



Tourism Snapshot

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

Key highlights

Following through from January's positive momentum, all CTC target markets registered growth in February 2012, with CTC's emerging/transition markets leading arrivals with a gain of 15.9%, followed by the US (+8.1%) and CTC's core markets (+7.5%);

Germany gained significant momentum with a fourth consecutive monthly gain (+21.1%), while Australia (+11.4%) and the UK (+0.4) reverted their respective arrival trends into positive territories;

Japan posted a fourth consecutive gain (+13.6%) and South Korea (+5.8%) registered its first increase following 12 months of continuous declines;

While Chinese New Year coincided with February in 2011, China's performance eased in February 2012, but still registered 7.9%; India meantime, recorded a 9th monthly year-over-year progression (15.8%);

Brazil and Mexico both registered impressive records with high double-digit gains, 48.2% and 31.9% respectively.

Tourism review Inbound highlights

Overnight trips to Canada

	Feb. 2012	12/11 Feb. % Change	Jan. - Feb. 2012	Year-to-date % Change
United States				
Automobile	298,753	5.9	536,158	2.3
Plane	195,833	10.6	380,349	6.0
Other	34,467	13.7	67,923	12.9
US Total	529,053	8.1	984,430	4.4
Core Markets				
UK	32,258	0.4	59,363	-3.1
France	30,253	9.6	50,124	2.2
Germany	12,411	21.1	24,307	14.9
Australia	10,776	11.4	26,330	3.9
Core Total	85,698	7.5%	160,124	2.1%
Emerging/ Transition Markets				
Japan	13,392	13.6	22,435	14.7
South Korea	8,165	5.8	17,238	-7.6
Mexico	7,070	31.9	14,440	23.3
Brazil**	4,974	48.2	13,125	16.3
China	11,598	7.9	30,764	28.0
India**	6,268	15.8	13,022	9.3
Emerging/ Transition Total	51,467	15.9%	111,024	14.3%
Overseas Key Markets	137,165	10.5%	271,148	6.8%
Other Overseas Countries	74,076	8.2%	154,964	7.7%
Non-US Countries	211,241	9.7%	426,112	7.1%
Total Countries	740,294	8.5%	1,410,542	5.2%

Note: Statistics Canada preliminary estimates.

Source: Statistics Canada, International Travel Survey.

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

International trips

- Canada received 740,294 international visitors during the month of February 2012, recording a 8.5% increase compared with the same month in 2011;
- In February 2012, overnight arrivals from CTC's core markets (the UK, France, Germany and Australia) increased by 7.5%, reaching 85,698 arrivals;
- Overnight trips to Canada from CTC's emerging/ transition markets (Japan, South Korea, Mexico, Brazil, China and India) grew by 15.9%, reaching 51,467 trips.

United States

- The number of overnight arrivals from the US grew by 8.1% with travel by auto, by plane and by other modes of transportation all recorded growth, +5.9%, +10.6% and +13.7% respectively;
- Year to date to February, overnight trips to Canada by the US tourists increased by 4.4%, closing in on nearly one million arrivals;
- In February 2012, the largest number of overnight US visitors came to Canada through Ontario (246,139 entries) followed by British Columbia (137,927 entries) and Québec (96,352 entries).

Core Markets

- In February 2012, Germany gained significant momentum with a fourth consecutive monthly gain, up +21.1% compared with the same month in 2011;
- The UK and France returned to positive territories after a drop in January 2012, up 0.4% and 9.6% respectively;
- Australia reversed course on arrival and returned into positive territory, up 11.4% relative to the same month last year;
- Year to date to February, overnight arrivals from the CTC's core markets edged up by 2.1%. The loss from the UK (-3.1%) was more than offset by gains in Germany (+14.9%), Australia (+3.9%) and France (+2.2%).

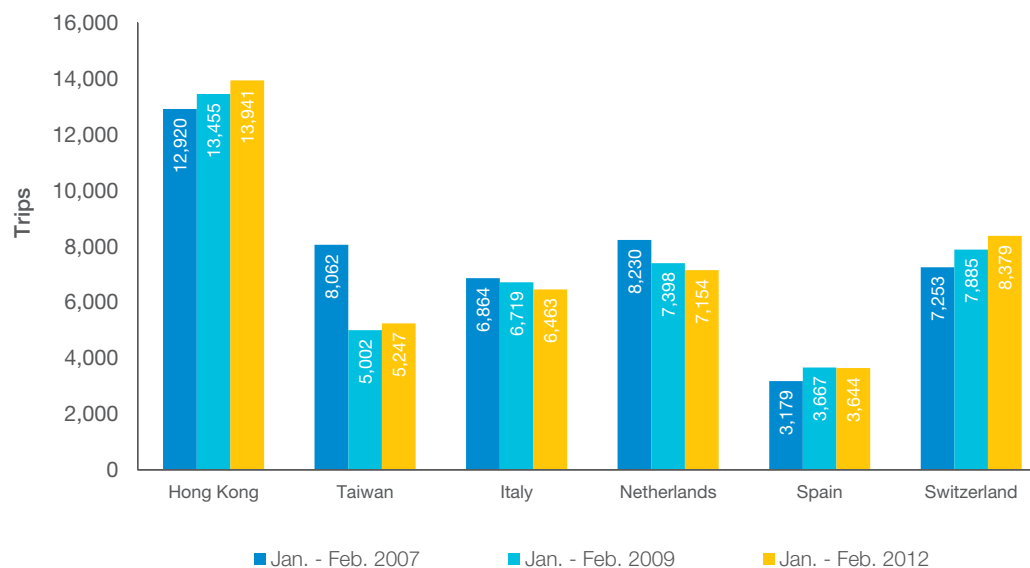
Emerging/ Transition Markets

- Japan posted a fourth consecutive gain (+13.6%), while South Korea (+5.8%) registered its first increase following 12 months of continuous declines;
- While Chinese New Year coincided with February in 2011, China's performance eased in February 2012, but still registered 7.9%; India meantime, recorded a 9th monthly year-over-year progression (15.8%);
- Brazil and Mexico both registered impressive records with high double-digit gains, 48.2% and 31.9% respectively;
- Year to date to February, the number of overnight trips from the CTC's emerging/transition markets grew by 14.3%, largely driven by increases from China (+28.0%) and Mexico (+23.3%).

Market Watch

- In February 2012, overnight arrivals from Hong Kong and Taiwan fell 16.5% and 10.1% respectively. The timing of the Chinese New Year shifted from February (2011) to January (2012) may have influenced these year-over-year growth results.
- Among the selected European markets, Spain registered the largest gain (+17.3%) followed by Switzerland (+8.2%) and Italy (+6.3%);
- Year to date to February, Taiwan posted a largest growth (+15.4%) followed by Spain (+14.7%), while overnight arrivals from Hong Kong contracted (-1.9%);
- When compared with February 2007 (year-to-date), Switzerland (+15.5%) saw the largest gain in overnight arrivals to Canada followed by Spain (+14.6%) and Hong Kong (+7.9%).

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

	Feb. 2012	12/11 Feb. % Change	Jan. - Feb. 2012	Year-to-date % Change
Italy	3,076	6.3	6,463	10.7
Netherlands	3,585	-5.6	7,154	1.9
Spain	1,718	17.3	3,644	14.7
Switzerland	4,475	8.2	8,379	5.6
Hong Kong	5,218	-16.5	13,941	-1.9
Taiwan	1,756	-10.1	5,247	15.4

Competitive review (January 2012)

International Travel (in thousands)

Trips From:	Trips To:					
	Canada		United States		Australia	
		12/11 Change		12/11 Change		12/11 Change
Total International	670	2%	4,515	7%	503	5%
United States	455	0%	39	4%
Canada	...		1,500	9%	12	3%
Core Markets						
United Kingdom	27	-7%	186	-4%	57	-5%
France	20	-7%	67	-4%	9	1%
Germany	12	9%	92	9%	13	-6%
Australia	16	-1%	77	8%
Emerging/ Transition Markets						
Japan	9	16%	274	2%	24	2%
South Korea	9	-17%	121	3%	19	-12%
Mexico ¹	7	16%	1,042	4%
Brazil	8	3%	171	18%	4	9%
China	19	44%	160	60%	77	27%
India	7	4%	51	7%	11	4%
Total Key Markets	589	1%	3,739	7%	265	5%

- In January 2012, overall international travel to Canada improved by 2%, while the US and Australia also reported gains, up 7% and 5% respectively;
- Canada outperformed the US and Australia in overnight arrivals from Japan, posting a 16% increase;
- Canada distanced the US in overnight arrivals from Mexico with a 16% increase;
- The US experienced a 7% increase in overnight arrivals from India, outperforming both Canada and Australia (each +4%);
- Although Canada and Australia recorded strong gains in arrivals from China, up 44% and 27% respectively, the US outperformed both competitors with an astonishing 60% increase;
- While Australia saw a 6% decline from Germany, the US and Canada posted 9% gains;
- The US saw a 3% increase in overnight arrivals from South Korea, while Australia and Canada experienced drops, down 12% and 17% respectively;
- The US posted a notable 18% increase in visitation from Brazil, outperforming both Australia (+9%) and Canada (+3%).

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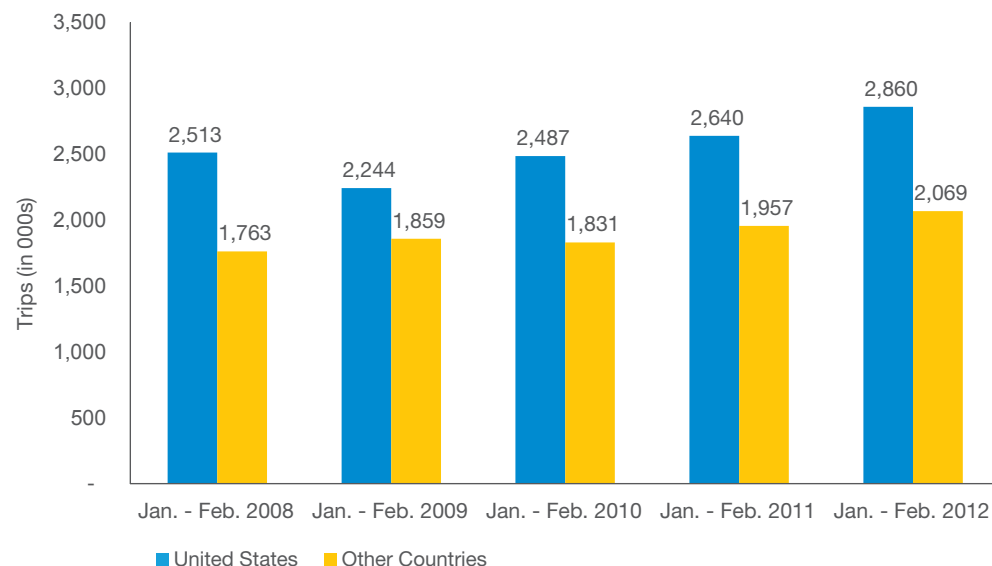
¹ US figures for Mexico include arrivals to interior only.

Note: Statistics Canada preliminary figures.

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

Canadian outbound trips

Overnight trips by Canadians



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

- In February 2012, Canadian outbound travel grew by 7.8% to 2.3 million overnight trips;
- The number of Canadians visiting the US during February 2012 increased by 7.9% compared to the same month last year, reaching over 1.3 million trips;
- Canadian overnight travel to overseas destinations (excluding the US) grew by 7.7% to 658,087 trips;
- Year to date to February, outbound trips by Canadians grew by 7.2%, totalling 4.9 million overnight trips;
- In February 2012, the largest re-entry of Canadians from the US occurred through Ontario, with 649,535 entries, followed by British Columbia (265,236 entries) Québec (175,664 entries) and Alberta (152,344 entries);
- The largest re-entry of Canadians from overseas (exclude the US) were recorded at Ontario port of entries (464,663 entries), followed by Québec (216,440 entries) and British Columbia (123,134 entries).

Overnight trips by Canadians

	Feb. 2012	12/11 Dec. % Change	Jan. - Feb. 2012	Year-to-date % Change
United States	1,360,486	7.9	2,860,079	8.3
Other Countries	958,087	7.7	2,069,245	5.8
Total Trips from Canada	2,318,573	7.8	4,929,324	7.2

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

Consumer outlook

Consumer confidence

- **Canada:** The Index of Consumer Confidence followed last month's significant increase with a moderate gain in February, inching higher 1.3 points to 75.2 (2002 = 100). An improved outlook on Canadian labour markets was the primary driver behind this month's increase.
- **USA:** The Conference Board Consumer Confidence Index®, which had decreased in January, increased in February. The Index now stands at 70.8 (1985=100), up from 61.5 in January.

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

Accommodations

- In February 2012, the national occupancy rate edged up by 0.9 points over the previous year to 56.9%. Alberta posted the largest increase (+3.6 points), while Yukon posted the largest decline (-16.0 points);
- Year-to-date to February, the national occupancy rate grew by a moderate 1.6 points, reaching 52.6%. Growth was in part hampered by a 7.6-point decline in occupancy rates in Yukon;
- Year to date to February, the national average Daily Rate grew to \$123.52, up 2.2% compared with the same period in 2011. Northwest Territories, Québec, Alberta, Saskatchewan and British Columbia posted rates higher than the average Daily Rate;
- During the first two months in 2012, the average Revenue per Available Room (RevPAR) was \$64.93 (up 5.4%) with Alberta posting the strongest growth (+13.3%) followed by Newfoundland (+12.7%).

Canadian Occupancy Rates, By Province*

	Feb. 2012	12/11 Change [^]	Jan.-Feb. 2012	Year-to-date Change [^]
Alberta ¹	63.9	3.6	59.3	4.5
British Columbia	53.0	0.7	49.3	1.6
Saskatchewan	65.0	2.2	61.7	1.5
Manitoba	64.1	1.9	59.0	1.9
Ontario	55.5	0.1	51.7	0.5
Quebec	60.0	1.2	53.8	1.6
New Brunswick	47.8	-0.3	44.1	0.9
Nova Scotia	51.3	-5.4	45.9	-1.5
Newfoundland	57.2	2.0	52.1	3.0
Prince Edward Island	42.7	-8.2	38.1	-3.6
Northwest Territories	77.4	0.8	63.8	-1.4
Yukon	61.8	-16.0	57.5	-7.6
Canada	56.9	0.9	52.6	1.6

* Note: Based on the operating results of 218,477 rooms (unweighted data).

[^] Percentage points.

¹ Excluding Alberta resorts.

Source: PKF Consulting Inc. with reproduction and use of information subject to PKF Disclaimer and Restrictions as detailed at www.pkfcanada.com.