



Tourism Snapshot

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



Key highlights

In May 2010, overnight travel volumes from CTC overseas key markets appear to be rebounding post the Icelandic volcano eruption, with overall volumes growing by 12.1% in comparison to the moderate 1.1% increase seen in April.

In May there was a 9.2% decline in US travel to Canada, largely driven by a decrease (-12.8%) in auto travel.

Overall, the total number of Canadian outbound travellers grew by 15.8% in May, registering a 7.8% gain year-to-date.

Tourism review Inbound highlights

Overnight trips to Canada

	May 2010	10/09 May % Change	Jan.-May 2010	Year-to-date % Change
Americas*				
United States				
Automobile	567,738	-12.8	1,867,204	-9.4
Plane	273,350	2.1	1,074,543	4.2
Other	121,608	-13.9	270,977	-3.2
US Total	962,696	-9.2	3,212,724	-4.7
Mexico	10,058	-31.0	41,240	-43.8
Americas Total	972,754	-9.5%	3,253,964	-5.6%
Overseas Key Markets				
France	32,597	8.3	124,221	8.2
Germany	32,569	7.3	92,905	9.6
UK	66,916	0.5	218,822	-2.9
China	15,111	15.4	56,209	3.8
Japan	17,896	44.9	70,010	15.6
South Korea	14,578	31.6	52,663	10.5
Australia	30,457	18.5	76,107	8.9
India**	17,277	21.1	44,943	14.0
Brazil**	5,985	30.7	24,676	15.0
Overseas Key Markets	233,386	12.1%	760,556	5.9%
As % of Overseas and Americas	19.3%		18.9%	
Other Overseas Countries	144,126	4.4%	495,723	5.6%
Non-US Countries	387,570	7.4%	1,297,519	2.9%
Total Countries	1,350,266	-5.0%	4,510,243	-2.7%

Note: Statistics Canada preliminary estimates.

Source: Statistics Canada, *International Travel Survey*.

*Refers to the CTC's marketing group in the US and Mexico.

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

International trips

- There were approximately 1.4 million overnight visitor arrivals to Canada during May, a 5.0% decrease over the same month in 2009;
- The decline in May's arrivals was largely driven by a drop in overnight trips from the Americas markets (the US and Mexico), which fell 9.5% over 2009. Conversely, travel from CTC's other core overseas markets jumped by 12.1% in May reaching 233,386 overnight trips;
- Overnight trips to Canada in May from countries other than CTC key markets grew by 4.4% totalling 144,126 trips. Following this trend, visits from all countries excluding the US, jumped 7.4%;
- Year-to-date, overall international trips to Canada contracted by 2.7% to 4.5 million, while trip volume from overseas countries other than CTC key markets grew by 5.6%.

United States

- In May 2010, the decline in overnight trips from the US accelerated, falling by 9.2% over May 2009. While “other” and auto overnight US trips had comparable declines of 13.9% and 12.8% respectively, the number of plane trips increased by 2.1% compared with May 2009;
- Overall, year-to-date US overnight trips have fallen by 4.7% over 2009, totalling 3.2 million trips;
- In May 2010, the majority of provinces and territories posted drops in the number of overnight US visitors, with Newfoundland (-44.8%), Ontario (-11.6%) and British Columbia (-9.9%) posting the most significant declines;
- In the first five months of 2010, four provinces (Yukon +15.7%, Saskatchewan +10.6%, P.E.I +4.0% and British Columbia +2.5) registered year-to-date increases in inbound US overnight visits.

Mexico

- The decline in travel from Mexico slowed in May from a 53.6% drop in April to a 31.0% decline in May;
- In the first five months of 2010, travel from Mexico contracted 43.8%, falling to 41,240 overnight trips.

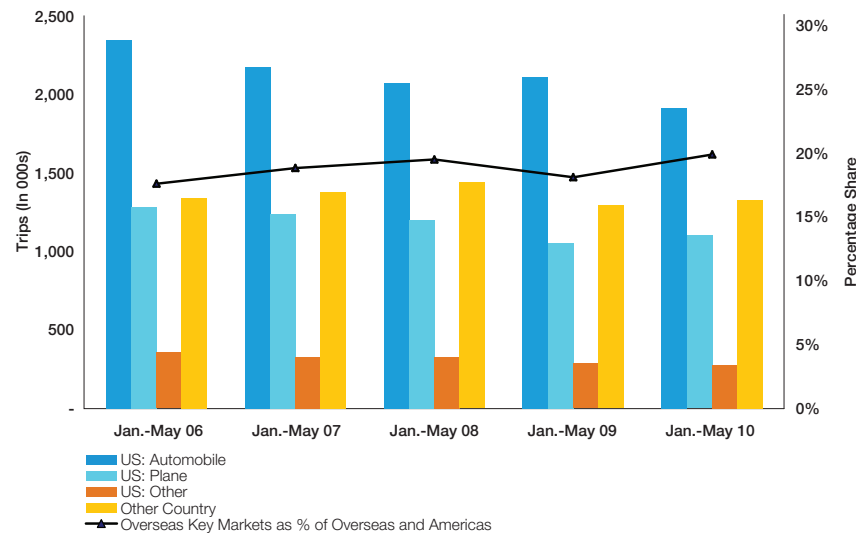
Overseas key markets

- In May 2010, overnight travel volumes from CTC overseas key markets appear to rebounding post the Icelandic volcano eruption, with overall volumes growing by 12.1% in comparison to the moderate 1.1% increase seen in April;
- Year-to-date May, trips from key markets grew by 5.9% reaching 760,556 trips;
- The overall increase in trip volumes from CTC key overseas markets were spurred by increase in travel from Japan (+44.9%), South Korea (+31.6%), Brazil (+30.7%) and India (+21.1%) over May 2009;
- In May 2010, the UK market showed signs of a recover increasing 0.5% to 66,916 visitors, over May 2009, after experiencing a 12.6% decline in April 2010;

- Japan posted the strongest year-to-date increase in trip volume among CTC Key overseas markets (+15.6%) over 2009; however, when compared to the same period of 2008 total trips from Japan are down 18.1%;
- Year-to-date, Brazil, India and South Korea also posted strong increases up 15.0%, 14.0% and 10.5% respectively compared with the same period in 2009;
- Germany and France also saw strong gains in May 2010. Year-to-date May, Germany saw a 9.6% increase in visitors over 2009 and a 8.2% increase over 2008 year-to-date volumes; while year-to-date France had a 8.2% jump over 2009 and a 7.2% increase compared with the same period in 2008;
- This month, Ontario welcomed an additional 13,649 visitors from countries other than the US (a 10.3% jump compared with May 2009), while British Columbia saw an increase of 8,764 additional visitors or a gain of 6.8% over May 2009;
- Year-to-date Ontario, British Columbia and Quebec attracted the most visitors from countries other than the US with all three provinces experiencing increases of 3.5%, 3.6% and 2.4%, over the same period in 2009 respectively.

Share of entry (May, 2010)

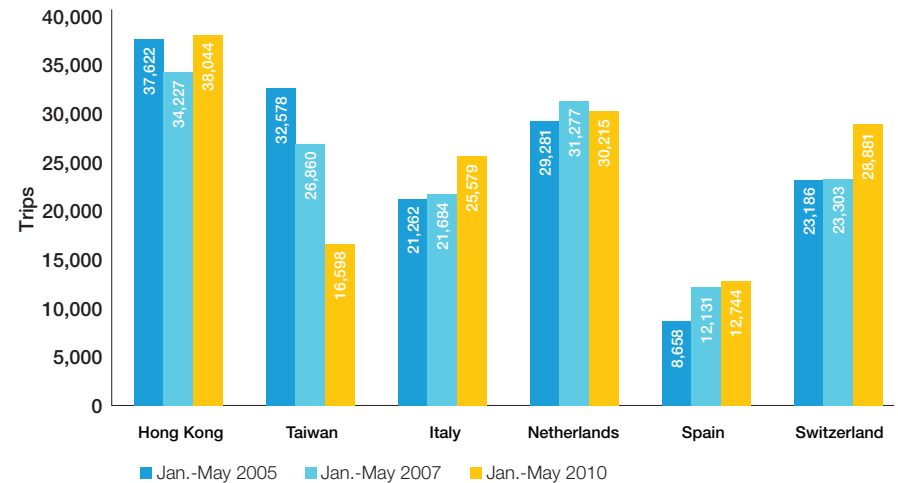
Overnight trips to Canada by non-residents



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

- In the first five months of 2010, Canada received 3.2 million overnight US visitors, representing 80.0% of international travellers from key markets. Of those US travellers, 46.5% came by automobile, 26.8% came by plane and 6.7% came by “other” non-automobile transportation;
- Year-to-date, overnight visitors from key European markets made 435,948 trips to Canada accounting for 10.9% of total trips from key markets, a 2.4 point gain in share of entry over the same period in 2005. Of all key market trips, the UK accounted for the largest portion of inbound visitors at 5.5%, followed by France at 3.1% and Germany at 2.3%;

Overnight trips to Canada, by selected markets



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

- Visitors from Asia Pacific key markets made 254,989 trips from January to May, accounting for a 6.4% share of total trips from key markets, marking a 1.0 point increase over the same period in 2005. Of all CTC's key market trips, Australia represented 1.9% while Japan accounted for 1.7%;
- Travellers from emerging markets (India and Brazil) made 69,619 trips to Canada from January to May, representing 1.7% of total trips from key markets, a 0.9 point increase compared with the first five months of 2005.

Market Watch

- For May year-to-date, five of the six selected secondary markets posted increases in overnight trip volumes over 2005;

- Compared with January to May 2005, Spain continued to post the strongest increase in visitors to Canada up 47.2% reaching 12,744 overnight trips in the first five months of 2010;
- Canada received an additional 5,695 visitors from Switzerland, a 24.6% increase over the first five months of 2005, followed by an increase of 4,317 Italian visitors, a 20.3% gain;
- In the first five months of 2010, Hong Kong edged into positive territory, with a 1.1% increase in total overnight trips in Canada compared with the same period in 2005; while Taiwan continued to see declines with a 21.9% drop over the same period in 2005.

Competitive review (March 2010)

International travel, January–March 2010 (in 000s)

Trips From:	Trips To:					
	Canada		United States		Australia	
	#	10/09 Change	#	10/09 Change	#	10/09 Change
Total International	2,216	0%	...	...	1,543	6%
Americas						
United States	1,567	-2%	...	...	128	7%
Mexico ¹	21	-43%	...	...	...	...
Overseas Key Markets						
France	68	13%	...	...	27	20%
Germany	42	9%	...	...	48	7%
United Kingdom	108	-1%	...	...	214	2%
China ²	30	0%	...	...	146	7%
Japan	38	9%	...	...	109	3%
South Korea	28	0%	...	...	58	15%
Australia	33	1%	...	...	...	...
India	18	10%	...	...	33	9%
Brazil	14	1%	...	...	...	...
Canada	...	...	...	...	40	2%
Total Key Markets	1,967	-1%	...	...	802	5%

- Between January and March 2010 international travel to Canada remained unchanged compared with the same period in 2009, while Australia posted a 6% gain in the total number of international visitors;
- Compared to Australia, Canada posted stronger growth from India (+10%), Japan (+9%) and Germany (+9%) during the first three months of 2010;
- Australia most notably out performed Canada in terms of growth in visitors from South Korea (+15%), while Canada saw 0% growth during the same period.

...Not applicable or data not available.

¹ US figures for Mexico include arrivals to interior only.

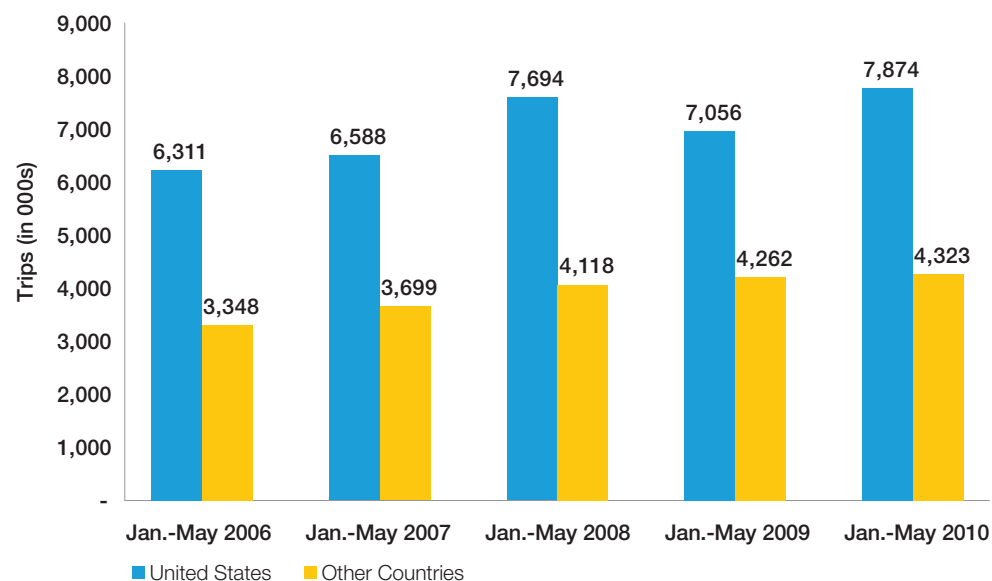
² US figures for China includes Hong Kong, SAR.

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

Note: Statistics Canada preliminary figures.

Canadian outbound trips

Overnight trips by Canadians



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

- Despite the Canadian dollar depreciating against the US dollar in May compared to the previous month, Canadian travel to the US continued to increase, up 16.5% over April 2009. Overall, year-to-date May outbound travel to the US increased 11.6% relative to 2009;
- Outbound travel to destinations outside of the US also gained momentum jumping by 13.9% in May; year-to-date May travel to countries other than the US edged up 1.4%;
- In May, Ontario posted the largest increase in the number of Canadian residence visiting the US of 15.0% or 104,211 additional visitors over 2009 volumes;
- Year-to-date, there was a notable 44.2% increase in international travel (excluding the US) by residence from New Brunswick, followed by strong increases in Yukon and Saskatchewan respectively up 43.1% and 26.3% over 2009;
- Overall, the total number of Canadian outbound travellers grew in May by 15.8%, contributing to a 7.8% gain year-to-date.

Overnight trips by Canadians

	May 2010	10/09 May % Change	Jan.-May 2010	Year-to-date % Change
United States	1,771,987	16.5	7,873,575	11.6
Other Countries	652,832	13.9	4,323,460	1.4
Total Trips from Canada	2,424,819	15.8	12,197,035	7.8

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

Consumer outlook

Consumer confidence

- **Canada:** Consumer confidence in Canada climbed 4.5 points in May to 89.3 (2002=100), compared with the same month in 2009 Canadian consumer confidence has increased 7.6 points.
- **USA:** The Conference Board Consumer Confidence Index® increased in May, its third consecutive monthly gain. The Index now stands at 63.3 (1985=100), up from 57.7 in April.

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

Accommodations

Canadian occupancy rates, by province*

	May 2010	10/09 Change^	Jan.-May 2010	Year-to-date Change^
Alberta ¹	56.6	-2.1	54.8	-3.7
British Columbia	61.6	0.6	57.4	1.7
Saskatchewan	68.4	0.7	67.1	-0.3
Manitoba	68.4	3.8	61.5	0.2
Ontario	61.9	3.2	54.2	1.7
Quebec	61.9	5.0	53.5	1.6
New Brunswick	55.7	3.2	48.8	0.5
Nova Scotia	60.4	0.4	52.5	0.6
Newfoundland	69.9	2.2	59.3	3.2
Prince Edward Island	41.0	-5.8	36.3	-2.1
Northwest Territories	53.9	-0.8	58.3	-1.2
Yukon	74.1	8.2	67.0	6.5
Canada	61.0	1.8	55.1	0.6

* Note: Based on the operating results of 210,775 rooms (unweighted data).

^ Percentage points.

¹ Excluding Alberta resorts.

Source: PKF Consulting Inc.

- In May 2010, there was a 1.8 point increase in occupancy from May 2009 reaching 61.0%. This increase was influenced by gains in occupancy levels in all provinces except Alberta and the Northwest Territories;
- Year-to-date May, Canada's occupancy rate grew by 0.6 points over last year to 55.1%. Saskatchewan posted the highest year-to-date occupancy rate of 67.1%, followed by Yukon (67.0%) and Manitoba (61.5%);
- Year-to-date the national Average Daily Rate was \$125.71, up from \$122.58 in 2009. The Northwest Territories, British Columbia and Quebec posted room rates above the national average;
- The national average Revenue per Available Room (RevPAR) for the first five months of 2010 was up 3.7% over the same period last year. The Northwest Territories, British Columbia, Saskatchewan and Newfoundland posted rates above the national average of \$69.21.

CTC Marketing, Research