

KEY TAKEAWAYS

#1 Domestic tourism revenue continues to outpace international tourism revenue recovery

Total tourism revenue reached \$40.5B in Q3 2024, continuing to surpass pre-pandemic level (108% of 2019). This recovery trend continued to be driven by record domestic tourism revenue, which reached \$30.3B (112% of 2019). Meanwhile, international tourism revenue continued to approach recovery levels but still lagged slightly behind at \$10.3B (96% of 2019).

#2 International visitation recovery subdued through peak season

Canada welcomed 15.8 million international visitors over the first nine months of 2024 (88% of 2019).

The ongoing recovery of international visitation continued to slow through Q3 2024, following a stronger start earlier in the year. Contributing to the slightly subdued growth in Q3 2024 was an ongoing decline in arrivals from Mexico following the introduction of new visa requirements in February, as well as some small monthly drops from the US and Europe.

#3 Outlook for international travel remains positive

In Q3 2024, Canada remained the most popular destination among Americans surveyed about where they would fly to for their next vacation — for a third consecutive quarter.

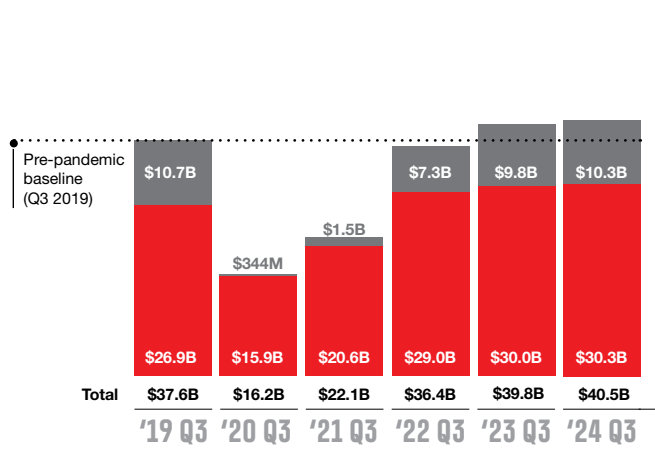
Canada also ranked among the top three recommended destinations in the UK, France, Germany, Australia, Japan, and Mexico.

STATE OF THE INDUSTRY

Tourism Spend

Source: Statistics Canada, National Tourism Indicators, Q3 2024 (data released January 9, 2025)

For the second year in a row, overall tourism spending surpassed pre-pandemic levels in Q3 2024, reaching 108% of Q3 2019 spending in unadjusted-inflation terms. This trend was driven by domestic tourism spending (112% of 2019 levels), while spending by international visitors continued to lag just behind recovery levels (96% of 2019 levels).



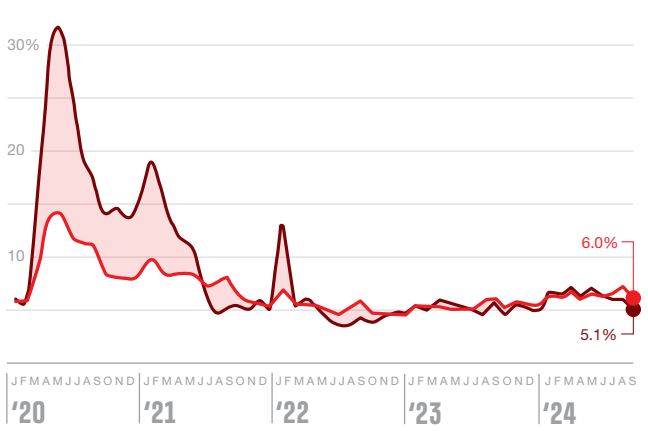
	% OF 2019		
	2024 Q1	2024 Q2	2024 Q3
Canada	119%	120%	112%
International	99%	96%	96%
Overall	114%	113%	108%

Tourism Employment

Source: Statistics Canada, Labour Force Survey, via Tourism HR Canada (data as of November 25, 2024)
Source: Statistics Canada, Job Vacancy and Wage Survey, Table 14-10-0442-01 (data released December 16, 2024)

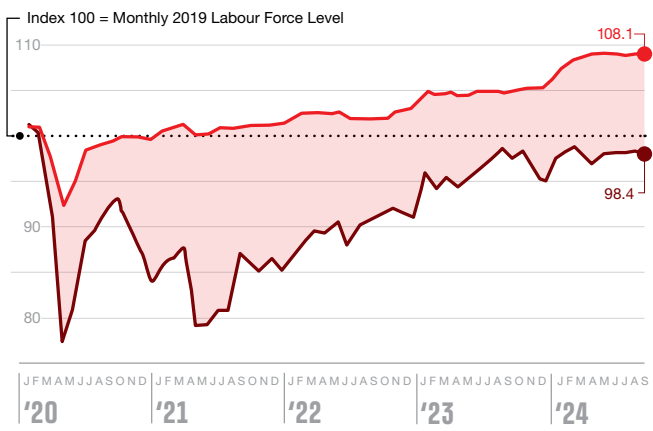
Unemployment Rate

The unemployment rate in the tourism industry was 5.1% in September 2024, lower than the general Canadian economy. However, the tourism unemployment rate in September 2024 was 0.3 percentage point higher than in September 2023.



Labour Force Active in the Canadian Economy

The active labour force in the tourism industry reached 2.7 million in September 2024, up 0.9% from September 2023. Despite this modest growth, the tourism industry's active labour force still remained below pre-pandemic levels.



Job Vacancy*

4.1% UNFILLED

At the end of Q3 2024, an estimated 83,600 jobs in tourism remained unfilled, which equates to 4.1% of tourism jobs.

*Note: Job Vacancy data excludes scenic and sightseeing transportation. Q3 data was suppressed to meet confidentiality requirements of the Statistics Act.



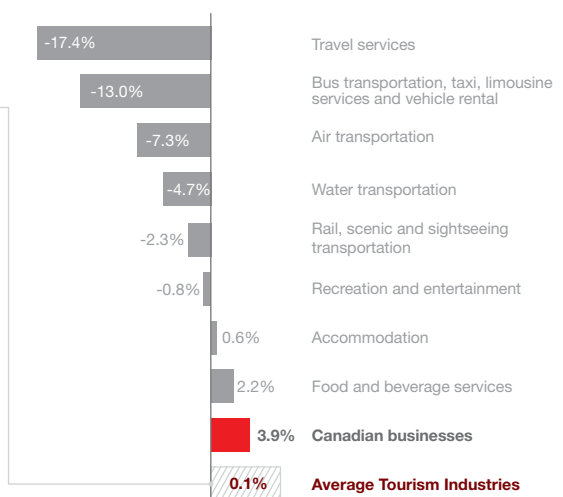
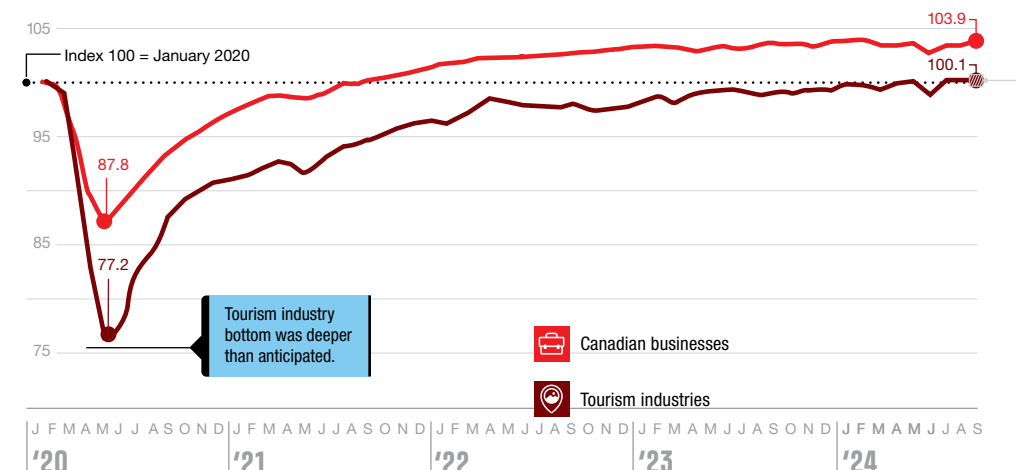
Active Businesses

Source: Statistics Canada, Experimental estimates of business openings and closures for Canada, Table 33-10-0270-01 (data released December 20, 2024)

As of September 2024, active tourism businesses were 0.1% above pre-pandemic levels. Travel services and passenger transportation services remained notably behind their pre-pandemic baselines.

Change in the number of businesses active in tourism industries 2024-September vs 2020-January

Monthly active businesses in Canada



TOURISM PERFORMANCE

Domestic Tourism Sentiment

Domestic: Tourism Sentiment

Canadian residents' general sentiment towards tourism remained positive and well ahead of the global benchmark in Q3 2024, while the Tourism Growth Support Index and Resident Consideration Index fell below and the Tourismphobia Index was on par with global benchmarks. All four indices declined slightly in Q3 2024 compared to Q2 2024 results, amid a global trend of growing resident concern about overtourism in many popular destinations.

Note: Beginning December 2022, Destination Canada uses the Resident Sentiment Index to monitor sentiment and gauge support from Canadians for tourism. The Index is endorsed by the UNWTO, trusted by leading destinations around the world, with a validated and robust methodology. The Index compares Canada with other countries, providing insights into Canada's unique challenges and identifying areas where it is excelling compared to the benchmarked competition. Any data reported on domestic tourism sentiment prior to December 2022 references a different data product.

General Sentiment Towards Tourism

59

↑ Global Benchmark 46
Overall sentiment which measures the balance of positive vs. negative consequences of tourism.

↑ Exceeds Global Benchmark ↓ Does not exceed Global Benchmark

Tourism Growth Support Index

57

↓ Global Benchmark 60
Net proportion of residents that support the growth of tourism.

Resident Consideration Index

14

↓ Global Benchmark 34
The balance between residents considering that tourism policy takes into consideration its effect on their lives vs. those who do not agree with this.

Tourismphobia Index

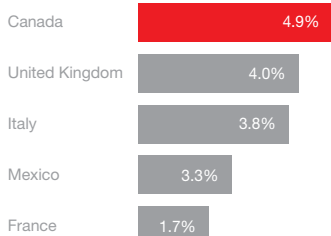
4

↓ Global Benchmark 4
The proportion of residents opposed to tourism and its growth.

Destination Recommendation and Travel Intent Metrics

US: Travel Purchase Intent

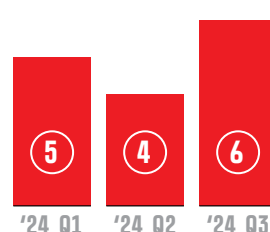
When Americans were asked which international destinations they are most likely to visit by air for their next vacation, Canada ranked #1 amongst all tracked destinations in Q3 2024.



International (non-US): Brand Recommendation

NUMBER OF KEY OVERSEAS MARKETS WHERE CANADA RANKS TOP 3

In Q3 2024, Canada was ranked as a top 3 recommended destination in six out of eight overseas priority markets: the UK, France, Germany, Australia, Japan, and Mexico. This was an improvement over Q2 2024 where Canada was ranked as a top 3 recommended destination in four overseas priority markets. This improvement was the result of Canada regaining its status as a top 3 recommended destination in Australia. Canada was also ranked as the #3 recommended destination in Japan in Q3 after starting 2024 outside of the top 5.

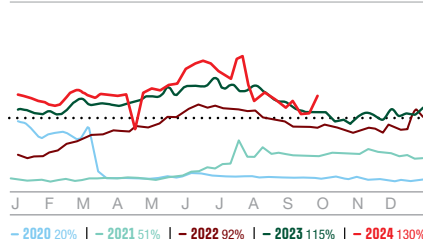


Note: Beginning Q3 2024, overseas brand recommendation is assessed among the total national population, rather than among target travellers (high value guests). This is due to an evolution in how Destination Canada selects its target travellers.

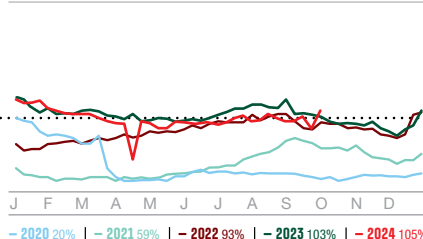
Travel Considerations

Web Search Trends for Air & Accommodation to Canada

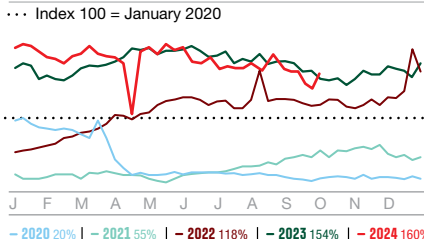
From United States



From Europe (incl. UK, France & Germany)



From Asia-Pacific (incl. Australia, Japan & South Korea)



Searches from the US peaked above 2023 levels in mid-July but followed seasonal declines into the fall, ending slightly below 2023. The rapid decline in late July was associated with a period when wildfires were getting major media coverage.

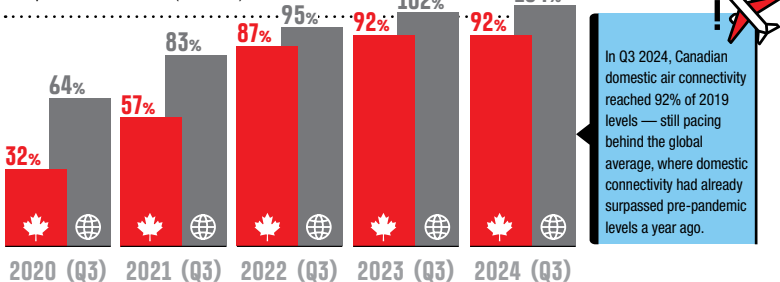
In Europe, search in the summer season was slightly below the previous year's results, and within APAC markets it was sustained at similar levels.

TRAVEL CONNECTIVITY & BOOKINGS

Air Connectivity

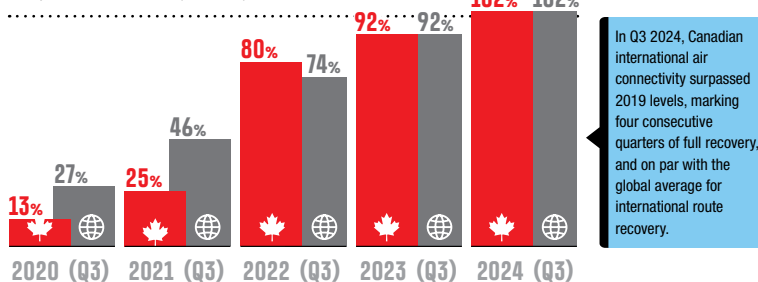
Global Domestic Flight Seat Capacity

Pre-pandemic baseline (2019 Q3)



Global International Flight Seat Capacity

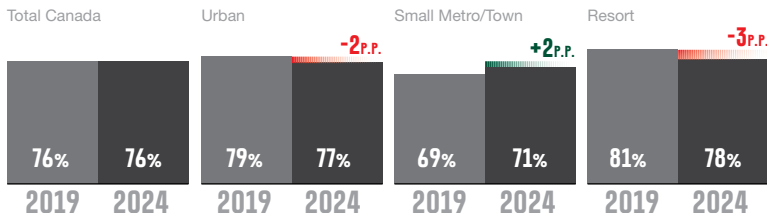
Pre-pandemic baseline (2019 Q3)



Hotel Occupancy

At the national level, average occupancy in Q3 2024 was 76%, on par with the same period in 2019. Lower occupancy at urban and resort properties was offset by growth in small town properties.

Occupancy Rate Q3 Data



Int'l Business Events Booking Pace

International business events scheduled in Canada for Year-to-date September 2024

498

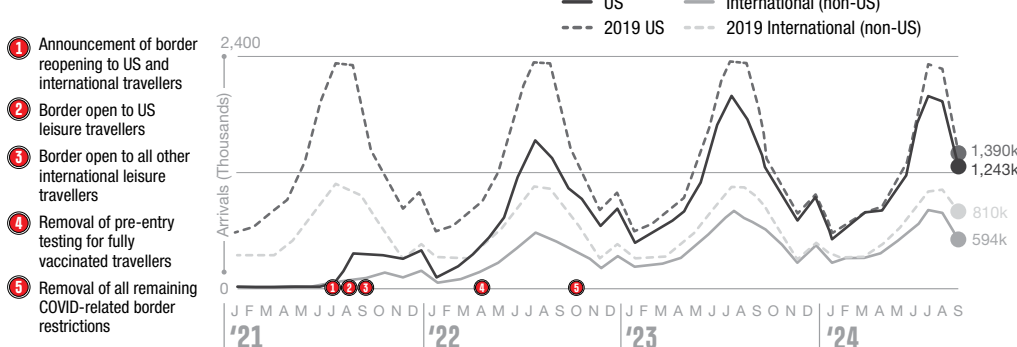
International business events delegates/arrivals estimated for Year-to-date September 2024

287,497

From January to September 2024, international business events in Canada reached 84% of pre-COVID levels, an 8% increase from 2023. International delegate arrivals hit 83% of pre-COVID levels, up 7% from 2023. However, Q3 2024 saw smaller events and fewer delegates, largely due to a decline in U.S. association events and other international corporate business events. Contributing factors included financial constraints, with fewer events being budgeted due to organizational travel policies, as well as an increased emphasis on sustainability considerations.

Arrivals

Monthly Arrivals of International Tourists in Canada



88%

With 15.8 million international visitors over the first nine months of 2024, year-to-date overnight arrivals reached 88% of arrivals over the same period in 2019. This included 11.1 million visitors from the US (91% of 2019) and 4.7 million visitors from overseas (81% of 2019). Overall recovery progress continued but at a slower pace compared to the strong performance at the beginning of 2024.

Year-to-date arrivals by mode of entry, border counts

Mode	2024	2019	Total
Airplane	4,140,454 (102% vs. 2019)	4,012,105 (85% vs. 2019)	8,152,559
Car	6,598,608 (90% vs. 2019)	618,809 (73% vs. 2019)	7,217,417
Sea	356,929 (46% vs. 2019)	47,651 (20% vs. 2019)	404,580
Total	11,095,991 (91% vs. 2019)	4,678,565 (81% vs. 2019)	15,774,556 (86% vs. 2019)