

CANADA'S GLOBAL MOMENT: CANADIAN TOURISM OUTLOOK

How tourism is a high-growth, fast-return, tariff-free export for our country

2026 – 2035

Prepared by Destination Canada and Tourism Economics – Spring 2026

As storytellers and ambassadors of the diverse tourism sector in Canada, we deeply appreciate the significance of our role in representing the multitude of voices and places that collectively shape Canada.

We acknowledge the Indigenous Peoples of all the lands that we work and live on. We do this to reaffirm our commitment and responsibility in improving relationships with nations and our own understanding of local Indigenous Peoples and their cultures. From coast to coast to coast, we acknowledge the territory of the Inuit, Métis, and First Nations people who have called this place home since time immemorial.

CANADA'S GLOBAL MOMENT: CANADIAN TOURISM OUTLOOK



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Gros Morne National Park
Newfoundland and Labrador

WELCOME TO THE 2026 – 2035 CANADIAN TOURISM OUTLOOK



ADAM SACKS

**President and Founder
Tourism Economics**

Geopolitical and economic uncertainty abound. However, Canadian tourism has proven itself resilient. Canada's reputation is sterling, reflecting its strong global brand and a compelling "*Canada, naturally*" destination marketing platform.

As a result, Canada's tourism sector entered 2026 with clear and sustained momentum and this outlook reflects this.

For industry partners and operators, this momentum calls for action: strengthening readiness, increasing capacity, and delivering high-quality visitor experiences that ensure Canada remains a top global destination, laying the groundwork for a dynamic period of growth and opportunity.



Montréal
Québec

01

THE MOMENTUM CANADA'S GLOBAL MOMENT (2026 - 2035)

Sea to Sky Highway

British Columbia



CANADIAN TOURISM DATA
COLLECTIVE

CANADA'S GLOBAL MOMENT (2026 - 2035)

The Canadian tourism landscape in 2026 is defined by significant and growing momentum. This report provides an economic outlook from now through 2035, Canada's global moment of brand strength, high export growth and fast returns. Across Canada, more than 5,000 communities and 280,000 businesses will reap the economic and social benefits.



This story did not start this year. Destination Canada's 2030 Strategy set an ambitious benchmark for smarter, higher-yield tourism growth with broader regional impact, and Canada is now on track to surpass it by reaching the \$160-billion tourism revenue target two years early.

What follows is the proof: stronger demand, higher-value travellers, wider regional and seasonal spread, and Canada's rising global reputation are accelerating the sector beyond earlier expectations, with room to capture even more market share as Canada addresses competitiveness constraints and seizes this moment of global brand strength.

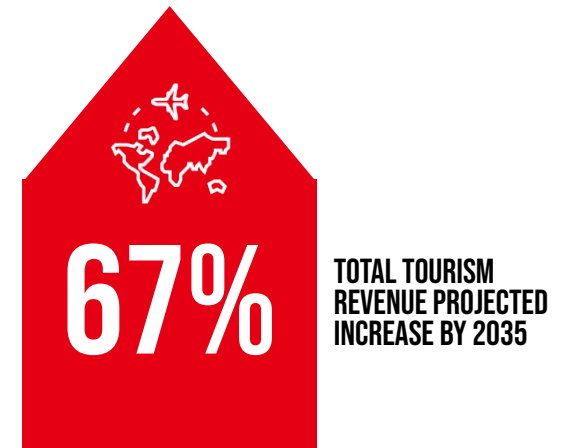
The immediate news for 2026 is a story of accelerating demand. Despite global economic uncertainty, tourism spending in Canada is forecasted to expand by 6.0% in 2026, outpacing the 5.4% growth projected in previous outlooks.

This represents a material strengthening of the sector's performance, with even more robust momentum expected to build from 2026 onward. This near-term surge is the catalyst for a massive long-term shift.

By 2035, total tourism revenue is projected to increase by 67% over 2024 levels, reaching \$216.3 billion. A big part of the lift over the short term is Canadians "reshoring" travel dollars at home, paired with a meaningful jump in air capacity for summer 2025 (overseas carriers +13.3%, US carriers +7.9%) that is opening the door to more, and higher-yield, arrivals.

The longer-term catalyst for tourism growth is international markets, especially overseas (with non-US revenues projected to increase by 9.8% at a compound annual growth rate, or CAGR) until 2035. Domestic revenue, meanwhile, is stable with 3.6% CAGR growth over the same period.

This growth is poised to continue, given Canada's reputation advantage and the reality that travellers are still choosing to invest in experiences, even amid uncertainty.



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TOURISM BENEFITS CANADIANS IN MANY WAYS



OUTPERFORMING THE CANADIAN ECONOMY

Tourism will emerge as an important engine of wealth, growing at 5.3% annually through 2030, significantly faster than the 3.7% projected for the broader Canadian economy in nominal terms over the same period.



SUPPORTING OUR EXPORT GOALS

Canadian tourism revenue is outperforming overall GDP growth, supporting export goals with 9.8% annual growth till 2035 in non-US exports, and benefiting from strong demand despite ongoing global uncertainty.



HIGH GROWTH AND FAST RETURNS

Tourism ranked among Canada's Top 3 exports in 2025, accounting for 13.1% of Canada's total services exports. Together, travel and tourism represent Canada's largest services export category, making up 30% of all Canadian services exports.



SUPPORTING COMMUNITIES

This growth supports 1 in 10 Canadian jobs and injects more than \$364 million daily into more than 5,000 communities, from coast to coast to coast.

Yes: \$364 million *daily*.



GENERATING TAXES

According to Statistics Canada, tourism generated \$32.7 billion in municipal, provincial, and federal tax revenue in 2024, supporting essential public services and contributing to nation-building across Canada.

02

TOURISM IS A HIGH-GROWTH, TARIFF-FREE EXPORT WITH FAST RETURNS

TOURISM AS A FAST-GROWING, TARIFF-FREE EXPORT

Tourism stands as one of Canada's fastest-growing, tariff-free services export sectors. It is a unique economic lever that brings foreign dollars directly into Canadian communities and translates into immediate economic benefits.

This Canadian Tourism Outlook recognizes tourism as an economic driver with national impact, projecting annual growth of 7.7% (blended growth rate) in export receipts between 2024 and 2035.

Tourism will be a critical component of Canada's 2035 goal to add \$300 billion in non-US exports, by contributing 9-10% of that total ambition.

The translation is simple: international business and leisure visitors represent "new money" flowing into the economy to support local infrastructure and businesses.

To fully capture this value, operators must act like exporters by reducing booking friction and making products easy to purchase globally. But tourism's impact isn't restricted to direct tourism exports. It also has an overarching impact on total exports (goods and services) by strengthening Canada's global brand, improving air connectivity, supporting diversification and transforming business events into strategic investment opportunities.

As a tariff-free services export, tourism helps Canada diversify beyond US trade while converting overseas demand into immediate local revenue.

As per a February 2026 Destinations International report titled *The Impact of the Visitor Economy on Canadian Exports*, a 1% rise in inbound tourism volumes would generate a \$1.06-billion increase in total Canadian exports over a two-year period.



The Inn at Bay Fortune
Prince Edward Island

TOURISM AS A PATH TO DIVERSIFIED EXPORT GROWTH

By 2035, tourism will contribute between 9-10% of Canada's ambitious goal to double non-US exports to \$300B, proving that our natural assets, vibrant culture and welcoming spirit are among our most valuable, scalable exports.

With the right investments in global markets, that figure could be 10%, adding between \$27B and \$30B to our economy.

TOURISM'S CONTRIBUTION TO CANADA'S 2035 NON-US EXPORT GOAL

UP TO
+10%
\$30 BILLION



Tourism's projected \$30 billion contribution (up to 10%) toward the national goal of adding \$300 billion in non-US exports by 2035.

03

CANADA'S TOURISM GROWTH STORY

Riding Mountain National Park Manitoba



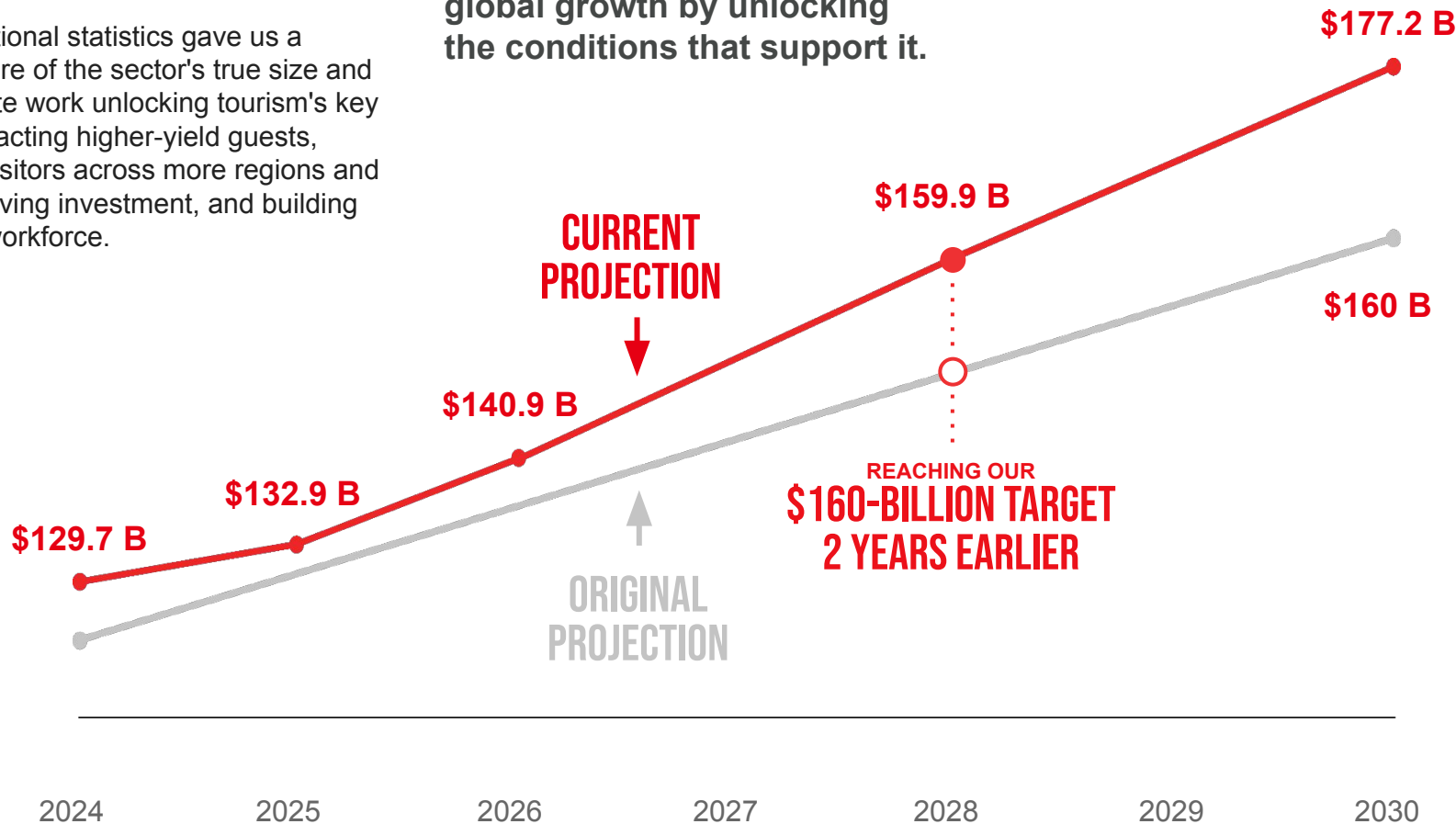
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TOURISM IS FORECAST TO REACH OUR \$160 BILLION TARGET TWO YEARS EARLY, BY 2028

Canada's tourism sector is currently outperforming even our most ambitious forecasts. This growth is fuelled by two things coming together at the right time.

Updated national statistics gave us a clearer picture of the sector's true size and the deliberate work unlocking tourism's key levers – attracting higher-yield guests, spreading visitors across more regions and seasons, driving investment, and building a stronger workforce.

The opportunity now is to convert that momentum into an even greater share of global growth by unlocking the conditions that support it.



UNLOCKING KEY LEVERS

- ▲ Visitor Yield (Spending)
- ▲ Tourism Investment
- ▲ Tourism Employment
- ▲ Geographic & Seasonal Dispersion

All the above levers are up since the implementation of Destination Canada's "2030 Strategy: A World of Opportunity"

THE GLOBAL TOURISM GROWTH STORY IS JUST BEGINNING



Tourism's ascent starts with a simple truth: global demand continues to surge, projected to grow at a nominal annual rate of 6.4% to 2030. Even in periods of economic uncertainty, people continue to prioritize experiences, connection and time together. Canada has the opportunity to capture this intrinsic need to travel in the years ahead. We just need to seize our chance.

You can see it in the way tourism continues to outperform the broader economy. Canada's momentum is building at a pivotal moment for the global economy. According to the WTTC's 2025 Economic Impact Research, international visitor spending is forecast to hit a historic \$2.1 trillion this year, surpassing 2019's peak by a staggering \$164 billion. With global tourism revenue accelerating at a 6.4% growth rate to 2030, our strategic focus on high-yield guests ensures Canada is not just participating in this \$2.1 trillion market, but capturing more of it.

Canadian tourism is projected to grow at a nominal annual growth rate of 5.3% annually to 2030, according to Tourism Economics, outpacing the broader Canadian economy, which is projected to grow at a nominal annual growth rate of 3.7% over the same time.

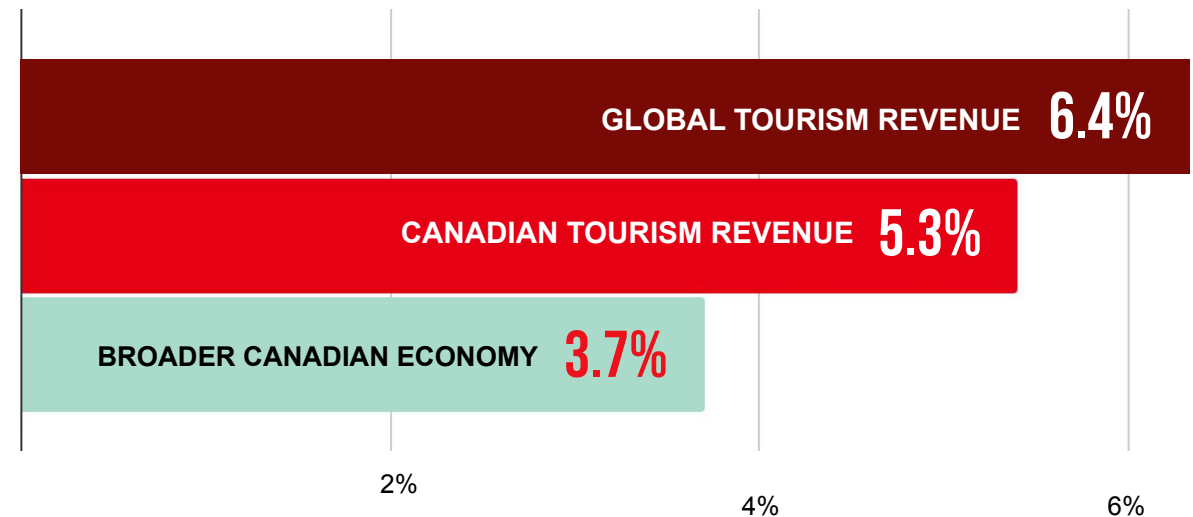
The next chapter is about what unlocks that growth. Canada can build workforce capacity and productivity, direct demand to regions and seasons with room to grow, and attract higher-yield guests who generate strong spending with less pressure on labour and accommodations.

Tourism employment grew 3% compared with 1.4% economy-wide in 2025, reinforcing that this is not a ceiling, but a platform for more growth.

Destination development and new attractions can then build the momentum that drives more air access, investment and development.

Tourism effectively attracts billions in annual investment, ranging from accommodations to transportation, to airport and port infrastructure. This spans public, private, domestic and foreign sources of investment.

CANADA'S TOURISM REVENUE IS PROJECTED TO OUTPACE THE BROADER CANADIAN ECONOMY



Canadian Tourism Economy based on revenue; Broader Canadian Economy based on GDP; All growth rates are based on underlying values expressed in Canadian dollars (CAD)

04

CANADIANS ARE CHOOSING TO TRAVEL IN CANADA

Grasslands National Park

Saskatchewan



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CANADIANS ARE CHOOSING TO TRAVEL IN CANADA

Domestic travel is stepping up in a way that provides a material lift to the entire national outlook. Canadians are “reshoring” their travel dollars, choosing to explore their own backyard rather than crossing the border.

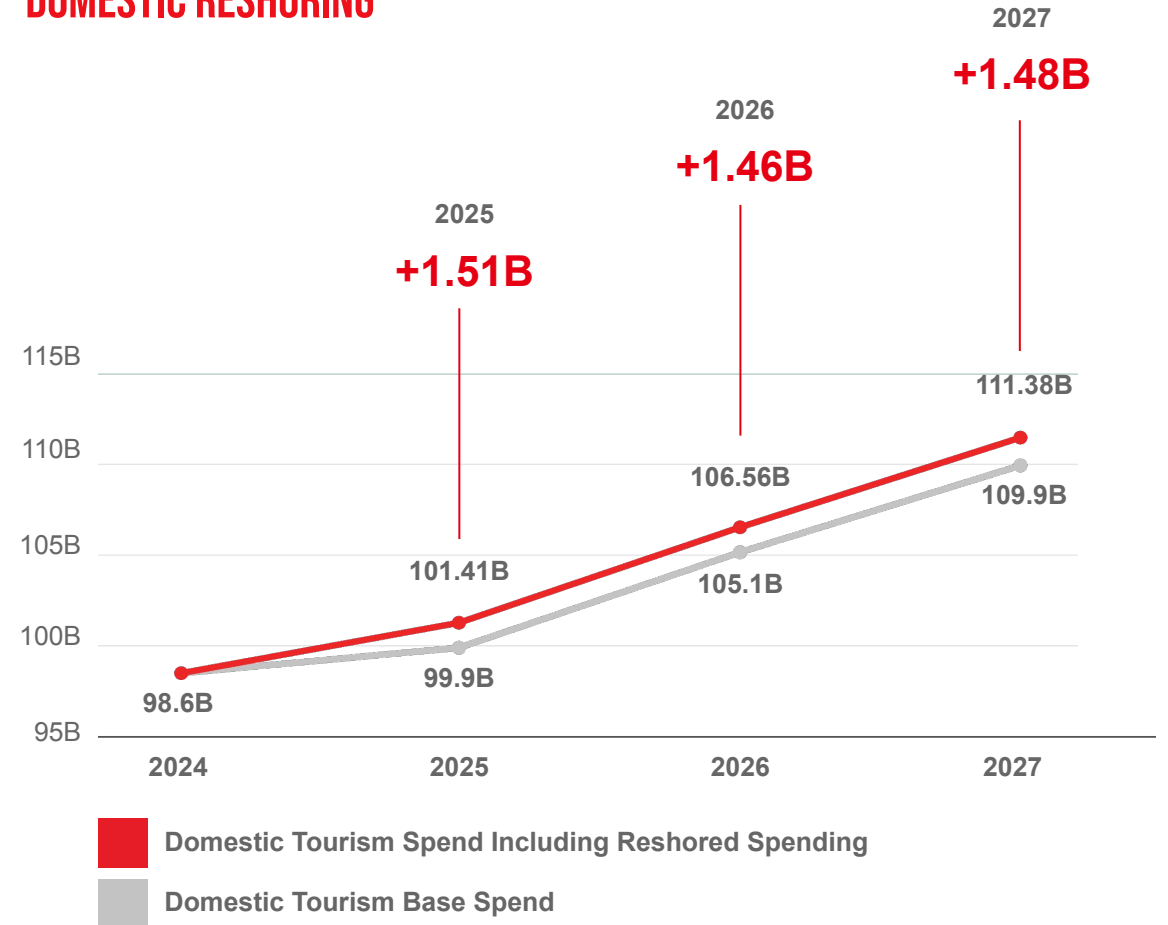
Incredibly, inter-provincial travel outpaced intra-provincial travel. Canadians do enjoy the local day-trip, but they are also exploring further across Canada as they discover their country again (or for the first time). Based on the latest data, tourism contributed \$1.5 billion to the economy in 2025 alone, with total reshored spending reaching an estimated \$4.4 billion between 2025 and 2027. The residual effect of this reshoring is expected to continue beyond 2027.



In 2025, Canadians reshored \$1.5 billion into our own economy, discovering that a journey into the next province offers legendary value that leaves Canadians wanting more.

Domestic strength is a vital foundation that stabilizes the system during transition years, but we recognize it is not a substitute for the higher-yield growth driven by international travellers who bring in “net new” money to the Canadian economy. Canadians discovering Canada ensure the benefits of tourism reach all of Canada’s 122 tourism regions, including rural, remote and northern communities.

DOMESTIC RESHORING



05

THE US REMAINS A TOURISM CORNERSTONE

THE US REMAINS A TOURISM CORNERSTONE

Visitors from the United States anchor our international visitor economy with a scale that no other market can match. However, over the next decade, growth from non-US markets will be stronger and the non-US share of our total export services revenue is projected to grow from 50% in 2025 to 60% by 2035.

Beyond proximity, Americans are choosing Canada because we are clear about what we offer: a place that feels real, open and genuinely welcoming.

In a world that often feels filtered or fake, travellers are seeking real, authentic experiences, and Canada offers just that, naturally.

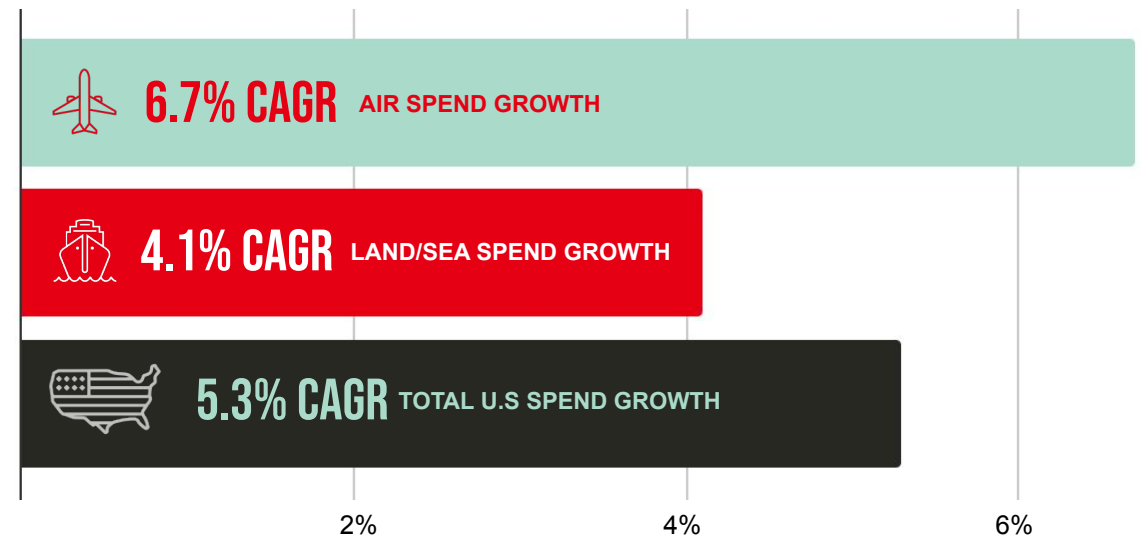
As we emerge from uneven US travel in 2025, the outlook projects a strong recovery and even stronger growth from 2026 onward. Within this rebound, how Americans travel matters as much as how many. The outlook points to air arrivals growing far faster than drive travel. Between now and 2030, spending from US air arrivals is forecasted to grow by an average of 6.7% (compound annual growth rate, or CAGR) per year, significantly outpacing the 4.1% growth projected for land and sea arrivals.

This strategic shift is driven by higher-income travellers who remain resilient to economic volatility and continue to prioritize high-value experiences over goods.

Conversely, the drive market remains more sensitive to cost and border friction. Positioning Canada as a premier, fly-to destination allows us to capture this high-yield demand, delivering on the promise of an open, unfiltered experience that encourages Americans to explore further and stay longer.

At the same time, while the US will continue to lead in total volume, the fastest rate of growth over the next decade is coming from beyond North America.

THE HIGH-YIELD SHIFT: US AIR SPEND VS. DRIVE SPEND GROWTH (2024 – 2030)



The gap between Air Spend Growth (6.7% CAGR – compound annual growth rate), Land/Sea Spend Growth (4.1% CAGR) and growth in total spend from the U.S (5.3% CAGR)

06

OVERSEAS TRAVELLERS: THE EXPORT ACCELERATION ENGINE

Whistler

British Columbia



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OVERSEAS TRAVELLERS: THE EXPORT ACCELERATION ENGINE

Overseas markets are the acceleration story within Canada's broader momentum. Compared to the US market, they will grow roughly twice as fast over the medium term – and the cumulative payoff is significant.

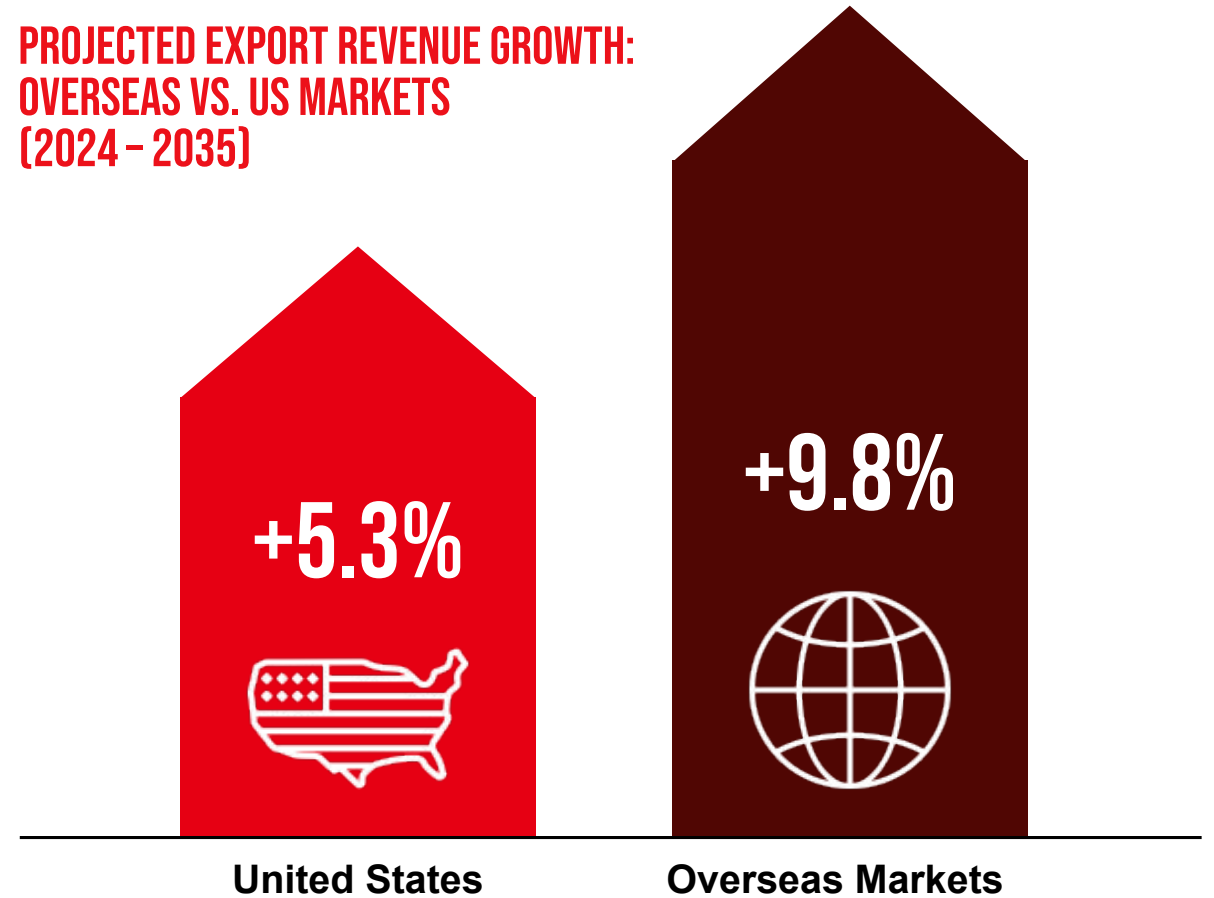
This overseas growth driver helps diversify Canada's tourism markets and seasons, protecting it from shocks in individual markets. While 2025 reflected a marginal increase in international spend, the long-term trajectory is clear: at that pace, revenue from overseas origins is expected to nearly triple its 2024 levels by 2035.

For operators, “overseas readiness” is now a strategic necessity. Staying visible in these markets through AI-discoverable content, trade relationships and international distribution channels ensures that Canadian businesses are the first to capture demand as growth re-accelerates. This growth is especially strong in Asian markets like Japan, South Korea, and China, where travellers are generally high-spend-per-night.

They are a big reason why tourism is an economic driver with national impact, projecting annual growth of 7.7% (blended growth rate) in export receipts between 2024 and 2035, with a massive and growing share coming from overseas markets, especially from Europe and Asia.



PROJECTED EXPORT REVENUE GROWTH: OVERSEAS VS. US MARKETS (2024 – 2035)



9.8% annual growth rate forecast for overseas markets – roughly double the 5.3% rate projected for the United States.

07

BUSINESS EVENTS: THE HIGH-YIELD EXPORT PLAY

Halifax

Nova Scotia



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BUSINESS EVENTS: THE HIGH-YIELD EXPORT PLAY

Business Events are a high-yield export play that delivers long-term connections to Canada, trade links, talent attraction, sector connections and legacy projects that enhance local host communities for decades.

Our forecast shows business events and delegates will exceed 2019 levels by 2028, following a gradual and long-tailed recovery driven by lasting structural changes in business travel.

Business events comprise association and corporate events. Association events are organized by professional or member-based organizations, focused on education, knowledge sharing, and industry advancement. Corporate events are organized by companies to support business goals such as product promotion, training, or sales alignment.

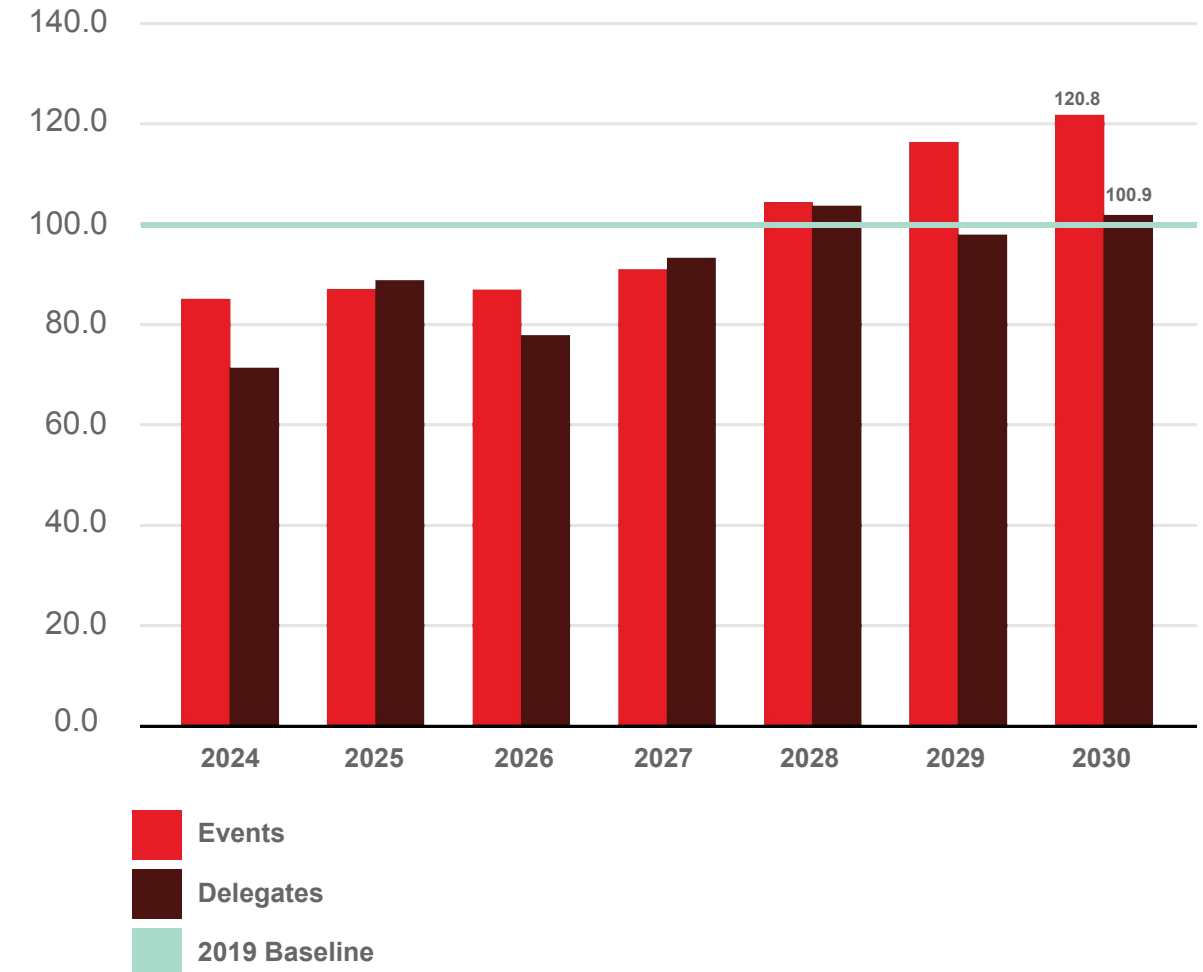
Association events (which tend to have a larger and longer-term economic impact) are projected to grow much faster than corporate events, reaching 132% of the 2019 baseline by 2028, with delegate numbers reaching 118% of the 2019 baseline.

The International Convention Attraction Program (ICAP) is elevating the profile of Canada as a host destination, supporting the attraction of high-impact events in priority economic sectors.

Launched through Budget 2023, ICAP was a targeted Government of Canada investment to strengthen global competitiveness in securing major international conferences that produced an ROI of 20:1 and generated over \$800 million in economic impact.

FORECASTED BUSINESS EVENTS AND DELEGATES

Indexed 100 equals to 2019 level



08

PERCEPTION AND BRAND: CONVERTING REPUTATION INTO GROWTH

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Canada's brand is a powerful economic asset. In a highly competitive global marketplace, with literally hundreds of options for leisure travel or business events, the trust associated with Canada – as a nation and as a destination brand – is invaluable. Even more so in today's world of volatile geopolitics and economic change.

Our standing in highly respected global reputation rankings is soaring – #1 in the RepCore brand study (tied with Switzerland) and #3 in the Anholt Nation Brand Index. Brand reputation directly affects travellers' decisions to consider and choose Canada over other travel and hosting destinations.

Canada's brand reputation has never been stronger. This is our moment to seize market share from competitors and capture the enormous growth in international travel that lies ahead.

This is our moment to realize the enormous growth in international travel that lies ahead and to capture market share from our key competitors.

Canada's compelling new brand platform – underscored by the tagline 'Canada, naturally' – sets the expectation that travel in Canada will not be fake or filtered.

Travellers will discover legendary experiences in nature, enriched by the genuine, openness of Canadians. This expectation becomes trust when travellers experience and validate our brand promise during their travels here.



Tombstone National Park
Yukon

CANADA'S REPUTATION IS MOVING UP

CANADA RANKS #3 IN THE 2025 ANHOLT NATION BRAND INDEX



#1 for International Reputation
(tied with Switzerland)
RepCore® Nations 2025



#4, Best Countries 2026
US News and World Report



Top 5 Safest Country to
Travel in 2026
Berkshire Hathaway Travel
Protection



#7, Brand Finance
Global Soft Power, 2025



One of the World's
Top 10 Countries
Condé Nast Traveler's 2025
Readers' Choice Awards



09

SEIZING CANADA'S GLOBAL MOMENT

HOW OPERATORS CAN HELP UNLOCK TOURISM'S GLOBAL GROWTH

For Canadian tourism operators and destinations, resilience is practical. It shows up in how we plan, how we package, and how we balance markets. This outlook identifies several ways to incorporate resilience into operations that seize the growth opportunity in front of us in 2026 and beyond.

These measures will help tourism businesses grow in a way that strengthens communities and protects the places visitors come to experience, while strengthening resident sentiment about tourism.

Tourism continues to perform because travel remains a priority purchase, and more travellers are choosing Canada. The opportunity now is to unlock more of that demand by improving workforce productivity, available capacity, and attracting higher-yield guests to communities coast to coast to coast.



HOW THE SECTOR'S RESILIENCE CAN UNLOCK EVEN MORE GROWTH

- **Build flexibility into the offer:** Clear value, smart bundles, and products that fit shorter booking windows and changing trip patterns.
- **Diversify to reduce risk:** Keep a healthy pipeline across domestic and international markets so disruption in one travel corridor doesn't sever the pipeline of business.
- **Plan with capacity in mind:** Be aware about labour needs (and shortages) and service delivery, then manage demand toward shoulder seasons and higher-yield segments. Invest in capital assets, upskilling of workforce and other productivity-enhancing tools.
- **Lead with the experience:** Sell the reason to come to your destination, then deliver at a level that earns repeat visits and recommendation, while engaging with and enriching local communities.
- **Boost AI discoverability:** Structure content so AI search cites it (get the [Generative AI Search Playbook](#)). Then use Destination Canada's [Aurora AI suite](#) to turn trusted intelligence into faster, clearer decisions.



Moncton
New Brunswick

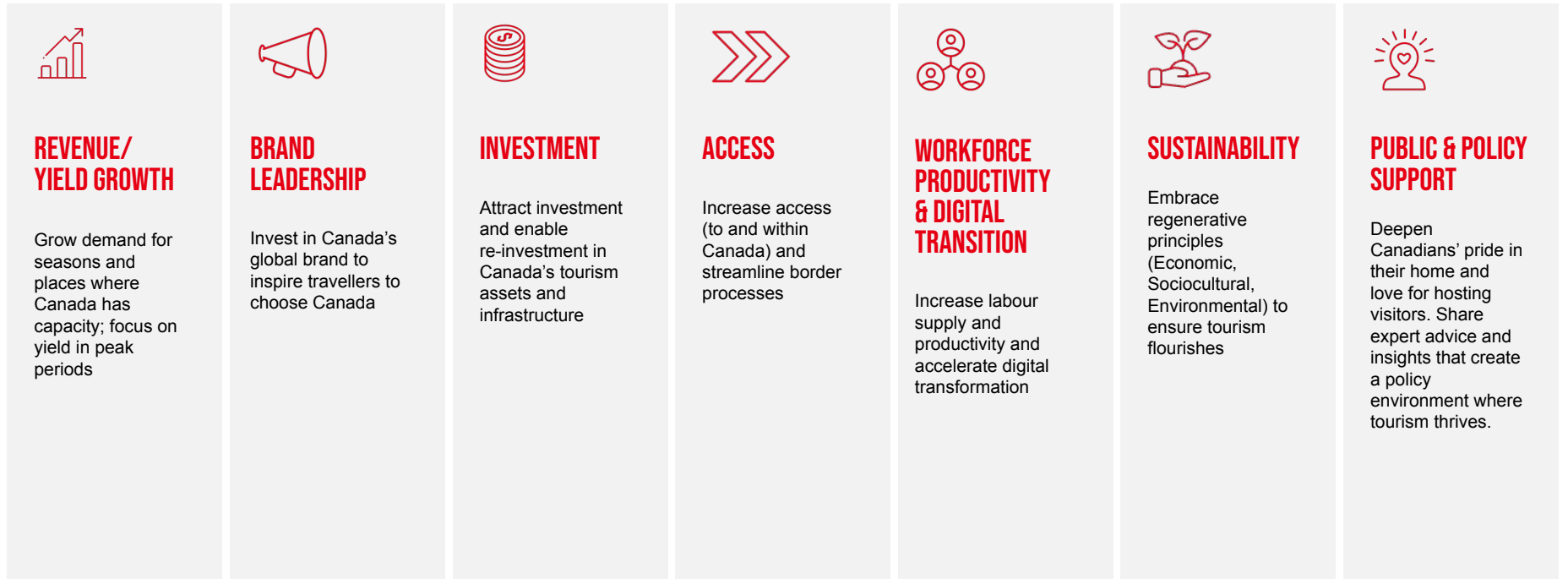
HARNESSING CANADA'S TOURISM POTENTIAL

Global tourism is growing, and Canada is well positioned to capture more of that demand over the next decade and beyond.

There is an immense opportunity for real growth and transformation, but it requires collective action to address and beat the constraints that are holding back the sector. There are seven key levers that must be moved to shift our industry towards transformation.

Unlocking a greater share of that opportunity will take coordinated action across the levers that shape competitiveness: building workforce capacity and productivity, directing demand to places and seasons with room to grow, attracting higher-yield guests, strengthening access and investment, and creating the momentum that fuels further development.

These priorities can help Canada build on today's strength, ease the sector's constraints, and extend the benefits of tourism growth more broadly and more confidently across communities nationwide.



THE TOP 3 TAKEAWAYS TO SEIZE CANADA'S GLOBAL MOMENT

Canadian tourism is on track to reach \$160 billion by 2028, two years ahead of target, as it outpaces the broader economy and strengthens Canada's export position. With overseas markets growing faster and Canada's brand strength rising, the sector has more share to capture by improving competitiveness, capacity and productivity.



1. Tourism is a proven economic engine: high-growth with fast returns.

Tourism is projected to grow at 5.3% annually through 2030 versus 3.7% for the broader Canadian economy, ranks among Canada's top three exports in 2025, supports 1 in 10 jobs, injects more than \$364 million a day into communities, and generated \$32.7 billion in tax revenue in 2024.



2. International tourism can deliver 9-10% of Canada's non-US export ambition.

By 2035, tourism is projected to contribute 9-10% (or approximately \$27 billion – \$30 billion) towards Canada's goal to add \$300 billion in non-US exports. That upside sits on top of a sector already on track to reach the \$160-billion tourism revenue target by 2028, two years early.



3. Canadian tourism can do even better if it acts on its competitiveness now.

Global tourism demand is growing, Canada is well positioned to capture more of it, and the country's brand strength is rising. The next step is to continue to attract billions in annual investment in accommodations, transportation and infrastructure to meet demand.

In the meantime, we are directing demand to places and seasons with room to grow, attracting higher-yield, values aligned guests, strengthening access and investment, and building the momentum that generates wealth and wellbeing for all of Canada.

Learn more about Canada's Global Moment
at TourismDataCollective.ca or at DestinationCanada.com



ENGLISH



FRANÇAIS