

OCTOBER 2011

Highlights

October 2011 versus October 2010:

- Crossings from the U.S. to Ontario dropped 3.4%, with same-day crossings down 5.3% and overnight crossings down 1.3%.
- Crossings from overseas markets to Ontario grew by 6.0%.
- Crossings by Ontarians to the U.S. increased by 2.4% (same-day crossings up 2.3% and overnight crossings up 2.6%), while travel to overseas countries declined 1.6%.
- Ontario hotel occupancy grew 1.1 percentage points.
- Ontario's Travel Price Index increased by 5.3%.
- Employment in Ontario's tourism-related industries decreased by 0.6%.

YTD October 2011 versus YTD October 2010:

- U.S. crossings to Ontario decreased 3.4%, with same-day crossings down 4.9% and overnight crossings down 2.0%.
- Crossings from overseas markets to Ontario grew 6.2%.
- Ontarians' crossings to the U.S. grew by 9.6% (same-day visits up 12.6% and overnight entries up 5.3%), and travel to overseas countries increased 6.6%.
- Ontario hotel occupancy grew 0.5 percentage points.
- Ontario's Travel Price Index increased by 6.6%.
- Employment in Ontario's tourism-related industries increased by 0.1%.

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Tourism Industry

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Consumer Response

Tourism Industry Statistics

Border Crossings

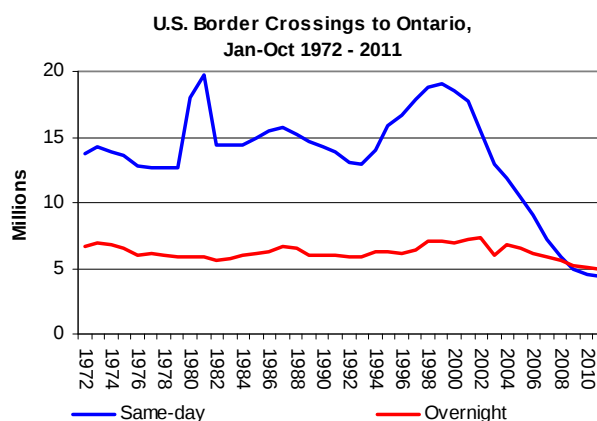
Total International Entries

In October 2011, there were 1.0 million (U.S. and overseas) border crossings into Ontario, a decrease of 2.1% compared to October 2010. In 2010, October accounted for 7.9% of Ontario's annual international border crossings.

During the first ten months of 2011, total international border crossings declined by 2.1% over 2010 to 10.9 million entries.

U.S. Entries

U.S. entries accounted for 85% of international entries into Ontario in October 2011. During this month, U.S. border crossings into Ontario dropped 3.4% over October 2010 to 845 thousand crossings. Same-day entries decreased 5.3% and overnight entries dropped 1.3%.



Source: Statistics Canada

In Jan-Oct 2011, there were 9.3 million border crossings from the U.S. to Ontario, a decrease of 3.4% over 2010. Same-day crossings declined 4.9% with 224,000 fewer crossings and overnight crossings decreased 2.0% or 102,000 fewer crossings.

In October 2011 and during the first 10 months of 2011, U.S. entries declined to all regions of Canada. Ontario accounted for 58% of U.S. entries into Canada in October 2011.

Region	U.S. Entries, Oct 2011 over Oct 2010		U.S. Entries, YTD Oct 2011 over YTD Oct 2010	
	Entries*	% change	Entries*	% change
Canada	1,455,940	-4.1%	17,106,105	-3.9%
B.C.	226,195	-8.1%	3,703,461	-5.4%
Ontario	844,785	-3.4%	9,337,944	-3.4%
Quebec	170,323	-1.1%	1,760,380	-1.7%

Source: Statistics Canada

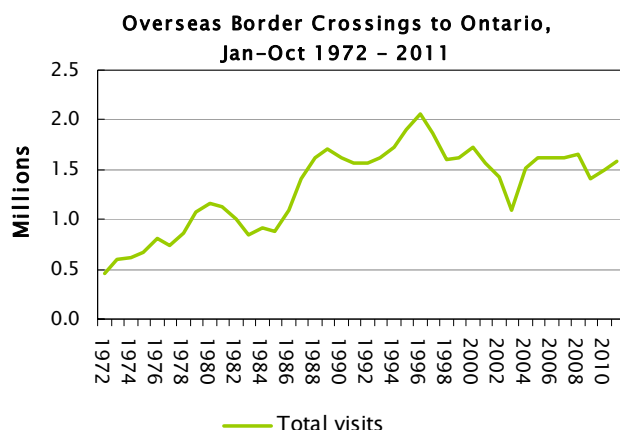
U.S. Entries: Mode of Transportation

In October 2011, 76% of U.S. entries to Ontario were via automobile, 16% by commercial air travel¹, 5% by bus and 3% by other modes. Entries by automobile were down 5.9% in October 2011 and down 5.2% for the 10 months ending October 2011 compared with 2010. Commercial air travel from the U.S. was up 1.3% in October 2011 and entries by bus grew 19.4%.

Overseas Entries

In October 2011, the 148,000 overseas entries into Ontario accounted for 15% of the province's total international entries, an increase of 6.0% compared to October 2010. October accounted for 8.2% of overseas entries in 2010.

During the first 10 months of 2011, overseas entries to Ontario grew 6.2% over 2010.



Source: Statistics Canada

In October 2011, overseas entries grew to Ontario and Quebec. Similarly, during the first 10 months of 2011, overseas entries to Ontario and Quebec grew while entries to B.C. declined. Ontario accounted for 44% of Canada's overseas entries during October 2011.

Region	Overseas Entries, Oct 2011 over Oct 2010		Overseas Entries, YTD Oct 2011 over YTD Oct 2010	
	Entries*	% change	Entries*	% change
Canada	332,955	0.9%	4,028,159	1.0%
B.C.	78,759	-5.0%	1,236,981	-4.2%
Ontario	147,582	6.0%	1,588,354	6.2%
Quebec	73,983	5.3%	787,792	5.0%

Source: Statistics Canada

Overseas Entries: Traditional Markets

In October 2011, arrivals from all traditional overseas markets declined with France down 12% and the U.K. dropped 4% over October 2010.

During the first 10 months of 2011, arrivals from France grew 1%, entries from Japan increased almost 1% while arrivals from the U.K. and Germany declined compared to Jan-Oct 2010.

Market	Oct 2011 over Oct 2010		YTD Oct 2011 over YTD Oct 2010	
	Entries*	% change	Entries*	% change
U.K.	23,731	-4.4%	252,507	-2.5%
Germany	9,576	-0.8%	110,072	-1.0%
Japan	10,317	-2.9%	73,352	0.6%
France	6,226	-12.2%	73,200	1.2%

Source: Statistics Canada

Overseas Entries: Emerging Markets

Arrivals from all reporting overseas emerging countries other than South Korea and Mexico grew in October 2011 compared to October 2010 with arrivals from China up 46%, entries from Hong Kong up 4% and arrivals from India up 23%.

During the first 10 months of 2011, arrivals were up from all reported countries except South Korea and Mexico. Entries from China increased 42%, arrivals from Hong Kong grew 22%, 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.

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

Market	Oct 2011 over Oct 2010		YTD Oct 2011 over YTD Oct 2010	
	Entries*	% change	Entries*	% change
China	10,363	46.5%	88,102	41.8%
India	5,250	23.2%	67,654	12.2%
Brazil	6,044	19.8%	53,525	9.6%
Italy	4,079	20.3%	50,307	9.7%
South Korea	4,059	-11.8%	46,180	-0.2%
Australia	3,961	4.3%	44,267	14.0%
Hong Kong	3,152	4.8%	39,870	21.5%
Mexico	2,644	-0.9%	39,748	-1.5%
Netherlands	3,514	8.1%	36,846	5.2%

Source: Statistics Canada

Outbound Travel

Total International Travel

During October 2011, Ontarians made 2.3 million international border crossings (U.S. and overseas), an increase of 1.9% versus October 2010.

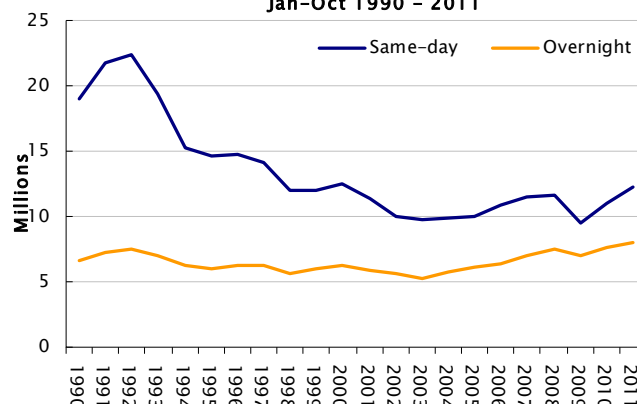
Total international border crossings by Ontarians increased 9.1% to 24.1 million crossings during Jan-Oct 2011 compared to 2010.

Ontario continues to generate more visitors to international destinations than it receives. In the first 10 months of 2011, there were 10.9 million international entries into Ontario compared to 24.1 million international border crossings made by Ontarians.

Travel to the U.S.

In October 2011, travel to the U.S. accounted for 87% of Ontarians' international visits. Ontario residents made 2.0 million entries into the U.S. in October 2011, 2.4% more than in October 2010. Same-day visits, which represented 63% of entries, grew 2.3% and overnight visits increased 2.6%.

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



Source: Statistics Canada

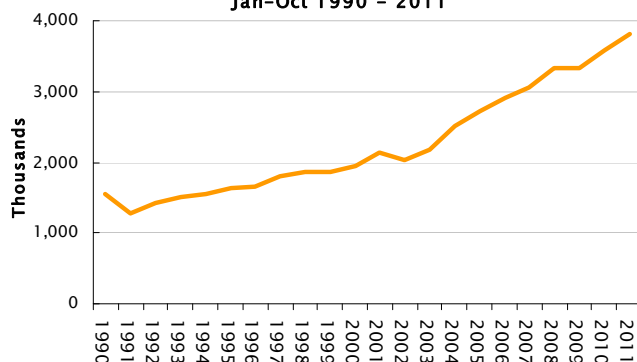
In the first ten months of 2011, there were 20.3 million border crossings from Ontario to the U.S., an increase of 9.6% over 2010. Same-day visits grew 12.6% or 1.4 million entries and overnight visits increased 5.3% or 401,000 entries compared to 2010.

Travel to Overseas Countries

In October 2011, overseas travel represented 13% of Ontario residents' international border crossings with 292,000 crossings. Travel to overseas countries declined 1.6% in October 2011 compared to October 2010.

During the first 10 months of 2011, Ontarians made 3.8 million overseas crossings, up 6.6% from 2010.

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



Source: Statistics Canada

Accommodation

Occupancy Rates

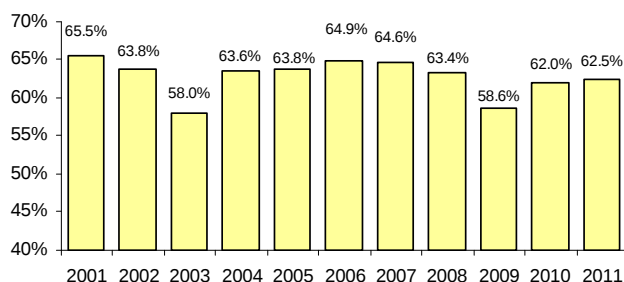
In October 2011, the occupancy rate at Ontario hotels was 67.0%, an increase of 1.1 points compared to October 2010.

Downtown Toronto, downtown Ottawa and Thunder Bay all reported occupancy rates over 77%. Compared to October 2010, occupancy was up in all regions except Eastern, Central, North Eastern and North Central Ontario.

During Jan-Oct 2011, hotel occupancy in Ontario was 62.5%, up 0.5 percentage points compared to Jan-Oct 2010.

Downtown Toronto, Ottawa and North Western Ontario all posted a 10 month occupancy rate over 70%. Thunder Bay had the highest 10 month rate at 75.6%. Occupancy rates increased in all regions other than North Eastern, Central and North Central Ontario where they declined in Jan-Oct 2011 compared to Jan-Oct 2010.

Ontario Hotel Occupancy Rates,
Jan-Oct 2001-2011



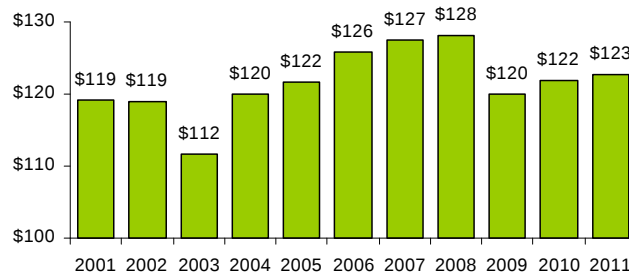
Average Daily Rates (ADR)

The average daily rate (ADR) of \$126.29 grew 2.4% in October 2011 compared to October 2010.

In October 2011, ADR was highest in downtown Toronto at \$169 and lowest in Thunder Bay at \$96. ADR grew compared to the previous year in all regions except Central Ontario.

During the first 10 months of 2011, Ontario ADR was up 0.5% to \$122.71 compared to 2010. Year-to-date ADR was up versus the previous year in all regions except Southern and Central Ontario.

Ontario Hotel ADRs,
Jan-Oct 2001-2011



Revenue per Available Room

Revenue per available room (revPAR) was \$84.55 in October 2011, up 4.0% versus October 2010. During the first ten months of 2011, revPAR grew 1.3% to \$76.67 compared to 2010.

Source: PKF Consulting, Hotel Trends²

Travel Price Index (TPI)

Ontario's TPI grew 5.3% in October 2011 compared to October 2010. Costs increased for most components, especially transportation and food. This compares to a 2.7% increase in the Ontario Consumer Price Index (CPI).

During Jan-Oct 2011, the Ontario TPI grew 6.6% compared to 2010 while Ontario's CPI increased 3.2%.

Ontario Index	Oct 2011 over Oct 2010	YTD Oct 2011 over YTD Oct 2010
TPI	5.3%	6.6%
CPI	2.7%	3.2%

Source: Statistics Canada, Ontario Ministry of Tourism and Culture

The U.S. Travel Price Index for October 2011 was up 6.0% over October 2010 while the U.S. CPI grew 3.5%.

U.S. Index	Oct 2011 over Oct 2010	YTD Oct 2011 over YTD Oct 2010
TPI	6.0%	6.8%
CPI	3.5%	3.2%

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 3.3 points in October 2011 and the index stands at 71.8 (2002 = 100). While the outlook for the labour market was more optimistic, it was offset by an increasingly pessimistic view of current and future finances.

Confidence decreased in all regions except the Atlantic and Prairie Provinces. Ontario confidence dropped 7.7 points in October to 60.5.

Region	Oct 2011	Point change Oct 2011 vs Sep 2011
Canada	71.8	-3.3
B.C.	84.2	-7.0
Prairie provinces	97.0	+5.9
Ontario	60.5	-7.7
Quebec	66.6	-1.8
Atlantic provinces	69.2	+3.7

Source: The Conference Board of Canada

The U.S. Consumer Confidence Index declined 6.6 points in October 2011 and now stands at 39.8 (1985=100).

Source: The Conference Board of Canada

Employment

In October 2011, employment in Ontario's tourism-related industries declined 0.6% compared to October 2010. Employment in the Food & Beverage, Travel Services and Accommodation industries increased while employment in Transportation declined. This compares to a 1.3% increase in total employment in Ontario.

During the first ten months of 2011, tourism-related employment grew 0.1% versus 2010 while total employment grew 1.9%.

Ontario Employment	Oct 2011 over Oct 2010	YTD Oct 2011 over YTD Oct 2010
Tourism Employment	-0.6%	0.1%
Total Employment	1.3%	1.9%

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

Consumer Response Indicators

1-800-ONTARIO

There were approximately 3,200 calls to the 1-800-ONTARIO call centre in October 2011, a decrease of 19.7% over October 2010.

Throughout the first ten months of 2011, there were about 112,000 calls, a drop of 38.3% over 2010.

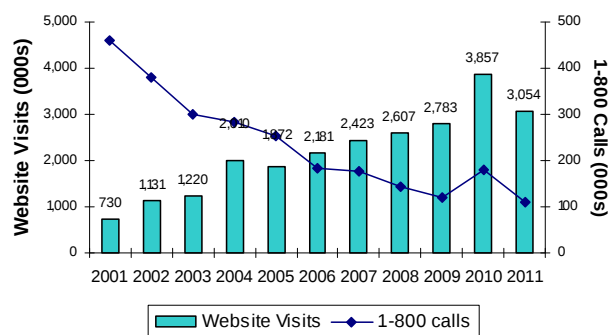
Source: Ontario Tourism Marketing Partnership Corporation

OntarioTravel.net

In October 2011, there were approximately 234,000 user sessions on www.ontariotravel.net, Ontario's travel website, a decrease of 29.7% in the number of user sessions on the main website compared to October 2010.

During Jan-Oct 2011, there were approximately 3.1 million user sessions on the main site of the province's travel website, down 20.8% from Jan-Oct 2010.

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



Source: Ontario Tourism Marketing Partnership Corporation

Ontario Travel Information Centres

Visits to Ontario's Travel Information Centres (TICs) totalled about 59,300 in October 2011, a decrease of 7.6% over October 2010.

During the first 10 months of 2011, there were approximately 865,000 visits to Ontario TICs, 7.0% less than in 2010.

Change in Visits to Ontario's TICs		
Location	Oct 2011 over Oct 2010	YTD Oct 2011 over YTD Oct 2010
Bainsville	98.5%	169.1%
Barrie	-49.9%	-21.3%
Cornwall	4.2%	3.1%
Fort Erie	-47.1%	-32.3%
Fort Frances	-39.1%	-26.9%
Niagara Falls	-7.9%	-9.0%
Sarnia	-33.4%	-18.9%
Sault Ste. Marie	-3.6%	-8.6%
St. Catharines	0.1%	-8.6%
Tilbury	-15.4%	47.5%
Toronto	33.6%	8.9%
Windsor Park	-12.2%	-23.6%
Hill Island		-16.3%
Kenora		-12.3%
Pigeon River	-21.4%	-6.2%
Prescott	65.1%	-21.4%
Rainy River		12.1%
417	-25.7%	-15.0%
TOTAL:	-7.6%	-7.0%

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	Oct 2011 over Oct 2010	YTD Oct 2011 over YTD Oct 2010
AGO	59%	-23%
Fort William Historical Park	25%	69%
Huronian Historical Parks	3%	-1%
McMichael Gallery	-15%	1%
Niagara Parks Commission ³	13%	-10%
Ontario Heritage Trust	123%	29%
Ontario Place	20%	7%
Ontario Science Centre	6%	-22%
Royal Botanical Gardens	46%	-5%
Royal Ontario Museum	-32%	-15%
Science North	8%	-14%
St. Lawrence Parks ⁴	-25%	-8%

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.