

B.C. Hospitality and Tourism Sector – Fast Facts

Hospitality & Tourism

- Prior to the COVID-19 pandemic, the growth of B.C.'s hospitality and tourism sector was outperforming the province's economy as a whole.
- In 2019, B.C.'s tourism industry generated some \$22.3 billion in revenue and supported more than 250,000 jobs.
- In 2020 (last stats available; 2021 stats not yet published), the industry generated \$7.1 billion in revenue, a drop of 70%.
- The tourism industry's GDP declined by 64% in 2020 compared with 2019.
- The number of people directly employed by tourism-related businesses also declined by 64%.
- There are 19,690 tourism-related businesses in B.C. — many only survived the pandemic because of federal initiatives such as CEWS, CERT, and the province's Small & Medium-sized Business Grant Program.

Restaurants

- Prior to the pandemic there were an estimated 15,000 + restaurants operating in B.C. Approximately 20% closed during the pandemic.
- Profit margins are narrow in the restaurant industry: about 4% before tax. Liquor sales are crucial in achieving profit.
- Food-primary, liquor-primary, and liquor and cannabis retailers in B.C. generate approximately \$15 billion in revenue annually.
- For the first four months of 2019, restaurant receipts totalled \$4.3 billion compared with \$3.8 billion (rounded numbers) for the first four months of 2022. In 2021, restaurant receipts totalled \$3.2 billion for the same period.
- The peak tourism months (including restaurants) of June to September typically generate close between \$4.5 & \$5 billion in restaurant revenue.

Impact of BCGEU Job Action on tourism and hospitality businesses

- Strike action outside key LDB warehouses cuts off access to inventory for close to 20,000 B.C. businesses, including hospitality, liquor, tourism, accommodation, and cannabis retail businesses.
- Licensees and retailers cannot pick up orders already placed, and cannot order more inventory during the job action.
- Province-wide shortages of imported alcohol, spirits, and ready-to-drink cans have already begun.
- Businesses across the sector will be forced to start reducing hours, days of operation, and staffing, causing further impact to the workforce.
- Shortages and closures create business uncertainty — events and promotions may be cancelled.
- It sends a message of instability to current and future staff, impairing recruitment and retention.
- The BCLDB will likely take weeks to replenish stock, making some items unavailable long after the strike ends.