



Winter 2002

Canadians in search of new horizons

Throughout the world, 2000 was an especially good year for tourism. Overall, tourist arrivals rose 7.4%¹ between 1999 and 2000, the largest increase in almost ten years and double the increase in 1999. The corresponding international tourism receipts grew by 4.5% between these two years. Undoubtedly contributing to this surge was a strong global economy combined with special events, including several held to commemorate the new millennium.

At the same time, Canadians made a record number of trips to overseas countries.

Drawing on the results of the International Travel Survey (ITS), this article summarizes how Canadians' travel habits outside their country have evolved over the past decade, more especially with respect to destinations other than the United States.

Canadians travelled less to the United States and more to overseas countries

According to data from the International Travel Survey (ITS), international overnight trips by Canadians decreased by 12.6% between 1991 and 2000. However, Table 1 shows that this decline is entirely attributable to a drop in the number of trips by Canadians to the United States during this same period, since trips to overseas countries increased 60%.

Combined with the sizable reduction of trips to the United States, the increase in trips by Canadians to overseas countries resulted in a rise in the share of outbound trips attributed to those countries. Thus, Canadians devoted 23.6% of all their international trips to countries other than the United States in 2000, compared with only 12.9% in 1991. It is worth noting that since 1991, all the decreases registered in aggregate international trips taken by Canadians were directly related to reductions in trips to the United States. The historical data show, moreover, that trips by Canadians are usually more responsive to the U.S. exchange rate than to that of other countries. Thus, the sizable variations in the number of trips made by Canadians



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¹ World Tourism Organization: Tourism Market Trends: World Overview and Tourism Topics – 2001 – Provisional.



to our neighbour to the south are closely linked to the value of the U.S. dollar in relation to the Canadian dollar. It should be noted that after reaching a peak in 1991, Canadians' travel to the United States generally decreased during most of

the decade, primarily because of the decline in the value of the Canadian dollar in relation to its U.S. counterpart.

Between 1991 and 2000, the number of overnight trips to the United States dropped 23.4%, while same-day trips fell

Table 1

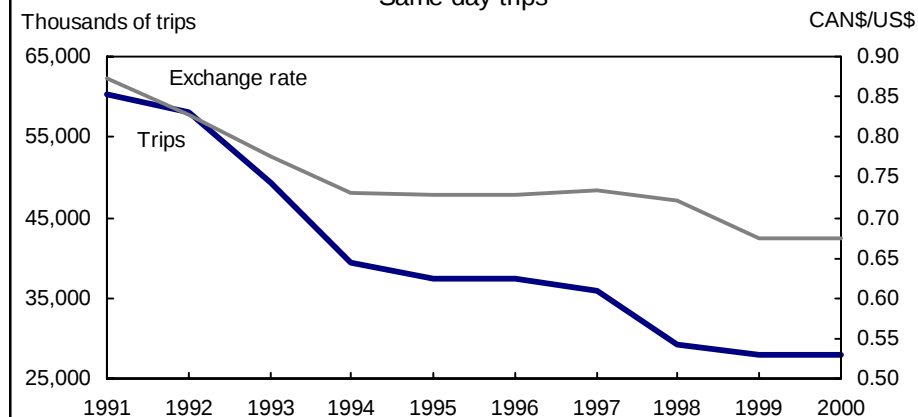
Trips of Canadian Residents Travelling Abroad

One or more night trips

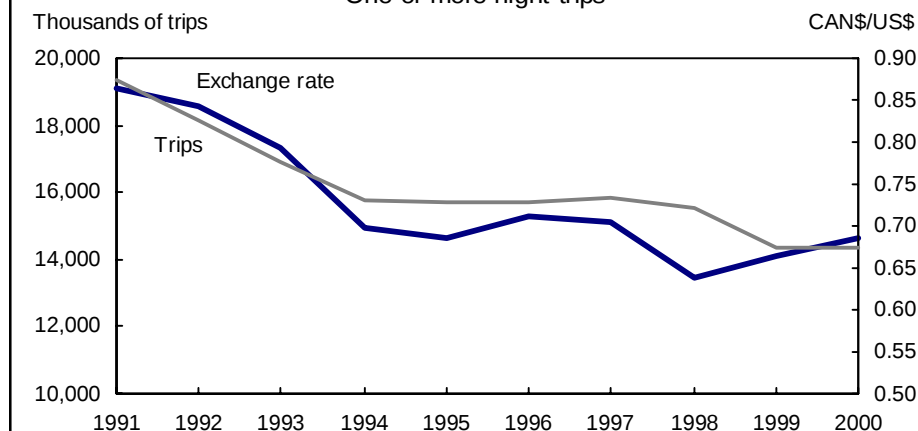
	1991	Share	2000	Share	Change 2000/1991
	in thousands	%	in thousands	%	%
Total	21,937	100.0	19,163	100.0	-12.6
United States	19,113	87.1	14,648	76.4	-23.4
Overseas	2,824	12.9	4,516	23.6	60.0

Source: International Travel Survey

Canadiens Travellers to the United States Same day trips



Canadians travellers to the United States One or more night trips



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Note of appreciation

Canada owes the success of its statistical system to a long-standing partnership between Statistics Canada, the citizens of Canada, its businesses, governments and other institutions. Accurate and timely statistical information could not be produced without their continued cooperation and goodwill.

by more than half (53.4%). During the same period, expenditures made by Canadians during overnight trips to that country rose only 14.4%² (Table 2). The share of expenditures made during same-day trips fell from 18.3% of total expenditures in the United States in 1991 to 10.8% in 2000. This shows the importance of the relationship between same-day trips by Canadians to the United States and the exchange rate: on average during 1991, the Canadian dollar traded at US\$0.87. Since 1998, the Canadian dollar has on average been worth US\$0.67.

Since Canadians more often went to overseas countries during this period, in 2000 they spent \$6.5 billion³ in those countries (Table 2), nearly double the amount spent ten years earlier.

For Canadians, the decision as to whether or not to take a trip to overseas countries also seems to be influenced by a set of other considerations, such as conflicts or wars or other events that may affect personal safety. During the past decade, two events caused an interruption in the growth of travel by Canadians to overseas countries. First, in reaction to the Gulf Crisis in 1991, Canadians reduced their flights to overseas destinations, although they cheerfully resumed their travels the following year. Then, a few years later, at the end of 1997, came the Asian financial crisis. Its effect was not to decrease travel but rather to slow its growth. Once again, however, Canadians resumed travelling to overseas countries the following year. Indeed, they travelled more often to the Asian region, which suggests that they were attracted by the

many sales offered after the crisis as the region sought to reposition itself on the world travel market.

More travelled to overseas countries

As noted above, Canadians reduced their overall international travel between 1991 and 2000. Considering that the population of Canada nevertheless increased (by 9.7%) during that period, this naturally suggests that the per capita number of trips declined. In order to look at the change in travel volume in relation to the change in the population so that we can make comparisons over a given period, we use a trip incidence index. Trip incidence is the ratio of the number of trips made during a given year to the population of the country during the same year. In 2000, Canadians' trip incidence for foreign travel was nearly 62.3%, in contrast to the peak of 78.3% attained in 1991. In other words, for every hundred Canadian residents, 62.3 trips abroad were made in 2000 compared with 78.3 in 1991. Once again, the lower incidence of international travel by Canadian residents is directly related to decreased travel by Canadians to the United States. At the same time, the incidence of trips by Canadians to overseas countries instead grew steadily, reaching 14.7% in 2000 compared with 10.1% in 1991 (Table 3). Furthermore, the incidence of Canadian travel to overseas countries grew substantially for all age groups, especially the group between 45 and 64 years of age.

Table 3

Overseas Trips per 100 Canadian Residents

One or more night trips

	1991	2000
	trips/100 residents	
Total	10.1	14.7
19 and less	2.7	4.0
20 to 24	8.4	9.1
25 to 34	10.7	14.7
35 to 44	12.1	14.4
45 to 54	16.9	22.6
55 to 64	15.7	25.6
65 and over	8.6	13.9

Source: International Travel Survey

British Columbia residents travel the most

Of all Canadians, residents of British Columbia⁴ showed the greatest increase in their travel to countries other than the United States between 1991 and 2000. It should be kept in mind, however, that during this period, British Columbia also had the largest population increase in Canada, namely 20.4%. However, even taking British Columbia's population increase into account, its residents travelled to overseas countries more often than other Canadians in 2000 (Table 4). The province of Ontario fell to second place and finally, residents of Eastern provinces remained, in 2000, those who travelled the less.

Characteristics of Canadians travelling to overseas countries

Relative importance of destinations

An examination of the regional distribution of overseas visits indicates that Europe captured a smaller share of Canadian residents' visits to overseas countries in 2000. That share was 51.2% in 2000, compared with 53.9% in 1991.

² Not adjusted for inflation.

³ Not adjusted for inflation.

⁴ Unless otherwise indicated, data for Yukon and the Northwest Territories are combined with those for British Columbia in this article.

Table 2

Spending of Canadian Residents Travelling Abroad

One or more night trips

	1991	Share	2000	Share	Change 2000/1991
	\$ millions	%	\$ millions	%	%
Total	11,138	100.0	15,473	100.0	38.9
United States	7,846	70.4	8,975	58.0	14.4
Overseas	3,292	29.6	6,498	42.0	97.4

Source: International Travel Survey

Table 4

Visitors to Overseas per 100 Residents and Provincial Distribution of Canadian Population

	Distribution of Population 1991	Incidence 1991	Distribution of Population 2000	Incidence 2000
	%	visits by 100 residents	%	visits by 100 residents
Canada	100.0	13.9	100.0	18.5
Atlantic Provinces	8.5	4.9	7.7	8.2
Quebec	25.2	11.9	24.0	15.6
Ontario	37.2	18.2	37.9	22.3
Western Provinces	16.8	10.0	16.8	13.9
British-Colombia and Yukon	12.1	16.4	13.3	24.9

Source: International Travel Survey

For while Canadians actually increased their visits to Europe by 38.8% over this period, their visits to most other overseas regions increased even more rapidly (Table 5). More especially, the increase in visits to Central America boosted that

region's share to 14.4% in 2000 from 11.4% in 1991. Whatever their province of residence, Canadians devoted an increased share of their visits to Central America in 2000 compared with 1991. The second largest increase in visits by

Canadians between the two observation years was registered by Africa, at 79.4%. The data also show that 62.1% more Canadians visited Asia in 2000 than in 1991.

Tastes change

The United Kingdom continues to be the main overseas tourism market for Canadians. While visits were up between 1991 and 2000, the figure for 2000 is down from both the peak year 1998 and 1999. In 2000, 15.2% (Table 6) of expenditures by Canadians during their trips to overseas countries were made to the United Kingdom, although this was nevertheless down from 1991 (17.5%). It should be noted that while Canadians' average length of stay in that country grew, it was relatively short compared with the length of stay for a number of other, less traditional destinations. The same is true for France, where the number of nights spent increased only 8.2% between 1991 and 2000 (Table 7). Over this period, Canadians actually shortened their length of stay in other traditional destinations, such as the Netherlands (-3.6%) and Germany (-3.3%). On the other hand, Canadians substantially lengthened their visits to China (223.5%), Japan (149.0%) and Cuba (76.9%), to name only a few other destinations. These longer stays were undoubtedly profitable for a number of countries, which saw their travel receipts generated by Canadians increase threefold, as was the case for Italy, or even fourfold, for China, between 1991 and 2000.

Expo 2000 attracted more Canadian tourists to Germany

In 2000, Germany attracted a record number of Canadian tourists. Indeed, 21.6% more Canadians visited Germany in 2000 than in 1999, a figure even exceeding the 17.5% increase registered between 1991 and 1992. It should be noted, however, that Expo 2000, which was held in Germany, was a major factor in drawing large numbers of tourists from throughout the world in 2000, 11% more than in 1999.

Compared with 1991, Canadians made 27.7% more visits to Germany in 2000

Table 5

Regional Distribution and Visits Change of Canadians Residents to Overseas Countries

One or more night trips

	Region Share/ Total	Atlantic Provinces	Quebec	Ontario	Western Provinces	British- Columbia & Yukon
	%					
Total 1991	100.0	100.0	100.0	100.0	100.0	100.0
Total 2000	100.0	100.0	100.0	100.0	100.0	100.0
Change 2000/1991	46.1	68.7	35.9	37.2	51.7	82.5
Europe 1991	53.9	60.3	54.6	55.3	52.0	48.5
Europe 2000	51.2	51.5	50.3	55.1	44.9	46.9
Change 2000/1991	38.8	44.2	25.3	36.5	31.1	76.7
Caribbean 1991	16.4	16.6	21.6	20.0	7.3	4.0
Caribbean 2000	15.1	23.6	21.3	17.8	11.3	2.4
Change 2000/1991	34.7	140.3	34.1	21.8	134.2	12.4
Central America 1991	11.4	13.6	10.9	9.5	13.6	16.2
Central America 2000	14.4	14.7	11.9	11.3	18.1	22.7
Change 2000/1991	85.2	82.7	48.9	62.8	101.5	155.7
Asia 1991	10.1	4.4	4.8	7.8	16.1	22.0
Asia 2000	11.2	4.4	6.7	9.3	15.2	19.4
Change 2000/1991	62.1	66.5	90.3	64.4	43.6	61.4
South America 1991	3.3	1.3	4.9	3.7	1.9	1.1
South America 2000	2.9	1.3	5.3	2.8	2.8	1.0
Change 2000/1991	30.4	75.7	45.9	5.0	124.1	66.6
Oceania 1991	2.9	2.6	0.4	2.2	5.8	6.7
Oceania 2000	2.6	4.0	0.7	1.9	5.3	4.4
Change 2000/1991	31.1	161.3	122.3	18.9	37.4	20.6
Africa 1991	2.0	1.2	2.8	1.5	3.2	1.6
Africa 2000	2.5	0.4	3.8	1.9	2.3	3.0
Change 2000/1991	79.4	-47.7	81.3	69.2	8.1	247.7

Source: International Travel Survey

Table 6

Canadians to Overseas Countries: Regional Shares of Visits, Spending and Nights

One or more night trips

	1991 Shares			2000 Shares		
	of visits	of spending	of nights	of visits	of spending	of nights
	%			%		
Total Overseas	100.0	100.0	100.0	100.0	100.0	100.0
Europe	53.9	50.9	52.8	51.2	49.5	46.3
France	8.4	9.6	8.3	7.8	8.8	6.6
Germany	5.6	4.6	4.9	4.9	3.6	3.5
Italy	3.0	3.3	3.1	3.7	5.2	3.8
Netherlands	3.8	2.1	2.8	2.7	1.8	2.0
United-Kingdom	15.0	17.5	18.2	14.1	15.2	14.3
Caribbean	16.4	15.1	13.0	15.1	12.4	11.3
Cuba	3.3	2.6	2.7	4.8	3.3	3.5
Dominican Republic	3.1	2.3	2.5	3.4	2.4	2.6
Central America	11.4	10.6	9.4	14.4	12.6	12.8
Mexico	9.8	9.1	8.0	12.9	11.2	11.1
Asia	10.1	12.7	12.5	11.2	13.8	16.6
China	1.0	1.2	1.0	1.5	2.5	2.4
Hong Kong	2.5	3.1	2.8	1.5	1.5	1.9
Japan	1.2	2.0	1.3	2.2	3.0	2.4
South America	3.3	3.1	3.2	2.9	3.8	3.7
Oceania	2.9	5.0	6.1	2.6	4.4	5.6
Australia	1.5	3.3	4.3	1.4	2.7	3.5
Africa	2.0	2.6	3.0	2.5	3.3	3.8

Source: International Travel Survey

(Table 7), although those visits tended to be shorter.

Italy registers the strongest growth among the main markets in Europe

Festivities taking place in 2000 in connection with the Vatican Jubilee were probably a factor in the 9.9% increase in the number of Canadian visitors to Italy between 1999 and 2000. However, since 1991, Canadians' visits to Italy have grown by 80.2%, making this country the 4th most popular European tourism market for Canadians in 2000 (whereas it ranked 5th in 1991). Moreover, among the countries in which Canadians spent the most in 2000, Italy follows Britain, Mexico and France in that order. In 1991, in addition to those three countries, Canadians spent more in Germany and Australia than they did in Italy.

Mexico growing in popularity

Mexico can boast of attracting growing numbers of tourists, including Canadians, who are lured by its sunshine, its fine beaches and its expanding choice of vacation spots, but also by an increasingly favourable exchange rate. Between 1999 and 2000, Mexico saw a gain of more than 8% in international arrivals.

In their enthusiasm for this region, Canadians made 92.5% more visits to Mexico in 2000 than in 1991. With such growth, Mexico is added to the destinations that enjoyed unparalleled popularity with Canadians in 2000. By way of comparison, the gap between the number of visits to Great Britain and those to Mexico was only 71,000 in 2000. Since 1991, this gap, which reached 308,000 visits in 1995, had never been less than 203,000.

Cuba, another sunshine destination, received twice as many Canadian visitors in 2000 as in 1991.

Over the course of the decade, Canadians have definitely changed their tastes, priorities and expectations with respect to the trips that they take. They are becoming less loyal; they are tending more to forego the familiar horizons and go off the beaten path. In their trips to Europe and Asia, for example, Canadians have chosen to get to know countries such

Table 7

Percent Change of Canadians Visits, Spending and Nights, Selected Overseas Regions, 2000/1991

One or more night trips

	2000/1991		
	Visits	Spending	Nights
	% change		
Total Overseas	46.1	96.6	36.0
Europe	38.8	91.1	19.1
France	35.1	79.9	8.2
Germany	27.7	54.7	-3.3
Italy	80.2	210.2	67.3
Netherlands	3.6	65.8	-3.6
United-Kingdom	37.7	71.0	6.8
Caribbean	34.7	62.3	18.3
Cuba	111.8	145.7	76.9
Dominican Republic	63.2	101.0	41.9
Central America	85.2	134.1	85.2
Mexico	92.5	140.4	89.6
Asia	62.1	114.8	81.3
China	130.5	305.2	223.5
Hong Kong	-9.4	-4.9	-6.6
Japan	175.3	194.0	149.0
South America	30.4	142.9	55.5
Oceania	31.1	73.9	25.0
Australia	41.4	59.2	12.8
Africa	79.4	149.4	68.4

Source: International Travel Survey

as the Republic of Ireland, Turkey or Spain, countries to which they doubled or nearly doubled their visits between 1991 and 2000. The increase in the amounts spent in those countries during this period was also phenomenal, respectively 235%, 331% and 235%. Overall, these three countries, which registered the strongest growth, received 10% of the amounts spent by Canadians during their visits to Europe in 2000, twice the level in 1991. Other countries such as Sweden and Greece also attracted many more Canadians, respectively 92% and 73% more than in 1991.

Japan: The big favourite in Asia

In 2000, Japan attracted more than 124 thousand Canadian travellers, up 175.3% from 1991.

A decade earlier, Hong Kong was the Asian country most visited by Canadians. In 2000, one trip to Asia in five had Japan as its destination, compared to one in

seven for Hong Kong. Curiously, the value of the Japanese yen climbed 70.3% in relation to the Canadian dollar during this period, while the Hong Kong dollar rose 27.2%. The length of trips to Japan increased by 149.0% during this period. Despite the increase in the value of the Japanese yen, it is quite possible that the cost of living was favourable enough to influence Canadian's decision to travel to this country.

During the same period of time, visits to China were also up sharply (130.5%), as was the average length of stay in that country (223.5%).

Why not Africa?

While relatively few Canadians travelled to Africa (2.5% of all overseas trips in 2000) (Table 5), the data show a growing interest in Tunisia, South Africa, Egypt and Morocco. It is interesting to note that half of Canadian visitors to Egypt are residents of Ontario.

Provincial shares - 1991 and 2000

Nearly half (48.8%) of all Canadians travelling to overseas countries resided in Ontario in 1991, compared with 45.9% in 2000 (Table 8). The share represented by Quebec residents also declined, from 21.7% in 1991 to 20.2% in 2000. Lastly, since trips by British Columbia residents increased more quickly than those of other Canadians, British Columbians made 17.9% of all overseas trips in 2000, compared with 14.3% in 1991. It is worth noting that in 1985, only 11.0% of trips to overseas countries were attributable to British Columbia residents. Between 1991 and 2000, the participation of residents of the Eastern and Western provinces in overseas travel remained relatively stable, at respectively 3% and 12%.

Shorter trips

In 2000, somewhat more Canadians travelled in the second quarter and somewhat fewer did so during the summer, compared with 1991 (Table 9). As noted above, Canadians in increasing numbers are travelling overseas, but they are doing so for shorter periods. Thus, the share of trips lasting 7 to 13 nights has greatly increased over the years, from 26% in 1979 to 38.8% in 1991 and 46.6% in 2000. Trips of 21 nights or more accounted for only 19.5% in 2000, compared to 26.2% in 1991. In 1979, this type of trip accounted for nearly 39.0% of all trips.

Business travel is up

Business travel to overseas countries was up slightly in 2000, accounting for nearly 16.8% of all international overnight trips made by Canadians, compared with 15.0% in 1991 (Table 9). Trips whose primary purpose was to visit family or friends accounted for 17.8% of the total in 2000, down 1.5 percentage points from 1991. The data also show that vacations, leisure and holidays are nevertheless still the main reasons why Canadians travel to overseas countries. The share of overseas travel represented by this type of trip has remained stable over the years, at around 60%.

Table 8

Provincial Distribution of Canadian Residents Visits by Overseas Region

One or more night trips

	Atlantic Provinces	Quebec	Ontario	Western Provinces	British- Columbia & Yukon	Canada
	%					
Regional Shares						
Total 1991	3.0	21.7	48.8	12.2	14.3	100.0
Total 2000	3.4	20.2	45.9	12.6	17.9	100.0
Europe 1991	3.3	21.9	50.1	11.7	12.9	100.0
Europe 2000	3.4	19.8	49.3	11.1	16.4	100.0
Caribbean 1991	3.0	28.6	59.5	5.4	3.5	100.0
Caribbean 2000	5.3	28.4	53.9	9.5	2.9	100.0
Central America 1991	3.5	20.7	40.8	14.5	20.4	100.0
Central America 2000	3.5	16.6	35.8	15.8	28.2	100.0
Asia 1991	1.3	10.3	37.7	19.4	31.2	100.0
Asia 2000	1.3	12.1	38.2	17.2	31.1	100.0
South America 1991	1.2	32.3	54.6	7.0	5.0	100.0
South America 2000	1.6	36.2	43.9	12.0	6.4	100.0
Oceania 1991	2.6	3.2	36.7	24.5	32.9	100.0
Oceania 2000	5.3	5.4	33.3	25.7	30.3	100.0
Africa 1991	1.8	30.6	36.9	19.2	11.4	100.0
Africa 2000	0.5	30.9	34.8	11.6	22.1	100.0

Source: International Travel Survey

Table 9

Selected Trip Characteristics of Canadian Returning from Overseas Countries

One or more night trips

	1991	2000
	%	%
Quarter of re-entry		
Total	100.0	100.0
First	31.0	31.3
Second	21.4	23.2
Third	26.6	24.6
Fourth	21.0	20.9
Purpose of trip		
Total	100.0	100.0
Business, convention and employment	15.0	16.8
Visiting friends or relatives	19.3	17.8
Other pleasure, recreation or holiday	59.9	59.6
Other	5.7	5.7
Night group		
Total	100.0	100.0
1 night	0.1	0.1
2-6 nights	6.0	8.2
7-13 nights	38.8	46.6
14-20 nights	28.9	25.6
21 nights and over	26.2	19.5

Source: International Travel Survey

Regional breakdown

Broken down by region, the data on the main reason for trips show sizable changes for some destinations. Thus, compared with 1991, Canadians in 2000 devoted a smaller share of their trips to France to visiting relatives or friends, and a larger share to holiday travel. Visits to Italy are increasingly for holidays, with Canadians attributing only 11.6% of their trips to visiting family or friends in 2000, compared with 21.7% in 1991. Conversely, those who travelled to Hong Kong devoted a greater share of their trips to visiting friends or family and a lesser share to holiday travel. The most notable change over the decade is the increase in business trips to South America. Between 1991 and 2000, trips made by Canadians primarily for business purposes to Argentina, Brazil, Chile and Venezuela climbed 256%. In 2000, business trips accounted for 42.0% of all travel to South America by Canadians, compared with only 17.1% in 1991.

Activities associated with the new millennium, combined with a strong global economy as measured by gross domestic product, undoubtedly contributed to the robust growth of tourism in

2000. However, as noted by the World Tourism Organization (WTO) in its report *Tourism Market Trends: World Overview and Tourism Topics - 2001*, the growth rates of both tourism and gross domestic product in 2000 were exceptional and therefore unsustainable in the long run. The WTO foresaw an increase of approximately 4.1% in global tourism in 2001. These forecasts, based in part on the economic growth of the various regions, were developed a few months ago, and of course, they do not take account of the tragic events of September 11, 2001 and the resulting war. Like many other industries, tourism was strongly affected. Naturally, decreases are to be expected in international travel as a whole, particularly since the United States ranks first worldwide both for revenues and expenditures associated with international tourism. At present, however, it is too early to assess the scope of the crisis or its impact on the tourism market. But experience shows that travellers tend to resume their activities fairly quickly. The results of the International Travel Survey (ITS) in the coming months will provide a more concrete measure of the impact that these events have had on Canadians' travel abroad and on foreign travellers' visits to Canada.

International Travel Survey (ITS)**Methodology**

The number of travellers entering or returning to Canada is recorded by border officials at each port of entry in Canada and is indexed by category and type of transportation used. Travellers are counted at all ports of entry, except for seven at which automobile and bicycle traffic is evaluated by sampling.

Information obtained by Statistics Canada on international travel expenditures and characteristics is drawn from questionnaires distributed by customs officials on a sampling basis.

Number of questionnaires completed by Canadian travellers visiting countries other than the United States:

1991	1999	2000
27,745	11,221	11,622

For more information on the methodology and definitions used in the ITS, please consult the publication *International Travel*, product No. 66-201 in the Statistics Canada catalogue.



Characteristics of international travellers Second quarter 2001

Overnight international travel to Canada posted its highest second-quarter result in the 27 years that international travel data have been collected. More than 5.4 million travellers arrived from foreign countries in the second quarter, up 3.4% from the second quarter of 2000.

This increase is mainly the result of a 5.7% rise in overnight travel from the United States. An estimated 4.2 million American travellers came to Canada, a record for a second quarter. However, travel from overseas markets declined on a quarterly basis for the first time in two years.

Canadian travel to the United States declined 3.9% in the second quarter, but Canadians took 8.2% more trips to overseas nations, the fifth straight year-over-year quarterly increase.

All regions gained from record American trips

All regions gained from the growth in travel from the United States during the second quarter. The Atlantic Provinces led the way with jumps of 13.1% in

overnight visits and 37.9% in spending. An estimated 169,000 Americans visited Saskatchewan and Manitoba during the second quarter, up 11.7% from the second quarter of 2000 and the second highest increase.

Gains were not quite as strong in Ontario (+8.0%), Quebec (+5.1%), and in British Columbia and Alberta combined (+6.3%). All regions enjoyed a double-digit increase in spending.

Michigan sent the most travellers to Canada, 522,000, a 9.0% increase, followed by New York with 519,000. Louisiana posted the strongest advance, sending 24,000 travellers to Canada, three times as many as in the second quarter of 2000.

More than half the trips to Canada by American residents were for a holiday, and car travel was still their preferred way of getting here. In the second quarter, they made 2.6 million car trips to Canada, up 5.6% over the second quarter of 2000. Air travel rose 5.2% to 1.1 million trips, a record for a second quarter. The proportion of Americans travelling by air in a second quarter grew from 19% in 1994 to 25% in 2001. Air travellers tend to stay longer and spend more per trip than do car travellers.

Overseas travel posts first decline since the first quarter of 1999

Travel from overseas markets dropped 4.6% in the second quarter. This is the first drop since the first quarter of 1999, when overseas travel to Canada started to rebound after the Asian financial crisis.

Of the 12 most important overseas markets, all but Mexico posted declines. The number of trips from Mexico jumped 10.6% to 42,800. Travel was down from Europe (-4.8%) and Asia (-5.0%). Over the last six years, several foreign currencies,

including the French franc, German mark, Swiss franc, and Dutch guilder, have depreciated against the Canadian dollar, strongly affecting the performance of Canada's major markets.

Fewer Canadians travelling to the United States

Canadians made 3.6 million overnight trips to the United States in second quarter, down 3.9% from the second quarter of 2000. This marked the third consecutive year-over-year quarterly decrease, and another quarter in which the number of Americans visiting Canada surpassed the number of Canadians going south of the border.

Travel to Florida increased 2.3% to 524,000 trips, while the number of nights spent there rose 3.2%. Almost half of the nights Canadians spent in the United States during the second quarter were in Florida. Arizona recorded a relatively small number of visits, 77,000, compared with other more popular states. But each Canadian stay in Arizona averaged more than three weeks (27 nights), compared with only three nights in New York State.

Canadians took 1.3 million trips by plane in the second quarter, down 5.9%. In addition, auto trips south of the border were down 4.3% to 1.9 million trips.

Canadians took 1.9 million trips south of the border for holiday reasons during the second quarter, down 0.9%. About 592,000 went for business purposes, a 22.4% decline.

Growth in Canadian travel overseas

Canadians took 1.1 million overnight trips to overseas countries in the second quarter, up 8.2% from the second quarter of 2000. This was the fifth consecutive year-over-year quarterly increase.

Overseas travel from Canada in the second quarter has almost doubled over the past decade, from 604,000 trips in the second quarter of 1991 to just over 1.1 million in the second quarter of 2001.

Although travel to the United Kingdom was down 28.5% from the second quarter of 2000, it remained the most popular overseas destination in the second quarter; Canadians made 172,000 visits. Mexico ranked second, despite a

Selected characteristics of U.S. overnight trips by mode of transport

	Person-trips	Average number of nights	Average spending per person-trip	Average spending per night
	(⁰⁰⁰)			\$
Total	4,250	4.0	517	130
Auto	2,577	3.9	372	96
Plane	1,072	4.9	996	204
Other	601	2.9	286	99

4.5% drop in Canadian visits. However, travel to Cuba more than doubled (+128.4%), and Cuba placed fourth as the most popular overseas destination for Canadians.

Canadians' preferred international destinations

	Visits 2000	Visits 2001	2000 to 2001
	('000)		% change
United States			
New York	594	648	9.2
Florida	513	524	2.3
Washington	425	395	-7.2
Michigan	325	329	1.0
California	238	216	-9.1
Arizona	59	77	31.7
Overseas			
United Kingdom	241	172	-28.5
Mexico	144	138	-4.5
France	125	110	-11.7
Cuba	40	91	128.4
Germany	79	82	3.9

This text summarizes data now available from the International Travel Survey. Tables as well as statistical profiles and micro-data files of characteristics of international travellers for the second quarter are available on request.



Travel between Canada and other countries September 2001

Travel both by foreigners to Canada and Canadians to points abroad plummeted following the September 11 events in the United States. The aftermath of the events had a profound impact on all forms of travel, especially between Canada and the United States, from overnight trips to same-day car trips.

Overall travel to Canada declined 23.9% in September compared to September 2000. Over the same period, the number of trips taken by Canadians abroad fell 23.3%.

When adjusted for seasonality, travel to Canada dropped 25.4% in September

compared with August, while Canadian travel outside the country decreased 19.7%. These declines were the largest recorded since the introduction of the current methodology in 1972. Foreigners made 3.2 million same-day and overnight trips to Canada in September. (Data are

Travel between Canada and other countries

	Seasonally adjusted			Unadjusted	
	Aug. 2001 ^r	Sept. 2001 ^p	Aug. to Sept. 2001	Sept. 2001 ^p	Sept. 2000 to Sept. 2001
	'000		% change	'000	% change
Canadian trips abroad¹	3,844	3,086	-19.7	3,039	-23.3
To the United States	3,429	2,687	-21.6	2,698	-25.6
To other countries	415	399	-4.0	341	1.9
Same-day car trips to the United States	2,178	1,645	-24.5	1,652	-29.1
Total trips, one or more nights	1,583	1,396	-11.9	1,338	-14.3
United States ²	1,168	997	-14.6	997	-18.8
Car	653	601	-7.9	651	-8.5
Plane	406	292	-28.3	210	-43.1
Other modes of transport	109	104	-4.2	136	-7.5
Other countries ³	415	399	-4.0	341	1.9
Travel to Canada¹	4,240	3,163	-25.4	3,614	-23.9
From the United States	3,890	2,856	-26.6	3,167	-24.1
From other countries	350	306	-12.6	447	-22.7
Same-day car trips from the United States	2,293	1,647	-28.1	1,680	-28.9
Total trips, one or more nights	1,685	1,392	-17.4	1,718	-19.3
United States ²	1,346	1,096	-18.6	1,287	-18.2
Car	859	696	-19.0	802	-15.9
Plane	330	246	-25.6	265	-28.6
Other modes of transport	157	155	-1.4	220	-11.6
Other countries ³	339	296	-12.7	431	-22.3
Most important overseas markets⁴					
United Kingdom	76	68	-10.8	103	-12.9
Japan	39	28	-28.5	44	-49.1
Germany	29	27	-6.9	52	-26.1
France	29	27	-7.2	48	-23.2
Australia	14	14	0.5	19	-9.5
South Korea	13	12	-9.9	13	-7.9
Hong Kong	11	10	-12.7	9	-29.3
Mexico	14	9	-32.6	10	-22.1
Netherlands	9	9	-6.8	14	-14.3
Taiwan	10	8	-21.0	10	-46.0
Switzerland	8	8	-3.6	11	-17.3
China	8	7	-7.1	10	16.1

^r Revised figures.

^p Preliminary figures.

¹ Totals exceed the sum of "same-day car trips" and "total trips, one or more nights" because they include all of the same-day trips.

² Estimates for the United States include counts of cars and buses, and estimated numbers for planes, trains, boats and other methods.

³ Figures for other countries exclude same-day entries by land only via the United States.

⁴ Includes same-day trips and those of one or more nights.

seasonally adjusted and cover both same-day and overnight trips, unless otherwise stated.)

The decrease was particularly significant for U.S. residents, who made 26.6% fewer trips to Canada in September than they did in August. Travel by overseas residents declined 12.6% over the same period.

Canadians made an estimated 3.1 million trips out of the country in September, down 19.7% from August. Canadian travel to the United States fell 21.6%, while travel to overseas destinations fell only 4.0%.

Americans made 18.6% fewer overnight trips to Canada in September than in August. Canadian overnight travel to the United States dropped 14.6% to below the one-million-trip mark (997,000).

Overnight travel by plane was particularly hard hit. The number of overnight trips Americans took by plane to Canada fell 25.6% in September to 246,000, while the number of such trips by Canadians to the United States fell 28.3%.

Meanwhile, the number of overnight car trips by Americans to Canada decreased 19.0% to 696,000. For their part, Canadians took 601,000 overnight car trips to the United States, down 7.9%.

Same-day car trips between Canada and the United States showed significant declines in both directions. Canadians made 1.6 million car excursions south of the border in September, down 24.5% from August; the number of such trips by Americans to Canada declined 28.1% to 1.6 million.

Canadian travel to overseas countries was the least affected by September's general downward trend. Canadians took 399,000 overnight trips to overseas destinations, down 4.0% from August. Overseas residents made 296,000 overnight trips to Canada, down 12.7%.

Most of Canada's top 12 overseas markets showed decreases in same-day and overnight trips in September. Mexico posted the strongest loss in travel to Canada (-32.6%), followed by Japan (-28.5%) and Taiwan (-21.0%). Australia was the only market showing an increase (+0.5%).



Travel Price Index Third quarter 2001

Note to readers The Travel Price Index (TPI) is an aggregate index of goods and services used by travellers in Canada. Price movements are derived from detailed Consumer Price Index (CPI) series. A technical report on the Travel Price Index is available from the Tourism Statistics Program at (613) 951-1673.

TPI up 1.5 percent from same period last year

In the third quarter of 2001, consumers experienced an increase of 1.5 percent in the prices of goods and services included in the Travel Price Index basket. The only components to register index declines compared with the same quarter of last year were the operation of automotive vehicles, traveller accommodation and photographic equipment. Since traveller

accommodation and the operation of automotive vehicles generally account for more than a third of travel expenditures, a decrease in their prices has a significant slowdown effect on the TPI. The prices of restaurant meals were up 3.5 percent from the same period last year. This was their strongest third-quarter increase since 1991. Restaurants with table service were the main factor in this increase. At the same time, the index for food purchased from stores posted the largest advance (4.6 percent) since 1987, the first year this item was included in the TPI. In fact, this index has been registering record levels since the start of the year, partly owing to the recent rise in beef prices due to strong and sustained demand.

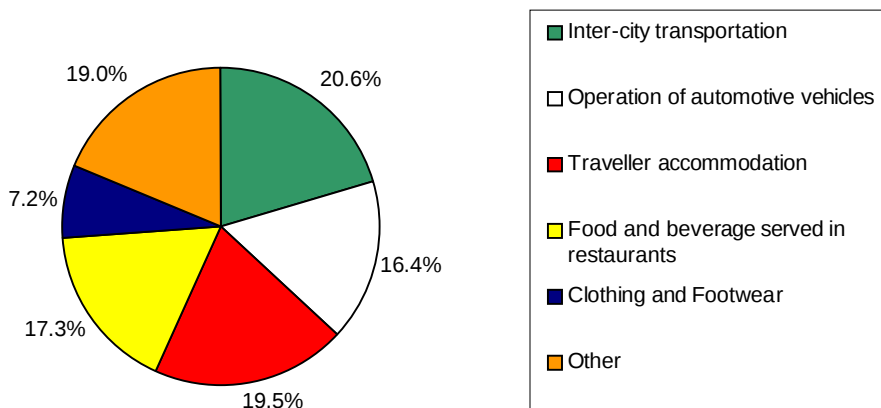
Inter-city transportation, which accounted for approximately a fifth of travellers' expenditures, saw its index rise 3.6 percent, the lowest third-quarter increase since 1992.

By comparison, the Consumer Price Index was 2.7 percent higher in the third quarter of 2001 than in the same quarter of last year.

TPI up 4.7 percent from preceding quarter

In the third quarter of 2001, the Travel Price Index was up 4.7 percent from the preceding quarter. The rise in the TPI is mainly attributable to higher rates for inter-city transportation and traveller

TPI Weights by Component, Third Quarter 2001



accommodation. After declining for three consecutive quarters, the cost of inter-city transportation jumped 13.9 percent, the strongest quarterly increase since 1987.

While accommodation costs declined with the end of the tourist season, the gains registered in July and August resulted in an overall increase of 11.1 percent for the third quarter of 2001.

During the third quarter of 2001, the cost of all goods and services recorded by the Consumer Price Index stood at 117.2, up 0.1 percent from the preceding quarter.

The Travel Price Index (TPI) and its Components

(not seasonally adjusted, 1992 = 100)

Components of the TPI	% Change		
	Third Quarter 2001	Second Quarter 2001	Third Quarter 2000
Inter-city transportation	187.5	13.9	3.6
Local and commuter transportation	134.7	1.7	3.9
Rental of automotive vehicles	124.4	3.2	4.9
Operation of automotive vehicles	128.2	-2.9	-1.2
Traveller accommodation	153.8	11.1	-3.1
Food purchased from stores	117.4	-0.4	4.6
Food purchased from restaurants	119.2	1.4	3.5
Served alcoholic beverages	115.3	0.8	2.9
Alcoholic beverages purchased from stores	116.8	0.5	2.3
Spectator entertainment	141.3	1.1	5.6
Clothing	106.3	1.7	0.8
Footwear	106.0	-0.8	0.2
Clothing accessories and jewellery	103.7	3.4	1.1
Clothing material, notions and services	117.1	0.6	2.4
Medicinal and pharmaceutical products	114.8	0.4	2.3
Personal care	111.6	-0.1	1.5
Photographic equipment	88.5	-2.1	-6.4
Photographic services and supplies	98.6	-1.0	0.3
Operation of recreational vehicles	120.8	-1.1	1.3
Audio discs and tapes	109.8	0.8	0.4
Use of recreational facilities and services	129.5	0.8	3.8
Reading material and other printed matter	130.2	-0.8	2.1
Tobacco products and smokers' supplies	88.4	2.3	14.2
Travel Price Index (TPI)	137.5	4.7	1.5
Consumer Price Index (CPI)	117.2	0.1	2.7

Sources: The Consumer Price Index, Cat. No. 62-001-XPB; and the Tourism Statistics Program



		Third quarter		Percentage Change
		2000	2001	
VISITORS TO CANADA (000s)				
	CANSIM II			
From United States	V125185	15,815	15,446	-2.3
One or more nights visits	V129509	6,483	6,528	0.7
- By auto	V125188+V12589	4,204	4,374	4.0
From Overseas	V125217	1,907	1,754	-8.0
One or more nights visits	V129521	1,825	1,677	-8.1
Top Seven Countries:				
United Kingdom		351	335	-4.7
Japan		209	169	-19.1
Allemagne		187	160	-14.6
France		183	161	-11.8
Australie		60	55	-9.0
Hong-Kong		56	45	-19.2
Taiwan		60	40	-34.4
CANADIANS OUTSIDE CANADA (000s)				
To United States:	V125228	12,869	11,694	-9.1
One or more nights visits	V129534	4,753	4,414	-7.1
- By auto	V125231+V125232	3,106	2,990	-3.7
To Overseas (one or more nights)	V125260	1,112	1,191	7.2
INDUSTRY				
Airline passengers (Level I) (000s)	V11743	6,984	6,428	-8.0
Airline passenger-km (Level I) (000,000s)	V11744	20,690	19,742	-4.6
PRICES 1992 = 100 (not s.a)				
Travel Price Index	V121654	135.4	137.5	1.6
Consumer Price Index	V735319	114.1	117.2	2.7
- Restaurant meals	V735392	115.1	119.2	3.6
- Inter-city transportation	V735515	181.0	187.5	3.6
- Renting and leasing of automotive vehicle	V735499	118.6	124.4	4.9
- Gasoline	V735501	135.2	128.5	-5.0
ECONOMIC				
Gross Domestic Product, 1997 prices (s.a.) (000,000s)	V2036138	935,212	935,088	-0.0
- Amusement and recreation (000,000s)	V2036434	2,471	2,561	3.6
- Accommodation and food services (000,000s)	V2036436	22,400	22,328	-0.3
Personal disposable income per capita (s.a.)	V498186/V1	20,500	21,139	3.1
LABOUR (000s)				
Labour force (s.a.)	V159560	16,027	16,242	1.3
Unemployed	V159713	1,110	1,159	4.5
Employed	V159599	14,918	15,083	1.1
- Accommodation and food services (not s.a.)		1,002	1,019	1.6
EXCHANGE RATES (in Canadian dollars)				
American Dollar	V37426	1.4822	1.5461	4.3
British Pound	V37430	2.1885	2.2253	1.7
Japanese Yen	V37456	0.0138	0.0127	-7.7
German Mark	V37454	0.6852	0.7053	2.9
French Franc	V37453	0.2043	0.2103	2.9
Euro dollar	V121742	0.8705	0.8960	2.9
<i>(s.a.) seasonally adjusted.</i>				