



TRAVEL BY AUSTRALIANS

Year ending December 2021



December quarter 2021



COVID-19 continues to impact December tourism results

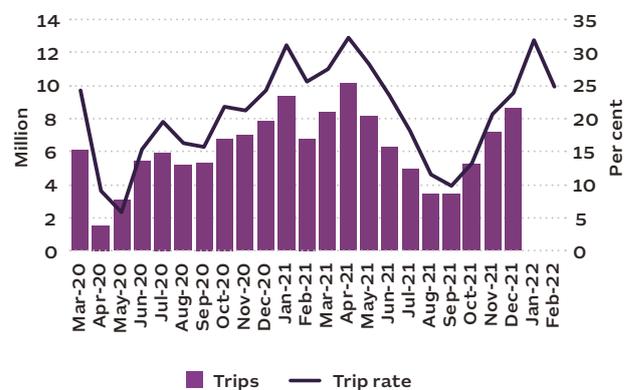
Border restrictions, health regulations and lockdowns due to the Delta and Omicron outbreaks continued to impact domestic tourism in December quarter 2021. When compared to the December quarter of 2019 (pre-pandemic), trips were down 28% and, when compared with 2020 (emerging from first wave of COVID-19), trips were down 3%.

However, the December 2021 quarter benefitted from higher vaccination rates, an easing of restrictions, and a move towards 'living with COVID-19'. Therefore, compared with the September 2021 quarter, the December 2021 quarter experienced a 50% increase in spend and 78% increase in trips. This compared to the pre-COVID 3 year average movement of -1% for spend and 6% for trips.

Over the Christmas-New Year period, early trip rate data showed improvements in the amount of domestic travel being undertaken (Figure 1). In January 2022, almost one-third of respondents reported taking one or more trips in the past

four weeks, which included the traditional holiday season part of the December 2021 quarter. The spread of Omicron was nonetheless still likely to have had a softening effect on trip rates during this time.

Figure 1. Domestic overnight trips and trip rates, March 2020 to February 2021¹



¹ The trip rate reports whether or not a respondent has taken a trip in the past four weeks. The trip rate of 31.8% for January indicates a high level of NVS respondents reported taking one or more overnight trips in the preceding 28 days (the reference period). The return date will have been in December 2021 for some of these trips reported in January.

The trip estimate of 8.6 million for the month of December refers to overnight trips returned from in that month.

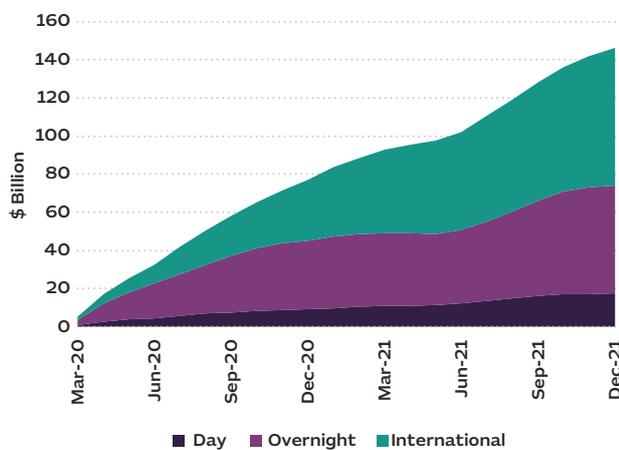
Losses continued for the tourism industry through 2021

Tourism losses since the start of the pandemic (March 2020) totalled \$146.6 billion through to December 2021 (Figure 2).

This is comprised of:

- Domestic day trip spend down 36% or \$17.6 billion
- Domestic overnight trip spend down 38% or \$56.2 billion and
- International spend down 94% or \$72.8 billion.

Figure 2. Cumulative losses in travel, March 2020 to December 2021²



² The summing of individual months may result in slight differences due to rounding and weighting variations.

A closer look at losses in domestic overnight travel shows three distinct phases during the course of the pandemic:

- March 2020 to November 2020, the first wave of COVID-19 produced losses of \$34.6 billion (62% of the total losses)
- December 2020 to June 2021, the start of a recovery period after the initial COVID-19 outbreak saw losses of \$3.7 billion (just 7% of the total losses)
- July 2021 to December 2021, the Delta and Omicron waves produced losses of \$17.9 billion (32% of total losses).

Note: As results for 2020 were a large deviation from pre-pandemic levels, summary results for 2021 are compared to 2019 pre-COVID-19 periods unless stated.

Key figures

Year ending December 2021

The year ending December 2021 saw visitors:

- take 82.1 million overnight trips
- stay 321.1 million nights
- spend \$60.7 billion.

Compared to the pre-COVID year ending December 2019, this was a:

- 30% fall in overnight trips
- 25% or \$19.9 billion fall in spend.

Overall annual results for the full 2021 year were stronger than the full 2020 year, which was the first year of the COVID-19 pandemic. This was driven by the recovery seen in the first half of 2021 (Figure 1.)

December quarter 2021

Quarterly results were down on December quarter 2019 due to Delta and Omicron, state border closures and movement restrictions. Australians took:

- 21.1 million overnight trips (down 28%)
- spent \$14 billion (down 32%).

The quarterly results closely resembled December quarter 2020 with visitors down 3% and spend down 1%.

Interstate and intrastate travel

COVID-19 period (March 2020 to December 2021)

Interstate travel has accounted for most of the tourism losses over the COVID-19 period driven by border closures. Since the start of the pandemic:

- interstate overnight trip spend fell 63% (down \$52.9 billion)
- intrastate overnight trip spend fell 5% (down \$3.4 billion)
- interstate trips accounted for 94% of the total loss in spend on domestic overnight travel (Figure 3).

Figure 3. Cumulative losses in domestic overnight interstate and intrastate spend, COVID-19 period

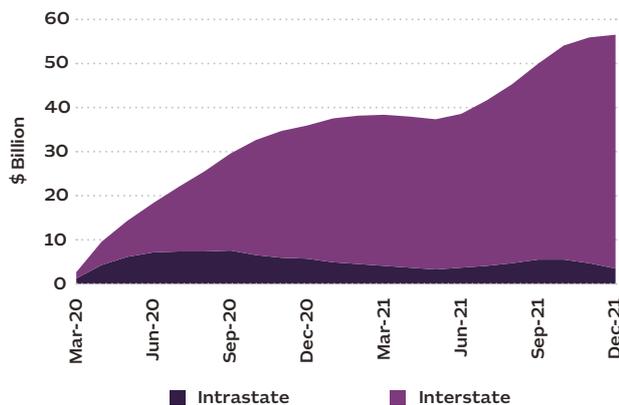
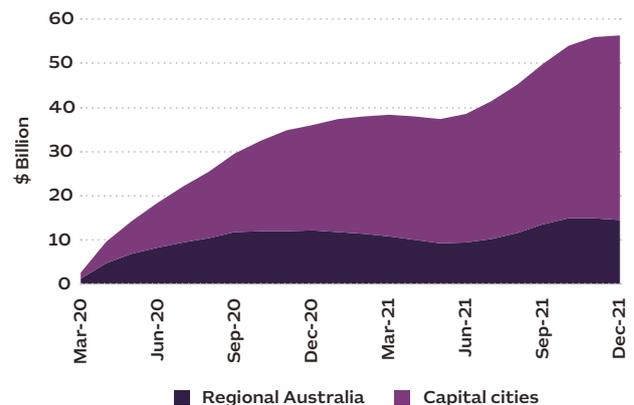


Figure 4. Cumulative losses in domestic overnight regional and capital city spend, COVID-19 period



Year ending December 2021

The year ending December 2021 saw:

- interstate trips down 57% to 16.6 million and spend 50% to \$22.7 billion
- intrastate trips down 17% to 65.5 million but spend up 7% to \$38.0 billion.

The increase in intrastate spend can be attributed to Australians taking longer self-drive holiday trips to regional areas in 2021.

Capital cities and regional travel

COVID-19 period (March 2020 to December 2021)

Capital cities have been hit harder than regional areas during the pandemic (Figure 4) due to:

- more frequent lockdowns
- tougher restrictions
- cities relying more on visitors arriving by air and/or for business, (both down during the pandemic).

During this period, domestic overnight trip spend in capital cities has fallen 58% or \$42 billion, around triple the rate of decline in overnight trips to regional areas which was down 19% or \$14.4 billion.

Year ending December 2021

Over the year ending December 2021:

- trips to and spend in capital cities both fell, respectively 45% to 26.9 million and \$21.4 billion
- trips to regional areas fell 21% to 58.4 million and spend 6% to \$39.4 billion
- regional trips contributed 65% to total spend, up from 52% in 2019.

A change in how we travel

Some types of travel were less impacted over the year ending December 2021 than others, indicating a change in how Australians are travelling during the pandemic. Travel segments less impacted by COVID-19 were:

- holiday travel (down 20%), compared to travel for business (down 47%) or visiting friends and relatives (down 32%)
- self-drive trips (down 20%), compared with air travel (down 57%)
- nights spent in private accommodation including Airbnb (up 2%), compared with hotels (down 34%)
- trips taken by groups including children (down 20%) and couples (down 24%) compared with travelling alone (down 34%)
- longer trips of 4+ nights (down 21%), compared with shorter drips (down 34%).

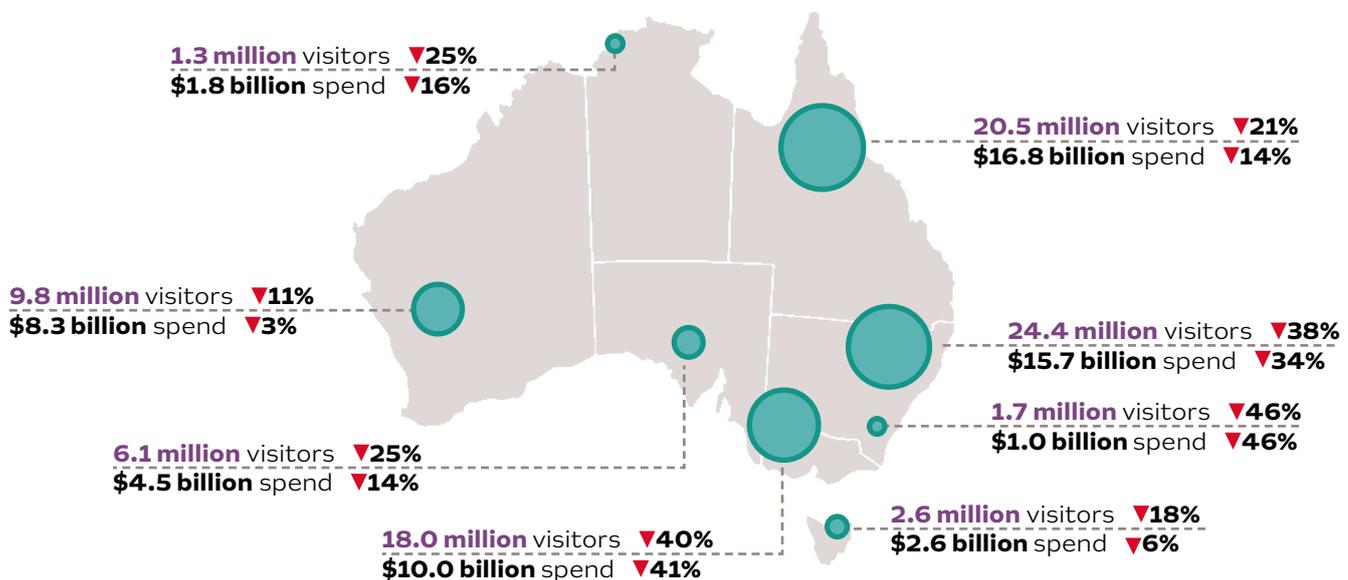
Activities participated in during trips also differed in their impact by COVID-19:

- outdoor activities such as snorkelling (up 17%), birdwatching (up 5%), bushwalking (up 3%) and cycling (down 1%) were less impacted
- activities such as attending festivals (down 65%), cinemas (down 62%), theatres/concerts/sporting events (down 61%), visiting casinos (down 49%) and amusement parks (down 42%), and eating out at restaurants (down 38%) were significantly down on 2019.

States and territories

COVID-19 impacts have reduced domestic overnight travel across all states and territories during the year ending December 2021 for visitors and spend (Figure 5). The states and territories most impacted by the pandemic in 2021 were the Australian Capital Territory, Victoria and New South Wales. The least impacted state was Western Australia.

Figure 5. Overnight trips and spend by state and territory, year ending December 2021^{3,4}



³ 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.

⁴ As the results for 2020 were a large deviation from pre-pandemic levels, summary results for 2021 are compared to 2019 pre-COVID periods.

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