

BRIEFING NOTE

Destination Canada Update on COVID-19

Friday, March 20, 2020

Number of participants: 1750

Hosts:

David Robinson, Interim President and CEO, Destination Canada

Sébastien Dubois, Executive Director Industry Partnerships, Destination Canada

Presenters:

Pierre Cléroux – Business Development Bank of Canada / Banque de développement du Canada

Vice President, Research and Chief Economist / Vice-président, Recherche et économiste en chef

Charlotte Bell – Tourism Industry Association of Canada / Association de l'industrie touristique du Canada

President & Chief Executive Officer / Présidente-directrice générale

Philip Mondor – Tourism HR Canada / RH Tourisme Canada

President and CEO / Président et chef de la direction

Élisabeth Lacoursière – Parks Canada / Parcs Canada

Director, Outreach and Marketing / Directrice, Diffusion externe et Marketing

Gloria Loree – Destination Canada

SVP, Marketing Strategy & Chief Marketing Officer / Vice-présidente principale, Stratégie de marketing, et chef du marketing

Introduction:**David Robinson:**

Destination Canada is best known as the Government of Canada's international tourism marketer. We also have a legislative **mandate** to provide information to industry and the Government about the visitor economy.

The goal today is to share information as we have it. We have briefed Minister Joly and her team, some of whom are also listening today. We commit to get as many answers as possible if not today, as quickly as possible.

Canada's sector is mostly small and medium sized businesses who will be especially hard hit by this crisis. But the tourism sector is inherently one of relationship-building which puts us in a good position when it's time to start rebuilding. We can go so much further if we tackle this as Team Canada

Speaking today we have:

- **Pierre Cl  roux**, Vice President, Research and Chief Economist from the Business Development Bank of Canada who is here to talk to you about what they are doing to help keep small businesses afloat
- **Charlotte Bell**, President and CEO of the Tourism Industry Association of Canada will give an update on the conversations she's been having in Ottawa
- **Philip Mondor**, President & CEO from Tourism HR Canada will give an update from a tourism employers point of view
- And **  lisabeth Lacoursi  re** Director, Outreach and Marketing at Parks Canada will provide an update from Parks Canada
- From my team at Destination Canada - we have **Gloria Loree - Chief Marketing Officer** who will provide an update on marketing and research.

Check back regularly to Destination Canada's website where all presenter websites and resources will be linked.

www.destinationcanada.com

www.destinationcanada.com/fr

For up-to-the minute information, sign up for all partners' newsletters including the Indigenous Tourism Association of Canada (who was unable to join us today).

Also please keep in touch with your local tourism authorities and ensure they are informed of your latest news as they are in constant contact with Destination Canada as well.

BDC - Pierre Cl  roux

<https://www.canada.ca/en/services/business/maintaingrowimprovebusiness/resources-for-canadian-businesses.html>

- Businesses seeking support through BCAP should first contact their financial institutions for an assessment of their situation. Financial institutions will refer to EDC and BDC their existing clients whose needs extend beyond what is available through the private sector alone.
- Existing BDC clients should reach out to their account manager for additional information.
- There are a number of tools in place for SME's available across the country:
 - Working capital loans up to \$2M, flexible terms, payment postponements up to 6 months.
 - Postponement of payments for up to six months, free of charge, for existing BDC clients with total BDC loan commitment of \$1 million or less
 - Reduced rates on new eligible loans.
 - Additional Business Credit Availability Program (BCAP) to be announced soon.

Tourism Industry Association of Canada - Charlotte Bell

www.tiac-aitc.ca and Subscribe to [TIAC newsletter](#) for COVID-19 updates

- TIAC is working on your behalf with a Team Canada approach. We are in constant contact with tourism industry partners and it is important we work together on solutions.
- Right now: daily calls with government officials: Ministers Joly & Morneau; ISED; Bank of Canada.
- Focusing on immediate government support and action.
- Industry issues are being reported on in real time and TIAC is reporting back the available support measures to industry in real time as well.

Planning for recovery:

- Survey information is critical for us to make the case to the government for swift action.
- Key is government support in recovery efforts and funding.
- Goal is to ensure tourism businesses are sustained during uncertain times and are able to continue operations.
- Government Support for Tourism Business
 - Regional Development Agency support (projects including CEF Funds).
 - Work-sharing programs.
 - Access to credit (Business Credit Availability Program).
 - Payroll support up to 3 months.

- Mortgage deferral through large banks.
 - Income tax payment deferral until August 31st 2020.
 - More sector specific initiatives to be announced.
 - TIAC understands it has been difficult to get through to support partners and TIAC is working to make information more easily accessible and increase response times.
 - TIAC wants to support everyone in the industry, members and non-members.
 - Happy to share information and website links—as the more people who have the right information on a timely basis the better.
 - TIAC Coronavirus page – updated daily [https://tiac-aitc.ca/ Impact on Tourism.html](https://tiac-aitc.ca/Impact_on_Tourism.html)
 - TIAC Communications – <http://tiny.cc/z8silz>
 - Email communications@tiac-aitc.ca to provide us with information on how COVID-19 is impacting you
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Tourism HR Canada- Philip Mondor

- Focused on what the impact on the tourism labour sector is, and what can be done about it.
- Initial estimates indicate that at least 50% of workforce will be impacted. This accounts for more than 1 million jobs and affects all tourism industries.
- Over 500,000 EI applications received this week, up from 27,000 at the same time last year.
 - This week, we've begun to track the increasing number of media reports on closures of hotels, restaurants, events, and other tourism products and services. The rate of closures and numbers of staff applying for EI is staggering.
 - The Government of Canada has introduced a few workforce/labour programs to help mitigate the impacts of the COVID-19 crisis. Additional measures are expected, and not all of the information on the announced programs is available.
- Emergency Care Benefit (ECB):
 - Temporary income support for workers and parents and is essentially for people not eligible for Employment Insurance who must stay at home and have no access to paid sick leave e.g. Self-employed, sick or quarantine, or directed to self-isolate, self-employed taking care of family member who is sick with COVID-19, EI-eligible and non-EI-eligible working parents who must stay home without pay because of children who need care - either sick or due to school closures
 - Under this program, the Government is:

- Waiving the one-week waiting period for those individuals in imposed quarantine that claim Employment Insurance (EI) sickness benefits. This temporary measure is in effect as of March 15, 2020.
- Waiving the requirement to provide a medical certificate to access EI sickness benefits.
- Introducing the Emergency Care Benefit providing up to \$900 bi-weekly, for up to 15 weeks. This flat-payment Benefit would be administered through the Canada Revenue Agency (CRA) and provide income support to:
 - Workers, including the self-employed, who are quarantined or sick with COVID-19 but do not qualify for EI sickness benefits.
 - Workers, including the self-employed, who are taking care of a family member who is sick with COVID-19, such as an elderly parent, but do not qualify for EI sickness benefits.
 - Parents with children who require care or supervision due to school or daycare closures, and are unable to earn employment income, irrespective of whether they qualify for EI or not.
- Application for the Benefit will be available in April 2020, and require Canadians to attest that they meet the eligibility requirements. They will need to re-attest every two weeks to reconfirm their eligibility. Canadians will select one of three channels to apply for the Benefit:
 - CRA MyAccount
 - My Service Canada Account
 - Toll Free Number (still to come)
- Emergency Support Benefit
 - Long term support for workers not eligible for EI
 - Administered by CRA and more information to come.
- 10% wage subsidy: \$3.8 billion to help prevent layoffs by providing small businesses with temporary wage subsidy
 - For Next 90 days for max of \$1375 per employee and \$25,000 per employer.
 - This will help employers keep people on their payroll and help Canadians keep their jobs.
 - Will also be administered by CRA/Department of Finance - more information to come.
 - Groups are asking the government to increase this wage subsidy - TIAC is working hard to make this happen.
- Work Sharing Program:

- Work-Sharing (WS) is a program that helps prevent layoffs when there is a temporary reduction in the normal level of business activity that is beyond the control of the employer. The program provides income support to employees eligible for Employment Insurance benefits who work a temporarily reduced work week while the business recovers.
- Applications for work sharing must be submitted at least 30 days prior to requested start date.
- Employees on a Work-Sharing agreement must agree to a reduced schedule of work and to share the available work over a specified period of time.
- The Government of Canada introduced [temporary special measures](#) that extend the maximum duration of Work-Sharing agreements from 38 weeks to 76 weeks across Canada for those businesses affected by the downturn in business due to COVID-19.
- Businesses must apply through regional offices.
 - The application can be found online and is easy to locate on ESDC or you can google “Work Sharing Program ESDC”:
<https://www.canada.ca/en/employment-social-development/services/work-sharing/temporary-measures-forestry-sector.html>

Moving Forward:

- We are measuring the impact - over lifespan of COVID-19 and will broadcast information.
- Coronavirus Resource HUB on the website - will have FAQs, and be workforce focused.
- We are also disseminating information through industry partners.

Parks Canada - Élisabeth Lacoursière

- [Parks Canada website](#) has updated information on closures and services.
- As of March 19, we have suspended all visitor services in National Parks, national historic sites and national marine conservation until further notice.
 - Washrooms, campgrounds, and heritage sites are closed
 - Front and backcountry and open spaces are still available. Users are asked to consider their surroundings and local community healthy advice.
- Operators and third parties are able to continue their operations.
- Critical functions will remain in place - e.g. snow removal, fire management, as business continuity is important.
- Reservations and annual passes have been ceased until April 30, 2020. Refunds are available.
- Parks Canada works with many Indigenous communities and continues to work with them to ensure continuation of their traditional uses.

- Parks Canada will be fully involved in the recovery process.
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Destination Canada - Gloria Loree

- Focusing on marketing and research - partners across the country have updated their landing pages with helpful information for travellers.
 - While paid media marketing has been stopped globally, we continue to post helpful and useful information.
 - One key objective now is protecting DC resources: our budget, partners' budget and redeploying the team to support the new work we need to do at this time.
 - We are working with our partners across the country to develop a recovery plan to launch new content in the future.
 - Rendez-vous Canada, which was to be held in Quebec City this May, has been cancelled. We will now look to the future:
 - We will work through the process of refunds for those registered and we will follow up with next steps and details over the next few weeks.
 - For registered delegates, we will look as to how we can help facilitate communication between buyers and sellers, and offer virtual appointments.
 - Resource: smallbusiness.withgoogle.com - Destination Canada is working with a number of partners like Google, who are supporting our SMEs with knowledge and resources.
 - Tracking real time impacts - including hotel and air data and also reviewing sentiment - what our communities and global travellers are saying online? What content are people looking for? When is the time right to share more information on travelling to Canada?
 - Our goal is to provide decision-makers with clear, evidence-based information to make the informed decisions to mitigate the impacts.
 - We are actively working to determine the best way to share this information with the 200,000+ businesses that make up tourism and will share information broadly in the coming days.
 - We know that at some point, this will end, and people will want to get out of their homes and support Canadian tourism.
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Questions & Answers:

MARKETING

Q: Would you be able to offer any advice on how SMEs can receive assistance from Destination Canada to start marketing to the local market?

A: It is critical for you to work with your provinces and cities. But we also recognize how city destinations are being heavily impacted. Make sure you have your info fed into your provincial tourism organizations. They are all looking to market domestically and therefore are the best first place to reach out to for marketing support.

Q: When will DC be issuing refunds for ITB Berlin (which was to be held in March)?

A: Destination Canada is making this a priority, focusing on SMEs and city DMOs so they don't have to bear the costs of the cancellation.

FINANCIAL SUPPORT

Q: Our few remaining staff are on drastically reduced wages, are forced to stay at home, and also manage childcare. They are not eligible for EI. What other support is available for them?

A: This is why the Government of Canada put together the Emergency Care Benefit (see information above). Funds are available for these employees.

Q: A consolidation loan would reduce our monthly payments and help us with our cash flow issues we expect to have this summer. Will these types of consolidation loans be available through our tier one banks?

A: We (BDC) believe so. The first place to look is your financial institution and they will assess your situation and your needs. They understand the biggest need right now is to deal with cash flow.

Q: Where do we apply for the 10% wage subsidy for employees? Further, this is not enough funds to keep workers employed. What is being done to try and increase this amount?

A: We are waiting for more information and we will be broadcasting this out as soon as info is available. We do know a number of associations including TIAC and CFIB have recommended that the wage subsidy be increased. TIAC has put out a press release calling on the government to do more for tourism. Also a campaign will start on Monday - where businesses can draft a letter to send to local MPs. Information and links are available on TIAC's website. The Hotel Association of Canada (HAC) and Restaurants of Canada are joining with TIAC to implore the government to take additional steps and increase the wage subsidy.

Q: Small business loans are not the solution right now. What other funding is being available to businesses such as ours?

A: BDC offers loans, which is our mandate. There are other provincial organizations, which may be able to provide subsidies. It is important for businesses to look to their provincial government to help them get different kinds of financing. BDC is focusing on getting loans at best rates but we don't offer subsidies.

Q: As a seasonal tourism operator, we don't generate any revenues from November-May. The financial assistance programs currently being offered appear to require information on current losses due to COVID-19. How will companies like ours be able to obtain assistance for losses in the coming months?

A: BDC does serve seasonal businesses. We are used to these issues - so don't hesitate to contact your financial institutions who will assess your situation. If you are already a BDC client, contact your account manager.

Seasonal businesses can apply for Business Credit Availability Program support by contacting their financial institutions for an assessment of their situation. Financial institutions will refer to EDC and BDC their existing clients whose needs extend beyond what is available through the private sector alone. Of note, businesses needed to be financially viable entities prior to the impact of the coronavirus for this program.

And a reminder that there are programs being put in place to support cash flow so visit [here](#) to get the latest updates on support to Canadian businesses.

Q: Yesterday I received a call from FedDev Ontario and was informed I do not qualify for funding as my business is less than 2 years old. Where do I get help?

A: Even if you are a startup - don't hesitate to contact your financial institutions. Together they can work with BDC and EDC to find support for new businesses

PARKS CANADA

Q: Typically, we will see hundreds of people coming to our campgrounds in the summer season. Many are seasonal, long-term campers returning annually. What impacts are we likely to see in terms of COVID-19 impact to regulations and laws the 2020 camping season that we should be preparing for now (i.e. health standards, WorkSafe, emergency preparedness etc.)?

A: Parks Canada has been working hard to ensure WorkSafe practices are continuing across all National Parks. We have also relied on the trusted recommendations of the - Public Health Agency of Canada. An excellent resource is [Canada.ca/ Coronavirus](https://Canada.ca/Coronavirus) - which has a section dedicated to health professionals on how to stay healthy and safe.