# TiCSA Tourism Barometer

**March quarter 2026**

TICSA
TOURISM INDUSTRY COUNCIL

LUCID ECONOMICS

## The fuel crisis hits the tourism industry in South Australia

After some promising gains last quarter, the Tourism Barometer has taken a turn with every indicator decreasing, which demonstrates the impact of the fuel crisis. The business outlook is now at its second lowest reading on record (only March 2020 registered a lower reading). Tourism businesses in South Australia continue to struggle amidst the cost of living crisis (which dampens demand), rising costs (which puts pressure on profit margins) and an unstable geo-political environment (which makes it difficult to have confidence in the future).

At the same time, visitor expenditure has continued to grow and now stands at $11 billion, a level it has never reached previously. Amidst the current uncertainty, international visitor numbers continue to grow as do overall passenger numbers through the Adelaide Airport.

As some respondents commented, hopefully the crisis in the Middle East will end soon and bring back some security and certainty regarding fuel. We could use some good news.

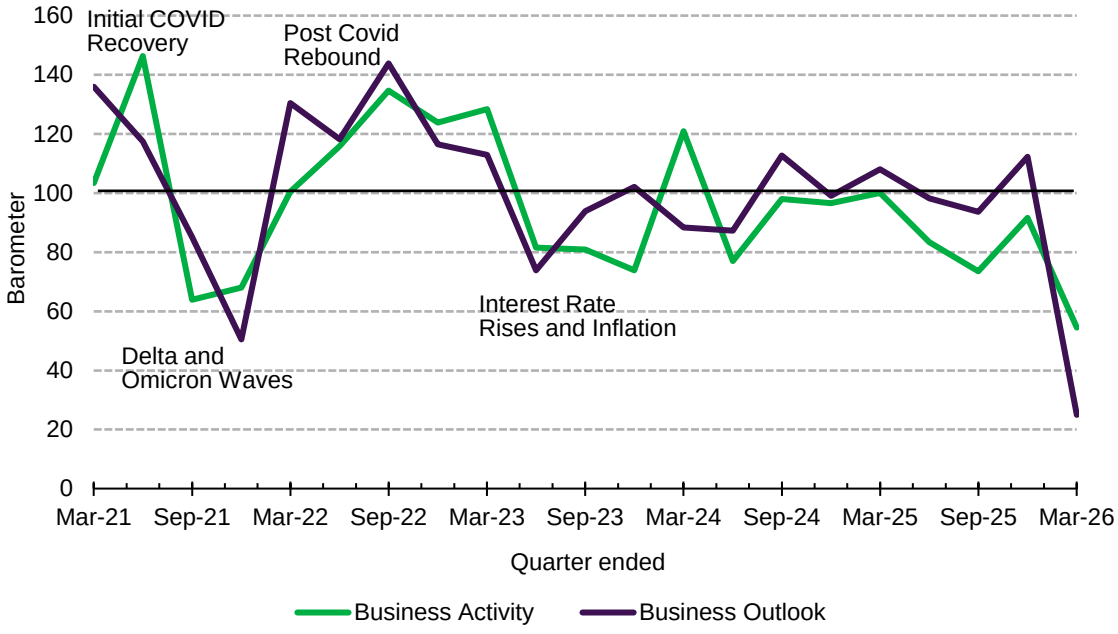
**Figure 1: TiCSA Tourism Barometer Dashboard Readings**

> 100 Positive
< 100 Negative

| | Business Activity | Business Outlook | Employment | Wages Bill | Investment |
|---|---|---|---|---|---|
| March 2026 | 54 | 25 | 75 | 133 | 87 |
| Change from previous quarter | -37 | -87 | -32 | -1 | -30 |

Source: Tourism Industry Council South Australia

**Figure 2: TiCSA Tourism Barometer**




Source: Tourism Industry Council South Australia

## Business Activity (Last Three Months)

The main reasons for the positive performance in the March quarter were:

- Accessing new markets;
- High season / coming out of low season;
- Increased digital presence;
- Increase in intrastate travel; and
- Local events in the area.

*"We have diversified our markets."*

*"Events and corporates are holding up better than leisure."*

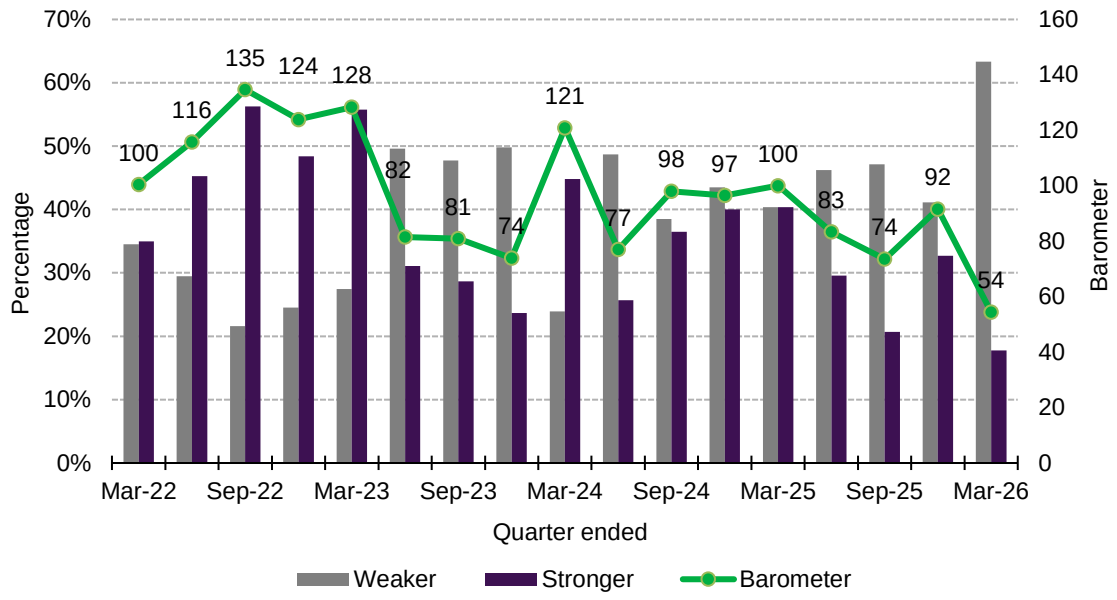
The main reasons for the negative performance in the March quarter were:

- Decreased visitors to the area;
- Weaker economy;
- Lack of consumer confidence;
- High cost of travel to the destination; and
- Transport and access issues.

*"People are around, but they're just not spending money."*

*"I've had cancellations due to fuel uncertainty."*

**Figure 3: Business Activity in the Last Three Months**



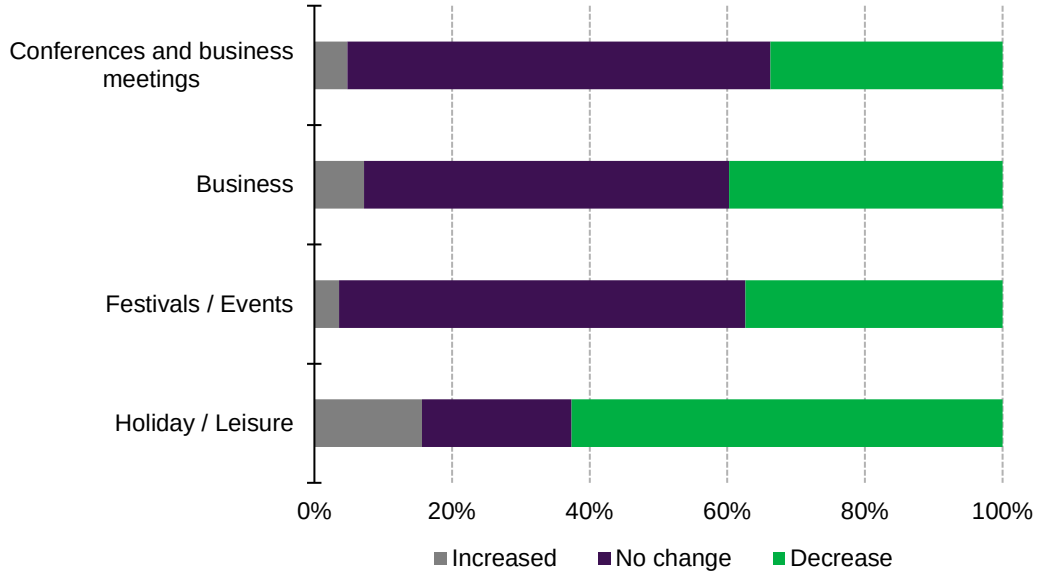

Source: Tourism Industry Council South Australia.

## Business Activity by Market Segment (Last Three Months)

The sharp decline in the headline index was also reflected in the market segments, where all recorded index levels of well below 100 in the March quarter.

The "Holiday / Leisure" segment reported the weakest conditions in the quarter, with just 16% of operators within the segment reporting an increase in activity, while 63% reported a decrease in activity.

## Figure 4: Business Activity – By Market Segment (March quarter 2026)

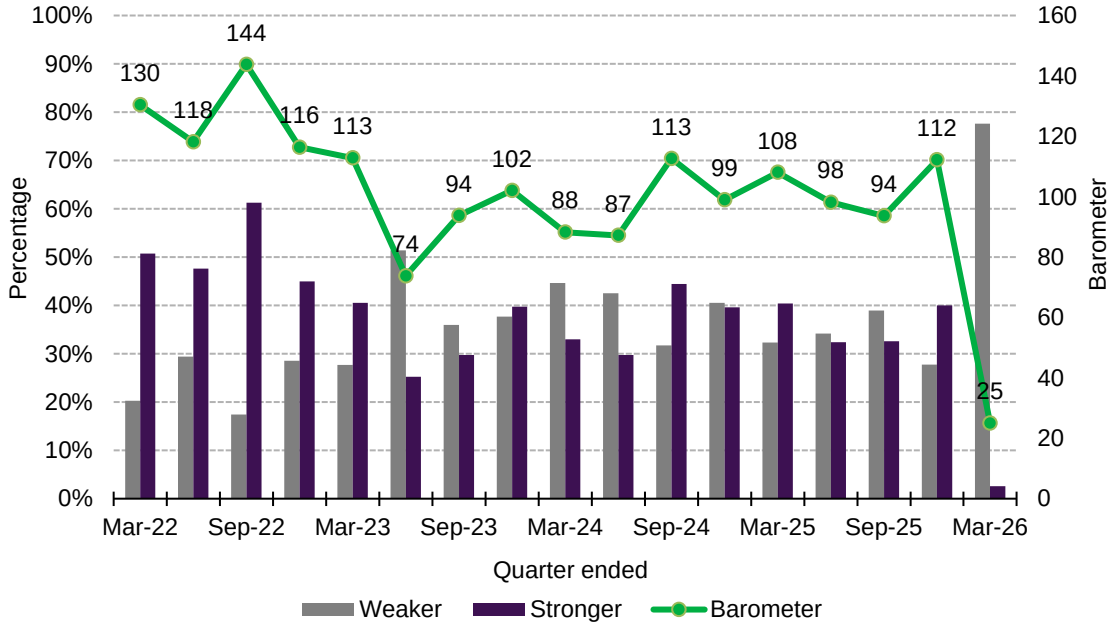



Source: Tourism Industry Council South Australia

## Business Outlook (Next Three Months)

On the back of incredibly weak Business Activity, the Business Outlook is now at its second lowest point on record (dating back to 2010) and the March quarter 2020 was the only time the Business Outlook was worse. The Tourism Barometer revealed that two-thirds of respondents were “extremely concerned” or “very concerned” about the effects of the Middle East conflict and rising fuel prices on their businesses. In response, nearly three-quarters reported absorbing higher costs or cutting margins, while about a third reduced staff and hours.

## Figure 5: Business Outlook for the Next Three Months

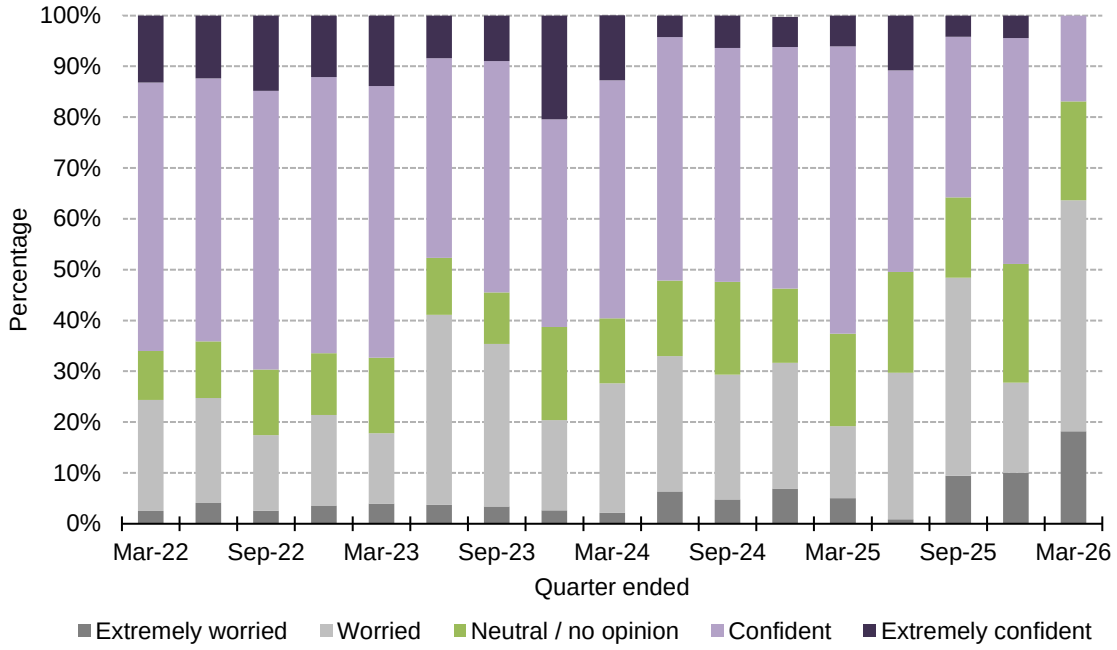



Source: Tourism Industry Council South Australia

## Business Outlook (Next 12 Months)

The business outlook for the next 12 months was no less gloomy, ranking as the third lowest on record. The proportion of businesses 'extremely worried' or 'worried' rose to 64% from 28% in the December quarter, the highest proportion since March quarter 2020.

**Figure 6: Business Outlook for the Next Twelve Months**




Source: Tourism Industry Council South Australia

**Table 1: The Top Factors Influencing the Future Outlook**

| Positive Factors | Negative Factors |
|---|---|
| • Diversified markets;<br>• Stronger demand later in the year;<br>• Uplift in business capability;<br>• Regions close to Adelaide benefiting due to lower fuel costs for travel; and<br>• Some hope global conditions improve. | • Fuel prices and uncertainty;<br>• Cost-of-living crisis;<br>• Lack of consumer confidence;<br>• Rising operating costs; and<br>• On-going disruption / perception shocks |

Source: Tourism Industry Council South Australia

*"Strong group and event-related business is really helping us."*

*"International is up, even if domestic is down."*

*"We have invested a lot into marketing and creating a strong brand, which is supporting us now."*

*"Fuel prices and uncertainty are killing confidence to travel."*

*"Consumer confidence isn't there at the moment."*

*"The fuel crisis has completely stopped forward bookings."*

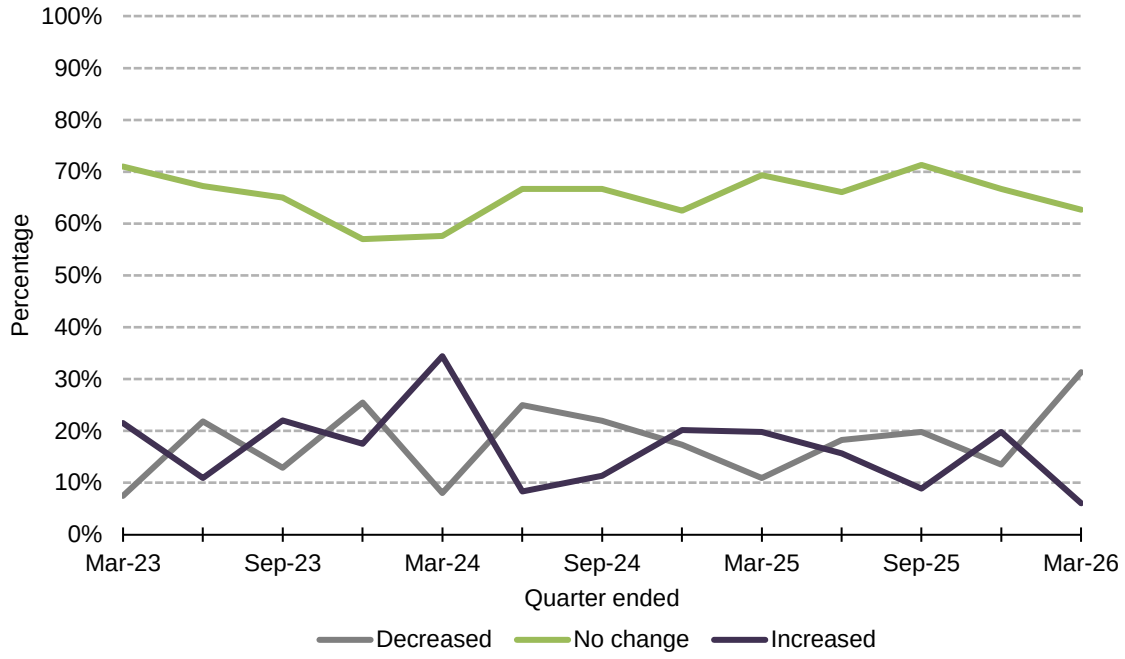
*"People just don't have the disposable income to travel right now."*

*"June and July are basically empty when they should be filling now."*

## Employment and Wages

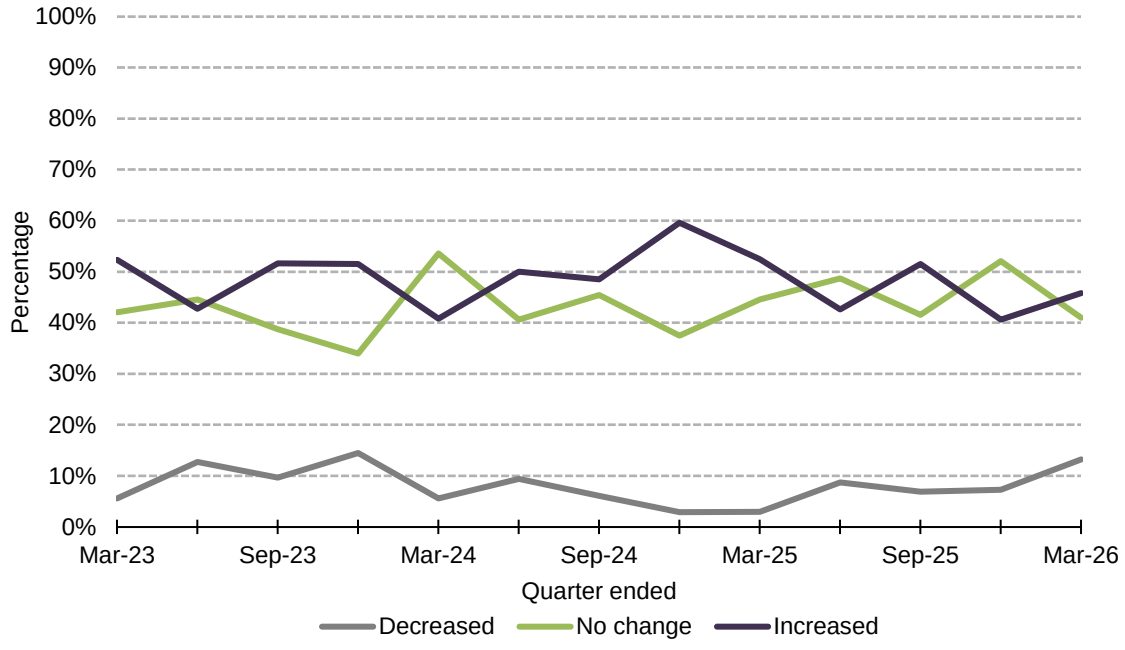
Reflecting the enormous uncertainty in the domestic and international economic outlooks, tourism businesses reporting a decrease in their employment rose to 31% in the quarter, up sharply from 14% in the December quarter. On wages, the March quarter also saw an increase in the proportion of respondents reporting a decrease in their wage bill.

### Figure 7: Employment Trends




Source: Tourism Industry Council South Australia

### Figure 8: Wages Bill

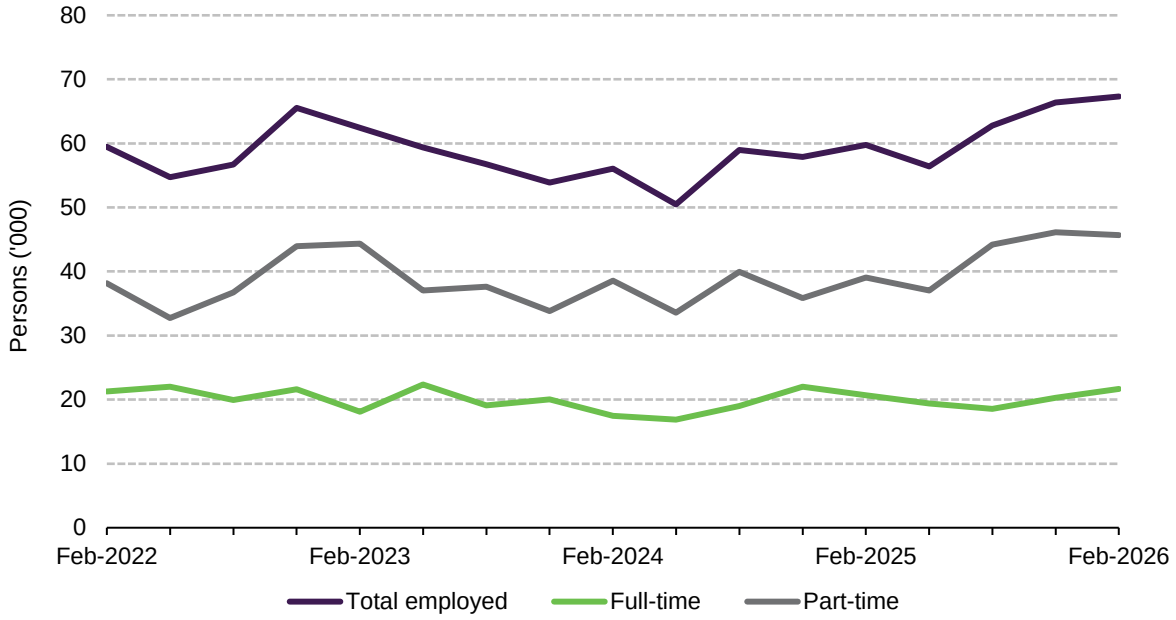



Source: Tourism Industry Council South Australia

Data from the ABS *Labour Force Survey* showed total employment in South Australia in the accommodation and food services industry rose 900 persons to 67,300 in February quarter 2026.

Strong industry employment growth over the past year (up 7,600 persons, or 12.7%) has resulted in total employment now surpassing the previous peak recorded in November quarter 2022.

**Figure 9: SA Employment, Accommodation and Food Services Industry**

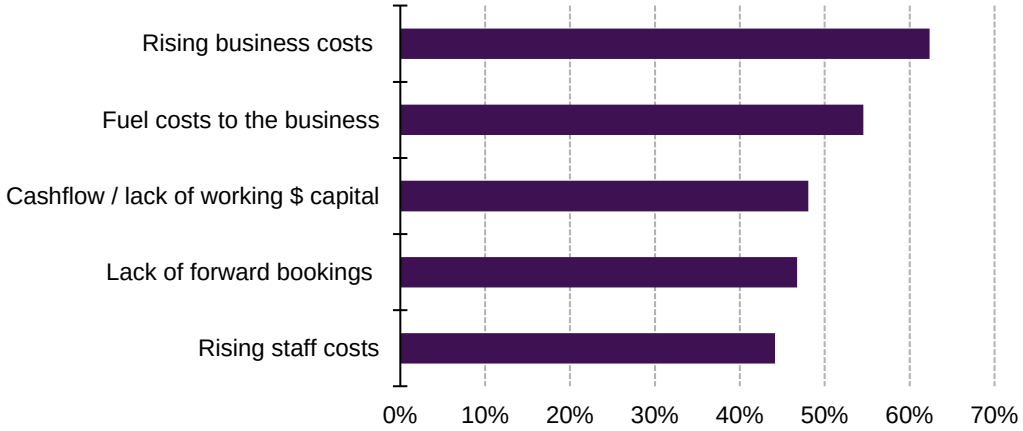



Source: ABS Labour Force, Australia, Cat. No. 6291.055.003

## Key Challenges for Tourism Businesses in SA

Similar to recent Barometers, survey respondents continued to cite rising business, fuel and staff costs, but now there is also a lack of forward bookings and business activity, reflecting the current state of the market.

**Figure 10: Key Challenges Facing Tourism Businesses**

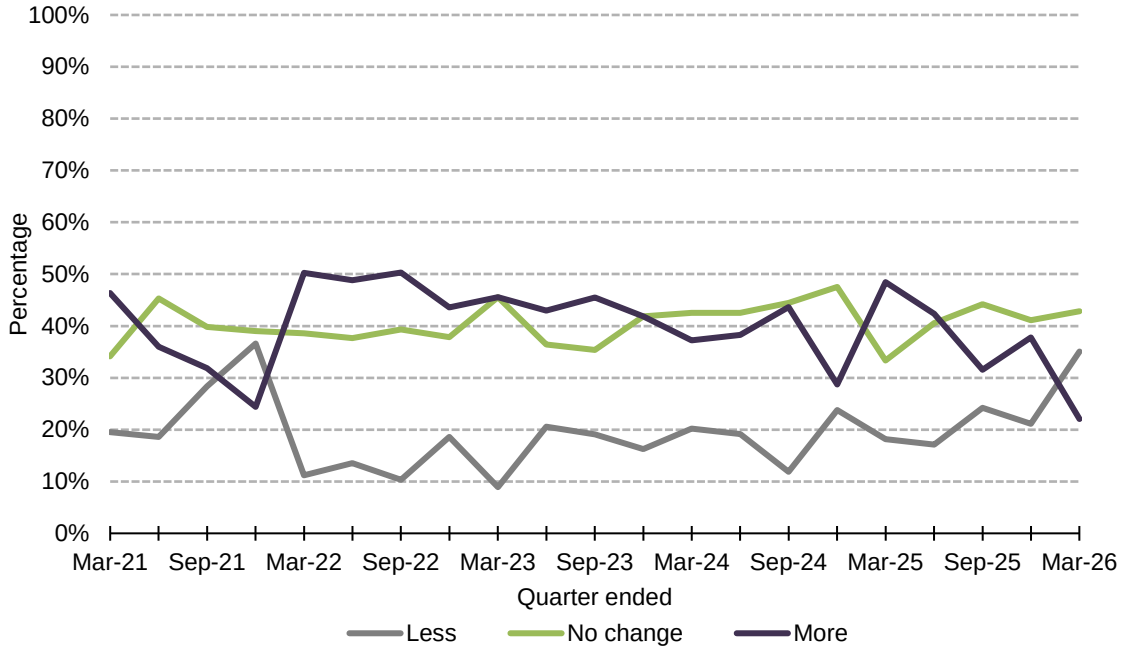



Source: Tourism Industry Council South Australia

## Investment Outlook

Planned investment intentions deteriorated significantly in the quarter, as expected given the heightened level of uncertainty around the domestic and international economic outlooks. The overall Index level fell to 87, the lowest index level outside of the COVID-19 pandemic and well below the pre-COVID average of around 129.

### Figure 11: Planned Investment




Source: Tourism Industry Council South Australia

**Statistical Note:**
The TiCSA Tourism Barometer March quarter 2026 survey was conducted online 8-15 April 2026. A total of 122 responses were received, representing a margin of error of +/- 8.8% at a confidence level of 95%.

## Airport Passengers

More than 9 million total passengers passed through Adelaide Airport in the year ending March 2026, growing 5.0% compared with a year earlier. The Airport continues to see strong growth in international passenger numbers as well as increasing domestic travellers.

### Table 2: Adelaide Airport Quarterly Passenger Statistics

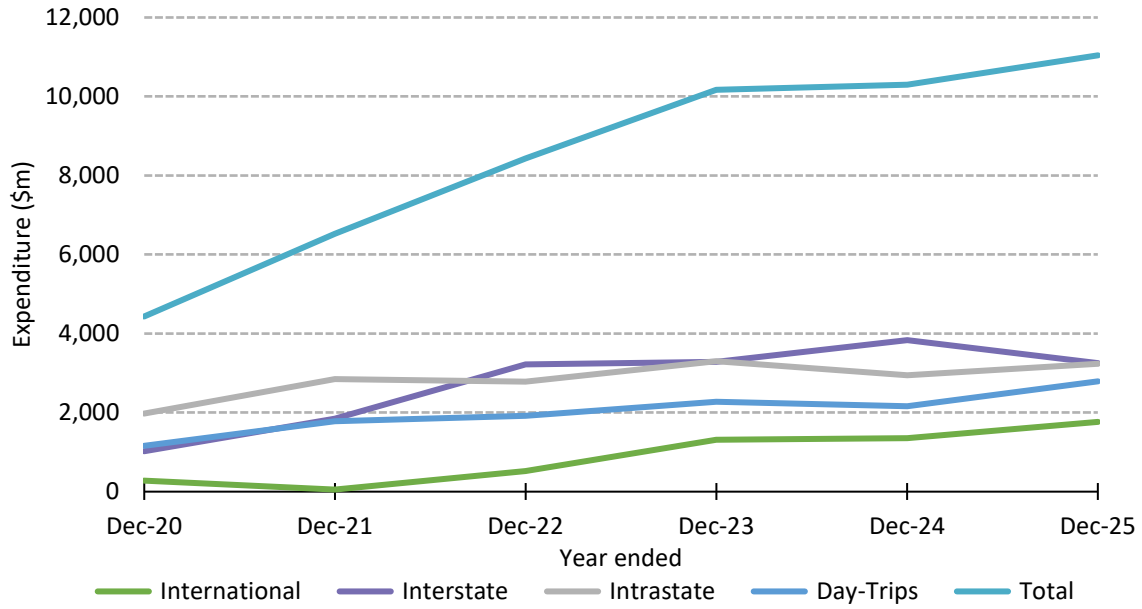
| | Passengers ('000) | | |
|---|---|---|---|
| | **YE Mar-26** | **YE Mar-25** | **Growth (%)** |
| Domestic | 7,863 | 7,679 | 2.4% |
| International | 1,240 | 992 | 25.0% |
| **Total** | **9,102** | **8,671** | **5.0%** |

Note: Domestic movements include regional.
Source: Adelaide Airport (2026)

## Visitation and Expenditure

Visitor expenditure in South Australia continued to gradually strengthen in the year ending December quarter 2025 (which predates the conflict in the Middle East) despite the Algal Bloom and some flooding events earlier in the year impacting visitor numbers. Total visitor expenditure rose 7.3% to $11.0 billion in the year. The increase was driven by a 29% rise in day-trip expenditure and a 31% increase in international expenditure, with these increases more than offsetting a 15% decline in interstate overnight visitor expenditure in the year.

**Figure 12: Visitor Expenditure by Type, South Australia**




Note: Year ending December.
Source: Tourism Research Australia.

**Note on recent changes to tourism data**

Domestic Tourism Statistics (DoTS) is the new Tourism Research Australia (TRA) collection for reporting Australian-resident travel statistics. It started on 1 January 2025, replacing the National Visitor Survey (NVS), which wound up at the end of 2024.

DoTS measures Australian-resident tourism through:

- Mobility data on travel movement;
- Overseas arrivals and departures data on Australians' outbound travel; and
- Survey data from the new face-to-face and online DoTS Australian-resident travel surveys.

AusTrade has moved to DoTS as the NVS no longer provided a viable data collection option for measuring Australian-resident travel. Australians' willingness to participate in phone surveys like the NVS had plunged, reducing representativeness and quality. Lower response rates had also made phone surveys more costly.

TRA have stated that domestic tourism results have been back-cast at the national and state and territory levels for trips, nights and spend, providing a time series back to the year ending March 2020.

The latest visitor data for the year ending December quarter 2025 show a decline in intrastate overnight visitation from the prior year, but solid increase in day-trip (up 6%), interstate overnight (up 9%) and international (up 1%) visitation. The strong increase in the interstate domestic overnight market is promising given these visitors are typically higher yielding.

However, visitor nights fell for both interstate and intrastate domestic overnight visitors, however there was strong growth amongst international visitors.

**Table 3: Visitors and Nights by Type, South Australia (2025)**

| | Visitors | Holiday | VFR | Business | Visitor Nights |
|---|---|---|---|---|---|
| **Day-Trip** | **16,385** | **8,701** | **5,015** | **944** | |
| Annual % Change | 6.1% | 14.4% | 8.9% | -26.3% | |
| 3-year trend % Change | 4.1% | 7.9% | 5.7% | -13.8% | |
| 5-year trend % Change | 6.2% | 9.8% | 10.8% | -11.5% | |
| **Intrastate Overnight** | **5,720** | **2,856** | **1,831** | **525** | **16,438** |
| Annual % Change | -3.6% | 4.7% | 5.2% | -45.9% | -4.0% |
| 3-year trend % Change | -0.8% | 1.3% | 4.0% | -21.6% | -1.9% |
| 5-year trend % Change | 1.3% | 1.8% | 4.4% | -10.2% | 0.5% |
| **Interstate Overnight** | **2,134** | **850** | **774** | **410** | **8,803** |
| Annual % Change | 8.6% | 22.0% | 41.5% | -32.6% | -0.7% |
| 3-year trend % Change | 6.7% | 8.2% | 13.6% | -4.8% | 0.1% |
| 5-year trend % Change | 23.9% | 29.4% | 26.9% | 13.8% | 17.5% |
| **International** | **445** | **155** | **178** | **47** | **14,721** |
| Annual % Change | 1.2% | -3.4% | -1.3% | 10.2% | 8.3% |
| 3-year trend % Change | 35.1% | 57.2% | 24.0% | 23.0% | 38.6% |
| 5-year trend % Change | 33.3% | 26.3% | 43.7% | 36.5% | 38.4% |
| **Total** | **24,684** | **12,562** | **7,798** | **1,926** | **39,962** |
| Annual % Change | 3.8% | 12.3% | 10.2% | -33.7% | 1.0% |
| 3-year trend % Change | 3.4% | 6.6% | 6.3% | -14.3% | 8.0% |
| 5-year trend % Change | 6.1% | 8.5% | 10.5% | -7.6% | 11.8% |

Note: Year ending December.
Source: Tourism Research Australia

Despite the strong rise in domestic interstate overnight visitors, domestic interstate overnight expenditure fell 15% in the year ending December 2025, driven by a 22% decline in overnight yield for this visitor type. Falling yields suggest that after a period of sharp price increases, visitors are no longer able to absorb increases in travel expenses and are cutting back on expenditure.

As demonstrated through previous Barometers, recent price escalations from tourism operators have largely been due to tourism businesses increasing prices to address a range of rising business costs.

**Table 4: Expenditure and Yield, South Australia, by Type (YE December 2025)**

| | Expenditure ($m) | Yield ($/visitor) | Yield ($/night) | Market Share Visitors (%) | Market Share Expenditure (%) |
|---|---|---|---|---|---|
| **Day-Trip** | **$2,788** | **$170** | | **5.9%** | **6.0%** |
| Annual % Change | 28.8% | 21.4% | | 6.1% | 5.6% |
| 3-year trend % Change | 13.4% | 8.9% | | 6.2% | 5.7% |
| 5-year trend % Change | 19.3% | 12.3% | | 6.5% | 5.9% |
| **Intrastate Overnight** | **$3,238** | **$570** | **$197** | **6.3%** | **5.5%** |
| Annual % Change | 9.9% | 14.8% | 14.2% | 7.0% | 4.8% |
| 3-year trend % Change | 5.2% | 6.4% | 7.2% | 6.9% | 4.9% |
| 5-year trend % Change | 10.4% | 9.1% | 9.7% | 7.4% | 5.7% |
| **Interstate Overnight** | **$3,255** | **$1,527** | **$358** | **7.2%** | **6.9%** |
| Annual % Change | -15.1% | -21.8% | -17.2% | 7.0% | 8.0% |
| 3-year trend % Change | 0.4% | -5.9% | -0.7% | 6.8% | 7.3% |
| 5-year trend % Change | 26.1% | 1.8% | 6.7% | 6.1% | 7.7% |
| **International** | **$1,761** | **$3,957** | **$120** | **5.4%** | **3.2%** |
| Annual % Change | 30.6% | 29.2% | 20.6% | 5.8% | 2.8% |
| 3-year trend % Change | 50.2% | 11.3% | 8.3% | 5.3% | 2.6% |
| 5-year trend % Change | 44.5% | 8.4% | 4.4% | 6.2% | 2.5% |
| **Total** | **$11,042** | **$448** | **$274** | **6.2%** | **5.3%** |
| Annual % Change | 7.3% | 3.5% | 5.4% | 6.3% | 5.2% |
| 3-year trend % Change | 9.4% | 5.9% | 1.1% | 6.4% | 5.4% |
| 5-year trend % Change | 20.0% | 13.2% | 7.2% | 6.7% | 5.7% |

Note: Market share represents the historical market share currently, for the previous year and from three/five years ago.
Source: Tourism Research Australia.

**Report prepared in partnership with Lucid Economics.**

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