TOURISM RESEARCH AUSTRALIA DATA

HUNTER REGION AND HUNTER VALLEY WINE COUNTRY

This document has been prepared by Cessnock City Council to provide critical data on the positioning of the visitor economy in the Hunter Region in order to inform decision making for the destination of Hunter Valley Wine Country.

Interpreting the Tourism Regions:

Tourism Regions

Tourism Regions are provided by Tourism Research Australia (TRA) and are updated annually by TRA in consultation with State and Territory tourism organisations. Tourism Research Australia's Regional tourism profiles provide comprehensive tourism demand and supply data for 77 of Australia's tourism regions and all states and territories. Tourism Regions are comprised by whole SA2s. New South Wales is comprised of the following Tourism Regions:

- Sydney
- Capital Country
- Central NSW
- New England North West
- Northern Rivers Tropical NSW
- Riverina
- South Coast
- Blue Mountains
- Central Coast
- Hunter
- North Coast NSW
- Outback NSW
- Snowy Mountains
- The Murray

Figure 1: NSW Tourism Regions

Statistical Area Level 2s

Statistical Areas Level 2 (SA2s) are medium-sized general purpose areas that represent a community that interacts together socially and economically. There are 2,214 SA2s covering the whole of Australia without gaps or overlaps. The SA2 is the smallest area for the release of ABS non - Census and Intercensal statistics, including the Estimated Resident Population and Health & Vitals data. SA2s are also used to approximate Tourism Regions on which tourism data are produced.

Below are the allocated SA2's that make up the 'Hunter Region' as at 3 September 2014:

(*N.B. Those in Red are relative to the Cessnock and Singleton LGA's*).

Branxton - Greta - Pokolbin	Anna Bay	Belmont South - Blacksmiths
Cessnock	Lemon Tree Passage - Tanilba Bay	Charlestown - Dudley
Cessnock Region	Nelson Bay Peninsula	Glendale - Cardiff - Hillsborough
Dungog	Raymond Terrace	Mount Hutton - Windale
Kurri Kurri - Abermain	Seaham - Woodville	Redhead
Singleton	Williamtown - Medowie - Karuah	Swansea - Caves Beach
Singleton Region	Muswellbrook	Valentine - Eleebana
Maitland	Muswellbrook Region	Warners Bay - Boolaroo
Maitland - East	Scone	Bolton Point - Teralba
Maitland - North	Scone Region	Bonnells Bay - Silverwater
Maitland - West	Gloucester	Edgeworth - Cameron Park
Thornton - Millers Forest	Belmont - Bennetts Green	Morisset - Cooranbong
Toronto - Awaba	Lambton - New Lambton	Shortland - Jesmond
Wangi Wangi - Rathmines	Maryland - Fletcher - Minmi	Stockton - Fullerton Cove
West Wallsend - Barnsley - Killingworth	Mayfield - Warabrook	Wallsend - Elermore Vale
Adamstown - Kotara	Merewether - The Junction	Waratah - North Lambton
Beresfield - Hexham	Newcastle - Cooks Hill	Wickham - Carrington - Tighes Hill
Hamilton - Broadmeadow	Newcastle Port - Kooragang	

Statistical Area Level 3s

The aim of Statistical Area Level 3 (SA3) regions is to create a standard framework for the analysis of ABS data at the regional level through clustering groups of SA2s that have similar regional characteristics. The regional breakups have been designed to reflect regional identity. These are areas with both geographic and socio-economic similarities. In many cases, these areas are defined by existing administrative boundaries such as State Regional Development Areas or one or more LGAs. SA3s are built from whole SA2s.

The SA3 for the 'Lower Hunter' is comprised of the following SA2s:

Branxton - Greta - Pokolbin	*Cessnock LGA*
Cessnock	*Cessnock LGA*
Cessnock Region	*Cessnock LGA*
Kurri Kurri - Abermain	*Cessnock LGA*
Dungog	*Dungog LGA*
Singleton	*Singleton LGA*
Singleton Region	*Singleton LGA*

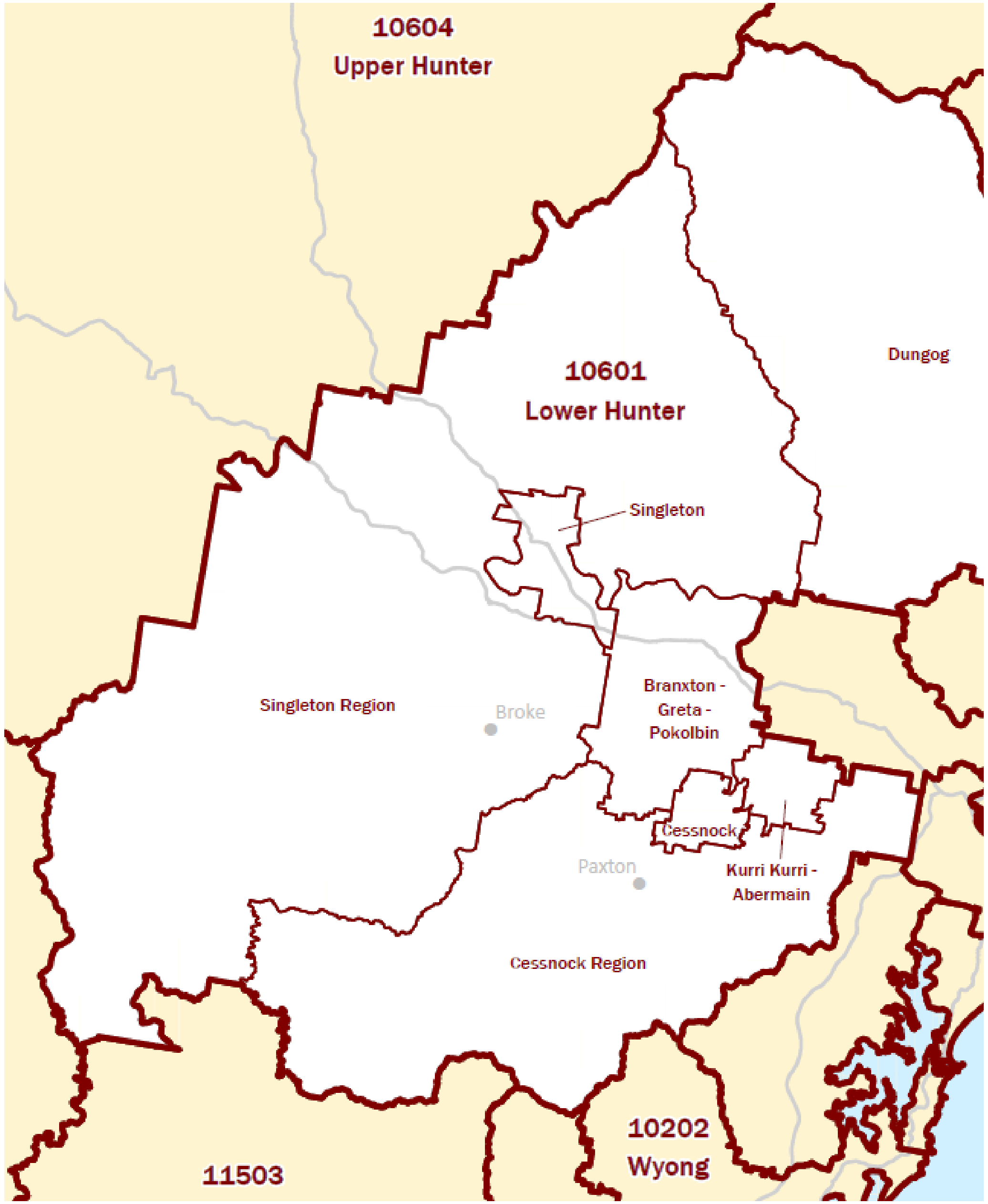


Figure 2: Map of SA3: Lower Hunter Detailing SA2 boundaries

Hunter Valley Wine Country

Hunter Valley Wine Country was defined by the Hunter Valley Wine Country Destination Management Plan as the geographical area within Cessnock and Singleton LGAs. As the geographical composition of SA3 'Lower Hunter' comprises Cessnock, Singleton and Dungog LGAs, it has been adjusted to represent 'Hunter Valley Wine Country' for the purposes of this discussion paper.

The Hunter Valley Wine Country data sets have been derived utilising SA3 Lower Hunter, subtracting Dungog SA2. Thus the figures presented for Hunter Valley Wine Country accurately reflect Cessnock and Singleton LGAs.

Notes Regarding Visitor Expenditure: Unfortunately Tourism Research Australia only model expenditure at the total tourism region level (Hunter Region). Therefore figures provided for Hunter Valley Wine Country are an estimate of expenditure provided by averaging the average visitor spend in Cessnock and Singleton LGAs, multiplying the average spend per visitor/night to the visitors/nights in Hunter Valley Wine Country (based on DNSW LGA Profiles and TRA data).

DESTINATION PERFORMANCE

VISITOR ECONOMY AT A GLANCE[1]

*Hunter Valley Wine Country (HVWC) denotes combination or average of both Singleton and Cessnock LGAs.

Tourism is an amalgam of activities across various industry sectors such as retail, accommodation, cafes & restaurants, cultural & recreational services. REMPLAN uses a range of current official ABS and Tourism Satellite data to model the impact of tourism on an LGA basis. There is a paucity of information on the value of the visitor economy. Within the accepted traditional ANZSIC codes is not possible to clearly assess tourism holistically amongst traditional operators, wine industry, wedding sector and agricultural outputs.

The REMPLAN model apportions available Tourism Research Australia data across the range of industries within each economy, in order to assess the value of tourism in a way that can be benchmarked across accepted economic variables and published Australia Bureau of Statistics data.

VARIABLE		CESSNOCK LGA	SINGLETON LGA	HVWC*	HUNTER REGION	NSW	AUST
TOURISM EMPLOYMENT Employment - represents the number of people employed by businesses / organisations in each industry sector in the defined regions.The employment data is place of work data, represents total numbers of employees without any conversions to full-time equivalence.	**Jobs supported by Tourism**	1,905	546	**2,451**	9,919	162,669	528,287
	% of total jobs	13.56%	3.79%	**8.62%**	4.13%	5.43%	5.38%
	Top 3 employment sectors by number of jobs	1. Tourism[2] 2. Retail Trade 3. Manufacturing	1. Mining 2. Manufacturing 3. Retail Trade	**1. Mining 2. Manufacturing 3. Retail Trade**	1. Health Care & Social Assistance 2. Retail Trade 3. Manufacturing	1. Health Care & Social Assistance 2. Retail Trade 3. Manufacturing	1. Health Care & Social Assistance 2. Retail Trade 3. Manufacturing
OUTPUT Represents the gross revenue generated by businesses/organisations in each of the industry sectors in a defined region. Gross revenue is also referred to as total sales or total income.	**Output ($)**	$392.189 million	$102.406 million	**$494.595 million**	$1,777.190 million	$32,301.030 million	$101,452.351 million
	Output (% of total)	7.45%	1.17%	**3.53%**	2.01%	3.22%	3.08%
WAGES & SALARIES Refers to the value of entitlements earned by employees from their employers for services rendered, includes wages and salaries received by employees in cash and in kind (e.g. provision of food, accommodation or motor vehicles), and employers' social contributions such as superannuation contributions and workers' compensation premiums.	**Wages & Salaries ($)**	$84.114 million	$24.535 million	**$108.649 million**	$452.928 million	$8,542.762 million	$26,739.940 million
	Wages & Salaries (% of total)	7.45%	1.56%	**4.15%**	2.30%	3.56%	3.49%

[1] REMPLAN Economic Profile tool: http://www.economicprofile.com.au/cessnock/tourism and http://www.economicprofile.com.au/singleton/tourism/ (**Source:** 2013-14, Australian Bureau of Statistics (ABS), Tourism Satellite Account, Australian Bureau of Statistics Cat. 5209.0.55.001, Tourism in Local Government Areas 2013, International Visitors in Australia: March Quarter 2013, Quarterly Results of the National Visitor Survey: Mach Quarter 2013)

[2] *When not taking a tourism model scenario into account the Tourism sector is replaced with Accommodation and Food Services with 2030 jobs or 14.45% of the workforce.

VARIABLE		CESSNOCK LGA	SINGLETON LGA	HVWC*	HUNTER REGION	NSW	AUST
VALUE ADDED Represents the marginal economic value that is added by each industry sector in a defined region. Value-Added can be calculated by subtracting local expenditure and expenditure on regional imports from the output generated by an industry sector, or alternatively, by adding the Wages & Salaries paid to local employees, the gross operating surplus and taxes on products and production. Value-Added by industry sector is the major element in the calculation of Gross Regional Product.	**Tourism Value Add ($)**	$174.739 million	$47.907 million	**$222.646 million**	$848.767 million	$15,258.726 million	$47,985.308 million
	Tourism Value Add (% of total)	8.37%	1.32%	**3.89%**	2.19%	3.31%	3.23%
VISITOR EXPENDITURE PER DOLLAR This report details how, on average, a dollar spent by a visitor to each destination benefits local industry sectors within that economy. These estimates are based on the unique structure of each economy, in particular, the number and type of tourism related jobs observed in the region.	**Top 5 sectors receiving Tourism Expenditure Cents per dollar, % of total dollar spend**	1. Accommodation & Food Services 0.63 cents, 62.66% 2. Manufacturing 0.12 cents, 11.98% 3. Ownership of Dwellings 0.09 cents, 9.39% 4. Transport, Postal & Warehousing 0.05 cents, 4.89% 5. Retail Trade 0.05 cents, 4.89%	**1. Accommodation & Food Services** **0.55 cents, 54.88%** **2. Manufacturing** **0.09 cents, 8.99%** **3. Retail Trade** **0.09 cents, 8.78%** **4. Ownership of Dwellings** **0.08 cents, 8.22%** **5. Transport, Postal & Warehousing** **0.07 cents, 6.97%**	**1. Accommodation & Food Services** **0.59 cents, 58.77%** **2. Manufacturing** **0.10 cents, 10.49%** **3. Ownership of Dwellings** **0.09 cents, 8.81%** **4. Retail Trade** **0.07 cents, 6.84%** **5. Transport, Postal & Warehousing** **0.06 cents, 5.93%**	1. Accommodation & Food Services 0.48 cents, 47.76% 2. Transport, Postal & Warehousing 0.12 cents, 11.95% 3. Retail Trade 0.11 cents, 11.46% 4. Manufacturing 0.08 cents, 8.03% 5. Ownership of Dwellings 0.07 cents, 7.15%	1. Accommodation & Food Services 0.34 cents, 33.68% 2. Transport, Postal & Warehousing 0.24 cents, 24.01% 3. Retail Trade 0.10 cents, 9.68% 4. Manufacturing 0.06 cents, 6.16% 5. Administrative & Support Services 0.05 cents, 5.45%	1. Accommodation & Food Services 0.35 cents, 35.27% 2. Transport, Postal & Warehousing 0.21 cents, 21.16% 3. Retail Trade 0.10 cents, 10.15% 4. Manufacturing 0.07 cents, 7.31% 5. Ownership of Dwellings 0.05 cents, 5.28%
VISITOR EXPENDITURE The domestic day, domestic overnight and international visitor expenditure data presented is sourced from Tourism Research Australia (TRA). TRA compile their local government area and regional tourism profiles by applying base data from their International Visitor Survey (IVS) and National Visitor Survey (NVS). The profile data derived from the IVS and NVS is based on a sample, rather than a census of tourism visitors in Australia and so is subject to sample error. The TRA local government area profiles present survey data which has been averaged over four years to December 2013 with a view to minimising the impact of variability in estimates from year to year.	**Average Stay (nights)**						
	Domestic Day	-	-	-	-	-	-
	Domestic Overnight	2.3	2.4	2.35	3.0	3.2	3.82
	International	8.5	20.2	14.35	18.0	21.2	36.59
	Average Spend per Trip						
	Domestic Day	$109.00	$71.00	$90.00	$112.00	$111.00	$106.16
	Domestic Overnight	$561.00	$336.00	$448.50	$443.00	$562.00	$674.26
	International	$675.00	$1059.00	$867.00	$1160.00	$1958.00	$3,331.00
	Average Spend per Night						
	Domestic Day	-	-	-	-	-	-
	Domestic Overnight	$241.00	$138.00	$189.50	$167.00	$176.00	$176.49
	International	$79.00	$52.00	$65.50	$63.00	$92.00	$91.00

HUNTER REGION VISITATION

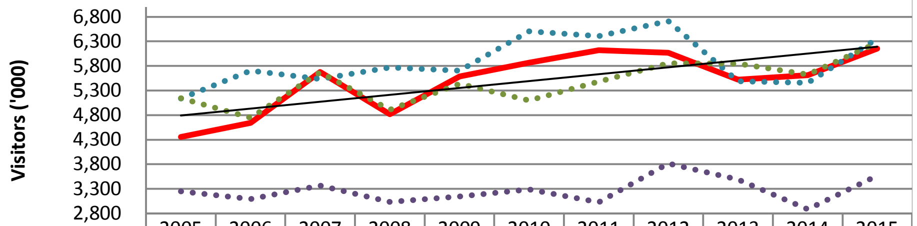
Visitor Numbers to the Hunter Region

Top 5 visited Domestic Daytrip destinations in NSW in 2015

1. Sydney
2. North Coast
3. South Coast
4. **Hunter Region**
5. Central Coast

The top four performing destinations after Sydney are presented below:

DOMESTIC DAYTRIPS



	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Hunter	4,357	4,640	5,679	4,820	5,586	5,870	6,123	6,066	5,520	5,613	6,153
North Coast	5,137	5,702	5,534	5,768	5,701	6,506	6,410	6,716	5,491	5,454	6,356
South Coast	5,141	4,745	5,671	4,911	5,437	5,099	5,480	5,852	5,848	5,628	6,270
Central Coast	3,249	3,094	3,367	3,037	3,148	3,289	3,029	3,814	3,491	2,888	3,569

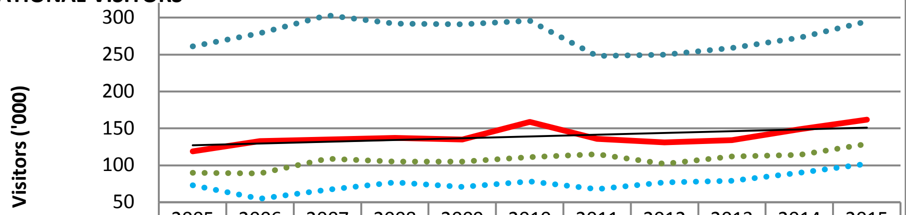
The trend line and 2 year forecasts based on the time series data for domestic daytrippers across the Hunter Region shows steady growth at a higher rate than the other top 3 performing NSW regions after Sydney.

Top 5 visited destinations by International Visitors in NSW in 2015

1. Sydney
2. North Coast
3. **Hunter Region**
4. South Coast
5. Blue Mountains

The top four performing destinations after Sydney are presented below:

INTERNATIONAL VISITORS



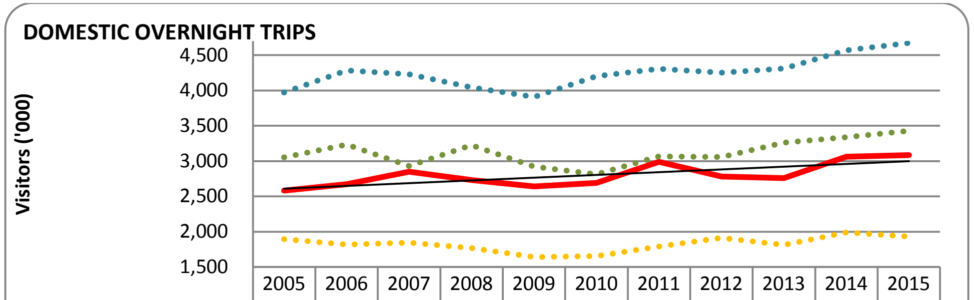
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Hunter	119	133	135	137	135	159	136	131	134	149	162
North Coast	261	279	303	292	291	296	248	250	259	273	295
South Coast	90	89	109	105	105	111	115	102	112	114	129
Blue Mountains	73	55	67	77	71	78	68	77	79	90	102

The trend line and 2 year forecasts based on the time series data for domestic daytrippers across the Hunter Region shows stagnating growth at a similar rate as South Coast and Blue Mountains, performing better than North Coast which may be seeing a downward trend for international visitor numbers.

Top 5 visited destinations by Domestic Overnight Visitors in NSW in 2015

1. Sydney
2. North Coast
3. South Coast
4. **Hunter Region**
5. Central NSW

The top four performing destinations after Sydney are presented below:



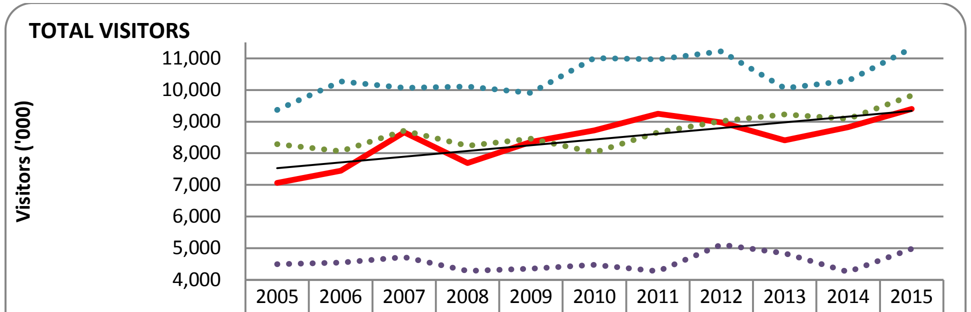
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Hunter	2,584	2,673	2,848	2,731	2,640	2,691	2,991	2,782	2,758	3,065	3,084
Central NSW	1,896	1,820	1,843	1,769	1,641	1,653	1,790	1,912	1,812	1,992	1,933
North Coast	3,974	4,286	4,231	4,047	3,911	4,205	4,307	4,253	4,310	4,568	4,675
South Coast	3,054	3,235	2,930	3,225	2,921	2,812	3,066	3,059	3,264	3,340	3,429

Domestic overnight visitation in the Hunter Region is only showing slow growth, and this rate is surpassed by North Coast and South Coast in the leading positions.

Top 5 most visited destinations NSW in 2015 (total visitors)

1. Sydney
2. North Coast
3. South Coast
4. **Hunter Region**
5. Central Coast

The top four performing destinations after Sydney are presented below:



	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Hunter	7,060	7,446	8,662	7,688	8,361	8,720	9,250	8,978	8,412	8,828	9,399
Central Coast	4,491	4,551	4,722	4,280	4,350	4,471	4,272	5,112	4,842	4,253	4,984
North Coast	9,372	10,267	10,068	10,108	9,902	11,007	10,965	11,219	10,060	10,295	11,326
South Coast	8,285	8,069	8,710	8,242	8,463	8,022	8,661	9,012	9,224	9,083	9,828

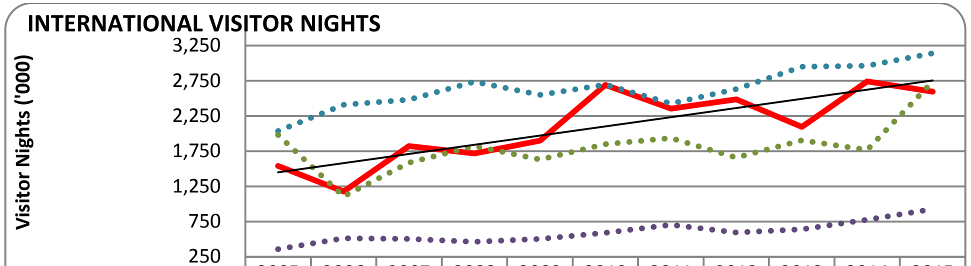
Overall the Hunter Region is achieving a higher rate of growth than the remaining top 3 performing NSW regions after Sydney, but still ranks 4th in the most visited destinations in NSW. There is strong potential for the region to overtake the South Coast in rank should increase visitation be able to be achieved under current or amplified rates of growth.

Visitor Nights to the Hunter Region

Top 5 destinations in NSW for International Visitor Nights in 2015

1. Sydney
2. North Coast
3. South Coast
4. **Hunter Region**
5. Central Coast

The top four performing destinations after Sydney are presented below:



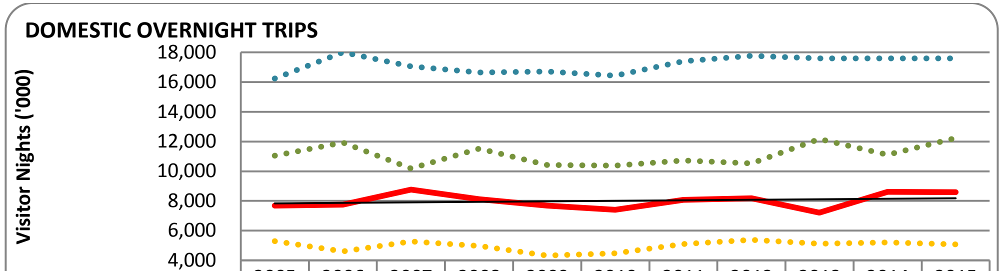
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Hunter	1,541	1,175	1,823	1,719	1,898	2,692	2,354	2,484	2,093	2,739	2,596
Central Coast	359	511	503	461	505	592	705	594	640	775	925
North Coast	2,034	2,407	2,480	2,735	2,549	2,694	2,429	2,632	2,949	2,965	3,140
South Coast	1,983	1,110	1,585	1,823	1,633	1,850	1,937	1,660	1,906	1,769	2,742

Whilst trending towards growth in the number of international visitor nights spent in the Hunter Region, maintaining growth relies on continued coordinated efforts in maintaining export standards and remaining relevant within emerging markets such as China.

Top 5 destinations in NSW for Domestic Overnight Trips in 2015

1. Sydney
2. North Coast
3. South Coast
4. **Hunter Region**
5. Central NSW

The top four performing destinations after Sydney are presented below:



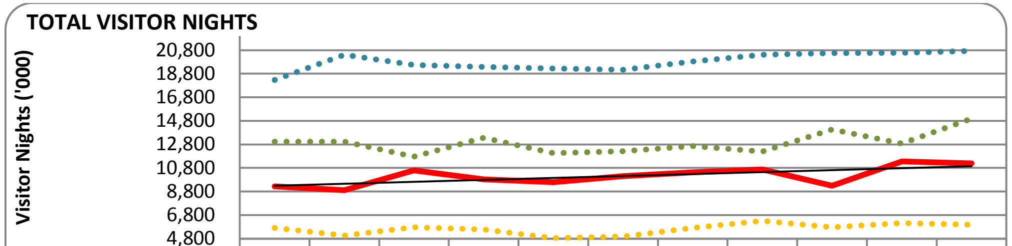
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Hunter	7,684	7,743	8,771	8,114	7,685	7,407	8,076	8,176	7,210	8,608	8,598
North Coast	16,248	18,008	17,063	16,656	16,705	16,437	17,410	17,769	17,604	17,599	17,603
South Coast	11,052	11,931	10,177	11,523	10,421	10,382	10,727	10,531	12,157	11,103	12,237
Central NSW	5,291	4,602	5,280	4,970	4,317	4,488	5,106	5,373	5,122	5,214	5,072

The Hunter Region's domestic overnight trips trend line for the time series is static. Whilst the stagnation appears across the other top regions, there is steadier growth being realised in both North Coast and South Coast.

Top 5 destinations in NSW for Total Visitor Nights in 2015

1. Sydney
2. North Coast
3. South Coast
4. **Hunter Region**
5. Central NSW

The top four performing destinations after Sydney are presented below:



	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Hunter	9,225	8,918	10,594	9,833	9,583	10,099	10,430	10,660	9,303	11,346	11,195
North Coast	18,282	20,415	19,544	19,391	19,253	19,132	19,839	20,401	20,552	20,565	20,743
South Coast	13,034	13,041	11,762	13,346	12,054	12,232	12,664	12,191	14,063	12,872	14,978
Central NSW	5,721	5,045	5,757	5,565	4,852	4,979	5,718	6,312	5,750	6,103	5,970

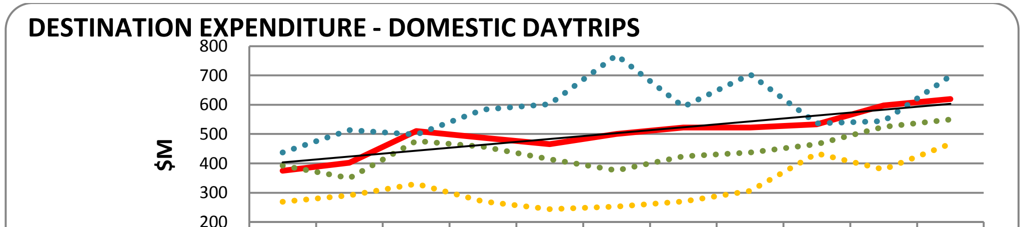
Overall, the Hunter Region is seeing growth in total visitor nights, yet if the State Goal to double overnight visitor expenditure is to be achieved, each region will need to strategically promote overnight stays and enhance the short breaks markets.

Destination Expenditure in the Hunter Region

Top 5 destinations in NSW for Domestic Daytrip Expenditure in 2015

1. Sydney
2. North Coast
3. **Hunter Region**
4. South Coast
5. Central NSW

The top four performing destinations after Sydney are presented below:



	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Hunter	375	402	510	487	466	501	522	522	533	598	619
Central NSW	269	291	330	270	244	253	270	306	434	379	467
North Coast	437	514	498	583	602	769	593	703	537	544	698
South Coast	392	350	476	457	414	376	424	437	466	524	550

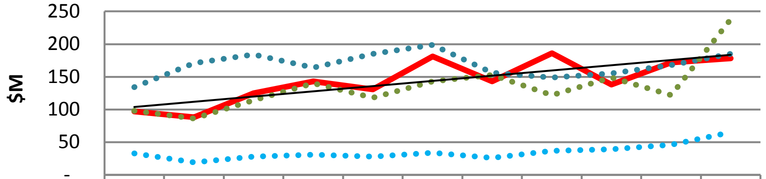
The Hunter Region's trend line for day tripper visitor expenditure is indicating positive growth. The destination rank for this statistic has shown a lot of movement over the previous decade showing market share is volatile. Positioning has improved from 5th in 2005 to 2nd in 2014, trending towards continued growth.

Top 5 destinations in NSW for International Visitor Expenditure in 2015

1. Sydney
2. South Coast
3. North Coast
4. **Hunter Region**
5. Blue Mountains

The top four performing destinations after Sydney are presented below:

DESTINATION EXPENDITURE - INTERNATIONAL VISITORS



	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Hunter	97	88	125	143	131	181	143	186	138	172	178
North Coast	134	171	184	164	185	199	156	149	155	168	185
South Coast	98	86	114	140	118	143	153	122	149	122	238
Blue Mountains	33	19	28	31	28	34	26	37	39	46	65

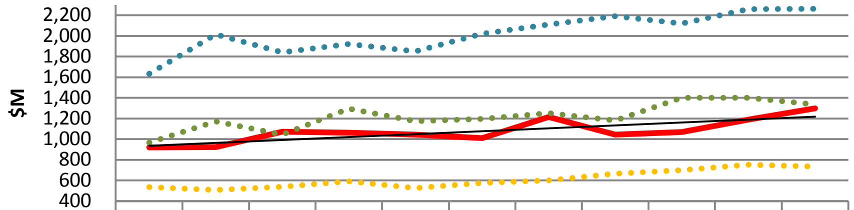
Rapid growth in international visitor spend between 2014 and 2015 experienced in the South Coast has significantly changed market rankings, having overtaken both Hunter and North Coast for the 2nd place. Whilst growth is being achieved within the Hunter Region and North Coast, it will be interesting to determine whether the South Coast can continue on an upward trajectory as well as determine any replicable underlying causes for such extravagant growth.

Top 5 destinations in NSW for Domestic Overnight Trip Expenditure in 2015

1. Sydney
2. North Coast
3. South Coast
4. **Hunter Region**
5. Central NSW

The top four performing destinations after Sydney are presented below:

DESTINATION EXPENDITURE - DOMESTIC OVERNIGHT TRIPS



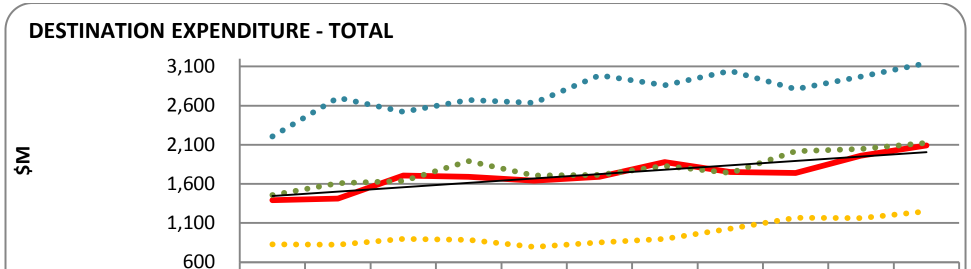
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Hunter	921	923	1,071	1,062	1,045	1,009	1,214	1,044	1,069	1,191	1,297
North Coast	1,634	2,014	1,841	1,923	1,849	2,022	2,111	2,192	2,120	2,261	2,262
South Coast	966	1,172	1,045	1,295	1,175	1,195	1,253	1,181	1,402	1,400	1,335
Central NSW	536	507	539	592	526	576	600	666	701	753	735

Whilst achieving growth in domestic overnight trip expenditure, the North Coast is showing a greater market hold on growth and market share than the Hunter and South Coast. It is important to develop strategies to enhance overnight visitor expenditure in order to realise the state goal.

Top 5 destinations in NSW for total Destination Expenditure in 2015

1. Sydney
2. North Coast
3. South Coast
4. **Hunter Region**
5. Central NSW

The top four performing destinations after Sydney are presented below:



	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Hunter	1,393	1,412	1,705	1,691	1,642	1,692	1,879	1,753	1,739	1,961	2,093
North Coast	2,206	2,699	2,523	2,671	2,636	2,989	2,860	3,043	2,812	2,972	3,144
South Coast	1,456	1,608	1,636	1,892	1,708	1,714	1,830	1,740	2,017	2,046	2,123
Central NSW	826	824	896	884	795	851	898	1,028	1,168	1,164	1,247

All of the top 5 ranking regions in NSW for destination expenditure are realising growth with this set to continue. Harnessing and further increasing the rate of growth within the Hunter Region is required to compete and reach the expenditure levels recorded with the North Coast and secure a firm position in front of the South Coast.

HUNTER VALLEY WINE COUNTRY VISITATION

Hunter Valley Wine Country is defined by this Destination Management Plan as the combination of Cessnock and Singleton Local Government Areas.

There is a paucity of tourism data available. Mostly such data is unavailable for defined local government area boundaries, instead provided by regions defined by Australian Statistical Geography Standards. The smallest statistical areas – Statistical Level 2s (SA2) are regional breakups that have been designed to reflect regional identity and are utilised by Tourism Research Australia to provide tourism profiles.

SA2s utilised to represent both Cessnock and Singleton LGAs and comprising Hunter Valley Wine Country include

CESSNOCK LGA:

SA2	*LGA*
Branxton - Greta - Pokolbin	Cessnock/ Singleton
Cessnock	Cessnock
Cessnock Region	Cessnock
Kurri Kurri - Abermain	Cessnock

SINGLETON LGA:

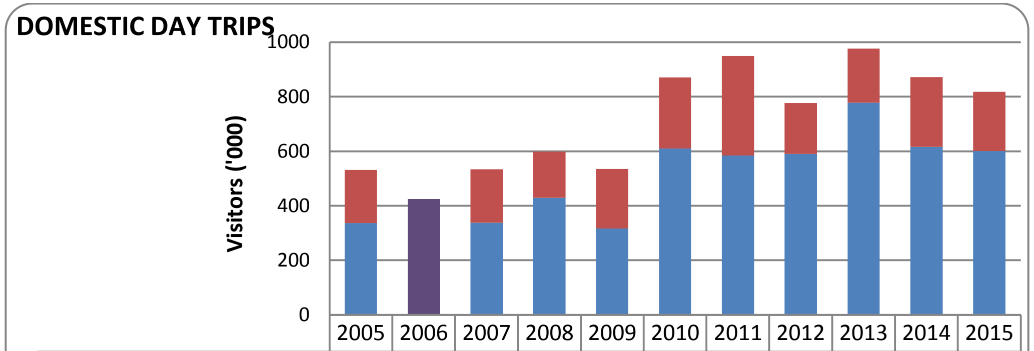
SA2	*LGA*
Branxton - Greta - Pokolbin	Cessnock/ Singleton
Singleton	Singleton
Singleton Region	Singleton

Domestic Visitation

Domestic Daytrips[3]

In 2015 Hunter Valley Wine Country welcomed 818,000 domestic daytrips, a reduction on the previous two years from 977,000 in 2013 and 872,000 in 2014. In 2015, Hunter Valley Wine Country contributed 13.29% of the Hunter Region's total 6,153,000, and 1.48% of NSW.

The following graph provides the totals for domestic daytrips over a time series between 2005-2015 for Hunter Valley Wine Country and the subsequent LGAs[4]:



	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Total - Hunter Valley Wine Country	532	424	534	599	535	871	949	777	977	872	818
Singleton LGA	195	0	196	170	218	261	365	187	199	256	217
Cessnock LGA	337	0	338	429	317	610	584	590	778	616	601

Trend analysis shows Hunter Valley Wine Country's domestic daytrip market is much more volatile than NSW and the rest of the Hunter Region. Despite fluctuations over the

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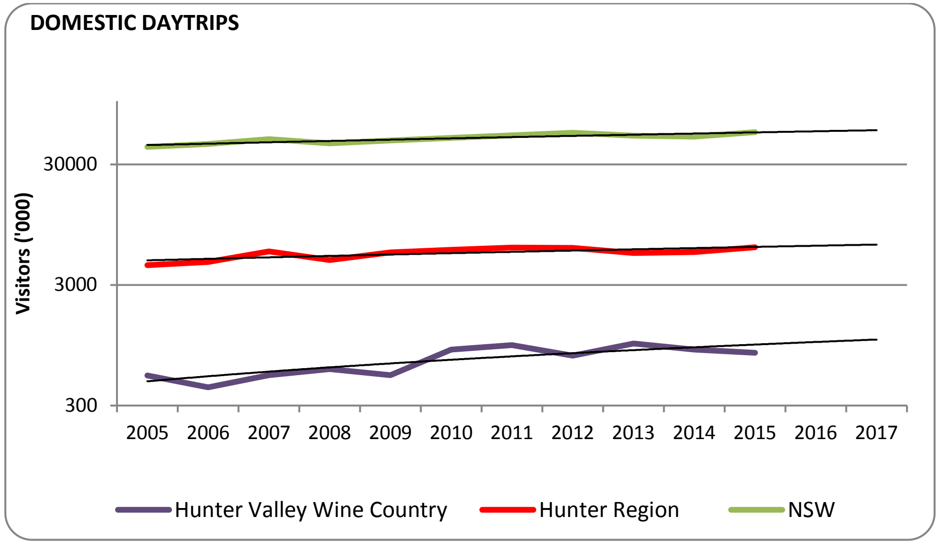
[3] Tourism Research Australia, Space-Time Research, NVS Daytrips 2005 onwards Destination State/Region/SA2 by Summation Options and Calendar year, Provided 20 April 2016

[4] Where sample size is too small at the LGA level to determine parity of the data, no data is provided by Tourism Research Australia. In 2006 where only the HVWC total was provided. Unknown variables in Singleton LGA subsets for 2005-2010 and 2012-2015 have been determined through subtracting the totals of known Cessnock LGA data to HVWC totals.

time series, the continued indication of the two year linear forecast demonstrates that Hunter Valley Wine Country has capacity to continue realizing growth in this market, despite a 2 year slump.

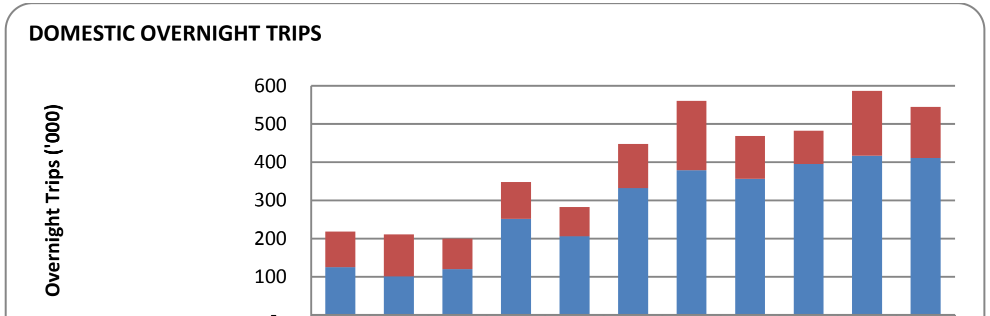
Continuing to grow domestic daytrip visitation can be undertaken through continued delivery of major events and concerts, exciting quality product and unique experience offerings combined with experience based marketing.



Domestic Overnight Trips[5]

In 2015 Hunter Valley Wine Country welcomed 545,000 domestic overnight trips, a reduction on the previous year's 583,000 indicating that post GFC growth may be stagnating. In 2015, Hunter Valley Wine Country contributed 17.67% of the Hunter Region's total 3,084,000, and 1.94% of NSW.

The following graph provides the totals for domestic overnight trips over a time series between 2005-2015 for Hunter Valley Wine Country and the subsequent LGAs[6]:

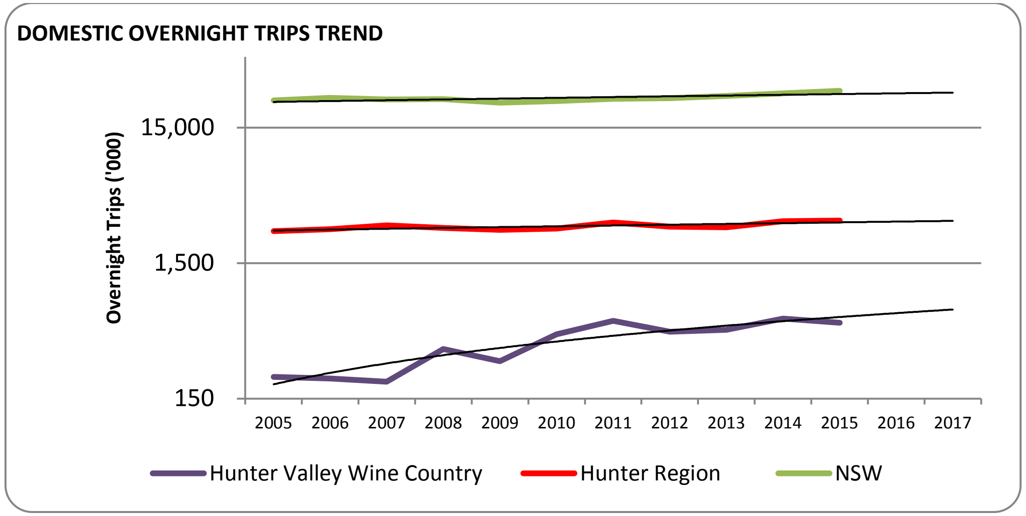


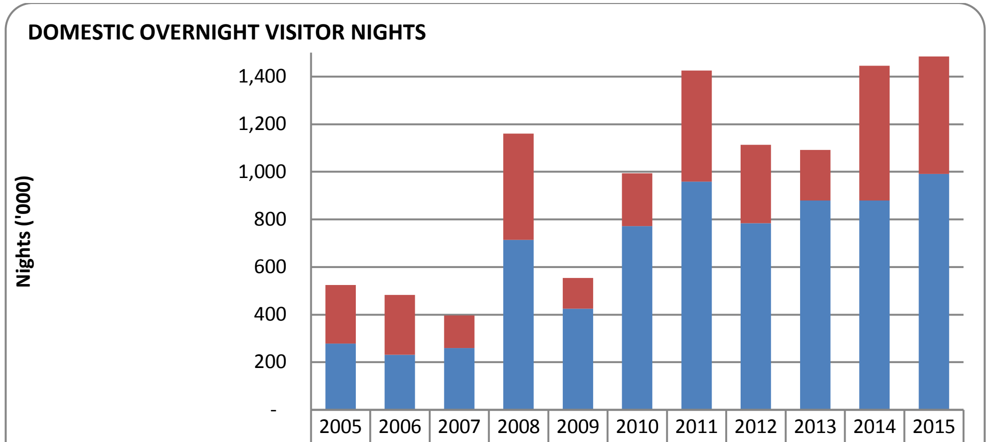
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Total - Hunter Valley Wine Country	217	211	200	348	283	448	562	468	483	583	545
Singleton LGA	93	110	80	96	77	116	182	111	88	170	134
Cessnock LGA	125	101	120	252	206	332	379	357	395	417	411

Trend analysis shows Hunter Valley Wine Country's rate of growth for domestic overnight stays is much more accelerated than NSW and the rest of the Hunter Region. Due to the increasing nature of growth shown over the time series as well as the continued indication of the two year linear forecast, attracting domestic overnight stays has great potential to realising the state goal. Continuing to grow domestic overnight visitation through new product and differential market penetration and attracting greater shares of markets who fill non peak seasonality will need to be a key strategy for Hunter Valley Wine Country to continue performing in domestic overnight trips.

[5] Tourism Research Australia, Space-Time Research, NVS Overnight 2005 onwards Stopover state/region/SA2 by Summation Options and Calendar year, Provided 20 April 2016

[6] Where sample size is too small at the LGA level to determine parity of the data, no data is provided by Tourism Research Australia. Some unknown variables appearing within Singleton LGA subsets for 2007, 2009 and 2013, have been determined through subtracting the totals of known Cessnock LGA data to HVWC totals.





	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Total - Hunter Valley Wine Country	524	483	397	1,161	554	993	1,424	1,113	1,092	1,444	1,484
Singleton LGA	246	252	137	447	129	221	466	329	213	566	494
Cessnock LGA	278	231	260	714	425	772	959	784	879	879	991

Domestic Overnight Visitor Nights

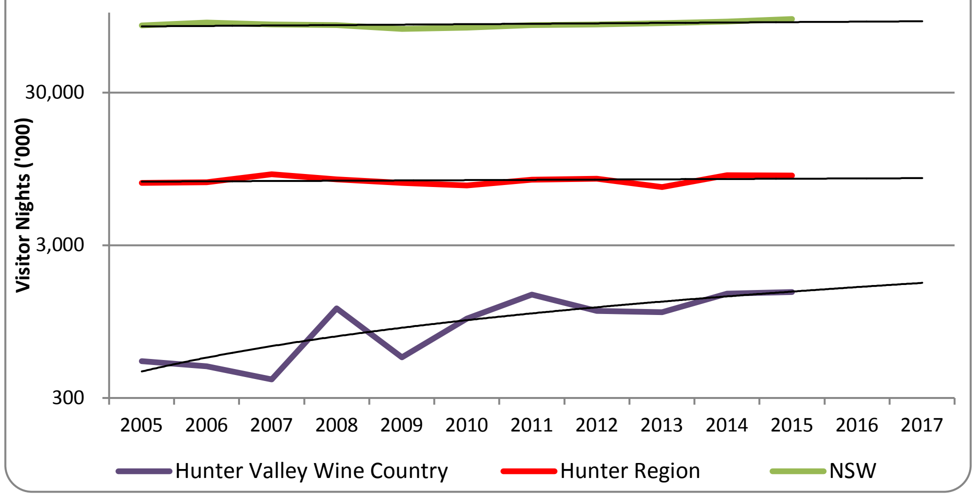
In 2015 Hunter Valley Wine Country recorded 1,484,000 domestic visitor nights, a slight increase on the previous year's 1,444,000. In 2015, Hunter Valley Wine Country contributed 17.26% of the Hunter Region's total 8,598,000 visitor nights and 1.63% of NSW.

The following graph provides the totals for domestic visitor nights over a time series between 2005-2015 for Hunter Valley Wine Country and the subsequent LGAs:

Trend analysis shows Hunter Valley Wine Country's rate of growth for visitor nights is consistent with the growth rate of domestic overnight stays. Both of which are more accelerated than NSW and the rest of the Hunter Region.

Due to the demonstrated propensity to realise growth over the time series, not only should Hunter Valley Wine Country aim to increase overnight stays through reinvention to new markets, further efforts need to be invested into increasing average stay. Traditional Hunter Valley Wine Country markets such as wine tourists prefer weekend short breaks. It is recommended that strategies around attracting new markets who visit during non-peak and on average stay longer e.g. Conferences and RVs be included in the DMP. Further, more investigation is warranted around means of attracting more visitor nights from all domestic markets.

DOMESTIC VISITOR NIGHTS



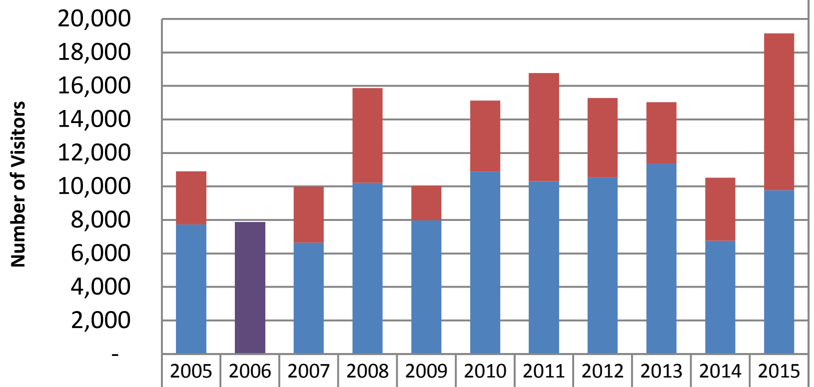
International Visitation

International Visitor Numbers[6]

In 2015 Hunter Valley Wine Country welcomed 19,141 international visitors, a significant increase on the previous year's 10,532. In 2015, Hunter Valley Wine Country contributed 11.82% of the Hunter Region's total 162,000, and 0.55% of NSW.

The following graph provides the totals for international visitor numbers over a time series between 2005-2015 for Hunter Valley Wine Country and the subsequent LGAs[7].

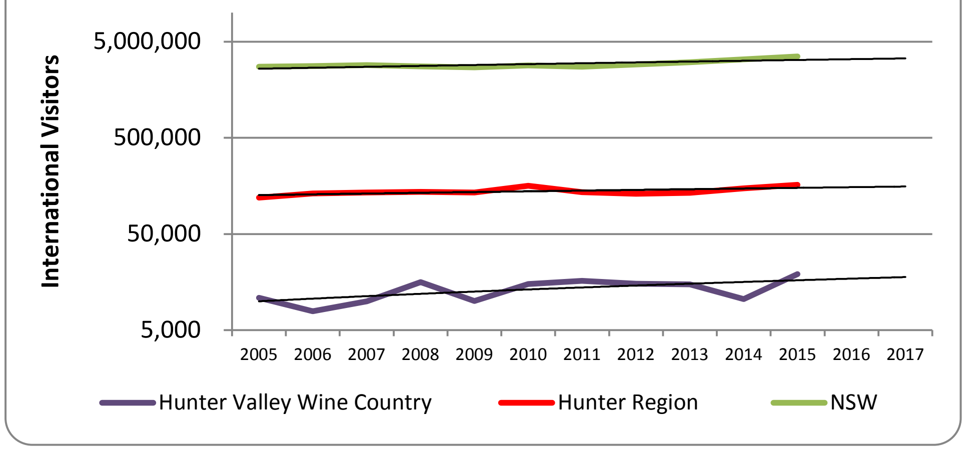
INTERNATIONAL VISITORS



	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Total - Hunter Valley Wine Country	10,913	7,859	9,988	15,868	10,050	15,129	16,297	15,273	15,024	10,532	19,141
Singleton LGA	3,170	-	3,341	5,647	2,070	4,238	6,453	4,737	3,675	3,770	9,369
Cessnock LGA	7,743	-	6,647	10,221	7,980	10,891	10,319	10,536	11,349	6,762	9,772

Trend analysis comparing to the region and state's rate of growth shows Hunter Valley Wine Country is experiencing positive international visitor growth slightly higher than NSW and the rest of the Hunter Region. It also shows that this is a statistic more susceptible to market pressures, a volatile market due to periods of steep increases in international visitors followed by a decline.

INTERNATIONAL VISITORS TREND

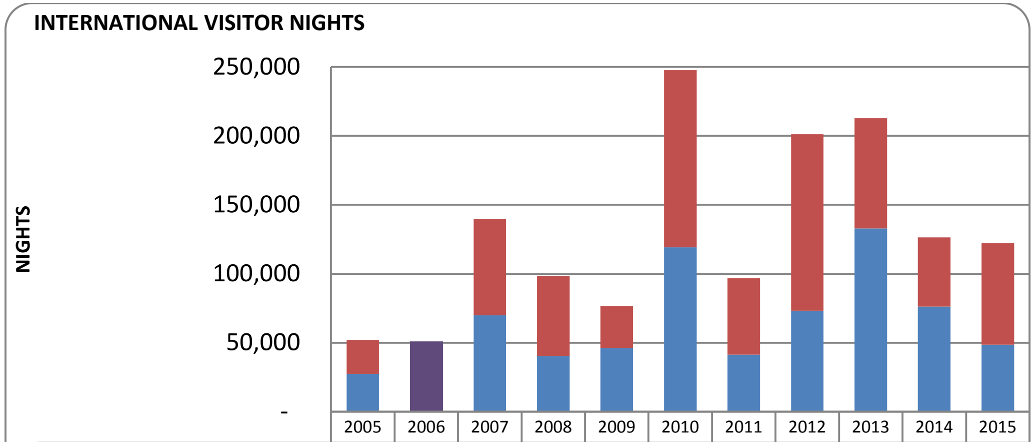


[7] Where sample size is too small at the LGA level to determine parity of the data, no data is provided by Tourism Research Australia. In 2006 only the HVWC total was provided. Unknown variables n Singleton LGA subsets for 2005-2010, 2012-2014 have been determined through subtracting the totals of known Cessnock data to HVWC totals.

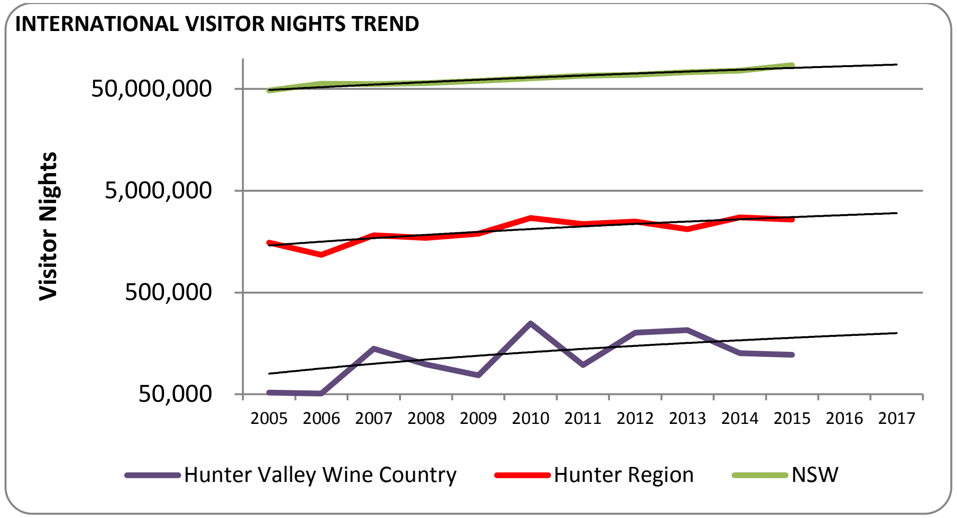
International Visitor Nights

In 2015 Hunter Valley Wine Country recorded 122,249 international visitor nights, a decrease on the previous year's 126,295. In 2015, Hunter Valley Wine Country contributed 4.7% of the Hunter Region's total 2,596,477, and 0.14% of NSW.

The following graph provides the totals for international visitor numbers over a time series between 2005-2015 for Hunter Valley Wine Country and the subsequent LGAs.



	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Total - Hunter Valley Wine Country	52,035	50,745	139,665	98,405	76,562	247,787	96,825	201,226	212,936	126,295	122,249
Singleton LGA	24,793	-	69,706	58,128	30,405	128,510	55,542	127,983	79,964	50,011	73,826
Cessnock LGA	27,242	-	69,959	40,277	46,157	119,277	41,283	73,243	132,972	76,284	48,423



Trend analysis comparing to the region and state's rate of growth shows Hunter Valley Wine Country is in a positive position with regards to maintaining growth in international visitor nights. The current rate of growth is higher than the state and region, and a two year linear forecast depicts that this is expected to continue. The growth rate of international visitor nights higher than the growth rate of international visitor numbers indicating that all 3 regions are capturing a greater market share of nights stayed by international visitors.

DESTINATION EXPENDITURE

Domestic Visitor Day Trip Destination Expenditure ($M)

YEAR	Domestic Visitor Day Trip Destination Expenditure ($M) HUNTER REGION		Domestic Visitor Day Trip Destination Expenditure ($M) WINE COUNTRY*	
	FROM	TO	FROM	TO
Financial Year 2009/10	470	502	47	68
Financial Year 2010/11	502	522	68	98
Financial Year 2011/12	522	542	98	86
Financial Year 2012/13	542	463	86	78
Financial Year 2013/14	463	589	78	80
**Average Spend per visitor Domestic Day Trip Travel in Cessnock + Singleton LGAs x Domestic Visitor Day Trips in Wine Country*				

Domestic Overnight Visitor Destination Expenditure ($M)

YEAR	Domestic Overnight Visitor Destination Expenditure ($M) HUNTER REGION		Domestic Overnight Visitor Destination Expenditure ($M) WINE COUNTRY*	
	FROM	TO	FROM	TO
Financial Year 2009/10	948	1,046	127.69	125.95
Financial Year 2010/11	1,046	1,199	125.95	180.86
Financial Year 2011/12	1,199	1,076	180.86	171.24
Financial Year 2012/13	1,076	1,045	171.24	162.95
Financial Year 2013/14	1,045	1,115	162.95	201.43
**Average Spend per night Domestic O/Night Travel in Cessnock + Singleton LGAs x Domestic Visitor Nights in Wine Country*				

International Visitor Destination Expenditure ($M)

YEAR	International Visitor Destination Expenditure ($M) HUNTER REGION		International Visitor Destination Expenditure ($M) WINE COUNTRY*	
	FROM	TO	FROM	TO
Financial Year 2009/10	136	139	4.52	12.25
Financial Year 2010/11	139	175	12.25	9.70
Financial Year 2011/12	175	173	9.70	10.56
Financial Year 2012/13	173	144	10.56	9.90
Financial Year 2013/14	144	167	9.90	13.51
**Average Spend per night International Travel in Cessnock + Singleton LGAs x International Visitor Nights in Wine Country*				