

Beckingham, Vanessa

From: Angus Murray [Angus@perth.prd.com.au]
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To: Committee, Economics & Industry Standing
Subject: Caravan Parks Enquiry Submission



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Dr Loraine Abernethie

My company is the operator of the Palm Grove Caravan Park in Broome and part owner of the Binningup Beach Caravan Park at Binningup.

Binningup Beach:

Demand for caravan and camping bays is extremely seasonal, with high demand over the Christmas period and April school holidays, but very little trade for the balance of the year. Demand is also extremely price sensitive. Any slight increase in price causes an immediate reduction in traffic as there are a number of alternative destinations. The demand for cabins is similarly seasonal but there is a shoulder period, which there is not for caravanning and camping.

There have been caravan park closures at Preston Beach and Peppy Grove Beach in recent years, however this has not improved turnover at Binningup.

The site is an older style, originally operated by the local Council. It is very close to the beach and well maintained. Low profitability and turnover is likely to lead to the site being redeveloped in due course for an alternative style of tourist accommodation, as families have a higher expectation of accommodation standard than older style caravan parks can provide.

The site has an approval in place for 71 strata title accommodation units. Redevelopment is not likely to take place until economic conditions improve.

Palm Grove:

Demand for caravan bays, camping sites and cabins at this location is extremely strong and patrons are less sensitive to price. The caravanning season commences in April and runs through to the end of September. The demand for cabins extends to the end of October and for a short time over Xmas. These cabins fill a gap between the Resorts and the backpacker Hostels.

Due to its close proximity to Cable Beach, the land value is unlikely to sustain a caravan park in the long term. The site is bound to be redeveloped for a higher and more profitable use at some point. In the meantime the business remains quite profitable and is well maintained.

General Observations:

If caravanners want to have access to high quality facilities on prime land, then they will have to pay more per night. If they won't pay more per night, and the State wants them to have such access, then the State must recognize this is a social responsibility and return to the days

of State or Local Govt providing such facilities or paying existing operators a subsidy to encourage them to stay in the industry.

Releasing/rezoning new land on less prime land will help in some areas, but even if the land were free the cost of building a new park to the standard required by legislation will deter most investment. If the land is leasehold and the uses are too restrictive, this will also discourage investment.

Kind regards

A handwritten signature in black ink, appearing to read 'Angus Murray', with a long, sweeping tail stroke.

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