

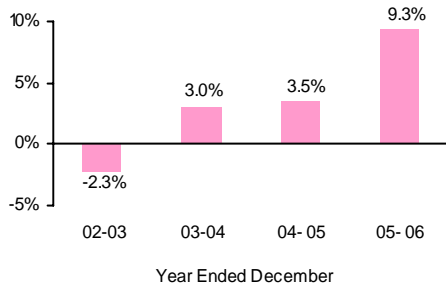
International Backpackers Market

Year ended December 2006

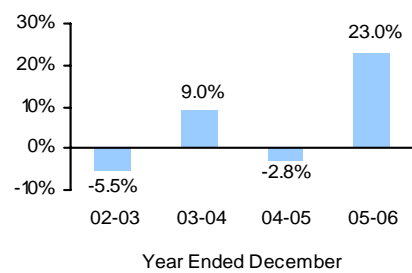
National Overview

- Backpackers accounted for 11% of the total international visitors to Australia and 25% of the international visitor nights spent in Australia in 2006.
- The number of international backpackers to Australia has increased at an average annual rate of 3% over the four years from December 2002. The number of international backpacker nights spent in Australia also increased over this period (average annual increase of 5%).

Backpacker numbers year on year growth



Backpacker visitor nights year on year growth



- There were 545,200 international backpackers to Australia in 2006, spending 39.3 million visitor nights in the country.
- Between 2005 and 2006, there was a 9% increase in international backpacker visitors to Australia and a 23% increase in visitor nights.
- The decline in international backpackers to Australia between the year ended December 2002 and the year ended December 2003 may have been partially attributed to the Severe Acute Respiratory Syndrome (SARS) virus.
- The majority of international backpackers to Australia spent 75% to 100% of their nights in the country in a youth or backpacker hostel (38%), while a further 13% spent 50 to 75% of their nights in Australia in a youth or backpacker hostel.

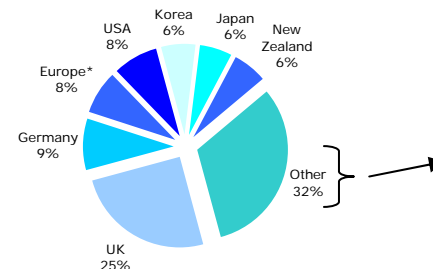
Where did they come from?

- Australia's largest international backpacker markets are the United Kingdom (25%), Germany (9%), Europe* (8%) and the USA (8%).
- The German market has shown the greatest increase in backpacker visitation to Australia (up 10% since December 2005).
- The average length of stay for international backpackers to Australia increased from 64.0 nights in 2005 to 72.1 nights in 2006 (up 8.1 nights).

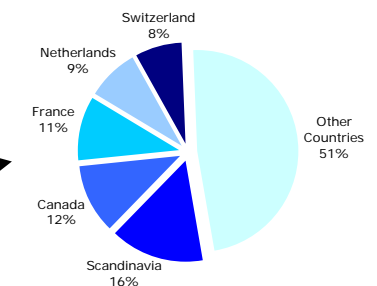
Origin ¹	Visitors	% of all backpackers to Aust.	AAGR ^{**}	Visitor nights	AAGR ^{**}	Average length of stay (nights)
United Kingdom	133,900	25%	1%	8,933,300	-2%	66.7
Germany	47,300	9%	5%	4,045,000	14%	85.5
Europe*	45,900	8%	13%	3,775,800	21%	82.3
USA	43,400	8%	-4%	2,294,200	-10%	52.9
Japan	34,200	6%	-0.3%	3,052,000	9%	89.2
All International Backpackers	545,200	-	3%	39,284,200	5%	72.1

¹ Korea not included due to sample issues.

Top Backpacker markets



Smaller Backpacker markets



* 'Europe' excludes the United Kingdom, Germany, France, Italy, Scandinavia, Netherlands and Switzerland.

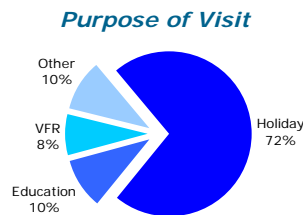
** AAGR refers to the average annual growth rate between the year ended December 2002 and the year ended December 2006.

International Backpackers Market

Year ended December 2006

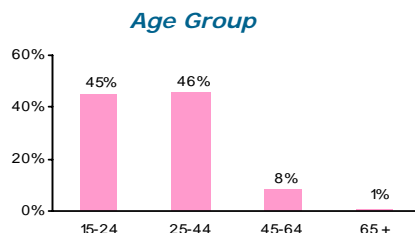
Why did they visit Australia?

- Most international backpackers to Australia visited for holiday (72%). Backpackers also came to Australia to study (10%) and visit friends and relatives (8%).
- The holiday market, VFR and employment markets all showed good growth over the past year.



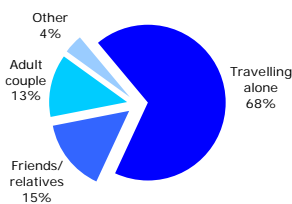
How old are they, who do they travel with and how do they travel within Australia?

- Most international backpackers to Australia were aged 15 to 24 years (45%) and 25 to 44 years (46%).
- The number of backpackers aged 25 to 44 increased by 14% between 2005 and 2006.
- Unaccompanied travellers (68%), friends/relatives travelling together (15%) and adult couples (13%) made up the majority of international backpackers to Australia in 2006.

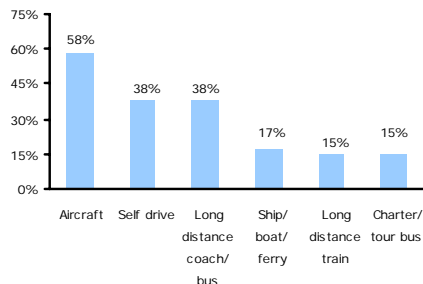


- Solo travellers drove the overall increase in visitor numbers (up 13%).
- Usage of the most popular transport methods, air travel (58%), private/rented vehicle (38%) and long distance coaches (38%), all showed an increase over the last year.
- Backpackers travelling by long distance train and those using public transport also increased in 2006 (compared with 2005).

Travel party



Modes of Transport between stopovers



What activities do they participate in?*

- The most popular activity participated in by international backpackers during their trip to Australia was to eat out at a restaurant or café (92%). Other popular activities included going to the beach and going shopping for pleasure (both 86%).

Activity	Percent
Eat out/dine at a restaurant and/or café	92%
Go to the beach	86%
Go shopping for pleasure	86%
Pubs, clubs, discos etc	76%
Visit national parks /State parks	74%
Go to markets	67%
Visit wildlife parks /zoos /aquariums	61%
Visit botanical or other public gardens	61%
Bushwalking /rainforest walks	58%
Charter boat /cruise /ferry	55%

Note: Percentages may add to more than 100%, as visitors may have participated in more than one activity.

How much do they spend here?

- International backpackers spent a total of \$2.81 billion in Australia, \$5,161 per backpacker on average. As the number one international backpacker market, the United Kingdom backpackers had the highest total expenditure, however European backpackers spent more per visitor (\$6,511 per visitor).

Origin	Total Expenditure (\$million) ¹		Average annual growth rate (YE Dec 02- YE Dec 06)	Average expenditure in Australia ²
	YE Dec 2002	YE Dec 2006		
United Kingdom	681.9	676.6	-0.2%	\$5,054
Europe*	145.7	298.8	19.7%	\$6,511
Germany	182.0	263.8	9.7%	\$5,579
USA	374.5	228.1	-11.7%	\$5,256
Korea	109.5	220.7	19.2%	\$6,373
Japan	144.7	179.3	5.5%	\$5,239
Scandinavia	124.1	137.8	2.7%	\$4,854
Canada	99.4	123.1	5.5%	\$5,716
Total	2,514.7	2,813.7	2.8%	\$5,161

* 'Europe' excludes the United Kingdom, Germany, France, Italy, Scandinavia, Netherlands and Switzerland.

¹ Expenditure excludes prepaid international airfares and package expenditure.

² Average expenditure is calculated by dividing the total expenditure by the total number of backpackers who spent at least one night in Australia.

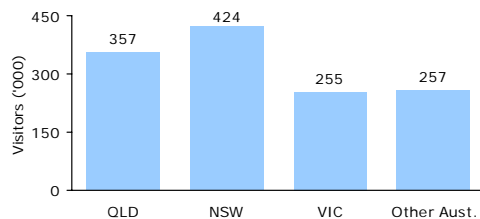
International Backpackers Market

Year ended December 2006

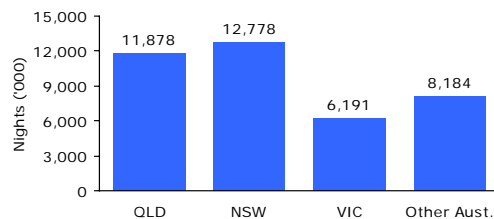
Queensland Overview

- There were 356,600 backpackers making a trip to Queensland in 2006, representing 65% of all international backpackers to Australia.
- They spent a total of 11.9 million visitor nights in Queensland (30% of all nights in Australia), staying 33.3 nights on average.
- Over time, Queensland has hosted an increasing number of backpackers (average annual growth of 5% over the last four years).
- Queensland saw a 10% increase in international backpackers and a 27% increase in backpacker nights between 2005 and 2006.

International Backpackers to States



International Backpacker Visitor Nights spent in States



What are Queensland's top 4 International backpacker markets?

Origin	Visitors	% of all backpackers to QLD	AAGR **	Visitor nights	AAGR **	Average length of stay (nights)
United Kingdom	96,400	27%	0.4%	2,581,800	2.0%	26.8
Europe*	34,300	10%	28.4%	949,700	40.2%	27.7
Germany	33,000	9%	9.0%	1,136,800	23.6%	34.4
USA	28,900	8%	-4.4%	607,500	-4.4%	21.0
All backpackers	356,600	-	4.5%	11,878,000	12.2%	33.3

* 'Europe' excludes the United Kingdom, Germany, France, Italy, Scandinavia, Netherlands and Switzerland.
 ** AAGR refers to the average annual growth rate between the year ended December 2002 and the year ended December 2006.

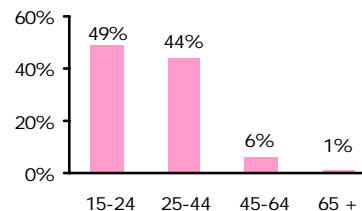
Why did they visit Queensland?

- In 2006, 94% of Queensland's international backpacker market visited for holiday.
- This market increased by 12.5% from the year ended December 2005.

	Holiday visitors		
	YE Dec 2006	% of total market	Growth (YE Dec 06 on YE Dec 05)
QLD	333,500	94%	12.5%
NSW	379,500	90%	11.7%
VIC	209,800	82%	23.9%
Total Australia	509,400	93%	8.8%

How old are they, who do they travel with?

Age Group

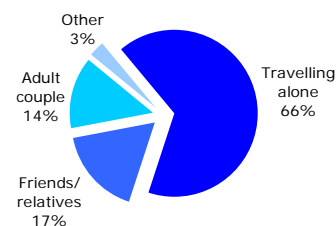


- Nearly half (49%) of all international backpackers to Queensland were aged 15 to 24, while 44% were aged 25 to 44 years.

- The biggest change in backpacker numbers between 2005 and 2006 was in the 25 to 44 year age group (up 17%).

- Two out of every three international backpackers to Queensland were travelling alone.

Travel party



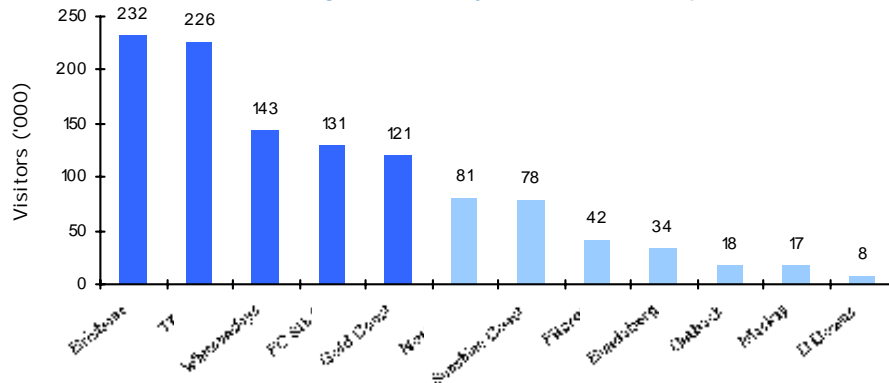
International Backpackers Market

Year ended December 2006

Queensland Regions

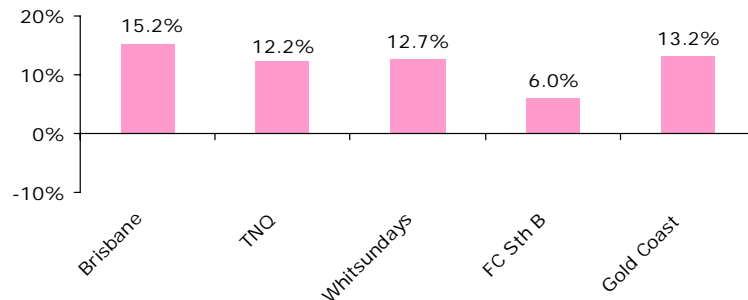
- Brisbane (65%) and Tropical North Queensland (63%) attracted the largest proportions of international backpackers to the State in 2006 (232,300 and 226,400 visitors respectively).
- The greatest number of backpacker nights were spent in Brisbane (31%).

Queensland regions visited by International Backpackers



- All of the top five most popular Queensland regions amongst backpackers showed an increase in backpacker numbers over the last year.
- The increase in overall backpackers to Queensland was largely driven by visitors to Brisbane and Tropical North Queensland.

Queensland regions – change in backpacker visitor numbers –
YE Dec 06 on YE Dec 05



Data Source:

International Visitor Survey, Tourism Research Australia. The information included in this report was extracted from the International Visitor Survey (IVS), conducted by Newton Wayman Chong Research on behalf of Tourism Research Australia (TRA). IVS information is collected by personal interviews with short-term international visitors to Australia in the departure lounges at eight Australian airports prior to departure. The IVS is weighted to total figures supplied by the Australian Bureau of Statistics' Overseas Arrivals and Departures and does not include persons aged under 15 years.

Note: Data in this report is based on the definition of a backpacker as "an international visitor who spends at least one night in a youth or backpacker hostel during their stay in Australia". As these visitors did not necessarily spend every night during their stay in backpacker accommodation, the data may not accurately reflect the performance of the backpacker accommodation sector and could overestimate the number of backpacker visitors to each state.

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