Ontario

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Ontario Tourism **Facts & Figures**

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International Travel Account

- **In 2006, Ontario's travel deficit reached $4.2 billion, a 1% increase over 2005. Canada's travel deficit, meanwhile, increased by 25% to $6.7 billion.**
- **Preliminary results for the first quarter of 2007 indicate that Ontario's travel deficit increased 10% to $2.2 billion over the first quarter of 2006 while Canada's travel deficit increased 9% to $4.1 billion over the period.**

Source: Ontario Ministry of Tourism

Economic Outlook:

Ontario to underperform the national average

Short Term Economic Indicators* Canada & Ontario

		2006	2007	2008
Real Gross Domestic Product** *% change over previous period*	Can	2.7	2.7	3.4
	ON	1.3	2.0	3.4
Consumer Price Index *% change over previous period*	Can	2.0	1.3	2.0
	ON	1.8	1.2	2.0
Unemployment Rate (%)	Can	6.3	6.1	6.0
	ON	6.3	6.4	6.5
Personal Disposable Income *% change over previous period*	Can	5.1	4.3	3.4
	ON	3.5	3.8	3.3

*Forecast data, except unemployment rate 2006 **GDP at basic prices (constant$ 1997)
Source: Conference Board of Canada

Tourism Statistics

International Border Crossings

U.S. travel market sees a decline of 21% in the first four months of 2007

For the period of January to April 2007, there were 3.9 million border crossings from the U.S. to Ontario – almost 52% fewer crossings for the period than in 1998, the peak year for U.S. border crossings to Ontario.

- The decline in U.S. same-day trips to Ontario remains the driving factor behind this significant decrease. For the period January to April 2007, American day trips to Ontario decreased by 25% over the same period of 2006.
- Meanwhile, U.S. overnight entries to Ontario over the period decreased by 11% over the same period of 2006. The decline is spread across both overnight auto entries (-9.8%) and overnight non-auto (plane, train, bus, boat) entries to Ontario (-13.2%).

Overseas market remains stable in the first four months of 2007

For the period of January to April 2007, there were 360,000 overseas entries to Ontario, an increase of just 0.1% over the same period of 2006.

- Direct entries to Ontario were up by 0.2%, while entries via the U.S. were down by 0.1%.
- Three of Ontario's four traditional overseas markets – the U.K. (-3.8%), Japan (-14.6%) and France (-9.0%) posted declines in the first four months of 2007, with only Germany posting a modest increase (1.3%). A broader set of emerging markets – including Mexico, South Korea, India and China - are making up for losses in traditional markets and keeping Ontario's overseas arrivals stable.

International Border Crossings into Ontario*

	2006	Jan-Apr 2007
Total International (%)	–9.0	–19.5
Total U.S. (%)	–9.9	–21.1
U.S. Same Day (%)	–12.7	–25.4
U.S. Overnight (%)	–5.1	–11.1
Total Overseas (%)	0.5	0.1

*Percent change over same period of previous year
Source: Conference Board of Canada

Accommodations

Small drop in occupancy and healthy gains in average daily rates in the first four months of 2007

- For the period January to April 2007, occupancy rates at Ontario hotels averaged 55.3%, a decrease of 0.4 of a percentage point over 2006 – still below 2001 levels, the peak for the period.
- Over the same period, the average daily room rate (ADR) at Ontario hotels increased by 1.9% to $120.73, resulting in a modest 1.1% increase in Revenue per Available Room (RevPAR) for the period.

The table (right) shows occupancy and average daily rates for several different markets across Ontario for the first four months of 2007:

Ontario Hotel Occupancy and Average Daily Rates
January to April 2007

	Occupancy Percentage (%)			Average Daily Rate ($)		
	2007	2006	Point change*	2007	2006	% Change
Ontario	**55.3%**	**55.7%**	**–0.4**	**$120.73**	**$118.50**	**1.9%**
Greater Toronto Area (GTA)	**60.7%**	**60.1%**	**0.6**	**$131.60**	**$128.17**	**2.7%**
Downtown Toronto	62.1%	59.9%	2.2	$155.78	$149.60	4.1%
Toronto Airport	68.5%	68.2%	1.6	$118.43	$117.56	0.7%
GTA West	61.2%	56.5%	1.6	$108.55	$107.68	0.8%
GTA East/North	69.8%	56.6%	–3.4	$117.52	$114.60	2.5%
Eastern Ontario	**58.1%**	**49.4%**	**–2.0**	**$97.69**	**$94.33**	**3.6%**
Kingston	53.2%	52.5%	0.0	$106.58	$101.95	4.5%
Other Eastern Ontario	44.9%	47.8%	–2.8	$92.67	$90.00	3.0%
Ottawa	**64.2%**	**62.7%**	**1.5**	**$130.04**	**$126.12**	**3.3%**
Downtown Ottawa	64.6%	64.2%	0.4	$135.03	$130.68	3.3%
Ottawa West	62.7%	58.1%	4.6	$120.07	$116.28	3.3%
Ottawa East	64.3%	59.2%	5.1	$108.95	$103.62	5.1%
Southern Ontario	**45.9%**	**47.7%**	**–1.8**	**$104.43**	**$105.37**	**–0.9%**
London	57.1%	61.6%	–4.4	$102.59	$99.87	2.7%
Windsor	48.8%	54.2%	–5.4	$98.96	$115.21	–14.1%
K/W/Cambridge/Guelph	53.8%	56.9%	–3.2	$104.94	$101.98	2.9%
Hamilton/Brantford	60.1%	56.5%	3.7	$105.27	$98.69	6.7%
Niagara Falls	39.5%	40.3%	–0.8	$111.58	$114.22	–2.3%
Other Niagara Falls Region	37.1%	38.3%	–1.2	$86.11	$83.88	2.7%
Other Southern Ontario	39.0%	41.8%	–2.8	$96.76	$92.29	4.8%
Central Ontario	**41.5%**	**46.4%**	**–4.9**	**$115.71**	**$129.12**	**–10.4%**
North Eastern Ontario	**59.6%**	**60.0%**	**–0.4**	**$88.82**	**$88.82**	**3.4%**
North Bay	59.4%	61.8%	–2.4	$92.65	$92.65	2.6%
Sudbury	65.1%	59.3%	5.9	$92.44	$92.44	1.6%
North Central Ontario						
Sault Ste. Marie	41.0%	47.3%	–6.4	$84.76	$80.66	5.1%
North Western Ontario	**56.7%**	**57.3%**	**–0.6**	**$90.39**	**$59.21**	**1.3%**
Thunder Bay	**61.1%**	**61.9%**	**–0.8**	**$93.86**	**$92.44**	**1.5%**

*Percentage point change
Source: Trends in the Canadian Hotel Industry, PKF Consulting.
Data based on PKF's unweighted sample, which tends to be branded properties of 30 rooms or more.

Useful Websites

Ontario Ministry of Tourism, Research Unit
www.research.tourism.gov.on.ca

Ontario Ministry of Tourism
www.tourism.gov.on.ca

Ontario Tourism Marketing Partnership Corporation
www.tourismpartners.com

Canadian Tourism Commission
www.canadatourism.com

Statistics Canada
www.statcan.ca

Travel and Tourism Research Association (TTRA) Canada
www.ttracanada.ca

Travel and Tourism Research Association (TTRA) International
www.ttra.com

World Tourism Organization
www.world-tourism.org

US Department of Commerce, Tourism Industries
www.tinet.ita.doc.gov

Ontario Tourism Education Corporation
www.otec.org

Tourism Industry Association of Canada
www.tiac-aitc.ca

What's New in Research?

New Research and Publications

www.research.tourism.gov.on.ca

- A report on Travel Intentions for spring and summer 2007 is available at **Reports > Travel Intentions** on the Ministry of Tourism's Research website.
- An Ontario-specific report on Q1 2007 results and Q2 2007 outlook from the Business Conditions Survey on the travel accommodation sector is available under **Reports > Business Conditions**.
- The Ontario Tourism Outlook: 2007-2011 Forecast, completed in June 2006, provides an outlook for travel to and from Ontario as well as for the global travel market. Look on the website under **Tourism Outlook**.
- A number of new reports from the 2006 Travel Activities and Motivations Survey (TAMS) are now available, including:
  - Loyalty segmentations of the U.S. and Canadian Travel Markets
  - Travellers to Northern Ontario
  - U.S. travel market profiles on a variety of outdoor travel activities, including ocean activities; boating & swimming; scuba & snorkel; sailing & surfing; hiking, climbing & paddling; wildlife viewing; snowmobile & ATVing; downhill skiing & snowboarding; horseback riding, and others
  - Shopping: An analysis of the Ontario and U.S. shopping segments

Visit the website under **Reports > TAMS** for the reports listed above and for a schedule of upcoming reports.

Special Topics:
Accessible Travel

This column will provide a brief overview of travellers looking for accessible travel destinations. The findings are from the 2006 Travel Activities and Motivations Survey (TAMS) which asked travellers to indicate whether the fact that a **destination was disabled-person friendly** was highly important, somewhat important or not at all important to them in choosing a destination for an out-of-town vacation trip.

- In Canada, there are 1.2 million travellers (or 5.9% of all Canadian travellers) who indicated that an accessible travel destination was highly important to them. Another 3.2 million Canadian travellers (or 15.5%) indicated that this consideration was somewhat important to them in choosing their travel destination.
- In the U.S., 16.1 million travellers (or 9.2% of all American travellers) indicated that an accessible travel destination was highly important to them, while another 32.5 million (or 18.4%) indicated it was somewhat important to them.

How frequently are they travelling?

Travellers looking for accessible travel destinations travel almost as much as other travellers.

- Canadian travellers looking for accessible destinations took an average of 3.3 trips in the two-year period covered by the survey, while other Canadian travellers took 3.7 trips in the same period.
- The trend was similar for American travellers, with those looking for accessible destinations taking an average of 3.2 trips compared to 3.6 trips for other American travellers.

Where are they travelling?

The incidence of travel by those looking for accessible travel destinations is similar to (or a little lower than) other travellers for destinations within their home country, but noticeably lower outside of their own country and North America.

- Canadian travellers looking for accessible destinations are more likely to visit Nova Scotia and New Brunswick but less likely to visit British Columbia, Quebec or the territories. The incidence of travel to the U.S. is about 25% less for this segment, while their incidence of travel to Mexico, South/Central America, the Caribbean and Europe is less than half of that of other Canadian travellers.
- American travellers looking for accessible destinations are a little less likely to visit their own state (4% less likely than other American travellers) and other states (8% lower). Their incidence of travel to Canada is 25% lower than other American travellers, while travel to Mexico, South/Central America, and the Caribbean is about 35% lower.

What activities does this segment participate in?

Travellers looking for accessible destinations participate in a wide variety of activities while travelling, and though their participation rates are notably lower in a few instances (e.g. hiking and skiing), they have similar or higher participation rates for almost half of the activities included in the survey.

When looking at most popular activities, there is notable consistency among those travellers looking for accessible destinations and other travellers. In fact, of the top 25 activities listed by Canadian travellers looking for accessible destinations, only 4 do not factor on the top 25 list of other Canadian travellers. Of the top 25 activities for American travellers looking for accessible destinations, only 3 do not factor on the top 25 list of other American travellers.

There are a number of individual activities which are noticeably more or less popular among travellers looking for accessible destinations.

- Canadian travellers looking for accessible travel destinations are more likely to attend horse races, equine competitions and aboriginal festivals, to play team sports like football and bowling and to participate in amateur tournaments/competitions other than sports.
- American travellers looking for accessible destinations are more likely than other travellers to go to comedy festivals, aboriginal festivals and the circus.
- Both Canadian and American travellers looking for accessible destinations are less likely to engage in active outdoor pursuits such as ocean snorkelling, kayaking/canoeing, hiking and skiing.

What are the benefits of travel sought by this segment?

Travellers looking for accessible travel destinations appear to seek a greater number of benefits from their travel experiences than do other travellers. Their incidence of rating benefits as **highly important** was higher than other travellers in almost all of the benefits listed in the survey.

- The four most frequently mentioned benefits sought were consistent among all travellers in both markets:
  - Relax and relieve stress;
  - Enrich relationship with spouse/children;
  - Take a break from the day-to-day environment; and
  - Create lasting memories.
- The top benefits which were noticeably more important to travellers looking for accessible travel destinations include:
  - Have stories to share back home / have something interesting to talk about;
  - To be challenged physically / to feel physically energized;
  - To be pampered; and
  - Stimulate the mind / be intellectually challenged.

Look for the full report on the research website **www.research.ontario.gov.on.ca** under **Reports > TAMS**.

Upcoming Conferences & Events

- The Ontario Tourism Marketing Partnership Corporation (OTMPC) will hold its third Ontario Tourism Summit on October 3-4, 2007 in Ottawa, Ontario. This year's theme **The Power of Partnerships** will explore the power of collaborating with industry partners to leverage programs, knowledge, resources and brands. Visit www.tourismpartners.com to register.
- The 2007 Travel and Tourism Research Association (TTRA) Canada Chapter Conference **Tourism With(out) Borders** will be held in Charlottetown, Prince Edward Island from October 18 to 20, 2007. Please visit **www.ttracanada.ca** for more information.
- Canada's Tourism Leadership Summit 2007 **Red, White and Blues: Renewing American Travel to Canada**, organized by the Tourism Industry Association of Canada (TIAC), will be held in Victoria, British Columbia on November 4-6, 2007. Visit **www.tiac-aitc.ca** for more information.
- The Nature and Outdoor Tourism Ontario (NOTO) Annual Conference will take place November 13-14, 2007 in North Bay, Ontario. For more information, please contact Laurie Marcil at **laurie@noto.net** or (705) 472-5552.

Travel Price Index

Price of travel in Ontario increased marginally in April 2007 over 2006

- In April 2007, Ontario's Travel Price Index (TPI) was just 0.2% higher than in April 2006. Increases in the cost of inter-city and local transportation, auto operation and various food and beverage purchases were largely offset by declines in the cost of travellers' accommodation, recreational equipment and services, and personal care items.
- Ontario's Consumer Price Index (CPI) was up by 1.4% over April 2006.

Source: Statistics Canada; Ontario Ministry of Tourism

Visitor Inquiries

User sessions at OntarioTravel.net up again in the first four months of 2007, while call volume is also up at 1-800-Ontario

- User sessions at OntarioTravel.net for the period January to April 2007 grew 30% over 2006 to more than 1 million sessions. Traffic to the seasonal site (+104%) outpaced growth on the main website (+21%).
- Over the same period, calls to the 1-800-ONTARIO Call Centre totalled more than 50,000, an increase of 8% over the same period in 2006.

Source: Electronic Data Systems

Visits to Ontario's Travel Information Centres continue to decline

- There were about 200,000 visits to Ontario's Travel Information Centres (TICs) over the first four months of 2007, a 14% decrease over 2006.

Source: Ontario Ministry of Tourism

Visit our website

www.research.tourism.gov.on.ca
For information on the industry's current performance, historical statistics, provincial forecasts, market reports and more.

Questions? Suggestions?

Please contact Adele Labine-Romain at (416) 325-8287 or via email at adele.labine-romain@ontario.ca

If you'd like to be added to our distribution list or if you need to change your mailing address, please contact Jackie Ma at (416) 325-1848 or via email at jackie.ma@ontario.ca

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