

JUNE 2011

Highlights

June 2011 over June 2010:

- Crossings from the U.S. to Ontario grew 0.7%, with same-day crossings down 2.3% but overnight crossings up 2.9%.
- Crossings from overseas markets to Ontario grew by 5.3%.
- Crossings by Ontarians to the U.S. increased by 15.8% (same-day crossings up 20.3% and overnight crossings up 7.6%), and travel to overseas countries grew 6.9%.
- Ontario hotel occupancy dropped 2.5 percentage points.
- Employment in Ontario's tourism-related industries decreased by 1.2%.
- Ontario's Travel Price Index increased by 6.9%.

YTD June 2011 versus YTD June 2010:

- U.S. crossings to Ontario decreased 3.3%, with same-day crossings down 6.4% and overnight crossings down 0.1%.
- Crossings from overseas markets to Ontario grew 5.6%.
- Ontarians' crossings to the U.S. grew by 11.2% (same-day visits up 15.1% and overnight entries up 5.6%), and travel to overseas countries increased 8.3%.
- Ontario hotel occupancy grew 0.8 percentage points.
- Employment in Ontario's tourism-related industries was unchanged.
- Ontario's Travel Price Index increased by 6.5%.

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Tourism Industry Statistics

Border Crossings

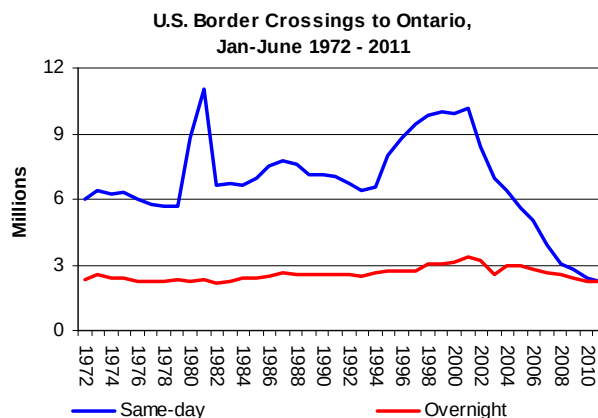
Total International Entries

In June 2011, there were 1.4 million (U.S. and overseas) border crossings into Ontario, an increase of 1.3% compared to June 2010. In 2010, June accounted for 11.0% of Ontario's annual international border crossings.

During the first half of 2011, total international border crossings declined by 2.2% over 2010 to 5.2 million entries.

U.S. Entries

U.S. entries accounted for 85% of international entries into Ontario in June 2011. During this month, U.S. border crossings into Ontario grew 0.7% over June 2010 to 1.2 million crossings. Same-day entries decreased 2.3% while overnight entries increased 2.9%.



Source: Statistics Canada

In Jan-Jun 2011, there were 4.5 million border crossings from the U.S. to Ontario, a decrease of 3.3% over 2010. Same-day crossings declined 6.4% with 153,000 fewer crossings and overnight crossings decreased 0.1% or 2,000 fewer crossings.

In June 2011, U.S. entries grew to all regions of Canada. Conversely, during the first 6 months of 2011, U.S. entries to all regions dropped. Ontario accounted for 53% of U.S. entries into Canada in June 2011.

Region	U.S. Entries, Jun 2011 over Jun 2010		U.S. Entries, YTD Jun 2011 over YTD Jun 2010	
	Entries*	% change	Entries*	% change
Canada	2,267,704	0.0%	8,105,048	-4.5%
B.C.	518,281	1.9%	1,769,379	-7.8%
Ontario	1,202,575	0.7%	4,496,428	-3.3%
Quebec	219,200	0.4%	867,380	-1.6%

Source: Statistics Canada

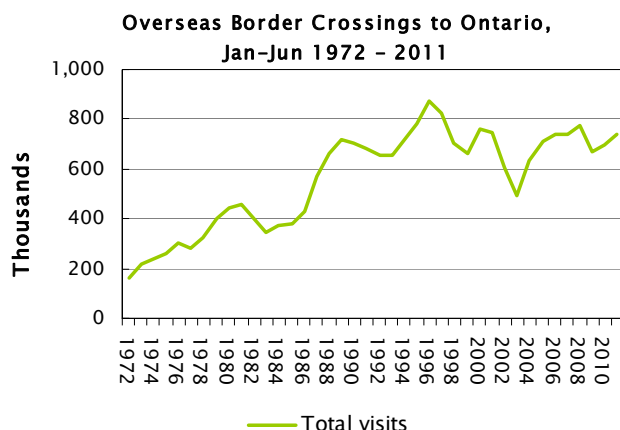
U.S. Entries: Mode of Transportation

In June 2011, 77% of U.S. entries to Ontario were via automobile, 16% by commercial air travel¹, 4% by bus and 3% by other modes. Entries by automobile were down 1.0% in June 2011 and down 5.4% for the 6 months ending June 2011 compared with 2010. Commercial air travel from the U.S. was up 11.1% in June 2011 and entries by bus dropped 5.1%.

Overseas Entries

In June 2011, the 217,000 overseas entries into Ontario accounted for 15% of the province's total international entries, an increase of 5.3% compared to June 2010. June accounted for 12.2% of overseas entries in 2010.

During the first half of 2011, overseas entries to Ontario grew 5.6% over 2010.



Source: Statistics Canada

In June 2011, overseas entries grew to all regions of Canada except B.C. During the first 6 months of 2011, overseas entries to Ontario and Quebec grew while entries to B.C. declined. Ontario accounted for 40% of Canada's overseas entries during June 2011.

Region	Overseas Entries, Jun 2011 over Jun 2010		Overseas Entries, YTD Jun 2011 over YTD Jun 2010	
	Entries*	% change	Entries*	% change
Canada	544,175	1.6%	1,859,452	-0.2%
B.C.	170,057	-2.8%	593,178	-7.0%
Ontario	217,472	5.3%	739,098	5.6%
Quebec	97,709	2.7%	352,602	7.8%

Source: Statistics Canada

Overseas Entries: Traditional Markets

In June 2011, arrivals from Germany and France increased while arrivals from the U.K. and Japan declined over June 2010. Entries from Germany grew 16% and arrivals from France gained 11%.

During the first half of 2011, arrivals from France grew 7% while arrivals from the U.K., Germany and Japan all declined compared to Jan-Jun 2010.

Market	Jun 2011 over Jun 2010		YTD Jun 2011 over YTD Jun 2010	
	Entries*	% change	Entries*	% change
U.K.	33,530	-5.8%	117,536	-1.3%
Germany	17,254	15.9%	50,666	-2.7%
Japan	7,600	-17.7%	32,823	-4.1%
France	7,902	10.7%	29,655	7.3%

Source: Statistics Canada

Overseas Entries: Emerging Markets

Arrivals from all reporting overseas countries other than South Korea grew in June 2011 compared to June 2010 with arrivals from China up 32%, and entries from Hong Kong up 21%.

Similarly, during the first 6 months of 2011, arrivals were up from all reported countries except South Korea (-2%). Entries from China increased 40% and arrivals from Hong Kong grew 26% in 2011 versus 2010.

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

* 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	Jun 2011 over Jun 2010		YTD Jun 2011 over YTD Jun 2010	
	Entries*	% change	Entries*	% change
China	10,456	31.8%	37,942	39.9%
India	11,163	24.4%	37,214	12.1%
Brazil	6,016	5.3%	25,848	2.4%
South Korea	6,376	-6.6%	23,711	-2.4%
Australia	6,901	13.4%	21,499	12.3%
Mexico	4,994	0.1%	21,235	3.9%
Hong Kong	6,599	21.1%	20,823	25.9%
Italy	6,662	5.3%	19,404	3.3%
Netherlands	4,659	13.1%	15,949	8.5%

Source: Statistics Canada

Outbound Travel

Total International Travel

During June 2011, Ontarians made 2.2 million international border crossings (U.S. and overseas), an increase of 14.5% versus June 2010.

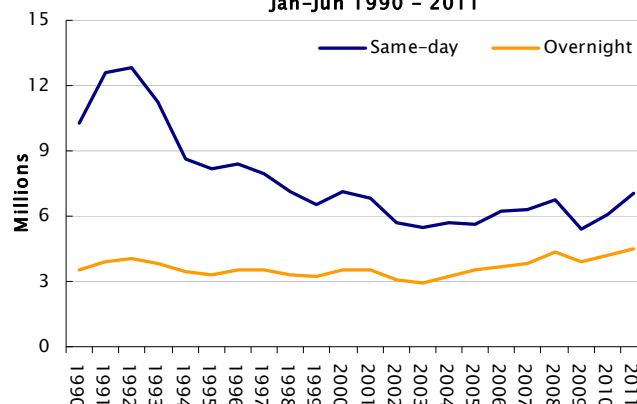
Total international border crossings by Ontarians increased 10.7% to 13.9 million crossings during Jan-Jun 2011 compared to 2010.

Ontario continues to generate more visitors to international destinations than it receives. In the first 6 months of 2011, there were 5.2 million international entries into Ontario compared to 13.9 million international border crossings made by Ontarians.

Travel to the U.S.

In June 2011, travel to the U.S. accounted for 87% of Ontarians' international visits. Ontario residents made 1.9 million entries into the U.S. in June 2011, 15.8% more than in June 2010. Same-day visits, which represented 64% of entries, grew 20.3% while overnight visits increased 7.6%.

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



Source: Statistics Canada

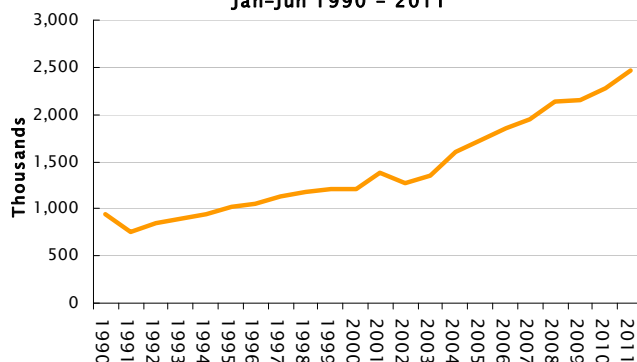
In the first half of 2011, there were 11.5 million border crossings from Ontario to the U.S., an increase of 11.2% over 2010. Same-day visits grew 15.1% or 922,000 entries and overnight visits increased 5.6% or 236,000 entries compared to 2010.

Travel to Overseas Countries

In June 2011, overseas travel represented 13% of Ontario residents' international border crossings with 285,000 crossings. Travel to overseas countries grew 6.9% in June 2011 compared to June 2010.

During the first 6 months of 2011, Ontarians made 2.5 million overseas crossings, up 8.3% from 2010.

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



Source: Statistics Canada

Accommodation

Occupancy Rates

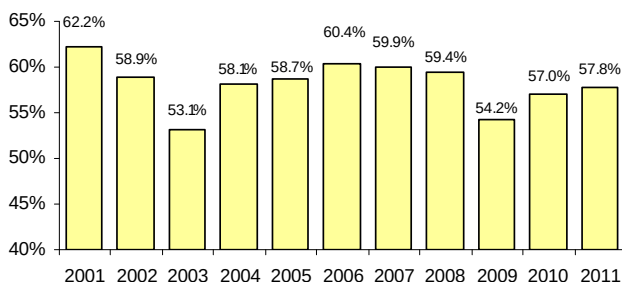
In June 2011, the occupancy rate at Ontario hotels was 68.0%, a decrease of 2.5 points compared to June 2010.

Downtown Toronto and downtown Ottawa both reported occupancy rates over 80%. Compared to June 2010, occupancy was down in all regions except Ottawa, Eastern and Southern Ontario.

During Jan-Jun 2011, hotel occupancy in Ontario was 57.8%, up 0.8 percentage points compared to Jan-Jun 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 71.5%. Occupancy rates increased in all regions other than North Eastern, Central and North Central Ontario where they declined in Jan-Jun 2011 compared to Jan-Jun 2010.

Ontario Hotel Occupancy Rates,
Jan-Jun 2001-2011



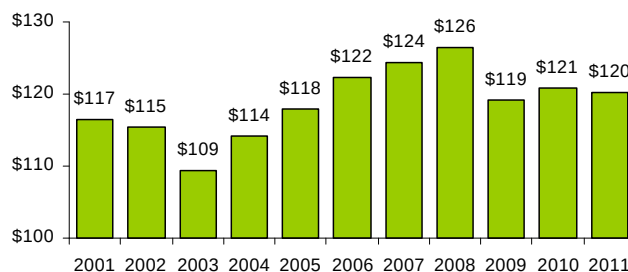
Average Daily Rates (ADR)

The average daily rate (ADR) dropped 5.3% in June 2011 to \$125.52.

In June 2011, ADR was highest in downtown Toronto at \$169.15 and lowest in Windsor at \$93.04. ADR declined compared to the previous year in all regions except Ottawa and North Eastern Ontario.

During the first 6 months of 2011, Ontario ADR was down 0.5% to \$120.26 compared to 2010. Year-to-date ADR was down in all regions other than Ottawa, North Central, and North Eastern Ontario versus the previous year.

Ontario Hotel ADRs,
Jan-Jun 2001-2011



Revenue per Available Room

Revenue per available room (revPAR) was \$85.30 in June 2011, down 8.7% over June 2010. During the first half of 2011, revPAR grew 0.9% to \$69.47 compared to 2010.

Source: PKF Consulting, Hotel Trends²

Travel Price Index (TPI)

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

During Jan-Jun 2011, the Ontario TPI grew 6.5% compared to 2010 while Ontario's CPI increased 3.4%.

Ontario Index	Jun 2011 over Jun 2010	YTD Jun 2011 over YTD Jun 2010
TPI	6.9%	6.5%
CPI	3.6%	3.4%

Source: Statistics Canada, Ontario Ministry of Tourism and Culture

The U.S. Travel Price Index for June 2011 was up 7.6% over June 2010 while the U.S. CPI grew 3.6%.

U.S. Index	Jun 2011 over Jun 2010	YTD Jun 2011 over YTD Jun 2010
TPI	7.6%	6.5%
CPI	3.6%	2.8%

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 2.5 points in June 2011 and the index stands at 83.1 (2002 = 100). Confidence decreased on all 4 questions, especially those regarding future income and job prospects.

Confidence declined in all regions except Quebec where it grew 1.6 points. Ontario confidence dropped 2.2 points in June to 76.8.

Region	Jun 2011	Point change Jun 2011 vs May 2011
Canada	83.1	-2.5
B.C.	88.9	-5.0
Prairie provinces	102.8	-5.5
Ontario	76.8	-2.2
Quebec	77.3	+1.6
Atlantic provinces	70.9	-9.3

Source: The Conference Board of Canada

The U.S. Consumer Confidence Index dropped 3.2 points in June 2011 and now stands at 58.5 (1985=100).

Source: The Conference Board of Canada

Employment

In June 2011, employment in Ontario's tourism-related industries declined 1.2% compared to June 2010. Employment in the Arts, Entertainment & Recreation, and Food & Beverage industries increased while employment in all other tourism-related industries declined. This compares to a 1.8% increase in total employment in Ontario.

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

Ontario Employment	Jun 2011 over Jun 2010	YTD Jun 2011 over YTD Jun 2010
Tourism Employment	-1.2%	-0.1%
Total Employment	1.8%	2.2%

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

Consumer Response Indicators

1-800-ONTARIO

There were approximately 18,000 calls to the 1-800-ONTARIO call centre in June 2011, a decrease of 40.6% over June 2010.

Throughout the first half of 2011, there were about 56,000 calls, a drop of 38.2% over 2010.

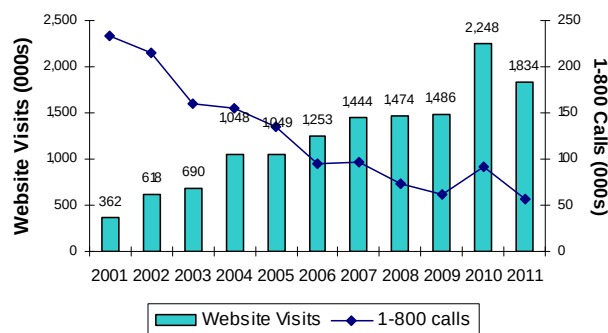
Source: Electronic Data Systems

OntarioTravel.net

In June 2011, there were approximately 370,000 user sessions on www.ontariotravel.net, Ontario's travel website, a decrease of 19.6% in the number of user sessions on the main website compared to June 2010.

During Jan-Jun 2011, there were approximately 1.8 million user sessions on the main site of the province's travel website, down 18.4% from Jan-Jun 2010.

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



Source: Ontario Tourism Marketing Partnership Corporation

Ontario Travel Information Centres

Visits to Ontario's Travel Information Centres (TICs) totalled about 132,000 in June 2011, a decrease of 1.9% over June 2010.

During the first 6 months of 2011, there were approximately 351,000 visits to Ontario TICs, 2.2% less than in 2010.

Change in Visits to Ontario's TICs		
Location	Jun 2011 over Jun 2010	YTD Jun 2011 over YTD Jun 2010
Bainsville	100.0%	100.0%
Barrie	-21.8%	-12.5%
Cornwall	2.0%	1.4%
Fort Erie	-25.9%	-27.5%
Fort Frances	-25.4%	-23.6%
Niagara Falls	-23.5%	-10.6%
Sarnia	-24.2%	-20.3%
Sault Ste. Marie	6.1%	-6.2%
St. Catharines	-22.8%	-13.1%
Tilbury	100.0%	100.0%
Toronto	6.6%	2.7%
Windsor Park	-22.7%	-20.5%
Hill Island	-17.8%	-7.1%
Kenora	-29.5%	-16.9%
Pigeon River	-13.0%	-2.1%
Prescott	-36.2%	-22.7%
Rainy River	-8.8%	-8.4%
417	-14.7%	-7.0%
TOTAL:	-1.9%	-2.2%

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	Jun 2011 over Jun 2010	YTD Jun 2011 over YTD Jun 2010
AGO	59%	-42%
Fort William Historical Park	208%	153%
Huronian Historical Parks	16%	2%
McMichael Gallery	-28%	14%
Niagara Parks Commission ³	-5%	-15%
Ontario Heritage Trust	65%	12%
Ontario Place	27%	-16%
Ontario Science Centre	-23%	-21%
Royal Botanical Gardens	15%	-11%
Royal Ontario Museum	6%	0%
Science North	-4%	-17%
St. Lawrence Parks ⁴	n/a	n/a

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.