



Image: Mantra on Salt Beach

Source: Survey of Tourist Accommodation conducted by the Australian Bureau of Statistics

Tourist Accommodation Snapshot

All Establishments (Hotels, motels, and serviced apartments with at least 15 rooms)

MARCH QTR 2011

steady	increase	decrease
-0.5 to 0.5%	> 0.5%	< 0.5%

	Supply				Demand		Revenue					
	Establishments	% Change ¹	Room Nights Available ('000)	% Change ¹	Room Occupancy %	Change (% point)	Takings (\$ millions)	% Change ¹	Average Room Rate \$	% Change ¹	Yield ² \$	% Change ¹
Australia	4,265	-0.7%	20,244	0.0%	64.3	0.9	2079.6	5.4%	159.76	3.9%	102.72	5.4%
NSW	1,408	-0.8%	6,278	-1.1%	67.8	1.9	713.9	7.9%	167.72	6.0%	113.72	9.1%
QLD	1,131	-0.4%	5,470	-1.0%	58.1	0.7	470.8	1.4%	148.12	1.2%	86.06	2.4%
VIC	812	-1.3%	3,713	3.0%	67.4	1.2	414.4	8.7%	165.56	3.6%	111.59	5.5%

Nation wide there has been a decrease in the total number of establishments this qtr mainly driven by NSW and VIC. The decline in establishments drove room supply and room nights available down in NSW and QLD, about 1%, while VIC increased room supply thus putting room nights available up by solid 3%. The increase in room supply in VIC was outpaced by demand with room nights occupied up by 5%. Room occupancy rates and takings from accommodation went up across all states with QLD recording much slower growth compared to NSW and VIC. NSW had the highest increase in room occupancy +1.9%pts to reach 67.8% closely followed by VIC. On a national level, takings from accommodation rose 5.4% to reach 2.1 billion with NSW accounting for over 1/3 of it. The increase in takings in VIC and NSW were above the national average. NSW also recorded the highest growth in average room rate and yield compared to March qtr 2010.

New South Wales by type of establishment (establishments with at least 15 rooms)

	Supply				Demand		Revenue					
	Establishments	% Change ¹	Room Nights Available ('000)	% Change ¹	Room Occupancy %	Change (% point)	Takings (\$ millions)	% Change ¹	Average Room Rate \$	% Change ¹	Yield ² \$	% Change ¹
Hotels	207	-0.5%	2,181	-1.9%	78.7	3	354.5	11.1%	206.50	9.0%	162.5	13.3%
Motels	1,003	-0.6%	3,005	0.0%	57.7	0.9	211.6	3.6%	122.04	1.9%	70.4	3.5%
Serviced Apartments	198	-2.0%	1,096	-2.3%	73.5	2.7	147.8	6.8%	183.43	5.3%	134.8	9.3%
Total	1,408	-0.8%	6,278	-1.1%	67.8	1.9	713.9	7.9%	167.72	6.0%	113.7	9.1%

The number of establishments across all categories declined with Motels & Serviced Apartments being mostly affected. The drop in establishments drove room supply down for Hotels and Serviced apartments while it remained unchanged for Motels. This decline in supply drove the demand up with increase in room nights occupied across all categories resulting in higher room occupancy rates. Hotels had the highest room occupancy rate at 78.7%, up 3%pts compared to March qtr 2010. Revenue grew across all establishments. Hotels had the strongest growth in takings from accommodation, +11% on previous March qtr. This growth was supported by large increases in average room rate and yield suggesting likely increase in demand for hotel accommodation. Serviced apartments also performed well while Motels recorded somewhat slower growth this qtr.

Victoria by type of establishment (establishments with at least 15 rooms)

	Supply				Demand		Revenue					
	Establishments	% Change ¹	Room Nights Available ('000)	% Change ¹	Room Occupancy %	Change (% point)	Takings (\$ millions)	% Change ¹	Average Room Rate \$	% Change ¹	Yield ² \$	% Change ¹
Hotels	155	0.0%	1,465	7.4%	72.4	1.6	205.3	13.8%	193.56	3.6%	140.1	5.9%
Motels	504	-2.1%	1,402	-1.8%	58.1	0.7	98.4	1.8%	120.82	2.4%	70.2	3.7%
Serviced Apartments	153	0.0%	848	4.2%	74.0	0.2	110.7	6.4%	176.31	1.8%	130.5	2.1%
Total	812	-1.3%	3,713	3.0%	67.4	1.2	414.4	8.7%	165.56	3.6%	111.6	5.5%

The decline in number of establishments in VIC this qtr was entirely driven by decrease in Motels. The number of Hotels and Serviced Apartments remained unchanged however both increased their supply of rooms. This increase was outpaced by demand with room nights occupied growing by 9.8% for Hotels and 4.5% for Serviced Apartments. Hotels saw the highest increase in room occupancy, up by 1.2%pts to 72.4% while Serviced apartments had the highest room occupancy rate. Revenue grew across all establishments with hotels recording the highest increase of 13.8% to \$205 million in March qtr 2011. On a national level, hotels in VIC had the highest growth in takings from accommodation. Motels recorded slower growth than Serviced apartments and Hotels.

Queensland by type of establishment (establishments with at least 15 rooms)

	Supply				Demand		Revenue					
	Establishments	% Change ¹	Room Nights Available ('000)	% Change ¹	Room Occupancy %	Change (% point)	Takings (\$ millions)	% Change ¹	Average Room Rate \$	% Change ¹	Yield ² \$	% Change ¹
Hotels	176	-4.9%	1,851	-2.6%	59.4	-0.9	187.0	-4.6%	170.11	-0.6%	101.0	-2.1%
Motels	533	0.4%	1,698	-0.7%	57.0	4.3	114.1	12.2%	117.92	4.5%	67.2	13.1%
Serviced Apartments	422	0.5%	1,919	0.0%	57.9	-0.8	169.6	1.8%	152.67	3.2%	88.4	1.8%
Total	1,131	-0.4%	5,470	-1.0%	58.1	0.7	470.8	1.4%	148.12	1.2%	86.1	2.4%

QLD floods and cyclone in January and February this year have taken toll on the QLD tourism industry with holiday makers cancelling their trips. Hence the poor hotel performance this qtr comes at no surprise. Hotels recorded decrease in supply of establishments and room stock. There were 46,000 less room nights occupied compared to March qtr 2010. Despite the attractive holiday deals offered by the hotels, takings from accommodation declined by 4.6%. Motels were the best performers, their room stock dropped only marginally but their room nights occupied had a solid growth of 7% which resulted in a 4.3%pts increase in room occupancy rate. Takings from accommodation and yield went up substantially suggesting likely increase in demand for motel accommodation. Serviced apartments recorded growth in revenue however this growth was much slower compared to Motels.

Notes:

1. Percentage change between the reported quarter and the corresponding quarter in the previous year
2. Average takings per room per night for all rooms whether they are occupied or not