



Spending by Chinese visitors is forecast to recover to 2019 levels by 2026, visitation levels are not expected to recover until 2028.

Market Forecast Insights

China reopened in December of 2022. Air connectivity between Canada and China has improved relative to 2022 but is still limited compared to 2019. China has restricted the sale of group travel to Canada, despite lifting restrictions for the United States, Australia, and most European nations. These factors will significantly delay China’s recovery. However, the long term forecast to 2030 remains robust.

- Spending by Chinese travellers is expected to reach 87% of 2019 levels in 2025 and recover to 111% of 2019 spending levels in 2026.
- The number of visitors from China coming to Canada will fall just short of a full recovery in 2027, the latest recovery among DC markets.
- By 2025, the number of Chinese tourists visiting Canada will be 470,000. Those visitors will spend \$1.6 billion. Among DC overseas markets, China will rank second for spending and 4th for visits in 2025.
- By 2030, China is expected to be Canada’s largest overseas market in terms of spending and second largest market in terms of visits.

Market Forecast Highlights¹

Spending and visitation levels (% relative to 2019)

| | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 |
|------------|------|------|------|------|------|------|------|------|------|------|------|------|
| Spend | 100 | 16 | 9 | 15 | 36 | 52 | 87 | 111 | 132 | 147 | 161 | 174 |
| Visitation | 100 | 13 | 6 | 9 | 28 | 40 | 66 | 85 | 99 | 108 | 117 | 126 |

● 0%-50% ● 51%-75% ● 76%-100% ● 101%-120% ● 121%+

Forecast Context and Assumptions¹

Travel Sentiment

- Twenty-two percent of Chinese said they were planning an international holiday in the next 12 months, although 19% also said they were not planning any holiday trips (international or domestic) in the coming year.²
- The greatest barriers to travel cited by Chinese survey respondents were price (42%) and safety (40%).²

International Travel Conditions

- As of April 2024, China has not lifted its restriction on the sale of group tours to Canada.
- All other pandemic era limits have been removed.
- Air access between Canada and China is resuming but is still more restricted than most other markets.

Economy³

- The initial economic recovery in China in early 2023 faced headwinds from real estate troubles and weak external demand.
- China’s GDP grew 5.2% in 2023 but is projected to grow at a slower pace of 4.4% in 2024.
- China’s economy is expected to grow substantially in the long term.
- The Canadian dollar will strengthen slightly against the Yuan in 2024, but lose strength the following year.

The DC Tourism Outlook Fall 2023 has been adjusted from 2023 to 2025 to reflect the latest arrival numbers. The long-term trend assumes a normalization of outbound travel. The forecast will continue to be adjusted as parameters change.

¹ DC Tourism Outlook Forecast, Fall 2023
² YouGov Global Travel Profiles | December 2023
³ Oxford Economics



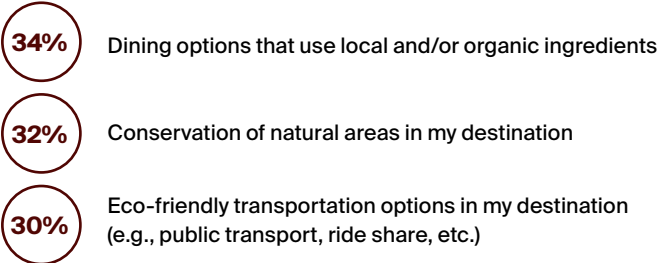
Total Long-Haul Travellers

Chinese residents aged 18 and older who have taken a long-haul pleasure trip outside of East Asia (e.g., China, Hong Kong, Macau, Japan, South Korea and Taiwan) in the past three years, or plan to take a such a trip in the next two years.

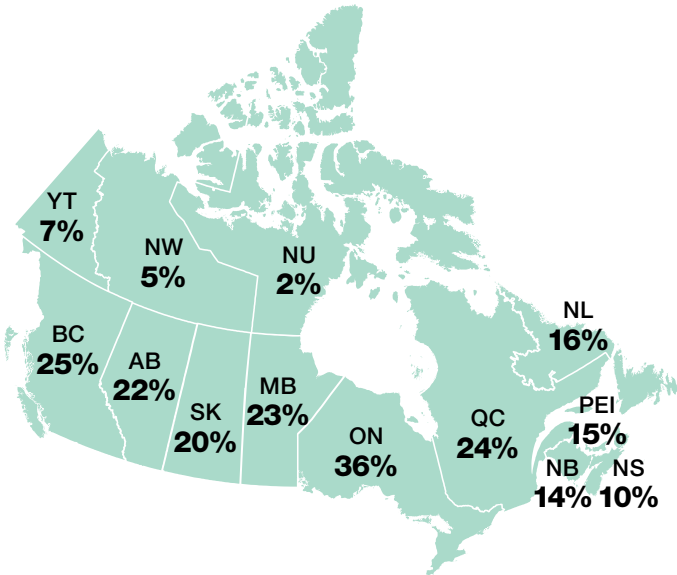
Potential Market Size⁴



Top 3 Most Important Sustainability Efforts⁴



Likelihood to Visit Canadian Regions (Next 2 Years)⁴



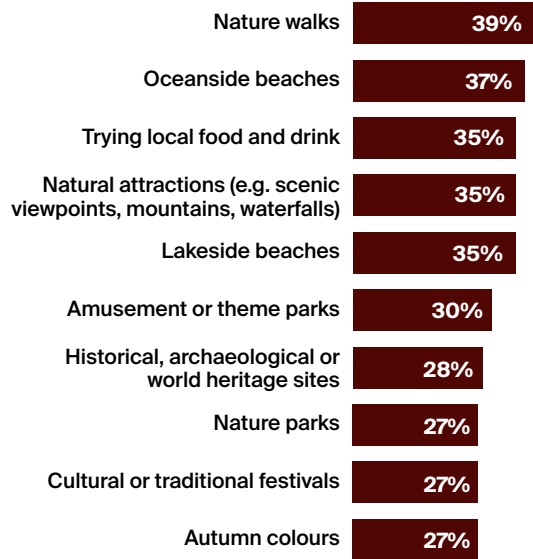
Travel Agent Usage for Most Recent Trip⁴



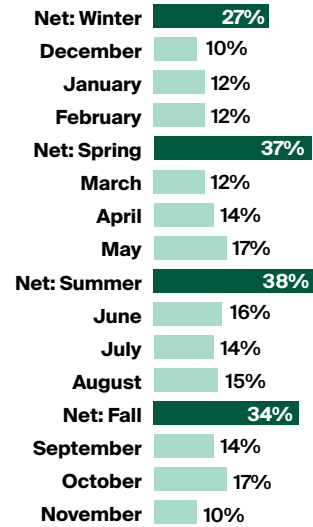
Organized Tour Usage for Recent Trip⁴



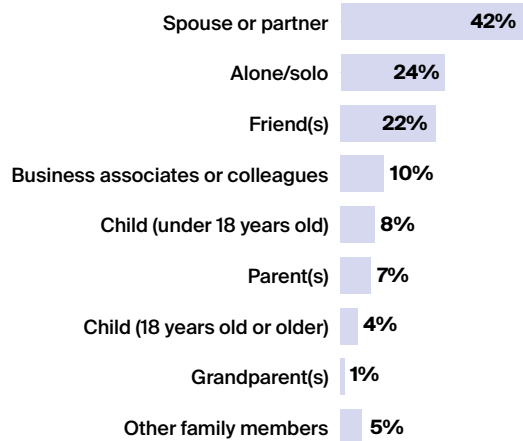
Top Activities of Interest While on Vacation⁴



Canada Consideration By Seasons⁴



Travel Party of Recent Trip⁴



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