

JUNE 2009

Highlights

June 2009 over June 2008:

- Crossings from the U.S. to Ontario decreased 23.6%, with overnight crossings down 13.8% and same-day travel down 34.6%.
- Visits from overseas markets to Ontario declined by 17.0%.
- Travel by Ontarians to the U.S. decreased by 25.4% (same-day crossings down by 30.9% and overnight crossings down by 14.9%). Travel to overseas countries declined 3.1%.
- Employment in Ontario's tourism-related industries decreased by 2.6%.
- Ontario's Travel Price Index decreased 2.0%.

YTD June 2009 versus YTD June 2008:

- U.S. crossings to Ontario decreased 7.0%, with same-day crossings down 8.4% and overnight crossings down 5.3%.
- Visits from overseas markets to Ontario decreased 14.2%.
- Ontarians' crossings to the U.S. declined by 15.9%, (same-day visits down 20.1% and overnight entries down 9.6%), while travel to overseas countries increased by 1.2%.

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Tourism Industry Statistics

Border Crossings

Total International Entries

During June 2009, total international border crossings (including U.S. and overseas visitors) to Ontario decreased by 22.7% over June 2008 to 1.3 million crossings. In 2008, June accounted for 11.3% of Ontario's annual international border crossings.

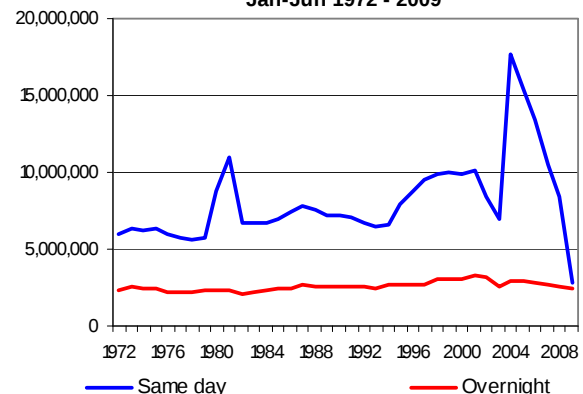
For the 6 months ending June 2009, total international border crossings (5.9 million entries) declined by 7.9% over 2008.

U.S. Entries

U.S. entries accounted for 85% of international entries into Ontario in June 2009. During this month, U.S. border crossings into Ontario declined 23.6% over June 2008 to 1.1 million crossings. Overnight entries declined 13.8% while same-day entries decreased 34.6%.

As of June 1, 2009 the Western Hemisphere Travel Initiative required all persons, including US residents, to have a passport, a NEXUS card (a pre-approved travel document for low-risk travellers), or an enhanced driver's license in order to enter or re-enter the United States.

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



Source: Statistics Canada

During the first half of 2009, there were 5.2 million border crossings from the U.S. to Ontario, a decrease of 7.0% over 2008. Overnight crossings declined 5.3% with 135,000 fewer overnight crossings and same-day crossings dropped 8.4% or 257,000 fewer same-day crossings.

In June 2009, US entries declined to all regions of Canada. US entries also decreased to all regions during January-June 2009. Ontario accounted for 58% of U.S. entries into Canada during the first half of 2009.

Province	U.S. Entries, Jun 2009 over Jun 2008		U.S. Entries, YTD Jun 2009 over YTD Jun 2008	
	Entries*	% change	Entries*	% change
Ontario	1,108,692	-23.6%	5,201,416	-7.0%
B.C.	522,478	-3.1%	1,884,137	-4.3%
Quebec	189,627	-13.5%	890,169	-7.4%
Canada	2,147,353	-16.0%	9,023,655	-6.3%

Source: Statistics Canada

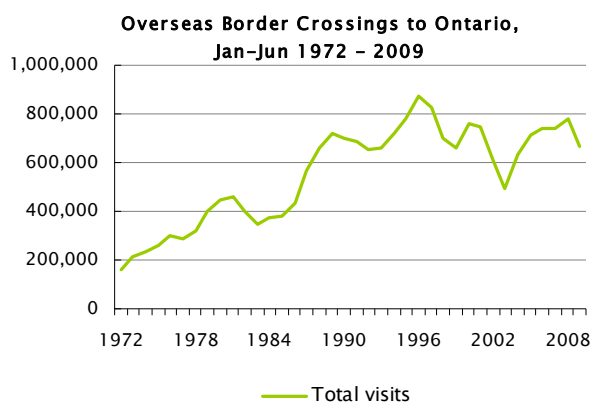
U.S. Entries: Mode of Transportation

In June 2009, 80% of U.S. entries to Ontario were via an automobile, 14% by commercial air travel¹, 3% by bus and 3% by other modes. Entries by automobile were down 25.2% in June 2009 and down 6.9% for the 6 months ending June 2009 compared with 2008. Commercial air travel from the U.S. was down 12.0% in June 2009 and entries by bus decreased 24.5%.

Overseas Entries

In June 2009, the 189,000 overseas entries into Ontario accounted for 14.6% of the province's total international entries, a decline of 17.0% compared to June 2008. June accounted for 12.3% of overseas entries in 2008.

During the first 6 months of 2009, overseas entries to Ontario dropped 14.2% over 2008.



Source: Statistics Canada

¹ Commercial Air Travel represents 96% of all air travel

All provinces experienced a decrease in overseas entries in June 2009. During the first half of 2009, overseas entries to all regions also dropped. Ontario accounted for 38% of Canada's overseas entries during Jan-June 2009.

Province	Overseas Entries, Jun 2009 over Jun 2008		Overseas Entries, YTD Jun 2009 over YTD Jun 2008	
	Entries*	% change	Entries*	% change
Ontario	188,857	-17.0%	667,076	-14.2%
B.C.	150,057	-19.0%	594,305	-11.3%
Quebec	83,755	-9.9%	309,946	-7.8%
Canada	481,684	-16.2%	1,770,369	-12.1%

Source: Statistics Canada

Overseas Entries: Traditional Markets

In June 2009, arrivals from France increased 5.7%, while arrivals from the U.K., Germany and Japan were down relative to June 2008.

Similarly, during the first 6 months of 2009, arrivals from France rose 7.3%, while arrivals from the U.K., Germany and Japan fell compared to 2008.

Market	Jun 2009 over Jun 2008		YTD Jun 2009 over YTD Jun 2008	
	Entries*	% change	Entries*	% change
U.K.	35,825	-15.8%	123,288	-15.9%
Germany	12,884	-6.9%	48,199	-7.1%
Japan	5,122	-52.2%	23,109	-41.7%
France	6,921	5.7%	28,076	7.3%

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 June 2009 and for the 6 months ending June 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*	Jun 2009 over Jun 2008		YTD Jun 2009 over YTD Jun 2008	
	Entries*	% change	Entries*	% change
Mexico	8,443	-30.1%	36,838	-26.8%
South Korea	5,189	-41.3%	19,546	-39.4%
India	7,128	-26.0%	25,915	-16.1%
China	5,818	-13.7%	23,063	-7.9%
Italy	5,971	-14.2%	18,080	-15.6%
Brazil	4,465	-21.4%	20,784	-13.4%
Australia	5,024	-14.2%	17,715	-15.9%
Netherlands	4,725	-20.2%	16,724	-12.5%
Hong Kong	4,017	-17.8%	13,914	-10.9%

Source: Statistics Canada

Outbound Travel

Total International Entries

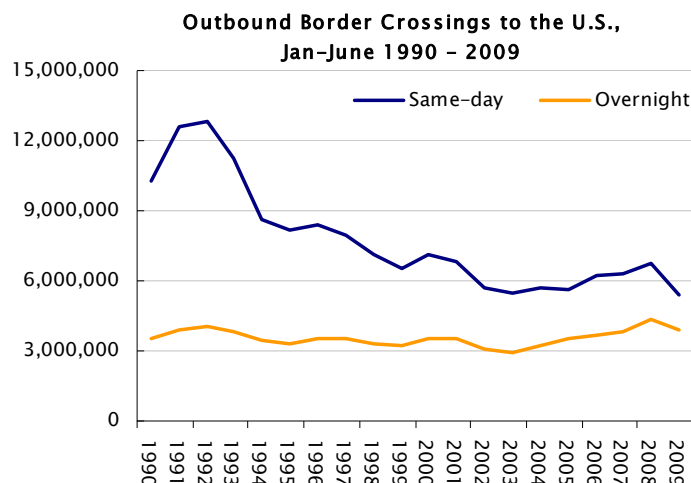
During June 2009, Ontarians made 1.6 million international border crossings (U.S. and overseas), a decline of 22.6% versus June 2008.

Total international border crossings by Ontarians decreased 13.2% to 11.5 million crossings during January-June 2009 compared to 2008.

Ontario continues to generate more visitors to international destinations than it receives: in June 2009, there were 1.3 million international entries into Ontario compared to 1.6 million international border crossings made by Ontarians.

Travel to the U.S.

In June 2009, travel to the U.S. accounted for 85% of Ontarian's international visits. Ontario residents made 1.3 million entries into the U.S. in June 2009, 25.4% fewer than in June 2008. Same-day visits, which represented 60% of entries, declined 30.9% while overnight visits dropped 14.9%.



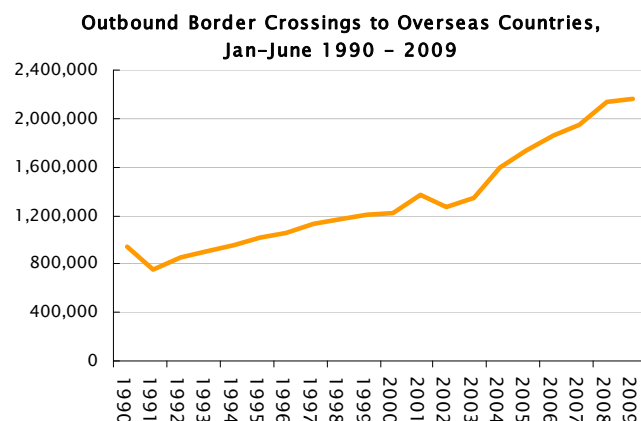
Source: Statistics Canada

For the 6 months ending June 2009, there were 9.3 million border crossings from Ontario to the U.S., a decrease of 15.9% over 2008. Same-day visits declined 20.1% or 1.3 million entries while overnight visits dropped 9.6% or 416,000 entries compared to 2008.

Travel to Overseas Countries

In June 2009, overseas travel represented 15% of Ontario resident's international border crossings with 240,000 crossings. Travel to overseas countries declined 3.1% in June 2009 compared to June 2008.

During the first half of 2009, Ontarians made 2.2 million overseas crossings, an increase of 1.2% over 2008.



Source: Statistics Canada

Accommodation

Occupancy Rates

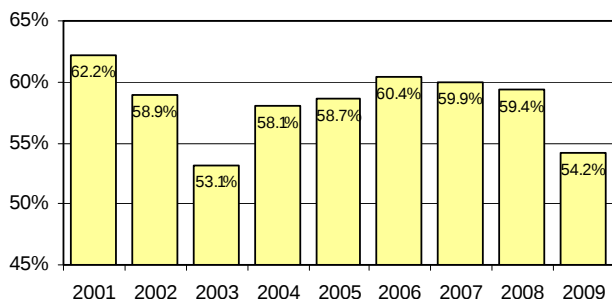
The occupancy rate at Ontario hotels in June 2009 was 62.5%, down 7.1 percentage points over June 2008.

Ottawa and North Western Ontario reported occupancy rates over 70%, while North Eastern Ontario, the GTA and Eastern Ontario were all above 60%. Across the province, occupancy was down in all regions except North Central Ontario in June 2009 compared to June 2008.

During the first 6 months in 2009, hotel occupancy in Ontario was 54.2%, down 5.1 percentage points compared to the first 6 months of 2008.

Ottawa and North Western Ontario posted a 6 month occupancy rate over 60%. Both Niagara Falls and Kingston's occupancy rates grew in the 6 months ending June 2009 compared to June 2008 while rates in all other regions declined.

Ontario Hotel Occupancy Rates,
Jan-Jun 2001-2009



Source: PKF Consulting, Hotel Trends

Average Daily Rates

The average daily rate (ADR) decreased by 9.0% in June 2009 to \$120.52.

In June 2009, ADR was highest in downtown Toronto at \$155.83 and lowest in Sault Ste. Marie at \$90.79. North Eastern Ontario, Ottawa East and parts of Southern Ontario reported an increase in monthly ADR compared to the previous year.

For the first half of 2009, Ontario ADR was down 5.8% to \$119.13 compared to January-June 2008. Year-to-date ADR is up in North Eastern, North Western, and Eastern Ontario; Ottawa East and West; and parts of Southern Ontario.

Ontario Hotel ADRs,
Jan-Jun 2001-2009



Source: PKF Consulting, Hotel Trends

Revenue per Available Room

Revenue per available room (revPAR) at \$75.29 in June 2009 was down by 18.3% over June 2008. During January-June 2009, revPAR was down 13.9% to \$64.60 compared to January-June 2008.

Travel Price Index

Ontario's TPI decreased 2.0% in June 2009 compared to June 2008, driven by lower gas and accommodation prices. During the first 6 months of 2009, the Ontario TPI grew 2.2% 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 June 2009, the decrease in Ontario's TPI at 2.0% compares to no change in Ontario's CPI.

Ontario Index	June 2009 over June 2008
TPI	-2.0%
CPI	0%

Source: Statistics Canada, Ontario Ministry of Tourism

The U.S. Travel Price Index for June 2009 was down 9.5% over June 2008 while the US CPI was down 1.4%.

US Index	May 2009 over May 2008
TPI	-9.5%
CPI	-1.4%

Source: Travel Industry Association of America

Economic Indicators

Consumer Confidence

The Index of Consumer Confidence increased 0.7 points in June 2009 to 82.1 (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 4.6 points in June 2009.

Region	June 2009	Point change June 2009 vs May 2009
Canada	82.1	+0.7
BC	95.4	+3.1
Prairie provinces	84.7	-6.0
Ontario	78.5	+4.6
Quebec	79.2	-3.7
Atlantic provinces	84.9	+7.3

Source: The Conference Board of Canada

The U.S. Consumer Confidence Index declined in June 2009 and now stands at 49.3 (1985=100).

Source: The Conference Board

Employment

In June 2009, employment in Ontario's tourism-related industries was down 2.6% compared to June 2008.

For the 6 months ending June 2009, tourism related employment increased 0.5% 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 20,000 calls to the 1-800-ONTARIO call centre in June 2009, a decline of 9% over June 2008.

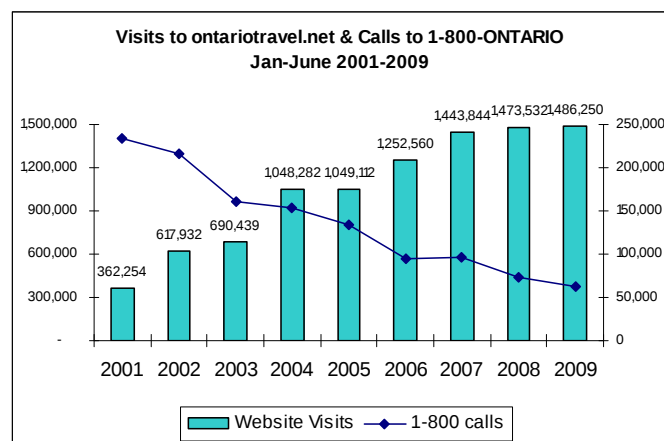
Throughout the first half of 2009, there were about 62,000 calls, a decrease of 15% over the same period in 2008.

Source: Electronic Data Systems

OntarioTravel.net

In June 2009, there were approximately 351,000 user sessions on **ontariotravel.net**, Ontario's travel website, an increase of 17.8% in the number of user sessions on the main website compared to June 2008.

During the first 6 months of 2009, there were approximately 1.5 million user sessions on the main site of the province's travel website, up 1% from the first 6 months of 2008.



Source: Ontario Tourism Marketing Partnership Corp.

Ontario Travel Information Centres

Visits to Ontario's Travel Information Centres (TICs) totalled about 128,000 in June 2009, an increase of 4.0% over June 2008.

For the first 6 months of 2009, there were about 375,000 visits to Ontario TICs, 1.5% more than in the first 6 months of 2008.

Change in Visits to Ontario's TICs		
Location	June 2009 over June 2008	YTD June 2009 over YTD June 2008
Barrie	-4%	-5%
Cornwall	-17%	+7%
Fort Erie	+13%	+37%
Fort Frances	+22%	+39%
Niagara Falls	-11%	+4%
Sarnia	-2%	-12%
Sault Ste Marie	+5%	+3%
St. Catharines	-12%	+3%
Toronto	-20%	-10%
Windsor Park	-11%	-4%
Windsor HC	-16%	0%
Hill Island	-17%	-16%
Kenora	-3%	+3%
Lancaster	+128%	+119%
Pigeon River	-37%	-38%
Prescott	-11%	-18%
Rainy River	+34%	+46%
417	-5%	-4%
TOTAL	-4%	+2%

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	June 2009 over June 2008	YTD June 2009 over YTD June 2008
AGO	+643%*	+211%*
Fort William Historical Park	+47%	+41%
Huronian Historical Parks	-1%	-5%
McMichael Gallery	+25%	+16%
Niagara Parks Commission ²	-9%	-1%
Ontario Heritage Trust	+32%	+9%
Ontario Place	+43%	-2%
Ontario Science Centre	+2%	+7%
Royal Botanical Gardens	+33%	0%
Royal Ontario Museum	+34%	-7%
Science North	-6%	+6%
St Lawrence Parks ³	-25%	-12%

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

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