



# tourism snapshot

Canadian Tourism Commission

[www.canada.travel](http://www.canada.travel)

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

July 2008

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## key highlights

In July 2008, good performances from France, Mexico, China and Australia partly offset the continued decline from the United States.

Although at a slower pace, travel by Canadians to international destinations has reached a new high in July 2008, increasing by 12.7% year-over-year.

U.S. consumer confidence, although slightly improved in July, has remained low in contrast to 2007.

## tourism review

### International Trips

- International travellers made 2.7 million trips to Canada in July, a 3.6% decrease compared to July 2007;
- The number of non-U.S. trips to Canada increased 2.9% in July compared to last year, with U.S. trips falling -5.7%;
- Year-to-date, international trips to Canada reached just under 9.7 million, down 4% over the same period last year;
- Year-to-date, overnight trips to Canada from the U.S. fell 5% over last year, while visits from Overseas key markets fell slightly (-0.03%) compared to last year;
- Regionally, trips from key Asian markets fell 2.1% in July, while visits from European key markets increased 0.3%.

### United States

- In July, total trips by Americans fell 5.7%, automobile trips fell 6.4%, plane trips were down 3.1%, while 'other' non-automobile trips fell by 6.7% over last year;
- Year-to-date, U.S. trips to Canada declined 5%, with automobile trips falling 6.1%, plane trips down 3.9% and 'other' non-automobile trips dropping by 2.2%;

## Overnight Trips To Canada

	July 2008	08/07 July % Change	Jan-July 2008	Year-to-date % Change
<b>Americas Key Markets</b>				
United States (Total)	2,006,016	-5.7	7,016,811	-5.0
Automobile	1,250,562	-6.4	4,153,135	-6.1
Plane	473,967	-3.1	2,060,956	-3.9
Other	281,487	-6.7	802,720	-2.2
Mexico	51,813	11.3	167,510	12.4
Americas Total	2,057,829	-5.3	7,184,321	-6.2
<b>Overseas Key Markets</b>				
France	66,751	15.2	221,259	9.9
Germany	44,931	-2.6	170,533	1.2
UK	117,731	-5.6	496,712	-2.0
Key European Markets	229,413	0.3	888,504	1.3
China	22,656	7.6	89,485	9.7
Japan	32,341	-10.1	146,257	-16.3
South Korea	28,720	-6.5	114,211	-1.5
Australia	25,513	6.8	137,311	8.3
Key Asian Markets	109,230	-2.1	487,264	-2.4
Overseas Key Market Total	338,643	-0.5	1,375,768	-0.03
As % of Total Key Markets	14.1%		16%	
Other Overseas Countries	304,996	5.5	1,116,711	7.1
Total Non-US Countries	695,452	2.9	2,659,989	3.6
Total International Countries	2,701,468	-3.6	9,676,800	-4.0

Note: Statistics Canada preliminary estimates.

Source: Statistics Canada, International Travel Survey.

## Overnight Trips by Canadians

	July 2008	08/07 % Change	Jan-July 2008	Year-to-date % Change
United States	2,026,815	2.2	11,107,776	13.6
Other Countries	580,251	8.7	5,196,492	10.7
Total Trips from Canada	2,607,066	3.6	16,304,268	12.7

Note: Statistics Canada preliminary estimates.

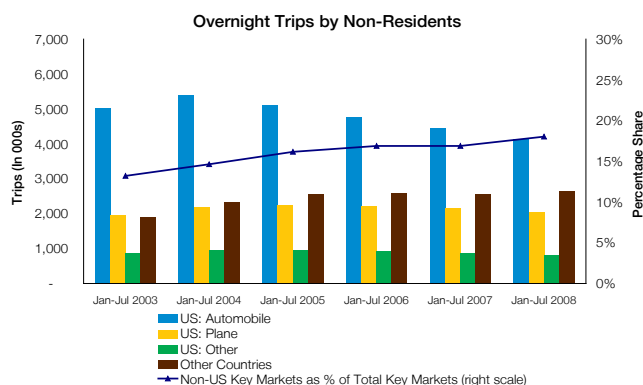
Source: Statistics Canada, International Travel Survey.

## Mexico

- This month, Mexico posted the second largest growth rate (11.3%) of all key markets. Year-to-date overnight trips from Mexico increased 12.4% to reach 167,510.

## Overseas Key Markets

- In July 2008, CTC's key overseas markets posted a 0.5% decrease over last year mainly driven by a decrease in trips from Japan (-10.1 points) and the UK (-5.6 points);
- Key overseas markets posted a marginal decrease of 0.03% year-to-date over last year reaching over 1.3 million trips;
- Notable, France held the highest monthly increase year-over-year at 15.2% and boasted the highest year-to-date increase of 9.9% over last year. China followed closely behind with a 9.7% increase over last year.



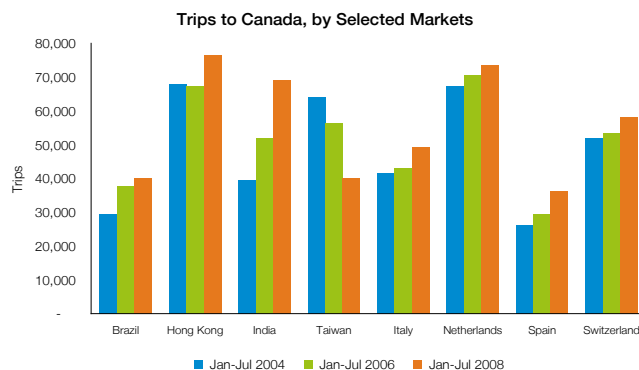
## Share Of Entry

- January to July 2008, there were over 7 million U.S. visitors to Canada accounting for 82% of international travellers from key markets. Of those U.S. travellers, 59.2% came by automobile, 29.4% by plane and 11.4% were made by 'other' non-automobile trips;
- By the end of July 2008, Mexican travel to Canada accounted for almost 2% of key markets;
- Visitors from key European markets made 888,504 trips to Canada year-to-date, accounting for 10.4% of travellers to Canada from international key markets. Of these trips, the U.K. accounted for 5.8% of international travellers to Canada;

- Visitors from Asian key markets made 487,264, accounting for 5.7% of international visitors to Canada January to July;
- Overseas key markets have gained a small share increase over the U.S. accounting for 18% of international travel to Canada compared to Jan-July 2007, when the overseas markets accounted for 17%. (note: share is of CTC key markets)

## Market Watch

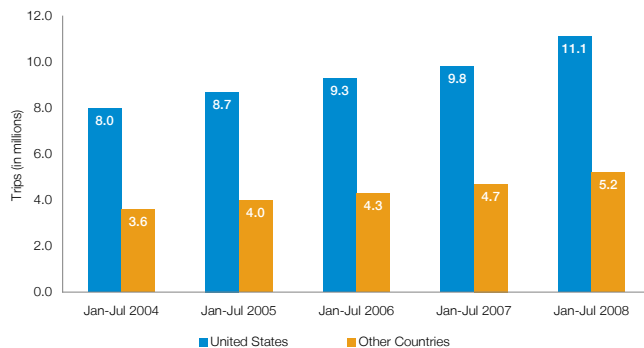
- In July 2008, Canada received the largest volume of travellers from the Netherlands (24,106 overnight trips, 0.9% over 2007), while Spain posted the highest growth rate over 2007(+15.9%);
- Year to date July, the highest volume of visitors came from Hong Kong (76,635 overnight trips, +12.9% growth), followed by the Netherlands (73,663, 1.1% growth). The highest growth rates came from Hong Kong (+12.9%) and Spain (+10.5%);
- Compared to January – July 2006, India posted the largest growth rate (+33%), while Taiwan posted the only decline (-29%);
- When comparing to 2004, India has posted a 78% growth rate in arrivals to Canada, while Spain posted a 38% followed by Brazil with 36% growth.
- Taiwan has fallen below Jan.-June 2006 and 2004 levels, while all other countries have surpassed the 2004 and 2006 volumes.



## Canadian Outbound Trips

- Canadian Outbound travel increased 2.2% to the U.S. in July over the same period last year and 8.7% to other international countries;
- Travel from many Canadian provinces was up in July compared to last year, with the most significant increase from P.E.I. (+ 53.3%), followed by Saskatchewan (+16.1%) and Alberta (+13.4%);
- Year-to-date, travel from all provinces is up with overnight trips by Canadians to the U.S. increasing 13.6% over last year, while other international trips increased 10.7% for an overall increase of 12.7%.

Outbound Trips by Canadians (In millions)



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

## consumer outlook

### Consumer Confidence

**CANADA:** After declining in June to 79.6, consumer confidence increased 1.4 points to 81 in July 2008. Consumer confidence sat at 98.6 in July of 2007.

**UNITED STATES:** U.S. consumer confidence moderately improved in July up 1.5 points from June to 51.9. The confidence index was at an all time low in June, only half the rate it had been a year ago.

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

## accommodations

- According to survey data, in July 2008, the national occupancy rate in Canada fell (-2.3%) over the same month last year. Declines were registered for most provinces with the exception of Manitoba, which posted a 2.6% increase and P.E.I. with a 1.2% increase;
- Year-to-date, Canada's occupancy level has fallen 0.9% when compared to the same period last year. The Yukon posted the highest occupancy rate at 71.3% (up 0.2%) followed by Saskatchewan at 70.9% (up 0.7%);
- Year-to-date properties with over 500 rooms posted the highest occupancy rate 68.4%, up 0.5% over last year, followed closely by properties with 201-500 rooms with an occupancy rate of 66% (down 1% over last year). Properties with less than 50 rooms posted the lowest occupancy rates averaging 51.3% year-to-date;
- Year-to-date, the average daily rate for Canada was \$130.50, up 3.7% over the same period last year. Québec, Alberta, B.C. and the Northwest Territories posted average daily rates over the national average;
- The national revenue per available room (RevPar) was \$82.40, up 2.2% over the same period last year. Québec, Alberta, B.C. and the Northwest Territories posted average RevPar over the national average.

### Canadian Occupancy Rates, By Province\*

	July 2008	08/07 Change^	Jan-July 2008 Occupancy Rate	Year-to-date Change^
Alberta	72.9	-4.2	68.5	-3.4
British Columbia	77.3	-2.5	66.4	-0.6
Saskatchewan	71.6	-1.0	70.9	0.7
Manitoba	67.0	2.6	66.1	1.4
Ontario	67.1	-1.1	60.4	-0.5
Quebec	70.3	-2.8	60.4	-1.0
New Brunswick	71.7	-4.7	59.0	-1.4
Nova Scotia	71.4	-8.1	61.3	-2.4
Newfoundland	77.0	-2.8	62.3	2.0
Prince Edward Island	68.5	1.2	44.7	0.5
Northwest Territories	61.7	-3.7	67.1	-1.5
Yukon	89.5	-1.3	71.3	0.2
Canada	71.0	-2.3	63.1	-0.9

\* Note: Data based on survey of hotels (15+ rooms) across Canada. ^ percentage points

Source: PKF Consulting.

## competitive review (May 2008)

- From January to May, the United States saw healthy growth from international markets, up 13% compared to 2007, while Australia saw a 2% drop. Canada, in line with Australia, posted a 2.9% decline over the same period last year;
- The U.S. experienced strong growth from China (+26.1%), France (+25.3%) and Germany (+19.9%) over last year;
- Compared to the U.S., Canada posted higher growth levels from Mexico (+15% vs. +4.2% for the U.S.) and Australia (+9.5% vs. +4.9% for the U.S.);
- Australia registered highest increases from France (+15%) and China (+12%);
- Compared to Australia, Canada posted better growth in arrivals from the U.K. (+0.1 vs. -1 for the Australia), from China (12.7% vs. 12% from Australia) and South Korea (0.4% vs. -13% from the Australia).

Please Note: UK statistics are only available quarterly.

### International Travel, January - May 2008 (In 000s)

	Trips to:					
	Canada		United States		Australia	
Trips from:	#	08/07 Change	#	08/07 Change	#	08/07 Change
Total International	4,909	-1.7	19,812	11.9	2,309	0
United States	3,504	-4.0	...	...	192	1
Mexico'	85	15.0	2,478	4.2	...	0
<b>Other Key Markets</b>						
France	116	8.2	443	25.3	30	15
Germany	86	2.3	685	19.9	64	4
United Kingdom	277	0.1	1,789	8.1	310	-1
China*	50	12.7	251	26.1	180	12
Japan	85	-19.8	1,345	-3.1	197	-18
South Korea	65	0.4	319	2.5	100	-13
Australia	80	9.5	264	4.9	...	...
Canada	...	...	7,693	16.8	58	11
Total Key Markets	4,348	-2.9	12,788	13.0	1,129	-2

...Data not available or not applicable. \*U.S. data: includes Hong Kong, SAR. 'US data: Arrivals to the interior only.

Sources: Statistics Canada; Australian Bureau of Statistics; and ITA, Office of Travel and Tourism Industries (USA). Note: Statistics Canada are preliminary estimates.

## strategic performance

### Travel Volumes, January-July 2008

	Overnight Trips Made (000s)		
	Target	Actual	% Difference
<b>Americas</b>			
United States	7,209	7,017	-2.7
Mexico	154	168	8.7
<b>Overseas</b>			
France	191	221	15.9
Germany	163	171	4.9
UK	517	497	-3.9
China	84	89	6.2
Japan	136	146	7.9
S Korea	109	114	4.9
Australia	132	137	3.6
Total	8,695	8,560	-1.5

Note: As per strategic plans.

- Against all set targets for the CTC's core markets, there is a shortfall of 135,000 trips (-1.5%) for January through July 2008;
- Year-to-date, North American trips have fallen short of meeting their target by 2.7%, whereas overseas trips have surpassed CTC targets by 3%;
- The most notable performance has been from France exceeding its target by 15.9% year-to-date.

Please note: While these figures are indicative, generalizations concerning the state of visits from Canada's key markets should not be drawn from only 7 months of data.

**CTC Marketing  
Market Research**