

Standing Committee on Finance (FINA)

Pre-budget consultations 2012

Tourism Industry Association of British Columbia

Responses

1. Economic Recovery and Growth

Given the current climate of federal and global fiscal restraint, what specific federal measures do you feel are needed for a sustained economic recovery and enhanced economic growth in Canada?

Excerpt from Letter to TIAC July 21: The success of a destination has become highly reliant on its image, and it is clear that positive branding and vibrant marketing has aided several economies in boosting their exports by attracting visitors and stimulating investment. Sufficient funding for the Canadian Tourism Commission is vital for success. To illustrate our concern, the launch of an international marketing campaign undertaken by the United States stands to threaten Canada's tourism industry, and underscores the need to build upon our global reputation as one of the world's best places to visit. As a significant contributor to these rankings, British Columbia's over 17,493 tourism operators can no longer accept the substantial reduction in the CTC's budgets imposed since 2001. While we understand there have been several different funding options presented, concern was expressed for endorsing any system of funding that could be perceived as a disincentive for international or American tourists (namely the optics of an arrival and/or departure tax or surcharge), or any other alternative funding mechanism that would result in over-taxation of tourism. As a result, our policy committee board indicated strong support for TIAC's position for reinvestment of international visitor's GST as the most viable option to fund the CTC over the long-term. That being said, I want to bring forward two specific caveats to our support: 1. All GST/HST collected from FCTIP-eligible product, and that can clearly be associated with an applicable FCTIP rebate, should be re-purposed to fund the CTC. 2. Consideration should be given for 'widening the net' for what qualifies under FCTIP, as a compensating balance in order to provide Canadian operators with some competitive advantage which has been lost under this "aid" to foreign operators. (FCTIP rebates are restricted to "leisure travel that is sightseeing/culturally motivated in nature.") Widening the catchment for FCTIP rebate not only improves Canadian competitiveness at the operator level but also increases the funds available to the CTC. By extending British Columbia's tourism voice through TIAC, we can work with the Government of Canada to elevate, secure Canada's premier place in the global tourism marketplace.

2. Job Creation

As Canadian companies face pressures resulting from such factors as uncertainty about the U.S. economic recovery, a sovereign debt crisis in Europe, and competition from a number of developed and developing countries, what specific federal actions do you believe should be taken to promote job creation in Canada, including that which occurs as a result of enhanced internal and international trade?

see previous

3. Demographic Change

What specific federal measures do you think should be implemented to help the country address the consequences of, and challenges associated with, the aging of the Canadian population and of skills shortages?

see previous

4. Productivity

With labour market challenges arising in part as a result of the aging of Canada's population and an ongoing focus on the actions needed for competitiveness, what specific federal initiatives are needed in order to increase productivity in Canada?

see previous

5. Other Challenges

With some Canadian individuals, businesses and communities facing particular challenges at this time, in your view, who is facing the most challenges, what are the challenges that are being faced and what specific federal actions are needed to address these challenges?

see previous