



Are we there yet?

The current and future value of tourism to
Western Australia



Discovery series



Images courtesy of: **Front cover:** Getty Images/TimothyLui1105 **Page 2:** Australia's Coral Coast **Page 10:** Exmouth Dive and Whalesharks Ningaloo
<http://www.exmouthdiving.com.au/>

About the NRMA

Better road and transport infrastructure has been a core focus of the NRMA since 1920 when our founders lobbied for improvements to the condition of Parramatta Road in Sydney. Independent advocacy was the foundation activity of the organisation and remains critical to who we are as we approach our first centenary.

From humble beginnings, the NRMA has grown to one of the largest tourism and travel companies in Australia, representing over 2.6 million Australians. As our business has grown and diversified, so too has our national footprint and customer base, providing motoring, mobility and tourism services to 4.9 million customers across the country.

Today, the NRMA works with policy makers and industry leaders to advocate for increased investment in transport solutions to make mobility safer and easier, provide access to affordable travel options and experiences, and ensure communities remain connected to business and employment opportunities. The NRMA is passionate about facilitating tourism and travel across Australia, recognising the vital role travel plays in how Australians connect and recharge, and discover the country.

By working together with all levels of government to deliver integrated tourism and travel options we can give the community a real choice about how they get around and explore the country. The NRMA believes that integrated transport networks, high-quality public transport and improved visitor facilities are essential to solve the challenge of growing congestion and provide for the future growth of our communities.

Discovery series

The NRMA is passionate about travel. We aim to inspire people to connect, explore and discover this great country through quality tourism and transport services.

As the backbone of many regional communities and an employer of over half a million Australians, we need to ensure the tourism industry continues to grow. The NRMA will champion investment in transport and visitor infrastructure, partnerships to profile our regions and technology to link visitors with the most iconic and best kept secrets this country has to offer.

Introduction

Western Australia's visitor economy has been through a state of transition. The buoyancy of the mining boom saw strong visitation and travel around the state. Greater connection to South East Asia and international flights has also increased access to and from Western Australia. However, the transition of the mining boom is likely to have flow-on effects to travel in and around the state.

Yet Western Australia still has a vibrant and diverse visitor economy. From the spectacular Ningaloo coastline, to the Kimberley, to the wine regions of the Margaret River, Western Australia has a lot to offer visitors and locals alike.

The NRMA is committed to the tourism industry and the communities it supports. WA welcomed 30 million visitors in 2016-17, who spent \$11.8 billion in the state economy. Tourism employs 71,100 people across regional and metropolitan WA.

The NRMA's *WA Are We There Yet?* paper highlights the importance of tourism to WA and its regions, trends in visitation and expenditure, and the value of drive tourism and caravan and camping to many of the state's iconic regional destinations.

Where most other states saw international visitation grow faster than domestic, WA has seen a five-year average annual growth rate in domestic overnight visitation of 11 per cent to 9.4 million visitors in 2016-17. By comparison, international visitation grew on average 6 per cent each year to 965,000 visitors.

In 2016-17, domestic visitors spent \$9.4 billion, or 79 per cent of total visitor expenditure in the state. In the regions, this proportion jumps to 93 per cent of expenditure, highlighting the importance of the domestic visitation to regional WA.

Australia's North West experienced the largest average annual increase of 23 per cent in domestic overnight visitation to 1.3 million visitors in 2016-17, while the South West saw the highest average annual increase in domestic overnight expenditure at 11 per cent to \$1.6 billion.

WA's South West region also saw the largest annual increase in international visitors at 10 per cent to 172,000 visitors. The Coral Coast, however, saw the highest average annual increase in international expenditure of 18 per cent to \$95 million.

Self-drive visitors represent 86 per cent of total visitors to WA, spending \$7.2 billion. The North West has seen the largest average annual increase in self-drive visitors at 20 per cent to 721,000, while the South West Coast has seen the largest average annual increase in visitor nights to 10.4 million. The Coral Coast has seen the largest average annual growth in self-drive visitor expenditure outside Perth of 13 per cent to \$733 million in 2016-17.

Further, caravan and camping generated \$593 million in visitor expenditure, of which 90 per cent occurs in regional WA.

The NRMA believes with the right level of investment, planning and industry partnerships that visitor nights could grow to 104 million by 2026-27, generating \$14.1 billion in overnight visitor expenditure. Of this spend, \$6.1 billion could be attributed to the regions.

Western Australia has experienced significant challenges reaching its 2020 target. The NRMA believes setting targets and ongoing monitoring are necessary to redirect the course of the sector and support future growth.

Western Australia tourism regions



Tourism summary

Headlines figures



71,100

people employed in the sector

30 million visitors –

97 per cent are domestic visitors

13 million visitors to

regional WA –

42 per cent of total visitation

International visitor expenditure totalled \$2.5 billion in 2016-17 - an average annual growth rate of

4%

\$11.8

billion in total visitor expenditure

Domestic overnight visitation grew faster than international visitation –

11%

on average to 9.4 million visitors

Domestic expenditure totalled

\$9.3 billion

representing **79 per cent of total spend**

43%

of expenditure occurs in regional WA - \$5.1 billion

Industry potential

Visitor nights could grow to

104.4

million by 2026-27 – 48.5 million in regional WA

\$6.1

billion in overnight visitor expenditure could be spent directly in regional WA



Direct overnight visitor expenditure could increase to

\$14.1 billion

in 2026-27

Self-drive visitor nights could increase to

60.1

million by 2026-27

Caravan and camping



Visitors who stayed in a caravan or camping ground spent

\$593 million in 2016-17

90%

of caravan and camping expenditure occurs in regional WA

In the regions

South West - largest number of domestic overnight visitors outside Perth at 3 million visitors - average annual growth rate of

12%

South West also experienced the largest annual increase in international visitors at 10 per cent to

172,000

visitors

North West —

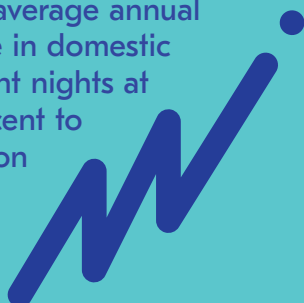
largest average annual increase of 23 per cent in domestic overnight visitation to 1.3 million visitors

Coral Coast — largest average annual increase in international expenditure to

\$95 million

North West -

largest average annual increase in domestic overnight nights at 22 per cent to 9.5 million nights.



Caravan and camping

South West - most caravan and camping visitors at 363,000 people — 44 per cent of total caravan and camping

Self-drive

26 million visitors took a self-drive trip in 2016-17

87% of visitors to WA undertake a self-drive trip

98 per cent of self-drive trips were by domestic visitors.

11 million

visitors to regional WA undertake a self-drive trip.

71 per cent of self-drive trips were domestic day trips.

Self-drive trips by **international visitors** have grown on average 10 per cent each year since 2011-12

Self-drive tourism expenditure totalled \$7.2 billion in 2016-17

47% of self-drive expenditure occurs in regional WA

Coral Coast - largest average annual increase in expenditure by self-drive visitors of 13 per cent to \$733 million

Australia's South West has the highest international expenditure of

\$121 million

for regional WA — a 17 per cent average annual increase

North West - largest average annual increase in self-drive visitors at 20 per cent to 721,000

Economic contribution of tourism

Total tourism visitation						Total tourism nights		
Stopover region	Financial year	Visitors (000)				Nights (000)		
		Int'l	Dom. overnight	Dom. daytrips	Total	Int'l	Dom. overnight	Total
Experience Perth	2011/12	688	2,846	9,625	13,159	20,023	10,391	30,414
	2016/17	921	3,741	13,261	17,923	22,526	12,630	35,156
	Av. Annual change	7%	6%	8%	7%	3%	4%	3%
Australia's Golden Outback	2011/12	44	633	662	1,339	888	2,467	3,355
	2016/17	53	1,045	1,060	2,158	707	4,651	5,358
	Av. Annual change	4%	13%	12%	12%	-4%	18%	12%
Australia's North West	2011/12	72	587	237	897	2,198	4,547	6,745
	2016/17	69	1,251	456	1,776	1,712	9,478	11,189
	Av. Annual change	-1%	23%	18%	20%	-4%	22%	13%
Australia's South West	2011/12	115	1,832	2,941	4,888	1,697	6,161	7,859
	2016/17	172	2,961	3,714	6,846	2,148	9,858	12,005
	Av. Annual change	10%	12%	5%	8%	5%	12%	11%
Australia's Coral Coast	2011/12	61	642	690	1,393	935	3,394	4,328
	2016/17	88	992	1,117	2,196	974	4,567	5,540
	Av. Annual change	9%	11%	12%	12%	1%	7%	6%
Regional WA	2011/12	228	3,528	4,529	8,285	5,718	16,569	22,286
	2016/17	289	6,039	6,346	12,674	5,540	28,553	34,093
	Av. Annual change	5%	14%	8%	11%	-1%	14%	11%
WA	2011/12	731	6,082	14,154	20,967	25,740	26,960	52,700
	2016/17	965	9,425	19,607	29,997	28,066	41,184	69,249
	Av. Annual change	6%	11%	8%	9%	2%	11%	6%

Total tourism expenditure						
Stopover region	Financial year	Regional expenditure (\$M)				Employment
		Int'l	Dom. overnight	Dom. daytrips	Total	Total
Experience Perth	2011/12	1,793	2,414	904	5,111	39,100
	2016/17	2,135	3,171	1,489	6,795	
	Av. Annual change	4%	6%	13%	7%	
Australia's Golden Outback	2011/12	46	350	72	469	4,200
	2016/17	31	526	129	686	
	Av. Annual change	-7%	10%	16%	9%	
Australia's North West	2011/12	107	742	54	903	6,800
	2016/17	81	1,087	57	1,225	
	Av. Annual change	-5%	9%	1%	7%	
Australia's South West	2011/12	110	1,023	345	1,478	15,200
	2016/17	163	1,609	449	2,220	
	Av. Annual change	10%	11%	6%	10%	
Australia's Coral Coast	2011/12	50	482	77	609	5,800
	2016/17	95	708	121	923	
	Av. Annual change	18%	9%	11%	10%	
Regional WA	2011/12	313	2,597	548	3,459	32,000
	2016/17	370	3,930	756	5,054	
	Av. Annual change	4%	10%	8%	9%	
WA	2011/12	2,106	5,011	1,452	8,570	71,100
	2016/17	2,505	7,101	2,245	11,849	
	Av. Annual change	4%	8%	11%	8%	

Drive tourism

Drive tourism visitation						Total tourism nights		
Stopover region	Financial year	Visitors (000)				Nights (000)		
		Int'l	Dom. overnight	Dom. daytrips	Total	Int'l	Dom. overnight	Total
Experience Perth	2011/12	350	1,739	8,809	10,899	11,435	4,455	15,890
	2016/17	532	2,587	12,337	15,456	14,179	6,526	20,705
	Av. Annual change	10%	10%	8%	8%	5%	9%	6%
Australia's Golden Outback	2011/12	30	472	594	1,097	429	1,535	1,963
	2016/17	43	765	1,018	1,826	428	2,600	3,028
	Av. Annual change	8%	12%	14%	13%	0%	14%	11%
Australia's North West	2011/12	25	180	158*	363	418	935	1,354
	2016/17	29	315	377	721	532	1,341	1,872
	Av. Annual change	3%	15%	28%	20%	5%	9%	8%
Australia's South West	2011/12	94	1,723	2,879	4,695	1,016	5,561	6,577
	2016/17	150	2,820	3,678	6,648	1,430	8,967	10,398
	Av. Annual change	12%	13%	6%	8%	8%	12%	12%
Australia's Coral Coast	2011/12	41	532	669	1,242	517	2,715	3,231
	2016/17	68	854	1,100	2,022	597	3,764	4,361
	Av. Annual change	13%	12%	13%	13%	3%	8%	7%
Regional WA	2011/12	141	2,798	4,300	7,239	2,380	10,745	13,125
	2016/17	216	4,587	6,173	10,976	2,986	16,672	19,659
	Av. Annual change	11%	13%	9%	10%	5%	11%	10%
WA	2011/12	384	4,386	13,109	17,879	13,815	15,200	29,015
	2016/17	574	6,946	18,510	26,030	17,165	23,199	40,364
	Av. Annual change	10%	12%	8%	9%	5%	11%	8%

Drive tourism expenditure					
Stopover region	Financial year	Regional expenditure (\$M)			
		Int'l	Dom. overnight	Dom. daytrips	Total
Experience Perth	2011/12	926	604	803	2,333
	2016/17	1,229	1,236	1,340	3,805
	Av. Annual change	7%	21%	13%	13%
Australia's Golden Outback	2011/12	25	173	61	259
	2016/17	22	265	113	400
	Av. Annual change	-2%	11%	17%	11%
Australia's North West	2011/12	28	133	np*	186
	2016/17	30	191	41	261
	Av. Annual change	1%	9%	np	8%
Australia's South West	2011/12	66	859	339	1,264
	2016/17	121	1,397	434	1,952
	Av. Annual change	17%	13%	6%	11%
Australia's Coral Coast	2011/12	30	347	72	449
	2016/17	68	547	118	733
	Av. Annual change	25%	12%	13%	13%
Regional WA	2011/12	149	1,512	498	2,158
	2016/17	241	2,400	706	3,346
	Av. Annual change	12%	12%	8%	11%
WA	2011/12	1,075	2,116	1,301	4,491
	2016/17	1,470	3,636	2,046	7,151
	Av. Annual change	7%	14%	11%	12%

*one or more of the estimates is subject to high sampling variability. In these instances, the estimates and growth rates reported should be treated with caution.

Caravan and camping

Caravan and camping visitation					Total tourism nights		
Stopover region	Financial year	Visitors (000)			Nights (000)		
		Int'l	Dom. overnight	Total	Int'l	Dom. overnight	Total
Experience Perth	2011/12	13	72	85	63	223	287
	2016/17	17	116	133	77	341	418
	Av. Annual change	7%	12%	11%	4%	10%	9%
Australia's Golden Outback	2011/12	11	103	114	52	566	617
	2016/17	15	107	122	75	506	581
	Av. Annual change	8%	1%	1%	9%	-2%	-1%
Australia's North West	2011/12	15	90	105	177	554	731
	2016/17	16	84	100	151	608	759
	Av. Annual change	1%	-1%	-1%	-3%	2%	1%
Australia's South West	2011/12	14	242	255	113	1,085	1,198
	2016/17	20	342	363	119	1,714	1,833
	Av. Annual change	9%	8%	8%	1%	12%	11%
Australia's Coral Coast	2011/12	20	128	149	178	743	921
	2016/17	29	189	218	207	1,366	1,573
	Av. Annual change	8%	9%	9%	3%	17%	14%
Regional WA	2011/12	38	526	564	520	2,948	3,468
	2016/17	50	679	729	552	4,194	4,746
	Av. Annual change	6%	6%	6%	1%	8%	7%
WA	2011/12	41	575	616	583	3,171	3,754
	2016/17	55	774	829	629	4,535	5,163
	Av. Annual change	7%	7%	7%	2%	9%	8%

Caravan and camping expenditure				
Stopover region	Financial year	Regional expenditure (\$M)		
		Int'l	Dom. overnight	Total
Experience Perth	2011/12	8	28	36
	2016/17	9	50	59
	Av. Annual change	3%	16%	13%
Australia's Golden Outback	2011/12	4	47	51
	2016/17	5	29	34
	Av. Annual change	5%	-8%	-7%
Australia's North West	2011/12	15	53	68
	2016/17	10	68	78
	Av. Annual change	-7%	6%	3%
Australia's South West	2011/12	7	122	129
	2016/17	11	217	228
	Av. Annual change	11%	16%	15%
Australia's Coral Coast	2011/12	12	84	96
	2016/17	25	170	195
	Av. Annual change	22%	20%	21%
Regional WA	2011/12	37	306	343
	2016/17	51	483	534
	Av. Annual change	8%	12%	11%
WA	2011/12	45	334	379
	2016/17	60	533	593
	Av. Annual change	7%	12%	11%



2026-27 projections

Visitor nights and self-drive visitation

Western Australia	All tourism nights (000)				
	Perth		Regional Western Australia		Total
	International	Domestic Overnight	International	Domestic Overnight	
2017-18	25,007	13,181	6,340	29,379	73,907
2018-19	26,408	13,645	6,670	30,539	77,263
2019-20	27,807	14,064	6,972	31,598	80,441
2020-21	29,221	14,482	7,270	32,660	83,634
2021-22	30,684	14,901	7,586	33,723	86,894
2022-23	32,186	15,319	7,911	34,789	90,204
2023-24	33,750	15,742	8,248	35,868	93,608
2024-25	35,367	16,171	8,597	36,962	97,097
2025-26	37,061	16,605	8,960	38,070	100,695
2026-27	38,835	17,044	9,337	39,192	104,407

Western Australia	Self drive tourism nights (000)				
	Perth		Regional Western Australia		Total
	International	Domestic Overnight	International	Domestic Overnight	
2017-18	15,004	6,195	3,043	18,215	42,458
2018-19	15,845	6,413	3,202	18,934	44,394
2019-20	16,684	6,610	3,347	19,591	46,232
2020-21	17,533	6,807	3,490	20,249	48,078
2021-22	18,410	7,003	3,641	20,908	49,963
2022-23	19,311	7,200	3,797	21,569	51,877
2023-24	20,250	7,399	3,959	22,238	53,846
2024-25	21,220	7,600	4,126	22,916	55,864
2025-26	22,236	7,804	4,301	23,603	57,945
2026-27	23,301	8,011	4,482	24,299	60,092

2026-27 projections

Expenditure – capital city and regional Western Australia

Western Australia	Overnight visitor expenditure (\$m)		
	Perth	Regional Western Australia	Total
	Total	Total	Total
2017-18	5,465	4,524	9,989
2018-19	5,732	4,712	10,445
2019-20	5,992	4,885	10,877
2020-21	6,254	5,057	11,312
2021-22	6,524	5,232	11,755
2022-23	6,798	5,408	12,206
2023-24	7,083	5,587	12,670
2024-25	7,376	5,770	13,146
2025-26	7,680	5,956	13,636
2026-27	7,997	6,146	14,143

Data notes:

Source

- Tourism Research Australia (TRA)

Employment

- Estimates for each tourism region have been sourced from TRA's 2016-17 Regional Tourism Satellite Accounts.

Visitor Estimates

- Components may not add to totals as visitors may visit more than one tourism region on a trip.

Expenditure Estimates

- Expenditure excludes all motor vehicle, capital and major equipment purchases and for international visitors any pre-purchased international airfares and 70 per cent of pre-purchased packages assumed to be spent outside Australia.
- For self-drive, expenditure for each tourism region refers to total expenditure in that region by visitors who arrived by self-drive vehicle.
- For caravan and camping, expenditure for each tourism region refers to total expenditure in that region by visitors who stayed in a commercial caravan park or camping ground during their visit.

Tourism Region Estimates

- Tourism regions estimates for nearly all metrics are based on the region boundaries which applied in 2017. The caravan and camping expenditure estimates are based on 2018 region boundaries. The differences between 2017 and 2018 region boundaries are negligible.
- Where a tourism region is asterisked (*) one or more of the estimates is subject to high sampling variability. In these instances, the estimates and growth rates reported should be treated with caution.
- The Gold Coast tourism region is included in Regional Queensland estimates.

Inclusions and Exclusions

- Regional, State and National totals include relevant estimates from tourism regions where data has been confidentialised and not published (i.e. np cells).
- Regional, State and National totals exclude stopovers by visitors to unspecified, offshore and/or transit locations.

Projections

- Visitor overnight forecasts derived from TRA data
- Self-drive visits and visitor nights have been calculated using a five-year average of the percentage self-drive represents of all tourism
- Expenditure forecasts have been calculated using visitor nights as a pro rata proxy
- Care should be used when using forecasted numbers. Domestic and international geopolitical and economic events outside the scope of this report can impact both domestic and international visitor numbers, travel patterns and expenditure.

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