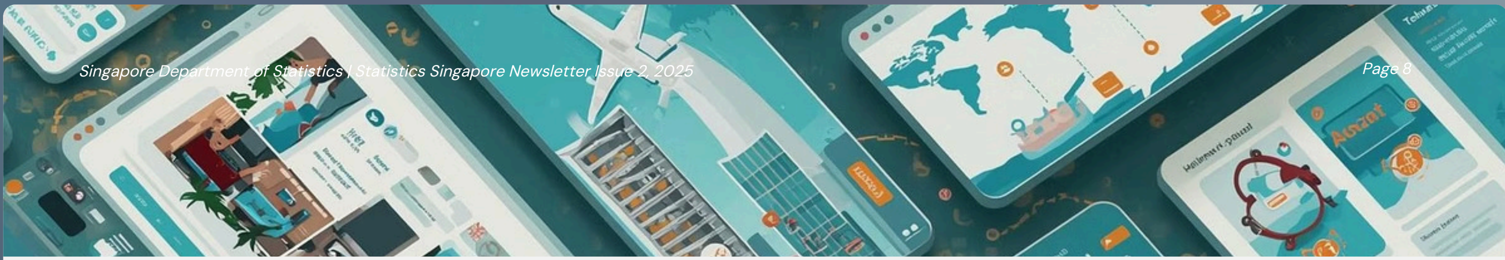

Household Expenditure on Overseas Travel

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Introduction

Overseas travel [1] is a popular activity in Singapore, be it for vacation, work or study. This article analyses changes in household expenditure on overseas travel among resident households [2] and provides insights on the shifts. Data are from the Household Expenditure Survey (HES) [3] which is conducted once every five years by the Singapore Department of Statistics (DOS). The latest HES was conducted in 2023.

Decrease in Average Monthly Household Expenditure on Overseas Travel Between 2017/ 18 and 2023

The average monthly household expenditure on overseas travel decreased from $339 in 2017/ 18 to $297 in 2023 (Chart 1).

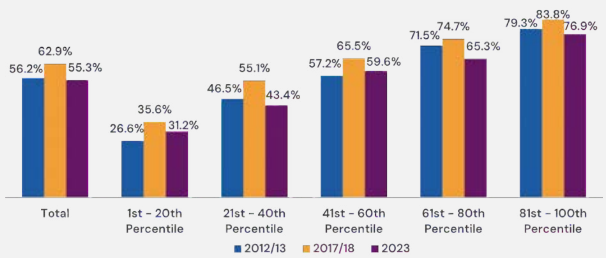
Households in the top 80% income group recorded lower average overseas travel expenditure in 2023 than in 2017/ 18, while households in the lowest 20% income group maintained a similar expenditure level. Nonetheless, higher income groups continued to have higher average overseas travel expenditure than the lower income groups.

Chart 1: Average Monthly Household Overseas Travel Expenditure* by Income Quintile, 2012/ 13 - 2023**

The decrease in average monthly household expenditure on overseas travel can be attributed to the decline in the proportion of households incurring overseas travel expenditure. The proportion fell from 62.9% to 55.3% between 2017/ 18 and 2023, reversing the growth observed between 2012/ 13 and 2017/ 18
(Chart 2).

This decline likely underscores the impact of the COVID-19 pandemic on overseas travel, as travel restrictions in popular travel destinations were only lifted in 2022 or early 2023 [4].

Chart 2: Proportion of Resident Households with Overseas Travel Expenditure by Income Quintile, 2012/ 13 - 2023**



Across households in different income groups, all household income quintiles saw a decline in the proportion of households with overseas travel expenditure between 2017/ 18 and 2023. Higher income groups had higher proportion of households with overseas travel expenditure than lower income groups.

[1] Statistics Singapore Newsletter Issue 2, 2025: **Trends and Profiles of Singaporeans Who Travelled Overseas Over the Last Decade**

[2] Resident households refer to households where the household reference person is a Singapore citizen or permanent resident.

[3] Overseas travel expenditure is collected in the HES on a recall basis with respondents reporting their expenses incurred in the 12 months preceding the survey. For example, the HES 2023 would cover travel expenditures in 2022 and 2023. Travel expenses include expenditure on airfares, coach fares, ferry fares, accommodation, package tour, travel insurance, and other expenses such as food and transport incurred for overseas vacation trips lasting at least 24 hours or an overnight stay abroad. Expenditure incurred for business trips are excluded.

[4] Malaysia, Indonesia, Thailand, Republic of Korea (ROK), Hong Kong, Taiwan and Japan lifted travel restrictions in 2022 while Mainland China lifted travel restrictions in January 2023.

* The average monthly household overseas travel expenditure is computed based on all resident households, regardless of whether they incurred expenditure on overseas travel.

** Based on the ranking of all resident households by their monthly household income from all sources per household member (including employer CPF contributions).

Household Expenditure on Travels to Asia Remains Highest

The decrease in average monthly household expenditure on overseas travel between 2017/ 18 and 2023 was observed across all travel regions (Chart 3). This reflects the decline in the proportion of households reporting overseas travel expenditure across all travel regions over the same period (Chart 4).

The dip in average monthly household expenditure on overseas travel was the steepest for travels to Asia (other than Southeast Asia (SEA)), from $144 in 2017/ 18 to $110 in 2023. Despite the drop, the average monthly household spending on travels to Asia (other than SEA) remained higher than that of other travel regions in 2023. The average monthly household spending on travels to SEA was the next highest at $79, followed by Europe at $59.

Average expenditure on travels to destinations outside Asia were relatively low, as they were less common than travels to SEA and other Asian destinations.

SEA was the most visited region by resident households, where 38.0% of households reported travel expenditure to SEA in 2023. Asia (other than SEA) was the second most visited region, with 20.9% of households reporting travel expenditure in Asia (other than SEA). Europe came in third, with 6.0% of households reporting European travel expenditure. This reflects the proximity and affordability of travel to SEA and other Asian destinations compared to destinations outside Asia.

Chart 3: Average Monthly Household Expenditure on Overseas Travel* by Travel Region, 2012/ 13 - 2023

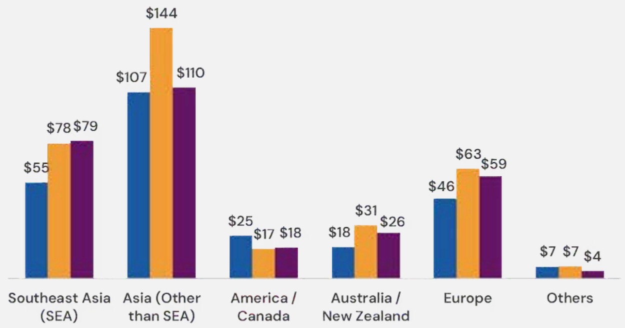
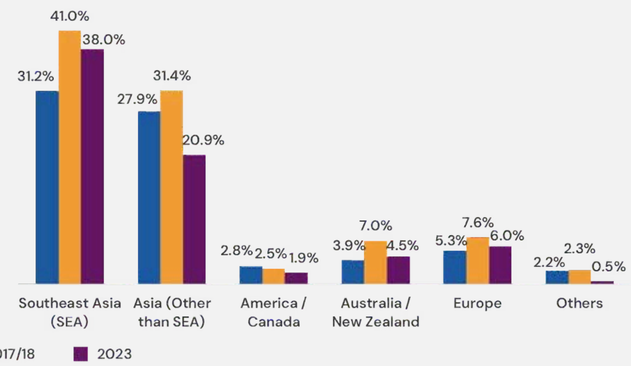


Chart 4: Proportion of Resident Households with Overseas Travel Expenditure by Travel Region, 2012/ 13 - 2023



The drop in average monthly household expenditure on travel to Asia (other than SEA) between 2017/ 18 and 2023 was mainly due to reduced spending on travel to North Asia, which fell from $121 to $84. Among popular North Asian destinations, declines in the household travel expenditure over the 5-year period were the most pronounced for travels to Mainland China, dropping from a monthly average of $16 to $4 [5] (Chart 5).

Note:
Data on out-of-pocket expenses by destination are not available. The average monthly expenditure on out-of-pocket expenses for travel to North Asia was $42 and $31 in 2017/ 18 and 2023 respectively.

Chart 5: Average Monthly Household Expenditure on Overseas Travel* (excluding out of pocket expenses) to North Asian Destinations, 2017/ 18 - 2023

Lower Income Households Mostly Travelled to Asia

Across all income groups, the monthly average expenditure on travels to SEA and other Asian destinations was higher than travels to destinations outside Asia (Chart 6). This validates their status as top travel destinations for resident households for all income groups (Chart 7).

In 2023, travel destinations outside Asia were less common. This is especially evident for households in the 1st to 80th percentile income groups, with 0.4% to 1.9% reporting expenditure on travel to America/ Canada, and 1.3% to 5.8% reporting expenditure on travel to Australia/ New Zealand and Europe.

In contrast, a higher proportion of households in the top 20% income group reported expenditure on travel to America/ Canada (5.2%), Australia/ New Zealand (10.1%) and Europe (16.1%).

[5] The drop was likely due to the lifting of mandatory quarantine for Mainland China in January 2023, later than other North Asian destinations. ROK had an earlier re-opening in June 2022, and the average monthly household expenditure on travel to ROK increased from $11 in 2017/ 18 to $13 in 2023.

* The average monthly household overseas travel expenditure is computed based on all resident households, regardless of whether they incurred expenditure on overseas travel.

Chart 6: Average Monthly Household Expenditure on Overseas Travel* by Travel Region and Income Quintile, 2023**

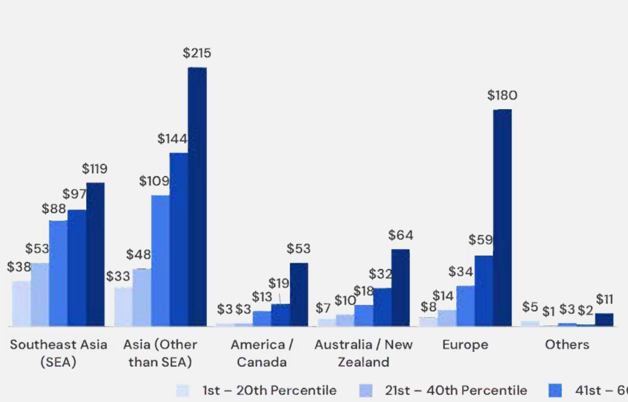
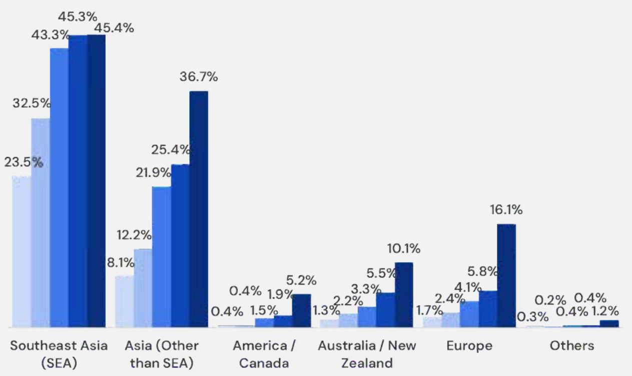


Chart 7: Proportion of Resident Households with Overseas Travel Expenditure by Travel Region and Income Quintile, 2023**



Box Story: Interpretation of Average Monthly Household Expenditure

The HES computes average monthly household expenditure by summing all spending on different types of goods and services among **all resident households, regardless of whether they had expenditure** for the specific category and then divided across all households.

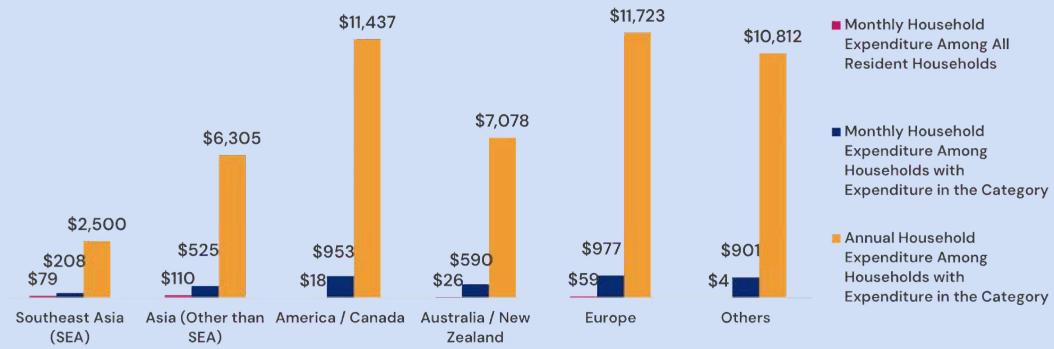
Spending patterns are unique and depend on various factors including household composition, lifestyle and priorities. While averages are useful for identifying broad level trends, they can mask differences in actual spending patterns due to varying needs across life stages or lifestyle preferences, and may differ from individual households' lived experience.

In 2023, households spent $297 on overseas travel per month, or $3,558 annually. A non-travelling household who prefers local recreation activities may incur no expenditure on overseas travel, while a frequent travelling household may find the average amount to be too low.

When a good or service is purchased by a smaller group, the average across all households could vastly underestimate the amount for households who incurred expenditure in the category.

For example, in 2023, the average monthly household expenditure on overseas travel to Australia/ New Zealand was $26, lower than the $79 for SEA, even though travels to Australia/ New Zealand were typically more costly. This was attributed to a smaller proportion of resident households who incurred such expenditure on overseas travel to Australia/ New Zealand compared to SEA. Among households who travelled to Australia/ New Zealand, the average monthly household expenditure on travel to Australia/ New Zealand was $590 (or $7,078 annually), higher than the $208 (or $2,500 annually) for SEA (Chart 8).

Chart 8: Average Household Expenditure on Overseas Travel by Travel Region, 2023



Conclusion

The analysis of travel expenditure data from the HES reveals the impact of COVID-19 on overseas travel. In 2023, households made fewer overseas trips and reduced overseas travel expenditure, likely because many international travel restrictions were only lifted in 2022 or early 2023. SEA and other Asian destinations remained the top travel destinations for resident households, reflecting the relative convenience from proximity as well as more affordable travel costs compared to destinations outside Asia.

* The average monthly household overseas travel expenditure is computed based on all resident households, regardless of whether they incurred expenditure on overseas travel.

** Based on the ranking of all resident households by their monthly household income from all sources per household member (including employer CPF contributions).