

SOUTH AUSTRALIA











The Value of Tourism

Pondalowie Bay, Yorke Peninsula

ADELAIDE
SOUTH AUSTRALIA

Government of South Australia
South Australian Tourism Commission

Year ending March 2022 — Date: 29th June 2022

\$	\$6.1b	Tourism Expenditure
	5.0k	International seats into Adelaide each week
	24k	International visitors
	77K	Domestic seats into Adelaide each week
	1.5M	Interstate visitors
	4.4M	Intrastate trips
	11.9M	Domestic day trips
	16k	Hotel rooms
	19k	Tourism business across the state
	\$187k	In tourism expenditure = 1 directly employed
	37.3K	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 2020-21, Tourism Research Australia, Canberra; Accommodation data sourced from STR for 10+ rooms, for the Year to May 2022, 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>

Value of Tourism in South Australia

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Total for year to December 2021

Expenditure (\$)	South Australia				Australia		
	Year Ending Dec-19	Year Ending Mar-22	Change %	Market Share	Year Ending Dec-19	Year Ending Mar-22	Change %
International (\$m)	1,206	128	-89%	3.6%	31,438	3,515	-89%
Interstate (\$m)	2,656	1,847	-30%	8.7%	37,405	21,127	-44%
Intrastate (\$m)	2,555	2,582	1%	6.1%	43,287	42,197	-3%
Day Trips (\$m)	1,660	1,515	-9%	8.1%	26,338	18,719	-29%
Total Exp (\$m)	8,077	6,072	-25%	7.1%	138,469	85,558	-38%

As has been standard for some time, the comparison period is the pre COVID December 2019 to better understand the full effect of the pandemic.

Total South Australian visitor expenditure for the year end March 2022 combining International and Domestic expenditure, came to \$6.1 billion, down 25 per cent on the year-end December 2019. While down, it was still ahead of the National result where expenditure has fallen 38 per cent, and also well ahead of the COVID low point of \$4.4 billion in the year to March 2021, showing that recovery is well and truly underway.

The \$6.1 billion at March year end was above the predicted result of \$5.9 billion due to stronger than expected conditions at various times in 2021, and a strong recovery from Omicron in March 2022. Even though the March year end 2022 results are yet again above our prediction they were down on the \$6.2 billion at year end December 2021. The small decline has been driven by the impact of Omicron on travel in January and February 2022.

The area of strength continues to be the intrastate overnight market, up 1 per cent on pre-COVID levels and ahead of the national results where intrastate expenditure declined 3 per cent on December 2019. While the interstate market has grown to reach a new post-COVID high of \$1.8 billion, it remains down 30 per cent on the \$2.7 billion pre-COVID performance.

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National Visitor Survey March 2022

Expenditure (\$m)	Australia			South Australia			
	Year Ending Dec-19	Year Ending Mar-22	Change (%)	Year Ending Dec-19	Year Ending Mar-22	Change (%)	Market Share
Interstate (\$m)	\$ 37,405	\$ 21,127	-44%	\$ 2,656	\$ 1,847	-30%	8.7%
Intrastate (\$m)	\$ 43,287	\$ 42,197	-3%	\$ 2,555	\$ 2,582	1%	6.1%
Day Trips (\$m)	\$ 26,338	\$ 18,719	-29%	\$ 1,660	\$ 1,515	-9%	8.1%
Total Domestic	\$ 107,030	\$ 82,043	-23%	\$ 6,871	\$ 5,944	-13%	7.2%

Interstate

Interstate overnight expenditure was down 30 per cent on December 2019, with expenditure of \$1.8 billion for the 12 months to March 2022.

Even though interstate expenditure was down on December 2019 it was well ahead of our COVID impact model prediction of \$1.4 billion. While performance improved with the opening of interstate borders in November 2021, this market was then affected by the Omicron wave in January, meaning only the month of March 2022 provided relatively uninterrupted trading conditions.

As such, it is anticipated that interstate market growth will accelerate from March into April, May and June, as shown by the strong results in the accommodation and aviation sectors which have both briefly exceeded pre-COVID levels for the first time.

Intrastate

Intrastate overnight expenditure was up 1 per cent on December 2019, with expenditure of \$2.6 billion for the 12 months to March 2022.

As has been the case throughout the pandemic, Intrastate expenditure has fared much better in South Australia and performed in line with the ambitious prediction of \$2.6 billion from the COVID Impact Model.

With the opening of interstate and international borders leading to a more competitive travel environment, intrastate travel is easing back from the all-time record of \$2.7 billion experienced in 2021.

Day Trips

There were 11.9-million-day trip visitors with expenditure of \$1.5 billion in the year to March 2022, down 30 per cent and 9 per cent respectively on December 2019.

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Day trip expenditure of \$1.5 billion was behind the COVID Impact Model prediction of \$1.8 billion potentially due to conversion of day trips into overnight stays.

Regional South Australia

Regional visitor expenditure (including international) came to \$3.5 billion, down 3 per cent on the pre-COVID December 2019. Regions have been performing strongly, driven by the intrastate market. This is in stark contrast to Adelaide where expenditure was down 42 per cent to \$2.6 billion. Prior to COVID, regions contributed 44 per cent of overall visitor expenditure and now contribute 57 per cent.

It is important to note that not all sectors of regional visitor economies have experienced these strong conditions, most notably tour and transport operators and experiences previously focussed on the international market.

International Visitor Survey March 2022

	Australia			South Australia			
	Year Ending Dec-19	Year Ending Mar-22	Change (%)	Year Ending Dec-19	Year Ending Mar-22	Change (%)	Market Share
Visits (000s)	8,709	483	-94%	488	24	-95%	5.0%
Nights (000s)	274,477	38,592	-86%	10,938	1,457	-87%	3.8%
Expenditure (\$m)	31,438	3,515	-89%	1,206	128	-89%	3.6%

There has been limited international visitation to South Australia in the 12 months to March 2022 due with border closures for all but one month of that period. This compares to the year end results for December 2019 where international expenditure reached a record high of \$1.2 billion.

Since the international borders reopened in February, the international market has nearly tripled, reaching \$128million. While this sharp increase shows there is an appetite to visit South Australia, international expenditure is still 89% below pre-COVID levels.

As expected, the driver of this initial surge in international visitation has been the Visiting Friends and Relatives market.

As recovery to the international market has only just begun, it is anticipated that recovery of annual results to pre-COVID levels will be achieved in 2025.

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Recent Conditions and Future Forecasts

Separate to the above detailed year end results, the SATC also receives headline figures on a monthly basis released by Tourism Research Australia. As outlined in that briefing, March saw a strong resurgence from the weak January and February figures, with total domestic expenditure of \$573 million. Even without international expenditure (monthly figures currently unavailable), the net position for March 2022 was 84 per cent of 2019 levels, making it one of the best monthly performances since COVID began.

Beyond this, a range of indicators including hotel and aviation data point to a strong April and May with the monthly results for some sectors of the visitor economy predicted to be above the pre COVID levels. This has been driven by the Great State Voucher Rounds 7 and 8, strong interstate visitation, as well as Easter and the April school holidays.