

August 3, 2022

The Honourable Randy Boissonnault
Minister of Tourism and Associate Minister of Finance
202-10235 124 St NW
Edmonton, Alberta
T5N 1P9

Dear Minister:

On behalf of the over 650 members of the Alberta Hotel & Lodging Association (AHLA), we are grateful for the opportunity to contribute to the Federal Tourism Growth Strategy. The AHLA is the voice of Alberta's hotel industry, representing over 70% of guest rooms, and the official health and safety association for hotels and convention centres in the province.

Alberta's accommodation sector is a key driver of economic diversification, job creation, and sustainable, clean growth. Pre-pandemic, Alberta hotels employed over 20,000 Albertans and contributed close to \$3 billion in value-added revenue. Hotels are pillars of their communities across Alberta, serving guests and providing satisfying careers for employees. Almost 90% of the province's hotels have Alberta-based ownership and over half are independently owned and operated. Most hotels in Alberta are operated by small and medium size business owners, who are local community members.

Alberta's tourism and accommodation industry is resilient, but more needs to be done to realize full economic recovery. In its Forecasted Recovery of Alberta's Visitor Economy, Travel Alberta estimates that in 2020, lost traveler spending associated with the pandemic amounted to \$4.7 billion and approximately 27,000 jobs lost.

Inflation and supply chain disruptions are driving up the cost of capital investments and day to day operations for hotels. Property insurance premiums have skyrocketed due to historically high industry loss ratios and lack of capacity in the insurance market as a result of the pandemic. Further, Alberta hotels are experiencing an unprecedented labour crisis in all occupations. Based on the Workers' Compensation Board Insurable Earnings reported for the accommodation sector, we have lost approximately 25 percent of our workforce.

In this regard, the AHLA believes the following issues are fundamental to developing a robust, sustainable tourism sector.

1. Labour Strategy

Foreign workers have made it possible for Alberta's hotel & lodging industry to maintain or even improve service standards, contributing to our provinces' economic growth. In many communities, there is a labour shortage in key occupations such as housekeeping room attendants, front desk, and food & beverage server. To this end, we support the Hotel Association of Canada's recommendations to:

Prioritize hotel sector jobs within the Temporary Foreign Worker (TFW) Program:

- Expedite new and pending hotel sector applications.
- Eliminate LMIA's, application fees, advertising requirements, and extend TFWs permits.
- Develop a Trusted Employer Program in conjunction with industry.

Adjust policies within the IEC Working Holiday program:

- Temporarily increase quotas to the IEC program and increase the age of participation from 30 to 35 years of age across all countries. Most countries allow individuals between the ages of 18 to 35. Only a select few countries have an age limit of 30 (i.e. Belgium, Hong Kong, Japan, Netherlands, Sweden, South Korea and the UK). Further, New Zealand has just made changes to the age (from 30 to 35) and the time people can stay in the country (from 2 to 3 years).
- Consider increasing the initial duration of the work permit beyond 12 months (i.e. 18 months –24 months, 36 months). This allows individuals sufficient time to pursue a path to permanent residency. Moreover, many pathways to Permanent Residency require 12 months of work experience in Canada to qualify (i.e. Canadian Experience Class and Alberta Advantage Immigration Program).
- Remove the stipulation that individuals from select countries must take a 3 month break. Most countries do not have this gap which allows an IEC holder the ability to remain in Canada and keep working.

Increase opportunities for international students:

- Increase hours international students are permitted to work to at least 40 hours/week.
- Allow international hospitality students to participate in government-sponsored programs.

2. Improve Access for Visitors and Create a Predictable Travel Environment

Uncertainty and confusion at the border discourages travel to Canada. With that in mind, we recommend the federal government:

- Streamline border processes and requirements by establishing a predictable and resilient travel environment, including improved communication of border process information to travelers.
- Invest in transportation infrastructure to develop new destinations and seasons by enhancing all-season connectivity across Canada, including to rural and remote communities through improved infrastructure and all modes of transportation.

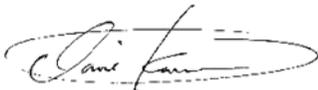
3. Build a Regenerative and Inclusive Hotel Industry

The hotel sector needs support to enhance sustainability efforts, which will benefit its people, communities, the economy and the planet. We recommend the federal government:

- Create tourism-specific grant programs for sustainable new projects and retrofits.
- Invest in infrastructure to encourage energy efficient travel to harder to reach destinations.
- Invest in Indigenous tourism as a path to reconciliation through domestic marketing and awareness campaigns and implement an Indigenous Workforce Strategy.

We thank you for the opportunity to provide input into the strategy. The AHLA is looking forward to working with the government, civil servants and all stakeholders as we work toward creating a strong, resilient tourism sector in Canada.

Sincerely,



Dave Kaiser, CHA
President & CEO