

Tourism Sector Monitor ♦ September 2001

Highlights

Room revenue

For the fifth consecutive month, room revenues in BC fell (-0.9%) in **June**. The driving force behind this was the Mainland Southwest (-2.1%) where revenues have been weak since the beginning of the year, and the Northeast (-10.7%). The largest gains were made in the North Coast (+3.8%) followed by the Cariboo (+2.1%) and Vancouver Island/Coast (+2.0%).

Room revenues continue to fall

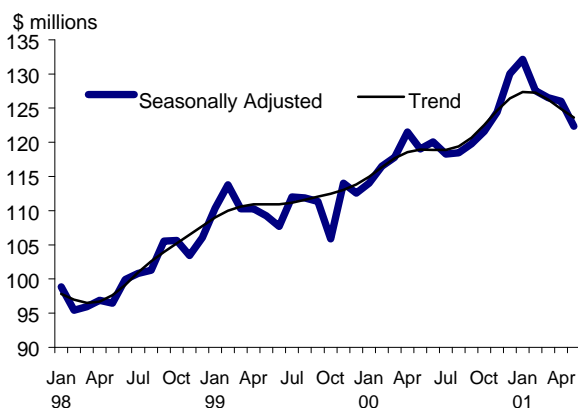


Table 1. Room Revenue* Summary

Accommodation Type			
	June 01 (\$000)	May 01 (\$000)	% change
Total	121,246	122,385	-0.9
Hotels	91,239	92,274	-1.0
Motels	15,253	15,336	-0.5
Other Acc.	15,050	14,373	4.7
Regions (Top 3 performers)			
North Coast	1,619	1,560	3.8
Cariboo	3,485	3,415	2.1
Vancouver Island/ Coast	22,167	21,734	2.0

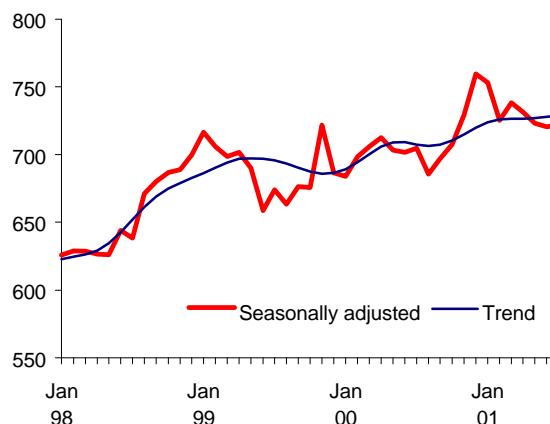
* Seasonally adjusted room revenue

Visitor Entries

After three months of decline, visitor entries to BC remained fairly flat (+0.1%) in **July**. A small increase in entries from the US (+0.3%) was dominated by a decline in visitors from overseas (-0.7%).

Visitor entries level off

Entries—seasonally adjusted (thousand)



Other indicators

In **July**, restaurant, caterer and tavern receipts grew 6.5% from the same period last year. Full service restaurants saw the largest increase (+10.6%).

Passenger traffic at the Vancouver International airport slipped 0.4% in **June** from the same period last year. At the Victoria airport, passenger traffic rose 12.5% in **July** compared to July 2000. Both vehicle traffic (+3.6%) and passenger traffic (+1.1%) on the BC Ferries in **July** was up from the same month last year.

Tourism Trends

Room Revenue

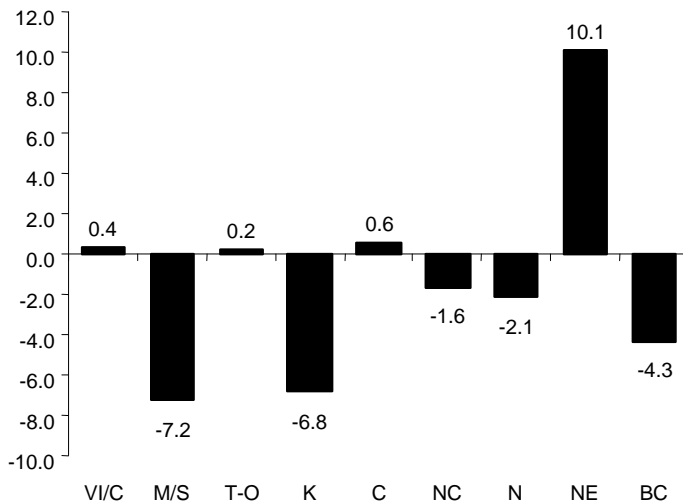
Despite declines in only three regions, room revenues in BC continued on a downward trend in June, falling 0.9%. The Northeast region saw the largest fall (-10.7%). Drops in Richmond and Downtown Vancouver pushed revenues in the Mainland Southwest down 2.1%. The Kootenay region (-1.4%) also saw declines. The largest gains were made in the North Coast where revenues rose 3.8%. Other regions that saw growth included Vancouver Island/Coast (+2.0%) and the Cariboo (+2.1%).

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

In the second quarter of 2001, room revenues dropped 4.3%. The driving force behind this fall was the Mainland Southwest where revenues were down 7.2%. The Northeast boasted the highest growth in the second quarter, with revenues up 10.1%. A weak performance by the Central Kootenay regional district led to a 6.8% fall in revenues in the Kootenay region.

Second Quarter numbers down

% Growth: Second Quarter 2001



Second Quarter revenues in the Mainland Southwest saw large declines.

VI/C = Vancouver Island/Coast
M/S = Mainland/Southwest
T-O = Thompson-Okanagan
K = Kootenay
C = Cariboo

NC = North Coast
N = Nechako
NE = Northeast
BC = British Columbia

Visitor Entries

International traveller entries to BC levelled off (+0.1%) in July, after three months of decline. Overseas entries dropped (-0.7%) due in part to a fall in entries from European (-3.3%) and Oceanic (-2.2%) countries. Entries from the US rose 0.3% despite a fall (-1.0%) in same-day trips.

The number of Canadian re-entries via BC was up 0.3%. Canadian same-day auto trips to the US dropped 1.7% but overseas re-entries grew 1.5%.

Canadian re-entries levelling off

Canadian Re-Entries (thousands)

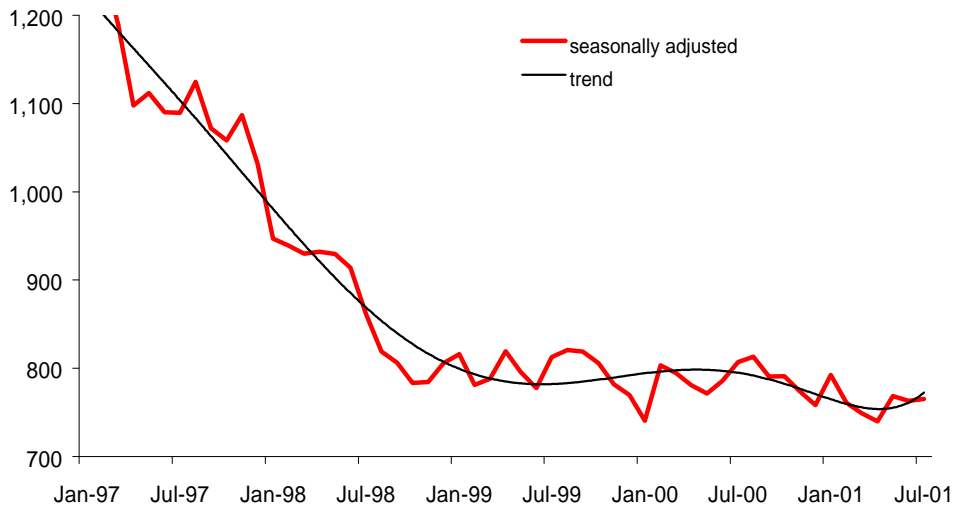


Table 2. Traveller Entries (seasonally adjusted)

	Jul-01 ('000)	Jun-01 ('000)	%chg from Jun-01
American visitors			
Total	604	603	0.3
Same-day	301	304	-1.0
Overnight	305	305	0.2
Overseas visitors			
Total	117	118	-0.7
Europe	35	36	-3.3
UK	19	18	3.3
Asia	62	62	-0.2
Japan	25	23	8.9
Taiwan	7	9	-26.1
Oceania	11	11	-2.2
Canadian re-entries			
Total	765	763	0.3
From overseas	77	76	1.5
From US same-day auto	445	452	-1.7

(BC STATS & Statistics Canada)

Other Tourism Indicators

Restaurant, caterer and tavern receipts continued to grow, reaching \$479.5 million in July, a new record. Receipts were up 6.5% from July 2000 levels. Full service restaurant receipts rose 10.6% and sales from drinking places grew 7.7% from the same period last year.

Despite a decline in the number of businesses, revenue in the food and beverage service industry is showing strong growth over last year.

Year-Over-Year Percent Change

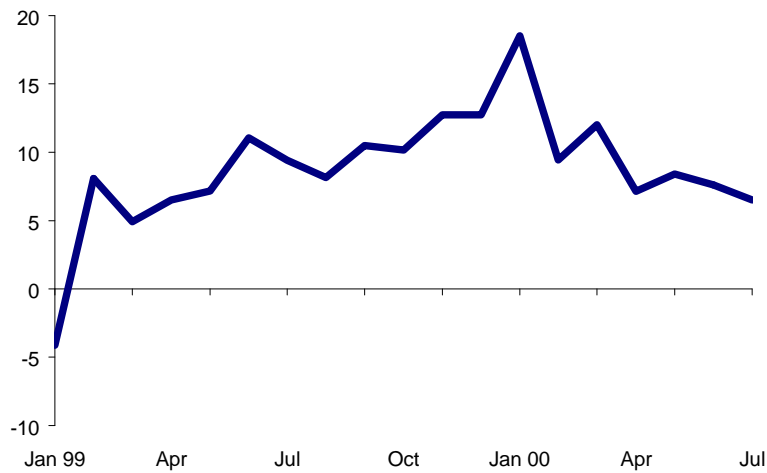


Table 3. Other Tourism Indicators

	Reference period	Total	Change from year ago
Hotel Industry			
Occupancy rate	Jun-01	59%	-0.2 pp.
Average room charge	Jun-01	\$116.62	3.3%
<i>(Pannell Kerr Forster)</i>			
Airport Passengers		(000s)	(%)
Vancouver International Airport			
Total traffic	Jun-01	1,481	-0.4
US	Jun-01	401	5.3
Other International	Jun-01	348	-1.4
Canada	Jun-01	732	-2.8
<i>(YVR)</i>			
Victoria International Airport			
Total traffic	Aug-01	122	12.5
<i>(Victoria Airport Authority)</i>			
Restaurant Receipts		(\$ millions)	(%)
Full service	Jul-01	260	10.6
Limited service	Jul-01	154	0.8
Drinking places	Jul-01	35	7.7
<i>(Statistics Canada)</i>			
Transportation		(000s)	(%)
Coquihalla Highway			
Passenger Vehicles	Aug-01	401	6.8
<i>(Ministry of Transportation & Highways)</i>			
BC Ferries			
Vehicle Volume	Aug-01	989	3.6
Passenger Volume	Aug-01	2,890	1.1
<i>(BC Ferries)</i>			
Exchange Rates		C dn \$	Change from year ago
US \$	Aug-01	1.540	0.058
UK Pound	Aug-01	2.215	0.009
Japanese Yen	Aug-01	0.013	-0.001
Australian \$	Aug-01	0.809	-0.052
<i>(Statistics Canada)</i>			