Honourable John Horgan, Premier of BC PO Box 9041 Stn Prov Govt Victoria, BC V8W 9E1

March 16, 2020



Re: Tourism Emergency Contingency Fund

Dear Premier Horgan,

As you are aware, the COVID-19 crisis has affected the tourism industry more than any other sector aside from health. Domestic and international travel to British Columbia has virtually been halted. Combined with government's recommendation that residents do not undertake non-essential travel to points outside of Canada, and the corresponding implications on international visitors to BC, the ramifications on our visitor economy are immense.

Given further travel advisories at both the federal and provincial levels, including limiting public gatherings to 250 people and forbidding cruise ships with more than 500 passengers to dock at ports in BC, most travelers have either cancelled visits or are leaving British Columbia for home at a time when the industry is normally building toward its peak season.

To date, several events and conferences of all sizes have either been cancelled or postponed around the province. The domino effect on venues, hotels, restaurants, attractions, suppliers, transportation and service providers, along with other stakeholders is creating hardships for businesses, employees and communities throughout British Columbia. In fact, layoffs have already begun or are imminent within many individual tourism sectors.

While the Tourism Industry Association of British Columbia recognizes the need for preventative measures undertaken by provincial and federal health authorities, the uncertainty on present and future edicts, particularly the length and extent of the directives, is causing further difficulties for tourism operators to project, plan and put processes into place to mitigate damage to their businesses, as well as the industry as a whole.

As you know, Tourism is one of BC's top three business sectors, contributing upwards of \$19 billion annually in revenues and employing hundreds of thousands of people. In recent years, the industry has set numerous records and up until the COVID-19 crisis, was projected to further grow in 2020. Although tourism is resilient and poised to rebuild after this crisis ends, the length of time the visitor economy recovers to a so-called 'normal' state could take several years. Unfortunately, as an industry largely comprised of small businesses, many operators cannot absorb mounting losses, and aside from laying-off staff, will close their businesses (some permanently) unless government provides stimulus funding, direct financial assistance or other measures including tax relief.

With new travel restrictions in place, as well as the confirmed and anticipated list of trip and event cancellations, it is estimated that BC's visitor economy will lose in excess of \$3 billion in revenue during the March to June period alone. Outside of the healthcare sector, there is no other industry in Canada that is impacted as severely by this mounting crisis than tourism.

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From our scan of destinations around the world, we know that many countries including Australia, New Zealand, Germany, and the United States have already announced stimulus and relief programs ranging from hundreds of millions to several billion dollars to help their respective tourism sectors respond and recover from the impact of COVID-19.

On behalf of British Columbia's 19,000 tourism operators, 330,000 employees, hundreds of industry sectors, communities, and destination marketing organizations, TIABC respectfully requests that the Province of British Columbia take bold, decisive and meaningful action to support BC's visitor economy in the form of several tangible actions, including but not limited to:

- 1. The creation of a tourism emergency contingency fund to help operators survive this extended period of uncertainty and loss, and to mitigate the impacts on the industry;
- 2. Temporary property tax or employer health tax reductions, tenure fee reductions/suspensions, loan payment relief, or other measures to allow tourism business operators to better manage cash flow, reduce fixed costs, and retain staff during the crisis period;
- 3. Special one-time incremental funding for Destination British Columbia to boost marketing in key source markets, as well as to promote a domestic campaign to encourage residents to travel within their home province (when the time is right to do so); and
- 4. Stimulus funding to ensure the industry can quickly rebound once the outbreak is over.

Premier, thank you for your assistance and for all the steps your government has taken to tackle this extremely serious crisis. TIABC is keen to work with you to develop actions that address the aforementioned issues and opportunities related to BC's visitor economy. I look forward to hearing from you at your earliest convenience.

Best Regards,

Walt Judas CEO, TIABC 778-953-0620

CC: Honourable Lisa Beare, Minister of Tourism, Arts & Culture Honourable Carole James, Minister of Finance Shauna Brouwer, Deputy Minister, Tourism, Arts & Culture