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Department of Industry
Tourism and Resources
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Impact

A MONTHLY FACT SHEET ON THE ECONOMIC IMPACT OF TOURISM AND THE LATEST VISITOR ARRIVAL TRENDS

Latest Inbound Visitor Movements

Note: The figures below are based on modelled estimates of short-term visitor arrivals for September 2004 and final figures for previous periods.

- The ABS estimates that 390 200 international visitors arrived in Australia during September. This was an increase of 1.2% over September last year.
- This increase is lower than the increases experienced in recent months, as September 2003 saw a recovery from the negative effects of SARS and the Iraq war, thus providing a higher base comparative figure.
- A number of our major source markets, which contributed to the recovery in September last year, provided lower numbers this year.
- In particular, Malaysia (down 42.1%), Taiwan (down 35.0%), Indonesia (down 17.7%) and Singapore (down 18.3%), had sharp falls.
- On the other hand, Thailand (up 42.0%) performed well, although this was off a poor arrival figure in the same month last year.
- New Zealand (up 22.9%) continued the strong growth which it has been providing for the past year.
- Both Japan (up 4.5%) and China (up 3.3%) continued their growth, but at a much lower rate than experienced in previous months.
- Our more traditional markets of Europe and the USA had falls, although these markets were not so adversely affected by SARS and Iraq last year.
- For the nine months, January to September, total visitor arrivals are up by 12.7% over last year.
- In this period, all major source markets are showing an increase, except Singapore, which continues its long term trend of falling numbers.
- The Tourism Forecasting Council has forecast an increase of 9.9% for the year 2004 over 2003.
- To achieve this forecast, an increase of 3.7% in arrivals is needed over the remaining three months of the year.
- While increasing oil prices and other indicators are suggesting a possible slowing down in the global economy in the not too distant future, this level of growth over the next three months appears to be reasonably achievable.

Major Statistical Publications

Recent Releases

- Tourism Expenditure by domestic visitors in Australian regions, 2001, 2002, 2003, TRA, 22 September 2004.
- International Visitors in Australia, Quarterly results of the International Visitor Survey, June quarter 2004, TRA, 23 September 2004.
- Tourist Accommodation Australia, June Quarter 2004, (Cat No. 8635.0), ABS, 30 September 2004.
- Overseas Arrivals and Departures, August 2004 final, (Cat. No. 3401.0), ABS, 14 October 2004.
- Short-term Visitor Arrival Estimates, Australia, September 2004 (Cat No. 3401.0.55.001), ABS, 18 October 2004.

Upcoming Releases

- Combined annual results of the National and International Visitor Surveys 2003, TRA, 19 October 2004.
- Overseas Arrivals and Departures, September 2004 final, (Cat. No. 3401.0), ABS, 15 November 2004.
- Short-term Visitor Arrival Estimates, Australia, October 2004 (Cat No. 3401.0.55.001), ABS, 17 November 2004.
- Economic Contribution by Inbound Market Segments 2001-2002, TRA, Mid November 2004.
- Tourism Expenditure by International Visitors in Australia's Regions, 2003, TRA, Mid November 2004.

OVERSEAS VISITOR ARRIVALS (ABS Catalogue numbers 3401.0.55.001 and 3401.0)

	% CHANGE ON PREVIOUS YEAR			SEP (e)	JAN-SEP (e)	YEAR 2003
	SEP (e)	JAN-SEP	2003			
Japan	4.5	19.0	-12.3	55 400	517 600	627 700
China	3.3	52.6	-7.3	15 500	179 400	176 100
Hong Kong	-	-	-14.3	-	-	129 300
Korea	-3.5	4.2	9.3	13 900	153 500	207 300
Taiwan	-35.0	15.8	-10.0	5 200	76 300	87 700
Indonesia	-17.7	0.0	1.0	5 100	60 900	90 300
Malaysia	-42.1	12.1	-2.1	10 600	117 300	155 600
Singapore	-18.3	-4.2	-11.7	15 600	161 500	253 400
Thailand	42.0	11.3	-11.5	7 100	61 100	73 200
Other Asia	-	-	-0.4	-	-	116 200
UK	-4.6	3.3	4.7	41 300	443 300	672 800
Germany	-6.7	0.3	2.3	11 100	95 300	137 900
Other Europe	-6.3	7.2	-0.4	31 000	281 700	401 300
USA	-2.2	3.5	-2.9	26 500	321 100	422 100
New Zealand	22.9	26.2	6.2	105 600	751 800	839 100
Rest of World	-	-	-0.6	-	-	355 900
Total	1.2	12.7	-2.0	390 200	3 686 600	4 745 900

e modelled estimates - not available

TOURISM PROFILE

Data updated on this page since the previous issue is printed in **bold italics**

ECONOMIC IMPACT OF TOURISM

Sources:

ABS Catalogue No. 5249.0 "Tourism Satellite Account: Australian National Accounts 2002-03".
BTR Tourism Research Report, Vol 5, No 2, 2004.

Directly in 2002-03:

- Tourism consumption amounted to \$73.3 billion, an increase of 3.0% over 2001-02. International tourism accounted for 23% and domestic tourism 77% of tourism consumption.
- Tourism directly accounted for 4.2% of expenditure on Gross Domestic Product (GDP) and 3.8% of Gross Value Added (GVA).
- Tourism was directly responsible for the employment of 540,700 persons (5.7% of all those employed), an increase of 1.3% over 2001-02.
- International visitors to Australia consumed \$16.7 billion worth of products, a decrease of 2.4% on 2001-02. This was 11.2% of total export earnings.

Indirectly in 2001-02:

- Tourism indirectly created an additional 3.8% of total GDP and 4.1% of GVA.
- Tourism indirectly resulted in a further 379,700 jobs.

OTHER

Sources: Various ABS and TRA publications

DOMESTIC TOURISM

In the June quarter 2004:

- Residents aged over 15 years took 19.0 million overnight trips in Australia, up 2.8% on June 2003.
- Residents spent 67.0 million nights away from home, a fall of 0.3% on the same quarter in 2003.

In 2003-04:

- Residents aged over 15 years took 74.4 million overnight trips in Australia, down 1.1% on 2002-03.
- Residents spent 295.9 million nights away from home, a fall of 2.3% on 2002-03.
- Overnight and day visitors spent \$50.8 billion, a decrease of 3.4%. (TRA)

INTERNATIONAL OUTBOUND TOURISM

- In 2003, 3 388 000 Australians visited overseas, a decrease of 2.1% on 2002.
- In July 2004, 379 500 Australians visited overseas, an increase of 28.0% on July 2003. (ABS)

INTERNATIONAL INBOUND TOURISM

In the June Quarter 2004:

- **1.0 million international visitors aged over 15 stayed a total of 26.7 million nights. This was an increase of 24.9% in visitors and 34.8% in visitor nights compared to the June quarter 2003.**
- **International visitors spent \$2.4 billion on Australian products (excluding pre-paid packages and international airfares). (TRA)**

In 2003-04:

- **4.7 million international visitors aged over 15 stayed a total of 132.1 million nights. This was an increase of 9.0% in visitors and 13.8% in visitor nights compared to 2002-03.**
- **International visitors spent \$12.0 billion on Australian products (excluding pre-paid packages and international airfares), an increase of 8.5% over 2002-03. (TRA)**

HOTELS AND MOTELS

In the June quarter 2004:

- **Room nights occupied were up 6.1% on the June quarter 2003.**
- **Average room occupancy rate rose to 58.4% up from 55.3%. (ABS)**

In 2003-04:

- **The number of room nights occupied in hotels, motels, guesthouses and serviced apartments increased by 7.5% to 45.8 million.**
- **Yield (Takings per room night available) was \$74.50, up 8.8% on 2002-03.**
- **Average room occupancy rate was 61.5% (58.9% in 2002-03).**

TOURISM BUSINESSES

- In 1998, the number of businesses in tourism related industries was 353 473. Businesses with fewer than 20 employees accounted for 91% of these. (TRA)

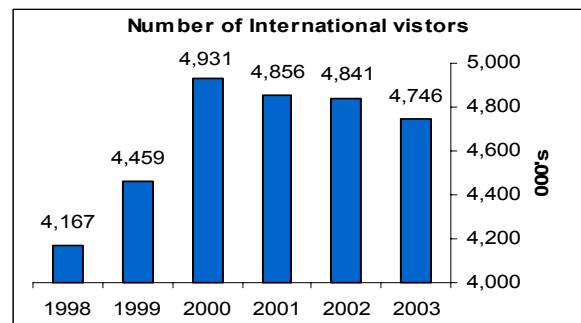
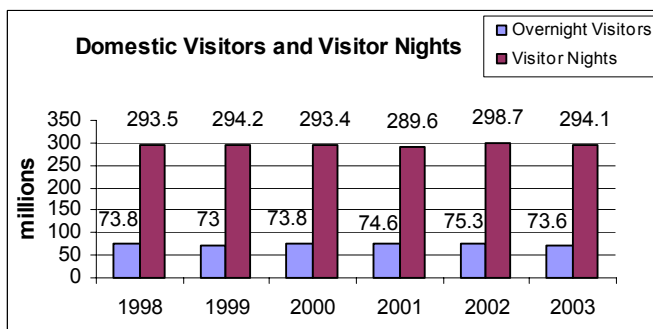
NEW INVESTMENT IN HOTELS AND MOTELS

- **From 1996-97 to 2003-04 the value of building work done in hotels and similar establishments was \$1 000m, \$1 052m, \$1 233m, \$1 213m, \$483m, \$478m, \$696m and \$858m respectively. (ABS)**
- **In the June quarter 2004, the value of work done was \$232.2m, up 10.7% on the June quarter 2003. (ABS)**

RESEARCH AND DEVELOPMENT EXPENDITURE IN TOURISM

- The ABS estimates that in 2002-03, R&D expenditure with a tourism objective totalled \$22.7 million. (ABS)

TRENDS



LONG RANGE FORECASTS (Tourism Forecasting Council, April 2004)

International visitors from all markets:	4.7 million in 2003 to 8.7 million in 2013, with 6.2% average annual growth for this period
International visitors from Asia:	1.9 million in 2003 to 4.2 million in 2013, with 8.1% average annual growth for this period
International visitors from Europe:	1.2 million in 2003 to 1.9 million in 2013 with 4.5% average annual growth for this period
International visitors from New Zealand:	0.8 million in 2003 to 1.2 million in 2013 with 3.3% average annual growth for this period
International visitors from North America:	0.5 million in 2003 to 0.9 million in 2013 with 6.0% average annual growth for this period
International visitors from rest of world:	0.2 million in 2003 to 0.3 million in 2013, with 4.8% average annual growth for this period
Domestic visitor nights:	294 million in 2003 to 325 million in 2013 with 1.0% average annual growth for this period