



Economic Contribution of Transport in Australia

Transport is used in the production of most goods and services. This is particularly so for Australia, where dispersed populations and long transport distances prevail for many of our major export products. The Australian Bureau of Statistics' *Australian Transport Economic Account* for the first time brings together, in one account, the total contribution that transport makes to the Australian economy.

What is the Australian Transport Economic Account?

The Australian National Accounts reports that the *transport, postal and warehousing* industry makes up about 4.8% of the economy.

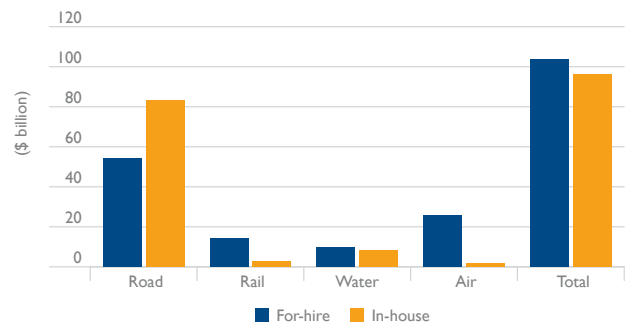
However, this includes only businesses whose main activity is provision of *for-hire* transport, postal or warehousing services—such as airlines, freight hauliers, taxi services, etc.

A large amount of transport activity is also undertaken by businesses outside the transport industry. For example, mining companies in the Pilbara, who operate their own railways as part of their export operations, retailers delivering merchandise using their own trucks, and trades and services sector industries that use their own vehicles in delivering services, either as *ancillary* to the business or as *secondary* output. These transport services are classed as *in-house transport activity*, and are measured outside the transport industry within the National Accounts (see below).

Produced by the ABS, in partnership with the Department of Infrastructure, Regional Development and Cities, the Transport Economic Account, for the first time, brings together, in one account, the contribution of transport across all sectors of the economy, both for-hire and in-house.

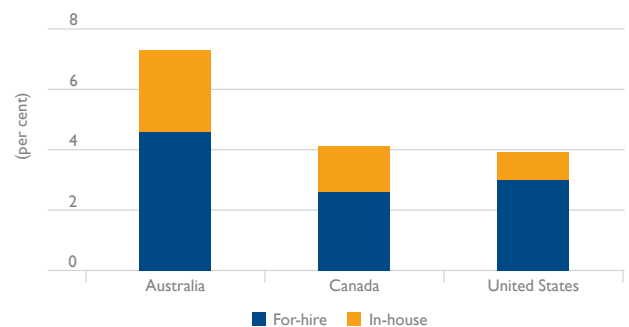
The Transport Economic Account reports that transport activity's total contribution to the economy was \$122.3 billion in 2015–16, or 7.4% of Gross Domestic Product. When measured this way, transport was the fourth largest sector behind only Rental, hiring and real estate services, Financial and insurance services and the Construction sectors, and larger than either the Manufacturing or Mining sectors.

Transport output by mode, for-hire and in-house

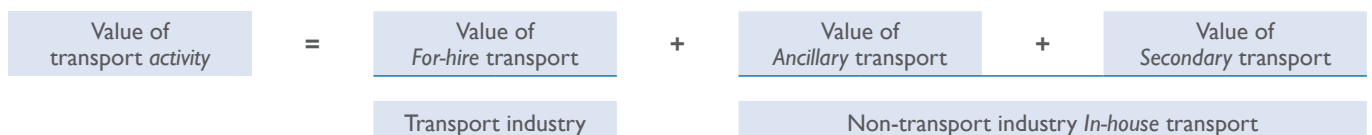


- In-house activity accounted for almost half (48%) of total transport output in 2015-16.
- Road transport accounted for 87% (\$83 billion) of all in-house transport activity.
- In-house road transport activity accounted for 61% of all road transport output in 2015-16.

Transport activity share of GDP by country

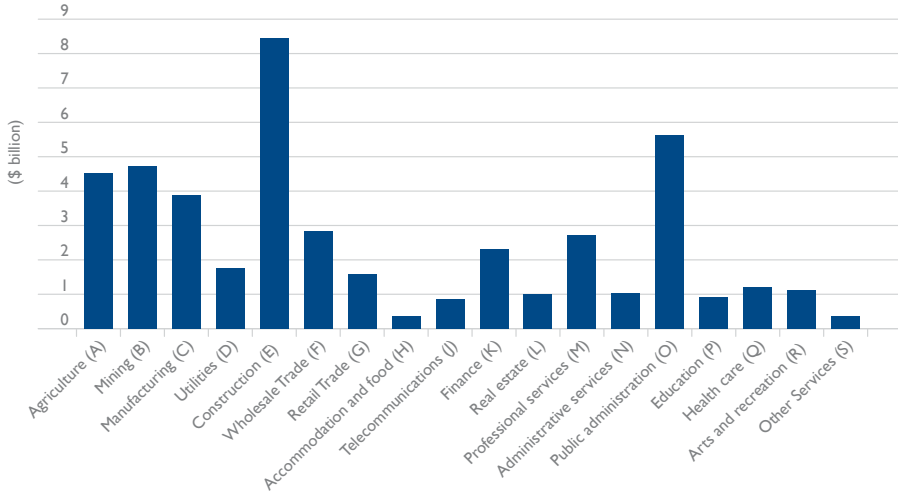


- The United States and Canada have also produced transport economic accounts.
- Despite some differences in measurement methods, Australia's transport activity share of GDP is almost twice as large as that of the U.S. and Canada.



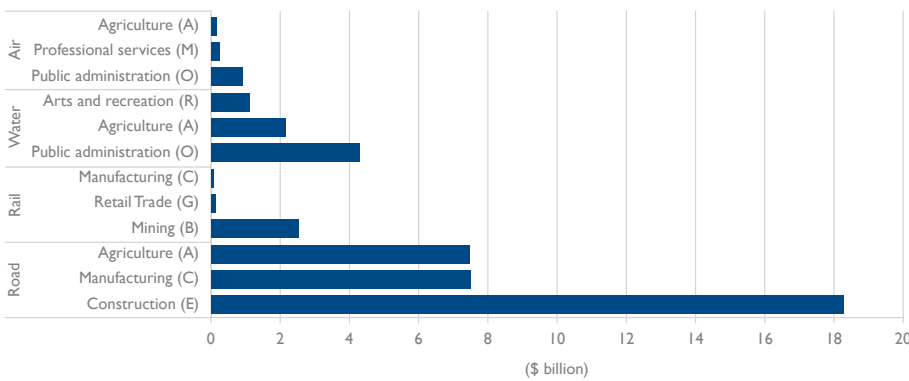
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In-house transport Gross Value Added by industry



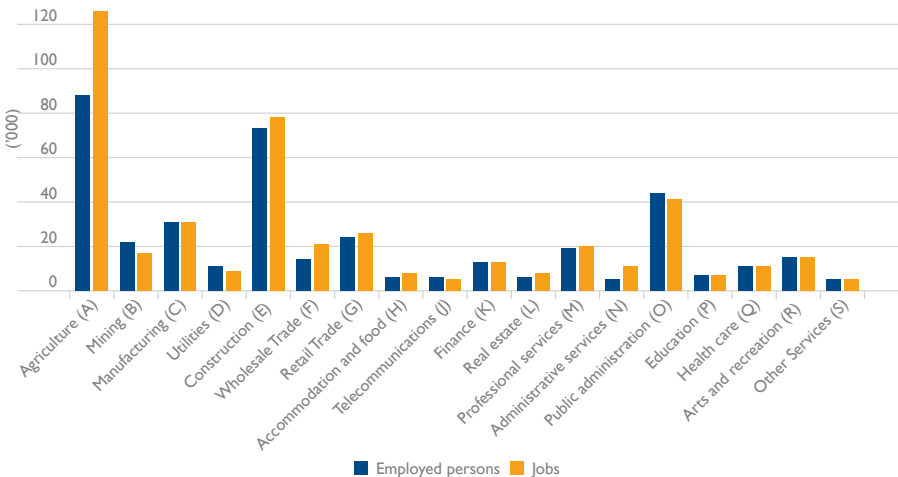
- The Construction sector transport made the largest economic contribution of all in-house transport, \$8.4b (18.6%) in 2015–16.
- The next largest sectors were Public administration, which includes Defence (\$5.6b, 12.5%), Mining (\$4.7b, 10.5%) and Agriculture (\$4.5b, 10.0%).

In-house transport use, top three industries, by mode



- Construction had the largest use of in-house road transport in 2015–16 (\$18.3 billion, 23% of total in-house transport use).
- Manufacturing and Agriculture are the next largest industry uses of in-house road transport.
- Mining accounted for over 92% of in-house rail transport use.
- Public Administration (which includes Defence) had the largest use in-house air and water transport.

In-house transport-related jobs and employment, 2015–16



- The Transport Economic Account also includes estimates of transport-related employment and jobs.
- In 2015–16, there were an estimated 1.0 million transport-related persons employed and over 1.1 million transport related jobs—there are more jobs than persons employed.
- The agricultural sector accounted for the largest number of in-house transport employed persons and jobs, followed by construction.