

Tourism Snapshot

A Monthly Monitor of the Performance of Canada's Tourism Industry

December 2016
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KEY HIGHLIGHTS

- With 19.98 million international overnight arrivals, 2016 saw the second highest number of arrivals in Canadian history, falling only 0.4% short of the record high set in 2002 (20.06 million).
- In 2016, robust overnight arrivals were achieved in all DC international markets, with arrivals from the United States, up 9.7%, realizing its highest observed level since 2005, and arrivals from DC overseas markets, up 16.0%, topping the record high established in 2015.
- Overnight arrivals from the US in 2016 hit 13.90 million, up 9.7% over 2015. The strong performance of US arrivals was underpinned by remarkable growth in arrivals by air (+17.4%) throughout 2016 and solid overall gains in auto arrivals (+6.8%). The number of Americans arriving to Canada by air breached the 4 million mark for the first time with 4.53 million arrivals, an all-time high nearly 15.3% higher than the previous peak from 2004.
- In 2016, strong performances in all DC overseas markets helped establish new record peaks for DC overseas markets, DC Europe, DC Asia-Pacific, and DC Latin America. Individual DC markets with new record peaks include France, China, South Korea, India, Australia, and Brazil.
- Capping off a remarkable year for international arrivals to Canada, December 2016's total of 1.34 million international overnight arrivals set a new record for arrivals for that month with 11.3% growth over the previous high set in 2015.
- In December 2016, solid double-digit gains were set in 9 of DC's 10 overseas markets, with exceptionally high results emerging from Mexico (+69.1%) and India (+43.4%), as well as record December monthly numbers for France (+22.1%), Germany (+19.0%), China (+17.7%), Australia (+23.1%) and Brazil (+23.2%).

QUICK LINKS

Industry Performance Dashboard

	December 2016	YTD
✈ Overnight Arrivals¹		
Total International	↑ 11.3%	↑ 11.1%
11 DC Markets**	↑ 10.7%	↑ 11.0%
<i>United States</i>	↑ 7.3%	↑ 9.7%
10 Overseas Markets	↑ 23.8%	↑ 16.0%
Non-DC Markets	↑ 15.6%	↑ 12.2%
✈ Air Seat Capacity²		
Total International	↑ 7.2%	↑ 7.0%
11 DC Markets**	↑ 4.6%	↑ 6.1%
Non-DC Markets	↑ 13.2%	↑ 9.4%
🏠 National Hotel Indicators³		
Occupancy Rate*	↑ 0.9	↑ 0.3
Revenue Per Available Room (Revpar)	↑ 3.3%	↑ 3.3%
Average Daily Rate (ADR)	↑ 5.1%	↑ 3.8%

Notes:

The Industry Performance Dashboard figures are year-on-year variations.

* Percentage point variations.

** The 11 DC markets are US, France, Germany, UK, Australia, China, India, Japan, South Korea, Brazil and Mexico.

Sources:

1. Statistics Canada, Frontier counts, custom tabulations

2. IATA-Diio SRS Analyser

3. CBRE Hotels with reproduction and use of information subject to CBRE Disclaimer / Terms of Use as detailed at www.cbre.ca.

MARKET MONITOR SUMMARY

	Market	Overnight Arrivals ⁱ		Arrival YOY Variations (%)		Air Seat capacity ⁱⁱ		Local currency vs. CAD ⁱⁱⁱ	
		Dec. 2016	YTD 2016	Dec. 2016	YTD 2016	Dec. 2016	YTD 2016	Dec. 2016 Average	YTD Average
United States	United States	911,921	13,899,814	7.3%	9.7%	-0.1%	2.8%	-2.7%	3.9%
DC Europe	France	37,618	545,786	22.1%	9.0%	3.7%	5.4%	-5.7%	3.5%
	Germany	16,490	369,216	19.0%	12.3%	15.8%	5.5%	-5.7%	3.5%
	United Kingdom	56,726	833,329	21.4%	16.5%	13.1%	12.3%	-18.9%	-7.2%
DC Asia-Pacific	Australia	33,839	333,437	23.1%	16.2%	87.6%	48.2%	-1.3%	2.2%
	China	35,866	610,139	17.7%	23.6%	42.0%	28.4%	-9.4%	-1.5%
	India	16,070	215,664	43.4%	13.2%	58.0%	62.5%	-4.7%	-1.1%
	Japan	16,604	303,726	-3.5%	10.4%	12.4%	12.1%	2.1%	15.7%
	South Korea	14,089	244,442	15.3%	29.6%	26.3%	38.3%	-3.4%	1.2%
DC Latin America	Brazil	11,447	114,261	23.2%	1.8%	-51.8%	-20.5%	12.5%	-3.1%
	Mexico	29,492	243,460	69.1%	24.0%	32.8%	39.2%	-19.1%	-11.4%
Total 11 DC Markets		1,180,162	17,713,274	10.7%	11.0%				
Rest of the World		159,234	2,266,060	15.6%	12.2%				
Total International		1,339,396	19,979,334	11.3%	11.1%				

Sources:

- i. Statistics Canada, Frontier counts, custom tabulations
- ii. IATA-Diio SRS Analyser
- iii. Bank of Canada

Notes:

- i. Arrival figures are preliminary estimates and are subject to change.
- ii. Air seat capacity is the variation in the total number of seats on direct commercial scheduled flights during the current month and YTD relative to the same periods in the previous year.
- iii. The exchange rate variation is calculated on the average value of the Canadian dollar during during the current month and YTD relative to the same periods in the previous year.

UNITED STATES

US Arrivals to Canada

CURRENT MONTH:

+7.3% ↑ YOY



YTD:

+9.7% ↑ YOY

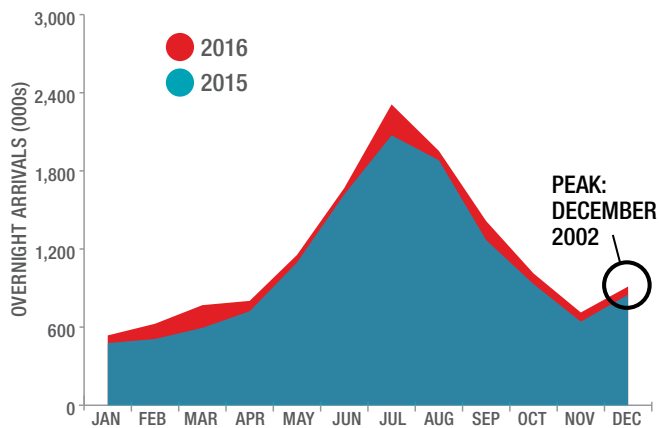
Overnight Arrivals

	December 2016		YTD 2016	
	Arrivals	% YOY Variance	Arrivals	% YOY Variance
Automobile	533,573	2.9	7,987,784	6.8
Air	335,799	15.3	4,531,816	17.4
Other	42,549	7.0	1,380,214	3.7
US Total	911,921	7.3	13,899,814	9.7

Source: Statistics Canada, Frontier counts, custom tabulations.
Note: The figures are preliminary estimates and are subject to change.



Trend Plot: Total United States Arrivals



United States: Key Indicators

Air Seat Capacity ⁱ	December 2016	-0.1%
	YTD	2.8%
Exchange Rate ⁱⁱ	December 2016	-2.7%
	YTD	3.9%
Consumer Confidence Index (1985=100) ⁱⁱⁱ	December 2016	113.7
	Previous Month	109.4
YTD Arrival Peak ^{iv}	Peak Year	2002
	Current % of Previous Peak	86.0%

Source:
i. IATA-Diio SRS Analyser, Year-on-year % variance.
ii. Bank of Canada, Year on year % variance.
iii. Consumer Confidence Index, the Conference Board (USA).
iv. Statistics Canada, Frontier counts, custom tabulations.

UNITED STATES

- With 911,921 overnight visitors from the US in December, Canada registered a 7.3% increase over December 2015, bringing the annual figure to 13.90 million (+9.7% over 2015). This December total was the highest since 2002 and the second-highest overall, while the annual figure is the highest since 2005.
- Automobile arrivals continue to make up the largest share of US visitors (59% in December, up 2.9% over December 2015); however, the growth in arrivals from the US is driven largely by air arrivals which were up 15.3% in December and 17.4% over 2016. The 4.53 million air arrivals registered in 2016 are the highest on record despite negligible air capacity expansion. While overall arrivals from the US are still short of those between 1998 and 2005, a relatively larger share of US arrivals now fly into Canada rather than driving.
- The top five states of origin for US overnight arrivals by vehicle¹ in 2016 were New York (18.4% of arrivals), Washington State (15.6%), Michigan (11.8%), Massachusetts (5.1%), and Pennsylvania (5.0%). Among medium-haul states, the largest share arrived from California (2.1%) and Florida (2.0%). Washington State registered the biggest share of year-over-year arrival growth in 2016 with 18.7% of all additional arrivals.
- Arrivals to Canada by other modes of transportation such as train, cruise, or bus also saw growth with increases of 7.0% in December and 3.7% throughout 2016.
- The consumer confidence index published by the US Conference Board jumped yet again by 4.3 points to 113.7 in December 2016.

¹ States of origin information is based on Integrated Primary Inspection Lane data collected from US residents entering Canada in automobiles with license plate registered in the United States.

EUROPE

Europe Arrivals to Canada

CURRENT MONTH:

+21.3% ↑ YOY



YTD:

+13.2% ↑ YOY

Overnight Arrivals

	December 2016		YTD 2016	
	Arrivals	% YOY Variance	Arrivals	% YOY Variance
DC Europe	110,834	21.3	1,748,331	13.2
United Kingdom	56,726	21.4	833,329	16.5
France	37,618	22.1	545,786	9.0
Germany	16,490	19.0	369,216	12.3
Other Europe	64,045	52.7	1,051,926	70.8
Italy	6,126	-16.0	125,847	9.2
Netherlands	5,535	-2.5	134,907	13.9
Spain	4,253	29.4	83,395	22.2
Switzerland	7,704	21.0	129,942	11.6
Rest of Europe	40,427	20.8	577,835	13.9
Total Europe	174,879	18.6	2,800,257	13.4



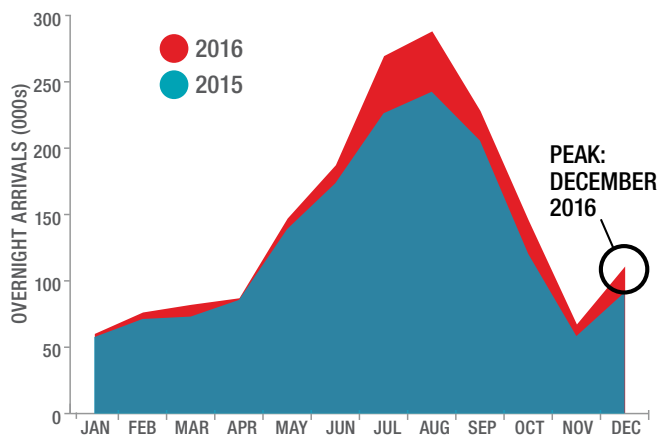
Source: Statistics Canada, Frontier counts, custom tabulations.
Note: The figures are preliminary estimates and are subject to change.

DC Europe: Key Indicators

		France	Germany	United Kingdom
Air Seat Capacity ⁱ	December 2016	3.7%	15.8%	13.1%
	YTD	5.4%	5.5%	12.3%
Exchange Rate ⁱⁱ	December 2016	-5.7%	-5.7%	-18.9%
	YTD	3.5%	3.5%	-7.2%
YTD Arrival Peak ⁱⁱⁱ	Peak Year	2015	1996	2007
	Current % of Previous Peak	109.0%	81.4%	91.7%

Sources:
i. IATA-Diio SRS Analyser, Year-on-year % variance.
ii. Bank of Canada, Year on year % variance.
iii. Statistics Canada, Frontier counts, custom tabulations.

Trend Plot: Total DC Europe Arrivals



- Strong December growth (+21.3%) saw Canada welcome a record 110,834 visitors from Destination Canada's three European markets in December 2016, bringing the total up number of visitors to a record 1,748,331 (+13.2%) in 2016.
- 2016 marked a strong year for all three markets with France setting a new annual peak for arrivals, while arrivals from Germany and the UK were at their highest since 2000 and 2008, respectively.
- Despite significant depreciation of the GBP throughout the second half of 2016, UK was the strongest performing DC Europe market with 16.5% growth in 2016 and 21.4% growth in December alone. This growth was supported by continued air capacity expansion (+13.1%, +12.3% in 2016).
- 2016 continued to be a banner year for arrivals from France with arrivals surging 22.1% in December, bringing the total number of French arrivals to Canada to 545,786 in 2016. Despite relatively weak air capacity growth (+5.4% in 2016), this figure is 9.0% higher than the previous peak set in 2015.
- December saw a third consecutive monthly record for German arrivals, leading to a 19.0% increase in arrivals over the previous year, bringing the yearly total to 369,216 (up 12.3% over 2015). Thanks to strong fourth quarter performance, German arrivals in 2016 were higher than in any year since 2000.

DC Europe Arrivals by Port of Entry

- The majority of arrivals from DC's European markets in 2016 were direct air arrivals. Visitors from France (25.9%) were the most likely to travel to Canada by air via the US, while German travellers were the most likely to arrive by land via the US (11.2%). Arrivals by sea increased year-over-year among French visitors while decreasing among UK visitors, but remained the least common mode of entry overall (just 3.8%).
- Growth in German direct air arrivals was evenly distributed between YYZ (+25.8%), YUL (+22.7%), and YYC (+18.1%), while UK arrivals grew especially at YVR (+25.9%) and YYZ (+20.9%). French arrivals remained concentrated in YUL (49.1% of all direct air arrivals).

January to December 2016		France	Germany	UK	
Air Arrivals from Overseas	YYZ	Arrivals	62,592	102,191	293,493
		YOY%	8.3%	25.8%	20.9%
		% of Total	11.5%	27.7%	35.2%
	YVR	Arrivals	18,274	57,460	136,001
		YOY%	14.3%	8.1%	25.9%
		% of Total	3.3%	15.6%	16.3%
	YUL	Arrivals	267,758	42,580	54,613
		YOY%	15.5%	22.7%	16.5%
		% of Total	49.1%	11.5%	6.6%
	YYC	Arrivals	5,589	26,846	72,872
		YOY%	23.8%	18.1%	15.7%
		% of Total	1.0%	7.3%	8.7%
	All other airports	Arrivals	11,735	21,587	47,250
		YOY%	3.8%	11.3%	8.5%
		% of Total	2.2%	5.8%	5.7%
Subtotal	Arrivals	365,948	250,664	604,229	
	YOY%	14.1%	18.9%	21.4%	
	% of Total	67.0%	67.9%	72.5%	
Air Arrivals via the US	All airports	Arrivals	141,531	55,917	127,386
		YOY%	3.9%	-2.8%	6.4%
		% of Total	25.9%	15.1%	15.3%
Sea Arrivals	All sea borders	Arrivals	3,422	21,070	42,719
		YOY%	62.9%	2.4%	-42.7%
		% of Total	0.6%	5.7%	5.1%
Land Arrivals via US	All land borders	Arrivals	34,773	41,250	59,028
		YOY%	-16.0%	3.2%	4.0%
		% of Total	6.4%	11.2%	7.1%
Total Overnight Arrivals		545,786	369,216	833,329	

Source: International Travel Survey, Table C, Statistics Canada.
 Note: The figures are preliminary estimates and are subject to change.

ASIA-PACIFIC

DC Asia-Pacific Arrivals to Canada

CURRENT MONTH:

+18.1% ↑ YOY



YTD:

+19.0% ↑ YOY

Overnight Arrivals

	December 2016		YTD 2016	
	Arrivals	% YOY Variance	Arrivals	% YOY Variance
DC Asia-Pacific	116,468	18.1	1,707,408	19.0
Australia	33,839	23.1	333,437	16.2
China	35,866	17.7	610,139	23.6
India	16,070	43.4	215,664	13.2
Japan	16,604	-3.5	303,726	10.4
South Korea	14,089	15.3	244,442	29.6
Other Asia-Pacific	51,409	61.2	736,079	51.5
Hong Kong	13,204	16.1	155,012	4.2
Taiwan	4,449	34.8	100,965	37.0
Rest of Asia-Pacific	33,756	10.2	480,102	10.3
Total Asia-Pacific	167,877	16.7	2,443,487	16.8

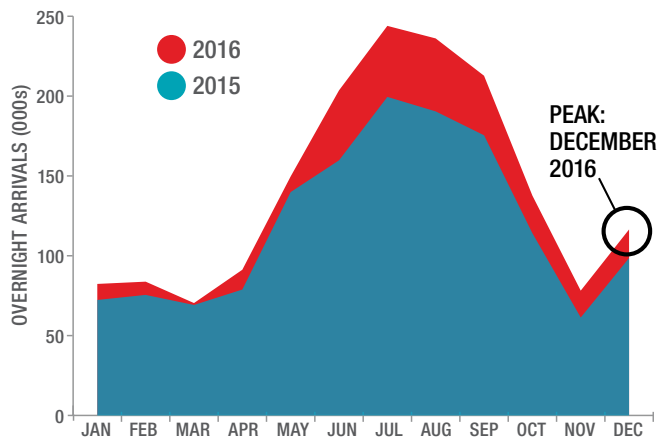


Source: Statistics Canada, Frontier counts, custom tabulations.
Note: The figures are preliminary estimates and are subject to change.

Asia-Pacific: Key Indicators

		Australia	China	India	Japan	South Korea
Air Seat Capacity ⁱ	Dec. 2016	87.6%	42.0%	58.0%	12.4%	26.3%
	YTD	48.2%	28.4%	62.5%	12.1%	38.3%
Exchange Rate ⁱⁱ	Dec. 2016	-1.3%	-9.4%	-4.7%	2.1%	-3.4%
	YTD	2.2%	-1.5%	-1.1%	15.7%	1.2%
YTD Arrival Peak ⁱⁱⁱ	Peak Year	2015	2015	2015	1996	2007
	Current % of Previous Peak	116.2%	123.6%	113.2%	46.7%	122.0%

Trend Plot: Total DC Asia-Pacific Arrivals



Sources:
i. IATA-Diio SRS Analyser, Year-on-year % variance.
ii. Bank of Canada, Year on year % variance.
iii. Statistics Canada, Frontier counts, custom tabulations.

- The Asia-Pacific region was a top performer in December 2016, with arrivals to Canada soaring 18.1% over December 2015 (+19.0% YTD) to reach new record arrivals for the month of December (116,468 visitors) and year-to-date (1.7 million visitors).
- Rounding off an all-time peak for annual arrivals in 2016, DC's Asia-Pacific markets saw strong December numbers (+18.1%). With 1,707,408 visitors in 2016 (+19.0%), DC's Asia-Pacific markets produced nearly as many arrivals to Canada as DC's European markets.
- China, South Korea, Australia, and India set new annual peaks for arrivals in 2016, while arrivals from Japan were the highest since 2007. South Korea and China led the way with annual growth of 29.6% and 23.6%, respectively. Australia (+16.2%), India (+13.2%), and Japan (+10.4%) contributed to making 2016 the best year ever for DC's Asia-Pacific markets.
- December performance was strong with China, South Korea, Australia, and India all setting new monthly peaks. Of note were significant increases in December 2016 from India (+43.4%) and Australia (+23.1%). In 2016, China set a new monthly peak for all 12 months of the year. India set 11 monthly peaks, while South Korea and Australia set 10 monthly peaks.
- Significant expansion of air capacity to Canada from Asia-Pacific markets contributed to the remarkable 2016 growth figures for these markets. All 5 of DC's Asia-Pacific markets saw significant air capacity expansion with India (+62.5%) and Australia (+48.2%) leading the way, South Korea (+38.3%) and China (+28.4%) not that far behind, and even Japan seeing substantial increases (+12.1%).

DC Asia-Pacific Arrivals by Port of Entry

- The majority of visitors from China (73.0%), Japan (67.5%), India (64.1%), and South Korea (53.0%) arrived by air directly from overseas; however, visitors from Australia were slightly more likely to enter Canada by air via the US (40.5%) than by air directly from overseas (34.6%).
- Direct arrivals by air from South Korea increased 40.2% in 2016, slightly surpassing the expansion of air capacity from that market in 2016 (+38.3%). South Korea and Japan saw the biggest growth in land arrivals via the US at 27.2% and 15.1%, respectively.
- 92.5% of Asia-Pacific direct arrivals came through YVR or YYZ. Arrivals from South Korea at YYZ grew by 80.6% in 2016 in addition to a 28.0% increase in arrivals from China.

January to December 2016		Australia	China	India	Japan	South Korea	
Air Arrivals from Overseas	YYZ	Arrivals	16,993	190,143	91,224	72,194	48,717
		YOY%	14.6%	28.0%	18.1%	14.9%	80.6%
		% of Total	5.1%	31.2%	42.3%	23.8%	19.9%
	YVR	Arrivals	93,166	229,043	26,425	110,287	77,722
		YOY%	33.7%	25.5%	26.3%	9.0%	24.3%
		% of Total	27.9%	37.5%	12.3%	36.3%	31.8%
	YUL	Arrivals	2,604	18,334	9,020	2,035	659
		YOY%	28.3%	218.7%	2.8%	86.9%	36.7%
		% of Total	0.8%	3.0%	4.2%	0.7%	0.3%
	YYC	Arrivals	1,553	6,739	8,280	20,133	2,221
		YOY%	39.5%	583.5%	18.2%	21.1%	4.9%
		% of Total	0.5%	1.1%	3.8%	6.6%	0.9%
	All other airports	Arrivals	1,008	1,034	3,369	264	185
		YOY%	1.1%	0.3%	3.0%	0.1%	0.2%
		% of Total	0.3%	0.2%	1.6%	0.1%	0.1%
Subtotal	Arrivals	115,324	445,293	138,318	204,913	129,504	
	YOY%	30.0%	31.4%	17.3%	12.5%	40.2%	
	% of Total	34.6%	73.0%	64.1%	67.5%	53.0%	
Air Arrivals via the US	All airports	Arrivals	134,996	94,615	31,264	67,818	35,042
		YOY%	9.4%	7.8%	8.0%	1.6%	5.6%
		% of Total	40.5%	15.5%	14.5%	22.3%	14.3%
Sea Arrivals	All sea borders	Arrivals	40,068	15,625	9,245	4,805	4,458
		YOY%	19.8%	14.6%	12.5%	16.8%	8.0%
		% of Total	12.0%	2.6%	4.3%	1.6%	1.8%
Land Arrivals via US	All land borders	Arrivals	42,855	54,710	37,001	25,391	74,935
		YOY%	3.8%	2.4%	4.3%	15.1%	27.2%
		% of Total	12.9%	9.0%	17.2%	8.4%	30.7%
Total Overnight Arrivals		333,437	610,139	215,664	303,726	244,442	

Source: International Travel Survey, Table C, Statistics Canada.
Note: The figures are preliminary estimates and are subject to change.

LATIN AMERICA

DC Latin America Arrivals to Canada

CURRENT MONTH: **+53.2% ↑ YOY**



YTD: **+15.9% ↑ YOY**

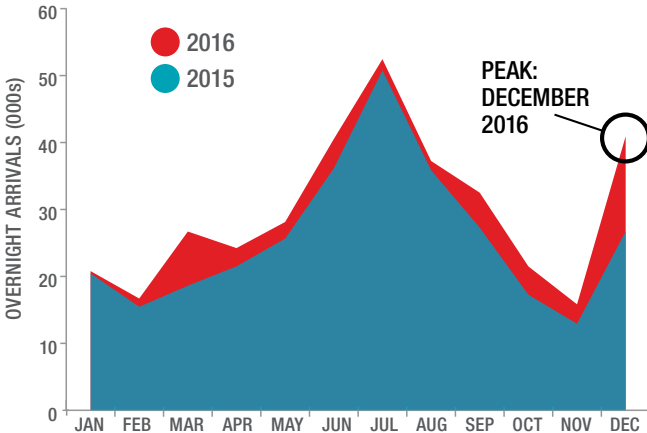
Overnight Arrivals

	December 2016		YTD 2016	
	Arrivals	% YOY Variance	Arrivals	% YOY Variance
DC Latin America	40,939	53.2	357,721	15.9
Brazil	11,447	23.2	114,261	1.8
Mexico	29,492	69.1	243,460	24.0
Other Latin America	31,958	22.2	338,206	8.4
Total Latin America	72,897	37.8	695,927	12.1

Source: Statistics Canada, Frontier counts, custom tabulations.
 Note: The figures are preliminary estimates and are subject to change.



Arrival Trend Plot – Total DC Latin America



DC Latin America: Key Indicators

		Brazil	Mexico
Air Seat Capacityⁱ	December 2016	-51.8%	32.8%
	YTD	-20.5%	39.2%
Exchange Rateⁱⁱ	December 2016	12.5%	-19.1%
	YTD	-3.1%	-11.4%
YTD Arrival Peakⁱⁱⁱ	Peak Year	2015	2008
	Current % of Previous Peak	101.8%	91.4%

Sources:
 i. IATA-Diiio SRS Analyser, Year-on-year % variance.
 ii. Bank of Canada, Year on year % variance.
 iii. Statistics Canada, Frontier counts, custom tabulations.

LATIN AMERICA

- A very strong final quarter saw Destination Canada's Latin America market set a new high of 357,721 arrivals in 2016. This represents a 15.9% increase over 2015 and a 5.9% increase over the previous peak set in 2008.
- With all eyes on Mexican arrivals due to the lifting of the visa requirement as it was replaced by the Electronic Travel Authority (eTA) at the start of December; the numbers did not disappoint with December arrivals increasing by 69.1%. The December growth and the consistent strong performance in the lead-up to the visa lift resulted in annual arrivals numbers almost reaching the pre-visa levels set in 2007 and 2008. The continued expansion of the air capacity to Mexico (+32.8% in December and +39.2% in 2016) helped to mitigate the effect of a depreciating Peso (-11.4% in 2016).
- With 23.2% growth in December, Brazil accounted for 114,261 visitors in 2016. This represents a new annual peak for Brazil, an increase of 1.8% over the previous peak set in 2015. This positive performance is particularly notable considering persistent contraction of air capacity to Canada (-51.8% in December and -20.5% in 2016).

DC Latin America Arrivals by Port of Entry

- The majority of visitors from Mexico (55.9%) and Brazil (52.6%) arrived by air direct from overseas. 20.7% and 19.3% of visitors from Mexico entered Canada via the US by land or by air, respectively. Visitors from Brazil who came through the US mainly arrived by air (41.5%). Arrivals by sea were far less common for both Brazil (2.2% of arrivals) and Mexico (4.0%).
- Virtually all (93.6%) direct air arrivals from Brazil arrived into YYZ, while direct arrivals from Mexico were more evenly distributed between YYZ (46.0%), YVR (32.5%), and YUL (17.7%). At nearly 80%, YVR saw the greatest growth in direct arrivals from Mexico in 2016.

January to December 2016			Brazil	Mexico
Air Arrivals from Overseas	YYZ	Arrivals	56,215	62,629
		YOY%	7.1%	29.3%
		% of Total	49.2%	25.7%
	YVR	Arrivals	1,653	44,195
		YOY%	152.8%	79.5%
		% of Total	1.4%	18.2%
	YUL	Arrivals	1,854	24,067
		YOY%	32.1%	12.4%
		% of Total	1.6%	9.9%
	YYC	Arrivals	146	3,392
		YOY%	20.7%	17.4%
		% of Total	0.1%	1.4%
	All other airports	Arrivals	190	1,823
		YOY%	0.3%	1.9%
		% of Total	0.2%	0.7%
Subtotal	Arrivals	60,058	136,106	
	YOY%	9.4%	36.7%	
	% of Total	52.6%	55.9%	
Air Arrivals via the US	All airports	Arrivals	47,464	47,083
		YOY%	-3.3%	8.9%
		% of Total	41.5%	19.3%
Sea Arrivals	All sea borders	Arrivals	2,466	9,669
		YOY%	-27.6%	-82.0%
		% of Total	2.2%	4.0%
Land Arrivals via US	All land borders	Arrivals	4,211	50,482
		YOY%	-91.4%	16.7%
		% of Total	3.7%	20.7%
Total Overnight Arrivals			114,261	243,460

Source: Statistics Canada, Frontier counts, custom tabulations, Table C.
Note: The figures are preliminary estimates and are subject to change.

COMPETITIVE REVIEW

January to December 2016		Trips To:			
		Canada		Australia	
Trips From:			% YOY Variance		% YOY Variance
Total International		19,979,334	11.1%	8,262,900	11.0%
United States		13,899,814	9.7%	711,400	16.4%
Canada		152,300	7.1%
Europe	United Kingdom	833,329	16.5%	716,700	3.7%
	France	545,786	9.0%	123,300	3.1%
	Germany	369,216	12.3%	203,300	6.8%
Asia-Pacific	Australia	333,437	16.2%
	Japan	303,726	10.4%	413,800	22.7%
	South Korea	244,442	29.6%	284,600	23.7%
	China	610,139	23.6%	1,199,100	16.9%
	India	215,664	13.2%	259,900	11.3%
Latin America	Mexico	243,460	24.0%	8,900	2.3%
	Brazil	114,261	1.8%	47,100	4.4%
Total DC Key Markets		17,713,274	11.0%	4,120,400	13.4%

Sources:

Statistics Canada, Frontier counts, custom tabulations.

Australian Bureau of Statistics, Overseas Arrivals and Departures, cat. no. 3401.0.

- Year-over-year growth in international arrivals throughout 2016 was similar in Canada (+11.1%) and Australia (+11.0%), though Canada welcomed far more total visitors during that time (19.98 million vs. 8.26 million, respectively).
- Canada saw a greater number of arrivals from Destination Canada's 11 key markets, with 17.71 million visitors (89% of total international visitors) originating from those markets in 2016, compared with just 4.12 million visitors (50% of total) for Australia. Despite the lower volume of arrivals, Australia saw somewhat stronger growth from the same markets in 2016 (13.4% vs. 11.0% in Canada).
- Canada welcomed more than double the number of visitors from Australia (333,437, +16.2%) than Australia saw from Canada (152,300, +7.1%). Travel between the two markets is at an all-time high, as both Canada and Australia saw new peaks in arrivals from the other market.
- Nearly 20 times more US travellers visited Canada (13.90 million) than visited Australia (711,400) in 2016, but US arrivals numbers grew at a faster pace for Australia (+16.4%) than for Canada (+9.7%) over this period.
- Australia outpaced Canada in year-to-date arrivals from their primary market of China (1.2 million visitors to Australia vs. 610,139 visitors to Canada), but arrivals from the Chinese market expanded at a faster rate in Canada (23.6%) than in Australia (16.9%).
- South Korea was a top growth market for both countries in 2016, with Australia welcoming a slightly higher number of total visitors during that time (284,600 to Australia vs. 244,442 to Canada) but Canada recording greater year-over-year growth (23.7% for Australia vs. 29.6% for Canada).

INTERNATIONAL ARRIVALS BY PROVINCE OF ENTRY

Overnight Arrivals by Province of Entry, Year to Date

		Newfoundland and Labrador	Prince Edward Island	Nova Scotia	New Brunswick	Québec	Ontario
Total One or more nights	2016	62,202	2,410	222,705	361,653	2,937,813	9,399,631
	Variance YOY%	0.6%	667.5%	1.9%	14.0%	10.8%	11.5%
	Change YOY	348	2,096	4,084	44,289	286,549	971,539
US Residents by Automobile	2016	0	0	11,771	250,968	1,086,497	4,270,195
	Variance YOY%	0.0%	0.0%	-33.2%	6.8%	9.0%	6.1%
	Change YOY	-	-	(5,844)	16,062	89,627	244,241
US Residents by Non-Automobile	2016	10,978	274	135,210	96,569	785,031	2,535,274
	Variance YOY%	-44.6%	0.0%	7.1%	34.9%	10.5%	18.2%
	Change YOY	(8,833)	-	8,947	24,957	74,683	389,466
Residents from Other Countries	2016	51,224	2,136	75,724	14,116	1,066,285	2,594,162
	Variance YOY%	21.8%	5240.0%	1.3%	30.1%	12.9%	15.0%
	Change YOY	9,181	2,096	981	3,270	122,239	337,832

Source: Statistics Canada, Frontier counts, custom tabulations.
Preliminary estimates subject to change.

Overnight Arrivals by Province of Entry, Year to Date

		Manitoba	Saskatchewan	Alberta	British Columbia	Yukon	CANADA
Total One or more nights	2016	212,742	83,904	1,015,729	5,535,103	160,188	19,979,334
	Variance YOY%	-6.8%	-2.5%	11.5%	12.4%	8.1%	11.1%
	Change YOY	(15,499)	(2,115)	104,610	608,956	11,938	2,002,049
US Residents by Automobile	2016	135,524	54,237	156,400	1,939,643	82,549	7,987,784
	Variance YOY%	-9.8%	4.8%	12.0%	8.4%	16.7%	6.8%
	Change YOY	(14,807)	2,506	16,754	151,068	11,796	511,403
US Residents by Non-Automobile	2016	68,298	27,047	526,876	1,684,385	56,211	5,926,153
	Variance YOY%	-0.9%	-11.7%	8.7%	14.2%	-4.6%	14.1%
	Change YOY	(611)	(3,587)	42,043	209,334	(2,701)	733,698
Residents from Other Countries	2016	8,920	2,620	332,453	1,911,075	21,428	6,080,143
	Variance YOY%	-0.9%	-28.3%	16.0%	15.0%	15.3%	14.5%
	Change YOY	(81)	(1,034)	45,813	248,554	2,843	771,694

- The vast majority of the 19.98 million international overnight visitors to Canada entered the country via Ontario (9.4 million), British Columbia (5.5 million), and Québec (2.9 million). These three provinces saw the highest number of international arrivals compared to 2015.
- Alberta (+12.0%) and New Brunswick (+14.0%) also observed notable increases in the number of international visitors entering Canada through those provinces compared to 2015.
- The strongest year-over-year growth in US visitors driving across the border was noted in Yukon (+16.7%) and Alberta (+11.5%). Ontario (+18.2%) and British Columbia (+14.2%) saw particularly strong growth in the number of US residents arriving by other forms of transportation, including airplane, train, and bus.
- The decline observed in US auto arrivals into Manitoba (-9.8%) in 2016 followed an exceptional performance in 2015 in part related to the FIFA Women's World Cup events in Winnipeg.

CANADIAN OUTBOUND TRAVEL

Overnight Trips by Canadians

	December 2016	YOY % Variance	Jan.- Dec. 2016	YOY % Variance
United States	1,270,466	0.6	19,298,140	-6.8
Other Countries	951,494	5.2	11,990,305	3.7
Total Trips from Canada	2,221,960	2.5	31,288,445	-3.0

Source: Statistics Canada, International Travel Survey.

Note: The figures are preliminary estimates and are subject to change.

- Canadian outbound travel in December 2016 was up (2.5%) compared to December 2015, due mainly to an increase in overseas travel (+5.2%) and a small increase in travel to the US (0.6%).
- 2016 recorded a significant drop in Canadian travel to the US (-6.8%). Combined with an increase in overseas travel (+3.7%) resulted in a decline in overall Canadian outbound travel compared to 2015 (-3.0%).
- The Canadian Consumer Confidence Index (published by the Conference Board of Canada) inched up by 1.1 points to reach 103.8 in December.

ACCOMMODATION

Hotel Performance Indicators by Province

	Occupancy Rates				Average Daily Rate (ADR)				Revenue Per Available Room (RevPAR)			
	Dec. 2016	YOY [^] Variance	Jan.-Dec.	YOY [^] Variance	Dec. 2016	YOY % Variance	Jan.-Dec.	YOY % Variance	Dec. 2016	YOY % Variance	Jan.-Dec.	YOY % Variance
Alberta¹	38.7%	-2.0	52.3%	-6.3	\$123.03	-5.3%	\$131.51	-6.6%	\$47.66	-10.0%	\$68.81	-16.6%
British Columbia	54.0%	3.5	68.3%	2.4	\$166.99	9.2%	\$163.18	6.8%	\$90.16	16.9%	\$111.45	10.6%
Saskatchewan	39.9%	-3.2	54.0%	-5.1	\$118.78	-6.8%	\$125.28	-4.9%	\$47.35	-13.8%	\$67.67	-13.1%
Manitoba	52.2%	2.3	63.4%	0.5	\$115.98	0.5%	\$120.91	0.7%	\$60.56	5.1%	\$76.63	1.4%
Ontario	51.5%	1.9	67.6%	2.5	\$134.68	3.1%	\$146.05	5.0%	\$69.39	7.1%	\$98.79	9.0%
Quebec	54.3%	1.2	68.0%	1.5	\$158.48	6.1%	\$159.35	5.2%	\$86.00	8.5%	\$108.34	7.5%
New Brunswick	36.8%	0.8	57.2%	2.6	\$107.23	1.2%	\$116.07	0.9%	\$39.43	3.3%	\$66.36	5.8%
Nova Scotia	41.7%	0.3	64.4%	2.8	\$119.19	-0.3%	\$131.04	2.8%	\$49.67	0.5%	\$84.36	7.4%
Newfoundland	39.4%	-2.4	61.8%	-2.6	\$128.46	-3.8%	\$146.37	-0.9%	\$50.64	-9.2%	\$90.45	-4.9%
Prince Edward Island	35.3%	1.1	57.3%	3.0	\$96.29	4.0%	\$135.19	5.4%	\$33.99	7.5%	\$77.43	11.3%
Northwest Territories	66.1%	-0.1	69.0%	2.9	\$147.18	-5.2%	\$150.71	-3.0%	\$97.28	-5.4%	\$103.99	1.4%
Yukon	44.9%	3.6	67.4%	3.1	\$114.09	3.4%	\$124.37	3.1%	\$51.19	12.4%	\$83.85	8.0%
Canada	48.5%	0.9	63.8%	0.3	\$142.92	3.3%	\$148.53	3.3%	\$69.33	5.1%	\$94.82	3.8%

Note: Based on the operating results of 237,545 rooms (unweighted data).

[^] Percentage points.

¹ Excluding Alberta resorts.

Source: CBRE Hotels with reproduction and use of information subject to CBRE Disclaimer / Terms of Use as detailed at www.cbre.ca.

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- The National Occupancy Rate in December 2016 was up slightly compared to December 2015 (48.5%, up 0.9 points) and largely similar to 2015 on a yearly basis (63.8%, +0.3 points).
- Northwest Territories took the top spot in December 2016 with the highest occupancy rate (66.1%), while British Columbia and Québec reported strong performance in all three accommodation performance indicators. British Columbia and Yukon saw the strongest year-over-year growth in December occupancy.
- Over 2016, British Columbia, Québec, and Northwest Territories had the highest occupancy rate (OR), average daily rate (ADR), and revenue per available room (RevPar). Prince Edward Island saw very strong growth numbers for OR, ADR, and RevPar. Ontario trailed only PEI and BC in RevPar growth in 2016.
- The accommodation sector in Alberta, Saskatchewan, and Newfoundland had a challenging year in 2016, with yearly declines observed in all three provinces for all three performance indicators.

ACCOMMODATION

Hotel Performance Indicators by Property Type

	Occupancy Rates				Average Daily Rate (ADR)			
	Dec. 2016	YOY [^] Change	Jan.- Dec.	YOY [^] Variance	Dec. 2016	YOY Variance	Jan.- Dec.	YOY Variance
Property Size								
Under 50 rooms	35.6%	0.6	49.3%	-0.8	\$105.11	5.9%	\$107.71	1.9%
50-75 rooms	42.3%	1.1	56.9%	-0.7	\$103.81	-0.6%	\$113.61	1.6%
76-125 rooms	46.7%	0.7	61.5%	-0.2	\$121.03	-0.4%	\$127.63	0.1%
126-200 rooms	48.5%	0.6	64.8%	0.2	\$127.71	2.6%	\$134.81	2.4%
201-500 rooms	52.0%	0.4	67.4%	0.8	\$170.90	5.7%	\$173.50	4.8%
Over 500 rooms	58.2%	3.3	73.9%	3.0	\$206.25	6.9%	\$214.99	7.3%
Total	48.5%	0.9	63.8%	0.3	\$142.92	3.3%	\$148.53	3.3%
Property Type								
Limited Service	43.8%	1.3	58.1%	-0.8	\$107.54	0.0%	\$113.86	-0.1%
Full Service	50.3%	0.6	66.8%	0.7	\$143.69	3.4%	\$158.96	4.3%
Suite Hotel	56.4%	0.4	73.1%	2.0	\$149.60	-0.1%	\$154.88	1.5%
Resort	51.3%	1.2	61.5%	2.5	\$310.96	17.0%	\$232.05	9.3%
Total	48.5%	0.9	63.8%	0.3	\$142.92	3.3%	\$148.53	3.3%
Price Level								
Budget	43.7%	2.7	57.1%	1.6	\$89.99	5.9%	\$96.04	5.3%
Mid-Price	48.4%	0.0	64.8%	-0.6	\$131.82	1.1%	\$141.94	1.8%
Upscale	56.4%	2.1	69.8%	1.9	\$248.24	8.6%	\$241.85	7.4%
Total	48.5%	0.9	63.8%	0.3	\$142.92	3.3%	\$148.53	3.3%

Note: Based on the operating results of 237,545 rooms (unweighted data).
[^] Percentage points.

- Larger properties (500+ rooms) reported the highest occupancy rates (58.2% in December, 73.9% in 2016) and average daily rates (\$206.25 in December, \$214.99 in 2016) as well as the strongest year-over-year growth in both areas, as compared to smaller properties.
- While upscale properties outperformed budget and mid-price properties in terms of occupancy rates and average daily rates throughout 2016, budget properties saw relatively strong improvement in December over December 2015.
- Resorts reported an average daily rate of \$310.96 in December 2016, up 17.0% over the previous year, while the occupancy rate remained relatively flat. Throughout 2016, resorts consistently reported the highest rate of growth in ADR among all property types.