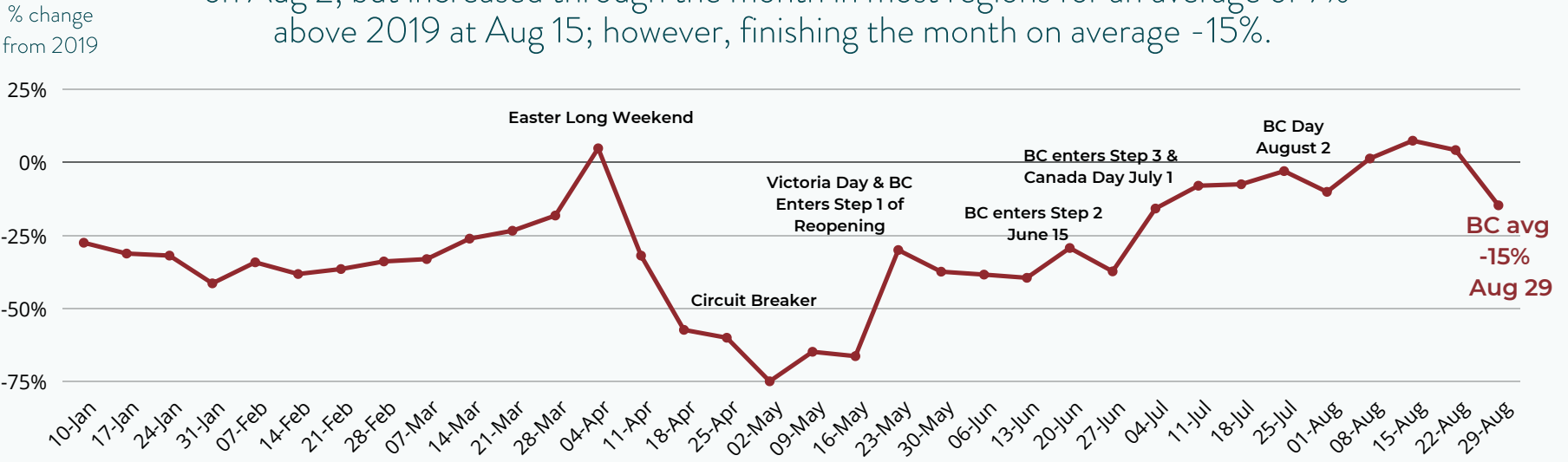


RECOVERY TRACKING: VISITATION INDICATORS

Weekly Domestic Overnight Visitors to BC 2021 vs 2019

Visitation at the start of August 2021 was -10% compared to 2019 with BC day on Aug 2, but increased through the month in most regions for an average of 7% above 2019 at Aug 15; however, finishing the month on average -15%.

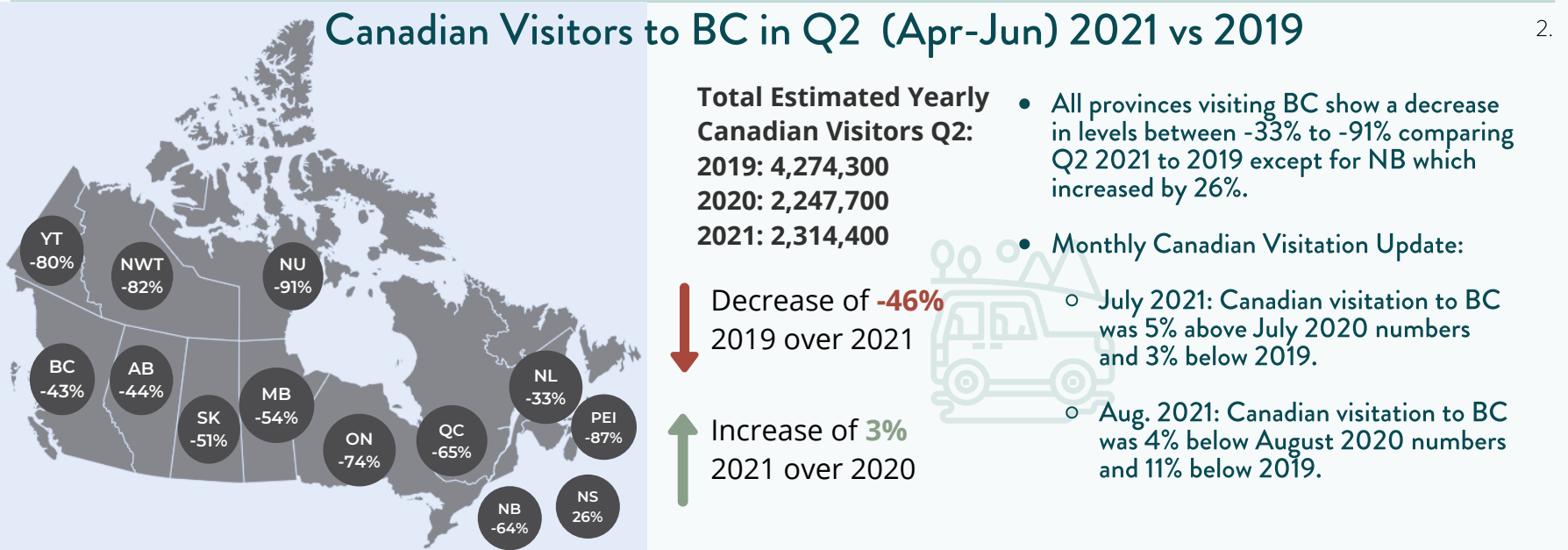


The summer started with variation from 2019 at -40% at the end of June. Through July we saw an uptick, inching toward the 2019 baseline at just -3% compared to 2019 levels by July 25 but dipping again at end of the July to -10%. The first weeks of August visitor numbers climbed to reach 7% above 2019 levels, but dipped again at the end of the month to -15%.

The BC Tourism Regions have similar peaks and valleys but visitation is varies as follows: CCC and TO much lower than the rest at -30% and -32% compared to 2019 levels respectively at the close of the August; KRT at -13.5%, Northern BC at -2.7%, VCM at -3.7% and VI at -1.5%.

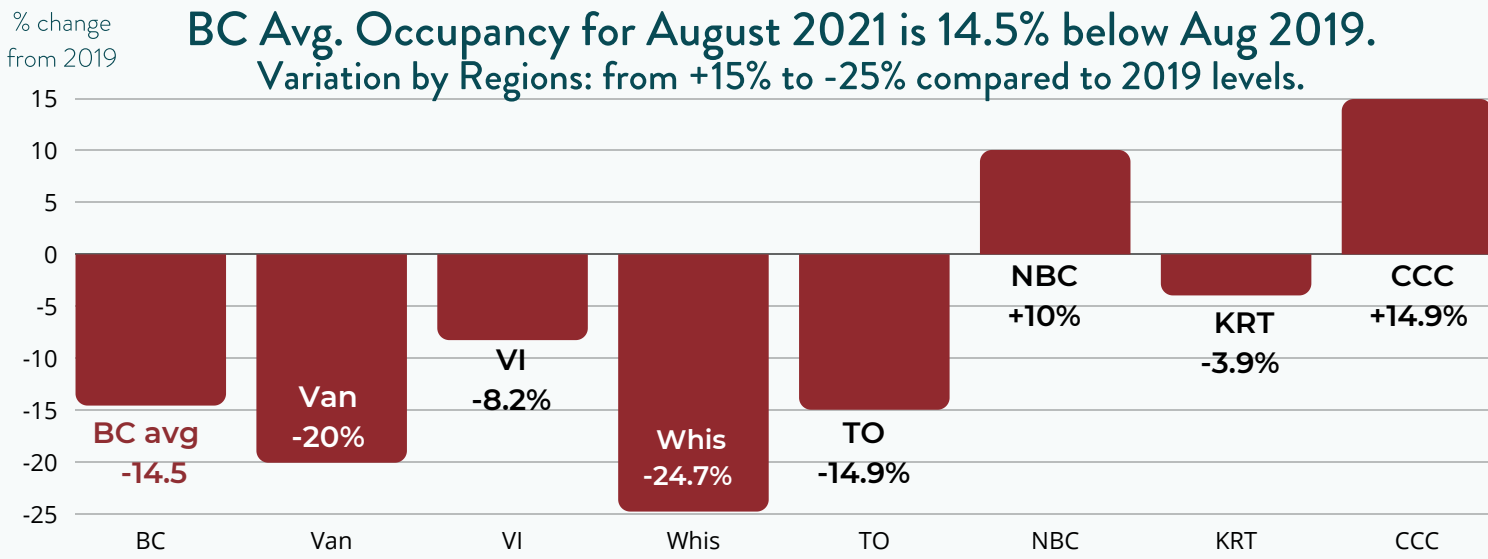
Note: Environics Analytics' Weekly Tracker tracks movement of mobile devices and counts visitors as anyone 60km from home overnight between the hours of 8pm and 8am.

Canadian Visitors to BC in Q2 (Apr-Jun) 2021 vs 2019



BC Hotel Performance 2021 vs 2019

BC Avg. Occupancy for August 2021 is 14.5% below Aug 2019. Variation by Regions: from +15% to -25% compared to 2019 levels.

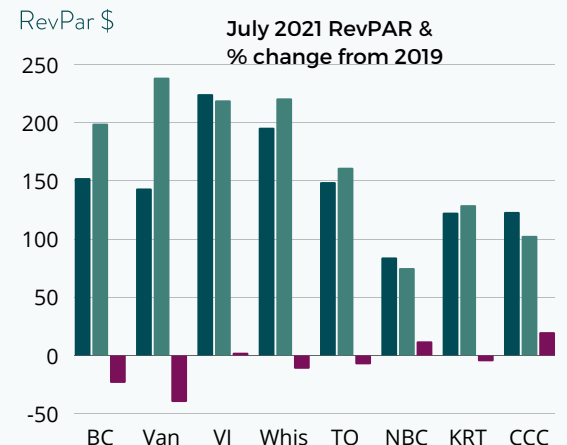
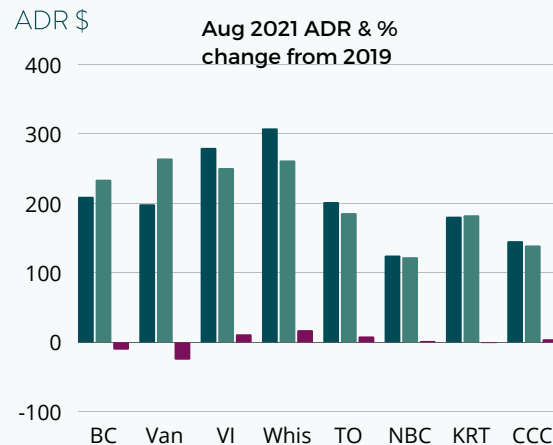
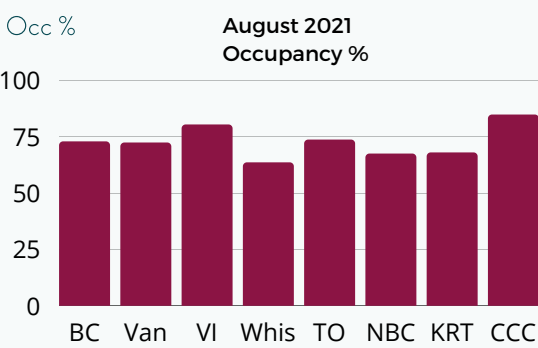


- Overall the variation in occupancy for Aug 2021 in comparison to 2019 has reduced from -18.8% in July to -14.5% with two regions higher than 2019 and one very close. The CCC region, while showing higher occupancy than others, is attributed to wildfire evacuees and firefighters, as overnight visitation continues to remain the lowest in that region.
- A healthy occupancy average for BC is typically above 80% for the month of August. August average occupancy rates are on average sitting around 73% which increased from an average of 67% in July.
- Average Daily Rate (ADR), used to measure operating performance, is sitting at -11% compared to 2019 rates, with Vancouver lowest at -25% and other regions ranging from +18% (Whistler) to -1% (KRT), and all other regions above 2019 levels, showing an improvement since July.
- Revenue Per Available Room (RevPAR), used to measure a hotel's profitability, is averaging 24% below 2019 levels, and improvement of 10 points since July, with Vancouver and Whistler at -40% and -11% compared to the same month in 2019 respectively, and the other regions ranging from -8% (TO) to +20% (CCC) showing slight improvement since July.
- Hotel performance, while showing increases in some areas, performed lower for August due to continued cancellations due to wildfires, smoke, and recommendations to not travel to the interior. In addition, labour shortages are preventing many hotels from offering all available rooms, which can have the effect of increasing average daily rates (notably in Whistler and Vancouver), but reducing overall revenues.
- Note this data reflects responses from approximately 50% of accommodations in province, and mainly chains and therefore trends noted above may differ from anecdotal reports.

Regional Occupancy in August ranged from 85% in CCC to 64% in Whistler. BC Avg in Aug 2021 at 73%, up 6 points since July.

BC Average Daily Rate in Aug 2021 is \$209, 11% below Aug 2019; up 5 points since July.

BC Avg Revenue Per Available Room in Aug 2021 is \$152, at 24% below 2019; up 8 points since July.



NOTES:
1. Environics Analytics Weekly Tourism Tracker, BCRTS, Symphony Tourism Services
2. Visitor View Monthly Visitor Highlights, BCRTS, Environics Analytics, Symphony Tourism Services
3. STR Monthly YTD Report, BCRTS, Symphony Tourism Services

RECOVERY TRACKING: BUSINESS RESPONSES

The current period, August 2021, found British Columbia in the second month in 2021 with Canada-wide travel permitted. Current indicators from domestic visitation levels show an increase since the beginning of the month, yet still on average below 2019 numbers at the close of the month, particularly lower for some regions due to continued fires in August and increased COVID-19 restrictions in the Interior. The following indicators are tracked monthly to provide a picture of recovery trends. Overall there have been some improvements since July, with slightly more businesses operating "as usual" in July & August, but several challenges, especially the labour shortage and wildfires, affecting ability to recover.

4.

COVID-19 Impact Report: Recovery Trends July & August 2021

Of the 214 firms surveyed in July & August 2021*:

28% reported "business as usual" indicating sector continuing to face abnormal business conditions (up from 18% in June). Hotels and resorts showing the highest percentage of closed firms (30%) while retail/rental businesses more likely to operate as usual.

33% reported using less than half their usual staff for this time of year, a small improvement from June. The average staffing level rose to 67% in July and dropped to 58% in August.

38% reported losing more than half of their revenue compared to June or July 2019 and improvement of 22 points since June's report and up 4 points since July preliminary results reported in August.

32% were unable to pay their July 2021 bills, an increase from 26% (8 percentage points) since June.

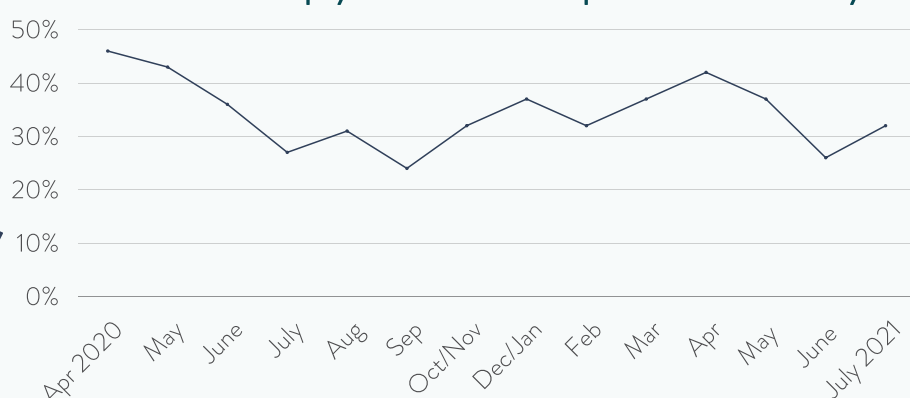
28-41% reported being ineligible for major provincial and federal programs targeted for businesses, similar to June.

More than 50% reported receiving fewer bookings for the Fall season in both 2019 and 2020.

Hardest Hit: Firms that rely primarily on international visitors have seen the largest drop in revenue since 2019.

74% reported being impacted in some way due to wildfires, smoke and resurgence of COVID-19

Firms UNABLE to pay bills increased 8 points to 32% in July.



Significant Issues:

Of those businesses not fully reopened, the top reason businesses cited that is preventing them from fully reopening is international travel restrictions (70%). The second most cited reason was staff shortages, with almost half (46%) of businesses believing that to be a main issue.

Note * The COVID-19 Impact Report for July & August was combined. Results reported in previous update were July responses received to date, with this August update including full sample.



Tourism Resiliency Network August 2021 Highlights

5.

1,958

Businesses Registered in the Program

Women-Owned Businesses 375

Indigenous-Owned Businesses 132

Youth-Owned Businesses 4

Restart Concerns from Hospitality & Tourism Businesses:

- Continued concerns around labour shortages and pressures on businesses to be able to open and service demand; not enough housing for employees and managers working 60 hours to fill gaps.
- Hotels in areas of high demand such as Vancouver Island, North Thompson and South Okanagan offering room availability at 70% or lower, due to lack of staff.
- Restaurants and Visitor Centres closing on some days or having irregular hours due to lack of staff.
- Concerns about enforcing health restrictions with difficult customers, particularly around vaccine card announcement.
- In general businesses with highest season in August saw a major slowdown due to fires/smoke and COVID-19 restrictions in Interior (TO, CCC, NBC)
- Remote businesses still struggling without international guests through the month.
- Continued worries about future impact of financial hardship and debt.

“This was a very difficult time for everyone, with COVID-19, revised restrictions and protocols, fires, smoke, and extreme heat.” - Urban visitor centre

August Crisis Snapshot from Interior BC

- While domestic travel was forecasted to help businesses recover from losses due to lack of international and inter-provincial travel in the preceding year, wildfires and the latest advisories around COVID-19 in Interior BC has drastically impacted businesses with cancellations, particularly high-revenue events.
- Messaging specifically that blanketed the full Interior meant that several communities that were out of harm's way, and open and operating, also continued to receive cancellations through August, leading to a general slowdown for the end of summer versus what was expected to be a recovery month.
- The restrictions on events across the whole Interior led to major event cancellations for September, and losses in over \$20M in revenue in the South Okanagan alone.

“We are worried that there will be less travel as case numbers increase. Right now we don't have many future bookings and we believe it is because many people are being cautious.” - Accommodation (limited service)

NOTES:

4. BCRTS COVID-19 Impact Report July & August 2021
5. BC Tourism Resiliency Network August 2021 Report to MTACS, BCRTS
Visit <https://tourismresiliency.ca/reports/#impact-reports>