

ACCOMMODATION BULLETIN | NUMBER 4 | SPRING 2008

## Performance of Roofed Accommodation in Halifax, Sydney and Across the Province

### HIGHLIGHTS

- The Halifax region has less than half (42%) of the supply of room nights available in Nova Scotia but attracts a significantly higher share of total room nights sold, particularly from November through April.
- Occupancy rates in Halifax are higher than Sydney and the rest of the province.
- Halifax occupancy rates are influenced by various factors including: meeting and convention activity, special events in the winter months, proximity to the Halifax Stanfield International Airport and high visitor traffic.
- The number of room nights sold from November through April increased in Halifax, Sydney and the rest of the province between 2002 and 2006. However, the supply of accommodation increased at a faster rate resulting in a decline in occupancy rates in all three areas.

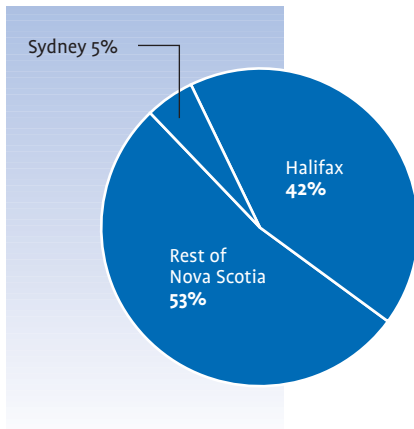


OVERVIEW

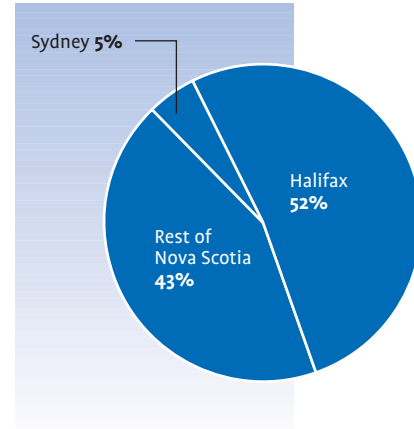
**Overview**

- The Halifax region had 42% of available room nights in 2006 whereas the rest of the province (excluding Sydney) had 53% of the supply. However, Halifax had 52% of the total room nights sold compared to 43% for the rest of the province (excluding Sydney).
- Sydney has 5% of the accommodation supply and 5% of the demand. This remains consistent throughout the year.
- In November through April, Halifax's share of available room nights increased to 48%, and its share of demand (room nights sold) increased to 63%. The supply in the rest of the province drops to 46% of the total available, but demand declines even further to 31% of total room nights sold.

**Supply of Accommodation (Available Room Nights)**  
2006



**Demand for Accommodation (Room Nights Sold)**  
2006

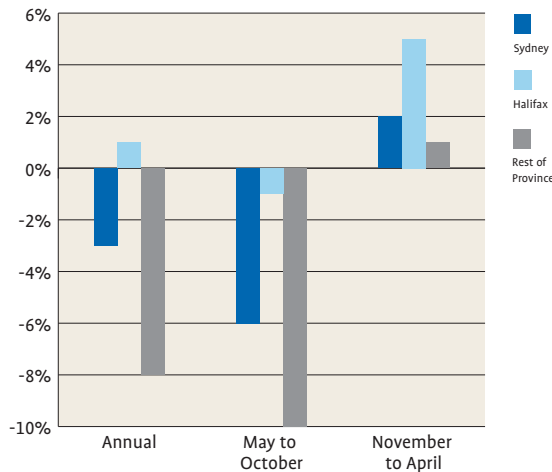


CHANGES IN DEMAND

**Changes in Demand Between 2002 and 2006**

- Halifax, Sydney and the rest of the province had an increase in room nights sold in November to April between 2002 and 2006, with the most significant increase in Halifax.
- All three areas had a decrease in room nights sold in May to October, with the most significant decrease being outside the urban areas of Sydney and Halifax.

**Halifax, Sydney and Rest of Province: Percentage Change in Room Nights Sold**  
2002 to 2006



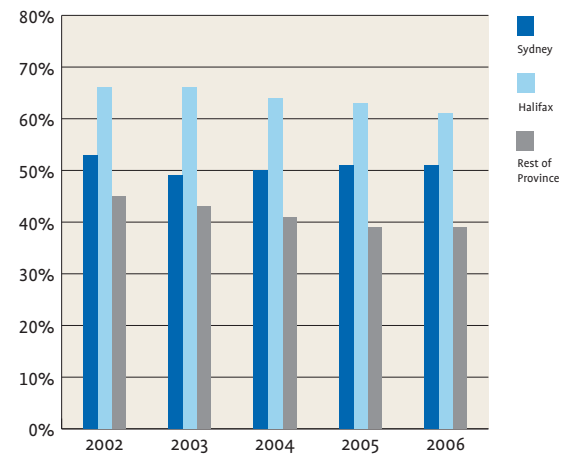
OCUPANCY RATES

Occupancy Rates

- Halifax occupancy rates have been consistently higher than Sydney and the rest of the province throughout the year.
- Occupancy rates in Halifax, Sydney and the rest of the province declined between 2002 and 2006, both annually and for May to October.
- Monthly patterns of occupancy rates illustrate a shift to an early fall peak in Halifax.
- In the rest of the province, there is evidence of a decline in rates in June through September.
- The declines in May to October occupancies are due in part to the impact of lower than average occupancies at universities, particularly in Halifax.

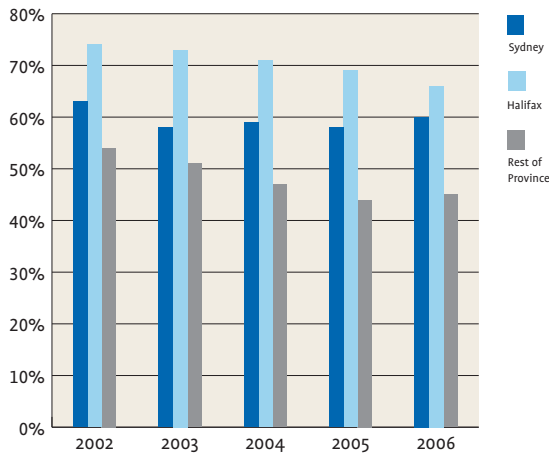
Halifax, Sydney and Rest of Province: Annual Occupancy Rates

2002-2006



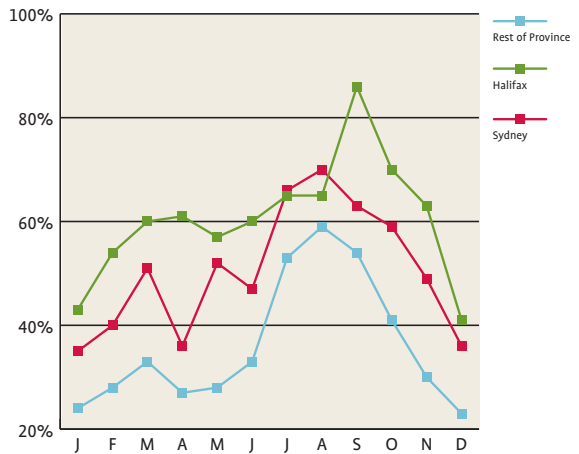
Halifax, Sydney and Rest of Province: May to October Occupancy Rates

2002 to 2006



Halifax, Sydney and Rest of Province: Monthly Occupancy Rates

2006



DISCUSSION

Discussion

The Halifax region is impacted more by certain trends than other areas. These factors include:

- A stronger economy generating more business travel.
- Growth in the conference and meetings business which peaks in the early fall.
- Special events, particularly in the winter months, such as the Briar, the Junos, World Hockey Championships.
- A desire among leisure travellers to stay in areas that offer a wide range of services, restaurants, entertainment, and attractions, and to take day trips into surrounding areas.

- Success of various efforts by Destination Halifax to attract visitors during the late fall and winter months.
- The growth in arrivals by air in the past few years, with a general decline in vehicle traffic.
- The impact of these trends is particularly evident in the fall and winter months.
- The decline in the traditional summer vacation market to Nova Scotia (as evidenced by the decline in visitor numbers) has had a much more significant impact on properties outside of Sydney and Halifax.
- Occupancy rates in larger Canadian cities are generally higher than other areas of the respective province.

## BACKGROUND

### Introduction

The Accommodation Bulletins are designed to provide insights into the supply and demand for Nova Scotia's roofed accommodation and campgrounds. Each bulletin addresses a different theme.

These bulletins complement *Tourism Insights* which provides monthly and annual data on accommodation activity for the province and tourism regions. The accommodation bulletins provide a five year trend analysis and show results by type of accommodation.

The audience for these bulletins includes:

- Accommodation and campground operators
- Potential investors and developers
- Real Estate appraisers
- Regional and municipal development agencies
- The tourism industry in general
- Consultants and researchers

### Research Methods

Accommodation and campground businesses provide monthly occupancy data to the Department of Tourism, Culture and Heritage. Due to the significant cooperation of this sector, the reporting rate is 99%. To protect the confidentiality of individual operators, a minimum of 6 properties of similar size must be in a category for data to be released.

### Definitions

**Halifax Urban Area** – Halifax Metro Area including Halifax, Dartmouth, Bedford, Sackville and the Halifax International airport area.

**Room Nights Available** – The number of rooms (or units) of accommodation multiplied by the number of days that the property is open for business. A 'room' means one rentable unit. For cottages, cabins, and apartments, there may be several bedrooms in the unit but it is registered as one rentable accommodation unit. In contrast, for hostels, each bed is a separate rentable unit.

**Room Nights Sold** – The total number of rooms sold in a given period. For example, a motel selling 25 rooms each night during a 31 day month would have 775 room nights sold. Also referred to as occupied room nights.

**Occupancy Rate** – The number of room nights sold divided by the number of room nights available for any particular period. Expressed as a percentage.

### Property Types

**Bed & Breakfast (B&B)** – usually up to 4 guestrooms available in a private home with ensuite, private or shared bathrooms, common living room, full or continental breakfast included in room rate.

**B&B Inn** – a bed & breakfast property with five or more rooms with breakfast included.

**Inn** – a property with ensuite or private bathrooms, guest living room, dining room serving breakfast and full evening meals. May have heritage or historic characteristics.

**Cottage/Cabin** – free-standing unit with one or more bedrooms (linens supplied) or bed-sitting area, a bathroom, possibly separate kitchen and/or living room.

**Hotel** – a property providing internally accessible, guestrooms, ensuite bathrooms, food service facilities, meeting and conference rooms.

**Motel** – a property with guestrooms under one roof, ensuite bathrooms, external and/or internal access to each guestroom.

**Resort** – a property (may include cottages), with ensuite bathrooms, food service and extensive on-site recreational facilities; may offer conference facilities.