

National Tourism Indicators

January to September 2019 Highlights

Agawa Canyon
Sault Ste. Marie, Ontario

Highlights from the National Tourism Indicators and Government Revenues Attributable to Tourism for the first three quarters of 2019 (January to September 2019).

Tourism activities in Canada:
CAD 82.8 Billion
+2.9%

- Over the first nine months of 2019, tourism expenditures increased by 2.9%, year-over-year, as international visitors to Canada upped their spending on Canadian goods and services by 4.1%, while Canadians increased theirs by 2.6%.
- The largest contributor of increased tourism spending over the first three quarters of 2019 was passenger air transport services delivered by Canadian airlines, which increased by 7.4% and captured 22% of total tourism demand for Canadian goods and services. Canadians travelling domestically and abroad accounted for 80% of economic activities in this sector.
- Tourism export from international visitors increased from a share of 18.5% of total tourism expenditures in the first quarter (winter) to 24.3% over the second quarter (spring) and 22.9% over the third quarter (summer), averaging 22.2% over the first nine months of 2019.
- Year-over-year, inflation rose by an average of 1.1 percentage points over the first nine months of 2019.

Tourism Export:
CAD 18.4 Billion
+4.1%

- Following a contraction in international arrivals over the first quarter of 2019 resulting from Easter moving from the first quarter in 2018 to the second quarter in 2019, non-resident international arrivals picked up pace over the second and third quarter to bring arrivals up 4.1% over the first nine months of 2019. The number of high spending overnight visitors to Canada accounted for 69% of total non-resident arrivals, expanding by 4.9% year-over-year, while same-day visitors edged up 0.7%.
- The growth in international tourist arrivals over the first three quarters of 2019 gave rise to notable gains in tourism export receipts on several tourism commodities, including food and beverage services (+6.8%), passenger air transport (+4.7%) and accommodation (+4.0%).
- International visitors to Canada spent twice as much of their travel budget on accommodation in Canada (24%) compared to Canadians travelling domestically (12%) during the first nine months of 2019..

Domestic Tourism Expenditures
CAD 64.4 Billion
+2.6%

- Tourism spending by Canadians on Canadian goods and services rose 2.6% over the first nine months of 2019. In contrast to foreign visitors, Canadians spent a greater share of their domestic travel budget in Canada on food and beverage services rather than accommodations.

Tourism Employment:
748,000 jobs
+1.2%

- Servicing the demand for tourism activities generated 783,000 jobs over the peak tourism summer period of 2019, up 0.8% over the same time frame in 2018. On a seasonally adjusted basis, employment generated from tourism increased 1.2% over the three quarters of 2019 compared to the same period in 2018, averaging 748,000 jobs.

Tourism's share of Canada's GDP
2.18%

- Tourism generated \$34.7 billion in value added to the Canadian economy over the first three quarters of 2019, representing 2.18% of the Canadian gross domestic product (GDP). Tourism's share of Canada's GDP rose to 2.84% over the peak summer tourism period (third quarter).

Government Revenues Attributable to Tourism
CAD 23.5 Billion

- Over the first nine months of 2019, federal, provincial/territorial/municipal and indigenous governments together collected an estimated \$23.5 billion in revenues originating from income taxes, from contributions to social insurance plans, from other taxes on production and on products (e.g. GST, PST, import duties) and from sales of goods and services.

Table 1. National tourism performance for first three quarters of 2019

	2019 I	y/y	2019 II	y/y	2019 III	y/y	2019 YTD	y/y
Total Tourism Demand (\$million)	20,129	3.8%	25,298	3.5%	37,413	2.1%	82,840	2.9%
Domestic Demand (\$million)	16,422	4.7%	19,152	2.7%	28,836	1.4%	64,410	2.6%
Tourism Export (\$million)	3,707	0.1%	6,146	6.1%	8,577	4.4%	18,430	4.1%
GDP (\$million)	8,256	3.6%	10,610	3.8%	15,880	2.2%	34,746	3.0%
Tourism GDP Share ¹	1.64%	0.01	2.00%	-0.01	2.84%	-0.01	2.18%	-
Employment (thousand jobs) ²	730	1.4%	750	1.1%	783	0.8%	748	1.2%
Tourism Implicit Price Index (100=2007q3)	107.2	0.7%	108.7	1.2%	108.9	1.1%	108.3	1.1%

¹ Year-over-year change expressed as Percentage-Points

² Year-to-date 2019 jobs is expressed on a seasonally-adjusted bases

Sources: Statistics Canada, National Tourism Indicators 2019 Q3 custom tables, all values expressed in non-seasonally adjusted current dollars and values except for year-to-date 2019 jobs;

Table 2. Estimated Government Revenues Attributable to Tourism (GRAT), 2019 Q1-Q3

Q1 to Q3 2019	Domestic Expenditures (\$million)	Tourism Exports (\$million)	Total (\$million)
Total GRAT	\$17,915	\$5,602	\$23,517
Federal	\$8,539	\$2,502	\$11,041
Provincial/territorial	\$8,594	\$2,759	\$11,353
Municipal	\$729	\$307	\$1,036
Indigenous	\$52	\$34	\$86

Source: Destination Canada based on Statistics Canada 2018 GRAT multipliers and 2019 NTI Q1 to Q3

Table 3. Tourism expenditures in Canadian goods and services, Q1 to Q3 2019

	Total Expenditures			Domestic Expenditures			Tourism Exports		
	\$million	y/y	Share of total	\$million	y/y	Share of total	\$million	y/y	Share of total
Transportation	31,938	2.8%	39%	26,410	2.7%	41%	5,528	3.0%	30%
Passenger air transport	18,351	7.4%	22%	14,677	8.1%	23%	3,674	4.7%	20%
Accommodation	11,868	2.6%	14%	7,423	1.8%	12%	4,445	4.0%	24%
Food and beverage services	13,986	3.3%	17%	10,520	2.2%	16%	3,466	6.8%	19%
Recreation and entertainment	4,793	1.9%	6%	2,958	0.6%	5%	1,835	4.1%	10%
Pre-trip expenditures	3,462	3.3%	4%	3,462	3.3%	5%			0%
Travel Services	4,127	6.8%	5%	3,925	6.9%	6%	202	5.8%	1%
Convention fees	215	2.9%	0%	178	2.9%	0%	37	5.8%	0%
Other goods and services	12,451	2.4%	15%	9,534	2.2%	15%	2,917	3.0%	16%
Total	82,840	2.9%	100%	64,410	2.6%	100%	18,430	4.1%	100%

Sources: Statistics Canada, National Tourist Indicators 2019 Q3 custom tables, values expressed in current dollars;

Table 4. Canadian and non-resident travellers entering Canada over the first three quarters of 2019

	2019 Q1	y/y	2019 Q2	y/y	2019 Q3	y/y	2019 Q1-Q3	y/y
Total Non-resident travellers entering Canada	4,789,516	-1.3%	8,770,149	6.7%	12,472,679	4.2%	26,032,344	3.9%
Same-Day non-resident visitors	1,774,247	-0.3%	2,748,723	1.3%	3,563,151	0.8%	8,086,121	0.7%
Overnight non-resident visitors	3,015,269	-1.3%	6,021,426	7.1%	8,909,528	5.7%	17,946,223	4.9%
United States residents	2,018,152	-1.1%	4,071,080	4.9%	6,052,644	4.8%	12,141,876	3.8%
Entering Canada by air	843,851	4.5%	1,408,720	19.3%	1,790,861	12.7%	4,043,432	13.0%
Residents from other countries	997,117	-1.7%	1,950,346	11.9%	2,856,884	7.6%	5,804,347	7.2%
Entering Canada by air	898,828	-4.5%	1,595,459	6.1%	2,226,379	-0.2%	4,720,666	1.0%
Total Canadian travellers returning to Canada	13,808,353	-1.6%	13,966,751	-2.0%	15,572,229	1.0%	43,347,333	-0.8%
Canadian travellers returning by air	6,880,596	5.3%	5,347,026	2.7%	4,968,034	1.6%	17,195,656	3.4%
From the United States	2,948,781	6.7%	2,430,212	3.5%	2,108,607	1.5%	7,487,600	4.2%
From abroad	3,931,815	4.3%	2,916,814	2.0%	2,859,427	1.7%	9,708,056	2.8%

Sources: Statistics Canada, Frontier custom time series tabulations