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MEDIA RELEASE

\$49.4 BILLION INVESTED IN TOURISM PROJECTS BUT MANY PROJECTS STALLED IN PLANNING

The Australian tourism investment pipeline reached \$49.4 billion in 2013 – up \$5.2 billion on 2012 according to Tourism Research Australia's (TRA) third *Tourism Investment Monitor 2014* that was released today.

Investment activity increased in the aviation (up \$4.1 billion) and accommodation (up \$1.8 billion) sectors in 2013, while investment in arts and recreation services waned (down \$711 million).

The year-on-year growth in tourism investment demonstrates that investor appetite for tourism-related projects in Australia remains solid, which is critical to provide the infrastructure required for Australia's tourism industry to reach its *2020 Tourism Industry Potential* targets.

"Whilst the growth in the value of the tourism investment pipeline is excellent news, there appear to be some bottlenecks in the pipeline that need to be investigated" said Dr Leo Jago, Chief Economist, TRA.

"How projects flow through the pipeline is just as important as the level of new investor interest in tourism-related projects," Dr Jago said.

"This year's *Monitor* identified that 50 new projects entered the pipeline, but also found that only five projects progressed from the planning stages and into construction during the year."

Key findings from the report include:

- Investment in new and refurbished accommodation was valued at \$7.4 billion; new aircraft at \$26.3 billion; aviation infrastructure at \$6.8 billion; and arts and recreation services infrastructure at \$8.9 billion.
- Accommodation investment could provide an additional 12,000 rooms upon completion.
- Interest in mixed use developments continues to grow, with potential to provide a further 8,600 rooms to accommodation supply, taking the total supply of new accommodation to almost 21,000 rooms, if realised.

The *Tourism Investment Monitor 2014* can be accessed in full at: www.tra.gov.au

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