



# Tourism Snapshot

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







## Key highlights

- Total arrivals from the CTC's international markets declined 2.1% in February 2014 based on weaknesses from both the US (-3%) and Core markets (-1.3%). Arrivals from Emerging and Transition markets rose 4.3%.
- While the number of Americans arriving by air rose 1.8%, auto arrivals (-5.4%) and arrivals by other means (-8.5%) declined.
- Following a 63.7% surge in January in connection with the Chinese New Year celebration, arrivals from China expanded just 4.2% in February. Averaging the two months together provides a better perspective for year-to-date China results, which is a strong 30.3% growth in arrivals to Canada.

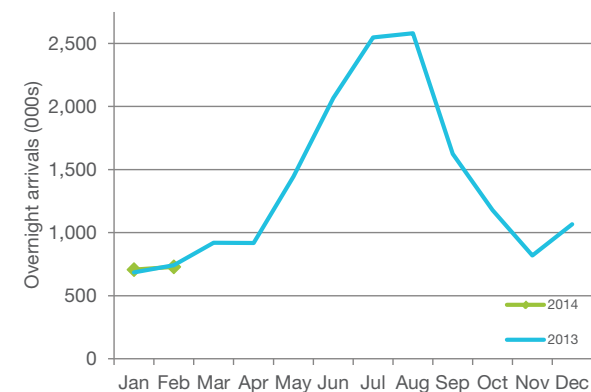
# Tourism review Inbound highlights

## Overnight trips to Canada

	Feb. 2014	14/13 Feb. % Change	Jan. - Feb. 2014	Year-to-date % Change
<b>United States</b>				
Automobile	286,444	-5.4	543,380	-2.7
Plane	192,405	1.8	380,461	1.7
Other	31,127	-8.5	62,718	-11.4
<b>US Total</b>	<b>509,976</b>	<b>-3.0%</b>	<b>986,559</b>	<b>-1.7%</b>
<b>Core Markets</b>				
UK	27,439	-6.5	53,805	-2.0
France	25,640	2.2	44,516	-0.6
Germany	12,051	4.9	22,958	6.1
Australia	11,261	-1.7	29,437	3.0
<b>Core Total</b>	<b>76,391</b>	<b>-1.3%</b>	<b>150,716</b>	<b>0.5%</b>
<b>Emerging/Transition Markets</b>				
Japan	13,944	-3.3	24,038	-0.1
South Korea	8,127	6.8	17,905	4.9
Mexico	7,875	17.2	17,057	15.5
Brazil	4,803	-7.2	13,028	-4.0
China	21,720	4.2	48,484	30.3
India	6,989	14.9	13,693	11.5
<b>Emerging/Transition Markets Total</b>	<b>63,458</b>	<b>4.3%</b>	<b>134,205</b>	<b>12.8%</b>
<b>CTC Overseas Key Markets</b>	<b>139,849</b>	<b>1.2%</b>	<b>284,921</b>	<b>6.0%</b>
Other Overseas Countries	78,860	1.1%	163,634	6.2%
<b>Total Non-US Countries</b>	<b>218,709</b>	<b>1.1%</b>	<b>448,555</b>	<b>6.1%</b>
<b>Total Countries</b>	<b>728,685</b>	<b>-1.8%</b>	<b>1,435,114</b>	<b>0.6%</b>

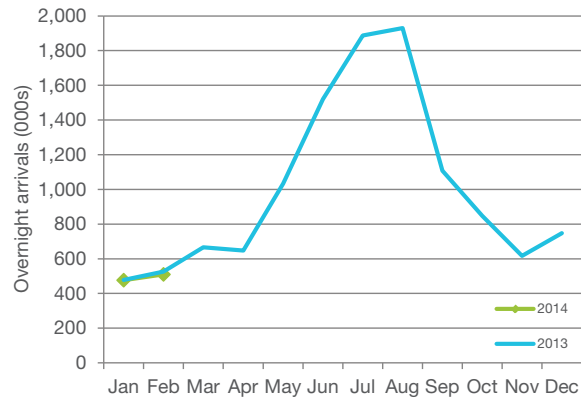
Note: Statistics Canada preliminary estimates.  
Source: Statistics Canada, International Travel Survey.

## International trips



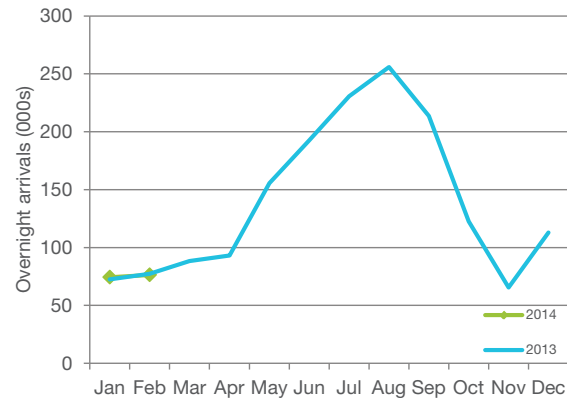
- Canada welcomed approximately 729,000 international visitors overall in February, a decline of 1.8% compared with the same month in 2013.
- Arrivals from CTC Core markets were mixed. Germany (+4.9%) and France (+2.2%) realized gains, but losses in Australia (-1.7%) and the UK (-6.5%) led the group to a 1.3% decline overall in February. Year-to-date February 2014, arrivals from CTC Core markets are up 0.5% over 2013, to 150,716.
- In February, arrivals from Emerging and Transition markets grew 4.3% on strong gains from Mexico (+17.2%), India (+14.9%) and South Korea (+6.8%). Year-to-date February 2014, arrivals from CTC Emerging and Transition markets are up 12.8% to 134,205.

## United States



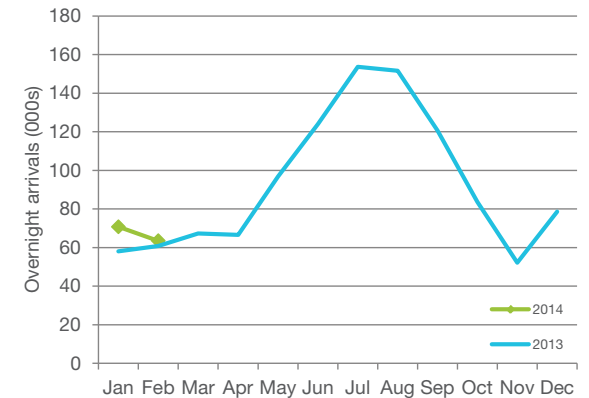
- Overnight visitation from the US dropped 3% to 509,976 in February. While air arrivals (+1.8%) increased modestly, the number of travellers arriving by auto and other means declined 5.4% and 8.5% respectively. Year-to-date February 2014, arrivals from the US are down 1.7% compared with the same period last year.
- In February, only BC (+1.6%) saw a gain in the number of overnight US border-crossing arrivals. Year-to-date February 2014, just BC (+8.3%) and Quebec (+1.8%) posted increases in US border-crossing arrivals compared to last year.

## Core Markets



- Contrary to the declines seen in the UK (-6.5%) and Australia (-1.7%), arrivals from Germany (+4.9%) and France (+2.2%) rose in February. German arrivals to Ontario (+16.7%) continued to be strong.
- During the first two months in 2014, arrivals from the UK (-2.0%) edged down to 53,805, with Alberta, Ontario and BC experiencing the largest decreases.

## Emerging Markets

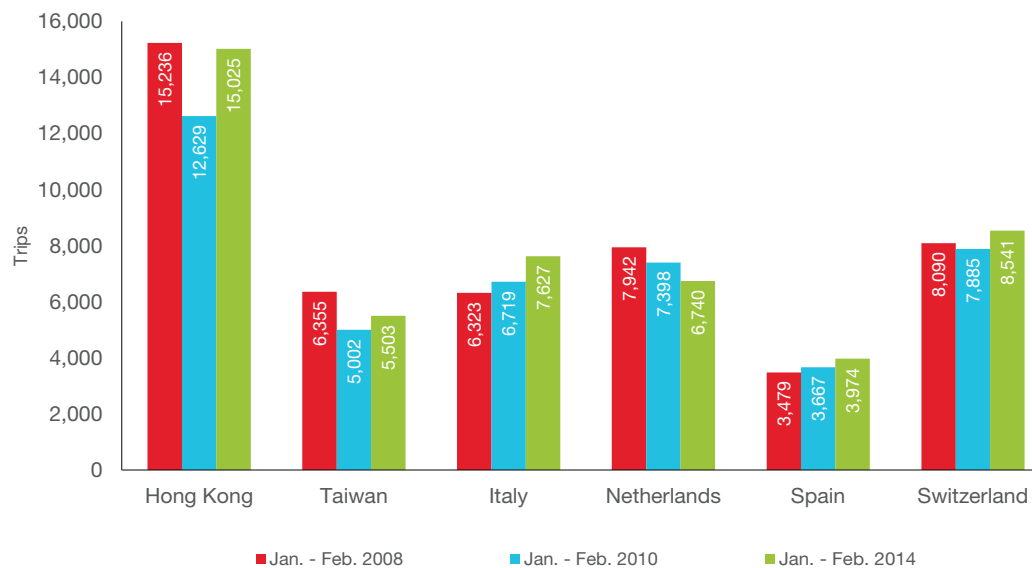


- Growth in arrivals from Mexico (+17.2%) and India (+14.9%) stood in contrast to the contraction from Brazil (-7.2%).
- While South Korean arrivals grew (+6.8%), arrivals from Japan dropped (-3.3%) over the same month last year.
- Following a 63.7% surge in January in connection with the Chinese New Year celebration, arrivals from China expanded just 4.2% in February. Averaging the two months together provides a better perspective for year-to-date China results, which is a strong 30.3% growth in arrivals to Canada.
- Year-to-date February 2014, overall arrivals from CTC's Emerging and Transition markets grew 12.8% compared with last year. The best performers were China (+30.3%), Mexico (+15.5%) and India (+11.5%).

## Market Watch

- Arrivals from other selected European markets were all positive year-to-date February 2014: Italy (+8.5%), Switzerland (+4.0%), Spain (+2.6%) and Netherlands (+2.3%).
- During the first two months in 2014, arrivals from Taiwan (+9.3%) and Hong Kong (+3.3%) also rose compared to the same period last year.

## Overnight trips to Canada, by selected markets



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

## Travel Characteristics

### Highlights (2013)

The International Travel Survey is currently going through a modernization initiative. We anticipate that the next release by Statistics Canada will be at the end of May 2014.

## Overnight trips to Canada, by selected markets

	Feb. 2014	14/13 Feb. % Change	Jan. - Feb. 2014	Year-to-date % Change
Italy	3,493	7.2	7,627	8.5
Netherlands	3,604	10.9	6,740	2.3
Spain	1,914	-3.1	3,974	2.6
Switzerland	4,695	3.3	8,541	4.0
Hong Kong	6,308	-30.2	15,025	3.3
Taiwan	2,541	-10.1	5,503	9.3

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



# Competitive review (January - February 2014)\*\*

## International Travel (in thousands)

Trips From:	Trips To:			
	Canada		Australia	
		14/13 Change		14/13 Change
<b>Total International</b>	1,435	0.6%	1,175	9.8%
United States	987	-1.7	99	10.1%
Canada	...	...	30	6.8%
<b>Core Markets</b>				
United Kingdom	54	-2.0	140	11.3%
France	45	-0.6	22	7.4%
Germany	23	6.1	37	15.1%
Australia	29	3.0	...	...
<b>Emerging/Transition Markets</b>				
Japan	24	-0.1	51	-4.9%
South Korea	18	4.9	41	8.2%
Mexico	17	15.5	...	...
Brazil	13	-4.0	8	16.7%
China	48	30.3	199	18.5%
India	14	11.5	28	13.9%
<b>Total Key Markets</b>	<b>1,271</b>	<b>-0.1%</b>	<b>654</b>	<b>11.6%</b>

...Not applicable. or data not available.

Note: Statistics Canada preliminary figures.

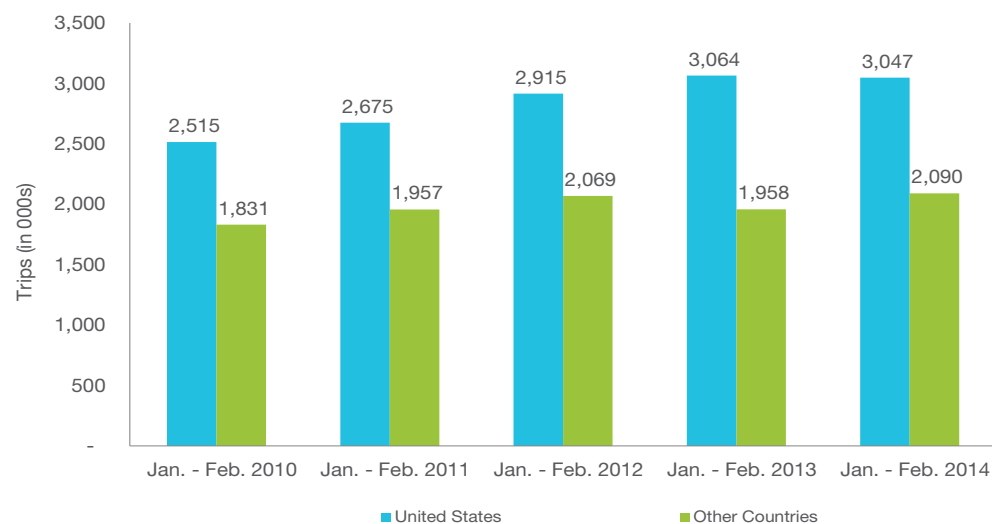
Sources: Statistics Canada; Tourism Australia.

\*\* US visitation data was not available due to a delay of the change of entry process for US visitors.

- Year-to-date February 2014, Australia (+9.8%) posted a large increase in total international arrivals, while total arrivals to Canada just edged up (+0.6%) over 2013.
- Both Australia (+18.5%) and Canada (+30.3%) saw large gains in arrivals from China during the first two months in 2014, making it the top-performing market in terms of growth for both countries.
- Arrivals to Australia from European markets were strong, with Germany and the UK registering double-digit growth of 15.1% and 11.3% respectively.
- South and North American markets also posted strong growth in arrivals to Australia, up 16.7% from Brazil, 10.1% from the US and 6.8% from Canada.
- Australia and Canada had mixed results in arrivals from Asian markets, with both experiencing decreases in overnight arrivals from Japan (-4.9% and -0.1% respectively) and increases from the rest of the Asian markets.

# Canadian outbound trips

## Overnight trips by Canadians



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

- In February 2014, Canadian outbound travel increased 1.7% compared with the same month last year to approximately 2.4 million trips.
- The number of Canadians visiting the US during the month of February slipped 1.5% to 1.47 million. Canadian overnight travel to overseas destinations (excluding the US) rose 6.8% to 968,053 trips.
- Year-to-date February 2014, outbound trips by Canadians grew 2.3% to 5.1 million trips.
- In February 2014, most Canadians re-entered the country from the US through Ontario (684,012 entries, -0.7%), BC (319,208 entries, -5.8%) and Quebec (181,919 entries, -1.1%).
- In February 2014, Ontario recorded the largest re-entry of Canadians from overseas countries (440,937 entries, +5.0%), followed by Quebec (217,024 entries, +3.9%) and BC (139,432 entries, +14.8%).

## Overnight trips by Canadians

	Feb. 2014	14/13 Feb. % Change	Jan. - Feb. 2014	Year-to-date % Change
United States	1,466,288	-1.5	3,047,049	-0.6
Other Countries	968,053	6.8	2,089,744	6.7
<b>Total Trips from Canada</b>	<b>2,434,341</b>	<b>1.7</b>	<b>5,136,793</b>	<b>2.3</b>

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

# Consumer outlook

## Consumer confidence

- **Canada:** The Index of Consumer Confidence increased 4.2 points to 85.7 (2002 = 100) in February. Despite this increase, the survey results continue to show that Canadians are concerned about the state of the economy in general and future job creation in particular.
- **USA:** The Conference Board Consumer Confidence Index®, which had increased in January, fell moderately in February. The Index now stands at 78.1 (1985=100), down from 79.4 in January.

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

## Accommodations

- In February 2014, the National Occupancy Rate recorded a marginal increase of 0.5 points to 57.7%. Prince Edward Island registered the largest increase (+4.1 points), followed by BC (+3.3 points).
- Year-to-date February 2014, the National Occupancy Rate rose slightly (+1.1 points to 53.7%) compared with the previous year. BC (+3.3 points) and Nova Scotia (+2.1 points) saw the largest increases in occupancy while Newfoundland and Labrador (-8.5 points) and Yukon (-5.7 points) saw the largest drops.
- Year-to-date February 2014, the National Average Daily Rate improved to \$128.52, up 2.4% compared with the same period in 2013. Northwest Territories, BC, Alberta, Saskatchewan, Quebec, and Newfoundland and Labrador posted rates higher than the National Average Daily Rate.
- During the first two months of 2014, the Average Revenue per Available Room (RevPAR) was \$69.02 (+4.5%), with BC posting the strongest growth (+9.7%, \$66.74) followed by Nova Scotia (+5.5%, \$51.01).

## Canadian Occupancy Rates, By Province\*

	Feb. 2014	14/13 Change <sup>^</sup>	Jan. - Feb. 2014	Year-to-date Change <sup>^</sup>
Alberta <sup>1</sup>	65.9	-0.6	62.2	0.8
British Columbia	55.6	3.3	51.6	3.3
Saskatchewan	61.0	-5.6	57.6	-4.5
Manitoba	57.7	-5.0	53.0	-4.6
Ontario	56.4	0.5	53.2	1.1
Quebec	60.2	0.9	53.8	1.4
New Brunswick	46.6	0.8	42.7	0.8
Nova Scotia	50.4	1.2	45.7	2.1
Newfoundland	52.9	-9.4	48.7	-8.5
Prince Edward Island	41.1	4.1	33.6	1.2
Northwest Territories	81.2	-1.7	70.6	0.3
Yukon	61.4	0.0	50.8	-5.7
<b>Canada</b>	<b>57.7</b>	<b>0.5</b>	<b>53.7</b>	<b>1.1</b>

\* Note: Based on the operating results of 220,615 rooms (unweighted data).

<sup>^</sup> Percentage points.

<sup>1</sup> 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](http://www.pkfcanada.com).