



Tasmania's Antarctic Sector

Contribution to the Tasmanian economy 2015-16

What is Tasmania's Antarctic sector?

Tasmania's Antarctic sector is made up of Tasmanian based organisations conducting business or research in the Antarctic, sub Antarctic or Southern Ocean, as well as those businesses supplying goods and services to Tasmanian and international Antarctic organisations .

Employment in the sector

Tasmania's Antarctic sector is a major employer.

2015/16 755 FTE or 0.4% of total Tasmanian employment

2011/12 671 FTE or 0.35% of total Tasmanian employment

Employment in Antarctic activity in Tasmanian businesses has remained constant.

Employment in the Antarctic research institutions has increased, mainly because the growth of IMAS has compensated for retrenchments at the AAD and CSIRO.

Wages

Employees in the sector have relatively high incomes. Nevertheless, wage expenditure has fallen since 2011/12 in real terms.

Wage expenditure

2015/16	\$70.6million
2011/12	\$75.2 million (note in 15/16 prices)

And average wages have fallen since 2011/12 in real terms

Average wages

2015/16	\$113,048 (71% higher than Tasmanian average)
2011/12	\$140,640 (131% higher than Tasmanian average)

This probably reflects the loss of older, senior staff at AAD and CSIRO through redundancy programs, and hiring of less senior people (often on short-term contracts) at IMAS.

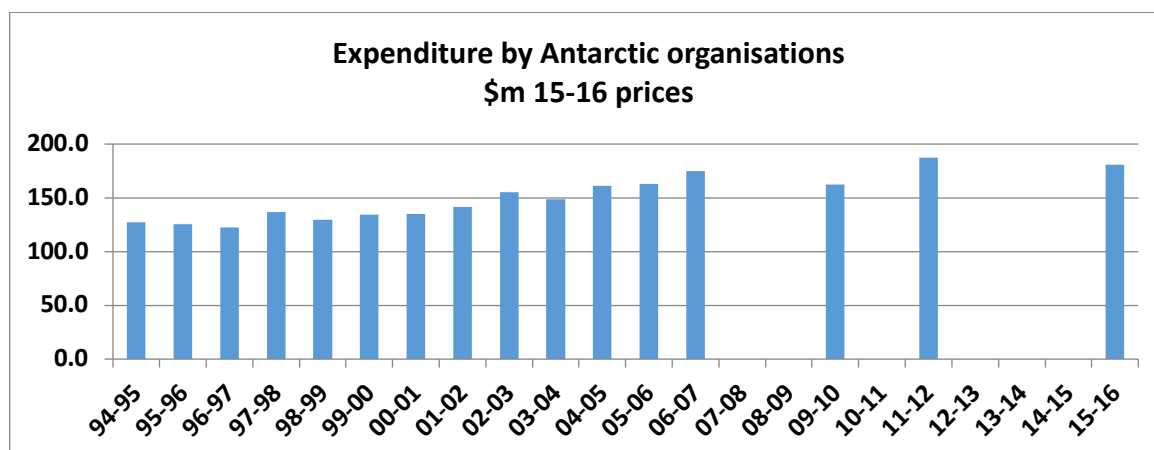
Contribution to Tasmanian GSP

In 2015/6 the public sector Antarctic organisations generated \$180.6 million, (0.69% of Tasmanian GSP).

In 2011/12 the Antarctic organisations generated \$167.4 million or 0.63% of Tasmanian GSP.

	Expenditure - Ant organisations (wages and goods and services)	% Tas GSP
2015/16	\$180.6 million	0.69
2011/12	\$167.4 million	0.63

However, adjusted to 2015/16 prices, spending by the public-sector Antarctic institutions fell.



A number of factors impact on the change in spending:

- Staff reductions in CSIRO and the Australian Antarctic Division,
- Completion of the Macquarie Island pest control program
- An expansion in IMAS following its establishment in 2010
- An increase in activity in the CSIRO with the arrival of the new vessel the *Investigator*.
- Depreciation of the Australian dollar. A large proportion of non-wage purchases is from international suppliers, or involves items such as fuel which are priced in US dollars. In 2011-12 the Australian dollar was around parity; in 2015-16 it had depreciated to around \$0.75 US.

Expenditure on goods and services

The Antarctic organisations spent \$109.5 million on goods and services, of which \$36.5 million was spent in Tasmania.

Expenditure on goods and services (15/16 prices)

2015/16	\$109.5 million
2011/12	\$112 million

Expenditure on transportation is the largest single component, but Wholesale Trade, Rental, Hiring and Real Estate Services and Professional, Scientific and Technical Services are also significant. Together these four sectors account for two thirds of goods and services purchased from Tasmanian businesses

Visiting delegates to major conferences also impact on the Tasmanian economy. In 2015/16, it is estimated that these delegates spent \$2.16m.

The Future

Although growth in the sector has paused since 2011/12 the sector is set to expand in the next 5 years with significant investment in:

Aviation

- the runway extension which will provide capacity for larger aircraft servicing Antarctica and expanded Antarctic aviation opportunities

Shipping

- three new larger vessels – two Australian and one French based in Hobart.
- Associated infrastructure upgrades, maintenance and logistics requirements

Construction

- upgrading Macquarie Island research station
- AAD's inland traverse capability
- potential modernisation of Australia's three Antarctic research stations

These will lead to significant opportunities for Tasmanian businesses in areas including engineering, construction, fabrication, waste management, provedoring, power generation, specialised equipment manufacture and maintenance.

If Tasmanian firms are able to win 25% of this expenditure, there would be an injection of \$10million pa into the Tasmanian economy, a 27% increase over 2015/6 .

Future growth can also be expected in:

- provedoring for international ASO operations which are currently focussed on French and Italian programs, but which in the future may also include Chinese, Korean and American programs
- provision of specialised equipment such as sleds, tractors and mobile accommodation to international ASO programs.