COVID-19
TOURISM IMPACT REPORT
British Columbia Regional Tourism Secretariat

MARCH 30, 2020

PROVINCIAL SUMMARY 1

REGION CARIBOO CHILCOTIN COAST 3

REGION KOOTENAY ROCKIES 4

REGION NORTHERN BC 5

REGION THOMPSON OKANAGAN 6

REGION VANCOUVER ISLAND 7

FOR QUESTIONS CONTACT:
Glenn Mandziuk
Chair, BC Regional Tourism Secretariat
250-860-5999
ceo@totabc.com
The British Columbia Regional Tourism Secretariat, British Columbia Hotel Association and the British Columbia Destination Marketing Organization 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 telephone surveys from March 23rd to March 27th with 492 different tourism businesses.

The impact of the COVID-19 pandemic on tourism businesses in BC is worsening and businesses that may have feared the loss of their summer season last week are now concerned about their long-term survival. While recently announced Federal and Provincial relief measures and programs will support tourism businesses and employees, businesses reported widespread confusion regarding eligibility, application processes and timelines for relief funding.

Key Issues for Consideration

- Tourism businesses already shoulder significant debt burdens. Loans may provide short term relief, while failing to ensure long-term viability.
- While all businesses report needing support only 13% of surveyed businesses have accessed a government program, support or service related to COVID-19.
- Many tourism businesses provide essential services during the summer to wildfire crews and industry. We must ensure that an adequate number of businesses are open to provide these services.
- Ambiguous messaging related to social distancing and tourism business expectations has resulted in some communities shaming businesses into closing.

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
STAFF LAYOFFS

- 5,870 reported layoffs across 361 businesses; average 16 layoffs per business

FINANCIAL IMPACTS

- Average loss of $229,536 to date due to COVID-19 per business
- On average each business requires $39,774 per month to remain solvent
PLEASE INDICATE THE IMPACT OF COVID-19 ON YOUR CURRENT OPERATIONS

• Business as usual
• Decreasing volume of leisure and group tourism
• Temporarily closed
• Permanently closed
• Regular operations at reduced levels
• Other (please specify)

HOW FAR OUT HAVE YOU SEEN FUTURE BOOKINGS FOR YOUR BUSINESS IMPACTED?

• March
• April
• May
• June
• July
• August
• September
• October
• November
• December

WHAT GOVERNMENT ACTION IS NEEDED TO ENSURE THE SURVIVAL OF YOUR BUSINESS?

• Increased consumer marketing
• Access to emergency grant funds
• Access to emergency loans with no principal payments for one year
• Reduce, eliminate or defer government fees (tenures, permits, licenses, water, etc.)
• Defer corporate income tax, property tax and other tax payments
• Reduced, eliminate or defer fixed costs such as heat, lights, power, mortgage, financing, rent, etc.
• Other (please specify)

HAVE YOU ACCESSED ANY GOVERNMENT PROGRAMS, SUPPORTS OR SERVICES RELATED TO COVID-19?

0.00%
5.00%
10.00%
15.00%
20.00%
25.00%
30.00%
35.00%
40.00%
45.00%
50.00%

Access to emergency grant funds
Access to emergency loans with no principal payments for one year
Reduce, eliminate or defer government fees (tenures, permits, licenses, water, etc.)
Defer corporate income tax, property tax and other tax payments
Reduce, eliminate or defer fixed costs such as heat, lights, power, mortgage, financing, rent, etc.
Increased consumer marketing
Other (please specify)

0.00%
20.00%
40.00%
60.00%
80.00%
100.00%

No
Yes (please specify)

RECOVERY AND SUPPORT

REGIONAL SUPPORT
• Help communicate and provide access to available programs and services for businesses.
• Advocate to government for financial support

PROVINCIAL SUPPORT
• Delay commercial property tax
• Waive 2020 commercial recreation permit fees, park use permit fees, guiding fees and water use fees.

FINANCIAL IMPACTS
• Average loss of $48,614 to date due to COVID-19 per business
• On average each business requires $20,777 per month to remain solvent

GENERAL NOTES
• Businesses recognize that the situation is fluid and evolving.
• Government needs to monitor the mid to long-term impact of COVID-19 and adapt policy accordingly.
COVID-19 TOURISM IMPACT REPORT

REGION
KOOTENAY ROCKIES

MARCH 30, 2020

PLEASE INDICATE THE IMPACT OF COVID-19 ON YOUR CURRENT OPERATIONS

HOW FAR OUT HAVE YOU SEEN FUTURE BOOKINGS FOR YOUR BUSINESS IMPACTED?

WHAT GOVERNMENT ACTION IS NEEDED TO ENSURE THE SURVIVAL OF YOUR BUSINESS?

HAVE YOU ACCESSED ANY GOVERNMENT PROGRAMS, SUPPORTS OR SERVICES RELATED TO COVID-19?

RECOVERY AND SUPPORT

REGIONAL SUPPORT

- Connect businesses to available programs
- Prepare short-haul recovery marketing campaign

PROVINCIAL SUPPORT

- Allow accommodations to further defer MRDT payments to stay afloat
- Increase wage subsidy

FINANCIAL IMPACTS

- Average loss of $21,667 to date due to COVID-19 per business
- On average each business requires $43,343 per month to remain solvent

GENERAL NOTES

- Businesses recognize that the situation is fluid and evolving.
- Government needs to monitor the mid to long-term impact of COVID-19 and adapt policy accordingly.
- Desire for online forums to enable B2B communication, brainstorming and best practice sharing.
PLEASE INDICATE THE IMPACT OF COVID-19 ON YOUR CURRENT OPERATIONS

**Recovery and Support**

**Regional Support**
- Focus on recovery and marketing
- Provide timely communication of critical information to stakeholders

**Provincial Support**
- Province must understand that deferral of certain payments and taxes will only delay the failure of some businesses
- Focus on getting capital to businesses as fast as possible

**Financial Impacts**
- Average loss of $61,400 to date due to COVID-19 per business
- On average each business requires $39,158 per month to remain solvent

**General Notes**
- Impact of COVID-19 on business will increase as seasonal businesses have to delay or cancel openings.
- Support is needed to direct businesses to appropriate supports and programs.
Please indicate the impact of COVID-19 on your current operations

- 57% Business as usual
- 20% Operating with a reduction in hours, staff, and/or services
- 7% Temporarily closed
- 2% Permanently closed
- 1% Financially unstable and closed
- 27% Other (please specify)

How far out have you seen future bookings for your business impacted?

- March: 6%
- April: 11%
- May: 15%
- June: 21%
- July: 21%
- August: 15%
- September: 14%
- October: 2%
- November: 2%
- December: 6%

What government action is needed to ensure the survival of your business?

- 77% Access to emergency grant funds
- 61% Access to emergency loans with no principal payments for one year
- 70% Reduce, eliminate or defer government fees (tenures, permits, licenses, water, etc.)
- 70% Defer corporate income tax, property tax and other tax payments
- 33% Reduce, eliminate or defer fixed costs such as heat, lights, power, mortgage, financing, rent, etc.
- 10% Increased consumer marketing
- 0% Other (please specify)

Have you accessed any government programs, supports or services related to COVID-19?

- 79% Yes
- 21% No

Recovery and Support

Regional Support
- Encourage locals to access available services and plan for recovery marketing
- Communicate government programs to businesses

Provincial Support
- Lack of understanding related to foreign temporary labour and COVID-19 impacts
- Create long-term recovery programs and funding

Financial Impacts

- Average loss of $651,000 to date due to COVID-19 per business
- On average each business requires $62,062 per month to remain solvent

General Notes

- EI related benefits and programs are the most commonly accessed COVID-19 related programs
- Of the businesses that have accessed Provincial supports, 77% felt that programs were not making a meaningful difference.
Please indicate the impact of COVID-19 on your current operations:

- Business as usual: 8%
- Operating with a reduction in hours, staff and/or services: 32%
- Temporarily closed: 47%
- Permanently closed: 3%
- Other (please specify): 4%

How far out have you seen future bookings for your business impacted?

- March: 4%
- April: 13%
- May: 18%
- June: 13%
- July: 15%
- August: 17%
- September: 7%
- October: 1%
- November: 1%
- December: 4%

Financial impacts:

- Average loss of $365,000 to date due to COVID-19 per business
- On average each business requires $33,553 per month to remain solvent

Recovery and support:

Regional support:
- Help businesses access programs and advise on recovery strategy at the business level
- Advocate for SME

Provincial support:
- N/A

General notes:

- Businesses want clear communication from the Health Officer regarding what activities are and are not acceptable. Make it black and white - not shades of grey.
- Many businesses are unsure as to whether they will survive COVID-19.