



## CANADIAN INBOUND TOURISM ASSOCIATION Plus (CITAP+)

### **Market: AUSTRALIA**

#### **OVERVIEW**

DC's Australia office is pushing fall and winter travel and Vancouver is also focused on winter.

Destination BC will be rolling out the Iconics routes this year (in addition to Rainforest to Rockies and The Great Wilderness) which will provide intent and interest to travelling to lesser know destinations in BC. With that will come funding to market these locations and product through the travel trade.

Product: Wildlife is still huge along with Northern Lights, cruise and train travel. In winter ski is a big driver. Natural attractions and food experiences are also important for Australian travelers.

Over 50% of travelers from Australia are in the 55+ age group and the market has a high spend per capita.

#### **ECONOMY**

GDP figures show that the low point of Australia's economic cycle has now passed with the first positive growth in Dec 2024. The forecast is for moderate annual growth of 1.6 % in 2025, before things pick up to 2.3 % in 2026.

The pace of growth is expected to increase as some economic headwinds decline. Projected rate cuts will boost household spending and business investment. Low unemployment, lower inflation and tax cuts are all contributing to a brighter economic outlook. Cost-of-living pressures continue to weigh on households, but the overall impact has diminished.

Geopolitical and economic uncertainty, which has increased in recent weeks, may create some headwinds. Turmoil in global financial markets will impact discretionary income for the retired demographic, a significant segment for travel to Canada.

#### **FORECAST**

We are seeing strong growth in 2025 from the Australian market for both FIT and group. There is ongoing recovery especially on the group tour side with clients relaunching programs that they last operated pre-pandemic.

High prices are a concern in the high demand destinations of West Canada – Vancouver and the Rockies. While Australians travel in the mid and luxury range, they still want value.

The AU\$ has gained some ground against the CA\$ since the start of the year however has declined significantly vs the US\$. That, combined with political sentiment currently running against the USA could see more bookings for Canada. As Alaska cruises are usually sold in combination with a Canada ground program, the hope is that the consumer perception will be that they are primarily buying Canada.

They are just starting to see switch sell from US to Canada in the last week or so (with Trump's latest tariff war). Aussies feel sorry for the Canadians and also don't want to support the US at this time.

Ski tour operators are saying that Canada is taking back some of the lost ground from Japan that it has taken over the last couple of seasons. They are reporting that Japanese resorts and partners are putting up their prices substantially and availability was a real issue this winter. So they are saying that Canada is dominating the early bookings for the 25/26 season which is super encouraging.



## CANADIAN INBOUND TOURISM ASSOCIATION Plus (CITAP+)

### Market: France, Germany, UK

#### OVERVIEW

In general, for all three markets:

- Concerns on the compression impact of FIFA in Canada, especially Vancouver
- The Far East is extremely attractive to all three destinations, with exceptional value for money
- Jasper and BC wildfires, road closures, flooding in Calgary and Quebec strikes etc. reinforced booking with tour operators for servicing (refunds and support with reroutings), which keeps the operator's brand image intact

### Market: France

#### OVERVIEW

- The domestic budget has been passed, but political unrest is still in the air. It is a minority government just hanging on.
- Tend to be more eastern geared, with west as a 2<sup>nd</sup> or 3<sup>rd</sup> holiday experience which is seen as more exotic.
- Heavy Groups market and tend to be very price sensitive.
- On the FIT side they book tailor made itineraries rather than what might seem to be mass market.

#### ECONOMY

- Snap election called - Macron has a minority government
- Minority government is vulnerable to French industrial action – strikes and protests
- 1 Euro = 1.48 CDN, the same as 1 year ago, but down from the year's high of 1.52
- Unemployment rate: forecasting 7.6% up from 7.3%
- Interest rates are slight up at 3.3%

#### FORECAST

- Heavy group market, which will be challenged with the high Canadian pricing
- Waiting to see what Trump does ex. Import taxes on wine

## Market: Germany

### OVERVIEW

- Going into 2025 with one less player (FTI). The business has been into the other players.
- Good recovery of the travel agency distribution
- Travel continues to be a way of life
- Technology is key. Looking for ways to improve efficiencies.

### ECONOMY

- Elections are set for the end of February. Currently a minority government (Scholz), with potential for some political unrest
- The economy is suffering – car industry trying to compete against China electric cars
- Switched off nuclear power station and went green (future play, but they are paying right now)
- 1 Euro = 1.48 CDN, the same as 1 year ago, but down from the year's high of 1.52
- Unemployment rate is at 6.4% up from 6% in 2024
- Low interest rates at 2.48%

### FORECAST

- A Trump reaction, which Canada might benefit from
- Waiting to see what Trump does ex. import on German car and electrical goods
- However high pricing will have an impact on this market

## Market: UK

### OVERVIEW

- Continues to have a resilient travel outlook
- Technology is key. Looking for ways to improve efficiencies.
- Health and Safety guidelines are even more pronounced – forms need to be filled out with some specific information, or the client may choose to not work with you (Brand promise and internal safety precautions)
- Western Canada is challenged by no British Airways to Calgary and no West Jet to Vancouver

### ECONOMY

- New government with a strong majority – Starmer
- New budget from the government that has increased taxes (social security & inheritance taxes which is tax on tax). Very unfavourable in the public eye.
- Inflation back in the government's target range @ 2.5%
- Low unemployment at 4.4%
- 1 Pound = 1.79 CDN, 1 yr ago at this time it was 1.71, but down from the year's high of 1.81

## **FORECAST**

- Very resilient demand for overseas holidays due to their weather
- However, they have lots of choice.
- Travel to the US will be impacted due to Trump which may benefit Canada



## CANADIAN INBOUND TOURISM ASSOCIATION Plus (CITAP+)

### Market: Southeast Asia

#### OVERVIEW

Southeast Asia comprises many countries with impressive religious, cultural and historical diversity.

Which countries are more actively promoting Canada as a destination: Singapore, Malaysia, Indonesia, Philippines, Thailand and Vietnam.

How are they selling Canada?

Singapore: Alaska cruise + Canadian Rocky, Yellowknife Aurora Viewing

Malaysia: Alaska cruise + Canadian Rocky, East Coast Ontario fall foliage tour

Thailand: May – October cross Canada 12 days

Indonesia: Vancouver + Alaska cruise

Philippines: Vancouver per and post tour or VFR

Vietnam: Business visiting + Vancouver or Toronto major city tour

#### ECONOMY

##### 2024 record

Country	Singapore	Thailand	Indonesia
GDP rate	4.4	2.5 %	5.03 %
Unemployment rate	2.0 %	1 %	4.91 %
Inflation (CPI)	2.4 %	0.4 %	1.57 %
Exchange rate CAD as February 2025	SGD: CAD 1:1.06	Bath: CAD 1:0.042	IDR: CAD 1:00009
Focus GDP rate 2025	1-3.0%	3.5 %	5.1 %

Country	Malaysia	Philippines	Vietnam
GDP rate	5.1 %	5.2 %	7.09 %
Unemployment rate	3.3 %	3.1 %	2.24%

Inflation (CPI	1.8 %	3.2 %	3.63 %
Exchange rate CAD as February 2025	MYR: CAD 1:0.32	PHP: CAD 1:0.025	VND: CAD 1:0.000056
Focus GDP rate 2025	24.5- 4.8%	6 %	6.5%

## FORECAST

Singapore:

Summer, Alaska cruise + Pre and Post Canadian Rocky 5-6 days

Alaska cruise + Aurora viewing in September

Thailand:

Cross Canada 12-14 days trip

Malaysia

Summer, Alaska cruise + Pre and Post Canadian Rocky

Vietnam:

Vancouver + Victoria & Calgary + Banff or Toronto + Niagara Falls tour



CANADIAN INBOUND TOURISM ASSOCIATION Plus (CITAP+)

## Market: Taiwan

### OVERVIEW

According to statistics from the Tourism Bureau, the number of outbound tourists will exceed 16 million in 2024, returning to 95% of pre-epidemic levels. About 100,000 Taiwanese tourists came to Canada for sightseeing in 2024, not including VFR.

Popular period to visit Canada: May – October

Popular destination to Visit Canada: Canadian Rocky, Ontario, Quebec, British Columbia, Northwest Territories

Because the supply and demand of airline seats are still tight, consumers' or travel agents' travel plans are advanced for 4-6 months, and the last-minute request is reduced.

The main tourist population is between 30 and 60 years old, with an equal proportion of men and females. However, among the travel population in the 20-30 age group, females account for 65%.

Top Incentive, MICE group destination 2024: Japan / Vietnam/Thailand / Austria / Italia /Turkey

Taiwan Incentive traveling month: March ~ May and September ~ November

Top outbound destination 2024: Japan / China, Hong Kong, Macao / Korean / Vietnam/ Thailand/ Singapore /US

New trend for popular unique products for Taiwan in 2024

Cruise: Antarctica cruise, European River cruises

Naturel: Africa Safari, Wildlife, Aurora viewing (Iceland, Finland, Alaska, Yellowknife)

Festival: Brazilian Carnival, Carnival of Venice

Sports: Baseball game: watch NPB in Japan or MLB game in US

Ski: Japan, Europe (Apls Mt. region)

Hiking: Switzerland, US National Park



## Economy

2024 GDP rate 4.3% (per capital \$793.2 billion USD)

2024 Inflation rate was 2.18%

2024 Unemployment rate 3.38%

Economic growth rate in 2025 is expected to be 3.2%

Exchange rate February 2025: \$1 USD = \$32.72 NTD

February 2025: \$1 CAD= \$23.05 NTD

TSMC, Nvidia, those IC (semiconductor), Biochemical technology and AI developments that dominate the global economy have benefited Taiwan's economy and maintained stable development.

## Air access

“Two nation tours” are more popular; more groups using Seattle hub bus or connecting flight into Vancouver or Calgary, similar with flight to New York connecting tour to Toronto

### **New flight route – Taipei / Seattle**

**Delta Airline: daily and change to A350-900 from March**

**China Airline: 5 fly per week**

**EVA Airway: 10 fly per week**

**STARLUX : 3 fly per week, will increasing to 7 fly per week from March**

### **Major Air access to Canada: (direct flights):**

China Airline (CI): daily between Taipei to Vancouver

EVA Airline (BR): daily between Taipei to Vancouver

EVA Airline (BR): daily between Taipei to Toronto

### **Others: (connecting)**

Cathy Pacific (CX): Taipei or Kaohsiung to Hong Kong

Daily flight per week from Hong Kong to Vancouver

Daily flight per week flight Hong Kong to Toronto

Unite Airline (UA): Daily flight per week from Taipei to San Francisco

EVA Airline (BR): Daily per week between Taipei to New York

Double daily per week between Taipei to Los Angeles, summer will be running triple daily per week

Daily between Taipei to Chicago

Daily between Taipei to Huston

China Airline (CI): Daily between Taipei to New York

Daily between Taipei to Los Angeles

*Air Canada continues to suspend flights to Taiwan. Agents can book connecting flights to Canada via Seoul, Tokyo, and Hong Kong but must book separate flights departing from Taipei, in addition to high cost and insufficient convenience.*

## **CHALLENGES**

Canadian land tour operation costs increase due to inflation, taxes, labour shortage, rising domestic airfares, and supplier churn, which makes it difficult to compete with other long-haul destinations like the US, Australia or Europe.

Alaska cruise tourism will remain flat, with no growth this year. Many major cruise lines are adding Asian cruise tours, which offer the same cruise experience but at a lower cost, making Alaska cruises less attractive.

From 2024 to 2026, the Canadian major cities will host conventions, exhibitions, concerts, and sports events, leading to tight supply and rising prices and forcing the tourism market to shift to other destinations.

## **FORECAST**

Taiwan actively participated in the 2025 Rotary International Convention in Calgary, driving tourism to Western Canada.

Aurora viewing continues to be popular in the Taiwan market

More incentive group inquiry in September and October.

Canada needs more exposure as a leisure or incentive travel destination for the Taiwan market,

China major airline reduce airfare to attract Taiwanese tourists connecting flight through Beijing or Shanghai to Europe or US.