



Economic Impact Analysis of Tourism in the City of London

Prepared by Signal49 Research

June 4, 2026



Contents

Key findings	3
London’s Visitor Economy Continued to Expand in 2025	4
Overnight Visits to London.....	4
Tourism Spending in London	5
Economic Impact of Tourism in London.....	7
Tourism Remains an Important Economic Driver	11
Appendix A: Methodology	12
Appendix B: Glossary of Terms	13
Appendix C: About Signal49 Research.....	14



Key findings

- London hosted more than 2.2 million overnight visitors in 2025, an increase of 1.8 per cent from 2024. Growth was driven primarily by domestic travel, with overnight visits from Canada rising by 2.5 per cent.
- Total visitor spending in London reached an estimated \$1,156.9 million in 2025, up 2.5 per cent from 2024. Food and beverages accounted for the largest share of spending, representing 39.4 per cent of total tourism expenditures.
- Tourism activity contributed an estimated \$1,119.5 million to provincial GDP in 2025, including \$657.5 million to London's economy.
- Tourism-related GDP in London increased by 2.9 per cent in 2025 compared to 2024, outpacing growth in the broader local economy, which grew by 2.3 per cent.
- Tourism supported 10,508 full-year jobs across Ontario in 2025, including 8,122 full-year jobs in London. This represented approximately 2.5 per cent of total employment in the London. Within London, accommodation and food services accounted for more than half of tourism-supported jobs, at 50.9 per cent.
- Tourism generated \$721.1 million in labour income across Ontario in 2025, including \$467.8 million in London. Based on the number of full-year jobs supported in London, this represents approximately \$57,600 in labour income per full-year job.
- Tourism activity generated \$534.1 million in tax revenues across Ontario in 2025, including \$372.2 million within London. Of the revenues generated in London, \$53.3 million flowed to the municipal government.



London’s Visitor Economy Continued to Expand in 2025

Tourism is an important contributor to London’s economy, supporting local businesses, jobs, household income, and government revenues. In 2025, London welcomed more than 2.2 million overnight visitors, with growth driven primarily by domestic travel. Visitor spending also increased, reaching an estimated \$1,156.9 million across both same-day and overnight visitors. This spending supported activity across a wide range of tourism-facing sectors, including accommodation, food and beverage services, retail, transportation, and recreation.

This report examines tourism activity in London in 2025, including trends in overnight visitation, visitor spending, and the broader economic contribution of tourism. Using Signal49’s proprietary Economic Impact Assessment (EIA) model, the report estimates the direct, indirect, and induced impacts of tourism spending on GDP, employment, labour income, and government tax revenues in both London and Ontario.

Overnight Visits to London

In 2025, the City of London hosted over 2.2 million overnight visitors, a 1.8 per cent increase from 2024. Although visits from other international markets increased by 3.6 per cent, overnight visits from Canada increased by 2.5 per cent and drove most of the overall growth because Canadian visitors represented the vast majority of overnight visits to London. These gains more than offset an 8.6 per cent decline in overnight visits from the United States. (See Table 1.) The decline in U.S. visitation is consistent with broader travel trends, as U.S. residents travelling to Canada also declined in 2025, indicating that softer U.S. visitation was not unique to London.¹

Table 1
Overnight Visitors to London
(overnight person-trips and percentage change)

Visitor Origin	2024	2025	Percentage Change
Canada	2,010,000	2,061,000	2.5%
United States	140,000	128,000	-8.6%
Other International	28,000	29,000	3.6%
Total	2,178,000	2,218,000	1.8%

Source: Signal49 Research.

¹ Statistics Canada. (2026, February 23). Travel between Canada and other countries, December 2025. <https://www150.statcan.gc.ca/n1/daily-quotidien/260223/dq260223a-eng.htm>



London's overnight visitor base became slightly more concentrated in the domestic market in 2025, as domestic visitors accounted for 92.9 per cent of overnight visits, up from 92.3 per cent in 2024. The U.S. share declined by 0.6 percentage points, reflecting the drop in overnight visits from the United States, while the share of visitors from other international markets remained unchanged at 1.3 per cent. (See Table 2.)

Table 2
Overnight Visitors to London
(as a share of total visitors)

Visitor Origin	2024	2025
Canada	92.3%	92.9%
United States	6.4%	5.8%
Other International	1.3%	1.3%
Total	100.0%	100.0%

Source: Signal49 Research.

Tourism Spending in London

In 2025, spending by both same-day and overnight visitors to London was estimated to be roughly \$1,156.9 million, 2.5 per cent greater than in 2024. As in 2024, the largest share of tourism spending in London in was driven by purchases of food and beverages. Overall, spending on food and beverages totaled \$455.4 million in 2025, representing 39.4 per cent of total tourism spending. About three-quarters of this amount (\$338.5 million) was spent in restaurants, with the remaining \$116.9 million spent in stores. (See Table 3.)

Tourists spent \$239.3 million (20.7 per cent of the total) on retail purchases. Roughly two-thirds of this amount (\$159.2 million) was spent on clothing, while the remaining \$80.1 million was spent on other retail goods.

In addition, tourists spent \$214.8 million on private transportation, representing 18.6 per cent of the total spending. This category primarily reflects the use of personal vehicles, including fuel, vehicle parts, repairs, and maintenance.

Accommodation spending by visitors amounted to \$114.3 million (9.9 per cent of the total). Tourists also spent \$37.6 million (3.3 per cent of the total) on public transportation, which includes ticket fares for intercity trains and buses.

**Table 3****Purchases of Food and Beverages Account for Largest Share of Tourism Spending**

(\$ thousands and share of total)

Expenditure Category	2025	Share of Total
Food & Beverages	\$455,426	39.4%
Food & Beverages – Restaurants	\$338,485	29.3%
Food & Beverages – Stores	\$116,941	10.1%
Retail Spending	\$239,301	20.7%
Retail Spending – Clothing	\$159,238	13.8%
Retail Spending – Other Goods	\$80,063	6.9%
Private Transportation	\$214,782	18.6%
Accommodation	\$114,322	9.9%
Recreation & Entertainment	\$76,233	6.6%
Public Transportation	\$37,604	3.3%
Rental Vehicles	\$11,903	1.0%
Local Transportation	\$7,319	0.6%
Total	\$1,156,891	100.0%

Source: Signal49 Research.

Year-over-year, all tourism spending categories increased except for public transportation. The strongest growth was recorded in food and beverages at restaurants and bars, which rose by 4.6 per cent, followed by food and beverages at stores and recreation and entertainment, both of which increased by 4.5 per cent. (See Table 4.) By contrast, private transportation was the only spending category to decline, falling by 0.6 per cent. This decline was influenced by lower vehicle operating costs in 2025, particularly gasoline prices, which fell by 8.6 per cent compared with 2024 following the removal of the consumer carbon price and helped reduce transportation-related visitor spending.²

² Statistics Canada. (2026, January 19). Consumer Price Index: Annual Review, 2025. <https://www150.statcan.gc.ca/n1/daily-quotidien/260119/dq260119b-eng.htm>



Table 4
Tourism Spending in London, Year-Over-Year
(\$ thousands and percentage change)

Expenditure Category	2024	2025	Percentage Change (2025 vs. 2024)
Food & Beverages	\$435,603	\$455,426	4.6%
Food & Beverages – Restaurants	\$323,741	\$338,485	4.6%
Food & Beverages – Stores	\$111,862	\$116,941	4.5%
Retail Spending	\$235,889	\$239,301	1.4%
Retail Spending – Clothing	\$156,883	\$159,238	1.5%
Retail Spending – Other Goods	\$79,006	\$80,063	1.3%
Private Transportation	\$216,004	\$214,782	-0.6%
Accommodation	\$113,494	\$114,322	0.7%
Recreation & Entertainment	\$72,926	\$76,233	4.5%
Public Transportation	\$36,451	\$37,604	3.2%
Rental Cars	\$11,632	\$11,903	2.3%
Local Transportation	\$7,139	\$7,319	2.5%
Total	\$1,129,138	\$1,156,891	2.5%

Source: Signal49 Research.

Economic Impact of Tourism in London

Tourism spending supports economic activity across London by generating demand for goods and services in tourism-facing sectors such as accommodation, food and beverage services, retail, transportation, and recreation. Signal49's proprietary EIA model was used to estimate the broader effects of this spending, including direct impacts within the businesses serving visitors, indirect impacts through supplier purchases, and induced impacts as employees and business owners spend their income in the broader economy. Additional details on the modelling approach are provided in Appendix A.



Understanding Economic Impact Channels

The impact channels show how visitor spending moves through tourism-facing businesses, their supply chains, and the broader economy.

Direct impacts capture the economic activity generated by businesses that directly serve visitors to London. In the context of this study, this includes businesses such as hotels, restaurants, retail stores, recreation and entertainment providers, transportation services, travel-related businesses, and other tourism-facing enterprises.

Indirect impacts capture the supply chain activity generated when tourism-facing businesses purchase goods and services from other businesses to support their operations. For example, hotels purchase goods such as food and beverages, linens, and cleaning supplies, as well as services such as building maintenance, security, insurance, accounting, and marketing. These supplier purchases generate additional economic activity beyond the businesses that interact directly with visitors.

Induced impacts capture the broader economic activity generated when employees and business owners supported through the direct and indirect impacts spend their income. This household spending may include purchases of food, housing, clothing, transportation, recreation, and other consumer goods and services. These expenditures support additional GDP, employment, labour income, and tax revenues across a wide range of industries.

Gross Domestic Product

Tourism activity in London contributed an estimated \$1,119.5 million to provincial GDP and \$657.5 million to London’s economy. (See Table 5.) This represents increases of 2.7 per cent and 2.9 per cent compared with 2024 for Ontario and London, respectively. Tourism-related GDP growth in London outpaced growth in the broader local economy, which increased by 2.3 per cent in 2025, highlighting the sector’s continued contribution to the city’s economic performance.³

Table 5
Impact of Tourism in London on GDP, 2025
(\$ thousands)

Impact Phase	GDP in Ontario	GDP in London
Direct	\$394,974	\$380,854
Indirect	\$435,854	\$143,965
Induced	\$288,660	\$132,641
Total	\$1,119,487	\$657,460

Source: Signal49 Research.

Within London, the largest GDP impacts were in accommodation and food services, which accounted for \$233.8 million, or 35.6 per cent of the total local GDP impact. This was followed by

³ Signal49 Research. (2026, March 27). Major Cities Insights: London. https://www.signal49.ca/in-fact/major-city-insights-london_mar2026/



finance, insurance, real estate and rental and leasing at 20.7 per cent; retail trade at 19.2 per cent; manufacturing at 8.6 per cent; and arts, entertainment and recreation at 6.8 per cent. Together, these industries accounted for the majority of tourism-related GDP in London, reflecting the broad reach of visitor spending across both tourism-facing businesses and their local supply chains.

Employment

Tourism activity in London supported an estimated 10,508 full-year jobs across Ontario in 2025, most of which were in London, where tourism supported 8,122 full-year jobs. (See Table 6.) More than half of the full-year jobs supported in London (50.9 per cent) were in the accommodation and food services sector, while retail trade accounted for an additional 23.0 per cent. Given that overall employment in the London metropolitan region was 328,150 in 2025, this suggests that tourism supported approximately 2.5 per cent of the region’s employment.⁴

Most of the employment impact in London was direct, with 5,591 full-year jobs supported in businesses serving visitors, while the remaining employment was supported through supplier activity and broader household spending effects.

Table 6
Impact of Tourism in London on Employment, 2025
(full-year jobs)

Impact Phase	Employment in Ontario	Employment in London
Direct	5,692	5,591
Indirect	2,616	1,187
Induced	2,200	1,344
Total	10,508	8,122

Source: Signal49 Research.

Labour Income

Tourism activity in London generated an estimated \$721.1 million in labour income across Ontario in 2025, including \$467.8 million in London. (See Table 7.) Based on the 8,122 full-year jobs supported in London, this represents an average of approximately \$57,600 in labour income per full-year job. For context, this is slightly higher than the average primary household income in London, which was estimated at roughly \$54,300 in 2025.⁵

⁴ Based on Statistics Canada, Labour Force Survey for London Census Metropolitan Area, 2025. The London CMA includes the following cities, municipalities, and townships: Adelaide-Metcalf, Central Elgin, London, Middlesex Centre, Southwold, St. Thomas, Strathroy-Caradoc, and Thames Centre.

⁵ Signal49 Research. (2026, March 27). Major Cities Insights: London. https://www.signal49.ca/in-fact/major-city-insights-london_mar2026/



Most of the labour income generated in London was direct, with \$277.3 million earned by workers in businesses serving visitors. A further \$110.3 million in labour income in was supported through supplier activity, while \$80.2 million was generated through induced impacts as employees and business owners spent their income in the broader economy.

Table 7
Impact of Tourism in London on Labour Income, 2025
(\$ thousands)

Impact Phase	Labour Income in Ontario	Labour Income in London
Direct	\$287,024	\$277,302
Indirect	\$255,808	\$110,321
Induced	\$178,266	\$80,182
Total	\$721,098	\$467,804

Source: Signal49 Research.

Government Tax Revenues

Tourism activity in London generated an estimated \$534.1 million in tax revenues across all levels of government in Ontario in 2025, including \$372.2 million generated within London. (See Table 8.) By level of government, federal tax revenues accounted for the largest share, totaling \$248.5 million across Ontario and \$165.0 million in London. In London, tourism activity generated an estimated \$53.3 million in municipal tax revenues in 2025, reflecting taxes paid by businesses and households supported directly and indirectly by visitor spending. (See Table 7.)

Table 8
Impact of Tourism in London on Taxes, 2025
(\$ thousands)

Level of Government	Taxes in Ontario	Taxes in London
Federal	\$248,489	\$165,028
Provincial	\$212,549	\$153,879
Municipal	\$73,016	\$53,279
Total	\$534,053	\$372,186

Source: Signal49 Research.



Tourism Remains an Important Economic Driver

Tourism remained an important source of economic activity for London in 2025. Overnight visitation increased by 1.8 per cent, supported by growth in domestic and other international travel, while total visitor spending rose by 2.5 per cent to reach approximately \$1,156.9 million. Spending on food and beverages continued to account for the largest share of tourism expenditures, followed by retail purchases, private transportation, and accommodation.

The economic impacts of this activity were substantial. Tourism in London contributed an estimated \$657.5 million to the local economy, supported 8,122 full-year jobs, generated \$467.8 million in labour income, and produced \$372.2 million in tax revenues within London. Tourism-related GDP growth in London also outpaced growth in the broader local economy, underscoring the sector's continued importance to the city's economic performance. Overall, these results demonstrate that tourism supports not only businesses that serve visitors directly, but also supplier industries, workers, households, and governments across the broader economy.



Appendix A: Methodology

This study estimates the economic impact of tourism activity in the City of London in 2025 using Signal49 Research's proprietary Economic Impact Assessment (EIA) model. The model is built on Statistics Canada's 2022 detailed input-output tables and associated multipliers, which trace how spending in one industry generates additional economic activity across supplier industries, households, and governments. By applying this framework, the analysis captures the full range of economic effects of tourism in London in a manner consistent with official national accounting standards.

The analysis is based on estimated 2025 visitor volumes for the City of London, accommodation data collected by Tourism London, and other tourism and economic indicators regularly monitored by Signal49 Research and Statistics Canada. Estimated visitor spending is allocated across major tourism expenditure categories, including accommodation, food and beverages, retail spending, recreation and entertainment, local and public transportation, rental cars, and private transportation. These spending estimates are then mapped to the relevant categories in the EIA model to estimate the economic activity supported by tourism spending.

The EIA model was used to estimate direct, indirect, induced, and total impacts on gross domestic product (GDP), employment, labour income, and government tax revenues. Direct impacts capture the economic activity generated by businesses that serve visitors directly, such as accommodations, restaurants, recreation and entertainment providers, transportation services, and retail businesses. Indirect impacts capture the supply-chain activity generated when these businesses purchase goods and services from other industries to support their operations. Induced impacts capture the additional economic activity generated when employees and business owners spend income earned through the direct and indirect channels. Total impacts represent the combined direct, indirect, and induced effects of tourism activity.

Government tax revenue impacts are estimated across federal, provincial, and municipal levels of government and include taxes generated through tourism-related business activity, employment income, household spending, and property-related revenues, where applicable.

Together, the direct, indirect, and induced impacts provide a comprehensive estimate of the economic contribution of tourism activity in London. Results are presented for both the City of London and Ontario.



Appendix B: Glossary of Terms

Employment: Refers to the number of representative full-year jobs, including both full-time and part-time jobs, as well as workers employed by businesses or self-employed. Seasonal employment is also included, however, it only accounts for a fractional share of a full-year job, proportional to the duration of employment.

Federal tax revenues: Include personal income tax, corporate income tax, commodity tax (i.e., the federal share of HST, gas tax, excise tax, excise duty, air tax, and trading profits), and payroll deductions that are collected by the federal government.

Gross Domestic Product (GDP): GDP is a measure of an economy's overall economic activity (final value of goods and services produced). It is a value-added measure of economic activity. GDP in this report is measured at market prices. Tourism GDP refers to the GDP generated by those businesses that directly produce or provide goods and services for travellers.

Labour income: Refers to monetary compensation and benefits paid to wage and salary earners and self-employed individuals. Labour income is presented in gross terms before taxes and other deductions.

Municipal tax revenues: Include business and personal property taxes that are collected by municipalities. It should be noted that the taxes reported are based on the share of the total property taxes collected by a municipality based on the share of revenues (or earnings) attributed to tourism.

Provincial tax revenues: Include personal income tax, corporate income tax, commodity tax (i.e., the provincial share of HST, gas tax, liquor gallonage tax, amusement tax, and trading profits), and employer health tax collected by the Ontario provincial government.



Appendix C: About Signal49 Research

Over the next 50 years, the noise in our systems will grow—amplified by reactive decisions, environmental disruption, and shifting political and economic realities. These pressures will come from within and beyond our borders. Making decisions based on hard evidence has become the imperative of our times.

With approximately 100 economists and researchers Signal49 Research provides Canadians with the accurate data and rigorous unbiased research they need to navigate complex issues across eight critical arenas - Economics, Education and Skills, Health, Human Resources, Indigenous and Northern Communities, Innovation and Technology, Immigration, and Sustainability. As Canada's leading applied research organization, we publish over 500 research outputs a year, helping to advance education on the critical issues facing our communities, our organizations and our country. Our Executive Councils bring leaders together to share real-world insights and support evidence-based decision-making. All in service of a stronger more prosperous Canada.

For more than 70 years, Signal49 Research is where Canada has turned for applied, independent research and meaningful connections. Leaders trust us because we stand apart: objective, credible, and connected.



Forecasts and research often involve numerous assumptions and data sources, and are subject to inherent risks and uncertainties. This information is not intended as specific investment, accounting, legal, or tax advice. The responsibility for the findings and conclusions of this research rests entirely with Signal49 Research.

An accessible version of this document for the visually impaired is available upon request.

Accessibility Officer, Signal49 Research | Tel.: 613-526-3280 or 1-866-711-2262 | Email: accessibility@signal49.ca

Published in Canada | All rights reserved | Agreement No. 40063028

AERIC Inc. is an independent Canadian registered charity operating as Signal49 Research.



Where knowledge
inspires action