









Federal Issues Progress Report – Sep 2008

Monday, September 22, 2008

The B.C. tourism industry is deeply invested in identifying impediments to its health and competitiveness, and working proactively with its partners in government and the private sector to mitigate these impediments. Tourism is a dynamic and sustainable industry, and the second largest source of jobs in British Columbia.

Based on the analysis of quantitative and qualitative data from a variety of sources, COTA has worked with its partners to identify whether progress in the industry's priority policy areas has been inadequate (red-light), moderate and requiring further improvements (yellow-light), or generally progressing in the right direction (green-light). The priorities include:

	Air Transportation – the Government of Canada has yet to sign a single Open Skies Agreement with any of B.C.'s priority tourism markets in Asia-Pacific, and Canada ranks 122 nd out of 130 countries by the World Economic Forum for “ticket taxes and airport charges,” making Canada one of the most expensive jurisdictions in the world for air travel.
	Borders and Other Access Issues – despite nearly a 40% decrease in U.S. visitation levels since 2000, border wait times continue to increase, while businesses are forced to pay for customs costs if they attempt to develop new trans-border services.
	Tourism Marketing – demand for Canada's tourism products and services is created and sustained through effective marketing, yet Canada's funding support for our federal marketing agency, the Canadian Tourism Commission, is less than 1/3 of the per capita funding level of the marketing agency for Australia and 1/6 that of New Zealand's.
	Human Resources / Labour Supply – a number of initiatives have been put in place to address the labour market needs of B.C.'s growing tourism industry, and the B.C. tourism industry encourages the Government of Canada to make further improvements in these directions.
	Taxation – COTA is supportive of the competitive taxation environment for tourism businesses, yet Canada remains one of the only countries in the world to charge a value-added tax, the GST, on tourism “exports” – products and services purchased with foreign currencies.
	Crime and Public Disorder – visitors to B.C. are exposed to unprecedented levels of property crime and highly visible street disorder, with an open drug trade, high levels of homelessness, and aggressive harassment by panhandlers. We are losing our reputation as a safe and welcoming destination that cares for visitors and its most vulnerable citizens alike. While some federal support has come forward, greater leadership is required.