

AUGUST 2011

Highlights

August 2011 versus August 2010:

- Crossings from the U.S. to Ontario dropped 5.1%, with same-day crossings down 4.3% and overnight crossings down 5.6%.
- Crossings from overseas markets to Ontario grew by 5.2%.
- Crossings by Ontarians to the U.S. increased by 7.9% (same-day crossings up 13.6% and overnight crossings up 1.0%), and travel to overseas countries grew 4.7%.
- Ontario hotel occupancy dropped 1.9 percentage points.
- Ontario's Travel Price Index increased by 6.1%.
- Employment in Ontario's tourism-related industries increased by 1.3%.

YTD August 2011 versus YTD August 2010:

- U.S. crossings to Ontario decreased 3.6%, with same-day crossings down 4.9% and overnight crossings down 2.3%.
- Crossings from overseas markets to Ontario grew 5.6%.
- Ontarians' crossings to the U.S. grew by 10.7% (same-day visits up 14.5% and overnight entries up 5.4%), and travel to overseas countries increased 7.6%.
- Ontario hotel occupancy grew 0.2 percentage points.
- Ontario's Travel Price Index increased by 6.4%.
- Employment in Ontario's tourism-related industries increased by 0.3%.

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Tourism Industry Statistics

Border Crossings

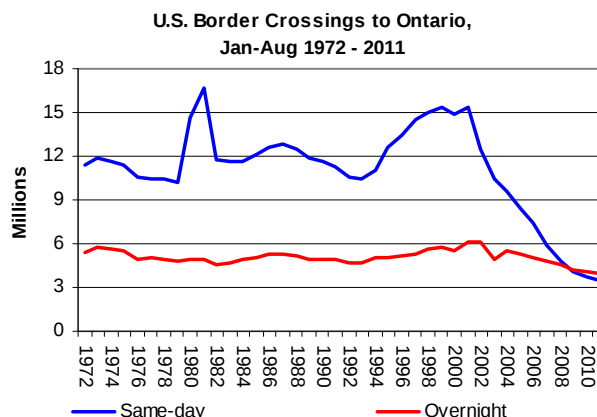
Total International Entries

In August 2011, there were 1.6 million (U.S. and overseas) border crossings into Ontario, a decrease of 3.7% compared to August 2010. In 2010, August accounted for 13.2% of Ontario's annual international border crossings.

During the first eight months of 2011, total international border crossings declined by 2.4% over 2010 to 8.7 million entries.

U.S. Entries

U.S. entries accounted for 85% of international entries into Ontario in August 2011. During this month, U.S. border crossings into Ontario dropped 5.1% over August 2010 to 1.4 million crossings. Same-day entries decreased 4.3% while overnight entries declined 5.6%.



Source: Statistics Canada

In Jan-Aug 2011, there were 7.5 million border crossings from the U.S. to Ontario, a decrease of 3.6% over 2010. Same-day crossings declined 4.9% with 180,000 fewer crossings and overnight crossings decreased 2.3% or 96,000 fewer crossings.

In August 2011, U.S. entries declined to all regions of Canada. Similarly, during the first 8 months of 2011, U.S. entries to all regions dropped. Ontario accounted for 52% of U.S. entries into Canada in August 2011.

Region	U.S. Entries, Aug 2011 over Aug 2010		U.S. Entries, YTD Aug 2011 over YTD Aug 2010	
	Entries*	% change	Entries*	% change
Canada	2,642,673	-4.5%	13,734,726	-4.1%
B.C.	617,968	-2.6%	3,052,344	-5.7%
Ontario	1,385,324	-5.1%	7,494,931	-3.6%
Quebec	253,045	-6.1%	1,398,251	-2.0%

Source: Statistics Canada

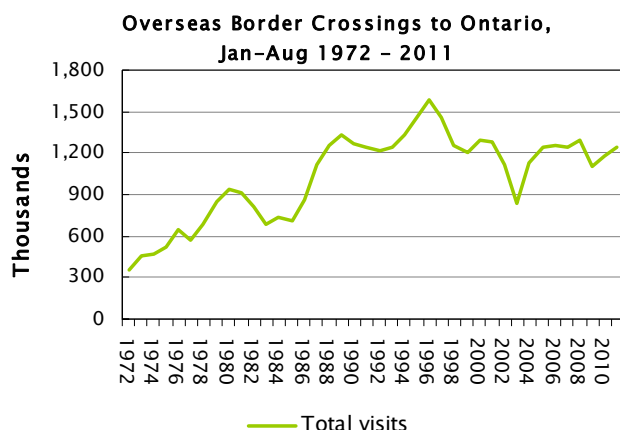
U.S. Entries: Mode of Transportation

In August 2011, 80% of U.S. entries to Ontario were via automobile, 12% by commercial air travel¹, 3% by bus and 4% by other modes. Entries by automobile were down 7.2% in August 2011 and down 5.4% for the 8 months ending August 2011 compared with 2010. Commercial air travel from the U.S. was up 5.8% in August 2011 and entries by bus grew 5.2%.

Overseas Entries

In August 2011, the 238,000 overseas entries into Ontario accounted for 15% of the province's total international entries, an increase of 5.2% compared to August 2010. August accounted for 13.4% of overseas entries in 2010.

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



Source: Statistics Canada

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

In August 2011, overseas entries declined to all regions of Canada except Ontario. During the first 8 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 August 2011.

Region	Overseas Entries, Aug 2011 over Aug 2010		Overseas Entries, YTD Aug 2011 over YTD Aug 2010	
	Entries*	% change	Entries*	% change
Canada	623,090	0.1%	3,166,146	0.5%
B.C.	194,272	-5.0%	1,003,065	-5.0%
Ontario	238,336	5.2%	1,239,596	5.5%
Quebec	122,149	-0.7%	607,447	5.0%

Source: Statistics Canada

Overseas Entries: Traditional Markets

In August 2011, arrivals from Japan increased while arrivals from the U.K., Germany and France declined over August 2010. Entries from Japan gained 14%.

During the first eight months of 2011, arrivals from France grew 5% while arrivals from the U.K., Germany and Japan all declined compared to Jan-Aug 2010.

Market	Aug 2011 over Aug 2010		YTD Aug 2011 over YTD Aug 2010	
	Entries*	% change	Entries*	% change
U.K.	38,961	-6.4%	196,251	-2.8%
Germany	16,605	-8.6%	82,975	-4.0%
Japan	10,115	14.0%	51,079	-0.7%
France	12,564	-2.8%	54,004	4.6%

Source: Statistics Canada

Overseas Entries: Emerging Markets

Arrivals from all reporting overseas countries other than Mexico and South Korea grew in August 2011 compared to August 2010 with arrivals from China up 57%, entries from India up 8% and arrivals from Hong Kong up 13%.

During the first 8 months of 2011, arrivals were up from all reported countries except Mexico. Entries from China increased 43%, arrivals from Hong Kong grew 24%, and entries from India gained 12% 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	Aug 2011 over Aug 2010		YTD Aug 2011 over YTD Aug 2010	
	Entries*	% change	Entries*	% change
China	14,021	57.4%	65,954	43.1%
India	9,192	7.7%	55,406	12.0%
Brazil	6,415	13.9%	41,088	7.5%
Italy	12,600	13.0%	40,855	6.9%
South Korea	5,279	-1.1%	37,508	0.6%
Australia	5,910	14.2%	33,923	14.0%
Mexico	4,788	-9.1%	33,376	-0.2%
Hong Kong	4,452	13.4%	32,642	23.5%
Netherlands	5,493	10.0%	28,907	5.2%

Source: Statistics Canada

Outbound Travel

Total International Travel

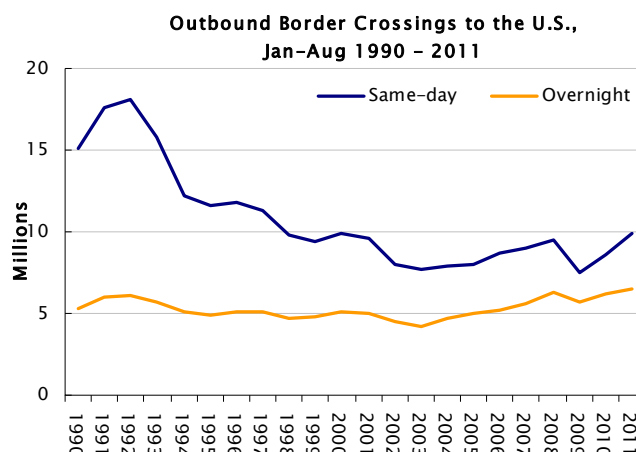
During August 2011, Ontarians made 3.0 million international border crossings (U.S. and overseas), an increase of 7.5% versus August 2010.

Total international border crossings by Ontarians increased 10.2% to 19.6 million crossings during Jan-Aug 2011 compared to 2010.

Ontario continues to generate more visitors to international destinations than it receives. In the first 8 months of 2011, there were 8.7 million international entries into Ontario compared to 19.6 million international border crossings made by Ontarians.

Travel to the U.S.

In August 2011, travel to the U.S. accounted for 87% of Ontarians' international visits. Ontario residents made 2.6 million entries into the U.S. in August 2011, 7.9% more than in August 2010. Same-day visits, which represented 55% of entries, grew 13.6% while overnight visits increased 1.0%.



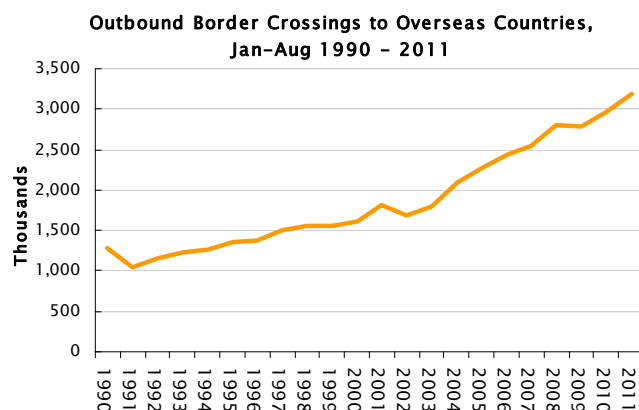
Source: Statistics Canada

In the first eight months of 2011, there were 16.4 million border crossings from Ontario to the U.S., an increase of 10.7% over 2010. Same-day visits grew 14.5% or 1.2 million entries and overnight visits increased 5.4% or 334,000 entries compared to 2010.

Travel to Overseas Countries

In August 2011, overseas travel represented 13% of Ontario residents' international border crossings with 398,000 crossings. Travel to overseas countries grew 4.7% in August 2011 compared to August 2010.

During the first 8 months of 2011, Ontarians made 3.2 million overseas crossings, up 7.6% from 2010.



Source: Statistics Canada

Accommodation

Occupancy Rates

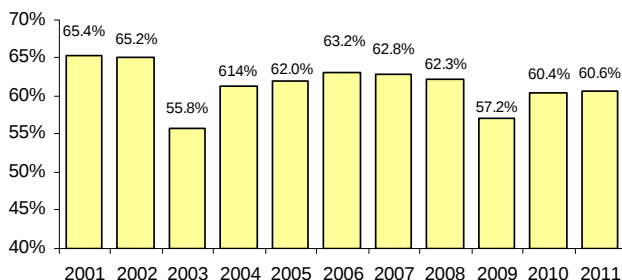
In August 2011, the occupancy rate at Ontario hotels was 69.1%, a decrease of 1.9 points compared to August 2010.

Niagara Falls and North Western Ontario both reported occupancy rates over 80%. Compared to August 2010, occupancy was down in all regions except the Eastern Ontario, Ottawa and North Western Ontario.

During Jan-Aug 2011, hotel occupancy in Ontario was 60.6%, up 0.2 percentage points compared to Jan-Aug 2010.

The GTA, Ottawa and North Western Ontario all posted a 8 month occupancy rate over 65%. Thunder Bay had the highest 8 month rate at 74.3%. Occupancy rates increased in all regions other than North Eastern, Central and North Central Ontario where they declined in Jan-Aug 2011 compared to Jan-Aug 2010.

Ontario Hotel Occupancy Rates,
Jan-Aug 2001-2011



Average Daily Rates (ADR)

The average daily rate (ADR) of \$122.24 was unchanged in August 2011 compared to August 2010.

In August 2011, ADR was highest in Niagara Falls at \$152.81 and lowest in Hamilton at \$94.05. ADR grew compared to the previous year in all regions except Southern and Eastern Ontario.

During the first 8 months of 2011, Ontario ADR was down 0.3% to \$120.84 compared to 2010. Year-to-date ADR was up in Ottawa, North Eastern and North Central Ontario versus the previous year.

Ontario Hotel ADRs,
Jan-Aug 2001-2011



Revenue per Available Room

Revenue per available room (revPAR) was \$84.48 in August 2011, down 2.7% versus August 2010. During the first eight months of 2011, revPAR grew 0.1% to \$73.24 compared to 2010.

Source: PKF Consulting, Hotel Trends²

Travel Price Index (TPI)

Ontario's TPI grew 6.1% in August 2011 compared to August 2010. Costs increased for most components, especially transportation. This compares to a 3.1% increase in the Ontario Consumer Price Index (CPI).

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

Ontario Index	Aug 2011 over Aug 2010	YTD Aug 2011 over YTD Aug 2010
TPI	6.1%	6.4%
CPI	3.1%	3.3%

Source: Statistics Canada, Ontario Ministry of Tourism and Culture

The U.S. Travel Price Index for August 2011 was up 7.6% over August 2010 while the U.S. CPI grew 3.8%.

U.S. Index	Aug 2011 over Aug 2010	YTD Aug 2011 over YTD Aug 2010
TPI	7.6%	6.8%
CPI	3.8%	3.0%

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 6.6 points in August 2011 and the index stands at 74.7 (2002 = 100). Canadians continue to express uncertainty about future job prospects and making a major purchase.

Confidence declined in all regions except B.C. where it grew 1.1 points. Ontario confidence dropped 4.3 points in August to 67.8.

Region	Aug 2011	Point change Aug 2011 vs Jul 2011
Canada	74.7	-6.6
B.C.	86.1	+1.1
Prairie provinces	90.5	-8.0
Ontario	67.8	-4.3
Quebec	67.1	-12.7
Atlantic provinces	70.9	-12.0

Source: The Conference Board of Canada

The U.S. Consumer Confidence Index dropped 14.7 points in August 2011 and now stands at 44.5 (1985=100).

Source: The Conference Board of Canada

Employment

In August 2011, employment in Ontario's tourism-related industries grew 1.3% compared to August 2010. Employment in the Arts, Entertainment & Recreation, Food & Beverage, Travel Services and Transportation industries increased while employment in all other tourism-related industries declined. This compares to a 1.5% increase in total employment in Ontario.

During the first eight months of 2011, tourism-related employment grew 0.3% versus 2010 while total employment grew 2.0%.

Ontario Employment	Aug 2011 over Aug 2010	YTD Aug 2011 over YTD Aug 2010
Tourism Employment	1.3%	0.3%
Total Employment	1.5%	2.0%

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

Consumer Response Indicators

1-800-ONTARIO

There were approximately 18,300 calls to the 1-800-ONTARIO call centre in August 2011, a decrease of 35.2% over August 2010.

Throughout the first eight months of 2011, there were about 102,000 calls, a drop of 39.4% over 2010.

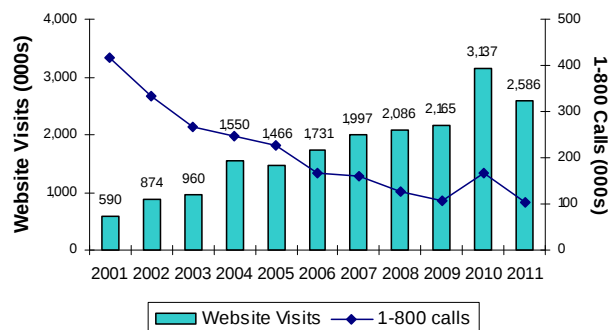
Source: Ontario Tourism Marketing Partnership Corporation

OntarioTravel.net

In August 2011, there were approximately 354,000 user sessions on www.ontariotravel.net, Ontario's travel website, a decrease of 8.6% in the number of user sessions on the main website compared to August 2010.

During Jan-Aug 2011, there were approximately 2.6 million user sessions on the main site of the province's travel website, down 17.6% from Jan-Aug 2010.

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



Source: Ontario Tourism Marketing Partnership Corporation

Ontario Travel Information Centres

Visits to Ontario's Travel Information Centres (TICs) totalled about 177,000 in August 2011, a decrease of 11.3% over August 2010.

During the first 8 months of 2011, there were approximately 711,000 visits to Ontario TICs, 6.9% less than in 2010.

Change in Visits to Ontario's TICs		
Location	Aug 2011 over Aug 2010	YTD Aug 2011 over YTD Aug 2010
Bainsville	48.5%	214.0%
Barrie	-37.9%	-18.6%
Cornwall	-2.6%	2.2%
Fort Erie	-33.6%	-29.6%
Fort Frances	-27.2%	-26.0%
Niagara Falls	-12.6%	-11.0%
Sarnia	-10.2%	-14.8%
Sault Ste. Marie	-7.4%	-9.9%
St. Catharines	-11.0%	-9.6%
Tilbury	-14.8%	80.0%
Toronto	40.4%	4.2%
Windsor Park	-34.7%	-24.5%
Hill Island	-23.0%	-15.1%
Kenora	-9.0%	-11.7%
Pigeon River	-7.6%	-6.6%
Prescott	-28.1%	-26.8%
Rainy River	6.5%	12.0%
417	-14.0%	-12.0%
TOTAL:	-11.3%	-6.9%

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	Aug 2011 over Aug 2010	YTD Aug 2011 over YTD Aug 2010
AGO	71%	-29%
Fort William Historical Park	48%	85%
Huronian Historical Parks	-9%	-1%
McMichael Gallery	-17%	6%
Niagara Parks Commission ³	-13%	-12%
Ontario Heritage Trust	-15%	43%
Ontario Place	15%	12%
Ontario Science Centre	-29%	-23%
Royal Botanical Gardens	-10%	-9%
Royal Ontario Museum	-30%	-11%
Science North	-12%	-15%
St. Lawrence Parks ⁴	n/a	-9%

AGO hosted the King Tut exhibit in 2010. Fort William Historical Park held a Special Olympics event in January 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.