

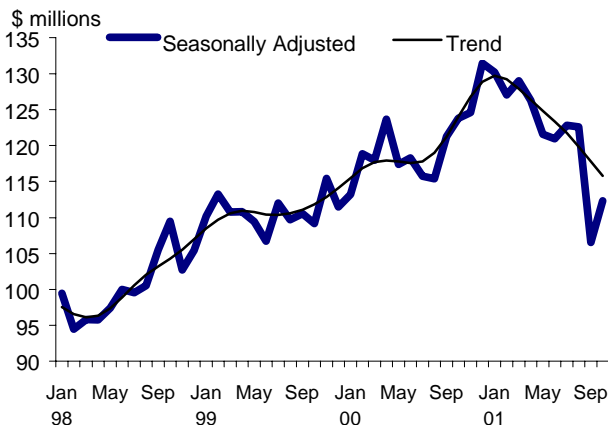
## Tourism Sector Monitor ♦ January 2002

### Highlights

#### Room revenue

In **October** room revenue in the province grew 5.4% (seasonally adjusted) as revenues began to recover from the drastic fall (-13.1%) in September. Those regions that were hardest hit in September made some of the largest gains in October. After dropping 12.6% in September, Vancouver Island/Coast saw the largest growth (+8.4%) in October. Mainland Southwest began to rebound from its 17.1% decline in September with a 5.3% increase in October. Revenues in the Kootenay dropped 3.3%.

#### Room revenues making up lost ground



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

Accommodation Type			
	Oct.01 (\$000)	Sept. 01 (\$000)	% change
Total	112,313	106,559	+5.4
Hotels	84,157	79,195	+6.3
Motels	15,308	14,399	+6.3
Other Acc.	14,649	14,459	+1.3
Regions (Top 3 performers)			
Vancouver Island/Coast	20,875	19,261	+8.4
Thompson Okanagan	16,118	15,005	+7.4
Northeast	3,133	2,939	+6.6

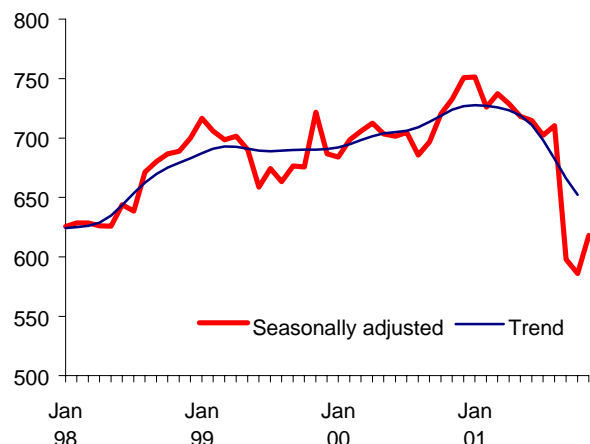
\*Seasonally adjusted room revenue

#### Visitor Entries

Visitor entries to Canada through BC border crossings rebounded in **November**, rising 5.5% (seasonally adjusted). The increase in entries, which was the strongest so far in 2001, was largely due to visits from the US. The number of Americans crossing into BC was up 7.0%, boosted by a strong gain (+12.9%) in same-day travel. Overnight visits from the US were 6.3% higher than in October.

#### Visitor entries begin to recover

Entries—seasonally adjusted (thousand)



#### Other indicators

In **December**, passenger traffic at the Victoria (-8.8%), Kelowna (-2.6%) and Prince George (-16.2%) airports continued to fall as compared to the same month of the previous year. While fewer people were flying more people were using other modes of transportation. Coquihalla highway traffic (+8.3%) and both vehicle (+4.2%) and passenger (+1.8%) traffic on the BC Ferries rose.

#### A Look Ahead...

Preliminary numbers for November show room revenues up 3.4% (seasonally adjusted). Unadjusted numbers show a 5.0% decline from the same month of 2000.

# Tourism Trends

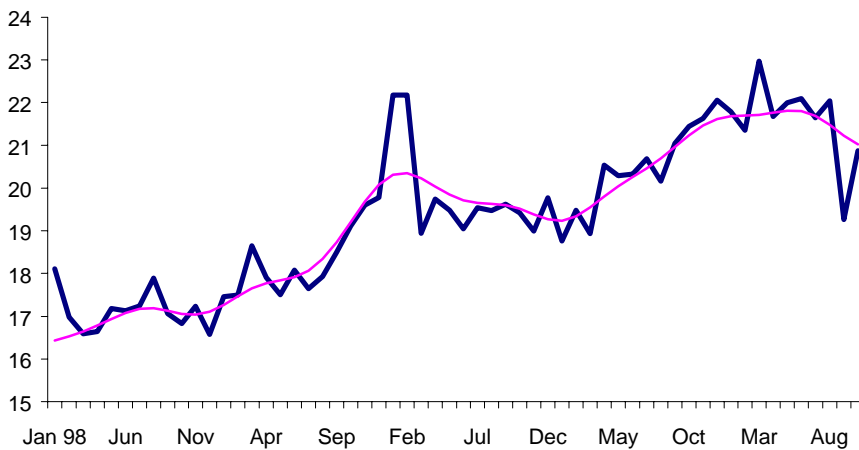
## Room Revenue

After large declines in September when revenues fell across the board in the wave of the terrorist attacks, room revenues began to recover (+5.4%) in October. Total revenue for the province was \$112 million, still much lower than pre-September levels (\$122.6 million in August). All but two regions in the province regained some of the lost ground, with the largest gain in Vancouver Island/Coast (+8.4%). Revenues in the Northeast were up 6.6% and grew 5.3% in Mainland Southwest. The Kootenay (-3.3%) and Cariboo (-2.4%) regions saw declines.

Hotels gained 6.3% in October, being pushed up by climbing revenues (+9.8%) in the smaller establishments (less than 75 rooms). These smaller hotels have now almost recovered from their 10.7% fall in September. Larger hotels still struggled in October. These hotels saw larger declines in September and haven't recuperated yet. Hotels with more than 250 rooms saw the biggest drop in September (-19.1%) and only grew 5.8% in October. Motels performed as well as hotels did (+6.3%) in October.

### ***Room revenues in the Vancouver Island/Coast show a strong recovery***

Room Revenue - seasonally adjusted (millions)



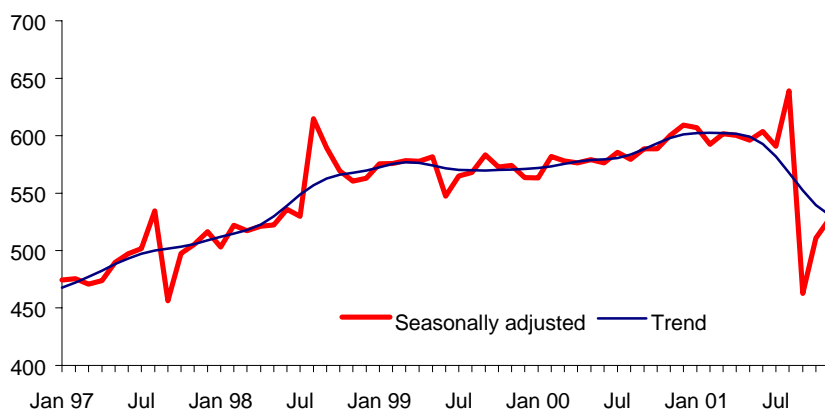
## Visitor Entries

After two months of decline, visitor entries into BC rose 5.5% in November. The driving force behind this was a jump (+7.0%) in the number of American visitors. Both same-day (+12.9%) and overnight (+6.3%) entries increased. Fewer overseas visitors (-1.5%) entered Canada via BC, despite a surge (+12.4%) in the number of entries from Europe. Asian entries were down 5.8%, while the number of travellers coming from the South Pacific declined 10.4%.

The number of Canadians making same-day trips from BC to the US increased 8.8%. However, the number of Canadians returning from trips overseas was down 0.2%. Overall, there were 4.5% more Canadians coming home via BC in November than in the previous month.

### ***American entries into BC climb up***

American Entries—seasonally adjusted (thousand)



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

	Nov-01 (‘000)	Oct-01 (‘000)	%chg from Oct-01
<b>American visitors</b>			
Total	514	480	7.0
Same-day	222	197	12.9
Overnight	301	283	6.3
<b>Overseas visitors</b>			
Total	104	106	-1.5
Europe	41	37	12.4
UK	19	18	7.9
Asia	50	53	-5.8
Japan	17	17	-1.5
Taiwan	4	7	-35.2
Oceania	9	10	-10.4
<b>Canadian re-entries</b>			
Total	551	528	4.5
From overseas	72	72	-0.2
From US same-day auto	272	250	8.8
<i>(BC STATS &amp; Statistics Canada)</i>			

### Other Tourism Indicators

Restaurant, caterer and tavern receipts in the province increased 0.6% (seasonally adjusted) between October and November. The relatively strong gain occurred mainly because spending at taverns and drinking places was up substantially (+2.3%) for the second month in a row. Restaurants and food service establishments posted a more modest overall increase (+0.5%). Canadian receipts rose 1.0%, also due to an upsurge in spending at watering holes (+3.5%). Food service receipts were 0.8% higher than in October.

In December, air passenger traffic continued to be stagnant. Passenger traffic fell at the Kelowna (-2.6%), Victoria (-8.8%) and Prince George (-16.2%) airports, compared to the same month of 2000. Vehicle traffic on the Coquihalla highway jumped 8.3%, most likely due to the fall in airport traffic as people used other modes of transportation to travel. The BC ferries were also busier in December, with both passenger (+1.8%) and vehicle (+4.2%) traffic up over the same period of 2000.

**Table 3. Other Tourism Indicators**

	Reference period	Total	Change from year ago
<b>Hotel Industry</b>			
Occupancy rate	Nov-01	45.3%	-3.8 pp.
Average room charge	Nov-01	\$94.08	2.0%
<i>(PanreilKerForster)</i>			
<b>Airport Passengers</b>		<b>(000s)</b>	<b>(%)</b>
<b>Vancouver International Airport</b>			
Total traffic	Oct-01	1,065	-15.9
US	Oct-01	225	-16.5
Other International	Oct-01	241	-14.2
Canada	Oct-01	599	-16.4
<i>(VVR)</i>			
<b>Victoria International Airport</b>			
Total traffic	Dec-01	89	-8.8
<i>(Victoria Airport Authority)</i>			
<b>Restaurant Receipts</b>		<b>(\$ millions)</b>	<b>(%)</b>
Full service	Nov-01	202	3.5
Limited service	Nov-01	133	1.6
Drinking places	Nov-01	29	11.7
<i>(Statistics Canada)</i>			
<b>Transportation</b>		<b>(000s)</b>	<b>(%)</b>
<b>Coquihalla Highway</b>			
Passenger Vehicles	Dec-01	138	8.3
<i>(Ministry of Transportation &amp; Highways)</i>			
<b>BC Ferries</b>			
Vehicle Volume	Dec-01	597	4.2
Passenger Volume	Dec-01	1,524	1.8
<i>(BC Ferries)</i>			
<b>Exchange Rates</b>		<b>Cdn \$</b>	<b>Change from year ago</b>
US \$	Dec-01	1.577	0.055
UK Pound	Dec-01	2.273	0.047
Japanese Yen	Dec-01	0.012	-0.001
Australian \$	Dec-01	0.811	-0.020
<i>(Statistics Canada)</i>			