

COVID-19's Impact on Canada's Tourism Industry

April 13th, 2020

PREPARED FOR:



WWW.TOURISMECONOMICS.COM



Destination Canada's Caveats and Interpretation Notes

This report was commissioned by Destination Canada in order to provide an estimate on the impact of COVID-19 on the Canadian tourism sector from a reduction in travel, both international and domestic.

This report represents the views of Tourism Economics and is based on their analysis and interpretation of the situation as of April 13, 2020. It incorporates their assumptions of the potential severity and timeline of the COVID-19 outbreak, and its impacts on the tourism sector and Canadian economy.

This analysis does not incorporate:

- the risk of additional waves triggering returns to lock-down economies in Canada or elsewhere
- any permanent structural changes to the tourism sector resulting from the economic, social and health impacts of COVID-19
- the impact of pre-existing and ongoing geopolitical tensions on trade and tourism flows



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REPORT HIGHLIGHTS

KEY ASSUMPTIONS

Virus Contained

Economic assumptions are based on Oxford Economics' April 6th release:

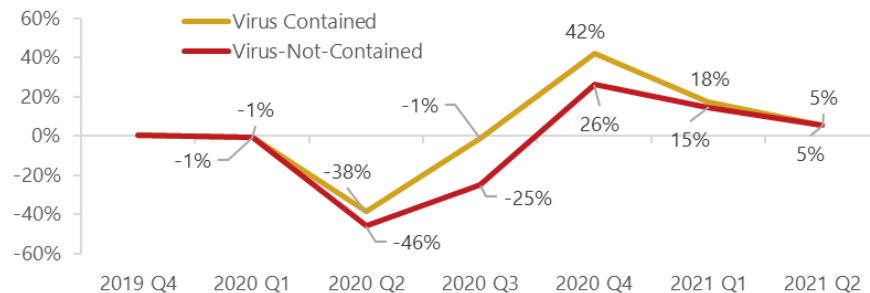
- Economic recession started in early March.
- There is a sharp contraction of GDP in Q2 (-38%), followed by a firm economic rebound in the second half of 2020, hinging on effective containment measures in coming months. Overall, GDP of -6.5% in 2020, followed by 9.2% growth in 2021.
- Unemployment rate reaches 14.6% in Q3.
- Substantial fiscal stimulus is anticipated to help combat the economic damage from the coronavirus pandemic.

Disease response assumptions:

- Travel restrictions related to Covid-19 are assumed to be concentrated in March and April.
- The forecast assumes gradually improving context for travel beginning in June.

Canada GDP growth in different scenarios

Q/Q annualized growth



Virus Not-Contained

Economic assumptions are based on Oxford Economics' April 6th release:

- Economic recession started in early March.
- There is a sharp contraction of GDP in Q2 and Q3 (-46% and -25% respectively), followed by an economic rebound in Q4, though this rebound is weaker than the Virus Contained Scenario. Overall, GDP of -11.7% in 2020, followed by 11.0% growth in 2021.
- Unemployment rate reaches 17.8% in Q3.
- Substantial fiscal stimulus is anticipated to help combat the economic damage from the coronavirus pandemic.

Disease response assumptions:

- Travel bans and stay-at-home orders, are assumed to be concentrated in March, April and May.
- While stay-at-home orders begin to subside in June, the virus remains poorly contained.
- The majority of the world's population continues their attempts to limit possible exposures through the rest of 2020, including greatly reducing their travel.

REPORT HIGHLIGHTS

We developed two scenarios to determine a range of possible impacts



Virus Contained

Total tourism spending falls to \$68 billion in 2020, a 35% drop compared to 2019.

263,000 jobs supported by tourism spending are lost.



Virus Not-Contained

Total tourism spending falls to \$42 billion in 2020, a 59% drop compared to 2019.

450,000 jobs supported by tourism spending are lost.

Summary of COVID-19 related tourism spending losses in two scenarios

CAD, billions

	2019	2020	2021	2022	2023	Total
Tourism spending						
Virus Contained	\$105	\$68	\$95	\$112	\$121	\$501
Virus Not-Contained	\$105	\$42	\$81	\$93	\$103	\$425
Scenario losses compared to 2019						
Virus Contained	--	-\$36	-\$10	--	--	-\$47
Virus Not-Contained	--	-\$62	-\$23	-\$11	-\$2	-\$99
Losses as a share of 2019						
Virus Contained	--	-35%	-10%	--	--	--
Virus Not-Contained	--	-59%	-22%	-11%	-2%	--
Job losses due to lost tourism spending (000's)						
Virus Contained	--	-263	-73	--	--	--
Virus Not-Contained	--	-450	-167	-79	-14	--

Sources: Tourism Economics; StatCan

REPORT HIGHLIGHTS

Comparison with prior travel downturns

The depth and length of the crisis far exceeds previous downturns.

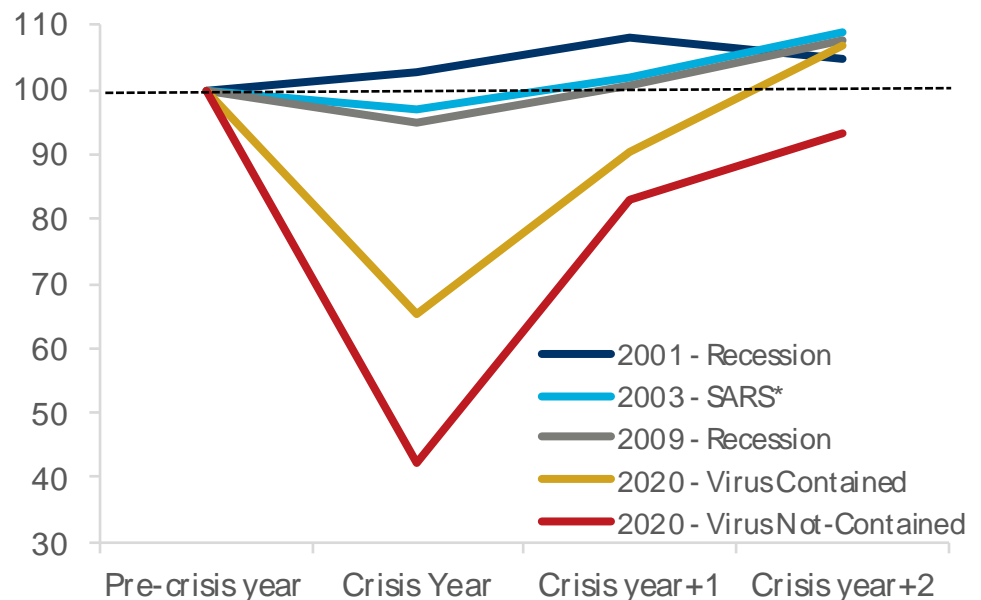
The 2003 SARS outbreak and the 2008-2009 recession created mild downturns of 3% and 5% respectively, while no downturn occurred around the 2001 recession. Prior downturns only lasted one year before surpassing previous spending highs in the first post-crisis year.

The Virus Contained forecast expects COVID-19 to create a 35% decline in travel spending in 2020, and tourism spending will not surpass 2019 levels until 2022.

Meanwhile, the Virus Not-Contained forecast expects a 60% decline in travel spending in 2020, and tourism spending will not surpass 2019 levels until 2024.

Canadian tourism spending growth in crisis years

Index, pre-crisis year = 100



*The Loonie gained considerable strength against the US Dollar in 2003, which led to less US inbound travel and more Canadian outbound travel to the US. So this analysis likely overstates (perhaps greatly) the impact of SARS on tourism spending in Canada.

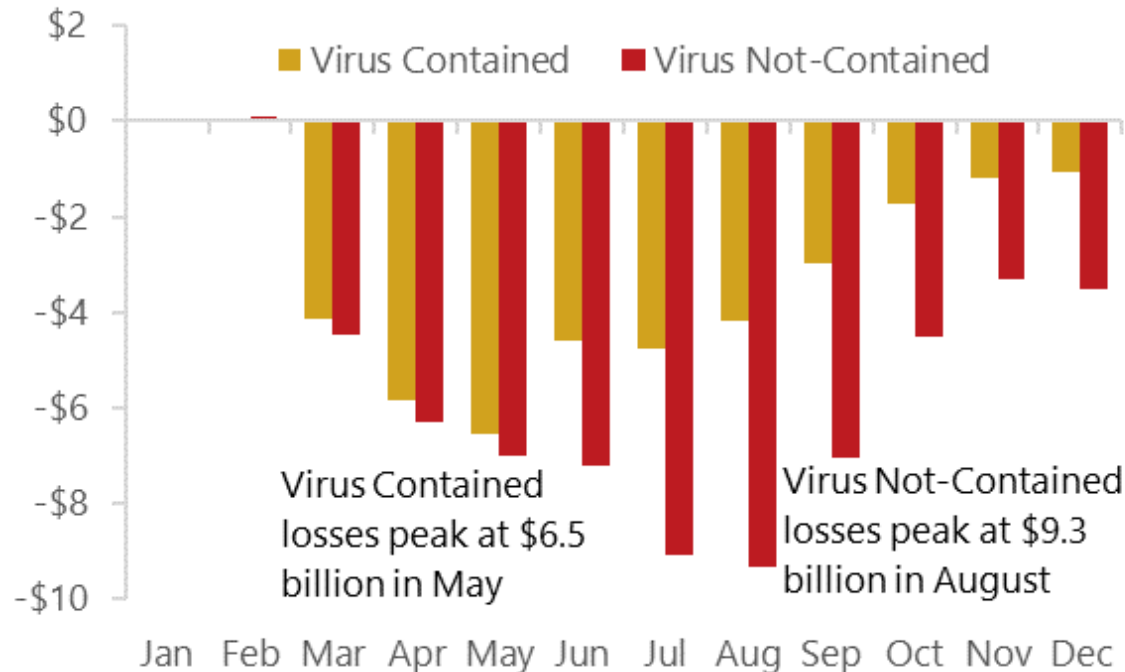
Sources: Tourism Economics; StatCan

REPORT HIGHLIGHTS

Lost spending by month

Canada's COVID-19 related traveler 2020 spending losses in two scenarios

CAD, billions compared to 2019

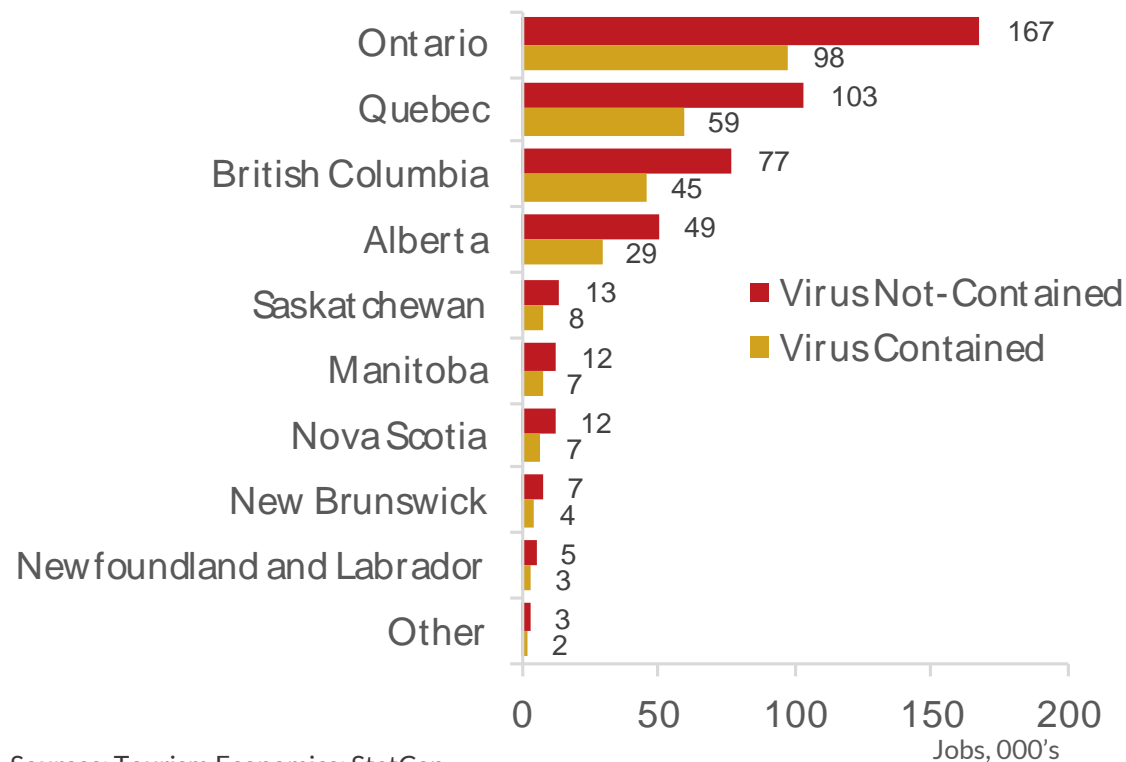


Source: Tourism Economics

REPORT HIGHLIGHTS

Lost jobs by province

Canada's job losses due to COVID-19's impact on travel spending, 2020



Sources: Tourism Economics; StatCan

THE KEYS

KEY CONSIDERATIONS, ASSUMPTIONS,
DRIVERS, AND UNKNOWNNS

KEY CONSIDERATIONS

We are entering uncharted territory



This is an unprecedented crisis for the travel industry.

From a macroeconomic perspective, the GDP impact on 2020 Q2 will be unlike anything we have seen in the modern era. This sudden recession, combined with the specific impact that COVID-19 will have on the tourism sector, will create what is by far the largest single year impact on travel that we have ever seen.



We are still in the early stages of analyzing the pandemic.

Many key data points in the travel sector have lags of a month or more, consequently we are relying on experiences with other major downturns in the travel industry and what data we can obtain to conduct our analysis at the moment. Therefore, we provide two different scenarios for how the crisis may unfold.



The domestic market will likely drive the recovery

When the pandemic fades, there will be significant pent-up demand for leisure travel and (given that a severe recession does not follow the pandemic) we may see strong y/y increases. Domestic short-haul travel will likely be the driver of this rebound due to consumers' lingering wariness of booking long-haul trips.

KEY DRIVERS

The crisis will be profound, pervasive and persistent

1 Profound

If Canada follows a similar trend as China and Italy, the nations' weekly hotel occupancy rate will likely plunge from 57% in the first week of March to around 10% in mid-April. In the Virus Contained Scenario, the occupancy rate stays at 15% for an entire month.

2 Pervasive

Group/transient, leisure/business/VFR, day/overnight segments will all be impacted. We already see similar sharp downturns across different segments. In both Scenarios, all types of travel are deeply impacted.

3 Persistent

Our pre-crisis forecast had Canada's economy growing at a slow but steady rate in 2020. In the Virus Contained Scenario, the pandemic leads to a GDP contraction of 38% in 2020 Q2 and prevents GDP from achieving positive growth until 2020 Q4. This downturn curtails household discretionary spending through 2021.

KEY DRIVERS

How the drivers impact our two scenarios

Drivers of the two scenarios

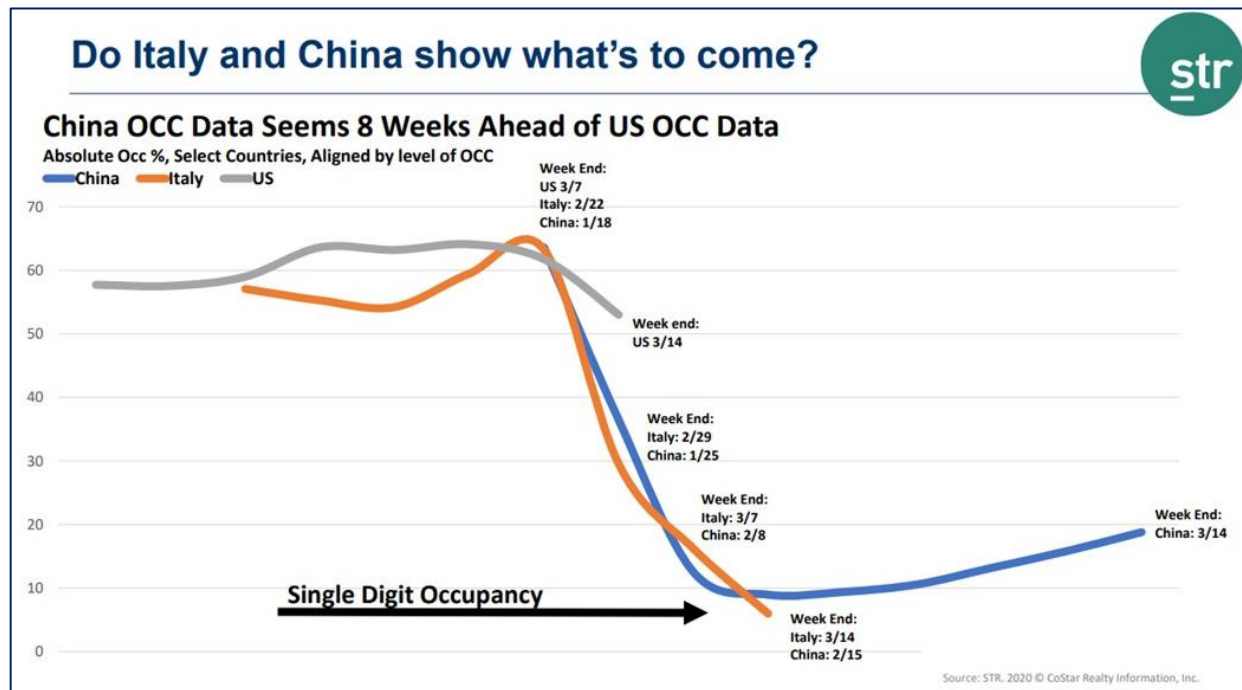
	Virus Contained	Virus Not-Contained
Profound	Hotel occupancy reaches 15% for a full month	Hotel occupancy reaches 10% for a full month
Pervasive	All major tourism segments are deeply impacted.	All major tourism segments are deeply impacted.
Persistent	The pandemic is largely contained by the summer of 2020. A recession accompanies the pandemic. While some tourism businesses are bankrupt, major supply shortages are not an impediment to recovery. Tourism spending does not recover to 2019 levels until 2022.	The pandemic is not well contained through all of 2020. A severe recession accompanies the pandemic. This downturn not only severely curtails household discretionary spending but also bankrupts numerous tourism businesses, which limits air capacity and hotel room inventory during the recovery. Tourism spending does not recover to 2019 levels until 2024.

KEY DRIVERS

A profound, pervasive, and persistent impact

Profound – the crisis will severely impact the travel industry.

If Canada follows a similar trend as China and Italy, the nation's weekly hotel occupancy rate* will likely plunge from 57% in the first week of March to around 10% over the peak containment period. In the Virus Not-Contained Scenario it remains there for a full month, while in the Virus Contained Scenario the lowest monthly occupancy rate is 15%.



*Hotel occupancy rates are strongly correlated with tourism spending and are useful immediate measures of a crisis due to their quick availability.

KEY DRIVERS

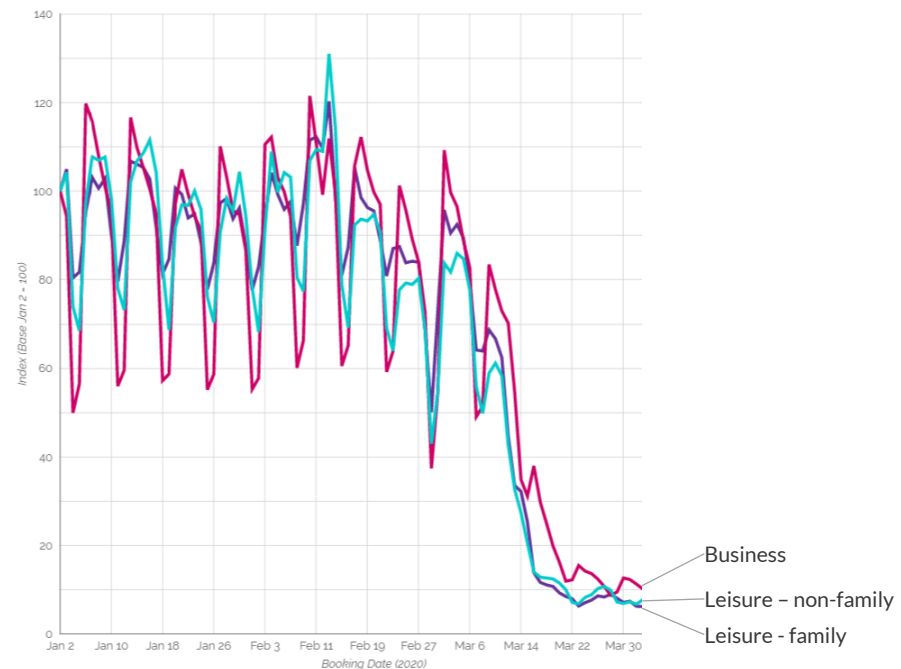
A profound, pervasive, and persistent impact

Pervasive - the crisis will severely curtail all forms of travel.

Group/transient, leisure/business/VFR, day/overnight segments will all be impacted. We already see similar sharp downturns across different segments in ADARA's US booking data. In both scenarios, all types of travel are deeply impacted.

US hotel booking volume, 2020

Index (Jan. 2nd = 100)



Source: ADARA - <https://adara.com/traveler-trends-tracker/>

*while we would prefer Canadian data, the US data is useful as the US appears to be a week ahead of Canada in terms of the crisis timeline, so it shows where Canada will likely be heading.

KEY DRIVERS

A profound, pervasive, and persistent impact

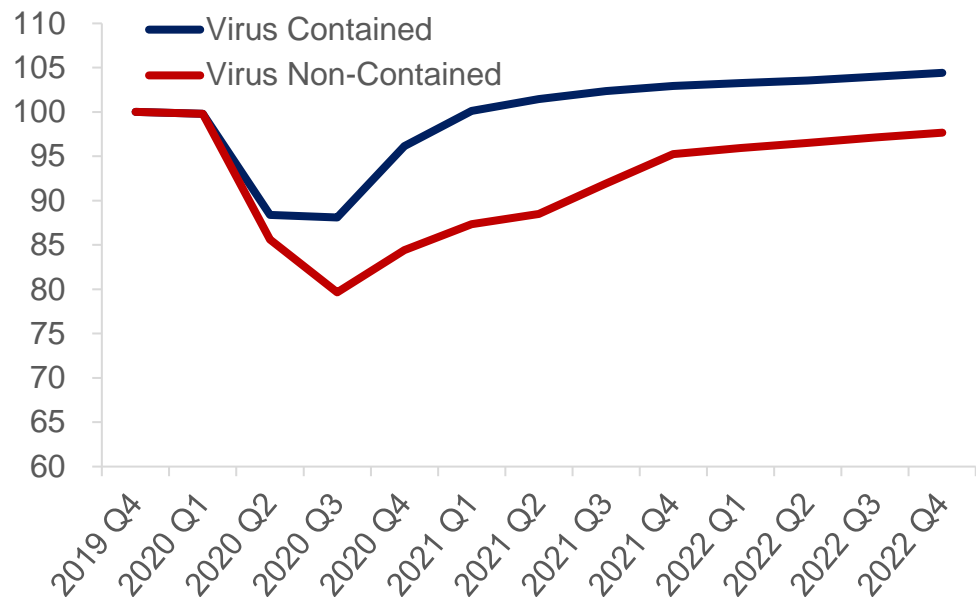
Persistent - the COVID-19 crisis will slow the economy and therefore hamper the post-crisis recovery.

Our pre-crisis forecast had Canada's economy growing at a slow but steady rate in 2020. In the Virus Contained Scenario, GDP contracts 38% in 2020 Q2, however the economy rebounds sharply, with only a 1% decline in Q3 and a 42% growth rate in Q4.

In the Virus Not-Contained scenario, GDP growth falls even farther in 2020 Q2, remains in a steep decline in Q3, and rebounds at a much slower pace in Q4.

Canada GDP growth in different scenarios

Index (2019 Q4=100)

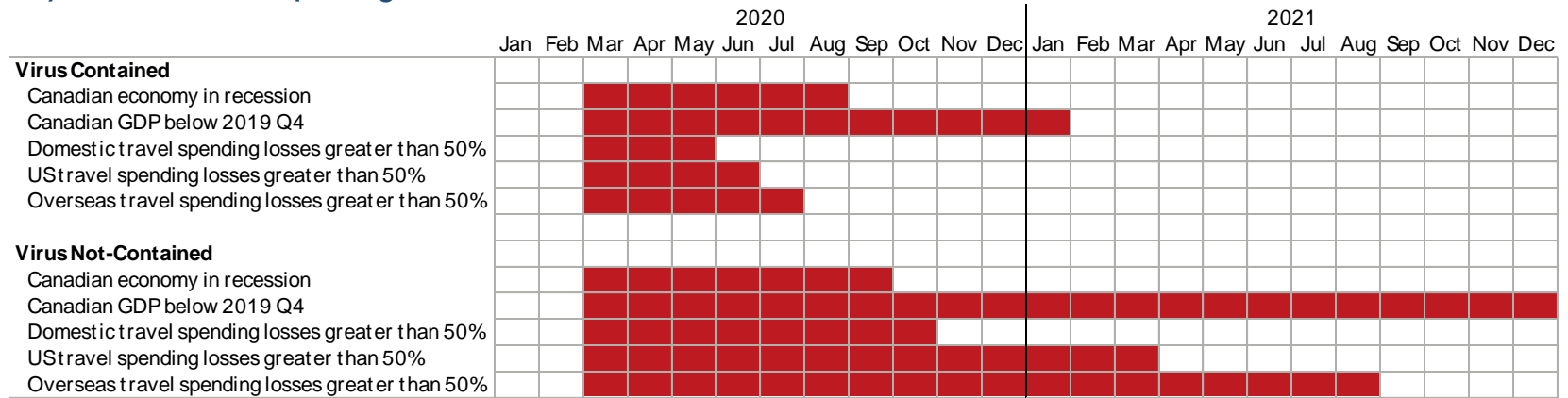


Source: Oxford Economics

KEY DRIVERS

Drivers and spending impact timeline

Key GDP and tourism spending metrics in two Scenarios



Source: Tourism Economics

KEY UNKNOWNNS

The questions that will determine the impact of the COVID-19 crisis on Canada's visitor economy

How deep will the trough be?

Hotel occupancy rates in Canada average 65% for the year, and the lowest month in 2019 was December, with 49% nationwide occupancy. It seems likely daily occupancy rates will soon dive to 15%, will they stay at 15% for an entire month?

How big could an August recovery be?

If the COVID-19 crisis begins to clear over the early summer, August may receive a massive amount of latent demand. However, August is already Canada's most popular travel month, so will supply struggle to match demand?

How long will recovery take?

Will the spread of COVID-19 slow in the summer months? How severely will the pandemic impact GDP growth and consumer spending? Will bankruptcies negatively impact air capacity and room supply well into the future?

Could the crisis get worse than we imagine?

There remains a great deal of uncertainty surrounding COVID-19, and the pandemic is moving quickly. The Virus Not-Contained Scenario seems the worst plausible outcome at the moment, but could an unforeseen twist cause the losses to mount at an even greater rate?

THE VIRUS CONTAINED SCENARIO

THE VIRUS CONTAINED SCENARIO

Summary data

Losses in 2020 amount to 35% of all spending or \$36 billion. While domestic losses are smallest percentage-wise, they amount to 75% of all losses due to the size of the domestic market.

Virus Contained COVID-19 related tourism spending losses in Canada

CAD, billions	% loss compared to 2019			\$ loss compared to 2019			
	2019	2020	2021	2020	2021	2020	2021
Total	\$104.7	\$68.4	\$94.5	-35%	-10%	-\$36.4	-\$10.2
Canada	\$82.1	\$55.0	\$75.9	-33%	-8%	-\$27.2	-\$6.3
US	\$11.2	\$7.0	\$9.5	-38%	-15%	-\$4.2	-\$1.6
Overseas	\$11.4	\$6.4	\$9.1	-44%	-20%	-\$5.0	-\$2.3
<i>China</i>	\$1.8	\$0.9	\$1.5	-50%	-18%	-\$0.9	-\$0.3
<i>Japan</i>	\$0.5	\$0.3	\$0.4	-41%	-20%	-\$0.2	-\$0.1
<i>South Korea</i>	\$0.4	\$0.2	\$0.3	-46%	-22%	-\$0.2	-\$0.1
<i>Australia</i>	\$0.8	\$0.5	\$0.6	-37%	-17%	-\$0.3	-\$0.1
<i>Mexico</i>	\$0.7	\$0.4	\$0.5	-42%	-26%	-\$0.3	-\$0.2
<i>United Kingdom</i>	\$1.3	\$0.8	\$1.1	-43%	-19%	-\$0.6	-\$0.3
<i>France</i>	\$1.0	\$0.5	\$0.7	-44%	-27%	-\$0.4	-\$0.3
<i>Germany</i>	\$0.7	\$0.4	\$0.6	-45%	-24%	-\$0.3	-\$0.2
<i>India</i>	\$0.4	\$0.3	\$0.3	-33%	-11%	-\$0.1	\$0.0
<i>Rest of World</i>	\$3.9	\$2.2	\$3.1	-44%	-19%	-\$1.7	-\$0.7

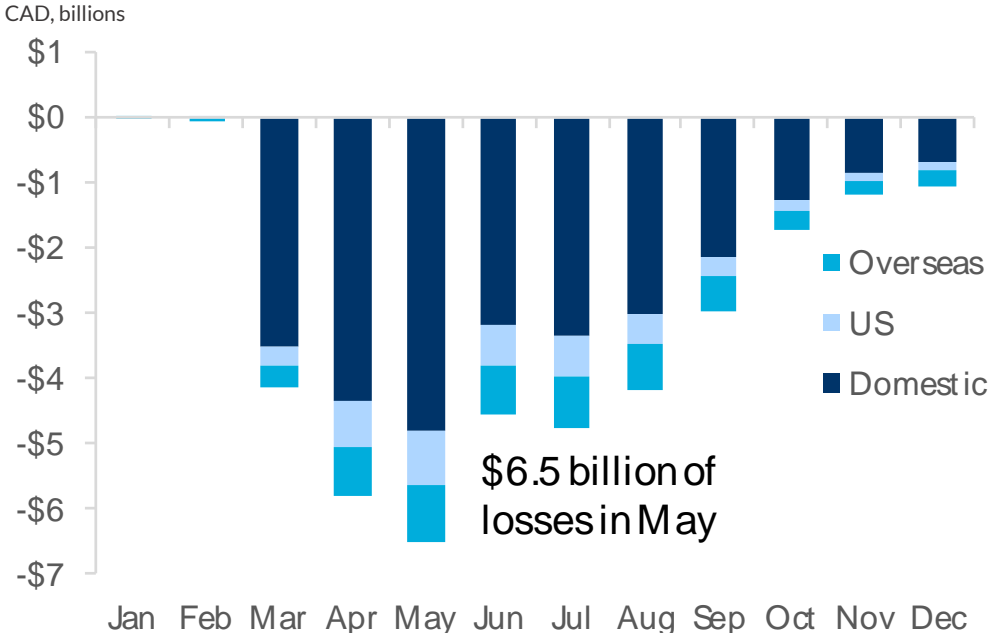
Sources: Tourism Economics; StatCan

THE VIRUS CONTAINED SCENARIO

Monthly impacts

Dollar losses peak in May 2020 at \$6.5 billion for the month.

Virus Contained COVID-19 related tourism spending losses in Canada, 2020



Sources: Tourism Economics; StatCan

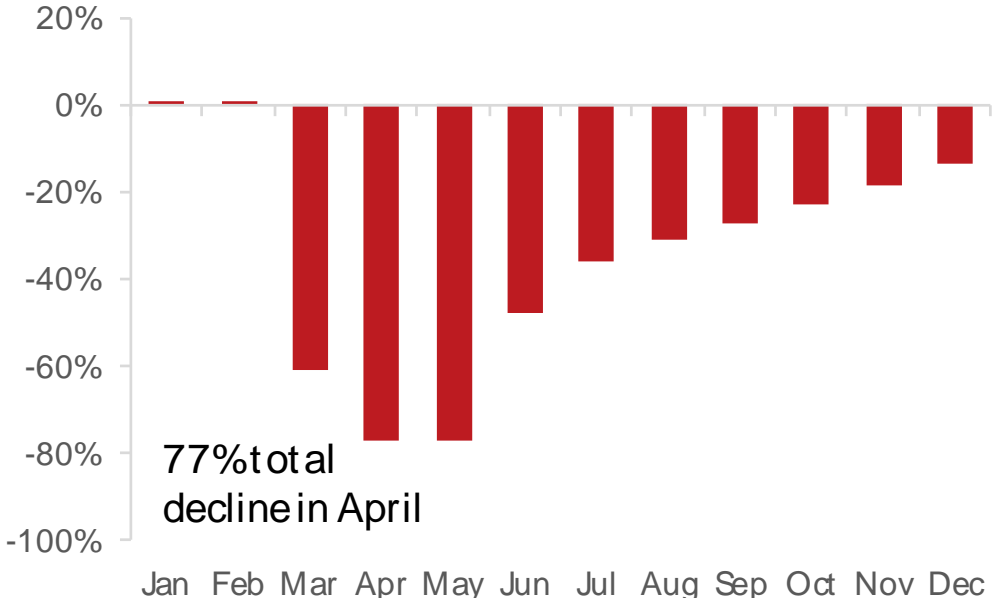
THE VIRUS CONTAINED SCENARIO

Monthly impacts

Percent losses peak in April at 77%.

Virus Contained COVID-19 related tourism spending losses in Canada, 2020

Percent decline compared to 2019



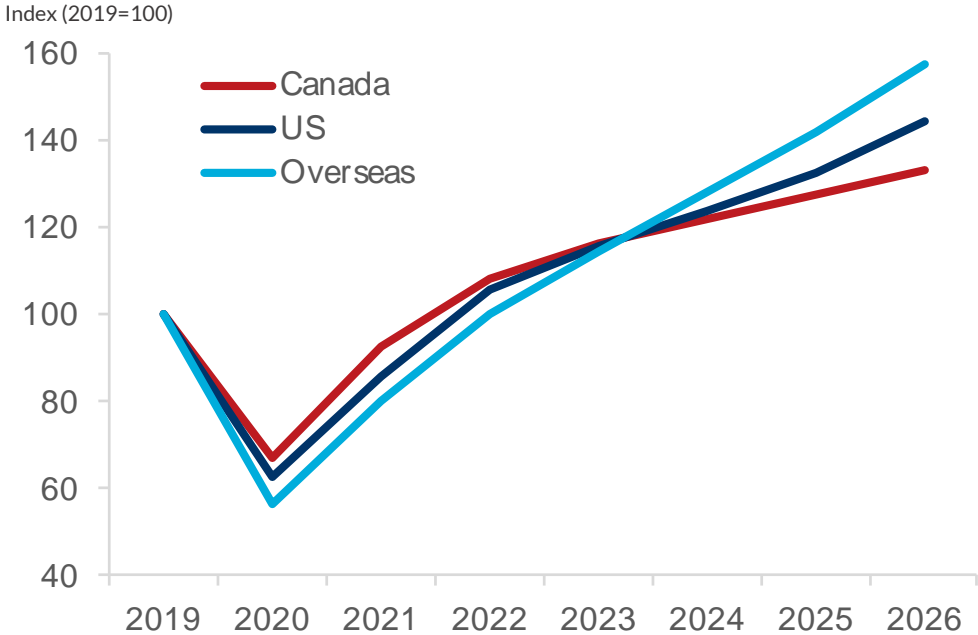
Sources: Tourism Economics; StatCan

THE VIRUS CONTAINED SCENARIO

Recovery timeline

The domestic market will experience the smallest decline in 2020 and recover faster than the international markets in the short-term. However, in the long-term, international markets will grow faster.

Virus Contained COVID-19 related tourism spending losses in Canada



Sources: Tourism Economics; StatCan

THE VIRUS CONTAINED SCENARIO

Impacts by Province

Ontario will experience the largest losses, at \$13.7 billion.

Virus Contained COVID-19 related tourism spending losses by province, 2020

CAD, billions

	Total	Domestic	US	Overseas
Canada	-\$36.4	-\$27.2	-\$4.2	-\$5.0
Alberta	-\$4.5	-\$3.6	-\$0.4	-\$0.6
British Columbia	-\$6.1	-\$3.5	-\$1.0	-\$1.6
Manitoba	-\$1.0	-\$0.9	-\$0.1	-\$0.1
New Brunswick	-\$0.5	-\$0.4	\$0.0	-\$0.1
Newfoundland & Labrador	-\$0.4	-\$0.3	\$0.0	\$0.0
Nova Scotia	-\$0.8	-\$0.6	-\$0.1	-\$0.1
Ontario	-\$13.7	-\$10.5	-\$1.7	-\$1.5
Prince Edward Island	-\$0.1	-\$0.1	-\$0.1	\$0.0
Quebec	-\$7.9	-\$6.4	-\$0.7	-\$0.8
Saskatchewan	-\$1.0	-\$0.9	\$0.0	\$0.0
Other	-\$0.2	-\$0.1	-\$0.1	-\$0.1

Sources: Tourism Economics; StatCan

THE VIRUS CONTAINED SCENARIO

Economic impacts

Losses to the economy include 263,000 jobs, \$11.4 billion in government revenue, and \$15.1 billion in GDP.

2020 spending, employment, government revenue, and GDP losses in Canada, Virus Contained COVID-19 scenario

CAD, billion losses compared to 2019

	Jobs	Total	Government revenue				GDP
			Federal	Provincial	Municipal	Aboriginal	
Canada	-262,942	-\$11.4	-\$5.1	-\$5.6	-\$0.6	-\$0.07	-\$15.1
Alberta	-28,888	-\$1.4	-\$0.6	-\$0.7	-\$0.1	-\$0.01	-\$2.1
British Columbia	-45,427	-\$1.9	-\$0.9	-\$0.9	-\$0.1	-\$0.01	-\$2.6
Manitoba	-7,005	-\$0.3	-\$0.1	-\$0.2	\$0.0	\$0.00	-\$0.4
New Brunswick	-4,380	-\$0.2	-\$0.1	-\$0.1	\$0.0	\$0.00	-\$0.2
Newfoundland & Labrador	-2,811	-\$0.1	-\$0.1	-\$0.1	\$0.0	\$0.00	-\$0.2
Nova Scotia	-6,798	-\$0.3	-\$0.1	-\$0.1	\$0.0	\$0.00	-\$0.3
Ontario	-97,557	-\$4.3	-\$1.9	-\$2.1	-\$0.2	-\$0.03	-\$5.5
Prince Edward Island	-1,712	\$0.0	\$0.0	\$0.0	\$0.0	\$0.00	-\$0.1
Quebec	-59,037	-\$2.5	-\$1.1	-\$1.2	-\$0.1	-\$0.01	-\$3.2
Saskatchewan	-7,707	-\$0.3	-\$0.1	-\$0.2	\$0.0	\$0.00	-\$0.4
Other	-1,619	-\$0.1	\$0.0	\$0.0	\$0.0	\$0.00	-\$0.1

Sources: Tourism Economics; StatCan

THE VIRUS CONTAINED SCENARIO

Impacts by sector

Lodging and food and beverage services both see losses of close to \$7 billion in revenue in 2020.

Virus Contained COVID-19 related tourism spending losses by sector, 2020

CAD, billions

	Total	Transportation	Lodging	Food & bev.	Recreation	Other ¹
Canada	-\$36.4	-\$11.7	-\$7.1	-\$6.5	-\$2.5	-\$8.5
Alberta	-\$4.5	-\$1.5	-\$0.9	-\$0.9	-\$0.3	-\$0.9
British Columbia	-\$6.1	-\$1.7	-\$1.5	-\$1.4	-\$0.5	-\$1.0
Manitoba	-\$1.0	-\$0.4	-\$0.2	-\$0.2	-\$0.1	-\$0.2
New Brunswick	-\$0.5	-\$0.1	-\$0.1	-\$0.1	\$0.0	-\$0.1
Newfoundland & Labrador	-\$0.4	-\$0.1	-\$0.1	-\$0.1	\$0.0	-\$0.1
Nova Scotia	-\$0.8	-\$0.2	-\$0.2	-\$0.2	\$0.0	-\$0.1
Ontario	-\$13.7	-\$4.4	-\$2.6	-\$3.1	-\$0.9	-\$2.6
Prince Edward Island	-\$0.1	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Quebec	-\$7.9	-\$2.6	-\$1.4	-\$1.8	-\$0.5	-\$1.5
Saskatchewan	-\$1.0	-\$0.3	-\$0.1	-\$0.2	-\$0.1	-\$0.2
Other	-\$0.2	-\$0.1	-\$0.1	-\$0.1	\$0.0	\$0.0

¹Includes Groceries, beer/wine/liquor from stores, travel services, convention fees, pre-trip expenses, miscellaneous products

Sources: Tourism Economics; StatCan

THE VIRUS NOT- CONTAINED SCENARIO

THE VIRUS NOT-CONTAINED SCENARIO

Summary data

Losses in 2020 amount to 58% of all spending or \$62 billion. While domestic losses are smallest percentage-wise, they amount to 76% of all losses due to the size of the domestic market.

Virus Not-Contained COVID-19 related tourism spending losses in Canada

CAD, billions	% loss compared to 2019			\$ loss compared to 2019			
	2019	2020	2021	2020	2021	2020	2021
Total	\$104.7	\$42.5	\$81	-59%	-22%	-\$62.3	-\$23.4
Canada	\$82.1	\$34.8	\$68.2	-58%	-17%	-\$47.3	-\$14.0
US	\$11.2	\$3.9	\$6.7	-65%	-40%	-\$7.3	-\$4.4
Overseas	\$11.4	\$3.7	\$6.4	-67%	-44%	-\$7.7	-\$5.0
<i>China</i>	\$1.8	\$0.6	\$1.1	-68%	-37%	-\$1.2	-\$0.7
<i>Japan</i>	\$0.5	\$0.3	\$0.4	-43%	-7%	-\$0.2	\$0.0
<i>South Korea</i>	\$0.4	\$0.1	\$0.2	-67%	-43%	-\$0.3	-\$0.2
<i>Australia</i>	\$0.8	\$0.3	\$0.4	-65%	-45%	-\$0.5	-\$0.3
<i>Mexico</i>	\$0.7	\$0.2	\$0.3	-70%	-54%	-\$0.5	-\$0.4
<i>United Kingdom</i>	\$1.3	\$0.4	\$0.7	-69%	-47%	-\$0.9	-\$0.6
<i>France</i>	\$1.0	\$0.3	\$0.5	-70%	-53%	-\$0.7	-\$0.5
<i>Germany</i>	\$0.7	\$0.2	\$0.4	-68%	-46%	-\$0.5	-\$0.3
<i>India</i>	\$0.4	\$0.1	\$0.2	-62%	-40%	-\$0.2	-\$0.2
<i>Rest of World</i>	\$3.9	\$1.2	\$2.1	-69%	-46%	-\$2.7	-\$1.8

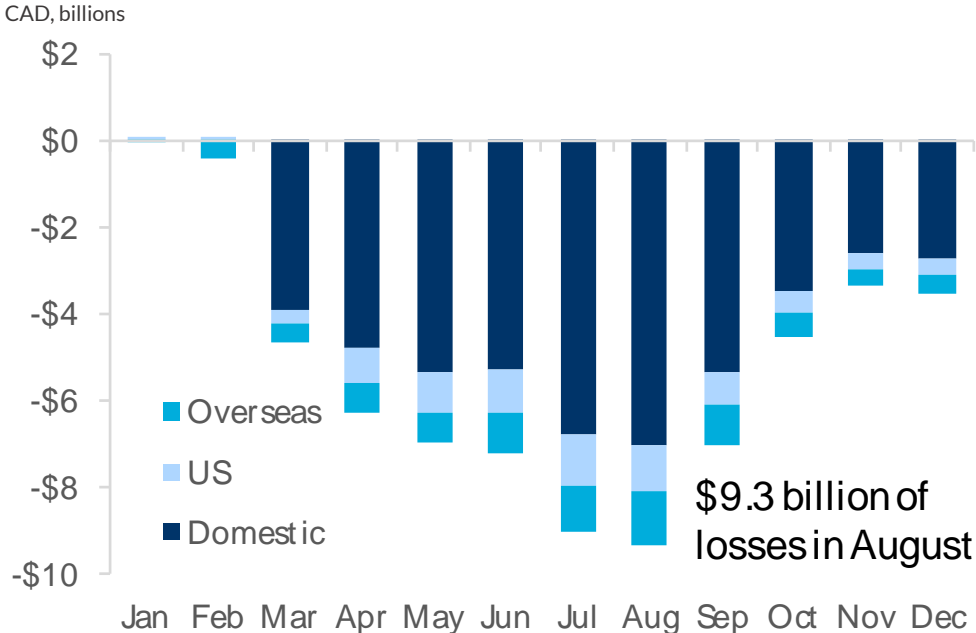
Sources: Tourism Economics; StatCan

THE VIRUS NOT-CONTAINED SCENARIO

Monthly impacts

Dollar losses peak in August 2020 at \$9.3 billion for the month.

Virus Not-Contained COVID-19 related 2020 tourism spending losses in Canada



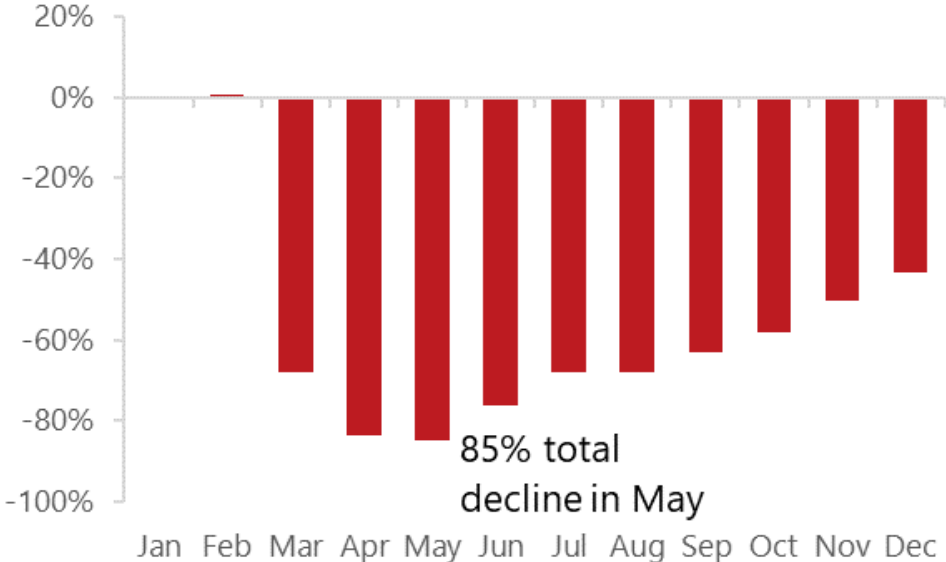
Sources: Tourism Economics; StatCan

THE VIRUS NOT-CONTAINED SCENARIO

Monthly impacts

Percent losses peak in May at 85%.

Virus Not-Contained COVID-19 related 2020 tourism spending losses in Canada
Percent decline compared to 2019



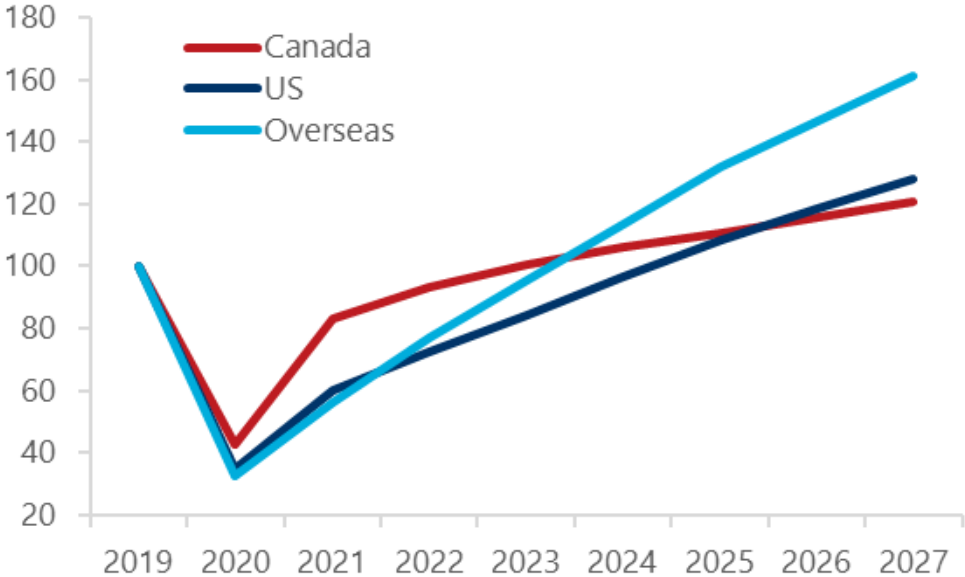
Sources: Tourism Economics; StatCan

THE VIRUS NOT-CONTAINED SCENARIO

Recovery timeline

The domestic market will experience the smallest decline in 2020 and recover faster than the international markets. However, in the long-term, international markets will grow faster.

Virus Not-Contained COVID-19 related tourism spending losses in Canada
Index (2019=100)



Sources: Tourism Economics; StatCan

THE VIRUS NOT-CONTAINED SCENARIO

Impacts by Province

Ontario will experience the largest losses, at \$23.5 billion.

Virus Not-Contained COVID-19 related tourism spending losses by province, 2020
CAD, billions

	Total	Domestic	US	Overseas
Canada	-\$62.3	-\$47.3	-\$7.3	-\$7.7
Alberta	-\$7.8	-\$6.2	-\$0.6	-\$0.9
British Columbia	-\$10.3	-\$6.0	-\$1.8	-\$2.5
Manitoba	-\$1.7	-\$1.5	-\$0.1	-\$0.1
New Brunswick	-\$0.9	-\$0.7	-\$0.1	-\$0.1
Newfoundland & Labrador	-\$0.7	-\$0.6	-\$0.1	-\$0.1
Nova Scotia	-\$1.4	-\$1.0	-\$0.2	-\$0.1
Ontario	-\$23.5	-\$18.2	-\$2.9	-\$2.3
Prince Edward Island	-\$0.2	-\$0.1	-\$0.1	-\$0.1
Quebec	-\$13.8	-\$11.2	-\$1.2	-\$1.3
Saskatchewan	-\$1.7	-\$1.6	-\$0.1	-\$0.1
Other	-\$0.4	-\$0.2	-\$0.1	-\$0.1

Sources: Tourism Economics; StatCan

THE VIRUS NOT-CONTAINED SCENARIO

Economic impacts

Losses to the economy include 450,000 jobs, \$19.5 billion in government revenue, and \$25.8 billion in GDP.

2020 spending, employment government revenue, and GDP losses in Canada, Virus Not-Contained COVID-19 scenario

CAD, billion losses compared to 2019

	Jobs	Government revenue					GDP
		Total	Federal	Provincial	Municipal	Aboriginal	
Canada	-450,238	-\$19.5	-\$8.8	-\$9.5	-\$1.1	-\$0.12	-\$25.8
Alberta	-49,466	-\$2.4	-\$1.1	-\$1.2	-\$0.1	-\$0.01	-\$3.6
British Columbia	-76,612	-\$3.2	-\$1.4	-\$1.6	-\$0.2	-\$0.02	-\$4.3
Manitoba	-11,878	-\$0.5	-\$0.2	-\$0.3	\$0.0	\$0.00	-\$0.7
New Brunswick	-7,344	-\$0.3	-\$0.1	-\$0.1	\$0.0	\$0.00	-\$0.3
Newfoundland & Labrador	-4,782	-\$0.2	-\$0.1	-\$0.1	\$0.0	\$0.00	-\$0.3
Nova Scotia	-11,567	-\$0.4	-\$0.2	-\$0.2	\$0.0	\$0.00	-\$0.5
Ontario	-167,250	-\$7.4	-\$3.3	-\$3.6	-\$0.4	-\$0.04	-\$9.5
Prince Edward Island	-2,857	-\$0.1	\$0.0	\$0.0	\$0.0	\$0.00	-\$0.1
Quebec	-102,553	-\$4.3	-\$1.9	-\$2.1	-\$0.2	-\$0.03	-\$5.6
Saskatchewan	-13,236	-\$0.5	-\$0.2	-\$0.3	\$0.0	\$0.00	-\$0.8
Other	-2,693	-\$0.1	-\$0.1	-\$0.1	\$0.0	\$0.00	-\$0.1

Sources: Tourism Economics; StatCan

THE VIRUS NOT-CONTAINED SCENARIO

Impacts by sector

Lodging and food and beverage services both see losses of over \$11 billion in revenue in 2020.

Virus Not-Contained COVID-19 related tourism spending losses by sector, 2020

CAD, billions

	Total	Transportation	Lodging	Food & bev.	Recreation	Other ¹
Canada	-\$62.3	-\$20.3	-\$12.0	-\$11.1	-\$4.2	-\$14.6
Alberta	-\$7.8	-\$2.7	-\$1.5	-\$1.6	-\$0.5	-\$1.5
British Columbia	-\$10.3	-\$3.0	-\$2.4	-\$2.4	-\$0.8	-\$1.6
Manitoba	-\$1.7	-\$0.7	-\$0.3	-\$0.3	-\$0.1	-\$0.3
New Brunswick	-\$0.9	-\$0.2	-\$0.2	-\$0.2	-\$0.1	-\$0.2
Newfoundland & Labrador	-\$0.7	-\$0.3	-\$0.1	-\$0.2	\$0.0	-\$0.1
Nova Scotia	-\$1.4	-\$0.4	-\$0.3	-\$0.3	-\$0.1	-\$0.3
Ontario	-\$23.5	-\$7.6	-\$4.4	-\$5.4	-\$1.6	-\$4.5
Prince Edward Island	-\$0.2	\$0.0	-\$0.1	-\$0.1	\$0.0	\$0.0
Quebec	-\$13.8	-\$4.6	-\$2.4	-\$3.2	-\$0.9	-\$2.7
Saskatchewan	-\$1.7	-\$0.6	-\$0.2	-\$0.4	-\$0.1	-\$0.4
Other	-\$0.4	-\$0.1	-\$0.1	-\$0.1	\$0.0	-\$0.1

¹includes Groceries, beer/wine/liquor from stores, travel services, convention fees, pre-trip expenses, miscellaneous products

Sources: Tourism Economics; StatCan

ABOUT TOURISM ECONOMICS

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- Economic impact analysis that highlights the value of visitors, events, developments, and industry segments
- Policy analysis that informs critical funding, taxation, and travel facilitation decisions
- Market assessments that define market allocation and investment decisions

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