



Tourism Snapshot

A Monthly Monitor of the Performance of Canada's Tourism Industry

October 2018
Volume 14, Issue 9

© Brian Calssie

Canada

www.destinationcanada.com

KEY HIGHLIGHTS

IMPORTANT NOTE REGARDING THE FRONTIER COUNTS DATA:

Via air arrivals: The October frontier counts released on December 20, 2018 are based on new air administrative data from CBSA. The new data contains important adjustments on performance to date. In year-over-year comparisons, October 2018 data is compared against partly modelled data for YVR, YOW, YYZ T3 and YEG (Additional details below).




Via land arrivals: There have been significant changes in how country of residence data is collected and established for non-US visitors entering Canada by land ports, starting in August 2018. Statistics Canada advises caution in using this data for comparison with previous months or years, as shifts in land port arrivals may have impacted total arrivals for some markets. Overall YTD October 2018, overnight arrivals by land ports accounted for 10% of total long-haul international visitors to Canada. With a 34% share of arrivals, South Korea was the most exposed to shifts in arrivals by land.

- Year-to-date (YTD) October 2018, overnight arrivals of international visitors to Canada were up 1.2% and on track to achieve another record year.
- Over the first ten months of 2018, international overnight arrivals from countries other than the United States (+1.9%) edged up at a faster pace than overnight arrivals from the United States (+0.9%).
- In October 2018, overnight arrivals from the US contracted by 2.8% year-over-year, lowering YTD gains to +0.9%. YTD October 2018, gains in auto arrivals (+2.0%) and modes of entries other than auto and air (+11.0%) more than offset declines in air arrivals (-4.3%) over that period of time.
- Excluding arrivals via land border crossings, overnight arrivals from China surged in October 2018 (+12.0%) as a result of a second consecutive month of double-digit gains in arrivals by air direct from overseas (+14.2%) and, for the first time in seven months, an uptick in air arrivals via the US (+1.6%). This surge corresponded in part with Chinese travels around the Golden Week over the first week of October, as well as some trips to Northern Canada. Considering air and sea arrivals only, year-to-date arrivals from China (+0.4%) paced ahead of last year arrival levels for the first time since June 2018.
- In October 2018, a closer look at the performances from the UK (+8.8%), France (+9.6%) and Germany (-2.9%) revealed significant differences by mode of entry. While gains from land crossing arrivals via the US averaged +86.9% for the three markets, these may have been partly the result of methodological changes in data collection at land port crossings. On the other hand, steep declines in arrivals via the US by air were met with very robust gains in air arrivals direct from overseas in all three markets. YTD October 2018, direct air arrivals from these three Destination Canada European markets expanded by 7.8% and accounted for 73.2% of total arrivals, which stood in sharp contrast to arrivals via the US by air (-26.3% and representing a 12.7% share).

¹Note the caveat from Statistics Canada associated with the October 2018 data, available here: <https://www150.statcan.gc.ca/n1/daily-quotidien/181220/dq181220d-eng.htm>.

QUICK LINKS

Industry Performance Dashboard

	October 2018	YTD
 Overnight Arrivals¹		
Total International	↓ 0.2%	↑ 1.2%
10 DC Markets*	↓ 1.2%	↑ 0.8%
<i>United States</i>	↓ 2.8%	↑ 0.9%
<i>9 Long-Haul Markets</i>	↑ 4.4%	↑ 0.4%
Non-DC Markets	↑ 7.2%	↑ 4.4%
 Air Seat Capacity²		
Total International	↑ 5.9%	↑ 6.0%
10 DC Markets*	↑ 5.2%	↑ 5.3%
Non-DC Markets	↑ 8.0%	↑ 7.7%
 National Hotel Indicators³		
Occupancy Rate**	↑ 1.3	↑ 0.7
Revenue Per Available Room (Revpar)	↑ 3.4%	↑ 4.6%
Average Daily Rate (ADR)	↑ 5.4%	↑ 5.7%

Notes:

The Industry Performance Dashboard figures are year-on-year variations.

* The 10 DC markets are US, France, Germany, UK, Australia, China, India, Japan, South Korea and Mexico.

** Percentage point variations.

Sources:

1. Statistics Canada, Frontier counts, custom tabulations

2. IATA-Diio SRS Analyser

3. CBRE Hotels with reproduction and use of information subject to CBRE Disclaimer / Terms of Use as detailed at www.cbre.ca.

MARKET MONITOR SUMMARY

	Market	Overnight Arrivals ⁱ		Arrival YOY Variations (%)		Air Seat capacity ⁱⁱ		Local currency vs. CAD ⁱⁱⁱ	
		Oct. 2018	YTD 2018	Oct. 2018	YTD 2018	Oct. 2018	YTD 2018	Oct. 2018 Average	YTD Average
DC North America	United States	1,030,684	12,699,216	-2.8%	0.9%	5.1%	4.5%	3.2%	-1.0%
	Mexico	28,702	337,794	41.3%	9.5%	10.6%	42.9%	1.2%	-2.0%
DC Europe	France	54,106	539,441	9.6%	5.5%	15.8%	10.1%	0.8%	5.3%
	Germany	34,349	375,675	-2.9%	5.3%	2.0%	2.5%	0.8%	5.3%
	United Kingdom	57,756	709,465	8.8%	-1.4%	2.3%	1.7%	1.7%	4.2%
DC Asia-Pacific	Australia	18,646	298,710	-11.6%	-7.7%	26.3%	13.2%	-5.8%	-2.8%
	China	62,055	646,975	17.4%	6.1%	6.4%	6.8%	-1.2%	2.6%
	India	16,967	239,203	8.6%	8.8%	6.7%	24.4%	-8.7%	-4.7%
	Japan	25,614	217,294	-25.5%	-19.7%	-3.0%	-4.9%	3.4%	0.8%
	South Korea	27,391	221,462	-8.3%	-12.1%	-7.3%	-0.9%	3.2%	2.8%
Total 10 DC Markets		1,356,270	16,285,235	-1.2%	0.8%				
Rest of the World		192,662	2,277,094	7.2%	4.4%				
Total International		1,548,932	18,562,329	-0.2%	1.2%				

Sources:

- i. Statistics Canada, Frontier counts, custom tabulations
- ii. IATA-Diio SRS Analyser
- iii. Bank of Canada

Notes:

- i. Arrival figures are preliminary estimates and are subject to change.
- ii. Air seat capacity is the variation in the total number of seats on direct commercial scheduled flights during the current month and YTD relative to the same periods in the previous year.
- iii. The exchange rate variation is calculated on the average value of the Canadian dollar during the current month and YTD relative to the same periods in the previous year.

UNITED STATES

US Arrivals to Canada

CURRENT MONTH:

-2.8% ↓ YOY



YTD:

+0.9% ↑ YOY

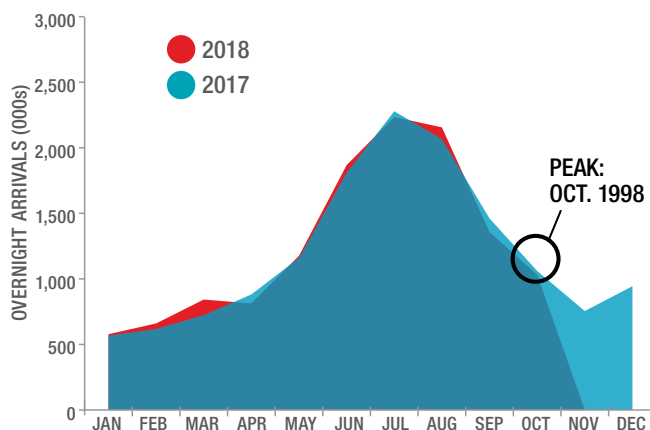
Overnight Arrivals

	October 2018		YTD 2018	
	Arrivals	% YOY Variance	Arrivals	% YOY Variance
Automobile	528,927	-1.6	7,186,850	2.0
Air	372,862	-3.8	3,925,107	-4.3
Other	128,895	-4.5	1,587,259	11.0
US Total	1,030,684	-2.8	12,699,216	0.9

Source: Statistics Canada, Frontier counts, custom tabulations.
Note: The figures are preliminary estimates and are subject to change.



Trend Plot: Total United States Arrivals



United States: Key Indicators

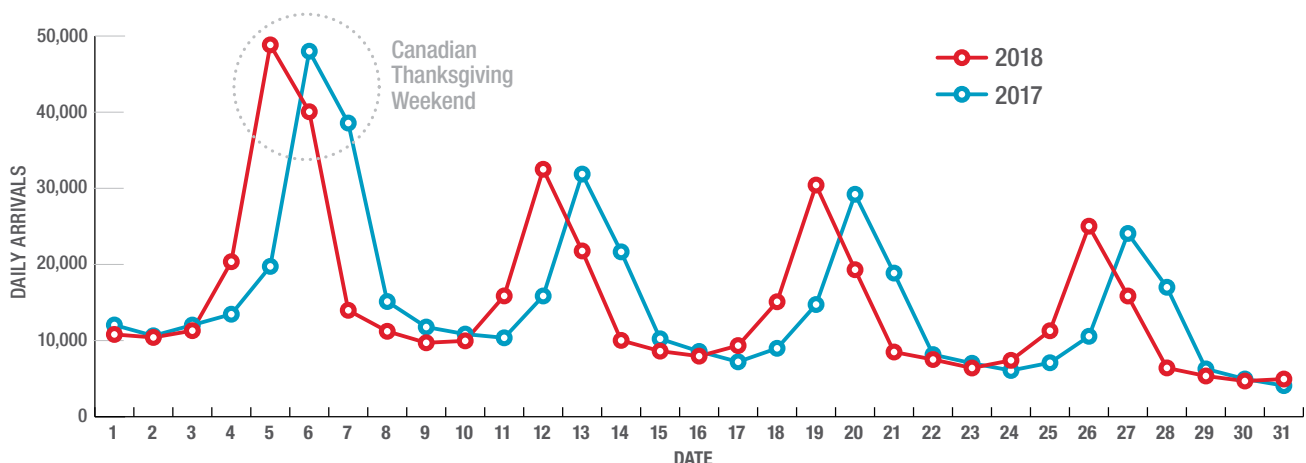
Air Seat Capacity ⁱ	October 2018	5.1%
	YTD	4.5%
Exchange Rate ⁱⁱ	October 2018	3.2%
	YTD	-1.0%
Consumer Confidence Index (1985=100) ⁱⁱⁱ	October 2018	137.9
	Previous Month	135.3
YTD Arrival Peak ^{iv}	Peak Year	2002
	Current % of Previous Peak	87.9%

Source:
i. IATA-Diio SRS Analyser, Year-on-year % variance.
ii. Bank of Canada, Year on year % variance.
iii. Consumer Confidence Index, the Conference Board (USA).
iv. Statistics Canada, Frontier counts, custom tabulations.

UNITED STATES

- Overnight arrivals from the US declined for the second consecutive month in October 2018 (1.0 million, -2.8%). US arrivals contracted across all modes of entry, including a sixth consecutive month of declining air arrivals (-3.8%), and a reduction in auto arrivals (-1.6%) and other modes of transportation such as bus, train, and cruise (-4.5%).
- Daily US auto arrivals data (based on IPIL daily arrivals estimates) showed nearly identical arrival patterns in October 2018 compared to the same month the previous year. Over the first weekend of 2018, overnight arrivals from the US were almost 40% greater than any other weekend in that month. This spike early in the month coincided with the Thanksgiving long weekend in Canada (October 8 in 2018 and October 9 in 2017).
- The largest gains in auto arrivals came from the Pacific Northwest states of Washington (+3.4%) and Oregon (+5.5%), which not surprisingly were also linked to the largest gains in arrivals to Western Canada, in British Columbia (+4.0%) and Alberta (+9.8%). Conversely, the largest contractions originated from New Jersey (-9.9%) and New York (-5.6%), which were associated with declines in auto arrivals to Quebec (-2.9%), Ontario (-2.5%), and New Brunswick (-2.6%).
- Almost 12.7 million US tourists visited Canada over the first 10 months of 2018, up 0.9% relative to the same period in 2017 and the highest for that period since 2005. While YTD US arrivals by air fell by 4.3% year-over-year, this was offset by increased auto arrivals (+2.0%, 56.6% of US arrivals YTD) and other modes of transportation (+11.0%).
- After sustaining losses in its purchasing power over the first six months of 2018 (-4.3%), the USD has been on the mend since July 2018, further gaining 3.2% in October 2018 relative to the same month in 2017. Meanwhile, direct air service between Canada and the United States further expanded (+5.1% in October, +4.5% YTD). However, sustained increases in the number of Canadians returning from the US by air (+15.7% in October, +11.5% YTD) in excess of increased air capacity indicate that US air travellers occupy a decreasing share of available seats.
- The consumer confidence index published by the US Conference Board rose to 137.9, up 2.6 p.p. over September, with which it reached an 18-year high in October 2018 amid strong employment growth and a favourable economic outlook, which bodes well for continued growth in consumer spending. This assessment was published ahead of the US midterm election this past November.

Daily US Overnight Auto Arrivals – October 2018



Note: Daily US resident overnight auto arrivals at land ports with Integrated Primary Inspection Lane (IPIL).

MEXICO

Mexico Arrivals to Canada

CURRENT MONTH:

+41.3% ↑ YOY



YTD:

+9.5% ↑ YOY

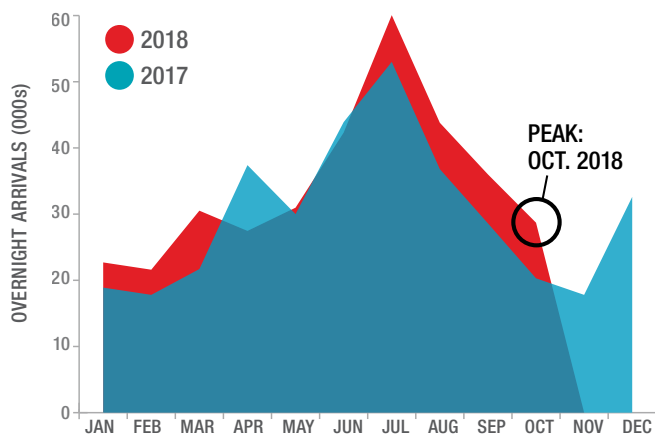
Overnight Arrivals

	October 2018		YTD 2018	
	Arrivals	% YOY Variance	Arrivals	% YOY Variance
Mexico	28,702	41.3	337,794	9.5

Source: Statistics Canada, Frontier counts, custom tabulations.
Note: The figures are preliminary estimates and are subject to change.



Arrival Trend Plot – Total Mexico



Mexico: Key Indicators

		Mexico
Air Seat Capacity ⁱ	October 2018	10.6%
	YTD	42.9%
Exchange Rate ⁱⁱ	October 2018	1.2%
	YTD	-2.0%
YTD Arrival Peak ⁱⁱⁱ	Peak Year	2017
	Current % of Previous Peak	109.5%

Sources:
i. IATA-Diio SRS Analyser, Year-on-year % variance.
ii. Bank of Canada, Year on year % variance.
iii. Statistics Canada, Frontier counts, custom tabulations.

- In 2018, arrivals from Mexico continued to reach new heights for the month of October with a record 29,000 visitors, up 41.3% (an additional 8,400 visitors), year-over-year. In October 2018, Mexico also led Destination Canada's international markets in year-over-year arrivals growth for a third consecutive month.
- Building on the exceptional performance achieved since the replacement of the visa requirement for Mexican citizens with the eTA in December 2016, arrivals from Mexico also continued to set new records year-to-date (338,000, +9.5%).
- The robust growth in overnight arrivals from Mexico continued to be driven primarily by direct air arrivals from Mexico, which were up 26.5% YTD and represented an additional 53,000 visitors compared to the same period in 2017. The surge in visitors arriving by air direct from Mexico more than offset contractions in arrivals by air via the United States (-7,400 Mexican passengers, -13.5%) and by land from the US (-17,000 visitors, -43.2%). YTD October 2018, gains in air arrivals direct from Mexico were supported by a 42.9% increase in non-stop air services between Mexico City and Canadian destinations, offered by the Mexican carriers' Interjet and Aeromexico, and by Air Canada Rouge and WestJet, the latter of which began offering services in March 2018.

Mexico Arrivals by Port of Entry

- Year-to-date in 2018, the vast majority of visitors from Mexico flew directly to Canada (75.1% of total arrivals YTD). Of those direct air arrivals, most flew into YYZ (41.8%), YVR (32.3%), or YUL (21.0%). YVR (+59.9%) continued to record the strongest year-over-year growth in arrivals from this market.

Year-to-date Arrivals by Port of Entry

			Mexico
Air Arrivals from Overseas	YYZ	Arrivals	105,851
		YOY%	15.9%
		% of Total	31.3%
	YVR	Arrivals	81,768
		YOY%	59.9%
		% of Total	24.2%
	YUL	Arrivals	53,116
		YOY%	8.8%
		% of Total	15.7%
	YYC	Arrivals	10,686
		YOY%	38.1%
		% of Total	3.2%
	All other airports	Arrivals	2,110
		YOY%	1.1%
		% of Total	0.6%
	Subtotal	Arrivals	253,531
		YOY%	26.5%
		% of Total	75.1%
Air Arrivals via the US	All airports	Arrivals	47,537
		YOY%	-13.5%
		% of Total	14.1%
Sea Arrivals	All sea borders	Arrivals	13,580
		YOY%	5.3%
		% of Total	4.0%
Land Arrivals via US	All land borders	Arrivals	22,832
		YOY%	-43.2%
		% of Total	6.8%
Total Overnight Arrivals			337,794

Source: Statistics Canada, Frontier counts, custom tabulations, Table C.
Note: The figures are preliminary estimates and are subject to change.

EUROPE

Europe Arrivals to Canada

CURRENT MONTH:

+6.1% ↑ YOY



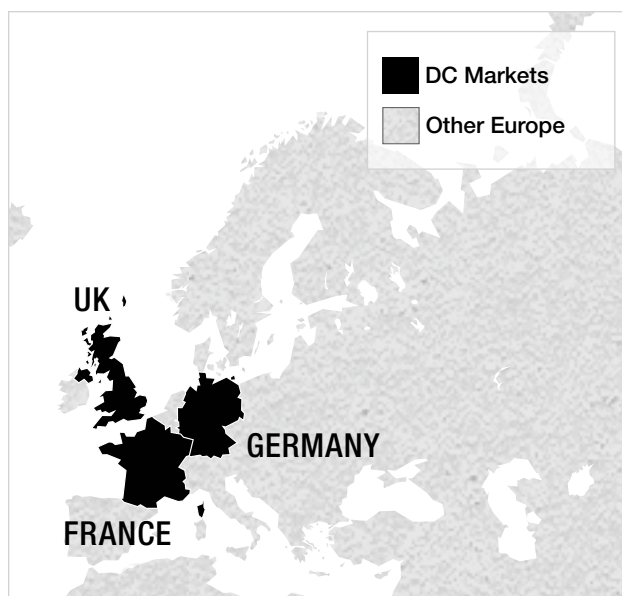
YTD:

+2.3% ↑ YOY

Overnight Arrivals

	October 2018		YTD 2018	
	Arrivals	% YOY Variance	Arrivals	% YOY Variance
DC Europe	146,211	6.1	1,624,581	2.3
United Kingdom	57,756	8.8	709,465	-1.4
France	54,106	9.6	539,441	5.5
Germany	34,349	-2.9	375,675	5.3
Other Europe	76,476	-3.7	935,501	-15.8
Italy	8,244	-10.3	107,952	-10.3
Netherlands	9,289	3.3	125,949	1.2
Spain	5,324	-8.5	80,457	-5.7
Switzerland	9,474	5.4	111,187	-3.6
Rest of Europe	44,145	6.4	509,956	2.6
Total Europe	222,687	4.9	2,560,082	1.2

Source: Statistics Canada, Frontier counts, custom tabulations.
Note: The figures are preliminary estimates and are subject to change.

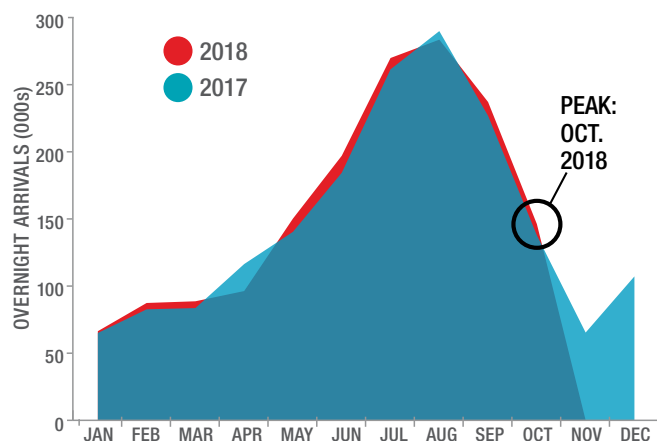


DC Europe: Key Indicators

		France	Germany	United Kingdom
Air Seat Capacityⁱ	Oct. 2018	15.8%	2.0%	2.3%
	YTD	10.1%	2.5%	1.7%
Exchange Rateⁱⁱ	Oct. 2018	0.8%	0.8%	1.7%
	YTD	5.3%	5.3%	4.2%
YTD Arrival Peakⁱⁱⁱ	Peak Year	2017	1996	2007
	Current % of Previous Peak	105.5%	87.9%	87.3%

Sources:
i. IATA-Diio SRS Analyser, Year-on-year % variance.
ii. Bank of Canada, Year on year % variance.
iii. Statistics Canada, Frontier counts, custom tabulations.

Trend Plot: Total DC Europe Arrivals



- In October 2018, 146,000 travellers from Destination Canada's Europe region visited Canada, up 6.1% over the same month a year ago, which represented a new record high in October arrivals from this region, surpassing the peak last established in 2016.
- From January to October 2018, arrivals from this region reached a new YTD peak, with over 1.6 million visitors, up 2.3% over the previous record established over the same period in 2017.
- After establishing a new record high in 2017, Germany recorded a 2.9% decline in October 2018. Year-to-date arrivals reached 376,000 (+5.3%); this was the highest level in 21 years.
- With just over 54,000 visitors, October arrivals from France were up 9.6% year-over-year, setting a new record high for that month, surpassing the high watermark last achieved in 2016. Year-to-date arrivals from France reached a new record of 539,000 visitors, up 5.5% over the same period last year.
- In October 2018, the UK gained 8.8% in total arrivals (58,000 visitors), ranking second behind China (62,000 visitors) among Destination Canada's long-haul markets. YTD October 2018, the UK continued to lead as the top long-haul Destination Canada market (709,000, -1.4%).
- The greater purchasing power of the Euro (+0.8% in October, +5.3% YTD) and British pound (+1.7% in October, +4.2% YTD) relative to the Canadian dollar contributed to making travel to Canada more attractive. This together with expanded air capacity to Canada from all three markets helped support increased direct arrivals from France (+18.4% in October, 16.1% YTD), Germany (+15.8% in October, 8.9% YTD) and the United Kingdom (7.3% in October, 1.8% YTD).

DC Europe Arrivals by Port of Entry

- In October and year-to-date 2018, arrivals from Destination Canada's Europe region were up for direct air arrivals (+13.2% in October, 7.8% YTD) and for land crossings via the US (+86.9%, +19.9% YTD), but down for air arrivals via the US (-25.5%, -27.3% YTD) and for cruise arrivals into Canada (-36.9%, -1.7% YTD). Direct air arrivals represented the majority of total arrivals from these markets (69.7% in October, 73.2% YTD).

Year-to-date Arrivals by Port of Entry

			France	Germany	UK
Air Arrivals from Overseas	YYZ	Arrivals	50,971	97,410	245,891
		YOY%	-17.6%	5.3%	0.7%
		% of Total	9.4%	25.9%	34.7%
	YVR	Arrivals	22,240	71,079	137,834
		YOY%	26.9%	14.8%	6.7%
		% of Total	4.1%	18.9%	19.4%
	YUL	Arrivals	315,464	43,169	45,331
		YOY%	20.1%	14.0%	0.2%
		% of Total	58.5%	11.5%	6.4%
	YYC	Arrivals	2,740	22,125	60,668
		YOY%	-13.2%	3.6%	-3.1%
		% of Total	0.5%	5.9%	8.6%
	All other airports	Arrivals	14,853	20,835	38,941
		YOY%	4.3%	9.8%	8.0%
		% of Total	2.8%	5.5%	5.5%
Subtotal	Arrivals	406,268	254,618	528,665	
	YOY%	16.1%	8.9%	1.8%	
	% of Total	75.3%	67.8%	74.5%	
Air Arrivals via the US	All airports	Arrivals	85,717	40,571	80,709
		YOY%	-34.8%	-22.0%	-20.3%
		% of Total	15.9%	10.8%	11.4%
Sea Arrivals	All sea borders	Arrivals	1,499	31,873	44,029
		YOY%	-34.7%	1.9%	-2.6%
		% of Total	0.3%	8.5%	6.2%
Land Arrivals via US	All land borders	Arrivals	45,444	47,347	53,438
		YOY%	60.4%	19.2%	-1.0%
		% of Total	8.4%	12.6%	7.5%
Total Overnight Arrivals			539,441	375,675	709,465

Source: International Travel Survey, Table C, Statistics Canada.
Note: The figures are preliminary estimates and are subject to change.

ASIA-PACIFIC

DC Asia-Pacific Arrivals to Canada

CURRENT MONTH:

-2.1% ↓ YOY



YTD:

-3.1% ↓ YOY

Overnight Arrivals

	October 2018		YTD 2018	
	Arrivals	% YOY Variance	Arrivals	% YOY Variance
DC Asia-Pacific	150,673	-2.1	1,623,644	-3.1
Australia	18,646	-11.6	298,710	-7.7
China	62,055	17.4	646,975	6.1
India	16,967	8.6	239,203	8.8
Japan	25,614	-25.5	217,294	-19.7
South Korea	27,391	-8.3	221,462	-12.1
Other Asia-Pacific	65,092	38.2	746,420	39.1
Hong Kong	10,159	19.1	134,398	3.0
Taiwan	14,349	8.7	114,429	28.2
Rest of Asia-Pacific	40,584	10.4	497,593	8.0
Total Asia-Pacific	215,765	1.6	2,370,064	0.6

Source: Statistics Canada, Frontier counts, custom tabulations.
Note: The figures are preliminary estimates and are subject to change.

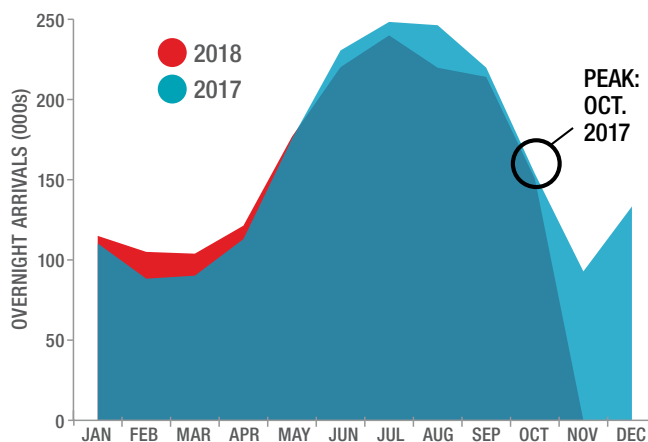


Asia-Pacific: Key Indicators

		Australia	China	India	Japan	South Korea
Air Seat Capacity ⁱ	Oct. 2018	26.3%	6.4%	6.7%	-3.0%	-7.3%
	YTD	13.2%	6.8%	24.4%	-4.9%	-0.9%
Exchange Rate ⁱⁱ	Oct. 2018	-5.8%	-1.2%	-8.7%	3.4%	3.2%
	YTD	-2.8%	2.6%	-4.7%	0.8%	2.8%
YTD Arrival Peak ⁱⁱⁱ	Peak Year	2017	2017	2017	1996	2017
	Current % of Previous Peak	92.3%	106.1%	108.8%	36.9%	87.9%

Sources:
i. IATA-Diio SRS Analyser, Year-on-year % variance.
ii. Bank of Canada, Year on year % variance.
iii. Statistics Canada, Frontier counts, custom tabulations.

Trend Plot: Total DC Asia-Pacific Arrivals



- October arrivals from Destination Canada's Asia-Pacific region were down compared to the same month a year ago (151,000 visitors, -2.1%), contributing to year-to-date arrivals below this region's 2017 record high levels (1.6 million, -3.1%). With fewer visitors from three of the five key markets (Japan, Australia, and South Korea) YTD October 2018, this region was surpassed by Europe by a marginal 0.1% as the largest of Destination Canada's long-haul regions.
- With a record 62,000 visitors (+17.4%) in October 2018, and a new peak of 647,000 visitors year-to-date (+6.1%), China recorded the greatest increase in arrivals from this region. Air arrivals direct from overseas increased by 3.9%, year-to-date October. However, its share of arrivals contracted (74.6% in 2018, down from 76.1% in 2017) as a result of significant gains in land arrivals from the US (+72.7% YTD, 12.7% share of arrivals, up from 7.8% in 2017). These gains from the US were overshadowed by a double-digit decline in arrivals by air via the US, along with a diminishing share (-15.7%, 10.9% of arrivals, down from 13.7% in 2017). The results with respect to land arrivals from the US should be viewed with caution as a result of changes in data collection and processing (see note regarding the frontier count data on page 2).
- India was the only other market from this region to surpass 2017 arrivals levels in October 2018, thereby setting new arrivals records for both the month of October and YTD. With 17,000 visitors in October 2018, arrivals rose 8.6%, which contributed to a new YTD peak of 239,000 visitors, up 8.8%. Increased direct air service between India and Canada since 2017 (+24.4%) has helped boost air arrivals direct from overseas (+13.2% YTD October 2018).
- Both in October and year-to-date 2018, Canada welcomed fewer visitors from

South Korea (-8.3% in October, -12.1% YTD), Japan (-25.5% in October, -19.7% YTD), and Australia (-11.6% in October, -7.7% YTD). In October, arrivals from Japan and Australia contracted across all modes of entry except land arrivals from the US, while only direct air arrivals increased from South Korea this month.

DC Asia-Pacific Arrivals by Port of Entry

- In October 2018 and YTD, overall arrivals from Destination Canada's Asia-Pacific region were down across all modes of entry except land border crossings from the US (+12.6% in October, +6.5% YTD). While direct air arrivals edged down (-2.8% in October, -1.1% YTD), air arrivals via the US showed double-digit retreats (-13.4% in October, -15.9% YTD).

Year-to-date Arrivals by Port of Entry

			Australia	China	India	Japan	South Korea
Air Arrivals from Overseas	YYZ	Arrivals	13,127	179,327	101,451	37,982	46,223
		YOY%	-10.8%	-4.5%	-7.4%	-42.7%	-15.3%
		% of Total	4.4%	27.7%	42.4%	17.5%	20.9%
	YVR	Arrivals	103,128	255,580	53,959	92,616	67,180
		YOY%	1.2%	11.0%	116.8%	-15.3%	0.5%
		% of Total	34.5%	39.5%	22.6%	42.6%	30.3%
	YUL	Arrivals	2,408	36,646	7,068	10,020	861
		YOY%	1.0%	8.6%	-15.2%	515.9%	3.1%
		% of Total	0.8%	5.7%	3.0%	4.6%	0.4%
	YYC	Arrivals	1,303	9,923	9,378	11,672	923
		YOY%	5.5%	-13.8%	23.3%	-23.8%	-45.5%
		% of Total	0.4%	1.5%	3.9%	5.4%	0.4%
	All other airports	Arrivals	793	431	2,142	203	118
		YOY%	0.7%	0.1%	1.4%	0.1%	0.1%
		% of Total	0.3%	0.1%	0.9%	0.1%	0.1%
	Subtotal	Arrivals	120,759	481,907	173,998	152,493	115,305
		YOY%	-0.3%	3.9%	13.2%	-20.9%	-7.1%
		% of Total	40.4%	74.5%	72.7%	70.2%	52.1%
Air Arrivals via the US	All airports	Arrivals	103,857	70,528	33,263	40,337	25,546
		YOY%	-13.8%	-15.7%	7.4%	-27.4%	-26.3%
		% of Total	34.8%	10.9%	13.9%	18.6%	11.5%
Sea Arrivals	All sea borders	Arrivals	43,677	12,161	10,832	5,020	5,333
		YOY%	-8.5%	-20.3%	13.0%	14.1%	-3.2%
		% of Total	14.6%	1.9%	4.5%	2.3%	2.4%
Land Arrivals via US	All land borders	Arrivals	29,748	81,959	20,873	18,934	75,186
		YOY%	-13.2%	72.7%	-18.8%	5.5%	-14.1%
		% of Total	10.0%	12.7%	8.7%	8.7%	33.9%
Total Overnight Arrivals			298,710	646,975	239,203	217,294	221,462

Source: International Travel Survey, Table C, Statistics Canada.
Note: The figures are preliminary estimates and are subject to change.

CANADIAN OUTBOUND TRAVEL

Overnight Trips by Canadians

	October 2018	YOY % Variance	Jan.- Oct. 2018	YOY % Variance
United States	1,654,927	1.1	18,413,150	6.0
Other Countries	772,180	-15.0	10,222,173	-6.7
Total Trips from Canada	2,427,107	-4.7	28,635,323	1.1

Source: Statistics Canada, International Travel Survey.

Note: The figures are preliminary estimates and are subject to change.

- In October 2018, fewer Canadians returned from international travels relative to October 2017 (-4.7%). However, more Canadians returned from the US by air (+15.7%) than returned either from overseas destinations (-15.0%) or from the US by automobile (-9.3%).
- By contrast, more Canadians returned from travels abroad from January through October 2018 (+1.1%), as an increase in the number of Canadian returning from the US (+6.0%) offset a decline in travellers returning from other international destinations (-6.7%).
- Year-to-date, the growth in the number of Canadians returning from the US (+6.0%) was driven by air travel (+11.5%) and re-entry by automobile (+2.8%), while other modes of transportation (-3.8%) declined.
- However, these results should be interpreted with caution given the recent incorporation of PIK air arrival data in frontier counts and comparability with 2017 air arrival data, which has not yet been revised. In particular, Statistics Canada noted, “there has been an increased tendency of Canadian travellers returning from overseas trips via the United States to report that they are returning from the United States and not overseas via the United States”.

INTERNATIONAL ARRIVALS BY PROVINCE OF ENTRY

Year-to-date Overnight Arrivals by Province of Entry

		Newfoundland and Labrador	Prince Edward Island	Nova Scotia	New Brunswick	Québec	Ontario
Total One or more nights	2018	56,141	321	254,759	332,681	2,792,855	8,331,757
	Variance YOY%	-12.7%	-92.6%	5.8%	-0.7%	2.5%	-2.9%
	Change YOY	(8,196)	(3,995)	13,962	(2,228)	67,103	(248,096)
US Residents by Automobile	2018	0	0	17,139	234,998	953,463	3,883,736
	Variance YOY%	0.0%	0.0%	18.5%	0.6%	1.3%	1.6%
	Change YOY	-	-	2,676	1,488	12,458	61,427
US Residents by Non-Automobile	2018	12,816	294	149,900	77,982	753,584	2,103,585
	Variance YOY%	-5.0%	-92.2%	2.1%	-11.3%	0.6%	-8.8%
	Change YOY	(674)	(3,464)	3,112	(9,897)	4,567	(202,413)
Residents from Other Countries	2018	43,325	27	87,720	19,701	1,085,808	2,344,436
	Variance YOY%	-14.8%	-95.2%	10.3%	45.7%	4.8%	-4.4%
	Change YOY	(7,522)	(531)	8,174	6,181	50,078	(107,110)

Source: Statistics Canada, Frontier counts, custom tabulations.
Preliminary estimates subject to change.

Year-to-date Overnight Arrivals by Province of Entry

		Manitoba	Saskatchewan	Alberta	British Columbia	Yukon	Nunavut	CANADA
Total One or more nights	2018	209,175	75,075	955,796	5,379,233	172,290	2,246	18,562,329
	Variance YOY%	6.8%	8.1%	1.3%	7.1%	10.9%	58.1%	1.2%
	Change YOY	13,315	5,632	11,911	355,415	16,878	825	222,526
US Residents by Automobile	2018	136,260	53,813	150,915	1,668,478	88,048	0	7,186,850
	Variance YOY%	5.6%	3.3%	2.4%	2.8%	2.8%	0.0%	2.0%
	Change YOY	7,284	1,707	3,498	44,823	2,430	-	137,791
US Residents by Non-Automobile	2018	60,084	19,076	516,351	1,754,221	64,384	89	5,512,366
	Variance YOY%	2.4%	24.9%	2.1%	9.9%	30.0%	8.5%	-0.4%
	Change YOY	1,398	3,807	10,736	158,334	14,859	7	(19,628)
Residents from Other Countries	2018	12,831	2,186	288,530	1,956,534	19,858	2,157	5,863,113
	Variance YOY%	56.5%	5.7%	-0.8%	8.4%	-2.0%	61.1%	1.8%
	Change YOY	4,633	118	(2,323)	152,258	(411)	818	104,363

- Over the first ten months of 2018, most international visitors to Canada continued to enter the country via Ontario (44.9%), British Columbia (29.0%), and Quebec (15.0%).
- The 2.0% increase in US auto arrivals to Canada from January to October 2018 contributed to incremental arrivals across all provinces with land borders. The largest gains in US auto arrivals were registered through Ontario (61,000 visitors, +1.6%), British Columbia (45,000, +2.8%), Quebec (+12,000, +1.3%) and Manitoba (+7,000, +5.6%).
- The marginal 0.4% decrease in US non-auto arrivals primarily resulted from a contraction in arrivals through Ontario (-202,000, -8.8%) and New Brunswick (-10,000, -11.3%). British Columbia recorded the largest gains (+158,000 visitors, +9.9%).
- Overall, the biggest year-over-year increase in international arrivals over the January to October 2018 period came through British Columbia (+355,000 visitors, +7.1%), with 42.8% of that growth coming from overseas tourists (+152,000 visitors, +8.4%). The biggest decrease in international arrivals over this period was seen in Ontario (-248,000 visitors, -2.9%), where the largest share of declining visitors originated from fewer US residents entering Canada by modes other than automobiles.

ACCOMMODATION

Hotel Performance Indicators by Province

	Occupancy Rates				Average Daily Rate (ADR)				Revenue Per Available Room (RevPAR)			
	Oct. 2018	YOY [^] Variance	Jan.- Oct.	YOY [^] Variance	Oct. 2018	YOY % Variance	Jan.- Oct.	YOY % Variance	Oct. 2018	YOY % Variance	Jan.- Oct.	YOY % Variance
Alberta¹	57.3%	3.2	57.3%	2.4	\$130.35	0.7%	\$131.58	0.7%	\$74.71	6.7%	\$75.42	5.2%
British Columbia	71.3%	2.8	73.2%	0.4	\$166.50	7.9%	\$192.02	9.4%	\$118.63	12.3%	\$140.47	10.1%
Saskatchewan	63.8%	3.4	57.9%	2.8	\$119.11	0.3%	\$117.80	-1.6%	\$75.99	6.0%	\$68.16	3.3%
Manitoba	75.8%	2.9	70.1%	-0.1	\$124.97	-0.7%	\$125.53	1.4%	\$94.76	3.3%	\$88.01	1.3%
Ontario	76.1%	0.1	71.9%	1.0	\$164.96	2.6%	\$163.52	4.7%	\$125.52	2.7%	\$117.58	6.3%
Quebec	76.5%	-0.1	71.1%	-1.2	\$181.14	3.8%	\$174.85	3.0%	\$138.56	3.8%	\$124.33	1.2%
New Brunswick	65.9%	3.6	63.4%	0.1	\$124.35	4.4%	\$126.50	3.3%	\$81.96	10.4%	\$80.21	3.4%
Nova Scotia	72.9%	1.3	69.4%	-0.7	\$154.95	8.7%	\$151.69	5.8%	\$112.89	10.6%	\$105.21	4.8%
Newfoundland	55.0%	-8.0	55.4%	-10.5	\$134.03	-7.5%	\$143.03	-2.4%	\$73.77	-19.2%	\$79.26	-18.0%
Prince Edward Island	53.0%	-3.6	61.6%	0.7	\$137.95	8.0%	\$156.62	5.5%	\$73.17	1.2%	\$96.50	6.7%
Northwest Territories	73.9%	-4.2	71.8%	0.4	\$149.30	3.7%	\$149.55	4.5%	\$110.29	-1.9%	\$107.37	5.0%
Yukon	55.1%	-1.1	67.5%	-0.6	\$135.11	6.5%	\$145.58	8.3%	\$74.45	4.4%	\$98.31	7.3%
Canada	70.3%	1.3	68.1%	0.7	\$158.50	3.4%	\$164.20	4.6%	\$111.42	5.4%	\$111.88	5.7%

Note: Based on the operating results of 237,545 rooms (unweighted data).

[^] Percentage points.

¹ Excluding Alberta resorts.

Source: CBRE Hotels with reproduction and use of information subject to CBRE Disclaimer / Terms of Use as detailed at www.cbre.ca.

Users of this information are advised that CBRE Hotels does not represent the information contained herein to be definitive or all-inclusive. CBRE Hotels believes the information to be reliable, but is not responsible for errors or omissions.

- In October 2018, the National Occupancy Rate moved marginally ahead of October 2017 (70.3%, +1.3 percentage points), along with the January to October 2018 rate relative to the same period last year (68.1%, +0.7 p.p.). The highest occupancy rates in October 2018 were reported in Quebec (76.5%), Ontario (76.1%), and Manitoba (75.8%), while the highest rates year-to-date were registered for British Columbia (73.2%), Ontario (71.9%) and the Northwest Territories (71.8%).
- Led by New Brunswick (+3.6 p.p.), half of the provinces in Eastern Canada saw year-over-year improvements in their average occupancy rates in October 2018, while all four provinces in Western Canada registered robust increases, topped by Saskatchewan (+3.4 p.p.).
- Year-to-date October 2018, seven of the provinces and territories recorded an increase in occupancy rates. Among those that saw the largest changes in this measure were Saskatchewan (+2.8 p.p.), Alberta (+2.4 p.p.) and Ontario (+1.0 p.p.).
- Both in October and YTD October 2018, Newfoundland and Labrador registered the most significant decline (-8.0 p.p in October, -10.5 p.p. YTD)
- In October 2018, the National Average Daily Rate (ADR) gained 3.4% year-over-year to reach \$158.50. Together with the increase in the National Occupancy Rate, the Revenue per Available Room (RevPar) rose by a respectable 5.4%.
- Across Canada, the ADR showed significant differences in October 2018. In contrast to subdued occupancy rates, robust ADR gains were reported in Prince-Edward Island (+8.0%), Quebec (+3.8%), the Northwest Territories (+3.7%) and Yukon (+6.5%). Conversely, in the three prairie provinces, gains in their respective occupancy rates stood in contrast to relatively subdued ADRs. In resort areas, some notable ADR gains were registered in the Alberta (+8.3%) and Whistler (+8.9%) resort areas.
- YTD October 2018, the National ADR was up 4.6%, with British Columbia (+9.4%), Yukon (+8.3%) and Nova Scotia (+5.8%) recording the biggest increases.

ACCOMMODATION

Hotel Performance Indicators by Property Type

	Occupancy Rates				Average Daily Rate (ADR)			
	October 2018	YOY^ Change	Jan. - Oct.	YOY^ Variance	October 2018	YOY Variance	Jan. - Oct.	YOY Variance
Property Size								
Under 50 rooms	58.0%	2.3	55.3%	0.6	\$116.72	5.9%	\$120.43	5.3%
50-75 rooms	64.1%	1.7	62.5%	0.8	\$115.77	2.8%	\$123.56	3.5%
76-125 rooms	68.0%	1.4	66.4%	0.9	\$130.66	3.6%	\$136.37	3.2%
126-200 rooms	70.3%	1.6	68.3%	0.2	\$147.16	4.5%	\$150.63	4.6%
201-500 rooms	73.9%	0.8	71.4%	0.8	\$189.11	3.6%	\$194.57	5.0%
Over 500 rooms	80.8%	0.7	76.7%	0.4	\$240.43	2.9%	\$251.42	6.6%
Total	70.3%	1.3	68.1%	0.7	\$158.50	3.4%	\$164.20	4.6%
Property Type								
Limited Service	66.3%	2.3	63.6%	1.1	\$120.52	4.4%	\$123.69	3.9%
Full Service	73.7%	1.1	70.7%	0.8	\$176.83	3.2%	\$178.79	5.0%
Suite Hotel	78.3%	0.7	75.6%	-0.3	\$164.92	4.6%	\$170.23	5.5%
Resort	56.1%	-1.6	65.9%	-0.5	\$214.56	8.4%	\$262.25	8.2%
Total	70.3%	1.3	68.1%	0.7	\$158.50	3.4%	\$164.20	4.6%
Price Level								
Budget	65.4%	2.3	62.5%	0.9	\$105.30	4.9%	\$110.07	5.6%
Mid-Price	70.8%	1.2	68.7%	0.7	\$149.58	3.3%	\$153.05	3.4%
Upscale	74.0%	0.4	73.2%	0.2	\$256.04	3.2%	\$271.99	6.1%
Total	70.3%	1.3	68.1%	0.7	\$158.50	3.4%	\$164.20	4.6%

Note: Based on the operating results of 237,545 rooms (unweighted data).

^ Percentage points.

- In line with past trends, the highest occupancy rates across Canada were reported for larger properties (500+ rooms) (80.8% in October, 76.7% YTD). All property sizes saw improvements in their occupancy rates, with small properties of less than 50 rooms reporting the fastest progression, but lowest occupancy rates, in October 2018. Suite hotels continued to report the highest occupancy rates by property type, both in October (78.3%) and YTD (75.6%), while upscale properties (74.0% in October, 73.2% YTD) continued to report the highest occupancy rates by price level. Declines in occupancy rates were only seen for resort property types in October 2018 and for both resort and suite hotel property types YTD. By price level, all properties type saw a slight increase in occupancy rates.
- Larger properties over 500 rooms (\$240.43 in October, \$251.42 YTD) and upscale properties (\$256.04 in October, \$271.99 YTD) reported the highest average daily rates (ADR) over this period. Meanwhile, resorts continued to report the highest ADR by property type (\$214.56 in October, \$262.25 YTD).