

How You Can Help!

There are many actions that you can take to advocate and fight against the implementation of tariffs. Please consider voicing your support for tourism!

Share Your Voice

- Use social media platforms to share your concerns and a positive message about the important role that tourism plays in our communities and in the Canadian economy.
- Write opinion pieces for your local media outlet or newspapers, and highlight how tariffs will harm tourism, your local economy, and the livelihoods of workers in your area.
- Keep communication respectful and factual, emphasizing our enduring partnership with the United States spanning many decades

Reach Out to Your Local Member of Parliament

Tourism business owners and stakeholders can meet with elected officials in your riding to discuss the negative impacts tariffs could have on their business, local tourism, and the visitor economy. By following this <u>link</u> and inserting your business and residential postal codes, you can easily identify and locate the Member of Parliament (MP) for your riding.

Highlight Tourism's Role in Economic Growth

- Emphasize the vital role tourism plays in Canada. Tourism is more than an industry—it's a force that creates opportunities, strengthens communities, and connects people. It fuels our economy, supports local businesses, and shares Canada's story with the world.
- A thriving tourism industry **attracts international investment, strengthens trade, and reinforces Canada's reputation as a world-class destination.**

Encourage Alternative Solutions that Offset Tariff Impacts

Propose practical solutions to help local tourism businesses grow, including investment incentives, funding for tourism facilities, supports for business events, and simpler entry for international visitors. When meeting with elected officials or speaking with media, be sure to:

- Encourage the creation of investment incentives for tourism infrastructure development including a tourism infrastructure fund and tax incentives for private investment in the sector;
- Amplify the importance of Destination Canada's international marketing initiatives and industry supports in combating potential declines in international tourists to Canada;
- Stress the vital role of business events and business travel to Canada, and the need to bolster supports like the International Convention Attraction Fund (ICAF); and,
- Emphasize the need for expedited visitor entry and clearance procedures, including the expansion of Canada's Electronic Travel Authorization (eTA) system, to encourage a wider number of international travellers to Canada.

Engage in TIAC's Tariff Update Calls and our Regional Roundtable Series

- TIAC will host ongoing video calls with members to provide crucial updates and engage with you on key developments as we continue to closely advocate for measures to mitigate the potential impacts of tariffs and trade tensions.
- TIAC will hold panels and member discussions at five regional events in the coming months. We encourage members and elected officials to come together to discuss policy issues, and express their concerns.

By combining these actions and our positive industry messaging, Canada's tourism sector can play a critical role in pushing back against tariffs and protecting the interests of the industry.

Facts and Figures: US/Canada Trade Tariffs

On March 4th, the US government implemented a broad 25% tariff on imported products of Canada, with the exception of Canadian energy products and energy resources, which will be tariffed at 10%.

The tariffs follow a February 1st executive order from President Trump. The implementation of tariffs was originally tied to commitments from the Canadian government to further invest in border security. In response, Canada enacted a \$1.3 billion border security plan.

Retaliatory Tariffs from Canada

The Government of Canada's plan for retaliatory tariffs, includes two implementation phases.

• Effective March 4th, Canada has imposed a 25% tariff on the importation of \$30 billion worth of products from the US. The initial list of tariffed products focusses on consumer items like food,

beverages, and other products. These tariffs apply to online imports and personal goods exceeding exemption limits.

- A second wave of tariffs, targeting \$125 billion in goods, is being prepared.
- A **21-day consultation period** has been launched following the release of the list of 4,416 products that the Government intends to include in the second wave.
- Information on the 21-day consultation process can be found at this link
- Canadian tariffs will remain in place until those in the US are lifted
- Canada is pursuing dispute resolution through the WTO and USMCA

Potential Impacts on the Tourism Sector and Travel

- The trade conflict's impact is expected to be widespread, though region-specific effects are difficult to assess at this stage.
 - Early estimates from the Conference Board of Canada project that the US/Canada tariffs could result in a \$8.2 billion decline in tourism's GDP, and an employment decline of 176,800 workers should tariffs continue into the next eight quarters.
- Anecdotal evidence suggests the potential for negative sentiment for cross-border travel.
- US visitors account for over 70% of international tourists to Canada. A 10% reduction in travel could result in a loss of 1.5 million US visitors and 2 million fewer Canadians visiting the US.

Government Support and Relief

- The Canadian government has not clarified how tariff revenue will be used, but potential remission is under discussion.
- Talks are ongoing between the Department of Finance and financial institutions to support businesses facing liquidity and credit challenges due to the trade tariffs.
- The Government has implemented a remission process for its retaliatory tariffs. Businesses can find more details on the **remission framework**, including the application process and eligibility criteria for relief at this <u>link</u>.

TIAC's Advocacy and Actions

- TIAC is advocating for measures tailored to the tourism industry and maintaining open communication to identify impacts and offer solutions.
- TIAC is advocating for its members at several tables, including the Forum for Canada-US Trade Issues led by the Department of Finance.
- TIAC will host a bi-weekly call with members to share updates and hear directly from you.
- TIAC is working on a new narrative for tourism messaging.
- TIAC will discuss trade impacts during its regional roundtable series from March to June.
- Destination Canada continues strategic marketing efforts in the US to encourage US travelers to visit Canada. There is consensus from provincial marketing agencies and DMOs to continue efforts into the US for both leisure and business.