



# Tourism Snapshot

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



## Key highlights

- Overnight arrivals from CTC overseas markets rose 11.9% in September 2014 year-over-year, representing a fourth consecutive month of double-digit growth.
- Overnight arrivals expanded in all CTC markets except Brazil in September 2014. CTC Asia (+21.7%) led the growth in overnight arrivals, followed by CTC Latin America (+10.0%) and CTC Core markets (+7.6%).
- Strong growth was observed across all CTC Asian markets in September 2014, with China (+24.2%) and Japan (+23.1%) leading the way, followed by India (+19.2%) and South Korea (+15.1%).
- On a year-over-year basis, all CTC Core markets expanded in September 2014, led by Germany (+10.8%) and followed by the UK (+8.8%), Australia (+8.1%) and France (+2.9%).
- Latin American overnight arrivals increased in September 2014 as a result of strong gains registered by Mexico (+18.9%), which offset a minor decline by Brazil (-1.0%).
- Growth in overnight US air arrivals (+7.7%) more than compensated minor contractions in arrivals from autos (-2.5%) and other modes of transport (-0.5%). Overall, US overnight arrivals increased 1.2% in September compared to the same month last year.
- Year-to-date September 2014, overnight arrivals from CTC overseas markets increased 10.4%, supported by gains across markets in Europe and Australia (+5.1%), Latin America (+10.5%) and Asia (+20.9%).

# Tourism review Inbound highlights

## Overnight trips to Canada

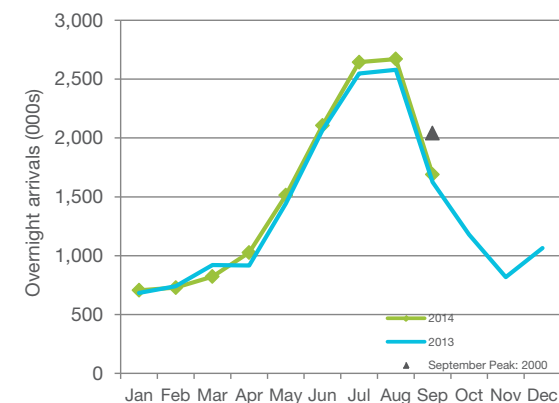
	Sep. 2014	14/13 Sep. % Change	Jan. - Sep. 2014	Year-to-date % Change
<b>United States</b>				
Automobile	548,759	-2.5	5,544,977	-1.8
Air	394,184	7.7	3,194,368	7.4
Other	178,130	-0.5	1,090,556	-7.4
<b>US Total</b>	<b>1,121,073</b>	<b>1.2</b>	<b>9,829,901</b>	<b>0.3</b>
<b>Core Markets</b>				
UK	83,955	8.8	553,814	4.6
France	57,739	2.9	393,235	4.5
Germany	51,072	10.8	276,894	6.5
Australia	36,961	8.1	226,161	5.8
<b>Core Total</b>	<b>229,727</b>	<b>7.6</b>	<b>1,450,104</b>	<b>5.1</b>
<b>Asia/Latin America Markets<sup>1</sup></b>				
Japan	36,088	23.1	203,119	13.8
South Korea	17,786	15.1	129,044	11.2
Mexico	14,546	18.9	141,959	14.2
Brazil	9,966	-1.0	78,103	4.5
China	49,913	24.2	369,959	29.4
India	15,926	19.2	144,385	20.5
<b>Asia/Latin America Markets Total</b>	<b>144,225</b>	<b>19.6</b>	<b>1,066,569</b>	<b>18.6</b>
<b>Overseas Key Markets</b>	<b>373,952</b>	<b>11.9</b>	<b>2,516,673</b>	<b>10.4</b>
<b>Total 11 CTC Markets</b>	<b>1,495,025</b>	<b>3.7</b>	<b>12,346,574</b>	<b>2.2</b>
Other Overseas Countries	195,607	6.9	1,561,079	7.6
Non-US Countries	569,559	10.1	4,077,752	9.3
<b>Total Countries</b>	<b>1,690,632</b>	<b>4.0</b>	<b>13,907,653</b>	<b>2.8</b>

Note: Statistics Canada preliminary estimates.

<sup>1</sup> In previous editions, Asia/Latin America Markets were referred to as "Emerging/Transition" Markets. The name was changed to more effectively reflect the reality of these markets.

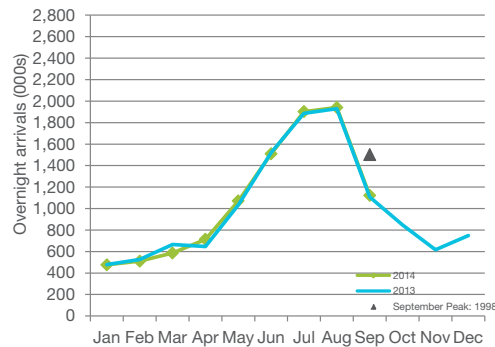
Source: Statistics Canada, International Travel Survey.

## International trips



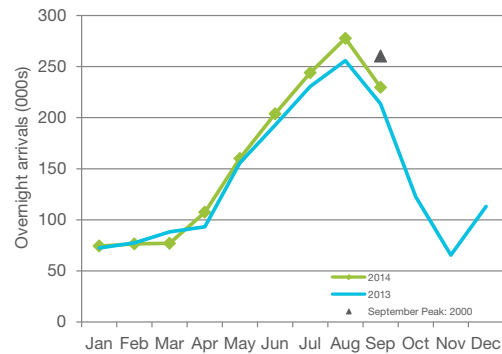
- Canada welcomed 1,690,632 international visitors in September, a 4.0% increase over September 2013. Of these visitors, 88% were from CTC markets.
- Year-to-date September 2014, Canada received approximately 13.9 million international visitors, up 2.8% compared to the same period last year.
- The visitor peak on record during the month of September occurred in 2000 with 2.04 million international visitors to Canada.
- In September, overnight arrivals from CTC's Core markets increased 7.6%, with all four markets showing healthy gains. Year-to-date September 2014, arrivals from Core markets were up 5.1% over the same period last year to 1.45 million.
- Overnight arrivals from Asian and Latin American markets grew 19.6% in September, thanks to double-digit increases from China (+24.2%), Japan (+23.1%), India (+19.2%), Mexico (+18.9%) and South Korea (+15.1%). As a result, year-to-date September 2014, arrivals from CTC's markets in Asia and Latin America rose 18.6% over the same period last year to 1.07 million.

## United States



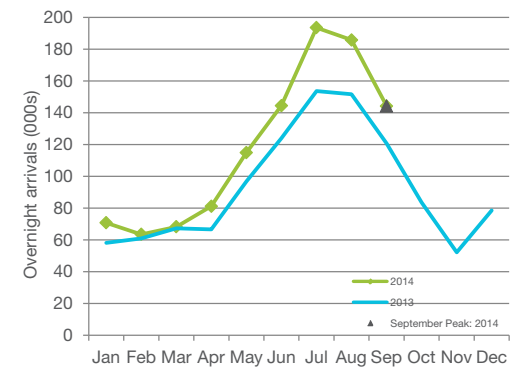
- Strong gains in US air arrivals (+7.7%) more than counterbalanced contractions in arrivals by autos (-2.5%) and other modes of transport (-0.5%). Overall, US overnight arrivals edged up 1.2% in September.
- Year-to-date September 2014, overnight arrivals from the US remained relatively even (9.8 million, +0.3%) compared to the same period last year.
- The visitor peak on record during the month of September occurred in 1998 with 1.5 million US visitors to Canada.
- In September 2014, border crossing by Americans increased in six of the 10 provinces by a total of 13,198 overnight visitors. Ontario (39.7%) registered the largest share of the national increase, followed by New Brunswick (32.9%), BC (18.4%), Quebec (17.3%), Alberta (7.3%) and PEI (0.1%), compensating the 15.7% decline recorded in all other provinces and territories combined.

## Core Markets



- All CTC Core markets registered gains in September, with Germany posting the largest increase (+10.8%), followed by the UK (+8.8%), Australia (+8.1%) and France (+2.9%).
- Year-to-date September 2014, overall arrivals from Core markets increased 5.1%, with year-over-year gains from Germany (+6.5%), Australia (+5.8%), the UK (+4.6%) and France (+4.5%).
- In September 2014, Canada welcomed nearly 230,000 visitors from CTC Core markets. This was 12% lower than the visitor's peak of 260,000 in September 2000.

## Asia and Latin America



- The CAN+ visa program implemented in May in Mexico helped to account for the double-digit rise (+18.9%) in visitors from that country in September—the fifth consecutive month of double-digit growth.
- The upswing of arrivals from Japan (+23.1%) in September was partly facilitated by increased air capacity between Tokyo (Haneda) and Vancouver/Toronto in recent months.
- In September 2014, China (+24.2%) and India (+19.2%) continued to post strong numbers. The launch of the CAN+ visa program in India in July has facilitated double-digit growth in arrivals over the past few months.
- Brazil posted the only decline in arrivals to Canada among the Asian and Latin American markets compared to September 2013 (-1.0%).
- Year-to-date September 2014, overall arrivals from CTC's markets in Asia and Latin America increased 18.6% over 2013. The best performers were China (+29.4%), India (+20.5%), Mexico (+14.2%) and Japan (+13.8%).
- In September 2014, the number of visitors from the six Asian and Latin American markets reached a peak for that month with about 144,000 visitors to Canada, surpassing the previous peak established in 1999 with 128,000 visitors.

# Peak Review

## Overnight Trips to Canada, Peak by Market - September

Markets	Core Overseas				United States		Asia and Latin America					
	Australia	France	Germany	United Kingdom	Total	Air Only	Brazil	China	India	Japan	Mexico	South Korea
Previous Peak Year	2012	1996	1996	2007	1998	2005	2013	2013	2012	1995	2008	2007
Arrivals During Peak Year	34,773	76,729	70,546	116,003	1,500,830	370,556	10,062	40,194	13,456	87,973	23,510	19,950
Current Arrivals (September 2014)	36,961	57,739	51,072	83,955	1,121,073	394,184	9,966	49,913	15,926	36,088	14,546	17,786
Current % of Previous Peak	106.3%	75.3%	72.4%	72.4%	74.7%	106.4%	99.0%	124.2%	118.4%	41.0%	61.9%	89.2%

Note: Statistics Canada preliminary figures.  
Sources: Statistics Canada; Tourism Australia.

Peak achieved in September 2014

- In September 2014, three markets—China, India and Australia—achieved their highest level of overnight arrivals ever for the month of September.
- Arrivals from the UK, Germany, France and the US in September achieved 70% to 75% of their respective September peaks, recorded in 2007, 1996, 1996 and 1998 respectively.
- Arrivals from South Korea achieved 89% of the September peak recorded in 2007.
- In September 2014, US arrivals by air achieved a new peak with about 394,000 overnight visits to Canada, surpassing the previous record of 370,600 visits recorded in 2005.
- Arrivals from Mexico were at 62% of the September peak recorded in 2008.
- Arrivals from Japan were at 41% of the September peak recorded in 1995.

## Market Watch

- In September 2014, overnight arrivals from secondary European markets were all positive. Italy was the best performer (+29.7%), followed by Spain (+21.7%), the Netherlands (+10.3%) and Switzerland (+6.2%).
- Year-to-date September 2014, overnight arrivals from secondary European markets grew, led by Italy (+22.5%), and followed by Spain (+19.4%), the Netherlands (+6.1%) and Switzerland (+5.7%).
- Arrivals from Hong Kong (+15.4%) and Taiwan (+6.4%) surged in September 2014 following flat arrivals in August.
- During the first nine months in 2014, arrivals from Taiwan (+8.8%) and Hong Kong (+5.2%) expanded compared to the same period in 2013.

## Overnight trips to Canada, by selected markets



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

## Overnight trips to Canada, by selected markets

	Sep. 2014	14/13 Sep. % Change	Jan. - Sep. 2014	Year-to-date % Change
Italy	11,666	29.7	92,446	22.5
Netherlands	12,468	10.3	87,497	6.1
Spain	7,051	21.7	53,517	19.4
Switzerland	12,943	6.2	96,359	5.7
Hong Kong	12,718	15.4	110,943	5.2
Taiwan	8,156	6.4	55,502	8.8

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

# Competitive review (January - September 2014)\*\*

## International Travel (in thousands)

Trips From:	Trips To:			
	Canada		Australia	
		14/13 % Change		14/13 % Change
<b>Total International<sup>1</sup></b>	7,272	8.5	4,873	8.6
<b>United States (Air Only)<sup>2</sup></b>	3,194	7.4	386	10.4
<b>Canada</b>	...	...	94	7.9
<b>Core Markets</b>				
<b>United Kingdom</b>	554	4.6	433	2.7
<b>France</b>	393	4.5	82	7.7
<b>Germany</b>	277	6.5	127	11.4
<b>Australia</b>	226	5.8	...	...
<b>Asia/Latin America Markets</b>				
<b>Japan</b>	203	13.8	239	2.0
<b>South Korea</b>	129	11.2	147	1.9
<b>Mexico</b>	142	14.2	...	...
<b>Brazil</b>	78	4.5	30	24.6
<b>China</b>	370	29.4	641	14.3
<b>India</b>	144	20.5	140	17.8
<b>Total Key Markets<sup>3</sup></b>	<b>5,711</b>	<b>8.7</b>	<b>2,320</b>	<b>8.9</b>

...Not applicable. or data not available.

Note: Statistics Canada preliminary figures.

Sources: Statistics Canada; Tourism Australia.

\*\* US visitation data was not available due to a delay of the change of entry process for US visitors.

<sup>1</sup> The total international figure includes total arrivals from overseas countries and United States arrivals by air only.

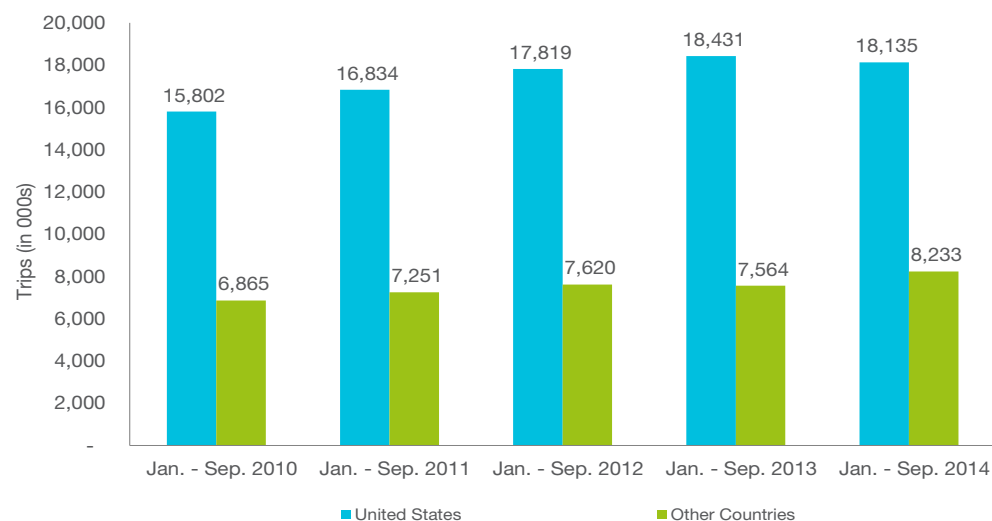
<sup>2</sup> The United States figure is for arrivals by air only.

<sup>3</sup> The figure includes total arrivals for the 10 key overseas markets and the United States arrivals by air only.

- Year-to-date September 2014, Australia continued to register a large increase in total international arrivals (+8.6%), a growth rate nearly on par with Canada (+8.5%) over the same period in 2013.
- Australia posted strong growth in arrivals from North America, up 10.4% from the US and 7.9% from Canada. In comparison, US arrivals by air to Canada increased 7.4% during the same period.
- Year-to-date September 2014, Australia registered larger gains in arrivals from Germany and France than Canada, although the actual number of visitors from these two countries to Canada were much larger than to Australia. Canada registered larger gains in arrivals from the UK than Australia during the same period.
- Year-to-date September 2014, Canada posted larger increases in arrivals from South Korea (+11.2%) and Japan (+13.8%) compared to Australia.
- Year-to-date September 2014, both Australia and Canada welcomed more Chinese travellers compared to same period in 2013. While Canada registered larger growth than Australia in arrivals, Australia has already welcomed nearly twice as many Chinese travellers than Canada.
- India was a growing market for both Australia and Canada in the first nine months of 2014 at 17.8% and 20.5% respectively compared to the same period last year. Canada welcomed a slightly larger number of Indian visitors (144,000) than Australia (140,000).
- While Brazil was Australia's fastest-growing market (+24.6%), Canada saw a 4.5% increase in the number of Brazilian arrivals during the first nine months of 2014. However, Canada welcomed more than twice as many Brazilian visitors than Australia during the same period.

# Canadian outbound trips

## Overnight trips by Canadians



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

## Overnight trips by Canadians

	Sep. 2014	14/13 Sep. % Change	Jan. - Sep. 2014	Year-to-date % Change
United States	1,806,294	-5.8	18,134,511	-1.6
Other Countries	739,315	9.1	8,233,274	8.9
<b>Total Trips from Canada</b>	<b>2,545,609</b>	<b>-1.9</b>	<b>26,367,785</b>	<b>1.4</b>

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

- In September 2014, Canadian outbound travel decreased 1.9% over the same month last year to 2.55 million trips.
- While the number of Canadians visiting the US during the month of September decreased 5.8% to 1.8 million trips, Canadian overnight travel to overseas destinations (excluding the US) rose 9.1% to nearly 740,000 trips.
- Year-to-date September 2014, overall outbound trips by Canadians grew 1.4% to 26.37 million trips as increased trips to overseas destinations (+8.9%) more than offset decreases to US destinations (-1.6%).
- In September 2014, most Canadians re-entered the country from the US through Ontario (745,213 entries, -8.8%), BC (444,817 entries, -0.4%), and Quebec (320,597 entries, -4.5%).
- In September 2014, the top three re-entry points for Canadians returning from overseas countries were Ontario, Quebec and BC. All three provinces recorded gains in numbers of re-entry, up 11.8%, 2.4% and 11.0% respectively.



# Consumer outlook

## Consumer confidence

- **Canada:** The national index remained relatively stable in September, declining a modest 0.4 percentage points to 87.9 (2002 = 100). Although the decline was small, this marked the fourth decrease in consumer confidence in five months, indicating a loss of confidence in the state of the Canadian economy among consumers.
- **USA:** The Conference Board Consumer Confidence Index®, which had increased in August, declined in September. The Index stood at 89.0 (1985=100) in September, down from 93.4 in August.

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

## Accommodations

- In September 2014, the National Occupancy Rate recorded an increase of 2.0 points to 73.5%. Manitoba registered the largest increase (+6.6 points), followed by Quebec (+5.7 points) and Ontario (+3.5 points).
- Year-to-date September 2014, the National Occupancy Rate rose slightly (+1.7 points to 66.0%) compared with the previous year. Quebec (+3.0 points), BC (+2.8 points) and PEI (+2.5 points) saw the largest gains in occupancy.
- Year-to-date September 2014, the National Average Daily Rate improved to \$138.08, up 3.7% compared with the same period in 2013. Northwest Territories, Alberta, BC, Quebec, and Newfoundland and Labrador posted rates higher than the National Average Daily Rate.
- Year-to-date September 2014, the National Average Revenue per Available Room (RevPAR) was \$91.15 (+6.5%), with PEI (+9.2%, \$67.99) posting the largest growth, followed by Quebec (+9.1%, \$97.22) and BC (+9.1%, \$95.50).

### Canadian Occupancy Rates, By Province\*

	Sep. 2014	14/13 Change <sup>^</sup>	Jan. - Sep. 2014	Year-to-date Change <sup>^</sup>
Alberta <sup>1</sup>	73.8	-0.9	69.1	0.3
British Columbia	73.7	0.8	66.9	2.8
Saskatchewan	67.3	-4.1	64.3	-3.9
Manitoba	69.9	6.6	62.1	0.3
Ontario	74.6	3.5	65.5	2.3
Quebec	73.7	5.7	66.8	3.0
New Brunswick	61.4	-2.6	57.7	0.2
Nova Scotia	72.3	2.4	62.3	1.6
Newfoundland	78.9	-3.9	67.7	-5.5
Prince Edward Island	64.9	2.8	53.3	2.5
Northwest Territories	83.3	-2.7	69.1	-2.6
Yukon	74.4	-2.7	68.7	-0.4
<b>Canada</b>	<b>73.5</b>	<b>2.0</b>	<b>66.0</b>	<b>1.7</b>

\* Note: Based on the operating results of 223,717 rooms (unweighted data).

<sup>^</sup> Percentage points.

<sup>1</sup> Excluding Alberta resorts.

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