

Tourism Outlook

2009 Review

2009 started out as an uncertain year for the tourism industry. With the economic downturn plaguing the world, tourism operators in Newfoundland and Labrador worried that a decline in tourism travel, especially in the busy summer season, would cripple many small businesses. As the numbers for the spring and summer season began rolling in, though, it was evident that the impact to Newfoundland and Labrador while evident, was not nearly as negative as anticipated.

Auto

In 2009, Marine Atlantic introduced a new vessel, the *MV Atlantic Vision* which proved beneficial for increasing the capacity of Marine Atlantic. Passenger movements (both directions) reached 397,737 to end of December 2009, an increase of 2.6% over 2008. Passenger-related vehicles movements increased 5.0% during the same period to 138,273 vehicles. The number of non-resident automobile visitors traveling to the province is estimated to have reached 118,688 for the period ending December 2009, an increase of 4.0% over 2008 levels.

Air

Airport activity (boarding and deplaning passenger movements) for St. John's, Gander, Deer Lake, Stephenville, St. Anthony, Goose Bay and Wabush reached 1,659,337 for the period ending November 2009, a decrease of -2.7% over the same time period in 2008. The number of non-resident air visitors traveling to the province is estimated to have reached 328,800 for the period ending November 2009, an increase of 0.2% compared to the same time period of 2008.

Cruise

The Cruise industry in the provincial had a difficult year battling windy September weather causing many last minute schedule changes. Cruise ship activity during the 2009 cruise season indicates 107 port calls to 35 different ports around Newfoundland and Labrador. This compares to 152 port calls and 51 ports recorded during the 2008 cruise season. The number of passenger visits^[1] reported during the 2009 cruise season was 24,828 down -23.2% from the 32,347 reported during 2008. Crew visits also declined -23.8% during the 2009 season to 13,098. Based on an examination of detailed cruise itineraries provided by Cruise Newfoundland and Labrador the province is estimated to have received approximately 16,200 unique non-resident cruise visitors^[2] during the 2009 cruise season, a decline of -18.3% over 2008.

^[1] **Passenger Visits:** This industry standard is the total number of cruise visitors as reported by Cruise Newfoundland and Labrador. Cruise passengers are counted at every port of call and totaled for a provincial estimate of passenger visits.

^[2] **Unique Non-Resident:** This is an estimate by the Department of non-resident visitation attributed to the cruise sector. Based on detailed itinerary information provided by Cruise Newfoundland and Labrador, passengers are only counted once regardless of the number of port calls made by the ship.

Occupancy Rates

Accommodation occupancy as available (approximately 98% coverage of all provincially licensed room nights) reached 50.1%, for the period ending November 2009, up 0.8 points compared to the same period in 2008. During the peak season from June to September, occupancy rates climbed to 62.6% showing an increase of 0.9 points over the same period in 2008.

Source: Annual Travel Indicator Program, Tourism Research Division, Department of Tourism, Culture and Recreation

Outlook for 2010

It appears that the worst of the global economic downturn has passed, however, recovery is expected to be sluggish. The tourism industry in Newfoundland and Labrador will continue to position itself as a destination of choice for national and international travelers. With the province poised to continue its award winning marketing efforts to Newfoundland and Labrador's primary target markets, tourism operators are hopeful that visitation will remain strong in 2010.

The Newfoundland and Labrador Cruise Association has listed 26 arrivals into St. John's during the 2010 cruise season carrying an estimated 20,000 passengers and crew. As usual, September 2010 will be the busiest month with 11 arrivals scheduled to dock in St. John's.

There are two events in particular happening in 2010 which will have a positive impact on the tourism industry. The Cupids 400 Celebrations is a yearlong event with activities peaking in July and August. During this event, visitors will have the opportunity to experience the rich history and culture of the first planned settlement in New Found Land.

The 2010 Juno Awards will land in St. John's in April and will involve a week's worth of musical and artistic entertainment, capping off with the Juno's Awards celebration. The event will draw creative talent from across the country and around the world as some of Canada's greatest performers land in the province.