



Tourism snapshot

A focus on the markets that the CTC and its partners are active in

February 2009
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Key highlights

From an inbound perspective, international travellers made 736,610 overnight trips to Canada in February 2009, a decline of 7.6% over the previous year, but during which four key markets registered positive growth; India (11.1%), China (5.4%), Germany (2.3%) and Brazil (1.4%).

From a competitive perspective, international trips to the U.S. over the January to December 2008 period increased by 4.4% compared to 2007, while visitation decreased in Canada, Australia and the U.K.

U.S. Consumer Confidence reached an all-time low in February (25.0), down from 37.4 in January.

Tourism review

International trips

- International travellers made 736,610 overnight trips to Canada in February 2009, a decline of 7.6% over the previous year;
- This month, overnight trips to Canada from both the Americas and overseas key markets decreased compared to February 2008, falling 7.0% and 13.0%, respectively;
- Overnight trips to Canada in February 2008 from overseas countries other than CTC key markets decreased by 3.5% reaching 80,268 trips. Overall, non-US countries registered a larger decline of 9.3%;
- Overall international trips to Canada during the first two months of 2009 fell by 5.4% to 1.4 million, despite trip volumes from overseas countries other than CTC key markets remaining unchanged over the same period in 2008.

United States

- Overnight trips from the U.S. fell 7.0% in February 2009 as plane and automobile trips fell by 8.8% and 4.5%, respectively. Trips by "other" modes experienced the most significant drop (19.3%);
- Despite the decrease in overall trips from the U.S., four provinces (Manitoba +9.1%, Saskatchewan +8.9%, New Brunswick +3.6% and Alberta +2.3%) registered gains in February 2009;

Overnight trips to Canada

	Feb 2009	09/08 Feb. % change	Jan-Feb 2009	Year-to-date % change
Americas*				
United States				
Automobile	322,227	-4.5	606,939	-1.9
Plane	179,633	-8.8	352,063	-7.8
Other	29,937	-19.3	57,943	-20.9
U.S. total	531,797	-7.0	1,016,945	-5.3
Mexico	10,826	-9.2	23,878	-6.2
Americas total	542,623	-7.0	1,040,823	-5.6
Overseas key markets				
France	25,191	-2.1	43,591	-2.7
Germany	12,647	2.3	25,659	10.3
UK	38,090	-20.7	71,677	-17.7
China	9,333	5.4	20,449	13.8
Japan	11,454	-24.5	19,573	-24.9
South Korea	7,597	-30.5	18,346	-25.0
Australia	9,407	-2.7	24,630	-6.3
Overseas key markets total	113,719	-13.0	223,925	-10.4
As % of overseas and Americas	17.3		17.7	
Other overseas countries	80,268	-3.5	167,184	0.0
Non-US countries	204,813	-9.3	414,987	-5.8
Total countries	736,610	-7.6	1,431,932	-5.4

Note: Statistics Canada preliminary estimates.

Source: Statistics Canada, International Travel Survey.

*Refers to the CTC's marketing group in the U.S. and Mexico.

Overnight trips by Canadians

	February 2009	09/08 Feb % change	Jan-Feb 2009	Year-to-date % change
United States	1,094,028	-8.9	2,242,444	-10.8
Other countries	852,312	2.9	1,854,528	5.2
Total trips from Canada	1,946,340	-4.1	4,096,972	-4.2

Note: Statistics Canada preliminary estimates.

Source: Statistics Canada, International Travel Survey.

- Over the first two months of 2009, total U.S. trips to provinces increased for Newfoundland (+39.6%), Saskatchewan (+10.6), Manitoba (+6.1%) and Alberta (+4.1%).

Mexico

- In February 2009, overnight trips from Mexico dropped 9.2% over 2008, with a total of 10,826 trips made to Canada.
- For the first two months of 2009, Mexico also registered a decrease of 6.2%, reaching 23,878 trips.

Share of entry

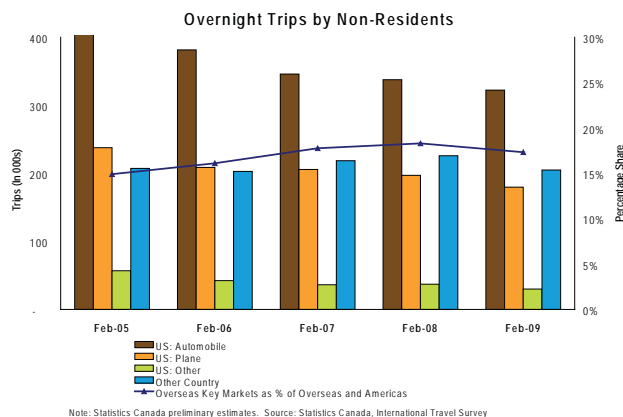
- Canada received 531,797 overnight U.S. visitors in February, which accounted for 81.0% of total visitors from core markets, which was a slight increase from 80.1% recorded in February 2008. Of these U.S. visitors, 49.1% travelled by automobile, 27.4% by plane, while 4.6% used "other" modes of transportation;
- This month, Americas (the U.S. and Mexico) accounted for 82.7% of total visitors from core markets with Mexico contributing a share of 1.6%;
- In February 2009, overnight visitors from key European markets made 75,928 trips to Canada, accounting a share of 11.6% slightly less than the share of 12% achieved in February 2008. Of all inbound trips from core market, the U.K. accounted for the largest share (5.8%), followed by France (3.8%) and Germany (1.9%);
- Overnight visitors from Asian key markets made 37,791 trips in February 2009, accounting for 5.8% of total visitors from key markets, representing a slight decline of 6.2% from February 2008;
- For the month of February, overseas key markets lost a small share to Americas, slipping from 18.0% in 2008 to 17.3% in 2009.

Market watch

- Canada experienced a 20% increase in trips from Spain in February 2009 over the same month in 2007, with India capturing the 2nd highest growth with 15.7%;
- Trips from Switzerland, Brazil and Italy saw moderate growth of 8.7%, 1.4% and 0.4% compared to February 2007, while trips from Taiwan, Hong Kong and the Netherlands declined by 56.2%, 36.0% and 8.8% respectively;
- Canada saw a more significant increase of 69.5% from India over February 2005, while Taiwan, Hong Kong and Netherlands experienced a 65.2%, 36.5% and 3.1% decrease over February 2005.

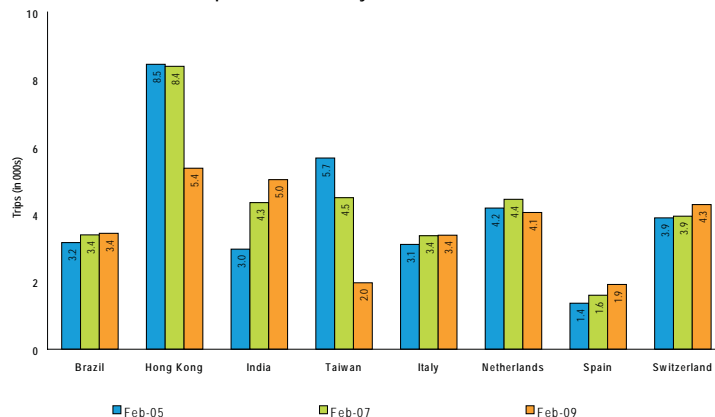
Overseas key markets

- In February 2009, the overseas key markets posted a significant decrease, falling by 13% over the same month in 2008 with a total of 113,719 overnight trips made to Canada;
- Four key markets posted gains; India (11.1%), China (5.4%), Germany (2.3%) and Brazil (1.4%). Significant decreases in visitation were recorded from South Korea (-30.5%), Japan (-24.5%) and the U.K. (-20.7%). France and Australia also contributed to the negative performance of overseas key markets with slipping 2.1% and 2.7% respectively;
- Year-to-date, increases registered by Germany (+10.3%) and China (+13.8%) were more than offset by decreases from South Korea (-25.0%), Japan (-24.9%) and the U.K. (-17.7%).



Note: Statistics Canada preliminary estimates. Source: Statistics Canada, International Travel Survey

Trips to Canada, by Selected Markets



Note: Statistics Canada preliminary estimates. Source: Statistics Canada, International Travel Survey.

Competitive review (December 2008)

International travel, January-December 2008 (In 000s)

Trips from:	Trips to:							
	Canada		United States		Australia		United Kingdom	
	#	08/07 change	#	08/07 change	#	08/07 change	#	08/07 change
Total international	17,089	-4.7%	50,502	4.4%	5,586	-1.0%	31,928	-2.6%
Americas								
United States	12,451	-6.9%	...	...	454	-1.0%	2,959	-16.7%
Mexico ¹	266	7.8%	6,235	-7.4%	...	...	64	10.3%
Overseas key markets								
France	421	12.3%	1,244	24.7%	86	16.0%	3,636	6.8%
Germany	320	4.3%	1,782	16.9%	161	6.0%	2,905	-14.0%
United Kingdom	854	-6.0%	4,565	1.5%	672	-2.0%	...	...
China ²	160	5.1%	632	17.1%	356	0.0%	137	-23.0%
Japan	276	-16.6%	3,250	-8.0%	457	-20.0%	239	-22.4%
South Korea	184	-8.2%	759	-5.8%	218	-14.0%	...	...
Australia	239	8.8%	690	3.0%	...	...	959	1.9%
Canada	...	...	18,925	6.6%	125	9.0%	860	0.9%
Total key markets	15,171	-6.1%	38,083	2.8%	2,530	-2.6%	11,759	-7.2%

...Not available or data not applicable.

¹US figures for Mexico include arrivals to interior only.

²US figures for China includes Hong Kong, SAR.

Sources: Statistics Canada; Tourism Australia; and ITA, Office of Travel and Tourism Industries (USA).

Note: Statistics Canada preliminary figures.

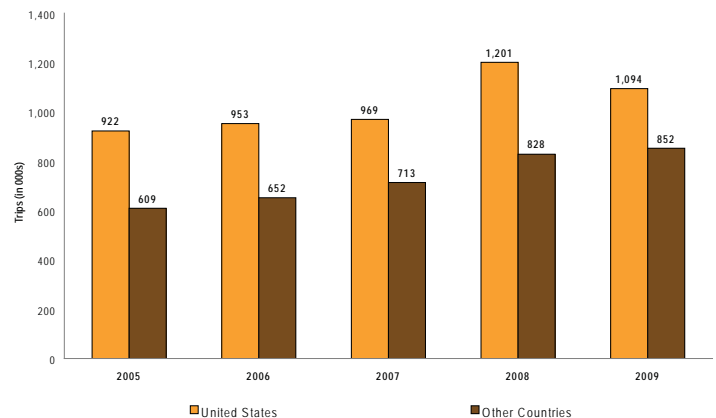
- In 2008, international trips to the U.S. totalled 50.5 million with a 4.4% increase year-over-year, while Canada, Australia and the U.K. all experienced decreased visitation;
- Canada registered the most significant drop in visitation over the previous year, experiencing a 4.7% drop, receiving a total of just over 17 million trips;

- Of the four destinations, the U.S. outperformed Canada, Australia and the U.K. in terms of market growth from France (24.7%), Germany (16.9%) and China (17.1%). The U.S. also experienced less severe decreases from Japan (-8.0%) and South Korea (-5.8%) relative to Canada, Australia and the U.K.;
- The U.K. and Canada experienced stronger growth from Mexico, 10.3% and 7.8% respectively, as the U.S. experienced a 7.4% decrease. Trips from Australia to Canada grew 8.8% compared the year prior, while the U.S. was up 3.0% and the U.K. was up 1.9%.

Canadian outbound trips

- In February 2009, overall outbound trips by Canadians posted a decrease of 4.1% over the same month last year;
- For this month, trips to the U.S. were down 8.9%, while outbound trips to non-U.S. destinations increased 2.9% over February 2008;
- Year-to-date, 7 provinces/territories posted decreases in trips to the U.S., relative to the same period in 2008, with the Yukon recording the largest decline (-18.1%); meanwhile significant gains were recorded from P.E.I. (90%) and Newfoundland (83.7%);
- For the first two months of 2009, all provinces registered gains in outbound trip to non-U.S. countries, with overall trips from Canada creeping up 5.2% over the same period last year.

Outbound Trips by Canadians (in 000s)



Note: Statistics Canada preliminary estimates. Source: Statistics Canada, International Travel Survey

Consumer outlook

Consumer confidence

CANADA: After a small gain in January, the Consumer Confidence index fell 1.4 points in February 2009 to 68.8 (2002 = 100), as consumer perceptions about household finances and the future job market continued to worsen.

UNITED STATES: The Conference Board reported that Consumer Confidence, which had decreased moderately in January, declined in February, reaching yet another all-time low. The index stood at 25.0 (1985=100) in February, down from 37.4 in January.

Sources: *Consumer Confidence Index, the Conference Board (USA); and Index of Consumer Confidence, the Conference Board of Canada.*

Strategic performance

Please note that the strategic performance figures will be posted in the Q1 2009 Tourism Snapshot and subsequent issues.

Accommodations

- In February 2009, the national occupancy rate fell by 4.2% over the previous year to 55.5%. While most provinces faced decreases in occupancy, Yukon posted an increase this month (+ 9.3%) followed by Newfoundland (+2.2%). Northwest Territories posted the largest decline, down 12.2%;
- Year-to-date February, the national occupancy rate decreased 3.7% falling to 51.1% when compared to the same period last year. Saskatchewan posted the highest occupancy rate at 65.0% (up 0.4%) followed by the Yukon at 60.4% (up 3.1%);
- For the first two months of 2009, properties with over 500 rooms posted the highest occupancy rate of 55.5% while properties under 50 rooms posted the lowest occupancy rate of 41.4%;
- The national Average Daily Rate from January to February was \$123.01, registering a slight decrease of 0.6% compared to the same period last year. The Average Daily Rate in the Northwest Territories grew 7.5% to \$146.91, which is the highest average and much higher than the national average;
- The national average Revenue per Available Room (RevPAR) for the first two months of 2009 was \$62.9, down 7.4% over the same period last year. The Northwest Territories, Alberta, Saskatchewan, British Columbia and Québec posted higher averages than the national average.

Source: PKF Consulting

Canadian occupancy rates*, by province

	Feb-09	09/08 change^	Jan-Feb 2009	Year-to-date change^
Alberta ¹	61.6	-6.6	57.3	-5.8
British Columbia	57.2	-4.2	51.4	-4.6
Saskatchewan	68.1	-1.5	65.0	0.4
Manitoba	61.5	-4.9	56.2	-5.2
Ontario	51.9	-4.5	49.1	-3.4
Quebec	55.4	-2.7	50.0	-1.9
New Brunswick	48.9	-6.5	42.9	-6.6
Nova Scotia	49.8	-3.7	44.0	-4.5
Newfoundland	54.0	2.2	48.8	2.0
Prince Edward Island	39.2	-0.8	33.5	-1.3
Northwest Territories	63.9	-12.2	56.8	-11.5
Yukon	69.2	9.3	60.4	3.1
Canada	55.5	-4.2	51.1	-3.7

* Note: Based on the operating results of 202,226 rooms (unweighted data).

^ Percentage points.

¹Excluding Alberta resorts

Source: PKF Consulting

**CTC Marketing
Market Research**