

Message from the Honourable Lisa Beare, Minister of Tourism, Arts and Culture

With each passing week, people across our province and around the country continue to sacrifice for the greater good of our communities. Those working in the tourism and hospitality sectors were among the first to feel the effects of physical distancing and travel restrictions. We know that the uncertainty about how long these measures will last is causing significant stress on you and your communities. That is why I wanted to reach out to you to talk about what we are doing to help.

I continue to be in close contact with industry representatives, including the Tourism Industry Association of British Columbia, destination marketing organizations, the BC Hotel Association, and many others. The Ministry of Tourism, Arts and Culture is also receiving feedback and questions from individual operators through Destination BC's dedicated COVID-19 email inbox: <u>covid19response@destinationbc.ca</u>.

I want to thank everyone who has shared ideas and information with us, all of which is helping guide our response and shape our plans for recovery. The tourism sector has shown incredible leadership and we are grateful for our strong partnership as we navigate this crisis. We are doing everything we can to get support to you, and I know that many in the industry still have concerns about their ability to overcome this challenging time. I want you all to know that we are with you, and I am committed to continuing to advocate for further support from the federal government on behalf of B.C.'s tourism industry.

Support for tourism businesses

In recent weeks, the federal and provincial governments have introduced a number of measures to help our business community. This began with the federal government's initial response plan, which included a 10% wage subsidy. Industry leaders told me that more support is needed to help businesses keep their workers. I brought these concerns forward to the federal government and am pleased that they heard our calls and responded by increasing the wage subsidy to 75%.

You also told us that businesses need help managing fixed costs like rent. That is why we cut commercial property tax bills by an average of 25%, providing relief of up to \$700 million for B.C. businesses. And, we are giving businesses more time to pay their

property tax bills by extending payment deadlines out to Sept. 30, 2020. Through the Canada Emergency Commercial Rent Assistance program, thousands of small businesses in British Columbia will see their monthly rent for April, May and June reduced by at least 75%. This program will provide over \$300 million in combined federal-provincial relief.

Industry leaders told us that they need help managing tax payments, like the employer health tax, while revenues are down. B.C.'s COVID-19 Action Plan extends tax filing and payment deadlines for several provincial taxes, including the employer health tax, provincial sales tax, and municipal and regional district tax. These measures will help businesses get through the immediate crisis and get back on their feet once it is safe to welcome visitors again.

With restaurants and pubs no longer able to host guests in their dining rooms, we heard recommendations from the industry to allow liquor sales with take-away and delivery orders. Our government agreed that this temporary change could provide an additional revenue stream during this difficult time and made changes to permit restaurants and pubs to include alcohol with food orders.

I know that immediate liquidity remains a top concern for many operators. The expanded eligibility for the federal government's Canada Emergency Business Account means more businesses can benefit. This program provides interest-free loans up to \$40,000, with up to \$10,000 of that amount forgivable if the remainder is repaid by Dec. 31, 2022.

In addition, Export Development Canada (EDC) is offering a Loan Guarantee for Small and Medium-Sized Enterprises under the Business Credit Availability Program. This program provides credit and cash flow term loans to small and medium-sized enterprises. Financial institutions can lend up to \$6.25 million to existing clients and have 80% of the loan guaranteed by EDC. The program is available to domestic businesses everywhere in Canada and is to be used for operating expenses.

As the provincial and federal governments continue to respond to the business community's needs, we heard clearly from industry that operators need help navigating the web of supports that are available. That's why we launched the B.C. Business COVID-19 Support Service, a one-stop resource that tourism operators can access for answers to questions about provincial and federal programs. More information is available online at: <u>https://covid.smallbusinessbc.ca/hc/en-us</u>

Supporting the tourism workforce

B.C.'s tourism industry employs passionate workers who love sharing the spirit and beauty of our province with visitors. We want to make sure we take care of these people while they are unable to work in the sector, so that they are there when we are ready to welcome people back to our province once again. We introduced the B.C. Emergency Benefit for Workers, a tax-free \$1,000 payment to British Columbians whose ability to

work has been affected by the outbreak. This payment complements federal programs to provide immediate support to people who are unable to work.

We also heard from industry that there is an opportunity to help laid-off tourism workers find temporary employment in other sectors. That's why we partnered with go2HR to expand their job board to other sectors, including health care and agriculture. This partnership is helping to match our skilled workforce with other sectors that have a demand for workers during the pandemic.

We know that more support will be needed and want to reassure everyone that this is the beginning of our work to help the tourism sector weather the storm.

Preparing for recovery

I've also heard concerns about the need for funding for destination development. We need to lay the groundwork for recovery now to help our industry come back strong in the future. My colleagues and I are having conversations on how best to position our destination marketing organizations to prepare for the reopening of our province and ensure that we can be competitive in the future. And I am working closely with Claire Trevena, Minister of Transportation and Infrastructure, on raising the profile of infrastructure funding opportunities with the federal government that have significant potential to drive future economic growth in B.C.

We continue to work on programs and supports to help our economy stay resilient through this crisis. But we are also turning our attention to the next stage of the pandemic response, including working with industry and the provincial health officer on how we can slowly and safely reopen. However, our first priority is the health and safety of people living in British Columbia, and for now that means holding the line and staying home as much as possible. The actions we are taking today are saving lives and bringing us closer to restarting our economy.

As the nature of the pandemic shifts, we are taking our cues from health authorities and adjusting our response to the recommendations and orders from the provincial health officer. I am committed to keeping you informed at every step along the way.

Stay safe and stay well.

Hon. Lisa Beare

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Minister of Tourism, Arts and Culture