



Tourism Snapshot

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

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Key highlights

- Total arrivals from CTC's international markets fell 1.3% in February 2013, as a decline in the Core markets (-9.7%) outpaced gains from the Emerging and Transition markets (+18.2%).
- A strong February from Australia (+6.3%) stood in contrast to weak performances from the European Core CTC markets in France (-17.2%), the UK (-9%) and Germany (-7.5%).
- During the Chinese New Year celebration, which was held in February this year, overnight arrivals from China surged 79.7%. The holiday was held in January last year. Looking at January and February together, arrivals from China were up 20.9% over 2012.
- Excluding China, Emerging and Transition markets expanded 0.3% in February. Arrivals from Brazil (+4%) and Japan (+7.6%) expanded, while those from South Korea (-6.8%), India (-3%) and Mexico (-4.9%) declined.



Tourism review Inbound highlights

Overnight trips to Canada

	Feb. 2013	13/12 Feb. % Change	Jan. - Feb. 2013	Year-to-date % Change
United States				
Automobile	302,738	-1.5	558,671	0.9
Plane	188,932	-2.3	374,076	-0.5
Other	34,020	-1.1	70,753	3.6
US Total	525,690	-1.8%	1,003,500	0.6%
Core Markets				
UK	29,348	-9.0	54,917	-7.5
France	25,090	-17.2	44,770	-10.7
Germany	11,490	-7.5	21,636	-11.0
Australia	11,460	6.3	28,575	8.5
Core Total	77,388	-9.7%	149,898	-6.4%
Emerging/Transition Markets				
Japan	14,415	7.6	24,057	7.2
South Korea	7,612	-6.8	17,063	-1.0
Mexico	6,722	-4.9	14,767	2.3
Brazil	5,175	4.0	13,573	3.4
China	20,850	79.7	37,196	20.9
India	6,082	-3.0	12,281	-5.7
Emerging/Transition Markets Total	60,856	18.2%	118,937	7.1%
CTC Overseas Key Markets	138,244	0.7%	268,835	-0.9%
Other Overseas Countries	78,016	5.3%	154,107	-0.6%
Total Non-US Countries	216,260	2.3%	422,942	-0.8%
Total Countries	741,950	-0.6%	1,426,442	0.2%

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

International trips

- Canada received approximately 742,000 international visitors during the month of February, a decrease of 0.6% compared with the same month in 2012.
- Despite a strong performance by Australia (+6.3%), overall arrivals from CTC's Core markets declined sharply in February (-9.7%) on weak results from Europe. The year-to-date number of overnight visitors is now 149,898, down 6.4% over the same period last year.
- Total arrivals from CTC's Emerging and Transition markets (Japan, South Korea, Mexico, Brazil, China and India) increased 18.2% in February, riding a surge in travel from China (+79.7%) during the Chinese New Year holiday period, while year-to-date arrivals through February were up 7.1% to 118,937 compared with the same period last year. Excluding China, arrivals from Emerging and Transition markets increased 0.3% in February and 1.8% year-to-date.

United States

- Overnight arrivals from the US declined broadly (-1.8%) in February. Auto arrivals retreated 1.5%, while air arrivals fell 2.3%.
- Year-to-date February 2013, total overnight trips to Canada by US residents grew 0.6% compared with the same period last year for a total of 1,003,500 arrivals.
- In February, six provinces recorded gains in border crossing arrivals by US visitors. Yukon (+12.4%), Manitoba (+6.8%) and Saskatchewan (+4.9%) saw the largest increases.

Core Markets

- Overnight arrivals from the UK (-9%), France (-17.2%) and Germany (-7.5%) declined sharply in February. Continued economic uncertainty in Europe is weighing on the winter vacation plans of travellers in these markets.
- Australia recorded a strong 6.3% gain in February, with 8.5% year-over-year growth for the first two months of the year.
- Year-to-date February 2013, all three European markets performed weakly: Germany declined the most (-11%), followed by France (-10.7%) and the UK (-7.5%).

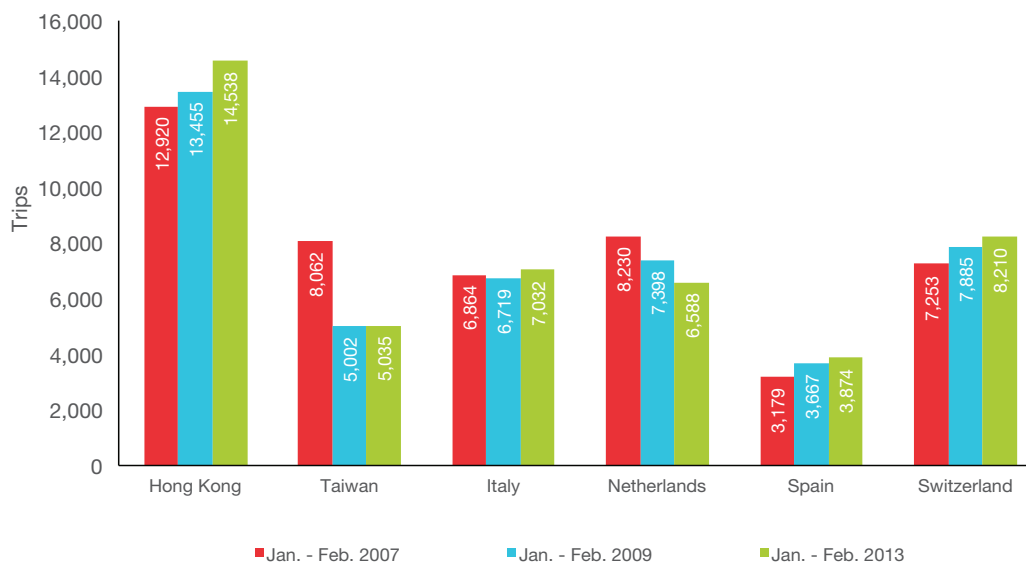
Emerging Markets

- On the back of exceptional seasonal growth from China (+79.7%) due to the Chinese New Year travel effect, arrivals from Emerging and Transition Markets expanded 18.2% in February. Excluding China, these markets expanded 0.3%.
- Many Chinese tend to travel abroad for Chinese New Year. The celebration is linked to a lunar calendar (i.e. not the same month each year), which results in spikes and dips when comparing year-over-year results. In 2012, the Chinese New Year occurred in January, resulting in a high number of outbound travellers and a 44% spike in Chinese arrivals to Canada at that time; as such, when comparing January 2013 to what was a big travel month one year ago, one sees a 14.7% dip in Chinese arrivals.
- This year, the Chinese New Year was in February, resulting in a February spike and a 79.7% increase for Canada. Averaging the two months together provides a better perspective for year-to-date China results, which is a strong 20.9% growth in Chinese arrivals to Canada.
- Growth in arrivals from Japan (+7.6%) and Brazil (+4%) stood in contrast to the contractions sustained from South Korea (-6.8%), Mexico (-5%) and India (-3%).
- Year-to-date February 2013, overall arrivals from CTC's Emerging and Transition markets grew 7.2% compared with last year, or by 1.8% excluding China. The best performers were China (+20.9%), Japan (+7.2%) and Brazil (+3.4%).

Market Watch

- In February, gains in arrivals were recorded from Spain (+15.8%), Italy (+5.9%) and Switzerland (+1.6%), while arrivals from the Netherlands declined 9.3%.
- In the midst of Chinese New Year, overnight arrivals in February from Hong Kong (+73%) and Taiwan (+60.9%) surged compared to 2012.
- Year-to-date February 2013, arrivals from secondary markets were mixed, with Italy (+8.8%), Spain (+6.3%) and Hong Kong (+4.2%) realizing gains, while the Netherlands (-7.9%), Switzerland (-2%) and Taiwan (-4%) saw losses.
- When compared with the year-to-date results for February 2007, Spain saw the largest gain in overnight arrivals (+21.9%), followed by Switzerland (+13.2%) and Hong Kong (+12.5%). Taiwan and the Netherlands posted significant declines, down 37.5% and 20% respectively.

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. 2013	13/12 Feb. % Change	Jan. - Feb. 2013	Year-to-date % Change
Italy	3,258	5.9	7,032	8.8
Netherlands	3,251	-9.3	6,588	-7.9
Spain	1,975	15.0	3,874	6.3
Switzerland	4,547	1.6	8,210	-2.0
Hong Kong	9,035	73.0	14,538	4.2
Taiwan	2,826	60.9	5,035	-4.0

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

Competitive review (January 2013)**

International Travel (in thousands)

Trips From:	Trips To:			
	Canada		Australia	
		13/12 Change		13/12 Change
Total International	684.5	1.1%	495.0	-1.5%
United States	477.8	3.3%	42.1	8.5%
Canada	...		12.7	3.3%
Core Markets				
United Kingdom	25.6	-5.7%	57.8	1.4%
France	19.7	-1.0%	9.4	8.0%
Germany	10.1	-14.7%	13.5	2.3%
Australia	17.1	10.0%
Emerging/Transition Markets				
Japan	9.6	6.6%	22.7	-4.6%
South Korea	9.5	4.2%	20.9	9.4%
Mexico ¹	8.0	9.2%
Brazil	8.4	3.0%	3.9	5.4%
China	16.3	-14.7%	58.7	-24.0%
India	6.2	-8.2%	11.4	4.6%
Total Key Markets	608.4	2.0%	253.1	-4.4%

...Not applicable. or data not available.

¹ US figures for Mexico include arrivals to interior only.

Note: Statistics Canada preliminary figures.

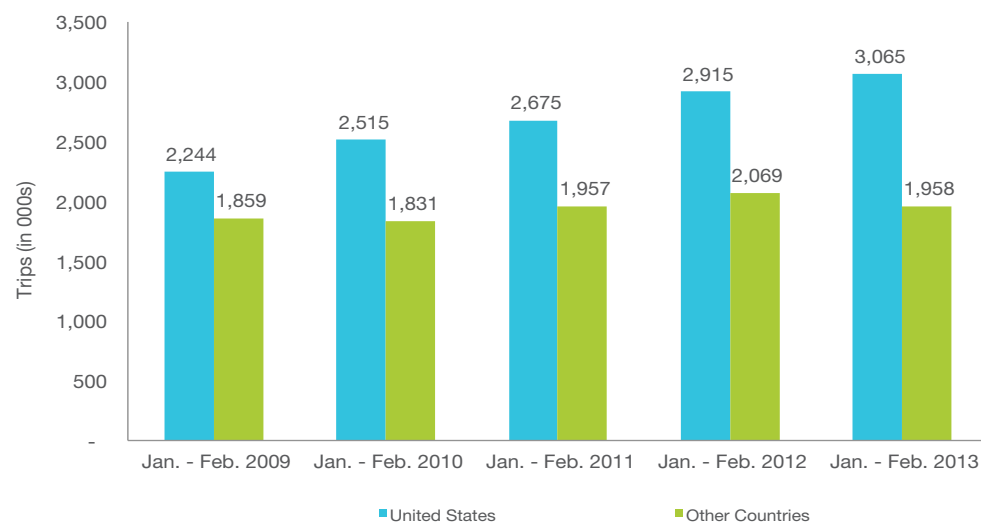
Sources: Statistics Canada; Tourism Australia.

** US visitation data for January 2013 were not available, with a delay due to the change in the entry process for US visitors.

- In January 2013, Australia saw a 4.4% decline in arrivals, while Canada registered a 2% gain over the same period last year.
- Ahead of the Chinese New Year holiday travel period in February this year, both Australia (-24%) and Canada (-14.7%) saw arrivals from China decline in January.
- Arrivals from the UK to Canada declined 5.7%, while travel to Australia increased 1.4%. Visitor numbers from France to Canada were down 1%, while Australia saw an 8% increase in arrivals from France.
- Both Canada and Australia saw an improvement in overnight arrivals from South Korea, up 4.2% and 9.4% respectively. While Canada registered gains in Japanese arrivals (+6.6%), Australia saw a 4.6% decline in that market.

Canadian outbound trips

Overnight trips by Canadians



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

- Canadian outbound travel continued to grow in February 2013, up 2% compared with the same period last year to approximately 2.39 million trips.
- The number of Canadians visiting the US during the month of February grew 7.2% to nearly 1.49 million trips.
- Canadian overnight travel to overseas destinations (excluding the US) registered a 5.4% decline to 906,668 trips.
- Year-to-date February 2013, outbound trips by Canadians declined 5.4% to 1.96 million trips.
- In February, most Canadians re-entered the country from the US through Ontario (688,644 entries, +4%), followed by British Columbia (339,009 entries, +21.4%) and Quebec (184,025 entries, +4.3%).
- Ontario recorded the largest re-entry of Canadians from overseas countries in February 2013 (419,818 entries, -9.7%), followed by Quebec (208,889 entries, -3.5%) and British Columbia (121,504 entries, -1.3%).

Overnight trips by Canadians

	Feb. 2013	13/12 Feb. % Change	Jan. - Feb. 2013	Year-to-date % Change
United States	1,487,982	7.2	3,064,604	5.1
Other Countries	906,668	-5.4	1,957,927	-5.4
Total Trips from Canada	2,394,650	2.0	5,022,531	0.8

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

Consumer outlook

Consumer confidence

- **Canada:** The Index of Consumer Confidence fell 2.2 points in February to 80.8 (2002 = 100) due to concerns about future job market conditions. There was little change this month in sentiment toward current and future income conditions, while there was an improvement in attitudes toward making major purchases.
- **USA:** The Conference Board Consumer Confidence Index®, which had declined in January, rebounded in February. The Index now stands at 68.0 (1985=100), up from 58.4 in January.

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

Accommodations

- In February 2013, the National Occupancy Rate increased marginally (+0.4 points to 57.2%) compared with the previous year. Northwest Territories (+5.5 points), Newfoundland and Labrador (+5.1 points), and Alberta (+2.4 points) saw the largest increases in occupancy.
- Year-to-date February 2013, the National Occupancy Rate recorded a marginal increase of 0.2 points to 52.6%. Northwest Territories registered the largest increase (+6.5 points), followed by Newfoundland and Labrador (+3.9 points).
- Year-to-date February 2013, the National Average Daily Rate improved to \$125.45, up 1.7% compared with the same period in 2012. Northwest Territories, British Columbia, Alberta, Saskatchewan, Quebec, and Newfoundland and Labrador posted rates higher than the National Average Daily Rate.
- During the first two months of 2013, the Average Revenue per Available Room (RevPAR) was \$65.99 (+2.1%), with Northwest Territories posting the strongest growth (+10.5%, \$108.46) followed by Newfoundland and Labrador (+9.7%, \$72.44).

Canadian Occupancy Rates, By Province*

	Feb. 2013	13/12 Change [^]	Jan. - Feb. 2013	Year-to-date Change [^]
Alberta ¹	66.2	2.4	61.3	2.1
British Columbia	52.2	-0.7	48.2	-0.8
Saskatchewan	66.9	1.6	62.2	0.1
Manitoba	63.7	-0.3	58.0	-0.9
Ontario	55.9	0.8	52.1	0.7
Quebec	59.4	-0.5	52.5	-1.1
New Brunswick	45.8	-1.8	41.9	-2.2
Nova Scotia	49.2	-1.5	43.9	-1.9
Newfoundland	62.3	5.1	57.2	3.9
Prince Edward Island	37.0	-3.4	32.4	-4.7
Northwest Territories	82.9	5.5	70.3	6.5
Yukon	53.6	-8.3	53.4	-4.5
Canada	57.2	0.4	52.6	0.2

* Note: Based on the operating results of 220,277 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.