

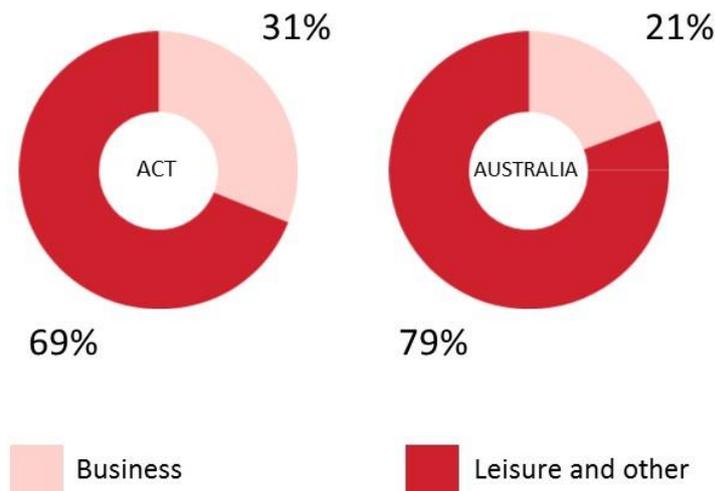
Tourism investment opportunities

1. Investor proposition

Investment opportunities are underpinned by:

- Canberra tourism output projections are well above the national average and all other states (Tourism Research Australia estimates >150% growth by 2030)
- A strong, high yielding business travel market as a proportion of total domestic overnight travel (31%) (Figure 1).
- Room occupancy rates (68.1%) that are higher than the national average (Table 1).
- On par for average room takings per night (\$112).
- A clear, partnered approach to continued tourism growth in the Canberra region through the ACT's Tourism 2020 strategic framework.
- Capacity for handling direct international flights from Singapore and Wellington at Canberra Airport, which has recently undergone a \$480 million upgrade.

Figure 1. Tourist reasons for travelling



Source: Tourism Research Australia, National Visitor Survey, June 2016

Canberra remains an attractive destination for tourism investment:

- It enjoys regular business travel as the national capital, the seat of Federal Government and as the home of head offices for many key Government agencies.
- It is ideally located between Australia's two largest population centres in Sydney and Melbourne – key markets for short break travel.
- It is home to a stunning array of world-class national attractions that unlock the essence of Australia.
- It plays host to a diverse range of major events throughout the year.
- It is recognised as a key academic centre, with major universities and internationally renowned scientific research organisations including the CSIRO.

Invest Canberra

Phone (in Australia 13 22 81) International +61 2 6207 5111

investcanberra@act.gov.au

- The diversity of surrounding tourism businesses including restaurants bars and cafes, wineries, museums and galleries and national parks are in abundance and can be found in close proximity to all major town centres
- Canberra’s accommodation options range from boutique gallery style properties through to large group facilities to cater to all levels of visitor need conveniently located across Canberra city, town centres and fringes.

The Canberra region tourism sector continues to perform strongly.

This is reflected in the domestic and international visitation results outlined under Table 2 and Table 3 respectively.

According to the most recent *Tourist Satellite Account* publication (based on 2014–15 data), the tourism industry contributes around \$2.0 billion to the ACT economy and is one of the territory’s largest private sector employers – supporting an estimated 16,400 jobs.

While over 90% of the ACT’s domestic overnight visitation is currently sourced domestically, the international market offers strong growth potential with Canberra Airport’s impending capacity for hosting direct international flight services.

China, a key growth market for Australian tourism, is currently the ACT’s largest international source market with 18.6% visitor share.

Table 1. Tourist accommodation yield data

	ACT	Australia
Room occupancy rate	68.1%	64.9%
Average takings per occupied room	AUD \$165	AUD \$172
Average takings available room	AUD \$112	AUD \$111

Source: ABS, Survey of Tourist Accommodation, June 2015.

Table 2. ACT domestic overnight tourism data

Overnight Visitors	2.39 million
Overnight visitor growth	17.3%
Overnight visitor expenditure	AUD \$1.35 billion
Average spend per night	AUD \$211
Average length of stay	2.6 days

Source: ABS, Survey of Tourist Accommodation, June 2016.

Table 3. ACT international overnight tourism data

2012-13	
Overnight visitors	203.1 thousand
Overnight visitor growth	13.4%
Overnight visitor expenditure	AUD \$420.2 million
Average spend per night	AUD \$84
Average length of stay	24.5 nights

Source: ABS, Survey of Tourist Accommodation, June 2016.

2. Investment opportunities

- Accommodation for leisure/business/education travel:
- Hotels and serviced apartments (in particular to meet demand created by new international markets/direct international flights)
- Low cost/group accommodation (e.g. to address existing supply constraints for visiting schools)

Convention facilities

- Includes a significant redevelopment/ replacement opportunity for the National Convention Centre (with a broader range of dining, breakout and other ancillary facilities) Redevelopment or replacement opportunity
- Sporting/event facilities and major sporting/ stadium infrastructure
- Developments associated with major government initiatives including the City to the Lake project
- There is also scope for further investment in the Canberra region's eco-tourism sector, wineries and other experience-based activities

3. Recent tourism sector investment

- Successful private investments in the ACT tourism sector:
- New tourist accommodation:
- Hotel Realm precinct in Barton
- 'Hotel Hotel', established as part of the NewActon precinct
- The East Hotel in Kingston
- Air and land transport services
- With investment in excess of \$480 million, Canberra Airport's new terminal and supporting infrastructure has delivered a stunning gateway for the national capital
- Canberra Airport was awarded the title of Australian Airport of the Year in 2013
- Tourism attractions
- The National Zoo & Aquarium (including the introduction of on-site accommodation)
- The National Arboretum Canberra

4. Major tourism assets

Australia's iconic national attractions, including:

- Parliament House
- Australian War Memorial
- National Gallery of Australia
- National Museum of Australia
- National Library of Australia
- National Portrait Gallery
- Questacon – The National Science & Technology Centre
- Australian National Botanic Gardens
- Royal Australian Mint

Tourist accommodation:

- 58 establishments with 15+ rooms
- 6,181 rooms
- A suite of 45 wineries and breweries within a 30 minute drive of Canberra's city centre. The Canberra Region Wine District is renowned for producing distinctive cool climate wines that are receiving national and international acclaim.

Event infrastructure:

- Canberra Stadium
- Manuka Oval
- Stromlo Forest Park
- Australian Institute of Sport (AIS)
- The National Convention Centre (business events/meetings)

5. An eventful capital

Canberra is home to a large range of national celebrations, festivals and sporting events.

Floriade is the city's flagship tourism event and is regarded internationally as Australia's premier celebration of spring.

Featuring a floral display of more than a million blooms and a month-long program of entertainment, Floriade generates an attendance in excess of 500,000 each year.

Coinciding with Canberra's birthday celebrations in March each year is the Canberra Festival, featuring events such as ENLIGHTEN and the Canberra Balloon Spectacular.

ENLIGHTEN offers breathtaking architectural projections and the opportunity to see Canberra's national attractions after-hours.

6. Tourism employment/labour

With over 16,400 people employed and consistent employment growth, the market segment represents a great investment opportunity.

Employment in tourism subsectors is comparatively concentrated in the ACT when compared to the national average (refer location quotient in Table 4).

This highlights that Canberra is an attractive place for tourism sector operators.

Employment in the private tourism sector in the ACT grew at an average annual rate of 20.5% for the year ending June 2015.

Canberra is also renowned for its recurring program of exclusive blockbuster art exhibitions, which attract a strong national and international audience.

By way of example, the Masterpieces from Paris exhibition in 2010 attracted 470,000 attendees and generated \$94 million in economic impact – with 80% of visitors coming from interstate.

Table 4. Tourism employment data

	Location
Accommodation services	1.13
Food and beverage services	1.31
Attractions, events and activities	1.09

*TRA State Satellite Account June 2014-2015

** A LQ > 1 reflects strength as the industry is over-represented

Part 1 source: Australian Bureau of Statistics (2013) Census of Housing and Population, Table Builder; and SGS Economics and Planning calculations Part 2 source: ABS, Census (Place of Work), 2011

The ACT Government continues to support the acquisition of major tourism events through its Special Event Fund (SEF).

Looking ahead, there are a number of major events on the horizon. These include the 2016 National Gallery of Australia Blockbuster Versailles, Treasures from the Palace and the National Museum of Australia's blockbuster A History of the World in 100 Objects.

From 2014 the Australian War Memorial has been commemorating 100 years since the First World War. The Anzac Centenary will continue through to 2018, and is one of the most significant commemorations to take place in the lives of current generations.

7. Government support for tourism

The ACT Government, through VisitCanberra, has developed a 2020 Tourism Strategy to provide a framework for realising the tourism potential of the Canberra region.

The goal is to grow the value of overnight visitor expenditure in the ACT from a base of \$1.58 billion to \$2.5 billion by 2020.

The strategy aligns with the intent of the national Tourism 2020 framework which aims to double overnight visitor expenditure in Australia from \$70 billion to \$140 billion by 2020.

Some of the areas of focus that will assist in realising the ACT's 2020 tourism potential include:

- Investment in destination marketing activities that drive visitation from domestic and international target markets.
- Access initiatives including securing direct international flight services and growing domestic aviation capacity.
- Growing the digital capability of the industry.
- Supporting the key drivers of the visitor economy including business events, education tourism and major tourism events.
- Creating the right business environment by encouraging investment and reducing regulatory burdens.
- Experience and industry development initiatives to complement investment in new product.

8. Accessing Canberra

Canberra, Australia's capital, is a vibrant and modern city of 395,200 people. It is located 280 kilometres from Sydney and 150 kilometres inland from the east coast of Australia.

Canberra is easily accessed by plane, car, bus or train. Direct domestic flights are available from most Australian capital cities (Sydney, Melbourne, Brisbane, Adelaide and Perth) and the city centre is just a 10 minute drive from the airport.

Flight times from Canberra:

- Sydney 50 minutes
- Melbourne 70 minutes
- Brisbane 100 minutes
- Adelaide 75 minutes

Direct international flights are available between Singapore, Canberra and Wellington New Zealand with Singapore Airlines. Known as the 'Capital Express' route flights between Singapore, Canberra and Wellington are currently operating four days per week.

Flight times from Canberra

- Wellington 3 hours
- Singapore 7.5 hours

9. Invest Canberra

Invest Canberra is the Australian Capital Territory Government's official investment promotion agency. Invest Canberra coordinates investor facilitation across Government to provide a case-managed service for major investors.

Invest Canberra

Phone (in Australia 13 22 81) International +61 2 6207 5111

investcanberra@act.gov.au