



Tourism snapshot

Canadian Tourism Commission

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

Key highlights

Inbound travel to Canada continued to be impacted by the global economic crisis and new Visa policy on Mexico. With the exception of China (+11.8%), all other CTC markets experienced declines, most notable a 55.1% decline in Mexican travel to Canada.

Auto travel to Canada saw its largest decline in 2009, falling 14.6% in August compared to the same month in 2008. This slowdown suggests that the latest implementation of passport requirements, coupled with the economic downturn, has had a hindering affect on American auto travel to Canada.

Despite a strengthening Canadian dollar, the unstable economic environment continued to impact Canadian travel abroad - in August Canadian overnight travel to the US declined by -5.7%, while visits to overseas destinations decreased 1.5% over last year.

Tourism review

International trips

- International travellers made 2.3 million overnight trips to Canada in August 2009, a decline of 12.4% over the same month in 2008;
- The number of non-US trips to Canada fell by 14.2% to 540,784 in August compared to 628,547 trips in August 2008;
- Overnight trips to Canada from overseas markets other than CTC key markets were down 8.5% in August compared to 2008;
- Year-to-date, international trips to Canada reached just over 11.4 million, down 8.0% over the previous year;
- For the first eight months of 2009, overnight trips to Canada from the Americas contracted 6.8% compared with 2008, while visits from overseas markets other than CTC key markets decreased by 8.0%.

United States

- Automobile travel to Canada saw its largest decline in 2009, falling 14.6% in August compared to the same month in 2008;
- Plane and "other" U.S. trips also continued their downward trend, falling 9.5% and 9.0% respectively over 2008;
- Year-to-date trips by Americans were down 6.9%, with automobile, plane trips and "other" US trips falling 5.2%, 9.7% and 8.8% respectively;
- New Brunswick and Saskatchewan were the only two provinces to show increases in trips from the U.S. in August, up 10.4% and 4.2% compared to last year.

Overnight trips to Canada

	August 2009	09/08 Aug % change	Jan-Aug 2009	Year-to-date % change
Americas*				
United States				
Automobile	1,120,570	-14.6	5,183,554	-5.2
Plane	391,136	-9.5	2,259,888	-9.7
Other	281,146	-9.0	1,036,734	-8.8
U.S. total	1,792,852	-12.7	8,480,176	-6.9
Mexico	14,182	-55.1	141,755	-28.8
Americas total	1,807,034	-12.6	8,621,931	-6.8
Overseas key markets				
France	68,519	-7.0	285,286	-3.3
Germany	49,925	-2.1	215,044	-2.9
UK	91,725	-18.5	496,546	-18.5
China	20,151	11.8	108,081	0.5
Japan	24,731	-28.5	120,485	-33.4
South Korea	15,818	-31.6	99,983	-27.2
Australia	22,111	-23.3	141,653	-14.7
India**	11,825	-4.2	78,568	-3.4
Brazil**	6,162	-22.8	42,177	-12.1
Overseas key markets total	310,967	-13.9	1,587,823	-14.0
As % of overseas and Americas	14.7		15.6	
Other overseas countries	215,635	-8.5	1,143,872	-8.0
Non-US countries	540,784	-14.2	2,873,450	-12.7
Total countries	2,333,636	-12.4	11,353,626	-8.0

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

	August 2009	09/08 Aug % change	Jan-Aug 2009	Year-to-date % change
United States	2,418,131	-5.7	12,526,549	-8.3
Other countries	720,839	-1.5	6,040,807	1.9
Total trips from Canada	3,138,970	-4.8	18,567,356	-5.2

Note: Statistics Canada preliminary estimates.

Source: Statistics Canada, International Travel Survey.

Mexico

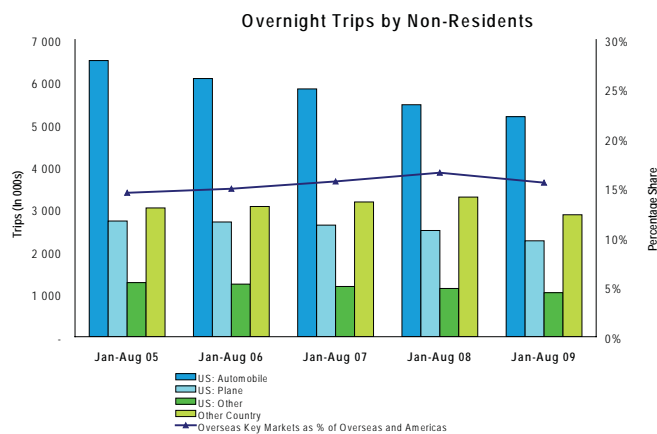
- Mexico continued to be influenced by the combined impacts of the H1N1 flu and the new visa policy, with visitor arrivals during August decreasing by 55.1% (14,182 overnight trips), compared to the same month in 2008. This followed monthly decreases of 25.5% for June, and 39.5% for July 2009;
- From January to August 2009, trips from Mexico declined 28.8% over the same period in 2008.

Share of Entry (January – August, 2009)

- In Jan.-Aug. there were 8.5 million U.S. visitors, accounting for 83.1% of the total visitors from key markets- 50.8% were automobile trips; 22.1% were plane trips; and 10.2% were “other” non-auto trips;
- By the end of the first eight months of 2009, Mexican travel to Canada accounted for 1.4% of key markets;
- Visitors from key European markets made 996,876 overnight trips to Canada, accounting for 9.8% of total key markets; the UK accounted for 4.9% of key markets;
- Visitors from the Asia/Pacific markets made 470,202 overnight trips to Canada, accounting for 4.6% of total key markets; Australia (1.4%) represented the highest proportion of visits;
- Overseas key markets represented 15.6% of the key markets visiting Canada compared to 16.6% over the same period in 2008.

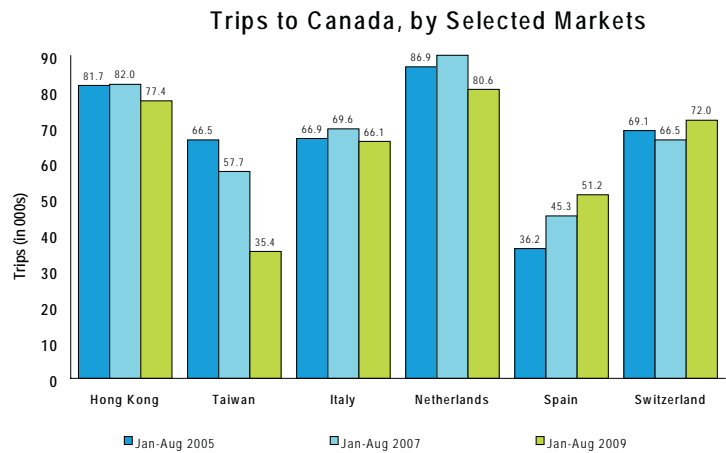
Overseas key markets

- In August 2009, travel from overseas key markets fell 13.9% compared to the same month in 2008, a slight improvement against July's 14.5% decline;
- This month China was the only key market to register an increase in overnight visits to Canada, up 11.8% compared to August 2008;
- South Korea (-31.6%) and Japan (-28.5%) posted the largest drops compared to the same month last year;
- Travel from Australia declined 23.3% in August over the previous year; a significant decline following a 5.2% decline in July 2009;
- India experienced a 4.2% decline in travel to Canada compared to the previous year, an improvement from the 9.0% decline in July 2009;
- Year-to-date China posted the only gain (+0.5%), while Japan (-33.4) had the greatest decline, followed by South Korea (-27.2%) and the UK (-18.5%).



Market watch

- For August year-to-date, 2 of the 6 selected markets posted increases over 2007 with Spain up 13.0% and Switzerland up 8.3%. Taiwan posted the largest decline year-over-year at -38.6%.
- Spain posted the highest growth rate (+41.4%) over the same period in 2005, with overnight trips reaching 51,175 in the first eight months of 2009, while Italy registered a marginal decline of 1.2%.



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

Competitive review

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

Trips from:	Trips to:					
	Canada		United States		Australia	
	#	09/08 change	#	09/08 change	#	09/08 change
Total international	6,477	-7%	21,417	-10%	2,646	-2%
Americas						
United States	4,745	-6%	225	-1%
Mexico ¹	96	-17%	2,547	-13%
Overseas key markets						
France	154	-1%	541	1%	39	11%
Germany	121	-4%	764	-8%	70	-3%
United Kingdom	310	-18%	1,781	-17%	324	-4%
China ²	69	4%	277	-10%	200	1%
Japan	75	-34%	1,320	-18%	172	-24%
South Korea	62	-27%	326	-17%	90	-22%
Australia	95	-15%	310	-6%
India	54	-2%	287	14%	65	7%
Brazil	28	-11%	380	8%
Canada	8,253	-9%	60	-5%
Total key markets	5,809	-7%	16,786	-11%	1,246	-7%

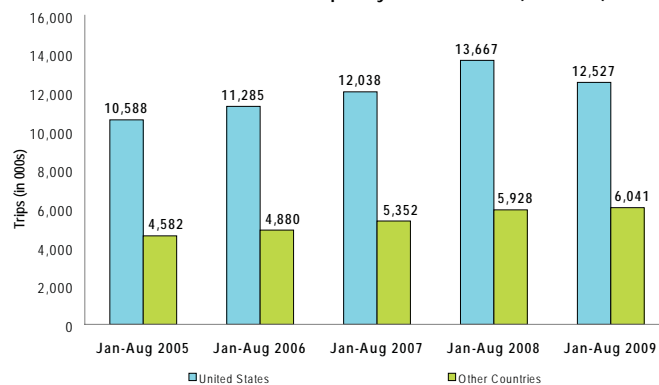
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¹US figures for Mexico include arrivals to interior only.
²US figures for China includes Hong Kong, SAR.
 Note: Statistics Canada preliminary figures.
 Sources: Statistics Canada; Tourism Australia; and ITA, Office of Travel and Tourism Industries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

- From January to June 2009, the U.S. experienced a 10% decline in international visitors, while Canada posted a decline of 7% and Australia declined by 2%;
- Canada posted stronger growth in visitors from China (+4%) than both the U.S. (-10%) and Australia (+1%);
- While both the U.S. and Australia registered increases in visitors from India, up 14% and 7% respectively, Canada experienced a 2% decrease in Indian visitors over the same time period;
- Between January and June 2009, Canada registered a significantly larger decline in Japanese visitors (-34%) than its U.S. neighbour (-18%);
- Australia outperformed both Canada and the U.S. in attracting visitors from France with an 11% gain, while Canada posted a decline of 1% and U.S. posted a 1% increase.

Canadian outbound trips

- In August 2009, outbound trips by Canadians declined by a lesser degree than in July, dropping 4.8% to 3.1 million, compared to the same month last year;
- Year-to-date Canadians made 18.6 million trips abroad, a 5.2% decrease over 2008. Trips to the US were down by 8.3%, while trips to non-US countries were up by 1.9%;
- For the month of August, Alberta (+5.2) was the only province to report an increase in travel to the U.S.; PEI posted the highest decline (-19.3%) followed by New Brunswick (-17.1%) and the Yukon (-17.0%);
- Travel abroad picked up in August in some regions with increases in New Brunswick (+42.3%), Saskatchewan (+19.9%), Alberta (+13.0%) and Québec (+9.1%), compared to the same month last year;
- Year-to-date, all provinces had increases in travel to countries other than the U.S., with the exception of the Yukon (-15.3%), British Columbia (-4.1%) and Ontario (-0.1%).

Outbound Trips by Canadians (in 000s)



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

Strategic performance (January-August, 2009)

- Against all set targets for the CTC's core markets, there was a shortfall in projected trips of 408,000, a difference of -3.9% for January through August;
- Year-to-date, Germany and France both exceeded their set targets by 5.1% and 4.2% respectively;
- The U.S. fell short of meeting their set targets by 2.8%, with a shortfall of 247,000 trips;
- Mexico, Japan, South Korea, and Australia all significantly missed their set targets by 25.6%, 25.0%, 20.8% and 10.7% respectively.

Travel Volumes, January-August 2009

	Trips Made (000s)		
	Target	Actual	% Difference
United States	8,727	8,480	-2.8
Mexico	191	142	-25.6
Americas (Total)	8,918	8,622	-3.3
France	273	285	4.2
Germany	205	215	5.1
UK	546	497	-9.0
China	109	108	-0.9
Japan	161	121	-25.0
S Korea	126	100	-20.8
Australia	159	142	-10.7
Overseas Key Markets (Total)	1,580	1,468	-7.1
TOTAL	10,498	10,090	-3.9

Note: As per strategic plans.

Consumer outlook

Consumer confidence

CANADA: The Index of Consumer Confidence increased for a sixth consecutive month in August, climbing 5.5 points to 88.4 (2002 = 100).

UNITED STATES: The Conference Board Consumer Confidence Index™, which had retreated in July, rebounded in August. The Index now stands at 54.1 (1985=100), up from 47.7 in July.

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

Accommodations

- Year-to-date the national occupancy rate fell 5.6%, after experiencing a 5.8% decline in August and a 4.3% decline in July. While most provinces faced decreases in August occupancy, the Yukon and the Northwest Territories had gains of 4.2% and 1.7% respectively. Alberta posted the largest decline, down, 11.4%;
- The average daily rate (ADR) decreased by 5.6% over August 2008 to \$130.22. British Columbia posted the highest ADR of \$144.05, followed by the Northwest Territories, Quebec, and Newfoundland;
- Revenue per available room decreased by 12.7% to \$92.14 in August 2009 compared with \$105.55 in August 2008;
- For the first eight months of 2009, properties with over 500 rooms posted the highest occupancy rate of 82.0%, while properties under 50 rooms posted the lowest occupancy rate of 67.3%.

Canadian occupancy rates*, by province

	August 2009	09/08 change^	Jan-Aug 2009	Year-to-date change^
Alberta ¹	63.2	-11.4	60.2	-9.2
British Columbia	76.8	-4.0	61.5	-6.5
Saskatchewan	74.8	-0.3	70.0	-1.5
Manitoba	70.1	-1.1	64.4	-2.3
Ontario	68.0	-6.0	57.2	-5.1
Quebec	73.0	-5.5	57.7	-4.6
New Brunswick	75.6	-2.5	56.3	-5.0
Nova Scotia	78.1	-1.8	59.9	-4.4
Newfoundland	82.6	-1.4	65.5	0.7
Prince Edward Island	75.8	-4.0	49.7	-0.2
Northwest Territories	59.3	1.7	60.4	-5.3
Yukon	91.2	4.2	73.4	4.7
Canada	70.8	-5.8	59.2	-5.6

* Note: Based on the operating results of 212,119 rooms (unweighted data).

^ Percentage points.

¹Excluding Alberta resorts

Source: PKF Consulting

**CTC Marketing
Market Research**