



INTERNATIONAL VISITORS IN AUSTRALIA

YEAR ENDING JUNE 2019

VISITORS ▲3%
8.6 MILLION

NIGHTS ▲1%
273 MILLION

SPEND ▲5%
\$44.6 BILLION

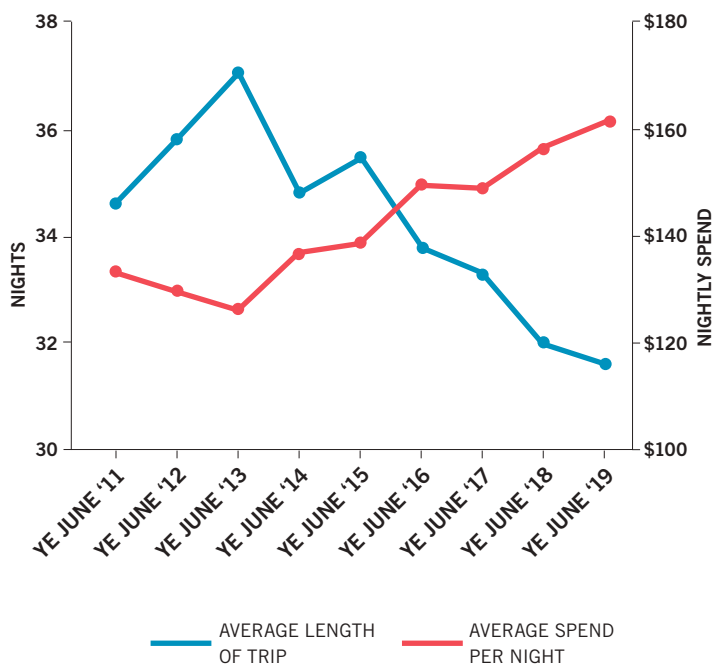
Australia continued to see record numbers of international visitors over the year to June 2019. There were 8.6 million visitor arrivals (aged 15 years and over), 3% more than the previous year. This supported strong growth of 5% in total trip spend, which reached a record \$44.6 billion.

Leading contributors to increased spend were food, drink and accommodation (up 6% to \$13.4 billion), international airfares (up 8% to \$10.1 billion) and education fees (up 8% to \$6.8 billion). Growth in visitor nights was a modest 1%, reaching 273 million nights, which continues a trend towards shorter trips with greater spend per night.

TRIP LENGTH

The average length of international trips has fallen six nights over the last six years to 32 nights. Over the same period, average spend per night has increased 26% from \$129 to \$163. The shift to shorter trips with greater daily spend has been evident among visitors travelling for the purpose of holiday, business and education, but not those visiting friends or relatives (VFR) or for employment who generally have much lower costs per night.

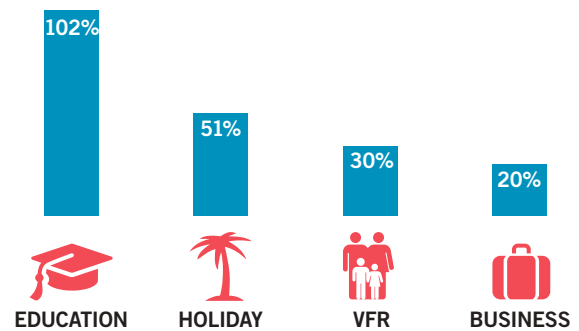
FIGURE 1: AVERAGE LENGTH OF TRIP AND SPEND PER NIGHT



REASON FOR TRAVEL

Growth in international tourism continues to be led by education and holiday travel (Figure 2). Over the year, the number of education visitors increased 5% to 586,000, and their spend was up a stronger 8% to a record \$12.7 billion. Holiday visitors were up 4% to almost 4 million, while their spend grew 6% to a high of \$16.9 billion.

FIGURE 2: GROWTH IN SPEND BY PURPOSE, JUNE 2014 TO 2019



TOP 5 MARKETS

There were mixed results for Australia's top 5 markets over the year. Growth was impressive for the Japanese market, with visitors up 9% to 445,000, and spend up 16%, reaching \$2.0 billion. The US also saw a solid 3% increase in visitors to 764,000, along with stronger growth of 9% in spend to a new high of \$4.0 billion.

Led by those visiting for education, spend for the China market grew 6% to \$11.9 billion. However, visitor numbers were up just 1% to 1.3 million.

Growth for New Zealand was moderate, with visitors up 2% to 1.3 million, and spend up 1% to \$2.6 billion. The UK market continued to decline, with visitors down 4% to 674,000, and spend down 3% to \$3.4 billion.

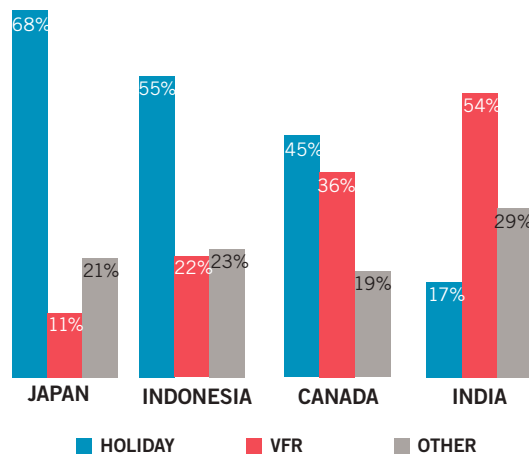


GROWING MARKETS

There are a few markets that have yielded consistently high growth over the last three years. India, in particular, has seen visitor numbers increase 53% to 350,000, and spend increase 68% to \$1.8 billion over this period. Other countries that have performed well include Canada (visitors up 32%), Indonesia (up 32%), and Japan (up 27%).

Holiday travel has led the growth in visitation for each of these markets – except for India, where VFR has driven growth. In each case the same purpose of visit driving growth accounts for the largest share of visitation to Australia (Figure 3).

FIGURE 3: SHARE OF VISITORS BY PURPOSE, YE JUNE 2019



Growth in the Canadian and Japanese markets has been beneficial for regional tourism. Visitors from Canada (51%) and Japan (42%) are more likely to venture outside of capital cities than the average tourist (34%).

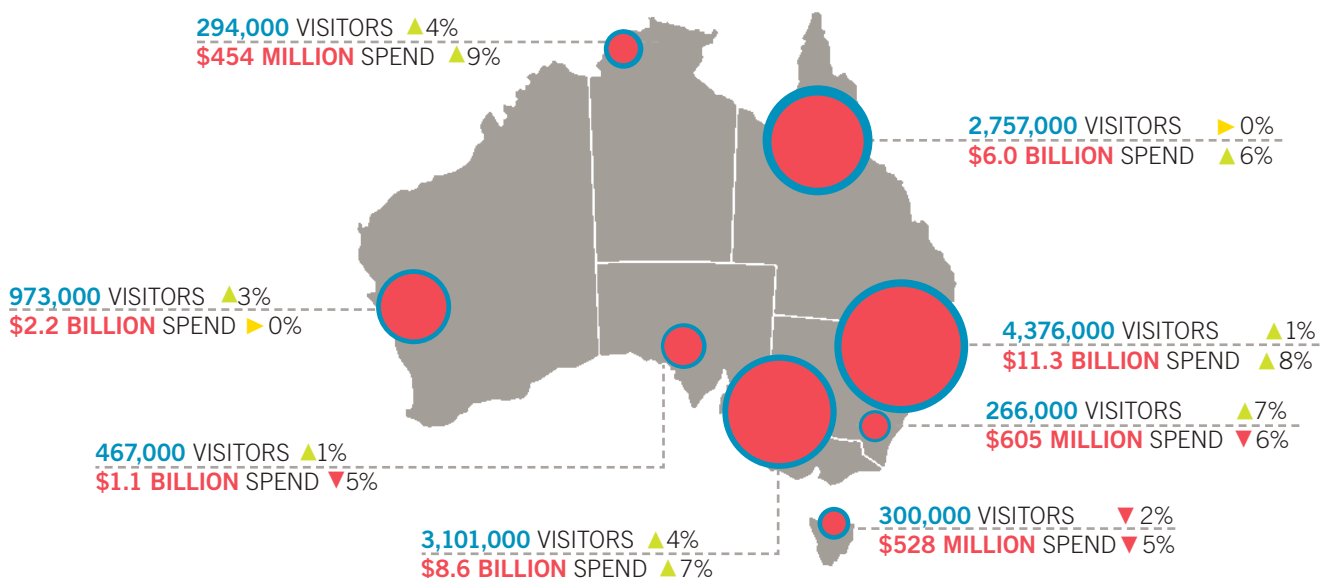
The rise in the Indian market has been gaining momentum. China aside, India has been the strongest performing market over the last 10 years, growing by 13% on average each year and more than tripling in size.

Growth has been fuelled by a large increase in VFR. More than half (54%) the Indian visitors in 2018–19 came to see friends and relatives, up from one-third (33%) ten years earlier. This is not surprising given India became the third most common overseas country of birth for Australians (592,000)¹ in the year to June 2018. There is also a large Indian student population in Australia.

STATES AND TERRITORIES

Led by the Australian Capital Territory, most states and territories recorded growth in visitor numbers for the year. Although Tasmania saw a small drop in visitor numbers (down 2%), this was on the back of four years of growth well above the national average. Growth in visitor spend was concentrated across fewer states and territories (Figure 4).

FIGURE 4²: INTERNATIONAL VISITORS AND SPEND BY STATE – YE JUNE 2019



1 ABS Cat. 3412.0, Migration Australia, 2017–18

2 Total number of visitors by state will be greater than the total number of visitors for Australia.