



Tourism snapshot

Canadian Tourism Commission

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

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Key highlights

Following seventeen consecutive monthly declines, U.S. travel patterns to Canada reversed in April 2009. Overnight trips from the U.S. increased by 5.1% compared to the same month a year ago.

India and China continue to show resilience to the current unstable economic environment, recording gains of 10.7% and 10.4% respectively, while Brazil posted a significant drop of 27.4%.

The Conference Board Consumer Confidence Index, which had posted a slight increase in March, continued to improve in April. The index now stands at 39.2 (1985=100), up from 26.9 in March.

Tourism review

International trips

- International travellers made 994,343 overnight trips in April 2009, an increase of 4.0% over the previous year, and was mainly contributed by an increase in U.S. travel to Canada;
- This month, overnight trips to Canada from the Americas posted an increase of 5.7% while overseas key markets registered a slight decrease of 1.5% compared to April 2008;
- Overnight trips to Canada in April 2009 from overseas countries other than CTC key markets were marginally up (0.9%) reaching 104,687 trips, while trips from non-US countries also increased slightly by 1.3%;
- Year-to-date, overall international trips to Canada fell by 4.7% reaching 3.2 million trips, while trip volume from overseas countries other than CTC key markets remained unchanged over the same period in 2008.

United States

- Following seventeen consecutive monthly declines, U.S. travel patterns to Canada reversed in April 2009. Overnight trips from the U.S. increased by 5.1% compared to the same month a year ago, supported by a sharp gain in auto travel (+17.6%). Trips by "plane" and "other modes" still experienced double digit drops of -10.7% and -13% respectively;

Overnight trips to Canada

	April 2009	09/08 April % change	Jan-Apr 2009	Year-to-date % change
Americas*				
United States				
Automobile	455,082	17.6	1,409,975	1.6
Plane	216,367	-10.7	765,830	-10.2
Other	49,002	-13.0	138,687	-18.5
U.S. total	720,451	5.1	2,314,492	-4.0
Mexico	21,252	30.2	58,793	-7.8
Americas total	741,703	5.7	2,373,285	-4.1
Overseas key markets				
France	24,426	7.1	84,686	0.6
Germany	16,262	10.6	54,454	6.2
UK	50,483	1.4	158,782	-17.5
China	11,025	10.4	41,086	13.3
Japan	13,701	-14.1	48,234	-21.6
South Korea	8,759	-27.2	36,569	-23.0
Australia	11,298	-8.9	44,184	-6.9
India**	8,524	10.7	25,171	11.6
Brazil**	3,475	-27.4	16,884	-2.8
Overseas key markets total	147,953	-1.5	510,050	-9.0
As % of overseas and Americas	16.6		17.7	
Other overseas countries	104,687	0.9	331,562	0.0
Non-US countries	273,892	1.3	900,405	-6.6
Total countries	994,343	4.0	3,214,897	-4.7

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

*Refers to the CTC's marketing group in the U.S. and Mexico.

** India and Brazil are added to the CTC overseas key markets.

Overnight trips by Canadians

	April 2009	09/08 April % change	Jan-Apr 2009	Year-to-date % change
United States	1,570,830	-0.9	5,534,418	-8.9
Other countries	793,458	4.7	3,689,396	5.0
Total trips from Canada	2,364,288	0.9	9,223,814	-3.8

Note: Statistics Canada preliminary estimates.

Source: Statistics Canada, International Travel Survey.

- Overall year-to-date, U.S. overnight trips declined by 4.0% over 2008, with 96,571 fewer trips;
- In April 2009, most provinces registered increases in overnight trips from the U.S. with the exception of three provinces (Newfoundland -36.1%, Nova Scotia -5.6% and British Columbia -1.4%);
- During the first four months of 2009, four provinces (PEI +26.7%, Saskatchewan +13.7%, Yukon +2.5% and New Brunswick +0.7%) registered increases in inbound U.S. trips.

Mexico

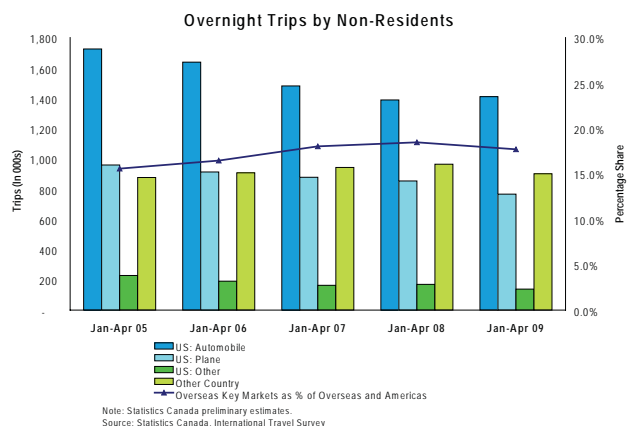
- In April 2009, Mexico registered a significant gain of 30.2% in overnight trips over 2008, with a total of 21,252 trips made to Canada;
- Despite a surge in inbound travel from Mexico in April, year-to-date overnight trips were down 7.8%, reaching 58,793 trips.

Share of entry (January-April, 2009)

- Americas (the U.S. and Mexico) accounted for 82.3% of total visitors from core markets with Mexico contributing a share of 2.0%;
- Canada received 2,314,492 overnight U.S. visitors during this period, accounting for 80.3% of total visitors from core markets and unchanged compared to the same period in 2008. Of these U.S. visitors, 48.9% travelled by automobile, 26.6% by plane, while 4.8% used "other modes" of transportation;
- Overnight visitors from key European markets made 297,922 trips to Canada, accounting for a share of 10.3%, slightly less than the share of 11.0% achieved in 2008. Of all inbound trips from core markets, the U.K. accounted for the largest share (5.5%), followed by France (2.9%) and Germany (1.9%);
- Overnight visitors from Asian key markets made 170,073, accounting for 5.9% of total visitors from key markets, representing a slight decline over the 6.4% recorded in 2008;
- Year-to-date, overseas key markets lost a small share to the Americas, slipping from 18.5% in 2008 to 17.7% in 2009, however overseas key markets gained the share in 2009 compared to the same period in 2005 (15.6%).

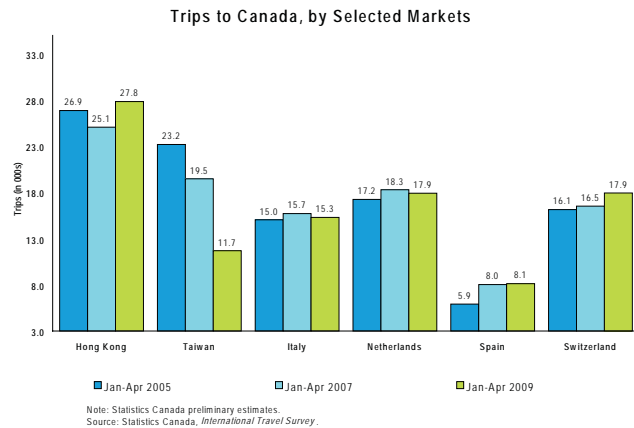
Overseas key markets

- In April 2009, overseas key markets posted a slight decrease, falling by 1.5% over the same month in 2008 with a total of 147,953 overnight trips made to Canada;
- This month, all three key markets in Europe registered increases (Germany +10.6%, France +7.1%, the U.K. 1.4%), while three Asian key markets posted decreases (South Korea -27.2%, Japan -14.1%, Australia -8.9%);
- India and China continue to be resilient to the current unstable economic environment, registering 10.7% and 10.4% gains respectively, while Brazil posted a significant drop of 27.4%;
- Year-to-date, increases registered by China (+13.3%), India (+11.6%), Germany (+6.2%) and France (+0.6%) were partially offset by decreases from South Korea (-23.0%), Japan (-21.6%) and the U.K. (-17.5%). Australia and Brazil also contributed to the negative performance of overseas key markets with drops of 6.9% and 2.8% respectively.



Market watch

- Canada experienced an 11.1% increase in overnight trips from Hong Kong during the first four months of 2009 over 2007, with Switzerland and Spain also registering growth of 8.6% and 1.3% respectively;
- Trips from Taiwan posted a significant decline of 40% compared to the same period in 2007, while Italy and Netherlands also registered slight drops of 2.6% and 2.1% respectively;
- Year-to-date, Canada saw a significant increase of 37.4% in trips from Spain over the same period in 2005, while overnight trips from Taiwan fell by 49.6%.



Competitive review

International travel, January-February 2009 (In 000s)

Trips from:	Trips to:					
	Canada		United States		Australia	
	#	09/08 change	#	09/08 change	#	09/08 change
Total international	1,432	-5%	5,993	-10%	962	-3%
Americas						
United States	1,017	-5%	78	-9%
Mexico ¹	24	-6%	733	-13%
Overseas key markets						
France	44	-3%	138	1%	16	8%
Germany	26	10%	175	-12%	30	-2%
United Kingdom	72	-18%	445	-22%	139	-4%
China ²	20	14%	105	7%	101	11%
Japan	20	-25%	485	-11%	64	-25%
South Korea	18	-25%	114	-21%	35	-28%
Australia	25	-6%	79	-16%
India	10	18%	65	-14%	20	12%
Brazil	10	16%	144	13%
Canada	2,242	-11%	27	-6%
Total key markets	1,286	-6%	4,726	-14%	510	-7%

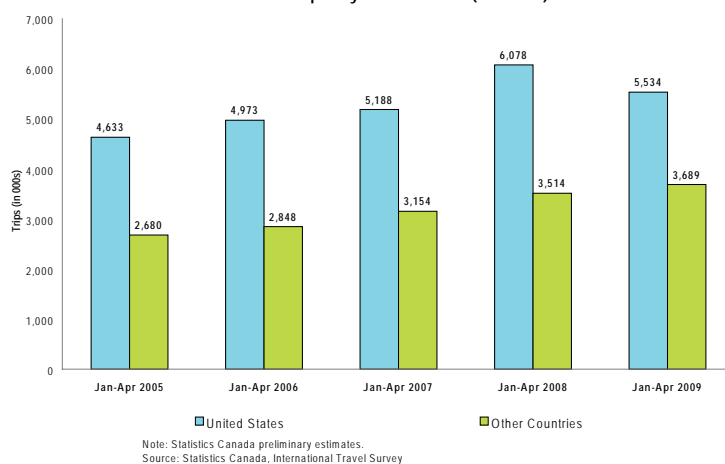
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¹US figures for Mexico include arrivals to interior only.
²US figures for China includes Hong Kong, SAR.
 Note: Statistics Canada preliminary figures.
 Sources: Statistics Canada; Tourism Australia; and ITA, Office of Travel and Tourism Industries (USA).

- For the first two months of 2009, international trips to all three destinations recorded decreases, with the U.S. experiencing the largest decline of 10% followed by Canada (-5%) and Australia (-3%);
- Of the three destinations, Canada outperformed Australia and the U.S. in terms of market growth from China (+14%); however, Australia (+8%) and the U.S. (+1%) outperformed Canada in terms of market growth from France;
- Canada experienced stronger growth from India (+18%) and Brazil (+16%) during the first two months of 2009 compared to Australia and the U.S. Trips from Germany to Canada grew 10% compared to the year prior, while both the U.S. and Australia saw declines of -12% and -2% respectively;
- All three destinations posted significant decreases in overnight trips from South Korea with Australia capturing the worst performance (-28%) followed by Canada (-25%) and the U.S. (-21%). Canada and Australia also recorded significant declines in visitation from Japan, both falling 25% while trips to the U.S. dropped by 11%.

Canadian outbound trips

- In April 2009, overall outbound trips by Canadians posted a marginal increase of 0.9% over the same month last year;
- The unstable economic environment together with the weaker Canadian dollar continued to impact Canadian travel to the U.S. For this month, overnight trips to the U.S. fell slightly by 0.9%, while outbound trips to non-U.S. destinations increased 4.7% over April 2008;
- For this month, 3 provinces/territories posted significant increases in outbound trips to the U.S. over 2008, with P.E.I. recording a largest increase of 164.3% followed by Newfoundland (+40.3%) and Saskatchewan (+38.1%);
- Year-to-date, outbound trips to non-U.S. destinations rose 5.0% while trips to the U.S. fell 8.9% compared to the same period in 2008, making an overall decline of 3.8% in Canadian outbound trips;
- For the first four months of 2009, only four provinces posted increases in outbound trips to the U.S., with P.E.I. recording the largest increase of 144.4%. All provinces with the exception of Yukon (-21.9%) registered gains to non-U.S. countries with New Brunswick and Prince Edward Island registering significant gains, 36.9% and 32.7% respectively.

Outbound Trips by Canadians (in 000s)



Strategic performance

- Overall, international trips by key markets marginally exceeded the set targets by 0.6%;
- For the Americas, both the U.S. and Mexico reached the set targets with the U.S. exceeding by 0.9% and Mexico by 3.7%;
- The most notable performance has been from Germany and China exceeding their set targets by 16.6% and 15.4% respectively, while South Korea and Japan posted weaker results than targeted, with shortfalls of 13.2% and 13.1%.

Travel Volumes, January-April 2009

	Trips Made (000s)		
	Target	Actual	% Difference
United States	2,352	2,373	0.9
Mexico	57	59	3.7
Americas (Total)	2,409	2,432	1.0
France	82	85	3.0
Germany	47	54	16.6
UK	166	159	-4.4
China	36	41	15.4
Japan	55	48	-13.1
S Korea	42	37	-13.2
Australia	46	44	-4.7
Overseas Key Markets (Total)	475	468	-1.4
TOTAL	2,883	2,900	0.6

Note: As per strategic plans.

Consumer outlook

Consumer confidence

CANADA: The Index of Consumer Confidence released by the Conference Board of Canada increased to 75.2 (2002=100), a second consecutive monthly gain.

UNITED STATES: The Conference Board Consumer Confidence Index, which had posted a slight increase in March, continued to improve in April. The index now stands at 39.2 (1985=100), up from 26.9 in March.

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

Accommodations

- The accommodation market continued to experience occupancy slowdowns. In April 2009, the national occupancy rate fell 7.0% over the previous year to 55.3%. While most provinces faced decreases in occupancy, Prince Edward Island and the Northwest Territories posted increases of 9.8% and 1.3%, respectively. Alberta posted the largest decline, down 11.7%;
- Year-to-date, the national occupancy rate decreased 4.6% over last year, falling to 53.1%. Saskatchewan posted the highest occupancy rate at 67.2% (down 0.9%) followed by the Yukon at 61.9% (up 8.8%);
- For the first four months of 2009, properties with over 500 rooms posted the highest occupancy rate of 57.5% while properties under 50 rooms posted the lowest occupancy rate of 41.7%;
- The national Average Daily Rate from January to April was \$121.94, registering a slight decrease of 1.8% compared to the same period last year. The Average Daily Rate in the Northwest Territories grew 4.0% to \$147.72, which is the highest average and higher than the national average;
- The national average Revenue per Available Room (RevPAR) for the first four months of 2009 was \$64.74, down 9.6% over the same period last year. The Northwest Territories, Saskatchewan and Alberta posted higher averages than the national average.

Canadian occupancy rates*, by province

	April 2009	09/08 change [^]	Jan-Apr 2009	Year-to-date change [^]
Alberta ¹	57.8	-11.7	58.4	-7.7
British Columbia	56.7	-7.4	54.3	-5.6
Saskatchewan	67.7	-4.5	67.2	-0.9
Manitoba	66.1	-1.0	60.4	-3.7
Ontario	53.7	-6.3	50.9	-4.0
Quebec	51.4	-6.8	50.4	-3.5
New Brunswick	53.3	-5.2	47.2	-5.6
Nova Scotia	55.6	-7.1	49.8	-4.5
Newfoundland	57.7	-3.6	53.2	1.5
Prince Edward Island	42.4	9.8	35.8	1.5
Northwest Territories	63.2	1.3	60.1	-8.4
Yukon	60.9	-4.2	61.9	8.8
Canada	55.3	-7.0	53.1	-4.6

* Note: Based on the operating results of 205,754 rooms (unweighted data).

[^] Percentage points.

¹Excluding Alberta resorts

Source: PKF Consulting

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