

Driving Tourism Growth:

Recapturing Canada's competitiveness in a growing global tourism sector



Tourism Means Business

- In 2011 tourism :
 - Fostered 603,400 direct jobs and supported a total of 1.6 million jobs nationally (9.2% of all jobs in Canada)
 - Generated \$78.8 billion in economic activity
 - Responsible for more than \$15.1 billion in export revenue
 - Represented more of Canada's GDP than agriculture, forestry and fisheries ***combined***
- Tourism is growing internationally :
 - Receipts grew 3.9% in 2011 to over \$1 trillion
 - Global arrivals are expected to hit 1 billion in 2012

*Despite the good news internationally,
Canada's share of the world tourism market is declining*

Losing Ground

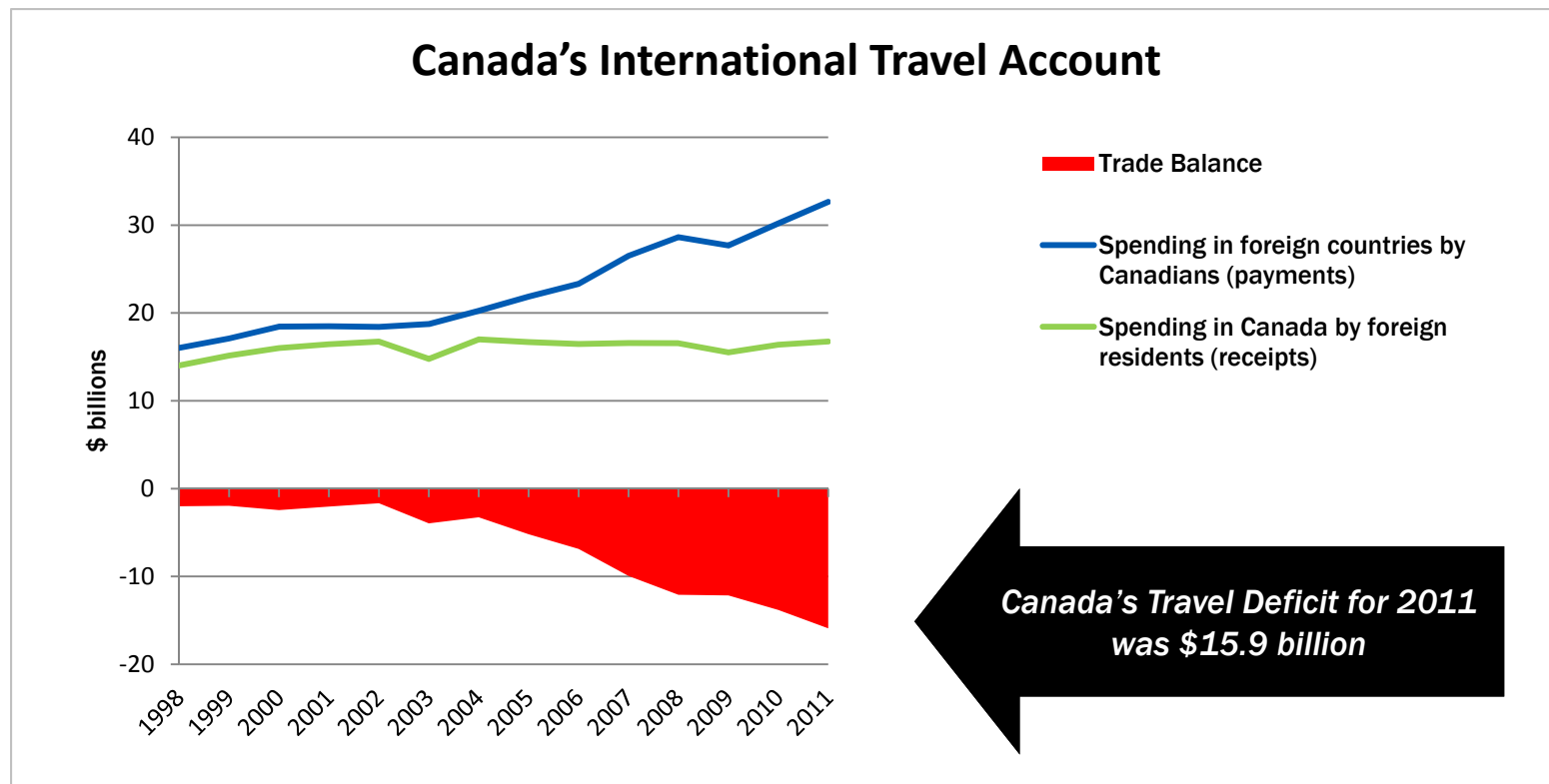
- Between 2002 and 2011, almost all countries posted gains in international arrivals — *except Canada*
- Canada has fallen behind in a growing international travel market:
- Fewer American visitors — our traditional go-to market
- New middle-class from emerging economies (Brazil, Russia India, China, Mexico) eagerly spending their travel dollars elsewhere

International Tourist Arrivals (Top 20 Countries – in millions)				
Rank	2002		2011	
1	France	77.0	France	77.1
2	Spain	52.3	U.S.	62.3
3	U.S.	43.6	China	57.6
4	Italy	39.8	Spain	56.7
5	China	36.8	Italy	46.1
6	U.K.	24.2	Turkey	29.3
7	Canada	20.1	U.K.	28.3
8	Mexico	19.7	Germany	28.4
9	Austria	18.6	Malaysia	24.7
10	Germany	18.0	Austria	23.0
11	Hong Kong	16.6	Russian Fed.	22.7
12	Hungary	15.9	Mexico	22.7
13	Greece	14.2	Hong Kong	22.3
14	Poland	14.0	Ukraine	21.4
15	Malaysia	13.3	Thailand	19.1
16	Turkey	12.8	Saudi Arabia	17.3
17	Portugal	11.6	Greece	16.4
18	Thailand	10.9	Canada	16.0
19	Ukraine	10.5	Poland	13.4
20	Netherlands	9.6	Macao (China)	12.9

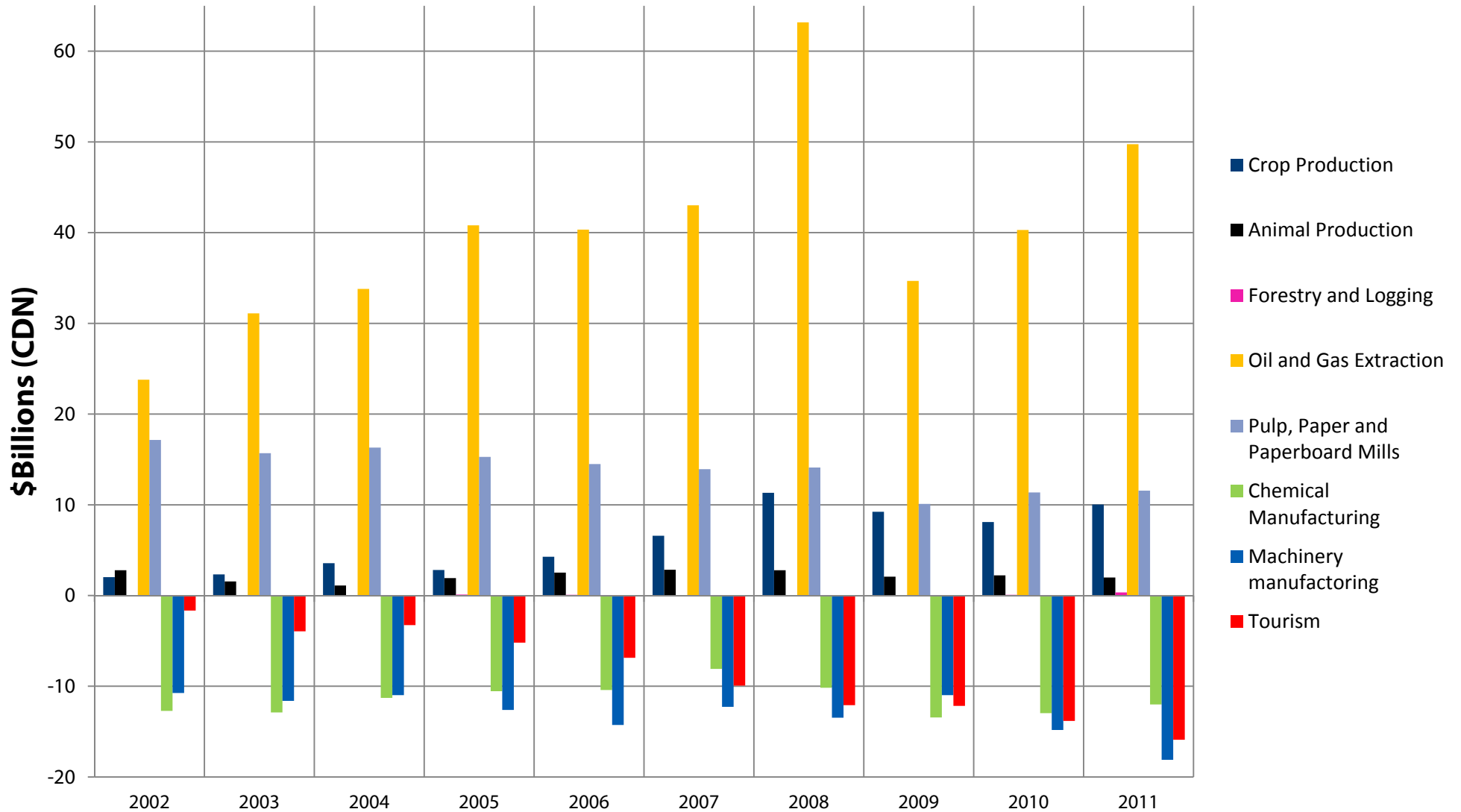
Source: UN World Tourism Organization

Canada's Growing Travel Deficit

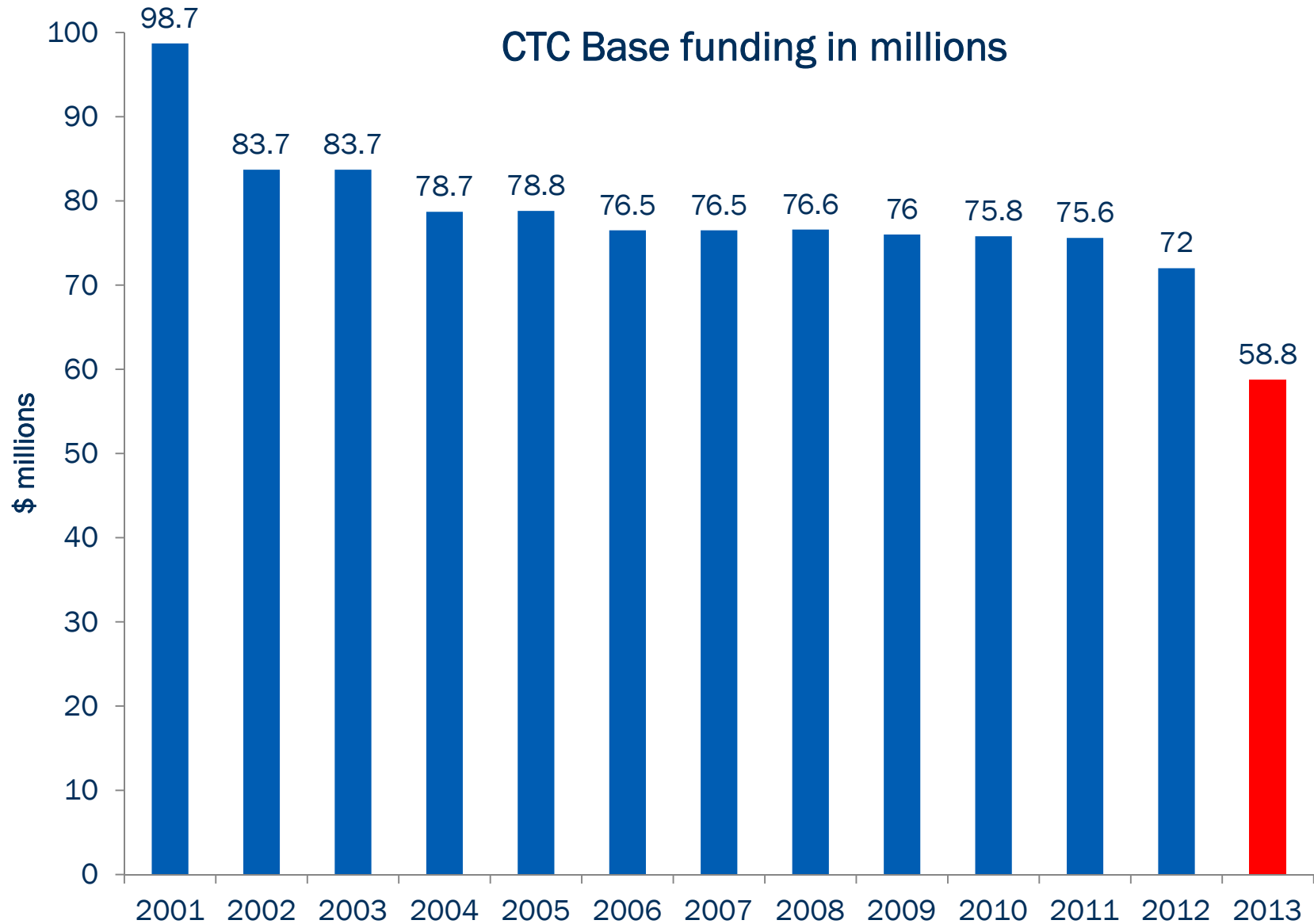
- Canadians are spending their travel dollars outside Canada
- Our growing travel deficit is a clear indication that Canada is struggling on the global tourism stage



Trade Balances in Canada (in dollars)



CTC's core funding has diminished steadily...



Marketing investments: We are not keeping up with our competitors

Country	Tourism Budget 2011	Tourism Budget Growth	Growth in arrivals from key markets 2011/96
India	\$294M	↑	193%
Ireland	\$211M	↑	14%
Mexico	\$153M	↑	4%
Australia	\$147M	↑	30%
Malaysia	\$128M	↑	257%
S. Africa	\$118M	↑	7.30%
France	\$112M	↑	13%
Korea	\$94M	↑	158%
NZ	\$89M	↑	83%
Brazil	\$84M	↑	100%
Switzerland	\$80M	↑	23%
CANADA	\$72M	↓	-10%

- A national marketing strategy is key: research shows visitors choose “Canada” first then decide on province, region or destination
- “The giant has awoken”:
 - \$200 million invested in the new US Corporation for Travel Promotion will present Canada with stiff competition

Slated to decrease to \$58 million in 2013-2014