

Commissioned by



Department of State Growth

A photograph of a coastal landscape on Flinders Island, showing a blue sea, a rocky shore with green vegetation, and a large mountain in the background. A blue geometric overlay is present on the left side of the image.

# Flinders Island Accommodation Supply Analysis

Final Report November 2018



## Document Register

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## Acknowledgements

The Accommodation Supply Analysis – Flinders Island has been prepared by TRC Tourism Pty Ltd and MCA ([www.trctourism.com](http://www.trctourism.com)) for the Office of Coordinator-General (Tasmanian Government)

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This report (including appendices) is based on estimates, assumptions and information sourced and referenced by MCA < Michael Connell & Assocs.>. These estimates, assumptions and projections are provided as a basis for the reader's interpretation and analysis. In the case of projections, they are not presented as results that will actually be achieved.

The report has been prepared on the basis of information available at the time of writing. While all possible care has been taken by the authors in preparing the report, no responsibility can be undertaken for errors or inaccuracies that may be in the data used.

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# Executive Summary

Flinders Island situated off the northeast coast of Tasmania is renowned for its rich cultural history, rugged mountainous landscapes framed with white sand dune coastlines, lagoons and streams making it an ideal place for both agriculture and tourism.

Recent anecdotal evidence (Flinders Island Council) suggests that there is a shortage of available and affordable housing on the Island due to a variety of local factors specific to Flinders Island. This shortage is affecting the ability to attract new residents to the Island. This issue has also been highlighted in the Flinders Island Destination Action Plan, which identifies increasing the availability of housing on the island for lease or sale as a priority. The Flinders Island Council has the overarching strategic aim of increasing the population to improve the economic and social sustainability of the Island.



## Purpose of the Report

This report has been commissioned by the Office of the Coordinator-General to provide an evidence baseline, insights, and findings in relation to the housing and visitor accommodation demand and supply on Flinders Island. It addresses a number of actions contained in the Flinders Island Destination Action Plan (DAP) and the Flinders Council Strategic Plan.

This report has considered accommodation demand and supply in two main ways;

1. An investigation into the need for housing on Flinders Island and the options to increase housing with the intention of growing the population should that be required. This phase also investigates the economic situation and potential, the characteristics and challenges of Island life (such as transport and capacity), the rental market and the impact seasonal visitation has on housing/accommodation supply,
2. A tourism accommodation demand study analysing current and potential growth, market understanding and accommodation needs, and any additional tourism infrastructure that may be required.

## Headline Findings

Flinders Island is a unique community. A general lack of repeatable data for Flinders Island has meant that the conclusions are drawn from the generous contributions of residents and Island community as well as the existing data that is available. The Island has limited housing stock, and that stock can be interchangeable between longer term residential/worker rental accommodation, and short-term holiday accommodation let through online sites such as Airbnb.

In summarising a complex situation, TRC believes there is a rental accommodation shortage now, which is heightened in the busier holiday times. That shortage is primarily affordable rental accommodation solutions for workers/residents, and at times in holiday rental stock, acknowledging that the stock can be used for dual purposes. Some of the shortage is due to a lack of mechanisms to get existing property into a rental market – such as a property management business. In the longer term, population growth aspirations and visitor demand will increase the shortage.

The evidence to support this comes primarily through consultation with the community, Council, business and community organisations. Limited quantitative data is available.

In most locations, a market response to supply shortages would follow with growth in the construction of dwellings and units. However Flinders Island presents unique challenges including

- building costs that are significantly higher than mainland Tasmania and Victoria
- a shortage of trades people at times, and
- shared stories of alleged difficulties in construction on the Island reportedly put some investors and people off investing in new stock.

Added to these constraints is the perceived cultural expectation on the island of relatively low rental and housing prices, coupled with lower wages.

These challenges lead to a mismatch in market demand, people's willingness to pay, and an investor's requirement to get a return on capital, particularly where no existing rental management arrangements are available outside of the Flinders Island Aboriginal Association (FIAA). The flow of capital will also likely see investors target areas where they see higher return – where land and labour is more readily available and where demand is more measurable in places on mainland Tasmania and Victoria.

This report identifies data that underpins the above conclusion and presents a range of scenarios and models that seek to measure current supply and current and future demand. Additionally, a range of options are canvassed that may alleviate some of the potential shortages both now and in a population growth scenario. Where data is not available, conclusions have been drawn through market knowledge, consultation on and off the Island with residents, business, government, and TRC's professional judgement.

## Findings

Research and analysis data sets used in this report include the 2016 Census, the 2011 Census, the 2006 Census and the 2014 Flinders Island Visitor Survey. This data in addition to personal consultation to bring in local knowledge and expertise has enabled the following headline findings:

- Flinders Island population has grown between the 2011 and 2016 census by 16%, and Council has strategies in place seeking further growth
- The number of businesses on Flinders Island has been static but has grown in recent years
- Visitation to the Island is growing albeit relatively weakly in part due to constraints in transport and accommodation supply
- Relative wages are generally low, prices for rent are generally low by most standards and mortgages are also comparatively low
- Flinders Island has very little medium to high density housing. In other locations this can be a cheaper form of housing due to lower construction costs and smaller land requirements, which also leads to lower mortgages and rent repayments. This style of housing could be investigated both for increasing the population as well as providing the visitor economy with alternative accommodation
- Flinders Island rents are relatively low as are the majority of mortgages and household incomes. There is no real estate agent based on Flinders Island and it appears most rentals are done directly with the home owners who are often family/friends of the lessee, through social housing agreements or employment where rents are offered cheaply. This has kept the standard rental market low
- The majority of rooms available in the visitor economy are in private houses accounting for over 60% of all rooms available for rental. Home owners are opting to provide holiday accommodation for tourists whereby they are receiving a higher use/per night return as opposed to the smaller long-term rental they would receive from a resident. This use of housing for tourism purposes can potentially impact future growth in the population for would-be residents
- Approximately 75% of rooms sell in the \$120 to \$200 per night range to the visitor economy and would equate to 3 to 3.5 stars if rated (not all properties participate in ratings schemes). Discover Tasmania and Airbnb are the most common platforms for distribution and sales
- Flinders Island has seen some houses shift from the traditional rental market into short term visitor economy market and sold through online booking platforms
- A large number of vacant houses at the time of the last census appear to be underutilised (although it is acknowledged there may be a variety of reasons for this underutilisation including absentee owners, second homes for families, as well as second dwellings on properties not being used – possibly due to their state of habitability)
- The cost of building on the Island is approximately 30% higher than a similar house on mainland Tasmania.
- For normal market forces to operate and provide supply in the face of shortages, rental prices must match expected returns on capital. Flinders Island residents renting may have to get used to higher rentals for market forces to work effectively noting the higher capital costs for housing construction
- A property management service is essential for the Island to professionally manage leased or rented properties and attract other potential landlords into the market
- A range of short term and medium measures can be taken to help develop new houses for rental given the current difficulty in finding houses for rent for prospective tenants.

## Current Accommodation Supply

The 2016 census data indicated that Flinders Island has a total of 398 occupied dwellings and 191 unoccupied dwellings.

The change since the 2011 census shows a decline in the number of dwellings overall. At the same time, the census data shows an increase in Island population, with an increase of 130 people in the period between the 2011 and 2016 census. The dwelling decline may be explained by the following:

- Errors in the data
- Some houses becoming uninhabitable
- The increase in units and co-joined apartments
- An increase in cabins.

While it is highly unlikely that the total pool of unoccupied dwellings could be made available for rental, it is a relatively high figure. Even discounting dwellings that would be absentee property owner holiday homes, family second homes for children returning from the mainland, or coastal holiday homes, there would still appear to be opportunity to utilise a portion of the vacant dwellings for longer term rentals.

Of the current dwelling stock, 247 were owned (179 owned outright and 68 owned with a mortgage) and 162 were rented. The Flinders Island Aboriginal Association (FIAA) are the largest single landlord on the Island offering social housing mainly to Aboriginal people with connections to the Island.

Some rental prices were in the \$100 to \$150 per week range and this price range seemed to be predominantly for the FIAA houses. Houses rented through other landlords (which could include family, or work subsidised or owned properties) were generally rented for significantly less with most being under \$100. Evidence also exists that some houses rented through a more traditional rental market were being rented for over \$300 per week.

Monthly mortgages are also relatively low. Of those that had a mortgage, 63% were under \$1,000 per month reflecting both the general trend of lower wages on the Island and lower housing prices.

Fifty-nine properties (or thereabouts noting the fluid nature of houses moving between the rental and visitor economy) were available in the visitor market with a total of 143 rooms and 322 beds.

Over 50% of the average rates charged were in the \$120 to \$180 price range.

It is clear that the occupancy rates for Flinders Island are not at current capacity for the majority of the year. Effective capacity is only currently being reached on busy weekends and holiday periods. Occupancy for 6 months of the year over winter is very low by industry standards for lengthy periods.

Australian Tourism Data Warehouse (ATDW) housed 84% of the available accommodation, with Airbnb being the most popular online sales channel with 43% of properties listed.

It would appear that there has been a shift in housing stock from rental to visitor economy, and this combined with the increase in population in the past 5 years, has led in part to the shortage of housing.

The rate of construction of dwellings is low with seven having been completed in the period March 2015 to July 2016.

## Market Growth Forecasts

TRC and MCA have modelled the visitor economy demand across four scenarios; low growth (2.5%), Moderate growth (5%), Strong Growth (7.5%) and High Growth (10%). Under the lower growth rates, average occupancy rates rise, and it is likely the period of being 'full' increases, but the demand may not be enough to significantly increase the stock of property.

At high growth rates, accommodation will be booked out for periods of months, and the specific times of full occupancy grows. A consequence of these growth rates is likely to be a requirement for more rooms. This will likely be filled in part by more houses shifting to the visitor economy exacerbating the shortage of rental properties. It may also encourage investment in new dwellings and visitor economy properties.

## Achieving Potential Growth

In most markets, supply and demand imbalances generally create an adjustment, particularly where demand exceeds supply. The usual response being that investors see an opportunity and build new properties either for visitors or rental (or both).

Flinders Island presents some unique circumstances, in part through the cost of building on the Island and the need to transport materials onto the Island, and in part due to the lower rents generally paid, and the lower wages. This imbalance between higher costs and lower rents may require adjustment on the part of the community to see investors risking capital.

A range of solutions, incentives and interventions may be possible by the State Government, Council and even the Federal Government to increase the housing stock, both in the short term and in the longer term.

Working collaboratively as a community, with the government agencies and business community to attract funds is critical to the Island achieving the vision of a more sustainable population as expressed in the Council strategy for the Island.

To achieve this collaboration, and undertake business development, it may be prudent for Council, FIBI and the State Government to work together to provide funding for a dedicated project position in the short term.

## General

In order to plan future scenarios with more certainty, TRC recommend a thorough visitor survey be undertaken in conjunction with Flinders Island Council, Flinders Island Tourism and Business Association, and the airline operators. Combined with research on dwellings Council may potentially be able to undertake, it will provide a strong foundation from which to plan and implement actions in the future, and alleviate the lack of data to provide an evidence base.



# 1. Introduction

## 1.1 Background

This study was commissioned by the Office of the Coordinator-General in the Tasmanian State Government, with the support of the Flinders Island Council and community. The intent of the study is twofold:

1. Firstly, to determine the extent of the housing shortage and then develop a series of solutions where possible, acknowledging the Island's unique characteristics
2. Secondly, based on several growth scenarios, understand the likely demand for accommodation and provide an assessment of that demand given the current supply, and identify models and solutions that may assist government and Council in future programs and plans.

## 1.2 Approach

### 1.2.1 Overview

TRC Tourism and MCa (Michael Connell and Associates) worked through a number of elements to develop the data for this study, and the range of proposed outcomes. These included:

- Desktop research into Flinders Island demographics, context, economy, and a range of recent reports into the housing sector generally in Australia, including the effects of Airbnb.
- Interviews with stakeholders on Flinders Island, in Tasmania more generally, and elsewhere to gain intelligence not available from research. Interviews gained valuable insights into the workforce on the Island, current and future opportunities and issues, and other matters affecting this study into both the visitor economy needs and workforce housing.
- The development of a detailed multi-channel database of available accommodation on the Island predominantly aimed at the visitor economy.
- Conduct of an online survey of the Island's accommodation providers to understand market supply and demand for their product, as well as developing a deeper understanding of price points, star ratings and occupancy rates.
- Detailed research on accommodation supply and demand, and estimation of future requirements for accommodation predominantly aimed at the visitor economy.
- An assessment of the accommodation market and directions for the development of more accommodation on Flinders Island including recommendations.

It must be noted that data for Flinders Island is scarce. Flinders Island falls into a broader 'Other Northern Tasmania' in the Tasmanian Visitor Survey (TVS)<sup>1</sup> so it is very difficult to extract meaningful place specific data. The second issue is the lack of a longer-term visitor survey for the Island. While the Flinders Island Tourism and Business Inc (FITBI) has now developed a survey for exiting visitors, it has not been going long enough to extract data for this study.

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<sup>1</sup> TVS Analyser – [www.tvsanalyser.com.au](http://www.tvsanalyser.com.au)

### **1.2.2 Consultation**

This report would not have been possible without the willingness of the Flinders Island Council, FITBI, Flinders Island Aboriginal Association (FIAA) and the community to participate and freely provide views, information and advice.

Discussions were held with Council, businesses including the business association, individuals, interested parties, State Government and the Flinders Island Aboriginal Housing Association.

Not all people contacted were able to provide information, or wished to. The survey and other means provided an opportunity for business or individuals not wishing to provide formal views a way in which they could contribute anonymously.

### **1.2.3 Market Analysis**

As indicated previously in this section, there is a lack of data to properly evidence many of the findings, and clearly articulate the problem that is being researched and potentially supported. TRC undertook a detailed analysis of all accommodation providers on the Island and this has been supplemented by an online survey through SurveyMonkey.

The conclusions drawn in this report have come from primary research, surveys, discussions, workshops and industry knowledge and expertise.

A higher weighting has been put on stakeholder discussions, personal communications and observations than would be ideal for an evidence-based study. Regular Passenger Transport (RPT) data and other sources of information have been used to support conclusions.

## 2. Tasmanian Context

### 2.1 Strategic Setting and the Tasmanian Economy

Tasmania sits as Australia's southernmost state, an island some 240 kilometre south of the mainland. Tasmania includes a range of smaller islands in Bass Strait, particularly in the Furneaux Group of which Flinders Island is the largest.

Tasmania's area is 68,401 km<sup>2</sup>, and has a population of 519,500 people<sup>2</sup>, with Hobart and Launceston forming the major cities and population centres sitting at 209,254 and 86,663 respectively.

The tourism industry is a large component of the Tasmanian economy along with minerals, manufactured goods, wood and paper and agricultural products. Many of the strengths of the agriculture and manufacturing sectors also support tourism including wine production and high value-added furniture.

The Tasmanian economy is set to grow at 2.5% according to Treasury forecasts, which is stronger than the long-term average for growth in the State<sup>3</sup>. Actual growth for Tasmania grew at 1.1% in 2016-17, as part of a longer trend of lower growth than the National average<sup>4</sup>.

Business continues to report to government that there is a positive view of the economy and confidence is high. As a consequence of the growth in the economy, unemployment rates are remaining at around the 6.25%, lower than average for the previous decade.

With the tourism sector becoming an increasingly important sector of the Tasmanian economy, shocks or risks to the sector may impact the economy. Risks may include political tensions overseas, a rise in the exchange rate with upside risks more likely to occur with a dropping dollar and increased recognition of the safety of Australia.

### 2.2 Tourism Industry

The Visitor economy in Tasmania is growing at a significant rate, driven in part by a clear strategy owned and implemented by government and industry – T21<sup>5</sup>. T21 is the Tasmanian Visitor Economy Strategy 2015 – 2020 that provides the vision, strategy and actions to grow the visitor economy in the State. T21 presents a strong partnership between government, industry and community. The Strategy aims to grow visitor numbers to 1.5 million by 2020 and in doing so generate visitor expenditure of around \$2.5 billion a year as well as generate increased capital expenditure and job growth.

Progress measured at the end of the 2016/17 year shows total visitor numbers approaching the goal at 1,269,600<sup>6</sup>.

Total visitor numbers have risen by over 48% in the past 5 years to 2016/17, compared with less than 4% over the preceding years. More than 25% of the increase has been from international visitors whose numbers have grown by almost 80% during that period. Interstate visitation has grown by 44% during that

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2 2016 census data – [abs.gov.au](http://abs.gov.au)

3 Treasury Data. [www.treasury.tas.gov.au/budgetpapershtml/Budget2017](http://www.treasury.tas.gov.au/budgetpapershtml/Budget2017)

4 The Tasmania Report 2017. Prepared by Saul Eslake for the Tasmanian Chamber of Commerce and Industry. Dec 2017

5 The Tasmanian Visitor Economy Strategy 2015 – 2020.

6 TVS and Measuring the Progress December 2017 Update – Tasmanian Visitor Economy Strategy.

time. International numbers accounted for 253,200 visitors<sup>7</sup>, with China, Hong Kong and the USA all showing strong growth.

Driving an increase in the value of the visitor economy sector has been an increase in spending per person, more so than an increase in the number of visitor nights per person. The average spend per person has increased about 15% driving a growth in spending by more than 70% during that period.

The number of direct and indirect jobs within the Tasmanian visitor economy is a good measure of growth in the industry, including capital investment, and its flow through the broader Tasmanian economy. Significant progress has been made in order to reach the 2020 target of 20,000 direct jobs and 24,500 indirect jobs. As at 2015/16, employment in the industry was at 17,200 direct and 20,200 indirect FTEs - a significant rise over previous periods.

Priorities for growth of the industry for the remaining period of the 2020 Strategy include:

- **Generate more demand for travel to Tasmania** – aiming to market Tasmania effectively, growing appeal, and providing a desire to visit and ease of access to book
- **Grow air and sea access capacity** – aiming to boost access as a fundamental issue for an Island State
- **Invest in quality infrastructure** – continue to invest in quality public and private infrastructure as a backbone for the growing visitor economy including roads, park assets and (importantly for this report) investigate accommodation issues across the State
- **Building capability, capacity and community** – building the State’s reputation as a friendly place to visit with a welcoming culture and ensuring the skills in the workplace are capable of helping to deliver the goals and growth in the industry.

Tasmania’s tourism regions are critical to delivering and planning regional tourism across the State. The State has four regions covering the North West and West Coast, the Southern Region, the Northern Region and the East Coast.

The purpose of the Tourism Regions is to set strategic directions for each region, plan annual priorities and deliver programs that engage industry and stakeholders across the specific region. Local Government is a key to regional tourism with LGAs putting in significant resources in some cases, to RTOs.

The Northern Region covers Flinders Island in its strategic planning, marketing and delivery of programs.

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<sup>7</sup> TVS and Measuring the Progress December 2017 Update – Tasmanian Visitor Economy Strategy



## 3. Flinders Island context

### 3.1 Location and Geography

Flinders Island is the largest Island in the Furneaux Group, sitting on the eastern side of Bass Strait between the Tasmanian Island and mainland Australia. The Island covers an area of 1,367 square kilometres and is one of over 50 islands in the Furneaux Group.

The Island is situated on latitude 40 degrees south and is in a zone known as the roaring 40s – often windy and at times wet. Rainfall varies across the Island with the highest peak; Mount Strzelecki sitting at 756 metres above sea level.

Flinders Island sits off the north-east coast of mainland Tasmania, approximately 54 kilometres from Cape Portland, the most north easterly point of mainland Tasmania. The Island is approximately 62 kilometres long and 37 kilometres wide with a total land mass of approximately 1350 square kilometres.<sup>8</sup>

Approximately one third of the Island is mountainous with granite rock formations dominating the windswept landscape. The coastal areas are predominantly sandy with smaller streams flowing into Bass Strait.

Flinders Island has a mostly mild oceanic current that is strongly influenced and moderated by Bass Strait. Annual rainfall is generally less than 800 mm (743 mm for Whitemark)<sup>9</sup> with drier and sunnier weather generally experienced in the summer months.

### 3.2 Access

The most common way to access Flinders Island is by air. A regular public transport (RPT) service is available and provided by Sharpe Airlines. Sharpe fly from Essendon airport in Melbourne, and from Launceston airport in northern Tasmania. There are also a larger number of smaller airlines that run private charters to and from Flinders Island from a variety of airports in southern Victoria and northern Tasmania.

Furneaux Freight run regular barge services principally to service the Island's transportation needs with goods and freight. Vehicles and passengers can use this service. A minimum of one trip a week occurs from Bridport in the north east of Tasmania.

Many visitors also arrive by yacht, with Flinders Island and Cape Barron well placed to service yachts using Bass Strait or travelling between mainland Australia and Tasmania.

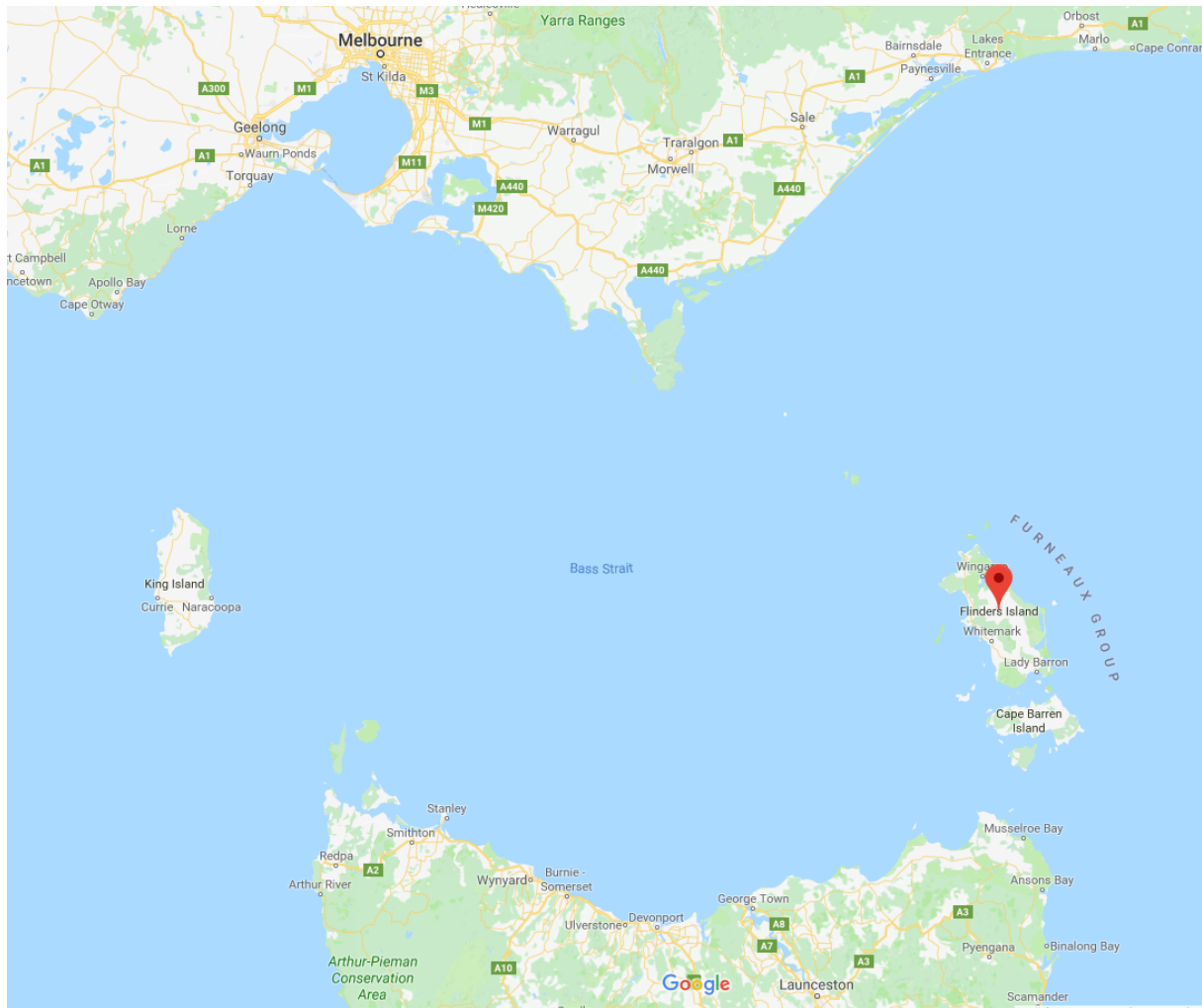
The map below shows the relative location of Flinders Island and its main air access routes (courtesy of Flinders Island Travel).

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<sup>8</sup> Flinders Island -Wikipedia

<sup>9</sup> Bureau of Meteorology – Climate Averages for Flinders Island

**Figure 1.** Location of and access to Flinders Island via flights from Melbourne and Launceston



### 3.3 Population

The 2016 census provides information on the population of Flinders Island and is discussed in this section of the report.

In summary:

- The population in 2016 was 906 persons
- Of these 143 were Aboriginal persons and 763 Non –Indigenous
- The population is relatively old – 49% were 55 years or older, with 27% being 65 or over.

Table 1 below shows the distribution of age classes across the past three censuses.

**Table 1.** Population Characteristics - Flinders Island 2006 - 2016

	2006 Census			2011 Census			2016 Census			
	Males	Females	Persons	Males	Females	Persons	Males	Females	Persons	%
<b>Total persons</b>	<b>459</b>	<b>396</b>	<b>859</b>	<b>410</b>	<b>366</b>	<b>776</b>	<b>490</b>	<b>412</b>	<b>906</b>	
Aboriginal	77	77	156	66	61	126	82	66	143	16
Non-Indigenous	382	319	703	344	305	650	408	346	763	84
<b>Age group</b>										
0-4 years	30	13	42	13	16	30	31	19	54	6.0
5-14 years	48	41	91	50	25	77	48	33	78	8.6
15-19 years	20	9	28	6	3	14	16	10	29	3.2
20-24 years	11	15	28	7	9	17	15	13	30	3.3
25-34 years	39	35	75	25	35	59	32	35	69	7.6
35-44 years	57	61	113	38	35	76	45	41	89	9.8
45-54 years	92	76	169	75	66	143	64	52	117	12.9
55-64 years	90	77	164	99	84	189	108	97	200	22.1
65-74 years	36	44	82	69	48	116	96	69	168	18.5
75-84 years	22	11	38	16	21	41	30	27	59	6.5
85 years and over	9	13	22	5	9	17	10	8	15	1.7

Source – ABS Census 2016 Time Series Data

The data shows that Flinders Island has a large population that is aging (48.8% are over 55 years). Typically for populations with these characteristics, it is important to attract a younger demographic to build future resilience into the community for all the work that is required to be done to maintain community services.

### 3.4 Workforce

The ABS census data from 2016 provides an insight into the workforce on Flinders Island. It is acknowledged that in some cases the census data may not pick up all of the jobs that people on a small Island do to keep the community functioning, many of which are voluntary. The following is a summary of the main points:

- 433 residents were in employment. Of those over 15 years - 226 were employed full time and 165 part-time (and 35 were unemployed looking for work)
- A total of 261 persons (over 15 years) were not in the labour force – possibly retired due to the ageing demographic
- Most of the jobs held by residents are in agriculture/aquaculture or in delivering services to the local population.

Major sectors of employment for residents were:



- Agriculture, Forestry and Fishing - 106 or 24.5%
- Public Administration and Safety - 42 or 9.7%
- Health Care and Social Assistance - 40 or 9.2%
- Construction - 35 or 8.1%
- Retail Trade - 32 or 7.4%
- Education - 32 or 7.4%
- Accommodation & Food Services – 27 or 6.2%

Employment in these key sectors has largely been stable in the 10 years to 2016, with some small declines in a number of sectors. The total number of residents in employment declined by 19 between 2006 and 2016. The 2011 Census saw a large decline in employment of 60 positions, this has improved by 2016 with a steady return of 25 positions.

Table 3 below shows the labour force participation on Flinders Island

**Table 2.** Labour Force Participation Flinders Island 2006 to 2016

	2006 Census			2011 Census			2016 Census		
	Males	Females	Persons	Males	Females	Persons	Males	Females	Persons
Persons aged 15 years and over	381	344	725	349	319	666	410	358	775
<b>Labour force status</b>									
Employed, worked full-time	193	70	270	155	76	231	156	71	226
Employed, worked part-time	45	105	151	57	90	147	72	97	165
Employed, away from work	19	18	40	15	6	23	14	19	35
Unemployed, looking for work	9	5	17	12	10	24	15	20	34
<b>Total labour force</b>	<b>272</b>	<b>200</b>	<b>470</b>	<b>236</b>	<b>189</b>	<b>418</b>	<b>261</b>	<b>204</b>	<b>464</b>
<b>Not in the labour force</b>	<b>97</b>	<b>127</b>	<b>223</b>	<b>95</b>	<b>116</b>	<b>211</b>	<b>126</b>	<b>134</b>	<b>261</b>
% Unemployment(d)	3.3	2.5	3.6	5.1	5.3	5.7	5.7	9.8	7.3
% Labour force participation(e)	71.4	58.1	64.8	67.6	59.2	62.8	63.7	57.0	59.9
% Employment to population(f)	67.5	56.1	63.6	65.0	53.9	60.2	59.0	52.2	55.0

Source: ABS Census 2016 Time Series Data (Table T29)

Table 3 below shows employed residents by industry on Flinders Island from 2006 – 2016.

**Table 3.** Employed Residents by Industry - Flinders Island 2006 - 2016

Resident Population	2006 Census			2011 Census			2016 Census			2006-2016	Share 2016
Industry of Employment	Males	Females	Persons	Males	Females	Persons	Males	Females	Persons		
Agriculture, Forestry and Fishing	95	35	132	75	27	100	81	26	106	-26	24.5
Mining	0	0	0	0	0	0	0	0	0	0	0.0
Manufacturing	10	6	14	10	6	16	8	3	15	1	3.5
Electricity, Gas, Water and Waste Services	7	0	7	10	0	10	13	3	13	6	3.0
Construction	32	3	38	30	3	37	36	0	35	-3	8.1
Wholesale Trade	16	7	17	3	4	7	9	0	9	-8	2.1
Retail Trade	5	20	24	11	18	27	9	17	32	8	7.4
Accommodation and Food Services	9	15	28	6	12	19	5	20	27	-1	6.2
Transport, Postal and Warehousing	11	9	24	17	3	19	14	5	20	-4	4.6
Information Media and Telecommunications	4	0	3	0	3	3	0	3	6	3	1.4
Financial and Insurance Services	0	3	0	0	0	0	0	0	0	0	0.0
Rental, Hiring and Real Estate Services	4	3	10	3	0	8	3	0	7	-3	1.6
Professional, Scientific and Technical Services	3	3	3	6	3	12	7	7	7	4	1.6
Administrative and Support Services	3	3	4	6	8	15	4	13	19	15	4.4
Public Administration and Safety	21	22	47	24	19	42	14	25	42	-5	9.7
Education and Training	9	22	36	3	25	24	4	27	32	-4	7.4
Health Care and Social Assistance	11	33	35	3	25	33	12	34	40	5	9.2
Arts and Recreation Services	0	0	0	0	0	4	0	3	3	3	0.7
Other Services	11	8	19	9	3	18	7	0	10	-9	2.3
Inadequately described/Not stated	10	7	15	8	3	8	11	5	16	1	3.7
<b>Total</b>	<b>257</b>	<b>200</b>	<b>452</b>	<b>223</b>	<b>178</b>	<b>400</b>	<b>246</b>	<b>189</b>	<b>433</b>	<b>-19</b>	<b>100.0</b>

Source – ABS Census Time Series Data (Table T34)

A more detailed look at the workforce is shown in Table 4.

**Table 4.** Jobs on Flinders Island by Industry and Occupation. 2016.

2016 Jobs	Manager	Professional	Tech & Trades Worker	Community & Personal Service Worker	Clerical and Admin Worker	Sales Worker	Machinery Operators and Driver	Labourer	Total Jobs	Share %	Employed Residents	Jobs-Employed Residents
Agriculture, Forestry and Fishing	76	0	3	0	0	0	3	15	97	23.5	106	-9
Mining	0	0	0	0	0	0	0	0	0	0.0	0	0
Manufacturing	3	0	0	0	0	4	0	3	16	3.9	15	1
Electricity, Gas, Water and Waste Services	0	0	17	0	0	0	0	0	15	3.6	13	2
Construction	6	0	7	0	0	0	4	9	26	6.3	35	-9
Wholesale Trade	0	0	0	0	0	5	0	0	5	1.2	9	-4
Retail Trade	7	0	0	0	3	15	0	0	28	6.8	32	-4
Accommodation and Food Services	8	0	7	6	0	0	0	7	26	6.3	27	-1
Transport, Postal and Warehousing	0	3	0	0	3	0	8	3	20	4.8	20	0
Information Media and Telecomms	0	3	0	0	0	0	0	0	6	1.5	6	0
Financial and Insurance Services	0	0	0	0	0	0	0	0	0	0.0	0	0
Rental, Hiring and Real Estate Services	3	0	0	0	0	0	0	0	7	1.7	7	0
Professional, Scientific and Technical Services	0	4	0	0	0	0	0	0	7	1.7	7	0
Administrative and Support Services	3	0	3	0	4	0	0	4	15	3.6	19	-4

<b>2016 Jobs</b>	<b>Manager</b>	<b>Professional</b>	<b>Tech &amp; Trades Worker</b>	<b>Community &amp; Personal Service Worker</b>	<b>Clerical and Admin Worker</b>	<b>Sales Worker</b>	<b>Machinery Operators and Driver</b>	<b>Labourer</b>	<b>Total Jobs</b>	<b>Share %</b>	<b>Employed Residents</b>	<b>Jobs-Employed Residents</b>
Public Administration and Safety	3	7	7	5	6	0	0	6	42	10.2	42	0
Education and Training	0	15	3	5	3	0	0	0	27	6.5	32	-5
Health Care and Social Assistance	3	13	3	21	3	0	0	5	45	10.9	40	5
Arts and Recreation Services	0	3	0	0	0	0	0	0	3	0.7	3	0
Other Services	0	0	8	0	0	0	0	0	6	1.5	10	-4
Inadequately described/Not stated	0	3	0	0	0	0	0	3	11	2.7	16	-5
<b>Total</b>	<b>123</b>	<b>58</b>	<b>56</b>	<b>41</b>	<b>27</b>	<b>27</b>	<b>14</b>	<b>59</b>	<b>413</b>	<b>100.0</b>	<b>433</b>	<b>-20</b>

Source ABS Census2016 – Working Population Rate (Table W12)

Total jobs on the island totalled 413, implying around 20 residents hold jobs in other locations.

### 3.5 Businesses

Flinders Island is well served by a strong and representative organisation; the Flinders Island Tourism and Business Inc (FITBI). Flinders Island Council play a strong role in facilitating business to business communication, as well as consumer to business connections. A comprehensive business directory is contained in the Council website [www.flinders.tas.gov.au](http://www.flinders.tas.gov.au).

Flinders Island has a range of small and medium sized enterprises registered as businesses. The 2016 census shows that the number of businesses registered has remained relatively stable over the years, with the exception that data derived from the 2016 census also shows an increase between 2014 and 2017 of an additional 30 businesses on the Island.

- 2011      125
- 2014      124
- 2017      154

Consultation with a number of businesses and the FITBI has indicated that at least in part, growth is constrained by the ability to attract people to live on the Island. This is in part due to the lack of suitable housing available – both short and longer term. Typically, this is rental accommodation in the initial phases of people seeking to move to the Island.

### 3.6 Flinders Island Strategy

Flinders Island Council has a thorough Strategic Plan developed in 2015 for a four-year period. The vision outlined in the plan for Flinders Island is:

To retain our lifestyle and unique landscapes through leadership that encourages innovation, population growth, asset attraction, partnerships, and improved health and wellbeing of the community.

In summary, the Strategic Focus Areas listed in the plan are to:

Focus	Strategy Response
Population Growth	Focussing on strategies, projects and policy initiatives that support the community, economic development and investment attraction.
Infrastructure and Services	An Island specific approach to planning and delivery to ensure community and environmental values are maintained.
Access and Connectivity	Work with service providers and other relevant stakeholders to improve security, reliability and cost effectiveness.
Strategic Efficient and Effective Organisation	Responding to risks and opportunities
Liveability	Protect, improve and promote the health and wellbeing of the Island’s communities.

The areas of focus and strategic responses cascade down into annual work plans for Council. This includes the annual budgeting cycle.

In Focus Area number 1 – Population Growth – the following rationale is provided in the strategy:

‘Housing and subdivision are key contributors to local land use planning; however, anecdotally housing supply, affordability and rental availability are all constraints for new residents to the Island. There is an inherent cost impost associated with building on the Island that drives up prices – and the general decline in population size is not driving centralised housing supply in existing settlements’.

The strategic implementation of this rationale is provided in two specific actions for Council:

Strategic Direction	Output	Lead Responsibility
Increase the Supply of Affordable Housing	Land use planning policy that provides an enabling environment for housing and investments	Delivered through development services
Increase the Supply of Affordable Housing	A strategy and action plan that identifies affordable housing options	Delivered through development services

A raft of other complementary outputs work together to assist the output of housing availability on the Island. This report seeks to understand the need for, and options to supply housing, with the overarching strategic aim of increasing the population of Flinders Island as expressed in the strategy.

# 4. Current Flinders Island Tourism

## 4.1 General

The visitor economy on Flinders Island is strong and surveys from both 2014<sup>10</sup> and more recently a review of the regular public transport services indicate growth is occurring, although at a rate than is lower than the general visitor economy in Tasmania. With the absence of data from a visitor or exit survey, it is difficult to quantify that with accuracy. The 2014 visitor survey found that there was growth in visitor numbers to the Island of 24% over the 5 years from the preceding survey in 2009.

Flinders Island Business and Tourism Inc (FITBI) provide strong leadership to the Island’s industry, with further support received from the RTO Tourism Northern Tasmania (TNT). Although based in Launceston, TNT also covers and represents Flinders Island.

A Destination Action Plan (DAP)<sup>11</sup> was completed in 2016 in partnership with TNT and provides a series of recommendations for the Island’s community, supported also by the State Government and Council.

The DAP accords leadership accountability for general themes as well as specific actions. DAP Priority 4 is specifically related to this report and to the Council strategic plan. The priority is:

Increase availability of housing on the Island for lease and for sale.

The actions in the DAP are as follows:

Actions	Responsibilities	Priorities
<ul style="list-style-type: none"> <li>Undertake an audit of property for sale on the Island and review previous studies for land use</li> </ul>	Council	High – Year 1.
<ul style="list-style-type: none"> <li>Identify barriers for properties being made available for lease</li> </ul>	FITBI/Council	High – Year 1
<ul style="list-style-type: none"> <li>Investigate the potential for a property management service to ‘match make’ potential tenants with property owners, examples include:                             <ul style="list-style-type: none"> <li>Rent- to-Buy schemes</li> <li>Rent while on the market</li> </ul> </li> </ul>	FITBI	Medium – Year 2
<ul style="list-style-type: none"> <li>Investigate incentives for building new housing, and buying property including:                             <ul style="list-style-type: none"> <li>Attracting groups of investors to underwrite new developments</li> </ul> </li> </ul>	FITBI/Council	Medium – Years 2 to 3

<sup>10</sup> Flinders Island Visitor Survey Report 2014. Research Unit – Tourism Tasmania

<sup>11</sup> Flinders Island Destination Action Plan 2016-2019

Implementation of a number of actions within the DAP have seen some strong outcomes; namely a good online presence and digital platform showcasing the Island and providing a multi business single portal to consumers to both market the Island and facilitate ease of booking: [www.visitflindersisland.com.au](http://www.visitflindersisland.com.au).

Implementation of the remaining DAP actions over the short to medium term will in the views of TRC Tourism, result in a number of strong outcomes for the visitor economy and the community in general. Specifically related to this study, and future potential work is the need to have good data.

**The recommendation to implement a visitor survey is strongly supported.**

## 4.2 Current Visitor Economy Data

As previously discussed in this report, current data is difficult to obtain for Flinders Island specifically. TVS<sup>12</sup> data is available for broader northern Tasmania, much of which may include responses for Flinders Island visitors within the general heading – ‘Other Northern’. TRC Tourism believes this to be too large a potential sample to extrapolate specific data relevant to Flinders Island. ‘Other Northern’ could include many centres within Northern Tasmania which is believed to be very different in its visitor economy due mostly to the need for air travel to get to Flinders Island. Accordingly, the data from TVS will generally not be used in this report.

In summary – the 2014 Flinders Island Visitor Survey Report<sup>13</sup> provided the following assessment of the visitors to the Island.

- A total of 5,692 people travelled to the Island during the 12 months ending January 2014
- This represents 24% growth on the previous survey in 2009 (although comparisons must be made cautiously due to survey sample differences)
- Visitors stayed 34,500 nights on the Island
- Visitors spent a total of \$3.1 million whilst on Flinders Island
- Visitors taking a holiday were the highest category of visit at 36%, followed by business travellers on 31% and the VFR (visiting friends and relatives) at 26%
- Over 96% of visitors were from Australia. Of those, Tasmanians accounted for 53% of all visitors followed by Victorians at 21% and NSW at 13%
- 36% of all visitors were first time visitors, but the majority of holiday visitors (55%) were first time visitors
- Satisfaction was deemed to be strong with 73% of visitors stating they would return to the Island within 2 years.

The type of accommodation used is important for the purposes of this study. The following table shows the accommodation type used.

- A large percentage of visitor nights (44.5%) were stays at a friend or relatives place, as opposed to commercial or paid accommodation. A further 6.3% of nights were persons staying at their own holiday house or farm.

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12 Tasmanian Visitor Survey Data – [www.tvsanalyser.com.au](http://www.tvsanalyser.com.au)

13 2014 Flinders Island Visitor Survey Report. Tourism Tasmania



- Our analysis suggests that this use of non-paid accommodation has continued as many residents have relatives in Tasmania or other states.
- Where the mix has changed in 2016/17 is with paid accommodation. Specifically, the growth in online booking platforms has brought into the market more houses and cottages. This stock would be a mix of: unoccupied properties being brought into the short term visitor market; private holiday houses being rented to visitors (which may previously only have been used by the owner); and some properties being switched from long term rentals.
- Bookings for self-contained cottages / houses have increased from around 44.5% (in 2014) of the paid accommodation market to an estimated 65.0% (2016/17). This represents an increase from 7713 visitor nights in 2014 to 10,207 visitor nights in 2016/17.<sup>14</sup>

**Table 5.** Type of accommodation used by visitors to Flinders Island 2014

Accommodation Type	Percentage of Total Nights	Estimated Number of Nights
<b>Non Paid</b>		
Friends or Relatives place	44.5	15,368
Own house/farm	6.3	2,185
<b>Total</b>	<b>50.8</b>	<b>17,553</b>
<b>Commercial &amp; Paid</b>		
Self-contained cottage/house	22.4	7,713
Hotel/motel	6.1	2,107
Employer supplied / work accommodation	5.5	1,910
Guest house / B&B	3.5	1,217
Holiday flat / unit	1.7	583
Caravan park/cabin park	2.6	893
Camping in National park / public land	2.0	688
<b>Other</b>	<b>5.3</b>	<b>1,836</b>
<b>Total</b>	<b>49.2</b>	<b>16,947</b>
<b>TOTAL NIGHTS</b>	<b>100.0</b>	<b>34,500</b>

Source: Flinders Island Visitor Survey Report 2014, Tourism Tasmania, Table 7. Data represents 12 months to January 2014

The 2018 TRC survey of accommodation operators provides insights that are importantly used to validate the 2014 survey results and provide data of its own. The data broadly matches the 2014 Tourism Tasmania study.

<sup>14</sup> See section 6.2 of this report.

The reason for the visit to the Island is shown in the following table. Please note differences in total numbers as not all operators answered all questions.

**Table 6.** Reason for Visit to Flinders Island by operator responses

Reason for Visit	Total	Percentage
Total Holiday	16	41%
Total VFR	11	28%
Total Business	9	23%
Total Other	3	8%

Source – TRC Accommodation Survey 2018

The type of traveller visiting the Island is important not only to the utilisation of the existing accommodation, but also when considering new accommodation options to ensure the design and supply meets the expectations of the market.

The following table provides insights from operators on the market. Clearly the predominant market for the Island is couples. Unit style accommodation or single bedroom cottage / motel room is going to be the most suitable for this market.

**Table 7.** Type of Traveller visiting Flinders Island 2018 from operator responses

Type of Traveller	Total	Share of Bookings No.
		%
Single Traveller	11	19%
Adult Couple	16	27%
Family Group (with children)	12	20%
Extended Family Group	4	7%
Group of Friends	8	14%
Professional /Trades etc	7	12%
Schools or Groups	1	1%

Source – TRC Accommodation Survey 2018

The origin of visitors is shown in the following table and derived from the TRC accommodation operators survey undertaken in 2018.

**Table 8.** Source of Visitors to Flinders Island from operator responses

Source of Visitors	Share of Bookings (Properties No.)	
	Total	Est Ave. %
Tasmania	16	22%
Victoria	16	22%
NSW	11	15%

Source of Visitors	Share of Bookings (Properties No.)	
	Total	Est Ave. %
Queensland	8	11%
Other Australia	12	16%
International	10	14%

Source – TRC Accommodation Survey Flinders Island – 2018

Tasmania and Victoria remain the main markets for sourcing visitors to the Island. Given the flights from Melbourne and Launceston, this is logical.

## 5. Flinders Island Visitor Accommodation Supply

The following section is derived from a database prepared by TRC Tourism for this study. The sources of the database include the Flinders Island Business Directory<sup>15</sup>, online data accommodation channels and support from FITBI and Council. To note, within this analysis, dwellings potentially available for residents are also included if they have been placed in booking channels (such as Airbnb) as visitor stock.

### 5.1.1 Accommodation Properties and Rooms

There were 58 properties in the visitor market for which information was available, and these accounted for a total of 143 rooms and 322 beds.

Some summary data is presented below:

- Around half of the properties – 28 (48%) were private houses, with a total of 81 rooms and 175 beds. Private houses account for 57% of rooms and 54% of total beds
- Other accommodation was mainly in cottages and cabins
- Larger commercial accommodation comprises rooms at the hotel, tavern and accommodation being developed at a gourmet retreat (Cooma House)
- Rooms were mainly double/twin rooms – 101 of 71%.

The following series of tables presents the results of the accommodation research.

**Table 9.** Flinders Island Accommodation Properties - Rooms and Beds 2018

Property Type	No Properties No.	% properties	Rooms No.	% Rooms	Total Beds No.	% Beds
Cottages (Self-catering)	7	12.1	21	14.7	40	12.4
Units/Apartments	2	3.4	12	8.4	24	7.5
Cabin	3	5.2	3	2.1	7	2.2
Cottage. Dinner, Bed & Breakfast	3	5.2	5	3.5	10	3.1
Flinders Island Gourmet Retreat	1	1.7	0	0.0	16	5.0
Hotel	1	1.7	0	0.0	na	na
Private House	28	48.3	81	56.6	175	54.3
Room	2	3.4	4	2.8	7	2.2
Self-Contained Studio	2	3.4	5	3.5	7	2.2
Tavern	1	1.7	12	8.4	36	11.2
<b>Total</b>	<b>58</b>	<b>100.0</b>	<b>143</b>	<b>100.0</b>	<b>322</b>	<b>100.0</b>

Source: TRC Accommodation Database, February 2018

<sup>15</sup> www.flinders.tas.gov.au

**Table 10.** Flinders Island Properties - Types of Rooms 2018.

Property Type	Room Types						Total Rooms	% Rooms
	7 Bed Bunk	Quad	Triple	Double/Twin	Single	Extra Sofa Bed		
Cottages (Self-catering)	0	0	2	15	2	2	21	14.7
Units/Apartments	0	0	0	9	0	3	12	8.4
Cabin	0	0	1	2	0	0	3	2.1
Cottage. Dinner, Bed & Breakfast	0	0	0	5	0	0	5	3.5
Flinders Island Gourmet Retreat	0	0	0	0	0	0	0	0.0
Hotel	0	0	0	0	0	0	0	0.0
Private House	1	3	6	65	1	5	81	56.6
Room	0	0	0	3	1	0	4	2.8
Self-Contained Studio	0	0	0	2	0	3	5	3.5
Tavern	0	0	12	0	0	0	12	8.4
<b>Total</b>	<b>1</b>	<b>3</b>	<b>21</b>	<b>101</b>	<b>4</b>	<b>13</b>	<b>143</b>	<b>100.0</b>
<b>% Rooms</b>	<b>0.7</b>	<b>2.1</b>	<b>14.7</b>	<b>70.6</b>	<b>2.8</b>	<b>9.1</b>	<b>100.0</b>	

Source: TRC Accommodation Database, February 2018

The ABS Census 2016 identified a total of 589 dwellings and of these 398 (67.5%) were occupied and 191 (32.4%) were unoccupied<sup>16</sup>

- These unoccupied dwellings are likely to be a mix of holiday houses, holiday rental properties and second houses on rural properties.
- The Census is conducted for the evening of June 30 (winter), which is the low season for holiday rentals (so many of the holiday rental properties were likely to be unoccupied on this date).
- A total of 42 dwellings were listed in the TRC database (derived from online accommodation listings)<sup>17</sup> These 42 dwellings represent 22% of the unoccupied dwellings derived from the census.

### 5.1.2 Accommodation Prices

The following shows the average rates (per night) charged for rooms/properties. Nightly rates for many properties vary depending on the season (e.g. peak, shoulder, off peak) and how many nights the booking is for. Many sites also have a minimum booking requirement that can be two to three nights. The following table is derived from the database developed by TRC. For each individual property an average was calculated based on the midpoint for the range listed on booking websites. These midpoint prices were then allocated to the ranges listed in the following table.

- Over 50% of average rates were in the range \$120-\$180 per night (24 properties or 52% of those with price data)

<sup>16</sup> ABS Census 2016 General Community Profile (Table G32)

<sup>17</sup> Total holiday rentals were 58 properties – camping grounds, rooms, hotel, tavern and resort were not counted in the 42 dwelling properties.

- Private houses were mainly in the average range from \$151 to \$400 (21 houses or 91% of those with price information)
- Cottages and cabins were in the \$120- \$150 range.
- Average rates for the hotel were in the \$75-\$110 range and for the tavern \$120-\$150.

Pricing of the accommodation would seem to be reasonable and at the lower end of pricing for the type of accommodation available. This may in part be reflective of the cost of getting to the Island for a holiday offsets peoples willingness to pay for accommodation. It is also reflective of the small family run nature of many of the properties, as opposed to the larger hotel chain / corporate style properties.

**Table 11.** Flinders Island Properties - Average Room Rates 2018

Room Rates (per night)	Price Range (\$) - averages										Total
	0-50	75-110	120-150	151-180	190-220	230-260	270-300	300-400	400-500	1200+	
Cottages (Self-catering)	0	0	5	0	1	0	0	0	0	0	6
Units/Apartments	0	0	0	2	0	0	0	0	0	0	2
Cabin	0	0	3	0	0	0	0	0	0	0	3
Cottage. Dinner, Bed & Breakfast	0	0	2	1	0	0	0	0	0	0	3
Flinders Island Gourmet Retreat	0	0	0	0	0	0	0	0	0	0	0
Hotel	0	1	0	0	0	0	0	0	0	0	1
Private House	0	0	1	6	5	3	2	5	1	0	23
Room	0	0	0	1	0	0	0	0	0	1	2
Self-Contained Studio	0	0	0	2	0	0	0	0	0	0	2
Tavern	0	0	1	0	0	0	0	0	0	0	1
Other	0	2	0	0	0	0	0	0	0	0	2
<b>Total</b>	<b>1</b>	<b>3</b>	<b>12</b>	<b>12</b>	<b>6</b>	<b>3</b>	<b>2</b>	<b>5</b>	<b>1</b>	<b>1</b>	<b>46</b>
<b>Price Range %</b>	<b>2.2</b>	<b>6.5</b>	<b>26.1</b>	<b>26.1</b>	<b>13.0</b>	<b>6.5</b>	<b>4.3</b>	<b>10.9</b>	<b>2.2</b>	<b>2.2</b>	<b>100.0</b>

Source: TRC Accommodation Database, February 2018. Note: for the price ranges above we have taken the mid-point of rates for each property.

### 5.1.3 Online Listings

Properties were listed on a number of online platforms:

- Australian Tourism Data Warehouse (ATDW)<sup>18</sup> 84%; and Discover Tasmania<sup>19</sup> (74%)
- Booking sites - Airbnb<sup>20</sup> (43%); Trip advisor<sup>21</sup> (37.9%); and Trivago<sup>22</sup> (22.4%); Wotif<sup>23</sup> (13.8%); Stayz<sup>24</sup> (12.1%).

Private houses tended to use Airbnb (16) and Stayz (7) for bookings and tended to be listed on ATDW (19) and Discover Tasmania (20).

**Table 12.** Table 1 Flinders Island Properties - Online Listings 2018.

Property Type	ATDW	Discover Tasmania	Airbnb	Stayz	Wotif	booking.com	trivago	trip advisor	Total Properties
Cottages (Self-catering)	6	4	1	0	2	1	4	2	7
Units/Apartments	2	2	1	0	1	1	1	1	2
Cabin	3	0	0	0	3	0	3	3	3
Cottage. Dinner, Bed & Breakfast	3	3	3	0	0	0	0	3	3
Flinders Island Gourmet Retreat	1	0	0	0	0	0	0	0	1
Hotel	1	1	0	0	0	0	0	1	1
Private House	19	20	16	7	2	0	1	5	28
Room	2	2	2	0	0	1	1	2	2
Self-Contained Studio	2	2	2	0	0	2	2	2	2
Tavern	1	1	0	0	0	0	1	1	1
Other	2	2	0	0	0	0	0	2	0
<b>Total</b>	<b>49</b>	<b>43</b>	<b>25</b>	<b>7</b>	<b>8</b>	<b>5</b>	<b>13</b>	<b>22</b>	<b>58</b>
<b>% of Properties (58)</b>	<b>84.5</b>	<b>74.1</b>	<b>43.1</b>	<b>12.1</b>	<b>13.8</b>	<b>8.6</b>	<b>22.4</b>	<b>37.9</b>	

Source: TRC Accommodation Database, February 2018

18 [www.atdw.com.au](http://www.atdw.com.au).

19 [www.discovertasmania.com.au](http://www.discovertasmania.com.au)

20 [www.airbnb.com.au](http://www.airbnb.com.au)

21 [www.tripadvisor.com.au](http://www.tripadvisor.com.au)

22 [www.trivago.com.au](http://www.trivago.com.au)

23 [www.wotif.com](http://www.wotif.com)

24 [www.stayz.com.au](http://www.stayz.com.au)

## 5.2 Existing accommodation supply utilisation

Determining occupancy rates for properties on Flinders Island required a survey instrument to be designed and completed by the accommodation sector. TRC distributed the survey in February and responses were completed for 19 of the 58 properties listed. This is a relatively small completion rate but does provide some guidance into a number of elements in the sector.

Of the properties that responded the following table shows the occupancy rates per month.

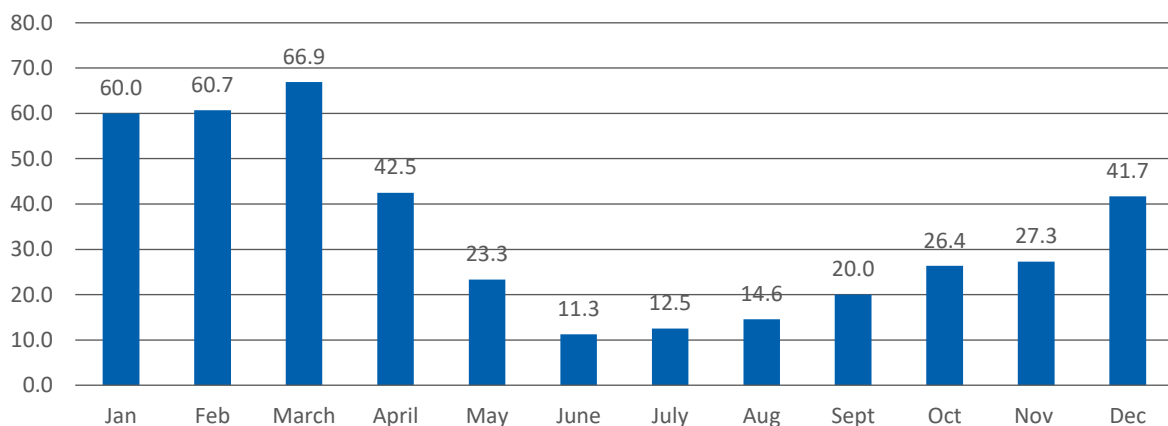
Compiling the figures in a table with summary occupancy shows a relatively typical distribution with the summer period from December through to April being the highest occupancy period.

**Table 13.** Occupancy Rates for Properties Responding to the Survey

Month	Estimated Average occupancy rate %	No. of properties who reported greater than 80% occupancy
Jan	60.0	5
Feb	60.7	5
March	66.9	5
April	42.5	1
May	23.3	0
June	11.3	0
July	12.5	0
Aug	14.6	0
Sept	20.0	0
Oct	26.4	0
Nov	27.3	1
Dec	41.7	1

The following figure shows the distribution by month and booking numbers.

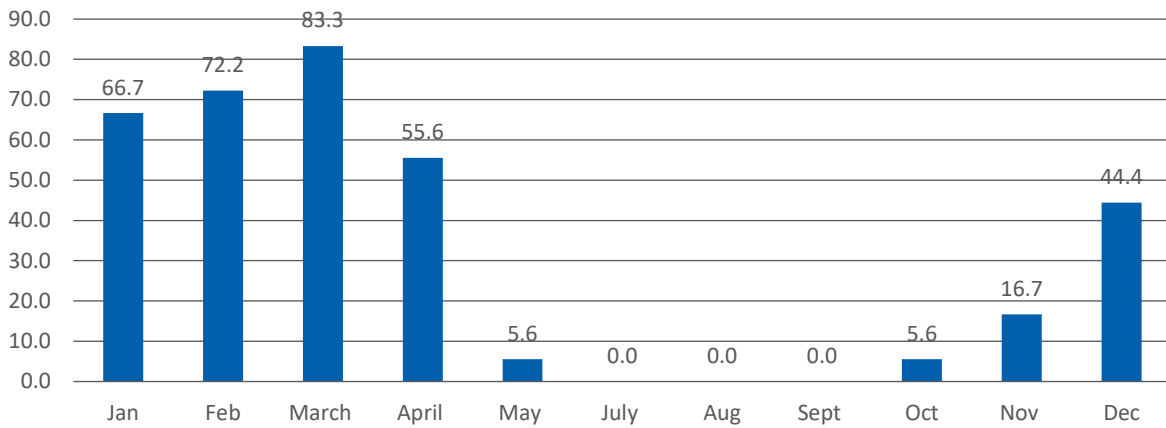
**Figure 2.** Flinders Island Accommodation - Estimated Average Occupancy Rate (%)





Closely aligned to the occupancy is the booking numbers by month shown below. No survey respondents indicated that July, August or September were their peak month, and accordingly these are zeroes. March was identified as a peak month by 83.3% of respondents, followed by February, which 72.2% of respondents indicated was also a peak month.

**Figure 3.** Peak Months Identified for Bookings % of respondents (18 Properties) no.



At the present rate of growth, there are generally enough rooms for visitors, however the standard may not meet the type, price and market expectations. The occupancy rates, while not at 100%, are effectively full over 80%, meaning the odd room nights that may show as available are likely not to occur on weekends, holiday periods and when visitors may want to visit the Island.

Flinders Island clearly has 5 to 6 months of the year where occupancy rates are very low. The period from May to December averages under 10% occupancy. This long period of poor utilisation needs to be offset by longer periods of high occupancy over the summer months to warrant further investment.

Should visitor numbers grow by any more than 5% in future years, Flinders Island will see room shortages anywhere from 5 rooms per day over a peak 4 week period to 66 rooms per day over a 6 week period if visitor growth was around 10%.

Anecdotal evidence from consultations suggests the sample data used above may be possibly underestimating current supply utilisation. It is difficult to quantify the actual demand, other than spot attempts to book rooms on the Island during this study showed some holiday periods were effectively booked out, and at other times the rooms were available – albeit at a price that may preclude short term workers visiting the Island (trades etc).

# 6. Flinders Island Visitor Accommodation Future Demand and Supply

## 6.1 Current Type of Accommodation Used

Flinders Island received 5,692 visitors during the 12 months ending January 2014, which represented a 24% growth on the previous survey in 2009 (although comparisons must be made cautiously due to survey sample differences). Visitors stayed a total of 34,500 nights and spent a total of \$3.1 million whilst on Flinders Island. Holiday makers accounted for 36% of all visitors, closely followed by 31% travelling for business purposes and 26% visiting family and friends on the Island.

The lack of consistent and up to date market information on Flinders Island has made modelling the future demand very difficult. This report has combined data from the TRC visitor survey, the regular passenger transport service (flights to and from Melbourne and Launceston) and the TRC accommodation provider 2018 data base, as well as the 2014 visitor survey provides insights into the existing market. Combining these data sources may lead to a greater potential for errors, but it has been the only reasonable course of action to get reasonable assumptions and data from which to model future growth. For the purposes of this report, accommodation has been classified into two groups:

- Non-paid - those staying at a friend or relatives place (44.5% in 2014) or in their own holiday house/farm (6.3% in 2014)<sup>25</sup>
- Commercial & paid - those paying for accommodation (total 49.1% in 2014).

The following table compares the accommodation mix and visitor nights for 2014 and estimates for 2016/17.

- Total annual visitor nights for 2016/17 were estimated to be 35,850 (up from 34,500 in 2014)
- These comprised 18,240 nights in unpaid accommodation and 17,610 nights in commercial and paid accommodation. The extent of unpaid accommodation reflects visits from interstate relatives and friends to island residents.

For purposes of comparison, the number of visitors in commercial & paid accommodation were estimated using the 2014 % shares and those for 2016/17, which reflect a major change in the accommodation mix.

- The 2016/17 estimates (using current % shares) show a significant growth in stays at self-contained cottages / houses. The growth in the use of online booking platforms over the past 3 years has seen an increased number of houses/cottages and units being brought into the accommodation market (compared with 2014)
- Accordingly, the share of accommodation in self-contained cottages / houses has increased from around 45.5% of paid accommodation to 65.0% in 2016/17 and from 7713 visitor nights in 2014 to 10,207 visitor nights in 2016/17
- This growth in the use of online booking platforms by private owners has led to a squeeze on commercial accommodation operators.<sup>26</sup>

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<sup>25</sup> See Flinders Island Visitor Survey Report 2014, Tourism Tasmania, Table 7 and section 4.2 of this report.

<sup>26</sup> This was expressed as an issue by several commercial providers in the consultations conducted by TRC.

Applying a common sense lens over these data source , the data aligns to the experience being observed across most market places, and particularly on Flinders Island where there is a lack of larger scale commercial accommodation. Table 17 shows among other observations, the increase in self-contained houses and cottages driving the increase in visitor accommodation.

**Table 14. Type of Accommodation Used in 2014 and 2016/2017.**

Type of Accommodation Used	2014 - Visitor Survey Data			2016/17 - Estimates from RPT Data		
	% Share of Total Nights: Survey 2014		Total Nights 2014	Total nights 2016/17 (Using Survey 2014 % Shares)	Share of rooms (Using TRC Providers Data Base 2018)	Estimate nights Total Nights 2016/17 RPT Data (Using Estimated Current Shares)
<b>Unpaid Accommodation</b>						
Friends/relatives place	44.5		15,368	15,969		15,969
Own house/farm	6.3		2,185	2,271		2,271
<b>Total Visit Nights - Non-commercial</b>	<b>50.8</b>		<b>17,553</b>	<b>18,240</b>		<b>18,240</b>
<b>Commercial &amp; Paid Accommodation</b>		<b>% Share of Commercial &amp; Paid Nights</b>			<b>Estimated Current % Share of Commercial Nights</b>	
Self-contained cottage/Houses	22.4	45.5	7,713	8,015	65.0	10,207
Hotel/motel	6.1	12.4	2,107	2,189	10.0	1,570
Employer supplied/work accommodation	5.5	11.3	1,910	1,985	10.0	1,570
Guest House/B&B	3.5	7.2	1,217	1,265	6.0	942
Holiday flat/unit	1.7	3.4	583	606	4.4	691
Caravan park/cabin park	2.6	5.3	893	928	2.6	408
Camping in National Park	2.0	4.1	688	715	2.0	314
Other	5.3	10.8	1,836	1,908	4.0	1,908
<b>Total Commercial &amp; Paid Accommodation</b>	<b>49.1</b>	<b>100.0</b>	<b>16,947</b>	<b>17,610</b>	<b>100.0</b>	<b>17,610</b>
<b>Total Visitor Nights</b>	<b>100.0</b>		<b>34,500</b>	<b>35,850</b>		<b>35,850</b>

Source: MCA analysis April 2018. 2014 data from Flinders Island Visitor Survey Report 2014, Tourism Tasmania, Table 7. 2016/17 estimates using RPT passenger data and TRC accommodation providers data base 2018.

## 6.2 Modelling Flinders Island Visitors

Previous sections in this report have described where possible the visitor profile for Flinders Island. The following tables provide estimates of visitors and room requirements based on RPT departure data. There is no visitor survey data available for Flinders Island. The assumptions used in estimating tourist visitors are outlined below.

**Table 15.** Modelling Assumptions and Inputs

<b>Modelling Assumptions</b>
The following are the assumptions used in estimating current visitors and room demand by visitors.
<b>Data Available</b>
There is no visitor data available from TRA or TVS surveys. The only data is RPT departure data covering: Essendon, Launceston, and Flinders Island. The latest full year is 2016/17, with data available by month. A survey of visitors was published in 2014, which utilised flight data for the 12 months ended January 2014 to estimate visitor numbers by category (Flinders Island Visitor Survey Report 2014, Tourism Tasmania). This study has been drawn on in the modelling and projections.
<b>Resident Flyers and Visitors (Estimate 2016/17)</b>
Departures from Flinders Island (2016/17) <ul style="list-style-type: none"><li>• Residents Flying: 4907</li><li>• Visitors Flying: 5826</li><li>• Total: 10,733</li></ul> Based on applying the estimated percentages from the 2014 Visitor Survey: <ul style="list-style-type: none"><li>• Residents Flying: 46%</li><li>• Visitors Flying: 54%</li></ul> Based on resident population in 2016 (ABS Census) of 906, residents fly on average 5.4 times per year.
<b>Room Requirements - Demand</b>
Length of Stay (Visitors): Average stay: 6.1 nights (from estimated from Flinders Island Visitor Survey Report 2014, Tourism Tasmania). Room use: 2 cases examined: all rooms twin share; and mix 60% twin share and 40% single use. 60/40% mix is used in the projections. Average rooms per night: rooms/days in month
<b>Supply: Rooms Available</b>
Rooms available (2018): 143 from TRC Accommodation Data Base Demand as % of Supply = Ave rooms per night/rooms available X 100

### 6.3 Estimating Current Room Demand

The following table shows estimates of room demand by month for 2016/17. Peak months are holiday periods, including January and March/April (Easter and long weekends). The average room demand per month is calculated on the basis of the number of days in each month. However, there is likely to be pressure on available room supply in peaks in the holiday season and for long weekends.

There is limited commercial accommodation, and TRC's analysis of properties for holiday rents shows that around half of the properties – 28 (48%) were private houses, with a total of 81 rooms and 175 beds. Private houses account for 57% of rooms and 54% of total beds.

These estimates show the total room demand and indicate the total number of rooms required. These may be spread between paid accommodation and unpaid (e.g. staying with family or friends). The 2014 survey indicated that 45% of visitors were staying with family or friends.

Table 16 below provides an analysis of existing demand. A summary is that full supply is not utilised. This however can be misleading noting the different requirements of different markets. For example, trades people will require different accommodation that 'experience seekers' holidaying on the Island.

**Table 16.** Estimates of Room Demand for 2016/2017

Estimates 2016/17		July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Total
	<b>Total Tourist Visitors</b>	<b>379</b>	<b>391</b>	<b>476</b>	<b>430</b>	<b>470</b>	<b>545</b>	<b>675</b>	<b>506</b>	<b>628</b>	<b>578</b>	<b>389</b>	<b>360</b>	<b>5826</b>
	Shares %	6.50	6.70	8.17	7.38	8.07	9.36	11.59	8.69	10.78	9.91	6.67	6.18	100.0
	Ave length of stay													
<b>6.1</b>	<b>Total Room Nights</b>	<b>2311</b>	<b>2382</b>	<b>2905</b>	<b>2621</b>	<b>2870</b>	<b>3327</b>	<b>4118</b>	<b>3087</b>	<b>3830</b>	<b>3523</b>	<b>2371</b>	<b>2195</b>	<b>35,539</b>
<b>CASE1: All Twin Share</b>														
2	Rooms Required	1156	1191	1452	1311	1435	1664	2059	1543	1915	1761	1185	1097	17,770
	Nights in Month	31	31	30	31	30	31	31	28	31	30	31	30	365
Demand	<b>Demand: Ave Rooms per night</b>	<b>37</b>	<b>38</b>	<b>48</b>	<b>42</b>	<b>48</b>	<b>54</b>	<b>66</b>	<b>55</b>	<b>62</b>	<b>59</b>	<b>38</b>	<b>37</b>	<b>49</b>
TRC Accommodation Database	Supply: Rooms Available	143	143	143	143	143	143	143	143	143	143	143	143	143
	<b>Demand as % of Supply</b>	<b>26.1</b>	<b>26.9</b>	<b>33.9</b>	<b>29.6</b>	<b>33.4</b>	<b>37.5</b>	<b>46.4</b>	<b>38.5</b>	<b>43.2</b>	<b>41.1</b>	<b>26.7</b>	<b>25.6</b>	<b>34.0</b>
<b>CASE 2: Twin Share (60%)/Singles (40%)</b>														
	<b>Total Room Nights</b>	<b>2,311</b>	<b>2,382</b>	<b>2,905</b>	<b>2,621</b>	<b>2,870</b>	<b>3,327</b>	<b>4,118</b>	<b>3,087</b>	<b>3,830</b>	<b>3,523</b>	<b>2,371</b>	<b>2,195</b>	<b>35,539</b>
<b>Twin Share</b>														
0.6	Twin Share	1,387	1,429	1,743	1,573	1,722	1,996	2,471	1,852	2,298	2,114	1,422	1,317	21,324
<b>Singles</b>														
0.4	Singles	924	953	1,162	1,048	1,148	1,331	1,647	1,235	1,532	1,409	948	878	14,216
	<b>Rooms Required</b>													
	Twin Share	693	715	871	786	861	998	1235	926	1149	1057	711	658	10662
	Singles	924	953	1162	1048	1148	1331	1647	1235	1532	1409	948	878	14216
	<b>Total Rooms Required</b>	<b>1618</b>	<b>1668</b>	<b>2033</b>	<b>1835</b>	<b>2009</b>	<b>2329</b>	<b>2883</b>	<b>2161</b>	<b>2681</b>	<b>2466</b>	<b>1660</b>	<b>1536</b>	<b>24,877</b>

<b>Estimates 2016/17</b>		<b>July</b>	<b>Aug</b>	<b>Sep</b>	<b>Oct</b>	<b>Nov</b>	<b>Dec</b>	<b>Jan</b>	<b>Feb</b>	<b>Mar</b>	<b>Apr</b>	<b>May</b>	<b>June</b>	<b>Total</b>
	Nights in Month	31	31	30	31	30	31	31	28	31	30	31	30	365
	<b>Demand: Ave Rooms per night</b>	<b>52</b>	<b>54</b>	<b>68</b>	<b>59</b>	<b>67</b>	<b>75</b>	<b>93</b>	<b>77</b>	<b>86</b>	<b>82</b>	<b>54</b>	<b>51</b>	<b>68</b>
TRC Accommodation Database	Supply: Rooms Available	143	143	143	143	143	143	143	143	143	143	143	143	143
	<b>Demand as % of Supply</b>	<b>36.5</b>	<b>37.6</b>	<b>47.4</b>	<b>41.4</b>	<b>46.8</b>	<b>52.5</b>	<b>65.0</b>	<b>54.0</b>	<b>60.5</b>	<b>57.5</b>	<b>37.4</b>	<b>35.8</b>	<b>47.7</b>

Source – MCA Estimates April 2018

## 6.4 Future demand

To examine the implications of future growth in accommodation demand, four growth scenarios (average growth per year) were examined for tourist numbers over a 10-year period. These are:

- Low Growth 2.5%
- Moderate Growth 5%
- Strong Growth 7.5%
- High Growth 10% per year.

Full details of the projections are in Appendix A.

These room projections are based on the assumption that 60% of room use is twin share and 40% is single use.

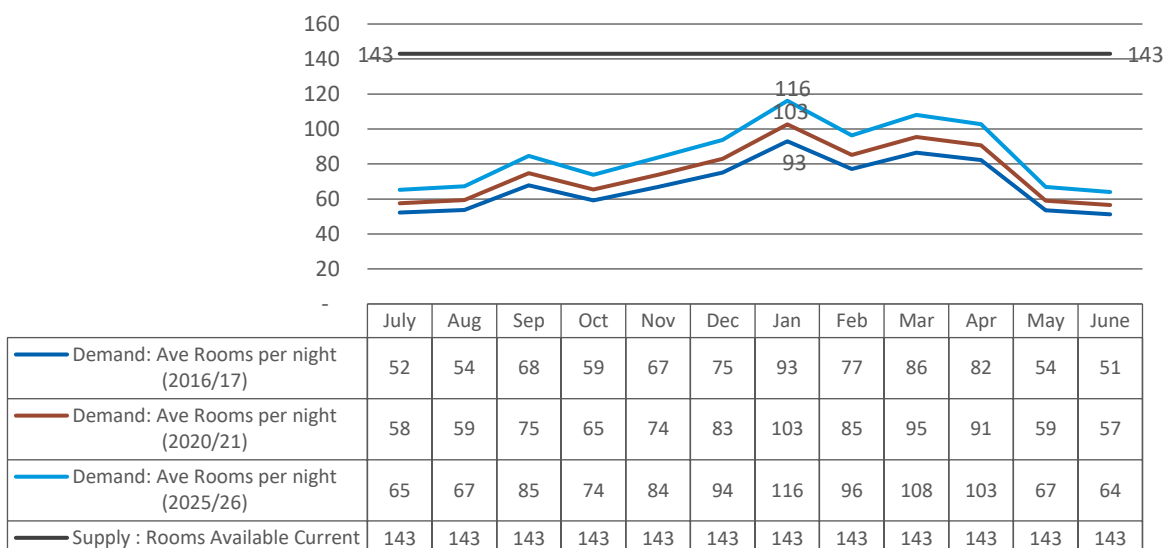
These estimates show the total room demand and indicate the number of rooms required based on assumed growth rates. These may be spread between paid accommodation and unpaid (e.g. staying with family or friends). The 2014 survey indicated that 45% of visitors were staying with family or friends.

Looking out over the next 10 years, visitor growth is likely to be in the visitor category, which generally requires paid accommodation.

### 6.4.1 Scenario 1 – Low Growth (2.5%)

The following chart and table shows the estimated tourist visitor numbers and room requirements for the low growth scenario (2.5% pa.) for the current period (2016/17) and Year 5 (2020/21) and Year 10 (2025/26). This scenario is essentially a stand still situation. Current room supply would generally be able to service demand levels, including peaks.

**Figure 4.** Estimated Room Requirements under a Low Growth Scenario (2.5%).



Source: MCA Estimates and Projections April 2018

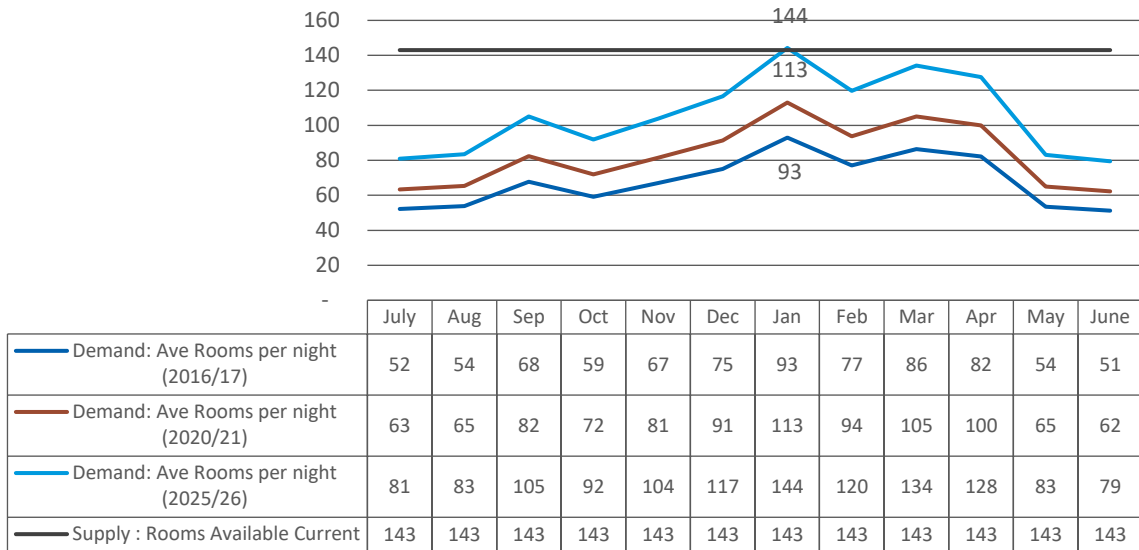
Detailed data for this model is included in the appendices.



### 6.4.2 Scenario 2 – Moderate Growth (5%)

This is a moderate scenario which sees some growth in visitor numbers and room demand. The existing room mix is likely to meet future demand with pressures not emerging until year 10. Additional houses coming into the holiday rental market would service these demand levels, assuming that houses transfer from existing stock, or underutilised stock is encouraged to be used for holiday letting for either social or economic reasons.

**Figure 5.** Estimated Room Requirements per night - 5% Growth Scenario (Room numbers)



Source: MCA Estimates and Projections April 2018

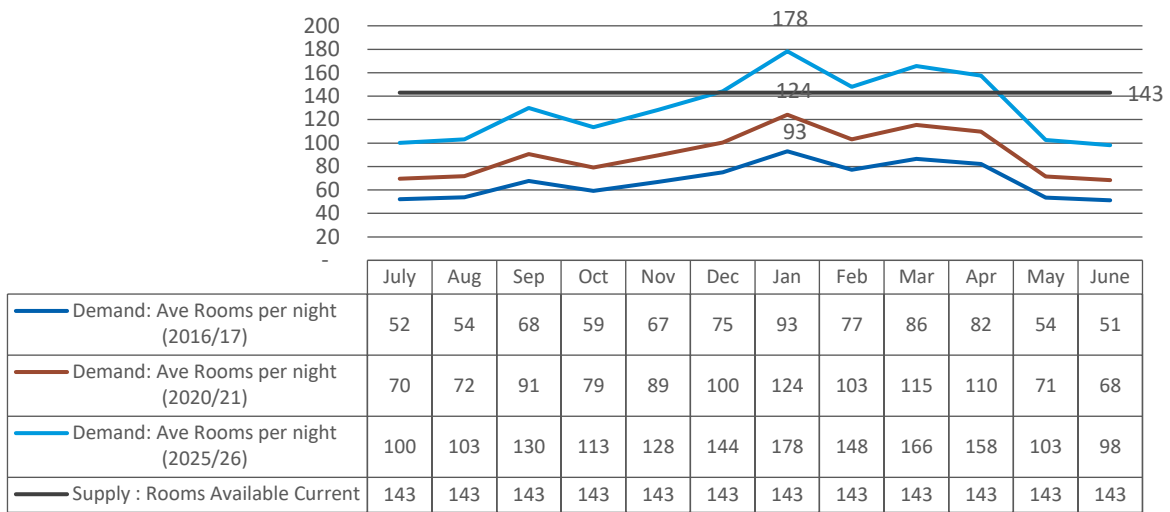
Detailed data for this model is included in the appendices.

### 6.4.3 Scenario 3 - Strong Growth (7.5%)

This growth scenario sees demand pressure emerging in peak months with total annual visitors doubling between 2016/17 and 2025/26 (from 5826 to 11,170). This growth increases the number of visitor nights and room requirements substantially. At these growth rates some commercial accommodation is likely to be required to be developed to service this market.

A key assumption in this scenario is the growth in passenger services to and from Flinders Island. For the purposes of this accommodation report, passenger services are assumed to be elastic and able to respond to any increase in demand by visitors.

**Figure 6.** Estimated Room Requirements per night - 7.5% Growth Scenario (Room numbers)



Source: MCA Estimates and Projections April 2018

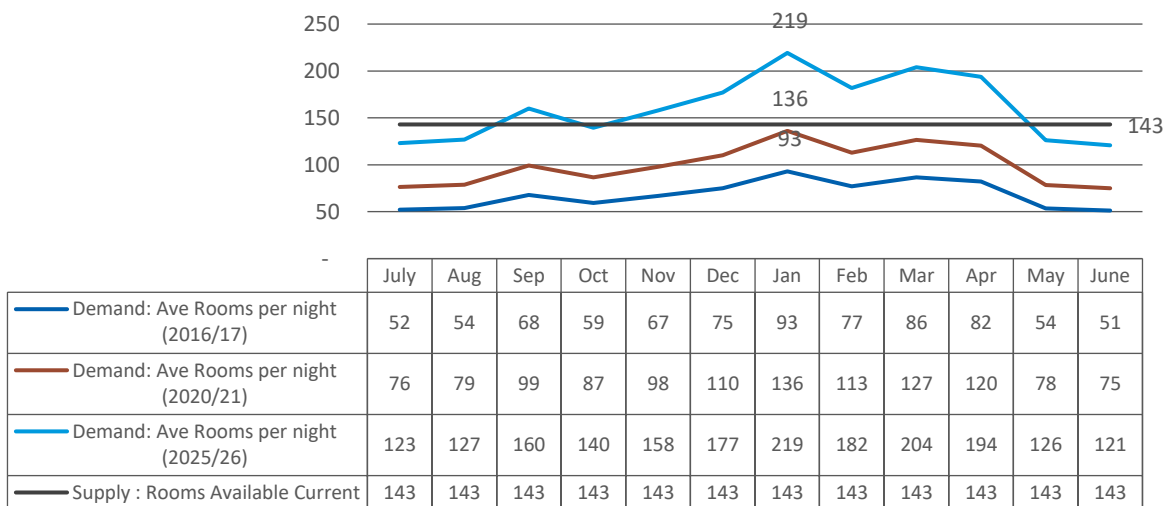
Detailed data for this model is included in the appendices.

#### 6.4.4 Scenario 4 – High Growth Scenario (10%)

This scenario is one of high growth over a 10-year period. The number of annual tourist visitors increase from 5826 in 2016/17 to 13,738 in 2026/27. This scenario has major demand pressures from 2020/21 and if this growth was achieved, some new commercial accommodation would need to be developed to service the market.

A key assumption in this scenario is the growth in passenger services to and from Flinders Island. For the purposes of this accommodation report, passenger services are assumed to be elastic and able to respond to any increase in demand by visitors.

**Figure 7.** Estimated Demand Room Requirements per night/month - 10% Growth Scenario (Room No's)



Source: MCA Estimates and Projections. April 2018

Detailed data for this model is included in the appendices.

### 6.4.5 Summary of Findings from Estimates and Projections

Based on the initial assumption that 60% of room use is twin share and 40% is single use, the above estimates show the total demand for rooms by visitors to Flinders Island. In summary, the estimates have projected

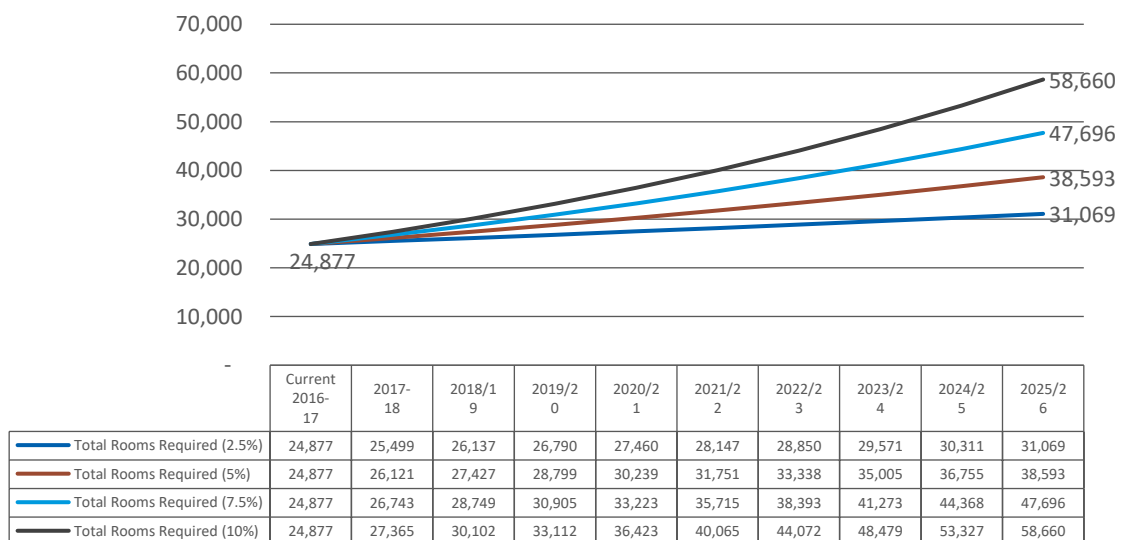
- An average growth rate of 2.5% in tourist visitors has limited impacts on annual room requirements, while a 7.5% growth rate almost doubles room requirements over the 10 years.
- These growth rates are also reflected in the average room requirements per night – 73 in 2025/26 for 2.5% growth and 138 for the 10% growth scenarios.
- Growth rates over 5% per year over 10 years will put pressure on the existing room stock, particularly in peak months and major holidays and long weekends. This is shown in the chart below which shows the projections for Year 10 (2025/26).
- These estimates show the total room demand and indicate the number of rooms required based on assumed growth rates. These may be spread between paid accommodation and unpaid (e.g. staying with family or friends). The 2014 survey indicated that 45% of visitors were staying with family or friends.
- Looking out over the next 10 years, visitor growth is likely to be in the visitor category, which requires paid accommodation.

A major issue for the development of commercial tourist accommodation in “thin markets” like Flinders Island is that the growth of online platforms is bringing more short-term rental houses into the market. This impacts the economics of commercial accommodation and can impact future investment. It also potentially exacerbates the issues with social and worker accommodation to be discussed in the following sections in this report.

At the same time rental properties may shift from the long-term rental market into short term holiday accommodation, with impacts on housing available for persons moving to the Island to take up ongoing employment.

Figure 8 below shows the annual room requirements under the various growth scenarios models.

**Figure 8.** Estimated TOTAL Annual Room Nights - Based on Growth Scenarios (Room No.)



Source: MCA Estimates and Projections April 2018

Figure 9 below shows the estimated room numbers required per night under the four modelled growth scenarios.

**Figure 9.** Estimated Room Requirements per Night - 2025/26 - Growth Scenarios (Room no.)



Source: MCA Estimates and Projections April 2018

In summary, Flinders Island would appear, based on the assumptions and models used in this report, to have enough accommodation for the visitor sector for scenarios of low and moderate growth in the short term.

Growth rates above that will be impeded by a lack of accommodation across several months growing throughout the years. This does not take into account the standard and pricing of the accommodation stock on the Island. Small pools of available accommodation by each rating type will mean some types will be in higher demand than others.

An increase in commercial accommodation may still be appropriate should visitor numbers continue to grow as per these projections, and the vision of the Flinders Island Council is realised in population growth.

In higher growth scenarios, some housing stock could transfer to the tourism sector and this may exacerbate the shortage of housing for permanent residents, either through rental or increased prices for purchase of housing. This scenario though may lead to an increased appetite to build houses.

# 7. Developing the Visitor Economy

## 7.1 Potential barriers to growth and development

Visitor numbers to Flinders Island have grown slowly over time but have remained relatively static compared to the broader Tasmanian visitor economy growth. Growth in the market is modelled in this report under four scenarios:

1. Low Growth 2.5%
2. Moderate Growth 5%
3. Strong Growth 7.5%
4. High Growth 10%

To achieve that level of growth – if it were to be pursued by Council and Government, then a number of elements need to be addressed on the Island. Many of these are considered in existing planning documents including the Destination Action Plan<sup>27</sup>, and Council Strategy<sup>28</sup>.

A number of the main elements are considered below.

### 7.1.1 Accommodation

This report concludes that for much of the year, under current market conditions, there may only be several weeks of the year where accommodation demand exceeds supply for visitor accommodation. This is based on the current utilisation of stock which is effectively full (over 80% occupancy) on weekends and holiday periods.

This is predicated on the fact that during the past 5 to 10 years, a number of houses have moved from accommodation for residents and workers into the visitor economy.

A significant advantage of further accommodation developments such as those proposed in the RSL development (Refer to page 66), is that the newer higher quality stock tends to command a higher return in the visitor economy, and it then tends to shift houses back into rental accommodation markets as returns diminish for older products and demand for newer properties rises.

Analysis of accommodation type in this report concludes that the general demand is for accommodation for couples and smaller families, this also recognises the higher costs of getting to and from the Island which may preclude larger family groups from holidays.

A significant growth section of the market, which is ideal for Flinders Island is the 'Experience Seeker' segment. Generally, this segment is made up of couples or smaller groups, at times without children. They are generally well educated and seek out experiences that enrich their lives. Flinders Island's environment and authenticity present ideal opportunities for this market segment. Developing accommodation that is unique, high quality, and well situated will support this market segment. This market is also generally higher yielding.

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27 Flinders Island Destination Action Plan 2016-2019

28 Flinders Council Strategic Plan 2015

### **7.1.2 Flinders Island Airport**

As the clear majority of residents and visitors enter and leave the Island by air from Flinders Island airstrip, the serviceability of the airport and airstrip is essential to the Island.

The Strategic Plan recognises this and considered the Master Plan for the Airport as the guiding document for the future of the airport.

It is worth noting that Flinders Island is only 1 hour from Melbourne's major freight and transport hub – Tullamarine airport. Increasing capacity and scale not only provide a potential boost for the visitor economy, but also for freight as air transport becomes more commercial with greater scale.

### **7.1.3 Telecommunications**

Strong telecommunications capability is essential in the 21<sup>st</sup> century for business development, community connectivity and visitors to the Island.

The \$10.6 million project underway predominantly supported through the Building Better Regions Fund with the support and additional funding from Telstra, the State Government and the Flinders Council will see dramatic improvements and transform the telecommunications on Flinders Island and surrounding waters.

These services are now considered essential in attracting people to live in remoter areas.

### **7.1.4 Cost of Living**

Flinders Island, like King Island and other remote islands faces a higher cost of living for residents and visitors alike. The predominant reason for this is the need to freight goods to the Island for consumption. Essential services such as fuel also cost significantly more on the Island. The higher costs are generally passed onto residents and visitors through pricing, or consumption is avoided and hence spending is kept at affordable levels.

### **7.1.5 Population**

Flinders Island currently has a population of approximately 906 people as at the census collection date (2016). The workforce sits at about half of that at 433 people. Consultation with businesses and Council indicated that the Flinders Island population generally works many jobs, most part time and casual, as well as volunteering on many community led initiatives and organisations. This spirit of volunteering and turning a hand at whatever needs doing is part of what keeps small communities functional and resilient.

The population is aging, and the matter is considered in the DAP and the Strategy for the Island. A viable working population is critical for success, and the implementation of strategic projects such as the airstrip future and telecommunications upgrades.

Discussion with Council indicates that younger families are vital for the future mix of the Island and in ensuring the school and other services are sustainable.

### 7.1.6 Visitor Information

A significant outcome of the Flinders Island DAP is the modernisation of the Flinders Island brand and visitor positioning. Priority 1 in the DAP<sup>29</sup> is to market Flinders Island effectively. FITBI and Council, in partnership with Tourism Northern Tasmania are to be congratulated on progressing the matter strongly.

A new destination website presents Flinders Island well to the target markets - [www.visitflindersisland.com.au](http://www.visitflindersisland.com.au).

As previously noted in this report, and as noted as an action in the DAP, establishing data on who is coming, when and how much they spend, how they source information etc for the Island is critical for future planning. A visitor exit survey which TRC understands has commenced is critical.

### 7.1.7 Workforce skills and training

A viable and skilled workforce is critical to the future of the Island as a visitor economy destination. Authentic experiences on the Island will be sought into the future and the market seeking these experiences can be a high yielding market if the right accommodation and packages are put together.

Future development of the workforce targeting understanding of the visitor economy is critical.

## 7.2 Growth and Development of Accommodation Stock

Assuming the data used in the modelling projections contained within this report are valid, then the total number of beds on Flinders Island for the visitor economy is reasonable for the current demand. The main element within this assumption is that the standard and type of accommodation suits the market segments seeking to come to the Island.

TRC is of the view that while some of the stock on the Island has been updated and will be preferred by the market, some stock has not and will eventually either need updating or will move back into rental community.

There are a number of options for Council to pursue growth of visitor accommodation, either generally or in specific market segments should data indicate that the assumptions used in this report have underestimated the current demand, or the higher growth rates eventuate. These potentially include:

- Identify sites on Crown Land that could be leased or used for commercial 'glamping' products with the support of the Parks and Wildlife Service
- Seek to promote and encourage the Renewal Loan Scheme offered by the Tasmanian Government for upgrading commercial accommodation
- Incentivise operators to update or upgrade accommodation through marketing support, cooperative initiatives including packaging options and other means used elsewhere in the industry
- Luxury Accommodation - As tourism demand on Flinders Island increases, so too will demand for a range of accommodation options. Future investigation into luxury accommodation could support a project identifying suitable land, driving boutique operator or investor interest (an iconic accommodation experience similar to Baillie Lodges/Southern Ocean Lodge) can help with bringing attention to the Island, branding, attract high spending visitors and attract international market

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<sup>29</sup> Flinders Island Destination Action Plan. 2016 to 2019

- Iconic Walking Experience - Another option to investigate could be packaging a visitor experience with accommodation such as an iconic walk/hut/luxury experience as currently offered elsewhere in Tasmania.

A 'land bank' approach could also be undertaken. In partnership with Tourism Northern Tasmania, this approach would see a review of the Island's gaps and opportunities and the search for suitable land (private or Crown). Generally, in these approaches, several parcels of land are identified and in cooperation with the owner, market testing and develop matching may occur enabling opportunities that may not currently be apparent. The advantage of this approach is that you seek to develop what the potential market wants through a targeted approach.

If the potential growth scenarios were to emerge beyond the low growth model, then a shortage of visitor economy accommodation may emerge in the out years.

The increased demand for visitor accommodation is shown in the modelled results in this report and summarised in the table below.

**Table 17.** Probable Room Shortages for Visitor Accommodation by Modelled Scenarios

Scenario	Year	Possible Room Shortfall	Number of Weeks of the Year	Comments
Low Growth (2.5%)	All	0	0	Generally enough rooms but may not meet the type, price and standard of the market
Moderate Growth Scenario (5%)	2025/26	Less than 5	Approximately 4	Noting that effective capacity may be reached at 80% and room types may not meet market requirements
Strong Growth (7.5%)	Between 2020 and 2025	Up to 35 Rooms by 2025	Between 16 and 20 in peak times	As above – and this assumes no transport constraints and full utilisation of all stock
High Growth (10%)	Past 2020	Up to a maximum of 66 rooms in peak season and at least 15	For 6 months of the year, the shortfall is at least 15 rooms	As above – assumes no transport constraints and that all rooms are fully utilised.

Source – MCa Modelling April 2018

TRC is of the view that given the growth in the Tasmanian industry, and the opportunities that exist on Flinders Island, coupled with implementation of the DAP and Strategic Plans, that accommodation shortages in the visitor economy sector will emerge in line with the middle 2 scenarios.

In addition, the shortages may appear greater in the market as some types of accommodation, shown as available, are not taken up as they do not suit the market needs.



The difficulty in this assumption, that is based on the best available data, is that it may lead to further houses being taken from the rental and community pool and put into the visitor economy short term rental market via online booking engines. Thorough investigation into new visitor experiences and accommodation types can lead towards future growth in visitor numbers and length of stay, increased employment opportunities and release of current housing stock used for commercial tourist accommodation back into the rental market. Inevitably, growth in product and employment will lead towards higher rents and housing market value.

# 8. Current Flinders Island Housing

## 8.1 General

Flinders Island presents a difficult case to summarise, where the data is indicating that there are several empty dwellings on the Island, yet the consultative evidence is that there is a significant property shortfall that is available for existing or new residents. The following relevant facts have been drawn from the data presented in the report and researched from various sources:

- Flinders Island population is not growing strongly
- The number of businesses on Flinders Island is relatively static although it has grown in recent times
- Visitation to the Island is growing albeit relatively weakly
- While some important projects are in the pipeline, no immediate commencement is apparent
- Relative wages are generally low
- Mortgages are generally low
- Prices for weekly rent are generally low by most standards.

Statistics provide the above, while consultation provides other evidence. The census date was in the middle of winter and while providing evidence that several houses are vacant, many of those houses may be second homes for farmers, may be absentee owners, may be houses for sale, or may be derelict and unfit for leasing among other reasons.

Advice from Council, from the Flinders Island Aboriginal Association Inc (FIAA) and other sources is that a shortfall exists and mechanisms to bring the existing and new houses to the market and make them accessible is also required.

Advice from the Real Estate Agent on Flinders Island is that there is essentially no house that is currently for sale that could reasonably be rented. There is also no mechanism to bring rental houses to the market other than word of mouth or through family connections.

FIAA, while constructing houses currently and close to commissioning of the properties, indicated that they could fill up to an additional 25 houses for their core clients. This is predominantly younger families and Aboriginal people with ties to Flinders Island wanting to come back to the Island.

## 8.2 Overview and Interchangeability of Stock

This report will analyse and provide recommendations on both the housing stock for long term rental or ownership, and the accommodation available within the visitor economy. TRC takes the view that the sharing economy has essentially provided the means by which stock can shift from one sector (rental and leasing to residents) to another sector (visitor economy) easily through channels such as Airbnb. This provides a classic market response whereby housing owners can move properties based on the best return to their capital. The issue of affordable and available housing is being grappled with in many locations around the world because of this ability to shift stock rapidly, and with little regulatory constraints to do so.

A recent report by Deloitte<sup>30</sup> focussed on the positive effects of Airbnb. The report found that the platform had led to hosts across Australia hosting 2.1 million guests for 3.7 million nights in 2015-16, a figure that is widely expected to have grown significantly with the growth of Airbnb listings and accessibility. The average host is reported to have received \$4,920 in 2015-16. The report describes this as a modest supplement to income for most that may help a household pay down interest and debt.

The Tasmanian Government recently announced its sharing economy policy, which includes new provisions and exemptions relating to accommodation sharing. Under the policy hosts sharing up to four bookable rooms on one platform are not required to obtain a permit, while listings with more than four bookable rooms or properties over a certain size have different requirements.

The question then is how this has affected Flinders Island – a small defined market. Data is hard to find to support any significant effects from Airbnb. Most consultation with operators and Council during this study indicated that many operators were taking advantage of Airbnb but that it was simply another channel on which to distribute their product. It is possible a small number of houses (less than 10) that were in full time leased or rented accommodation are now listed as accommodation for visitors. While not a large number, it does exacerbate the problem of the potential shortage in houses for residents. Evidence from the modelling of visitor accommodation in this report shows that a larger number of houses may have moved into short term rental for the visitor economy.

For the purposes of this report, housing stock for the housing market will be described separately to visitor accommodation. The main reason, taking note of the discussion in this section, is the sources of data used to assess and analyse each sector is different.

## 8.3 Properties in the Housing Market

### 8.3.1 Numbers of Houses by Type and Ownership

According to the 2016 census data there were 589 private dwellings. Of these 398 were occupied (67.5%) and 191 were unoccupied (32.4%). Caution needs to be taken with these figures given the census was undertaken in winter, however it does point to the fact that many houses are holiday homes, have absentee owners or perhaps act as family second homes or shacks. Flinders Island Tourism and Business Incorporated (FITBI) are currently undertaking a review on unoccupied dwellings outside the scope of this study.

Another significant point from the census was that weekly rents appear low by general market standards, and monthly mortgages are also relatively low.

Some summary points from the 2016 census are:

- The occupied stock is predominantly 2 to 4-bedroom homes of which there were 385 separate homes, with only 9 apartments
- Of the total stock, 247 were owned (179 outright and 68 with a mortgage) and 162 were rented. The rental stock would include those properties predominantly managed for social housing outcomes by Flinders Island Aboriginal Housing Association (FIAHA)
- Of the 162 rented properties 27 were rented from a State or territory housing authority; 30 from a Housing co-operative/community/church group; 34 were from an employer or in a residential park; 50

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<sup>30</sup> Economic Effects of Airbnb in Australia. 2017. Deloitte Access Economics

were rented directly from the property owner and only 3 were rented through a real estate agent (this could be an error given the lack of a property management service)

- Weekly Rents on properties were relatively low, with 117 rented properties or 79% with rents below \$150 per week
- Household weekly incomes of person occupying rental properties were generally relatively low. However irrespective of income levels most properties were being rented for under \$150 per week
- Of the 70 owned properties subject to a mortgage 44% or 31 paid monthly mortgages of less than \$800 with 15 paying less than \$300 per month.

The tables below present the information provided in summary above.

**Table 18.** Number of Dwellings - Flinders Island 2016

Dwellings	Dwellings 2016	Shares %	Persons Resident in Dwellings
Total occupied private dwellings	398	67.5	793
Unoccupied private dwellings	191	32.4	
<b>Total private dwellings</b>	<b>590</b>	<b>100.0</b>	<b>793</b>

Source: ABS Census 2016 General Community Profile (Table G32)

**Table 19.** Occupied Dwellings by Type - Flinders Island 2016

Occupied private dwellings by Type	None (includes bedsitters)	One bedroom	Two bedrooms	Three bedrooms	Four bedrooms	Five bedrooms	Six Bedrooms or more	Not stated	Total
Separate house	3	11	83	200	56	3	3	12	385
Flat or apartment:									
In a one or two storey block	0	3	0	0	0	0	0	0	9
Dwelling structure not stated	0	0	5	0	0	0	0	0	3
<b>Total</b>	<b>3</b>	<b>17</b>	<b>87</b>	<b>203</b>	<b>63</b>	<b>3</b>	<b>3</b>	<b>13</b>	<b>398</b>

Source: ABS Census 2016 General Community Profile (Table G38)

**Table 20.** Occupied Dwellings by Household Type - Flinders Island 2016

	Family households				Total	Lone person households	Group households	Total
	Couple family with no children	Couple family with children	One parent family	Other family				
Separate house	137	77	21	3	234	137	13	385
Flat or apartment:								
In a one or two storey block	0	0	3	0	3	3	0	9
Dwelling structure not stated	5	0	0	0	5	0	0	3

	Family households			Other family	Total	Lone person households	Group households	Total
	Couple family with no children	Couple family with children	One parent family					
<b>Total</b>	<b>140</b>	<b>77</b>	<b>19</b>	<b>3</b>	<b>243</b>	<b>140</b>	<b>13</b>	<b>398</b>

Source: ABS Census 2016 General Community Profile (Table G39)

**Table 21.** Table 2 Occupied Dwellings by Number of Persons Usually Resident - Flinders Island 2016.

Number of persons usually resident:	Family households	Non-family households	Total
One		140	140
Two	160	13	173
Three	40	0	40
Four	29	0	29
Five	10	0	10
Six or more	3	0	3
<b>Total</b>	<b>243</b>	<b>154</b>	<b>398</b>

Source: ABS Census 2016 General Community Profile (Table G31)

**Table 22.** Tenure and Landlord Type by Dwelling Structure - Flinders Island 2016

	Separate house	Semi-detached, row or terrace house, townhouse etc.	Flat or apartment	Other dwelling	Not stated	Total
<b>Owned:</b>						
Owned outright	168	0	0	0	3	172
Owned with a mortgage(b)	70	0	0	0	0	70
<b>Total Owned</b>	<b>238</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3</b>	<b>242</b>
<b>Rented:</b>						
Real estate agent	3	0	0	0	0	3
State or territory housing authority	21	0	3	0	0	20
Person not in same household(c)	46	0	0	0	0	45
Housing co-operative/community/church group	24	0	0	0	0	29
Other landlord type(d)	30	0	0	0	0	31
Landlord type not stated	14	0	0	0	0	17
<b>Total Rented</b>	<b>133</b>	<b>0</b>	<b>4</b>	<b>0</b>	<b>0</b>	<b>148</b>
Other tenure type(e)	0	0	0	0	0	0

	Separate house	Semi-detached, row or terrace house, townhouse etc.	Flat or apartment	Other dwelling	Not stated	Total
Tenure type not stated	14	0	0	0	0	12
<b>Total</b>	<b>385</b>	<b>0</b>	<b>9</b>	<b>0</b>	<b>3</b>	<b>398</b>

Source: ABS Census 2016 General Community Profile (Table G33) Note some adjustments to protect confidentiality of data.

### 8.3.2 Rental and Weekly Income

Weekly rents on properties were relatively low;

- 53 were between \$0-\$74
- 18 \$75-99
- 54 \$100-\$149
- 19 \$150-\$199
- only 4 \$200-\$224.

117 rented properties or 79% had rents below \$150 per week. Interestingly, of those properties rented to predominantly FIAA, rents were higher than what would appear to be houses rented through families, friends or through subsidised arrangements at work locations.

**Table 23.** Rent (Weekly) by Landlord Type - Flinders Island

2016	Landlord types						Total
	Real estate agent	State or territory housing authority	Person not in the same household(c)	Housing co-operative/ community/ church group	Other landlord type(d)	Not stated	
\$0-\$74	0	0	6	7	19	19	53
\$75-\$99	0	3	9	3	3	0	18
\$100-\$149	0	14	15	19	6	3	54
\$150-\$199	0	0	9	0	3	0	19
\$200-\$224	0	0	0	0	0	0	4
\$225-\$274	0	0	0	0	0	0	0
\$275-\$349	0	0	0	0	0	0	0
\$350-\$449	0	0	0	0	0	0	0
\$450-\$549	0	0	0	0	0	0	0
\$550-\$649	0	0	0	0	0	0	0
\$650-\$749	0	0	0	0	0	0	0

2016	Landlord types						Total
	Real estate agent	State or territory housing authority	Person not in the same household(c)	Housing co-operative/ community/ church group	Other landlord type(d)	Not stated	
\$750-\$849	0	0	0	0	0	0	0
\$850-\$949	0	0	0	0	0	0	0
\$950 and over	0	0	0	0	0	0	0
Rent not stated	0	0	3	0	0	0	14
<b>Total</b>	<b>3</b>	<b>27</b>	<b>51</b>	<b>30</b>	<b>34</b>	<b>22</b>	<b>162</b>

Source: ABS Census 2016 Time Series Data (Table T19)

Household weekly incomes of person occupying rental properties were generally relatively low. However irrespective of income levels most properties were being rented for under \$150 per week.

**Table 24.** Total Weekly Household Income - Flinders Island 2016

Household Income (weekly)	\$0 - \$74	\$75 - \$99	\$100 - \$149	\$150 - \$199	\$200- \$224	\$225 - \$274	\$275 - \$349	\$350 - \$449	\$450 - \$549	\$550 - \$649	\$650 or more	Not stated	Total
Negative/Nil income	0	0	0	0	0	0	0	0	0	0	0	0	3
\$1-\$149	0	0	0	0	0	0	0	0	0	0	0	0	0
\$150-\$299	0	0	0	0	0	0	0	0	0	0	0	0	4
\$300-\$399	0	0	3	0	0	0	0	0	0	0	0	0	12
\$400-\$499	7	3	10	0	0	0	0	0	0	0	0	3	22
\$500-\$649	0	0	3	3	0	0	0	0	0	0	0	0	8
\$650-\$799	3	0	0	0	0	0	0	0	0	0	0	4	10
\$800-\$999	3	0	6	0	0	0	0	0	0	0	0	0	19
\$1,000-\$1,249	5	4	10	0	0	0	0	0	0	0	0	0	23
\$1,250-\$1,499	10	3	4	3	0	0	0	0	0	0	0	0	18
\$1,500-\$1,999	4	0	7	3	0	0	0	0	0	0	0	0	12
\$2,000-\$2,499	5	0	0	3	0	0	0	0	0	0	0	3	8
\$2,500-\$2,999	3	0	0	0	0	0	0	0	0	0	0	0	6
\$3,000-\$3,999	3	0	0	0	0	0	0	0	0	0	0	0	3
\$4,000 or more	0	0	0	0	0	0	0	0	0	0	0	0	0
Partial income stated(c)	0	0	4	0	0	0	0	0	0	0	0	0	6
All incomes not stated(d)	0	0	3	0	0	0	0	0	0	0	0	0	3
<b>Total</b>	<b>53</b>	<b>18</b>	<b>54</b>	<b>19</b>	<b>4</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>14</b>	<b>162</b>

**Table 25.** Table 3 Weekly Rent Paid by Landlord Type - Flinders Island 2016

2016	Landlord type						
Rent (weekly)	Real estate agent	State or territory housing authority	Person not in same household (b)	Housing co-operative/ community/ church group	Other landlord type(c)	Not stated	Total
\$0-\$74	0	0	10	7	19	15	46
\$75-\$99	0	3	9	3	3	0	18
\$100-\$149	0	10	15	15	6	3	53
\$150-\$199	0	0	9	0	3	0	19
\$200-\$224	0	0	0	0	0	0	4
\$225-\$274	0	0	0	0	0	0	0
\$275-\$349	0	0	0	0	0	0	0
\$350-\$449	0	0	0	0	0	0	0
\$450-\$549	0	0	0	0	0	0	0
\$550-\$649	0	0	0	0	0	0	0
\$650-\$749	0	0	0	0	0	0	0
\$750-\$849	0	0	0	0	0	0	0
\$850-\$949	0	0	0	0	0	0	0
\$950 and over	0	0	0	0	0	0	0
Rent not stated	0	3	3	0	3	0	9
<b>Total</b>	<b>3</b>	<b>20</b>	<b>45</b>	<b>29</b>	<b>31</b>	<b>17</b>	<b>148</b>

Source: ABS Census 2016 General Community Profile (Table G36) Note some adjustments to protect confidentiality of data.

In summary, rents for Flinders Island housing stock – irrespective of the ownership or leasing model are low. They match the generally lower weekly income levels for the Island.

### 8.3.3 Mortgages

Of the 70 owned properties subject to a mortgage, 44% or 31 paid monthly mortgages of less than \$800 (with 15 paying less than \$300 per month).

The table below shows the full range of data.



**Table 26.** Mortgage Repayment (Monthly) by Dwelling Structure - Flinders Island 2016.

Mortgages (monthly) (Dwellings with a Mortgage)	Dwelling structure				Not stated	Total
	Separate house	Semi-detached, row or terrace house, townhouse etc.	Flat or apartment	Other dwelling		
\$0-\$299	15	0	0	0	0	15
\$300-\$449	5	0	0	0	0	5
\$450-\$599	6	0	0	0	0	6
\$600-\$799	5	0	0	0	0	5
\$800-\$999	13	0	0	0	0	13
\$1,000-\$1,399	3	0	0	0	0	3
\$1,400-\$1,799	4	0	0	0	0	4
\$1,800-\$2,399	4	0	0	0	0	4
\$2,400-\$2,999	0	0	0	0	0	0
\$3,000-\$3,999	3	0	0	0	0	3
\$4,000 and over	3	0	0	0	0	3
Mortgage repayment not stated	9	0	0	0	0	9
<b>Total</b>	<b>70</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>70</b>

Source: ABS Census 2016 General Community Profile (Table G34) Note some adjustments to protect confidentiality of data

### 8.3.4 Summary

In summary, the existing housing supply on Flinders Island shows a surprisingly large number of empty houses. Many of these houses may in fact be unavailable to the housing pool that could be used for rentals due to them being family homes, holiday homes for people with property on the Island, or even some being in a dilapidated state.

Income levels, and matching rentals and mortgages for the Island are generally low. The census data also shows the importance of the housing cooperative approach run by FIAA to support lower income and Aboriginal and Torres Strait Islander communities.

The data also shows the predominance of houses on the Island. Many larger communities have a higher level of units and townhouses as they require less capital to build, generally have lower maintenance costs and lower land size requirements and can be more flexible.

It is noted the FIAA are pursuing the construction of co-joined dwellings (pers com).

# 9. Flinders Island Housing Future Options

Several options and issues are identified and discussed in the report designed to both understand the issues and present a suite of ideas and solutions for government and the community to consider. Addressing the reported imbalance between readily available supply and demand of community and worker accommodation will allow the Island to grow and meet the objectives of the strategy.

The supply responses are not simple and based on modelled data that contains assumptions. However, some short term, medium term and longer-term options exist. These include:

- In the short term bringing vacant housing into the rental market, and reducing the leakage of rental properties into the visitor economy
- Consider the development of worker accommodation housing assuming the advice from business and Council is correct regarding a shortfall in worker accommodation
- The development of new housing with rental as close as possible to the financially affordable levels on the Island
- Assist and support the development of property management services

## 9.1 Utilising Existing Stock

Assuming that the consultative responses are indeed correct, then the first step in providing some supply side relief to the worker and rental market would be to maximise utilisation of existing housing stock.

Assuming the Census data is over reaching on stock that could be put back into the rental pool, somewhere in the order of 50 to 10 properties may be available to rental – either for short to medium or even longer term if the mechanism to do so safely from a landlord perspective was available.

## 9.2 Property Management Service

Flinders Island has one main real estate agent service; Roberts, that provides property purchase and sales services. In addition, the FIAA provides professional landlord and property management services for the properties under its management. The organisation currently has approximately 50 houses under its management and has all of the required leases, services and property management expertise needed to run the portfolio. The portfolio includes houses it has purchased, it has built, and that the State has transferred to it.

Whether or not FIAA chose to extend its services beyond its core business of social housing to its main clientele is a matter for FIAA. In discussions with FIAA, it would appear that some of its clients extend beyond Aboriginal people and that they already have a second standard lease type for those on more commercial terms.

A property management service on the Island that deals with rental properties in a professional and commercial way would be a significant step forward in utilising the existing accommodation stock effectively.

General commercial rates for properties elsewhere when leased through a property management service range in the 6 to 10% of gross rent. The outflow pays for tenant management, rental collection, property inspections and administration.

Assuming 50 properties could be rented and that the average rental was in the order of \$150 per week, then a gross income of \$600 per month (assuming 50 properties leased at 8% of gross rent) would be available. This is enough in the view of TRC to make such a business a commercial proposition for a person either full time or part time. It is also assumed that once operational, and successful, other landlords may utilise the service from existing properties.

The service has 2 main benefits:

- Firstly, it provides an incentive and some security to prospective landlords that may have been unsure about leasing out their house without support, particularly if they are absentee landlords
- Secondly it provides a focal point for prospective tenants who at present are unsure where to find a house or property for rent, particularly if they live off the Island.

The following process steps are recommended to establish such a service:

1. FITBI and/or Council undertake a survey to determine the number of properties that could be available (either temporarily or permanently) for lease
2. FITBI and / or Council then determine whether or not the potential landlord would put their property into the market if there were a professional property management service
3. Assuming the service is viable, Council or FITBI offer support to establish the business and market its services
4. The business is established and Council and FITBI market its services to help it succeed and alleviate the immediate demand, if only while the community works on developing further housing stock on the Island (to be considered in later chapters of this report).

One option discussed was to utilise the service of Roberts on Flinders Island as the agent. Roberts offer property management services in other locations where they are present. It is assumed that they could offer their propriety knowledge, systems and documents to the Flinders Island agency if that option is pursued by Roberts and the community (subject to the process steps above).

It is the view of TRC that any agency undertaking the property management service (which may include FIAA) should not compete with the important service FIAA provides in relation to social housing (if the new agency was not FIAA).

### **9.3 Soldier Settlement Houses**

At the time of preparation of this report, FITBI have advised that there are twelve (12) soldier settlement houses that are currently vacant.

The condition of each of the houses has not been formally assessed and will vary depending on how recently they were utilised. Advice received by TRC is that many of the houses reside on or within farms and that many of the farmers currently do not believe it to be worthwhile investing in their repair.

An option exists to have these vacant houses assessed by professionals on the Island in the building service industry to determine the overall cost and likely benefit of utilising the stock.

Several elements would need to be brought together to assist having this housing stock put back into the market:

- A professional housing or property management service is developed and utilised to rent the properties from the landlords (discussed in this report)
- Capital being made available to a central point or through application via a low interest loan for property owners to redevelop the houses for rental.

Ideally as a result of development of this course of action, property owners get a house that can be leased longer term, capital is repaid via rental agreements from the low interest loans (Council or State Government), and twelve houses (or thereabouts) are returned to the housing market for community use and rental.

## 9.4 Transfer of Existing Housing Stock into Rental Accommodation

A feature of the housing market in the past decade, and the past 5 years in particular has been the advent of the sharing economy. Section 8.2 of the report provides an overview of this.

There are many advantages for landlords in pursuing this option in areas where the visitor economy is:

- Under stocked in a property type
- Where growth is occurring faster than formal hotel or unit stock can be built
- Where the owner may want to use the property from time to time themselves for holidays or family use
- A perception of less wear and tear on the property due to less use.

In analysing the economics for a 'typical' Flinders Island property in the housing rental market – we assume:

- A capital value of \$350,000
- Rental of \$150 per week when formally rented
- Rental for 50 weeks of the year

The total gross proceeds will be in the order of \$7,500, or a 2.1% return.

Should rental increase to say \$250 per week, that leads to a \$12,500 rental return for the year, or a 3.6% return. On the same assumptions, rental would need to be in the order of \$350 per week to generate a 5% return. In a low capital growth environment, 5% would be considered to be a reasonable (albeit not high) return.

The same property if listed in the Airbnb visitor economy market, and assuming:

- A capital value of \$350,000
- Weekly rental through Airbnb - \$1300 (average on Airbnb in January 2019 for Flinders Island)
- Average of 6 weeks a year rented

The total gross proceeds will be in the order of \$7,800 for 6 weeks of rental. Further rental periods would see an increase in gross revenue.

This simple exercise shows why many landlords are choosing this option, and why, around the world, in many areas where a growing visitor economy exists, a housing shortage exists for workers and the

community, or rental prices for housing have increased commensurate with the gross revenue likely to be received on Airbnb.

The Tasmanian Government recently announced its sharing economy policy, which includes new provisions and exemptions relating to accommodation sharing. Under the policy, hosts sharing up to four bookable rooms on a platform are not required to obtain a permit, while listings with more than four bookable rooms or properties over a certain size have different requirements.

Using the data sources available to TRC, it would appear that there has been a change in the accommodation mix since 2014 (note the references and data explained in section 6.1 and throughout this report). Accordingly, the share of accommodation in self-contained cottages/houses has increased from around 45% of paid accommodation to 65% in 2016/17 and from 7,590 visitor nights in 2014 to 10,486 visitor nights in 2016/17. This modelled outcome would suggest Flinders Island is no different to other locations and Council and industry will continue to grapple with this.

Strategies to help potential landlords to consider leaving properties in the housing rental/lease market, or to move their stock back into this market might include:

- Council work with FITBI and the State Government to consider incentives for landlords to remain in the market, or to shift into the market (this could be in the form of rate incentives etc)
- Develop the property management model on Flinders Island to provide potential landlords a greater level of service and security
- As this issue is a State-wide one for the State Government, consider policy approaches in partnership with government to develop social housing models.

## 9.5 Constructing New Housing Stock

Data shows that only a small number of new stock is built each year. Advice from Council is that 7 dwellings were constructed on Flinders Island during the period March 2016 to July 2017. There is also the question of current vacant housing stock inhabitability, a review into this stock and potential future use is recommended and being investigated by FITBI. If the Council is to realise the vision of a sustainable population of closer to 1100 people<sup>31</sup>, a significant number of new houses will have to be built in the coming years, and at a rate that is greater than the period March 2016 to April 2017.

The following sections deal with some of the elements that could be improved to assist houses being constructed as the Island progresses towards a population that may approach 1100.

### **Implement a Planning Scheme Ensuring Appropriate Land Release into the Housing Market**

Flinders Island has a unique 'feel' and culture; part of what makes it a unique place to live and in which to do business. Ensuring the right land is available for housing construction may require different approaches to the more typical large scale residential developments that occur in cities and regional centres.

Advice from Council and several of the builders and architects spoken to is that land supply in and around Whitemark and Lady Barron in the 0.5 ha to 2.0 ha. size range is appropriate for Flinders Island. Outside these towns, larger blocks are more appropriate.

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31 Flinders Island Council Strategic Plan September 2015

Advice is that a new planning scheme is currently being prepared for Flinders Island. Acknowledging that many of the zones will need to accord with State Government policy, and Federal Government regulations where they may apply, it is timely to visit the scheme's ability to offer solutions to land supply.

TRC believes a partnership type approach between Council, the Island's architects, builders and FIAA would be able to develop appropriate and considered provisions that enable houses to be built appropriate to the Island and as affordably and quickly as possible.

It is recommended that discussions occur and innovative ways of making these provisions fit for purpose locally are employed.

### **Information on How to Build on the Island**

Building a new house for people moving into a new area can be a daunting prospect. This would particularly be the case on a remote Island. Experienced architects and builders existing on Flinders Island and building companies on mainland Tasmania regularly construct houses on the Island, including more recent developments for FIAA.

Flinders Island Council website provides a range of information services for people wishing to build on the Island or within the Municipality. It is acknowledged that this applies to both existing residents and those that may be looking to move the Island.

A relatively new document on the Flinders Island website is a welcome support to all those seeking to build. The document<sup>32</sup> provides access to a range of resources and information that is required.

A further opportunity exists that perhaps is best driven through FITBI. The experience of the architects, designers and builders on the Island would be pooled and provide a coordinated service to potential investors and potential residents. The service could include:

- matching architects and builders to the need
- advice on transportation of materials onto the Island and any specialist labour requirements
- what not to do and what not to build on the Island
- lessons learned from experience.

While it is acknowledged that those businesses that we are proposing collaborate also compete, the view is that cooperation making it simpler, cheaper and easier to build on the Island will drive growth and more business for all involved.

It is also acknowledged that housing costs and building in general is commonly 30% dearer in Flinders Island. Local knowledge is critical in ensuring the right materials and approach is taken to minimise this additional cost.

FITBI is the logical body to seek to bring together a college of collaborators, but it is also acknowledged that volunteerism is a finite resource in a small population base.

### **Incentives to Build**

The previous two sections deal with ideas to assist housing development in a planning scheme and also matching potential investors and residents with the right skills, knowledge and trades to succeed. Further incentives may also help drive dwelling growth on the Island.

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32 Planning and Building in the Flinders Municipality – Information Pack. Flinders Council

Council may be able to investigate incentives to build. These may include (note these are ideas to be tested for their legality and Council desire to proceed):

- Free building permits or reduced costs from Council for a period to stimulate dwelling construction
- Guaranteed timeframes on assessment of permits at Council (this may require some to be outsourced – and it is acknowledged that this may increase the cost to Council)
- Support to developers to potentially purchase and sub divide land could also be considered.

In order to consider these options in more detail, and to ensure the appropriate controls are in place, it is suggested a round table of builders, architects, Council Officers and State Government be convened. It is possible Flinders Island could consider developing a model with the State Government for broader Tasmanian consideration and adoption.

## 9.6 Transport onto the Island

While generally outside the scope of this report, clearly the majority of materials for building dwellings on the Island need to be transported to the Island on the existing barge service. Any increase in building activity will need to consider the capacity and frequency of the transport system.

TRC is currently not aware of the utilisation rate of the barge in terms of its capacity from Bridport. It is recommended that the operator of the current transport onto the Island be included in discussions that may impact freight and building material volumes.

## 9.7 Capital and Rental Pricing

Assuming more accommodation will eventually be built to serve the market that exists, delivering the housing that suits the market is critical.

Based on advice from building experts on the Island, a range of materials are more suitable for the Island, more economical and easier to procure and transport.

The data obtained from the census in 2016 clearly shows a strong preference in the community, linked to lower wages and older age profiles, for rents in the \$100 to \$200/week range. In the absence of an increase in real wages on the Island in the short term, it is appropriate to consider the pricing of rental housing from an investor perspective.

The following assumptions are made to determine the optimal capital and rental prices for the Island:

- Interest rates remain at or around (+/- 0.5%) the current levels for borrowing
- Houses (2 to 3 BR) can be constructed to an acceptable standard on the Island on land in the order of 0.25 to 0.3 ha for approximately \$400,000
- Negative Gearing remains a legal and appropriate taxation treatment for investment of capital in the housing market
- Demand continues to exceed supply for the medium term for housing indicating close to full rates of occupancy for rental properties
- Some form of property management service is put in place.

With a \$400,000 capital price, and assuming landlords in a low capital growth scenario would require a 5% return through rental, then rent will average out to be \$380 to \$400 per week. Given this is close to

double the average rental prices currently being paid, and higher than most market rentals being achieved, the market on Flinders Island may have to potentially get used to higher prices if the private sector is going to be attracted to putting capital into the market for rental purposes.

## 9.8 Financing

During consultation, the issue of financing was discussed. It was reported to TRC that banks had lower lending percentages of approved capital values for mortgages on Flinders Island, although we have since learnt that the Bendigo Bank sub branch has improved access to loans for mortgages on the Island significantly.

Access to capital is essential for residents and investors to grow the housing stock in the Municipality.

TRC is not able to make recommendations to the report on accessing capital as it is beyond the scope of the brief and the expertise of TRC. However, as a general observation, where communities have tackled similar problems collectively and pooled resources, then solutions gain scale and are more likely to succeed. The Bendigo Bank model is now widely accepted in many regional and rural areas as the model for community banking and it would appear as sensible to continue to pursue and grow this model for Flinders Island.

Some discussion has been made on a community type cooperative approach where the difference between a financial institution lending 60% of value might be supported, to say 80% of capital value. Managing risk and finding the capital in these models is difficult to achieve. Discussions with State Government and the Bendigo Bank may provide the most likely first step.



# 10. Flinders Island Development Pipeline

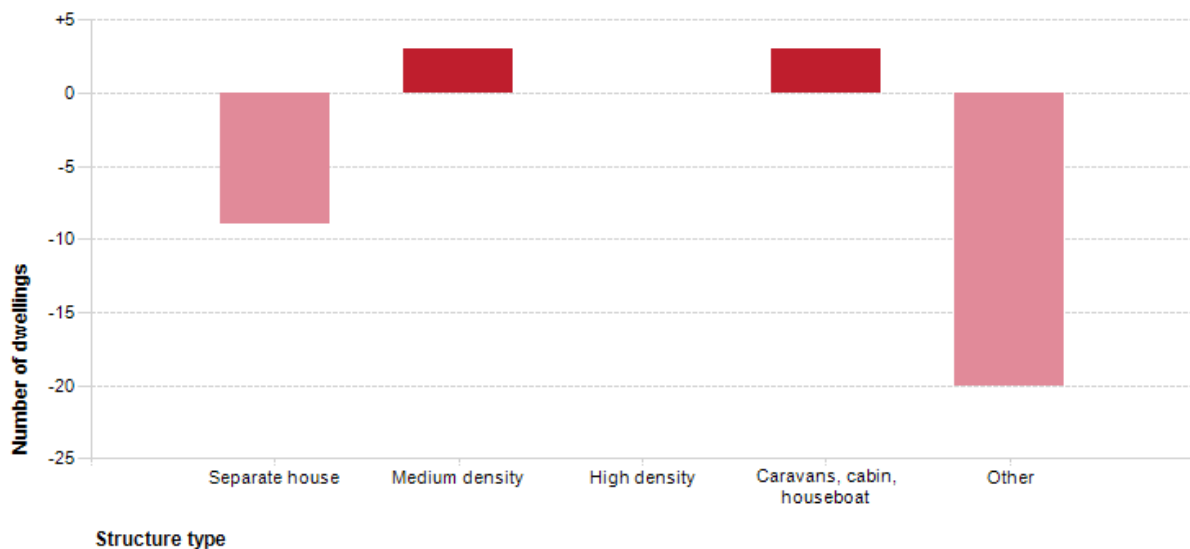
## 10.1 Accommodation Changes

Based on the data from ABS<sup>33</sup>, it would appear that the current number of dwellings on Flinders Island is 589. Of the 589, 398 were occupied at the time of the census, and 191 were unoccupied.

The change since the 2011 census shows a decline in the number of dwellings overall. This may be explained by the following:

- Errors in the data
- Some houses becoming uninhabitable
- The increase in units and co-joined apartments
- An increase in cabins.

**Figure 10.** Change in Dwelling Numbers Flinders Island 2011 to 2016



Source: Australian Bureau of Statistics, Census of Population and Housing, 2011 and 2016 (Enumerated data)  
Compiled and presented in profile.id by .id, the population experts.



TRC understands from consultation with Council that in the order of 7 dwellings were completed between March 2016 to July 2017. There is no data available on the number of dwellings that were deemed uninhabitable or that were removed from the housing supply.

In addition, consultation with FIAA Inc shows that several dwellings were completed recently with a total of 6 to 10 currently funded for completion.

## 10.2 Development Pipeline

Flinders Island is a relatively small market and as such, in the absence of a major economic driver (for example, the King Island golf course developments on King Island), is unlikely to see a rapid

33 ABS Census 2016 General Community Profile

expansion of accommodation. In trying to understand future potential market growth, it is important to understand the development pipeline.

In September 2017, Flinders Island Council published a document outlining the Council's Priority Projects<sup>34</sup>. These are:

### **1. Marine Access and Safe Harbour at Lady Barron**

The development of a safe harbour and ocean access at Lady Barron will include a rock breakwater, boat ramp and floating pontoon, marina berths, temporary berthing for visitors, amenities including showers and toilets, marine services including pump out facilities, parking and an upgrade to the slipway. The development will significantly improve the Island's access to the ocean and safety for visiting boats and is expected to add significantly to the economy of the Island.

### **2. Reconstruct and seal the Palana Road and Transfer to the State Government as the Island's Transport Spine.**

The lack of a State Road along the full length of Flinders Island has a major impact on Island transport and access. This is particularly important for tourism and agriculture. The upgrade is likely to improve safety for residents and visitors.

### **3. Flinders Island Airport Runway Upgrade**

Access to Flinders Island is predominantly through aviation and the Whitemark airport. A Master Plan has been developed to guide growth on the site. Options for the airports future growth are discussed including redeveloping the runway to encourage growth, particularly of the RPT.

### **4. Redevelopment of the Flinders Island Sports and RSL Club**

The proposal is for Council to assist the Flinders Island Sports and RSL Club to redevelop the site around the bowling greens and golf course. The redevelopment will include high quality residential duplex accommodation abutting the golf course and dormitory style accommodation for tourism purposes. The proposal also includes a revamped 9-hole golf course.

Implementation of these pipeline projects would see demand increase for housing for residents and workers, as well as provide for increased tourism accommodation.

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<sup>34</sup> Flinders Island Council – Priority Projects, 7 September 2017

# 11. Conclusion

Flinders Island is a unique place with a friendly, safe and strong community. As with many remote and small communities, it also faces some issues with workforce, population and housing.

The lack of data does present some challenges in being accurate with forecasts and models, however the picture painted from the data sets used in this study generally accords with the strong local knowledge gained from the consultations with business, community and Council.

Ultimately, for Flinders Island to continue to grow economically, socially and from a community perspective, all levels of Government and the community must work together as the Council, and its rate base is too small to shoulder a large funding injection into solving some of the issues presented.

It is clear from the data that over the past five years there has been a substantial growth in population, resulting in pressures on housing and infrastructure. This has coincided with a growth in inbound tourism, and a subsequent transfer of some housing stock to visitor accommodation through platforms such as Airbnb. This has compounded an already tight housing market.

Data shows that visitor accommodation is underutilised across most of the sector with peak periods experiencing tight supply. Modelling shows tightening of the supply with effectively full capacity during busy periods under moderate growth scenarios by 2025 and higher growth rates by 2020 or thereabouts.

Social housing is well managed on the Island by a professional and well-run Flinders Island Aboriginal Association Inc. who have recently constructed a number of houses to fill immediate shortfalls and have strong demand for in the order of 20 to 25 houses.

A range of short term and longer-term measures are discussed in this report that would help alleviate the housing shortage. Compounding the slow growth in housing stock is the traditionally low rentals paid on the Island and lower wages, resulting affordability at what would be considered standard commercial rental rates in many other places.

The Flinders Island Tourism and Business Inc (FITBI) are well placed and hold strong capability to work through some of the constraints on the Island, many of the skills required to put in place Island specific solutions exist on the Island already. Council and State Government have important roles to play in facilitating and sponsoring some of the suggested models and solutions to help bring successful outcomes and see Flinders Island grow sustainably towards goals set in the Council's strategy.

## 12. Acknowledgements

TRC and MCA would like to acknowledge the support of a large number of people who willingly contributed their views, expertise, knowledge and time to assist with this study. These included Flinders Island Council General Manager and staff, accommodation and hire car business owners and operators, community groups and FIAA, as well as business and individuals. The State Government has also contributed well to the study.

Flinders Island is a unique place with a strong and friendly community, and while growth is essential to its continued sustainability, it is evident everyone spoken to wants the strengths of the Island as it is to not be lost.

# Appendices

## Detailed Modelling Tables for the four (4) growth scenarios

**Table 27.** Low Growth Scenario: 2.5% (Rooms: 60% twin share & 40% singles) - Selected Years

<b>Growth: 2.5%</b>	<b>July</b>	<b>Aug</b>	<b>Sep</b>	<b>Oct</b>	<b>Nov</b>	<b>Dec</b>	<b>Jan</b>	<b>Feb</b>	<b>Mar</b>	<b>Apr</b>	<b>May</b>	<b>June</b>	<b>Total</b>
<b>2016/17</b>													
<b>Total Tourist Visitors</b>	<b>379</b>	<b>391</b>	<b>476</b>	<b>430</b>	<b>470</b>	<b>545</b>	<b>675</b>	<b>506</b>	<b>628</b>	<b>578</b>	<b>389</b>	<b>360</b>	<b>5,826</b>
Total Room Nights	2,311	2,382	2,905	2,621	2,870	3,327	4,118	3,087	3,830	3,523	2,371	2,195	35,539
<b>Total Rooms Required</b>	<b>1,618</b>	<b>1,668</b>	<b>2,033</b>	<b>1,835</b>	<b>2,009</b>	<b>2,329</b>	<b>2,883</b>	<b>2,161</b>	<b>2,681</b>	<b>2,466</b>	<b>1,660</b>	<b>1,536</b>	<b>24,877</b>
<b>Demand: Ave Rooms per night</b>	<b>52</b>	<b>54</b>	<b>68</b>	<b>59</b>	<b>67</b>	<b>75</b>	<b>93</b>	<b>77</b>	<b>86</b>	<b>82</b>	<b>54</b>	<b>51</b>	<b>68</b>
Supply: Rooms Available	143	143	143	143	143	143	143	143	143	143	143	143	143
<i>Demand as % of Supply</i>	<i>36.5</i>	<i>37.6</i>	<i>47.4</i>	<i>41.4</i>	<i>46.8</i>	<i>52.5</i>	<i>65.0</i>	<i>54.0</i>	<i>60.5</i>	<i>57.5</i>	<i>37.4</i>	<i>35.8</i>	<i>47.7</i>
<b>2020/21</b>													
<b>Total Tourist Visitors</b>	<b>418</b>	<b>431</b>	<b>526</b>	<b>474</b>	<b>519</b>	<b>602</b>	<b>745</b>	<b>559</b>	<b>693</b>	<b>637</b>	<b>429</b>	<b>397</b>	<b>6,431</b>
Total Room Nights	2,551	2,630	3,206	2,893	3,168	3,673	4,546	3,407	4,227	3,889	2,617	2,423	39,229
<b>Total Rooms Required</b>	<b>1,786</b>	<b>1,841</b>	<b>2,244</b>	<b>2,025</b>	<b>2,217</b>	<b>2,571</b>	<b>3,182</b>	<b>2,385</b>	<b>2,959</b>	<b>2,722</b>	<b>1,832</b>	<b>1,696</b>	<b>27,460</b>
<b>Demand: Ave Rooms per night</b>	<b>58</b>	<b>59</b>	<b>75</b>	<b>65</b>	<b>74</b>	<b>83</b>	<b>103</b>	<b>85</b>	<b>95</b>	<b>91</b>	<b>59</b>	<b>57</b>	<b>75</b>
Supply: Rooms Available	143	143	143	143	143	143	143	143	143	143	143	143	143
<i>Demand as % of Supply</i>	<i>40.3</i>	<i>41.5</i>	<i>52.3</i>	<i>45.7</i>	<i>51.7</i>	<i>58.0</i>	<i>71.8</i>	<i>59.6</i>	<i>66.8</i>	<i>63.5</i>	<i>41.3</i>	<i>39.5</i>	<i>52.6</i>

<b>Growth: 2.5%</b>	<b>July</b>	<b>Aug</b>	<b>Sep</b>	<b>Oct</b>	<b>Nov</b>	<b>Dec</b>	<b>Jan</b>	<b>Feb</b>	<b>Mar</b>	<b>Apr</b>	<b>May</b>	<b>June</b>	<b>Total</b>
<b>2025/26</b>													
<b>Total Tourist Visitors</b>	<b>473</b>	<b>488</b>	<b>595</b>	<b>537</b>	<b>588</b>	<b>681</b>	<b>843</b>	<b>632</b>	<b>784</b>	<b>721</b>	<b>485</b>	<b>449</b>	<b>7,276</b>
Total Room Nights	2,886	2,975	3,627	3,273	3,584	4,155	5,143	3,855	4,783	4,400	2,961	2,741	44,384
<b>Total Rooms Required</b>	<b>2,020</b>	<b>2,083</b>	<b>2,539</b>	<b>2,291</b>	<b>2,509</b>	<b>2,909</b>	<b>3,600</b>	<b>2,699</b>	<b>3,348</b>	<b>3,080</b>	<b>2,072</b>	<b>1,919</b>	<b>31,069</b>
<b>Demand: Ave Rooms per night</b>	<b>65</b>	<b>67</b>	<b>85</b>	<b>74</b>	<b>84</b>	<b>94</b>	<b>116</b>	<b>96</b>	<b>108</b>	<b>103</b>	<b>67</b>	<b>64</b>	<b>85</b>
Supply: Rooms Available	143	143	143	143	143	143	143	143	143	143	143	143	143
<i>Demand as % of Supply</i>	<i>45.6</i>	<i>47.0</i>	<i>59.2</i>	<i>51.7</i>	<i>58.5</i>	<i>65.6</i>	<i>81.2</i>	<i>67.4</i>	<i>75.5</i>	<i>71.8</i>	<i>46.8</i>	<i>44.7</i>	<i>59.5</i>

Source: MCA Estimates and Projections April 2018

**Table 28.** Moderate Growth Scenario: 5% (Rooms: 60% twin share & 40% singles) - Selected Years

<b>Growth: 5%</b>	<b>July</b>	<b>Aug</b>	<b>Sep</b>	<b>Oct</b>	<b>Nov</b>	<b>Dec</b>	<b>Jan</b>	<b>Feb</b>	<b>Mar</b>	<b>Apr</b>	<b>May</b>	<b>June</b>	<b>Total</b>
<b>2016/17</b>													
<b>Total Tourist Visitors</b>	<b>379</b>	<b>391</b>	<b>476</b>	<b>430</b>	<b>470</b>	<b>545</b>	<b>675</b>	<b>506</b>	<b>628</b>	<b>578</b>	<b>389</b>	<b>360</b>	<b>5,826</b>
Total Room Nights	2,311	2,382	2,905	2,621	2,870	3,327	4,118	3,087	3,830	3,523	2,371	2,195	35,539
<b>Total Rooms Required</b>	<b>1,618</b>	<b>1,668</b>	<b>2,033</b>	<b>1,835</b>	<b>2,009</b>	<b>2,329</b>	<b>2,883</b>	<b>2,161</b>	<b>2,681</b>	<b>2,466</b>	<b>1,660</b>	<b>1,536</b>	<b>24,877</b>
<b>Demand: Ave Rooms per night</b>	<b>52</b>	<b>54</b>	<b>68</b>	<b>59</b>	<b>67</b>	<b>75</b>	<b>93</b>	<b>77</b>	<b>86</b>	<b>82</b>	<b>54</b>	<b>51</b>	<b>68</b>
Supply: Rooms Available	143	143	143	143	143	143	143	143	143	143	143	143	143
<i>Demand as % of Supply</i>	36.5	37.6	47.4	41.4	46.8	52.5	65.0	54.0	60.5	57.5	37.4	35.8	47.7
<b>2020/21</b>													
<b>Total Tourist Visitors</b>	<b>461</b>	<b>475</b>	<b>579</b>	<b>522</b>	<b>572</b>	<b>663</b>	<b>821</b>	<b>615</b>	<b>763</b>	<b>702</b>	<b>472</b>	<b>437</b>	<b>7,082</b>
Total Room Nights	2,809	2,896	3,530	3,186	3,488	4,044	5,006	3,752	4,655	4,282	2,882	2,668	43,198
<b>Total Rooms Required</b>	<b>1,966</b>	<b>2,027</b>	<b>2,471</b>	<b>2,230</b>	<b>2,442</b>	<b>2,831</b>	<b>3,504</b>	<b>2,627</b>	<b>3,258</b>	<b>2,997</b>	<b>2,017</b>	<b>1,868</b>	<b>30,239</b>
<b>Demand: Ave Rooms per night</b>	<b>63</b>	<b>65</b>	<b>82</b>	<b>72</b>	<b>81</b>	<b>91</b>	<b>113</b>	<b>94</b>	<b>105</b>	<b>100</b>	<b>65</b>	<b>62</b>	<b>83</b>
Supply: Rooms Available	143	143	143	143	143	143	143	143	143	143	143	143	143
<i>Demand as % of Supply</i>	44.4	45.7	57.6	50.3	56.9	63.9	79.0	65.6	73.5	69.9	45.5	43.5	57.9
<b>2025/26</b>													
<b>Total Tourist Visitors</b>	<b>588</b>	<b>606</b>	<b>739</b>	<b>667</b>	<b>730</b>	<b>846</b>	<b>1,047</b>	<b>785</b>	<b>974</b>	<b>896</b>	<b>603</b>	<b>558</b>	<b>9,038</b>
Total Room Nights	3,585	3,696	4,506	4,066	4,452	5,162	6,389	4,789	5,941	5,465	3,678	3,405	55,133
<b>Total Rooms Required</b>	<b>2,510</b>	<b>2,587</b>	<b>3,154</b>	<b>2,846</b>	<b>3,116</b>	<b>3,613</b>	<b>4,472</b>	<b>3,352</b>	<b>4,159</b>	<b>3,826</b>	<b>2,574</b>	<b>2,384</b>	<b>38,593</b>
<b>Demand: Ave Rooms per night</b>	<b>81</b>	<b>83</b>	<b>105</b>	<b>92</b>	<b>104</b>	<b>117</b>	<b>144</b>	<b>120</b>	<b>134</b>	<b>128</b>	<b>83</b>	<b>79</b>	<b>106</b>
Supply: Rooms Available	143	143	143	143	143	143	143	143	143	143	143	143	143
<i>Demand as % of Supply</i>	56.6	58.4	73.5	64.2	72.6	81.5	100.9	83.7	93.8	89.2	58.1	55.6	73.9

Source: MCA Estimates and Projections April 2018

**Table 29.** Strong Growth Scenario: 7.5% (Rooms: 60% twin share & 40% singles) - Selected Years

<b>Growth :7.5%</b>	<b>July</b>	<b>Aug</b>	<b>Sep</b>	<b>Oct</b>	<b>Nov</b>	<b>Dec</b>	<b>Jan</b>	<b>Feb</b>	<b>Mar</b>	<b>Apr</b>	<b>May</b>	<b>June</b>	<b>Total</b>
<b>2016/17</b>													
<b>Total Tourist Visitors</b>	<b>379</b>	<b>391</b>	<b>476</b>	<b>430</b>	<b>470</b>	<b>545</b>	<b>675</b>	<b>506</b>	<b>628</b>	<b>578</b>	<b>389</b>	<b>360</b>	<b>5,826</b>
Total Room Nights	2,311	2,382	2,905	2,621	2,870	3,327	4,118	3,087	3,830	3,523	2,371	2,195	35,539
<b>Total Rooms Required</b>	<b>1,618</b>	<b>1,668</b>	<b>2,033</b>	<b>1,835</b>	<b>2,009</b>	<b>2,329</b>	<b>2,883</b>	<b>2,161</b>	<b>2,681</b>	<b>2,466</b>	<b>1,660</b>	<b>1,536</b>	<b>24,877</b>
<b>Demand: Ave Rooms per night</b>	<b>52</b>	<b>54</b>	<b>68</b>	<b>59</b>	<b>67</b>	<b>75</b>	<b>93</b>	<b>77</b>	<b>86</b>	<b>82</b>	<b>54</b>	<b>51</b>	<b>68</b>
Supply: Rooms Available	143	143	143	143	143	143	143	143	143	143	143	143	143
<i>Demand as % of Supply</i>	36.5	37.6	47.4	41.4	46.8	52.5	65.0	54.0	60.5	57.5	37.4	35.8	47.7
<b>2020/21</b>													
<b>Total Tourist Visitors</b>	<b>506</b>	<b>522</b>	<b>636</b>	<b>574</b>	<b>628</b>	<b>728</b>	<b>902</b>	<b>676</b>	<b>838</b>	<b>771</b>	<b>519</b>	<b>481</b>	<b>7,781</b>
Total Room Nights	3,086	3,182	3,879	3,500	3,832	4,443	5,500	4,122	5,114	4,705	3,166	2,931	47,462
<b>Total Rooms Required</b>	<b>2,160</b>	<b>2,227</b>	<b>2,715</b>	<b>2,450</b>	<b>2,683</b>	<b>3,110</b>	<b>3,850</b>	<b>2,886</b>	<b>3,580</b>	<b>3,293</b>	<b>2,216</b>	<b>2,052</b>	<b>33,223</b>
<b>Demand: Ave Rooms per night</b>	<b>70</b>	<b>72</b>	<b>91</b>	<b>79</b>	<b>89</b>	<b>100</b>	<b>124</b>	<b>103</b>	<b>115</b>	<b>110</b>	<b>71</b>	<b>68</b>	<b>91</b>
Supply: Rooms Available	143	143	143	143	143	143	143	143	143	143	143	143	143
<i>Demand as % of Supply</i>	48.7	50.2	63.3	55.3	62.5	70.2	86.8	72.1	80.8	76.8	50.0	47.8	63.7
<b>2025/26</b>													
<b>Total Tourist Visitors</b>	<b>726</b>	<b>749</b>	<b>913</b>	<b>824</b>	<b>902</b>	<b>1,046</b>	<b>1,294</b>	<b>970</b>	<b>1,204</b>	<b>1,107</b>	<b>745</b>	<b>690</b>	<b>11,170</b>
Total Room Nights	4,431	4,567	5,569	5,025	5,502	6,379	7,895	5,918	7,342	6,754	4,545	4,208	68,137
<b>Total Rooms Required</b>	<b>3,102</b>	<b>3,197</b>	<b>3,898</b>	<b>3,518</b>	<b>3,851</b>	<b>4,465</b>	<b>5,527</b>	<b>4,143</b>	<b>5,140</b>	<b>4,728</b>	<b>3,182</b>	<b>2,946</b>	<b>47,696</b>
<b>Demand: Ave Rooms per night</b>	<b>100</b>	<b>103</b>	<b>130</b>	<b>113</b>	<b>128</b>	<b>144</b>	<b>178</b>	<b>148</b>	<b>166</b>	<b>158</b>	<b>103</b>	<b>98</b>	<b>131</b>
Supply: Rooms Available	143	143	143	143	143	143	143	143	143	143	143	143	143
<i>Demand as % of Supply</i>	70.0	72.1	90.9	79.4	89.8	100.7	124.7	103.5	115.9	110.2	71.8	68.7	91.4

Source: MCA Estimates and Projections April 2018



**Table 30.** High Growth Scenario: 10% (Rooms: 60% twin share & 40% singles) - Selected Years

<b>Growth:10%</b>	<b>July</b>	<b>Aug</b>	<b>Sep</b>	<b>Oct</b>	<b>Nov</b>	<b>Dec</b>	<b>Jan</b>	<b>Feb</b>	<b>Mar</b>	<b>Apr</b>	<b>May</b>	<b>June</b>	<b>Total</b>
<b>2016/17</b>													
<b>Total Tourist Visitors</b>	<b>379</b>	<b>391</b>	<b>476</b>	<b>430</b>	<b>470</b>	<b>545</b>	<b>675</b>	<b>506</b>	<b>628</b>	<b>578</b>	<b>389</b>	<b>360</b>	<b>5,826</b>
Total Room Nights	2,311	2,382	2,905	2,621	2,870	3,327	4,118	3,087	3,830	3,523	2,371	2,195	35,539
<b>Total Rooms Required</b>	<b>1,618</b>	<b>1,668</b>	<b>2,033</b>	<b>1,835</b>	<b>2,009</b>	<b>2,329</b>	<b>2,883</b>	<b>2,161</b>	<b>2,681</b>	<b>2,466</b>	<b>1,660</b>	<b>1,536</b>	<b>24,877</b>
<b>Demand: Ave Rooms per night</b>	<b>52</b>	<b>54</b>	<b>68</b>	<b>59</b>	<b>67</b>	<b>75</b>	<b>93</b>	<b>77</b>	<b>86</b>	<b>82</b>	<b>54</b>	<b>51</b>	<b>68</b>
Supply: Rooms Available	143	143	143	143	143	143	143	143	143	143	143	143	143
<i>Demand as % of Supply</i>	<i>36.5</i>	<i>37.6</i>	<i>47.4</i>	<i>41.4</i>	<i>46.8</i>	<i>52.5</i>	<i>65.0</i>	<i>54.0</i>	<i>60.5</i>	<i>57.5</i>	<i>37.4</i>	<i>35.8</i>	<i>47.7</i>
<b>2020/21</b>													
<b>Total Tourist Visitors</b>	<b>555</b>	<b>572</b>	<b>697</b>	<b>629</b>	<b>689</b>	<b>799</b>	<b>988</b>	<b>741</b>	<b>919</b>	<b>846</b>	<b>569</b>	<b>527</b>	<b>8,530</b>
Total Room Nights	3,384	3,488	4,253	3,837	4,202	4,871	6,029	4,520	5,607	5,158	3,471	3,214	52,033
<b>Total Rooms Required</b>	<b>2,369</b>	<b>2,442</b>	<b>2,977</b>	<b>2,686</b>	<b>2,941</b>	<b>3,410</b>	<b>4,221</b>	<b>3,164</b>	<b>3,925</b>	<b>3,611</b>	<b>2,430</b>	<b>2,250</b>	<b>36,423</b>
<b>Demand: Ave Rooms per night</b>	<b>76</b>	<b>79</b>	<b>99</b>	<b>87</b>	<b>98</b>	<b>110</b>	<b>136</b>	<b>113</b>	<b>127</b>	<b>120</b>	<b>78</b>	<b>75</b>	<b>100</b>
Supply: Rooms Available	143	143	143	143	143	143	143	143	143	143	143	143	143
<i>Demand as % of Supply</i>	<i>53.4</i>	<i>55.1</i>	<i>69.4</i>	<i>60.6</i>	<i>68.6</i>	<i>76.9</i>	<i>95.2</i>	<i>79.0</i>	<i>88.5</i>	<i>84.2</i>	<i>54.8</i>	<i>52.4</i>	<i>69.8</i>
<b>2025/26</b>													
<b>Total Tourist Visitors</b>	<b>893</b>	<b>921</b>	<b>1,123</b>	<b>1,013</b>	<b>1,109</b>	<b>1,286</b>	<b>1,592</b>	<b>1,193</b>	<b>1,480</b>	<b>1,362</b>	<b>916</b>	<b>848</b>	<b>13,738</b>
Total Room Nights	5,449	5,617	6,849	6,180	6,767	7,846	9,710	7,279	9,030	8,307	5,590	5,176	83,800
<b>Total Rooms Required</b>	<b>3,815</b>	<b>3,932</b>	<b>4,794</b>	<b>4,326</b>	<b>4,737</b>	<b>5,492</b>	<b>6,797</b>	<b>5,095</b>	<b>6,321</b>	<b>5,815</b>	<b>3,913</b>	<b>3,623</b>	<b>58,660</b>
<b>Demand: Ave Rooms per night</b>	<b>123</b>	<b>127</b>	<b>160</b>	<b>140</b>	<b>158</b>	<b>177</b>	<b>219</b>	<b>182</b>	<b>204</b>	<b>194</b>	<b>126</b>	<b>121</b>	<b>161</b>
Supply: Rooms Available	143	143	143	143	143	143	143	143	143	143	143	143	143
<i>Demand as % of Supply</i>	<i>86</i>	<i>88.7</i>	<i>111.8</i>	<i>97.6</i>	<i>110.4</i>	<i>123.9</i>	<i>153.3</i>	<i>127.3</i>	<i>142.6</i>	<i>135.5</i>	<i>88.3</i>	<i>84.5</i>	<i>112.4</i>

Source: MCA Estimates and Projections April 2018

## Growth Projection Data and Modelling

**Table 31.** Low Growth Scenario: 2.5% (Rooms: 60% twin share & 40% singles)

Growth: 2.5%	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Total
<b>2016/17</b>													
Total Tourist Visitors	379	391	476	430	470	545	675	506	628	578	389	360	5,826
Total Room Nights	2,311	2,382	2,905	2,621	2,870	3,327	4,118	3,087	3,830	3,523	2,371	2,195	35,539
Total Rooms Required	1,618	1,668	2,033	1,835	2,009	2,329	2,883	2,161	2,681	2,466	1,660	1,536	24,877
Demand: Ave Rooms per night	52	54	68	59	67	75	93	77	86	82	54	51	68
Supply: Rooms Available	143	143	143	143	143	143	143	143	143	143	143	143	143
<i>Demand as % of Supply</i>	36.5	37.6	47.4	41.4	46.8	52.5	65.0	54.0	60.5	57.5	37.4	35.8	47.7
<b>2017/18</b>													
Total Tourist Visitors	388	400	488	440	482	559	692	519	644	592	398	369	5,972
Total Room Nights	2,369	2,442	2,977	2,687	2,941	3,410	4,221	3,164	3,925	3,611	2,430	2,250	36,428
Total Rooms Required	1,658	1,709	2,084	1,881	2,059	2,387	2,955	2,215	2,748	2,528	1,701	1,575	25,499
Demand: Ave Rooms per night	53	55	69	61	69	77	95	79	89	84	55	52	70
Supply: Rooms Available	143	143	143	143	143	143	143	143	143	143	143	143	143
<i>Demand as % of Supply</i>	37.4	38.6	48.6	42.4	48.0	53.9	66.7	55.3	62.0	58.9	38.4	36.7	48.9
<b>2018/19</b>													
Total Tourist Visitors	398	410	500	451	494	573	709	532	660	607	408	378	6,121
Total Room Nights	2,428	2,503	3,052	2,754	3,015	3,496	4,327	3,243	4,023	3,701	2,491	2,306	37,338
Total Rooms Required	1,700	1,752	2,136	1,928	2,111	2,447	3,029	2,270	2,816	2,591	1,744	1,614	26,137
Demand: Ave Rooms per night	55	57	71	62	70	79	98	81	91	86	56	54	72
Supply: Rooms Available	143	143	143	143	143	143	143	143	143	143	143	143	143
<i>Demand as % of Supply</i>	38.3	39.5	49.8	43.5	49.2	55.2	68.3	56.7	63.5	60.4	39.3	37.6	50.1

<b>Growth: 2.5%</b>	<b>July</b>	<b>Aug</b>	<b>Sep</b>	<b>Oct</b>	<b>Nov</b>	<b>Dec</b>	<b>Jan</b>	<b>Feb</b>	<b>Mar</b>	<b>Apr</b>	<b>May</b>	<b>June</b>	<b>Total</b>
<b>2019/20</b>													
Total Tourist Visitors	408	421	513	463	507	587	727	545	676	622	419	388	6,274
Total Room Nights	2,489	2,566	3,128	2,823	3,090	3,583	4,435	3,324	4,124	3,794	2,553	2,364	38,272
Total Rooms Required	1,742	1,796	2,190	1,976	2,163	2,508	3,104	2,327	2,887	2,656	1,787	1,655	26,790
Demand: Ave Rooms per night	56	58	73	64	72	81	100	83	93	89	58	55	73
Supply: Rooms Available	143	143	143	143	143	143	143	143	143	143	143	143	143
<i>Demand as % of Supply</i>	39.3	40.5	51.0	44.6	50.4	56.6	70.0	58.1	65.1	61.9	40.3	38.6	51.3
<b>2020/21</b>													
Total Tourist Visitors	418	431	526	474	519	602	745	559	693	637	429	397	6,431
Total Room Nights	2,551	2,630	3,206	2,893	3,168	3,673	4,546	3,407	4,227	3,889	2,617	2,423	39,229
Total Rooms Required	1,786	1,841	2,244	2,025	2,217	2,571	3,182	2,385	2,959	2,722	1,832	1,696	27,460
Demand: Ave Rooms per night	58	59	75	65	74	83	103	85	95	91	59	57	75
Supply: Rooms Available	143	143	143	143	143	143	143	143	143	143	143	143	143
<i>Demand as % of Supply</i>	40.3	41.5	52.3	45.7	51.7	58.0	71.8	59.6	66.8	63.5	41.3	39.5	52.6
<b>2021/22</b>													
Total Tourist Visitors	429	442	539	486	532	617	764	573	710	653	440	407	6,592
Total Room Nights	2,615	2,695	3,286	2,965	3,247	3,765	4,659	3,493	4,333	3,986	2,682	2,483	40,209
Total Room Nights	2,615	2,695	3,286	2,965	3,247	3,765	4,659	3,493	4,333	3,986	2,682	2,483	40,209
Total Rooms Required	1,830	1,887	2,300	2,076	2,273	2,635	3,261	2,445	3,033	2,790	1,878	1,738	28,147
Demand: Ave Rooms per night	59	61	77	67	76	85	105	87	98	93	61	58	77
Supply: Rooms Available	143	143	143	143	143	143	143	143	143	143	143	143	143
<i>Demand as % of Supply</i>	41.3	42.6	53.6	46.8	53.0	59.4	73.6	61.1	68.4	65.0	42.4	40.5	53.9

<b>Growth: 2.5%</b>	<b>July</b>	<b>Aug</b>	<b>Sep</b>	<b>Oct</b>	<b>Nov</b>	<b>Dec</b>	<b>Jan</b>	<b>Feb</b>	<b>Mar</b>	<b>Apr</b>	<b>May</b>	<b>June</b>	<b>Total</b>
<b>2022/23</b>													
Total Tourist Visitors	439	453	552	498	546	633	783	587	728	670	451	417	6,756
Total Room Nights	2,680	2,763	3,368	3,040	3,328	3,859	4,776	3,580	4,441	4,086	2,749	2,546	41,215
Total Rooms Required	1,876	1,934	2,358	2,128	2,330	2,701	3,343	2,506	3,109	2,860	1,925	1,782	28,850
Demand: Ave Rooms per night	61	62	79	69	78	87	108	89	100	95	62	59	79
Supply: Rooms Available	143	143	143	143	143	143	143	143	143	143	143	143	143
<i>Demand as % of Supply</i>	42.3	43.6	55.0	48.0	54.3	60.9	75.4	62.6	70.1	66.7	43.4	41.5	55.3
<b>2023/24</b>													
Total Tourist Visitors	450	464	566	511	559	648	802	602	746	686	462	428	6,925
Total Room Nights	2,747	2,832	3,453	3,116	3,411	3,955	4,895	3,669	4,552	4,188	2,818	2,609	42,245
Total Rooms Required	1,923	1,982	2,417	2,181	2,388	2,769	3,427	2,569	3,187	2,931	1,973	1,826	29,571
Demand: Ave Rooms per night	62	64	81	70	80	89	111	92	103	98	64	61	81
Supply: Rooms Available	143	143	143	143	143	143	143	143	143	143	143	143	143
<i>Demand as % of Supply</i>	43.4	44.7	56.3	49.2	55.7	62.5	77.3	64.1	71.9	68.3	44.5	42.6	56.7
<b>2024/25</b>													
Total Tourist Visitors	462	476	580	524	573	665	823	617	765	704	474	438	7,099
Total Room Nights	2,816	2,903	3,539	3,193	3,496	4,054	5,017	3,761	4,666	4,292	2,888	2,674	43,301
Total Rooms Required	1,971	2,032	2,477	2,235	2,448	2,838	3,512	2,633	3,266	3,005	2,022	1,872	30,311
Demand: Ave Rooms per night	64	66	83	72	82	92	113	94	105	100	65	62	83
Supply: Rooms Available	143	143	143	143	143	143	143	143	143	143	143	143	143
<i>Demand as % of Supply</i>	44.5	45.8	57.7	50.4	57.1	64.0	79.2	65.8	73.7	70.0	45.6	43.6	58.1

<b>Growth: 2.5%</b>	<b>July</b>	<b>Aug</b>	<b>Sep</b>	<b>Oct</b>	<b>Nov</b>	<b>Dec</b>	<b>Jan</b>	<b>Feb</b>	<b>Mar</b>	<b>Apr</b>	<b>May</b>	<b>June</b>	<b>Total</b>
<b>2025/26</b>													
Total Tourist Visitors	473	488	595	537	588	681	843	632	784	721	485	449	7,276
Total Room Nights	2,886	2,975	3,627	3,273	3,584	4,155	5,143	3,855	4,783	4,400	2,961	2,741	44,384
Total Rooms Required	2,020	2,083	2,539	2,291	2,509	2,909	3,600	2,699	3,348	3,080	2,072	1,919	31,069
Demand: Ave Rooms per night	65	67	85	74	84	94	116	96	108	103	67	64	85
Supply: Rooms Available	143	143	143	143	143	143	143	143	143	143	143	143	143
<i>Demand as % of Supply</i>	<i>45.6</i>	<i>47.0</i>	<i>59.2</i>	<i>51.7</i>	<i>58.5</i>	<i>65.6</i>	<i>81.2</i>	<i>67.4</i>	<i>75.5</i>	<i>71.8</i>	<i>46.8</i>	<i>44.7</i>	<i>59.5</i>
<b>2026/27</b>													
Total Tourist Visitors	485	500	610	550	602	698	864	648	804	739	497	461	7,458
Total Room Nights	2,958	3,050	3,718	3,355	3,673	4,259	5,271	3,952	4,902	4,510	3,035	2,810	45,493
Total Rooms Required	2,071	2,135	2,603	2,349	2,571	2,981	3,690	2,766	3,432	3,157	2,124	1,967	31,845
Demand: Ave Rooms per night	67	69	87	76	86	96	119	99	111	105	69	66	87
Supply: Rooms Available	143	143	143	143	143	143	143	143	143	143	143	143	143
<i>Demand as % of Supply</i>	<i>46.7</i>	<i>48.2</i>	<i>60.7</i>	<i>53.0</i>	<i>59.9</i>	<i>67.3</i>	<i>83.2</i>	<i>69.1</i>	<i>77.4</i>	<i>73.6</i>	<i>47.9</i>	<i>45.8</i>	<i>61.0</i>
<b>2027/28</b>													
Total Tourist Visitors	497	512	625	564	617	716	886	664	824	758	510	472	7,644
Total Room Nights	3,032	3,126	3,811	3,439	3,765	4,366	5,403	4,050	5,025	4,622	3,111	2,880	46,631
Total Rooms Required	2,123	2,188	2,668	2,407	2,636	3,056	3,782	2,835	3,517	3,236	2,177	2,016	32,641
Demand: Ave Rooms per night	68	71	89	78	88	99	122	101	113	108	70	67	89
Supply: Rooms Available	143	143	143	143	143	143	143	143	143	143	143	143	143
<i>Demand as % of Supply</i>	<i>47.9</i>	<i>49.4</i>	<i>62.2</i>	<i>54.3</i>	<i>61.4</i>	<i>68.9</i>	<i>85.3</i>	<i>70.8</i>	<i>79.3</i>	<i>75.4</i>	<i>49.1</i>	<i>47.0</i>	<i>62.5</i>

<b>Growth: 2.5%</b>	<b>July</b>	<b>Aug</b>	<b>Sep</b>	<b>Oct</b>	<b>Nov</b>	<b>Dec</b>	<b>Jan</b>	<b>Feb</b>	<b>Mar</b>	<b>Apr</b>	<b>May</b>	<b>June</b>	<b>Total</b>
<b>2028/29</b>													
Total Tourist Visitors	510	525	640	578	633	734	908	681	844	777	523	484	7,835
Total Room Nights	3,108	3,204	3,906	3,525	3,859	4,475	5,538	4,152	5,150	4,738	3,188	2,952	47,796
Total Rooms Required	2,176	2,243	2,734	2,468	2,702	3,132	3,877	2,906	3,605	3,317	2,232	2,066	33,457
Demand: Ave Rooms per night	70	72	91	80	90	101	125	104	116	111	72	69	92
Supply: Rooms Available	143	143	143	143	143	143	143	143	143	143	143	143	143
<i>Demand as % of Supply</i>	49.1	50.6	63.7	55.7	63.0	70.7	87.5	72.6	81.3	77.3	50.3	48.2	64.1

Source: MCA Estimates and Projections April 2018

**Table 32.** Moderate Growth Scenario: 5% (Rooms: 60% twin share & 40% singles)

Growth: 5%	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Total
<b>2016/17</b>													
Total Tourist Visitors	379	391	476	430	470	545	675	506	628	578	389	360	5,826
Total Room Nights	2,311	2,382	2,905	2,621	2,870	3,327	4,118	3,087	3,830	3,523	2,371	2,195	35,539
Total Rooms Required	1,618	1,668	2,033	1,835	2,009	2,329	2,883	2,161	2,681	2,466	1,660	1,536	24,877
Demand: Ave Rooms per night	52	54	68	59	67	75	93	77	86	82	54	51	68
Supply: Rooms Available	143	143	143	143	143	143	143	143	143	143	143	143	143
<i>Demand as % of Supply</i>	36.5	37.6	47.4	41.4	46.8	52.5	65.0	54.0	60.5	57.5	37.4	35.8	47.7
<b>2017/18</b>													
Total Tourist Visitors	398	410	500	451	494	573	709	531	659	606	408	378	6,117
Total Room Nights	2,427	2,501	3,050	2,752	3,013	3,494	4,324	3,241	4,021	3,699	2,489	2,305	37,316
Total Rooms Required	1,699	1,751	2,135	1,926	2,109	2,446	3,027	2,269	2,815	2,589	1,742	1,613	26,121
Demand: Ave Rooms per night	55	56	71	62	70	79	98	81	91	86	56	54	72
Supply: Rooms Available	143	143	143	143	143	143	143	143	143	143	143	143	143
<i>Demand as % of Supply</i>	38.3	39.5	49.8	43.5	49.2	55.2	68.3	56.7	63.5	60.4	39.3	37.6	50.0
<b>2018/19</b>													
Total Tourist Visitors	418	431	525	474	519	601	744	558	692	637	428	397	6,423
Total Room Nights	2,548	2,627	3,202	2,890	3,164	3,668	4,540	3,403	4,222	3,884	2,614	2,420	39,182
Total Rooms Required	1,784	1,839	2,242	2,023	2,215	2,568	3,178	2,382	2,956	2,719	1,830	1,694	27,427
Demand: Ave Rooms per night	58	59	75	65	74	83	103	85	95	91	59	56	75
Supply: Rooms Available	143	143	143	143	143	143	143	143	143	143	143	143	143
<i>Demand as % of Supply</i>	40.2	41.5	52.3	45.6	51.6	57.9	71.7	59.5	66.7	63.4	41.3	39.5	52.5

<b>Growth: 5%</b>	<b>July</b>	<b>Aug</b>	<b>Sep</b>	<b>Oct</b>	<b>Nov</b>	<b>Dec</b>	<b>Jan</b>	<b>Feb</b>	<b>Mar</b>	<b>Apr</b>	<b>May</b>	<b>June</b>	<b>Total</b>
<b>2019/20</b>													
Total Tourist Visitors	439	452	551	497	545	631	782	586	727	669	450	417	6,744
Total Room Nights	2,675	2,758	3,362	3,034	3,322	3,852	4,767	3,573	4,433	4,078	2,744	2,541	41,141
Total Rooms Required	1,873	1,930	2,354	2,124	2,325	2,696	3,337	2,501	3,103	2,855	1,921	1,779	28,799
Demand: Ave Rooms per night	60	62	78	69	78	87	108	89	100	95	62	59	79
Supply: Rooms Available	143	143	143	143	143	143	143	143	143	143	143	143	143
<i>Demand as % of Supply</i>	<i>42.2</i>	<i>43.5</i>	<i>54.9</i>	<i>47.9</i>	<i>54.2</i>	<i>60.8</i>	<i>75.3</i>	<i>62.5</i>	<i>70.0</i>	<i>66.5</i>	<i>43.3</i>	<i>41.5</i>	<i>55.2</i>
<b>2020/21</b>													
Total Tourist Visitors	461	475	579	522	572	663	821	615	763	702	472	437	7,082
Total Room Nights	2,809	2,896	3,530	3,186	3,488	4,044	5,006	3,752	4,655	4,282	2,882	2,668	43,198
Total Rooms Required	1,966	2,027	2,471	2,230	2,442	2,831	3,504	2,627	3,258	2,997	2,017	1,868	30,239
Demand: Ave Rooms per night	63	65	82	72	81	91	113	94	105	100	65	62	83
Supply: Rooms Available	143	143	143	143	143	143	143	143	143	143	143	143	143
<i>Demand as % of Supply</i>	<i>44.4</i>	<i>45.7</i>	<i>57.6</i>	<i>50.3</i>	<i>56.9</i>	<i>63.9</i>	<i>79.0</i>	<i>65.6</i>	<i>73.5</i>	<i>69.9</i>	<i>45.5</i>	<i>43.5</i>	<i>57.9</i>
<b>2021/22</b>													
Total Tourist Visitors	484	498	608	548	600	696	862	646	801	737	496	459	7,436
Total Room Nights	2,950	3,041	3,707	3,345	3,663	4,247	5,256	3,940	4,888	4,496	3,026	2,801	45,358
Total Room Nights	2,950	3,041	3,707	3,345	3,663	4,247	5,256	3,940	4,888	4,496	3,026	2,801	45,358
Total Rooms Required	2,065	2,128	2,595	2,342	2,564	2,973	3,679	2,758	3,421	3,147	2,118	1,961	31,751
Demand: Ave Rooms per night	67	69	86	76	85	96	119	98	110	105	68	65	87
Supply: Rooms Available	143	143	143	143	143	143	143	143	143	143	143	143	143
<i>Demand as % of Supply</i>	<i>46.6</i>	<i>48.0</i>	<i>60.5</i>	<i>52.8</i>	<i>59.8</i>	<i>67.1</i>	<i>83.0</i>	<i>68.9</i>	<i>77.2</i>	<i>73.4</i>	<i>47.8</i>	<i>45.7</i>	<i>60.8</i>



<b>Growth: 5%</b>	<b>July</b>	<b>Aug</b>	<b>Sep</b>	<b>Oct</b>	<b>Nov</b>	<b>Dec</b>	<b>Jan</b>	<b>Feb</b>	<b>Mar</b>	<b>Apr</b>	<b>May</b>	<b>June</b>	<b>Total</b>
<b>2022/23</b>													
Total Tourist Visitors	508	523	638	576	630	731	905	678	841	774	521	482	7,808
Total Room Nights	3,097	3,193	3,892	3,512	3,846	4,459	5,519	4,137	5,132	4,721	3,177	2,941	47,626
Total Rooms Required	2,168	2,235	2,725	2,459	2,692	3,121	3,863	2,896	3,592	3,305	2,224	2,059	33,338
Demand: Ave Rooms per night	70	72	91	79	90	101	125	103	116	110	72	69	91
Supply: Rooms Available	143	143	143	143	143	143	143	143	143	143	143	143	143
<i>Demand as % of Supply</i>	<i>48.9</i>	<i>50.4</i>	<i>63.5</i>	<i>55.5</i>	<i>62.8</i>	<i>70.4</i>	<i>87.1</i>	<i>72.3</i>	<i>81.0</i>	<i>77.0</i>	<i>50.2</i>	<i>48.0</i>	<i>63.9</i>
<b>2023/24</b>													
Total Tourist Visitors	533	550	670	605	662	768	950	712	883	813	547	506	8198
Total Room Nights	3,252	3,352	4,087	3,688	4,038	4,682	5,795	4,344	5,389	4,957	3,336	3,089	50007
Total Rooms Required	2,276	2,347	2,861	2,582	2,827	3,277	4,056	3,041	3,772	3,470	2,335	2,162	35005
Demand: Ave Rooms per night	73	76	95	83	94	106	131	109	122	116	75	72	96
Supply: Rooms Available	143	143	143	143	143	143	143	143	143	143	143	143	143
<i>Demand as % of Supply</i>	<i>51.3</i>	<i>52.9</i>	<i>66.7</i>	<i>58.2</i>	<i>65.9</i>	<i>73.9</i>	<i>91.5</i>	<i>75.9</i>	<i>85.1</i>	<i>80.9</i>	<i>52.7</i>	<i>50.4</i>	<i>67.1</i>
<b>2024/25</b>													
Total Tourist Visitors	560	577	703	635	695	806	997	748	928	853	574	532	8,608
Total Room Nights	3,414	3,520	4,291	3,872	4,240	4,916	6,084	4,561	5,658	5,205	3,503	3,243	52,508
Total Rooms Required	2,390	2,464	3,004	2,711	2,968	3,441	4,259	3,193	3,961	3,643	2,452	2,270	36,755
Demand: Ave Rooms per night	77	79	100	87	99	111	137	114	128	121	79	76	101
Supply: Rooms Available	143	143	143	143	143	143	143	143	143	143	143	143	143
<i>Demand as % of Supply</i>	<i>53.9</i>	<i>55.6</i>	<i>70.0</i>	<i>61.1</i>	<i>69.2</i>	<i>77.6</i>	<i>96.1</i>	<i>79.7</i>	<i>89.3</i>	<i>84.9</i>	<i>55.3</i>	<i>52.9</i>	<i>70.4</i>

<b>Growth: 5%</b>	<b>July</b>	<b>Aug</b>	<b>Sep</b>	<b>Oct</b>	<b>Nov</b>	<b>Dec</b>	<b>Jan</b>	<b>Feb</b>	<b>Mar</b>	<b>Apr</b>	<b>May</b>	<b>June</b>	<b>Total</b>
<b>2025/26</b>													
Total Tourist Visitors	588	606	739	667	730	846	1,047	785	974	896	603	558	9,038
Total Room Nights	3,585	3,696	4,506	4,066	4,452	5,162	6,389	4,789	5,941	5,465	3,678	3,405	55,133
Total Rooms Required	2,510	2,587	3,154	2,846	3,116	3,613	4,472	3,352	4,159	3,826	2,574	2,384	38,593
Demand: Ave Rooms per night	81	83	105	92	104	117	144	120	134	128	83	79	106
Supply: Rooms Available	143	143	143	143	143	143	143	143	143	143	143	143	143
<i>Demand as % of Supply</i>	56.6	58.4	73.5	64.2	72.6	81.5	100.9	83.7	93.8	89.2	58.1	55.6	73.9
<b>2026/27</b>													
Total Tourist Visitors	617	636	776	700	766	888	1,100	824	1,023	941	633	586	9,490
Total Room Nights	3,764	3,881	4,731	4,269	4,674	5,420	6,708	5,028	6,238	5,738	3,862	3,575	57,890
Total Rooms Required	2,635	2,716	3,312	2,989	3,272	3,794	4,696	3,520	4,367	4,017	2,703	2,503	40,523
Demand: Ave Rooms per night	85	88	110	96	109	122	151	126	141	134	87	83	111
Supply: Rooms Available	143	143	143	143	143	143	143	143	143	143	143	143	143
<i>Demand as % of Supply</i>	59.4	61.3	77.2	67.4	76.3	85.6	105.9	87.9	98.5	93.6	61.0	58.3	77.6
<b>2027/28</b>													
Total Tourist Visitors	648	668	814	735	805	933	1,155	866	1,074	988	665	615	9,965
Total Room Nights	3,953	4,075	4,968	4,483	4,908	5,691	7,043	5,280	6,550	6,025	4,055	3,754	60,784
Total Rooms Required	2,767	2,852	3,477	3,138	3,436	3,984	4,930	3,696	4,585	4,218	2,838	2,628	42,549
Demand: Ave Rooms per night	89	92	116	101	115	129	159	132	148	141	92	88	117
Supply: Rooms Available	143	143	143	143	143	143	143	143	143	143	143	143	143
<i>Demand as % of Supply</i>	62.4	64.3	81.1	70.8	80.1	89.9	111.2	92.3	103.4	98.3	64.0	61.3	81.5

<b>Growth: 5%</b>	<b>July</b>	<b>Aug</b>	<b>Sep</b>	<b>Oct</b>	<b>Nov</b>	<b>Dec</b>	<b>Jan</b>	<b>Feb</b>	<b>Mar</b>	<b>Apr</b>	<b>May</b>	<b>June</b>	<b>Total</b>
<b>2028/29</b>													
Total Tourist Visitors	680	701	855	772	845	980	1,212	909	1,127	1,037	698	646	10,463
Total Room Nights	4,150	4,278	5,216	4,707	5,154	5,975	7,395	5,544	6,877	6,327	4,257	3,942	63,823
Total Rooms Required	2,905	2,995	3,651	3,295	3,608	4,183	5,177	3,881	4,814	4,429	2,980	2,759	44,676
Demand: Ave Rooms per night	94	97	122	106	120	135	167	139	155	148	96	92	122
Supply: Rooms Available	143	143	143	143	143	143	143	143	143	143	143	143	143
<i>Demand as % of Supply</i>	<i>65.5</i>	<i>67.6</i>	<i>85.1</i>	<i>74.3</i>	<i>84.1</i>	<i>94.4</i>	<i>116.8</i>	<i>96.9</i>	<i>108.6</i>	<i>103.2</i>	<i>67.2</i>	<i>64.3</i>	<i>85.6</i>

Source: MCA Estimates and Projections April 2018

**Table 33.** Strong Growth Scenario: 7.5% (Rooms: 60% twin share & 40% singles)

Growth :7.5%	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Total
<b>2016/17</b>													
Total Tourist Visitors	379	391	476	430	470	545	675	506	628	578	389	360	5,826
Total Room Nights	2,311	2,382	2,905	2,621	2,870	3,327	4,118	3,087	3,830	3,523	2,371	2,195	35,539
Total Rooms Required	1,618	1,668	2,033	1,835	2,009	2,329	2,883	2,161	2,681	2,466	1,660	1,536	24,877
Demand: Ave Rooms per night	52	54	68	59	67	75	93	77	86	82	54	51	68
Supply: Rooms Available	143	143	143	143	143	143	143	143	143	143	143	143	143
<i>Demand as % of Supply</i>	36.5	37.6	47.4	41.4	46.8	52.5	65.0	54.0	60.5	57.5	37.4	35.8	47.7
<b>2017/18</b>													
Total Tourist Visitors	407	420	512	462	506	586	726	544	675	621	418	387	6,263
Total Room Nights	2,484	2,561	3,122	2,818	3,085	3,577	4,427	3,318	4,117	3,787	2,549	2,360	38,205
Total Rooms Required	1,739	1,793	2,186	1,972	2,159	2,504	3,099	2,323	2,882	2,651	1,784	1,652	26,743
Demand: Ave Rooms per night	56	58	73	64	72	81	100	83	93	88	58	55	73
Supply: Rooms Available	143	143	143	143	143	143	143	143	143	143	143	143	143
<i>Demand as % of Supply</i>	39.2	40.4	50.9	44.5	50.3	56.5	69.9	58.0	65.0	61.8	40.2	38.5	51.2
<b>2018/19</b>													
Total Tourist Visitors	438	451	550	497	544	630	780	585	726	667	449	416	6,733
Total Room Nights	2,671	2,753	3,357	3,029	3,316	3,845	4,759	3,567	4,426	4,071	2,740	2,537	41,070
Total Rooms Required	1,869	1,927	2,350	2,120	2,321	2,692	3,331	2,497	3,098	2,850	1,918	1,776	28,749
Demand: Ave Rooms per night	60	62	78	68	77	87	107	89	100	95	62	59	79
Supply: Rooms Available	143	143	143	143	143	143	143	143	143	143	143	143	143
<i>Demand as % of Supply</i>	42.2	43.5	54.8	47.8	54.1	60.7	75.1	62.4	69.9	66.4	43.3	41.4	55.1

<b>Growth :7.5%</b>	<b>July</b>	<b>Aug</b>	<b>Sep</b>	<b>Oct</b>	<b>Nov</b>	<b>Dec</b>	<b>Jan</b>	<b>Feb</b>	<b>Mar</b>	<b>Apr</b>	<b>May</b>	<b>June</b>	<b>Total</b>
<b>2019/20</b>													
Total Tourist Visitors	471	485	592	534	584	678	839	629	780	717	483	447	7,238
Total Room Nights	2,871	2,960	3,608	3,256	3,565	4,133	5,116	3,835	4,758	4,377	2,945	2,727	44,150
Total Rooms Required	2,010	2,072	2,526	2,279	2,496	2,893	3,581	2,684	3,330	3,064	2,062	1,909	30,905
Demand: Ave Rooms per night	65	67	84	74	83	93	116	96	107	102	67	64	85
Supply: Rooms Available	143	143	143	143	143	143	143	143	143	143	143	143	143
<i>Demand as % of Supply</i>	<i>45.3</i>	<i>46.7</i>	<i>58.9</i>	<i>51.4</i>	<i>58.2</i>	<i>65.3</i>	<i>80.8</i>	<i>67.0</i>	<i>75.1</i>	<i>71.4</i>	<i>46.5</i>	<i>44.5</i>	<i>59.2</i>
<b>2020/21</b>													
Total Tourist Visitors	506	522	636	574	628	728	902	676	838	771	519	481	7,781
Total Room Nights	3,086	3,182	3,879	3,500	3,832	4,443	5,500	4,122	5,114	4,705	3,166	2,931	47,462
Total Rooms Required	2,160	2,227	2,715	2,450	2,683	3,110	3,850	2,886	3,580	3,293	2,216	2,052	33,223
Demand: Ave Rooms per night	70	72	91	79	89	100	124	103	115	110	71	68	91
Supply: Rooms Available	143	143	143	143	143	143	143	143	143	143	143	143	143
<i>Demand as % of Supply</i>	<i>48.7</i>	<i>50.2</i>	<i>63.3</i>	<i>55.3</i>	<i>62.5</i>	<i>70.2</i>	<i>86.8</i>	<i>72.1</i>	<i>80.8</i>	<i>76.8</i>	<i>50.0</i>	<i>47.8</i>	<i>63.7</i>
<b>2021/22</b>													
Total Tourist Visitors	544	561	684	617	675	783	969	727	901	829	558	517	8,364
Total Room Nights	3,318	3,420	4,170	3,763	4,120	4,777	5,912	4,432	5,498	5,058	3,403	3,151	51,021
Total Room Nights	3,318	3,420	4,170	3,763	4,120	4,777	5,912	4,432	5,498	5,058	3,403	3,151	51,021
Total Rooms Required	2,322	2,394	2,919	2,634	2,884	3,344	4,138	3,102	3,849	3,540	2,382	2,206	35,715
Demand: Ave Rooms per night	75	77	97	85	96	108	133	111	124	118	77	74	98
Supply: Rooms Available	143	143	143	143	143	143	143	143	143	143	143	143	143
<i>Demand as % of Supply</i>	<i>52.4</i>	<i>54.0</i>	<i>68.0</i>	<i>59.4</i>	<i>67.2</i>	<i>75.4</i>	<i>93.4</i>	<i>77.5</i>	<i>86.8</i>	<i>82.5</i>	<i>53.7</i>	<i>51.4</i>	<i>68.4</i>

<b>Growth :7.5%</b>	<b>July</b>	<b>Aug</b>	<b>Sep</b>	<b>Oct</b>	<b>Nov</b>	<b>Dec</b>	<b>Jan</b>	<b>Feb</b>	<b>Mar</b>	<b>Apr</b>	<b>May</b>	<b>June</b>	<b>Total</b>
<b>2022/23</b>													
Total Tourist Visitors	585	603	735	663	726	842	1,042	781	969	891	600	555	8,991
Total Room Nights	3,567	3,677	4,483	4,045	4,429	5,135	6,355	4,764	5,910	5,437	3,659	3,388	54,848
Total Rooms Required	2,497	2,574	3,138	2,832	3,100	3,595	4,449	3,335	4,137	3,806	2,561	2,371	38,393
Demand: Ave Rooms per night	81	83	105	91	103	116	144	119	133	127	83	79	105
Supply: Rooms Available	143	143	143	143	143	143	143	143	143	143	143	143	143
<i>Demand as % of Supply</i>	<i>56.3</i>	<i>58.1</i>	<i>73.1</i>	<i>63.9</i>	<i>72.3</i>	<i>81.1</i>	<i>100.4</i>	<i>83.3</i>	<i>93.3</i>	<i>88.7</i>	<i>57.8</i>	<i>55.3</i>	<i>73.6</i>
<b>2023/24</b>													
Total Tourist Visitors	629	648	790	713	780	905	1,120	840	1,042	958	645	597	9,666
Total Room Nights	3,834	3,952	4,819	4,348	4,761	5,520	6,832	5,121	6,354	5,845	3,933	3,642	58,961
Total Rooms Required	2,684	2,767	3,373	3,044	3,333	3,864	4,782	3,585	4,447	4,091	2,753	2,549	41,273
Demand: Ave Rooms per night	87	89	112	98	111	125	154	128	143	136	89	85	113
Supply: Rooms Available	143	143	143	143	143	143	143	143	143	143	143	143	143
<i>Demand as % of Supply</i>	<i>60.5</i>	<i>62.4</i>	<i>78.6</i>	<i>68.7</i>	<i>77.7</i>	<i>87.2</i>	<i>107.9</i>	<i>89.5</i>	<i>100.3</i>	<i>95</i>	<i>62</i>	<i>59</i>	<i>79</i>
<b>2024/25</b>													
Total Tourist Visitors	676	697	849	766	839	973	1,204	903	1,120	1,030	693	642	10,391
Total Room Nights	4,122	4,249	5,180	4,675	5,118	5,934	7,345	5,505	6,830	6,283	4,228	3,915	63,383
Total Rooms Required	2,885	2,974	3,626	3,272	3,583	4,154	5,141	3,854	4,781	4,398	2,960	2,740	44,368
Demand: Ave Rooms per night	93	96	121	106	119	134	166	138	154	147	95	91	122
Supply: Rooms Available	143	143	143	143	143	143	143	143	143	143	143	143	143
<i>Demand as % of Supply</i>	<i>65.1</i>	<i>67.1</i>	<i>84.5</i>	<i>73.8</i>	<i>83.5</i>	<i>93.7</i>	<i>116.0</i>	<i>96.2</i>	<i>107.9</i>	<i>102.5</i>	<i>66.8</i>	<i>63.9</i>	<i>85.0</i>

<b>Growth :7.5%</b>	<b>July</b>	<b>Aug</b>	<b>Sep</b>	<b>Oct</b>	<b>Nov</b>	<b>Dec</b>	<b>Jan</b>	<b>Feb</b>	<b>Mar</b>	<b>Apr</b>	<b>May</b>	<b>June</b>	<b>Total</b>
<b>2025/26</b>													
Total Tourist Visitors	726	749	913	824	902	1,046	1,294	970	1,204	1,107	745	690	11,170
Total Room Nights	4,431	4,567	5,569	5,025	5,502	6,379	7,895	5,918	7,342	6,754	4,545	4,208	68,137
Total Rooms Required	3,102	3,197	3,898	3,518	3,851	4,465	5,527	4,143	5,140	4,728	3,182	2,946	47,696
Demand: Ave Rooms per night	100	103	130	113	128	144	178	148	166	158	103	98	131
Supply: Rooms Available	143	143	143	143	143	143	143	143	143	143	143	143	143
<i>Demand as % of Supply</i>	<i>70.0</i>	<i>72.1</i>	<i>90.9</i>	<i>79.4</i>	<i>89.8</i>	<i>100.7</i>	<i>124.7</i>	<i>103.5</i>	<i>115.9</i>	<i>110.2</i>	<i>71.8</i>	<i>68.7</i>	<i>91.4</i>
<b>2026/27</b>													
Total Tourist Visitors	781	805	981	886	970	1,124	1,391	1,043	1,294	1,190	801	742	12,008
Total Room Nights	4,763	4,910	5,986	5,402	5,915	6,858	8,488	6,362	7,893	7,261	4,886	4,524	73,247
Total Rooms Required	3,334	3,437	4,190	3,781	4,140	4,800	5,941	4,454	5,525	5,083	3,420	3,167	51,273
Demand: Ave Rooms per night	108	111	140	122	138	155	192	159	178	169	110	106	140
Supply: Rooms Available	143	143	143	143	143	143	143	143	143	143	143	143	143
<i>Demand as % of Supply</i>	<i>75.2</i>	<i>77.5</i>	<i>97.7</i>	<i>85.3</i>	<i>96.5</i>	<i>108.3</i>	<i>134.0</i>	<i>111.2</i>	<i>124.6</i>	<i>118.5</i>	<i>77.2</i>	<i>73.8</i>	<i>98.2</i>
<b>2027/28</b>													
Total Tourist Visitors	839	865	1,055	952	1,042	1,209	1,496	1,121	1,391	1,280	861	797	12,908
Total Room Nights	5,120	5,278	6,435	5,807	6,358	7,372	9,124	6,839	8,485	7,805	5,253	4,863	78,741
Total Rooms Required	3,584	3,695	4,505	4,065	4,451	5,160	6,387	4,788	5,939	5,464	3,677	3,404	55,119
Demand: Ave Rooms per night	116	119	150	131	148	166	206	171	192	182	119	113	151
Supply: Rooms Available	143	143	143	143	143	143	143	143	143	143	143	143	143
<i>Demand as % of Supply</i>	<i>80.9</i>	<i>83.3</i>	<i>105.0</i>	<i>91.7</i>	<i>103.7</i>	<i>116.4</i>	<i>144.1</i>	<i>119.6</i>	<i>134.0</i>	<i>127.4</i>	<i>82.9</i>	<i>79.4</i>	<i>105.6</i>

<b>Growth :7.5%</b>	<b>July</b>	<b>Aug</b>	<b>Sep</b>	<b>Oct</b>	<b>Nov</b>	<b>Dec</b>	<b>Jan</b>	<b>Feb</b>	<b>Mar</b>	<b>Apr</b>	<b>May</b>	<b>June</b>	<b>Total</b>
<b>2028/29</b>													
Total Tourist Visitors	902	930	1,134	1,023	1,121	1,299	1,608	1,205	1,495	1,376	926	857	13,876
Total Room Nights	5,504	5,674	6,918	6,243	6,835	7,925	9,808	7,352	9,121	8,391	5,647	5,228	84,647
Total Rooms Required	3,853	3,972	4,843	4,370	4,785	5,547	6,866	5,147	6,385	5,874	3,953	3,660	59,253
Demand: Ave Rooms per night	124	128	161	141	159	179	221	184	206	196	128	122	162
Supply: Rooms Available	143	143	143	143	143	143	143	143	143	143	143	143	143
<i>Demand as % of Supply</i>	<i>86.9</i>	<i>89.6</i>	<i>112.9</i>	<i>98.6</i>	<i>111.5</i>	<i>125.1</i>	<i>154.9</i>	<i>128.5</i>	<i>144.0</i>	<i>136.9</i>	<i>89.2</i>	<i>85.3</i>	<i>113.5</i>

Source: MCA Estimates and Projections April 2018



**Table 34.** High Growth Scenario: 10% (Rooms: 60% twin share & 40% singles)

Growth:10%	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Total
<b>2016/17</b>													
Total Tourist Visitors	379	391	476	430	470	545	675	506	628	578	389	360	5,826
Total Room Nights	2,311	2,382	2,905	2,621	2,870	3,327	4,118	3,087	3,830	3,523	2,371	2,195	35,539
Total Rooms Required	1,618	1,668	2,033	1,835	2,009	2,329	2,883	2,161	2,681	2,466	1,660	1,536	24,877
Demand: Ave Rooms per night	52	54	68	59	67	75	93	77	86	82	54	51	68
Supply: Rooms Available	143	143	143	143	143	143	143	143	143	143	143	143	143
<i>Demand as % of Supply</i>	36.5	37.6	47.4	41.4	46.8	52.5	65.0	54.0	60.5	57.5	37.4	35.8	47.7
<b>2017/18</b>													
Total Tourist Visitors	417	430	524	473	517	600	743	557	691	635	428	396	6,409
Total Room Nights	2,542	2,621	3,195	2,883	3,157	3,660	4,530	3,396	4,213	3,875	2,608	2,414	39,093
Total Rooms Required	1,779	1,834	2,236	2,018	2,210	2,562	3,171	2,377	2,949	2,713	1,825	1,690	27,365
Demand: Ave Rooms per night	57	59	75	65	74	83	102	85	95	90	59	56	75
Supply: Rooms Available	143	143	143	143	143	143	143	143	143	143	143	143	143
<i>Demand as % of Supply</i>	40.1	41.4	52.1	45.5	51.5	57.8	71.5	59.4	66.5	63.2	41.2	39.4	52.4
<b>2018/19</b>													
Total Tourist Visitors	458	473	576	520	569	660	817	612	760	699	470	435	7,050
Total Room Nights	2,796	2,883	3,514	3,171	3,472	4,026	4,983	3,735	4,634	4,263	2,869	2,656	43,002
Total Rooms Required	1,957	2,018	2,460	2,220	2,431	2,818	3,488	2,615	3,244	2,984	2,008	1,859	30,102
Demand: Ave Rooms per night	63	65	82	72	81	91	113	93	105	99	65	62	82
Supply: Rooms Available	143	143	143	143	143	143	143	143	143	143	143	143	143
<i>Demand as % of Supply</i>	44.2	45.5	57.3	50.1	56.7	63.6	78.7	65.3	73.2	69.6	45.3	43.3	57.7

<b>Growth:10%</b>	<b>July</b>	<b>Aug</b>	<b>Sep</b>	<b>Oct</b>	<b>Nov</b>	<b>Dec</b>	<b>Jan</b>	<b>Feb</b>	<b>Mar</b>	<b>Apr</b>	<b>May</b>	<b>June</b>	<b>Total</b>
<b>2019/20</b>													
Total Tourist Visitors	504	520	634	572	626	726	899	674	836	769	517	479	7,755
Total Room Nights	3,076	3,171	3,866	3,489	3,820	4,429	5,481	4,109	5,097	4,689	3,155	2,922	47,303
Total Rooms Required	2,153	2,220	2,706	2,442	2,674	3,100	3,837	2,876	3,568	3,282	2,209	2,045	33,112
Demand: Ave Rooms per night	69	72	90	79	89	100	124	103	115	109	71	68	91
Supply: Rooms Available	143	143	143	143	143	143	143	143	143	143	143	143	143
<i>Demand as % of Supply</i>	<i>48.6</i>	<i>50.1</i>	<i>63.1</i>	<i>55.1</i>	<i>62.3</i>	<i>69.9</i>	<i>86.6</i>	<i>71.8</i>	<i>80.5</i>	<i>76.5</i>	<i>49.8</i>	<i>47.7</i>	<i>63.4</i>
<b>2020/21</b>													
Total Tourist Visitors	555	572	697	629	689	799	988	741	919	846	569	527	8,530
Total Room Nights	3,384	3,488	4,253	3,837	4,202	4,871	6,029	4,520	5,607	5,158	3,471	3,214	52,033
Total Rooms Required	2,369	2,442	2,977	2,686	2,941	3,410	4,221	3,164	3,925	3,611	2,430	2,250	36,423
Demand: Ave Rooms per night	76	79	99	87	98	110	136	113	127	120	78	75	100
Supply: Rooms Available	143	143	143	143	143	143	143	143	143	143	143	143	143
<i>Demand as % of Supply</i>	<i>53.4</i>	<i>55.1</i>	<i>69.4</i>	<i>60.6</i>	<i>68.6</i>	<i>76.9</i>	<i>95.2</i>	<i>79.0</i>	<i>88.5</i>	<i>84.2</i>	<i>54.8</i>	<i>52.4</i>	<i>69.8</i>
<b>2021/22</b>													
Total Tourist Visitors	610	629	767	692	758	878	1,087	815	1,011	930	626	580	9,383
Total Room Nights	3,722	3,837	4,678	4,221	4,622	5,359	6,632	4,971	6,168	5,674	3,818	3,535	57,236
Total Room Nights	3,722	3,837	4,678	4,221	4,622	5,359	6,632	4,971	6,168	5,674	3,818	3,535	57,236
Total Rooms Required	2,605	2,686	3,274	2,955	3,235	3,751	4,643	3,480	4,317	3,972	2,673	2,475	40,065
Demand: Ave Rooms per night	84	87	109	95	108	121	150	124	139	132	86	82	110
Supply: Rooms Available	143	143	143	143	143	143	143	143	143	143	143	143	143
<i>Demand as % of Supply</i>	<i>58.8</i>	<i>60.6</i>	<i>76.3</i>	<i>66.7</i>	<i>75.4</i>	<i>84.6</i>	<i>104.7</i>	<i>86.9</i>	<i>97.4</i>	<i>92.6</i>	<i>60.3</i>	<i>57.7</i>	<i>76.8</i>

<b>Growth:10%</b>	<b>July</b>	<b>Aug</b>	<b>Sep</b>	<b>Oct</b>	<b>Nov</b>	<b>Dec</b>	<b>Jan</b>	<b>Feb</b>	<b>Mar</b>	<b>Apr</b>	<b>May</b>	<b>June</b>	<b>Total</b>
<b>2022/23</b>													
Total Tourist Visitors	671	692	844	761	833	966	1,196	896	1,112	1,023	689	637	10,321
Total Room Nights	4,094	4,220	5,146	4,643	5,084	5,895	7,295	5,469	6,784	6,241	4,200	3,889	62,960
Total Rooms Required	2,866	2,954	3,602	3,250	3,559	4,126	5,107	3,828	4,749	4,369	2,940	2,722	44,072
Demand: Ave Rooms per night	92	95	120	105	119	133	165	137	153	146	95	91	121
Supply: Rooms Available	143	143	143	143	143	143	143	143	143	143	143	143	143
<i>Demand as % of Supply</i>	<i>64.6</i>	<i>66.6</i>	<i>84.0</i>	<i>73.3</i>	<i>83.0</i>	<i>93.1</i>	<i>115.2</i>	<i>95.6</i>	<i>107.1</i>	<i>101.8</i>	<i>66.3</i>	<i>63.4</i>	<i>84.4</i>
<b>2023/24</b>													
Total Tourist Visitors	738	761	928	837	917	1,063	1,316	986	1,223	1,125	757	701	11,353
Total Room Nights	4,504	4,642	5,660	5,108	5,592	6,484	8,025	6,016	7,463	6,865	4,620	4,277	69,256
Total Rooms Required	3,152	3,250	3,962	3,575	3,915	4,539	5,617	4,211	5,224	4,806	3,234	2,994	48,479
Demand: Ave Rooms per night	102	105	132	115	130	146	181	150	169	160	104	100	133
Supply: Rooms Available	143	143	143	143	143	143	143	143	143	143	143	143	143
<i>Demand as % of Supply</i>	<i>71.1</i>	<i>73.3</i>	<i>92.4</i>	<i>80.7</i>	<i>91.2</i>	<i>102.4</i>	<i>126.7</i>	<i>105.2</i>	<i>117.8</i>	<i>112.0</i>	<i>73.0</i>	<i>69.8</i>	<i>92.9</i>
<b>2024/25</b>													
Total Tourist Visitors	812	837	1,021	921	1,008	1,169	1,447	1,085	1,346	1,238	833	771	12,489
Total Room Nights	4,954	5,107	6,226	5,618	6,152	7,132	8,827	6,617	8,209	7,552	5,082	4,705	76,181
Total Rooms Required	3,468	3,575	4,358	3,933	4,306	4,993	6,179	4,632	5,746	5,286	3,557	3,294	53,327
Demand: Ave Rooms per night	112	115	145	127	144	161	199	165	185	176	115	110	146
Supply: Rooms Available	143	143	143	143	143	143	143	143	143	143	143	143	143
<i>Demand as % of Supply</i>	<i>78.2</i>	<i>80.6</i>	<i>101.6</i>	<i>88.7</i>	<i>100.4</i>	<i>112.6</i>	<i>139.4</i>	<i>115.7</i>	<i>129.6</i>	<i>123.2</i>	<i>80.2</i>	<i>76.8</i>	<i>102.2</i>

<b>Growth:10%</b>	<b>July</b>	<b>Aug</b>	<b>Sep</b>	<b>Oct</b>	<b>Nov</b>	<b>Dec</b>	<b>Jan</b>	<b>Feb</b>	<b>Mar</b>	<b>Apr</b>	<b>May</b>	<b>June</b>	<b>Total</b>
<b>2025/26</b>													
Total Tourist Visitors	893	921	1,123	1,013	1,109	1,286	1,592	1,193	1,480	1,362	916	848	13,738
Total Room Nights	5,449	5,617	6,849	6,180	6,767	7,846	9,710	7,279	9,030	8,307	5,590	5,176	83,800
Total Rooms Required	3,815	3,932	4,794	4,326	4,737	5,492	6,797	5,095	6,321	5,815	3,913	3,623	58,660
Demand: Ave Rooms per night	123	127	160	140	158	177	219	182	204	194	126	121	161
Supply: Rooms Available	143	143	143	143	143	143	143	143	143	143	143	143	143
<i>Demand as % of Supply</i>	<i>86</i>	<i>88.7</i>	<i>111.8</i>	<i>97.6</i>	<i>110.4</i>	<i>123.9</i>	<i>153.3</i>	<i>127.3</i>	<i>142.6</i>	<i>135.5</i>	<i>88.3</i>	<i>84.5</i>	<i>112.4</i>
<b>2026/27</b>													
Total Tourist Visitors	983	1,013	1,235	1,114	1,220	1,415	1,751	1,313	1,628	1,498	1,008	933	15,111
Total Room Nights	5,994	6,179	7,534	6,798	7,443	8,630	10,681	8,007	9,933	9,138	6,149	5,693	92,180
Total Rooms Required	4,196	4,325	5,274	4,759	5,210	6,041	7,477	5,605	6,953	6,396	4,304	3,985	64,526
Demand: Ave Rooms per night	135	140	176	154	174	195	241	200	224	213	139	133	177
Supply: Rooms Available	143	143	143	143	143	143	143	143	143	143	143	143	143
<i>Demand as % of Supply</i>	<i>94.7</i>	<i>97.6</i>	<i>122.9</i>	<i>107.4</i>	<i>121.5</i>	<i>136.3</i>	<i>168.7</i>	<i>140.0</i>	<i>156.8</i>	<i>149.1</i>	<i>97.1</i>	<i>92.9</i>	<i>123.6</i>
<b>2027/28</b>													
Total Tourist Visitors	1,081	1,114	1,359	1,226	1,342	1,556	1,926	1,444	1,791	1,648	1,109	1,027	16,623
Total Room Nights	6,594	6,797	8,287	7,478	8,188	9,493	11,749	8,807	10,926	10,051	6,764	6,263	101,398
Total Rooms Required	4,616	4,758	5,801	5,235	5,731	6,645	8,225	6,165	7,648	7,036	4,735	4,384	70,978
Demand: Ave Rooms per night	149	153	193	169	191	214	265	220	247	235	153	146	194
Supply: Rooms Available	143	143	143	143	143	143	143	143	143	143	143	143	143
<i>Demand as % of Supply</i>	<i>104.1</i>	<i>107.3</i>	<i>135.2</i>	<i>118.1</i>	<i>133.6</i>	<i>149.9</i>	<i>185.5</i>	<i>154.0</i>	<i>172.5</i>	<i>164.0</i>	<i>106.8</i>	<i>102.2</i>	<i>136.0</i>

<b>Growth:10%</b>	<b>July</b>	<b>Aug</b>	<b>Sep</b>	<b>Oct</b>	<b>Nov</b>	<b>Dec</b>	<b>Jan</b>	<b>Feb</b>	<b>Mar</b>	<b>Apr</b>	<b>May</b>	<b>June</b>	<b>Total</b>
<b>2028/29</b>													
Total Tourist Visitors	1,189	1,226	1,494	1,349	1,476	1,712	2,119	1,588	1,970	1,813	1,220	1,129	18,285
Total Room Nights	7,253	7,477	9,116	8,226	9,006	10,442	12,924	9,688	12,019	11,056	7,440	6,889	111,537
Total Rooms Required	5,077	5,234	6,381	5,758	6,305	7,310	9,047	6,782	8,413	7,740	5,208	4,822	78,076
Demand: Ave Rooms per night	164	169	213	186	210	236	292	242	271	258	168	161	214
Supply: Rooms Available	143	143	143	143	143	143	143	143	143	143	143	143	143
<i>Demand as % of Supply</i>	<i>114.5</i>	<i>118.1</i>	<i>148.7</i>	<i>129.9</i>	<i>147.0</i>	<i>164.9</i>	<i>204.1</i>	<i>169.4</i>	<i>189.8</i>	<i>180.4</i>	<i>117.5</i>	<i>112.4</i>	<i>149.6</i>

Source: MCA Estimates and Projections April 2018



#### AUSTRALIA

Suite 5, 3/4 Gippsland Street  
PO Box 837, Jindabyne NSW 2627

Phone: +61 2 64562722

Email: [enquiries@trctourism.com](mailto:enquiries@trctourism.com)

#### NEW ZEALAND

Level 5, EMC Building, 5-7 Willeston Street  
PO Box 2515, Wellington 6140

Phone : +64 4 4723114

Email: [info@trctourism.com](mailto:info@trctourism.com)

[www.trctourism.com](http://www.trctourism.com)



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