A world-leading destination of choice

The Tasmanian Government and Tasmanian tourism industry share a vision for Tasmania to be a world-leading destination, with a target to grow annual visitor numbers to Tasmania to 1.5 million by 2020. This will generate visitor expenditure of around $2.5 billion per annum, greater capital investment and more jobs. In achieving this shared objective, direct tourism employment will grow to around 20,000. The T21 Visitor economy strategy provides a blueprint to achieving this target through marketing, growing air and sea access, investing in quality visitor infrastructure, developing new experiences and enhancing Tasmania’s brand.

Fast facts

Tourism is one of Tasmania’s key sectors directly and indirectly contributing over eight per cent of Gross State Product (GSP) or $3.03 billion per year. The direct and indirect contribution of tourism to Tasmania’s GSP is the highest in Australia at over 10.4 per cent. Directly, the Tasmanian industry supports around 18,900 jobs, indirectly around 38,000 jobs, representing approximately 15.8 per cent of all Tasmanian employment, the highest percentage in Australia.

Visitation
Over 1.30 million people arrived on scheduled air and sea services during the year ending September 2018 (not including cruise ship visitors), staying a total of 10.87 million nights. Sixty-six per cent of all visitors to Tasmania during this period were repeat visitors to the state.

Accessibility
In the year ending September 2018, approximately 89 per cent of visitors arrived by air, and 11 per cent on the Spirit of Tasmania. Of those arriving by air, 58 per cent landed at the Hobart Airport and 29 per cent at Launceston Airport. During this period 4.8 million airline seats were provided on the five major flight routes to Tasmania.

Visitor spend
Providing an important economic stimulus to the Tasmanian community, visitors to Tasmania spent over $2.41 billion on accommodation, attractions, tours, transport and other goods and services in the year to September 2018.

1. Tourism Fast Facts, Tourism Tasmania, September 2018
2. Tourism Satellite Accounts 2016-2017
3. Tourism Visitor Survey, September 2018
Key reasons to invest in Tasmanian tourism

Tasmania continues to attract more visitors

Tasmania is attracting record numbers of visitors, encouraging them to stay longer and spend more. Tasmania attracted over 1.30 million visitors in the 12 months to September 2018 (not including cruise ship visitors), an increase of 14 per cent over three years4.

Tasmania is experiencing strong growth from international markets, particularly from China, Hong Kong5, United States of America, United Kingdom and New Zealand. Total International visitor numbers grew 15 per cent to 307,000 compared with 266,500 a year ago4.

Tasmania has never been so well connected to its markets

All major Australian airlines fly to Tasmania. Flights by Virgin Australia, Jetstar, Rex and Tiger Airways have complemented Qantas services to increase the capacity and affordability of Tasmania as a travel destination.

Over the past decade, Tasmania has enjoyed a sustained trend increase in both seat and passenger numbers. Hobart Airport has experienced a 38 per cent increase in arrivals in the past three years and Launceston Airport a 29 per cent increase. It is anticipated that to meet Tasmania’s target of 1.5 million visitors a year, air capacity will need to increase by 140,000 seats per year6. End of financial year results in 2018 show that this access target has been met with just over 157,000 new seats added to the Tasmanian air network over the past year7.

The two Spirit of Tasmania ferries provide regular sea access between Devonport and Melbourne, departing most days of the year. The Spirit of Tasmania brings nearly 11 per cent of visitors to Tasmania8 and has recently undergone refurbishments to enhance the experience with a fresh contemporary design.

---

4. Tasmanian Tourism Snapshot, September 2018
5. The Hong Kong Special Administration Region of the People’s Republic of China is measured as a separate tourism market by Tourism Tasmania.
6. Access 2020 – Five year air and sea access strategy
7. Tourism Tasmania internal advice August 2018
8. Tourism Visitor Survey, September 2018
Tasmania is an award-winning destination
The Tasmanian tourism industry regularly receives awards and acclaim.

<table>
<thead>
<tr>
<th>Year</th>
<th>Award, Publication/Event</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>Cruise Critic Cruisers’ Choice Destination Awards: Hobart - #2 Top-Rated Australia &amp; New Zealand Cruise Destination</td>
</tr>
<tr>
<td>2018</td>
<td>Travel + Leisure Magazine: Tasmania - #2 Best Island in Australia, New Zealand and Pacific - World’s Best Awards</td>
</tr>
<tr>
<td>2018</td>
<td>Travel + Leisure Magazine : Tasmania - #10 - 15 Best Islands in the World - World’s Best Awards</td>
</tr>
<tr>
<td>2018</td>
<td>Australian Financial Review: Franklin - #14 Australia’s Top Restaurant Awards</td>
</tr>
<tr>
<td>2018</td>
<td>Australian Financial Review: Agrarian Kitchen Eatery – Australia’s Top Newcomer - Australia’s Top Restaurant Awards</td>
</tr>
<tr>
<td>2018</td>
<td>Gourmet Traveller Australian Hotel Awards: Macq01 - Large Hotel of the Year</td>
</tr>
<tr>
<td>2018</td>
<td>TripAdvisor: Hobart - #5 Travellers Choice Awards - Destinations in Australia</td>
</tr>
<tr>
<td>2018</td>
<td>Tasting Australia Spirit Awards: Southern Wild Distillery - Australia’s Best Distiller</td>
</tr>
<tr>
<td>2018</td>
<td>Qantas Australian Tourism Awards: Tasmanian Walking Company - Best Ecotourism Business</td>
</tr>
<tr>
<td>2018</td>
<td>Qantas Australian Tourism Awards : The Maria Island Walk - Best Tour and Transport Operator - Qantas Australian Tourism Awards</td>
</tr>
<tr>
<td>2018</td>
<td>Qantas Australian Tourism Awards: Saffire Freycinet - Best Luxury Accommodation - Qantas Australian Tourism Awards</td>
</tr>
<tr>
<td>2018</td>
<td>Australian Golf Digest Top 100 Courses in Australia 2018-2019: Cape Wickham Links #3, Barnbougle Dunes #4, Barnbougle Lost Farm #6, King Island’s Ocean Dunes #10</td>
</tr>
<tr>
<td>2018</td>
<td>Golf Digest World’s 100 Greatest Golf Courses 2018: Barnbougle Dunes #11, Cape Wickham Links #24, Barnbougle Lost Farm #26</td>
</tr>
<tr>
<td>2018</td>
<td>TripAdvisor Travellers’ Choice 2018: Saffire Freycinet - #1 - Top Luxury Hotels in Australia</td>
</tr>
<tr>
<td>2018</td>
<td>New York Times’ 52 Places to Go in 2018: Tasmania - #33</td>
</tr>
<tr>
<td>2018</td>
<td>Fodor’s Global Go List 2018: Tasmania</td>
</tr>
<tr>
<td>2018</td>
<td>Lonely Planet: Thousand Lakes Lodge, Central Highlands - Best New Places for Travellers to Stay in 2018</td>
</tr>
</tbody>
</table>
The Tasmanian brand is supported by government

Tasmania’s brand awareness is reinforced by Government at a national level through Tourism Australia, and at the state level through both Brand Tasmania and Tourism Tasmania.

Tourism Australia is the Australian Government agency responsible for attracting international visitors to Australia. The organisation is active in around 30 markets with advertising, public relations and media programs, trade shows and industry programs, consumer promotions, online communications and consumer research.

Tourism Tasmania conducts targeted promotions and marketing activities to promote Tasmania in our domestic and international markets, as well as helping to connect potential customers with Tasmanian businesses.

These activities focus on the best visitor prospects for Tasmania and ensure Tourism Tasmania gets the best return on investment from its marketing effort and resources.

Brand Tasmania is the first statutory place branding authority to be established in Australia. It works to maintain, strengthen and protect the Tasmania master brand in local, national and international markets.

Tasmania enjoys a high level of domestic market awareness

Research surveying over 6,000 ‘travelling’ Australians every year currently shows that Tasmania is Australia’s second most appealing destination9. Results show that:

» 83 per cent of those considering a holiday in an Australian state or New Zealand consider Tasmania appealing or very appealing

» 79 percent of people who visited the state in the last 12 months would revisit

» Tasmania was rated as the second-most ‘positively talked about’ state or territory in Australia

» Tasmania was rated as the second-most appealing destination of all Australian states and territories

» Tasmania’s most enticing offerings are in its fresh produce, nature and wilderness, touring and historic of heritage attractions.

9. Tourism Info Monitor, Quarter 3 Report 2018
Tasmania’s overnight stays, accommodation occupancy levels and yields are continuing to increase

Tasmania is an extremely popular destination, particularly during the summer months. This popularity can be demonstrated by its high occupancy rates. For example, in February 2018 it experienced an occupancy rate of 89.44 per cent, a significant spike when compared to its average annual occupancy rate of 74.84 per cent.

During this period the south of the State experienced unprecedented occupancy levels, with 92.39 per cent in February 2018. When a destination is operating at this level, it can be difficult for visitors to find their preferred accommodation when they need it. In the case of Hobart, as Tasmania’s major gateway, it creates a bottleneck and restricts the flow of visitors to other regions. A 2017 report suggested that if visitor numbers continue to grow at the current growth rate the requirements could be as high as, or higher than 1,763 rooms in Hobart and 2,069 in Greater Hobart. Falling well below forecasted need, current hotel development approvals indicate that just 328 rooms are in the pipeline, 745 rooms are currently under construction with 549 of these expected to open in 2019.

Tasmania is a seasonal destination. In the winter months of June, July and August, occupancy rates can fall below around 60 per cent.

The success however of new winter festivals like MONA’s Dark MOFO, Huon Valley Mid Winter Festival, Whisky week, Chocolate Winterfest, Junction Festival, and the Festival of Voices is boosting Tasmania’s visitation during these quieter months, helping to mitigate any seasonal imbalance for tourism operators.

Accommodation occupancy levels and yield have remained high in Tasmania over the past three years. The total number of room nights in Hobart has increased, as has demand, which is benefitting hoteliers who have also experienced increases in average annual room rates. Each of the three Tasmanian regions have responded differently as a result of local conditions and demand. For example the north west has had an increase in occupancy and yield over the past three years, but slight drop in room rate. The north has seen an increase in room rate and yield and a slight drop in occupancy as new rooms have come onto the market.

Identifiable growth areas in overnight stays and increased share of visitors are being experienced across the state. The two major cities, Launceston and Hobart, have had overnight stays grow 17 and 12 per cent respectively over the past three years.

Visitors are exploring and engaging with new activities and attractions across Tasmania. Derby for example has seen an increase of 60 per cent in overnight visitors in the last year due to the Blue Derby Mountain Bike Trails. Bruny Island has witnessed a 46 per cent increase in overnight visitation over the past three years as its food, beverage offerings and incredible natural environment and close proximity to Hobart provide a compelling reason to visit.

10. Tasmanian Hospitality Association Occupancy Statistic Reports for 2018
11. Accommodation Supply analysis for the Hobart and Greater Hobart Region BDA Marketing Planning 2017
12. Tourism and Hotel Outlook Ed. 1, 2018, Deloitte Access Economics
13. Tasmanian Visitor Survey, September 2018
### Room occupancy rates for 2017 to 2018

<table>
<thead>
<tr>
<th>Year</th>
<th>Month</th>
<th>Southern Tasmania</th>
<th>Northern Tasmania</th>
<th>North west Tasmania</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>November</td>
<td>86.55%</td>
<td>77.69%</td>
<td>73.41%</td>
</tr>
<tr>
<td></td>
<td>December</td>
<td>84.26%</td>
<td>78.86%</td>
<td>63.80%</td>
</tr>
<tr>
<td>2018</td>
<td>January</td>
<td>87.36%</td>
<td>82.79%</td>
<td>71.03%</td>
</tr>
<tr>
<td></td>
<td>February</td>
<td>92.39%</td>
<td>87.45%</td>
<td>83.07%</td>
</tr>
<tr>
<td></td>
<td>March</td>
<td>88.98%</td>
<td>82.27%</td>
<td>81.58%</td>
</tr>
<tr>
<td></td>
<td>April</td>
<td>84.82%</td>
<td>74.56%</td>
<td>66.08%</td>
</tr>
<tr>
<td></td>
<td>May</td>
<td>76.19%</td>
<td>59.78%</td>
<td>47.58%</td>
</tr>
<tr>
<td></td>
<td>June</td>
<td>68.59%</td>
<td>54.60%</td>
<td>44.01%</td>
</tr>
<tr>
<td></td>
<td>July</td>
<td>74.42%</td>
<td>59.69%</td>
<td>45.62%</td>
</tr>
<tr>
<td></td>
<td>August</td>
<td>68.70%</td>
<td>54.83%</td>
<td>40.77%</td>
</tr>
<tr>
<td></td>
<td>September</td>
<td>80.97%</td>
<td>67.55%</td>
<td>53.84%</td>
</tr>
<tr>
<td></td>
<td>October</td>
<td>82.72%</td>
<td>70.94%</td>
<td>68.78%</td>
</tr>
</tbody>
</table>

Source: Tasmanian Hospitality Association

---

**Tasmania is a sustainable environment**

Tasmania is rich with pure air, clean water, a cool temperate climate – and has a significant proportion of its energy generated from renewable resources. Tasmania has significant levels of biodiversity with 48 per cent of its land mass protected in World Heritage Areas, national parks and reserves.

Our natural assets and resources, combined with incentives for innovative businesses to invest in clean energy, clean technologies and services, is helping Tasmania achieve economic prosperity while ensuring quality outcomes for the environment.

**Tasmania is an attractive place to set up business**

Tasmania is one of Australia’s most affordable places to establish or expand a business.

Property is often the largest single investment required by tourism businesses and Tasmanian property prices are considerably less expensive than equivalent holdings in mainland Australia.

With regard to labour, Tasmania has the lowest total cost of employing workers in Australia, based on average weekly earnings\(^{14}\) and through having one of the most stable workforces in the nation, allowing businesses to benefit from the returns on their investment in staff.

The cost of recruiting staff and retaining Tasmanian consultants and contractors is also typically cheaper than the cost for similar mainland businesses, and Tasmania has a low level of taxation severity compared with other Australian jurisdictions and is well below the national average\(^ {15}\).

---

Tasmania’s tourism regions

Hobart and surrounds
Southern Tasmania combines heritage charm, ecotourism attractions, cultural diversity and exquisite food and beverages. Hobart is the capital and one of the most recognised places in Tasmania, with over 72.4 per cent of all guests to Tasmania visiting Hobart during their stay.

Over the past three years, Hobart and its surrounds have experienced a 12 per cent growth in overnight international and interstate visitors. Many visitors consider an overnight stay in Hobart an essential part of their trip to Tasmania with two thirds of all visitors to the state spending at least one night in Hobart.

Hobart is home to the Museum of Old and New Art (MONA) and the Tasmanian Museum and Art Gallery. It also hosts regular Australian Football League and international cricket matches.

Beyond Hobart, the region is also home to Bruny Island, Port Arthur, the Coal River Valley wineries, the Huon and Derwent Valleys, the historic town of Richmond and the Tasman Peninsula.

East coast
Tourism on the East Coast is also growing. The region has experienced a 22 per cent growth in holiday visitors over the past three years, with 40.4 per cent of all international and interstate visitors to the state spending at least one night on the coast.

Tasmania’s east coast offers long, white beaches, clear waters and secluded coastlines that are perfect for walking, kayaking, diving and sea cruises. The region includes Freycinet National Park – home to the multi-award-winning Saffire Freycinet Lodge, Bay of Fires, and Maria Island National Park, featuring the multi-award winning Maria Island Walk. The Great Eastern Drive is one of the most dramatic and beautiful coastlines in Australia. With its spectacular national parks, wildlife and many maritime experiences, this route takes you through a temperate natural paradise.

Launceston, Tamar and the north
Launceston, Tasmania’s second-largest city, is home to some of Australia’s best restaurants and hosts visitors to many of the state’s best events and attractions, such as Festivale and the Cataract Gorge. The region’s historic towns of Evandale, Longford, Campbell Town and Ross preserve the architecture of the 19th century and offer great niche tourism products. Within close distance is the Tamar Valley, the first wine region established in Tasmania which offers distinct, premium quality, cool climate wineries and vineyards.

Other attractions in the region include Australia’s biggest annual craft fair in Deloraine, Agfest, North East Rail Trail and the world-famous Barnbougle Dunes and Barnbougle Lost Farm golf courses.

Almost 44 per cent of guests to Tasmania visit Launceston, compared with 33 per cent staying overnight. Growth, however, in overnight stays has increased by 17 per cent over the past three years and is anticipated to continue to grow with the Launceston Airport upgrade and hotel pipeline projects.

North west and west coast
With access via both air and sea, the North West and West Coast is home to some of the state’s best-known natural attractions, including the World Heritage Franklin and Gordon Rivers, Cradle Mountain, the Tarkine – Australia’s largest temperate rainforest -- the Abt Railway and the roaring surf of Marrawah.

The region includes the cities of Devonport (the home port of the Spirit of Tasmania ferries) and Burnie with the coastal communities of Penguin, Wynyard, Stanley, Strahan and King Island, as well as the hinterland towns of Deloraine, Latrobe, Queenstown and Sheffield. The area produces some of the state’s finest cheeses, chocolates and farm produce, as part of the Cradle to Coast Tasting Trail.

16. Tasmanian Visitor Survey, September 2018
Explore the opportunities and your future potential in Tasmania

The Office of the Coordinator-General is Tasmania’s principal entity to attract and support investment in the state. It provides free confidential services and professional advice to investors, including:

» connections with local industry associations
» government departments
» information on business opportunities, investment regulations and government assistance
» insights on business costs, skills availability, taxation and research opportunities
» expert advice on Tasmania’s industry capabilities and strengths
» site visits to identify suitable locations in Tasmania for your business
» links with potential joint venture partners
» information on industry strategies
» links with assistance in accessing export markets.

Useful contacts

Office of the Coordinator-General
Level 1, 12-16 St John Street Launceston
TAS 7250
Phone: +61 3 6777 2786
Email: cg@cg.tas.gov.au
Web: www.cg.tas.gov.au

Business Events Tasmania
GPO Box 237 Hobart TAS 7001 Australia
Phone: +61 3 6231 1366
Email: mail@businesseventstasmania.com
Web: www.businesseventstasmania.com.au

Cradle Coast Authority (CCA)
PO Box 338 Burnie TAS 7320 Australia
Phone: +61 3 6431 6285
Email: admin@cradlecoast.com
Web: www.cradlecoast.com

Destination Southern Tasmania (DST)
GPO Box 179 Hobart TAS 7001 Australia
Phone: +61 3 6223 5650
Email: dstadmin@southerntasmania.com.au
Web: www.southerntasmania.com.au

Local Government Association of Tasmania
GPO Box 1521 Hobart TAS 7001 Australia
Phone: +61 3 6233 5966
Email: admin@lgat.tas.gov.au
Web: www.lgat.tas.gov.au

Northern Tasmania Development
PO Box 603 Launceston TAS 7250 Australia
Phone: +61 3 6380 6800
Web: www.northerntasmania.org.au

Tourism Industry Council Tasmania
GPO Box 1521 Hobart TAS 7001 Australia
Phone: +61 3 6224 1930
Email: info@tict.com.au
Web: www.tict.com.au

Events Tasmania
GPO Box 536 Hobart TAS 7001 Australia
Phone: +61 3 6165 5022
Email: info@eventstasmania.com
Web: www.eventstasmania.com

Tourism Northern Tasmania (TNT)
PO Box 582 Launceston TAS 7250 Australia
Phone: +61 3 6380 6099
Email: admin@tnt.org.au
Web: www.tnt.org.au

Tourism Tasmania
GPO Box 399 Hobart TAS 7001 Australia
Phone: +61 3 6165 5334
Email: reception@tourism.tas.gov.au
Web: www.discovertasmania.com.au
(Official travel) www.tourismtasmania.com.au (Corporate)

© State of Tasmania January 2019
Photo credits: images courtesy of Tasmanian Government, Tourism Tasmania, Adam Gibson, Sean Scott, Alastair Bett, Alice Hansen, Rob Burnett, Poon Wai Nang, Great Walks of Australia, Michael Petersen, Stu Gibson, Sean Fennessy, Dan Fellow and Roger T wong.