

KEY TALKING POINTS

Opening Message: Thank you for taking time out of your very busy schedule. If they are a Government MP (Liberal Party), thank them for all the hard work the government has done so far to help Canadians through this pandemic. If they are a member of the opposition (Conservative, Bloc, NDP, Green or Independent) thank them for pushing the government to better support the industry.

Critical role of hotels in our communities

- Hotels are critical infrastructure in our communities and played an essential role in Canada's COVID-19 response by serving as a safe place for front line workers to self-isolate, repatriated Canadians to quarantine, and vulnerable citizens to shelter. **(Insert your local hotel's contributions to your local community)**
- Prior to the pandemic, hotels across Canada employed more than 300,000 people, with total wages estimated at \$10.6 billion. We primarily employ women, visible minorities, young Canadians, and new Canadians – providing them with critical employment opportunities in our community.
- The Canadian hotel sector is a vital part of the Canadian economy, generating revenues of \$21.9 billion in 2018 and contributes \$9.5 billion to governments through taxes.
- Without a clear reopening plan in place, and tailored support measures to help get us through to the other side, our vibrant tourism sector and the anchor businesses like hotels in our communities are at risk.
- Without this critical infrastructure:
 - Thousands of employees will lose their jobs.
 - Destinations and communities that rely on tourism are going to be at risk.
 - Canada will not be in a position to attract major group business.
 - The positioning of Canada to attract and host major festivals and cultural events will be hampered.
 - Essential services in our rural and remote regions can't be provided.

COVID-19 impact on the hotel sector and its employees

- The hotel industry was one of the first industries hit by COVID-19, one of the hardest hit, and it will be the last to recover.
- As you may know, the hotel industry was decimated due to the pandemic, with occupancy levels at single digits during the peak of the pandemic. **(Insert how COVID has personally impacted your business and life, and the employees/constituents in the MP's community)**
- Equally catastrophic was the impact this had on our employees, with hotels across Canada reporting a 50-80% reduction in staff through a substantial number of layoffs, resulting in tens of thousands of jobs eliminated.

- While Canadians and most businesses will feel like their lives are returning to normal this summer and fall, the hotel industry will remain in the doldrums. Major events are the pillar of most hotels outside of the summer tourism season.
- We know with certainty that no fully programmed major events are planned for the remainder of 2021 and at this stage, very few in the winter and spring of 2022.
- We know that regular business travel will be slow to return as Canadians and corporations cautiously resume face-to-face business activity. For now, many corporations are planning reduced travel.
- Though national occupancy rates have improved to around 23% currently, it is nowhere near the 70% occupancy rate the hotel industry was at in pre-COVID times.
- For our sector, the end of this pandemic will not happen quickly, with the flip of a switch. While most other sectors can bounce back quickly once restrictions are lifted, we cannot. Business travel will take time to pick up. International visitors come mostly in the summer, not the fall or winter. The conferences and events that drive our business in the off-season take months of planning and lead time.
- Our recovery will take longer as continued border closures and lack of group business persist, and we need government support to bridge business operations through this challenging period.

Canada needs an expedited international reopening plan

- The top priority for hotels is the safety of guests, hotel employees and all Canadians. We strongly support the recommendations of the COVID-19 Testing and Screening Expert Advisory Panel for refining testing and screening for land and air border measures.
- Science shows we can safely transition away from restrictive measures and move toward a phased reopening plan based on evidence.
- Fully vaccinated travellers should be afforded the same opportunities as fully vaccinated Canadians, regardless of their nationalities – and that includes being able to travel to Canada. The Expert Advisory Panel does not discriminate between returning Canadians and others who have received two doses.
- By allowing Canadians to travel internationally while prohibiting fully vaccinated foreign travellers from entering Canada, the government is providing even more incentive for Canadians to travel south. That is further diminishing an already compromised and uncertain summer tourism season here in Canada, and accelerating the exodus this winter.
- The time has come to transition away from restrictive measures like the quarantine on vaccinated travellers and move towards a safe reopening plan based on science.

- The Panel provided evidence-based recommendations for refining testing and screening for land and air border measures. Now the government must deliver a clear plan to implement those recommendations.
- A strong summer tourism season was never going to rescue our industry from the looming disaster in the fall and winter, but our desperate financial circumstances will be exacerbated by increased uncertainty around the reopening of our international borders.
- Canada cannot afford to be left behind as other countries around the world begin to reopen. Without a clear plan in place, we will lose a second summer tourism season in a row.

The urgent need for continued and tailored government support programs

- The Canada Emergency Wage Subsidy (CEWS) and Canada Emergency Rent Subsidy (CERS) programs have been critical lifelines for our hotel.
- If not for these government support programs over the past 15 months, many hotel properties would already have permanently closed their doors.
- However, the subsidy **is aggressively winding down between July and September**, leaving me unable to keep employees on payroll, just as the slight revenue bump we'll see during the summer **[IF we see a bump]** will vanish again.
- Our desperate financial circumstances will be exacerbated by increased uncertainty around the reopening of our international borders, the absence of major tourism events and conventions, and the slow return of business travel, and will result in a potential collapse of our sector.
- Due to lower tourism activity in the winter months for many hotels, programs like the Canada Recovery Hiring Program (CRHP) will not benefit hotels. The CRHP is inadequate for businesses that are not recovering, as it only provides funding to businesses to hire or rehire staff as business activity recovers.
- According to our June survey of the Coalition of the Hardest Hit Businesses (which represents *the hundreds of businesses in the tourism, travel, arts and culture, events and festivals, motor coach, accommodations and hospitality, and Indigenous tourism sectors*), **nearly 60% of respondents say that without sustained access to CEWS and CERS through to the end of 2021, they will be unable to stay in business.**
- My business and employees are facing a near-certain financial crisis that will hit us especially hard this fall and winter.
- In order to ensure our survival, continued and tailored support will be necessary for those who need it most.
- **An extension of CEWS and CERS at a subsidy rate of 20% will not be enough. We are asking that a new, tailored wage and fixed cost support program be established at the earliest opportunity for Canada's hardest hit businesses to ensure their survival into the fall and winter.**

- If we are allowed to fall victim to the unfortunate timing of the CEWS and CERS withdrawal, staggered travel and tourism reopening, and Canadians' unavoidable urge to exit the country in the cold months, we will see the loss of our vibrant tourism and travel industry and the livelihoods of more than two million people – mostly women, youth and immigrants.

KEY ASK

Canada's hotel industry needs a tailored wage and fixed cost support program to be established at the earliest opportunity with a focus on businesses that are experiencing revenue losses of more than 40 per cent against normal or expected revenues and where survival is an issue.

An extension of CEWS and CERS at a subsidy rate of 20% will not be enough.

Closing Note:

These talking points are a guideline. You can pick and choose the bullets that resonate with you. Speak from the heart and describe your concern for your future. Your job is to get your MP worried that there is a significant problem here that won't solve itself without more Government investment.