

# International Arrivals & Departures July 2016

Release date: 31 October 2016

|                  | Jul 16 | Jun 16 | May 16 | Apr 16 |
|------------------|--------|--------|--------|--------|
| Total Arrivals   | 8,823  | 11,896 | 8,707  | 10,153 |
| Total Departures | 9,859  | 10,328 | 7,258  | 9,839  |

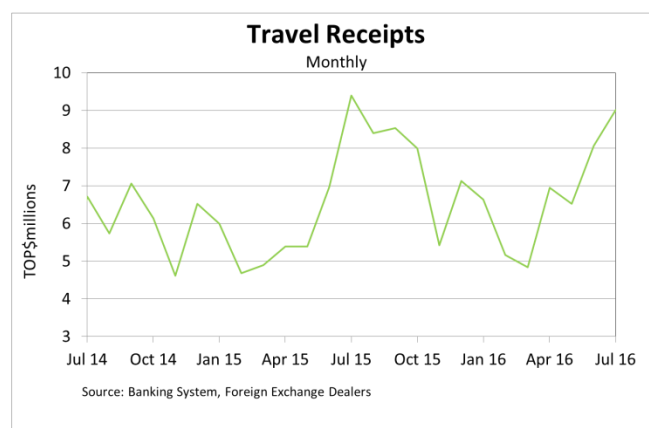
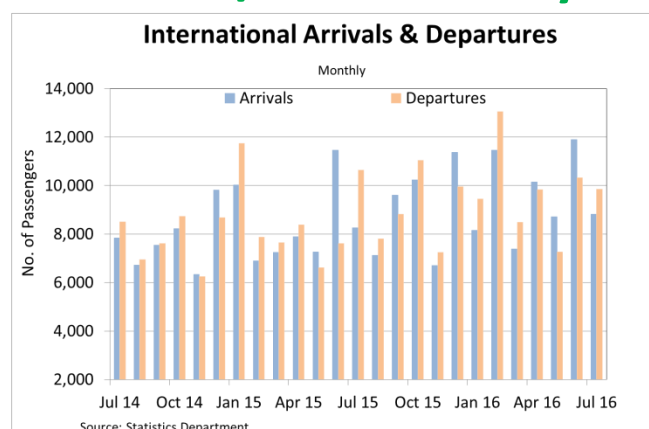
Note: Total Arrivals & Departures including air, cruise ship and yacht arrivals & departures

Source: Statistics Department

## Strong growth is expected to 2016/17 financial year

Activity in the tourism industry slowed down over the month following the completion of festivities and events that took place in the previous month. The total number of international arrivals<sup>1</sup> declined by 3,073 passengers (25.8%), due to decreases in all categories. Arrivals by ship declined the most with 1,784 passengers (100%), as there were no cruise ships arriving during the month of July. In addition, air arrivals fell by

1,217 passengers (12.4%) mainly a decrease in both visitors and returning residents. The majority of the air arrivals continued to be driven by visitors from New Zealand, Australia and the U.S. Highest number of visitors during the month came to visit friends and families and also on holiday. The transportation sector, hotel & restaurants and other sectors in the economy may have been negatively impacted from the decline in visitors' arrivals over the month. The travel receipts reported by the banks and foreign exchange dealers however rose by \$1.0 million (11.9%) to \$9.0 million compared to previous month.



<sup>1</sup> Includes Tongan residents and visitors

The total number of international departures also decreased by 469 passengers (4.5%) over the month due to no cruise ships arriving in July 2016.

Over the year to July 2016, the total number of international arrivals increased by 13,942 passengers (14.3%) and this rise was from increases in all categories. Air arrivals rose the most with 9,825 passengers (12.0%), higher than 7,724 in the previous year. This is consistent with the events taking place during the year including the conferences, reunions and the Tupou College Toloa's 150<sup>th</sup> anniversary. The introduction of the Air New Zealand Boeing 777 flights and the commencement of Fiji Airways direct flight from Fiji to Vava'u during the year also contributed to the rise. Additionally, arrivals by cruise ships increased by 4,022 passengers (28.4%), in line with more cruise ships arriving during the year. The outbound travel from NZ, U.S and Australia to Tonga during the year continued to rise, supported by its currencies strengthening against the Tongan pa'anga. The higher number of arrivals is also consistent with a \$11.9 million (16.3%) rise in travel receipts in the same period. NRBT has identified from its Overseas Exchange Transactions (OET) reports that Tonga has consistently maintained travel trade surpluses as travel receipts are always higher than travel payments.

The increase in air departures of 10,562 passengers (12.7%) over the year drove the total international departures to increase as well by 14,433 passengers (14.6%).

### **Outlook**

The international arrivals are expected to increase in August 2016 due to scheduled events such as the Latter Day Saints 100<sup>th</sup> anniversary, and to fall in the coming months after the peak. The upcoming events scheduled for this financial year may contribute to an annual rise, including the Channel College - Kelana 50<sup>th</sup>, Tailulu College (Tongatapu) 50<sup>th</sup> and Mailefihi Siu'ilikutapu 70<sup>th</sup> anniversaries and annual conferences. The signing of the mutual visa exemption agreement between Tonga and China and the setting up of the Chinese group tours is expected to attract more tourists from China. The completion of the renovation of the International Dateline Hotel by the Tanoa Group is expected to also attract more tourists. The National Reserve Bank of Tonga will continue to closely monitor these developments and the country's economic developments to support economic growth.

**Total Number of International Arrivals & Departures**

|                  | Arrivals     |               |              |              |                |               | Departures   |               |              |               |                |               |
|------------------|--------------|---------------|--------------|--------------|----------------|---------------|--------------|---------------|--------------|---------------|----------------|---------------|
|                  | Monthly      |               |              |              | Year Ended     |               | Monthly      |               |              |               | Year Ended     |               |
|                  | Jul 16       | Jun-16        | May-16       | Jul-15       | Jul 16         | Jul-15        | Jul-16       | Jun-16        | May-16       | Jul-15        | Jul-16         | Jul-15        |
| <b>Total</b>     | <b>8,823</b> | <b>11,896</b> | <b>8,707</b> | <b>8,252</b> | <b>111,611</b> | <b>97,669</b> | <b>9,859</b> | <b>10,328</b> | <b>7,258</b> | <b>10,632</b> | <b>113,145</b> | <b>98,711</b> |
| Air              | 8,636        | 9,853         | 8,462        | 8,076        | 91,933         | 82,108        | 9,665        | 8,356         | 7,104        | 10,489        | 93,563         | 83,001        |
| Visitors         | 6,103        | 6,763         | 5,220        | 5,961        | 57,541         | 52,749        | 7,116        | 5,753         | 4,267        | 8,439         | 57,368         | 52,465        |
| Tongan residents | 2,533        | 3,090         | 3,242        | 2,115        | 34,392         | 29,359        | 2,549        | 2,603         | 2,837        | 2,050         | 36,195         | 30,536        |
| Cruise Ship*     | -            | 1,784         | -            | -            | 18,163         | 14,141        | -            | 1,777         | -            | -             | 18,165         | 14,140        |
| Yacht*           | 187          | 259           | 245          | 176          | 1,515          | 1,420         | 194          | 195           | 154          | 143           | 1,417          | 1,570         |
| <b>Total</b>     | <b>8,823</b> | <b>11,896</b> | <b>8,707</b> | <b>8,252</b> | <b>111,611</b> | <b>97,669</b> | <b>9,859</b> | <b>10,328</b> | <b>7,258</b> | <b>10,632</b> | <b>113,145</b> | <b>98,711</b> |
| Visitors         | 6,290        | 8,806         | 5,465        | 6,137        | 77,219         | 68,310        | 7,310        | 7,725         | 4,421        | 8,582         | 76,950         | 68,175        |
| Tongan residents | 2,533        | 3,090         | 3,242        | 2,115        | 34,392         | 29,359        | 2,549        | 2,603         | 2,837        | 2,050         | 36,195         | 30,536        |

\* All sea arrivals are assumed to be visitors

Source: Statistics Department