

GAINING THE EDGE: A STATUS UPDATE

June, 2015

The State of British Columbia's Tourism Industry

Tourism is a key part of BC's economy generating jobs, business as well as numerous other benefits to British Columbians in every region and community of the province. That is why tourism is identified as one of the eight key economic sectors in *Canada Starts Here: The BC Jobs Plan*.

B.C. has grown tourism revenues, employment, wages, and the number of visitors despite fierce global competition for every tourism dollar and challenging times in the world economy.

Key Successes

Increased Tourism Revenue

In 2013, B.C. **tourism revenues**¹ grew to **\$13.9 billion**, up 3.6% over 2012 and a 44.3% increase since 2003.

Tourism contributed **\$7.3 billion** to B.C.'s GDP - up 2.1% since 2013.

Preliminary indicators suggest strong growth in revenues continued in 2014.

Increased Visits

B.C. celebrated its 3rd straight year of increased visitation in 2014:

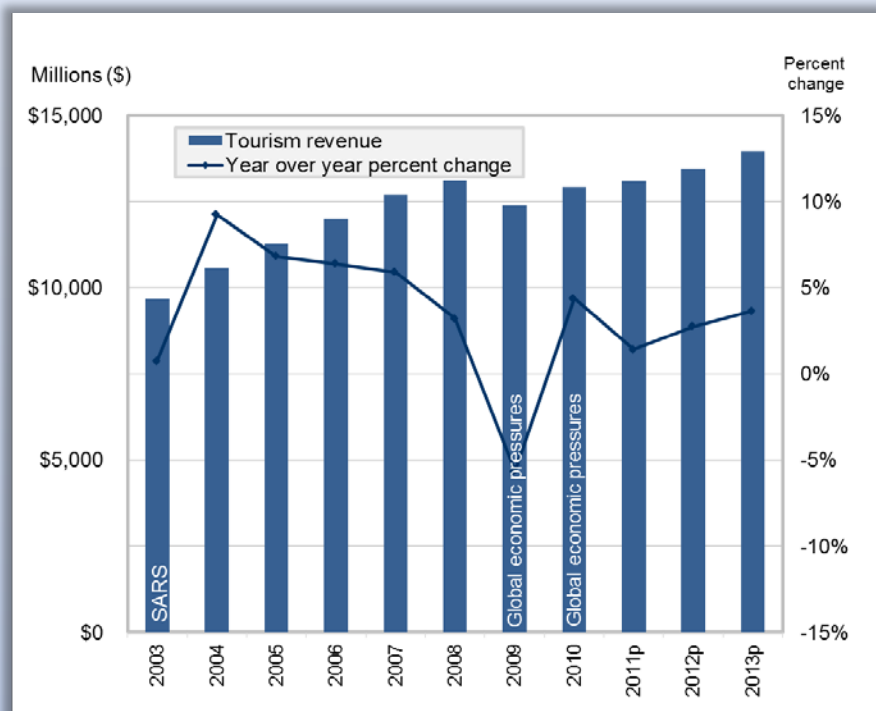
- International overnight visitor arrivals up 5.3%
- 26.2% growth in visitor arrivals from China
- 3.3% increase in US overnight visitors

Increased Tourism Jobs

Tourism is one of B.C.'s top job-creating industries, with over **132,000 workers** in 2013, up 17.4% since 2003.

Increased Businesses and Wages for Tourism Employees

B.C.'s tourism industry represents over **19,000 businesses**, paying its employees **\$4.5 billion in salaries and wages**.



¹ Source: BC Stats; 2011, 2012 and 2013 data are preliminary and subject to revision (see chart: "2011p", "2012p" and "2013p"). Tourism revenue estimates for 2014 will be available in Fall 2015.

Progress on BC's Tourism Strategy

The provincial government's tourism strategy, *Gaining the Edge*, set the plan for 2012 – 2016. This plan has advanced the provincial tourism industry through targeted action in four key areas: leadership through partnership and coordination, focussed marketing, a world-class visitor experience, and removing barriers to sustainability and competitiveness.

GTE Objective	Key Accomplishments (since February 2014)
Leadership through Partnership and Coordination	<ul style="list-style-type: none"> ▪ Destination BC launched a new corporate strategy in November 2014, providing a marketing plan to grow tourism and to align B.C.'s tourism marketing system. ▪ As part of its new strategy, Destination BC revitalized the <i>Super, Natural British Columbia</i>® brand to differentiate BC in the marketplace, strengthen brand appeal, increase urgency with travellers from key markets and draw industry partners toward greater alignment with the brand platform. ▪ Because travelling from the Pacific Coast through the Rocky Mountains is an iconic experience for many international travellers, Destination BC drove the development of a more collaborative and aligned working relationship with Destination Canada and Travel Alberta in key overseas markets.
Focused Marketing	<ul style="list-style-type: none"> ▪ Destination BC successfully delivered the province's winter marketing campaign, working collaboratively with BC's destination ski resorts and using the revitalized brand. Destination BC achieved a 55% increase in traffic to its skiing website, Ski It To Believe It, during the early bird bookings period. There were over 16,500 uses of the #skiBC hashtag on Twitter, a 160% increase compared to 2013/14. Web traffic to BC ski resorts through this site increased a remarkable 50% over the prior season. ▪ Destination BC's The Wild Within Virtual Reality Experience, using Oculus Rift technology, is the first interactive 3-D video in North America to be used to promote a destination. The tool has received widespread and positive media coverage and Destination BC has used it in key markets such as Australia and Germany. ▪ Visits to Destination BC's global consumer websites topped nine million in 2014 – an all-time high. In addition to websites in French and English for Canadians, HelloBC.com is optimized in a dozen key tourism markets including the U.S., U.K., China and Australia.
World Class Visitor Experiences	<ul style="list-style-type: none"> ▪ The Ministry of Jobs, Tourism and Skills Training, BC Parks and the Ministry of Transportation and Infrastructure created a plan to invest \$3 million annually in visitor services and rest stops over the coming three years. ▪ B.C. on the Move, a 10-year transportation investment plan, includes investing \$24 million in community airports and \$18 million for bike lanes and trails over three years. ▪ As part of Accessibility 2024, B.C. is aiming to be recognized as a premier accessible consumer and travel destination in North America. ▪ Emergency Management BC, along with a group of B.C. partners, created the BC Major Planned Event Guidelines to help communities host safe and successful major events. ▪ The Resort Municipality Initiative (RMI) distributed about \$10.5 million this past year to 14 resort communities, enabling them to enhance the quality of tourism in their towns through infrastructure enhancements and other strategies. Government has extended the timeline of this program through 2017 because of its success.

GTE Objective	Key Accomplishments (since February 2014)
	<ul style="list-style-type: none"> ▪ BC Parks invested \$13.4 million to upgrade day-use, camping trails and marine park facilities and improve accessibility in parks across the province. Preliminary indications are that 2014 marks the fourth consecutive year of increased park attendance. ▪ B.C. hosted the Canada Winter Games for the first time in 2015. It was the largest multi-sport event ever held in northern B.C., with over 15,000 participants and visitors.
Removing Barriers to Industry Sustainability and Competitiveness	<ul style="list-style-type: none"> ▪ The province has been engaging with the federal government to promote air access and reform visa policies that would help drive tourism growth. Recent successes include: <ul style="list-style-type: none"> ○ Several new direct flights to YVR including Tokyo, Japan (Mar. 2014), Reykjavik, Iceland (May 2014), Los Angeles, USA (Oct. 2014), Taipei, Taiwan (Oct. 2014), Sydney, Australia (Jan. 2015), Paris, France (Mar. 2015), and Osaka, Japan (May 2015); ○ YVR is the only airport in North America served by four mainland China air carriers, providing connections with Shanghai, Beijing, Guangzhou, Shenyang and Chengdu; ○ Expansion of Canada’s China Transit program to include Tokyo and Seoul and commitment to look at expanding it to other cities in China; ○ Expedited visa processing for Mexicans and Indians under the new CAN+ program; ○ Removal of a visa for Chilean citizens. ▪ Liquor law changes now allow ski hills and golf courses to offer more events without getting a license for each event. Government is also piloting an online liquor licensing process to increase convenience and accelerate approvals for small, low-risk events. ▪ The Off-Road Vehicle Act introduced in Fall 2014 will promote safe and responsible use of motorized vehicles in BC’s backcountry. The Act contains a registration regime for snowmobiles and ATVs, mandatory helmet use, and clarified rules for crossing roads. ▪ The updated Adventure Tourism Policy strengthens business certainty for operators and provides a mechanism to address issues where multiple tenures overlap on Crown land.

Gaining the Edge: A Look Ahead

The majority of key actions from *Gaining The Edge 2012–2016* are completed, implemented or well underway. This summer, the provincial government’s strategy to support tourism growth will be renewed. To ensure the new strategy is responsive to emerging needs, the Ministry of Jobs, Tourism and Skills Training is considering new actions, initiatives and performance measurements, consistent with core review direction, the B.C. Jobs Plan, Destination BC’s Corporate Strategy, economic shifts and industry and stakeholder feedback.

The new strategy will include:

- A plan for increased accountability and better alignment of all public investments in tourism marketing and destination development;
- A vision for destination development that will support further alignment and economic benefit of tourism investments, policies and brands in destinations across the province;
- Efforts to position British Columbia with a competitive edge in the global tourism marketplace through the implementation of Destination BC’s new marketing strategy;
- Working with Aboriginal communities and continuing support of Aboriginal Tourism BC to expand partnerships, skills development, authentic product development and the number of market-ready businesses.