Are we there yet?

The current and future value of tourism to **Tasmania**

Discovery series

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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

Tasmania has a small yet exciting visitor economy. The state punches well above its weight in visitor attractions and natural beauty. From the historic site of Port Arthur, to modern marvels of the Museum of Old and New Art, to the beauty of the states three capes in the south-east; the state is a major drawcard for both international and domestic visitors.

The NRMA is committed to the tourism industry and the communities it supports. Visitors spent $3.4 billion in the Tasmanian economy in 2016-17. The sector employs 18,900 people and supports 15,500 tourism businesses in the state.

The NRMA's TAS *Are We There Yet?* paper highlights the importance of tourism to Tasmania and its regions, trends in visitation and expenditure, and the value of drive tourism and caravan and camping to many of the state's iconic regional destinations.

Over the five year period to 2016-17, Tasmania experienced the largest average annual increase in international visitors to Australia than any other state or territory, growing 16 per cent per annum to 253,000. This rate of growth was more than double that experienced in domestic overnight visitation to the state.

Yet domestic visitation still represents the largest contributor to the visitor economy, with $2.9 billion or 87 per cent of total visitor expenditure being generated by domestic visitors. Domestic visitors spent 10.9 million nights in the state, more than three times the number spent by international visitors.

Tasmania's tourism regions have performed strongly over the five years to 2016-17. Hobart and the South welcomed 3.6 million visitors in 2016-17, representing more than a third of all visitation to the state.

The East Coast saw the largest average annual increase in international visitation at 21 per cent to 57,000. The region also experienced the largest average annual increase in international expenditure at 29 per cent per annum to $22 million.

Launceston, Tamar and the North recorded the largest number of domestic overnight and day trip visitors outside Hobart at 3 million visitors who spent $857 million.

Encouraging visitors to discover the regions and stay longer is a core focus of the NRMA. Eighty five per cent of visitors to Tasmania undertake travel by car, with this number increasing to 89 per cent of travel to regional Tasmania. Self-drive visitors spent 6.3 million nights and $1.7 billion in communities throughout Tasmania. Further, caravan and camping generated $146 million in visitor expenditure, of which 56 per cent of expenditure occurs in regional Tasmania.

The North West of Tasmania experienced the largest average annual increase in international self-drive visitors of 26 per cent to 41,000 visitors, while Hobart and the South saw a 35 per cent average annual increase in international self-drive expenditure to $47 million.

The NRMA believes with the right level of investment, planning and industry partnerships, that visitor nights could grow to 19.9 billion by 2026-27, contributing $3.8 billion in overnight visitor expenditure to the state economy. Of this expenditure, $1.7 billion could be injected in regional communities.

With the industry approaching the cusp of the 2020 Tourism Industry potential target, now is the time to review the sector's performance and plan for the future.

Tasmania tourism regions

Tourism summary

Headline figures

18,900
people employed in the sector

8.6 million visitors — 97 per cent are
domestic visitors

5.4 million
visitors to regional Tasmania - 63 per cent of total visitation

International visitor expenditure totalled
$456 million in 2016-17 - an average annual growth rate of 18 per cent

$3.4
billion in visitor expenditure

87%
of total visitor expenditure was generated by domestic visitors

Domestic overnight expenditure totalled
$2.3 billion
representing 68 per cent of total spend

49%
of expenditure occurs outside Hobart and the South - $1.6 billion

Industry potential

Visitor nights could grow to
19.9
million by 2026-27 — 9.9 million in regional Tasmania

$1.7
billion in overnight visitor expenditure could be spent directly in regional Tasmania

Direct overnight
visitor expenditure
could increase to $3.8 billion by 2026-27

Self-drive visitor nights could increase to
8.1
million by 2026-27

Caravan and camping

Visitors who stayed in a caravan or camping ground spent
$146 million in 2016-17

56%
of caravan and camping expenditure occurs outside Hobart and the South

In the regions

Hobart and the South received the largest number of international visitors at 218,000, an average annual growth rate of

18%

North West has seen an average annual increase in international visitor nights of

29%

to 468,000 in 2016-17

The East Coast

experienced the largest average annual increase of 21 per cent in international visitation to

57,000

The Wilderness West

saw the largest average annual increase in domestic visitor nights of 13 per cent to 450,000.

2.2 million

day trip visitors to Launceston, Tamar and the North — largest number of day trip visitors

Launceston, Tamar and the North

the largest average increase in visitor expenditure outside Hobart at 10 per cent per annum to $968 million

Caravan and camping

North West —

largest average increase in caravan and camping
expenditure outside Hobart at 37 per cent to $37 million

Self-drive

7.3 million

self-drive visitors in 2016-17

99% of self-drive trips were by domestic visitors

Self-drive trips by international visitors have grown on average 19 per cent each year compared to 6 per cent for domestic overnight visitors

Self-drive tourism expenditure totalled

$1.7 billion in 2016-17

59 per cent of self-drive tourism expenditure occurs outside Hobart and the South

The East Coast has seen the largest average annual growth in total self-drive trips at

698,000 trips

Hobart and the South saw a

35%

average annual increase in international self-drive expenditure to $47 million

North West of Tasmania experienced the largest average annual increase in international self-drive visitors of 26 per cent to 41,000 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**
Hobart and the South	2011/12	114	1,044	2,007	3,165	1,692	4,368	6,059
	2016/17	218	1,449	1,978	3,645	2,189	5,309	7,497
	Av. Annual change	18%	8%	0%	3%	6%	4%	5%
East Coast	2011/12	28	288	237	553	91	816	907
	2016/17	57	398	287	742	163	1,052	1,215
	Av. Annual change	21%	8%	4%	7%	16%	6%	7%
Launceston, Tamar and the North	2011/12	51	638	1,584	2,273	793	1,916	2,709
	2016/17	101	828	2,184	3,112	1,072	2,179	3,252
	Av. Annual change	20%	6%	8%	7%	7%	3%	4%
North West	2011/12	32	382	1,001	1,416	190	1,271	1,461
	2016/17	64	531	1,155	1,750	468	1,928	2,396
	Av. Annual change	20%	8%	3%	5%	29%	10%	13%
Wilderness West	2011/12	19	106	59*	183	46	276	322
	2016/17	25	142	42*	209	48	450	498
	Av. Annual change	7%	7%	-6%	3%	1%	13%	11%
Regional Tasmania	2011/12	75	1,166	2,880	4,121	1,119	4,279	5,398
	2016/17	140	1,550	3,668	5,358	1,752	5,609	7,361
	Av. Annual change	17%	7%	5%	6%	11%	6%	7%
Tasmania	**2011/12**	**139**	**1,976**	**4,887**	**7,002**	**2,811**	**8,646**	**11,458**
	2016/17	**253**	**2,658**	**5,646**	**8,557**	**3,940**	**10,917**	**14,858**
	Av. Annual change	**16%**	**7%**	**3%**	**4%**	**8%**	**5%**	**6%**

		Total tourism expenditure				
		Regional expenditure ($M)				Employment
Stopover region	**Financial year**	**Int'l**	**Dom. overnight**	**Dom. daytrips**	**Total**	**Total**
Hobart and the South	2011/12	136	788	187	1,110	9,200
	2016/17	267	1,273	204	1,744	
	Av. Annual change	19%	12%	2%	11%	
East Coast	2011/12	9	92	17	118	1,400
	2016/17	22	106	24	152	
	Av. Annual change	29%	3%	8%	6%	
Launceston, Tamar and the North	2011/12	61	423	163	646	4,900
	2016/17	112	558	299	968	
	Av. Annual change	17%	6%	17%	10%	
North West	2011/12	19	234	97	350	3,200
	2016/17	34	304	108	446	
	Av. Annual change	16%	6%	2%	5%	
Wilderness West	2011/12	13	47	np*	65	200
	2016/17	21	49	np*	79	
	Av. Annual change	12%	1%	np	4%	
Regional Tasmania	2011/12	102	796	283	1,179	9,700
	2016/17	189	1,017	441	1,645	
	Av. Annual change	17%	6%	11%	8%	
Tasmania	**2011/12**	**238**	**1,584**	**470**	**2,289**	**18,900**
	2016/17	**456**	**2,290**	**645**	**3,389**	
	Av. Annual change	**18%**	**9%**	**7%**	**10%**	

Source: Tourism Research Australia

Self-drive tourism

Drive visitation						Total tourism nights		
		Visitors (000)				Nights (000)		
Stopover region	Financial year	Int'l	Dom. overnight	Dom. daytrips	Total	Int'l	Dom. overnight	Total
Hobart and the South	2011/12	32	574	1,895	2,501	245	1,730	1,975
	2016/17	66	807	1,891	2,765	356	2,156	2,512
	Av. Annual change	22%	8%	0%	2%	9%	5%	5%
East Coast	2011/12	19	253	232	505	63	680	743
	2016/17	42	370	286	698	107	943	1,050
	Av. Annual change	24%	9%	5%	8%	14%	8%	8%
Launceston, Tamar and the North	2011/12	23	432	1,531	1,986	123	966	1,088
	2016/17	50	554	2,082	2,686	198	1,116	1,314
	Av. Annual change	24%	6%	7%	7%	12%	3%	4%
North West	2011/12	18	297	965	1,280	71	757	828
	2016/17	41	370	1,134	1,545	158	943	1,101
	Av. Annual change	26%	5%	3%	4%	24%	5%	7%
Wilderness West	2011/12	15	99	58*	172	28	251	278
	2016/17	19	119	42*	179	35	293	327
	Av. Annual change	4%	4%	-6%	1%	5%	3%	4%
Regional Tasmania	2011/12	39	903	2,786	3,728	284	2,653	2,938
	2016/17	78	1,153	3,544	4,775	498	3,295	3,793
	Av. Annual change	20%	6%	5%	6%	15%	5%	6%
Tasmania	**2011/12**	**46**	**1,355**	**4,681**	**6,082**	**529**	**4,384**	**4,913**
	2016/17	**91**	**1,751**	**5,435**	**7,277**	**853**	**5,452**	**6,305**
	Av. Annual change	**19%**	**6%**	**3%**	**4%**	**12%**	**5%**	**6%**

Drive tourism expenditure					
		Regional expenditure ($M)			
Stopover region	Financial year	Int'l	Dom. overnight	Dom. daytrips	Total
Hobart and the South	2011/12	17	226	175	418
	2016/17	47	429	196	671
	Av. Annual change	35%	18%	2%	12%
East Coast	2011/12	6	67	16	89
	2016/17	15	86	24	126
	Av. Annual change	30%	6%	10%	8%
Launceston, Tamar and the North	2011/12	11	191	149	351
	2016/17	27	236	288	551
	Av. Annual change	29%	5%	19%	11%
North West	2011/12	9	117	94	220
	2016/17	12	118	107	237
	Av. Annual change	7%	0%	3%	2%
Wilderness West	2011/12	10	44	np*	59
	2016/17	17	39	np*	65
	Av. Annual change	14%	-2%	np	2%
Regional Tasmania	2011/12	36	419	265	719
	2016/17	71	479	429	979
	Av. Annual change	19%	3%	12%	7%
Tasmania	**2011/12**	**53**	**645**	**440**	**1,137**
	2016/17	**118**	**908**	**625**	**1,650**
	Av. Annual change	**25%**	**8%**	**8%**	**9%**

*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.

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
Hobart and the South	2011/12	7	42	49	35	143	178
	2016/17	11	91	102	52	266	318
	Av. Annual change	14%	23%	22%	10%	17%	16%
East Coast	2011/12	4*	35*	40	13*	103*	116
	2016/17	10	48*	57	23	178*	201
	Av. Annual change	27%	7%	9%	17%	14%	15%
Launceston, Tamar and the North	2011/12	3*	33*	36	15*	98*	113
	2016/17	7*	36*	43	13*	128*	141
	Av. Annual change	25%	2%	4%	-3%	6%	5%
North West	2011/12	4*	37*	41	23*	97*	120
	2016/17	9	83	92	20	222	242
	Av. Annual change	20%	25%	25%	-3%	26%	20%
Wilderness West	2011/12	3*	12*	15	4*	40*	45
	2016/17	3*	26*	29	5*	58*	63
	Av. Annual change	5%	22%	19%	3%	9%	8%
Regional Tasmania	2011/12	7	87	94	55	338	394
	2016/17	16	148	164	61	585	646
	Av. Annual change	24%	14%	15%	2%	15%	13%
Tasmania	**2011/12**	**9**	**116**	**125**	**90**	**481**	**572**
	2016/17	**18**	**187**	**205**	**113**	**851**	**964**
	Av. Annual change	**21%**	**12%**	**13%**	**5%**	**15%**	**14%**

Caravan and camping expenditure				
		Regional expenditure ($M)		
Stopover region	Financial year	Int'l	Dom. overnight	Total
Hobart and the South	2011/12	4	11	15
	2016/17	6	59	65
	Av. Annual change	10%	87%	67%
East Coast	2011/12	1*	7*	8
	2016/17	3	17*	20
	Av. Annual change	40%	29%	30%
Launceston, Tamar and the North	2011/12	1*	13*	14
	2016/17	1*	14*	15
	Av. Annual change	0%	2%	1%
North West	2011/12	2*	11*	13
	2016/17	2	35	37
	Av. Annual change	0%	44%	37%
Wilderness West	2011/12	1*	6*	7
	2016/17	2*	8*	10
	Av. Annual change	20%	7%	9%
Regional Tasmania	2011/12	5	37	42
	2016/17	8	74	82
	Av. Annual change	12%	20%	19%
Tasmania	**2011/12**	**8**	**48**	**56**
	2016/17	**13**	**133**	**146**
	Av. Annual change	**13%**	**35%**	**32%**

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

Tasmania	All tourism nights (000)				
	Hobart		Regional Tasmania		
	International	Domestic overnight	International	Domestic overnight	Total
2017-18	2,397	5,001	1,635	6,164	15,197
2018-19	2,557	5,135	1,738	6,318	15,748
2019-20	2,714	5,254	1,838	6,454	16,261
2020-21	2,860	5,370	1,931	6,587	16,748
2021-22	3,027	5,483	2,036	6,715	17,261
2022-23	3,199	5,591	2,143	6,838	17,771
2023-24	3,380	5,699	2,253	6,960	18,293
2024-25	3,569	5,807	2,370	7,082	18,828
2025-26	3,769	5,914	2,492	7,202	19,377
2026-27	3,981	6,020	2,621	7,322	19,943

Tasmania	Self drive tourism nights (000)				
	Hobart		Regional Tasmania		
	International	Domestic overnight	International	Domestic overnight	Total
2017-18	360	2,000	441	3,698	6,500
2018-19	384	2,054	469	3,791	6,698
2019-20	407	2,102	496	3,873	6,878
2020-21	429	2,148	521	3,952	7,051
2021-22	454	2,193	550	4,029	7,226
2022-23	480	2,237	579	4,103	7,398
2023-24	507	2,280	608	4,176	7,571
2024-25	535	2,323	640	4,249	7,747
2025-26	565	2,365	673	4,321	7,925
2026-27	597	2,408	708	4,393	8,106

2026-27 projections

Expenditure — capital city and regional Tasmania

Tasmania	Overnight visitor expenditure ($m)		
	Hobart	Regional Tasmania	Total
	Total	Total	Total
2017-18	1,586	1,314	2,900
2018-19	1,649	1,358	3,007
2019-20	1,708	1,397	3,106
2020-21	1,764	1,435	3,200
2021-22	1,824	1,475	3,299
2022-23	1,885	1,513	3,398
2023-24	1,947	1,553	3,499
2024-25	2,010	1,593	3,603
2025-26	2,076	1,634	3,710
2026-27	2,144	1,675	3,819

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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