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CATO Condemns Unwarranted Tariffs on Canadian Goods

TORONTO - The Canadian Association of Tour Operators (CATO) strongly condemns the recent tariffs imposed by the Trump administration. These tariffs will cause significant harm to our economy, leading to job losses, increased costs for goods, and reduced discretionary spending for consumers on both sides of the border. This situation will negatively impact the tourism and travel industry.

The longstanding reciprocity between the US and Canada is at risk. These tariffs are not only economically detrimental but also have far-reaching consequences that could disrupt the strong ties between our nations. Our relationship has been built on decades of collaboration and respect, allowing our economies to thrive and our citizens to experience the richness of each other's cultures.

Economic Impact

CATO members, who employ over 20,000 full-time and thousands of part-time and contract employees in Canada, generated more than \$1 billion in labor income and over \$8 billion in economic output, according to the latest third-party economic impact analysis in 2023. Of this, \$340 million was directed to the US. This is a small fraction of the total spending by Canadians traveling to the US, with over 6.5 million Canadians visiting the US in the second quarter of 2024 alone.

The tourism industry, a vital economic driver for both Canada and the United States, is particularly vulnerable to the consequences of these tariffs. Increased costs are likely to be passed on to consumers, reducing their purchasing power and making travel much less affordable for Canadians and Americans alike.

With travel being a significant contributor to economic growth, a decline in consumer spending in this area will have ripple effects throughout our industry and beyond. One of the most alarming consequences of these tariffs is the potential for widespread job losses and creating a vicious cycle that is difficult to reverse.

Call to Action

CATO firmly condemns these tariffs as unwarranted and malicious. We urge both the Canadian and US governments to work towards an immediate end to these tariffs and to continue fostering freer trade between our countries and peoples. We urge decision-makers to prioritize collaboration over division.

It is crucial that we work together to protect our economies, our consumers, and the invaluable connections that have made Canada and the United States neighbors and friends.

In conclusion

CATO members remain committed to maintaining cohesion and respect within our industry and among the travelers we serve. We believe in the strength of our community and the importance of standing together in the face of adversity.

For further information, please contact:

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CATO is a leading association dedicated to promoting and supporting the interests of tour operators in Canada. Our mission is to foster collaboration, advocate for industry standards, and provide valuable resources to our members. By joining CATO, you will become part of a vibrant community of tour operators and supporting members such as tourist organizations worldwide and service providers, all committed to excellence and professionalism in the travel industry. Tour operators in Canada play a significant role, contributing over 10 billion dollars to the economy and providing tens of thousands of direct and indirect jobs.