



Canada Fact Sheet

Canada Overview

VoX International Inc. is contracted by HTA for Brand Marketing Management Services in Canada. Canadian Snowbirds spend a great amount of time in Hawai'i during the winter months and many Canadians own real estate throughout the islands. In 2023, the focus continues to be on promoting the Hawaiian culture and Hawaiian values as the differentiator to other destinations and training the Canadian travel trade to become brand ambassadors who can educate and attract the mindful responsible travelers to Hawai'i.

Year-to-date July 2023 Quick Facts^{1/}

Visitor Expenditures:	\$726.2 million
Primary Purpose of Stay:	Pleasure (263,166) vs. MCI (12,095)
Average Length of Stay:	11.76 days
First Time Visitors:	36.6%
Repeat Visitors:	63.4%

	2019	2020	2021	2022	2023 Annual Forecast*	YTD July 2023P	YTD July 2022	% Change
CANADA MMA (by Air)								
Visitor Expenditures* (\$ Millions)	1,081.5	NA	240.6	962.1	1,394.91	726.2	512.7	41.6%
Visitor Days	6,554,493	2,265,568	1,364,326	5,069,619	6,637,325	3,344,972	2,800,714	19.4%
Arrivals	540,103	164,393	87,900	414,250	536,207	284,544	221,718	28.3%
Average Daily Census	17,958	6,190	3,738	13,889	18,184	15,778	13,211	19.4%
Per Person Per Day Spending (\$)	165.0	NA	176.4	189.8	210.2	217.1	183.1	18.6%
Per Person Per Trip Spending (\$)	2,002.4	NA	2,737.5	2,322.4	2,601.4	2,552.1	2,312.5	10.4%
Length of Stay (days)	12.14	13.78	15.52	12.24	12.38	11.76	12.63	-6.9%

NA= Comparative annual 2020 visitor spending statistics were not available, as the Departure Survey could not be conducted between April to October 2020 due to COVID-19 restrictions.
 *Dept. of Business, Economic Development & Tourism (DBEDT) 2023 annual forecast (Quarter 2, 2023).

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^{1/} 2023 visitor data are preliminary. 2019 - 2022 visitor data are the final numbers and reflect updated airfare statistics from DIIO Mi Airline database, data from the National Travel and Tourism Office, and final passenger counts from Airline Traffic Summary reports.

Market Summary

- In the first seven months of 2023, there were 284,544 visitors from Canada, compared to 221,718 visitors (+28.3%) in the first seven months of 2022 and 342,474 visitors (-16.9%) in the first seven months of 2019, prior to the COVID-19 pandemic.
- Visitors from Canada spent \$726.2 million in the first seven months of 2023, compared to \$512.7 million (+41.6%) in the first seven months of 2022 and \$692.9 million (+4.8%) in the first seven months of 2019. Daily visitor spending in the first seven months of 2023 increased to \$217 per person, from \$183 per person (+18.6%) in the first seven months of 2022 and \$165 per person (+31.2%) in the first seven months of 2019.
- In the first seven months of 2023, there were 1,638 scheduled flights with 299,647 seats from Canada, compared to 1,508 flights (+8.6%) with 315,008 seats (-4.9%) in the first seven months of 2022, and 1,723 flights (-4.9%) with 324,056 seats (-7.5%) the first seven months of 2019.
- In 2022, there were 414,250 visitors from Canada compared to 540,103 visitors (-23.3%) in 2019. Visitors from Canada spent \$962.1 million in 2022, compared to \$1.08 billion (-11.0%) in 2019. Daily visitor spending in 2022 rose to \$190 per person from \$165 per person (+15.0%) in 2019.
- In 2022, there were 2,473 scheduled flights and 487,215 seats from Canada compared to 2,545 flights (-2.8%) and 484,613 seats (+0.5%) in 2019.
- In 2021, 87,900 visitors arrived from Canada. In comparison, there were 164,393 visitors (-46.5%) from Canada in 2020 and 540,103 visitors (-83.7%) in 2019. Total visitor spending in 2021 was \$240.6 million, a decrease of 77.8 percent from \$1.08 billion in 2019. Comparative 2020 visitor spending data was not available.
- In 2021, there were 610 scheduled flights with 129,098 seats from Canada. In comparison, there were 876 flights with 177,913 seats in 2020 and 2,545 flights with 484,613 seats in 2019.

Market Conditions

- Experts say that real gross domestic product is growing but productivity is waning. Although strong immigration numbers have allowed the Canadian economy to expand, per capita gross domestic product has been on the downturn for some time now. Immigration does help address Canada's aging population and labor shortages, but looking into the medium- to long-term, Canada's standard of living will fall behind other developed countries if this trend continues. The lack of competition in Canada's largest industries will continue to drive this downward.
- The Canadian economy is nearing the 18-month mark since the beginning of interest rate hikes by the Bank of Canada. According to the Conference Board of Canada, on average, monetary policy effects begin to take place approximately 18 months after a change in a central bank's interest rate. The end of May 2023 marks 15 months since the first of many increases occurred. The interest rate hikes have already affected consumer price index (CPI) growth and unemployment. CPI growth came in at 2.8 percent year-over-year in June 2023, and unemployment jumped up 0.2 percent month-over-month to 5.2 percent. With a higher interest rate climate and Statistics Canada's preliminary estimate of -0.2 percent in June 2023, a persistent economic slowdown is likely in the cards over the next couple of months.
- The index of consumer confidence gained strength in July 2023 to reach 73.6 points, a noteworthy upswing from the previous month. Respondents of the Conference Board of Canada Survey demonstrated a more positive perception of their current financial situation in July, as

well as moderate optimism regarding their future financial outlook and employment prospects. However, the share of respondents who think it is a good time to purchase large-ticket items was just 10.4 percent, while 68.1 percent believe it is a bad time for major purchases.

- The Bank of Canada increased the interest rate to 5 percent after having said that 4.75 percent was to be the highest level. September and October are crucial months as a big proportion of mortgages will be renegotiated in this period. With the new interest rate fixed by the central bank, the disposable income will be reduced in Canadian households.
- The first five months of 2023 saw 13.1 million Canadians return home from an overnight trip to the U.S. and other destinations; 91 percent of the activity recorded during the same period in 2019. So far in 2023, overseas activity has reached 65 percent of 2019 levels, while the volume of transborder trips has surpassed pre-pandemic volume due to a jump in air activity.
- Nearly 8.9 million Canadians returned home from an overnight transborder trip throughout the first five months of 2023, a 9 percent increase compared to 2019. While the volume of trips by air have increased significantly (35%), auto travel is currently 14 percent lower than it was in 2019. Trips by automobile accounted for just 38 percent of activity during the period, compared to 48 percent pre-pandemic.
- Destinations in the Caribbean, Mexico, and Central America reported nearly 3.1 million arrivals from Canada throughout Jan-May 2023, 97 percent of the activity seen in 2019. Arrivals in Mexico accounted for 41 percent of the regional volume during the period – the same share recorded in 2019.
- Nearly 1.9 million Canadian arrivals were recorded in Europe and the UK throughout the first five months of 2023; 97 percent of the volume recorded in 2019 (-2.7%).
- In 2023, Canadians are prioritizing experiencing destinations rather than mere sightseeing. According to many travel advisors across the country, the recent inquiries for the Hawaiian Islands involved more than just getting on a motorcoach and visiting city landmarks. Travelers want hands-on travel and hands-on noteworthy experiences to get to really know and experience the culture, history and people of Hawai'i.

Distribution by Island

CANADA MMA (by Air)	2019	2020	2021	2022	YTD July 2023P	YTD July 2022	% Change
O'ahu	227,491	66,240	36,660	199,898	140,898	106,669	32.1%
Maui County	278,589	75,634	45,458	209,765	141,518	105,407	34.3%
Maui	276,825	74,974	45,149	208,071	140,660	104,484	34.6%
Moloka'i	4,840	1,042	316	2,259	1,950	1,159	68.3%
Lāna'i	5,700	1,602	699	5,680	3,032	2,245	35.0%
Kaua'i	76,777	22,958	7,660	42,680	31,788	21,931	44.9%
Island of Hawai'i	97,711	36,732	12,954	67,584	50,668	34,281	47.8%

Airlift: Scheduled Seats and Flights

Scheduled seats	2023					2022					%CHANGE				
	Q1	Q2	Q3	Q4	Annual	Q1	Q2	Q3	Q4	Annual	Q1	Q2	Q3	Q4	Annual
CANADA	195,687	82,694	57,614	150,884	486,879	191,476	102,266	60,676	132,797	487,215	2.2	-19.1	-5.0	13.6	-0.1
Calgary	37,960	9,044		23,880	70,884	48,406	16,205		15,881	80,492	-21.6	-44.2		50.4	-11.9
Edmonton	4,698	870		3,480	9,048	2,784	696		1,566	5,046	68.8	25.0		122.2	79.3
Montreal	0				0	894				894	-100.0				-100.0
Toronto	10,430	1,490		3,235	15,155	12,218	5,619		3,576	21,413	-14.6	-73.5		-9.5	-29.2
Vancouver	142,599	71,290	57,614	120,289	391,792	127,174	79,746	60,676	111,774	379,370	12.1	-10.6	-5.0	7.6	3.3

Scheduled flights	2023					2022					%CHANGE				
	Q1	Q2	Q3	Q4	Annual	Q1	Q2	Q3	Q4	Annual	Q1	Q2	Q3	Q4	Annual
CANADA	1,051	463	336	832	2,682	860	524	354	735	2,473	22.2	-11.6	-5.1	13.2	8.5
Calgary	158	38		100	296	243	83		63	389	-35.0	-54.2		58.7	-23.9
Edmonton	27	5		20	52	16	4		9	29	68.8	25.0		122.2	79.3
Montreal	0				0	3				3	-100.0				-100.0
Toronto	35	5		11	51	41	19		12	72	-14.6	-73.7		-8.3	-29.2
Vancouver	831	415	336	701	2,283	557	418	354	651	1,980	49.2	-0.7	-5.1	7.7	15.3

Source: DBEDT analysis from Diio Mi flight schedules as of August 25, 2023, subject to change.

Group vs. True Independent; Leisure vs. Business

CANADA MMA (by Air)	2019	2020	2021	2022	YTD July 2023P	YTD July 2022	% Change
Group vs True Independent (Net)							
Group Tour	8,494	NA	667	5,226	5,793	3,024	91.5%
True Independent (Net)	437,503	NA	79,122	344,925	231,885	187,375	23.8%
Leisure vs Business							
Pleasure (Net)	509,578	153,536	81,112	386,503	263,166	205,846	27.8%
MCI (Net)	17,464	6,485	1,280	14,822	12,095	7,953	52.1%
Convention/Conf.	10,668	4,842	405	6,654	6,913	4,404	57.0%
Corp. Meetings	3,072	856	348	5,265	1,768	1,345	31.5%
Incentive	4,054	995	562	3,308	3,784	2,431	55.6%

NA = Visit Status/Travel Method data statistics were not available from May – October 2020 as a result of limited fielding due to COVID-19 restrictions.

First Timers vs. Repeat Visitors

CANADA MMA (by Air)	2019	2020	2021	2022	YTD July 2023P	YTD July 2022	% Change
First Time Visitors (%)	35.4	NA	24.8	32.2	36.6	29.8	6.8
Repeat Visitors (%)	64.6	NA	75.2	67.8	63.4	70.2	-6.8

NA = Visit Status/Travel Method data statistics were not available from May – October 2020 as a result of limited fielding due to COVID-19 restrictions.

Tax Revenue

CANADA MMA (by Air)	2019	2020	2021	2022	YTD July 2023P	YTD July 2022	% Change
State tax revenue generated (\$ Millions) ^{2/}	126.24	NA	28.09	111.60	84.24	59.85	40.8%

^{2/}State government tax revenue generated (direct, indirect, and induced).