



Australian Government

Australian Trade and Investment Commission  
Tourism Research Australia

# State of the Industry

Australia's tourism sector in 2022



# Acknowledgement of Country

In the spirit of reconciliation, we acknowledge the Traditional Custodians of country throughout Australia and their connections to land, sea and community. We pay our respect to their elders past and present and extend that respect to all Aboriginal and Torres Strait Islander peoples today.

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This report is available at <https://www.tra.gov.au/economic-analysis/state-of-the-industry>

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**Cover image:** Busselton Jetty, Western Australia.  
Courtesy of Tourism Australia.

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## Foreword

This annual snapshot from Tourism Research Australia gathers different metrics and narratives to tell the story about Australian tourism in 2022.

At the outset, we need to be very clear about the context of this report. The COVID years were utterly debilitating for large segments of the visitor economy and the metrics cannot fully express the impacts on individuals and businesses. We can see, for example, the fall in tourism employment numbers in 2020 and 2021, but not the impact that tourism job losses had on individuals or on businesses.

As we moved into and through 2022, the recovery from the COVID years became the dominant theme. Our international border opened early in 2022. International student arrivals rebounded strongly. Business events restarted and cultural events re-emerged as major attractions. Our tourism drawcards and destinations came back to life as Australian residents took more and longer visits. And international visitors steadily returned, initially to visit friends and relatives but increasingly to holiday.

Yet, at the same time, tourism employment remained a long way from its pre-COVID levels, and workforce attraction and retention emerged as a primary concern. Workforce constraints constrict the whole visitor economy and need to be addressed in a coordinated way across businesses, industry representatives and all levels of government. This is where the national long-term tourism strategy, THRIVE 2030, holds its own.

THRIVE 2030, released in 2022 and since updated in 2023, sets a firm foundation for coordinating the various parts of the visitor economy. On workforce issues, for instance, it establishes a technical working group to coordinate 12 specific actions related to growing a resilient workforce. THRIVE 2030 also prioritises actions to diversify and modernise the visitor economy.

The release of THRIVE 2030 and the ongoing COVID recovery efforts are, without doubt, highlights for the year. I encourage everyone reading this State of the Industry report to both engage with the THRIVE 2030 Strategy and to get out and travel and support the businesses in Australia's visitor economy.

**Samantha Palmer**  
GM, Visitor Economy and Client Programs

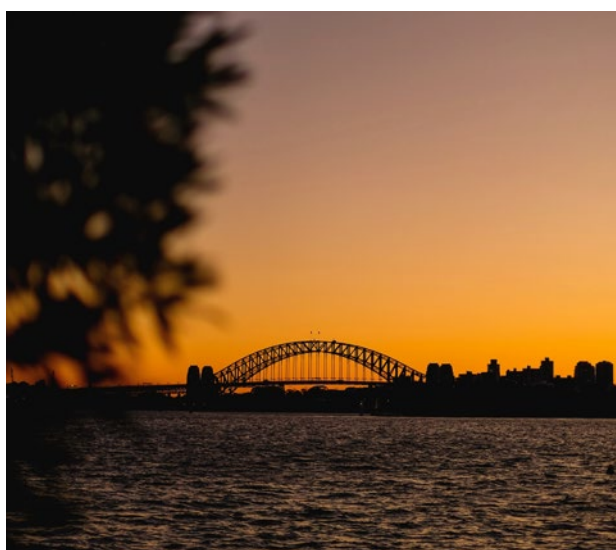
# Overview

## About this report

This State of the Industry report provides evidence and insights on how Australia's visitor economy performed in 2022. Tourism Research Australia (TRA) produces this annual overview of the major developments in the visitor economy to help the industry and governments understand and adapt to the changing demand and supply environment. Some additional information covering the early months of 2023 and the outlook has been included to give a more complete sense of trajectory.

This report canvasses data from a variety of sources covering both the demand-side and supply-side to provide a wholistic description of the state of the tourism sector in 2022. It also seeks to highlight areas of challenge and areas of opportunity for the visitor economy as it continues to recover from the recent pandemic-related downturn.

The term 'tourism' in the international standards is not restricted to leisure activity. It includes short-term travel for business or other reasons, such as education, provided the destination is outside the person's usual environment. Therefore, tourism is a demand-side phenomenon and is defined, first, by an individual's movement out of their usual environment, and second, by the



type of goods and or service consumed by the individual. Visitor demand for travel experiences, accommodation and transport needs to be complemented by supply-side capacity.

## Recovering from the pandemic

In 2022, Australia emerged from the pandemic and the visitor economy started its long road to recovery. The impact of the pandemic on the sector was extreme, but by the end of 2022 the recovery had progressed considerably with some sectors of the visitor economy already exceeding pre-pandemic levels. Of note, in 2022, total tourism spend in Australia surpassed the 2019 level, driven by the strong recovery in domestic travel (Figure 1). Domestic travel accounted for 91% of total spend in Australia in 2022, up from 77% in 2019.

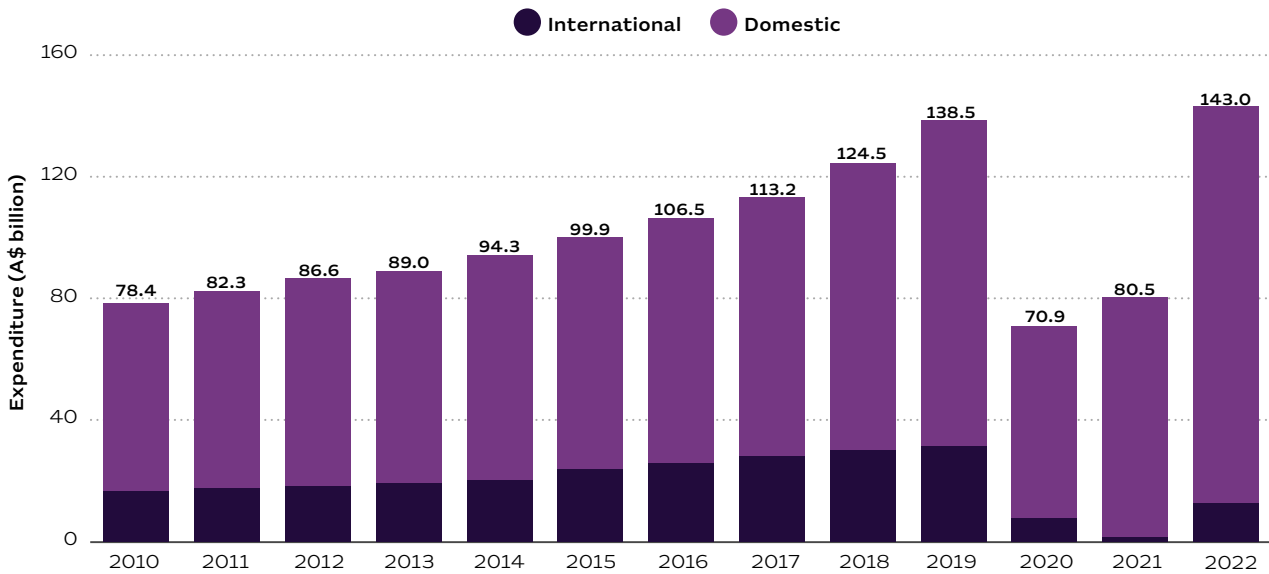
Strong growth in visitor spend in 2022 likely reflects a combination of changed travel patterns, changed traveller preferences, and higher prices. This includes:

- strong growth in higher average spend categories of travel (such as business travel and interstate travel) that were slower to recover in previous years
- slightly longer average trip length compared with pre-pandemic
- strong demand for more luxury-end travel goods
- an increase in the number of trips involving higher cost activities (such as flights, paid accommodation, ticketed events etc.)
- higher inflation across the economy resulting in rising travel-related prices.

Some of these were likely supported by improved traveller confidence; increased freedom to travel; pent-up demand during the pandemic; and accumulated holiday and savings balances. Industry research also suggests there was increased willingness to book and pay for events and travel further in advance in 2022 than was the case in previous years.<sup>1</sup>

1. For example: Expedia Traveller Insights, 2023 Q2; Expedia Traveller Insights, 2023 Q1; Skyscanner Horizons Destinations and Bookings Insights report 1Q2023

**Figure 1. Domestic and international visitor spend in Australia, calendar year 2010 to 2022.**



Note: The data excludes long-term international students. This means estimates will not directly align to THRIVE 2030 targets

Source: Tourism Research Australia

The reopening of international borders early in 2022 led to a steady increase in international visitor arrivals off an extremely low base (Figure 2). Meanwhile, Australians quickly responded to the opportunity to again travel more freely in their own backyard. Nevertheless, a complete recovery is still expected to take some time, particularly for those subsectors and regions that are highly reliant on international tourists.

**Figure 2. International short-term visitor arrivals, rolling annual volumes, 1986 to 2022.**



Note: Data exclude long-term students

Source: ABS Overseas Arrivals and Departures. Historical data (prior to 2005) has been backcast from historical ABS data. Quarterly data to end of December quarter 2022.

The official measures of tourism consumption and tourism gross domestic product (GDP) in 2021–22 rose in line with the recovery in visitor spend.

- GDP from tourism was \$36.5 billion in 2021–22, an increase of 31% on 2020–21. However, tourism GDP remained 39% lower than in 2018–19.
- Tourism consumption was \$96.8 billion in 2021–22. This was 20% (or \$16.4 billion) higher than the previous year. However, consumption was still down by 36% (\$55.5 billion) compared with the pre-pandemic level in 2018–19.

This saw the tourism sector account for 1.6% of all economic activity in Australia in 2021–22. This was higher than in 2020–21 (1.3%), but still only around half of the pre-pandemic share (3.1%).

As was the case in many countries around the world, rapidly rising tourism demand in Australia was affected by supply-side challenges in 2022. For example, aviation capacity remained below pre-pandemic levels, while labour shortages were a key concern for many tourism-related businesses and led to operational constraints. These supply-side issues are discussed in detail later in this report.

## Emerging stronger

The industry-led and government-enabled *THRIVE 2030 Strategy* for the Australian visitor economy was recently updated, and it continues to support the visitor economy during the recovery. The Strategy aspires to see the industry recover to pre-pandemic levels by 2024 and then continue growing so that expenditure in the visitor economy reaches \$230 billion by the year 2030.

There are seven priorities underpinning the *THRIVE 2030 Strategy*:

1. Deliver success through comprehensive collaboration
2. Improve data and insights
3. Grow a secure and resilient workforce
4. Embrace leading-edge business practices
5. Enhance visitor infrastructure
6. Build markets and attract visitors
7. Grow unique and high-quality products, including First Nations experiences.

The priorities align with the Strategy's three vision elements: *diversify* across markets, experiences and destinations; *modernise* products and offerings; *collaborate* across all stakeholders to meet the needs of modern visitors.

As per the Strategy, progress was made towards these goals in 2022, including actions to:

- address short-term workforce issues and build workforce capability
- develop a diversification strategy identifying new and emerging market opportunities for international visitors
- elevate First Nations voices across the visitor economy through the First Nations Visitor Economy Partnership comprising First Nations and state and territory representatives, Austrade and the National Indigenous Australians Agency.

Also in 2022, TRA chaired the Industry Data and Expert Analysis (IDEA) Working Group, which was established to support a broader and more insightful interpretation of Australia's visitor economy. In 2022, the IDEA Working Group initiated 4 data and research projects including the Longitudinal Indicators for the Visitor Economy (LIVE) framework. The LIVE framework is a set of leading and lagging progress indicators for the visitor economy, encompassing social, environmental and economic metrics. An initial LIVE framework dashboard, utilising over 70 priority indicators, is expected to be published by mid-2024.

To help the sector going forward, TRA has invested in new data offerings, such as mobility and bookings data, administrative data, and psychographic personas. These will enhance and complement the existing survey data. While ensuring adherence to the strictest privacy protocols, through the use of de-identified data, statistical aggregation methods and sample limitations for publishing, TRA has investigated the use of data that:

- best aligns to the United Nations World Tourism Organisation (UNWTO) definition of tourism
- has more frequent reporting ability
- provides more granular level of detail (geographic)
- provides leading indicators
- offers opportunities for new insights and modelling.





# International demand

Australia's international borders fully opened in 2022 after being closed since March 2020. From March 2020 to June 2022, TRA's estimate of the cumulative loss in international tourism expenditure was \$84.8 billion. This was greater than the estimated loss in domestic tourism expenditure (\$68.8 billion) over the same period, reflecting the more substantial and prolonged disruption to international travel.

The removal of travel restrictions to Australia coincided with strong pent-up demand to connect with family and loved ones; higher accumulated personal savings; and the renewed willingness of international travellers to again explore the globe. Australia also benefited from its long-held status as an attractive, welcoming, and safe destination for international visitors.

As a result, from February 2022, international visitation increased strongly, off an extremely low level. The recovery in international travel gathered pace over the year, in line with the staged loosening of travel restrictions to Australia. Following the reopening of Australia's international border to fully vaccinated visitors in February, testing requirements were removed in April, then the border opened to all travellers in July 2022. (Fully-vaccinated arrivals with specific visas were permitted early entry from late 2021. These included student, working holiday and skilled worker visas.)

## International travel

According to the International Visitor Survey (IVS), compared to the previous year:

- international visitor numbers were up by 3.2 million (1424%) to 3.4 million visitors (aged 15 and over) in 2022
- international visitor spend in Australia was up by \$11.3 billion (780%) to \$12.7 billion
- international visitor nights were up by 109.3 million (652%) to 126 million nights.

This indicates a very strong re-start to international travel to Australia in 2022, the first year that the international borders were reopened.

However, the recovery in international tourism to pre-pandemic levels was still less than halfway complete. Compared to 2019, in 2022:

- international visitor numbers were down by 61%
- international visitor spend in Australia was down by 59% from \$31.4 billion
- international visitor nights were down by 54% from 274 million nights.

## IVS methodology

As international traveller numbers increased through 2022, the International Visitor Survey reintroduced interviewing at some international airport departure lounges. Specifically, IVS estimates for the September quarter 2022 and December quarter 2022 used interview data, combined with imputation, for the first time since borders closed. Interview data in 2022 came from those airports with sufficient sample sizes to meet quotas for weighting purposes. Imputation continued to be applied to data from ports where flight capacity had not returned to sufficient size. The reintroduction of interview data captures changing international visitor behaviour and spending patterns. It also supports the production of national estimates by country of residence, main reason for visit, and state stopover.

Between the March quarter 2020 and the June quarter 2022, due to international border closures and insufficient sample size, IVS estimates for geographical visitation and expenditure were imputed. Imputed values were generated for a range of visitor characteristics using historical IVS records. Records were selected by matching real-time visitor profiles from the Australian Bureau of Statistics (ABS) overseas arrivals and departures (OAD) data with the historical IVS reported profiles. Imputed values were adjusted to account for hotel quarantine restrictions and state border closures.

The average length of stay for international visitors increased over the pandemic and was 37 nights in 2022 on average, up from 32 nights in 2019. The increased trip length in 2022 was consistent with both:

- a change in the composition of international visitation in 2022 which had a smaller share of holiday visitors and larger share of longer-stay visitors, such as visitors for employment purposes and those visiting friends or relatives (VFR)
- pent-up demand to visit Australia, including VFR visitors spending more time than usual seeing friends and family in Australia after missing that opportunity for a few years.

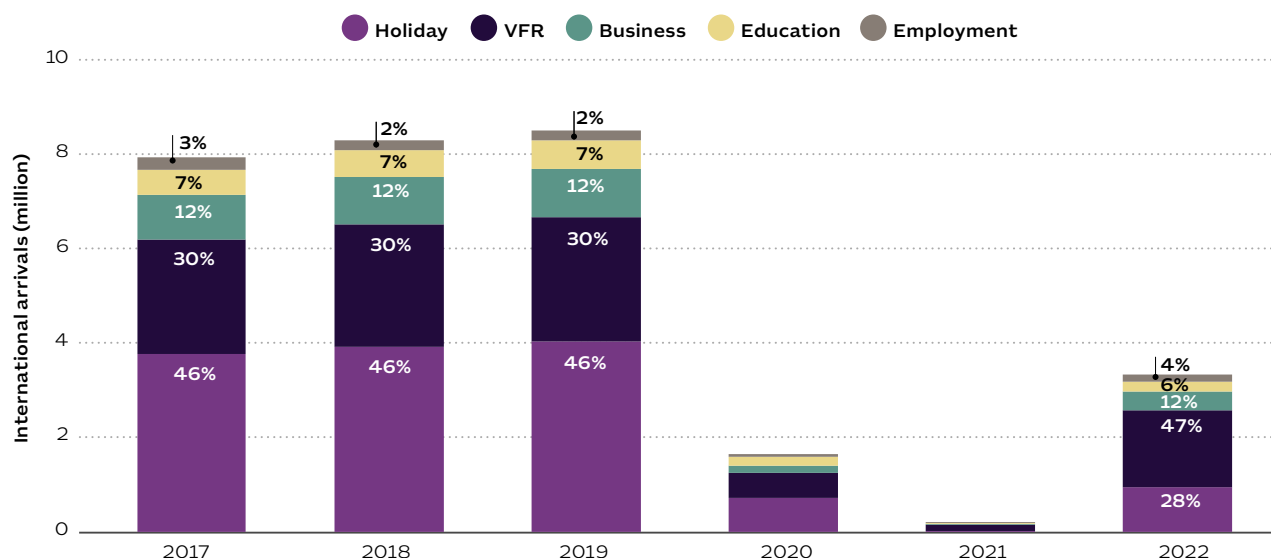
The return of international visitors is critical for the Australian tourism sector to make a full recovery. They take significantly longer trips

and spend substantially more in Australia than domestic travellers. Some regions have a high reliance on international travellers.

### By purpose

Of the 3.4 million trips to Australia in 2022, almost half (47%) were for the purpose of visiting friends and relatives (VFR, 1.6 million trips). A further 28% were for the purpose of a holiday (941,000 trips), 12% for business (409,000 trips), 6% for education (204,000 trips) and 4% for employment (137,000 trips). Note that this covers short-term visitors only (i.e. staying in Australia for 12 months or less) who are aged 15 and over. Prior to the pandemic, holiday trips were the largest category of international travel (Figure 3).

**Figure 3. International visitor trips to Australia by purpose in 2017 to 2022.**



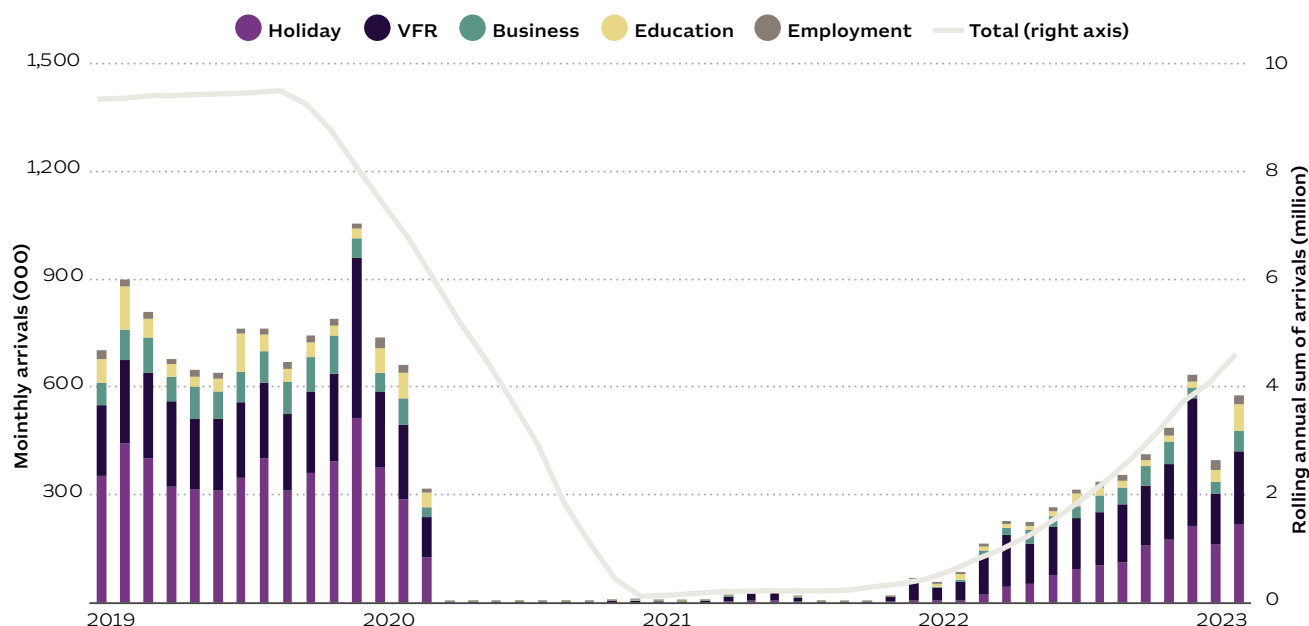
Values represent the share of total trips for that purpose in the year. Total includes arrivals for 'other' purposes, not shown on the chart. Source: Tourism Research Australia, IVS, December 2022.

The uniquely large share of VFR travellers in 2022 was in line with expectations that a key driver of the initial recovery would be the desire for family and friends to reunite. Through the year, however, the recovery in other purposes of travel gathered speed. Monthly arrivals data shows that VFR and holiday arrivals neared parity at the end of 2022, then there were more holiday arrivals than VFR arrivals in January and February 2023 (Figure 4).

The recovery in holiday arrivals lagged other purposes of international inbound travel through most of 2022, but growth in this category picked-

up later in the year. The rise in international holiday travel is important for the Australian visitor economy as international holiday trips have a higher average spend than VFR trips. In 2019, VFR travel accounted for 30% of trips but only 13% of visitor spend reflecting the low average spend per VFR trip (\$1,581). Average spend per international holiday trip was \$2,596 in 2019, while the average spend per trip was much higher for employment (\$8,186) and international education (\$20,806) trips.

**Figure 4. International short-term visitor arrivals by purpose (bars) and rolling annual sum of total arrivals (line), January 2019 to February 2023.**



Total includes arrivals for 'other' purposes, not shown on the chart.

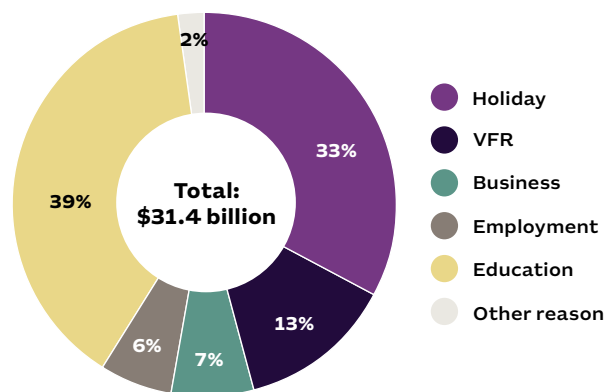
Source: ABS, Overseas Arrivals and Departures, Australia, February 2023

Non-leisure arrivals also rose sharply in 2022. For example, in 2022 there were:

- 387,200 arrivals for the purpose of business or convention/conference, up by 364,400 (1597%) on the number that arrived in 2021 (22,850)
- 150,000 arrivals for employment purposes, up by 127,200 (560%) on the number that arrived in 2021 (22,750). The monthly number of employment arrivals surpassed pre-pandemic levels in the final months of 2022. This was a welcome development for Australian employers facing workforce shortages, as is discussed in the Employment section of this report.
- 200,000 arrivals for education purposes, up by 191,500 (2280%) on the number that arrived in 2021 (8,400).

International education trips accounted for 39% of international visitor spend in Australia in 2019 (\$12.4 billion), making it the largest component of spend by trip purpose category. Holiday accounted for 33%, VFR 13%, business 7% and employment 6% of international spend in Australia in 2019 (Figure 5).

**Figure 5. International visitor spend in Australia by purpose, 2019.**



Source: International Visitor Survey, Tourism Research Australia

### By source market

Trends in short-term visitor arrivals varied by source market. Arrivals from some countries rebounded extremely quickly in 2022, while arrivals from other countries remained depressed (Figure 6). Major source countries that had the fastest recoveries in 2022 include:

- India – there were 303,300 arrivals in 2022, which was 76% of the 2019 level. In the December quarter, arrivals from India were 89% of the pre-pandemic equivalent.

- Singapore – there were 295,800 arrivals in 2022, which was 62% of the 2019 level. In the December quarter, arrivals were at 73% of the pre-pandemic level.
- United Kingdom – there were 399,000 arrivals in 2022, which was 56% of the 2019 level. This increased to 81% of the pre-pandemic equivalent for the December quarter.
- New Zealand – there were 697,600 arrivals in 2022, which was 49% of the 2019 level, while arrivals in the December quarter 2022 were 71% of the December 2019 level.

Arrivals from a number of smaller source markets recovered so quickly that arrivals in the December quarter 2022 were already above their pre-pandemic levels (the December quarter 2019). These included:

- Nepal (103% of 2019 level), which saw 39,400 arrivals in the full year 2022
- Colombia (160% of 2019 level), which saw 21,800 arrivals in 2022
- Pakistan (114% of 2019 level), which saw 18,300 arrivals in 2022
- Vanuatu (107% of 2019 level), which saw 10,500 arrivals in 2022.

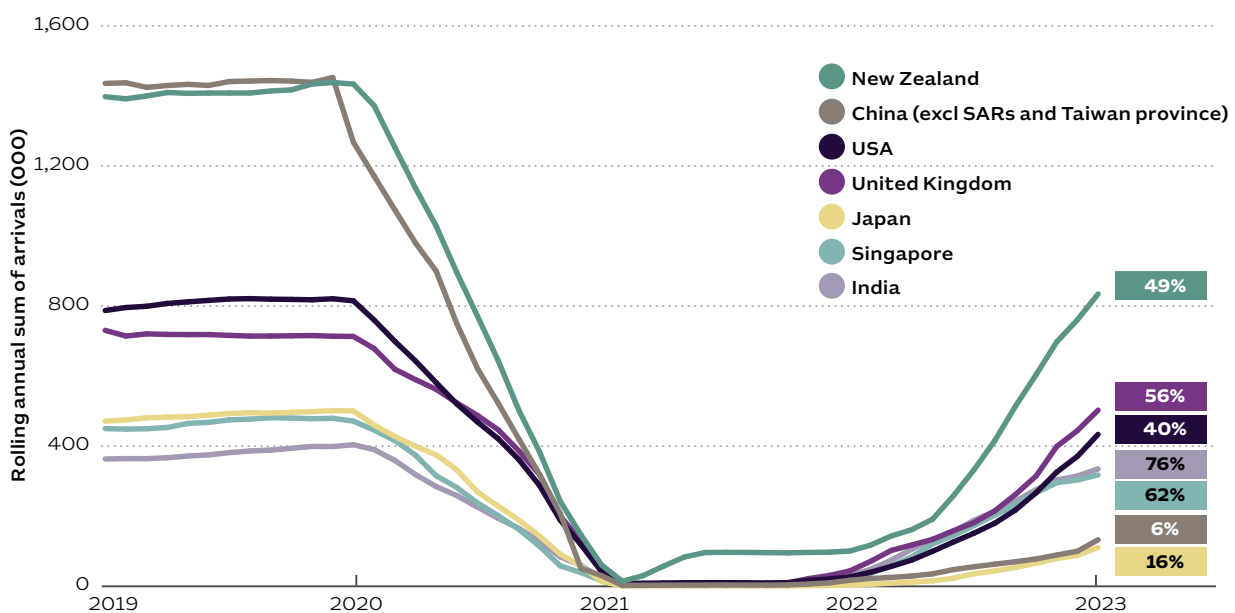
And many other source markets came close to their pre-pandemic levels in the December quarter 2022, including:

- Philippines (91% of 2019 level), which saw 80,300 arrivals in 2022
- Vietnam (92% of 2019 level), which saw 70,000 arrivals in 2022
- Ireland (95% of 2019 level), which saw 46,000 arrivals in 2022
- United Arab Emirates (80% of 2019 level), which saw 23,500 arrivals in 2022
- Cambodia (88% of 2019 level), which saw 8,700 arrivals in 2022.

Countries with the following characteristics typically saw faster recoveries in 2022:

- a high share of VFR travel (such as New Zealand, India, the United Kingdom, Vietnam)
- relatively short-haul distance from Australia (such as Vanuatu, New Zealand, Philippines, Singapore)
- countries that saw a rapid return of flight availability, or additional flight route connections (such as India, United Arab Emirates, South Africa, United Kingdom, Singapore)
- countries that saw an increase in international student numbers commencing in Australia (such as Colombia, Nepal, and India).

**Figure 6. International short-term visitor arrivals from the top 7 source markets in 2019, rolling annual sum, January 2019 to February 2023.**



Figures in boxes show total 2022 arrivals relative to 2019 total arrivals for that country.

Source: ABS, Overseas Arrivals and Departures, Australia, February 2023. Data to February 2023.

Arrivals from China were the slowest to recover in 2022 and remained 94% below the pre-pandemic level in 2022. Arrivals from Taiwan, Japan and Hong Kong were also slow to recover. In contrast to most countries around the world, these 4 countries experienced ongoing travel restrictions, quarantine requirements or control measures throughout most of 2022. Together, they accounted for more than one-quarter (26%) of total arrivals in 2019, making them important source markets for Australia. Arrivals from these countries are expected to rise faster in 2023 than they did in 2022, given the relaxation in quarantine measures at the end of 2022.

### International education travel

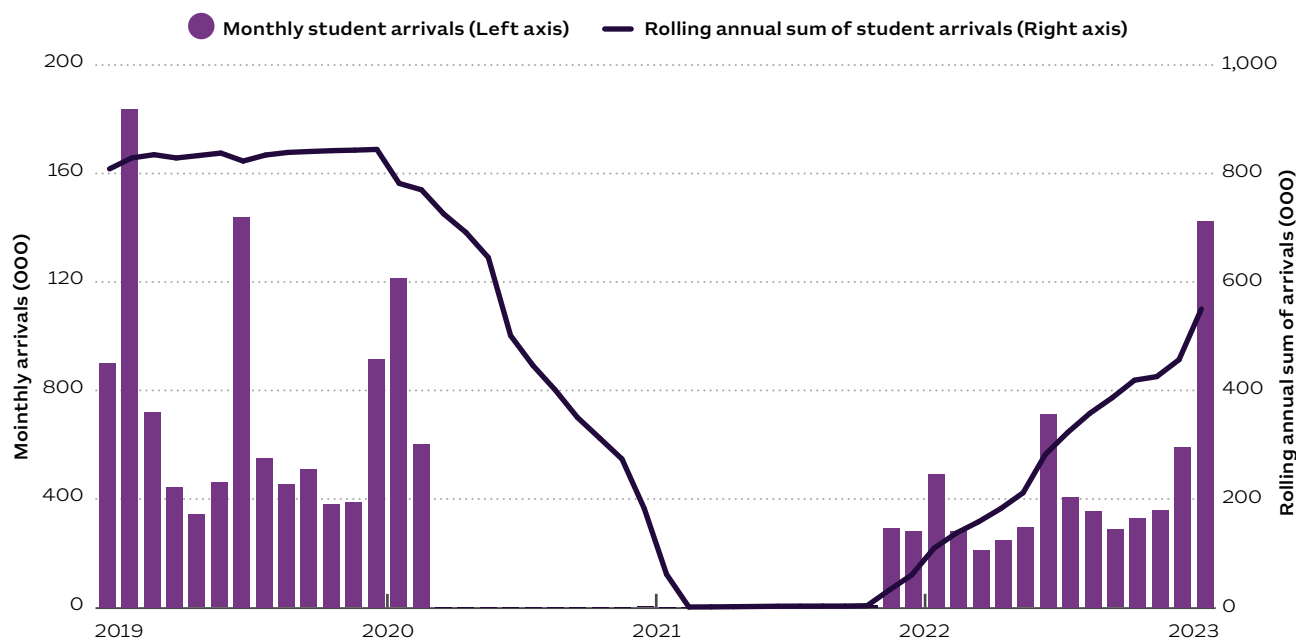
International students are a valued part of the visitor economy and the Australian community. They live, study and work in Australian communities and contribute both economically and socially. Because they stay for a long time in Australia, international students spend more on average than other types of international visitors. Many students travel in Australia during their stay, are a motivation for their family and friends to visit Australia and tend to act as ambassadors for Australia after their return home. In addition, international students may work during their

stay, often in visitor economy businesses. Just as importantly, international students contribute to the cultural richness of our communities and vibrancy of society in general.

Prior to COVID-19, there was strong growth in demand from international students. Between 2002 and 2019 the number of international student enrolments more than tripled, to over 950,000 and the value of international education exports increased six-fold, to over \$40 billion. During the pandemic years, the number of international students in Australia steadily declined as new students could not enter the country and existing students completed their courses and returned to their home country.

As the Australian border reopened, the number of international students arrivals increased rapidly (Figure 7). In 2022, the number of arrivals of holders of a temporary student visa (425,900) recovered to just over half (51%) of the pre-pandemic level. There was a further strong increase in arrivals in early 2023 ahead of the start of the academic year. A total of 142,600 temporary student visa holders arrived in Australia in February 2023. This was up 189% (93,300) on the number that arrived in February 2022. However, it was still down 22% (41,300) on the number that arrived in February 2019.

**Figure 7. International arrivals of temporary student visa holders, monthly (bars) and rolling annual sum (line), January 2019 to February 2023.**

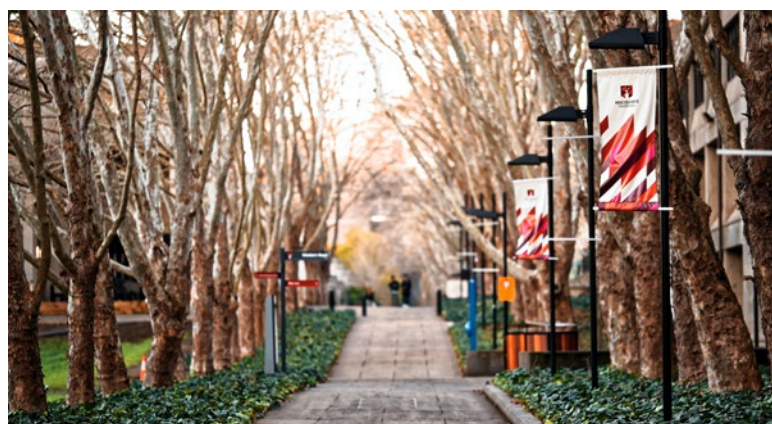


Source: ABS, Overseas Arrivals and Departures, Australia, February 2023

As arrivals picked up, the stock of student visa holders in Australia also rose sharply in 2022, and the number of student visa holders outside Australia declined. By early 2023, there were more student visa holders in Australia than there were in March 2020, when the series became available (Figure 8). The number of student visa holders outside Australia also declined in 2022. The number of student visa holders outside Australia had been elevated during the pandemic, reflecting the choice of students to study overseas via online courses or defer their studies. The temporary increase in student visa holders outside Australia in December each year likely reflects the gap between students granted a visa and their arrival in Australia to commence. It may also reflect the short-term return home visits of students undertaking multi-year programs in Australia. Course deferments (students choosing to commence studies at a later date) were 29% lower in 2022 than in 2021, but were still 45% higher than in 2019.

At the end of 2022, the number of primary student visa holders from the following top 25 source countries had returned to above their March 2020 level:

- Colombia – 17,300 visa holders, up 8% on March 2020 level
- Thailand – 15,900 visa holders, up 42% on March 2020 level
- Pakistan – 12,000 visas, up 2% on March 2020 level

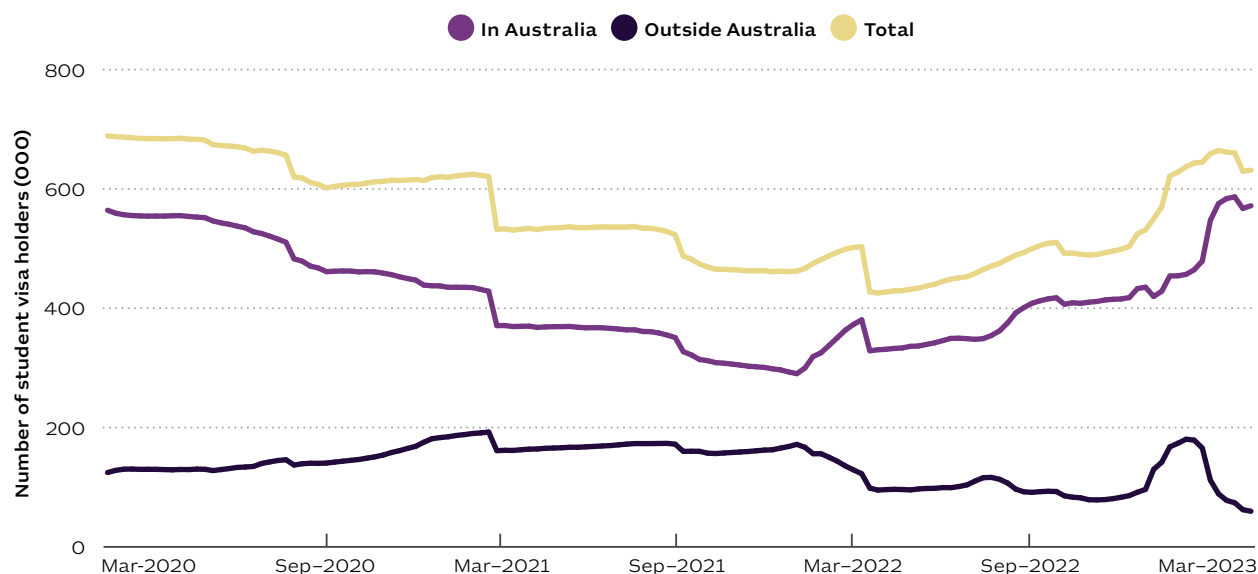


- Kenya – 3,700 visa holders, up 28% on March 2020 level
- Bhutan – 3,300 visa holders, up 18% on March 2020 level
- Chile – 3,100 visa holders, up 16% on March 2020 level.

At the end of 2022, China was the top source country for student visa holders (72,300), followed by India (62,900), Nepal (42,900), Colombia (17,300), Thailand (15,900), Vietnam (15,000), Philippines (13,400) and Brazil (12,600).

There was further strong growth in student visa holders in early 2023, and, in particular, the number of visa holders from China increased by a further 50%. As at the end of March 2023, the number of visa holders from China (108,600) was above the pre-pandemic figure (106,800 as at March 2020).

**Figure 8. Student visa holders, March 2020 to March 2023.**



Data not available prior to March 2020. Source: Department of Home Affairs

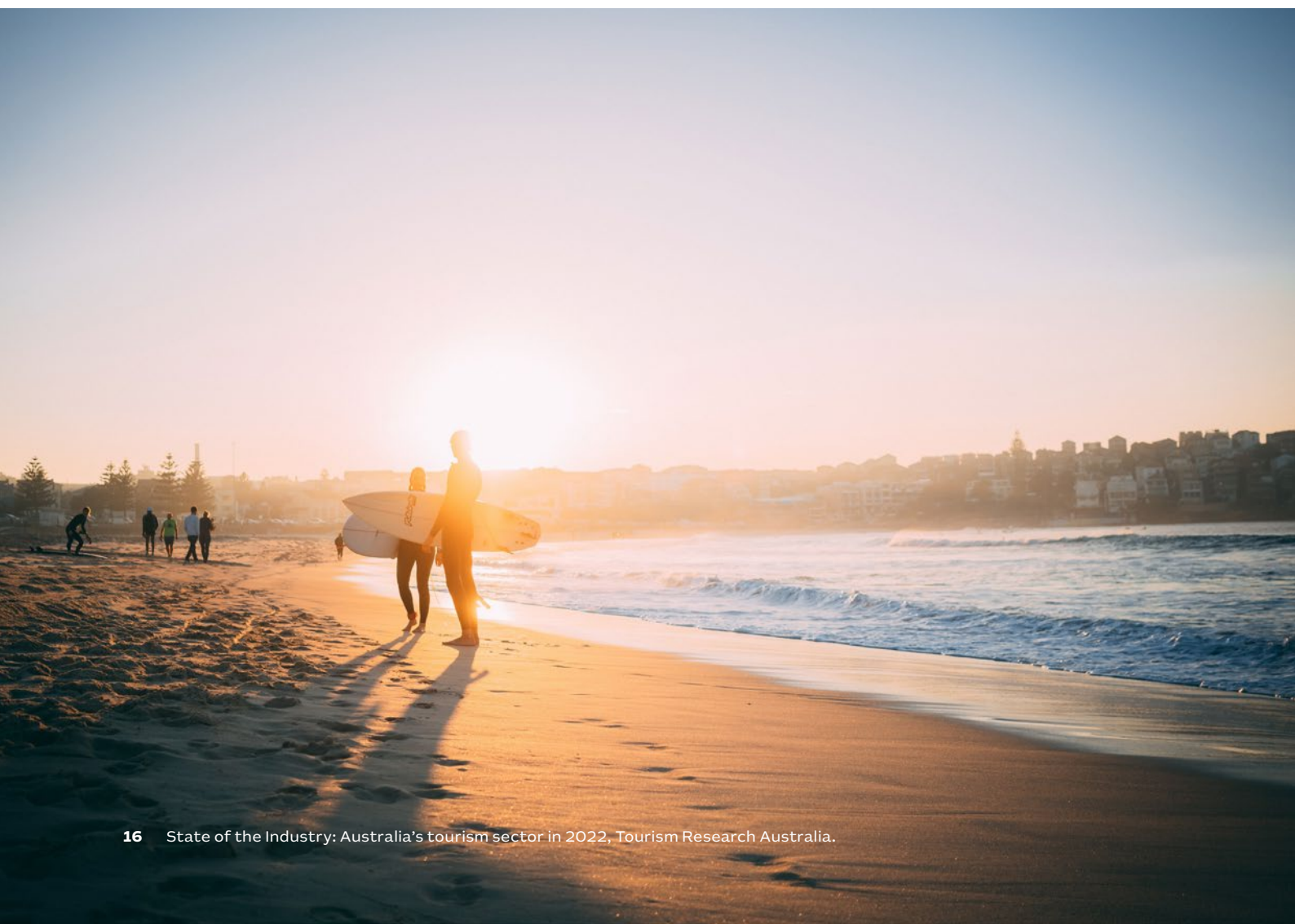
## Australian resident outbound travel

In 2019, prior to the pandemic, there were 11.3 million residents that returned from short-term overseas trips (resident returns). This fell by 97% in 2021 before rebounding after the reopening of Australia's international borders. In 2022, there were 5.2 million resident returns, which was 46% of the pre-pandemic level.

As was the case for international arrivals, the share of resident returns of trips for the purpose of VFR was higher in 2022 than it was prior to the pandemic (37% compared with 26% in 2019), and the share of resident outbound travel for holiday purposes was lower (48% in 2022 compared with 57% in 2019). Nevertheless, resident returns from trips for holiday purposes remained the largest category of outbound travel. The most popular destinations for Australians to visit in 2022 were New Zealand (708,000), Indonesia (612,400), the USA (462,600), the United Kingdom (416,300), India (329,200), Fiji (318,800) and Thailand (241,800).

At the end of 2022, the return to pre-pandemic levels was more advanced for international outbound travel than it was for international inbound travel. This reflected the slow rebound in key source inbound markets (e.g. China, Hong Kong, Japan and Taiwan as mentioned above) as well as temporary, pandemic-related factors that may have supported a stronger rebound in outbound travel in 2022, such as:

- Australians' relative comfort with longer-haul travel (compared with signs of hesitancy internationally for longer-haul travel)
- high vaccination rates in Australia with internationally-accepted vaccines (reducing travel documentation barriers at destination countries)
- a later border reopening in Australia, meaning that the initial burst of outbound travel was not necessarily met with the same burst of inbound travel because travellers from some major source countries had already been permitted to travel elsewhere.





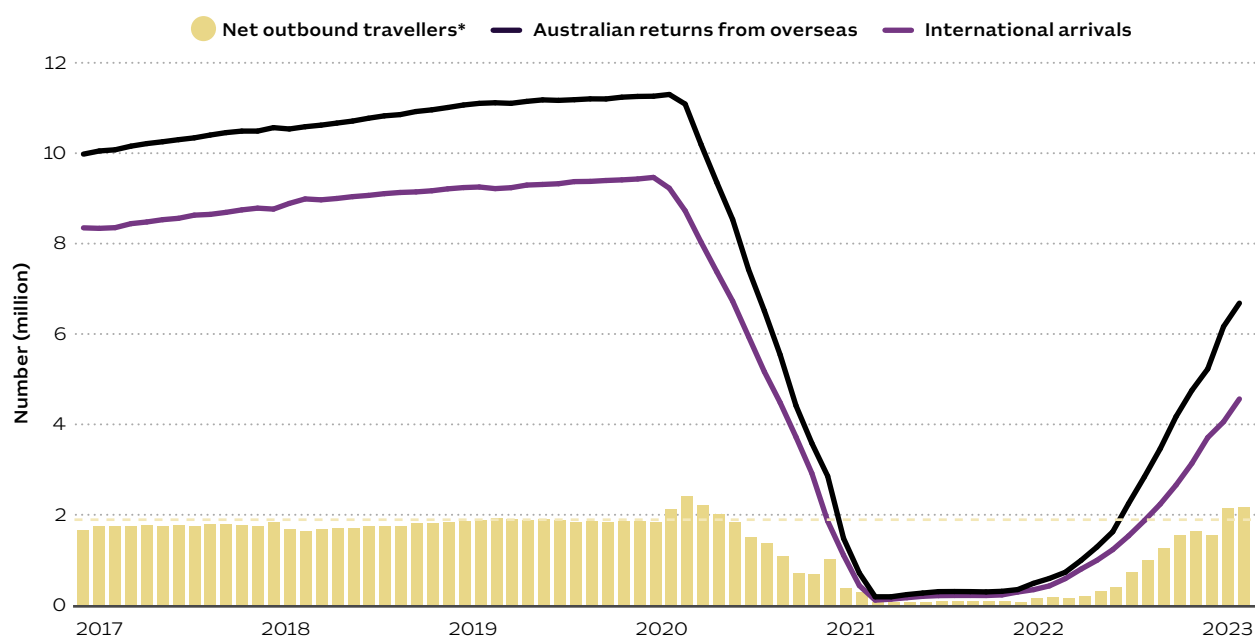
The recovery in outbound travel in 2022 may have also been supported by Australians' accumulated savings. The average spend on an outbound trip by Australian residents in 2019 was \$6,250.

A higher number of Australian resident departures than international visitor arrivals is nevertheless consistent with a return to the pre-pandemic trend when departures typically outnumbered arrivals by around 1.9 million trips per year (the net outbound travel number). The net outbound travel number remained below the pre-pandemic average in 2022, but increased through the year and exceeded it in early 2023 (Figure 9). It increased to \$7,750 in 2022 (to end September

2022).<sup>2</sup> This was more than 8 times greater than the average spend on a domestic overnight trip in 2022 (\$936). The average length of an outbound trip was also much longer (6 times longer) than a domestic overnight trip (3.7 nights). The average length of outbound trips increased from 18 nights in 2019 to 23 nights in 2022 (to September 2022).

TRA's latest tourism forecasts report projected that the number of outbound trips will surpass its pre-pandemic number in 2025.

**Figure 9. Rolling annual sum of international inbound and outbound travel, with net outbound travel number, January 2017 to February 2023.**



\* Differences between Australian returns and international arrivals, rolling annual sum. Dotted line shows average for 2019.

Source: ABS Overseas Arrivals and Departures, Australia. Data to February 2023.

2. Data from the National Visitors Survey (NVS) on outbound trips is available with a 3-month lag due to the longer recall period for the reporting of overseas trips by survey respondents.



# Domestic demand

In 2022, Australia learned to live effectively alongside the novel Coronavirus. By early March 2022, all Australian state and territory borders were fully opened to domestic travel. This meant that, in contrast to the previous 2 years, there were very few domestic travel restrictions and the risk of cancellation or changes to plans due to new virus outbreaks was low. As a result, traveller confidence improved, and Australians freely and eagerly travelled around Australia again.

The recovery in domestic travel demand commenced in 2021, immediately following the easing of domestic travel restrictions. In 2022, the recovery gained momentum and, by the end of the year, demand for domestic travel had returned to around pre-pandemic levels. Importantly, the recovery also broadened across a wider range of segments in 2022, including to higher-spend types of travel such as business travel, interstate travel, and air travel. This likely contributed to the strong growth in visitor spend in 2022.

## Domestic travel

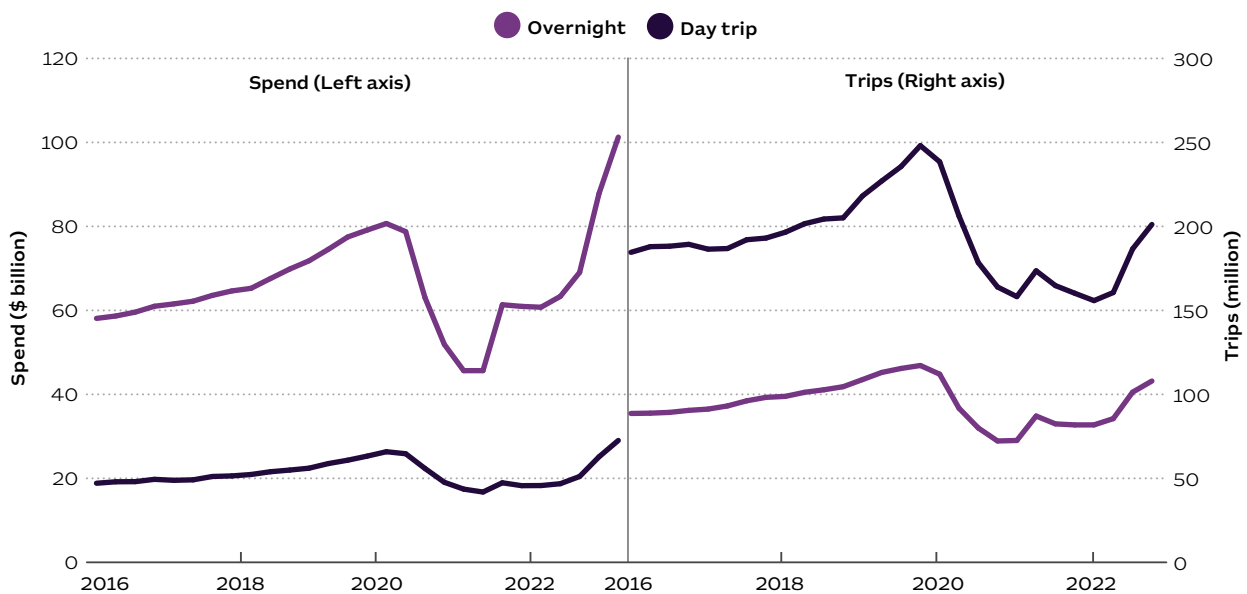
At the end of 2022, across the domestic visitor economy there were:

- 201.4 million domestic day trips (81% of the number in 2019), an increase of 26% compared with 2021
- 108.2 million domestic overnight trips (92% of the number in 2019), an increase of 32% compared with 2021.

Domestic overnight trip spend increased by 67% in 2022 to \$101.3 billion (from \$60.7 billion in 2021), which was 25% higher than the pre-pandemic level in 2019. Domestic day trip spend also increased strongly, by 59% in 2022, to \$29.0 billion, which was 10% higher than the 2019 level (Figure 10).

Total domestic tourism spend was \$130.3 billion in 2022. This was up 65% (\$51.3 billion) on the total domestic spend in 2021, and up 22% (\$23.3 billion) on the pre-pandemic level. With the recovery in domestic travel more advanced than for international travel demand in 2022, domestic travel accounted for 91% of total tourism spend in Australia in 2022 (up from 77% in 2019).

**Figure 10. Domestic overnight and day trip spend and number of trips, year-ending 2016 to 2022.**



Source: Tourism Research Australia

In 2022, overall growth was driven predominantly by overnight travel. This supported growth in visitor spend because the average spend on a domestic overnight trip is higher than for a day trip. In 2022, the average spend per domestic overnight trip (\$936) was more than 6 times higher than a day trip (\$144).

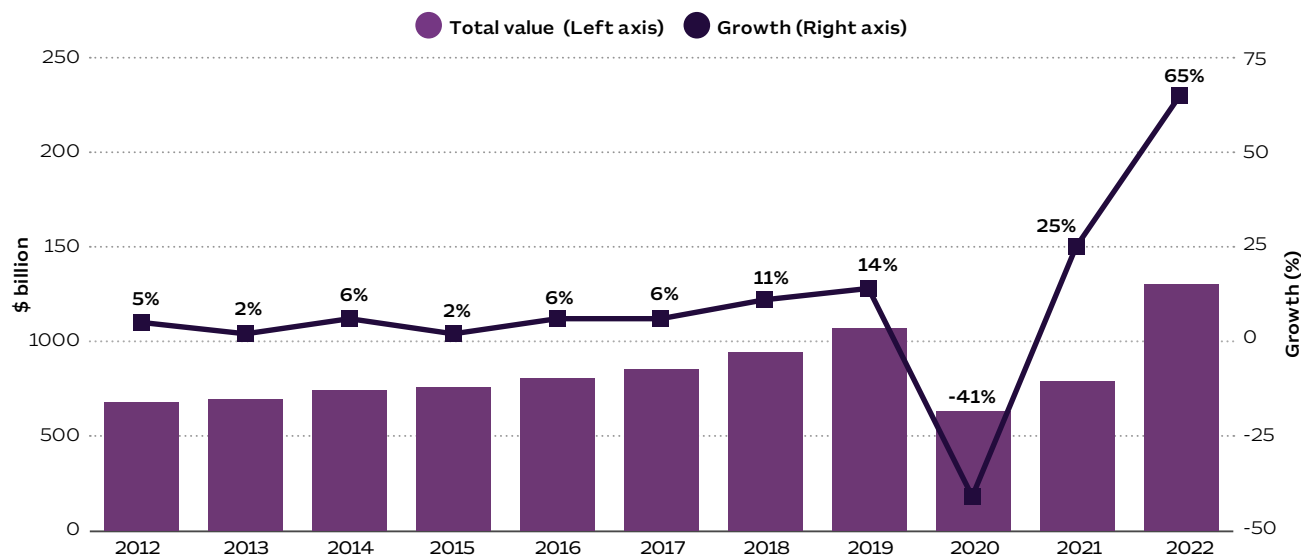
Through the pandemic, and in the absence of opportunities to travel abroad, the average length of stay for domestic overnight trips increased. The average length of an overnight trip in 2022 was 3.7 nights, up from 3.6 nights prior to the pandemic, but shorter than in 2021 when the average domestic overnight trip length was 3.9 nights.

## Domestic visitor spend

Growth in visitor spend soared in 2022 (Figure 11). While part of this reflects a natural bounce back from the pandemic downturn, other contributing factors include a combination of changes to prices, travel patterns, and traveller preferences. Some of these are discussed in the following sections of this report and include:

- accelerated price growth across the economy and higher costs of travel-related goods
- strong growth in higher average spend categories of travel (such as business travel and interstate travel) that had been slower to recover in previous years
- strong demand for more luxury-end travel goods
- an increase in the number of trips involving higher cost activities (such as flights, paid accommodation, ticketed events).

**Figure 11. Domestic visitor spend (bars) and annual growth (line), 2012 to 2022.**



Source: Tourism Research Australia

These factors align with improved traveller confidence, increased freedom for travellers and a willingness to book and pay for events and travel further in advance than was the case in previous years. The elevated level of accumulated savings achieved by Australians during the pandemic also likely contributed to the strength of the recovery in demand for travel as it afforded some Australians the means to realise their pent-up demand for travel.

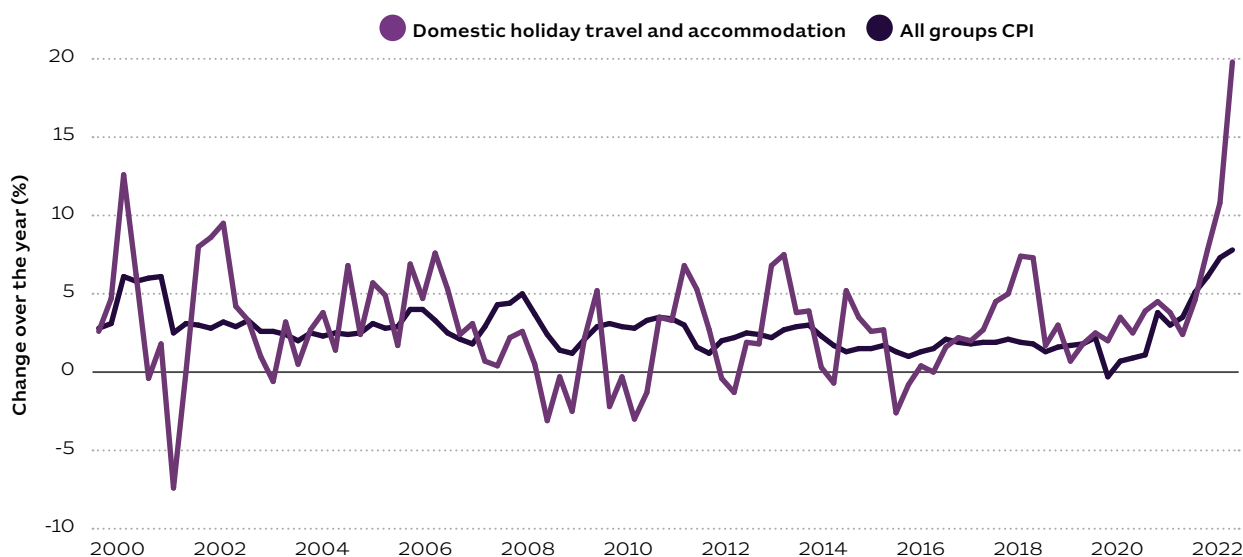
A major feature globally in 2022 was the high inflation rates that persisted in many economies. Australia was no exception. Over the year to December 2022, consumer prices in Australia rose by 7.8%, the largest increase in 32 years. In 2022, the Reserve Bank of Australia reported that inflation was “high and broadly based” reflecting both supply-side cost pressures and demand-driven price rises.

Price growth was also elevated in the travel sector. Over the year to December 2022, the consumer price index for domestic holiday travel and accommodation increased by 20% (Figure 12). This was 2 ½ times the rate of price growth across the whole economy and was the fastest increase in domestic travel prices on record (since 1983) in this series.<sup>3</sup> The ABS reported that the price increase was particularly strong in the December 2022 school holiday period affecting both airfares and accommodation room rates.

In 2022, there were also:

- record high fuel prices (the automotive fuel price index measured by the ABS as part of the consumer price index (CPI) peaked in the June quarter 2022 and the index averaged 24% higher in 2022 than in the year prior).
- higher average daily room rates for accommodation in Australia, which were 24% higher on average in 2022 than in 2021.
- higher airfares for domestic flights (discussed below).

**Figure 12. Australian consumer price inflation and domestic holiday travel inflation, 2000 to 2022.**



Source: ABS, 6401.0 Consumer Price Index, Australia, December 2022

3. The previous highest year-end growth rate in prices for domestic holiday travel and accommodation was 13% and occurred in the September quarter 2000 at the time of the Sydney 2000 Olympic Games.

In addition to higher prices, the more broadly-based rebound in demand for travel in 2022 was likely a key reason for strong growth in visitor spend. In previous years, most domestic travel was concentrated in sectors such as:

- travel for the purpose of VFR
- self-drive trips
- intrastate travel
- trips to regional Australia.

In 2022, the recovery was much broader and included sectors that had previously been slow to recover.

For example, in 2022 growth was stronger in:

- overnight trips (32%) than for day trips (26%)
- interstate travel (101%) than for intrastate travel (14%)
- business travel (48%) than for VFR travel (31%)
- trips to capital cities (57%) than for regional Australia (22%)
- trips involving a domestic flight (95%) than self-drive trips (20%)
- trips involving paid activities (39%), such as ticketed events, visitor attractions and tours, compared with free activities (31%).

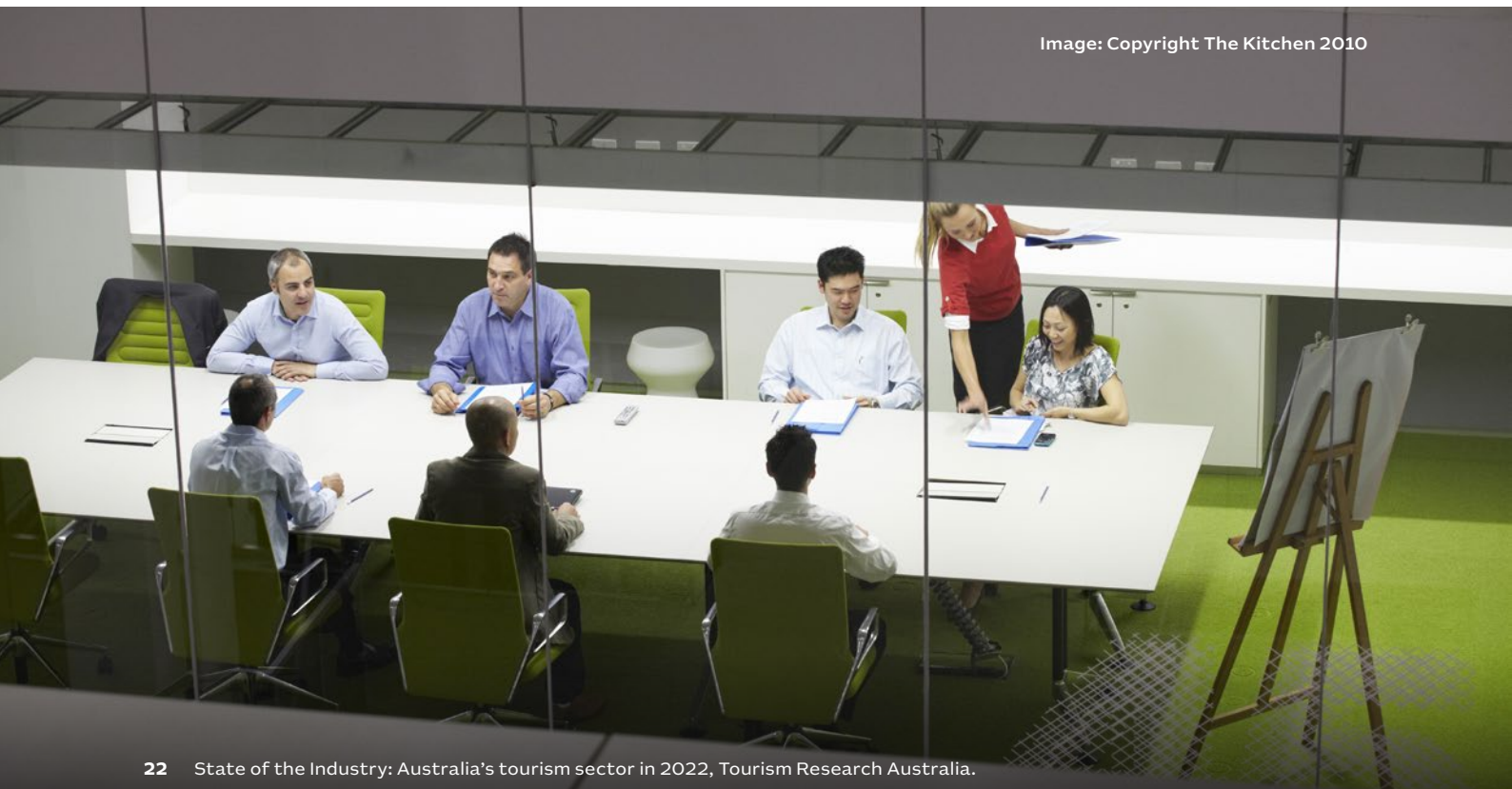
As will be discussed in the subsequent sections of this report, these sectors are typically higher spend types of travel compared with those that recovered more quickly in previous years. As a result, in 2022, domestic trips were typically higher spend than in 2021.

### By purpose

Domestic holiday travel suffered the largest peak to trough decline during the first year of the pandemic as non-essential travel was severely restricted. However, it also saw the fastest return in terms of spend and number of trips in 2021 making it the engine room for the visitor economy. In 2021, the number of domestic overnight trips for the purpose of:

- holiday increased by 25% and spend increased by 47%
- VFR increased by 10% and spend increased by 33%
- business fell by 3% and spend increased by 5%.

Image: Copyright The Kitchen 2010



The recovery in domestic overnight holiday travel accelerated in 2022. However, growth in business and VFR travel were stronger (Figure 13). In 2022, the number of domestic overnight trips for the purpose of:

- holiday increased by 30% and spend increased by 58%
- VFR increased by 31% and spend increased by 71%
- business increased by 48% and spend increased by 98%.

The sharp decline in business travel spend during the pandemic was in line with reduced travel budgets of businesses in response to both tighter controls on business spending and reduced appetite for employees to travel. However, business travel picked up as travel restrictions were removed and the risk of health measures affecting travel plans diminished. Despite the widespread use of virtual meeting arrangements, the recovery in business travel in 2022 demonstrated a strong desire for organisations to reunite; the enduring value of face-to-face meetings for decision-making; and the role of the events sector in building business relationships.

Even with this strong growth in business travel, holiday travel (the largest category) continued to provide the biggest contribution to total growth in 2022. Moreover, holiday travel was the highest yield purpose of travel in 2022, followed by business travel, while VFR was the lowest yield purpose of travel. This means that holiday trips generated more revenue per trip for the domestic visitor economy.

Specifically, for domestic visits in 2022:

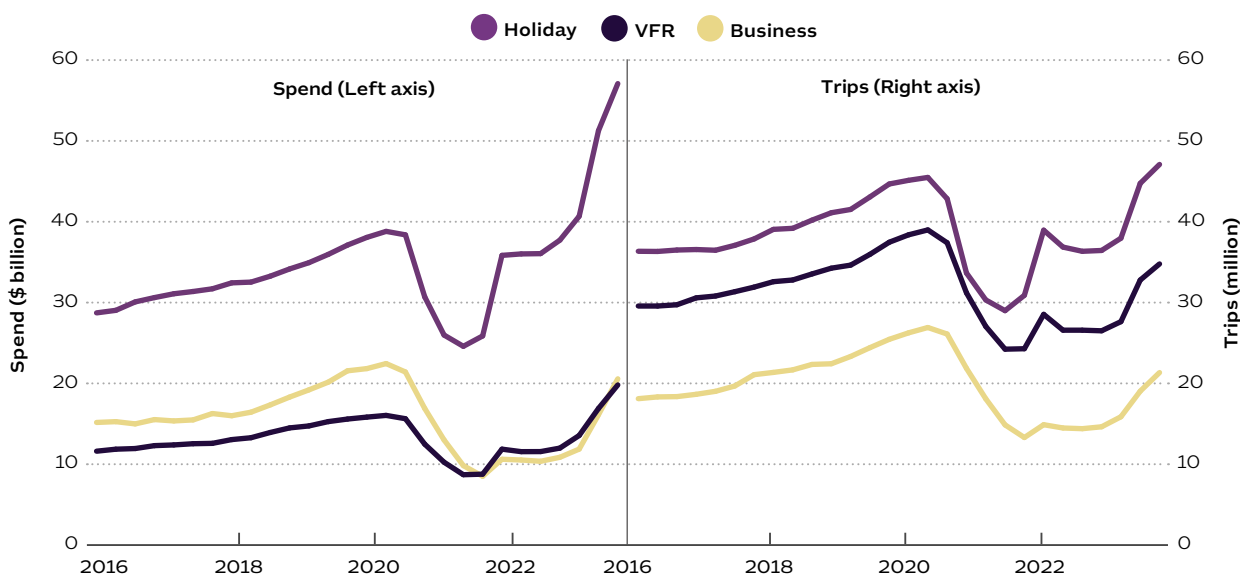
- the average spend on an overnight holiday trip was \$1,212, or \$307 per night (average length of trip was 3.9 nights)
- the average spend on an overnight business trip was \$964, or \$261 per night (average length of a trip was 3.7 nights)
- the average spend on an overnight VFR trip was \$570, or \$168 per night (average length of trip was 3.4 nights).

Prior to the pandemic, business trips had a higher spend per night than holiday trips on average (but were typically shorter in duration and thus had a lower total spend per trip). However, when the pandemic hit, spend on business trips declined sharply and the average spend per night on an overnight business trip fell much further than for holiday trips. Since then, growth in the average spend on leisure trips outpaced the average spend on business trips.

At the end of 2022, travel for business purposes remained the furthest from its pre-pandemic level. Compared to 2019, in 2022 the number of:

- overnight business trips was 21% lower and business day trips was 26% lower
- overnight VFR trips was 11% lower and VFR day trips was 19% lower
- overnight holiday trips was 4% higher, while holiday day trips was 16% lower.

**Figure 13. Spend and number of domestic overnight trips by purpose, year-ending 2016 to 2022.**



Source: Tourism Research Australia

## By interstate or intrastate travel

Interstate travel was much more affected than intrastate<sup>4</sup> travel during the pandemic due to state border closures and travel restrictions. Consequently, the number of overnight interstate trips declined by 65% in 2020 and remained extremely low in 2021. In contrast, the number of intrastate trips declined by only 26% in 2020 then recovered half of the decline in the following year.

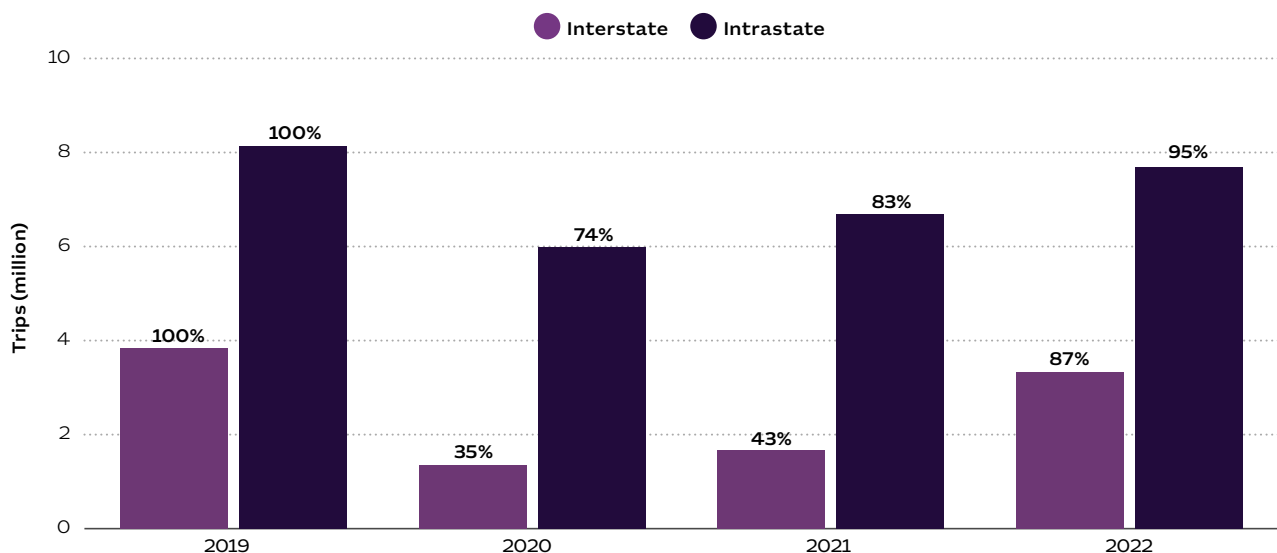
In 2022, the number of overnight interstate trips more than doubled. There were an additional 16.8 million interstate trips taken in 2022 (33.4 million) compared with 2021 (16.6 million). This generated \$31.3 billion extra spending (from \$22.7 billion to \$54.0 billion) and resulted in 68.3 million additional interstate visitor nights (from 101.2 million nights to 169.5 million nights). In 2022:

- average interstate trip spend was \$1,616 or \$318 per night (average trip length of 5.1 nights)
- average intrastate trip spend was \$684 or \$229 per night (average trip length of 3.0 nights)

At the end of 2022, the number of domestic interstate trips remained 13% below its pre-pandemic level while intrastate trips had recovered to be only 5% below the pre-pandemic number (Figure 14).



**Figure 14. Domestic overnight trips by interstate or intrastate trip, 2019 to 2022.**



Values on each column report the number of trips in that year relative to the pre-pandemic level in 2019.

Source: Tourism Research Australia

4. Intrastate travel is within the same state or territory, while interstate travel crosses a state or territory border.



## By regional or capital city travel

A similar, but less pronounced, set of trends occurred for domestic overnight trips to capital cities versus trips to regional Australia. Throughout the pandemic, the decline in trips to regional Australia was less severe than for trips to capital cities.<sup>5</sup> This was likely due to factors such as more frequent lockdowns in capital cities than in the regions, easier access to socially-distanced and outdoor activities in the regions; and the slowdown in business travel affecting regions less than the capital cities. As a result, the share of domestic visitor spend on overnight trips generated in the regions increased from 52% in 2019 to 65% in 2021.

The more broad-based tourism recovery in 2022 saw travel to the capital cities pick up pace, while travel to the regions continued to rise. In 2022:

- the number of domestic overnight trips to capital cities increased by 57% (15.2 million trips) to 42.1 million compared with the previous year, while expenditure on overnight trips to capital cities increased by 110% (\$23.4 billion) to \$44.8 billion

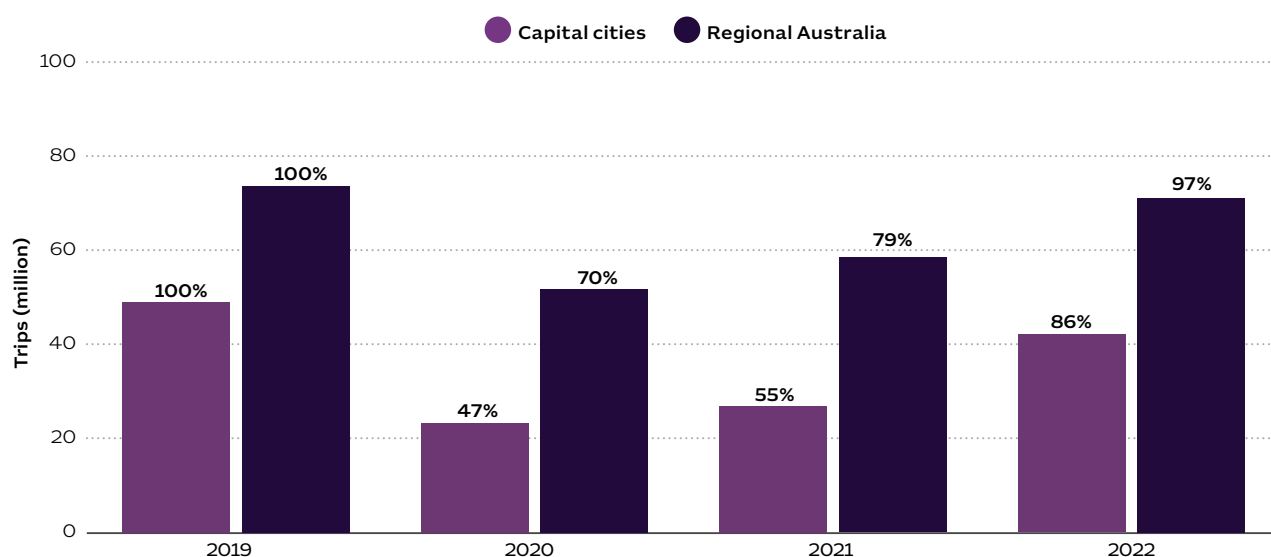
- the number of overnight trips to regional Australia increased by 22% (12.7 million trips) to 71.1 million, while expenditure on overnight trips to regional Australia increased by 43% (\$17.1 billion) to \$56.5 billion.

The regional share of domestic overnight spend therefore declined in 2022, to 56%, but this was still above the pre-pandemic level.

At the end of 2022, the number of domestic overnight trips to capital cities remained 14% below its pre-pandemic level while regional trips had recovered to be only 3% below the pre-pandemic number (Figure 15).

In 2022, the average spend on capital city trips was \$1,065 or \$330 per night (average trip length of 3.2 nights) while the average spend on regional trips was \$794 or \$214 per night (average trip length of 3.7 nights).

**Figure 15. Domestic overnight trips by capital city or regional Australia destination, 2019 to 2022.**



Values on each column report the number of trips in that year relative to the pre-pandemic level in 2019.

Source: Tourism Research Australia

5. Includes the 8 capital cities and the Gold Coast.

## By state

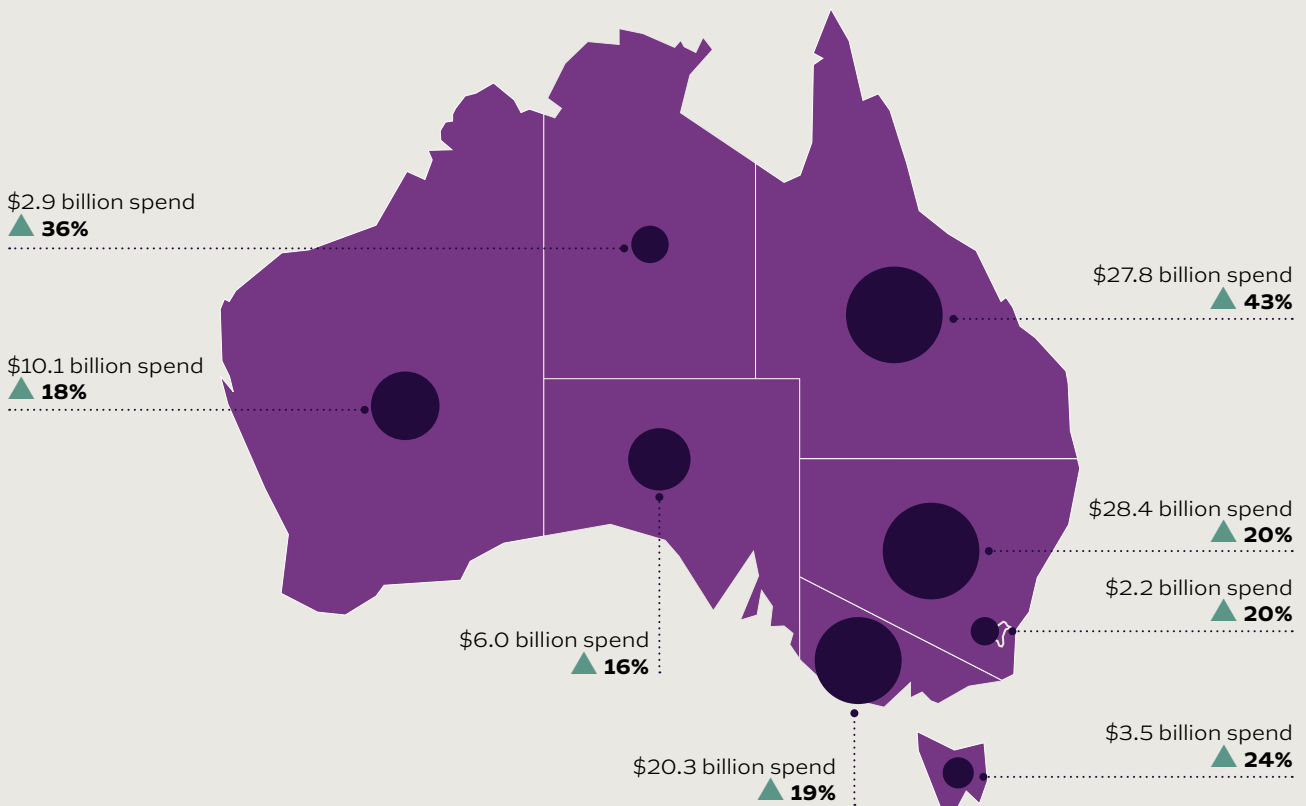
Across Australia, every state and territory recorded solid increases in domestic travel measures in 2022. Every state and territory saw additional overnight trips, growth in visitor nights and very strong growth in visitor spend. Of note, the states/territories that endured the longest lockdowns in 2021 saw stronger recoveries in 2022, this included:

- New South Wales, where domestic overnight visitor expenditure was up by 81% (an increase of \$12.7 billion) to \$28.4 billion
- Victoria, where domestic overnight expenditure was up by 103% (an increase of \$10.3 billion) to \$20.3 billion
- the Australian Capital Territory, where domestic overnight expenditure was up by 123% (up \$1.2 billion) to \$2.2 billion.

By the end of 2022, domestic overnight visitor expenditure had exceeded the pre-pandemic level in every state and territory (Figure 16).

The rapid recovery may reflect the amount of pent-up demand that accrued during the pandemic and the contribution from accumulated household savings and leave balances. It also highlighted the important role travel plays in Australian lives and the willingness of Australians to forego other types of consumption in order to travel (as was discussed in Box 3. State of the Industry 2019, TRA). Higher prices economy-wide also likely contributed.

Figure 16. Overnight visitor spend by state and territory in 2022, and growth compared to 2019.





## CASE STUDY

### Great State Vouchers

The Great State Vouchers program was established in October 2020 to support the tourism industry through the pandemic and it included vouchers for accommodation and experiences in South Australia. The program resulted in over 269,000 bookings and over A\$148.7 million in expenditure across 8 rounds – extending all the way to mid-2022.

Consumer and industry feedback showed that the program consistently supported the tourism sector during very challenging times, and provided the community with travel opportunities that would have not been possible without the vouchers. The vouchers were also an efficient marketing tool for some operators that were discovered by South Australians by participating in the program.

South Australians overwhelmingly supported the program, and many felt the vouchers helped them to get to know their own state and encouraged them to support the industry.

*Courtesy of the South Australian Tourism Commission*

### By transport type

The number of self-drive overnight trips rose by 20% (13.4 million trips) in 2022 to 81.8 million trips. This was only 4% below the pre-pandemic number of self-drive trips.

In contrast, in 2022, the number of domestic trips that included a flight increased by 95% to 24 million trips. This equated to an additional 11.7 million trips using aircrafts in 2022 (Figure 17).

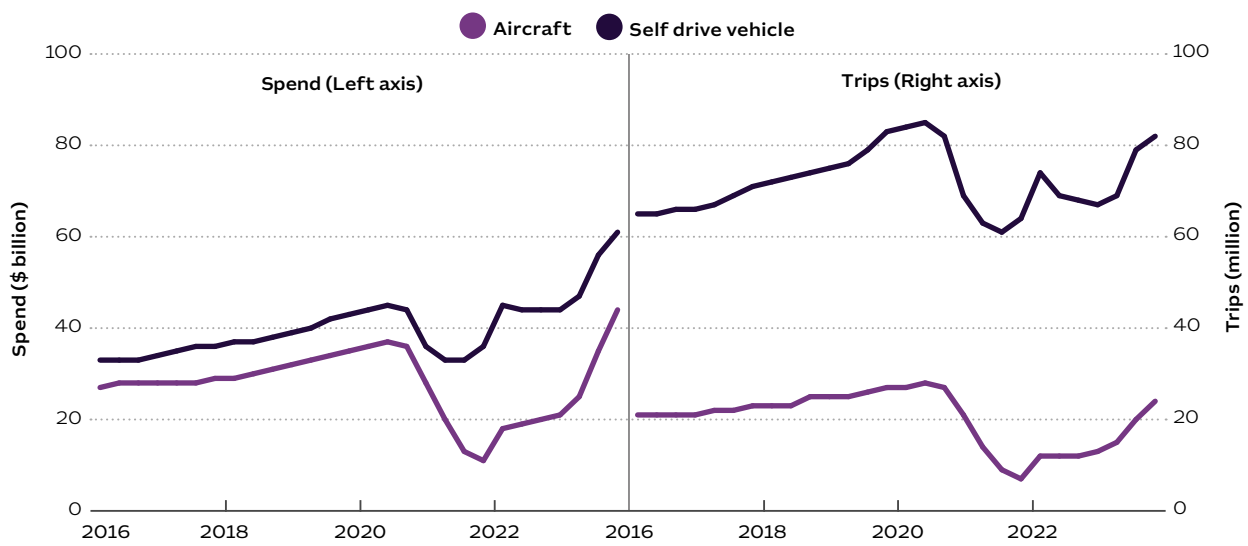
Strong growth in trips with a flight in 2022 followed the dramatic decline in the first year of the pandemic (down by 68%), then only partial recovery in 2021 weighed down by supply-side

challenges and persistent travel concerns and state border restrictions.<sup>6</sup> As a result, at the end of 2022, the number of trips with flights was still down by 16% compared with the pre-pandemic level.

This is consistent with data from the Department of Infrastructure, Transport, Regional Development, Communications and the Arts (BITRE) showing that the number of people travelling on domestic flights recovered to 87% of the pre-pandemic level in December 2022 (Figure 18).

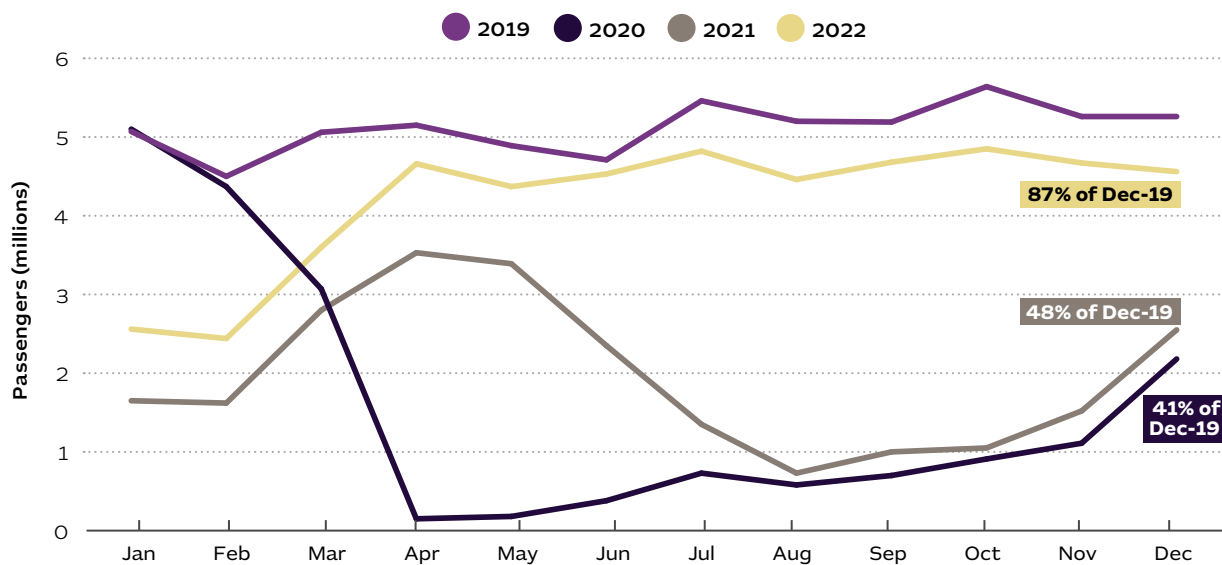
6. It is not surprising that the rise in air travel aligns with the increase in interstate travel because 61% of interstate trips in 2019 used aircraft as a means of transport, while only 6% of intrastate trips did. Instead, 85% of intrastate trips used self-drive transport.

**Figure 17. Domestic overnight trips and spend by transport type, year-ending 2016 to 2022.**



Source: Tourism Research Australia

**Figure 18. Monthly domestic revenue passengers on aircraft, 2019 to 2022**



Source: BITRE, Domestic Airline Activity

The average spend on an overnight trip with aircraft transport in 2022 (\$1,836) was significantly higher than for trips with self-drive transport (\$748). Spend per night is also higher for trips using aircraft (\$403) than self-drive transport (\$230) and the average trip is longer (4.6 nights compared with 3.2 nights). For this reason, domestic overnight trips with aircraft transport comprise only 22% of domestic overnight trips but account for 43% of domestic overnight spend.

It is important to note that the increase in spend on trips using aircraft is greater than the increase in spend on airfares alone over that period. According to TRA's NVS data, the average spend on a domestic overnight trip using aircraft increased by \$244 in 2022 (and by \$520 in total since the start of the pandemic). The average spend per trip on airfares increased by \$98 in 2022 (and by \$107 since 2019).

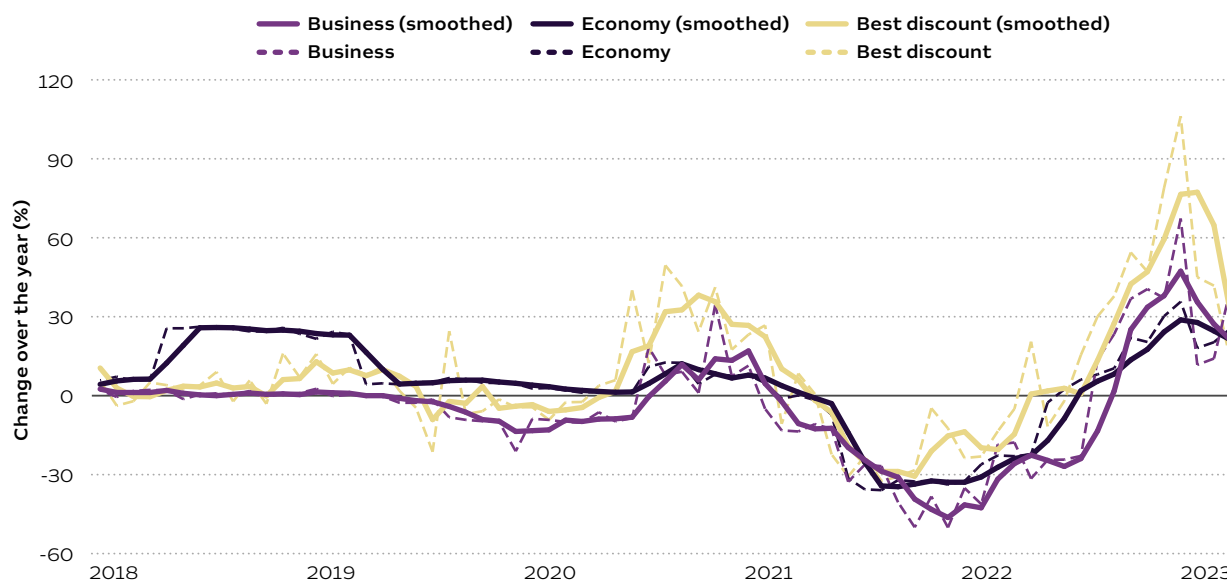
The increase in spend on airfares in 2022 aligns with BITRE’s monthly air fares indices, which indicate that airfares rose sharply in 2022, following substantial declines in the previous year (Figure 19). For the month of December 2022, the air fares index for:

- business fares was 67% above the December 2021 level, but 15% below December 2019

- economy fares was 36% above the December 2021 level, but 1% below December 2019
- best discount fares was 106% above the December 2021 level, and 42% above that in December 2019.

These airfares indices were generally lower than their December 2022 levels in the early months of 2023.

**Figure 19. Australian domestic air fare indexes, smoothed year-ended growth, 2018 to March 2023.**



Source: BITRE, Australian Domestic Air Fare Indexes

Temporary seasonal fluctuations may indicate supply-side pressures as aircraft capacity scales back up to its pre-pandemic level. While the number of domestic flight seats available increased in 2022 (see Aviation section of this report) there may have been some imbalances between flight seat availability and passenger demand across routes or destinations. For example, across Australia’s 20 largest domestic airports, the change in passenger numbers in November 2022 compared with the same month prior to the pandemic varied widely: there were 44% fewer passengers through one regional airport in the Northern Territory, but 31% more passengers through another regional airport in New South Wales compared with pre-pandemic.<sup>7</sup>



7. See BITRE, Monthly Airport Traffic Data for top twenty airports: January 2009 to current – November 2022, accessed April 2023.

## By activity type

Another travel characteristic that changed in 2022 was the increase in participation of fee-paying activities while travelling. In 2021, nature-based, outdoor and low-cost activities enjoyed the biggest increase in uptake while indoor and ticketed events such as cinema/festival attendance lagged. In 2022, there were an additional 21 million domestic overnight trips involving at least one of a selection of paid

activities. As a result, the share of domestic overnight trips that included a ‘fee-paying’ activity<sup>8</sup> increased from 65% in 2021 to 69% in 2022 (Table 1). Meanwhile, the share of overnight trips including a ‘free/low-cost’ activity<sup>9</sup> declined slightly in 2022. Overall, there were a similar number of trips taken involving higher spend and free activities in 2022. In contrast, a higher proportion of trips taken in 2021 included low spend activities.

**Table 1. Domestic overnight trips and their activity types in 2021 and 2022.\***

Domestic overnight trip information	Trips with selected ‘free/low cost’ activities	Trips with selected ‘fee-paying’ activities
Trips in 2021 (millions) (Share of total overnight trips)	57.1 (70%)	53.6 (65%)
Trips in 2022 (millions) (Share of total overnight trips)	74.5 (69%)	74.6 (69%)
Increase in trips from 2021 to 2022 (millions) (Growth)	17.5 (31%)	21.0 (39%)
Spend per trip in 2022	\$985	\$1,141
Spend per night in 2022	\$248	\$287

\*Overnight trips can include multiple activities, including both paid and unpaid activities. Therefore the sum of trips across the two columns is greater than the total number of overnight trips taken in the year.



8. Selected paid activities include attending a concert/festival/organised sporting event, visiting a zoo/winery/island/theme-park, or participating in an Indigenous experience/guided tour/cruise.
9. Selected free /low cost activities include going to the beach/park/gardens, bushwalking, fishing, surfing, sightseeing, and picnics.



## CASE STUDY

### Spilt Milk

Kicks Entertainment presented its fifth Spilt Milk music festival on 26 November 2022 at Exhibition Park in Canberra (EPIC). Spilt Milk is a nationally recognised music festival, featuring Australian and international acts, and draws an audience primarily of 18 to 24 year olds.

Approximately 46,000 people attended in 2022, including nearly 32,000 visitors from outside of the Australian Capital Territory.

Spilt Milk was responsible for attracting a substantial share of the young tourists the ACT received across the year, accounting for almost 8% of all 18-24 year old overnight stays in the ACT.

The festival generates benefits for the ACT tourism sector including:

1. financial and economic value to the ACT, with \$14.9 million generated through interstate visitor spending and event operational expenditure – which supports local businesses and creates jobs outside of the festival gates;
2. social and cultural value to the ACT, with 95% of local attendees saying the festival enhances community life in Canberra; and
3. creating greater numbers of Canberra advocates, with 66% of interstate attendees saying they would now be more likely to recommend the ACT as a place to visit.

The 2022 edition of Spilt Milk in Canberra contributed \$21m in economic benefit to the local community and received a total of \$30,000 in Event Development Funding from the ACT Event Fund.

*Courtesy of VisitCanberra*

## By traveller lifecycle type

In 2022, there were an additional 17.1 million domestic overnight trips (up 30% to 73.5 million trips) taken by higher spend categories of traveller such as:

- parent/s with kids (average spend per trip of \$845 in 2019)
- older married couples (average spend per trip of \$741 in 2019)
- young to mid-life childless couples (average spend per trip of \$658 in 2019).

This compares with an additional 8.5 million trips (up 33% to 33.9 million trips) taken by lower spend traveller categories such as:

- young singles (\$348 per trip)
- older singles (\$563 per trip)
- mid-life singles (\$595 per trip).

Separating traveller lifecycle types into either higher or lower spending groups (as per above) shows that the largest volume increase in trips in 2022 versus 2021 occurred for the high spend holiday travellers (an increase of 7.5 million trips). This trip category also had the highest average spend per trip at \$1,354 in 2022 (Table 2).

For each purpose of travel, there were more trips taken in 2022 by the high spend groups than the low spend groups. The increase in trip numbers from 2021 to 2022 was also larger for the high spend groups. These were positive for domestic visitor spend.

**Table 2. Domestic overnight trips in 2022 by lifecycle grouping and purpose of travel.**

Domestic overnight trip purpose and lifecycle group	Trips in 2022 (millions)	Increase in trips from 2021 to 2022 (millions) (Growth)	Spend per trip in 2022
Holiday – <b>High</b> spend lifecycle groups	34.4	7.5 (28%)	\$1,354
Holiday – <b>Low</b> spend lifecycle groups	12.3	3.0 (33%)	\$818
Visiting friends and relatives – <b>High</b> spend lifecycle groups	20.7	4.7 (29%)	\$676
Visiting friends and relatives – <b>Low</b> spend lifecycle groups	13.8	3.3 (31%)	\$413
Business – <b>High</b> spend lifecycle groups	15.2	5.0 (49%)	\$1,007
Business – <b>Low</b> spend lifecycle groups	6.0	1.9 (45%)	\$861





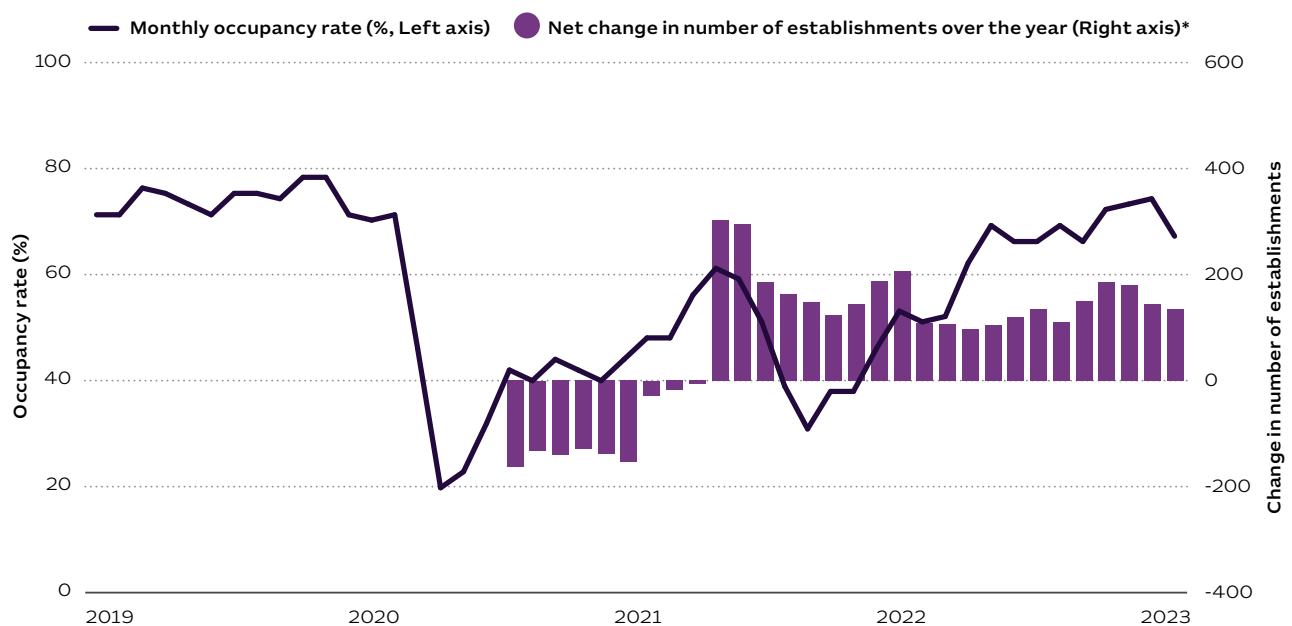
# Supply side

## Accommodation

The number of commercial accommodation establishments in Australia increased to a record high in 2022, according to subscription data from STR. As at December 2022, there were 5,945 accommodation establishments (with 10 or more rooms) in Australia, an increase of 134 establishments (2.3%) over the year (Figure 19). This was 3.2% higher than the number of establishments prior to the pandemic (5,759 at December 2019).

Additions to accommodation supply were in line with rising demand for accommodation. The average occupancy rate for commercial accommodation increased in Australia in 2022 and was 65% on average across the year (Figure 20). This was higher than in the past two years, which averaged 43% and 47%, but below the 2019 (pre-pandemic) year-average occupancy rate of 74%.

**Figure 20. Monthly occupancy rate and annual change in supply of Australian accommodation establishments, 2019 to 2022.**



\* Series available from July 2020 onwards.

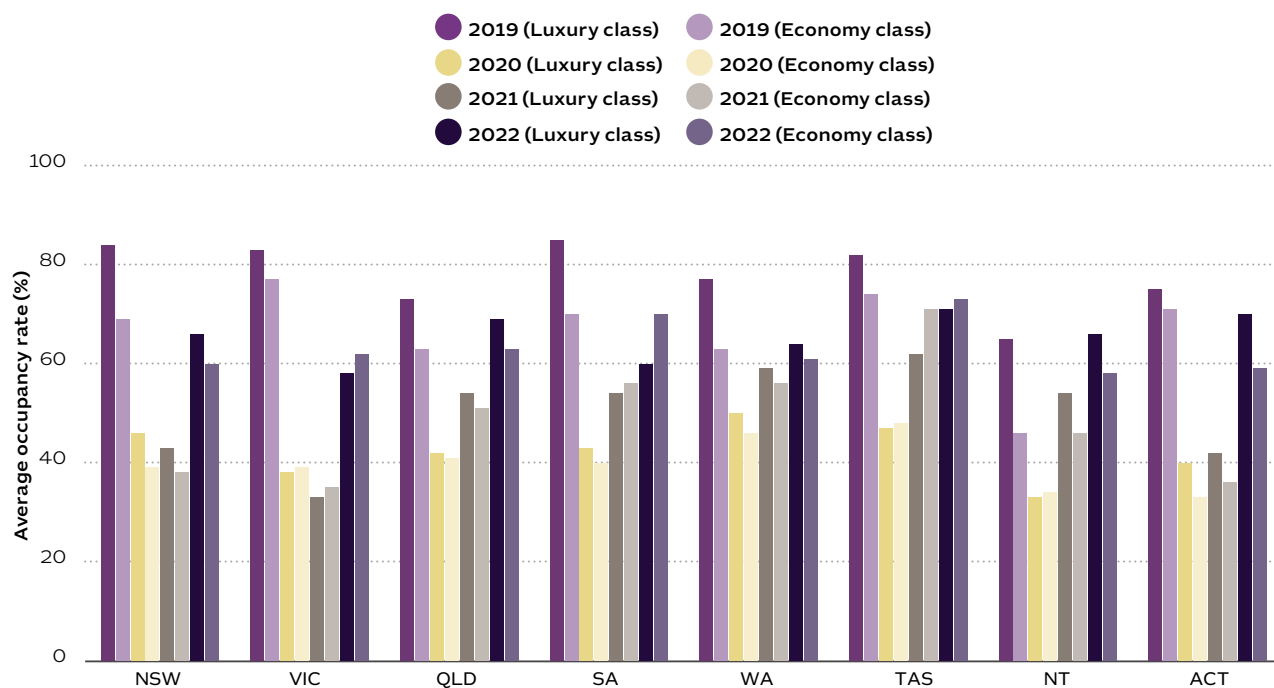
Source: STR

The average occupancy rate in 2022 increased across all states and territories. For most states, the increase in average occupancy rate in 2022 was larger for Luxury & Upper Upscale class establishments (Luxury class) than for Midscale & Economy class establishments (Economy class) (Figure 21).

Prior to the pandemic, the average occupancy rate for the luxury class was generally much higher than for the economy class in all states and territories. (Dark purple bars compared with

light purple bars in Figure 21.) Throughout the pandemic and in 2022, occupancy rates remained higher for the luxury class in the majority of states/territories; however, the gap between them diminished. Despite the larger increase in occupancy rates for the luxury class in 2022, occupancy rates for luxury establishments remained further below their pre-pandemic level than for the economy class. This suggests there may be further scope for luxury class occupancy rates to rise going forward.

**Figure 21. Year-average occupancy rate for luxury and economy class accommodation establishments by state/territory, 2019 to 2022.**



Source: STR

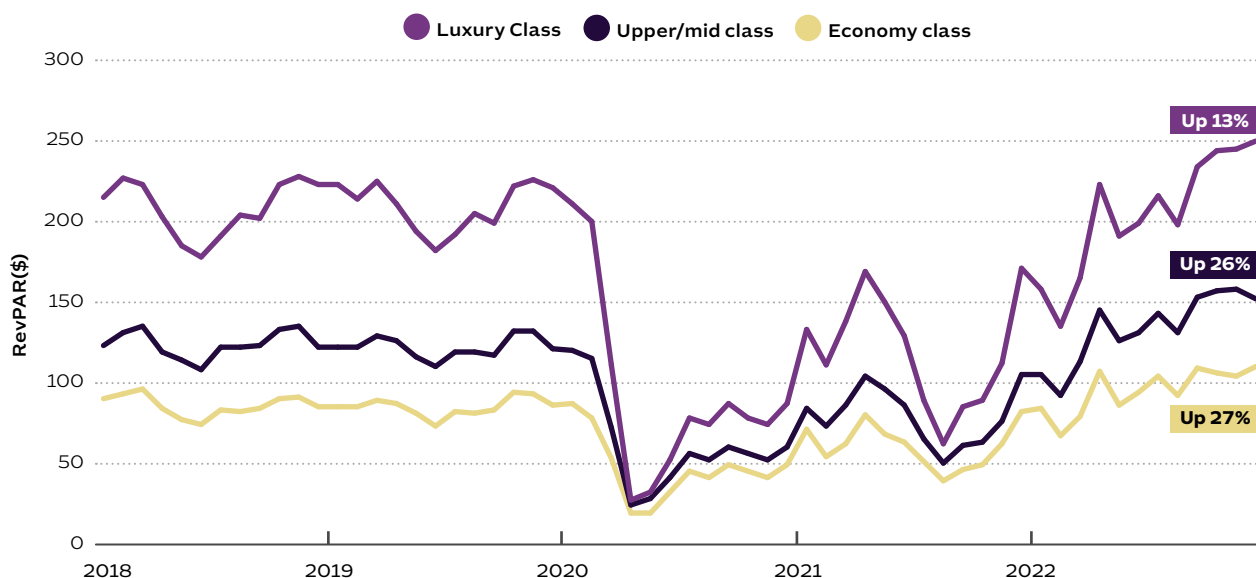
The average room rate in Australia in 2022 recovered to be above its pre-pandemic level. In December 2022, the average daily rate (ADR) was \$265, up by 17% on the ADR for December 2021 of \$226. On average over the year, the ADR in 2022 was 24% higher than in 2021. Revenue per available room (RevPAR) also recovered to its pre-pandemic level in 2022 after lower occupancy rates held this metric down in 2021. RevPAR is a better representation for the earnings of accommodation providers than the room rate, as it adjusts for the occupancy rate.

As was the case for occupancy rates, the largest increases in ADR and RevPAR in 2022 occurred in the luxury classes of accommodation providers, while the lower-classed category recorded the smallest increases and the slowest growth (Figure 22). The larger increase in 2022 for the luxury class helped to re-establish the pre-pandemic trend gap between the accommodation classes, after room rates for the luxury class had declined by much more early in the pandemic.

Solid occupancy rates along with higher RevPAR are welcome signs of strong demand for accommodation. They also supported the continued investment in Australian accommodation supply (see Investment section of this report).



**Figure 22. Revenue per available room by accommodation class, 2018 to 2022.**



Callout values refer to December 2022 compared with December 2019 (pre-pandemic).

Source: STR

## Aviation

The return of aviation capacity post-pandemic was slower than the return in demand. The lag in reactivating grounded aircraft and staff shortages in the aviation sector have been identified as potential factors. Globally, airlines have faced impediments to returning aviation capacity in the post-pandemic period. Of note, it has taken time to replenish workforces and resume flights of grounded aircraft following large losses to staff across roles such as pilots, flight crew, ground staff, maintenance workers and engineers during the pandemic. This is particularly relevant to Australian carriers due to the long period that borders (international and state) were closed during the pandemic.

In line with the reopening of Australia’s international border, international flights into Australia increased markedly in 2022 compared with the previous years. In 2022, there were 54,500 flights into Australia, more than twice the number of inbound flights in 2021 (25,700). This was just over half the number of international inbound flights to Australia in 2019 (103,200). With these flights, there were an additional 8.5 million international inbound seats available in 2022 (12.1 million), up by 233% from 2021 (3.6 million). Inbound seat capacity in 2022 remained below half of the pre-pandemic level (26.8 million available seats).

Strong demand for international inbound flights saw the seat utilisation rate rebound sharply in 2022 to 80.6%. This was well up from 19.3% the previous year, and only slightly below the 2019 rate (81.7%).

Domestically, the number of seats available increased by 26 million (67%) to 65.3 million in 2022, up from 39.2 million in 2021 (Figure 23). This was still 15% below the pre-pandemic number of 77.5 million domestic aviation seats in 2019.

In line with strong growth in domestic travel demand and demand for domestic flights, passenger load factors reached 30-year record highs in the second half of 2022. The average passenger load factor for the second half of 2022 was 83.5%, which was higher than in the equivalent pre-pandemic period of 82.9%.

**CASE STUDY**

**Attracting Aviation Investment Fund**

COVID-19 significantly impacted Queensland’s international flight network. In response, the Queensland Government announced a \$100 million boost to the Attracting Aviation Investment Fund (AAIF) to assist our international airports to resume and attract new international routes of strategic importance to Queensland. This support is being matched dollar-for-dollar by airports, regional tourism organisations and industry.

This combined \$200 million investment is estimated to deliver up to 5.3 million airline seats per year, generating almost \$4 billion in overnight visitor expenditure. It also supports the State’s wider economy including food and freight exports and the return of up to 30,000 international students.

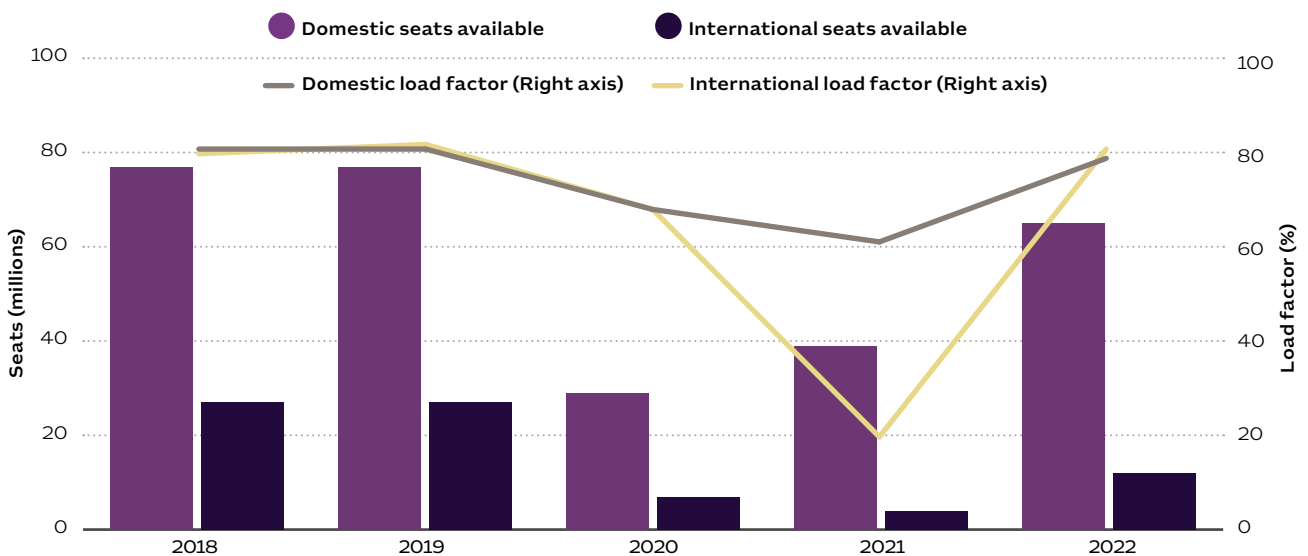
An example of a new route being supported by AAIF is the new direct services between San Francisco and Brisbane on United Airlines. The airline, which commenced three services on 30 October 2022, has recently announced these will increase to daily at the end of October 2023 and will also commence direct services between Los Angeles and Brisbane from December 2023.

*Courtesy of Department of Tourism, Innovation and Sport, Queensland Government*



Image courtesy of Brisbane Airport Corporation

**Figure 23. Domestic and international flight seat capacity (bars) and load factors (lines), 2018 to 2022.**



Source: BITRE, International Airline Activity monthly airline performance – December 2022

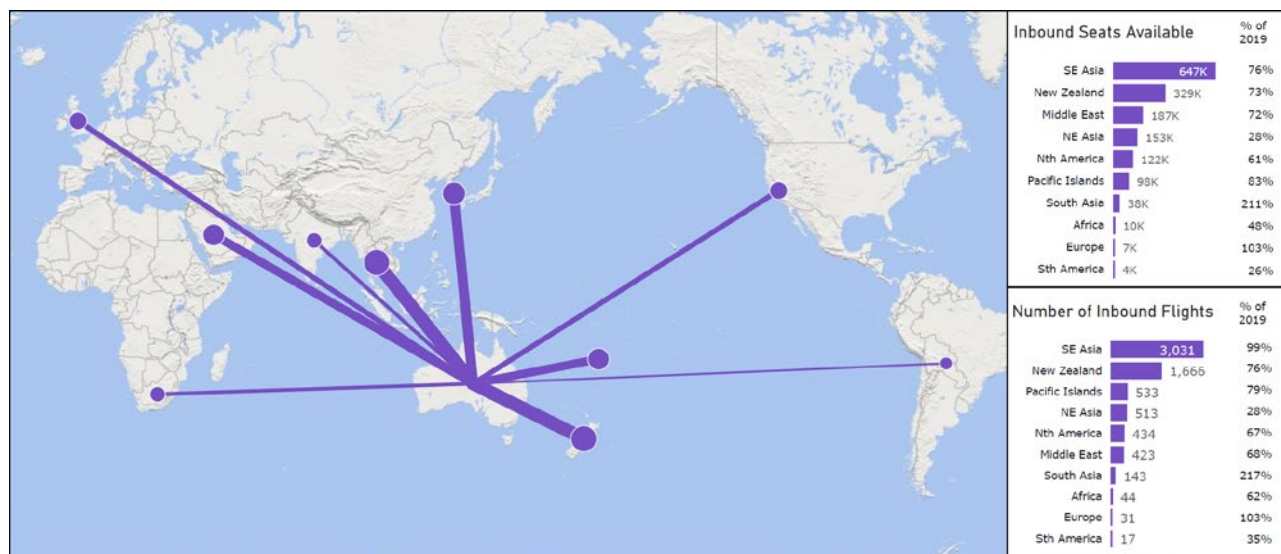


In 2022, the reactivation of selected flight routes ahead of others as well as commencement of new flight routes resulted in a change in the profile of inbound flight movements. In the month of December 2022, the number of direct flights into Australia was:

- Above pre-pandemic levels for South Asia (due to the start-up of new Indian and Sri Lankan routes) and Europe (through marginal growth on the direct London route)

- More than 75% of pre-pandemic levels for the Pacific Islands, South-East Asia and New Zealand
- Less than 35% of pre-pandemic levels for North-East Asia and South America (Figure 24).

**Figure 24. Inbound airline seats available by region (December 2022).**



Source: BITRE, *International Airlines Operated Flights and Seats*

## Employment

The pandemic had a devastating impact on the visitor economy workforce. Visitor economy businesses are predominantly small businesses, and the prolonged closures in 2020 led to large workforce reductions for many tourism businesses. As demand for travel increased, many businesses in the visitor economy faced challenges finding sufficient workers to effectively deliver their operations and meet the rising demand. The lack of international arrivals over the pandemic period led to a large reduction in sources of workers that the tourism sector had previously relied upon. These included temporary workers, working-holiday makers and international students. Factors such as the low national unemployment rate, record high job vacancies and COVID-related absenteeism also added to these workforce challenges.



While there was no quick fix, some noteworthy progress to address these issues was made in 2022. For example:

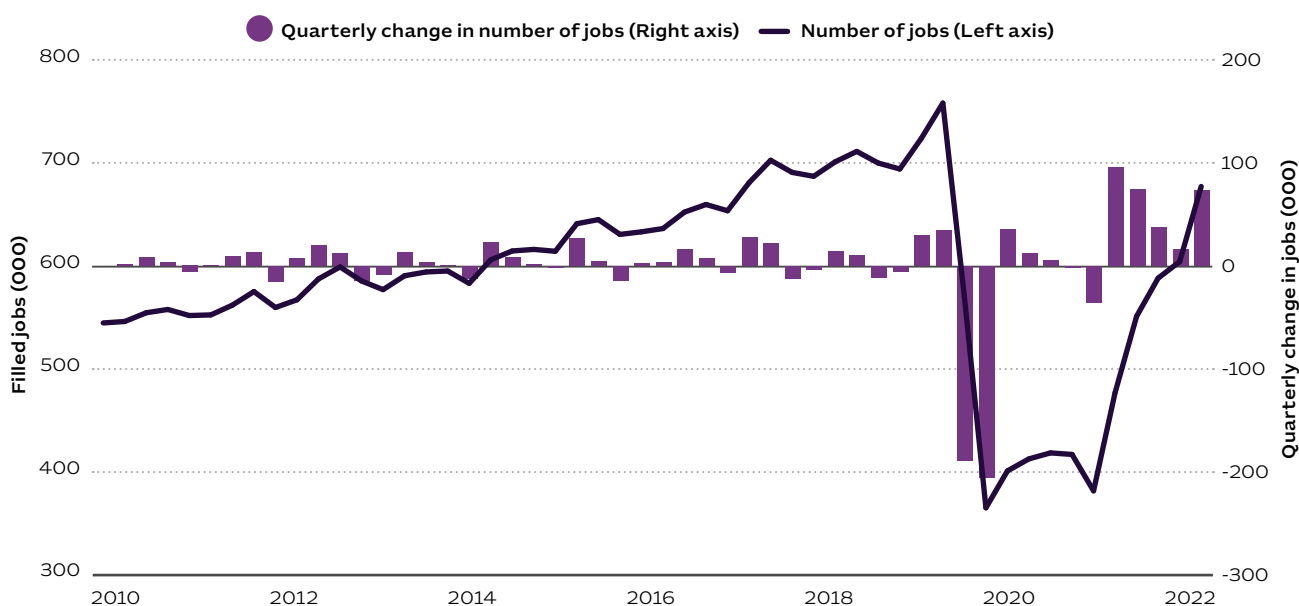
- The Workforce and Skills Working Group, established under THRIVE 2030, commenced an Interim Action Plan to address short-term workforce issues. This will inform the development of a long-term visitor economy workforce strategy, which will be aligned with the outcomes of the Employment White Paper (due for release in 2023) following the successful Tourism Jobs Summit in August 2022.
- The Australian Government prioritised regulatory changes and investment that would support the visitor economy to build workforce capability, these included:
  - providing fee-free TAFE places for tourism and hospitality courses
  - promoting opportunities to work in tourism
  - making it easier for small businesses to employ people with a disability
  - supporting older Australians to take up part-time work by increasing the amount they can earn before losing income support payments
  - investing to reduce visa processing times
  - promoting job opportunities to Working Holiday Makers (WHM)
  - relaxing certain work restrictions on eligible student and WHM visas and refunding the Visa Application Charge for visa holders that arrived early in 2022.

- The Australian Government committed funding to attract and train workers, support the development of quality tourism products, and deliver infrastructure upgrades. This included funding to:
  - help tourism businesses attract visitors from key international markets to Australia, including regional areas
  - expand Accommodation Australia’s online hospitality skills and training platform, ‘The Hub’
  - enhance the Australian Tourism Industry Council’s Quality Tourism Framework
  - upgrade caravan parks across Australia.

### Filled jobs

At the end of 2019 there were 757,500 filled jobs in the visitor economy. The devastating impact of the pandemic reduced this number to just 363,900 jobs in mid-2020, a decline of 52% or 393,600 jobs. From then until the end of 2022, the visitor economy recovered nearly 80% of those lost jobs (Figure 25). There were 676,400 filled jobs in the visitor economy at the end of the December quarter 2022. This was an increase of 200,500 (42%) over the year and an increase of 312,500 (86%) since the low point of June 2020. While this was the highest number of filled jobs in the visitor economy since pre-pandemic, the number remained 81,100 (11%) lower than in December 2019.

**Figure 25. Tourism filled jobs, quarter-end number and quarterly change, 2010 to 2022.**



Source: ABS, Tourism Satellite Account: quarterly tourism labour statistics, December 2022



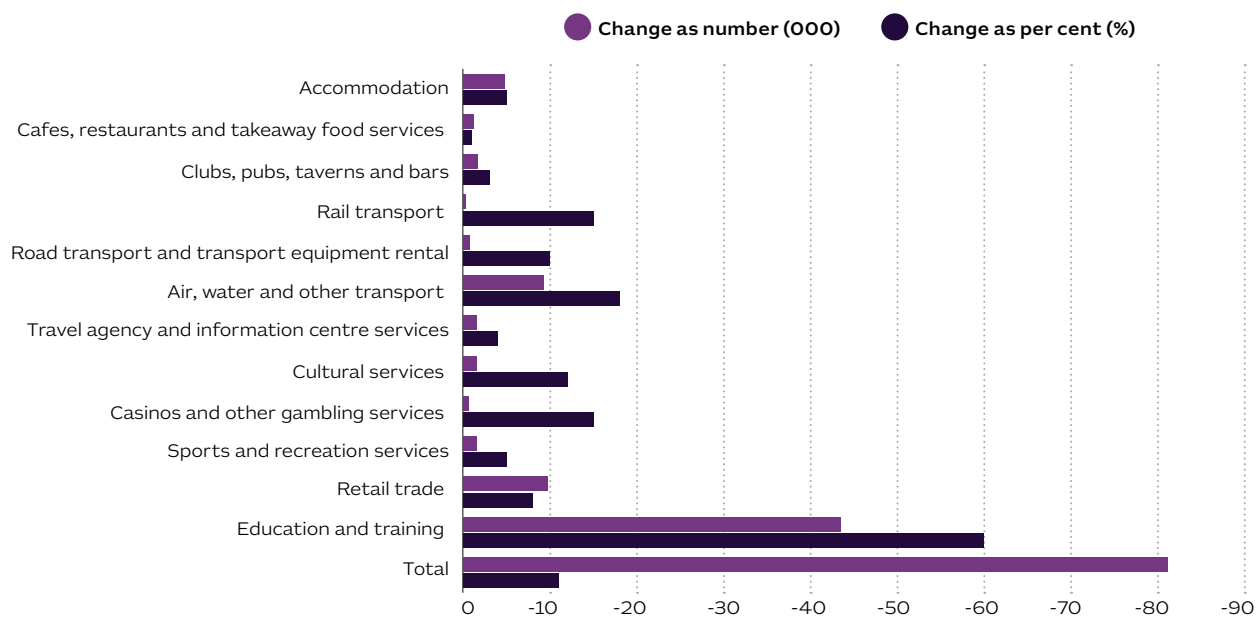
In contrast, from the end of 2019 to the end of 2022, the Australian economy overall gained more than 1 million jobs. At the end of 2022, the visitor economy accounted for 1 in 23 filled jobs in the economy (or 4.4%), down from the peak of 1 in 19 jobs (or 5.3%) in December quarter 2019. However, over 2022, growth in tourism filled jobs (42%) was significantly faster than growth in jobs across the Australian economy (4%).

While each of the tourism-related sectors recorded gains in filled jobs in 2022, employment remained below the pre-pandemic level for every sector

(Figure 26). The sector with the largest decline yet to be recovered is the education and training sector, down by 60% (43,500 jobs). Other sectors with large remaining jobs deficits in the December quarter 2022 relative to pre-pandemic were:

- retail trade – down by 8% (9,700 jobs)
- air, water, and other transport – down by 18% (9,300 jobs)
- accommodation – down by 5% (4,800 jobs).

**Figure 26. Change in tourism filled jobs from December quarter 2019 to December quarter 2022 by tourism-related industry.**



Source: ABS, *Tourism Satellite Account: quarterly tourism labour statistics, December 2022*

## International workers

Given the importance of overseas workers for the visitor economy, the rapid recovery in short-term international arrivals for employment purposes in 2022 was a very welcome development. In 2022, there were 150,000 employment arrivals, up from 23,000 in 2021 (Figure 27).

In the December quarter 2022, employment arrivals were nearly 9 times higher than the same period in the previous year and were 4% above the pre-pandemic level.

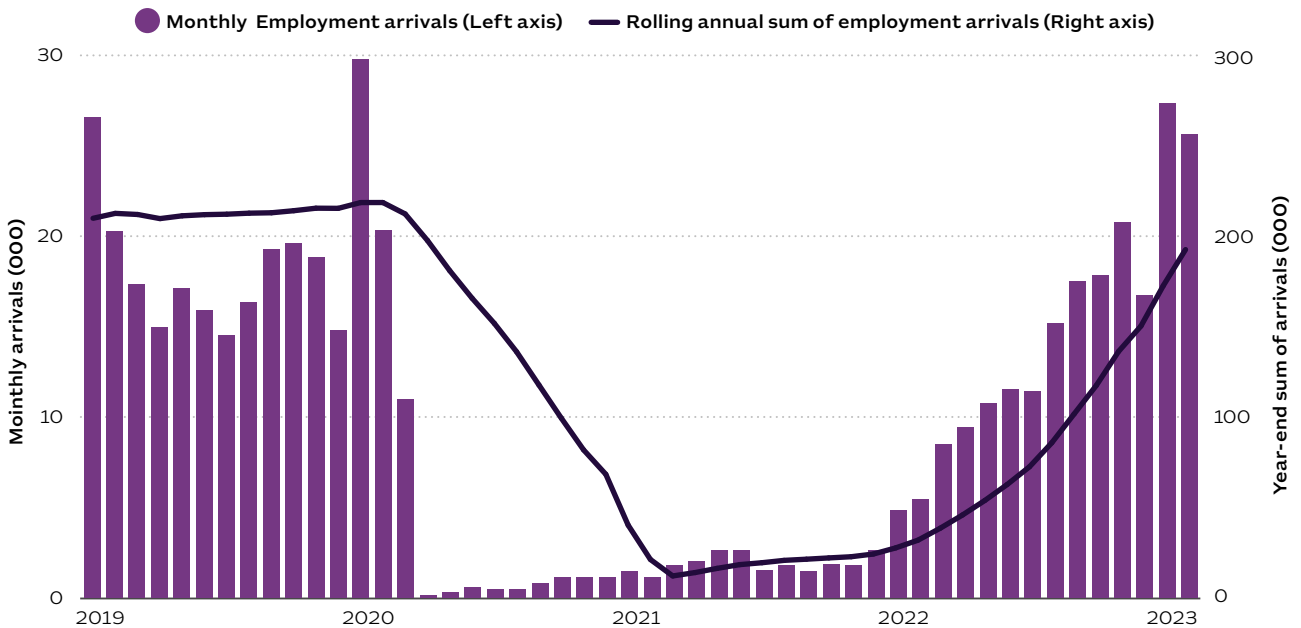
Arrivals for the purpose of employment were the only category of short-term arrivals to fully recover to their pre-pandemic level in 2022. In

contrast, short-term arrivals for holiday (-57%), VFR (-19%), business (-42%) and education (-47%) purposes all remained well below their pre-pandemic level in the December quarter 2022.

Employment arrivals continued to increase strongly in the early months of 2023. There were nearly 53,000 short-term international employment arrivals in January and February 2023, 13% more than the equivalent pre-pandemic period (January and February 2019). Also of relevance, in 2022 there were 261,000 international arrivals to Australia on permanent skilled work visas, up from 40,000 in 2021 (557% increase).<sup>10</sup> However, this remained less than half of the pre-pandemic level of 548,000 permanent skilled visa arrivals in 2019.

10. Source: ABS, Overseas Arrivals and Departures, Australia, Table 16.9: Total Arrivals by Visa.

**Figure 27. Short-term international arrivals for the purpose of employment, monthly arrivals (bars) and year-end sum of arrivals (line), January 2019 to February 2023.**



Source: ABS, Overseas Arrivals and Departures, Australia, February 2023

Another important source of workers for the visitor economy is working holiday makers (WHMs). The Department of Home Affairs reports that, as at end December 2022, there were 112,335 WHM visa holders (subclass 417 and subclass 462) in Australia, up by 481% from 19,324 the year before.

The Department of Home Affairs reports that in the six months from 1 July 2022 to 31 December 2022, of the total of 111,620 WHM visa granted there were:

- 66,870 first Working Holiday (subclass 417) visa grants compared to 13,544 visas granted in the same period in 2021 (394% increase). The top 5 countries for visa grants were the UK, France, Ireland, Germany and Italy.
- 4,554 second Working Holiday visa grants, up from 514 visas granted in the same period in 2021 (786% increase). The top 5 countries for second visa grants were the UK, Taiwan, Ireland, South Korea and France. Of these, 481 visa holders (11%) were employed by the accommodation and food services industry.
- 2,849 third Working Holiday visa grants, down from 3,430 in the same period in 2021 (17% decrease). The top 5 countries for third visa grants were the UK, France, Taiwan, Ireland and Italy. Of these, 53 visa holders (2%) were employed by the accommodation and food services industry.
- 13,783 first Work and Holiday (subclass 462) visa grants, up from 1,724 (700% increase). The top five countries for visa grants were the USA, Indonesia, Chile, Argentina and Spain.
- 1,940 second Work and Holiday visa grants, up from 149 (1202% increase). The top five countries for second visa grants were Vietnam, Indonesia, China, Argentina and Thailand. Of these, 762 visa holders (39%) were employed by the accommodation and food services industry.
- 1,058 third Work and Holiday visas granted, down from 1,142 (7% decrease). The top five countries for third visa grants were China, Indonesia, Argentina, Chile and USA. Of these, 440 visa holders (42%) were employed by the accommodation and food services industry.

International students have typically been relied upon as another temporary and casual source of labour for the visitor economy, and government measures in 2022 supported their rapid return. As discussed earlier in this report, the number of international students in Australia rose in 2022 which is expected to further contribute to easing workforce shortages.

## Job vacancies

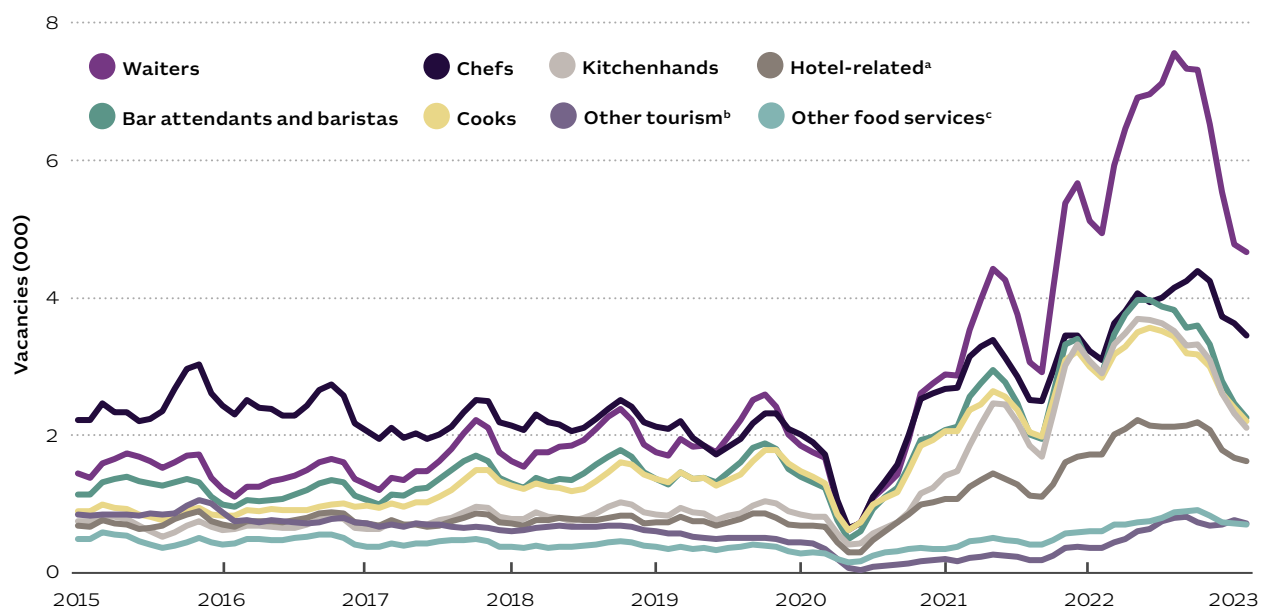
In line with increased labour availability and the rise in filled jobs, the number of job vacancies in tourism-related occupations declined in the latter part of 2022 after reaching record highs earlier in the year. The total number of tourism-related job vacancies peaked in August 2022 at 26,300, which was double the number the year before and almost 3 times higher than the pre-pandemic average level. The extremely high level of job vacancies for tourism-related jobs accorded with industry commentary regarding challenges finding staff.

For example, by occupation, the number of vacancies for waiters, chefs, cooks and bar attendants & baristas rose rapidly between mid-2020 and mid-2022 (Figure 28).<sup>11</sup> Between August 2022 and December 2022, the number of job vacancies for:

- waiters declined by 2,000 (27%)
- chefs, cooks and kitchenhands declined by more than 2,000 (19%)
- bar attendants and baristas declined by 1,000 (27%)
- other tourism-related occupations declined by 600 (15%).

Overall, by the end of 2022, job vacancies for tourism-related jobs had declined by 22% and declines continued in January and February 2023.

**Figure 28. Online job vacancies advertised for tourism-related occupations, monthly, January 2015 to February 2023.**



a. Sum of housekeepers, hotel and motel managers, hotel service managers

b. Sum of tourism and travel advisers, gaming workers, travel attendants

c. Sum of cafe workers, food trades assistants, fast food cooks

Source: Jobs and Skills Australia, IVI Data detailed occupation, March 2006 onwards. Data to February 2023, accessed April 2023.

11. Based on data published by Jobs and Skills Australia (JSA) on the number of online job advertisements (seasonally-adjusted) in the Internet Vacancy Index (IVI).

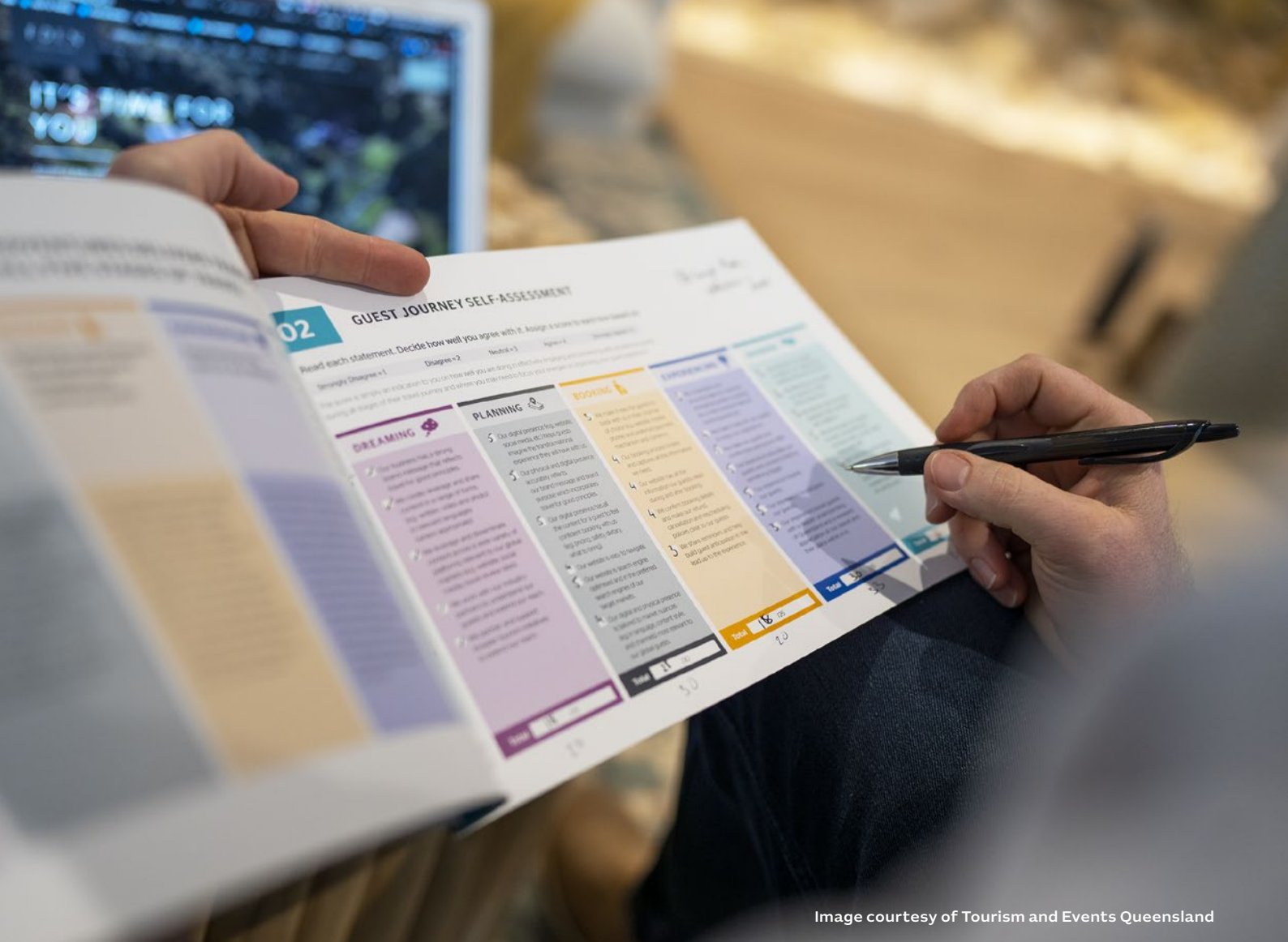


Image courtesy of Tourism and Events Queensland

## CASE STUDY

### Transformational Experiences Mentoring Program

The Tourism and Events Queensland ‘Transformational Experiences Mentoring Program’ supports operators in interpreting the Ultimate Transformational Experiences Guide and becoming champions of transformational experiences.

The program provides operators with one-on-one mentor support over a 10-week period, equipping them with tools to reimagine their visitor experience and meet the evolving expectations of travellers in line with the Queensland brand and ‘Travel for Good’ ethos.

The program was developed and piloted during 2021 and 2022 and after much success and positive feedback from industry, it now continues as an ongoing program available to Queensland tourism operators. The Transformational Experiences Mentoring Program aims to drive demand by working with industry to shape their experience offering in line with consumer expectations.

To date 200 operators have completed the program with over 1,400 action items developed. These actions span across categories such as marketing, experience design and development, sustainability, distribution, accessibility and more.

*Courtesy of Tourism and Events Queensland.*

## Businesses

In 2021–22, as the tourism sector emerged from the pandemic there was a larger increase in the number of tourism businesses than in any of the previous 5 years. There were 358,277 tourism businesses in Australia as at June 2022, an increase of 5.7% or 19,233 on the previous year.

The increase in tourism businesses was concentrated in 3 industry sectors:

- Retail trade services – 10,422 more businesses, of which 39% were non store retailing and/or retail commission based (online business)
- Cafes, restaurants, and take-away services<sup>12</sup> – 4,735 more businesses including 61% that were non-employing businesses (mainly take-away businesses)
- Cultural, sports and recreation services – 3,390 more businesses of which three-quarters were added to the creative arts sector, where non-employing artists, musicians and performers are prominent.

See TRA's annual report on [Tourism Businesses in Australia](#).

While the increase in the number of tourism businesses is significant, this growth was slightly lower than the average across all Australian businesses (7.0%) in 2022. This is consistent with the tourism sector having been particularly hard hit by COVID-19. Nonetheless, 1 in 7 Australian businesses (14%) were directly connected to tourism as at 30 June 2022 and the number of businesses continued to rise during the pandemic years. This can be attributed to:

- an increase in the number of micro and small businesses, most often in the retail and cafes, restaurants and take-away services sectors, where online and home delivery services expanded
- the delivery of various support programs by governments which allowed many businesses to keep operating on reduced turnovers.

Tourism businesses are classified as non-employing (sole-trader), micro (1-4 employees), small (5-19 employees), medium-sized (20-199 employees) or large (200 or more employees). The vast majority of tourism businesses in Australia (around 95%) had fewer than 20 employees.

12. Includes clubs, pubs and bars.

Rainforestation Nature Park – Pamagirri Aboriginal Experience, QLD.  
Image courtesy of: Tourism Australia



In June 2022:

- 48% of tourism businesses (172,263) were micro or small enterprises
- 47% or 169,897 had no employees other than the owner
- Only 4.5% employed 20 or more people.

Another positive aspect was that the strongest growth in businesses in the year to June 2022 was among those reporting higher turnover. The number of businesses with turnover under \$200,000 increased by 4.2%, while the number of businesses increased by:

- 6.3% for those with turnover of \$200,000 to \$2 million
- 11% for those with turnover of \$2 million or more.

Capital city tourism regions were home to 70% or 250,710 of all tourism businesses as at 30 June 2022, while 107,567 tourism businesses were spread across regional areas of Australia. The number of tourism businesses in regional Australia increased at an annual average rate of 2.3% between June 2017 and June 2022, compared with 4.5% for capital cities. The softer growth rate in regional areas led to a decrease in the regional share of tourism businesses from 32.3% in June 2017 to 30.0% in June 2022. In the year to June 2022, the number of businesses in regional Australia rose by 4.9%, more than twice the 5-year average growth rate. This was still lower than the 6.0% increase in businesses in capital cities in the year.

## Investment

In line with increased demand for tourism and a more positive outlook, investment in Australia's tourism sector increased in 2021–22. In 2021–22 Australia's tourism investment pipeline was \$44.3 billion across 244 projects. This was 1.6% higher than the 2019–20 figure (of \$43.6 billion) and 3.6% higher the 2020–21 figure (of \$42.8 billion). See TRA's annual [Tourism Investment Monitor 2021–22](#) for more detail.

Continued investment in the visitor economy is vital to support its capacity to grow and adapt to changing demand for tourism. In 2021–22, there were 68 new projects (valued at \$6.8 billion) added to the investment pipeline, up from 49 new projects added the previous year. The continued flow of new projects moving into development suggests that investor confidence in the longer-term prospects for the industry has held firm, despite the challenges of recent years.

The most significant movement in the investment pipeline in 2021–22 was in the accommodation sector, which experienced high rates of occupancy both prior to the pandemic and since lockdowns ended. There were 43 new accommodation projects added to the 2021–22 pipeline. This was higher than the 21 new accommodation projects added in 2020–21 highlighting an improvement in investment activity after the pandemic.<sup>13</sup>

Across the 3 tourism sectors, the pipeline of tourism investment projects was split by:

- aviation – 14 projects valued at \$16.7 billion
- arts, recreation and business services – 78 projects valued at \$16.1 billion
- accommodation – 152 projects valued at \$11.5 billion, with the potential to add 23,000 rooms to accommodation supply.

In 2021–22 there were also 160 mixed-use developments valued at \$57.9 billion with the potential to add 29,700 rooms to accommodation supply. While mixed-use projects are excluded from the measurement of the investment pipeline due to the difficulties in isolating their tourism-specific component, they offer significant value to the visitor economy and to the stock of hotel rooms.

13. The new projects combined were valued at \$2.4 billion, with the potential to add 6,000 rooms. The value of new projects in 2021–22 was higher than the value of the new projects added in the prior year, which was \$1.8 billion. Of the new projects in 2021–22, 27 were in capital cities (worth \$1.9 billion), and 16 were in regional Australia (worth \$0.4 billion).



Image courtesy of Visit Victoria: Metung Hot Springs by Ben Savage

## CASE STUDY

### Tourism infrastructure projects across Victoria drive regional tourism

The Victorian Government is ensuring Victoria's tourism, events and hospitality sectors continue to grow and prosper.

The rollout of the \$633 million Visitor Recovery and Reform Plan is well underway, with a pipeline of projects being delivered that strengthen Victoria's tourism offering through the development of new experiences, products and infrastructure, and most importantly our people.

A number of infrastructure projects are already welcoming tourists across regional Victoria and generating local jobs. These include the new state-of-the-art hot springs in Metung, and the interactive Boorp Boorp Boondyil exhibition in Castlemaine where visitors can learn more about the Dja Dja Wurrung people.

2023 is set to be a huge year as new world-class tourism experiences continue to be delivered.

*Courtesy of the Victorian Department of Jobs, Skills, Industry and Regions.*

In addition to the new and upgraded airport infrastructure included in the \$16.7 billion aviation pipeline, [TRA's Tourism Investment Monitor 2021–22](#) report also noted several large road/rail infrastructure projects that are expected to support the ongoing growth in Australia's visitor economy. These included:

- \$11 billion (proposed) for the Sydney Metro to connect to the new international airport in Western Sydney
- \$7 billion in public transport projects across Brisbane (under construction) including the Cross River Rail and Brisbane Metro
- \$5.2 billion for METRONET in Perth (under construction) including the Forrestfield Airport link
- \$560 million in road upgrades (under construction) in South Australia, including to Victor Harbour Road
- \$255 million in road upgrades (proposed) in Victoria, including to the Great Ocean Road
- \$63 million in road upgrades (proposed) in Queensland, including to the Cairns to Northern Territory Border Corridor.

# Looking forward

Following the devastating effects of the COVID-19 pandemic, 2022 saw a recovery of momentum in Australia's visitor economy. The reopening of international borders in February 2022 led to a steady increase in international visitor arrivals off an extremely low base. Australians also quickly took up the opportunity to travel more freely in their own backyard.

As discussed in the [TRA Tourism Forecasts for 2022-2027](#), the visitor economy now has a brighter outlook than at any time over the past three years, yet a full recovery remains distant. It is expected to take until 2025 for international visitor arrivals to return to pre-pandemic levels. The recovery for domestic travel is more advanced with overnight trip spend in 2022 already higher than it was prior to the pandemic, and visitor nights neared parity.

Total visitor expenditure in Australia surpassed its pre-pandemic level in 2022, thanks to strong domestic spend, and is forecast to continue rising strongly to reach \$227.7 billion by 2027. This includes:

- domestic overnight trip and day trip expenditure reaching \$137.9 billion and \$41.1 billion respectively by 2027
- international visitor expenditure in Australia exceeding pre-pandemic levels in 2024 before increasing to \$48.8 billion by 2027.

Domestic visitor nights to all states and territories are expected to move higher than pre-pandemic levels by 2024 (Queensland and the Northern Territory already passed this mark in 2022.).

In 2022, skills shortages were evident across the visitor economy and were severe for some businesses. However, by the end of 2022, there were clear signs of improvement with substantially higher tourism filled job numbers and lower vacancies in tourism-related occupations. International worker inflows also increased markedly in 2022. As international students and working holiday makers return in growing numbers, skills shortages in the visitor economy are expected to ease further.

## International

Visitor arrivals are forecast to reach 9.5 million, and thus exceed pre-pandemic levels, in 2025. By 2027, 11.0 million international visitors are forecast to arrive in Australia.

The recovery of international tourism is expected to take some time and be uneven across markets and purpose of travel. The India and New Zealand markets are projected to achieve the fastest recovery, while leisure travel is forecast to return more quickly than education or business.

The strong recovery in international visitation recognises that international demand for travel to Australia is underpinned by:

- strong pent-up demand to connect with family and loved ones
- higher accumulated personal savings
- the renewed willingness of international travellers to explore the globe
- Australia's long-held status as an attractive, welcoming, and safe destination for international visitors which is accentuated by effective world-class marketing of Australia in key source markets.

These factors are forecast to provide a temporary buffer against deteriorating global economic conditions and thus support solid growth in international tourism to Australia off a low base.

International spend is expected to recover at a slightly faster rate than arrivals in the near term. This forecast sees spend surpass pre-pandemic levels in 2024 and reach \$48.8 billion by 2027. The stronger recovery for international spend over the next five years recognises:

- the high inflation outlook for Australia and many of our leading source markets which is expected to drive up destination travel costs
- the forecast recovery of the education market and the high spend attributable to travel for this purpose
- a return to the pre-pandemic trend characterised by slightly faster growth in spend than arrivals.



Key downside risks for international arrivals and spending include:

- the rate at which the China market recovers
- the duration and severity of the economic headwinds facing many of our leading visitor markets and their impact on travel to Australia.
- potential implications on travel behaviour from the continuing global conflict in Ukraine
- possible hesitancy in international travellers returning to long-haul destinations such as Australia in the wake of the pandemic
- the speed with which aviation supply returns to pre-pandemic levels
- traveller hesitancy due to concerns about aviation carbon emissions.

## Domestic

The turnaround for domestic travel progressed more quickly than for international travel to Australia. Overnight and day trip expenditure in 2022 were already above their pre-pandemic levels. The number of visitor nights is forecast to surpass pre-pandemic levels in 2023. The number of overnight trips taken within Australia is forecast to take a little longer to fully recover, moving above pre-pandemic levels by 2025.

When it comes to the purpose of travel, holiday nights are forecast to remain strong and return to pre-pandemic levels more quickly than nights spent away from home for VFR or business.

With inflation expected to remain high, travel expenditure is likely to continue to rise faster than trip numbers in 2023 and 2024. However, inflation

is forecast to return to around the Reserve Bank of Australia (RBA) target range of 2–3% in 2025 which should lead to more similar growth rates for domestic trip numbers and travel spend going forward.

There is also scope for further strength in the pace of domestic tourism spend as demand for some higher-yield components of travel continue to recover. As discussed in this report, the broadening of the post-pandemic recovery in 2022 boosted travel expenditure growth relative to growth in trips because several of the later-to-recover components had higher average trip spend. As these components remained below their 2019 level at the end of 2022, a continuation of these trends is possible for 2023, though likely to a lesser extent than was the case in 2022.

TRA's Tourism Forecast report explains that the pace of growth in domestic travel is expected to temporarily ease from later in 2023 as both savings and recreational leave balances are run-down. Increased cost-of-living pressures are also expected to weigh on demand for domestic travel along with the substitution effect of having international trips as a returned alternative travel option. Growth is then expected to return closer to the long-term trend as economic conditions improve further out.

The two main downside risks for domestic travel and spending are:

- increasing cost-of-living pressures within a fragile domestic economic setting
- renewed competition from outbound travel.



# Data sources

## **Australian Bureau of Statistics (ABS)**

- Australian National Accounts: Tourism Satellite Account – December 2022
- Balance of Payments and International Investment Position, Australia – December 2022
- Overseas Arrivals and Departures, Australia – February 2023 (ABS Cat. No. 3401.0)
- Tourism Satellite Accounts: quarterly tourism labour statistics, Australia, experimental estimates – December 2022

## **Australian Trade and Investment Commission (Austrade)**

- [THRIVE 2030 Revised Strategy, March 2023](#)
- [End of Year 2022 Review, April 2023](#)

## **Department of Education**

- International Student Data – monthly YTD (year to date) data, March 2023
- Student visa numbers inside and outside of Australia (data supplied by Department of Home Affairs)

## **Department of Home Affairs**

- Student visa and Temporary Graduate visa program report, December 2022, accessed April 2023

## **Department of Infrastructure, Transport, Regional Development, Communications and the Arts (BITRE)**

- Australian Domestic Airline Activity – time series: Domestic Totals & Top Routes July 2014–February 2023
- International Airline Activity—time series: International airline activity totals – calendar year 2022
- International Airlines Operated Flights and Seats, accessed April 2023

## **Reserve Bank of Australia**

- [Statement of Monetary Policy, November 2022, February 2023, May 2023](#)

## **STR**

- Australian Accommodation Monitor Summary – Financial-year performance: 2019–20, 2020–21, 2021–22
- Subscription data

## **Tourism Research Australia (TRA)**

- International Visitor Survey, year ending December 2022
- National Visitor Survey, year ending June 2022, September 2022, December 2022
- National Visitor Survey monthly, various editions
- State of the Industry 2019
- Tourism businesses in Australia: June 2017 to 2022
- Tourism Forecasts for Australia 2022 to 2027
- Tourism Investment Monitor 2021-2





**Australian Government**

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**Australian Trade and Investment Commission**  
Tourism Research Australia

**[tra.gov.au](http://tra.gov.au)**