

MAY 2011

Highlights

May 2011 over May 2010:

- Crossings from the U.S. to Ontario declined 3.4%, with same-day crossings down 4.8% and overnight crossings down 2.0%.
- Crossings from overseas markets to Ontario grew by 4.2%.
- Crossings by Ontarians to the U.S. increased by 11.7% (same-day crossings up 16.9% and overnight crossings up 4.4%), and travel to overseas countries grew 8.8%.
- Ontario hotel occupancy grew 0.2 percentage points.
- Employment in Ontario's tourism-related industries increased by 0.9%.
- Ontario's Travel Price Index increased by 8.3%.

YTD May 2011 versus YTD May 2010:

- U.S. crossings to Ontario decreased 4.7%, with same-day crossings down 7.5% and overnight crossings down 1.4%.
- Crossings from overseas markets to Ontario grew 5.7%.
- Ontarians' crossings to the U.S. grew by 10.4% (same-day visits up 14.1% and overnight entries up 5.2%), and travel to overseas countries increased 8.5%.
- Ontario hotel occupancy grew 1.6 percentage points.
- Employment in Ontario's tourism-related industries grew by 0.2%.
- Ontario's Travel Price Index increased by 6.4%.

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Tourism Industry Statistics

Border Crossings

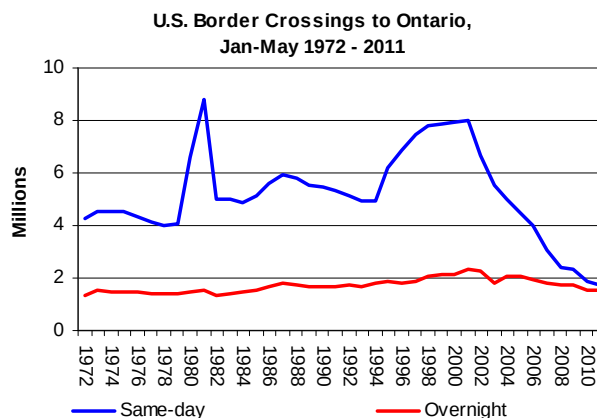
Total International Entries

In May 2011, there were 1.1 million (U.S. and overseas) border crossings into Ontario, a decrease of 2.3% compared to May 2010. In 2010, May accounted for 8.6% of Ontario's annual international border crossings.

During the first 5 months of 2011, total international border crossings declined by 3.4% over 2010 to 3.8 million entries.

U.S. Entries

U.S. entries accounted for 85% of international entries into Ontario in May 2011. During this month, U.S. border crossings into Ontario declined 3.4% over May 2010 to 911,000 crossings. Same-day entries decreased 4.8% while overnight entries dropped 2.0%.



Source: Statistics Canada

In Jan-May 2011, there were 3.3 million border crossings from the U.S. to Ontario, a decrease of 4.7% over 2010. Same-day crossings declined 7.5% with 142,000 fewer crossings and overnight crossings decreased 1.4% or 21,000 fewer crossings.

In May 2011, U.S. entries declined to all regions of Canada. Similarly, during the first 5 months of 2011, U.S. entries to all regions dropped. Ontario accounted for 55% of U.S. entries into Canada in May 2011.

Region	U.S. Entries, May 2011 over May 2010		U.S. Entries, YTD May 2011 over YTD May 2010	
	Entries*	% change	Entries*	% change
Canada	1,643,452	-3.6%	5,837,406	-6.2%
B.C.	371,203	-4.3%	1,251,098	-11.3%
Ontario	911,122	-3.4%	3,293,853	-4.7%
Quebec	167,779	-1.8%	648,180	-2.3%

Source: Statistics Canada

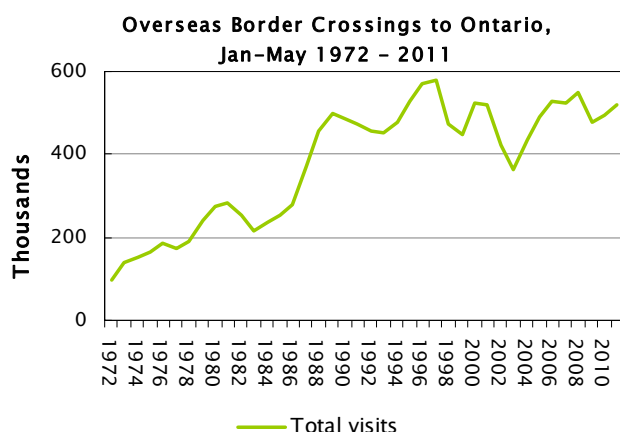
U.S. Entries: Mode of Transportation

In May 2011, 77% of U.S. entries to Ontario were via automobile, 16% by commercial air travel¹, 5% by bus and 2% by other modes. Entries by automobile were down 6.7% in May 2011 and down 7.0% for the 5 months ending May 2011 compared with 2010. Commercial air travel from the U.S. was up 14.2% in May 2011 and entries by bus grew 3.7%.

Overseas Entries

In May 2011, the 157,000 overseas entries into Ontario accounted for 15% of the province's total international entries, an increase of 4.2% compared to May 2010. May accounted for 8.9% of overseas entries in 2010.

During the first 5 months of 2011, overseas entries to Ontario grew 5.7% over 2010.



Source: Statistics Canada

In May 2011, overseas entries grew to all regions of Canada. During the first 5 months of 2011, overseas entries to Ontario and Quebec grew while entries to B.C. declined. Ontario accounted for 38% of Canada's overseas entries during May 2011.

Region	Overseas Entries, May 2011 over May 2010		Overseas Entries, YTD May 2011 over YTD May 2010	
	Entries*	% change	Entries*	% change
Canada	410,826	2.5%	1,315,273	-1.0%
B.C.	142,310	0.6%	423,121	-8.6%
Ontario	157,356	4.2%	521,626	5.7%
Quebec	73,359	10.5%	254,893	10.0%

Source: Statistics Canada

Overseas Entries: Traditional Markets

In May 2011, arrivals from all traditional markets except France declined over May 2010. Entries from France grew 14% while arrivals from Japan dropped 14%, and entries from Germany decreased 10%.

During Jan-May 2011, arrivals from Germany were down 10% while arrivals from the U.K., Japan and France all grew compared to Jan-May 2010.

Market	May 2011 over May 2010		YTD May 2011 over YTD May 2010	
	Entries*	% change	Entries*	% change
U.K.	26,528	-2.2%	84,006	0.6%
Germany	11,135	-10.3%	33,412	-10.2%
Japan	6,897	-14.0%	25,223	1.0%
France	6,517	13.5%	21,753	6.1%

Source: Statistics Canada

Overseas Entries: Emerging Markets

Arrivals from most overseas countries other than Brazil grew in May 2011 compared to May 2010 with arrivals from China up 40%, and entries from Hong Kong up 24%.

During the first 5 months of 2011, arrivals were up from all reported countries except South Korea (-1%). Entries from China increased 43% and arrivals from Hong Kong grew 28% 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.

¹ Commercial Air Travel represents 96% of all air travel.

Market	May 2011 over May 2010		YTD May 2011 over YTD May 2010	
	Entries*	% change	Entries*	% change
China	8,078	40.2%	27,486	43.3%
India	9,891	0.3%	26,051	7.5%
Brazil	4,357	-3.4%	19,832	1.6%
South Korea	5,648	1.1%	17,335	-0.8%
Mexico	3,535	2.5%	16,241	5.2%
Australia	4,748	13.2%	14,598	11.7%
Hong Kong	4,527	24.2%	14,224	28.3%
Italy	4,397	8.5%	12,742	2.2%
Netherlands	4,137	9.0%	11,290	6.7%

Source: Statistics Canada

Outbound Travel

Total International Travel

During May 2011, Ontarians made 2.5 million international border crossings (U.S. and overseas), an increase of 11.3% versus May 2010.

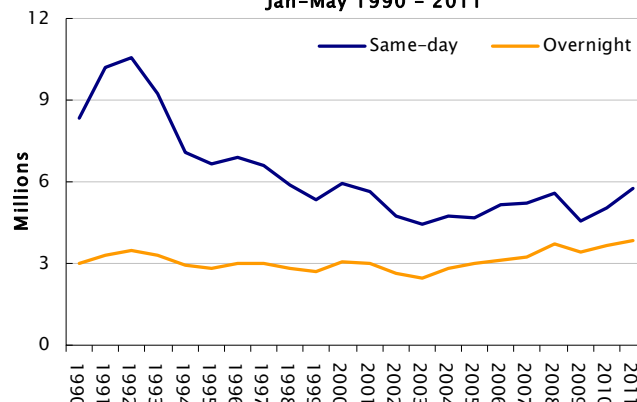
Total international border crossings by Ontarians increased 10.0% to 11.8 million crossings during Jan-May 2011 compared to 2010.

Ontario continues to generate more visitors to international destinations than it receives. In the first 5 months of 2011, there were 3.8 million international entries into Ontario compared to 11.8 million international border crossings made by Ontarians.

Travel to the U.S.

In May 2011, travel to the U.S. accounted for 86% of Ontarians' international visits. Ontario residents made 2.1 million entries into the U.S. in May 2011, 11.7% more than in May 2010. Same-day visits, which represented 59% of entries, grew 16.9% while overnight visits increased 4.4%.

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



Source: Statistics Canada

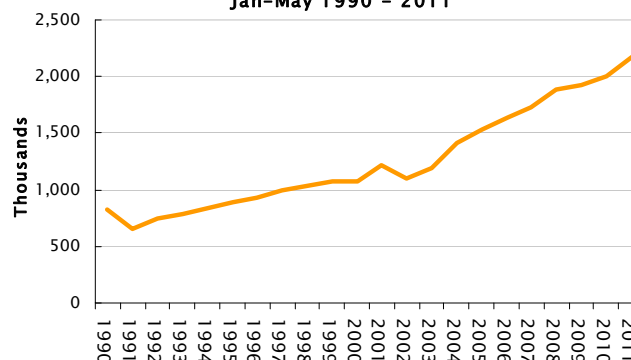
In Jan-May 2011, there were 9.6 million border crossings from Ontario to the U.S., an increase of 10.4% over 2010. Same-day visits grew 14.1% or 711,000 entries and overnight visits increased 5.2% or 192,000 entries compared to Jan-May 2010.

Travel to Overseas Countries

In May 2011, overseas travel represented 14% of Ontario residents' international border crossings with 357,000 crossings. Travel to overseas countries grew 8.8% in May 2011 compared to May 2010.

During the first 5 months of 2011, Ontarians made 2.2 million overseas crossings, up 8.5% from 2010.

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



Source: Statistics Canada

Accommodation

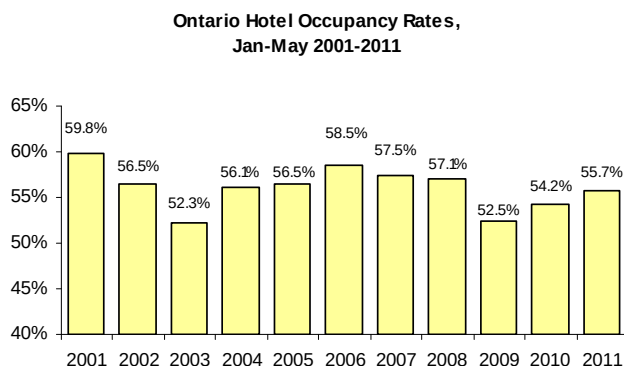
Occupancy Rates

In May 2011, the occupancy rate at Ontario hotels was 62.0%, a slight increase of 0.2 points compared to May 2010.

Downtown Toronto, Toronto Airport, Ottawa and North Western Ontario all reported occupancy rates over 70%. Compared to May 2010, occupancy was up in all regions except Eastern, Central, and North Eastern Ontario.

In During Jan-May 2011, hotel occupancy in Ontario was 55.7%, up 1.6 percentage points compared to Jan-May 2010.

The GTA, Ottawa and North Western Ontario all posted a 5 month occupancy rate over 60%. Thunder Bay had the highest 5 month rate at 70%. Occupancy rates increased in all regions other than North Eastern and North Central Ontario where they declined in Jan-May 2011 compared to Jan-May 2010.



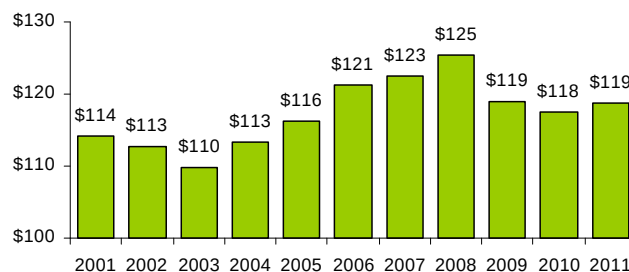
Average Daily Rates (ADR)

The average daily rate (ADR) grew 1.9% in May 2011 to \$121.36.

In May 2011, ADR was highest in downtown Toronto at \$157.72 and lowest in the other Niagara Region at \$88.51. ADR grew compared to the previous year in all regions except Eastern, Southern, and North Western Ontario.

During the first 5 months of 2011, Ontario ADR was up 0.9% to \$118.83 compared to 2010. Year-to-date ADR was up in all regions other than Ottawa, Southern and North Western Ontario where it declined slightly.

Ontario Hotel ADRs, Jan-May 2001-2011



Revenue per Available Room

Revenue per available room (revPAR) was \$75.21 in May 2011, up 2.2% over May 2010. During the first 5 months of 2011, revPAR grew 3.8% to \$66.24 compared to 2010.

Source: PKF Consulting, Hotel Trends²

Travel Price Index (TPI)

Ontario's TPI grew 8.3% in May 2011 compared to May 2010. Costs increased for most components, especially transportation. This compares to a 4.0% increase in the Ontario Consumer Price Index (CPI).

During Jan-May 2011, the Ontario TPI grew 6.4% compared to 2010 while Ontario's CPI increased 3.3%.

Ontario Index	May 2011 over May 2010	YTD May 2011 over YTD May 2010
TPI	8.3%	6.4%
CPI	4.0%	3.3%

Source: Statistics Canada, Ontario Ministry of Tourism and Culture

The U.S. Travel Price Index for May 2011 was up 7.7% over May 2010 while the U.S. CPI grew 3.6%.

U.S. Index	May 2011 over May 2010	YTD May 2011 over YTD May 2010
TPI	7.7%	6.3%
CPI	3.6%	2.6%

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 2.0 points in May 2011 and the index stands at 85.6 (2002 = 100). Confidence decreased on all 4 questions, especially those regarding major purchases and future job prospects.

Confidence grew in Ontario and the Prairies and declined in all other regions. Ontario confidence increased 2.8 points in May to 79.0.

Region	May 2011	Point change May 2011 vs Apr 2011
Canada	85.6	-2.0
B.C.	93.9	-15.0
Prairie provinces	108.3	+2.4
Ontario	79.0	+2.8
Quebec	75.7	-5.3
Atlantic provinces	80.2	-7.9

Source: The Conference Board of Canada

The U.S. Consumer Confidence Index dropped 5.2 points in May 2011 and now stands at 60.8 (1985=100).

Source: The Conference Board of Canada

Employment

In May 2011, employment in Ontario's tourism-related industries grew 0.9% compared to May 2010.

Employment in the Arts, Entertainment & Recreation, and Transportation industries increased while employment in Travel Services and Food & Beverage declined. This compares to a 2.0% increase in total employment in Ontario.

During the first five months of 2011, tourism-related employment was unchanged versus 2010 while total employment grew 2.2%.

Ontario Employment	May 2011 over May 2010	YTD May 2011 over YTD May 2010
Tourism Employment	0.9%	0.2%
Total Employment	2.0%	2.2%

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

Consumer Response Indicators

1-800-ONTARIO

There were approximately 12,100 calls to the 1-800-ONTARIO call centre in May 2011, a decrease of 34.5% over May 2010.

Throughout the first 5 months of 2011, there were about 38,200 calls, a drop of 37.0% over 2010.

Source: Electronic Data Systems

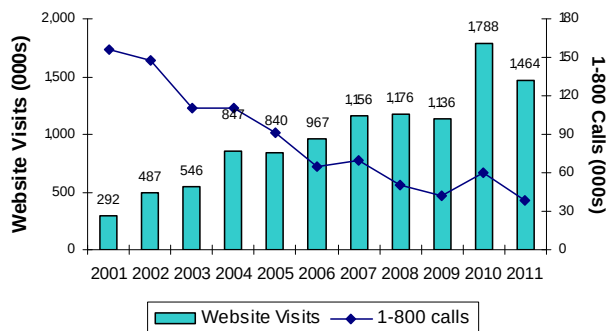
OntarioTravel.net

In May 2011, there were approximately 305,400 user sessions on www.ontariotravel.net, Ontario's travel website, a decrease of 33.1% in the number of user sessions on the main website compared to May 2010.

Changes in the search engine marketing campaign are likely responsible for the drop in visits.

During Jan-May 2011, there were approximately 1.5 million user sessions on the main site of the province's travel website, down 18.1% from Jan-May 2010.

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



Source: Ontario Tourism Marketing Partnership Corporation

Ontario Travel Information Centres

Visits to Ontario's Travel Information Centres (TICs) totalled about 69,200 in May 2011, a decrease of 17.8% over May 2010.

During the first 5 months of 2011, there were approximately 218,900 visits to Ontario TICs, 2.4% less than in 2010.

Change in Visits to Ontario's TICs		
Location	May 2011 over May 2010	YTD May 2011 over YTD May 2010
Bainsville	100.0%	100.0%
Barrie	-21.8%	-13.5%
Cornwall	2.0%	1.8%
Fort Erie	-25.9%	-29.4%
Fort Frances	-25.4%	-15.6%
Niagara Falls	-23.5%	-14.7%
Sarnia	-24.2%	-26.8%
Sault Ste. Marie	6.1%	-11.1%
St. Catharines	-22.8%	-18.9%
Tilbury	100.0%	100.0%
Toronto	6.6%	8.2%
Windsor Park	-22.7%	-13.8%
Windsor HC	-100.0%	-100.0%
Hill Island	-17.8%	-17.8%
Kenora	-29.5%	-29.5%
Lancaster	-100.0%	-100.0%
Pigeon River	-13.0%	-13.0%
Prescott	-36.2%	-36.2%
Rainy River	-8.8%	-8.8%
417	-14.7%	-14.7%
TOTAL:	-17.8%	-2.4%

Source: Ontario Ministry of Tourism and Culture

The Bainsville and Tilbury centres opened July 1, 2010.

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 2011 over May 2010	YTD May 2011 over YTD May 2010
AGO	-1%	-48%
Fort William Historical Park	-3%	+127%
Huronian Historical Parks	-23%	-19%
McMichael Gallery	+42%	+27%
Niagara Parks Commission ³	-15%	-23%
Ontario Heritage Trust	-14%	-3%
Ontario Place	-58%	-55%
Ontario Science Centre	-11%	-20%
Royal Botanical Gardens	+9%	-17%
Royal Ontario Museum	+17%	-1%
Science North	+45%	-20%
St. Lawrence Parks ⁴	closed	closed

AGO hosted the King Tut exhibit in 2010. 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 include Fort Henry and Upper Canada Village.