NRMA

Are we there yet?

The current and future value of tourism to the **Australian Capital Territory**

Discovery series

Images coutesy of: Front cover: Tourism Australia/Hamilton Lund Page 2: Tourism Australia Page 11: Floriade Australia

About the NRMA

Better road and transport infrastructure has been a core focus of the NRMA since 1920 when our founders lobbied for improvements to the condition of Parramatta Road in Sydney. Independent advocacy was the foundation activity of the organisation and remains critical to who we are as we approach our first centenary.

From humble beginnings, the NRMA has grown to one of the largest tourism and travel companies in Australia, representing over 2.6 million Australians. As our business has grown and diversified, so too has our national footprint and customer base, providing motoring, mobility and tourism services to 4.9 million customers across the country.

Today, the NRMA works with policy makers and industry leaders to advocate for increased investment in transport solutions to make mobility safer and easier, provide access to affordable travel options and experiences, and ensure communities remain connected to business and employment opportunities.
The NRMA is passionate about facilitating tourism and travel across Australia, recognising the vital role travel plays in how Australians connect and recharge, and discover the country.

By working together with all levels of government to deliver integrated tourism and travel options we can give the community a real choice about how they get around and explore the country. The NRMA believes that integrated transport networks, high-quality public transport and improved visitor facilities are essential to solve the challenge of growing congestion and provide for the future growth of our communities.

Discovery series

The NRMA is passionate about travel. We aim to inspire people to connect, explore and discover this great country through quality tourism and transport services.

As the backbone of many regional communities and an employer of over half a million Australians, we need to ensure the tourism industry continues to grow. The NRMA will champion investment in transport and visitor infrastructure, partnerships to profile our regions and technology to link visitors with the most iconic and best kept secrets this country has to offer.

Introduction

As the nation's capital, the ACT has experienced steady growth in its visitor economy over the past five years. While the territory has always had a strong domestic market led by business travel, the Capital has slowly built its international market and major event calendar to provide visitors with a compelling reason to visit.

The NRMA is committed to the tourism industry and the communities it supports. The NRMA's ACT *Are We There Yet?* paper highlights the importance of tourism to the ACT, trends in visitation and expenditure, and the value of drive tourism and caravan and camping to the territory.

The ACT welcomed 5 million visitors in 2016-17, spending $2.5 billion. Total visitor expenditure has grown on average 9 per cent over the past 5 years.

The region has seen a healthy increase in international visitation, growing on average 7 per cent to 221,000 visitors in 2016-17. International expenditure also grew faster than total visitor expenditure at 12 per cent each year to $535 million.

The ACT welcomed 4.7 million domestic visitors in 2016-17. These visitors represent 96 per cent of the total visitor market in the ACT, and 78 per cent of visitor spend.

Approximately 77 per cent of visitors to the ACT travel by car, contributing 50 per cent of visitor expenditure in the capital. Further, caravan and camping generated $24 million in visitor expenditure in 2016-17, growing an average 7 per cent each year.

Encouraging visitors to discover our regions and stay longer is a core focus of the NRMA. Providing compelling reasons to visit and facilitating access to the nation's capital through road, rail and air transport is critical to the success of the tourism sector.

Considerable work has already begun in this space. The ACT has invested in its calendar of events and cultural attractions, providing an incentive for people to travel. Attracting direct international flights to Canberra Airport further facilitates visitation from our key international markets.

Further, the recent MoU between the ACT and NSW to facilitate tourism and freight opportunities in the territory and south east NSW has the potential to improve the visitor experience and trade opportunities in the region.

The NRMA believes with the right level of investment, planning and industry partnerships that visitor nights could increase to 16.5 million, contributing $3.1 billion in overnight visitor expenditure to the ACT by 2026-27. With the industry approaching the cusp of the 2020 Tourism Industry potential target, now is the time to review our performance and plan for the future.

Australian Capital Territory tourism region

Tourism summary

Headlines figures

10,600
people employed in the sector

$2.5 billion in visitor expenditure — 9 per cent average annual increase

Domestic visitor nights on average grew more than three times faster that international visitor nights at 7 per cent to

6.7 million

— representing 59 per cent of all visitor nights

Domestic expenditure totalled $1.9 billion, representing 78 per cent of total spend

5 million visitors in 2016-17 - 96 per cent are domestic visitors

International visitor expenditure totalled

$535

million in 2016-17 - an average annual growth rate of 12 per cent

International visitor expenditure grew faster
than both domestic overnight and day trip expenditure - 12 per cent p.a.

Industry potential

Visitor nights could grow to

16.5 million

by 2026-27

Self-drive visitor nights could increase to

7.3

million by 2026-27

Direct overnight

visitor expenditure

could increase to $3.1 billion in 2026-27

Self-drive

Domestic self-drive nights increased

8%

per cent per annum to 4.4 million nights

Caravan and camping

Visitors who stayed in a caravan or camping ground spent

$24 million in 2016-17

Expenditure by caravan and camping visitors has on average increased

7%

per annum

Caravan and camping visitation

decreased by 3 per cent in 2016-17 to 49,000 visitors

Domestic nights have increased on average 7 per cent per annum to

185,000

nights in 2016-17

Self-drive

Self-drive tourism nights increased 6 per cent to

5.4 million

in 2016-17

97%

of self-drive trips were by domestic visitors.

3.8 million visitors

took a self-drive trip in 2016-17

Self-drive tourism expenditure totalled

$1.2

billion in 2016-17

Self-drive trips by

international visitors

have grown on average 8 per cent each year, on par with domestic overnight visitors.

Economic contribution of tourism

		Total tourism visitation				Total tourism nights		
		Visitors (000)				Nights (000)		
Stopover region	Financial year	Int'l	Dom. overnight	Dom. daytrips	Total	Int'l	Dom. overnight	Total
ACT	2011/12	162	1,879	1,715	3,757	4,180	5,041	9,221
	2016/17	221	2,649	2,093	4,964	4,584	6,703	11,287
	Av. Annual change	7%	8%	4%	6%	2%	7%	4%

		Total tourism expenditure				
		Regional expenditure ($M)				Employment
Stopover region	Financial year	Int'l	Dom. overnight	Dom. daytrips	Total	Total
ACT	2011/12	338	1,048	291	1,677	10,600
	2016/17	535	1,621	309	2,466	
	Av. Annual change	12%	11%	1%	9%	

Source: Tourism Research Australia

Drive tourism

Drive tourism						Drive tourism nights		
		Visitors (000)				Nights (000)		
Stopover region	Financial year	Int'l	Dom. overnight	Dom. daytrips	Total	Int'l	Dom. overnight	Total
ACT	2011/12	70	1,312	1,553	2,936	1,086	3,112	4,198
	2016/17	99	1,814	1,885	3,798	1,019	4,429	5,448
	Av. Annual change	8%	8%	4%	6%	-1%	8%	6%

Drive tourism expenditure					
		Regional expenditure ($M)			
Stopover region	Financial year	Int'l	Dom. overnight	Dom. daytrips	Total
ACT	2011/12	68	520	248	837
	2016/17	90	872	260	1,223
	Av. Annual change	6%	14%	1%	9%

Source: Tourism Research Australia

Caravan and camping

Caravan and camping					Total tourism nights		
		Visitors (000)			Nights (000)		
Stopover region	Financial year	Int'l	Dom. overnight	Total	Int'l	Dom. overnight	Total
ACT	2011/12	7	50*	57	14	137*	151
	2016/17	6	42*	49	17	185*	202
	Av. Annual change	-2%	-3%	-3%	4%	7%	7%

Caravan and camping				
		Regional expenditure ($M)		
Stopover region	Financial year	Int'l	Dom. overnight	Total
ACT	2011/12	2	16*	18
	2016/17	3	21*	24
	Av. Annual change	10%	6%	7%

Source: Tourism Research Australia

*one or more of the estimates is subject to high sampling variability. In these instances, the estimates and growth rates reported should be treated with caution.

2026-27 projections

Visitor nights and self-drive visitation

ACT	All tourism nights (000)		
	ACT		Total
	International	Domestic overnight	Total
2017-18	5,118	6,635	11,753
2018-19	5,394	6,847	12,241
2019-20	5,695	7,038	12,733
2020-21	6,004	7,226	13,231
2021-22	6,322	7,414	13,737
2022-23	6,646	7,601	14,247
2023-24	6,989	7,789	14,778
2024-25	7,341	7,979	15,320
2025-26	7,707	8,170	15,877
2026-27	8,094	8,362	16,457

ACT	Self drive tourism nights (000)		
	Canberra		Total
	International	Domestic overnight	Total
2017-18	1,228	4,246	5,475
2018-19	1,295	4,382	5,676
2019-20	1,367	4,504	5,871
2020-21	1,441	4,625	6,066
2021-22	1,517	4,745	6,262
2022-23	1,595	4,865	6,460
2023-24	1,677	4,985	6,662
2024-25	1,762	5,107	6,868
2025-26	1,850	5,229	7,078
2026-27	1,943	5,352	7,295

2026-27 projections

Overnight visitor expenditure – ACT

ACT	Overnight visitor expenditure ($m)
	Total
	Total
2017-18	2,244
2018-19	2,337
2019-20	2,431
2020-21	2,526
2021-22	2,623
2022-23	2,720
2023-24	2,822
2024-25	2,925
2025-26	3,031
2026-27	3,142

Data notes:

Source

- Tourism Research Australia (TRA)

Employment

- Estimates for each tourism region have been sourced from TRA's 2016-17 Regional Tourism Satellite Accounts.

Visitor Estimates

- Components may not add to totals as visitors may visit more than one tourism region on a trip.

Expenditure Estimates

- Expenditure excludes all motor vehicle, capital and major equipment purchases and for international visitors any pre-purchased international airfares and 70 per cent of pre-purchased packages assumed to be spent outside Australia.
- For self-drive, expenditure for each tourism region refers to total expenditure in that region by visitors who arrived by self-drive vehicle.
- For caravan and camping, expenditure for each tourism region refers to total expenditure in that region by visitors who stayed in a commercial caravan park or camping ground during their visit.

Tourism Region Estimates

- Tourism regions estimates for nearly all metrics are based on the region boundaries which applied in 2017. The caravan and camping expenditure estimates are based on 2018 region boundaries. The differences between 2017 and 2018 region boundaries are negligible.
- Where a tourism region is asterisked (*) one or more of the estimates is subject to high sampling variability. In these instances, the estimates and growth rates reported should be treated with caution.
- The Gold Coast tourism region is included in Regional Queensland estimates.

Inclusions and Exclusions

- Regional, State and National totals include relevant estimates from tourism regions where data has been confidentialised and not published (i.e. np cells).
- Regional, State and National totals exclude stopovers by visitors to unspecified, offshore and/or transit locations.

Projections

- Visitor overnight forecasts derived from TRA data
- Self-drive visits and visitor nights have been calculated using a five-year average of the percentage self-drive represents of all tourism
- Expenditure forecasts have been calculated using visitor nights as a pro rata proxy
- Care should be used when using forecasted numbers. Domestic and international geopolitical and economic events outside the scope of this report can impact both domestic and international visitor numbers, travel patterns and expenditure.

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