



Tourism Snapshot

A Monthly Monitor of the Performance of Canada's Tourism Industry




December 2015
Volume 11, Issue 12

KEY HIGHLIGHTS

- The year 2015 ended on a positive note for Canada, with total international arrivals increasing 7.5% over 2014 during the twelve months of 2015, well above the global growth rate of 4.4% recorded during the same period.
- From January to December 2015, arrivals from DC's 11 markets (10 overseas markets + the US) registered a 7.9% gain compared to 2014 amid gains from all four world regions, including the US (+8.3%), Asia-Pacific (+7.7%), Latin America (+13.3%) and Europe (+4.0%). It is worth noting that arrival growth was recorded in all eleven DC markets during 2015.
- 2015 has been a strong year in terms of visitation from the United States, in fact the best since the financial crisis of 2008-2009. In 2015, the number of US overnight visitors rose 8.3% compared to 2014 to reach nearly 12.5 million. Strong growth registered across all transport modes including by automobile (+9.9%), air (+6.4%) and other modes (+4.8%).
- France, Australia, China, India and Brazil registered their highest level of visitation to Canada ever during 2015.

QUICK LINKS

Industry Performance Dashboard

	Current Month	YTD
 Overnight Arrivals¹		
Total International	↑ 9.1%	↑ 7.5%
11 DC Markets**	↑ 10.1%	↑ 7.9%
Non-DC Markets	↑ 1.9%	↑ 5.0%
 Air Seat Capacity²		
Total International	↑ 4.1%	↑ 3.6%
11 DC Markets**	↑ 2.8%	↑ 2.3%
Non-DC Markets	↑ 4.5%	↑ 4.1%
 National Hotel Indicators³		
Occupancy Rate*	↓ -1.1%	↓ -0.7%
Revenue Per Available Room (Revpar)	↑ 2.5%	↑ 4.5%
Average Daily Rate (ADR)	↑ 0.2%	↑ 3.3%

Notes:

The Industry Performance Dashboard figures are year-on-year (2015/2014) variations.

* Percentage point variations

** The 11 DC markets are US, France, Germany, UK, Australia, China, India, Japan, South Korea, Brazil and Mexico.

Sources:

1. International Travel Survey, Statistics Canada

2. Diiio Mi

3. CBRE Hotels with reproduction and use of information subject to CBRE Disclaimer / Terms of Use as detailed at www.cbre.ca.

MARKET MONITOR SUMMARY

	Market	Overnight Arrivals ⁱ		Arrival YOY Variations (%)		Air Seat capacity ⁱⁱ		Local currency vs. CAD ⁱⁱⁱ	
		Current Month	Full Year	Current Month	Full Year	Current Month	Full Year	Current Month Average	Full Year Average
United States	United States	831,993	12,474,500	11.6%	8.3%	0.7%	1.0%	18.8%	15.7%
DC Europe	France	30,799	500,502	-1.9%	3.8%	11.1%	9.5%	4.9%	-3.3%
	Germany	13,854	328,870	7.2%	0.6%	2.4%	-2.8%	4.9%	-3.3%
	United Kingdom	46,714	715,548	4.2%	5.8%	-1.2%	0.8%	13.8%	7.4%
DC Asia-Pacific	Australia	27,492	286,906	1.0%	2.2%	7.6%	12.3%	4.3%	-3.6%
	China	30,460	493,827	8.1%	8.8%	14.5%	11.6%	14.1%	13.4%
	India	11,210	190,565	-11.5%	8.6%	56.8%	8.0%	12.1%	10.1%
	Japan	17,206	275,027	12.8%	6.4%	7.5%	18.0%	16.5%	1.0%
	South Korea	12,224	188,585	14.1%	15.6%	18.7%	11.3%	11.6%	7.6%
DC Latin America	Brazil	9,290	112,268	-5.6%	12.4%	56.1%	31.6%	-19.1%	-17.4%
	Mexico	17,441	196,408	29.2%	13.8%	53.4%	25.0%	1.2%	-2.9%
Total 11 DC Markets		1,048,683	15,763,006	10.1%	7.9%				
Rest of the World		137,725	2,019,943	1.9%	5.0%				
Total International		1,186,408	17,782,949	9.1%	7.5%				

Sources:

i. International Travel Surey, Statistics Canada

ii. Diio Mi

iii. Bank of Canada

Notes:

i. Arrival figures are preliminary estimates and are subject to change.

ii. Air seat capacity is the variation in the total number of seats on direct commercial scheduled flights in December 2015 and the 12 months of 2015 relative to the same periods in 2014.

iii. The exchange rate variation is calculated on the average value of the Canadian dollar during December 2015 and the 12 months of 2015 compared to the same periods in 2014.

UNITED STATES

US Arrivals to Canada

CURRENT MONTH:

+11.6% ↑ YOY



YTD:

+8.3% ↑ YOY

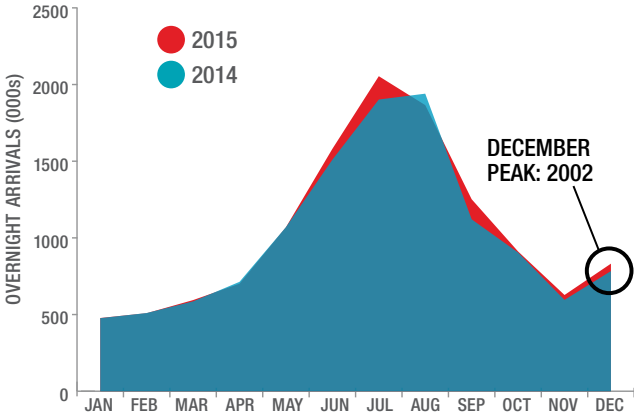
Overnight Arrivals

	Dec. 2015		YTD 2015	
	Arrivals	% Change ('15/'14)	Arrivals	% Change ('15/'14)
Automobile	518,639	15.3	7,476,381	9.9
Air	276,483	6.6	3,633,875	6.4
Other	36,871	0.6	1,364,244	4.8
US Total	831,993	11.6	12,474,500	8.3

Source: Statistics Canada, International Travel Survey.
 Note: The figures are preliminary estimates and are subject to change.



Trend Plot: Total United States Arrivals



United States: Key Indicators

Air Seat Capacityⁱ	Current Month	+0.7%
	YTD	+1.0%
Exchange Rateⁱⁱ	Current Month	+18.8%
	YTD	+15.7%
Consumer Confidence Index (1985=100)ⁱⁱⁱ	Current Month	96.3
	Previous Month	90.4
Arrival Peak^{iv}	Year	2002
	Current % of Previous Peak	80.8%

Source:
 i. Diio Mi
 ii. Bank of Canada
 iii. Consumer Confidence Index, the Conference Board (USA)
 iv. Statistics Canada, International Travel Survey.

UNITED STATES

- Canada welcomed about 832,000 overnight visitors from the US in December 2015. The US visitor peak on record during the month of December occurred in 2002, with 860,000 overnight trips.
- In December 2015, overall arrivals from the US rose 11.6% over December 2014, with growth recorded in arrivals by auto (+15.3%) by air (+6.6%) and by other modes (+0.6%).
- The year 2015 registered the highest number of overnight visits from the US since 2008. From January to December 2015, total arrivals from the US rose 8.3%, an overall increase generated by strong growth in auto arrivals (+9.9%), air arrivals (+6.4%) and arrivals by other modes (+4.8%).
- The strong arrival growth from the US was facilitated by a number of economic factors. The depreciation of the Canadian dollar relative to the US dollar to its lowest level since 2002 provided US visitors with appreciable purchasing power gains in 2015 as the US dollar gained 16% on an annual average basis relative to the Canadian dollar in 2015.
- Overnight inbound arrivals from the US were further helped by significant improvements in the US economy amid solid job creation and GDP growth numbers throughout 2015. The consumer confidence index trended upward most of the year to land at 96.3 in December 2015, up from 90.4 in November.

EUROPE

Europe Arrivals to Canada

CURRENT MONTH:

+2.5% ↑ YOY



YTD:

+4.0% ↑ YOY

Overnight Arrivals

	Dec. 2015		YTD 2015	
	Arrivals	% Change ('15/'14)	Arrivals	% Change ('15/'14)
DC Europe	91,367	2.5	1,544,920	4.0
United Kingdom	46,714	4.2	715,548	5.8
France	30,799	-1.9	500,502	3.8
Germany	13,854	7.2	328,870	0.6
Secondary Markets				
Italy	7,290	8.2	115,224	2.8
Netherlands	5,676	12.9	118,395	14.8
Spain	3,286	23.8	68,269	10.1
Switzerland	6,369	-1.4	116,481	2.1
Rest of Europe	33,474	0.7	507,115.0	2.4
Total Europe	147,462	2.9	2,470,404	4.2



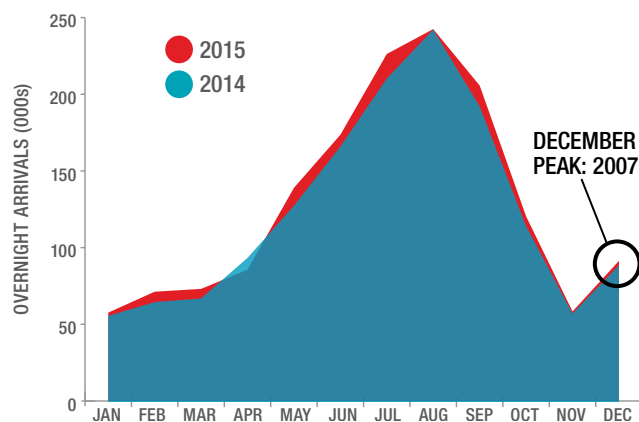
Source: Statistics Canada, International Travel Survey.
Note: The figures are preliminary estimates and are subject to change.

DC Europe: Key Indicators

		France	Germany	United Kingdom
Air Seat Capacity ⁱ	Current Month	11.1%	2.4%	-1.2%
	YTD	9.5%	-2.8%	0.8%
Exchange Rate ⁱⁱ	Current Month	4.9%	4.9%	13.8%
	YTD	-3.3%	-3.3%	7.4%
Arrival Peak ⁱⁱⁱ	Year	2014	1996	2007
	Current % of Previous Peak	103.8%	72.5%	78.7%

Sources:
i. Diio Mi
ii. Bank of Canada
iii. Statistics Canada, International Travel Survey.

Trend Plot: Total DC Europe Arrivals



- Canada welcomed 91,370 visitors from DC's markets in Europe in December 2015, up 2.5% compared to December 2014. From January to December 2015, arrivals from DC Europe rose 4.0%.
- The UK recorded the strongest growth of the three DC markets in Europe with arrivals up 5.8% during 2015. The more favorable exchange rate for British visitors – the British pound gained nearly 14% relative to the CAD from December 2014 to December 2015 – and improvements in the British economy helped increase visitation to Canada.
- France recorded its highest level of visitation ever in 2015 with arrivals up 3.8% relative to 2014. A more favorable exchange rate – the Euro gained 5% relative to the CAD from December 2014 to December 2015 and the 9.5% increase in air capacity during the year (relative to 2014) drove visitation to Canada from this country.
- Germany registered a strong month of December 2015 with arrivals up 7.2% relative to 2014. The strong December performance was not representative of the full year however as arrivals from Germany rose by a modest 0.6% during the twelve months of 2015. With a major leisure air carrier (Air Transat) exiting this market in 2015, air capacity between the two countries declined 2.8% relative to 2014 during the twelve months of 2015.

DC Europe Arrivals by Port of Entry – January to December 2015

- About two thirds of arrivals from DC markets in Europe during 2015 were direct air arrivals from overseas. Air arrivals via the US accounted for about 27% of total arrivals from France, 17.5% from Germany and 17% from the UK. Land arrivals via the US made up about 8% of French arrivals, 13% of German arrivals and 8% of UK arrivals.
- Notable year-on-year variations include the 47% increase in arrivals from France at YVR airport thanks to the new Air France flight from Paris and the strong increases in the number of UK arrivals at Toronto-Pearson (+12%) and Montreal-Trudeau (+9%). Toronto-Pearson also registered a strong increase in arrivals from France (+10%) compared to 2014.

		France	Germany	UK	
Air Arrivals from Overseas	YYZ	Arrivals	57,793	81,252	242,712
		YOY%	9.8%	1.5%	12.0%
		% of Total	11.5%	24.7%	33.9%
	YVR	Arrivals	15,991	53,166	108,004
		YOY%	46.9%	-4.0%	-1.0%
		% of Total	3.2%	16.2%	15.1%
	YUL	Arrivals	231,730	34,703	46,892
		YOY%	1.7%	1.8%	8.9%
		% of Total	46.3%	10.6%	6.6%
	YYC	Arrivals	4,514	22,734	62,969
		YOY%	-11.5%	-7.5%	-6.0%
		% of Total	0.9%	6.9%	8.8%
All other airports	Arrivals	10,714	18,932	36,953	
	YOY%	3.6%	9.8%	8.0%	
	% of Total	2.1%	5.8%	5.2%	
Subtotal	Arrivals	320,742	210,787	497,530	
	YOY%	4.4%	-0.8%	5.8%	
	% of Total	64.1%	64.1%	69.5%	
Air Arrivals via the US	All airports	Arrivals	136,245	57,524	119,729
		YOY%	6.9%	-4.0%	7.8%
		% of Total	27.2%	17.5%	16.7%
Sea Arrivals	All sea borders	Arrivals	2,101	20,581	41,526
		YOY%	17.7%	26.2%	16.7%
		% of Total	0.4%	6.3%	5.8%
Land Arrivals via US	All land borders	Arrivals	41,414	39,972	56,763
		YOY%	-10.0%	4.9%	-4.4%
		% of Total	8.3%	12.2%	7.9%
Total Overnight Arrivals		500,502	328,870	715,548	

Source: International Travel Survey, Table C, Statistics Canada.
 Note: The figures are preliminary estimates and are subject to change.

ASIA-PACIFIC

DC Asia-Pacific Arrivals to Canada

CURRENT MONTH:

+4.8% ↑ YOY



YTD:

+7.7% ↑ YOY

Overnight Arrivals

	Dec. 2015		YTD 2015	
	Arrivals	% Change ('15/'14)	Arrivals	% Change ('15/'14)
DC Asia-Pacific	98,592	4.8	1,434,910	7.7
Australia	27,492	1.0	286,906	2.2
China	30,460	8.1	493,827	8.8
India	11,210	-11.5	190,565	8.6
Japan	17,206	12.8	275,027	6.4
South Korea	12,224	14.1	188,585	15.6
Secondary Markets				
Hong Kong	11,369	-0.4	148,747	7.9
Taiwan	3,300	-9.0	73,705	5.5
Rest of Asia-Pacific	30,628	-2.1	435,239	2.6
Total Asia-Pacific	143,889	2.5	2,092,601	6.5



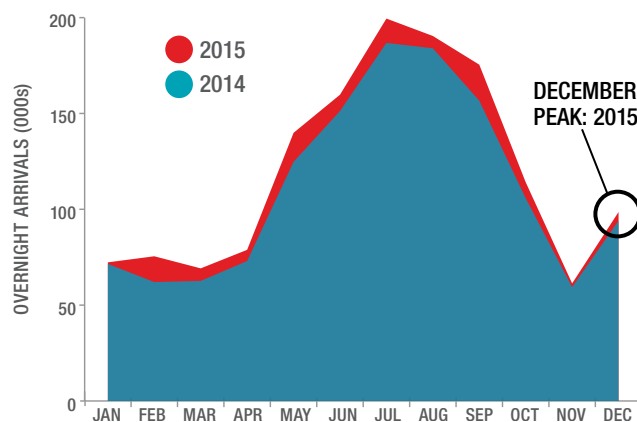
Source: Statistics Canada, International Travel Survey.
 Note: The figures are preliminary estimates and are subject to change.

Asia-Pacific: Key Indicators

		Australia	China	India	Japan	South Korea
Air Seat Capacity ⁱ	Current Month	7.6%	14.5%	56.8%	7.5%	18.7%
	YTD	12.3%	11.6%	8.0%	18.0%	11.3%
Exchange Rate ⁱⁱ	Current Month	4.3%	14.1%	12.1%	16.5%	11.6%
	YTD	-3.6%	13.4%	10.1%	1.0%	7.6%
Arrival Peak ⁱⁱⁱ	Year	2014	2014	2014	1996	2007
	Current % of Previous Peak	102.2%	108.8%	108.6%	42.3%	94.1%

Sources:
 i. Diao Mi
 ii. Bank of Canada
 iii. Statistics Canada, International Travel Survey.

Trend Plot: Total DC Asia-Pacific Arrivals



- Canada welcomed 98,590 visitors from DC Asia-Pacific markets in December 2015, up 4.8% compared to 2014. From January to December 2015, arrivals from DC Asia-Pacific expanded 7.7%, achieving an all-time arrival peak with 1.435 million visitors.
- South Korea recorded the strongest growth with arrivals up 15.6% during 2015. An 11% increase in air seat capacity along with a more favorable exchange rate– the Won gained 11% relative to the CAD in 2015 – helped attract more South Koreans to Canada.
- China (+8.8%) and India (+8.6%) continued to post strong visitation growth in 2015– although at a lower pace than recent years - - achieving a new arrival peak. The implementation of the CAN+ visa combined with a more favorable exchange rate (India, +12%, China, +14%) and major increases in air capacity (+8% for India, + 11.6% for China) fuelled visitation growth from these two countries.
- Amid a relatively stable Yen against the loonie over the first three quarters (-1.9%), a significant increase in air seat capacity (+18%) supported gains (+6.4%) in overnight arrivals from Japan in 2015. While outbound travel from Japan generally declined (-4.1%) in 2015, Canada was one of few destinations that registered an increase in Japanese visitors.
- Australia posted moderate arrival growth in 2015 (+2.2%) amid the downturn in the resource sector through 2015. Regardless, Australia achieved a new arrival peak in 2015, helped by a solid increase (+12.3%) in air capacity relative to 2014.

DC Asia-Pacific Arrivals by Port of Entry – January to December 2015

- About two thirds of arrivals from China, India and Japan, half from South Korea and a third from Australia were direct air arrivals from overseas during 2015. Air arrivals via the US accounted for about 43% of total arrivals from Australia, 18% from China and South Korea, 15% from India and 24% from Japan. Arrivals by sea accounted for over 11% of total arrivals from Australia.
- A notable year-on-year variation is the 166% increase in arrivals from China at YUL amid the new Air China flight from Beijing.

			Australia	China	India	Japan	South Korea
Air Arrivals from Overseas	YYZ	Arrivals	14,834	148,576	77,270	62,848	26,976
		YOY%	3.1%	8.3%	10.4%	4.7%	5.5%
		% of Total	5.2%	30.1%	40.5%	22.9%	14.3%
	YVR	Arrivals	69,700	182,540	20,928	101,152	62,538
		YOY%	1.3%	0.6%	8.9%	12.6%	11.6%
		% of Total	24.3%	37.0%	11.0%	36.8%	33.2%
	YUL	Arrivals	2,029	5,752	8,773	1,089	482
		YOY%	-17.0%	166.7%	3.6%	-32.9%	21.7%
		% of Total	0.7%	1.2%	4.6%	0.4%	0.3%
	YYC	Arrivals	1,113	986	7,003	16,631	2,118
		YOY%	-11.0%	35.3%	-1.6%	-15.2%	21.1%
		% of Total	0.4%	0.2%	3.7%	6.0%	1.1%
	All other airports	Arrivals	1,031	1,116	3,944	395	242
		YOY%	1.2%	0.3%	3.8%	0.2%	0.3%
		% of Total	0.4%	0.2%	2.1%	0.1%	0.1%
	Subtotal	Arrivals	88,707	338,970	117,918	182,115	92,356
		YOY%	0.9%	5.2%	8.1%	6.1%	9.7%
		% of Total	30.9%	68.6%	61.9%	66.2%	49.0%
Air Arrivals via the US	All airports	Arrivals	123,447	87,777	28,960	66,746	33,186
		YOY%	5.0%	18.5%	16.5%	9.5%	8.2%
		% of Total	43.0%	17.8%	15.2%	24.3%	17.6%
Sea Arrivals	All sea borders	Arrivals	33,456	13,631	8,218	4,114	4,129
		YOY%	-0.3%	7.1%	11.9%	17.8%	2.0%
		% of Total	11.7%	2.8%	4.3%	1.5%	2.2%
Land Arrivals via US	All land borders	Arrivals	41,296	53,449	35,469	22,052	58,914
		YOY%	-1.0%	18.9%	3.5%	-1.0%	33.3%
		% of Total	14.4%	10.8%	18.6%	8.0%	31.2%
Total Overnight Arrivals			286,906	493,827	190,565	275,027	188,585

Source: International Travel Survey, Table C, Statistics Canada.
Note: The figures are preliminary estimates and are subject to change.

LATIN AMERICA

DC Latin America Arrivals to Canada

CURRENT MONTH: **+14.6% ↑ YOY**



YTD: **+13.3% ↑ YOY**

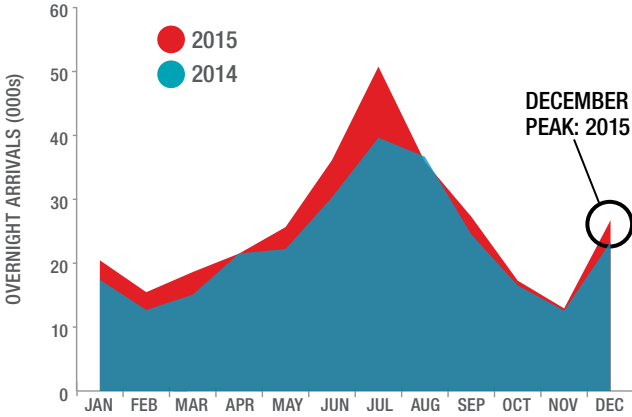
Overnight Arrivals

	Dec. 2015		YTD 2015	
	Arrivals	% Change ('15/'14)	Arrivals	% Change ('15/'14)
DC Latin America	26,731	14.6	308,676	13.3
Brazil	9,290	-5.6	112,268	12.4
Mexico	17,441	29.2	196,408	13.8
Rest of Latin America	26,158	6.5	311,979	8.9
Total Latin America	52,889	10.4	620,655	11.1

Source: Statistics Canada, International Travel Survey.
 Note: The figures are preliminary estimates and are subject to change.



Arrival Trend Plot – Total DC Latin America



DC Latin America: Key Indicators

		Brazil	Mexico
Air Seat Capacityⁱ	Current Month	56.1%	53.4%
	YTD	31.6%	25.0%
Exchange Rateⁱⁱ	Current Month	-19.1%	1.2%
	YTD	-17.4%	-2.9%
Arrival Peakⁱⁱⁱ	Year	2014	2008
	Current % of Previous Peak	112.4%	73.8%

Sources:
 i. Diao Mi
 ii. Bank of Canada
 iii. Statistics Canada, International Travel Survey.

LATIN AMERICA

- Canada welcomed 26,730 visitors from DC Latin America markets in December 2015, up 14.6% compared to December 2014, surpassing the previous arrivals peak registered in December 2014. From January to December 2015, arrivals from DC Latin America expanded 13.3% amid strong growth from both Brazil and Mexico, achieving a new all-time arrival peak with 308,675 visitors.
- Mexico recorded the strongest growth during the twelve months of 2015 with arrivals up 13.8% compared to 2014. A number of factors helped maintain the growth momentum for Mexican arrivals to Canada. First, air seat capacity increased 25% during 2015 (relative to 2014) with the introduction of new flights from Mexico City to Montreal and Vancouver. Second, the CAN+ visa program implemented in 2014 continued to facilitate visitation growth from this country. Finally, travel to Canada was further incentivized by the relative stability of the Mexican Peso against the Canadian dollar throughout 2015.
- Brazil posted strong visitation growth in 2015, achieving a new all-time arrival peak with 112,270 overnight visitors. This is the first year Brazil record an arrival figure above 100,000 visitors. The implementation of the CAN+ visa combined with major increases in air capacity (+31.6% compared to 2014) helped fuel visitation growth from Brazil.

DC Latin America Arrivals by Port of Entry – January to December 2015

- About half of arrivals from Mexico and Brazil were direct air arrivals from overseas during 2015. Air arrivals via the US accounted for about 44% of total arrivals to Canada from Brazil and 22% from Mexico. Arrivals by land accounted for 22% of total arrivals from Mexico and 4% from Brazil.
- Notable year-on-year variations include significant increases in arrivals from Mexico at Toronto-Pearson (YYZ) (+37%), Montreal-Trudeau (YUL) (+22.3%), Vancouver International (YVR) (+12.5%) and Calgary International (YYC) (+12%) as well as from growth in arrivals by sea (+30.4%) and to Toronto-Pearson (YYZ) (+18.7%) compared to 2014.

		Brazil	Mexico	
Air Arrivals from Overseas	YYZ	Arrivals	52,496	48,435
		YOY%	18.7%	37.0%
		% of Total	46.8%	24.7%
	YVR	Arrivals	654	24,623
		YOY%	-21.6%	12.5%
		% of Total	0.6%	12.5%
	YUL	Arrivals	1,403	21,421
		YOY%	-32.4%	22.3%
		% of Total	1.2%	10.9%
	YYC	Arrivals	121	2,889
		YOY%	-11.0%	12.0%
		% of Total	0.1%	1.5%
	All other airports	Arrivals	218	2,163
		YOY%	0.5%	2.8%
		% of Total	0.2%	1.1%
Subtotal	Arrivals	54,892	99,531	
	YOY%	15.6%	25.5%	
	% of Total	48.9%	50.7%	
Air Arrivals via the US	All airports	Arrivals	49,099	43,246
		YOY%	9.1%	-4.2%
		% of Total	43.7%	22.0%
Sea Arrivals	All sea borders	Arrivals	3,405	8,366
		YOY%	30.4%	-3.8%
		% of Total	3.0%	4.3%
Land Arrivals via US	All land borders	Arrivals	4,872	45,265
		YOY%	1.2%	14.8%
		% of Total	4.3%	23.0%
Total Overnight Arrivals		112,268	196,408	

Source: International Travel Survey, Table C, Statistics Canada.
Note: The figures are preliminary estimates and are subject to change.

COMPETITIVE REVIEW

Competitive Review – Australia vs Canada

Trips From:		Trips To:			
		Canada		Australia	
			15/14 Change		15/14 Change
Total International		17,782,949	7.5%	7,428,600	8.2%
United States		12,474,500	8.3%	609,900	10.3%
Canada		141,900	3.4%
Europe	United Kingdom	715,548	5.8%	688,400	5.6%
	France	500,502	3.8%	119,400	1.1%
	Germany	328,870	0.6%	190,000	1.7%
Asia-Pacific	Australia	286,906	2.2%
	Japan	275,027	6.4%	335,500	2.8%
	South Korea	188,585	15.6%	230,100	12.7%
	China	493,827	8.8%	1,023,600	21.9%
	India	190,565	8.6%	233,100	18.6%
Latin America	Mexico	196,408	13.8%	8,700	6.1%
	Brazil	112,268	12.4%	45,100	2.0%
Total DC Key Markets		15,763,006	7.9%	3,625,700	11.0%

Sources:
 Statistics Canada, International Travel Survey Border Counts
 Australian Bureau of Statistics, Overseas Arrivals and Departures, cat. no. 3401.0

- Since the beginning of 2015, Canada registered a slightly lower increase in total international arrivals (+7.5%) than Australia (+8.2%) over 2014.
- In DC's key markets, Canada registered lower growth during 2015, with arrivals increasing 7.9% - compared to 11% in Australia - relative to 2014. However, arrivals from DC markets totalled over 15.7 million trips to Canada compared to 3.6 million in Australia during that period.
- Australia posted a 3.4% increase in arrivals from Canada from January to December 2015. In comparison, Australian arrivals to Canada increased 2.2% during the same period.
- Australia registered larger gains than Canada in arrivals from the US (+10.3% vs +8.3%), China (+21.9% vs +8.8%) and India (+18.6% vs +8.6%) since the beginning of the year.
- Canada registered larger gains than Australia in arrivals from all other DC key markets in 2015, outpacing its competitor on overnight arrivals from Brazil (+12.4% vs 2%), France (+3.8% vs 1.1%), Japan (+6.4% vs 2.8%), Mexico (+13.8% vs +6.1%), South Korea (+15.6% vs +12.7%) and the UK (+5.8% vs +5.6%).

INTERNATIONAL ARRIVALS BY PROVINCE OF ENTRY

Overnight Arrivals by Province of Entry, January-December 2015

		Newfoundland	Prince Edward Island	Nova Scotia	New Brunswick	Québec	Ontario
Total One or more nights	2015	60,644	310	217,476	312,972	2,622,135	8,267,015
	Variance 2015/2014	3.5%	-88.0%	-2.0%	1.8%	7.3%	9.4%
	Change over 2014	2,035	(2,267)	(4,528)	5,507	177,452	708,094
US Residents by Automobile	2015	-	-	17,615	234,906	996,870	4,025,954
	Variance 2015/2014	-	-	-2.5%	8.1%	13.0%	8.5%
	Change over 2014	-	-	(444)	17,676	114,871	315,526
US Residents by Non-Automobile	2015	18,601	270	125,118	67,220	681,219	1,984,731
	Variance 2015/2014	-0.4%	-86.7%	-7.8%	-14.8%	5.6%	10.6%
	Change over 2014	(68)	(1,759)	(10,628)	(11,637)	36,149	190,607
Residents from Other Countries	2015	42,043	40	74,743	10,846	944,046	2,256,330
	Variance 2015/2014	5.3%	-92.7%	9.6%	-4.7%	2.9%	9.8%
	Change over 2014	2,103	(508)	6,544	(532)	26,432	201,961

Source: International Travel Survey, Statistics Canada

Overnight Arrivals by Province of Entry, January-December 2015

		Manitoba	Saskatchewan	Alberta	British Columbia	Yukon	CANADA
Total One or more nights	2015	228,393	85,866	912,319	4,925,916	149,903	17,782,949
	"Variance 2015/2014"	13.1%	-12.7%	-1.5%	7.9%	-0.4%	7.5%
	Change over 2014	26,433	(12,460)	(13,471)	359,750	(543)	1,246,002
US Residents by Automobile	2015	150,331	51,731	139,646	1,788,575	70,753	7,476,381
	"Variance 2015/2014"	21.5%	8.2%	6.8%	11.5%	0.3%	9.9%
	Change over 2014	26,569	3,901	8,841	184,829	229	671,998
US Residents by Non-Automobile	2015	69,061	30,481	486,033	1,474,820	60,565	4,998,119
	"Variance 2015/2014"	1.5%	-32.8%	-2.2%	7.3%	2.6%	5.9%
	Change over 2014	1,043	(14,854)	(11,025)	99,961	1,532	279,321
Residents from Other Countries	2015	9,001	3,654	286,640	1,662,521	18,585	5,308,449
	"Variance 2015/2014"	-11.6%	-29.2%	-3.8%	4.7%	-11.0%	5.9%
	Change over 2014	(1,179)	(1,507)	(11,287)	74,960	(2,304)	294,683

Province of Entry

- During the twelve months of 2015, the largest increases in total international arrivals to Canada were recorded through Ontario (+708,094, +9.4%), British Columbia (+359,750, +7.9%) and Quebec (+177,452, +7.3%).
- All three provinces (Ontario, BC and Quebec) registered strong gains in US arrivals by auto and non-auto modes as well as from overseas during 2015.
- Manitoba benefited from a surge in overnight car arrivals from the US (+21.5%) during 2015, resulting in a 13.1% growth in total international arrivals in the province compared to the previous year.
- Saskatchewan, Nova Scotia, Alberta, PEI and the Yukon recorded a contraction of direct total international arrivals during 2015.

CANADIAN OUTBOUND TRAVEL

Overnight Trips by Canadians

	Dec. 2015	15/14 Dec. % Change	Jan.- Dec. 2015	Year-to-date % Change
United States	1,263,676	-15.5	20,704,463	-10.0
Other Countries	903,576	7.1	11,565,146	10.0
Total Trips from Canada	2,167,252	-7.3	32,269,609	-3.7

Note: The figures are preliminary estimates and are subject to change.
Source: Statistics Canada, International Travel Survey.

Canadian Outbound Travel

- In December 2015, the number of overnight trips by Canadians to international destinations declined by 7.3% to 2,167,000. While the number of overnight trips by Canadians to the US fell by 15.5% year-over-year, it rose by 7.1% to overseas destinations.
- Amid signs of a slowing Canadian economy in the fourth quarter, the index of consumer confidence published by the Conference Board of Canada declined in December to land at 91 (2014 = 100), reaching its lowest level of the past two years.
- Over the twelve months of 2015, outbound trips by Canadian residents declined 3.7% compared to 2014 to 32.3 million amid the depreciation of the Canadian dollar against the US dollar in particular. The number of trips south of the border declined by 10%, while trips to other destinations increased 10% relative to the same period in 2014.
- In December 2015, most Canadian residents returned to the country from abroad through Ontario (1.02 million re-entries, -8.8%), BC (453,600 re-entries, -5.9%) and Quebec (366,800 re-entries, -2.1%).
- In December 2015, Canadian residents returning home from the US primarily re-entered Canada through Ontario (581,500 re-entries, -17.2%), BC (288,200 re-entries, -16.3%) and Quebec (181,150 re-entries, -9.1%).

ACCOMMODATION

Hotel Performance Indicators by Province

	Occupancy Rates				Average Daily Rate (ADR)				Revenue Per Available Room (RevPAR)			
	Dec. 2015	15/14 [^] Change	Jan-Dec 2015	Year-to-date [^] Change	Dec. 2015	15/14 [^] Change	Jan-Dec 2015	Year-to-date [^] Change	Dec. 2015	15/14 [^] Change	Jan-Dec 2015	Year-to-date [^] Change
Alberta¹	41.0%	-11.0%	58.7%	-9.1%	\$129.04	-6.6%	\$140.03	-2.4%	\$52.91	-26.4%	\$82.24	-15.6%
British Columbia	50.3%	1.9%	66.1%	2.2%	\$153.07	7.3%	\$153.15	8.8%	\$76.95	11.6%	\$101.23	12.6%
Saskatchewan	43.3%	-5.8%	58.7%	-5.2%	\$126.65	-2.8%	\$131.85	-0.9%	\$54.84	-14.3%	\$77.44	-9.0%
Manitoba	49.1%	-0.7%	62.6%	0.2%	\$115.86	0.0%	\$120.09	2.2%	\$56.91	-1.5%	\$75.14	2.5%
Ontario	49.4%	1.2%	65.2%	1.1%	\$129.75	3.5%	\$138.62	5.8%	\$64.08	6.1%	\$90.39	7.6%
Quebec	52.9%	0.6%	66.4%	1.2%	\$149.94	3.8%	\$151.86	4.7%	\$79.26	5.1%	\$100.76	6.6%
New Brunswick	35.5%	1.5%	54.4%	-0.3%	\$105.69	4.0%	\$114.90	4.1%	\$37.50	8.5%	\$62.54	3.5%
Nova Scotia	41.3%	4.7%	61.7%	2.1%	\$120.26	4.9%	\$127.84	4.9%	\$49.63	18.3%	\$78.85	8.6%
Newfoundland	41.3%	-3.3%	63.7%	-2.7%	\$132.79	0.2%	\$146.99	-0.2%	\$54.85	-7.2%	\$93.58	-4.3%
Prince Edward Island	34.2%	5.5%	53.1%	2.6%	\$92.56	-0.1%	\$128.19	3.8%	\$31.69	19.3%	\$68.02	9.1%
Northwest Territories	66.2%	7.2%	65.8%	-1.9%	\$155.31	-1.6%	\$156.77	-0.3%	\$102.88	10.4%	\$103.15	-3.1%
Yukon	42.4%	-4.2%	63.7%	-1.8%	\$109.84	11.1%	\$119.32	7.7%	\$46.55	1.2%	\$76.05	4.7%
Canada	47.5%	-1.1%	63.6%	-0.7%	\$138.14	2.5%	\$143.71	4.5%	\$65.67	0.2%	\$91.34	3.3%

*Based on the operating results of 223,202 rooms (unweighted data)

[^] Percentage points.

¹ Excluding Alberta resorts.

Source: CBRE Hotels with reproduction and use of information subject to CBRE Disclaimer / Terms of Use as detailed at www.cbre.ca.

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- During 2015, the National Occupancy Rate decreased 0.7 points to 63.6% amid mixed performance indicators for the accommodation sector across Canada.
- With the downturn in the resource and commodity sectors impacting business travel, hotel performance in oil and gas producing provinces sustained contractions in occupancy rates in 2015 relative to the previous year, with the strongest impact being felt in the three provinces with a large oil and gas sector: Alberta (-9.1 points), Saskatchewan (-5.2 points) and Newfoundland and Labrador (-2.7 points). While the average daily rate remained relatively unchanged in these provinces, the yearly revenue per available room (RevPar) declined significantly in the face of lower occupancy throughout the year. Alberta recorded a 15.6% decline in the yearly

RevPar, followed by Saskatchewan with a 9% decline and Newfoundland with a 4.3% decline.

- On a brighter note, most other Canadian regions recorded good overall hotel performance in 2015. Occupancy rose 2.6 points in PEI, 2.2 points in BC, 2.1 points in Nova Scotia, 1.2 points in Quebec and 1.1 points Ontario compared to 2014. Particularly strong yearly RevPar increases were recorded in BC (+12.6%), PEI (+9.1%), Nova Scotia (+8.6%), Ontario (+7.6%) and Quebec (+6.6%). Resort destinations in Alberta and British Columbia (Whistler) registered a strong performance during 2015 with occupancy rates up 2.5 points and 2.6 points, respectively, and their annual RevPar up 12.8% and 15.2%, year over year.

ACCOMMODATION

Hotel Performance Indicators by Property Type

	Occupancy Rates				Average Daily Rate (ADR)			
	Dec. 2015	15/14^ Change	Jan-Dec 2015	Year-to-date^ Change	Dec. 2015	15/14^ Change	Jan-Dec 2015	Year-to-date^ Change
Property Size								
Under 50 rooms	34.9%	-2.8	50.2%	-1.8	\$99.08	1.4%	\$106.14	1.4%
50-75 rooms	41.2%	-2.4	57.8%	-1.5	\$104.23	1.7%	\$111.67	1.7%
76-125 rooms	45.5%	-1.7	61.4%	-1.6	\$120.72	2.8%	\$126.92	2.8%
126-200 rooms	47.8%	-1.1	64.8%	-0.1	\$124.69	3.7%	\$131.81	3.7%
201-500 rooms	51.3%	0.0	66.5%	0.2	\$161.27	5.9%	\$165.00	5.9%
Over 500 rooms	55.0%	0.1	71.0%	-0.6	\$186.29	7.7%	\$195.72	7.7%
Total	47.5%	-1.1	63.6%	-0.7	\$138.14	4.5%	\$143.71	4.5%
Property Type								
Limited Service	42.5%	-2.6	59.0%	-1.7	\$107.16	3.0%	\$113.81	3.0%
Full Service	49.4%	-0.7	66.0%	-0.6	\$137.59	4.6%	\$151.45	4.6%
Suite Hotel	56.0%	2.0	71.0%	0.6	\$150.13	6.2%	\$152.93	6.2%
Resort	50.2%	1.2	59.1%	2.8	\$268.49	6.4%	\$212.85	6.4%
Total	47.5%	-1.1	63.6%	-0.7	\$138.14	4.5%	\$143.71	4.5%
Price Level								
Budget	40.8%	0.3	55.4%	0.1	\$84.65	4.4%	\$91.24	4.4%
Mid-Price	48.4%	-1.8	65.5%	-1.1	\$130.43	3.5%	\$139.76	3.5%
Upscale	54.4%	-0.1	68.0%	-0.5	\$226.84	6.9%	\$223.44	6.9%
Total	47.5%	-1.1	63.6%	-0.7	\$138.14	4.5%	\$143.71	4.5%

- The restructuring of the hotel room inventory currently underway in different markets across Canada helped the accommodation sector record a good overall performance despite the slight decline in occupancy in 2015. Several hotels across Canada were closed and converted to other uses in recent years, which allowed the accommodation sector to remain healthy despite slower demand in certain parts of the country.
- Among the different hotel property sizes, the larger hotels (greater than 125 rooms) generally fared better in terms of occupancy and average daily rates, particularly in Central Canada and to a lesser extent in Atlantic Canada.
- All property types, sizes and price levels recorded growth in the Average Daily rate during 2015, with properties over 500 rooms (+7.7%) and those with 201-500 rooms (+5.9%) outperforming the national average of 4.5% growth in ADR.
- Upscale hotels were the types that recorded the highest occupancy (68%) and strong growth in ADR (+6.9%) during 2015, outperforming the national average for these two indicators.
- Budget hotels, while positive in all regions, recorded the strongest average daily rate in Atlantic Canada (+6.6%).