

MAY 2009

Highlights

May 2009 over May 2008:

- Crossings from the U.S. to Ontario decreased 1.6%, with overnight crossings down 2.9% and same-day travel down 0.4%.
- Visits from overseas markets to Ontario declined by 22.7%.
- Travel by Ontarians to the U.S. decreased by 13.2% (same-day crossings down by 15.6% and overnight crossings down by 9.1%). Travel to overseas countries declined 6.5%.
- Employment in Ontario's tourism-related industries decreased by 0.8%.
- Ontario's Travel Price Index was up by 1.3%.

YTD May 2009 versus YTD May 2008:

- U.S. crossings to Ontario decreased 1.2%, with same-day crossings down 0.9% and overnight crossings down 1.6%.
- Visits from overseas markets to Ontario decreased 13.1%.
- Ontarians' crossings to the U.S. declined by 14.2%, (same-day visits down 17.8% and overnight entries down 8.67), while travel to overseas countries increased by 1.8%.

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Border Crossings

Total International Entries

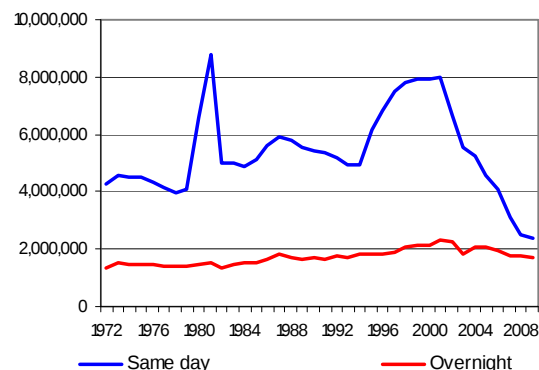
During May 2009, total international border crossings (including U.S. and overseas visitors) to Ontario decreased by 4.4% over May 2008 to 1.3 million crossings. In 2008, May accounted for 9.0% of Ontario's annual international border crossings.

For the 5 months ending May 2009, total international border crossings (4.6 million entries) declined by 2.6% over 2008.

U.S. Entries

U.S. entries accounted for 89% of international entries into Ontario in May 2009. During this month, U.S. border crossings into Ontario declined 1.6% over May 2008 to 1.1 million crossings. Overnight entries declined 2.9% while same-day entries decreased 0.4%.

US Border Crossings to Ontario, Jan-May 1972 - 2009



Source: Statistics Canada

For the 5 months ending May 2009, there were 4.1 million border crossings from the U.S. to Ontario, a decrease of 1.2% over 2008. Overnight crossings declined 1.6% with 28,000 fewer overnight crossings and same-day crossings dropped 0.9% or 21,000 fewer same-day crossings.

In May 2009, US entries to Ontario and Canada both declined 1.5%. During January-May 2009, Ontario, which accounted for 60% of U.S. entries into Canada, experienced a 1.2% decline in U.S. visits, less than the national average decline of 2.8%.

Province	U.S. Entries, May 2009 over May 2008		U.S. Entries, YTD May 2009 over YTD May 2008	
	Entries*	% change	Entries*	% change
Ontario	1,144,315	-1.5%	4,092,724	-1.2%
B.C.	434,778	2.3%	1,361,659	-4.8%
Quebec	180,708	-4.3%	700,542	-5.6%
Canada	1,973,221	-1.5%	6,876,302	-2.8%

Source: Statistics Canada

U.S. Entries: Mode of Transportation

In May 2009, 84% of U.S. entries to Ontario were via an automobile, 10% by commercial air travel¹, 4% by bus and 2% by other modes. Entries by automobile were up 0.6% in May 2009 but down 0.5% for the 5 months ending May 2009 compared with 2008. Commercial air travel from the U.S. was down 17.4% in May 2009 while entries by bus were up 0.9%.

Overseas Entries

In May 2009, the 137,000 overseas entries into Ontario accounted for 10.7% of the province's total international entries, a decline of 22.7% compared to May 2008. May accounted for 9.6% of overseas entries in 2008.

During the first 5 months of 2009, overseas entries to Ontario dropped 13.1% over 2008.



Source: Statistics Canada

¹ Commercial Air Travel represents 96% of all air travel

All provinces experienced a decrease in overseas entries in May 2009. For the 5 months ending May 2009, overseas entries to all regions also dropped. Ontario accounted for 37% of Canada's overseas entries during Jan-May 2009.

Province	Overseas Entries, May 2009 over May 2008		Overseas Entries, YTD May 2009 over YTD May 2008	
	Entries*	% change	Entries*	% change
Ontario	137,104	-22.7%	478,219	-13.1%
B.C.	131,188	-17.7%	444,248	-8.3%
Quebec	63,018	-10.2%	226,191	-7.0%
Canada	371,096	-18.6%	1,288,685	-10.5%

Source: Statistics Canada

Overseas Entries: Traditional Markets

In May 2009, arrivals from the U.K., Germany, Japan, and France to Ontario were down relative to May 2008.

For the 5 months ending May 2009, arrivals from France rose 7.8% while arrivals from the U.K., Germany and Japan fell compared to 2008.

Market	May 2009 over May 2008		YTD May 2009 over YTD May 2008	
	Entries*	% change	Entries*	% change
U.K.	27,619	-23.7%	87,463	-16.0%
Germany	11,720	-21.2%	35,315	-7.2%
Japan	5,012	-42.1%	17,987	-37.8%
France	5,675	-12.7%	21,155	7.8%

Source: Statistics Canada

Overseas Entries: Emerging Markets

A broader set of origin markets is changing the composition of Ontario's international visitors.

Arrivals from most overseas countries were down both in May 2009 and for the 5 months ending May 2009 compared to 2008.

* Number of non-resident travelers entering Canada through an Ontario port of entry, by country of residence (excluding the United States.) Number of entries will differ from 'visits' reported through domestic and international surveys.

Market*	May 2009 over May 2008		YTD May 2009 over YTD May 2008	
	Entries*	% change	Entries*	% change
Mexico	4,955	-48.7%	28,395	-25.7%
South Korea	4,144	-48.7%	14,357	-38.7%
India	7,153	-16.2%	18,787	-11.6%
China	3,987	-22.6%	17,245	-5.8%
Italy	3,911	-13.3%	12,109	-16.3%
Brazil	3,245	-31.4%	16,319	-10.9%
Australia	4,297	-6.7%	12,691	-16.6%
Netherlands	3,903	-20.7%	11,999	-9.0%
Hong Kong	2,517	-23.8%	9,897	-7.7%

Source: Statistics Canada

Outbound Travel

Total International Entries

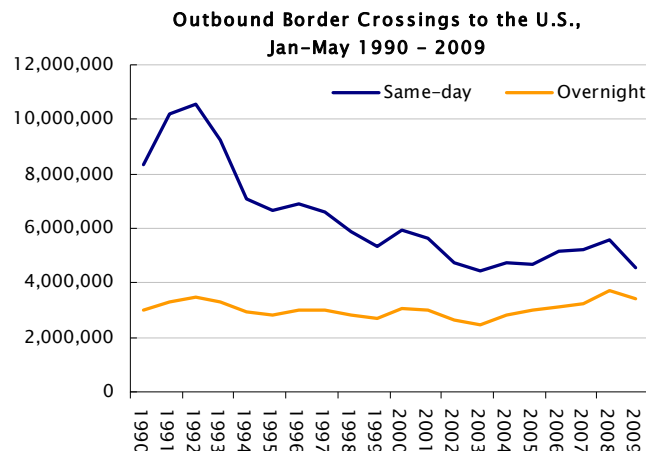
During May 2009, Ontarians made 2.0 million international border crossings (U.S. and overseas), a decline of 12.3% versus May 2008.

Total international border crossings during January-May 2009 by Ontarians decreased 11.5% over 2008 to 9.9 million crossings.

Ontario continues to generate more visitors to international destinations than it receives: in May 2009, there were 1.3 million international entries into Ontario compared to 2 million international border crossings made by Ontarians.

Travel to the U.S.

Travel to the U.S. accounted for 86% of Ontarian's international visits in May 2009. Ontario residents made 1.7 million entries into the U.S. in May 2009, 13.2% fewer than in May 2008. Same-day visits, which represented 60% of entries, declined 15.6% while overnight visits dropped 9.1%.



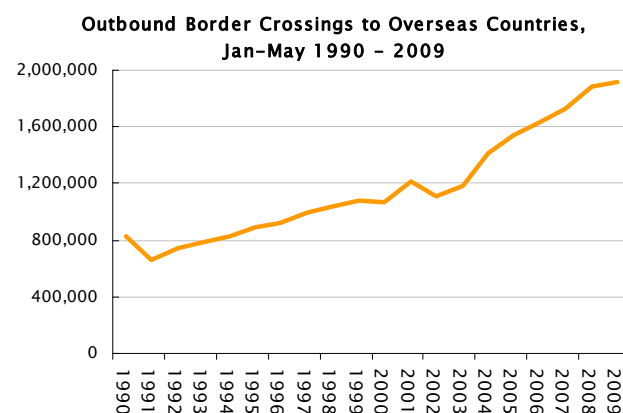
Source: Statistics Canada

For the 5 months ending May 2009, there were 8 million border crossings from Ontario to the U.S., a decrease of 14.2% over 2008. Same-day visits declined 17.8% or 1 million entries while overnight visits dropped 8.7% or 324,000 entries compared to 2008.

Travel to Overseas Countries

In May 2009, overseas travel represented 14% of Ontario resident's international border crossings with 281,000 crossings. Travel to overseas countries declined 6.5% in May 2009 compared to May 2008.

During the 5 months ending May 2009, Ontarians made 1.9 million overseas crossings, an increase of 1.8% over 2008.



Source: Statistics Canada

Accommodation

Occupancy Rates

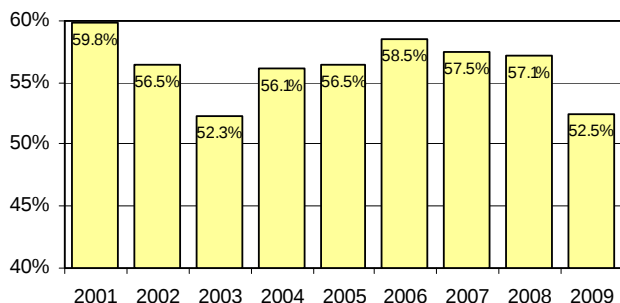
The occupancy rate at Ontario hotels in May 2009 was 58.7%, down 7.4 percentage points over May 2008.

Ottawa, the GTA, North Eastern Ontario and North Western Ontario all reported occupancy rates over 60%. Across the province, occupancy was down in all regions in May 2009 compared to May 2008.

During the first 5 months in 2009, hotel occupancy in Ontario was 52.5%, down 4.7 percentage points compared to the first 5 months of 2008.

Ottawa and North Western Ontario posted a 5 month occupancy rate over 60%. Niagara Falls, North Bay and Kingston's occupancy rates all grew in the 5 months ending May 2009 compared to May 2008 while rates in all other regions declined.

Ontario Hotel Occupancy Rates,
Jan-May 2001-2009



Source: PKF Consulting, Hotel Trends

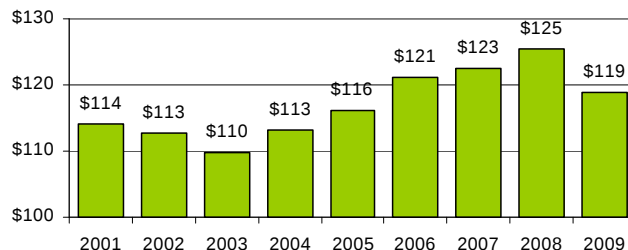
Average Daily Rates

The average daily rate (ADR) in Ontario decreased by 8.4% in May 2009 to \$119.83.

In May 2009, ADR was highest in downtown Ottawa at \$150.97 and lowest in Sault Ste. Marie at \$85.94. Ottawa, Eastern, North Eastern and North Western Ontario all reported an increase in monthly ADR compared to the previous year.

For the 5 months ending May 2009, Ontario ADR was down 4.9% to \$118.94 compared to January-May 2008. Year to date ADR is up in North Eastern, North Western, and Eastern Ontario.

Ontario Hotel ADRs,
Jan-May 2001-2009



Source: PKF Consulting, Hotel Trends

Revenue per Available Room

Revenue per available room (revPAR) at \$70.32 in May 2009 was down by 18.7% over May 2008. During January-May 2009, revPAR was down 12.8% to \$62.42 compared to January-May 2008.

Travel Price Index

Ontario's TPI was up 1.3% in May 2009 compared to May 2008. During the first 5 months of 2009, the Ontario TPI grew 3.2% compared to 2008. Increases in the cost of local transportation, food and beverage, and recreational services were the sources of the growth while the cost of operating a vehicle and accommodations declined.

In May 2009, the growth in Ontario's TPI at 1.3% outpaced the growth of Ontario's CPI which increased by 0.4% compared to 2008.

Ontario Index	May 2009 over May 2008
TPI	+1.3%
CPI	+0.4%

Source: Statistics Canada, Ontario Ministry of Tourism

The U.S. Travel Price Index for May 2009 was down 9.4% over May 2008 while the US CPI was down 1.3%.

US Index	May 2009 over May 2008
TPI	-9.4%
CPI	-1.3%

Source: Travel Industry Association of America

Economic Indicators

Consumer Confidence

The Index of Consumer Confidence increased 6.2 points in May 2009 to 81.4 (2002 = 100). Although Canadians are concerned over their current financial situation, they are increasingly confident about future financial and employment conditions.

Confidence in Ontario increased 4.2 points in May 2009.

Region	May 2009	Point change May 2009 vs Apr 2009
Canada	81.4	+6.2
BC	92.3	-0.7
Prairie provinces	90.7	+9.0
Ontario	73.8	+4.2
Quebec	82.9	+12.4
Atlantic provinces	77.6	-0.2

Source: The Conference Board of Canada

The U.S. Consumer Confidence Index posted a large gain in May 2009 and now stands at 54.9 (1985=100).

Source: The Conference Board

Employment

In May 2009, employment in Ontario's tourism-related industries was down 0.8% compared to May 2008.

For the 5 months ending May 2009, tourism related employment was unchanged versus 2008. Growth in the Accommodation, Air Transportation and Performing Arts industries were offset by declines in employment in Heritage Institutions and the Gambling Industry.

Source: Statistics Canada, Labour Force Survey, Ontario Ministry of Tourism

Consumer Response Indicators

1-800-ONTARIO

There were approximately 14,000 calls to the 1-800-ONTARIO call centre in May 2009, a decline of 12% over May 2008.

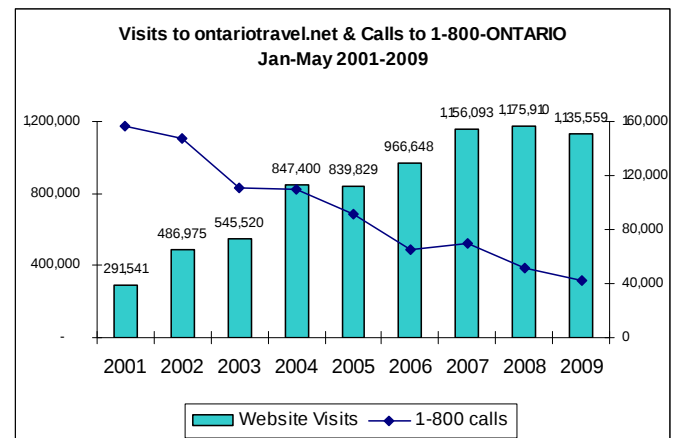
Throughout the first 5 months of 2009, there were about 42,000 calls, a decrease of 17% over the same period in 2008.

Source: Electronic Data Systems

OntarioTravel.net

In May 2009, there were approximately 288,000 user sessions on **ontariotravel.net**, Ontario's travel website, a decrease of 2% in the number of user sessions on the main website compared to May 2008.

During the first 5 months of 2009, there were approximately 1.1 million user sessions on the main site of the province's travel website, down 3% from the first 5 months of 2008.



Source: Ontario Tourism Marketing Partnership Corp.

Ontario Travel Information Centres

Visits to Ontario's Travel Information Centres (TICs) totalled about 90,000 in May 2009, an increase of 3.7% over May 2008.

For the first 5 months of 2009, there were about 247,000 visits to Ontario TICs, 4.6% more than in the first 5 months of 2008.

Change in Visits to Ontario's TICs		
Location	May 2009 over May 2008	YTD May 2009 over YTD May 2008
Barrie	-2%	-5%
Cornwall	+8%	+15%
Fort Erie	+48%	+48%
Fort Frances	+34%	+50%
Niagara Falls	+16%	+13%
Sarnia	-19%	-17%
Sault Ste Marie	6%	+2%
St. Catharines	+4%	+12%
Toronto	-6%	-7%
Windsor Park	-11%	-1%
Windsor HC	0%	+7%
Hill Island	-13%	-13%
Kenora	+22%	+22%
Lancaster	+100%	+100%
Pigeon River	-39%	-39%
Prescott	-33%	-33%
Rainy River	+64%	+64%
417	-3%	-3%
TOTAL	+4%	+5%

Source: Ontario Ministry of Tourism

Attendance at Agencies

The following table shows the percentage change in total visits at Ontario agencies:

Change in Visits to Ontario's Agencies		
Agency	May 2009 over May 2008	YTD May 2009 over YTD May 2008
AGO	+210%*	+184%*
Fort William Historical Park	-8%	+37%
Huronian Historical Parks	-1%	-5%
McMichael Gallery	+4%	+14%
Niagara Parks Commission ²	+9%	+15%
Ontario Place**	-55%	-50%
Ontario Science Centre	+1%	+8%
Royal Botanical Gardens	+29%	+9%
Royal Ontario Museum	-21%	-12%
Science North	-5%	+9%
St Lawrence Parks ³	+16%	+16%

*AGO reopened in Nov 08 therefore % change are versus 2007

**Ontario Place hosted 3 concerts in May 08 and 0 in May 09

Source: Individual agencies are self-reporting.

² Niagara Parks Commission attractions include: Sir Adam Beck, Butterfly Conservatory, Aerocar, Maid Of The Mist Elevator, White Water Walk, Journey Behind The Falls, Niagara's Fury

³ St Lawrence Parks includes Fort Henry and Upper Canada Village