

Western Australia Tourism Market Snapshot May 2019

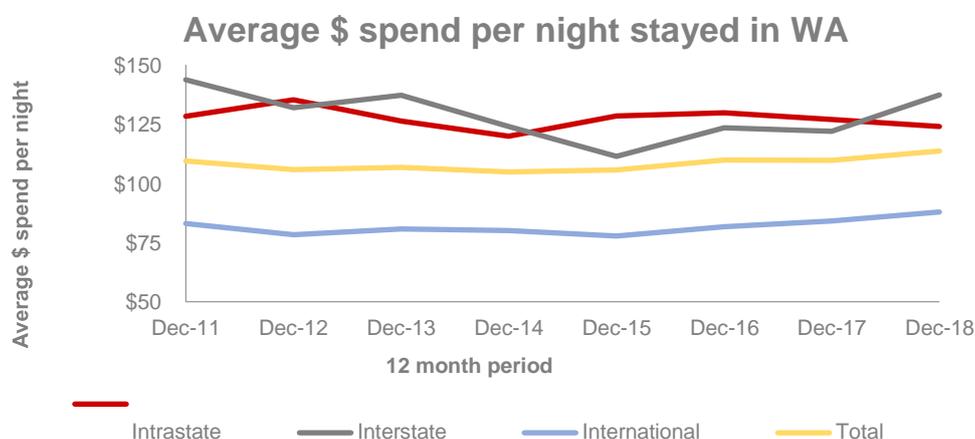
There are positive signs that tourism visitor numbers, along with tourism spend, is increasing in WA.

	2017/18/19		Month/Qtr/ BiAnn Increase	Annual Increase	Recent Trend
Economy					
Population	Sep 18 (Q)	2.602 million	0.28%	0.88%	▲
Unemployment (SA)	Mar 19 (M)	6.0%	0.1 ppt	-0.9 ppt	~
State Final Demand	Dec 18 (Q)	\$50.371 billion	-0.28%	-0.49%	▼
CPI	Dec 18(Q)	111.2 (index)	-0.09%	1.09%	▲
Tourism Market					
Estimated Visitor Spend	Dec 18 (A)	\$8.2 billion	4.2%	8.8%	▲
Estimated # Visitors	Dec 18 (A)	11.9 million	3.4%	13.1%	▲
Estimated Visitor Nights	Dec 18 (A)	71.8 million	1.3%	5.0%	▲
Average Nights per Visitor	Dec 18 (A)	6.02	-2.1%	-7.1%	▼
# Employed in Tourism (Direct)	Jun 17* (A)	71,100		-1.4%	▼
Gross Value Added (Direct)	Jun 17* (A)	\$5.556 billion		2.0%	▲

Source: ABS; Tourism WA; Tourism Research Australia; PVA Research. (SA=Seasonally adjusted; M=Monthly; Q= Quarterly; A= Annually; B=Bi-annually); *2017-18 State Tourism Satellite Account due to be published in June 2019.

- Western Australia has faced particular challenges in the tourism and tourism accommodation sectors since the downturn in its economy in response to a softening in the resources sector. However, the latest data to be published by Tourism WA shows encouraging signs for the tourism sector, particularly in the domestic market.
- In total for the year ending December 2018, there were increases in the number of visitors, the number of visitor nights and estimated visitor spend compared with the year to December 2017. The average number of visitor nights decreased by 0.46 days (7.1%) over the same period. To summarise, the changes between the year ending December 2018 and the year ending December 2017 were:
 - More **intrastate visitors**, spending more nights in total and the same number of nights on average, resulting in more \$ spend;
 - More **interstate visitors** spending more nights in total but fewer on average, resulting in more \$ spend; and
 - More **international visitors** spending fewer nights in total and on average, resulting in less \$ spend.
- Intrastate (local) visitors accounted for 78% of overnight visitors to the state and 49% of visitor nights. Their average length of stay was 3.8 nights. The proportion of intrastate visitor spend was 53%, and this has increased from 39% in the year to December 2013, driven mainly by an increase in the number of intrastate visitors.
- Interstate visitors accounted for 14% of overnight visitors to the state in the 12 months to December 2018, 16% of visitor nights and 20% of expenditure. Their average length of stay was 7.33 nights.

- The number of international visitors to the state in the 12 months to December 2018 increased by 2.1% compared with the 12 months to December 2017. However, the average length of stay decreased by 6.8% over this period to 25.9 nights, and in consequence visitor spend decreased by 0.5%.
- With the exception of intrastate visitors, the average \$ spend per night stayed in WA has increased during 2018.



- Experience Perth and the South West regions are the two most frequented tourism regions visited by both total number of visitors and overnight visitors in all segments of the market. 95% of all international visitors, 83% of interstate visitors and 38% of intrastate overnight visitors stay overnight in the Experience Perth region.
- In terms of visitor spend, China ranked number one in the 12 months to December 2018. Visitors from China spent \$259 million in the 12 month period, which equated to approximately 11.8% of all international visitor spend.
- Of the top 20 international markets to the state in the year to December 2018, which accounted for 86.3% of all international spend, European countries accounted for 25.6% and Asian countries for 61.2%. The largest growth in spend over the 12 month period came from visitors from Singapore, Germany, Korea and Taiwan.
- Tourism is an important contributor to the economy in Western Australia. In the 2017 financial year the value of the tourism industry to Western Australia's economy was \$11.79 billion (Gross State Product (GSP)) and the industry employed approximately 71,000 people directly, and a further 32,800 indirectly. By Gross Value Added (GVA) direct tourism in Western Australia accounted for 11.0% of the national tourism industry.
- The WA tourism industry directly accounted for 5.3% of persons employed in the State, and indirectly a further 2.4%, contributing 7.7% of the State's employment in total.
- The WA tourism industry directly accounted for 2.5% of the State economy by GSP, and a further 2.3% indirectly, contributing 4.8% in total.

Source: ABS; Tourism WA; PVA(WA) Research.

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