

# ACCOMMODATION

## OVERVIEW

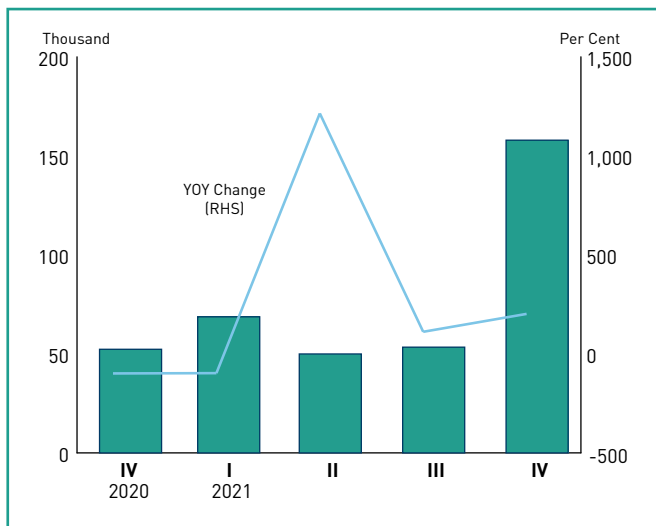
The accommodation sector contracted by 5.1 per cent year-on-year in the fourth quarter of 2021, extending the 5.7 per cent contraction in the previous quarter.

For the whole of 2021, the sector expanded by 1.7 per cent, a reversal from the 13.9 per cent contraction in 2020.

## VISITOR ARRIVALS

Singapore received around 158,000 visitors in the fourth quarter, 202 per cent higher compared to the same period a year ago (Exhibit 6.14). The increase in visitor arrivals was due to a combination of an expansion of Vaccinated Travel Lane (VTL) arrangements in November and December, as well as the low base in the fourth quarter of 2020. Relative to the same period in 2019, visitor arrivals remained 96.7 per cent lower.

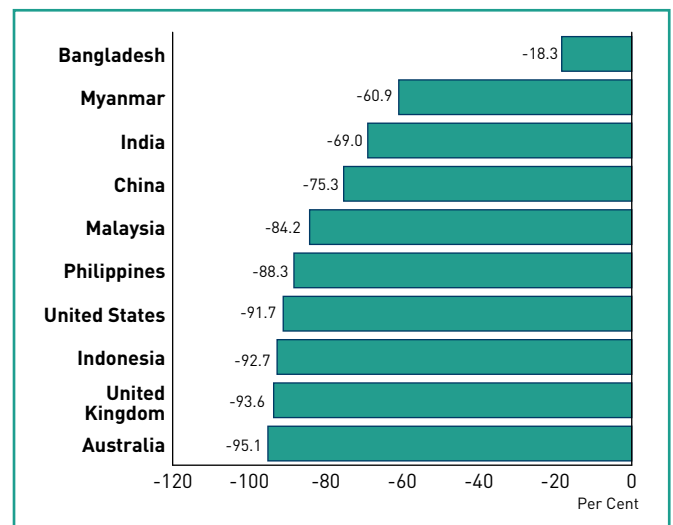
**Exhibit 6.14: Visitor Arrivals**



For the full year, visitor arrivals fell by 88.0 per cent, extending the 85.7 per cent decline recorded in 2020. The drop compared to a year ago was largely due to the 2.7 million visitor arrivals registered in the first quarter of 2020, before major border restrictions were implemented.<sup>6</sup> In total, visitor arrivals reached 330,000 in 2021, with 40.6 per cent of them coming to Singapore in the last two months of the year.

In terms of source markets, Singapore's top five visitor-generating markets in 2021 were China (88,000 visitors), India (54,000 visitors), Indonesia (33,000 visitors), Malaysia (24,000 visitors) and Bangladesh (18,000 visitors). Together, they accounted for 66.1 per cent of total visitor arrivals in 2021.

**Exhibit 6.15: Growth Rates of Top Ten Visitor Generating Markets in 2021**



<sup>6</sup> Singapore prohibited all short-term visitors from entering or transiting through Singapore on 24 March 2020.

Among the top 10 visitor-generating markets, Bangladesh (-18.3 per cent), Myanmar (-60.9 per cent) and India (-69.0 per cent) posted the smallest contractions in visitor arrivals in 2021 (Exhibit 6.15).

## ACCOMMODATION

In tandem with the growth in visitor arrivals, gross lettings of gazetted hotel rooms increased by 3.3 per cent year-on-year in the fourth quarter, a reversal from the 3.8 per cent decline in the previous quarter (Exhibit 6.16). Similarly, room revenue grew by 20.8 per cent year-on-year, extending the 31.5 per cent increase in the preceding quarter. Higher room revenue was accompanied by a rise in both the average occupancy rate of gazetted hotels and the average daily room rate. Specifically, the average occupancy rate rose by 12.6 percentage-points to 70.9 per cent, while the average daily room rate increased by 15.6 per cent to \$187 in the fourth quarter.

For 2021 as a whole, the performance of the accommodation sector was weak, weighed down by global and domestic travel restrictions that led to a sharp drop in visitor arrivals. The overall room revenue of gazetted hotels fell by 21.0 per cent to reach \$979 million in 2021, driven by a 23.5 per cent decline in gross lettings, which was only partially offset by a 2.9 per cent increase in the average daily room rate.

**Exhibit 6.16: Gross Lettings**

