

SPECIAL FOCUS: THE CAPITAL REGIONAL DISTRICT (CRD)

CRD second only to GVRD

Last month's Special Focus was room revenue earnings in the Greater Vancouver Regional District (GVRD), the largest in the province. This month we examine the Capital Regional District (CRD), the area containing Victoria and surrounding municipalities.

The CRD earned 12% of BC's room revenue in 1995 (\$120.8 million), and is by far the largest regional district in the Vancouver Island/Coast Development Region. Although this share of BC's revenue is dwarfed by the 43% earned in the GVRD, the CRD total is nearly as high as that of the third largest *development region*—the Thompson/Okanagan with a revenue total of in 1995 was \$134.9 million, or 14% of the provincial total.

Hotels in Victoria dominate

In 1995, 185 properties operated in the CRD. Of these, 60 were hotels; these hotels had 61% of the region's 8,052 rooms and earned 83% of the revenue.

Large hotels in the City of Victoria dominate the region's earnings. Twenty hotels with more than 75 rooms are located in the city. These hotels contain 36% of the CRD's room supply, and in 1995 earned \$68.5 million—57% of the regional district's total. The remaining 18 hotels in Victoria (those with 75 or fewer rooms) earned another 10% of the CRD's revenue.

Recent revenue growth

The regional district's \$120.8 million was an increase of 8.5% over 1994. Between the years 1991 to 1995, revenue grew an average of 7.9% each year.

Between January 1993 and August 1996 monthly seasonally adjusted revenue increased roughly 40%. At the same time, seasonally adjusted revenue in the remainder of BC grew more than 50%, buoyed by phenomenal growth in the Greater Vancouver area (as shown in the chart below). June 1996 marked the high point in seasonally adjusted revenue since August 1994 (the month the Commonwealth Games were held in Victoria); subsequently revenue has fallen in two consecutive months.

This raises an interesting question ... did the Commonwealth Games affect visitation to Victoria?

The chart below shows a significant spike in the revenue earned in Victoria in August 1994. Since then revenue has grown dramatically in Vancouver, and Victoria's growth has roughly followed the rate in the remainder of the province.

Unfortunately, the room revenue data provides no conclusive evidence of changing travel patterns. Without a detailed visitor survey, there is no way of knowing if the Commonwealth Games influenced subsequent travel patterns to Victoria.

