



TRAVEL BY AUSTRALIANS

COVID-19 PERIOD (MARCH 2020 TO JUNE 2021)



YEAR ENDING JUNE 2021



JUNE QUARTER 2021



OVERALL TOURSIM LOSSES TO THE PANDEMIC

Since the start of the pandemic, domestic tourism in Australia has recorded significant losses. Recovery through the second half of 2020 and into 2021 has been slow and impacted by recurring border closures and changing restrictions due to COVID-19. The second half of 2021 will provide a further setback to tourism's recovery with results expected to deteriorate due to outbreaks causing border closures and long-term lockdowns in New South Wales (NSW), Victoria (VIC) and the ACT.

Overall, tourism losses since the start of the pandemic (March 2020 to June 2021) have totalled \$101.7 billion, down 52% to \$95.2 billion (Table 1).

- Domestic overnight trip spend has fallen 36% or \$38.3 billion to \$69.0 billion
- Domestic day trip spend is down 34% or \$12.1 billion to \$22.9 billion
- International travel has had losses of 94% or \$51.3 billion in spend.

TABLE 1: AUSTRALIAN TOURISM SUMMARY, LOSSES TO THE PANDEMIC

	SPEND (\$ BILLIONS)			
	PRE-COVID ¹	COVID PERIOD ²	LOSS	% CHANGE
OVERNIGHT	107.3	69.0	-38.3	-36
DAY TRIP	35.0	22.9	-12.1	-34
DOMESTIC TOTAL	142.3	92.0	-50.3	-35
INTERNATIONAL ARRIVALS	54.6	3.3	-51.3	-94
TOTAL	196.9	95.2	-101.7	-52
	TRIPS (MILLIONS)			
	PRE-COVID	COVID PERIOD	LOSS	% CHANGE
OVERNIGHT	156.6	103.5	-53.1	-34
DAY TRIP	330.5	215.2	-115.3	-35
DOMESTIC TOTAL	487.0	318.7	168.3	-35
INTERNATIONAL ARRIVALS	11.2	0.5	-10.7	-96
TOTAL	498.2	319.2	-179.0	-36

¹ The pre-COVID period uses equivalent data from before the start of the pandemic.
² The COVID period covers March 2020 to June 2021.



YEAR ENDING JUNE 2021

The year ending June 2021 saw 87.4 million overnight trips, with visitors staying 333.7 million nights and spending \$61.3 billion. Compared to a pre-COVID year ending June 2019 this was a 23% fall in overnight trips and a 21% or \$16.1 billion fall in spend. Results in comparison to a year partially impacted by COVID (year ending June 2020) fared slightly better with overnight trips down a lesser 5% and spend down 3% or \$1.7 billion.

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The signs of improvement seen in the March quarter continued into the June quarter. Australians took 24.6 million overnight trips; equivalent to the March quarter and spent \$19.6 billion, more than at any time since the start of the pandemic. While results appear very promising compared to the same period last year, this period was at the start of the pandemic, when overnight trips and spend were heavily impacted by border closures and lockdowns across the country. Compared to pre-COVID June quarter 2019, overnight trips were down 19% and spend was on par.

Note: As the results for the year ending June and June quarter 2020 were a large deviation from pre-pandemic levels, the summary results for the year ending June and June quarter 2021 are compared to the year ending June and June quarter 2019 pre-COVID periods

INTERSTATE AND INTRASTATE TRAVEL

COVID-19 PERIOD (MARCH 2020 TO JUNE 2021)

Travel restrictions and border closures have heavily impacted interstate movement over much of the COVID-19 period. Overall, since the start of the pandemic, interstate overnight trips fell 60% and spend fell 59% (or \$34.8 billion). In comparison, intrastate overnight trips fell 22% and spend a much smaller 7% (or \$3.5 billion).

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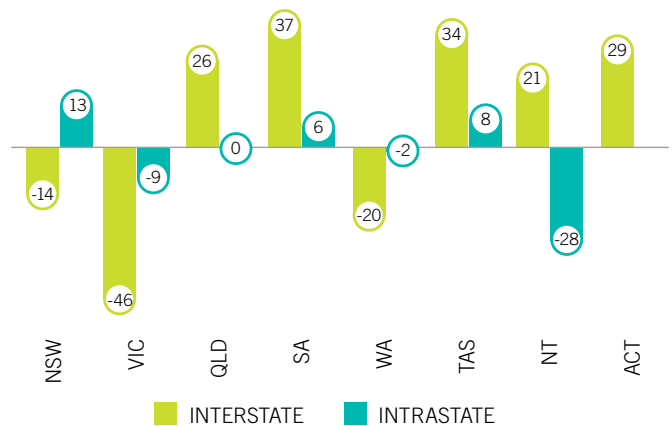
As a result of border closures and restrictions, Australians switched to taking longer self-drive trips within their home state. Overall, interstate overnight trips fell 52% to 18.8 million and spend 49% (or 20.8 billion) to \$21.6 billion compared to year ending June 2019. In contrast, intrastate overnight trips were down a lesser 9% to 69.8 million and spend was up 13% (or \$4.7 billion) to \$39.7 billion. In the year ending June 2021, the share of intrastate overnight trips and spend increased across all states and territories. Nationally, the share of overnight intrastate trips increased from 68% to 80% for overnight trips and 45% to 65% for spend.

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Fewer border closures throughout the June quarter 2021 and the implementation of a **half price airfares program** by the Federal Government saw the interstate market continue to improve on March quarter 2021. Despite this, overnight trips were still down 26% to 7.0 million and spend a lesser 6% to \$9.9 billion on June quarter 2019. Similar to the interstate market, intrastate overnight trips also fell 16% compared to June quarter 2019. However, intrastate spend saw growth on the same period in 2019, up 6% or \$566 million.

Results varied across the states and territories. Due to a combination of snap lockdowns and/or border restrictions interstate spend was most impacted in Victoria (down 46% or \$860 million loss), New South Wales (down 14% or \$317 million) and Western Australia (down 20% or \$128 million loss). Comparatively interstate spend was up for all other states and territories. This growth was highest in South Australia (SA) (up 37% or \$209 million) and Tasmania (up 34% or \$170 million) (Figure 1).

FIGURE 1: PER CENT CHANGE IN INTERSTATE AND INTRASTATE SPEND BY STATE VISITED, JUNE QUARTER 2021³



³ Compared to June quarter 2019 (pre-COVID)

CAPITAL CITIES AND REGIONAL TRAVEL

COVID-19 PERIOD (MARCH 2020 TO JUNE 2021)

Since the start of the COVID-19 pandemic capital cities have been hit harder than regional areas (Figure 2). This can be attributed to most outbreaks occurring in capital cities, resulting in more frequent lockdowns and tougher restrictions. In addition, cities rely more on visitors arriving by air and/or for business, both of which have seen significant declines at the hands of COVID-19. During this period, overnight trips to capital cities fell 50%, more than double the rate of decline in overnight trips to regional areas (24%). The impact on capital cities was even greater for spend. Spend fell 55% (down \$29.0 billion), more than three times the 17% decline (down \$9.2 billion) in regional areas.



FIGURE 2: CUMULATIVE LOSSES IN DOMESTIC OVERNIGHT TRAVEL, COVID PERIOD

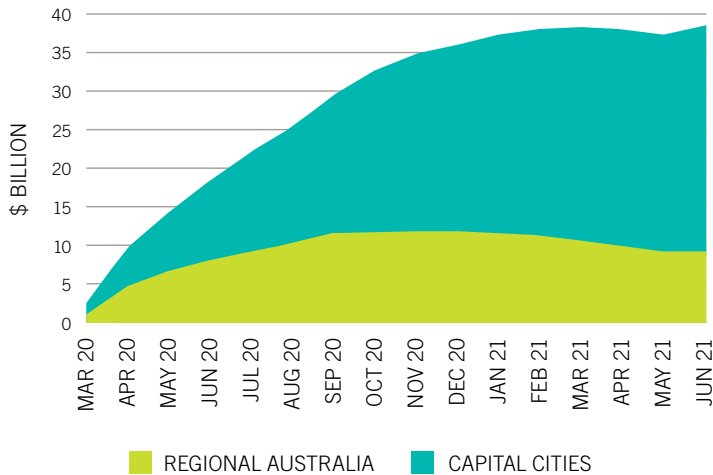
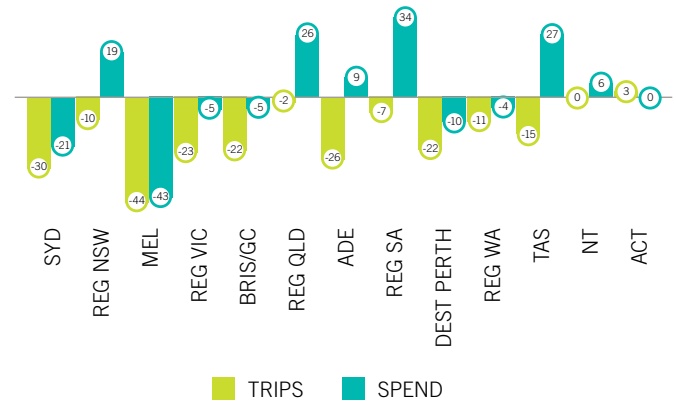


FIGURE 3: PER CENT CHANGE IN OVERNIGHT TRIPS AND SPEND TO CAPITAL CITIES AND REGIONAL AREAS, JUNE QUARTER 2021⁴



⁴ Compared to June quarter 2019 (pre-COVID)

YEAR ENDING JUNE 2021

For the year ending June 2021, regional areas fared better than capital cities. Although, overnight visitors were down 11% to 62.9 million, spend was up a modest 3% (or \$1.2 billion) to \$40.8 billion. In contrast, capital cities recorded large declines. Overnight trips fell 41% to 27.8 million and spend fell 46% (or \$17.3 billion) to \$20.5 billion compared to the year ending June 2019.

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Regional areas continued to fare better than capital cities through June quarter 2021 (Figure 3). Although overnight trips to regional Australia were down 12% to 16.8 million on June quarter 2019, spend was up 15% or \$1.5 billion to \$11.5 billion. The stronger growth in spend can be partially attributed to Australians taking longer regional trips on average (up 6% to 3.6 nights). Additionally, some of the regional areas that fared particularly well in June quarter were included in the government’s half-price airfare program. In contrast, overnight trips to capital cities fell 28% to 8.9 million and spend a lesser 16% or \$1.5 billion to \$8.0 billion.

REASON FOR TRAVEL

COVID-19 PERIOD (MARCH 2020 TO JUNE 2021)

With border closures and travel restrictions impacting movement across the country all types of travel have seen significant losses. Business travel has been most affected with overnight trips down 47% and spend down 53% or \$12.8 billion since the start of the pandemic. Visits to friend and relatives (VFR) fell 34% and associated spend 34% (down \$6.2 billion) over the same period. Holiday travel was the least affected with much of the impact concentrated in April and May 2020, at the start of the pandemic. Overall, holiday overnight trips fell 27% and spend 22% or \$10.1 billion.

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Holiday travel rebounded better from the initial height of the COVID-19 pandemic than travel for VFR or business. During the year ending June 2021 holiday trips were down 13% to 39.6 million and spend was down a lesser 2% to \$33.8 billion compared to year ending June 2019. VFR trips declined 24% to 29.2 million and spend fell 22% to \$10.6 billion. Business has struggled most to recover with trips down 42% to 15.0 million and spend 48% to \$9.3 billion.



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HOLIDAY

June quarter results show the stronger recovery in holiday travel. Overall, although trips were down 9%, spend was up 27% on June quarter 2019. The growth in spend was concentrated in regional Australia destinations (Figure 4) highlighting the extent to which Australians are currently substituting previous outbound and capital city holidays with longer length self-drive visits to regional areas.

VISITING FRIENDS AND RELATIVES

VFR did not fare as well as holiday travel. Overall visitors were down 20% and spend a lesser 1% on June quarter 2019. Overnight visitors were down 14% for regional Australia and 20% for intrastate compared with falls of 26% for capital cities and 18% for interstate destinations. Spend was down a lesser 3% for regional Australia and 1% for interstate and intrastate travel but on par with capital city destinations with June quarter 2019.

BUSINESS

Business travel continued to record large losses in June quarter 2021, most notably in capital cities and for interstate travel. Overnight trips were down 46% in capital cities and 50% for interstate destinations and spend down a similar 43% and 42% respectively.

FIGURE 4: PER CENT CHANGE IN OVERNIGHT SPEND BY REASON FOR TRAVEL, JUNE QUARTER 2021⁵



⁵ Compared to June quarter 2019 (pre-COVID)

ACCOMMODATION

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Visitor nights were softer in June quarter 2021, down 11% compared to June quarter 2019. Nights in caravan parks and campgrounds (down 3%), rented houses and apartments (down 6%) and hotels (down 9%) fared better than those staying at their own property (down 24%) or friends or relatives' property (down 13%).

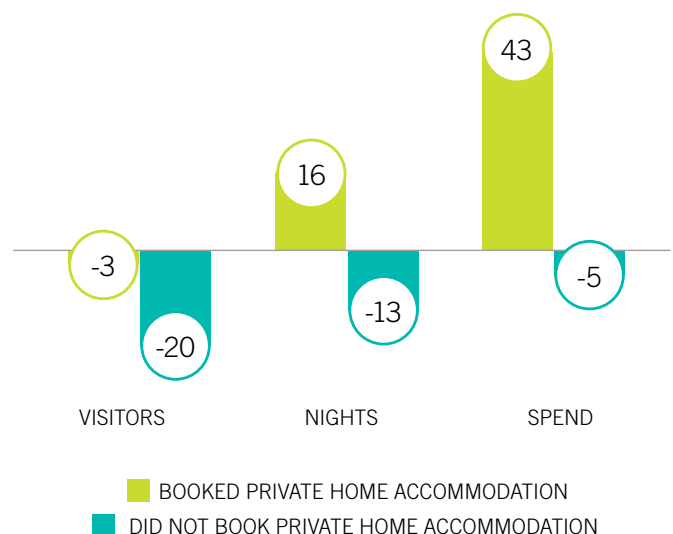
VISITORS BOOKING PRIVATE HOME ACCOMMODATION

Through the COVID-19 pandemic a small but increasing share of Australians have been booking and staying in private home accommodation (Figure 5). Some 2 million overnight visitors (8%) booked this type of accommodation for their trip in June quarter 2021, down just 3% on June quarter 2019. These visitors spent \$2.9 billion on their travels a 43% or \$867 million increase.

The significant increase in spend is partly attributable to them taking longer trips. Their average length of stay increased from 3.6 nights in June quarter 2019 to 4.3 nights in June quarter 2021. These visitors also spent much more on accommodation (up 65% or \$479 million to \$1.2 billion) in June quarter 2021.

Results show that the spend by those booking private home accommodation is particularly strong when popular regional tourism destinations are visited as part of their trip. These include the North Coast, Hunter and South Coast in New South Wales, Great Ocean Road in Victoria and the Gold Coast and Sunshine Coast in Queensland.

FIGURE 5: PER CENT CHANGE IN KEY METRICS BY WHETHER BOOKED PRIVATE HOME ACCOMMODATION, JUNE QUARTER 2021⁶



⁶ Compared to June quarter 2019 (pre-COVID)



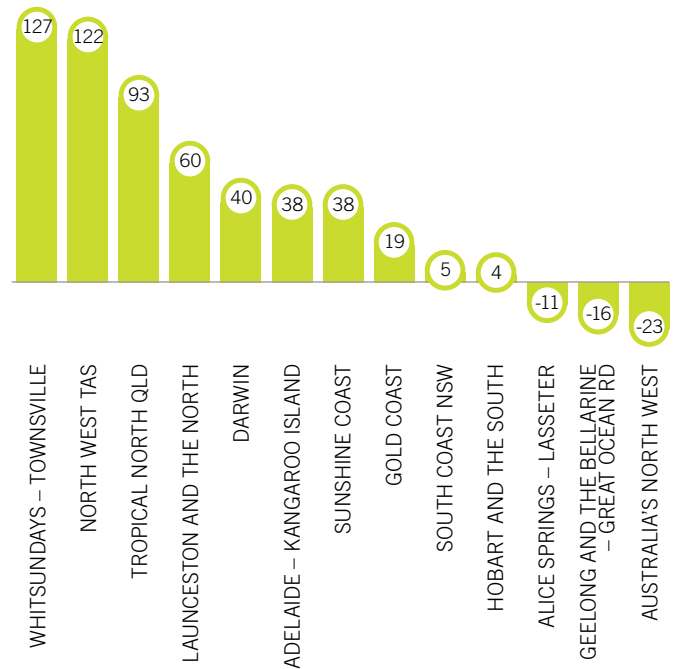
HALF-PRICE AIRFARES PROGRAM

In March 2021 the Federal Government announced a \$1.2 billion half price airfares stimulus program to boost interstate travel to selected destinations with a reliance on tourism.

During June quarter 2021 interstate spend totalled \$3.6 billion across the 18 destinations included in the program (Figure 6). This was a 33% or \$895 million increase in interstate spend on June quarter 2019. Over the same period interstate spend to other areas of Australia fell 19% or \$1.2 billion to \$4.8 billion, due largely to significant losses in the capital cities that were not included in the program.

The average length of stay for interstate visitors to the cheap airfare destinations was up from 4.8 nights in June quarter 2019 to 5.6 nights in June quarter 2021. The amount they spent on accommodation, food and drink increased 43% or \$658 million to \$2.2 billion.

FIGURE 6: PER CENT CHANGE IN INTERSTATE SPEND, HALF-PRICE DESTINATIONS JUNE QUARTER 2021⁷

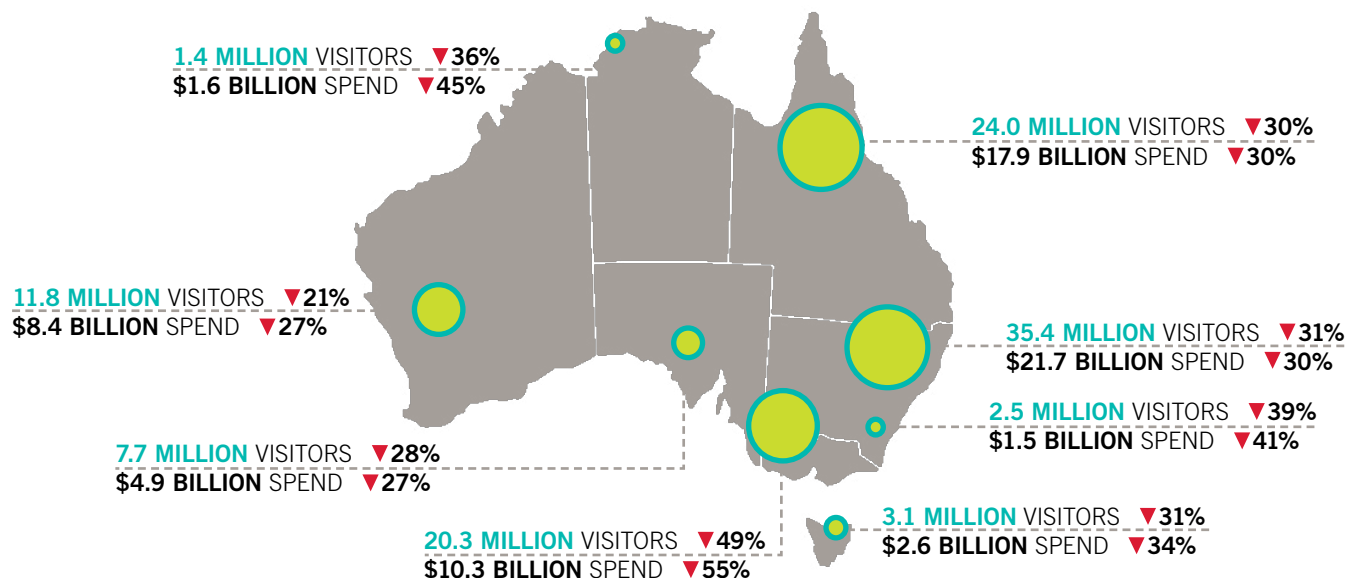


⁷ Compared to June quarter 2019 (pre-COVID)

STATES AND TERRITORIES

With COVID-19 effects from March 2020 onwards, all states and territories had a fall in overnight visitors and spend (Figure 7).

FIGURE 7: OVERNIGHT TRIPS AND SPEND BY STATE, MARCH 2020 TO JUNE 2021^{8,9}



⁸ The COVID period is March 2020 to June 2021. The pre-COVID period uses equivalent data from before the start of the pandemic.

⁹ The sum of the total number of visitors for each state will be greater than the total number of visitors for Australia due to individuals who visited more than one state.