

207 Queen's Quay West, Suite 405 Toronto, ON M5J 1A7

Hon. Peter Bethlenfalvy, MPP Minister of Finance 7th Floor, Frost Bldg S., Queen's Park Cres, Toronto, ON M7A 1Y7

November 15, 2022

Re: Extending the Ontario Staycation Tax Credit

Dear Minister Bethlenfalvy,

We are writing on behalf of Ontario's tourism and hospitality industry, representing over 200,000 businesses in sectors including visitor accommodations, resorts, food and beverage, live events, attractions, recreation, transport operators, and culture and heritage.

With the support of your government, our industry is moving forward with rebuilding its \$36 billion economic impact: our businesses are ramping up, regaining and creating new visitor markets, and developing innovative offerings to appeal to growing volumes of visitors.

We thank the Government of Ontario for implementing the Ontario Staycation Tax Credit for 2022, which is helping Ontarians rediscover the unique visitor experiences that we have to offer. By incentivizing stays at eligible accommodations, the Tax Credit is encouraging domestic visitor spending in Ontario destinations, thus supporting local visitor economies as a whole.

In our conversations with local visitors, we have heard how the Tax Credit encouraged them to stay in Ontario, book a trip where they had never visited before, and spend more on their visit than they normally would. The full benefit remains to be seen, as many Ontarians are just beginning to resume travel and many have yet to take advantage of the Staycation Tax Credit.

Yet, we are hearing about the positive impact of the Staycation Tax Credit from our members, with destinations creating competitive offerings around it to showcase the breadth of local tourism experiences and incentivize visitor spending. For instance, Ottawa Tourism's '3rd Night on Us' campaign encouraged visitors to choose Ottawa for their next staycation and to explore the city for longer, with the third night on Ottawa Tourism. Mississauga Tourism's 'It Pays to Stay' campaign enticed staycation-goers with a VISA gift card and attractions pass to explore more of the city while maximizing savings. Tourism businesses have additionally expressed support for extending the Staycation Tax Credit in a recent TIAO survey.

Building a consumer habit of domestic spending that supports our industry year over year and helps insulate it from global disruptions begins with encouraging Ontarians to rediscover local—putting Ontario dollars back into Ontario. As such, we support the extension of the Ontario Staycation Tax Credit through 2023.

To encourage Ontarians to visit the province's many waterfront destinations, we also support expanding the Tax Credit to include transient boating—an activity fulfilling the intent of the Staycation Tax Credit while generating about \$2.3 billion annually in local spending. We welcome the opportunity to discuss this recommendation further.

Thank you again for your support throughout the COVID-19 pandemic to help tourism businesses. Now more than ever, it's vital to continue to provide businesses with the tools they need to recover, prosper, and remain resilient.

Thank you for considering the contents of this letter. Please do not hesitate to contact us for further information. We look forward to hearing from you.

Sincerely,



Chris Bloore

President & CEO Tourism Industry Association of Ontario (TIAO)



Dr. Jessica Ng

Director, Policy and Government Relations Tourism Industry Association of Ontario (TIAO)



Tony Elenis

President & CEO
Ontario Restaurant Hotel &
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Michael Crockatt

President & CEO
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