



BRITISH COLUMBIA REGIONAL TOURISM SECRETARIAT

COVID-19 TOURISM IMPACT REPORT

With a focus on British Columbia outside the Lower Mainland and Whistler
Weeks of July 16, 2020 and July 25, 2020

FOR QUESTIONS CONTACT:
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Opening message

The British Columbia Regional Tourism Secretariat, British Columbia Hotel Association and the British Columbia Destination Marketing Organizations Association are continuing to leverage our collective business network to collect, collate and report on the impact of the COVID-19 pandemic on tourism businesses and to gather feedback on potential response and recovery measures. This business intelligence was gathered through online and telephone surveys of a randomly selected list of firms across British Columbia excluding Greater Vancouver and Whistler region from July 13 – July 24. A response rate of 33.4% yielded 203 tourism businesses, representing a margin of error for the sample-wide questions of +/- 6%, 9 times out of 10.

Key Issues for Consideration:

- **24%** of firms are operating with business as usual, which is **lower than the 38% national average**.
- **907 staff** have been hired or rehired across 203 firms.
- **51%** of firms saw a **decrease of at least 50%** in year over year revenue.
- **36%** of firms were **unable to pay** all their June bills.
- **Remote and seasonal firms** reported the largest number of staff layoffs as well as the weakest rehiring activity since re-opening measures.

On behalf of the British Columbia Regional Tourism Secretariat and our partners, I would like to thank the Honourable Minister of Tourism, Arts and Culture, Lisa Beare, and her staff for their dedication and support during this most challenging time.

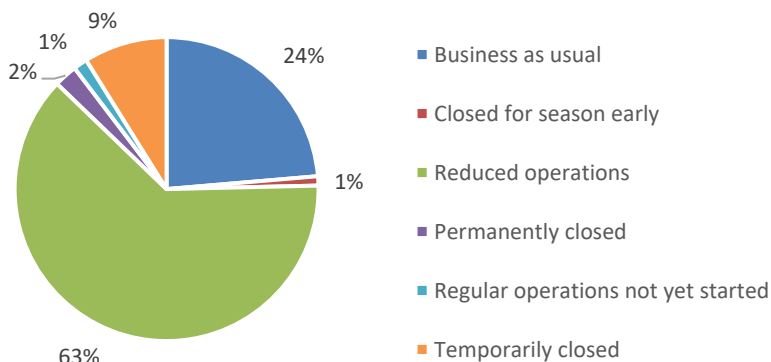
Sincerely,

Glenn Mandziuk
 Chair, British Columbia Regional Tourism Secretariat

Provincial
 Summary

PROVINCIAL SUMMARY

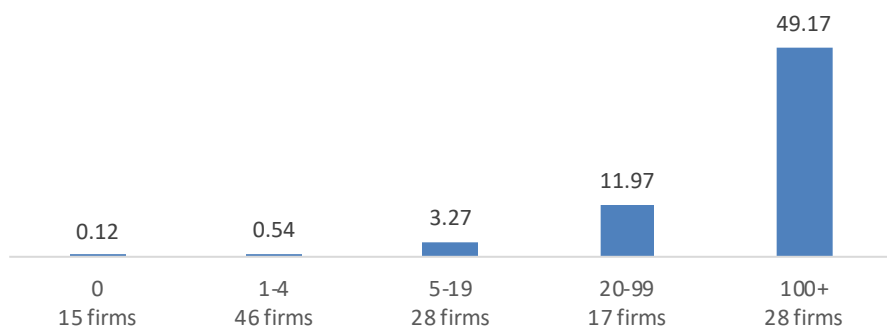
Please indicate the impact of COVID-19 on your current operations



The percentage of firms reporting business as usual has risen by 13%, however is still lower than the national average, which was measured by CFIB to be 38%.

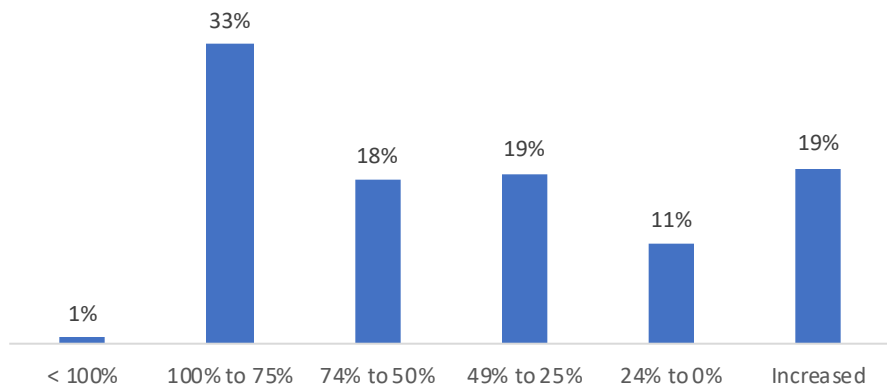
The percentage of temporarily closed firms decreased from 24%, measured June 8th to 15th, to 9%.

How many staff have you hired or rehired since wage subsidy programs and re-opening measures have begun? Average by firm size



907 staff have been rehired or hired by the 203 firms. This makes up 42% of the 2172 layoffs by respondents in this survey. According to the June Labour Force Survey, national employment rose 5.8% in June, and BC employment rose by 5.4%.**

Compared to June 2019, by what percentage did your June 2020 revenue fall?



Four of every 5 firms experienced lower revenues relative to last year, with an average decrease in year-over-year revenue of 39.6%.

The median firm saw a 50% revenue decrease.

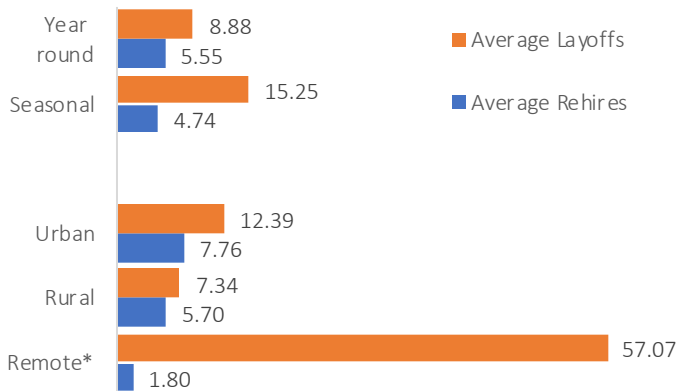
Respondents from the food and beverage industry, which made up 9% of the sample, performed the best, averaging a year-over-year gain of 4%.

• All findings are based on member surveys collected by the Secretariat during July 10 – July 24, 2020, except where otherwise noted. Survey firms were drawn from a randomized list of firms that had “opted in” to communication under the CASL, and the averages for sample-wide statistics are stratified on region. Responses to multiple choice questions at the sample-wide questions are within a margin of error of +/- 6%, 9 times out of 10. Standard errors may be larger for numerical answers, i.e. number of people laid off, and will be larger when data are reported at the regional or other subsample level. Data and figures represent a subset of regional tourism operators and are subject to change with changes in coverage, data cleaning, weighting and other statistical correction and/or as data become more complete. Some quotes edited for brevity. Photo Credits: Jonathan Werker, David Jacobson.

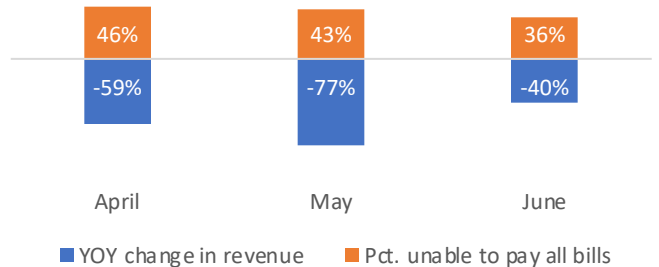
• **June LFS report: <https://www150.statcan.gc.ca/n1/daily-quotidien/200710/dq200710a-eng.htm>

PROVINCIAL SUMMARY

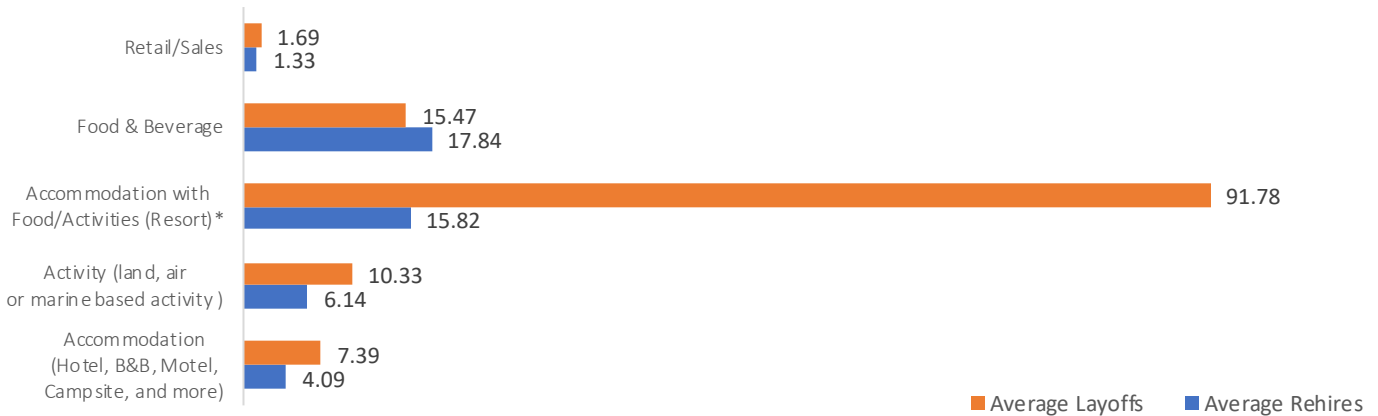
Average layoffs and rehires due to COVID-19



Monthly year-over-year change in revenue and percent of firms unable to pay all bills



Average layoffs and rehires due to COVID-19, by business type



When asked about the ability to meet all their bills

- **64%** of firms reported having the cash flow to pay all their bills
- **17%** reported being able to pay more than 50% of their bills
- **12%** reported being unable to pay 50% or more of their bills
- **7%** unable to pay bills all together

* Results in Remote and Accommodation with Food/Activities (Resort) slices may be skewed due to a response from a large resort reporting 500+ employees.

PROVINCIAL SUMMARY

Common themes amongst respondents:

- Difficulties finding workers due to CERB and perceived risk of COVID-19 transmission.
- There is a lack of information regarding reopening, which businesses are open, and who can travel where.
- There is fear for the winter season when business is forced indoors.

We asked businesses to share their experiences and challenges:

“We appreciate **the fast and easy access to financial help** that was done through our Government in the first 2.5 months, otherwise **we could not have survived.**”

“**Many of our clients feel that the threat of COVID-19 is gone**, so we end up feeling like the bad guy by enforcing COVID-19 regulations.”

“We don’t know how we’re going to live until Covid19 is gone. **We have no employees therefore we don’t qualify for the \$40,000 loan.**”

“Bookings made January through to March **cancelled as soon as COVID started**, and to this day, as the number of bookings increase, **most bookings cancel within two weeks of making that booking.** COVID-19, bad weather and high costs are the reasons given.”

“The **lack of information regarding borders reopening** has been challenging. It's bad enough that we don't know if the U.S. border will open on a certain date, but Tourism businesses need to be given clear instructions regarding whether tourists are required to quarantine should they actually be permitted to enter the country.”

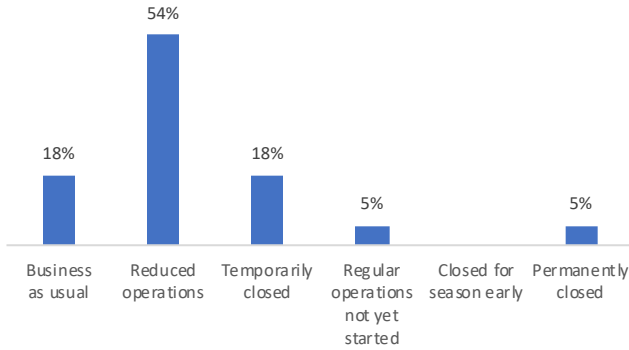
“**CERB program has turned out to be a hindrance regarding re-hiring.** The clarity of who is not opening or who is - is not helping the businesses.”

“**Customers are not social distancing.** We will be closing as it is too dangerous for our safety, the safety of our staff, and other clients.”

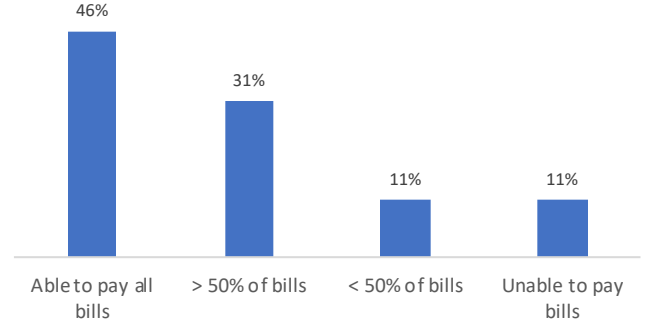
“We were really lucky in the spring. However, we are really worried about a **second or third wave disrupting the Christmas season** where we will be making most of our money for the year.”

CARIBOO CHILCOTIN COAST

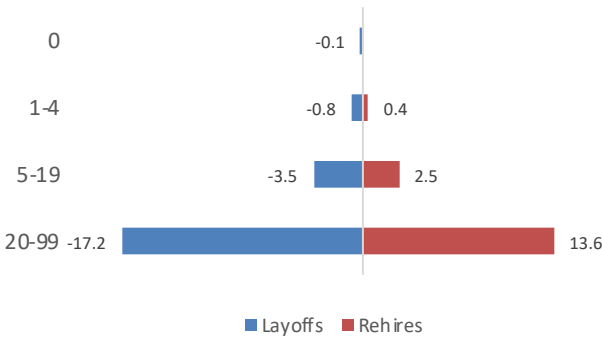
Please indicate the impact of COVID-19 on your current operations.



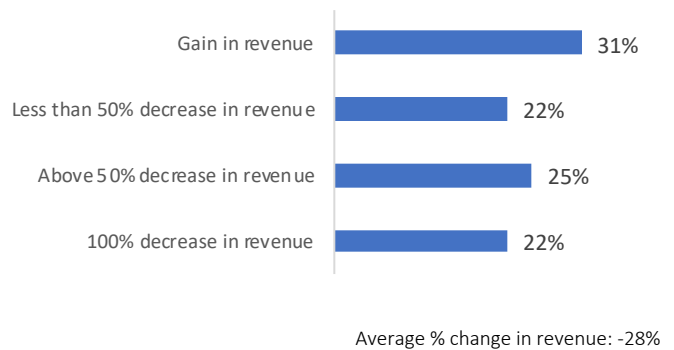
Do/did you have the cash flow to pay your June bills?



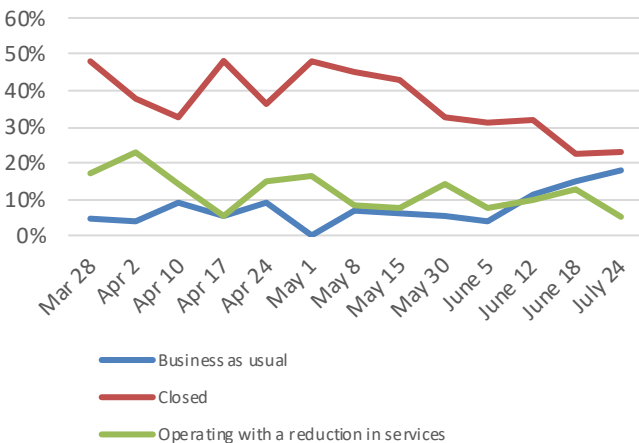
Average number of staff laid off and rehired, by firm size



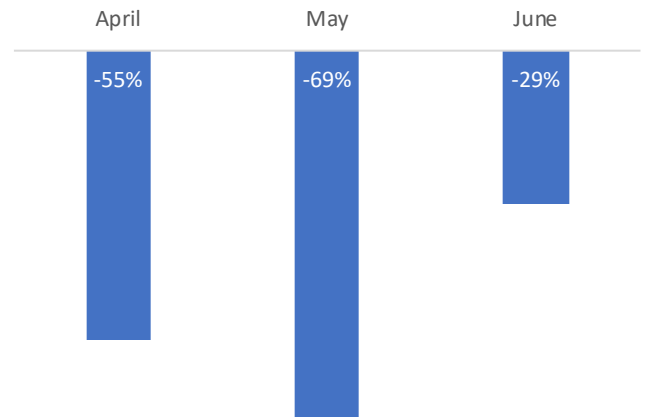
Proportion of respondents per change in revenue group



Impact of COVID-19, share of responses since start of the survey

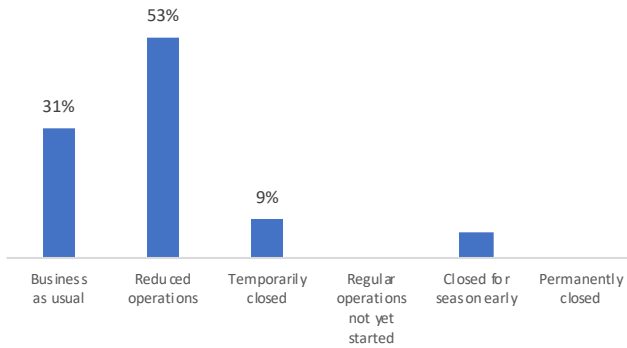


Year over year percent change in revenue

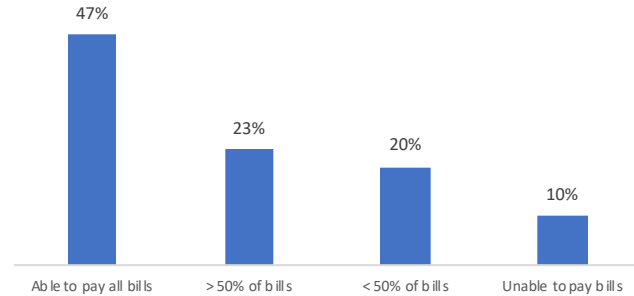


KOOTENAY ROCKIES

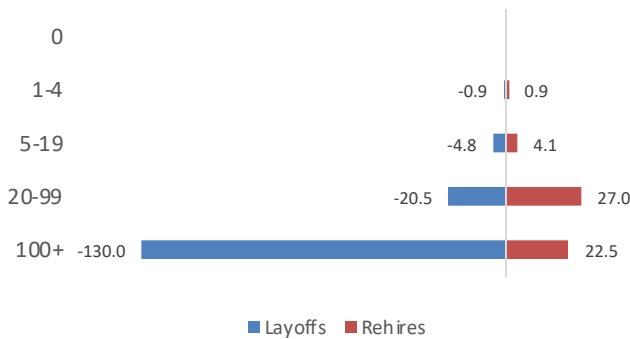
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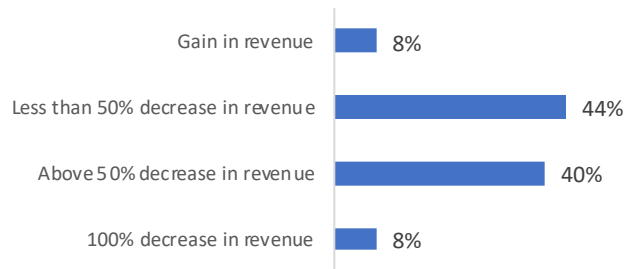
Do/did you have the cash flow to pay your June bills?



How many staff have been laid off and rehired since the start of COVID-19? By firm size

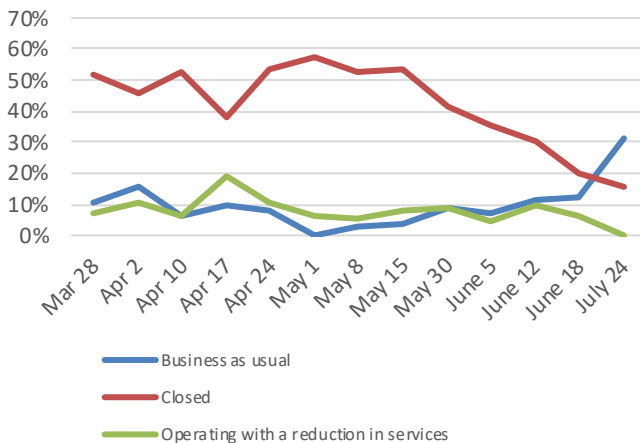


Proportion of respondents per change in revenue group

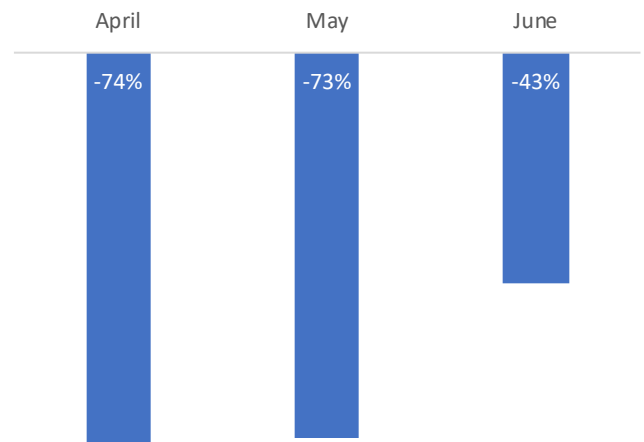


Average % change in revenue: -43%

Impact of COVID-19, share of responses since start of the survey

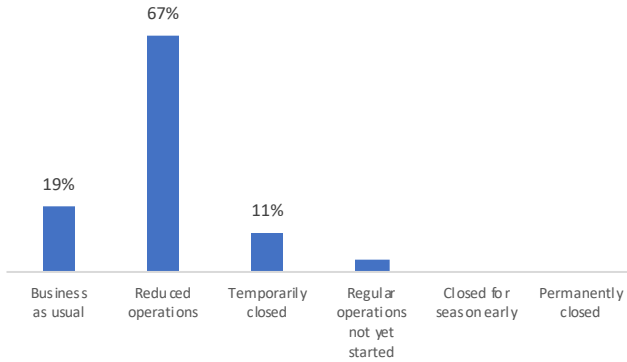


Year over year percent change in revenue

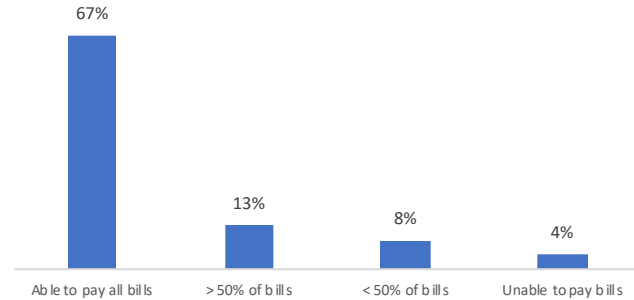


NORTHERN BC

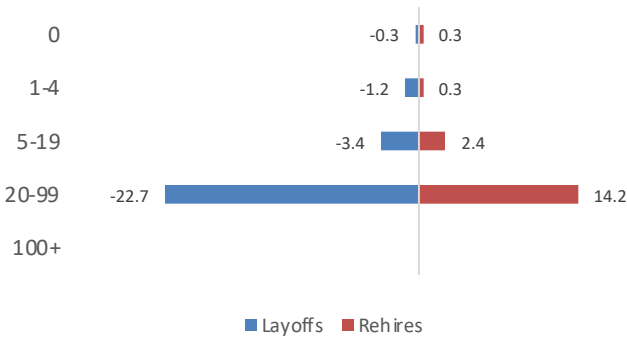
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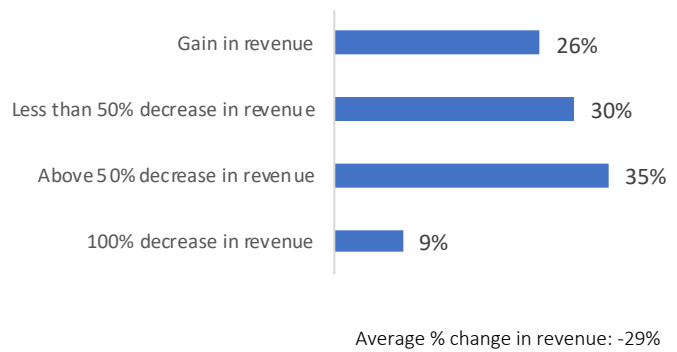
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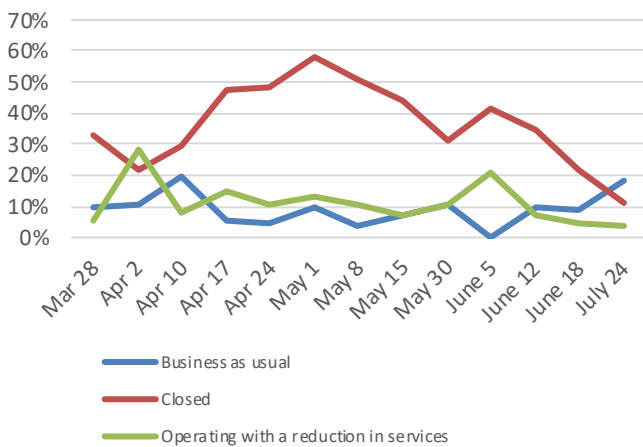
How many staff have been laid off and rehired since the start of COVID-19? By firm size



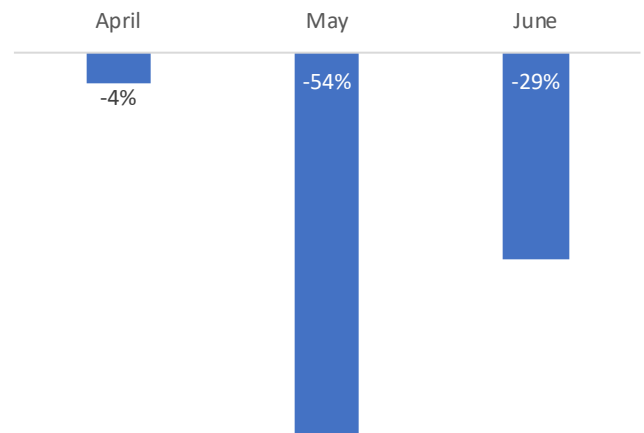
Proportion of respondents per change in revenue group



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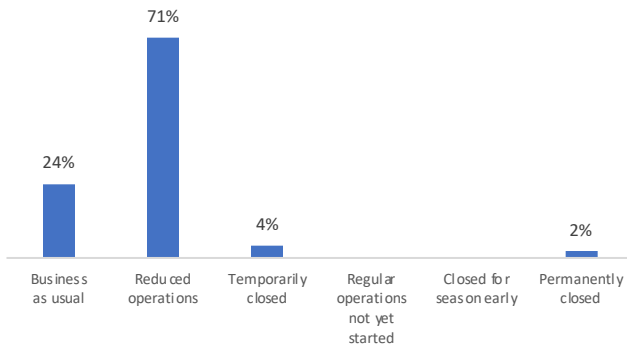


Year over year percent change in revenue

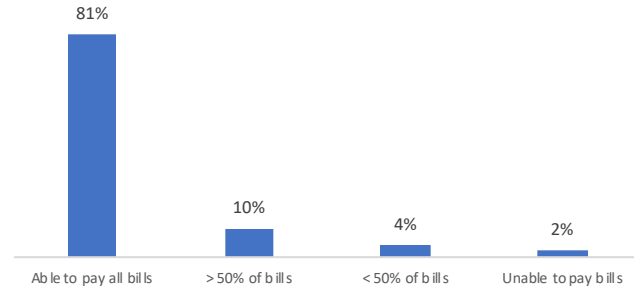


THOMPSON OKANAGAN

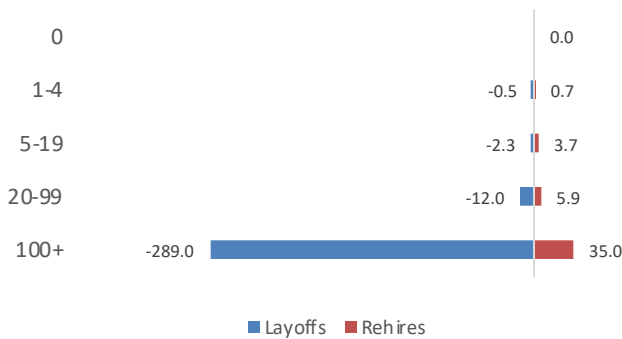
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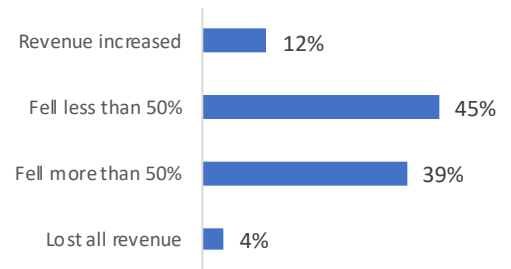
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How many staff have been laid off and rehired since the start of COVID-19? By firm size

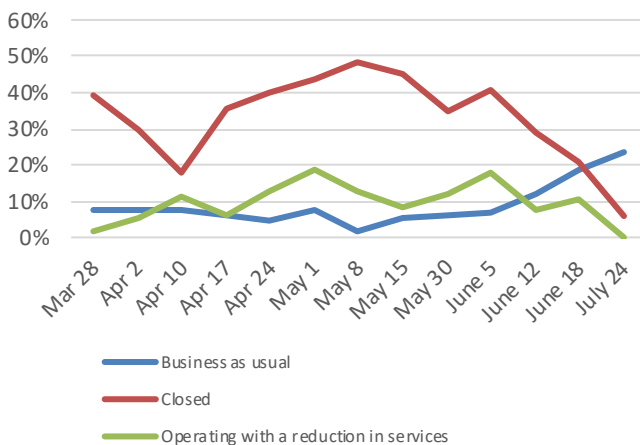


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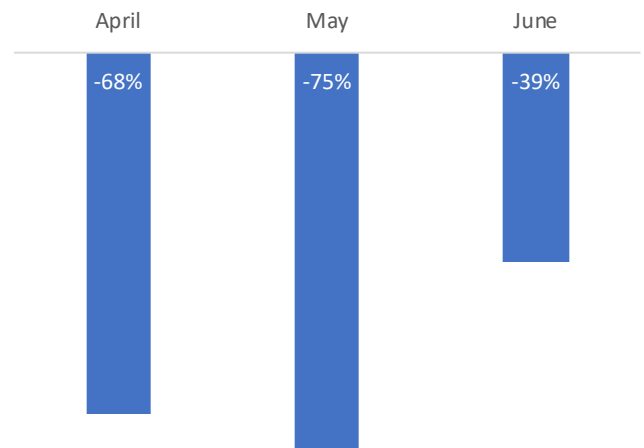


Average % change in revenue: -39%

Impact of COVID-19, share of responses since start of the survey

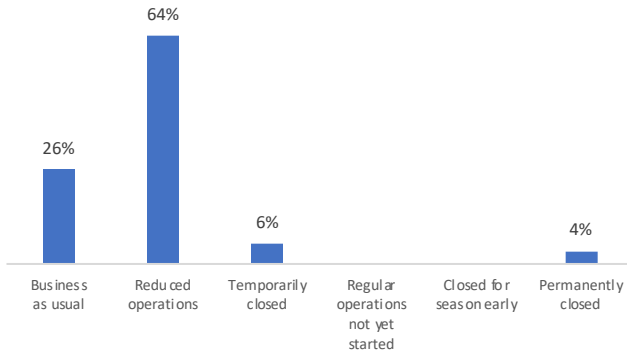


Year over year percent change in revenue

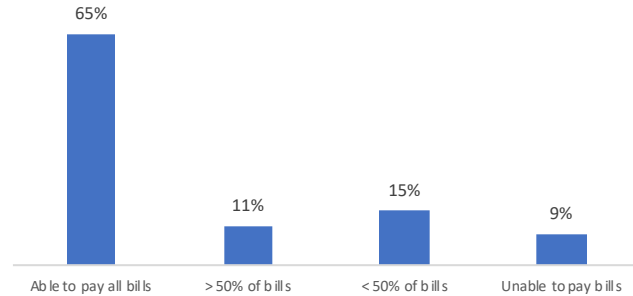


VANCOUVER ISLAND

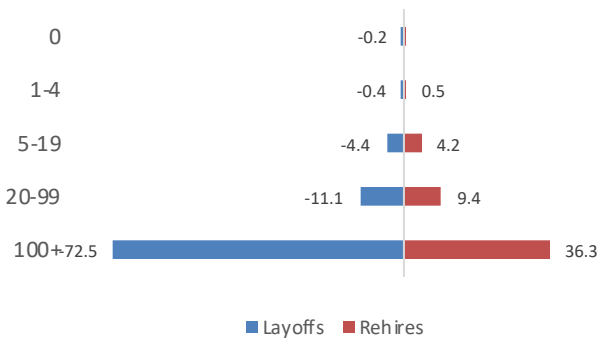
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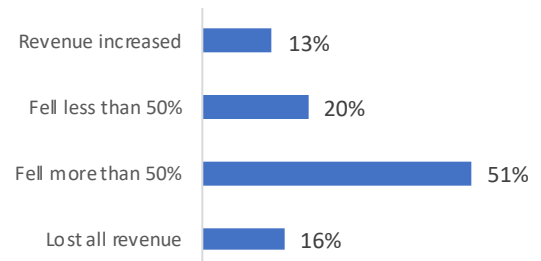
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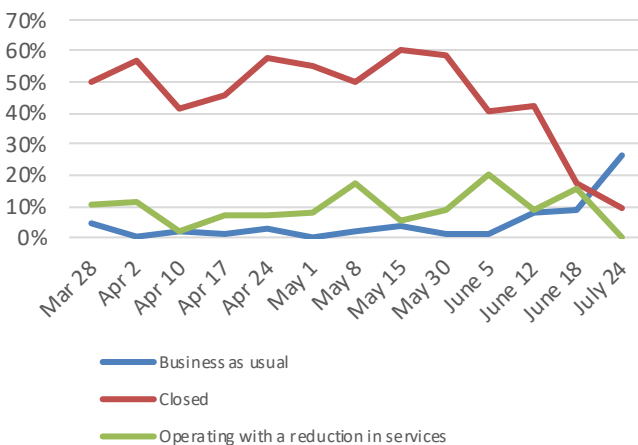


Proportion of respondents per change in revenue group

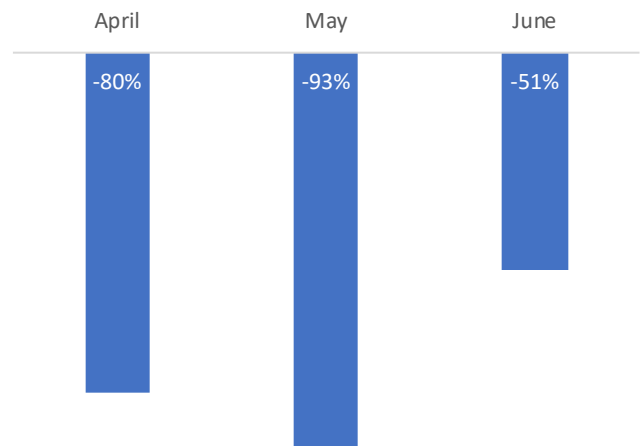


Average % change in revenue: -51%

Impact of COVID-19, share of responses since start of the survey

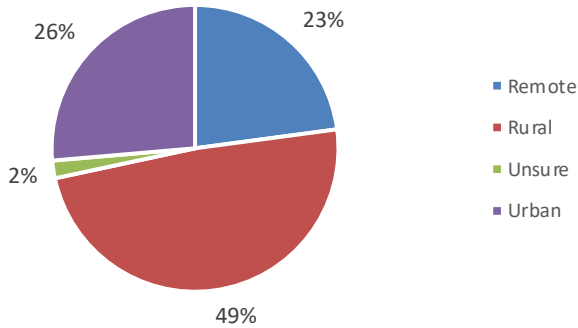


Year over year percent change in revenue

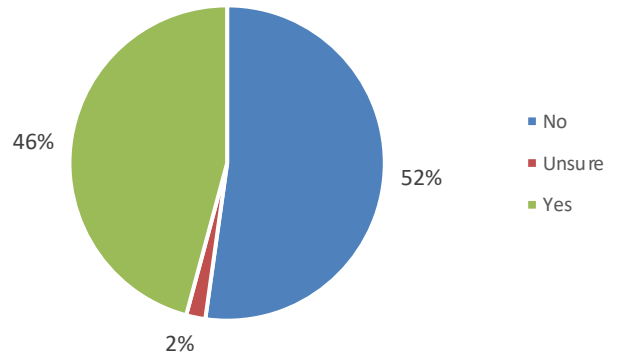


APPENDIX A: FIRMS SURVEYED

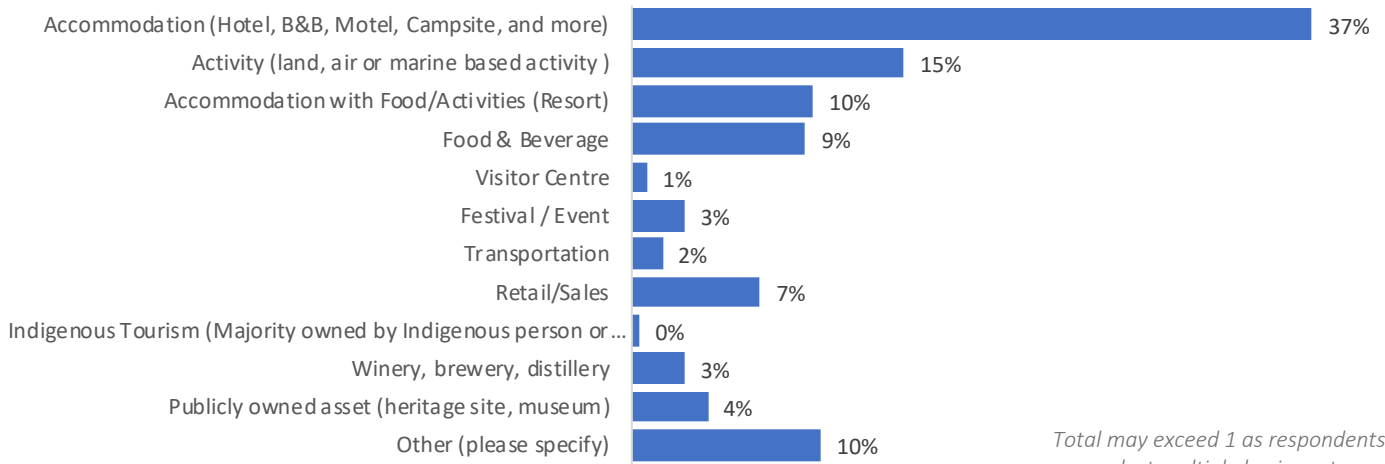
Do you consider the area in which your business operates to be urban, rural, or remote?



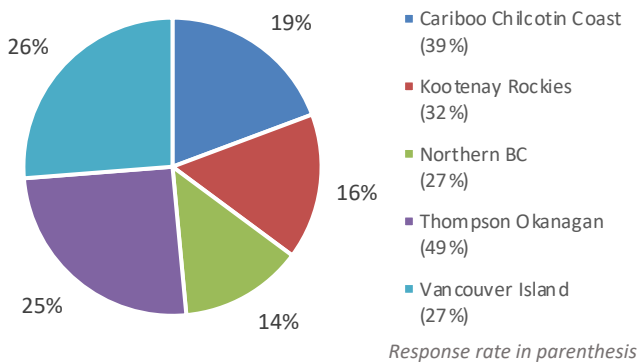
Is your business seasonal?



Proportion of firms from each business type*



Proportion of respondents per region



Calculating means from a stratified sample:

This survey was completed using stratified sampling. Weights were applied to proportion results based on the number of tourism firms in each region.

Sample averages were computed as,
$$\bar{x}^w = \frac{1}{N} \sum_r^R N_r \bar{x}_r$$

Where N is the number of firms in all the regions, N_r is the number of firms in region r , \bar{x}_r is the average for region r . The number of firms are based on 2017 levels.