



# Tourism Snapshot

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



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## Key highlights

- Total arrivals from CTC's international markets surged 5.3% in August 2013. All CTC markets recorded gains, led by the Emerging and Transition markets (+17%), Core markets (+8.3%) and the US (+4.1%).
- Arrivals from the UK (+8.5%), France (+10%), Germany (+3.6%) and Australia (+11.9%) rose strongly in August, leading the Core markets to an 8.3% overall gain.
- Arrivals from CTC's Emerging and Transition markets expanded 17% in August. Supported by significantly increased air capacity, China (+37.2%), Japan (+7.8%) and South Korea (+5.8%) all posted strong gains in arrivals.
- The labour disruption at Canadian overseas visa offices, now resolved, may have caused some trips to be delayed from July to August, possibly contributing to stronger gains in visa markets in August, including India (+7.1%), Brazil (+8%) and Mexico (+8.7%).
- Overnight arrivals from the US rose 4.1% in August 2013 on strength from both air (+7.6%) and auto (+3.4%) arrivals. Year-to-date August 2013, overnight arrivals from the US are up 1.7% over 2012.
- In the first eight months of 2013, overnight arrivals from CTC overseas markets increased 2.8%: Emerging and Transition markets (+7.9%), led by China (+22.8%), outperformed CTC's Core markets (-0.3%).





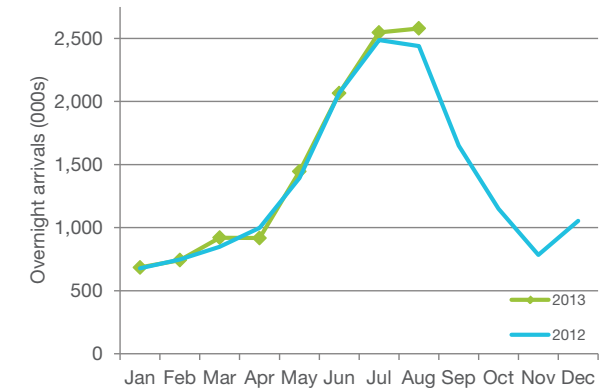
# Tourism review Inbound highlights

## Overnight trips to Canada

	August 2013	13/12 August % Change	Jan. - Aug. 2013	Year-to-date % Change
<b>United States</b>				
Automobile	1,212,275	3.4	5,081,710	0.2
Plane	471,472	7.6	2,606,361	5.0
Other	246,060	1.5	998,960	1.0
<b>US Total</b>	<b>1,929,807</b>	<b>4.1%</b>	<b>8,687,031</b>	<b>1.7%</b>
<b>Core Markets</b>				
UK	95,900	8.5	452,314	-0.8
France	74,571	10.0	320,105	0.3
Germany	51,888	3.6	213,908	-2.2
Australia	33,409	11.9	179,602	2.5
<b>Core Total</b>	<b>255,768</b>	<b>8.3%</b>	<b>1,165,929</b>	<b>-0.3%</b>
<b>Emerging/Transition Markets</b>				
Japan	31,863	7.8	149,144	2.0
South Korea	16,132	5.8	100,542	2.8
Mexico	18,128	8.7	112,116	4.8
Brazil	10,499	8.0	64,700	3.0
China	56,880	37.2	245,810	22.8
India	18,129	7.1	106,499	-1.6
<b>Emerging/Transition Markets Total</b>	<b>151,631</b>	<b>17.0%</b>	<b>778,811</b>	<b>7.9%</b>
<b>CTC Overseas Key Markets</b>	<b>407,399</b>	<b>11.4%</b>	<b>1,944,740</b>	<b>2.8%</b>
Other Overseas Countries	242,149	5.5%	1,268,512	2.2%
<b>Total Non-US Countries</b>	<b>649,548</b>	<b>9.1%</b>	<b>3,213,252</b>	<b>2.6%</b>
<b>Total Countries</b>	<b>2,579,355</b>	<b>5.3%</b>	<b>11,900,283</b>	<b>1.9%</b>

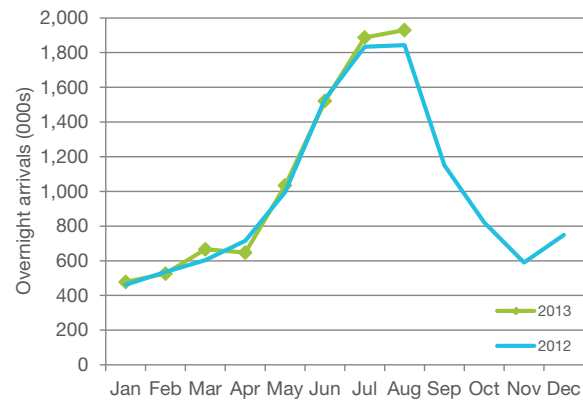
Note: Statistics Canada preliminary estimates.  
Source: Statistics Canada, International Travel Survey.

## International trips



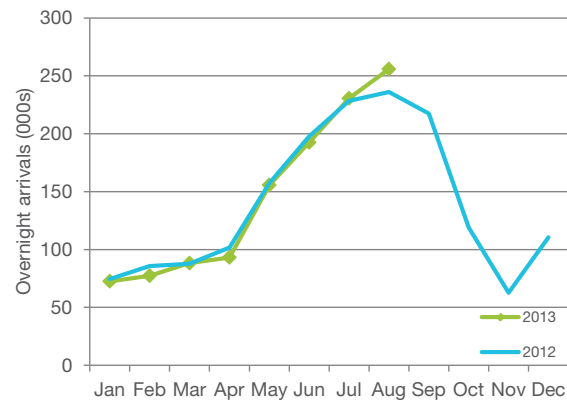
- Canada welcomed approximately 2.58 million international visitors in August, an increase of 5.3% over the same month in 2012.
- A broad recovery in the Core markets resulted in an 8.3% surge in arrivals from that segment. Australia (+11.9%) led the charge, with France (+10%), the UK (+8.5%) and Germany (+3.6%) also realizing strong gains. The year-to-date number of overnight visitors from the Core markets is now 1,165,929 (-0.3%), nearly in line with the same period last year.
- Total arrivals from CTC's Emerging and Transition markets (Japan, South Korea, Mexico, Brazil, China and India) soared 17% in August, led by China (+37.2%). Year-to-date arrivals through August numbered 778,811, up 7.9% compared with the same period last year.

## United States



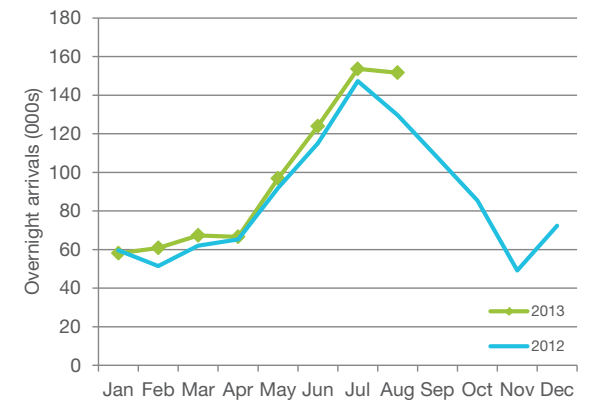
- Overnight arrivals from the US rose 4.1% in August, with the growth in air arrivals (+7.6%) outpacing that of auto arrivals (+3.4%).
- During the first eight months of 2013, US residents took 8.69 million overnight trips to Canada, up 1.7% over last year.
- In August, all provinces except Prince Edward Island (-7.9%) and Nova Scotia (-11.7%) saw increased border-crossing arrivals from US visitors. The decline in Nova Scotia can be attributed to fewer cruise ship passengers, while PEI had fewer US air arrivals.

## Core Markets



- Building on the gains recorded in July, arrivals from the UK rose 8.5% in August over the same month in 2012. Germany (+3.6%) and France (+10%) also realized strong increases.
- For the first eight months of 2013, arrivals from Germany (-2.2%) and the UK (-0.8%) remained below their 2012 levels, while France (+0.3%) came out slightly ahead.
- Arrivals from Australia surged 11.9% in August. Year-to-date arrivals from this market were up 2.5% compared with the same period in 2012.

## Emerging Markets



- Led by exceptional growth from China (+37.2%), arrivals from Emerging and Transition markets expanded 17% in August.
- The labour disruption at Canadian overseas visa offices earlier this summer may have caused some trips to be delayed from July to August, contributing to stronger gains from visa markets in August, including India (+7.1%), Brazil (+8%) and Mexico (+8.7%).
- Supported by significantly increased air capacity, China (+37.2%), Japan (+7.8%) and South Korea (+5.8%) all posted strong gains in arrivals.
- Year-to-date August 2013, overall arrivals from CTC's Emerging and Transition markets grew 7.9% compared with last year. The best performers were China (+22.8%), Mexico (+4.8%) and Brazil (+3%).



## Market Watch

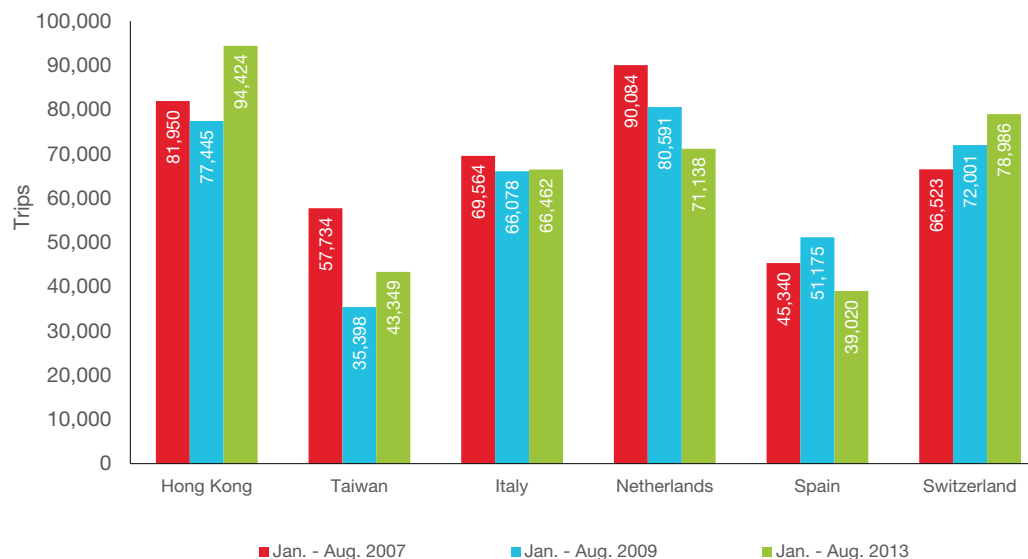
- Arrivals from other selected European markets declined in August, with Italy (-6.2%), Netherlands (-6%), Spain (-3.5%) and Switzerland (-2%) all posting losses.
- In August, arrivals from Hong Kong (+8.3%) and Taiwan (+27.9%) expanded, building strongly on previous gains.
- Year-to-date August 2013, arrivals from secondary markets were mixed: Hong Kong (+8.9%) and Taiwan (+15.5%) realized gains, while the European markets of Netherlands (-3.9%), Spain (-3%), Switzerland (-2.6%) and Italy (-1.7%) saw modest losses.
- When compared with the year-to-date results for August 2007, Switzerland saw the largest gain in overnight arrivals (+18.7%), followed by Hong Kong (+15.2%). Taiwan and Netherlands posted significant declines, down 24.9% and 21% respectively.

## Travel Characteristics

### Highlights (Q1-2013)

The International Travel Survey is currently going through a modernization initiative, and consequently, we anticipate that the next release by Statistics Canada will be at the end of November 2013.

## 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

	August 2013	13/12 August % Change	Jan. - Aug. 2013	Year-to-date % Change
Italy	18,386	-6.2	66,462	-1.7
Netherlands	12,950	-6.0	71,138	-3.9
Spain	9,768	-3.5	39,020	-3.0
Switzerland	15,526	-2.0	78,986	-2.6
Hong Kong	14,485	8.3	94,424	8.9
Taiwan	7,093	27.9	43,349	15.5

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



# Competitive review (January - July 2013)\*\*

## International Travel (in thousands)

Trips From:	Trips To:			
	Canada		Australia	
		13/12 Change		13/12 Change
<b>Total International</b>	9,313.0	0.9%	3,544.2	4.7%
United States	6,749.3	0.9%	289.7	4.9%
Canada	...	...	65.5	-4.9%
<b>Core Markets</b>				
United Kingdom	356.4	-3.1%	335.7	5.5%
France	245.5	-2.4%	55.8	5.9%
Germany	162.0	-4.0%	84.0	4.1%
Australia	146.2	0.6%	...	...
<b>Emerging/Transition Markets</b>				
Japan	117.3	0.6%	172.5	-8.5%
South Korea	84.4	2.2%	110.7	-2.0%
Mexico <sup>1</sup>	94.0	4.1%	...	...
Brazil	54.2	2.0%	18.8	10.6%
China	188.9	19.1%	445.8	18.9%
India	88.4	-3.2%	95.9	6.3%
<b>Total Key Markets</b>	<b>8,286.7</b>	<b>0.9%</b>	<b>1,674.4</b>	<b>6.0%</b>

...Not applicable. or data not available.

Note: Statistics Canada preliminary figures.

Sources: Statistics Canada; Tourism Australia.

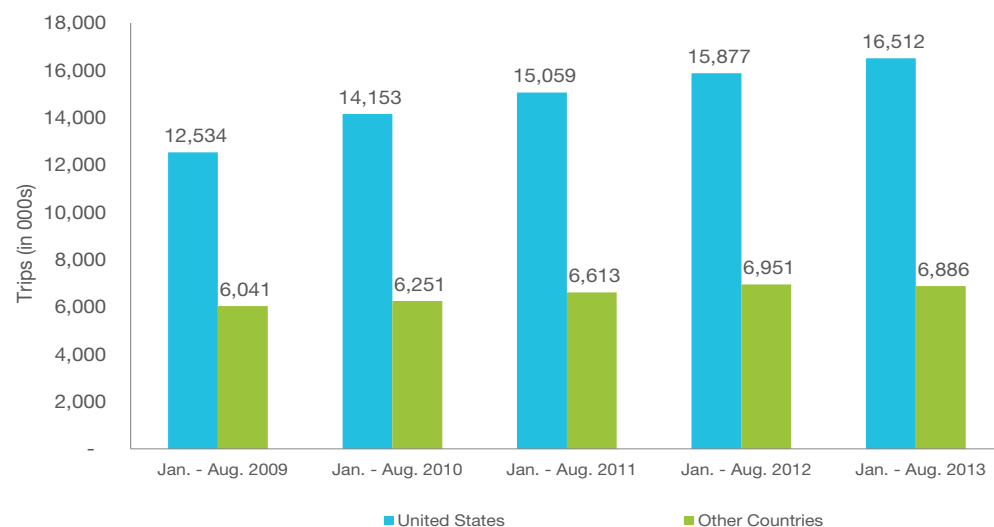
\*\* US visitation data for July 2013 were not available due to a delay of the change of entry process for US visitors.

- In the first seven months of 2013, Australia saw a 4.7% increase in arrivals and Canada saw a 0.9% increase over the same period last year.
- Both Australia (+18.9%) and Canada (+19.1%) saw arrivals from China expand during the first seven months of 2013.
- Arrivals to Canada from both the UK (-3.1%) and France (-2.4%) declined, while arrivals to Australia from the UK (+5.5%) and France (+5.9%) increased.
- Australia experienced decreases in overnight arrivals from Japan (-8.5%) and South Korea (-2%), while Canada registered gains in Japanese (+0.6%) and South Korean (+2.2%) arrivals.



# Canadian outbound trips

## Overnight trips by Canadians



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

- In August 2013, Canadian outbound travel increased 2.9% compared with the same period last year to approximately 3.86 million trips.
- The number of Canadians visiting the US during the month of August rose 2.5% to 3.02 million trips. Canadian overnight travel to overseas destinations (excluding the US) rose 4.1% to 844,640 trips.
- For the first eight months of 2013, outbound trips by Canadians increased 2.5% over 2012 to nearly 23.4 million trips.
- In August, most Canadians re-entered the country from the US through Ontario (1,218,925 entries, +0.6%), Quebec (665,186 entries, +5.5%) and British Columbia (661,671 entries, +3.4%).
- Ontario recorded the largest re-entry of Canadians from overseas countries in August 2013 (417,115 entries, +1.9%), followed by Quebec (221,021 entries, +8.5%) and British Columbia (130,420 entries, +2.6%).

## Overnight trips by Canadians

	August 2013	13/12 August % Change	Jan. - Aug. 2013	Year-to-date % Change
United States	3,018,828	2.5	16,511,659	4.0
Other Countries	844,640	4.1	6,885,615	-0.9
<b>Total Trips from Canada</b>	<b>3,863,468</b>	<b>2.9</b>	<b>23,397,274</b>	<b>2.5</b>

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



# Consumer outlook

## Consumer confidence

- **Canada:** The Index of Consumer Confidence rose 2.2 points to 84.7 (2002 = 100) in August. Consumers were noticeably more optimistic about their current and future finances, but less so about the future of the Canadian job market.
- **USA:** The Conference Board Consumer Confidence Index®, which had declined in July, increased slightly in August. The Index now stands at 81.5 (1985=100), up from 81.0 in July.

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

## Accommodations

- In August 2013, the National Occupancy Rate rose to 77.5%, up 2.8 points compared with the previous year.
- Year-to-date August 2013, the National Occupancy Rate recorded a modest increase of 0.8 points to 63.5%. Eight provinces saw higher occupancy, with Northwest Territories registering the largest increase (+6.1 points), followed by Alberta (+2.1 points) and Newfoundland and Labrador (+2.1 points).
- For the first eight months of 2013, the National Average Daily Rate improved to \$132.47, up 1.9% compared with the same period in 2012. Northwest Territories, British Columbia, Alberta, Quebec and Newfoundland and Labrador posted rates higher than the National Average Daily Rate.
- Year-to-date August 2013, the Average Revenue per Available Room (RevPAR) was \$84.14 (+3.2%), with Northwest Territories posting the strongest growth (+8.2%, \$107.10) followed by Alberta (+7%, \$93.33).

## Canadian Occupancy Rates, By Province\*

	August 2013	13/12 Change <sup>^</sup>	Jan. - Aug. 2013	Year-to-date Change <sup>^</sup>
Alberta <sup>1</sup>	73.8	3.1	68.1	2.1
British Columbia	83.3	4.8	63.0	1.0
Saskatchewan	71.2	1.5	67.7	-0.7
Manitoba	63.5	-2.0	61.9	-1.9
Ontario	75.4	2.3	62.6	0.8
Quebec	80.4	3.3	63.4	0.6
New Brunswick	78.6	2.4	56.7	0.4
Nova Scotia	79.9	-1.2	59.6	-2.1
Newfoundland	89.7	4.6	72.0	2.1
Prince Edward Island	83.8	1.7	49.3	0.8
Northwest Territories	80.2	8.8	69.8	6.1
Yukon	85.4	-4.8	67.5	-6.1
<b>Canada</b>	<b>77.5</b>	<b>2.8</b>	<b>63.5</b>	<b>0.8</b>

\* Note: Based on the operating results of 222,683 rooms (unweighted data).

<sup>^</sup> Percentage points.

<sup>1</sup> 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](http://www.pkfcanada.com).