

National Tourism Indicators

January to March (Q1) 2019 Highlights



DESTINATION
CANADA

Canada

National Tourism Indicators highlights for first quarter of 2019 (January to March 2019) as released by Statistics Canada on June 27, 2019.

Driven by domestic tourism expenditures over the first quarter of 2019, Canada's tourism economy expanded by 3.9% based on robust gains from Transportation services (+5.0%) - in particular passenger air transport (+8.3%), food and beverage services (+4.1%), travel services (+7.0%), along with accommodation (+2.7%) and recreation and entertainment (+2.7%).

Tourism activities in Canada:
CAD 20.1 Billion
+3.9%

- Year-over-year, inflation accounted for 0.6 percentage points (p.p.), with food and beverage services recording the largest price increases (+3.3 p.p), while accommodation services registered the largest decline (-2.6 p.p.), followed by transportation services (-0.4 p.p).
- Tourism export earned from international visitors accounted for 18.5% of total tourism expenditures.

Tourism Export:
CAD 3.7 Billion
+0.6%

- Arrivals of international visitors to Canada slowed (-1.2%) over the first three months of 2019 on a year-over-year basis. This slowdown partly resulted from general softening inbound flows from several key international markets and from "the Easter effect" – where travellers who would have come in March are likely to delay their travel until the Easter holiday in April 2019 to take advantage of the Easter holiday.
- As a result, spending in Canada from international visitors (+0.6%) stayed on par with Q1 2018 for transport and accommodation services. Food and beverage showed the largest gains (+2.0%).
- Of note, expenditures on passenger air transport rose by 0.8%, which was consistent with increased air arrivals of US residents over the first quarter of 2019 (+5.1%).

Domestic Tourism Expenditures
CAD 16.4 Billion
+4.6%

- Over the first three months of 2019, Canadians increased their spending (+4.6%) on domestic travel services and fares paid to Canadian carriers toward international travels.
- Indeed, the number of Canadians returning by air from the US (+6.8%) and from other countries (+4.3%) contributed to an appreciable increase in tourism expenditures on air transport services (+9.9%), along with travel services (+7.3%) and pre-trip expenditures (+6.0%). Canadians also spend more accommodation (+5.5%).

Tourism Employment:
730,000 jobs
+1.5%

- Servicing the demand for tourism activities generated 730,000 jobs over the first quarter of 2019, up 1.5% compared to Q1 2018. Job gains were led by air transportation (+4.8%), travel services (+5.5%) and accommodation (+2.0%).

Tourism's share of Canada's GDP
1.65%

- Over the first quarter of 2019, tourism generated \$8.2 billion in value added to the Canadian economy, representing 1.65% of the Canadian gross domestic product (GDP).

Table 1. Key national tourism indicators for annual results for 2018 and Q1 2019

	Full Year 2018	18/17	2019 Q1	Q1 19/18
Total Tourism Demand (\$million)	102,223	5.1%	20,140	3.9%
Domestic Demand (\$million)	80,044	5.7%	16,416	4.6%
Tourism Export (\$million)	22,179	3.3%	3,724	0.6%
Supply (\$million)	240,508	5.6%	54,681	2.0%
GDP (\$million)	42,389	5.0%	8,241	3.4%
Tourism GDP Share ¹	2.05%	0.03	1.65%	0.01
Employment (Jobs)	739.7	0.5%	730.0	1.5%
Tourism Implicit Price Index ¹	107.2	2.4	107.1	0.6
Tourism Business Establishments	217,901	6.4%		

¹ Year-over-year change expressed as Percentage-Points

Sources:

Statistics Canada, National Touris Indicators 2019 Q1 custom tables, values expressed in current dollars;

Destination Canada from linkages between Statistics Canada's Business Register (2018) and the Canadian Tourism Satellite Account.

Government Revenues Attributable to Tourism

- In 2018, government revenues attributable to tourism earned by four levels of governments (federal, provincial, municipal and indigenous) totalled \$28.4 billion, which represented 27.8 cents from each dollar of tourism expenditures on Canadian goods and services.
- Over the first quarter of 2019, the four level of governments earned \$5.6 billion, which represented 27.7 cents per dollar of tourism expenditures. Government earnings per dollar spend were slightly lower over 2019 Q1 than in 2018 due to the greater share of domestic tourism spending in 2019 Q1 compared to foreign spending.

Table 2. Estimated Government Revenues Attributable to Tourism (GRAT), 2019 Q1

2019 Q1	Domestic Expenditures (\$million)	Tourism Exports (\$million)	Total (\$million)
Total GRAT	\$4,452	\$1,128	\$5,580
Federal	\$2,028	\$466	\$2,493
Provincial/territorial	\$2,198	\$585	\$2,784
Municipal	\$213	\$69	\$282
Indigenous	\$13	\$8	\$21

Table 3. Estimated Government Revenues Attributable to Tourism (GRAT), 2018

2018	Domestic Expenditures (\$million)	Tourism Exports (\$million)	Total (\$million)
Total GRAT	\$21,706	\$6,718	\$28,425
Federal	\$9,887	\$2,774	\$12,661
Provincial/territorial	\$10,718	\$3,486	\$14,204
Municipal	\$1,040	\$410	\$1,450
Indigenous	\$62	\$48	\$109

Source: Destination Canada estimates based on 2016 multipliers derived from Statistics Canada's Government Revenues Attributable to Tourism, custom tabulations.