DESTINATION CANADA

Tourism Snapshot

February 2019
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A Monthly Monitor of the Performance of Canada's Tourism Industry

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Canada

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KEY HIGHLIGHTS

IMPORTANT NOTE REGARDING THE FRONTIER COUNTS DATA:

Land port data: 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 ports arrivals may have impacted total arrivals for some markets.

Starting with January 2019 data, Statistics Canada updated the method of determining trip durations for US residents travelling to Canada and Canadian residents returning from the United States for non-automobile modes of transportation. This change affects the relative proportions of same-day/overnight travellers. Caution is therefore advised when comparing 2019 data with earlier time periods for these modes of transportation.

- In spite of a slight retraction in February 2019 (-1.5% year-over-year), international tourist arrivals to Canada reached a new peak for the first two months of 2019 as Canada welcomed 1.9 million overnight visitors (+1.0% year-over-year).
- Following record gains in January 2019 (+31.6%) and an exceptional performance last year in February 2018 (+79.2%), overnight arrivals from China in February 2019 contracted year-over-year (-21.3%), as was expected with an earlier start to the Chinese New Year travel period this year. For this reason, a better indication of performance is based on the total for the first two months of the year. Year-to-date February 2019, overnight arrivals from China (+1.2%) edged up to a new high point, bettering the previous 2018 record.
- Arrivals from Destination Canada's Asia-Pacific markets dropped significantly (-9.6%) in February 2019, pulled down by the decline from China (-21.3%) as well as the continued downward trend from Japan (-8.6%), which outweighed increases from India (+21.8%) and Australia (+7.3%). Arrivals from South Korea were relatively flat (0.0%) in February 2019. However, the overall year-to-date performance from the Asia-Pacific region was almost on par with 2018 (-0.5%).
- With a stubbornly pessimistic consumer confidence index in February 2019, arrivals from the UK continued to retreat (-5.2%). Arrivals from Germany also contracted, primarily as a result of a steep decline in arrivals to Ontario (-32.6%), which stood in contrast to gains from this market in Quebec (+20.4%) and Alberta (+17.3%). Meanwhile, arrivals from France continued to grow (+3.5%), achieving a new record for arrivals and leading Destination Canada's Europe region with 36,000 visitors in February 2019.
- While overall February 2019 arrivals from the US (-0.5%) fell just below February 2018, US air arrivals gained momentum for a second consecutive month (+6.8%, +4.3% YTD).
- Arrivals from Mexico rose by double-digits for a second consecutive month in February 2019 (+27.2%), thus establishing new arrivals records both for the month of February and year-to-date.

[1]Note the caveat from Statistics Canada associated with the February 2019 data, available here: https://www150.statcan.gc.ca/n1/daily-quotidien/190424/dq190424d-eng.htm.

QUICK LINKS

UNITED STATES

MEXICO

EUROPE

ASIA-PACIFIC

Industry Performance Dashboard

	February 2019	YTD
Overnight Arrivals[1]		
Total International	↓ -1.5%	↑ 1.0%
10 DC Markets*	↓ -1.3%	↑ 0.9%
United States	↓ -0.5%	↑ 0.5%
9 Long-Haul Markets	↓ -3.5%	↑ 2.2%
Non-DC Markets	↓ -3.6%	↑ 1.6%
Air Seat Capacity[2]		
Total International	↑ 6.4%	↑ 6.6%
10 DC Markets*	↑ 5.3%	↑ 6.0%
Non-DC Markets	↑ 8.2%	↑ 7.7%
National Hotel Indicators[3]		
Occupancy Rate**	↑ 0.5	↓ -0.2
Revenue Per Available Room (Revpar)	↑ 1.3%	↑ 2.0%
Average Daily Rate (ADR)	↑ 2.2%	↑ 1.7%

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]	
		Feb. 2019	YTD 2019	Feb. 2019	YTD 2019	Feb. 2019	YTD 2019	Feb. 2019 Average	YTD Average
DC North America	United States	640,195	1,219,814	-0.5%	0.5%	6.4%	7.3%	4.9%	6.0%
	Mexico	24,386	51,148	27.2%	28.5%	2.4%	5.9%	2.0%	3.7%
DC Europe	France	36,475	62,956	3.5%	6.4%	2.8%	5.4%	-3.5%	-1.7%
	Germany	13,249	24,772	-12.0%	-8.5%	8.5%	10.2%	-3.5%	-1.7%
	United Kingdom	33,916	61,269	-5.2%	-4.9%	-2.8%	-4.7%	-2.2%	-1.2%
DC Asia-Pacific	Australia	13,603	41,443	7.3%	3.3%	26.7%	7.8%	-4.8%	-4.3%
	China	43,929	98,245	-21.3%	1.2%	0.4%	3.0%	-1.5%	-0.1%
	India	12,240	25,321	21.8%	10.2%	9.1%	6.2%	-5.0%	-4.4%
	Japan	15,791	25,204	-8.6%	-13.3%	10.1%	7.1%	2.6%	5.7%
	South Korea	10,820	23,671	0.0%	-7.7%	-11.6%	-7.5%	0.9%	1.3%
Total 10 DC Markets		844,604	1,633,843	-1.3%	0.9%				
Rest of the World		120,682	251,113	-3.6%	1.6%				
Total International		965,286	1,884,956	-1.5%	1.0%				

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 during the current month and YTD relative to the same periods in the previous year.

UNITED STATES

US Arrivals to Canada

CURRENT MONTH:

-0.5% ↓ YOY

YTD:

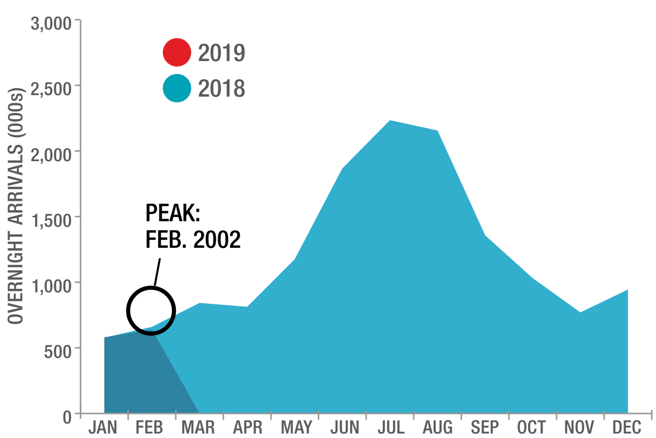
+0.5% ↑ YOY

Overnight Arrivals

	February 2019		YTD 2019	
	Arrivals	% YOY Variance	Arrivals	% YOY Variance
Automobile	346,486	-3.0	656,268	1.1
Air	268,574	6.8	517,478	4.3
Other	25,135	-27.7	46,068	-33.2
US Total	**640,195**	**-0.5**	**1,219,814**	**0.5**

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]	February 2019	6.4%
	YTD	7.3%
Exchange Rate[ii]	February 2019	4.9%
	YTD	6.0%
Consumer Confidence Index (1985=100)[iii]	February 2019	131.4
	Previous Month	121.7
YTD Arrival Peak[iv]	Peak Year	2003
	Current % of Previous Peak	87.3%

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

- Canada welcomed 640,000 visitors from the US in February 2019, bringing year-to-date US arrivals up to 1.22 million. While February arrivals were marginally below the same month last year (-0.5%), year-to-date arrivals were just ahead of 2018 (+0.5%) and the highest for the first two months of the year since 2005.

- The downturn in February was attributable to a drop in auto arrivals (-3.0%) and visitors arriving by other modes of transport such as bus, train, and cruise (-27.7%). These declines were not quite outpaced by a second consecutive month of increased air arrivals from the US (+6.8%), which was supported by expanded air capacity between Canada and the US (+6.4%).
  - It is also important to note that Statistics Canada advises caution when comparing 2019 data with earlier time periods for US arrivals via non-automobile modes of transportation due to methodology changes beginning in January 2019.

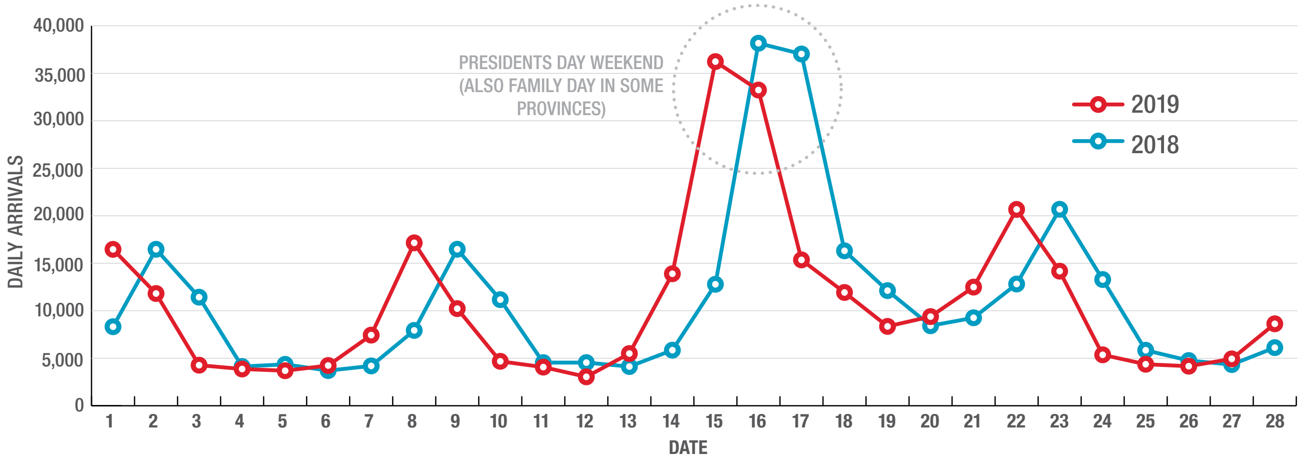
- The largest decline in auto arrivals was sustained through British Columbia (-10.6%) over the President's Day weekend and to a lesser extent the BC Family Day weekend. This decline was correlated with snowstorms that blanketed the Pacific Northwest area over the first two weeks of February. BC accounted for 30% of US auto arrivals in February (based on IPIL daily arrivals estimates).

- In February 2019, the largest proportions of US auto arrivals (based on IPIL arrival estimates) came from Washington (23.7%) and New York (23.3%), followed by Michigan (10.6%). While traffic from Washington increased significantly in January 2019, in February it retracted again (-10.4%). The other west coast states of Oregon (-16.4%) and California (-15.2%) also recorded notable year-over-year declines in auto trips to Canada in February. This aligns with the weather-related decline in US auto arrivals to BC.

- The purchasing power of the USD in Canada gained strength in February 2019 (+4.9%), maintaining gains acquired over the past few months.

- Following three consecutive months of decline, the consumer confidence index published by the US Conference Board jumped up 9.7 points to 131.4 in February 2019.

Daily US Overnight Auto Arrivals – February 2019



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

MEXICO

Mexico Arrivals to Canada

CURRENT MONTH:

+27.2% ↑ YOY

YTD:

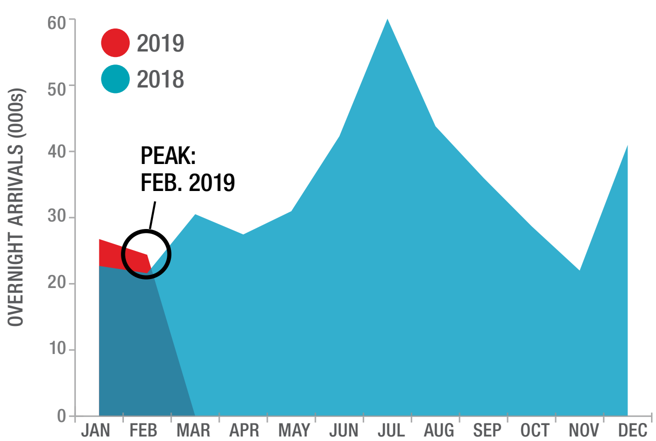
+28.5% ↑ YOY

Overnight Arrivals

	February 2019		YTD 2019	
	Arrivals	% YOY Variance	Arrivals	% YOY Variance
Mexico	24,386	27.2	51,148	28.5

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]	February 2019	2.4%
	YTD	5.9%
Exchange Rate[ii]	February 2019	2.0%
	YTD	3.7%
YTD Arrival Peak[iii]	Peak Year	2018
	Current % of Previous Peak	128.5%

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.

MEXICO

- Mexico continued its impressive start to 2019 with a record 24,000 visitors in February 2019, leading Destination Canada's markets with a 27.2% increase over February 2018. This marks eight consecutive months of record arrivals from Mexico and brings year-to-date arrivals to a record 51,000 (+28.5%).
- Just over two years after the replacement of the visa requirement for Mexican citizens with the eTA in December 2016, arrivals from Mexico over the first two months of 2019 were more than double the number over the same period in 2016, prior to that change. Mexico is currently Destination Canada's fourth largest overseas market, after China, the UK, and France.
- With the continued expansion of direct air capacity to Canada from Mexico City (+2.4% in February, +5.9% YTD), direct air arrivals (the largest source of arrivals from Mexico) increased by 17.2% in February and 18.8% YTD.
- The strength of the Mexican Peso in Canada was up in the first two months of 2019 compared to the same period last year (+3.7% YTD) – another positive indicator for this market at the start of the year.

Mexico Arrivals by Port of Entry

- The continued positive performance from Mexico was observed across all modes of entry, both in February and year-to-date 2019.
- In February 2019, the vast majority of visitors from Mexico flew into Canada, including 74.2% of total visitors who flew directly from Mexico or other overseas origins, and 16.0% who flew through the US.
- Over the first two months of 2019, the main of ports of entry for direct air arrivals from Mexico were YVR (38.3% of direct air arrivals), YYZ (37.5%) and YUL (19.2%), with an additional 1.7% flying into YYC and 3.4% flying into other Canadian airports. The greatest year-over-year increase was registered outside of the four major hubs (+161.0% at other Canadian airports).

Year-to-date Arrivals by Port of Entry

			Mexico
Air Arrivals from Overseas	YYZ	Arrivals	14,123
		YOY%	13.8%
		% of Total	**27.6%**
	YVR	Arrivals	14,437
		YOY%	22.4%
		% of Total	**28.2%**
	YUL	Arrivals	7,227
		YOY%	17.8%
		% of Total	**14.1%**
	YYC	Arrivals	623
		YOY%	-32.3%
		% of Total	**1.2%**
	All other airports	Arrivals	1,300
		YOY%	161.0%
		% of Total	**2.5%**
	Subtotal	Arrivals	37,710
		YOY%	18.8%
		% of Total	**73.7%**
Air Arrivals via the US	All airports	Arrivals	8,440
		YOY%	46.1%
		% of Total	**16.5%**
Sea Arrivals	All sea borders	Arrivals	0
		YOY%	0.0%
		% of Total	**0.0%**
Land Arrivals via US	All land borders	Arrivals	4,998
		YOY%	118.5%
		% of Total	**9.8%**
Total Overnight Arrivals			**51,148**

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:

-2.9% ↓ YOY

YTD:

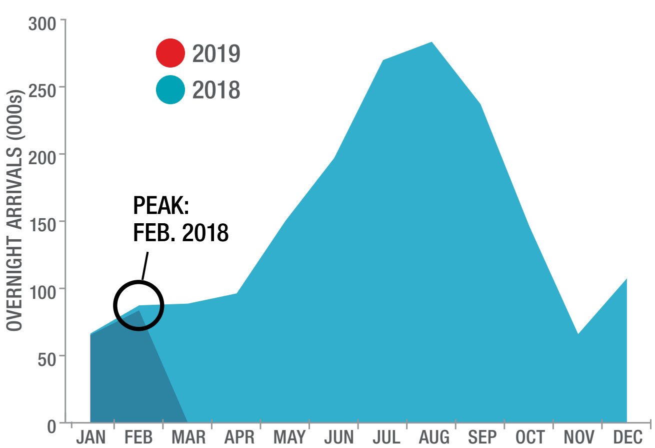
-1.1% ↓ YOY

Overnight Arrivals

	February 2019		YTD 2019	
	Arrivals	% YOY Variance	Arrivals	% YOY Variance
DC Europe	**83,640**	**-2.9**	**148,997**	**-1.1**
United Kingdom	33,916	-5.2	61,269	-4.9
France	36,475	3.5	62,956	6.4
Germany	13,249	-12.0	24,772	-8.5
Other Europe	**45,801**	**-4.6**	**90,263**	**-3.4**
Italy	3,804	-1.0	7,942	-6.0
Netherlands	4,771	-8.2	9,195	-5.4
Spain	2,703	-2.9	5,790	-3.7
Switzerland	5,810	18.8	10,862	21.0
Rest of Europe	28,713	-8.3	56,474	-6.3
Total Europe	**129,441**	**-3.5**	**239,260**	**-2.0**

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

Trend Plot: Total DC Europe Arrivals



DC Europe: Key Indicators

		France	Germany	United Kingdom
Air Seat Capacity[i]	Feb. 2019	2.8%	8.5%	-2.8%
	YTD	5.4%	10.2%	-4.7%
Exchange Rate[ii]	Feb. 2019	-3.5%	-3.5%	-2.2%
	YTD	-1.7%	-1.7%	-1.2%
YTD Arrival Peak[iii]	Peak Year	2018	2018	2008
	Current % of Previous Peak	106.4%	91.5%	70.3%

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.

EUROPE

- In February 2019, arrivals from Destination Canada's Europe region reached nearly 84,000, down 2.9% compared to February 2018. This brought year-to-date arrivals to 149,000, falling just short of the same period last year (-1.1%).
- France continued to lead this region with over 36,000 visitors in February 2019 (+3.5%), bringing year-to-date arrivals to nearly 63,000 (+6.4%). This performance represented new arrivals records for both the month of February and the first two months of the year. France also overtook the UK to become Destination Canada's second largest long-haul market (after China), both in February and year-to-date 2019.
- Arrivals from the UK continued to trend downward, with 34,000 visitors in February 2019 (-5.2%), bringing year-to-date arrivals to just over 61,000 (-4.9%). To-date in 2019, the UK is now Destination Canada's third largest long-haul market, after China and France.
- With just over 13,000 visitors in February 2019, arrivals from Germany were down (-12.0%) compared to the same month a year ago. While this is the fifth consecutive month of declining arrivals from Germany, year-to-date arrivals (25,000, -8.5%) are still on par with 2017, following a large jump in 2018.
- In February 2019, expanded air capacity between France and Canada (+2.8%) supported increased direct air arrivals (+24.7%), while lower seat availability from the UK (-2.8%) aligned with fewer direct air arrivals (-11.2%). However, direct air arrivals from Germany (-11.2%) fell despite additional seat availability (+8.5%).
- The purchasing power of both the Euro (-3.5%) and British pound (-2.2%) relative to the Canadian Dollar declined in February 2019 compared to the same month last year.

DC Europe Arrivals by Port of Entry

- Following a pattern that shaped 2018, the slowed arrivals performance from Destination Canada's Europe region was largely attributable to continuing declines in air arrivals via the US (-40.6% in February), with all three key markets in the region registering declines.

Year-to-date Arrivals by Port of Entry

			France	Germany	UK
Air Arrivals from Overseas	YYZ	Arrivals	5,972	7,831	20,726
		YOY%	-25.3%	-25.8%	-10.5%
		% of Total	**9.5%**	**31.6%**	**33.8%**
	YVR	Arrivals	1,696	3,955	12,669
		YOY%	24.9%	2.9%	-7.3%
		% of Total	**2.7%**	**16.0%**	**20.7%**
	YUL	Arrivals	41,881	4,124	5,474
		YOY%	42.7%	22.1%	-2.3%
		% of Total	**66.5%**	**16.6%**	**8.9%**
	YYC	Arrivals	387	2,750	6,852
		YOY%	1.0%	12.2%	-18.0%
		% of Total	**0.6%**	**11.1%**	**11.2%**
	All other airports	Arrivals	1,293	523	1,983
		YOY%	28.3%	22.2%	2.0%
		% of Total	**2.1%**	**2.1%**	**3.2%**
	Subtotal	Arrivals	51,229	19,183	47,704
		YOY%	27.8%	-7.1%	-9.5%
		% of Total	**81.4%**	**77.4%**	**77.9%**
Air Arrivals via the US	All airports	Arrivals	7,591	4,023	7,621
		YOY%	-54.1%	-11.0%	-12.2%
		% of Total	**12.1%**	**16.2%**	**12.4%**
Sea Arrivals	All sea borders	Arrivals	4	0	17
		YOY%	0.0%	0.0%	30.8%
		% of Total	**0.0%**	**0.0%**	**0.0%**
Land Arrivals via US	All land borders	Arrivals	4,132	1,566	5,927
		YOY%	63.7%	-17.0%	97.8%
		% of Total	**6.6%**	**6.3%**	**9.7%**
Total Overnight Arrivals			**62,956**	**24,772**	**61,269**

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:

-9.6% ↓ YOY

YTD:

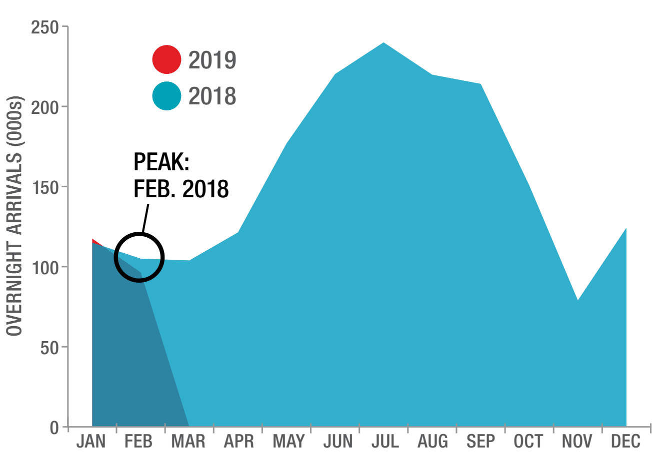
-0.5% ↓ YOY

Overnight Arrivals

	February 2019		YTD 2019	
	Arrivals	% YOY Variance	Arrivals	% YOY Variance
DC Asia-Pacific	**96,383**	**-9.6**	**213,884**	**-0.5**
Australia	13,603	7.3	41,443	3.3
China	43,929	-21.3	98,245	1.2
India	12,240	21.8	25,321	10.2
Japan	15,791	-8.6	25,204	-13.3
South Korea	10,820	0.0	23,671	-7.7
Other Asia-Pacific	**40,239**	**-3.2**	**84,537**	**10.3**
Hong Kong	10,095	-10.1	18,694	8.5
Taiwan	7,276	-14.0	15,096	8.8
Rest of Asia-Pacific	22,868	4.5	50,747	11.4
Total Asia-Pacific	**136,622**	**-7.8**	**298,421**	**2.4**

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

Trend Plot: Total DC Asia-Pacific Arrivals



Asia-Pacific: Key Indicators

		Australia	China	India	Japan	South Korea
Air Seat Capacity[i]	Feb. 2019	26.7%	0.4%	9.1%	10.1%	-11.6%
	YTD	7.8%	3.0%	6.2%	7.1%	-7.5%
Exchange Rate[ii]	Feb. 2019	-4.8%	-1.5%	-5.0%	2.6%	0.9%
	YTD	-4.3%	-0.1%	-4.4%	5.7%	1.3%
YTD Arrival Peak[iii]	Peak Year	2017	2018	2018	1997	2017
	Current % of Previous Peak	102.5%	101.2%	110.2%	47.4%	85.3%

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.

ASIA-PACIFIC

- Canada welcomed just over 96,000 visitors from Destination Canada's Asia-Pacific region in February 2019, a significant drop compared to February 2018 (-9.6%). After a much stronger start to the year in January 2019, this brought year-to-date arrivals to just under 2018 levels for the same period (-0.5%).

- This sudden shift from January to February was attributable mainly to a shift in the timing of arrivals from China due to an earlier start to Chinese New Year celebrations in 2019 compared to 2018. Visitors from China made up close to half (46%) of the arrivals from Destination Canada's Asia-Pacific region over this period.

- Together with the continuing decline from Japan (-8.6%) and stable arrivals from South Korea (no change year-over-year), this downward shift from China outweighed a very positive performance from Australia (+7.3%) and record monthly arrivals from India (12,000 visitors, +21.8%) in February 2019.

- Over the first two months of 2019, arrivals remained ahead of 2018 levels from China (98,000, +1.2%), India (25,000, +10.2%), and Australia (41,000, +3.3%). The slight year-over-year decline from the region over this period was due to the continued downward trend in arrivals from Japan (25,000, -13.3%) and South Korea (24,000, -7.7%).

- Direct air capacity to Canada from four of Destination Canada's five Asia-Pacific markets increased in February 2019. This was led by Australia (+26.7%), as Air Canada increased the frequency of its Melbourne-Vancouver flight. Only South Korea saw a retraction (-11.6%), as Air Canada reduced capacity on its Seoul-Toronto route.

DC Asia-Pacific Arrivals by Port of Entry

- While Japan saw fewer air arrivals, both direct from overseas (-15.9%) and via the US (-18.9%), the decline in arrivals from South Korea was entirely attributed to a large drop in arrivals by land via the US compared to the same period in 2018.
  - It is important to note that Statistics Canada advises caution in interpreting land port arrival levels, as these figures may have been the impacted by changes in data collection processes initiated in August 2018.

Year-to-date Arrivals by Port of Entry

			Australia	China	India	Japan	South Korea
Air Arrivals from Overseas	YYZ	Arrivals	1,516	31,833	11,455	4,202	6,285
		YOY%	-4.7%	-2.1%	-1.0%	-44.0%	-11.8%
		% of Total	**3.7%**	**32.4%**	**45.2%**	**16.7%**	**26.6%**
	YVR	Arrivals	19,302	39,446	6,268	12,954	9,304
		YOY%	9.2%	-1.8%	17.7%	1.1%	14.4%
		% of Total	**46.6%**	**40.2%**	**24.8%**	**51.4%**	**39.3%**
	YUL	Arrivals	280	5,160	880	609	172
		YOY%	10.7%	1.3%	-20.4%	701.3%	21.1%
		% of Total	**0.7%**	**5.3%**	**3.5%**	**2.4%**	**0.7%**
	YYC	Arrivals	341	1,109	750	31	95
		YOY%	43.9%	-15.4%	-3.5%	-96.0%	143.6%
		% of Total	**0.8%**	**1.1%**	**3.0%**	**0.1%**	**0.4%**
	All other airports	Arrivals	145	114	231	16	33
		YOY%	119.7%	-25.5%	60.4%	60.0%	135.7%
		% of Total	**0.3%**	**0.1%**	**0.9%**	**0.1%**	**0.1%**
	Subtotal	Arrivals	21,584	77,662	19,584	17,812	15,889
		YOY%	8.9%	-2.0%	3.5%	-15.9%	2.8%
		% of Total	**52.1%**	**79.0%**	**77.3%**	**70.7%**	**67.1%**
Air Arrivals via the US	All airports	Arrivals	16,057	9,600	2,709	4,710	4,025
		YOY%	-5.2%	-8.5%	16.6%	-18.9%	9.6%
		% of Total	**38.7%**	**9.8%**	**10.7%**	**18.7%**	**17.0%**
Sea Arrivals	All sea borders	Arrivals	0	0	18	0	0
		YOY%	0.0%	0.0%	-45.5%	0.0%	0.0%
		% of Total	**0.0%**	**0.0%**	**0.1%**	**0.0%**	**0.0%**
Land Arrivals via US	All land borders	Arrivals	3,802	10,983	3,010	2,682	3,757
		YOY%	13.5%	49.9%	76.3%	29.1%	-42.4%
		% of Total	**9.2%**	**11.2%**	**11.9%**	**10.6%**	**15.9%**
Total Overnight Arrivals			**41,443**	**98,245**	**25,321**	**25,204**	**23,671**

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

	February 2019	YOY % Variance	Jan. - Feb. 2019	YOY^ % Variance
United States	1,331,490	-7.4	2,782,193	-7.5
Other Countries	1,164,860	5.1	2,485,800	4.4
Total Trips from Canada	2,496,350	-2.0	5,267,993	-2.3

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

- Canadians took 2.5 million international trips in February 2019, down 2.0% compared to the same month a year ago. Continuing the trend observed in January 2019, the decline was primarily due to fewer Canadians visiting the US (1.3 million trips, -7.4%), outweighing an increase in the number of trips to other international destinations (1.2 million trips, +5.1%).

- The decline in Canadian travel to the US in February 2019 was seen across all modes of transportation: by automobile (-7.8%), by air (-6.1%), and particularly by other modes of transportation, such as bus, train, or cruise (-30.5%).

- A similar trend was observed year-to-date over the first two months of 2019, with more Canadian trips to overseas destinations (+4.4%) outweighed by fewer trips to the US (-7.5%) by all modes of transportation, leading to an overall decline in outbound travel (-2.3%).
  - It is important to note that starting with January 2019 data, Statistics Canada updated the method of determining trip durations for US residents travelling to Canada and Canadian residents returning from the United States for non-automobile modes of transportation. This change affects the relative proportions of same-day/overnight travellers. Caution is therefore advised when comparing this 2019 data with earlier time periods.

INTERNATIONAL ARRIVALS BY PROVINCE OF ENTRY

Year-to-date Overnight Arrivals by Province of Entry

		Newfoundland and Labrador	Prince Edwad Island	Nova Scotia	New Brunswick	Québec	Ontario
Total One or more nights	2019	2,289	0	6,346	10,223	329,140	810,424
	Variance YOY%	-17.4%	-100.0%	17.1%	-0.3%	7.5%	-3.3%
	Change YOY	-481	-14	926	-34	22,902	-27,440
US Residents by Automobile	2019	0	0	0	9,480	114,003	289,304
	Variance YOY%	0.0%	0.0%	0.0%	-1.2%	2.5%	1.2%
	Change YOY	-	-	-	-119	2,743	3,375
US Residents by Non-Automobile	2019	108	0	3,364	375	93,698	243,748
	Variance YOY%	-69.6%	-100.0%	-2.9%	-30.3%	9.4%	-9.1%
	Change YOY	-247	-3	-100	-163	8,043	-24,316
Residents from Other Countries	2019	2,181	0	2,982	368	121,439	277,372
	Variance YOY%	-9.7%	-100.0%	52.5%	206.7%	11.1%	-2.3%
	Change YOY	-234	-11	1,026	248	12,116	-6,499

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	2019	22,381	5,559	97,101	598,723	2,694	76	**1,884,956**
	Variance YOY%	19.2%	9.3%	6.7%	2.2%	-10.7%	15.2%	**1.0%**
	Change YOY	3,604	473	6,087	12,813	-322	10	**18,524**
US Residents by Automobile	2019	12,001	3,568	6,458	218,941	2,513	0	**656,268**
	Variance YOY%	2.6%	11.3%	6.0%	0.4%	-13.0%	0.0%	**1.1%**
	Change YOY	304	362	367	767	-374	-	**7,425**
US Residents by Non-Automobile	2019	8,828	1,711	60,378	151,297	36	3	**563,546**
	Variance YOY%	43.2%	5.4%	9.7%	4.9%	-23.4%	-75.0%	**-0.3%**
	Change YOY	2,663	87	5,332	7,041	-11	-9	**-1,683**
Residents from Other Countries	2019	1,552	280	30,265	228,485	145	73	**665,142**
	Variance YOY%	69.6%	9.4%	1.3%	2.2%	76.8%	35.2%	**2.0%**
	Change YOY	637	24	388	5,005	63	19	**12,782**

- Over the first two months of 2019, most international visitors to Canada crossed the border in Ontario (43.0 %), British Columbia (31.8%), and Quebec (17.5%).
- The 1.0% increase in total international arrivals year-to-date 2019 came mainly through Quebec (+7.5%, 23,000 additional arrivals), British Columbia (+2.2%, 13,000 additional arrivals), Alberta (+6.7%, 6,000 additional arrivals), and Manitoba (+19.2%, 4,000 additional arrivals).
- The biggest decrease in arrivals was seen in Ontario (-3.3%, 27,000 fewer arrivals), with the decline originating from US non-auto arrivals (-9.1%) and residents from overseas countries (-2.3%). In contrast, US auto arrivals to Ontario (+1.2%) stood ahead of 2018 levels.

ACCOMMODATION

Hotel Performance Indicators by Province

	Occupancy Rates				Average Daily Rate (ADR)				Revenue Per Available Room (RevPAR)			
	Feb. 2019	YOY^ Variance	Jan.- Feb.	YOY^ Variance	Feb. 2019	YOY % Variance	Jan.- Feb.	YOY % Variance	Feb. 2019	YOY % Variance	Jan.- Feb.	YOY % Variance
Alberta[1]	51.8%	0.8	48.0%	0.7	$126.79	-0.6%	$125.97	-0.4%	$65.67	1.1%	$60.52	1.1%
British Columbia	64.4%	1.0	60.4%	1.0	$172.81	3.0%	$173.62	3.6%	$111.37	4.6%	$104.94	5.4%
Saskatchewan	51.2%	0.5	48.9%	0.7	$116.69	-0.6%	$115.99	0.1%	$59.71	0.3%	$56.71	1.5%
Manitoba	66.2%	1.3	60.0%	0.3	$125.73	2.0%	$124.43	1.4%	$83.18	4.0%	$74.63	1.8%
Ontario	61.2%	0.2	57.1%	-0.9	$150.00	1.7%	$148.79	2.7%	$91.78	2.0%	$84.97	1.1%
Quebec	63.4%	-0.2	56.9%	-1.3	$160.64	2.8%	$157.47	2.5%	$101.79	2.5%	$89.60	0.2%
New Brunswick	46.9%	-1.2	43.2%	-1.6	$118.17	2.0%	$117.80	2.2%	$55.48	-0.5%	$50.83	-1.6%
Nova Scotia	52.5%	3.8	46.8%	1.6	$124.50	0.0%	$123.20	0.1%	$65.40	7.8%	$57.68	3.6%
Newfoundland	38.7%	-2.5	35.9%	-2.1	$121.69	-7.4%	$121.40	-7.7%	$47.08	-13.0%	$43.57	-12.9%
Prince Edward Island	46.3%	4.5	39.6%	-1.2	$117.98	0.6%	$115.49	1.6%	$54.62	11.4%	$45.75	-1.3%
Northwest Territories	82.0%	-9.2	72.7%	-8.0	$153.75	0.9%	$149.95	-1.7%	$126.09	-9.3%	$108.94	-11.4%
Yukon	61.8%	0.4	52.4%	1.7	$131.12	8.6%	$128.76	6.8%	$81.03	9.3%	$67.43	10.4%
Canada	**59.0%**	**0.5**	**54.7%**	**-0.2**	**$149.38**	**1.3%**	**$148.50**	**2.0%**	**$88.08**	**2.2%**	**$81.16**	**1.7%**

Note: Based on the operating results of 237,545 rooms (unweighted data).
^ Percentage points.
[1] Excluding Alberta resorts.

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- In February 2019, the National Occupancy Rate was just marginally ahead of the same month a year ago (59.0%, up 0.5 percentage points), bringing the year-to-date 2019 rate for the first two months of the year to 54.7%, 0.2 percentage points below the same period in 2018. With Québec City celebrating Carnaval and Winnipeg hosting the Festival du Voyageur in February, Manitoba (66.2%) and Quebec (63.4%) were among the top provinces for occupancy rate. YTD the highest rates were in the Northwest Territories (72.7%), British Columbia (60.4%), and Manitoba (60.0%). Meanwhile, Prince Edward Island (+4.5 points) and Nova Scotia (+3.8 points) recorded notable year-over-year increases in February.

- The national average daily rate (ADR) continued to increase steadily at the start of 2019. In February, the ADR sat at $149.38 (+1.3% year-over-year), bringing the YTD rate to $148.5 (+2.0%). In February and YTD 2019, the highest ADR was recorded in British Columbia, while Yukon saw the strongest year-over-year growth.

- The national revenue per available room (RevPar) also continued to climb at the beginning of 2019, sitting at $88.08 (+2.2%) in February and $81.16 (+1.7%) YTD. The North was a leader in this metric, with the highest RevPar recorded in the Northwest Territories ($126.09 in February, $108.94 YTD) and some of the strongest growth recorded in the Yukon. However, Prince Edward Island reported the biggest jump in February 2019 (+11.4%).

ACCOMMODATION

Hotel Performance Indicators by Property Type

	Occupancy Rates				Average Daily Rate (ADR)			
	Feb. 2019	YOY^ Change	Jan.- Feb.	YOY^ Variance	Feb. 2019	YOY Variance	Jan.- Feb.	YOY Variance
Property Size								
Under 50 rooms	46.1%	2.8	42.7%	1.9	$112.02	3.6%	$111.27	4.4%
50-75 rooms	51.8%	0.3	48.3%	-0.3	$110.95	0.3%	$110.24	0.7%
76-125 rooms	56.9%	0.2	52.9%	-0.4	$126.59	1.5%	$125.80	1.6%
126-200 rooms	59.3%	0.6	55.0%	0.2	$137.99	1.9%	$136.67	2.1%
201-500 rooms	64.1%	1.1	59.0%	0.1	$179.09	1.0%	$178.82	2.2%
Over 500 rooms	64.9%	-1.5	60.1%	-2.0	$211.16	2.6%	$209.74	3.9%
Total	**59.0%**	**0.5**	**54.7%**	**-0.2**	**$149.38**	**1.3%**	**$148.50**	**2.0%**
Property Type								
Limited Service	54.2%	0.8	50.3%	0.1	$115.42	1.6%	$114.88	2.1%
Full Service	60.8%	0.2	56.3%	-0.4	$157.19	1.9%	$155.90	2.4%
Suite Hotel	68.2%	2.1	63.5%	0.3	$154.99	-0.1%	$153.02	0.1%
Resort	62.0%	0.8	57.4%	0.4	$261.55	1.8%	$265.08	4.2%
Total	**59.0%**	**0.5**	**54.7%**	**-0.2**	**$149.38**	**1.3%**	**$148.50**	**2.0%**
Price Level								
Budget	53.4%	2.1	49.3%	1.1	$102.48	3.1%	$101.74	3.6%
Mid-Price	59.0%	0.1	54.8%	-0.5	$138.56	1.3%	$137.27	1.6%
Upscale	65.7%	-0.2	60.8%	-0.5	$241.40	1.2%	$241.52	2.2%
Total	**59.0%**	**0.5**	**54.7%**	**-0.2**	**$149.38**	**1.3%**	**$148.50**	**2.0%**

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

- At the start of 2019, occupancy rates generally increased by property size, ranging from 46.1% for the smallest properties (<50 rooms) to 64.9% for the largest properties (500+ rooms). At the same time, the smallest properties recorded the strongest year-over-growth, and the largest properties saw the biggest declines.
- A similar trend was observed with ADR increasing by size for properties of 50 rooms and up; however, properties with <50 rooms reported a higher ADR than slightly bigger properties of 50-70 rooms. Those smallest properties also reported the strongest year-over-year growth.
- Both in February and YTD, suite hotels reported the highest occupancy rates, while resorts had the highest ADR. Full service properties also reported a higher ADR than suite hotels.
- Both metrics increased by price level, though the cheaper budget hotels reported stronger growth.