

2008 Business Travel Outlook Predicts Increase in Canada's Travel Spend

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Canadian companies will increase their travel spends by a solid 4.2 percent next year, while placing greater emphasis on green programs and expressing a stronger interest in the video options of demand management, according to the 2008 Business Travel Outlook.

This analytical white paper was produced in a joint collaboration by the Association of Corporate Travel Executives (ACTE) and the Conference Board of Canada (CBOC). It constituted the basis of the keynote presentation by Alexander Fritsche, Economist for the CBOC, on November 20, the final day of the ACTE Canada Education Conference, in Calgary.

"The 2008 Business Travel Outlook is a wealth of statistics and a guide to several key trends for the Canadian business travel industry," said Susan Gurley, ACTE's Executive Director.

The top three reasons cited for higher travel spending were a greater number of international trips to destinations other than the United States, rising travel prices, and growth in domestic travel. Based on survey responses from 43 major Canadian companies, the report predicted travel managers will face tougher negotiations in 2008 over higher hotel rooms, and to a lesser extent, rental car rates. Corporate airfares for domestic travel and transborder travel to the United States are each expected to edge up by an average of 1.2 percent over 2007. International airfares are expected to climb slightly higher (1.6%).

The survey also revealed the growing influence of corporate social responsibility and environmental issues in shaping corporate travel policies. Nearly all the companies interviewed for the report said their organization had embraced corporate social responsibility as a corporate goal. This is a remarkable increase from a similar survey conducted two years ago. CSR has been a key ACTE initiative since 2005.

The idea of using video teleconferencing as a travel alternative is also gaining traction in Canada. The motivating factors driving this concept are savings, better technology, and a higher quality of life from the increase in personal time not spent traveling. The study did confirm that the majority of Canadian organizations continue to recognize the critical role of face-to-face meetings in the way they conduct their business.

The alliance between ACTE and the Conference Board of Canada includes making reports of this type an annual event. The report may be [viewed here](#).

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