Australian Government
Australian Trade and Investment Commission
Tourism Research Australia

Tourism forecasts for Australia

2025 to 2030

Acknowledgements

Tourism Forecasting Expert Panel
As part of the forecasting process, and consistent with past practice, Tourism Research Australia (TRA) established a Tourism Forecasting Expert Panel comprising experts from academia, industry, and government. TRA acknowledges the contribution of the Panel members in providing survey responses, views, and feedback that supported the development of the forecasts.

Acknowledgement of Country

We acknowledge the Traditional Custodians of lands throughout Australia and pay our respects to their Elders past and present. We recognise the enduring connection of First Nations people to land, sea and waters, and their deep care for Country over 65,000 years. We honour the enormous contribution First Nations cultures and traditions make to the visitor experience in Australia and commit to protecting and nurturing these cultures in partnership with First Nations communities.

This work should be attributed as *Tourism forecasts for Australia: 2025 to 2030*, Tourism Research Australia, Austrade, Canberra.

This report is available at https://www.tra.gov.au/

Further enquiries are welcome at tourism.research@tra.gov.au

Contents

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About this report

Data and insights regarding the future of travel demand are important to tourism operators, businesses, product developers, planners, investors, and policy makers.

Using a combination of statistical methods and expert input, Tourism Research Australia (TRA) produces forecasts for tourism visitation and spend in Australia by both domestic and international travellers. This report discusses the drivers and implications of the forecast data and is intended to assist decision makers by providing intelligence on the expected path forward for the sector. The forecast values for the current year and the next 5 years are available for download from the TRA website in Excel format.

Notes on data reporting:

- All spend values are reported in Australian dollars. No adjustment for inflation is made to nominal values. The national THRIVE 2030 Strategy also presents target values for aggregate visitor economy spend in nominal terms.
- The international visitor spend metric in this report includes only spend in Australia, not spend by international travellers outside of Australia. It also excludes the long-stay international student cohort from spend measures, which is consistent with international reporting standards and TRA's International Visitor Survey (IVS).

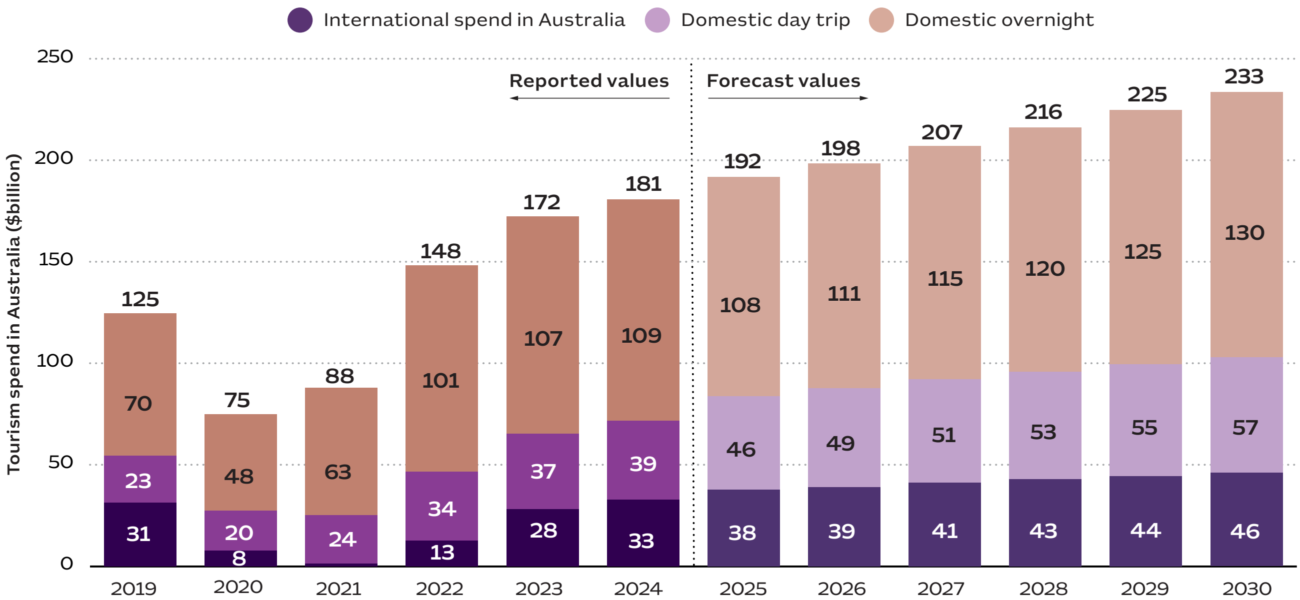
MT Mulligan Lodge, Tropical North Queensland.
Image © Tourism Australia

Executive summary of forecasts

Total visitor spend in Australia is forecast to continue rising, after it reached a record high of $180.6 billion in 2024. Total visitor spend in Australia, from both domestic and international short-term visitors, is expected to reach $191.6 billion in 2025 (Figure 1). This represents an increase of 6% or $11.0 billion in visitor economy spend from the previous year. While domestic overnight spend accounts for the largest share of total visitor spend in Australia, domestic day trip spend and international visitor spend are forecast to provide the strongest contributions to growth in 2025.

Over the next 5 years, total visitor spend in Australia is forecast to trend higher at an average annual rate of 4.0%. In 2030, total visitor spend is projected to reach around $233 billion.

Figure 1. **Total visitor spend in Australia by international, domestic day trip and domestic overnight travellers. Reported values to 2024, forecast values from 2025 onwards.**



Source: Tourism Research Australia. International Visitor Survey (IVS) and Domestic Tourism Statistics (DoTS)

Total short-term international visitor spend in Australia is forecast to jump from the already record high of $32.9 billion in 2024 to $37.7 billion in 2025 (growth of 15% or $4.8 billion). International spend in Australia is then expected to continue rising, albeit at a slower pace, to reach $46.0 billion in 2030 (annual average growth of 4.0% over the forecast period). The slower pace of growth in international spend in the future years aligns with moderating inflation and tapering growth in international visitor arrivals. It also reflects a decline in average trip spend for some markets and travel types as travellers continue to seek out value-for-money.

Spend on domestic overnight trips is forecast to fall by 0.9% to $107.8 billion in 2025 as Australians opt for shorter trips and day trips. Much stronger growth is expected for spend on day trips – up by 18% to $46.0 billion in 2025. By 2030, domestic spend is forecast to reach $187.4 billion, with an average annual growth rate of 4.0% across the forecast period. This suggests that domestic tourism spend growth will outpace expected inflation over that period.

Tangalooma Island Resort, Moreton Island, Queensland. Image © Tourism Australia

International visitor arrivals to Australia

The outlook for international travel to Australia remains positive. Short-term international arrivals to Australia are forecast to increase from 8.3 million in 2024 to 8.8 million in 2025, an increase of 6.5%. International arrivals are then forecast to increase by a further 24% over the following 5 years to reach 10.9 million in 2030. This continuation of solid growth in visitor arrivals supports the sustainable growth of Australia's visitor economy.

The fastest inbound growth markets in 2025 are forecast to be the United Kingdom and China (excluding Special Administrative Regions (SARs) and Taiwan). China is expected to be the fastest growing market over the full period to 2030, while Hong Kong, India, the Philippines, Vietnam, and Indonesia also show strong growth prospects.

Short-term visitor arrivals for all main purposes of travel are forecast to increase in 2025 and trend higher through to 2030. Continuing the trend seen in 2024, international holiday arrivals are forecast to grow faster than aggregate arrivals in 2025 and over the full forecast period. In contrast, growth in international business arrivals is expected to be slower than for other purposes of travel.

Overseas travel by Australians

Overseas travel by Australians remains popular and is forecast to increase strongly again in 2025. Australian outbound travel (short-term resident returns) is projected to increase by 8% to 12.6 million outbound trips in 2025.

Growth in outbound trips is forecast to be widespread across destinations, however, the predominantly leisure-based markets of Japan, China, Vietnam and Thailand are expected to record the strongest growth in 2025. The number of Australian trips overseas compared to inbound visitor arrivals – termed “net outbound travel” – is expected to remain large throughout the forecast period.

Domestic travel in Australia

In terms of the domestic market, overnight travel is forecast to be subdued in 2025 and 2026, then pick up gradually as domestic economic conditions improve and household financial pressures continue to ease. In 2025, the number of domestic overnight trips is projected to increase by 0.3% to 113.2 million, following a small decline in 2024 (-0.3%). On the other hand, domestic day trips, a lower cost form of domestic travel, are forecast to increase by 10% in 2025. By 2030, there are forecast to be 123 million domestic overnight trips and 313.1 million domestic day trips.

The Hike Collective, Perth, Western Australia. Image © Tourism Australia

On average over 2025 to 2030, domestic travel is expected to grow by 1.7% per year for overnight trips and by 2.2% per year for day trips. These growth rates are both above the expected rate of growth in the Australian resident population aged over 15 years over that same period.[1]

By purpose of trip, holiday travel is expected to be the main driver of growth, with 49.2 million domestic overnight holiday trips forecast for 2025, representing 44% of all domestic overnight trips. Overnight holiday trips are expected to grow at an average annual rate of 1.8% from 2025 to 2030, and to reach 53.8 million trips by 2030. Business travel is forecast to exhibit a slower rate of growth than holiday and visiting friends or relatives (VFR) travel. This reflects business conditions and the widespread adoption of online communication technologies, which has led organisations to reassess the necessity and frequency of business trips. In 2025, there are forecast to be 13.7 million domestic overnight business trips. Overnight business trips are then projected to increase at an average annual rate of 1.4% over the forecast period, to reach 14.6 million in 2030. The persistent growth trajectory for domestic overnight business trips, albeit mild, reflects the ongoing necessity and importance of business travel and value generated from face-to-face events.

Over the forecast period, growth in domestic overnight trips is expected to vary only modestly between states and territories. Differences in growth trends across the states and territories primarily reflect factors such as each jurisdiction’s economic outlook, population growth, and the composition of their visitation markets with respect to purpose of travel.

1 Australian population projections by the Australian Bureau of Statistics (ABS) have been used to inform the expected rate of population growth for the Australian resident population aged 15+ over the forecast period.

Factors affecting the forecast outlook

Forecasting always involves a degree of uncertainty and forecasting both national and international travel, as well as spend behaviour, over the next 5 years is no different. For this reason, TRA's methodology includes various stages of review and consultation with a range of relevant specialists.

Many factors must be assessed during the development of TRA's tourism forecasts. Key considerations that underpin these forecasts include:

- Domestic and international economic conditions
- Geopolitical stability and the impact of conflicts
- Rate and geographic spread of population growth
- Household financial pressures and discretionary spending choices
- Sustainability considerations including reporting requirements, consumer preferences, and policy changes
- Impacts from extreme weather events
- Aviation capacity, route networks and competitiveness
- Changes in costs of travel goods and services, including the outlook for airfares and fuel prices
- Ties between Australia and high-growth markets
- Travel preferences including differences in propensity to take various trip types (i.e. domestic or international travel, day trip or overnight trip, as well as willingness to take long-haul trips)
- Changes in the relative cost of travel in Australia and in overseas markets
- Prevalence and location of major events that attract local and international visitors.

For the first time, this year TRA has produced additional data to inform the discussion on the range of potential outcomes in this uncertain environment. Most of this report focuses on the central forecast scenario over the next 5 years, which reflects TRA's view of the most likely outcomes. The forecast values in the published data tables are also generated from this central scenario. However, given the high degree of uncertainty and the range of factors that could generate different growth trajectories, TRA has produced optimistic and pessimistic forecast scenarios as well. These alternative scenarios are discussed in a standalone section towards the end of this report. The assumptions that underpin the two alternative scenarios are also detailed.

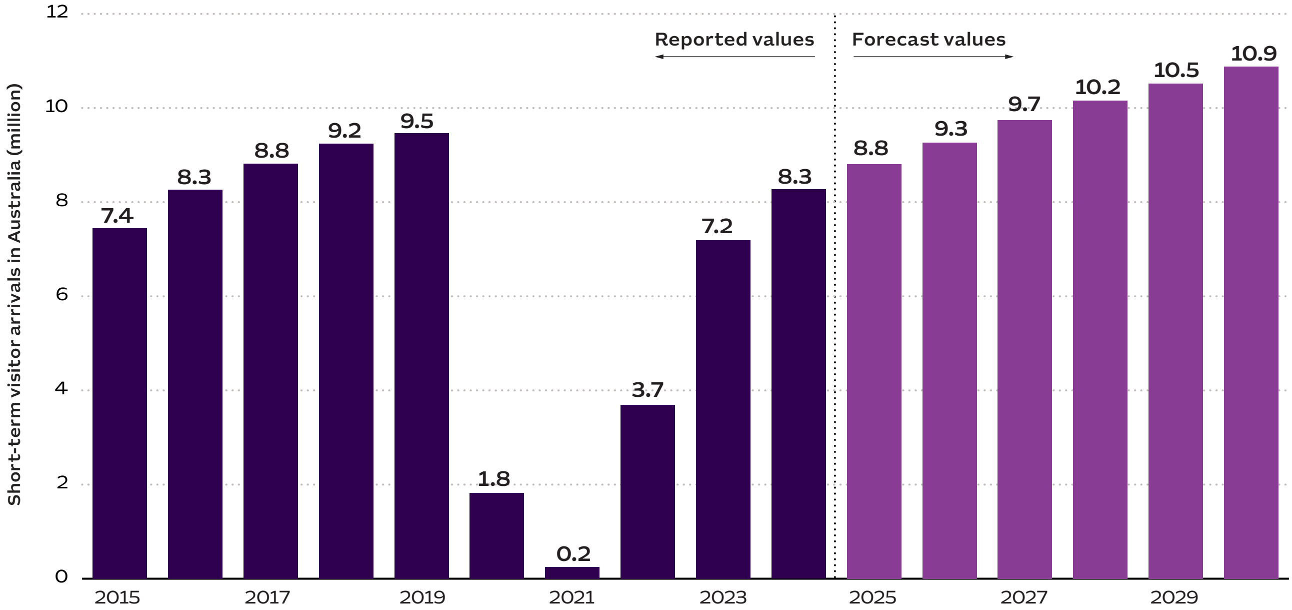
Vivid Festival, Sydney Harbour.
Image © Tourism Australia

International tourism forecasts

International visitor arrivals

International visitor arrivals are forecast to reach 8.8 million, an increase of 6.5% in 2025 compared with the previous year. International arrivals are then forecast to increase by a further 24% over the following 5 years to reach 10.9 million in 2030 (Figure 2). This is a substantial increase, amounting to around 2 million more arrivals in the year in 2030 compared with the forecast for the current year. Short-term visitor arrivals are forecast to grow at an average annual growth rate of 4.3% over the 2025 to 2030 period. This is a positive sign of sustainable growth in the visitor economy.

Figure 2. International short-term visitor arrivals to Australia. Reported values to 2024, forecast values from 2025 onwards.



Source: Australian Bureau of Statistics (ABS) and Tourism Research Australia. Overseas Arrivals and Departures data.

Growth over the next 5 years is driven by:

- Continued gradual increases to aviation capacity, including from key emerging and growth markets, and the commencement of flights into Western Sydney's new international airport
- Growth in inbound demand from a range of source markets, including those that have been slower to recover from the COVID-19 pandemic disruptions to travel. This includes arrivals from China, which is an important source market for Australia
- Close and growing ties between Australia and several high-growth markets in our region
- Multiple major international sporting events that are confirmed to be held in Australia which will attract international travellers to Australia
- Australia's enduring reputation as a safe, clean, friendly, and aspirational travel destination. (This is particularly important in an uncertain global travel environment)

- Promotional work to grow markets and attract visitors to Australia
- Australia's positive reputation as a destination that attracts business, employment, and education arrivals
- The important role travel plays in connecting people, supporting business, encouraging investment, strengthening family bonds, and improving mental health and wellbeing, which is supporting decisions to prioritise travel.

The current forecast path for international arrivals has been revised downward relative to the previous forecast publication (see Tourism forecasts for Australia: 2024–2029). The downward revision compared to last year reflects 3 factors.

1. Arrivals data received in the first half of 2025 was below expectations.
2. This year's forecasts were generated at a time where the global travel outlook was less optimistic compared with the previous year. Specifically additional downside factors eventuated globally compared to what was expected, notably geopolitical risks, trade tensions and an intensified impact of global conflicts on travel sentiment. The tourism forecasting expert panel also highlighted that the global economic outlook was less positive in 2025 than the previous year and it had additional downside risks.
3. TRA has used scenario analysis this year to better understand whether there has been forecasting bias in the way various factors are interpreted and used to shape the forecasts.

Arrivals by source market

Arrivals by source market vary according to individual characteristics and drivers. The fastest growing markets in 2025 are forecast to be the United Kingdom (UK), up by 15%, and China, up by 14% (Figure 3, top panel). Arrivals from Hong Kong (up 14%), Taiwan (up 13%), Ireland (up 12%), Italy (up 12%) and France (up 11%) are also expected to increase strongly in 2025.

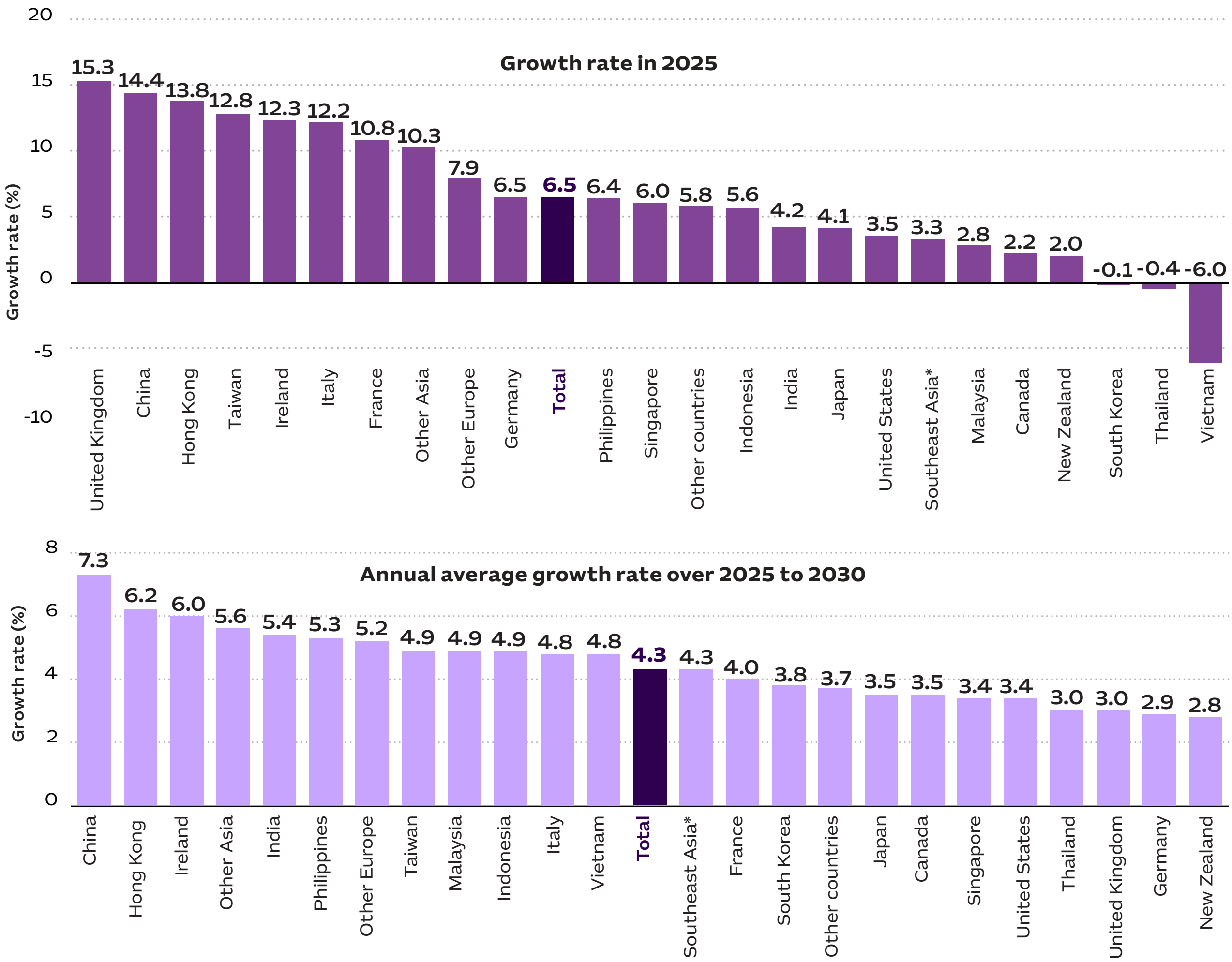
Dove Lake, Cradle Mountain-Lake St Clair National Park
Image © Tourism Australia

Arrivals from the UK and Ireland have been exceptionally strong in 2025, particularly through the middle of the year due to the popularity of the British and Irish Lions rugby tour. The Ashes cricket test matches in Australia in late 2025 are also expected to attract a large number of travellers from the UK. Arrivals by working holiday makers from the UK have also been strong in 2025, supported by updated visa conditions. This rapid growth in arrivals from the UK in 2025 is expected to be only a temporary spike, for an otherwise mature and slower growing market.

Arrivals from China, Hong Kong and Taiwan are forecast to rise strongly in 2025, supported by an ongoing recovery dynamic in international outbound travel from the region partly because of the later re-opening of these markets after the COVID-19 related travel restrictions.[2]

Growth in aviation capacity has also been beneficial and is expected to support continued growth in coming years. There has been robust growth in arrivals for all purposes from these markets including holiday, business, and education travellers.

Figure 3. Forecast growth rates by market in 2025 (top panel) and on average from 2025 to 2030 (bottom panel).



** The Southeast Asia region is the total of 11 nations including 6 which are also individually reported.*
Source: Tourism Research Australia. Uses ABS Overseas Arrivals and Departures data.

2 Tourism data collections have typically identified travellers from Hong Kong and Taiwan. Given unique aspects of these tourism markets, TRA reports these as individual source markets for travellers to Australia.

On the other hand, some markets face slower growth in 2025 than was previously anticipated. One reason for this is likely to be the temporary impact of competition for aviation seats with Australian travellers. For markets that have been extremely popular for Australian travellers, the high number of Australians travelling may have reduced the availability, or increased the price of, aviation seats for international inbound travellers. This includes most notably Vietnam, Thailand and South Korea, as well as Japan, China and possibly India to some extent. Other reasons for slower than anticipated arrivals in 2025 include changes in policy settings, global conflicts and softer economic conditions.

Over the full forecast period, New Zealand is forecast to remain Australia's largest source of inbound travellers. There were 1.39 million arrivals from New Zealand in 2024. This is forecast to increase to 1.42 million in 2025 and then up to 1.63 million in 2030. China is forecast to remain Australia's second largest source of inbound travellers through to 2030. There are forecast to be over 1 million arrivals from China in 2025, up from 0.89 million in 2024, followed by continued strong growth to reach 1.45 million arrivals from China in 2030. The USA and UK are forecast to remain Australia's third and fourth largest inbound markets. These 2 markets also bring a large share of high average spend travellers, making them valuable markets for Australia. While these large, mature markets have slower annual average growth rates over the 2025 to 2030 period compared with aggregate arrivals, they still provide a significant contribution to the volume and value of international tourism in Australia.

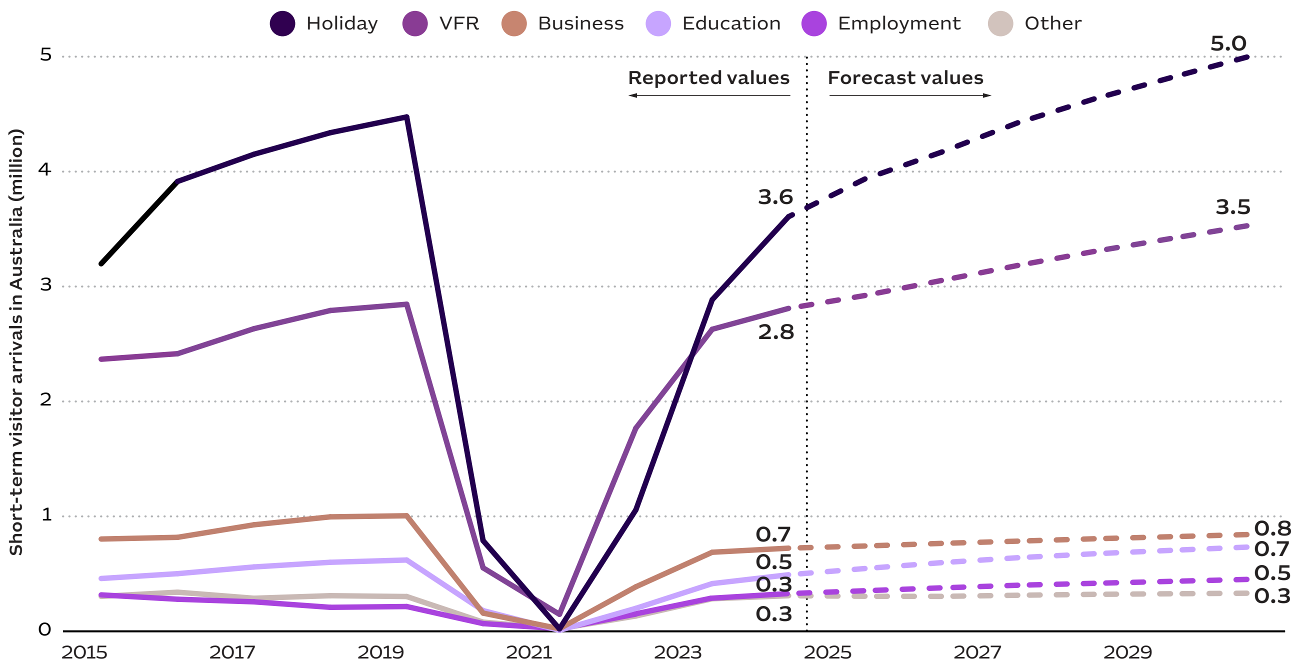
Over the period 2025 to 2030, there are strong growth prospects for a range of source markets. The fastest growing markets are forecast to be China and Hong Kong – with average annual growth of 7.3% and 6.2% respectively over the 2025 to 2030 period. These markets, along with Taiwan and Malaysia, have been slower to recover from the pandemic disruptions. Meanwhile, there are markets that have already fully recovered, such as India, the Philippines and Vietnam that are forecast to continue growing strongly over the forecast horizon (Figure 3, bottom panel).

University of Sydney, New South Wales. Image © Austrade

Arrivals by purpose of travel

Short-term visitor arrivals for all main purposes of travel are forecast to increase in 2025 and trend higher through to 2030. As was the case in 2024, holiday arrivals are forecast to grow faster than aggregate arrivals, while business arrivals are forecast to increase at a more moderate pace (Figure 4).

Figure 4. International short-term visitor arrivals by purpose. Reported values to 2024, forecast values from 2025 onwards.



Source: Australian Bureau of Statistics (ABS) and Tourism Research Australia. Overseas Arrivals and Departures data.

Holiday arrivals account for the largest share of arrivals and are the largest contributor to overall growth. Holiday arrivals are forecast to increase by 9% in 2025 and by 4.9% on average each year over the forward forecast period (2025 to 2030). Holiday arrivals in 2025 were boosted by the major sporting events held in Australia this year. The above-average growth trend over the forecast period partly reflects an ongoing recovery dynamic in less recovered inbound holiday markets. Planned international sporting events and demand for working holidays in Australia also support growth in this segment over future years.

Arrivals for the purpose of **visiting friends or relatives (VFR)** are forecast to surpass their previous peak in 2025 and then continue to trend higher. VFR arrivals are forecast to grow by 3.8% on average per year over 2025 to 2030. This is supported by the large population of diaspora and students in Australia that host international friends and family. Thanks to the reliance on hosts for some trip components (such as food or accommodation), VFR travel is a more budget-friendly travel option. Demand for lower cost travel options is expected to be more resilient in the face of high travel costs globally.

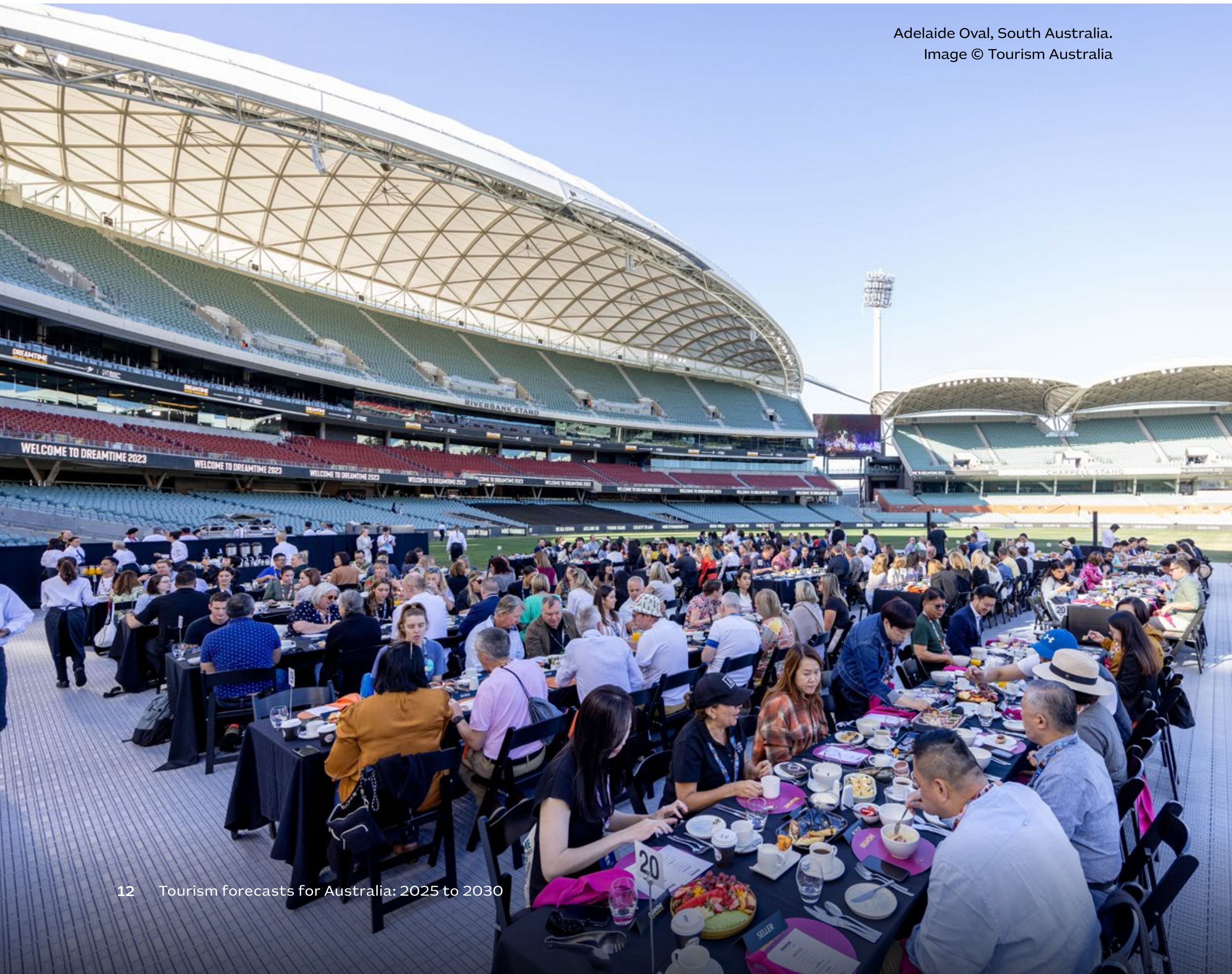
Business travel growth is expected to remain moderate reflecting global business conditions. Businesses globally face budget pressures in response to high operating costs and many face a requirement to reign in travel budgets. Significant technological advances and changes in business practices have reduced the value proposition of some types of business travel. Moreover, intensification of sustainability reporting requirements for businesses may affect demand for international business travel to Australia, which often relies on a long-haul flight. Nevertheless, rigorous work throughout the visitor economy to ensure that components of business events, conference and meeting agendas in Australia are sustainable should support the ongoing growth of this sector.

Business arrivals are expected to grow by 2.5% on average over 2025 to 2030. Despite ongoing growth, the current forecast trajectory does not see business arrivals returning to their pre-pandemic peak level within the forecast horizon.

Australia has a strong appeal as an education destination. **Education** arrivals are forecast to increase by 11% in 2025, which is solid despite a moderation in growth compared with the 19% increase recorded in the previous year. Education arrivals are then forecast to grow at an annual average rate of 6% over the 2025 to 2030 period in line with policies to support sustainable growth of the sector.

Arrivals for the purpose of **employment** reached a record high in 2024, above the previous peak level from 2015. Employment arrivals[3] are forecast to trend higher going forward in line with the allure of Australia for workers and working-holiday makers, and the growth and innovation of Australia's globally-engaged companies.

3 Employment arrivals capture only short-term visitor arrivals with the main purpose of working and does not count permanent migration to Australia for work purposes.

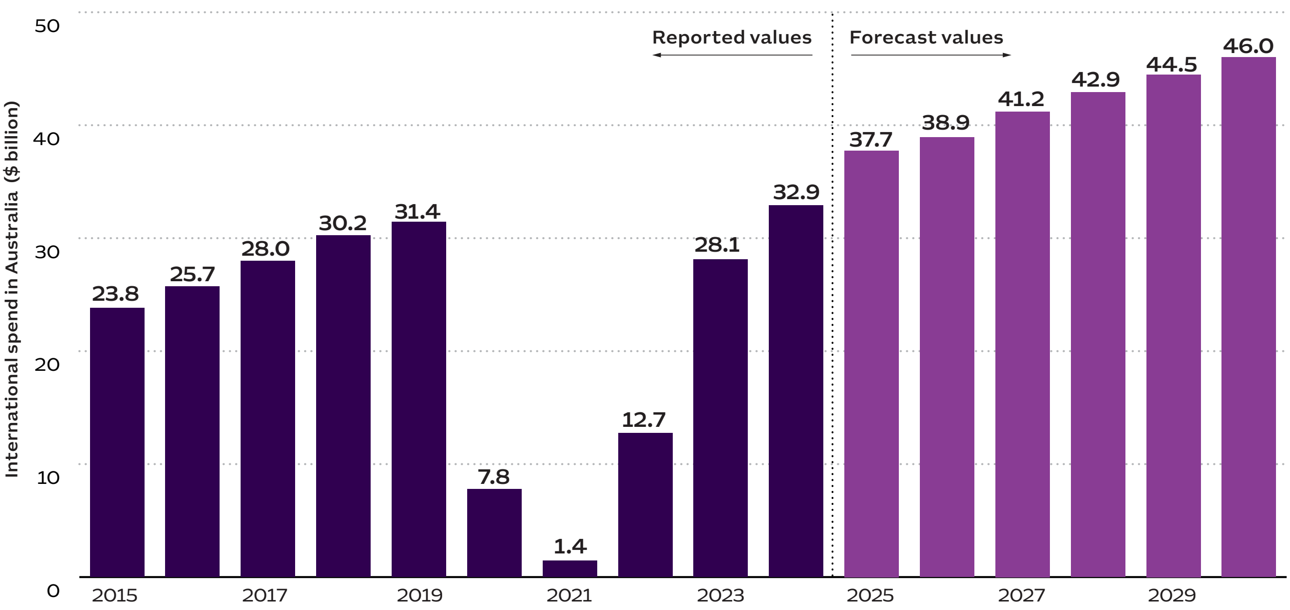


Adelaide Oval, South Australia.
Image © Tourism Australia

International spend in Australia

Total short-term international visitor spend in Australia is forecast to increase further from a record high of $32.9 billion in 2024 to $37.7 billion in 2025 (growth of 15% and $4.8 billion). International spend in Australia is then expected to continue rising to reach $46.0 billion in 2030 (annual average growth of 4.0% over the forecast period) (Figure 5).

Figure 5. International visitor spend in Australia by short-term visitors (in A$ billion). Reported values to 2024, forecast values from 2025 onwards.



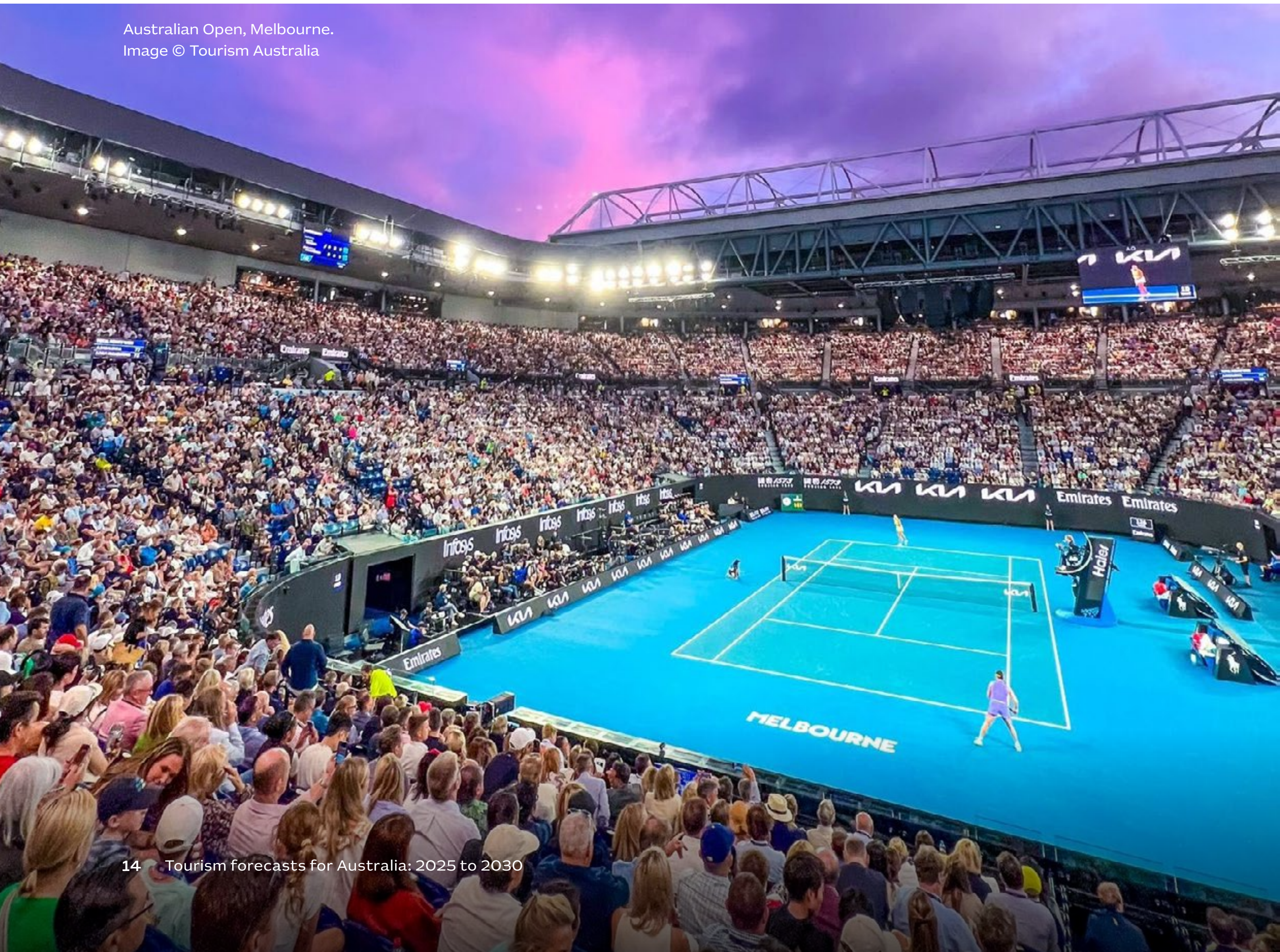
Uluru-Kata Tjuta National Park, Yulara.
Image © Tourism Australia / Tourism NT

Growth in international visitor spend in Australia has been very strong in 2025 to date. This has been driven by growth in arrivals from high-spend cohorts, as well as a temporary boost from spending by visitors associated with the British and Irish Lions rugby tour in Australia. (There were 9 rugby matches across 6 Australian cities from the end of June until early August 2025.) In addition, expanded eligibility requirements for working holiday visas led to an increase in tourism spend by working holiday makers, who have a very long average length of stay in Australia.

Looking ahead, in response to lower inflation and a forecast moderation in average spend per trip, the pace of growth in international visitor spend in Australia is forecast to ease over the forecast horizon. International visitor spend is expected to grow by 4% per year on average over the forecast period, which is ahead of the expected rate of consumer price inflation over the next 5 years. This implies growth in both nominal and real terms for international visitor spend over the period.

Over the forecast horizon, growth in nominal spend is forecast to average slightly below the growth rate of arrivals. This reflects a gradual, moderate decline in average spend per trip over the next 5 years.

The expected decline in average trip spend varies by trip type. Some trip types have already seen a decline in average spend per trip. For example, in 2024, the average spend on a business trip declined by 10% compared with the previous year. The pull-back in spend on business trips aligned with global pressures for businesses to reign in travel budgets. A further decline in average spend per trip is forecast for business trips in 2025 before remaining broadly stable through the forecast horizon.



Australian Open, Melbourne.
Image © Tourism Australia

Resident outbound travel

Australians continue to be world explorers, chalking up 11.6 million overseas trips in 2024. Short-term resident returns are forecast to continue to trend higher. In 2025, resident returns are forecast to increase by 8% to 12.6 million. This high number of outbound trips is attributable to:

- strong demand for outbound holiday and VFR travel (holiday and VFR travel accounted for 87% of total outbound travel in January to September 2025)
- the range of affordable short-haul travel destinations available to Australians (for example, Indonesia, Thailand, Vietnam, and Pacific Island nations) and the growth in aviation capacity servicing these popular outbound travel destinations
- Australians' enduring love of travel, willingness to spend on travel and experiences, and eagerness to explore the world.

Growth in outbound trips is forecast to be broad-based, however, the following predominantly leisure-based markets are expected to record the strongest growth for Australian resident trips: Japan, China, Vietnam, and Thailand. Overall, and for these markets more specifically, the strength of Australian resident travel may be hampering growth in international visitor arrivals from those destinations as the high number of Australians may be occupying aviation seats in place of international inbound travellers to Australia. The effect is expected to be temporary and may, in time, encourage additional aviation capacity on popular routes as well as possibly inspire additional inbound travel from these markets.

Growth in resident outbound trips is expected to moderate to 5% in 2026 then taper lower over the remainder of the forecast period (Figure 6).

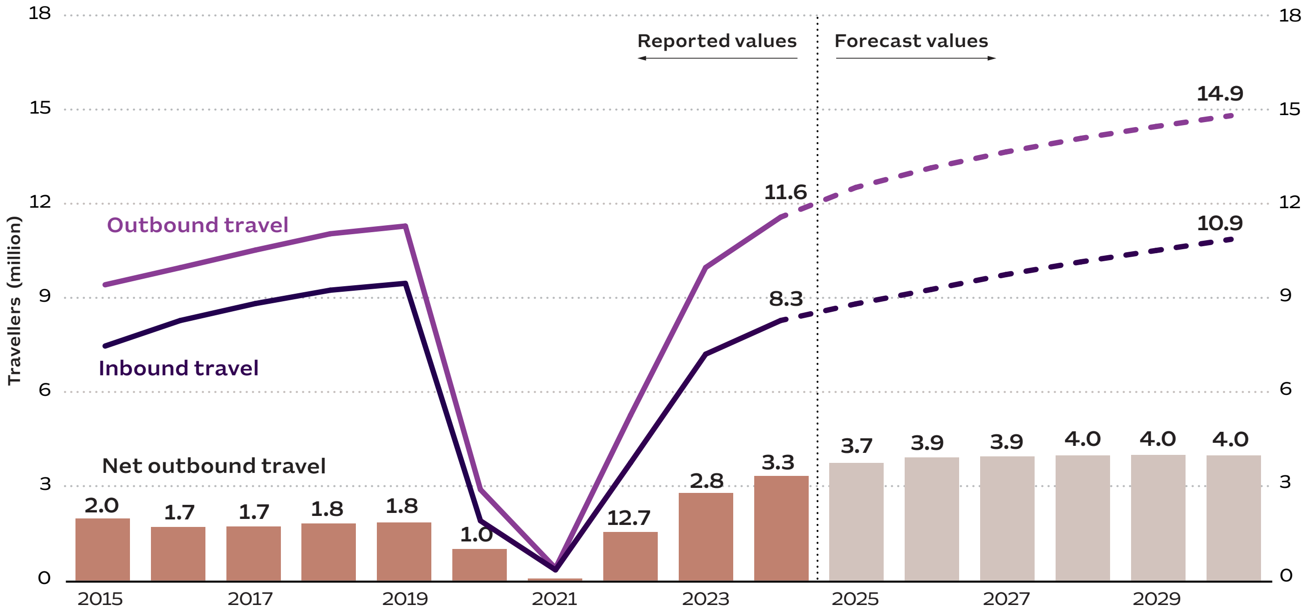
Darwin, Northern Territory.
Image © Austrade

These growth rates are more consistent with historic averages, and are lower than the high post-pandemic growth rates which are unlikely to be sustainable. Nonetheless, by 2030, resident outbound trips are forecast to reach 14.9 million.

Growth rates for outbound travel are forecast to be lower than inbound visitor arrivals from 2026 onwards.

Despite this, the gap between the number of Australian trips overseas compared to inbound visitor arrivals – termed "net outbound travel" – will remain large through to 2030. The gap between outbound and inbound travel is forecast to increase in 2025 to 3.7 million. It is then expected to stabilise at around 4.0 million from 2028 to 2030.

Figure 6. Number of short-term resident returns from international trips (Australian outbound travel) compared with short-term visitor arrivals from overseas (inbound travel). Reported values to 2024, forecast values from 2025 onwards.



Source: Australian Bureau of Statistics (ABS) and Tourism Research Australia. Overseas Arrivals and Departures data.

The trajectory of outbound travel is a key risk factor that could affect both the international and domestic tourism forecasts. It has become evident that the strength in outbound travel in recent years has had an impact on the pace of growth in both international arrivals and domestic overnight travel. While TRA had anticipated that strong outbound travel could affect growth in domestic travel, the prolonged strength in outbound travel, and its impact on inbound travel, had been underestimated. It is possible that the consequences of strong outbound travel were amplified in the post-pandemic environment of supply constraints and financial pressures for airlines.

Going forward, TRA expects that preferences around outbound travel will continue to have an impact on the outlook for growth in domestic travel and inbound arrivals. If outbound travel maintains a stronger than anticipated trajectory, or if outbound travel decelerates more quickly than anticipated, it would likely influence outcomes for both inbound travel and domestic travel.

Domestic tourism forecasts

A new era for domestic tourism statistics

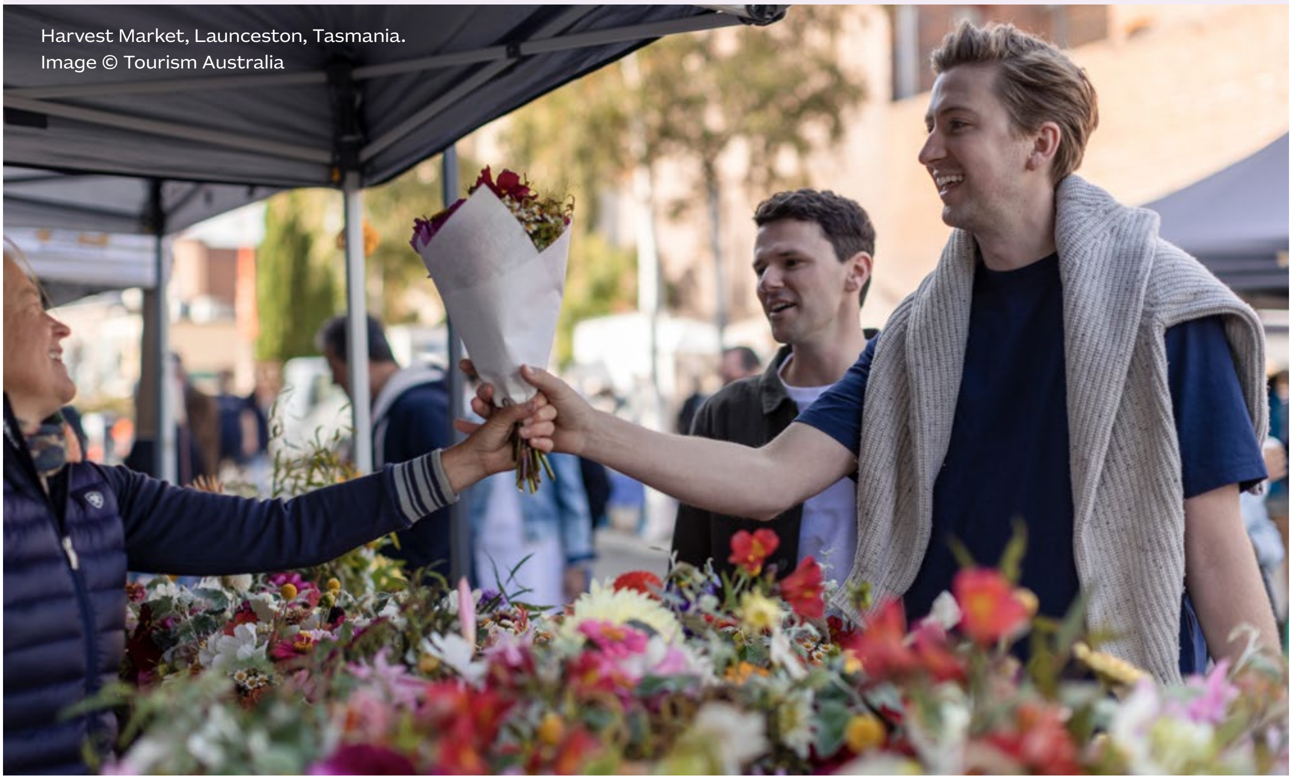
In January 2025, TRA began producing Australia's official domestic tourism statistics using a new approach: the **Domestic Tourism Statistics (DoTS)** collection. This marked the end of the long-running **National Visitor Survey (NVS)**, which had been in place since 1998.

DoTS is a revolutionary, world-leading approach to measuring official tourism statistics. It brings together face-to-face and online survey responses with large-scale mobility data – which is anonymous, aggregated data from mobile phones that reflects how people move around the country. This modern method allows for broader coverage and more timely insights into domestic travel patterns.

The DoTS model produces domestic tourism statistics that are robust, relevant, more granular, and adaptive to a changing data environment – supporting better planning, investment, and policy decisions across the tourism sector.

While the core survey questions remain largely the same, the data collection method and modelling has changed. For this reason, the new DoTS data should not be compared with the historic NVS data. DoTS backcast series for key tourism metrics have been produced for the period 2019 to 2024. There are some differences in reported volumes and trends between the backcast data and the historical NVS data. For example, DoTS reports slightly lower figures for overnight travel and spending, but higher figures for day trips.

Due to the change in underlying data source, method, and modelling in 2025, comparisons of the current forecast figures with the forecast figures from previous years are not recommended.



Harvest Market, Launceston, Tasmania.
Image © Tourism Australia

At a total level, Australians continue to balance their desire to travel with the realities of household budgets and changing economic conditions. Over the past year, many Australians have chosen to travel closer to home, opting for shorter trips and day trips to manage costs while still enjoying travel. This pattern is expected to persist into 2026, with decisions about when, where, and how to travel shaped by ongoing cost-of-living pressures and the appeal of affordable domestic and international travel options. As economic conditions gradually improve, we anticipate a modest increase in growth in overnight trips, while day trips remain a popular and cost-effective choice for many households.

Domestic trip numbers

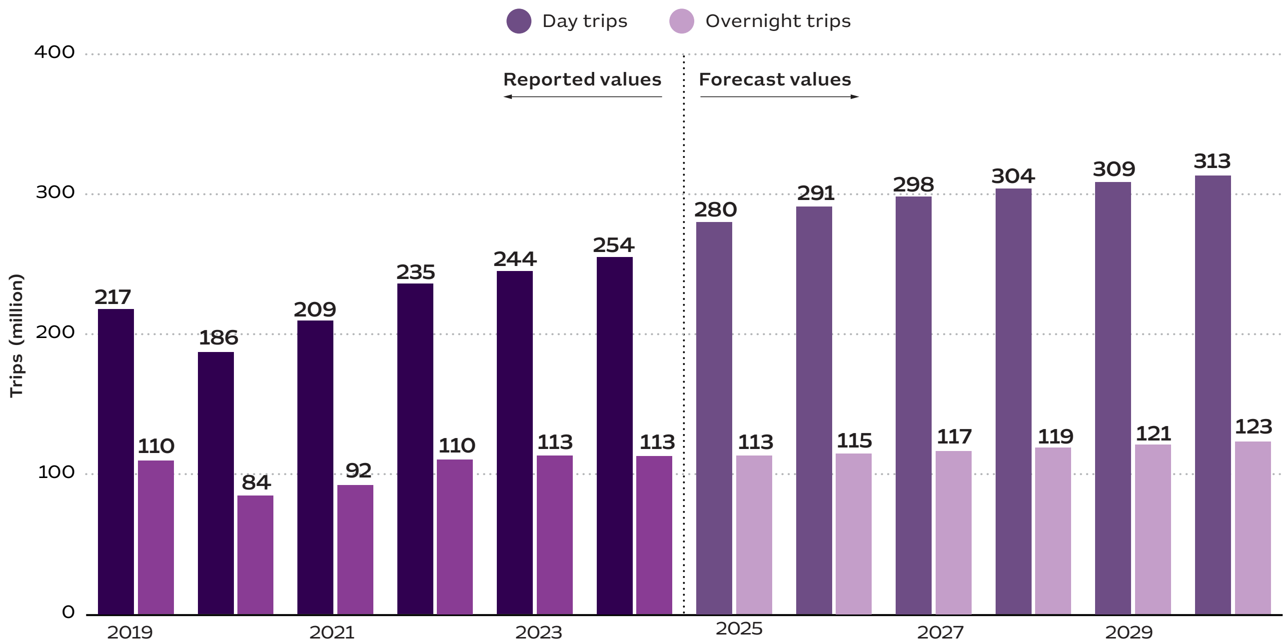
Domestic overnight trips are forecast to increase by 0.3% to 113.2 million in 2025, following a small decline in 2024 (down by 0.3%). Growth in domestic overnight trips in 2025 has been mild in the environment of persistent cost-of-living considerations, while outbound travel continued to be attractive for Australians. On the other hand, growth in domestic day trips has been strong, suggesting there has been substitution from overnight trips to day trips.

As domestic economic conditions are anticipated to gradually improve and cost-of-living pressures ease, there is expected to be a gradual uptick in growth for overnight trips in 2026 (1.4%) and 2027 (1.6%).

Over the 5-year forecast period, overnight trips are forecast to grow at 1.7% per year on average, slightly above the projected growth rate for the Australian resident population aged over 15 years over the same period (1.6%). By 2030, overnight trips are forecast to reach 123 million (Figure 7).

Meanwhile, as economic conditions improve and growth in overnight trips increases it is anticipated that the rate of growth in day trips will ease. Domestic day trips are forecast to grow at 2.2% per year on average over 2025 to 2030. By 2030, day trips are forecast to reach 313.1 million.

Figure 7. Domestic trip numbers, overnight and day trips. Reported values to 2024, forecast values from 2025 onwards.



Source: Tourism Research Australia. Domestic Tourism Statistics (DoTS) data.

Australian Coastal Safaris, Port Lincoln, South Australia. Image © Tourism Australia/Robert Lang Photography/Australian Coastal Safaris

Domestic visitor spend

Domestic travel spending has been shaped by a period of high inflation, which peaked at nearly 8% in late 2022 and remained elevated into 2024. During this time, the cost of travel within Australia rose at a much faster rate than general inflation, including by as much as 25% in the year to March quarter 2023.[4]

This coincided with strong pent-up demand for travel and households drawing on their savings in 2022, leading to a 56% increase in domestic travel spending. However, over time, as pent-up demand for domestic travel subsided, Australians began to adjust their travel habits.

4 As discussed in TRA's Annual Benchmark report (2024), the ABS's producer price index data reports that the cost of doing business for accommodation service providers and for cafés, restaurants and take-away food service providers has risen faster than for other industries. The producer price index increased by 9% in the June quarter 2025 compared with the previous year for accommodation providers and by 11% for cafés, restaurants and take-away food services, compared with 3% for the overall index of final demand.

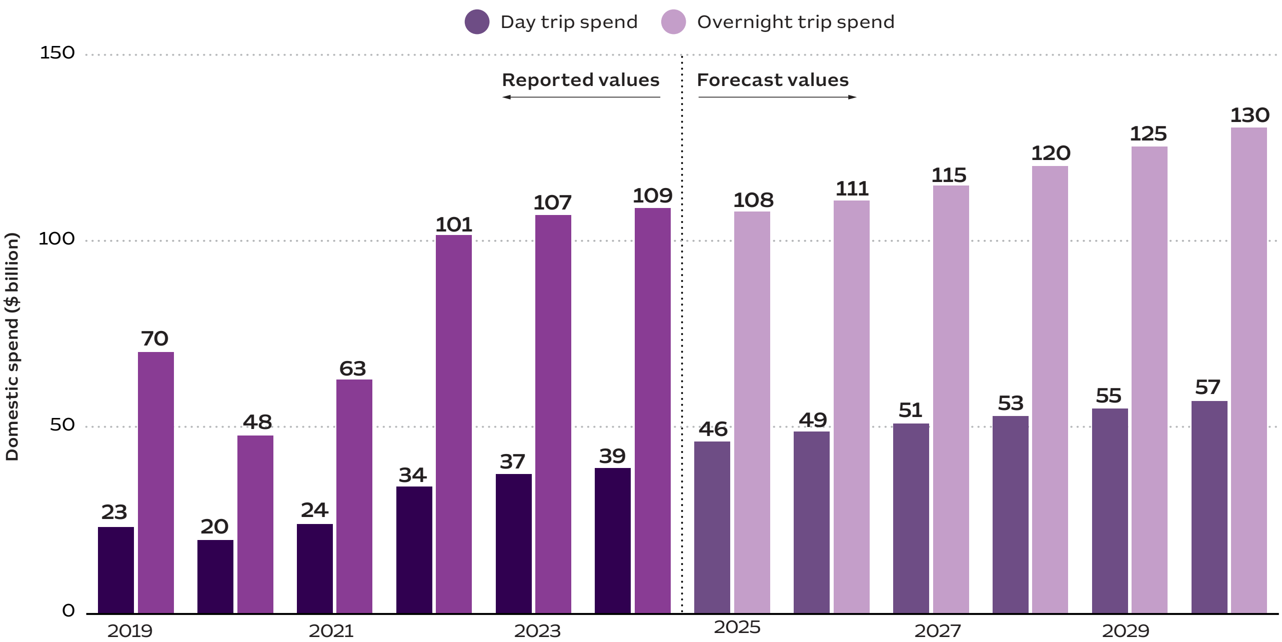
From 2023, many responded to ongoing household financial pressures by opting for shorter overnight stays and more day trips, helping to manage travel expenses. Despite these adjustments, domestic travel spending has continued to grow – albeit at a slower pace – rising by 6.5% in 2023 and a further 2.4% in 2024. These behaviour shifts demonstrate Australian's love for travel and the resilience of travel demand, even as households adapt to changing economic conditions.

Growth in domestic visitor spend is forecast to be stronger in 2025 than it was in 2024. Domestic visitor spend is forecast to increase by 4.2% to $153.9 billion in 2025, driven by an upturn in expenditure on day trips (up by 18% to $46.0 billion). In contrast, overnight trip spend is forecast to fall by a modest 0.9% to $107.8 billion in 2025 as Australians moderate their demand for overnight travel and take shorter trips (Figure 8).

By 2030, domestic visitor spend is forecast to reach $187.4 billion, with an average annual growth rate of 4.0% across the forecast period. This brings growth in real terms in domestic spend, as economy-wide inflation is anticipated to average less than 3% per year over the same period.

Average annual growth is forecast to be marginally stronger for domestic day trip spend than for domestic overnight trip spend over the forecast horizon. Spend on overnight trips is forecast to increase at an average annual rate of 3.9% to $130.4 billion and day trip spend by 4.4% on average to $57.0 billion. Growth in overnight travel spend is expected to be stronger than day trip spend later in the forecast period, while growth in day trip spend is expected to peak in 2025.

Figure 8. Domestic visitor spend on overnight and day trips. Reported values to 2024, forecast values from 2025 onwards.



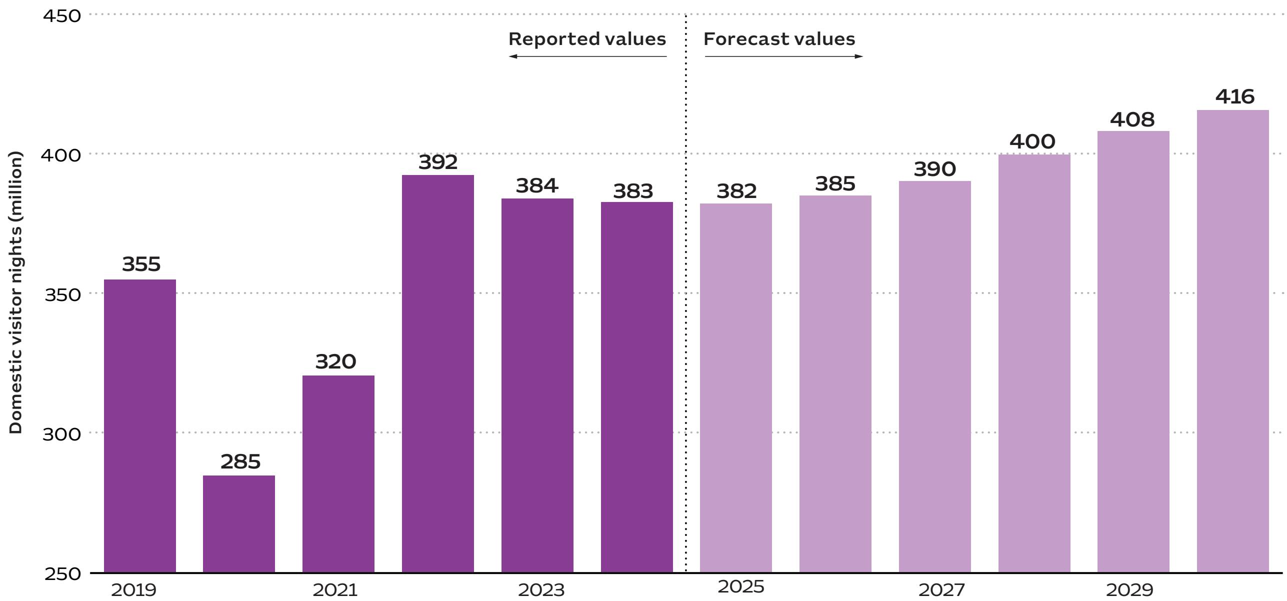
Source: Tourism Research Australia. Domestic Tourism Statistics (DoTS) data.

Domestic visitor nights

Australians are taking more overseas trips than ever before, and many are taking shorter domestic trips in response to cost-of-living pressures. Consequently, domestic visitor nights are estimated to have fallen by 0.3% in 2024 and are forecast to decline slightly further in 2025, down by 0.1%, to 382.1 million nights (Figure 9).

Domestic visitor nights are expected to trend higher from 2026 onwards, as household financial pressures continue to ease and growth in demand for outbound travel moderates. Growth in domestic visitor nights is forecast to outpace growth in the number of domestic overnight trips from 2028 onwards, suggesting a mild increase in the average length of domestic overnight trip. Domestic visitor nights are forecast to grow at an average annual rate of 1.7% over the years 2025 to 2030, and to reach 415.6 million in 2030.

Figure 9. **Domestic visitor nights. Reported values to 2024, forecast values from 2025 onwards.**



Source: Tourism Research Australia. Domestic Tourism Statistics (DoTS)

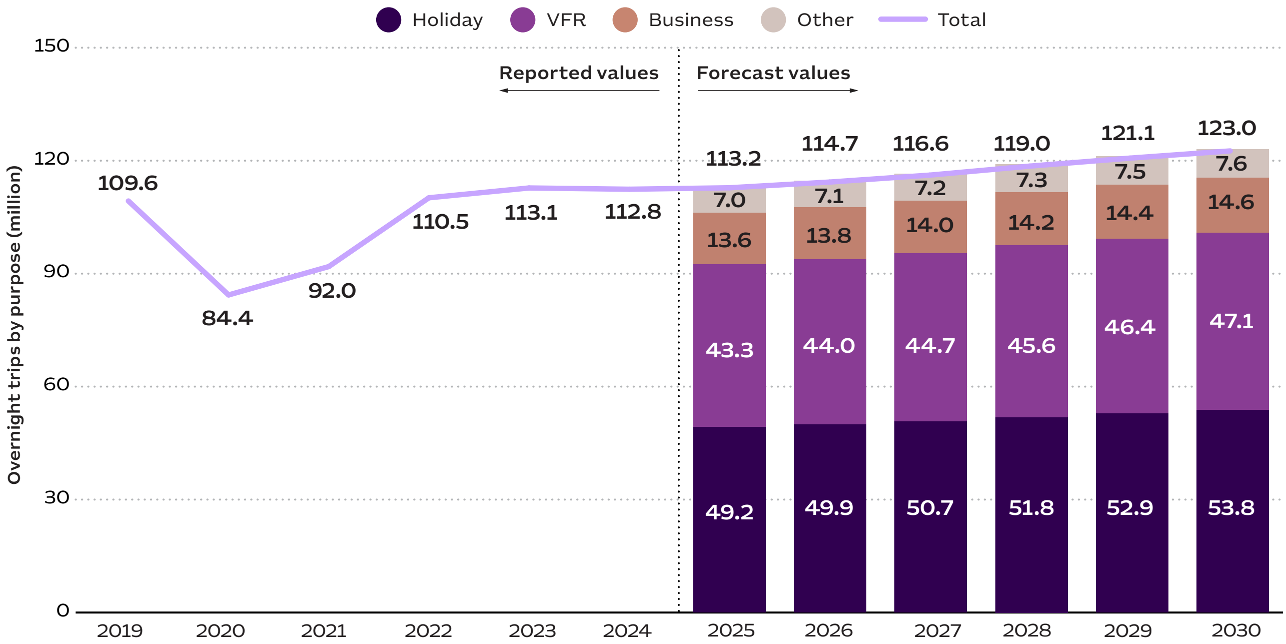
Margaret River, Western Australia.
Image © Tourism Australia

Domestic purpose of travel

Australians travel for a variety of reasons, such as for holiday, to visit friends and relatives, for business, and for 'other' purposes such as health reasons and education. Holidays remain the largest driver of overnight travel (Figure 10). Each purpose of travel shows its own trends and forecast pattern, reflecting changing preferences, economic conditions, and behaviour.

Due to recent changes in the way domestic tourism statistics are collected and modelled, DoTS data for domestic travel by purpose of trip is not available for years prior to 2025.

Figure 10. **Domestic overnight trips by purpose. Reported values to 2024, forecast values from 2025 onwards.**



Source: Tourism Research Australia. Domestic Tourism Statistics (DoTS) and forecast data

Holiday travel

Holiday travel is the main driver of domestic overnight trips in Australia, with 49.2 million holiday trips forecast for 2025, representing 44% of all domestic overnight trips. This firmly establishes holidays as the largest segment by purpose, reflecting Australians' enduring enthusiasm for leisure travel and exploring their own country.

Looking ahead, holiday trips are expected to grow at an average annual rate of 1.8%, reaching 53.8 million trips by 2030. This growth rate marginally outpaces other travel purposes, particularly from 2028 onwards.

Visiting friends and relatives travel

VFR accounts for the second largest share of domestic overnight travel in Australia, with 43.3 million VFR trips forecast for 2025. This segment is characterised by lower average spend, as travellers often stay with family or friends and share expenses, making it a cost-effective way to travel.

Growth in VFR trips is expected to be marginally stronger than for holiday trips in 2026 and 2027, as Australians continue to seek affordable travel options. As the forecast period progresses, the pace of growth in VFR travel is anticipated to slow compared to holiday travel.

By 2030, the number of VFR trips is projected to reach 47.1 million, which implies an average annual growth rate of 1.7% over the forecast period.

Business travel

Business travel is forecast to exhibit a slower rate of growth than holiday and VFR travel. Several factors contribute to this, including the widespread adoption of online communication technologies, and a growing focus among businesses on the environmental impact of travel. These influences have led many organisations to reassess the necessity and frequency of business trips.

While economic conditions are expected to gradually improve, growth in business travel is projected to remain modest compared to leisure segments. The number of domestic business trips in 2025 is forecast to be 13.7 million, with modest increases anticipated in the following years. Growth in the number of domestic business trips is expected to peak at 1.7% in 2028, while annual growth over the 2025 to 2030 period is expected to average 1.4%, reflecting a cautious but steady increase to the volume of business travel. By 2030, there are forecast to be 14.6 million domestic business trips.

Other travel

Travel for 'other' purposes makes up the smallest share of domestic overnight trips, typically accounting for approximately 6% of total domestic overnight trips. This category includes journeys for reasons such as medical appointments, education, funerals, personal commitments, and employment – trips that are often non-discretionary and not related to leisure.

In 2025, Australians are forecast to take 7 million overnight trips for these 'other' purposes. Looking ahead, this segment is expected to steadily grow, reaching 7.6 million trips by 2030, with an average annual increase of 1.7% over the forecast period.

National Capital Educational Tourism Project, Canberra. Image © Tourism Australia

States and territories

While broad factors such as cost-of-living pressures also influence the state and territory-level forecasts, differences in local economic outlook, population growth and other key factors lead to varying growth patterns across the states and territories. For most states and territories, growth is forecast to be weaker in 2025 than in future years.

- The Australian Capital Territory, New South Wales and South Australia are expected to see small declines in overnight trips in 2025, ranging from 0.3% to 0.9%.
- Tasmania, Victoria, and Queensland are forecast to record marginal growth, ranging from 0.2% to 0.4%.
- Western Australia and the Northern Territory stand out with significant increases in overnight trips forecast for 2025.

Over the full forecast period to 2030, growth in overnight trips is expected to vary modestly between states and territories. These differences reflect a mix of factors including each jurisdiction's economic outlook and projected population growth, as well as the composition of their visitor markets. For example, the share of interstate versus intrastate travel varies across the states and territories, as does the share of visitors by reason for travel and by source destination.

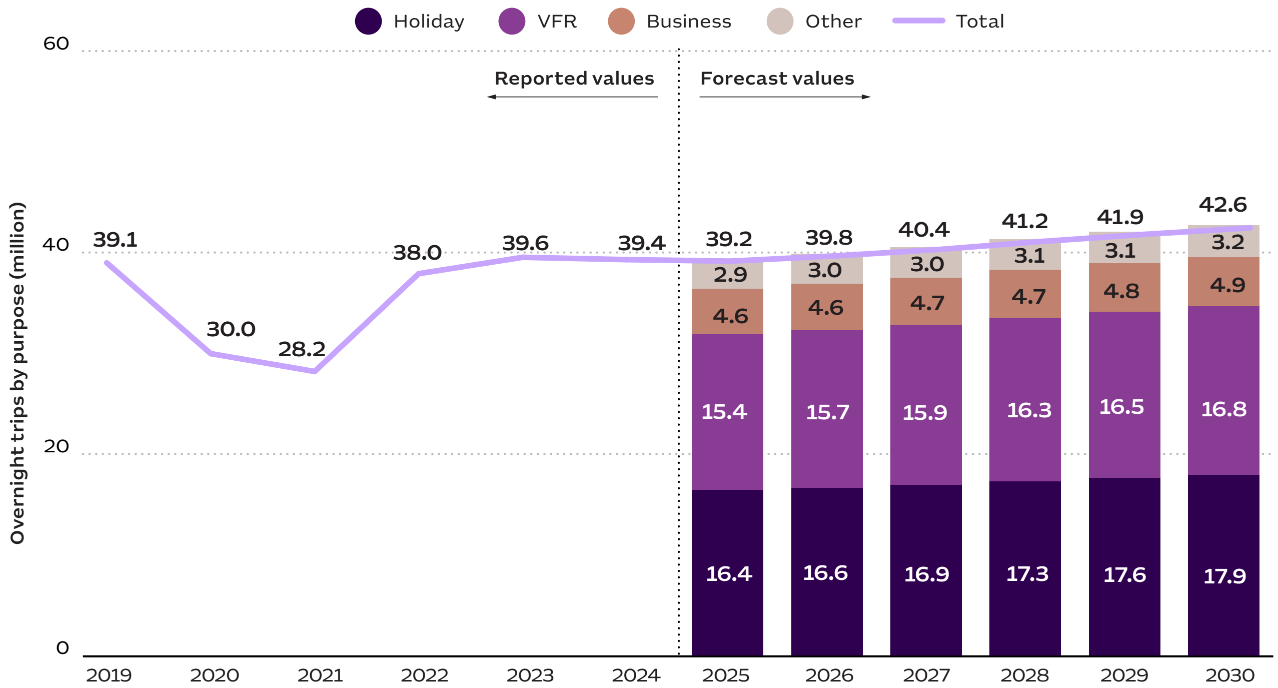
Melbourne, Victoria.
Image © Tourism Australia

New South Wales

Domestic overnight trips in New South Wales are forecast to decline by 0.4% to 39.2 million in 2025. A return to modest growth is expected from 2026, with increases of 1.3% and 1.6% in the following two years. Growth is forecast to peak at 2.0% in 2028. Over the 5-year forecast period, overnight trips are projected to grow at an average annual rate of 1.6%, reaching 42.6 million by 2030 (Figure 11).

Due to recent changes in the way domestic tourism statistics are collected and modelled, historical DoTS data by purpose of travel is not available.

Figure 11. **Domestic overnight trips in New South Wales and by purpose of trip. Reported values to 2024, forecast values from 2025 onwards.**



*Total includes visits spent in transit and purpose not stated. Trips can be counted in more than one purpose.

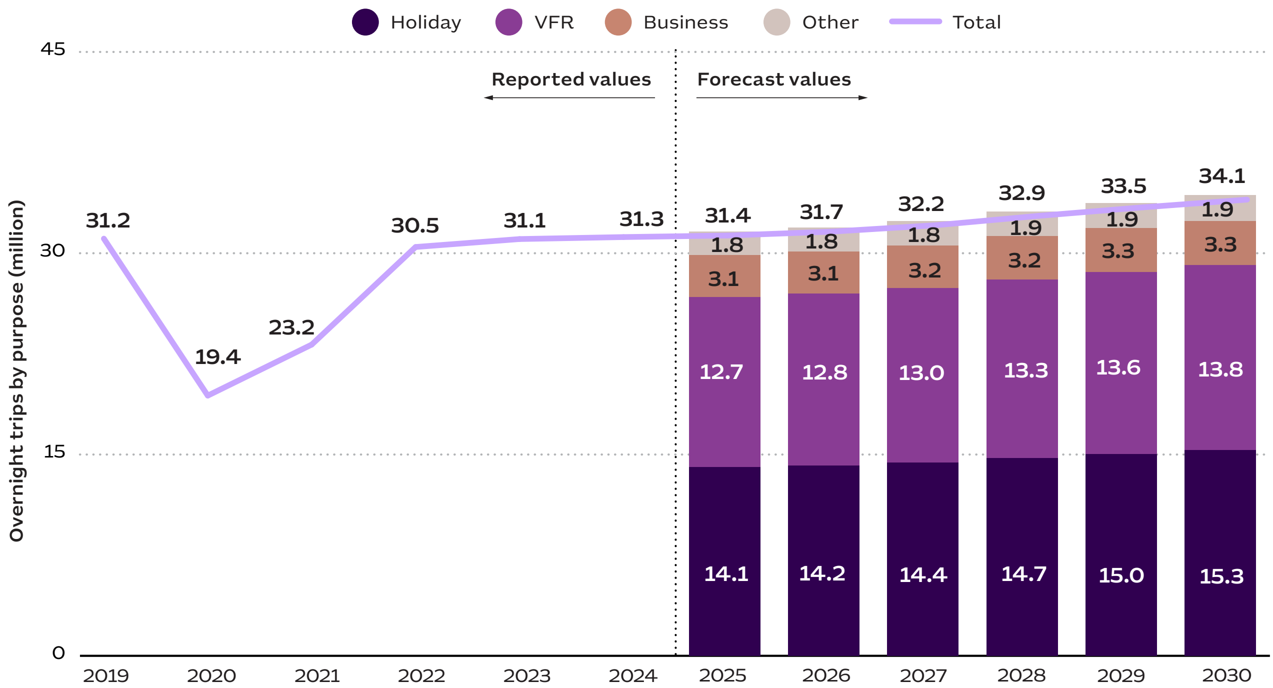
Source: Tourism Research Australia. Domestic Tourism Statistics (DoTS) and forecast data

Victoria

Overnight trips in Victoria are forecast to increase marginally by 0.4% to 31.4 million in 2025. Growth is expected to pick up gradually from 2026, with stronger gains anticipated from 2028 onwards. This is supported by Victoria's comparatively high projected population growth. By 2030, overnight trips are forecast to reach 34.1 million, reflecting an average annual growth rate of 1.7% over the forecast period.

Due to recent changes in the way domestic tourism statistics are collected and modelled, historical DoTS data by purpose of travel is not available.

Figure 12. **Domestic overnight trips in Victoria and by purpose of trip. Reported values to 2024, forecast values from 2025 onwards.**



*Total includes visits spent in transit and purpose not stated. Trips can be counted in more than one purpose.

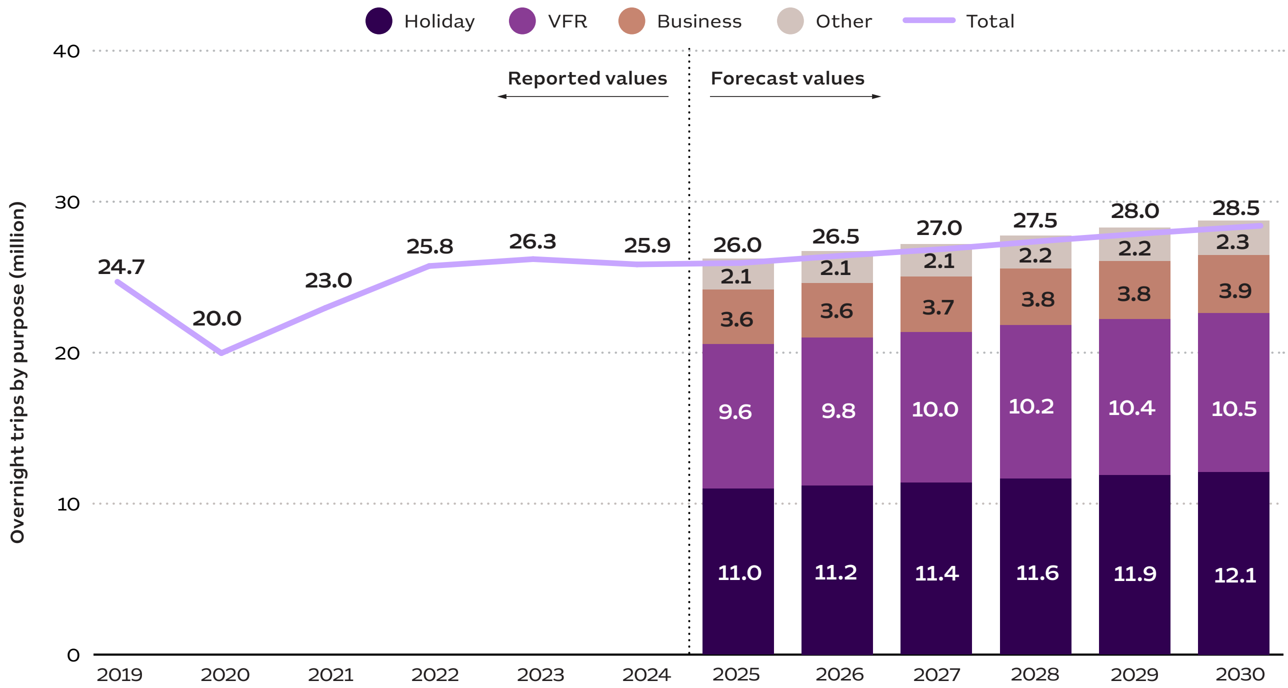
Source: Tourism Research Australia. Domestic Tourism Statistics (DoTS) and forecast data

Queensland

Queensland is forecast to record 26 million overnight trips in 2025. This represents an increase of 0.4% from the previous year, despite a significant impact on travel to the popular southeast region of the state as a result of Tropical Cyclone Alfred in March 2025. Growth in domestic overnight trips to Queensland is expected to strengthen in subsequent years. Domestic overnight trips to Queensland are forecast to increase by 1.9% in 2026 and by 2.1% in 2028. Supported by a strong state economy, Queensland's overnight trips are projected to grow at an average annual rate of 1.8% over the next 5 years, reaching 28.5 million by 2030.

Due to recent changes in the way domestic tourism statistics are collected and modelled, historical DoTS data by purpose of travel is not available.

Figure 13. **Domestic overnight trips in Queensland and by purpose of trip. Reported values to 2024, forecast values from 2025 onwards.**



*Total includes visits spent in transit and purpose not stated. Trips can be counted in more than one purpose.

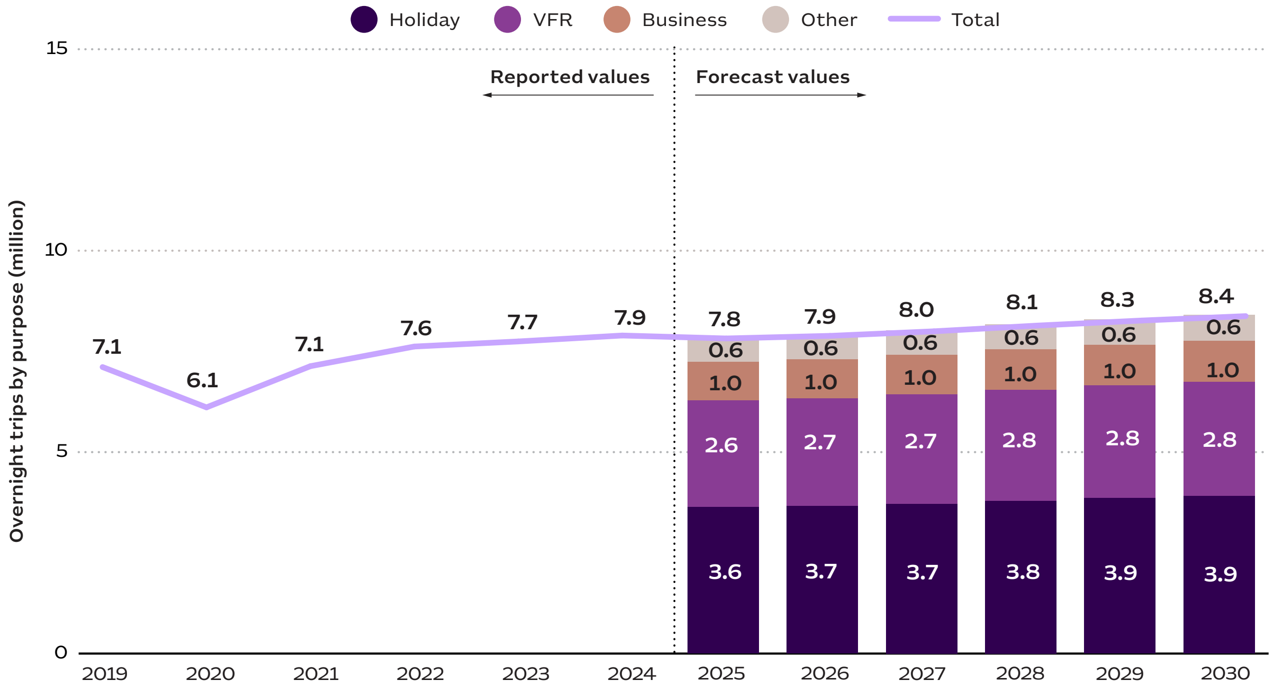
Source: Tourism Research Australia. Domestic Tourism Statistics (DoTS) and forecast data

South Australia

In 2025, overnight trips in South Australia are forecast to decline by 0.9% to 7.8 million. Modest growth is expected to follow, with increases of 0.8% in 2026 and 1.4% in 2027. Growth is forecast to peak at 1.8% in 2028. Over the forecast period, overnight trips are expected to grow at an average annual rate of 1.4%, reaching 8.4 million by 2030.

Due to recent changes in the way domestic tourism statistics are collected and modelled, historical DoTS data by purpose of travel is not available.

Figure 14. Domestic overnight trips in South Australia and by purpose of trip. Reported values to 2024, forecast values from 2025 onwards.



*Total includes visits spent in transit and purpose not stated. Trips can be counted in more than one purpose.

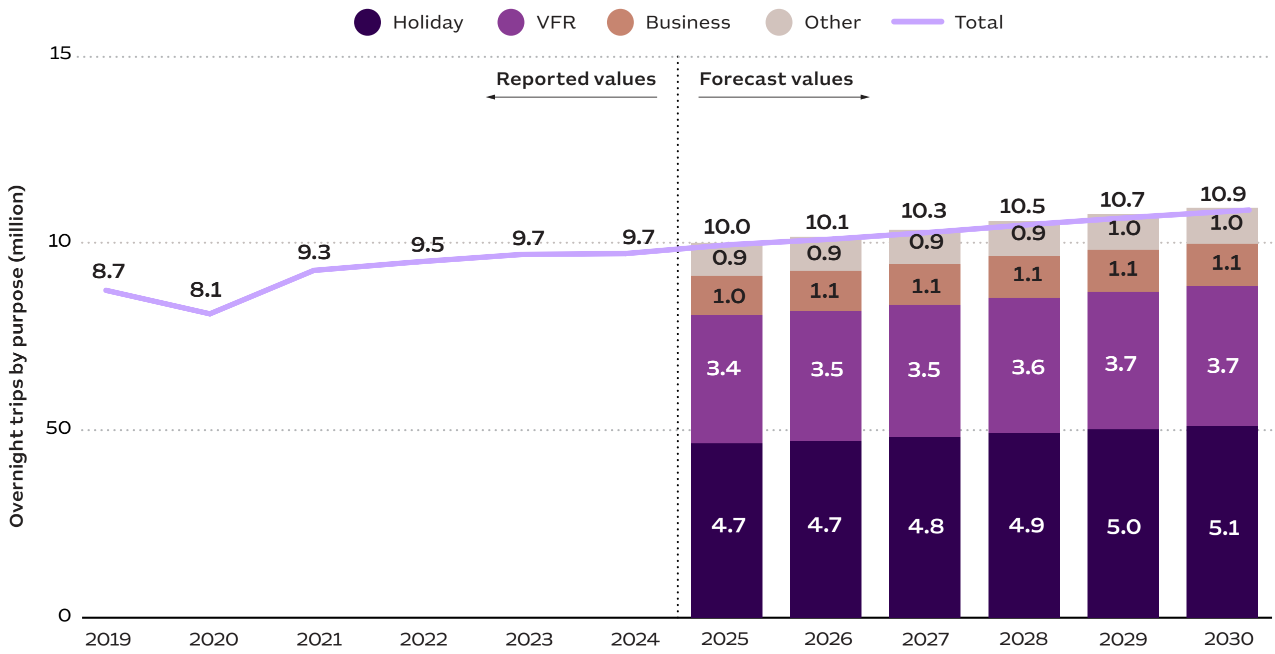
Source: Tourism Research Australia. Domestic Tourism Statistics (DoTS) and forecast data

Western Australia

Domestic overnight trips in Western Australia are forecast to increase by 2.5% to 10 million in 2025. The state's strong economic performance, high levels of interstate migration, and a large intrastate travel market are expected to support continued growth. Forecasts indicate growth of 1.5% in 2026 and 1.9% in 2027 before moderating later in the period. Overall, overnight trips are projected to grow at an average annual rate of 1.8% over the next 5 years, reaching 10.9 million by 2030.

Due to recent changes in the way domestic tourism statistics are collected and modelled, historical DoTS data by purpose of travel is not available.

Figure 15. Domestic overnight trips in Western Australia and by purpose of trip. Reported values to 2024, forecast values from 2025 onwards.



*Total includes visits spent in transit and purpose not stated. Trips can be counted in more than one purpose.

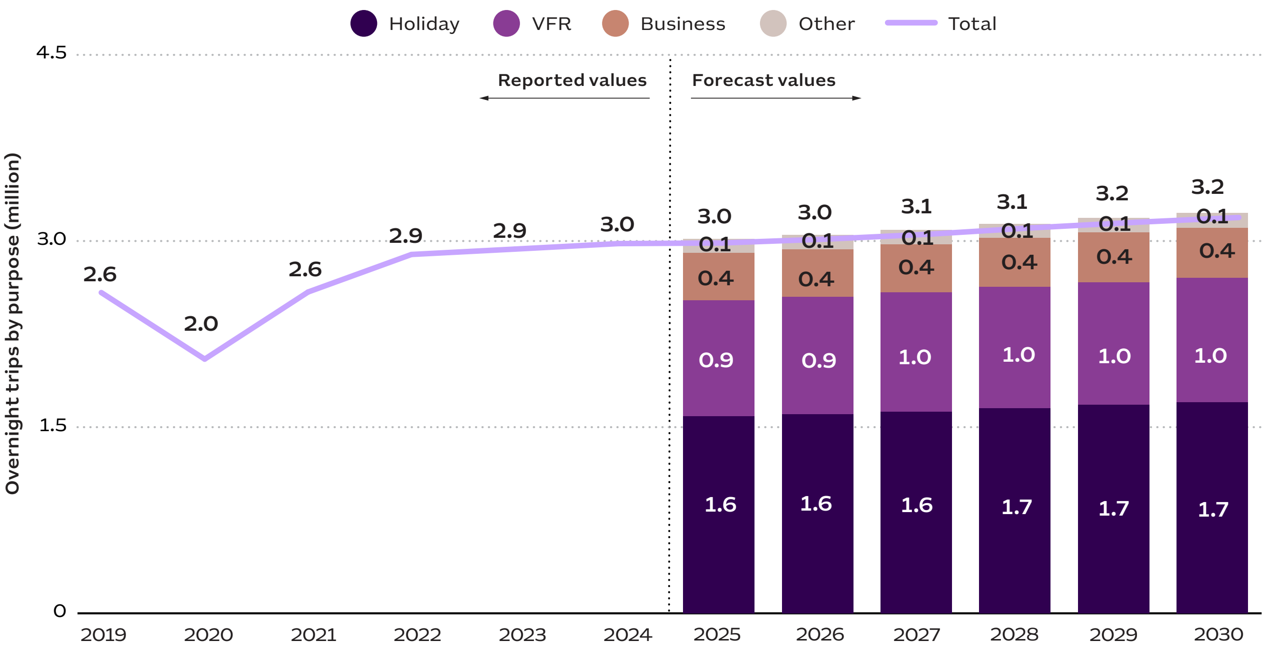
Source: Tourism Research Australia. Domestic Tourism Statistics (DoTS) and forecast data

Tasmania

Overnight trips in Tasmania are forecast to remain relatively steady in 2025, increasing slightly by 0.2% to 3.0 million. Growth is expected to strengthen modestly in the following years, peaking at 1.7% in 2028. By 2030, overnight trips to Tasmania are forecast to reach 3.2 million, with an average annual growth rate of 1.3% over the forecast period. This is less than the national average rate of increase due to Tasmania's modest projected rate of population growth and higher reliance on interstate travel than most states and territories.

Due to recent changes in the way domestic tourism statistics are collected and modelled, historical DoTS data by purpose of travel is not available.

Figure 16. **Domestic overnight trips in Tasmania and by purpose of trip. Reported values to 2024, forecast values from 2025 onwards.**



*Total includes visits spent in transit and purpose not stated. Trips can be counted in more than one purpose.

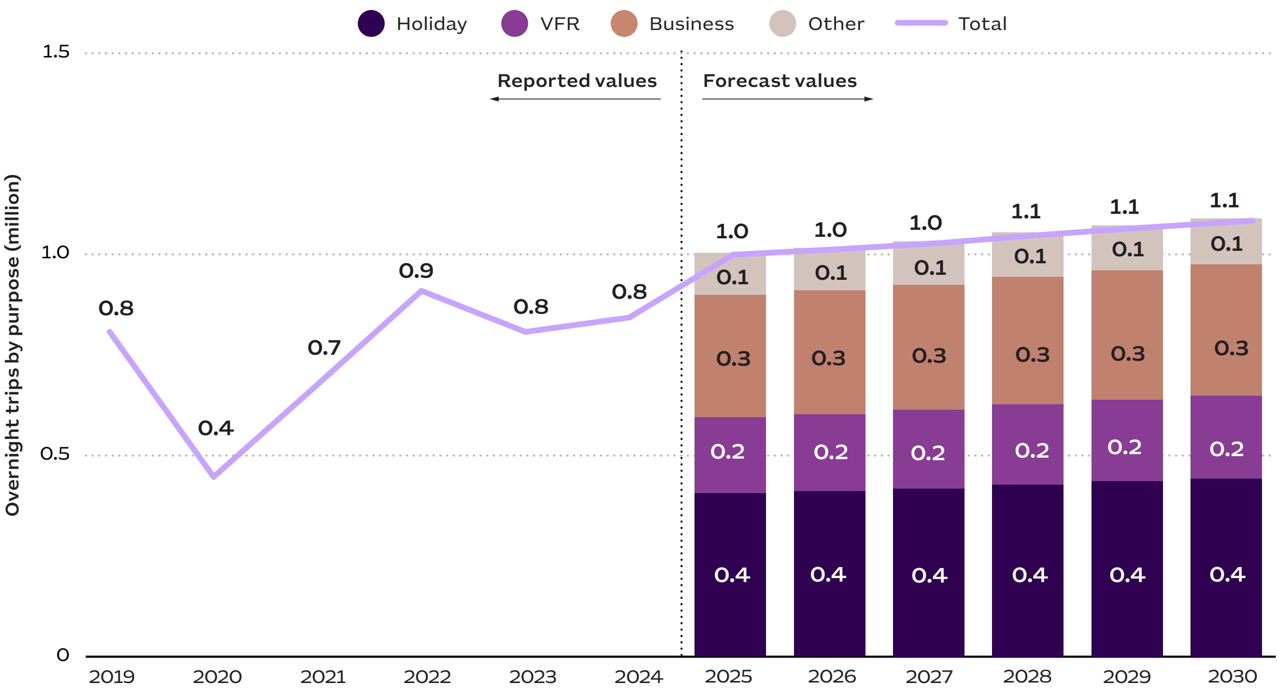
Source: Tourism Research Australia. Domestic Tourism Statistics (DoTS) and forecast data

Northern Territory

The Northern Territory is forecast to see a material increase in overnight trips in 2025, rising by 19% to reach 1.0 million. This rise in 2025 is in part attributable to the changes in modelling of domestic tourism statistics. From 2026 onwards, growth is expected to align more closely with national trends. By 2030, overnight trips are forecast to reach 1.1 million, representing an average annual growth rate of 1.6% over the forecast period.

Due to recent changes in the way domestic tourism statistics are collected and modelled, historical DoTS data by purpose of travel is not available.

Figure 17. **Domestic overnight trips in Northern Territory and by purpose of trip. Reported values to 2024, forecast values from 2025 onwards.**



*Total includes visits spent in transit and purpose not stated. Trips can be counted in more than one purpose.

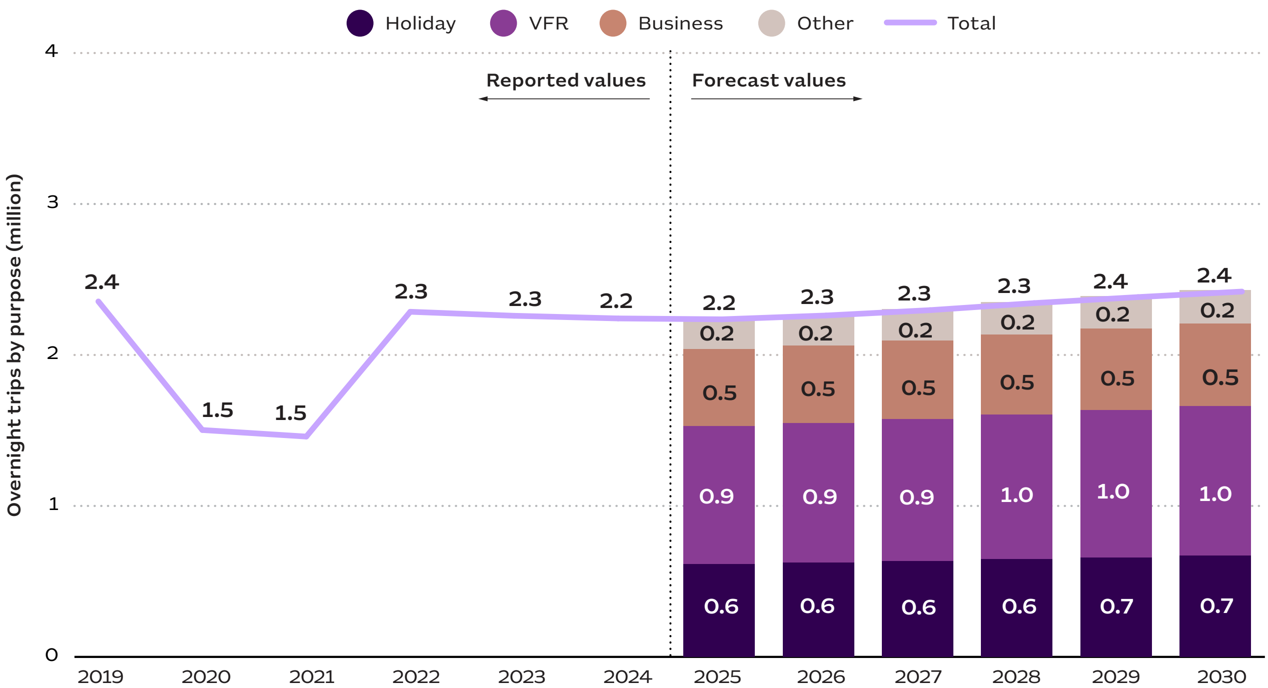
Source: Tourism Research Australia. Domestic Tourism Statistics (DoTS) and forecast data

Australian Capital Territory

Overnight trips to the Australian Capital Territory are forecast to decline slightly by 0.3% to 2.2 million in 2025. Modest growth is expected to resume in 2026 (1.1%) and 2027 (1.6%), with a peak of 2.0% forecast in 2028. Over the 5-year forecast period, overnight trips are projected to grow at an average annual rate of 1.6%, reaching 2.4 million by 2030.

Due to recent changes in the way domestic tourism statistics are collected and modelled, historical DoTS data by purpose of travel is not available.

Figure 18. **Domestic overnight trips in Australian Capital Territory and by purpose of trip. Reported values to 2024, forecast values from 2025 onwards.**



*Total includes visits spent in transit and purpose not stated. Trips can be counted in more than one purpose.

Source: Tourism Research Australia. Domestic Tourism Statistics (DoTS) and forecast data

Alternative forecast scenarios

The forecasts outlined in this report reflect TRA's current best view of the most likely outcomes for tourism metrics. However, there is a high level of uncertainty inherent in any forecasting exercise, particularly when projecting out several years. With respect to these tourism forecasts, there are many forecast assumptions that could evolve over the next 5 years differently to what was expected. TRA have therefore produced 2 scenarios that outline how key tourism metrics could unfold in the case where certain variables evolve differently than envisaged in the central forecast scenario as part of this year's forecasting exercise.

This section details the optimistic and the pessimistic scenario and how they compare to the central forecast scenario that is detailed elsewhere in this report.

These scenarios do not capture potential growth paths in the case of extreme events. For example, neither the central forecasts, nor the scenarios consider the impact of another global pandemic. Similarly, the scenarios do not consider major changes to pre-announced government policies, geo-political settings or world events such as the emergence of a large health, social, environmental, technological or economic crisis.

National Arboretum Canberra, Australian Capital Territory. Image © Tourism Australia

Alternative international projections

International optimistic scenario

The international optimistic scenario is characterised by the following conditions that are more positive than the central forecast projection:

- Broader and stronger global economic growth conditions, with growth in household incomes leading to additional discretionary spending. This may occur through a smaller than expected impact on trade and global relations.
- A de-escalation in global conflicts, with increased confidence that future conflicts can be avoided, leading to improved travel sentiment and reopening of some flight routes.
- Inbound aviation capacity grows more strongly, including additional long-haul routes to high-value markets. This may be supported by a more stable and moderate fuel price outlook.
- The new Nancy-Bird Walton International airport in Western Sydney promotes additional inbound travel for a variety of travel purposes.
- Arrivals from China maintain a stronger growth trend. This is associated with increased support aligned with the recent Memorandum of Understanding (MoU) on tourism with China, enhancements to the Approved Destination Status (ADS) scheme, policy stability related to inbound international travellers, and positive economic and social ties with this major source market.

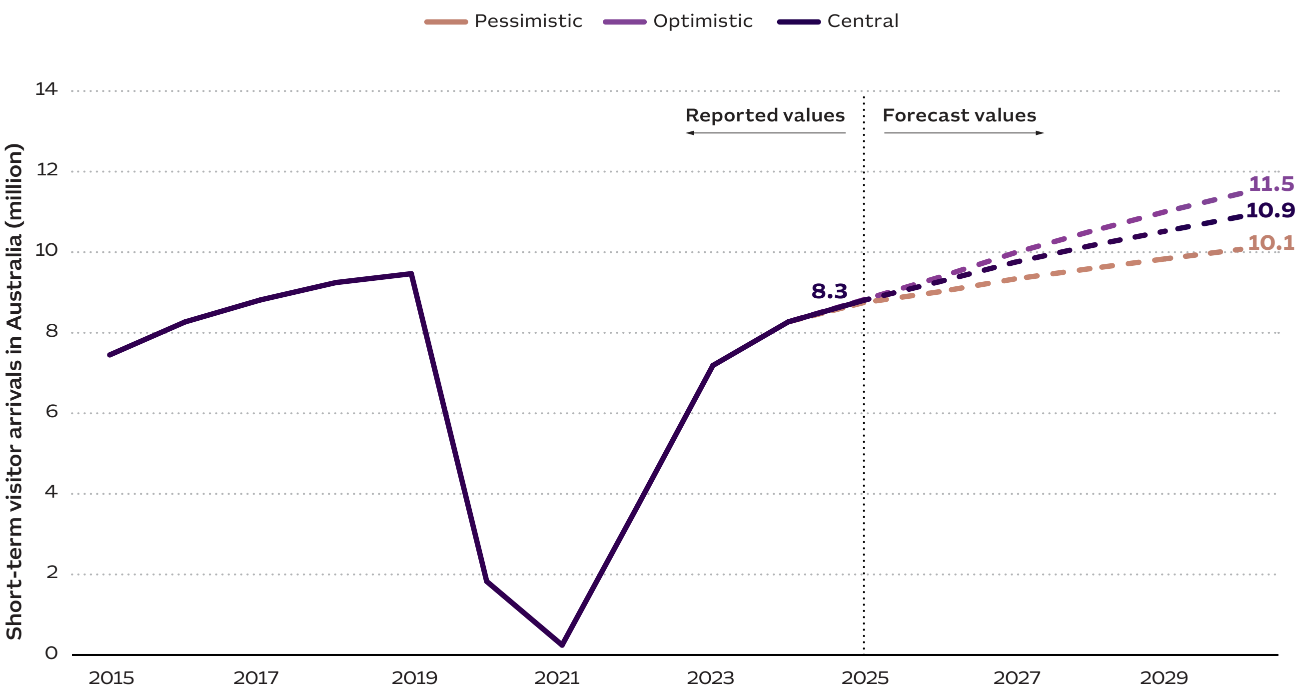
In addition, in the optimistic scenario, Australia's exchange rate remains competitive, policies and attitudes to welcoming visitors remain supportive, sustainability-related policy commitments do not reduce inbound travel demand, and the impact of natural disasters does not grow in scale over the forecast horizon.

Under these more optimistic conditions, Australia sees stronger demand for a range of travel purposes. This is because, under the more optimistic settings, Australia is better able to capitalise on a range of existing opportunities, such as:

- the positive impact of global marketing to attract visitors to Australia and Australia's reputation as a safe, friendly and cherished destination
- the line-up of major sporting events during the green and gold decade leading to the 2032 Brisbane Olympics and Paralympics
- positive exposure and works completed to enhance Australia's sustainability offering, leading to Australia gaining more business events and conferences
- a stable outlook for international education policies which supports growth in arrivals for education in line with government policy to support the sustainable growth of this sector
- highlighting Australia's visitor economy alignment with growth trends such as sustainable travel, nature-based travel, experiences, wellness travel, adventure travel, cultural tourism, agritourism, and blended business/leisure travel trends (bleisure, work-from-anywhere, digital nomads).

In the optimistic scenario, international arrivals increase at a faster rate and reach 11.5 million in 2030 (Figure 19). This represents an increase of around 575,000 arrivals or 5.3% compared with the central scenario. Of note, arrivals from China would overtake New Zealand as Australia's largest source market in 2030 due to the faster growth in arrivals from this major source market.

Figure 19. **International visitor arrivals in Australia in the pessimistic and optimistic scenarios compared with central forecast. Reported values to 2024, forecast values from 2025 onwards.**

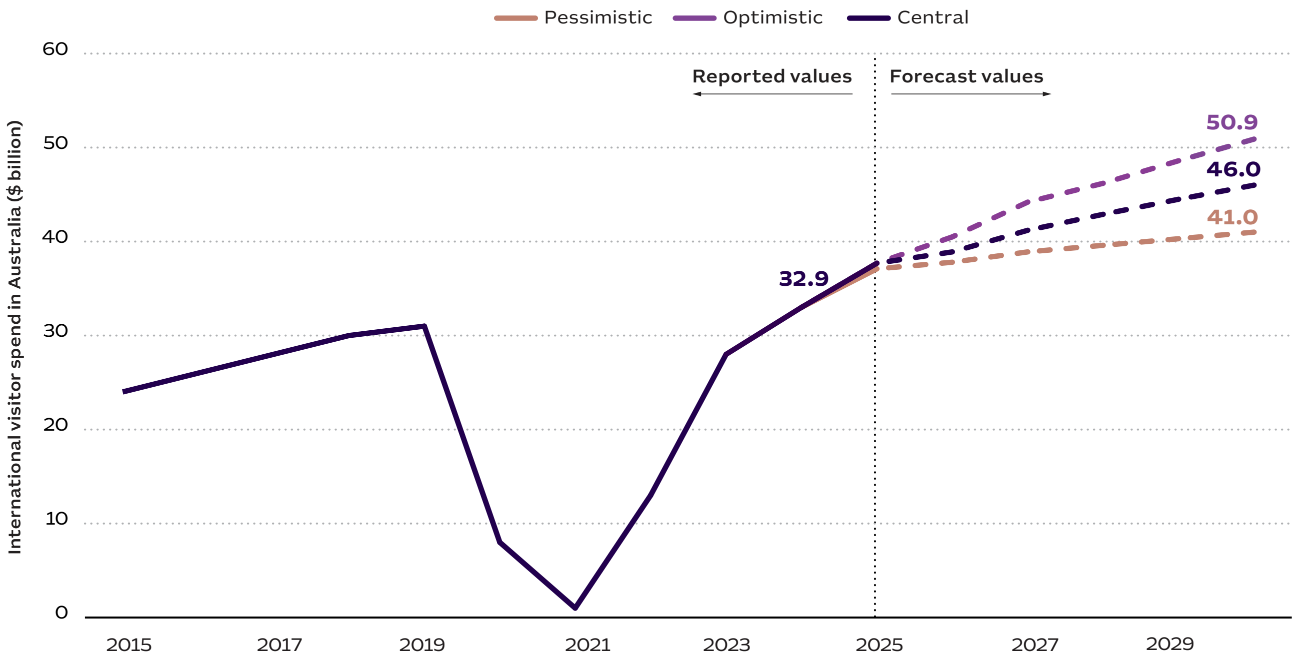


Source: Tourism Research Australia. Uses ABS Overseas Arrivals and Departures data.

With additional growth in high-value travel segments, the increase in international spend in Australia is even stronger in the optimistic scenario compared with the central case (Figure 20). International visitor spend in Australia in the optimistic scenario is forecast to reach $50.9 billion – 11% higher and $5 billion more than under the central forecast – representing an annual average growth of 6.2% over the forecast period. Average spend per trip trends marginally higher (in nominal terms) over the forecast period in the optimistic scenario.

Mabu Buru Tours, Broome, Western Australia. Image © Tourism Australia

Figure 20. International visitor spend in Australia in the pessimistic and optimistic scenarios compared with central forecast. Reported values to 2024, forecast values from 2025 onwards.



Source: Tourism Research Australia. Uses International Visitor Survey (IVS) data.

International pessimistic scenario

The international pessimistic scenario is characterised by a combination of the following conditions:

- Weaker economic outcomes for key markets, driven in part by trade tensions, leading to a shift to internal facing demand globally and lower growth in wages. These weigh on global travel demand as well as travel to Australia from key source markets.
- The number and scale of natural disasters become more prominent, and travel in Australia becomes increasingly associated with the potential for disruptions from natural disasters.
- The impact of additional domestic and global policies to address sustainability, particularly related to the aviation sector for example either through taxes, fees, or higher airfares due to a transition to (assumed) higher cost sustainable fuels.
- Policies related to international students in Australia lead to restricted growth in visitor arrivals for education – and flow-on visiting friends and relatives – from many markets, including key source markets.
- Aviation capacity growth continues to favour outbound travel destinations and additional routes that target inbound markets are limited, as airlines continue to seek high margins. Consequently, growth in arrivals via the new Nancy-Bird Walton international airport in Western Sydney is more moderate than assumed in the central scenario.

In addition, there is an ongoing risk of global conflicts, including conflicts that lead to occasional impacts on travel routes, which weighs on travel sentiment.

Under these more pessimistic conditions relative to the central case, Australia continues to reap the benefit of its reputation as a safe and friendly destination, however, international arrival growth is more muted. In the pessimistic scenario, annual growth in arrivals could average 2.9% over the forecast period. This results in total arrivals reaching just over 10 million in 2030. In this scenario, arrivals from key markets, in particular China and the USA grow much more slowly.

Alternative domestic projections

Domestic optimistic scenario

The domestic optimistic scenario is characterised by a combination of the following conditions:

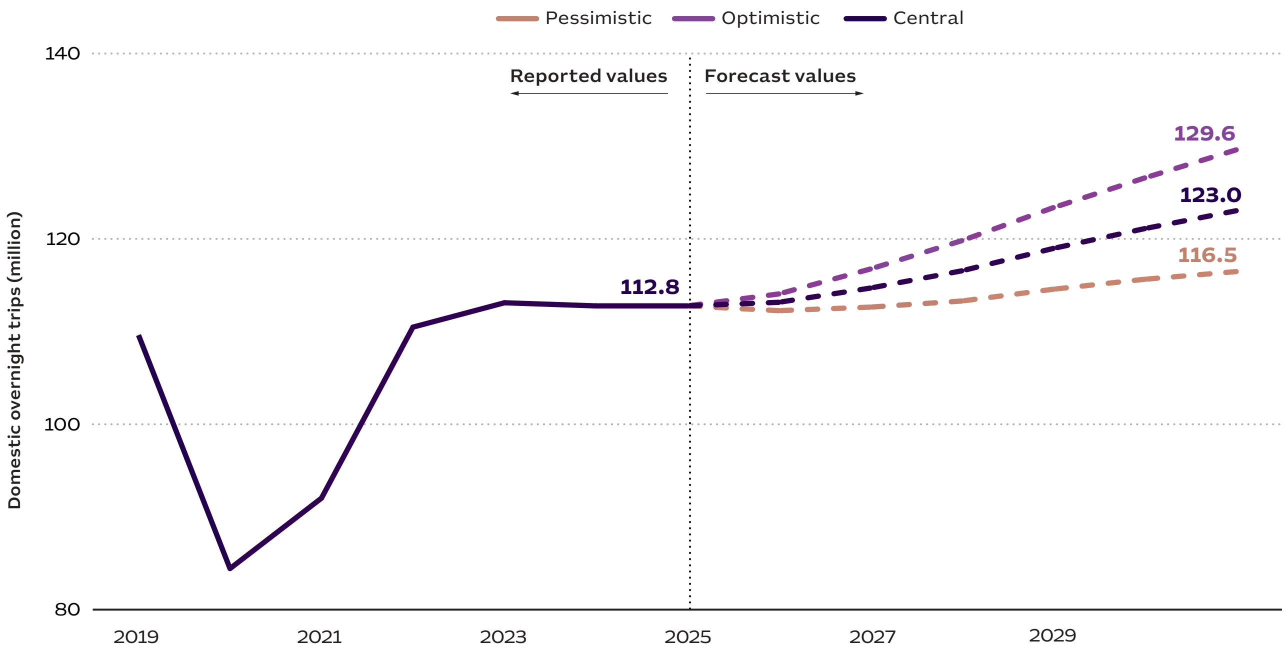
- Stronger economic growth in Australia with better employment and wage outcomes, while inflation remains at the low end of the RBA target band, supporting faster than expected growth in real household disposable income.
- Stronger average annual population growth of 1.8% over the 5-year forecast period[5].
- Australians continue to prioritise travel and are willing to spend their income to maintain or grow travel's share of household discretionary spending.
- Domestic aviation capacity and competitiveness improve, while fuel price inflation and other travel cost growth is moderate and predictable (i.e. reduced volatility and general price increases in line with economy-wide inflation).
- No step-up in the scale of impact from natural disasters on domestic travel preferences.

Under these more optimistic conditions, growth in domestic trips, nights and spend is higher than in the central scenario.

In the optimistic forecast scenario, domestic overnight trips could grow by 2.6% per year on average over 2025 to 2030, to close to 130 million in 2030, which is 5.3% higher than the central scenario forecast (Figure 21). This is associated with a solid increase in the number of domestic overnight trips per person.

Domestic visitor nights would increase by more than the number of trips, as the optimistic conditions afford an increase in the average length of trip.

Figure 21. Domestic overnight trip projections in the pessimistic and optimistic scenarios compared with central forecast. Reported values to 2024, forecast values from 2025 onwards.



Source: Tourism Research Australia. Uses Domestic Tourism Statistics (DoTS) data.

5 Informed by the ABS 'high' projection for the Australian resident population.

Domestic pessimistic scenario

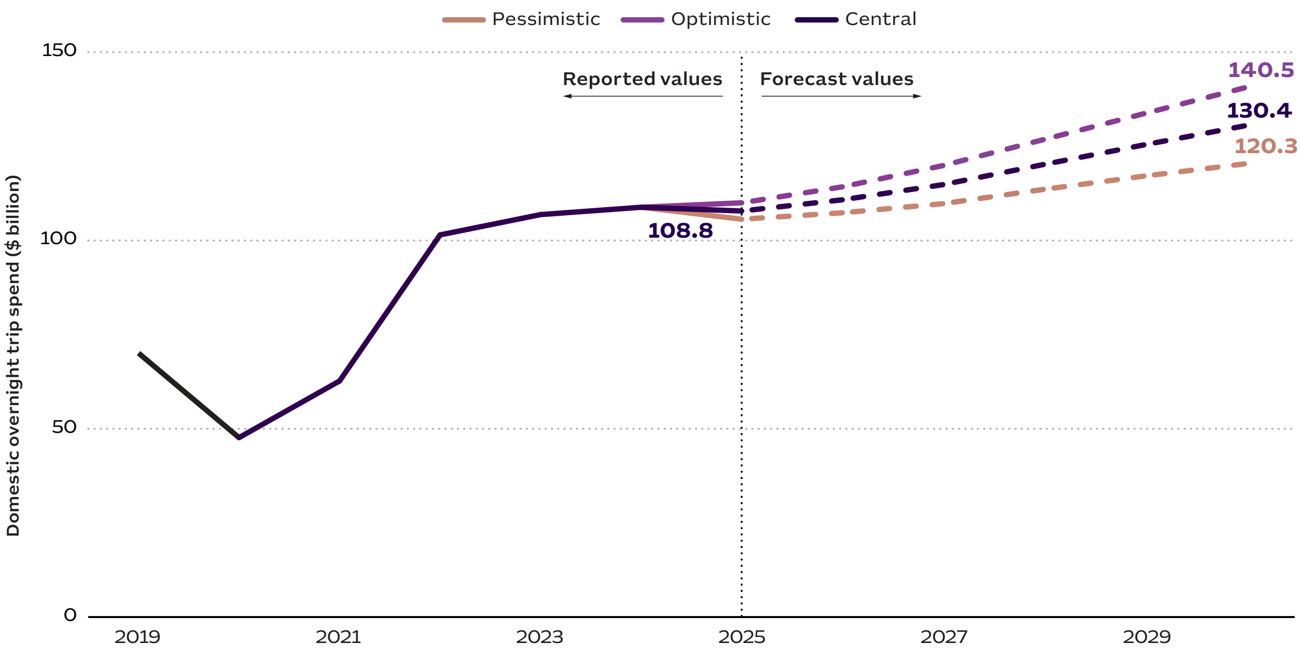
The domestic pessimistic scenario is characterised by a combination of the following conditions:

- Average annual population growth of 1.4% over the 5-year forecast period (aligning with the ABS low projection series).
- Domestic travel costs increase considerably more than nation-wide inflation and fuel prices increase, with volatility possibly due to an escalation in geopolitical tensions.
- Continuation of strong outbound travel demand that limits growth in domestic travel, particularly for interstate overnight holiday trips.
- Increase in the incidence and impact of extreme weather events on tourism hotspots.
- The economy underperforms over the forecast period with cost-of-living challenges remaining more evident.
- Australians reduce discretionary spending, particularly the share of spend allocated to domestic travel.
- No change in aviation competitiveness and capacity growth despite recent and upcoming changes in domestic aviation settings.

Under these conditions, growth in day trips is expected to outperform overnight trips throughout the forecast period. Overnight trips could also become shorter and generate lower average spend per night.

As a result of the soft economic conditions and continued household budget pressures in the pessimistic scenario, domestic overnight spend would still increase, but would be approximately $10 billion lower than the central forecast over the forecast period, reaching $120.3 billion in 2030 (Figure 22). This represents a cumulative reduction in growth of one-third over the next 5 years: 14% growth over the period in the pessimistic scenario, compared with 21% growth in the central scenario.

Figure 22. Domestic overnight trip spend in the pessimistic and optimistic scenarios compared with central forecast. Reported values to 2024, forecast values from 2025 onwards.



Source: Tourism Research Australia. Uses Domestic Tourism Statistics (DoTS) data.

Methodology

TRA forecasts are produced using a hybrid, evidence-based approach which combines quantitative data-based modelling and expert judgement. This method utilises market intelligence, the most recent available data and relevant research and publications to generate the expected trajectory for each metric. Where possible, TRA forecasts are compared against other travel forecasts, including those produced by Oxford Economics, and incorporate feedback from subject matter experts.

Insights from the Tourism Forecasting Expert Panel are a critical component of TRA's tourism forecasts. The Tourism Forecasting Expert Panel is an important source of broad-based, respected, and constructive intelligence drawn on by TRA to inform the tourism forecasts. TRA has been supported by a forecasting panel over many years: this year it comprised academic, industry and government experts. Federal government departments and the state and territory tourism organisations were also consulted during the forecasting process.

Given the varied trends in international and domestic travel across source markets and travel segments within a challenging global and domestic economic environment, this year's forecast approach again relied more heavily on input from the Forecasting Expert Panel, market intelligence and recent data trends for the short- and medium-term forecast values. Meanwhile, model-based and structural parameters are given a larger weight in the longer-term forecasts.

Forecasts for domestic tourism at the national level are modelled from two parameters: Australian population growth and travel propensities of age cohorts. Travel propensities are estimated using recent and pre-pandemic TRA data. Population growth projections are sourced from the Australian Bureau of Statistics and the Economist Intelligence Unit.

The judgement overlay permits weighting of the various forecast component inputs. Factors such as aviation capacity, availability of labour within the visitor economy, the accommodation outlook, national savings and disposable income growth, and behavioural considerations are also accounted for in this way.

The steps to incorporate expert judgement and market intelligence into TRA's forecasts are as follows:

1. Data-driven analysis and modelling by TRA to produce initial forecasts
2. Survey of external expert panel members and state and territory representatives to collect views and forecasts
3. Analysis of survey results to encompass all views and determine the average expectation for each tourism indicator at various time periods
4. Adjusting the model-based forecasts to incorporate panel and state and territory inputs, and confrontation with other data sources
5. Expert panel review and discussion of draft, initial forecast outputs
6. Incorporation of feedback from expert panel, updating input data sources and review of modelled components by TRA
7. Internal and external consultative review of detailed forecast data
8. Finalisation of forecast data.

During the current period of rapid change, revisions to forecasts are more likely than pre-pandemic. This reflects the pace of change in the input data series as well as updates to the forecasting methodology to capture key drivers of tourism demand in the current environment.

Data sources

Australian Bureau of Statistics

- Population projections, Australia, 2022 (base) – 2071, released November 2023
- Consumer Price Index, Australia, June Quarter 2025, September Quarter 2025
- Overseas Arrivals and Departures, Australia – various releases up to September data 2025, released 12 November 2025

Australian Trade and Investment Commission (Austrade)

- THRIVE 2030 Strategy – Austrade, August 2024

Bureau of Infrastructure, Transport and Regional Economics (BITRE), Department of Infrastructure, Transport, Regional Development, Communications, and the Arts

- Australian Domestic Airline Activity—time series: Domestic Totals & Top Routes
- International Airline Activity monthly airline performance
- International Airlines Operated Flights and Seats
- International airlines timetable summary

Consensus Economics

- Consensus forecasts (via subscription)

Economist Intelligence Unit

- Australian population and international economic forecasts (via subscription)

Euromonitor passport

- International outbound travel forecasts (via subscription)

Oxford Economics

- Travel and Tourism Databank (via subscription)

Reserve Bank of Australia

- Statement on Monetary Policy, May 2025, August 2025, November 2025

Tourism Australia

- Scheduled international flights, average weekly flights to Australia, data provided via Cirium as at 21 July 2025, https://www.tourism.australia.com/en/insights/tourism-statistics/aviation-statistics.html

Tourism Research Australia

- Annual benchmark report: Australia's visitor economy in 2024
- Domestic mobility data, various releases
- International Visitor Survey (IVS), various editions
- National Visitor Survey (NVS), various editions
- Tourism forecasts for Australia 2024 to 2029

Australian Government

Australian Trade and Investment Commission
Tourism Research Australia

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