



HOTEL ASSOCIATION OF CANADA
ASSOCIATION DES HÔTELS DU CANADA

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For Immediate Release

2016 Federal Budget



March 22, 2016- Ottawa – Following months of rhetoric about doing things differently, sunny ways and being all things to all people, Finance Minister Bill Morneau tabled the new federal budget today. Last fall's Liberal's election campaign is a guide to the direction of the new government including targeting the middle class and addressing Indigenous funding. The major change since the Liberals came to power in November is the growth in the federal deficit. The federal deficit is now three times larger than predicted during the campaign to \$29.4 billion. The Debt to

GDP ratio is being maintained at 30.9 percent. There is no plan to balance the budget.

Support for Travel and Tourism

The Hotel Association of Canada is encouraged with the Government's recognition of tourism wherein Finance Minister Bill Morneau stated a commitment of \$50 million dollars over 2 years starting in 2016-2017.

The Finance Minister stated, "Canada's tourism sector is an integral part of the economy, supporting over 627,000 jobs in rural areas, small towns and big cities in every region. Increasing awareness of Canada and promoting its spectacular destinations, attractions, events and festivals to an international audience supports growth in this sector. Canada's national tourism marketing organization, Destination Canada, has a strong track record of working with industry partners to maximize the impact of marketing campaigns. Budget 2016 builds on this successful model by proposing to provide \$50 million over two years, starting in 2016-17, to Destination Canada to seize opportunities with partners by augmenting marketing initiatives in important international markets, such as the United States and China".

Canada's 150th Anniversary

The Government will be supporting activities and events to celebrate Canada's 150th anniversary in 2017, with \$150 million to be spent over two years.

Infrastructure

Phase 1 of the Government's infrastructure plan proposes to provide \$11.9 billion over five years, starting right away. Budget 2016 puts this plan into action with an immediate down payment on this plan, including:

- \$3.4 billion over three years to upgrade and improve public transit systems across Canada;
- \$5.0 billion over five years for investments in water, wastewater and green infrastructure projects across Canada; and
- \$3.4 billion over five years for social infrastructure, including affordable housing, early learning and child care, cultural and recreational infrastructure, and community health care facilities on reserve.

National Parks, Airports, Harbours & Border Infrastructure

The budget proposes to spend another \$3.4 billion over five years earmarked for national parks, harbours, airport, and border infrastructure.

National Historic Sites

The budget proposes to provide \$20 million over two years to Parks Canada including historic lighthouses and railway stations.

Via Rail

The budget proposes to spend an additional \$45 million for service, safety and capital improvements.

Ferry Services in Atlantic Canada

The budget proposes \$73 million in new funding to support ferry services in Atlantic Canada.

Environment

The budget proposes to spend \$191.8 million over five years on environmental initiatives which will have direct positive impact on hotels and the HAC Green Key Global Program, the world's largest hotel environmental certification program. The government is proposing to spend \$63 million over two years to build charging stations for electric vehicles and hydrogen and natural gas refueling stations. In addition it has budgeted \$128.8 million over five years to deliver energy efficiency programs to retrofit buildings and to improve standards for vehicles and products.

The new federal budget is available online at www.fin.gc.ca.

Sincerely,



Anthony P. Pollard