Building Canada Strong for All:

Powered by Canada's Workers

SUBMISSION BY TIABC

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TOURISM INDUSTRY ASSOCIATION OF BC 50 YEARS

Celebrating as BC's Voice of Tourism

Building Canada Strong for All: Powered by Canada's Workers
Targeted Second Phase Submission

On behalf of the Tourism Industry Association of British Columbia, I am pleased to provide this submission in response to the Government of Canada's Building Canada Strong for All: Powered by Canada's Workers, Targeted Second Phase Consultation regarding potential changes to the Canada Labour Code.

This submission focuses on the relationship between aviation labour disruptions and Canada's tourism economy. It outlines the economic importance of tourism, the consequences of aviation work stoppages, and TIABC's position on maintaining and modernizing the tools available to the Federal government.

Introduction to TIABC and the Economic Value of Tourism

The Prime Minister has identified building the strongest economy in the G7 as a central goal of the Government of Canada.[1] Achieving that goal requires protecting the industries already generating economic growth, employment, export revenue, and business activity across the country. Tourism is a crucial part of that economy.

Tourism contributed approximately $41 billion to Canada's GDP in 2024 and grew by 3.6 per cent, more than twice the growth rate of the broader Canadian economy. Tourism supported an estimated 687,800 direct jobs and was connected to more than 280,000 businesses across the country.[2][3] With domestic and international visitors spending approximately $140.5 billion in Canada, reliable aviation service is essential to sustaining that contribution because it connects Canadian tourism businesses and communities with domestic and international customers.

The economic importance of tourism is particularly clear in British Columbia. Tourism contributes nearly $8 billion annually to provincial GDP. This is greater than the individual GDP contributions of oil and gas extraction at $5.2 billion, mining and quarrying at $4.9 billion, and forestry and logging at $1.6 billion.[4] Tourism is not a secondary industry. It is one of British Columbia's largest economic contributors.

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Impact of Aviation Work Stoppages on Canada's Tourism Sector

When aviation services are interrupted, the economic effects extend well beyond airlines and passengers. Cancelled flights result in lost hotel stays, tours, events, restaurant reservations, rental vehicles, and visitor spending in communities across Canada. These losses are especially serious for rural, remote, northern, and coastal destinations where alternative transportation options are limited.

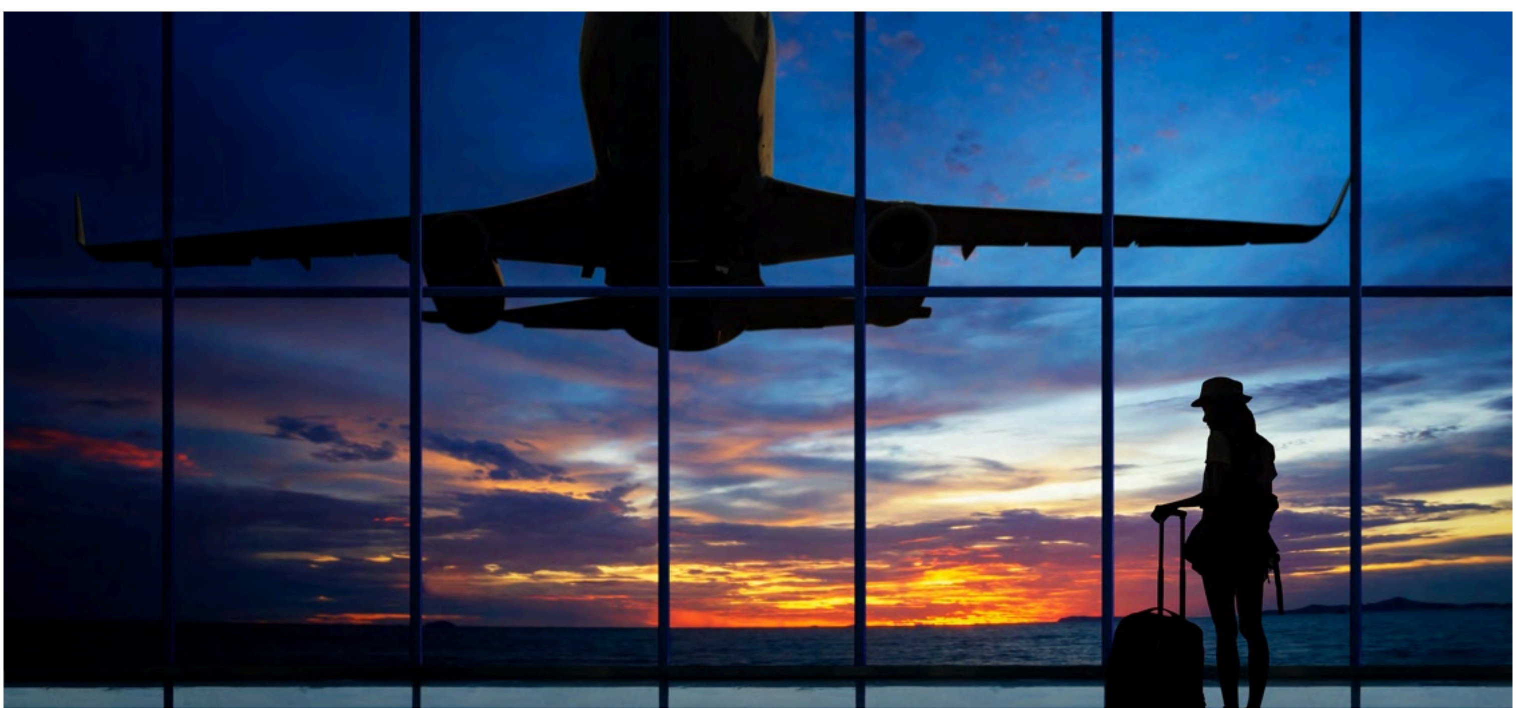
Recent labour disruptions demonstrate the potential scale of the impact. During the August 2025 Air Canada labour disruption, approximately 700 daily flights and 130,000 customers per day were estimated to be affected.[5] During the 2024 WestJet aircraft maintenance engineers' strike, more than 800 flights were cancelled over the Canada Day long weekend.[6]

Statistics Canada visitor-spending data helps illustrate the economic value associated with each international flight. A long-haul flight carrying 250 overseas visitors represents approximately $500,000 in direct tourism spending in Canada. A more conservative estimate based on 200 overseas visitors still represents approximately $400,000 in direct spending.[7][8]

These figures do not include airline or airport revenue, taxes, supplier activity, employee spending, or the longer-term value of repeat travel. They represent only the direct visitor spending associated with the affected trips.

Tourism revenue is also difficult to recover. A hotel cannot resell an empty room from the previous night, and a tour operator cannot recover a departure missed because visitors could not reach the destination. When flights are cancelled, some spending may be delayed, but much of it is permanently lost.

Building a stronger Canadian economy requires reliable access to Canadian destinations. Aviation work stoppages are therefore not only transportation or labour issues, they are also economic issues that affect one of Canada's fastest-growing sectors and one of British Columbia's most significant contributors to GDP. Protecting the continuity of crucial aviation services will help preserve visitor spending, support businesses and workers, strengthen communities, and maintain Canada's reputation as an accessible and reliable destination.



Recommended Approach

TIABC supports ensuring that the current provisions of the Canada Labour Code, including section 107, remain in place. These provisions give the government access to the authority, resources, and tools needed to support fair negotiations and help resolve serious labour disputes.[9]

Collective bargaining is an important part of Canada's labour system. However, interruptions to crucial aviation services can have immediate and significant consequences for travellers, tourism businesses, communities, and the Canadian economy.

TIABC also supports modernizing the Canada Labour Code to provide the government with additional options to intervene earlier when an aviation labour dispute presents a serious risk of widespread service disruption. This could include the appointment of a special mediator and the use of other appropriate resources to help the parties reach a fair and timely agreement.[10]

The objective should be to support productive negotiations while reducing the risk of flight cancellations and interruptions to the aviation services upon which Canada's tourism sector depends. A more proactive approach would provide greater certainty for travellers and tourism businesses, protect Canada's visitor economy, and maintain confidence in Canada as an accessible and reliable destination.

Conclusion

TIABC believes that fair collective bargaining and the continuity of crucial aviation services should not be treated as competing objectives. Canada's labour framework must support both.

A balanced and proactive approach will protect the reliable aviation access required to grow Canada's tourism economy and advance the Government of Canada's goal of building the strongest economy in the G7.

Thank you for the opportunity to contribute to this consultation.

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References

[1] Office of the Prime Minister of Canada, About the Prime Minister and public statements on the Government of Canada's economic priorities. The Prime Minister has identified building the strongest economy in the G7 as a central goal of the government.

[2] Destination Canada, Tourism in Canada: 2025 Tourism GDP Infographic, developed in collaboration with Statistics Canada. The source reports $140.5 billion in tourism spending, $34.9 billion in international visitor spending, 687,800 direct jobs, more than 280,000 businesses, and tourism exports representing 14.5 per cent of Canada's service exports.

[3] Statistics Canada, Tourism Among the Fastest Growing Sectors in 2024, Setting the Stage for 2025, July 28, 2025. The source reports that tourism contributed $41 billion to Canada's GDP in 2024 and grew by 3.6 per cent compared with national economic growth of 1.7 per cent.

[4] Destination British Columbia, 2024 Value of Tourism: A Snapshot of Tourism in BC, February 2026. The source reports $23 billion in annual tourism revenue and nearly $8 billion in real GDP. It also reports that tourism's GDP contribution was greater than oil and gas extraction at $5.2 billion, mining and quarrying at $4.9 billion, forestry and logging at $1.6 billion, and agriculture and fishing at $3 billion.

[5] Air Canada, Air Canada and Air Canada Rouge Flights Suspended Due to a Strike by CUPE Flight Attendants, August 16, 2025. The airline reported that its schedule included approximately 700 daily flights and that approximately 130,000 customers would be affected each day the disruption continued.

[6] WestJet, WestJet Issues Additional Cancellations Amid Third Day of AMFA Strike, June 30, 2024. The airline reported more than 800 cumulative flight cancellations.

[7] Statistics Canada, National Travel Survey and Visitor Travel Survey, quarterly releases for 2025. Statistics Canada reported average quarterly spending by overseas visitors ranging from $1,791 to $2,169 per trip.

[8] TIABC calculations based on Statistics Canada's 2025 average visitor-spending figures. The calculations assume approximately $2,000 in direct spending per overseas visitor. A flight carrying 200 to 250 overseas visitors represents approximately $400,000 to $500,000 in direct visitor spending. Applying this range to 700 flights produces a theoretical exposure of $280 million to $350 million. Applying the range to 10 per cent of those flights produces an illustrative exposure of $28 million to $35 million. These calculations illustrate the potential scale of the economic impact and are not forecasts of actual losses.

[9] Department of Justice Canada, Canada Labour Code, section 107. The section provides the Minister with authority to take measures considered likely to maintain or secure industrial peace and promote conditions favourable to resolving industrial disputes.

[10] Employment and Social Development Canada, Building Canada Strong for All: Powered by Canada's Workers, Targeted Second Phase Consultation Document, July 2026. The consultation considers the use of section 107 and additional measures to support collective bargaining and resolve labour disputes.