



## Economic Contribution of Transport in Australia, 2020-21

Transport services are essential to the supply of goods and services across Australia. Transport plays a more significant role in Australia, where settlement patterns are more dispersed and travel distances between population centres are longer, than in many other countries. While the transport sector supplies a large share of transport services in the economy, many non-transport businesses also undertake transport activity. The Australian Bureau of Statistics' *Australian Transport Economic Account* provides estimates of the full economic contribution of transport activity to the Australian economy.

### What is the Australian Transport Economic Account?

The Australian National Accounts reports that the *transport, postal and warehousing* sector contributed approximately 4.2% of total GDP in 2020-21.

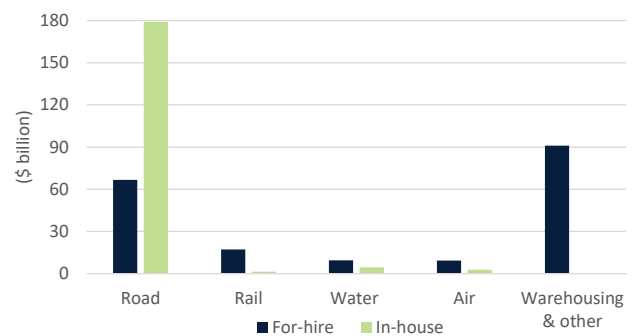
However, this figure includes only businesses whose main activity is provision of *for-hire* transport, postal or warehousing services—such as airlines, freight haulers, taxi services, etc.

A significant amount of transport activity is 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, wholesalers and retailers delivering merchandise using their own vehicles, 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, Transport, Regional Development, Communications and the Arts, the *Australia Transport Economic Account* brings together, in one account, the contribution of transport across all sectors of the economy, both for-hire and in-house.

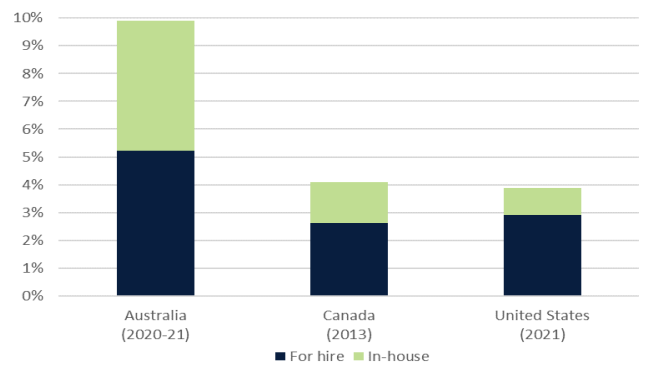
The Transport Economic Account reports that transport activity's total contribution to the economy was \$164.4 billion in 2020–21, or 7.9% of Gross Domestic Product. When measured this way, transport was the second largest sector of the economy, behind only the Mining sector.

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



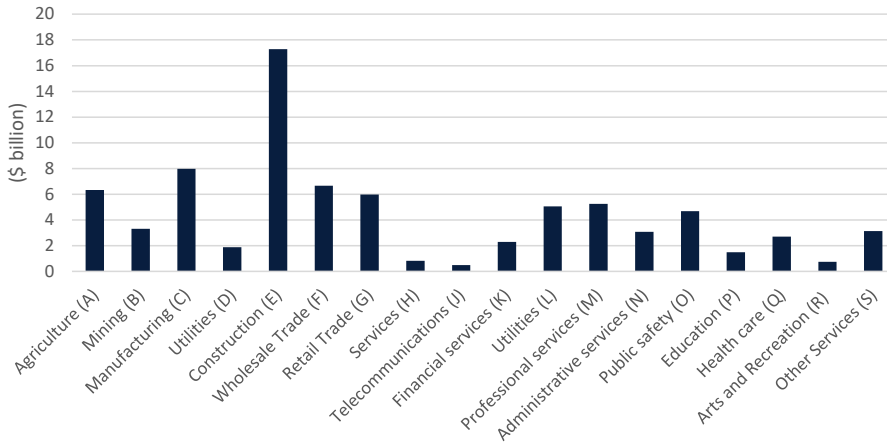
- In-house transport activity accounted for almost half (49%) of total transport activity in 2020-21.
- Road transport accounted for 95% (\$179 billion) of all in-house transport activity in 2020-21.
- In-house road transport activity accounted for 73% of all road transport output in 2020-21.

### Transport activity share of GDP by country

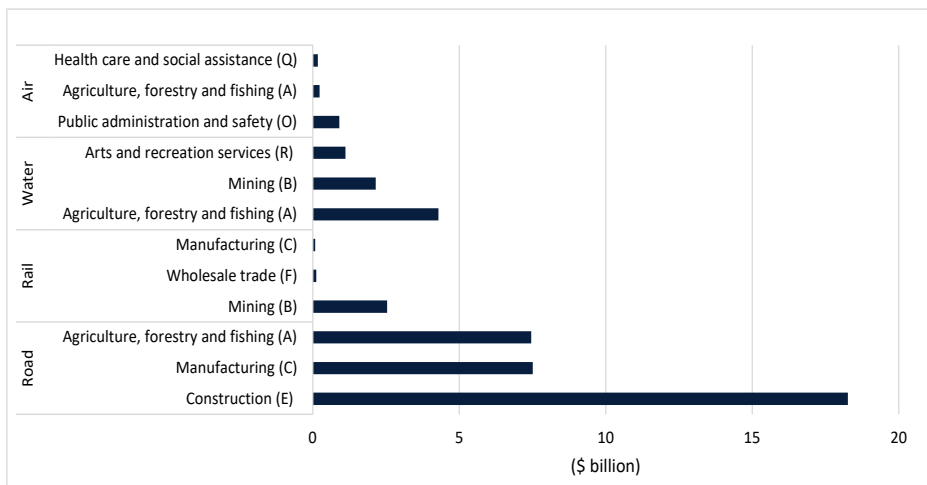


- The United States (U.S.) and Canada have also produced transport economic accounts.
- Despite some differences in measurement methods, Australia's transport activity share of GDP is more than twice as large as that of the U.S. and Canada.

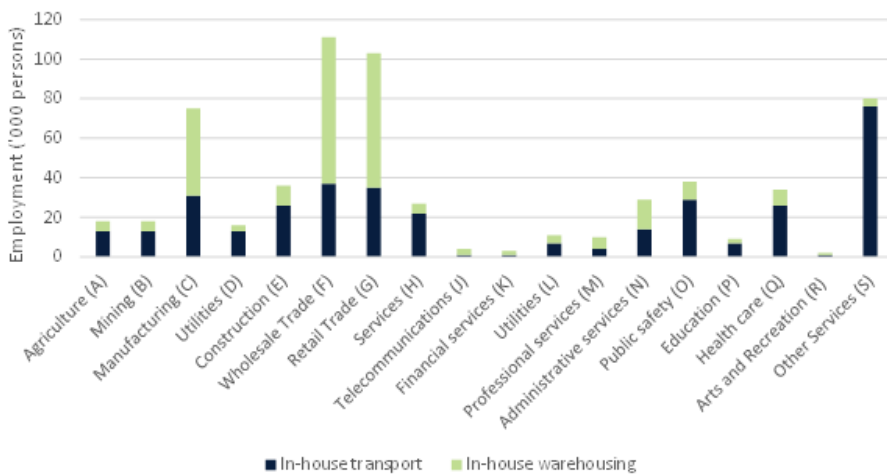
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- The construction sector made the largest economic contribution of all in-house transport \$17.0 billion in 2020-21 (10.3% of total transport GDP).
- The next largest sectors were Agriculture, Forestry & Fishing (4.5%), Manufacturing (4.2%) and Retail Trade (4.9%).



- Construction was the largest supplier and user in-house road transport services in 2020-21, using \$40.2 billion (23% of total in-house transport use).
- Manufacturing and Agriculture are the next largest industry users of in-house road transport services.
- Mining accounted for 90% of total in-house rail transport use.
- Public Administration & Safety contributed 61% of all in-house air transport services.



- The ATEA estimates that total employment across all transport activity numbered 1.25 million persons in 2020-21.
- For-hire transport & warehousing employed 631,000 persons. In-house transport services employed 355,000 persons and in-house warehousing employed 279,000 persons.
- Other Services comprised the largest number of persons engaged in provision of in-house transport services, followed by Wholesale and Retail Trade.
- Wholesale and Retail Trade were the largest employers of persons engaged in in-house warehousing services.