



Canada Fact Sheet

Canada Overview

VOX International Inc. is contracted by HTA for brand marketing management services in Canada. Canada is the second largest international market for the Hawaiian Islands and has an important relationship with Hawai'i, specifically the western provinces of British Columbia and Alberta. In addition, Ontario is a growing market for Hawai'i. 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 2021, the marketing strategy is focused on promoting the Hawaiian Culture and Hawaiian values as the big differentiator to any other beach destination 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 February 2021 Quick Facts¹

Visitor Expenditures: \$17.2 million
 Primary Purpose of Stay: Pleasure (2,889) vs. MCI (9)
 Average Length of Stay: 29.7 days
 First Time Visitors: 20.8%
 Repeat Visitors: 79.2%

	2019	2020	% Change 2020 vs 2019	2021 Annual Forecast*	YTD Feb. 2021P	YTD Feb. 2020P	% change YTD
CANADA MMA (by Air)							
Visitor Expenditures* (\$ Millions)	1,081.5	NA	NA	449.3	17.2	305.1	-94.4%
Visitor Days	6,554,493	2,224,548	-66.1%	2,664,375	100,666	1,703,014	-94.1%
Arrivals	540,103	161,201	-70.2%	195,431	3,390	129,309	-97.4%
Average Daily Census	17,958	6,078	-66.2%	7,300	1,706	28,384	-94.0%
Per Person Per Day Spending* (\$)	165.0	NA	NA	168.6	170.9	179.1	-4.6%
Per Person Per Trip Spending* (\$)	2,002.4	NA	NA	2,299.1	5,075.0	2,359.2	115.1%
Length of Stay (days)	12.14	13.80	13.7%	13.63	29.69	13.17	125.4%

*Dept. of Business, Economic Development & Tourism (DBEDT) 2021 annual forecast (Quarter 1, 2021).

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¹ 2020 visitor data are preliminary. 2019 visitor data are the final numbers and reflect updated airfare statistics from DIIO Mi Airline database, and final passenger counts from Airline Traffic Summary reports.

Market Summary

During February 2021, most passengers arriving from out-of-state and traveling inter-county could bypass the State's mandatory 10-day self-quarantine with a valid negative COVID-19 NAAT test result from a Trusted Testing Partner through the state's Safe Travels program. All trans-Pacific travelers participating in the pre-travel testing program were required to have a negative test result before their departure to Hawai'i. Kaua'i County continued to temporarily suspend its participation in the Safe Travels program for trans-Pacific travelers, but inter-island travelers who had been in Hawai'i for more than three days could bypass the quarantine with a valid test result. Trans-Pacific travelers to Kaua'i were given the option of participating in a pre- and post-travel testing program at a "resort bubble" property as a way to shorten their time in quarantine. The counties of Hawai'i and Maui also had a partial quarantine in place in February. In addition, the U.S. Centers for Disease Control and Prevention (CDC) continued to enforce the "Conditional Sailing Order" on all cruise ships.

Most travelers to Canada, including returning Canadian nationals, were required to take a COVID-19 molecular test when they arrive in Canada before exiting the airport, and another toward the end of their mandatory 14-day quarantine period. Effective February 18, most air travelers, were required to reserve, prior to departure to Canada, a three-night stay in a government-authorized hotel. In addition, they were required to submit their travel and contact information, including a suitable quarantine plan, electronically via ArriveCAN before boarding their flight.

- In the first two months of 2021, Canadian visitors spent \$17.2 million (-94.4%), and their average daily spending was \$171 per person (-4.6%). There were 3,390 visitors from Canada compared to 129,309 visitors in the same period last year. The average daily census showed 1,706 visitors per day compared to 28,384 visitor per day in the first two months of 2020.
- In the first two months of 2021, there were 42 (-93.4%) scheduled flights from Canada with 9,308 (-92.7%) seats. Flights from Toronto were suspended. There was limited service from Vancouver (3,132 seats, -97.0%) and reduced service from Calgary (6,176, -64.3%).
- For all of 2020, arrivals decreased 70.2 percent to 161,201 visitors. Visitor days fell 66.1 percent. The average daily census showed 6,078 visitors per day, down 66.2 percent compared to 2019.
- In 2020, scheduled air seats decreased 63.3 percent compared to last year.
- In 2019, spending by Canadian visitors dropped 2.4 percent to \$1.08 billion. Visitor arrivals (-1.6% to 540,103) and visitor days (-2.8%) decreased while daily visitor spending (+0.4% to \$165 per person) was slightly higher compared 2018. The average daily census showed 17,958 visitors per day in 2019, a decrease of 2.8 percent compared to 2018.
- In 2019, scheduled air seats from Canada dropped slightly (-0.9%) compared to 2018.

Market Conditions

- Canada's real GDP is forecast to grow 5.3 percent in 2021 and 3.5 percent in 2022. This follows the deepest recession in modern times. This growth is still expected due to a vaccine roll out and the governmental support.
- A successful rollout of vaccines will encourage households to spend some of what they have amassed in savings. Household balance sheets are in great shape thanks to government support and travel bans that have cut spending on foreign travel to almost nothing.
- The federal and provincial governments are pledging continued support to businesses and households. The pandemic will drive up public debt to record levels, putting a strain on government finances and public spending once the crisis is past.

- Consumer confidence inched up 0.4 points to 91.1 points in February. This is the highest level in a year but remains 25 per cent below its pre-pandemic level. It was primarily optimism about future employment that kept the index from falling in February as almost one-fifth of respondents believe the job market will be better six months from now - the highest share of positive responses since 2002.
- The loonie gained strength at the start of 2021 reaching an average of USD \$0.786 (+2.8%) in January, the highest value in almost three years.
- Air Canada stopped service to Hawai'i until April 2021. It is still uncertain if the carrier will resume flights in May. WestJet continues its services to Maui with reduced capacity.

Distribution by Island

CANADA MMA (by Air)	2019	2020	% Change 2020 vs 2019	YTD Feb. 2021P	YTD Feb. 2020P	% change YTD
O'ahu	227,491	63,338	-72.2%	977	51,670	-98.1%
Maui County	278,589	74,963	-73.1%	1,967	61,559	-96.8%
Maui	276,825	74,293	-73.2%	1,965	61,025	-96.8%
Moloka'i	4,840	1,031	-78.7%	5	883	-99.5%
Lāna'i	5,700	1,559	-72.6%	21	1,420	-98.5%
Kaua'i	76,777	22,765	-70.3%	44	18,989	-99.8%
Island of Hawai'i	97,711	36,445	-62.7%	559	28,033	-98.0%

Airlift

Departure City	2021					2020					%CHANGE				
	Q1	Q2	Q3	Q4	Annual	Q1	Q2	Q3	Q4	Annual	Q1	Q2	Q3	Q4	Annual
CANADA	13,642	41,434	61,894	128,540	245,510	164,881	0	0	13,032	177,913	-91.7	NA	NA	886.3	38.0
Calgary	9,020	980	0	12,693	22,693	26,020	0	0	6,224	32,244	-65.3	NA	NA	103.9	-29.6
Edmonton	0	0	0	1,392	1,392	0	0	0	0	0	NA	NA	NA	NA	NA
Toronto	0	0	0	1,785	1,785	9,393	0	0	0	9,393	100.0	NA	NA	NA	-81.0
Vancouver	4,622	40,454	61,894	112,670	219,640	129,468	0	0	6,808	136,276	-96.4	NA	NA	1,555.0	61.2

Source: HTA analysis based on scheduled Seats from Diio Mi flight schedules as of March 18, 2021, subject to change.

Group vs. True Independent; Leisure vs. Business

CANADA MMA (by Air)	2019	2020P 1/	% Change 2020 vs 2019	YTD Feb. 2021P 1/	YTD Feb. 2020	% change YTD
Group vs True Independent (Net)						
Group tour	8,494	2,139	-74.8%	16	1,932	-99.2%
True Independent (Net)	437,503	135,843	-69.0%	3,238	108,361	-97.0%
Leisure vs business						
Pleasure (Net)	509,578	150,573	-70.5%	2,889	121,066	-97.6%
MCI (Net)	17,464	6,396	-63.4%	9	5,790	-99.8%
Convention/Conf.	10,668	4,771	-55.3%	0	4,404	-100.0%
Corp. Meetings	3,072	843	-72.6%	8	787	-99.0%
Incentive	4,054	984	-75.7%	1	801	-99.9%

1/ Note: Starting in December 2020, certain categories reflect only domestic data (italicized) as international data were not available.

First Timers vs. Repeat Visitors

CANADA MMA (by Air)	2019	2020P 1/	% Change 2020 vs 2019	YTD Feb. 2021P 1/	YTD Feb. 2020	% change YTD
1st timers (%)	35.4	28.7	-6.7	20.8	30.1	-9.3
Repeaters (%)	64.6	71.3	6.7	79.2	69.9	9.3

1/ Note: In December 2020, certain categories reflect only domestic data (italicized) as international data were not available.

Tax Revenue

CANADA MMA (by Air)	2019	2020P	% Change 2020 vs 2019	YTD Feb. 2021P	YTD Feb. 2020	% change YTD
State tax revenue generated* (\$ Millions)	126.24	NA	NA	2.01	35.61	-94.4

*State government tax revenue generated (direct, indirect, and induced)