

SPECIAL FOCUS: THE GREATER VANCOUVER REGIONAL DISTRICT (GVRD)

Most room revenue earned in GVRD

The Greater Vancouver region is the single most popular tourist destination in BC. *Visitor '89*, the 1989 provincial visitor study, reported that 54% of all out-of-province visitor parties went to Vancouver, and these visits accounted for 39% of all party-nights spent in BC.

The Greater Vancouver Regional District encompasses all the large municipalities of the lower Fraser Valley, from the Strait of Georgia east to Pitt Meadows. For the purpose of reporting room revenue, the regional district is divided into three components: the downtown area of the City of Vancouver, the remainder of the City of Vancouver, and the other municipalities in the regional district.

In 1995, room revenue in the Greater Vancouver Regional District was \$425.2 million. This was 43% of the provincial total, considerably more than any other regional district. (In comparison the Capital Regional District, which ranked second, had revenue of \$120.8 million.)

Large hotels dominate

During 1995, there were 152 hotels operating in the GVRD, 42 of which had at least 150 rooms. These hotels contained a total of 18,000 rooms, 90% of the regional district's total. Most of the largest hotels are in the downtown core: 14 of the province's 27 hotels with 250 or more rooms are in downtown Vancouver. These 14 hotels have nearly 6,000 rooms, roughly one-third of the regional district total.

The hotels earn the bulk of room revenue in the regional district. In 1995, the GVRD hotels with 150 or

more rooms earned \$310.6 million. The 14 large downtown Vancouver hotels earned nearly two-thirds of this (\$193.5 million), a disproportionately large share given the number of rooms.

Revenue growth since 1989

Room revenue in the GVRD has grown significantly since 1989, when revenue totalled \$290.3 million. After a slump in 1991 (when revenue fell 3.5% from the previous year), revenue increased at an annual average rate of 7.9% between 1991 and 1995. The provincial rate of growth during this period was 8.3%.

In recent months, room revenue in the GVRD has increased far more rapidly than in the rest of the province. The chart below shows a dramatic increase in the GVRD starting in January 1996. During June and July the growth rate has been slightly less rapid, although the rest of the province has begun to show a declining revenue trend.

What the future holds

Information from Tourism Vancouver shows that 17 new accommodation properties are planned for the GVRD in the next few years. These facilities, if all completed, will add more than 3,000 rooms by the end of 1999, an increase of 16% in the current supply.

Three of the proposed hotels have in excess of 300 rooms: the Radisson Hotel at Orca Bay Place (323 rooms), the hotel annex at the Vancouver International Airport (400 rooms), and the Sheraton Wall Centre in downtown Vancouver (600 rooms). There are currently two combination hotel and office buildings proposed, one in downtown Vancouver and the other in Burnaby.

