

Market Updates 2025



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Canada



Canadian outbound travel sentiment remains buoyant despite financial uncertainties, with a focus on value, sustainability, & unique experiences.

ECONOMIC AND POLITICAL STATUS

Canada's economy, having avoided a technical recession, is projected to grow by just 1.8% in 2025. After four months of decline, the Consumer Price Index rose 2% year-over-year in October 2024, driven by increases in clothing, rent, and airfares. Shelter costs, including mortgage interest and rent, remain significant inflation drivers.

Resilient consumer spending, fueled by population growth and pent-up demand, is being constrained by higher debt servicing costs and dwindling pandemic savings. The Bank of Canada is expected to continue easing monetary policy in 2025, though rates will likely remain higher than pre-pandemic levels.

Unemployment is rising. However, with the government's goal of reduced immigration and fewer temporary foreign workers, the labour market may tighten, potentially pushing wages higher.

A federal election is expected in 2025.

1.8%

GDP Forecast 2025

2.2%

Inflation Forecast 2025

6.8%

Unemployment Forecast 2025

General Travel Sentiment and **Outbound Travel**



Canadian travellers are becoming increasingly mindful of sustainable travel and are seeking destinations that prioritize environmental care.

SUSTAINABLE TRAVEL

Many Canadians are prioritizing budget adjustments to make travel more affordable, with a large portion willing to allocate additional funds to leisure trips. However, economic concerns like the cost of living and high transportation expenses may temper this enthusiasm.

Travel sentiment is also being shaped by a growing concern for sustainability, with Canadians becoming more conscious of their environmental impact while travelling.

This shift is driving interest in eco-tourism and responsible travel, where the emphasis is on visiting more culturally authentic locations. This includes a preference for destinations that prioritize conservation.

LONGER TRIPS, WELLNESS TRAVEL & ASTRO-ADVENTURES

Canadians are also showing a strong preference for longer, more meaningful trips. This trend is partly driven by the pandemic's lasting effect on travel habits, where extended vacations are seen as a way to escape and rejuvenate.

Wellness tourism is on the rise, with travellers seeking destinations that offer relaxation and

mental well-being, such as yoga retreats, spa vacations, and nature-focused holidays.

Skyscanner's 2025 travel outlook also suggests a shift toward more community-oriented travel experiences, including sports and "astro-adventures" like the Northern Lights or solar eclipses.

Destination Canada data shows international travel is poised to overtake the domestic pace of growth and added value in 2025/26. However, by 2030 Canadian domestic travellers are forecast to spend \$97B and make 104 million overnight domestic trips.



Travel Trade and Airline Update

The Canadian travel trade is navigating a dynamic landscape marked by innovative partnerships, expanded networks, and rising revenues, while addressing challenges like fluctuating costs, evolving consumer preferences, and affordability concerns.

AIR NORTH, YUKON'S AIRLINE

Air North, Yukon's Airline and WestJet have launched a new Interline Agreement. Travellers can now enjoy seamless baggage transfer between WestJet and Air North, Yukon's Airline. In addition, bookings made through travel agencies and third-party websites will have the ability to combine both carriers on a single ticket or itinerary, offering the convenience of a single ticket for travel across Air North's network and more than 100 WestJet destinations.

AIR CANADA

Air Canada reported mixed financial results for Q3 2024, with operating revenues reaching C\$6.1 billion. This was a 4% year-over-year decline, driven by reduced passenger revenues.

In response to fluctuating jet fuel prices and contract adjustments, the airline revised its 2024 guidance, projecting a 5% increase in available seat miles (ASM) capacity compared to 2023 levels.

WESTJET

WestJet saw 8% growth in 2024 and introduced more travel options, especially in areas where air travel is essential.

Calgary has become a major travel hub thanks to new investments, making it the “best-connected mid sized city in North America.”

WestJet formed new partnerships with airlines like Condor, Virgin Atlantic, Korean Air, and Air North, Yukon's Airline, while continuing its collaborations with Air France-KLM, Delta, and Qantas.

In 2025, the airline has some major changes planned, including merging WestJet, Swoop, and Sunwing into one airline with 200 planes. The fleet will be updated with standardized aircraft, faster in-flight internet and enhanced passenger comfort. The loyalty program will get its biggest upgrade yet, offering more perks, while Sunwing Vacations will unify tour operator services.

WestJet has announced the resumption of its Calgary to Whitehorse summer schedule in 2025.

TRANSAT A.T. INC.

Transat A.T. Inc. reported a sharp rise in net income to \$41.2 million for the quarter ending October 31, 2024, compared to \$3.2 million a year earlier. This was largely due to \$33.6 million in compensation for engine recalls, alongside a 3% increase in passenger traffic and lower fuel costs. Despite this, CEO Annick Guérard remained cautious about future challenges, citing economic uncertainty and currency fluctuations. Net debt rose to over \$2 billion from \$1.6 billion, and adjusted earnings for the fiscal year fell by over 25%, despite an 8% revenue increase to \$3.05 billion.

In response, Transat plans cost-saving measures, including management cuts and enhanced use of AI in customer service.

PORTER AIRLINES

In 2023, Porter Airlines launched jet service to 22 destinations across Canada using its 30 Embraer E195-E2. Porter's fleet now includes 75 Embraer E195-E2 aircraft with options for an additional 25 more making the carrier a significant national player in the Canadian aviation industry.

FLAIR AIR

Ultra low-cost carrier, Flair Air, operates a fleet of 13 Boeing 737 MAX 8 aircraft on routes in southern Canada.

Canadian airline executives, including the CEOs of Air Canada and WestJet, recently testified before a parliamentary committee regarding the introduction of carry-on baggage fees for basic fare passengers and argued that government-imposed taxes and fees contribute significantly to high air travel costs in Canada. They suggested reforms, such as freezing increases in third-party fees and eliminating airport land rent charges, could make air travel more affordable.



Michael Overbeck

CRUISE

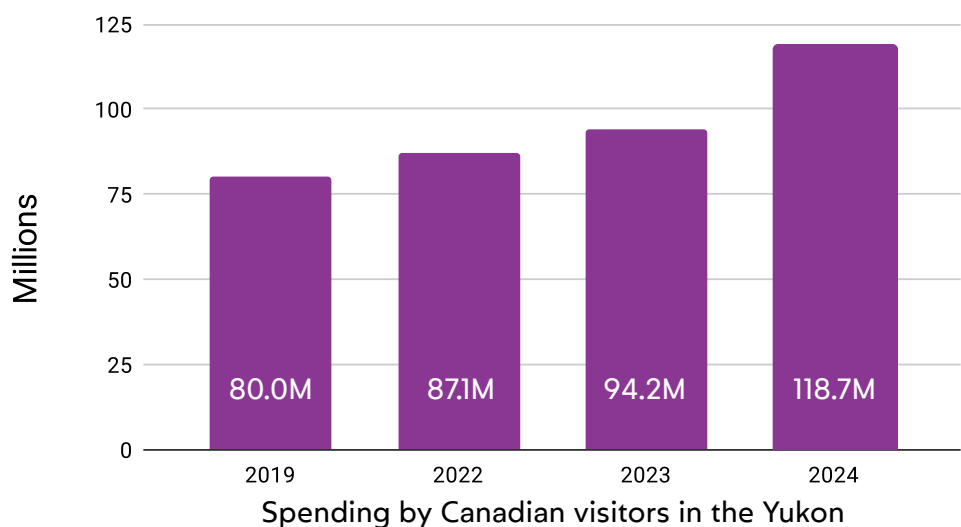
Cruise remains strong with Holland America parent company Carnival Corporation posting record-high revenues in 2024. For the full year, the company earned \$25 billion in revenue, its highest ever, with a net income of \$1.9 billion – over \$130 million more than forecast in September. Adjusted EBITDA for the year reached \$6.1 billion, a 40% increase compared to 2023.

RETAIL




Canada's retail travel industry achieved impressive growth in 2023, with revenues rising 12% to \$2.8 billion compared to 2019, according to ACTA's recent State of the Industry report. This surpasses pre-pandemic levels. However, challenges remain, including shifting consumer preferences, evolving travel patterns, new technologies, global uncertainties affecting travel demand, and the struggle to attract and retain skilled professionals in a competitive job market.

Yukon Specific Market Trends

2024 YUKON PERFORMANCE

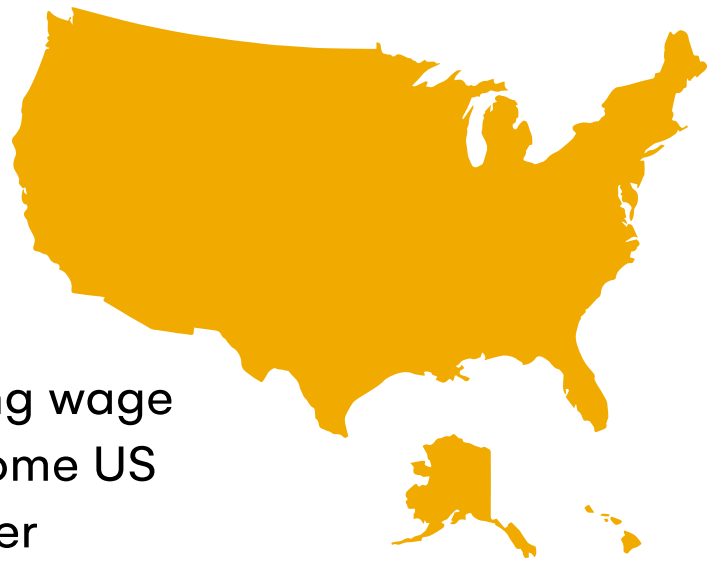


2025 POTENTIAL

		Segment size	Top travel activities	Emotional travel motivations
	OUTDOOR EXPLORERS	3.4M	<ul style="list-style-type: none"> • Nature Experiences • Water sports • High-Intensity Sports 	<ul style="list-style-type: none"> • Adventure • Novel & Authentic • Accomplishment
	CULTURE SEEKERS	3.2M	<ul style="list-style-type: none"> • Cultural Experiences & Attractions • Festivals & Events • Cuisine 	<ul style="list-style-type: none"> • Novel & Authentic • Connections • Familiarity
	REFINED GLOBETROTTERS	2.9M	<ul style="list-style-type: none"> • Cultural Experiences & Attractions • Cuisine • Guided Tours 	<ul style="list-style-type: none"> • Novel & Authentic • Security • Bonding

Source: Destination Canada Traveller Segments

USA



Lower unemployment and strong wage growth will support higher-income US consumers. Overall US consumer confidence has remained resilient.

ECONOMIC AND POLITICAL STATUS

The U.S. economy is projected to maintain steady growth in 2025, supported by strong consumer spending and increased productivity. While inflation has eased from its pandemic-era highs, it is expected to remain slightly above the Federal Reserve's 2% target, due to factors such as rising tariffs and a tightening labour market. In response, the Federal Reserve is likely to further cut interest rates, potentially to 3.75%–4% by mid-2025.

Politically, significant policy shifts are being directed following the presidential inauguration and more are likely in the first year of the new administration. Proposed measures including tariffs, reduced regulations, tax cuts, and adjustments to immigration policies, are expected to impact economic conditions in the US. While these initiatives may stimulate short-term growth, they could also lead to higher consumer prices and further tighten the labour market, impacting consumer spending.

The USD has appreciated 7.5% against the CAD since 2019, meaning Canada offers US travellers visiting the country in 2025 exceptional value.

2.3%

GDP Forecast 2025

2.2%

Inflation Forecast 2025

4.4%

Unemployment Forecast 2025

General Travel Sentiment and Outbound Travel



American travellers remain committed to prioritizing vacations and allocating funds for travel.

They are also increasingly interested in deeper, more immersive experiences.

CONTINUED OUTBOUND GROWTH

Outbound travel from the United States continued to grow in 2024, estimated at 111% of 2019 levels. Outbound travel fully recovered to 2019 levels in 2023.

US arrivals to Canada are forecast to fully recover by 2025 with air travel leading the growth. In 2025, arrivals are expected to be up 8% over 2019.

Canada is losing US travellers to long-haul destinations, although the gap has been closing since fall 2023. Canada is projected to lose 0.2 percentage points of US market share by 2030.

By 2030 the US market is forecast to generate \$19.3 million in spending from 18.14 million visits.

TRAVEL REMAINS A PRIORITY

Despite existing and potential financial headwinds, American travellers remain committed to prioritizing vacations and allocating funds for travel. In 2025, they are adopting a more strategic approach to trip planning, with cost emerging as the top consideration. Key expenses shaping their decisions include flight prices (51%), accommodation costs (50%), and the cost of food and beverages (34%).

US traveller trends for 2025 highlight a growing desire for deeper, more immersive experiences. International trips increasingly blend relaxation with adventure, combining cultural activities and unique opportunities for connection.

EXTENDED VACATIONS

There is also a shift toward longer, more extravagant trips. According to HomeToGo's survey, 27% of U.S. travellers are planning extended vacations in 2025, with price being a top priority for 36% of respondents.

Generational trends show Gen X and Baby Boomers are especially focused on value, while experiential elements such as food and drink festivals, live music events, and nature-focused itineraries are gaining traction.

Nearly half of respondents (48%) plan trips centered around culinary experiences, while wellness retreats, skill workshops, and natural phenomena continue to draw interest.

Travellers are prioritizing experiences that allow them to engage with local cultures and landscapes, often inspired by social media exposure.



Michelle Doucette

CLIMATE CONCERNS

Travellers are also breaking away from traditional summer seasons, with 45% planning off-peak getaways to avoid crowds and stretch their budgets.

Climate concerns are influencing this trend, with 35% adjusting plans to mitigate exposure to extreme weather events. Millennials, in particular, are leading this climate-conscious shift.

TRAVEL INSPIRATION

In 2025, travel inspiration is increasingly shaped by media, particularly social platforms and popular films and TV shows. According to Skyscanner, nearly half (49%) of U.S. travellers draw inspiration from word-of-mouth recommendations, while 41% turn to social media, and 31% seek ideas from online publications offering rich video content.

EVENTS TRAVEL

Events are also a major driver, with 47% of trips planned around concerts, festivals, and unique phenomena like a solar eclipse, underscoring the value placed on memorable, authentic moments.



Dan Carr

These changes reflect broader economic and cultural shifts in travel. While rising costs remain a concern, with the Travel Price Index up 19.2% since 2019, travellers are opting to save on airfares and other expenses to prioritize experiences.

Travel Trade and Airline Update

The travel industry is poised for transformation in 2025, driven by technological advancements such as artificial intelligence and dynamic pricing models.

After a positive first half of the year in 2024, the four biggest US airlines – United, Delta, American and Southwest hit headwinds late in the year. Broader industry trends suggest systemic challenges, with airlines experiencing capacity constraints and revenue pressures.

AMERICAN AIRLINES

In 2024, American Airlines demonstrated some recovery and operational improvements, but its performance has faced challenges due to increased fuel costs, competition, and ongoing efforts to reduce debt. Revenue was up slightly year-over-year at \$13.5 billion. The company has focused on cost control and route optimization to improve profitability. Key factors for 2025 include how well the airline manages debt, controls operational costs, and capitalizes on international travel demand.

UNITED AIRLINES

United Airlines has performed strongly in 2024, benefitting from increased travel demand and capacity expansion. The airline reported solid revenue growth, driven by robust performance in both domestic and international markets. Key highlights include expanded routes, along with strategic partnerships like its collaboration with the San Francisco 49ers to promote sustainable aviation fuel use. United has also

been recognized for its digital innovation and environmental initiatives.

For 2025, forecasts suggest the airline will continue to see strong demand, supported by its comprehensive global network and improvements in operational efficiency. Key drivers for 2025 include a recovery in international travel, ongoing investment in customer experience, and sustainability efforts.

In 2025, Air Canada, in partnership with United Airlines, will offer up to 7,700 seats across 58 daily nonstop flights to 21 U.S. destinations. This represents an 11% increase in seat capacity compared to summer 2024.

SOUTHWEST AIRLINES

Southwest Airlines faced challenges in 2024, including a projected 83% drop in profit compared to 2023. However, resilient domestic travel demand and strategic initiatives like premium seating and red-eye flights have improved its revenue outlook for late 2024. Analysts expect modest annual revenue growth of 4.3% over the next three years, slightly below the U.S. airline industry average of 7.5%. For 2025, Southwest plans a \$750 million stock repurchase program, reflecting confidence in future performance despite a cautious profit forecast.

DELTA AIR LINES

Delta Air Lines performed strongly in 2024, delivering industry-leading results. Delta upgraded its credit rating to investment grade, reduced debt, and accrued \$1 billion for profit sharing with employees. The airline anticipates record revenue and a 30% increase in pre-tax profit for the December quarter

Looking ahead to 2025, Delta is expected to grow its revenue by approximately 5.6%, reaching \$60.8 billion. Delta's strong position is attributed to improving demand for air travel and effective cost management, which positions the airline well for continued success into 2025.

In November 2024, WestJet announced it was growing transborder service by 11% in summer 2025, operating to 29 airports with over 900 weekly departures, and continuing to enhance its connectivity from across Canada to Delta Air Line's major U.S. hubs. Through WestJet's long-standing partnership with Delta, guests connecting through Atlanta, Boston, Chicago, Detroit, Los Angeles, Minneapolis, New York City, Salt Lake City and Seattle will gain access to a vast network of U.S. destinations on a single purchased ticket with check-in for all flights at first departure, baggage tagged to their final destination and lounge access for select guests.

INTERLINE AGREEMENT

Air North, Yukon's Airline and WestJet launched a new Interline Agreement in 2024. Travellers can now enjoy seamless baggage transfer between WestJet and Air North, Yukon's Airline. In addition, bookings made through travel agencies and third-party websites will have the ability to combine both carriers on a single ticket or itinerary, offering the convenience of a single ticket for travel across Air North's network and more than 100 WestJet destinations in the US and around the world.

TRAVEL TRADE

The U.S. travel trade showed remarkable resilience and adaptability in 2024, with positive momentum projected to continue into 2025.

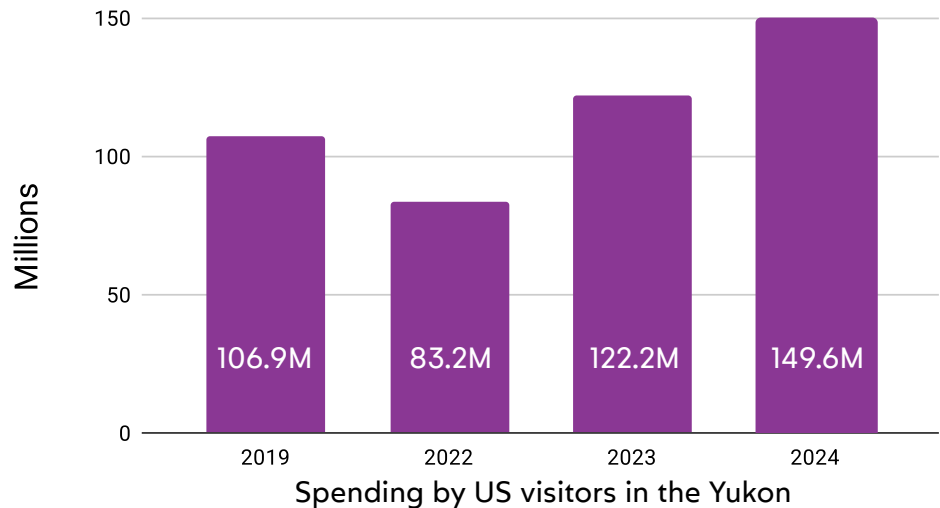
Tour operators reported strong growth in small group and private tours, aligning with consumer demand for personalized and value-driven experiences. Despite economic challenges and rising costs, robust interest in curated and unique travel experiences kept demand high. Travel advisors also played a pivotal role, with 88% of operators acknowledging their importance in driving sales and 98% expecting advisor-driven bookings to remain stable or increase.

Looking ahead, sustainability and accessibility are set to shape the industry. Travellers are increasingly drawn to eco-tourism, zero-waste tours, and carbon-neutral options. Efforts to enhance accessibility, such as bilingual services, will help expand market reach. Digital innovation will also play a crucial role, with artificial intelligence enabling personalized recommendations and improved operational efficiency, while social media shapes marketing strategies and customer engagement.






Yukon Specific Market Trends

2024 YUKON PERFORMANCE



2025 POTENTIAL

		Segment size	Top travel activities	Emotional travel motivations
	OUTDOOR EXPLORERS	33.4M	<ul style="list-style-type: none"> • Nature Experiences • Water sports • Casual Sports 	<ul style="list-style-type: none"> • Adventure • Novel & Authentic • Accomplishment
	CULTURE SEEKERS	27.5M	<ul style="list-style-type: none"> • Cultural Experiences & Attractions • Festivals & Events • Nightlife 	<ul style="list-style-type: none"> • Novel & Authentic • Connections • Familiarity
	REFINED GLOBETROTTERS	24.6M	<ul style="list-style-type: none"> • Cultural Experiences & Attractions • Cuisine • Guided Tours 	<ul style="list-style-type: none"> • Novel & Authentic • Bonding • Fun

OPPORTUNITIES FOR THE YUKON

Astro tourism is emerging as a top trend for 2025, according to Skyscanner's Trends Report. Travellers are increasingly planning trips around celestial events, driving significant spikes in search traffic to destinations like Tromsø, where visitors flock to experience

natural wonders such as the Northern Lights. The 2025 Solar Max and the Yukon's well-established reputation for Northern Lights viewing means the territory is well-positioned to take advantage of the growing interest in sky-tourism among US travellers.

Mexico



The Mexican outbound travel market showed strong growth in 2024, and is expected to remain positive in 2025.

ECONOMIC AND POLITICAL STATUS

In 2025, Mexico's economy is projected to experience modest growth. The new US administration's proposed 25% tariffs on imports from Mexico, are likely to have significant economic implications for Mexico. The imposition of tariffs could provoke retaliatory measures from Mexico, potentially affecting industries like agriculture, automotive, and electronics, which depend heavily on cross-border trade. The economic impact of these tariffs would be compounded by the likely strain on Mexico's labour market and consumer spending. They may also lead to heightened political tensions with the US.

Mexico elected a new president in October – Claudia Sheinbaum. She is the first woman to hold the presidency in Mexico. Representing the ruling party, MORENA, she won the 2024 election with an historic landslide victory.

The value of the MXD has fluctuated over recent years and is currently down 1.97% against the CAD compared to 2019.

1.5%

GDP Forecast 2025

3.5%

Inflation Forecast 2025

3.5%

Unemployment Forecast 2025

General Travel Sentiment and Outbound Travel



Economic stabilization and evolving traveller preferences are shaping this dynamic market. There is increasing interest in meaningful travel experiences and eco-friendly, sustainable tourism.

A GROWING MIDDLE CLASS

Mexican travellers, one of the world's fastest-growing markets, are renowned for their enthusiasm for family-oriented exploration. They seek destinations that blend fun and relaxation, creating unforgettable experiences for all ages. With a strong focus on togetherness, they embrace new cultures and enriching learning opportunities.

While inflationary pressures may impact spending habits, rising disposable incomes and the expansion of the middle class are providing solid support for the tourism market. Affordable travel options, including budget and low-cost carriers, further encourage outbound trips, especially for cost-conscious travellers.

SHIFTING TRAVEL PREFERENCES

Mexican travellers are increasingly seeking meaningful travel experiences, with a notable shift toward eco-friendly and sustainable tourism. A growing awareness of environmental responsibility influences destination choices, while interest in wellness, adventure, and luxury travel fuels demand for premium experiences.

By 2030, Mexican visitors to Canada are projected to exceed 566,000, contributing over \$1 billion in tourism spending.

TOP DESTINATIONS

Popular Choices:

The United States, Canada, and Europe remain top destinations.

Emerging Interests:

South America and Asia are seeing increased attention due to competitive pricing, diverse travel packages, and new airline routes.

The use of digital tools for trip planning is transforming travel behaviours, enabling highly personalized itineraries and real-time adjustments. These trends suggest a vibrant and evolving tourism market that prioritizes value, sustainability, and personalization.

A GROWING MARKET

Mexico is a growing source market for international travel, with significant potential for further development.

The focus on sustainability, personalization, and affordability will likely continue to shape this vibrant market.



David Cartier

Travel Trade and Airline Update

Mexican airlines are poised for growth in 2025 as they capitalize on restored opportunities in international markets and robust domestic demand. However, they must navigate rising costs, competition, and regulatory challenges to sustain profitability and expansion, as U.S. carriers expand operations in Mexico on high-demand international routes.

AEROMEXICO

Aeromexico maintained strong operations in 2024, focusing on its domestic and international networks. It saw a recovery in passenger demand, particularly for U.S. and European routes. With the reinstatement of Mexico's air safety rating to Category 1 by the FAA, route expansion opportunities have been restored. In 2025 the airline plans to expand long-haul services and strengthen its premium offerings. It may also integrate more efficient aircraft, like the Boeing 737 MAX, to support its network growth while reducing operating costs. Aeromexico's codeshare agreement with WestJet provides travellers from Mexico with easy access to the Canadian market via Vancouver, Toronto, and as recently announced (January 13, 2025), in Calgary.

VOLARIS

Low-cost carrier Volaris performed strongly, capitalizing on its extensive domestic network and its U.S.-Mexico market. The airline has maintained a focus on low-cost operations while addressing the challenges of high fuel costs and inflationary pressures. In 2025 continued growth is expected, driven by its low-cost model and expanding middle-class

travel demand. Challenges include rising operational costs and competition in the low-cost sector.

VIVA AEROBUS

Viva Aerobus has expanded its route network, particularly in North America, while leveraging partnerships like the interline agreement with Allegiant Air. The airline benefits from its ultra-low-cost business model, targeting price-sensitive travellers. Viva Aerobus is expected to grow its fleet and further penetrate the U.S. market, supported by the reinstated Category 1 rating. The airline's focus is on efficiency and sustainability, with new fuel-efficient aircraft.

INTERLINE AGREEMENT

Air North, Yukon's Airline and WestJet have launched a new Interline Agreement. Travellers can now enjoy seamless baggage transfer between WestJet and Air North. In addition, bookings made through travel agencies and third-party websites will have the ability to combine both carriers on a single ticket or itinerary, offering the convenience of a single ticket for travel across Air North's network and more than 100 WestJet destinations, including several destinations in Mexico.

KEY CHALLENGES FACING MEXICAN AIRLINES

- **Cost Pressures**

High fuel prices and inflation strain profitability.

- **Capacity Management**

Balancing growth with operational efficiency in a competitive market.

- **Regulatory Compliance**

Adhering to international safety standards is critical to maintaining credibility.

- **Intensified Competition**

U.S. carriers are expanding operations in Mexico, especially on high-demand international routes.



Sheena Greenlaw

Forecasts for 2025 indicate sustained growth in outbound tourism as airlines and travel companies cater to evolving demands.

A steady increase in both leisure and business travel is expected.

TRAVEL TRADE

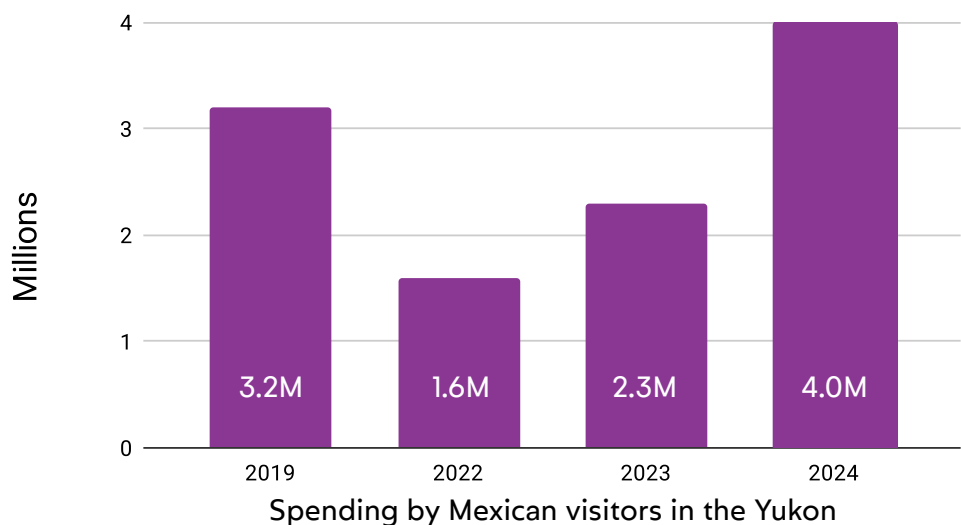
Travel agencies and tour operators have been adapting to post-pandemic preferences by offering more personalized itineraries, flexible booking policies, and experiential travel opportunities. Demand for sustainable travel and unique cultural experiences is reshaping traditional packages.

Economic variables, including inflation and currency fluctuations, may influence travel trends, but the overall outlook for the Mexican outbound travel trade is positive.




Digital platforms are playing a growing role in the sector. Consumers are seeking convenient options for booking and planning their trips. In particular, younger travellers are leveraging online tools to explore more niche international experiences.

Yukon Specific Market Trends

2024 YUKON PERFORMANCE



2025 POTENTIAL

		Segment size	Top travel activities	Emotional travel motivations
	OUTDOOR EXPLORERS	1.5M	<ul style="list-style-type: none"> Nature Experiences Overnight Experiences High-Intensity Sports 	<ul style="list-style-type: none"> Adventure Novel & Authentic Connections
	CULTURE SEEKERS	1.3M	<ul style="list-style-type: none"> Cultural Experiences & Attractions Festivals & Events Nightlife 	<ul style="list-style-type: none"> Connections Security Familiarity
	REFINED GLOBETROTTERS	1.1M	<ul style="list-style-type: none"> Cultural Experiences & Attractions Cuisine Guided Tours 	<ul style="list-style-type: none"> Novel & Authentic Bonding Escape & Relax

Source: Destination Canada Traveller Segments

OPPORTUNITIES FOR THE YUKON

Mexican outbound travel trends for 2024 and 2025 highlight opportunities for Canadian wilderness destinations to attract visitors.

With Mexico's growing interest in eco-tourism and unique, immersive travel experiences, Canadian destinations offering natural landscapes, wildlife encounters, and outdoor adventure activities could appeal to these travellers.

Sustainable tourism practices and eco-friendly accommodations resonate well, as environmental awareness becomes a priority for many Mexican travellers.

Destination Canada's target consumer in Mexico primarily travels to Canada during winter, mainly for skiing, but also for northern lights viewing and snow-related activities and experiences. This is the Yukon's primary opportunity in the Mexico market.

Key opportunities also lie in tapping into younger demographics who value adventure and experiential travel.



German Speaking Europe

Recovery of the German travel market to Canada has been slower than other European markets.



ECONOMIC AND POLITICAL STATUS

GERMANY

The German economy is still recovering from the pandemic, war in Ukraine and the related energy crisis. All have contributed to disruptions in supply chains and energy costs. GDP growth is projected to only reach 0.1% in 2025, a modest improvement from the contraction of 0.5% in 2023. While inflation is projected to ease to 2.1% by 2025, it remains an issue for consumers.

Germans will face an election in February, 2025, following the collapse of its governing coalition in November 2024. The upcoming elections and the potential for a fragmented government could impact Germany's ability to address ongoing economic challenges and maintain its leadership position in Europe.

While the Euro has fluctuated over the past few years, it has appreciated 1.3% against the CAD since the end of 2019.

0.1%

GDP Forecast 2025

2.1%

Inflation Forecast 2025

6.2%

Unemployment Forecast 2025

SWITZERLAND

GDP =1.7%

Inflation = 1.0%

Unemployment =2.5%

Switzerland's economic outlook for 2025 is moderately optimistic, with GDP growth forecast to recover to 1.7%, up from a lower 1.1% in 2024.

This recovery is expected as global economic conditions improve, particularly in Europe, which should benefit Swiss exports and investment.

Unemployment is anticipated to rise slightly in 2025 averaging 2.5%, but it will remain relatively low overall. Projections suggest a significant reduction in inflationary pressures in Switzerland for 2025.

AUSTRIA

GDP =0.8%

Inflation =2.4%

Unemployment =7.2%

Austria's economy is projected to recover modestly in 2025, with GDP growth of 0.8%.

Private consumption will rise slowly, driven by real income gains, but weak domestic demand and industrial performance will constrain overall growth.

Inflation is expected to ease from 3.0% in 2024 to 2.1% in 2025 as energy prices stabilize, though it will stay above pre-pandemic levels, affecting purchasing power. The focus will remain on improving economic stability, fiscal policy, and revitalizing struggling sectors like construction.

Eurozone consumer confidence has slowly improved over the course of 2024 and is expected to continue in 2025.



General Travel Sentiment and Outbound Travel



Europe's largest travel market, German travellers thrive on international exploration and cultural discovery.

SLOWER RECOVERY

German travellers prefer longer trips combining nature-based activities with authentic, sociable experiences in secure, welcoming destinations. They value authenticity and personal interests over popularity, avoiding crowds.

In 2023, Germans took 139 million holiday trips, including 65 million lasting five days or more, surpassing 2022 levels and nearing the pre-pandemic high of 2019.

German visitor spending in Canada is forecast to reach \$1.2B by 2030, with 482K overnight arrivals.

However, Germany's recovery has been slower than anticipated, hindered by weak foreign demand and economic challenges. Spending will return to 2019 levels in 2025, and visits will recover by 2026, a year later than other European markets.

TRAVEL INSPIRATION

Social media inspires 69.3% of German travellers, particularly Gen Z and Millennials, who favour platforms like Instagram, TikTok, and YouTube for visual content and peer recommendations. Tour operators need a strong digital presence to deliver engaging, shareable destination content that resonates with and influences the travel decisions of these audiences.

Wellness travel will play a key role in 2025. Over half of German travellers prefer resort stays offering relaxation and wellness opportunities, highlighting a strong focus on rest and rejuvenation.

SUSTAINABILITY

Sustainability is a top priority for German travellers, who favour eco-friendly accommodations and low-impact transport like trains. Regenerative tourism, which supports ecosystem preservation, is also gaining momentum.

BLEISURE TRAVEL

The trend of blending business and leisure travel continues to grow, with Germans leveraging remote work flexibility to extend business trips into holidays. Hotels are responding with co-working spaces and long-term stay packages.

GENERATIONAL SHIFTS

Travel priorities vary by generation. Gen Z (18 – 26) and Millennials (27 – 44) favour seamless, tech-driven experiences, relying on instant bookings, digital itineraries, and app-based trip management. In contrast, Baby Boomers (59 – 77) prioritise personal interaction, with 71% valuing personal service compared to 57% of travellers globally. Tour operators must balance efficient digital tools with exceptional customer service tailored to generational needs.

DIGITAL INNOVATION

Digital tools are central to modern travel, with 75% of German travellers valuing access to information via apps and emails, and 68% using personal devices for streaming. However, Baby Boomers still prioritise face-to-face hospitality, requiring a balance between digital convenience and the human touch.

DOMESTIC TRAVEL

Domestic travel remains popular, with destinations like the Baltic Sea and Lake Constance in high demand. Multigenerational trips are also rising, as families increasingly travel together, including grandparents.

SWISS OUTBOUND TRAVEL

International departures from Switzerland grew by 18% in 2023. Meanwhile spending increased by 12% to CHF 20.2 billion, surpassing pre-pandemic levels. The outbound tourism sector is expected to continue to grow.

Swiss travellers are looking for sustainable, adventurous and luxurious experiences.

Travel Trade and Airline Update

Airline capacity grew 8.3% in 2024, however Germany remains at 17% fewer seats than in 2019 as domestic capacity has halved compared to 2019.

The industry is projected to see a modest recovery over coming years, with German airline revenue expected to rise from approximately \$17.6 billion in 2023 to \$18.7 billion by 2028, reflecting a compound annual growth rate of 1.3%.

OPERATIONAL CHALLENGES

The industry continues to face operational hurdles. In the first half of 2024, passenger numbers increased by 9% year-over-year, slightly surpassing pre-pandemic levels. However, the recovery remains uneven, with some regions and carriers lagging behind.

Additionally, high location costs for German carriers, set by regulators, are hindering the recovery of travel demand in Germany compared to other European countries.

THE LUFTHANSA GROUP

The Lufthansa Group, which includes Lufthansa, Discover, Swiss International Air Lines, Brussels Airlines, ITA and Austrian Airlines, is working to recover fully to pre-pandemic levels.

However, it has faced difficulties with high operating costs due to labour renegotiations and the impact of fuel prices. In 2024, Lufthansa saw growth, but at a slower pace compared to the sharp recovery of 2022 and 2023.

The airline is addressing capacity issues, especially given delays in aircraft deliveries. Additionally, business travel, traditionally a significant revenue driver, is recovering more slowly than leisure travel.

CONDOR

Condor is scaling back its North American operations for 2025. According to updated flight plan data reported by the AeroRoutes portal, the holiday airline is canceling routes, reducing flight frequencies, and postponing planned expansions of its A330neo network. This follows a recent ruling by the German competition courts over Condor's access to Lufthansa's short-haul network.

Seasonal routes from Frankfurt to Baltimore/Washington, Edmonton, Halifax, Minneapolis, Phoenix, and San Antonio have been cancelled.

Condor is reallocating capacity to strengthen routes to Boston, Miami, Vancouver, Bangkok, Johannesburg, and Mauritius for the summer of 2025. Additionally, AeroRoutes reports the launch of a new route from Frankfurt to Panama City.

The airline is also reducing flight frequencies or halting planned increases on routes to Anchorage, Calgary, and Seattle.

Through its partnerships with Alaska Airlines in the U.S. and WestJet and Air North in Canada,

Condor passengers can still access connections to a wide range of destinations across North America, including the Yukon through the interline agreement between Condor and Air North via Vancouver and Calgary.

Meanwhile, on January 15, 2025, the European Commission ordered Lufthansa to reinstate Condor's access to Lufthansa's short-haul network to feed Condor's Frankfurt–New York route.

The legal case is ongoing and the outcome remains uncertain, with potential for continued litigation or regulatory intervention. Regardless, the situation underscores broader concerns about competition and consumer choice in the German aviation market.

SWISS INTERNATIONAL AIR LINES

Swiss International Air Lines is expected to see continued strong performance due to its favourable position in the premium market, with recovery in business travel. Like other European carriers, Swiss is dealing with the same operational challenges – high fuel prices and staffing issues. However, it remains one of the better performers in Europe in terms of capacity and profitability.

In summary, while the German airline industry is on a path to recovery, it faces ongoing challenges related to market capacity, operational costs, and competitive pressures. The industry's ability to adapt to these challenges will be crucial for its future stability and growth.



Peter Mather

TRAVEL TRADE

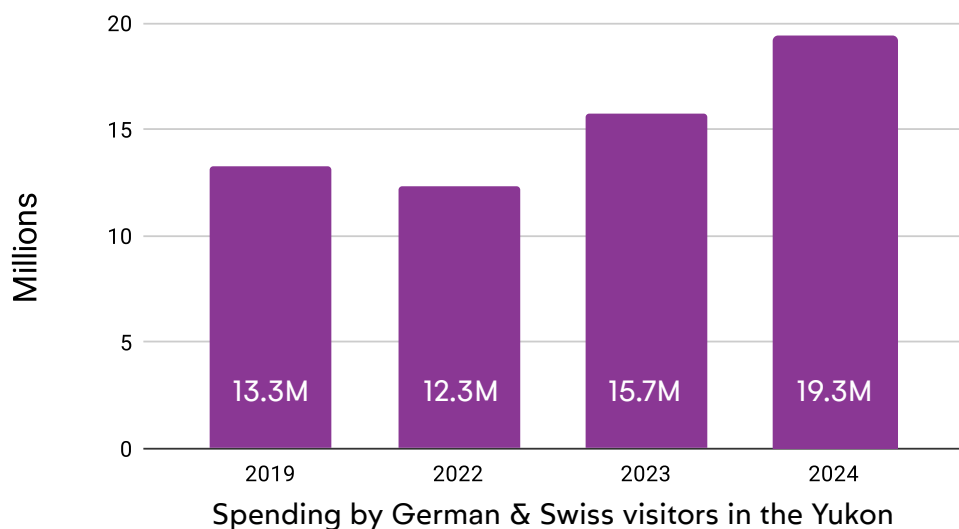
In 2025, German travel operators are navigating economic pressures and a shift towards a digital-first market while maintaining traditional offerings like package tours and cruises.

Major tour operators such as TUI and DER Touristik are investing heavily in digital platforms to enhance personalised travel experiences. Real-time booking systems, mobile-friendly platforms, and automated updates are key to meeting the expectations of younger travellers.




At the same time, maintaining robust customer service for those who value human interaction remains critical to attracting and retaining customers across generations.

Yukon Specific Market Trends

2024 YUKON PERFORMANCE



2025 POTENTIAL

		Segment size	Top travel activities	Emotional travel motivations
	OUTDOOR EXPLORERS	3.4M	<ul style="list-style-type: none"> • Nature Experiences • Water sports • High-Intensity Sports 	<ul style="list-style-type: none"> • Adventure • Novel & Authentic • Accomplishment
	CULTURE SEEKERS	3.2M	<ul style="list-style-type: none"> • Cultural Experiences & Attractions • Festivals & Events • Cuisine 	<ul style="list-style-type: none"> • Novel & Authentic • Connections • Familiarity
	REFINED GLOBETROTTERS	2.9M	<ul style="list-style-type: none"> • Cultural Experiences & Attractions • Cuisine • Guided Tours 	<ul style="list-style-type: none"> • Novel & Authentic • Security • Bonding

United Kingdom



Despite a gradually improving economy, many British travellers are still navigating the impact of recent cost-of-living pressures. Good value-for-money travel options have become a key focus.

ECONOMIC AND POLITICAL STATUS

The UK faced a challenging 2024, grappling with the lingering effects of a technical recession. However, consumer spending is expected to rebound in 2025, supported by lower inflation and potential interest rate cuts.

The Bank of England's policies, including a possible reduction in interest rates, are set to ease economic pressures. Unemployment is forecast to remain stable, while the government may prioritise fiscal measures to support households and businesses as consumer confidence gradually improves.

In 2024, the UK experienced a significant political shift with the Labour Party's landslide victory in the general election, ending 14 years of Conservative rule. This change has led to a reconfiguration of the political landscape, with new leadership dynamics and policy directions emerging.

The UK pound has strengthened against the Canadian dollar by 5.5% since 2019.

1.0%

GDP Forecast 2025

2.6%

Inflation Forecast 2025

4.4%

Unemployment Forecast 2025

General Travel Sentiment and Outbound Travel



Cathie Archbould

The UK travel market is renowned for its global outlook and enduring passion for international exploration.

TRAVEL STILL A PRIORITY

Despite a gradually improving economy, many British travellers are still navigating the impact of recent cost-of-living pressures. As a result, good-value-for-money travel options have become a key focus, with growing interest in more affordable and less traditional destinations. Countries like Albania are gaining popularity, driven in part by social media trends that inspire travellers to seek budget-friendly alternatives to long-haul trips.

Yet the passion for travel remains unwavering. A Skyscanner survey reveals that some UK travellers plan to spend more on holidays next year than in 2024, reflecting a continued prioritisation of travel despite economic challenges.

British travellers seek destinations that offer a balance of adventure, relaxation, and opportunities for meaningful connections, favouring places that are welcoming and inclusive. Their tastes range from luxurious escapes to budget-friendly adventures, reflecting their pursuit of diverse and memorable experiences abroad.

By 2030, overnight arrivals from the UK to Canada are projected to reach 1.2 million, with visitor spending forecast to hit \$2.5 billion. Overnight visitor numbers are expected to return to pre-pandemic levels in 2026.

Visitor spending returned to 2019 levels ahead of schedule in 2023.



ABTA's annual Holiday Habits (summer 2024) survey reveals a number of trends shaping British travel into 2025:

A RETURN TO LONG-HAUL

In 2025, more people are looking to explore distant and less familiar destinations. While Europe remains the top choice, the proportion of travellers heading there remains steady. Interest in North America has risen by 1.6 percentage points, but the most significant growth is seen in long-haul destinations outside of Europe, with 34.2% of people planning to visit these locations, up from 28.2% last year.

Asia is set to see the largest increase in visitors, with Japan, Thailand, India, and China among the most popular destinations. Australia is also popular, revealed as the 9th most popular destination for the year ahead.

HOLIDAY INSPIRATION

Holidaymakers have more sources of inspiration than ever, from AI to traditional holiday brochures, websites, and social media. While tech is on the rise, traditional methods remain resilient, with some travellers embracing new tech and others sticking to familiar sources. Around 27% of people still refer to brochures for holiday ideas, with Baby Boomers (30%) and Gen Z (27%) leading the way. AI is also gaining traction, particularly among younger generations, with 10% of Gen Z and 7% of Millennials using it for holiday inspiration, compared to just 2% of Gen X and under 1% of Baby Boomers. As AI continues to grow, brochures are still likely to remain a key part of travel marketing for years to come.

5-STAR TRAVELLING

Upgrading to five-star accommodation is a growing trend in overseas holidays. In 2024, 35% of people who travelled abroad stayed in five-star hotels, up from 30% the previous year. Gen Z led this shift, with 47% opting for five-star stays, compared to 37% the year before. Looking ahead, over one in five (22%) Gen Z travellers plan to spend more on holidays in 2025 to upgrade their accommodation, outpacing Millennials (14%), Baby Boomers (11%), and Gen X (8%).

COUPLES ONLY HOLIDAYS

Couples-only holidays, are on the rise, with 44% of travellers saying they holidayed with their partner in the past year, up from 40% the previous year. The biggest increases are among those aged 25–34 (41%, up from 29%) and 35–44 (34%, up from 27%). Parents are also getting in on the trend, with 29% choosing a couples getaway, up from 21% last year, though 62% still travelled with their household. This trend is expected to keep growing in 2025.

WINTER VACATIONS

Winter breaks are increasingly centred around unique experiences. While city breaks and winter sun remain popular, activities like Christmas markets, Northern Lights trips, cruises, spa breaks, and skiing are growing in appeal.

The recent sightings of the Northern Lights in the UK seem to have sparked greater interest in viewing them in their natural locations, with 18.4% of people planning a trip to see the Lights this winter, up from just 6% in 2019. This shift reflects the rising trend for experiential winter holidays.

Additionally Skyscanner's 2025 Travel Trends Report reveals that 53% of Britons are interested in viewing the Northern Lights, while 28% are keen to experience stargazing in a dark sky park. The Yukon offers the good-value-for-money aurora viewing experience that British travellers are seeking compared to some Scandinavian destinations, despite being a long-haul destination.



Dan Carr

Travel Trade and Airline Update

Advancements in generative AI, travel retailing, and social shopping are transforming how travellers search for and compare flights, hotels, and car hire options, reshaping their information needs.

The UK airline industry is set for significant changes in 2025, responding to shifting traveller demands. Airlines are expanding their route networks to accommodate growing leisure and business travel.

For instance, British Airways is adding flights to sought-after destinations like the Caribbean, Japan, and the U.S. Meanwhile, low-cost carriers such as EasyJet and Ryanair are boosting capacity on European routes to meet strong demand for affordable travel within the region.

Airlines are rapidly adopting new technologies, including AI-driven revenue management and personalised offers, to better serve travellers and meet market demand.

VIRGIN ATLANTIC

British Airways is implementing several strategic initiatives for the 2024/25 period to enhance its services and network. The airline is increasing its flight offerings to North America, including Canada, planning to operate over 400 weekly nonstop flights between the UK and North America during peak summer 2025 weeks. The airline continues to focus on

enhancing the customer experience, with initiatives aimed at improving service quality and operational efficiency.

VIRGIN ATLANTIC

Virgin Atlantic is set to launch its first Canadian route in over a decade, with daily flights between London Heathrow and Toronto Pearson International Airport starting on March 30, 2025. Operated on a Boeing 787 Dreamliner, this service aims to enhance connectivity between the UK and Canada's financial hub.

INTERLINE AGREEMENT

Air North, Yukon's Airline and WestJet have launched a new Interline Agreement. Travellers can now enjoy seamless baggage transfer between WestJet and Air North, Yukon's Airline. In addition, bookings made through travel agencies and third-party websites will have the ability to combine both carriers on a single ticket or itinerary, offering the convenience of a single ticket for travel across Air North's network and more than 100 WestJet destinations, including Edinburgh, Glasgow and Gatwick.

GOVERNMENT MEASURES

The UK Government announced an increase in the Air Passenger Duty (APD) which will take effect in April 2025. This will have the most impact on long-haul and premium services.

The UK government is also prioritising passenger rights and consumer protection with new measures, including requiring airlines to join an Alternative Dispute Resolution (ADR) scheme for quicker complaint resolution.

Enhanced compensation rules for delays, cancellations, and damaged mobility equipment aim to boost passenger confidence and ensure fairness in air travel.

TRAVEL TRADE

The British travel trade is performing strongly, especially among major tour operators.

Companies like TUI and Jet2holidays are at the forefront, with TUI forecasting a 25% profit increase for 2024, driven by solid bookings for both summer and winter.

In contrast, the Air Travel Organiser's Licence (ATOL) market is showing a widening gap between larger and smaller operators. Larger companies expect passenger growth of up to 11% next year, while smaller operators predict declines.

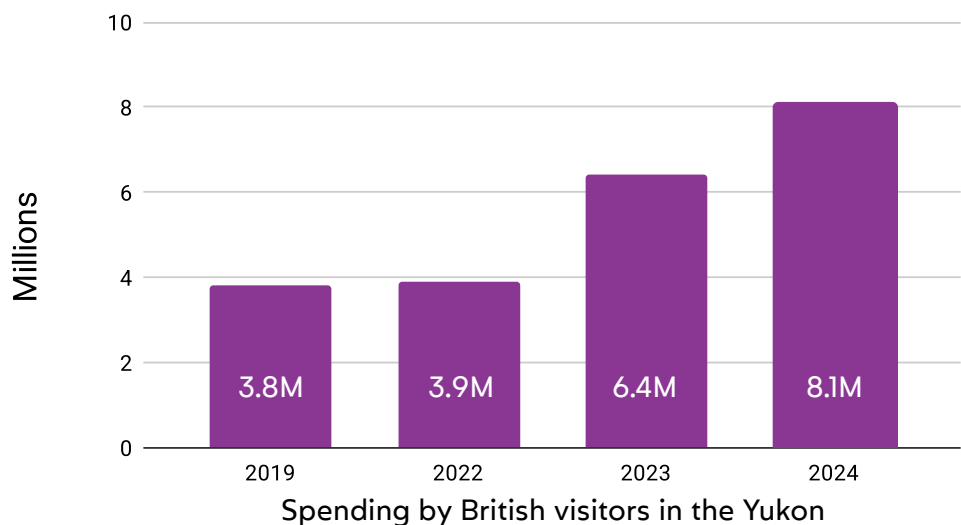
Consolidation is accelerating, with the top 10 ATOL holders now accounting for 80% of the market.

This shift highlights the mounting challenges faced by smaller businesses, including rising costs, leading many to join franchise-based ATOL schemes for additional support.






Yukon Specific Market Trends

2024 YUKON PERFORMANCE



2025 POTENTIAL

		Segment size	Top travel activities	Emotional travel motivations
	OUTDOOR EXPLORERS	5.9M	<ul style="list-style-type: none"> • Nature Experiences • Guided Tours • Winter Sports 	<ul style="list-style-type: none"> • Adventure • Novel & Authentic • Accomplishment
	CULTURE SEEKERS	6.7M	<ul style="list-style-type: none"> • Cultural Experiences & Attractions • Festivals & Events • Cuisine 	<ul style="list-style-type: none"> • Novel & Authentic • Connections • Familiarity
	REFINED GLOBETROTTERS	8.0M	<ul style="list-style-type: none"> • Cultural Experiences & Attractions • Cuisine • Guided Tours 	<ul style="list-style-type: none"> • Novel & Authentic • Bonding • Security

France



The value of outbound tourism in France is expected to grow significantly over the next decade, rising from US\$37 million in 2024 to US\$56.8 million by 2034.

ECONOMIC AND POLITICAL STATUS

Economic activity in France remained resilient in 2024, supported by public expenditures and foreign trade. GDP growth is forecast to slow in 2025, influenced by fiscal adjustments but supported by eased monetary policy. Household purchasing power will also increase. Inflation is forecast to remain below 2% in 2025, driven by lower energy, commodity, and food prices. Unemployment is expected to rise in 2025.

On December 4, 2024, French Prime Minister Michel Barnier was ousted after an historic no-confidence vote in the National Assembly, triggered by his controversial use of Article 49-3 to pass a €60 billion social security budget without parliamentary approval. The motion, supported by a united opposition, resulted in Barnier's removal, leaving President Macron to appoint a new prime minister amid ongoing political instability.

While the Euro has fluctuated over the past several years, it has appreciated 1.3% against the CAD since the end of 2019.

0.8%

GDP Forecast 2025

1.9%

Inflation Forecast 2025

7.5%

Unemployment Forecast 2025

General Travel Sentiment and Outbound Travel



French outbound travel sentiment for late 2024 and into 2025 is cautiously optimistic but influenced by economic factors.

GROWING OUTBOUND MARKET

The value of outbound tourism in France is expected to grow significantly over the next decade, rising from US\$37 million in 2024 to US\$56.8 million by 2034.

As the travel and tourism industry continues to recover, outbound trips from France are on the rise.

In 2023, international departures from France grew by 17%, with eight of the ten most popular destinations located in Europe. There were nearly 50 million outbound trips and €60 billion in overseas spending.

The peak travel period is from April to June, with 38% of travellers during this time.

YOUNGER TRAVELLERS

Outbound tourism sales are driven by the 26–35 age group, which enjoys greater discretionary income and the freedom to travel. This group, consisting largely of young professionals, is particularly motivated by travel and adventure, often seeking experiences that foster self-discovery and personal growth. Social media also plays a significant role in inspiring and influencing their travel choices, further boosting the outbound tourism sector.

CULTURAL TRAVEL

French travellers seek culture and authenticity in their vacation destinations, with travellers prioritising meaningful experiences. Whether discovering their own country's renowned regions or exploring new destinations abroad, French travellers are driven by a desire to immerse themselves in diverse cultures and find places to relax and rejuvenate. Demand remains steady for cultural, historical, and nature-related experiences.

French travellers are showing particular interest in destinations where their spending supports local communities and minimizes environmental impact, reflecting a shift towards more sustainable tourism practices.



ENVIRONMENTAL CONCERNS

According to a study by lastminute.com, multi-destination trips are becoming increasingly popular among the French for 2025. These itineraries, which combine multiple stops within one trip, offer the opportunity to maximize discoveries while optimizing both time and budget.

The "Travel Insights" study by Criteo reflected a strong trend towards domestic tourism with 60% of French travellers planning to stay within France for their next trip.

Environmental concerns are also important, with 51% of travellers aiming to reduce their carbon footprint. Of those surveyed, 54% plan to travel within Europe, and only 13% are considering long-haul destinations.

FRENCH VISITORS TO CANADA

France has been one of the fastest recovering European markets in terms of both visits to Canada and spending.

In 2023, overnight visitors from France to Canada reached 596,000, 90% of 2019 levels, with spending expected to surpass 2019 levels by 2% in 2024.

By 2025 French visitor numbers are forecast to fully recover, reaching 103% of 2019 levels, while spending is expected to exceed 2019 levels by 18%, reaching 118%. In total, Canada is projected to welcome 681,000 overnight visitors from France in 2025, who will spend \$1.2 billion.

By 2030, French visitor spending in Canada is forecast to reach \$1.B, with 482K overnight arrivals.

French travellers to Canada tend to favour peaceful destinations, avoiding crowds and venturing off the beaten path to discover them.



French travellers visiting Canada are drawn to nature and outdoor experiences and often appreciate guided tours to gain deeper insights into their surroundings.

For them, travel is an indulgence, offering the opportunity to escape and fully immerse in the

moment, regardless of budget or whether the activities are traditionally considered luxurious.

The majority of travellers from France to Canada travel exclusively to Quebec.

Travel Trade and Airline Update

The French aviation industry continues to navigate a complex landscape marked by significant challenges and strategic developments.

INCREASING AVIATION TAXES

The sector is grappling with proposed increases in aviation taxes, aiming to generate €1 billion for the national budget. These proposed hikes have raised concerns among industry stakeholders, who warn of potential adverse effects on the French economy and the competitiveness of French airlines.

The planned increases include economy class on domestic European flights increasing from €2.60 to €9.50, medium-haul from €7.50 to €15, and long-haul from €7.40 to €40 per passenger. Airlines, including Air France, have confirmed they will pass these increases onto passengers.

In November 2024, air transport unions initiated strikes in response to the increases. These actions led to flight disruptions, affecting both domestic & international travel.

Despite these challenges, the French aviation market is projected to reach USD 6.11 billion in 2024, with an expected compound annual growth rate of 2.85%, reaching USD 7.23 billion by 2030.

AIR FRANCE

Air France is expanding its global network to meet continued demand, increasing long-haul capacity by 9%. The airline will operate nearly 60 flights to five Canadian cities in 2025.

INTERLINE AGREEMENT

Air North, Yukon's Airline and WestJet have launched a new Interline Agreement. Travellers can now enjoy seamless baggage transfer between WestJet and Air North, Yukon's Airline. In addition, bookings made through travel agencies and third-party websites will have the ability to combine both carriers on a single ticket or itinerary, offering the convenience of a single ticket for travel across Air North's network and more than 100 WestJet destinations, including Paris (Charles de Gaulle).

TRAVEL TRADE

In 2024, French outbound tour operators faced challenges due to a 14% decline in medium-haul flights in July & a 2% decrease in August, with popular destinations like Spain, Greece, & Tunisia experiencing reduced visitor numbers.

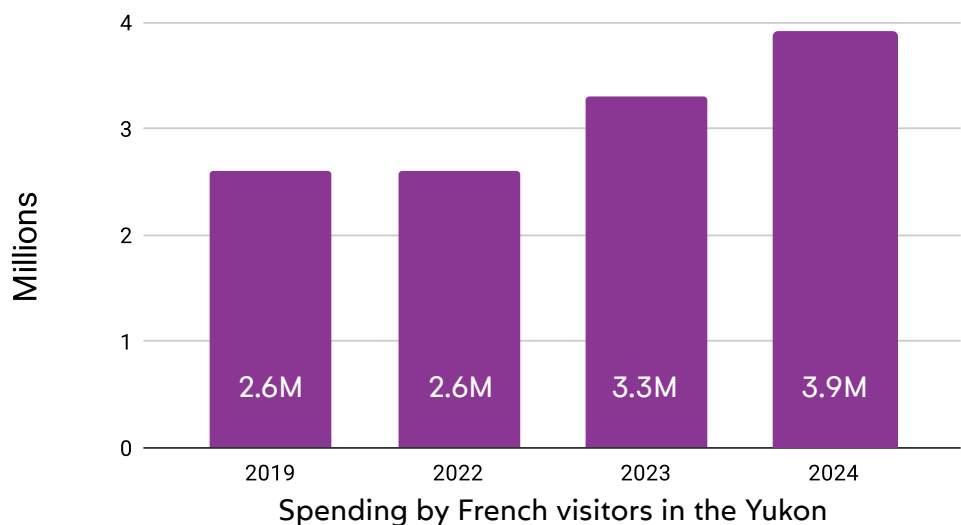
This downturn was attributed to high airfare prices, intense summer heat in the Mediterranean and disruption by the Paris Olympics.

Looking ahead, there is a positive outlook for the fall and winter seasons, with rising bookings for destinations such as Thailand, Vietnam, Japan, and Tanzania.




TUI France announced a 10% increase in annual turnover in 2024.

Yukon Specific Market Trends

2024 YUKON PERFORMANCE



2025 POTENTIAL

		Segment size	Top travel activities	Emotional travel motivations
	OUTDOOR EXPLORERS	6.7M	<ul style="list-style-type: none"> • Nature Experiences • Winter sports • Guided Tours 	<ul style="list-style-type: none"> • Adventure • Novel & Authentic • Accomplishment
	CULTURE SEEKERS	6.7M	<ul style="list-style-type: none"> • Cuisine • Festivals & Events • Cultural Experiences & Attractions 	<ul style="list-style-type: none"> • Novel & Authentic • Connections • Familiarity
	REFINED GLOBETROTTERS	5.5M	<ul style="list-style-type: none"> • Cultural Experiences & Attractions • Guided Tours • Cuisine 	<ul style="list-style-type: none"> • Novel & Authentic • Security • Escape & Relax

Benelux



The Dutch outbound tourism market is set for continued growth in 2025, fueled by increased consumer spending and a preference for established European destinations.

ECONOMIC AND POLITICAL STATUS

NETHERLANDS

In 2025, the Netherlands is expected to see modest economic growth of 1.5%, driven by increased government spending in healthcare, defense, and energy transition projects.

Unemployment may rise slightly but remain low by historical standards.

Consumer prices are forecast to increase by 3%, higher than the eurozone's expected inflation rate of 2%.

However, this outlook assumes no escalation of a trade war between the U.S. and Europe, which could negatively affect growth and raise inflation.

While the Euro has fluctuated over the past several years, it has appreciated 1.3% against the CAD since the end of 2019.

1.5%

GDP Forecast 2025

3.2%

Inflation Forecast 2025

3.8%

Unemployment Forecast 2025

BELGIUM

GDP = 0.7%

Inflation = 2%

Unemployment = 5.5%

Belgium's economic growth in 2025 is expected to slow to around 0.7%, aligning with the eurozone average. This deceleration reflects a normalization after earlier recovery gains post-pandemic. Inflation is forecast to decline, continuing a disinflationary trend following energy price stabilization. Unemployment remains stable although challenges persist in labour market participation, especially among youth and immigrant populations.

LUXEMBOURG

GDP = 0.7%

Inflation = 2%

Unemployment = 5.5%

In 2025, Luxembourg is expected to see steady economic growth, bolstered by an expansionary fiscal policy, declining interest rates, and a rebound in private demand.

Inflation is anticipated to rise slightly due to higher energy prices as temporary energy subsidies phase out. Unemployment is projected to stabilize, with modest improvements in the labour market.



Peter Mather

General Travel Sentiment and Outbound Travel



Dutch travellers, known for their adventurous and open-minded nature, form a dynamic segment in Europe's travel market.

GROWING OUTBOUND TRAVEL

The Dutch outbound tourism market is set for continued growth in 2025, fueled by increased consumer spending and a preference for established European destinations.

In 2023, outbound trips totaled 34.07 million, with international departures rising by 9%. CBS data shows Germany remains the top destination, with Dutch travellers spending 14% of their overseas budget there in Q3 2024, followed by France and Spain. The third quarter of 2024 also saw the highest-ever travel-related spending.

According to Eurostat, the 25–34 age group is the largest, comprising 19% of the population. This group is particularly drawn to adventure and cultural immersion.

VACATION CHOICES FOR 2025

Forecasts for 2025 show that the most popular vacation choices within Europe will be:

- Spain – 23%
- Italy – 11%
- France – 9%
- Greece – 8%
- Germany – 7%

Transport preferences:

- Air – 50%
- Car – 36%
- Train – 6%

Type of vacation:

- Beach vacations – 25%
- Citystays – 13%
- Friends and family – 12%
- Nature vacations – 9%
- Cultural vacations – 7%

RISING LEISURE BUDGETS

In 2024, the Dutch leisure budget is projected to rise by 4.6%, with Gen X and Millennials leading the charge, planning to increase their travel spending by 11% and 15%, respectively.

While these generations prioritize travel, Dutch Gen Z, despite having smaller budgets, travels more frequently and on a tighter budget. Their focus on experiences over possessions, coupled with savvy tech use, allows them to find cost-effective travel options.

Price and location remain key factors for all generations, but travel preferences are evolving, especially among younger Dutch travellers. Gen Z and Millennials increasingly rely on reviews when making booking decisions, with a strong preference for personalized, authentic experiences and responsible travel practices that align with their values.

In 2025, 21% of Dutch travellers are expected to travel domestically, 58% within Europe and 6% to North America. Overall, outbound travel is expected to rise by 2 percent.

TOP TRAVEL CATALYSTS

1. Fine Dining (81%): A strong interest in culinary experiences
2. Cultural & Historical Experiences (72%): A love of immersion in heritage
3. Unique Towns (64%): Preference for off the beaten path destinations
4. Food Experiences (53%): Exploring diverse local cuisines
5. Shopping (53%): Interest in unique souvenirs and local crafts.

TOP TRAVEL ENABLERS

1. Cleanliness (77%): Importance of hygiene and sanitation.
2. Safety (75%): Priority on security and low crime rates.
3. New Experiences (73%): Desire for novelty and adventure.
4. Affordability (72%): Focus on value-driven travel options.
5. Health & Hygiene (69%): Emphasis on maintaining well-being while travelling.

MORE PERSONALIZED TRAVEL

Among Dutch travellers booking international trips outside Europe, 45% opt for package trips that bundle flights and accommodation for convenience.

There is a shift towards personalized and flexible arrangements, highlighting Dutch travellers' growing desire for unique, self-curated experiences, and driven by their tech-savviness and preference for online platforms.

In accommodation, 56.2% of Dutch travellers prefer 3- or 4-star hotels, while 55% opt for holiday homes, valuing comfort and immersive experiences.

TRAVEL INSPIRATION

72% of Dutch travellers indicate they rely on various sources for travel inspiration, with the top being search engines like Google (50%), Bing (14%), Google Maps (57%), Facebook (49%), Instagram (33%), TikTok (27%), Snapchat (19%), Applemaps (16%), and Yelp (14%). This reflects their preference for independent research. Family and friends also play a key role (57.8%), while TripAdvisor (45.6%) provides authenticity and transparency.

Their tech-savvy nature drives them to use online platforms and travel websites to gather information and find the best deals. AI is also popular with 49% using it to select the right offers/travel companies. Social media such as Instagram and Facebook are more popular for travel inspiration.

BOOKING SOURCES

37% of Dutch travellers book their travel via a tour company, travel agent or OTA site and 50% of Dutch travellers book directly with in-destination suppliers (although this is primarily for trips within Europe or to Asia and Africa). 11% report using a combination of the above.

BOOMING LUXURY TRAVEL

The luxury travel sector is booming, with affluent Dutch travellers embarking on international trips at twice the rate of other segments. This surge is fueled by rising disposable incomes and a growing demand for high-end, personalized experiences. Luxury travellers are also placing greater emphasis on exclusivity, personalization, and the quality of hospitality amenities. Reviews play a significant role in their decision-making, with 60% of respondents citing them as influential.

SUSTAINABLE TRAVEL

Across all generations, there is a clear preference for destinations that combine sustainability with less crowded atmospheres. Approximately 60% of travellers prioritize sustainable travel, while 72% seek destinations that offer a more peaceful, less tourist-heavy experience. This shift reflects an increasing awareness of the environmental impact of mass tourism and a desire for more authentic, mindful travel experiences.



Travel Trade and Airline Update

Dutch airlines showed notable growth in 2024. However tour operators and travel agencies have seen a continued decline in value since 2019.

In 2024, the Dutch airline industry experienced notable growth. In the third quarter the country's five major airports reported 21.6 million air passengers, a 4% increase compared to the same period in 2023.

The industry is projected to continue its growth trajectory with revenue expected to reach approximately \$7 billion by 2028, up from around \$6.8 billion in 2023 – an average annual growth rate of 1.5%.

SCHIPOL AIRPORT

Amsterdam's Schiphol Airport is undergoing a significant expansion, with a €6 billion investment plan set to be completed by 2029.

This aims to increase capacity, reduce congestion, and improve operational efficiency. The airport handled around 68 million passengers and approximately 473,000 flights in 2024.

All Intercontinental flights depart from Schiphol Airport.

KLM ROYAL DUTCH AIRLINES

KLM Royal Dutch Airlines is implementing significant cost-cutting measures to address rising operational expenses. The airline aims to improve its operating results by €450 million

in the short term, enhancing its profit margin from 5.4% in 2023 to over 8% by 2028. Measures include adjusting flight schedules, reducing office staff, and enhancing productivity through automation. KLM is also modernizing its fleet to enhance efficiency and sustainability.

INTERLINE AGREEMENT

Air North, Yukon's Airline and WestJet have launched a new Interline Agreement. Travellers can now enjoy seamless baggage transfer between KLM code share partner WestJet and Air North, Yukon's Airline. In addition, bookings made through travel agencies and third-party websites will have the ability to combine both carriers on a single ticket or itinerary, offering the convenience of a single ticket for travel across Air North's network and more than 100 WestJet destinations, including Amsterdam.

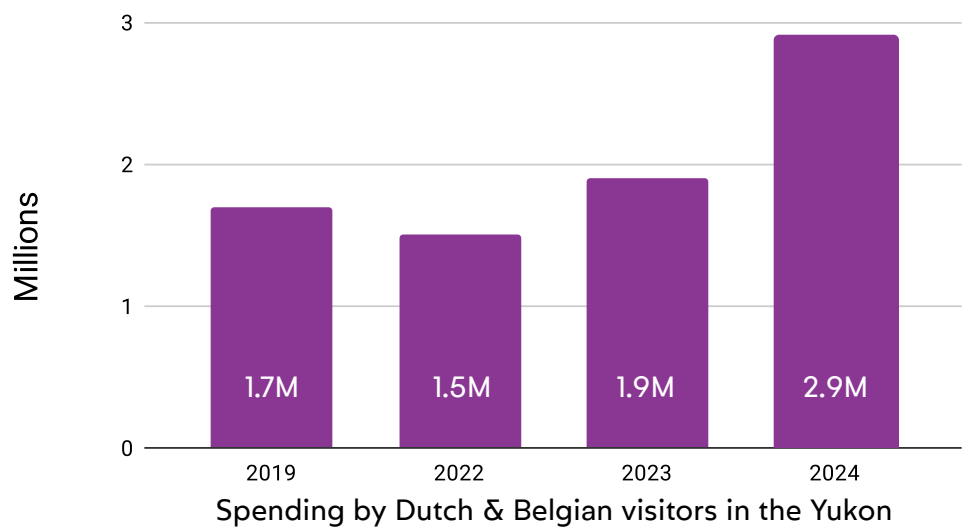
TRAVEL TRADE

The Dutch travel agency and tour operator industry is valued at approximately €10.7 billion in 2024 – a decline of 9.8% since 2019.

This downturn is attributed to factors such as increased competition, changing consumer behaviors, and the lasting impacts of the pandemic.

Yukon Specific Market Trends

2024 YUKON PERFORMANCE



Note: Yukon performance and potential not available

Australia



Australians are travelling internationally at unprecedented levels. For the year ending August 2024, there was a notable increase in trips to key destinations, including a 16.7% increase in visitors to the USA.

ECONOMIC AND POLITICAL STATUS

Australia's 2025 outlook reflects a cautious optimism, with expectations of moderate growth, a slight increase in unemployment, and gradual easing of interest rates and inflation. The RBA is expected to monitor economic indicators closely, with potential interest rate adjustments contingent on inflation trends and labour market conditions. External factors, including geopolitical developments and global economic conditions, may impact Australia's economic performance, along with the sluggish economy of Australia's biggest trading partner, China.

Australia is gearing up for a federal election in 2025. Recent polls indicate a decline in public satisfaction, with only 31% believing the country is on the right track, while 51% disagree. The upcoming election is expected to focus heavily on economic issues, particularly cost-of-living pressures. The government's ability to effectively manage internal economic concerns while responding to international geopolitical dynamics will be crucial in shaping the nation's future trajectory.

The Australian Dollar has decreased 0.7% against the Canadian dollar compared to 2019.

2.3%

GDP Forecast 2025

2.8%

Inflation Forecast 2025

3.9%

Unemployment Forecast 2025

General Travel Sentiment and Outbound Travel



Australians are travelling internationally at unprecedented levels. For the year ending August 2024, there was a notable increase in trips to key destinations, including a 16.7% increase in visitors to the USA.

THE MARKET RECOVERS

Spending and visitation from Australia to Canada are recovering more rapidly than from other Asia-Pacific markets, although visits are still lagging behind those from European and North American markets.

By the end of 2023, Australian visits to Canada had reached 72% of 2019 levels, with spending surpassing pre-pandemic levels.

Looking ahead, overnight visits from Australia are forecast to fully recover by 2027. Between now and 2030 Australian visitor numbers to Canada are expected to grow by 6.9% to 401K, while spending will grow 7.7% to \$1.3B.

MEANINGFUL TRAVEL

Booking.com's annual Travel Predictions research highlights a shift among Australian travellers towards unique and meaningful travel experiences in 2025.

Australians are set to travel with greater purpose, breaking away from the bucket-list mentality in favour of cultivating experiences that truly matter.

This trend sees a departure from conventional travel norms as holidaymakers seek adventures that resonate on a deeper level.

EVOLVING PREFERENCES

Australians are embracing experiential travel, with a growing appetite for immersive cultural experiences and adventure tourism.

Sustainable and slow travel is also gaining popularity, with eco-friendly options and a leisurely exploration of destinations taking centre stage.

Dark sky tourism is a rising trend, with 57% considering trips to destinations famed for clear night skies, and 65% expressing interest in stargazing or star-bathing experiences.

Siem Reap in Cambodia, home to the iconic Angkor Wat temple, is the top destination Australians want to visit next year, with interest soaring by 529%. (Skyscanner 2025 Trends)

While some forecasts show a slowing down in demand, Skyscanner data swings the other way. New data reveals 43% of Aussies plan to spend more on travel in 2025 & seek out destinations that deliver the most bang for their buck.



Dan Carr

THE LUXURY TRAVEL BOOM

Luxury travel is thriving, particularly among older Australians with significant wealth.

Premium experiences, such as river cruises and upscale accommodations are in high demand, with Europe and North America emerging as favoured destinations.

Many are also prioritising health and longevity retreats, with 51% of travellers showing interest in wellness-focused holidays that offer more than temporary fixes.

Popular revitalisation activities include body vibration (50%), red-light therapies (47%), and cryotherapy (34%), as travellers seek to integrate these experiences into their daily lives.

THE RISE OF TECHNOLOGY

Technology is becoming an integral part of travel planning, with 61% of Australian travellers using it to make informed decisions and uncover authentic experiences.

Artificial intelligence is set to play a significant role in shaping these journeys, as 29% of Australians express interest in using AI tools to personalize and curate their trips.



Tobin Seagel

BABY BOOMERS REDEFINING RETIREMENT

Retirement no longer means slowing down for an emerging group of Baby Boomers.

Over a quarter (29%) are seeking adventure holidays, a sharp increase from 17% in 2024, while 19% aim to push past their comfort zones and embrace a youthful spirit of exploration.

Thrill-seeking activities such as glacier hunting (39%), skydiving (11%), and hiking challenging mountain ranges (9%) are on the rise among this adventurous generation.

Travel Trade and Airline Update

Despite positive trends, challenges persist. The rising cost of living and economic uncertainties influence travel decisions, prompting operators to adapt their offerings to meet changing consumer demands.

CHANGING TRAVELLER DEMANDS

Airlines are adapting to meet changing traveller demands:

- **Premium Economy** is gaining traction as travellers seek a balance between comfort and cost.
- **Non-Stop Flights** – there's an increase in point-to-point travel (ultra-long haul flights which negate the need for a stopover, like Perth to London), with airlines like Qantas introducing new direct services as customer demand increases. Wherever non-stops are introduced they dramatically increase traffic to a destination.
- **Innovative in-flight features** like economy bunk beds and AI-generated multilingual announcements are among the innovations being introduced.

US GLOBAL ENTRY PROGRAMME

From January 2025, eligible Australians travelling to the U.S. will be able to use the U.S. Global Entry Programme for faster airport processing, reducing wait times and streamlining entry procedures.

QANTAS

Qantas posted strong financial results for FY 2024, supporting ongoing investments in customer experience and fleet renewal. This fleet renewal includes the first Airbus A321XLR

entering final assembly in Germany. These fuel-efficient aircraft will increase capacity and reduce domestic fares as travel demand grows in 2025. Its Project Sunrise, which aims to launch non-stop flights from Australia's east coast to London and New York, has been delayed due to manufacturing issues with the Airbus A350-1000. The first aircraft, now expected in mid-2026, were initially slated for 2025.

Australian airports are lobbying for changes in air traffic control regulations to prioritise long-haul international flights during delays, following recent incidents of diverted flights.

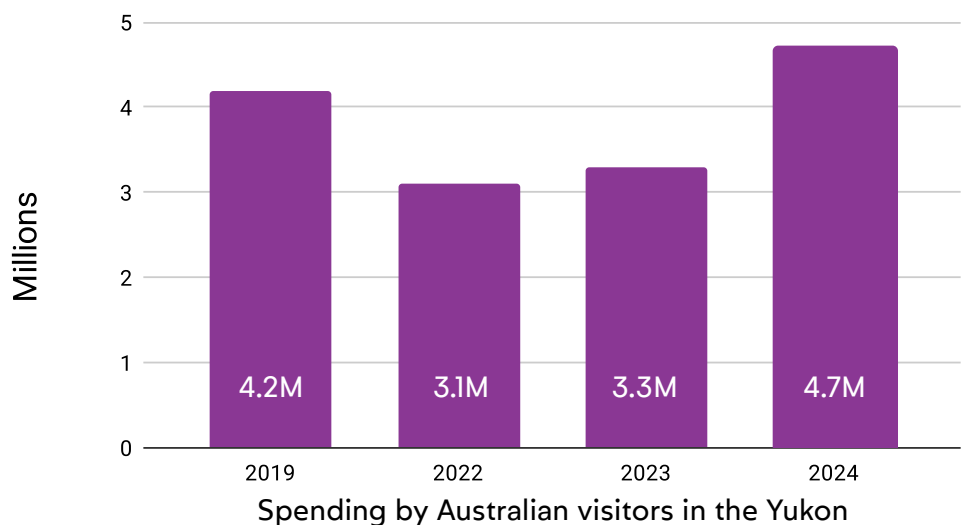
TRAVEL TRADE

In 2024, Australian outbound tour operators saw a strong rebound, driven by rising travel demand and changing consumer preferences. The Council of Australian Tour Operators reported a 26% increase in outbound holiday travel during the April to June 2024 quarter compared to the same period in 2023. Leisure travel is notably outpacing other types of outbound travel across various regions, age groups, and trip lengths.




Tour operators are increasingly adopting technology to enhance customer experiences. Flight Centre, for instance, is utilizing AI to understand customer sentiment and increase spending.

Yukon Specific Market Trends

2024 YUKON PERFORMANCE



2025 POTENTIAL

		Segment size	Top travel activities	Emotional travel motivations
	OUTDOOR EXPLORERS	2.6M	<ul style="list-style-type: none"> • Nature Experiences • Water sports • High-Intensity Sports 	<ul style="list-style-type: none"> • Adventure • Novel & Authentic • Accomplishment
	CULTURE SEEKERS	2.5M	<ul style="list-style-type: none"> • Cultural Experiences & Attractions • Festivals & Events • Cuisine 	<ul style="list-style-type: none"> • Novel & Authentic • Connections • Familiarity
	REFINED GLOBETROTTERS	2.1M	<ul style="list-style-type: none"> • Cultural Experiences & Attractions • Cuisine • Guided Tours 	<ul style="list-style-type: none"> • Novel & Authentic • Security • Bonding

Japan



As Japanese outbound travel steadily recovers through late 2024 and into 2025, emerging trends are reshaping traveller preferences and behaviours.

ECONOMIC AND POLITICAL STATUS

Japan's economy is expected to grow steadily in 2025, with stable inflation, low unemployment, and support from domestic demand and monetary policy. Wage gains and a stronger yen are boosting household spending and domestic demand, but inflation remains a key challenge.

Unemployment is projected to stay low due to a tight labor market, while core inflation may rise slightly. Food and energy inflation remains high at 7.8% and 12% respectively. Global uncertainties, such as trade tensions and geopolitical issues, could affect economic performance.

Following the 2024 elections, Shigeru Ishiba became Prime Minister. To fund increased defense spending, the government plans tax hikes starting in 2026, including corporate and income taxes, aiming to double the defense budget to 2% of GDP by 2027.

The Yen has declined 22% in value against the CAD since 2019.

1.2%

GDP Forecast 2025

2.1%

Inflation Forecast 2025

2.4%

Unemployment Forecast 2025

General Travel Sentiment and Outbound Travel



While there was a notable increase in Japanese outbound travel in 2024 compared to 2023, numbers remain below pre-pandemic levels. The depreciation of the yen made international travel more expensive for Japanese travellers, dampening outbound demand.

RELAXATION AND ADVENTURE

Japan's dynamic travel market thrives on its cultural richness, with Japanese travellers seeking destinations that balance relaxation with adventure.

They are drawn to places that exude a sense of freedom and spontaneity, paired with vibrant cultural experiences. These travellers relish the opportunity to immerse themselves in the lively rhythms of local life while savouring a well-deserved escape from their hectic daily schedules.

By 2030, overnight arrivals from Japan to Canada are projected to reach 270K, with visitor spending forecast to hit \$585.8 million. Overnight visitor numbers are expected to return to pre-pandemic levels in 2027 with visitor spending returning to 2019 levels the same year.

STUDENT GROUPS

Major tour companies in Japan have been focusing on student education group tours post COVID and report good performance using that strategy.

JTB Corporation projected a 50% rise in outbound travellers for 2024 compared to the previous year, though this figure remains only 65% of pre-pandemic levels.

In June 2024, around 930,200 Japanese citizens travelled abroad, 38.8% fewer than in June 2019. By October 2024, the number increased to 1,148,448, still 31% below October 2019 levels.



As Japanese outbound travel steadily recovers through late 2024 and into 2025, emerging trends are reshaping traveller preferences and behaviours. A recent survey by YouGov and Traveloka highlights evolving Japanese travel preferences:

CULTURAL & WELLNESS FOCUS

Japanese travellers are drawn to cultural and wellness experiences, with 32% travelling to visit tourist attractions, followed by rest and relaxation (21%) and culinary exploration (14%).

Historical and cultural sites, such as museums and castles, are favoured by 62%, while 57% are attracted to natural destinations like mountain ranges.

Wellness retreats also appeal to 52%, reflecting a growing trend toward combining cultural exploration with relaxation.

PRICE-SENSITIVE DECISIONS

Price remains a key factor for Japanese travellers, with 43% prioritising cost when selecting accommodation, ahead of comfort and other considerations.

Recommendations from family and friends influence 35%, while travel promotions and discounts sway 32%.

SUSTAINABILITY ON THE RISE

Sustainability is becoming more important, with 63% of travellers seeking or considering sustainable options. However, challenges remain, as 31% are unsure where to find sustainable choices, and 22% view them as too expensive.

Meanwhile Skyscanner's annual survey noted some additional trends gaining traction in the Japanese market:

Immersive art experiences are gaining popularity, especially among those aged 25 to 34, with 31% planning to participate in 2025. These travellers seek playful, engaging activities that encourage shared, hands-on experiences.

Sports tourism continues to grow, with 37% of Japanese travellers aiming to attend sports events in 2025. Among the 25 to 34 age group, 45% are interested in exploring new running or cycling locations, reflecting a fusion of travel and active lifestyles.

33% of Japanese travellers recently surveyed by Booking.com said they are interested in robot or AI-based services in accommodations.



Tobin Seagel

Travel Trade and Airline Update

Japan's international travel market remains imbalanced, with a slow recovery in outbound travel contrasting sharply with strong inbound growth. However, Japanese carriers are benefitting from robust international operations.

ALL NIPPON AIRWAYS

ANA reports overall outbound travel is still 30% below pre-pandemic levels but the airline aims to reach 90% of international capacity by March 2025.

JAPAN AIRLINES

JAL's leisure outbound is at 50%, with business travel at 75%. International yields are 1.7 times higher than in 2019, driven by a weak yen. While peak holiday travel has shown stronger recovery, off-peak periods remain weak. With little improvement expected in the near-term in outbound leisure traffic, JAL is shifting focus towards the inbound market, emphasising routes to the US and Southeast Asia.

INTERLINE AGREEMENT

Air North, Yukon's Airline and WestJet have launched a new Interline Agreement. Travellers can now enjoy seamless baggage transfer between WestJet and Air North, Yukon's Airline. In addition, bookings made through travel agencies and third-party websites will have the ability to combine both carriers on a single ticket or itinerary, offering the convenience of a single ticket for travel across Air North's network and more than 100 WestJet destinations, including Tokyo, WestJet's first destination in Asia.

TRAVEL TRADE

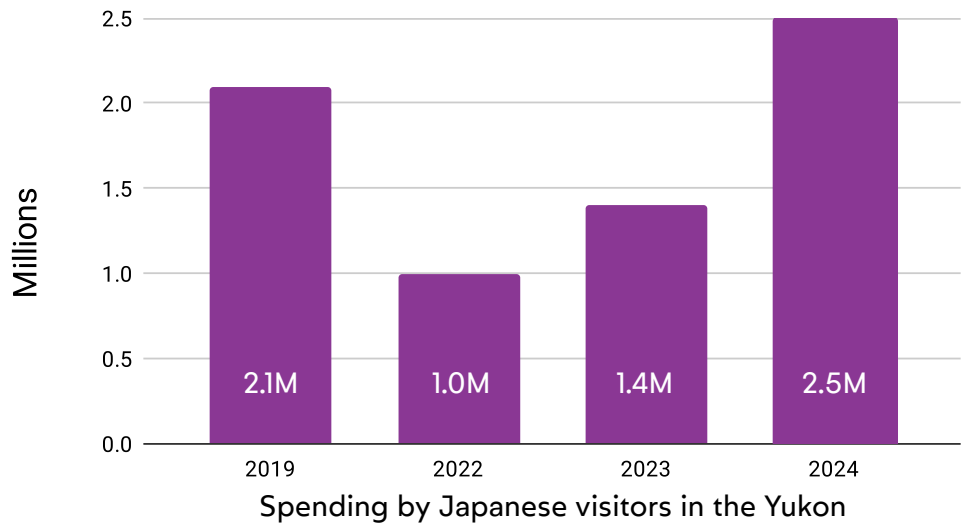
JTB Corporation has reported mid-term financial results for the fiscal year ending March 2025, with a net profit of 3.3 billion yen. The full-year forecast projects an operating profit of 11.6 billion yen. While overall revenue saw a slight increase compared to the previous year, other figures were roughly halved. Revenue from overseas travel grew by 67.4%. 2024 marks the final year of JTB's 'Recovery and Growth Phase' under its five-year Mid-term Management Plan, with the company set to enter the 'Growth and Leap Phase' in 2025.

H.I.S. Co. Ltd. reported its first half-year net profit in five years, driven by a recovery in travel demand. For the full fiscal year through October, the company raised its earnings projections following strong first-half results. The turnaround is largely attributed to strong hotel operations benefiting from increased foreign visitor demand to Japan.

Additionally HIS reported a 25.3% year-on-year increase in overseas travel bookings for the New Year holiday period (27 December 2024 to 5 January 2025) as of 5 November. North America is seeing particularly strong growth, with bookings up 42.7%, driven by the extended nine-day holiday break.

Yukon Specific Market Trends




2024 YUKON PERFORMANCE



Small to mid-sized tour companies appear to be recovering sooner than the overall average while major companies still struggle to return to pre-pandemic level.

The Yukon is well-positioned to support small group and FIT travellers from Japan.

2025 POTENTIAL

	Segment size	Top travel activities	Emotional travel motivations
 OUTDOOR EXPLORERS	7.8M	<ul style="list-style-type: none"> Nature Experiences Overnight Experiences Winter Sports 	<ul style="list-style-type: none"> Novel & Authentic Adventure Expertise
 CULTURE SEEKERS	9.0M	<ul style="list-style-type: none"> Cultural Experiences & Attractions Festivals & Events Cuisine 	<ul style="list-style-type: none"> Novel & Authentic Connections Tradition
 REFINED GLOBETROTTERS	8.9M	<ul style="list-style-type: none"> Cuisine Cultural Experiences & Attractions Overnight Experiences 	<ul style="list-style-type: none"> Bonding Novel & Authentic Security

Taiwan

Taiwan's outbound tourism sector is thriving, driven by the adventurous nature of its travellers and their enthusiasm for exploring diverse cultures.



ECONOMIC AND POLITICAL STATUS

Taiwan's 2025 economic outlook forecasts moderate growth, stable unemployment, and controlled inflation, driven by global tech demand and domestic policies. The thriving semiconductor industry and expanding AI applications continue to boost exports and investments.

In the 2024 election, Lai Ching-te of the DPP became president, but opposition parties formed a coalition to dominate the legislature, influencing domestic policy through key amendments.

China has intensified military activities near Taiwan, using unannounced drills to normalize operations and create regional uncertainty. Taiwan's 2025 political landscape will hinge on managing domestic coalitions, addressing China's increasing military pressure, and navigating international relations with major powers like the U.S. and China.

The TWD has increased 1.88% in value against the CAD compared with 2019.

3.3%

GDP Forecast 2025

2.7%

Inflation Forecast 2025

3.7%

Unemployment Forecast 2025

General Travel Sentiment and Outbound Travel



In 2023, 11.8 million Taiwanese travelled abroad, a remarkable increase from the 1.5 million in 2022, following the removal of outbound travel restrictions in late 2022.

A THRIVING OUTBOUND MARKET

With greater affluence and the advantage of a strong passport, Taiwanese tourists frequently visit destinations across Asia, Europe, and North America. Popular interests include cultural immersion, nature-focused activities, and culinary experiences, reflecting Taiwan's own rich cultural heritage and vibrant lifestyle.

The easing of travel restrictions and the availability of tailored travel packages have further boosted international travel. Destinations like Japan, Thailand, and the United States remain favourites, with Taiwanese travellers significantly contributing to local economies through spending on accommodation, shopping, and dining.

The United States continues to be a preferred long-haul destination experiencing a 139% surge in Taiwanese visitor arrivals in 2023. These travellers often visit for family reunions, business, trade shows, and education.

Taiwanese travel preferences are also evolving, with a growing emphasis on eco-tourism, cultural exploration, and personalised itineraries. More travellers are seeking unique experiences off the beaten path, showcasing a shift towards sustainable and tailored travel trends.

Travel Trade and Airline Update

In response to the surge of Taiwanese travellers to the United States, local airlines are increasing services between Taipei and the US and Canada.

CHINA AIRLINES

China Airlines, the national carrier of the Republic of China (Taiwan), recently inaugurated a new route to Seattle, strengthening its presence in North America.

The airline is also preparing to welcome the first of 24 Boeing 787 aircraft it has on order, with the initial delivery expected in 2025.

Operating flights between Taiwan and North America for more than 50 years, China Airlines continues to play a key role in connecting Taiwan with the region.

The addition of non-stop flights to Seattle will enhance its reach in the US Northwest, offering travellers access to more than 40 return flights per week between the US, Canada, and Taiwan.

TAIPEI-SEATTLE ROUTE

Meanwhile, competition on the Taipei–Seattle route is heating up. Starlux Airlines, another Taiwanese carrier, commenced three weekly round-trip services in August 2024, becoming the fourth airline to serve this route. In response to the growing rivalry, EVA Airways has increased its flights from seven to ten weekly round-trip services.

Yukon Specific Market Trends

While outbound travel demand is on the rise, a high number of Taiwan based tour companies report a lack of availability of air capacity between Taipei and Vancouver. Currently only two airlines, China Airlines and EVA Air, provide direct flights between the two destinations.

While the travel trade in Taiwan remains hopeful that Air Canada and Starlux Airlines will commence service to Canada in the near future, visitors can travel to Canada via Hong Kong, Tokyo, and Seoul.

Note: Yukon performance and potential not available

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