



Tourism snapshot

Canadian Tourism Commission

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

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Key highlights

Inbound travel to Canada continued to be impacted by the global economic crisis and new Visa policy on Mexico. With the exception of China (+11.8%), all other CTC markets experienced declines, most notable a 55.1% decline in Mexican travel to Canada.

Auto travel to Canada saw its largest decline in 2009, falling 14.6% in August compared to the same month in 2008. This slowdown suggests that the latest implementation of passport requirements, coupled with the economic downturn, has had a hindering affect on American auto travel to Canada.

Despite a strengthening Canadian dollar, the unstable economic environment continued to impact Canadian travel abroad - in August Canadian overnight travel to the US declined by -5.7%, while visits to overseas destinations decreased 1.5% over last year.

Tourism review

International trips

- International travellers made 2.3 million overnight trips to Canada in August 2009, a decline of 12.4% over the same month in 2008;
- The number of non-US trips to Canada fell by 14.2% to 540,784 in August compared to 628,547 trips in August 2008;
- Overnight trips to Canada from overseas markets other than CTC key markets were down 8.5% in August compared to 2008;
- Year-to-date, international trips to Canada reached just over 11.4 million, down 8.0% over the previous year;
- For the first eight months of 2009, overnight trips to Canada from the Americas contracted 6.8% compared with 2008, while visits from overseas markets other than CTC key markets decreased by 8.0%.

United States

- Automobile travel to Canada saw its largest decline in 2009, falling 14.6% in August compared to the same month in 2008;
- Plane and "other" U.S. trips also continued their downward trend, falling 9.5% and 9.0% respectively over 2008;
- Year-to-date trips by Americans were down 6.9%, with automobile, plane trips and "other" US trips falling 5.2%, 9.7% and 8.8% respectively;
- New Brunswick and Saskatchewan were the only two provinces to show increases in trips from the U.S. in August, up 10.4% and 4.2% compared to last year.

Overnight trips to Canada

	August 2009	09/08 Aug % change	Jan-Aug 2009	Year-to-date % change
Americas*				
United States				
Automobile	1,120,570	-14.6	5,183,554	-5.2
Plane	391,136	-9.5	2,259,888	-9.7
Other	281,146	-9.0	1,036,734	-8.8
U.S. total	1,792,852	-12.7	8,480,176	-6.9
Mexico	14,182	-55.1	141,755	-28.8
Americas total	1,807,034	-12.6	8,621,931	-6.8
Overseas key markets				
France	68,519	-7.0	285,286	-3.3
Germany	49,925	-2.1	215,044	-2.9
UK	91,725	-18.5	496,546	-18.5
China	20,151	11.8	108,081	0.5
Japan	24,731	-28.5	120,485	-33.4
South Korea	15,818	-31.6	99,983	-27.2
Australia	22,111	-23.3	141,653	-14.7
India**	11,825	-4.2	78,568	-3.4
Brazil**	6,162	-22.8	42,177	-12.1
Overseas key markets total	310,967	-13.9	1,587,823	-14.0
As % of overseas and Americas	14.7		15.6	
Other overseas countries	215,635	-8.5	1,143,872	-8.0
Non-US countries	540,784	-14.2	2,873,450	-12.7
Total countries	2,333,636	-12.4	11,353,626	-8.0

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

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

** India and Brazil are added to the CTC overseas key markets.

Overnight trips by Canadians

	August 2009	09/08 Aug % change	Jan-Aug 2009	Year-to-date % change
United States	2,418,131	-5.7	12,526,549	-8.3
Other countries	720,839	-1.5	6,040,807	1.9
Total trips from Canada	3,138,970	-4.8	18,567,356	-5.2

Note: Statistics Canada preliminary estimates.

Source: Statistics Canada, International Travel Survey.

Mexico

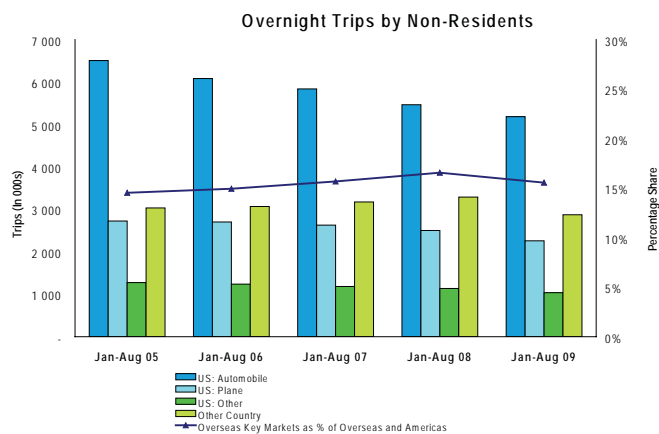
- Mexico continued to be influenced by the combined impacts of the H1N1 flu and the new visa policy, with visitor arrivals during August decreasing by 55.1% (14,182 overnight trips), compared to the same month in 2008. This followed monthly decreases of 25.5% for June, and 39.5% for July 2009;
- From January to August 2009, trips from Mexico declined 28.8% over the same period in 2008.

Share of Entry (January – August, 2009)

- In Jan.-Aug. there were 8.5 million U.S. visitors, accounting for 83.1% of the total visitors from key markets- 50.8% were automobile trips; 22.1% were plane trips; and 10.2% were “other” non-auto trips;
- By the end of the first eight months of 2009, Mexican travel to Canada accounted for 1.4% of key markets;
- Visitors from key European markets made 996,876 overnight trips to Canada, accounting for 9.8% of total key markets; the UK accounted for 4.9% of key markets;
- Visitors from the Asia/Pacific markets made 470,202 overnight trips to Canada, accounting for 4.6% of total key markets; Australia (1.4%) represented the highest proportion of visits;
- Overseas key markets represented 15.6% of the key markets visiting Canada compared to 16.6% over the same period in 2008.

Overseas key markets

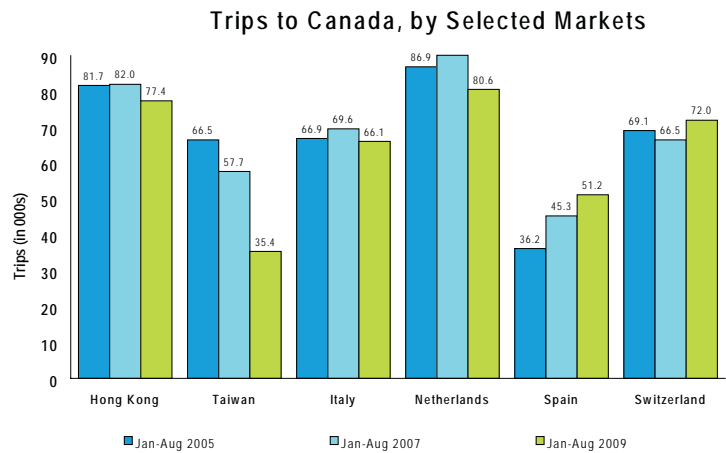
- In August 2009, travel from overseas key markets fell 13.9% compared to the same month in 2008, a slight improvement against July's 14.5% decline;
- This month China was the only key market to register an increase in overnight visits to Canada, up 11.8% compared to August 2008;
- South Korea (-31.6%) and Japan (-28.5%) posted the largest drops compared to the same month last year;
- Travel from Australia declined 23.3% in August over the previous year; a significant decline following a 5.2% decline in July 2009;
- India experienced a 4.2% decline in travel to Canada compared to the previous year, an improvement from the 9.0% decline in July 2009;
- Year-to-date China posted the only gain (+0.5%), while Japan (-33.4) had the greatest decline, followed by South Korea (-27.2%) and the UK (-18.5%).



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

Market watch

- For August year-to-date, 2 of the 6 selected markets posted increases over 2007 with Spain up 13.0% and Switzerland up 8.3%. Taiwan posted the largest decline year-over-year at -38.6%.
- Spain posted the highest growth rate (+41.4%) over the same period in 2005, with overnight trips reaching 51,175 in the first eight months of 2009, while Italy registered a marginal decline of 1.2%.



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

Competitive review

International travel, January-June 2009 (In 000s)

Trips from:	Trips to:					
	Canada		United States		Australia	
	#	09/08 change	#	09/08 change	#	09/08 change
Total international	6,477	-7%	21,417	-10%	2,646	-2%
Americas						
United States	4,745	-6%	...	...	225	-1%
Mexico ¹	96	-17%	2,547	-13%	...	...
Overseas key markets						
France	154	-1%	541	1%	39	11%
Germany	121	-4%	764	-8%	70	-3%
United Kingdom	310	-18%	1,781	-17%	324	-4%
China ²	69	4%	277	-10%	200	1%
Japan	75	-34%	1,320	-18%	172	-24%
South Korea	62	-27%	326	-17%	90	-22%
Australia	95	-15%	310	-6%	...	...
India	54	-2%	287	14%	65	7%
Brazil	28	-11%	380	8%	...	...
Canada	...	...	8,253	-9%	60	-5%
Total key markets	5,809	-7%	16,786	-11%	1,246	-7%

...Not available or data not applicable.

¹US figures for Mexico include arrivals to interior only.

²US figures for China includes Hong Kong, SAR.

Note: Statistics Canada preliminary figures.

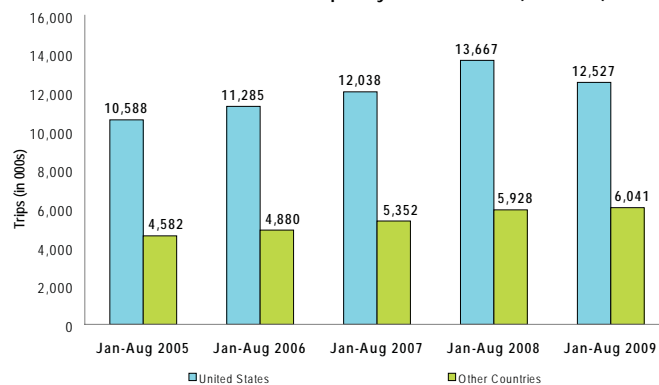
Sources: Statistics Canada; Tourism Australia; and ITA, Office of Travel and Tourism Industries (USA).

- From January to June 2009, the U.S. experienced a 10% decline in international visitors, while Canada posted a decline of 7% and Australia declined by 2%;
- Canada posted stronger growth in visitors from China (+4%) than both the U.S. (-10%) and Australia (+1%);
- While both the U.S. and Australia registered increases in visitors from India, up 14% and 7% respectively, Canada experienced a 2% decrease in Indian visitors over the same time period;
- Between January and June 2009, Canada registered a significantly larger decline in Japanese visitors (-34%) than its U.S. neighbour (-18%);
- Australia outperformed both Canada and the U.S. in attracting visitors from France with an 11% gain, while Canada posted a decline of 1% and U.S. posted a 1% increase.

Canadian outbound trips

- In August 2009, outbound trips by Canadians declined by a lesser degree than in July, dropping 4.8% to 3.1 million, compared to the same month last year;
- Year-to-date Canadians made 18.6 million trips abroad, a 5.2% decrease over 2008. Trips to the US were down by 8.3%, while trips to non-US countries were up by 1.9%;
- For the month of August, Alberta (+5.2) was the only province to report an increase in travel to the U.S.; PEI posted the highest decline (-19.3%) followed by New Brunswick (-17.1%) and the Yukon (-17.0%);
- Travel abroad picked up in August in some regions with increases in New Brunswick (+42.3%), Saskatchewan (+19.9%), Alberta (+13.0%) and Québec (+9.1%), compared to the same month last year;
- Year-to-date, all provinces had increases in travel to countries other than the U.S., with the exception of the Yukon (-15.3%), British Columbia (-4.1%) and Ontario (-0.1%).

Outbound Trips by Canadians (in 000s)



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

Strategic performance (January-August, 2009)

- Against all set targets for the CTC's core markets, there was a shortfall in projected trips of 408,000, a difference of -3.9% for January through August;
- Year-to-date, Germany and France both exceeded their set targets by 5.1% and 4.2% respectively;
- The U.S. fell short of meeting their set targets by 2.8%, with a shortfall of 247,000 trips;
- Mexico, Japan, South Korea, and Australia all significantly missed their set targets by 25.6%, 25.0%, 20.8% and 10.7% respectively.

Travel Volumes, January-August 2009

	Trips Made (000s)		
	Target	Actual	% Difference
United States	8,727	8,480	-2.8
Mexico	191	142	-25.6
Americas (Total)	8,918	8,622	-3.3
France	273	285	4.2
Germany	205	215	5.1
UK	546	497	-9.0
China	109	108	-0.9
Japan	161	121	-25.0
S Korea	126	100	-20.8
Australia	159	142	-10.7
Overseas Key Markets (Total)	1,580	1,468	-7.1
TOTAL	10,498	10,090	-3.9

Note: As per strategic plans.

Consumer outlook

Consumer confidence

CANADA: The Index of Consumer Confidence increased for a sixth consecutive month in August, climbing 5.5 points to 88.4 (2002 = 100).

UNITED STATES: The Conference Board Consumer Confidence Index™, which had retreated in July, rebounded in August. The Index now stands at 54.1 (1985=100), up from 47.7 in July.

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

Accommodations

- Year-to-date the national occupancy rate fell 5.6%, after experiencing a 5.8% decline in August and a 4.3% decline in July. While most provinces faced decreases in August occupancy, the Yukon and the Northwest Territories had gains of 4.2% and 1.7% respectively. Alberta posted the largest decline, down, 11.4%;
- The average daily rate (ADR) decreased by 5.6% over August 2008 to \$130.22. British Columbia posted the highest ADR of \$144.05, followed by the Northwest Territories, Quebec, and Newfoundland;
- Revenue per available room decreased by 12.7% to \$92.14 in August 2009 compared with \$105.55 in August 2008;
- For the first eight months of 2009, properties with over 500 rooms posted the highest occupancy rate of 82.0%, while properties under 50 rooms posted the lowest occupancy rate of 67.3%.

Canadian occupancy rates*, by province

	August 2009	09/08 change^	Jan-Aug 2009	Year-to-date change^
Alberta ¹	63.2	-11.4	60.2	-9.2
British Columbia	76.8	-4.0	61.5	-6.5
Saskatchewan	74.8	-0.3	70.0	-1.5
Manitoba	70.1	-1.1	64.4	-2.3
Ontario	68.0	-6.0	57.2	-5.1
Quebec	73.0	-5.5	57.7	-4.6
New Brunswick	75.6	-2.5	56.3	-5.0
Nova Scotia	78.1	-1.8	59.9	-4.4
Newfoundland	82.6	-1.4	65.5	0.7
Prince Edward Island	75.8	-4.0	49.7	-0.2
Northwest Territories	59.3	1.7	60.4	-5.3
Yukon	91.2	4.2	73.4	4.7
Canada	70.8	-5.8	59.2	-5.6

* Note: Based on the operating results of 212,119 rooms (unweighted data).

^ Percentage points.

¹Excluding Alberta resorts

Source: PKF Consulting

**CTC Marketing
Market Research**