

Election Priority: [Supporting the Hardest Hit Sectors](#)

Canada's Hardest Hit Industries are at critical risk without continued federal support. Tourism businesses have faced devastating revenue losses due to COVID. The industry has drained reserves, taken on debt and lost two summer seasons.

Fact: 60% of business will be unable to stay operational without some form of subsidize of wages and fixed cost.

Recommendations for elected Party:

TIAC urges all parties to support a qualified and limited financial support program from September 2021 to May 2022 to the hardest hit businesses. Specifically;

- Survival support gated for the hardest hit tourism, hotel and event businesses of any size that have experienced a 40% loss in revenue in any 12-month period after March 31, 2020.
- Government support would cover negative cash flow from normal financial operations (i.e. excluding capital expenditures and non-cash items such as depreciation or accruals). Support not to exceed 75% of normal cash expenditures.
- Program to run from September 1, 2021 to May 31, 2022. Cash flow calculated on a cumulative basis inclusive of CEWS and CERS.

The elected party must ensure targeted support programs address the tourism industry's unique needs including conditions for seasonal business and high debt service ratios. A key learning over the past 15 months is that Indigenous tourism operators have disproportionately fallen outside the criteria of government relief measures. To protect viable businesses in this emerging sector, it is vital to place an Indigenous lens on all recovery measures.

- Amend HASCAP to allow tourism businesses with a high debt service ratio to be eligible;
- Amend the Tourism Relief Fund to be available to sole proprietors, including Indigenous businesses without a CRA number, and amend program to include funding for restart costs for businesses that have not been able to open; retroactive to the start date, July 12, 2021;
- Ensure industry consultation takes place before roll out of future programs to ensure the unique needs of the tourism industry are met in program requirements.

Election Priority: The Labour Challenge

COVID-19 has caused significant disruption to the tourism labour market, much greater than the economy overall – disproportionately impacting youth and minority populations.

Research conducted by Tourism HR Canada shows that many workers do not plan on returning to tourism jobs once they are restored; this is causing some of the greatest labour shortages ever seen by Canada's tourism industry, and hampering recovery. COVID-19 has heightened and accelerated systemic issues and barriers to employment in this sector.

Tourism plays a key role in supporting small business and creating jobs. One in 10 Canadian jobs is tied to tourism (9.8%), which is nearly 2 million jobs from coast to coast to coast. Tourism jobs exist within all regions across Canada, and the industry employs Canadians in every province, territory, and electoral riding. Communities and small businesses rely on tourism to create jobs and enhance overall quality of life for Canadians. The tourism industry recovery is essential to the overall recovery of the economy, and will only be possible with a comprehensive strategy to restart the tourism workforce.

Fact: Due to the COVID-19 pandemic, the industry employs over 500,000 fewer Canadians than it did this time last year.

Recommendations for Elected Party:

TIAC recommends, in consultation with the tourism industry, the elected party commits to;

- Conduct a comprehensive review of all current Immigration, Refugees and Citizenship Canada (IRCC) programs to identify opportunities and align policies that will work for tourism, and to create a dedicated immigration pathway for the sector;
- Launch a campaign to promote employment opportunities in the sector and to address reputational damage or growing negative sentiments of the industry;
- Invest in a comprehensive Indigenous tourism workforce strategy to increase the number of Indigenous workers in the sector and boost the skills and cultural knowledge to help Indigenous tourism businesses thrive while firmly establishing Canada as a premiere destination for authentic Indigenous tourism experiences.

Election Priority: Proof of Vaccination

TIAC believes that proof of vaccination/immunity for international travel should become a common part of travelers' travel documents moving forward. TIAC prefers to use the term 'proof of vaccination' as opposed to 'vaccine passport' as 'passport' infers being mandatory and that all health information must be shared.

Destinations around the world require proof of vaccine to enter, and many countries have decided on their COVID-19 proof of vaccination method already. TIAC recommends that Canada shape policy concurrently with its counterparts, being a leading part of the conversation for solutions to ensure that we are on board with the global system, and stay part of the global seamless travel experience moving forward. Shaping policy should also include consultation with industry directly impacted by proof of vaccination, such as the cruise and aviation sectors. TIAC urges industry consultation for discussions on mandatory vaccination impacting tourism moving forward, for example, entry to festivals, live music events, or on modes of transportation.

Not everyone will get vaccinated, so it is crucially important that Canada also plan for testing and processes for those that are travelling without a vaccine. Travel cannot be limited to only those who have been vaccinated - testing and contact tracing will have to be a part of the process.

TIAC is advocating for one system for the whole of Canada based on nationwide key metrics and measurements, to ensure uniformity across the country. TIAC recommends that this not look different in each province and territory and would urge the elected party to work closely with Premiers to develop a clear and consistent pan-Canadian approach.

The system put in place needs to be easy to use, and **secure**. Access to digital platforms, wifi and technological competency should be taken into account when designing the system.

It will be critical that Canada plan for vaccines outside of those currently approved in North America. Top tourism markets for Canada, including China, have different vaccine compositions that we need to consider in our planning and processes, or we risk losing a huge piece of our visitor potential to other destinations.

Fact: The World Tourism Organization states "Governments are instrumental for the restart and recovery of tourism through collaboration, use of data and digital solutions"

Recommendations for elected Party:

- Ensure Canada follows a national approach to proof of vaccination and travel policies;
- Use current international and industry data to inform the reduction or elimination of quarantine requirements;
- Provide federal guidance on a policy roadmap to safely reopen provincial/territorial and international borders by managing the risk of contagion with testing and proof of vaccination as a replacement for quarantine measures;
- Provide tourism businesses with tax credits to help defray costs associated with safety protocols.

Election Priority: Opening our International Borders and Resuming Travel

A crucial part of recovery will be consumer confidence. TIAC is looking to lead the way in 'changing the current narrative' on behalf of the sector. We need the elected party and our federal leaders to support positive language and messaging around the tourism industry. Travelers, both domestically and internationally, must feel confident in our proof of vaccine and testing requirements and procedures.

It's important that Canadians feel confident to get their vaccine, travel domestically, and that we look to lead a change in international narrative to showcase Canada as a safe destination for travellers.

The international border is scheduled to open September 7, 2021. The elected party must ensure the proper procedures and infrastructure is in place to allow this to happen smoothly.

Domestic travel is going to be a crucial first step as we reopen. It is needed to stimulate the visitor economy. According to recent data by Destination Canada, if Canadians shift two-thirds of their planned spend on international leisure travel towards domestic tourism, it will make up for the estimated \$19 billion shortfall currently facing our visitor economy—and help sustain 150,000 jobs.

Full recovery is forecasted to take years, but a significant increase in domestic travel can accelerate recovery by one year. An important aspect will be ensuring that DMOs receive funding in a timely manner so they can market to Canadians with clear messaging to change the narrative with respect to travel. DMOs are on the ground in their communities and have insights on how to work best with local partners.

The business meetings and events sector is a key influencer in the strategy to boost Canadian consumer confidence. In Canada, business travellers spend four times more than leisure travellers. The sector has a \$19.3 billion direct GDP impact and sustains 229,000 direct jobs. Meetings, exhibitions and conventions are planned ahead – often years in advance. We must ensure that Canada is seen as a competitive choice to book and plan for business meetings, exhibitions and conventions moving forward. This sector's performance in the coming years will also largely dictate the recovery of our urban centres as large group gathering restrictions ease and work-from-home policies change.

Fact: Domestic travel will be a crucial first step, but will not be able to fill the revenue gap from the halt of international travel. The only way to ensure a full recovery of the tourism sector is to reopen borders. A study done by Destination Canada concluded that if borders remained fully or partially closed until October 2021, recovery to 2019 levels is not expected until 2026.

Recommendations for elected Party:

- Provide a tax incentive to Canadians for the 2022/2023 tax year to travel locally or within Canada;
- Develop a Business Events and Urban Recovery funding program to help support urban DMOs replace business meetings and events losses;
- Reinststate the visitor rebate program for international visitors.