



Australian Government

Australian Trade and Investment Commission
Tourism Research Australia

Tourism Investment Monitor

2021-22



Acknowledgement of Country

In the spirit of reconciliation we acknowledge the Traditional Custodians of country throughout Australia and their connections to land, sea and community. We pay our respect to their elders past and present and extend that respect to all Aboriginal and Torres Strait Islander peoples today.

Acknowledgements

This work should be attributed as *Tourism Investment Monitor 2021-22*, Tourism Research Australia, Austrade, Canberra.

This report is available at www.tra.gov.au

Further enquiries are welcome at tourism.research@tra.gov.au

The term 'tourism' in the international standards is not restricted to leisure activity. It includes travel for business or other reasons, such as education, provided the destination is outside the person's usual environment. Therefore, tourism is a demand side phenomenon and is defined, first, by an individual's movement out of their usual environment, and, second, by the type of goods and or services consumed by the individual. Visitor demand for transport, travel experiences and accommodation needs to be complemented by supply side capacity. This report monitors investments in the key tourism related supply side areas of aviation, arts, recreation and business services and accommodation.

Cover image: Surfers Paradise, Gold Coast, QLD
Courtesy of Virgin Australia.

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Capella Lodge Restaurant
Image courtesy of Baillie Lodges

About this report

Tourism Research Australia (TRA) compiles the Tourism Investment Monitor to provide an annual update on aspects of the visitor economy's performance. The report is a point-in-time measure of investment (planned and committed) in fixed assets related to Australia's tourism sector. It reports on both the stock, and the progress of projects at each stage of development. Investment projects are classified as either proposed, in the planning stage, or under construction.

The 2021–22 tourism investment pipeline represents all known major tourism-related projects having an estimated financial value of \$20 million or more in 3 main tourism segments:

- Aviation
- Arts, recreation, and business services
- Accommodation

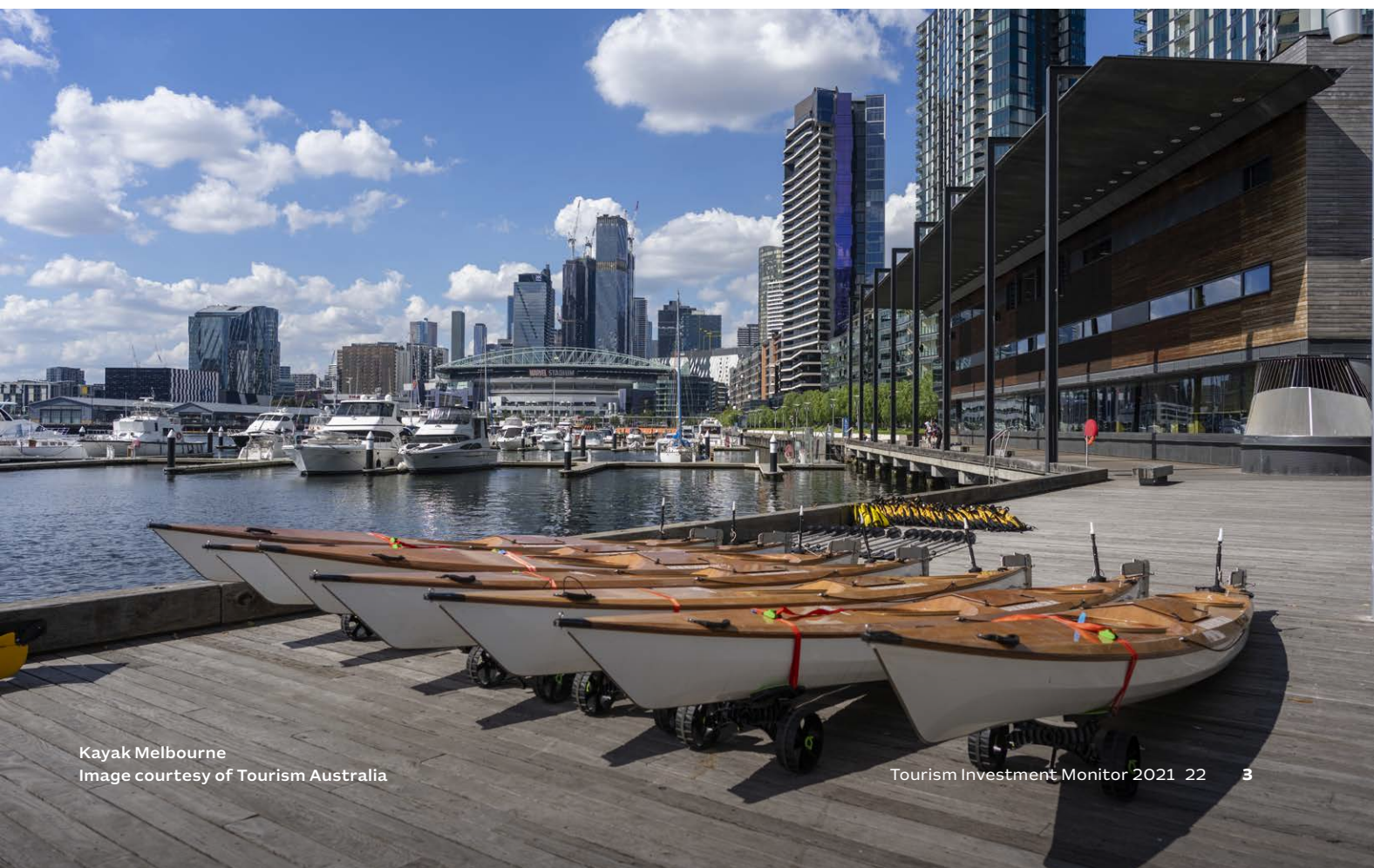
Changes over time in the number and type of investment projects can be an indicator of confidence within the sector. TRA's year-by-

year stocktake of tourism investment projects therefore facilitates insights into this intangible area of investor confidence. Confidence in the sector is vital to unlock the investment required to facilitate growth and enable adaptation as consumer expectations change.

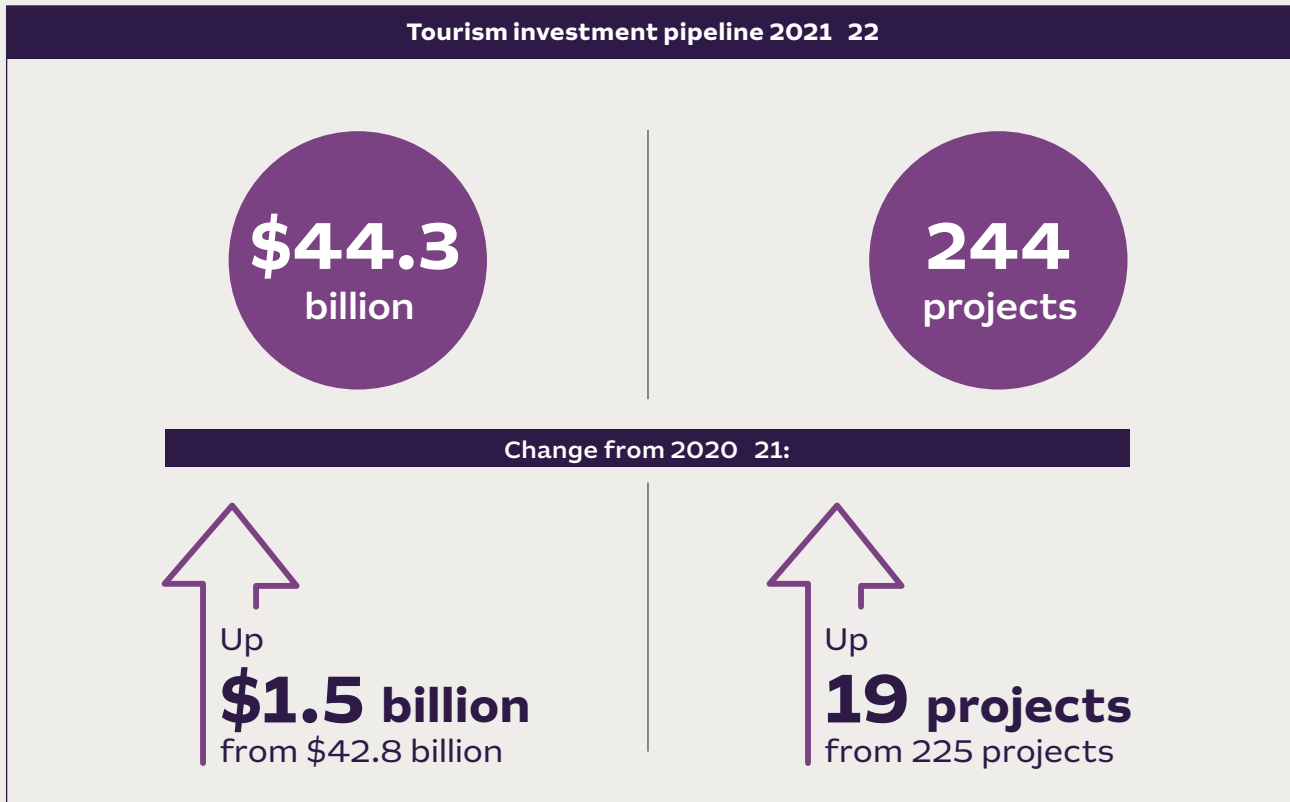
TRA analyses Australia's tourism investment pipeline to show:




- recent trends
- location of projects
- progress through stages of the development timeline.

The investment pipeline includes a section on standalone accommodation projects: that section excludes mixed-use developments. However, mixed-use developments are an important contributor to the visitor economy so separate information on the value and volume of mixed-use developments that contain a tourism component is also provided in this report.



The tourism investment pipeline



Aviation	Arts, recreation and business services	Accommodation
 <p>\$16.7 billion 14 projects</p>	 <p>\$16.1 billion 78 projects</p>	 <p>\$11.5 billion 152 projects 23,000 rooms</p>
<p>Change from 2020–21</p> <p>Value unchanged</p> <p>Up 1 project</p>	<p>Change from 2020–21</p> <p>Up \$0.4 billion</p> <p>Down 1 project</p>	<p>Change from 2020–21</p> <p>Up \$1.0 billion</p> <p>Up 19 projects</p> <p>Up 2,900 rooms</p>

Numbers may not sum due to rounding

About the pipeline

The 2021–22 tourism investment pipeline consisted of 244 projects with a value of \$44.3 billion. The value of the pipeline grew by \$1.5 billion (3.6 per cent) compared with the 2020–21 pipeline of \$42.8 billion (225 projects) (Figure 1).

Investment overview by sector

Across the 3 tourism sectors, the pipeline was split by:

- aviation – 14 projects valued at \$16.7 billion
- arts, recreation, and business services – 78 projects valued at \$16.1 billion
- accommodation – 152 projects valued at \$11.5 billion, with the potential to add 23,000 rooms to accommodation supply

Project phases

The pipeline includes 3 development stages (see Methodology section for details):

- **proposed** – projects that have been announced but may not have precise information or formal plans publicly available
- **planning** – projects in the formal planning stage, such as appointing developers and architects or applying for council approval

- **under construction** – projects where the ground has been broken on the construction site.

Completed projects are removed from the pipeline. Similarly, projects that have been put on hold, deferred, or are no longer going ahead are also deemed to have exited the pipeline in that year. New projects are also added: in 2021–22, there were 68 **new projects** valued at \$6.8 billion.

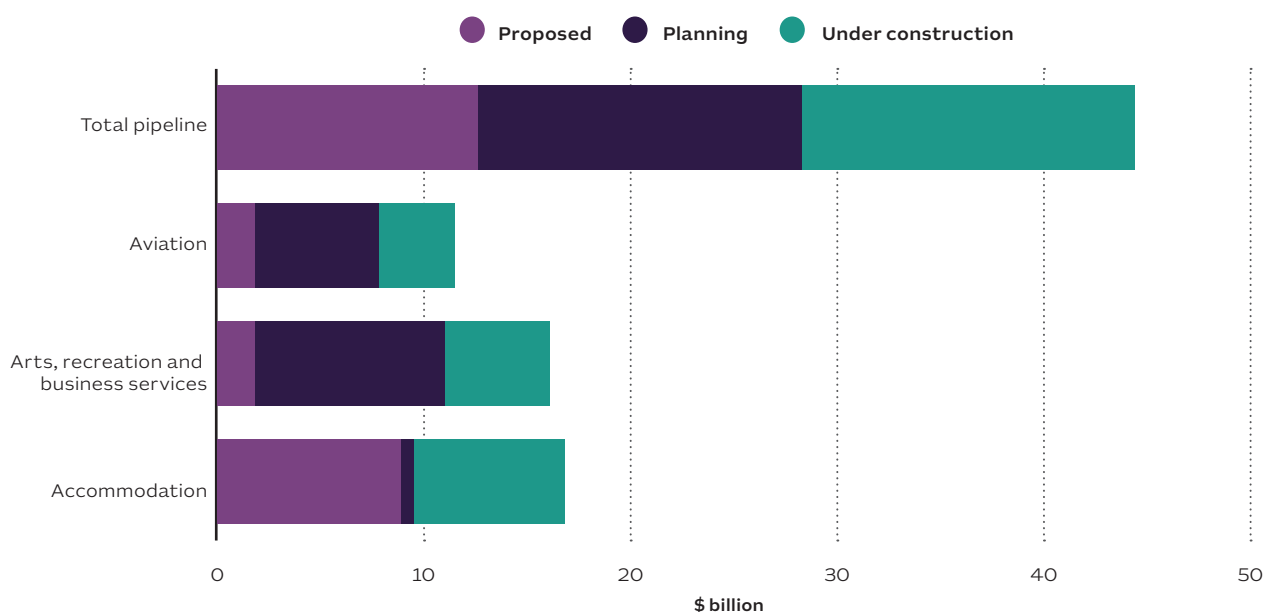
The 2021–22 pipeline includes:

- 34 projects valued at \$12.6 billion in the **proposed phase**
- 128 projects valued at \$15.7 billion in the **planning phase**
- 82 projects valued at \$16.1 billion in the **under-construction phase**.

Assessment

As Australia emerges from the constraints imposed by COVID-19, there is renewed optimism for recovery in the visitor economy. The domestic visitor economy is strong and international students and holiday-makers are steadily returning. Any optimism is, however, counterbalanced by challenging global economic conditions, global conflict and ongoing pandemic impacts.

Figure 1: Value of the tourism investment pipeline in Australia in 2021–22



Source: Tourism Research Australia

In this environment, the value of tourism investment projects in the pipeline in 2021–22 remains significant. New projects have entered the pipeline and many others made progress through the pipeline stages.

The most significant movement in the investment pipeline was in the accommodation sector, which has experienced high rates of occupancy both prior to the pandemic and since lockdowns ended. Investment in the accommodation sector rose \$1.0 billion to \$11.5 billion through 19 additional accommodation projects with a potential to add 23,000 rooms upon completion.

Mixed-use developments

The investment pipeline excludes mixed-use developments. Such projects may combine short-term accommodation, residential, commercial and leisure spaces. They will typically contain food and beverage or retail services and hotel or short-stay rental properties. As such, they contribute significant value to the visitor economy. However, the Tourism Investment Monitor pipeline does not include mixed-use developments because of the difficulty in attributing an explicit value to the tourism-specific component of such projects.

The mixed-use pipeline is very large: it has the potential to add more rooms than the standalone accommodation pipeline. In 2021–22, there were 160 mixed-use developments valued at \$57.9 billion with the potential to add 29,700 rooms to accommodation supply.

The value of the mixed-use pipeline decreased marginally (down \$0.8 billion) compared with 2020–21; however, the volume increased with 24 more projects and an increase of 1,700 rooms in the year.

Road, rail and water transport infrastructure

Like mixed-use developments, the non-aviation part of the transport sector is not included in the investment pipeline. Road, rail, and water transport infrastructure is, however, essential for the visitor economy as it facilitates the transit of passengers and goods from one place to another. Better and more efficient land, air and water transit can add value through connecting destinations to different markets and visitors to different travel options. Crowded and congested infrastructure wastes time and reduces visitor motivation. The box below provides examples of road, rail and water transport projects in different jurisdictions.

Road, rail and water transport infrastructure

Tourism is generally not the driving force for investment decisions related to road, rail and water transport infrastructure, yet the tourism sector is somewhat reliant on such investments. The following investments are examples of those likely to be beneficial to tourism:

- Proposed investment worth \$11.0 billion – Sydney Metro – Western Sydney International Airport – rail line from St. Marys to Western Sydney International Airport and the Aerotropolis in New South Wales
- Committed investment of \$7 billion in public transport infrastructure projects across Brisbane with the Cross River Rail and Brisbane Metro under construction
- Investment worth \$5.2 billion (under construction) – METRONET – includes the Forrestfield Airport Link, Thornlie Cockburn Line, Yanchep extension of the Joondalup Line, Morley to Ellenbrook Line, Byford extension of the Armadale line, extending the Midland Line to Bellevue, relocating Midland station, building a new station at Karnup, increasing passenger parking at Mandurah Station, station upgrades, level crossings, and 78 railcars in Western Australia
- Investment worth \$560 million (under construction) – Fleurieu Connections Improvements Package – includes duplication of Victor Harbour Road, duplication of Main South Road from Seaford to Aldinga, and upgrade of Main South Road from Aldinga to Sellicks Beach in South Australia
- Planned investment worth \$255 million – Great Ocean Road Renewal – upgrade of sections of the Great Ocean Road and surrounding inland routes in Victoria
- Proposed investment worth \$63 million – Cairns to Northern Territory Border Corridor Upgrade – targeted upgrades along the Carpentaria Highway, Wollongorang Road, Doomadgee Road, Normanton to Burketown Developmental Road and Kennedy Highway, and surrounding roads in Queensland.

State and territory breakdown of the pipeline

The visitor economy in each jurisdiction varies quite significantly and the pipeline reflects this (Figure 2). For example, the Australian Capital Territory has a greater reliance on business travel, with a strong international student cohort. In contrast, Western Australia relies more on domestic intrastate travel.

New South Wales

- The pipeline of tourism investment in New South Wales was the largest of all the states and territories. The NSW pipeline accounted for around 32% of all tourism investment with 59 projects valued at \$14.1 billion.
- Investment in the aviation sector totalled \$5.4 billion, the main contribution being from the Western Sydney International Airport at Badgerys Creek.
- Investment in the arts, recreation and business services sector totalled \$4.0 billion.
- Investment in the standalone accommodation sector totalled \$4.7 billion.
- Regional investment was \$1.1 billion (up from \$0.8 billion in 2020–21).

Victoria

- There were 45 projects in the tourism investment pipeline in Victoria, which were valued at \$12.8 billion.
- Investment in the aviation sector totalled \$8.5 billion, with a major contribution from the proposed Koo Wee Rup privately owned airport worth \$7 billion.
- Investment in the arts, recreation and business services sector totalled \$2.7 billion.
- Investment in the standalone accommodation sector totalled \$1.6 billion.
- Regional investment was \$7.9 billion, marginally down from \$8.1 billion in a year prior.



Melbourne, VIC
Image courtesy of Tourism Australia

Queensland

- Queensland had 40 projects valued at \$7.0 billion.
- Most investment was in the arts, recreation, and business services sector (\$4.5 billion) including substantial investment related to the 2032 Olympic Games. The value of projects in this sector was \$5.0 billion in 2020–21.
- Investment in the standalone accommodation sector totalled \$1.9 billion.
- Investment in the aviation sector totalled \$0.5 billion, after several projects in this sector from last year's pipeline were completed.
- Capital city investment was \$5.4 billion, up from \$4.7 billion in 2020–21.
- Regional investment was \$1.6 billion, down \$0.4 billion on last year.

South Australia

- South Australia had 29 projects valued at \$3.2 billion.
- Most of these investments were in arts, recreation, and business services (\$1.8 billion) followed by accommodation (\$1.4 billion).
- Capital city investment was \$2.7 billion, down from \$3.1 billion in 2020–21.
- Regional investment was \$0.5 billion, three times larger than that of the prior year.

Western Australia

- Western Australia had 24 projects valued at \$3.1 billion.
- Capital city investment was \$2.8 billion, slightly higher than the \$2.3 billion in 2020–21.
- Regional investment was \$0.3 billion, the same as in 2020–21.

Tasmania

- Tasmania had 31 projects valued at \$1.7 billion.
- These investments were split across the arts, recreation, and business services (\$0.9 billion) and accommodation (\$0.7 billion) sectors.
- Capital city investment was \$1.0 billion, up from \$0.9 billion in 2020–21.
- Regional investment was \$0.7 billion, up from \$0.6 billion in 2020–21.

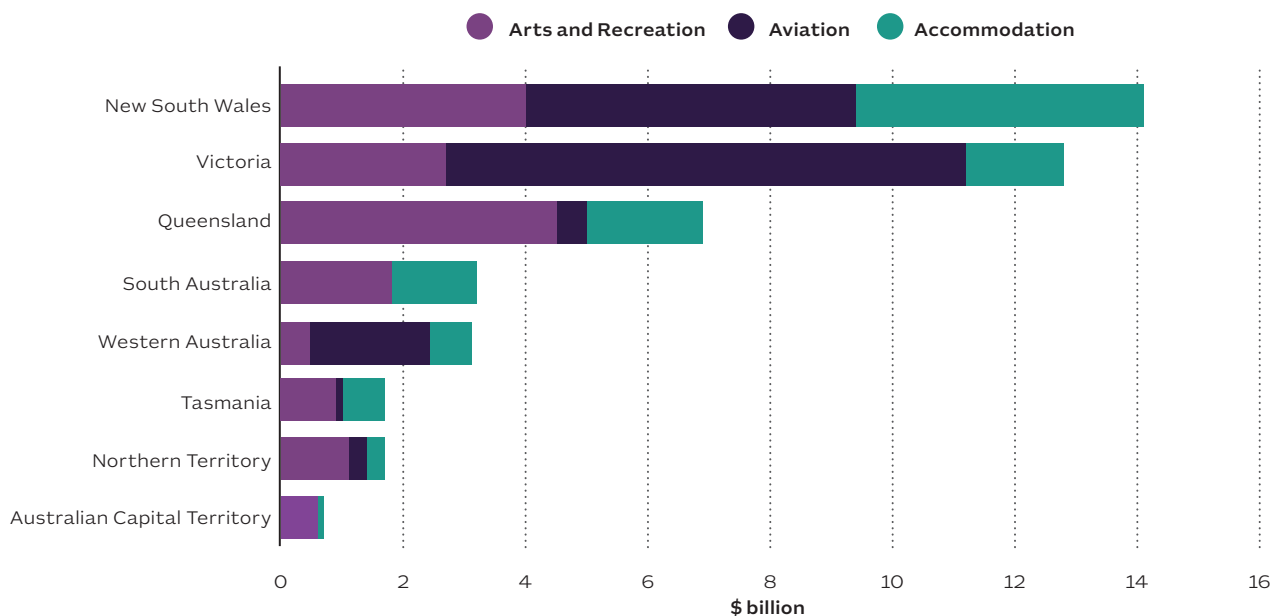
Northern Territory

- The Northern Territory had 11 projects, valued at \$1.8 billion, in the pipeline – an investment level similar to the 2020–21 year.
- This included investments in the arts, recreation, and business services sector (\$1.1 billion) and accommodation and aviation (\$0.3 billion each).
- Capital city investment was \$0.7 billion.
- Regional investment was \$1.0 billion.

Australian Capital Territory

- The Australian Capital Territory had 5 projects valued at \$0.7 billion.
- Most of the investments were in arts, recreation, and business services (\$0.6 billion). This included the redevelopment of the Australian War Memorial (\$498 million).



Figure 2: Tourism investment pipeline by state and sector, 2021–22



Source: Tourism Research Australia



Aviation results

Total	Capital cities	Regional
 <p>\$16.7 billion 14 projects</p>	 <p>\$9.5 billion 8 projects</p>	 <p>\$7.3 billion 6 projects</p>
<p>Change from 2020–21: Value unchanged Up 1 project</p>	<p>Change from 2020–21: Value unchanged Up 1 project</p>	<p>Change from 2020–21: Value unchanged Projects unchanged</p>

Aviation remains a vital component for growing Australia’s tourism sector. Domestically, the distance between major centres often precludes ground transport. Internationally, almost all visitors arrive by air.

Projects in this sector cover airport construction and upgrades to runways, terminals, and related fixed infrastructure. Purchases of aircraft are not included.

In 2021–22, there were 14 aviation projects worth \$16.7 billion (Figure 3). This is the same value but one project higher when compared with the 2020–21 pipeline.

Major projects in this sector include:

- The proposed Koo Wee Rup Airport located near Melbourne’s southeast corridor – \$7 billion
- The new Western Sydney International Airport (Badgerys Creek) – \$5.3 billion (under construction)
- Upgrades at Perth Airport – \$1.9 billion (under construction)
- A proposed new runway at Melbourne Airport – \$1.5 billion.

Breakdown by location

In 2021–22, in the aviation sector, there were 7 projects worth \$9.2 billion located in capital cities. There were a further 7 projects worth \$7.6 billion located in regional areas. The proposed Koo Wee Rup Airport located near Melbourne’s southeast corridor (\$7 billion) accounts for much of the regional pipeline.

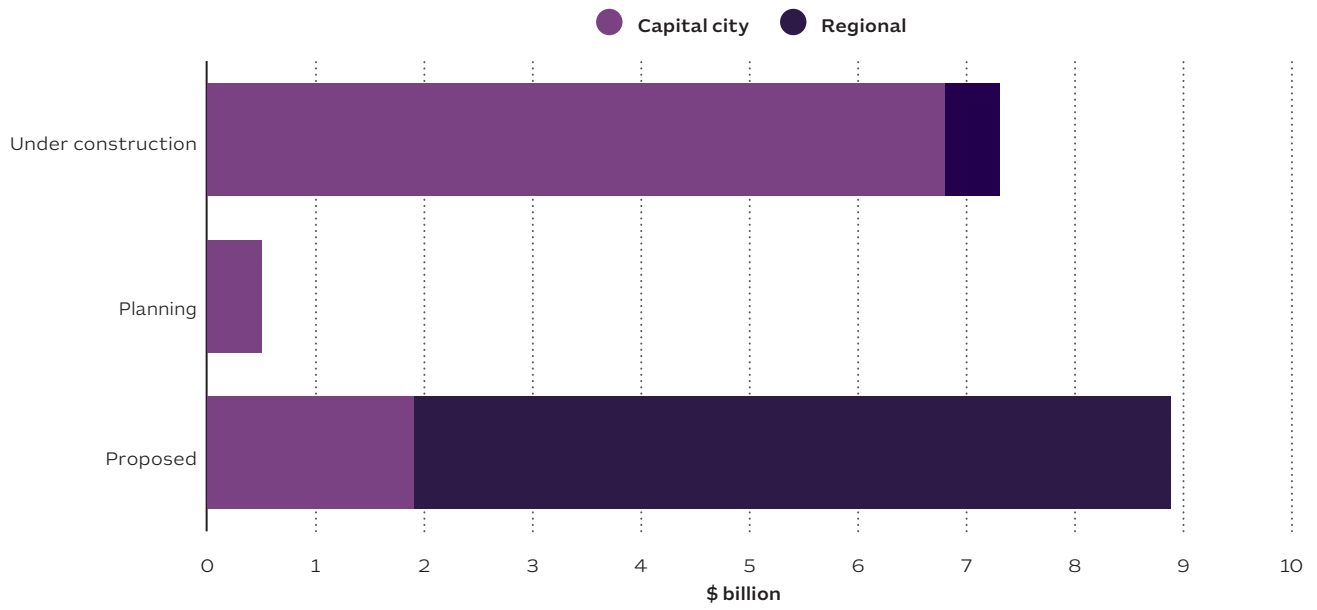
In 2021–22, there were:

- 2 projects in Victoria (\$8.5 billion)
- 2 aviation projects in New South Wales (\$5.4 billion)
- 4 projects in Western Australia (\$1.9 billion)
- 6 projects worth (\$1.0 billion) across Queensland (3 projects), the Northern Territory (2 projects) and Tasmania (one project).

Breakdown by project phase

Most projects (8 projects worth \$7.3 billion) in the aviation pipeline were under construction in 2021–22. These projects were all also under construction in 2020–21. There were 4 projects (\$8.9 billion) in the proposed stage.

Figure 3 – Aviation pipeline by project phase, 2021–22



Source: Tourism Research Australia





KALTJITI ARTS

Arts, recreation and business services results

Total	Capital cities	Regional
 <p>\$16.1 billion 78 projects</p>	 <p>\$13.6 billion 54 projects</p>	 <p>\$2.5 billion 24 projects</p>
<p>Change from 2020–21:</p> <p>Up \$0.4 billion Down 1 project</p>	<p>Change from 2020–21:</p> <p>Up \$0.6 billion Down 1 project</p>	<p>Change from 2020–21:</p> <p>Down \$0.2 billion Projects unchanged</p>

Summary

Arts, recreation, and business services are a key driver of visitor demand. They:

- are the services and attractions that continue to enable and enhance the visitor experience,
- make a city, town or region a strong tourism drawcard.

In 2021–22, there were 78 arts, recreation and business services projects in the pipeline valued at \$16.1 billion (Figure 4). This was an increase of \$0.4 billion in the value of projects in the pipeline on the previous year.

Among the more prominent projects in the arts, recreation and business services pipeline were the:

- New Brisbane Arena entertainment precinct – \$2.0 billion
- Redevelopment of Melbourne Arts Precinct – \$1.7 billion
- Redevelopment of the Brisbane Cricket Ground (the Gabba) – \$1.0 billion
- New Powerhouse Museum in Parramatta – \$0.8 billion
- Redevelopment of the Sydney Football Stadium (under construction) – \$0.8 billion

- Redevelopment of Adelaide Festival Plaza (under construction) – \$0.7 billion
- New indoor stadium in Adelaide – \$0.7 billion
- Redevelopment of Canberra’s Australian War Memorial (under construction) – \$0.5 billion, and
- Central Australia Tourism Recovery Eco-System – National Aboriginal Art Gallery (under construction) – \$0.5 billion.

Breakdown by project phase

Under construction

There were 27 projects under construction in 2021–22, with a value of \$5.1 billion. Of these, 14 projects entered the construction phase in 2021–22 at a combined value of \$2.1 billion. Most of these projects were in the planning phase the previous year.



Big Cat Green Island Reef Cruises
Image courtesy of Tourism Australia

Planning

There were 36 projects worth \$9.2 billion in the planning phase, including several expected to commence construction in the next year. Of these, there were:

- 11 projects in Queensland worth \$4.0 billion
- 7 projects in New South Wales worth \$1.7 billion
- 1 project in Victoria worth \$1.7 billion
- 17 projects across Tasmania (7 projects), the Australian Capital Territory (3 projects), the Northern Territory (3 projects), Western Australia (3 projects), and South Australia (one project).

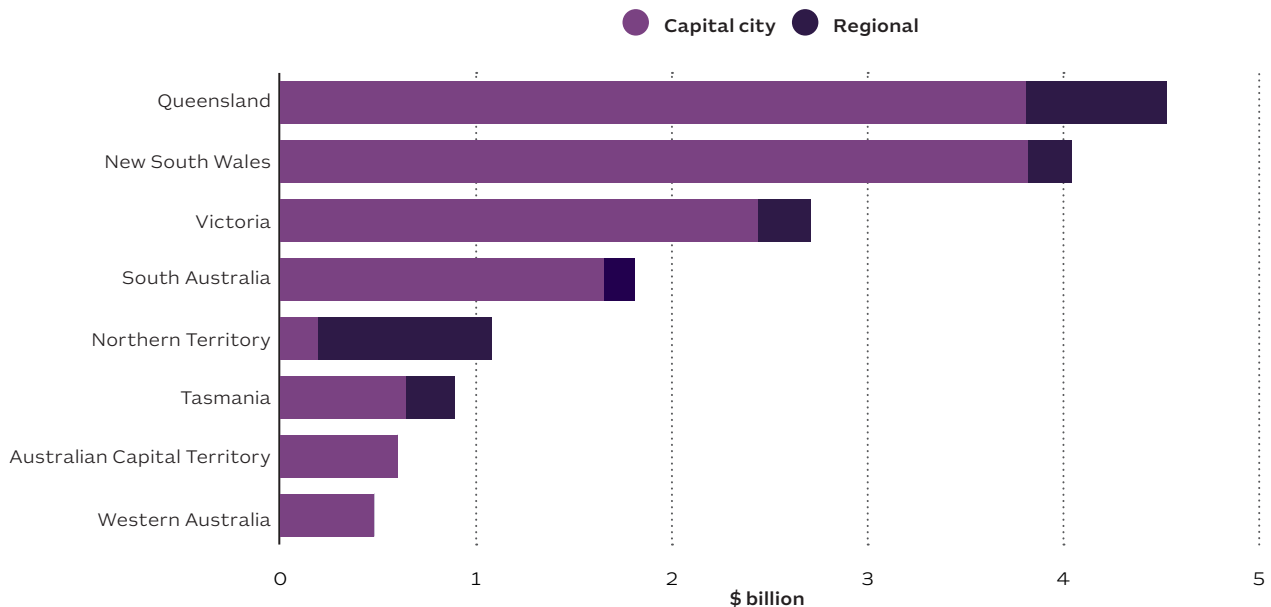
Proposed

There were 15 projects worth \$1.8 billion in the proposed phase. All of these were in the pipeline in 2020–21.

Completed

In 2021–22, there were 8 projects completed (and removed from the pipeline), worth \$1.1 billion.

Figure 4 – Arts, recreation and business services pipeline by location, 2021–22



Source: Tourism Research Australia

Breakdown by investment area

By area of investment, there were:

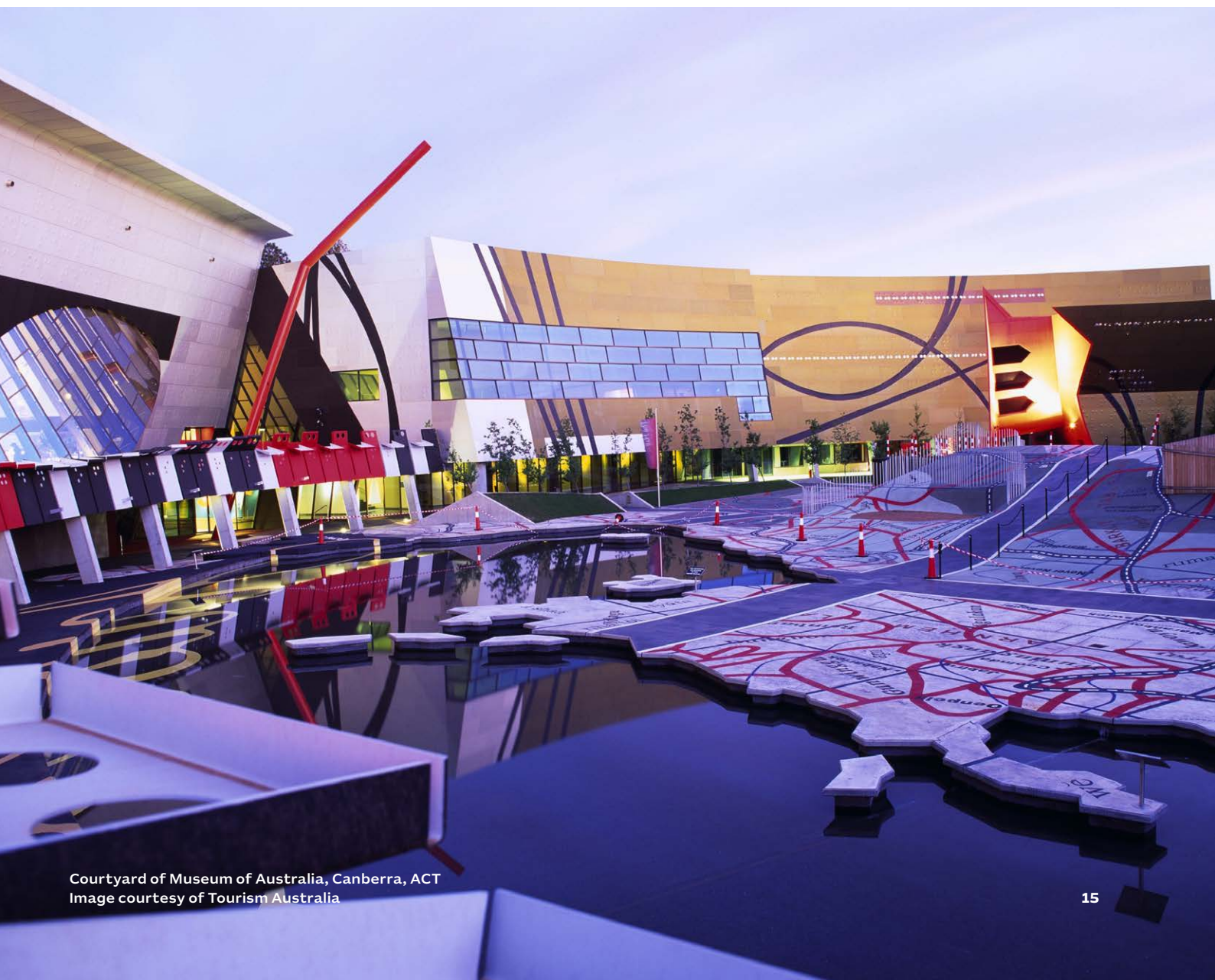
- 26 arts/cultural/museum projects valued at \$6.0 billion
- 20 sports-related projects valued at \$4.2 billion
- 22 attractions/aquatic recreation/zoos projects worth \$2.1 billion
- 10 convention/exhibition/showground/plaza projects worth \$3.8 billion

Breakdown by location

In 2021–22, in the arts, recreation and business services sector, there were 54 projects worth \$13.6 billion located in capital cities. There were a further 24 projects worth \$2.5 billion located in regional areas.




In 2021–22, a total of 9 projects worth \$1.3 billion were completed and or exited the investment pipeline. In 2021–22, there were investments in arts, recreation and business services located in regional areas in:

- Northern Territory – 4 projects worth \$0.9 billion
- Queensland – 8 projects worth \$0.7 billion
- Tasmania – 6 projects worth \$0.3 billion
- Victoria – 2 projects worth \$0.3 billion
- New South Wales – 3 projects worth \$0.2 billion





Accommodation results (standalone)

Total	Capital cities	Regional
 <p>\$11.5 billion 152 projects 23,000 rooms</p>	 <p>\$8.2 billion 93 projects 16,800 rooms</p>	 <p>\$3.3 billion 59 projects 6,200 rooms</p>
<p>Change from 2020–21:</p> <p>Up \$1.0 billion Up 19 projects Up 2,900 rooms</p>	<p>Change from 2020–21:</p> <p>Up \$0.7 billion Up 9 projects Up 2,100 rooms</p>	<p>Change from 2020–21:</p> <p>Up \$0.4 billion Up 10 projects Up 900 rooms</p>

Summary

Accommodation services are a vital input to tourism. Visitor demand for accommodation increased significantly prior to the onset of the COVID-19 pandemic. In the five years to 2018–19, the average accommodation occupancy rate increased by 10% (64% in 2013–14 to 74% in 2018–19) and the average revenue per room increased by 11%. That high demand for accommodation and the resulting revenue for accommodation providers appear to have created a healthy investment environment for the sector.

Travel restrictions caused by the pandemic during 2019–20 and 2020–21 led to a temporary pause for some projects entering and moving through the investment pipeline. In 2021–22, with the lifting of restrictions, significant numbers of accommodation projects have seen movement to different phases of development. In 2021–22, there were 152 standalone accommodation projects in the pipeline valued at \$11.5 billion (Figure 5).¹ This was an increase in the number and value of projects in the pipeline compared with the previous year.

The 2020–21 pipeline included 133 standalone accommodation projects. These were valued at \$10.5 billion, with the potential to contribute 20,100 rooms into the tourism accommodation supply.

Breakdown by project phase

New projects

There were 43 new accommodation projects added to the 2021–22 pipeline. This was higher than the 21 new accommodation projects added in 2020–21 highlighting an improvement in investment activity.

The new projects combined were valued at \$2.4 billion, with the potential to add 6,000 rooms.² The value of new projects in 2021–22 was higher than the value of the new projects added in the prior year, which was \$1.8 billion.

Of the new projects in 2021–22, 27 were in capital cities (worth \$1.9 billion), and 16 were in regional Australia (worth \$0.4 billion).

1. There were 19 projects for which the full investment value was unavailable. Therefore, the estimated total value of investment understates the real value.
2. The number of rooms is not always available for projects, particularly newly announced projects. Consequently, the estimated number of rooms reported here is likely to be an underestimation. Of the total projects, 5 projects had no room numbers available at the time the Tourism Investment Monitor 2021–22 was finalised in January 2023.

Under construction

There were 47 projects under construction in 2021–22. These were valued at \$3.7 billion, with the potential to add 6,200 rooms.

Planning

Most standalone accommodation projects in the 2021–22 pipeline were in the planning phase. There was a total of 90 projects in this phase, valued at \$6.0 billion, with the potential to add 15,000 rooms.

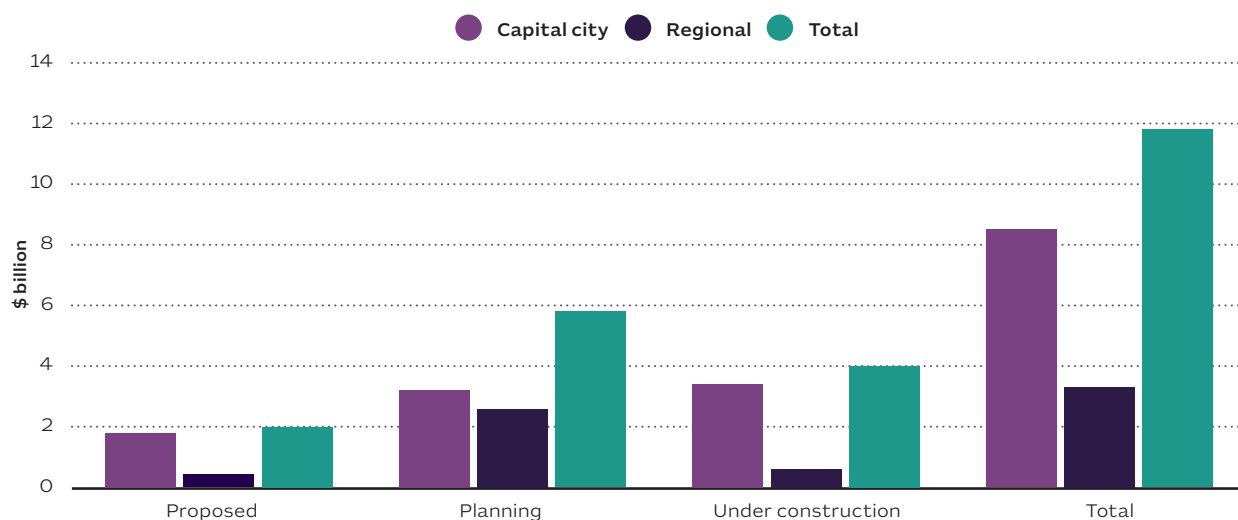
Proposed

There were 15 proposed accommodation projects in 2021–22, valued at \$1.8 billion, with the potential to add 1,800 rooms.

Completed

Two projects were completed in 2021–22.

Figure 5 – Standalone accommodation pipeline by project phase, 2021–22



Source: Tourism Research Australia

Breakdown by project locations

Most projects were in capital cities. In 2021–22, there were 93 projects with a total value of \$8.2 billion in the capital cities (including the Gold Coast). The highest value investments were in:

- Sydney – \$3.9 billion across 30 projects
- Brisbane including the Gold Coast – \$1.2 billion across 10 projects
- Melbourne – \$1.0 billion across 20 projects
- Adelaide – \$1.0 billion across 15 projects
- Perth – \$0.5 billion across 8 projects
- Hobart – \$0.2 billion across 6 projects
- Darwin – \$0.2 billion across 2 projects, and
- Canberra – \$0.1 billion across 2 projects.

By comparison, there were 59 projects in regional locations valued at \$3.3 billion, the majority distributed across:




- New South Wales – \$0.8 billion across 8 projects
- Queensland – \$0.7 billion across 10 projects
- Victoria – \$0.6 billion across 12 projects
- Tasmania – \$0.5 billion across 13 projects
- South Australia – \$0.3 billion across 9 projects
- Western Australia – \$0.2 billion across 6 projects, and
- The Northern Territory – \$0.1 billion in one project.

Compared to 2020–21, the ratio of metropolitan (capital city) to regional investment remained unchanged in 2021–22, though there was a marginal increase in the relative value of regional accommodation projects.



Billabong Suite Views at Silky Oaks Lodge, The Daintree
Image courtesy of Tourism Australia

Mixed-use accommodation results

Total	Capital cities	Regional
 <p>\$57.9 billion 160 projects 29,700 rooms</p>	 <p>\$45.6 billion 120 projects 19,300 rooms</p>	 <p>\$12.3 billion 40 projects 10,300 rooms</p>
<p>Change from 2020–21:</p> <p>Down \$0.8 billion Up 24 projects Up 1,700 rooms</p>	<p>Change from 2020–21:</p> <p>Down \$2.5 billion Up 13 projects Down 2,900 rooms</p>	<p>Change from 2020–21:</p> <p>Up \$1.7 billion Up 11 projects Up 4,700 rooms</p>

Summary

Mixed-use developments offer developers an option to diversify their investment and have been growing in number over recent years. Each mixed-use development in this section of the report contributes to building capacity in the visitor economy.

For a development to be classified as mixed-use in this report, it needs to have both:

- a hotel component
- another aspect, which can include residential, commercial or leisure space, which is not specifically associated with tourism.

In 2021–22 there were 160 mixed-use projects valued at \$57.9 billion (see Figure 6), with the potential to add 29,700 rooms. This is a decrease in the value of the mixed-use pipeline by \$0.8 billion compared with 2020–21.

Breakdown by project phase

In 2021–22, there were:

- 40 mixed-use projects **under construction**, valued at \$17.5 billion, adding 7,700 rooms.
- 82 projects in the **planning** phase, valued at \$27.7 billion, with the potential to add 16,200 rooms

- A further 38 **proposed** projects, valued at \$12.7 billion, adding 5,800 rooms
- A significant number of **new projects** added to the proposal pipeline in 2021–22, valued at \$9.0 billion and adding potential for 4,000 additional rooms.

There were 15 projects completed in 2021–22. These projects were valued at \$8.2 billion and introduced 3,700 rooms to Australia's accommodation room supply.

Breakdown by location

Mixed-use developments have historically been more popular in capital city locations. Around three-quarters of all total mixed-use projects in 2021–22 were in the capital cities, with Melbourne alone having 37 projects valued at \$16.3 billion. Some key mixed-use developments under construction in capital cities included:

- Queen's Wharf Brisbane – \$3.6 billion and 1,000 rooms
- Hilton Melbourne Square – \$2.8 billion and 621 rooms
- Wyndham Imperial Square Brisbane – \$2.0 billion and 210 rooms

Figure 6 – Mixed-use pipeline in Australia in 2021–22



Source: Tourism Research Australia

- Iconica Meriton Development – \$1.0 billion and 637 rooms
- EQ West in Perth – \$0.5 billion and 190 rooms
- Campbell5 – mixed-use development in Canberra – \$0.5 billion and 63 rooms
- Central Market Arcade Redevelopment Adelaide – \$0.4 billion and 249 rooms.

In 2021–22, there were also 40 regional developments valued at over \$12.3 billion with the capacity to add 10,300 rooms. Over half of the regional developments were in Queensland (17 projects worth \$6.8 billion). Some key mixed-use developments in regional Australia include:

- Ella Bay development, Northern Queensland – \$1.4 billion
- Hummock Hill, Central Queensland – \$1.2 billion
- Geelong East Shore Development – \$1.2 billion
- Crowne Plaza Shell Cove Marina – \$1.5 billion.



Two Feet & A Heartbeat
Image courtesy of Tourism Australia

Methodology

Project thresholds

The primary threshold for projects is \$20 million or more. Projects in the pipeline are mostly new build, but major renovation projects are also within scope. The project values and pipeline progression are as at year ending June 2022.

Note that:

- This is not an exhaustive list of current or potential development projects and does not account for all tourism investments. It includes all known major investments that will impact on supply.
- The pipeline excludes mixed-use developments, unless stated otherwise. This is due to the difficulties in apportioning the value of these projects to the tourism sector. Mixed-use developments are separately reported in this report but are not included in the totals.
- Some accommodation projects included in the accommodation investment pipeline may be part of a mixed-use development. Projects are categorised as either standalone or mixed-use accommodation based on market intelligence and key data sources available at the time.

Data sources

Three data sources are used to build the tourism investment pipeline database that underpins this report. These are:

- Deloitte Access Economics' (DAE) *Investment Monitor*
- STR Global Asia Pacific's *Pipeline Database*
- the investment authorities within state governments.

DAE's *Investment Monitor* details the total investment chain from pre-approval through to completion. It covers many industries in five project phases:

- possible: projects that have been announced, but no early decision has been made on whether to proceed

- under consideration: a decision whether to proceed is expected in the near future
- committed: projects where a decision to proceed has been announced but construction has not yet started
- under construction: where work has started on the project
- completed: project has been completed.

Since 2021, DAE's *Investment Monitor* only lists individual projects worth \$50 million or more and excludes land costs. It does not include the number of rooms to be built in specific investments.

STR Global Asia Pacific's *Pipeline Database* provides a summary of the number of hotel and resort pipeline projects, and recently opened hotels. It also provides the number of existing hotels to give a picture of current and future supply within Australia. The database details the investment pipeline chain in five project stages:

- unconfirmed: potential projects that remain unconfirmed currently
- planning: confirmed, under contract projects where construction will begin in more than 12 months
- final planning: confirmed, under contract projects where construction should begin within the next 12 months
- in construction: vertical construction on the physical building has begun, not including construction on any sub-grade structures such as parking garages, underground supports/footers and other types of sub-grade construction
- recently opened: project opened within the last 12 months

STR Global does not supply information on the value of all projects but does include the number of rooms to be built. For the purpose of this Tourism Investment Monitor, TRA sources project values from industry and media where necessary.

Input from state and territory government authorities has offered an additional layer of assurance for the tourism investment pipeline since 2016–17. This input provides an additional level of intelligence to compile a more comprehensive pipeline, with a focus on accommodation projects. TRA acknowledges the following organisations for their generous support:

- Destination NSW
- Department of Jobs, Precincts and Regions, Victoria
- Department of Tourism, Innovation and Sport, Queensland
- Tourism and Events Queensland
- South Australian Tourism Commission
- Tourism Western Australia
- Office of the Coordinator-General, Tasmania
- Tourism NT, Northern Territory
- Department of the Chief Minister and Cabinet, Northern Territory
- VisitCanberra, Australian Capital Territory

Alignment of data sources

Where projects in TRA’s pipeline for the Tourism Investment Monitor have been sourced from the DAE or STR Global databases, they are categorised into project phases in the following way:

- proposed: includes projects identified as ‘possible’ (DAE), ‘unconfirmed’ (STR Global)
- planning: includes projects identified as ‘under consideration’ (DAE), ‘in consideration’ (STR Global), ‘planning’ (STR Global), ‘final planning’ (STR Global), ‘committed’ (DAE)
- under construction includes projects identified as ‘under construction’ (DAE), ‘in construction’ (STR Global)
- recently opened: includes projects identified as ‘completed’ (DAE), ‘recently opened’ (STR Global).



Glossary

Accommodation

Buildings primarily providing short-term or temporary accommodation on a commercial basis, including:

- self-contained, short-term apartments, for example serviced apartments
- hotels that mainly provide accommodation, motels and guest houses, boarding houses and cabins
- other short-term accommodation including migrant hostels, youth hostels and lodges.

Arts, recreation and business services

The arts, recreation and business services sector includes the following entities:

- ‘heritage activities’ such as museum, parks and garden operations
- ‘creative and performing arts activities’ such as performing arts operations, creative artists, musicians, writers and performers, and performing art venue operations
- ‘sports and recreation activities’ such as
 - health and fitness centres and gymnasium operations
 - sports and physical recreation clubs and sports professionals
 - sports and physical recreation venues, grounds and facilities operations
 - sports and physical recreation administrative activities
 - horse and dog racing administration and track operations
 - other horse and dog racing activities
 - amusement park and centre operations
 - amusement and other recreation activities not elsewhere classified
- ‘gambling activities’ such as casino operations, lottery operations and other gaming activities
- ‘business services’ such as facilities to host conferences, conventions, or other business services
- Activities related to wellness/icon/trail/walk/nature experience projects.



Aviation

The aviation sector refers to the infrastructure (projects relating to fixed infrastructure such as new runways and new buildings only) required to support national and international passenger aircraft movements between domestic and international airports.

Deferred

Deferred projects are those that have exited the pipeline due to the investor placing the project on hold. These projects may re-enter the pipeline at a later stage if the investor chooses to proceed with the project.

Planning

Includes the value of projects that have been submitted for approval. This includes:

- projects already under consideration
- projects with approval that have not yet commenced works
- other projects that have plans submitted to the local council or appropriate body.

Proposed

Projects that are still possibilities or proposals at this stage. This includes projects that have not yet submitted council plans or have a project under council consideration.

Regional areas

The areas of a state or territory excluding its capital city tourism region and excluding the Gold Coast tourism region.

Rooms

Rooms available for accommodating short-term paying guests at each hotel and resort, motel, guest house, and serviced apartment during the survey period. Units, apartments and suites are treated as rooms for these types of establishments.

Under construction

Projects that have commenced building. A project will remain in this phase until its official opening.





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