Tourism Research Australia 
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# Australia’s visitor economy in 2024

# Annual benchmark report

## *Trends and characteristics of Australia's travel and tourism sector*

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## Acknowledgement of Country

We acknowledge the Traditional Custodians of lands throughout Australia and pay our respects to their Elders past and present. We recognise the enduring connection of First Nations people to land, sea and waters, and their deep care for Country over 65,000 years. We honour the enormous contribution First Nations cultures and traditions make to the visitor experience in Australia and commit to protecting and nurturing these cultures in partnership with First Nations communities.

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## Foreword

This annual snapshot from Tourism Research Australia (TRA) gathers a range of metrics and case studies to tell the story of the Australian tourism sector in 2024. This report details the opportunities and challenges for the visitor economy as travel trends evolve and provides a thorough assessment of industry progress.

In 2024, Australians continued to prioritise travel and demand for domestic trips remained high, particularly short trips close to home. However, overall growth was muted and travellers adjusted spending patterns in light of household financial pressures. On the international side, there was continued growth in arrivals from many source markets, with key markets in our region standing out. However, the total number of short-term visitor arrivals remained lower than the previous peak, which remains a key challenge for some parts of the visitor economy.

Importantly, the visitor economy expanded and adapted to service tourism demand in Australia in 2024, however, some supply constraints were still noticeable. The high level of government and private investment taking place in the sector will give confidence for future growth.

Actions under the THRIVE 2030 national strategy for the visitor economy assisted the sector to rebalance and have helped to establish a sustainable growth path for the visitor economy. It is exciting to see how the tourism sector continues to progress and evolve, while offering exceptional travel opportunities for all Australian and international travellers.

**Grant Ferres**

Head of Tourism Research Australia

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## Visitor economy review

This benchmark report provides evidence and insights into how Australia’s visitor economy performed in 2024. Tourism Research Australia (TRA) produces this annual overview of the capacity of providers in the Australian tourism sector (supply side), as well as trends in demand, to:

* explain major developments in the visitor economy
* highlight challenges and opportunities for the visitor economy
* help the industry and governments understand and adapt to the changing demand and supply environment.

Previously, this annual report was called the ‘State of the Industry’ report.

In 2024, Australia’s visitor economy:

* welcomed 15% more international visitors than in 2023
* hosted more domestic overnight trips, despite pressures influencing discretionary spending
* generated record high tourism spend
* sustained a record high number of filled tourism jobs and tourism businesses
* offered more accommodation establishments and more aviation routes to service the demand of travellers.

In addition to these economic benefits, the visitor economy delivered social and environmental benefits for Australia. In 2024:

* more travellers than ever before engaged with First Nations experiences
* demand for agritourism, and sustainable and regenerative tourism products was strong
* international traveller engagement/feedback was more positive than ever before.

Nevertheless, the sector continued to face lingering challenges including lower international visitation than in previous peak years, ongoing skills shortages and higher costs of doing business. Government-led initiatives are expected to support the visitor economy to overcome challenges and thrive as it grows sustainably into the future.

Australia’s visitor economy in 2024 consisted of:

* **8.3 million** international visitor arrivals in 2024, up by 15% (from 7.2 million in 2023)
* **115 million** domestic overnight trips in 2024, up by 2% (from 112.6 million in 2023)
* **397.5 million** domestic visitor nights in 2024, down by 1.2% (from 402.4 million)
* **$214 billion** visitor economy spend in Australia in 2024 (Figure 1), up by 3.4%, $7.1 billion (from $207 billion in 2023).

**Figure 1.**Total visitor spend in Australia in 2024 by traveller type (including long-stay international students).

This chart shows the composition of the total spend in Australia in 2024 by all visitors based on the THRIVE spend measure, which includes long-term international students. The majority of total spend ($141 billion out of a total $214 billion) was accounted for by domestic visitors, while international visitors contributed a smaller share ($73 billion out of a total $214 billion). On the international side, long-term international students contributed a large amount ($40 billion) to spend in 2024. On the domestic side, holiday travel was the largest component and contributed $75 billion in 2024.

The visitor economy had a significant impact on GDP, investment, businesses and jobs in 2024.

* Tourism contribution to GDP was $78.1 billion in 2023–24, this was 2.9% of national GDP. The tourism contribution to GDP increased by 9% ($6.5 billion) from 2022–23.
* The tourism investment pipeline increased to $63.4 billion in 2023–24, and contained 346 major tourism-related projects. The tourism investment pipeline has increased each year since 2018−19.
* The number of tourism-related businesses operating was 360,202 in June 2024. This accounted for one in 7 businesses in Australia and was up by 2,588 (0.7%) compared with June 2023.
* The number of tourism filled jobs reached a record high in December 2024 or 713,500. This represented one in 23 jobs in Australia and was up by 17,500 filled jobs (2.5%) compared with December 2023.

### Measuring sustainable growth with TRA’s new LIVE Framework

The [Longitudinal Indicators for the Visitor Economy (LIVE)](https://www.tra.gov.au/en/economic-analysis/longitudinal-indicators-for-the-visitor-economy) Framework was first published by TRA in 2024. It reports on social, environmental and institutional factors, alongside more traditional economic metrics. These factors help measure the sustainable development of the visitor economy in broader context.

This approach recognises that the impact of the visitor economy is more than the economic benefits it brings, and that tourism plays an important role in preserving and enhancing the natural and social environment and contributing to local communities. Therefore, gauging the overall health and progress of the visitor economy requires input from a wide range of metrics and indicators.

Enhancing social and environmental aspects of the visitor economy is also expected to assist tourism operators, for example:

* Travellers’ feelings about a destination or experience can affect their decision to visit in future and recommend it to other travellers.
* Operators may win extra business by being able to demonstrate their sustainability credentials.

The visitor economy delivered social and environmental benefits for Australia. For example, the LIVE framework reports that in 2024:

* Australia’s environmental sustainability ranking improved
* there was record high engagement with First Nations experiences - one in 7 overseas visitors to Australia participated in a First Nations tourism experience, up 24% on 2023.
* international visitor appreciation was at a record high - 97% of international travellers to Australia rated their trip very highly, which bodes well for future visitation.

### THRIVE 2030 Strategy

THRIVE 2030 is Australia’s national strategy for the visitor economy. The Phase 1 (Recovery) Action Plan was implemented between 2022 and 2024. The action plan recognised, and aimed to tackle, the challenges Australia’s visitor economy faced from the COVID-19 pandemic. It focused on strengthening collaboration between all levels of government and industry, addressing workforce challenges, supporting businesses, improving data and insights, and driving domestic and international visitation.

Major progress was achieved across all strategic actions. Visitor spend in Australia reached $214 billion in the 12 months to December 2024. Of this, approximately $80 billion was spent in regional Australia. (This exceeded the interim target, which was $166 billion in visitor spend by 2024, including $70 billion in regional spend).

Following the completion of the “Recovery phase”, the “Consolidation phase” covers the period from 2025 to 2027. After that, the “Acceleration phase”, aims for sustainable industry growth, targeting $230 billion in visitor economy expenditure by 2030.

The visitor economy is well on the way to achieving this target. It is also well positioned to achieve the broader range of sustainable growth objectives that will see the visitor economy deliver social and environmental benefits as well as economic benefits for Australia.

## Analysis of demand trends. Who travelled in 2024 and why?

Australians love to travel. While Australians are keen international travellers, they travel a lot more domestically. In 2024, Australians took over 315 million domestic trips (both overnight and day trips) (Figure 2). This equates to an average of 5 overnight trips and 9 day trips by each Australian resident (aged 15+) during the year. In comparison there were just under 10 million international outbound trips in 2024. This means that, on average, each Australian resident (aged 15+) took one international outbound trip every 2¼ years.

There were 7.6 million international inbound trips to Australia in 2024, according to IVS data that captures short-term travellers (aged 15+).

Compared to 2023, in 2024 there were:

* 2.4 million more domestic overnight trips (up 2.1%)
* 1.8 million more outbound trips (up 23%)
* Almost 1million more international visitor arrivals (up 15%).

**Figure 2.**Number of visitors travelling in Australia in 2024 (top panel) and spend by visitor type in 2024 (bottom panel).

This figure presents two bar charts. The top bar chart shows the number of trips taken in 2024 for the 4 categories of domestic overnight trips (115 million), domestic day trips (201 million), international trips to Australia (7.6 million) and Australian outbound trips (9.9 million). The bottom bar chart shows the value of spend in 2024 for the same 4 categories of travel: domestic overnight trips ($110 billion), domestic day trips ($31 billion), international trips to Australia ($33 billion) and Australian outbound trips ($87 billion).

### Domestic overnight trips

Australians continued to travel domestically in high numbers in 2024, reflecting a persistently strong appetite for travel. Despite soft discretionary spend, various measures indicate that consumer travel intentions have held up, demonstrating an enduring and compelling desire for Australians to travel to connect, explore, unwind and recharge.

Nevertheless, travellers made efforts to manage travel costs by adjusting travel arrangements such as when, where, and how they travel. This included travelling closer to home, taking shorter trips to reduce the total spend on trips, and reducing spend on some travel-related components such as tours and restaurant meals.

Domestic overnight trips generated over $110 billion in spend for the visitor economy in 2024. Of that spend, more than half came from holiday trips and one-quarter came from business trips (Figure 3). The remaining quarter was accounted for by overnight trips to visit friends or relatives (VFR) or for other reasons. Domestic overnight holiday spend declined slightly in 2024, but it was more than offset by an increase in spend by trips for all the other purposes including business trips.

On average, in 2024, Australians took twice as many domestic overnight holidays as business trips (2.2 holidays and 1.1 business trips). They also took 1.7 domestic overnight trips for VFR purposes and 0.3 for other reasons.

**Figure 3.**Spend on domestic overnight trips by purpose in Australia in 2024.

This pie chart shows the breakdown of domestic overnight spend by purpose of travel in 2024. Holiday accounted for just over half of domestic overnight spend (52%, at $57.3 billion, down $0.4 billion (-0.7%) on 2023). Business was the second largest category of spend (25%, at $27.1 billion, up $0.8 billion (3%) on 2023).

#### Domestic holiday trips

Compared with the previous year, Australians were just as likely to take a domestic overnight holiday trips in 2024. There were, on average, 2.2 domestic holiday trips per person in 2024 which was unchanged from 2023. However, on average, those trips were slightly shorter in 2024, 3.5 nights compared with 3.7 nights the previous year, and average trip spend was lower ($1,170 per trip in 2024, compared with $1,211 in 2023). This indicates that despite household budget pressures over recent years, Australians have continued to travel around Australia. While they continue to take multiple holidays per year, Australians have addressed budget concerns by reducing the length of their trips and pulling back on spending while travelling.

The cohort aged 45 to 59 years took on average the most domestic overnight holiday trips in 2024 (2.6 domestic overnight holiday trips in the year). That cohort was also likely to spend more than the average on their trip and spend more per night (Table 1 and Figure 4).

**Table 1:** Domestic overnight **holiday** trip characteristics by age cohort in Australia in 2024.

| **Age group** | **Australian estimated population**  **(million)** | **Trips per person**  **(trips)** | **Spend per trip**  **($)** | **Nights per trip**  **(nights)** | **Spend per night**  **($)** |
| --- | --- | --- | --- | --- | --- |
| 15 to 29 | 5.4 | 2.0 | $745 | 2.9 | $260 |
| 30 to 44 | 5.9 | 2.2 | $1,382 | 3.2 | $432 |
| 45 to 59 | 4.8 | 2.6 | $1,344 | 3.4 | $390 |
| 60 to 74 | 4.1 | 2.5 | $1,126 | 4.4 | $256 |
| 75+ | 2.2 | 1.0 | $1,203 | 5.4 | $221 |
| **Total** | **22.4** | **2.2** | **$1,170** | **3.5** | **$330** |

**Figure 4.**Domestic overnight **holiday** trip characteristics by age cohort in Australia in 2024.

This bubble chart shows a circle for each of 5 age cohorts that is plotted at a position showing the average nights per trip on average for that cohort in 2024 on the x-axis, and average number of trips per year per person for that cohort on the y-axis. The bubble size represents the average spend per night on domestic overnight holiday trips for that age group. The age group 30 to 44 years has the biggest bubble, at $432 per night and the age group 75+ has the smallest bubble, at $221 per night. 

The cohort aged 30 to 44 years was the highest spending cohort. It was also the largest cohort and the most valuable for domestic overnight holiday trips. Compared with the previous year, this was the only cohort to increase spend per night and spend per trip. This cohort (30 to 44 years) has the highest probably of travelling as a family group of parents and children, and the lowest probability of travelling alone compared with the other age cohorts. This cohort was proportionally more likely to holiday in Queensland than the other age cohorts.

In 2024, total spend on domestic overnight holidays declined by $0.4 billion (-1%). By category of spend, there were declines in spend on airfares, transportation, tours, accommodation, alcohol, drinks[[1]](#footnote-2) and shopping. Spending on tours saw the largest decline in 2024 of $0.7 billion (-25%) (Figure 5). Partially offsetting these declines were increases in spending on groceries for self-catering (up $0.2 billion, 7%), takeaway and restaurant meals (up $0.6 billion, 6%) and entertainment (up $0.2 billion, 5%). This suggests that those travellers facing household budget pressures may have chosen to forego some discretionary spending components of their trip like some shopping and/or purchase groceries for self-prepared meal during the trip instead of eating out every meal. The significant decline in spend on tours is likely to have negatively affected revenue for tourism operators in that sector.

**Figure 5.**Change in spend on domestic overnight holiday trips by category in Australia in 2024 compared with 2023.

This bar chart shows the change in spend on domestic overnight holiday trips by category of spend between 2023 and 2024 (as a %). There was an increase in spending on 3 categories: groceries, takeaway & restaurants, and entertainment. There was a decrease in spend on 4 categories: transportation, shopping, alcohol and drinks, and tours.  Overall, domestic overnight holiday spend declined by 1% in 2024 compared with 2023.

The cohort of domestic overnight holiday travellers aged 30 to 44, was the only cohort to increase spending on tours in 2024 compared with the previous year. This cohort also drove the increase in spend on entertainment, along with the cohort aged 45 to 59 year, while all other cohorts reduced their spending on entertainment. All age cohorts increased spending on groceries for self-catering and spending on takeaway and restaurant meals. Most age cohorts reduced spending on airfares, transportation and shopping.

Key insights:

**Domestic overnight holiday travel** is the most valuable tourism type for Australia. Holiday trips by those aged in the middle cohorts typically have higher spend. In 2024, holiday-makers spent substantially less on tours compared with the previous year. There was also less spending on transportation, accommodation and alcohol but increased spending on groceries, purchased meals and entertainment.

Case study: Events and tourism – Handpicked Festival

Regional events support the South Australian tourism industry by celebrating host regions’ unique qualities, offering authentic experiences and bringing communities together. The South Australian Tourism Commission (SATC) provides support through its Regional Events Fund to promote South Australia as a tourism destination. One of the events benefitting from this fund is Handpicked Festival, a crafted experience in Langhorne Creek, a wine and agricultural community on the Fleurieu Peninsula.

Handpicked Festival captivates audiences with its intimate outdoor setting, diverse lineup and selection of food and drinks. Headline artists such as Missy Higgins, Pete Murray and Hilltop Hoods – with a variety of talented South Australian musicians – shape a sell-out, family-friendly atmosphere that is welcoming to all. The Regional Event Fund program has played a pivotal role in achieving marketing objectives, driving attendee engagement and positioning the Handpicked Festival for sustained growth and future success. In the 10 years since its inception, ticket sales to Handpicked have grown by 383% to reach 7,547 in 2024. Ongoing community consultation and a deep understanding of the drivers behind regional visitation will continue to underpin these outcomes.

Successfully hosting the Handpicked Festival gives a tangible boost to the local tourism sector and provides other deeply valuable benefits such as a sense of pride, resilience and optimism.

Case study provided by the South Australian Tourism Commission

#### Domestic business trips

Business travel accounted for the second largest share of domestic overnight spend in 2024. In contrast to holiday trips, domestic overnight spend on business trips increased (by 3%) in 2024 compared with the previous year. There were 1.5 million more domestic business trips in 2024 than in the previous year, an increase of 6.4%. Growth in business travel indicates that businesses are increasingly engaging in face-to-face meetings and events after the prolonged period of reduced business travel after the pandemic. Nevertheless, businesses likely faced tight travel budgets in 2024, leading to a pull-back in average spend per night.

The average spend per business trip in 2024 was around $1,100, down by 3% compared with the previous year. The average spend on intrastate business trips declined by 6% to $736, while the average spend on interstate business trips declined by 3% to $1,522.

Compared with the previous year, total overnight business trip spending on tours declined markedly in 2024 (by 32%, or $550 million). Spend on alcohol, shopping and entertainment also fell in 2024. Meanwhile, there were increases in business trip spending on airfares, transportation, groceries and meals. This is a similar adjustment to spending patterns as was observed for holiday trips, discussed above.

Business travellers are less likely than holiday-makers to engage in a range of social, sporting, arts & heritage, outdoor or touristic activities while on their trip. However, business travellers are twice as likely as holiday-makers to engage in the following First Nations experiences: attend Aboriginal performance, participate in traditional activities, and have an Aboriginal food experience. These activities are often included in the agendas of large business meetings and conferences.

While New South Wales attracted the largest number of business trips in 2024, the share of business trips in the state (29%) was lower than the state’s overall share of trips (33%). In contrast, Queensland and Western Australia attracted a comparatively larger share of business trips (Table 2). Cautious

**Table 2:** Domestic overnight **business** trips by state in 2024.

| **State/territory** | **Share of domestic travel**  **(%)** | **Share of business trips**  **(%)** | **Number of business trips**  **(million)** | **Change in number of business trips since 2023**  **(%)** | **Change in spend on business trips since 2023**  **(%)** |
| --- | --- | --- | --- | --- | --- |
| New South Wales | 33 | 29 | 7.4 | 7 | 5 |
| Victoria | 25 | 20 | 4.9 | 9 | 1.6 |
| Queensland | 23 | 25 | 6.2 | 12 | 12 |
| South Australia | 7 | 7 | 1.7 | 6 | 10 |
| Western Australia | 9 | 13 | 3.3 | -5 | -2.6 |
| Tasmania | 3 | 2 | 0.6 | 19 | -0.1 |
| Northern Territory | 1 | 2 | 0.6 | 29 | 8 |
| Australian Capital Territory | 3 | 4 | 1.0 | 1.5 | -4 |
| Total | 100\* | 100\* | 25.0 | 6.4 | 3.0 |

\*Sum of states/territories is more than 100% because trips that visit multiple states/territories are counted as a trip in each state/territory visited.

Western Australia (WA) was the only state to see fewer domestic business trips in 2024 compared with the previous year. The decline was driven entirely by intrastate business trips, which fell by 7%, while interstate business trips increased by 2%. The majority (78%) of business trips in WA were intrastate trips in 2024. This was a larger share of intrastate trips than the average for Australia overall (which was 58%). Across the country, the growth in interstate business trips in 2024 was stronger than for intrastate trips (10% increase in intrastate business trips compared with 5% increase in intrastate business trips). The exceptions were Victoria and the ACT, where the number of interstate business trips declined.

The average length of on overnight domestic business trip declined slightly in 2024 to 3.4 nights, from 3.6 nights in 2023. The average length of an interstate business trip was 3.2 nights and the average length of an intrastate business trip was 3.4 nights. Business trips in WA are typically longer than average, lasting 6.1 nights in 2024 (up from 5.7 nights in 2023). Almost all the other states and territories recorded a decline in the average trip length in 2024 (except Queensland where longer interstate business trips supported the average trip length of 3.4 nights). Business trips were shortest in New South Wales (NSW) at 1.2 nights in 2024.

In 2024, more overnight business trips occurred in regional Australia than in capital cities (and the Gold Coast). Across Australia, 57% of business trips (and 64% of nights) were in regional Australia (14,200 business trips in regional Australia and 11,500 business trips in capital cities – some trips cover both regions). Australia-wide, the number of business trips to regional Australia increased by 8% (and nights increased by 1%), while the number of trips to capital cities increased by 6% (and the number of nights declined by 2%).

Key insights:

**Domestic overnight business travel** increased in 2024. There were more business trips, but the average trip length declined slightly and the average trip spend fell by 3%. This is consistent with travel budget pressures for Australian businesses in 2024. Over the year, there was stronger growth in interstate business trips, which typically have a higher average trip spend than intrastate business trips (approximately double the average trip spend).

In 2024, business trips and spend increased more for:

* **interstate** business travel than for intrastate travel
* business travel to **regional Australia** than to capital cities.

Interestingly, in Western Australia, which has a high share of business travel, there were fewer business trips in 2024 than in the previous year. The decline was due to fewer intrastate business trips, however, the average length of , and average spend on, intrastate business trips in WA increased.

#### Domestic VFR trips

Visiting friends and relatives (VFR) remains a key reason for travel. VFR travel accounted for 19% of domestic overnight trips in 2024. Overall, there was a slight decline in the number of VFR trips and nights in 2024. However, there were sharp differences in VFR trends across the states/territories (Figure 6).

**Figure 6.**Domestic overnight VFR trips by state/territory, change, %, in 2024 compared with 2023.

This bar chart shows the change in the number, nights and spend on domestic overnight VFR trips for each state/territory in 2024 compared with 2023. The NT, WA and Queensland recorded growth in each of the 3 metrics for VFR travel (trips, nights and spend). On the other hand, Victoria and the ACT saw the largest declines in the 3 metrics. Overall, there was a 1% fall in the number of domestic overnight VFR trips in 2024, no change in nights and 1% increase in spend compared with 2023.

In contrast to other domestic overnight trips, the average spend per VFR trip increased by 2% in 2024 (to $593). By age cohort, those aged 75+ spent 12% more on VFR trips in 2024 than in 2023 and drove the total increase in VFR spend. In contrast, those aged 30-44 pulled back on VFR spend by more than the other age cohorts.

Increased spend on airfares contributed to the increased average spend per VFR trip. The increase in spend on airfares may reflect the growth in interstate VFR travel in 2024 (up by 1.2%) while intrastate VFR travel declined (down by 2%). In 2024, 70% of domestic VFR trips were intrastate trips and 30% were interstate trips. Intrastate VFR travel declined in most states/territories and only increased in Qld and WA. Interstate VFR travel, on the other hand, increased in all states except Vic, SA and the ACT.

### International inbound trips

Australia has unique flora and fauna and offers rich cultural experiences for international visitors. Australia is considered a friendly, safe and accessible destination that is welcoming to others. This sense of safety and stability may support demand growth during periods of global uncertainty and conflict. The Australian dollar also tracked slightly lower in 2024 Australia’s improving affordability as a destination for international visitors.

In 2024, Australia attracted nearly 1 million more international visitors, generated higher traveller spend and saw increased visitation across a broad range of destinations within Australia.

International short-term visitor spend in Australia reached $32.9 billion in 2024. This was a record high and an increase of $4.8 billion (17%) on the previous year. By purpose of travel, education provided the biggest contribution to spend in Australia in 2024, accounting for 35% of total short-term international visitor spend in Australia (Figure 7). ‘Leisure’ travel, consisting of Holiday and VFR, accounted for nearly $1 in every $2 spent in Australia in 2024.

**Figure 7.**International spend in Australia in 2024 by main purpose of trip.

This pie chart shows the breakdown of international spend in Australia by purpose of travel in 2024. It also lists the top 3 source markets for that purpose of trip and spend in Australia in 2024 for that market and purpose of trip. Education was the largest component of spend (35%, at $11.6 billion in 2024) and the 3 largest source markets for education spend in 2024 were China ($5.8 billion), India ($0.6 billion) and Vietnam ($0.5 billion). Holiday travel was slightly smaller than education in 2024. Holiday travel accounted for 34% of total international spend in Australia ($11.0 billion) and the largest markets were China ($1.1 billion), USA ($1.1 billion) and South Korea ($1.0 billion). VFR was the third largest category of spend (15%, at $5 billion).

By source market, China was the top contributing source market, accounting for $8.1 billion (25%) of total spend in Australia in 2024. China was the largest source market for education trip spend, accounting for half of the total education spend in Australia. India, Vietnam, Japan and Hong Kong were the next largest markets in 2024 for education spend. International visitors are not classified as short-term visitors if they remain in Australia for more than 12 months without returning home. Long-stay students, such as those engaged in multi-year degrees without returning home are excluded from the IVS measures.

Compared with the previous year, the largest increases in spend in 2024 were in travel for holiday (up by $2.6 billion, 31%), education (up by $1.1 billion, 10%) and employment (up by $0.9 billion, 46%). There was a slight decline in international business spend in the year (down by 3%) despite an increase in the number of international business trips (up by 7%), indicating a pull-back in spend per trip for international business trips.

#### International trips by state and territory

New South Wales received the most international visitors in 2024, with half of all short-term international visitors reporting a stopover in that state (Figure 7). Across Australia, China, New Zealand, the UK and USA are typically among the largest source markets for each of the states and territories (except China for the Northern Territory). Nevertheless, there was some interesting variation in the top 5 international source markets for each state and territory, ranked by IVS trip numbers in 2024.

Trip numbers from China increased substantially in 2024, and this market made the largest contribution to growth in international trip numbers for most states and territories. There were also significant contributions from growth in trip numbers from South Korea (for NSW), India (for Victoria), Japan (for Queensland), Germany (for South Australia), Singapore (for Western Australia), the UK (for Tasmania), New Zealand (for the NT), and the USA (for the ACT).

**Figure 10.**International trips to Australia in 2024, with 5 top source markets by state/territory.

This map of Australia reports, for each state and territory, the number of international trips in 2024, that state/territory’s share of total national international trips to Australia, and the change in number of trips in 2024 compared with 2023. For each state and territory, the top 5 source markets are listed. 
NSW was the state that received the most international trips in 2024 (3.8 million trips, 50% of total trips) and there was an increase of 11% in the number of international trips to NSW in 2024 compared with 2023.


Short-term international visitors to regional Australia spent $4.7 billion in 2024. This was 14% of total international visitor spend in Australia in 2024. Spend in capital cities and the Gold Coast accounted for the majority of total visitor spend in Australia (86%, or $28.2 billion). Regional Australia received a much higher share of visitor spend from holiday travellers and much lower share of spend from education travellers compared with capital cities.

International visitors to Australia made a larger contribution to tourism spend in capital cities than in regional Australia. In 2024, international visitor spend:

* occurred mostly in capital cities and the Gold Coast (86% of total)
* accounted for almost 30% of total tourism spend in capital cities
* accounted for only 6% of total tourism spend in regional Australia
* rose to $28.2 billion, up $4.3 billion (18%) on 2023, in capital cities
* rose to $4.7 billion, up $0.5 billion (13%) on 2023, in regional Australia.

By purpose of trip, regional Australia received a higher share of international visitor spend from holiday and employment travellers compared with capital cities (Figure 11). Regional Australia received a lower share of visitor spend from education and business travellers than the capital cities.

**Figure 11.**International visitor spend in Australia in 2024 by main purpose of visit in regional Australia compared with in capital cities.

This stacked bar chart shows the contribution of each main purpose of visit to international spend in the capital cities including the Gold Coast on the left bar and in Regional Australia on the right bar. The contribution from education spend was much smaller in Regional Australia (8%) than in capital cities (40%) in 2024. The contribution from holiday spend was greater in Regional Australia (53%) than in capital cities (30%) in 2024.

International business travel occurred predominantly in the capital cities. Only 16% of international business trips in 2024 visited regional Australia, and less than 10% of international business spend occurred in the regions. In contrast, more than half of domestic business trips visited the regions. By comparison 57% of domestic business trips visited regional Australia and 44% of domestic spend occurred in the regions in 2024 (and 64% of business nights occurred in the regions).

Case study: Culture, adventure and tourism – 100% Finke River Culture and Adventure

The Northern Territory’s First Nations-owned tourism sector continues to grow, delivering culturally appropriate, educational and sustainable tourism operations.

The Department of Tourism and Hospitality seeks to sustainably manage natural assets, balancing visitor access with safety and biodiversity, promoting sustainable tourism, supporting wildlife preservation, and preventing degradation. A key departmental goal is to collaborate with Traditional Owners and Aboriginal communities to support aspirations for participation and economic development via respectful sharing of land and culture.

First Nations-owned 100% Finke River Culture and Adventure offers immersive cultural experiences lead by Aboriginal guides to provide visitors to Central Australia and the West MacDonnell Ranges an understanding of country and cultural heritage. With its passion for enabling local Aboriginal people access to meaningful employment and opportunities to work on country, it showcases the resilience and community spirit of the tourism industry in Central Australia with their focus on community benefit and sustainable First Nations employment, supporting the growth and distribution of cultural tours to a wider audience of domestic and international visitors, school groups and visitors on The Ghan.

In 2025, Intrepid Travel Group is partnering with 100% Finke Culture and Adventures to offer Intrepid’s first-ever First Nations guided Larapinta Trail experience through the majestic West MacDonnell Ranges, which will support the further development of First Nations tour guides and cultural tourism in Central Australia.

Case study provided by Department of Tourism & Hospitality (NT)

#### International holiday trips

International holiday spend in Australia totalled $11 billion in 2024. The top 5 holiday source markets were more evenly distributed than was the case for education. Australia’s top 5 holiday source markets in 2024 were: China ($1.1 billion), the United States of America ($1.1 billion), South Korea ($1.0 billion), New Zealand ($1.0 billion) and the United Kingdom ($1.0 billion). The source markets that contributed the most to growth in holiday spend from 2023 to 2024 were (in order): China, South Korea, Taiwan, Japan, the UK, USA and Italy. Only a few markets saw a decrease in holiday spend in 2024 including Germany, Switzerland and the Netherlands.

The increase in international holiday spend in 2024 was shared across all categories (Figure 10). The largest increases in spend occurred for education spend (up 117%), accommodation (up 38%), tours (up 35%) and shopping (up 31%). The strong increases in international holiday spend on categories such as shopping and tours contrasted with domestic holiday spend, where spend on those categories declined in 2024. Education spend accounted for less than 3% of total international holiday spend in 2024, therefore, despite the rapid growth, increased education spending only contributed 2 percentage points to the growth in international holiday spend in 2024, while the growth in accommodation spend contributed 10 percentage points and was the largest contributor to growth.

**Figure 10.**Change in spend on international holiday trips by category in Australia in 2024 compared with 2023.

This bar chart shows the change in spend on international holiday trips by category of spend between 2023 and 2024 (as a %). There was an increase in spending on all categories in 2024 and total spend on international holiday trips increased by 31% compared with 2023. The strongest growth occurred in spending on education (+117%), accommodation (+38%), tours (+35%), shopping (+31%) and food and drinks (+28%).

By traveller numbers, New Zealand was Australia’s largest international holiday market in 2024, followed by the USA (Table 3).

Holiday travellers from Hong Kong and Singapore recorded the highest average spend per night. New Zealand and the USA also had a much higher average spend per night, and all 4 of these countries had a much shorter than average length of stay in Australia.

**Table 3:** International **holiday** trip characteristics by source market in Australia in 2024.

| **Source market** | **Number of trips to Australia**  **(000)** | **Spend per trip**  **($)** | **Nights per trip**  **(nights)** | **Spend per night**  **($)** |
| --- | --- | --- | --- | --- |
| New Zealand | 501 | 1,984 | 9 | 210 |
| United States | 333 | 3,233 | 15 | 218 |
| China | 329 | 3,486 | 18 | 194 |
| South Korea | 265 | 3,866 | 22 | 172 |
| Japan | 234 | 2,915 | 26 | 110 |
| Singapore | 211 | 2,339 | 10 | 244 |
| United Kingdom | 205 | 4,798 | 42 | 113 |
| Indonesia | 102 | 3,469 | 39 | 89 |
| Hong Kong | 96 | 2,904 | 12 | 251 |
| Taiwan | 95 | 5,372 | 66 | 81 |
| Germany | 95 | 4,052 | 38 | 107 |
| Malaysia | 86 | 1,991 | 10 | 190 |
| India | 62 | 3,357 | 28 | 121 |
| Canada | 62 | 3,376 | 27 | 125 |
| France | 56 | 5,619 | 74 | 76 |
| Vietnam | 44 | 2,871 | 17 | 164 |
| Philippines | 44 | 2,264 | 33 | 68 |
| Thailand | 38 | 3,808 | 40 | 95 |
| Ireland | 36 | 5,003 | 54 | 93 |
| Italy | 28 | 7,586 | 112 | 68 |
| **Total\*** | **3,239** | **$3,383** | **26** | **$131** |

#### Working holiday makers contribute to holiday travel spend

Holiday visitors from Italy had the longest average trip length and lowest spend per night in 2024 (Table 3). Interestingly, half of the holiday visitors from Italy in 2024 reported being on a working holiday visa, which contributed to the lower estimated average age of visitors from Italy (34 years for Italian holiday travellers compared with 42 years for all international holiday travellers). In contrast, the estimated average age of travellers from the USA – which was a high spend market – was much higher than the average at 50 years old.

The average age of traveller was low also for Taiwan, Vietnam, Indonesia, Germany and France. With working holiday visa holders a sizeable share of holiday visitors from Taiwan (29%) and France (41%).

According to TRA’s International Visitor Survey (IVS) data, 7% of international holiday visitors to Australia reported being on a working holiday visa in 2024.

The number of international holiday travellers that reported being on a working holiday visa increased by 40% to 234,000 in 2024. This group increased spend by 66% to $2.5 billion in 2024. As a result, the average spend in Australia by working holidaymakers increased by 19% in 2024 to $10,714 per trip.

In contrast, total spend by other international holidaymakers in Australia increased by 24% in 2024 to $8.5 billion, and average trip spend by these other international holidaymakers in Australia fell by 1% in 2024 to $2,812 per trip.

International working holidaymakers contributed one-third of the increase in holiday spend in capital cities in 2024, but they contributed more than half of the increase in spend in regional Australia.

#### Visiting friends and relatives

While international travel to Australia for VFR accounted for more than one-third of trips in 2024, it only equated to 15% of visitor spend in Australia.

VFR travel is typically a low average spend category of travel; average spend per night in Australia in 2024 was $61. This is because the host family or friends typically provide accommodation and organise and pay for some activities and meals.

However, there are some source markets with a higher average spend per night. VFR travellers from Singapore ($165 per night), Hong Kong ($138), Japan ($125) and New Zealand ($102) had the highest average spend per night on their VFR trips to Australia in 2024.

VFR travellers typically spend a lower share on accommodation and tours than the average holiday traveller, but a higher share on shopping and education fees.

#### International business travel

The international business travel sector moderated in 2024. The number of international business trips to Australia increased by 7% (53,000 more business trips) in 2024, which was less than half the growth rate of total international arrivals.

Total business trip spend in Australia fell by 3% in 2024. Moreover, the average spend per night fell by 17% – from $238 per night in 2023 to $197 per night in 2024.

While weak global economic conditions and increased scrutiny of travel budgets likely contributed to the decline in business spend, some categories continued to see spend growth, such as entertainment and accommodation. The increase in accommodation spend was the largest contributor to growth in total business spend in 2024. Accommodation was the largest category of business spend (35%) in 2024, while entertainmentwas the smallest (1%). By category of spend, ‘other’ expenditure drove the decline in business spend in the year (Figure 11).

**Figure 11.**Change in spend on international business trips by category in Australia in 2024 compared with 2023.

This bar chart shows the change in spend on international business trips by category of spend between 2023 and 2024 (as a %). There was an increase in spending on 3 categories: entertainment, accommodation, and transportation. There was a decrease in spending on 5 categories: airfares, food and drinks, tours, shopping, and others. Overall, international business spends declined by 3% in 2024 compared with 2023.

International business travel to Australia varied by source market. In 2024, the markets that contributed most to growth in international business spend were:

1. Japan
2. United Kingdom
3. Vietnam
4. Indonesia
5. Singapore.

Conversely, markets that reduced business spend in Australia in 2024 included the USA, India, New Zealand, Hong Kong and Taiwan.

Key insights:

**International travel** to Australia grew strongly in 2024. Travellers from China accounted for 25% of total spend in Australia in 2024, making them the most valuable source market ($8.1 billion out of total $32.9 billion spend).

The most valuable types of international travel to Australia are education and holiday trips. Both these types of travel generated over $10 billion in spend in Australia in 2024. Short-term education travellers from China spent $5.8 billion in Australia. Around half of that was spent on education fees and around one-third went on food, drink and accommodation.

New Zealand, the USA, China, the UK and South Korea were major holiday travel source markets for Australia in 2024. They each generated around $1 billion in holiday spend in Australia

Case study: eco-certified tourism – Cassowary Coast

Queensland is now a leader in eco-certified destinations in Australia, with the Queensland Government supporting destinations to achieve certification from Ecotourism Australia (ECO Destination Certification program) and/or EarthCheck (Sustainable Destination Standard program).

The objectives of this Eco-certified Tourism Destination Program, which provided funding of up to $150,000 to local government authorities and regional and local tourism organisations in Queensland, were to:

* fast-track the certification for destinations already engaged in either of the two globally recognised certification programs
* support new destinations to join the programs and achieve certification
* support certified destinations to attain a higher level of certification
* build a Queensland network of globally recognised certified destinations.

Cassowary Coast Regional Council received its certification in April 2025, with the Ecotourism Australia ECO Destination Certification. This certification places the Cassowary Coast in a select group of global destinations to have achieved the highest standards for environmental sustainability – an increasingly sought-after feature from international tourists.

The certification shows the region’s dedication to preserving its unique natural assets while committing to reducing its environmental footprint, implementing eco-friendly practices and initiatives that promote long-term sustainability.

Destinations that have achieved certification under the program include: Bundaberg Regional Council, Cassowary Regional Council, Etheridge Shire Council, Gladstone Area Promotion and Development Limited, Livingstone Shire Council, City of Moreton Bay, Murweh Shire Council, Noosa Shire Council, Scenic Rim Regional Council and Townsville City Council.

Case study provided by Department of the Environment, Tourism, Science and Innovation (Queensland)

### Global and outbound travel

According to ABS data, Australians took 11.6 million short-term overseas trips (defined as less than one year) in 2024. This was 16% more than the number of trips in 2023 (10 million) and a record high.

Most overseas trips in 2024 were for a holiday (59%, 6.9 million trips) (Figure 12). Visiting friends and relatives was the second-largest reason for overseas trips (27%, or 3.1 million trips) followed by overseas business trips (8%, 0.9 million trips).

**Figure 12.**Short-term resident returns in 2024 by purpose of travel.

This pie chart shows the breakdown of Australian resident returns by purpose of travel in 2024. It shows that outbound trips for the purpose of holiday accounted for more than half of all trips (59%, with 6.9 million trips). VFR was the second largest category with 3.1 million trips, accounting for 27% of outbound travel.

Outbound leisure travel shows a seasonal pattern, with peaks coinciding with school holidays and the Christmas/New Year period. The most popular destinations in 2024 were those typically associated as nearby holiday destinations along with countries with strong VFR links (Table 4).

**Table 4:** Short-term resident returns, top 10 destinations of Australians in 2024.

| **Destination** | **Number of trips in 2024 (000)** | **Change from 2023 to 2024 (%)** |
| --- | --- | --- |
| 1. Indonesia | 1,679 | 23 |
| 1. New Zealand | 1,364 | 8 |
| 1. Japan | 799 | 57 |
| 1. United States | 735 | 10 |
| 1. United Kingdom | 620 | 3 |
| 1. Thailand | 587 | 17 |
| 1. China | 581 | 85 |
| 1. India | 549 | 12 |
| 1. Vietnam | 437 | 31 |
| 1. Fiji | 409 | 6 |

In 2024, Australians took more international outbound holidays than the previous year. However, as was the case for domestic holidays, the average length of outbound trips was slightly shorter in 2024, and the average spend per trip declined (by 1.2%).

By age, 15 to 29-year-olds were the largest outbound holiday age group (according to NVS data, which is only available to the year-ending September 2024). This cohort accounted for more than one in 4 of all outbound holiday trips in 2024. This age group also recorded the strongest growth in outbound holiday travel in 2024, making it the largest contributor to growth in outbound traveller numbers in 2024 (Figure 13).

Australians aged 60 to 74 years were the age group most likely to holiday overseas (0.3 trips per person in 2024, followed by those aged 15 to 29 years and 45 to 59 years (0.28 trips). The cohort aged 75+ was least likely to holiday overseas and were 10 times more likely to take a domestic overnight holiday than an outbound holiday in 2024. On average across all age cohorts, Australians were 8 times more likely to take a domestic overnight holiday than an outbound holiday in 2024.

**Figure 13.**Number of overseas holiday trips by age cohort in 2023 and in 2024, and the number of trips per person in the age group in 2024 (and change on 2023).

This horizontal bar chart shows the number of overseas holiday trips in 2023 and in 2024 for the following age cohorts: 15 to 29 years, 30 to 44 years, 45 to 59 years, 60 to 74 years and 75+years. It also reports the number of overseas holiday trips per person in 2024 for each age group (called the propensity to travel) and the change in propensity compared with the same group in 2023. The age group 15 to 29 years had the most overseas holidays in 2024, was more likely than the average to holiday overseas and saw the fastest increase in propensity to holiday overseas compared with the previous year.

While the 15 to 29-year age group travelled the most, it had a much lower average spend per trip – approximately half that of other age groups. Older age groups with those aged 45 to 59 years reporting the highest average spend per night at almost $800 in 2024 (Figure 14).

Interestingly, 15 to 29-year-olds reduced their average spend per night on international holiday trips in 2024 on 2023, while those aged 75+ recorded the strongest increase in trip spend and spend per night in 2024 on 2023.

In contrast, the 30 to 44-year age group – which was a prominent age group for domestic holiday travel – recorded the strongest falls in average trip length and average trip spend in 2024 compared with 2023.

**Figure 14.**Number of overseas holiday trips by age cohort in 2023 and in 2024, and the number of trips per person in the age group in 2024 (and change on 2023).



## Industry, operators and investment

### Summary of visitor economy supply and capacity use

| **Metric** | **Description** | **Value in 2024** | **Change between 2023 and 2024** |
| --- | --- | --- | --- |
| Accommodation rooms | Total number of rooms available in accommodation establishments with 10 rooms or more (as at December) | 335,300 | +2.1% |
| Accommodation occupancy | Percentage of rooms sold, or occupied, in establishments with 10 rooms or more (average for the year) | 71.4% | +2.3% |
| International aviation seats | Total number of seats available on flights to Australia | 25.9 million | +14.7% |
| International aviation load factor | Percentage of seats on flights into Australia occupied by revenue passengers | 81.6% | -0.7% |
| Domestic aviation seats | Number of seats available to people flying within Australia | 74.3 million | +1.9% |
| Domestic aviation load factor | Percentage of seats on domestic flights occupied by revenue passengers | 81.8% | +1.6% |
| Tourism jobs | Number of filled jobs in the tourism industry (as of December) | 713,500 | +2.5% |
| Tourism job vacancies | Number of tourism-related job vacancies advertised online (as of December) | 13,400 | -8.8% |
| Tourism businesses | Number of Australian businesses in tourism-related industries (as at end June) | 360,200 | +1.0% |
| Tourism investment | Total value of investment in tourism infrastructure projects valued over $20 million (as at end June) | $63.4 billion | +13.1% |

### Accommodation in Australia

Commercial accommodation capacity increased to a record high 335,000 rooms in 2024, according to STR data. The increase of 2,575 rooms from December 2023 to December 2024 represented a 0.7% increase (Figure 15).

South Australia saw the highest percentage increase over the year at 2.4%, followed by Tasmania (2%), Victoria (1.7%), and the Australian Capital Territory (1.5%). The Northern Territory and Western Australia were the only jurisdictions to see a reduction in rooms from December 2023 to December 2024.

**Figure 15.**Number of rooms available in establishments with 10 rooms or more as of December 2022 to 2024

The average occupancy rate for commercial accommodation continued to trend higher in Australia in 2024 and was 71% on average across the year. Solid occupancy rates at a national level – along with a higher revenue per available room (RevPAR) – are welcome signs of strong demand for accommodation. This also supports the continued investment in Australian accommodation supply.

Occupancy rates notably vary throughout the year: the average occupancy rate across Australia is lower in Autumn and Winter months of April to June and peaks in November (Figure 16).

**Figure 16.**Monthly occupancy rate of Australian accommodation establishments, 2023 and 2024

The average daily rate (ADR) charged for a room continued to climb incrementally year-on-year, with an average 1.3% rise in 2024 (Figure 17). ADR trends follow tourist seasons with summer months being much higher than winter months nationally. In summer 2024 ADR was $251, compared with $226 in winter 2024 (i.e. ADR was 11% higher in the summer months).

Revenue per available room (RevPAR) is also higher in summer than in winter. RevPAR increased to $172 in 2024, a 3.7% on-average increase on the previous year. RevPAR gives a better indicator of accommodation providers’ earnings than the room rate, because it adjusts for the occupancy rate.

**Figure 17.**Monthly occupancy rate of Australian accommodation establishments, 2023 and 2024

Domestic overnight travellers generated more demand for hotel and resort nights than international travellers, accounting for 52% of nights in 2024. Domestic overnight travellers were slightly more likely to stay at a caravan park or camping ground (23%) than rent a house (21%) in 2024 of traveller nights booked (Figure 18).

International visitors were slightly more likely to rent a house or apartment than stay at a hotel, especially when staying in Australia for a long time. Only 37% of international visitor nights were in hotels, resorts and motels in 2024.

**Figure 18.**Commercial accommodation used by international and domestic overnight nights in 2024.

### Aviation and connectivity

In 2024, two of Australia’s domestic airlines faced major difficulties. REX entered voluntary administration, exiting intercity routes, and Bonza collapsed in July 2024. These airline changes may have led to increased volatility in the ‘best discount’ air fares throughout 2023 and 2024. The domestic air fares index for economy class fares also declined sharply in the second half of 2024 (Figure 19).

Meanwhile, the business air fares index ended the year approximately the same as the start of the year, after a rise around the end of financial year period. In early 2025, the domestic economy air fares index fell to its lowest level since 2013.

**Figure 19.**Domestic airfares by category, smoothed index level relative to July 2019, January 2018 to March 2025.

In line with increased demand, aviation capacity for both domestic and international travel increased further in 2024. The number of domestic seats available rose by 2% to 74.3 million. In 2024, the domestic load factor (a measure of airline seat occupancy by passengers) was 82%, an increase of 2% on 2023. Domestic aviation capacity in 2024 was likely affected by the collapse of budget airline Bonza and the scaling back of routes by regional carrier Rex.

Fun fact: In 2024, 7 of the top 20 growth routes for domestic air travel in 2024 were connecting to Western Australia’s capital city, Perth.

International aviation capacity into Australia increased by 15% in 2024, bringing 25.9 million international seats online in 2024 (Figure 20). The international aviation load factor remained high in 2024 at 82% but declined slightly from the record high of 2023.

**Figure 20.**Domestic and international flight seat capacity in 2023 and 2024.

The number of international inbound flights to Australia increased by 13% from 89,800 in 2023 to 101,700 in 2024. These increases saw the number of international flights reach new highs in 2025 (Figure 21).

Changing international air traffic also gives an indication of the recovering market, with increases in global capacity (up 12.8% on 2023) and traffic (up 13.6% on 2023). Southeast Asia had the highest number of international inbound airline seats available at 9.6 million in 2024, followed by North-East Asia at 5.1 million, and New Zealand at 4.1 million.

**Figure 21.**International inbound airline seats (million) available by region for calendar year 2024

### Businesses and jobs

Tourism businesses accounted for 1 in 7 Australian businesses in 2024. There were 360,202 tourism-related businesses in June 2024. This was a record high (Figure 22). It was also 0.7% higher than in June 2023, and 11% higher than June 2019 (pre-pandemic).

By industry, the 2 largest industries (together accounting for 2 in 3 tourism-related businesses in 2024) were retail trade and cafés, restaurants, and takeaway food services. Retail trade (a tourism-connected industry) was the largest tourism-related industry, with 153,000 businesses (42% of total), followed by cafes, restaurants and takeaway food services (a tourism-characteristic industry), with 87,000 businesses (24% of total tourism-related businesses).

**Figure 22.**Tourism businesses in Australia by tourism characteristic and tourism connected industries.

**Tourism characteristic industries**: such as accommodation, denotes industries where visitors consume at least 25% of output. Businesses in these industries are reliant on tourism. **Tourism connected industries**: such as automotive fuel retailing, denotes industries where products are consumed by visitors in volumes considered to be significant, however, they comprise less than 25% of consumed output.

While the number of tourism businesses trended higher, costs of doing business have also increased which has led to limited growth in profits for the sector. The cost of doing business in Australia continued to increase in 2024. Higher logistics, energy and insurance costs were contributing factors.

As measured by the producer price index, the cost of providing accommodation, as well as café, restaurant, and takeaway food services, increased faster than the nationwide average in 2024.

The cost of providing accommodation services rose by 5.8% in 2024, and by 2.6% for cafés, restaurants, and takeaway food services (Figure 23). According to the ABS, producer prices for accommodation and food services rose due to increased demand surrounding Christmas, school holidays, and major sporting events.

**Figure 23.**Quarterly producer price index from March 2019 to December 2024

(Index base 2011−12 =100)

Case study: Promoting local tourism – Chimes Spa Retreat

The Western Australia Visitor Economy Strategy 2033 (WAVES 2033) is a 10-year plan for Western Australia to become a world-class tourism destination. It aims to immerse visitors in the state’s unique cultures, communities and environment to achieve $25 billion in visitor spend annually by 2033.

Key aspects of the strategy include enhancing aviation connectivity, developing regional tourism, promoting events and strengthening First Nations tourism.

Chimes Spa Retreat, in the coastal town of Denmark, is an example of a Western Australian tourism operator that has aligned with this strategy to make advances. In 2 short years, Chimes has doubled the average length of stay by actively promoting local tourism attractions and experiences. Chimes’s curated guest itineraries feature visits to local wineries and galleries, as well as nature walks and adventure experiences with local operators.

Chimes Spa Retreat’s collaboration with food and wine vendors encourages guests to explore more of Denmark and extend their stay. The retreat makes employing local people a priority and invests in career development. It uses local providers and services wherever possible, such as collaborating with renowned local chefs to curate memorable, private dining experiences. This regional-first approach has brought benefits to broader visitor economy around Denmark.

Case study provided by Tourism Western Australia

### Tourism jobs

At the end of the December quarter in 2024, there were 713,500 jobs in the tourism sector. This was 17,500 (2.5%) higher than the number of jobs a year ago (December quarter 2023). It was also a record high number of jobs in the tourism sector. The tourism sector accounted for 4.4%, or 1 in every 23, of all Australian jobs in 2024 (Figure 24).

The increase in tourism filled jobs in 2024 is good news for the visitor economy, which faces difficulties finding sufficiently skilled staff to service demand. While skills shortages still exist throughout the visitor economy especially in particular occupations, the prevalence and scale has decreased. Cafés, restaurants and takeaway foods services combined with accommodation and retail trade account for almost 2 in 3 jobs in the sector.

**Figure 24.**Tourism filled jobs and the proportion of economy-wide filled jobs 2017 to 2024.

In 2024, there were 169,873 tourism-related online job vacancies. While this was 40,000 fewer (‑20%) vacancies than in 2023, the industry still faced challenges filling jobs with skilled workers (Figure 25).

For example, tour guides have faced national shortages since 2022. This occupation is on the Occupational Shortage List introduced in 2024, and was on its precursor, the Skills Priority List, since 2022. The lists identify occupations where employers face significant difficulties in filling vacancies. Chefs, cooks, pastrycooks, hotel managers, airplane pilots, and flight attendants were also listed with widespread shortages in 2024.

**Figure 25.**Online job vacancies advertised for tourism-related occupations, yearly for 2023 and 2024.

\* Sum of housekeepers, hotel and motel managers, hotel service managers

^ Sum of tourism and travel advisers, gaming workers, travel attendants

~ Sum of cafe workers, food trades assistants, fast food cooks

Case Study: Jobs in tourism - Choose Tourism Job Expos, ACT

The ACT Choose Tourism program addressed tourism workforce challenges by delivering a suite of initiatives to promote careers in tourism and provide tourism business owners with tools to attract and retain tourism workers.

Initiatives were supported by grant funding from Austrade and included:

* 3 tourism job expos (at the Australian National University, the University of Canberra and the Canberra Institute of Technology) aimed at school leavers and university vocational students, supported by 32 employers
* an educational program for non-indigenous participants about Aboriginal and Torres Strait Islander identity, culture and the rich local history of the Ngunnawal region
* a program featuring day trips to local cultural places, which enabled First Nations youth (17 to 24 years of age) to connect to land, culture, peers and mentors – while also learning about career options in the tourism industry
* a Presenter Program using 17 local tourism attractions to train 10 people to become educational tourism presenters for visiting school groups
* a workshop and webinar that presented ideas, concepts and strategies for small businesses – with the aim of attracting and retaining workers in the visitor economy.
* a marketing campaign that used digital video, digital audio, social media and online search advertising to direct job seekers to information on local tourism jobs, training and incentives.

All parties involved with the delivery of this diverse program of initiatives saw that it delivered positive outcomes and practical support, while also enhancing the profile of tourism as an industry offering an attractive career path.

Case study provided by VisitCanberra

### Investment

Investment in tourism continued to increase, with the tourism investment pipeline for 2023—24 citing 39 more projects worth $7.3 billion more than 2022—23 (Figure 26). The mixed-use sector (excluded from the pipeline) also had an increase of 2,000 accommodation rooms and increased value of $12.3 billion in 2023−24 on the previous year.

In addition to enhancing the tourism offerings, increased investment indicates optimism about the future of tourism in Australia. Preparation for the 2032 Brisbane Olympic and Paralympic Games also generated additional investment activity in Queensland.

**Figure 26.**Value of the tourism investment pipeline in Australia by sector, 2019-20 to 2023‑24.

By sector, tourism investment in 2023—24 was:

* $23.1 billion in aviation investment across 22 projects. This was up $4.2 billion and 3 projects from 2022—23.
* $28.9 billion in arts, recreation, and business services investment across 160 projects. This was up $3.8 billion and 31 projects on 2022—23.
* $11.4 billion in accommodation investment across 164 projects, with 23,700 rooms. This was 5 additional projects, but $0.7 billion, and 700 rooms less than in 2022—23.

Also, mixed-use development investment was $85.3 billion in 2023—24 across 191 projects, with 30,200 rooms. This was an additional $12.3 billion, 17 projects, and 2,000 rooms on 2022—23.

Case study: Tourism infrastructure – Phillip Island Nature Parks

The Victorian Government is supporting sustainable growth in Victoria’s tourism sector by investing in infrastructure projects that encourage year-round visitation and improve customer experiences. In 2023, the Victorian Government launched the Experience Victoria 2033 (EV33) plan which outlines continued work towards sustainable destinations, quality experiences and growth in the visitor economy.

Phillip Island Nature Parks received $5 million grant funding through the Regional Tourism Investment Fund to undertake major infrastructure upgrades at the Penguin Parade located at Phillip Island. The grant supported the delivery of a new, compliant, all-accessible, looped boardwalk, added seating and upgraded the ‘Penguins Plus’ viewing stand for safety compliance and accessibility. The boardwalk is constructed of fibre reinforced polymer panels and erected on a raised footing to reduce impacts on vegetation and conserve penguin burrows.

The works were underpinned by the Summerland Peninsula Master Plan (2012), which identified coastal erosion and ageing infrastructure as factors affecting the quality of the customer experience and ongoing financial sustainability of nature parks.

The redevelopment provides visitors of all abilities better access to the penguin-viewing stands. It improves visitor flow, increases capacity, and creates a closer view of the little penguins returning home each evening.

Case study provided by Department of Jobs, Skills, Industry and Regions (Victoria)

## Looking forward

### The future of Australia’s visitor economy

#### Global travel in 2024 sees recovery rates vary by region

Global international arrivals almost returned to pre-pandemic numbers in 2024[[2]](#footnote-3). By region, the Middle East was most recovered at 134%, followed by Africa at 108%, and then Europe at 101%. The Americas were yet to recover at 98%, while Asia and the Pacific was at 88%.

Europe remained the largest destination for international travel globally, with 747 million tourist arrivals in 2024. However, the war in Ukraine has contributed to the slower recovery in the region, which remained at 81% of pre pandemic levels in 2024.

Across the globe, domestic travel typically recovered quicker than international travel. For international travel, there were stronger rebounds in short-haul travel than long-haul travel.

In the post-pandemic period, some destinations have made visas easier to access and implemented policies to attract hybrid working-travellers. On the other hand, some destinations that risk over-tourism have imposed additional tourist taxes to try to slow growth for sustainability reasons.

#### Travel trends impact future demand and offerings

Agritourism, one trend that saw an increase in 2024, is expected to continue to grow in 2025, with travellers looking for authentic experiences that provide a new way of engaging with the environment. This is line with a growing focus on sustainable and regenerative travel over the past several years. Travellers have also engaged more with First Nations experiences. Wellness tourism, staycations and ‘bleisure’ travel (mixing leisure with business) remained popular.

Australia is in a favourable position to capitalise on these trends in coming years. These varieties of tourism support the diversity of experiences across our regions and many facets of the visitor economy. They also promote sustainable growth of tourism.

### International outlook

Australia, renowned for its world-famous attractions and natural beauty, has long been a popular destination for international visitors. The outlook for future growth in international arrivals is positive. The number of international visitor arrivals in 2029 is expected to reach 11.8 million, an increase of 40% from 2024. International visitor expenditure in Australia by those on short-term visits of less than 12 months is forecast to increase at annual average growth of 8% over the next years to reach $48.5 billion in 2029 (from $32.9 billion in 2024).

The strong international growth outlook acknowledges:

* Australia’s enduring reputation as a safe, clean, green, friendly and aspirational travel destination
* the prevalence of sustainable, accessible, cultural, sporting and experience tourism offerings and availability of work-travel combination options – which are all growth opportunities for the visitor economy
* close and growing ties between Australia and several high-growth markets in our region
* continued gradual increases to aviation capacity, including from key emerging and growth markets

However, there remain some considerable risks to the outlook, such as:

* Reduced confidence regarding international travel due to geopolitical risks, global conflicts and other major factors including climate change
* Slower global economic growth, elevated inflation and interest rates, and tight household budgets around the world
* Policy changes that reduce the attractiveness or competitiveness of Australia relative to other international destinations

By market, the growth outlook varies somewhat. In 2029, Southeast Asia collectively is forecast to be the largest overall source market for Australia, with almost 2 million arrivals (Figure 27).

In the 5 years to 2029, arrivals from China are forecast to almost double, reaching 1.7 million. This will see China regain its rank as Australia’s largest single inbound market. China has already regained its place as Australia’s leading market in terms of spend in Australia.

Australia’s inbound visitor mix is already more diverse than in the past. By 2029, there are expected to be large increases in arrivals from New Zealand (291,000), the United States (265,000), Japan (219,000), Malaysia (184,000), and India (175,000) as well as from other countries (248,000) which includes the South Pacific, Africa and the Middle East.

**Figure 27.**International visitor arrivals to Australia by source market in 2024 (000) and forecast arrivals in 2029 (000).

This bar chart shows the number of arrivals for Australia’s 20 largest source markets in 2024, and the additional arrivals forecast for each source market in 2029. The total number of arrivals forecast in 2029 for each source market is written at the end of the bar. The bars are ordered so the largest source markets are shown at the top (Southeast Asia (the combined total of 11 Southeast Asian nations), New Zealand and China).

The positive outlook continues into the next decade as Australia is set to host one of the biggest global events in 2032, the Olympic and Paralympic games. Historically, host nations have seen an enormous lift in visitor economy contributions and a positive economic boost because of these events. In 2021, KPMG Australia predicted the socio-economic benefits of the Olympics to the Australian economy could be as much as $17.6 billion. For example, in 2024, Paris hosted the Olympic and Paralympic games and some of the effects felt across France included growth in skills, jobs, tourist numbers and tourist spend. Specifically, a report for the International Olympic Committee estimated that the Paris Olympics in 2024[[3]](#footnote-4) led to:

* EUR 47 million distributed to support grassroots projects, benefitting 4.5 million people by funding initiatives that use sport to improve lives
* 30,000 people trained in new skills for future careers, enhancing their employability and career prospects
* 181,100 people employed in Games-related jobs, boosting the local job market.
* An estimated EUR 2.6 billion spent by tourists travelling to Paris during the Games, with or without tickets, according to the Paris Tourism Office.

### Domestic outlook

Australians continue to prioritise travel. Australians have demonstrated an enduring appetite for travel, and domestic tourism is forecast to continue to grow over the next 5 years. However, only moderate domestic growth is expected in 2025.

Spending patterns are likely to continue to change, as travellers look to optimise their travel budget. Travellers are likely to want more from every trip – seeking a combination of personal fulfilment and connections to local communities. Wellness, food and other experiences that create lasting memories will remain popular. Tailored itineraries around these activities may be able to attract premium prices.

Growth in both overnight and day trip spend is forecast to outpace expected inflation over the next 5 years. Domestic overnight trip spend is forecast to increase to $132.7 billion in 2029, and domestic day trip spend is forecast to increase to $41.5 billion in 2029.

Factors driving growth

* Consumer travel intentions have held up, demonstrating an enduring and compelling need and desire for Australians to travel to connect, explore, unwind and recharge
* Australia’s strong forward portfolio of events – travel media and market analysis point to events being a key driver of travel intentions.
* Household disposable income is forecast to rise, which is positive for forward-looking tourism demand, as it supports increased household spending.

Risks to the forecast outlook

* Increasingly large, uncontrolled, unpredictable and/or damaging weather events could dampen demand for travel to more destinations throughout the year
* Higher domestic airfares, either because of higher costs such as jet fuel or reduced airline competition, could weigh on travel demand to destinations relatively more reliant on air travel
* Changes in the cost competitiveness of outbound travel relative to domestic travel could affect domestic travel growth

## Data sources

For more information, please visit the below sources.

Australian Bureau of Statistics (ABS)

* [Overseas Arrivals and Departures, Australia, December](https://www.abs.gov.au/statistics/industry/tourism-and-transport/overseas-arrivals-and-departures-australia/dec-2024) 2024

* [Tourism Satellite Accounts: quarterly tourism labour statistics, Australia, experimental estimates,](https://www.abs.gov.au/statistics/economy/national-accounts/tourism-satellite-account/latest-release) 2023 – 2024
* [Monthly Household Spending Indicator, December 2024](https://www.abs.gov.au/statistics/economy/finance/monthly-household-spending-indicator/dec-2024)

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

* International Airline Activity monthly airline performance - January 2025, [International Airline Activity—Time Series](https://www.bitre.gov.au/publications/ongoing/international_airline_activity-time_series).
* Domestic Airline Activity monthly airline performance - January 2025. [Australian Domestic Airline Activity—time series](https://www.bitre.gov.au/publications/ongoing/domestic_airline_activity-time_series)

Tourism Research Australia

* [Business events data](https://www.tra.gov.au/en/economic-analysis/business-events-data), year ending December 2024.
* [International tourism results](https://www.tra.gov.au/en/international/international-tourism-results), year ending December 2024.
* [Domestic tourism results](https://www.tra.gov.au/en/domestic/domestic-tourism-results), year ending December 2024.
* [Quarterly tourism labour force statistics](https://www.tra.gov.au/en/economic-analysis/quarterly-tourism-labour-force-statistics), December 2024.
* [State Tourism Satellite Account](https://www.tra.gov.au/en/economic-analysis/tourism-satellite-accounts/state-tourism-satellite-account), STSA 2023-24.
* [Tourism businesses](https://www.tra.gov.au/en/economic-analysis/tourism-businesses), Tourism businesses in Australia: June 2019 to 2024
* [Tourism forecasts](https://www.tra.gov.au/en/economic-analysis/tourism-forecasts), Tourism Forecasts for Australia 2024 to 2029.
* [Tourism Investment Monitor](https://www.tra.gov.au/en/economic-analysis/tourism-investment-monitor), Tourism Investment Monitor 2023-24.

STR (acquired by CoStar Group, Inc.)

* Subscription data

Jobs and Skills Australia

* [Internet Vacancy Index](https://www.jobsandskills.gov.au/work/internet-vacancy-index), March 2024.
* [Skills Priority List](https://www.jobsandskills.gov.au/data/skills-shortages-analysis), 2024.

International Air Transport Association (IATA)

* [IATA - Global Air Passenger Demand Reaches Record High in 2024](https://www.iata.org/en/pressroom/2025-releases/2025-01-30-01/#:~:text=International%20full%2Dyear%20traffic%20in,while%20capacity%20expanded%20by%202.5%25.)

United Nations World Tourism Organisations

* [UN Tourism Data Dashboard | Key Indicators](https://www.unwto.org/tourism-data/un-tourism-tourism-dashboard)

International Olympic Committee

* https://www.olympics.com/ioc/news/all-you-need-to-know-about-impact-and-legacy-at-paris-2024-for-the-people-for-the-community-and-for-the-environment

1. The decline in trip spend on alcohol and drinks aligns with the broader trend nationally. In 2024, Australians spent 6.7% less on alcohol and tobacco than in 2023, according to ABS data on household spending: [Monthly Household Spending Indicator | Australian Bureau of Statistics](https://www.abs.gov.au/statistics/economy/finance/monthly-household-spending-indicator). [↑](#footnote-ref-2)
2. <https://www.unwto.org/tourism-data/un-tourism-tracker> [↑](#footnote-ref-3)
3. See: [All you need to know about impact and legacy at Paris 2024: for the people, for the community and for the environment](https://www.olympics.com/ioc/news/all-you-need-to-know-about-impact-and-legacy-at-paris-2024-for-the-people-for-the-community-and-for-the-environment) [↑](#footnote-ref-4)