

11 October 2022

Australia's arrivals and departures

September: temporary work arrivals showing strength

Arrivals: 1072.9k, +45.2k mth, +1054.0k yr

Departures: 1045.0k, +102.8k mth, +1014.7k yr

Coming hot off the heels of a 'burst' in travel over the June/July holiday season, the recovery in overseas travel has continued to forge ahead in September.

Over recent months, overseas travel dynamics have begun returning to more typical seasonal trends, indicating a fading of the 'reopening effect' as travel patterns begin to normalise. However, this also means that seasonal volatility is beginning to have a larger influence on month-to-month reads, potentially masking the strength of the underlying recovery at hand.

Note that the ABS have not yet reinstated their seasonally adjusted estimates for the arrivals/departures data series.

Hence, we estimate that since July, overseas arrivals and departures have been tracking a *seasonally adjusted* average monthly gain of around +31k and +36k respectively. This compares to the seasonally adjusted average monthly gain (2017 to 2019) of around +5.3k and +5.7k respectively, reflecting a strong pace of recovery. At around 60% of their respective pre-pandemic levels, both arrivals and departures still have plenty of capacity for growth in anticipation of the summer holiday season, wherein another spike in travel is expected.

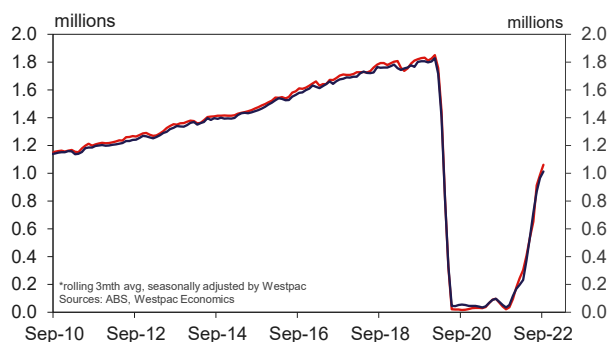
For September, the visa detail was the key highlight. Of note, the 'temporary work' group of visa arrivals posted another solid lift in September (+9.4k) while growth in departures remained relatively modest (+2.5k), resulting in a net increase of roughly 19k in September, on top of a -12k net gain in August.

This comes after a sustained period of notably weak net visa arrivals, particularly among temporary workers, suffocated by severe visa processing delays. Now, with more resources dedicated to processing visas, we are beginning to see visa grant flows 'catch-up' to applications, resulting in substantially positive net visa arrivals, albeit with some way still to go.

This progress is very much welcomed, and ongoing strength in grant flows should eventually flow through to even stronger net visa arrivals, going some way towards alleviating Australia's labour supply constraints.

Ryan Wells, Economist

Total overseas arrivals and departures

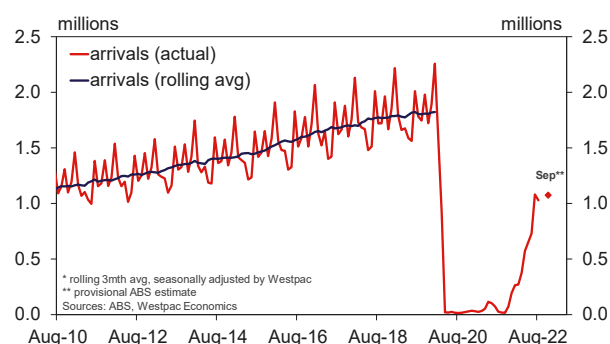


Overseas arrivals and departures – September

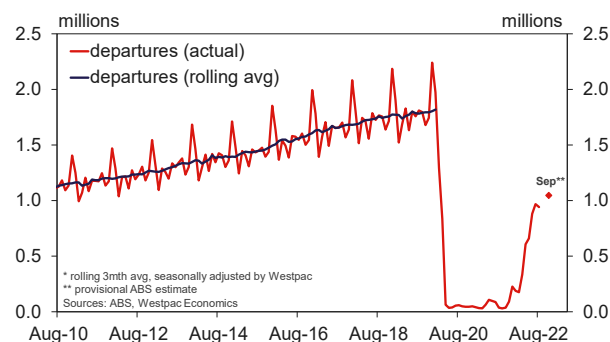
'000s	Aug-22	Sep-22 ^p	Month Chg	Annual Chg
Arrivals	1027.7	1072.9	45.2	1054.0
Permanent	80.6	76.7	-3.9	72.4
Student	41.1	36.0	-5.1	35.9
Temp Work	56.2	65.6	9.4	61.5
NZ	102.6	108.5	5.9	108.0
Departures	942.2	1045.0	102.8	1014.7
Permanent	68.3	76.5	8.2	71.9
Student	14.1	14.3	0.2	12.0
Temp Work	44.1	46.6	2.5	40.9
NZ	102.8	105.7	2.9	105.0

* based on non-seasonally adjusted data; p provisional.
Source: ABS, Westpac Economics.

Australia: total overseas arrivals



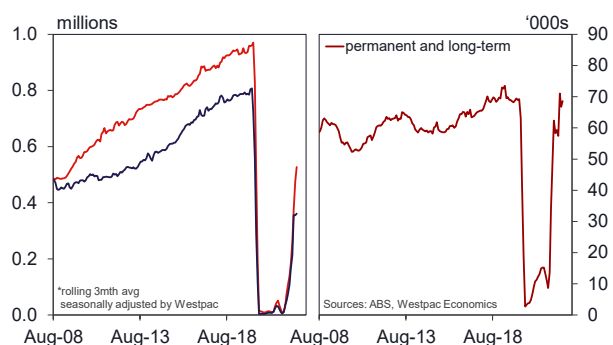
Australia: total overseas departures



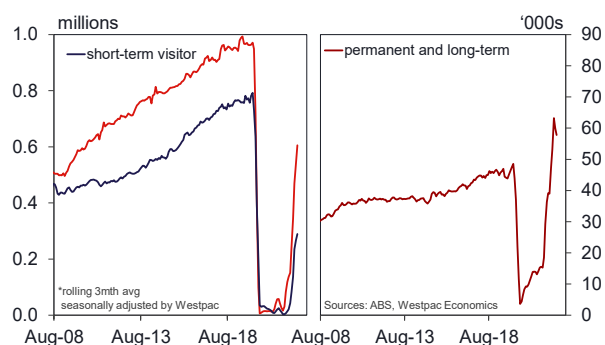
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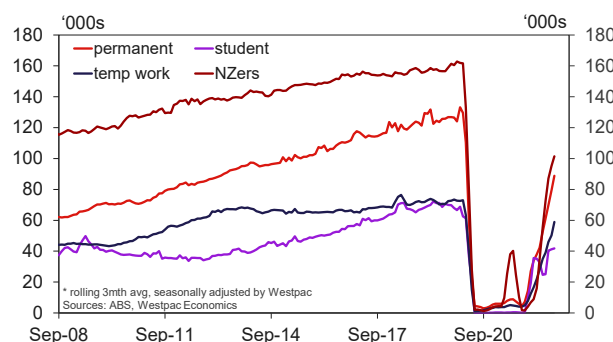
Overseas arrivals by category of travel



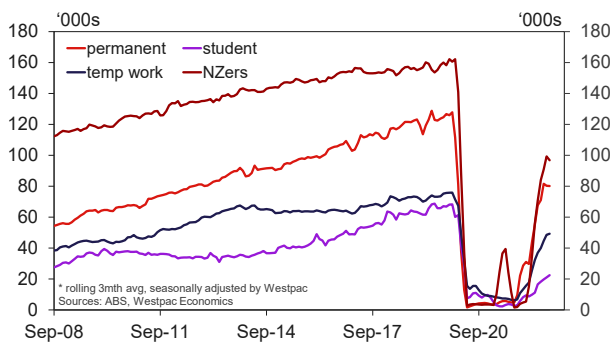
Overseas departures by category of travel



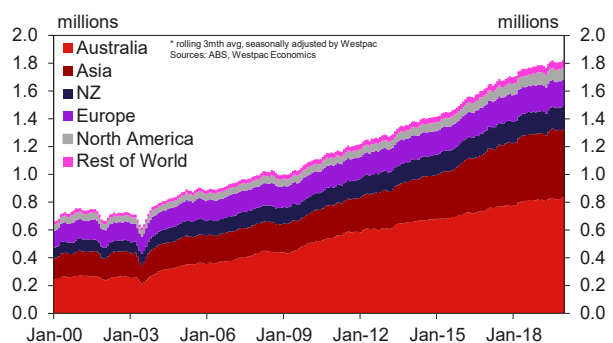
Overseas arrivals by visa class



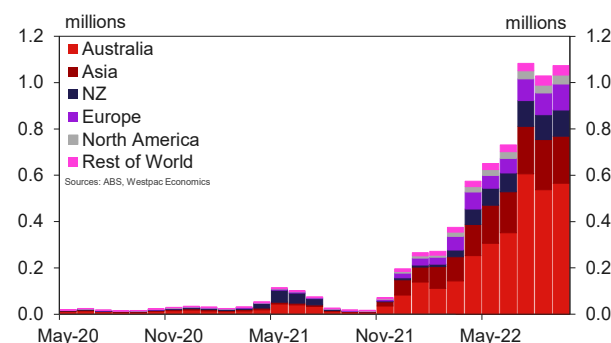
Overseas departures by visa class



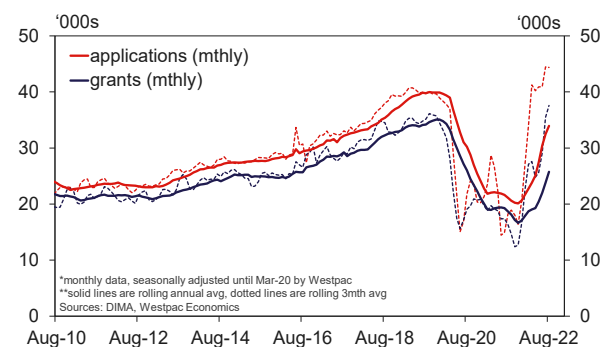
Pre-COVID: arrivals by country of citizenship



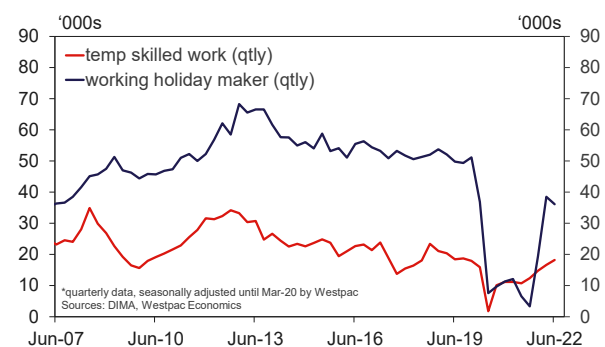
Post-COVID: arrivals by country of citizenship



Student visas: grants and applications



Temp work visas: grants



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