

DECEMBER 2009

Highlights

December 2009 over December 2008:

- Crossings from the U.S. to Ontario decreased 12.4%, with same-day travel down 15.5% and overnight crossings down 8.7%.
- Travel from overseas markets to Ontario declined by 5.6%.
- Travel by Ontarians to the U.S. increased by 9.3% (same-day crossings up 10.6% and overnight crossings up 6.8%), and travel to overseas countries grew 1.5%.
- Employment in Ontario's tourism-related industries decreased by 1.9%.
- Ontario's Travel Price Index increased by 0.1%.

Year 2009 versus Year 2008:

- U.S. crossings to Ontario decreased 12.1%, with same-day crossings down 16.1% and overnight crossings down 7.7%.
- Visits from overseas markets to Ontario decreased 13.6%.
- Ontarians' crossings to the U.S. declined by 11.4%, (same-day visits down 14.7% and overnight entries down 6.2%), while travel to overseas countries was up slightly by 0.1%.

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Border Crossings

Total International Entries

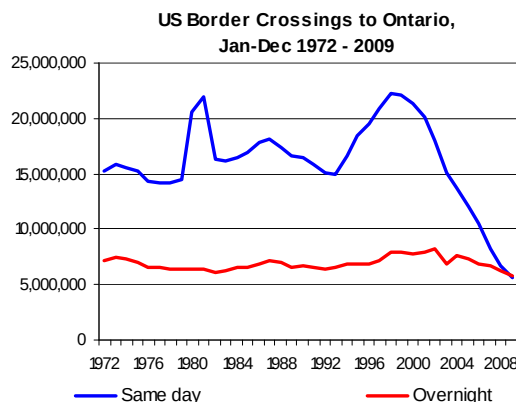
During December 2009, total international border crossings (including U.S. and overseas visitors) to Ontario decreased by 11.5% over December 2008 to 854,000 crossings. In 2009, December accounted for 6.5% of Ontario's annual international border crossings.

For the 12 months ending December 2009, total international border crossings (13.1 million entries) declined by 12.2% over 2008.

U.S. Entries

U.S. entries accounted for 87% of international entries into Ontario in December 2009. During this month, U.S. border crossings into Ontario declined 12.4% over December 2008 to 742,000 crossings. Same-day entries declined 15.5% while overnight entries decreased 8.7%.

As of June 1, 2009 the U.S. government's Western Hemisphere Travel Initiative required all persons, including U.S. 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 2009, there were 11.5 million border crossings from the U.S. to Ontario, a decrease of 12.1% over 2008. Same-day crossings declined 16.1% with 1.1 million fewer crossings and overnight crossings dropped 7.7% or 481,000 fewer crossings.

U.S. entries decreased to all regions except B.C. in December 2009. During 2009, U.S. entries declined to all regions of Canada. Ontario accounted for 56% of U.S. entries into Canada in 2009.

Province	U.S. Entries, Dec 2009 over Dec 2008		U.S. Entries, 2009 over 2008	
	Entries*	% change	Entries*	% change
Ontario	742,376	-12.4%	11,477,994	-12.0%
B.C.	256,445	7.2%	4,294,858	-4.0%
Quebec	145,259	-9.5%	2,056,599	-6.8%
Canada	1,287,118	-8.5%	20,525,608	-9.2%

Source: Statistics Canada

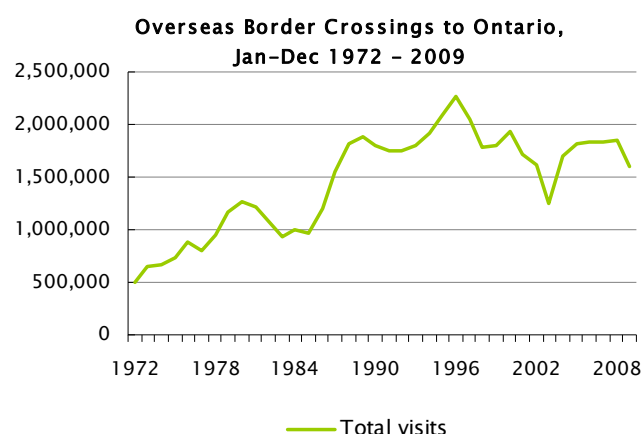
U.S. Entries: Mode of Transportation

In December 2009, 79% of U.S. entries to Ontario were via automobile, 16% by commercial air travel¹, 4% by bus and 1% by other modes. Entries by automobile were down 13.2% in December 2009 and down 12.7% for the 12 months ending December 2009 compared with 2008. Commercial air travel from the U.S. was down 4.3% in December 2009 and entries by bus decreased 24.4%.

Overseas Entries

In December 2009, the 111,000 overseas entries into Ontario accounted for 13.0% of the province's total international entries, a decline of 5.6% compared to December 2008. December accounted for 6.4% of overseas entries in 2008.

During 2009, overseas entries to Ontario dropped 13.6% over 2008.



Source: Statistics Canada

¹ Commercial Air Travel represents 96% of all air travel

All regions in Canada experienced a decrease in overseas entries both in December 2009 and during the year 2009. Ontario accounted for 38% of Canada's overseas entries during 2009.

Province	Overseas Entries, Dec 2009 over Dec 2008		Overseas Entries, 2009 over 2008	
	Entries*	% change	Entries*	% change
Ontario	111,290	-5.6%	1,596,607	-13.6%
B.C.	81,097	-13.9%	1,312,845	-13.2%
Quebec	50,458	-6.7%	788,764	-8.6%
Canada	269,871	-8.9%	4,170,106	-12.5%

Source: Statistics Canada

Overseas Entries: Traditional Markets

In December 2009, arrivals from Japan grew 61.2% while arrivals from the other traditional markets of the U.K., Germany and France were down relative to December 2008.

Arrivals from all these long-established markets declined during 2009 compared to 2008.

Market	Dec 2009 over Dec 2008		2009 over 2008	
	Entries*	% change	Entries*	% change
U.K.	20,265	-13.8%	294,650	-17.0%
Germany	6,668	-10.5%	116,782	-6.9%
France	4,315	-2.4%	73,683	-3.4%
Japan	4,466	61.2%	69,827	-25.8%

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 other than South Korea, India and China were down in December 2009. During 2009, arrivals declined from all overseas countries compared to 2008.

* Number of non-resident travellers 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*	Dec 2009 over Dec 2008		2009 over 2008	
	Entries*	% change	Entries*	% change
Mexico	2,309	-63.10%	62,085	-43.00%
China	3,537	1.60%	57,362	-0.20%
India	3,775	44.00%	53,833	-8.00%
South Korea	3,836	47.00%	50,375	-31.30%
Italy	2,903	-11.40%	49,694	-10.70%
Brazil	5,183	-5.00%	46,224	-16.00%
Netherlands	2,380	-6.60%	41,798	-7.50%
Australia	3,593	-2.90%	40,760	-13.70%
Hong Kong	2,467	-6.80%	31,984	-10.50%

Source: Statistics Canada

Outbound Travel

Total International Travel

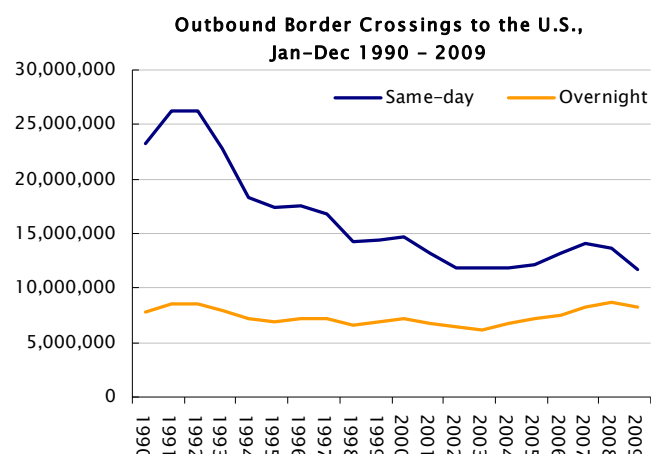
During December 2009, Ontarians made 2.0 million international border crossings (U.S. and overseas), an increase of 8.0% versus December 2008.

Total international border crossings by Ontarians decreased 9.7% to 23.8 million crossings during 2009 compared to 2008.

Ontario continues to generate more visitors to international destinations than it receives: in 2009, there were 13.1 million international entries into Ontario compared to 23.8 million international border crossings made by Ontarians.

Travel to the U.S.

In December 2009, travel to the U.S. accounted for 84.2% of Ontarian's international visits. Ontario residents made 1.6 million entries into the U.S. in December 2009, 9.3% more than in December 2008. Same-day visits, which represented 65% of entries, grew 10.6% and overnight visits increased 6.8%.



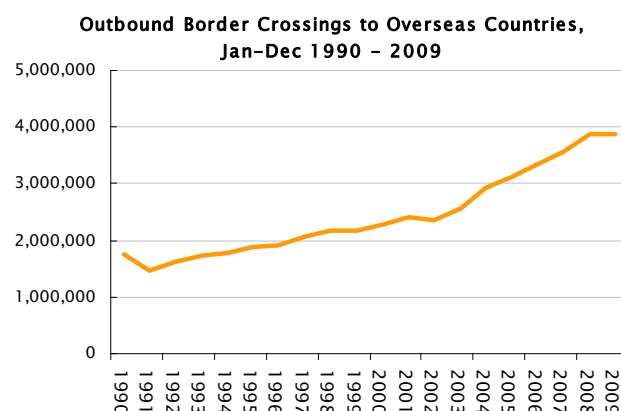
Source: Statistics Canada

During 2009, there were 19.9 million border crossings from Ontario to the U.S., a decrease of 11.4% over 2008. Same-day visits declined 14.7% or 2.0 million entries while overnight visits dropped 6.2% or 542,000 entries compared to 2008.

Travel to Overseas Countries

In December 2009, overseas travel represented 15.8% of Ontario resident's international border crossings with 308,000 crossings. Travel to overseas countries increased 1.5% in December 2009 compared to December 2008.

During 2009, Ontarians made 3.9 million overseas crossings, up 0.1% from 2008.



Source: Statistics Canada

Accommodation

Occupancy Rates

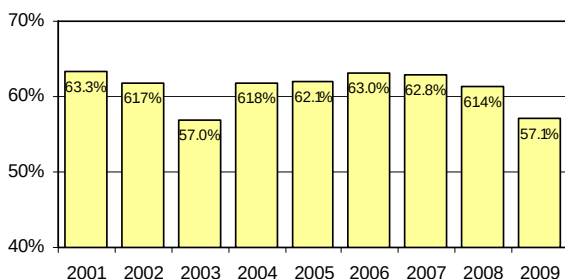
In December 2009, the occupancy rate at Ontario hotels was 42.8%, down 1.1 percentage points over December 2008.

Ottawa East, Downtown Toronto and Thunder Bay reported rates over 50%. Compared to December 2008, occupancy was up in Downtown Toronto, Ottawa East, Niagara Falls and Northern Ontario and declined in all other regions.

During 2009, hotel occupancy in Ontario was 57.1%, down 4.4 percentage points compared to 2008.

The GTA, Ottawa, North Western and North Eastern Ontario all posted a 12 month occupancy rate over 60%. Occupancy rates in all regions other than Sault Ste. Marie declined in 2009 compared to 2008.

Ontario Hotel Occupancy Rates,
Jan-Dec 2001-2009



Source: PKF Consulting, Hotel Trends

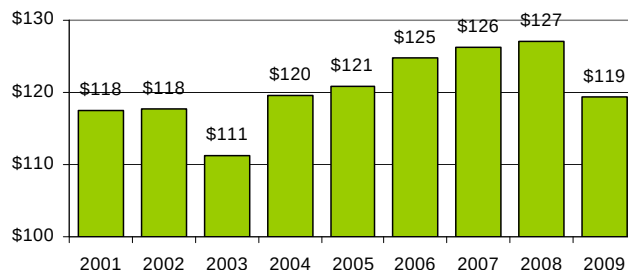
Average Daily Rates

The average daily rate (ADR) decreased by 3.6% in December 2009 to \$112.54.

In December 2009, ADR was highest in downtown Toronto at \$133.37 and lowest in Sault Ste. Marie at \$89.19. Northern Ontario, Kingston and parts of Southern Ontario reported an increase in monthly ADR compared to the previous year while ADR in all other regions declined.

During 2009, Ontario ADR was down 5.9% to \$119.36 compared to January-December 2008. Year-to-date ADR was up in Northern Ontario, Ottawa East, and parts of Southern Ontario.

Ontario Hotel ADRs,
Jan-Dec 2001-2009



Source: PKF Consulting, Hotel Trends

Revenue per Available Room

Revenue per available room (revPAR) at \$48.18 in December 2009 was down by 6.0% over December 2008. During January-December 2009, revPAR was down 12.6% to \$68.13 compared to January-December 2008.

Travel Price Index (TPI)

Ontario's TPI increased 0.1% in December 2009 compared to December 2008; increases in gas and food & beverage were offset by lower air transportation and accommodation prices. During 2009, the Ontario TPI grew 0.7% 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 December 2009, the increase in Ontario's TPI at 0.1% compares to a 1.2% increase in Ontario's CPI.

Ontario Index	Dec 2009 over Dec 2008
TPI	+0.1%
CPI	+1.2%

Source: Statistics Canada, Ontario Ministry of Tourism

The U.S. Travel Price Index for December 2009 was up 4.3% over December 2008 while the US CPI was up 2.7%.

US Index	Dec 2009 over Dec 2008
TPI	+4.3%
CPI	+2.7%

Source: Travel Industry Association of America

Economic Indicators

Consumer Confidence

The Index of Consumer Confidence increased 3.7 points in December 2009 to 82.8 (2002 = 100). The balance of opinion on the current finances and employment questions improved, while it deteriorated for future finances and major purchases.

Confidence increased in all regions except B.C. and Quebec. It grew 7.5 points in Ontario in December 2009.

Region	Dec 2009	Point change Dec 2009 vs Nov 2009
Canada	82.8	+3.7
B.C.	86.9	-0.9
Prairie provinces	91.6	+1.0
Ontario	81.4	+7.5
Quebec	73.5	-0.3
Atlantic provinces	89.4	+10.8

Source: The Conference Board of Canada

The U.S. Consumer Confidence Index increased 2.3 points in December 2009 and now stands at 52.9 (1985=100).

Source: The Conference Board

Employment

In December 2009, employment in Ontario's tourism-related industries was down 1.9% compared to December 2008.

During 2009, tourism related employment decreased 1.3% versus 2008. Growth in the Air Transportation, Performing Arts and Amusement/Recreation industries were offset by declines in employment in Accommodation and Travel Arrangement services and Heritage Institutions.

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

Consumer Response Indicators

1-800-ONTARIO

There were approximately 2,400 calls to the 1-800-ONTARIO call centre in December 2009, a decrease of 8.4% over December 2008.

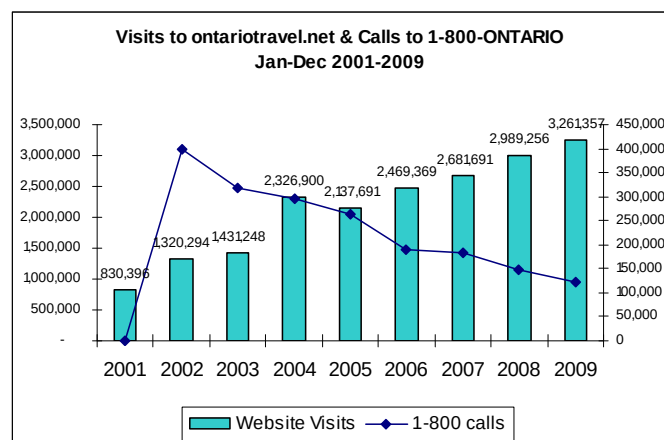
Throughout 2009, there were about 123,000 calls, a decrease of 16.2% over 2008.

Source: Electronic Data Systems

OntarioTravel.net

In December 2009, there were approximately 248,000 user sessions on **ontariotravel.net**, Ontario's travel website, an increase of 49.8% in the number of user sessions on the main website compared to December 2008.

During 2009, there were approximately 3.3 million user sessions on the main site of the province's travel website, up 9.1% from 2008.



Source: Ontario Tourism Marketing Partnership Corp.

Ontario Travel Information Centres

Visits to Ontario's Travel Information Centres (TICs) totalled about 28,000 in December 2009, a decrease of 8.4% over December 2008.

During 2009, there were about 996,000 visits to Ontario TICs, 2.5% less than in 2008.

Change in Visits to Ontario's TICs		
Location	Dec 2009 over Dec 2008	2009 over 2008
Barrie	18.4%	-9.2%
Cornwall	-18.8%	-4.5%
Fort Erie	-3.9%	14.3%
Fort Frances	-13.0%	27.7%
Niagara Falls	15.9%	-1.3%
Sarnia	-46.3%	-11.7%
Sault Ste Marie	7.5%	5.2%
St. Catharines	-4.5%	-2.7%
Toronto	-9.8%	-11.5%
Windsor Park	-17.9%	-11.8%
Windsor HC	-15.7%	-10.0%
Hill Island	closed for season	-24.9%
Kenora	closed for season	5.0%
Lancaster	closed for season	25.5%
Pigeon River	closed for season	-11.8%
Prescott	closed for season	69.0%
Rainy River	closed for season	28.3%
417	closed for season	-15.2%
TOTAL	-8.4%	-2.5%

Source: Ontario Ministry of Tourism & Culture

Attendance at Agencies

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

Change in Visits to Ontario's Agencies		
Agency	Dec 2009 over Dec 2008	2009 over 2008
AGO	+114%	+121%*
Fort William Historical Park	+31%	+30%
Huronian Historical Parks	-100%	+2%
McMichael Gallery	-10%	+1%
Niagara Parks Commission ²	-4%	-0.5%
Ontario Heritage Trust	-42%	+9%
Ontario Place	+22%	-11%
Ontario Science Centre	n/a	+17%**
Royal Botanical Gardens	+100%	+1%
Royal Ontario Museum	+30%	+5%
Science North	+19%	+6%
St Lawrence Parks ³	closed	-11%

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

**OSC had new ticket system installed in Nov 09. YTD % chg based on Oct

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