

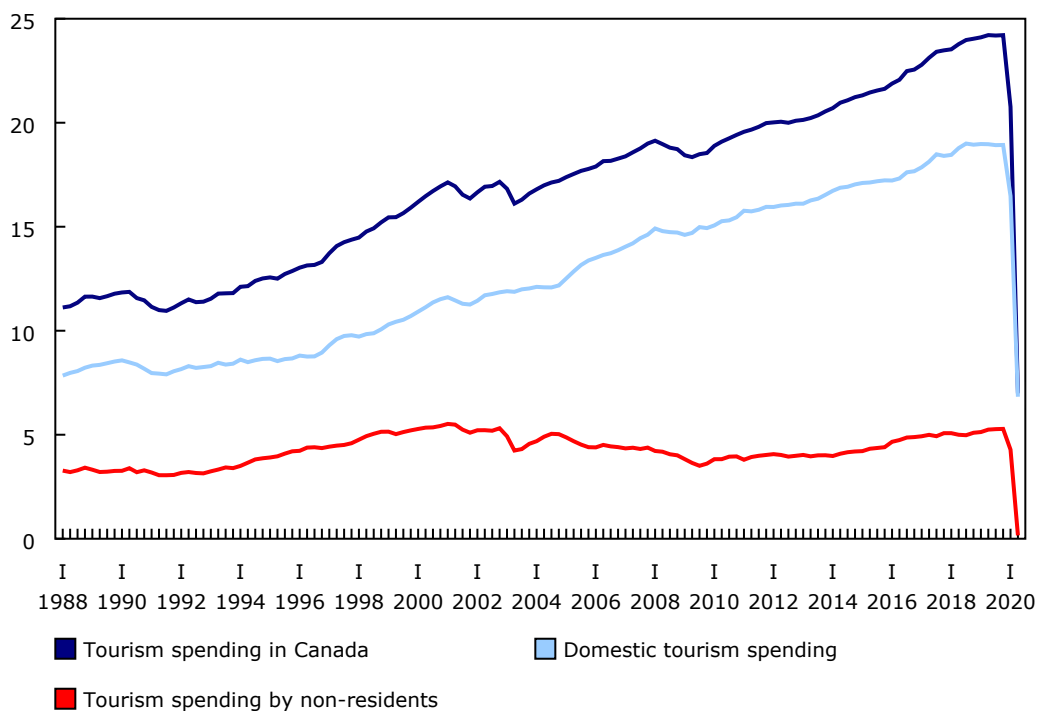
National tourism indicators, second quarter 2020

Released at 8:30 a.m. Eastern time in *The Daily*, Wednesday, September 30, 2020

Tourism spending in Canada fell by two-thirds (-66.3%) in the second quarter, in the wake of continued travel restrictions and physical distancing measures throughout Canada. The decline was over fourfold higher than the previous record drop (-14.3%) in the first quarter. Tourism gross domestic product (GDP) fell at a faster pace (-66.4%) than jobs attributable to tourism (-44.4%) in the second quarter.

Chart 1
Tourism spending down by two-thirds

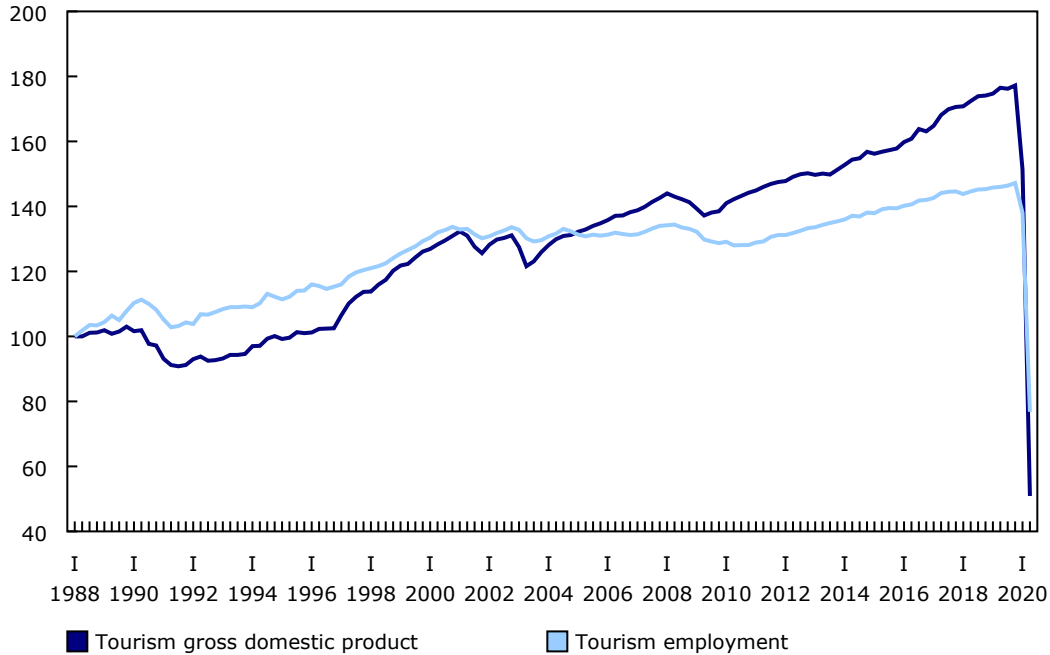
billions of 2012 constant dollars



Note(s): Data are adjusted for seasonal variation and price change.
Source(s): Table 36-10-0230-01.

Chart 2
Tourism gross domestic product and jobs attributable to tourism plummet

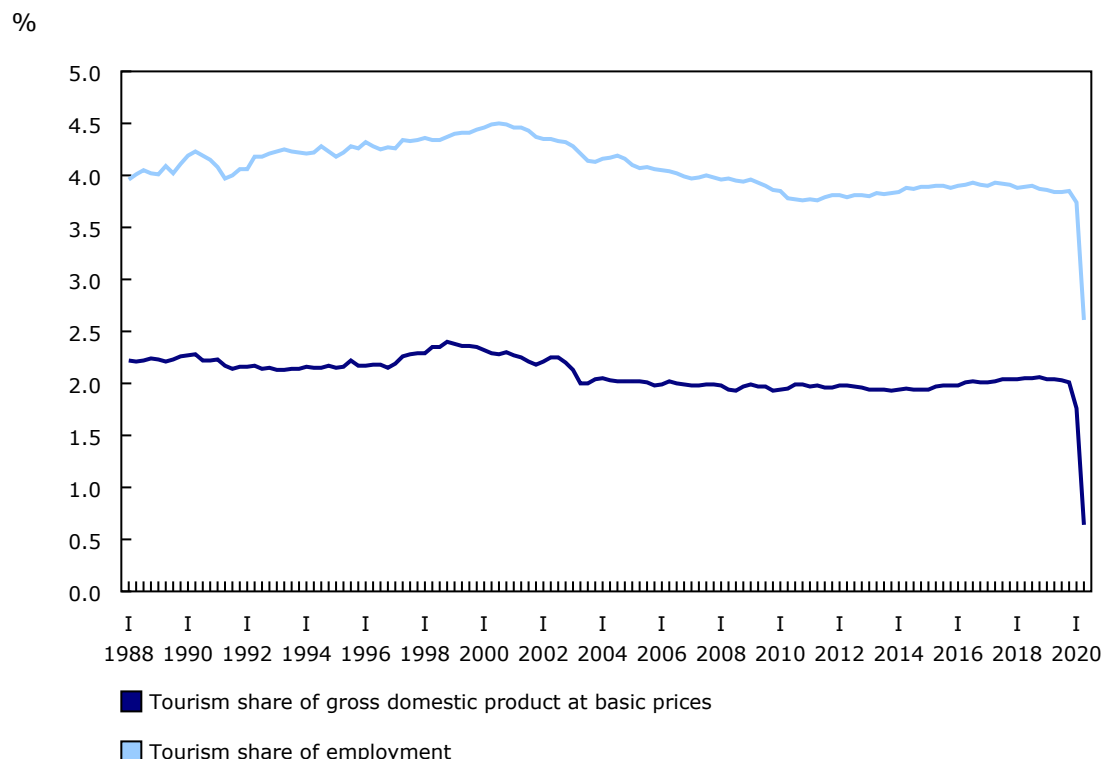
index (first quarter 1988=100)



Note(s): Data are adjusted for seasonal variation. Tourism gross domestic product is adjusted for price change.
Source(s): Tables [36-10-0234-01](#) and [36-10-0232-01](#).

The contraction in the tourism sector in the second quarter was six times larger than that of the economy-wide GDP (-66.4% versus -11.5%) and twice as large as the overall job losses nationally (-44.4% versus -20.2%). As a result, tourism's share of GDP fell from 1.8% in the first quarter of 2020 to a record low of 0.6% in the second quarter, while its share of employment fell from 3.7% to 2.6%. Prior to 2020, tourism's share of GDP has fluctuated between 1.9% and 2.4%, and its share of employment has fluctuated between 3.7% and 4.5%.

Chart 3
Tourism sector hit much harder than the rest of the economy



Note(s): Data are adjusted for seasonal variation.

Source(s): Tables [36-10-0235-01](#), [36-10-0232-01](#), [36-10-0207-01](#) and [36-10-0480-01](#), special tabulation.

Tourism spending on transportation fell by over three-quarters (-77.5%), contributing to almost one-half of the decline in tourism spending in the second quarter. All forms of transportation that require close proximity of passengers collapsed, led by air (-94.9%), rail (-88.5%) and interurban bus (-79.1%) travel. This left travel by passenger vehicle as the main alternative for tourists in the second quarter. Nevertheless, spending on vehicle fuel was down by over half (-51.6%).

Spending on accommodation fell by almost two-thirds (-65.4%), while spending on non-tourism products such as groceries and clothing (-60.3%) and food and beverage services (-60.0%) was down by over half.

Conversely, pre-trip expenditures rose 3.0% as tourism spending may have shifted towards items such as camping equipment, boats and motor homes that could be used once travel restrictions are eased.

Meanwhile, employment attributable to tourism fell sharply (-44.4%) in the second quarter, following a 6.2% decline in the first quarter. Declines were especially severe in tourism industries with a traditionally large share of part-time workers such as food and beverage services (-52.7%), accommodation (-54.3%) and recreation and entertainment (-52.8%).

Tourism spending in Canada by Canadians down sharply

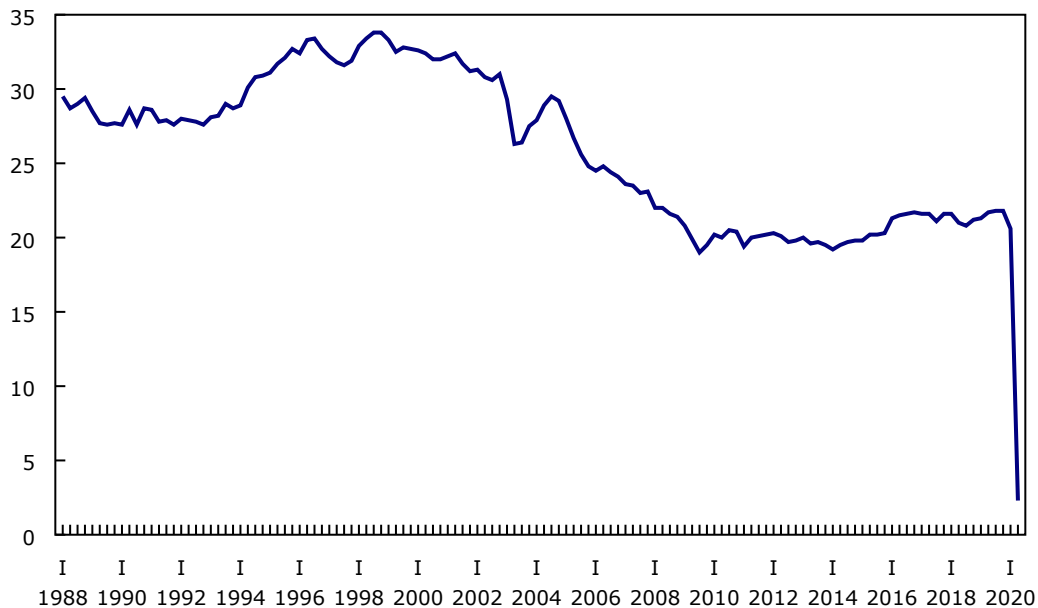
Tourism spending in Canada by Canadians fell by 58.6% in the second quarter, following a 13.0% decline in the previous quarter. Spending on nearly all products was down, with air travel (-94.3%), which also includes Canadians flying internationally on Canadian carriers, non-tourism products (-51.2%) and vehicle fuel (-49.3%) contributing most to the decline. The single category to post growth in domestic demand was pre-trip expenditures (+3.0%).

Spending by international visitors nearly ceases

Tourism spending by international visitors to Canada virtually ground to a halt (-96.2%) in the second quarter as the border remained closed to non-essential foreign travellers. As a result, spending by non-residents as a share of total spending declined from 20.6% in the first quarter to 2.3% in the second quarter, leaving spending by Canadians as the sustaining force for the Canadian tourism sector. Overnight travel from abroad fell 96.9%, while same-day car travel from the United States declined 90.8%.

Chart 4
Tourism spending by international visitors virtually ceases

%, non-residents' share of tourism demand



Note(s): Data are adjusted for seasonal variation and price change.

Source(s): Table 36-10-0230-01.

Government revenue attributable to tourism increases in 2019

Tourism is an important source of revenue for all levels of government, particularly federal, provincial and territorial governments, which collected 95.3% of the revenue generated by tourism in 2019. The remainder was collected by municipal and Aboriginal governments.

Government revenue directly attributable to tourism rose 2.7% from 2018 to \$29.7 billion in 2019. Domestic tourism spending accounted for just over three-quarters (76.0%) of this revenue, with the remainder coming from tourism exports.

Taxes on products sold to final consumers (\$16.4 billion), such as goods and services tax and harmonized sales tax, were the largest source of government revenue attributable to tourism, followed by corporate and individual income tax (\$7.1 billion).

Every \$100 spent by non-resident visitors generated, on average, \$30.88 in government revenue, down from \$31.09 in 2018. Resident visitors generated \$27.49 in revenue for every \$100 spent in 2019, essentially unchanged from a year earlier. Overall, every \$100 in tourism spending generated \$28.24 in government revenue, down slightly from 2018.

Sustainable development goals

On January 1, 2016, the world officially began implementing the [2030 Agenda for Sustainable Development](#)—the United Nations' transformative plan of action that addresses urgent global challenges over the next 15 years. The plan is based on 17 specific sustainable development goals.

The national tourism indicators are an example of how Statistics Canada supports the reporting on the global goals for sustainable development. This release will be used in helping to measure the following goal:



Note to readers

Growth rates for tourism spending and gross domestic product (GDP) are expressed in real terms (that is, adjusted for price changes), using reference year 2012, as well as adjusted for seasonal variations, unless otherwise indicated. Employment data are also seasonally adjusted. Tourism's share of economy-wide GDP is calculated from seasonally adjusted nominal values. Tourism's share of economy-wide employment is calculated using seasonally adjusted values. Government revenue attributable to tourism is expressed in nominal terms. For information on seasonal adjustment, see [Seasonally adjusted data – Frequently asked questions](#).

Associated percentage changes are presented at quarterly rates unless otherwise noted.

Economy-wide GDP is obtained from table [36-10-0104-01](#). Economy-wide employment is obtained from table [36-10-0207-01](#). Overnight travel from abroad is obtained from table [24-10-0043-01](#). Same-day car travel from the United-States is obtained from table [24-10-0005-01](#).

With the second quarter release of the national tourism indicators, data for the first quarter have been revised. In addition, data for reference years 2014 to 2018 have been revised for government revenue attributable to tourism tables.

The national tourism indicators are funded by Destination Canada.

Next release

Data on the national tourism indicators for the third quarter will be released on January 8, 2021.

Table 1
National tourism indicators – Seasonally adjusted

	Second quarter 2019	Third quarter 2019	Fourth quarter 2019	First quarter 2020	Second quarter 2020	First quarter to second quarter 2020
	millions of dollars at 2012 constant prices					% change
Total tourism expenditures						
Tourism demand in Canada	24,213	24,192	24,211	20,760	6,988	-66.3
Tourism demand by non-residents	5,246	5,269	5,280	4,282	161	-96.2
Tourism domestic demand	18,967	18,923	18,931	16,478	6,827	-58.6
Transportation						
Tourism demand in Canada	10,119	10,071	10,140	8,662	1,947	-77.5
Tourism demand by non-residents	1,688	1,678	1,683	1,367	41	-97.0
Tourism domestic demand	8,431	8,393	8,457	7,295	1,906	-73.9
Accommodation						
Tourism demand in Canada	3,351	3,390	3,420	2,963	1,025	-65.4
Tourism demand by non-residents	1,213	1,226	1,227	990	32	-96.8
Tourism domestic demand	2,138	2,164	2,193	1,973	993	-49.7
Food and beverage services						
Tourism demand in Canada	3,666	3,655	3,669	3,099	1,239	-60.0
Tourism demand by non-residents	907	918	919	740	23	-96.9
Tourism domestic demand	2,759	2,737	2,750	2,359	1,216	-48.5
Other tourism commodities						
Tourism demand in Canada	3,387	3,373	3,294	2,841	1,510	-46.8
Tourism demand by non-residents	600	602	602	485	16	-96.7
Tourism domestic demand	2,787	2,771	2,692	2,356	1,494	-36.6
Other commodities						
Tourism demand in Canada	3,690	3,703	3,688	3,195	1,267	-60.3
Tourism demand by non-residents	838	845	849	700	49	-93.0
Tourism domestic demand	2,852	2,858	2,839	2,495	1,218	-51.2

Source(s): Table [36-10-0230-01](#).

Table 2
Government revenue attributable to tourism,¹ by level of government

	2014	2015	2016	2017	2018	2019
All government levels¹ (\$ millions)	23,512	25,424	26,210	27,588	28,892	29,674
per \$100 of tourism spending (\$)	27.19	28.93	28.74	28.37	28.26	28.24
by residents (\$)	26.49	28.27	28.11	27.74	27.48	27.49
by non-residents (\$)	30.04	31.48	30.97	30.60	31.09	30.88
Federal (\$ millions)	10,682	11,775	12,154	12,763	13,489	13,730
as a share of total government revenue attributable to tourism (%)	45.4	46.3	46.4	46.3	46.7	46.3
share attributable to tourism exports (%)	20.7	21.3	22.5	22.5	22.5	22.5
per \$100 of tourism spending (\$)	12.35	13.40	13.33	13.13	13.20	13.07
by residents (\$)	12.20	13.28	13.24	13.06	13.07	12.97
by non-residents (\$)	12.94	13.87	13.64	13.35	13.66	13.39
Provincial/territorial (\$ millions)	11,503	12,385	12,794	13,516	14,052	14,545
as a share of total government revenue attributable to tourism (%)	48.9	48.7	48.8	49.0	48.6	49.0
share attributable to tourism exports (%)	22.1	22.7	24.1	24.3	24.4	24.6
per \$100 of tourism spending (\$)	13.30	14.09	14.03	13.90	13.75	13.84
by residents (\$)	12.92	13.71	13.66	13.51	13.27	13.37
by non-residents (\$)	14.87	15.55	15.34	15.28	15.46	15.51
Municipal (\$ millions)	1,241	1,169	1,165	1,208	1,246	1,290
as a share of total government revenue attributable to tourism (%)	5.3	4.6	4.4	4.4	4.3	4.3
share attributable to tourism exports (%)	28.3	29.1	31.2	31.7	31.9	32.2
per \$100 of tourism spending (\$)	1.43	1.33	1.28	1.24	1.22	1.23
by residents (\$)	1.28	1.19	1.13	1.09	1.06	1.07
by non-residents (\$)	2.05	1.88	1.81	1.78	1.79	1.80
Aboriginal (\$ millions)	87	95	96	102	106	109
as a share of total government revenue attributable to tourism (%)	0.4	0.4	0.4	0.4	0.4	0.4
share attributable to tourism exports (%)	34.5	34.7	36.5	38.2	38.7	39.4
per \$100 of tourism spending (\$)	0.10	0.11	0.11	0.10	0.10	0.10
by residents (\$)	0.08	0.09	0.09	0.08	0.08	0.08
by non-residents (\$)	0.18	0.18	0.17	0.18	0.18	0.19
	2014	2015	2016	2017	2018	2019
		% change				
All government levels¹	...	8.1	3.1	5.3	4.7	2.7
Federal	...	10.2	3.2	5.0	5.7	1.8
Provincial/territorial	...	7.7	3.3	5.6	4.0	3.5
Municipal	...	-5.8	-0.3	3.7	3.1	3.5
Aboriginal	...	9.2	1.1	6.3	3.9	2.8

... not applicable

1. Represents revenue in-scope that is directly attributable to tourism.

Source(s): Tables [36-10-0230-01](#), [36-10-0461-01](#) and [36-10-0462-01](#).

Available tables: [36-10-0230-01](#) to [36-10-0235-01](#) and [36-10-0461-01](#) to [36-10-0465-01](#) .

Definitions, data sources and methods: survey number [1910](#).

The data visualization product "[Provincial and Territorial Tourism Satellite Account](#)," which is part of *Statistics Canada – Data Visualization Products* ([71-607-X](#)), is available.

The [Economic accounts statistics](#) portal, accessible from the *Subjects* module of our website, features an up-to-date portrait of national and provincial economies and their structure.

The *Latest Developments in the Canadian Economic Accounts* ([13-605-X](#)) is available.

The *User Guide: Canadian System of Macroeconomic Accounts* ([13-606-G](#)) is available.

The *Methodological Guide: Canadian System of Macroeconomic Accounts* ([13-607-X](#)) is available.

For more information, or to enquire about the concepts, methods or data quality of this release, contact us (toll-free 1-800-263-1136; 514-283-8300; STATCAN.infostats-infostats.STATCAN@canada.ca) or Media Relations (613-951-4636; STATCAN.mediahotline-ligneinfomedias.STATCAN@canada.ca).