

Ontario Tourism Facts & Figures

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International Travel Account

Preliminary results for the first two quarters of 2006 indicate that Ontario's and Canada's travel deficits are growing.

- In the first quarter of 2006, Ontario's international travel deficit reached \$2.3 billion, an 8.9% increase over the same quarter in 2005. Canada's deficit, meanwhile, increased 13.3% to \$4.1 billion.
- For the second quarter of 2006, Ontario's travel deficit increased almost 24.3% to \$1.3 billion over the same quarter in 2005 while Canada's travel deficit increased almost 29% to \$2.1 billion over the period.

Economic Outlook

Short Term Economic Indicators Canada & Ontario

		Q1 2006	Q2 2006*	2006*	2007*
Real Gross Domestic Product % change over previous period	Can	0.7	0.7	2.9	3.1
	ON	0.5	0.7	2.7	3.4
Consumer Price Index % change over previous period	Can	0.6	0.6	2.5	2.0
	ON	0.6	0.6	2.3	2.0
Unemployment Rate (%)	Can	6.6	6.7	6.7	6.9
	ON	6.5	6.5	6.4	6.7
Personal Disposable Income % change over previous period	Can	1.8	0.5	5.6	4.3
	ON	0.8	1.1	5.2	4.7

*Forecast data
Source: Conference Board of Canada

Tourism Statistics

International Border Crossings:

U.S. market continued to perform weakly in first half of 2006

Compared to 2005, U.S. border crossings to Ontario decreased by 8.4% in the first half of 2006.

- A significant decline in U.S. same-day trips to Ontario was the reason for the decrease. For the period January to June 2006, American day trips to Ontario decreased by 10.3% over the same period in 2005. During the month of June, the number of same-day travellers from the U.S. was the lowest since record keeping started in 1972.
- For the period January to June 2006, U.S. overnight entries to Ontario decreased by 4.7% over the same period in 2005. The decrease resulted in large part from a drop in U.S. overnight auto entries to Ontario (-6.0%). U.S. overnight non-auto (plane, train, bus, boat) entries to Ontario decreased by 2.3% over the same period.

Overseas market maintains modest growth in the first half of 2006

For the period January to June 2006, overseas entries to Ontario grew 3.7% over the same period in 2005. Increases over this period in 2005 were seen from two of Ontario's primary overseas markets: Japan (+9%) and France (+4%) while there was a decrease from Germany (-9%) and the U.K. (-5%).

International Border Crossings into Ontario January to June 2006*

	Q1 2006	Q2 2006	January-June 2006
Total International	-8.3	-6.9	-7.4
Total U.S.	-9.3	-7.7	-8.4
U.S. Same Day	-9.3	-11.0	-10.3
U.S. Overnight	-9.3	-2.4	-4.7
Total Overseas	7.6	1.9	3.7

*Percent change over same period of previous year
Source: Statistics Canada

Accommodations

Hotel Occupancy and Average Daily Rates up again in first half of 2006

- For the period January to June 2006, occupancy at Ontario hotels grew 1.6 percentage points over the same period in 2005, to 60.4%. This is still below the level for the same period in 2001 where occupancy rates reached 62.2%.
- Over the same period, the average daily room rate (ADR) at Ontario hotels increased by 3.9% to \$122.24, resulting in a 6.8% increase in Revenue Per Available Room (RevPAR).

The table (right) shows occupancy and average daily rates for several different markets across Ontario for the first six months of 2006:

Ontario Hotel Occupancy and Average Daily Rates January to June 2006

	Occupancy Percentage (%)			Average Daily Rate (\$)		
	Jan-Jun 2006	Jan-Jun 2005	Point change*	Jan-Jun 2006	Jan-Jun 2005	% Change
Ontario	60.4%	58.8%	1.6	\$122.24	\$117.63	3.9%
Greater Toronto Area	64.3%	64.1%	0.2	\$133.41	\$127.70	4.5%
Downtown Toronto	66.4%	66.0%	0.3	\$162.41	\$152.25	6.7%
Toronto Airport	69.6%	70.7%	-1.1	\$117.38	\$114.99	2.1%
GTA West	59.6%	59.9%	-0.3	\$106.69	\$103.68	2.9%
GTA East/North	60.0%	58.5%	1.5	\$112.90	\$109.23	3.4%
Eastern Ontario	54.3%	52.6%	1.7	\$97.85	\$95.83	2.1%
Kingston	57.8%	56.8%	1.0	\$108.87	\$105.65	3.0%
Other Eastern Ontario	52.5%	50.3%	2.2	\$91.72	\$89.76	2.2%
Ottawa	68.1%	63.8%	4.3	\$128.87	\$126.72	1.7%
Downtown Ottawa	70.0%	66.7%	3.3	\$135.85	\$133.97	1.4%
Ottawa West	63.5%	56.9%	6.6	\$117.44	\$112.60	4.3%
Ottawa East	62.8%	56.1%	6.7	\$95.71	\$93.78	2.1%
Southern Ontario	52.4%	50.1%	2.3	\$108.12	\$104.10	3.9%
London	62.9%	62.0%	0.9	\$100.92	\$99.07	1.9%
Windsor	53.3%	51.7%	1.5	\$109.94	\$101.54	8.3%
K/W/Cambridge/Guelph	58.9%	59.0%	-0.1	\$99.20	\$95.72	3.6%
Hamilton/Brantford	60.0%	58.0%	2.0	\$95.82	\$95.03	0.8%
Niagara Falls	48.6%	44.8%	3.8	\$124.65	\$119.50	4.3%
Other Niagara Falls Region	42.4%	39.6%	2.8	\$86.74	\$85.56	1.4%
Other Southern Ontario	45.0%	42.7%	2.2	\$96.29	\$94.22	2.2%
Central Ontario	48.9%	48.0%	0.9	\$124.32	\$119.18	4.3%
North Eastern Ontario	65.3%	61.8%	3.6	\$86.47	\$81.78	5.7%
North Bay	64.5%	61.4%	3.1	\$90.53	\$86.07	5.2%
Sudbury	65.7%	62.3%	3.5	\$91.44	\$85.46	7.0%
North Central Ontario						
Sault Ste. Marie	51.4%	51.1%	0.3	\$81.16	\$82.41	-1.5%
North Western Ontario	64.6%	61.4%	3.1	\$91.25	\$85.41	6.8%

*Percentage point change

Source: Trends in the Canadian Hotel Industry, PKF Consulting.

Data based on PKF's unweighted sample, which tends to be branded properties of 30 rooms or more.

What's New in Research?

New Research and Publications

- An Ontario-specific report on second quarter results and third quarter outlook from the Business Conditions Survey on the travel accommodation sector is available on the Ministry of Tourism's research website at <http://www.tourism.gov.on.ca/english/tourdiv/research/reports.htm>.
- The Ontario Tourism Outlook: 2006-2010 Forecast, presented in May 2006 provides an outlook for travel to and from Ontario as well as for the global travel market. <http://www.tourism.gov.on.ca/english/tourdiv/research/forecasts.html>
- The 2005 Travel Activities and Motivations Survey (TAMS) has recently been completed. The TAMS project examines recreational activities and travel habits of Canadians and Americans. Look for the first of the reports focusing on the U.S. travel market to be completed by the end of October 2006. In the meantime, find out more about TAMS by visiting: <http://www.research.tourism.gov.on.ca>

Upcoming Conferences and Workshops

- The next Travel and Tourism Research Association (TTRA) Canada Chapter Conference **Transitions in Tourism** will be held at the Fairmont le Château Montebello in Montebello, Quebec (just outside of Ottawa) from October 15-17, 2006. Please visit www.ttracanada.ca for more information.
- The Ontario Tourism Marketing Partnership Corporation (OTMPC) will hold its second Ontario Tourism Marketing Summit on October 18-19, 2006 at the Blue Mountain Resort near Collingwood, Ontario. This year's conference theme is **Change. Adapt. Market. Succeed. A workout regime for marketing in a new media era.** Visit www.ontariotourismsummit.com for details or to register.
- Canada's Tourism Leadership Summit 2006 **Make Tourism Count**, organized by the Tourism Industry Association of Canada (TIAC), will be held at Fairmont Jasper Park Lodge in Jasper, Alberta on October 22-24, 2006. Visit www.tiac-aitc.ca for more information.

Special Topics

Perceptions of Ontario as a Travel Destination

This column will provide a brief overview of some of the findings of the Travel Intentions Survey conducted by the Ministry of Tourism in February 2006, which focused on travellers' intentions for spring and summer 2006 and examined preferences of American and Canadian travellers to Ontario.

Ninety percent of Canadian travellers (outside Ontario) and 53% of American travellers who participated in the survey had travelled to Ontario at least once. The survey showed that travellers who have been to Ontario are the most likely to travel here again in the next two years.

Looking specifically at potential travellers (individuals who expressed an interest in traveling to Toronto, Niagara Falls or elsewhere in Ontario in the next two years), here are the ratings assigned to Ontario for specific trip types by Canadian and American travellers (rated on a 10-point scale):

	Canadian Travellers	American Travellers
Nature & outdoors	7.9	7.7
Overall pleasure destination	7.5	7.3
Touring trip	7.2	7.1
Big city trip	7.2	6.9
Arts, history & culture	7.1	6.8
Resort trip	6.7	6.6

These same travellers provided ratings for specific characteristics of Ontario as a travel destination. The three most highly rated characteristics by each group were:

Canadian Travellers	American Travellers		
A place that offers destinations you can drive to.	8.2	A place with lots to see and do.	7.9
A place where you don't have to worry about your health.	8.2	A friendly destination.	7.8
A place with lots to see and do.	7.9	A place where you don't have to worry about your health.	7.7
		A place that is safe from terrorists/criminal activity.	7.7

- The Northern Ontario Tourist Outfitters (NOTO) Association's Annual Conference will take place on November 7-9, 2006 in Thunder Bay, Ontario. For more information, please contact Laurie Marcil at (705) 472-5552.
- Canadian Tourism Human Resource Council's 6th Annual Tourism HR Forum **Can Tourism Deliver? Responding to the HR Crisis** is taking place May 1-2, 2007, in Vancouver, British Columbia. Visit www.cthrc.ca for details.
- 2007 Travel and Tourism Research Association (TTRA) International Annual Conference **Beating the Odds with Tourism Research!**, will be held June 17-19, 2007 in Las Vegas, Nevada. Visit www.ttra.com for more information.

Canadian potential travellers gave the lowest rating to the following two characteristics: *A place that offers you a different/unique experience* (6.9) and *A place that offers good value for money* (7.3). Americans also had a low ranking for *A place that offers good value for money* (7.2) but apparently had different concerns as they ranked Ontario lowest on *A place that offers good health services for visitors* (6.9).

Twelve percent of all travellers in the survey reported specific events or issues that made them less inclined to travel to Ontario. Canadians were more likely to report events or issues than Americans. The top five concerns for each group are noted below:

Canadian Travellers	American Travellers
Violence	Politics
Traffic	Border troubles
Safety and security	Need for passports
Cost	Terrorism issues
Crowds	SARS

The full article is available on the research website. http://www.tourism.gov.on.ca/english/tourdiv/research/reports_travel_intentions.htm

Useful Websites

Ontario Ministry of Tourism, Research Unit
www.research.tourism.gov.on.ca

Ontario Ministry of Tourism
www.tourism.gov.on.ca

Ontario Tourism Marketing Partnership Corporation
www.tourismpartners.com

Canadian Tourism Commission
www.canadatourism.com

Statistics Canada
www.statcan.ca

Travel and Tourism Research Association (TTRA) Canada
www.ttracanada.ca

Travel and Tourism Research Association (TTRA) International
www.ttra.com

World Tourism Organization
www.world-tourism.org

US Department of Commerce, Tourism Industries
www.tinet.ita.doc.gov

Ontario Tourism Education Corporation
www.otec.org

Travel Industry Association of Canada
www.tiac-aitc.ca

Visitor Inquiries

Call volume continues to fall while user sessions at OntarioTravel.net continue to soar

- Calls to the 1-800-ONTARIO Call Centre totalled 95,348 for the period January to June 2006, which was a decrease of 29% over the same period in 2005.
- For the same period, user sessions at OntarioTravel.net grew 28% over last year to more than 1.5 million. Traffic to the seasonal site (+116%) is fuelling the increase in traffic while the main site saw an increase of 19%.

Source: Electronic Data Systems

Travel Price Index

Price of travel in Ontario increased in June over last year

- In June 2006, Ontario's Travel Price Index (TPI) increased by 4.1% over June 2005. Gasoline prices (+15.2%) are largely responsible for this 12-month increase in the TPI, driving up the prices of nearly all transportation items (auto operation, air transport, inter-city, local transport, etc.).
- In comparison, Ontario's Consumer Price Index (CPI) posted a more modest increase of 2.4% over June 2005.

Source: Statistics Canada; Ontario Ministry of Tourism

Travel Information Centres (TICs)

Visits to Ontario's TICs decline again in first half of 2006

- For the period January to June 2006, visits to Ontario's Travel Information Centres (TICs) decreased by 7% over the same period in 2005.

Source: Ontario Ministry of Tourism

Visit our website

www.research.tourism.gov.on.ca for information on the industry's current performance, historical statistics, provincial forecasts, market reports and more.

Questions? Suggestions?

Please contact Adele Labine-Romain at (416) 325-8287 or via email at adele.labine-romain@ontario.ca

If you'd like to be added to our distribution list or if you need to change your mailing address, please contact Jackie Ma at (416) 325-1848 or via email at jackie.ma@ontario.ca

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