



The Daily

Statistics Canada

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- **Characteristics of international travellers, first quarter 2004** 4
 Canadians flocked to vacation sunspots between January and March this year, setting a record for overnight travel outside the country in the process. The number of overnight trips to foreign nations reached nearly 5 million, up 11.0% from the first quarter of last year.

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MAJOR RELEASES

International travel account

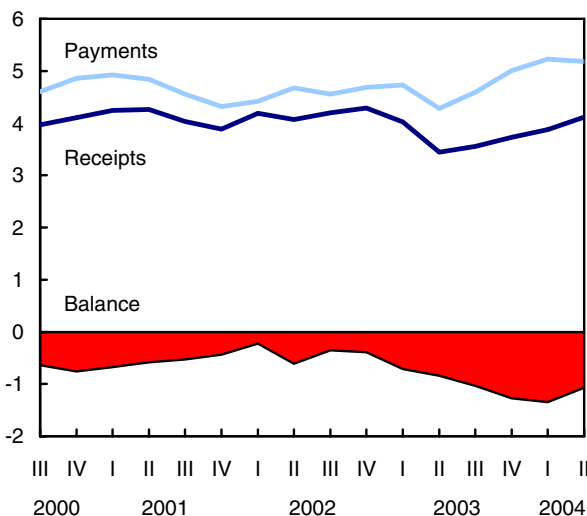
Second quarter 2004 (Preliminary)

The international travel deficit narrowed for the first time in nearly two years between April and June, as the increase in spending by foreigners in Canada was the largest since early 2002 and Canadian spending abroad slipped.

The deficit—the difference between spending by Canadians abroad and spending by foreigners in the country—fell \$279 million to an estimated \$1.1 billion in the second quarter. This was the largest decline in the deficit since the third quarter of 1998.

First drop in Canada's travel deficit since the third quarter of 2002

\$ billions



Foreign visitors to Canada spent \$4.1 billion between April and June, up 6.1% from the first quarter, and 19.4% higher than the second quarter of 2003. This was the highest level in nearly two years.

At the same time, Canadian residents spent \$5.2 billion abroad, down 0.8% from the first quarter and the first decline in a year. However, Canadian spending abroad remained 20.9% higher than it was in the second quarter of last year.

Canada's international travel deficit had been expanding since the third quarter of 2002. In the first three months of 2004, the deficit jumped to a 10-year high of \$1.3 billion.

Note to readers

This international travel account analysis is based on preliminary quarterly data, seasonally adjusted unless otherwise stated. Amounts are in Canadian dollars and are not adjusted for inflation.

Receipts represent spending by foreigners travelling in Canada, including education spending and medical spending. **Payments** represent spending by Canadian residents travelling abroad, including education spending and medical spending.

Overseas countries are those other than the United States.

Travel deficit with United States falls

Canada's travel deficit with the United States reached an estimated \$497 million in the second quarter of 2004, down from the near seven-year high of \$577 million in the previous quarter. This was the first such decline since the third quarter of 2003.

The drop in the deficit was caused by a 2.6% gain in spending by Americans in Canada, coupled with a 0.7% decline in spending by Canadians in the United States.

Despite an overall 1.8% drop in the number of Americans travelling to Canada, overnight trips were up 3.5% in the second quarter. This contributed to the increase in spending by Americans in Canada, which reached \$2.4 billion.

Conversely, spending by Canadians in the United States fell to \$2.9 billion as a result of a 2.4% decrease in same-day trips to the United States. Overall, 0.8% fewer Canadians travelled south of the border during the second quarter compared with the first.

The value of the Canadian dollar against its American counterpart slipped 3.1% between the first and second quarters. This may have contributed to the decline in spending by Canadians south of the border and to the increase in spending by Americans in Canada.

Record spending in Canada fuels significant drop in travel deficit with overseas countries

The travel deficit with overseas countries fell to \$571 million in the second quarter of 2004, the second consecutive decrease from its record high of \$810 million at the end of 2003. Record spending by overseas travellers in Canada was mainly responsible for this decline.

Overseas travellers spent an all-time high of \$1.7 billion in Canada in the second quarter,

up 11.3% from the first quarter and 29.8% higher than a year earlier. The record was mostly a result of a 13.8% jump in the number of overseas travellers to Canada compared with the first quarter.

This was the first time since late 2002 that more than 1 million overseas travellers visited Canada.

International travel account receipts and payments

	Second quarter 2003 ^r	First quarter 2004 ^r	Second quarter 2004 ^p	First to second quarter 2004
seasonally adjusted ¹				
	\$ millions			% change
United States				
Receipts	2,122	2,337	2,398	2.6
Payments	2,583	2,914	2,895	-0.7
Balance	-461	-577	-497	
All other countries				
Receipts	1,321	1,539	1,714	11.3
Payments	1,702	2,310	2,285	-1.1
Balance	-381	-770	-571	
Total				
Receipts	3,443	3,876	4,112	6.1
Payments	4,284	5,224	5,180	-0.8
Balance	-842	-1,347	-1,068	

^r Revised figures.

^p Preliminary figures.

1. Data may not add to totals due to rounding.

Canadian residents visiting overseas countries spent \$2.3 billion in the second quarter of 2004, down 1.1% from the record high set in the first quarter, but still 34.3% higher than it was a year ago.

Spending was down despite a 1.3% rise in the number of Canadian residents travelling to overseas countries, which hit a record 1.4 million in the second quarter of 2004.

The value of the Canadian dollar compared with most major overseas currencies was up slightly during the second quarter. Compared with the British pound sterling, however, the Canadian dollar was down 1.3%.

Definitions, data sources and methods: survey numbers, including related surveys, 3152 and 5005.

The international travel account data for the third quarter of 2004 will be released on November 26, 2004.

For more information, or to enquire about the concepts, methods or data quality of this release, contact Eric Desjardins (613-951-1781; eric.desjardins@statcan.ca) or Client services, Culture, Tourism and the Centre for Education Statistics (1-800-307-3382; 613-951-7608; fax: 613-951-2909; cult.tourstats@statcan.ca), Culture, Tourism and the Centre for Education Statistics. ■

came from the United States, a 3.5% decline, while 533,000 came from overseas nations, a 2.6% drop. Travel from the United States stood at the lowest level for a first quarter since 1999.

Virginia (+61.2%) and Maine (+43.7%) posted the largest gains in travel to Canada among the top 12 states of origin. The biggest decline was in travel from Massachusetts (-25.3%).

Overnight trips by air from the United States edged up 1.6% in the first quarter of 2004, whereas car travel was down 6.2%.

Americans spent \$1.0 billion in Canada during the first quarter, down 4.1%. This spending accounted for nearly 59% of total spending by foreign overnight travellers in Canada.

Americans stayed 6.6 million nights in Canada, down 4.7% from the first three months of 2003.

Trips from overseas to Canada are still declining

Canada recorded a third consecutive first-quarter decline in the number of overnight trips from overseas between January and March. The 533,000 visitors from overseas represented the lowest first quarter level since 1998.

Trips from Europe, which accounted for half of all overnight trips by overseas residents to Canada, dropped 6.8% to 270,000. On the other hand, travel from Asia rose 2.2%.

Only three nations among the 12 top overseas markets recorded gains in travel to Canada: Taiwan

(+27.0%), Hong Kong (+20.0%) and South Korea (+4.7%). Residents of the United Kingdom, the top overseas market for Canada, took 116,000 overnight trips to Canada, down 6.9%.

Overseas residents spent \$735 million on overnight trips in Canada, down 9.3% from the first quarter of 2003. This drop was partly the result of a 25.1% decline in the number of nights spent in Canada, which fell to 6.6 million.

Definitions, data sources and methods: survey numbers, including related surveys, 3152 and 5005.

This release summarises data now available from the International Travel Survey. Tables, various statistical profiles and micro-data files of characteristics of international travellers using preliminary first quarter 2004 data as well as the full year 2003 data are now available on request.

Data on characteristics of international travellers for the second quarter 2004 will be released on November 26, 2004.

To obtain one or more of these products, contact Client Services (1-800-307-3382; 613-951-7608; fax: 613-951-2909; cult.tourstats@statcan.ca). To enquire about the concepts, methods or data quality of this release, contact Annie Gilbert (613-951-4483; fax: 613-951-2909; annie.gilbert@statcan.ca), Culture, Tourism and the Centre for Education Statistics.

Overnight travel between Canada and other countries 2002 and 2003

	Trips			Expenditures			Nights		
	2002 ^r	2003 ^r	2002 to 2003	2002 ^r	2003 ^r	2002 to 2003	2002 ^r	2003 ^r	2002 to 2003
	'000		% change	\$ millions		% change	'000		% change
Canadian trips abroad	17,705	17,739	0.2	15,592	15,698	0.7	181,192	183,055	1.0
To the United States	13,025	12,666	-2.8	8,457	8,075	-4.5	100,246	97,333	-2.9
To other countries	4,680	5,074	8.4	7,135	7,624	6.9	80,947	85,722	5.9
Travel to Canada	19,964	17,420	-12.7	13,683	11,683	-14.6	122,150	107,698	-11.8
From the United States	16,168	14,232	-12.0	8,412	7,288	-13.4	64,507	56,723	-12.1
From other countries	3,796	3,188	-16.0	5,271	4,395	-16.6	57,642	50,975	-11.6

^r Revised figures.

Overnight travel between Canada and other countries

	Trips				Expenditures			
	Fourth quarter 2003 ^r	First quarter 2003 ^r	First quarter 2004 ^p	2003 to 2004	Fourth quarter 2003 ^r	First quarter 2003 ^r	First quarter 2004 ^p	2003 to 2004
	'000			% change	\$ millions			% change
Canadian trips abroad	3,824	4,476	4,967	11.0	3,426	4,651	5,008	7.7
To the United States	2,708	2,783	3,050	9.6	1,664	2,420	2,426	0.2
To other countries	1,117	1,693	1,917	13.3	1,762	2,231	2,583	15.7
Travel to Canada	3,261	2,687	2,598	-3.3	1,999	1,890	1,770	-6.3
From the United States	2,624	2,140	2,065	-3.5	1,199	1,079	1,035	-4.1
From other countries	637	548	533	-2.6	800	811	735	-9.3

^r Revised figures.

^p Preliminary figures.

OTHER RELEASES

Domestic travel

First quarter 2004

Travel in Canada by Canadian residents increased 1.7% to 35.2 million trips in the first quarter of 2004 compared with the first quarter of 2003. Despite this overall increase, the number of domestic trips taken in the first quarter of 2004 was 5.4% less than the seven-year high of 37.2 million trips recorded in the first quarter of 2002. Meanwhile, the number of Canadians travelling to foreign countries increased 8.5% to 10 million during the same period.

Trips to Canada by foreigners fell 8.1% to 6.6 million in the first quarter of 2004. Overall, domestic trips accounted for 84% of the 41.8 million trips taken in Canada in the first quarter of 2004, compared with 83% for the same quarter a year earlier.

The first quarter usually has the lowest number of domestic trips reported during the year. In recent years, it accounted for about 20% of all domestic trips taken during the year.

The 1.7% gain in domestic travel during the first quarter of 2004 was a result of increases in pleasure trips (+5.7%) and trips made to visit friends or relatives (+4.7%). Together these two categories represented 71% of all domestic trips reported in the first quarter of 2004. Meanwhile, business and convention travel declined 10.1% to 4.8 million trips compared with the first quarter of 2003.

In the last seven years, the trend in first quarter pleasure trips has been generally upward, while the reverse is true for business trips. In fact, the peak number of first quarter pleasure trips was recorded in 2004, and the lowest in 1998. In contrast, 2004 saw the lowest number of business and convention trips taken in the first quarter since 1998.

Trips including at least one overnight stay stood at 15.8 million in the first quarter of 2004, virtually unchanged from a year earlier. However, same-day trips increased 3.0% to 19.4 million.

In the first quarter of 2004, trips composed of at least one adult and children increased 13.9% to 10.9 million. Trips made by "adults only" fell 3.0% to 24.3 million.

The number of trips involving downhill skiing or snowboarding increased 14.3% to 2.8 million compared with last winter, and accounted for 8% of all trips.

During the first three months of 2004, Canadian travellers in Canada were away from home 43.5 million nights with an average of 2.8 nights per trip. The average spending per night was \$99.

The number of overnight stays in all types of accommodation rose 1.2%, led by a 4.8% jump in the number of nights spent in non-commercial establishments. The number of nights spent by Canadians in commercial establishments fell 5.0% over the same period. Canadians spent 28.5 million nights in non-commercial accommodation and 15 million in commercial establishments during the first quarter of 2004.

Spending on domestic travel, which reached \$5.6 billion in the first quarter of 2004, fell 3.4% compared with the same quarter a year earlier. However, when taking inflation into account, spending actually decreased by 2.5% to \$5.0 billion (in 1997 dollars).

Note: Domestic travel is defined as any trip of 80 kilometres or more one way, taken by a Canadian resident to a Canadian destination. Data for trips by Canadian residents abroad and by foreigners to Canada come from the International Travel Survey.

Definitions, data sources and methods: survey number 3810.

For general information or to order data, contact Client Services (1-800-307-3382; 613-951-7608; fax: 613-951-2909; cult.tourstats@statcan.ca). To enquire about the concepts, methods or data quality of this release, contact Lizette Gervais-Simard (613-951-1672; fax: 613-951-2909; gervliz@statcan.ca), Culture Tourism, and the Centre for Education Statistics.

For additional context and perspective on the tourism industry, contact Scott Meis (613-954-3909; fax: 613-954-3826; meis.scott@ctc-cct.ca), Canadian Tourism Commission. □

Canadian travel within Canada

	First quarter 2003	First quarter 2004	First quarter 2003 to First quarter 2004
	trips (millions)		% change
Total trips	34.6	35.2	1.7
Intra-provincial trips	30.7	31.4	2.2
Inter-provincial trips	3.9	3.8	-2.6
Same day trips	18.8	19.4	3.0
Overnight trips	15.8	15.8	0.0
Visiting friends or relatives	12.1	12.7	4.7
Pleasure	11.7	12.3	5.7
Personal ¹	5.5	5.4	-2.1
Business and convention	5.3	4.8	-10.1
	nights (in millions)		% change
Total nights	43.0	43.5	1.2
Non-commercial nights	27.2	28.5	4.8
Commercial nights	15.8	15.0	-5.0
	expenditures (\$ millions)		% change
Total expenditures	5,776	5,581	-3.4
Transportation	2,259	2,078	-8.0
Accommodation	968	909	-6.1
Food and beverage	1,376	1,403	1.9
Recreation and entertainment	420	427	1.7
Other ²	753	765	1.5
	expenditures (\$ millions, 1997)		% change
Total expenditures	5,139	5,011	-2.5
Transportation	2,040	1,920	-5.9
Accommodation	844	835	-1.0
Food and beverage	1,200	1,193	-0.6
Recreation and entertainment	377	381	0.8
Other ²	678	682	0.6

1. Including not stated trips.

2. Clothing and other purchases.

Monthly Railway Carloadings

Second quarter 2004 and June 2004

Canadian railways reported their strongest quarter for shipments in five years between April and June this year.

In total, rail freight hit 72.8 million metric tonnes during the second quarter, up 10.0% over the first three months of the year, and 12.1% higher than the second quarter of 2003.

Total shipments were the highest since the first quarter of 1999.

Non-intermodal freight, consisting mostly of bulk commodities, accounted for 89% or 65.7 million tonnes, of the total, an 8.4% increase from the first quarter. About 791,000 railway cars were required to transport the freight.

Six commodities (wheat, potash, other metallic ores and concentrates, coal, other non metallic

minerals, and lumber) combined for an overall increase of 5 million tonnes. The increase in wheat alone was close to 1.4 million tonnes.

This gain was only partly offset by declines in gaseous hydrocarbons, fuel oils and crude petroleum, logs and other wood in the rough, fresh chilled and dried vegetables, and salt. These combined for a total drop of 1 million tonnes.

Loadings of intermodal freight, that is, containers and trailers hauled on flat cars, rose 11.9% to a record high 7.1 million tonnes.

Trailers appear to be on a downward trend compared with containers. Trailers on flat cars accounted for only 5.7% of intermodal traffic in the second quarter of 2004, down from the peak of 7.8% in the first quarter of 2003.

Traffic from the United States was up slightly in the second quarter. Tonnage reached 6.8 million tonnes or 2.0% higher than the first three months of the year.

On a monthly basis, railways handled 24 million tonnes of freight in June, down 1.2% from May. The decrease is consistent with historic declines throughout the summer months.

Non-intermodal freight totalled 21.7 million tonnes in June, down from 21.9 million tonnes in May. About 277,000 carloads were required to carry the freight.

Coal, potash and fertilizers as well as sulphur accounted for most of the decline.

Offsetting the drop were gains in wheat, other non-metallic minerals, alumina and iron and steel (primary or semi-finished).

Intermodal loadings, which accounted for 9.6% of total tonnage, fell 2.5% to 2.3 million tonnes in June.

Freight arriving from the United States, either destined for or passing through Canada, fell 6.6% to 2.2 million tonnes.

On a year-to-date basis, the cumulative total for non-intermodal loadings for the first six months of 2004 jumped 11.6% compared with the same period last year. Intermodal loadings increased 4.6%, while traffic received from the United States was up 2.9%.

Economic growth both abroad and in Canada, as well as stronger grain shipments, was behind most of the year-to-date gains. Rail companies say the growth would have been even greater had it not been for slowdowns caused by the high volume of traffic on railways.

Available on CANSIM: table 404-0002.

Definitions, data sources and methods: survey number 2732.

The June 2004 issue of *Monthly Railway Carloadings*, Vol. 81, no. 6 (52-001-XIE, \$9 / \$83) is now available. See *How to order products*.

For more information, or to enquire about the concepts, methods or data quality of this release,

contact the Dissemination Unit (1-866-500-8400; fax: 1-613-951-0009; TransportationStatistics@statcan.ca), Transportation Division. ■

Steel primary forms, weekly data

Week ending August 21, 2004 (preliminary)

Steel primary forms production for the week ending August 21 totalled 289 085 metric tonnes, down 4.2% from 301 625 tonnes a week earlier but up 11.8% from 258 556 tonnes in the same week of 2003.

The year-to-date total as of August 21 was 10 354 068 tonnes, up 3.7% from 9 985 678 tonnes in the same period of 2003.

Definitions, data sources and methods: survey number 2131.

For more information, or to enquire about the concepts, methods or data quality of this release, contact the dissemination officer (1-866-873-8789; 613-951-9497; manufact@statcan.ca), Manufacturing, Construction and Energy Division. ■

Placement of hatchery chicks and turkey poults

July 2004 (preliminary)

Placements of hatchery chicks onto farms were estimated at 58.7 million birds in July, up 6.8% from July 2003. Placements of turkey poults on farms increased 10.1% to 2.0 million birds.

Available on CANSIM: table 003-0021.

Definitions, data sources and methods: survey number 5039.

For more information, or to enquire about the concepts, methods or data quality of this release, contact Sandra Gielfeldt (613-951-2505; sandy.gielfeldt@statcan.ca), Agriculture Division. ■

NEW PRODUCTS

The Dairy Review, April to June 2004, Vol. 65, no. 2
Catalogue number **23-001-XIB** (\$29/\$96).

Monthly railway carloadings, June 2004, Vol. 81,
no. 6
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
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Statistics Canada	
Thursday, June 9, 1997 For release at 9:30 a.m.	
MAJOR RELEASES	
• Urban transit, 1995	2
Despite the emphasis on taking urban transit, Canadians are using it less and less. In 1996, each Canadian rode an average of about 10 trips on some form of urban transit, the lowest level in the past 25 years.	
• Productivity, hourly compensation and unit labour cost, 1996	4
Growth in productivity among Canadian businesses was notably weak again in 1996, accompanied by sluggish gains in employment and slow economic growth during the year.	
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The Daily, August 27, 2004

RELEASE DATES: AUGUST 30 TO SEPTEMBER 3

(Release dates are subject to change.)

Release date	Title	Reference period
30	Balance of International Payments	Second quarter 2004
30	Industrial product and raw materials price indexes	July 2004
31	Gross Domestic Product by Industry	June 2004
31	National Economic and Financial Accounts	Second quarter 2004