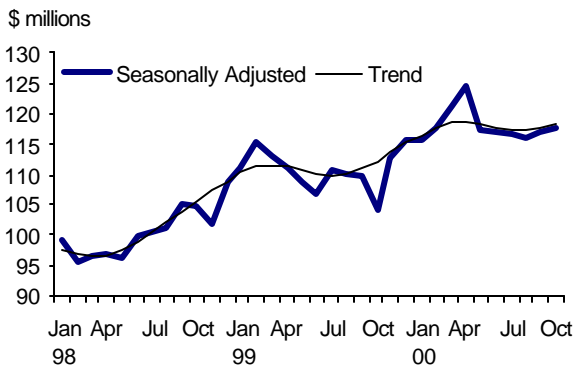


## Tourism Sector Monitor ♦ January/February 2001

### Highlights

#### Room revenue

In **October**, room revenue (seasonally adjusted) in BC climbed 0.5% to \$117.7 million. The Kootenay region recorded the largest increase, rising 5.2% from September. Vancouver Island/Coast (+3.6%) and Mainland/ Southwest (+0.3%) were the only other regions to experience a growth in revenue in October.



**Text Table 1. Room Revenue\* Summary**

Accommodation Type			
	Oct. 00 (\$000)	Sep. 00 (\$000)	% chang e
Total	117,735	117,101	0.5
Hotels	90,615	90,155	0.5
Motels	14,893	14,844	0.3
Other Acc.	13,424	14,079	2.6
Regions (Top 3 performers)			
Kootenay	5,501	5,229	5.2
Vancouver Isl./Coast	21,191	20,463	3.6
Main- land/Southwest	67,306	67,091	0.3

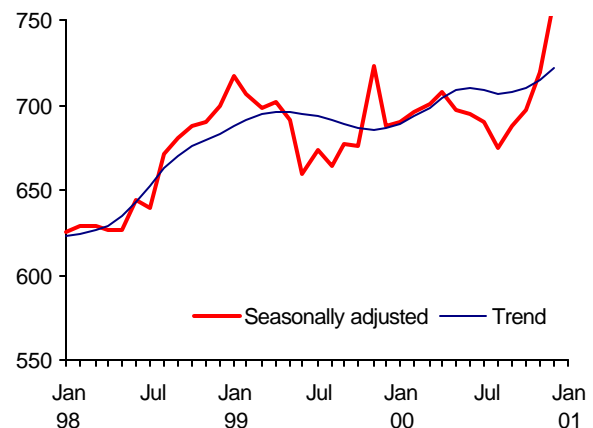
\*Seasonally adjusted room revenue

#### Visitor entries

International traveller entries increased 4.4% in **December** (seasonally adjusted), reaching an all-time high of 761,600. The total number of entries in 2000 was also the highest ever recorded.

#### Visitor entries continue to climb

Entries—seasonally adjusted (thousand)



More Americans are travelling to Canada via BC than ever before. These visits are split almost equally between same-day trips and overnight stays.

#### Other indicators

In **December**, restaurant, caterer and tavern receipts were \$415.1 million. The total for 2000 was \$4,833.5 million, which is an 8.2 percent increase over 1999.

Air passenger traffic was up in 2000 in Vancouver with 16 million passengers flying in or out. This was an increase of 1.4% over 1999. Kelowna (+2.6%) and Prince George (+11.7%) airports benefited from the presence of the Westjet airline and also experienced growth.

# Tourism Trends

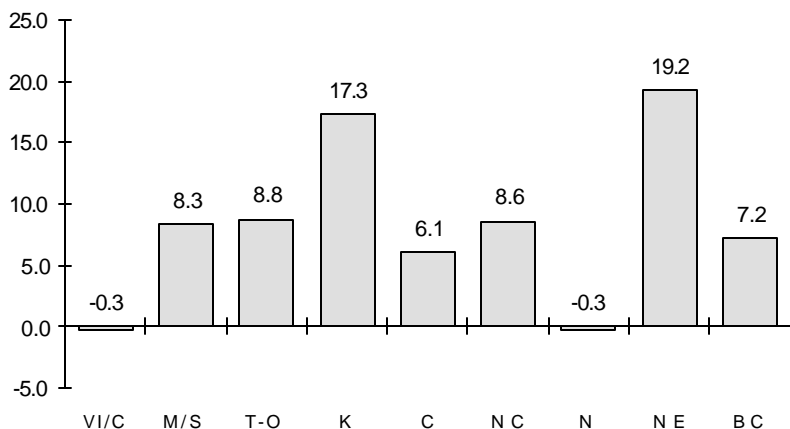
## Room revenue falling after hitting all-time high

In October, room revenue (seasonally adjusted) in BC climbed 0.5 percent to \$117.7 million. Only three of the eight development regions experienced an increase, but these include the two largest in terms of population, the Mainland/Southwest (+0.3%) and Vancouver Island/Coast (+3.6%) regions. The Kootenay (+5.2%) region recorded the largest percentage gain. The North Coast region had the largest percentage drop, falling 11.2 percent.

Despite the large decline, room revenue in the North Coast region is up 8.6 percent year-to-date 2000 over the January to October period in 1999. The Kootenay (+17.3%) and Northeast (+19.2%) regions have been exploding in terms of revenue growth in 2000 compared to a year earlier. Only the Vancouver Island/Coast (-0.3%) and Nechako (-0.3%) regions have not had more revenue in 2000 compared to 1999, although Vancouver Island/Coast has been trending upward. It may turn out that 2000 was still a better year than 1999, despite the drawing power of the Leonardo da Vinci exhibit that ran until the first week in March, 1999 and drew a substantial number of visitors into the area.

**Note:** All comparisons for "Tourism Trends" are seasonally adjusted unless stated otherwise. All comparisons are to the previous month except where noted.

October year-to-date percent growth



*Room revenue is up substantially in most parts of the province.*

- |                                      |                              |
|--------------------------------------|------------------------------|
| <b>VI/C = Vancouver Island/Coast</b> | <b>NC = North Coast</b>      |
| <b>M/S = Mainland/Southwest</b>      | <b>N = Nechako</b>           |
| <b>T-O = Thompson-Okanagan</b>       | <b>NE = Northeast</b>        |
| <b>K = Kootenay</b>                  | <b>BC = British Columbia</b> |
| <b>C = Cariboo</b>                   |                              |

## Visitor entries reach another record high

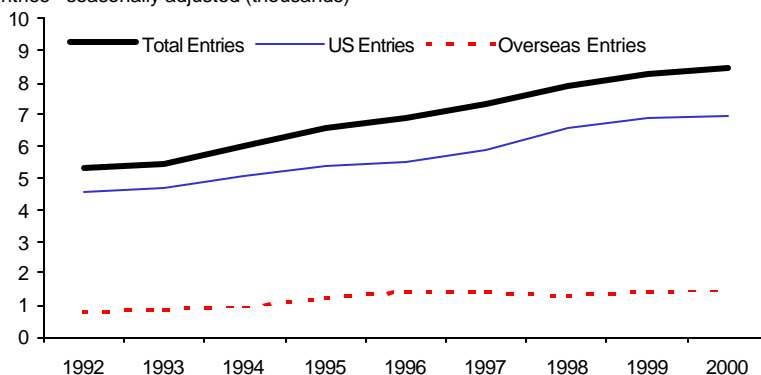
International traveller entries to British Columbia were up for the fourth straight month in December (+4.4%, seasonally adjusted) reaching an all-time one-month high of 761,600. The November to December growth was the largest percentage increase in over a year.

The total number of entries for 2000 was also the highest ever. The continual climb has been fuelled mainly by an increase in Americans travelling to British Columbia, for both same-day and overnight trips. However, overseas entries have also been rising, particularly from European and Oceanic countries. Visits from Asian origins are down from the 1997 peak, but are trending up once again.

*The number of traveller entries to Canada via British Columbia continues to climb.*

### International entries continue to trend upward

Entries - seasonally adjusted (thousands)



**Text Table 2. Traveller Entries (seasonally adjusted)**

	Dec-00 ( '000)	Nov-00 ( '000)	% chg from Nov-00
<b>American visitors</b>			
Total	631	602	4.8
Same-day	294	288	1.8
Overnight	314	301	4.2
<b>Overseas visitors</b>			
Total	130	127	2.6
Europe	43	41	4.9
UK	20	17	17.9
Asia	64	64	0.7
Japan	24	25	-0.3
Taiwan	11	12	-5.0
Oceania	13	12	8.2
<b>Canadian re-entries</b>			
Total	759	773	-1.9
From overseas	76	73	3.9
From US same-day auto	463	461	0.4

*(BC STATS & Statistics Canada)*

The trend toward more visitors from the United States continued in December. Entries of overnight visitors from the US were up 4.2 percent

*Americans are making more trips north of the border to BC than ever before.*

from the previous month. Same-day visits were also up (+1.8%). The annual total for 2000 of visitor entries from the US was just under 7 million, which is a record high. These visits were almost evenly split between same-day (49.5%) and overnight visits (50.5%). The continuing weakness of the Canadian dollar relative to its American counterpart has undoubtedly contributed to the trend toward more frequent visits.

### Canadian travel slips for the fourth straight year

For the fourth straight year, the number of Canadians returning from other countries via BC dropped. The fall is due to a decline in travel to the United States. There were almost 245,000 fewer Canadians returning from the US in 2000 compared to 1999. The exchange rate is likely the main reason for this change, particularly considering that overseas travel increased in 2000 over the previous year, with a record high 871,300 Canadians returning from overseas destinations last year.

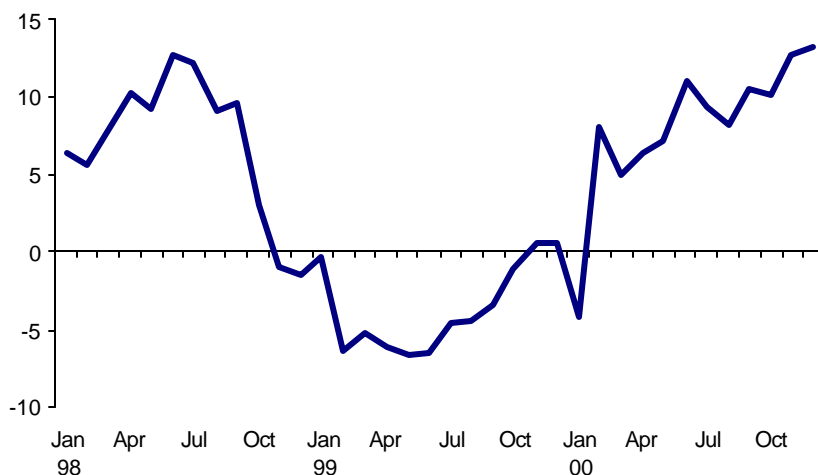
### Other tourism indicators: food and beverage revenue trending up

The yearlong rise in revenue in food and beverage services continued in December with a 4.2 percent increase over the same month in 1999. Annually, revenue was up substantially (+8.2%) over 1999.

*In 2000, revenue from food and beverage services more than recovered from the slump in 1999 and is still trending up.*

#### Food & beverage services continue to climb

Year-Over-Year Percent Change



Air passenger traffic at Vancouver airport was up 1.4 percent in 2000 compared to 1999 with over 16 million passengers flying in or out of Vancouver. Victoria experienced a decline (-4.4%), but Kelowna (+2.6%) and Prince George (+11.7%) experienced significant increases. It is likely that a large portion of the increase for these two airports is due to the fact that they are both destinations for Westjet, which is filling in the gap in regional service created by the merger of the Canadian and Air Canada airlines.

**Text Table 3. Other Tourism Indicators**

	Reference period	Total	Change from year ago

<b>Hotel Industry</b>			
Occupancy rate	Dec-00	42.8%	1.8 pp.
Average room charge	Dec-00	\$113.32	4.9%
<i>(Pannell Kerr Forster)</i>			
<b>Airport Passengers</b>		<b>(000s)</b>	<b>(%)</b>
<b>Vancouver International Airport</b>			
Total traffic	Dec-00	1,201	2.9
US	Dec-00	309	5.9
Other International	Dec-00	248	3.8
Canada	Dec-00	644	1.2
<i>(YVR)</i>			
<b>Victoria International Airport</b>			
Total traffic	Dec-00	98	10.3
<i>(Victoria Airport Authority)</i>			
<b>Restaurant Receipts</b>		<b>(\$ millions)</b>	<b>(%)</b>
Full service	Dec-00	216	18.4
Limited service	Dec-00	136	3.6
Drinking places	Dec-00	26	-5.9
<i>(Statistics Canada)</i>			
<b>Transportation</b>		<b>(000s)</b>	<b>(%)</b>
<b>Coquihalla Highway</b>			
Passenger Vehicles	Jan-01	101	8.9
<i>(Ministry of Transportation &amp; Highways)</i>			
<b>BC Ferries</b>			
Vehicle Volume	Dec-00	573	-2.1
Passenger Volume	Dec-00	1,497	-1.8
<i>(BC Ferries)</i>			
<b>Exchange Rates</b>		<b>Cdn \$</b>	<b>Change from year ago</b>
US \$	Dec-00	1.522	0.049
UK Pound	Dec-00	2.226	-0.151
Japanese Yen	Dec-00	0.014	-0.001
Australian \$	Dec-00	0.831	-0.113
<i>(Statistics Canada)</i>			