

Canada

Tourism in the economy and outlook for recovery

Tourism is an important sector of Canada's economy and is a large source of jobs and growth. In 2019, the sector directly represented 2.1% of GVA and 3.6% of all jobs across Canada. The COVID-19 pandemic has had a significant impact on the sector. In 2021, tourism provided 498 900 jobs, down 197 500 jobs from 2019, and tourism GVA was CAD 24.2 billion, 1.0% of the Canadian economy.

After a record high of 22.1 million international tourists in 2019, visitation fell to 3.0 million in 2020. International tourist arrivals remained low in 2021, at 3.1 million tourists. Domestic tourism fell from 93.7 million overnight stays to 68.2 million in 2020. Domestic tourism trips recovered slightly in 2021 but remained 26% below pre-pandemic levels.

Total tourism expenditure fell from CAD 105.1 billion in 2019 to CAD 52.8 billion in 2020. This was held up by the relatively stronger performance of domestic tourism, which increased from 73.2% of total expenditure in 2019 to 91.8% in 2021.

Domestic tourism is expected to return faster than international tourism, with a return to pre-pandemic levels forecast in 2024. Recovery of international arrivals is expected in 2026. During the period January to July 2022, international tourists remained 48.6% lower than in the same time period in 2019.

Tourism governance and funding

In Canada the Federal Government, ten provincial governments, three territorial governments and the municipalities all play a role in supporting the tourism sector. The Federal Government holds exclusive responsibility in key policy areas, including border, air and visa policies.

The Minister of Tourism and Associate Minister of Finance (supported by the Department of Innovation, Science and Economic Development) is responsible for tourism at the federal level.

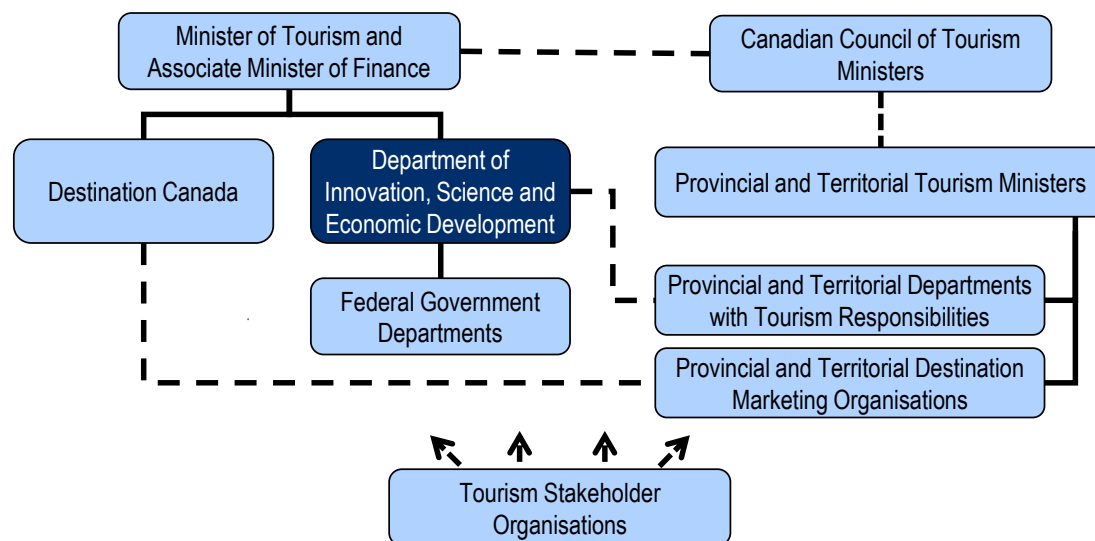
Other key federal players include Destination Canada, the national destination marketing organisation. Destination Canada works with partners in both the public and private sectors to promote Canada abroad as a premier tourism destination. As a Crown corporation, it reports to Parliament through the Minister responsible for tourism.

The seven Regional Economic Development Agencies play a critical role in providing direct support to tourism businesses and communities throughout the country. Provincial and territorial governments are responsible for domestic (and some international) tourism promotion, destination and product development, accommodation regulation, and hospitality and tourism education.

Canada has various mechanisms to ensure horizontal and vertical co-ordination and collaboration. Chief among these is the Canadian Council of Tourism Ministers, which annually brings together federal, provincial and territorial tourism ministers to discuss trends and issues facing Canada's tourism sector and to identify opportunities for collaboration.

Canada continued to make investments specifically tailored to the tourism sector in the 2021 Budget, totalling CAD 1 billion over three years. Measures included a CAD 500 million Tourism Relief Fund (Box 1.9), CAD 200 million to support internationally renowned festivals, and CAD 200 million to support smaller events in communities throughout the country. Budget 2021 also sought to drive demand for Canadian tourism by investing CAD 100 million in marketing initiatives through Destination Canada. In total, from the onset of the pandemic to April 2022, Canada's tourism and hospitality sector received an estimated CAD 23 billion in support through federal emergency programmes.

Canada: Organisational chart of tourism bodies



Source: OECD, adapted from Department of Innovation, Science and Economic Development, 2022.

Tourism policies and programmes

In 2019, the Federal Tourism Growth Strategy was announced, an overarching national strategy to support long-term sustainable growth in the sector. The strategy was built on three pillars: building tourism in communities, attracting investment, and promoting public-private collaboration. As part of the 2019 Strategy, the Government launched a CAD 58.5 million Canadian Experiences Fund (CEF) to enable communities to create, improve or enhance tourism products, facilities and experiences. The CEF investments were disbursed over two years (2019-20 and 2020-21) for tourism development projects in five priority areas: winter and shoulder-seasons; indigenous; inclusiveness (LGBTQ2); rural and remote; and culinary.

With the onset of the pandemic, the Federal Government recognised the critical need for an economy-wide suite of core measures to support businesses, families, and individuals. Canada made resources available through the COVID-19 emergency economic response to help businesses survive the pandemic. These liquidity measures ensured that businesses could access credit, keep employees on the payroll, and pay their rent.

In response to the duration of the crisis and the specific needs of tourism businesses, Canada brought in the Highly Affected Sectors Credit Availability Programme to provide government-backed loans of up to CAD 1 million per business to the hardest-hit sectors, including tourism. Furthermore, 25% of the CAD 2 billion Regional Relief and Recovery Fund was earmarked for tourism businesses.

As an example of the sector's increasing significance, tourism is steadily becoming an important economic contributor and job creator for Indigenous communities across the country. Cultural experiences that Indigenous Peoples share with visitors are important attractions for Canadian tourism, especially within international markets.

With the devastating impact of COVID-19 on the tourism sector, Indigenous communities that rely heavily on tourism have been disproportionately affected. The Tourism Relief Fund will continue to invest in Indigenous tourism by setting a national target of CAD 50 million for Indigenous tourism projects. In addition, through Budget 2022, Canada provided CAD 20 million for new Indigenous tourism funding to help the Indigenous tourism sector recover from the pandemic and position itself for long-term, sustainable growth. The Federal Government also proposes to provide CAD 4.8 million to the Indigenous Tourism Association of Canada to support its operations, which continue to help the Indigenous tourism sector rebuild and recover from the pandemic.

As the sector looks forward to a post-pandemic recovery, Canada's Budget 2022 announced that the Minister of Tourism and Associate Minister of Finance would work with the tourism sector, provincial and territorial counterparts, and Indigenous tourism operators to develop a new, post-pandemic Federal Tourism Growth Strategy to plot a course for growth, investment, and stability. To help shape the new Strategy, the Minister has engaged in an extensive consultation process with domestic and international tourism stakeholders, totalling over 400 engagements since May 2022. The engagement process has included regional and thematic roundtables on tourism investment, workforce, rural, sport, Indigenous, cultural, and culinary tourism. Regional roundtables provided a platform for tourism businesses and industry leaders across the country to highlight their needs, challenges, and interests.

The Minister of Tourism is also committed to developing a national strategy to promote trails tourism in Canada. This strategy will provide direction for the enhancement and maintenance of Canada's extensive trails network, such as the Trans Canada Trail.

Statistical Profile

Canada: Domestic, inbound and outbound tourism

	2017	2018	2019	2020	2021
TOURISM FLOWS, THOUSAND					
Domestic tourism					
Total domestic trips	328 454	278 060	275 418	198 032	202 267
Overnight visitors (tourists)	117 368	95 445	93 665	68 247	69 318
Same-day visitors (excursionists)	211 086	182 615	181 753	129 784	132 949
Nights in all types of accommodation	356 977	268 258	262 950	206 351	236 875
Hotels and similar establishments	..	..	..	..	..
Other collective establishments	..	..	..	..	..
Private accommodation	..	..	..	..	..
Inbound tourism					
Total international arrivals	31 081	31 274	32 430	5 068	4 282
Overnight visitors (tourists)	20 652	21 134	22 145	2 960	3 062
Same-day visitors (excursionists)	10 429	10 140	10 285	2 108	1 220
Top markets					
United States	14 238	14 650	14 977	1 929	2 093
France	547	593	658	96	121
United Kingdom	794	762	883	96	112
Germany	385	386	394	40	54
China (People's Republic of)	674	719	717	94	40
Nights in all types of accommodation	..	..	..	..	..
Hotels and similar establishments	..	..	..	..	..
Other collective establishments	..	..	..	..	..
Private accommodation	..	..	..	..	..
Outbound tourism					
Total international departures	..	..	..	..	..
Overnight visitors (tourists)	32 730	33 440	33 064	8 971	4 954
Same-day visitors (excursionists)	..	..	..	..	..
Top destinations					
..
..
..
..
..
TOURISM RECEIPTS AND EXPENDITURE, MILLION CAD					
Inbound tourism					
Total international receipts	36 938	39 959	44 323	18 894	17 847
International travel receipts	32 446	35 391	39 507	18 114	16 459
International passenger transport receipts	4 492	4 568	4 816	780	694
Outbound tourism					
Total international expenditure	54 368	54 830	57 383	18 739	12 824
International travel expenditure	45 010	44 740	46 901	16 203	9 637
International passenger transport expenditure	9 358	10 090	10 482	2 536	1 593

.. Not available; | Break in series

Source: OECD Tourism Statistics (Database).

StatLink  <https://stat.link/q42bvz>

Canada: Enterprises and employment in tourism

	Number of establishments	Number of persons employed ¹				
	2021	2017	2018	2019	2020	2021
Total	..	677 500	684 600	696 400	491 300	498 900
Tourism industries	207 139	551 200	556 900	567 900	393 800	396 200
Accommodation services for visitors	20 925	136 100	138 800	142 900	93 000	95 900
Hotels and similar establishments	..	..	..	..	..	..
Food and beverage serving industry	86 025	223 500	226 400	230 100	154 400	167 000
Passenger transport	44 099	80 100	80 600	83 300	67 900	57 000
Air passenger transport	..	..	..	..	..	..
Railways passenger transport	..	..	..	..	..	..
Road passenger transport	..	..	..	..	..	..
Water passenger transport	..	..	..	..	..	..
Passenger transport supporting services	..	..	..	..	..	..
Transport equipment rental	..	..	..	..	..	..
Travel agencies and other reservation services industry	7 315	40 800	39 800	40 100	29 800	24 500
Cultural industry	..	..	..	..	..	..
Sports and recreation industry	48 775	70 700	71 400	71 600	48 800	51 800
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..	..
Other country-specific tourism industries	..	..	..	..	..	..
Other industries	..	126 300	127 700	128 600	97 500	102 800

.. Not available

1. Data refer to number of jobs.

Source: OECD Tourism Statistics (Database).

StatLink  <https://stat.link/1f826d>

Table 3. Canada: Internal tourism consumption

Million CAD

	2021		
	Domestic tourism expenditure	Inbound tourism expenditure	Internal tourism consumption
Total	..	..	..
Consumption products	53 640	4 792	58 432
Tourism characteristic products	28 814	3 576	32 390
Accommodation services for visitors	8 425	1 287	9 712
Food and beverage serving services	10 151	712	10 863
Passenger transport services	5 442	1 144	6 586
Air passenger transport services	..	..	..
Railways passenger transport services	..	..	..
Road passenger transport services	..	..	..
Water passenger transport services	..	..	..
Passenger transport supporting services	..	..	..
Transport equipment rental services	..	..	..
Travel agencies and other reservation services industry	1 328	108	1 436
Cultural services	3 468	325	3 793
Sports and recreation services	..	..	..
Country-specific tourism characteristic goods	..	..	..
Country-specific tourism characteristic services	..	..	..
Other consumption products	24 826	1 216	26 042
Tourism connected products	..	..	..
Non-tourism related consumption products	..	..	..
Non-consumption products	..	..	..

.. Not available

Source: OECD Tourism Statistics (Database).

StatLink  <https://stat.link/37megc>



From:

OECD Tourism Trends and Policies 2022

Access the complete publication at:

<https://doi.org/10.1787/a8dd3019-en>

Please cite this chapter as:

OECD (2022), “Canada”, in *OECD Tourism Trends and Policies 2022*, OECD Publishing, Paris.

DOI: <https://doi.org/10.1787/39cd1284-en>

This work is published under the responsibility of the Secretary-General of the OECD. The opinions expressed and arguments employed herein do not necessarily reflect the official views of OECD member countries.

This document, as well as any data and map included herein, are without prejudice to the status of or sovereignty over any territory, to the delimitation of international frontiers and boundaries and to the name of any territory, city or area. Extracts from publications may be subject to additional disclaimers, which are set out in the complete version of the publication, available at the link provided.

The use of this work, whether digital or print, is governed by the Terms and Conditions to be found at <http://www.oecd.org/termsandconditions>.