



Economic Benefit of a Commercial Caravan Holiday Park to a Local Community

For every \$1 of park income, \$1.38 of local economic activity is generated, by the individual park

In 2012 the Caravan, RV & Accommodation Industry of Australia Ltd (CRVA) commissioned BDO to create a Economic Benefit Report. This report considers the economic impact that commercial caravan holiday parks have on their region from the spending undertaken by the park and park operators.

This report does not consider the flow on effect of visiting tourists spending direct with other businesses within the local region.

Commercial caravan holiday parks studied in this report contribute in excess of \$1.26m on average to their local region / economy per year, not including the flow on effect of tourists spending with other businesses in the region.

Non-financial contributions made by commercial caravan holiday parks also play a key role in developing a socially cohesive community or region.

The commercial caravan holiday park industry has had some very strong growth over the past 15 years, however, the pressures of the overall economic climate are starting to be felt and growth is declining; coming more into line with (but still exceeding) CPI.

Tourist parks account for approximately 12% of accommodation industry revenue and 9% of industry employment.

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Data taken from the Caravan, RV & Accommodation Industry of Australia Ltd
Economic Benefit Report - Commercial Caravan Holiday Park to a Local Community
October 2012.

Multipliers are used to estimate the flow on effect of tourist park expenditure to the local region, in a round by round approach, taking into account 'leakages' from the area each round. There are several different approaches to determining the multiplier or flow on effect; an algebraic approach has been adopted. There are limitations to multipliers when using them to make an investment decision, however, they are quite effective when determining the economic impact on a particular region.

