

TOURISM

ISSUE

Korea lifted all barriers and regulations on outbound travel effective January 1, 1989. This created a boom in Korea's overseas travel which is expected to continue at an accelerated pace. Korea has recently been designated by Tourism Canada as a "New Emerging Market".

BACKGROUND

Until 1987, Koreans had been limited in overseas travel by strict government regulations. However, these restrictions gradually became more flexible and were altered according to Korea's financial state and balance of international payments. In 1988, a favourable balance of payment in trade enabled the Korean government to lift some of the restrictions and allow an increased opportunity for overseas trips.

With the removal of the last of the travel restrictions on January 1, 1989, the outbound tourist market has seen a tremendous increase. The total number of outbound travellers for 1989 registered 1,213,112, up 67.3 percent from the previous year. During the year, pleasure tourism showed a huge 235.2 percent growth from 1988, making up a 37 percent share of the total market.

According to the Korean National Tourism Corporation, a total of 1,560,923 Koreans went overseas in 1990, showing an increase of 28.7 percent from the previous year. Travel expenditures amounted to approximately US\$3.8 billion for 1990.

The majority of Korean overseas travellers choose other Asian countries as preferred destinations, but travel further afield is growing. Figures for the first six months of 1991 show a total of 15,400 Korean visitors to Canada, up 6.6 percent from the same period last year. Expectations for all of 1991 remain at 50,000 visitors and upwards of 150,000 annually by 1995. This could represent an inflow into Canada of \$300 million over the next few years.

Several factors conspire to keep Canada from being a "first choice" pleasure travel destination for Koreans: a lack of awareness of Canada as a tourism destination; competition from the United States, Europe and Asia/Pacific destinations; distance and cost; the language barrier (few Korean-speaking tour leaders in Canada); and a lack of suitable tour packages.