



## TOURISM INDUSTRY RESPONDS TO BC's COVID-19 ACTION PLAN

March 23, 2020 - Vancouver, BC: The Tourism Industry Association of British Columbia (TIABC) says that while the province's \$5 billion COVID-19 Action Plan is a positive first step, it is keen to work with government on further measures needed to help BC's visitor economy survive the devastating impacts of the COVID-19 crisis.

The organization notes that an estimated 200,000+ workers have already been laid off as tourism and hospitality businesses close or significantly reduce operations. Hundreds of millions of dollars in revenue has been lost to date with the total expected to amount to several billion dollars if the crisis continues into the summer.

BC's visitor economy supports more than 300,000 jobs within 19,000 businesses that generate some \$19+ billion in revenue annually. Tourism and hospitality is one of the province's top three business sectors and is a vital economic contributor to both urban and rural communities throughout BC.

"Aside from health, tourism and hospitality was the hardest hit sector and will continue to be noticeably impacted for the foreseeable future," said TIABC Chair Alroy Chan. "With no travel to, or within BC, many operators are not able to pay their bills or stay in business. The same applies to employees that work in the sector. While many measures announced today will help, working with the province on a specific tourism and hospitality package is paramount to saving the industry from complete collapse," added Chan.

In a brief recently submitted to the Province on behalf of nearly 40 sector associations, TIABC called on Government to introduce a tourism and hospitality emergency fund that included a number of measures such as a top-up to the federal government's temporary wage subsidy program, as well as temporary tax relief measures, some of which were announced today.

The organization commends Government for implementing deferrals to the Employer Health Tax and PST remissions, but at the same time is concerned about postponing remittance and disbursement of the Municipal and Regional District Tax (collected by hotels on visitor stays) that largely funds destination marketing and management organizations (DMOs) who are critical to tourism recovery efforts.

"DMOs are worried about cash flow, especially now with hotels virtually empty and MRDT revenues that flow from the province deferred until the fall. That said, if Government is willing to provide bridge financing over the next few months, we will be better positioned as a key part of the tourism and business recovery process once the crisis ends," said Beverley DeSantis, CEO of Tourism Kamloops and chair of TIABC's Policy Committee. "Otherwise, many DMOs may not survive through the spring."

*The Tourism Industry Association of BC advocates for the interests of British Columbia's \$19+ billion tourism industry. As a not-for-profit tourism industry association, TIABC works collaboratively with its members - private sector tourism businesses, industry associations and destination marketing organizations - to ensure the best working environment for a competitive tourism industry.*

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**Media Contact:**

Laura Plant, Manager, Communications & Membership Relations  
T 778-788-3499      E [lplant@tiabc.ca](mailto:lplant@tiabc.ca)