

New Destinations, New Risks: What Canadian Travellers Need to Know About Insurance

For decades, the United States has been the go-to destination for Canadian travellers. But that trend is shifting.

According to recent data from Statistics Canada and the Travel Health Insurance Association of Canada (THIA), fewer Canadians are travelling to the U.S., while more are choosing destinations such as Europe or exploring closer to home within Canada. The change isn't just affecting travel patterns. It's also changing the types of travel insurance protection travellers may need.

At the same time, Europe has emerged as a leading international destination for Canadians, while many travellers are opting for domestic vacations instead.

Whether travellers are motivated by changing costs, new experiences, or evolving travel preferences, one thing remains consistent: unexpected situations can happen regardless of destination.

TRAVEL INSURANCE ISN'T JUST ABOUT MEDICAL EMERGENCIES

Many people automatically associate travel insurance with emergency medical coverage. While medical protection remains a critical part of travel planning, especially for international travel, industry experts are seeing increased interest in Trip Cancellation and Trip Interruption coverage as travel plans become more flexible and uncertain.

UNDERSTANDING THE DIFFERENCE IS IMPORTANT:

- Emergency Medical Coverage helps protect travellers if they become sick or injured while away from home.
- Trip Cancellation Coverage may help recover eligible prepaid, non-refundable trip costs if a covered event forces a trip to be cancelled before departure.
- Trip Interruption Coverage may help cover eligible expenses when a covered event causes a trip to be interrupted or cut short after it has started.

As travellers book flights, accommodations, tours, and experiences further in advance, protecting those travel investments has become increasingly important.

DIFFERENT DESTINATIONS, DIFFERENT RISKS

Travelling to different destinations doesn't eliminate risk. It simply changes the types of risks travellers may face.

For Canadians travelling to the United States, travel medical coverage remains particularly important given the high cost of healthcare. Even a single emergency room visit can lead to substantial expenses without proper protection. This is especially true for snowbirds, who often spend extended periods away from home. Longer stays can increase the likelihood of unexpected medical events, while significant prepaid costs for flights, accommodations, and seasonal rentals make trip cancellation and interruption coverage an important consideration as well.

For travellers heading to Europe, medical costs may differ from those in the U.S., but unexpected illnesses, injuries, flight disruptions, and lost baggage can still create financial and logistical challenges.

Although Canadians travelling within Canada are covered by their provincial health insurance plan, medical expenses incurred outside their province of residence may not be fully reimbursed and, in some situations, may not be covered at all. Travel insurance can provide additional financial protection in the event of a medical emergency.

In addition, trip cancellations, interruptions, delays, and other unforeseen events can result in significant financial losses, particularly when accommodation, transportation, or event tickets have been prepaid.

YOUNGER TRAVELLERS ARE TAKING MORE RISKS

The survey found that many Gen Z travellers plan to participate in adventure activities and higher-risk travel experiences, yet a significant portion do not intend to purchase travel insurance. This gap between risk-taking and protection highlights the importance of understanding coverage options before travelling.

Activities such as adventure tours, water sports, or outdoor excursions may involve additional considerations, making it important for travellers to review their coverage carefully before departure.

BEFORE YOU BOOK YOUR NEXT TRIP

Regardless of where you're travelling, consider these questions:

- Have you protected your prepaid travel expenses?
- Do you have coverage for unexpected medical emergencies?
- What happens if your trip is delayed, interrupted, or cancelled?
- Are you participating in any activities that may require specialized coverage?
- Would an annual multi-trip plan better suit your travel habits?

Taking time to review your coverage before travelling can help provide greater confidence and peace of mind throughout your journey.

LOOKING AHEAD

Travel habits may be changing, but the need to prepare for the unexpected remains the same. Whether you're planning a European getaway, a cross-country Canadian adventure, or a trip south of the border, having the right travel insurance coverage can help protect both your travel investment and your overall travel experience.

For travel and insurance professionals, the takeaway is clear: while travel is about creating lasting memories, being prepared for the unexpected helps protect those experiences every step of the way.



If you have questions specific to your business, or would like additional information, please reach out to your PIB Programmed Insurance Brokers Advisor.

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