



**Australian Caravan Club Limited**

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Tasmanian Shipping Inquiry  
Productivity Commission  
GPO Box 1428  
Canberra City ACT 2601

Email: [tasmanian.shipping@pc.gov.au](mailto:tasmanian.shipping@pc.gov.au)

Dear Sir,

### **Submission – Tasmanian Shipping and Freight Inquiry Draft Report**

The Australian Caravan Club Limited (ACC) is a National body representing the interests of all types of Recreational Vehicle (RV) Owners in Australia.

A recent survey indicates has indicated that over 80% of the membership of the ACC would be over 55 years of age and therefore fall into the category of "Grey Nomads".

Our submission is therefore focussed on draft recommendation 11, i.e., the recommendation that the Australian Government examine alternative use of funds currently applied to the Bass Strait Passenger Vehicle Equalisation Scheme (BSPVES). ACC accepts that it is appropriate for Government to closely examine all expenditure to ensure economic benefit of funds expended are maximised.

A recent poll of our membership indicates that those bringing their own Recreational Vehicle across Bass Strait tend to have much longer stays. A short stay is considered to be 6 weeks with longer stays up to four months and in some instances five months. Those travelling by air and hiring a Motorhome or Motor Vehicle suggest the maximum stay would be three to 4 weeks.

#### ***Economic benefits created by the "Grey Nomad" RV traveller***

With the baby boomer generation entering retirement the RV industry is expected to substantially expand. Currently in excess of 20,000 new RV units are sold annually and it is expected that there will soon be in excess of 100,000 RVs on the road at any given time.

Modern RV travellers are consistent spenders needing to purchase a wide range of household products and services during their travels. Towns/ Regions that provide a reasonable range of other shop and services, stand to significantly benefit from the RV travellers. A sample of data collated from ACC membership indicates that an RV traveller will spend in excess of \$100 per day; a breakdown of this expenditure shows these general categories:

Accommodation (camp fess/Caravan Parks etc.)	17%
Fuel	30%
Provisions (Groceries etc.)	21%
Eating out	6%
Tourist items (Tours /entrance fees etc.)	5%
Vehicle Maintenance	14%
Incidentals	7%

This expenditure break down clearly shows that RV travellers spend their money on a wide range of goods and services and not just camping fees. Therefore many businesses can benefit from servicing the needs of the RV traveller.

In the current economic climate every tourist dollar that can be captured will not only benefit the business that provides the goods and services but also the town/ region as a whole with better employment prospects.

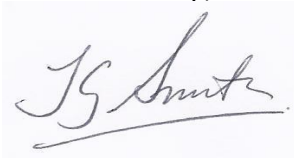
Currently industry estimates suggest that at any one time there is approximately 80,000 RV touring Australia. Based upon this estimate and our daily spending findings these travellers spend in the vicinity of \$8m per day (nationally). If Tasmania can capture 10% of this market that equates to \$0.8m per day or \$280m annually.

### ***The Consequences of redirecting BSPVES***

The ACC believes that if a decision was taken to redirect the BSPVES funds, thereby increasing the direct costs to the "Grey Nomad" travellers bringing RVs across Bass Strait for an extended holiday, the number of this group of travellers prepared to make the trip would be significantly reduced. (this is what a small sample of our members have told us) We therefore believe that greater emphasis should be given to encouraging more of these travellers, utilising their own RVs, to stay for extended periods and experience more of what Tasmania has to offer.

Please do not hesitate to contact us should you require clarification or want to further discuss any aspect raised.

Yours sincerely,



**Tom Smith**  
**Chairman**