Launceston Convention Facilities Demand Study - 2025

Prepared for *Visit Northern Tasmania*

19 March 2025 – FINAL

Disclaimer

GapMaps

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This report has been prepared by GapMaps for Visit Northern Tasmania. The purpose of this report is to assess the demand and opportunity for potential convention facilities in Launceston, Tasmania as well as potential high-level economic impacts that could result under a range of facilities scenarios.

This report contains forecasts, and unforeseen events can impact such forecasts. GapMaps expressly disclaims any liability to the Client who relies or purports to rely on this report for any purpose other than the Purpose and to any party other than the Instructing Party who relies or purports to rely on this report for any purpose whatsoever.

This report is not intended as a feasibility study in the traditional sense, as it does not assess the construction costs or financial operating model of potential facilities. Instead, it examines the economic drivers in Tasmania, with a focus on Northern Tasmania and Launceston, reviews relevant competitive markets across Australia, analyses the enabling infrastructure in Launceston, and evaluates historical tourism and business event trends in both Tasmania and Northern Tasmania/Launceston. The report then assesses the market potential for business events in these regions, along with the possible economic impacts under various scenarios.

The report is intended to help inform the Tasmanian Government as to whether a more detailed feasibility study would be appropriate.

Right Angle strategy documents

This report has been prepared in conjunction with a broader scope of works undertaken by Right Angle. Right Angle has been engaged to undertake a Northern Tasmania Events and Festival Infrastructure Strategy as well as a Launceston Convention Facilities Demand Study. The GapMaps Launceston Convention Facilities Demand Study forms part of this broader study. Some of the sections that would typically be undertaken within a demand study (such as an existing convention / business events audit, community consultation etc) have been undertaken by Right Angle and the outputs are contained in its report. We have summarised some of the findings in our report where relevant.

Within this document, research into the key contextual themes of People, Place, Policy and Prosperity as they relate to business events have been explored across Sections 3 to 6. Further research around these themes will be available within the Northern Tasmania Events & Festivals Infrastructure Strategy document.

Executive summary

Report overview

This report presents an assessment of the demand and opportunity for potential convention facilities in Launceston and Northern Tasmania, as well as potential high-level economic impacts that could result under a range of convention facility scenarios. The report reviews previous studies of relevance, examines Tasmanian, Launceston and Northern Tasmania economic drivers, reviews relevant competitive markets across Australia, examines the enabling infrastructure within Launceston, reviews historical tourism and business event trends in Tasmania, Launceston and Northern Tasmania, and then assesses the market depth for business events in Launceston and Northern Tasmania, and potential associated economic impacts under a range of scenarios. The report is structured in the following sections.

Within this document, research into the key contextual themes of People, Place, Policy and Prosperity as they relate to business events have been explored across Sections 3 to 6. Further research around these themes will be available within the Northern Tasmania Events & Festivals Infrastructure Strategy.

Key findings and conclusions

Launceston has continued to lose market share in the business events market since pre-Covid due to limited hotel supply (vs. other markets), a lack of dedicated facilities of scale, a lack of enabling infrastructure (including direct flights at practical times), and issues related to event funding/incentives (a common feedback response for lost events bid for by Business Events Tasmania (BET) were that other locations offered incentives and more quickly). Whether purpose-built convention facilities are provided or not, we recommend that some action is taken to enable/encourage new hotel development in Launceston to unlock economic growth not just in the business events market but also in general tourism, event and sports related tourism. The hotel market is much smaller than many other regional Australia markets, is less than half the size of Hobart and is at capacity when major festivals, sporting events or sports carnivals are conducted.

Furthermore, while there are various issues with enabling infrastructure, a key issue citied by business event planners was better (or more timely) funding to attract events. We recommend a more proactive approach to funding incentives be investigated for business events in Tasmania generally.

We recommend that if purpose-built (multi-purpose) conference facilities were developed they should form part of a multi-purpose facility and should be more around the 500 – 550 person size. This would be more in-line with the majority of the business events market in Tasmania, and indeed, nationally.

A purpose-built convention facility with 1,000 pax capacity is, on the evidence in this report, too large for Launceston given the size of such facilities in other regional markets and given the existing offer in Hobart (multiple 1,000+ delegate venues) and planned large convention centre as part of the Macquarie Park stadium development.

We expect future growth will come mainly from the local Australian association and corporate events sector, with a sweet spot of events around 200 – 300 delegates. Ideally, attracting events between 300 – 500 delegates would be desirable, but these will require scaling up of enabling infrastructure including convention facilities that can host 500 - 550 delegates with flexible meeting spaces etc.

Some international events (500 pax or less) will find Launceston an appropriate destination and attracting those events will be about potentially aligning with Launceston and Northern Tasmania's key industries of comparative excellence and targeted specialisation / growth (such as green energy, maritime / Antarctic research, defence vehicles manufacture etc). We note however, that around 20 – 30% of business events globally and in Australia tend to be in the health / medical sector.

We have estimated that the number of business events in Launceston could double with a new purpose-built facility, mostly accretive to the state of Tasmania, and around 20 could be hosted at such a facility. An additional calendar of non-business events should be curated to support the business events core market that underpins existing and any potential future convention facilities.

Executive summary (cont.)

Business events: potential demand

Scenario 1: With limited intervention, the business events market in Launceston is estimated to grow marginally, returning to levels pre-Covid (around 20 events).

Scenario 2: With some improvements to enabling infrastructure (Refer Section 8 .1), supporting services and convention facilities improvements/capacity increases, we assume the business events market could increase by about 35% to around 27 events.

Scenario 3: With sufficient levels of enabling infrastructure and supporting services to host many ~300 – 500 delegate events and purpose-built convention facilities that could accommodate events up to 550 delegates, we estimate Launceston could capture about 40 business events per annum (a doubling versus the Do Nothing and about 33% uplift versus Scenario 2).

Potential impacts on rest of Tasmania

We expect that under Scenario 3, Launceston/Tasmania will be able to attract many more events that otherwise would not come to Tasmania. The state currently achieves a market share of 1% or less of the total business events market in Australia. With such a low base, and significant market size beyond Tasmania, most of the estimated incremental demand is expected to be accretive.

However, we expect some event redirection/relocation might occur, perhaps in the order of 10% or so, which would be around 3 events out of 40. This could include 2 - 3 events that might otherwise have gone to Hobart (mid sized) and 0 - 1 event that might have gone to other parts of Tasmania.

Share of events to purpose built convention facilities

With an uplift of around 9 events (36 total) vs. Scenario 2 and 16 events vs. Scenario 1, we do not expect all business events in Launceston will be accommodated within new purpose-built convention facilities. We assume most (around 80 – 90%) of the incremental events could be accommodated at the new facilities but that the overall market would also receive a small boost with some existing facilities also benefiting, because under this scenario we assume significant improvements in the enabling infrastructure.

Assuming in the order of 20 business events were able to be captured by the new purpose-built convention facilities, assuming an average event of 3.5 - 4 days (~70 – 80 days) then there would be reasonable capacity at the facilities to also host a range of other non-business events - including festivals, social events, community events, charity events, concerts, entertainment or sporting events.

Non-business events

Convention facilities typically host a range of other events during the course of a year. For example, Adelaide CC hosted around 666 events in 2023 of which around 200 were business events. Most of these events would generally be local and already be taking place at other venues. However, some bigger events like live music, comedy etc might come to Tasmania/ Northern Tasmania because of the new facilities.

If around 50 – 75 events were able to be sourced and held in a calendar of events at new purpose-built convention facilities, we would expect most of these were redirected from other venues (say 40% Hobart, 20% rest of Tasmania, 30% Launceston and Northern Tasmania and 10% accretive). This would equate to just a few events per year per venue redirected/impact in the local market.

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The report reviews previous studies of relevance, examines Tasmanian, Launceston and Northern Tasmania economic drivers, reviews relevant competitive markets across Australia, examines the enabling infrastructure within Launceston, reviews historical tourism and business event trends in Tasmania, Launceston and Northern Tasmania, and then assesses the market depth for business events in Launceston and Northern Tasmania, and potential associated economic impacts under a range of scenarios. The report is structured in the following sections.

Source: Visit Northern Tasmania

1. Introduction and key objectives

1.1 Key objectives of analysis

What are the key objectives of this research?

- Review literature to understand the baseline conditions in 2013, when the *Market Assessment for a purpose built Convention Centre for Launceston, Tasmania – September, 2013* was undertaken by GainingEdge.
- Examine changes in the Launceston market and competitive environment since this time.
- Assess the current enabling infrastructure in Launceston and how it has changed since 2013.
- Investigate whether the existing enabling infrastructure in Launceston could expand and by how much?
- Review the competitive environment across Tasmania and Australia – including capital cities and selected regional cities / regions.
- Understand the current conditions locally and in the future, across Tasmania and more broadly across Australia for business events as these will be the key driver of the calendar of events at potential purpose convention facilities.
- Assess the potential outcomes for business events in Launceston under a Do Nothing scenario, a scenario where there is some additional conference/meeting space is provided as part of new hotel developments and some upgrades are made to existing facilities and a scenario where purpose built convention facilities are built.
- To understand a potential calendar of events, where they could be drawn from, how many delegates and what sort of economic impact (high level) they could have. A key objective of any potential strategy to attract business events (with convention facilities) in Launceston would be to grow and support the economy.

Study Area

The Study Area includes the three local government areas (LGAs) of City of Launceston, West Tamar and Meander Valley.

1.2 Why is now the right time to reinvestigate the opportunity?

Since the 2013 Market Assessment report by GainingEdge was completed, there have been a number of significant changes that support a reinvestigation of the opportunity for purpose-built convention facilities or improved/expanded facilities in Launceston.

- The global economy and Australian economy has grown/evolved considerably over the past decade, with **strong/steady growth in business events**. Covid put a dampener on business travel in general, with the business events market still absorbing some of the backlog of Covid bookings that were postponed. However, in Australia/Oceania the market recovered much more rapidly than elsewhere. We note that the Launceston market has not recovered to pre-Covid levels unlike other Tasmania markets – like Hobart, Devonport – which have seen increases compared with pre-Covid levels.
- **Tasmania has experienced 18% growth in airport passenger numbers since 2013** (both Launceston and Hobart combined) compared with **All Australian Airport growth of 12-13%.** In late 2022, Hobart introduced international flights to its airport from NZ (although these are now seasonal). Hobart Airport is also planned to undergo a major runway upgrade enabling direct flights from Asia. The **Tasmanian Government is investing more than $5m into its Aviation Development Fund**, of which Launceston Airport will be a partial beneficiary.
- **Bradfield Airport is now well under construction in Western Sydney** – opening up a significant amount of additional slots/routes both domestic and international, potentially enabling more direct flights to Launceston.
- In 2013, there were 750 hotel rooms (4 – 4.5 star hotels) in the Launceston CBD and 1,100 hotel rooms across the city. Since this time there have been **two new major hotels added to stock, totalling more than 200 rooms (adding >25% to room supply in the CBD).**
- There are **5 approved/proposed hotel developments ranging from 140 – 190 rooms, with more than 800 rooms in the supply pipeline** in Launceston. However, projects are not moving to development stage as a result of significantly increased construction costs post-Covid impacting viability, noting that a few of the hotel development applications in Launceston are fully approved. Solutions to potentially help more stock to be delivered could include government incentives (an example of an incentive that Brisbane City Council deployed in 2013-14 when there was an identified shortage of hotel stock in the CBD was holidays on infrastructure charges for a set period of time). Practical solutions to enabling approved development applications come to fruition should be explored.
- The **Launceston and Northern Tasmania region has seen a steady decline in the number of business events per year, while Hobart has seen significant growth in the number of business events per year,** over the past decade or so, but in particular the past few years post-Covid.
- We understand this is a combination of the lack of large conference/event spaces in Launceston and dated facilities, larger facilities being available in Hobart, significant increases in Hobart hotel stock (50%+ increase over the past 10 years), growing status of MONA as an attractor, and more direct flights to Hobart. The planned **Macquarie Point Stadium** will include a new convention facility that can host much larger events than are presently possible in Hobart. This development is still awaiting full funding approval but we have assumed that this development proceeds.
- **Albert Hall has undergone a $20 million refurbishment** over the period 2023-25 (expected March 2025 completion), which will improve convention capacity in Launceston CBD, to some extent. This venue will be a key venue for hosting local community events and serving as a back up for the Princess Theatre while it redeveloped over the short-medium term.

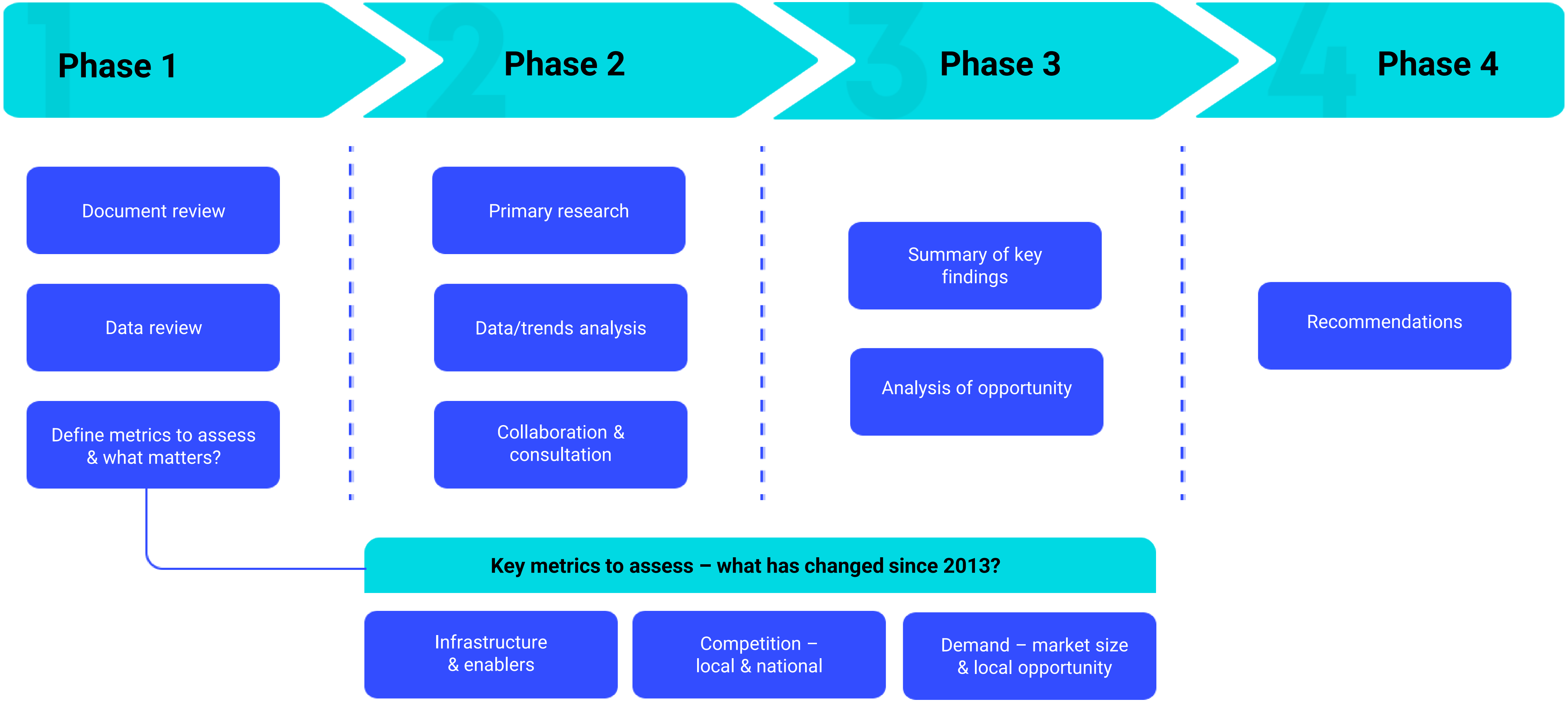
1.2 Why is now the right time to reinvestigate the opportunity?

- There have been **major changes in the competitive environment across regional markets in Australia** meaning that Launceston, which does not have a dedicated/purpose-built convention centre, has seen its competitiveness decline since 2013. For example, the Sunshine Coast Convention Centre (with capacity for >1,000 delegates) underwent an expansion in 2018/19, the Cairns Convention Centre underwent a major 10,500 sq.m expansion in 2021, Albury is planning an expansion of its Convention and Events Centre, and Geelong will have a new $450m purpose-built convention centre by 2027/28, as part of a bigger precinct that will include new hotels and retail.
- Furthermore, many of the **capital city markets also underwent major growth over the past decade.** Since 2013, the International Convention and Exhibition Centre (ICC) opened in Sydney, Melbourne Convention and Exhibition Centre (CEC) underwent a major expansion as did the Adelaide Convention Centre (CC). More than 200 new hotels alone have been built in Australia (mainly the capitals) since 2020.
- Since 2013, the **University of Tasmania (UTAS) has now relocated its Newnham campus to Inveresk (much closer to the CBD), although the Australian Maritime College (a world renowned institute) will remain at Newnham.** Significant investment in the new campus is planned to be accompanied by significant growth in student numbers, facilities and prestige. The **Tasmania Institute of Agriculture is moving to the Newnham campus**. We expect more research and innovation type business event opportunities associated with these changes. Some business events are expected to be hosted on these campuses.
- Furthermore, the UTAS stadium is currently undergoing a major redevelopment with an aim to attract national sporting and entertainment events to Launceston. The new **Tasmania Devils AFL team** will join the AFL competition in 2028 and will play games at this stadium, as well as a potential future Macquarie Park Stadium in Hobart.
- **Launceston was granted UNESCO City of Gastronomy status in 2021** (one of only two cities in Australia), around Derby the Blue Derby **Mountain Bike Trails** opened around 2015 (noting other trails now have prominence too e.g. George Town MTB trails), major wineries have improved their offers (e.g. Josef Chromy), and there have been investments in initiatives like the Legana fermentation hub.
- Tasmania has made significant progress in relation to **green energy/renewables** over the past 5 – 10 years, with significant plans for growing this sector of the economy. In 2020, the Tasmanian Government set a target to produce twice as much green power in 2040 as it did around 2022. In May 2024, the Government announced a Proposed North West Renewable Energy Zone between Burnie and Devonport, which has gone through its consultation phase and is intended to be legislated in 2025. There are a range of other proposed green energy projects across Northern Tasmania.
- Another growing industry is defence. In January 2025, the **Tasmanian Government announced its Tasmanian Defence Industry Strategy 2029**. The strategy will target the development and promotion of capability, securing defence market opportunities and enhancing defence related R&D and innovation. A focus will be on areas of competitive advantage such as maritime, specialist vehicles manufacture, space domain awareness and space life sciences. The Department of Defence recently completed a purchase of land at Newnham to support an $18m Defence cadet facility.

2. Methodology & document review

2.1 Study methodology

GapMaps market demand study methodology



2.2 Literature and data review

Documents / reports

Dated but still relevant report that outlines the practical issues and key metrics that matter in understanding the potential for a purpose-built convention centre in Launceston. This report has been a key pillar on which our updated research is based.

PWC report prepared in 2023 that included a summary of the business events market in Tasmania (118 events – 35,440 attendees) with total spend of $112m, gross value added of $99m and the equivalent of 1,000 jobs.

EY report that summarised the value of business events in Australia. Publicly available document. Articulates the number and types of events across Australia, number of attendees, contributions/spending per attendee and total direct and indirect impacts.

Data / statistics

Key take outs: Covid seriously impacted business events industry. Oceania had returned to above pre-Covid levels by 2023.

AACB forward calendar of events from 2021. These reports go into the specific detail of events that have been hosted across Australian venues, event sizes, host cities etc – for the forward years from 2021. Noting this was a peak Covid year and the market decreased in size substantially.

BUSINESS EVENTS TASMANIA

BET provided very detailed data on the business events sector in Tasmania over a 10 year period. We have relied on this to understand the trends since 2013, the share that Hobart and Launceston have captured and the reasons for events not choosing Launceston or Tasmania are summarised.

2.2.1 Market Assessment – GainingEdge, September 2013

The Market Assessment by GainingEdge in 2013 is considered to be a very instructive and relevant document, even though it is now more than 10 years old. Gaining Edge is a specialist consultancy advising the world's Business Events and Tourism Industry, working with associations, director marketing organisations, convention and exhibition centres and other associated stakeholders.

The report established some key principles and metrics that need to be considered when analysing the opportunity for a purpose-built convention centre. We consider the assessment methodology to be robust and applicable in 2025. We have leveraged the work in this assessment and focussed on key changes since 2013 to the various variables/metrics assessed. In particular, there is a great framework outlining the various considerations for new purpose-built convention facilities, which we have applied under 2025 conditions.

Our assessment also includes some more detailed diving into the local economic drivers in Tasmania, a detailed deep dive into the events that were won and lost in Tasmania, and an analysis of a potential calendar of events/opportunities for Launceston.

In summary, the 2013 Market Assessment in identified that the market opportunity for a purpose-built convention centre was low and constrained by a number of limiting factors including much of the required enabling infrastructure. **GainingEdge highlighted that most convention centres are not profitable in pure financial terms and but can be profitable in economic terms.** This is because the benefits are realised more broadly across the economy – both publicly and privately – and not just to the convention centre itself.

Project scope

- **Review of existing infrastructure:** product, infrastructure, access, venues & hotels, attractions & services, SWOT.
- **Market demand analysis:** current position in national/international market, competitor analysis, destinational appeal and demand appeal
- **Case for further investment?:** optimum size for new centre, expansion of existing facilities and should a more detailed feasibility study be undertaken?

Summary of table of contents

GainingEdge reviewed the following:

- Business Events Market – Globally and across Australia
- Competitor Destinations (including Regional Destinations)
- Internal Assessment (of Launceston and Tamar Valley offer)
- Demand Assessment
- Options Assessment for new of expanded facilities in Launceston
- Considerations for new purpose built
- Product enhancement recommendations

2.2.1 Market Assessment – GainingEdge, Sept. 2013 (cont.)

Executive summary – selected key findings

- Quality of meeting facilities, destination appeal, quality accommodation, air access, costs, local membership, and financial subsidies are the main influencers of decisions for business events organisers.
- Launceston has limited and inflexible venue capacity and related infrastructure.
- Up to 2012, Launceston captured an estimated 1% of interstate business events.
- A key finding was that convention facilities smaller than 1,000 delegates were rarely viable in Australia, even when considering the broader economic benefits. Typically larger venues with more than 1,000 delegate capacity were viable.
- In the five years to 2013, Tasmania hosted 10 events >1,000 delegates and around 20 events over 300 delegates – this was despite Hobart not having a purpose-built convention centre – rather integrated hotel and convention centre facilities – that can host large delegations.
- A previous study in 2000 for Launceston identified a lack of capacity, a lack of servicing capability and lack of enabling infrastructure to host big events. It recommended an expansion of existing hotel conference facilities rather than a purpose-built facility.
- The Market Assessment concluded that while there is limited meeting and accommodation facilities for 300 plus delegate meetings, there wasn't a compelling case for a stand-alone purpose-built convention centre.
- GainingEdge suggested even if a purpose-built facility of 500 – 700 delegate capacity were able to be developed, likely potential demand would be inadequate to support its commercial or economic viability.
- The enabling infrastructure would need to be greatly improved.
- A recommendation was made that with three facilities that can host events of 300 – 500 delegates and one expanding to 550 delegates, Launceston should improve business events brand profile, enhancing its existing product with incentives to improve convention related infrastructure.
- A recommendation to improve the Albert Hall was made.

Other interesting findings / considerations

Market profiling: The types of events that convention centres can host including National Conventions, National and State Government Conferences, Meetings, Public Exhibitions, Functions/Events (e.g. galas, concerts, charity events).

Tipping Point to examine a formal feasibility study:

- 25 events x 300 delegates (at 3 days avg.) would provide 20% date coverage (75 days)
- National planners are expressing strong interest for events 500 – 1000 delegates
- Identify around 6 local shows per year (equating to around 24 days)
- Identify events that could take around 80 days per year (cumulative total of 180 days p.a.)

2.2.2 PWC and Ernst and Young – Economic impact reports

PWC – The Economic Impact of Business Events in Tasmania: 2023

PWC prepared a report for BET that examined the economic contribution of business events to the Tasmania economy 2022/23 across: association / scientific meetings; corporate meetings and incentives trips.

The key findings of this report were as follows:

- Based on BET data (which represents about 50% of the market), there were 118 events in 2022/23, with an average event size of 300 persons. There were 71 association meetings, 35 corporate meetings and 12 incentive meetings.
- Most delegates (81%) came from interstate, 8% from intrastate and 11% from overseas.
- **Average spend per delegate was around $3,900 for association events, $4,900 for corporate meetings and $5,900 for incentive trips, with an average stay of around 4 – 5 nights per trip (for visitors beyond Tasmania).**
- Overall economic impacts were:
  - **$53 million from event organisers plus $57 million from delegates = $110m in expenditure**
  - **$99 million in gross value add and 1,000 direct and indirect jobs**

Ernst and Young – Value of Business Events

Ernst and Young (EY) prepared a report for Business Events Council of Australia (BEC) in 2020 that examined the value of business events across Australia in FY2018/19. This report was a high-level update of a more detailed study conducted in 2015, where it generally tried to estimate the growth in the market since FY2014 – rather than build the whole analysis up from first principles again. EY also produced a similar report for the NSW market.

The key findings of this report were as follows:

- In 2018/19 estimated there were around 484,000 business events across Australia with around 43.7 million attendees. This equates to 90 attendees per event.
- **Around 95% of events were corporate meetings, however exhibitions (which comprised just 0.5% of events, contributed around 25% of attendees.**
- **Around 79% of the business event attendees are local, around 17% are from interstate and 4% are from international locations.**
- Overall economic impacts were:
  - **Direct economic contribution was estimated at $35.7 billion (which equates to $70,000 - $75,000 per event). The**
  - **Direct employment was estimated at around 229,000.**
  - **Direct value add was estimated at around $17.2 billion.**

2.3 Infrastructure, enablers - Key metrics that matter

Key metrics assessed - How have these changed since 2013?

- **Accessibility:** flight capacity, from major capital cities – is it sufficient? Flight times – are they convenient? Has this changed much since 2013 and can it be influenced/changed?
- **Hotel room capacity:** does Launceston have enough hotel room capacity and planned capacity to host major events (and specifically large hotels to accommodate mass numbers of guests)? Does it need to dramatically increase to attract large events?
- **Hotel market metrics:** are visitation levels and occupancy rates in city solid enough to encourage new investment? Are room prices competitive with other competing destinations?
- **Logistics & local services:** are there sufficient local transport options and business events service providers and how has this changed since 2013?
- **Destination appeal:** what are the key tourism and hospitality attractors in Launceston and Northern Tasmania and how has this changed since 2013?
- **Costs (travel inc. moving equipment, hotels, venue hire):** is Launceston still an affordable venue relative to other locations and how has this changed since 2013?

Other factors to consider

- **Industry Organisations: (Business Events Tasmania and Visit Northern Tasmania) -** how have these organisations capabilities evolved since 2013?
- **Subsidies / funding:** what is the latest funding model for attracting major events? Is it case by case, with mini-economic impact assessments or is there a pool of funding established each year to attract events?

2.4 Supply/competition – local and national?

Local market

Competitive environment - Existing venue infrastructure

How compelling and competitive are the local facilities?

How has the local offer changed since 2013?

What are the planned future developments?

Other regional markets

Competitive environment – Regional markets

What do other regional markets conference/events facilities look like?

Have their offers changed much since 2013?

What are the planned future developments?

Capital city markets

Competitive environment – Capital City Markets

What do the capital city offers look like?

Have their offers changed much since 2013?

What are the planned future developments?

2.5 Demand - What sort of events could be attracted?

Business events – large (corporate, association events exhibitions, trade shows) (over 800 delegates)	What is the size of the market/trends in Australia, other regional markets, Tasmania, Launceston and Northern Tasmania? What market share and number/type of business events would Launceston need to achieve to support a new purpose-built facility? Where will it source demand (international, Australia, rest of Tasmania and newly created events)? What impact would a purpose-built facility have on demand?
Business events – medium & small (under 800 delegates)	How many events like these is Launceston currently attracting, where from and what type of events? Could it attract more and how? What impact would a purpose-built facility have on demand?
Other events - sports awards, community events, charity galas, social events	What is the size and composition of this market? How many large, medium, small events could be accommodated/attracted to a purpose- built facility, to help top up the annual calendar of events? Where would these events come from (within Launceston, rest of Tasmania or national)?

3. Enabling infrastructure

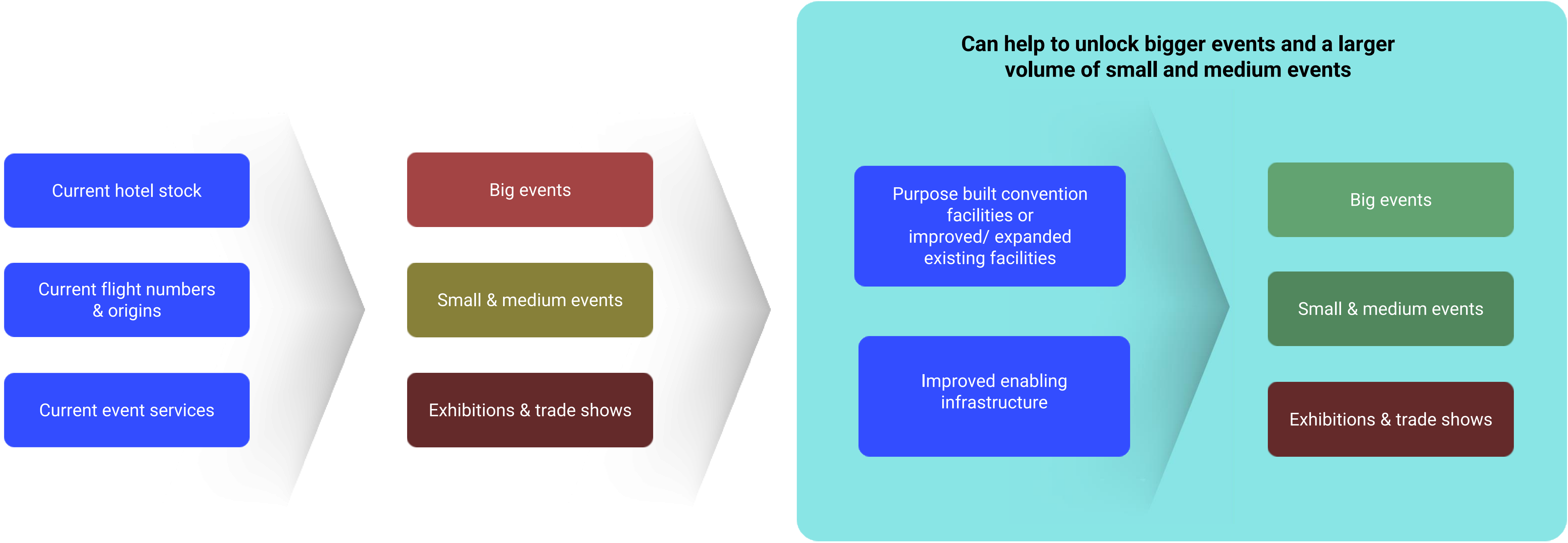
3. Enabling infrastructure overview

This section of the report provides an overview of the hotel room supply in Launceston as well as an overview of passenger flights and passenger numbers into Launceston and compares this against other regional markets across Australia, including Hobart, to provide some context as to whether these particular components of enabling infrastructure are appropriate.

We have focussed on hotel room supply, size of the largest hotels and passenger flight numbers as these are threshold enablers that need to be of a sufficient scale to support and attract major business events. Other enabling infrastructure, such as quality of local services, local transport/logistics, destinational appeal, etc are considered to be addressable if these other enablers are sufficient and there are convention facilities that are of sufficient size, quality and flexibility.

The following page also outlines how enabling infrastructure and the lack of large convention facilities at present in Launceston limits the potential types of business events that can be hosted. Large events are not possible, while exhibitions and trade shows are generally not possible, while only smaller events (below 500 delegates) are generally able to be attracted to Launceston. With the provision of appropriate facilities and improvements in key enabling infrastructure like hotel stock, it will be possible to open up many more small and medium sized business events as well as some large events.

3.0 What can enabling infrastructure do?



3.1 Airport flight and passenger trends and capacity

2013	2025	~2030	Key changes
• 31,476 flights to Tasmania • 3.35m passengers	• 36,400 flights to Tasmania • 3.98m passengers • Launceston (15,700 flights with 1.3m passengers)	• No forecasts available, growth has been around 1.8% p.a. • Potential to attract more direct flights from Sydney (Bradfield Airport) • Launceston Airport has capacity to absorb more flights	• Growth of 15 -20% in flights and passengers to Tasmania (Launceston 5 – 9%), Hobart 25 – 26%) • Hobart has international flights • Bradfield/Western Sydney Airport u/c

Key comments

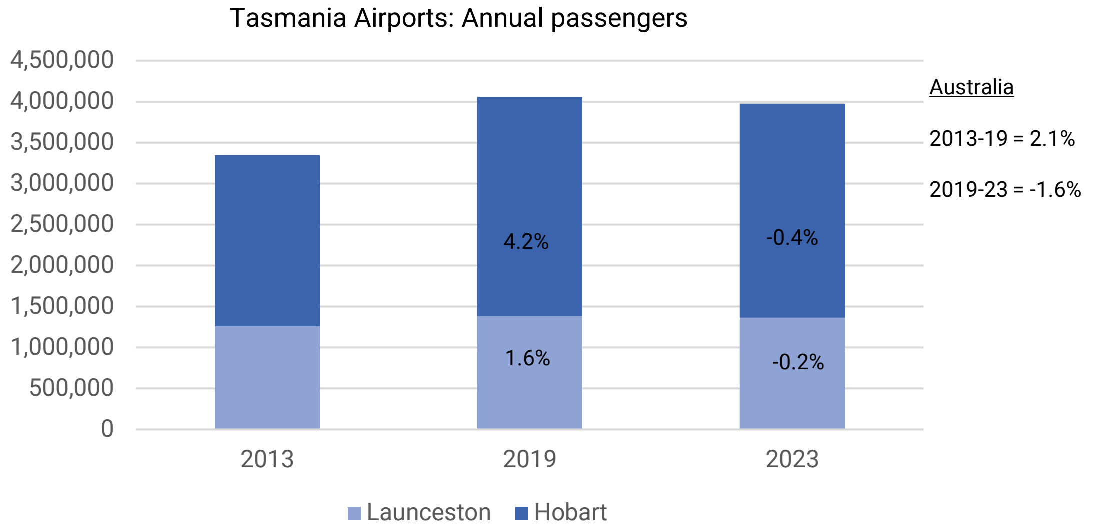
- Hobart Airport has experienced 24% growth in passenger numbers since 2013 (both Launceston and Hobart combined around 18%), compared with All Australian Airport growth of 12-13%. In late 2022 Hobart introduced international flights to its airport from NZ (although these are now seasonal). January 2025 was the business on record for Launceston Airport.
- Volume of passenger movements through Launceston (1.3m) is above Newcastle, Mackay. Combined Tasmania passenger (4.0m) numbers are well above Townsville, Darwin, Sunshine Coast. There are more flights per week to Launceston than Sunshine Coast, Newcastle and other small markets but 30 – 60% of the volume of flights to Cairns, Gold Coast, Townsville.
- Around 81 flights per week from Melbourne, 28 from Sydney, 17 from Brisbane and 7 from Hobart. However, many flights from interstate capitals arrive or leave at inconvenient times (.e.g. early afternoon not late night or arrive mid-morning not early morning).

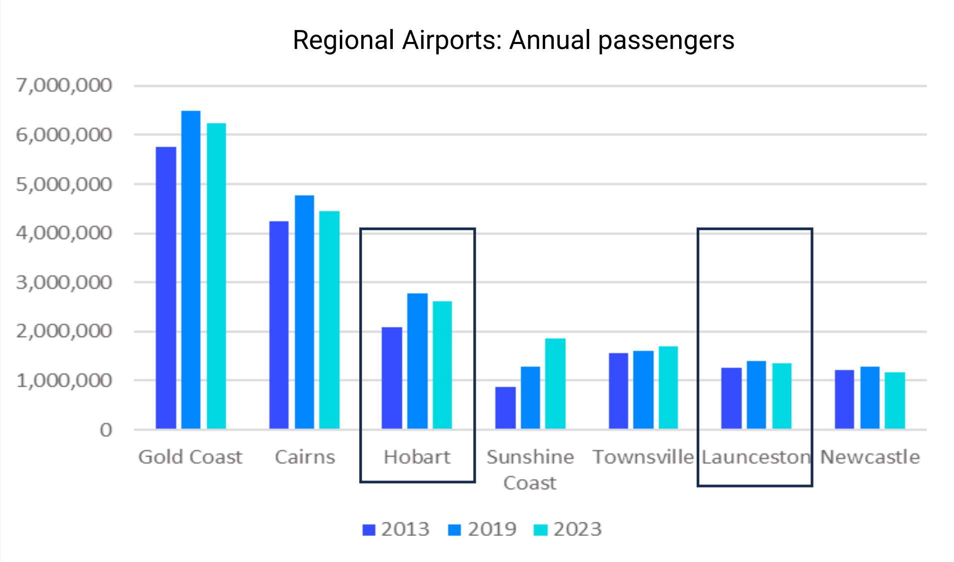
Can it be influenced / improved?

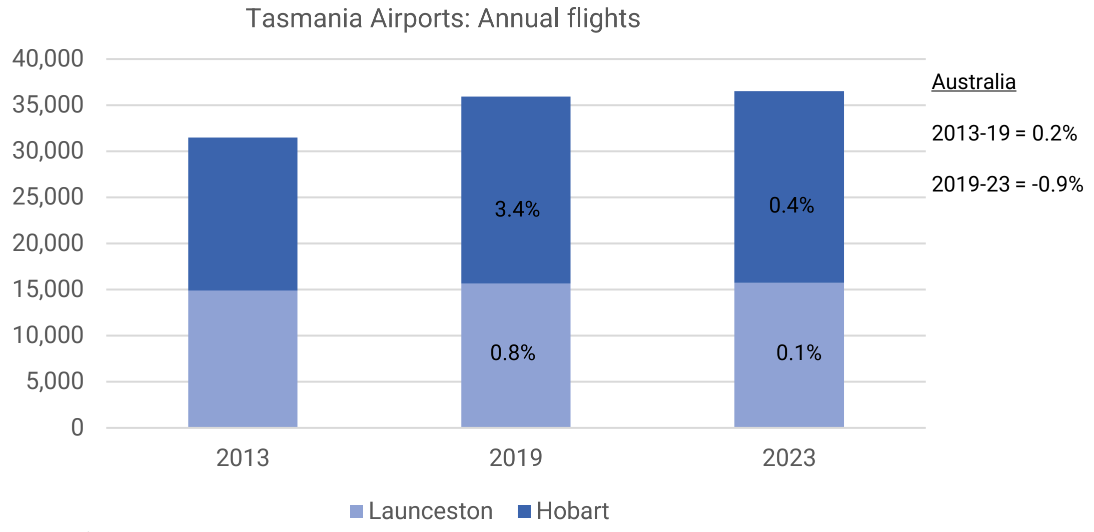
Yes. Launceston Airport could look to secure more direct flights, particularly from Sydney and Brisbane. The Western Sydney (Bradfield) Airport will open up significant new capacity for slots into Sydney. Launceston Airport has significant capacity to absorb more flights, so the focus should be on negotiations with airlines for more flights and initiatives / infrastructure to drive visitation.

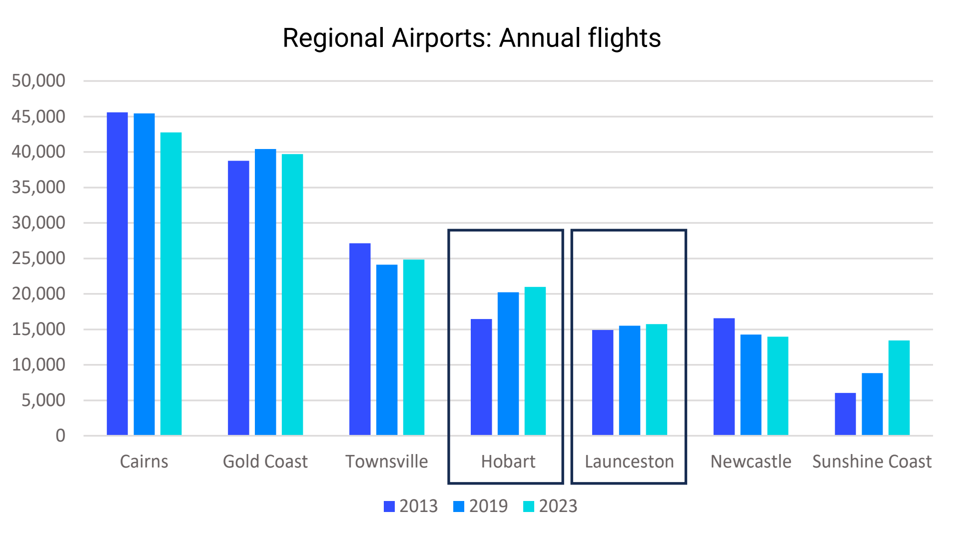
Launceston Airport is investing $100m in upgrades to its Airport. In 2024 Qantas signed a new 5 year agreement with the airport committing to flying larger, newer and more frequent planes into Launceston.

3.2 Airport flights & passenger trends









Source: BITRE

Source: BITRE

3.3 Hotel capacity Launceston: changes since 2013

2013	2025	~2030	Key changes
• 700 – 750 hotel rooms in CBD • 1,100 hotel rooms across **Launceston**	• 2 x new hotels including the Peppers Silo (106 rooms) and Hotel Verge (86 rooms), has increased supply by 25% • 5 x proposals for hotels	• 5 x planned hotel developments >130 rooms within the CBD • Some of these proposals include meeting / conference facilities with capacity for 500 delegates	• 2 x new hotels built since 2013 adding 192 rooms • 2 x approved hotels totalling 279 rooms and 3 x planned hotels totalling 548 rooms • **Total new stock potential >800 rooms in pipeline**

Key comments

- The 106 room Peppers Silo was built in 2018 and has conference and meeting spaces – catering to events of small-medium scale (up to 120 persons). 86 room Hotel Verge was built in 2020. This facility does not provide much conference/meeting space. There are 3 hotels of >100 rooms in the Launceston CBD, with more than 900 rooms in the CBD (from 700 – 750 rooms in 2013).
- Proposals (279 approved rooms and 827 rooms in pipeline (548 rooms not approved but planned).
    - Approved: 4-6 Boland Street – 134 rooms and restaurant and gym (approved in 2021) but potentially not proceeding; The Gorge Hotel near Launceston College - 145 rooms (with 500 seat capacity for delegates); City Park (Fragrance Group) – 179 rooms (and 590 seat conference/function rooms).
    - Planned: 41 – 55 Paterson Street – 190 rooms and 400 sq.m of F&B; and the Tasmania TAFE site – 179 rooms..
- Consultation feedback noted that while the Boland Street hotel was approved in 2021, there has been no progress on this development and we understand it may not be proceeding, due to construction cost escalation during and post-Covid.

Can it be influenced / improved?

Private sector would be adding capacity. Influence could be in the form of planning incentives (i.e. room/height bonuses or infrastructure charge holidays). Large, 4 star+ hotels are important, with 200+ room hotels desirable.

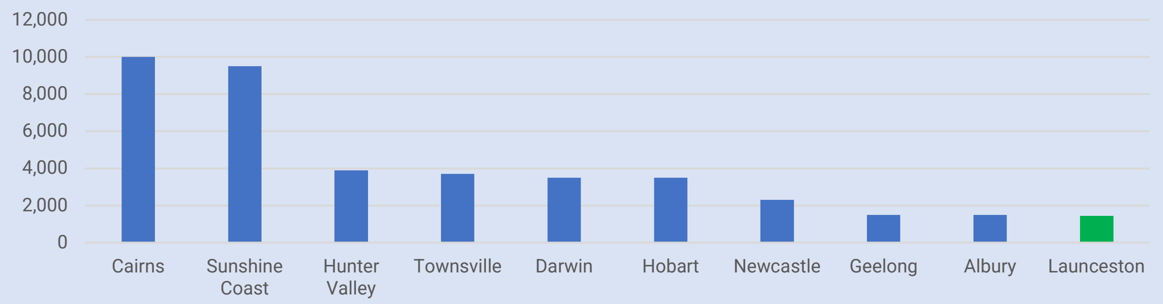
Occupancy metrics for Launceston have improved from 50 – 60% in 2014/15 to 70 – 75% in FY24, which is a healthy level – even with the addition of ~25% new stock since 2013.

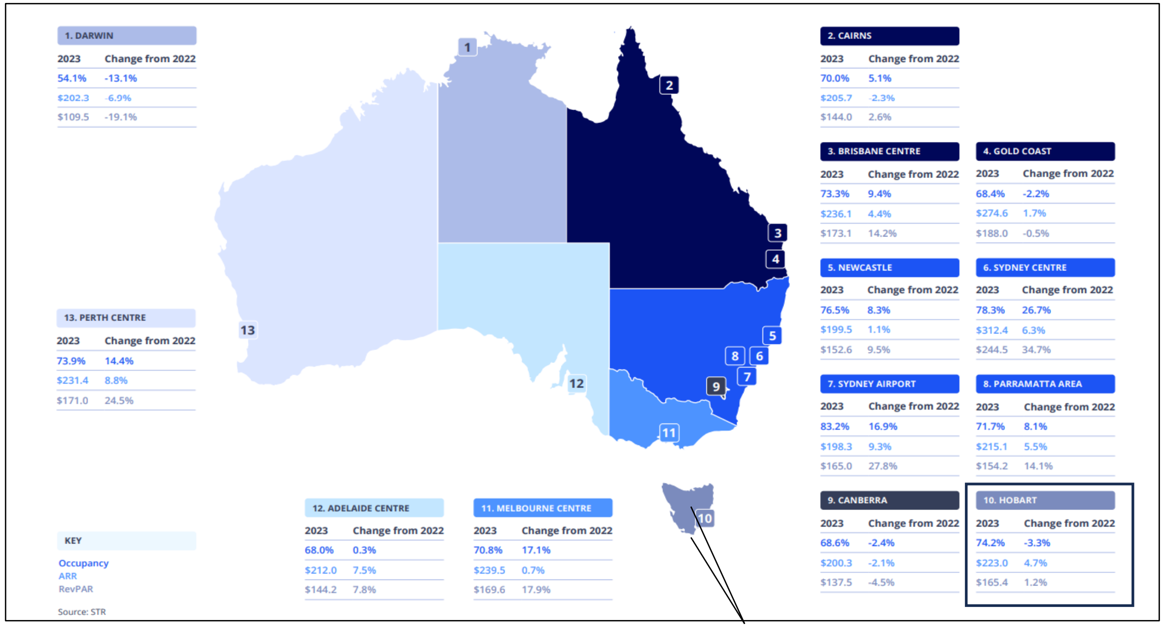
3.4 Hotel room comparison: vs. other regional markets

Regional market comparison: Launceston v Hobart

- Launceston
  - Region includes: Launceston, West Tamar and Meander Valley
  - ~1,400 – 1,500 hotel rooms (up by ~200 rooms since 2013) with 900+ rooms in CBD
  - More than 800 planned hotel rooms at various stages of planning. However, construction cost rises due to Covid have impacted project viabilities (with delays expected in approved hotels)
  - Launceston could support >2,000 rooms by 2030 (if all planned developments proceed)
- Hobart
  - >3,500 hotel rooms, an increase of more than 50% since 2013 (there were 2,100 hotel rooms)
  - Several planned hotels in the pipeline but not as many as planned for Launceston CBD

Regional market comparison: other markets





Source: Colliers International, 2024

Launceston & North occupancy = 75% (80-85% pre-Covid)
Hobart & South occupancy = 72% (90% pre-Covid)

- In 2023, Hobart had one of the best occupancy rates in Australia (2nd behind Sydney) of major markets at around 73%. Launceston's occupancy rate was around 75% (i.e. slightly higher), which while down from the 80 – 85% levels pre-Covid is a relatively healthy occupancy rate.
- Launceston hotel market size is still much smaller than Hobart and many other regional cities (with 1,400 – 1,500 rooms). Only Geelong and Newcastle are comparable. Much of the 4-star stock is dated, with only 2 new 4 star hotels built in the past decade.
- Hotel stock levels (and support accommodation like private rentals via Air BnB etc) are insufficient for major events and festivals (like AFL games and Festivale). Hotels are at maximum occupancy during these periods.

Largest hotels in Launceston region	Rooms
Hotel Grand Chancellor Launceston (CBD/inner city)	165
Best Western Plus Launceston (CBD/inner city)	116
Peppers Silo (CBD/inner city)	106
Country Club Tasmania	104
Mantra Charles (CBD/inner city)	99
Aspect Tamar Valley Resort	97
Leisure Inn Penny Royal Hotel & Apartments (CBD/inner city)	93
Hotel Verge (CBD/inner city)	86
Total > 50 rooms	>1,000 rooms

4. Market comparison (capital cities & regional markets)

4. Market comparison section overview

This section of the report provides an overview of selected regional markets across Australia and compares some of the key metrics like hotel room stock, the largest hotels in the market, the size/capacity of convention facilities, and discusses some of the local market characteristics. The section starts with a high level review of some of the major changes in the major capital city markets since 2013. While the capital city markets attract many major business events including exhibitions, trade shows, conventions as well as major social, community, music, entertainment events that would be too big or not appropriate for Tasmania, they also attract many business events of less than 500 delegates.

The regional markets that have been considered include:

Northern / coastal regional destinations
- Darwin (Ayers Rock/Uluru also offers convention facilities)
- Cairns
- Townsville
- Sunshine Coast

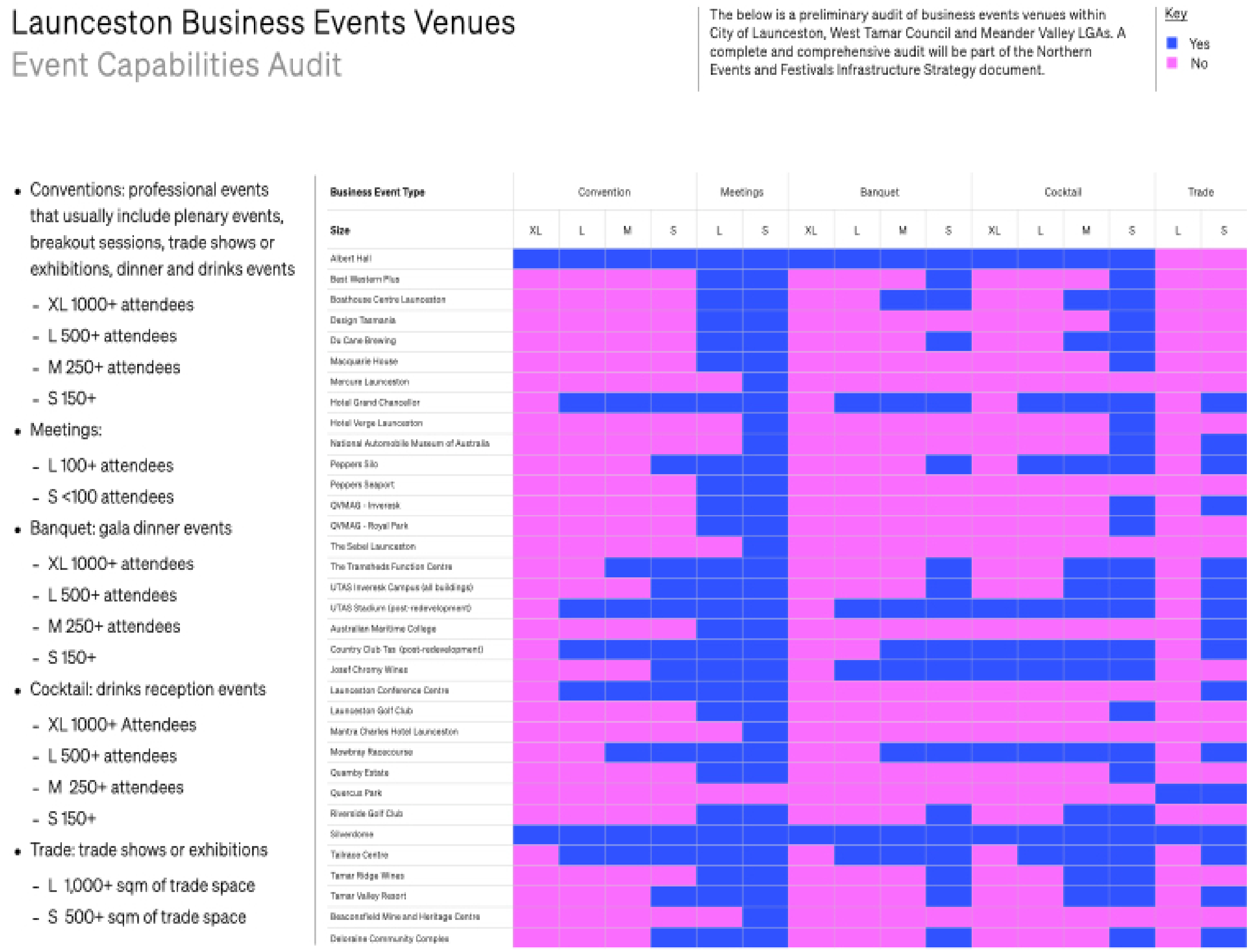
Wine regions/satellite cities/regional towns
- Hunter Valley
- Newcastle
- Barossa Valley

Tasmania's two largest cities
- Hobart
- Launceston
- Devonport

4.1 Convention / business events facilities - Launceston

Right Angle has undertaken an audit of convention / business events facilities in its report as well as some stakeholder interviews with operators of these facilities. We have summarised the key findings below:

- Albert Hall (post refurbishment) could potentially host events up to 1,100 pax. However in the medium term the venue will not be able to host many business events as it will also act as a temporary venue for the Princess Theatre while it is redeveloped – with a focus on community events first, not so much on selling business events. It will be managed by Theatre North until the Princess Theatre redevelopment is complete in 2028.
- Silverdome is a multi-purpose venue that can physically host big events, but typically sport related events, concerts and exhibitions. It is not a purpose built convention facility.
- Launceston Conference Centre (Door of Hope Church) has capacity to host events up to 800 pax, but this venue has some limitations. It does not serve alcohol, is located beyond the Launceston CBD and may struggle to attract particular business events as a religious facility.
- Hotel Grand Chancellor has capacity for around 500 pax, but for events around that scale, services can be sub-optimal. Facility is somewhat dated and in need of a refurbishment to bring it up to a standard that is compelling for event organisers. We understand that this venue is considering an upgrade pending the recommendations of this study.
- UTas and UTAS stadium have capacity for events in the 300 – 500 pax range.
- The feedback from consultations is that when events closer to 500 pax are held there are often service failures due to availability of equipment (A/V, etc) and services (catering, experiences event staff, etc). Spatial constraints also mean there is limited flexibility for break-out/meeting spaces and significant challenges in turning over large spaces for different uses across the day/night.



Source: Preliminary business events venue audit, Right Angle, March 2025

4.1 Major capital cities – convention facilities developments

Capital city markets

The competitive offer within most of the major capital cities has improved greatly since 2013, while Australia's standing in the international events market has also increased in this time as a result. The major city convention centres are able to support major events. Sydney saw the completion and opening of the new ICC in 2016, while Melbourne's CEC and Adelaide's CC underwent major expansions within the past decade.

New & redeveloped convention facilities	Sydney (ICC) - $1.5b expansion in 2016. Melbourne (CEC) - $200m expansion with 20,000 sq.m new space in 2018. Adelaide (CC) - $400m expansion completed in 2017. Now hosts many 1,000 delegate events (medical and health common). In 2024, **hosted 666 events inc. 200 business events**
Convention capacity	Major capital cities have capacity to host major trade shows and exhibitions. This segment is very had for Tasmania (capacity and local market size). Track record of hosting events in the 1,000 – 5,000 range over multiple days. Significant hotel capacity to host major business events plus other events concurrently. Large plenary spaces + other meeting rooms + exhibitor areas
Hotel rooms	Most major capital cities (and GC) have well in excess of 10,000 hotel rooms. Most have excellent provision in CBD / near the main convention centre Significant amounts of new hotel stock has been provided since 2013. Some 200 new hotels (mainly in capital cities) have been built since 2020.

4.1 Regional market competition: convention / event centres

2013

- Key regional market competitor locations were Cairns, Darwin, Hunter Valley, Newcastle Townsville, Albury, Hobart.
- Note: Gold Coast considered a major market

2025

- Sunshine Coast Convention Centre underwent redevelopment in 2019 and can host >2,700 guests (with 2 x large auditoriums of ~1,000 – 1,500)
- Cairns Convention Centre underwent a 10,000 sq.m refurbishment 2021

~2030

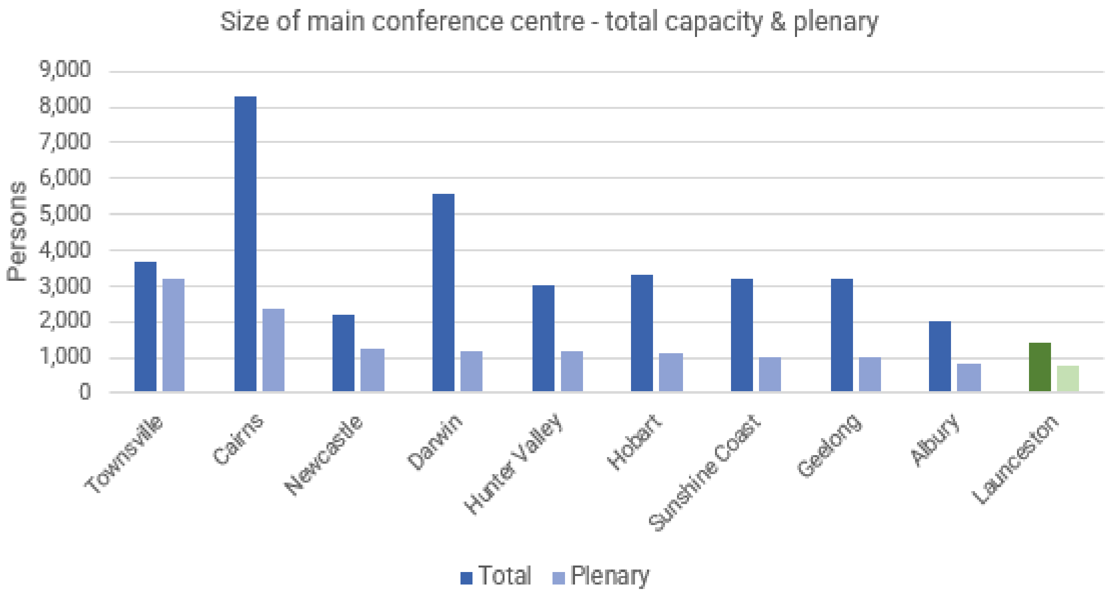
- New $449m Convention Centre at Geelong currently under construction, forming part of a larger precinct with new hotel infrastructure. Due to open 2026.
- Albury Entertainment Centre is planned to expand in 2026+.

Key changes

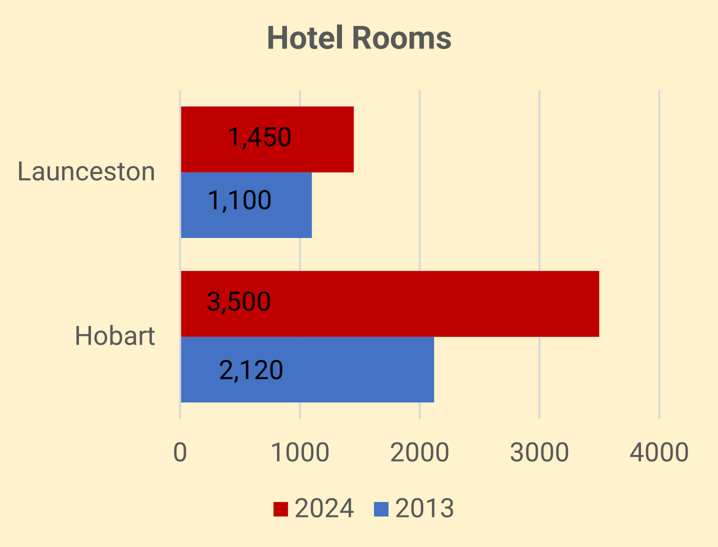
- Redevelopment of Sunshine Coast Convention Centre
- Major expansion of Cairns Convention Centre.
- New Geelong Convention and Event Centre under construction.
- Planned expansion of Albury EC.

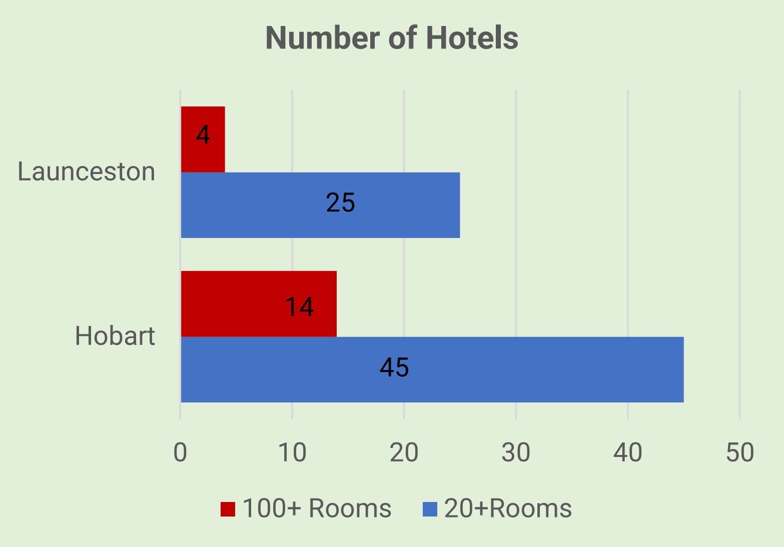
Key comments

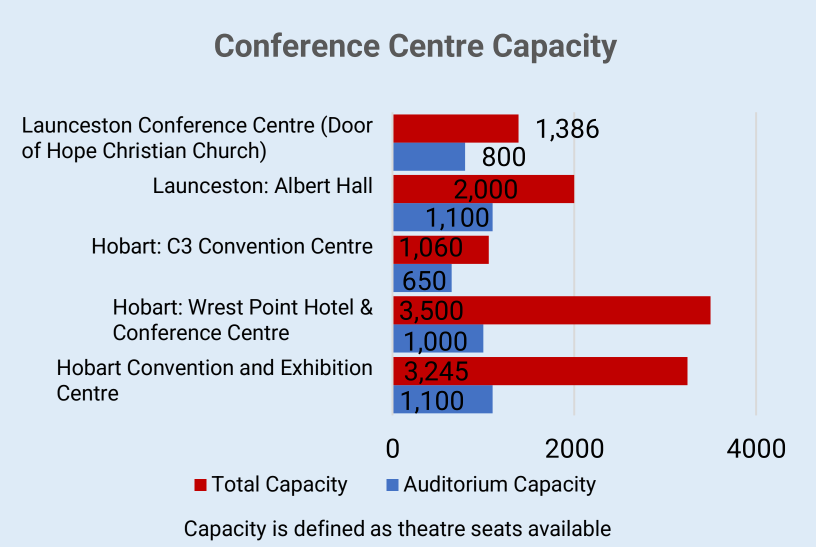
- **Sunshine Coast Conference Centre** opened in 2008 and was redeveloped in 2019, which has a >2,700 person capacity (two separate rooms of 1,000 – 1,500 delegates can combine to host events of this scale) and is integrated with the Novotel Sunshine Coast Resort Hotel.
- **Cairns Convention Centre** underwent a 10,500 sq.m expansion in 2021, which saw additional ballroom, meeting spaces added and an expanded exhibition area. The centre can accommodate major theatre / stadium style events of up to 5,000 persons.
- New **Geelong Convention and Event Centre (Nyaal Banyul)** under construction at present and due to open in 2026. $449m development as part of a new precinct that will include a 200 room Crown Plaza hotel and other retail. This new facility will provide another competitor in the regional market in a location very close to Melbourne. The centre plans to host conferences and exhibitions; concerts and entertainment events; meetings; galas and cocktail nights and other events. The centre can host events in excess of 1,000 delegates and there are multiple levels with smaller rooms.
- **Albury Entertainment Centre** is planned to expand its convention wing to potentially accommodate delegates of up to 2,000 persons. Final approval of plans is expected in 2025, with construction to begin in 2026.



4.3.1 Regional markets – Hobart vs. Launceston







Resident population
Greater Hobart (2023): 253,700
Launceston study area*: 119,300
*Launceston, West Tamar and Meander Valley

Top 5 largest hotels

• Ibis Styles Hobart	296 rooms
• Wrest Point	269 rooms
• Hotel Grand Chancellor	244 rooms
• The Old Woolstore Hotel	242 rooms
• Crowne Plaza Hobart	235 rooms

Examples of new hotels built since 2013 include: Crowne Plaza (235 rooms), MACq 01 (114 rooms) and The Tasman (148 rooms).

Hobart Convention and Exhibition Centre

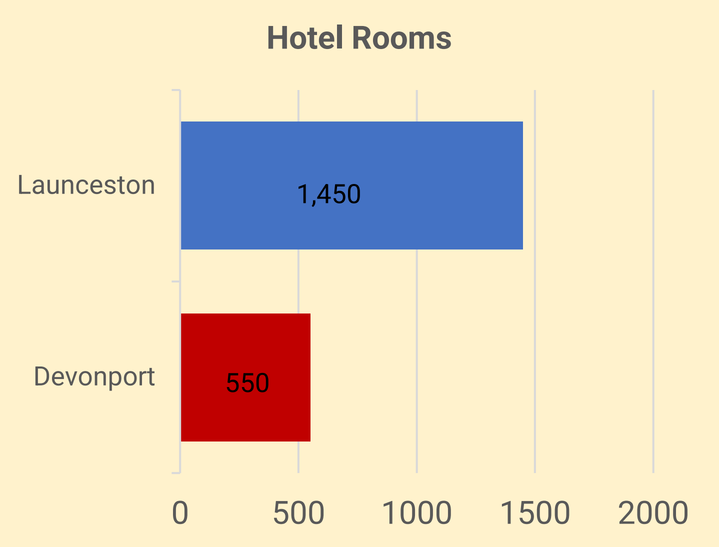
The HCEC in the Grand Chancellor Hotel hosts multiple business conferences and association events, as well as non-business events. Example events include the Early Childhood Australia National Conference in 2019, the 47th annual Interferry Conference in 2023, and the HCEC will host the Visitor Economy Regional Gathering in Feb 2025 and the Australian Children's Contact Services Association in March 2025.

Hobart continues to attract the significant majority of Tasmania's business events each year and has been growing its market share and number of events since 2013. Multiple large facilities are present in Hobart including Wrest Point Hotel and the C3 Convention centre in South Hobart and hotel stock is considerably larger than Launceston.

If the **Macquarie Point Stadium** ends up proceeding, it would also add another large convention facility into the local market, with ability to more easily host major events in the 1,000 – 1,500 delegate range.

Source: Hotel Grand Chancellor

4.3.2 Regional markets – Devonport



Resident population
Devonport LGA Population (2018): 25,986
Devonport LGA Population (2023): 26,982 (↑3.8%) and around 50,000 across Greater Devonport.

Top 5 largest hotels

• Novotel Devonport	182 rooms
• Gateway Hotel by Nightcap Plus	88 rooms
• The Formby Hotel	48 rooms
• Edgewater Hotel	42 rooms
• Argosy Motor Inn	37 rooms

The Novotel Devonport opened in 2022.

Paranaple Convention Centre

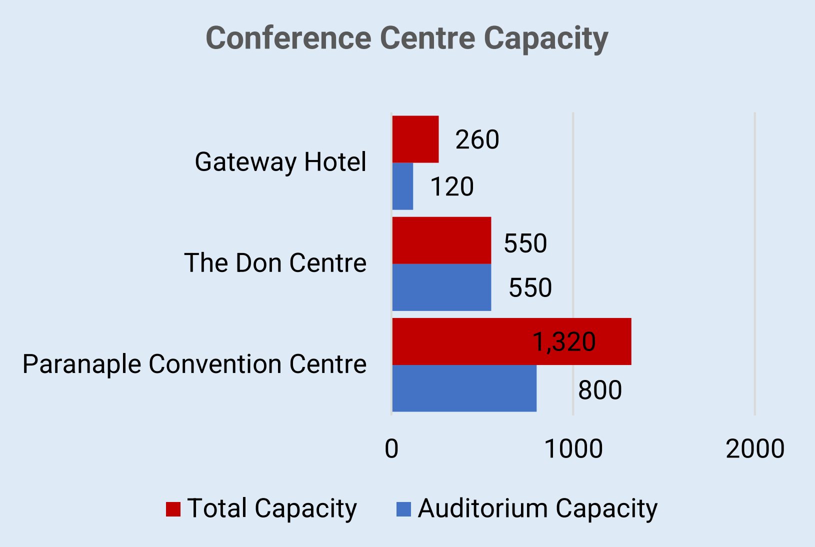
Built in 2018, the Paranaple Convention Centre forms part of the Paranaple centre, which includes the Devonport Library, Service Tasmania and an Online Access Centre.

The convention centre can accommodate a total of around 1,300 people across 4 spaces plus meeting rooms. The main room can support up to 800 delegates.

Devonport Overview

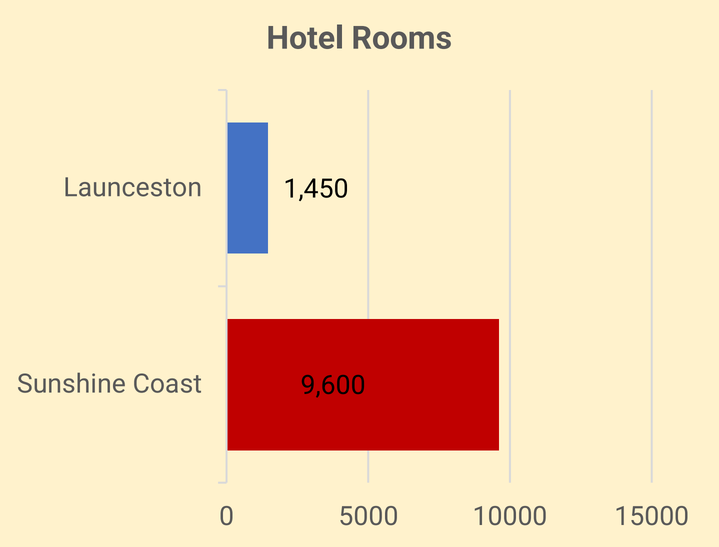
Devonport is home of the Spirit of Tasmania and is the entry point for many visitors to the state arriving by sea and a key logistics hub for Tasmania.

The supply of hotel rooms is considerably smaller than Launceston even with the addition of the 182 room Novotel Devonport in 2022 and just one other hotel with more than 80 rooms.



Source: Paranaple Convention Centre

4.3.3 Regional markets – Sunshine Coast



Resident population
Sunshine Coast LGA (2018): 320,808
Sunshine Coast LGA (2023): 365,911 (up 14.1%)

Top 5 largest hotels

• Novotel Sunshine Coast Resort	361 rooms
• Oaks Sunshine Coast Oasis Resort	199 rooms
• Peppers Noosa Resort and Villas	198 rooms
• Holiday Inn Express	181 rooms

Some of the new hotels built since 2013 include the Holiday Inn (181 rooms) and First Light Mooloolaba (60 rooms).

Multiple new hotels are planned in the region, as SEQ gears up for the 2032 Olympics including a 153 room Voco Hotel at Maroochydore, a 160 room Holiday Inn at Caloundra

Sunshine Coast Convention Centre

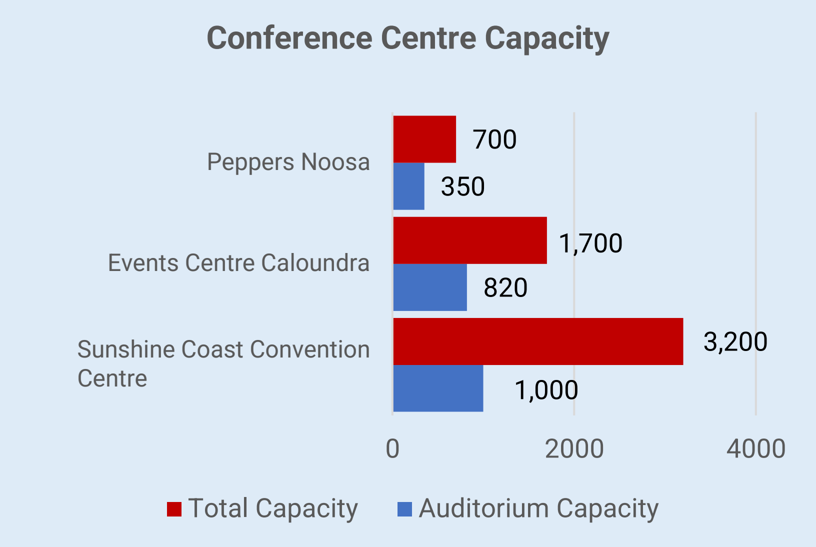
The SCCC is part of the Novotel Sunshine Coast Resort, which was acquired for $100m in 2018. The new owners invested $10m in upgrading the facility and increasing its capacity, in addition to the initial build cost of around $40m (in 2007/08).

Features a 1500 seat auditorium and a 1,000 seat plenary than potentially can be larger with amalgamated rooms (>2,700 rooms). Multiple large spaces/rooms for a range of event types and sizes.

The centre hosts business events, awards nights like the Sunshine Coast Business Awards, gala dinners, charity balls, sporting awards.

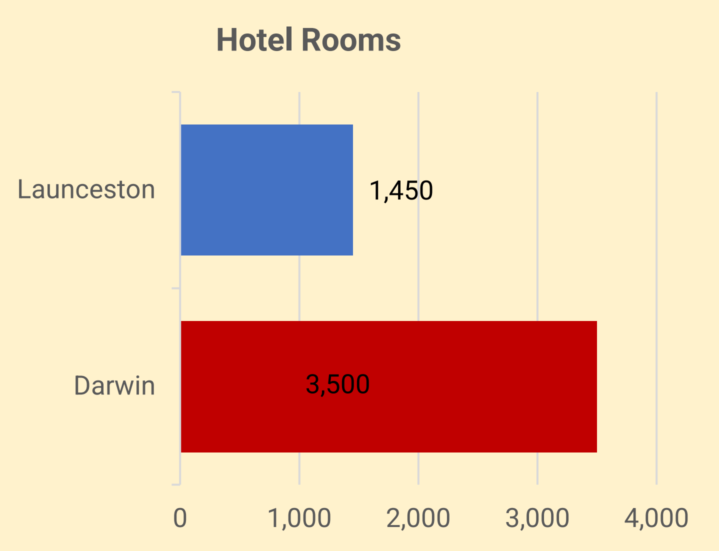
Sunshine Coast Overview

- Business events market that generates >$27m in impact for the local economy.
- 300 hotels with 9,600 rooms.
- **In 2024, Sunshine Coast won 88 business events, with 24,500 delegates (average event 280 persons) – supporting 60,000+ room nights (Source: Business Events Sunshine Coast).**
- Fast growing city with pop. growth >2% p.a.
- 4.6m overnight visitors p.a. (2024) – with 300k international and around 7% visiting for business. Plus 6.5m day-trippers.
- Average trip length 3.3 nights.
- Local industry strengths: Medical / Education / Innovation & Knowledge / Tourism / Production – ag & manufacturing / Green economy / Digital economy.



Source: Novotel Sunshine Coast Resort

4.3.4 Regional markets – Darwin



Resident population
Darwin LGA (2018): 86,333
Darwin LGA (2023): 85,433 (down 1%)

Top 5 largest hotels

• Mantra Pandanas	333 rooms
• The Oaks Elan	301 rooms
• Hilton Darwin	237 rooms
• Doubletree Esplanade Darwin	235 rooms
• Travelodge Resort Darwin	224 rooms

Some of the new hotels built since 2013 include: The Oaks Elan (301 rooms), Ramada Suites (218 rooms) and the Argus Hotel (93 rooms).

Broader Greater Darwin contains more than 7,000 hotel rooms.

Darwin Convention Centre

Built in 2008, the Darwin Convention Centre forms part of the $1.1b Darwin Waterfront Precinct. With more than 22,900 sq.m of floorspace, the centre can seat up to 5,600 delegates, with a 1,236 seat auditorium, four exhibition halls that can seat up to 3,660 visitors and a waterfront room that can seat up to 400 visitors.

The centre will host the Quadrennial Congress for the World Federation of Neuroscience Nurses in July 2025. It has previously hosted the Developing Northern Australia Conference in 2021 and the NT Cattlemen's Conference in 2022. It has previously hosted a leg of the Queens of the Stone Age Australian tour and James Blunt.

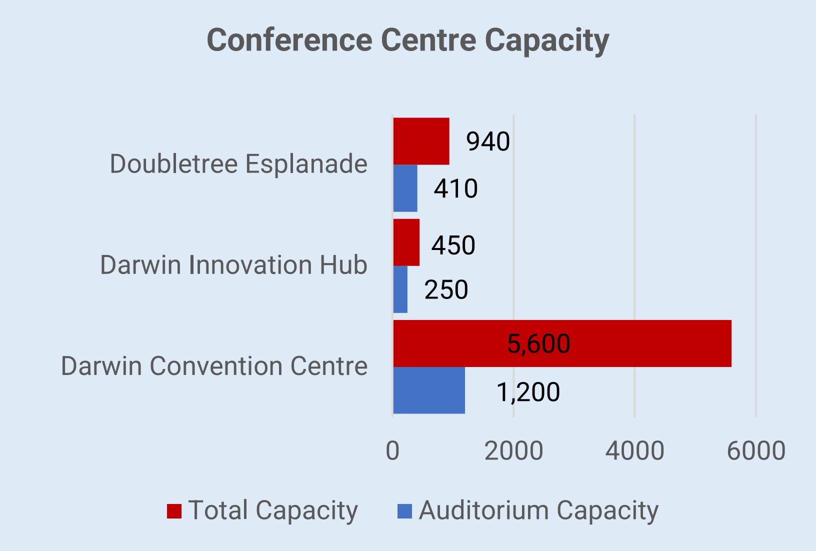
There is a new hotel adjacent to Convention Centre, planned to open during 2025 with 236 rooms.

Darwin overview

Darwin provides a gateway to the Northern Territory which includes Kakadu National Park, Ayers Rock and other attractors.

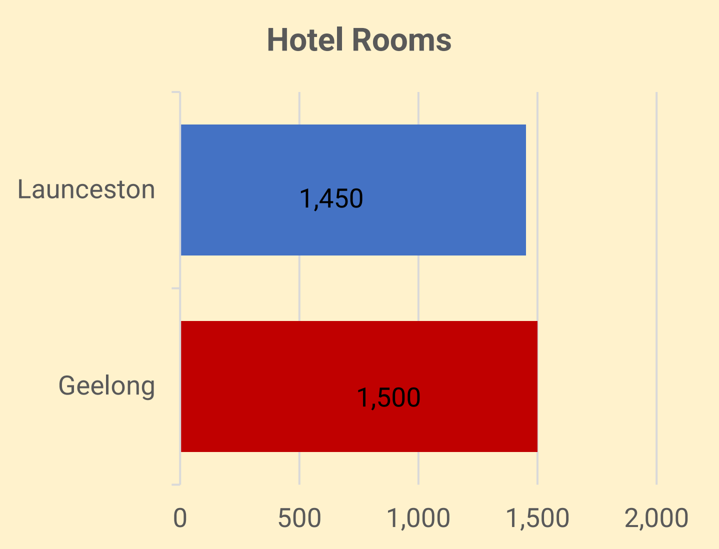
The location is just 4hrs50 from Singapore, less than 4hrs from Jakarta and 2hrs30 from Denpasar, so it is highly accessible for the Asia Pacific market.

Key strengths of the local market include: Defence, Mining, Space, Energy as well as Agribusiness, Digital and International Education & Training.



Source: Darwin Convention Centre

4.3.5 Regional markets – Geelong



Resident population
Greater Geelong Population (2018): 252,917
Greater Geelong Population (2023): 282,669 (↑11.8%)

Top 5 largest hotels

• Holiday Inn & Suites Geelong	180 rooms
• R Hotel Geelong	146 rooms
• Rydges Geelong	138 rooms
• Novotel Geelong	109 rooms
• Accommodation @Curlewis	60 rooms

Recent hotel developments include: the Holiday Inn (180 rooms) and there is a new Crowne Plaza (200 rooms) under construction as part of the new convention centre development.

Nyaal Banyul Geelong Convention and Event Centre

Currently under construction with a planned 2026 completion, the $449m Nyall Banyul Geelong Convention and Event Centre which has a total combined capacity of 3,208 people across the 1,004 Wala mirr Theatre, the 1,702 seat Delama Event Space and 3 meeting rooms.

Onsite accommodation will be provided by the under construction 200 room Crowne Plaza hotel. The Geelong CEC will form part of a broader precinct of retail, public spaces, accommodation as well.

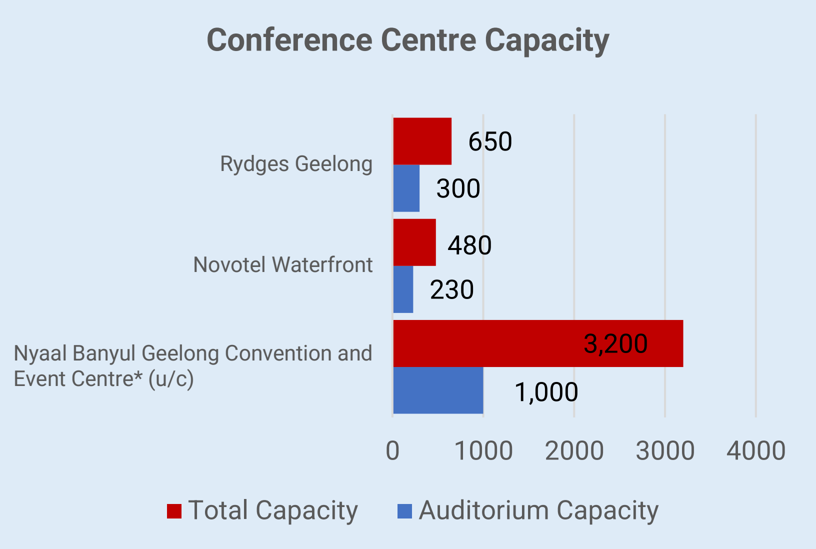
Geelong Overview

Geelong is a short drive from Melbourne (within an hour), and around 1hr 15min from the main Melbourne airport and 20min from Avalon Airport (which has a small volume of daily flights).

While the location is highly accessible, it doesn't have the destination and climate appeal of other regional markets across Australia.

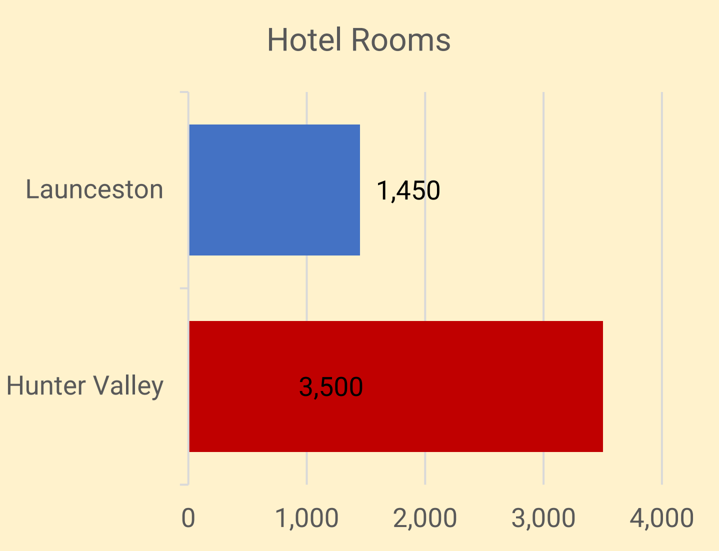
Hotel capacity is similar to Launceston, with no hotels larger than 180 rooms currently, but the new 200 room hotel adjacent to the Geelong CEC

Key economic drivers include:
- Advanced manufacturing
- Clean technologies and circular economy
- Creative industries
- Research and innovation



Source: Development Victoria

4.3.6 Regional markets – Hunter Valley



Resident population
Hunter Valley SA4 (2018): 277,895
Hunter Valley SA4 (2023): 305,115 (up 9.8%)

Top 5 largest hotels (SA4 includes Port Stephens)

• Rydges Hunter Valley	414 rooms
• Oaks Port Stephens	217 rooms
• Seabreeze Hotel	179 rooms
• Ramada Resort	148 rooms
• Oaks Cypress Lakes Resort	136 rooms

Some of the new hotels built since 2013 include: Voco Kirkton Park (70 rooms) and Carriages Boutique Hotel and Vineyard (10 rooms). Several facilities have refurbished in this time.

Rydges Hunter Valley

The largest convention/conference centre in the Hunter Valley is the Rydges Hunter Valley which is a 414 room resort style facility with a Conference and Events Centre (1,160 delegate capacity) as well as an Exhibition Centre (750 person capacity) and multiple other rooms and smaller venues (indoor and outdoor).

This facility is popular for company retreats/conferences as well more general business events, conferences, exhibitions etc and personal events like weddings, social functions etc.

The Oaks Cypress Lakes

Cypress Lakes, which can seat just under 2,200 people with the Cypress Lakeside Marquee able to seat 672 people.

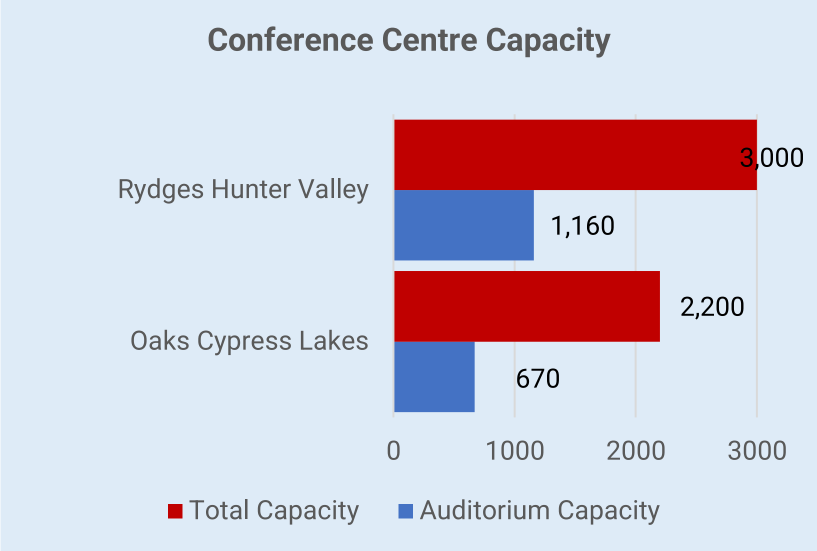
The venue hosts weddings & receptions, school formals/graduations, business conferences and other local events.

Hunter Valley overview

The Hunter Valley is a 2.5hr drive from Sydney Airport and around 1hr from Newcastle Airport.

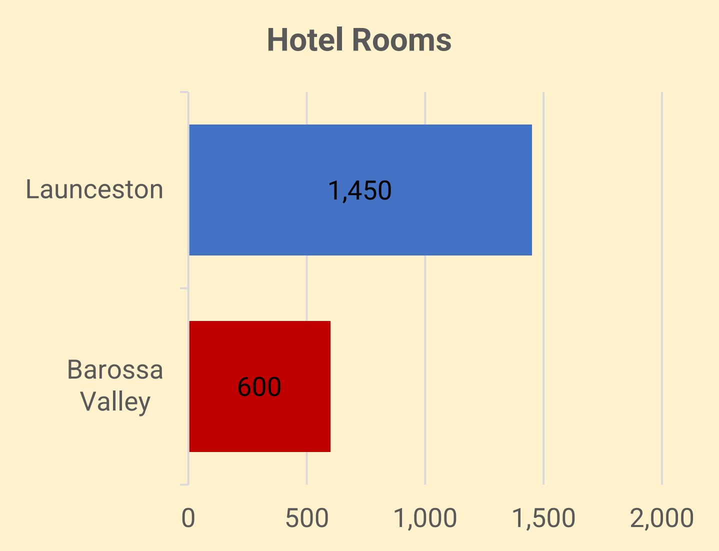
The region is globally recognised for wine, but other strengths including mining, agriculture etc.

Business event organisers are attracted to the volume of accommodation facilities, proximity to Sydney, the number and quality of wineries and dining options as well as the natural environment.



Source: Rydges Hunter Valley

4.3.7 Regional markets – Barossa Valley



Resident population
Barossa SA3 (2018): 37,429
Barossa SA3 (2023): 39,850 (up 6.5%)

Top 5 largest hotels

• Novotel Barossa Valley	140 rooms
• Barossa Weintal Hotel	50 rooms
• Vine Inn Barossa	47 rooms
• The Wine Vine Hotel	40 rooms
• Discovery Parks	34 rooms

There is a new 102 room Nexus hotel under construction.

Novotel Barossa Valley

The largest convention/conference centre in the Barossa Valley is the Novotel Barossa Valley which is a 140 room resort style facility with 9 flexible spaces that can amalgamate into 5 larger spaces which can hold up to 440 delegates. The Shiraz Room is the largest, and can hold up to 250 delegates in a theatre seating style.

As the largest regional conference hotel in South Australia, it can be used for events, weddings and receptions, school formals, business conferences and team building events.

Barossa Arts Centre

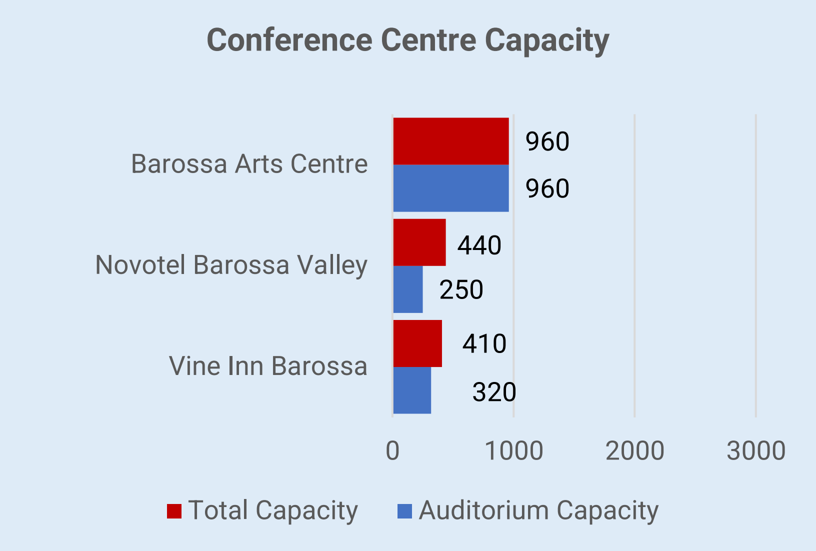
The Barossa Arts Centre incorporates the Brenton Langbein Theatre and can hold up to 960 patrons.

The venue hosts orchestras, choirs, performances, exhibitions, seminars and conferences.

Barossa Valley Overview

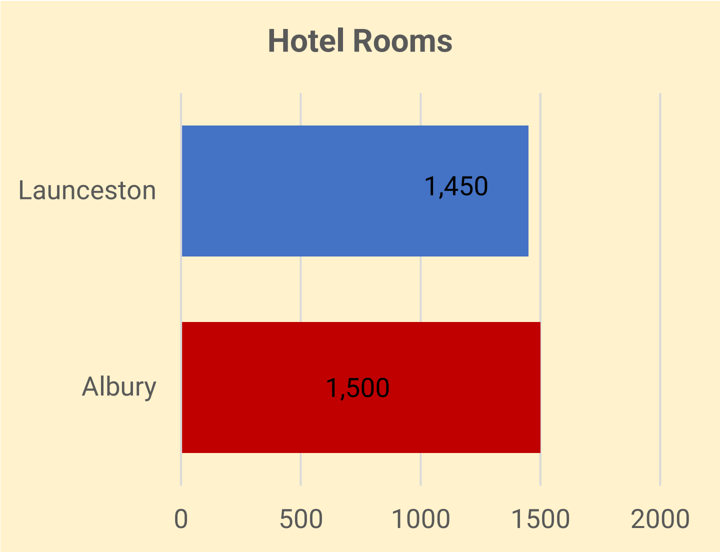
The Barossa Valley is around 1hr north of the Adelaide Airport. The Barossa Valley is a globally renowned wine region and attracts significant leisure, events tourism as well as some business events tourism.

While relatively close to Adelaide and desirable as a destination, the Barossa Valley convention market is limited by the lack of large hotel stock limits the business event market in this region.



Source: Novotel Barossa Valley

4.3.8 Regional markets – Albury



Resident population
Albury LGA (2023): 57,437
Wodonga LGA (2023): 44,276

Top 5 largest hotels

• Mantra Albury	146 rooms
• Atura Albury	140 rooms
• Quest Albury	104 rooms
• Quest Albury on Townsend	79 rooms
• Paddlesteamer Motel	61 rooms

Some of the new hotels built since 2013 include: Mantra Albury (146 rooms) and Atura Albury (140 rooms).

Albury Entertainment Centre (AEC)

The AEC has previously hosted film festivals, the NDIS related Ideas PossAble Expo, The Circular Economy Showcase and the local Business Awards Gala Night.

It also hosts weddings, local events and school functions. It also serves as an entertainment venue with examples of upcoming acts including Amy Shark, Kasey Chambers and multiple comedy shows.

Expansion:

Albury City Council in conjunction with NSW Government is planning a major expansion of this facility at present. Planning for a major expansion has been underway for several years and concept design has been approved by Council. Pending final approval of plans, construction could begin during 2026.

The expansion would be of the conference wing to enable larger events to be held, with seating for up to 2,000 persons.

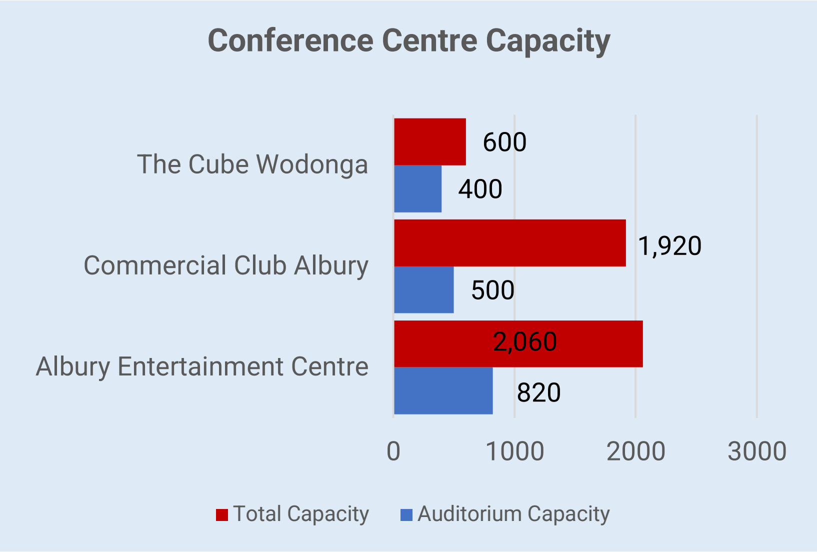
Albury Overview

According to Visit Albury Wodonga, Albury Wodonga hosts more than 100 major business and recreational events per annum. Around 33 of these were business events (negotiated by Visit Albury Wodonga, noting that this does not represent all business events).

Two recent event examples include:

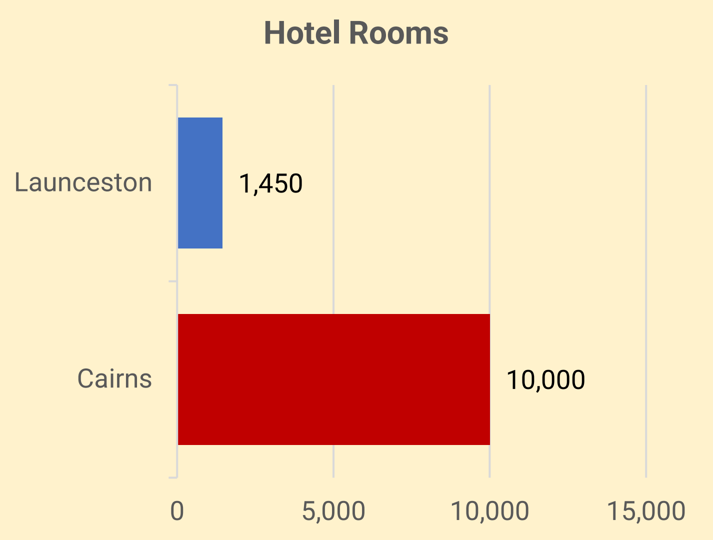
- The Australian Freshwater Sciences Society Conference 2024
- Australian Women in Agriculture 2024

Albury Wodonga also hosts a range of sporting carnivals, festivals, etc, including Country championships, national championships etc.



Source: Albury Entertainment Centre

4.3.9 Regional markets - Cairns



Resident population
Cairns LGA (2018): 165,843
Cairns LGA (2023): 175,424 (up 5.8%)

Top 5 largest hotels

• Cairns Colonial Club Resort	345 rooms
• Pullman Cairns International	324 rooms
• The Lakes Resort Cairns	320 rooms
• Novotel Cairns Oasis Resort	314 rooms
• Crystalbrook Flynn	311 rooms

Some of the new hotels built since 2013 include: Crystalbrook Flynn, Riley and Bailey Hotels and The Oaks Cairns (76 rooms).

Cairns Convention Centre
Built in 1996 and refurbished in 2005 and 2011, with expansions in 1999 and 2022. The 2022 expansion added 10,500 sq.m of space including new ballroom, larger meeting spaces and a larger exhibition area to host larger events. Cost of the redevelopment was $176m.

Centre can hold up to 5,300 people in an arena setting, the auditorium can seat up to 2,360 people and several meeting rooms. Current home of the Cairns Taipans basketball team it also hosts concerts, comedy shows, congresses such as the Asia Pacific Orthopaedic Association Congress and the Australian & New Zealand College of Anaesthetists Annual Scientific Meeting 2025.

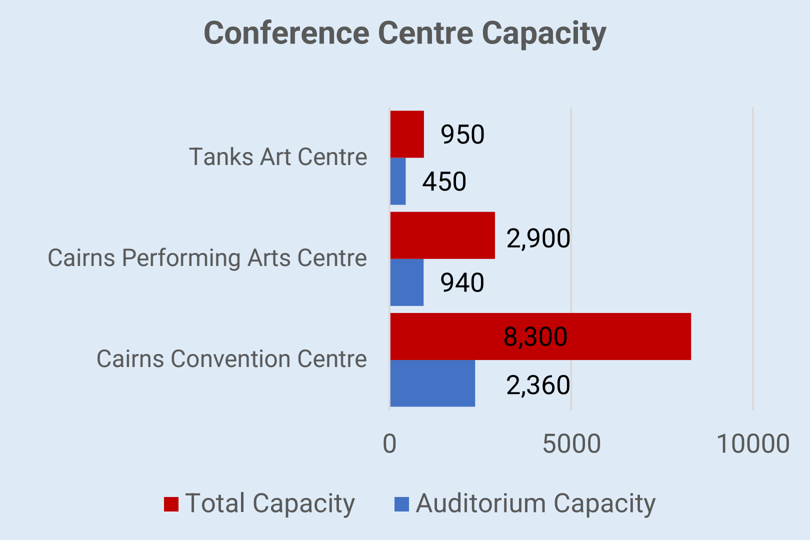
Other facilities
The Cairns Performing Arts Centre also holds a reasonable capacity providing a secondary venue for a variety of events.

Cairns overview
Cairns is the gateway to North Queensland an is a popular leisure tourism destination for domestic and international tourists, as well as for business event visitors.

It is significantly closer to Asian markets than Sydney, Melbourne, Tasmania etc and the curfew free airport offers a good number of international routes including Singapore, Tokyo, Hong Kong, Shanghai, NZ, Bali.

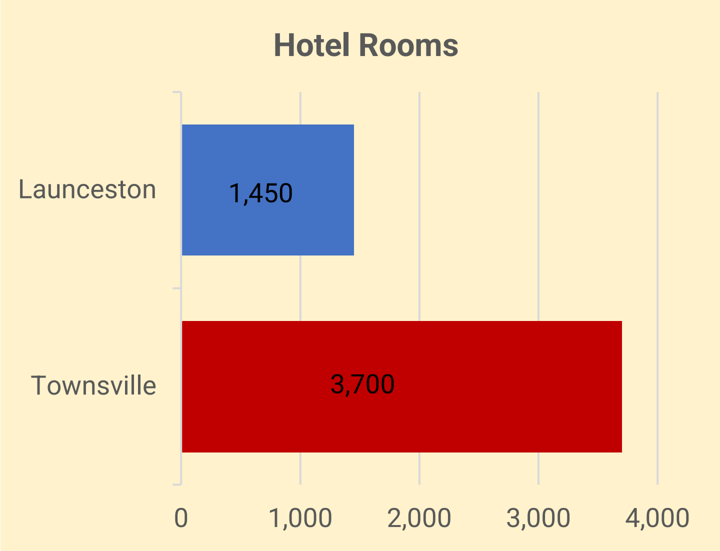
The expanded convention centre hosted more than 160 events in FY 2024, including 60 conferences with more than 35,000 delegates (contributing +$100m to the local economy). Source: Cairns Convention Centre.

Key industries include: Agriculture, Tourism, Marina Services, Tropical Health and Life Sciences, Renewable Energy, Education and Training and Aviation.



Source: Cairns Convention Centre

4.3.10 Regional markets - Townsville



Resident population
Townsville LGA (2018): 193,250
Townsville LGA (2023): 201,427 (up 4.2%)

Top 5 largest hotels

• Hotel Grand Chancellor	198 rooms
• The Ville Resort	194 rooms
• Mercure Townsville	162 rooms
• Studio 1201	150 rooms
• Aligned Corporate Residences	141 rooms

The Ardo Hotel (132 rooms), Townsville's first luxury hotel, opened in 2023.

There is a 190 room Hilton Garden Hotel planned to open in 2026.

Townsville Entertainment and Convention Centre

Built in 1993 (at a cost of ~$50m) and refurbished in 1997, the Townsville Convention Centre features five rooms providing nearly 3,700 seats over 2,366sqm. Current home of the Townsville Fire WNBL team and the former home of the Townsville Crocodiles.

Hosts WNBL games, netball games, concerts (domestic and international), comedy shows (domestic and international), local school events, the 2018 EB Games & Zing Pop Culture Conference and the Professional Bull Riding Championships.

Other venues

The Village Resort and Casino and Rydges Southbank also provide reasonably large conference/meeting facilities.

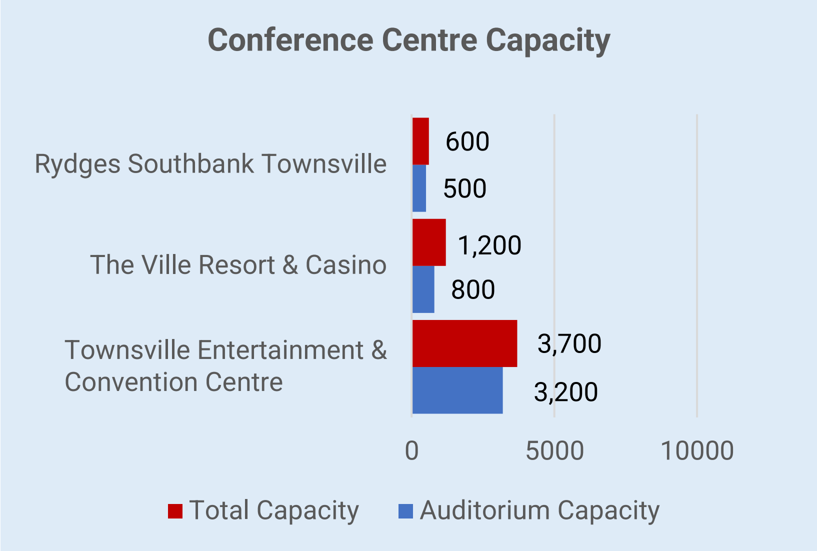
Townsville overview

Townsville plays a secondary role in the North Queensland business events market hosting, generally, smaller events than Cairns.

The location is reasonably accessible but presently does not support international flights.

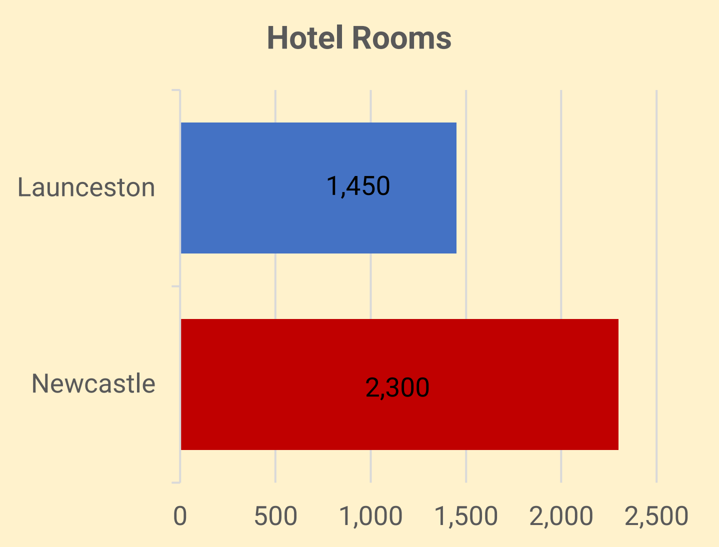
Key industries include: health, education, defence, resources, energy, education, tourism.

Townsville is Australia's largest defence city, now supports a new mineral and processing export hub and considers itself to be a leading renewable energy and green hydrogen hub.



Source: Townsville Entertainment and Convention Centre

4.3.11 Regional markets – Newcastle



Resident population
Newcastle LGA (2018): 164,382
Newcastle LGA (2023): 174,241 (up 6%)

Top 5 largest hotels

- Little National 181 rooms
- Rydges Newcastle 175 rooms
- Holiday Inn Express 170 rooms
- Crystalbrook Kingsley 130 rooms
- QT Newcastle 102 rooms

Examples of new hotels since 2013 include: Holiday Inn Express (170 rooms), Crystalbrook Kingsley (130 rooms) as well as the QT Newcastle (102 rooms), Little National (181 rooms) and 291 on King (101 rooms) which were all built in 2022.

Newcastle Exhibition and Convention Centre (NEX)

Featuring 6 rooms over 2,511sqm and can seat just under 2,200 people with the largest room (The Arena) seating 1,200 people or 2,400 people standing.

The centre hosts business events as well as musical concerts, comedy shows, expos such as the Newcastle Wedding Expo in 2019 and gala balls.

Other facilities

There are two other large venues that are advertised by the local business events organisation including Newcastle University (which can support events up to 1,200 persons) and Newcastle Racecourse (which can support up to 1,500 persons)

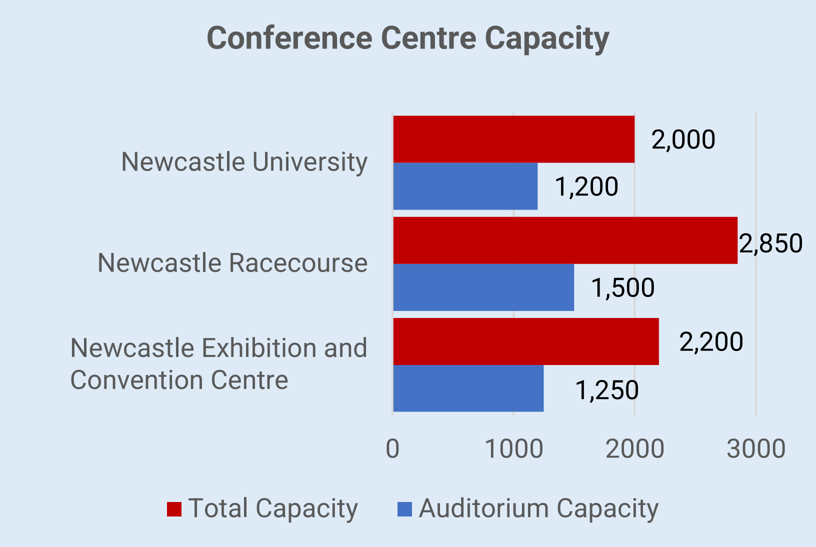
Newcastle Overview

Newcastle is around 1hr 30min from Sydney and is serviced by its own dedicated airport.

Newcastle has Australia's largest port and has key industries of strength including:

- Mining (in particular coal)
- Energy
- Engineering / manufacturing
- Health

The CBD and foreshore (Honeysuckle) areas have been significantly gentrified and improved over the past decade.



Source: Newcastle Exhibition and Convention Centre

5. Business events market overview

5. International & national business events overview

This section of the report reviews the international and national business events market, summarising data provided by Business Events Tasmania (BET), other publicly available data and industry research. Some of the reports provided are several years old, but still informative. The following data / information has been provided by BET:

- ICCA Statistics Report 2014 – 2023
- Australian Associations Forum – Association Events Survey 2024
- Association of Australian Convention Bureaux - Domestic Business Events Forward Calendar, July 2021
- The Economic Impact of Business Events in Tasmania, July 2023, PWC
- Value of Business Events to Australia FY2019 High-level update for Business Events Council of Australia, March 2020, Ernst and Young
- Business Events data for Tasmania 2015 – 2025 (BET). Note: BET data are very detailed, with good time series data available for the past ~9-10 years, however these data do not represent the whole business events industry because not all business event operators or venues are members and/or do not report their events to BET.

Other research

We have also reviewed an IBIS World report covering the Australian Conference sector, titled "Exhibition and Conference Centres in Australia Industry Report – 2024" as well as Tourism Research Australia data on business events tourism (which represents a proportion of the total business events visitor market).

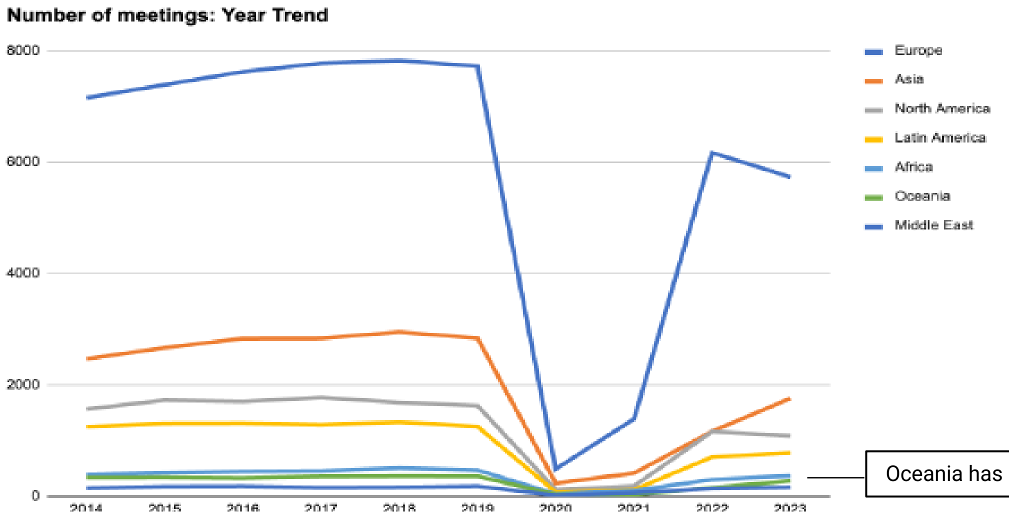
5.1 International trends – business events

Key summary points

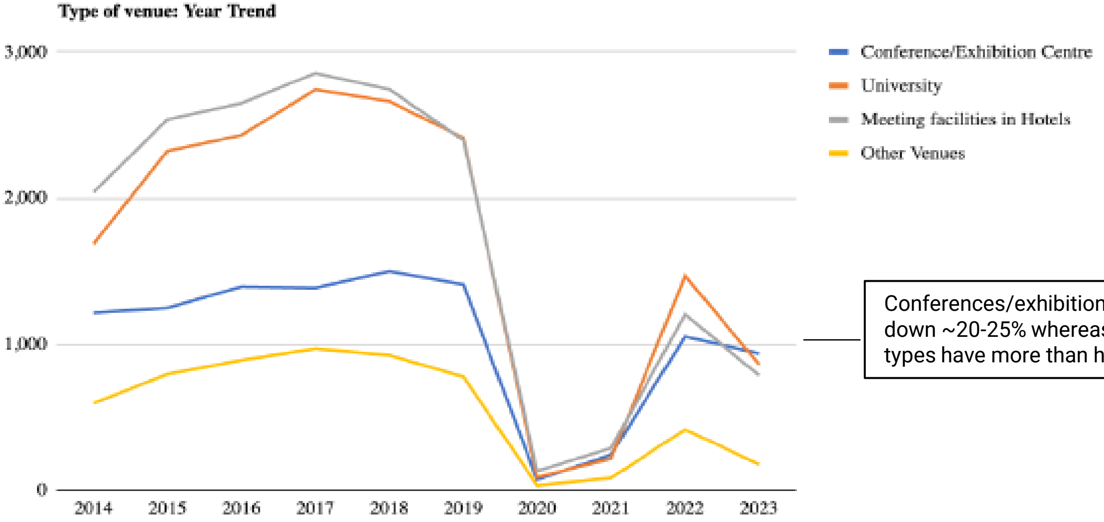
The global business events industry did not return to pre-Covid levels during 2023 (the latest year that data has been made available to us). Most major markets are down, excepting Oceania which reached pre-Covid levels by 2023.

Pre-Covid, around 20% of meetings were held in Conference/Exhibition centres, a share that increased to about 30% post Covid.

Events in these types of venues have returned much closer to pre-Covid levels than other venue types (like universities, meeting facilities in hotels etc).



Oceania has returned to pre-Covid levels



Conferences/exhibitions market is only down ~20-25% whereas other meeting types have more than halved.

Source: ICCA Statistics Report 2024

5.2 Australian trends – Business events

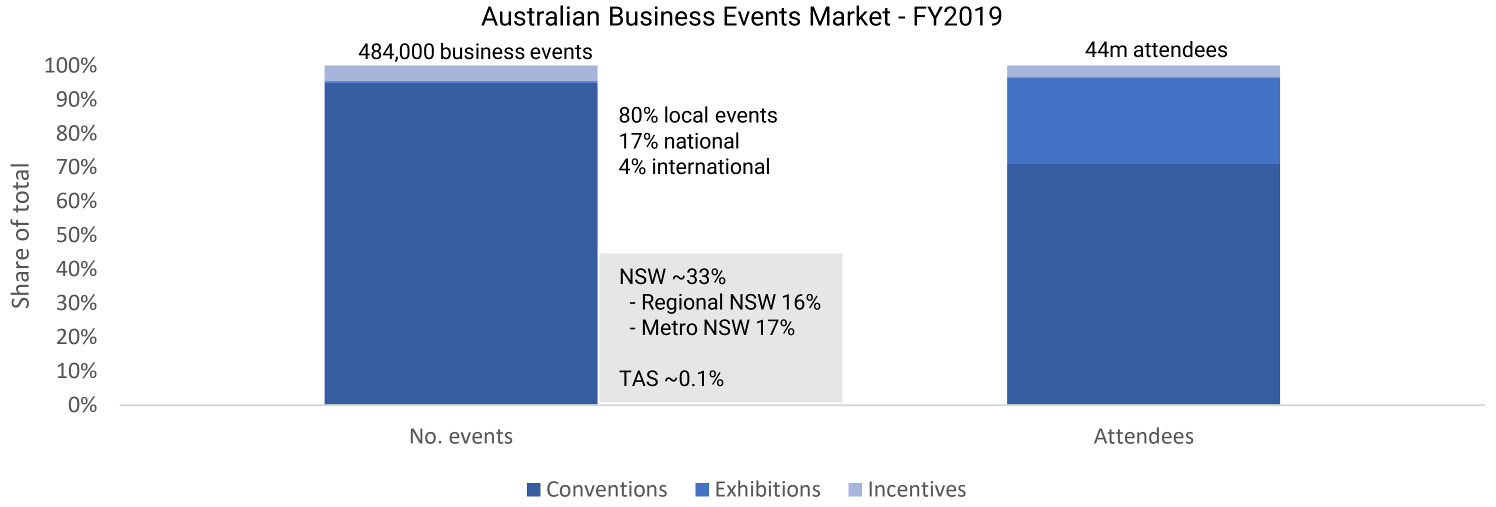
Event and visitor trends (pre Covid)

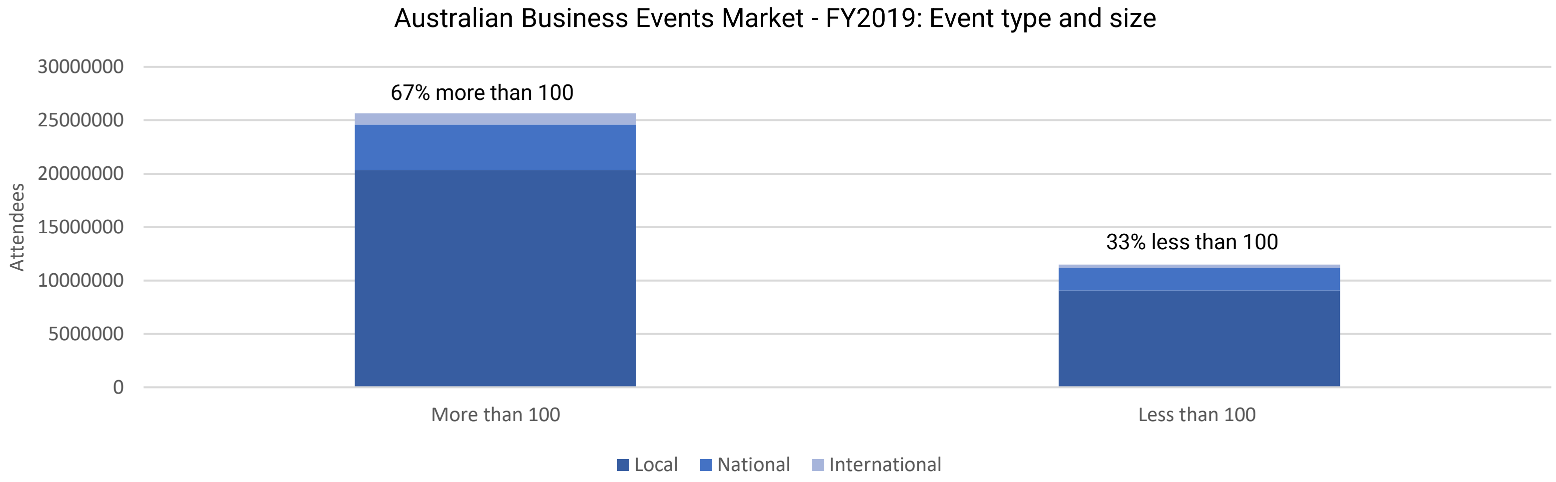
Prior to Covid there were (around ~950 business event venues in Australia hosting business events) supporting 484,000 business events in Australia (an average of 1,300 per day) across Australia, attracting 44 million event visitors. More than 95% are conventions, with a fraction of events being exhibitions and corporate incentives.

The average size of conference/conventions events is around 70 persons per event, similar to the incentives segment. However, because exhibitions tend to attract very large audiences/visitor numbers (4,400 per event), in terms of attendees, this segment actually contributes a meaningful share of total business event attendees.

Hotel infrastructure

Since 2020, more than 200 new hotels and more than 20,000 rooms have been added to Australia's hotel supply.





Source: Value of Business Events to Australia FY2019 High-level update for Business Events Council of Australia, March 2020, EY

5.3 Australian trends - summary of business tourism

Business tourism data

TRA publishes business events tourism data at the National level with great detail on the type of event and facilities in which the events were hosted for tourists (day-trippers, domestic overnight and international).

Not all business event attendees are tourists – indeed, the lion's share of attendees at major meetings within capital cities tend to be locals, but these data give some insight into the distribution of the proportion of events by type and then the venue.

Event types

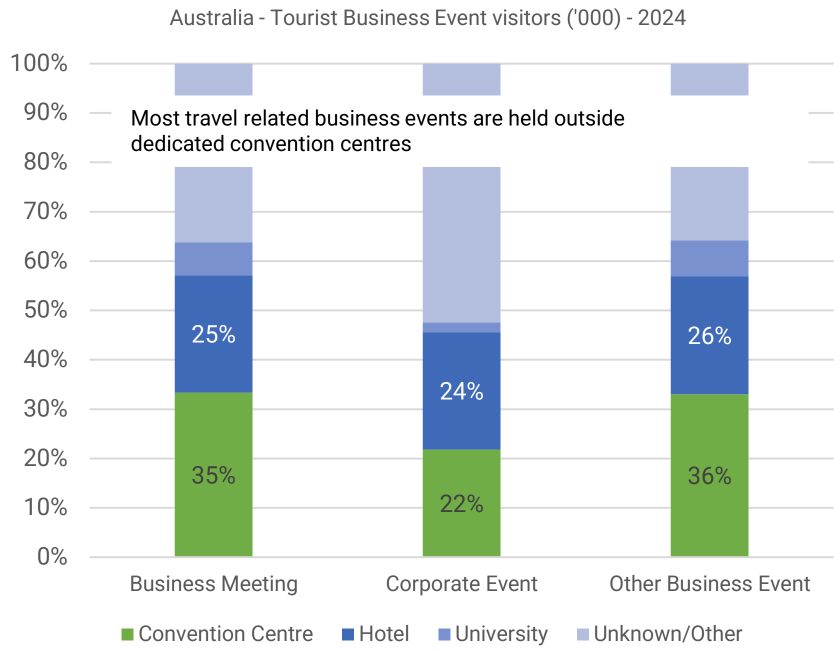
Around 75% of all business travel is business meetings (which means internal company meetings, client presentations, business development meetings etc), around 8 – 9% are corporate events and 23% are other business events (conferences, conventions, seminar, trade fairs or exhibitions).

Venues

Of the corporate and other business events, around 32% of all events are held at convention centres, around 25% at hotels, 6% at universities and 37% at other venue types.

Source: TRA , Year to Sept 2024

*Other business event = conference, convention, seminar, trade fair, exhibition



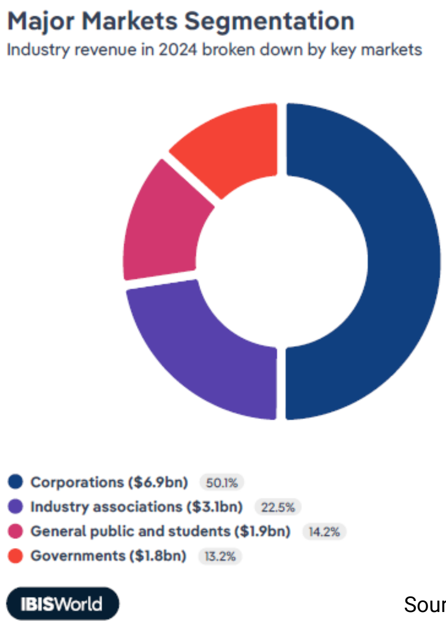
Source: TRA, Year to Sept 2024

5.3 Australian trends – conference/events industry

IBIS World – Exhibition and Conference Centres Report Australia 2024

- Most events are corporate (50%)
- Industry associations account for 23%
- VIC and NSW dominate the market with more than 60% of revenue
- Tasmania is above NT and on par with ACT at around 3% of this specific market.

Note: the conference and events centre represents only a proportion of the total market (25 – 40% or so) for venues hosting business events.



Estimated share of national conference/events centre revenue

State	Revenue %
VIC	30.5
NSW	30.3
QLD	15.7
WA	7.4
SA	6.7
ACT	3.8
TAS	3.3
NT	2.3

Source: IBIS World 2024

5.4 Tasmanian trends

The following slides summarise some of the Business Events data provided by Business Events Tasmania (BET). We have summarised the following data charts and tables below:

- The first two charts/tables summarise the 10 year history of events across Tasmania, by size of event and split by association and corporate events. These data do not include all business events in Tasmania as some venues are not reporting to BET, but we understand the non-reporting venues are a small fraction of the total and these data provide a very comprehensive picture of the business events across Tasmania over the past 10 years.
- The third chart/table summarises the events that were held, by industry type, for FY2024, split into Launceston & the North and Hobart & the South.

Key findings

- **Only 2% of events over the past ~10 years have been larger than 1,000 delegates (~100 out of 4,700). 80% of events are less than 300 delegates and 90% are less than 500 delegates. 88% of the big events (above 1,000 delegates) are associate events rather than corporate events (conferences, corporate meetings etc).**
- One of the most interesting findings in our initial research has been the scale of the shrinking Launceston business events market and the growth of the Hobart market. In 2014/15 (the earliest time period for the data) Launceston held 24 business events, which has declined to 7 in 2023/24. Hobart had 93 events in 2014/15 which increased to 144 events by 2023/24.
- Hobart saw considerable growth in Travel/Tourism/Accommodation sector (2 events to 30 events) and Government/Education/Training (4 events to 14 events) and hosted 15 events of 300 or more delegates.
- In 2023/24, the biggest events in Launceston were 300 delegates (sports related), 246 delegates (agribusiness), 240 delegates (social work)
- In 2023/24, a review of the WON/CONFIRMED events shows that Hobart continues to dominate the Tasmania market with Launceston securing 12 events of average size 160 persons, while Hobart has secured 156 events with an average size of 160 persons (not all of which will be held in 2024/25, as some have a longer term timeframe). Hobart secured 14 events with up to 500 delegates including 2 events that are planned to have more than 1,000 delegates.

5.4.1 Tasmania: tourism trends 2013-2024

Key summary points: domestic overnight visitors

Domestic overnight tourism to Tasmania grew steadily during the period 2013 – 2019 increasing almost 40%, with Launceston & the North growing by around 30% in this time. This market has steadily returned and is almost back to pre-Covid levels across Tasmania. However, Launceston & the North grew its share of the total (having grown visitation by 20% between 2019 and 2024).

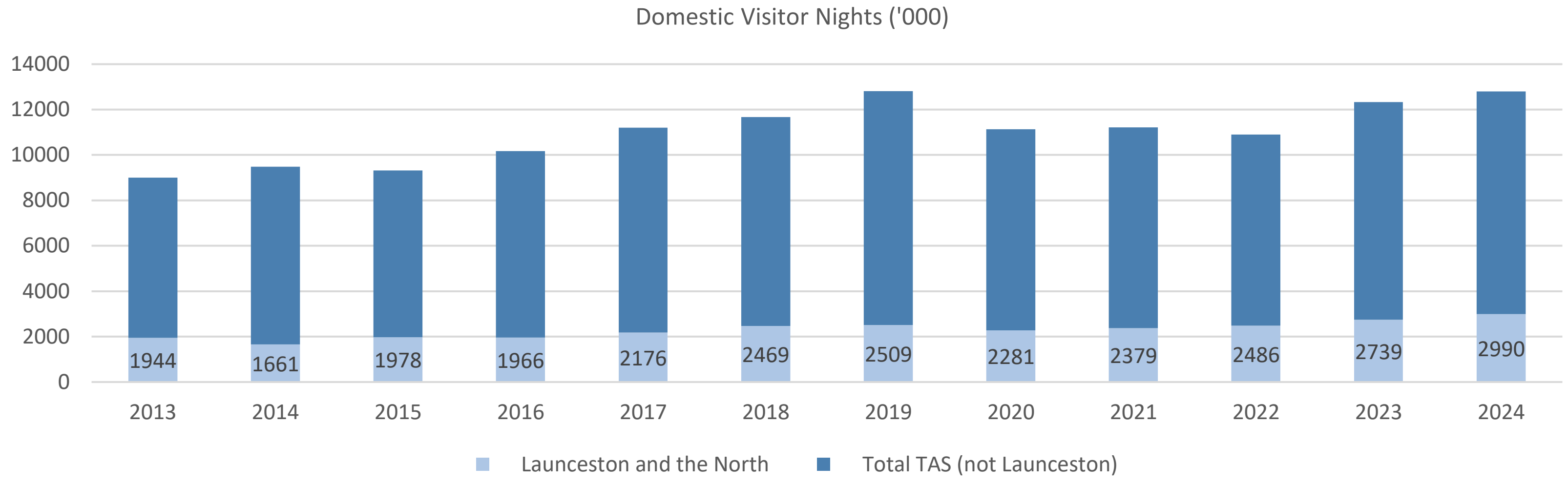
Business visitation is now well above pre-Covid levels in particular to the Launceston & the North region (and constitutes around 17% of total visitor nights).

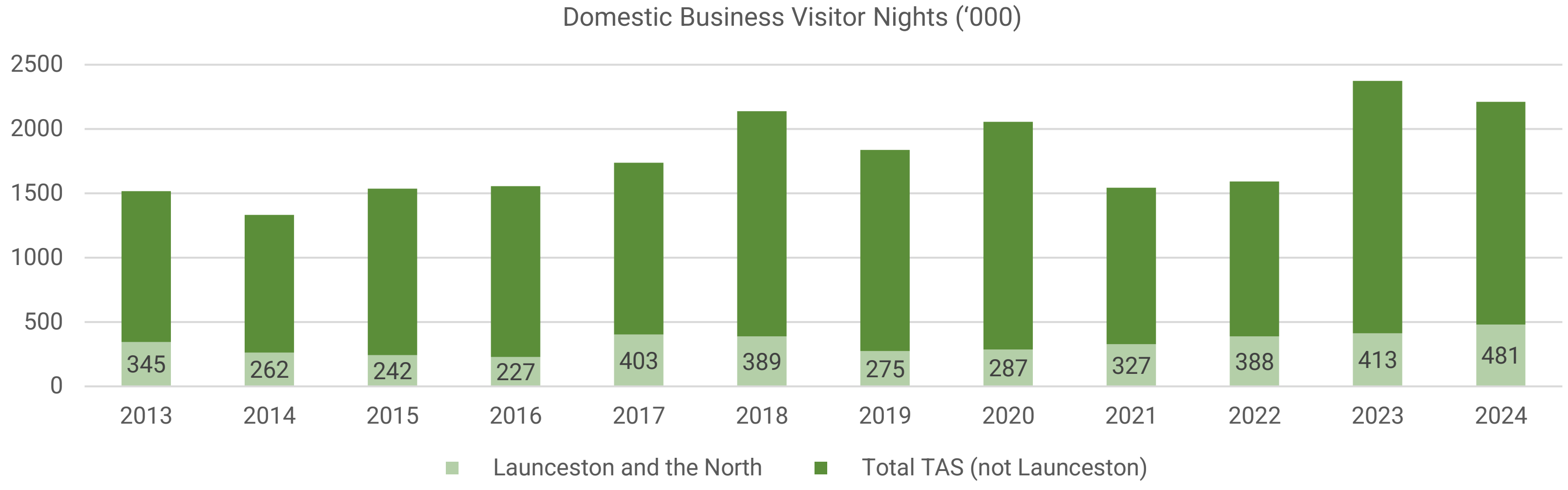
1% of visitors (16,000) visited for conferences/ conventions.

International visitors

International visitor numbers to Tasmania are around 90% of 2019 levels, with visitor nights around 120% of 2019 levels at almost 5m visitor nights in 2024.

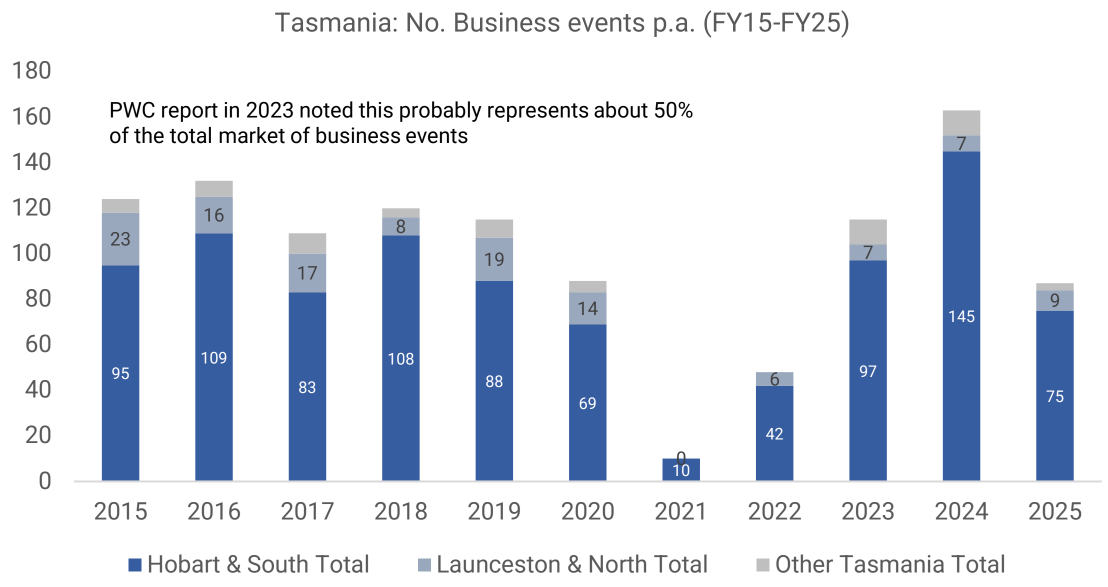
Around 5% of these visitors were visiting for business purposes.



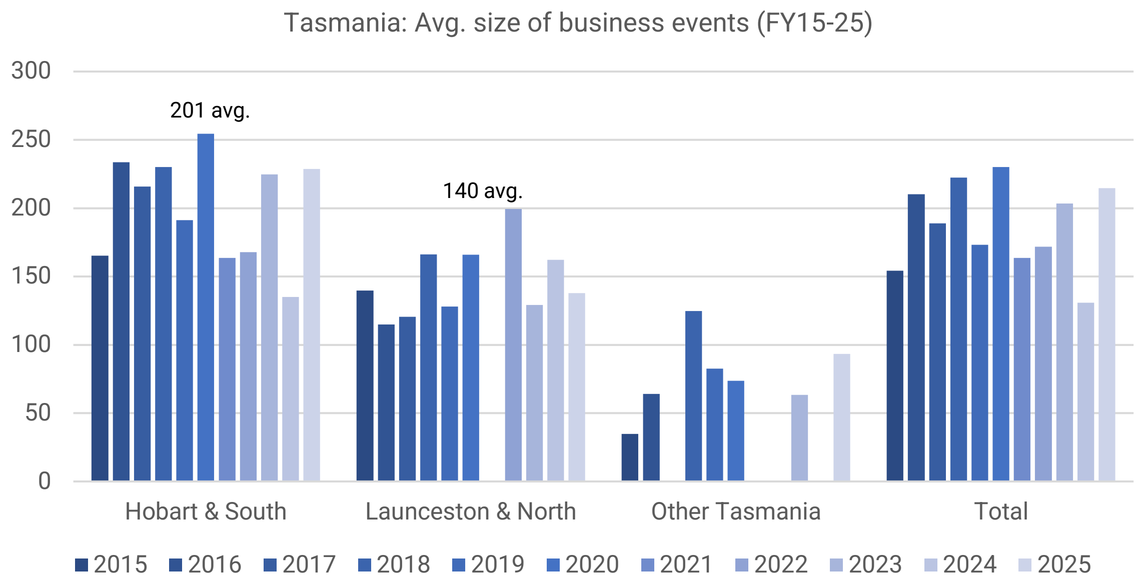


Source: TRA

5.4.2 Business events: Tasmania (FY15-24) by location & size



Source: Business Events Tasmania



Source: Business Events Tasmania

Key comments

- Pre-Covid, Hobart had around 75-80% of Tasmania market of business events (around 100 p.a. or so). Post Covid, Hobart's share increased to 85 – 90%. New hotels, improved flight connections, and bigger facilities have all contributed to this continued market share growth. Launceston's sweet spot was for smaller association events that were budget conscious and that market appears to have taken time to rebuild post Covid.
- Hobart grew its events numbers from 95 in 2015 to 145 in 2024. In the same period, Launceston declined from 23 to 7 events.
- Events are typically 45 – 50% larger, on average, in Hobart (200 persons avg.) vs. Launceston (140 avg.). Other regional events tend to be even smaller.

5.4.3 Business events: Tasmania (FY24) – held events, by size

Meeting Dates (Preferred Start)	Meeting Dates (Preferred End)	Room Attendees	Requested Rooms	Lead Type	CityWide Won	Market Segment	Scope
18/2023	21/2023	888	3200	Association Meeting	Hobart & the South	Health/Pharmaceutical	National
15/11/2023	18/11/2023	800	1010	Corporate Meeting	Hobart & the South	Govt/Education/Training/Safety/Security	National
24/03/2024	26/03/2024	500	1500	Association Meeting	Hobart & the South	Govt/Education/Training/Safety/Security	National
27/11/2023	29/11/2023	456	900	Association Meeting	Hobart & the South	Health/Pharmaceutical	National
31/07/2023	2/08/2023	440	1000	Association Meeting	Hobart & the South	Govt/Education/Training/Safety/Security	National
4/11/2023	8/11/2023	400	1200	Association Meeting	Hobart & the South	Transport	International
14/05/2024	16/05/2024	400	1200	Association Meeting	Hobart & the South	Building and Construction	National
29/2023	1/11/2023	400	1600	Corporate Meeting	Hobart & the South	Finance/Banking/Investment/Insurance	National
16/11/2023	18/11/2023	381	900	Association Meeting	Hobart & the South	Science- Medical	National
6/09/2023	10/09/2023	377	1000	Association Meeting	Hobart & the South	Sport/Lifestyle/Special Interests	National
27/09/2023	29/09/2023	360	900	Association Meeting	Hobart & the South	Social Work/Religion	National
17/03/2024	22/03/2024	350	1700	Association Meeting	Hobart & the South	Antarctic and Southern Ocean	International
16/2023	27/2023	300	3600	Association Meeting	Hobart & the South	Antarctic and Southern Ocean	International
4/09/2023	7/09/2023	300	1200	Corporate Meeting	Hobart & the South	Other	National
4/11/2023	6/11/2023	300	900	Corporate Meeting	Hobart & the South	Travel/Tourism/Accommodation (inc Business Events)	National
24/05/2024	27/05/2024	300	900	Association Meeting	Launceston & the North	Sport/Lifestyle/Special Interests	National
7/08/2023	11/08/2023	286	540	Association Meeting	Hobart & the South	Govt/Education/Training/Safety/Security	National
26/09/2023	28/09/2023	280	750	Association Meeting	Hobart & the South	Science- Medical	National
21/11/2023	23/11/2023	270	540	Corporate Meeting	Hobart & the South	Finance/Banking/Investment/Insurance	National
14/08/2023	18/08/2023	250	1500	Association Meeting	Hobart & the South	Antarctic and Southern Ocean	International
22/05/2024	24/05/2024	250	750	Association Meeting	Hobart & the South	Health/Pharmaceutical	National
23/03/2024	25/03/2024	250	750	Association Meeting	Hobart & the South	Construction/Engineering/Real Estate/Manufacturing/Architecture/Design	National
14/01/2024	20/01/2024	250	1500	Association Meeting	Hobart & the South	Health/Pharmaceutical	National
24/08/2023	26/08/2023	250	290	Association Meeting	Hobart & the South	Science- Medical	National
18/02/2024	22/02/2024	250	1000	Corporate Meeting	Hobart & the South	Finance/Banking/Investment/Insurance	National
14/11/2023	16/11/2023	246	518	Association Meeting	Launceston & the North	Food and Agribusiness- Other	National
27/2023	28/2023	240	250	Association Meeting	Hobart & the South	Administration/ Accounting/Audit/Management Services/Law/Recruitment/HR	National
14/09/2023	17/09/2023	240	960	Association Meeting	Hobart & the South	Govt/Education/Training/Safety/Security	National
29/04/2024	1/05/2024	240	720	Incentive Travel	Hobart & the South	Wholesale/Retail Trade	National
1/03/2024	2/03/2024	240	400	Association Meeting	Launceston & the North	Social Work/Religion	National
15/09/2023	18/09/2023	230	920	Association Meeting	Hobart & the South	Health/Pharmaceutical	National
9/09/2023	13/09/2023	225	800	Association Meeting	Hobart & the South	Health/Pharmaceutical	National
3/09/2023	7/09/2023	220	800	Corporate Meeting	Hobart & the South	Wholesale/Retail Trade	National
26/02/2024	29/02/2024	200	800	Association Meeting	Hobart & the South	Health/Pharmaceutical	International
7/02/2024	9/02/2024	200	600	Association Meeting	Hobart & the South	Travel/Tourism/Accommodation (inc Business Events)	National
24/09/2023	27/09/2023	200	800	Association Meeting	Hobart & the South	Govt/Education/Training/Safety/Security	National
25/06/2024	29/06/2024	200	600	Association Meeting	Hobart & the South	Building and Construction	National
16/05/2024	17/05/2024	200	400	Association Meeting	Hobart & the South	Science- Medical	National
11/03/2024	14/03/2024	200	656	Corporate Meeting	Hobart & the South	Travel/Tourism/Accommodation (inc Business Events)	National

Key comments: held events FY2024

- The largest 15 events in Tasmania in FY2023/24 were held in Hobart
- There are only 3 events above 200 delegates in Launceston but more than 40 in Hobart.
- **Only 3 events last year in Hobart were greater than 500 delegates and none greater than 1,000 delegates.**

Key comments: won/planned events

- In addition to the events that are actually held each year, the pipeline of future events is typically confirmed 1 – 3 years in advance.
- In FY2023/24, there were 182 events across Tasmania won/confirmed for the coming 1-3 years. Of these, 14 won/confirmed events are larger than 500 planned delegates, all of which are in Hobart. There were zero above 500 for Launceston.

Why are events being lost to Hobart?

- The key reasons why Hobart is securing more events include:
    - Hotel stock (above 3,000 rooms) and size of hotels (multiple >200 rooms)
    - Larger facilities that can flexibly host big delegations (easy up to 500 and can host 1,000+ delegates)
    - Better direct flight access

5.4.4 Business events: Hobart vs Launceston by sector

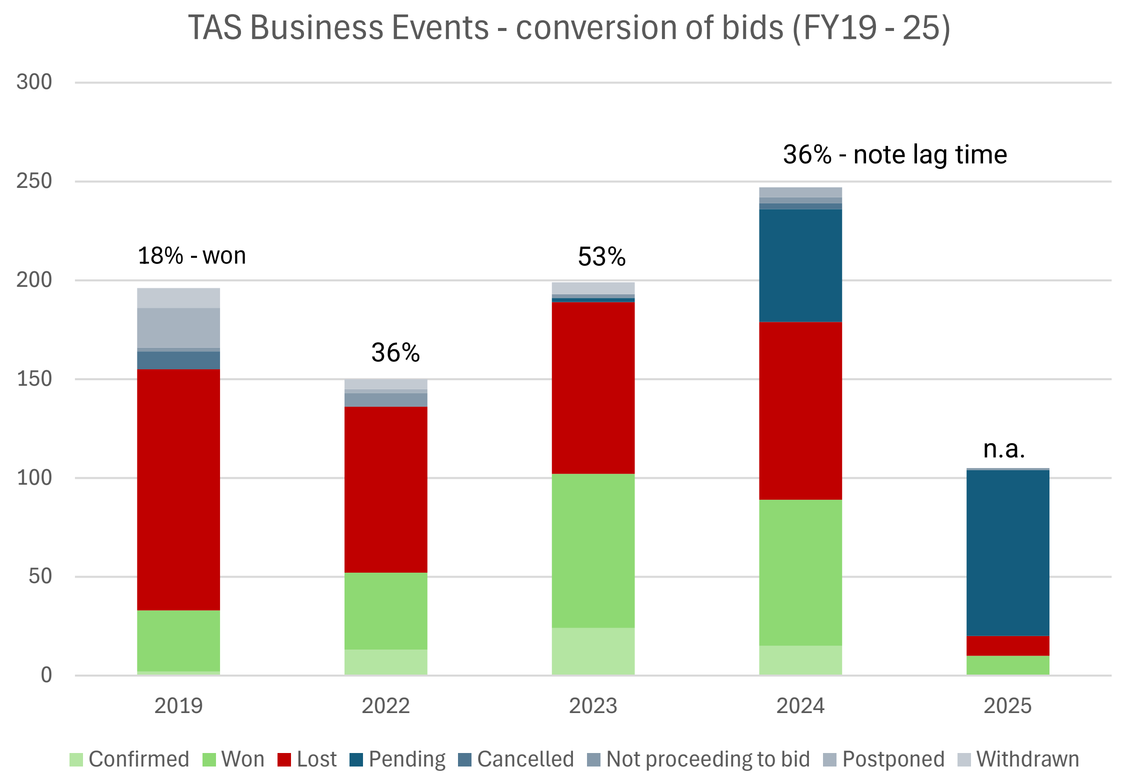
	2023 - 24		2014 - 15		Change FY15-24	
	Hobart & the South	Launceston & the North	Hobart & the South	Launceston & the North	Hobart & the South	Launceston & the North
Travel/Tourism/Accommodation (inc Business Events)	30	0	2	0	28	0
Health/Pharmaceutical	25	0	17	1	8	-1
Govt/Education/Training/Safety/Security	14	1	4	3	10	-2
Finance/Banking/Investment/Insurance	12	0	10	2	2	-2
Wholesale/Retail Trade	10	0	8	0	2	0
Medicine, Medical science	8	0	4	1	4	-1
Building, construction, design	7	0	3	1	4	-1
Other	7	0	7	1	0	-1
Transport/Postal/Warehousing	5	0	2	1	3	-1
Antarctic and Southern Ocean	4	0	1	0	3	0
Information, Communication and Technology	4	0	0	1	4	-1
Administration/ Accounting/Audit/Management Services/Law/Recruitment/HR	3	0	4	0	-1	0
Food & Agriculture	3	2	6	6	-3	-4
Social Work/Religion	3	1	6	1	-3	0
Sport/Lifestyle/Special Interests	3	1	6	2	-3	-1
Renewable Energy	2	0	0	0	2	0
Science (ex medical)	2	1	9	2	-7	-1
Media/Advertising/Literature/Publishing/Marketing/PR	1	0	0	1	1	-1
Mining and Mineral Processing	1	1	0	0	1	1
Cultural Development	0	0	4	1	-4	-1
Education	0	0	1	0	-1	0
Total	**144**	**7**	**94**	**24**	**50**	**-17**

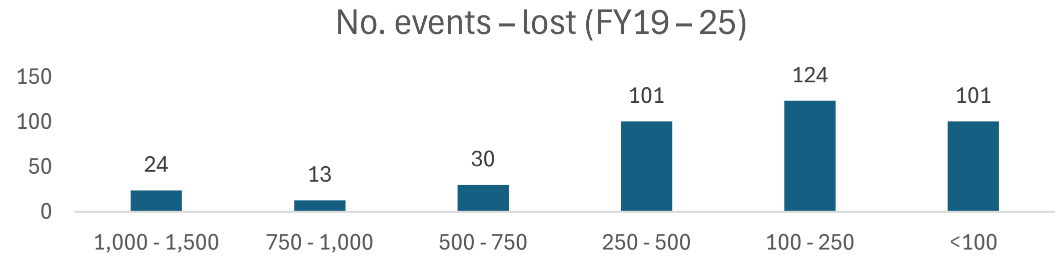
Source: Business Events Tasmania

Key comments

- Hobart business events have grown from ~95 to 145 from FY15 to FY24 with significant growth in Government/Education/Training events and Travel/Tourism/Accom. events (now the biggest sector by number of events – although average event size is 90 persons). The average size of Government events is around 210 persons.
- Launceston has seen a steady decline in business events since FY2015 down from 23, to 17 in FY2017 and just 7 events in FY2024. Average event size in FY24 was 162 persons with 2 events under 70, 2 events 100 – 200, 2 events 240- 250 and 1 event of 300 (an event in sports/lifestyle/special category).

5.4.5 Business events: Tasmania (FY24) analysis of wins/losses





Lost events – reasons

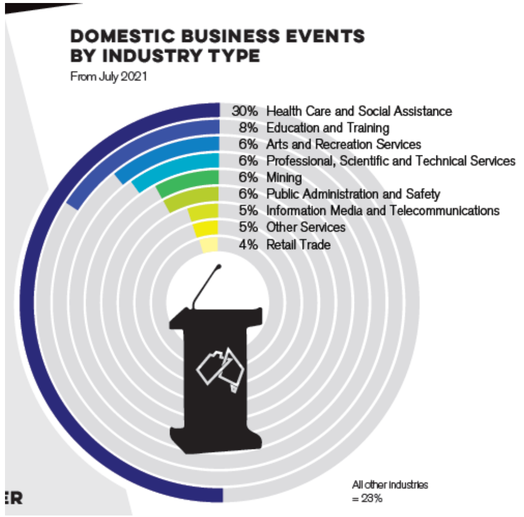
Some of the reasons provided for 'lost' events with large delegations were as follows:

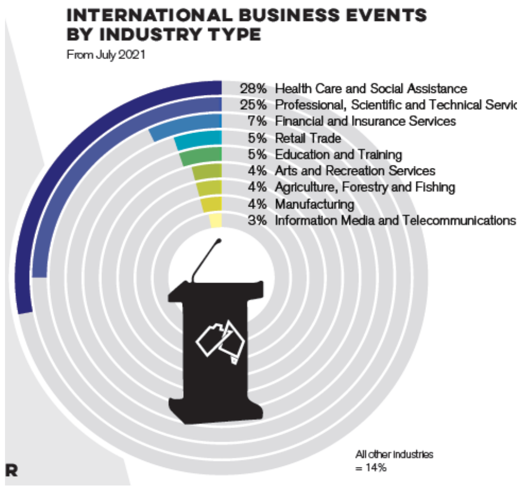
- Funding provided by other locations was greater or more timely.
- Senior executives wanted a warmer climate.
- Costs for shipping too high.
- Facilities not large enough in Tasmania (e.g. Hotel Grand Chancellor Hobart does not offer the space they want to be able to grow the numbers and have all items - expo, dinner, conference under one roof. Brisbane offered incentives).
- Going to Sydney / Melbourne (due to size of local market).

Somewhat positive reasons (for lost events)

- Love Tasmania, currently looking at Hobart.
- Multiple organisations have indicated a desire to consider Tasmania over the next few years. Specifically, there could be 20 – 30 events over the past 3 – 4 years that could be specifically targeted for 2026 – 2029 (based on feedback).
- Some associations still playing catch up with Covid, but Tasmania is on the radar for these associations.
- Lots of events in the 100 – 500 range have sought other locations – potentially limited by some of the enabling infrastructure rather than convention facility capacity.

5.4.6 Business events: Tasmania (2022 - 2024) example events





Tasmania (Domestic)

- 2023 Rural Medicine Conference: 700 delegates – Devonport
- 2023 Australian Rheumatology Association Annual Scientific Meeting: 600 delegates – Hobart
- 2022 Australian Society of Anesthetists National Scientific Congress: 1,000 delegates - Hobart
- 2022 Society of Obstetric Medicine of Australia and New Zealand Annual Sales Meeting – Hobart
- Australian Mensa Conference 2022: 300 delegates - Launceston

Tasmania (International

- Towing Tank Conference: 295 delegates (7 days)
- International Temperate Reefs Symposium 2021: 250 delegates (5 days)
- 2022 International Seaweed Triennial Symposium: 640 delegates (6 days)

Rest of Australia (Domestic) - large

- Royal Australian & New Zealand College of Ophthalmologists (RANZCO) Annual Scientific Congress 2023: 1,600 delegates – Perth
- Australian College of Perioperative Nurses (ACORN) Conference 2024: 1,500 delegates - Perth
- Annual Scientific Meetings of The Australian and New Zealand Society of Respiratory Science and The Thoracic Society of Australia and New Zealand (TSANZSR) 2024 : 1,500 delegates – Adelaide

2022-2024 held events: Rest of Australia (International) – 500 – 1,000

- World Melioidosis Congress 2022: 650 delegates – Darwin
- EcoSummit 2022: 650 delegates – Gold Coast
- 15th Meeting of the Asia Pacific Federation of Pharmacologists: 1,000 delegates - Melbourne
- International Rapeseed Congress IRC2023: 800 delegates - Sydney
- Society for Freshwater Science Annual Meeting 2021: 900 delegates - Brisbane
- World Rose Convention 2021: 800 delegates – Adelaide
- International Conference on Pressure Vessel Technology (ICPVT) 2023: 400 delegates - Perth

Source: Association of Australian Convention Bureaux – Domestic and International Business Events Forward Calendar, July 2021 (Held events 2022 – 2024)

6. Economic drivers & local strengths

6. Economic drivers and local strengths

This section of the report reviews the economic drivers and local strengths of Tasmania, Launceston and Northern Tasmania. This section reviews:

- Local jobs profile by industry of employment
- Local jobs growth over the past 5 years or so
- Review of competitive sectors for Tasmania / North Tasmania.

The relevance of this section is to understand the local strengths that Northern Tasmania has, outlining potential industries / sectors that could be specifically targeted for business events – particularly large national or international events.

6.1 Economic overview: local jobs profile vs. benchmarks

Employment profile

Chart 6.1 presents a summary of the local jobs profile within Launceston LGA, by industry of employment in 2022/23, based on data from National Institute of Economic and Industry Research (NIEIR) and .id and compares this with the profile for Tasmania and for Australia.

Launceston over-indexes on Health Care and Social Assistance, Retail Trade and Accommodation relative to the national employment distribution.

Tasmania significantly over-indexes in Agriculture, Forestry and Fishing employment (more than twice the national average) and this sector has also been growing solidly.

Launceston under-indexes in Professional, Scientific and Technical Services; Public Administration and Safety.

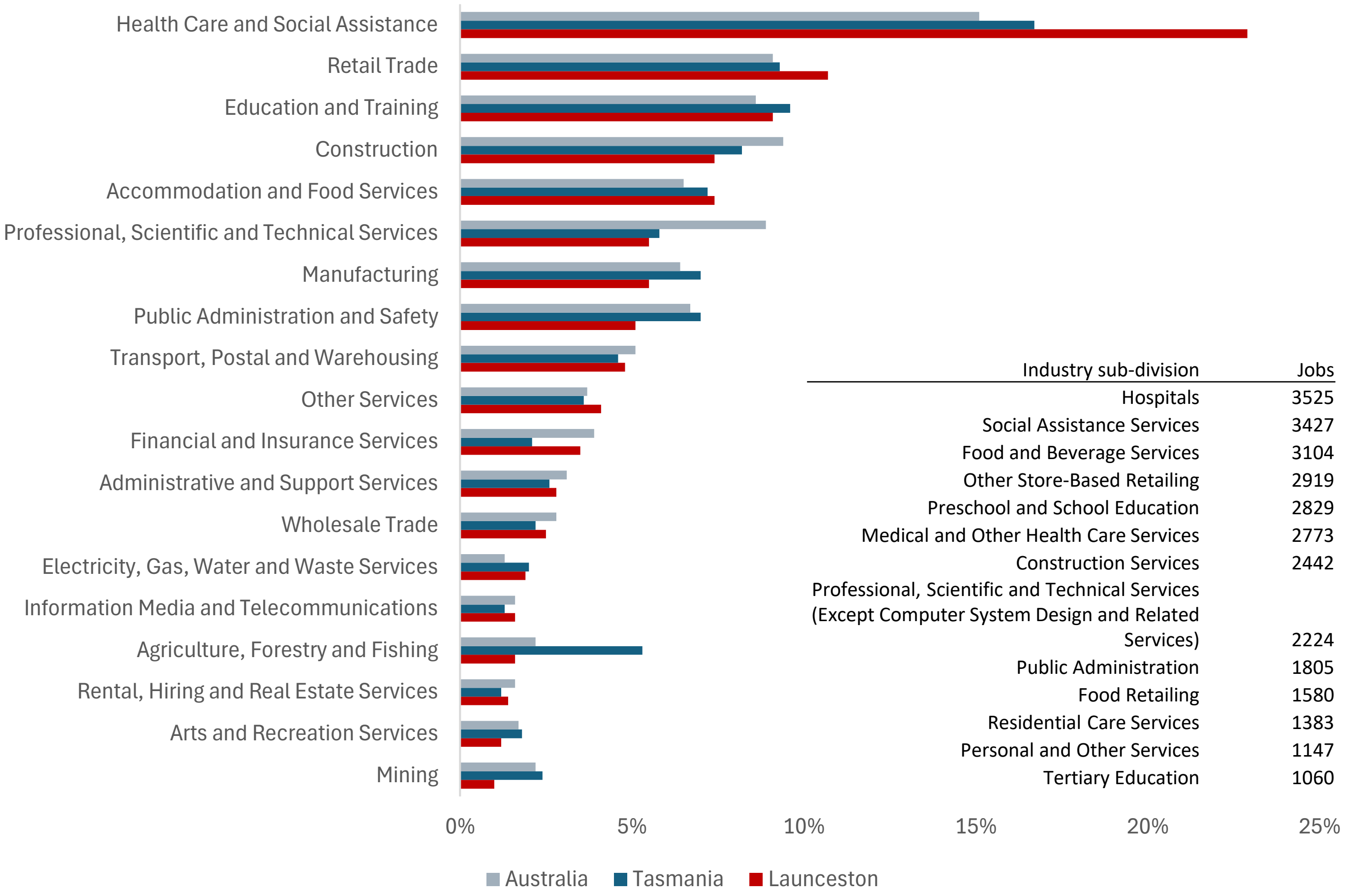
Micro-industries

Health Care & Social Assistance is a dominant and fast growing sector in in Launceston (constituting 50% of all jobs growth). This includes three of the largest sub-industry sectors (Hospitals, Social Assistance Services and Medical & Other Health Care).

Food and Beverage Services is the third largest sub-industry and Other Store Based Retailing (i.e. not fuel, motor vehicles, food retailing) is the fourth largest sub-industry.

Professional, Scientific and Technical Services (ex. Computer related) and Public Administration are also key sub-industries in Launceston (but as a relative share compared to national averages, these sub-industries are low).

Chart 6.1: Local jobs by Industry – Launceston LGA vs. Tasmania & Australia



Industry sub-division	Jobs
Hospitals	3525
Social Assistance Services	3427
Food and Beverage Services	3104
Other Store-Based Retailing	2919
Preschool and School Education	2829
Medical and Other Health Care Services	2773
Construction Services	2442
Professional, Scientific and Technical Services (Except Computer System Design and Related Services)	2224
Public Administration	1805
Food Retailing	1580
Residential Care Services	1383
Personal and Other Services	1147
Tertiary Education	1060

Source: ABS, NIEIR, .id

6.2 Economic overview: local jobs growth past 5 years

Chart 6.2 presents a summary of the local jobs profile within Launceston LGA, by industry of employment over the period 2017/18 to 2022/23, based on data from National Institute of Economic and Industry Research (NIEIR) and .id.

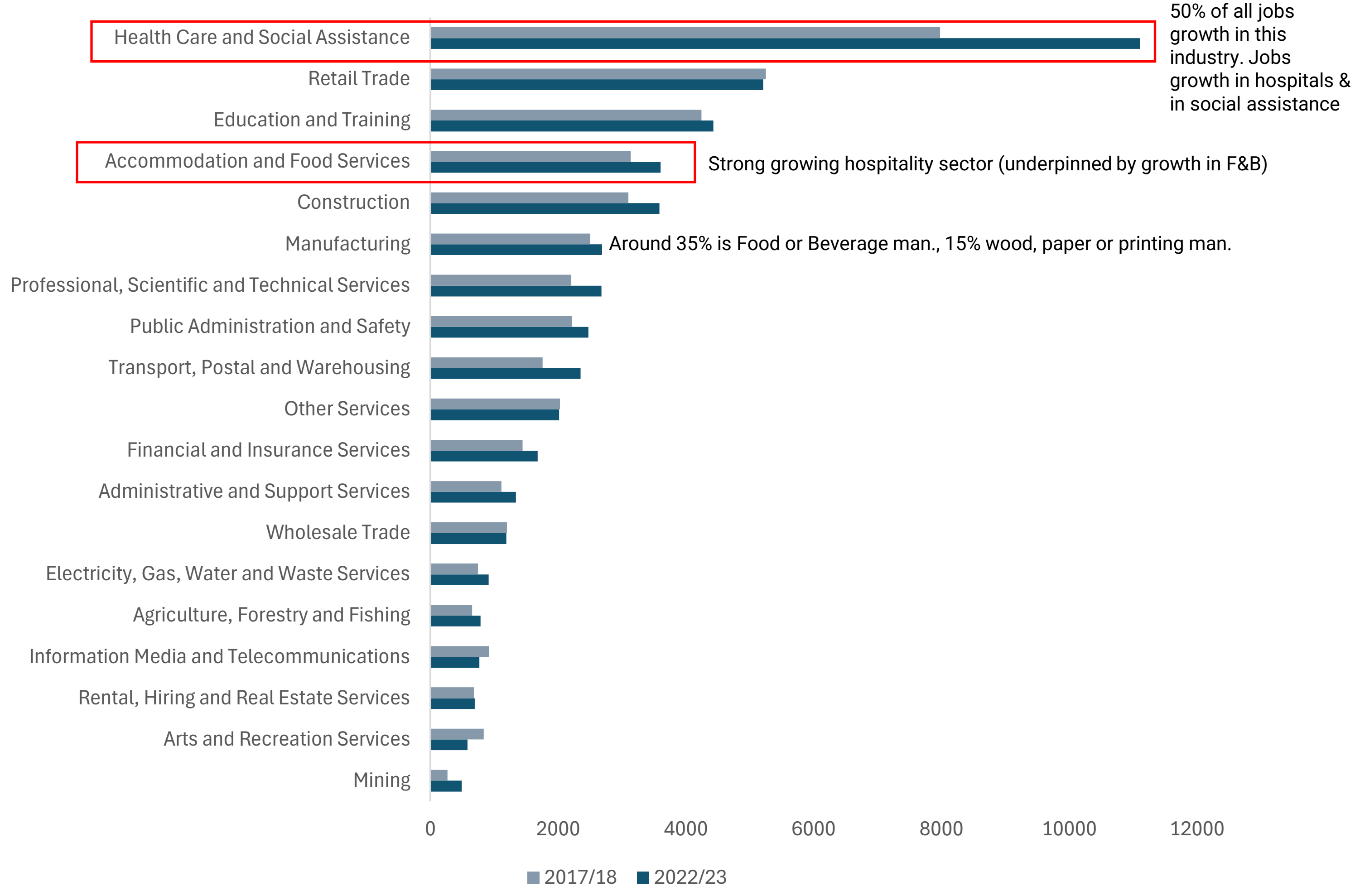
The largest employing industry in terms of local jobs in Launceston is **Health Care and Social Assistance** which was also, by far, the largest growing industry over the period 2017/18 to 2022/23, having grown from 8,000 workers to 11,100 workers, constituting around 22% of all jobs. Around 3,500 jobs are in Hospitals and similarly in Social Assistance Services (which have both driven much of the growth).

The next largest industries of employment are **Retail Trade (11%), Education and Training (9%) and Accommodation & Food Services (7%) and Construction (7%).**

Employment in Retail Trade remained steady over the past decade or so, while there was considerable growth in the **Accommodation and Food Services** sector (a key sector of relevance in regard to tourism). Aside from Health Care and Social Assistance, this sector has been one of the largest growing sectors – most of the growth in F&B Services with limited/flat growth in Accommodation employment.

More broadly, from a resident worker perspective in the Launceston LGA (i.e. the worker lives in Launceston but the job might or might not be in Launceston), the **Agriculture, Forestry and Fishing sector doubled in size** from around 500 to 1,000 workers over the 2011 – 2021 period. This sector is a particular strong employment sector for Tasmania more broadly.

Chart 6.2: Employment industry trends – Jobs in Launceston LGA (2017/18 – 2022/23)



Source: ABS, NIEIR, .id

6.3 Economic overview: competitive sectors

One of the key themes to come from this analysis is the importance of the following sectors/industries to Launceston in terms of employment:

- Health Care and Social Assistance
- Tourism (Accommodation and Food & Beverage Services)
- Food Manufacturing and Agriculture.

The UTAS campus has recently moved into the CBD and is planned to grow its student base. Key strength sectors of UTAS in Launceston include maritime research, Antarctic research, wood architecture, forestry, agriculture however the new campus will focus on growth in other sectors.

The key strengths of the city and its surrounds are highlighted to the right. Some of these key strengths above are not really points of difference or comparative advantages compared with other locations/regional cities across Australia. For example, Barossa Valley and Hunter Valley have long entrenched and global reputations as wine regions; Cairns and Darwin have access to pristine natural environments etc. In our view, some of the key areas where specialist business events/conferences would be well-aligned with Launceston would be:

- **Maritime research / Antarctic research**
- **Aquaculture / Agriculture / Food production (food and beverages)**
- **Forestry / wood product manufacturing**
- **Environmental science / energy / energy innovation (green energy)**
- **Defence (specialist sub-sectors)**

Agriculture & Agribusiness

- Tamar Valley Wine Region (inc. both West Tamar and East Tamar)
- Strong dairy, beef and wool industries.
- Pristine environment – strong perception of food quality (reflected in UNESCO Gastronomy rating).

Tourism & hospitality & sport

- Increasing reputation as a wine region and a gateway city to surrounding regions like Cradle Mountain, East Coast.
- Major events like Festivale, Junction Arts Festival, DarkMoFo and increasing focus on sporting events. City will temporarily support the new Tasmania AFL team until the redevelopment of the Hobart ground is complete.

Education & Research

- Australian Maritime College is located in Launceston (Newnham UTAS campus) and is the national institute for maritime education, training and research with a global reputation. Tasmania Institute of Agriculture (TIA) and Centre for Sustainable Architecture in Wood (CSAW) and Australian Forest and Wood Innovations (AFWI) are part of the Newnham Campus.
- The new $300m Inveresk Campus has been developed with a view to expanding the number of students across both campuses significantly. Faculties that will be expanded include: Business, Education and Creative Industries as well as Nursing, Science. The new campus is a shared precinct that will integrate with the surrounding businesses and visitors.

Manufacturing and Advanced Industry

- The Bell Bay Advanced Manufacturing Zone produces almost 3/5 of Tasmania's manufactured exports (inc. food and other industries). Notable companies in this sector include Bellamy's Organic and TasFoodsGroup, while the James Boags Brewery continues to operate (under the ownership of Lion).
- Around 35% of the manufacturing sector is Food and Beverage processing and a reasonable proportion of metal product manufacturing and furniture & other manufacturing.

Green Energy / Energy Innovation

- Woolnorth Renewables is windfarm operator which has been operating in Tasmania since 2002, based in Launceston with a growing portfolio of wind farm locations.
- Tasmania seeks to be a world leader in the production and export of renewable hydrogen. A key outcome of the Hydro Tasmania – Tasmania Renewable Hydrogen Action Plan objective is to become a leading global supplier of renewable hydrogen for export and domestic use.

Growing / specialist industries: the defence sector is also growing in relevance for Tasmania – with a focus on areas of competitive advantage such as maritime, specialist vehicles manufacture, space domain awareness and space life sciences.

7. Key take-outs

7. Key take-outs section overview

This section of the report summarises the key findings of our analysis. In particular, we have focussed on the main changes in the key metrics that matter since 2013. The table overleaf outlines the following for each metric:

- A score out of 10 for 2013 and for 2025
- A summary description of key changes since 2013
- Review of competitive sectors for Tasmania, Launceston and Northern Tasmania
- Any actions that Government can implement to unlock or improve the rating for each metric.
- A key take-out commentary for each metric

The main take outs we note are as follows, and these explain why Launceston has continued to lose market share since pre-Covid.

- **Enabling infrastructure - hotels**: Launceston has much less hotel stock than virtually all regional comparison markets, and around 40 – 45% of the stock of Hobart. We consider it imperative that solutions/incentives are found to unlock more private investment in this sector to drive/support additional tourism visitation – including business event related, business (non-event related), sports related and general holiday visitation. There is a capacity issue in Launceston when major sporting events or large cultural events are held at present.
- **Flights, local services, logistics:** we believe any issues with these enabling infrastructure could be solved for, and would need to be solved for, if larger convention facilities were provided and a significant increase in the amount of business events were subsequently accommodated. The Launceston Airport is being upgraded and is likely to accommodate additional flight services in the future.
- **Competitive markets:** not only have there been major expansions of convention facilities in major capital city markets, but the regional market competition has strengthened since 2013, including an expansion of the Sunshine Coast CC, Cairns CC and a major new convention centre is under construction in Geelong (due to open in by 2026), while the Albury EC is also planned to expand over the next few years as well.

7.1 Summary of key changes since 2013

Metric / factor	2013	2025	Changes since 2013	Action - for VNT / Tas. Govt.	Key take out / comment
Accessibility	3.5	4	New airport planned at Bradfield/Western Sydney, international flights now into Hobart, 15 - 20% increase in flights to Tasmania. Significantly more flights to other Australian regional locations in particular international flights to northern regional cities.	Work with airlines to attract more flights from Sydney, Brisbane and other markets.	Northern Australia destinations remain far closer to Asia Pacific markets than Launceston / Tasmania. But location is very close to Victoria which has 25% of Australia's population
Hotel stock	2.5-3	3.5	~200 rooms added to supply since 2013 (two hotels), the largest being Peppers Silo (106 rooms). Also, 5 proposals for hotels (above 130 rooms) totaling more than 800 rooms.	Investigate ways to incentivise development of new hotels (e.g. infrastructure charges temporarily removed)	Increase of 20-25% in 4+ room supply since 2013, and pipeline of new hotels. Need more stock to enable / attract more events including large hotels (+200 rooms).
Hotel demand/ performance	4.5	7	Hotel occupancy has grown from 50-60% in Launceston to around 70-75%. This is even with the addition of almost 200 new rooms. Similarly strong growth in market across Hobart.	n.a.	Investment by private sector would be encouraged by strong occ rates and potential catalyst infrastructure
Existing venue infrastructure	3	4	Some changes to local venue capacity since 2013. Upgrade of Door of Hope and the addition of Peppers Silo, which can only host events of up to 120 persons. Planned hotel developments could include conference capability of 500 delegates. Albert Hall redevelopment will enhance that facility's standing as an event location.	n.a. – this report highlights a need for increased capacity and modernised/new facilities.	New investment in Albert Hall, new hotels with conference facilities will take some potential events from a purpose built facility. Significant opportunity to create demand with a larger, quality design, purpose-built facility in CBD location.
Competitive environment - regional markets	4	2.5	The competitive environment in Australia for Launceston to capture large business events or a large number of small-medium events is significant and has worsened since 2013 with new facilities on the Sunshine Coast, expansions at Cairns and a new purpose built facility u/c at Geelong. Capital cities have much better infrastructure and local markets and many regional markets offer strong destination appeal and proximity to capital city infrastructure/market or Asia Pacific proximity.	No major intervention possible – except to leverage key points of different and local strengths.	Several regional cities have improved their offerings since 2013 for their convention facilities and a major new facility is being built at Geelong. Even cities that haven't improved their conference facilities have seen increased provision of higher quality hotel stock (e.g. Newcastle).
Logistics	5	5	Since 2013 the airport shuttle service has closed, but Uber plays a more prominent role. Interviews have indicated that additional transport services for peak demand are available but only during certain times of year (as come vehicles are sent back to mainland during quiet).	Help to facilitate transport needs at significant / peak demand periods. Could be directly funded (ongoing operating expenditure)?	Transport and other logistics is something that can be addressed/improved and not considered an inhibiting factor that is unsolvable.
Local demand / audience	3	3	Local population and local economy/number of businesses is small, relative to major metropolitan markets, and this gap has widened since 2013. Solid population relative to other regional markets, but exhibitions/trade shows prefer major markets unless very specialised.	n.a.	The size of the local population base in Launceston (90,000) is very small relative to bigger regional cities like Townsville, Cairns, Sunshine Coast as well as Hobart.
Destination appeal	7.5	8.5	Attractive destination, which has improved in status/quality over the past decade. Strong assets like Barnbugle (1hr north), Bay of Fires/Wineglass Bay, Derby mountain biking, hiking/Cradle Mountain, food & wine (UNESCO CoG) as well as local heritage (e.g. James Boags). Weather (cold) is one slightly negative factor compared with some sunnier/warmer climates	Continue to leverage and market these strong features.	Strong tourism/visitor attributes for city and surrounding region. Need to increase presence on business events radar (not in the BEA top locations).
F&B/hospitality	6.5	7.5	Reasonable quality F&B scene in Launceston CBD, with a variety of options. Significant new additions since 2013. City granted UNESCO Cities of Gastronomy status in 2021.	As per above, leverage and market this as a strength – in particular the UNESCO rating.	Decent F&B offering within the city centre and across surrounding region, including wineries in Tamar Valley etc.
Costs	7	7.5	Average hotel room rates in Launceston are competitive and generally more affordable than most larger markets, many regional markets and about 25 - 30% cheaper than Hobart. Flights from Melbourne are very cheap (under $100 one way, and under $150 return on Jetstar. Also affordable on Qantas, Virgin). Event hosting costs for certain types of events can be expensive (e.g. equipment needs to be ferried then driven). Additional nights either side of events due to travel can add costs.	Work with airlines to attract more flights at reasonable times to reduce the requirement to spend 1 – 2 additional nights in hotels.	Generally an affordable destination from a flight cost perspective (particularly from Melbourne) and accommodation perspective but from other locations extra nights in hotels might be required due to inconvenient flight times.
Service & local expertise	2.5	3	Feedback from stakeholder interviews is that there are service issues/failures for events above 500 persons. They are not practiced enough for events of this scale.	Could be addressed through training initiatives, small business grants, etc. Could be solved for (ongoing operating expenditure)?	Launceston doesn't yet have the experience in hosting large events to be very good at hosting such events.

Source: GapMaps

Note: scale is out of 10.

8. Analysis of potential demand, economic impacts and conclusions

8.1 Analysis of potential demand and recommendations

This section of the report provides some indicative estimates of the number of business events that could potentially be hosted under three broad scenarios for Launceston. These scenarios are also compared with the current estimated business events market, based on BET data for 2024/25. We have assumed a notional year of analysis of around 2030 but this could be somewhere between 2030 – 2035 depending on funding, approval and development timeframes. Note the business events estimates are based on the market that BET specifically bid for, consistent with the BET data provided. As the PWC study from 2023 indicated, this represents approximately half the business events market, but this is an estimate. The three scenarios are outlined below:

Scenario 1: Do Nothing

This scenario assumes minimal additional hotel stock, perhaps 1 new hotel (but not additional convention facilities), organic growth in the number of passengers/flights to Launceston Airport, the same level of servicing capabilities, the completion of the Albert Hall upgrade and any improvements underway for existing infrastructure, but no major addition to convention facilities capacity within Launceston. We note that the Albert Hall redevelopment will see this facility able to support events of 800 – 1,100 in size however this venue is not intended to provide short-medium capacity to host a significant volume of multi-day business events, as its focus will be on community events first and providing a temporary venue for the Princess Theatre while it is redeveloped (due for completion in 2028).

Scenario 2: Upgrade to existing facilities

This scenario builds upon Scenario 1. It also assumes the completion of the Albert Hall upgrade and any underway improvements, other existing facilities are modernised/improved, improvements in servicing capabilities, a noticeable increase in flights to Launceston Airport (above baseline organic growth), 2 or more hotels are developed within the Launceston CBD and at least one of these includes convention facilities (e.g. with around ~500 delegate capacity).

Scenario 3: New purpose-built convention facilities

This builds upon Scenario 2. In addition to the assumptions defined above, this scenario assumes that the level of enabling infrastructure and services is greatly improved to sufficient levels to host a good number of medium sized events (~300 – 500 delegates) and potentially large events (500 – 1,000 delegates) – noting there are two potential convention facilities size options we have modelled under this scenario.

8.1 Analysis of potential demand and recommendations (cont.)

In all three scenarios, to ensure a constant comparison we assume that the Macquarie Point stadium in Hobart (with convention facilities) proceeds in its proposed form. This development, would have some impacts on the potential to draw events to Launceston, because while it will be able to hold 1,000+ delegate events, it will also accommodate lots of small – medium events.

Generally, we have adopted the following broad outcome/uplift assumptions when estimating potential uplifts in business events under the various scenarios, noting that one of the other key factors for attracting events to Launceston will be the payment of incentives to attract such events. This is not specifically addressed, but it needs to be acknowledged that competitive incentives will be required to attract a range of business events in any given year.

Scenario 1

There will be some minor improvement in the number of events between now and a future year between 2030 – 2035 because we expect some return to more normalised pre-Covid levels in Launceston (a market which has taken much longer to return than Hobart) and because there will be some minor improvement in enabling infrastructure.

Scenario 2

We estimate a potential event uplift of around 30 - 35% due to the relatively low base from which Launceston would be coming from under a Do Nothing scenario and because there are improvements in enabling infrastructure, servicing and convention facilities capacity under this scenario.

Scenario 3

We estimate a further uplift of 30 - 35% on Scenario 2 under this step-change scenario, with much more hotel stock, improvements in enabling infrastructure and purpose-built convention facilities. We assess this scenario under two potential options: a 1,000 pax facility and a 500 - 550 pax facility. In this scenario, we consider the main driver of the uplift to be the significant improvement in enabling infrastructure in particular hotel stock and quality of hotels.

8.2 Potential scenarios

Scenario 1 - No change to facilities (Do Nothing)

Outcomes

- Tasmania continues to play small role in overall Australian business events market, with Hobart capturing the lion's share of Tasmania market and continuing to grow reasonably strongly.
- Launceston continues to attract a small number of events, with a return to growth expected noting the UTAS campus has improved, new sporting infrastructure has been provided and that perhaps 1 hotel will open in this timeframe. As a share of total business events, universities actually host a reasonably significant proportion. The new campus might have a positive impact on events hosted in Launceston.

Scenario 2 - Upgrades to existing infrastructure and space added as part of hotel developments

Outcomes

- Would potentially unlock more events in the 250 – 500 delegate event range, but the lack of a big venue would continue to be a constraint.
- We expect an increase in the number of events but not a significant step-change (assumed around 30 – 35%).

Scenario 3 - New convention facilities

Outcomes

- Will 'unlock' potential that is currently not coming to Launceston due to lack of a modern/large/quality facility. Will likely grow the overall Tasmania business events market, with some minor event redirection – but predominantly accretive.
- We expect this scenario will grow the overall Launceston market by a further 30 – 50% (depending on scenario) but would require significant improvements in enabling infrastructure – which is assumed to occur in this scenario.
- Likely to see some minor event redirection within the local market but generally unlocks larger events and more of them.
- Would also include some additional non-business event impacts for Launceston and Northern Tasmania.

8.2.1 Business events potential - by scenario (if 1,000 pax)

Overview of assumptions: 1,000 pax facilities

We have prepared an indicative business event profile for Launceston under a range of scenarios. We have assumed a notional 'stablised' year of around 2030 (but this could be somewhere between 2030 – 2035 depending on funding and development timeframes).

At present, according to data provided by BET there were just 7 business events held in 2024, and 9 committed for 2025. By the early 2030's we assume that there is some organic growth in the market – assuming that the Launceston market returns to levels closer to where it was pre-Covid, noting the Albert Hall upgrade and some likely additional hotel stock in this time.

Under Scenario 2, we assume a 35% uplift in business events. Under Scenario 3, we estimate the overall market could increase by a further 40 - 50%. This could mean the overall business events market potentially doubles compared with Scenario 1 (Do Nothing).

Under Scenario 3, we expect that this would be a significant catalyst for events above the 500 delegate range. Because Tasmania in general is achieving a very low market share of the overall Australian business events market, and Hobart has been growing significantly (more than 140 events in 2024) and may have some capacity issues that mean it is missing out on events, we consider a very large uplift in the business events potential to be possible.

We have an assumption later in the modelling, that not all of this demand is captured by the purpose built facility, of course, as the existing facilities would also be accommodating some of the latent demand.

Table 8.1: Potential business event profile for Launceston by scenario (1,000 pax)

Broad event type	Event size	2025	~2030 - 2035		
		Current	Scenario 1	Scenario 2	Scenario 3
International					**1,000 pax**
	>1,000 delegates	**0**	**0**	**0**	**0**
	750 - 1,000 del.	**0**	**0**	**0**	**1**
	500 - 750 delegates	**0**	**0**	**0**	**1**
	250 - 500 delegates	**1**	**1**	**2**	**2**
	<250 delegates	**0**	**0**	**0**	**0**
		1	**1**	**2**	**4**
National / local					
	>1,000 delegates	**0**	**0**	**0**	**0**
	750 - 1,000 del.	**0**	**0**	**0**	**2**
	500 - 750 delegates	**0**	**0**	**2**	**6**
	250 - 500 delegates	**3**	**5**	**7**	**10**
	<250 delegates	**6**	**14**	**16**	**18**
		9	**19**	**25**	**36**
Total		**10**	**20**	**27**	**40**
Potential attendees					
	International	**300**	**300**	**600**	**2,050**
	Avg. size event	*300*	*300*	*300*	*513*
	National	**1,500**	**2,900**	**4,900**	**10,100**
	Avg. size event	*167*	*153*	*196*	*281*
	Total	**1,800**	**3,200**	**5,500**	**12,150**
	Avg. size event	*180*	*160*	*204*	*304*

8.2.2 Business events potential - by scenario (if 550 pax)

More realistic scenario – 550 pax facilities

The Tasmania market business event market is small. While the state has strong destinational appeal, even Hobart (the larger city with venues that can support 1,000+ delegate events) rarely attracts 1,000+ delegate business events according to BET (historical data). There were many years with no events of this size, some years with 1 event, 3 events in 2017-18 and 5 events in 2015/16 of this scale. According to BET data, the business events that Launceston have typically attracted have been limited to small-medium events (average size less than 200 delegates), with a few above 300 delegates and none more than 500 delegates. Only a 2% of all business events across Australia are greater than 1,000 delegates, so the larger events do represent just a small fraction of the total market. Furthermore, Hobart's new stadium will specifically target this market.

While the new Macquarie Park Stadium has not yet received official funding approval to proceed, it is assumed that it will, and the associated convention facilities will be built with larger capacity than the existing facilities that exist in Hobart. Coupled with the greater hotel capacity, airport upgrades and potential additional international flight routes, we expect Hobart will continue to the be the primary location for large business events in Tasmania.

In this context, we consider that balancing likely demand with convention facilities that are more in-line with where most of the business event market sits (i.e. 100 – 300 delegates) would be prudent – with enough scale to host delegations of around 500.

Smaller option of ~550 delegate capacity, we assume that no events above 550 delegates would be possible, reducing the total opportunity by around 4 events, with more events held in the smaller brackets. The uplift would be about 33% on Scenario 2.

Table 8.2: Potential business event profile for Launceston by scenario (550 pax)

Broad event type	Event size	2025	~2030 - 2035		
		Current	Scenario 1	Scenario 2	Scenario 3
International					**550 pax**
	>1,000 delegates	**0**	**0**	**0**	**0**
	750 - 1,000 del.	**0**	**0**	**0**	**0**
	500 - 750 delegates	**0**	**0**	**0**	**1**
	250 - 500 delegates	**1**	**1**	**2**	**2**
	<250 delegates	**0**	**0**	**0**	**0**
		1	**1**	**2**	**3**
National / local					
	>1,000 delegates	**0**	**0**	**0**	**0**
	750 - 1,000 del.	**0**	**0**	**0**	**0**
	500 - 750 delegates	**0**	**0**	**2**	**4**
	250 - 500 delegates	**3**	**5**	**7**	**9**
	<250 delegates	**6**	**14**	**16**	**20**
		9	**19**	**25**	**33**
Total		**10**	**20**	**27**	**36**
Potential attendees					
	International	**300**	**300**	**600**	**1,125**
	Avg. size event	*300*	*300*	*300*	*375*
	National	**1,500**	**2,900**	**4,750**	**6,800**
	Avg. size event	*167*	*153*	*190*	*206*
	Total	**1,800**	**3,200**	**5,350**	**7,925**
	Avg. size event	*180*	*160*	*198*	*220*

8.3 Estimated incremental economic impacts (550 pax option)

Estimated incremental economic impacts – 550 pax option

Table 8.3 presents estimates of economic impacts, with three output metrics presented:

- Direct expenditure estimates / Gross value added / Job creation

We have presented the incremental uplift for each of these metrics compared with the Do Nothing scenario (Scenario 1). The general approach is as follows:

- Estimate the number of events in Tasmania that might be 'redirected' or 'impacted' from other parts of Tasmania, including regional locations and Hobart. Under Scenario 1 this is assumed to be nil, under Scenario 2 it is assumed to be around 2, under Scenario 3 it is assumed to be around 3 (net growth of 13 events for the state vs. Scenario 1 rather than 16 events).
- Estimate the net number of attendees for the state of Tasmania after applying the impacts above, then assume around 90 – 92.5% of attendees are inter-state and international visitors, then assume to estimate the incremental visitation to Tasmania from business event attendees under each scenario.
- Estimate average spend per delegate using the PWC 2022/23 report as a guide, for international and national events, allowing for inflation, to then estimate a total direct expenditure impact for the state. Assumed ($4,000 – 4,500 in current dollars).
- We then estimate the incremental uplift compared with the Do Nothing Scenario ($16m) and estimate incremental gross value added (GVA) at $14m and net job creation to be 140 – 150 jobs
- **Note: business events are estimated using similar method to PWC report (relying on BET officially reported events market), which PWC estimated to be around half the market.**

Table 8.3: Potential economic impacts – business events scenarios

Economic Impacts	550 pax scenario		
Net impacts on other Tasmania markets	Scenario 1	Scenario 2	Scenario 3
International			
Sub-total no. events	1	2	3
Impact on other markets in Tas.	0	0	0
Net increase in no. events in Tas. - Int.	**1**	**2**	**3**
National / local			
Sub-total no. events	19	25	33
Impact on other markets in Tas.	0	-2	-3
Net increase in no. events in Tas. - Dom.	**19**	**23**	**30**
Net increase in no. events in Tas.	**20**	**25**	**33**
Non-Tasmanian attendees (net increase allowing for other location impacts)			
International	278	555	1,041
National	2,610	3,713	5,288
Total	**2,888**	**4,268**	**6,328**
Est. spend per delegate (~2030+)			
International	$4,968	$4,968	$4,968
National	$4,416	$4,416	$4,416
Est. total incremental expenditure Tas ($m)			
International	$1.4	$2.8	$5.2
National	$11.5	$16.4	$23.4
Total	**$12.9**	**$19.2**	**$28.5**
Uplift - Scen 3. vs. Scen. 2			$9.4
Uplift - Scen 3. vs. Scen. 1			$15.6
Est. incremental gross value added (GVA) and incremental job creation			
GVA ($m)	**Uplift: Sc. 3 vs. 1**	**Est. Jobs**	**Uplift: Sc. 3 vs. 1**
Direct GVA	$7.2	Direct jobs	97
Indirect GVA	$3.3	Indirect jobs	25
Induced GVA	$3.5	Induced jobs	24
Total GVA	**$14.1**	**Total Jobs**	**146**

8.4 Summary

Business events: potential demand

Scenario 1: With limited intervention, the business events market in Launceston is estimated to grow marginally, returning to levels pre-Covid (around 20 events).

- Scenario 2: With some improvements to enabling infrastructure (Refer Section 8 .1), supporting services and convention facilities improvements/capacity increases, we assume the business events market could increase by about 35% to around 27 events.
- Scenario 3: With sufficient levels of enabling infrastructure and supporting services to host many ~300 – 500 delegate events and purpose-built convention facilities that could accommodate events up to 550 delegates, we estimate Launceston could capture about 40 business events per annum (a doubling versus the Do Nothing and about 33% uplift versus Scenario 2).

Potential impacts on rest of Tasmania

We expect that under Scenario 3, Launceston/Tasmania will be able to attract many more events that otherwise would not come to Tasmania. The state currently achieves a market share of 1% or less of the total business events market in Australia. With such a low base, and significant market size beyond Tasmania, most of the estimated incremental demand is expected to be accretive.

However, we expect some event redirection/relocation might occur, perhaps in the order of 10% or so, which would be around 3 events out of 40. This could include 2 - 3 events that might otherwise have gone to Hobart (mid sized) and 0 - 1 event that might have gone to other parts of Tasmania.

Share of events to purpose built convention centre

With an uplift of around 9 events (36 total) vs. Scenario 2 and 16 events vs. Scenario 1, we do not expect all business events in Launceston will be accommodated within new purpose-built convention facilities. We assume most (around 80 – 90%) of the incremental events could be accommodated at the new facilities but that the overall market would also receive a small boost with some existing facilities also benefiting, because under this scenario we assume significant improvements in the enabling infrastructure.

Assuming in the order of 20 business events were able to be captured by the new purpose built convention facilities, assuming an average event of 3.5 - 4 days (~70 – 80 days) then there would be reasonable capacity at the facilities to also host a range of other non-business events - including festivals, social events, community events, charity events, concerts, entertainment or sporting events.

Non-business events

Convention facilities typically host a range of other events during the course of a year. For example, Adelaide CC hosted around 666 events in 2023 of which around 200 were business events. Most of these events would generally be local and already be taking place at other venues. However, some bigger events like live music, comedy etc might come to Tasmania/Northern Tasmania because of the new facilities. If around 50 – 75 events were able to be sourced and held in a calendar of events at new purpose built convention facilities, we would expect most of these were redirected from other venues (say 40% Hobart, 20% rest of Tasmania, 30% Launceston and Northern Tasmania and 10% accretive). This would equate to just a few events per year per venue redirected/impact in the local market.

8.5 Conclusions

We have drawn the following key conclusions from our analysis:

- Launceston has continued to lose market share in the business events market since pre-Covid due to limited hotel supply (vs. other markets), a lack of dedicated facilities of scale, a lack of enabling infrastructure (including direct flights at practical times), and issues related to event funding/incentives (a common feedback response for lost events bid for by BET were that other locations offered incentives and more quickly).
- Whether purpose-built convention facilities are provided or not, we recommend that some action is taken to enable/encourage new hotel development in Launceston to unlock economic growth not just in the business events market but also in general tourism, event and sports related tourism. The hotel market is much smaller than many other regional Australia markets, is less than half the size of Hobart and is at capacity when major festivals, sporting events or sports carnivals are conducted.
- Furthermore, while there are various issues with enabling infrastructure, a key issue citied by business event planners was better (or more timely) funding to attract events. We recommend a more proactive (approach to funding incentives be investigated for business events in Tasmania generally.
- We recommend that if purpose-built (multi-purpose) conference facilities were developed they should form part of a multi-purpose facility and should be more around the 500 – 550 person size. This would be more in-line with the majority of the business events market in Tasmania, and indeed, nationally.
- A purpose-built convention facility with 1,000 pax capacity is, on the evidence in this report, too large for Launceston given the size of such facilities in other regional markets and given the existing offer in Hobart (multiple 1,000+ delegate venues) and planned large convention centre as part of the Macquarie Park stadium development.
- We expect future growth will come mainly from the local Australian association and corporate events sector, with a sweet spot of events around 200 – 300 delegates. Ideally, attracting events between 300 – 500 delegates would be desirable, but these will require scaling up of enabling infrastructure including convention facilities that can host 500 - 550 delegates with flexible meeting spaces etc.
- Some international events (500 pax or less) will find Launceston an appropriate destination and attracting those events will be about potentially aligning with Launceston and Northern Tasmania's key industries of comparative excellence and targeted specialisation / growth (such as green energy, maritime / Antarctic research, defence vehicles manufacture etc). We note however, that around 20 – 30% of business events globally and in Australia tend to be in the health / medical sector.
- We have estimated that the number of business events in Launceston could double with a new purpose built facility, mostly accretive to the state of Tasmania, and around 20 could be hosted at such a facility. An additional calendar of non-business events should be curated to support the business events core market that underpins existing and any potential future convention facilities.

For further information

James Turnbull

Director - GapAdvisory

+61 (0) 439 700 801
james@gapmaps.com

GapMaps Head Office
SWF08, Level 1, 17 Star Crescent
Docklands VIC 3008 Australia

www.gapmaps.com