

# ADVERTISED PLAN

## ECONOMIC IMPACT ANALYSIS: NATIONAL VIETNAMS VETERANS MUSEUM

### DISCLAIMER

*All figures and data presented in this document are based on data sourced from the Australia Bureau of Statistics (ABS), and other government agencies. Using ABS datasets, the regional economic modelling software REMPLAN, developed by Compelling Economics Pty Ltd has been applied to generate industrial economic data estimates. This document is provided in good faith with every effort made to provide accurate data and apply comprehensive knowledge. However, Compelling Economics does not guarantee the accuracy of data nor the conclusions drawn from this information. A decision to pursue any suggestions mentioned in the report is wholly the responsibility of the party concerned. Compelling Economics advises any party to conduct detailed feasibility studies and seek professional advice before proceeding with any action and accept no responsibility for the consequences of pursuing any of the findings or actions discussed in the document.*

### RESOURCES

All modelling has been undertaken using REMPLAN™ software.

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### 1.1 BACKGROUND

*This report has been undertaken to identify the economic impact of the National Vietnam Veterans Museum to the local Economy. Its new location will see the expansion and broader scope of visitor facilities provided.*

### 1.2 PURPOSE & AIM

*The aim of the report is to provide insights into the possible contributions to the broader Bass Coast Shire economy in terms of output, employment, wages and salaries and value-added.*

## ECONOMIC IMPACT ANALYSIS: NATIONAL VIETNAM VETERANS MUSEUM

### 2 REGION

*The Bass Coast Shire region is defined by the Local Government Area of Bass Coast Shire Council.*



### 3 SCENARIO

*This report considers the economic impact of the construction of the proposed new purpose-built museum for the National Vietnam Veterans Museum.*

*The project cost is estimated at \$50 million for the new purpose-built National Vietnam Veterans Museum. The development is considered as non-residential building construction. The economic impact of the construction would therefore reflect a once off injection into the economy.*

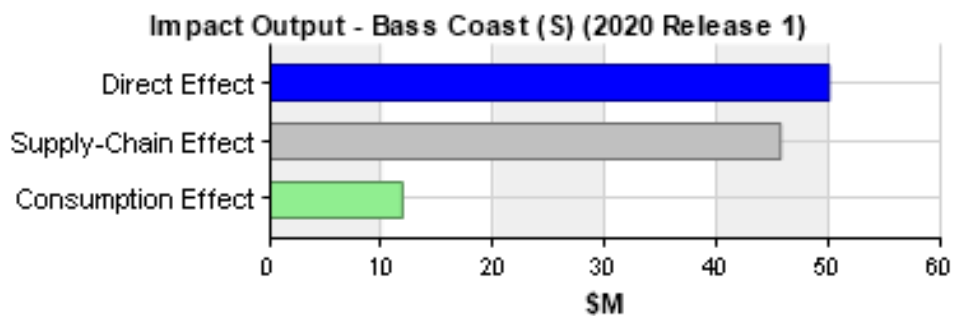
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IMPACT ON OUTPUT

From a direct increase in output of \$50.000 million it is estimated that the demand for intermediate goods and services would rise by \$45.666 million. This represents a Type 1 Output multiplier of 1.913. These supply-chain effects include multiple rounds of flow-on effects, as servicing sectors increase their own output and demand for local goods and services in response to the direct change to the economy.

The increases in direct and indirect output would typically correspond to the creation of jobs in the economy. Corresponding to this change in employment would be an increase in the total of wages and salaries paid to employees. A proportion of these wages and salaries are typically spent on consumption and a proportion of this expenditure is captured in the local economy. The consumption effects under this scenario are estimated at \$11.825 million.

Total output, including all direct, supply-chain and consumption effects is estimated to increase by up to \$107.491 million. This represents a Type 2 Output multiplier of 2.150.



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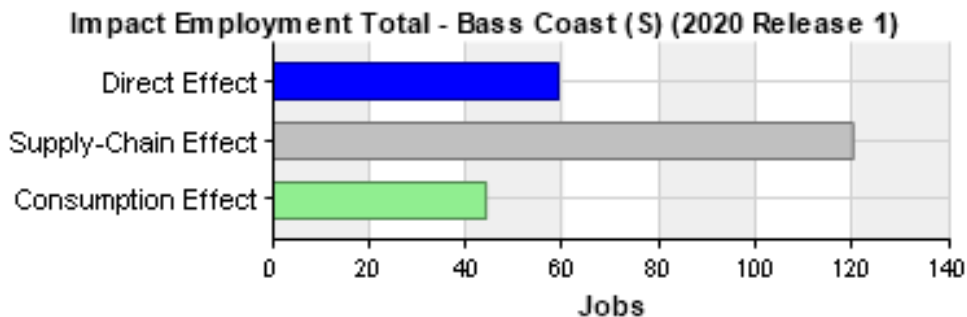
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### IMPACT ON EMPLOYMENT

From a direct increase in output of \$50.000 million the corresponding creation of direct jobs is estimated at 59 jobs. From this direct expansion in the economy, flow-on supply-chain effects in terms of local purchases of goods and services are anticipated, and it is estimated that these indirect impacts would result in the gain of a further 120 jobs. This represents a Type 1 Employment multiplier of 3.034.

The increase in direct and indirect output and the corresponding creation of jobs in the economy are expected to result in an increase in the wages and salaries paid to employees. A proportion of these wages and salaries are typically spent on consumption and a proportion of this expenditure is captured in the local economy. The consumption effects under this scenario are estimated to further boost employment by 44 jobs.

Total employment, including all direct, supply-chain and consumption effects is estimated to increase by up to 223 jobs. This represents a Type 2 Employment multiplier of 3.780.



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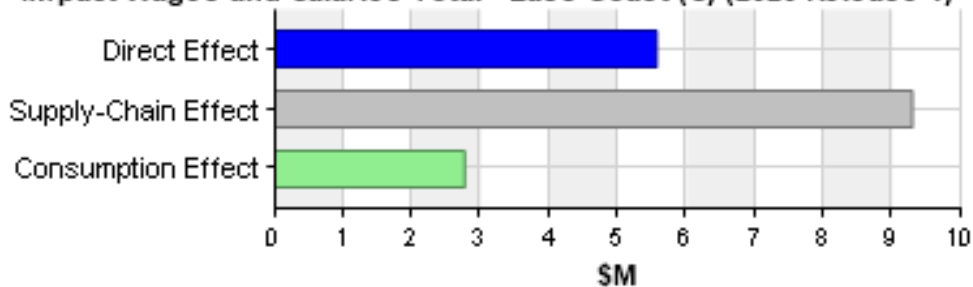
### IMPACT ON WAGES AND SALARIES

From a direct increase in output of \$50.000 million it is estimated that direct wages and salaries would increase by \$5.564 million. From this direct expansion in the economy, flow-on supply-chain effects in terms of local purchases of goods and services are anticipated, and it is estimated that these indirect impacts would result in the gain of a further 120 jobs and a further increase in wages and salaries of \$9.295 million. This represents a Type 1 Wages and Salaries multiplier of 2.671.

The increase in direct and indirect output and the corresponding creation of jobs in the economy are expected to result in an increase in the wages and salaries paid to employees. A proportion of these wages and salaries are typically spent on consumption and a proportion of this expenditure is captured in the local economy. The consumption effects under this scenario are expected to further boost employment in sectors such as retail therefore further increasing wages and salaries by \$2.765 million.

Total wages and salaries, including all direct, supply-chain and consumption effects is estimated to increase by up to \$17.624 million. This represents a Type 2 Wages and Salaries multiplier of 3.168.

Impact Wages and Salaries Total - Bass Coast (\$) (2020 Release 1)



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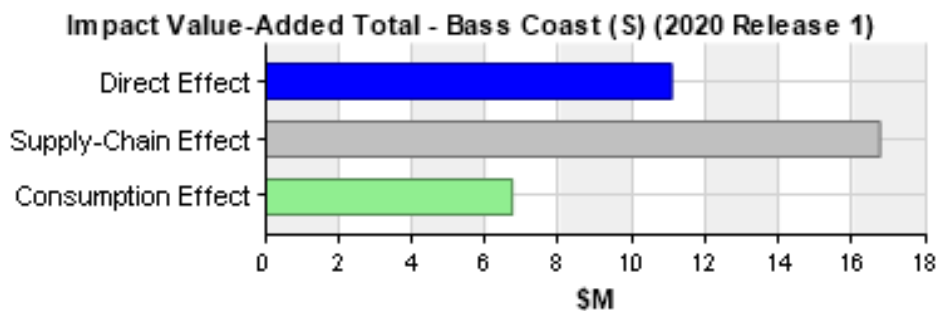
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### IMPACT ON VALUE-ADDED

From a direct increase in output of \$50.000 million the corresponding increase in direct value-added is estimated at \$11.059 million. From this direct expansion in the economy, flow-on supply-chain effects in terms of local purchases of goods and services are anticipated, and it is estimated that these indirect impacts would result in a further increase to value-added of \$16.735 million. This represents a Type 1 Value-added multiplier of 2.513.

The increase in direct and indirect output and the corresponding boost to jobs in the economy are expected to result in an increase in the wages and salaries paid to employees. A proportion of these wages and salaries are typically spent on consumption and a proportion of this expenditure is captured in the local economy. The consumption effects under this scenario are expected to further boost value-added by \$6.708 million.

Total value-added, including all direct, supply-chain and consumption effects is estimated to increase by up to \$34.502 million. This represents a Type 2 Value-added multiplier of 3.120.



### IMPACT SUMMARY

Impact Summary	Direct Effect	Supply-Chain Effect	Consumption Effect	Total Effect	Type 1 Multiplier	Type 2 Multiplier
Output (\$M)	\$50.000	\$45.666	\$11.825	\$107.491	1.913	2.150
Employment (Jobs)	59	120	44	223	3.034	3.780
Wages and Salaries (\$M)	\$5.564	\$9.295	\$2.765	\$17.624	2.671	3.168
Value-added (\$M)	\$11.059	\$16.735	\$6.708	\$34.502	2.513	3.120

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