

The Tourism Industry Association of the Yukon (TIA Yukon) Territorial Election – Key Tourism Issues and Party Questionnaire

Introduction

Tourism is a pillar industry in Yukon, accounting for 4.6% to 7.2% of Yukon's Gross Domestic Product - one of the highest in the country – and contributing from \$173M to \$197M annually to private sector revenue. Further, tourism is one of Yukon's largest private sector employers, with 26%-29% of Yukon businesses reporting some of their revenue from tourism.

Nationwide, tourism is a \$74 billion sector of Canada's economy, and directly supports 617,300 jobs for Canadians. Tourism contributed \$29.5 billion to Canada's GDP and generated \$9.4 billion in federal tax revenue in 2010.

International tourism is one of the fastest growing industries in the world. As a world trade category, international tourism currently generates more than US\$1 trillion in export income annually and ranks 4th after fuels, chemicals and automotive products.

Our common goal is a sustainable tourism sector that taps into our growth potential and delivers maximum economic, social and cultural value. Government, public agencies, industry and communities need to work towards this.

The Tourism Industry Association of the Yukon has prepared this document to both inform Parties running in this current election, and to engage them to share their position on key (territorially relevant) tourism issues. The position of each Party will be posted on the TIA Yukon website and shared with our membership across the territory so that each member can make an informed decision on Election Day.

Issue: Lack of a comprehensive, wilderness land use plan

Protected areas and viewscapes are a fundamental piece of our tourism infrastructure, and the protection of Yukon's scenic beauty, as well as its historic and cultural sites is an essential ingredient for a sustainable tourism industry.

The availability of wilderness lands for sustainable, commercial development is essential for the long-term growth of our industry, and will significantly multiply the return to the economy from the tourism sector.

Businesses in the tourism sector recognize the need to have a healthy resource sector so that the Yukon economy is diverse. A comprehensive land use plan that incorporates all resource-based industries including trappers, outfitters, loggers, miners and tourism operators must be a priority. To ensure our industries remain sustainable and economically viable, land use planning must be based on a responsible, integrated approach to land management, must incorporate a balanced approach to resource use and protection, and must resolve the current resource-use conflicts that threaten the growth and sustainability of our industry.

TIA Yukon asks the Yukon Government to confirm that a Commercial Wilderness Land Use Policy is a government priority and that work proceeds with the goal of implementing the policy within this term of government. The tourism sector must remain a partner in the development of this policy, and the impact on tourism must be considered within all development decisions prior to its implementation.

Issue: Marketing

Marketing dollars are an investment, and investing in tourism marketing creates a payback to the economy and the government many times over. The return on these dollars is exceptional; for every dollar spent on marketing, there is an estimated \$17 to \$27 return of new dollars into the territory and its communities.

Tourism is one of the most competitive industries in the world, and the new global environment has created challenges for marketing Yukon. Other countries have found tourism to be a key industry for their economy and are making major investments in infrastructure and marketing to ensure sustainable economic growth.

Competitive and sustainable funding is required so Yukon can continue to build a successful, differentiated tourism brand and a leading tourism marketing position. As a small jurisdiction, with limited resources, we must have the courage to be open to new, innovative and non-traditional forms of marketing. We must focus our resources on the target audiences and markets that offer the best opportunity for a high return on investment, be that existing markets, or emerging market opportunities. We must continue to work cooperatively to build stronger, coordinated campaigns using the combined resources of the government and industry, leveraging our collective time and resources to market the destination will result in increased spending, tax dollars, jobs and investment in every region.

Issue: Human Resource Challenges

Tourism is a highly labour-intensive service-based industry and people are our major asset. Currently, Yukon tourism businesses are experiencing a significant labour shortage that hampers the operation and growth of their businesses. This situation is expected to escalate with continued industry growth, a shrinking replacement pool due to a declining birth rate and a retiring generation of baby boomers, as well as out-migration to other industries with higher wages. The demand for skilled workers means that tourism employers not only compete with each other, but also with employers from other industries and regions/countries. We must work together to find solutions for this new labour-market landscape.

TIA Yukon asks the government to work with the federal government and industry to help identify and remove barriers to developing an adequate tourism workforce. This includes facilitating the transition of underemployed persons into the workforce, facilitating transition of new immigrants into the workforce,

streamlining the Temporary Foreign Worker programs and communicating programs and services available to assist tourism operators.

Our people and communities must understand the importance of tourism to the territory's economic and social well-being and the importance of their own roles in building our unique brand of service. Government is a partner with industry in communicating this important message.

Issue: Access to Capital

Access to capital is frequently cited as a top concern of tourism operators who are largely unable to access financing through traditional means. Limited capital impedes new tourism start up, expansion, succession and modernization within the industry – which can negatively impact the overall competitiveness of the local sector within the global tourism industry.

TIA Yukon recommends that government takes actions to support increased access to capital, which may include support in recruiting investors, aligning funding programs to industry priorities, making seed capital available. Further, government should be assisting the small business community – which Yukon's tourism industry is – by removing constraints that impede growth and prosperity. For Yukon tourism to reach its true potential, legislation and regulatory processes must invite business development and investment, and long-term land tenure must be certain.

Issue: Accessibility and Infrastructure

Visiting Yukon takes deliberate planning and a determined effort. When visitors arrive, they expect good roads, public transport networks and facilities, clear signage, cell phone service, internet and easy access to information. Travel to, from and around the territory is constrained by affordability, availability, and infrastructure quality. To compete, investment in high-quality infrastructure that enables the tourism industry to meet and exceed visitor expectations must continue.

The ever-increasing traffic and demands placed on the Erik Nielsen International Airport, as well as regional airports, have been significant. Capital improvements and infrastructure needs will continue to present a challenge in years to come, and the Yukon government needs to remain committed to ongoing investment to meet the demands of the growing travelling public. Additional fees and surcharges should be minimized as much as possible to ensure that Yukon remains competitive.

Yukon enjoys a vast and strikingly beautiful terrain, and for many tourists, our highways are the most viable means of travel. Well-developed and efficient in-territory transportation infrastructure must include well-maintained roads, adequate road and directional signage, inter-community public transport and other infrastructure to meet the needs of travellers. It will help the industry maximize the value of non-resident and resident visitors by making it easier for everyone to explore more widely and spend more during their travels.

A widespread, modern information and communication infrastructure is fundamental to our competitive advantage and our economic success as a leading tourism destination. Significant gaps in access to high-speed Internet, and the ability to leverage online technology, remain. Costs can be prohibitive for all businesses, especially small business. Tourism businesses in all geographic areas of the territory need access to affordable, reliable broadband service to provide key marketing tools to engage potential travelers, and to meet the expectations of those visitors upon their arrival.

Similarly, Yukon businesses need access to affordable, reliable cell phone service. Currently, most Canadian, American and European visitors cannot use their cellular phones while visiting Yukon. Even Yukoners are constrained by a small number of phones that work outside of Whitehorse. The cellular network must be upgraded to support international protocols (GSM) and must be made accessible to our visitors and residents, regardless of their service providers.

Territorial Political Party Questionnaire

The Tourism Industry Association of the Yukon has developed the following questions to provide each Political Party the opportunity to share their position on key issues facing our industry.

Responses will be shared with members and supporters of the Tourism Industry Association of the Yukon, and will be posted on our website, in advance of the October 11 election.

Please limit responses to each question to 400 words or less.

1. Is the development of a comprehensive land use plan that will facilitate land use for all industries, a priority for your Party? Please outline how your Party plans to ensure a balance will be achieved between developing protected areas and developing economic growth. Please identify your Party's position on the Peel Watershed Planning Commission's Final Recommended Plan.
2. Does your Party intend to make any changes to tourism marketing support, including support for the Tourism Cooperative Marketing Fund, Yukon Wild or the Yukon Convention Bureau? If yes, please indicate particulars in proposed policy change and if the change will result in an investment increase, status quo, or reduction in support.
3. State how your Party plans to address the human resource challenges facing the tourism industry in Yukon.
4. State how your Party would address the issue of access to capital for small- and medium-size businesses.
5. Provide your Party's policy on transportation issues facing Yukon, including the need for highway infrastructure investment and long-term infrastructure support for our airports. Please outline how your Party intends to ensure our highways remain safe and maintained as the number of tourists, residents and industrial vehicles increase.

6. Provide your Party's policy on telecommunication issues facing Yukon, particularly the availability of affordable high-speed Internet service and the upgrading of our cellular technologies to support all major international protocols.
7. Share any other pertinent policy direction of your Party as it relates to supporting the ongoing growth of the Yukon tourism industry.

Submission of Questionnaire

Deadline for submission of the questionnaire is Tuesday, October 4, 2011.

Responses can be provided by:

- Email at info@tiayukon.com
- Fax at 867.667.7379
- In person at TIA Yukon 3-1109 First Avenue, Whitehorse