



# 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

April 2009

Volume 5, Issue 04

## Key highlights

Following seventeen consecutive monthly declines, the U.S. travel patterns to Canada reversed in April 2009. Overnight trips from the U.S. increased by 5.1% compared to the same month a year ago.

India and China continue to show resilience to the current unstable economic environment, recording gains of 10.7% and 10.4% respectively, while Brazil posted a significant drop of 27.4%.

The Conference Board Consumer Confidence Index, which had posted a slight increase in March, continued to improve in April. The index now stands at 39.2 (1985=100), up from 26.9 in March.

## Tourism review

### International trips

- International travellers made 994,343 overnight trips in April 2009, an increase of 4.0% over the previous year, and was mainly contributed by an increase in U.S. travel to Canada;
- This month, overnight trips to Canada from the Americas posted an increase of 5.7% while overseas key markets registered a slight decrease of 1.5% compared to April 2008;
- Overnight trips to Canada in April 2009 from overseas countries other than CTC key markets was up marginally (0.9%) reaching 104,687 trips, while trips from non-US countries also increased slightly by 1.3%;
- Year-to-date, overall international trips to Canada fell by 4.7% reaching 3.2 million trips, while trip volume from overseas countries other than CTC key markets remained unchanged over the same period in 2008.

### United States

- Following seventeen consecutive monthly declines, the U.S. travel patterns to Canada reversed in April 2009. Overnight trips from the U.S. increased by 5.1% compared to the same month a year ago, supported by a sharp gain in auto travel (+17.6%). Trips by "plane" and "other modes" still experienced double digit drops, -10.7% and -13% respectively;

## Overnight trips to Canada

	April 2009	09/08 April % change	Jan-Apr 2009	Year-to-date % change
<b>Americas*</b>				
<b>United States</b>				
Automobile	455,082	17.6	1,409,975	1.6
Plane	216,367	-10.7	765,830	-10.2
Other	49,002	-13.0	138,687	-18.5
<b>U.S. total</b>	<b>720,451</b>	<b>5.1</b>	<b>2,314,492</b>	<b>-4.0</b>
Mexico	21,252	30.2	58,793	-7.8
<b>Americas total</b>	<b>741,703</b>	<b>5.7</b>	<b>2,373,285</b>	<b>-4.1</b>
<b>Overseas key markets</b>				
France	24,426	7.1	84,686	0.6
Germany	16,262	10.6	54,454	6.2
UK	50,483	1.4	158,782	-17.5
China	11,025	10.4	41,086	13.3
Japan	13,701	-14.1	48,234	-21.6
South Korea	8,759	-27.2	36,569	-23.0
Australia	11,298	-8.9	44,184	-6.9
India**	8,524	10.7	25,171	11.6
Brazil**	3,475	-27.4	16,884	-2.8
<b>Overseas key markets total</b>	<b>147,953</b>	<b>-1.5</b>	<b>510,050</b>	<b>-9.0</b>
<b>As % of overseas and Americas</b>	<b>16.6</b>		<b>17.7</b>	
Other overseas countries	104,687	0.9	331,562	0.0
Non-US countries	<b>273,892</b>	<b>1.3</b>	<b>900,405</b>	<b>-6.6</b>
<b>Total countries</b>	<b>994,343</b>	<b>4.0</b>	<b>3,214,897</b>	<b>-4.7</b>

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

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

\*\* India and Brazil are added to the CTC overseas key markets.

## Overnight trips by Canadians

	April 2009	09/08 April % change	Jan-Apr 2009	Year-to-date % change
United States	1,570,830	-0.9	5,534,418	-8.9
Other countries	793,458	4.7	3,689,396	5.0
<b>Total trips from Canada</b>	<b>2,364,288</b>	<b>0.9</b>	<b>9,223,814</b>	<b>-3.8</b>

Note: Statistics Canada preliminary estimates.

Source: Statistics Canada, International Travel Survey.

- Overall year-to-date, U.S. overnight trips declined by 4.0% over 2008, with 96,571 less trips;
- In April 2009, most provinces registered increases in overnight trips from the U.S. with the exception of three provinces (Newfoundland -36.1%, Nova Scotia -5.6% and British Columbia -1.4%);
- During the first four month of 2009, four provinces (PEI +26.7%, Saskatchewan +13.7%, Yukon +2.5% and New Brunswick +0.7%) registered increases in inbound U.S. trips.

### Mexico

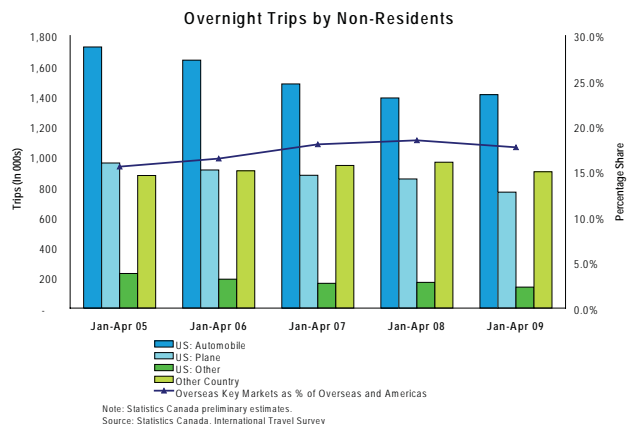
- In April 2009, Mexico registered a significant gain of 30.2% in overnight trips over 2008, with a total of 21,252 trips made to Canada;
- Despite a surge in inbound travel from Mexico in April, year-to-date overnight trips were down 7.8%, reaching 58,793 trips.

### Share of entry (January-April, 2009)

- Americas (the U.S. and Mexico) accounted for 82.3% of total visitors from core markets with Mexico contributing a share of 2.0%;
- Canada received 2,314,492 overnight U.S. visitors during this period, accounting for 80.3% of total visitors from core markets, which remain unchanged compared to the same period in 2008. Of these U.S. visitors, 48.9% travelled by automobile, 26.6% by plane, while 4.8% used "other modes" of transportation;
- Overnight visitors from key European markets made 297,922 trips to Canada, accounting for a share of 10.3%, slightly less than the share of 11.0% achieved in 2008. Of all inbound trips from core market, the U.K. accounted for the largest share (5.5%), followed by France (2.9%) and Germany (1.9%);
- Overnight visitors from Asian key markets made 170,073, accounting for 5.9% of total visitors from key markets, representing a slight decline over the 6.4% recorded in 2008;
- Year-to-date, overseas key markets lost a small share to Americas, slipping from 18.5% in 2008 to 17.7% in 2009, however overseas key markets gained the share in 2009 compared to the same period in 2005 (15.6%).

### Overseas key markets

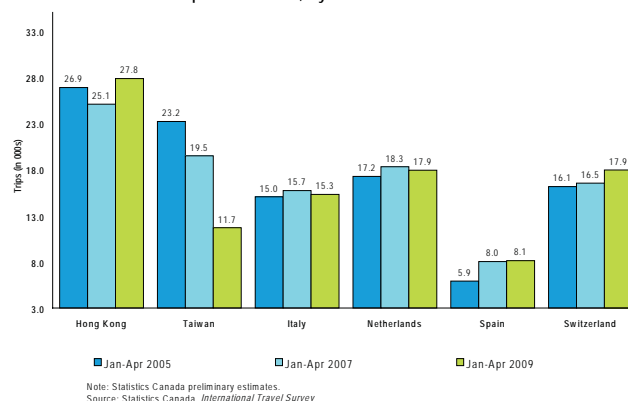
- In April 2009, the overseas key markets posted a slight decrease, falling by 1.5% over the same month in 2008 with a total of 147,953 overnight trips made to Canada;
- This month, all three key markets in Europe registered increases (Germany +10.6%, France +7.1%, the U.K. 1.4%), while three Asian key markets posted decreases (South Korea -27.2%, Japan -14.1%, Australia -8.9%);
- India and China continue to be resilient to the current unstable economic environment, registering 10.7% and 10.4% gains respectively, while Brazil posted a significant drop of 27.4%;
- Year-to-date, increases registered by China (+13.3%), India (+11.6%), Germany (+6.2%) and France (+0.6%) were partially offset by decreases from South Korea (-23.0%), Japan (-21.6%) and the U.K. (-17.5%). Australia and Brazil also contributed to the negative performance of overseas key markets with drops of 6.9% and 2.8% respectively.



## Market watch

- Canada experienced a 11.1% increase in overnight trips from Hong Kong during the first four months of 2009 over 2007, with Switzerland and Spain also registering growth of 8.6% and 1.3% respectively;
- Trips from Taiwan posted a significant decline of 40% compared to the same period in 2007, while Italy and Netherlands also registered slight drops of 2.6% and 2.1% respectively;
- Year-to-date, Canada saw a significant increase of 37.4% in trips from Spain over the same period in 2005, while overnight trips from Taiwan fell by 49.6%.

Trips to Canada, by Selected Markets



## Competitive review

### International travel, January-February 2009 (In 000s)

Trips from:	Trips to:					
	Canada		United States		Australia	
	#	09/08 change	#	09/08 change	#	09/08 change
Total international	1,432	-5%	5,993	-10%	962	-3%
<b>Americas</b>						
United States	1,017	-5%	...	...	78	-9%
Mexico <sup>1</sup>	24	-6%	733	-13%	...	...
<b>Overseas key markets</b>						
France	44	-3%	138	1%	16	8%
Germany	26	10%	175	-12%	30	-2%
United Kingdom	72	-18%	445	-22%	139	-4%
China <sup>2</sup>	20	14%	105	7%	101	11%
Japan	20	-25%	485	-11%	64	-25%
South Korea	18	-25%	114	-21%	35	-28%
Australia	25	-6%	79	-16%	...	...
India	10	18%	65	-14%	20	12%
Brazil	10	16%	144	13%	...	...
Canada	...	...	2,242	-11%	27	-6%
<b>Total key markets</b>	<b>1,286</b>	<b>-6%</b>	<b>4,726</b>	<b>-14%</b>	<b>510</b>	<b>-7%</b>

...Not available or data not applicable.

<sup>1</sup>US figures for Mexico include arrivals to interior only.

<sup>2</sup>US figures for China includes Hong Kong, SAR.

Note: Statistics Canada preliminary figures.

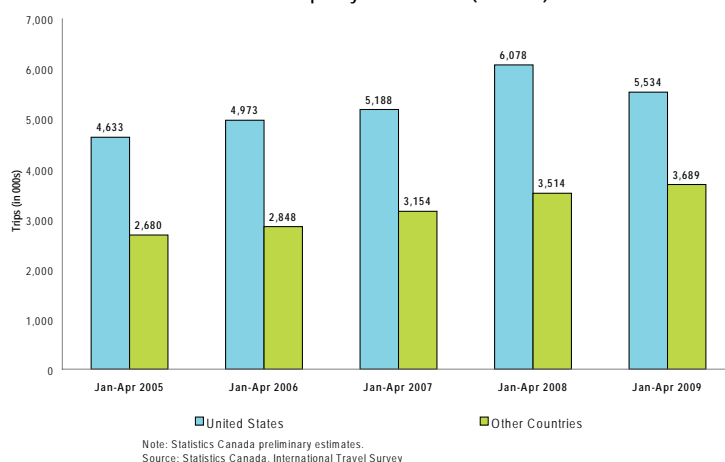
Sources: Statistics Canada; Tourism Australia; and ITA, Office of Travel and Tourism Industries (USA).

- For the first two months in 2009, international trips to all three destinations recorded decreases, with the U.S. experienced the largest decline of 10% followed by Canada (-5%) and Australia (-3%);
- Of the three destinations, Canada outperformed Australia and the U.S. in terms of market growth from China (+14%); however, Australia (+8%) and the U.S. (+1%) outperformed Canada in terms of market growth from France;
- Canada experienced stronger growth from India (+18%) and Brazil (+16%) during the first two month of 2009 compared to Australia and the U.S. Trips from Germany to Canada grew 10% compared to the year prior, while both the U.S. and Australia saw declines of -12% and -2% respectively;
- All three destinations posted significant decreases in overnight trips from South Korea with Australia being the worst performance (-28%) followed by Canada (-25%) and the U.S. (-21%). Canada and Australia also recorded significant declines in visitation from Japan, both falling 25% while trips to the U.S. dropped by 11%.

## Canadian outbound trips

- In April 2009, overall outbound trips by Canadians posted a marginal increase of 0.9% over the same month last year;
- The unstable economic environment together with the weaker Canadian dollar continued to impact Canadian travel to the U.S. For this month, overnight trips to the U.S. fell slightly by 0.9%, while outbound trips to non-U.S. destinations increased 4.7% over April 2008;
- For this month, 3 provinces/territories posted significant increases in outbound trips to the U.S. over 2008, with P.E.I. recording a largest increase of 164.3% followed by Newfoundland (+40.3%) and Saskatchewan (+38.1%);
- Year-to-date, outbound trips to non-U.S. destinations rose by 5.0% while trips to the U.S. fell by 8.9% compared to the same period in 2008, making an overall decline of 3.8% in Canadian outbound trips;
- For the first four months of 2009, only four provinces posted increases in outbound trips to the U.S., with P.E.I. recording a largest increase of 144.4%. All provinces exception of Yukon (-21.9%) registered gains to non-U.S. countries with New Brunswick and Prince Edward Island registering significant gains, 36.9% and 32.7% respectively.

Outbound Trips by Canadians (in 000s)



## Strategic performance

- Overall international trips by key markets marginally exceeded the set targets by 0.6%;
- For the Americas, both the U.S. and Mexico reached the set targets with the U.S. exceeding by 0.9% and Mexico by 3.7%;
- The most notable performance has been from Germany and China exceeding their set targets by 16.6% and 15.4% respectively, while South Korea and Japan posted weaker results than targeted, with shortfalls of 13.2% and 13.1%.

## Travel Volumes, January-April 2009

	Trips Made (000s)		
	Target	Actual	% Difference
United States	2,352	2,373	0.9
Mexico	57	59	3.7
<b>Americas (Total)</b>	<b>2,409</b>	<b>2,432</b>	<b>1.0</b>
France	82	85	3.0
Germany	47	54	16.6
UK	166	159	-4.4
China	36	41	15.4
Japan	55	48	-13.1
S Korea	42	37	-13.2
Australia	46	44	-4.7
<b>Overseas Key Markets (Total)</b>	<b>475</b>	<b>468</b>	<b>-1.4</b>
<b>TOTAL</b>	<b>2,883</b>	<b>2,900</b>	<b>0.6</b>

Note: As per strategic plans.

## Consumer outlook

### Consumer confidence

**CANADA:** The Index of Consumer Confidence released by the Conference Board of Canada increased to 75.2 (2002=100), a second consecutive monthly gain.

**UNITED STATES:** The Conference Board Consumer Confidence Index, which had posted a slight increase in March, continued to improve in April. The index now stands at 39.2 (1985=100), up from 26.9 in March.

Sources: Consumer Confidence Index, the Conference Board (USA); and Index of Consumer Confidence, the Conference Board of Canada.

## Accommodations

- The accommodation market continued to experience occupancy slowdowns. In April 2009, the national occupancy rate fell by 7.0% over the previous year to 55.3%. While most provinces faced decreases in occupancy, Prince Edward Island and the North West Territories posted increases, 9.8% and 1.3% respectively. The Alberta posted the largest decline, down 11.7%;
- Year-to-date, the national occupancy rate decreased 4.6% over last year, falling to 53.1%. Saskatchewan posted the highest occupancy rate at 67.2% (down 0.9%) followed by the Yukon at 61.9% (up 8.8%);
- For the first four months of 2009, properties with over 500 rooms posted the highest occupancy rate of 57.5% while properties under 50 rooms posted the lowest occupancy rate of 41.7%;
- The national Average Daily Rate from January to April was \$121.94, registering a slight decrease of 1.8% compared to the same period last year. The Average Daily Rate in the Northwest Territories grew 4.0% to \$147.72, which is the highest average and higher than the national average;
- The national average Revenue per Available Room (RevPAR) for the first four months of 2009 was \$64.74, down 9.6% over the same period last year. The Northwest Territories, Saskatchewan and Alberta posted higher averages than the national average.

### Canadian occupancy rates\*, by province

	April 2009	09/08 change^	Jan-Apr 2009	Year-to-date change^
Alberta <sup>1</sup>	57.8	-11.7	58.4	-7.7
British Columbia	56.7	-7.4	54.3	-5.6
Saskatchewan	67.7	-4.5	67.2	-0.9
Manitoba	66.1	-1.0	60.4	-3.7
Ontario	53.7	-6.3	50.9	-4.0
Quebec	51.4	-6.8	50.4	-3.5
New Brunswick	53.3	-5.2	47.2	-5.6
Nova Scotia	55.6	-7.1	49.8	-4.5
Newfoundland	57.7	-3.6	53.2	1.5
Prince Edward Island	42.4	9.8	35.8	1.5
Northwest Territories	63.2	1.3	60.1	-8.4
Yukon	60.9	-4.2	61.9	8.8
<b>Canada</b>	<b>55.3</b>	<b>-7.0</b>	<b>53.1</b>	<b>-4.6</b>

\* Note: Based on the operating results of 205,754 rooms (unweighted data).

^ Percentage points.

<sup>1</sup>Excluding Alberta resorts

Source: PKF Consulting

**CTC Marketing  
Market Research**