



2021 In Review | BCHA Government Relations

Working to Support British Columbia's Accommodation Community

2021 Overview of Activities:

Approach

BCHA's goal was to see real assistance for the accommodation sector and the tourism industry, by:

- Ensuring we provided data-driven problem definitions and snapshots of the state of the sector;
- Providing well-researched solutions in a form compatible with government's decision-making process; and,
- Developing respectful relationships with government decision-makers, while still maintaining a media presence.

In 2021, BCHA had regular meetings with officials in many government organizations at a senior level, including Tourism, Arts, Culture, and Sport; Finance, Jobs Economic Development Innovation and Recovery; Energy Mines; Clean BC; and Municipal Affairs and Housing. Regular engagement ensured that a constructive dialogue around current challenges and possible solutions.

We also worked with hoteliers around the province to engage with local government, to help them understand the challenges facing the industry so they had the opportunity to advocate on our behalf.

Where necessary, the work was supported by research to ensure quantifiable evidence on fixed costs relief, and barriers to assistance. Research included:

- Quantifying the fixed costs for accommodation properties including energy costs, property taxes, and insurance.
- Quantifying the number of properties unable to access BC government support programs, including the Small and Medium Business Recovery Grant; and,
- Ongoing monitoring of other impacts on the accommodation sector through partner surveys.

Many of these concerns formed a part of our presentation to the *Select Standing Committee on Finance and Government Services* during its 2022 Budget Consultation as well as our submission for the Economic priorities for recovery submitted to the Ministry of Jobs.

Their report highlights some of our presentation: *The British Columbia Hotel Association highlighted this challenge for the accommodation sector as well [lack of grant eligibility], noting that hotel revenue is down 70 to 80 percent. They recommended a grant program for the accommodation sector as well as relief on energy costs.*

Public Affairs By the Numbers

- Government interactions:
 - Meetings with government: 60+
 - Letters submitted to government: 40+
 - Submissions to government: 45+
- Media Relations:
 - Pieces of coverage: 2,100+
 - Media reach: 4 billion+
 - Advertising value: \$4 million+
 - Coverage includes, but is not limited to, mentions in:



- Canadian Press, The Vancouver Sun, CBC, News1130, Global News, Chek News, Globe and Mail, BC News Now, Castanet, Daily Mail, The Telegraph, Sing Tao, Epoch Times, Business In Vancouver, BC Business, Radio Canada, MSN, Forbes, The Province, The Times Colonist, and much more.

Issues and Outcomes

A. Awareness of the State of the Industry and Its Needs

We have been providing government, with industry partners, an update on the state of hospitality, and the evolving challenges and opportunities. We've been able to successfully advocate for the removal of restrictions on gatherings and events, and the transfer of responsibility back to individual organizations in compliance with general health and safety regulations.

We've helped the government understand the complexity of the hospitality industry, and the uneven effects and recovery timelines for various regions and components of the industry. We were a lead organisation for the Hardest Hit Campaign representing British Columbia accommodators.

B. Rapid Response to Changing Orders and Conditions

Since the start of the pandemic, BCHA has been working closely with the Office of the Public Health Officer on imposed restrictions, to ensure public health orders are feasible through an operation lens, and to mitigate business loss while still meeting vital public protection goals.

Engagement this past year has included clarifications on: Circuit breaker travel restrictions; protocols for meetings and events; capacity limits; proof of vaccination programs; protocols for food and liquor serving premises; proof of vaccination requirements; and regional health authority restrictions. Positioning hotels and accommodations separately and advocating for business meetings to be separated from social functions was critical to support meetings and conferences, as well as training to continue during the pandemic.

The BCHA has assisted in developing: Meetings and Events Industry Safe Restart guidelines; communications toolkits for the April 2021 lock-down, as well as each step in the province's phased reopening plan; proof of vaccination program communications toolkit; and, most recently a toolkit related to this winter's transportation challenges.

C. Fixed Cost Relief

Securing relief measures for the accommodators of all sizes has been an ongoing priority for the BCHA. In the 2021/22 budget, the provincial government responded by allocating \$50M for the tourism sector at large. The BCHA has been advocating that \$25 million of that be streamlined into solutions for the accommodation sector. We remain hopeful that we will be successful in this and it will be allocated prior to the end of this fiscal year. BCHA is one of four lead organisations directly chosen to represent the industry provincially to work hand in hand and provide support and solutions for recovery. The other organisations are ITBC, TIABC and DBC.

We successfully advocated for the Circuit Breaker Business Recovery Grant, the extension and expansion of criteria for the Small and Medium Sized Business Recovery Grant; and a Major Anchor Attractions relief program.



Efforts also included advocating for fixed cost relief from insurance, property tax, BC Hydro energy costs, mortgage payments, and capping Online Travel agency (OTA) commissions.

D. Emergency Response and Isolation Hotels

In partnership with Emergency Management BC, the BCHA was able to support with wildfire and flooding relief, securing 111 contracted hotels and 68,007 rooms booked.

Through the Federal Government's Hotel Stopover initiative, the BCHA supported the 16 hotels chosen to take part in the program, advocating for their early access to the COVID-19 vaccine as front-line workers.

E. Municipal Affairs and MRDT

Municipal issues addressed this year included: advocating for Tradex Abbotsford to remain an event-serving venue; supporting fair taxation in the short-term rental market; and addressing the need for affordable housing.

There was also a push by some municipalities to use MRDT for purposes such as aging infrastructure. We believe that the short-term requests from a Vancouver Island municipality won't be successful, but over the longer-term any significant source of revenue will be attractive to governments looking at economic recovery. Our position is clear, and we spent significant time educating Municipal Affairs and Finance Ministry to understand the workability of the MRDT Eco System and the risks should there be exceptions made.

F. Strata Hotels and Speculation Tax

We are currently engaged to have the exemption for these properties extended beyond December 31, 2021. We developed and submitted a briefing note for speculation tax exemption, met with finance and again educated the policy team on the importance of extending the current exemption for strata hotel properties.

G. Workforce Challenges

Activities in the past year include advocating for:

- Temporary Layoff extension; and,
- Early access to vaccinations for hotel front-line workers
- Paid Sick Leave to be paid through federal employment insurance

Developing workforce solutions through:

- Creation of career paths for skilled immigrants through PICS Progressive Intercultural Community Services (PICS) program;
- Propel Student Work Placement Program (Tourism HR Canada);
- Fast Track skilled refugee program Pilot program
- Removing barriers to PNP and Temporary Foreign Worker programs;
- Industry myth busting and building confidence within the sector; and
- Partnerships with over 20 organizations and educational institutions to support mentorship, hiring, training, and international recruitment



In the longer term, we are part of a hospitality and tourism-industry task force to create a long-term workforce strategy, and have continued to keep the Ministry of Tourism, Arts, Culture and Sport engaged in its progress, as the provincial government will have a supporting role to play. This includes upskilling, access to internship programs at the college/university level, local high school curriculum changes, youth employment to name a few.

H. Clean BC

We are engaged with Clean BC to explore ways they can assist accommodators reduce emissions and become more energy efficient. Having hotels as the CenterPoint in every community for EV charging stations, and quantifying carbon footprints and energy saving initiatives are key to our sector playing a significant role in sustainability.

I. Federal Advocacy

A member of the Hardest Hit Coalition, the BCHA has been instrumental in securing financial support and policy changes at the federal level. Successes include:

- Canada Recovery Hiring Program (CRHP) extension until May 7, 2022, with a 50% subsidy rate.
- Hardest Hit Recovery Program with ongoing extensions and continued support through Canada Emergency Wage Subsidy (CEWS) and Canada Emergency Rent Subsidy (CERS)
- Lockdown Support Program, where businesses facing temporary local lockdowns can access CEWS and CERS
- Canada Worker Lockdown Benefit, providing \$300 a week to workers who are subject to a lockdown
- Extension of eligibility for Canada Recovery Sickness Benefit (CRSB) and Canada Recovery Caregiving Benefit (CRCB)
- Reopening of the cruise ship sector
- Reopening of the border for fully vaccinated international travellers
- Removing the friction at the border
- Developing a confidence building communication campaign to restart confidence in travel

Outlook for 2022

Through our ongoing government relations program, it is clear that 2022 will provide challenges and opportunities. Our respectful relationships with senior BC officials mean they have been very blunt with us about how the industry as a whole – and hotels in particular – are perceived.

Not surprisingly, some organizations are using the pandemic to their advantage, and are making a concerted effort to paint the sector as being made of poor-quality employers who treat and pay workers badly. This is a significant reputational challenge at a time when we're facing a significant workforce challenge. We are committed through research to develop a new narrative, this work has begun.

Other challenges and opportunities won't end at the end of the calendar year. There are likely to be more challenges to the structure and purpose of MRDT. There is a lack of affordable housing at a time when companies like Airbnb and VRBO are growing rapidly. And we still aren't out of the pandemic yet, which means there will be an ongoing need to coordinate response and recovery efforts with government and across the sector.



While - hopefully - 2022 will be less adventurous than 2021, it is still likely to contain many emerging issues and unforeseen circumstances, including natural disasters.

In addition to addressing the above challenges, general priorities for 2022 include:

- The safe reopening of our entire BC tourism and hospitality network, coupled with the removal of unnecessary barriers to international travel.
- Financial assistance and fixed cost relief for operators, through the allocation of \$25 million from the provincial government.
- Continued advocacy at the federal level for relief measures and support for our hardest hit sector.
- The creation of solutions for the industry's workforce crisis and employment challenges caused by lack of affordable housing.
- The rebuilding of consumer confidence in the accommodation, events, and tourism sectors.
- Continued support for accommodation sector at the municipal level through advocacy related to MRDT funds, fair taxation on short-term rentals, the exemption of strata properties from speculation tax, among other issues.
- Continued advocacy to ensure the survival and prosperity of accommodators of all sizes in British Columbia, and
- Restarting the group/tour/corporate/government sectors, growing confidence and responsibility to get back to meetings and events.

With an eye to recovery in 2022, the BCHA is committed to continued collaboration, sharing a united voice to ensure the sectors that have yet to recover are championed. We are equally committed to ensuring that the accommodation and tourism sector investment for recovery, including the \$25m for the accommodation sector, remain on the table between now and the end of this fiscal year. Additionally, that the strategic recovery priorities for this government include identifying solutions for the workforce crisis, along with the restart of government, corporate and group/convention travel.

Critical Importance of Membership

By being a member of the BC Hotel Association, you enable us to carry this important work forward. We thank you for your continued commitment to our organization; by being a member, you help support our entire provincial accommodation community.

If you are not yet a BCHA member, we ask that you join us by reaching out to our Membership Service Coordinator, Samantha Glennie at samantha@bcha.com.

There is considerable work ahead and we look forward to moving the needle in your favour.

Thank you,

Ingrid Jarrett
President & CEO