



Canadian Tourism
Commission

Commission canadienne
du tourisme

Canada

Tourism Snapshot

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





Key highlights

In December 2011, overnight trips from CTC's overseas key markets grew by 8.3% relative to the same month in 2010, reaching 180,113 trips. The larger gain was recorded by the CTC's emerging/transition markets (+14.8%) relative to its core markets (+4.6%);

The UK rebounded from its downward trend with an increase of 9.7% relative to the same month in 2010 following six consecutive monthly decreases, while Australia registered a second consecutive monthly drop (-5.2%);

Japan regain momentum posting a second consecutive monthly gain (+4.9%) while South Korea maintained its downward trend (-9.6%);

China gained more momentum, recording an impressive 36.2% increase, likewise India maintained its upward trend with a third consecutive month of double-digit increase (+29.3%);

Brazil returned to positive territory with a 15.3% increase while Mexico maintained its upward trend with a ninth consecutive monthly increase (+15.8%);

Overall in 2011, key overseas CTC markets were up slightly by 1.0%. Positive performance in China (+25.0%), Mexico (+9.7%), Brazil (+9.6), India (+9.1%), France (+5.4%) and Australia (+4.1%) offset the losses incurred in Japan (-10.4%), South Korea (-8.0%), Germany (-4.9%) and the UK (-4.5%). Meanwhile, arrivals from the US to Canada fell by 1.6%, largely driven by the decline in auto travel.

Tourism review Inbound highlights

Overnight trips to Canada

	Dec. 2011	11/10 Dec. % Change	Jan.- Dec. 2011	Year-to-date % Change
United States				
Automobile	451,137	5.6	6,651,279	-3.9
Plane	253,007	-1.7	3,518,788	1.5
Other	38,721	16.0	1,386,565	1.9
US Total	742,865	3.5	11,556,632	-1.6
Core Markets				
UK	46,934	9.7	679,828	-4.5
France	28,638	6.2	459,140	5.4
Germany	13,753	1.9	315,901	-4.9
Australia	21,171	-5.2	242,430	4.1
Core Total	110,496	4.6	1,697,299	-0.9
Emerging/ Transition Markets				
Japan	12,545	4.9	211,062	-10.4
South Korea	10,170	-9.6	151,101	-8.0
Mexico	10,802	15.8	132,217	9.7
Brazil**	9,136	15.3	87,904	9.6
China	16,618	36.2	243,692	25.0
India**	10,346	29.3	139,213	9.1
Emerging/ Transition Total	69,617	14.8	965,189	4.6
Overseas Key Markets	180,113	8.3	2,662,488	1.0
Other Overseas Countries	117,985	4.6	1,756,554	2.5
Non-US Countries	298,098	6.8	4,419,042	1.6
Total Countries	1,040,963	4.4	15,975,674	-0.8

Note: Statistics Canada preliminary estimates.

Source: Statistics Canada, International Travel Survey.

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

International trips

- Canada received 1,040,963 international visitors for the month of December 2011, recording a 4.4% increase compared with the same month in 2010. Total international travel to Canada in 2011 reached 16 million overnight arrivals, which was slightly below 2010 total (-0.8%);
- In December 2011, overnight arrivals from CTC's core markets (the UK, France, Germany and Australia) grew (+4.6%) to 110,496 arrivals, bringing 2011 total overnight arrivals to 1.7 million, 0.9% lower than 2010;
- Overnight trips to Canada from CTC's emerging/ transition markets (Japan, South Korea, Mexico, Brazil, China and India) grew by 14.8% in December 2011, reaching 69,617 trips. Total overnight arrivals from these markets in 2011 increased by 4.6% over 2010, totalling 965,189 trips.

United States

- The number of overnight arrivals from the US grew by 3.5% in December 2011, largely driven by the increase in auto travel (+5.6%);
- Total arrivals from the US in 2011 contracted by 1.6%, dropping to 11.6 million. Gains recorded in air travel (+1.5%) and travel by other modes (+1.9%) were not enough to offset the loss in auto travel (-3.9%);
- In December 2011, the largest number of overnight US visitors came to Canada through Ontario (370,608 entries) followed by British Columbia (186,165 entries) and Québec (112,722 entries).

Core Markets

- The UK rebounded from its downward trend with an increase of 9.7% relative to the same month in 2010 following six consecutive monthly decreases, while Australia registered a second consecutive monthly drop (-5.2%);
- France (+6.2%) maintained its upward trend, recording a nineteenth consecutive monthly increases;
- Total overnight arrivals from the CTC's core markets in 2011 edged down by 0.9%. Gains made by France (+5.4%) and Australia (+4.1%) were not enough to offset the losses incurred in the UK (-4.5%) and Germany (-4.9%).

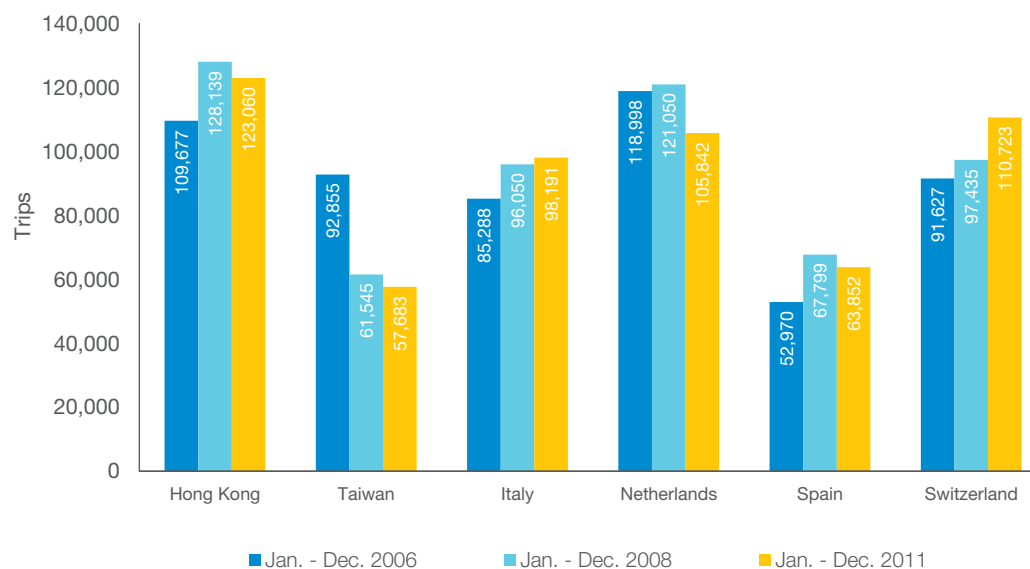
Emerging/ Transition Markets

- In December 2011, the number of overnight trips from the CTC's emerging/transition markets grew by 14.8%, largely driven by increases from China, India, Mexico and Brazil;
- Japan regain momentum posting a second consecutive gain (+4.9%) while South Korea maintained its downward trend (-9.6%);
- China gained more momentum, recording an impressive 36.2% increase, likewise India maintained its upward trend with a third consecutive month of double-digit increase (+29.3%);
- Brazil returned to positive territory with a 15.3% increase while Mexico maintained its upward trend with a ninth consecutive monthly increase (+15.8%);
- In 2011, China leads all CTC target markets with a 25.0% increase over 2010 followed by Mexico (+9.7%), Brazil (+9.6%) and India (+9.1%).

Market Watch

- In December 2011, overnight arrivals from Switzerland grew by 12.1% over the same month in 2010 while Italy posted a 7.2% drop. For Asian countries, Hong Kong posted a 1.2% increase while Taiwan experienced a 2.5% drop;
- Year-to-date to December 2011, Taiwan posted the largest gain (+9.2%) among those selected secondary markets, while Italy saw the largest drop (-3.5%) over 2010;
- For 2011, Switzerland (+20.8%) saw the largest gain in overnight arrivals to Canada, followed by Spain (+20.5%), Italy (+15.1%) and Hong Kong (+12.2%) when compared with 2006 total arrivals.

Overnight trips to Canada, by selected markets



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

Overnight trips to Canada, by selected markets

	Dec. 2011	11/10 Dec. % Change	Jan.- Dec. 2011	Year-to-date % Change
Italy	4,900	-7.2	98,191	-3.5
Netherlands	4,789	-1.7	105,842	-3.1
Spain	2,470	6.2	63,852	-0.8
Switzerland	6,272	12.1	110,723	5.0
Hong Kong	9,607	1.2	123,060	7.0
Taiwan	2,258	-2.5	57,683	9.2

Competitive review (November 2011)

International Travel (in thousands)

Trips From:	Trips To:					
	Canada		United States		Australia	
		11/10 Change		11/10 Change		11/10 Change
Total International	14,935	-1%	57,553	5%	5,202	0%
United States	10,814	-2%	404	-4%
Canada	...		19,729	6%	103	-4%
Core Markets						
United Kingdom	633	-5%	3,549	0%	515	-5%
France	431	5%	1,399	13%	83	-5%
Germany	302	-5%	1,703	6%	136	-4%
Australia	221	5%	940	16%
Emerging/ Transition Markets						
Japan	199	-11%	2,978	-4%	302	-17%
South Korea	141	-8%	1,049	3%	177	-9%
Mexico ¹	121	9%	12,281	2%
Brazil	79	9%	1,338	28%	24	8%
China	227	24%	1,012	36%	494	20%
India	129	8%	625	2%	132	7%
Total Key Markets	13,296	-2%	46,604	4%	2,369	-2%

...Not applicable. or data not available.

¹ US figures for Mexico include arrivals to interior only.

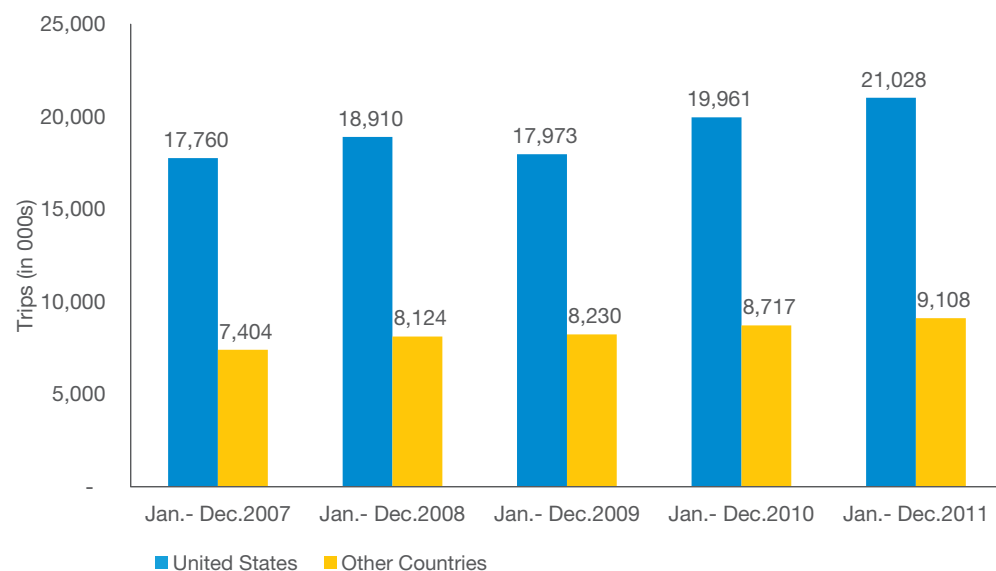
Note: Statistics Canada preliminary figures.

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

- Year to date to November 2011, overall international travel to Canada contracted by 1%, while the US reported a 5% increase and Australia saw no change compared with the same period in 2010;
- The US outperformed Canada in arrivals posting double-digit growth from Australia (+16%) and France (+13%), while overnight arrivals from these key markets to Canada grew by 5% each;
- Canada experienced an 8% increase in overnight arrivals from India, outperforming Australia (+7%) and the US (+2%);
- Canada also distanced the US (+2%) in arrivals from Mexico with a 9% increase;
- Although Canada and Australia recorded strong gains in arrivals from China, up 24% and 20% respectively, the US outperformed both competitors with an impressive 36% increase;
- While both Canada and Australia saw declines from Germany, down 5% and 4% respectively, the US posted a 6% gain from this market;
- The US saw a 3% increase in overnight arrivals from South Korea, while Australia and Canada experienced drops, down 9% and 8% respectively;
- The US posted a notable 28% increase in visitation from Brazil, outperforming both Canada (+9%) and Australia (+8%).

Canadian outbound trips

Overnight trips by Canadians



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

Overnight trips by Canadians

	Dec. 2011	11/10 Dec. % Change	Jan.- Dec. 2011	Year-to-date % Change
United States	1,299,311	2.5	21,028,177	5.3
Other Countries	690,154	1.2	9,108,421	4.5
Total Trips from Canada	1,989,465	2.1	30,136,598	5.1

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

- In December 2011, Canadian outbound travel grew by 2.1% to 2 million overnight trips. For the year of 2011, there were over 30 million Canadian outbound trips, up 5.1%;
- The number of Canadians visiting the US during December 2011 increased by 2.5% compared to the same month last year, reaching 1.3 million overnight trips. In 2011, approximately 21 million Canadians made overnight trips to the US, up 5.3% over 2010;
- Canadian overnight travel to overseas destinations (excluding the US) edged up by 1.2% in December, bringing 2011 total overseas trips to 9.1 million, up 4.5% over 2010;
- In December 2011, the largest re-entry of Canadians from the US occurred through Ontario, with 608,221 entries, followed by British Columbia (287,024 entries) and Québec (176,553 entries);
- In 2011, the largest re-entry of Canadians from overseas (exclude the US) were recorded at Ontario port of entries (4.4 million), followed by Québec (2.2 million), British Columbia (1.3 million) and Alberta (0.8 million).

Consumer outlook

Consumer confidence

- **Canada:** The Index of Consumer Confidence posted a 6.5-point drop in December, bringing 2011 to a disappointing close. At 69.9 (2002 = 100), the index is down 11.1 points from where it was at the end of 2010, and confidence is now at its lowest level in more than two and a half years.
- **USA:** The Conference Board **Consumer Confidence Index®**, which had improved in November, increased further in December. The Index now stands at 64.5 (1985=100), up from 55.2 in November.

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

Accommodations

- In December 2011, the National Occupancy Rate edged up by 1.5% to 46.3% compared with 44.7% in December 2010. Alberta posted the largest increase (+4.9%) while Prince Edward Island was the only province recorded a negative growth (-0.4%);
- Year-to-date to December, the National Occupancy Rate grew slightly by 1.0%, now standing at 61.2%;
- The December Average Daily Rate saw a marginal increase (+0.7%) to \$120.72 compared with \$119.92 in December 2010;
- Year-to-date to December, the average Revenue per Available Room (RevPAR) edged up by 1.1%, going up to \$77.66. The Northwest Territories, Newfoundland and Labrador, Québec, Saskatchewan, Alberta and British Columbia recorded rates above the national average.

Canadian Occupancy Rates, By Province*

	Dec. 2011	11/10 Change [^]	Jan.-Dec. 2011	Year-to-date Change [^]
Alberta ¹	50.7	4.9	62.3	3.9
British Columbia	43.9	1.2	59.7	-0.3
Saskatchewan	54.5	2.8	68.4	-0.5
Manitoba	52.2	1.3	66.4	1.4
Ontario	45.5	0.5	61.0	0.6
Quebec	48.1	0.1	62.4	1.7
New Brunswick	36.0	0.0	54.9	-0.9
Nova Scotia	38.1	1.3	60.0	-0.2
Newfoundland	46.5	2.3	68.1	0.7
Prince Edward Island	26.0	-0.4	50.2	2.8
Northwest Territories	52.2	4.4	67.7	8.2
Yukon	54.2	2.6	72.5	1.1
Canada	46.3	1.5	61.2	1.0

* Note: Based on the operating results of 216,850 rooms (unweighted data).

[^] Percentage points.

¹ Excluding Alberta resorts.

Source: PKF Consulting Inc. with reproduction and use of information subject to PKF Disclaimer and Restrictions as detailed at www.pkfcanada.com.

Economic indicators Q3 2011 – Q4 2011

- In the fourth quarter of 2011, the majority of CTC target markets saw economic growth slowing down or remaining constant, while China and India maintained relatively high GDP growth at 8.8% and 6.0% respectively;
- In Q4 2011, India and Brazil continued to deal with high inflation rates although some improvements were observed; meanwhile China made significant progress with its rate dropping from 6.3 in Q3 to 4.6 in Q4;
- In Q4 2011, Canada became a more expensive travel destination for visitors from Mexico, Brazil, France, Germany and India while the remaining CTC key markets saw their currency appreciate against the Canadian dollar.

Economic Indicators, Q3 2011 - Q4, 2011

America

	Canada		USA		Mexico		Brazil	
	Q3 2011	Q4 2011	Q3 2011	Q4 2011	Q3 2011	Q4 2011	Q3 2011	Q4 2011
Real GDP growth (yoy, %)	2.4	2.0	1.5	1.6	4.4	3.4	2.1	1.8
Consumer Price Index (yoy,%)	3.0	2.7	3.8	3.3	3.4	3.5	7.1	6.7
Exchange Rate (1LCU:C\$)	1.000	1.000	0.980	1.023	0.0796	0.0750	0.600	0.569

Europe

	France		Germany		UK	
	Q3 2011	Q4 2011	Q3 2011	Q4 2011	Q3 2011	Q4 2011
Real GDP growth (yoy, %)	1.5	1.0	2.6	2.0	0.5	0.8
Consumer Price Index (yoy,%)	2.1	2.4	2.4	2.4	4.7	4.7
Exchange Rate (1LCU:C\$)	1.384	1.379	1.384	1.379	1.577	1.608

Asia Pacific

	Australia		China		Japan		South Korea		India	
	Q3 2011	Q4 2011	Q3 2011	Q4 2011	Q3 2011	Q4 2011	Q3 2011	Q4 2011	Q3 2011	Q4 2011
Real GDP growth (yoy, %)	2.5	2.3	9.0	8.8	-0.8	-1.3	3.5	3.4	6.9	6.0
Consumer Price Index (yoy,%)	3.5	3.5	6.3	4.6	0.1	-0.3	4.3	4.0	9.2	8.4
Exchange Rate (1LCU:C\$)	1.028	1.036	0.153	0.161	0.0126	0.0132	0.0009	0.0009	0.0214	0.0202

Source: Bank of Canada and Oxford Economics July - December 2011

Note: Exchange rates, average of 20-22 days.

CTC Market Research & Evaluation