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Submission for Canada's *Federal Tourism Growth Strategy*

COALITION LED BY:



GOALS

FOR THE CANADIAN TOURISM SECTOR

- Prioritize tourism as a key sector in Canada's economic growth plan.
- Increase tourism demand from \$80B to \$134B by 2030, with parallel growth for Indigenous tourism.
- Establish Canada as a top-tier, year-round global tourism destination with 30 million international visitors per year by 2030.
- Reclaim Canada's Top 5 spot in the *WEF Travel and Tourism Competitiveness* rankings.
- Improve how Canadians perceive tourism's economic, social and environmental contributions by 5 points.

WHY INVEST IN TOURISM

- Tourism is a pillar of the Canadian economy that drives growth, creates jobs and opportunities in all regions during all seasons.
- Tourism connects communities and promotes Canadian unity and identity.
- Tourism elevates Canada's brand on the world stage.
- Indigenous tourism is reconciliation in action; it provides a way for Indigenous peoples to generate their own economies while providing Canadians and visitors alike the opportunity to connect with Indigenous people in a meaningful way.

HOW CAN WE ACHIEVE **SUCCESS?**

The Tourism Growth Strategy should:

- Establish a whole-of-government policy and investment commitment led by the Minister of Tourism, supported by data and a fully engaged industry sector.
- Measure success through concrete KPIs and annual public reporting.
- Re-activate the *Economic Strategy Table on Tourism*.
- Bring together private and public sector partners as well as Canadian workers.

PILLAR ONE:

**Attract and Retain
a Sustainable
Tourism
Workforce**

PILLAR TWO:

**Develop & Promote
Tourism Assets**

PILLAR THREE:

**Improve access
for visitors
to and within
Canada**

PILLAR FOUR:

**Build a
Regenerative and
Inclusive Tourism
Industry**

PILLAR ONE:

Attract and Retain a Sustainable Tourism Workforce

ISSUE:

The tourism sector is short 400,000 workers and reputational damage from COVID shutdowns is hindering ability to re-staff.

OUTCOMES:

- Increase tourism workforce to at least 2.5 million by 2030
- Increase domestic workforce by 290,000
- Increase international workforce by 350,000
- Invest in ongoing tourism labour market research data, skills development and labour support programs

A sustained, competitive, resilient,
and inclusive workforce

Employing More Canadians in Tourism

Attraction and Retention

- **Launch targeted domestic recruitment campaigns** to attract and retain workers (**\$10M/year for three years**)
 - Information, tools, supports for three target groups: 1. Job Seekers, Employees, Students; 2. Employers; 3. Influencers and Intermediaries
 - Ancillary campaign: Promote post-secondary tourism programs to increase enrolment
- **Launch an Indigenous Workforce Strategy (\$5M/year)**

Training & Skills Development

- **Increase number of tourism and hospitality high school programs (\$2M over two years)**
 - Update and expand Canadian Academy of Travel and Tourism
- **Modernize post-secondary tourism programs (\$2M/year for three years)**
 - Update curriculum, increase enrolment and types of programs, expand workplace integrated learning
- **Launch comprehensive national tourism 'job ready' (bridging) programs** targeting a diverse workforce, e.g. Youth, Indigenous Peoples, New Canadians, People with Disabilities (**\$25M over three years**)
- **Invest in skills development and training, including (\$2M/year for three years) :**
 - Technology and tools to connect workers and jobs (ex. *Discover Tourism* website)
 - Resources for employers including performance management tools, compensation planning, hiring kits, etc.

Employing More Canadians in Tourism

Worker Mobility

- Tax credits for job seekers and students to relocate to another region for new employment opportunities
- Grants to subsidize employer-offered supports (ex. transportation, childcare)

Student and Worker Engagement

- Changes to increase flexibility in the use of the EI system to encourage worker participation
- Introduce new program to enable student work experiences across Canada

Grow Canada's International Workforce

Short-Term

- **Prioritize and create efficiencies with Temporary Foreign Worker Program**
 - Expedite tourism applications
 - Eliminate LMIA and need to advertise, allow multiyear TFWs, reduce costs
- **Adjust policies within existing federal and provincial streams to increase number of workers assigned to tourism jobs** (ex. increase allocation in PNPs, restructure points system for Canadian Experience Class and Federal Skilled Worker Class, ensure tourism occupations are prioritized in Municipal Nominee Programs)
- **Increase opportunities for international students:**
 - Increase hours international students are able to work to 40 hours/week
 - Allow students enrolled in language schools the right to work
 - Treat international students the same as domestic students for government-sponsored programs (ex. Student Work Placement Program)
 - Expand the International Experience Canada program

Long-Term

- **Create a Dedicated Tourism and Hospitality Immigration stream** with a pathway to Permanent Residency
 - Invest in a corresponding affordable housing strategy to support immigration growth targets

PILLAR ONE: ATTRACT AND RETAIN A SUSTAINABLE TOURISM WORKFORCE

Provide stable funding for Tourism HR Canada

- Invest in Tourism HR Canada to support research, implement ongoing programming and act as coordinating body across all federal departments and regions. (**\$3.5M/year for 5 years**)

PILLAR TWO:

Develop & Promote Tourism Assets

ISSUE:

Disconnected public/private investment strategy, difficult borrowing environment, inadequate infrastructure for major events and over-reliance on the summer season.

OUTCOMES:

- Canada is a globally competitive and resilient four-season destination.
- Strategic investments in new and refurbished spaces, infrastructure, festivals, events and attractions.

PILLAR TWO: DEVELOP & PROMOTE TOURISM ASSETS

Invest in a *Destination Development Strategy*, led by Destination Canada, to guide federal investments and unlock private capital

- Perform an inventory of Canadian tourism assets, infrastructure, gaps and opportunities.
- Create a national tourism asset database in partnership with Destination Canada, StatCan and private sector partners.

Facilitate \$50B in public and private tourism infrastructure and product investment by 2030

Loans

- Establish pools of lending capital from BDC and the Canada Infrastructure Bank targeted to the tourism sector.
- Provide strategic investments for projects that need patient capital through RDAs.

Grants, Contributions and Tax Credits

- Establish a federal *Tourism Infrastructure Fund* for major projects.
- Incentivize investments in new assets or retrofits through programs similar to R&D tax credits.
- Allow for immediate capital cost allowance write-off of investments in new hard assets.
- Provide dedicated federal mortgage insurance on tourism assets to reduce the risk of private sector lending from Canadian financial institutions.
- Invest in tourism industry subsector assets and products through government grants and contributions
- Support festivals and events of all sizes with industry specific funding programs (such as a renewed Canadian Experiences Fund, a Major Festival and Events Support Initiative 2.0, Canadian Arts Presentation Fund, Building Communities Through Arts and Heritage, and a revived Marquee Tourism Events Program, etc.)

Stimulate leisure and business travel demand

- Renew stable, five-year funding for Destination Canada at an internationally competitive level, including:
 - Additional funding for US campaigns, **(\$40M boost to current efforts)**
 - Additional support for Destination Canada's Business Events sales teams to connect with convention planners organizing events that best align with Canada's economic priority sectors and to support bids for other major events (ex. sporting events) **(\$12M/year)**
 - A business events bid fund. **(\$120M over 8 years)**
- Invest in marketing and product development for an *Indigenous Growth Strategy*, executed by the Indigenous Tourism Association of Canada **(\$20M/year)**.

PILLAR THREE:

Improve access for visitors to and within Canada

ISSUE:

Border delays, high cost of travel and piecemeal transportation policies.

OUTCOMES:

- Streamlined, competitive and accessible traveller experience

Streamline border processes and requirements

- Establish a predictable and resilient travel environment, including improved communication of border process information to travellers.
- Modernize digital documentation processes for travellers in line with international best practices.

Invest in transportation infrastructure to develop new destinations and seasons

- Enhance all-season connectivity across Canada, including to rural and remote communities through improved infrastructure and all modes of transportation.
- Reduce aviation fees and taxes for a more competitive cost structure.
- Adapt international best practices for motorcoach operations, including route subsidies and tax credits for green vehicles and accelerated capital cost allowance for all vehicles.
- Invest in high frequency rail in the Québec City – Windsor corridor and increased rail service in other major destinations in British Columbia, Alberta, Southwestern Ontario and Atlantic Canada.

PILLAR FOUR:

Build a Regenerative and Inclusive Tourism Industry

ISSUE:

Canada's tourism sector needs support to enhance sustainability efforts benefiting its people, communities, the economy and the planet.

OUTCOMES:

- Tourism activities are sustainable and regenerative.
- Tourism businesses prosper while generating wealth for all members of their communities.
- Indigenous peoples have agency over the potential of tourism to enhance their lives.

PILLAR FOUR: BUILD A REGENERATIVE AND INCLUSIVE TOURISM INDUSTRY

Invest in regenerative tourism

- Create tourism-specific grant programs for sustainable new projects and retrofits.
- Invest in infrastructure to encourage energy efficient travel to harder to reach destinations.
- Provide Parks Canada with funding to promote less well-known parks.

Invest in tourism-specific training and skills development programs for equity-seeking groups

- Provide a tax credit for businesses that develop specialized recruitment programs for equity-seeking groups.
- Invest in work-readiness programs including apprenticeships, education and training support for equity-seeking groups.

Support the Canadian tourism industry response to the Truth and Reconciliation Commission's Calls to Action

- Invest in Indigenous tourism as a path to reconciliation through domestic marketing and awareness campaigns.
- Implement an *Indigenous Workforce Strategy* in partnership with the Indigenous Tourism Association of Canada.

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