

Exclusive National NSW Spending

The Sydney areas cutting back on dining and entertainment and where little has changed



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Almost all Sydneysiders have pulled back on dining and entertainment over the past year, but younger renters in the inner city are pinching their pennies much more than long-time home owners in some outer suburbs.

People in every area of Greater Sydney between June 2023 and May 2024 spent less on fast food, restaurants, and food delivery than in the previous 12 months, data provided to the *Herald* by Visa shows. The average person spent 6.7 per cent less on dining during the period.

Use the interactive map below to see the change in dining spending among people who live in your area, and how much money people are spending each week on average.

Entertainment spending has also declined by an average of 6.5 per cent annually across Greater Sydney on sports clubs, golf club memberships, cinemas, live performances, and activities such as escape rooms and bowling.

Visa Australia's head of consulting and analytics, David Peacock, said the changes reflected increased cost of living pressures.

“Over the last two years, we have seen the rise in inflation outpace the growth in wages,” Peacock said. “Consumers have had to increase the proportion of their income allocated to essential purchases, such as food and utilities, which results in a more significant decline in dining and entertainment spend.”

He said the analysis was based on depersonalised transaction data, grouped together by area of residence. It was also run against government data on consumer habits to incorporate possible cash transactions that would not have shown up in card usage data.

“What this essentially means is that our data isn't just representative of Visa cardholders but of the broader population,” Peacock said.

Use the interactive map below to see the change in entertainment spending among people who live in your area, and the average amount spent on entertainment.

Where are people cutting back the most?

People living in the eastern suburbs, North Sydney and Mosman spent nearly twice as much on dining and entertainment on average than those living in Campbelltown, Mount Druitt or the Blue Mountains.

The biggest drop in average dining spending was in Botany, where people spent an average 21 per cent less. Botany has a sizeable renter demographic: one in two people rent, compared to one in three Sydneysiders. Forty-one per cent of Botany residents were also between the ages of 20 and 39, compared to 30 per cent of Greater Sydney.

University of Canberra senior economics lecturer Dr John Hawkins said inner-city dwelling young people are forking out less because non-essentials spending is the easiest to cut, and first to go.

“They may have been spending more on eating out, so there’s more scope to cut back,” Hawkins said.

“They’re probably being hit by higher interest rates and mortgages, but there’s also a lot of them renting, and they’d be hit by increases in rent too.”

In contrast, the Dural-Wisemans Ferry area stretching from the Hills District to the Hawkesbury River appeared least affected by cost pressures. Dining in the semi-rural area declined by 2 per cent, lower than the Greater Sydney average for Greater Sydney.

This was also one of only two areas in Sydney where spending on entertainment increased (the other was the affluent North Sydney and Mosman area on the lower north shore).

So why are some less affected by the cost-of-living crisis sweeping the rest of Sydney?

Almost half of all Dural and Wisemans Ferry residents (44 per cent) own their homes outright, much higher than the average of 28 per cent.

“They’re not affected by an increase in interest rates or an increase in rent,” Hawkins said. “As long as their job is secure, they have less need to cut back spending.”

What the data doesn’t show

Sydneysiders emerging from COVID-19 lockdowns boosted domestic travel, creating higher spending than usual in regional NSW in 2022-23.

“People had all this pent-up demand from being in lockdown,” said University of Sydney senior economics lecturer Dr Christopher Gibbs.

“Some of these drops [in spending] are not actually people ‘doing it tough’. It’s just a change in where people are spending money now. In 2022, I took a road trip to Orange. I haven’t done that this year, but I went to Finland, so although my consumption went up a lot, the data is actually going to look like it’s fallen,” Gibbs said.

What’s next?

Gibbs said it was unclear whether spending would bounce back, with “storm clouds on the horizon for the global economy”.

“We definitely always want more growth because this represents human happiness, right? People like going out. We could all hope that it is going to rebound,” he said.

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