



Tourism Snapshot

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

Key highlights

For the first time since January 2005, there was an increase in overnight air travel into Canada from all of CTC's core markets.

The decline in Mexican arrivals to Canada eased in August, increasing by 0.1% compared with August 2009.

International travellers made 2.4 million trips to Canada in August, a 2.0% increase over August 2009.

Tourism review Inbound highlights

Overnight trips to Canada

	August 2010	10/09 Aug. % Change	Jan.-Aug. 2010	Year-to-date % Change
Americas*				
United States				
Automobile	1,081,986	-3.4	5,043,405	-2.7
Plane	412,254	4.7	2,357,282	4.5
Other	259,325	1.6	983,432	0.5
US Total	1,753,565	-0.9	8,384,119	-0.4
Mexico	14,191	0.1	90,950	-35.8
Americas Total	1,767,756	-0.9%	8,475,069	-1.0%
Overseas Key Markets				
France	71,013	3.6	302,484	6.0
Germany	54,093	8.3	233,137	8.4
UK	96,227	4.9	497,765	0.2
China	27,806	38.0	132,511	22.6
Japan	31,070	25.6	154,839	28.5
South Korea	20,226	27.9	119,523	19.5
Australia	27,448	24.1	159,631	12.7
India**	15,964	35.0	94,559	20.4
Brazil**	8,544	38.7	53,736	27.4
Overseas Key Markets	352,391	13.3%	1,748,185	10.1%
As % of Overseas and Americas	16.6%		17.1%	
Other Overseas Countries	235,564	9.2%	1,229,573	7.5%
Non-US Countries	602,146	11.3%	3,068,708	6.8%
Total Countries	2,355,711	2.0%	11,452,827	1.4%

Note: Statistics Canada preliminary estimates.

Source: Statistics Canada, *International Travel Survey*.

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

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

International trips

- There were approximately 2.4 million overnight visitor arrivals to Canada during August 2010, a 2.0% increase over the same month in 2009. This marked the third consecutive month of improvements in total overnight travel to Canada in 2010;
- Despite improvements in arrivals from Mexico, arrivals from the Americas fell by 0.9% over 2009. For a seventh consecutive month, travel from CTC's other core overseas markets improved, this time increasing 13.3% compared with August 2009;
- Year-to-date August, overnight trips to Canada from countries other than CTC key markets grew by 7.5% reaching 1.2 million;
- The total number of international overnight visitors improved by 1.4% reaching 11.5 million year-to-date August.

United States

- US overnight visitation dipped in August (-0.9%), despite both air and “other travel” seeing improvements of 4.7% and 1.6% respectively;
- Overall year-to-date August, US overnight trips edged down by a moderate 0.4% over 2009, totalling 8.4 million trips;
- In August 2010, Québec posted a 3.8% increase in overnight visits from the US, while Alberta, British Columbia and Ontario saw declines of 3.5%, 2.6% and 1.7% respectively;
- Year-to-date August, Yukon (+10.0%) registered the strongest improvement in US overnight visits, followed by New Brunswick (+8.6%) and Saskatchewan (+7.2%) compared with the same period in 2009.

Mexico

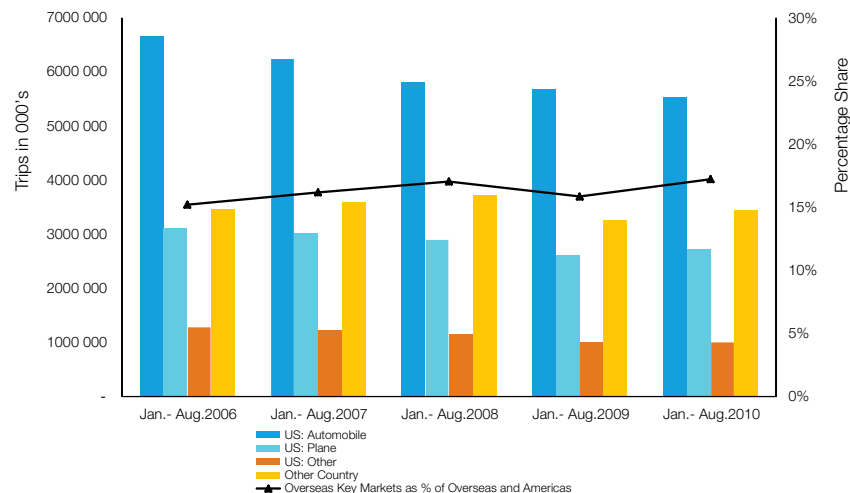
- The decline in Mexican arrivals to Canada eased in August, increasing by 0.1% compared with August 2009;
- In the first eight months of 2010, travel from Mexico contracted 35.8%, falling to 90,950 overnight trips.

Overseas key markets

- In August 2010, overnight travel volumes from CTC’s overseas key markets continued to improve, with all nine markets posting gains and overall trip volumes up by 13.3% compared with August 2009;
- CTC’s Asia Pacific and emerging markets all posted double-digit gains in August, with the strongest growth seen in Brazil (+38.7%) and China (+38.0%);
- In the first eight months of 2010, trips from key overseas markets grew by 10.1% over 2009; However, when compared with the same period in 2008, trip volumes have declined 5.3%;
- In August 2010, British Columbia posted a 15.0% increase in overnight visits from countries other than the US, while Ontario and Québec also reported gains of 10.7% and 8.4% respectively;
- Year-to-date August, Saskatchewan, Manitoba and Newfoundland and Labrador saw the strongest increases in visitors from countries other than the US, up 23.0%, 17.6% and 10.0% respectively over 2009.

Share of entry (August, 2010)

Overnight trips to Canada by non-residents

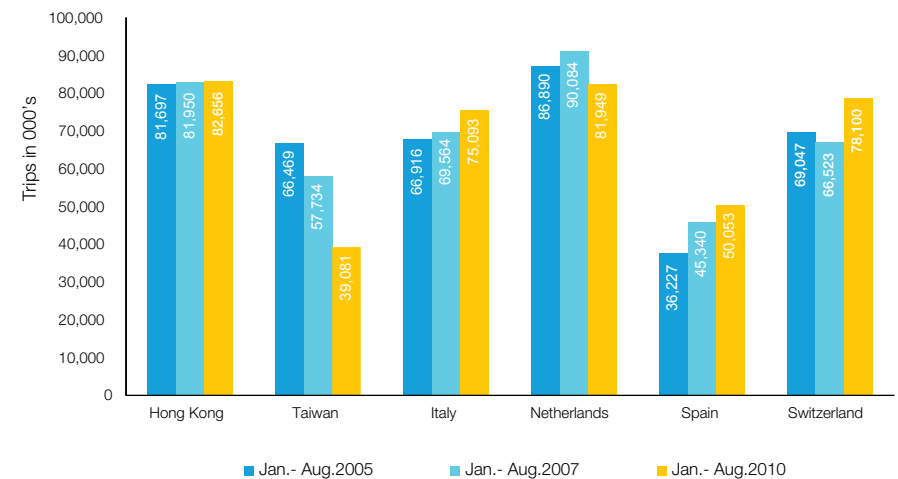


Note: Statistics Canada preliminary estimates. Source: Statistics Canada, *International Travel Survey*.

- In the first eight months of 2010, Canada received 8.4 million overnight US visitors, representing 82.0% of international travellers from CTC's key markets a 4.4 point increase in market share over 2005. Of those US travellers, 49.3% came by automobile, 23.1% came by plane and 9.6% came by "other" non-automobile transportation;
- Year-to-date, overnight visitors from key European markets made 1.0 million trips to Canada accounting for 10.1% of total trips from key markets, a 2.0 point increase in share of entry over the same period in 2005. Compared with other key European key markets, the UK accounted for the largest portion of inbound visitors at 4.9%, followed by France (3.0%) and Germany (2.3%);

- Visitors from Asia Pacific key markets made 566,504 trips to Canada from January to August, accounting for a 5.5% share of total trips from key markets, and marking a 1.0 point increase over the same period in 2005. From CTC core markets, Australia represented 1.6% of the share of total trips, while Japan accounted for 1.5%;
- Travellers from emerging markets (India and Brazil) made 148,295 trips to Canada from January to August, representing 1.5% of total trips from key markets, a 0.8 point increase compared with the first eight months of 2005.

Overnight trips to Canada, by selected markets



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

Market Watch

- For year-to-date August, four of the six selected secondary markets posted increases in overnight trip volumes over 2005;
- Compared with January to August 2005, Spain continued to post the strongest increase (+38.2%) in visitors to Canada, reaching 50,053 overnight trips;
- During the first eight months of 2010, the Netherlands and Hong Kong were almost tied in attracting the highest number of visitors among CTC secondary markets despite a decline of 5.7% and a moderate increase of 1.2% respectively over the same period in 2005;
- Year-to-date August 2010, Canada welcomed 78,100 visitors from Switzerland a 13.1% increase over 2005.

Competitive review (June 2010)

International Travel, January - June 2010

Trips From:	Trips To:							
	Canada		United States		Australia		UK	
	#	10/09 Change	#	10/09 Change	#	10/09 Change	#	10/09 Change
Total International	6,440	0%	27,488	11%	2,755	4%	13,613	-4%
Americas								
United States	4,619	-2%	...	...	234	4%	1,196	-9%
Mexico ¹	55	-43%	6,495	11%	...	...	30	-19%
Overseas Key Markets								
France	165	8%	553	2%	43	11%	43	-6%
Germany	133	10%	769	0%	72	2%	72	5%
United Kingdom	305	-2%	1,716	-4%	313	-3%	313	...
China ²	77	11%	409	48%	227	14%	227	6%
Japan	97	29%	1,594	21%	180	5%	180	12%
South Korea	74	18%	498	53%	106	17%	106	...
Australia	106	11%	396	28%	...	...	...	-1%
India	63	17%	343	20%	70	8%	70	43%
Brazil	33	20%	531	40%	...	...	...	...
Canada	...	...	9,224	12%	62	3%	62	1%
Total Key Markets	5,726	-4%	22,528	34%	1,307	5%	1,307	-2%

... Not applicable or data not available.

¹ US figures for Mexico include arrivals to interior only.

² US figures for China includes Hong Kong, SAR.

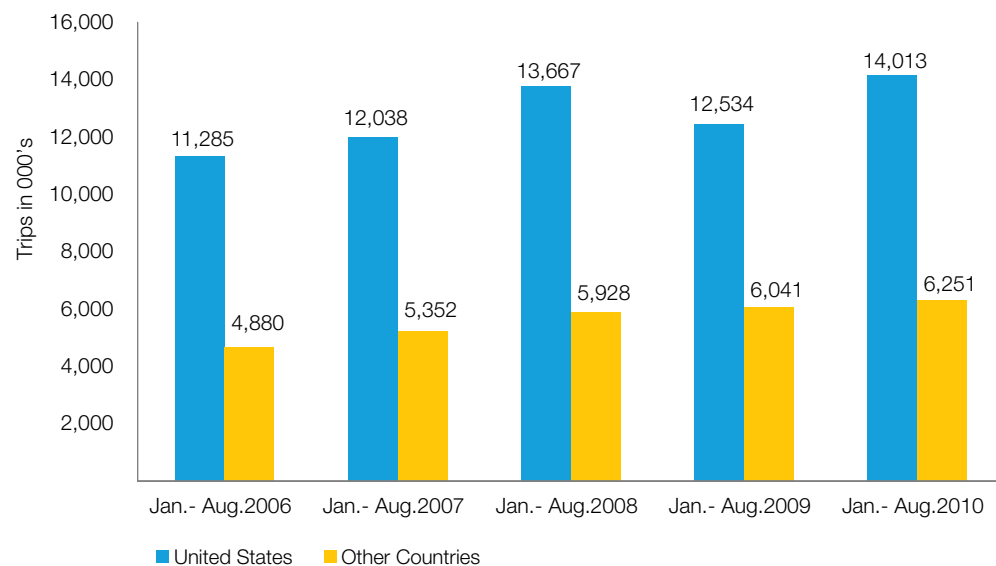
Sources: Statistics Canada; Tourism Australia; and ITA, and Office of Travel and Tourism Industries (USA).

Note: Statistics Canada preliminary figures.

- Between January and June 2010, international travel to Canada remained unchanged when compared with the same period in 2009 while the UK suffered a 4% decline in international arrivals over the same period. However, the US and Australia posted increases in international arrivals of 11% and 4% respectively over the first six months of 2009. ;
- Year-to-date June 2010, Canada posted the strongest growth in overnight arrivals from Germany (+10%), while the UK saw growth of 5%, Australia 2% and the US saw no increase in arrivals;
- All four markets saw a jump in overnight Japanese arrivals in the first six months of 2010. Canada recorded the strongest increase, up 29%, followed by the US, UK and Australia up 21%, 12% and 5% respectively over the same period in 2009;
- While all four markets had gains in arrivals from China, the US significantly outperformed competitors with a 48% increase when compared with January to June 2009;
- By the end of the second quarter the UK had recorded the greatest increase in overnight arrivals from India up 43%; the US, Canada and Australia also saw gains of 20%, 17% and 8% respectively.

Canadian outbound trips

Overnight trips by Canadians



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

- Canadian outbound travel continued to grow going into August 2010, up 7.5% when compared with August 2009;
- Year-to-date August 2010, British Columbia, Québec, Alberta and Ontario all posted increases in the number of Canadian residents visiting the US for one or more nights, of 14.0%, 13.2%, 11.4% and 8.7% respectively;
- In the first eight months of 2010, there was a 3.5% increase in the number of Canadian residents that travelled internationally (excluding the US). The largest increases were seen by residents of Yukon (71.2%), New Brunswick (37.7%) and Saskatchewan (25.4%) compared with the same period in 2009;
- Overall, the total number of Canadian outbound tourists grew in August by 7.5%, while year-to-date outbound travel has grown by 9.1%.

Overnight trips by Canadians

	August 2010	10/09 Aug. % Change	Jan.-Aug. 2010	Year-to-date % Change
United States	2,624,478	8.4	14,013,476	11.8
Other Countries	751,052	4.2	6,250,506	3.5
Total Trips from Canada	3,375,530	7.5	20,263,982	9.1

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

Consumer outlook

Consumer confidence

- **Canada:** Consumer confidence saw little changed in August, with the index falling 0.6 points to 79.4 (2002 = 100). This marks the third consecutive month that the index has declined, highlighting just how fragile the consumers mindsets are about the current recovery.
- **USA:** The Conference Board Consumer Confidence Index®, which had declined in July, improved moderately in August. The Index stands at 53.5 (1985=100), up from 51.0 in July.

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

Accommodations

Canadian occupancy rates, by province*

	August 2010	10/09 Change [^]	Jan.- Aug. 2010	Year-to-date Change [^]
Alberta ¹	62.9	-0.3	58.1	-2.1
British Columbia	76.2	0.0	63	1.6
Saskatchewan	72.3	-2.3	69.3	-0.6
Manitoba	66.3	-3.7	65.5	1.1
Ontario	71.0	3.2	60.4	3.2
Quebec	76.9	3.8	60.7	2.9
New Brunswick	74.2	-1.1	56.9	0.5
Nova Scotia	77.7	0.3	61.0	1.1
Newfoundland	83.2	0.6	68.7	3.3
Prince Edward Island	74.3	-1.5	49.3	-0.3
Northwest Territories	56.7	-2.6	59.8	-1.0
Yukon	89.7	-1.0	76.7	5.4
Canada	72.0	1.4	60.9	1.7

* Note: Based on the operating results of 210,775 rooms (unweighted data).

[^] Percentage points.

¹ Excluding Alberta resorts.

Source: PKF Consulting Inc.

- In August 2010, hotel occupancy rates contracted by a moderate 1.4 point compared with August 2009, reaching 72.0%;
- This month Québec (+3.8%), Ontario (+3.2%), Newfoundland and Labrador (+0.6%) and Nova Scotia (+0.3%) experienced increases in hotel occupancy rates while all other provinces and territories saw declines compared with August 2009;
- The national average Revenue per Available Room (RevPAR) for August 2010 improved by 1.8% to \$93.68. This month, British Columbia posted the highest average RevPAR of \$108.95, while Manitoba posted the lowest at \$72.92;
- Year-to-date August 2010, British Columbia posted the greatest increase in the average daily rate increasing 9.2% followed by Manitoba (+4.3%) and Saskatchewan (+3.9%).

Strategic performance

- International trips by key markets exceeded CTC's set targets by 19,000 (+0.3%) in the first eight months of 2010;
- Year-to-date, trips from Brazil, China and South Korea most notably outperformed their targets by 25.5%, 21.1% and 19.4% respectively;
- The US and Mexico markets fell short of their CTC set target by 2.3% and 4.2% respectively.

Travel Volumes, January-August. 2010

	Target	Actual	% Difference
United States	4,727	4,619	-2.3
Mexico	95	91	-4.2
Americas (Total)	4,822	4,709	-2.3
France	276	302	9.4
Germany	220	233	6.1
UK	493	498	0.9
China	109	133	21.2
Japan	140	155	10.4
S Korea	100	120	19.4
Australia	141	160	13.3
India	94	95	1.0
Brazil	43	54	25.5
Overseas Key Markets (Total)	1,616	1,748	8.1
Total	6,439	6,458	0.3

* Note: As per strategic plans.