

# AUSTRALIAN PERTH LACKS HOTEL ROOMS



The largest Australian state - Western Australia (WA) - lacks hotel rooms. The tourism in this destination is flourishing but the number of hotel rooms need to be increased to make continuous tourism growth possible. The state's capital Perth is considered the "tightest Australian capital city for finding a hotel room". According to Australian Bureau of Statistics, the city's occupancy rate is 82.5. Other Australian capitals Sydney and Melbourne have an occupancy rate of 81.6 per cent and 81.1 per cent respectively. Tourism WA now seeks how to deal with the problem. They even intend to convert some old buildings into hotels. It might, however, be hard to convince property owners to convert their buildings into hotels when the rents for office space are rapidly growing, reaching \$850 per square meter for prime space.

The economy of WA is flowering for now but the problem with the accommodation needs to be addressed soon or it will negatively impact the tourism industry. The lack of office space, parking lots and hotel rooms is of such extent that even few conferences taking place in Perth at a time would cause serious problems. Tourism WA managed to promote WA abroad and within the country but the people who are willing to come here face the accommodation troubles. The conversion of buildings into hotels can help in short term but what does the city really needs is a new hotels' development.

However, Perth is still cheaper than European cities. The hotel rates are low and the property prices high which puts off potential investors. Nevertheless, the present day growth in demand for accommodation is likely to attract investors and hotel developers to the capital. The number of visitors is expected to increase in the upcoming years also thanks to the rising demand across the Asia Pacific.

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