*Note that the percentage of 181 for 2017-18 differs from that reported in 2017-18 due to revisions to the ABS data.

In real terms, spending by the public sector institutions has increased to \$229 million or 2.7% of Government consumption spending in Tasmania.

Employment

Employment has increased in both the public sector Antarctic institutions and in the private sector. This uplift is partly driven by the increases in:

- public sector spending generally, and
- supplies to national Antarctic programs
- also the overlap in ship-management between the *Aurora Australis* and the *Nuyina*, noting employment in the sector tends to be labour (rather than capital) intensive.

The Antarctic sector as whole has become a relatively more important component of the Tasmanian labour force, rising from 0.42% to 0.47%.

The average wage in the public sector Antarctic organisations is consistently greater than the Tasmanian average. In 2017-18 the average wage in the Antarctic sector was \$136 198.50, considerably higher than the comparable figure for Tasmania a whole, which is \$79,488.88.

Conference delegates

Significant Antarctic sector conferences generated 4114 delegate/days, yielding an estimated \$3.5 million in spending by conference delegates. This category of spending is approximately half that recorded for 2017-18, reflecting the cancellation of some conferences because of COVID-19 restrictions.

Australian Antarctic Division and the Bureau of Meteorology expeditioners alone spend an aggregate of 7000 nights in Hobart in training and debriefing.

International PhD students

There were 52 PhD students at the University of Tasmania researching in Antarctic and Southern Ocean topics. Of these, 32 were international students, 5 were from other states and 15 were Tasmanian. This is a slight drop on the number in 2017-18.