

TOURISM GOLDEN
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Hon. Carole James
Minister of Finance
Province of British Columbia

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February 26th, 2018

RE: PROVINCIAL SALES TAX ACT AND USE OF MRDT FUNDS

Dear Minister James,

The board of Tourism Golden, which represents MRDT collectors and other tourism stakeholders in Golden, has asked me to express their concern regarding the proposed change to the use of MRDT funds outlined in the 2018 Budget.

Golden, and the CSRD Area A is a small rural community for which tourism is a primary economic driver. Tourism visitation results in increased dollars spent in the community and generates both permanent and seasonal employment. It encourages the migration of new residents to Golden and investment in new business, thereby contributing to the sustainable long-term health of the community. To a greater or lesser extent, all businesses, and members of the community benefit from the thriving local tourism industry.

The value of a dedicated program to fund tourism marketing cannot be under-stated. Since the inception of Tourism Golden as the DMO, and entry into the MRDT program in 2007, accommodation revenues in Golden have grown by 118%, as evidenced by MRDT receipts. The board and staff of Tourism Golden work hard to ensure that the majority of MRDT funding, leveraged by grant and stakeholder funding, is spent directly on tourism marketing. Visitor studies and other performance indicators confirm that visitors to Golden reflect the target demographic audiences as outlined in the 5-year strategic plan, and annual marketing and tactical plans, and the exponential growth in visitation from these markets confirms the return on investment of the MRDT funds in tourism marketing.

With direct correlation between the MRDT funding, and success of tourism in Golden, an alteration to legislation which re-directs MRDT revenues such that there is a reduction in funding available for tourism marketing, would have a critical impact in Golden. Whilst we recognise that affordable housing is an issue which affects all communities, and one which the Province is mandated to address, we believe there are other options available to government to fund affordable housing initiatives. One such option is the additional PST revenue generated from new regulation which enables online accommodation platforms to collect and remit PST and MRDT. This would provide significantly more

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funding for affordable housing initiatives and would have less of an impact within small tourism-based communities such as ours.

The board of Tourism Golden respectfully requests that the tourism industry, represented by TIABC, is consulted on the proposed revision the MRDT program, such that the voice of industry, community DMOs and the needs of rural community businesses that rely on the success of tourism is heard, and that the integrity and original intent of the MRDT program to fund local tourism marketing, programs and projects is protected.

Minister, thank you for your consideration. We look forward to hearing from you soon.

Yours sincerely

A handwritten signature in black ink, appearing to read "R. Soomal", followed by a horizontal line and a small flourish.

p.p.

Rav Soomal
President

c.c. Hon. Lisa Beare, Minister of Tourism, Arts & Culture
His Worship Ron Oszust, Mayor of the Town of Golden
Karen Cathcart, Area A Director, Columbia Shuswap Regional District
Hon. Doug Clovechok, MLA Columbia River - Revelstoke
Lori Wanamaker, Deputy Minister of Finance
Marsha Walden, CEO, Destination B.C.
Walt Judas, CEO, TIABC
James Chase, CEO, BCHA