

## Tourism Room Revenue ♦ April 1999

### Highlights

#### The Province

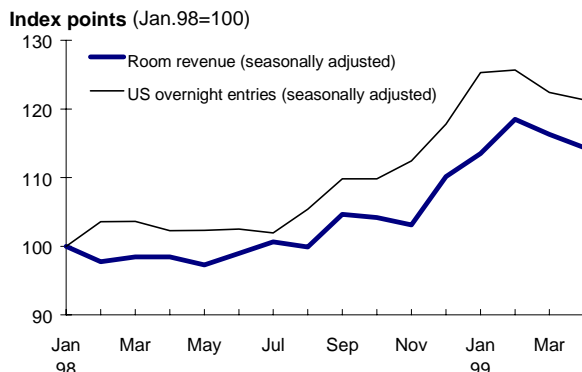
- Seasonally adjusted room revenue in BC was down for the second straight month, losing 1.7% from March to stand at \$113.6 million.
- Changes in visits from the US may have played a role in this recent decline. Overnight entries from the US (seasonally adjusted) were also down in March and April, the first declines since July 1998.

#### New Data Table!

This edition of *Tourism Room Revenue* introduces "Table 8, Traveller Entries to Canada via BC, Seasonally Adjusted" on page 15.

The chart below puts the seasonally adjusted data to work, comparing the trend in the US overnight entries with that of room revenue.

**Room revenue decline echoes dip in US overnight entries**



#### In the Regions

- Kootenay (+4.4%), Vancouver Island/Coast (+2.4%), and North Coast (+1.6%) all saw revenue up in April. For all three of these regions, April's growth was a reversal of their

March fortunes, when revenue was down.

- Mainland/Southwest, the province's biggest region with over half of the total, saw revenue drop for the first time since November (-1.6%).

#### The Accommodation Types

- Vacation rentals declined more than any other accommodation type in April, losing 17.7%. This was a turn-around from March, when they had the strongest growth in BC (+6.0%). Hotels with between 76 and 149 rooms saw revenue dip for the second straight month (-8.4%).
- Other accommodation categories held steady in April, showing either modest gains or declines.
- Miscellaneous properties, a catch-all that includes fishing lodges and bed and breakfasts, saw revenue rocket upwards 43.0%. This category, however, accounts for only three per cent of provincial room revenue.

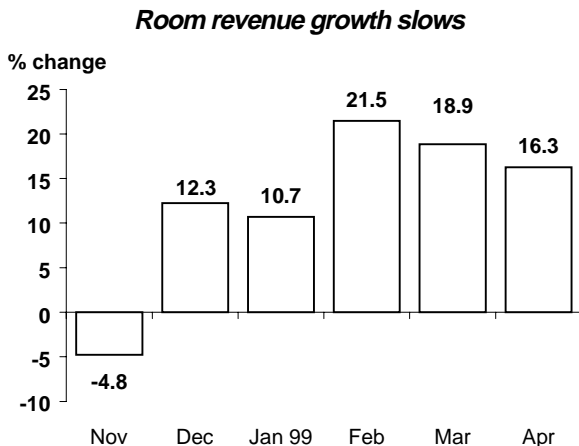
**Text Table 1. Room Revenue Summary**

Accommodation Type			
	Apr. 99 (\$000)	Mar. 99 (\$000)	% change
Total	113,639	115,582	-1.7
Hotels	83,926	85,457	-1.8
Motels	14,166	14,196	-0.2
Other Acc.	14,381	15,626	-8.0
Regions (Top 3 performers)			
Kootenay	4,776	4,576	4.4
Vancouver Isl/Coast	19,454	18,997	2.4
North Coast	1,304	1,283	1.6

*All data reported in Highlights are seasonally adjusted. All comparisons are to the month previous except where noted.*

## Room Revenue Trends (Unadjusted)

Room revenue, unadjusted for seasonal variation, was \$87.0 million in April. This was a 16.3% increase over April 1998, and the fifth straight month with a double-digit increase. It was, however, the smallest increase since the rate peaked in February at 21.5%.



It is this slowdown in year-over-year growth that has led to a drop in the month-over-month seasonally adjusted room revenue as reported earlier in this report.

### Most accommodation categories up

Hotels, vacation rentals, and miscellaneous properties all posted strong growth in April, continuing the trend seen earlier in the year.

Hotels in particular contributed to the province's overall performance. In aggregate, hotels earned 18.3% more revenue in April 1999 than the same month of 1998. This growth was led by large (250+ room) hotels (+23.3%). The fortunes of the large hotels are particularly tied to overseas entries, since a large part of their client base is drawn from BC's international visitors. Through 1998 these properties saw revenue drop 2.1%, in large part due to a decline in the number of visitor entries from Asia. In step with the rebound in the number of Asian entries in early 1999, the large hotel revenue recovered as well.

Motels had revenue of \$10.6 million in April, up slightly (+1.0%) from April 1998. On a year-to-

date basis, however, motel revenue was off slightly (-0.4%) from the same period of 1998. This decline could be due in part to a slight drop in the number of motel properties reporting revenue, which went from 684 in April 98 to 673 in April 1999.

Fishing lodges as a group did not fare well in early 1999. In April their revenue fell 18.0%, while year-to-date it was down 10.0%.

**Text Table 2. BC Tourism Indicators**

	Change from Apr 98	Total Apr 99
<b>Hotel Industry</b>		
Occupancy rate	-0.2 pp.	62%
Average room charge <i>(Pannell Kerr Forster)</i>	3.5%	\$98.98
<b>Passenger Traffic</b> (%) (000s)		
<b>Vancouver International Airport</b>		
Total traffic	6.1	1,203
US	0.3	294
Other International	7.2	248
Canada <i>(YVR)</i>	8.5	661
<b>Victoria International Airport</b>		
Total traffic <i>(Victoria Airport Authority)</i>	0.1	101
<b>Transportation</b> (%) (000s)		
<b>Coquihalla Highway</b>		
Passenger Vehicles <i>(Ministry of Transportation &amp; Highways)</i>	0.5	192
<b>BC Ferries</b>		
Vehicle Volume	0.0	631
Passenger Volume <i>(BC Ferries)</i>	-0.1	1,657
<b>Exchange Rates</b> chg. from Apr 98 Cdn \$		
US \$	0.058	1.487
UK Pound	0.002	2.394
Japanese Yen	0.002	0.012
Australian \$ <i>(Statistics Canada)</i>	0.024	0.956

*All references in Room Revenue Trends are to unadjusted data. All comparisons for BC Tourism Indicators are for the reference month relative to the same month the previous year.*

## Traveller Entries to BC

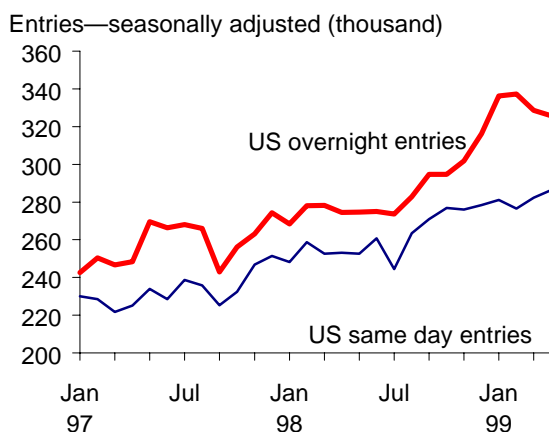
### International visitor entries reach new highs

In April, entries by foreign residents to Canada via BC advanced 14.4% over April 1998 to 563,087. This was the seventh month out of the previous eight with a double-digit increase in international entries.

### US entries up—or are they?

Bouyed by an 18.1% increase in overnight entries, the number of Americans entering Canada via BC was up 15.3% to 474,423 in April. But this was the slowest growth in overnight entries since November, when American overnight entries were up 11.9%.

#### US entries down for second month (seasonally adjusted)

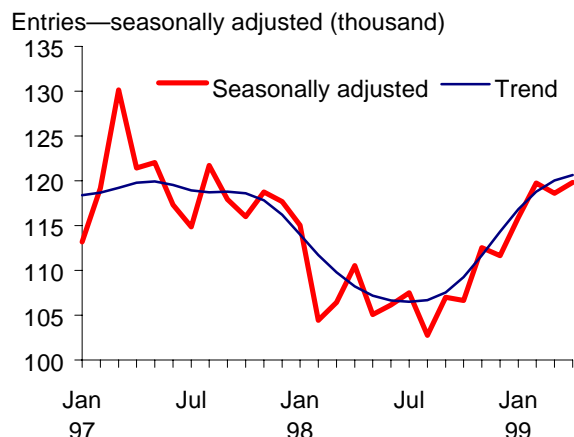


This slowdown in growth is reflected in the seasonally adjusted data. Following the dramatic peak in the early part of 1999, driven at least in part by the Royal British Columbia Museum's Leonardo exhibit (see the Special Focus article in last month's *Tourism Room Revenue*), overnight entries from the US have slumped. In April, overnight entries (seasonally adjusted) continued their downward trend, losing 0.9% from March. This drop continues into May, the most recent month for which data are available.

### Overseas entries up by any measure

In April total entries from overseas countries were up 9.8% over April 1998, the fourth consecutive month of growth. Seasonally adjusted, overseas entries were 1.0% higher than in March. They have averaged roughly 120,000 since February.

### Overseas entries holding steady (seasonally adjusted)



**Text Table 3. Traveller Entries (unadjusted)**

	% chg from April 98	April 99 (000)
<b>American visitors</b>		
Total	15.3	474
Same-day	12.9	246
Overnight	18.1	229
<b>Overseas visitors</b>		
Total	9.8	89
Europe	12.8	25
UK	7.1	12
Asia	9.5	52
Japan	2.3	22
Taiwan	57.0	12
Oceania	8.7	8
<b>Canadian re-entries</b>		
Total	-11.7	859
From overseas	10.3	74
From US	-13.3	785
Same-day	-19.4	536

(Statistics Canada)

**Note:** All comparisons for Traveller Entries to BC are for the reference month relative to the same month the previous year