

JULY 2009

Highlights

July 2009 over July 2008:

- Crossings from the U.S. to Ontario decreased 16.8%, with same-day travel down 28.7% and overnight crossings down 7.0%.
- Visits from overseas markets to Ontario declined by 15.3%.
- Travel by Ontarians to the U.S. decreased by 19.0% (same-day crossings down by 25.1% and overnight crossings down by 9.7%), while travel to overseas countries declined 4.0%.
- Employment in Ontario's tourism-related industries decreased by 3.5%.
- Ontario's Travel Price Index decreased 4.1%.

YTD July 2009 versus YTD July 2008:

- U.S. crossings to Ontario decreased 9.4%, with same-day crossings down 12.7% and overnight crossings down 5.8%.
- Visits from overseas markets to Ontario decreased 14.5%.
- Ontarians' crossings to the U.S. declined by 16.4%, (same-day visits down 20.9% and overnight entries down 9.6%), while travel to overseas countries increased by 0.6%.

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Tourism Industry Statistics

Border Crossings

Total International Entries

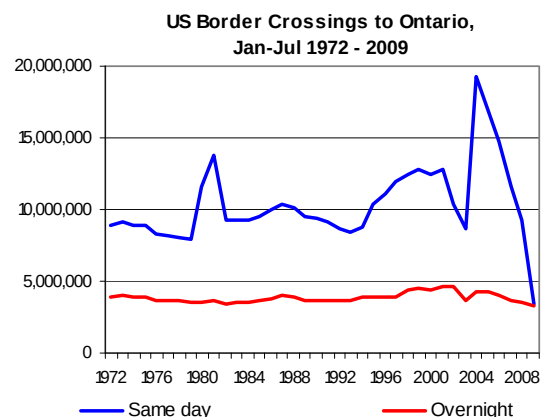
During July 2009, total international border crossings (including U.S. and overseas visitors) to Ontario decreased by 16.6% over July 2008 to 1.8 million crossings. In 2008, July accounted for 14.3% of Ontario's annual international border crossings.

For the 7 months ending July 2009, total international border crossings (7.6 million entries) declined by 10.1% over 2008.

U.S. Entries

U.S. entries accounted for 87% of international entries into Ontario in July 2009. During this month, U.S. border crossings into Ontario declined 16.8% over July 2008 to 1.5 million crossings. Same-day entries declined 28.7% while overnight entries decreased 7.0%.

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.



Source: Statistics Canada

During the first 7 months of 2009, there were 6.7 million border crossings from the U.S. to Ontario, a decrease of 9.4% over 2008. Overnight crossings declined 5.8% with 206,000 fewer overnight crossings and same-day crossings dropped 12.7% or 500,000 fewer same-day crossings.

In July 2009, US entries declined to all regions of Canada. US entries also decreased to all regions during January-July 2009. Ontario accounted for 53% of U.S. entries into Canada during the first 7 months of 2009.

Province	U.S. Entries, Jul 2009 over Jul 2008		U.S. Entries, YTD Jul 2009 over YTD Jul 2008	
	Entries*	% change	Entries*	% change
Ontario	1,540,207	-16.8%	6,741,623	-9.4%
B.C.	651,293	-3.0%	2,535,430	-4.0%
Quebec	266,594	-4.1%	1,156,763	-6.6%
Canada	2,895,032	-11.3%	11,918,687	-7.5%

Source: Statistics Canada

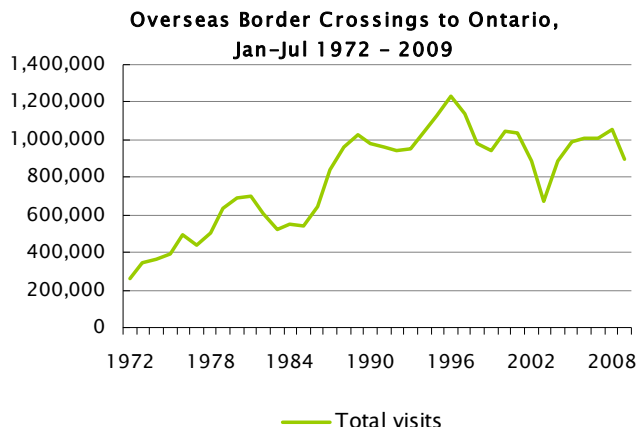
U.S. Entries: Mode of Transportation

In July 2009, 83% of U.S. entries to Ontario were via an automobile, 11% by commercial air travel¹, 3% by bus and 4% by other modes. Entries by automobile were down 18.2% in July 2009 and down 9.8% for the 7 months ending July 2009 compared with 2008. Commercial air travel from the U.S. was down 2.4% in July 2009 and entries by bus decreased 18.7%.

Overseas Entries

In July 2009, the 233,000 overseas entries into Ontario accounted for 13.1% of the province's total international entries, a decline of 15.3% compared to July 2008. July accounted for 14.9% of overseas entries in 2008.

During the first 7 months of 2009, overseas entries to Ontario dropped 14.5% over 2008.



Source: Statistics Canada

¹ Commercial Air Travel represents 96% of all air travel

All provinces experienced a decrease in overseas entries in July 2009. During the first 7 months of 2009, overseas entries to all regions also dropped. Ontario accounted for 38% of Canada's overseas entries during Jan-July 2009.

Province	Overseas Entries, Jul 2009 over Jul 2008		Overseas Entries, YTD Jul 2009 over YTD Jul 2008	
	Entries*	% change	Entries*	% change
Ontario	233,025	-15.3%	900,101	-14.5%
B.C.	191,072	-14.3%	785,377	-12.0%
Quebec	119,699	-10.3%	429,645	-8.5%
Canada	617,925	-13.6%	2,388,294	-12.5%

Source: Statistics Canada

Overseas Entries: Traditional Markets

In July 2009, arrivals from all traditional markets, U.K., Germany, Japan, and France were down relative to July 2008.

During the first 7 months of 2009, arrivals from France rose 4.1%, while arrivals from the U.K., Germany and Japan fell compared to 2008.

Market	Jul 2009 over Jul 2008		YTD Jul 2009 over YTD Jul 2008	
	Entries*	% change	Entries*	% change
U.K.	41,167	-20.9%	164,455	-17.2%
Germany	15,417	-0.9%	63,616	-5.7%
Japan	6,943	-35.4%	30,052	-40.3%
France	9,707	-4.2%	37,783	4.1%

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 other than the Netherlands were down both in July 2009 and for the 7 months ending July 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*	Jul 2009 over Jul 2008		YTD Jul 2009 over YTD Jul 2008	
	Entries*	% change	Entries*	% change
Mexico	10,813	-48.5%	47,651	-33.2%
South Korea	8,562	-32.6%	28,108	-37.5%
India	5,764	-20.2%	31,679	-16.9%
China	6,649	-16.3%	29,712	-10.0%
Italy	8,009	2.4%	26,089	-10.8%
Brazil	5,863	-11.4%	26,647	-13.0%
Australia	5,192	-13.3%	22,907	-15.3%
Netherlands	7,653	2.4%	24,377	-8.3%
Hong Kong	5,075	-8.9%	18,989	-10.4%

Source: Statistics Canada

Outbound Travel

Total International Entries

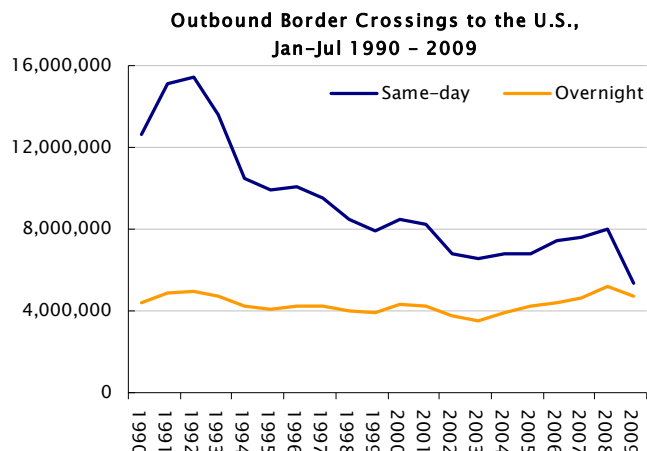
During July 2009, Ontarians made 2.0 million international border crossings (U.S. and overseas), a decline of 17.1% versus July 2008.

Total international border crossings by Ontarians decreased 13.8% to 13.5 million crossings during January-July 2009 compared to 2008.

Ontario continues to generate more visitors to international destinations than it receives: in July 2009, there were 1.8 million international entries into Ontario compared to 2.0 million international border crossings made by Ontarians.

Travel to the U.S.

In July 2009, travel to the U.S. accounted for 86% of Ontarian's international visits. Ontario residents made 1.7 million entries into the U.S. in July 2009, 19.0% fewer than in July 2008. Same-day visits, which represented 56% of entries, declined 25.1% while overnight visits dropped 9.7%.



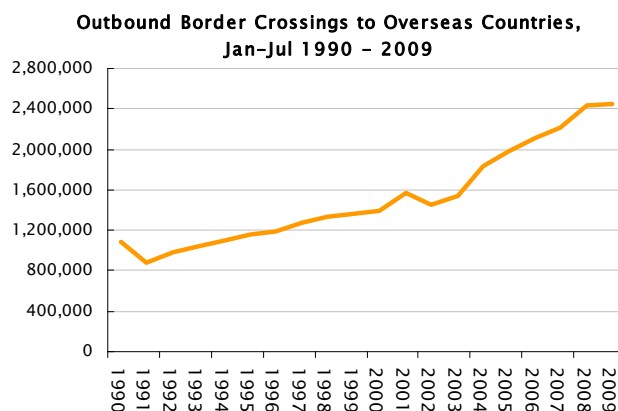
Source: Statistics Canada

For the 7 months ending July 2009, there were 11.0 million border crossings from Ontario to the U.S., a decrease of 16.4% over 2008. Same-day visits declined 20.9% or 1.7 million entries while overnight visits dropped 9.6% or 498,000 entries compared to 2008.

Travel to Overseas Countries

In July 2009, overseas travel represented 14% of Ontario resident's international border crossings with 284,000 crossings. Travel to overseas countries declined 4.0% in July 2009 compared to July 2008.

During the first 7 months of 2009, Ontarians made 2.4 million overseas crossings, an increase of 0.6% over 2008.



Source: Statistics Canada

Accommodation

Occupancy Rates

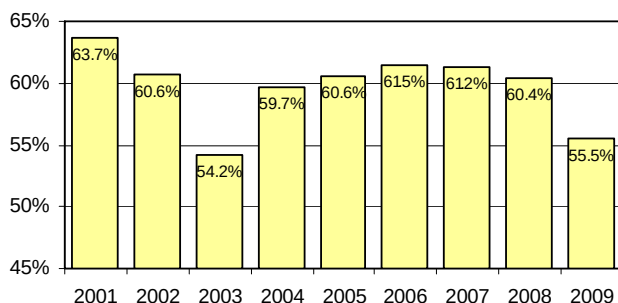
The occupancy rate at Ontario hotels in July 2009 was 63.0%, down 4.3 percentage points over July 2008.

Niagara Falls reported occupancy rates of 82.8%, while North Central, North Eastern Ontario, and downtown Toronto all had rates above 70%. Compared to 2008, occupancy was down in all regions across the province, except in Sault Ste. Marie and Hamilton.

During the first 7 months in 2009, hotel occupancy in Ontario was 55.5%, down 5.0 percentage points compared to the first 7 months of 2008.

Ottawa, North Western Ontario, North Eastern and downtown Toronto all posted a 7 month occupancy rate over 60%. Both Niagara Falls and Kingston's occupancy rates grew slightly in the 7 months ending July 2009 compared to July 2008 while rates in all other regions declined.

Ontario Hotel Occupancy Rates,
Jan-Jul 2001-2009



Source: PKF Consulting, Hotel Trends

Average Daily Rates

The average daily rate (ADR) decreased by 6.4% in July 2009 to \$117.81.

In July 2009, ADR was highest in downtown Toronto at \$131.58 and lowest in Ottawa East at \$88.96. Northern Ontario reported an increase in monthly ADR compared to the previous year while all other regions declined.

For the 7 months of 2009, Ontario ADR was down 5.9% to \$118.91 compared to January-July 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-Jul 2001-2009



Source: PKF Consulting, Hotel Trends

Revenue per Available Room

Revenue per available room (revPAR) at \$74.17 in July 2009 was down by 12.5% over July 2008. During January-July 2009, revPAR was down 13.7% to \$66.04 compared to January-July 2008.

Travel Price Index

Ontario's TPI decreased 4.1% in July 2009 compared to July 2008, driven by lower gas and accommodation prices. During the first 7 months of 2009, the Ontario TPI grew 1.2% 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 July 2009, the decrease in Ontario's TPI at 4.1% compares to a 1.2% decline in Ontario's CPI.

Ontario Index	Jul 2009 over Jul 2008
TPI	-4.1%
CPI	-1.2%

Source: Statistics Canada, Ontario Ministry of Tourism

The U.S. Travel Price Index for July 2009 was down 10.7% over July 2008 while the US CPI was down 2.1%.

US Index	Jul 2009 over Jul 2008
TPI	-10.7%
CPI	-2.1%

Source: Travel Industry Association of America

Economic Indicators

Consumer Confidence

The Index of Consumer Confidence increased for the 5th consecutive month in July 2009 to 82.9 (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 2.0 points in July 2009.

Region	July 2009	Point change July 2009 vs June 2009
Canada	82.9	+0.8
BC	92.5	-2.9
Prairie provinces	83.9	-0.8
Ontario	80.5	+2.0
Quebec	81.8	+2.5
Atlantic provinces	81.6	-3.3

Source: The Conference Board of Canada

The U.S. Consumer Confidence Index increased 6.7 points in July 2009 and now stands at 54.1 (1985=100).

Source: The Conference Board

Employment

In July 2009, employment in Ontario's tourism-related industries was down 3.5% compared to July 2008.

For the 7 months ending July 2009, tourism related employment decreased slightly by 0.1% 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 26,000 calls to the 1-800-ONTARIO call centre in July 2009, a decline of 19.6% over July 2008.

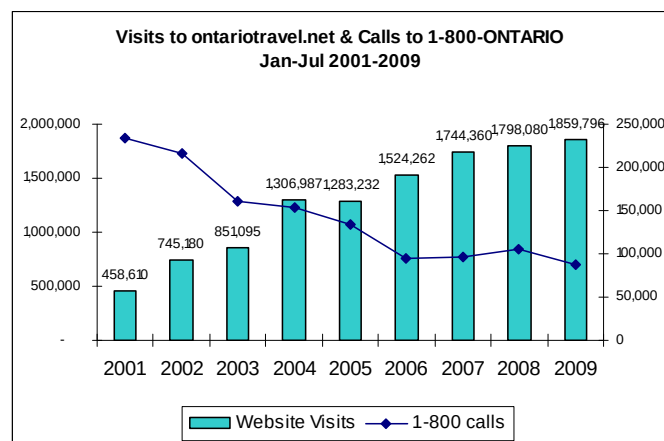
Throughout the first 7 months of 2009, there were about 87,000 calls, a decrease of 16.3% over the same period in 2008.

Source: Electronic Data Systems

OntarioTravel.net

In July 2009, there were approximately 374,000 user sessions on **ontariotravel.net**, Ontario's travel website, an increase of 15.1% in the number of user sessions on the main website compared to July 2008.

During the first 7 months of 2009, there were approximately 1.9 million user sessions on the main site of the province's travel website, up 3.4% from the first 7 months of 2008.



Source: Ontario Tourism Marketing Partnership Corp.

Ontario Travel Information Centres

Visits to Ontario's Travel Information Centres (TICs) totalled about 201,000 in July 2009, a decrease of 6.9% over July 2008.

For the first 7 months of 2009, there were about 575,000 visits to Ontario TICs, 1.5% less than in the first 7 months of 2008.

Change in Visits to Ontario's TICs		
Location	Jul 2009 over Jul 2008	YTD Jul 2009 over YTD Jul 2008
Barrie	-23%	-11%
Cornwall	-16%	0%
Fort Erie	6%	27%
Fort Frances	30%	36%
Niagara Falls	-1%	2%
Sarnia	3%	-8%
Sault Ste Marie	-5%	0%
St. Catharines	-8%	-1%
Toronto	-9%	-10%
Windsor Park	-18%	-8%
Windsor HC	-16%	-5%
Hill Island	-7%	-11%
Kenora	4%	4%
Lancaster	46%	69%
Pigeon River	-7%	-19%
Prescott	-13%	-15%
Rainy River	-1%	16%
417	-36%	-24%
TOTAL	-7%	-1%

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	July 2009 over July 2008	YTD July 2009 over YTD July 2008
AGO	+334%*	+223%*
Fort William Historical Park	+83%	+57%
Huronian Historical Parks	+1%	-2%
McMichael Gallery	-11%	+10%
Niagara Parks Commission ²	-3%	0%
Ontario Heritage Trust	+15%	+11%
Ontario Place	-11%	-7%
Ontario Science Centre	+25%	+14%
Royal Botanical Gardens	+7%	+7%
Royal Ontario Museum	+27%	-5%
Science North	+13%	+8%
St Lawrence Parks ³	-10%	-11%

*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