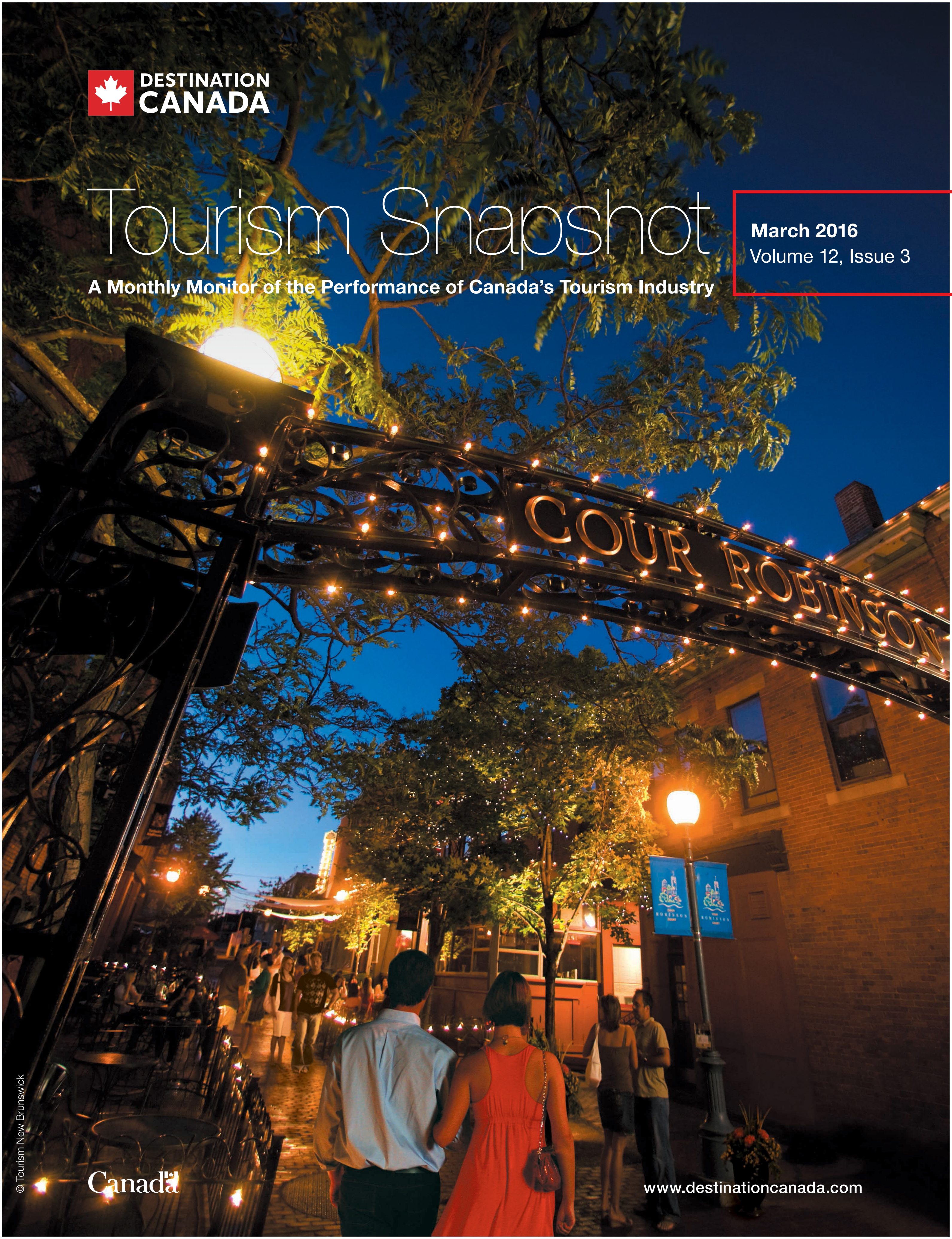
DESTINATION CANADA

Tourism Snapshot

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

March 2016
Volume 12, Issue 3



Canada

www.destinationcanada.com

KEY HIGHLIGHTS

- In March 2016, Canada greeted nearly 935,000 overnight visitors from DC's 11 international markets. This is up 23.8% relative to 2015 and represents the highest level of overnight arrivals since 2002. During the first quarter of 2016, overnight arrivals from DC's 11 international markets rose 17.5% to 2.41 million visitors.
- In March 2016, overnight arrivals from DC's 11 international markets recorded gains from all four world regions, including Latin America (+43.5%), the US (+27.1%), Europe (+12.1%) and Asia-Pacific (+1.7%).
- From January to March 2016, arrivals growth occurred from all DC regions with the US leading the way (+19.9%), followed by Latin America (+17.7%), Asia-Pacific (9.0%) and Europe (+8.0%).
- Overnight arrivals from the United States registered double-digit growth for the fifth consecutive month in March 2016 (+27.1%) with growth in arrivals by auto (+32.2%), air (+23.6%) and by other modes (+3.9%).

Industry Performance Dashboard

	Current Month	YTD
Overnight Arrivals[1]		
Total International	↑ 22.1%	↑ 16.7%
11 DC Markets**	↑ 23.8%	↑ 17.5%
Non-DC Markets	↑ 9.3%	↑ 10.2%
Air Seat Capacity[2]		
Total International	↑ 3.1%	↑ 5.1%
11 DC Markets**	↑ 3.2%	↑ 4.5%
Non-DC Markets	↑ 2.8%	↑ 6.3%
National Hotel Indicators[3]		
Occupancy Rate*	↓ -0.6	↓ -0.9
Revenue Per Available Room (Revpar)	↑ 1.9%	↑ 2.0%
Average Daily Rate (ADR)	↑ 0.8%	↑ 0.3%

Notes:
The Industry Performance Dashboard figures are year-on-year (2016/2015) variations.
* Percentage point variations.
** The 11 DC markets are US, France, Germany, UK, Australia, China, India, Japan, South Korea, Brazil and Mexico.

Sources:
1. International Travel Survey, Statistics Canada.
2. Diio Mi.
3. CBRE Hotels with reproduction and use of information subject to CBRE Disclaimer / Terms of Use as detailed at www.cbre.ca.

QUICK LINKS

MARKET MONITOR SUMMARY

	Market	Overnight Arrivals[i]		Arrival YOY Variations (%)		Air Seat capacity[ii]		Local currency vs. CAD[iii]	
		Current Month	Full Year	Current Month	Full Year	Current Month	Full Year	Current Month Average	Full Year Average
United States	United States	755,707	1,895,097	27.1%	19.9%	1.6%	3.1%	4.1%	9.1%
DC Europe	France	20,991	74,300	2.5%	5.1%	6.1%	5.4%	9.2%	8.7%
	Germany	17,299	41,396	17.6%	10.8%	3.3%	4.5%	9.2%	8.7%
	United Kingdom	43,654	102,430	15.2%	9.0%	3.2%	1.1%	-0.6%	3.5%
DC Asia-Pacific	Australia	10,604	42,569	4.6%	4.5%	-21.5%	-14.5%	3.0%	1.9%
	China	22,984	88,760	0.9%	9.5%	14.3%	17.5%	-0.4%	4.2%
	India	9,650	26,376	7.7%	9.2%	58.9%	59.0%	-1.8%	1.2%
	Japan	17,858	45,989	-3.9%	6.7%	3.2%	6.5%	13.4%	14.4%
	South Korea	9,283	32,828	6.6%	17.7%	19.8%	24.7%	-1.5%	2.3%
DC Latin America	Brazil	5,236	19,696	11.9%	-7.2%	22.0%	17.8%	-11.4%	-17.2%
	Mexico	21,469	44,499	54.1%	33.6%	57.6%	57.7%	-9.5%	-8.4%
Total 11 DC Markets		**934,735**	**2,413,940**	**23.8%**	**17.5%**				
Rest of the World		**107,743**	**296,748**	**9.3%**	**10.2%**				
Total International		**1,042,478**	**2,710,688**	**22.1%**	**16.7%**				

Sources:
i. International Travel Surey, Statistics Canada.
ii. Diio Mi.
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 in the current month and year-to-date relative to the same periods in 2015.
iii. The exchange rate variation is calculated on the average value of the Canadian dollar during the current month and the year-to-date compared to the same periods in 2015.

UNITED STATES

US Arrivals to Canada

CURRENT MONTH:

+27.1% ↑ YOY

YTD:

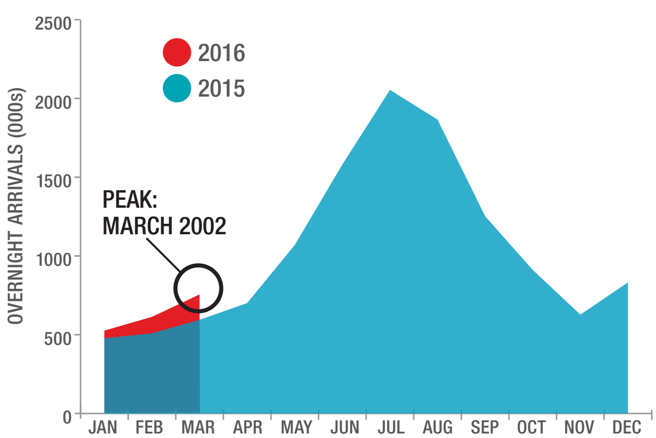
+19.9% ↑ YOY

Overnight Arrivals

	Mar. 2016		YTD 2016	
	Arrivals	% YOY Variance	Arrivals	% YOY Variance
Automobile	446,148	32.2	1,105,122	21.4
Air	267,993	23.6	687,878	21.0
Other	41,566	3.9	102,097	-0.3
US Total	**755,707**	**27.1**	**1,895,097**	**19.9**

Source: Statistics Canada, International Travel Survey.
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]	Current Month	1.6%
	YTD	3.1%
Exchange Rate[ii]	Current Month	4.1%
	YTD	9.1%
Consumer Confidence Index (1985=100)[iii]	Current Month	96.1
	Previous Month	94
YTD Arrival Peak[iv]	Peak Year	2002
	Current % of Previous Peak	87.1%

Source:
i. Diio Mi, Year on year % variance.
ii. Bank of Canada, Year on year % variance.
iii. Consumer Confidence Index, the Conference Board (USA).
iv. Statistics Canada, International Travel Survey.

UNITED STATES

- Canada welcomed about 756,000 overnight visitors from the US in March 2016, which is the highest level of visitors for the month of March registered since 2002. The US visitor peak on record during that month incidentally occurred in 2002, with about 858,000 overnight trips.
- In March 2016, overall arrivals from the US rose 27.1% over 2015, with growth recorded in arrivals by auto (+32.2%), by air (+23.6%) and other modes of transport (+3.9%). March 2016 was the fifth consecutive month of double-digit overnight arrival growth from the US.
- From January to March 2016, total US visitation to Canada rose 19.9% to 1.9 million overnight visits. Arrivals by auto and by air – the two primary modes of arrivals – registered strong increases of 21.4% and 21% respectively. Arrivals by other modes of transport – such as rail, bus and sea – recorded a minor 0.3% decline during the three first months of the year.
- Overnight inbound arrivals from the US were helped by the continued appreciation of the US dollar relative to the Canadian dollar (+4.1% in March 2016 and 9.1% YTD relative to 2015) as well as by improvements in the US economy amid solid job creation and GDP growth numbers and the Easter holiday period at the end of March, whereas it was in early April in 2015. Fewer Canadian travelling by air to the US (-8.6% in March 2-16 and -9.3% YTD) together with a minor increase in air seat capacity (+1.6% in March 2016 and +3.1% YTD) also facilitated the growth of US arrivals to Canada.
- The consumer confidence index published by the US Conference Board rose to 96.1 points in March, up from 94 points in February 2016, as the US economic outlook strengthened in the face of more favorable business, financial and employment conditions.

EUROPE

Europe Arrivals to Canada

CURRENT MONTH:

+12.1% ↑ YOY

YTD:

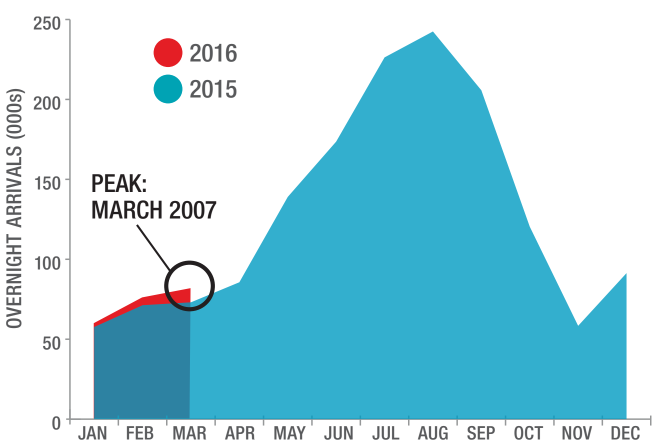
+8.0% ↑ YOY

Overnight Arrivals

	Mar. 2016		YTD 2016	
	Arrivals	% YOY Variance	Arrivals	% YOY Variance
DC Europe	**81,944**	**12.1**	**218,126**	**8.0**
United Kingdom	43,654	15.2	102,430	9.0
France	20,991	2.5	74,300	5.1
Germany	17,299	17.6	41,396	10.8
Secondary Markets				
Italy	4,392	-8.3	13,657	-1.7
Netherlands	4,537	19.3	12,538	19.4
Spain	3,201	29.3	8,000	26.0
Switzerland	6,076	36.7	16,023	18.4
Rest of Europe	29,991	13.1	85,571.0	15.0
Total Europe	**130,141**	**13.1**	**353,915**	**10.4**

Source: Statistics Canada, International Travel Survey.
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]	Current Month	6.1%	3.3%	3.2%
	YTD	5.4%	4.5%	1.1%
Exchange Rate[ii]	Current Month	9.2%	9.2%	-0.6%
	YTD	8.7%	8.7%	3.5%
YTD Arrival Peak[iii]	Peak Year	2012	1996	2008
	Current % of Previous Peak	103.2%	90.7%	71.8%

Sources:
i. Diio Mi, Year on year % variance.
ii. Bank of Canada, Year on year % variance.
iii. Statistics Canada, International Travel Survey.

- Canada welcomed 81,944 visitors from DC's markets in Europe in March 2016, up 12.1% compared to 2015. From January to March 2016, arrivals from DC Europe rose 8% relative to the same period in 2015.

- As a result of increased air seat capacity (+1.6% in March, +3.1% YTD) and a more favorable exchange rate relative to the Canadian dollar (+4.1% in February, +9.1% YTD), UK arrivals rose 15.2% in March 2016 and 9% in the first three months of the year.

- In March 2016, arrivals from France increased 2.5% while YTD arrivals are up 5.1% relative to 2015. A stronger Euro relative to the CAD (+9.2% in March, +8.7% YTD) combined with additional air capacity to Canada (+6.1% in March, +5.4% YTD) helped drive visitation to Canada from the Hexagon.

- German arrivals rose 17.6% in March and 10.8% in the first three months of the year relative to 2015. A strengthening Euro relative to the CAD and added air seat capacity (+3.3% in February, + 4.5% YTD) helped boost visits from Germany

DC Europe Arrivals by Port of Entry

- From January to March 2016, about 70% of arrivals from DC markets in Europe were direct air arrivals from overseas. Air arrivals via the US accounted for about 27% of total arrivals from France, 21% from Germany and 17% from the UK. Land arrivals made up about 5% of French and German arrivals and 9% of UK arrivals.

- Notable year-on-year variations include the 82% increase in arrivals from France at YVR airport thanks to the new Air France flight from Paris and the strong increases in the number of German arrivals at Montreal-Trudeau (+18.1%) and Toronto Pearson (+16.9%). UK arrivals also recorded strong growth at Montreal (+10%) and Toronto (+16.5%) airports.

			France	Germany	UK
Air Arrivals from Overseas	YYZ	Arrivals	7,228	13,358	31,767
		YOY%	-3.2%	16.9%	16.5%
		% of Total	**9.7%**	**32.3%**	**31.0%**
	YVR	Arrivals	2,070	6,401	19,626
		YOY%	82.2%	1.3%	-3.9%
		% of Total	**2.8%**	**15.5%**	**19.2%**
	YUL	Arrivals	39,223	5,669	9,698
		YOY%	2.5%	18.3%	10.0%
		% of Total	**52.8%**	**13.7%**	**9.5%**
	YYC	Arrivals	568	4,298	10,630
		YOY%	-28.3%	7.2%	4.7%
		% of Total	**0.8%**	**10.4%**	**10.4%**
	All other airports	Arrivals	1,136	797	4,795
		YOY%	2.4%	3.0%	6.7%
		% of Total	**1.5%**	**1.9%**	**4.7%**
	Subtotal	Arrivals	50,225	30,523	76,516
		YOY%	3.3%	12.2%	9.2%
		% of Total	**67.6%**	**73.7%**	**74.7%**
Air Arrivals via the US	All airports	Arrivals	20,228	8,748	16,914
		YOY%	14.2%	8.6%	10.9%
		% of Total	**27.2%**	**21.1%**	**16.5%**
Sea Arrivals	All sea borders	Arrivals	13	6	9
		YOY%	-43.5%	20.0%	-99.9%
		% of Total	**0.0%**	**0.0%**	**0.0%**
Land Arrivals via US	All land borders	Arrivals	3,834	2,119	8,991
		YOY%	-10.6%	-0.1%	4.8%
		% of Total	**5.2%**	**5.1%**	**8.8%**
Total Overnight Arrivals			**74,300**	**41,396**	**102,430**

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:

+1.7% ↑ YOY

YTD:

+9.0% ↑ YOY

Overnight Arrivals

	Mar. 2016		YTD 2016	
	Arrivals	% YOY Variance	Arrivals	% YOY Variance
DC Asia-Pacific	**70,379**	**1.7**	**236,522**	**9.0**
Australia	10,604	4.6	42,569	4.5
China	22,984	0.9	88,760	9.5
India	9,650	7.7	26,376	9.2
Japan	17,858	-3.9	45,989	6.7
South Korea	9,283	6.6	32,828	17.7
Secondary Markets				
Hong Kong	8,927	5.8	25,810	1.0
Taiwan	3,933	21.2	13,099	36.4
Rest of Asia-Pacific	21,131	-8.1	56,116	-0.4
Total Asia-Pacific	**104,370**	**0.5**	**331,547**	**7.5**

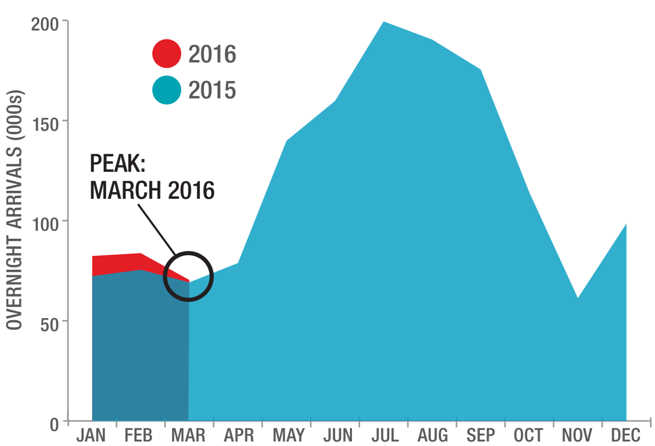
Source: Statistics Canada, International Travel Survey.
Note: The figures are preliminary estimates and are subject to change.

Asia-Pacific: Key Indicators

		Australia	China	India	Japan	South Korea
Air Seat Capacity[i]	Current Month	-21.5%	14.3%	58.9%	3.2%	19.8%
	YTD	-14.5%	17.5%	59.0%	6.5%	24.7%
Exchange Rate[ii]	Current Month	3.0%	-0.4%	-1.8%	13.4%	-1.5%
	YTD	1.9%	4.2%	1.2%	14.4%	2.3%
YTD Arrival Peak[iii]	Peak Year	2015	2015	2015	1997	2007
	Current % of Previous Peak	104.5%	109.5%	109.2%	48.8%	90.8%

Sources:
i. Diio Mi, Year on year % variance.
ii. Bank of Canada, Year on year % variance.
iii. Statistics Canada, International Travel Survey.

Trend Plot: Total DC Asia-Pacific Arrivals



ASIA-PACIFIC

- Canada welcomed 70,380 visitors from DC Asia-Pacific in March 2016, up 1.7%, achieving a new all-time record for a month of March. During the first quarter of 2016, overnight visitation rose 9%.
- South Korea achieved a 6.6% growth in arrivals in March 2016 and 17.7% in the first quarter of 2016. This performance was supported by a 24.7% YTD increase in air capacity and the strong Won relative to the Canadian dollar.
- Overnight arrivals from Japan declined slightly in March 2016 (-3.9%) following a strong increase in February. A lift in air seat capacity (+6.5% YTD) and a more favorable exchange rate relative to the CAD help support 6.7% growth in Japan arrivals during the first three months of 2016.
- Visitation from India grew 7.7% in March 2016 achieving a new peak for that month. Year-to-date, Indian arrivals rose 9.2%. A significant increase in direct air capacity (+59% in March and YTD) amid the new nonstop Air Canada flight to Delhi fuelled visitation from India.
- China recorded moderate growth in March with arrivals up 0.9%. Air capacity rose significantly (+17.5% YTD) and Chinese visitors benefited from a favorable exchange rate. As a result, the number of Chinese visitors rose 9.5% YTD, laying the foundations for yet another record year.
- Australia posted a 4.6% increase in March 2016 and 4.5% year-to-date despite the decline in direct air seat capacity (-21.5% in March, -14.5% YTD). A strong increase in air capacity via the US, including to San Francisco, during that period offset the capacity decline to Canada.

DC Asia-Pacific Arrivals by Port of Entry

- Over the first quarter of 2016, about 75% of arrivals from China, two thirds from India and Japan, half from South Korea and a third from Australia were air arrivals direct from overseas.
- Air arrivals via the US accounted for about 50% of total arrivals from Australia, 23% from Japan, 19% from South Korea, 18% from China and 12% from India.
- Arrivals from China to YUL increased 425% thanks to the new Air China flight from Beijing.

			Australia	China	India	Japan	South Korea
Air Arrivals from Overseas	YYZ	Arrivals	2,298	27,811	10,753	9,603	5,146
		YOY%	14.8%	1.7%	13.8%	-3.9%	18.0%
		% of Total	**5.4%**	**31.3%**	**40.8%**	**20.9%**	**15.7%**
	YVR	Arrivals	12,500	35,029	2,597	20,806	12,730
		YOY%	-5.1%	9.1%	-3.1%	14.1%	13.1%
		% of Total	**29.4%**	**39.5%**	**9.8%**	**45.2%**	**38.8%**
	YUL	Arrivals	274	3,174	1,164	241	145
		YOY%	-2.1%	424.6%	-3.6%	104.2%	-29.3%
		% of Total	**0.6%**	**3.6%**	**4.4%**	**0.5%**	**0.4%**
	YYC	Arrivals	242	92	1,116	1,640	131
		YOY%	13.1%	-25.8%	-4.6%	-11.8%	-61.0%
		% of Total	**0.6%**	**0.1%**	**4.2%**	**3.6%**	**0.4%**
	All other airports	Arrivals	95	137	426	51	40
		YOY%	0.6%	0.2%	2.9%	0.2%	0.2%
		% of Total	**0.2%**	**0.2%**	**1.6%**	**0.1%**	**0.1%**
	Subtotal	Arrivals	15,409	66,243	16,056	32,341	18,192
		YOY%	-2.6%	9.4%	9.5%	6.7%	12.2%
		% of Total	**36.2%**	**74.6%**	**60.9%**	**70.3%**	**55.4%**
Air Arrivals via the US	All airports	Arrivals	21,582	16,163	3,178	10,786	6,277
		YOY%	8.5%	11.1%	28.8%	9.7%	17.4%
		% of Total	**50.7%**	**18.2%**	**12.0%**	**23.5%**	**19.1%**
Sea Arrivals	All sea borders	Arrivals	8	9	30	6	5
		YOY%	-55.6%	-83.0%	-44.4%	20.0%	-37.5%
		% of Total	**0.0%**	**0.0%**	**0.1%**	**0.0%**	**0.0%**
Land Arrivals via US	All land borders	Arrivals	5,570	6,345	7,112	2,856	8,354
		YOY%	11.0%	6.6%	1.9%	-3.8%	32.2%
		% of Total	**13.1%**	**7.1%**	**27.0%**	**6.2%**	**25.4%**
Total Overnight Arrivals			**42,569**	**88,760**	**26,376**	**45,989**	**32,828**

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:

+43.5% ↑ YOY

YTD:

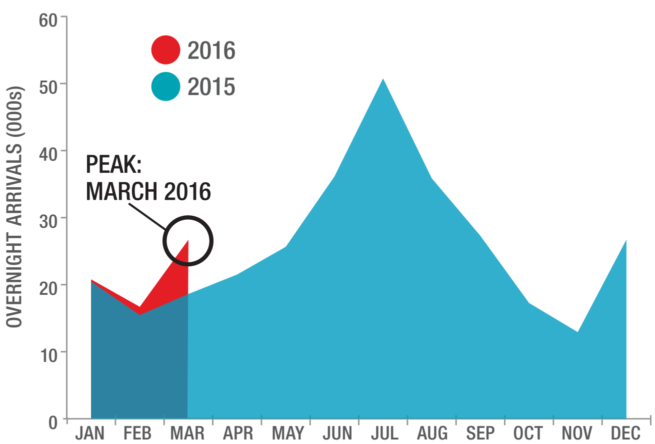
+17.7% ↑ YOY

Overnight Arrivals

	Mar. 2016		YTD 2016	
	Arrivals	% YOY Variance	Arrivals	% YOY Variance
DC Latin America	**26,705**	**43.5**	**64,195**	**17.7**
Brazil	5,236	11.9	19,696	-7.2
Mexico	21,469	54.1	44,499	33.6
Rest of Latin America	19,019	16.6	48,375	11.0
Total Latin America	**45,724**	**30.9**	**112,570**	**14.7**

Source: Statistics Canada, International Travel Survey.
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]	Current Month	22.0%	57.6%
	YTD	17.8%	57.7%
Exchange Rate[ii]	Current Month	-11.4%	-9.5%
	YTD	-17.2%	-8.4%
YTD Arrival Peak[iii]	Peak Year	2015	2008
	Current % of Previous Peak	92.8%	93.7%

Sources:
i. Diio Mi, Year on year % variance.
ii. Bank of Canada, Year on year % variance.
iii. Statistics Canada, International Travel Survey.

- Canada welcomed 26,700 visitors from the two DC Latin America markets in March 2016, up 43.5% compared to 2015, in part due to an earlier Easter holiday, establishing a new arrival peak for a month March. From January to March 2016, arrivals from DC Latin America rose 17.7%.
- March 2016 was the fifth consecutive month of double-digit arrival growth from Mexico (+54.1%), contributing to strong YTD growth (+33.6%). While the lift in air seat capacity was significant (+57.7% YTD), a share of this growth was likely driven by the Semana Santa (Easter) holiday shifting earlier to March this year (it fell in April last year).
- Arrivals from Brazil also rose significantly in March (+11.9%) amid the early Easter holiday period this year. From January to March 2016, Brazilian arrivals declined 7.2%. The benefits of the strong increase in air seat capacity to Canada (+17.8% YTD) were being offset by a plummeting Brazilian Real (-17% YTD), a troubled economy and political turbulence.

DC Latin America Arrivals by Port of Entry

- About half of arrivals from Mexico and Brazil were direct air arrivals from overseas during since the start of 2016.
- Air arrivals via the US accounted for about 44% of total arrivals to Canada from Brazil and 18% from Mexico. Arrivals by land accounted for 26% of total arrivals from Mexico and 4% from Brazil.
- Notable year-on-year variations include significant increases in arrivals from Mexico at Toronto-Pearson (YYZ) (+36%), Montreal-Trudeau (YUL) (+23%) and Vancouver International (YVR) (+102%). An 80% increase in arrivals from Brazil was recorded to YVR (although the number of arrivals remains small) as a result of the new AeroMexico flight to Vancouver which provides easier air access from Latin America via the Mexico City hub.

			Brazil	Mexico
Air Arrivals from Overseas	YYZ	Arrivals	9,681	10,084
		YOY%	-6.4%	35.9%
		% of Total	**49.2%**	**22.7%**
	YVR	Arrivals	273	9,574
		YOY%	79.6%	101.8%
		% of Total	**1.4%**	**21.5%**
	YUL	Arrivals	219	3,105
		YOY%	6.3%	22.9%
		% of Total	**1.1%**	**7.0%**
	YYC	Arrivals	13	341
		YOY%	-7.1%	-12.6%
		% of Total	**0.1%**	**0.8%**
	All other airports	Arrivals	48	349
		YOY%	0.4%	2.3%
		% of Total	**0.2%**	**0.8%**
	Subtotal	Arrivals	10,234	23,453
		YOY%	-4.8%	52.2%
		% of Total	**52.0%**	**52.7%**
Air Arrivals via the US	All airports	Arrivals	8,600	9,415
		YOY%	-9.5%	18.4%
		% of Total	**43.7%**	**21.2%**
Sea Arrivals	All sea borders	Arrivals	0	0
		YOY%	-100.0%	-100.0%
		% of Total	**0.0%**	**0.0%**
Land Arrivals via US	All land borders	Arrivals	862	11,631
		YOY%	-90.9%	46.3%
		% of Total	**4.4%**	**26.1%**
Total Overnight Arrivals			**19,696**	**44,499**

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

COMPETITIVE REVIEW

Trips From:		Trips To: Canada	% YOY Variance	Australia	% YOY Variance
Total International		2,710,688	16.7%	2,171,800	11.8%
United States		1,895,097	19.9%	195,100	15.6%
Canada		...	...	49,600	1.6%
Europe	United Kingdom	102,430	9.0%	240,600	6.9%
	France	74,300	5.1%	33,500	5.0%
	Germany	41,396	10.8%	60,900	7.0%
Asia-Pacific	Australia	42,569	4.5%	...	...
	Japan	45,989	6.7%	110,600	28.6%
	South Korea	32,828	17.7%	81,700	26.3%
	China	88,760	9.5%	389,500	21.4%
	India	26,376	9.2%	60,200	-2.6%
Latin America	Mexico	44,499	33.6%	2,400	9.1%
	Brazil	19,696	-7.2%	11,900	-12.5%
Total DC Key Markets		2,413,940	17.5%	1,236,000	14.4%

Sources:
Statistics Canada, International Travel Survey Border Counts.
Australian Bureau of Statistics, Overseas Arrivals and Departures, cat. no. 3401.0.

- From January to March 2016, Canada registered a slightly higher increase in total international arrivals (+16.7%) than Australia (+11.8%) over 2015. Canada welcomed 2.7 million international visitors, compared with 2.17 million in Australia.
- Among DC's markets, Canada registered stronger growth than Australia, with arrivals increasing 17.5% - compared to 14.4% in Australia. Arrivals from DC markets totalled nearly 2.41 million trips to Canada compared to 1.24 million in Australia.
- Tourism flows between Canada and Australia are relatively on par. Approximately 49,600 Canadian travellers visited Australia year-to-date (+1.6%), while nearly 43,000 Australia travellers visited Canada (+4.5%).
- Canada registered stronger growth than Australia from the US (+19.9% vs +15.6%) since the start of the year. Canada welcomed nearly ten times more American visitors than Australia (1.9 million vs 195,000 visits).
- Australia continues to post a surge in arrivals from China (+21.4%), outpacing the growth rate recorded in Canada (+9.5%). China remains Australia's main long-haul inbound market with 390,000 visitors, compared to just short of 89,000 Chinese visitors to Canada.
- In addition to China, Australia recorded stronger growth than Canada from Japan (+28.6% vs +6.7%) and South Korea (+26.3% vs +17.7%) year-to-date.
- Canada registered larger gains than Australia in arrivals from all other DC markets, including France (+5.1% vs 5%), Mexico (+33.6% vs +9.1%), Germany (+10.8% vs 7.0%) and India (+9.2% vs -2.6%).

INTERNATIONAL ARRIVALS BY PROVINCE OF ENTRY

Overnight Arrivals by Province of Entry

		Newfoundland and Labrador	Prince Edwad Island	Nova Scotia	New Brunswick	Québec	Ontario
Total One or more nights	2016	-11.4%	-13.0%	-10.5%	26.4%	21.1%	16.5%
	Variance YOY%	(645)	(3)	(918)	3,679	77,429	170,071
	Change YOY	0	0	0	16,890	176,667	508,280
US Residents by Automobile	2016	0.0%	0.0%	0.0%	27.9%	34.7%	19.4%
	Variance YOY%	-	False	-	3,688	45,502	82,726
	Change YOY	635	16	4,217	561	120,826	355,919
US Residents by Non-Automobile	2016	-58.1%	0.0%	-18.5%	6.9%	17.5%	18.0%
	Variance YOY%	(882)	16	(956)	36	17,952	54,271
	Change YOY	4,365	4	3,619	172	146,047	338,914
Residents from Other Countries	2016	5.7%	-82.6%	1.1%	-20.7%	10.6%	10.8%
	Variance YOY%	237	(19)	38	(45)	13,975	33,074
	Change YOY	(49)	(23)	(13)	(40)	9,781	15,946

Source: International Travel Survey, Statistics Canada.

Overnight Arrivals by Province of Entry

		Manitoba	Saskatchewan	Alberta	British Columbia	Yukon	CANADA
Total One or more nights	2016	33,197	11,585	141,302	841,980	5,492	**2,710,688**
	Variance YOY%	16.9%	5.3%	7.3%	16.8%	25.4%	**16.7%**
	Change YOY	4,791	583	9,572	121,306	1,114	**386,979**
US Residents by Automobile	2016	20,053	6,163	12,359	359,843	4,867	**1,105,122**
	Variance YOY%	21.9%	30.9%	16.9%	18.1%	27.3%	**21.4%**
	Change YOY	3,603	1,456	1,791	55,239	1,043	**195,048**
US Residents by Non-Automobile	2016	11,953	4,940	85,980	204,703	225	**789,975**
	Variance YOY%	14.4%	-4.9%	10.6%	23.7%	99.1%	**17.8%**
	Change YOY	1,507	(254)	8,215	39,216	112	**119,233**
Residents from Other Countries	2016	1,191	482	42,963	277,434	400	**815,591**
	Variance YOY%	-21.1%	-56.2%	-1.0%	10.7%	-9.3%	**9.8%**
	Change YOY	(319)	(619)	(434)	26,851	(41)	**72,698**

- From January to March 2016, the largest increases in total international arrivals to Canada were recorded through Ontario (+170,070, +16.5%), British Columbia (+121,300, +16.8%), and Quebec (+77,430, +21.1%).
- All three provinces (Ontario, BC and Quebec) registered strong gains in US arrivals by auto and non-auto modes as well as from overseas since the start of 2016.
- Eight provinces and territories recorded double-digit growth in arrivals by automobile from the US, with Quebec leading the way (+34.7%), followed by Saskatchewan (+30.9%), New Brunswick (+27.9%), the Yukon (+27.3%), Manitoba (+21.9%), Ontario (+19.4%), BC (+18.1%) and Alberta (+16.9%).
- Newfoundland and Labrador, Nova Scotia and PEI recorded a contraction of total international arrivals (mainly US residents arriving by non-auto modes) since the beginning of 2016.

CANADIAN OUTBOUND TRAVEL

Overnight Trips by Canadians

	Mar. 2016	YOY % Variance	Jan.- Mar. 2016	YOY % Variance
United States	1,798,325	-13.4	4,384,714	-13.4
Other Countries	1,328,361	1.0	3,778,506	6.1
Total Trips from Canada	3,126,686	-7.8	8,163,220	-5.3

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

- In March 2016, the number of overnight trips by Canadians to international destinations, including the US, declined by 7.8% to 3.13 million. While the number of overnight trips by Canadians to the US fell by 13.4% year-over-year, it rose by 1% to overseas destinations.
- During the first three months of 2016, total Canadian outbound travel fell 5.3% to 8.16 million trips. As a result of the depreciation of the loonie relative to the US dollar, Canadians curtailed their travel to the US by 13.4%, choosing overseas countries (+6.1%) as alternative destinations.
- Amid some signs of a recovering Canadian economy in early 2016, the index of consumer confidence published by the Conference Board of Canada improved by 8.5 points in March to land at 92.2 (2014 = 100).
- In March 2016, most Canadian residents returned to the country from abroad through Ontario (1.5 million re-entries, -8%), Quebec (569,000 re-entries, -5.1%) and BC (578,000 re-entries, -7%).
- In March 2016, Canadian residents returning home from the US primarily re-entered Canada through Ontario (854,000 re-entries, -16.6%), BC (384,000 re-entries, -9.6%) and Quebec (274,000 re-entries, -9.6%).

ACCOMMODATION

Hotel Performance Indicators by Province

	Occupancy Rates				Average Daily Rate (ADR)				Revenue Per Available Room (RevPAR)			
	Mar. 2016	YOY^ Variance	Jan.-Mar.	YOY^ Variance	Mar. 2016	YOY Variance	Jan.-Mar.	YOY Variance	Mar. 2016	YOY Variance	Jan.-Mar.	YOY Variance
Alberta[1]	49.9%	-10.4	46.9%	-11.3	$129.79	-8.5%	$130.14	-8.0%	$64.82	-24.2%	$61.00	-25.8%
British Columbia	65.9%	4.9	59.1%	2.2	$148.39	11.2%	$146.67	8.0%	$97.78	20.2%	$86.69	12.3%
Saskatchewan	51.2%	-5.0	49.6%	-5.2	$127.88	-3.0%	$127.78	-2.9%	$65.53	-11.5%	$63.34	-12.0%
Manitoba	62.6%	-0.9	58.7%	0.0	$117.82	0.4%	$118.06	-0.1%	$73.74	-1.1%	$69.27	-0.1%
Ontario	59.0%	0.5	56.6%	1.6	$132.39	0.5%	$133.13	3.2%	$78.16	1.4%	$75.41	6.2%
Quebec	59.3%	1.8	57.4%	1.3	$143.12	4.0%	$142.38	3.3%	$84.80	7.3%	$81.79	5.7%
New Brunswick	46.8%	1.4	41.8%	0.7	$107.35	-0.6%	$107.80	1.1%	$50.24	2.3%	$45.08	3.0%
Nova Scotia	56.5%	-0.7	49.2%	1.2	$118.58	0.1%	$117.95	1.3%	$66.96	-1.1%	$58.08	3.9%
Newfoundland	53.3%	-2.9	46.5%	-6.2	$132.71	-0.3%	$132.91	-1.2%	$70.71	-5.5%	$61.79	-12.9%
Prince Edward Island	37.1%	4.2	40.1%	6.1	$95.67	4.2%	$100.18	3.1%	$35.52	17.6%	$40.18	21.7%
Northwest Territories	89.4%	8.1	82.3%	12.6	$163.56	0.2%	$154.97	-2.5%	$146.24	10.1%	$127.53	15.1%
Yukon	62.4%	-5.4	57.1%	3.2	$111.33	-3.8%	$110.60	1.8%	$69.46	-11.5%	$63.14	7.9%
Canada	**58.0%**	**-0.6**	**54.4%**	**-0.9**	**$136.37**	**1.9%**	**$136.06**	**2.0%**	**$79.05**	**0.8%**	**$74.01**	**0.3%**

*Based on the operating results of 223,202 rooms (unweighted data).
^ Percentage points.
[1] Excluding Alberta resorts.

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- During March 2016, the National Occupancy Rate decreased 0.6 points (relative to March 2015) to 58% amid mixed performance indicators for the accommodation sector across Canada. Since the start of the year, the National Occupancy Rate declined 0.9% to 54.4%.

- With the downturn in the resource and commodity sectors impacting business travel, hotel performance in oil and gas producing provinces sustained contractions in occupancy rates in March relative to the previous year, with the strongest impact being felt in the three provinces with a large oil and gas sector: Alberta (-11.3 points), Newfoundland and Labrador (-6.2 points) and Saskatchewan (-5.2 points). Both the average daily rate and the revenue per available room (RevPar) declined in the face of lower demand and occupancy. Alberta recorded the strongest decline (-24.2%) in the March RevPar (relative to the previous year), followed by Saskatchewan (-11.5%) and Newfoundland and Labrador (-5.5%).

- On a brighter note, most other Canadian regions recorded good overall hotel performance in March 2016. Occupancy rose 8.1 points in the Northwest Territories, 4.9 points in BC and 4.2 points in PEI compared to 2015. Particularly strong monthly RevPar increases were recorded in PEI (+21.7%), the Northwest Territories (+15.1%) and BC (+12.3%).

- Resort destinations in Alberta and British Columbia (Whistler) registered a spectacular performance during March 2016 with RevPar up 27% and 54% respectively relative to 2015. Strong performance for resort properties in Alberta and BC has been steady since the start of the year, with the YTD RevPar increasing 15% in the former and 31% in the latter.

ACCOMMODATION

Hotel Performance Indicators by Property Type

	Occupancy Rates				Average Daily Rate (ADR)			
	Mar. 2016	YOY^ Change	Jan.- Mar.	YOY^ Variance	Mar. 2016	YOY Variance	Jan.- Mar.	YOY Variance
Property Size								
Under 50 rooms	43.4%	-1.4	39.3%	-3.8	$100.09	0.9%	$99.85	0.5%
50-75 rooms	49.9%	-1.7	46.6%	-2.1	$105.42	0.6%	$104.52	-1.0%
76-125 rooms	56.0%	-0.9	52.1%	-2.0	$120.52	-0.6%	$120.13	-0.9%
126-200 rooms	59.3%	-1.3	55.6%	-1.0	$126.02	0.9%	$124.97	0.8%
201-500 rooms	62.0%	0.3	58.8%	0.2	$158.86	4.5%	$159.34	4.5%
Over 500 rooms	65.5%	1.5	62.3%	2.5	$179.33	2.1%	$177.18	3.4%
Total	58.0%	-0.6	54.4%	-0.9	$136.37	1.9%	$136.06	2.0%
Property Type								
Limited Service	52.4%	-1.6	48.6%	-2.5	$109.05	-0.9%	$108.59	-1.0%
Full Service	59.8%	-1.0	56.5%	-0.6	$141.11	0.5%	$140.45	1.4%
Suite Hotel	68.0%	2.0	64.4%	1.1	$144.73	3.4%	$143.49	2.6%
Resort	62.2%	6.7	58.0%	3.8	$214.14	17.2%	$216.69	11.3%
Total	58.0%	-0.6	54.4%	-0.9	$136.37	1.9%	$136.06	2.0%
Price Level								
Budget	50.0%	1.5	46.5%	0.8	$88.67	4.1%	$87.96	3.5%
Mid-Price	59.6%	-1.8	55.7%	-2.0	$130.28	-0.4%	$129.76	-0.2%
Upscale	62.8%	0.9	60.8%	1.0	$217.17	8.1%	$215.37	7.6%
Total	58.0%	-0.6	54.4%	-0.9	$136.37	1.9%	$136.06	2.0%

- Since the beginning of 2016, the larger hotels (greater than 125 rooms) generally fared better in terms of occupancy and average daily rates, particularly in Central Canada and to a lesser extend in Atlantic Canada. The largest properties (hotels with over 500 rooms) registered the strongest performance with occupancy up 2.5 points and ADR up 3.4% since the start of the year.

- Suite hotels were the property type with the highest occupancy (64.4%) since the start of the year. Suite hotels were the best performers of hotel classes in Atlantic, Central and Western Canada.

- Resorts recorded the highest growth in occupancy rate (+3.8 points) and ADR (+11.3 points) nationwide from January to March 2016 relative to last year, particularly in Western Canada.

DC CONSUMER AND MARKET INTELLIGENCE