



# 2027 BUDGET SUBMISSION

To the Select Standing  
Committee on Finance  
and Government  
Services

*Tourism Wells Gray/Stephanie Devereaux Pacific Peaks Media*



# Summary of Recommendations

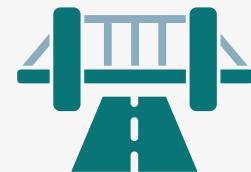
## RECOMMENDATION 1

TIABC recommends that the Province of British Columbia through Budget 2027 increase and stabilize funding to Destination BC through multi-year funding commitments, including a minimum additional annual investment of \$10 million



## RECOMMENDATION 2

TIABC recommends that the Province of British Columbia through Budget 2027 maintain and establish dedicated tourism infrastructure and destination development funding programs that provide stable multi-year funding to support tourism sector associations, Indigenous tourism operators, and regional/rural organizations



## RECOMMENDATION 3

TIABC recommends that the Province of British Columbia establish dedicated tourism and hospitality workforce development funding through Budget 2027, with investment levels and training support models comparable to those being implemented for skilled trades programs





Destination BC/Reuben Krabbe

# TIABC: The Voice of Tourism

For more than 50 years, the Tourism Industry Association of British Columbia (TIABC) has served as the leading advocacy organization for British Columbia’s tourism and hospitality sector and the provincial voice of the visitor economy.

TIABC works alongside tourism businesses, Indigenous tourism operators, destination organizations, investors, communities, and government partners across every region of British Columbia to advance policies, investment, and strategies that strengthen the province’s tourism economy and competitiveness.

Tourism is deeply connected to British Columbia’s economic success. It supports jobs, businesses, investment, exports, and regional development in communities of every size throughout the province. It is one of the few industries that creates broad economic impact simultaneously in urban centres, rural communities, resort destinations, and Indigenous communities.

TIABC believes tourism must be recognized not simply as a visitor experience industry, but as a major driver of provincial growth, a significant export sector, and a core component of British Columbia’s infrastructure and economic prosperity.

Achieving that objective will require coordinated policy support, strategic investment, workforce development, destination readiness, transportation access, infrastructure planning, and long-term government commitment to strengthening the systems that support BC’s visitor economy.



# TOURISM: BC's Economic Superpower

British Columbia's visitor economy is one of the province's greatest economic strengths and one of its most significant opportunities for growth.

Tourism is not simply about travel, hospitality, or recreation. It is a major economic driver, a powerful export sector, a job creator, an investment catalyst, and a critical contributor to communities across every region of British Columbia.

BC's tourism sector generates \$23 billion in gross revenue, contributes nearly \$8 billion to provincial GDP, and supports 17,000 tourism businesses throughout the province.<sup>1</sup> Tourism and hospitality represent one of BC's largest workforces, employing approximately 340,000 people across the province. Of those, more than 163,000 jobs are directly supported by visitor spending, generating approximately \$5 billion annually in wages and salaries for British Columbians.<sup>2</sup>

Tourism is also British Columbia's largest natural resource industry, surpassing traditional sectors including forestry, mining, and oil and gas in GDP contribution. It contributes more than \$5.2 billion annually in export revenue and remains one of the province's leading export industries.<sup>3</sup> These numbers matter because they demonstrate that tourism is not a secondary sector in British Columbia's economy. It is one of the province's most powerful economic engines.

In BC alone, tourism generates approximately \$2.5 billion annually in provincial and municipal tax revenue, along with another estimated \$2.5 billion to \$3.5 billion in federal tax revenue that helps fund critical public services such as health care, education, infrastructure, and community services.<sup>4</sup>

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1. Province of British Columbia. 2026. <https://www2.gov.bc.ca/gov/content/tourism-immigration/tourism-resources/tourism-research>

2. Data provided from go2HR. 2026.

3. Tourism Economy 101. Destination BC. 2023. <https://www.destinationbc.ca/content/uploads/2023/11/The-Visitor-Economy-FINAL.pdf>

4. Although a BC-specific federal tourism tax figure is not published, national tourism tax distributions suggest the federal share is typically similar to or slightly higher than provincial/municipal totals. On that basis, BC's tourism sector likely generated roughly \$2.5-\$3.5 billion in federal tax revenues in 2023, as an illustrative estimate.



# TOURISM:

## Meeting the Goals of the Look West Tourism Sector Action Plan

The Provincial Government recognizes the scale and potential of BC's visitor economy through the Look West Tourism Sector Action Plan and its commitment to double tourism annual revenues to \$48 billion by 2036. Achieving this ambitious goal will require continued investment and strategic support to ensure tourism is recognized, funded, and prioritized as one of British Columbia's core economic pillars and long-term drivers of provincial growth, competitiveness, and regional economic sustainability.

This submission outlines key Budget 2027 priorities that will strengthen tourism competitiveness, support regional growth, and position tourism as one of British Columbia's strongest long term economic opportunities. To advance these objectives, TIABC has identified areas where targeted provincial investment and strategic policy support can enhance the resilience, sustainability, and future growth of BC's tourism sector, including but not limited to the following three recommendations.



*Destination BC/Kari Medig*



# RECOMMENDATION 1

## Increasing Funding to Destination BC

TIABC recommends that the Province of British Columbia through Budget 2027 increase and stabilize funding to Destination BC through multi-year funding commitments, including a minimum additional annual investment of \$10 million to strengthen BC's competitiveness in global tourism markets, increase higher value visitor spending throughout the province, and restore and expand critical tourism marketing initiatives, including cooperative marketing programs that support regional destinations, tourism sector associations, Indigenous tourism operators, and tourism businesses across BC.

### Strategic Context and Supporting Information <sup>5</sup>

The Province's goal of doubling tourism revenues by 2036 will not be achieved by simply doubling the number of visitors travelling to British Columbia. In many regions of the province, tourism growth must instead focus on increasing visitor spending, extending visitor stays, encouraging year-round travel, dispersing visitors into more regions and communities, and attracting higher value travellers from international markets. This requires sophisticated destination marketing, long term international market development, regional destination investment, and coordinated visitor experience strategies.

As the provincially funded, industry-led Crown corporation, Destination BC plays a critical role in supporting the Province's Look West Tourism Sector Action Plan, including the strategic pillar "Marketing: Inspiring the World to Explore B.C.". The organization builds BC's visitor economy through global marketing, destination development, visitor services, and partnerships with tourism associations, businesses and communities across the province.

However, reductions in provincial funding that began a decade ago have resulted in cuts to key Destination BC programs that support tourism marketing and destination competitiveness throughout British Columbia. Cooperative marketing initiatives and the Visitor Centre program are particularly important because they provide financial leverage through shared funding partnerships, improve regional and international marketing reach, strengthen BC's global competitiveness, and align local tourism marketing efforts with broader provincial tourism priorities to sustainably increase visitor demand across communities and regions.

In 2026/27 alone, cooperative marketing initiatives and the Visitor Centre program were reduced by approximately 18% compared to 2025/26. These reductions have limited the ability of tourism businesses, sector associations, regional destinations, and Visitor Centres to participate in coordinated marketing initiatives that help attract visitors and strengthen local tourism economies.

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5. All research data in this section provided through documents from Destination BC and BC Provincial Budget 2026/27.



Destination BC has also been forced to scale back or exit several international markets with strong long term growth potential, including South Korea and Japan, while investment levels in markets such as Germany and China remain below their full economic potential.

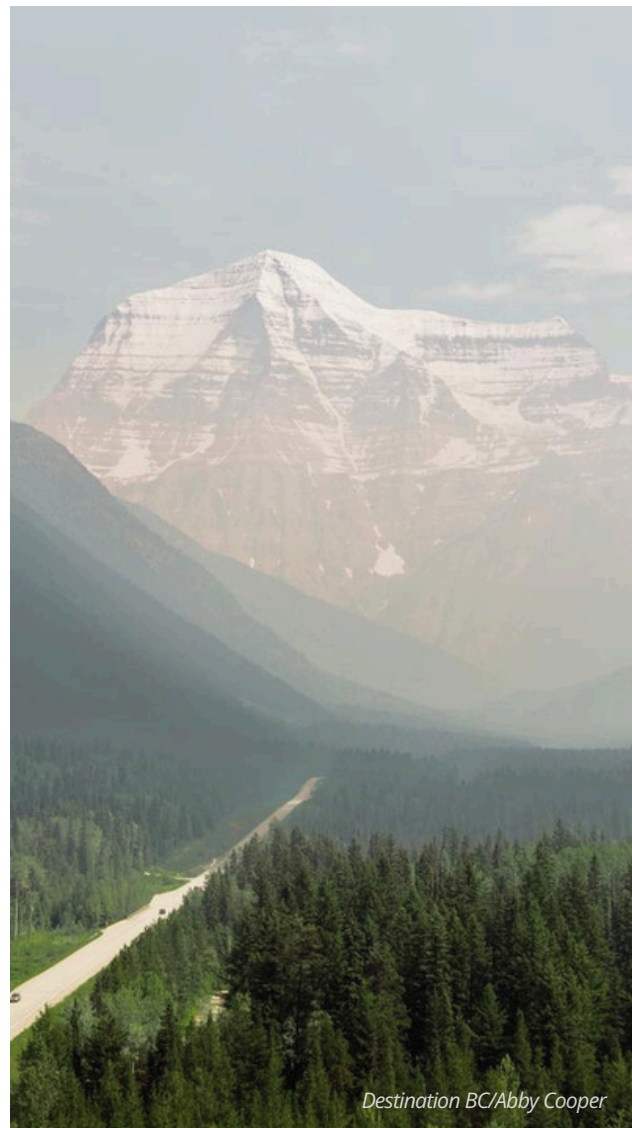
With performance-based formula funding suspended, combined with an additional \$1 million reduction in 2025/26, Destination BC's budget is estimated to be approximately \$3 million lower than it otherwise would have been. These reductions have also resulted in fewer Visitor Centres eligible for fee-for-service support and a 5% reduction in Regional Destination Management Organization contract values, limiting the sector's ability to coordinate destination development, visitor servicing, and regional tourism growth initiatives throughout British Columbia.

According to the provincial budget released in February 2026, Destination BC's core budget is projected to decline by an additional \$2 million in 2027/28. These reductions will likely require additional operational savings and reduced investment in key tourism markets.

At the same time, inflationary pressures and increasing global competition continue to raise the cost of destination marketing and international market development. Since 2013, Destination BC's provincial appropriation has not kept pace with inflation, resulting in reduced purchasing power and major program reductions and market exits beginning in 2014.

Competing destinations throughout North America, Europe, Asia, and Australia continue increasing tourism marketing investments to capture high spending international travellers while BC's marketing investment has decreased.

Without sustained and increased investment in Destination BC, British Columbia risks losing market share, reducing international competitiveness, limiting regional tourism growth opportunities, and slowing progress toward the Province's \$48 billion tourism revenue objective.



*Destination BC/Abby Cooper*

## The ROI: Investment Impact

International tourism growth represents one of the largest economic opportunities for British Columbia.

Market analysis demonstrates significant growth potential in markets such as Germany, China, South Korea, Japan, India, and expanded United States regions. Many of these travellers have higher in-destination spending patterns and support sectors such as luxury accommodations, wilderness tourism, ski resorts, heli-skiing, fishing lodges, culinary tourism, and premium guided experiences.

An annual minimum investment of \$2 million per international market over a sustained 3-to-5-year period is required to establish meaningful market presence and competitiveness.

Once market momentum is established, this creates a significant ROI for the province:

- An annual incremental investment of \$2 million into one additional international market has the potential to generate up to \$200 million in tourism revenue, supporting more than 1,000 direct jobs and generating \$20 million in additional provincial tax revenue annually.
- An annual incremental \$10 million investment supporting entry into 3 new markets and expanded investment into 2 existing markets will generate up to \$1 billion in incremental tourism revenue, 6,000 new direct jobs, and approximately \$100 million annually in provincial tax revenue.





## RECOMMENDATION 2

### Establish Dedicated Provincial Tourism Infrastructure and Destination Development Funding

TIABC recommends that the Province of British Columbia through Budget 2027 maintain and establish dedicated tourism infrastructure and destination development funding programs that provide stable multi-year funding to support tourism sector associations, Indigenous tourism operators, and regional/rural organizations to develop community tourism infrastructure projects across British Columbia. The funding should recognize tourism infrastructure as a core component of provincial economic development and capital planning processes while providing coordinated and streamlined access to funding support.

#### Strategic Context and Supporting Information

Tourism infrastructure and destination development investment directly align with several key pillars of the Province's Look West Tourism Sector Action Plan, including "Destination Access: Widening the doors to B.C.", "Event Hosting: Hosting the world through culture and commerce", and "Investment Attraction: Fueling B.C.'s tourism economic potential." Strategic investment in tourism infrastructure helps communities improve visitor access, strengthen destination readiness, attract major events and private sector investment, and increase BC's ability to compete in high value domestic and international tourism markets.

Tourism infrastructure investment supports not only tourism growth, but broader provincial priorities related to economic development, community resilience, job creation, investment attraction, transportation connectivity, Indigenous economic participation, and regional sustainability.

Dedicated tourism grant funding in British Columbia has declined significantly in recent years as pandemic-era emergency programs were phased out and several major federal and provincial tourism funding programs were not renewed.

Programs that previously provided millions of dollars to support destination development, tourism infrastructure, Indigenous tourism growth, marketing partnerships, and sector development across British Columbia have either ended or been significantly reduced. As a result, many tourism associations, regional destination organizations, Indigenous tourism operators, and community tourism initiatives are facing increasing difficulty sustaining operations and continuing to invest in tourism infrastructure and destination development projects.

At the same time, recent funding reductions to Destination BC have impacted cooperative marketing programs and partnership funding that many sector associations and regional tourism groups relied upon to support destination growth initiatives.

These reductions come at a time when many rural and resource dependent communities across British Columbia continue facing economic disruption caused by declines in forestry and other traditional resource sectors.

For many of these communities, tourism represents one of the strongest and most realistic economic diversification opportunities available.

However, tourism growth cannot occur without investment in the infrastructure and destination assets that support visitors and improve the overall visitor experience.



## The ROI: Investment Impact

Tourism infrastructure includes a broad range of assets and investments that directly support visitor activity, community readiness, and economic development. This includes trails, visitor amenities, transportation access, conference and event facilities, waterfront revitalization, recreation infrastructure, cultural and Indigenous tourism development, signage, public spaces, destination beautification, and year-round tourism assets.

Strategic investment in these areas helps stabilize local economies, attract investment, create employment opportunities, increase year-round visitation, and strengthen long term community resilience.

Tourism infrastructure investment also generates measurable economic return.

Destination Canada research indicates that investments in tourism marketing and destination development typically generate between \$11.77 and \$23.85 in total economic activity for every \$1 invested, while destination-level investments generate approximately \$2.25 in direct tax revenue for governments for every \$1 invested. Business events and conference infrastructure investments produce particularly strong returns. Across Canada's business events sector, every \$1 million invested generates approximately \$16.4 million in economic impact.<sup>6</sup>

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6. The Value of Travel and Tourism in Canada. Destination Canada. 2023.  
[https://www.tourismdatacollective.ca/system/files/2025-05/The%20Value%20of%20Travel%20and%20Tourism%20in%20Canada\\_2023%20Final%20Report.pdf](https://www.tourismdatacollective.ca/system/files/2025-05/The%20Value%20of%20Travel%20and%20Tourism%20in%20Canada_2023%20Final%20Report.pdf)

# RECOMMENDATION 3

## Investing in the Tourism Workforce

TIABC recommends that the Province of British Columbia establish dedicated tourism and hospitality workforce development funding through Budget 2027, with investment levels and training support models comparable to those being implemented for skilled trades programs. This should include increased funding to public post-secondary institutions to stabilize, expand, and modernize tourism and hospitality education programs, increase training seats, improve access to training in rural and remote communities, establish a Tourism Workforce Readiness Initiative, and provide enhanced per-seat operational funding to help institutions manage rising instructional, equipment, curriculum, and program delivery costs across key tourism and hospitality disciplines throughout British Columbia.

### Strategic Context and Supporting Information

Tourism and hospitality represent one of BC's largest workforces, employing approximately 340,000 people across the province and supporting economic activity in every region of British Columbia. The sector is a major economic engine that is critical to BC's green economy, reconciliation efforts, and community resiliency, particularly in rural communities impacted by declines in traditional resource industries.

Despite this, tourism and hospitality training programs across BC continue to face increasing financial and operational pressures.



Funding reductions to post-secondary institutions, combined with reductions in international student enrollment, have resulted in the scaling back, consolidation, or elimination of tourism and hospitality training programs throughout British Columbia. These reductions are occurring at a time when the industry continues to face persistent labour shortages and increasing workforce pressures. In the hotel and accommodations sector alone, there is an estimated labour shortage of approximately 54,000 unfilled positions across BC, and to meet projected tourism demand it is estimated that the hotel workforce alone will need to grow to at least 500,000 workers nationally by 2030.<sup>7</sup>

Changes to immigration pathways, including adjustments to the Provincial Nominee Program, reductions to international students through federal caps and Post-Graduation Work Permit changes, and continued limitations related to Temporary Foreign Workers are placing additional pressure on BC's tourism workforce pipeline.

7. BC Hotel Association. 2026. <https://bcha.com/workforce/>

At the same time, the Province has recognized the importance of workforce development in other sectors by making substantial investments in skilled trades training and workforce readiness initiatives.

Through the Look West strategy, the Province recently announced a \$241 million investment in skilled trades training focused on expanding access to training, reducing waitlists, increasing training capacity, modernizing programs, and responding to labour shortages across British Columbia.<sup>8</sup>

The investment includes:

- Doubling annual funding to SkilledTradesBC from \$107 million to \$214 million by 2028/29
- Creating as many as 5,000 new trades training seats in 2026
- Expanding training capacity in high-demand sectors
- Increasing per-seat funding to training institutions
- Establishing workforce readiness initiatives for rural and remote communities
- Expanding industry certification programs

These investments recognize that long term economic growth depends on workforce readiness and sustained investment in training systems. The same principle applies to tourism and hospitality.

Without strategic investment in tourism workforce development, British Columbia risks creating labour shortages that could limit business growth, reduce service quality, constrain destination competitiveness, and slow progress toward the Province's tourism growth objectives, particularly as the Province works to strengthen and diversify its economy in the face of growing uncertainty related to US tariffs and broader global economic pressures.



8. Province of BC. News Release. May 13, 2026. [https://archive.news.gov.bc.ca/releases/news\\_releases\\_2024-2028/2026PSFS0022-000551.pdf](https://archive.news.gov.bc.ca/releases/news_releases_2024-2028/2026PSFS0022-000551.pdf)



## The ROI: Investment Impact

Tourism and hospitality offer accessible and transferable career pathways that help develop many of the competencies expected to be among the highest in-demand between now and 2032, including customer service, leadership, communications, problem solving, digital literacy, operations management, and entrepreneurship.

Post-secondary tourism and hospitality education provides the specialized and value-added training necessary to prepare workers for long term careers in the sector, including training in management, operations, culinary arts, customer service, leadership, event planning, destination development, tourism technology, safety, and business operations. These are professional workforce training programs that build practical, transferable skills and industry competencies, not unlike the structured training and workforce preparation provided through skilled trades education programs across British Columbia.

The sector is often incorrectly stereotyped as consisting primarily of seasonal, part-time, low wage workers with limited education. In reality, BC's tourism and hospitality workforce reflects a much broader and more professionalized labour force.

- **71% of tourism and hospitality jobs are permanent positions**
- **63% are full-time**
- **The average hourly wage is approximately \$29.68**
- **Wages have increased 19% over the past five years and 49% over the past ten years**
- **Wages have increased 19% over the past five years and 49% over the past ten years Approximately 49% of the workforce holds a bachelor's degree or higher<sup>9</sup>**

Tourism and hospitality are also one of the largest employers of youth in British Columbia and are often referred to as "Canada's classroom" because so many people enter the workforce through first jobs in accommodations, food and beverage, recreation, tourism operations, and visitor services.

With youth unemployment hovering near record levels at approximately 14.4%, tourism and hospitality present a significant opportunity to support workforce participation and long-term career development for young British Columbians.<sup>10</sup>

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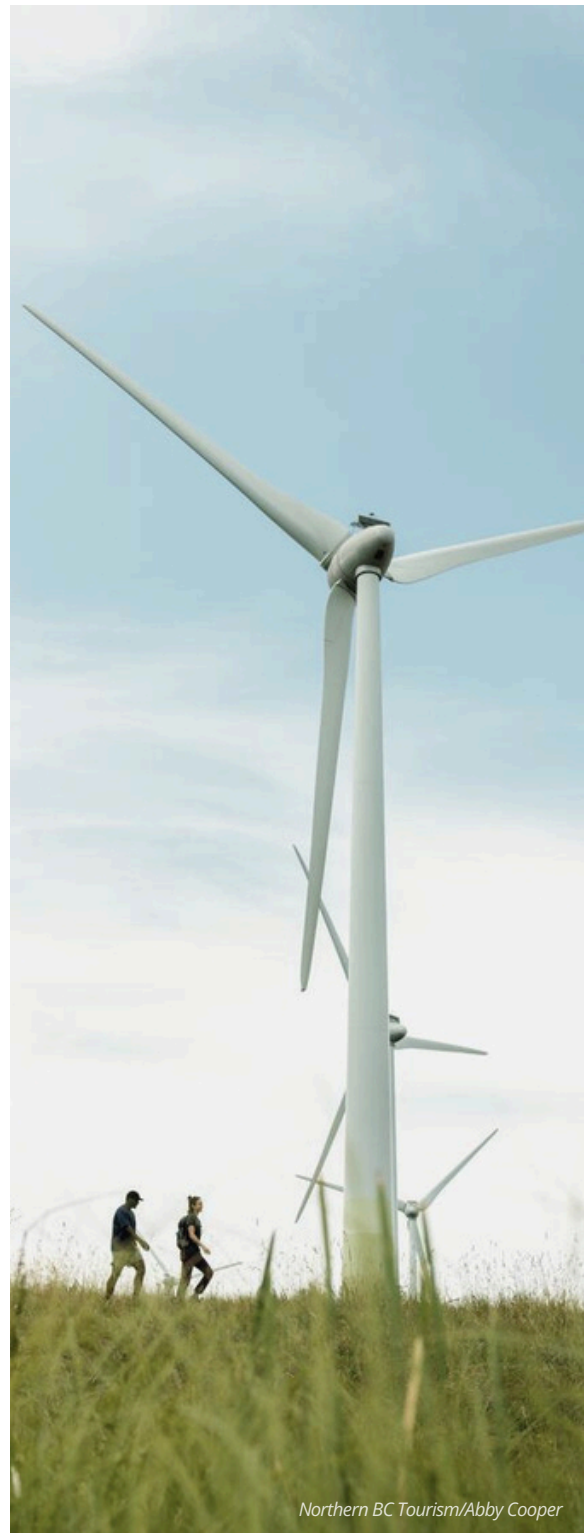
9. Data provided from go2HR. 2026.

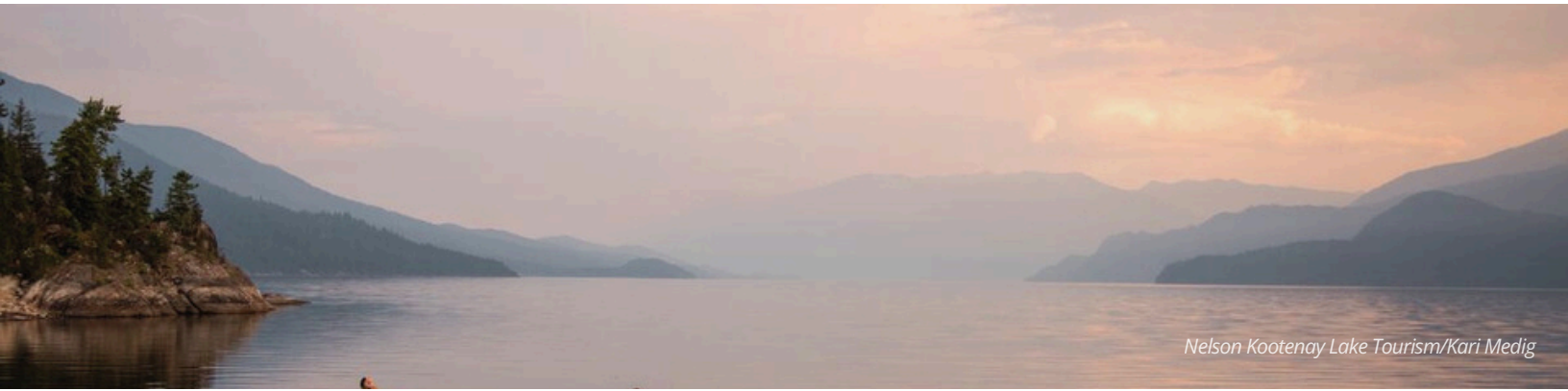
10. Province of BC. Minister's Statement on April Labour Force Survey Results. 2026. <https://news.gov.bc.ca/releases/2026FIN0019-000513>

As the Province works to strengthen economic growth through the Look West Strategy, tourism workforce development must be treated as a strategic priority. Premier David Eby has emphasized a “Canada-first” approach focused on ensuring British Columbians, particularly young people, are first in line for employment opportunities.

Tourism and hospitality are uniquely positioned to support this objective by providing accessible workforce entry pathways and careers across one of BC’s largest and most regionally diverse industries. At a time when youth unemployment remains high and tourism employment has declined due in part to international student policy changes, strategic investment in tourism workforce development presents an important opportunity to strengthen workforce participation, regional economies, and community sustainability throughout British Columbia.

Tourism and hospitality are uniquely positioned to support these objectives.





Nelson Kootenay Lake Tourism/Kari Medig

## Conclusion

The Province of British Columbia has established an ambitious and forward-looking vision for the future of tourism through the Look West Strategy and the Tourism Sector Action Plan. The commitment to double tourism revenues to \$48 billion annually by 2036 recognizes tourism as one of BC's most important economic sectors and a key driver of provincial growth, export revenue, regional diversification, workforce development, and community resiliency.

Achieving this goal will require sustained investment, strategic coordination, workforce readiness, destination development, infrastructure planning, and the government's commitment to strengthening the systems that support BC's visitor economy.

Tourism already delivers significant economic and social value to communities across British Columbia while generating billions of dollars annually in tax revenues that contribute directly to critical provincial priorities such as health care and education. With the right investments and policy support through Budget 2027, the sector will continue to be one of the BC's strongest and most sustainable engines of economic growth for decades to come.

TIABC respectfully encourages the Select Standing Committee on Finance and Government Services through Budget 2027 to support strategic tourism investments that align with the government's economic objectives and strengthen British Columbia's position as a globally competitive tourism destination.

***Respectfully Submitted by the Tourism Industry Association of British Columbia***

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