

Canberra Region Tourism Leaders Forum

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Today's Itinerary

Booking

- Who are we?

Check-in

- Top Priorities for Accommodation

Enjoy your stay

- Hotel Occupancy Outlook
- Economic and Consumer Outlook

Check-out

- Opportunities for Canberra Region



Australian Hotels Association

Accommodation Australia



- 6,000 members - 8 state and territory branches
- State offices and national office in Canberra - 125 staff nationwide
- Accommodation Australia - merger of accommodation industry associations 1 July 2023
- National presence in Canberra with dedicated managers and advisory committees in every state and territory
- Combined talent and resources to create a single voice that is united, disciplined and focused for our sector

AHA ACT

- 100 members and growing
- Represents Canberra's accommodation and licensed hospitality industry – including accommodation hotels, pubs, bars, restaurants, nightclubs and licensed cafes.
- Unlimited legal and IR advice included in membership including templates for contracts, staff handbooks, and internal controls available 24/7
- Policy and Advocacy
 - Night Time Economy reform
 - Deferral of Portable Long Service Leave
- Member-only events and deals on energy and travel
- Hospitality & Accommodation Awards

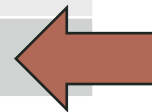


General Manager
Chris Gatfield



Hotel Occupancy 2024

	2024	2023
Australia	71.3	69.5
New South Wales	73.8	72.6
Queensland	71.0	68.8
Victoria	69.0	67.0
South Australia	68.8	68.0
Western Australia	76.6	73.4
Tasmania	71.8	70.5
Northern Territory	56.9	56.3
Australian Capital Territory	69.5	67.9



- 2024 occupancy good but not great - lots of “sugar hits” eg “Taylor Swift Effect”
- Occupancy was 71.3% compared with 69.5% in 2023 – an overall increase of just 1.8 points
- The average cost of a room remained stable, only increasing \$2.50 to \$239.65 - a rise of only 1.1%
- There were falls in the nightly room rate in Tasmania, NT, ACT and Victoria

Up 1.6 points

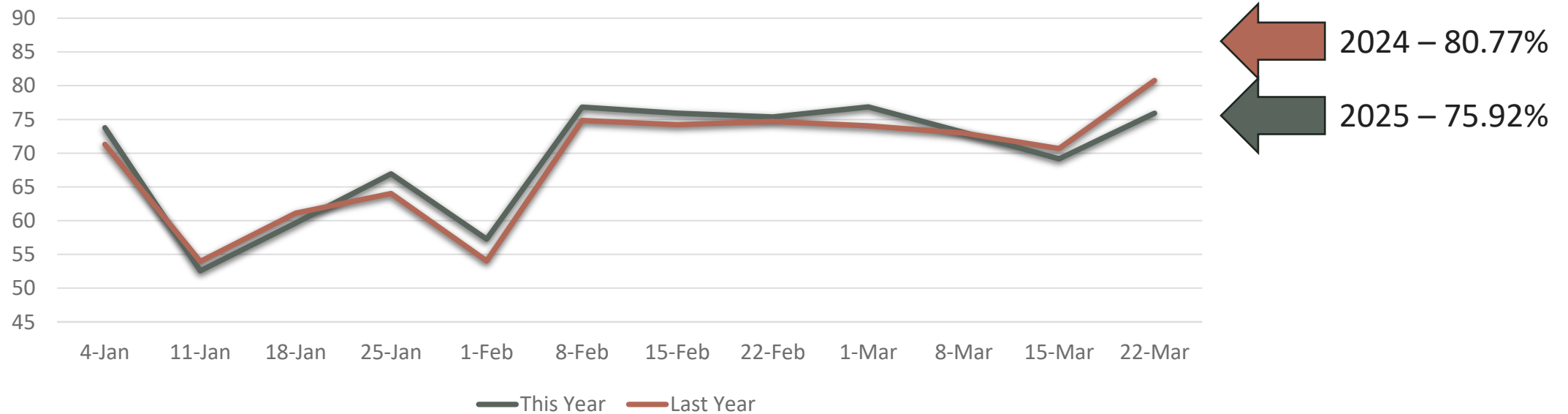
February Occupancy 2025



- Hotel occupancy continues to rise in February but there is subdued growth
- 74.0% compared with 73.8% in 2024
- Nightly room rate was 3.6% lower at \$241.96 compared with \$251.08 in 2024.
- Occupancy rates for February 2025 were up compared to last year in all States and Territories except for slight falls in NSW, Victoria and WA
- There was particularly strong performance in SA, ACT, NT followed by Tasmania.
- Parliamentary sittings in Canberra

Canberra Occupancy – Jan to March 2025

Weekly Occ (%) - Jan 04, 2025 to Mar 22, 2025



AA Election Priorities



1. Boosting tourism demand and international competitiveness
2. Addressing workforce and skills challenges
3. Reforming migration to support industry growth
4. Regulating Short Term Rental Accommodation (STRA) for housing stability
 - ACT Levy 5%
5. Energy policy and tax relief

Key 2025 Election Priorities for the Accommodation Industry



In the 2025 Federal election, Accommodation Australia seeks the commitment of all political parties to key priorities in support of an industry that:

- employs almost 110,000 people in their main job and provides jobs for an additional estimated 50,000 Australians supplementing their household income through work in our industry. Over 40% of these jobs are in regional Australia and almost 60% are held by women.
- generated tourism related revenue of over \$21.2 billion in 2023-24 and, along with the other sectors in the Accommodation and Food Service Industry, contributed over \$60 billion in value-add to the Australian economy.
- is still recovering from the devastating impact of the restrictions imposed during the pandemic, and where international holiday visitor nights are more than 11% less than pre-pandemic levels and total international visitor arrivals still 12% lower.

Tourism Demand

- Recognise that international tourism to Australia grows when travellers are inspired to come by increasing Tourism Australia's funding to \$200 million per annum plus \$20 million for events.
- Facilitate an increase and diversification of international and domestic aviation capacity and competition.
- Freeze the Passenger Movement Charge and invest more of its proceeds into improving the traveller border processing experience.

Training & Skills

- Recognise the accommodation and food service industry and its one-million strong workforce as a priority for training funding to achieve higher productivity of our labour-intensive industry, as well as facilitate more post-school qualifications for the workers.
- Improve employer incentives to food trades apprentices and restore hospitality traineeship incentives.

Migration

- A minimum of 47,000 employer sponsored places per annum within the permanent migration program.
- Restore restaurant manager to the Core Skills Occupation List, ensure all of the key skilled occupations vital to hospitality are eligible for sponsorship and allow regional employers to sponsor all skilled occupations for temporary or permanent skilled migration.
- Halve the Skilling Australians Fund levy and continue to invest in improving processing times.
- Continue access for working holiday makers to second and third year visas, and that this eligibility be reliant on work in the regions, but expand the way current regions are defined.

Short Term Rental Accommodation

- Improve housing availability and affordability by overseeing a national framework of State/Territory regulation of short-term rental accommodation including a registration system, a cap of 90 days per annum and scope for local governments to impose lower caps, as well as effective enforcement of the regulation.

Energy, Tax and Small business support

- Incentives and subsidies to alleviate the crippling increasing costs of energy and retain hospitality industry access to gas as an energy source.
- Remove fringe benefits tax on legitimate business entertainment expenses and restore their deductibility (excluding alcohol costs) for small business.
- Increase the accelerated depreciation rate for accommodation properties to improve cash flow and support increased hotel refurbishment.

More information on these priorities can be found in Accommodation Australia's 2025-26 Pre Budget Submission in the submissions section of our website: www.accommodationaustralia.org.

Tourism Demand and Trends



- International visitor recovery is steady – 88% of pre-COVID (2024)
- The remaining 10% is proving harder to achieve – but predictions of record 10 million tourists in 2026
- In 2024 three leading source countries: New Zealand, China, USA
- Short term trips by Australians overseas were the highest on record in January 2025
- In January, three leading source countries where visitors came from were:
 - China (114,660 trips) – first time since the pandemic China regained #1
 - New Zealand (96,250)
 - USA (72,090).

Economic and Consumer Outlook

- The public is prioritising travel despite cost-of-living pressures
- Consumers want “value” and want “experiences”
- People don’t just want to feel good but to do good.
- Outlook for 2025 is cautious optimism – good start in Sydney and Melbourne
- Focus on consolidation of all travellers to even out highs and lows and establishing new international markets
- Interest Rate Cut – positive for consumers but risk Australians will travel overseas



Opportunities for Canberra Region



1. Improving air connectivity, competition and reliability
2. Harness tourism demand from new and emerging markets
3. Encourage industry cooperation and investment
 - Light Rail Corridor
 - Convention Centre Precinct
4. Leverage the growth in social and eco-tourism
5. Strategy for attraction of business events, festivals, sporting events and concerts in slow periods

