

# SOUTH AUSTRALIA











## The Value of Tourism

Pondalowie Bay, Yorke Peninsula

ADELAIDE  
SOUTH AUSTRALIA

Government  
of South Australia  
South Australian  
Tourism Commission

Year ending March 2020 — Date: 8th July 2020

\$	\$7.8B	Tourism Expenditure
	<1k	International seats into Adelaide each week
	441k	International visitors
	9.7k	Domestic seats into Adelaide each week
	2.8M	Interstate visitors
	4.9M	Intrastate trips
	17.2M	Domestic day trips
	15.2k	Hotel rooms
	18k	Tourism business across the state
	\$187k	In tourism expenditure = 1 directly employed
	40.5k	Directly employed, (to grow direct employment by 16,000 jobs by 2030)

**Sources:** International and National Visitor Survey, Tourism Research Australia, Canberra; State Tourism Satellite Accounts 2018-19, Tourism Research Australia, Canberra; Accommodation data sourced from STR for 10+ rooms, for the Year to March 2020, Airline data is based on seasonal schedules and is subject to change without notice.

**Notes:** For details of the NVS methodology changes in this release please refer to <https://www.tra.gov.au/domestic/domestic-tourism-results>

#### **2020 Crises: An Unprecedented Impact**

Leading up to the crises of 2020, the Visitor Economy in South Australia was growing strongly with the record setting December 2019 result of \$8.1 billion in visitor expenditure. This was the achievement of some significant milestones one year early, including the headline target of \$8.0b, the Regional target of \$3.55b and the Nature Based Tourism target of \$1.4b. The tourism jobs target of 41,000 was also very nearly achieved before the crisis began.

However, we now live in a very different world. The South Australian Visitor Economy is in the middle of the most severe contraction of tourism on record. While we have already seen significant drops when comparing the current results (year to March 2020) to the 2019 calendar year, far more significant declines will be felt in future releases with the closure of international and interstate borders.

In early January 2020, when Australian attention was heavily focussed on the catastrophic bushfires, the COVID-19 crisis was beginning to spread outside of China, with Australia instituting China-specific restrictions in late January, which led to the eventual cancellation of all Adelaide-bound flights commencing with China Southern on 11<sup>th</sup> February.

This was followed in March with mandatory quarantine requirements and border closures, resulting in significant impacts upon the intrastate and interstate markets respectively.

As such, the latest data, the 12 months to March 2020, is a story of two distinct phases, with the 2019 component showing growth in both the international and domestic markets, which is counterbalanced by severe drops in 2020.

#### **Total for year to March 2020**

Standard reporting normally compares the last 12 months against the previous 12 months, which for the latest data shows domestic-led growth. While correct, this can be misleading and may not usefully describe the current situation in South Australia. With this caveat noted, the SATC has continued to publish our standard reports to ensure that this data is available.

Total expenditure in the Year to March 2020 was \$7.8 billion, up 7 per cent for the previous Year to March 2019 (\$7.2b), but already down 4% compared to the Year to December 2019 (\$8.1b) as shown in the table below.

## Value of Tourism in South Australia

Year ending March 2020 — Date: 8<sup>th</sup> July 2020

Expenditure (\$)	South Australia				
	Year Ending Mar-19	Year Ending Mar-20	Change %	Year ending Dec-19	Mar-20 v Dec-19
International (\$)	1.1B	1.1B	-3%	1.2B	-12%
Interstate (\$)	2.5B	2.5B	3%	2.7B	-5%
Intrastate (\$)	2.1B	2.4B	14%	2.6B	-4%
Day Trips (\$)	1.6B	1.7B	11%	1.7B	5%
<b>Total Expenditure (\$)</b>	<b>7.2B</b>	<b>7.8B</b>	<b>7%</b>	<b>8.1B</b>	<b>-4%</b>

### Monthly data

To better assist in quantifying the impact of the Bushfires and COVID-19, Tourism Research Australia has commenced publishing monthly data.

Internationally, South Australian international expenditure declined by 35% in the March Quarter, with growth in January counterbalanced by heavy declines in February (-53%) and March (-40%) as restrictions came into effect. South Australian declines were in line with declines felt in New South Wales and slightly worse than Australian overall. COVID-19 as well as the heavy international reporting of bushfires are the key drivers of decline.

Domestic overnight expenditure (intrastate and interstate) contracted by 16% in the March quarter, with only mild declines in January (-4%), accelerating in February (-21%) and March (-31%). These declines were again comparable to NSW and slightly worse than nationally.

### South Australian Expenditure Composition, March 2020

Day Trips 22%

Intrastate 31%

Interstate 32%

International 14%

### National Visitor Survey March 2020

Expenditure (\$)	Australia			South Australia			
	Year Ending Mar-19	Year Ending Mar-20	Change %	Year Ending Mar-19	Year Ending Mar-20	Change %	Market Share
Interstate (\$m)	34,112	36,589	7%	2,455	2,523	3%	6.9%
Intrastate (\$m)	40,437	42,163	4%	2,140	2,443	14%	5.8%
Day Trips (\$m)	23,523	25,863	10%	1,566	1,741	11%	6.7%
<b>Total Expenditure (\$m)</b>	<b>98,072</b>	<b>104,615</b>	<b>7%</b>	<b>6,161</b>	<b>6,707</b>	<b>9%</b>	<b>6.4%</b>

## Value of Tourism in South Australia

Year ending March 2020 — Date: 8<sup>th</sup> July 2020

- South Australia attracted 7.8 million domestic overnight trips, up 11 per cent, and well above the national growth rate of 3 per cent.
- There were 26.9 million domestic nights in South Australia, a rise of 8 per cent on the previous year and above the national growth rate of 5 per cent.
- There were a record 17.2 million Day trips to and within South Australia, up 20 per cent and above the national growth rate of 9 per cent.
- Total domestic expenditure in South Australia rose to \$6.7 billion, up 9 per cent and above the national growth rate of 7 per cent.
- Day trips expenditure grew 11 per cent, ahead of the national growth rate of 10 per cent.

### International Visitor Survey March 2020

	Australia			South Australia			
	Year Ending Mar-19	Year Ending Mar-20	Change (%)	Year Ending Mar-19	Year Ending Mar-20	Change (%)	Market Share
Visits (000s)	8,534	8,051	-6%	457	441	-3%	5.5%
Nights (000s)	270,672	256,504	-5%	9,509	10,092	6%	3.9%
Expenditure (\$m)	30,601	28,544	-7%	1,088	1,058	-3%	3.7%

- The March year-end 2020 figures have been impacted by 2 months' worth of COVID-19 related restrictions and visitor data will only decline further as the year progresses.
- Visitation has fallen by 3 per cent to a record high 441,000.
- Expenditure has fallen by 3 per cent to \$1.1 billion.
- Nights have grown 6 per cent to 10.1 million.
- Chinese visitation fell by 24 per cent 50,000, nights fell 20 per cent to 1.9 million and expenditure fell 19 per cent to \$315 million.
- China has lost its place as our number one market for visits, with the UK moving to number one. China still provides the most nights and the largest expenditure to South Australia.
- The Indian market has grown across all metrics with visits up 66 per cent, nights up 40 per cent and expenditure up 40 per cent.
- Scandinavia has seen good growth in visits, nights and expenditure.
- France saw visits increase by 7 per cent, nights grow by 17 per cent and expenditure up 60 per cent.
- Visits from the US have fallen 17 per cent to 40,000, nights 10 per cent to 440,000 and expenditure 18 per cent to \$51 million.
- New Zealand visits are down 6 per cent, nights down 17 per cent and expenditure down 29 per cent.