



# Market Profile: **Australia**

June 2007

<b>Estimated Outbound Travel from Australia (2005):</b> 4.8 million	<b>Population:</b> 20,776,059
<b>Direct Customs Entries to BC (2006):</b> 128,068	<b>Unemployment Rate:</b> 5.1%
<b>BC's Share of Australian Custom Entries (2006):</b> 64.1%	<b>Real GDP<sub>(2006 est.)</sub>:</b> \$483.7 Billion US*
<b>Australia as a Share of BC's Total Int'l Customs Entries (2006):</b> 2.7%	<b>GDP Growth (2005 vs 2004):</b> 2.8%
<b>Asia/Pacific as a Share of BC's Total Int'l Customs Entries (2006):</b> 17.8%	<b>GDP Growth (2006 est.):</b> 3.0%
<b>Australia as a Share of BC's Asia/Pacific Customs Entries (2006):</b> 14.9%	<b>Forecasted GDP Growth (2007):</b> 3.0%

Sources: Statistics Canada, OECD, Australian Bureau of Statistics.

\*\$US at 2000 prices and exchange rates.

**In 2006, Australia continued to be one of BC's largest international markets ranking fourth largest in terms of direct customs entries. Similarly, Australia continued to be a large international market for Canada ranking seventh in visitation.**

**Australia ranked second to Japan in the Asia/Pacific region for both BC and Canada.**

**Australia held 14.9% of BC's Asia/Pacific market share and 13.1% of Canada's Asia/Pacific market share.**

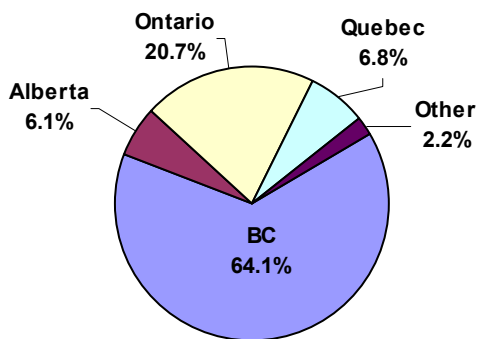
Top 10 Countries to BC	
U.S.A. Overnight	1
United Kingdom	2
Japan	3
Australia	4
South Korea	5
China	6
Taiwan	7
Germany	8
Hong Kong	9
Mexico	10

Based on 2006 customs entries data

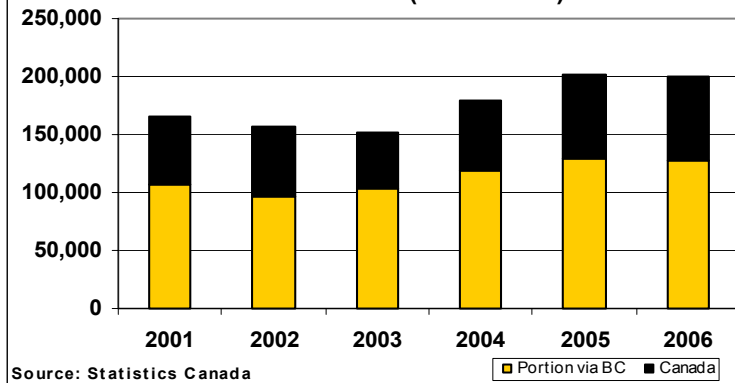
## SIZE & REVENUE OF AUSTRALIAN MARKET:

- In 2006, 199,691 Australian travellers visited Canada, of whom, just over 128,000 entered directly through British Columbia, accounting for 64.1% of Canada's Australian market.
- When compared to 2005, 2004, 2003, 2002, and 2001, Australia custom entries to BC in 2006 exhibited a decrease of 0.7% and increases of 7.9%, 23.6%, 33.3% and 20.7% respectively.
- Tourism BC forecasts that Asia/Pacific overnight visitor revenue will increase 19.2% by 2009 and Australian overnight visitor revenue is forecast to increase by 16.5%.

**Australian Overnight Customs Entries to Canada 2006**



**Australian Overnight Customs Entries to Canada (2001 - 2006)**



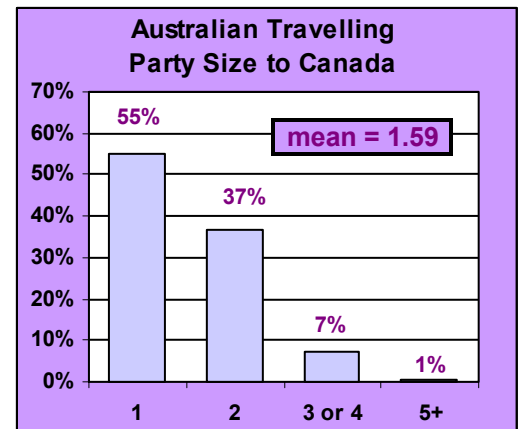
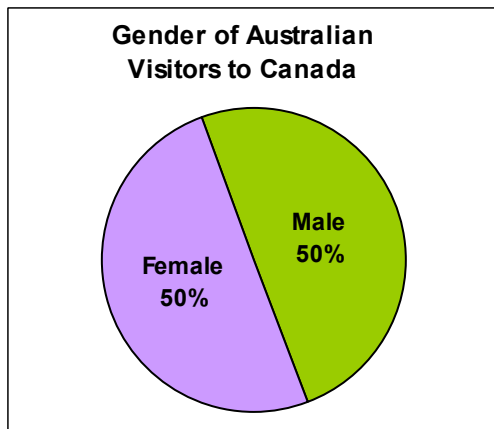
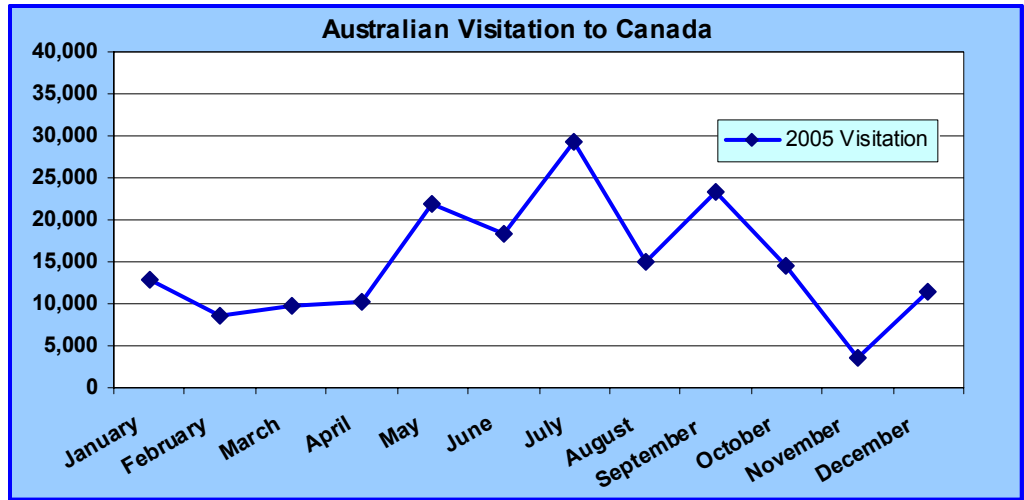
Source: Statistics Canada

■ Portion via BC ■ Canada

\*Reader Alert: Several information sources were used to compile this profile. Readers should exercise caution because definitions and methodologies may differ across sources, leading to inconsistencies in information from different sources.

## INTERNATIONAL TRAVEL SURVEY (2005) & THE AUSTRALIAN TRAVELLER:

- The International Travel Survey (ITS) is an ongoing survey conducted by Statistics Canada in partnership with the Canadian Tourism Commission and some provinces, including BC. The survey contains questions designed to collect data on the characteristics of travellers. The ITS provides statistics on the volume of international travellers and on characteristics of their trips such as expenditures, activities, places visited, accommodations and length of stay.

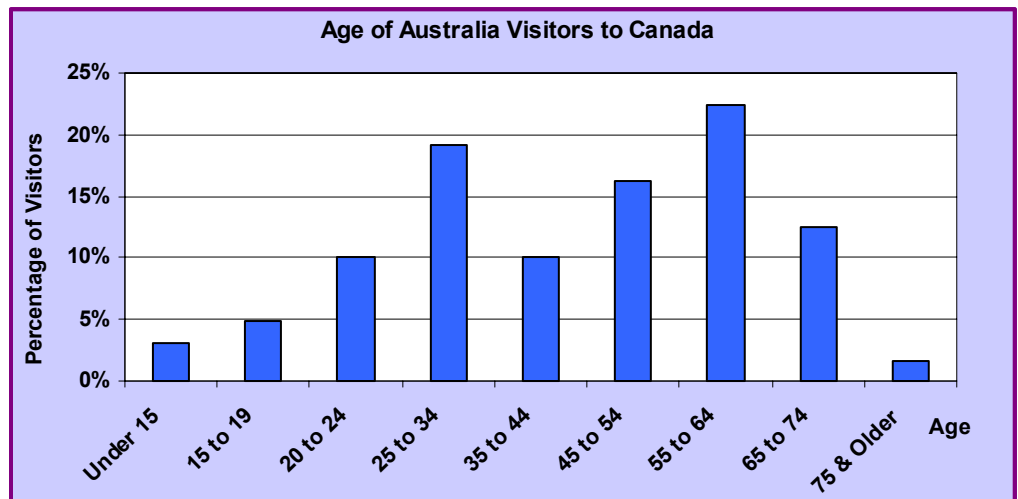


- In 2005, Australian visitation peaked in July. Overall, May to October was a popular time for Australian visitors to Canada.

- Canada received an approximate equal number of Australian male and female visitors in 2005.

- 55% of Australians came to Canada alone; the remaining 45% travelled in groups of two or more.

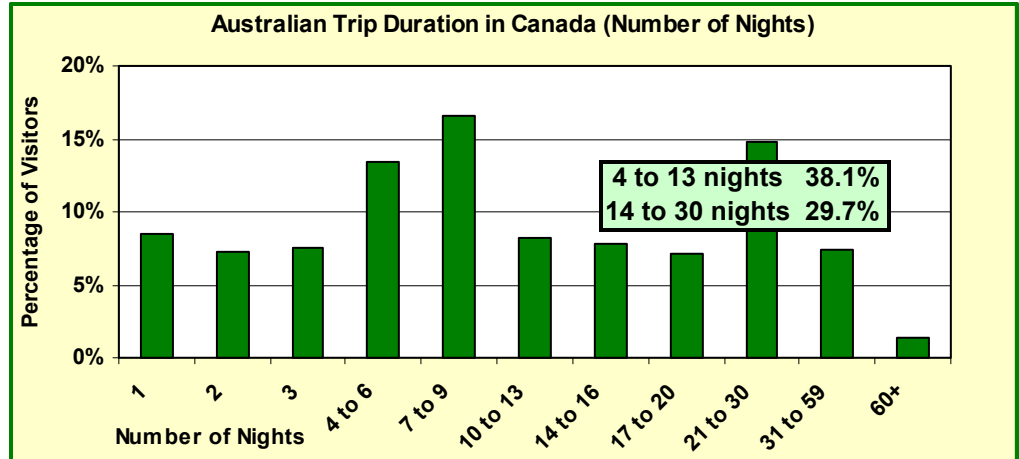
- Over 20% of Australia visitors to Canada in 2005 were between the ages of 55 to 64. Nearly 20% of travellers were between 25 to 34 years. The third largest age group, 45 to 54 held over 15% of the market share of travellers to Canada.



- In 2005, the average Australian traveller in Canada spent 7 to 9 nights. Almost 15% of

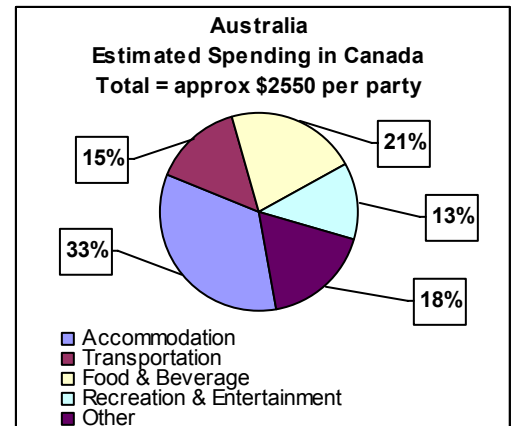
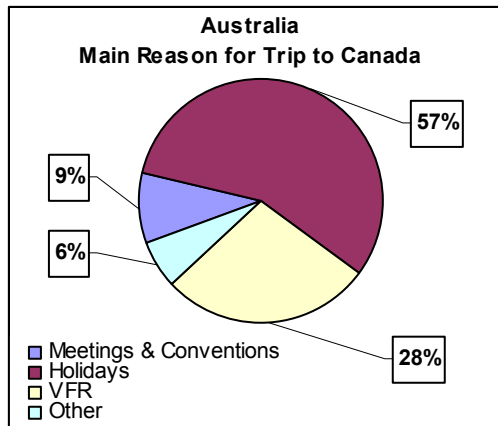
Canada's Australian visitors spent 21 to 30 nights.

- An estimated 57% of Australians visiting Canada in 2005 did so for a holiday, while 28% came to Canada to visit friends and relatives, 9% for meetings and conventions and 6% for other reasons.



- Australians spent an estimated average of \$2,550 per party during their visit to Canada in 2005.

- Aside from shopping (94.6%) and sightseeing (90.2%), visiting a national or provincial nature park was the most popular activity



participated in by Australian travellers to Canada who spent a minimum of 1 night in BC. Visiting friends or relatives, participating in sports or outdoor activities, visiting historic sites, going to a bar or nightclub, visiting a museum or art gallery, and visiting a zoo, aquarium or botanical garden were all also popular activities for the Australian traveller.

BC Visitors Methods of Transportation Used While in Canada		
	Number	Percentage
Bus	57,701	51.2%
Private Automobile	48,242	42.8%
Plane	39,427	35.0%
Boat	36,338	32.3%
Rented Automobile	31,900	28.3%
Train	29,944	26.6%
Private Plane	949	0.8%
Private Boat	347	0.3%
Other	48,105	42.7%

Australian Visitors Overnight to BC: Activities Participated in While in Canada		
		Percentage
1	Visit a national or provincial nature park	67.4%
2	Visit friends or relatives	56.3%
3	Participate in sports or outdoor activities	49.3%
4	Visit a historic site	47.7%
5	Go to a bar or nightclub	44.3%
6	Visit a museum or art gallery	43.4%
7	Visit a zoo, aquarium or botanical garden	43.4%
8	Down hill skiing or snowboarding	23.0%
9	Go to a casino	16.0%
10	Attend a sports event	15.8%

\* Excludes shopping and sightseeing.

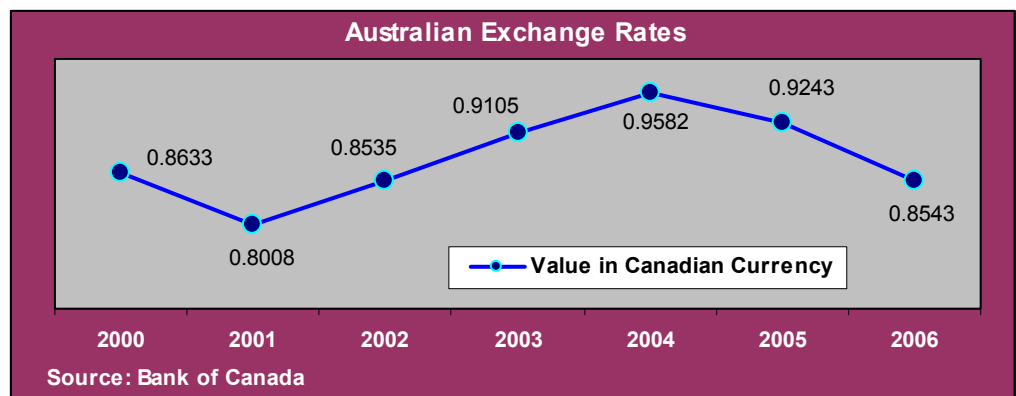
- While traveling in Canada, Australians who spent at least 1 night in BC used the bus more than any other mode of transportation. Travel by private automobile was the second most popular mode of transportation.

- As can be seen in the accompanying table, Australian visitors who spent a minimum of 1 night in BC while visiting Canada were generally satisfied with their experiences in Canada.

Australian Visitor Satisfaction		overnight in BC
<b>Transportation services</b>		
Good		83.2%
Average		14.3%
Poor		2.5%
<b>Accommodation services</b>		
Good		88.1%
Average		10.9%
Poor		1.0%
<b>Hospitality of local people</b>		
Good		97.4%
Average		2.5%
Poor		0.1%
<b>Value for your money</b>		
Good		60.5%
Average		37.9%
Poor		1.6%
<b>Variety of things to see and do</b>		
Good		86.7%
Average		13.3%
Poor		0.0%

## ECONOMIC PROFILE:

- The Australian housing market did drop off slightly in 2005, but has since bounced back.
- GDP continues to rise and is forecast to continue its growth in 2007 and 2008.
- Inflation has been contained reflecting moderate growth in unit labour costs, the effects of a higher exchange rate and vigorous competition in the retail sector.
- Employment continued to grow rapidly from 2006 into 2007, with the unemployment rate at 4.6% in February 2007.
- Decreases in Australian exchange rate may have influenced the decrease in Australian visitors to BC and Canada in 2006.
- Many Australians are now spending more than \$1000 a week on housing, food and clothes, and increasingly, on new technologies such as mobile phones, internet, iPods and other MP3 players, and pay-tv. In some states spending on new technologies has increased by 500% in five years.



## THE COMPETITION:

- Canada is positioned as a safe, friendly, like-minded destination with a moderate exchange rate against the Australian dollar; however it is still perceived as an expensive holiday compared with other destinations (i.e. Bali, Fiji, New Zealand).
- Low cost airlines continue to dominate the Australian market. There is a trend to book relatively last minute to short-haul destinations, such as New Zealand, Fiji, and other South Pacific destinations, or even domestic travel, as the prices are attractive.
- Mainstream products such as cruises, rail tours and city mini-stays are popular with the Australian market. However, the desire to see a “big animal” such as a bear or a moose is significant and often a highlight of an Australian’s visit to Canada.

Top 10 Australian Destinations in 2005	
1	New Zealand
2	USA
3	United Kingdom
4	China
5	Thailand
6	Singapore
7	Hong Kong
8	Fiji
9	Indonesia
10	Malaysia

Source: Australian Bureau of Statistics (2006)

**BOOKING METHODS:**

- Online travel bookings in Australia, have grown in the past several years. Almost half of all Australians visit an online travel site every month, but generally only book domestic travel online.