

SPECIAL FOCUS: REGIONAL DISTRIBUTION OF ACCOMMODATION REVENUE

Room revenue is earned by accommodation properties throughout British Columbia, but this distribution is by no means even. This special focus examines the nature of accommodation supply through the province and the related issue of revenue distribution.

In 1995, the \$995 million dollars in room revenue was earned by 2,179 properties. These properties contained nearly 73,000 rooms.

In 1995, the Mainland/Southwest Development Region earned more than half of all room revenue in BC. This comes as no surprise; visitor studies have shown that the region is the most popular tourist destination in the province. What is unexpected is that the region contains only about one-third of the province's rooms and one-fifth of the properties. In terms of the number of properties, Mainland/Southwest lags behind both Vancouver Island/Coast and Thompson/Okanagan.

This discrepancy between revenue earnings and the number of properties and rooms becomes more pronounced in the Downtown Vancouver and Whistler urban centres. In Whistler, 2% of the properties and 4% of the rooms earned 8% of the revenue in 1995. In Downtown Vancouver the difference is even more dramatic: 3% of the

properties, containing 14% of the rooms earned 28% of the province's room revenue.

There are a number of possible explanations for this regional disparity. First, the properties in the Mainland/Southwest tend to be larger than is the case elsewhere in BC. Second, hotel industry data from Pannell Kerr Forster indicate that properties in Greater Vancouver have higher occupancy rates and higher average room rates than other centres in the province. Third, the properties in the region are less influenced by seasonal fluctuations in revenue; a lower-than-average portion of the region's annual revenue is earned during the summer months.

The Vancouver Island/Coast Development Region is second to Mainland/Southwest in terms of revenue earnings (one-fifth of the provincial total) and the number of rooms available, and second to the Thompson/Okanagan in terms of the number of properties.

With 14% of the total, the Thompson/Okanagan Development Region earns the third highest amount of room revenue. In 1995 the region had a quarter of the province's properties and one-fifth of the available rooms.

The remaining five regions together earn roughly 13% of the province's room revenue, from a high of 5% in Cariboo to a low of 1% in Nechako.

Mainland/Southwest leads revenue earnings (1995 totals)

<u>REGION</u>	<u>Revenue</u>	<u>Properties</u>	<u>Rooms</u>
BRITISH COLUMBIA - Total	\$995,359	2,179	72,842
	<u>% of Provincial total</u>		
Vancouver Island/Coast	19.8%	24.6%	21.9%
Mainland/Southwest	53.4%	18.3%	35.7%
Thompson/Okanagan	13.6%	25.4%	20.4%
Kootenay	4.1%	11.5%	7.2%
Cariboo	4.5%	9.0%	6.5%
North Coast	1.7%	4.0%	3.0%
Nechako	1.0%	3.5%	1.6%
Northeast	1.9%	3.7%	3.7%