

MEDIA RELEASE

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TAA WELCOMES CAPITAL CITY GROWTH BUT CALLS FOR MORE INVESTMENT IN REGIONS

Australia's peak accommodation body, Tourism Accommodation Australia (TAA) has welcomed record international tourism spending of more than \$40.6 billion, saying the figures demonstrate the huge growth in both visitors and visitor nights' right across the nation.

However, TAA CEO Carol Giuseppi has warned the latest International Visitor Survey (IVS) figures show most growth is still in the major capital cities and there are still major dispersal issues in the regional areas of many states.

"TAA welcomes news the record spend is being driven by record numbers of international tourists who are both spending more and staying longer, particularly in Sydney and Melbourne," she said.

"This growth is being driven by hotel investment in commercial accommodation in capitals like Sydney and Melbourne (12,000+ rooms in each city's supply line). Smaller capitals like Adelaide (1900+ rooms) and Hobart (2300+ rooms) are also seeing strong levels of tourism-driven investment.

"Investor confidence in the capitals is being driven by Federal and State Government commitments to major tourism and urban infrastructure projects, new airport facilities and increased airline access."

However more Government investment is needed at both State and Federal levels to spread the benefits of the record numbers of tourists across regional areas of Australia.

"The IVS figures show while overall international visitor nights in Australia surged by 7.29% in the year ending June 2017, international visitor nights spent in regional hotels, motels, resorts and serviced apartments in Australia only increased by 0.64%," she said.

"Despite strong growth in visitors and visitor nights from key source markets like China and USA, regional dispersal of international tourists remains weak and lags behind growth in the capital cities.

"The good news is that we are starting to see real growth in the regions in states like NSW and Victoria – thanks to a renewed focus by those State Governments on developing regional tourism.

"The results are clear - regional NSW has had a 13.2% increase in visitors and a 7.87% increase in visitor nights while regional Victoria also demonstrated strong growth of 7.35% in visitors and 18.16% in visitor nights.

"Regional Australia currently represents 45% of visitor nights and 44% of visitor expenditure but these areas are crying out for more investment in both new and upgraded tourism infrastructure."

On the back of the regional figures, TAA also renewed its call for the Federal Government to provide a long-term funding commitment for the Survey of Tourist Accommodation (STA).

"We remain concerned at the uncertainty that surrounds the STA," she said.

“Investors need data that supports their ability to secure finance from the banks - major hotel projects can take up to five years from conception to completion, so accurate long-term data is obviously a key component of the decision making process.

“Because of the diverse mix of accommodation options in regional areas, there is currently no other trusted source of data for regional Australia.”

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About Tourism Accommodation Australia

TAA is the peak industry association representing accommodation chains and individual owners of hotels, motels and serviced apartments in Australia’s \$7.8 billion accommodation sector. The accommodation sector supports 185,000 full-time equivalent jobs, and contributes \$11 billion annually to Australian household incomes. TAA is focused on and committed to the future development and growth of the accommodation sector within Australia’s vibrant tourism and hospitality industries. TAA is a division of the Australian Hotels Association.