



Summer 1997

Canadians' Travel During the Winter of 1996... *...Declining Within the Country and Increasing Outside the Country*

by Monique Beyrouti

The results of the biennial Canadian Travel Survey, from which the data for the first quarter of 1996 were disseminated recently, indicate that Canadians travelled less within their country during the first three months of 1996 than during the same period in 1994. Canadians took over 31 million trips in total, down 9.4% from the first quarter of 1994 (Table 1).

The decreases were greatest in February and March 1996, when Canadians reduced their travel by 12.6% and 11.9% respectively.

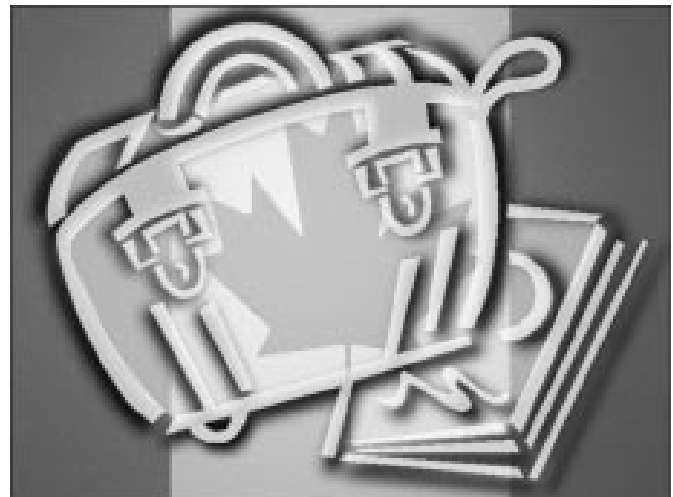
Only residents of Nova Scotia and Prince Edward Island travelled more during the first quarter of 1996. In total, Quebecers took 1.2 million fewer trips between January and March 1996 than during the same period in 1994. This major reduction represents 38% of the total decrease in Canada.

Canadians spent \$3.7 billion during these winter trips, of which almost 44% represented costs incurred during trips taken primarily for business purposes.

Canadians Travel by Airplane More Often

In contrast with the decreases in travel by all other means of transportation, travel by airplane surged upward by 19.0% (Table 2). During the first quarter of 1996, over 1.5 million airplane trips were taken to Canadian destinations, regardless of length of stay. This upswing was largely the result of an increase of more than 234,000 in the number of Canadians travelling by airplane for business purposes as well as a growth of 29,000 in the number of trips taken for pleasure. A decrease in the average ticket price for domestic flights provides a partial explanation for this inclination toward air travel.

In general, Canadians who travel by plane tend to make longer visits; in addition, they spend more on accommodation and public transportation. It is also the case that, on average, persons travelling primarily for business spend more than those who travel for other reasons. Thus, business travellers have



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Table 1
Total Domestic Trips by Province of Origin

Province of Origin	1st Quarter		Change 96/94
	1994	1996	
	'000		%
Total	34,415	31,193	-9.4
Newfoundland	683	542	-20.6
P.E.I.	73	88	20.5
Nova Scotia	1,170	1,227	4.9
New Brunswick	871	841	-3.4
Quebec	8,083	6,863	-15.1
Ontario	11,795	11,272	-4.4
Manitoba	1,462	1,182	-19.2
Saskatchewan	1,909	1,907	-0.1
Alberta	4,680	4,060	-13.2
British Columbia	3,689	3,211	-13.0

Source: Canadian Travel Survey

Table 2
Total Domestic Trips by Primary Mode of Transportation

	Total	Auto	Plane	Bus	Other ¹
	'000				
1st Quarter:					
1994	34,415	31,418	1,262	1,162	573
1996	31,193	28,162	1,502	1,085	443
Change	-9.4%	-10.4%	19.0%	-6.6%	-22.7%

¹ Other includes train, boat and not stated/other.
Source: Canadian Travel Survey

much higher levels of expenditure than do those who use other means of transportation. During the first quarter of 1996, persons travelling by airplane within Canada spent on average \$976 per trip, as compared with \$76 for travellers who used other means of transportation. The overall impact of this increase in airplane travel was reflected in total spending on domestic travel, which grew from \$3.4 billion in the first quarter of 1994 to \$3.7 billion in the first quarter of 1996, a 9.4% jump.

The number of trips of one or more nights by airplane increased by 18.4% between the winters of 1994 and 1996. Such trips represented 9.4% of the total in 1996, compared with 7.4% in 1994. While the proportion of business travel overall remained stable (17%), the proportion of business travel by air was considerably higher. With 154,000 more overnight business trips taken by airplane

than in 1994, travel by air represented 33% of all business travel during the first three months of 1996, as compared with 24% during the winter of 1994.

More than 2.8 Million Canadians Aged 15 and Over Travelled

For each of January, February and March 1996, more than 2.8 million Canadians aged 15 and over reported they had taken at least one trip of one or more nights within the country.

As was the case during the winter of 1994, pleasure trips constituted the major portion of the 4.3 million overnight trips that were taken during the first quarter of 1996 (Table 3). In comparison, Canadians took 6.3 million trips to visit friends or relatives during the winter of 1996, down 7.4% from 1994.



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Note of appreciation

Canada owes the success of its statistical system to a long-standing co-operation involving Statistics Canada, the citizens of Canada, its businesses and governments. Accurate and timely statistical information could not be produced without their continued co-operation and goodwill.

Note to readers

These data are taken from the Canadian Travel Survey, a supplement to the Labour Force Survey conducted every two years. In 1996, it covered a sample of 16,000 persons per month. The data from the 1996 and 1994 surveys cannot be compared with data from previous years because of a lack of continuity in the chronological series.

"Winter" refers to the first quarter of the year, that is, January, February and March.

Definition

"Domestic travel" refers to trips of 80 kilometres or more one way. They must be taken by Canadians and have a Canadian destination. If four persons took a trip together, four trips are considered to have been taken. The breakdown of travel data by province is according to the primary destination.

Expenditures **reported** by travellers cover all travel-related expenses, including the cost of transportation, fuel, accommodation, food, recreation and entertainment.

Where a traveller has visited more than one region, the expenditures reported are **redistributed** according to the number of nights spent in each region.

During their trips of one or more nights, Canadians spent more than \$2.9 billion, up 16.6% from the winter of 1994 (Table 4). Almost half of these expenses (47%) were incurred during trips taken by airplane.

Travel Spending Higher for British Columbia than for Quebec

Among all the Canadian provinces, British Columbia was second only to Ontario in terms of expenditures by Canadian travellers during the winter of 1996, representing 18% of the national total, regardless of length of trip. Quebec and Alberta followed, with one and two per cent less respectively. During the winter of 1994, Canadian travellers spent 16.3% more in Quebec than in British Columbia. Although the decrease in the number of visits between 1994 and 1996 was about equal in Quebec and in British Columbia, the strong growth in expenditures (115%) from travellers who took

Table 3
Domestic Trips of One or More Nights, by Primary Purpose

	Total	Visiting Friends & Relatives	Pleasure	Business & Convention	Other ¹
'000					
1st Quarter:					
1994	15,045	6,785	4,246	2,576	1,438
1996	13,993	6,285	4,255	2,334	1,120
Change	-7.0%	-7.4%	0.2%	-9.4%	-22.1%

¹ Other includes personal and not stated.

Source: Canadian Travel Survey

Table 4
Domestic Trip Expenditures by Primary Mode of Transportation, One or More Nights

	Total	Auto	Air	Bus	Other ¹
\$'000,000					
1st Quarter:					
1994	2,535	1,499	859	107	70
1996	2,956	1,403	1,378	99	77
Change	16.6%	-6.4%	60.4%	-7.5%	10.0%

¹ Other includes rail, boat and not stated/other.

Source: Canadian Travel Survey

airplane trips moved British Columbia expenditures into second place. In 1996 in Quebec, the increase in spending from visitors who travelled by airplane did not offset the loss attributed to Canadians who travelled by car. In British Columbia, on the other hand, the increase in spending on airplane trips largely compensated for the decrease in spending on trips by automobile.

Quebec, New Brunswick, Newfoundland and Manitoba were the only provinces that experienced reductions in travel receipts during the winter of 1996 in comparison with 1994. Despite the decreases in the number of trips, all other provinces recorded increases, sometimes large ones, in revenues from domestic travel. Higher levels of average spending compensated for the reduction in the number of travellers.

Decrease in Number of Travellers Aged 20 to 24

The decrease in the number of trips taken by Canadians was noted in several age categories. The number of trips taken by Canadians aged 45 to 54 and those aged 65 and over remained stable during the

period under study. However, travel by all other age groups decreased considerably. The largest decrease was among young people aged 20 to 24 - 22.9% less than in the winter of 1994 (Table 5). They were more careful about spending during their travel, resulting in an overall expenditure reduction of 35.3%. This was, in fact, the only group of travellers that spent less in 1996 than in 1994 (Table 6).

Quebec was particularly affected by this reduction, since this younger age group yielded 16% of its travel spending during the winter of 1994. In the winter of 1996, this group contributed to only 6% of total travel revenues within the province. In contrast, the proportion of expenditures by travellers aged 25 to 34 increased from 19% to 24% and those of travellers aged 45 to 54 increased from 16% to 20%.

While the proportion of travellers aged 35 to 54 who visited British Columbia in 1996 increased by only one percentage point, this age group accounted for 57% of the province's travel receipts, compared to 43% two winters earlier.

Table 5
Total Domestic Trips by Age Group

Age Group	1st Quarter		Change 96/94
	1994	1996	
	'000		%
Total	34,415	31,193	-9.4
Under 15	5,268	4,479	-15.0
15-19	2,125	1,965	-7.5
20-24	3,211	2,475	-22.9
25-34	6,734	6,314	-6.2
35-44	7,420	6,544	-11.8
45-54	4,707	4,753	1.0
55-64	2,978	2,677	-10.1
65-69	886	887	0.1
70 and over	1,087	1,098	1.0

Note: Numbers may not add to total due to rounding.
Source: Canadian Travel Survey

Table 6
Total Domestic Trip Expenditures by Age Group

Age Group	1st Quarter		Change 96/94
	1994	1996	
	\$'000,000		%
Total	3,411	3,732	9.4
15-19	163	195	19.7
20-24	385	249	-35.3
25-34	883	934	5.7
35-44	963	1,124	16.7
45-54	610	766	25.4
55-64	252	280	11.1
65-69	66	78	18.2
70 and over	89	107	19.4

Note: Numbers may not add to total due to rounding.
Source: Canadian Travel Survey

Strong Growth in Travel Among More Affluent Households

The breakdown by household income indicates reductions in the number of overnight trips for all income categories, with the exception of households earning \$80,000 or more. Among the latter group, some significant increases are noted. The increase in the number of one or more nights trips is such that it brings up their share of overall travel to 14.5% in 1996 from 9.6% in 1994. This increase is also reflected in the amount of money these

travellers contributed to local economies. In 1996, this group accounted for the highest percentage of overall spending – 27% spent during travel, in contrast with 13% in 1994.

Note to readers

These data have been taken from the International Travel Survey.

“Winter” refers to the first quarter of the year, that is, January, February and March.



Travel Increasing Outside the Country

Increasingly, the Canadian marketplace is being flooded with advertisements which entice Canadians to get away from the harsh winters, leave their boots and coats behind and bask on a warm beach by an azure sea. There is now a wide choice of destinations to suit the needs and budgets of consumers.

While the number of trips of all lengths taken by Canadians within their own country declined during the winter of 1996, the same is also true for trips to destinations outside the country. However, only same-day trips to visit our neighbours to the south decreased (-8.3%) (Table 7). Trips of one or more nights to all destinations outside Canada (4.6 million in total) increased by 6.2% in the winter of

Definition

A traveller is a Canadian resident who travelled outside Canada during a period of less than 12 months and who went through Canada Customs when returning to Canada. Foreign citizens who reside in Canada and who travel abroad for pleasure, business or for other reasons are included. Each time a traveller enters a country, he or she is recorded as having made a visit to that country.

Travel expenditures are expenditures which are incurred abroad by Canadian travellers and which are associated with the trip, including goods which they wish to import for their own use. Included are expenditures made abroad for accommodation, food, leisure, local transportation, gifts and all other purchases of goods and services.

1996. Twenty-seven per cent of these trips were taken to countries other than the United States.

Visits to Florida on the Rise

Following the signing (in February 1995) of the Open Skies Agreement between Canada and the United States, air travel by Canadians to Florida climbed by 33% during the winter of 1996. Visits to Florida, which remains the preferred haven for Canadians fleeing the cold and snow of winter, rose by 10.7% above the winter of 1994, reaching 915,000 (Table 8). More than one-third of the money spent during stays of one or more nights in the United States ended up in that state. Florida's popularity reached a high point during the winter of 1993, with 1.1 million visits by Canadians. Visits to New York State, which was second in popularity, decreased by 15.4% during the same period, while Canadians preferred to make more frequent visits to Washington State, California and Nevada.

In the winter of 1996, slightly more than one out of two overnight trips to the United States originated in Ontario. Next were Quebec and British Columbia, with 15% each.

While the number of Ontarians who visited Florida increased, there was a considerable decrease in the number of overnight trips to New York State in the winter of 1996. Quebeckers made more visits to New York State during this period, without this having any effect on their visitor loyalty towards Florida. Thus, travel by Quebeckers to Florida remained stable at 216,000 trips during the winters of 1994 and 1996.

Florida was also popular with residents of the Atlantic provinces, who greatly increased the number of visits they made there. Trips to Florida by Atlantic Canadians surpassed by far the number of trips to Maine, the most popular destination in the winter of 1994. On the other side of the country, benefitting from geographic proximity, four out of ten visits taken by British Columbia residents during each of these winters included at least one night in Washington State.

More and More Canadians are Attracted to Overseas Countries

The year 1996 started out with a record number of one or more nights trips by

Table 7
Overseas Trips by Canadian Residents

Destination	1st Quarter		Change 96/94
	1994	1996	
	'000		%
Total Trips:			
U.S.	12,304	11,676	-5.1
All Other Countries	1,080	1,233	14.2
Total	13,385	12,909	-3.6
Same Day:			
U.S.	9,024	8,277	-8.3
All Other Countries	—	—	—
Total	9,024	8,277	-8.3
One or more nights:			
U.S.	3,281	3,399	3.6
All Other Countries	1,080	1,233	14.2
Total	4,361	4,633	6.2

Note: Numbers may not add to total due to rounding.
Source: International Travel Survey

Table 8
U.S. Trips and State Visits by Canadian Residents

	1st Quarter				Change 96/94
	1994	Share	1996	Share	
	'000	%	'000	%	%
Same-day Trips	9,024	100.0	8,276	100.0	-8.3
All One or more Nights Trips:	3,281	100.0	3,399	100.0	3.6
Selected State Visits ¹ :					
Florida	827	25.2	915	26.9	10.7
New York	447	13.6	378	11.1	-15.4
Washington	297	9.1	309	9.1	4.1
California	241	7.4	281	8.3	16.5
Nevada	220	6.7	235	6.9	7.0

¹ On a trip, Canadians may visit more than one state, therefore the sum of all state visits will be greater than the total trips.

Source: International Travel Survey

Canadians to all overseas countries. Up 14.2% since 1994, there were 1.2 million trips taken by Canadians to overseas countries. Spending overseas was also unprecedented for this period of the year -- \$1.3 billion.

Ontarians, who accounted for almost half of all visits to Europe by Canadians, made a significant contribution to the increase in travel to that continent.

Residents of British Columbia and Quebec, on the other hand, contributed to the upswing in visits to Asia.

Mexico Remains the Second Most Popular Sun Spot for Canadians

When heading south to seek out more agreeable temperatures, Canadians naturally tend to choose the period between January and March. In nearly one-third of cases, Canadians travelling overseas return during the winter.

The sun-filled destinations of choice for Canadians who made winter getaways to countries other than the United States remained unchanged, with Mexico in the

lead, followed by Cuba and the Dominican Republic. In the winter of 1996, Canadians made more than 634,100 visits to the Caribbean and Mexico. Out of ten nights spent outside Canada and the United States during the winter of 1996, Canadians spent four in the Caribbean and Mexico combined. Mexico came in first for all Canadian vacationers regardless of their province of residence. Cuba, in second-place and the largest island in the Caribbean, is finding greater and greater favour among sun-loving Canadians (Table 9). By the winter of 1996, Canadians had more than doubled the number of visits made to Cuba compared to the winter of 1994, where they spent \$110 million. By way of comparison, this amount equals their spending in Cuba during all of 1993. For Canadian vacationers, "package deals" which include all vacation costs are becoming increasingly popular.

In general, Canadians' tastes are similar when it comes to the most popular destinations. However, as far as other destinations are concerned, preferences differ from one end of the country to the other. In 1996, there was a decrease in the number of trips taken by Quebeckers to all main European destinations, while their visits to the Caribbean levelled off.

British Columbians switched from Mexico and began to discover the Caribbean.

For trips to countries other than the United States, residents of the Atlantic provinces made almost one in five visits to Cuba. In Alberta, as in British Columbia, one in three visits during the winter of 1996 were to Asia. Singapore and Malaysia were more popular among Albertans, while Hong Kong was by far the preferred Asian country for British Columbia residents. Compared to the winter of 1994, residents from British Columbia doubled their visits to Hong Kong and to Cuba.

Thus, more and more Canadians travelled outside the country in the winter of 1996. Although most of the trips were to the United States, an increasing proportion of total foreign travel was to overseas destinations. More money than ever was spent overseas in the winter of 1996. In addition, the number of nights spent outside the country rose significantly

Table 9

Overseas Trips and Region Visits by Canadian Residents, One or More Nights

	1st Quarter		Change 96/94
	1994	1996	
	'000		%
Total One or more Nights Trips:	1,080.0	1,233.5	14.2
Selected Region Visits¹:			
Europe	300.8	376.2	25.1
Asia	165.5	229.4	38.6
Central and Other N.Am.:	310.9	295.7	-4.9
Mexico	239.4	246.5	3.0
Caribbean:	359.7	387.6	7.8
Cuba	66.4	138.7	108.9
Dominican Republic	53.0	65.0	22.6
Jamaica	25.5	44.2	73.3
South America	42.2	68.4	62.1
Oceania	43.1	52.4	21.6

¹ On a trip, Canadians may visit more than one country or region, therefore the sum of all country visits will be greater than the total trips.
Source: International Travel Survey

– 15% for visits overseas and 4% for visits to the United States. Destinations which were almost unknown a few years ago have now become a part of Canadians' vocabulary and travel itineraries. At the same time, the number of same-day automobile trips to the United States is declining.

Preliminary data from the International Travel Survey, published

recently, indicate a decrease of almost 3% in same-day auto trips for the first quarter of 1997.

The number of trips of one or more nights to the United States dipped slightly during this period, while travel by Canadians to overseas countries continued to go up, reaching a level of 7% in the winter of 1997 compared to the same period in 1996.

Culture on the Go¹

by Lisa Shipley

Lisa Shipley is an analyst with the Culture Statistics Program.

Canada is a very attractive tourist destination for foreign travellers and Canadians themselves are active tourists in their own country. Tourism has many faces, one of which is the cultural component and includes attendance at festivals, theatres, museums, historic sites, and other related activities. Cultural activities and events stimulate tourism both within and from outside Canada. In turn, travel agendas which

include cultural activities and events make an important economic contribution to the Canadian culture sector.

Over 34 million person-trips made for business or pleasure in Canada in 1994 included participation in a cultural activity or event. This represents 19% or one in five of all person-trips made that year.

¹ This article appeared in *Focus on Culture*, Vol. 9, No. 1, Spring 1997.

Canadian travellers made over 24 million person-trips which included participation in at least one cultural activity, Americans over seven million², and other international travellers 2.6 million such person-trips (Table 1).

Canadian Travellers Have Lowest Participation Rates in Cultural Activities

Canadian travellers clearly dominate cultural tourism in Canada. In fact, in 1994, 71% of all person-trips which included cultural activities and events were made by Canadians. However, as a proportion of all person-trips taken by Canadians, only 15% included cultural activities and events in their travel agenda. A contributing factor to this low participation rate is the fact that in 1994, Canadian travellers were more likely to be travelling for business reasons (50%) than were foreign travellers (35% of person-trips). Travelling for business purposes limits the time available to participate in cultural activities and events. It should be noted that even when not travelling, the domestic population also attends cultural activities and events in local communities. Participation from a tourism perspective alone, therefore, is not a complete reflection of the overall Canadian participation rate in cultural activities and events.

² This excludes same-day U.S. person-trips made by automobile (approximately 20 million person-trips). The survey questionnaire for these travellers does not ask about participation in cultural activities.

Note to readers

Tables 2 and 3 refer to participation in cultural activities by Canadian and international travellers. This is a multiple response item. Travellers may have participated in more than one cultural activity per person-trip (one visit to a national park and one visit to a museum, which counts once in each category), and/or may have participated in one category more than once on a single person-trip (for example visited both a museum and a zoo on the same trip, which counts once in that category). It is not possible to derive a total for actual number of activities participated in by these travellers.

Table 1
Number of Person-trips and Expenditures for Culturally-Active Travellers in Canada, 1994

	All Travellers	Canadian Travellers	American Travellers	Other International Travellers
	'000s			
Total person-trips	177,030	159,046	14,192¹	3,792
Person-trips including cultural activities	34,397	24,418	7,386¹	2,593
Spending in Canada:	\$'000,000s			
All person-trips	24,538	16,705	4,474	3,359
Person-trips including cultural activities	9,524	4,431	2,593	2,500
Type of expenditure				
Accommodation	2,128	861	777	490
Transportation (inside Canada)	1,992	1,430	265	297
Food and Beverage	2,079	1,153	533	393
Recreation and entertainment	901	454	259	188
Other	1,277	532	314	431
Expenditures not itemized	1,146	0	445	701

¹ This excludes same-day U.S. person-trips made by automobile (approximately 20 million person-trips). The survey questionnaire for these travellers does not ask about participation in cultural activities.

Note: Totals may not add due to rounding.

Sources: Canadian Travel Survey and International Travel Survey

While American travellers showed a strong interest in Canadian cultural activities and events (52% of all US person-trips), other international travellers were the most likely of all to participate in cultural activities while travelling in Canada (68% of all trips). Recognizing the increasingly significant role that cultural activities and events are playing in Canadian tourism, the Canadian Tourism Commission, the Heritage Tourism Secretariat (Department of Canadian Heritage), and provincial tourism ministries are currently engaged in developing promotional programs for this aspect of tourist activity abroad as well as at home.

Travellers who included cultural events in their travel agendas injected close to \$10 billion into the Canadian economy in 1994. Almost 10% (\$900 million) of these expenditures were on recreation and entertainment directly, the category which includes cultural activities and events. Canadian travellers contributed \$454 million to the total expen-

ditures on recreation and entertainment, while American and other international travellers contributed \$259 million and \$188 million respectively.

Canadian Travellers

Of the 24 million person-trips taken by Canadians in 1994 which included cultural activities, four in ten (or 10 million) included at least one visit to a national or provincial park (Table 2). Canadians clearly wish to take advantage of the varied and picturesque geography that their country offers and of the activities found in these locations. Most other types of cultural activities and events were included in at least 4.5 million person-trips each, while Aboriginal/Native cultural events were included in almost 1 million person-trips (a number which is likely related to the relative frequency of events of this kind).

Canadian travellers who included cultural activities as part of their travel agenda tended to stay within or near their

Table 2
Participation in Cultural Activities by Canadian Travellers, 1994

	'000s
Person-trips included:	
Attendance at-	
Festival or fair	6,593
Cultural event (plays, concerts, etc.)	4,819
Aboriginal/Native cultural event	936
Visit(s) to-	
Museum or Art Gallery	5,466
Zoo or Natural exhibit	4,503
National or Provincial Park	10,012
Historic site	5,720

Source: Canadian Travel Survey

Table 3
Participation in Cultural Activities by American and Other International Travellers, 1994

	Total Travellers	American Travellers	Other International Travellers
	'000s		
Person-trips included:			
Attendance at -			
Festival or fair	1,430	1,004	426
Cultural event (plays, concerts, etc.)	2,864	2,332	532
Visit(s) to -			
Museum, zoo or natural exhibit	4,615	3,036	1,579
National or provincial park	6,463	4,479	1,984

Source: International Travel Survey

home province; 80% of these person-trips were made in the home province and an additional 13% to a neighbouring province. This is comparable to the proportion of total person-trips which took place in the home province by all Canadian travellers (88%), regardless of the nature of activities included in the travel agenda. Given that interprovincial tourism may include great distances which increase travel costs and time, it is not surprising that the majority of Canadian travellers stay fairly close to home. It should be noted, however, that exposure to the variety of cultural activities and events offered throughout Canada is not necessarily limited by the regional nature

of domestic travel. Touring activities by performing arts groups, art exhibits, and presentations at festivals and fairs, for example, add to the variety of cultural experiences available within local communities.

U.S. and Other International Travellers

Geographic proximity also appears to be an important factor in travel to Canada by culturally-active American travellers. These travellers were most frequently residents in states on the border with Canada or two states away. The large number of person-trips made by residents of California and Florida are obvious

exceptions. On the other hand, other international travellers who were culturally-active while in Canada came from countries which have language or other cultural attachments to large population groups in Canada. Residents of France, Germany and the United Kingdom accounted for almost three-quarters (72%) of the person-trips made by culturally-active Europeans and 43% of those made by all culturally-active non-American travellers to Canada.

Foreign visitors also expressed great interest in Canada's beautiful geography. Almost two-thirds (65%) of the trips taken by foreign visitors to Canada included at least one visit to a national or provincial park (Table 3). Visits to museums, zoos and other heritage institutions were included in almost 5 million person-trips. Attendance at festivals, fairs, plays, concerts and other cultural activities was also popular. Almost 30% of person-trips taken by foreign visitors included attendance at a cultural event, and 14% included attendance at festivals and/or fairs.

Ontario, British Columbia, Quebec and Alberta drew the largest number of visits from culturally-active foreign visitors to Canada. There were at least twice as many visits made by culturally-interested travellers to each of these four provinces than were made to other individual provinces or territories.

Tourists Drawn by Cultural Activities and Events

Cultural activities and events play an important role in both the economic and social aspects of tourism in Canada, not only for Canadians but also for travellers from other countries. There is evidence of a strong association between arts and heritage activities at a given location and the likelihood of its selection as a tourist destination³. It is in the best interests of the tourism industry, therefore, to actively promote the cultural components of their destinations when seeking to attract travellers.

³ Refer to "The Cultural Tourist - Friend or Foe?" in *Focus on Culture*, Vol 6, No 4, Winter 1994.



International Travel Account

First Quarter 1997 (preliminary)

Spending by visitors to Canada increased more than expenditures of Canadians travelling abroad during the first quarter of 1997, compared with the last quarter of 1996. The net result improved Canada's international travel account balance.

The International Travel Account Deficit Decreased

Foreign visitors injected a record \$3.2 billion into the Canadian economy in the first quarter of 1997, up 4.1% from the fourth quarter of 1996. Meanwhile, Canadians travellers spent an unprecedented \$3.9 billion abroad, a 2.3% increase.

Note to readers

The series have been revised starting in the first quarter of 1994. Unless otherwise stated, quarterly data in this release are seasonally adjusted. Amounts are in Canadian dollars and are not adjusted for inflation.

Receipts represent spending by foreigners travelling in Canada, including education-related and medical-related spending. Payments represent spending by Canadians travelling abroad, including education-related and medical-related spending.

The international travel account balance — the difference between receipts and payments — was in a deficit position of \$714 million, 5.0% lower than the previous quarter. This deficit reached its most recent low of \$602 million in the second quarter of 1996 after peaking at \$1.9 billion during the fourth quarter of 1991.

Americans Spent a Record Amount in Canada

The travel account deficit with the United States fell for a second consecutive quarter, reaching \$786 million for the first quarter of 1997. That was less than half of the record \$1.8 billion deficit registered during the last three months of 1991. The

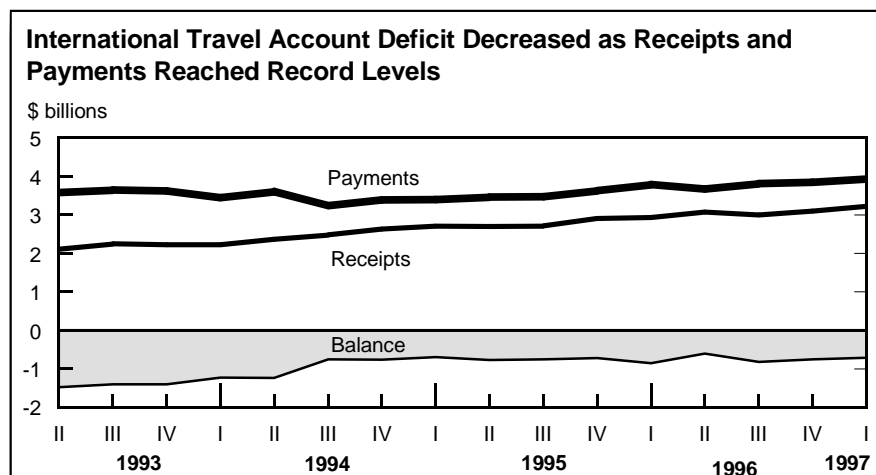
Canadian dollar was then worth approximately US\$ 0.15 more than in the first quarter of 1997.

Americans travelling in Canada spent an unprecedented \$1.8 billion in the first quarter of 1997, up 8.5% from the fourth quarter of 1996. Meanwhile, Canadians spent \$2.6 billion in the United States, up 3.0% from the fourth quarter of 1996. It was the most spent by Canadians in the United States since the third quarter of 1993. Canadians spent a record \$2.8 billion south of the border in the fourth quarter of 1991.

Seventh Consecutive Surplus in the Travel Account with Countries Other than the United States

For the seventh consecutive quarter, visitors to Canada from countries other than the United States outspent Canadians travelling to overseas countries during the first three months of 1997. Overseas residents spent \$1.5 billion in Canada, a slight decrease (-0.9%) from the previous quarter. Meanwhile, Canadians spent a record \$1.4 billion overseas, up 1.0%.

However, the \$72 million surplus in the travel account with overseas countries was down 27% from the previous quarter. It compares with a record deficit of \$294 million in the first quarter of 1990 and a record surplus of \$110 million in the second quarter of 1996.



Standards of service to the public

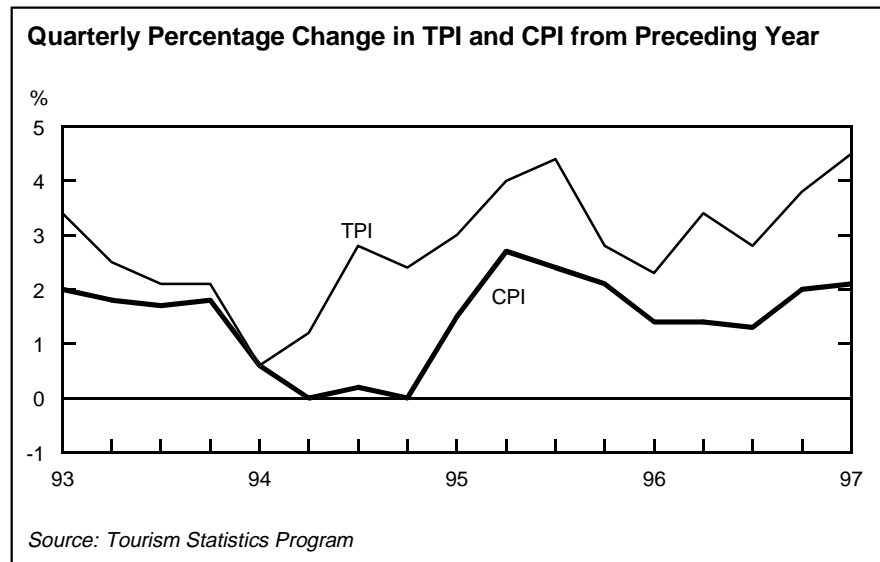
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Travel Price Index First Quarter 1997

TPI Up 4.5% From the Same Period Last Year

For travellers, 1997 began with a 4.5% increase in the Travel Price Index over the previous year. The prices for almost all TPI components increased. Among other things, travellers had to spend 13.2% more on inter-city transportation costs than they did in the first quarter of



1996. During this period, the cost of operation of automotive vehicles and of local and commuter transportation increased 6.1% and 5.7% respectively.

Note to readers

The Travel Price Index (TPI) is an aggregate index of the goods and services used by travellers in Canada. Price movements are drawn from the 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.

The Travel Price Index (TPI) and its Components

(not seasonally adjusted, 1986 = 100)

Components of the TPI	First Quarter 1997	% Change	
		Fourth Quarter 1996	First Quarter 1996
Inter-city transportation	172.1	2.8	13.2
Local and commuter transportation	178.0	0.8	5.7
Rental and leasing of automotive vehicles	131.3	-3.6	-2.2
Operation of automotive vehicles	150.6	1.3	6.1
Traveller accommodation	124.8	-5.7	0.6
Food	129.7	0.7	2.2
Alcoholic beverages	148.5	0.5	1.7
Spectator entertainment	184.5	0.3	3.0
Clothing and footwear	131.7	0.1	0.1
Medicinal and pharmaceutical products	152.1	-0.5	0.0
Personal care	133.4	1.0	1.8
Photographic equipment	107.3	-0.7	-3.5
Photographic services and supplies	116.7	0.9	-1.2
Operation of recreational vehicles	154.6	1.0	4.2
Audio discs and tapes	123.3	0.3	2.3
Use of recreational facilities and services	173.3	0.3	2.7
Reading materials and other printed matter	173.9	0.6	4.3
Tobacco products and smokers' supplies	150.6	3.5	5.8
Travel Price Index (TPI)	147.1	0.1	4.5
Consumer Price Index (CPI)	137.3	0.5	2.1

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

By comparison, in the first quarter of 1997, the CPI was up 2.1% over the same quarter last year.

TPI Remained Relatively Stable Compared to Previous Quarter

The Travel Price Index reached 147.1, only 0.1% above the previous quarter. Decreases of 5.7% in the price of traveller accommodation and 3.6% in rental and leasing costs of automotive vehicles contributed largely to this stability in the TPI over two consecutive quarters. These decreases neutralized the increases recorded for other TPI components, particularly the 2.8% increase in inter-city transportation over the fourth quarter of 1996. Automotive vehicle operating costs increased by 1.3% and food costs increased by 0.7%. The cost of all goods and services included in the Consumer Price Index (CPI) was up 0.5% compared to the previous quarter.

National Tourism Indicators

Fourth Quarter 1996

Seasonally Adjusted

Tourism Demand and Employment

In the fourth quarter of 1996, in 1986 constant dollars, tourism demand in Canada rose 0.6% from the previous quarter. Except for a drop of 1.4% in the

transportation sector, all other tourism goods and services sectors recorded increases. Boosted by strong domestic growth, the accommodation sector climbed 5.2%.

Tourism exports, which represents the foreign component of tourism demand in Canada, performed better (+1.2%) than domestic demand (+0.3%).

Overall, employment generated by direct sales to visitors in the tourism

sectors was up 0.8% between the third and fourth quarters of 1996. Employment was on the rise in the transportation and food and beverages services sectors, but dropped in the accommodation and other sectors.

In 1996 as a whole, tourism demand in Canada improved by 3.2% over 1995. Employment generated by tourism was up 2.2% over the same period.

TOURISM DEMAND AND EMPLOYMENT

Fourth Quarter from Previous Quarter of 1996

Seasonally Adjusted

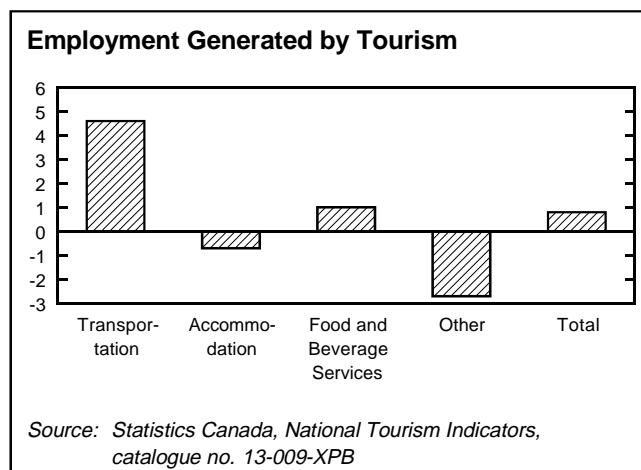
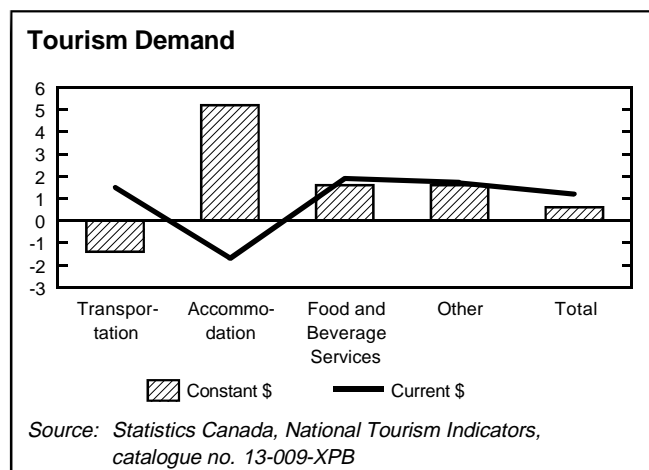
	Tourism Demand						Employment Generated by Tourism	
	IN CANADA		Domestic		Tourism exports		TOTAL	
	Change in		Change in		Change in		% Change	
	Constant \$	Current \$	Constant \$	Current \$	Constant \$	Current \$		
Transportation	-1.4	1.5	-1.9	1.2	0.0	2.5	Transportation	4.6
Accommodation	5.2	-1.7	7.1	-0.1	1.3	-5.1	Accommodation	-0.7
Food & Beverage Services	1.6	1.9	1.1	1.5	2.5	2.9	Food & Beverage Services	1.0
Other	1.6	1.7	1.2	1.5	2.9	2.3	Other	-2.7
Total	0.6	1.2	0.3	1.1	1.2	1.2	Total	0.8

Source: Statistics Canada, National Tourism Indicators, Cat. No. 13-009-XPB

TOURISM DEMAND AND EMPLOYMENT

Fourth Quarter from Previous Quarter of 1996

Seasonally Adjusted





	First Quarter		% Change
	1996	1997	
VISITORS TO CANADA (000s)			
From United States	6,484	6,939	7.0
Visits of one or more nights	1,605	1,690	5.3
- By auto	966	1,013	4.8
From Overseas	536	622	16.1
Visits of one or more nights	506	578	14.2
Top Seven Countries:			
United Kingdom	81	104	27.9
Japan	85	94	10.8
France	48	49	2.9
Germany	46	42	-8.6
Hong Kong	29	35	20.3
South Korea	19	22	14.5
Australia	20	21	5.8
CANADIANS OUTSIDE CANADA (000s)			
To United States:	11,676	11,410	-2.3
Visits of one or more nights	3,399	3,374	-0.7
- By auto	1,770	1,732	-2.1
To Overseas (one or more nights)	1,233	1,320	7.0
INDUSTRY			
Airline passengers (Level I) (000s)	5,327	5,657	6.2
Airline passenger-km (Level I) (000,000s)	12,522	13,564	8.3
PRICES			
1986 = 100 (not s.a.)			
Travel Price Index	140.7	147.1	4.5
Consumer Price Index	134.5	137.3	2.1
- Restaurant meals	143.4	145.7	1.6
- Inter-city transportation	152.0	172.1	13.2
- Renting and leasing of automotive vehicles	134.3	131.1	-2.4
- Gasoline	121.6	131.5	8.1
ECONOMIC			
Gross Domestic Product, 1986 prices (s.a.) (000,000s)	545,440	562,228	3.1
- Amusement and recreation (000,000s)	5,285	5,452	3.2
- Accommodation and food services (000,000s)	11,982	12,458	4.0
Personal disposable income per capita (s.a.)	17,175	17,115	-0.4
LABOUR (000s)			
Labour force (s.a.)	15,077	15,226	1.0
Unemployed	1,437	1,459	1.5
Employed	13,640	13,767	0.9
- Accommodation and food services (not s.a.)	852	846	-0.7
EXCHANGE RATES (in Canadian dollars)			
American Dollar	1.3691	1.3585	-0.8
British Pound	2.0964	2.2158	5.7
Japanese Yen	0.0129	0.0112	-13.4
German Mark	0.9324	0.8195	-12.1
French Franc	0.2719	0.2429	-10.7
<i>(s.a.) seasonally adjusted.</i>			