



## MEDIA RELEASE

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### **Hotel Accommodation Sector experiences massive downturn in North West for February**

The Tasmanian Hospitality Association (THA) today released the results of the THA Hotel Occupancy survey for February 2011, showing an overall decrease in occupancy levels for the state for February.

“With the south again showing an increase (3.08%) the north-west has shown a massive decrease in occupancy of 15.2% for the period while the north showed a small decrease of 0.89%” Mr Old said.

The survey is conducted each month with THA member accommodation hotels and is a survey of approximately 70,000 room nights per month.

THA General Manager, Mr Steve Old, said “the Tasmanian accommodation sector had experienced a slowing down over the past 12 months compared to previous periods and it highlights the point that we need to continually work harder to do more to increase visitation to our state and never rest on our laurels”.

“These results go to prove that the government must invest further dollars in tourism promotion and major events, they are not negotiable and it must be actioned now” Mr Old said.

“Average hotel occupancy across Tasmania for the 12 month period to February was 70.30%, a decrease of 1.29% on previous years and that is not a good result for the industry.” Mr Old said.

“The Average room rates for the state for February were up in the South and North from the previous year. The North-West (-\$0.81) showed a decrease while the South (+11.50) received a significantly higher result for the month, the North (+\$0.15) showed only a slight increase for the month compared to previous years” Mr Old said.

“The overall Yield for February for the state increased by \$3.79 with an increase in the South (\$15.60) while both the North (-\$1.28) and North-West (-\$19.53) showed decreases which is disturbing as we continue to see the regional areas of Tasmania struggling” Mr Old said.



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“Of major concern to our association is the very disturbing results that have been achieved again in the North-West. There has been a common theme on this for some months now and we have continually made mention of this” Mr Old said.

“Our association has already arranged for the CEO Of Tourism Tasmania to attend our next board meeting in a couple of weeks and this issue will be at the forefront of our discussions” Mr Old said.

“There are some really worrying signs coming out in our reports and it is imperative that the Government sits down with our association and works through the issues at hand and develops a plan on how we are going to re-invigorate the tourism industry and also put some stronger focus on regional dispersal which I have banged on about now for many months” Mr Old said.

“The results for the south continue to show that major events in Tasmania are not-negotiable and must be funded. The economic benefit that these events bring to Tasmania is massive and cannot be underestimated. February was a solid month with many events going on around Hobart” Mr Old said.

“We must continually do more to promote major events in Tasmania and by doing this, we will continue to see investment in our industry through more beds being introduced to the market in areas such as Hobart” Mr Old said.

<b>Region</b>	<b>February 2011 Occupancy</b>	<b>Avg Annual Occupancy*</b>	<b>February 2011 Room Rate</b>	<b>February 2011 Yield</b>
South	92.22% (3.08%)	79.56% (-0.02%)	\$173.72 (+\$11.50)	\$160.21 (+\$15.60)
North	81.03% (-0.89%)	66.99%(-0.85%)	\$157.30 (+\$0.15)	\$127.45 (-\$1.28)
North West	61.05% (-15.20%)	50.47% (-2.13%)	\$124.47 (-\$0.81)	\$75.98 (-\$19.53)
<b>Tasmania</b>	<b>83.03% (-1.53%)</b>	<b>70.30% (-1.29%)</b>	<b>\$162.13 (+\$7.42)</b>	<b>\$134.61 (+\$3.79)</b>

•\*based on average occupancy levels for the last 12 months (March 2010 – February 2011.)

•() numbers in brackets represent the change for the same period in the previous year

**THA General Manager Steve Old is available on  
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