

Tourism Snapshot

A Monthly Monitor of the Performance of Canada's Tourism Industry

May 2018
Volume 14, Issue 4



KEY HIGHLIGHTS

Note: This data release provides revised frontier counts for the period of January to April 2018, along with May 2018 frontier counts. The numbers show several significant differences compared to modelled estimates¹ including:

- fewer US travellers entering Canada by air (-103k or -7.4%), of which overnight visitors accounted for 85%;
- fewer long-haul overnight visitors (-50k or -3.6%), including from all Destination Canada's markets (-6.1% on average) except the UK.

Going forward, the frontier counts will enable a more accurate assessment of international tourism arrivals in Canada.

- **Overnight arrivals from Destination Canada's ten international markets gained +2.0% year-over-year in May 2018, edging up +0.6% year-to-date, as Canada faced considerable head-wind in air arrivals from the United States and from long-haul overseas markets via the United States.**
- **How they arrive matters:** Year-to-date May 2018 overnight arrivals from Destination Canada's long-haul markets (-0.1%) reveals two contrasting trends. The first trend is the direct air arrivals to Canada, which account for 71.0% of total arrivals from Destination Canada's long-haul markets. This is up +4.6% YTD. The second trend is the air arrivals via the United States from those same long-haul markets, which account for 17.0% of those arrivals. This was down -13.9% YTD. The net result is that the growth in overall direct air arrivals has largely been offset by significant drags in air arrivals via the United States.
- **China and the UK:** Over the first five months of 2018, China (+14.8%) remained Destination Canada's largest long-haul market, outpacing the United Kingdom, which has faced a decline in air arrivals since the start of the year, both direct (-2.0%) and via the US (-14.4%).
- **Buoyant direct air arrivals:** Despite subdued year-to-date performances, Mexico (+0.5%), Australia (-4.5%) and Germany (-0.6%) each posted growth in YTD direct air arrivals (+26.8%, +3.0% and +1.1%, respectively) that broadly aligns with expectations given new air capacity. France & India are both ahead of anticipated arrivals growth, with France at +7.8% YTD overall and +12.5% YTD via direct air arrivals, while India is at 5.4% YTD overall and 15.1% YTD via direct air arrivals.
- **Canadian air travellers are picking up the slack on US air routes.** While US auto arrivals expanded in May 2018 (+6.1%) to climb back into positive territory YTD (+1.0%), US air arrivals retracted -9.2% in May and -1.2% YTD. In contrast, the number of Canadians returning from the US by air surged +13.5% YTD.

¹Note the following caveat from Statistics Canada associated with the May 2018 data:

This release of Frontier Counts for the May 2018 reference month is the first release that incorporates PIK data from the airports where the system has been implemented. For the months of January 2018 to April 2018, preliminary modelled estimates of traveller counts at PIK airports have been replaced by PIK-based counts. The provincial and national totals to which these counts contribute have also been revised. The preliminary estimates of 2017 traveller counts for PIK airports will be revised at a later date.

While seasonally adjusted data have been revised since 2015, caution should be exercised when comparing with 2017 data that include international travellers to Canada by air for the months of March to December. This is because the revision of the preliminary modelled data for PIK airports in 2017 with actual PIK data has not yet been implemented. Nonetheless, this break in the series is temporary pending revision of the estimates using PIK data.

Data users are also cautioned that the switch from E311 cards to PIK has impacted the historical comparability of some data series. Most notably, there has been an increased tendency of Canadian

travellers returning from overseas trips via the United States to report that they are returning from the United States and not overseas via the United States. In the Frontier Counts, this has led to increases in the numbers of Canadian residents returning from the United States by air, and decreases in the numbers of Canadian residents returning from Countries other than the United States by air via the United States (as well as more aggregated series to which these data contribute).

The numbers of travellers to and from Canada by car and other modes of transportation are not affected by revisions in PIK data.

QUICK LINKS

Industry Performance Dashboard

	May 2018	YTD
✈️ Overnight Arrivals¹		
Total International	↑ 2.3%	↑ 1.1%
10 DC Markets*	↑ 2.0%	↑ 0.6%
<i>United States</i>	↑ 1.5%	↑ 0.8%
<i>9 Long-Haul Markets</i>	↑ 3.5%	↓ 0.1%
Non-DC Markets	↑ 4.4%	↑ 4.5%
✈️ Air Seat Capacity²		
Total International	↑ 6.9%	↑ 6.0%
10 DC Markets*	↑ 5.2%	↑ 5.3%
Non-DC Markets	↑ 11.5%	↑ 7.5%
🏠 National Hotel Indicators³		
Occupancy Rate**	↑ 0.9	↑ 1.2
Revenue Per Available Room (Revpar)	↑ 4.3%	↑ 4.5%
Average Daily Rate (ADR)	↑ 5.7%	↑ 6.6%

Notes:

The Industry Performance Dashboard figures are year-on-year variations.

* The 10 DC markets are US, France, Germany, UK, Australia, China, India, Japan, South Korea and Mexico.

** Percentage point variations.

Sources:

1. Statistics Canada, Frontier counts, custom tabulations

2. IATA-Diio SRS Analyser

3. CBRE Hotels with reproduction and use of information subject to CBRE Disclaimer / Terms of Use as detailed at www.cbre.ca.

MARKET MONITOR SUMMARY

	Market	Overnight Arrivals ⁱ		Arrival YOY Variations (%)		Air Seat capacity ⁱⁱ		Local currency vs. CAD ⁱⁱⁱ	
		May 2018	YTD 2018	May 2018	YTD 2018	May 2018	YTD 2018	May 2018 Average	YTD Average
DC North America	United States	1,175,793	3,981,490	1.5%	0.8%	3.8%	4.2%	-5.4%	-4.8%
	Mexico	30,973	126,494	3.0%	0.5%	49.4%	68.1%	-9.1%	-0.5%
DC Europe	France	45,223	165,228	17.5%	7.8%	14.2%	2.7%	1.2%	8.0%
	Germany	36,383	101,770	8.4%	-0.6%	6.2%	0.9%	1.2%	8.0%
	United Kingdom	68,665	219,444	0.5%	-5.6%	5.3%	3.3%	-1.4%	5.1%
DC Asia-Pacific	Australia	38,411	106,383	-4.9%	-4.5%	0.4%	3.9%	-4.2%	-2.1%
	China	60,992	226,516	14.4%	14.8%	7.0%	6.3%	2.2%	3.3%
	India	36,427	90,882	4.6%	5.4%	28.1%	27.8%	-9.7%	-3.8%
	Japan	16,821	75,324	-19.4%	-22.1%	-12.1%	-3.4%	-3.1%	-1.1%
	South Korea	24,184	77,846	-7.3%	-9.1%	-6.3%	7.5%	-1.1%	1.4%
Total 10 DC Markets		1,533,872	5,171,377	2.0%	0.6%				
Rest of the World		218,099	750,751	4.4%	4.5%				
Total International		1,751,971	5,922,128	2.3%	1.1%				

Sources:

- i. Statistics Canada, Frontier counts, custom tabulations
- ii. IATA-Diio SRS Analyser
- iii. Bank of Canada

Notes:

- i. Arrival figures are preliminary estimates and are subject to change.
- ii. Air seat capacity is the variation in the total number of seats on direct commercial scheduled flights during the current month and YTD relative to the same periods in the previous year.
- iii. The exchange rate variation is calculated on the average value of the Canadian dollar during the current month and YTD relative to the same periods in the previous year.

UNITED STATES

US Arrivals to Canada

CURRENT MONTH:

+1.5% ↑ YOY



YTD:

+0.8% ↑ YOY

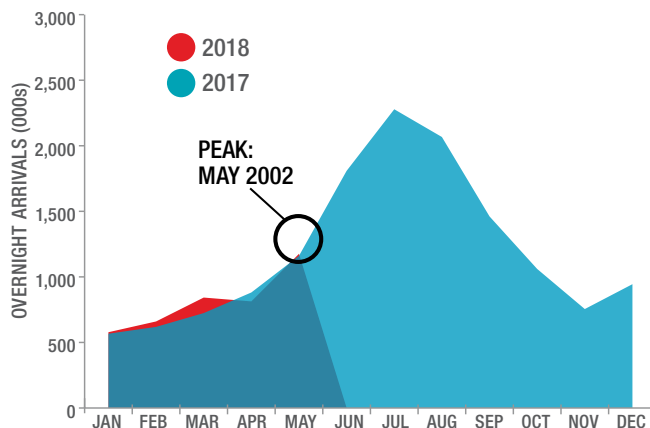
Overnight Arrivals

	May 2018		YTD 2018	
	Arrivals	% YOY Variance	Arrivals	% YOY Variance
Automobile	655,385	6.1	2,196,780	1.0
Air	364,301	-9.2	1,453,011	-1.2
Other	156,107	12.1	331,699	9.4
US Total	1,175,793	1.5	3,981,490	0.8

Source: Statistics Canada, Frontier counts, custom tabulations.
Note: The figures are preliminary estimates and are subject to change.



Trend Plot: Total United States Arrivals



United States: Key Indicators

Air Seat Capacityⁱ	May 2018	3.8%
	YTD	4.2%
Exchange Rateⁱⁱ	May 2018	-5.4%
	YTD	-4.8%
Consumer Confidence Index (1985=100)ⁱⁱⁱ	May 2018	128.8
	Previous Month	125.6
YTD Arrival Peak^{iv}	Peak Year	2002
	Current % of Previous Peak	87.9%

Source:

i. IATA-Diio SRS Analyser, Year-on-year % variance.

ii. Bank of Canada, Year on year % variance.

iii. Consumer Confidence Index, the Conference Board (USA).

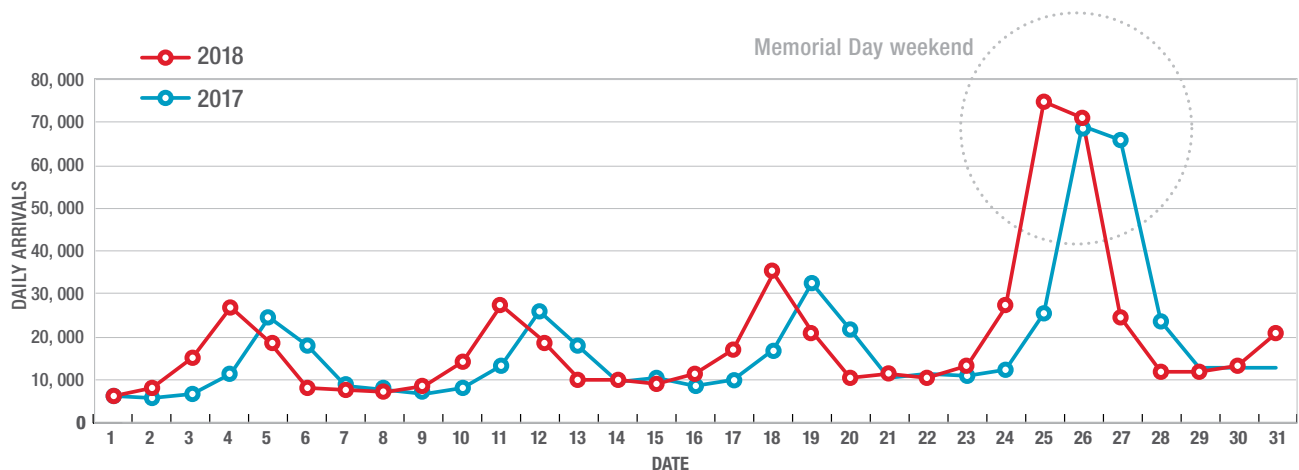
iv. Statistics Canada, Frontier counts, custom tabulations.

UNITED STATES

- With 1.2 million US travellers visiting Canada in May 2018, overnight arrivals from the US were the highest since May 2004 and slightly ahead of May 2017 (+1.5%). This growth in US visitors to Canada was driven by auto arrivals (+6.1%) and arrivals by other modes of transportation such as bus, train, and cruise (+12.1%), which slightly outpaced a decline in US air arrivals (-9.2%).
- From January to May 2018, 4.0 million US tourists visited Canada, up a marginal +0.8% over the same period of 2017 and the highest level of US arrivals for this period since 2005. A small decline in revised data for air arrivals (-1.2%) was offset by a slight increase in auto arrivals (+1.0%) and strong growth in arrivals by other modes of transport (+9.4%).
- The strength of the USD in Canada declined compared to a year ago (-5.4% in May, -4.8% YTD), which may have partly contributed to the slowdown in US air arrivals. Though air capacity between Canada and the US continued to expand (+3.8% in May, +4.2% YTD), there is evidence that many of those additional seats may be filled by Canadian travellers returning from the US.
- The largest share of US vehicle arrivals in May 2018 originated from New York (17.9%), Washington (15.0%), and Michigan (11.2%), with the same top three origin states over the first five months of the year¹.
- The May daily vehicle arrivals data also shows a big spike in US visitors driving across the border over the Memorial Day weekend in both 2017 and 2018. This was the biggest long weekend year-to-date for US auto arrivals, with a 7.4% year-over-year increase in visitors arriving Thursday through Sunday over Memorial Day weekend in 2018.
- Following a modest decline in April 2018, the consumer confidence index published by the US Conference Board jumped 3.2 points to reach a high 128.8 in May 2018.

¹ States of origin information is based on Integrated Primary Inspection Lane (IPI) data collected from US residents entering Canada in automobiles with license plate registered in the United States. Some automobiles driven across the border may be rental vehicles. Rented vehicles in one US state may be registered in different state.

Daily US Overnight Auto Arrivals – May 2018



Note: Daily US resident overnight auto arrivals at land ports with Integrated Primary Inspection Lane (IPI).

MEXICO

Mexico Arrivals to Canada

CURRENT MONTH:

+3.0% ↑ YOY



YTD:

+0.5% ↑ YOY

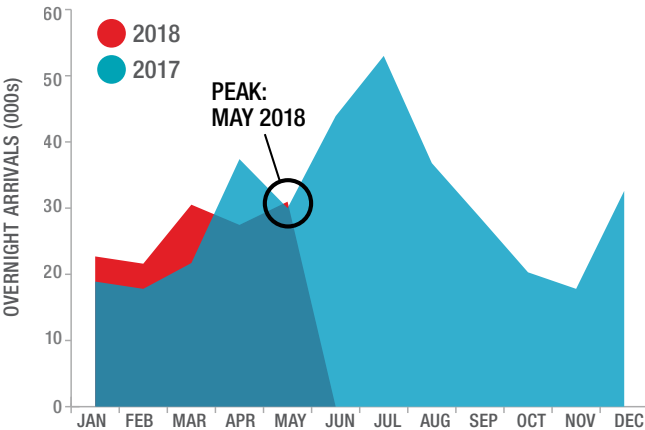
Overnight Arrivals

	May 2018		YTD 2018	
	Arrivals	% YOY Variance	Arrivals	% YOY Variance
Mexico	30,973	3.0	126,494	0.5

Source: Statistics Canada, Frontier counts, custom tabulations.
 Note: The figures are preliminary estimates and are subject to change.



Arrival Trend Plot – Total Mexico



Mexico: Key Indicators

		Mexico
Air Seat Capacity ⁱ	May 2018	49.4%
	YTD	68.1%
Exchange Rate ⁱⁱ	May 2018	-9.1%
	YTD	-0.5%
YTD Arrival Peak ⁱⁱⁱ	Peak Year	2017
	Current % of Previous Peak	100.5%

Sources:
 i. IATA-Diio SRS Analyser, Year-on-year % variance.
 ii. Bank of Canada, Year on year % variance.
 iii. Statistics Canada, Frontier counts, custom tabulations.

- With nearly 31,000 visitors in May 2018, arrivals from Mexico were up +3.0% compared to the same month a year ago, setting another new record for May arrivals. This brought year-to-date arrivals from Mexico to 127,000, +0.5% year-over-year, to reach a year-to-date peak.
- After the strong performance recorded in 2017 following the replacement of the visa requirement for Mexican citizens with the eTA in December 2016, the growth from this market in 2018 has been somewhat subdued. This trend can be attributed to a severe decline in Mexican arrivals by land via the US (-76.4% in May, -70.4% YTD) and a drop in air arrivals via the US (-13.5% in May, -22.3% YTD). However, the decline in visitors passing through the US was still outpaced by ongoing increases in direct air arrivals (+27.2% in May, +26.8% YTD), as well as increased arrivals by sea (+37.9% in May, +42.7% YTD).
- Supporting the strong performance in direct air arrivals from Mexico, direct air capacity between Mexico City and Canada continued to surge ahead of 2017 levels (+49.4% in May, +68.1% YTD).
- While the strength of the Mexican Peso in Canada declined again in May 2018 (-9.2%), overall it remained relatively on par with 2017 over the first five months of the year (-0.5%).

Mexico Arrivals by Port of Entry

- From January to May 2018, the vast majority of visitors from Mexico flew directly to Canada (78.2%). Of those direct air arrivals, the largest proportion (41.6%) flew into YYZ, followed by YVR (34.7%) and YUL (19.0%). Though YYC received the smallest proportion of direct air arrivals (3.6%), it also saw the largest year-over-year growth from this market (+222.2%).

			Mexico
Air Arrivals from Overseas	YYZ	Arrivals	41,159
		YOY%	12.9%
		% of Total	32.5%
	YVR	Arrivals	34,280
		YOY%	39.1%
		% of Total	27.1%
	YUL	Arrivals	18,746
		YOY%	26.2%
		% of Total	14.8%
	YYC	Arrivals	3,593
		YOY%	222.2%
		% of Total	2.8%
	All other airports	Arrivals	1,118
		YOY%	1.5%
		% of Total	0.9%
Subtotal	Arrivals	98,896	
	YOY%	26.8%	
	% of Total	78.2%	
Air Arrivals via the US	All airports	Arrivals	19,080
		YOY%	-22.3%
		% of Total	15.1%
Sea Arrivals	All sea borders	Arrivals	2,013
		YOY%	42.7%
		% of Total	1.6%
Land Arrivals via US	All land borders	Arrivals	6,505
		YOY%	-70.4%
		% of Total	5.1%
Total Overnight Arrivals			126,494

Source: Statistics Canada, Frontier counts, custom tabulations, Table C.
 Note: The figures are preliminary estimates and are subject to change.

EUROPE

Europe Arrivals to Canada

CURRENT MONTH:

+7.0% ↑ YOY

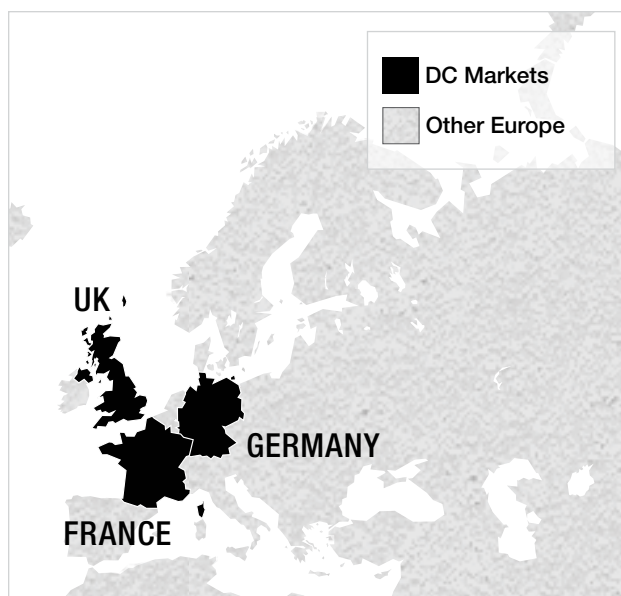


YTD:

-0.3% ↓ YOY

Overnight Arrivals

	May 2018		YTD 2018	
	Arrivals	% YOY Variance	Arrivals	% YOY Variance
DC Europe	150,271	7.0	486,442	-0.3
United Kingdom	68,665	0.5	219,444	-5.6
France	45,223	17.5	165,228	7.8
Germany	36,383	8.4	101,770	-0.6
Other Europe	83,116	10.8	288,445	-10.4
Italy	7,771	3.6	26,803	1.9
Netherlands	13,704	-1.8	36,505	-5.3
Spain	5,687	0.7	19,681	-3.2
Switzerland	8,942	0.7	30,588	-5.2
Rest of Europe	47,012	7.6	174,868	1.5
Total Europe	233,387	6.0	774,887	-0.4



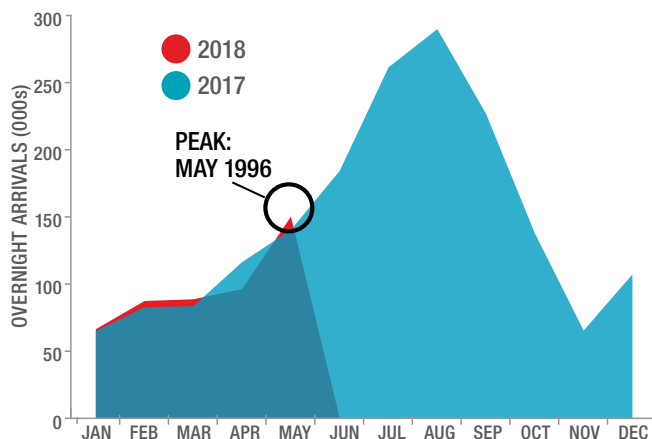
Source: Statistics Canada, Frontier counts, custom tabulations.
Note: The figures are preliminary estimates and are subject to change.

DC Europe: Key Indicators

		France	Germany	United Kingdom
Air Seat Capacityⁱ	May 2018	14.2%	6.2%	5.3%
	YTD	2.7%	0.9%	3.3%
Exchange Rateⁱⁱ	May 2018	1.2%	1.2%	-1.4%
	YTD	8.0%	8.0%	5.1%
YTD Arrival Peakⁱⁱⁱ	Peak Year	2017	2017	2008
	Current % of Previous Peak	107.8%	99.4%	79.3%

Sources:
i. IATA-Diio SRS Analyser, Year-on-year % variance.
ii. Bank of Canada, Year on year % variance.
iii. Statistics Canada, Frontier counts, custom tabulations.

Trend Plot: Total DC Europe Arrivals



EUROPE

- Arrivals from Destination Canada's Europe region were up +7.0% year-over-year with 150,000 visitors in May 2018, the highest level recorded since May 2008. May arrivals were up across all modes of entry except air arrivals via the US (-18.5%).
- Over the first five months of the year arrivals from this region (486,000, -0.3%) were just below last year's record peak and the second highest on record. The downward trend can be attributed to fewer arrivals via the US, both by air (-13.0%) and by land (-7.0%).
- With 45,000 visitors in May 2018 (+17.5%), France set a new arrivals peak for the month of May. Year-to-date, France was the only market in Destination Canada's Europe region to see a year-over-year increase in arrivals (165,000 visitors, +7.8%), also hitting a new record for the first five months of the year.
- Arrivals from Germany were also up in May 2018 (36,000 visitors, +8.4%), reaching the highest levels recorded since May 2001. From January to May 2018, 102,000 German travellers visited Canada, down marginally (-0.6%) from the strong performance recorded in 2017.
- Nearly 69,000 British travellers visited Canada in May 2018, marginally ahead of May 2017 (+0.5%) and the second highest since 2008. While year-to-date arrivals from the UK (219,000 visitors) are still below the high levels recorded in 2017 (-5.6%), they are still the second highest since 2009.
- Direct air capacity to Canada from all three markets continued to expand both in May and year-to-date, supporting the mostly positive performance in direct air arrivals. Year-to-date both the Euro and the British pound were also in a stronger position in Canada compared to the same period last year.

DC Europe Arrivals by Port of Entry

- Both in May 2018 and year-to-date, arrivals from France and Germany were mainly held back by air arrivals via the US, while fewer UK visitors came to Canada via the US both by air and by land.

		France	Germany	UK	
Air Arrivals from Overseas	YYZ	Arrivals	18,237	33,566	78,288
		YOY%	-12.1%	-3.4%	-4.9%
		% of Total	11.0%	33.0%	35.7%
	YVR	Arrivals	5,132	18,137	45,952
		YOY%	14.0%	5.1%	0.8%
		% of Total	3.1%	17.8%	20.9%
	YUL	Arrivals	89,808	12,492	16,566
		YOY%	17.5%	14.6%	7.9%
		% of Total	54.4%	12.3%	7.5%
	YYC	Arrivals	1,048	7,062	23,262
		YOY%	-13.8%	-2.6%	-4.9%
		% of Total	0.6%	6.9%	10.6%
All other airports	Arrivals	3,790	2,735	7,888	
	YOY%	3.7%	3.9%	4.8%	
	% of Total	2.3%	2.7%	3.6%	
Subtotal	Arrivals	118,015	73,992	171,956	
	YOY%	12.5%	1.1%	-2.0%	
	% of Total	71.4%	72.7%	78.4%	
Air Arrivals via the US	All airports	Arrivals	37,164	15,234	28,481
		YOY%	-9.4%	-18.6%	-14.4%
		% of Total	22.5%	15.0%	13.0%
Sea Arrivals	All sea borders	Arrivals	226	2,576	7,483
		YOY%	-39.9%	1.7%	49.1%
		% of Total	0.1%	2.5%	3.4%
Land Arrivals via US	All land borders	Arrivals	9,823	9,968	11,524
		YOY%	40.7%	26.1%	-38.7%
		% of Total	5.9%	9.8%	5.3%
Total Overnight Arrivals		165,228	101,770	219,444	

Source: International Travel Survey, Table C, Statistics Canada.
Note: The figures are preliminary estimates and are subject to change.

ASIA-PACIFIC

DC Asia-Pacific Arrivals to Canada

CURRENT MONTH:

+0.8% ↑ YOY



YTD:

0.0% YOY

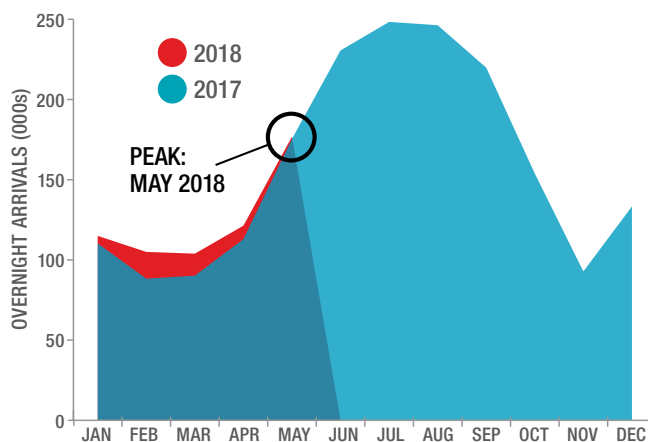
Overnight Arrivals

	May 2018		YTD 2018	
	Arrivals	% YOY Variance	Arrivals	% YOY Variance
DC Asia-Pacific	176,835	0.8	576,951	0.0
Australia	38,411	-4.9	106,383	-4.5
China	60,992	14.4	226,516	14.8
India	36,427	4.6	90,882	5.4
Japan	16,821	-19.4	75,324	-22.1
South Korea	24,184	-7.3	77,846	-9.1
Other Asia-Pacific	78,911	38.4	251,635	52.8
Hong Kong	13,747	-3.8	48,441	-2.5
Taiwan	11,783	32.3	42,207	51.9
Rest of Asia-Pacific	53,381	9.9	160,987	3.3
Total Asia-Pacific	255,746	3.4	828,586	2.2



Source: Statistics Canada, Frontier counts, custom tabulations.
Note: The figures are preliminary estimates and are subject to change.

Trend Plot: Total DC Asia-Pacific Arrivals



Asia-Pacific: Key Indicators

		Australia	China	India	Japan	South Korea
Air Seat Capacity ⁱ	May 2018	0.4%	7.0%	28.1%	-12.1%	-6.3%
	YTD	3.9%	6.3%	27.8%	-3.4%	7.5%
Exchange Rate ⁱⁱ	May 2018	-4.2%	2.2%	-9.7%	-3.1%	-1.1%
	YTD	-2.1%	3.3%	-3.8%	-1.1%	1.4%
YTD Arrival Peak ⁱⁱⁱ	Peak Year	2017	2017	2017	1996	2017
	Current % of Previous Peak	95.5%	114.8%	105.4%	41.0%	90.9%

Sources:
i. IATA-Diio SRS Analyser, Year-on-year % variance.
ii. Bank of Canada, Year on year % variance.
iii. Statistics Canada, Frontier counts, custom tabulations.

- Arrivals from Destination Canada's Asia-Pacific region in May 2018 were marginally ahead of the same month a year ago, just managing to hit a new record peak for May arrivals (177,000, +0.8%). Year-to-date arrivals from these five markets (577,000, +/-0.0%) were almost on par with the first five months of the year in 2017, when the region previously set a YTD record. Arrivals from the Asia-Pacific region were up year-over-year across modes of entry, with the exception of a steep decline in air arrivals via the US (-17.0% in May, -12.9% YTD).
- Individually, the performance from Destination Canada's five Asia-Pacific markets was mixed. China continued to grow at a rapid rate (+14.4% in May, +14.8% YTD), maintaining its new position as Destination Canada's largest long-haul market. This was followed by solid increases in arrivals from India (+4.6% in May, +5.4% YTD). Both of these markets also set new monthly and YTD arrivals peaks in May 2018.
- Meanwhile, Japan (-19.4% in May, -22.1% YTD), South Korea (-7.3% in May, -9.1% YTD), and Australia (-4.9% in May, -4.5% YTD) recorded monthly and YTD declines. While South Korea and Australia fell short of the peaks set during an exceptional year in 2017, year-to-date arrivals from Japan were below half of the 1996 peak from this market.
- Visitors from most of Destination Canada's Asia-Pacific markets saw a decline in their currencies' purchasing power in Canada compared to a year ago, with the exception of China.

DC Asia-Pacific Arrivals by Port of Entry

- In May 2018, all Asia-Pacific markets saw a decline in air arrivals via the US, with Australia and India also showing decreased land arrivals via the US. However, the two markets with the biggest drop in arrivals – Japan and South Korea – also recorded declines in direct air arrivals. This is consistent with the downward trend in direct air capacity to Canada from those two markets. A similar trend was observed over the first five months of the year.

		Australia	China	India	Japan	South Korea	
Air Arrivals from Overseas	YYZ	Arrivals	4,779	66,991	41,767	14,784	16,406
		YOY%	-15.4%	15.0%	-1.1%	-43.5%	-15.8%
		% of Total	4.5%	29.6%	46.0%	19.6%	21.1%
	YVR	Arrivals	40,489	89,421	21,414	33,771	22,341
		YOY%	6.0%	11.5%	81.2%	-13.0%	-15.6%
		% of Total	38.1%	39.5%	23.6%	44.8%	28.7%
	YUL	Arrivals	706	12,334	3,554	243	348
		YOY%	-6.2%	30.4%	-0.9%	-46.4%	6.4%
		% of Total	0.7%	5.4%	3.9%	0.3%	0.4%
	YYC	Arrivals	517	3,500	4,136	3,008	123
		YOY%	5.5%	-20.0%	22.4%	-23.9%	-39.7%
		% of Total	0.5%	1.5%	4.6%	4.0%	0.2%
	All other airports	Arrivals	161	254	752	43	55
		YOY%	0.4%	0.2%	1.2%	0.1%	0.1%
		% of Total	0.2%	0.1%	0.8%	0.1%	0.1%
Subtotal	Arrivals	46,652	172,500	71,623	51,849	39,273	
	YOY%	3.0%	13.1%	15.1%	-25.3%	-15.6%	
	% of Total	43.9%	76.2%	78.8%	68.8%	50.4%	
Air Arrivals via the US	All airports	Arrivals	40,088	27,157	11,177	14,726	9,317
		YOY%	-9.6%	-8.8%	12.2%	-30.8%	-24.2%
		% of Total	37.7%	12.0%	12.3%	19.6%	12.0%
Sea Arrivals	All sea borders	Arrivals	9,675	1,924	1,507	1,628	978
		YOY%	-2.4%	0.8%	0.8%	111.7%	16.3%
		% of Total	9.1%	0.8%	1.7%	2.2%	1.3%
Land Arrivals via US	All land borders	Arrivals	9,968	24,935	6,575	7,121	28,278
		YOY%	-15.3%	91.3%	-47.6%	37.6%	8.8%
		% of Total	9.4%	11.0%	7.2%	9.5%	36.3%
Total Overnight Arrivals		106,383	226,516	90,882	75,324	77,846	

Source: International Travel Survey, Table C, Statistics Canada.

Note: The figures are preliminary estimates and are subject to change.

CANADIAN OUTBOUND TRAVEL

Overnight Trips by Canadians

	May 2018	YOY % Variance	Jan.- May 2018	YOY % Variance
United States	1,797,808	13.0	8,867,692	10.2
Other Countries	921,126	-6.9	5,880,214	-4.0
Total Trips from Canada	2,718,934	5.4	14,747,906	4.1

Source: Statistics Canada, International Travel Survey.

Note: The figures are preliminary estimates and are subject to change.

- Overall in May 2018, Canadians continued to travel internationally more than they did over the same period in 2017 (+5.4% in May, +4.1% YTD), with strong growth in Canadian travel to the US (+13.0% in May, +10.2% YTD) offsetting a contraction in travel to other international destinations (-6.9% in May, -4.0% YTD). With increased air capacity between Canada and the United States, it may be that Canadian travellers are filling many of those additional seats.
- However, these results should be interpreted with caution given the recent incorporation of PIK data in frontier counts and comparability with 2017 data, which has not yet been revised. In particular, Statistics Canada noted, “there has been an increased tendency of Canadian travellers returning from overseas trips via the United States to report that they are returning from the United States and not overseas via the United States”.

INTERNATIONAL ARRIVALS BY PROVINCE OF ENTRY

Overnight Arrivals by Province of Entry

		Newfoundland and Labrador	Prince Edward Island	Nova Scotia	New Brunswick	Québec	Ontario
Total One or more nights	2018	10,800	19	34,085	46,593	936,435	2,709,230
	Variance YOY%	4.6%	-75.0%	38.5%	8.7%	4.5%	-2.3%
	Change YOY	474	(57)	9,469	3,718	39,984	(64,959)
US Residents by Automobile	2018	0	0	2	39,932	326,745	1,089,623
	Variance YOY%	0.0%	0.0%	-98.3%	0.2%	0.9%	-0.4%
	Change YOY	-	-	(115)	96	3,060	(4,631)
US Residents by Non-Automobile	2018	2,080	8	19,984	5,627	274,989	803,828
	Variance YOY%	44.7%	-86.4%	44.7%	158.1%	3.8%	-3.0%
	Change YOY	643	(51)	6,175	3,447	10,018	(24,657)
Residents from Other Countries	2018	8,720	11	14,099	1,034	334,701	815,779
	Variance YOY%	-1.9%	-35.3%	31.9%	20.4%	8.7%	-4.2%
	Change YOY	(169)	(6)	3,409	175	26,906	(35,671)

Source: Statistics Canada, Frontier counts, custom tabulations.
Preliminary estimates subject to change.

Overnight Arrivals by Province of Entry

		Manitoba	Saskatchewan	Alberta	British Columbia	Yukon	Nunavut	CANADA
Total One or more nights	2018	65,811	17,835	291,309	1,781,556	28,256	199	5,922,128
	Variance YOY%	6.3%	2.6%	1.3%	3.5%	15.7%	-29.7%	1.0%
	Change YOY	3,898	455	3,822	59,793	3,844	(84)	60,357
US Residents by Automobile	2018	43,811	13,691	29,478	637,879	15,619	0	2,196,780
	Variance YOY%	6.5%	3.1%	2.3%	2.9%	9.1%	0.0%	1.0%
	Change YOY	2,672	406	674	17,862	1,303	-	21,327
US Residents by Non-Automobile	2018	19,351	3,353	167,954	476,189	11,321	26	1,784,710
	Variance YOY%	3.0%	-0.5%	4.6%	0.9%	33.4%	36.8%	0.6%
	Change YOY	570	(17)	7,383	4,449	2,836	7	10,803
Residents from Other Countries	2018	2,649	791	93,877	667,488	1,316	173	1,940,638
	Variance YOY%	32.9%	9.1%	-4.3%	5.9%	-18.3%	-34.5%	1.5%
	Change YOY	656	66	(4,235)	37,482	(295)	(91)	28,227

- From January to May 2018, most international visitors to Canada entered the country through Ontario (45.7%), British Columbia (30.1%), and Quebec (15.8%).
- Over the first five months of the year, British Columbia (+60,000 visitors) and Quebec (+40,000 visitors) registered the largest growth in arrivals.
- Meanwhile, Ontario recorded the most notable year-over-year decline in international arrivals over this period (-2.3%), with fewer US auto (-0.4%), US non-auto (-3.0%), and visitors from other countries (-4.2%) crossing the border in that province YTD May 2018.

ACCOMMODATION

Hotel Performance Indicators by Province

	Occupancy Rates				Average Daily Rate (ADR)				Revenue Per Available Room (RevPAR)			
	May 2018	YOY [^] Variance	Jan.- May	YOY [^] Variance	May 2018	YOY % Variance	Jan.- May	YOY % Variance	May 2018	YOY % Variance	Jan.- May	YOY % Variance
Alberta ¹	57.4%	4.5	52.3%	2.9	\$131.22	0.7%	\$128.08	-0.4%	\$75.29	9.3%	\$66.95	5.4%
British Columbia	73.4%	0.6	65.5%	1.0	\$189.61	11.8%	\$170.81	9.8%	\$139.13	12.7%	\$111.92	11.5%
Saskatchewan	59.6%	4.7	54.4%	4.2	\$121.29	0.1%	\$118.74	-2.0%	\$72.32	8.7%	\$64.55	6.2%
Manitoba	70.4%	0.1	64.7%	0.0	\$129.21	4.0%	\$124.94	2.7%	\$90.94	4.1%	\$80.80	2.6%
Ontario	72.3%	0.8	64.2%	1.8	\$161.96	2.8%	\$151.83	4.9%	\$117.03	3.9%	\$97.43	7.8%
Quebec	69.9%	-3.1	61.8%	-1.8	\$169.82	1.7%	\$156.62	2.5%	\$118.71	-2.6%	\$96.72	-0.3%
New Brunswick	63.0%	2.4	51.8%	0.9	\$122.35	3.8%	\$118.16	4.0%	\$77.02	8.0%	\$61.18	5.8%
Nova Scotia	67.4%	-2.7	57.4%	-0.1	\$149.74	6.6%	\$135.13	6.3%	\$100.87	2.5%	\$77.58	6.2%
Newfoundland	49.3%	-17.4	43.1%	-12.1	\$140.89	-3.4%	\$133.85	-1.3%	\$69.49	-28.6%	\$57.75	-23.0%
Prince Edward Island	58.3%	10.9	44.2%	2.3	\$140.56	13.8%	\$120.93	10.3%	\$81.99	40.1%	\$53.41	16.2%
Northwest Territories	51.5%	1.6	72.5%	4.5	\$134.75	-0.5%	\$150.09	3.3%	\$69.35	2.7%	\$108.89	10.1%
Yukon	55.2%	-3.1	52.8%	-1.8	\$153.63	8.0%	\$131.53	7.8%	\$84.79	2.2%	\$69.45	4.2%
Canada	68.1%	0.9	60.5%	1.2	\$161.27	4.3%	\$150.02	4.5%	\$109.80	5.7%	\$90.82	6.6%

Note: Based on the operating results of 250,747 rooms (unweighted data).

[^] Percentage points.

¹ Excluding Alberta resorts.

Source: CBRE Hotels with reproduction and use of information subject to CBRE Disclaimer / Terms of Use as detailed at www.cbre.ca.

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- The National Occupancy Rate inched up a marginal 0.9 points year-over-year in May 2018, currently sitting at 68.1%. Year-to-date, the average occupancy rate rose to 60.5%, up 1.2 points over the same period of 2017. The highest occupancy rates in May were reported in British Columbia (73.4%), Ontario (72.3%), and Manitoba (70.4%), while the highest over the five months between January and May 2018 were registered in the Northwest Territories (72.5%), British Columbia (65.5%) and Manitoba (64.7%). The strongest year-over-year growth in occupancy was reported in Prince Edward Island in May and in Northwest Territories YTD, with Saskatchewan and Alberta also reporting strong year-over-year growth for the month and YTD.
- At the national level, the average daily rate (ADR) continued to record strong year-over-year growth,

sitting at \$161.27 in May (+4.3%) and \$150.02 YTD (+4.5%). For both May and YTD, the top three highest ADR reported were in British Columbia (\$189.61 in May, \$170.81 YTD), Quebec (\$169.82 in May, \$156.62 YTD), and Ontario (\$161.96 in May, \$151.83 YTD). The top three regions recording the strongest year-over-year growth in this measure were Prince Edward Island, British Columbia, and Yukon.

- Canada's average revenue per available room (RevPar) also continued to increase rapidly over the same period in 2017, currently sitting at \$109.80 (+5.7%) in May and \$90.82 (+6.6%) YTD. At the provincial level, British Columbia continued to lead on this measure, both in May (\$139.13) and YTD (\$111.92), while Prince Edward Island recorded the strongest year-over-year growth.

ACCOMMODATION

Hotel Performance Indicators by Property Type

	Occupancy Rates				Average Daily Rate (ADR)			
	May 2018	YOY^ Change	Jan.- May	YOY^ Variance	May 2018	YOY Variance	Jan.- May	YOY Variance
Property Size								
Under 50 rooms	54.5%	2.4	45.6%	1.0	\$111.49	1.7%	\$107.79	3.1%
50-75 rooms	61.1%	1.1	53.4%	1.5	\$118.48	4.2%	\$111.91	3.5%
76-125 rooms	66.4%	1.4	59.0%	1.7	\$132.48	2.6%	\$126.23	2.6%
126-200 rooms	69.0%	0.7	61.3%	0.8	\$149.99	5.1%	\$138.98	4.7%
201-500 rooms	71.4%	0.4	64.4%	1.2	\$192.87	4.5%	\$178.81	5.7%
Over 500 rooms	76.3%	-0.1	68.2%	0.1	\$242.63	5.4%	\$217.20	6.1%
Total	68.1%	0.9	60.5%	1.2	\$161.27	4.3%	\$150.02	4.5%
Property Type								
Limited Service	62.3%	1.0	55.5%	1.7	\$120.37	3.2%	\$115.36	3.1%
Full Service	72.5%	1.2	63.4%	1.3	\$180.80	5.3%	\$161.94	5.2%
Suite Hotel	75.6%	-0.3	69.0%	-0.2	\$165.06	2.3%	\$156.40	4.7%
Resort	58.3%	0.6	57.6%	-0.1	\$223.06	6.9%	\$234.03	7.7%
Total	68.1%	0.9	60.5%	1.2	\$161.27	4.3%	\$150.02	4.5%
Price Level								
Budget	60.6%	-0.2	53.7%	1.2	\$106.39	5.3%	\$100.79	6.3%
Mid-Price	69.3%	1.4	61.3%	1.3	\$152.26	2.9%	\$140.76	3.0%
Upscale	73.2%	0.2	66.0%	0.6	\$262.98	5.9%	\$242.40	6.4%
Total	68.1%	0.9	60.5%	1.2	\$161.27	4.3%	\$150.02	4.5%

Note: Based on the operating results of 237,545 rooms (unweighted data).
 ^ Percentage points.

- Consistent with past trends, in May 2018 and over the first five months of the year, at the national level the highest occupancy rates were reported for larger properties (500+ rooms) (76.3% in May, 68.2% YTD), suite hotels (75.6% in May, 69.0% YTD), and upscale properties (73.2% in May, 66.0% YTD).
- Those larger properties (\$242.63 in May, \$217.20 YTD) and upscale properties (\$262.98 in May, \$242.40 YTD) reported the highest average daily rates (ADR) over this period, but resorts reported the highest ADR by property type (\$223.06 in May, \$234.03 YTD).