



CLARKES BEACH

ECONOMIC BENEFIT REPORT

November 2020

Draft



Total Economic Contribution To New South Wales

of Reflections Clarkes Beach and Beach Byron Bay
During FY-19

Gross State Product (\$m)

including flow-on effects in the broader economy

**\$26.4
Million**

GSP during FY-19

4.5 (\$m)
Reflections

7.1 (\$m)
Beach Byron Bay

14.8 (\$m)
Tourist Spend

The combined Gross State Product (GSP) of Reflections Clarkes Beach and Beach Byron Bay during FY-19, including the impact of tourist spending, is \$26.4 million.

Employment (fte)

including flow-on effects in the broader economy

**193
fte**

GSP during FY-19

22 (fte)
Reflections

50 (fte)
Beach Byron Bay

121 (fte)
Tourist Spend

The combined Employment (fte) of Reflections Clarkes Beach and Beach Byron Bay during FY-19, including the impact of tourist spending, is 193 fte.

Tourism Expenditure (\$m)

**\$11.5
Million**

during FY-19

2.1 (\$m)
Domestic

9.3 (\$m)
Interstate

0.2 (\$m)
International

In addition to the direct expenditure of the Park and Restaurant, tourists that stay in the Park spend an additional \$11.5 million in the economy, with \$9.5 million coming from interstate/overseas.

In Summary

Purpose and Scope

The objective of this study was to undertake an economic contribution analysis of Reflections Holiday Park (the Park) and Beach Byron Bay (the Restaurant) to assess their economic contribution to NSW during 2018/19 (FY-19) and 2019/20 (FY-20). It should be expected that the economic contribution in 2019/20 would be lower than in 2018/19 as tourism and hospitality industries were significantly affected by the COVID-19 pandemic during the start of 2020.

Qualitative Factors and Business Profiles

In addition to the economic contribution of both businesses, this report also considers the business profile of the Park and the Restaurant. The Report identifies key industry trends in Caravan Parks and Restaurants and describes significant qualitative contributions that both businesses make to Byron Bay's identity.

In the case of Beach Byron Bay, it is a well-known iconic venue that contributes to the overall identity of Byron Bay, having been featured in a range of tourism campaigns. The same can also be said for Reflections Clarkes Beach, providing practically unique beachfront access to tourists with a range of accommodation options to suit a variety of tourist requirements and budgets.

Covid-19 Impact

As noted above, Covid-19 has had a devastating impact on both the restaurant and caravan park industries during FY-20. While we have included FY-20 analysis in most sections of this Report, we have based our commentary and business profile analysis on FY-19 data, which is most comparable to a 'usual' operating year for both businesses.

The Restaurant Industry

At a Glance

National



Revenue

2019
\$20.7bn2024
\$20.2bnEstimated
5 Year
Growth
-2.6%

National

#
Restaurants2019
22.5k2024
22.9kEstimated
5 Year
Growth
1.7%

National



Jobs

2019
176k2024
178kEstimated
5 Year
Growth
1.2%

IbisWorld last updated their key findings for the restaurant industry in November 2020 and anticipates that it will take 5 years (to 2025) for the industry to fully return to its pre-COVID turnover.

It is also predicted that competition relative to industry growth will increase. Over the coming 4 years (to 2024), revenue is anticipated to not quite return to its pre-COVID level, while over the same period growth in the number of establishments is anticipated to increase by 1.7% to just under 23k nationally. This increased competition is largely occurring in low-cost to mid-range dining options.

Low cost dining is estimated to make up 23% of the industry, with mid range dining accounting for 53% and premium dining options accounting for the remaining 24% of the restaurant industry. The restaurant component of Beach Byron Bay (as distinct from its kiosk and events) is categorised as premium dining. Over the past 5 years there has been a national trend towards cheaper restaurants with fewer courses. The success of Beach Byron Bay as an experiential destination is becoming more unique and sought after given these wider industry trends.

The Caravan Industry

At a Glance

National



Revenue

2019
\$3.4bn

2024
\$3.2bn

Estimated
5 Year
Growth**-6%**

National

# Caravan
Parks

2019
2,116

2024
1,873

Estimated
5 Year
Growth**-11%**

National



Jobs

2019
17.2k

2024
15.2k

Estimated
5 Year
Growth**-12%**

IbisWorld has anticipated the caravan industry will take approximately 5 years (to 2025) to fully recover from the impact of COVID-19, based on their key statistics released in April 2020, presented above. Early indications of actual caravan park performance from the Sept-20 quarter nationally suggest a far stronger bounce back over a shorter period of time. The Sept quarter this year recorded comparable occupancy, daily rate and RevPAR results to last year nationally with increased booking lead times, length of stay and total booking spend. These actual results from the Sep quarter identify a different trend to the industry forecasts produced by IbisWorld earlier this year.

While demand-driven factors may have lead to a faster than expected return to pre COVID revenue and jobs in the caravan industry, there continues to be a decline recorded in the overall number of established caravan holiday parks in operation. With a trend towards capitalising on highest and best use for large parcels of land there has been a gradual decline over the past decade in the number of caravan tourist parks, making way for lifestyle and permanent housing estates. While this gradual reduction has lead to the overall supply of caravan holiday park tourist inventory declining, steady increases in price and occupancy, driven by demand, have maintained a gradual and consistent growth trajectory in revenue and overall economic activity from caravan holiday parks.

The Caravan Industry

At a Glance (Cont.)



Strong Growth in Demand

The number of **registered Caravans & Campervans** in Australia has **grown by 26%** over the **past 5 years** to **154,858 vehicles**

The number of registered caravans and campervans (recreational vehicles) continues to grow with an increase of 26% (or 5.2% annualised) over the past 5 years nationally to 741,443 registered recreational vehicles. In the two main customer markets for Clarkes Beach of NSW & QLD, the increase in registration activity has exceeded the national average with NSW recording a 34% increase and QLD recording a 29% increase in the number of registered caravans and campervans over the past 5 years.

Source: BDO & Caravan Industry Association of Australia | 2020 Caravan & Campervan Data Report



Guest Nights Increasing

There was a **9.4% increase** in the **number of tourist guest nights** in caravan holiday parks during the period **FY-17 to FY-19 (2 years)** nationally

Excluding FY-20 (due to COVID-19 related factors), the number of tourist guest nights in caravan parks has increased by 9.4% (or 4.7% annually) over the two years to FY-19. NSW experienced growth of 9.6% (or 4.8% annually) over the same period which is in line with the national trend.

Source: BDO & Caravan Industry Association of Australia | CaravanStats.com.au database



Cultivates wellbeing

96% of those who participate in the caravanning and camping lifestyle believe that **camping can make you happier**

Research published by the Caravan Industry Association of Australia in 2017 revealed a range of social benefits of camping in Australia. It draws comparisons between those who camp and those who do not camp to identify general attitudes towards wellbeing. To compile this data, 1,000 people who had not camped in 20 years (or ever) were surveyed together with 1,000 people who camped regularly. Key insights from this research include:

- 85% of campers felt closer to their spouse/partner compared to 65% of non-campers
- 96% of campers believe that camping can make you happier
- 95% of campers believe that camping reduces stress
- Campers are competitively happier, more satisfied, optimistic and energised than non-campers
- Campers are less stressed, bored, frustrated and lonely than non-campers

Source: Caravan Industry Association of Australia | 2017 Real Richness Report

Reflections Holiday Parks

Clarkes Beach Overview



Equitable Access to Byron Bay

Reflections Clarkes Beach is the **main holiday park** with **iconic beachfront access** in Byron Bay, providing **accommodation choice** including **powered site** and **camping facilities**

While there are 5 caravan holiday parks in the immediate vicinity of Byron Bay (3.5km radius), Reflections Clarkes Beach is the only Holiday Park of scale with direct beachfront access.

The First Sun Holiday Park is located approximately 1.2kms from Reflections Clarkes Beach and has in the order of 15 sites and 15 cabins that enjoy overlooking beach views, with an additional approximate 28 powered/unpowered sites that are inland facing.

Beyond the First Sun Holiday Park, other locations including Discovery Byron Bay and Belongil Fields Caravan Park (located an approximate 3km from Reflections Clarkes Beach) provide no direct access to the beach.

Immediately surrounding Reflections Clarkes Beach, the more desirable location of Byron Bay, are a range of high-end beachouse style accommodation offerings. These include 'The Cape Beach House', 'Byron Bay Beach Houses', 'Julians Apartments' and others. While these present a range of accommodation offerings in the immediate surrounds of Reflections Clarkes Beach, none provide access to this location at the same comparatively affordable price point as Reflections Clarkes Beach.



Cabins



Powered Sites



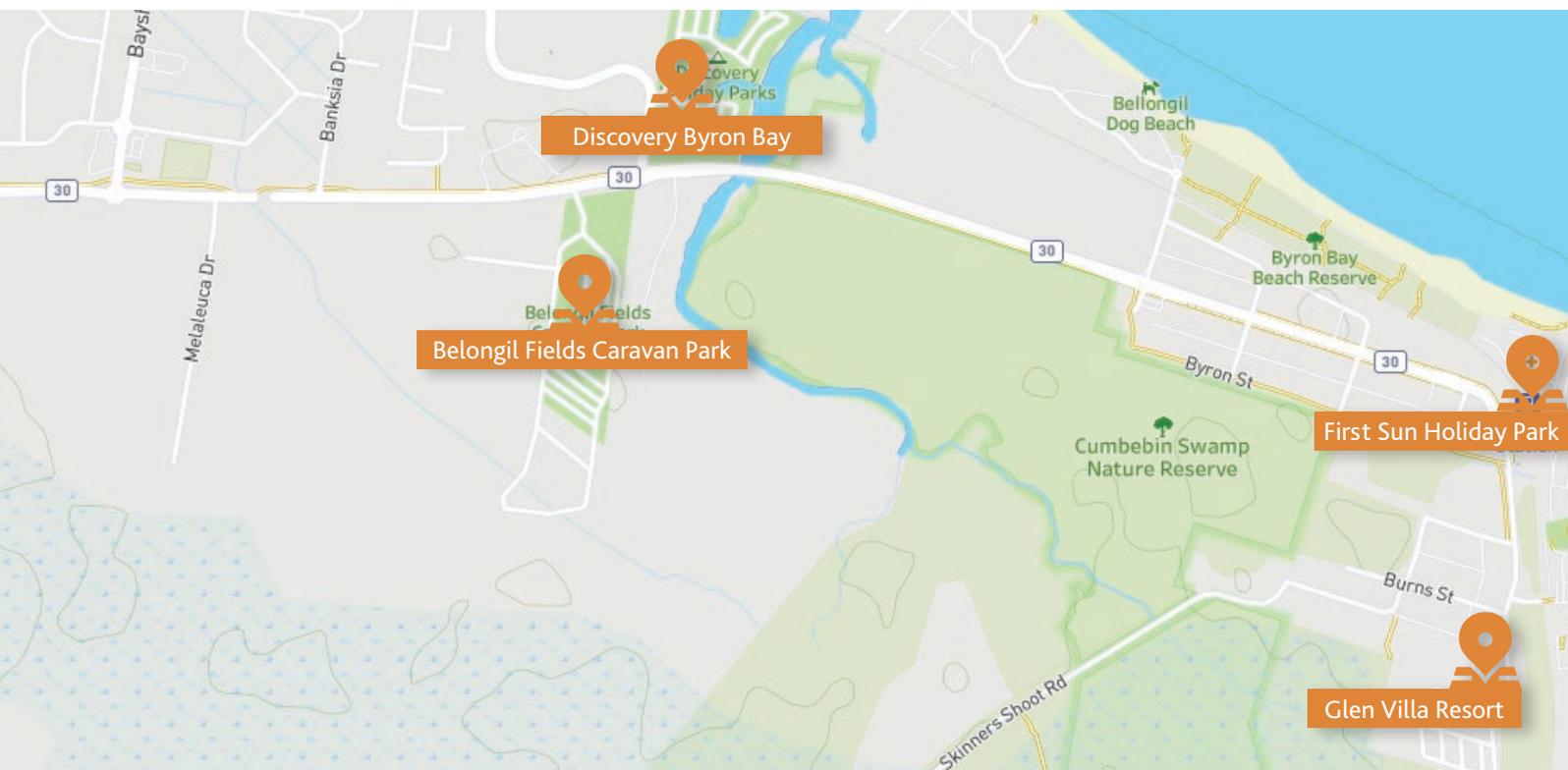
Unpowered Sites

	Cabins	Powered Sites	Unpowered Sites
Total # Sites	24	78	9
Annual Site Nights	8,326	30,125	3,285
Annual Occupancy %	70%	84%	60%
Avg. Daily Rate (\$)	\$301	\$79	\$74
Total Guests	4,820	18,173	1,804

Table: Tourist Accommodation at Reflections Clarkes Beach | Financial Year (FY) 2019.
Source: Reflections Clarkes Beach booking data

Reflections Clarkes Beach contributes over 41,000 tourist accommodation nights to the immediate Byron Bay region annually, for which there is strong demand. The Park includes a range of high quality cabins that appropriately cater for the amenity preferences of guests to the region.

In addition to these high quality cabins, powered and unpowered site facilities are in high demand with the average annual occupancy rate of powered sites in FY-19 at 84%. These sites also had an affordable price point of an average of \$79 per night compared with other options in the immediate beachfront region.



Reflections Holiday Parks

Clarkes Beach Overview (Cont.)

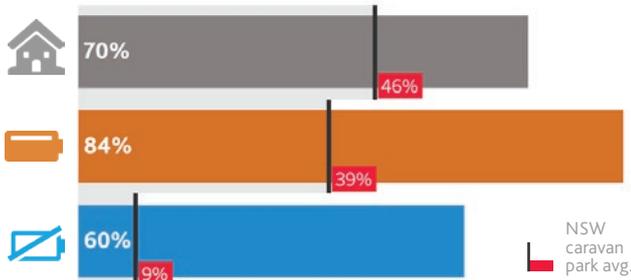


Strong Demand

Proven high demand for caravan holiday park accommodation in Byron Bay, **beyond industry norms**

Notwithstanding substantial demand for caravan holiday park accommodation in Byron Bay, it is unlikely that a greenfield caravan park development would occur in this immediate region in the future. Therefore, the loss of Reflections Clarkes Beach may result in a permanent loss of caravan park style accommodation on Byron's Bay beachfront.

Occupancy FY 2019
Reflections Clarkes Beach v NSW Average



Source: Reflections Clarkes Beach booking data
Source: BDO & Caravan Industry Association of Australia | CaravanStats.com.au database

The Median Sale Price of homes in Byron Bay over the past 12 months was \$1.7million which exceeded the national average of \$485K by over 250%. This represented median growth of property prices in Byron Bay of 7.1% over the past 12 months compared with median national property price growth of 4.3% over the same period. In summary, property prices in Byron Bay are expensive, and are becoming more expensive in real terms.

Given the cost of property in Byron Bay, a highest and best use analysis is unlikely to support the development of a new caravan holiday park on private land in nearby locations.

Source: <https://www.propertyvalue.com.au> accessed November 2020

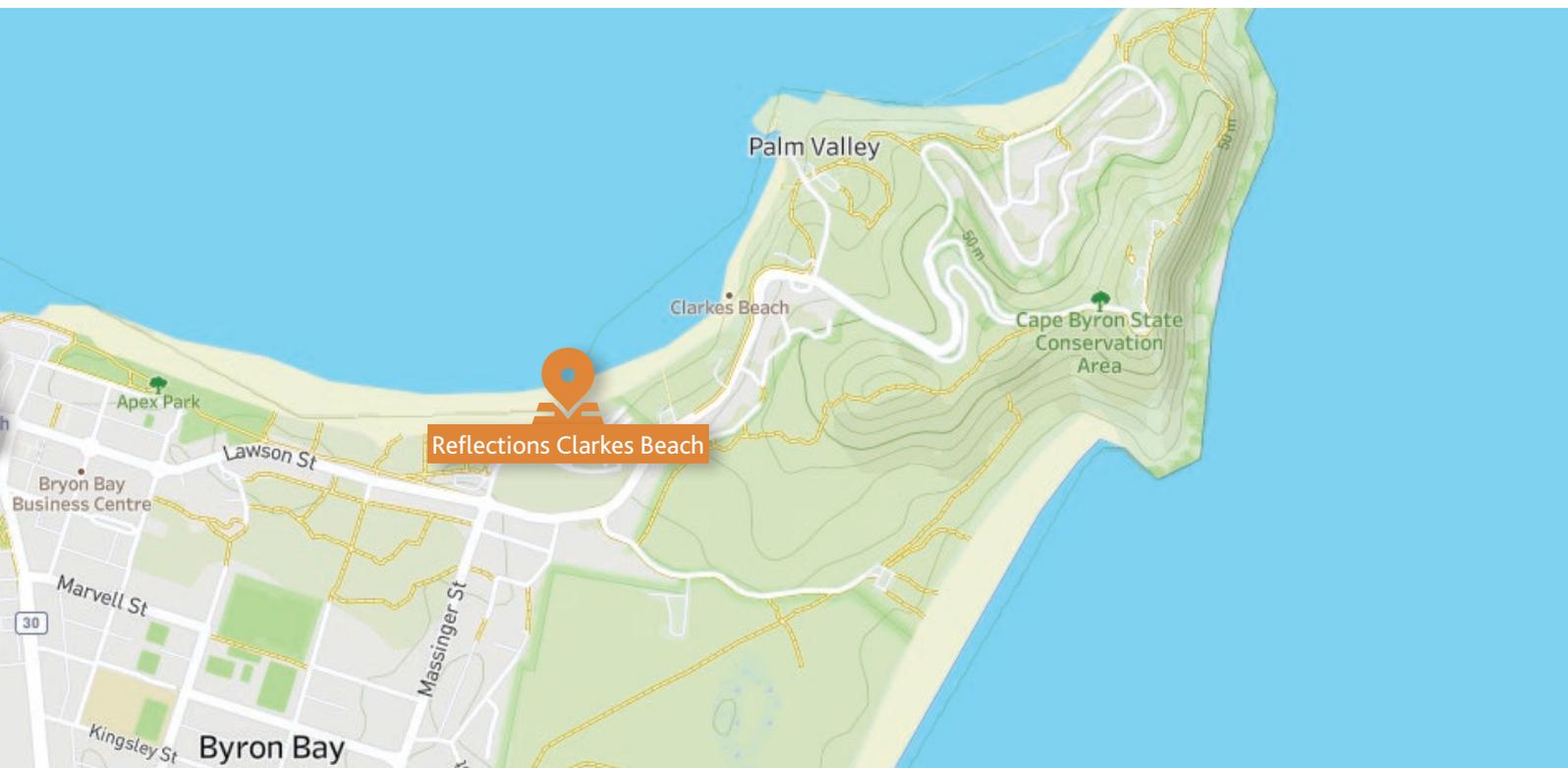
Clarkes Beach provided accommodation to over 24,000 tourists during FY-19, demonstrating the existence of strong and sustained demand for caravan holiday park accommodation in Byron Bay.

Identified in the figure above, all three tourist categories of Cabins, Powered and Unpowered Sites exceeded the NSW average for caravan park occupancy in FY-19. In the case of Powered Sites, occupancy was more than double the state average, and more than 6 times the state average for unpowered / camping sites. FY-19 has been used as a reference point given the volatility of COVID-19 during FY-20.



High Land Value

Limited opportunity for **new caravan park development** due to this location's **high land value**



Reflections Holiday Parks

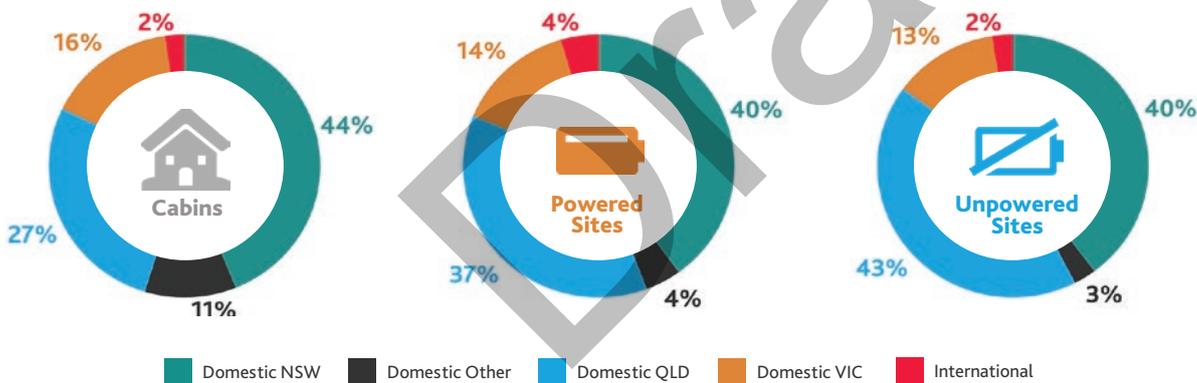
Clarkes Beach Overview (Cont.)



Guests are Interstate / Overseas

A majority of bookings, revenue and nights booked at Clarkes Beach come from guests outside NSW, creating direct investment in the State

Guest Origin Nights Booked by Location Type
Reflections Clarkes Beach during FY-19



Source: Reflections Clarkes Beach booking data

Guests from QLD and VIC accounted for 50% of all tourist guest nights and 47% of all tourist booking revenue at Clarkes Beach during FY-19. When combined, there were more guests from QLD & VIC visiting Reflections Clarkes Beach than there were guests from NSW, creating direct investment in the State.

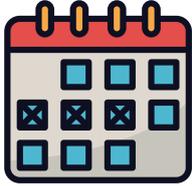
On average, 60% of tourist nights booked in caravan holiday parks in NSW during FY-19 were made by NSW residents (intrastate tourists). With reference to Reflections Clarkes Beach, over the same period only 41% of nights booked were from residents of NSW. Relative to industry norms, Clarkes Beach exceeds the number of guests its services from outside the State, providing over 19,000 guest nights to interstate / overseas tourists during FY-19.

Those guests travelling from QLD were more likely to experience a classic caravanning/camping get-away, staying in Powered and Unpowered Sites. While guests travelling from VIC were more inclined to book the comfort of cabin roofed accommodation, staying on average for 6 nights.



Reflections Holiday Parks

Clarkes Beach Overview (Cont.)

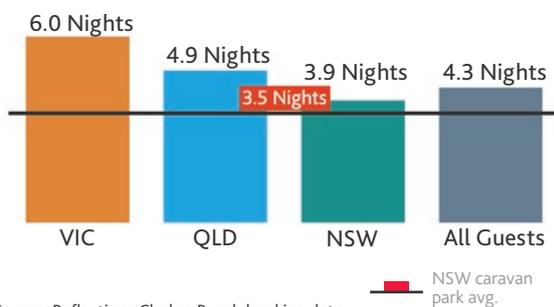


Longer than usual Length of Stay

Guests at **Clarkes Beach** stay on average for **longer than industry norms**, particularly those travelling **from interstate**.

Avg. Length of Stay FY 2019

Reflections Clarkes Beach Guests v NSW Average



Source: Reflections Clarkes Beach booking data
Source: BDO & Parki.Cloud database

The average length of stay at a caravan holiday park in NSW during FY-19 was 3.5 nights.

In the case of Reflections Clarkes Beach, the average length of stay was 4.3 nights for all guests, while those travelling from VIC (6 nights) and QLD (4.9 nights) had, on average, a higher length of stay than the average for both the State, the Park and NSW guests staying in the Park.

Guests travelling from VIC stayed for 2.5 nights longer than the state industry average over the same period. This higher overall length of stay among interstate travellers can create greater opportunity for flow-on investment in the region.

Together with a higher average length of stay, interstate guests at Clarkes Beach also spent on average more than double the industry norm on accommodation.

In the case of VIC travellers, the average booking value was nearly triple (\$703) the industry average of \$251 for caravan holiday parks in NSW during FY-19. For QLD travellers, it was more than double at \$554.



Higher than usual Guest Spend

The **average booking value** at **Clarkes Beach** among **interstate travellers** from QLD and VIC **is more than double the state industry average**

Combined with higher than average occupancy, higher than average interstate/overseas visitation and a higher than average guest spend, Reflections Clarkes Beach is well positioned to contribute significantly more value to the local economy than a typical caravan holiday park in NSW.

Avg. Booking Spend FY 2019

Reflections Clarkes Beach Guests v NSW Average



Source: Reflections Clarkes Beach booking data
Source: BDO & Parki.Cloud database

Beach Byron Bay

Overview



Iconic Destination

Beach Byron Bay is among the most celebrated icons of Byron Bay.

Having won the Qantas Australian Tourism Restaurant of the Year Award in 2014, the Restaurant and Catering Association Best Regional Restaurant on multiple occasions and the Australian Small Business best Cafe nationally, Beach Byron Bay is regularly featured in destination marketing campaigns, tourism blogs and influencer stories.

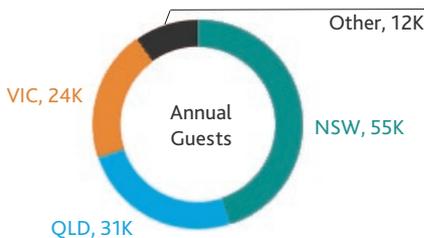
Through being featured in collateral published by a range of sources including Destination NSW and Destination Byron (LTO), Beach Byron Bay serves as an attractor for regional tourism more broadly.

<https://www.delicious.com.au>
Christine Manfield's guide to Byron Bay
 One of Australia's most celebrated chefs takes delicious. on a tour of her favourite places to eat along the northern NSW coast.
Byron Beach Café, Byron Bay
 I like this place best in the daytime. It does great setting overlooking Clark's...
 point. The ser...
 list is approach...
 a dozen oysters;...
<https://www.echo.net>
Uniquely Byron: The Byron Beach Café
 It's hard to think of a more "Byron" restaurant than the Byron Beach Café, from its all-weather absolute...
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Byron Bay has Australia's best tourism restaurant
<https://www.echo.net.au>

 Byron Beach Cafe has won Best Restaurant and Catering Service award at the 2014 Australian Tourism Awards. Photo byronbeachcafe.com.au
 Byron Beach Cafe has won the coveted Best Restaurant and Catering Service award at the Australian Tourism Awards in Adelaide.



State Inbound Guests*



Beach Byron Bay across its three main operating divisions of the kiosk, restaurant and function facilities services in the order of 122,000 guests annually.

55% of these guests originate from outside NSW, with a majority coming from QLD (25%) and VIC (20%).



Jobs

50 total fte jobs are created from Beach Byron Bay, 18 of which are directly employed by the Restaurant. with a total annual payroll of \$2.1 million. Over the life of the Restaurant's 25 year lease, over \$52 million will be paid in wages.[^]

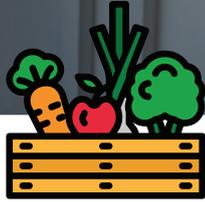
All employed staff are residents of NSW and reside in the greater Byron Shire region.* The unemployment rate in this Region was as high as 11% during the Sep-15 quarter#. While, pleasingly, unemployment has now dropped to 4.5% during the Jun-20 quarter#, volatility in the Region's labour market demonstrates a need for stable employment pathways, such as those provided by Beach Byron Bay.

[#]<https://economy.id.com.au/byron/unemployment>

[^]Management estimates. Without accounting for the time value of money (where applicable).
^{*}Analysis based on compiled data supplied by Beach Byron Bay

Beach Byron Bay

Overview



Supporting Local Producers

Over \$1.2 million annually is spent by Beach Byron Bay on locally sourced produce, supplies, trades and general services. This equates to over \$30 million directly invested in restaurant supply chain and related services over the life of Beach Byron Bay's 30 year lease[^].

With a focus on providing a high-quality dining experience, most aspects of the Restaurant's food preparation are based on fresh, locally acquired food. This is in contrast to more general styles of food preparation where pre-made and pre-prepared produce is purchased, providing a greater opportunity than usual to use local producers.



Significant Events

Beach Byron Bay hosts between 120 - 150 events in a usual year. Roughly 90% of these events are weddings with around 90 guests attending, spending on average \$225 per head^{*}.

In NSW, weddings contribute in the order of \$1.5 billion to the state's economy.[^]

Drawing strong demand for weddings and other premium events increases overall demand for local suppliers. Such items include DJ's, photographers, accommodation and other items, beyond the direct spend at Beach Byron Bay alone.

[^]ABIA wedding research

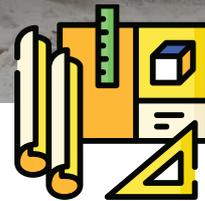


Product Diversity*

Kiosk	Restaurant	Functions
		
Guests [^] 63.6K	Guests [^] 49.9K	Guests [^] 8.3K

Beach Byron Bay provides three distinct product offerings to guests. From coffee and refreshments in the kiosk targeting beach goers and day trippers to high end restaurant experiences, corporate functions and weddings, Beach Byron Bay provides an unrivalled service that value-adds to the overall amenity and experience that the Bay is known for.

based on a count of the number of transactions



Crown Land Investment

Substantial improvements have been made to the physical structure of Beach Byron Bay over recent years, including major renovation works in 2014-2015 that have brought the building's insured value to \$3 million^{*}.

Under the lease with Crown Land, all ongoing maintenance and building refurbishments are the responsibility of Beach Byron Bay until the end of the lease period in 2045 when ownership of the building will be transferred to the Crown.

This substantial investment of recent years has facilitated Beach Byron Bay's growing interstate and overseas tourism appeal and has enhanced the underlying value of Crown Land.

[^]Management estimates. Without accounting for the time value of money (where applicable).

^{*}Analysis based on compiled data supplied by Beach Byron Bay

Economic Contribution Analysis

1. Method of Analysis and Data

1.1 Method of Analysis

This regional economic contribution analysis uses the RISE (Regional Industry Structure & Employment) economic model developed by BDO, an extension of the conventional input-output method. The models are based upon I-O tables that describe the interdependencies between industries within the regional economy and with the economy outside of the region. This makes the RISE model useful for disentangling the direct and flow-on effects of economic activity in a regional economy.

Economic contribution is quantified in this analysis in terms of the indicators:

- **Gross State Product (GSP)** - a measure of the contribution of an activity to the economy. GSP is measured as value of gross output (business revenue) less the cost of goods and services (including imports) used in producing the output.
- **Employment (full-time equivalent)** - a measure of workers' involvement in an activity. An fte of 1.0 means that the person is equivalent to a full-time worker, while an fte of 0.5 signals that the worker is only half-time.

Total economic contribution includes the direct economic activity in question (the holiday park, its visitors and the restaurant), and the economic activity supported in the broader economy due to this economic activity. Total economic contribution is reported in terms of the following components:

1. **Direct employment and GSP** – generated by activity at the holiday park, the restaurant and other businesses that visitors spend at while staying at the holiday park.
2. **First round employment and GSP** - refers to employment and GSP in firms that supply inputs and services to the 'direct employment' businesses, i.e. those categorised under #1 above.
3. **Industrial-support employment and GSP** - is the term applied to 'second and subsequent round' effects

as successive waves of output increases occur in the economy to provide industrial support, as a response to the original expenditure.

4. **Consumption-induced employment and GSP** - is the term applied to as those effects induced by increased household income associated with the original expenditure.

Flow-on (or indirect) economic contribution is the sum of categories 2, 3 and 4. These categories of economic contribution will apply to the project and to the increase in expenditures made by the new businesses to the region.

1.2 Data and Assumptions

Detailed estimates of operating costs, revenue, employment and tourism data were provided by Reflections Holiday Parks and Beach Byron Bay in order to conduct this analysis.

A contribution analysis was conducted using the total operating costs and revenue as provided to determine the direct economic contribution of the Park and Restaurant. A tourism contribution analysis was then conducted on the visitors staying at the Park.

This analysis subtracted visitor expenditure on accommodation and a proportion of restaurant expenditure assumed to be spent by visitors staying at Reflections Holiday Park Clarkes Beach and Beach Byron Bay to avoid double counting these expenditures.

The economic contribution results relating to tourism expenditure, therefore, can be interpreted as in addition to the economic contribution of the Park and Restaurant operations themselves.



Economic Contribution Analysis

2. Economic Contribution Results

The contribution analysis investigated the economic contribution to New South Wales resulting from the operation of Reflections Holiday Park Clarkes Beach, Beach Byron Bay restaurant, and additional expenditure in the local economy by visitors to the Park.

2.1 Reflections Holiday Park Clarkes Beach

Clarkes Beach incurred operating costs of \$1.8 million in 2018/19 and \$1.7 million in 2019/20. The economic contribution associated with this operating expenditure for 2018/19 and 2019/20 to the NSW economy is presented in Table 2.1.

Direct revenue for the Park in 2018/19 was \$3.5 million and \$2.8 million in 2019/20. Estimated total GSP supported by the Park was \$4.5 million in 2018/19 and \$3.8 million in 2019/20. Employment did not change between the two years and saw 22 total fte jobs supported by the Park, including flow-on effects.

Table 2-1:
Economic Contribution of Reflections Clarkes Beach, 2018/19 – 2019/20

Reflections Clarkes Beach		
	FY-19	FY-20
Revenue (\$m)	3.5	2.8
Gross State Product (\$m)		
Direct	2.4	1.7
Production Induced Flow-on	1.0	0.9
Consumption Induced Flow-on	1.1	1.1
Total Flow-on	2.1	2.1
Total	4.5	3.8
Employment (fte)		
Direct	8	8
Production Induced Flow-on	6	6
Consumption Induced Flow-on	8	8
Total Flow-on	14	14
Total	22	22

Source: BDO EconSearch analysis.

2.2 Beach Byron Bay

Beach Byron Bay incurred operating costs of \$4.2 million in 2018/19 and \$3.8 million in 2019/20. The economic contribution associated with this operating expenditure for 2018/19 and 2019/20 to the New South Wales economy is presented in Table 2.2.

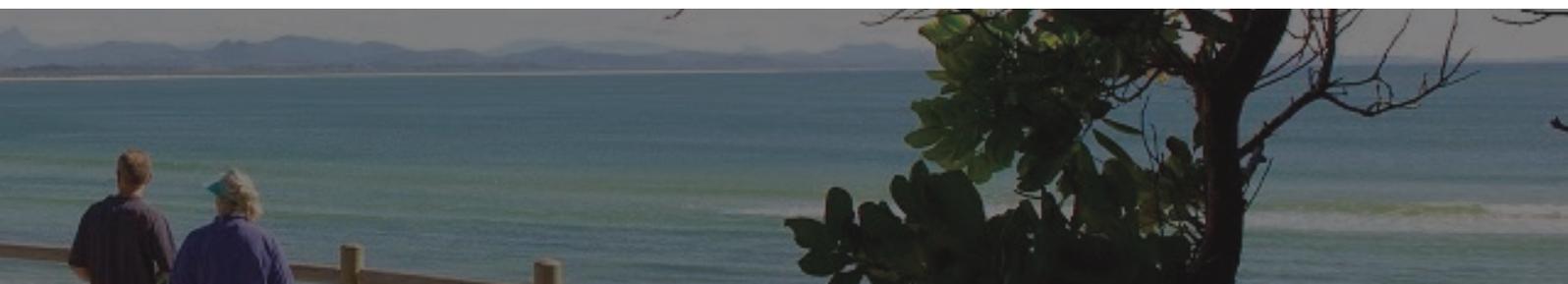
Direct revenue for the Beach Byron Bay in 2018/19 was \$4.8 million, decreasing to \$4.1 million in 2019/20. Estimated total GSP supported by the Beach Byron Bay \$7.1 million in 2018/19 and \$6.1 million in 2019/20.

Employment saw a marginal change between the two years with 50 fte jobs supported by Beach Byron Bay in 2018/19 and 46 fte jobs supported in 2019/20, including flow-on effects.

Table 2-2:
Economic Contribution of Beach Byron Bay, 2018/19 – 2019/20

Beach Byron Bay		
	FY-19	FY-20
Revenue (\$m)	4.8	4.1
Gross State Product		
Direct	2.9	2.4
Production Induced Flow-on	1.3	1.1
Consumption Induced Flow-on	3.0	2.6
Total Flow-on	4.2	3.7
Total	7.1	6.1
Employment (fte)		
Direct	18	18
Production Induced Flow-on	12	10
Consumption Induced Flow-on	21	18
Total Flow-on	32	28
Total	50	46

Source: BDO EconSearch analysis.





Economic Contribution Analysis

2. Economic Contribution Results (Cont.)

2.3 Additional Tourism Expenditure by Park Visitor

As noted above, Reflections Holiday Park Clarkes Beach has thousands of domestic, interstate and international visitors staying each year. Visitors can either stay in affordable accommodation such as campsites (low end) or high end accommodation such as luxury cabins. The economic contribution supported by tourism expenditure in 2018/19 and 2019/20 to the New South Wales economy is presented in Table 2 3 and Table 2 4. Direct expenditure by visitors to the Park, in addition to Park and Restaurant revenue, was \$11.5 million in 2018/19 and \$10.8 in 2019/20.

For the purposes of this analysis, high end includes all activity originating from visitor stays in Cabin accommodation. All other tourist accommodation (Powered and Unpowered Sites) are defined as low end accommodation in Table 2 3 and Table 2 4 for this analysis.

Total GSP supported by visitors to the Park was \$8.0 million (low end accommodation) and \$6.8 million (high end) during 2018/19 and \$7.5 million (low end accommodation) and \$6.3 million (high end accommodation) during 2019/20.

In 2018/19, fte jobs supported by the low end accommodation visitors was 66, with high end accommodation visitors supporting 55 fte jobs. These numbers decreased slightly in 2019/20, with low end accommodation visitors supporting 61 fte jobs, and high end accommodation visitors supporting 51 fte jobs in total. These employment numbers include flow-on effects.

Table 2-3:

Average annual economic contribution by Reflections Clarkes Beach visitors, by accommodation type

Reflections Clarkes Beach	FY-19			FY-20		
	Low End	High End	Total	Low End	High End	Total
Expenditure (\$m)	6.2	5.3	11.5	5.8	4.9	10.8
Gross State Product (\$m)						
Direct	3.3	2.8	6.1	3.1	2.6	5.7
Production Induced Flow-on	1.8	1.5	3.3	1.7	1.4	3.1
Consumption Induced Flow-on	2.9	2.4	5.3	2.7	2.3	5.0
Total Flow-on	4.7	3.9	8.6	4.4	3.7	8.1
Total	8.0	6.8	14.8	7.5	6.3	13.8
Employment (fte)						
Direct	31	26	58	29	25	54
Production Induced Flow-on	14	12	26	13	11	24
Consumption Induced Flow-on	20	17	37	19	16	34
Total Flow-on	34	29	63	32	27	58
Total	66	55	121	61	51	112

Source: BDO EconSearch analysis.

Economic Contribution Analysis

2. Economic Contribution Results (Cont.)

2.3 Additional Tourism Expenditure by Park Visitor (Cont.)

The majority of travellers came from interstate to visit Byron Bay and stay at the Reflections Holiday Park. Total GSP supported by these visitors during 2018/19 was \$14.8 million, \$2.6 million from domestic visitors, \$11.9 million by interstate visitors and \$0.2 million by international visitors. In 2019/20, total GSP dipped slightly to \$13.8 million, largely due to the impact of COVID-19.

During 2018/19, 121 fte jobs were supported, both directly and indirectly, by visitors staying at the Park, this fell to 112 fte jobs in 2019/20. In both years, domestic visitors generated 22 fte jobs, interstate visitors generated 97 fte jobs in 2018/19 and 88 fte jobs in 2019/20 and international visitors generated 2 fte jobs and 3 fte jobs in 2018/19 and 2019/20 respectively.

Table 2-4:
Average annual economic contribution by Reflections Clarkes Beach visitors, by visitor origin

Clarks Beach	FY-19				FY-20			
	Domestic	Interstate	International	Total	Domestic	Interstate	International	Total
Expenditure (\$m)	2.1	9.3	0.2	11.5	2.1	8.4	0.3	10.8
GSP (\$m)								
Direct	1.1	5.0	0.1	6.1	1.1	4.5	0.1	5.7
Prod.	0.6	2.7	0.1	3.3	0.6	2.4	0.1	3.1
Cons.	1.0	4.3	0.1	5.3	1.0	3.9	0.1	5.0
Total Flow-on	1.5	6.9	0.1	8.6	1.6	6.3	0.2	8.1
Total	2.6	11.9	0.2	14.8	2.7	10.8	0.3	13.8
Employment (fte)								
Direct	11	47	1	58	10	42	1	54
Prod.	5	21	0	26	5	19	1	24
Cons.	7	30	1	37	7	27	1	34
Total Flow-on	11	51	1	63	11	45	2	58
Total	22	97	2	121	22	88	3	112

Source: BDO EconSearch analysis.



References

In addition to the references quoted in hyperlinks throughout this Report, we have drawn data and analysis from the following sources:

- IbisWorld, Caravan Parks, Holiday Houses and Other Accommodation in Australia, April 2020
- IbisWorld, Restaurants in Australia, November 2020
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- <https://www.CaravanStats.com.au>, Accommodation Takings Data, custom SQL - November 2020
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- Reflections Holiday Parks, Clarkes Beach booking data, custom API queries - November 2020
- <https://www.Parki.cloud> - industry trend custom database SQL queries, November 2020
- Telephone interview with Ben Kirkwood, November 2020
- Briefing documents, profit and loss and supporting guest spend data supplied by Beach Byron Bay, November 2020
- <https://www.propertyvalue.com.au/suburb/byron%20bay-2481-nsw> accessed November 2020
- <https://economy.id.com.au/byron/unemployment>, accessed November 2020
- Profit & Loss, employment expenses and employee numbers for Reflections Clarkes Beach and Beach Byron Bay for FY-19 and FY-20

Disclaimer

The assignment is a consulting engagement as outlined in the 'Framework for Assurance Engagements', issued by the Auditing and Assurances Standards Board, Section 17.

Consulting engagements employ an assurance practitioner's technical skills, education, observations, experiences and knowledge of the consulting process. The consulting process is an analytical process that typically involves some combination of activities relating to: objective-setting, fact-finding, definition of problems or opportunities, evaluation of alternatives, development of recommendations including actions, communication of results, and sometimes implementation and follow-up.

The nature and scope of work has been determined by agreement between BDO and the Client. This consulting engagement does not meet the definition of an assurance engagement as defined in the 'Framework for Assurance Engagements', issued by the Auditing and Assurances Standards Board, Section 10.

Except as otherwise noted in this report, we have not performed any testing on the information provided to confirm its completeness and accuracy. Accordingly, we do not express such an audit opinion and readers of the report should draw their own conclusions from the results of the review, based on the scope, agreed-upon procedures carried out and findings.

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