

Air Passengers (Updated October 2015)

Air passenger travel in the ICET region continued to increase at a rapid rate in the first half of 2015. Based on three representative airports (Campbell River, Comox and Nanaimo), passenger counts were up by 10.5% over the first half of 2014.

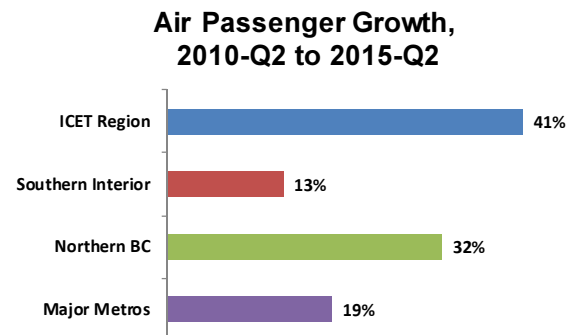
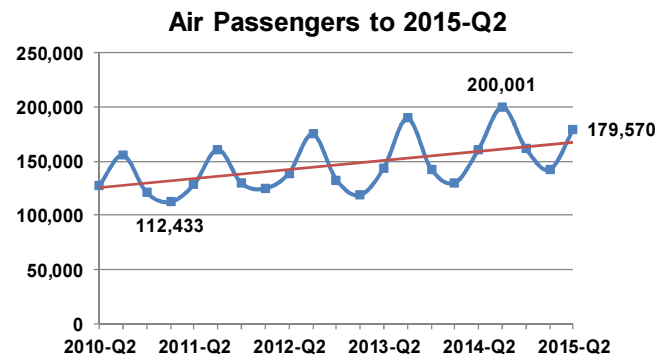
Air travel has a clear seasonal pattern, but the trend in recent years has been positive (see the red trend line in the chart to the right). Growth has also been occurring throughout BC, although there was a small decline in the Southern Interior in the first half of 2015 compared to 2014.

Looking back from the 2nd quarter to the same period five years earlier, the ICET region has had the largest percentage increase in BC at 41%. Major capital improvements in Nanaimo and Campbell River and continued growth in traffic and direct routes in Comox Valley have continued to capitalize on regional demand for air travel. Northern BC has benefited from strong business traffic associated with major project activity in that region, while the Southern Interior has had relatively modest growth.

Air Passengers at Representative Regional Airports*

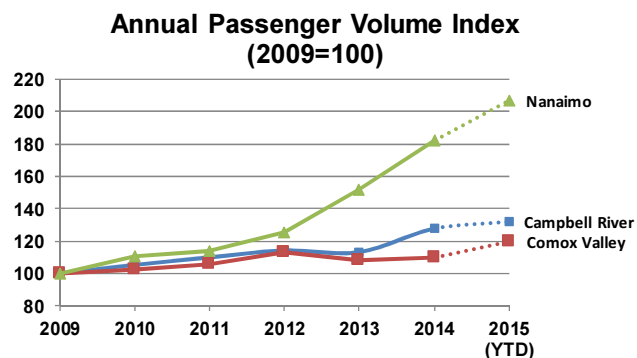
| Region | Passenger Volumes at Representative Airports* | | | | | | Change, 2014-Q2 to 2015-Q2 | Year to Date After 2 Quarters | | |
|-------------------|---|-----------|-----------|-----------|-----------|-----------|----------------------------|-------------------------------|------------|--------|
| | 2010-Q2 | 2011-Q2 | 2012-Q2 | 2013-Q2 | 2014-Q2 | 2015-Q2 | | 2014 | 2015 | Change |
| ICET Region | 127,403 | 128,729 | 138,870 | 143,750 | 161,011 | 179,570 | 11.5% | 291,133 | 321,805 | 10.5% |
| Southern Interior | 406,805 | 396,982 | 407,845 | 427,428 | 459,584 | 461,090 | 0.3% | 972,665 | 971,307 | -0.1% |
| Northern BC | 147,254 | 146,023 | 155,893 | 165,216 | 188,460 | 193,855 | 2.9% | 373,791 | 405,651 | 8.5% |
| Major Metros | 4,730,440 | 4,762,953 | 4,903,685 | 4,973,788 | 5,390,903 | 5,626,679 | 4.4% | 10,220,296 | 10,728,186 | 5.0% |

*Representative airports for the ICET region are Campbell River, Comox Valley and Nanaimo. For the Southern Interior, they are Kamloops, Kelowna and Castlegar. For Northern BC, they are Prince George, Smithers and Fort St. John. For Major Metros, they are Vancouver, Victoria and Abbotsford. These are chosen because they are regularly tracked and reported by Destination BC.
Source: Destination BC Provincial Tourism Indicators



Year over year growth in the 2nd quarter of 2015 was very strong for the Nanaimo and Comox Valley Airports. There was a slight decline in traffic at the Campbell River Airport, but the entire January to June period was up slightly. Traffic levels for Campbell River remain elevated compared to 2013 and earlier years, due in large part to business travel associated with the multiple major projects occurring in the area, including the John Hart Generating Station upgrades and new hospital construction.

As shown in the chart to the right, growth accelerated dramatically for the Nanaimo Airport after 2012. Based on trends to date, the airport is on pace to have 2015 passenger counts more than double the level only six years earlier. Major capital improvements in Nanaimo (partially funded by ICET) and the subsequent addition of new carriers and routes have allowed this growth to be realized. This mirrors the rapid growth pattern observed after the opening of the new Comox Valley Airport terminal in the previous decade and the similar addition of new carriers and direct flights.



Air Passengers at Representative ICET Region Airports

| Region | Passenger Volumes at ICET Region Airports | | | | | | Change, 2014-Q2 to 2015-Q2 | Year to Date After 2 Quarters | | |
|--------------------|---|----------------|----------------|----------------|----------------|----------------|----------------------------------|-------------------------------|----------------|--------------|
| | 2010-Q2 | 2011-Q2 | 2012-Q2 | 2013-Q2 | 2014-Q2 | 2015-Q2 | | 2014 | 2015 | Change |
| Campbell River | 13,279 | 13,359 | 13,785 | 13,939 | 15,562 | 15,500 | -0.4% | 28,040 | 29,078 | 3.7% |
| Comox Valley | 70,453 | 73,554 | 78,651 | 78,188 | 78,566 | 86,000 | 9.5% | 141,534 | 154,296 | 9.0% |
| Nanaimo | 43,671 | 41,816 | 46,434 | 51,623 | 66,883 | 78,070 | 16.7% | 121,559 | 138,431 | 13.9% |
| ICET Region | 127,403 | 128,729 | 138,870 | 143,750 | 161,011 | 179,570 | 11.5% | 291,133 | 321,805 | 10.5% |

Source: Destination BC Provincial Tourism Indicators