



Approved Destination Status (ADS) Scheme – Summary of consultations

This document summarises the feedback received through consultation on the modernisation of Australia’s Approved Destination Status (ADS) Scheme.

Austrade’s Office of Tourism and the Visitor Economy sought feedback from roundtables, workshops and written submissions between December 2025 and March 2026. Feedback was received from:

- inbound tour operators
- outbound tour operators
- industry associations
- State and Territory tourism organisations.

Background

The Approved Destination Status scheme is a long-standing bilateral tourism arrangement between Australia and China that allowed Chinese groups to travel to Australia with ADS-approved Inbound Tour Operators (ITOs) in compliance with the *ADS Code of Business Standards and Ethics* and under specific visa and tour conditions.

Australia was one of the first Western countries to receive ADS in 1999 and was reinstated as an approved destination for ADS tour groups in August 2023 following the COVID-19 pandemic. Several Government agencies are responsible for different aspects of the ADS scheme. Austrade administers the compliance regime of the ADS scheme. The Department of Home Affairs administers visas and Outbound Tour Operators and Tourism Australia drives demand from China to visit Australia.

Following the reinstatement of the ADS scheme in 2023, consultations were undertaken to inform modernisation of the program in order to align the ADS more closely with contemporary, post-pandemic traveller needs.

Austrade consulted with ITOs and industry representatives on the ADS scheme to understand what was working well and what was not. These questions focused on stakeholder perspectives on the ADS scheme’s strategic direction; opportunities to modernise administration of ADS; the evolving visitor market from China; and industry capability, including as it related to tour guides and service standards.

Summary of Feedback

Stakeholders broadly supported modernising administration of the ADS scheme to better reflect current traveller preferences, business conditions and compliance risks. However, there was not always agreement on the changes required. This document outlines feedback received, which has been summarised by theme.

Detailed Feedback

Theme 1: Compliance and administrative burden

Respondents provided feedback on ADS scheme's compliance regime. Many respondents considered that some existing requirements were burdensome, outdated or not proportionate to current risks.

Suggestions received included:

- Moving from a control-heavy model to a clearer and more risk-proportionate compliance approach.
- Simplifying reporting requirements regarding itinerary amendments, reducing repeated passenger reporting, improving email-based reporting processes and upgrading digital systems.
- Recalibrating regulatory settings to align with current traveller behaviour.
- Clarifying rules for operators to reduce ambiguity.
- Applying requirements and compliance consistently for a fairer scheme.
- Empowering operators to self-regulate and audit their compliance.

Theme 2: Flexibility in itineraries and free time

Respondents noted that ADS scheme's rigid itinerary requirements do not meet the needs of modern Chinese travellers, who desire balance between structured pre-planned activities and free time for shopping, dining, rest, personal interests or visiting family and friends.

With travellers seeking less structured itineraries, the ADS scheme needed to adapt to a more flexible operating model.

Suggestions received included:

- Introducing more customisable and flexible itineraries that combined structured activities with self-directed leisure time.
- Increasing free time allowances, permitting visitors to see family and friends or pursue personal exploration.
- Simplifying processes for ITOs to amend and customise itineraries once travellers were in Australia.

Theme 3: Visitor numbers, value and regional dispersal

Feedback was received that travellers were increasingly independent, pre-planning travel through online platforms, more aware of their rights and more interested in tailored travel experiences. The traditional model of large bus tours and shopping-focused itineraries no longer reflected the preferences of modern Chinese travellers.

- There was growing demand for small group and family travel, as well as premium and customised itineraries.
- There was increased interest in themed travel including sport, events, nature, wellness, agritourism, education and family-friendly experiences.
- Travellers increasingly desired privacy, deterring them from booking large group travel with strangers.

Some operators saw opportunity in forgoing quantity in exchange for smaller numbers of high-yield tourist.

Suggestions received included:

- Targeting high-yield visitors who spend more, stay longer and travel to regional destinations.
- Developing niche, high-quality itineraries that could be successful even where overall ADS volumes were lower and which visitors would pay a premium for such as leverage Australia's unique regional and outback experiences.
- Supporting small group travel through the ADS, leveraging higher spending power and desire for special reservations and premium accommodation experiences.
- Encouraging the development of high-quality and diverse itineraries which aligned with broader Australian tourism strategies i.e. regional dispersal.

Respondents said ADS visitor numbers to Australia needed to increase in order to provide surety for operators and future-proof the ADS scheme.

Suggestions received included:

- Targeting a broader range of Chinese visitors from more cities and increasing use of the ADS visa by families.
- Building a pipeline of repeat visitation and positive word-of-mouth marketing in China that increased uptake of the ADS visa.
- Positioning the ADS scheme as an option and improving perceptions of the ADS through ADS branding and promotion, including on online platforms targeting young travellers.
- Taking advantage of Australia's continuing popularity and strong visitation from Chinese travellers.
- Leveraging the increasing desire for 'in-depth' and exclusive travel experiences with a greater focus on local culture and Australia's unique resources.

Theme 4: Quality of the visitor experience

Respondents linked quality experiences to repeat visitation, positive word of mouth, strong destination reputation and stronger long-term outcomes for Australia's tourism industry. High quality experiences were not just defined as superior offerings but also included safety and transparency.

Suggestions received included:

- Introducing the concept of an approved ADS supplier who had proven experience supporting Chinese group travel and providing high-quality services (i.e., accommodation, transport)
- Promoting ADS participation to quality operators already servicing the FIT China market.
- Improving complaint handling in the ADS to drive strong destination reputation.
- Encouraging tour guides to participate in product feedback and provide suggestions to improve itineraries.

Theme 5: Inbound tour operator standards and capability

Respondents recognised that ITOs hold a critical role in setting the standard for the quality of the ADS scheme and some suggested high quality ITOs are needed for a high quality ADS scheme.

Suggestions received included:

- Introducing professional development and accreditation to improve service quality and consistency.
- Increasing the scrutiny of an applicant's experience, relationships with operators, financial position, staffing, local premises, management capability and service standards.
- Introducing targeted ADS training, and further government support for professional development opportunities.

Theme 6: Tour guides and tour leaders

Respondents supported having Australian tour guides to enhance tour quality and visitor safety. Tour guides have local insights, which adds value to tours. However a shortage of tour guides and their costs posed challenges. Visitors also trusted the Chinese tour leaders who are required by China's Ministry of Culture and Tourism to travel with the group from China. However tour leaders lacked local knowledge and were not permitted to perform guiding activities in Australia under their visa conditions. Respondents also noted the quality of tour guides and leaders can differ significantly depending on experience.

Operators provided feedback that they would like greater flexibility to tailor guide and leader arrangements to the size, destination, cost and nature of each group.

Suggestions received included:

- Allowing ITOs to determine appropriate and tailored inclusion of guides and leads depending on the size and specific needs and desires of the group.
- Considering regional guide availability when setting future requirements.
- Reinforcing that Australian guides should focus on local explanation, itinerary delivery and resource integration, while Chinese tour leaders should focus on customer care, cross-cultural coordination and visa or itinerary coordination.
- Continuing to uplift capability of the tour guide cohort through regular engagement, ADS specific training and elevating the knowledge base of the cohort.

Other feedback received

Feedback was also received that the ADS scheme experienced issues affecting the broader tourism industry, including reduced aviation connections, insurance affordability, workforce shortages and industry capability gaps. Chinese visitors to Australia also experienced specific challenges with unfamiliar payment systems and lack of language support, including through the visa application process.

ADS ITOs noted particular challenges they faced from competition from free independent travel, low profit margins, workforce shortages, commercial pressure in the relationships between inbound and outbound operators and changing traveller preferences.

Conclusion and next steps

A summary of feedback has been shared with Tourism Australia, the Department of Home Affairs and the ADS advisory panel. Austrade is using feedback to inform advice to Government on modernisation of administration of the ADS Scheme.