

MARCH 2011

Highlights

March 2011 over March 2010:

- Crossings from the U.S. to Ontario declined 6.9%, with same-day crossings down 9.1% and overnight crossings down 4.1%.
- Crossings from overseas markets to Ontario declined by 1.5%.
- Crossings by Ontarians to the U.S. increased by 5.9% (same-day crossings up 8.4% and overnight crossings up 3.0%), and travel to overseas countries grew 9.6%.
- Ontario hotel occupancy grew 2.2 percentage points
- Employment in Ontario's tourism-related industries increased by 0.4%.
- Ontario's Travel Price Index increased by 6.9%.

YTD March 2011 versus YTD March 2010:

- U.S. crossings to Ontario decreased 5.9%, with same-day crossings down 9.3% and overnight crossings down 1.1%.
- Crossings from overseas markets to Ontario grew 2.4%.
- Ontarians' crossings to the U.S. grew by 8.8% (same-day visits up 12.2% and overnight entries up 4.1%), and travel to overseas countries increased 7.7%.
- Ontario hotel occupancy grew 2.7 percentage points
- Employment in Ontario's tourism-related industries decreased by 0.4%.
- Ontario's Travel Price Index increased by 5.5%.

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Border Crossings

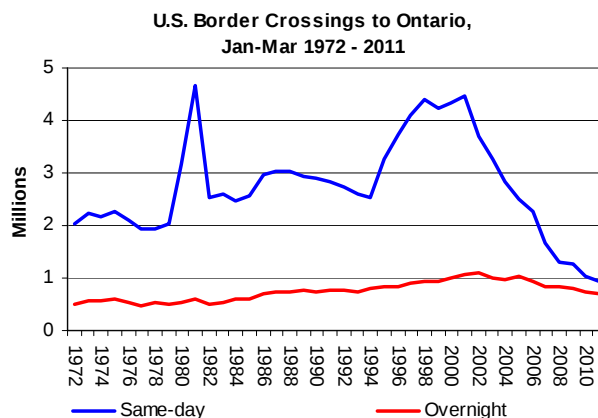
Total International Entries

In March 2011, there were 694,000 (U.S. and overseas) border crossings into Ontario, a decrease of 6.3% compared to March 2010. In 2010, March accounted for 5.8% of Ontario's annual international border crossings.

During the first 3 months of 2011, total international border crossings declined by 5.0% over 2010 to 1.9 million entries.

U.S. Entries

U.S. entries accounted for 88% of international entries into Ontario in March 2011. During this month, U.S. border crossings into Ontario declined 6.9% over March 2010 to 608,000 crossings. Same-day entries decreased 9.1% while overnight entries dropped 4.1%.



Source: Statistics Canada

In Jan-Mar 2011, there were 1.7 million border crossings from the U.S. to Ontario, a decrease of 5.9% over 2010. Same-day crossings declined 9.3% with 97,000 fewer crossings and overnight crossings decreased 1.1% or 8,000 fewer crossings.

In March 2011, U.S. entries declined to all regions of Canada. Similarly, during the first 3 months of 2011, U.S. entries to all regions declined. Ontario accounted for 57% of U.S. entries into Canada in March 2011. Note that the Winter Olympics were held in B.C. in February 2010.

Region	U.S. Entries, Mar 2011 over Mar 2010		U.S. Entries, YTD Mar 2011 over YTD Mar 2010	
	Entries*	% change	Entries*	% change
Canada	1,072,347	-7.0%	2,943,764	-8.7%
B.C.	225,767	-6.0%	628,335	-17.7%
Ontario	607,607	-6.9%	1,654,973	-5.9%
Quebec	120,198	-4.3%	337,451	-3.5%

Source: Statistics Canada

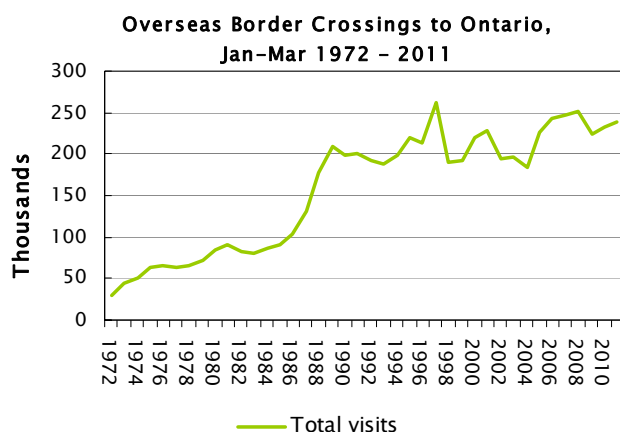
U.S. Entries: Mode of Transportation

In March 2011, 75% of U.S. entries to Ontario were via automobile, 18% by commercial air travel¹, 5% by bus and 1% by other modes. Entries by automobile were down 9.3% in March 2011 and down 8.8% for the 3 months ending March 2011 compared with 2010. Commercial air travel from the U.S. was up 5.2% in March 2011 while entries by bus declined 10.1%.

Overseas Entries

In March 2011, the 86,000 overseas entries into Ontario accounted for 12% of the province's total international entries, a decrease of 1.5% compared to March 2010. March accounted for 5.2% of overseas entries in 2010.

During the first quarter of 2011, overseas entries to Ontario grew 2.4% over 2010.



Source: Statistics Canada

¹ Commercial Air Travel represents 96% of all air travel

In March 2011, overseas entries decreased to all regions of Canada except Quebec. Overseas entries to Ontario and Quebec grew in the first 3 months of 2011. Ontario accounted for 40% of Canada's overseas entries during March 2011. Note that the Winter Olympics were held in B.C. in February 2010.

Region	Overseas Entries, Mar 2011 over Mar 2010		Overseas Entries, YTD Mar 2011 over YTD Mar 2010	
	Entries*	% change	Entries*	% change
Canada	213,016	-11.1%	615,955	-6.6%
B.C.	66,423	-24.2%	199,517	-15.7%
Ontario	86,027	-1.5%	238,104	2.4%
Quebec	41,532	6.6%	124,084	7.1%

Source: Statistics Canada

Overseas Entries: Traditional Markets

In March 2011, arrivals from all traditional markets except Japan declined over March 2010 with entries from Germany down 22%, arrivals from the UK down 8%, and entries from France down 8%.

During Jan-Mar 2011, arrivals from Japan were up 4% while arrivals from the UK, Germany and France all declined compared to Jan-Mar 2010.

Market	Mar 2011 over Mar 2010		YTD Mar 2011 over YTD Mar 2010	
	Entries*	% change	Entries*	% change
U.K.	12,685	-7.8%	35,971	-1.7%
Germany	4,866	-22.5%	13,136	-19.8%
Japan	5,329	2.5%	12,713	4.2%
France	2,967	-7.5%	9,345	-11.6%

Source: Statistics Canada

Overseas Entries: Emerging Markets

Arrivals from most overseas countries grew in March 2011 compared to March 2010 with arrivals from China up 27%, entries from Brazil up 37% and entries from India up 3%.

During the first quarter of 2011, arrivals were up from all reported countries except Italy (-8%), South Korea (-4%) and Mexico (-2%). Entries from China increased 48% and arrivals from Hong Kong grew 32% in 2011 versus 2010.

* 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	Mar 2011 over Mar 2010		YTD Mar 2011 over YTD Mar 2010	
	Entries*	% change	Entries*	% change
China	4,424	26.8%	13,926	47.8%
Brazil	3,719	37.1%	11,896	7.7%
India	3,462	2.6%	10,345	7.9%
South Korea	2,201	-24.1%	8,021	-3.8%
Mexico	3,553	-0.6%	7,937	-1.6%
Hong Kong	2,114	18.2%	6,768	31.8%
Australia	2,442	7.8%	6,418	11.7%
Italy	2,041	-3.3%	5,266	-7.6%
Netherlands	1,605	5.0%	4,411	3.2%

Source: Statistics Canada

Outbound Travel

Total International Travel

During March 2011, Ontarians made 2.6 million international border crossings (U.S. and overseas), an increase of 6.6% versus March 2010.

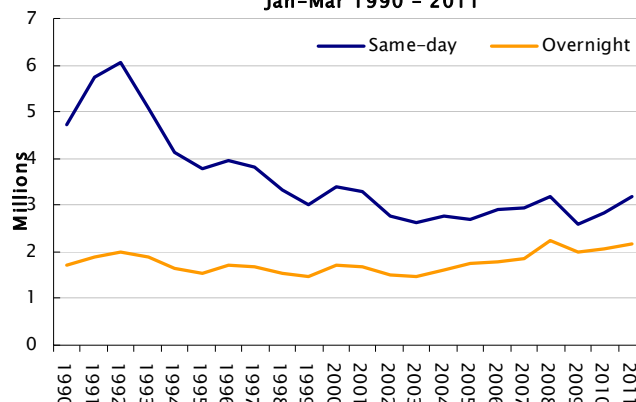
Total international border crossings by Ontarians increased 8.5% to 6.8 million crossings during Jan-Mar 2011 compared to 2010.

Ontario continues to generate more visitors to international destinations than it receives: in the first quarter of 2011, there were 1.9 million international entries into Ontario compared to 6.8 million international border crossings made by Ontarians.

Travel to the U.S.

In March 2011, travel to the U.S. accounted for 81% of Ontarian's international visits. Ontario residents made 2.1 million entries into the U.S. in March 2011, 5.9% more than in March 2010. Same-day visits, which represented 54% of entries, grew 8.4% while overnight visits increased 3.0%.

Outbound Border Crossings to the U.S., Jan-Mar 1990 - 2011



Source: Statistics Canada

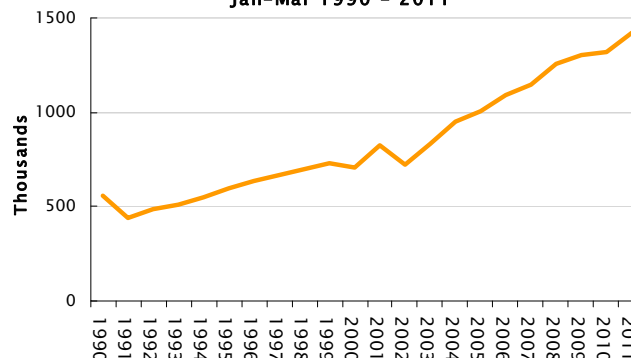
In Jan-Mar 2011 there were 5.3 million border crossings from Ontario to the U.S., an increase of 8.8% over 2010. Same-day visits grew 12.2% or 345,000 entries and overnight visits increased 4.1% or 85,000 entries compared to Jan-Mar 2010.

Travel to Overseas Countries

In March 2011, overseas travel represented 19% of Ontario resident's international border crossings with 506,000 crossings. Travel to overseas countries grew 9.6% in March 2011 compared to March 2010.

During the first 3 months of 2011, Ontarians made 1.4 million overseas crossings, up 7.7% from 2010.

Outbound Border Crossings to Overseas Countries, Jan-Mar 1990 - 2011



Source: Statistics Canada

Accommodation

Occupancy Rates

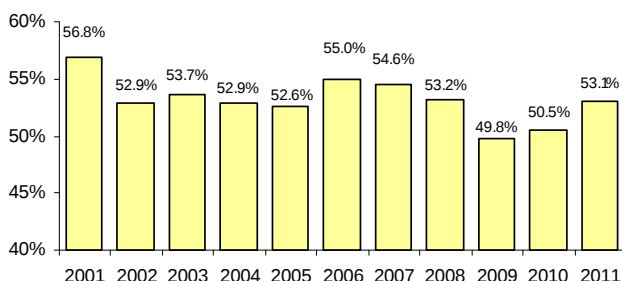
In March 2011, the occupancy rate at Ontario hotels was 56.5%, up 2.2 percentage points over March 2010.

The Greater Toronto Area (GTA), Ottawa and North Western Ontario all reported occupancy rates over 60%. Compared to March 2010, occupancy was up in all regions except Central and North Western Ontario.

In Jan-Mar 2011, hotel occupancy in Ontario was 53.1%, up 2.7 percentage points compared to Jan-Mar 2010.

The GTA, Ottawa and North Western Ontario all posted a 3 month occupancy rate over 60%. Toronto airport had the highest 3 month rate at 69%. Occupancy rates increased in all regions other than North Eastern and North Central Ontario where they declined in Jan-Mar 2011 compared to Jan-Mar 2010.

Ontario Hotel Occupancy Rates,
Jan-Mar 2001-2011



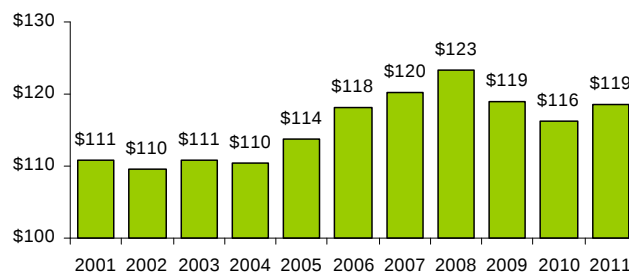
Average Daily Rates (ADR)

The average daily rate (ADR) grew 2.8% in March 2011 to \$121.72.

In March 2011, ADR was highest in downtown Toronto at \$166.44 and lowest in the other Niagara Region at \$83.83. Ottawa, North Eastern and North Central Ontario reported declines in ADR while all other regions grew ADR compared to the previous year.

During the first quarter of 2011, Ontario ADR was up 2.1% to \$118.61 compared to Q1 2010. Year-to-date ADR was up in the GTA, Eastern and Northern Ontario.

Ontario Hotel ADRs,
Jan-Mar 2001-2011



Revenue per Available Room

Revenue per available room (revPAR) was \$68.75 in March 2011, up 6.8% over March 2010. During the first 3 months of 2011, revPAR grew 7.6% to \$62.93 compared to 2010.

Source: PKF Consulting, Hotel Trends²

Travel Price Index (TPI)

Ontario's TPI grew 6.9% in March 2011 compared to March 2010. Costs increased for most components especially transportation. This compares to a 3.6% increase in the Ontario Consumer Price Index (CPI).

During Jan-Mar 2011, the Ontario TPI grew 5.4% compared to 2010 while Ontario's CPI increased 3.0%.

Ontario Index	Mar 2011 over Mar 2010	YTD Mar 2011 over YTD Mar 2010
TPI	6.9%	5.5%
CPI	3.6%	3.0%

Source: Statistics Canada, Ontario Ministry of Tourism and Culture

The U.S. Travel Price Index for March 2011 was up 6.9% over March 2010 while the U.S. CPI grew 2.7%.

U.S. Index	Mar 2011 over Mar 2010	YTD Mar 2011 over YTD Mar 2010
TPI	6.9%	5.4%
CPI	2.7%	2.1%

Source: Travel Industry Association of America

² Source: PKF Consulting Inc. with reproduction and use of information subject to PKF Disclaimer and Restrictions as detailed at www.pkfcanada.com Users of this information are advised that PKF Consulting Inc. and Members of PKF International Association do not represent the information contained herein to be definitive or all-inclusive. PKF Consulting Inc. believes the information to be reliable, but is not responsible for errors or omissions.

Economic Indicators

Consumer Confidence

The Canadian Index of Consumer Confidence dropped 5.6 points in March 2011 and the index stands at 83.7 (2002 = 100). Confidence decreased on all 4 questions, especially those regarding current and future finances.

Confidence declined in all regions except Quebec where it grew 3.6 points. Ontario confidence declined 11.2 points in March to 73.7.

Region	Mar 2011	Point change Mar 2011 vs Feb 2011
Canada	83.7	-5.6
B.C.	91.2	-9.3
Prairie provinces	98.9	-6.5
Ontario	73.7	-11.2
Quebec	82.1	+3.6
Atlantic provinces	84.4	-3.0

Source: The Conference Board of Canada

The U.S. Consumer Confidence Index decreased 8.6 points in March 2011 and now stands at 63.4 (1985=100).

Source: The Conference Board of Canada

Employment

In March 2011, employment in Ontario's tourism-related industries grew 0.4% compared to March 2010. Employment in the Arts, Entertainment & Recreation, and Transportation industries increased while employment in Food & Beverage and Retail declined. This compares to a 2.2% increase in total employment in Ontario.

During the first quarter of 2011, tourism-related employment declined 0.4% versus 2010.

Ontario Employment	Mar 2011 over Mar 2010	YTD Mar 2011 over YTD Mar 2010
Tourism Employment	0.4%	-0.4%
Total Employment	2.2%	2.2%

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

Consumer Response Indicators

1-800-ONTARIO

There were approximately 8,000 calls to the 1-800-ONTARIO call centre in March 2011, a decrease of 53.0% over March 2010.

Throughout the first 3 months of 2011, there were about 18,900 calls, a drop of 36.6% over 2010.

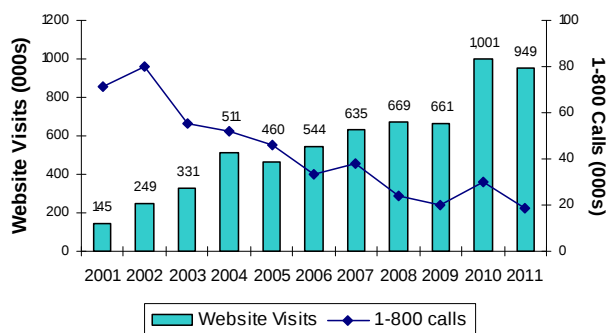
Source: Electronic Data Systems

OntarioTravel.net

In March 2011, there were approximately 333,000 user sessions on www.ontariotravel.net, Ontario's travel website, a decrease of 4.4% in the number of user sessions on the main website compared to March 2010.

During Jan-Mar 2011, there were approximately 949,000 user sessions on the main site of the province's travel website, down 5.2% from Jan-Mar 2010.

Visits to ontariotravel.net & Calls to 1-800-ONTARIO
Jan-Mar 2001-2011



Source: Ontario Tourism Marketing Partnership Corporation

Ontario Travel Information Centres

Visits to Ontario's Travel Information Centres (TICs) totalled about 37,000 in March 2011, a decrease of 3.3% over March 2010.

During the first 3 months of 2011, there were approximately 96,000 visits to Ontario TICs, 3.5% more than in 2010.

Change in Visits to Ontario's TICs		
Location	Mar 2011 over Mar 2010	YTD Mar 2011 over YTD Mar 2010
Bainsville	100.0%	100.0%
Barrie	-12.7%	-9.6%
Cornwall	-5.0%	2.9%
Fort Erie	-38.6%	-29.8%
Fort Frances	-19.3%	-1.4%
Niagara Falls	-9.5%	-7.5%
Sarnia	-32.8%	-22.5%
Sault Ste. Marie	-16.2%	-11.7%
St. Catharines	-16.9%	-17.9%
Tilbury	100.0%	100.0%
Toronto	11.2%	13.3%
Windsor Park	-14.5%	-6.0%
Windsor HC	-100.0%	-100.0%
Hill Island	Closed for season	Closed for season
Kenora	Closed for season	Closed for season
Lancaster	Closed for season	Closed for season
Pigeon River	Closed for season	Closed for season
Prescott	Closed for season	Closed for season
Rainy River	Closed for season	Closed for season
417	Closed for season	Closed for season
TOTAL:	-3.3%	3.5%

Source: Ontario Ministry of Tourism and Culture

The Bainsville and Tilbury centres opened July 1, 2010 and these new centres drove the growth in visits to TICs.

Attendance at Agencies

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

Change in Visits to Ontario's Agencies		
Agency	Mar 2011 over Mar 2010	YTD Mar 2011 over YTD Mar 2010
AGO	-38%	-46%
Fort William Historical Park	-24%	+213%
Huronian Historical Parks	+55%	+8%
McMichael Gallery	+6%	+11%
Niagara Parks Commission ³	-32%	-23%
Ontario Heritage Trust	+42%	+46%
Ontario Place	closed	closed
Ontario Science Centre	+5%	-27%
Royal Botanical Gardens	-29%	-26%
Royal Ontario Museum	-17%	-12%
Science North	-5%	-39%
St Lawrence Parks ⁴	closed	closed

Fort William Historical Park held a Special Olympics event in January 2011. Ontario Place and Science North were partially closed for renovations in Jan/Feb 2011.

³ 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

⁴ St Lawrence Parks includes Fort Henry and Upper Canada Village