

Canada

Market Summary

Year to date (January to May) 2010 arrivals for Canada are up four per cent. VFR is up 12 per cent and the business segment has also bounced back, up 11 per cent. Like the US, as the economy is picking up and as the Canadian dollar stays strong, outbound travel demand over the coming months is anticipated to strengthen. Airfares, both domestic and international, are set to trend upward and intelligence is reporting that consumers will still look for discounted deals, but will be willing to pay more for travel. Trade reports that Australian travel business is picking up with an indication of more quotes than the same time last year.

1. Market News

- ATE 2010 was a great success from an Americas regional perspective. Over 60 delegates were in attendance from across the United States, Canada and Latin America. In addition, 24 USA and Canadian premier Aussie Specialists were in attendance following their famil trip taking in Adelaide and South Australian regional tourism experiences. Key wholesale buyers reported strong satisfaction with ATE in terms of their ability to network and write business with Australian suppliers. This year saw the participation of two new buyers – Delta Vacations and Air Canada Vacations – who had the opportunity to kick-start their Australia programs with numerous ITO and supplier meetings. As a result of their attendance at ATE, Tourism Australia is now in a good position to build large scale co-op programs to help build their Australia business over the coming 12 months.
- In April, Air Canada Vacations (ACV) launched their Australia program which includes packages to popular Australian destinations serviced by Air Canada and their code share partners. Tourism Australia was joined by state partners Queensland, Northern Territory, South Australia, Victoria, and Tasmania in Montreal to train Air Canada Vacations staff prior to their first South Pacific launch. Air Canada Vacations has been serving the Canadian Tourism Industry for nearly 30 years and is owned and operated by Air Canada, Canada's largest airline.
- Eight Flight Centre travel consultants from Western and Eastern Canada recently experienced an 11-day Famil trip to the east coast of Australia hosted by Topdeck Travel and Qantas Airways. Topdeck Travel, a tour operator that caters to 18-30 year-olds, offers travel experiences in Europe, Middle East, Africa,

Australia and New Zealand. This is the first Canadian Agent famil to Australia with Top Deck since the brand acquired Connections.

- The premier Americas retail training event Corroboree 2010 will be held at Hamilton Island, Queensland from Friday 10 September to Monday 13 September 2010. This event will focus on cultivating relationships and building new business for the Australian tourism industry. It will also help develop strong relationships between Aussie Specialists and industry partners and cultivate new ideas for the promotion and marketing of Australia. There has been an overwhelming response from the Australian industry in 2010, with 132 experiences applying for 80 places.

2. Consumer Insights

- The Canadian economy has remained strong, and according to recent intelligence from the Conference Board of Canada, has already hit its high point for the year. The summer outlook is for economic growth in 2010 to come from activity between January and June. Consumer spending has been recovering fast in the first half of 2010, and is anticipated to taper in the second half.
- Consumer confidence grew 12 points in June 2010 compared to the previous year and the forecast is to spend \$24.4 billion on outbound leisure travel in 2010 compared with 23.2 billion in 2009.

For the latest in visitor arrivals, please visit 'Research & Statistics' at www.tourism.australia.com

3. Trade Update

- Adventures Incorporated, the adventure division of 40-year-old Goway Travel, has launched its Active Australia and New Zealand brochure. Offering soft to extreme adventure options in Australia and New Zealand, this new brochure adds to the product offerings for Australia by Goway.
Source Travelhotnews 14 April 2010.
- Air Canada Vacations revised an air contract so it can now include outback Australia. This places ACV in a more competitive position, as more than half of ACV quotes include the outback, as well as the Great Barrier Reef, and they can put all the air segments on the same Air Canada ticket using Qantas on the domestic sectors.
- Silversea Cruises has recently published its new 2011 Voyages brochure. The 190-page booklet details nearly 200 itineraries visiting seven continents, over 80 countries, and more than 400 destinations. Silver Spirit's 119-day Inaugural World Cruise 2011 visits the South Pacific, New Zealand and Australia, then sails the seas of Southeast Asia, Arabia and the Mediterranean.
- It has been announced that one in three North American travel agencies belongs to Vacation.com – and it is projected that an additional 60 members will join in Canada by end of 2010. By mid-April they were 80 recruits, including 68 new

members in first quarter, making Vacation.com the largest group in Canada, with 500 members.

- Every year PROFIT 100 lists the fastest growing companies throughout Canada. As last year was a tough year for business with a major recession and massive layoffs across the country. The PROFIT 100 list sought out the companies who not only managed to survive 2009 but also thrive. Anderson Vacations was listed 110th in 2009 among companies across Canada.
- As at 30 June there were 997 Aussie Specialists in the Canada of which, 68 per cent are fully qualified (670 Agents).

4. Airline News

- Australia's low fares airline Jetstar has launched an interline agreement with Air Canada that will allow customers to connect their Jetstar domestic or international service with travel to or from destinations such as Vancouver, Toronto and Quebec City.
- Etihad Airways has increased the number of Australian destinations by expanding its codeshare agreement with Qantas. Etihad currently offers flights three times a week from Toronto to Melbourne via Abu Dhabi. As part of the agreement, the Etihad two-letter 'EY' code is now placed on flights from Sydney to Uluru, Alice Springs, Canberra, Hobart and Melbourne and flights from Brisbane to Cairns. The new routes are in addition to the services that were part of the initial codeshare agreement which included flights between Sydney and Brisbane, Sydney and Cairns, Sydney and Adelaide, and Melbourne and Adelaide.
- In June Virgin America celebrated its first international route from San Francisco (SFO) and Los Angeles (LAX) to Toronto (YYZ). The new connections between Toronto, San Francisco and Los Angeles allow opportunity for connections though to Australia.

5. Competitor News

- Canadian outbound travel grew by 5.9 per cent during the first 5 months of 2010. Trips to the US grew by 10 per cent fuelled by a strong Canadian dollar. Non US destinations fell by 0.5 per cent (verses Australia, which increased by 4 per cent during this same period). Vacation intentions for Canadians overall are positive for both the summer and upcoming winter. As reported by the Conference Board of Canada, travel to Europe continues to look strong for the summer aided by the strong dollar (the Canadian dollar is at an all time high against the Euro and 25 year high against the Pound). Travel to the Asia/Pacific region is also showing positive increases. Following China being granted Approved Destination Status (ADS), Air Canada has boosted capacity and this has already translated to a 16.5 per cent increase in arrivals year to date January to April 2010 over the previous year. In comparison, Australia is up 2.3 per cent in comparison for the same period.

Source: Conference Board of Canada

- In a newly released Harris Decima poll commissioned by The Travel Corporation, 44 per cent of Canadians picked Europe as their top travel destination to visit. Conducted between 27 May and 2 June 2010, the poll asked Canadians about European travel and their ultimate vacation. Italy (24 per cent) and France (23 per cent) were the top 'must see' destinations in Europe; with close to half of Quebecers surveyed picking France as their top spot for a European trip. The United Kingdom (15 per cent), Germany (9 per cent), Greece (9 per cent) and Spain (8 per cent) rounded out the category.
Source: www.travelpress.com, 10 June 2010

6. Key Campaigns and Activities in Market

Canada current campaigns and activities				
START DATE	END DATE	DESCRIPTION	TARGET AUDIENCE	PARTNERS
April 2010	30 June 2010	Air Canada Vacations: Tourism Australia partnered with Air Canada Vacations (ACV) to launch their new Australia product range in April 2010. The campaign consisted of direct mail to Air Canada's lucrative Aeroplan membership and other consumer initiatives across Canada.	First Time Canadian Experience Seekers	Air Canada Vacations
April 2010	30 June 2010	Goway Travel 40 years anniversary: Tourism Australia is partnering with Qantas Airways and STOs in North America to support Goway Travel's 40th Year of selling Australia. A co-op marketing plan is currently being developed, and will consist of extensive trade and consumer activities across the USA and Canada	First Time Canadian and USA Experience Seekers	Goway / STOs
Ongoing	PR and Communications Includes IMHP program and CRM activities.	<i>First Time Experience Seekers in Canada.</i> Canada Vancouver Media tour in May to include meetings with Global BC/Today Show, Vitamin Daily, Toronto Star, NUVO magazine, Western Living, Georgia Straight, Vancouver Magazine and Canadian Traveller	First Time Canadian Experience Seekers	Qantas provides IMHP air tickets, all STOs support ground efforts.

Canada upcoming campaigns and activities				
START DATE	END DATE	DESCRIPTION	TARGET AUDIENCE	PARTNERS
10 September 2010	14 September 2010	<i>Corroboree 2010</i> Corroboree North America is the premier retail training event held each year by Tourism Australia to educate Aussie Specialist agents on Australian tourism products and experiences. It will be held on Hamilton Island and will include opportunities for Australian experiences; ITOs and wholesalers will present to 160 certified Aussie Specialists over the course of the event and includes numerous networking opportunities.	160 Retail Travel Agents, 92 Experiences & 20 Industry Sponsor Organisations	Tourism Queensland Hamilton Island Qantas VAustralia All STO partners Swain Tours Qantas Vacations

		There was an overwhelming response from Australian industry in 2010, with 132 Experiences applying for 80 places.		Down Under Answers Travel 2 Goway AAT Kings Anzcro Pacifica Great Southern Rail Brendan
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