



INTERNATIONAL VISITORS IN AUSTRALIA

YEAR ENDING MARCH 2019

VISITORS ▲3%
8.5 MILLION

NIGHTS ▲1%
271 MILLION

SPEND ▲5%
\$44.3 BILLION

Australia saw a continuation of record numbers of international visitor arrivals and spend during the year ending March 2019. Visitor arrivals aged 15 years and over increased by 3% to reach 8.5 million, while spend increased by 5% to \$44.3 billion. However, nights only saw modest growth of 1% to 271 million.

While visitor numbers remain high, growth has started to slow. The latest growth figures are the weakest since 2012.

REASON FOR TRAVEL

International visitation figures remain at record highs on the back of strong growth from education and business-related travel. Education-related travel recorded an increase of 7% in visitors to reach 586,000 during the year. Trip spend by these visitors increased by 9% to reach \$12.7 billion – an increase of \$1.1 billion during the year. This increase in trip spend by education visitors accounted for 47% of the growth in total trip spend by international visitors during the year.

Business-related travel saw an increase of 7% in visitor arrivals, reaching a record 1 million visitors. Trip spend increased 8%, totalling \$4.2 billion, and bringing an additional \$327 million of spend.

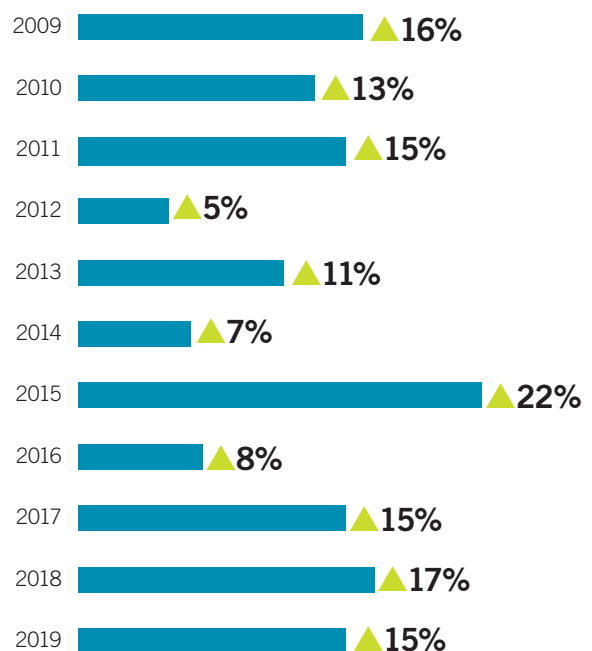
Those visiting for holiday recorded a trip spend increase of 5% to reach \$16.8 billion, or an additional \$739 million. While spend by international holiday visitors recorded strong growth, visitor growth was modest, increasing by 2%. Nights remained unchanged.

TOP 5 MARKETS

- China remained Australia's leading tourism market during the year ending March 2019, with numbers increasing by 3% to 1.3 million visitors, while trip spend increased 10% to reach \$12 billion, an additional \$1.1 billion. The growth from China came on the back of significant increases in education-related travel, which saw an increase of 19% in visitors to reach 255,000 and 16% in trip spend to \$6.7 billion, or an additional \$937 million. The increase in trip spend for education-related travel accounted for 89% of the growth in total trip spend for China.
 - Visitor arrivals for those travelling to visit friends and relatives (VFR) also increased 3% to reach 252,000, while trip spend increased 13% to reach \$1.2 billion.
 - Weaker figures were recorded for those visitors from China travelling for holiday, down 2%; business, down 4%; and employment, down 6%.

- Visitor numbers from New Zealand increased by 2% during the year to reach 1.3 million. Trip spend also increased 2% to reach \$2.6 billion.
- India continued as the strongest growth market, with visitor numbers up 15% to 343,000, nights up 21% to 20.9 million, and trip spend jumping 12% to reach a record \$1.7 billion.
 - Visitors from India are typically here for VFR purposes, with 53% of all arrivals stating this as their main reason for travelling. This compares to 30% for all international visitors.
 - They spent 57% of their nights, or a total of 12 million, staying with relatives. Despite the fact visitors from India stay on average 61 nights compared to the overall average of 32 nights, the propensity to stay with relatives leads to a lower average trip spend. In this case, average spend reached a total of \$4,933 compared to \$5,195 for all visitors.

FIGURE 1: PERCENTAGE GROWTH FOR INDIAN VISITORS, YEAR ENDED MARCH 2009 TO 2019



- Visitation from the UK was soft with visitor numbers down 4% to 673,000, nights down 6% to 21.4 million, and trip spend down 5% to \$3.3 billion.
- US visitation returned mixed results. Visitor numbers remained steady at 750,000, while nights fell by 8% to 13.1 million, and trip spend increased 6% to reach \$4 billion, which suggests a better result for high yield visitors.



OTHER MARKETS

Other markets that performed well during the year include Japan, where visitor numbers increased by 9% to 438,000, and trip spend increased 11% to \$2 billion. Taiwan also recorded strong growth, with visitors up 6% to 185,000, and trip spend up 13% to \$1 billion. Of the more traditional markets, France recorded a 10% increase in visitor arrivals to 137,000, while nights increased 3% to 6.8 million, and trip spend increased 19% to \$852 million. Visitation from Canada also showed strong growth, with visitors up 7% to 176,000, nights up 5% to 4.8 million, and trip spend up 9% to \$884 million.

FIGURE 2: PERCENTAGE GROWTH FOR FIRST AND RETURN VISITORS, YEAR ENDED MARCH 2009 TO 2019

	FIRST VISIT	RETURN VISIT
2009	▼5%	▲1%
2010	▼5%	▲8%
2011	▲1%	▲5%
2012	▲2%	▲1%
2013	▲7%	▲4%
2014	▲4%	▲6%
2015	▲9%	▲6%
2016	▲7%	▲9%
2017	▲11%	▲8%
2018	▲9%	▲6%
2019	▼1%	▲5%

REPEAT VISITATION

The number of repeat visitors to Australia increased by 5% to 5.4 million during the year. In contrast, the number of first-time visitors fell 1% to 3.1 million. This is the worst result for first-time visitors to Australia since 2010. First-time visitors are a good indicator of leading trend growth.

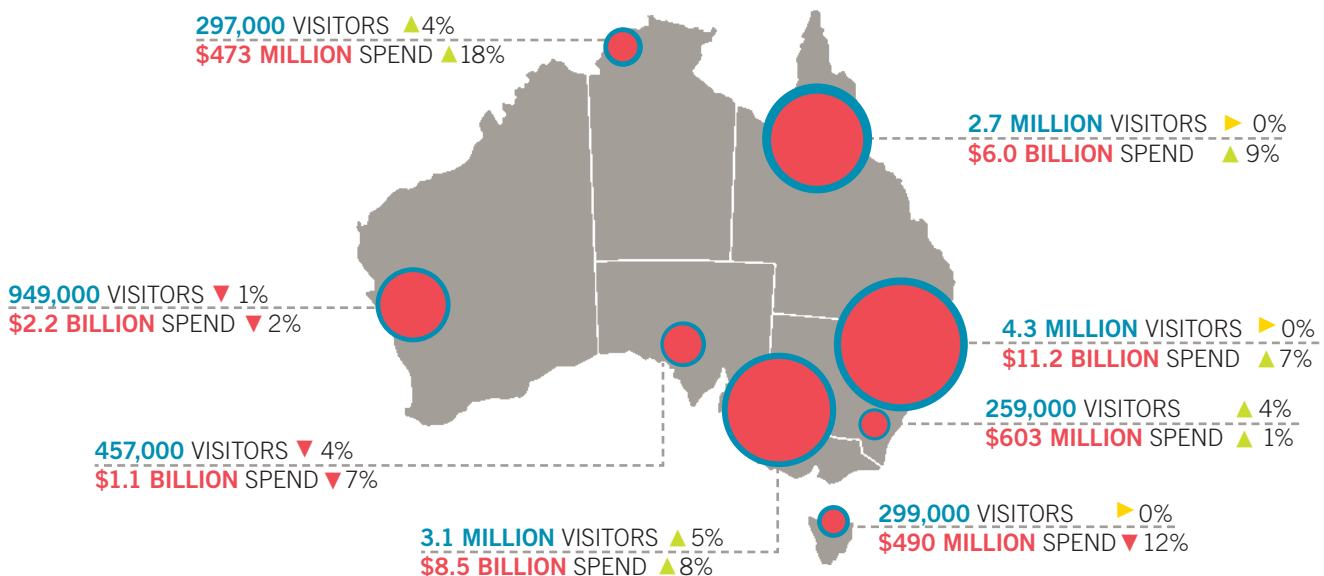
ACCOMMODATION

Nights in backpacker style accommodation fell by 11% to 11.3 million nights on the back of poor visitor arrival figures for this market segment. Nights in hotels, resorts and motels also fell, down 1% to 28.8 million nights. In contrast, nights in rented houses, apartments, flats and units increased 3% to 107.3 million nights, underpinned by holiday and education visitors.

BACKPACKERS

The number of backpacker visitors to Australia fell during the year, down 4% to 610,000. Nights were also weak for this visitor type, down 8% to 40 million, while spend fell 6% to \$4.1 billion. The weaker backpacker results are on the back of poor visitor numbers out of traditional markets, especially Germany (down 14%) and the UK (down 12%).

FIGURE 3*: INTERNATIONAL VISITORS AND SPEND BY STATE – YE MARCH 2019



* Total number of visitors by state will be greater than total number of visitors for Australia