

Travel-log

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Travel by Canadians to Countries Other Than the United States

by Monique Beyrouti

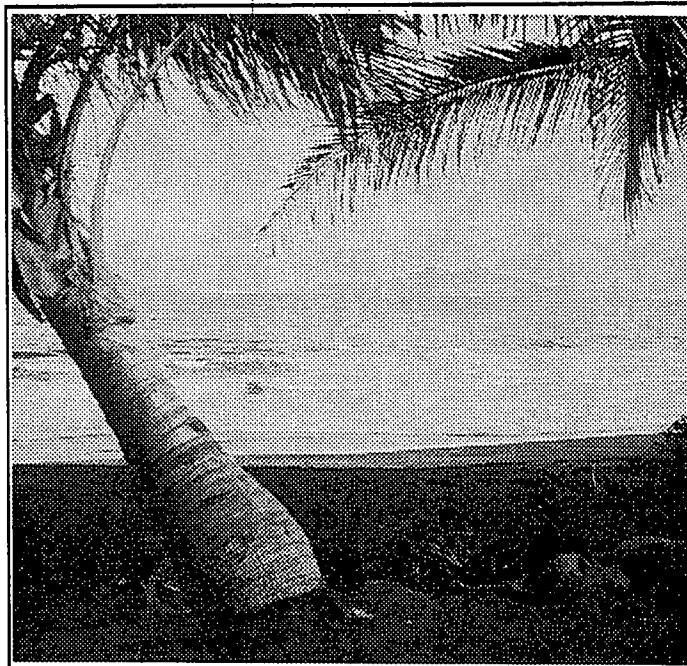
The Gulf War, combined with the 1991 recession, did not spare the Canadian overseas travel market, which experienced a particularly difficult year. In fact, for the first time ever, air travel declined throughout the world.

In Canada, the number of trips of one or more nights by Canadian residents to all countries other than the United States fell by 10% between 1990 and 1991. On the other hand, travel to the United States increased by 11% during the same period (Table 1).

During the previous recession in 1981, the number of trips overseas decreased by only 7%, or 107,000 trips (Chart 1). From 1990 to 1991, the number of such trips fell by 329,000. It would appear, therefore, that the Gulf War and the uncertainty it generated affected Canadians' travel decisions. Canadians apparently opted for trips to destinations that were more reassuring and perhaps closer, such as the United States.

The 1992 count indicates a recovery in travel by Canadians to overseas countries. When the characteristics of international travel in 1992 become available, it will be interesting to note the changes in travelling habits brought about by the last recession.

The decrease in the number of trips affected every quarter in 1991 (Table 2). Average spending per person-night was also down for all quarters except the last, when it remained stable. However, the average expenditure of \$66 per person-night in the first quarter of 1992 represents a slight increase over the first quarter of 1991, while still remaining under the 1990 threshold.



Touriscope

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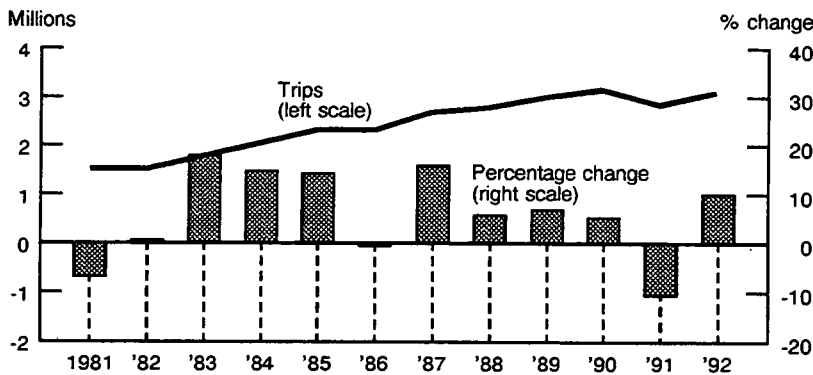
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Table 1
Overnight Trips Abroad by Canadian Residents

| | 1981 | 1982 | 1991 | 1992 ^P |
|--------------------------|--------|--------|--------|-------------------|
| | '000 | | | |
| Destination | | | | |
| United States | 10,838 | 10,266 | 19,113 | 18,598 |
| Annual Percentage Change | -3.6 | -5.3 | 10.7 | -2.7 |
| Other Countries | 1,478 | 1,489 | 2,824 | 3,103 |
| Annual Percentage Change | -6.8 | 0.7 | -10.4 | 9.9 |

^P Preliminary.
Source: International Travel Survey.

Chart 1
Canadian Overnight Trips to Overseas Countries and Percentage Change



Source: International Travel Survey.

Table 2
Overnight Trips and Average Spending¹ by Canadian Residents in Overseas Countries, by quarter, 1990-1991

| Quarter | Trips | | Change | Average Spending per person-night | | Change |
|-------------|--------------|--------------|--------------|-----------------------------------|--------------|-------------|
| | 1990 | 1991 | 1990/1991 | 1990 | 1991 | 1990/1991 |
| | '000 | | % | \$ | | % |
| First | 1,023 | 875 | -14.5 | 68.20 | 64.20 | -5.9 |
| Second | 694 | 604 | -13.0 | 65.60 | 65.30 | -0.5 |
| Third | 834 | 751 | -10.0 | 56.10 | 54.50 | -2.9 |
| Fourth | 602 | 593 | -1.5 | 72.20 | 72.50 | 0.4 |
| Year | 3,153 | 2,824 | -10.4 | 64.30 | 62.90 | -2.2 |

¹ Excluding international passenger fares.
Source: International Travel Survey.



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° Minister of Industry, Science and Technology, 1993

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Note of Appreciation

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

► Continued from page 1

There was little change in the average length of overseas stays by province of residence from 1990 to 1991, except for the Atlantic region, where it decreased by almost three days. It appears that the farther east the traveller's province of residence, the shorter the stay (Table 3). At the beginning of the previous decade, the average length of trips abroad by Canadian residents was 22 nights.

From 1990 to 1991, spending by Canadians on trips overseas dropped by 15%, primarily as a result of a decrease in the number of trips taken. This decline in spending applies to all areas of residence in Canada, particularly Manitoba, the eastern provinces and Saskatchewan (Table 4).

The Preferred Season for Travel Overseas

Understandably, nearly a third of Canadians prefer to leave the country in winter, at least temporarily, to travel overseas. And they often choose sun destinations. During the first quarter, which runs from January to March, just over one quarter of overseas visits of one or more nights are to the Caribbean. While the Caribbean's market share has remained constant, the same cannot be said for the other focal point, European destinations. In fact, visits of one or more nights by Canadian residents from January to March to all countries other than the United States declined between 1990 and 1991. The number of such visits rose slightly from 1991 to 1992, without, however, reaching the level attained before the recession.

Preferred Destinations

In winter, apart from the Caribbean, the favourite sun destinations of Canadians were Mexico and Venezuela (Chart 2). In the first quarter of 1992, Mexico accounted for 22% (244,000) of overseas visits of one or more nights by Canadians.

Table 3

Overnight Trips and Average Length of Stay by Canadian Residents in Overseas Countries, by Province of Origin, 1990-1991

| Provinces | Trips | | Change 1990/1991 | Average Number of nights | | Change 1990/1991 |
|-------------------------------|--------------|--------------|---------------------|-----------------------------|-------------|---------------------|
| | 1990 | 1991 | | 1990 | 1991 | |
| | '000 | | % | nights | | % |
| Atlantic Provinces | 104 | 84 | -19.2 | 18.5 | 15.3 | -17.3 |
| Québec | 710 | 662 | -6.8 | 17.6 | 16.5 | -6.3 |
| Ontario | 1,632 | 1,413 | -13.4 | 17.9 | 17.4 | -2.8 |
| Manitoba | 80 | 64 | -20.0 | 22.4 | 22.8 | 1.8 |
| Saskatchewan | 46 | 36 | -21.7 | 24.7 | 23.2 | -6.1 |
| Alberta | 209 | 200 | -4.3 | 22.9 | 22.3 | -2.6 |
| British Columbia ¹ | 372 | 365 | -1.9 | 23.9 | 24.0 | 0.4 |
| Canada | 3,153 | 2,824 | -10.4 | 19.1 | 18.5 | -3.1 |

¹ Includes Yukon & Northwest Territories.

Source: International Travel Survey.

Table 4

Spending¹ by Canadian Residents on Overnight Trips to Overseas Countries, by Province of Origin, 1990-1991

| Provinces | Spending | | Change 1990/1991 |
|-------------------------------|----------------|----------------|---------------------|
| | 1990 | 1991 | |
| | \$'000,000 | | % |
| Atlantic Provinces | 125.5 | 95.2 | -24.1 |
| Québec | 850.6 | 734.7 | -13.6 |
| Ontario | 1,874.2 | 1,577.2 | -15.8 |
| Manitoba | 113.8 | 78.3 | -31.2 |
| Saskatchewan | 65.8 | 51.0 | -22.4 |
| Alberta | 302.9 | 265.8 | -12.3 |
| British Columbia ² | 537.7 | 489.8 | -8.9 |
| Canada | 3,870.4 | 3,292.1 | -14.9 |

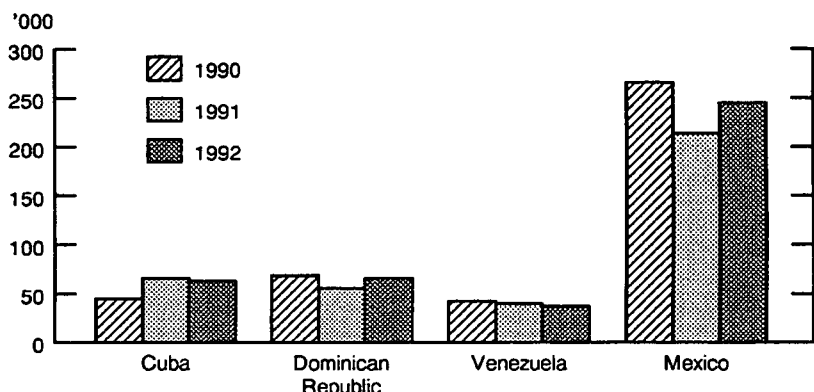
¹ Excluding international passenger fares and spending in other countries while visiting the United States.

² Includes Yukon & Northwest Territories.

Source: International Travel Survey.

Chart 2

Overnight Visits by Canadian Residents to Selected Latin American Countries in Winter



Source: International Travel Survey.

► Continued from page 3

Venezuela was the destination for 43,000 visits by Canadians during the first quarter of 1990, compared with 38,000 in 1991 and 37,000 in 1992. Despite this decrease, the proportion of trips to Venezuela remained virtually at the same level.

But not all Canadian travellers are looking for a little sunshine and warmth in winter (Chart 3). From January to March 1990, the United Kingdom received 103,000 visits of one or more nights by Canadian residents, compared with 74,000 in 1991 and 96,000 in 1992 (Table 5). The United Kingdom's share of the winter overseas market went from 9% in 1990 to 7% in 1991, and then to 8% in 1992. Canadians also made 52,000 visits of one or more nights to France in 1990, 46,000 in 1991, and 50,000 in 1992. France's share of overseas visits by Canadians remained constant at 4%.

It is noted, however, particularly for trips made in winter, that in one quarter of cases Canadians choose European destinations in order to visit friends or relatives. In comparison, most Canadians travelling to warmer destinations do so for holidays or pleasure. On the other hand, some Canadians travelling to Europe stop there before continuing their trip to destinations beyond.

Cuba: A Special Case

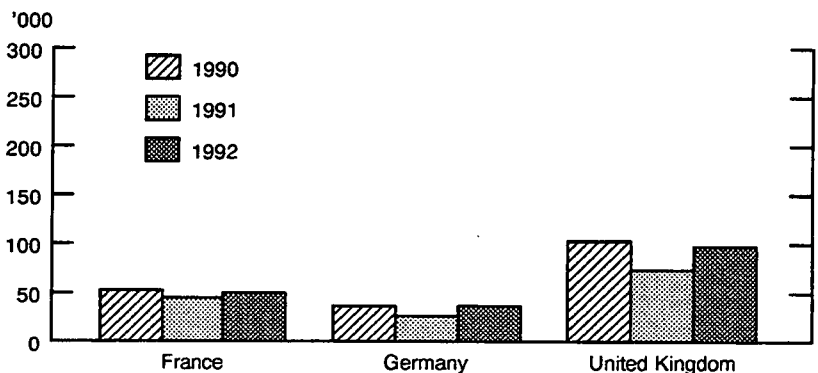
Among the seven countries with the highest number of visits of one or more nights by Canadians, Cuba is the only destination that experienced an increase in the number of visits in the first quarter of 1992 compared to the first quarter of 1990 (Table 5). This growth is all the more significant in that, during the same period, visits by Canadians to all other Caribbean countries declined.

From January to March 1992, 22% of visits of one or more nights to the Caribbean were to Cuba, representing an increase of 7 percentage points over the same period in 1990. From January to March 1991, among the overseas destinations preferred by Canadians, Cuba was the only location where Canadians spent more than in the same quarter in 1990 (Table 6). This growth was considerable: 56% in the first quarter, and 52% for the year as a whole. In winter 1992, despite the decrease in the number of trips compared with the previous

winter, spending by Canadians in Cuba was 38% higher than during the same period in 1990. From January to March 1992, Cuba accounted for 4% of spending by Canadians in overseas countries during visits of one or more nights.

Aggressive publicity, targeted primarily at the Ontario and Quebec markets, seemed to pay off. In addition, good airline service, offering a total of 22 flights per week from Canada to Cuba, and competitive holiday packages help to explain Canadians' increased interest in visiting this island.

Chart 3
Overnight Visits by Canadian Residents to Selected European Countries in Winter



Source: International Travel Survey.

Table 5
Overnight Visits¹ by Canadian Residents to Top 7 Overseas Countries in Winter

| Selected Countries | First Quarter | | |
|--|---------------|-------|-------|
| | 1990 | 1991 | 1992 |
| | '000 | | |
| Overnight Visits to Overseas Countries | 1,179 | 1,022 | 1,135 |
| Mexico | 266 | 212 | 244 |
| United Kingdom | 103 | 74 | 96 |
| Dominican Republic | 68 | 54 | 66 |
| Cuba | 46 | 65 | 63 |
| France | 52 | 46 | 50 |
| Venezuela | 43 | 38 | 37 |
| Germany | 37 | 26 | 37 |
| Other Overseas Countries | 564 | 506 | 542 |

¹ Each country visited on a trip is counted.
Source: International Travel Survey.

Table 6
Spending¹ on Overnight visits² by Canadian Residents in Top 7 Overseas Countries in Winter

| Selected Countries | First Quarter | | |
|--|---------------|-------|-------|
| | 1990 | 1991 | 1992 |
| | \$'000,000 | | |
| Overnight Spending in Overseas Countries | 1,014.8 | 884.2 | 958.5 |
| Mexico | 226.1 | 174.8 | 192.8 |
| United Kingdom | 77.2 | 59.4 | 74.4 |
| Dominican Republic | 51.1 | 38.4 | 43.0 |
| Cuba | 28.8 | 44.8 | 39.7 |
| France | 45.4 | 36.8 | 41.7 |
| Venezuela | 35.3 | 33.3 | 27.5 |
| Germany | 28.3 | 21.2 | 27.5 |
| Other Overseas Countries | 522.5 | 475.5 | 512.0 |

¹ Excluding international passenger fares.
² Each country visited on a trip is counted.
 Source: International Travel Survey.

Continued from page 4

It appears, therefore, that Canadians, primarily Quebecers and Ontarians, have discovered a favorite spot for their winter holidays. One quarter of these vacationers are between 25 and 34 years of age, and a slightly higher percentage are between 45 and 54. Couples make up 57% of the clientele. One half of travellers opt for a stay of only one week.

In fact, Cuba is attracting more and more Quebecers (Chart 4). Quebec residents made fifty percent more visits of one or more nights during the first quarter of 1992 than during the same period in 1990, increasing their share of the Canadian market from 43% in 1990 to 48% in 1992.

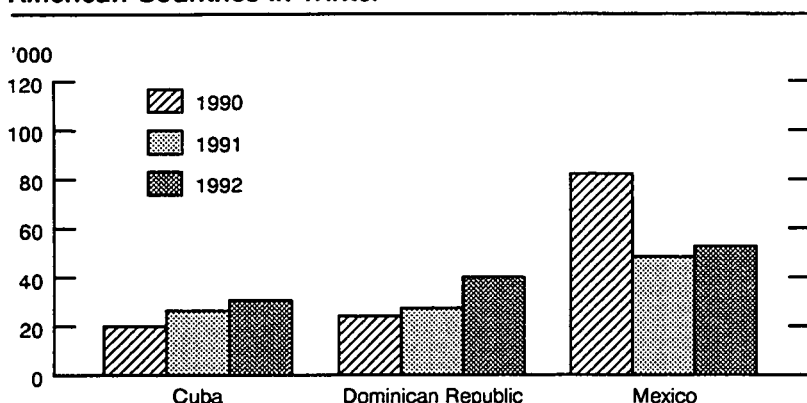
In winter 1990, 47% of Canadians visiting Cuba were from Ontario. During the same season in 1992, this proportion dropped to 42%. It appears that some Quebecers are overlooking Mexico to explore other destinations, whereas Ontarians are turning away from Cuba to some extent and are becoming increasingly interested in Mexico (Chart 5).

Conclusion

As indicated above, 1991 was marked by a notable decline in travel by Canadians from all provinces to almost all overseas countries. Although this decline provided some relief in terms of our travel account deficit with all countries other than the United States, which was reduced by one third between 1990 and 1991, it also seems to have cleared the way to more exotic destinations for the Canadian traveller.

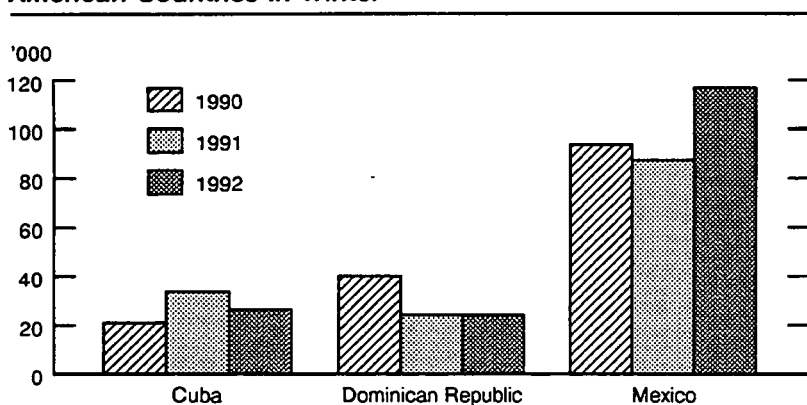
In any event, competition is intensifying. And the more prevalent it becomes, the more Canadians are realizing that there is a variety of destinations that were still unknown a few years ago. These destinations are becoming relatively affordable and more and more geared to the needs of North American travellers.

Chart 4
Overnight Visits by Quebec Residents to Selected Latin American Countries in Winter



Source: International Travel Survey.

Chart 5
Overnight Visits by Ontario Residents to Selected Latin American Countries in Winter



Source: International Travel Survey.

▶ Continued from page 5

Tour operators must therefore strive to target travellers according to their particular characteristics, a constant challenge for their industry.

Monique Beyrouiti is an analyst with the Education, Culture and Tourism Division.



Is the U.S. Travel Market to Canada On Hold?

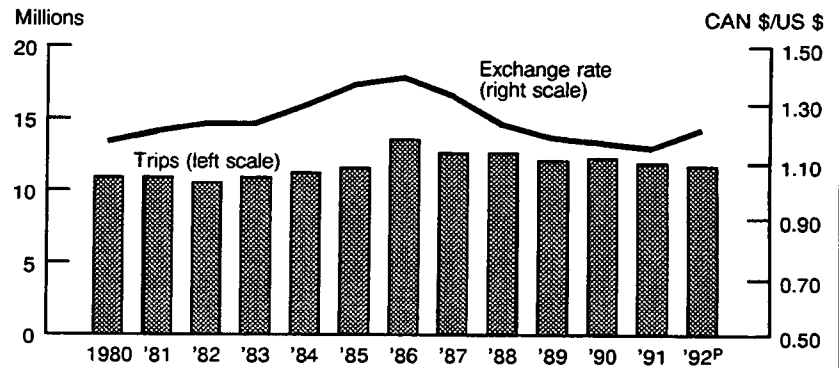
by Lise Beaulieu-Caron

As United States citizens were preparing to elect a new President in 1992, their visits to Canada recorded a 3% decline from 1991 and the smallest volume in seven years. In 1992, American travel to Canada, with 32 million visits, represented less than half the volume of the 77 million Canadian visits to the United States.

Whether on short or longer visits, Americans shied away from Canada in 1992. Same-day visits declined 4% from 1991, to 20.6 million, representing a sixth consecutive annual decline. Almost three quarters of these entries were recorded in Ontario.

The volume of American tourists to Canada has been declining since the record year of 1986. In 1992, estimated overnight trips reached 11.8 million, just below the 1991 level, despite the

Chart 6
Overnight Trips from the U.S. and the Exchange Rate



^P Preliminary.

Sources: Bank of Canada Review; International Travel Survey.

Table 7
American Travel to Canada

| | 1990 | 1991 | 1992 ^P |
|--------------------|--------|--------|-------------------|
| | '000 | | |
| Total Person-trips | 34,734 | 33,577 | 32,427 |
| Same-day | 22,482 | 21,575 | 20,609 |
| Overnight | 12,252 | 12,003 | 11,819 |
| Auto | 8,381 | 8,365 | 8,265 |
| Plane | 2,372 | 2,178 | 2,199 |
| Other | 1,500 | 1,459 | 1,354 |

^P Preliminary.

Source: International Travel Survey.

recent increase in the value of the American dollar in terms of the Canadian currency (Chart 6). The drop in overnight entries in 1992 was felt across Canada's border except in Alberta and the Yukon. One bright spot remained, as overnight air travel, at 2.2 million entries, was up marginally, after registering a drop in 1991 (Table 7).

While the number of entries continued to decline in 1992, the quarterly distribution of one or more nights person-trips remained at the level it reached at the beginning of the 1990s: the winter season attracting 12% of the yearly volume, the spring quarter's share reaching 27%,

summer representing the largest share at 46% while the last quarter of the year accounted for 16%.

Pleasure remained the main reason Americans travelled to Canada on overnight trips in 1991. These trips, heavily concentrated in the summer, represented 59% of the annual volume. Visiting friends and relatives is somewhat less seasonal, with a third of the one or more nights visits occurring in the third quarter. Business travel is the least seasonal.

The International Travel Survey expanded the questionnaire handed out to American travellers entering Canada back in 1990. For the first time, Americans were

▶ Continued from page 6

given the opportunity to report a wider range of trip purposes. We now have a better idea of the reasons for their visits. While holidaying and vacationing still accounted for a majority of trips, Americans reported about half a million overnight trips to Canada in 1990 for the purpose of attending events or attractions. In 1991, that number had reached 757,000 overnight trips.

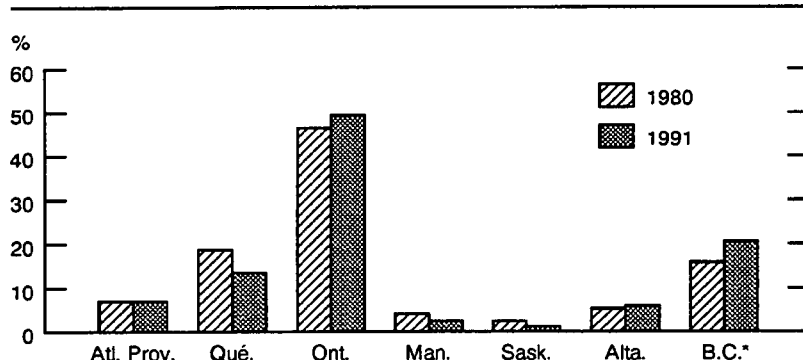
U.S. overnight business trips declined in 1991 from 1990 in the case of visits by mode other than the automobile. Notwithstanding this decline, the average length of stay on an overnight business trip remained at three nights in 1991. The number of same-day business trips, the vast majority by automobile, declined between 1990 and 1991.

In all, short trips are popular with the U.S. travel market, whether for pleasure or business. At the beginning of the 1980s, the average length of an overnight pleasure trip to Canada was 4.5 nights as against 3.8 nights for business. These averages represented 4.3 and 3.1 nights respectively in 1991.

Provincial Pull

In 1990, the International Travel Survey resumed its reporting on the provincial breakdown on American province-visits. Compared to 1980, when it was last reported, U.S. travel to British Columbia has shown growth to a point that it has replaced Quebec as the number two destination in Canada, with 21% of the U.S. market in 1991 (chart 7). While Quebec slipped to third position, the Atlantic provinces maintained their share and the fourth position among Canadian regions. The provinces of Manitoba and Saskatchewan saw their share

Chart 7
Overnight Province-visits from the United States, by Province Visited, 1980 and 1991



* Including Yukon and N.W.T.

Source: International Travel Survey.

Table 8
American Travel to Canada by Age Groups, 1990-1991

| Age Groups | 1990 | 1991 | Share | |
|-------------------------------|---------------|---------------|--------------|--------------|
| | | | 1990 | 1991 |
| | '000 | | % | |
| Overnight Person-trips | 12,252 | 12,003 | 100.0 | 100.0 |
| Under 15 | 1,058 | 1,049 | 8.6 | 8.7 |
| 15-19 | 332 | 294 | 2.7 | 2.4 |
| 20-24 | 479 | 427 | 3.9 | 3.6 |
| 25-34 | 1,543 | 1,559 | 12.6 | 13.0 |
| 35-44 | 2,532 | 2,509 | 20.7 | 20.9 |
| 45-54 | 2,211 | 2,077 | 18.0 | 17.3 |
| 55-64 | 1,737 | 1,647 | 14.2 | 13.7 |
| 65 + | 1,436 | 1,434 | 11.7 | 12.0 |
| Not Stated | 923 | 1,008 | 7.5 | 8.4 |

Source: International Travel Survey.

erode to 4% of the U.S. market. Meanwhile, Alberta is a close contender for the fourth position in replacement of the traditional Atlantic market. The U.S. population shift to the West is one contributing factor to the emerging Pacific Coast travel market.

Evolving Demography

U.S. population growth in the last two decades has been concentrated in the South and West. At the same time, the Northern states,

our traditional high volume markets, have experienced no growth.

Prior to 1990, we had no idea of the age groups of U.S. travellers to Canada except if they were under or over 12 years of age. Numerically, the Baby Boomers were found to be the largest target segment, the 35-44 year olds represented 21% of all overnight trips at the beginning of the 1990s (table 8). However, in terms of discretionary income, their parents are a better target market. The age

▶ Continued from page 7

group comprising 55+ year olds accounted for 26% of the overall tourist market originating from the U.S. When only the pleasure market is taken into account, Baby Boomers represent 18% of that market while the 55+ group accounts for 25%.

Another welcomed addition to the survey is a question about the party composition. We find that parties consisting of two adults accompanied by children make up 12% of all overnight U.S. trips to Canada. However, parties consisting of adults, defined as being 15 years of age and over, represent the major market for Canada (table 9).

Finally, the travellers are asked to list the activities they engage in while on a trip to Canada since 1990. Among activities they engaged in on their overnight trip to Canada, 60% of American travellers reported shopping or sightseeing (chart 8). Among other activities reported, a slightly increased participation has been noted for sports and outdoor activities between 1990 and 1991.

The Sequel

The American travel market cannot be taken for granted. Canada's tourism destinations have to adjust to the quiet downsizing of the U.S. travel market. Potential growth in the American market can only come from targeting market segments sharing specific interests or affinities. Targeted products can help win over clients by customizing the product to fit their needs.

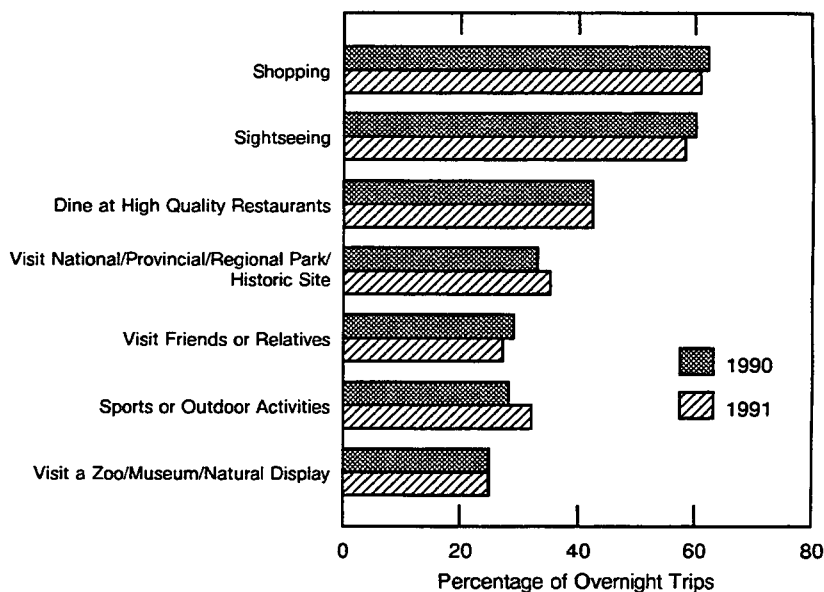
Changing demographics and a tight economy present challenges to the Canadian travel industry. Understanding these changes will permit survival in an increasingly competitive global market.

Table 9
American Travel to Canada by Party Composition¹, 1990-1991

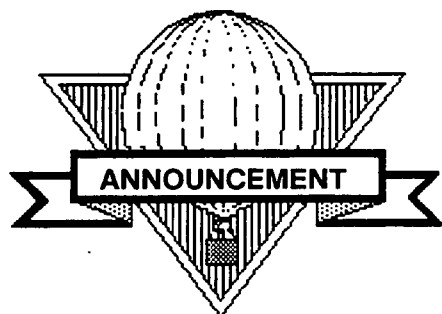
| Party Composition | 1990 | | 1991 | |
|--------------------------------|---------------|--------------|---------------|--------------|
| | '000 | % | '000 | % |
| Overnight Person-trips | 12,252 | 100.0 | 12,003 | 100.0 |
| Adults Only | | | | |
| 1 Adult | 1,436 | 11.7 | 1,496 | 12.5 |
| 2 Adults | 4,899 | 40.0 | 4,559 | 38.0 |
| 3 or more Adults | 2,523 | 20.6 | 2,511 | 20.9 |
| Adults with Children | | | | |
| 1 Adult with Children | 135 | 1.1 | 170 | 1.4 |
| 2 Adults with Children | 1,450 | 11.8 | 1,397 | 11.6 |
| 3 or More Adults with Children | 882 | 7.2 | 836 | 7.0 |
| Other/Not Stated | 927 | 7.6 | 1,034 | 8.6 |

¹ The respondent was asked to account for the number of people for which spending and activities could be reported on.
Source: International Travel Survey.

Chart 8
Participation in Selected Activities, Overnight Person-trips by U.S. Residents to Canada, 1990-1991



Source: International Travel Survey.



Overnight Domestic Trips, Fourth Quarter 1992

During the months of October to December 1992, Canadians made 14.9 million overnight person-trips (80 km +) in Canada (table 10). Trips lasting only one night accounted for 30% of the total while another third lasted only two nights. Residents of Ontario accounted for a shrinking share (33%) of all overnight trips in Canada.

Visiting Family and Friends on Top of Agenda

Most popular in this period of the year are trips to visit family and friends. In fact, this purpose of trip accounted for a higher share of trips during the fourth quarter than during any other season.

Pleasure travel represented only one out of five trips during the fourth quarter of 1992. During the same period, business trips represented 16% of all domestic overnight trips while seven out of ten of these remained within the same province.

Mainly by automobile

In the fourth quarter of 1992, the automobile represented 87% of all overnight trips. Moreover, Canadian air travel represented only 7% of the total, and the smallest share of the market ever accounted for by the Canadian Travel Survey for this period of the

Table 10
Overnight Travel in Canada

| | Fourth Quarter 1992 | Share |
|-------------------------------|------------------------|--------------|
| | '000 | % |
| Overnight Person-trips | 14,855 | 100.0 |
| Duration | | |
| 1 Night | 4,390 | 29.6 |
| 2 Nights | 5,081 | 34.2 |
| 3 Nights | 2,000 | 13.5 |
| 4 Nights | 1,044 | 7.0 |
| 5-9 Nights | 1,576 | 10.6 |
| 10 Nights or More | 763 | 5.1 |
| Primary Purpose | | |
| Visiting Friends/relatives | 7,971 | 53.7 |
| Pleasure | 3,265 | 22.0 |
| Business and Convention | 2,417 | 16.3 |
| Other/Not Stated | 1,203 | 8.1 |
| Primary Transportation | | |
| Auto | 12,961 | 87.3 |
| Air | 1,028 | 6.9 |
| Bus | 541 | 3.6 |
| Rail | 172 | 1.2 |
| Other/Not Stated | 152 | 1.0 |
| Destination | | |
| Same Province | 12,181 | 82.0 |
| Other Province | 2,674 | 18.0 |

Source: Canadian Travel Survey.

year. Three quarters of air trips were to interprovincial destinations. In third position came the bus with a 4% share of the overnight market. Other modes of travel remained marginal, representing only 2% of overnight trips in the fourth quarter.

Most Within the Province of Residence

Most overnight trips in the fourth quarter are confined within the travellers's provincial boundaries. Interprovincial travel accounts for only one out of five overnight trips during this period. Alberta boasts the largest number of interprovincial trips in the last three months of 1992. In the meantime, Ontario witnessed the smallest number of trips to other provinces ever recorded.

Note to Users

Given significant changes in data collection methods, which were introduced in April 1992, the Canadian Travel Survey estimates for the first quarter of 1992 will be reviewed and eventually adjusted in light of the results of subsequent quarters. Moreover, because of these changes, estimates for the other quarters of 1992 are not comparable with previous quarters.

For detailed profiles on the Canadian Travel Survey of the fourth quarter of 1992, please contact Louis Pierre (613-951-1672), Education, Culture and Tourism Division.



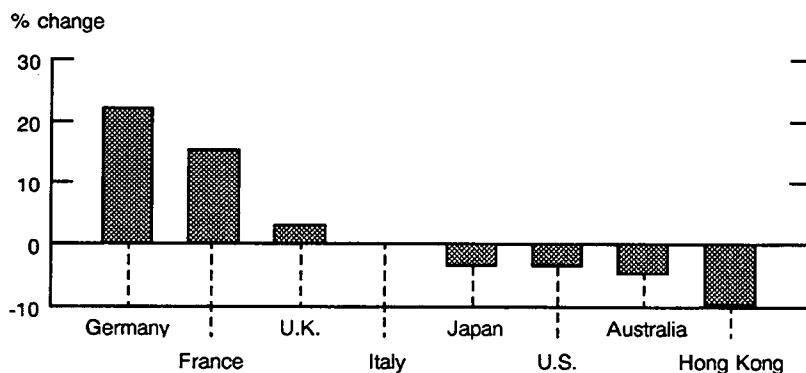
Travel Between Canada and Other Countries, First Quarter 1993

Non-Resident Travel to Canada Decreasing

The number of non-resident travellers registered at border crossings declined in the first quarter of 1993. Trips of one or more nights to Canada by U.S. residents dropped 3% from the same period in 1992. At the same time, comparable trips by residents of all other countries increased slightly by 0.8% (See *Touriscope Indicators* table on page 12).

In terms of regional overseas areas, the increased flow of travel originating from Europe in the first quarter was strong enough to compensate for decreases from other parts of the world. Among major countries of origin for foreign travel to Canada during the winter of 1993, Germany topped the charts with an increase of 22% over 1992 while France followed with a 15% rise (Chart 9). The United Kingdom increased by only 3% while remaining below the level reached in the first quarter of 1991. Although the performance of these three European countries happened despite the recession, a 3% decline witnessed in the number of overnight trips to Canada from Japan did reflect the downturn of the Japanese economy.

Chart 9
Overnight Trips to Canada by Major Countries of Origin, Percentage Change, First Quarter 1992/93



Source: *International Travel Survey*.

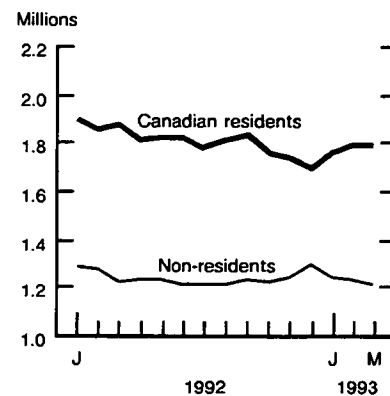
Less Foreign Travel by Canadians During the Winter of 1993

Foreign overnight travel by Canadian residents dropped 5% from the first quarter of 1992. The decrease stems from a significant fall in the number of automobile trips to the United States during this period. In fact, automobile trips, which accounted for 59% of all trips to this country in the first quarter of the year, dropped 14% while trips by other modes of transport increased by 2% during that period.

Overseas destinations fared better as the number of Canadian residents returning from countries other than the United States increased 5%. In fact, the number of overseas trips peaked in the first quarter of 1993.

Recent Trends as Shown by Seasonally Adjusted Data
Seasonally adjusted data, which highlight monthly trends, show that non-resident overnight travel to Canada decreased in March 1993 (Chart 10). On the other hand, outbound Canadian travel increased but at a slower rate.

Chart 10
Trips of One or More Nights Between Canada and Other Countries, Seasonally Adjusted



Source: *Statistics Canada, Cat. No. 66-001*.

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Travel Price Index, First Quarter 1993

During the first quarter of 1993, the Travel Price Index (TPI) increased 0.7% over the fourth quarter of 1992 (Table 11).

However, it remained below the level recorded in the third quarter of 1992 (Table 12). At 3.3%, the annual percentage increase was the strongest since the start of 1992. In comparison, overall prices for goods and services, as measured by the Consumer Price Index (CPI) rose 2.0% over the previous year.

A rise of 4.0% in inter-city transportation during the first quarter of 1993 coupled with a 2.0% hike in local and commuter transportation, drove travel prices upwards compared to the fourth quarter of 1992. Declines were registered during the same period in two TPI components, rentals of vehicles and traveller accommodation. From the first quarter of 1992, the largest annual advances were found in the transportation sector, whether inter-city or local and commuter.

Minor corrections were made to the historical series of the Travel Price Index for the fourth quarter of 1988 and the annual average of 1992.

Table 11

The Travel Price Index (TPI) and its Components, (not seasonally adjusted, 1986 = 100)

| Components of the TPI ¹ | First Quarter 1993 | % Change | |
|--|--------------------|------------------|---------------|
| | | Previous Quarter | Previous Year |
| Inter-city transportation | 133.6 | 4.0 | 7.7 |
| Local and commuter transportation | 154.0 | 2.0 | 5.5 |
| Rental and leasing of automotive vehicles | 110.7 | -6.1 | -0.9 |
| Operation of automotive vehicles | 130.8 | 0.1 | 2.3 |
| Traveller accommodation | 114.5 | -3.2 | 1.6 |
| Food | 122.5 | 1.3 | 2.1 |
| Alcoholic beverages | 141.3 | 0.3 | 3.7 |
| Clothing | 130.9 | 1.4 | 1.1 |
| Medicinal and pharmaceutical products | 150.3 | 1.4 | 3.3 |
| Personal care | 130.1 | 1.0 | 2.9 |
| Photographic goods and services | 114.0 | 0.0 | -2.1 |
| Reading materials and other printed matter | 146.8 | 0.7 | 1.0 |
| Tobacco products and smokers' supplies | 226.7 | 0.3 | 1.0 |
| Travel Price Index | 132.6 | 0.7 | 3.3 |
| Consumer Price Index | 129.8 | 0.7 | 2.0 |

¹ The following TPI components are not published by the Division: Admission to entertainment; Use of recreational vehicles, Records, compact discs and pre-recorded audio magnetic tapes, Fees for single use of recreational sports and health facilities.

Sources: Prices Division; The Consumer Price Index, Cat. No. 62-001.

Table 12

Travel Price Index, Not Seasonally Adjusted, 1986 = 100

| | Quarters | | | | Annual Average |
|------|----------|-------|-------|--------------------|--------------------|
| | 1st | 2nd | 3rd | 4th | |
| 1980 | 57.4 | 59.6 | 62.3 | 64.2 | 60.9 |
| 1981 | 66.7 | 69.3 | 72.1 | 73.8 | 70.5 |
| 1982 | 76.5 | 79.9 | 82.8 | 83.6 | 80.7 |
| 1983 | 83.2 | 84.4 | 87.6 | 86.8 | 85.5 |
| 1984 | 87.9 | 88.8 | 92.0 | 90.3 | 89.7 |
| 1985 | 91.5 | 93.7 | 96.1 | 96.7 | 94.5 |
| 1986 | 97.9 | 98.9 | 102.6 | 100.6 | 100.0 |
| 1987 | 101.0 | 103.2 | 108.1 | 105.3 | 104.4 |
| 1988 | 104.0 | 105.7 | 108.1 | 106.2 ^C | 106.0 |
| 1989 | 109.1 | 111.2 | 115.6 | 113.8 | 112.5 |
| 1990 | 116.3 | 118.5 | 123.4 | 124.3 | 120.6 |
| 1991 | 129.2 | 129.6 | 131.6 | 128.9 | 129.8 |
| 1992 | 128.4 | 129.7 | 133.2 | 131.7 | 130.8 ^C |
| 1993 | 132.6 | | | | |

^C Corrected.

Source: Education, Culture and Tourism Division.



| | | First Quarter 1993 | % Change | |
|--|---|--------------------------|---------------------|------------------|
| | | | Previous Quarter | Previous Year |
| VISITORS TO CANADA | | | | |
| From United States | T | 5,012 | -19.7 | -3.9 |
| Overnight visits(p) | T | 1,398 | -27.5 | -3.4 |
| By auto | T | 901 | -30.3 | -7.0 |
| From Overseas | T | 393 | -29.8 | 1.1 |
| Overnight visits(p) | T | 351 | -28.0 | 0.8 |
| Top Seven Countries | | | | |
| Japan | T | 63 | -5.4 | -3.3 |
| United Kingdom | T | 54 | -37.0 | 3.1 |
| Germany | T | 32 | -23.6 | 21.9 |
| France | T | 31 | -24.6 | 15.3 |
| Hong Kong | T | 21 | 3.3 | -9.5 |
| Australia | T | 13 | -33.4 | -4.7 |
| Italy | T | 10 | -41.7 | 0.0 |
| CANADIANS OUTSIDE CANADA | | | | |
| To United States | T | 14,551 | -7.7 | -18.4 |
| Overnight visits(p) | T | 3,699 | 7.3 | -7.7 |
| By auto | T | 2,201 | -5.4 | -13.5 |
| To Overseas | T | 1,030 | 68.4 | 5.0 |
| INDUSTRY SECTOR | | | | |
| Airline passengers (Level I) | T | 5,179 | 5.9 | 2.8 |
| Airline passenger-km (Level I) | M | 10,106 | 3.5 | 3.2 |
| Inter-city bus passengers | T | 2,763 | -0.7 | -6.3 |
| Restaurant receipts | M | 4,255 | -9.0 | 3.0 |
| PRICES | | | | |
| 1986 = 100 (not s.a.) | | | | |
| Travel price index | | 132.6 | 0.7 | 3.3 |
| Consumer price index | | 129.8 | 0.7 | 2.0 |
| Restaurant meals | | 137.0 | 0.4 | 1.5 |
| Inter-city transportation | | 133.6 | 4.0 | 7.7 |
| Gasoline | | 119.6 | -1.8 | 1.9 |
| ECONOMIC | | | | |
| Gross domestic product, 1986 prices (s.a.) | M | 510,082 | 1.0 | 2.1 |
| Amusement and recreation | M | 4,055 | 1.1 | 2.8 |
| Accommodation and food services | M | 11,027 | 1.0 | 2.6 |
| Personal disposable income per capita (s.a.) | | 17,566 | 1.0 | 2.4 |
| LABOUR FORCE | | | | |
| Labour force (s.a.) | T | 13,863 | -0.1 | 0.9 |
| Unemployed | T | 1,522 | -4.9 | 2.5 |
| Employed | T | 12,341 | 0.6 | 0.7 |
| Accommodation and food services (not s.a.) | T | 714 | -3.6 | -4.8 |
| EXCHANGE RATES | | | | |
| In Canadian Dollars: | | | | |
| American Dollar | | 1.2614 | -0.0 | 7.2 |
| British Pound | | 1.8650 | -6.3 | -10.5 |
| Japanese Yen | | 0.01044 | 1.7 | 14.0 |
| German Mark | | 0.7721 | -5.2 | 6.2 |
| French Franc | | 0.2276 | -5.1 | 6.6 |

(M) Millions. (T) Thousands. (s.a.) seasonally adjusted. (p) preliminary.