

MEDIA RELEASE: Businesses build on SA's tourism boom

FOR IMMEDIATE RELEASE

There has been an almost 180 per cent increase in holiday accommodation building projects in South Australia as more people travel locally because of the coronavirus pandemic.

The latest quarterly data released by the Construction Industry Training Board (CITB) shows works on short-term accommodation, including renovations and upgrades to existing holiday parks, motels and hotels, has increased by 178 per cent for the September 2021 quarter compared to the same period last year.

This represents a 62 per cent increase in holiday accommodation developments compared to the same period in 2019.

Holiday lodging is booming as South Australians jump in their cars to explore their own state rather than heading overseas or even interstate, fuelling a surge in developments by tourism operators.

The CITB data shows 39 short-term accommodation projects underway for the period covering 1 July to 30 September 2021, compared with 14 for the same time in 2020.

They include a \$500,000 development at Woodside Providore in the Adelaide Hills.

Cafe owner Tremaine Kerber said the plan to install 4-star boutique accommodation at his Woodside business was designed to capitalise on the tourism boom as more South Australians explored their own state.

Mr Kerber has owned the Woodside Providore for seven years and decided to build accommodation when the building next door came up for sale.

"The site was perfect for a larger scale operation and we are now building six king suites and two apartments, which are each two bedroom," he said.

"The only tourism accommodation offering in the area was Hahndorf, and Woodside is the centre of the Adelaide Hills wine region. This was one of our main attraction points as weddings and other functions are very prominent in the area, along with distilleries and breweries popping up also.

"We also have a mix of family-based attractions like a BMX bike track, Melbas Chocolates in Woodside, along with the Fox Creek Bike Park and the Big Rocking Horse nearby.



“It is also a way of bringing more people to the cafe and restaurant as both businesses are on one site, people will have the full accommodation and food experience, plus the option of room service.

“All tourism small businesses are relying on borders opening up. This will definitely help trade as long as consumer confidence is high.”

Other projects in South Australia include five tourist accommodation units at McLaren Vale worth \$600,000, a \$1.4 million development of a cabin park at Port Augusta, a \$450,000 group stay facility at Renmark and a \$900,000 holiday unit build at Wallaroo.

CITB chief executive Andrew Fullgrabe said demand for tourism accommodation was expected to increase further from November 23 when South Australia will open borders to fully-vaccinated people from all Australian states and territories.

“With Christmas, the peak summer tourism period and our festival season not too far away, the reopening to domestic tourism is a real opportunity for local businesses and the South Australian construction industry to deliver quality accommodation to more visitors,” Mr Fullgrabe said.

Construction of new homes continues its strong upward trend, with a 9 per cent increase for the September 2021 quarter compared with a year ago, and a 21 per cent rise in new home building for the quarter since 2019.

There has been a boom in construction of townhouses and apartments, with a 157 per cent increase for the September 2021 quarter compared with the same period last year, and a 217 per cent increase on the September 2019 quarter.

During the September 2021 quarter there were 108 new townhouses, apartments and duplexes under construction in South Australia, compared with 42 for the same period in 2020.

New swimming pools continue to be popular additions to South Australian homes, with more than 500 under construction during the September quarter - an increase of 73 per cent compared with the same period last year.

Construction industry trends across a range of sectors, from residential to agriculture, are revealed in data collected by the CITB and released quarterly.

Real-time data on building and construction projects valued over \$40,000 in South Australia is recorded through the Construction Industry Training Fund, administered by the CITB, which provides specialised programs and support for training and skills development in the construction industry.



Funding is invested in crucial areas such as apprenticeship support payments for employers, affordable training programs and linking secondary and further education to in-demand construction careers.

Mr Fullgrabe said increased building and construction activity created a greater capacity for the CITB to provide the targeted support and training required by industry.

“The CITB facilitates excellence in training, career development and advice to the construction industry and its partners, and a healthy industry ensures we can continue to achieve this,” Mr Fullgrabe said.

“Funding generated from building and construction projects is allocated to areas like apprenticeship support, affordable training and linking further education to construction careers and direct funding to employers for high quality training.”

Data compiled by the CITB, comparing the September 2021 quarter with the same period for 2020, shows:

- New houses increased by 9.1 per cent, from 2,187 to 2,387.
- New other residential - duplexes, townhouses, apartments - increased by 157.1 per cent, from 42 to 108.
- Renovated/extended houses, units, townhouses, apartments increased by 14.4 per cent, from 561 to 642.
- Swimming pools increased by 46.2 per cent, from 573 to 838.
- Farming, livestock and agriculture building increased by 2.7 per cent, from 111 to 114.
- Aged care facilities decreased by 83.3 per cent, from 24 to 4.

Mr Fullgrabe said the data was a valuable tool to provide detailed insight into trends of more than 40 sub-sectors of the building and construction industry in South Australia.

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To learn more about the CITB, visit <https://citb.org.au/>

Photographs for media use are available on request.

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Tremaine Kerber at the site of his tourist accommodation build. Picture: Kelly Barnes