

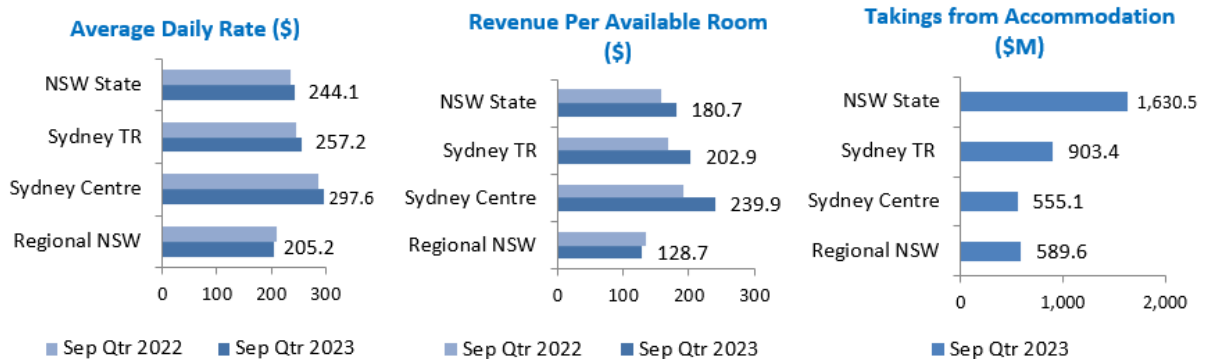
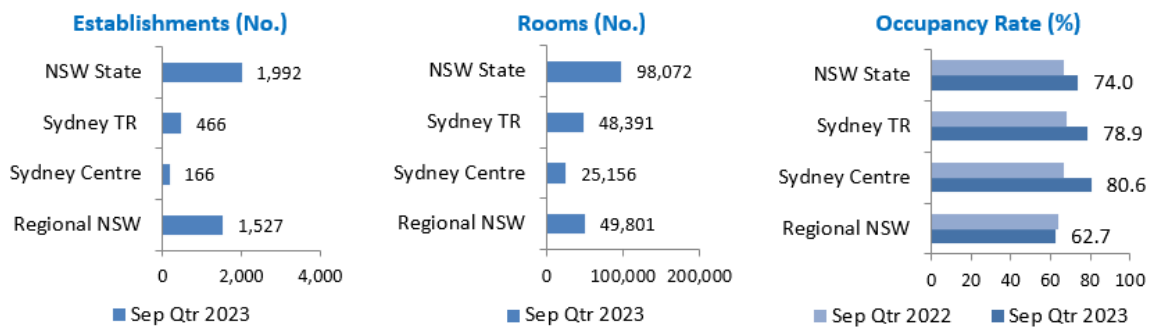
In the September quarter 2023, occupancy rates in New South Wales and Sydney increased compared to the same quarter in 2022 by 7 percentage points and 11 percentage points respectively. Regional NSW's occupancy declined slightly by 1 percentage point.

NSW's accommodation supply in the September quarter 2023 increased versus the June quarter 2023 – there were 29 more establishments and 1,343 more rooms. 21 of the 29 new establishments with 413 rooms were in Regional NSW, while nearly 70 per cent of the extra rooms (930 rooms) were in Sydney.

Overall, Regional NSW holds a greater share of establishments (77 per cent) and a slightly larger majority of rooms (51 per cent) for the state.

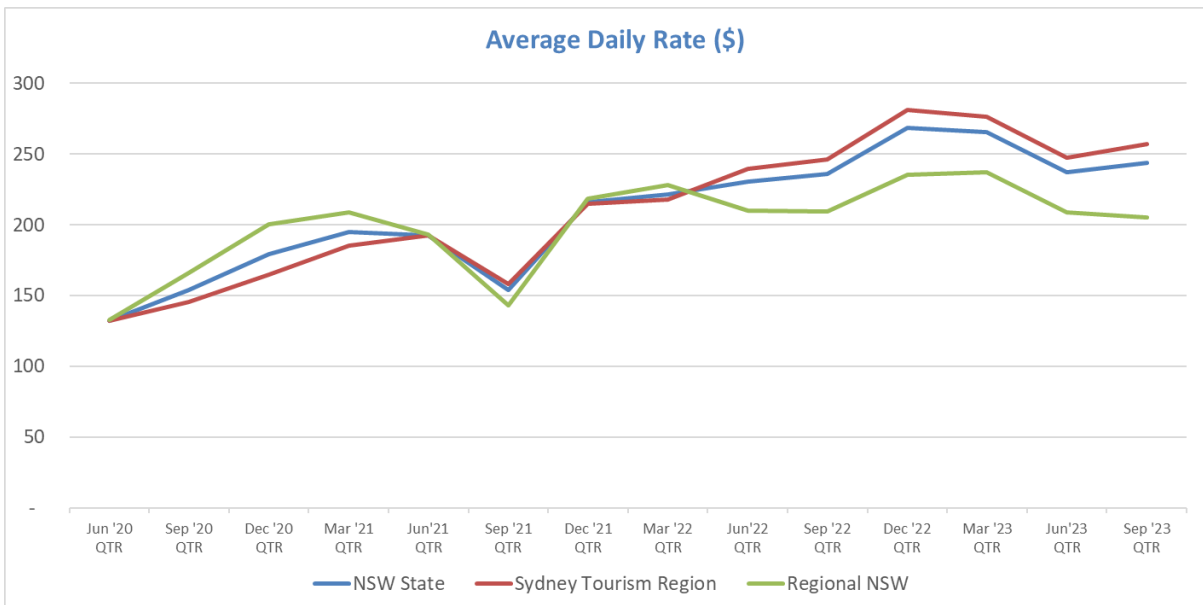
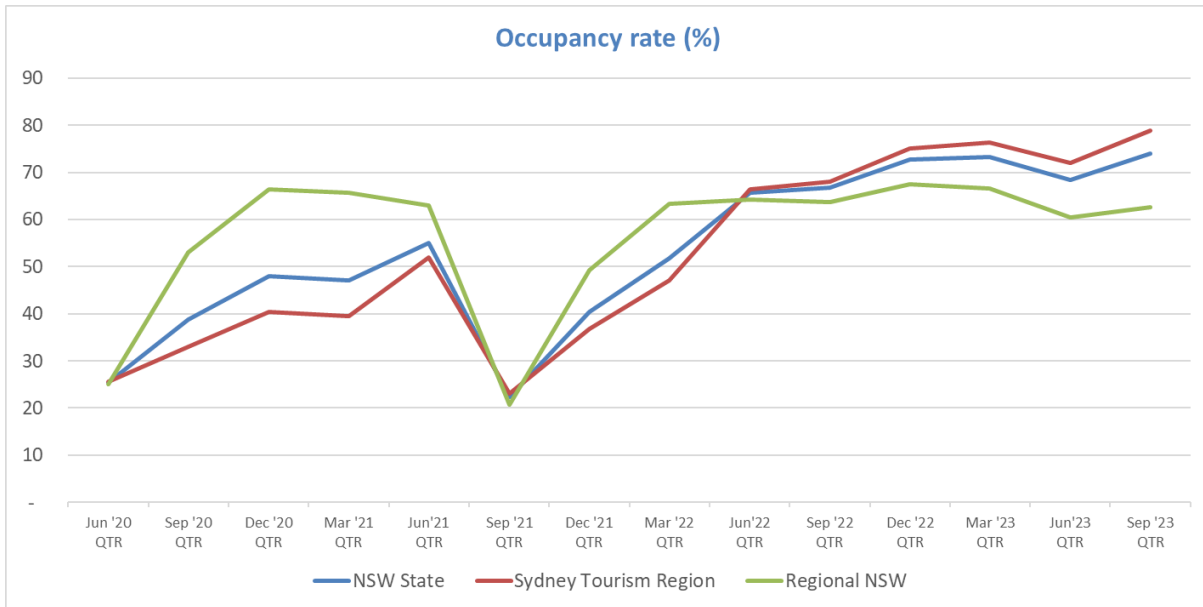
Average Daily Rate and Revenue per Available Room, also increased for the state, driven by the Sydney Tourism Region and partly offset by a slight decrease in Regional NSW.

Establishments with 10 rooms or more¹



The time series charts up to the September 2023 quarter illustrates the continued recovery in NSW accommodation performance post COVID – with occupancy rates at 74.0 per cent for the state, the highest rate since before the pandemic. Sydney drove this improved performance, with occupancy reaching 78.9 per cent in the Sept '23 quarter; bouncing back from a weaker June '23 quarter after stronger rates seen in Dec '22 and Mar '23 quarters. Regional NSW also improved to 62.7 per cent after also falling in June '23 but is still down on the post pandemic high of 67.5 per cent reached in the Dec '22 quarter.

The Average Daily Rate for NSW also increased versus the previous quarter to \$244.1 in Sept '23 quarter, again driven by Sydney (\$257.2), while Regional NSW was slightly lower at \$205.2. Both Sydney and Regional NSW are below the post pandemic highs seen in Dec '23 quarter (\$281.1) and Mar '23 quarter (\$237.3) respectively.



Regional NSW

North Coast leads Regional NSW on accommodation supply, accounting for 23.2 per cent of establishments and 22.8 per cent of rooms, which is also well ahead of the next 2 biggest regions - South Coast (14.0 per cent of establishments and 12.5 per cent of rooms) and Hunter (11.9 per cent of establishments and 15.1 per cent of rooms). North Coast also leads on takings from accommodation in Regional NSW with a 22.2 per cent share, ahead of Hunter with 16.2 per cent share.

Average Daily Rate increased in four tourism regions in the September quarter 2023 compared to the same quarter 2022. NENW recorded the biggest increase (up 8.8 per cent), with Riverina up 4.4 per cent, Central NSW up 2.1 per cent and Snowy Mountains up 0.4 per cent. Blue Mountains saw a sharp decline, down nearly a quarter (-24.5 per cent) compared to September quarter 2022. Hunter (-6.5 per cent) and Capital Country (-5.6 per cent) also saw notable decreases.

Revenue per available room decreased across 7 tourism regions, with Blue Mountains (-24.2 per cent), Capital Country (-11.5 per cent) and North Coast NSW (-9.4 per cent) seeing the largest percentage decline. Central NSW (+5.5 per cent) saw the largest percentage increase.

Hunter had the highest increase in Occupancy rate, up 3.5 percentage points on September quarter 2022. North Coast NSW (-4.8 percentage points) and Capital Country (-4.0 percentage points) saw the biggest declines.



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 Revenue per available room (RevPar) 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, Sydney TR, Sydney Centre and Regional NSW are separately calculated.
- Data is not available for Outback TR.
- NENW is New England North West.