

National Tourism Indicators

2020 Q1 Highlights

Canada



Tongat Mountains National Park
Newfoundland and Labrador

Highlights from the National Tourism Indicators for the first quarter of 2020¹

Tourism activities in Canada CAD 17.5 billion -13.5%	<ul style="list-style-type: none">• The World Health Organization declared COVID-19 a global pandemic on March 11, 2020. In the days following this declaration, Canada imposed public health and safety containment measures that severely restricted non-essential travels domestically and internationally.• These measures resulted in significantly reduced economic activities in March 2020. Tourism was the most impacted economic sector as demand for tourism goods and services abruptly fell -13.5% over the first quarter of 2020.• In March 2020, occupancy rate in Canadian commercial accommodations dropped to an average of 32.5% from 60.2% a year-earlier (STR Ltd), which resulted in this sector sustaining the deepest revenue decline among the major tourism commodity groups over 2020 Q1 (-16.4%).• Steep contractions were also registered for food and beverage services (-15.5%), recreation and entertainment (-12.9%) and passenger air transport (-12.2%).• Over the first quarter of 2020, tourism commodity prices declined -0.2%. Accommodation services reported the most significant reduction in prices (-1.6%).
Tourism Export CAD 3.0 billion -18.5%	<ul style="list-style-type: none">• Over the first quarter of 2020, border closures and a ban of non-essential air travel led to a decline of -19.6% in non-resident overnight arrivals to Canada and to a corresponding contraction in revenues earned from international visitors (-18.5%).• Accommodation (-21.2%), passenger air transport (-19.6%) and food and beverage services (-18.0%) sustained the largest revenue declines on average over the first three months of 2020.
Domestic Tourism Expenditures CAD 14.4 billion -12.4%	<ul style="list-style-type: none">• Tourism spending by Canadians on Canadian goods and services fell -12.4% over the first quarter of 2020. Revenues from passenger air transport contracted by \$500 million as Canadians travelling domestically and abroad on Canadian air carriers collapsed following the imposition of containment measures in March. Following a 2.7% increase over the first two months of the first quarter of 2020, the number of Canadians returning by plane from abroad in March fell 40%, bringing total air arrivals over the first quarter to -13.6%.• Food and beverage (-14.9%) and accommodation (-13.9%) expenditures also experienced a combined loss of \$640 million by the end of the first quarter.
Tourism Employment 684,300 jobs -6.2%	<ul style="list-style-type: none">• Jobs supporting tourism activities contracted to an average of 684,300 jobs over the first quarter of 2020, which translated to 44,900 fewer jobs or -6.2% relative to the preceding year. The steepest job losses were registered in food and beverage (-9.4%) and in accommodation services (-6.0%).
Tourism's share of Canada's GDP 1.39%	<ul style="list-style-type: none">• Over the first quarter of 2020, tourism generated \$7.1 billion in value added to the Canadian economy, representing 1.39% of the Canadian gross domestic product (GDP) and a drop of 0.25% over Q1 2019. This was also the lowest share of the Canadian GDP ever recorded for tourism. This performance reflects the severity of the economic impact COVID-19 had on travel-dependent sectors relative to other economic sectors in the Canadian economy.

¹ All numbers are in current Canadian dollars, not adjusted for inflation.

Table 1. National tourism performance over the first quarter of 2020

	2020 Q1	2020Q1 /2019 Q1
Total Tourism Demand (\$million)	17,449	-13.5%
Domestic Demand (\$million)	14,420	-12.4%
Tourism Export (\$million)	3,029	-18.5%
GDP (\$million) ¹	7,145	-13.5%
Tourism Share of GDP in Canada ²	1.39%	-0.25 p.p.
Employment (thousand jobs)	684.3	-6.2%
Tourism Implicit Price Index (100=2007q3)	109.0	-0.2%

¹ GDP at basic price, estimated for direct contribution only

² Year-over-year change expressed as Percentage-Points (p.p.)

Sources: Statistics Canada, National Tourism Indicators 2020 Q1 custom tables, all values expressed in non-seasonally adjusted current dollars and values; Destination Canada for tourism share estimates

Table 2. Tourism expenditures on Canadian goods and services, 2020 Q1

	Total Expenditures			Domestic Expenditures			Tourism Exports		
	\$ million	2020Q1/ 2019Q1	Share of total	\$ million	2020Q1/ 2019Q1	Share of total	\$ million	2020Q1/ 2019Q1	Share of total
Transportation	7,467	-12.9%	43%	6,462	-12.0%	45%	1,005	-18.5%	33%
Passenger air transport	4,935	-12.2%	28%	4,178	-10.7%	29%	757	-19.6%	25%
Accommodation	2,299	-16.4%	13%	1,564	-13.9%	11%	735	-21.2%	24%
Food and beverage services	2,710	-15.5%	16%	2,200	-14.9%	15%	510	-18.0%	17%
Recreation and entertainment	844	-12.9%	5%	552	-10.2%	4%	292	-17.5%	10%
Pre-trip expenditures	918	-7.9%	5%	918	-7.9%	6%			0%
Travel Services	855	-12.4%	5%	823	-12.4%	6%	32	-13.5%	1%
Convention fees	49	-16.9%	0%	45	-16.7%	0%	4	-13.5%	0%
Other goods and services	2,307	-12.5%	13%	1,856	-11.8%	13%	451	-15.2%	15%
Total	17,449	-82.9%	100%	14,420	-82.0%	100%	3,029	-86.3%	100%

Sources: Statistics Canada, National Tourist Indicators 2020 Q1 custom tables, values expressed in current dollars;