

13 April 2023

Australia's overseas arrivals and departures

March: underlying strength lasting

Arrivals: 1347.3k, +972.6k yr
Departures: 1332.8k, +997.6k yr

In March, overseas arrivals into Australia was relatively flat in original terms, estimated to have fallen 28k to be at roughly 1.35mn in the month. Meanwhile, overseas departures rose by around 264k, leaving the figure at 1.33mn in March.

On a seasonally adjusted basis (something the ABS is not currently able to do with precision) the pace of growth in overseas arrivals is continuing to track a relatively subdued trend, with the three-month average growth rate in March (Jan-Mar vs. Oct-Dec) now at 3.5%, compared to 18.9% in December.

However, this largely represents a cooling from the strength observed over the summer travel period. The underlying detail still points to some key positives. Looking at the more stable component of permanent and long-term travel, arrivals are stabilising well above pre-pandemic levels, and on a net basis, are tracking a net inflow of +118k in the three months to February. Momentum within this category remains notably stronger relative to pre-pandemic observations.

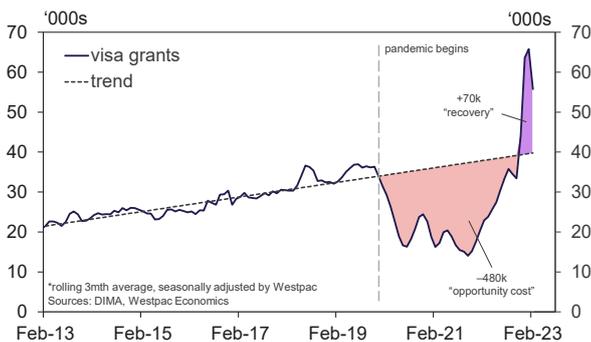
The visa detail also continues to impress. Net arrivals of those on student visas printed +22.9k on a seasonally adjusted basis in March, while the 'temporary work' category of visas posted a net gain of +15.7k. Since mid-late 2022, both of these categories have held in substantial net positive territory, suggesting that the momentum in these key migrant classes is holding firm.

Data from the Department of Home Affairs is also constructive, with visa grant rates across students, working holiday makers and temporary skilled workers all holding above pre-pandemic levels. Clearly, the surge in grant flows is translating to persistent strength in net arrivals across these visa groups.

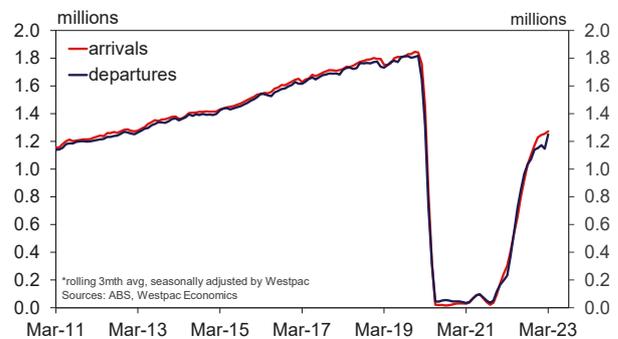
Last month, we received the official population estimates for Q3 2022. Net migration was revealed to have posted a gain of +106.2k - a historical record for that quarter. This development, alongside recent updates on overseas arrivals and departures, is not only consistent with our official forecast for a record level of net migration over 2022 (estimated +400k), but also a continuation of this strength into 2023 (forecast +350k) and 2024 (forecast +275k).

Ryan Wells, Economist

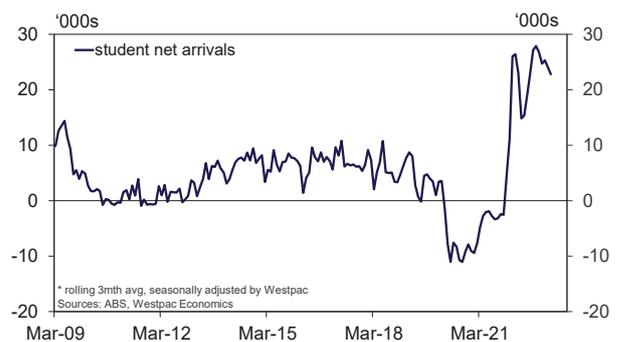
Student visa grants: recovery underway



Total overseas arrivals and departures



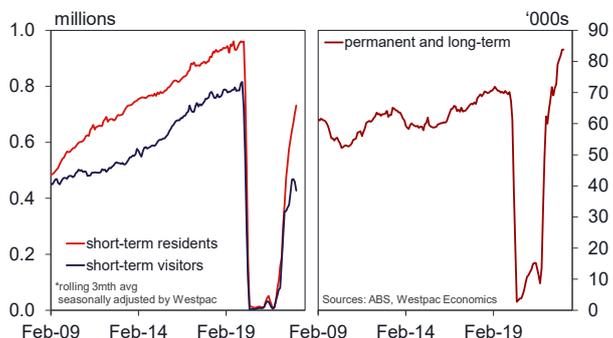
Net arrivals: student visas



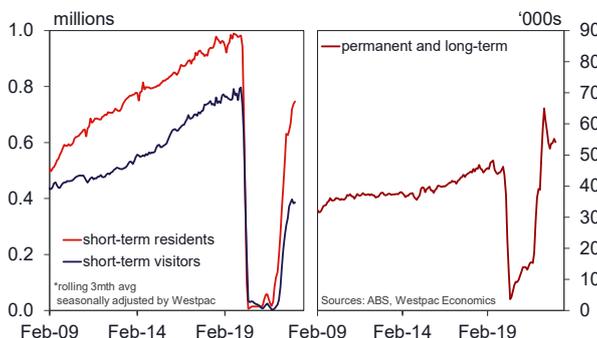
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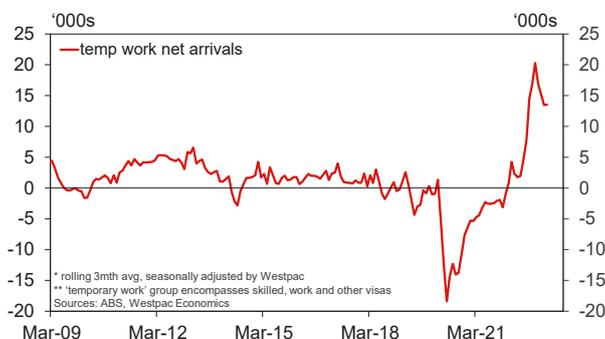
Overseas arrivals by category of travel



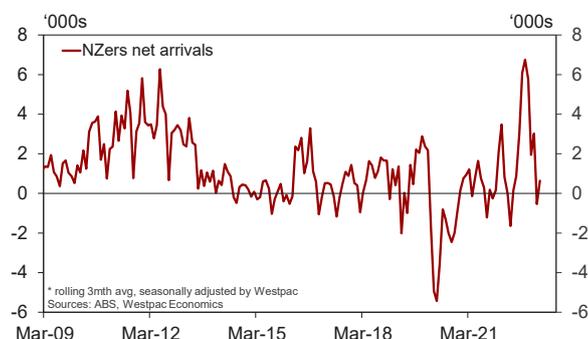
Overseas departures by category of travel



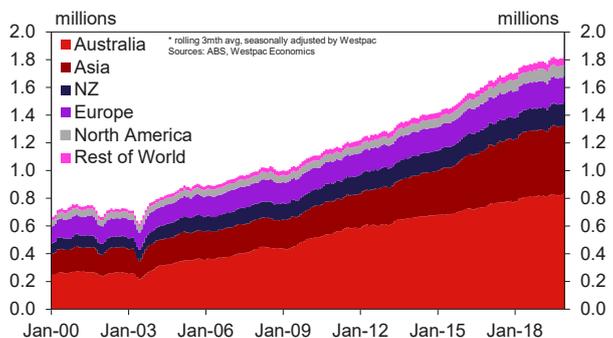
Net arrivals: temporary work visas



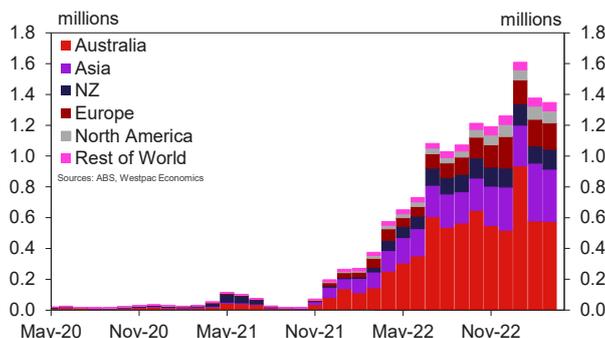
Net arrivals: New Zealanders



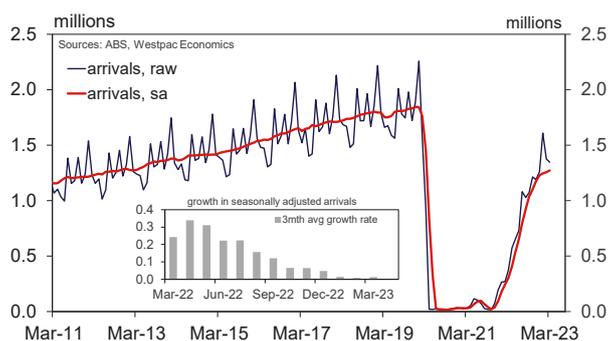
Pre-COVID: arrivals by country of citizenship



Post-COVID: arrivals by country of citizenship



Total overseas arrivals: growth slowing



Temp work visas: grants



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