TOURISM INDUSTRY ASSOCIATION OF **CANADA**

ASSOCIATION DE L'INDUSTRIE TOURISTIQUE DU **CANADA**

August 20, 2024

The Honourable Soraya Martinez Ferrada
Minister of Tourism and Minister responsible for the Economic Development Agency of Canada for the Regions of Quebec
235 Queen Street
Ottawa, Ontario
K1A 0H5

RE: Potential Rail Sector Job Action and Its Impact on Tourism

Dear Minister Martinez Ferrada:

On behalf of Canada's vital tourism sector, we urge the Government of Canada to take immediate action to prevent rail sector job action scheduled to begin on August 22nd.

While we appreciate that this is a labour dispute between Canadian National Railway Co., Canadian Pacific Kansas City Ltd., their employees and the union, we know that job action of any length of time will have serious repercussions on supply chains, the tourism industry, and virtually every other sector across the country. At a time when many destinations and/or tourism businesses have still not fully recovered from the pandemic, we can ill afford another setback due to circumstances beyond our control.

As you are aware, tourism is a significant economic driver in Canada. In 2023, Canada's tourism demand hit a record high with $113.4 billion in spending. Tourism provided a contribution of $42.7 billion to Canada's Gross Domestic Product (GDP), which accounted for 1.6% of the national economy. Finally, tourism employment surpassed 2 million in 2023, growing 7% over the previous year. With this in mind, we want to stress that any interruption to major transportation and supply routes has the potential to produce a significant financial impact on our sector's vital transportation ecosystem, businesses, and connectivity for travellers and those that depend on rail in tourism hubs across Canada.

We respectfully request that the Government of Canada compel all parties to reach an equitable settlement before Thursday August 22nd, to avoid a major disruption to Canada's economy, including the tourism sector, which has been gaining momentum since the pandemic ended but can ill afford to turn visitors away now, particularly during the high season. Our focus as a country should be placed on reinvigorating travel, not inhibiting it; to present the culture and values of Canada to the world and cement its reputation as a world-class destination.

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As a valued champion of the tourism sector, we implore you and your cabinet colleagues to help find a quick resolution to this pending job action to avoid serious operational and reputational damage to Canada's economy and the tourism industry in particular.

Thank you for your consideration in this matter. We would welcome further dialogue with you in the days ahead.

Sincerely,



Beth Potter
President and CEO

Walt Judas
CEO
Tourism Industry Association of BC

Donna Lee Demarcke
CEO
Northwest Territories Tourism

John Gunter
Chair, Board of Directors
Tourism Industry Association of Manitoba

Darren Reeder
President and CEO
Tourism Industry Association of Alberta

Jim Bence
President and CEO
Hospitality Saskatchewan

CC:

The Right Honourable Justin Trudeau, Prime Minister of Canada
The Honourable Steve MacKinnon, Minister of Labour
The Honourable Pablo Rodriguez, Minister of Transport