DESTINATION CANADA

Tourism Snapshot

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

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Canada

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KEY HIGHLIGHTS

- Overnight arrivals from Destination Canada's core international markets rose 5.2% in October 2017, as arrivals from Destination Canada's overseas markets (+6.2%) outpaced arrivals from the United States (+4.9%). While double-digit growth characterized overnight arrivals from Latin America (+48.1%) and Asia-Pacific (+11.7%), the Europe region lost ground (-5.3%) amid Brexit related concerns in the UK (-12.7%).
- From January to October 2017, overnight arrivals from ten of Destination Canada's eleven international markets increased over the same period in 2016, with the overseas markets gaining 9.0% and arrivals from the US improving by 2.9%. The UK (-3.3%) registered the sole year-to-date decline in arrivals. US arrivals by air and other non-auto entry modes were up 5.8% and 10.1% respectively, while auto arrivals remained on par with the first ten months of 2016.
- Destination Canada's Latin American markets continued to lead international arrivals to Canada, up 48.1% in October and 41.3% YTD over the same periods in 2016. This performance was fueled by strong increases in arrivals from Mexico (+54.5% in October, +51.9% YTD) and Brazil (+38.1% on October, +19.3% YTD), which both continued to benefit from recent changes to the visa requirement. Arrivals from Mexico were further supported by a doubling of direct air capacity to Canada in October 2017.
- Overnight arrivals from Destination Canada's Asia-Pacific region rebounded in October (+11.7%, +10.8% YTD), propelled by strong performance from South Korea (+36.7%), India (+20.8%) and China (+12.1%). More muted results were recorded from Australia (+0.6%) and Japan (-1.2%), with the latter being somewhat held back by a 12.9% contraction in the purchasing power of the JPY relative to the CAD in October 2017. While direct air arrivals expanded from all five Asia-Pacific markets, all except South Korea recorded declines in arrivals via the US, either by air or by land. Year-to-date arrivals from all five markets outperformed 2016, mainly due to direct air arrivals (+16.6%).
- In October 2017, overnight arrivals from Destination Canada's Europe region fell (-5.3%), due to an accelerated contraction in arrivals from the UK (-12.7%). Amid growing pessimism about the economic impact of Brexit, outbound travel from the UK to destinations outside of Europe has been trending downward (-0.3% and -14.6% in July and August 2017, respectively[1]). Year-to-date, arrivals from the region were still up 1.1%, as gains from France (+4.9%) and Germany (+5.4%) were sufficient to offset the downturn in arrivals from the UK (-3.3%).

[1] Office of National Statistics (UK)

Note the following caveat from Statistics Canada associated to the October 2017 data: "Data for Statistics Canada's Frontier Counts program are produced using administrative data received from the Canada Border Services Agency (CBSA) on all international travellers who have been cleared for entry or re-entry into Canada. This includes residents of Canada, the United States and overseas entering Canada from abroad.

In 2017, the CBSA began introducing the electronic Primary Inspection Kiosk (PIK) system at airports in Canada. The PIK system replaces the E-311 Declaration Cards that are completed by international travellers to Canada. As of the end of October, the PIK system was deployed at the following airports: Macdonald-Cartier, Ottawa (March 2017), Vancouver (April 2017), Toronto International Airport T3 (June 2017), Edmonton (September 2017) and Halifax (October 2017).

While awaiting receipt of PIK data, Statistics Canada has prepared preliminary estimates for airports at which PIK has been deployed. These estimates are based on CBSA reports of total international travelers by airport, while the distribution between Canadian, US and travellers from individual overseas countries are modelled estimates based on historical data and trends, using methods similar to those used to do seasonal adjustment.

Once PIK data are received, Statistics Canada will revise the preliminary estimates for these airports, as well as the provincial and national totals to which they contribute."

QUICK LINKS

Industry Performance Dashboard

	October 2017	YTD
Overnight Arrivals[1]		
Total International	↑ 4.5%	↑ 4.2%
11 DC Markets**	↑ 5.2%	↑ 4.3%
United States	↑ 4.9%	↑ 2.9%
10 Overseas Markets	↑ 6.2%	↑ 9.0%
Non-DC Markets	↓ -1.0%	↑ 3.4%
Air Seat Capacity[2]		
Total International	↑ 6.5%	↑ 3.7%
11 DC Markets**	↑ 7.3%	↑ 6.5%
Non-DC Markets	↑ 6.0%	↑ 1.6%
National Hotel Indicators[3]		
Occupancy Rate*	↑ 3.0	↑ 1.8
Revenue Per Available Room (Revpar)	↑ 6.0%	↑ 5.0%
Average Daily Rate (ADR)	↑ 10.9%	↑ 7.9%

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]	
		Oct. 2017	YTD 2017	Oct. 2017	YTD 2017	Oct. 2017	YTD 2017	Oct. 2017 Average	YTD Average
United States	United States	1,060,594	12,629,473	4.9%	2.9%	4.9%	3.6%	-5.6%	-1.6%
DC Europe	France	49,352	511,482	-1.0%	4.9%	7.9%	2.7%	0.9%	-1.3%
	Germany	35,367	356,853	1.4%	5.4%	8.4%	10.5%	0.9%	-1.3%
	United Kingdom	53,074	719,530	-12.7%	-3.3%	4.4%	2.9%	1.0%	-8.6%
DC Asia-Pacific	Australia	21,103	323,582	0.6%	13.3%	-1.8%	34.3%	-3.2%	1.5%
	China	52,849	609,964	12.1%	10.8%	17.2%	27.8%	-4.1%	-4.5%
	India	15,619	219,948	20.8%	17.0%	54.5%	56.5%	-3.4%	1.1%
	Japan	34,381	270,713	-1.2%	0.5%	-2.1%	7.8%	-12.9%	-5.2%
	South Korea	29,884	251,841	36.7%	14.7%	6.9%	18.9%	-6.5%	0.0%
DC Latin America	Brazil	11,532	116,711	38.1%	19.3%	21.7%	-24.9%	-4.8%	8.6%
	Mexico	20,306	308,484	54.5%	51.9%	99.4%	66.0%	-3.5%	-4.1%
Total 11 DC Markets		**1,384,061**	**16,318,581**	**5.2%**	**4.3%**				
Rest of the World		**168,645**	**2,069,642**	**-1.0%**	**3.4%**				
Total International		**1,552,706**	**18,388,223**	**4.5%**	**4.2%**				

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:

+4.9% ↑ YOY

YTD:

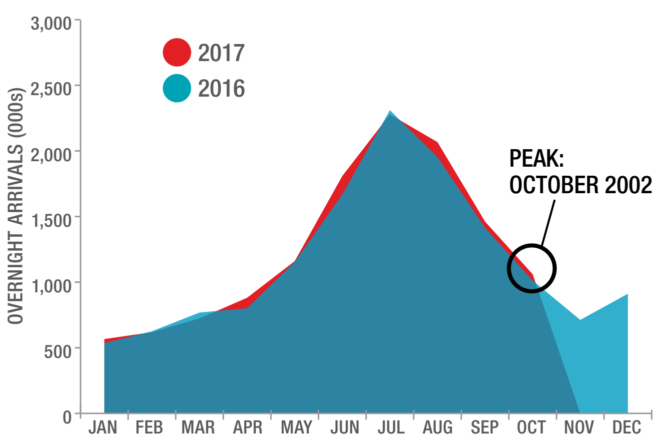
+2.9% ↑ YOY

Overnight Arrivals

	Oct. 2017		YTD 2017	
	Arrivals	% YOY Variance	Arrivals	% YOY Variance
Automobile	537,792	-0.4	7,049,059	0.0
Air	389,145	9.5	4,134,312	5.8
Other	133,657	15.4	1,446,102	10.1
US Total	**1,060,594**	**4.9**	**12,629,473**	**2.9**

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]	October 2017	4.9%
	YTD	3.6%
Exchange Rate[ii]	October 2017	-5.6%
	YTD	-1.6%
Consumer Confidence Index (1985=100)[iii]	October 2017	126.2
	Previous Month	120.6
YTD Arrival Peak[iv]	Previous Peak Year	2002
	Current % of Previous Peak	87.4%

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

- Overnight arrivals to Canada from the US grew for a third consecutive month in October 2017, up 4.9% over October 2016. This growth was again driven by arrivals by other modes of transport such as bus, train, and cruise (+15.4%), as well as strong gains in air arrivals (+9.5%), while auto arrivals were marginally down (-0.4%).
- Year-to-date US arrivals were also up (+2.9%), with the strongest growth coming via other modes (+10.1%) and by air (+5.8%), and auto arrivals on par with the first 10 months of 2016. US arrivals from January through October 2017 (12.6 million) were the highest recorded over this period since 2005.
- With a US dollar struggling against the Canadian dollar (-5.6% in October), this strong growth in arrivals was backed by the ongoing expansion of air capacity between Canada and the US (+4.9% in October, +3.6% YTD).
- Both for the month of October and year-to-date, the largest proportion of US overnight arrivals by vehicle[1] originated from New York (19.2% of October US auto arrivals, 18.0% YTD), Washington (12.7% in October, 14.5% YTD), and Michigan (11.9% in October, 11.3% YTD).
- Following two months of marginal improvement, in October 2017 the consumer confidence index published by the US Conference Board jumped up 5.6 points to reach 126.2.

[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:

-5.3% ↓ YOY

YTD:

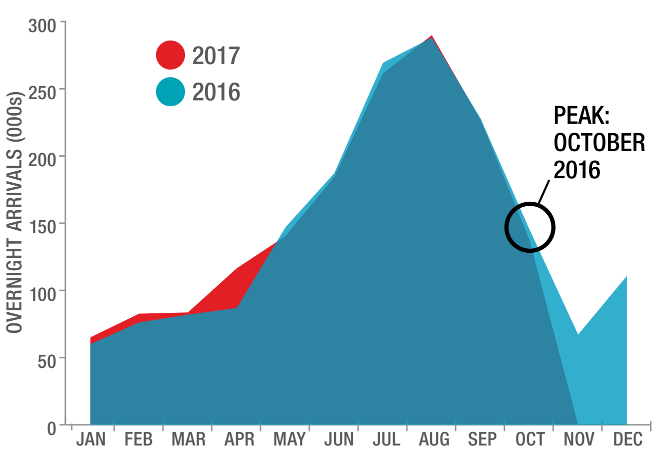
+1.1% ↑ YOY

Overnight Arrivals

	October 2017		YTD 2017	
	Arrivals	% YOY Variance	Arrivals	% YOY Variance
DC Europe	**137,793**	**-5.3**	**1,587,865**	**1.1**
United Kingdom	53,074	-12.7	719,530	-3.3
France	49,352	-1.0	511,482	4.9
Germany	35,367	1.4	356,853	5.4
Other Europe	**77,385**	**9.6**	**973,092**	**18.7**
Italy	9,190	0.3	120,305	4.8
Netherlands	8,988	-10.3	124,413	-0.2
Spain	5,819	22.1	85,328	12.4
Switzerland	8,991	-0.1	115,398	-2.4
Rest of Europe	44,397	-2.4	527,648	4.0
Total Europe	**215,178**	**-3.9**	**2,560,957**	**2.0**

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

Trend Plot: Total DC Europe Arrivals



DC Europe: Key Indicators

		France	Germany	United Kingdom
Air Seat Capacity[i]	October 2017	7.9%	8.4%	4.4%
	YTD	2.7%	10.5%	2.9%
Exchange Rate[ii]	October 2017	0.9%	0.9%	1.0%
	YTD	-1.3%	-1.3%	-8.6%
YTD Arrival Peak[iii]	Previous Peak Year	2016	1996	2007
	Current % of Previous Peak	104.9%	83.5%	88.5%

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.

EUROPE

- Arrivals from Destination Canada's Europe region dropped -5.3% year-over-year in October 2017, primarily driven by a sixth consecutive month of decline in visitors from the UK (-12.7% vs. October 2016). Combined with a slight decrease in arrivals from France (-1.0%), this downward trend more than outpaced sluggish growth from Germany (+1.4%).
- Year-to-date arrivals from this region were still +1.1% over January-October 2016, reaching a year-to-date record for this period due to the steady performance from Germany (+5.4%) and France (+4.9%) which outweighed a -3.3% decline from the UK.
- Despite a slight dip compared to 2016, October 2017 arrivals from France (-1.0%) were the second highest ever for the month of October. Year-to-date arrivals reached an all-time high (+4.9%). Direct air arrivals (+6.2% in October, +7.1% YTD) drove this growth from France, supported by expanded air capacity to Canada (+7.9% in October, +2.7% YTD).
- Germany (+1.4%) was the only market in this region to record an increase in arrivals to Canada in October 2017, hitting a new October arrivals record. Year-to-date arrivals from Germany (+5.4%) were also steadily up over the same period in 2016, and the highest observed since 2000. While air capacity expansion supported this growth (+8.4% in October, +10.5% YTD), Germany also noted a strong increase in arrivals by sea.
- While growing pessimism about the economic impact of Brexit continued to impact outbound long-haul travel from the UK, Canada saw a sixth consecutive month of decline in arrivals from the UK (-12.1% in October, -3.3% YTD). Following five months of retraction, air capacity between the UK and Canada grew in October (+4.4%), but the strength of the British pound in Canada remained relatively weak (+1.0% in October, -8.6% YTD).

DC Europe Arrivals by Port of Entry

- 69.5% of visitors from Destination Canada's three European markets arrived by air directly from overseas year-to-date in 2017, mainly via YYZ (36.1%) and YUL (31.3%).

			France	Germany	UK
Air Arrivals from Overseas	YYZ	Arrivals	61,870	92,550	244,266
		YOY%	11.8%	2.4%	-4.6%
		% of Total	**12.1%**	**25.9%**	**33.9%**
	YVR	Arrivals	17,528	61,924	129,203
		YOY%	4.1%	14.2%	5.5%
		% of Total	**3.4%**	**17.4%**	**18.0%**
	YUL	Arrivals	262,612	37,858	45,260
		YOY%	10.0%	-1.1%	-3.7%
		% of Total	**51.3%**	**10.6%**	**6.3%**
	YYC	Arrivals	3,157	21,352	62,595
		YOY%	-36.6%	-13.0%	-2.4%
		% of Total	**0.6%**	**6.0%**	**8.7%**
	All other airports	Arrivals	4,714	20,210	37,872
		YOY%	1.5%	9.7%	7.9%
		% of Total	**0.9%**	**5.7%**	**5.3%**
	Subtotal	Arrivals	349,881	233,894	519,196
		YOY%	7.1%	2.7%	-2.6%
		% of Total	**68.4%**	**65.5%**	**72.2%**
Air Arrivals via the US	All airports	Arrivals	131,399	51,932	101,231
		YOY%	4.2%	3.8%	-12.7%
		% of Total	**25.7%**	**14.6%**	**14.1%**
Sea Arrivals	All sea borders	Arrivals	2,005	31,146	45,133
		YOY%	-38.4%	47.8%	5.7%
		% of Total	**0.4%**	**8.7%**	**6.3%**
Land Arrivals via US	All land borders	Arrivals	28,335	39,704	53,958
		YOY%	-10.2%	0.5%	3.3%
		% of Total	**5.5%**	**11.1%**	**7.5%**
Total Overnight Arrivals			**511,482**	**356,853**	**719,530**

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:

+11.7% ↑ YOY

YTD:

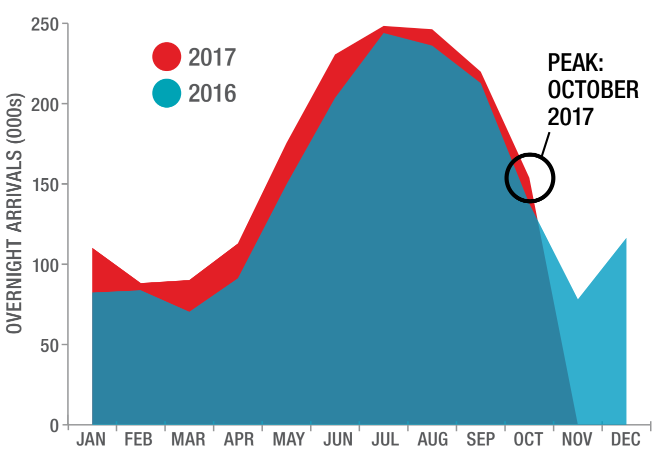
+10.8% ↑ YOY

Overnight Arrivals

	October 2017		YTD 2017	
	Arrivals	% YOY Variance	Arrivals	% YOY Variance
DC Asia-Pacific	**153,836**	**11.7**	**1,676,048**	**10.8**
Australia	21,103	0.6	323,582	13.3
China	52,849	12.1	609,964	10.8
India	15,619	20.8	219,948	17.0
Japan	34,381	-1.2	270,713	0.5
South Korea	29,884	36.7	251,841	14.7
Other Asia-Pacific	**55,976**	**-15.7**	**655,733**	**-0.7**
Hong Kong	8,533	-16.5	130,522	-3.2
Taiwan	13,203	-1.6	89,254	-0.4
Rest of Asia-Pacific	34,240	2.3	435,957	2.8
Total Asia-Pacific	**209,812**	**7.7**	**2,331,781**	**7.9**

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

Trend Plot: Total DC Asia-Pacific Arrivals



Asia-Pacific: Key Indicators

		Australia	China	India	Japan	South Korea
Air Seat Capacity[i]	October 2017	-1.8%	17.2%	54.5%	-2.1%	6.9%
	YTD	34.3%	27.8%	56.5%	7.8%	18.9%
Exchange Rate[ii]	October 2017	-3.2%	-4.1%	-3.4%	-12.9%	-6.5%
	YTD	1.5%	-4.5%	1.1%	-5.2%	0.0%
YTD Arrival Peak[iii]	Previous Peak Year	2016	2016	2016	1996	2016
	Current % of Previous Peak	113.3%	110.8%	117.0%	46.0%	114.7%

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.

ASIA-PACIFIC

- Destination Canada's Asia-Pacific region reached new peaks for arrivals to Canada in October 2017 (+11.7%) and year-to-date (+10.8%). Three markets in particular contributed to this performance: South Korea (+36.7% in October, +14.7% YTD), India (+20.8% in October, +17.0% YTD, and China (+12.1% in October, +10.8% YTD).

- The other two markets in this region recorded softer performance in October 2017 compared with the same month in 2016: Australia (+0.6%) and Japan (-1.2%), alongside a small retraction in air capacity to Canada from both countries in October. However, over the first ten months of the year both Australia (+13.3%) and Japan (+0.5%) continued to outperform 2016.

- This strong performance from the Asia-Pacific region is particularly impressive alongside weak currency exchange rates with Canada for all five markets. Japan saw the greatest impact of this trend, with the strength of the Yen compared to the Canadian dollar down 12.9% in October 2017 compared with the same month last year, and visitation down year-over-year for a sixth consecutive month.

DC Asia-Pacific Arrivals by Port of Entry

- In October 2017, direct air arrivals expanded from all five Asia-Pacific markets, while all except South Korea recorded declines in arrivals via the US, either by air or by land.

- From January to October 2017, in line with the strong expansion of direct air capacity to Canada, all five Asia-Pacific markets recorded an increase in direct air arrivals to Canada. Direct air arrivals made up 63.0% of arrivals from this region. YVR and YYZ were the primary entry points, accounting for 91.5% of direct air arrivals to Canada.

- Japan and China recorded decreased arrivals across all other modes of entry over the first ten months of the year, including by air via the US, by land via the US, and by sea. India and Australia also saw declines in land arrivals over this period.

			Australia	China	India	Japan	South Korea
Air Arrivals from Overseas	YYZ	Arrivals	14,711	187,681	109,575	66,333	54,581
		YOY%	5.5%	11.1%	41.6%	7.2%	29.8%
		% of Total	**4.5%**	**30.8%**	**49.8%**	**24.5%**	**21.7%**
	YVR	Arrivals	101,931	230,160	24,889	109,336	66,852
		YOY%	37.2%	11.0%	12.2%	10.7%	-3.3%
		% of Total	**31.5%**	**37.7%**	**11.3%**	**40.4%**	**26.5%**
	YUL	Arrivals	2,385	33,745	8,338	1,627	835
		YOY%	4.5%	109.5%	3.3%	-16.3%	46.7%
		% of Total	**0.7%**	**5.5%**	**3.8%**	**0.6%**	**0.3%**
	YYC	Arrivals	1,235	11,505	7,605	15,311	1,693
		YOY%	-7.6%	101.9%	2.7%	-18.4%	-20.6%
		% of Total	**0.4%**	**1.9%**	**3.5%**	**5.7%**	**0.7%**
	All other airports	Arrivals	906	611	3,330	242	176
		YOY%	1.0%	0.2%	2.9%	0.1%	0.2%
		% of Total	**0.3%**	**0.1%**	**1.5%**	**0.1%**	**0.1%**
	Subtotal	Arrivals	121,168	463,702	153,737	192,849	124,137
		YOY%	30.7%	16.2%	30.3%	6.2%	8.8%
		% of Total	**37.4%**	**76.0%**	**69.9%**	**71.2%**	**49.3%**
Air Arrivals via the US	All airports	Arrivals	120,423	83,613	30,965	55,555	34,640
		YOY%	5.3%	-2.3%	9.5%	-7.0%	11.0%
		% of Total	**37.2%**	**13.7%**	**14.1%**	**20.5%**	**13.8%**
Sea Arrivals	All sea borders	Arrivals	47,645	15,247	9,583	4,387	5,512
		YOY%	18.9%	-2.4%	4.1%	-8.7%	24.2%
		% of Total	**14.7%**	**2.5%**	**4.4%**	**1.6%**	**2.2%**
Land Arrivals via US	All land borders	Arrivals	34,274	47,457	25,692	17,949	87,571
		YOY%	-10.8%	-5.6%	-20.8%	-20.4%	26.4%
		% of Total	**10.6%**	**7.8%**	**11.7%**	**6.6%**	**34.8%**
Total Overnight Arrivals			**323,582**	**609,964**	**219,948**	**270,713**	**251,841**

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:

+48.1% ↑ YOY

YTD:

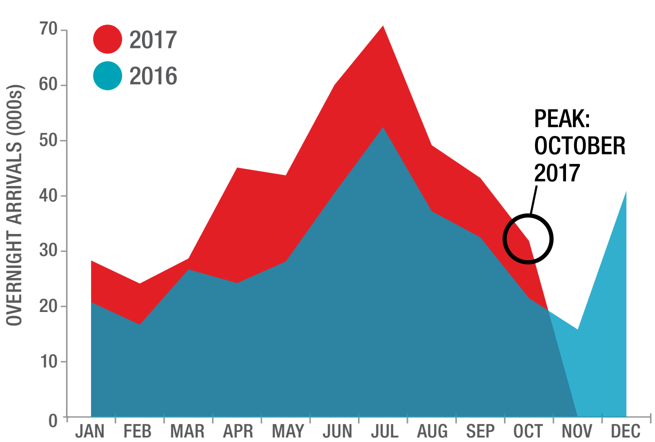
+41.3% ↑ YOY

Overnight Arrivals

	October 2017		YTD 2017	
	Arrivals	% YOY Variance	Arrivals	% YOY Variance
DC Latin America	**31,838**	**48.1**	**425,195**	**41.3**
Brazil	11,532	38.1	116,711	19.3
Mexico	20,306	54.5	308,484	51.9
Other Latin America	24,364	-1.1	316,202	8.6
Total Latin America	**56,202**	**21.9**	**741,397**	**25.2**

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 Capacity[i]	October 2017	21.7%	99.4%
	YTD	-24.9%	66.0%
Exchange Rate[ii]	October 2017	-4.8%	-3.5%
	YTD	8.6%	-4.1%
YTD Arrival Peak[iii]	Previous Peak Year	2015	2008
	Current % of Previous Peak	118.5%	129.7%

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.

- Destination Canada's Latin American region continued to lead Canada's international arrivals growth in 2017, thanks in part to supportive changes in eTA/visa requirements for both Mexico and Brazil. The region reached new record arrivals both for the month of October (+48.1%) and over the first ten months of the year (+41.3%).

- Mexico continued to break records in October 2017, after already outpacing 2016 annual arrivals by August 2017, reaching new arrivals peaks for the month of October (+54.5%) and for the January-October period (+51.9%). Direct air capacity between Mexico and Canada doubled in October (+99.4%), which supported particularly strong growth in direct air arrivals (+138.7% in October), despite a weaker Mexican Peso relative to the Canadian dollar (-3.5% in October, -4.1% YTD).

- In October 2017, arrivals from Brazil hit new peaks for the month of October (+38.1%) and year-to-date (+19.3%), and surpassed 2016 annual arrivals. While direct air capacity to Canada remained lower year-to-date compared to 2016 (-24.9%), it expanded in October (+21.7%). Meanwhile, a third month of decline in the strength of the Real vs. the Canadian dollar (-4.8% in October) did not appear to hinder this strong performance.

DC Latin America Arrivals by Port of Entry

- In October 2017 and year-to-date, Mexico recorded increased arrivals via all modes of entry except by land via the US, while Brazil arrivals increased across all modes of entry, with the strongest increase observed in arrivals via the US (both by land and by air) in October.

- From January to October 2017, 61.3% of visitors from both markets arrived by air directly from overseas. YYZ was the most popular point of entry for both markets, though Mexico continued to record some of its strongest growth at YYC and YUL.

			Brazil	Mexico
Air Arrivals from Overseas	YYZ	Arrivals	55,906	91,322
		YOY%	19.9%	74.7%
		% of Total	**47.9%**	**29.6%**
	YVR	Arrivals	1,722	51,132
		YOY%	40.2%	42.9%
		% of Total	**1.5%**	**16.6%**
	YUL	Arrivals	2,355	48,827
		YOY%	45.2%	138.3%
		% of Total	**2.0%**	**15.8%**
	YYC	Arrivals	174	7,739
		YOY%	47.5%	169.1%
		% of Total	**0.1%**	**2.5%**
	All other airports	Arrivals	223	1,415
		YOY%	0.4%	1.3%
		% of Total	**0.2%**	**0.5%**
	Subtotal	Arrivals	60,380	200,435
		YOY%	21.3%	77.5%
		% of Total	**51.7%**	**65.0%**
Air Arrivals via the US	All airports	Arrivals	49,471	54,951
		YOY%	18.6%	43.5%
		% of Total	**42.4%**	**17.8%**
Sea Arrivals	All sea borders	Arrivals	2,555	12,893
		YOY%	3.6%	33.3%
		% of Total	**2.2%**	**4.2%**
Land Arrivals via US	All land borders	Arrivals	4,310	40,214
		YOY%	14.7%	-4.7%
		% of Total	**3.7%**	**13.0%**
Total Overnight Arrivals			**116,711**	**308,484**

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

COMPETITIVE REVIEW

January to October 2017		Trips To:			
		Canada		Australia	
Trips From:			YOY Change		YOY Change
Total International		**18,388,223**	**4.2%**	**7,022,800**	**6.9%**
United States		12,629,473	2.9%	611,300	9.7%
Canada		…	…	127,900	8.8%
Europe	**United Kingdom**	719,530	-3.3%	532,800	0.3%
	France	511,482	4.9%	102,100	0.2%
	Germany	356,853	5.4%	162,000	5.0%
Asia-Pacific	**Australia**	323,582	13.3%	…	…
	Japan	270,713	0.5%	351,900	4.5%
	South Korea	251,841	14.7%	241,800	8.1%
	China	609,964	10.8%	1,143,300	13.0%
	India	219,948	17.0%	240,800	15.2%
Latin America	**Mexico**	308,484	51.9%	8,600	19.4%
	Brazil	116,711	19.3%	42,600	19.3%
Total DC Key Markets		**16,318,581**	**4.3%**	**3,565,100**	**8.5%**

Sources:
Statistics Canada, Frontier counts, custom tabulations.
Australian Bureau of Statistics, Overseas Arrivals and Departures, cat. no. 3401.0.

- From January to October 2017, Canada received more than 11 million additional international tourists compared to Australia over the same period (18.39 million vs. 7.02 million), though Australia's year-over-year growth (+6.9%) was slightly faster than Canada's (+4.2%).

- Over four times more tourists from Destination Canada's 11 core international markets visited Canada (16.32 million) than visited Australia (3.57 million) year-to-date in 2017, making up 89% of Canada's visitors and 49% of Australia's visitors. However, arrivals to Canada (+4.3%) from these markets grew at half the pace year-over-year compared to Australia (+8.5%).

- Year-to-date October 2017, overnight arrivals from the United States to Australia (+9.7%) increased at a much faster pace than arrivals to Canada (+2.9%), in part due to the much greater market share Canada owns of outbound travels from the US. Indeed, the increase in arrivals from the US to Canada (361,000) was seven times the increase in the number of visitors to Australia (54,100), almost all of which was by air or mode of transportation other than automobile.

- Australia continued to welcome more tourists than Canada from most of Destination Canada's Asia-Pacific markets, with the exception of South Korea (251,841 visitors to Canada, vs. 241,800 visitors to Australia), following the faster growth to Canada observed from this market throughout 2017 (+14.7% vs. +8.1%).

- Australia has observed a similar slowdown in arrivals from the UK over the past few months, resulting in subdued YTD growth (+0.3%), though still slightly ahead of the retraction observed in Canada (-3.3%).

- Over the first ten months of 2017, well over double the number of Australian tourists visited Canada (323,582, +13.3%) than Canadian tourists visited Australia (127,900, +8.8%).

INTERNATIONAL ARRIVALS BY PROVINCE OF ENTRY

Overnight Arrivals by Province of Entry

January to October 2017

		Newfoundland and Labrador	Prince Edwad Island	Nova Scotia	New Brunswick	Québec	Ontario
Total One or more nights	2017	64,337	2,513	240,832	334,909	2,723,114	8,597,810
	Variance YOY%	11.9%	-59.8%	13.4%	-2.6%	6.5%	4.0%
	Change YOY	6,856	(3,742)	28,516	(9,028)	166,945	332,544
US Residents by Automobile	2017	0	0	14,463	233,510	941,005	3,822,309
	Variance YOY%	0.0%	0.0%	22.9%	-0.1%	0.7%	0.4%
	Change YOY	-	-	2,692	(245)	6,134	16,201
US Residents by Non-Automobile	2017	13,490	1,955	146,823	87,879	746,379	2,323,955
	Variance YOY%	34.3%	-52.6%	14.5%	-8.7%	10.4%	6.3%
	Change YOY	3,446	(2,166)	18,614	(8,330)	70,090	138,251
Residents from Other Countries	2017	50,847	558	79,546	13,520	1,035,730	2,451,546
	Variance YOY%	7.2%	-73.9%	10.0%	-3.2%	9.6%	7.8%
	Change YOY	3,410	(1,576)	7,210	(453)	90,721	178,092

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

Overnight Arrivals by Province of Entry
January to October 2017

		Manitoba	Saskatchewan	Alberta	British Columbia	Yukon	CANADA
Total One or more nights	2017	196,338	69,347	946,924	5,050,579	161,520	18,388,223
	Variance YOY%	3.2%	-7.4%	5.3%	3.2%	2.8%	4.2%
	Change YOY	6,108	(5,518)	47,877	158,837	4,414	733,809
US Residents by Automobile	2017	128,976	52,106	147,417	1,623,655	85,618	7,049,059
	Variance YOY%	6.0%	7.4%	1.3%	-2.5%	8.8%	0.0%
	Change YOY	7,282	3,597	1,934	(42,229)	6,951	2,317
US Residents by Non-Automobile	2017	59,164	15,173	508,654	1,622,648	54,294	5,580,414
	Variance YOY%	-2.0%	-36.7%	11.0%	6.6%	-5.0%	6.9%
	Change YOY	(1,196)	(8,794)	50,335	101,031	(2,881)	358,400
Residents from Other Countries	2017	8,198	2,068	290,853	1,804,276	21,608	5,758,750
	Variance YOY%	0.3%	-13.4%	-1.5%	5.9%	1.6%	6.9%
	Change YOY	22	(321)	(4,392)	100,035	344	373,092

- Ontario remained the most popular province of entry for international visitors from January to October 2017, with 46.8% of arrivals crossing the border there (8.6 million visitors, +4.0% over the same period of 2016). British Columbia (5.05 million visitors, +3.2%) and Quebec (2.72 million visitors, +6.5%) were also popular entry provinces.

- Following severe wildfires over the summer of 2017, British Columbia's US auto arrivals were still below 2016 levels year-to-date, with 42,229 fewer arrivals compared to the same period in 2016 (-2.5%).

- New Brunswick, Saskatchewan, and Prince Edward Island also saw an overall downward trend in international arrivals year-to-date, due to a decline in non-auto US arrivals and overseas arrivals.

CANADIAN OUTBOUND TRAVEL

Overnight Trips by Canadians

	October 2017	YOY % Variance	Jan.- Oct. 2017	YOY % Variance
United States	1,639,042	5.2	17,366,070	4.5
Other Countries	908,876	7.6	10,960,229	7.1
Total Trips from Canada	2,547,918	6.1	28,326,299	5.5

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

- Overnight trips by Canadians to international destinations expanded for a fifth consecutive month in October 2017, reaching 2,547,918 (+6.1%), with more Canadians travelling to both the US (+5.2%) and other international destinations (+7.6%).
- Year-to-date October 2017, Canadian outbound travel was up 5.5%, including +4.5% to the US and +7.1% to overseas destinations. Canadians returning from the US by air (+9.5%) outpaced those returning by automobile (+1.2%) and other modes of transport (+3.3%) over the first 10 months of 2017.
- Following a sharp decline in September, the Canadian Consumer Confidence Index (published by the Conference Board of Canada) regained 4.2 points to reach 116.6 in October 2017.

ACCOMMODATION

Hotel Performance Indicators by Province

	Occupancy Rates				Average Daily Rate (ADR)				Revenue Per Available Room (RevPAR)			
	Oct. 2017	YOY^ Variance	Jan.- Oct.	YOY^ Variance	Oct. 2017	YOY % Variance	Jan.- Oct.	YOY % Variance	Oct. 2017	YOY % Variance	Jan.- Oct.	YOY % Variance
Alberta[1]	54.2%	1.5	54.9%	1.3	$129.43	0.6%	$130.65	-0.8%	$70.16	3.5%	$71.76	1.5%
British Columbia	68.4%	3.3	72.8%	2.2	$153.85	6.3%	$175.07	6.6%	$105.30	11.6%	$127.46	9.9%
Saskatchewan	60.5%	4.9	54.9%	0.2	$118.76	-5.5%	$119.71	-4.7%	$71.89	2.8%	$65.75	-4.3%
Manitoba	72.9%	2.1	70.2%	6.1	$125.83	-0.1%	$123.77	1.7%	$91.76	2.8%	$86.84	11.5%
Ontario	76.0%	3.0	70.9%	1.5	$160.60	8.7%	$156.10	6.4%	$122.10	13.1%	$110.61	8.6%
Quebec	76.6%	2.8	72.4%	2.4	$174.42	5.4%	$169.68	6.2%	$133.54	9.4%	$122.79	9.9%
New Brunswick	62.3%	1.3	63.3%	2.7	$119.15	4.1%	$122.49	4.4%	$74.26	6.4%	$77.55	9.0%
Nova Scotia	71.5%	6.0	70.1%	3.0	$142.50	9.4%	$143.32	8.3%	$101.93	19.5%	$100.48	13.1%
Newfoundland	63.0%	-0.3	65.9%	1.7	$144.81	-0.7%	$146.60	-1.3%	$91.28	-1.3%	$96.60	1.3%
Prince Edward Island	56.6%	1.4	60.9%	0.6	$127.78	8.4%	$148.45	6.7%	$72.32	11.1%	$90.42	7.7%
Northwest Territories	78.1%	14.4	71.4%	1.7	$143.97	-3.3%	$143.13	-5.5%	$112.42	18.6%	$102.24	-3.1%
Yukon	59.8%	0.8	70.5%	0.2	$126.94	4.1%	$134.84	7.3%	$75.89	5.5%	$95.08	7.6%
Canada	**69.0%**	**3.0**	**67.5%**	**1.8**	**$153.21**	**6.0%**	**$156.82**	**5.0%**	**$105.70**	**10.9%**	**$105.78**	**7.9%**

Note: Based on the operating results of 247,228 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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- In October 2017, the National Occupancy Rate jumped 3.0 points over October 2016 to reach 69.0%. Northwest Territories (78.1%), Quebec (76.6%), and Ontario (76.0%) were the provinces with the highest occupancy rates in October, with Northwest Territories, Nova Scotia, and Saskatchewan recording the strongest year-over-year growth.

- Over the first ten months of 2017, the National Occupancy Rate reached 67.5%, up 1.8 points over the same period in 2016. British Columbia (72.8%), Quebec (72.4%), and Northwest Territories (71.4%) recorded the highest occupancy rates, while provincially Manitoba, Nova Scotia, and New Brunswick led year-over-year growth.

- For both the month of October and year-to-date 2017, British Columbia, Quebec, and Ontario recorded the highest average daily rates (ADR).

- Quebec, Ontario, and Northwest Territories recorded the highest revenue per available room (RevPar) in October, whereas year-to-date the highest RevPar was recorded in British Columbia, Quebec, and Ontario.

ACCOMMODATION

Hotel Performance Indicators by Property Type

	Occupancy Rates				Average Daily Rate (ADR)			
	Oct. 2017	YOY^ Change	Jan.- Oct.	YOY^ Variance	Oct. 2017	YOY Variance	Jan.- Oct.	YOY Variance
Property Size								
Under 50 rooms	55.7%	4.0	54.7%	3.0	$109.80	4.0%	$114.36	4.2%
50-75 rooms	62.7%	3.3	61.8%	2.5	$112.56	3.5%	$119.42	2.8%
76-125 rooms	66.5%	3.7	65.5%	2.4	$126.03	2.1%	$132.17	2.8%
126-200 rooms	68.6%	1.3	68.1%	1.4	$140.01	5.6%	$143.30	5.6%
201-500 rooms	73.3%	3.7	70.6%	1.2	$182.92	7.5%	$185.40	6.3%
Over 500 rooms	80.1%	1.9	76.3%	0.5	$233.68	10.3%	$235.62	8.0%
Total	69.0%	3.0	67.5%	1.8	$153.21	6.0%	$156.82	5.0%
Property Type								
Limited Service	64.0%	3.4	62.4%	2.5	$115.55	3.1%	$119.17	3.5%
Full Service	72.7%	2.9	70.0%	1.4	$171.27	7.8%	$170.11	6.1%
Suite Hotel	77.5%	1.2	76.0%	0.8	$157.63	3.6%	$161.28	3.1%
Resort	57.5%	3.5	66.5%	2.0	$199.39	5.5%	$243.71	6.7%
Total	69.0%	3.0	67.5%	1.8	$153.21	6.0%	$156.82	5.0%
Price Level								
Budget	63.0%	2.4	61.6%	2.9	$100.37	7.5%	$104.25	7.2%
Mid-Price	69.8%	3.0	68.1%	1.4	$145.17	3.7%	$148.23	3.9%
Upscale	73.4%	3.4	73.0%	1.6	$249.02	7.3%	$258.03	5.9%
Total	69.0%	3.0	67.5%	1.8	$153.21	6.0%	$156.82	5.0%

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

- Consistent with recent trends, occupancy rates and ADR increased by property size, both for October 2017 and year-to-date 2017. The largest properties (500+ rooms) recorded occupancy rates of 80.1% in October and 76.3% YTD, with an ADR of $233.68 in October and $235.62 YTD.

- Suite hotels recorded the highest occupancy rates in October 2017 (77.5%) and year-to-date (76.0%); however, in terms of year-over-year growth, they were outpaced by all other property types. Resorts reported the highest ADR in October ($199.39) and year-to-date ($243.71).

- Upscale properties also continued to report the highest occupancy rates (73.4% in October, 73.0% YTD) and ADR ($249.02 in October, $258.03 YTD.

DC CONSUMER AND MARKET INTELLIGENCE