



Tourism Snapshot

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

August 2017
Volume 13, Issue 8



www.destinationcanada.com

KEY HIGHLIGHTS

- In August 2017, overnight arrivals from the United States rebounded +6.0%, year-over-year. This performance was supported by robust increases in arrivals by air (+8.7%), automobile (+3.4%), and other modes of transport (+13.2%), across all provinces and territories except British Columbia and Nova Scotia.
- Year-to-date, overnight arrivals from Destination Canada's core international markets were up 4.3%. A strong US performance in August provided momentum to improve growth over the first 8 months of 2017 to +2.7% year-over-year. Among Destination Canada's core overseas markets (+10.4%), Latin-America (+41.8%) and Asia-Pacific (+12.0%) led the way year-to-date with double digit-gains, which were followed by more subdued gains from Europe (+2.3%).
- Destination Canada's Latin American markets (+32.1%) continued to show robust gains in overnight arrivals in August 2017, contributing the largest net increase in overnight visitors among Destination Canada's three overseas regions. With the eTA replacing the visa requirement in December 2016 and a 92% increase in direct airlift from Mexico City, arrivals from Mexico jumped 43.4% in August 2017. Changes in visa requirements for Brazilian citizens also supported a 6.8% gains in visitors from Brazil. Over the first eight months of 2017, tourist arrivals from Mexico and Brazil were up 53.1% and 17.0%, respectively.
- Strong performances from France (+11.7%) and Germany (+7.1%) were largely offset by a contraction in overnight arrivals from the UK (-9.2%) in August 2017, despite the UK achieving its second highest level ever in overnight arrivals for the month of August. Extraordinary gains in August 2016 (+29%) relative to August 2015 masked favorable gains in August 2017 relative to 2015 (+17%). Year-to-date, overnight arrivals from the UK are down (-1.6%), but up from France (+5.7%) and from Germany (+6.0%) are in line with expectations.
- Arrivals from Destination Canada's Asia-Pacific region (+4.3%) showed mixed results in August 2017. A key driver of this subdued performance was a net decline in overnight arrivals to Canada via the United States by air, land or sea (-5.3%), which offset improvements in arrivals by air direct from overseas (+10.9%). This contrast in arrivals was most noteworthy with respect to Japan (+3.1% direct air, -19.0% via US), China (+16.7% direct air, -6.0% via the US) and Australia (+24.1% direct air, -2.0% via the US).

1. Note the following caveat from Statistics Canada associated to the August 2017 data: "The most recent data for the following airports are preliminary estimates that will be revised in a future release: Macdonald-Cartier, Ottawa (since March 2017), Vancouver (since April 2017) and Toronto International Airport T3 (since June 2017). Since these estimates contribute to provincial and national totals, these totals will also be revised."

QUICK LINKS

Industry Performance Dashboard

	August 2017	YTD
✈ Overnight Arrivals¹		
Total International	↑ 4.9%	↑ 4.3%
11 DC Markets**	↑ 5.6%	↑ 4.3%
<i>United States</i>	↑ 6.7%	↑ 2.7%
10 Overseas Markets	↑ 4.3%	↑ 10.4%
Non-DC Markets	↓ -0.4%	↑ 4.5%
✈ Air Seat Capacity²		
Total International	↑ 3.9%	↑ 3.3%
11 DC Markets**	↑ 6.3%	↑ 6.4%
Non-DC Markets	↑ 2.1%	↑ 0.9%
🏠 National Hotel Indicators³		
Occupancy Rate*	↑ 2.8	↑ 1.6
Revenue Per Available Room (Revpar)	↑ 7.4%	↑ 5.0%
Average Daily Rate (ADR)	↑ 11.2%	↑ 7.6%

Notes:

The Industry Performance Dashboard figures are year-on-year variations.

* Percentage point variations.

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

Sources:

1. Statistics Canada, Frontier counts, custom tabulations

2. IATA-Diio SRS Analyser

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	
		August 2017	YTD 2017	August 2017	YTD 2017	August 2017	YTD 2017	August 2017 Average	YTD Average
United States	United States	2,066,968	10,107,491	6.0%	2.7%	5.8%	3.3%	-3.0%	-0.6%
DC Europe	France	100,266	396,364	11.7%	5.7%	-3.1%	2.5%	2.3%	-1.6%
	Germany	63,390	262,831	7.1%	6.0%	11.3%	10.9%	2.3%	-1.6%
	United Kingdom	126,263	564,657	-9.2%	-1.6%	-1.9%	3.5%	-4.0%	-10.1%
DC Asia-Pacific	Australia	46,899	254,722	6.5%	15.0%	-11.4%	45.0%	0.6%	2.5%
	China	99,104	478,021	10.0%	11.5%	20.1%	31.3%	-3.2%	-4.5%
	India	27,023	183,019	0.8%	19.0%	75.2%	55.0%	1.5%	2.2%
	Japan	43,646	199,628	-4.3%	3.2%	6.1%	9.8%	-10.6%	-3.1%
	South Korea	29,637	187,126	0.1%	13.2%	-1.8%	24.6%	-4.7%	2.0%
DC Latin America	Brazil	12,342	90,565	6.8%	17.0%	-32.0%	-29.1%	-1.3%	12.0%
	Mexico	36,842	259,569	43.4%	53.1%	92.3%	59.7%	0.5%	-4.8%
Total 11 DC Markets		2,652,380	12,983,993	5.6%	4.3%				
Rest of the World		313,922	1,661,170	-0.4%	4.5%				
Total International		2,966,302	14,645,163	4.9%	4.3%				

Sources:

- i. Statistics Canada, Frontier counts, custom tabulations
- ii. IATA-Diio SRS Analyser
- 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 during the current month and YTD relative to the same periods in the previous year.
- iii. The exchange rate variation is calculated on the average value of the Canadian dollar during during the current month and YTD relative to the same periods in the previous year.

UNITED STATES

US Arrivals to Canada

CURRENT MONTH:

+6.0% ↑ YOY



YTD:

+2.7% ↑ YOY

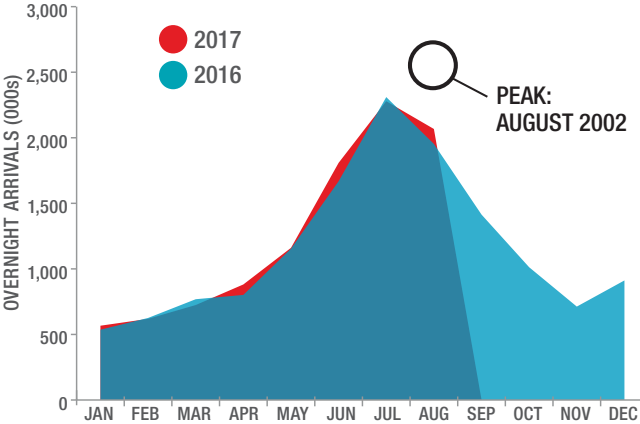
Overnight Arrivals

	August 2017		YTD 2017	
	Arrivals	% YOY Variance	Arrivals	% YOY Variance
Automobile	1,234,447	3.4	5,754,198	0.1
Air	578,961	8.7	3,289,960	5.9
Other	253,560	13.2	1,063,333	7.7
US Total	2,066,968	6.0	10,107,491	2.7

Source: Statistics Canada, Frontier counts, custom tabulations.
 Note: The figures are preliminary estimates and are subject to change.



Trend Plot: Total United States Arrivals



United States: Key Indicators

Air Seat Capacityⁱ	August 2017	5.8%
	YTD	3.3%
Exchange Rateⁱⁱ	August 2017	-3.0%
	YTD	-0.6%
Consumer Confidence Index (1985=100)ⁱⁱⁱ	August 2017	120.0
	Previous Month	117.3
YTD Arrival Peak^{iv}	Previous Peak Year	2002
	Current % of Previous Peak	84.6%

Source:
 i. IATA-Diio SRS Analyser, Year-on-year % variance.
 ii. Bank of Canada, Year on year % variance.
 iii. Consumer Confidence Index, the Conference Board (USA).
 iv. Statistics Canada, Frontier counts, custom tabulations.

UNITED STATES

- Following a slight downward shift in July 2017, US overnight arrivals rebounded +6.0% year-over-year in August 2017, driven by increased arrivals by all modes of entry – auto (+3.4%), air (+8.7%), and other (+13.2%).
- Year-to-date US arrivals were also up (+2.7%), with all modes of arrival on par or above 2016 levels over the same period. With just over 10 million visitors from January to August 2017, arrivals over this period were the highest recorded since 2005.
- This growth was supported by the ongoing expansion of air capacity between Canada and the US (+5.8% in August, +3.3% YTD), persisting despite the downward trend in the strength of the US dollar relative to the Canadian dollar in August 2017 (-3.0% relative to August 2016).
- In August 2017, the largest proportion of US overnight arrivals by vehicle¹ originated from New York (19.0% of August US auto arrivals), Washington (11.7%), and Michigan (10.2%), with the same states leading cross-border traffic year-to-date.
- Following a jump in July 2017, the consumer confidence index published by the US Conference Board remained that strength in August 2017 (120.4, up 0.4 points).

¹ States of origin information is based on Integrated Primary Inspection Lane data collected from US residents entering Canada in automobiles with license plate registered in the United States.

EUROPE

Europe Arrivals to Canada

CURRENT MONTH:

+0.7% ↑ YOY

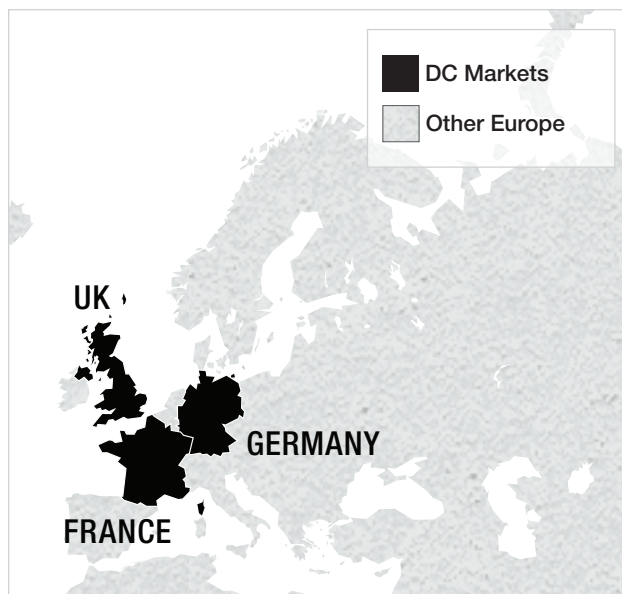


YTD:

+2.3% ↑ YOY

Overnight Arrivals

	August 2017		YTD 2017	
	Arrivals	% YOY Variance	Arrivals	% YOY Variance
DC Europe	289,919	0.7	1,223,852	2.3
United Kingdom	126,263	-9.2	564,657	-1.6
France	100,266	11.7	396,364	5.7
Germany	63,390	7.1	262,831	6.0
Other Europe	165,740	15.9	776,945	19.6
Italy	34,820	16.1	96,585	4.2
Netherlands	18,617	-11.3	100,420	1.5
Spain	20,685	11.1	68,211	11.1
Switzerland	18,561	-2.0	91,781	-3.4
Rest of Europe	73,057	2.0	419,948	6.2
Total Europe	455,659	1.7	2,000,797	3.1



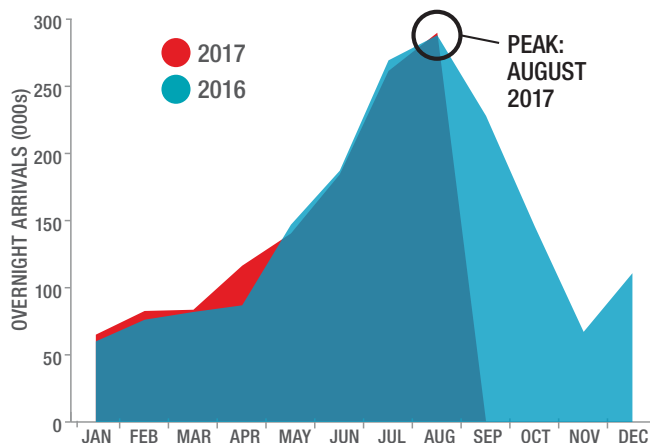
Source: Statistics Canada, Frontier counts, custom tabulations.
Note: The figures are preliminary estimates and are subject to change.

DC Europe: Key Indicators

		France	Germany	United Kingdom
Air Seat Capacity ⁱ	August 2017	-3.1%	11.3%	-1.9%
	YTD	2.5%	10.9%	3.5%
Exchange Rate ⁱⁱ	August 2017	2.3%	2.3%	-4.0%
	YTD	-1.6%	-1.6%	-10.1%
YTD Arrival Peak ⁱⁱⁱ	Previous Peak Year	2016	1996	2005
	Current % of Previous Peak	105.7%	80.7%	89.5%

Sources:
i. IATA-Diio SRS Analyser, Year-on-year % variance.
ii. Bank of Canada, Year on year % variance.
iii. Statistics Canada, Frontier counts, custom tabulations.

Trend Plot: Total DC Europe Arrivals



EUROPE

- August 2017 arrivals from Destination Canada's Europe region (+0.7%) were up only marginally over the same month last year but still achieved a new peak for the month of August. The continued decline in arrivals from the UK (-9.2%) nearly outweighed the strong growth observed from France (+11.7%) and Germany (+7.1%).
- The region also reached a new record peak in arrivals for the January to August period, up 2.3% over the same period in 2016. Arrivals from Germany (+6.0%) and France (+5.7%) were both up year-over-year, but the UK (-1.6%) fell slightly behind.
- France achieved new arrivals records for both the month of August (+11.7%) and year-to-date (+7.1%), driven mainly by increasing air arrivals despite a second consecutive month of retracted air capacity to Canada in August 2017 (-3.1%).
- The growth in arrivals from Germany in August 2017 (+7.1%) was also driven mainly by increased air arrivals, supported by the ongoing expansion of air capacity to Canada (+11.3% in August 2017). Year-to-date arrivals were also up year-over-year (+6.0%).
- Though August 2017 arrivals from the UK (-9.2%) were down for a fourth consecutive month compared to the elevated levels observed in 2016, they were still at the second highest level ever recorded for the month of August and up significantly compared to previous years (+17% relative to August 2015). The continued decline in the strength of the British pound in Canada (-4.0% in August, -10.1% YTD) and retraction of direct air capacity from the UK to Canada for a fourth consecutive month may have contributed to the current trend.

DC Europe Arrivals by Port of Entry

- Most visitors from Destination Canada's three European markets arrived by air directly from overseas year-to-date in 2017, primarily flying into YYZ and YUL.
- Year-to-date in 2017, France and Germany recorded a decline in arrivals via the US by land compared to the same period in 2016, whereas UK arrivals by air and sea were down.

			France	Germany	UK
Air Arrivals from Overseas	YYZ	Arrivals	47,167	72,855	192,774
		YOY%	14.7%	6.9%	-2.2%
		% of Total	11.9%	27.7%	34.1%
	YVR	Arrivals	14,352	50,608	105,756
		YOY%	4.4%	17.3%	7.5%
		% of Total	3.6%	19.3%	18.7%
	YUL	Arrivals	203,081	25,960	35,559
		YOY%	9.5%	-1.1%	-3.8%
		% of Total	51.2%	9.9%	6.3%
	YYC	Arrivals	2,588	18,414	52,620
		YOY%	-35.0%	-10.7%	1.6%
		% of Total	0.7%	7.0%	9.3%
	All other airports	Arrivals	4,057	15,872	30,128
		YOY%	1.7%	10.0%	7.8%
		% of Total	1.0%	6.0%	5.3%
Subtotal	Arrivals	271,245	183,709	416,837	
	YOY%	7.4%	5.9%	-0.4%	
	% of Total	68.4%	69.9%	73.8%	
Air Arrivals via the US	All airports	Arrivals	101,483	40,335	79,543
		YOY%	6.2%	4.8%	-13.0%
		% of Total	25.6%	15.3%	14.1%
Sea Arrivals	All sea borders	Arrivals	1,392	9,968	24,019
		YOY%	-18.5%	47.7%	-52.9%
		% of Total	0.4%	3.8%	4.3%
Land Arrivals via US	All land borders	Arrivals	22,057	28,645	44,182
		YOY%	-11.6%	-1.3%	12.5%
		% of Total	5.6%	10.9%	7.8%
Total Overnight Arrivals			396,364	262,831	564,657

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:

+4.3% ↑ YOY



YTD:

+12.0% ↑ YOY

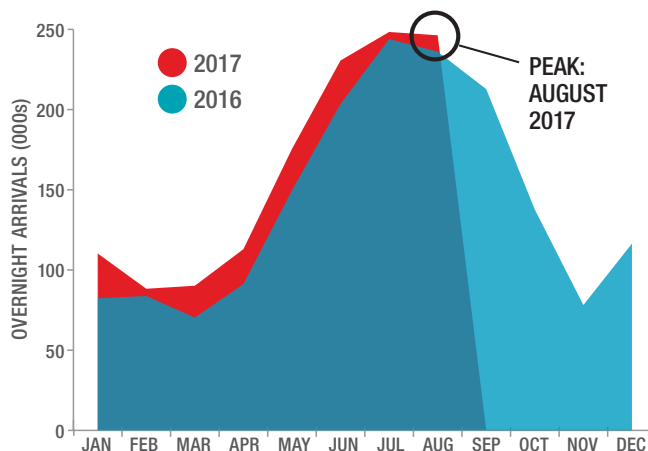
Overnight Arrivals

	August 2017		YTD 2017	
	Arrivals	% YOY Variance	Arrivals	% YOY Variance
DC Asia-Pacific	246,309	4.3	1,302,516	12.0
Australia	46,899	6.5	254,722	15.0
China	99,104	10.0	478,021	11.5
India	27,023	0.8	183,019	19.0
Japan	43,646	-4.3	199,628	3.2
South Korea	29,637	0.1	187,126	13.2
Other Asia-Pacific	86,652	-7.2	525,648	3.0
Hong Kong	16,098	-3.0	109,807	-0.2
Taiwan	8,969	1.2	62,309	-0.2
Rest of Asia-Pacific	61,585	-5.4	353,532	3.4
Total Asia-Pacific	332,961	1.9	1,828,164	9.0



Source: Statistics Canada, Frontier counts, custom tabulations.
Note: The figures are preliminary estimates and are subject to change.

Trend Plot: Total DC Asia-Pacific Arrivals



Asia-Pacific: Key Indicators

		Australia	China	India	Japan	South Korea
Air Seat Capacityⁱ	August 2017	-11.4%	20.1%	75.2%	6.1%	-1.8%
	YTD	45.0%	31.3%	55.0%	9.8%	24.6%
Exchange Rateⁱⁱ	August 2017	0.6%	-3.2%	1.5%	-10.6%	-4.7%
	YTD	2.5%	-4.5%	2.2%	-3.1%	2.0%
YTD Arrival Peakⁱⁱⁱ	Previous Peak Year	2016	2016	2016	1996	2016
	Current % of Previous Peak	115.0%	111.5%	119.0%	45.0%	113.2%

Sources:
i. IATA-Diio SRS Analyser, Year-on-year % variance.
ii. Bank of Canada, Year on year % variance.
iii. Statistics Canada, Frontier counts, custom tabulations.

- Arrivals from Destination Canada's Asia-Pacific region continued to increase year-over-year and achieved new records for August 2017 (+4.3%) and year-to-date (+12.0%). This growth in August was primarily driven by China (+10.0%) and Australia (+6.5%), with marginal increases from India (+0.8%) and South Korea (+0.1%). All four of these markets also reached new August and YTD arrivals peaks. The exception in this region was Japan, which observed a fourth consecutive month of declining arrivals (-4.3%).
- Year-to-date, all five Asia-Pacific markets observed positive year-over-year growth, with exceptional double-digit growth and YTD arrivals records from India (+19.0%), Australia (+15.0%), South Korea (+13.2%), and China (+11.5%). Japan observed somewhat slower but continued to make progress compared to the same period in 2016 (+3.2%) YTD.
- While direct air capacity continued to expand rapidly for most Asia-Pacific markets in August 2017, both Australia (-11.4%) and South Korea (-1.8%) retracted for a second consecutive month. Falling currency strength relative to the Canadian dollar may also account for the subdued results from some markets in August 2017.

DC Asia-Pacific Arrivals by Port of Entry

- A net decline in overnight arrivals to Canada via the United States offset increased arrivals by air direct from overseas from Destination Canada's Asia-Pacific markets in August 2017. Year-to-date, arrivals via the US by air fell slightly from China and Japan, while arrivals via the US by land decreased from Japan, China, India, and Australia,
- Japan and China also continued to record subdued arrivals by sea, while South Korea and Australia saw increases by this mode of entry year-to-date in August 2017.
- Consistent with recent trends, the majority of arrivals from Destination Canada's Asia-Pacific markets were direct air arrivals from overseas, with the exception of Australia which saw similar numbers arriving by air direct and via the US.

			Australia	China	India	Japan	South Korea
Air Arrivals from Overseas	YYZ	Arrivals	11,493	146,551	89,226	47,934	41,843
		YOY%	10.0%	12.8%	43.9%	14.0%	33.6%
		% of Total	4.5%	30.7%	48.8%	24.0%	22.4%
	YVR	Arrivals	84,199	185,908	20,928	83,311	54,668
		YOY%	40.5%	14.4%	13.3%	13.4%	1.2%
		% of Total	33.1%	38.9%	11.4%	41.7%	29.2%
	YUL	Arrivals	1,738	24,494	6,658	908	656
		YOY%	11.5%	94.8%	2.0%	46.2%	58.1%
		% of Total	0.7%	5.1%	3.6%	0.5%	0.4%
	YYC	Arrivals	1,043	9,100	6,320	9,906	1,175
		YOY%	-4.2%	130.7%	0.7%	-20.1%	-32.8%
		% of Total	0.4%	1.9%	3.5%	5.0%	0.6%
	All other airports	Arrivals	727	525	2,670	176	132
		YOY%	1.0%	0.2%	2.9%	0.1%	0.2%
		% of Total	0.3%	0.1%	1.5%	0.1%	0.1%
	Subtotal	Arrivals	99,200	366,578	125,802	142,235	98,474
		YOY%	34.6%	18.4%	31.7%	10.5%	12.4%
		% of Total	38.9%	76.7%	68.7%	71.3%	52.6%
Air Arrivals via the US	All airports	Arrivals	95,246	66,896	25,411	41,907	26,725
		YOY%	6.5%	-1.5%	10.6%	-4.5%	9.0%
		% of Total	37.4%	14.0%	13.9%	21.0%	14.3%
Sea Arrivals	All sea borders	Arrivals	33,355	12,165	8,489	3,171	4,528
		YOY%	15.2%	-0.1%	1.4%	-6.8%	24.1%
		% of Total	13.1%	2.5%	4.6%	1.6%	2.4%
Land Arrivals via US	All land borders	Arrivals	26,880	32,380	23,317	12,303	57,399
		YOY%	-8.7%	-16.2%	-13.5%	-26.3%	17.2%
		% of Total	10.6%	6.8%	12.7%	6.2%	30.7%
Total Overnight Arrivals			254,722	478,021	183,019	199,628	187,126

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: **+32.1% ↑ YOY**



YTD: **+41.8% ↑ YOY**

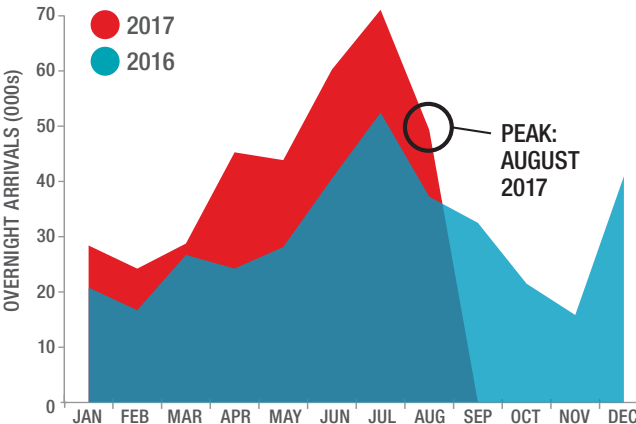
Overnight Arrivals

	August 2017		YTD 2017	
	Arrivals	% YOY Variance	Arrivals	% YOY Variance
DC Latin America	49,184	32.1	350,134	41.8
Brazil	12,342	6.8	90,565	17.0
Mexico	36,842	43.4	259,569	53.1
Other Latin America	43,363	-2.8	258,102	9.5
Total Latin America	92,547	13.0	608,236	26.0

Source: Statistics Canada, Frontier counts, custom tabulations.
 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	August 2017	-32.0%	92.3%
	YTD	-29.1%	59.7%
Exchange Rateⁱⁱ	August 2017	-1.3%	0.5%
	YTD	12.0%	-4.8%
YTD Arrival Peakⁱⁱⁱ	Previous Peak Year	2015	2008
	Current % of Previous Peak	112.2%	130.4%

Sources:
 i. IATA-Diio SRS Analyser, Year-on-year % variance.
 ii. Bank of Canada, Year on year % variance.
 iii. Statistics Canada, Frontier counts, custom tabulations.

LATIN AMERICA

- Supported by changes in eTA/visa requirements, Destination Canada's Latin America region continued to lead international arrivals growth in August 2017. The region set new arrivals records both for the month of August (+32.1%) and year-to-date (+41.8%).
- As observed since the Electronic Travel Authority (eTA) replaced the visa requirement in December 2016, Mexico continued to record rapid arrivals growth and new peaks in August 2017 (+43.4%) and year-to-date (+53.1%). For a second consecutive month, Mexico saw the largest expansion of direct air capacity to Canada (+92.3%) of all Destination Canada's international markets in August 2017, which supported particularly strong growth in direct air arrivals (+67.3%). The strength of the Mexican Peso relative to the Canadian dollar was stable in August 2017 (+0.5%), though still weaker year-to-date (-4.8%).
- Brazil also continued to benefit from visa requirement changes, with August 2017 arrivals up +6.8% over August 2016, and year-to-date arrivals up +17.0% to reach a new record for January to August visitors. The ongoing contraction of air capacity to Canada (-32.0% in August 2017, -29.1% YTD) and negative shift in the strength of the Real vs. the Canadian dollar (-1.3% in August) did not appear to slow this positive performance.

DC Latin America Arrivals by Port of Entry

- Mexico recorded increased arrivals via all modes of entry in August 2017, while Brazil's growth came primarily from air arrivals via the United States.
- Year-to-date, the majority of visitors from both markets arrived by air directly from overseas, with YYZ being the most popular point of entry, though Mexico recorded some of its strongest growth at YYC and YUL.
- YTD declines were only observed from Brazil by land via the US, and from Mexico by sea.

			Brazil	Mexico
Air Arrivals from Overseas	YYZ	Arrivals	42,869	74,305
		YOY%	19.6%	72.2%
		% of Total	47.3%	28.6%
	YVR	Arrivals	1,378	43,441
		YOY%	44.0%	40.5%
		% of Total	1.5%	16.7%
	YUL	Arrivals	1,884	38,990
		YOY%	42.1%	129.4%
		% of Total	2.1%	15.0%
	YYC	Arrivals	104	5,964
		YOY%	5.1%	138.3%
		% of Total	0.1%	2.3%
All other airports	Arrivals	160	1,218	
	YOY%	0.4%	1.3%	
	% of Total	0.2%	0.5%	
Subtotal	Arrivals	46,395	163,918	
	YOY%	21.0%	72.6%	
	% of Total	51.2%	63.2%	
Air Arrivals via the US	All airports	Arrivals	39,376	47,652
		YOY%	15.3%	46.4%
		% of Total	43.5%	18.4%
Sea Arrivals	All sea borders	Arrivals	1,853	10,165
		YOY%	4.7%	-74.6%
		% of Total	2.0%	3.9%
Land Arrivals via US	All land borders	Arrivals	2,939	37,831
		YOY%	-91.4%	16.3%
		% of Total	3.2%	14.6%
Total Overnight Arrivals			90,565	259,569

Source: Statistics Canada, Frontier counts, custom tabulations, Table C.
Note: The figures are preliminary estimates and are subject to change.

COMPETITIVE REVIEW

January to August 2017		Trips To:			
		Canada		Australia	
Trips From:			YOY Change		YOY Change
Total International		14,645,163	4.3%	5,617,800	7.4%
United States		10,107,491	2.7%	500,700	10.3%
Canada		105,300	12.7%
Europe	United Kingdom	564,657	-1.6%	433,700	1.5%
	France	396,364	5.7%	80,600	0.0%
	Germany	262,831	6.0%	124,900	6.6%
Asia-Pacific	Australia	254,722	15.0%
	Japan	199,628	3.2%	282,700	5.6%
	South Korea	187,126	13.2%	187,800	4.4%
	China	478,021	11.5%	945,400	12.1%
	India	183,019	19.0%	192,700	14.2%
Latin America	Mexico	259,569	53.1%	6,900	21.1%
	Brazil	90,565	17.0%	33,500	19.2%
Total DC Key Markets		12,983,993	4.3%	2,894,200	8.6%

Sources:

Statistics Canada, Frontier counts, custom tabulations.

Australian Bureau of Statistics, Overseas Arrivals and Departures, cat. no. 3401.0.

- From January to August 2017, well over double the number of international tourists visited Canada (14.65 million) as visited Australia (5.62 million), though arrivals to Australia (+7.4%) continued to grow at a faster pace than arrivals to Canada (+4.3%).
- Canada (12.98 million) welcomed more than four times the number of visitors from Destination Canada's 11 core international markets as Australia (2.89 million) but grew at half the pace year-over-year (+4.3% for Canada, vs. +8.6% for Australia).
- More than 20 times more US travellers visited Canada (10.12 million) than visited Australia (500,700) from January to August 2017, despite Australia's much faster year-over-year growth in arrivals from this market (10.3% vs. 2.7% for Canada).
- More tourists from each of Destination Canada's Asia-Pacific markets visited Australia than visited Canada year-to-date in 2017, including close to twice as many travellers from China. However, with the faster year-over-year growth that Canada has observed year-to-date from South Korea, YTD August 2017 arrivals from this market were almost on par with Australia (187,126 for Canada vs. 187,800 for Australia).
- Year-to-date in 2017, with slightly faster year-over-year growth, more than twice as many Australian tourists visited Canada (254,722, +15.0%) than Canadian tourists visited Australia (105,300, +12.7%).

INTERNATIONAL ARRIVALS BY PROVINCE OF ENTRY

Overnight Arrivals by Province of Entry January to August 2017

		Newfoundland and Labrador	Prince Edward Island	Nova Scotia	New Brunswick	Québec	Ontario
Total One or more nights	2017	35,916	276	127,544	213,435	2,149,486	6,884,176
	Variance YOY%	-3.8%	-76.1%	7.9%	-4.0%	6.7%	4.8%
	Change YOY	(1,429)	(880)	9,362	(8,904)	135,036	313,253
US Residents by Automobile	2017	0	0	11,566	183,436	767,267	3,106,308
	Variance YOY%	0.0%	0.0%	20.2%	-0.2%	0.6%	0.7%
	Change YOY	-	-	1,946	(458)	4,725	22,282
US Residents by Non-Automobile	2017	5,223	254	68,192	25,840	579,287	1,843,592
	Variance YOY%	-22.3%	23.9%	6.6%	-20.3%	10.4%	6.9%
	Change YOY	(1,495)	49	4,233	(6,599)	54,359	119,352
Residents from Other Countries	2017	30,693	22	47,786	4,159	802,932	1,934,276
	Variance YOY%	0.2%	-97.7%	7.1%	-30.8%	10.4%	9.7%
	Change YOY	66	(929)	3,183	(1,847)	75,952	171,619

Source: Statistics Canada, Frontier counts, custom tabulations.
Preliminary estimates subject to change.

Overnight Arrivals by Province of Entry January to August 2017

		Manitoba	Saskatchewan	Alberta	British Columbia	Yukon	CANADA
Total One or more nights	2017	157,108	52,161	771,695	4,118,865	134,501	14,645,163
	Variance YOY%	3.9%	-10.9%	6.0%	2.8%	2.2%	4.3%
	Change YOY	5,877	(6,384)	43,946	113,473	2,907	606,257
US Residents by Automobile	2017	104,297	40,018	127,302	1,347,091	66,913	5,754,198
	Variance YOY%	7.3%	8.3%	3.8%	-3.1%	8.0%	0.1%
	Change YOY	7,131	3,054	4,620	(43,463)	4,985	4,822
US Residents by Non-Automobile	2017	45,973	10,426	407,870	1,316,944	49,692	4,353,293
	Variance YOY%	-3.3%	-46.5%	10.3%	5.2%	-4.6%	6.4%
	Change YOY	(1,559)	(9,060)	38,187	65,424	(2,396)	260,495
Residents from Other Countries	2017	6,838	1,717	236,523	1,454,830	17,896	4,537,672
	Variance YOY%	4.7%	-18.0%	0.5%	6.7%	1.8%	8.1%
	Change YOY	305	(378)	1,139	91,512	318	340,940

- YTD August 2017, the largest proportion of international visitors to Canada entered the country through Ontario, with approximately 47% of arrivals (6.88 million visitors) crossing the border there, up 4.8% over the same period in 2016. British Columbia (4.12 million visitors, +2.8%) and Quebec (2.15 million visitors, +6.7%) were also popular entry provinces.
- British Columbia, which was impacted by severe wildfires over the summer of 2017, continued to struggle with decreased US auto arrivals year-to-date, with 43,463 fewer arrivals compared to the same period in 2016.

CANADIAN OUTBOUND TRAVEL

Overnight Trips by Canadians

	August 2017	YOY % Variance	Jan.- Aug. 2017	YOY % Variance
United States	2,431,706	3.9	14,020,697	4.5
Other Countries	1,148,995	6.4	9,075,987	6.7
Total Trips from Canada	3,580,701	4.7	23,096,684	5.3

Source: Statistics Canada, International Travel Survey.

Note: The figures are preliminary estimates and are subject to change.

- For a third consecutive month, overnight trips by Canadians to international destinations expanded to reach 3,580,701 in August 2017, up 4.7% over August 2016. More Canadians travelled overseas (+6.4%) and to the US (+3.9%) in August 2017.
- Year-to-date 2017, overnight trips by Canadians to international destinations, including the US, were up 5.3%, including +4.5% to the US and +6.7% to overseas destinations.
- Canadian Consumer Confidence Index (published by the Conference Board of Canada) increased by another 8.0 points to reach 121.6 in August 2017, the highest observed since November 2007.

ACCOMMODATION

Hotel Performance Indicators by Province

	Occupancy Rates				Average Daily Rate (ADR)				Revenue Per Available Room (RevPAR)			
	Aug. 2017	YOY [^] Variance	Jan.- Aug.	YOY [^] Variance	Aug. 2017	YOY % Variance	Jan.- Aug.	YOY % Variance	Aug. 2017	YOY % Variance	Jan.- Aug.	YOY % Variance
Alberta¹	63.4%	3.7	54.2%	0.9	\$128.77	0.7%	\$130.70	-1.1%	\$81.68	6.8%	\$70.78	0.6%
British Columbia	87.9%	3.1	72.2%	2.1	\$209.95	9.8%	\$176.04	6.5%	\$184.47	13.8%	\$127.12	9.7%
Saskatchewan	58.9%	2.7	53.4%	-0.9	\$115.26	-3.8%	\$119.87	-4.7%	\$67.88	0.9%	\$63.96	-6.3%
Manitoba	79.7%	13.8	68.9%	6.0	\$126.47	6.3%	\$123.29	2.0%	\$100.84	28.6%	\$84.97	11.8%
Ontario	81.6%	2.0	68.9%	1.3	\$165.82	7.8%	\$153.52	6.5%	\$135.36	10.5%	\$105.75	8.6%
Quebec	86.5%	0.8	70.8%	2.6	\$190.34	9.9%	\$167.93	6.6%	\$164.64	11.0%	\$118.96	10.7%
New Brunswick	88.7%	4.7	62.1%	2.8	\$136.15	6.7%	\$122.26	4.3%	\$120.82	12.6%	\$75.95	9.3%
Nova Scotia	91.6%	4.3	68.1%	2.9	\$161.44	13.6%	\$140.92	7.8%	\$147.94	19.3%	\$96.00	12.7%
Newfoundland	82.4%	1.8	64.6%	1.9	\$153.93	-1.7%	\$145.23	-1.6%	\$126.80	0.5%	\$93.85	1.4%
Prince Edward Island	95.9%	3.8	58.9%	0.5	\$189.93	11.8%	\$148.11	6.2%	\$182.19	16.4%	\$87.21	7.1%
Northwest Territories	78.7%	11.1	67.8%	0.0	\$135.13	-8.8%	\$142.60	-5.6%	\$106.30	6.1%	\$96.64	-5.6%
Yukon	88.4%	-0.3	70.1%	-0.4	\$144.25	8.8%	\$134.22	7.3%	\$127.45	8.4%	\$94.10	6.8%
Canada	79.8%	2.8	66.1%	1.6	\$173.83	7.4%	\$155.80	5.0%	\$138.66	11.2%	\$102.93	7.6%

Note: Based on the operating results of 237,545 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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- The National Occupancy Rate grew by 2.8 points in August 2017, reaching 79.8%. Atlantic Canada recorded the highest occupancy, with Prince Edward Island (95.9%), Nova Scotia (91.6%), and New Brunswick (88.7%) on top. Strong year-over-year growth in occupancy for the month of August was observed in Manitoba (+13.8 points), Northwest Territories (+11.1 points), and New Brunswick (+4.7 points).
- Year-to-date, the National Occupancy Rate reached 66.1%, up 1.6 points over the same period in 2016, led by British Columbia (72.2%), Quebec (70.8%), and Yukon (70.1%). Manitoba, Nova Scotia, and Quebec continued to lead year-over-year growth.
- British Columbia, Quebec, and Prince Edward Island recorded the highest average daily rates (ADR) and revenue per available room (RevPar), for the month of August. Year-to-date both measures were led by British Columbia, Quebec, and Ontario.

ACCOMMODATION

Hotel Performance Indicators by Property Type

	Occupancy Rates				Average Daily Rate (ADR)			
	August 2017	YOY [^] Change	Jan.- Aug.	YOY [^] Variance	August 2017	YOY Variance	Jan.- Aug.	YOY Variance
Property Size								
Under 50 rooms	71.7%	3.1	53.3%	2.8	\$129.42	5.2%	\$114.23	4.2%
50-75 rooms	78.9%	5.6	60.4%	2.3	\$137.53	5.2%	\$119.41	2.6%
76-125 rooms	78.5%	3.7	64.2%	2.1	\$146.43	4.6%	\$132.12	2.8%
126-200 rooms	80.1%	2.1	67.0%	1.5	\$158.48	8.5%	\$142.74	5.6%
201-500 rooms	80.1%	2.1	69.0%	0.8	\$203.73	8.9%	\$183.51	6.4%
Over 500 rooms	87.0%	-0.8	74.8%	0.6	\$269.84	9.4%	\$231.95	8.3%
Total	79.8%	2.8	66.1%	1.6	\$173.83	7.4%	\$155.80	5.0%
Property Type								
Limited Service	75.8%	3.9	61.1%	2.3	\$130.76	5.8%	\$119.03	3.5%
Full Service	81.1%	2.6	68.4%	1.1	\$187.22	9.2%	\$167.89	6.0%
Suite Hotel	85.9%	-0.3	74.8%	0.9	\$177.38	3.9%	\$160.65	3.3%
Resort	86.1%	0.3	66.5%	1.7	\$294.37	7.4%	\$246.87	7.0%
Total	79.8%	2.8	66.1%	1.6	\$173.83	7.4%	\$155.80	5.0%
Price Level								
Budget	75.5%	3.5	60.1%	2.7	\$118.88	10.5%	\$103.92	7.3%
Mid-Price	80.2%	2.7	66.7%	1.2	\$163.48	5.8%	\$147.58	4.0%
Upscale	84.2%	1.3	71.8%	1.4	\$292.48	8.1%	\$255.54	6.1%
Total	79.8%	2.8	66.1%	1.6	\$173.83	7.4%	\$155.80	5.0%

Note: Based on the operating results of 237,545 rooms (unweighted data).
[^] Percentage points.

- In line with recent trends, larger properties tended to record higher occupancy rates and ADR, both for the month of August and year-to-date. The largest properties (500+ rooms) recorded occupancy rates of 87.0% in August and 74.8% YTD, with an ADR of \$269.84 in August and \$231.95 YTD. These large properties also observed the strongest year-over-year growth in ADR; however, growth in occupancy rates was slower than some smaller properties observed.
- Suite hotels continued to record the highest occupancy rates year-to-date (74.8%); however, in August (85.9%) they were marginally outpaced by Resort hotels (86.1%). Resorts also continued to report the highest ADR (\$294.37 in August, \$246.87 YTD). Limited Service and Full Service properties observed positive year-over-year growth in both measures.
- Upscale properties continued to report the highest occupancy rates (84.2% in August, 71.8% YTD) and ADR (\$292.48 in August, \$255.54 YTD), while lower priced budget properties recorded faster year-over-year growth in both measures.