

Ontario Tourism **Facts & Figures**

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International Travel Account

Ontario's travel deficit hit a record high in 2007— it went from \$4.1 billion in 2006 to \$4.9 billion in 2007, an increase of 21%. Ontarians spent almost \$11.6 billion outside of Canada, an increase of 8% over 2006, while travellers from the U.S. and overseas spent \$6.7 billion in Ontario, a decrease of 1% over 2006.

- **Ontario's travel deficit with the U.S. was \$2.9 billion, up by 30% over 2006.** Ontarians spent 7% more in the U.S. in 2007 vs. 2006, while U.S. travellers spent 5% less in Ontario than they did in 2006.

- **Ontario's travel balance with overseas countries was \$2.0 billion, up 11% over 2006.** Ontarians spent 7% more in overseas countries in 2007 vs. 2006, while overseas travellers spent only 4% more in Ontario than in 2006.

Canada's travel deficit was also a record high at \$9.6 billion in 2007, reflecting an increase of 44% over 2006.

Source: Statistics Canada, Ontario Ministry of Tourism

Economic Outlook

Short Term Economic Indicators* Canada & Ontario

		2006	2007	2008
Real Gross Domestic Product** % change over previous period	ON	2.1	2.1	2.9
	Can	2.4	2.6	2.9
Consumer Price Index % change over previous period	ON	1.9	1.1	2.0
	Can	2.2	1.3	2.0
Unemployment Rate (%)	ON	6.4	6.3	6.4
	Can	6.0	5.8	5.8
Personal Disposable Income % change over previous period	ON	3.8	4.3	4.2
	Can	5.3	4.5	4.2

*Forecast data

**GDP at basic prices (constant\$ 2002)

NOTE: Ministry of Finance is forecasting GDP growth of 2.1%, 1.1% and 2.1% in Ontario for 2007, 2008 and 2009, respectively.

Source: Conference Board of Canada, Key Economic Indicators, Feb. 2008

Tourism Statistics

International Border Crossings

U.S. travel market experiences a decline of 14% in 2007

In 2007, there were about 15 million border crossings from the U.S. to Ontario, 14.0% fewer crossings than in 2006.

- The decline in U.S. same-day trips to Ontario remains the driving factor behind this significant decrease, accounting for 89% of the decline in visits. For the year 2007, American day trips to Ontario decreased by 20.6% over 2006.
- Meanwhile, U.S. overnight entries to Ontario in 2007 decreased by 4.0% over 2006.

The overseas market remains stable in 2007

In 2007, there were 1.8 million overseas entries to Ontario, a nominal increase of 0.1% over 2006.

- Direct entries to Ontario were up by 1.4%, while entries via the U.S. were down by 3.0%.
- Three of Ontario's four traditional overseas markets posted declines in 2007: Japan (–18.8%), France (–14.6%) and Germany (–0.8%). The U.K., Ontario's largest overseas market, grew by 1.6%.
- A number of emerging markets, including Mexico (+17.9%), South Korea (+10.0%) and China (+18.7), are making up for losses in traditional markets and keeping Ontario's overseas arrivals stable.

International Border Crossings into Ontario*

	Q1 2007	Q2 2007	Q3 2007	Q4 2007	2007
Total International (%)	–19.5	–11.9	–9.3	–13.4	–12.7
Total U.S. (%)	–21.1	–13.2	–10.2	–15.3	–14.0
Same Day (%)	–25.8	–18.7	–16.4	–24.0	–20.6
Overnight (%)	–9.8	–5.1	–3.1	–0.2	–4.0
Total Overseas (%)	+1.3	–0.1	–1.9	+3.8	+0.1

*Percent change over same period of previous year

Source: Statistics Canada

Special Topics: Domestic Travel Statistics

How important is domestic travel? Historically, domestic travel has accounted for 80% of all person visits and 69% of tourism receipts in Ontario. With so much at stake, understanding the size and characteristics of the Canadian tourism market is critical to the marketing and planning activities of tourism organizations and businesses throughout the province.

Starting in November 2008, using the **Travel Survey of the Residents of Canada (TSRC)**, estimates of 2007 domestic tourism volume, value and travel characteristics will be available along with year-over-year comparisons, using 2006 TSRC findings.

2006 is the new baseline year for domestic tourism in Canada.

The TSRC relies on a different approach to defining domestic tourism and collects information from a different portion of the Canadian population than did its predecessor—the Canadian Travel Survey (CTS). For these reasons, TSRC estimates will not be directly comparable to historical estimates from the CTS¹.

Why the new survey?

The Travel Survey of Residents of Canada, conducted by Statistics Canada, offers some significant benefits over the CTS:

A Focus on Your Customers

TSRC domestic tourism estimates will reflect trips with purposes and activities that are directly served by tourism businesses—the new survey will do a better job of filtering in tourism trips and filtering out routine trips than did the CTS. In addition to exclusions historically covered in the CTS such as commuting to work or school, the TSRC will also exclude trips made for routine household or grocery shopping, medical appointments, religious observance, and sales calls.

In the new survey, the main purpose of the “trip” rather than the consumer’s main reason for travel is captured. This shift in emphasis brings the TSRC into greater harmony with the global guidelines for defining trip purpose as outlined by the World Tourism Organization.

Tourism: The activities of persons travelling to and staying in places outside of their usual environment for not more than one consecutive year for leisure, business and other purposes.

Source: World Tourism Organization (WTO)

A Common Metric for Canada

The World Tourism Organization’s guidelines state that for a trip to be considered tourism, the traveller must leave his or her “usual environment”. Historically, Canada relied on a distance minimum for determining if a person left the usual environment. Different jurisdictions used different distances making it difficult to estimate market share across provinces or municipalities. With the changes made in the TSRC, a common metric will be used in all jurisdictions.

To capture leaving the usual environment in a more consumer-driven way, the individual is asked if he or she took any out-of-town trips during a calendar month. Thus, “out-of-town” replaces the one-way distance minimum for the important overnight tourism segment. In the interests of reducing respondent burden associated with the number of very short out-of-town same-day trips, a minimum one-way distance of forty kilometres (40 kms) is required for a non-routine same-day trip to qualify as a tourism trip in the TSRC.

A Focus on Trip Decision-Makers

In the TSRC, individuals 18 years of age or over are asked to report on their out-of-town travel in the month preceding the telephone interview. By increasing the age of the consumer from 15 years to 18 years, the new study puts the spotlight more clearly on those who make decisions about their trips.

More Marketing-Oriented Information

Tourism marketers, planners and businesses will have more detailed information on the characteristics of the domestic tourism market than they have had in the past. For example, the questionnaire has been enhanced to include more types of commercial accommodation, more information on activities, household travel party size, more details about transportation used on the trip and other characteristics.

When can we expect this new domestic travel information?

2006 reference year data > July 2008

2007 reference year data > November 2008

1998-2004 bridging data > end of 2008

For a more detailed explanation of the differences between the CTS and TSRC, including some of the possible impacts on estimates, please look for the **Travel Survey of the Residents of Canada 2007** communications document under **Tourism Research > Resources** at www.research.tourism.gov.on.ca.

¹ Statistics Canada is developing a bridging mechanism to restate earlier data to allow historical comparisons.

Upcoming Conferences & Events

- Tourism Week 2008 will take place June 2–8, 2008. **Tourism, Canada's Passport to Prosperity** is an annual, country-wide celebration that aims to increase the profile of Canada's tourism industry and convey the value of the tourism industry to Canada's local, provincial, territorial and national economies and to the quality of life of all Canadians. Coordinated by the Tourism Industry Association of Canada, **Tourism Week** provides a focal point for activities organized across the country by provincial and territorial tourism industry associations, destination marketing organizations, visitor and convention bureaus, individual businesses and other organizations, in order to raise awareness of tourism and its benefits.



This year, the Ontario Ministry of Tourism will be looking to mark the event with a number of special activities and events to raise recognition of tourism as an important economic driver and community builder for Ontario.

Tourism organizations and businesses across the province are encouraged to join in, and use Tourism Week as an opportunity to highlight tourism in their communities.

- The 2008 Travel and Tourism Research Association (TTRA) International Conference **Freedom to Travel** will be held June 15–17, 2008 in Philadelphia, Pennsylvania. Details will be posted at www.ttra.com as they become available.
- The 2008 Travel and Tourism Research Association (TTRA) Canada Chapter Conference **Change is the only Constant: Lifestyles, Products and Markets** will be held in Victoria, British Columbia from October 15–17, 2008. Please visit www.ttracanada.ca for more information.
- The 2008 edition of Canada's Tourism Leadership Summit, hosted by the Tourism Industry Association of Canada (TIAC) will be held from November 2–4, 2008 in Gatineau, Quebec. Visit www.tiac-aitc.ca for more information.

Accommodations

Occupancy rates were unchanged in 2007, while average daily rates saw modest gains

- In 2007, occupancy rates at Ontario hotels averaged 62.8%, unchanged from 2006, and the same as in 2001, the previous peak year for hotel occupancy rates.
- The average daily room rate (ADR) at Ontario hotels increased 1.4% to \$126.20, resulting in a 1.4% increase in Revenue per Available Room (RevPAR) for the year.

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

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

Ontario Hotel Occupancy and Average Daily Rates January to December

	Occupancy Percentage (%)			Average Daily Rate (\$)		
	2007	2006	Point change*	2007	2006	% Change
Ontario	62.8%	62.8%	0.0	\$126.20	\$124.46	1.4%
Greater Toronto Area (GTA)	66.8%	66.2%	0.5	\$135.76	\$134.81	0.7%
Downtown Toronto	70.9%	69.8%	1.1	\$168.23	\$167.60	0.4%
Toronto Airport	69.2%	68.5%	0.7	\$117.66	\$115.37	2.0%
GTA West	63.3%	61.0%	2.4	\$105.80	\$105.89	-0.1%
GTA East/North	60.9%	62.9%	-2.1	\$114.29	\$113.03	1.1%
Eastern Ontario	58.1%	58.3%	-0.2	\$104.24	\$101.61	2.6%
Kingston	62.2%	61.5%	0.7	\$118.31	\$113.76	4.0%
Other Eastern Ontario	56.1%	56.6%	-0.5	\$96.69	\$94.97	1.8%
Ottawa	70.2%	68.7%	1.5	\$133.22	\$127.75	4.3%
Downtown Ottawa	70.9%	70.2%	0.7	\$140.30	\$134.58	4.3%
Ottawa West	70.3%	66.0%	4.3	\$121.28	\$116.11	4.5%
Ottawa East	65.0%	63.1%	2.0	\$100.08	\$95.54	4.8%
Southern Ontario	55.9%	57.0%	-1.1	\$117.79	\$116.92	0.7%
London	60.5%	62.5%	-2.0	\$100.68	\$99.89	0.8%
Windsor	50.6%	52.9%	-2.3	\$98.66	\$103.33	-4.5%
K/W/Cambridge/Guelph	59.1%	60.1%	-1.0	\$103.68	\$101.05	2.6%
Hamilton/Brantford	64.4%	64.3%	0.1	\$102.83	\$96.38	6.7%
Niagara Falls	56.9%	58.0%	-1.1	\$143.95	\$142.69	0.9%
Other Niagara Falls Region	48.7%	47.9%	0.8	\$95.29	\$92.34	3.2%
Other Southern Ontario	47.3%	48.5%	-1.2	\$100.47	\$97.50	3.0%
Central Ontario	50.1%	51.5%	-1.5	\$123.88	\$125.96	-1.6%
North Eastern Ontario	65.6%	67.0%	-1.3	\$92.23	\$88.80	3.9%
North Bay	65.9%	69.0%	-3.1	\$95.01	\$91.70	3.6%
Sudbury	70.0%	69.1%	0.9	\$97.40	\$93.36	4.3%
North Central Ontario						
Sault Ste. Marie	52.0%	56.4%	-4.4	\$88.84	\$84.67	4.9%
North Western Ontario	66.7%	67.1%	-0.3	\$92.94	\$90.67	2.5%
Thunder Bay	67.4%	69.6%	-2.2	\$95.36	\$93.23	2.3%

*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.

What's New in Research?

New Research and Publications

www.research.tourism.gov.on.ca

- A new wave of the Travel Intentions Survey was recently completed. The survey examined the intentions of residents of Ontario; select other cities and U.S. states to travel to Ontario during Spring and Summer 2008. The final report is now available under **Reports > Travel Intentions**.
- An Ontario-specific report on Q4 2007 results and Q1 2008 outlook from the Business Conditions Survey on the travel accommodation industry is available under **Reports > Business Conditions**.
- International Travel Survey (ITS) results for 2006, including tables on visitation, purpose of trip, accommodation, activities and spending by U.S. and overseas visitors, are available at **Reports > Canadian and International Travel Surveys**.

- Updated Historical Statistics tables, showing U.S. and overseas visits and spending for 2006, are available under **Tourism Research > Historical Statistics**.
- A number of new reports from the 2006 Travel Activities and Motivations Survey (TAMS) have been added to the website:
 - **Canadian travellers visiting Ontario and US travellers visiting Ontario**—individual reports about each of the provinces
 - **Outbound Traveller Profiles**—individual reports about the travel behaviours of residents of each of the Canadian provinces
 - The final instalments of the **Canadian travel market profile reports**, including the Outdoor Activity and Culture & Entertainment Overviews are now available.

Please visit our website and under **Reports > TAMS check** for the reports listed above.

Travel Price Index

Price of travel in Ontario increased in 2007 over 2006

- Ontario's Travel Price Index (TPI) in 2007 was up by 0.9% over 2006. Increases in the cost of auto operation, local transportation, accommodations, and food and beverage were partially offset by declines in the cost of auto rentals, recreational equipment and services and home recreation equipment.
- In 2007, Ontario's Consumer Price Index (CPI) was up by 2.1% over 2006.

Source: Statistics Canada; Ontario Ministry of Tourism

Visitor Inquiries

User sessions at OntarioTravel.net show strong gains in 2007, while call volume at 1-800-Ontario is down

- In 2007, there were more than 3.2 million user sessions at www.OntarioTravel.net, an increase of 9% over 2006. Traffic to the main website, which represents 84% of user sessions, was up by 9% while traffic to the seasonal site was up by 12% for the year. User sessions on the website are up more than 300% since 2000.
- Calls to the 1-800-ONTARIO Call Centre totalled about 183,000 in 2007, a decrease of 4% over 2006. Call volumes have declined by almost 60% since 2000.

Source: Electronic Data Systems

Visits to Ontario's Travel Information Centres continue to decline

- In 2007, there were approximately 1.25 million visits to Ontario's Travel Information Centres (TICs), a decrease of 11.4% over 2006. Since 2000, visits to Ontario's TICs have decreased by 50%.

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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