

**BRIEFING NOTE****DESTINATION CANADA WEBINAR WITH THE  
HONOURABLE MÉLANIE JOLY, MINISTER OF  
ECONOMIC DEVELOPMENT AND OFFICIAL LANGUAGES****6:30 PM ET on Tuesday, May 12, 2020****AGENDA****Speakers**

- The Honourable Mélanie Joly, Minister of Economic Development and Official Languages
- David Robinson, Interim President & CEO, Destination Canada
- Ben Cowan-Dewar - Chair of the Board, Destination Canada
- Charlotte Bell - President & CEO, Tourism Industry Association of Canada

**Ben Cowan-Dewar - Chair of the Board, Destination Canada**

Thank you. My name is Ben Cowan Dewar; I am the Chair of the Board of Destination Canada. On behalf of everyone at DC, welcome to our webinar on COVID19 featuring The Honourable Mélanie Joly, Minister of Economic Development and Official Languages and Charlotte Bell, President & CEO of the Tourism Industry Association of Canada. Minister Joly has also been doing a lot of listening and is a tireless champion of tourism at the cabinet table and we're grateful to have her on our team.

**Charlotte Bell - President & CEO, Tourism Industry Association of Canada**

We will be taking notes throughout this session and posting them in both English and French. If you have colleagues who couldn't join – a recording will also be available for them to access on Destination Canada's website.

*[Charlotte provides a translation of her remarks above in French]*

**Ben Cowan-Dewar - Chair of the Board, Destination Canada**

Before we hear from the Minister, I will give a quick update on Destination Canada's plans then we'll hear from Charlotte Bell at the Tourism Industry Association of Canada.

As I mentioned on our last webinar, Destination Canada is doing a lot of listening. We are consulting with industry and partners to make sure that our next steps take into account the terrible reality this industry is facing.

I'm also proud to see how hard the staff at DC are working to understand what *you're* facing right now. Because our partner meetings, planning sessions and town halls have moved online, more of our staff are able to listen in and hear directly from industry.

To recap what we're hearing: 1. Solvency is still an issue for most of our sector 2. For many of you, survival depends on how quickly we can hit the ground running when the lockdowns are lifted 3. There is buy-in for starting with local travel.

With over 50% of our industry at risk of closing and most of our Destination Marketing Organization partners seeing their budgets decimated, Destination Canada's recovery strategy **MUST** be commercially relevant.

We have been working with partners on a domestic travel program that will be the foundation of our strategy.

Two of DC's greatest strengths – aligning with Team Canada and our research program – will be central to our approach.

We are calling it a domestic program rather than a campaign because we're totally re-imagining the way we are working with partners. It needs to make sense in the face of the specific challenges you are facing.

Our research program will help us get the timing and the tone right. For our domestic program, we're not only looking into signals of when Canadians are willing to travel again, but we're also studying the willingness of communities to host visitors again. I can appreciate why people will be apprehensive about welcoming visitors – but with the right precautions we can do it. Local businesses are so important to our communities and they need to be supported. With a solid understanding of community sentiment, we can leverage pride of place and an understanding of the value of tourism into demand.

Finally, our first report for business events is now live on our website. The impact of restrictions on large gatherings on the business events sector is significant – we've seen a loss of \$636M in the first quarter alone. This report also provides analysis on sentiment towards business events and other information on travel restrictions.

I'm now pleased to pass the mic to Charlotte Bell, President and CEO of TIAC.

### **Charlotte Bell, President and CEO of TIAC**

Thank you, Ben. And thanks to everyone joining us today.

Today I am delighted to join the Honorable Mélanie Joly and DC's Chair of the Board, Ben Cowan-Dewar. Since the crisis began two months ago, we've worked closely with our colleagues, the minister, her team, ministers of small business and countless MP's. I have the finance committee to appeal for support for the industry. Our advocacy work continues daily. Our message is clear. Canada cannot afford to lose the tourism sector. 5<sup>th</sup> largest sector.

Many of our business still do not qualify for some of the programs. And sometimes none of them.

Those programs may not be specifically designated to support those who have been hardest hit. 881K tourism jobs has been lost.

McKinsey research indicates that businesses will lose 60% of their revenue if these closures continue to September.

The inclusion of tourism at the Economic Strategy Table is important. Government and tourism must continue to work together. Over the past months, we have undertaken many surveys including the work we've done with DC and McKinsey on research reports.

We also did a survey on the impact on DMO's.

We're compiling the results and will share them with government officials.

In recent weeks, more measures have been announced.

But small businesses and tourism businesses continue to have a difficult time accessing funds. \$962 million of funding through RDA's and includes smaller tourism business and this program will be rolling out shortly.

We are focused on recovery efforts to help industry come out of this crisis with a coordinated effort.

Right now, the measures vary from province to province. Our message has been that we need a coordinated national approach.

In closing, I want to thank each of you who has reached out to us. We want to hear from you. Our surveys provide important data that is shared with government officials.

Now, I'm pleased to introduce the The Honourable Mélanie Joly, Minister of Economic Development and Official Languages.

Over to you Minister – à-vous la parole Madame la Ministre.

**The Honourable Mélanie Joly, Minister of Economic Development and Official Languages.**

It gives me the great pleasure to hear you, Charlotte. Thank you for your leadership with TIAC. And, thank you Ben for your leadership within Destination Canada.

My colleague Kate Young, with Fed Dev, is on this call as well.

I want to thank you all for being here. This is a difficult time.

Now, let's have this conversation. I know that the tourism sector has been hard hit. Let's work together to defend the realities of workers and business owners. I have been talking to tourism businesses and I've heard your concerns. From Acadia, to Quebec, and Ontario, I have been connecting with businesses and hearing from you. It gives me great pleasure to connect with you today.

**First, let's recap the priorities of the federal government:**

1. Keep Canadians healthy.

2. Access to a strong social safety net. That is why we introduced programs like the CERB for \$2000/mth. This includes support for the seasonal sector that is so relevant to the tourism sector, and those who may not have access to EI. We introduced rent relief so businesses could pay the rent. We introduced increased funding through the Canada Child Benefit and through GST payments.
3. A Substantial Economic Package with a people first approach. We didn't want to have people have to chose work over following the health authority's directive. The idea was to be broad and have an approach to address some of your very dire issues.

At the beginning, the federal government estimated that we'd be down for one or two months and then we'd be back at it again. We discovered that the pandemic caused a more dire economic impact worse. And so we recognized that this was a subsidy issue. This is why we introduced more options and extended some.

- CEWS: April, May, June (options to reassess)
- CEBA: Loans
- Rent Relief: Partnering with provinces.
- Funding for Indigenous businesses
- Nearly one billion dollars for RDAs.

Links to these programs are available here: <https://www.destinationcanada.com/en/coronavirus-updates/industry-support>

Thank you for connecting with me today. Now let's continue to work together to make sure that tourism gets its fair share of the funding. Thank you for being here and taking the time. I am here to address your concerns.

## **Q&A**

### **David Robinson, Interim President & CEO, Destination Canada**

We received many questions ahead of this webinar. We won't have time to answer all of them, but we did notice some major themes which we will address now.

I would also like to assure everyone who wrote in that we have shared every question in full with our department and the minister's office.

### **Charlotte Bell**

*[Charlotte provides translation of David's remarks above in French]*

### **David Robinson**

The first theme is related to the fact that tourism businesses are not eligible for many federal relief programs or the programs do not serve their needs.

#### *Canadian Emergency Business Account*

- Specific issues include:
  - Many seasonal businesses simply don't qualify for CEBA.
  - Also sole proprietors or those who hire contractors can't produce a T4 summary and therefore don't qualify.

- Some solutions suggested by industry include demonstrating viability based on the last 5 years of tax returns or even cancelling 2019 taxes.

**Minister Joly**

- That's definitely a gap I have heard by having good conversations with people and the sector and Chambers of Commerce. This is why we decided to address. They will have another tool in their toolbox starting tomorrow. This will be the RDA's. Each region will have access through their RDA.
- The issue of sole proprietorship that we are definitely looking at – not just in tourism but in particular with retailers and other sectors. If it is not a sole proprietorship issue than you can access funding through the RDAs.
- This information is available on ISED's website and Destination Canada's website.

**David Robinson***Canadian Emergency Response Benefit*

- Will the government extend the CERB program for tourism workers who will return to jobs last?
- Many owners are only eligible for CERB plus \$1000/ a month which is not sufficient to keep their businesses afloat and make ends meet personally. Can the government lift the cap on the revenue made while collecting CERB?

**Minister Joly**

- We've made sure the CERB was as broad as possible. We basically took the EI program and expanded its definition.
- We know that people are in dire situations and we want to make sure that we are expanding and tightening the social safety net.
- If the pandemic is continuing and if the economic Crisis is still hitting hard, we will be there. We can show very strong Economic Solidarity in these tough times.
- We are also helping families through Childcare benefit, and people with GST credit, and today, we have increased the support for seniors. We have supported students as well and we'll be there for every generation.
- What I'd like to make sure that businesses in the sector have access to the economic safety net. Including the new one, we just developed through the RDAs. We can prioritize tourism in the context of this new funding.

**Charlotte Bell***Canada Emergency wage subsidy*

- *[Question posed in French]* Will the Canada Emergency Wage Subsidy (CEWS) be extended until October?

**Minister Joly**

- It's the same answer I gave for the CEWS. When we announced the CEWS, we announced it for a period of three months and then we had to extend it. We saw many industries suffering and we saw that we had to extend it. Maybe we'll see organizations who no longer need it or others who will have more than 30% losses, and will need more. The first transfers went to employers just last week. This will help enormously with cash flow of our businesses. If you are listening, contact the CRA to see if you are eligible for May or June if you need help in this area.

**David Robinson***Rent relief – Canada Emergency Commercial Rent Assistance*

- What are my options when my landlord does not wish to participate in CECRA and extend the benefits to me as a tenant because they do not want to contribute towards 25% gross rent minimum?

**Minister Joly**

- I am always frustrated when I hear these cases. The landlord puts him/herself in a bad position where they might not have a lessee and as a result will end up losing all their revenue. There is a clear incentive for landlords to use this program. The program is simple: 50% paid by government, 25% paid by landlord, and 25% paid by lessee.
- We can also use the CMHC to guarantee the mortgages.
- We know that only 3% of landlords don't have mortgages and we are looking at ways we can help and the provinces are also looking at different options.
- I know this is important to you and it is at the core of your very survival.
- Let's work together to get provinces to make this program event stronger and to get landlords to participate.

**David Robinson***Agricultural Fairs and Exhibitions*

- What is being done for rural tourism, in particular, agricultural societies who host fairs and exhibitions that operate as non-profits? These organizations provide a significant benefit to the surrounding community's economic impact.

**Minister Joly**

- Rural tourism was at the core of our national strategy.
- We want rural communities to continue benefit from the positive impacts of tourism.
- We will be working with the Community Futures Organizations; these are organizations in our rural regions. Funding will be given to these organizations to provide interest free loans and small grants to organizations that are key to the vitality of the region.
- Sometimes when you live in the rural region, the next credit union or bank is hundreds of kilometers away but the community futures organizations are there.

**David Robinson***Business Events*

- With the enormous job losses in the Business and Events Industry, will the government consider stimulus options like tax breaks for Meeting Planners and Meeting Attendees or easing visa regulations for travelers coming to Canada to attend a business meeting or event? Will there be any other support?

**Minister Joly**

- We are still in the period of stabilization of the economy.
- We want business owners to have access to funding. In terms of a reopen, restart and relaunch with stimulus funding, we will get there but we're not there yet.
- We have all of the resources that I mentioned to access funds, and if these aren't working for some of you, I want to know.

**David Robinson***When will borders re-open?*

- Businesses stand to lose a significant portion of their annual revenue if the border remains closed in May and June.
- When will the US/Canada and international borders open? Will Americans be welcome in Canada?

**Minister Joly**

- It's a tough question and it's one that we need to re-assess based on health risks.
- We will assess it based on our capacity to protect the safety of Canadians.
- We are in close contact with key governors, and our US contacts.
- I had a conversation with the G20 ministers. We had a conversation we all agree that our efforts would be to support local tourism and eventually regional tourism and eventually national tourism, and then eventually international tourism.
- I know there is a lot of anxiety of the border being closed.
- We need to assess health risks and have enough PPE so business owners, guests, visitors, Canadians and everyone is protected.
- We need to ensure there is trust in our Tourism Sector.
- We are working with DC to support regional, national and provincial tourism industries.

**Charlotte Bell***Consumer protection laws and mandatory refunds*

Qu'allez-vous faire dans le dossier de l'OPC qui demande au gouvernement fédéral que les entrepreneurs de l'industrie touristique et du voyage REMBOURSENT les clients au lieu de leur donner un CRÉDIT pour les services non rendus à cause de la COVID-19? En France et en Ontario entre autres, les lois ont été changées dû à la COVID-19 et permettent aux entreprises de l'industrie touristique et du voyage de donner un crédit plutôt qu'un remboursement.

**Minister Joly**

- I understand that this is key for the revenue of our industry.
- I like to hear the feedback directly from our companies and tourism businesses.
- The question of the protection of the rights of consumers is an important one and it's one that I will bring forward to my colleagues. I will pass along the questions.

**Charlotte Bell**

Yes, there are a good number of businesses that find themselves in this precarious situation. It is not just affecting the airline industry but other aspects of the tourism industry.

**David Robinson***Health and Safety guidelines*

- Our industry cannot survive with restrictive social distancing rules for foreign travellers for any kind of group travel or meetings. As an example, one question referenced how to physically distance in tour buses.
- Is the government developing guidelines for these scenarios?

**Minister Joly**

- Well, I think there's definitely an issue of having access to PPE. There is still a shortage. We are still working with provinces to ensure that front line workers have access to it. While they are thinking of restarting, we want to make sure we have access to PPE and testing.

- I would love to tell you we have a vaccine but we don't. So, we have to work together because it would be devastating if we have more outbreaks because we are not providing the right protection to guests and visitors.
- I know that the hotel sectors in other countries have developed some best practices and I have talked to my team about this. Charlotte, it would be a pleasure to work with the industry to find solutions.

**Charlotte Bell**

Thank you and we would be happy to do that.

**David Robinson***Training*

Will the Government of Canada help provide opportunities for Canadians in tourism to pursue some continued learning or courses in other professional areas as this year and the near future will be a disaster for International Tourism in Canada?

**Minister Joly**

- For students that were already studying, they have access to scholarships. If they do volunteer work, they can access up to \$5,000 dollars. If you have employees you would like to train, this is one good way.
- PACME training program in Quebec for staff.
- Using the wage subsidy can be a good way to train this staff.

**David Robinson**

## Question for TIAC

- What is TIAC doing to convince the federal government that Tourism is one of the most important industries to Canada's economy after fossil fuels so that the federal government does not continue to ignore tourism during COVID-19's forced destruction of the Canadian economy?

**Charlotte Bell**

- Great question.
- As you heard during my remarks, TIAC has been in daily contact with many government official and the parliamentary finance committee.
- We are constantly reminding government officials of the importance of the tourism industry.
- We have been saying this for years and the Minister who is on this call and has said this time and time again.
- I think this is why tourism was added to the Economic Table in 2019.
- We will continue to emphasize this.
- As we move into recovery, our advocacy will continue and why priority will continue for this sector that has been driving the economy and has been hardest hit.
- Tourism is in every riding across the country and that is recognized.
- We have to continue to push and make sure no one ever forgets that.

**Minister Joly**

Charlotte is doing amazing work. I have had the chance to be in charge of the tourism sector when it was going through its best year ever and now the worst in decades. At each opportunity, I see TIAC working tirelessly. We are all working together (NDP, Bloc) and TIAC is there, trying



to find ways to help the industry. The announcement for funding coming through the RDAs will ease some anxieties. Things are different all over Canada and the reopening plans are different everywhere. We need broad measures that can apply to tourism operators. We will continue to work with Charlotte and her team.

**Charlotte Bell**

Thank you. I appreciate it. This stuff keeps me up at night and I'm pretty sure it keeps you up at night too.

**Minister Joly**

Yes. I know it is hard for all of us. I know this because I have been connecting with tourism businesses every day. In Churchill, in Banff, and all over Canada, and I know you are hurting, and I am here for you.

**Charlotte Bell**

*Asks the next question for DC*

Are there plans for Destination Canada to appeal to Canadians once again to travel domestically in late 2020 or 2021?

**David Robinson**

We received a number of questions about a domestic program— I hope the overview Ben Cowan-Dewar provided earlier today answers many of your questions. We have focused research on domestic programs and have a good plan on our domestic markets. We are going to have to pay very much attention to detail of concerns Canadians may have about public health. We have work to do to reassure Canadians. We have this great team Canada partners. The cities have been hit especially hard because they are usually funded through the hotel tax. We have to start hyper-local, local, regional, provincial...as the Minister said. And as the Minister mentioned, some areas will come out of this before others. The long complicated answer is that we will have to think about it.

**Charlotte Bell**

Yes, building consumer confidence will be key.

**Charlotte Bell Asks Question to DC**

- As more and more newspapers go out of business and the Travel sections of those who survive may well be eliminated, I'm wondering if Destination Canada might take a more pro-active approach to publishing travel content from freelancers?

**David Robinson**

Earned media and public relations have always been important components of DC's campaigns and will definitely come into play for our domestic program.

The best advice I can give now is for travel writers to continue to work with destination and provincial marketing organizations on pitching stories. I'd also invite you to check out our Canada, For Glowing Hearts brand resources on our corporate website to gain an understanding of the types of stories DC is looking to tell.

**David Robinson**

Now, I'd like to give the Minister the opportunity for some closing remarks. Minister?

**Minister Joly**

Thank you David. Thank you for your work. I had some praise for Charlotte and I also know that Destination Canada is going through many things right now. I know it is an important transition and I know you are a good leader. Thank you. I appreciate your service.

David and Charlotte alluded to the concept of consumer confidence. I know we all love certainty. We can make good decisions with certainty. Two-thirds of how financial markets work is based on consumer confidence. We know that the tourism industry has been hit hard. We also know we can survive and thrive. Let's make sure you have access to funding and what you need to survive these difficult times. We are here to help you, to hold your hand while you are crossing the bridge. It will go better!

Keep up the great work and stay confident. Let's keep up these conversations going. It would be great if we can have another webinar in a couple of weeks.

**Ben Cowan-Dewar**

That's all we have for now – thank you so much for your time minister. I know the industry appreciates hearing from you. And thank you Charlotte for participating on behalf of TIAC. We will continue to keep you up to date throughout this crisis.

A recording of this webinar as well as notes in English and French will be available on our website soon.

We will have another webinar in about two weeks as more information becomes available. Please sign up for our newsletter and check the COVID-19 section of our website often for the most up to date information.

I would also like to take this opportunity to encourage you to keep in close contact with your local tourism authorities including Destination and Provincial marketing associations, and of course, the Tourism Industry Association of Canada.

Finally, I'd like to thank Minister Joly again for taking the time to speak with us and for working with industry to make sure our concerns are heard.

**Charlotte Bell**

Merci à vous tous pour votre participation aujourd'hui, ainsi qu'à la Ministre de s'être joint à nous. Merci aussi à Destination Canada pour avoir organisé ce webinaire. It's very important for us all to continue to work together throughout this crisis. These calls are an important venue to bring the industry together as one – and it's only by working as one team that we will get through this. And we will get through this together.

Please continue to read our daily update and consult the TIAC website as we are providing real-time daily updates with information on the programs announced by government and where to find the resources you need. Thanks again and I look forward to our next webinar. Merci encore une fois!