

MRDT Key Messages for MLAs/media

1. The proposed change to MRDT regulations was introduced without meaningful consultation with the industry most affected. Before moving forward with any changes, industry should be consulted.
2. There are numerous examples when governments destabilize tourism marketing or eliminate it completely – Washington State, Colorado <http://longwoods-intl.com/the-rise-and-fall-of-colorado-tourism/>
3. The concept to rob Peter to pay Paul typically results in failure. For example, in recent years government used a particular crown corporation's revenues to balance the books and fund other projects. Now this crown corporation is in a perilous position financially. This will happen in tourism as well.
4. Because MRDT requires support from the local hotel community, this new scenario will pit hoteliers against local governments. That does not foster intra-sector collaboration.
5. At renewal time, MRDT may be shut down in many communities due to lack of hotel support because of the housing stipulation. Consequently, a smaller destination marketing fee applied by hotels could emerge to replace MRDT but not necessarily be forwarded to a DMO.
6. The current MRDT structure has been successful for decades. No other industry would have to face this scenario where they are destabilized to fix another issue.
7. MRDT provides local/regional governments with a sales tax stream derived by only one industry. It makes this revenue stream too tempting for a local government to resist. As a result we will see DMOs at risk.
8. Reduced MRDT will cost communities who will now have to fund tourism marketing out of city coffers.
9. With an incoming crop of new councillors and mayors this fall, many of them will not have familiarity with this program. Therefore, they will view MRDT as another source for funding election promises.