

REPORT

TOURISM INDUSTRY ASSOCIATION OF ALBERTA

Spring Survey

Prepared by Leger

April 2024



Table of Contents

| | |
|-----------------------------|----|
| Project Overview | 3 |
| Key Learnings | 6 |
| Tourism Operator Profile | 10 |
| 2024 at a Glance | 17 |
| Business Impact | 20 |
| Forward Looking | 27 |
| Managing Risk | 31 |
| Labour Force | 37 |
| Debt and Sources of Revenue | 47 |



PROJECT OVERVIEW

Background & Objectives

To assist in helping Alberta businesses grow and to understand the top issues affecting the tourism industry, the Travel Industry Association of Alberta (TIAA) has been conducting a semi-annual online survey of tourism businesses across the province.

The surveys assess the current (and future) state of tourism businesses in the province. Results will be used to help educate operators across the province and help businesses adapt over time by creating better understanding of the current situation, anticipated challenges, and available opportunities.

Throughout this report, **Feb 2024** results are compared to previous waves, where applicable. Note that due to wording changes to questions over time, some direct comparisons are not shown.

The research is designed to track against previous waves (where applicable) and to provide up-to-date data on:

- The top issues facing the tourism sector;
- Business viability by year end;
- Business conditions if the market stays where it is;
- Impact of rising costs of inputs;
- Rising costs such as insurance premiums and inflation;
- Labour force challenges; and,
- Finance and debt.



Methodology & Sample



Online 14-minute survey of Alberta tourism operators.



Operators invited via email by TIAA with unique link to complete the survey. Generic open link and social media link also created.



In Feb 2024, a total of 131 responses were received, which has a margin of error of $\pm 8.6\%$, 19 times out of 20. Wave and regional details are provided in adjacent tables.



Throughout the report, where applicable, comparisons across key regions and sectors are noted. Significant differences between waves are marked as follows:

- ▲ Statistically significantly higher than previous wave.
- ▼ Statistically significantly lower than previous wave.

Regional Breakdown Feb 2024

| | |
|-------------------|-----|
| Canadian Rockies | 44% |
| Calgary and area | 35% |
| Edmonton and Area | 30% |
| Alberta South | 24% |
| Alberta Central | 27% |
| Alberta North | 31% |

| Wave | Oct 2022 | Feb 2023 | Oct 2023 | Feb 2024 |
|-----------|-------------------|------------------|-------------------|------------------|
| Fielding | Sep 26- Oct 26 | Jan 13- Feb 3 | Sep 25- Oct 31 | Feb 26- Apr 2 |
| Responses | n=158 | n=173 | n=123 | n=131 |



KEY LEARNINGS

Key Takeaways



There is a directional lift in business' outlooks for 2024, with close to 2-in-3 (65%) being optimistic (optimistic or somewhat optimistic) about the upcoming year. This is up 5 percentage points compared to Oct 2023.



In line with the increase in optimism about the coming year, organizations are significantly more likely to expect to return to pre-pandemic level operations within 6 months (7% in Feb 2024, up from 1% in Oct 2023). Steady with Oct 2023, 1-in-3 businesses (33%) reported that their pre-pandemic levels of operations have already returned (18%) or have already surpassed (15%) pre-pandemic levels of operations.



Reflecting on overall business performance for the past year (2023), 8-in-10 operators reported performing better than expected (40%) or as expected (40%).



A positive indication for ongoing recovery and more stability in the industry, over 2-in-5 businesses (41%) did not take on any additional debt over the past year and over 1-in-5 (22%) have already paid back all COVID-19 related debt. This is up significantly compared to Oct 2023 when just 8% had repaid. However, there are businesses still struggling with pandemic debt, as 1-in-5 took on more debt to help mitigate debt carrying costs of pandemic-related debt.

Key Takeaways



As anticipated by businesses, inflationary impacts were the biggest challenge organizations faced in 2023 (53%), followed by labour supply (37%). Unexpected challenges in 2023 included rising interest rates (16% vs. 2% of businesses who anticipated this challenge back in Feb of 2023) and overcoming impact of natural disasters (10% vs. 2% anticipated). However, insurance premiums and the rate of return from US/international visitors were significantly less of a challenge this past year than anticipated.



Inflation continues to impact businesses, and in Feb 2024, tourism operators feel the greatest impact in their fuel and energy costs, with 7-in-10 (71%) reporting this pressure. Labour costs (66%) and food (50%) round out the top 3 inflation pressures in Feb 2024.



Given the persistence of inflation, over half of businesses (55%) needed to adjust the price of their products and services due to supply chain and inflationary pressures. In Feb 2024, just over half of businesses (52%) are growing their product pricing (this is down directionally from Oct 2023 at 59%), while half (50%) are growing their service pricing (consistent with Oct 2023).



Half of businesses saw an increase in the number of international customers in 2023 compared to 2022. This continues to be an important measure to watch, as close to 6-in-10 (57%) of Alberta tourism operators are reliant on international visitors (consistent with Oct 2023).

Key Takeaways



Light duty cleaners and cooks remain the hardest positions to fill in 2023 (23% for both), and close to 1-in-10 businesses report it is difficult to fill executive positions (a new position added to the survey in Feb 2024).



Shortage of suitable workers (60%) and inability to pay wages offered in other sectors of the economy (59%) continue to be the biggest staffing challenges. Notably, there is a general upward trend in lack of affordable housing options as a challenge over the past 4 survey waves (44% in Feb 2024 vs. 29% in Oct 2022).

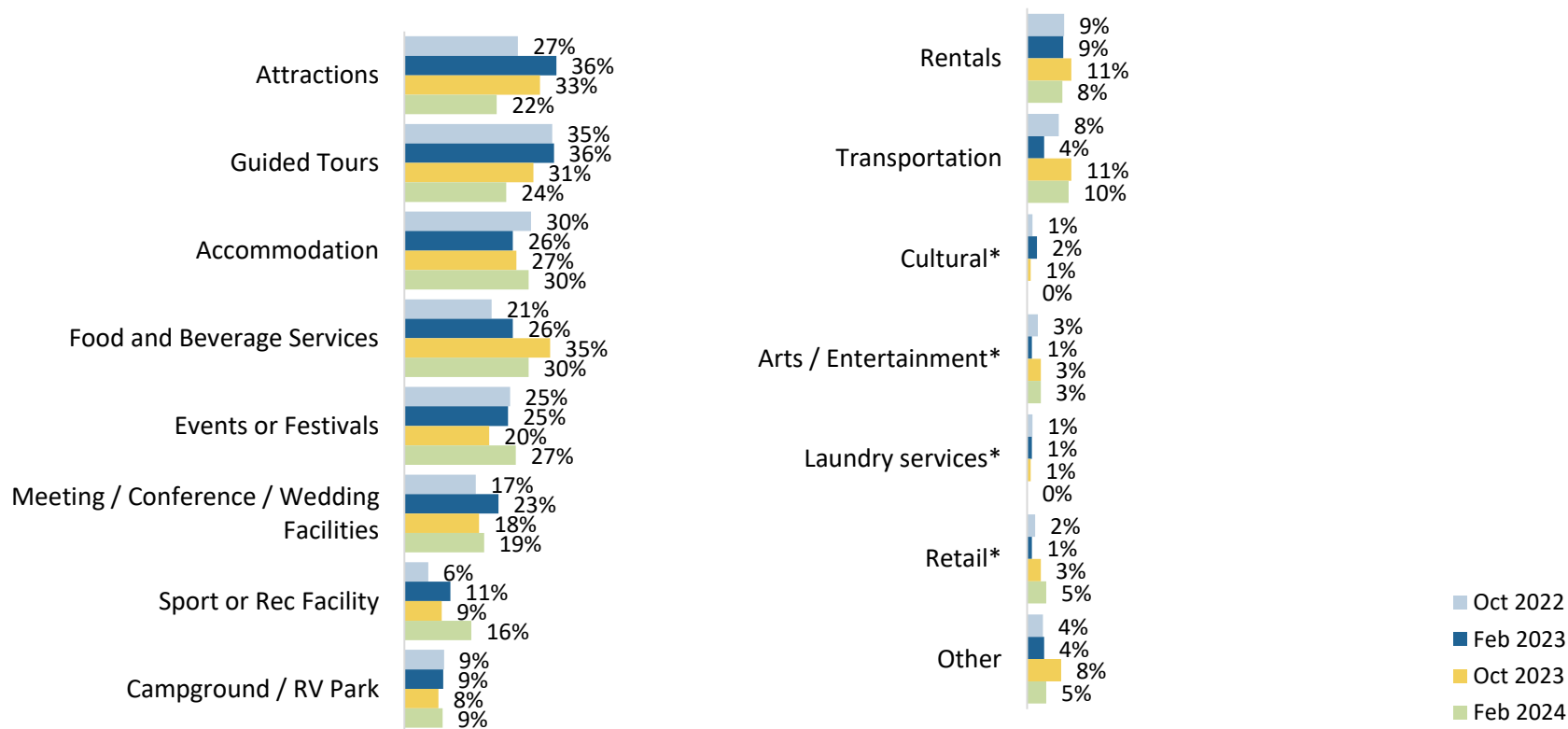


Alberta tourism operators are adopting and using digital technology. Close to 2-in-3 (64%) have adopted digital marketing strategies and over half (53%) have enhanced their website for better user experience and accessibility. Other ways businesses are leveraging digital technology include implementing contactless payment options (40%), implementing/upgrading online booking systems (38%), and using data analytics for business decision making (37%).

A person wearing a black cowboy hat is seen from the back, looking out at a vibrant, colorful night festival or fair. The background is filled with many bright, out-of-focus lights in various colors (red, yellow, green, blue, purple) and decorations, creating a bokeh effect. The scene is lively and festive.

TOURISM OPERATOR PROFILE

Industry Sector

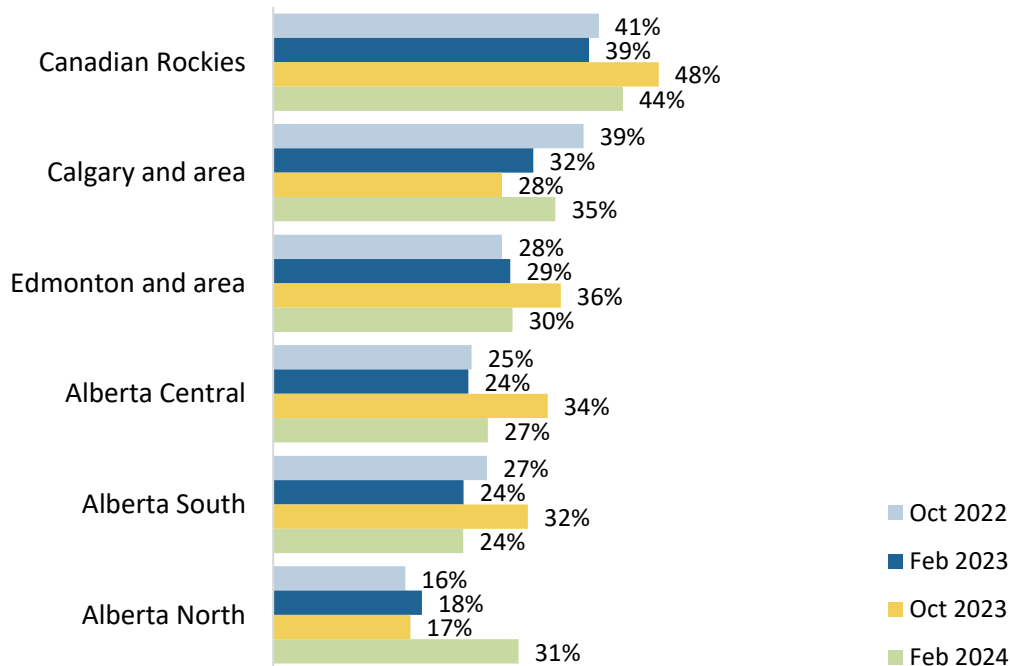


Q20. Which of the following sectors does your business fall under? Note: Q49 in Feb 2022

* Indicates new sectors added in Oct 2022 .

Base: All respondents, Oct 2022 (n=158); Feb 2023 (n=173); Oct 2023 (n=123); Feb 2024 (n=131)

Region of Business Location



Q15. How long has your business been in operation?

Base: All respondents, Oct 2022 (n=158); Feb 2023 (n=173); Oct 2023 (n=123); Feb 2024 (n=131)

Industry by Region Business Location

Feb 2024

| | TOTAL | Calgary and area (n=46*) | Canadian Rockies (n=57) | Alberta Central (n=35*) | Alberta South (n=31*) | Edmonton and area (n=39*) | Alberta North (n=40*) |
|---|-------|-----------------------------|----------------------------|----------------------------|--------------------------|------------------------------|--------------------------|
| Food and Beverage Services* | 30% | 17% | 30% | 34% | 23% | 26% | 15% |
| Accommodation* | 30% | 15% | 30% | 17% | 23% | 31% | 28% |
| Events or Festivals** | 27% | 33% | 12% | 29% | 35% | 36% | 40% |
| Guided Tours* | 24% | 37% | 35% | 34% | 39% | 33% | 28% |
| Attractions* | 22% | 24% | 14% | 31% | 26% | 26% | 25% |
| Meeting / Conference / Wedding Facilities** | 19% | 15% | 14% | 14% | 19% | 33% | 20% |
| Sport or Rec Facility** | 16% | 9% | 11% | 11% | 13% | 13% | 25% |
| Total Other | 40% | 57% | 47% | 63% | 55% | 59% | 50% |

Q20. Which of the following sectors does your business fall under? Values 5% or less are not labelled. Industries that have 5% or less presence across all regions are not included.

Base: All respondents, Feb 2024 (n=131). Note: Regions/Sectors with <20n not shown

*Small base size, use caution when interpreting ** Very small base size, use extreme caution when interpreting

Time in Business

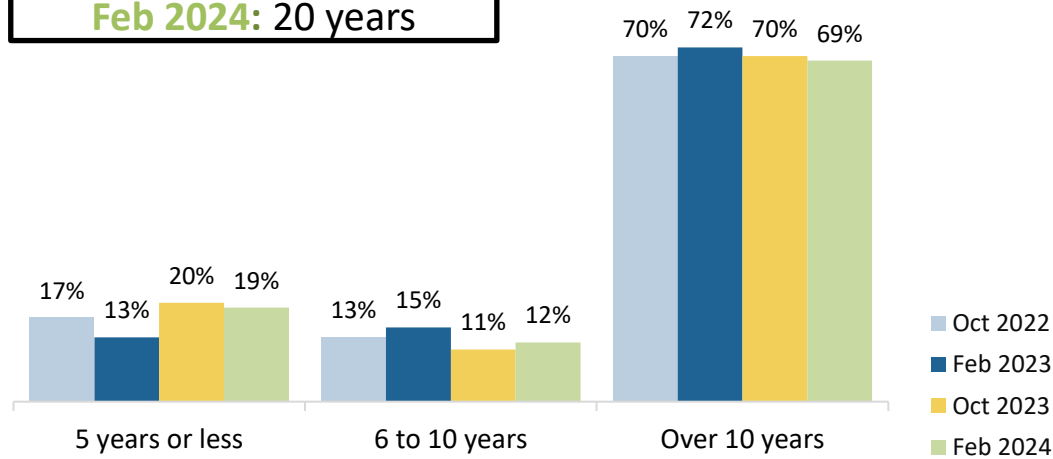
Median Time in Business:

Oct 2022: 22 years

Feb 2023: 25 years

Oct 2023: 20 years

Feb 2024: 20 years

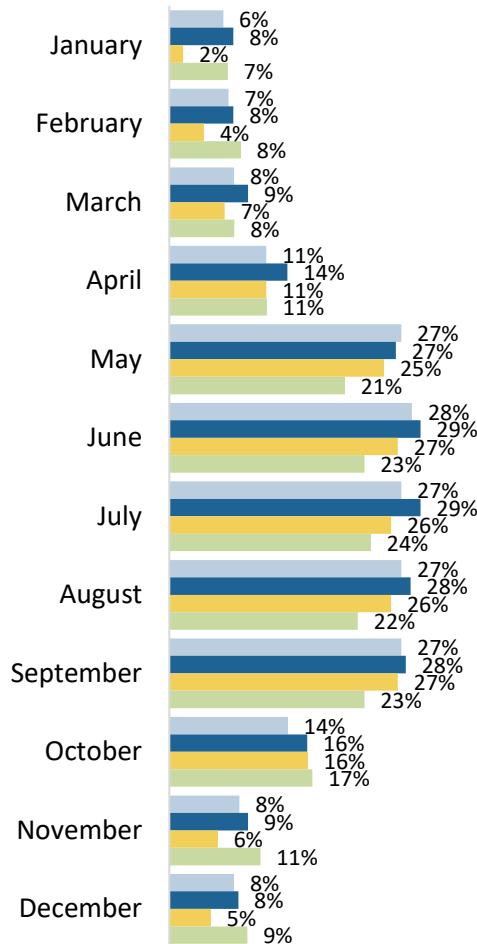
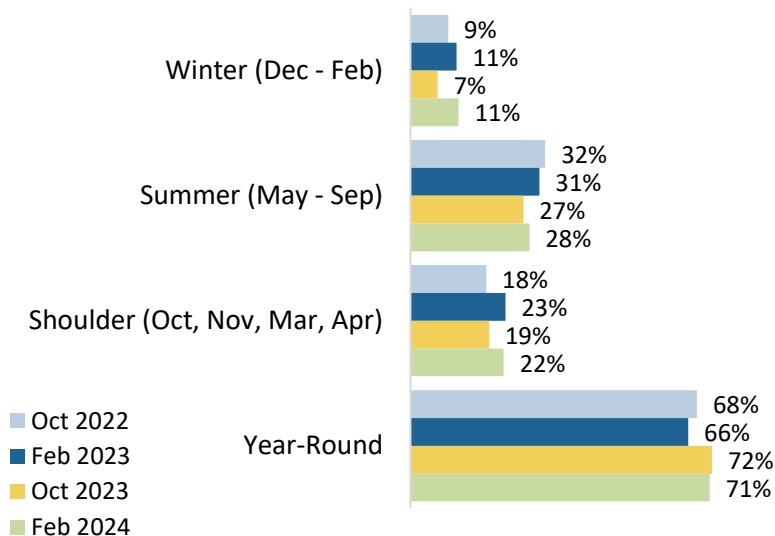


Q15. How long has your business been in operation?

Base: All respondents, Oct 2022 (n=158); Feb 2023 (n=173); Oct 2023 (n=123); Feb 2024 (n=131)

Months of Operation

Over 7-in-10 businesses operate year-round, consistent with Oct 2023. As seen in past waves, more businesses operate from May to September - at just under 3-in-10 – compared to the Winter or Shoulder seasons.

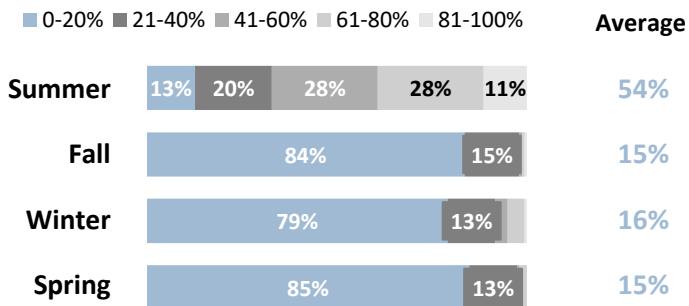


Q18. Which months do you normally operate?

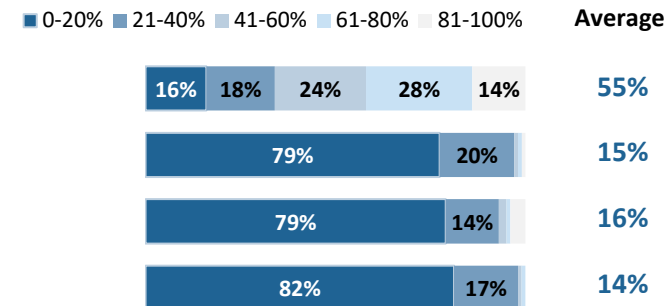
Base: All respondents, Oct 2022 (n=158); Feb 2023 (n=173); Oct 2023 (n=123); Feb 2024 (n=131)

Revenue Generated by Season

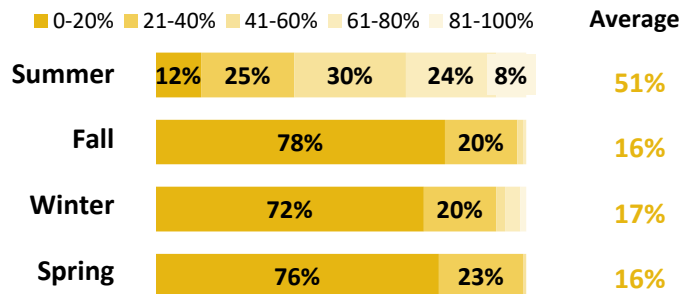
Oct 2022



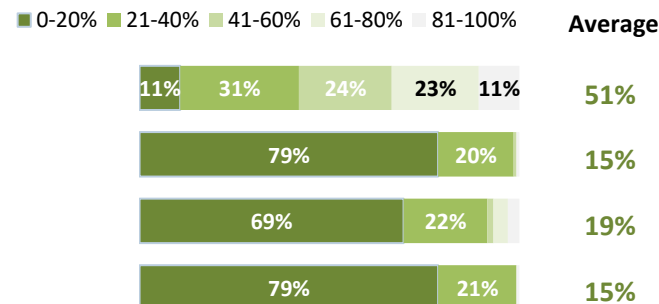
Feb 2023



Oct 2023



Feb 2024



Q19. What percentage of your tourism related revenue is generated in each of the four seasons? (must equal 100%)

Note: Q3 in Feb 2022. Note: 5% and less are not labelled

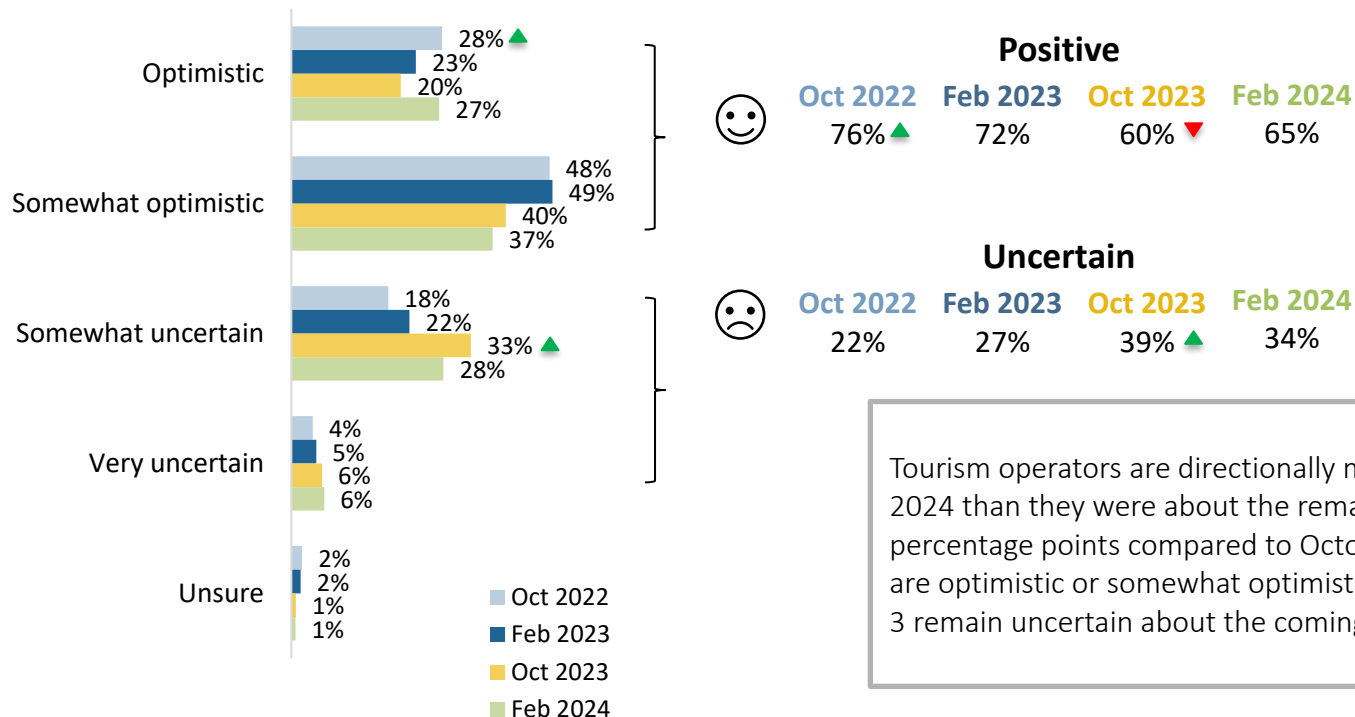
Base: All respondents, Feb 2022 (n=187); Oct 2022 (n=158); Feb 2023 (n=173); Oct 2023 (n=123)



HI-SPY VIEWING MACHINES
www.hispyviewing.com

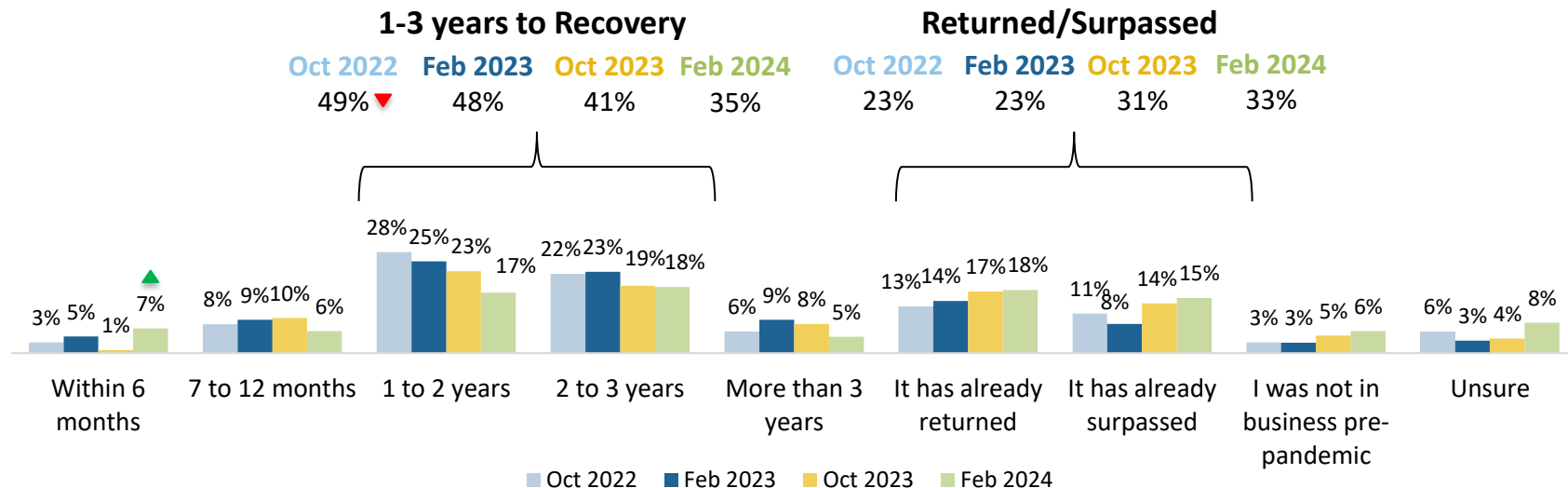
2024 AT A GLANCE

Outlook for This Year Overall: Tracking



Tourism operators are directionally more optimistic about 2024 than they were about the remainder of 2023 (up 5 percentage points compared to October 2023). Close to 2-in-3 are optimistic or somewhat optimistic. However, just over 1-in-3 remain uncertain about the coming year.

Estimated Return to Pre-Pandemic Level Operations: Tracking



Organizations' outlook for return to pre-pandemic levels looks more favourable this wave.

- The proportion of organizations whose operations have returned to pre-pandemic levels has remained steady with Oct 2023, with 1-in-3 businesses that have returned/surpassed their pre-pandemic level of operations as of spring 2024.
- A similar proportion (over 1-in-3) estimate that it will take 1-3 years for their operations to return to their pre-pandemic level, trending down over the past 4 waves.
- In Feb 2024, organizations are significantly more likely to say they will return to pre-pandemic level operations within 6 months.

▲ Significantly **higher** than previous wave.
▼ Significantly **lower** than previous wave.



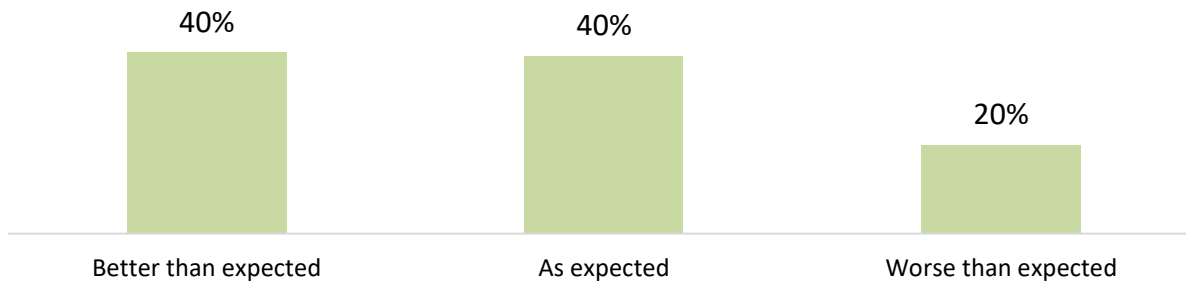
SORRY
WE ARE
CLOSED

COVID-19

BUSINESS IMPACT

Business Performance in Past Year

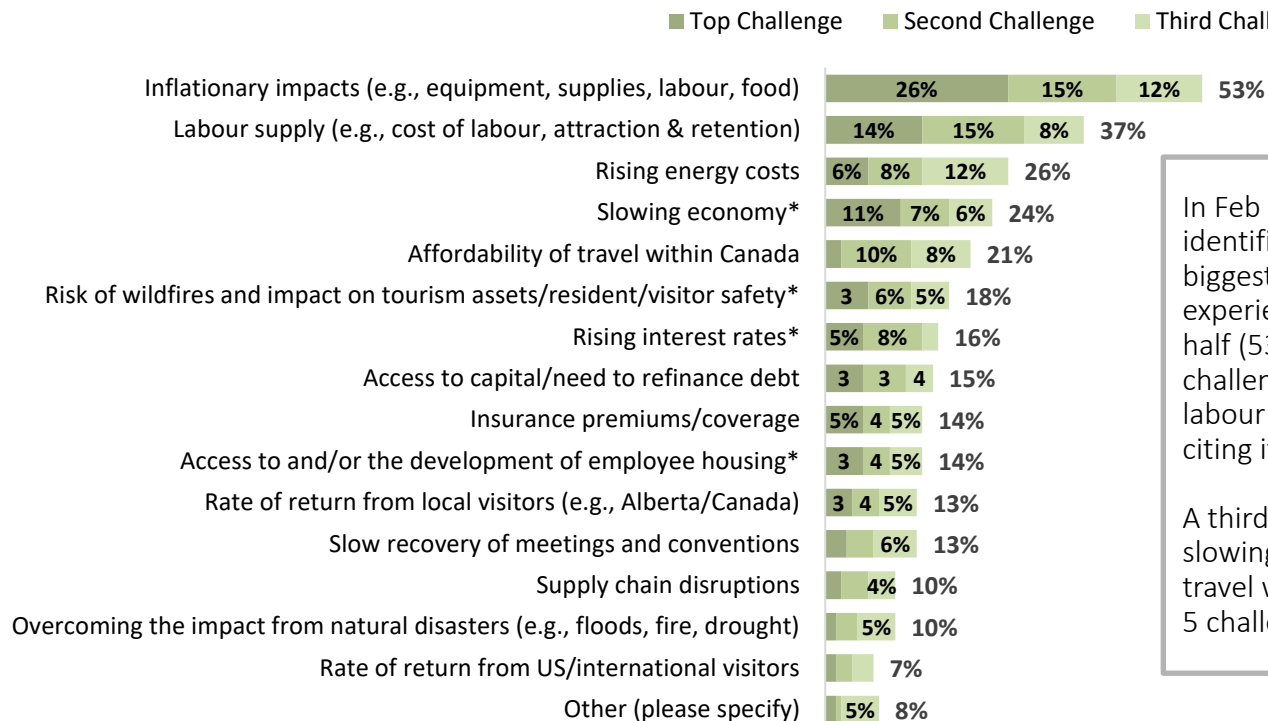
Feb 2024



Overall, 8-in-10 businesses felt they performed better than, or as expected, during 2023 (split evenly between better than expected and as expected).

Top Challenges Facing Organizations in the Alberta Tourism Industry

Feb 2024



In Feb 2024, just over 1-in-4 businesses identified inflationary impacts as the biggest challenge their organization experienced in the past year, with over half (53%) identifying it as a top 3 challenge overall. This is followed by labour supply, with close to 4-in-10 citing it as a top 3 challenge.

A third grouping of rising energy costs, slowing economy, and affordability of travel within Canada round out the top 5 challenges experienced.

Q1. What are the top '3' challenges you believe your organization experienced during the past year?

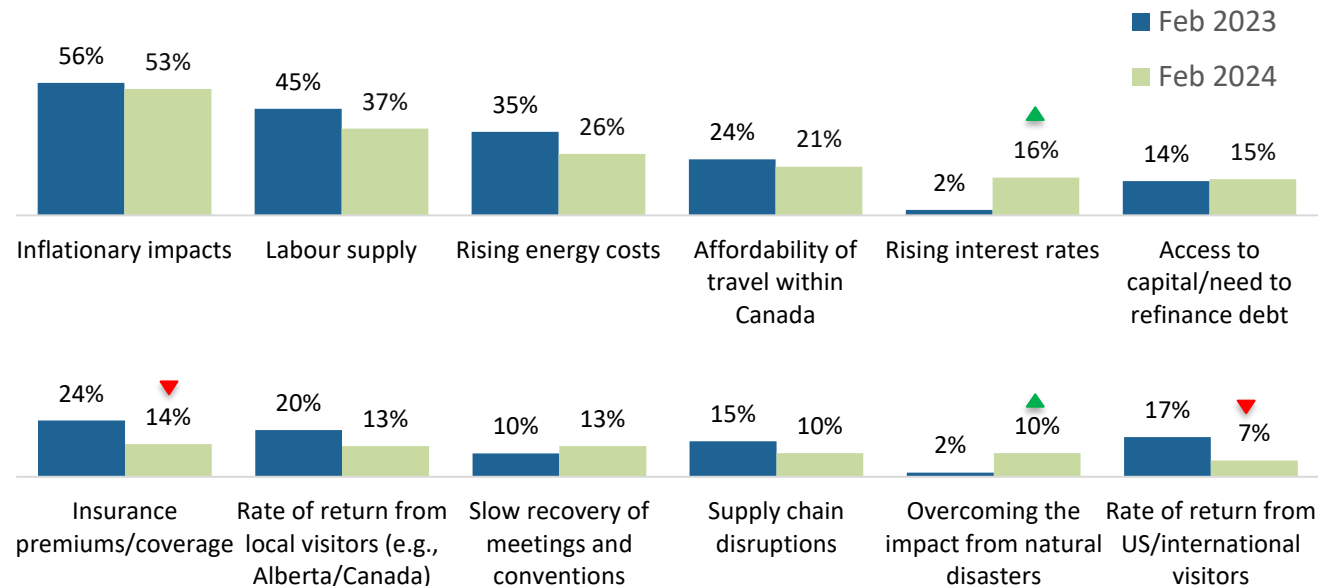
*Added in Oct 2023

Note: Responses less than 3% are not labelled

Base: All respondents, Feb 2024 (n=131)

Summary of Top 3 Challenges Facing Organizations in the Alberta Tourism Industry

Feb 2023 vs. Feb 2024



As anticipated one year ago, inflationary impacts were the biggest challenge organizations faced in the past year.

Higher interest rates and overcoming the impact of natural disasters (Alberta saw wildfires, flooding, and windstorms in 2023) have come into focus in the past year with 1-in-6 and 1-in-10 operators noting these challenges respectively.

More positively, insurance premiums and the rate of return from US/international visitors were significantly less of a challenge this past year than anticipated.

Feb 2024 Q1. What are the top '3' challenges you believe your organization experienced during the past year?

Feb 2023 Q1. Over the coming year, what are the top '3' challenges you believe your organization is likely to face?

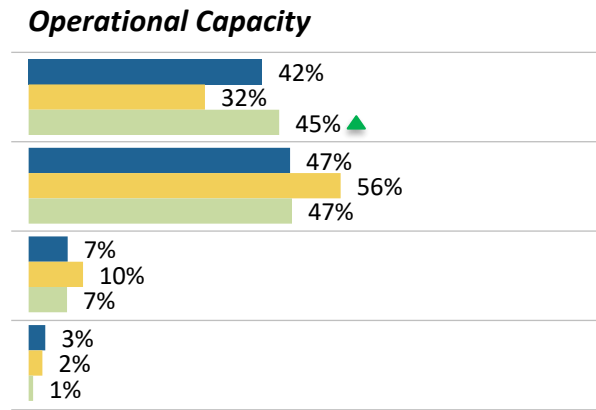
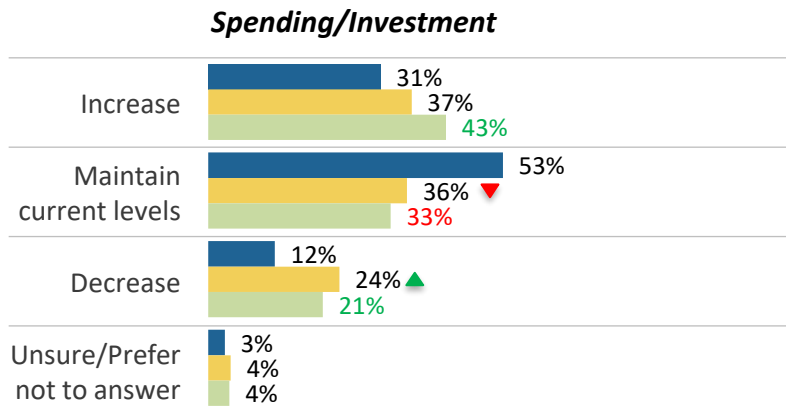
Note: this graph only includes the options that were listed in both timepoints. Note: The wording has been modified slightly to match all timepoints.

Base: All respondents, Feb 2023 (n=173); Feb 2024 (n=131)

▲ Significantly **higher** than comparative wave.

▼ Significantly **lower** than comparative wave.

Business Investment and Operational Capacity Intentions: Tracking Feb 2023 vs. Oct 2023 vs. Feb 2024



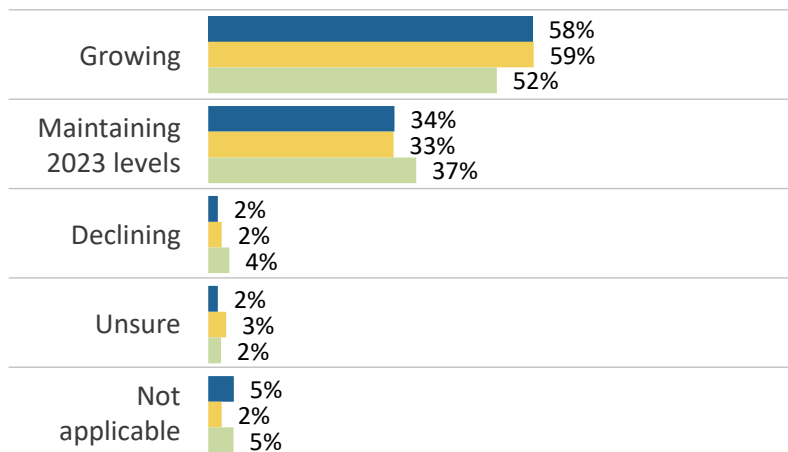
Business investment intentions for the year have remained relatively consistent compared to Oct 2023.

- However, compared to Feb 2023, businesses are significantly more likely to either plan to increase (4-in-10) or decrease (1-in-5) spending/investment, with fewer planning to maintain current levels (1-in-3, down from more than half in Feb 2023).
- When it comes to operational capacity, more than 3-in-7 intend to increase current levels, up significantly compared to Oct 2023 and consistent with Feb 2023.

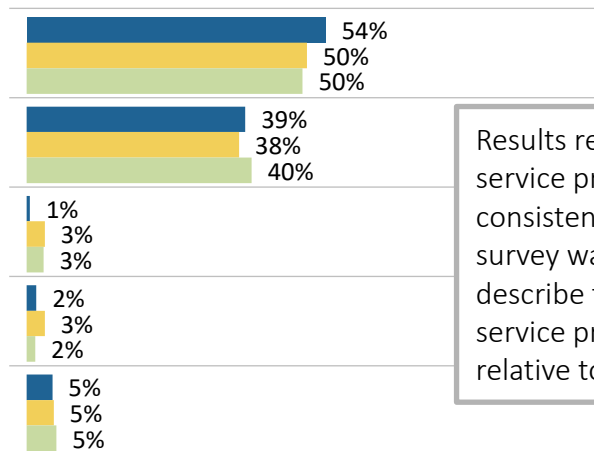
Significantly **higher** than Feb 2023 wave. ▲ Significantly **higher** than previous wave.
 ## Significantly **lower** than Feb 2023 wave. ▼ Significantly **lower** than previous wave.

Product and Service Pricing Relative to Previous Year: Tracking Feb 2023 vs. Oct 2023 vs. Feb 2024

Product Pricing



Service Pricing



Results regarding product and service pricing remain fairly consistent with the previous 2 survey waves. Half of businesses describe their product (52%) and service pricing (50%) as growing relative to 2023.

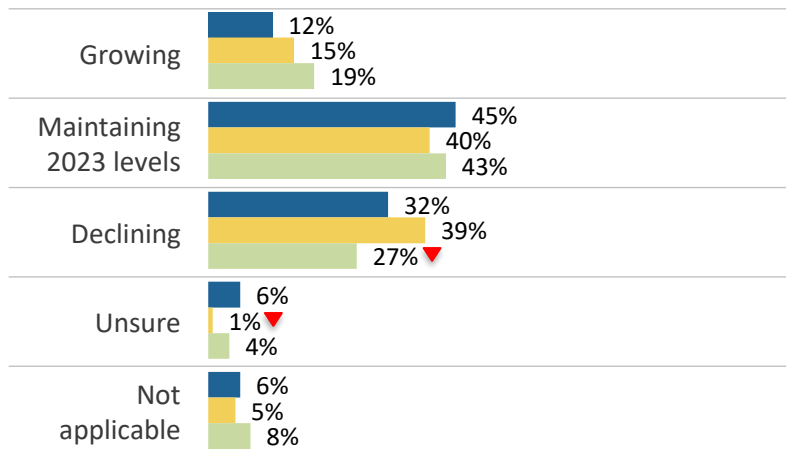
Businesses significantly **more likely** to describe **product pricing** as growing:

- **Canadian Rockies** (65%) and **Alberta South** (61%) vs. 38% Alberta North

Expectations for Product and Service Profit Margins

Feb 2023 vs. Oct 2023 vs. Feb 2024

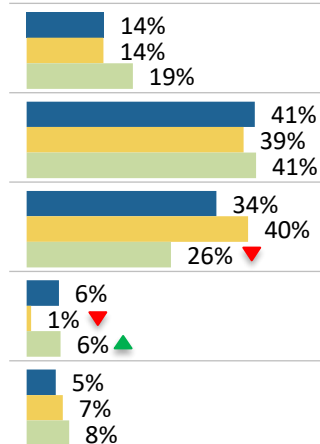
Product Profit Margins



Businesses significantly **more likely** to describe **product profit margins** as growing:

- **Calgary and area** (30% vs. 13% Alberta North and 9% Alberta Central)

Service Profit Margins



Businesses significantly **more likely** to describe **service profit margins** as maintaining 2023 levels:

- **Those in business 10+ years** (48% vs. 27% 10 years or less)

Businesses have more positive expectations for product and service margins in 2024.

- Approximately 4-in-10 businesses expect that their product and service profit margins will be the same as 2023, consistent with previous waves.
- Close to 1-in-5 expect to see growing profit margins, which is trending upwards since Feb 2023.
- The proportions of businesses who expect a decline in product and service profit margins has dropped significantly to over 1-in-4 for both.

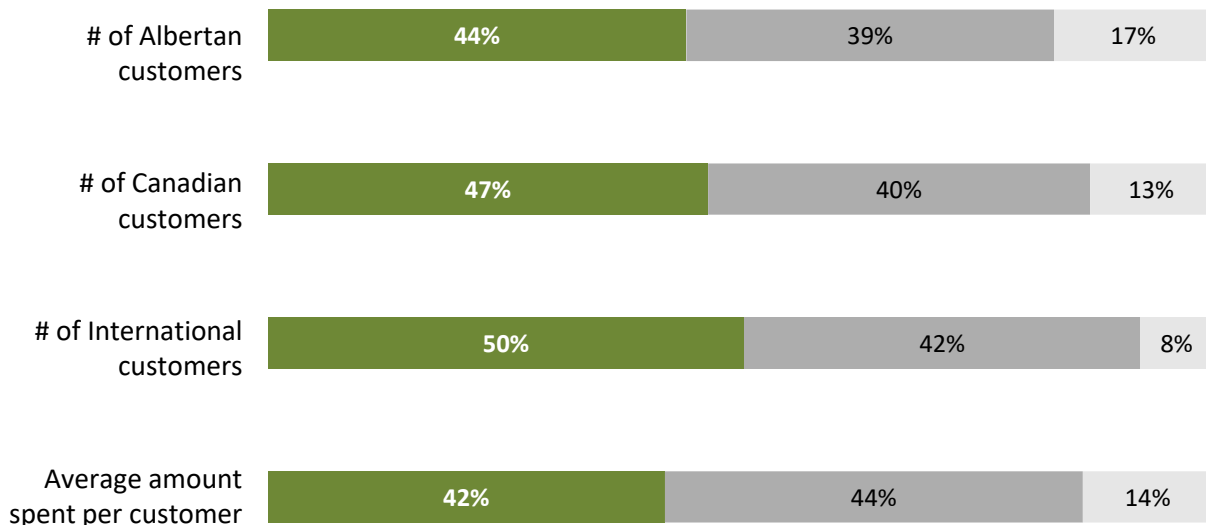
A silhouette of a person with long hair, seen from the back, looking out over a body of water towards a bright sunset. The sun is low on the horizon, creating a strong glow and reflecting on the water. The person's hand is raised to their head. A semi-transparent grey bar is overlaid across the middle of the image.

FORWARD LOOKING

Customer Changes: Past Year

Feb 2024

■ Increased ■ Stayed the same ■ Decreased

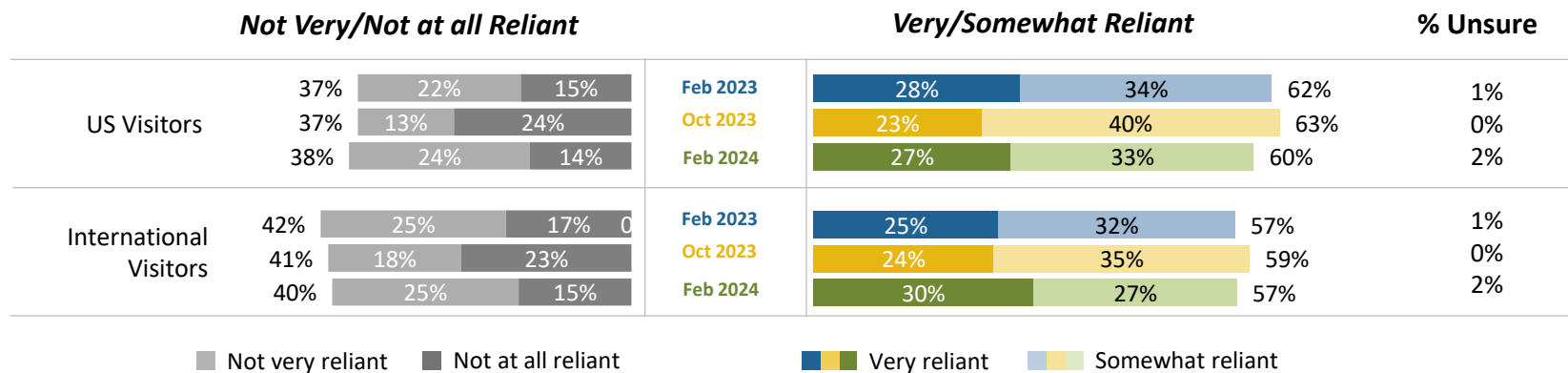


Half of businesses saw an increase in the number of international customers in 2023 compared to 2022. And close to half saw an increase in the number of Canadian customers.

Over 2-in-5 reported an increase in the average amount spent per customer over 2023.

Reliance on Access to US & International Visitors: Tracking

Feb 2023 vs. Oct 2023 vs. Feb 2024



Consistent with Oct and Feb 2023, 6-in-10 businesses are either very or somewhat reliant on US visitors, and close to 6-in-10 (57%) are either very or somewhat reliant on international visitors.

Businesses in the **Canadian Rockies** are significantly **more likely** to be reliant on US visitors (77% vs. 54% AB central & 50% Alberta north).

N3. How reliant or not is your business on access to US & International visitors?

Note: Question added Feb 2023

Values less than 2% are not labelled

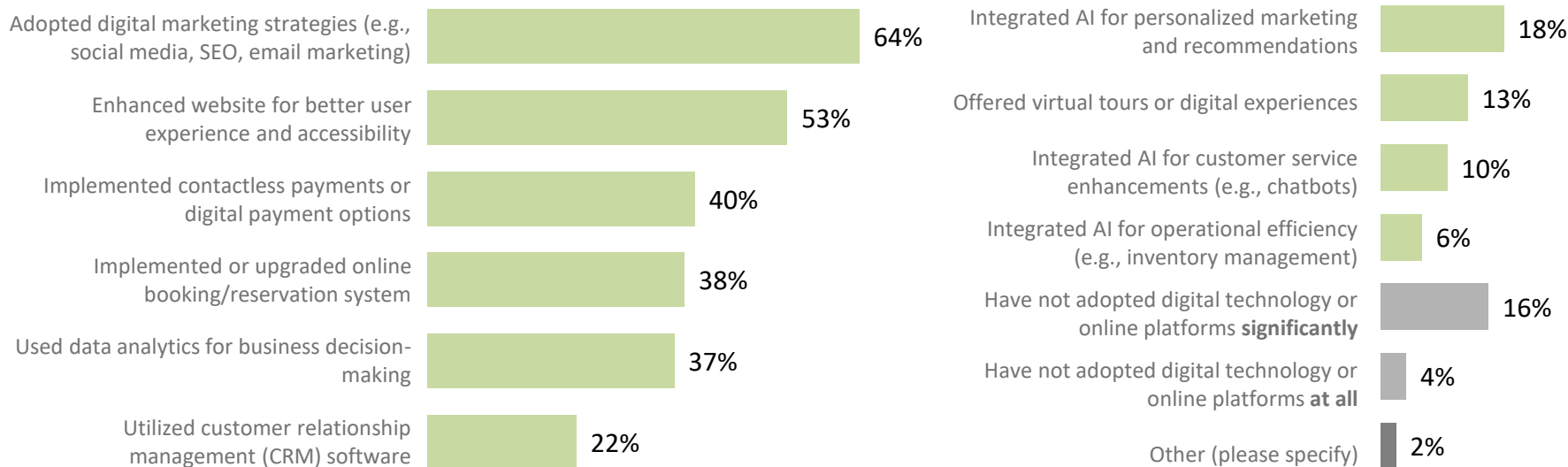
Base: All respondents, Feb 2023 (n=173); Oct 2023 (n=123); Feb 2024 (n=131)

▲ Significantly **higher** than previous wave.

▼ Significantly **lower** than previous wave.

Adoption of Digital Technology: Feb 2024

Alberta tourism operators are adopting and using digital technology to enhance operational efficiency, customer engagement, and revenue. Close to 2-in-3 (64%) have adopted digital marketing strategies and over half (53%) having enhanced their website. About 4-in-10 have implemented contactless payments, implemented or upgraded booking/reservation systems, and have used data analytics for business decision-making.



Q10b. How has your business adopted digital technology, online platforms, and artificial intelligence (AI) in 2023 to enhance operational efficiency, customer engagement, and revenue generation?

Question added Feb 2024

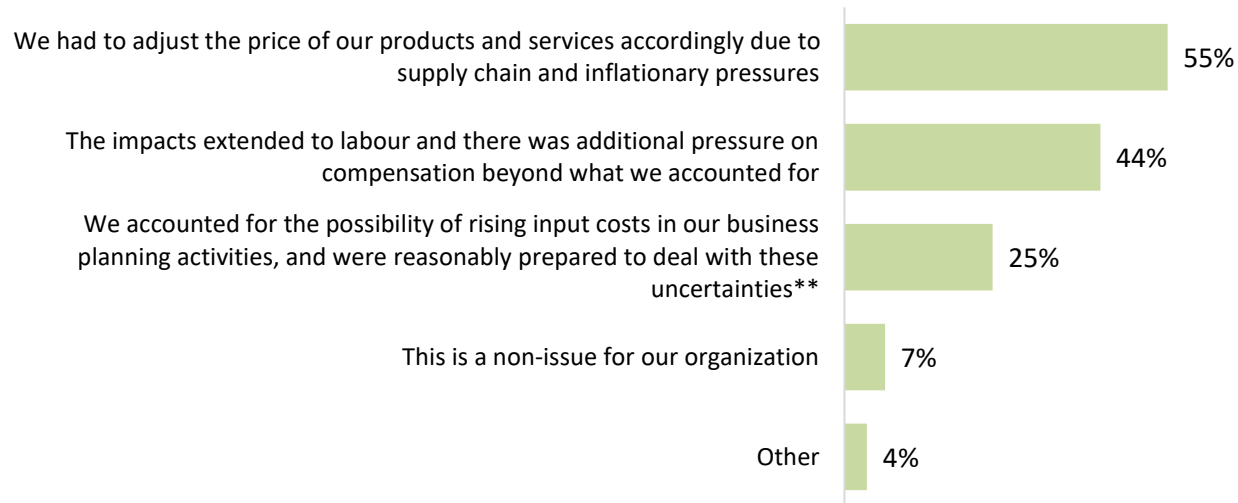
Base: All respondents, Feb 2024 (n=131)



MANAGING RISK

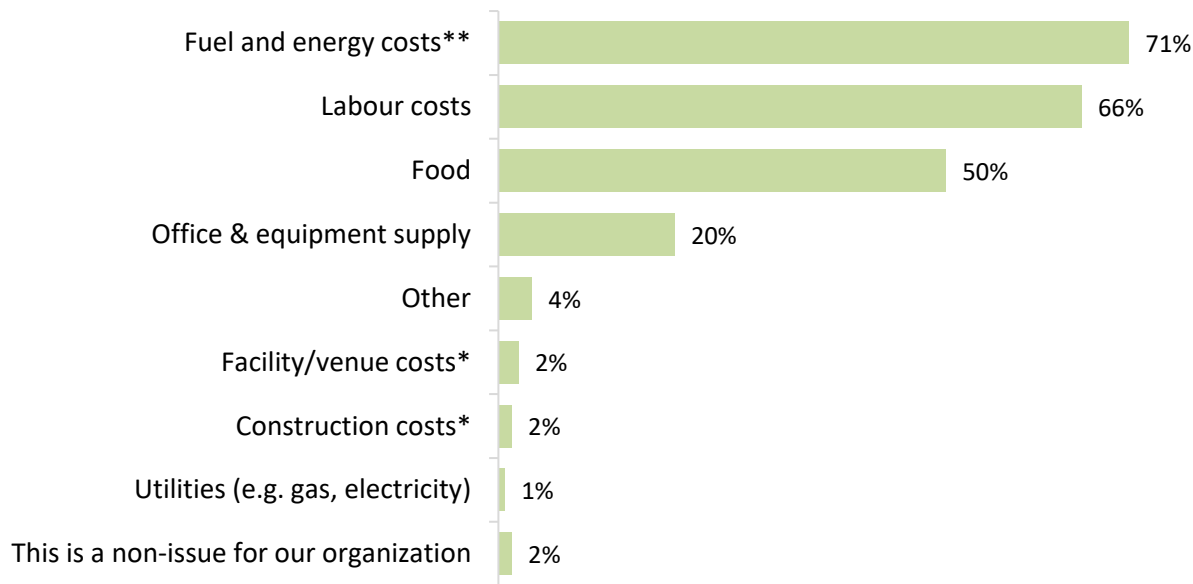
Impact of Rising Costs of Inputs

Feb 2024



Over half (55%) of businesses had to adjust the price of products and services due to supply chain and inflationary pressures. The rising cost of inputs has impacted labour and added additional pressure on compensation for just over 3-in-7 (44%). One-quarter of businesses have accounted for rising input costs in their business planning. Rising costs of inputs in a non-issue for less than 1-in-10 businesses.

Where Inflation Pressure is Felt: Feb 2024



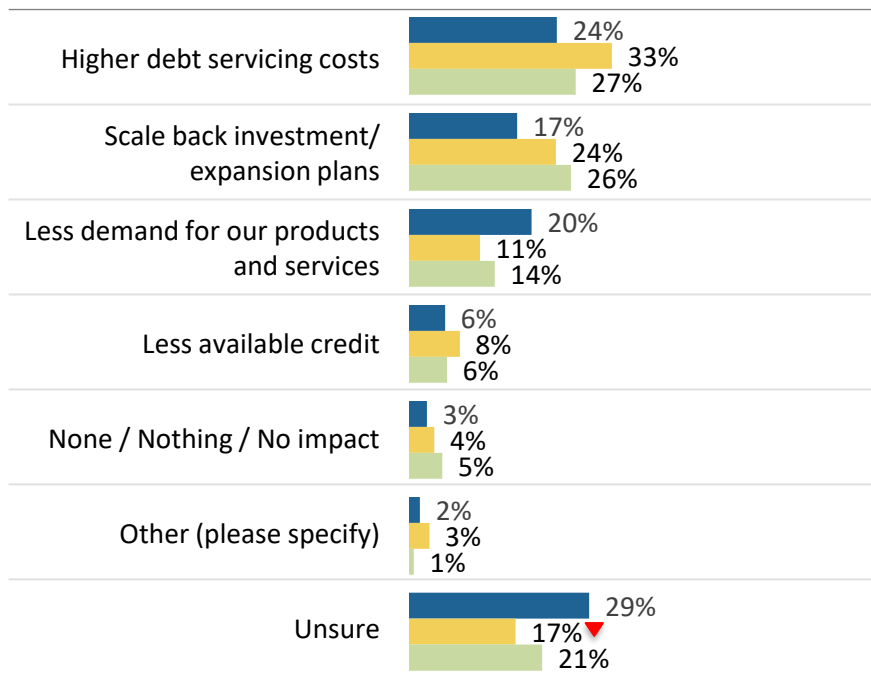
Businesses continue to be impacted by inflationary pressures, with only 2% of businesses reporting that it is not an issue. In Feb 2024, 7-in-10 feel the most inflation pressure in their fuel and energy costs. Labour costs are significant as well with 2-in-3 businesses reporting they feel the most pressure there, then followed by half feeling the most pressure from food.

Impact of Higher Interest Rates on Business: Tracking

Feb 2023 vs. Oct 2023 vs. Feb 2024

Over 1-in-4 businesses cite higher debt servicing costs as the most common impact of higher interest rates, although this is down directionally compared to Oct 2023. Scaling back investment/expansion plans are a close second.

About 1-in-5 are unsure of the impacts of higher interest rates.



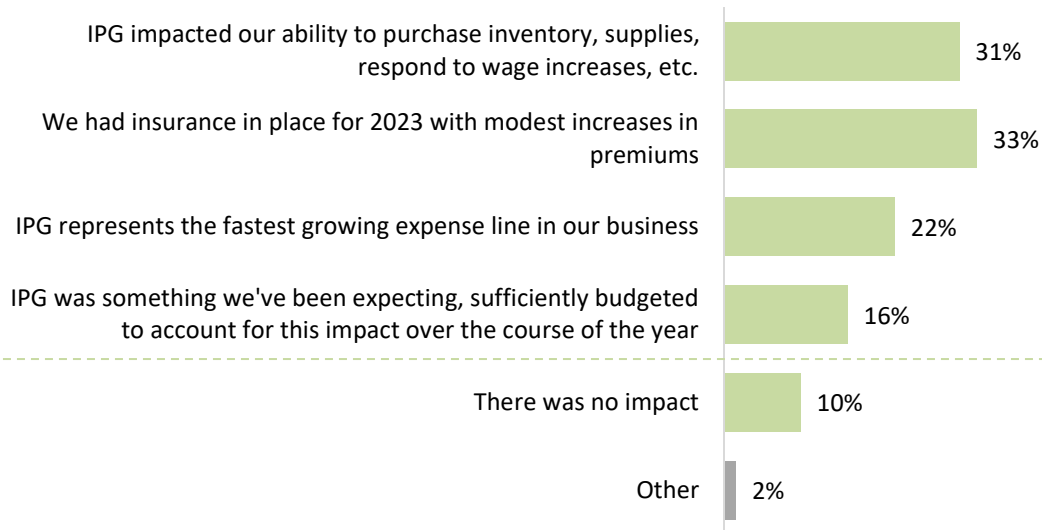
Feb 2024 Q7b. What has been the impact of higher interest rates on your business?
 Oct 2023 Q7b. What has been the impact of higher interest rates in 2022 and 2023 on your business?
 Feb 2023 Q7b. What has been the impact of higher interest rates in 2022 on your business?
 Note: Question added Feb 2023
 Base: All respondents, Feb 2023 (n=173); Oct 2023 (n=123); Feb 2024 (n=131)

▲ Significantly higher than previous wave.
 ▼ Significantly lower than previous wave.

Impact of Insurance Premium Growth

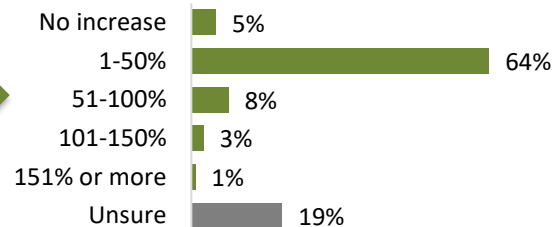
Feb 2024

Impact of Insurance Premium Growth (IPG)



86%
NET
Impacted

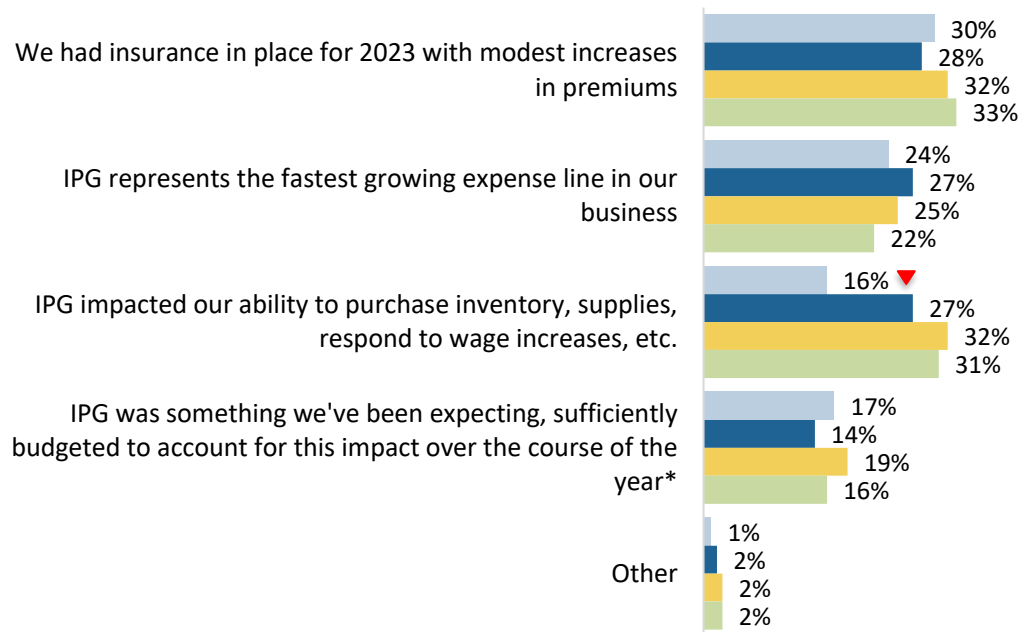
% Increase of Insurance Premium



A strong majority of businesses (86%) were impacted by insurance premium growth in 2023, with more than 3-in-10 noting it impacted their ability to purchase inventory and a similar proportion who said they had insurance in place for 2023 with modest increases in premiums. Over 1-in-5 say that insurance premium growth is the fastest growing expense line in their business.

Of the businesses that were impacted, close to 2-in-3 experienced an increase of up to 50% in their insurance premiums.

Impact of Insurance Premium Growth (IPG): Tracking



The impacts of insurance premium growth over the past 4 waves have been largely consistent.

■ Oct 2022
■ Feb 2023
■ Oct 2023
■ Feb 2024

Q6. What impact did insurance premiums have on business activities in 2023?

Oct 2022 Q6. What impact did insurance premiums have on business activities this summer? *Slight wording change Feb 2024

Note this graph only includes the options that were listed in all timepoints.

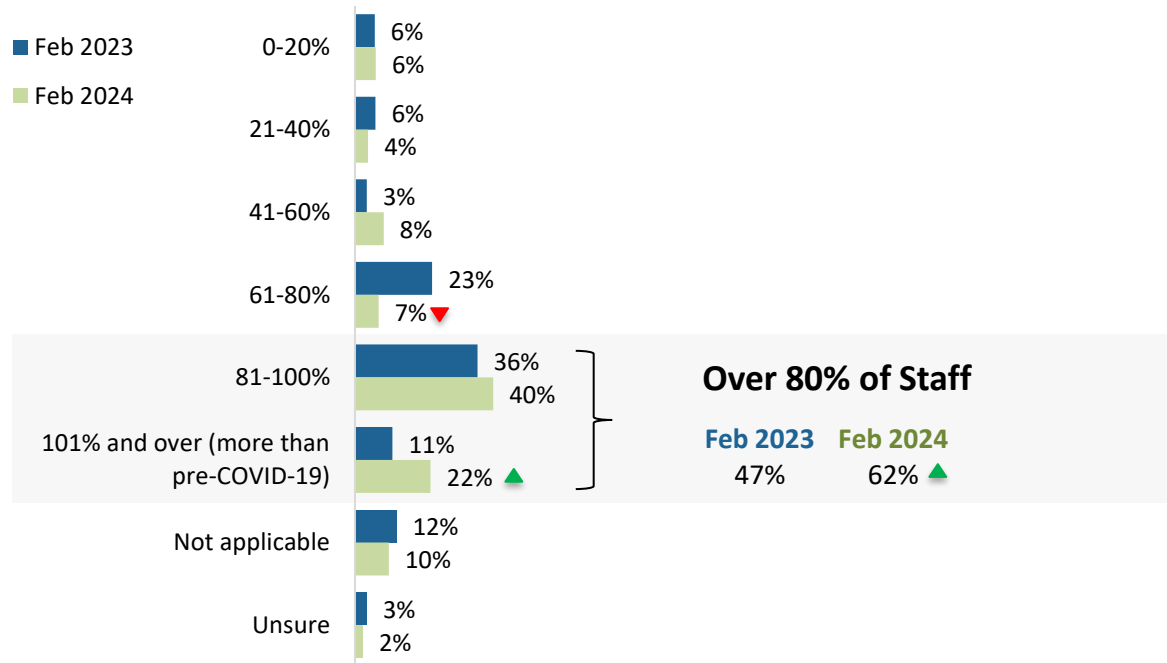
Base: All respondents, Oct 2022 (n=158); Feb 2023 (n=173); Oct 2023 (n=123); Feb 2024 (n=131)

▲ Significantly higher than previous wave.
▼ Significantly lower than previous wave.



LABOUR FORCE

Percent of Staff Now Compared to Pre-Pandemic Feb 2023 vs. Feb 2024



Staffing levels compared to a year ago are improving. Over 3-in-5 businesses (62%) operated with over 80% of their pre-pandemic levels of staff throughout 2023. This is up significantly from just under half (47%) during 2022.

Feb 2024 Q9. Compared to your staff levels throughout 2019 (pre-pandemic), what % of the number of employees did your business operate with throughout 2023?

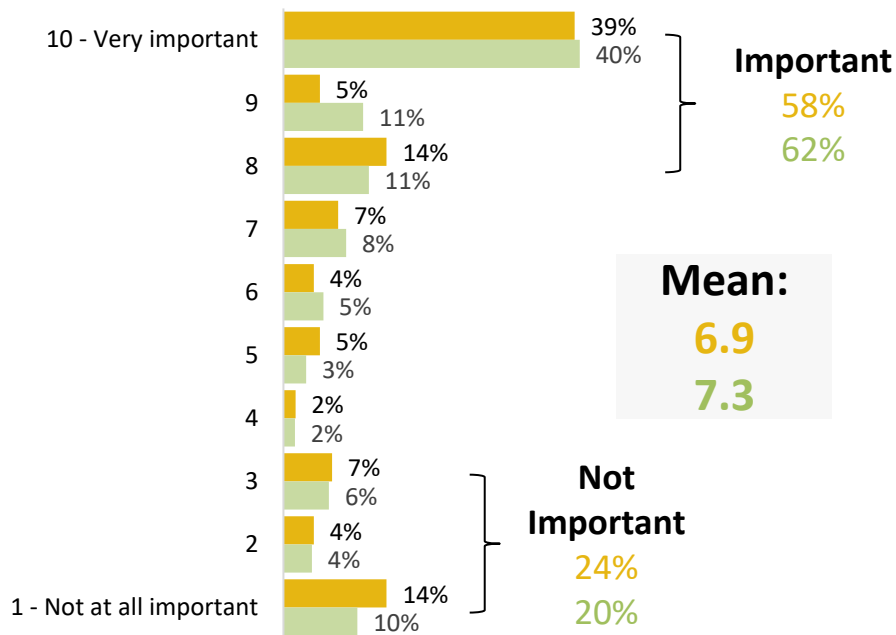
Feb 2023 Q9. Compared to your staff levels in 2019 (pre-pandemic), what % of the number of employees is your business operating with as of this date?

Base: All respondents, Feb 2023 (n=173); Feb 2024 (n=131)

▲ Significantly **higher** than comparative wave.
▼ Significantly **lower** than comparative wave.

Importance of Housing in Your Community

Oct 2023 vs. Feb 2024 Only



Remaining relatively consistent with Oct 2023, over 3-in-5 businesses think it is important to have housing in their community to attract and retain workers.

Businesses significantly **more likely** to rate **access to housing as important** (8/9/10) include:

- Those in **Canadian Rockies** (74% vs. 46%-55% among other regions).

Staffing Challenges

Feb 2024



Shortage of suitable workers and inability to pay competitive wages are the most common challenges businesses faced to maintain their employee workforce. The next most common set of challenges are the inability to offer stable, year-round employment and the lack of affordable housing options.

Notably, a lack of affordable housing is most often ranked as the #1 challenge to maintain employee workforce, with close to 1-in-5 businesses ranking it their top challenge.

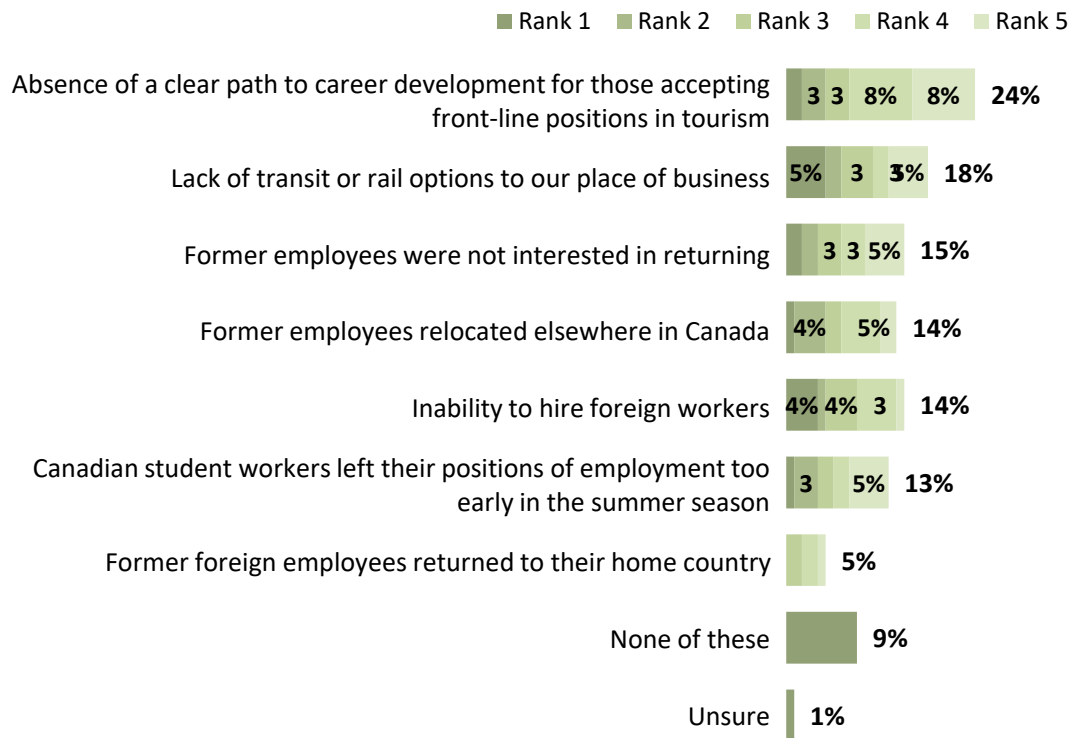
Q8. What were your 5 biggest challenges you faced to maintain your employee workforce?

Note: Responses less than 3% are not labelled

Base: All Respondents, Feb 2024 (n=131)

Staffing Challenges (Cont'd)

Feb 2024

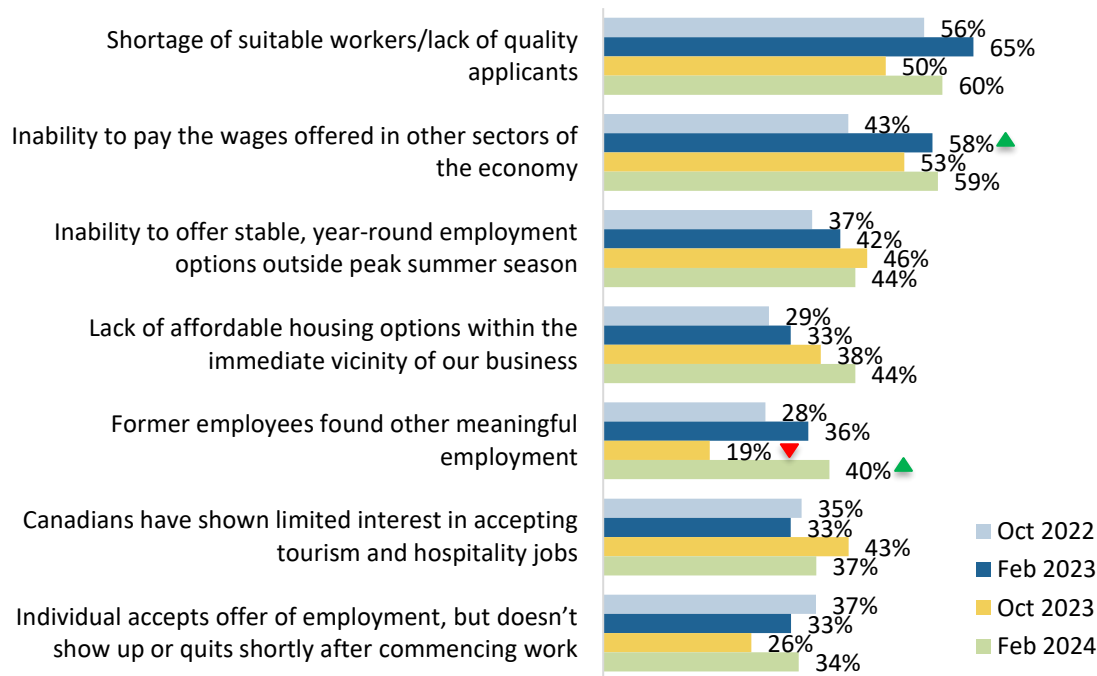


Q8. What were your 5 biggest challenges you faced to maintain your employee workforce?

Note: Responses less than 3% are not labelled

Base: All Respondents, Feb 2024 (n=131)

Staffing Challenges: Tracking



For the past four waves, shortage of suitable workers and inability to pay wages offered in other sectors remain the top 2 major staffing challenges.

There is a general upward trend in the challenge of lack of affordable housing options, with over 3-in-7 businesses noting this among their top 5 challenges faced to maintain their employee workforce.

Feb 2024 Q8. What were your 5 biggest challenges you faced to maintain your employee workforce?

Oct 2023 Q8. What were your 5 biggest challenges you faced this summer (May-September 2023) to maintain your employee workforce?

Feb 2023 Q8. What were your 5 biggest challenges in 2022 to maintain your employee workforce?

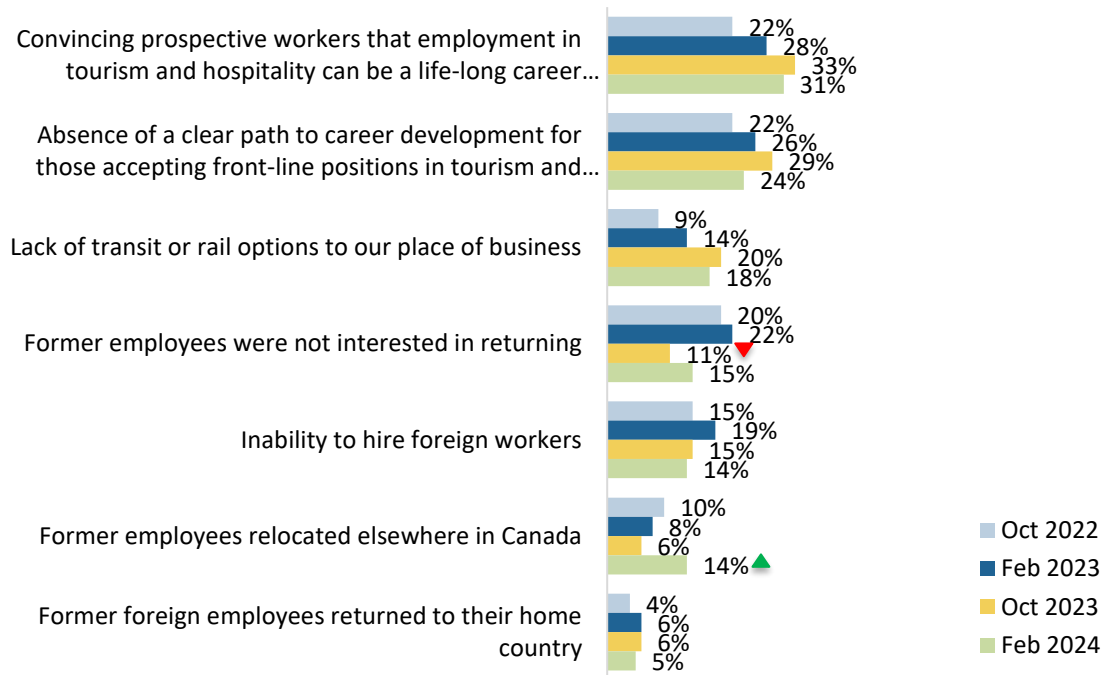
Oct 2022 Q8. What was the biggest challenge(s) you faced this summer (May – September 2022) to rebuild your organization's workforce to pre-pandemic levels?

Note this graph only includes the options that were listed in all timepoints.

Base: All respondents, Oct 2022 (n=158); Feb 2023 (n=173); Oct 2023 (n=123); Feb 2024 (n=131)

▲ Significantly **higher** than previous wave.
▼ Significantly **lower** than previous wave.

Staffing Challenges: Tracking



Feb 2024 Q8. What were your 5 biggest challenges you faced to maintain your employee workforce?

Oct 2023 Q8. What were your 5 biggest challenges you faced this summer (May-September 2023) to maintain your employee workforce?

Feb 2023 Q8. What were your 5 biggest challenges in 2022 to maintain your employee workforce?

Oct 2022 Q8. What was the biggest challenge(s) you faced this summer (May – September 2022) to rebuild your organization's workforce to pre-pandemic levels?

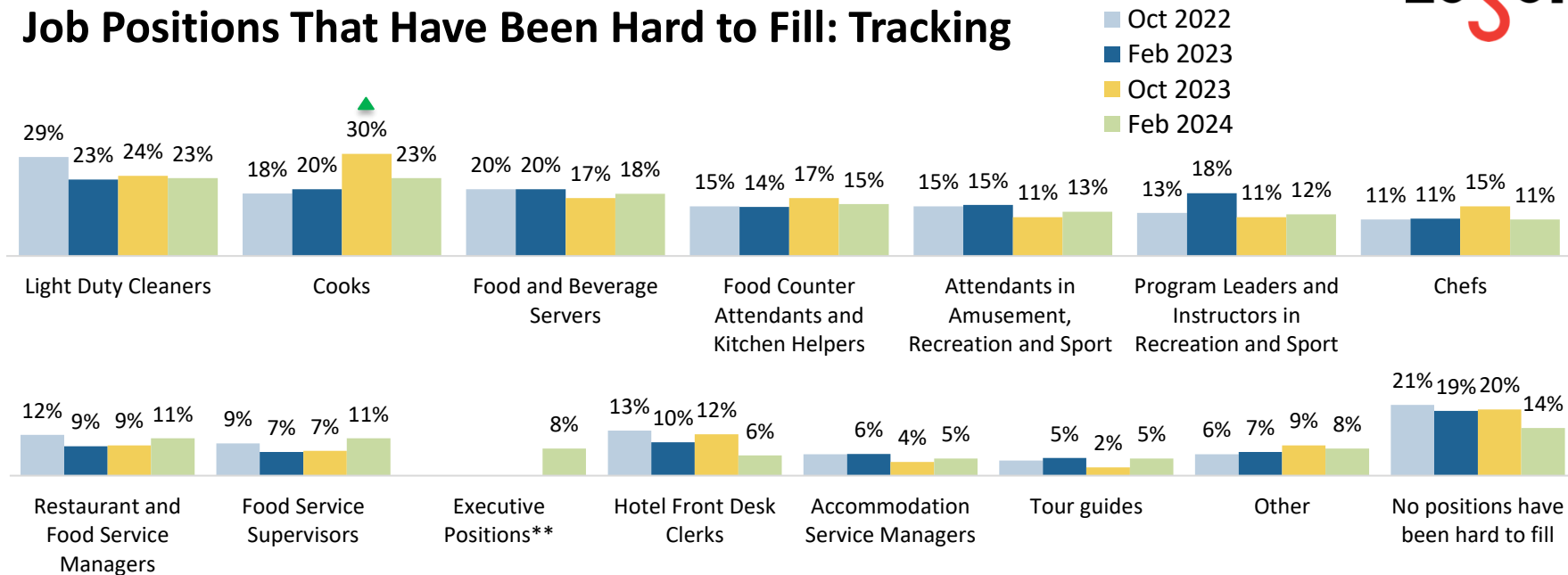
Note this graph only includes the options that were listed in all timepoints.

Base: All respondents, Oct 2022 (n=158); Feb 2023 (n=173); Oct 2023 (n=123); Feb 2024 (n=131)

▲ Significantly higher than previous wave.

▼ Significantly lower than previous wave.

Job Positions That Have Been Hard to Fill: Tracking



Overall, results for difficulty filling job positions remains steady wave over wave (with the exception of cooks in Oct 2023). Light duty cleaners and cooks remain the two most challenging positions to fill, with close to a quarter of businesses finding these hard to fill during 2023. New for the Feb 2024 survey wave, just under 1-in-10 businesses say it is hardest to fill executive positions.

Feb 2024 Q10. What job positions have been the hardest to fill during 2023?

Oct 2023 Q10. What job positions have been the hardest to fill this summer season (May – September 2023)?

Feb 2023 Q10. What job positions have been the hardest to fill in 2022?

Oct 2022. What job positions have been the hardest to fill this summer season (May – September 2022)?

Base: All respondents, Oct 2022 (n=158); Feb 2023 (n=173); Oct 2023 (n=123); Feb 2024 (n=131)

Positions less than 5% are not shown.

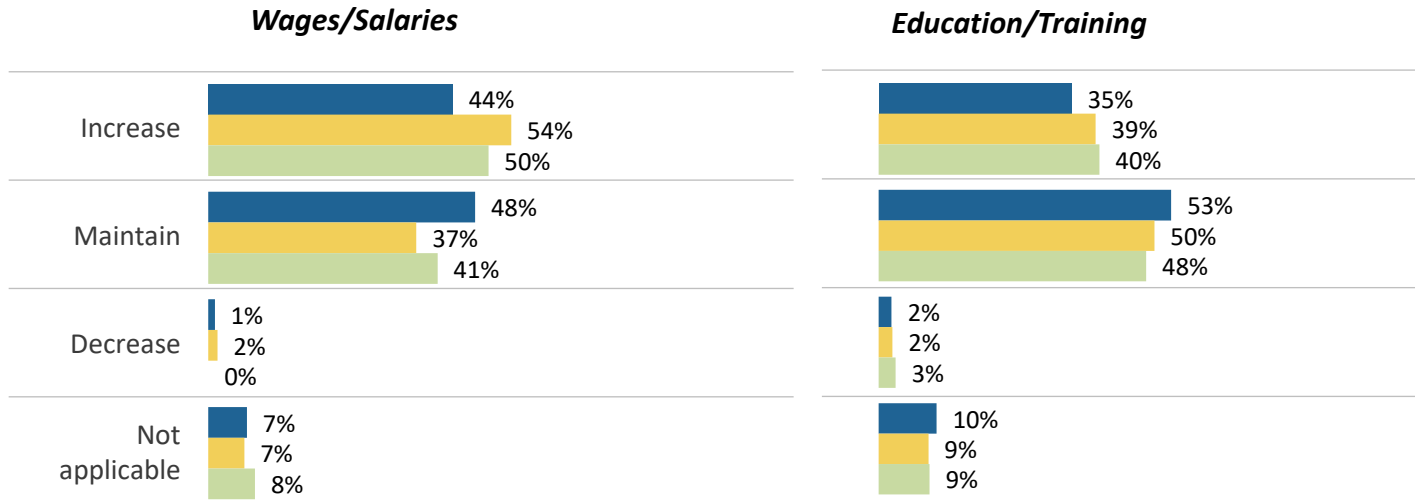
** indicates added in Feb 2024

▲ Significantly higher than previous wave.

▼ Significantly lower than previous wave.

Intentions for Employees

Feb 2023 vs. Oct 2023 vs. Feb 2024

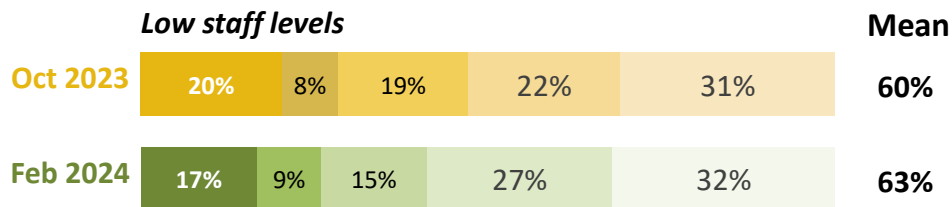


Similar to what was reported in Oct 2023, half of businesses intended to increase employee wages/salaries in 2023, likely driven by a need to keep up with inflation and a rising cost of living. About 2-in-5 intended to maintain wages/salaries. Business intentions around employee education/training were primarily to maintain levels (close to half of businesses), while 2-in-5 planned to increase education/training among employees.

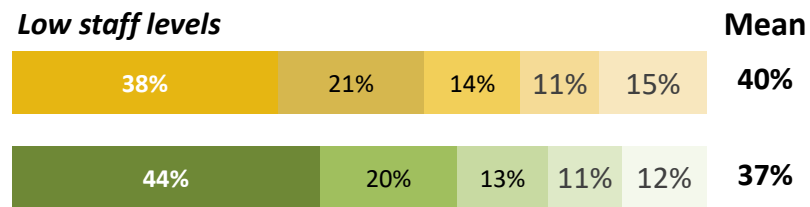
Seasonal Staffing: Oct 2023 vs. Feb 2024

Despite the seasonal nature of the tourism sector, during both low and peak staff levels, more than 3-in-5 employees were full time while 2-in-5 were part time. These results were fairly consistent with Oct 2023.

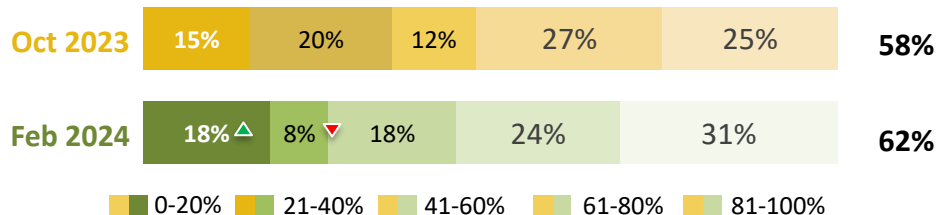
FULL TIME EMPLOYEES



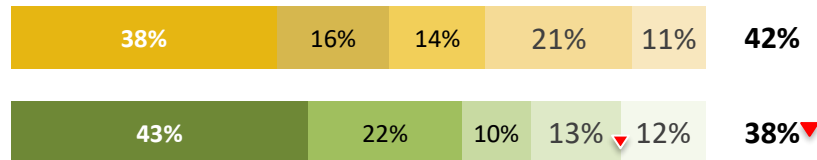
PART TIME EMPLOYEES



Peak staff levels



Peak staff levels



Q21a. We are interested in the seasonal impact on your staffing with respect to the number of full-time and part-time employees. In the boxes below, please enter a number between 0 and 100 to reflect the percent of total full-time staff and part-time staff during peak staff levels and low staff levels? Base: All respondents, Oct 2023 (n=123); Feb 2024 (n=131)

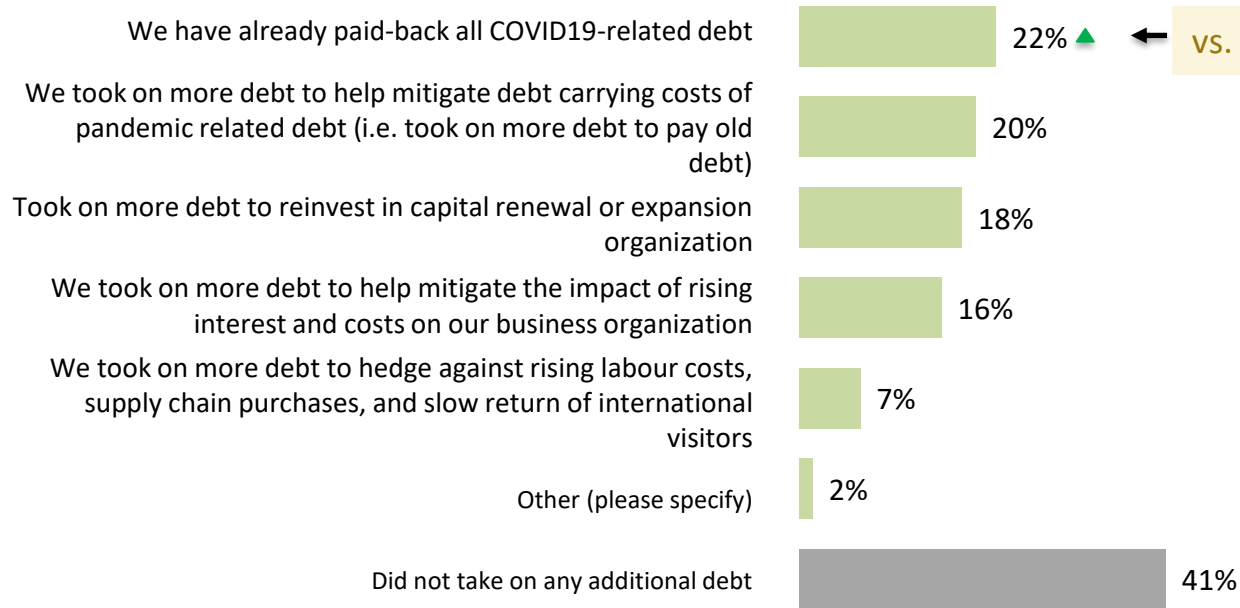
▲ Significantly **higher** than previous wave.
 ▼ Significantly **lower** than previous wave.

A background image of a modern office environment. In the center, a woman with curly hair, wearing a light pink blazer over a white shirt, is smiling and holding a document. To her left, a man with short brown hair is looking at her and smiling. To her right, another woman with long dark hair is partially visible, looking towards the center. In the background, a man in a white shirt is standing and looking at a whiteboard. The office has desks with computers, papers, and a casual, collaborative atmosphere.

DEBT AND SOURCES OF REVENUE

Additional Debt in Past Year

Feb 2024



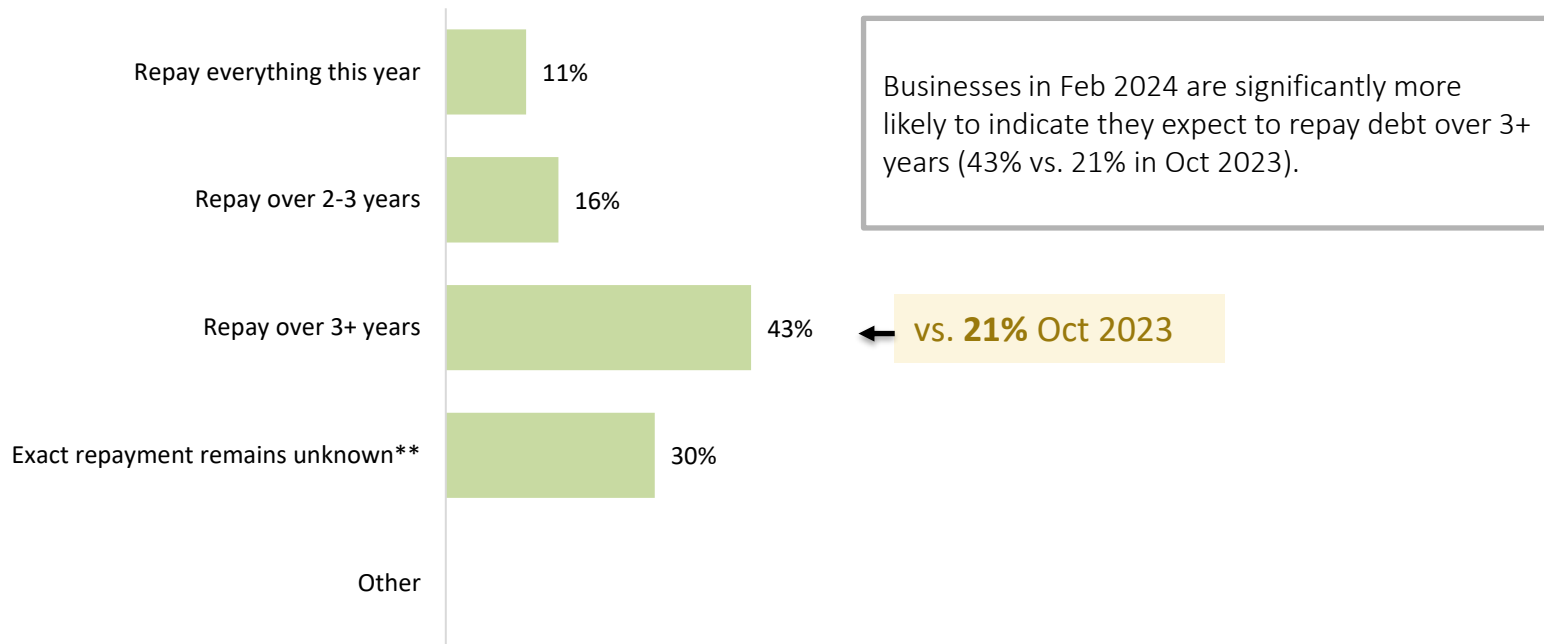
A positive signal for recovery and more stability in the industry, just over 2-in-5 businesses (41%) did not take on any additional debt over the past year, and just over 1-in-5 (22%) have already paid back all COVID-19 related debt – up significantly from Oct 2023.

However, 1-in-5 businesses are still struggling with pandemic debt and took on more debt to help mitigate debt carrying costs of pandemic-related debt.

Newer businesses are significantly **more likely** to report cash flow pressures (49% vs. 29% 10+ yrs.)

Repayment of Debt

Feb 2024



Feb 2024 Q12. If one of the choices you selected was related to COVID 19 debt carryover, over what time period do you believe you'll be able to repay that debt?

Note that Feb 2024 results are reported excluding Not applicable as the wording and options in the question changed. Feb 2024 shown only.

Base: Those who have taken on debt, excluding NA, Feb 2024 (n=44) * Small sample size, interpret results with caution

▲ Significantly higher than previous wave.

▼ Significantly lower than previous wave.



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