CEO Commentary
Tasmanian Tourism Snapshot for the year ending June 2015

It seems that 2015 has so far been an outstanding year in relation to Tassie’s visitor growth.

The latest results from the Tasmanian Visitor Survey show that our state has really kicked some goals in the first two quarters of 2015, and a few indicators are giving me great confidence about the remainder of the year.

The latest figures put Tasmania on a pretty good trajectory when it comes to reaching the target of 1.5 million visitors a year by 2020. They show that in the 2014-15 financial year almost 1.15 million interstate and international visitors came to Tasmania on regular air and sea passenger services. That’s eight percent more than the number of people who visited our state the previous financial year.

Not only is this a great annual result for Tassie tourism, but it also places us ahead of the five to six percent average annual growth rate we will need to sustain if we are going to reach the 1.5 million visitor target.

They also point to the potential for further good news to come, with the March and June 2015 quarters showing solid visitor growth of 10 and 18 per cent respectively, compared with the same quarters last year. If results like these can be sustained over the next two quarters, then we can expect to see the state heading back into double-digit annual growth results.

Record occupancy figures being reported by Tasmanian Hospitality Association members for July suggest that the very strong visitor growth we have seen so far in 2015 is continuing on through our quieter months. While this is great news for our tourism and hospitality industry, I hope all businesses found some time during the ‘quieter’ period to catch their breath and reflect on what went well last financial year and the areas they want to improve this year.

In the latest results, we saw the number of interstate visitors coming to Tasmania grow by a healthy nine per cent. This figure was helped along by very impressive growth from our largest source markets Victoria and New South Wales during the financial year and especially in the recent June quarter. I also notice that we are approaching another milestone for local tourism – one million interstate visitors in a single 12 month period, for the first time ever.

On another very positive note, the latest figures also show a revival in the number of VFR and business travellers coming to our state during the last financial year, influenced again by the very strong performance from those sectors during the June quarter. This is great news for Tassie, as it shows that these sectors are starting to contribute to our overall visitor economy goal.

The holiday travel sector, which has been our main focus, continues to outperform the state’s overall visitor growth rate with a 13 per cent increase in the number of holiday visitors coming here during 2014-15.

This is further great news, as it usually means more people getting out into our regional areas. The latest results show that this was again the case with the East Coast and Southern Tasmania seeing 12 per cent more visitors in 2014-15 than the previous year, 10 per cent more people visited the Cradle Coast region while they were in Tasmania, and the North also recorded a healthy 6 per cent increase in visitor numbers as well.
However in such a volatile and competitive global industry, we continuously need to keep an eye on the marketplace, because the potential is always there for global and domestic events, macro-economic factors and commercial decisions to hamper our positive progress.

For example, we continue to see solid growth in the number of international visitors to Tasmania, and in particular from China, the United Kingdom and North America. However we also saw a bit of volatility in the Hong Kong visitor market to Australia during the June quarter, and this also affected our quarterly and annual results.

Results for Hong Kong have fluctuated a bit in the past, and while I expect them to bounce back just as quickly, we will continue to monitor this important source market over the coming quarters. Our recently completed tourism sales mission to Asia was again very successful and reconfirmed that Tasmania remains a highly regarded and desirable destination for travellers from Greater China and the South-East Asia region.

Access is also one of those vital areas that can help or hinder our progress towards the 1.5 million visitor goal. There’s no point having great marketing and creating more demand if we can’t get people here.

The good news on that front is that last financial year our major airlines provided around 8 per cent more seats on the main city pair routes between Tassie and Melbourne, Brisbane and Sydney. With airlines bringing around 90 per cent of all visitors to the state, it is not surprising to see that the growth in air seat capacity mirrored the rate of visitor growth to the state.

I was pleased to hear the recent announcement from Qantas about their extra services from Brisbane, Sydney and Melbourne over the Christmas/New Year break, and their plans to add even more capacity as part of their regular schedule. This is sure to help us to get more visitors here and continue growing at the required rate.

I also want to acknowledge the great work being done by the TT Line to promote the state and bring more visitors here as well. Their refurbishment program has rejuvenated the Spirits of Tasmania, and their strong forward travel bookings represent another very positive sign for the coming season.

There’s no doubt that improved air and sea access is vital to our future growth, but there’s still more to do to achieve the state’s visitor target. In addition to our destination marketing efforts and those of our commercial partners, Tassie’s future rate of visitor growth will also depend on more accommodation, the introduction of new tourism experiences and a growing workforce to deliver all these new services and experiences. It will also require our business, events and education sectors to play their part and contribute to visitor growth as well.

This is embodied in the new T21 - Tasmanian Visitor Economy Strategy 2015-2020 which is expected to be released shortly. T21 is an important plan to help guide and coordinate the efforts of all levels of government and industry as we collectively strive to attract 1.5 million visitors per annum to Tasmania by 2020, and deliver local experiences that are way beyond their expectations.

The team at Tourism Tasmania are looking forward to playing their part in marketing our state and contributing to the achievement of this goal.

**John Fitzgerald**  
CEO, Tourism Tasmania