

COVID-19 Impact and Recovery Report: Australia

Updated: November 3, 2020

This report provides a snapshot of the situation in Australia. It includes the following sections:

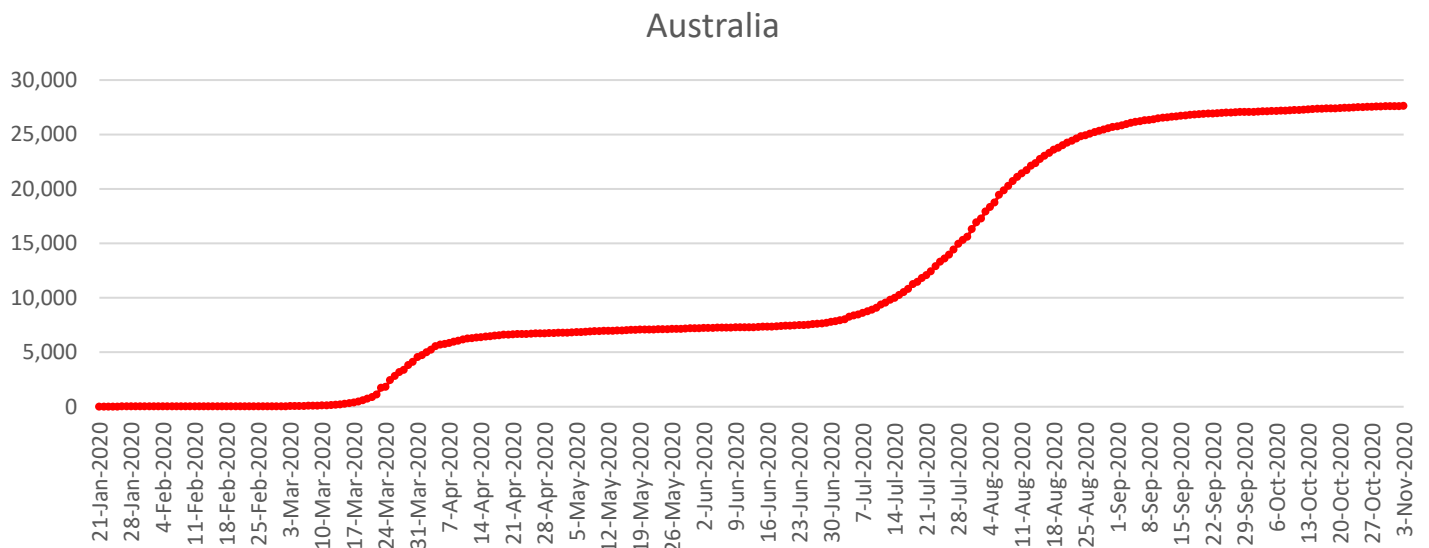
- COVID-19 Cases and Related Restrictions:** The number and growth rate of cases as of a certain date. Given the fluidity of the situation, these numbers may be out of date very quickly, but the intent is to provide context for analysis, as well as a sense of the scale. It also provides the known travel bans and restrictions in the country.
- Estimated Impacts on Travel to Canada:** The effects of COVID-19 on tourism revenue in Canada. This includes estimated spend inside the country, but excludes spending on transportation to get to Canada.
- Recovery Signals:** The comprehensive approach to understanding when the market is recovering from a travel perspective based on data and analysis in partnership with Google, Expedia, International Air Transport Association (IATA) and more. Destination Canada uses this information to estimate the stage of recovery of the market.
- Methodological Notes:** An explanation of the methodologies in the different sections and relevant sources.

1. COVID-19 CASES AND TRAVEL RESTRICTIONS IN AUSTRALIA

As of November 3, 2020, the COVID-19 pandemic has plateaued again in Australia in terms of the reported number of confirmed cases and deaths. Current numbers:¹

- Total Confirmed: 27,620 (+<1% compared to the previous week, with week-over-week increases of 1% or less for 8 consecutive weeks)
- Total Deaths: 907
- Total Recovered: 25,394

Confirmed COVID-19 Cases



Source: European CDC (as of November 3, 2020)

Effective March 18, 2020, Canada closed its borders to non-Canadian citizens/permanent residents.² With some exceptions, this temporary border restriction is still in place.³ All outbound overseas travel from Australia is currently banned, with few exceptions.⁴

From October 16, 2020, travel is allowed from New Zealand to certain states in Australia, quarantine-free, if the traveller has been in New Zealand for at least 14 days, has not been in a designated hotspot, and is travelling to Australia on a quarantine-free flight. It is not limited to New Zealand citizens, and does not apply to citizens of New Zealand who are outside of New Zealand.⁵ All other travellers arriving in Australia, including Australian citizens, must complete a mandatory 14-day quarantine at designated facilities, in their port of arrival, and may be required to pay for quarantine costs. Only travellers who are in an exempt category or have been granted an individual exemption are allowed to travel to Australia at this time.⁶

On October 23, 2020, the Australian government published a “Framework for national reopening” (building on their earlier “3-Step Framework for a COVIDSafe Australia”) to reopen where safe to a state of “COVID Normal” by December 2020. This framework provides guidance for a safe reopening but acknowledges the authority of the states and territories to implement their own public health measures.⁷

On October 28, 2020, the city of Melbourne exited a second lockdown after 112 days. A further lifting of restrictions, which had been extended across the state of Victoria, was introduced as of November 8, 2020.^{8,9}

For travel within Australia, there are still some interstate border rules and restrictions in place. These vary by state/territory, depending on the state/territory or region of origin (further details are available in the sources at the end of this document).¹⁰

2. ESTIMATED IMPACTS ON TRAVEL TO CANADA

As of November 1, 2020, based on data from payment cards, Statistics Canada, cancellations of previously planned trips, new bookings and forward-looking scheduled air capacity, Destination Canada estimates the economic impact from COVID-19 on Canada to be as outlined below.

Estimated Change in Tourism Export Revenue Compared to 2019 (\$M)

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	Total 2020
\$ change compared to 2019 (\$M)	\$0.1	\$3.2	-\$17.3	-\$42.0	-\$68.8	-\$79.0	-\$97.9	-\$85.0	-\$88.1	-\$47.7	-\$32.2	-\$72.0	-\$632.8
% change	0.1%	8.3%	-55.9%	-91.2%	-100.0%	-100.0%	-100.0%	-100.0%	-100.0%	-100.0%	-100.0%	-100.0%	-82.1%

Source: Destination Canada Estimates (data as of November 1, 2020)

Estimated Change in Tourism Export Revenue Compared to 2019 by Province (in \$M)

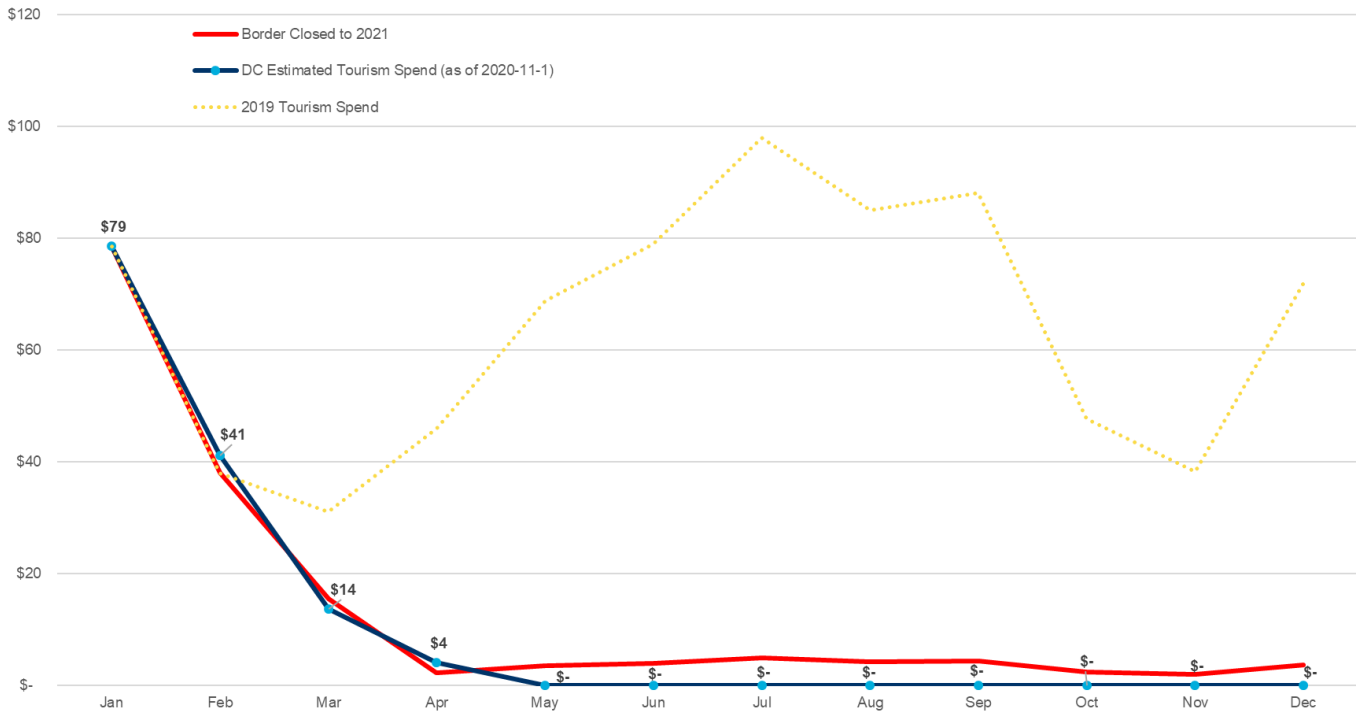
	CAN	BC	AB	SK	MB	ON	QC	NB	NS	PEI	NL	NORTH
Jan - Dec	-\$632.8	-\$302.7	-\$118.0	-\$8.2	-\$10.1	-\$102.0	-\$52.4	-\$5.8	-\$10.5	-\$5.3	-\$6.2	-\$11.7

Source: Destination Canada Estimates (data as of November 1, 2020)

In order to understand the impact of COVID-19 on the Canadian economy, Destination Canada developed a series of models and scenarios. The graph below compares our estimated spend to a scenario where the **border is closed to 2021** (where non-essential travel into Canada is not possible until 2021). More information on these scenarios can be found [here](#).

Assessing the current trajectory of COVID-19 against these models allows Destination Canada and its partners to understand the speed and scale of recovery.

Estimated Tourism Spend versus Border Closed to 2021 Scenario, as of November 1, 2020 (\$M)



Source: Destination Canada Estimates, Tourism Economics Estimates

As Australian travellers generally book their travel to Canada several months in advance, we are able to assess the impacts until the end of 2020.

Destination Canada currently assesses that Australian tourism spend from May through December 2020 is on track to fall below the “Border Closed to 2021” scenario. This trend is in line with the current ban on international departures from Australia, and the related reduction in air capacity between Australia and Canada.

3. RECOVERY SIGNALS

In response to COVID-19, Destination Canada has established a framework and analytical approach to identify signals from consumer and industry behaviour to understand when, where and at what pace travel and tourism will resume. Destination Canada collaborated with partners in destination marketing, media, technology and travel to identify these indicators and signals. The framework has identified multiple phases of recovery, which aligns with user sentiment and intent to travel. The summary of the methodology and terms can be found in Section 4. Methodological Notes.

The framework below provides analysis on when travellers may be considering, planning and reserving travel.

Destination Canada’s Assessment of the Australian market:	II Domestic	After reverting to the COVID-19 Response phase amid a second wave of increased cases and localized restrictions, Australia has returned to the Domestic phase. Restrictions that were reintroduced in certain areas are now being lifted.
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Assessment Summary:

	Phase				Analysis
	I COVID-19 Response	II Domestic	III Tentative Int'l	IV Regularized Int'l	
Travel Search Index		●	○	○	Following a decline as movement restrictions were reintroduced in some regions, YOY domestic travel search has recovered now that most of the remaining restrictions have been lifted. Destination Canada assesses that Australians are searching for domestic travel.
Accommodation Searches		●	○	○	Following a decline as movement restrictions were reintroduced in some regions, YOY domestic accommodation search shows signs of recovery now that most of the remaining restrictions have been lifted. Destination Canada assesses that Australians have resumed searching for domestic accommodation.
Rate of Hotel Booking	●	○	○	○	Following a decline as movement restrictions were reintroduced in some regions, YOY domestic accommodation bookings are gradually trending upward again. Destination Canada assesses that this may be an early sign that Australians may be starting to resume booking domestic accommodations.
Rate of Air Travel	●	○	○	○	Domestic air capacity in Australia has been reduced to approximately one third of November 2019 levels.
New COVID Cases		●			After sharply increasing for the second time from mid-June to early August, the number of weekly new cases in Australia declined again and now appears to have plateaued at a low level, with 91 new cases in the week ending November 1, 2020.
Activities Search Index		●	○	○	Following a decline as movement restrictions were reintroduced in some regions, YOY domestic destination activities search is gradually trending upward again Destination Canada assesses that Australians have resumed searching for domestic destination activities.

Legend: Current phase ● Not there yet ○ Signal not applicable □

Travel to Canada Assessment:

	Analysis
Travel Search Index	YOY search queries for travel to Canada remain at the low level observed since the initial lockdown restrictions were implemented in Australia, consistently trending on par or slightly below overall international travel search.
Accommodation Searches	YOY accommodation search queries for Canada remain at a very low level, generally on par with overall international accommodation search, though falling slightly below in recent weeks.
Rate of Hotel Booking	YOY accommodation bookings for Canada remain at a very low level, on par with overall international accommodation bookings.
Rate of Air Travel	Flights between Australia and Canada have been cancelled for the remainder of 2020. Air bookings for travel from Australia to Canada for the remainder of 2020 continue to decline.
Activities Search Index	YOY search queries for activities in Canada remain at a low level, below overall international activities search.

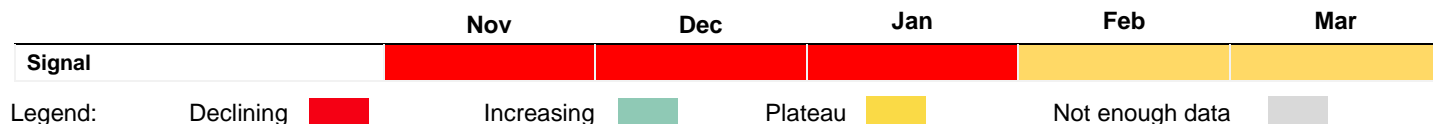
Future Planned Travel

The chart below provides an assessment of when travellers are booking travel to Canada. This assessment is based on changes to net planned travel (new bookings, less cancellations) from the country to Canada, compared to past travel behaviour.

- A 'declining' signal indicates that the year-over-year net planned travel is falling week over week and is likely not a period currently being considered for travel.
- A 'plateau' signal indicates no change week over week.
- An 'increasing' signal indicates there is an increase in year-over-year net planned booking, week over week and that this time period is being considered for travel to Canada.

A 'not enough data' signal indicates that travellers do not normally book that far in advance so we cannot assess the signal at this time.

Planned Travel for Australia to Canada compared to 2019, as of November 1, 2020



4. METHODOLOGICAL NOTES

I. COVID-19 Cases: The intention for this section is to provide context on impact and recovery analysis by providing a snapshot in time of the state of the pandemic and government restrictions. For the most current information on COVID-19 in that country, readers are encouraged to seek information from official government sources.

II. Estimated Impacts: The estimates are based on data from spending on credit and debit cards in Canada for January, February and March 2020, normalized against Statistics Canada data. For April 2020 onwards, forward-looking air booking and cancellation data for return tickets from IATA accredited travel agencies is used. Destination Canada estimates that these IATA bookings account for 52% of the air travel market from Australia to Canada in 2019.

Also used in the analysis is the forward-looking scheduled air capacity. These impacts are based on modelled estimates from 2018 spending data, adjusted for travel growth, and using payment card data from 2019 and 2020 wherever possible. The analysis should be taken as indicative only.

Based on in-market intelligence, we know that travel agents and operators have prioritized repatriation of clients in areas with outright travel bans (e.g. Middle East, India, Peru) and are not processing cancellations normally. Different airlines also use various systems to re-book travel, some of which are incenting late rebooking (i.e. closer to the original date of travel). As such, the forward booking data may over-represent the amount of travel that will happen and should be taken as an upper bound.

III. Recovery Signals: The Recovery Measures are listed in their order of importance in understanding travel behaviour, with the primary measures in black and supporting measures in dark gray. A brief description of each measure is provided below.

Destination Canada has developed a framework to understand the phases of recovery of the travel market. These phases are:

- I. **COVID-19 Response:** Governments are responding with measures such as shelter-in-place orders and mandatory quarantines. Movement is restricted and travel is either not possible, desirable or encouraged.
- II. **Domestic Travel:** Travel by multiple means (air, car, trains, etc.) within the country, across provincial/territorial/state boundaries.
- III. **Tentative International Travel:** Some international travel, likely only required travel such as family-related or urgent business. There may be some leisure travel as some less risk-averse travellers seek to capitalize on reduced prices or increases availability. Airlines may not have restored international routes beyond major hubs.
- IV. **Regularized International Travel:** Regular international travel. Some business meetings and events are re-introduced and attended, and leisure travel is closer to pre-COVID-19 levels.

A filled-in dot in the Assessment Summary table signifies that Destination Canada assesses we are in that phase of travel. An empty dot means we have not yet reached that indicator and the crossed off box would signify that the measure does not apply for that phase of recovery. Some measures are currently being developed and will be updated as progress is made.

Description of the Measures

- **Travel Intent Search Index:** Google search engine queries for travel-related keywords in 2020 compared to 2019 searches, broken down by week (i.e. week of April 19, 2020 vs week of April 19, 2019). Available for each market's domestic, international and Canada-specific travel search terms.
- **Rate of Accommodation Searches:** Weekly searches in 2020 for accommodation on a major online travel agency (OTA) against a rate of 2019 weekly searches, broken down by week. Available for each market's domestic, international and Canada-specific accommodation searches. This is provided as a rate rather than a volume of searches.
- **Rate of Accommodation Bookings:** Accommodation bookings in 2020 on a major OTA against a rate of 2019 bookings, broken down by week. Available for each market's domestic, international and Canada accommodation bookings. This is provided as a rate rather than a volume of bookings.
- **Rate of Air Travel:** The volume of forward-looking 2020 air bookings by month to Canada versus 2019 air bookings, broken down by week. By comparing against the 2019 average of when travel was booked for and when it was booked, this establishes the amount of impact against each month of travel. When appropriate, this assessment is supplemented by analysis of the forward-looking planned air seat capacity within a country and to other countries.
- **Weekly New COVID-19 Confirmed Cases:** The weekly total of new confirmed COVID-19 cases, as provided by the European Centre for Disease Prevention and Control. Number of cases in the market and within Canada will likely be a determining factor for both governments allowing phased return of travel, as well as consumer confidence in traveling to a market.
- **Attractions & Events Search Index:** Google searches for attraction and event-related keywords in 2020 compared to 2019 searches, broken down by week. Available for each market's domestic, international and Canada-specific attraction and event-related search terms. This is provided as an index rather than a volume of searches.

Sources:

¹ Johns Hopkins Coronavirus Resource Center, November 3, 2020 5 pm (PST) <https://coronavirus.jhu.edu/map.html>

² <https://nationalpost.com/news/canada/trudeau-travel-restrictions-ban-coronavirus-covid19-canada>

³ <https://www.cbsa-asfc.gc.ca/services/covid/non-canadians-canadiens-eng.html>

⁴ <https://www.smarttraveller.gov.au/COVID-19>

⁵ <https://covid19.homeaffairs.gov.au/new-zealand-safe-travel-zone>

⁶ <https://covid19.homeaffairs.gov.au/travel-restrictions>

⁷ <https://www.health.gov.au/resources/publications/framework-for-national-reopening-october-2020>

⁸ <https://www.bbc.com/news/world-australia-54686812>

⁹ <https://www.coronavirus.vic.gov.au/coronavirus-covid-19-reopening-roadmap-third-step-victoria>

¹⁰ <https://www.health.gov.au/news/health-alerts/novel-coronavirus-2019-ncov-health-alert/coronavirus-covid-19-restrictions/coronavirus-covid-19-domestic-travel-restrictions-and-remote-area-access#state-and-territory-travel-restrictions>