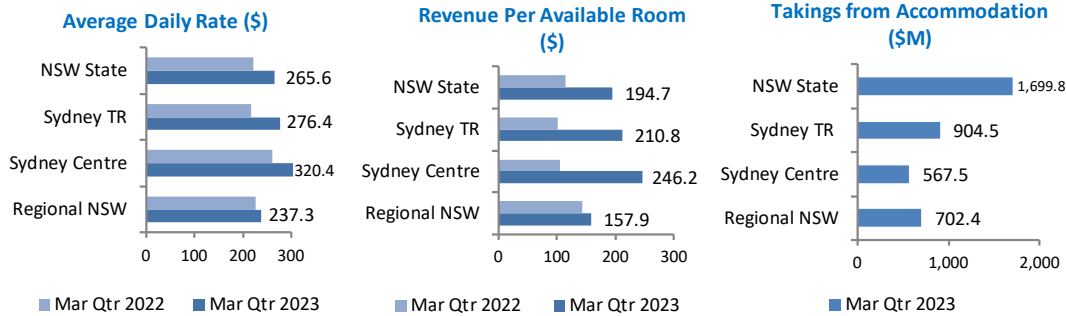
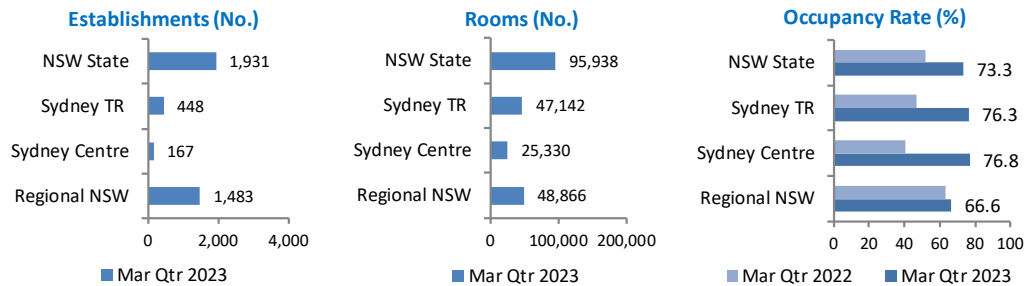


In the March quarter 2023, occupancy rates in New South Wales, Sydney and Regional NSW improved as compared to the same quarter in 2022 (up 21 percentage points, 29 percentage points and 3 percentage points, respectively). This is not surprising considering the March quarter 2022 was still a difficult period for the accommodation sector, with the impact of the Omicron variant still being felt by the industry. As COVID-19 restrictions were lifted nationally in 2023, state and regional events have returned, pushing demand for accommodation.

Accommodation supply in NSW in the March quarter 2023 was significantly higher than the December quarter 2022 – there were 27 more establishments and 1,424 rooms.

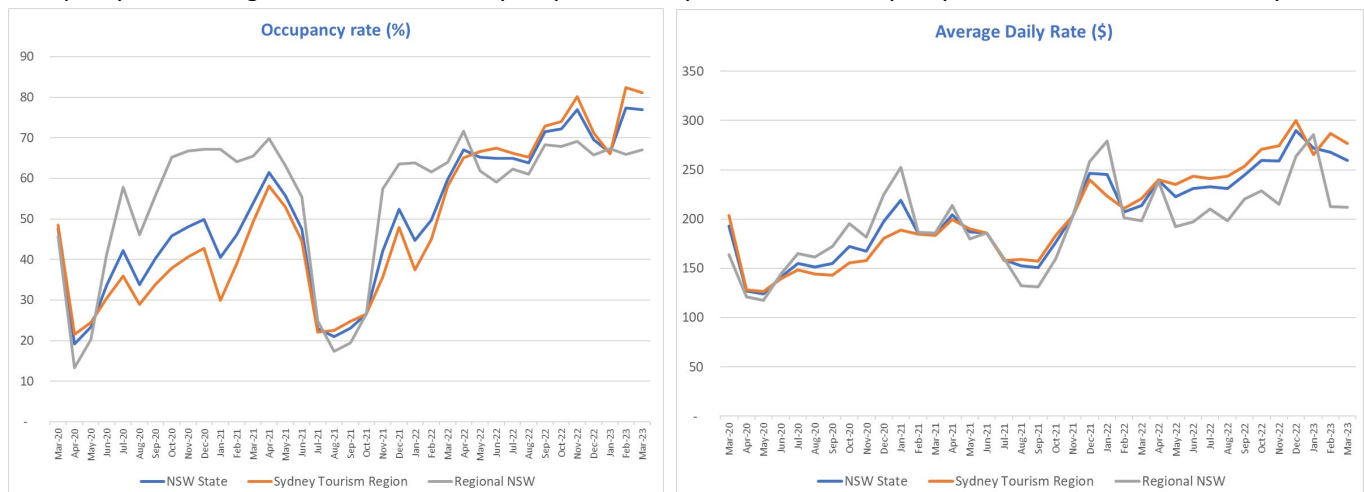
Regional NSW holds a greater share of State properties (77 per cent) and a slightly larger majority of rooms (51 per cent).

### Establishments with 10 rooms or more<sup>1</sup>



**Time series charts to March 2023** mirror the impact of the COVID-19 pandemic, with a significant drop in NSW accommodation performance in April 2020 and a turbulent recovery since. The lockdown and state border restrictions imposed in mid-June 2021, in response to the Sydney COVID-19 outbreak, saw a sharp decline in accommodation performance for NSW. However, with the state’s partial lockdown ending in October 2021 there was significant recovery from November. Accommodation performance was hit again by a surge in Omicron cases in January 2022, however with the reopening of state and international borders there were signs of recovery in the following months.

Occupancy rates in Regional NSW exceeded Sydney’s in January 2023; however, Sydney retook the lead from February 2023.



## Regional NSW

North Coast NSW continues to lead Regional NSW, accounting for 23.3 per cent of establishments and 22.9 per cent of rooms. It also leads in terms of room revenue takings in Regional NSW with 24.4 per cent share. All Regional NSW areas, except for North Coast NSW and Snowy Mountains, recorded increases in occupancy rates in the March quarter 2023 as compared to the March quarter 2022. Average Daily Rate and Revenue per available room increased across all tourism regions in the March quarter 2023, with the exception of the Blue Mountains and the Snowy Mountains. When compared to the December quarter 2022, Central Coast, New England North West, Snowy Mountains, South Coast and the Murray recorded an increase in occupancy rates.



**Notes:**

- Accommodation properties included in the report are: Hotels and Serviced Apartments.
- STR database is member-based and the data is supplied on a voluntary basis. Accommodation performance results are based on room participation rate in NSW State, Sydney Tourism Region (Sydney TR), Sydney Centre and Regional NSW.
- Sydney Centre includes Sydney CBD, Barangaroo, The Rocks, Haymarket, Ultimo, Chippendale, Pyrmont, Surry Hills, Woolloomooloo/Potts Point and Waterloo and is part of Sydney TR.
- Average daily rate (ADR) is the average takings per room per night for occupied rooms while RevPar or Revenue per available room is the average takings per room per night for all rooms, whether the room are occupied or not.
- 'Takings from accommodation' are estimated from information on number of rooms, occupancy rate and average daily rate. Takings for NSW State, Sydney TR, Sydney Centre and Regional NSW are separately calculated.
- Data is not available for Outback TR.
- NENW is New England North West.