

Quarterly Bulletin of Statistics

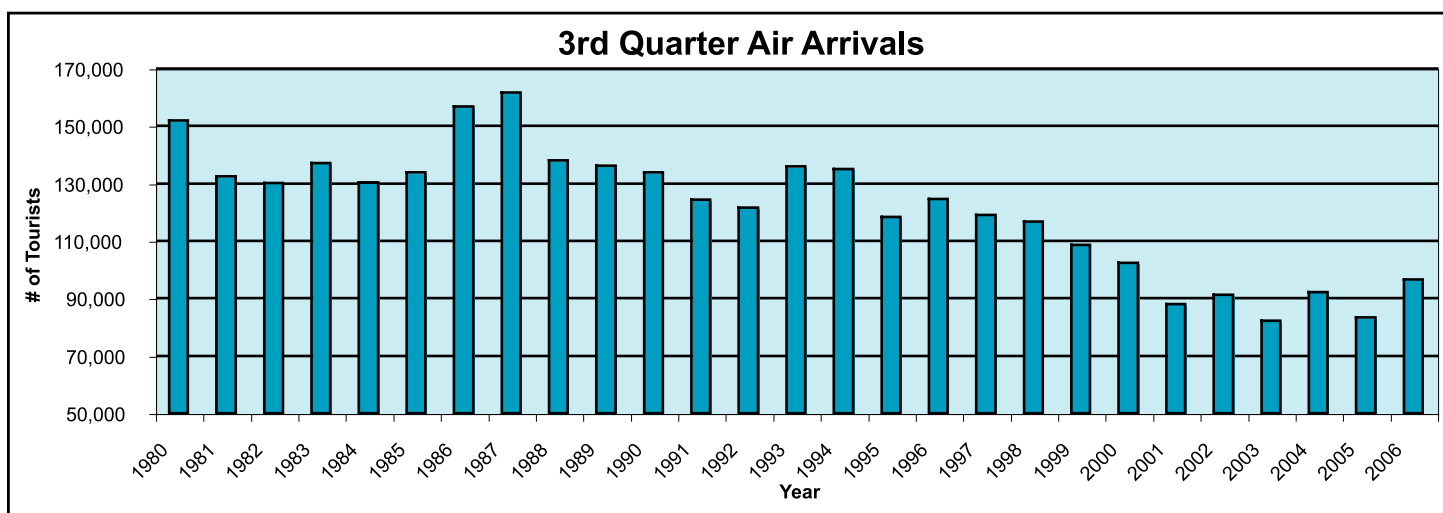
Bermuda Government - Department of Statistics - 3rd Quarter 2006



Visitors Arrivals and Expenditure:

Air Arrivals

Air arrivals during the third quarter of 2006 advanced 15.8% compared to the same quarter in 2005. A total of 96,653 tourists visited the Island during its peak summer season, over 13,000 more than the 83,468 tourists recorded in 2005. The number of air visitors for the first three quarters of 2006 totalled 236,682 reflecting a 10.1% gain compared to the 214,988 air arrivals reported during the same period in 2005. The increased activity in the third quarter can be attributed partly to the continued availability of lower-priced airfares due to the arrival of budget airlines and seat sales.



Visitors from the United States continued to make up the largest percentage of air arrivals to the Island, representing more than three-quarters of all tourists. Air arrivals originating from the U.S. climbed 14% year-over-year to a total of 76,024 visitors, compared with just 66,661 visitors in the third quarter of 2005. The year-over-year number of Canadian visitors rose 6.2% for the quarter. While the number of visitors originating from the UK jumped 32.5%, reflecting increased airline seat capacity. Air travellers from Europe and the rest of the world recorded gains of 69.1% and 19.7%, respectively.

The rise in air arrivals translated into an upsurge in bookings by visitors for paid accommodations, increasing 13.4% overall. Resort hotels recorded higher occupancy rates in the third quarter of 2006, when compared to the same quarter of 2005. The number of visitors staying at resort hotels rose to 46,895 guests, up 15.1% from the 40,730 recorded in 2005. This rep-

resented roughly 65 % of total visitors to the Island that chose to stay at the larger hotels over other paid accommodation properties.

Housekeeping accommodations also reported significant growth in visiting guests, advancing almost 22 %, while total visitors staying at Cottage Colonies and Private Clubs rose 7.7 %. There was a modest increase (+3.4 %) in the number of visitors staying at Guest Houses.

Expenditure by Air Arrivals:

Passengers arriving to the Island by air spent an estimated \$126.1 million during the third quarter of 2006, compared with \$105.4 million in the same quarter of 2005. The increased spending levels are attributed directly to the higher volume of tourists.

Expenditure on accommodation and food was up 19.6 % at \$98.2 million. This accounted for an injection of \$16.1 million in foreign exchange earnings into the local economy compared to the same period last year. Visitor spending on entertainment, transportation, sightseeing and other tourist goods increased by \$4.6 million to \$27.9 million.



Visitor Arrivals							Table 1
	Cruise Passengers	Air Visitors by Country of Origin				Total (1)	Cruise & Air Visitors
		U.S.A.	Canada	U.K.	Other		
2003							
1st Qtr	136	26,082	6,060	3,602	1,947	37,691	37,827
2nd Qtr	75,691	75,380	7,269	6,845	3,905	93,399	169,090
3rd Qtr	116,821	66,231	5,645	6,393	3,950	82,219	199,040
4th Qtr	33,449	30,215	5,511	4,827	2,714	43,267	76,716
Year	226,097	197,908	24,485	21,667	12,516	256,576	482,673
2004							
1st Qtr	743	23,692	6,126	3,238	2,016	35,072	35,815
2nd Qtr	76,365	70,009	7,524	6,345	4,796	88,674	165,039
3rd Qtr	101,295	75,303	6,278	6,567	4,074	92,222	193,517
4th Qtr	27,730	40,050	6,564	5,284	3,755	55,653	83,383
Year	206,133	209,054	26,492	21,434	14,641	271,621	477,754
2005							
1st Qtr	497	27,601	5,885	3,763	2,166	39,415	39,912
2nd Qtr	82,773	71,765	8,453	6,837	5,060	92,115	174,888
3rd Qtr ¹	112,375	66,661	6,559	6,431	3,817	83,468	195,843
4th Qtr	51,962	37,974	7,769	5,415	3,424	54,582	106,544
Year¹	247,607	204,001	28,666	22,446	14,467	269,580	517,187
2006							
1st Qtr	426	26,732	5,855	4,016	2,293	38,896	39,322
2nd Qtr	122,560	79,368	8,450	8,003	5,312	101,133	223,693
3rd Qtr	164,467	76,024	6,966	8,523	5,140	96,653	261,120

1. Excludes ship and yacht visitors.

Source: Tourism Department

Visitors by Intended Type of Accommodation Table 2

	Resort Hotels	Small Hotels, Cottage Colonies & Clubs	Housekeeping Accommodation ⁽³⁾	Guest Houses ⁽⁴⁾	Private Homes ⁽¹⁾	Not Stated	Total ⁽²⁾
2003							
1st Qtr	18,940	7,544	2,018	226	8,902	61	37,691
2nd Qtr	48,552	21,209	4,056	405	18,956	221	93,399
3rd Qtr	40,621	18,036	3,878	226	19,177	281	82,219
4th Qtr	15,077	12,042	2,626	291	13,099	132	43,267
Year	123,190	58,831	12,578	1,148	60,134	695	256,576
2004							
1st Qtr	15,243	8,246	2,445	497	8,588	53	35,072
2nd Qtr	39,414	22,635	5,519	916	19,925	265	88,674
3rd Qtr	43,103	20,920	5,031	883	21,944	341	92,222
4th Qtr	26,172	12,147	2,596	548	14,049	141	55,653
Year	123,932	63,948	15,591	2,844	64,506	800	271,621
2005							
1st Qtr	19,104	8,178	2,211	445	9,395	82	39,415
2nd Qtr	46,781	20,144	4,039	690	20,273	188	92,115
3rd Qtr	40,730	17,972	4,758	651	19,156	201	83,468
4th Qtr	26,638	11,276	2,677	484	13,356	151	54,582
Year	133,253	57,570	13,685	2,270	62,180	622	269,580
2006							
1st Qtr	20,139	6,857	2,045	437	9,384	34	38,896
2nd Qtr	51,394	20,369	5,820	727	22,669	154	101,133
3rd Qtr	46,895	19,363	5,790	673	23,788	144	96,653

1. This category includes persons staying in commercial accommodation units with less than twelve beds, as well as persons visiting with friends and relatives.

Source: Tourism Department

2. Excludes cruise visitors. 3. Includes Cottage Suites/Apt. and Inns 4. Includes Bed & Breakfast.

 Estimated Expenditure of Vacation and Business Visitors \$ Million Table 3

	Air Visitors			Cruise Visitors	Total Expenditure
	Accommodation and Food	Shopping, Entertainment, Transport, etc.	Total		
2003					
1st Qtr	20.9	17.1	38.0	0.0	38.0
2nd Qtr	68.7	55.7	124.4	18.8	143.2
3rd Qtr	38.0	45.2	83.2	29.0	112.2
4th Qtr	20.6	25.6	46.2	8.3	54.5
Year	148.2	143.6	291.8	56.1	347.9
2004					
1st Qtr	33.8	10.5	44.3	0.2	44.5
2nd Qtr	85.6	26.4	112.0	18.6	130.6
3rd Qtr	89.0	27.5	116.5	24.7	141.2
4th Qtr	53.7	16.6	70.3	6.8	77.1
Year	262.1	81.0	343.1	50.3	393.4
2005					
1st Qtr	38.7	11.1	49.8	0.1	49.9
2nd Qtr	90.5	25.8	116.3	17.9	134.2
3rd Qtr	82.1	23.3	105.4	24.4	129.8
4th Qtr	53.7	15.2	68.9	11.3	80.2
Year	265.0	75.4	340.4	53.7	394.1
2006					
1st Qtr	39.3	11.1	50.4	0.1	50.5
2nd Qtr	102.7	29.2	131.9	27.3	159.2
3rd Qtr	98.2	27.9	126.1	36.6	162.7

1. Air visitors subtotals are not comparable prior to 2004.

Source: Department of Statistics

Cruise Arrivals & Expenditure:

A total of 164,467 cruise passengers arrived in Bermuda in the third quarter of 2006. This was the highest quarterly total in Bermuda's history. Cruise ship arrivals increased a strong 46.4% over the corresponding period in 2005. For the January to September 2006 period, there was a record-breaking level of 287,453 passengers, surpassing (+ 16.1%) the total number of passengers that visited during the entire year of 2005. Cruise ship arrivals for the first nine months of the year accounted for more than half the total number of visitors to the Island.

Although the threat of hurricane Florence in September 2006 caused the diversion of four cruise ship liners

en route to Bermuda, the inclement weather did little to offset the total volume of cruise ship passengers that visited the Island. In the third quarter of 2006, 82 cruise ships docked in Bermuda, compared to 69 cruise ships in the same quarter of 2005. Leading the way for cruise ship landings were the Norwegian Majesty and the Norwegian Crown with 13 landings each.

Expenditures by cruise ship visitors in the third quarter of 2006 were estimated at \$222 per visitor. This translated into a total expenditure of \$36.6 million, an increase of 50% or \$12.2 million from the level reached in the third quarter of 2005.

An often-overlooked segment of cruise ship expenditure is the contribution from cruise ship crewmembers. In the third quarter of 2006,



Employment in Hotel Industry by Type of Establishment¹

Table 4

		Hotels	Cottage Colonies & Housekeeping	Guest Houses & Micro-Units ²	All Establishments
2003					
1st Qtr	January	2,312	562	22	2,896
2nd Qtr	April	2,655	607	22	3,284
3rd Qtr	July	2,651	622	18	3,291
4th Qtr	October	2,082	558	17	2,657
2004					
1st Qtr	January	1,328	530	14	1,872
2nd Qtr	April	2,323	600	19	2,942
3rd Qtr	July	2,456	626	19	3,101
4th Qtr	October	2,320	569	16	2,905
2005					
1st Qtr	January	2,253	458	15	2,726
2nd Qtr	April	2,383	677	10	3,070
3rd Qtr	July	2,491	733	16	3,240
4th Qtr	October	2,453	647	14	3,114
2006					
1st Qtr	January	2,148	562	20	2,730
2nd Qtr	April	2,241	652	17	2,910
3rd Qtr	July	2,340	735	15	3,090

1. As at the end of each reference month.

2. Micro units are establishments having a capacity of 6-11 beds.

Source: Department of Statistics

Resident Purchases Abroad ¹ \$000										Table 5
	Clothing & Footwear	Electronic & Photographic Equipment	Hhld Items Furniture & Appliances	Toys & Sports Goods	Tapes Records & Compact Discs	Computer Hardware & Software	Jewellery & Watches	Tools Machinery & Parts	Misc.	Total
2003										
1st Qtr	2,617	527	796	307	472	438	107	383	1,567	7,214
2nd Qtr	4,968	780	837	522	375	500	84	268	1,419	9,753
3rd Qtr	5,265	812	1,211	556	1,083	649	169	464	1,966	12,175
4th Qtr	6,091	1,339	1,232	723	629	690	216	443	1,790	13,153
Year	18,941	3,458	4,076	2,108	2,559	2,277	576	1,558	6,742	42,295
2004										
1st Qtr	2,881	894	830	361	458	348	196	315	1,240	7,523
2nd Qtr	7,279	952	1,109	637	701	627	403	283	1,931	13,922
3rd Qtr	6,411	1,303	955	613	893	745	426	565	2,520	14,431
4th Qtr	7,922	1,607	662	848	1,173	728	448	640	3,292	17,320
Year	24,493	4,756	3,556	2,459	3,225	2,448	1,473	1,803	8,983	53,196
2005										
1st Qtr	4,728	1,235	593	522	853	594	372	308	2,663	11,868
2nd Qtr	6,941	1,055	654	576	632	515	387	281	3,139	14,180
3rd Qtr	7,171	1,266	787	652	803	663	465	333	3,974	16,114
4th Qtr	8,811	1,667	786	915	963	776	576	304	3,703	18,501
Year	27,651	5,223	2,820	2,665	3,251	2,548	1,800	1,226	13,479	60,663
2006										
1st Qtr	5,348	1,144	566	509	649	591	427	253	2,762	12,249
2nd Qtr	8,311	1,119	717	535	597	581	396	267	3,261	15,784
3rd Qtr	8,039	1,290	815	654	760	739	571	278	3,718	16,864

1. Value of goods as declared to Customs on entry or re-entry to Bermuda. Does not include purchases through mail-order or telemarketing

Source: H.M. Customs

crewmembers spent roughly \$123 per person, which contributed \$4.1 million in revenue to the Island's economy. Purchases of goods and services included meals, entertainment, souvenirs, transportation and sport activities.

Hotel Gross Receipts

Total revenue for the hotel industry increased 9.8% in the third quarter of 2006 as all accommodation properties experienced higher receipt

levels. Resort hotels experienced a 9.9% rise in sales revenue over the same period in 2005. This represented a gain of \$7.6 million in revenue. Room occupancy revenue for resort hotels totalled \$47.4 million in the third quarter of 2006. This was 8.5% or \$3.7 million more than earnings from the sale of hotel rooms in the same quarter of 2005. Room sales accounted for 57.0% of total revenue earned by resort hotels. The increase in revenue can be attributed in part to the 15.8% rise in air arrivals during the third quarter.

Gross receipts earned by the smaller hotels also showed strength, advancing 9.4% or \$1.0 million over the same period in 2005. Sales from room occupancy alone totalled \$8.9 million, which accounted for 73.7% of total revenue earned by small hotels.

Note to users: The Accommodations Industry in Bermuda is made up of Resort Hotels, Small Hotels, Cottage Colonies and other properties for the purposes of the Quarterly Hotel Gross Receipts Survey.

Hotel Employment

There were 3,090 employees in the hotel accommodations industry at the end of July 2006. This level of employment was 4.6% below the level recorded in the same period of 2005 and represented a decrease of 150 jobs. The decline is partly attributed to the imminent closure of a major hotel during the last quarter of 2006 for renovations, leading many employees to leave the industry.

Total employment within major resort hotels experienced the largest drop for the second time this year, with 151 fewer employees or a 6.1% decline in workers. Guest houses and micro-units hired one less employee when compared to the same period in 2005. In contrast, cottage colonies and housekeeping accommodations increased employment by two workers.

Despite the decline in workers, major resort hotels remained the largest employer in the accommodations in-

dustry. At the end of July 2006, this category accounted for 76% of all employees in the accommodations industry, a total of 2,340 employees. Cottage colonies and housekeeping units employed 24%, representing 735 employees. Guest houses and micro-units continued to employ less than 1% of workers in the hotel industry.

Resident Trips Abroad

Overseas travel continued to be popular for summer vacations by Bermuda residents. Resident trips abroad reached new heights in the third quarter of 2006, surpassing all other quarters since the initial tracking of these statistics in 1987. Residents took advantage of increased airline capacity and lower-priced airfares as a total of 50,025 overseas trips were taken during the third quarter of 2006. This was 4.4% or 2,108 trips above the total number of trips taken in the third quarter of 2005. Based on a population estimate of roughly 63,600, this implies that three out of four residents travelled overseas during the 2006 summer season. However, this proportion is lower as some residents took multiple trips during the quarter.

The United States continues to be the most popular destination to visit, accounting for slightly more than two-thirds of all trips taken by residents in the third quarter of 2006. A total of 33,431 trips were taken to the United States, representing an increase of 3.1% or 999 more trips year-over-year. Resident trips abroad to the United Kingdom rose by 4.5%, while the most sizeable gain (+21.0%) was seen in trips to Canada in the third quarter of 2006. Trips to all other countries fell 5.6% below the previ-

ous year with 279 fewer trips taken to these destinations.

The vast majority of resident trips abroad were for vacation and visits to friends and family. Vacation travel accounted for 42,675 trips or 85% of all trips taken. Trips taken for local business purposes climbed 18.5%. In contrast, the number of trips taken for international business declined 15.1% when compared to the fairly high level measured during the same quarter in 2005. Resident trips for other reasons such as medical and educational-related travel were recorded at 3,239 trips during the quarter, over 500 more trips than last year.

Overseas Spending by Residents

Total purchases abroad by residents continued to rise for the third quarter of 2006 when compared to the same quarter of the previous year. The level of overseas spending on goods was declared at a total value of \$16.9 million, an increase of 4.7% over the previous year. Residents spent on average \$337.11 per trip on goods purchased abroad, fractionally higher than the average spending in the third quarter of 2005. In comparison, domestic retail sales for the same quarter increased 5.4%.

Amongst the broad merchandise groupings, returning residents spent roughly \$8.0 million on clothing and footwear. This represented an increase of almost \$900,000 (+12.1%) compared to the same quarter in 2005. In comparison, domestic retail sales at apparel stores rose 6.2% for the corresponding period. Purchases of clothing, footwear and accessories continued to represent the largest overseas spending category account-



ing for 48 % of total overseas spending.

Consumer outlays on computer hardware and software rose by 11.5 % or \$76,000 while spending on jewellery and watches saw a significant jump of 22.8 % or \$106,000. Residents declared modest spending levels for household items, furniture and appliances (+ 3.6 %), electronic and photographic equipment (+ 1.9 %) and toys and sporting goods (+ 0.3 %).

In contrast, overseas spending fell below the previous year's level for purchases of tools, machinery and parts (-16.5 %), miscellaneous items (-6.4 %) and tapes and compact discs (-5.4 %).



Resident Trips Abroad by Purpose and Country of Destination

Table 6

	Purpose of Trip				Country of Destination (1)				Total Trips
	Vacation	Local Business	International Business	Other Reasons	United States	Canada	United Kingdom	All Other Countries	
2003									
1st Qtr	21,730	1,770	1,875	1,224	17,515	3,790	2,904	2,288	26,497
2nd Qtr	26,160	2,300	1,881	1,356	21,959	3,920	3,015	2,261	31,155
3rd Qtr	35,799	2,073	1,623	1,496	27,001	6,209	4,375	2,778	40,363
4th Qtr	37,404	2,259	1,985	1,161	31,069	5,586	3,343	2,895	42,893
Year	121,093	8,402	7,364	5,237	97,544	19,505	13,637	10,222	140,908
2004									
1st Qtr	21,854	2,367	2,285	1,493	18,526	3,450	2,859	2,390	27,225
2nd Qtr	30,293	2,680	2,191	2,043	26,654	4,874	3,242	2,803	37,573
3rd Qtr	37,478	2,288	1,833	4,632	31,715	6,372	4,631	3,406	46,124
4th Qtr	36,906	2,271	1,956	3,630	32,777	5,400	3,707	2,811	44,695
Year	126,531	9,606	8,265	11,798	109,672	20,096	14,439	11,410	155,617
2005									
1st Qtr	23,784	2,144	2,022	1,504	20,146	3,478	3,006	2,846	29,454
2nd Qtr	30,666	2,384	2,388	1,706	26,120	4,764	3,304	2,956	37,144
3rd Qtr	41,143	1,939	2,135	2,700	32,432	5,521	5,001	4,963	47,917
4th Qtr	40,345	2,054	2,284	1,877	33,814	5,209	3,706	3,831	46,560
Year	135,938	8,521	8,829	7,787	112,512	18,972	15,017	14,596	161,075
2006									
1st Qtr	24,958	2,329	2,298	2,451	21,939	3,469	3,389	3,239	32,036
2nd Qtr	33,918	2,133	1,594	1,817	27,876	4,578	3,709	3,299	39,462
3rd Qtr	42,675	2,298	1,813	3,239	33,431	6,682	5,228	4,684	50,025

1. Generally taken as the country of initial destination in a multi-country tour; the United States and the United Kingdom are 'gateways' in this regard, and as a consequence they tend to mask tours to South America the Caribbean, Europe and Asia.

Source: Tourism Department

About the Quarterly Bulletin

The Quarterly Bulletin of Statistics highlights some of the main economic indicators developed by the Department of Statistics. The content and presentation of this publication will vary each quarter depending on topicality and coverage of the published statistics.

A brief analysis of the data for the reference quarter is provided for key sectors of the economy. Additionally, to assess and monitor economic trends, the tables show a series of quarterly figures over a four-year period. The source of data varies for each table.

This publication has been re-vamped and does not contain all the tables that were published in previous Bulletins. However, the data is available and users are encouraged to call the Department to request any information not presented in this report.

Other Statistical Publications:

Monthly Consumer Price Index
 Monthly Retail Sales Index
 Annual Facts and Figures Pamphlet
 Annual Employment Survey Brief
 Report on the 2000 Census of Population & Housing
 Bermuda Labour Force Trends
 Bermuda Social Dynamics
 The Changing Face of Bermuda's Seniors Report
 The 2004 Household Expenditure Survey (HES) Report
 Literacy in Bermuda

Bermuda Population Projections 2000-2030 - The recently released Bermuda Population Projections report provides a detailed comparative analysis of Bermuda's population by five-year age groups, sex, race and Bermudian status. This report reveals that Bermuda's population is expected to grow at a declining rate, from 62,000 in 2000 to 65,000 by 2030. It also highlights future implications of such population growth.

Characteristics of Bermuda's Families – This is a pioneer report on the compositions and characteristics of Bermuda's families based on 2000 Census data. Highlights include information on the number of families, family types, single-parent families, Bermudian and non-Bermudian families, and median family incomes.

Copies of these reports are available online at www.statistics.gov.bm or from the Department of Statistics, 3rd Floor Cedar Park Centre, Hamilton.

Symbols used in tables:

- .. not available
- nil or negligible
- e, p estimated or provisional
- figure revised figure
- r revised figure
- Q1 1st quarter (Jan.-Mar.)
- Q2 2nd quarter (Apr.-Jun.)
- Q3 3rd quarter (Jul.-Sep.)
- Q4 4th quarter (Oct.-Dec.)



FOR FURTHER INFORMATION REGARDING THE QUARTERLY BULLETIN PLEASE CONTACT US

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