

Tourism Snapshot

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

July 2018

Volume 14, Issue 6

KEY HIGHLIGHTS

IMPORTANT: The July frontier counts released on September 21, 2018 are based on new air administrative data from CBSA. The new data contains important adjustments on performance to date. In year-over-year comparisons, July 2018 data is compared against partly modelled data for YVR and YOW arrivals in July 2017 (additional details below).

- With 11.8 million visitors year-to-date July 2018 (+1.0%), global overnight arrivals to Canada surpassed the previous peak established in 2017. Overnight arrivals from Destination Canada's ten international markets eased up +0.7% YTD following a slight drop in July (-0.8%), caused by significant contractions in July air arrivals via the US from all markets except India.
- Continuing from the storyline in June, the July 2018 overnight arrivals results showed two contrasting trends, with the impact of buoyant growth in air arrivals direct from overseas being restrained across all Destination Canada markets by steep declines in air arrivals via the US, except for India. In July 2018, China and Japan were the only markets to sustain contractions in air arrivals both direct from overseas and via the US.
- Year-to-date July 2018, the largest growth among Destination Canada's long-haul markets was achieved by India (+8.1%), Germany (+6.8%), France (+5.5%), China (+5.0%) and Mexico (+2.8%), where continued growth in direct air arrivals outpaced double-digit contractions in air arrivals via the US over the first seven months of the year.
- The United Kingdom continued its downward trend, driven primarily by a strong decline in air arrivals via the US (-16.7% YTD) and land crossing arrivals (-28.0% YTD), which offset gains in direct air arrivals (+1.8%). Interestingly, total cruise arrivals were up +18.6% year-over-year, bringing the total number of cruise passengers from the UK just behind Australia, the largest long-haul cruise market to Canada.
- The decline in arrivals via the US continued to drag Australian arrivals deeper in the red (-7.0%) over the first seven months of 2018, as total cruise (-13.4%) as well as air (-12.2%) and land (-15.8%) arrivals via the US, together outpaced an uptick in direct air arrivals (+2.5%).
- Overnight arrivals from the US over the first seven months of 2018 were up just +0.8% after contractions in July 2018 in air arrivals (-5.1%) and automobile arrivals (-1.2%), the latter of which was associated with a surge in arrivals in 2017 in the midst of Canada's 150th over the July 1st to July 4th long weekend. Excluding the first two days of the month, July 2018 US auto arrivals were on average 7.2% higher than 2017 (based on IPIL estimates).

Note the following caveat from Statistics Canada associated with the July 2018 data:

Users are advised to exercise caution when a) making comparisons with 2017 data that include international travellers to Canada by air for the months of March to December, and b) analyzing 2018 data on Canadian residents returning from the United States or overseas by air. Further explanation is provided below.

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 PIK system at airports in Canada. The PIK system replaces the E311 Declaration Cards that are completed by international travellers to Canada. Initially, while awaiting receipt of PIK data, Statistics Canada prepared preliminary estimates for airports at which the PIK system was deployed.

Frontier Counts data since January 2018 incorporates PIK data from the airports where the system has been implemented. The preliminary estimates of 2017 traveller counts for PIK airports will be revised at a later date.

Until these preliminary estimates for March to December 2017 are revised, users are advised to exercise caution when making comparisons with 2017 data for these months that include international travellers to Canada by air.

Data users are also cautioned that the switch from E311 cards to PIK has affected the historical comparability of some data series. Most notably, there has been an increased tendency of Canadian travellers returning from overseas trips via the United States to report that they are returning from the United States and not overseas via the United States. In the Frontier Counts, this has led to increases in the numbers of Canadian residents returning from the United States by air, and decreases in the numbers of Canadian residents returning from countries other than the United States by air via the United States (as well as more aggregated series to which these data contribute).

The numbers of travellers to and from Canada by car and other modes of transportation are not affected by revisions to PIK data. Further information is available from Statistics Canada [here](#).

QUICK LINKS

Industry Performance Dashboard

	July 2018	YTD
✈️ Overnight Arrivals¹		
Total International	↓ 0.7%	↑ 1.0%
10 DC Markets*	↓ 0.8%	↑ 0.7%
<i>United States</i>	↓ 1.3%	↑ 0.8%
<i>9 Long-Haul Markets</i>	↑ 1.3%	0.3%
Non-DC Markets	0.0	↑ 3.2%
✈️ Air Seat Capacity²		
Total International	↑ 5.0%	↑ 6.1%
10 DC Markets*	↑ 4.6%	↑ 5.3%
Non-DC Markets	↑ 6.2%	↑ 7.7%
🏠 National Hotel Indicators³		
Occupancy Rate**	↓ 1.0	↑ 0.9
Revenue Per Available Room (Revpar)	↑ 4.4%	↑ 4.6%
Average Daily Rate (ADR)	↑ 3.1%	↑ 6.1%

Notes:

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

* The 10 DC markets are US, France, Germany, UK, Australia, China, India, Japan, South Korea and Mexico.

** Percentage point variations.

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	
		July 2018	YTD 2018	July 2018	YTD 2018	July 2018	YTD 2018	July 2018 Average	YTD Average
DC North America	United States	2,234,548	8,083,563	-1.3%	0.8%	3.5%	4.4%	3.5%	-3.1%
	Mexico	60,059	228,858	13.4%	2.8%	34.1%	55.4%	-4.1%	-2.8%
DC Europe	France	94,292	312,244	0.7%	5.5%	14.1%	7.4%	5.1%	6.8%
	Germany	62,523	213,065	17.1%	6.8%	4.2%	2.2%	5.1%	6.8%
	United Kingdom	113,054	428,042	-1.2%	-2.4%	-0.8%	1.8%	5.4%	4.8%
DC Asia-Pacific	Australia	41,573	193,280	-11.3%	-7.0%	24.2%	8.9%	-1.7%	-2.0%
	China	97,071	397,841	-6.0%	5.0%	8.0%	7.1%	5.5%	3.7%
	India	32,093	168,633	15.0%	8.1%	19.7%	29.3%	-3.0%	-4.0%
	Japan	27,795	126,628	-11.6%	-18.8%	-7.0%	-4.5%	4.9%	-0.2%
	South Korea	41,455	150,736	6.7%	-4.3%	-8.0%	2.4%	4.9%	2.0%
Total 10 DC Markets		2,804,463	10,302,890	-0.8%	0.7%				
Rest of the World		387,502	1,467,621	0.0%	3.2%				
Total International		3,191,965	11,770,511	-0.7%	1.0%				

Sources:

- i. Statistics Canada, Frontier counts, custom tabulations
- ii. IATA-Diiio 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 the current month and YTD relative to the same periods in the previous year.

UNITED STATES

US Arrivals to Canada

CURRENT MONTH:

-1.3% ↓ YOY



YTD:

+0.8% ↑ YOY

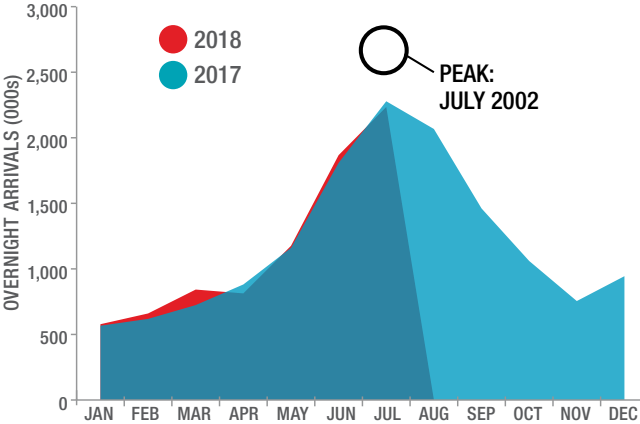
Overnight Arrivals

	July 2018		YTD 2018	
	Arrivals	% YOY Variance	Arrivals	% YOY Variance
Automobile	1,352,772	-1.2	4,600,793	1.8
Air	594,140	-5.1	2,600,693	-3.4
Other	287,636	7.4	882,077	9.8
US Total	2,234,548	-1.3	8,083,563	0.8

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	July 2018	3.5%
	YTD	4.4%
Exchange Rate ⁱⁱ	July 2018	3.5%
	YTD	-3.1%
Consumer Confidence Index (1985=100) ⁱⁱⁱ	July 2018	127.9
	Previous Month	127.1
YTD Arrival Peak ^{iv}	Peak Year	2002
	Current % of Previous Peak	88.4%

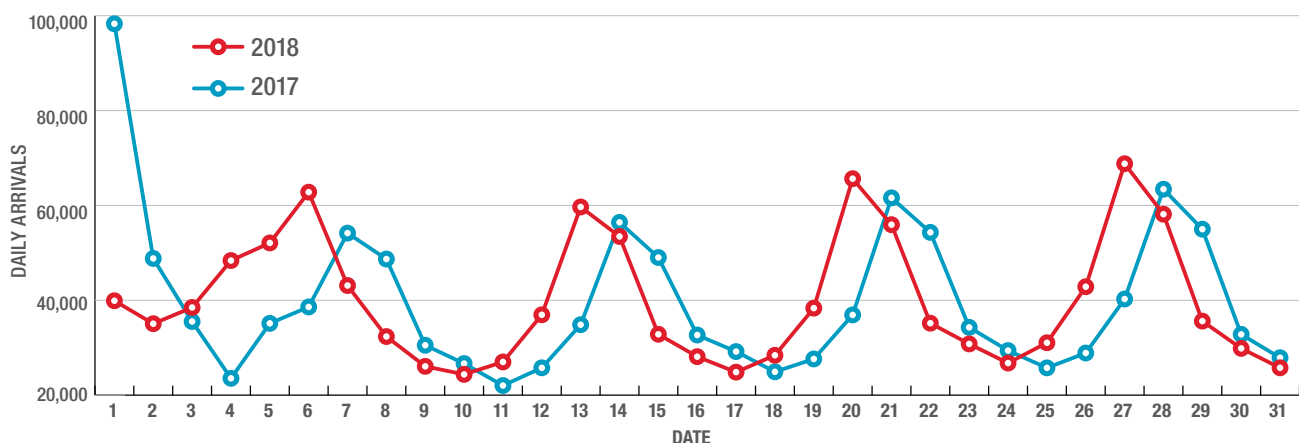
Source:
 i. IATA-Diio SRS Analyser, Year-on-year % variance.
 ii. Bank of Canada, Year on year % variance.
 iii. Consumer Confidence Index, the Conference Board (USA).
 iv. Statistics Canada, Frontier counts, custom tabulations.

UNITED STATES

- In July 2018, overnight arrivals from the US were down compared to the same month a year ago (2.2 million, -1.3%) due to a drop in air arrivals (-5.1%) and auto arrivals (-1.2%), which outpaced continued growth in arrivals by other modes of transportation such as bus, train, and cruise (+7.4%).
- This month's decline in US auto arrivals can be attributed to the timing of the July 4th Independence Day holiday in the US, which fell mid-week this year, and a surge in arrivals in 2017 in the midst of Canada's 150th celebrations over the July 1st Canada Day long weekend. When the first two days of the month are excluded, July 2018 US auto arrivals were on average 7.2% higher than 2017 (based on IPIL daily arrivals estimates).
- Over the first seven months of 2018, 8.1 million US tourists visited Canada. While YTD US arrivals were only up a marginal 0.8% over the same period of 2017, they were still at the highest level recorded since 2005. Year-to-date US arrivals continued to be held back by declining air arrivals (-3.4%), though this was offset by increased auto arrivals (+1.8%) and arrivals by other modes of transport (+9.8%).
- Though the USD has lost some purchasing power in Canada this year (-3.1% YTD), which could have contributed to struggling US air arrivals, there were signs of recovery in July (+3.5%). Air capacity between Canada and the US continued to expand (+3.5% in July, +4.4% YTD), though there is some evidence that many of those additional seats may have been filled by Canadian travellers returning from the US.
- New York, Washington, and Michigan continued to provide the largest share of US vehicle arrivals to Canada in July 2018, contributing a combined total of 36.5% of US auto arrivals in July and 43.1% over the first seven months of 2018¹.
- The consumer confidence index published by the US Conference Board inched up 0.9 points to 127.9 in July 2018, following a small decline in June.

¹ States of origin information is based on Integrated Primary Inspection Lane (IPIL) data collected from US residents entering Canada in automobiles with license plate registered in the United States. Some automobiles driven across the border may be rental vehicles. Rented vehicles in one US state may be registered in different state.

Daily US Overnight Auto Arrivals – July 2018



Note: Daily US resident overnight auto arrivals at land ports with Integrated Primary Inspection Lane (IPIL).

MEXICO

Mexico Arrivals to Canada

CURRENT MONTH:

+13.4% ↑ YOY



YTD:

+2.8% ↑ YOY

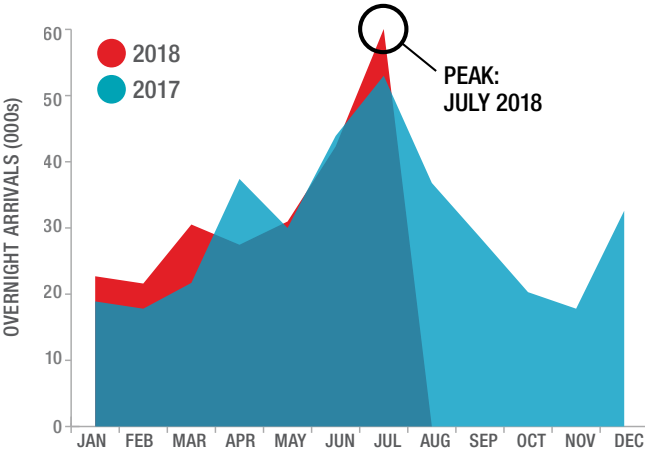
Overnight Arrivals

	July 2018		YTD 2018	
	Arrivals	% YOY Variance	Arrivals	% YOY Variance
Mexico	60,059	13.4	228,858	2.8

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



Arrival Trend Plot – Total Mexico



Mexico: Key Indicators

		Mexico
Air Seat Capacity ⁱ	July 2018	34.1%
	YTD	55.4%
Exchange Rate ⁱⁱ	July 2018	-4.1%
	YTD	-2.8%
YTD Arrival Peak ⁱⁱⁱ	Peak Year	2017
	Current % of Previous Peak	102.8%

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.

- After a slight year-over-year decline in June, arrivals from Mexico recovered in July 2018 (+13.4%) to reach just over 60,000 visitors – a new record peak for July and the biggest single month ever recorded for Mexican arrivals to Canada.
- Year-to-date arrivals (229,000, +2.8%) were slightly ahead of last year's exceptional performance following the replacement of the visa requirement for Mexican citizens with the eTA in December 2016, hitting a new record peak for the first seven months of the year.
- The continued growth in arrivals from Mexico recorded this year is still being driven by direct air arrivals, which were up 33.7% year-over-year in July and 24.6% YTD. This performance outweighed severe declines in Mexican arrivals via the US, particularly by land (-31.8% in July, -63.8% YTD) and by air (-11.7% in July, -19.2% YTD). Mexican arrivals by cruise, which almost exclusively come through the US, were also down in July (-18.8%), but remain ahead of 2017 over the first seven months of the year (+5.4%).
- Increased direct air capacity between Mexico City and Canada continued to support the strong performance in direct air arrivals from Mexico (+34.1% in July, +55.4% YTD), despite the faltering strength of the Mexican Peso in Canada (-4.1% in July, -2.8% YTD).

Mexico Arrivals by Port of Entry

- The vast majority of visitors from Mexico flew directly to Canada (72.2% in July, 76.5% YTD). Of those direct air arrivals, most flew into YYZ (41.6%), YVR (32.7%), or YUL (20.4%). The strongest year-over-year growth in arrivals was recorded in YYC (+65.2%) and YVR (+52.0%).

			Mexico
Air Arrivals from Overseas	YYZ	Arrivals	72,750
		YOY%	13.2%
		% of Total	31.8%
	YVR	Arrivals	57,148
		YOY%	52.0%
		% of Total	25.0%
	YUL	Arrivals	35,773
		YOY%	8.9%
		% of Total	15.6%
	YYC	Arrivals	7,505
		YOY%	65.2%
		% of Total	3.3%
	All other airports	Arrivals	1,815
		YOY%	1.3%
		% of Total	0.8%
Subtotal	Arrivals	174,991	
	YOY%	24.6%	
	% of Total	76.5%	
Air Arrivals via the US	All airports	Arrivals	34,041
		YOY%	-19.2%
		% of Total	14.9%
Sea Arrivals	All sea borders	Arrivals	8,038
		YOY%	5.4%
		% of Total	3.5%
Land Arrivals via US	All land borders	Arrivals	11,788
		YOY%	-63.8%
		% of Total	5.2%
Total Overnight Arrivals			228,858

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

EUROPE

Europe Arrivals to Canada

CURRENT MONTH:

+3.2% ↑ YOY



YTD:

+2.1% ↑ YOY

Overnight Arrivals

	July 2018		YTD 2018	
	Arrivals	% YOY Variance	Arrivals	% YOY Variance
DC Europe	269,869	3.2	953,351	2.1
United Kingdom	113,054	-1.2	428,042	-2.4
France	94,292	0.7	312,244	5.5
Germany	62,523	17.1	213,065	6.8
Other Europe	174,101	-16.8	585,530	-12.1
Italy	19,496	-8.0	60,495	-2.1
Netherlands	27,961	5.0	79,911	-2.3
Spain	14,508	-10.2	44,656	-6.0
Switzerland	27,289	-2.5	71,297	-2.6
Rest of Europe	84,847	-1.1	329,171	0.9
Total Europe	443,970	1.1	1,538,881	0.9



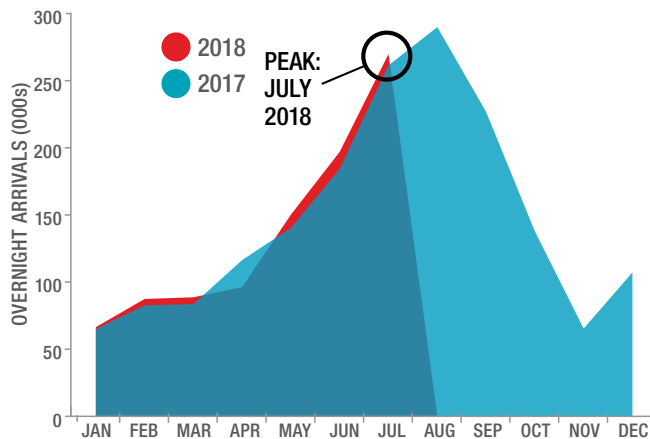
Source: Statistics Canada, Frontier counts, custom tabulations.
Note: The figures are preliminary estimates and are subject to change.

DC Europe: Key Indicators

		France	Germany	United Kingdom
Air Seat Capacityⁱ	July 2018	14.1%	4.2%	-0.8%
	YTD	7.4%	2.2%	1.8%
Exchange Rateⁱⁱ	July 2018	5.1%	5.1%	5.4%
	YTD	6.8%	6.8%	4.8%
YTD Arrival Peakⁱⁱⁱ	Peak Year	2017	1996	2005
	Current % of Previous Peak	105.5%	86.1%	83.8%

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



EUROPE

- In July 2018, arrivals from Destination Canada's Europe region were ahead of the same month a year ago, with 270,000 visitors (+3.2%), marking a new monthly peak. July arrivals from this region were up across all modes of entry except air arrivals via the US (-38.7%).
- From January to July 2018, arrivals from this region once again set a new record for arrivals over the first seven months of the year, reaching 953,000 visitors (+2.1% over the same period in 2017). This YTD growth was driven by direct air arrivals (+7.3%) and cruise arrivals (+18.8%), while visitors arriving via the US by air (-22.6%) and by land (-4.4%) continued to drop.
- Germany led the arrivals growth from this region, with 63,000 visitors in July (+17.1%) – the highest level recorded since 2000. This brought year-to-date arrivals up to 213,000 (+6.8%), which is the highest number for the first seven months of the year since the peak in 1996.
- France continued to break arrivals records in July 2018, reaching new arrivals peaks for both July and YTD. Canada welcomed 94,000 French visitors in July (+0.7%) and 312,000 YTD (5.5%).
- UK arrivals remained below 2017 levels in July 2018 (113,000, -1.2%) and YTD (428,000, -2.4%), but still ahead of all other long-haul markets in terms of total arrivals.
- The positive performance from this region was buoyed by a strong Euro and British pound in Canada compared to a year ago, as well as expanded air capacity to Canada supporting increased direct air arrivals.

DC Europe Arrivals by Port of Entry

- By market, arrivals from France and Germany were mainly held back by air arrivals via the US, while fewer UK visitors came to Canada via the US both by air and by land.

		France	Germany	UK	
Air Arrivals from Overseas	YYZ	Arrivals	30,558	59,923	151,904
		YOY%	-12.8%	1.8%	-0.7%
		% of Total	9.8%	28.1%	35.5%
	YVR	Arrivals	13,101	42,760	88,610
		YOY%	19.4%	14.6%	5.9%
		% of Total	4.2%	20.1%	20.7%
	YUL	Arrivals	181,544	24,791	29,331
		YOY%	18.2%	20.8%	2.2%
		% of Total	58.1%	11.6%	6.9%
	YYC	Arrivals	1,808	14,708	41,466
		YOY%	-8.4%	8.2%	0.4%
		% of Total	0.6%	6.9%	9.7%
All other airports	Arrivals	8,481	11,448	22,418	
	YOY%	4.2%	8.8%	7.2%	
	% of Total	2.7%	5.4%	5.2%	
Subtotal	Arrivals	235,492	153,630	333,729	
	YOY%	15.1%	8.9%	1.8%	
	% of Total	75.4%	72.1%	78.0%	
Air Arrivals via the US	All airports	Arrivals	54,274	24,891	49,441
		YOY%	-27.7%	-21.3%	-16.7%
		% of Total	17.4%	11.7%	11.6%
Sea Arrivals	All sea borders	Arrivals	744	7,779	20,550
		YOY%	-27.7%	27.3%	18.6%
		% of Total	0.2%	3.7%	4.8%
Land Arrivals via US	All land borders	Arrivals	21,734	26,765	24,322
		YOY%	42.0%	29.5%	-28.0%
		% of Total	7.0%	12.6%	5.7%
Total Overnight Arrivals		312,244	213,065	428,042	

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:

-3.4% ↓ YOY



YTD:

-1.8% ↓ YOY

Overnight Arrivals

	July 2018		YTD 2018	
	Arrivals	% YOY Variance	Arrivals	% YOY Variance
DC Asia-Pacific	239,987	-3.4	1,037,118	-1.8
Australia	41,573	-11.3	193,280	-7.0
China	97,071	-6.0	397,841	5.0
India	32,093	15.0	168,633	8.1
Japan	27,795	-11.6	126,628	-18.8
South Korea	41,455	6.7	150,736	-4.3
Other Asia-Pacific	119,406	26.2	492,767	42.6
Hong Kong	24,310	1.3	91,714	-2.1
Taiwan	15,415	18.1	74,060	38.8
Rest of Asia-Pacific	79,681	6.8	326,993	5.9
Total Asia-Pacific	359,393	-0.2	1,529,885	1.2



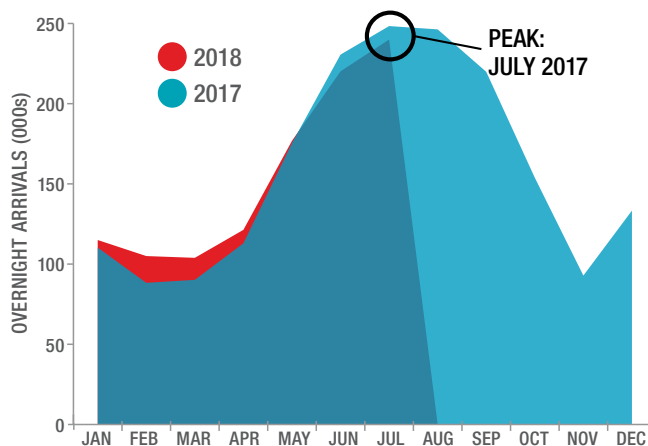
Source: Statistics Canada, Frontier counts, custom tabulations.
Note: The figures are preliminary estimates and are subject to change.

Asia-Pacific: Key Indicators

		Australia	China	India	Japan	South Korea
Air Seat Capacityⁱ	July 2018	24.2%	8.0%	19.7%	-7.0%	-8.0%
	YTD	8.9%	7.1%	29.3%	-4.5%	2.4%
Exchange Rateⁱⁱ	July 2018	-1.7%	5.5%	-3.0%	4.9%	4.9%
	YTD	-2.0%	3.7%	-4.0%	-0.2%	2.0%
YTD Arrival Peakⁱⁱⁱ	Peak Year	2017	2017	2017	1996	2017
	Current % of Previous Peak	93.0%	105.0%	108.1%	37.0%	95.7%

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 Asia-Pacific Arrivals



- Arrivals from Destination Canada's Asia-Pacific region declined again in July 2018 (240,000 visitors, -3.4%), bringing year-to-date arrivals from the region below 2017 levels for the first seven months of 2018 (1.04 million visitors, -1.8%). Fewer travellers visited Canada from three of the five key markets in this region, both in July and year-to-date. Despite this downturn, this was the first of Destination Canada's long-haul regions to surpass 1 million travellers to-date in 2018.
- In July 2018, only India (32,000 visitors, +15.0%) and South Korea (41,000, +6.7%) saw increased arrivals compared to last year, and both set new records for the month of July.
- Similarly, over the first seven months of 2018, only India (169,000 visitors, +8.1%) and China (398,000 visitors, +5.0%) were ahead of the same period in 2017, with both markets setting new year-to-date records.
- The biggest declines in July 2018 were from Australia (-11.3% in July, -7.0% YTD) and Japan (-11.6% in July, -18.8% YTD). While Australian visitation was pulled down by declining arrivals via the US, across modes, the decline from Japan came from fewer air arrivals, both direct and via the US. However, Japan emerged as Destination Canada's largest source of cruise visitors entering via eastern seaports in Canada YTD July 2018.

DC Asia-Pacific Arrivals by Port of Entry

- The overall downward trend in arrivals from this region continued to be driven primarily by declining air arrivals via the US, though some markets also recorded declines in direct air arrivals (China and Japan in July, Japan and South Korea YTD) and cruise arrivals (Australia, China, India).
- The majority of visitors from Destination Canada's Asia-Pacific region continued travel to Canada by air direct from overseas (65.1%) over the first seven months of 2018. This was supported by ongoing air capacity expansion from most markets over this period, with the exception of Japan.

			Australia	China	India	Japan	South Korea
Air Arrivals from Overseas	YYZ	Arrivals	8,803	113,132	73,402	22,795	30,085
		YOY%	-11.0%	-0.8%	-4.9%	-40.9%	-13.8%
		% of Total	4.6%	28.4%	43.5%	18.0%	20.0%
	YVR	Arrivals	71,600	159,549	39,986	55,297	44,161
		YOY%	4.8%	5.8%	127.4%	-15.0%	-6.3%
		% of Total	37.0%	40.1%	23.7%	43.7%	29.3%
	YUL	Arrivals	1,441	21,692	5,412	3,508	560
		YOY%	0.6%	9.6%	-5.2%	339.0%	0.4%
		% of Total	0.7%	5.5%	3.2%	2.8%	0.4%
	YYC	Arrivals	831	6,359	7,292	6,023	588
		YOY%	-2.4%	-12.3%	30.0%	-7.8%	-8.8%
		% of Total	0.4%	1.6%	4.3%	4.8%	0.4%
	All other airports	Arrivals	422	314	1,248	154	83
		YOY%	0.5%	0.1%	1.2%	0.1%	0.1%
		% of Total	0.2%	0.1%	0.7%	0.1%	0.1%
Subtotal	Arrivals	83,097	301,046	127,340	87,777	75,477	
	YOY%	2.5%	3.0%	17.5%	-21.0%	-9.4%	
	% of Total	43.0%	75.7%	75.5%	69.3%	50.1%	
Air Arrivals via the US	All airports	Arrivals	68,199	44,202	22,520	23,748	16,272
		YOY%	-12.2%	-14.8%	8.7%	-28.6%	-26.2%
		% of Total	35.3%	11.1%	13.4%	18.8%	10.8%
Sea Arrivals	All sea borders	Arrivals	23,614	6,094	7,052	3,407	3,439
		YOY%	-13.4%	-27.1%	2.1%	33.2%	1.5%
		% of Total	12.2%	1.5%	4.2%	2.7%	2.3%
Land Arrivals via US	All land borders	Arrivals	18,370	46,499	11,721	11,696	55,548
		YOY%	-15.8%	76.4%	-41.5%	28.8%	14.0%
		% of Total	9.5%	11.7%	7.0%	9.2%	36.9%
Total Overnight Arrivals			193,280	397,841	168,633	126,628	150,736

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

CANADIAN OUTBOUND TRAVEL

Overnight Trips by Canadians

	July 2018	YOY % Variance	Jan.- July 2018	YOY % Variance
United States	2,163,341	3.2	12,557,356	8.3
Other Countries	875,132	-8.8	7,506,884	-5.3
Total Trips from Canada	3,038,473	-0.6	20,064,240	2.8

Source: Statistics Canada, International Travel Survey.

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

- Similar to last month, in July 2018 Canadian outbound travel was marginally down compared to the same month a year ago (-0.6%). A significant decline in travel to overseas international destinations (-8.8%) outpaced increased Canadian travel to the US (+3.2%).
- By contrast, over the first seven months of the year, increased Canadian travel to the US (+8.3%) still managed to offset the decline in travel to other international destinations (-5.3%), resulting in an overall increase in outbound travel compared to the first half of 2017 (+2.8%).
- With increased air capacity between Canada and the United States (+3.5% in July, +4.4% YTD), it may be that Canadian travellers are filling many of those additional seats.
- However, these results should be interpreted with caution given the recent incorporation of PIK data in frontier counts and comparability with 2017 data, which has not yet been revised. In particular, Statistics Canada noted, “there has been an increased tendency of Canadian travellers returning from overseas trips via the United States to report that they are returning from the United States and not overseas via the United States”.

INTERNATIONAL ARRIVALS BY PROVINCE OF ENTRY

Year-to-date Overnight Arrivals by Province of Entry

		Newfoundland and Labrador	Prince Edward Island	Nova Scotia	New Brunswick	Québec	Ontario
Total One or more nights	2018	25,953	144	103,954	162,107	1,745,922	5,365,283
	Variance YOY%	6.1%	-30.1%	13.8%	10.2%	2.1%	-2.5%
	Change YOY	1,490	(62)	12,634	14,996	35,203	(137,292)
US Residents by Automobile	2018	0	0	7,479	131,035	600,950	2,456,600
	Variance YOY%	0.0%	0.0%	2.0%	0.5%	0.1%	1.6%
	Change YOY	-	-	146	610	720	38,853
US Residents by Non-Automobile	2018	4,920	119	57,261	25,862	491,720	1,414,459
	Variance YOY%	15.4%	-36.4%	14.6%	83.1%	2.6%	-6.5%
	Change YOY	657	(68)	7,276	11,740	12,228	(98,205)
Residents from Other Countries	2018	21,033	25	39,214	5,210	653,252	1,494,224
	Variance YOY%	4.1%	31.6%	15.3%	103.2%	3.5%	-5.0%
	Change YOY	833	6	5,212	2,646	22,255	(77,940)

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

Year-to-date Overnight Arrivals by Province of Entry

		Manitoba	Saskatchewan	Alberta	British Columbia	Yukon	Nunavut	CANADA
Total One or more nights	2018	137,725	45,444	623,288	3,453,241	107,042	408	11,770,511
	Variance YOY%	7.3%	7.5%	1.2%	4.8%	11.2%	-9.5%	1.0%
	Change YOY	9,348	3,184	7,303	157,837	10,788	(43)	115,386
US Residents by Automobile	2018	91,643	33,758	101,243	1,128,454	49,631	0	4,600,793
	Variance YOY%	5.9%	3.8%	3.8%	2.7%	2.3%	0.0%	1.8%
	Change YOY	5,115	1,247	3,738	29,480	1,133	-	81,042
US Residents by Non-Automobile	2018	38,640	10,312	332,212	1,060,330	46,874	61	3,482,770
	Variance YOY%	4.2%	22.4%	-0.1%	3.7%	29.2%	45.2%	-0.4%
	Change YOY	1,552	1,885	(266)	38,313	10,603	19	(14,266)
Residents from Other Countries	2018	7,442	1,374	189,833	1,264,457	10,537	347	3,686,948
	Variance YOY%	56.3%	3.9%	2.1%	7.7%	-8.3%	-15.2%	1.3%
	Change YOY	2,681	52	3,831	90,044	(948)	(62)	48,610

- From January to July 2018, most international visitors to Canada continue to enter the country via Ontario (45.6%), British Columbia (29.3%), and Quebec (14.8%).
- Over the first seven months of 2018, the biggest increase in arrivals came through British Columbia (+158,000 visitors), with more than half of that growth coming from overseas tourists (+90,000 visitors).
- Meanwhile, Ontario recorded the most notable year-over-year decline in international arrivals over this period (-137,000 visitors), with fewer US non-auto (-98,000 visitors) and visitors from other countries (-78,000 visitors) crossing the border in that province YTD July 2018.

ACCOMMODATION

Hotel Performance Indicators by Province

	Occupancy Rates				Average Daily Rate (ADR)				Revenue Per Available Room (RevPAR)			
	July 2018	YOY [^] Variance	Jan.- July	YOY [^] Variance	July 2018	YOY % Variance	Jan.- July	YOY % Variance	July 2018	YOY % Variance	Jan.- July	YOY % Variance
Alberta ¹	64.5%	0.6	55.5%	2.7	\$144.21	3.3%	\$131.80	0.5%	\$92.97	4.2%	\$73.19	5.7%
British Columbia	84.2%	-1.8	70.3%	0.4	\$228.92	9.8%	\$187.03	9.9%	\$192.70	7.5%	\$131.41	10.6%
Saskatchewan	60.7%	1.3	56.1%	3.3	\$114.68	-2.7%	\$118.17	-2.1%	\$69.66	-0.6%	\$66.30	4.0%
Manitoba	71.2%	0.9	67.1%	-0.3	\$122.82	0.6%	\$125.41	2.2%	\$87.49	2.0%	\$84.14	1.7%
Ontario	79.0%	-0.4	68.4%	1.4	\$169.78	3.5%	\$158.08	4.5%	\$134.12	3.0%	\$108.12	6.7%
Quebec	80.9%	-1.2	67.0%	-1.4	\$185.08	1.1%	\$169.01	3.2%	\$149.69	-0.4%	\$113.26	1.1%
New Brunswick	78.6%	-5.8	58.1%	-0.1	\$135.91	1.8%	\$123.14	3.3%	\$106.76	-5.2%	\$71.54	3.1%
Nova Scotia	80.5%	-7.3	63.5%	-1.1	\$160.09	1.9%	\$144.19	5.6%	\$128.94	-6.5%	\$91.56	3.8%
Newfoundland	70.6%	-10.3	50.8%	-11.1	\$155.87	0.3%	\$142.78	-0.5%	\$110.07	-12.4%	\$72.55	-18.4%
Prince Edward Island	86.8%	-2.2	54.7%	1.1	\$185.17	2.6%	\$146.09	6.2%	\$160.72	0.0%	\$79.94	8.3%
Northwest Territories	55.5%	-3.2	69.1%	2.9	\$138.58	2.4%	\$148.07	2.9%	\$76.85	-3.1%	\$102.26	7.4%
Yukon	91.8%	1.3	64.2%	-0.7	\$158.58	8.6%	\$142.39	8.1%	\$145.55	10.1%	\$91.39	6.9%
Canada	76.7%	-1.0	64.9%	0.9	\$181.09	4.4%	\$159.67	4.6%	\$138.89	3.1%	\$103.65	6.1%

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

[^] Percentage points.

¹ Excluding Alberta resorts.

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- The National Occupancy Rate dropped 1.0 points year-over-year to 76.7% in July 2018. Over the first seven months of the year, the national occupancy rate was still up 0.9 points year-over-year, at 64.9%. The highest occupancy rates in July were reported in Yukon (91.8%), Prince Edward Island (86.8%), and British Columbia (84.2%), while the highest rates year-to-date were registered for British Columbia (70.3%), the Northwest Territories (69.1%), and Ontario (68.4%). In July 2018, most provinces and territories recorded a decline in occupancy rates compared to July 2017. Only Yukon (+1.3%), Saskatchewan (+1.3%), Manitoba (+0.9%), and Alberta (+0.6%) saw slight increases year-over-year.
- The national average daily rate (ADR) continued to trend upward, reaching \$181.09 in July (+4.4%) and \$159.67 YTD (+4.6%). British Columbia reported the highest

ADR and year-over-year growth by province both in July (\$228.92, +9.8%) and YTD (\$187.03, +9.9%). Prince Edward Island (\$185.17) and Quebec (\$185.08) were also among the highest rates in July, while YTD Quebec (\$169.01) and Ontario (\$158.08) were near the top. Yukon also reported strong year-over-year growth in this measure (+8.6% in July, +8.1% YTD).

- Canada's average revenue per available room (RevPar) also continued to trend upward. Though July (\$138.89, +3.1%) slowed down slightly compared to recent months, YTD the national average RevPar was up 6.1% year-over-year, currently sitting at \$103.65. At the provincial level, reported RevPar followed the same trend as the ADR, with British Columbia, Prince Edward Island, and Quebec reporting the highest rates in July, and British Columbia, Quebec, and Ontario YTD.

ACCOMMODATION

Hotel Performance Indicators by Property Type

	Occupancy Rates				Average Daily Rate (ADR)			
	July 2018	YOY [^] Change	Jan.- July	YOY [^] Variance	July 2018	YOY Variance	Jan.- July	YOY Variance
Property Size								
Under 50 rooms	70.3%	0.0	51.3%	0.6	\$135.92	7.5%	\$116.04	4.5%
50-75 rooms	74.9%	-1.4	58.6%	1.0	\$140.96	3.6%	\$120.22	3.8%
76-125 rooms	75.6%	-0.8	63.3%	1.2	\$150.50	2.9%	\$133.05	2.8%
126-200 rooms	75.4%	-2.4	65.3%	0.3	\$164.07	3.6%	\$146.74	4.6%
201-500 rooms	77.7%	-0.8	68.4%	1.1	\$212.29	4.4%	\$189.60	5.4%
Over 500 rooms	85.7%	1.3	73.2%	0.3	\$286.91	6.1%	\$239.88	6.5%
Total	76.7%	-1.0	64.9%	0.9	\$181.09	4.4%	\$159.67	4.6%
Property Type								
Limited Service	73.3%	-0.9	60.2%	1.2	\$134.46	3.8%	\$120.91	3.6%
Full Service	77.9%	-0.9	67.5%	1.0	\$195.62	4.3%	\$172.95	5.1%
Suite Hotel	81.6%	-2.1	72.5%	-0.5	\$189.52	5.5%	\$166.26	5.4%
Resort	83.1%	-0.2	63.5%	0.1	\$313.51	8.4%	\$254.86	8.0%
Total	76.7%	-1.0	64.9%	0.9	\$181.09	4.4%	\$159.67	4.6%
Price Level								
Budget	73.5%	-1.2	58.8%	0.9	\$121.89	4.9%	\$107.10	6.0%
Mid-Price	76.5%	-1.2	65.5%	0.9	\$168.11	3.1%	\$149.14	3.3%
Upscale	82.0%	0.2	70.4%	0.4	\$307.55	5.2%	\$262.48	6.2%
Total	76.7%	-1.0	64.9%	0.9	\$181.09	4.4%	\$159.67	4.6%

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

- Consistent with past trends, the highest occupancy rates across Canada were reported for larger properties (500+ rooms) (85.7% in July, 73.2% YTD). While some smaller properties reported slightly stronger year-over-year growth over the first seven months of 2018, in July 2018 those smaller properties (<500 rooms) saw occupancy rates decline. By property type, suite hotels continued to report the highest occupancy rates YTD (72.5%), but in July 2018, resorts reported slightly higher rates (83.1%) than suite hotels (81.6%). Upscale properties (82.0% in July, 70.4% YTD) continued to report the highest occupancy rates by price level.
- Those larger properties (\$286.91 in July, \$239.88 YTD) and upscale properties (\$307.55 in July, \$262.48 YTD) reported the highest average daily rates (ADR) over this period, but resorts reported the highest ADR by property type (\$313.51 in July, \$254.86 YTD).