



## **Canada-Market Update- Q2 2024**

### **Canada**

#### **Insights from GBTA Canada April 2024**

##### **The State of Business Travel in Canada**

- Canada has lost a bit of market share during the post-COVID recovery. In 2019, Canada accounted for 7.4% of North America's spend. Today we account for 6.3% of NA spend.
- Based on data provided at last week's conference – Canada is expected to recover to its pre-COVID business travel spend level in 2024.
- 57% of Business Travelers are traveling the same or more than 2019.
- 55% are blending travel more than 2019.
- In the last 12 months, 63% of travelers took 1 – 2 trips.
- 6+ trips = 14%
- Some of the reasons for Travel:
  - Seminars/training (24%)
  - Conventions/Conferences (19%)
  - Other Business Meetings (14%)

##### **Comparison of Business Travel Spend**

- Canada business travel spend growth last year (27.3%) lagged global gains (32.1%).
- In 2023, spend recovered to 87% of the pre-COVID level, compared to 95% and 104% in North America.
- Canada fell in the market rankings. Pre-COVID, it was the 11<sup>th</sup> largest business travel market; it is the 14<sup>th</sup> largest today. In 2024 – it is anticipated that travel returns, Back to business.
- Canada business travel spending is forecast to reach \$25.9 billion with annual growth of 13.5%
- This will outpace global growth (11.8%) and NORAM growth (9.2%).
- Canada business travel spend is expected to fully recover to the pre-COVID level this year. Which is the same year when global spend will recover, but one year later than NORAM spend.

## **General Insights**

As recession fears ease, 53% of travel managers are not considering limiting business travel. Approximately, 59% of Canadian travel buyers expect to spend more on business travel. Another 65% of Canadian travel buyers expect their company will take more business trips this year.

Top 3 concerns that will impact Business Travel are the rising costs of travel, overall economic concerns, corporate budgets not keeping pace with needs.

## **Key Takeaways**

- Global travel spend is back.
- Canada to forecast to fully recover this year.
- Across the board, travelers are telling us that travel is worthwhile in achieving their business objectives.
- While economic concerns exist, and prices are increasing most are not limiting business travel in 2024.
- Sustainably managed travel is a force for good.
- This year, Air Canada is showcasing its new routes to Asia and Europe, as well as its boosted service to destinations across North America.
- While all of the new routes have already been announced in months prior, Air Canada will offer service on the following new international routes in 2024:
  - **Montreal–Madrid**
  - **Montreal–Seoul**
  - **Montreal–Stockholm**
  - **Toronto–Osaka**
  - **Toronto–Stockholm**
  - **Vancouver–Singapore**

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