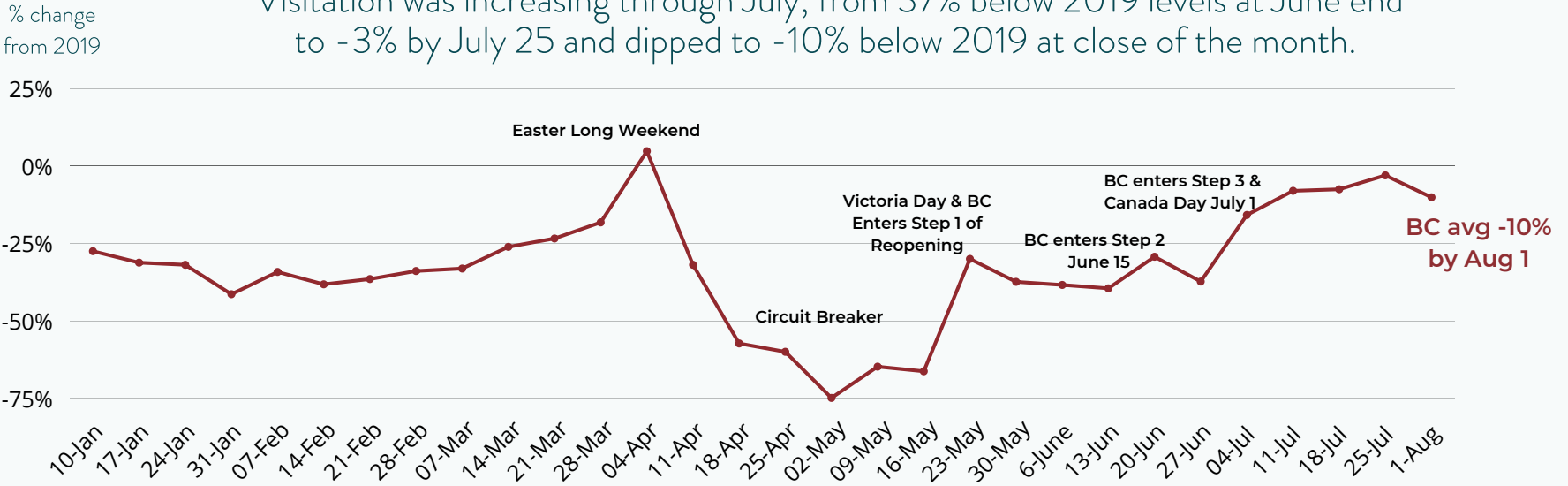


RECOVERY TRACKING: VISITATION INDICATORS

Weekly Domestic Overnight Visitors to BC 2021 vs 2019

Visitation was increasing through July; from 37% below 2019 levels at June end to -3% by July 25 and dipped to -10% below 2019 at close of the month.

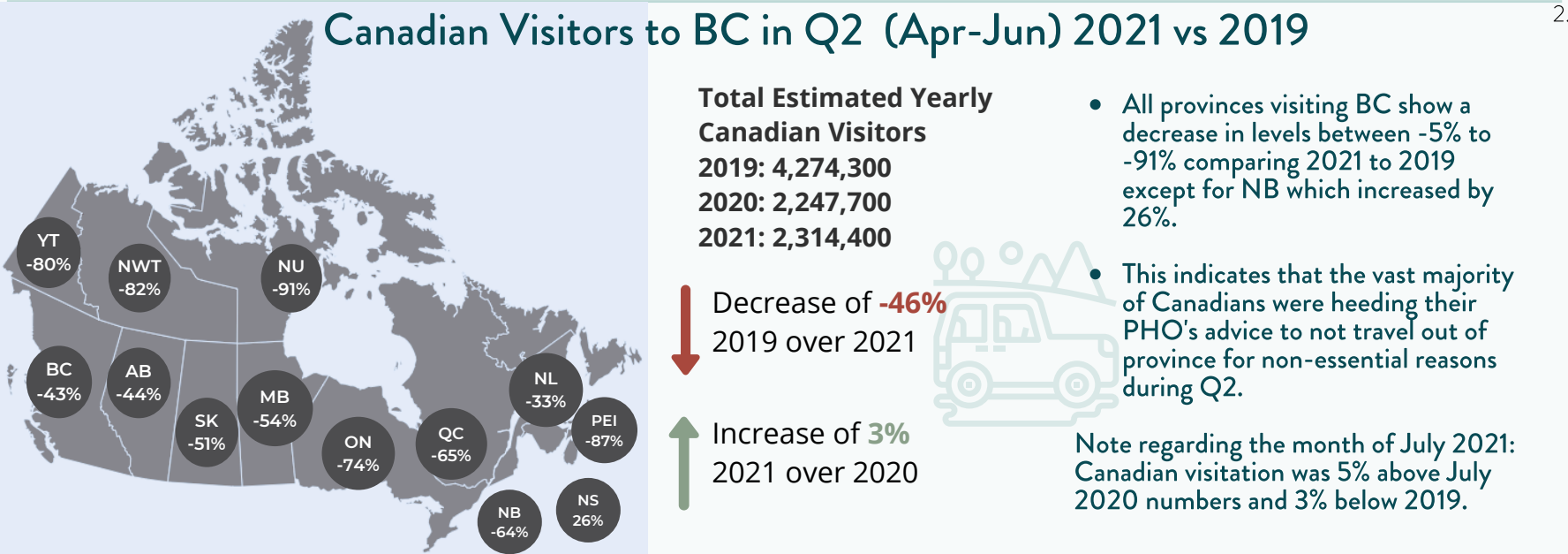


The summer started at 40% below 2019 at the end of June. Through July we saw an uptick, inching toward the 2019 baseline at just -3% under 2019 levels but dipping again towards the end of the month to -10% below 2019.

The BC Tourism Regions have similar peaks and valleys but visitation varies as follows: CCC much lower than the rest at -40% below 2019 levels at the close of the July; TO at -17%, Northern BC at -8%, VCM at -7% and VI and KRT above 2019 levels at +6% and +2% respectively.

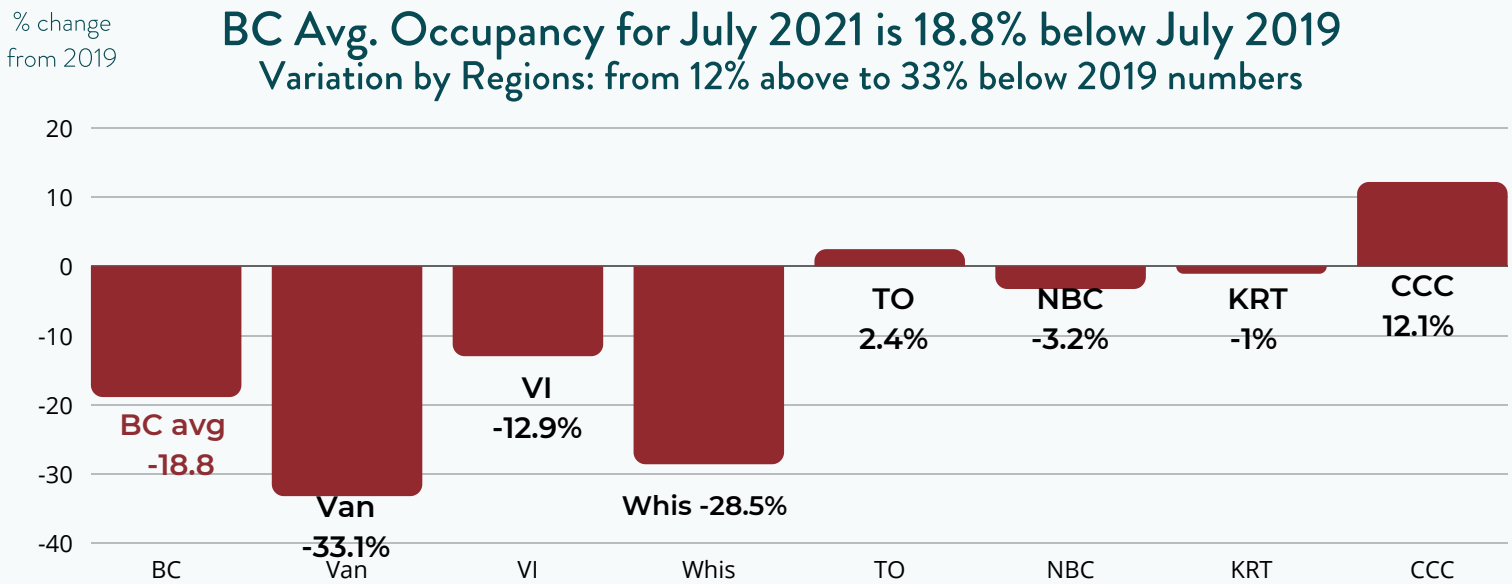
Note: Environics Analytics' Weekly Tracker tracks movement of mobile devices and counts visitors as anyone 60km from home overnight between the hours of 8pm and 8am.

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



BC Hotel Performance 2021 vs 2019

BC Avg. Occupancy for July 2021 is 18.8% below July 2019
 Variation by Regions: from 12% above to 33% below 2019 numbers

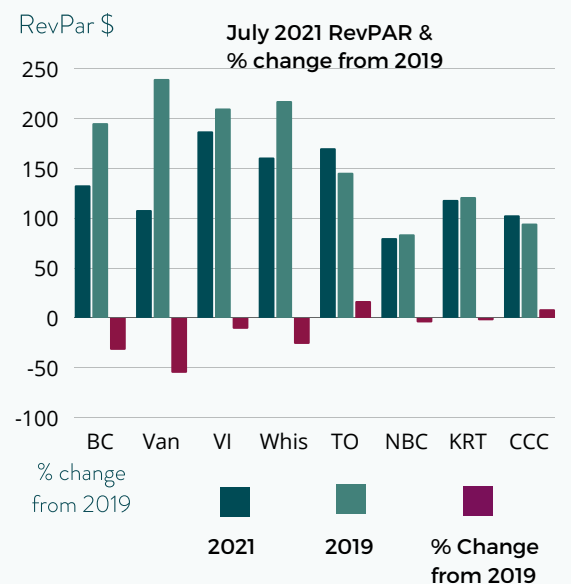
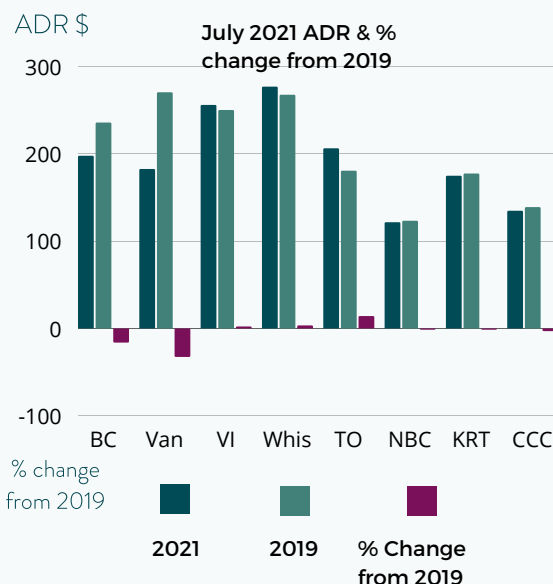
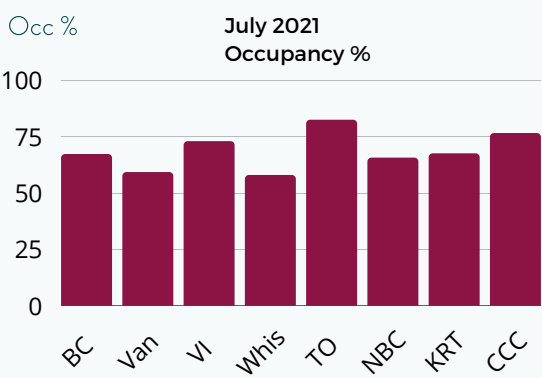


- Overall the variation for July 2021 in comparison to 2019 has moved from -40% in June to -18.8% with two regions higher than 2019 and one very close. The regions showing less variance - CCC, TO, KRT have suffered the most from wildfires and hotel occupancy due to evacuees and firefighters must be considered when evaluating hotel performance in these regions.
- A healthy occupancy average for BC is typically above 80% for the month of July. July occupancy rates are on average sitting around 67% which increased from an average of 46% in June.
- Average Daily Rate, used to measure operating performance, is sitting 16% below 2019 levels, with Vancouver 32% below 2019 levels and other regions ranging from 14% above (TO) to -3% below 2019 rates, showing improvement since June.
- Revenue Per Available Room, used to measure a hotel's profitability, is averaging -32% below 2019 levels, with Vancouver and Whistler 54% and 26% below 2019 levels respectively, and the other regions ranging from -11% (VI) to +16% (TO) showing slight improvement since June.
- It should be reiterated that the interior regions suffered cancellations from visitors due to wildfires and smoke, and hotels opened rooms to evacuees and firefighters, and therefore we cannot look at hotel performance alone as an indicator of improvement.
- 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 is less varied than in June, ranging from 82% in TO to 58% in Whistler. BC Avg in July 2021 at 67%, up 21 points since June.

BC Average Daily Rate in July 2021 is \$197, 16% below July 2019; closer to normal in regions outside Van.

BC Avg Revenue Per Available Room in July 2021 is \$132, 32% below 2019 levels (up from -61% in June).



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, July 2021, found British Columbia in the first 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. Unfortunately, due to the aggressive wildfires and related smoke, particular regions are showing higher occupancy numbers than others, as residents relocate to avoid the fire activity, and firefighters utilize temporary accommodation, which is skewing some of the hotel performance data in a positive direction. The following indicators are tracked monthly to provide a picture of recovery trends. Overall there have been some improvements since June, with more businesses operating "as usual" compared to last month but several challenges, especially the labour shortage and wildfires, affecting ability to recover.

4.

COVID-19 Impact Report: Recovery Trends July 2021

Of the 133 firms surveyed in July 2021*:

30% 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 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 is 67% among the respondents.

42% reported losing more than half of their revenue in June 2021 compared to June 2019. However, a quarter of firms report increased revenue for the period.

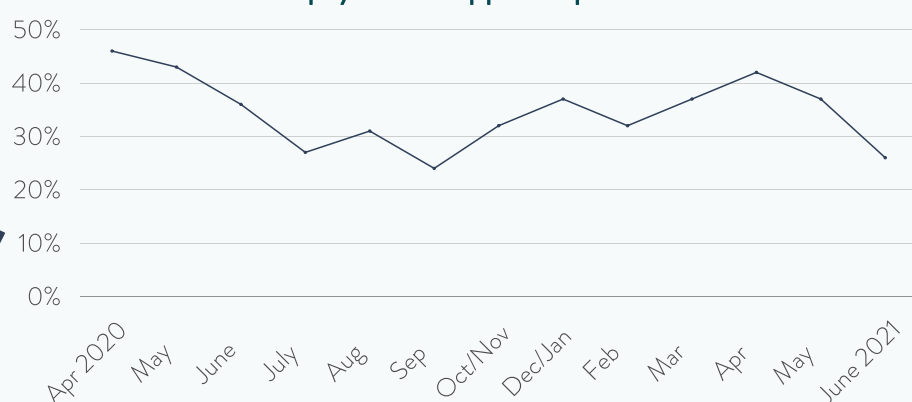
26% were unable to pay their June 2021 bills, an improvement of 11 percentage points since May.

27-41% reported being ineligible for major provincial and federal programs targeted for businesses, similar to June.

More than 50% reported receiving fewer bookings for the next three months than in both 2019 and 2020.

International travel restrictions cited by 60% of firms as being one of the main issues preventing them from fully reopening. The second reason cited by 49% was staff shortages.

Firms UNABLE to pay bills dropped 11 points to 26% in June.



Significant Issue:

Businesses have hired a significant number of workers since BC's Restart Plan began, but 49% of businesses not fully reopened still cannot hire the staff they need to operate optimally.

Note * The COVID-19 Impact Report for July results are preliminary and a smaller sample because the study is combining July and August. These results will be updated in the August report with full sample.

Tourism Resiliency Network July 2021 Highlights

5.

1,947

Businesses Registered in the Program

Women-Owned Businesses **374**

Indigenous-Owned Businesses **102**

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.
- Some remote businesses did not open because they don't have staff. One example from the Thompson Okanagan: A large company held a job fair open house, 15 people showed up and all were hired on the spot, but they remain drastically short of kitchen help.
- From Northern BC: Uncertainty from businesses around how to advise international guests on travel arrangements with border opening announcements.
- Many businesses directed to go2HR Communicable Disease Plan review service
- Wildfires starting early affected the Thompson-Nicola and Cariboo regions severely in early part of July and repercussions continued through the month.
- Wildfire smoke and no-fly zones forced Penticton and Kelowna airports to cancel flights for several days leading to booking cancellations across the Thompson Okanagan
- Central Okanagan COVID outbreak and measures compounded pressures on businesses
- In general businesses not as busy as normal [due to fires/smoke] (TO, CCC, NBC)
- Uncertainty in general causing fatigue, depression and difficulties in planning ahead
- Remote businesses still struggling without international guests.

August Crisis Snapshot from Interior BC

While this is the July report, we have fresh qualitative data in from businesses in the Interior that we share here as an indicator of the current month and how that might effect the next report results.

- 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 has meant that several communities that are out of harm's way, and open and operating, also continue to receive cancellations and challenges in answering guest queries.
- The latest restrictions on events across the whole Interior has led to major event cancellations for September, and losses in over \$20M in revenue in the South Okanagan alone.

NOTES:

4. BCRTS COVID-19 Impact Report Preliminary Results (Final Report July-August combined to be issued in Sept)

5. BC Tourism Resiliency Network July 2021 Report to MTACS, BCRTS

Visit <https://tourismresiliency.ca/reports/#impact-reports>

A collaboration between:
Cariboo Chilcotin Coast Tourism Association
Kootenay Rockies Tourism Association
Northern BC Tourism Association
Thompson Okanagan Tourism Association
Tourism Association of Vancouver Island

Prepared by Symphony Tourism Services