

Fortifying Nova Scotia's Tourism Economy

Response & Recovery | COVID-19

Tourism Industry Association of Nova Scotia (TIANS) Workplan Summary

March - June 2020

With the sudden and acute onset of the COVID-19 pandemic, the global tourism industry is experiencing catastrophic impacts.

The very nature of the tourism industry relies on the movement of people and their access to disposable income, and as a result of the economic downturn, the ramifications of closed borders, and states of emergency are devastating to the global tourism sector.

Tourism represents 10.4% of global GDP and supports 1 in 10 jobs (319 million). Tourism is a resilient industry, as has been demonstrated following other crisis events such as SARS, 9-11, H1N1 and more. However, we have not dealt with a global pandemic in the last 100 years. What we know is people will want to travel again, and when they do, the industry must be prepared.

Our efforts need to focus on mitigating the impact on businesses and their workers, as well as planning for the future. We anticipate an adjustment by provincial and regional marketing agencies to focus on domestic growth and recovery; tourism businesses will need to follow suit by aligning investment and preparing for revitalization of the sector moving forward. We need to ensure government supports align with the unprecedented business interruption and the sector is well positioned going into the recovery.

TIANS will focus on ensuring sector's interest are fed into public policy and government supports as well as support businesses transitioning through this difficult period.

As TIANS continues to support Industry through this crisis, survey data reflects ongoing and growing concerns from operators around issues such as:

- Access to Capital
- Program Eligibility
- Insurance
- Liquidity
- Commercial Rent Forgiveness
- Compounding interest on deferred payments
- Favorable Loan Conditions/ Forgiveness
- Export Business
- Rebuild/Second Wave
- NS First Focus

While a number of government supports and measures have been brought forward, such as CEBA, CEWS and RRRF, TIANS continues to push for adaptations to these initiatives and for a targeted and robust support package for the tourism sector.

Insights Into COVID-19's Impact

Tourism HR Canada receives customized Labour Force Survey (LFS) tables from Statistics Canada to track employment and unemployment in the tourism sector and compare it with the overall economy.

Monthly Insight: The number of individuals employed in tourism decreased by 433,100 in April, following a decrease of 448,600 in March. Since COVID-19 shutdowns began, tourism employment has decreased by 881,700 (43.3%).



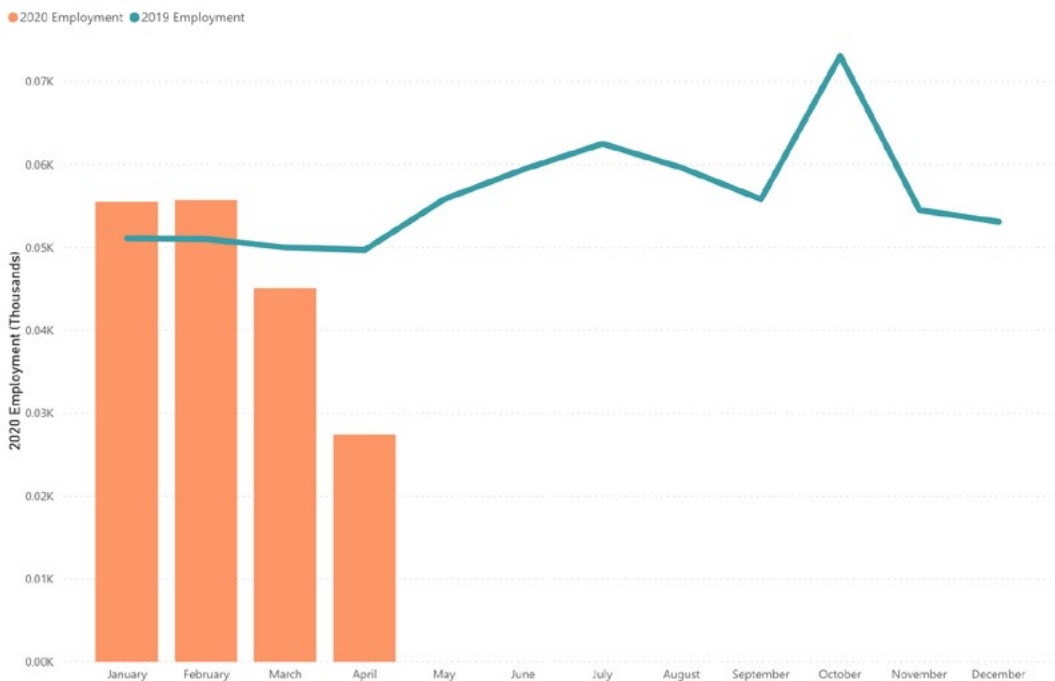
Expected 28,000 Reduction in Nova Scotia's Tourism

Tourism Job Losses in Canada



The WTTC is forecasting a 25% loss across the sector, which is equivalent to a loss of three months of tourism revenue and at least 50 million jobs are at risk around the world; 14% of the current global tourism workforce. The following chart has been provided by Tourism HR Canada, indicating Canadian job losses based on declining revenue:

Drop in Revenue	Drop in Employment	Number of Jobs (Canada)
40%	-24.7%	445,000
60%	-37.0%	666,000
70%	-43.2%	777,600



Source: [Tourism HR Canada Tourism Employment Tracker](#)



Nova Scotia

Provincial Perspective

The Nova Scotia tourism industry has demonstrated strength and resilience over the past decade with modest gains following a period of stagnant growth. In 2019, tourism generated \$2.64 billion in the province and accounted for over \$300 million in tax revenues. With businesses represented in five sectors; accommodations, food and beverage services, recreation and entertainment, transportation, and travel services, the Industry is crucial to both rural and urban centres in the province. Tourism creates jobs; according to Statistics Canada, over 50,000 Nova Scotians were employed in the tourism sector at the time the pandemic was declared.

One of the unique attributes of tourism as a sector is that it is so widely distributed with attractive destinations in almost every corner of the province. That means jobs, incomes and business opportunities in many rural communities with few other industries. For every \$1 spent in tourism another \$3.2 is generated in the community – the multiplier effect is tremendous.

Despite real challenges, Nova Scotia was well positioned to continue on a path toward its economic target. With revised strategy, focussed investment, season extension efforts, and support from government and Industry, the sector was poised for 2020 to be a defining year as we embarked on the 2nd half of the \$4B target set out in the One NS Report five years ago.

While the pandemic is affecting tourism in every destination, the Industry in Nova Scotia and Atlantic Canada is in a particularly vulnerable state. With a significantly higher percentage of seasonal businesses and workers, there is a proportionately higher dependence on the tourism industry as a fundamental driver of the economy.

TIANS PILLARS

TIANS IS FOCUSED ON THREE PILLARS
ADVOCACY | COMMUNICATION | REBUILDING

ADVOCACY



COMMUNICATION



REBUILDING



Given the imminent and existing impacts on the provincial tourism industry, the Tourism Industry Association of Nova Scotia (TIANS) is undertaking efforts to assist Industry navigate this challenging and unprecedented crisis

In order to support the tourism sector, TIANS has identified a number of activities to ensure it can provide the most appropriate resources and supports to tourism businesses, and also focus on preparing businesses to recover and rebuild over the coming months.



ADVOCACY PILLAR

TIANS Board

Weekly calls with Board of Directors to establish and review direction and policy input. Board of Directors meet with the Minister of Business every 2nd week or as needed to address provincial supports and recovery.

TIANS Committees

Marketing and Rebuilding - Established to influence rebuilding activities based on global research; made up of industry leaders and Tourism Nova Scotia staff. Outreach/Engagement with strategic partners including Destination Canada, Atlantic Canada Cruise Association, Sport Nova Scotia; Communities, Culture and Heritage, Strategic Transportation Partners, International Film Festival, Labour and Advanced Education and more. The committee focus is on aligning approach and innovation as economy re-opens.

Strategic Leadership Committee - Industry Leaders from across Nova Scotia provide input on announced programs; weekly conversations with federal MP's to feed direct into recovery program; Engagement with Opposition leaders and other strategic partners as identified. May 21st guest was Mr. Sean Fraser, MP, Central Nova and Parliamentary Secretary to the Minister of Finance and to the Minister of Middle Class Prosperity; Associate Minister of Finance.

Industry Council Meetings – The Industry Council meets bi-weekly and has representatives from key sector groups and alliances including regional DMO's, the restaurant sector, transportation airline and cruise sectors, accommodations and more. This forum allows for cross dissemination of current information, requests for support or leveraging of connections across sectors and encourages collaboration and partnerships.

Government Relations

ACOA Atlantic

TIANS participates on weekly calls with the Director General of ACOA and staff, and Atlantic Industry Associations, to discuss program supports needed and provide opportunity for feedback on announced programs. Extension of the wage subsidy is a result of input; No interest loan program (up to \$250,000). Challenge is limited amounts of dollars available for sector. Opportunity to provide ongoing feedback.

PTTIA /TIAC

Weekly calls between the Tourism Industry Association of Nova Scotia, and other Provincial and Territorial Tourism Industry Associations across Canada and TIAC are held, to feed into the national tourism recovery program. Agenda items include sector priorities and position National ask for business support. Other issues being addressed – Liquidity; Insurance; Taxation; Reinstatement of Visitor Rebate Program; Investment for Domestic Campaign.

Tourism HR Canada

TIANS is partnering with THRC on regional data to support new programs. In addition to a recently released [10 Point Workforce Recovery Plan](#) for the tourism sector, a robust online Workforce Recovery Toolkit for Tourism is being finalized. The toolkit will align with industry specific tools already available and include five modules focusing on Workforce Development, Communications, Budget & Finance, Marketing and Strategic Planning.



COMMUNICATION PILLAR

Business Communication Activities

With the volume of information coming out, TIANs focused on developing a depository for relevant sector information. We launched a Web Portal www.TourismStrong.ca to curate relevant Tourism Information as a single source of sector information. The portal acts as a place to host program announcements as well as provide business supports:

Webinar Series - Working with financial accounting firms and government agencies, to deliver webinar series for tourism industry.

Podcast - Building confidence during this time is key. TIANs is working with a media specialist to develop podcasts on community success stories that can be shared to instill confidence and share best practices on retooling business and building for the future.

Free online Training Resource - negotiated Access to emerit online training Resources for Nova Scotia tourism employers and employees.

Exclusive Partnership with Cornell University - TIANs has entered into a partnership with Cornell Business School to offer executive level management supports for tourism businesses as they manage their businesses and plan for rebuilding.

Direct links to National associations and research, including Destination Canada, Hotel Association of Canada, Restaurants Canada, TIAC, and more.

Tourism Help Desk - The evolving crisis has resulted in an information overload for many small and medium sized operators. A dedicated Help Desk has been established at the TIANs office to work directly with operators, discerning best access to programs and connecting to appropriate agencies or resources. Resources include accounting firms and lending institutions, specializing in tourism enterprises.



REBUILDING PILLAR

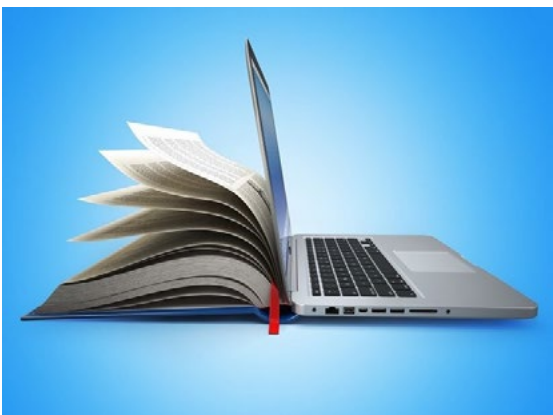
Research

Industry Survey Work - TIANS is conducting regularly scheduled surveys in real time to capture economic data and also respond to Industry needs and priority areas of focus. The latest survey results on rebuilding indicate resilience and confidence and are posted on TourismStrong.ca/resilience.

- ✓ The [Tourism Strong portal](#) has been adopted Atlantic wide; primary focus on rebuilding activities
- ✓ Disseminate Best Practice information - World Travel & Tourism Council
- ✓ Use tourism specific data on COVID-19 impact to feed into government policy and new program supports
- ✓ Support Local - Nova Scotia First Approach
- ✓ Development and launch of Industry Cleanliness Program to build industry and consumer confidence; Brand Recognition

With business slowdowns, TIANS is providing tools and resources to ensure businesses and their staff are ready for the recovery. TIANS is:

- ✓ Rebuilding culinary and seasonality supports with online platforms
- ✓ [Tourism Strong portal](#) adopted by Atlantic Provinces and will be focus for rebuilding activities
- ✓ Providing free online training tools and resources to enable business to engage existing staff, and staff waiting to return to work
- ✓ Identifying best programming to meet current issues/challenges, as well as those that have a focus on building local business and preparing for a ramp up, post COVID-19 impact
- ✓ Influencing local campaign via TIANS reps on the Atlantic Canada Agreement on Tourism
- ✓ Supporting TNS efforts to realign for inner province efforts and build pride
- ✓ Partnering with NS Department of Labour and Advanced Education to support tourism businesses, and Red Seal Chef certifications through the Nova Scotia Apprenticeship Agency



TIANS and NSTHRC have adapted professional development and training opportunities to online learning platforms.

Experiential learning is taking place for Apprentices preparing to challenge Red Seal as part of current projects, along with occupational specific programming and other opportunities.

COLLABORATION

TIANS is working closely with a consortium of National Associations and stakeholder groups around a National Tourism Recovery and Rebuilding Plan.

As part of the network of Provincial and Territorial Tourism Industry Associations (PTTIA) from across the country, advisory input was provided directly into the Tourism Industry Association of Canada (TIAC) proposed recovery model to the federal government.

Additional National partners include bodies such as Hotel Association of Canada (HAC), Restaurants Canada, Tourism HR Canada, Indigenous Tourism Association of Canada (ITAC), NS Business and Labour Economic Coalition and numerous Advisory Committees in listing. The working advisory group is primarily comprised of industry owners and operators representing regions across the country.

Key elements of the framework focus on enhancing safety, focusing on liquidity, building consumer confidence and repositioning the industry more competitively in terms of cost and value. With defined measures in immediate, short and longer term timelines, the request is expected to be approximately \$500M in addition to significant tax credits and incentives. Additionally, expansion of existing programs and measures in place are identified as critical as bridging support for operators.