

A focus on the markets that the CTC and its partners are active in

April 2008

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key highlights

In April 2008, international visits declined by 5.0%, driven by a slowdown from 5 key markets.

Notable, France posted the highest growth rate (+10.3%) in April 2008, followed by China (+8.4%) and Australia (+6.5%).

Canada's national occupancy rates rose 2.4 percentage points this month (over April 2007) to reach 62.5%.

tourism review

International Trips

- International travellers made 949,960 overnight trips to Canada, a decline of -5.0% over April 2007.
- While US trips fell 7.2%, total non-US trips grew by 1.1% over April 2007. Regionally, Canada saw declines from Asia (-5.7%), Africa (-5.4%), and 'Other North America' -- excluding the U.S., (-4.0%). in April 2008, while other regions posted increases. South America posted the largest increase (+13.2%).
- Canada's key overseas markets posted a decline of 2.0% in April 2008.

United States

- In April 2008, total overnight trips from the US decreased by 7.2% - while plane trips and other non-automobile trips posted increases (+1.4% and 2.1% respectively), automobile trips fell 12.8%.
- Year-to-date, US trips to Canada fell by 4.5% - automobile and plane trips were down by 6.2% and 2.8% respectively. "Other trips" were up by 1.8%.
- From Jan.-Apr. 2008, total US trips to Newfoundland, P.E.I., and Nova Scotia posted increases over 2007.

Mexico

- Following stellar increases for the first three months of the year, Mexico posted its first decline of 2008 in April (-10.5%).

Overnight Trips To Canada

	April 2008	08/07 Apr % Change	Jan-Apr 2008	Year-to-date % Change
Americas*				
United States (Total)	679,726	-7.2	2,407,713	-4.5
Automobile	386,862	-12.8	1,388,154	-6.2
Plane	240,046	1.4	852,986	-2.8
Other	52,818	2.1	166,573	1.8
Mexico	16,317	-10.5	63,787	15.2
Americas Total	696,043	-7.2	2,471,500	-4.1
Overseas Key Markets				
France	22,808	10.3	84,149	3.6
Germany	14,706	-0.3	51,264	-2.6
UK	49,783	-1.1	192,475	0.2
China	9,986	8.4	36,252	13.6
Japan	15,954	-27.7	61,553	-22.1
South Korea	12,031	2.7	47,488	-0.8
Australia	12,396	6.5	47,453	10.4
Overseas Key Markets	137,664	-2.0	520,634	-1.3
As % of Total Key Markets	16.5		17.4	
Other Overseas Countries	116,253	7.0	379,092	5.5
Total Non-US Countries	270,234	1.1	963,513	2.2
Total International Countries	949,960	-5.0	3,371,226	-2.7

Note: Statistics Canada preliminary estimates. Source: Statistics Canada, International Travel Survey.
 *Refers to the CTC's marketing group in the U.S. and Mexico.

Overnight Trips by Canadians

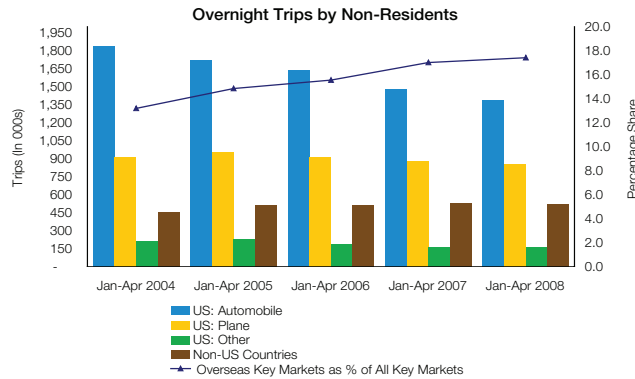
	April 2008	08/07 Apr % Change	Jan-Apr 2008	Year-to-date % Change
United States	1,585,700	6.4	6,075,319	17.1
Other Countries	758,171	9.4	3,513,921	11.4
Total Trips from Canada	2,343,871	7.4	9,589,240	15.0

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

- Year-to-date, trips from Mexico increased 15.2% to reach 63,787.

Overseas Key Markets

- In April 2008, 4 of the 7 key overseas markets posted increases. France (+10.3%), China (+8.4%), Australia (+6.5%) and South Korea (+2.7%).
- Japan (-27.7%), the UK (-1.1%), and Germany (-0.3%) posted declines.
- Year-to-date, overseas key markets posted a decline of 1.3%. Australia posted the largest increase (+10.4%), while Japan posted the largest decline (-22.1%).



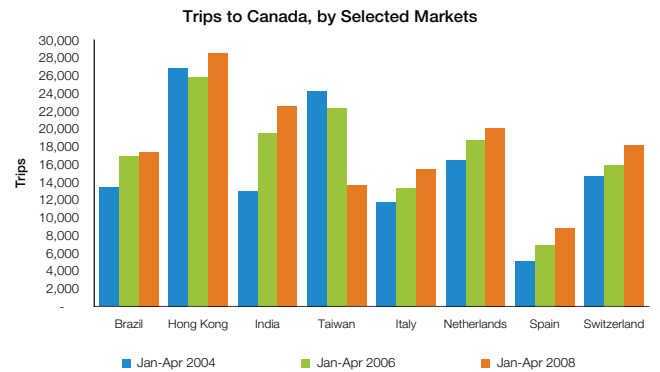
Note: Statistics Canada preliminary estimates. Source: Statistics Canada, International Travel Survey.

Share of Entry

- From Jan.-Apr. 2008, there were 2.4 million US visitors, accounting for 80.5% of the total visitors from our key markets. 46.4% were automobile trips, 28.5% were plane trips, and 5.6% were other non-automobile trips.
- 63,787 Mexicans visited Canada, accounting for 2.1% of CTC key markets.
- About 328,000 visitors from our key European markets visited Canada, accounting for 11.0% of the total. Notable, trips from the UK accounted for 6.4%.
- About 193,000 visitors from Asia/Pacific key markets visited Canada, accounting for 6.4% of total tourists from overseas key markets. Japan accounted for 2.1% of key markets.
- Overseas CTC key markets have gained share of entry over the Americas, reaching 17.4% in Jan.-Apr. 2008 -- up from 15.5% in 2006 and 13.2% in 2004.

Market Watch

- In April 2008, Canada received the largest volume of travellers from India (7,702 trips), however, the volume had declined over April 2007 (7,905 trips). The Netherlands posted the highest growth rate over Apr. 2007 - an impressive 34.9%.
- In Jan.-Apr. 2008, highest volume of visitors came from Hong Kong (28,549 trips), followed by the Netherlands (20,070 trips). Hong Kong (+13.9%) and Switzerland (+10.2%) posted the highest growth rates.
- Compared to Jan.-Apr. 2006, Spain (+28.4%), Italy (+15.6%), and India (+15.5%) posted the highest growth rates, while Taiwan (-39.2%) posted the largest decline.
- Compared to 2004, trips from India and Spain posted the largest growth rates (+73.7% and +73.5%, respectively). Taiwan posted the largest decline (-43.9%).



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

Canadian Outbound Trips

- In April 2008, Canadian outbound travel increased 7.4% over April 2007 - a much slower growth rate than the previous month (+21.5% over March 2007).
- Year-to-date, outbound travel increased 17.7% over the same period last year. Trips to the U.S. were up by 21.4% and trips to non-US countries were up by 12.0%.

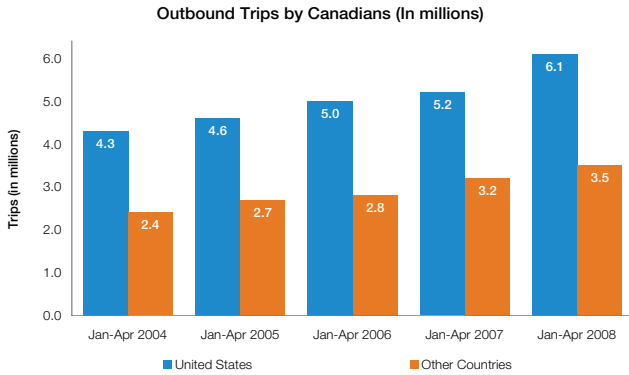
consumer outlook

Consumer Confidence

CANADA: Canadians felt less confident in April 2008 than they were in March. Canadian consumer confidence fell for the second consecutive month (by 1.8 percentage points over the previous month) to reach 92.8. For the same month last year, the Canadian consumer confidence was at 98.8.

UNITED STATES: The US consumer confidence fell for the fourth consecutive month of the year. In April 2008, the consumer confidence index was down 3.6 percentage points over March to reach 62.3. For the same month last year, the consumer confidence index was at 104.0.

Sources: The Conference Board (USA), and the Conference Board of Canada.



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

competitive review (Jan. - Feb. 2008)

- While Canada experienced a slight decline (-1%) in international arrivals, the U.S. and Australia posted increases of 13% and 2%, respectively.
- Compared to Australia, Canada posted better performance in arrivals from 2 Asian countries -- China (+18% vs. +11% for Australia) and South Korea (0% vs. -9% for Australia).
- Compared to the United States, Canada posted higher increases in arrivals from Mexico (+22% vs. +9% for the U.S.) and Australia (+16% vs. +8% for the U.S.)
- All three countries experienced declines from Japan -- Canada: -19%, Australia: -18%, and the U.S.: -1%.

Note: UK statistics only available quarterly.

International Travel, January - February 2008 (In 000s)

Trips from:	Trips to:					
	Canada		United States		Australia	
	#	08/07 Change	#	08/07 Change	#	08/07 Change
Total International	1,517	-1	6,680	13	990	2
Americas						
United States	1,076	-4	...	...	86	7
Mexico ¹	26	22	839	9	...	...
Overseas Key Markets						
France	45	6	137	19	15	14
Germany	23	-2	200	19	31	4
United Kingdom	87	1	569	9	145	-2
China*	18	18	98	23	92	11
Japan	26	-19	548	-1	87	-18
South Korea	25	0	143	5	48	-9
Australia	26	16	94	8	...	...
Canada	...	...	2,511	18	29	18
Total Key Markets	1,352	-2	5,138	13	532	-1

...Data not available or not applicable. *US statistics includes Hong Kong, SAR. ^Estimation. US statistics - arrivals to the interior only. Sources: Statistics Canada; Australian Bureau of Statistics; and ITA, Office of Travel and Tourism Industries (USA).

accommodations

- In April 2008, occupancy rates in Canada increased 2.4 percentage points over the same month last year. Survey data shows that Saskatchewan posted the highest occupancy rate, followed by Alberta and Manitoba.
- Year-to-date, Canada's occupancy rate declined slightly (-0.3 percentage point over 2007). The Northwest Territories posted the highest occupancy rate (68.9%) with a growth of 2.8 percentage points. Saskatchewan and Alberta posted the next highest year-to-date occupancy rates.
- For the first four months of 2008, properties with 126 rooms or more posted the higher occupancy rates (around 60%), than properties with less than 125 rooms.
- Year-to-date, the average daily rate in Canada was \$124.19, up from \$118.72 in 2007. Quebec, Alberta, BC, and the NWT posted room rates above the national rate.
- The national average room revenue per available room (RevPAR) was \$71.72 in Jan.-Apr. 2008, up from \$68.89 in Jan.-Apr.2007.

Canadian Occupancy Rates, By Province*

	Apr 2008	08/07 Change^	Jan-Apr 2008	Year-to-date Change^
Alberta'	70.0	2.5	66.2	-2.3
British Columbia	64.9	0.4	60.4	0.0
Saskatchewan	71.8	4.5	67.9	2.4
Manitoba	67.0	5.4	64.1	3.0
Ontario	59.9	3.2	54.8	-0.2
Quebec	59.3	2.0	53.8	-0.6
New Brunswick	59.6	3.8	52.9	-0.4
Nova Scotia	61.2	0.8	53.2	-2.5
Newfoundland	61.5	5.2	51.9	2.2
Prince Edward Island	32.7	-3.0	34.3	-0.4
Northwest Territories	61.9	-7.1	68.9	2.8
Yukon	65.1	10.1	60.2	-1.2
Canada	62.5	2.4	57.7	-0.3

* Note: Based on the operating results of 193,119 rooms (unweighted data).
 ^ Percentage points. 'Excluding Alberta resorts.
 Source: Pannell Kerr Forster Consulting Inc.

Source: PKF Consulting.

strategic performance

Travel Volumes, January-April 2008

	Overnight Trips Made (000s)		
	Target	Actual	% Difference
Americas			
United States	2,502	2,408	-3.8
Mexico	62	64	3.4
Overseas			
France	83	84	1.5
Germany	50	51	1.7
UK	208	192	-7.3
China	42	36	-12.9
Japan	65	62	-5.4
S Korea	48	47	-1.3
Australia	52	47	-9.0
Total	3,112	2,992	-3.8

Note: As per strategic plans.

- Against the set targets for CTC's core markets, there is a shortfall of 120,000 (-3.8%) in the first four months of 2008.
- In Jan-Apr. 2008, overnight trips to Canada from North America, Europe, and Asia Pacific have a short fall of -3.6%, -3.8%, and -6.9% (93,000, 13,000, and 14,000 overnight trips respectively).
- The most notable performance is from Mexico which exceeded the target by 3.4% (or 2,000 overnight trips).

**CTC Marketing
Market Research**