

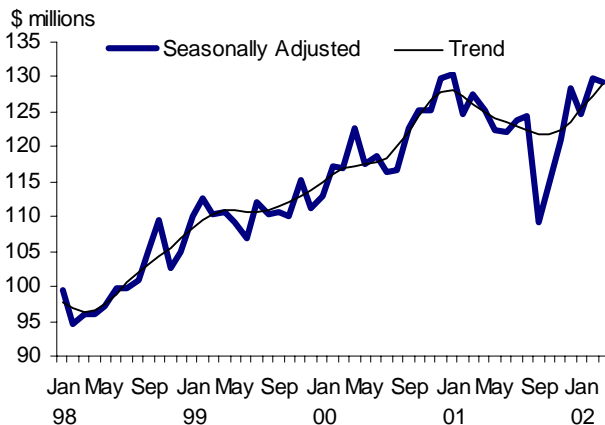
Tourism Sector Monitor ♦ June 2002

Highlights

Room revenue

Room revenue in BC fell slightly (-0.4%, seasonally adjusted) in **March**, after strong growth in February. Mainland Southwest experienced weak growth (+0.2%) and slumps in Northeast (-13.9%) and Vancouver Island/Coast (-0.5%) pushed down overall growth for the province. Thompson Okanagan (-1.6%) recorded its first drop in six months. Nechako saw the largest increase (+10.7%).

After strong growth in February, room revenues drop in March



Visitor Entries

The number of travellers entering Canada via BC fell 0.9% (seasonally adjusted) between **March** and **April**. There were fewer entries of non-residents from both the US (-0.6%) and overseas (-2.7%). Total travel to Canada was down 0.9% in April, with the number of trips from overseas countries falling 3.3% while US entries decreased 0.6%.

Visitor entries fall for the second straight month

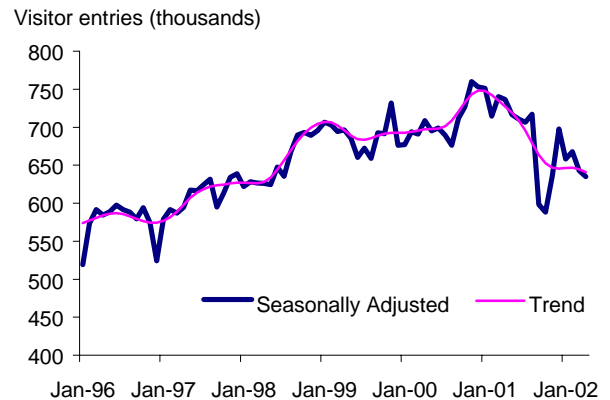


Table 1. Room Revenue* Summary

Accommodation Type			
	Mar.02 (\$000)	Feb. 02 (\$000)	% change
Total	129,211	129,758	-0.4
Hotels	93,427	94,126	-0.7
Motels	16,251	16,879	-3.7
Other Acc.	18,098	17,649	+2.5
Regions (Top 3 performers)			
Nechako	803	725	+10.7
North Coast	1,640	1,577	+4.0
Kootenay	6,784	6,581	+3.1

*Seasonally adjusted room revenue

Other indicators

In **May**, passenger traffic at the Victoria airport fell 5.0% compared to the same month of 2001. Passenger traffic was also down at the Kelowna (-3.8%) and Prince George (-15.0%) airports. Both vehicle (+4.0%) and passenger (+1.9%) traffic on BC Ferries climbed in May, compared to May 2001.

A Look Ahead...

Preliminary numbers for April show room revenues down 1.4% (seasonally adjusted) over March. On a year over year basis, unadjusted numbers show a 0.6% gain over April of 2001.

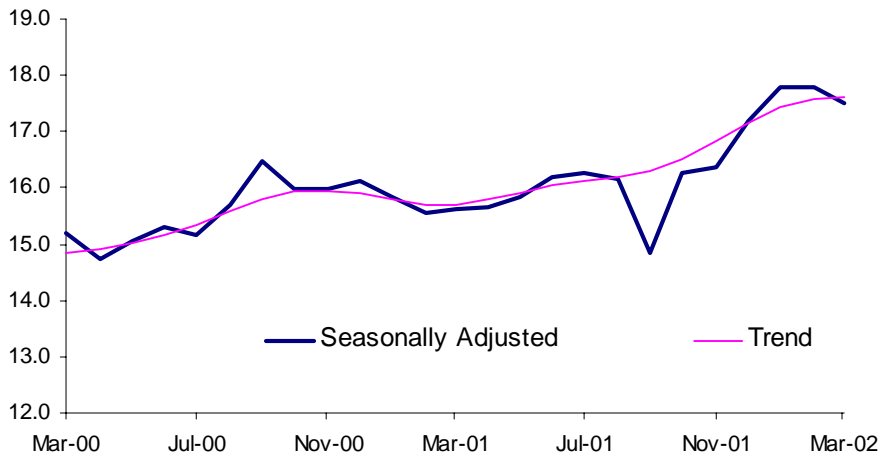
Tourism Trends

Room Revenue

Room revenue stayed constant in March after strong growth in the previous month. A downturn in Northeast (-13.9%) after four months of growth, and in Thompson Okanagan (-1.6%) kept provincial room revenue from increasing. Nechako posted the largest jump (+10.7%) followed by North Coast (+4.0%). Kootenay recorded a gain (+3.1%). The Cariboo region experienced its second decline in as many months. Revenues in the Nechako region were the highest they have been since April 1998 at over \$803,000.

Room revenue in Thompson Okanagan dropped in March for the first time in six months

Room Revenue (\$ millions)



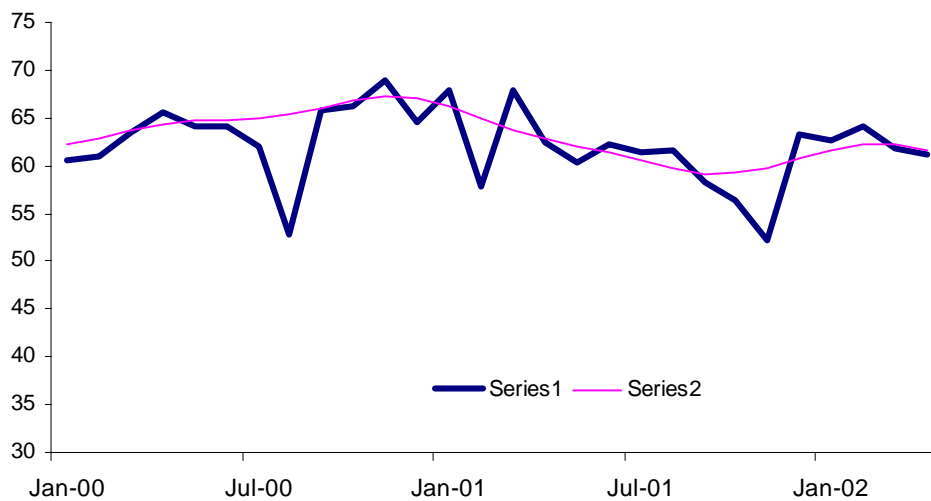
Hotels saw declines in their revenue in March. Hotels with 150-249 rooms were hit the hardest (-6.0%). Large hotels (250+ rooms) observed weak growth (+1.8%). Motels experienced a 3.7% decrease and revenue from vacation rentals slipped 5.9%. An increase in the number and usage of ski lodges helped to offset the decline in other establishments.

Visitor Entries

The number of travellers entering Canada via BC fell 0.9% (seasonally adjusted) between March and April. There were fewer entries of non-residents from both the US (-0.6%) and overseas (-2.7%). The number of non-resident entries began to decline early last year, but was showing signs of a possible turnaround prior to September 11th. Asian entries recovered after the terrorist attacks, but have declined recently. Total travel to Canada was down 0.9% in April, with the number of trips from overseas countries falling 3.3% while US entries decreased 0.6%.

Asian visitor entries have been falling for the last two months

Asian visitor entries (thousands)



There were 576,800 Canadians returning to the country via BC in April, a 0.2% decrease over March levels. Same day car trips to the US were up 0.4% and the number of Canadians returning from overseas fell 1.6%.

Table 2. Traveller Entries (seasonally adjusted)

	Apr-02	Mar-02	% chg from Mar-02
	('000)	('000)	
American visitors			
Total	525	528	-0.6
Same-day	226	224	0.7
Overnight	305	306	-0.5
Overseas visitors			
Total	111	114	-2.7
Europe	35	38	-8.3
UK	17	18	-8.5
Asia	61	62	-1.2
Japan	24	22	11.6
Taiwan	8	8	0.2
Oceania	9	9	-8.8
Canadian re-entries			
Total	577	578	-0.2
From overseas	75	77	-1.6
From US same-day auto	292	291	0.4
<i>(BC STATS & Statistics Canada)</i>			

Other Tourism Indicators

Restaurant, caterer and tavern receipts were down 3.6% (seasonally adjusted) in April. Food service establishments saw a 21.1% decrease in sales and receipts at drinking places dropped 7.8%.

Passenger traffic was down at the Prince George (-15.0%), Kelowna (-3.8%) and Victoria (-5.0%) airports in May. Passenger traffic at the Vancouver airport fell 9.2% in April, compared to the same month of 2001. Traffic has down every month since September of 2001. Domestic passenger traffic decreased 8.7% and trans-border traffic was down 13.2%. All other international flights saw a 6.0% decline in passenger traffic. In May both vehicle (+4.0%) and passenger traffic (+1.9%) rose on BC Ferries compared to the previous month, and Coquihalla traffic was up (+6.9%).

Table 3. Other Tourism Indicators

	Reference period	Total	Change from year ago
Hotel Industry			
Occupancy rate	Apr-02	58.8%	-1.3 pp.
Average room charge	Apr-02	\$105.64	0.7%
<i>(Pannell Kerr Forster)</i>			
Airport Passengers		(000s)	(%)
Vancouver International Airport			
Total traffic	Apr-02	1,128	-9.2
US	Apr-02	266	-13.2
Other International	Apr-02	273	-6.0
Canada	Apr-02	589	-8.7
<i>(YVR)</i>			
Victoria International Airport			
Total traffic	Apr-02	95	-6.5
<i>(Victoria Airport Authority)</i>			
Restaurant Receipts		(\$ millions)	(%)
Full service	Apr-02	220	-2.6
Limited service	Apr-02	142	4.4
Drinking places	Apr-02	27	-12.8
<i>(Statistics Canada)</i>			
Transportation		(000s)	(%)
Coquihalla Highway			
Passenger Vehicles	May-02	233	6.9
<i>(Ministry of Transportation & Highways)</i>			
BC Ferries			
Vehicle Volume	May-02	731	4.0
Passenger Volume	May-02	1,885	1.9
<i>(BC Ferries)</i>			
Exchange Rates		Cdn \$	Change from year ago
US \$	May-02	1.550	0.008
UK Pound	May-02	2.262	0.064
Japanese Yen	May-02	0.012	0.000
Australian \$	May-02	0.852	0.051
<i>(Statistics Canada)</i>			