



Tourism Snapshot

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

August 2018
Volume 14, Issue 7

KEY HIGHLIGHTS

IMPORTANT: The August frontier counts released on October 23, 2018 are based on new air administrative data from CBSA. The new data contains important adjustments on performance to date. In year-over-year comparisons, August 2018 data is compared against partly modelled data for YVR and YOW arrivals in August 2017 (additional details below).

- With 14.8 million visitors year-to-date August 2018 (+1.5%), global overnight arrivals to Canada surpassed the previous peak established in 2001 to reach a new record high. Overnight arrivals from Destination Canada's ten international markets improved by +1.2% on the strength of a rebound in US auto arrivals in August.
- Canada welcomed over 8.9 million overnight visitors over the summer 2018 period (June to August), up 1.8% over the same period in 2017. This represents Canada's third best summer for international arrivals, after 2001 and 2002. Summer 2018 was also the best summer ever for long haul (non-US) arrivals to Canada (2.6 million visitors).
- Despite the strong performance in international arrivals overall, overnight arrivals from Destination Canada's long-haul markets slipped, both in August (-4.5%) and year-to-date (-0.7%). Gains from Mexico, India and France were outpaced by severe declines from Japan and South Korea, as well as decreases from China, the UK and Australia. The primary source of these declines was ongoing significant declines in air arrivals via the US across all markets in August, and all except India YTD.
- Overnight arrivals from China slowed considerably following a steep 7.8% drop in the value of the Chinese Yuan against the CAD since mid-June, and lower consumption patterns among Chinese consumers in response to rising prices and uncertainties linked to the economic slowdown in China and the trade dispute with the US.
- Overnight arrivals from the UK further contracted in August 2018 (-4.5%), as consumer confidence remains hampered by Brexit-related uncertainties. In Australia, lower consumer confidence induced by higher mortgage rates, together with declines in the value of the AUD against both the CAD and the USD, led to fewer Australians embarking on Alaska cruises and dual US-Canada trips.

Note the following caveat from Statistics Canada associated with the August 2018 data:

Users are advised to exercise caution when a) making comparisons with 2017 data that include international travellers to Canada by air for the months of March to December, and b) analyzing 2018 data on Canadian residents returning from the United States or overseas by air. Further explanation is provided below.

Data for Statistics Canada's Frontier Counts program are produced using administrative data received from the Canada Border Services Agency (CBSA) on all international travellers who have been cleared for entry or re-entry into Canada. This includes residents of Canada, the United States and overseas entering Canada from abroad.

In 2017, the CBSA began introducing the electronic PIK system at airports in Canada. The PIK system replaces the E311 Declaration Cards that are completed by international travellers to Canada. Initially, while awaiting receipt of PIK data, Statistics Canada prepared preliminary estimates for airports at which the PIK system was deployed.

Frontier Counts data since January 2018 incorporates PIK data from the airports where the system has been implemented. The preliminary estimates of 2017 traveller counts for PIK airports will be revised at a later date.

Until these preliminary estimates for March to December 2017 are revised, users are advised to exercise caution when making comparisons with 2017 data for these months that include international travellers to Canada by air.

Data users are also cautioned that the switch from E311 cards to PIK has affected the historical comparability of some data series. Most notably, there has been an increased tendency of Canadian travellers returning from overseas trips via the United States to report that they are returning from the United States and not overseas via the United States. In the Frontier Counts, this has led to increases in the numbers of Canadian residents returning from the United States by air, and decreases in the numbers of Canadian residents returning from countries other than the United States by air via the United States (as well as more aggregated series to which these data contribute).

The numbers of travellers to and from Canada by car and other modes of transportation are not affected by revisions to PIK data. Further information is available from Statistics Canada [here](#).

QUICK LINKS

Industry Performance Dashboard

	August 2018	YTD
✈️ Overnight Arrivals¹		
Total International	↑ 3.4%	↑ 1.5%
10 DC Markets*	↑ 2.9%	↑ 1.2%
<i>United States</i>	↑ 5.0%	↑ 1.7%
<i>9 Long-Haul Markets</i>	↓ 4.5%	↓ 0.7%
Non-DC Markets	↑ 7.2%	↑ 4.0%
✈️ Air Seat Capacity²		
Total International	↑ 5.3%	↑ 6.0%
10 DC Markets*	↑ 4.6%	↑ 5.2%
Non-DC Markets	↑ 7.1%	↑ 7.7%
🏠 National Hotel Indicators³		
Occupancy Rate**	↑ 0.1	↑ 0.8
Revenue Per Available Room (Revpar)	↑ 4.6%	↑ 4.6%
Average Daily Rate (ADR)	↑ 4.8%	↑ 5.8%

Notes:

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

* The 10 DC markets are US, France, Germany, UK, Australia, China, India, Japan, South Korea and Mexico.

** Percentage point variations.

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 2018	YTD 2018	August 2018	YTD 2018	August 2018	YTD 2018	August 2018 Average	YTD Average
DC North America	United States	2,155,630	10,242,947	5.0%	1.7%	4.1%	4.3%	3.5%	-2.4%
	Mexico	43,823	272,770	18.9%	5.1%	25.8%	50.4%	-2.4%	-2.6%
DC Europe	France	101,234	413,473	1.0%	4.3%	13.4%	8.6%	1.1%	6.0%
	Germany	61,678	274,950	-2.7%	4.6%	2.3%	2.2%	1.1%	6.0%
	United Kingdom	120,624	549,009	-4.5%	-2.8%	0.0%	1.5%	2.8%	4.5%
DC Asia-Pacific	Australia	43,578	236,921	-7.1%	-7.0%	23.4%	10.6%	-4.3%	-2.3%
	China	93,151	491,035	-6.0%	2.7%	4.9%	6.8%	0.7%	3.2%
	India	27,545	196,200	1.9%	7.2%	18.3%	27.8%	-5.0%	-4.1%
	Japan	34,883	161,614	-20.1%	-19.0%	-6.4%	-4.8%	2.3%	0.0%
	South Korea	20,684	171,424	-30.2%	-8.4%	-8.0%	0.9%	4.4%	2.2%
Total 10 DC Markets		2,702,830	13,010,343	2.9%	1.2%				
Rest of the World		349,138	1,816,894	7.2%	4.0%				
Total International		3,051,968	14,827,237	3.4%	1.5%				

Sources:

- i. Statistics Canada, Frontier counts, custom tabulations
- ii. IATA-Diiio 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 the current month and YTD relative to the same periods in the previous year.

UNITED STATES

US Arrivals to Canada

CURRENT MONTH:

+5.0% ↑ YOY



YTD:

+1.7% ↑ YOY

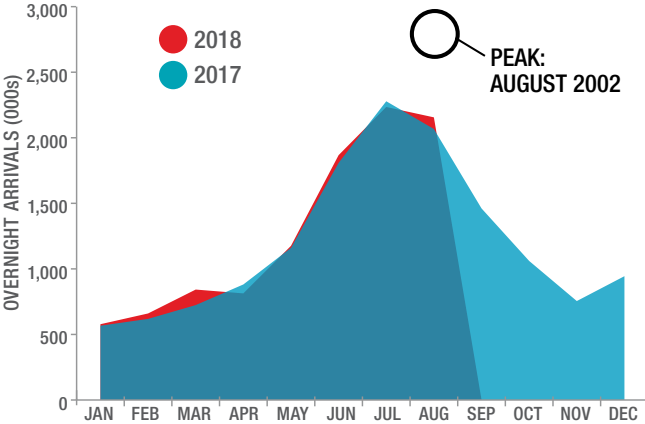
Overnight Arrivals

	August 2018		YTD 2018	
	Arrivals	% YOY Variance	Arrivals	% YOY Variance
Automobile	1,341,421	8.7	5,942,214	3.3
Air	542,538	-5.0	3,146,985	-3.6
Other	271,671	9.9	1,153,748	9.8
US Total	2,155,630	5.0	10,242,947	1.7

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 2018	4.1%
	YTD	4.3%
Exchange Rateⁱⁱ	August 2018	3.5%
	YTD	-2.4%
Consumer Confidence Index (1985=100)ⁱⁱⁱ	August 2018	134.7
	Previous Month	127.9
YTD Arrival Peak^{iv}	Peak Year	2002
	Current % of Previous Peak	85.7%

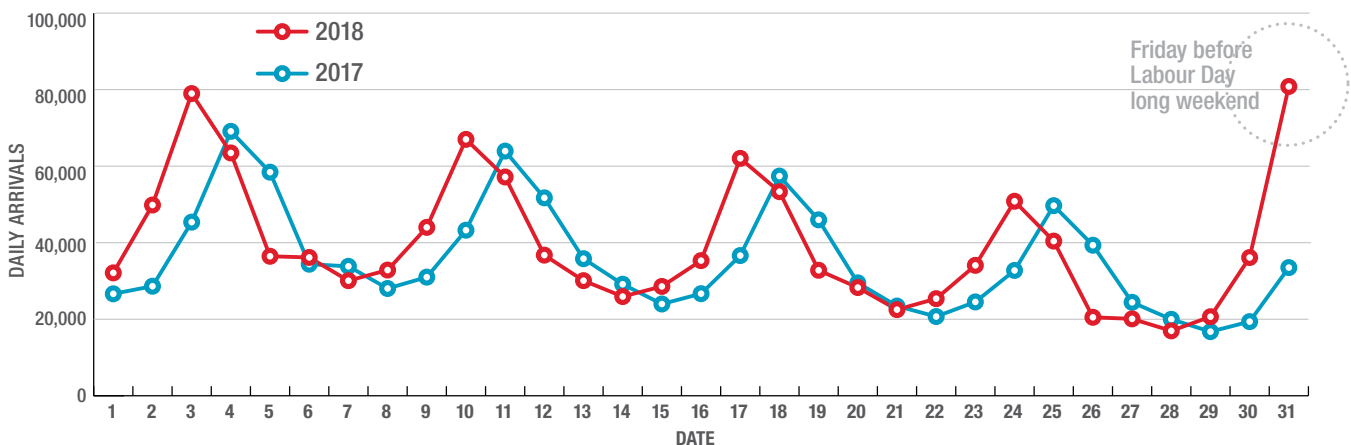
Source:
 i. IATA-Diio SRS Analyser, Year-on-year % variance.
 ii. Bank of Canada, Year on year % variance.
 iii. Consumer Confidence Index, the Conference Board (USA).
 iv. Statistics Canada, Frontier counts, custom tabulations.

UNITED STATES

- In August 2018, overnight arrivals from the US were ahead of the same month a year ago (2.2 million, +5.0%) and the highest recorded for the month of August since 2005, despite a fourth consecutive month of declining air arrivals (-5.1%). The monthly growth was driven by increased auto arrivals (+8.7%) and arrivals by other modes of transportation such as bus, train, and cruise (+9.9%).
- Daily US auto arrivals (based on IPIL daily arrivals estimates) show that August 2018 performance benefited from the timing of long weekend holidays, with the increased arrivals on the Friday of the Labour Day long weekend falling on August 31st.
- Just over 10.2 million US tourists visited Canada from January to August 2018, up 1.7% over the same period in 2017 and the highest for the first eight months of the year since 2005. While US air arrivals declined -3.6% over this period, this was offset by +3.3% growth in auto arrivals (the largest proportion of US arrivals) and a significant +9.8% growth in arrivals by other modes of transportation.
- Though the USD has lost some purchasing power in Canada this year (-2.4% YTD), which could have contributed to struggling US air arrivals, there were continued signs of recovery in August (+3.5%) relative to August 2017. Air capacity between Canada and the US continued to expand (+4.1% in August, +4.3% YTD), though there is some evidence that many of those additional seats may have been filled by Canadian travellers returning from the US.
- New York, Washington, and Michigan continued to provide the largest share of US vehicle arrivals to Canada in August 2018, contributing a combined total of 40.0% of US auto arrivals in August and 42.4% from January to August 2018¹.
- The consumer confidence index published by the US Conference Board saw a significant increase of 6.8 points in August, reaching 134.7, following a modest increase in July.

¹ States of origin information is based on Integrated Primary Inspection Lane (IPIL) data collected from US residents entering Canada in automobiles with license plate registered in the United States. Some automobiles driven across the border may be rental vehicles. Rented vehicles in one US state may be registered in different state.

Daily US Overnight Auto Arrivals – August 2018



Note: Daily US resident overnight auto arrivals at land ports with Integrated Primary Inspection Lane (IPIL).

MEXICO

Mexico Arrivals to Canada

CURRENT MONTH:

+18.9% ↑ YOY



YTD:

+5.1% ↑ YOY

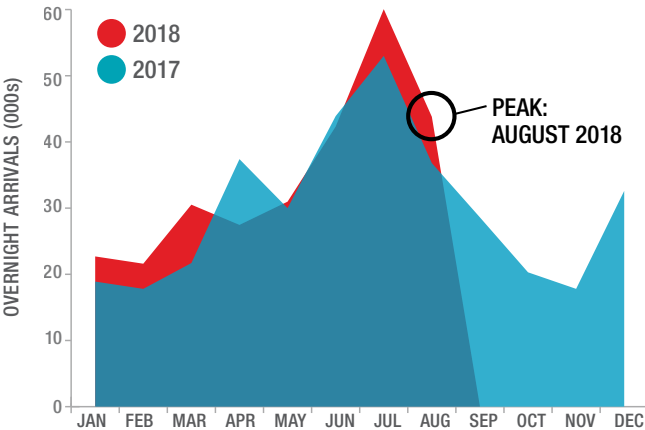
Overnight Arrivals

	August 2018		YTD 2018	
	Arrivals	% YOY Variance	Arrivals	% YOY Variance
Mexico	43,823	18.9	272,770	5.1

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



Arrival Trend Plot – Total Mexico



Mexico: Key Indicators

		Mexico
Air Seat Capacity ⁱ	August 2018	25.8%
	YTD	50.4%
Exchange Rate ⁱⁱ	August 2018	-2.4%
	YTD	-2.6%
YTD Arrival Peak ⁱⁱⁱ	Peak Year	2017
	Current % of Previous Peak	105.1%

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.

- For a second consecutive month following a slight dip in June, arrivals from Mexico recorded solid year-over-year growth, with a record 44,000 visitors in August 2018, up 18.9% (an additional 7,000 visitors) over August 2017. Mexico also led Destination Canada's international markets in year-over-year arrivals growth in August 2018.
- Year-to-date arrivals (273,000, +5.1%) also set new records for the first eight months of the year, continuing to build on the last year's exceptional performance following the replacement of the visa requirement for Mexican citizens with the eTA in December 2016 with an additional 13,000 visitors from January to August 2018 compared to the same period in 2017.
- The continued growth in arrivals from Mexico recorded this year is still being driven by direct air arrivals, which were up 31.7% year-over-year in August and 25.7% YTD. This performance outweighed severe declines in Mexican arrivals via the US, both by land (-9.0% in August, -56.2% YTD) and by air (-8.0% in August, -17.9% YTD). However, Mexican arrivals by cruise, which almost exclusively come through the US, were ahead of 2017 in August (+17.7%) and over the first eight months of the year (+8.5%).
- Direct air capacity between Mexico City and Canada continued to grow at the fastest rate of any of Destination Canada's international markets (+25.8% in August, +50.4% YTD). This provided support for the strong performance in direct air arrivals from Mexico, despite the lower purchasing power of the Mexican Peso in Canada compared to last year (-2.4% in August, -2.6% YTD).

Mexico Arrivals by Port of Entry

- Year-to-date in 2018, most visitors from Mexico flew directly to Canada (75.5% YTD). Of those direct air arrivals, most flew into YYZ (41.4%), YVR (32.8%), or YUL (20.6%). The strongest year-over-year growth in arrivals was recorded at YVR (+55.6%) and YYC (+46.2%).

Year-to-date Arrivals by Port of Entry

			Mexico
Air Arrivals from Overseas	YYZ	Arrivals	85,277
		YOY%	14.8%
		% of Total	31.3%
	YVR	Arrivals	67,590
		YOY%	55.6%
		% of Total	24.8%
	YUL	Arrivals	42,472
		YOY%	8.9%
		% of Total	15.6%
	YYC	Arrivals	8,722
		YOY%	46.2%
		% of Total	3.2%
	All other airports	Arrivals	1,903
		YOY%	1.2%
		% of Total	0.7%
Subtotal	Arrivals	205,964	
	YOY%	25.7%	
	% of Total	75.5%	
Air Arrivals via the US	All airports	Arrivals	39,106
		YOY%	-17.9%
		% of Total	14.3%
Sea Arrivals	All sea borders	Arrivals	11,029
		YOY%	8.5%
		% of Total	4.0%
Land Arrivals via US	All land borders	Arrivals	16,582
		YOY%	-56.2%
		% of Total	6.1%
Total Overnight Arrivals			272,770

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

EUROPE

Europe Arrivals to Canada

CURRENT MONTH:

-2.2% ↓ YOY



YTD:

+1.1% ↑ YOY

Overnight Arrivals

	August 2018		YTD 2018	
	Arrivals	% YOY Variance	Arrivals	% YOY Variance
DC Europe	283,536	-2.2	1,237,432	1.1
United Kingdom	120,624	-4.5	549,009	-2.8
France	101,234	1.0	413,473	4.3
Germany	61,678	-2.7	274,950	4.6
Other Europe	159,211	-16.8	744,955	-15.6
Italy	28,140	-19.2	88,628	-8.2
Netherlands	20,968	12.6	101,061	0.6
Spain	20,158	-2.5	64,807	-5.0
Switzerland	15,911	-14.3	87,267	-4.9
Rest of Europe	74,034	6.6	403,192	1.9
Total Europe	442,747	-2.1	1,982,387	0.3



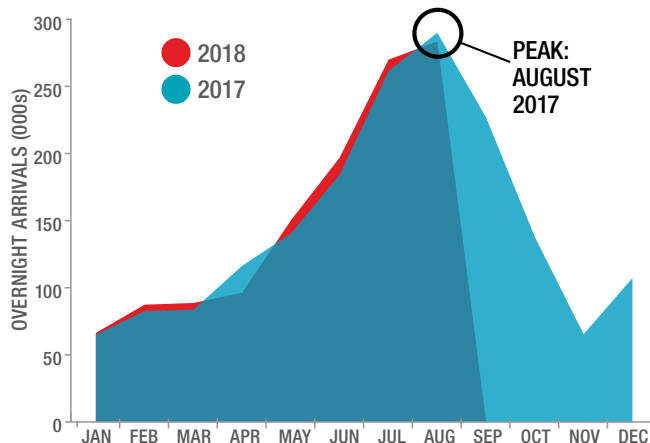
Source: Statistics Canada, Frontier counts, custom tabulations.
Note: The figures are preliminary estimates and are subject to change.

DC Europe: Key Indicators

		France	Germany	United Kingdom
Air Seat Capacityⁱ	Aug. 2018	13.4%	2.3%	0.0%
	YTD	8.6%	2.2%	1.5%
Exchange Rateⁱⁱ	Aug. 2018	1.1%	1.1%	2.8%
	YTD	6.0%	6.0%	4.5%
YTD Arrival Peakⁱⁱⁱ	Peak Year	2017	1996	2005
	Current % of Previous Peak	104.3%	84.4%	87.0%

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



- With 284,000 visitors across three key markets, August 2018 arrivals from Destination Canada's Europe region were down 2.2% compared to the same month a year ago. While direct air arrivals (+3.6%) and land arrivals via the US (+41.3%) from this region were up, they were outpaced by decreased air arrivals via the US (-38.2%) and sea arrivals (-24.5%) in August 2018.
- From January to August 2018, arrivals from this region just surpassed 2017 levels (+1.1%) to reach a new record of 1.2 million visitors over the first eight months of the year. Year-to-date arrivals from this region were up across all modes of entry except air arrivals via the US (-26.5%).
- France was the only market in Destination Canada's Europe region to record year-over-year arrivals growth in August 2018. With a record 101,000 visitors (+1.0%) in August, year-to-date arrivals also reached a new record peak of 413,000 visitors (+4.3%) from January-August 2018.
- While August arrivals from Germany were down slightly compared to last year (62,000 visitors, -2.7%), they were still the second highest since 1999. Year-to-date arrivals reached 275,000 (+4.6%), which is the highest number for the first eight months of the year since 1997.
- UK arrivals continued to fall below 2017 levels in August 2018 (121,000, -4.5%) and YTD (549,000, -2.8%), but were still well ahead of all other long-haul markets in terms total arrivals.
- The strength of the Euro and British pound in Canada both remained relatively strong compared to a year ago. While expanded air capacity to Canada from France and Germany supported direct air arrivals growth, air capacity from the UK remained in line with last year.

DC Europe Arrivals by Port of Entry

- August 2018 arrivals from all three Europe markets were mainly held back by declining air arrivals via the US and sea arrivals, with the UK also seeing fewer direct air arrivals. Year-to-date, all three recorded fewer air arrivals via the US, as well as fewer arrivals by sea from France and fewer land arrivals via the US from the UK.

Year-to-date Arrivals by Port of Entry

			France	Germany	UK
Air Arrivals from Overseas	YYZ	Arrivals	38,959	74,092	192,136
		YOY%	-17.4%	1.7%	-0.3%
		% of Total	9.4%	26.9%	35.0%
	YVR	Arrivals	18,257	57,478	112,832
		YOY%	27.2%	13.6%	6.7%
		% of Total	4.4%	20.9%	20.6%
	YUL	Arrivals	239,111	30,737	35,367
		YOY%	17.7%	18.4%	-0.5%
		% of Total	57.8%	11.2%	6.4%
	YYC	Arrivals	2,323	18,759	50,261
		YOY%	-10.2%	1.9%	-4.5%
		% of Total	0.6%	6.8%	9.2%
	All other airports	Arrivals	11,316	15,914	30,652
		YOY%	4.2%	9.5%	7.8%
		% of Total	2.7%	5.8%	5.6%
Subtotal	Arrivals	309,966	196,980	421,248	
	YOY%	14.3%	7.2%	1.1%	
	% of Total	75.0%	71.6%	76.7%	
Air Arrivals via the US	All airports	Arrivals	68,824	30,958	63,020
		YOY%	-32.2%	-23.3%	-20.8%
		% of Total	16.6%	11.3%	11.5%
Sea Arrivals	All sea borders	Arrivals	1,072	10,533	25,964
		YOY%	-31.9%	4.3%	8.0%
		% of Total	0.3%	3.8%	4.7%
Land Arrivals via US	All land borders	Arrivals	33,616	36,272	38,434
		YOY%	52.4%	26.6%	-13.0%
		% of Total	8.1%	13.2%	7.0%
Total Overnight Arrivals			413,473	274,950	549,009

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:

-10.7% ↓ YOY



YTD:

-3.5% ↓ YOY

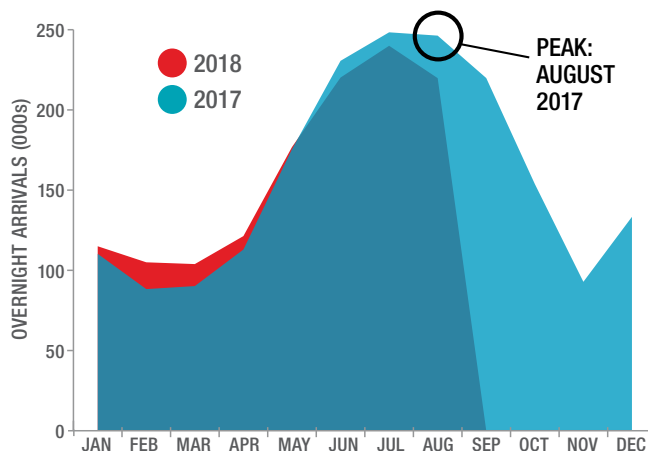
Overnight Arrivals

	August 2018		YTD 2018	
	Arrivals	% YOY Variance	Arrivals	% YOY Variance
DC Asia-Pacific	219,841	-10.7	1,257,194	-3.5
Australia	43,578	-7.1	236,921	-7.0
China	93,151	-6.0	491,035	2.7
India	27,545	1.9	196,200	7.2
Japan	34,883	-20.1	161,614	-19.0
South Korea	20,684	-30.2	171,424	-8.4
Other Asia-Pacific	102,279	50.2	594,997	44.0
Hong Kong	17,191	6.8	108,905	-0.8
Taiwan	11,645	29.8	85,708	37.6
Rest of Asia-Pacific	73,443	13.6	400,384	7.2
Total Asia-Pacific	322,120	-4.1	1,852,191	0.2



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	Aug. 2018	23.4%	4.9%	18.3%	-6.4%	-8.0%
	YTD	10.6%	6.8%	27.8%	-4.8%	0.9%
Exchange Rateⁱⁱ	Aug. 2018	-4.3%	0.7%	-5.0%	2.3%	4.4%
	YTD	-2.3%	3.2%	-4.1%	0.0%	2.2%
YTD Arrival Peakⁱⁱⁱ	Peak Year	2017	2017	2017	1996	2017
	Current % of Previous Peak	93.0%	102.7%	107.2%	36.4%	91.6%

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.

- August 2018 arrivals from Destination Canada's Asia-Pacific region were significantly down compared to August 2017 (220,000 visitors, -10.7%), bringing year-to-date arrivals from the region further below 2017 levels (1.3 million visitors, -3.5%). Fewer travellers visited Canada from four of the five key markets in this region in August 2018 (South Korea, Japan, Australia, and China), and from three of those markets year-to-date (Japan, South Korea, Australia). However, this remains the largest of Destination Canada's long-haul regions for total arrivals year-to-date in 2018.
- With a record 28,000 visitors (+1.9%) India was the only one of Destination Canada's Asia-Pacific markets to record increased arrivals in August 2018. Year-to-date arrivals from India (196,000 visitors, +7.2%) also reached a new peak.
- China also surpassed 2017 levels and set a new arrivals record year-to-date (491,000 visitors, +2.7%), despite a considerable slowdown following a drop in the value of the Chinese Yuan in Canada since mid-June. Lower consumption patterns among Chinese consumers in response to rising prices and uncertainties linked to a slowing economy in China and the trade dispute with the US also may have contributed to this trend.
- In Australia, lower consumer confidence induced by higher mortgage rates, together with declines in the value of the AUD against both the CAD and the USD, led to fewer Australians embarking on Alaska cruises and dual US-Canada trips.
- The biggest declines in August 2018 were from South Korea (-30.2% in August, -8.4% YTD) and Japan (-20.1% in August, -19.0% YTD). Both markets recorded fewer arrivals across all modes of entry in August 2018, though year-to-date the decline was primarily driven by fewer air arrivals (both direct and via the US).

DC Asia-Pacific Arrivals by Port of Entry

- The overall downward trend in arrivals from this region continued to be driven primarily by declining air arrivals – both direct and via the US.
- The majority of visitors from Destination Canada's Asia-Pacific region continued to travel to Canada by air direct from overseas (64.6% YTD). This was supported by ongoing air capacity expansion from most markets, with the exception of Japan and South Korea, which saw the greatest declines in direct air arrivals over this period.

Year-to-date Arrivals by Port of Entry

			Australia	China	India	Japan	South Korea
Air Arrivals from Overseas	YYZ	Arrivals	10,368	136,108	83,205	27,663	34,638
		YOY%	-9.8%	-7.1%	-6.7%	-42.3%	-17.2%
		% of Total	4.4%	27.7%	42.4%	17.1%	20.2%
	YVR	Arrivals	86,418	195,328	45,477	71,720	51,924
		YOY%	2.6%	5.1%	117.3%	-13.9%	-5.0%
		% of Total	36.5%	39.8%	23.2%	44.4%	30.3%
	YUL	Arrivals	1,752	26,971	5,950	5,162	660
		YOY%	0.8%	10.1%	-10.6%	468.5%	0.6%
		% of Total	0.7%	5.5%	3.0%	3.2%	0.4%
	YYC	Arrivals	1,039	7,670	7,994	8,532	748
		YOY%	-0.4%	-15.7%	26.5%	-13.9%	-36.3%
		% of Total	0.4%	1.6%	4.1%	5.3%	0.4%
	All other airports	Arrivals	605	363	1,624	181	100
		YOY%	0.6%	0.1%	1.3%	0.1%	0.1%
		% of Total	0.3%	0.1%	0.8%	0.1%	0.1%
Subtotal	Arrivals	100,182	366,440	144,250	113,258	88,070	
	YOY%	1.0%	0.0%	14.7%	-20.4%	-10.6%	
	% of Total	42.3%	74.6%	73.5%	70.1%	51.4%	
Air Arrivals via the US	All airports	Arrivals	82,634	54,361	26,661	29,865	19,771
		YOY%	-13.2%	-18.7%	4.9%	-28.7%	-26.0%
		% of Total	34.9%	11.1%	13.6%	18.5%	11.5%
Sea Arrivals	All sea borders	Arrivals	31,256	9,437	9,628	3,928	4,533
		YOY%	-6.4%	-22.4%	13.4%	23.4%	0.1%
		% of Total	13.2%	1.9%	4.9%	2.4%	2.6%
Land Arrivals via US	All land borders	Arrivals	22,786	60,754	15,639	14,460	59,046
		YOY%	-15.2%	87.6%	-32.9%	17.5%	2.9%
		% of Total	9.6%	12.4%	8.0%	8.9%	34.4%
Total Overnight Arrivals			236,921	491,035	196,200	161,614	171,424

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

CANADIAN OUTBOUND TRAVEL

Overnight Trips by Canadians

	August 2018	YOY % Variance	Jan.- Aug. 2018	YOY % Variance
United States	2,449,480	0.6	15,009,475	7.0
Other Countries	1,065,723	-7.2	8,574,701	-5.5
Total Trips from Canada	3,515,203	-1.9	23,584,176	2.1

Source: Statistics Canada, International Travel Survey.

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

- In August 2018, Canadian outbound travel decreased slightly year-over-year (-1.9%), mainly due to a decline in travel to overseas international destinations (-7.2%), which outpaced a marginal increase in Canadian travel to the US (+0.6%).
- Year-to-date, increased Canadian travel to the US (+7.0%) continued to be offset by a decline in travel to other international destinations (-5.5%), resulting in a small overall increase in outbound travel compared to the first eight months of 2017 (+2.1%).
- The number of Canadians returning from the US in August was down from re-entry by automobile (-1.6%) and other modes of transportation excluding air (-3.7%), while air re-entry from the US was up 6.8%.
- However, these results should be interpreted with caution given the recent incorporation of PIK air arrival data in frontier counts and comparability with 2017 air arrival data, which has not yet been revised. In particular, Statistics Canada noted, “there has been an increased tendency of Canadian travellers returning from overseas trips via the United States to report that they are returning from the United States and not overseas via the United States”.

INTERNATIONAL ARRIVALS BY PROVINCE OF ENTRY

Year-to-date Overnight Arrivals by Province of Entry

		Newfoundland and Labrador	Prince Edward Island	Nova Scotia	New Brunswick	Québec	Ontario
Total One or more nights	2018	35,484	210	140,951	227,328	2,214,124	6,749,765
	Variance YOY%	-1.2%	-23.9%	10.6%	6.5%	2.9%	-1.8%
	Change YOY	(432)	(66)	13,551	13,893	62,197	(120,979)
US Residents by Automobile	2018	0	0	13,544	186,262	790,145	3,206,613
	Variance YOY%	0.0%	0.0%	17.1%	1.5%	3.0%	3.2%
	Change YOY	-	-	1,978	2,826	22,878	100,305
US Residents by Non-Automobile	2018	6,951	185	74,669	33,752	592,540	1,709,701
	Variance YOY%	33.1%	-27.2%	9.7%	30.6%	1.9%	-6.6%
	Change YOY	1,728	(69)	6,621	7,912	10,812	(120,459)
Residents from Other Countries	2018	28,533	25	52,738	7,314	831,439	1,833,451
	Variance YOY%	-7.0%	13.6%	10.4%	75.9%	3.6%	-5.2%
	Change YOY	(2,160)	3	4,952	3,155	28,507	(100,825)

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

Year-to-date Overnight Arrivals by Province of Entry

		Manitoba	Saskatchewan	Alberta	British Columbia	Yukon	Nunavut	CANADA
Total One or more nights	2018	169,556	56,416	775,261	4,313,583	144,045	514	14,827,237
	Variance YOY%	8.0%	8.0%	0.7%	5.3%	11.1%	-50.2%	1.5%
	Change YOY	12,551	4,159	5,692	215,418	14,397	(518)	219,863
US Residents by Automobile	2018	111,910	41,934	129,068	1,393,860	68,878	0	5,942,214
	Variance YOY%	7.3%	4.8%	1.4%	3.5%	2.9%	0.0%	3.3%
	Change YOY	7,613	1,916	1,766	46,769	1,965	-	188,016
US Residents by Non-Automobile	2018	47,668	12,796	411,469	1,352,125	58,797	80	4,300,733
	Variance YOY%	3.9%	21.6%	1.4%	4.3%	28.4%	19.4%	-0.3%
	Change YOY	1,798	2,274	5,725	55,881	12,993	13	(14,771)
Residents from Other Countries	2018	9,978	1,686	234,724	1,567,598	16,370	434	4,584,290
	Variance YOY%	45.9%	-1.8%	-0.8%	7.8%	-3.3%	-55.0%	1.0%
	Change YOY	3,140	(31)	(1,799)	112,768	(561)	(531)	46,618

- From January to August 2018, most international visitors to Canada continued to enter the country via Ontario (45.5%), British Columbia (29.1%), and Quebec (14.9%).
- The 3.3% increase in US auto arrivals to Canada over the first eight months of 2018 was seen across all provinces with land borders, while the marginal decrease in US non-auto arrivals (-0.3%) was primarily seen in Ontario.
- The biggest increase in arrivals came through British Columbia (+215,000 visitors), with just over half of that growth coming from overseas tourists (+113,000 visitors), while the biggest decrease was in arrivals through Ontario (-121,000 visitors) YTD August 2018.

ACCOMMODATION

Hotel Performance Indicators by Province

	Occupancy Rates				Average Daily Rate (ADR)				Revenue Per Available Room (RevPAR)			
	Aug. 2018	YOY^ Variance	Jan.- August	YOY^ Variance	Aug. 2018	YOY % Variance	Jan.- August	YOY % Variance	Aug. 2018	YOY % Variance	Jan.- August	YOY % Variance
Alberta¹	65.1%	1.7	56.8%	2.6	\$130.26	1.6%	\$131.57	0.7%	\$84.83	4.4%	\$74.68	5.5%
British Columbia	86.7%	-1.1	72.4%	0.2	\$231.41	9.8%	\$194.05	9.9%	\$200.71	8.4%	\$140.45	10.3%
Saskatchewan	60.9%	2.1	56.7%	3.1	\$113.84	-1.2%	\$117.57	-1.9%	\$69.38	2.2%	\$66.69	3.8%
Manitoba	79.7%	0.0	68.6%	-0.3	\$126.42	-0.7%	\$125.54	1.7%	\$100.73	-0.6%	\$86.16	1.2%
Ontario	82.7%	1.0	70.2%	1.3	\$174.91	5.5%	\$160.61	4.6%	\$144.69	6.8%	\$112.79	6.6%
Quebec	85.5%	-1.1	69.4%	-1.4	\$190.26	0.1%	\$172.39	2.6%	\$162.62	-1.1%	\$119.63	0.5%
New Brunswick	86.8%	-2.0	61.9%	-0.3	\$140.16	2.9%	\$126.26	3.3%	\$121.64	0.7%	\$78.10	2.8%
Nova Scotia	91.1%	-0.5	67.0%	-1.0	\$170.88	5.8%	\$148.82	5.6%	\$155.75	5.2%	\$99.74	4.0%
Newfoundland	69.4%	-13.0	53.3%	-11.4	\$140.83	-8.5%	\$142.45	-1.9%	\$97.67	-23.0%	\$75.87	-19.2%
Prince Edward Island	94.2%	-1.7	60.1%	1.2	\$195.15	2.8%	\$156.58	5.7%	\$183.89	0.9%	\$94.12	7.9%
Northwest Territories	72.5%	-6.2	69.5%	1.7	\$151.23	11.9%	\$148.46	4.1%	\$109.63	3.1%	\$103.13	6.7%
Yukon	91.1%	3.1	67.7%	-0.3	\$156.96	9.2%	\$144.95	8.3%	\$142.94	13.0%	\$98.11	7.8%
Canada	79.9%	0.1	66.8%	0.8	\$181.96	4.6%	\$163.15	4.6%	\$145.42	4.8%	\$109.05	5.8%

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 in August 2018 (79.9%) was roughly on par with August 2017 (+0.1 percentage points), while from January to August it was just marginally ahead of last year (+0.8 p.p.). The highest occupancy rates in August were reported in Prince Edward Island (94.2%), Yukon and Nova Scotia (91.1% each), while the highest rates year-to-date were registered for British Columbia (72.4%), Ontario (70.2%), and the Northwest Territories (69.5%). As seen in July 2018, most provinces and territories recorded either no change or a year-over-year decline in occupancy rates in August 2018. Only Yukon (+3.1 p.p.), Saskatchewan (+2.1 p.p.), Alberta (+1.7 p.p.), and Ontario (+1.0 p.p.) increased year-over-year.
- The national average daily rate (ADR) continued to climb, reaching \$181.96 in August (+4.6%) and \$163.15 YTD (+4.6%). British Columbia reported the highest ADR and strong year-over-year growth both in August (\$231.41, +9.8%) and YTD (\$194.05, +9.9%), though the Northwest Territories posted the strongest growth in August (+11.9%). Prince Edward Island (\$195.15) and Quebec

(\$190.26) were also among the highest rates in August, while YTD Quebec (\$172.39) and Ontario (\$160.61) were near the top.

- Canada's average revenue per available room (RevPar) also continued to grow, now sitting at \$145.42 in August (+4.8%) and \$109.05 YTD (+5.8%). At the provincial level, reported RevPar continued to follow the same trend as the ADR, with British Columbia, Prince Edward Island, and Quebec reporting the highest rates in August, and British Columbia, Quebec, and Ontario YTD.
- The Toronto and Vancouver areas showed some of the highest ADR and occupancy rates in Canada. In downtown Vancouver, a strong demand at near full occupancy of available rooms (94.3%, +0.6 p.p.) led to an 11.8% increase in ADR, which reached \$333.36 per night in August 2018. In downtown Toronto, the occupancy reached 88.0% (+1.3 p.p.) pushing the ADR up 8.3% to \$268.70. The Alberta resort areas posted the highest ADR in Canada, reaching a staggering \$419.58 per night (+11.7%) at a near full occupancy rate (+93.4%, -0.2 p.p.).

ACCOMMODATION

Hotel Performance Indicators by Property Type

	Occupancy Rates				Average Daily Rate (ADR)			
	August 2018	YOY^ Change	Jan.- August	YOY^ Variance	August 2018	YOY Variance	Jan.- August	YOY Variance
Property Size								
Under 50 rooms	73.3%	1.6	53.9%	0.5	\$139.39	7.7%	\$119.80	4.9%
50-75 rooms	78.3%	-0.3	61.2%	0.9	\$141.80	3.3%	\$123.76	3.7%
76-125 rooms	78.8%	0.1	65.3%	1.0	\$151.56	3.6%	\$135.95	2.9%
126-200 rooms	79.2%	-0.9	67.1%	0.2	\$166.53	4.5%	\$150.01	4.7%
201-500 rooms	81.0%	0.9	70.0%	1.0	\$211.95	4.2%	\$192.92	5.2%
Over 500 rooms	87.0%	0.0	75.0%	0.2	\$290.92	7.8%	\$247.60	6.6%
Total	79.9%	0.1	66.8%	0.8	\$181.96	4.6%	\$163.15	4.6%
Property Type								
Limited Service	75.9%	-0.1	62.2%	1.1	\$135.80	4.1%	\$123.27	3.6%
Full Service	81.6%	0.5	69.3%	0.9	\$196.71	5.0%	\$176.60	5.1%
Suite Hotel	86.5%	0.6	74.3%	-0.4	\$187.02	5.4%	\$169.33	5.4%
Resort	84.5%	-1.7	66.2%	-0.2	\$318.17	8.8%	\$265.12	8.0%
Total	79.9%	0.1	66.8%	0.8	\$181.96	4.6%	\$163.15	4.6%
Price Level								
Budget	76.0%	0.3	61.0%	0.8	\$124.35	4.8%	\$109.88	5.7%
Mid-Price	80.2%	0.2	67.4%	0.8	\$168.97	3.6%	\$152.15	3.3%
Upscale	84.0%	-0.4	72.1%	0.3	\$309.75	6.9%	\$269.81	6.4%
Total	79.9%	0.1	66.8%	0.8	\$181.96	4.6%	\$163.15	4.6%

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

- Consistent with past trends, the highest occupancy rates across Canada were reported for larger properties (500+ rooms) (87.0% in August, 75.0% YTD). Regardless of property size, few notable shifts were reported compared to the same period last year. By property type, suite hotels reported the highest occupancy rates both in August (86.5%) and YTD (74.3%), while upscale properties (84.0% in August, 72.1% YTD) continued to report the highest occupancy rates by price level.
- Those larger properties (\$290.92 in August, \$247.60 YTD) and upscale properties (\$309.75 in August, \$269.81 YTD) reported the highest average daily rates (ADR) over this period. Meanwhile, alongside a slight decline in occupancy rates, resorts continued to report the highest ADR by property type (\$318.17 in August, \$265.12 YTD).