

A focus on the markets that the CTC and its partners are active in

February 2008

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key highlights

In February 2008, international visits declined slightly (-0.9%), driven by weakness from the U.S. and Japan.

In 2007, in regards to growth of international arrivals, Canada was outpaced by its main competitors.

Canada's national occupancy rates remained relatively unchanged this month (-0.1 percentage points over February 2007).

tourism review

International trips

- International travellers made 798,936 overnight trips to Canada, a decline of -0.9% over February 2007.
- Canada's key overseas markets posted an increase of 1.3% in February 2008.
- Overall, total non-US trips grew 3.3% over February 2007.
- Regionally, Canada saw declines from Asia (-2.6%) in February 2008, while other regions posted increases.

United States

- In February 2008, total overnight trips from the US decreased by -2.5% - automobile trips fell 2.4%, plane trips were down 3.5% and 'other non-automobile trips' increased by 2.2%.
- Year-to-date, US trips to Canada fell by 3.5% - automobile and plane trips were down by 3.8% and 4.6% respectively. "Other trips" were up by 4.8%.
- From Jan.-Feb. 2008, total US trips to provinces increased for Newfoundland (+27.9%), Alberta (+1.4%), and Ontario (+0.5%).

Mexico

- This month, Mexico posted the second-largest growth rate (20.5%) of all CTC key markets. Year-to-date, trips from Mexico increased 21.9% to reach 25,464.

Overnight Trips To Canada

	February 2008	08/07 Feb % Change	Jan-Feb 2008	Year-to-date % Change
Americas *				
United States (Total)	573,116	-2.5	1,076,192	-3.5
Automobile	337,582	-2.4	618,906	-3.8
Plane	198,458	-3.5	384,071	-4.6
Other	37,076	2.2	73,215	4.8
Mexico	11,927	20.5	25,464	21.9
Americas Total	585,043	-2.1	1,101,656	-2.6
Overseas Key Markets				
France	25,722	7.3	44,777	6.2
Germany	12,364	1.0	23,273	-2.2
UK	48,009	0.4	87,105	0.7
China	8,852	21.4	17,970	17.9
Japan	15,164	-18.1	26,073	-19.4
South Korea	10,932	4.2	24,469	-0.4
Australia	9,670	10.4	26,280	16.1
Overseas Key Markets	130,713	1.3	249,947	1.1
As % of Key Markets and US	18%		18%	
Other Overseas Countries	83,180	4.6	164,701	6.9
Total Non-US Countries	225,820	3.3	440,444	4.3
Total International Countries	798,936	-0.9	1,516,636	-1.4

Note: Statistics Canada preliminary estimates. Source: Statistics Canada, International Travel Survey.

*Refers to the CTC's marketing group in the U.S. and Mexico.

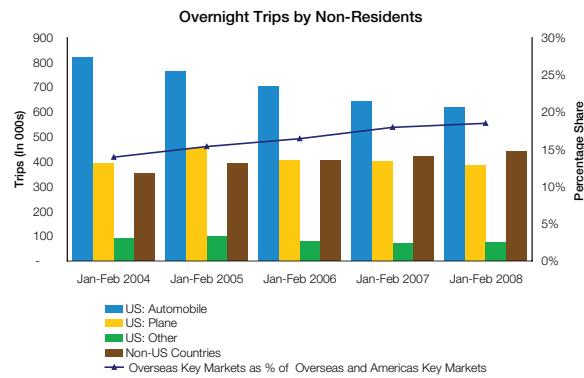
Overnight Trips by Canadians

	February 2008	08/07 Feb % Change	Jan-Feb 2008	Year-to-date % Change
United States	1,200,738	23.9	2,511,801	17.9
Other Countries	828,998	16.2	1,763,708	11.6
Total Trips from Canada	2,029,736	20.6	4,275,509	15.2

Note: Statistics Canada preliminary estimates. Source: Statistics Canada, International Travel Survey.

Overseas Key Markets

- In February 2008, 6 of the 7 key overseas markets posted increases. China (+21.4%), Australia (+10.4%), and France (+7.3%) posted the largest growth rates, while Japan posted a decline of 18.1%.
- Year-to-date, overseas key markets posted a 1.1% increase. China posted the largest growth rate (+17.9%), followed by Australia (+16.1%). Japan posted a decline of 19.4%.
- Australia posted the largest increase in volume - up 3,647 trips over the previous year.



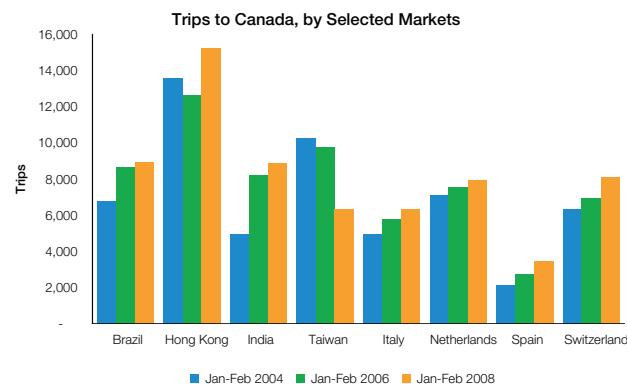
Note: Statistics Canada preliminary estimates. Source: Statistics Canada, International Travel Survey.

Share of Entry

- From Jan.-Feb. 2008, there were over a million US visitors, accounting for 80% of the total visitors from our key markets. 46% were automobile trips, 28% were plane trips, and 5% were other non-automobile trips.
- 25,796 Mexicans visited Canada, accounting for 1.9% of our key markets.
- About 160,000 visitors from our key European markets visited Canada, accounting for 12% of the total. Notable, trips from the UK accounted for 6%.
- About 94,800 visitors from Asia/Pacific key markets visited Canada, accounting for 7% of total tourists from overseas key markets. Japan and Australia each accounted for 1.9% of key markets.
- Overseas CTC key markets have gained share of entry over the Americas, reaching 18% in Jan.-Feb. 2008 -- up from 16% in 2006 and 14% in 2004.

Market Watch

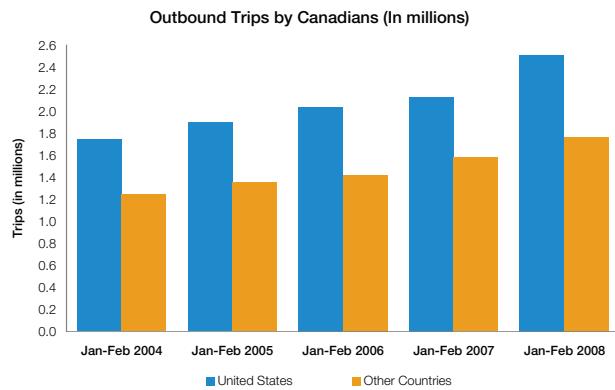
- In February 2008, Canada received the largest volume of travellers from Hong Kong (9,186 trips, +9.5% growth). Switzerland posted the highest growth rate over Feb. 2007 (+11.8%).
- In Jan.-Feb. 2008, highest volume of visitors came from Hong Kong (15,236 trips), followed by Brazil (8,931 trips). Hong Kong (+17.9%) and Brazil (+11.1%) posted the highest growth rates.
- Compared to Jan.-Feb. 2006, Spain (+27.8%) and Hong Kong (+20.4) posted the highest growth rates, while Taiwan (-34.9%) posted the largest decline.
- Compared to 2004, trips from India posted the largest growth rate (+80.1%), followed by Spain (+63.4%). Taiwan posted the largest decline (-38.2%).



Note: Statistics Canada preliminary estimates. Source: Statistics Canada, International Travel Survey.

Canadian Outbound Trips

- Canadian outbound travel increased 20.6% in February 2008. Trips to the U.S. increased by 24%, while trips to other international destinations increased by 16%.
- Year-to-date, outbound travel increased 15.2% over the same period last year. Trips to the U.S. were up by 18% and trips to non-US countries were up by 12%.



consumer outlook

Consumer Confidence

CANADA: Canadians are feeling more confident in February 2008 than they were in January. Canadian consumer confidence rose 1.2 percentage points over the previous month to reach 96.6. Over the same month last year, Canadian consumer confidence is down 2.7 percentage points.

UNITED STATES: The US consumer confidence fell sharply in February (-12.3 percentage points over January) to reach 75.0. Over the same month last year (when confidence was at a 5-year high), the consumer confidence index is down 37.5 percentage points.

Sources: The Conference Board (USA), and the Conference Board of Canada.

strategic performance

Please note that the strategic performance figures will be posted in the Q1 2008 Tourism Snapshot and subsequent issues.

accommodations

- In February 2008, occupancy rates in Canada decreased slightly (-0.1 percentage point) over the same month last year. Saskatchewan posted the highest occupancy rate, followed by Alberta and Manitoba.
- Year-to-date, Canada's occupancy rate increased 0.2 percentage point over 2007. Saskatchewan, posted the highest occupancy rate (64.4%) with a growth of 2.4 percentage points. Alberta and Manitoba posted the next highest year-to-date occupancy rates.
- For the first two months of 2008, properties with 201-500 rooms posted the highest occupancy rate (58.0%), while properties with under 50 rooms posted the lowest occupancy rate (41.9%).
- Year-to-date, the average daily rate in Canada was \$123.67, up from \$118.32 in 2007. Quebec, Alberta, BC, and the NWT posted room rates above the national rate.
- The national average room revenue per available room (RevPAR) was \$67.70 in Jan.-Feb. 2008. Saskatchewan, Alberta, and the NWT posted RevPAR above the national RevPAR.

Source: PKF Consulting.

Canadian Occupancy Rates, By Province*

	Feb 2008	08/07 Change^	Jan-Feb 2008	Year-to-date Change^
Alberta'	68.2	-3.3	62.9	-2.5
British Columbia	62.1	1.7	56.6	1.3
Saskatchewan	69.4	3.5	64.4	2.4
Manitoba	66.6	3.1	61.5	4.1
Ontario	56.6	-0.1	52.5	0.3
Quebec	57.2	-1.4	51.2	-0.1
New Brunswick	54.9	0.0	48.6	0.2
Nova Scotia	52.7	-2.3	47.4	-2.5
Newfoundland	51.9	2.2	47.1	2.2
Prince Edward Island	40.2	3.1	34.7	2.7
Northwest Territories	76.1	5.8	69.1	6.6
Yukon	57.9	-15.0	55.1	-4.0
Canada	59.7	-0.1	54.7	0.2

* Note: Based on the operating results of 192,198 rooms (unweighted data). ^ Percentage points. 'Excluding Alberta resorts.

Source: Pannell Kerr Forster Consulting Inc.

competitive review (Jan. - Dec. 2007)

International Travel, 2007 (In 000s)

Trips from:	Trips to:							
	Canada		United States		Australia		United Kingdom	
	2007	07/06 Change	2007	07/06 Change	2007	07/06 Change	2007	07/06 Change
Total International	17,975	-2	48,359	11	5,644	2.0	33,745	3
Americas								
United States	13,415	-3	...	...	460	0.8	3,751	-4
Mexico'	247	17	6,732	15	...	...	61	-31
Overseas Key Markets								
France	376	2	998	26	...	...	3,399	-8
Germany	307	1	1,524	10	152	2.2	3,463	2
United Kingdom	909	5	4,498	8	689	-6.2	...	...
China*	152	5	540	18	357	15.9	191	35
Japan	331	-14	3,531	-4	573	-12.0	332	-3
South Korea	200	3	806	6	253	-2.9	...	...
Australia	220	10	670	11	...	...	1,007	5
Canada	...	...	17,735	11	115	4.4	895	3
Total Key Markets	16,156	-2	37,034	10	2,598	-2.6	13,099	-2

...Data not available. *US statistics includes Hong Kong, SAR. 'Arrivals to the interior only. Note: Statistics Canada preliminary figures. Sources: Statistics Canada; Australian Bureau of Statistics; National Statistics (UK); and ITA, Office of Travel and Tourism Industries (USA).

- For 2007, the US saw strong growth in international arrivals (+11%). The U.K. and Australia saw a modest increases of 3% and 2% respectively, while Canada experienced a decline of -2%.
- The US experienced strongest growth from France (+26%), China (+18%), and Mexico (+15%).
- Compared to the U.S., Canada posted higher growth in arrivals from Mexico (+17% vs. 15% for the U.S.). The U.S. posted higher growth rates than Canada for the other listed countries.
- Australia registered highest increases from China (+16%), and Canada (+4%).
- Compared to Australia, Canada posted growth in arrivals from the U.K. (+5%) and South Korea (+3%), while Australia posted declines (-6% and -3%, respectively).
- The U.K. experienced the strongest growth from China (+35%) and Australia (+5%).

- Compared to the U.K., Canada posted higher growth in arrivals from Mexico (+17% vs. -31%); France (+2% vs. -8%); and Australia (+10% vs. 5%).
- Japanese arrivals to all countries declined; the U.K. posted the lowest rate of decrease (-3%).

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