



HOTEL ASSOCIATION OF CANADA  
ASSOCIATION DES HÔTELS DU CANADA

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**For Immediate Release**

## NEWS RELEASE

### Federal Budget Great News for Hotels & Tourism

*March 19, 2007 – Ottawa* – The Hotel Association of Canada (HAC) has congratulated Finance Minister Jim Flaherty and Stephen Harper’s New Conservative Government for their recognition of the importance of hotels in the new federal budget.

“We applaud Minister Flaherty for maintaining the convention and tour component of the GST/HST Visitor Rebate Program,” stated Tony Pollard, President of the HAC adding “The Minister has always told us that he greatly values the economic development contribution of hotels across Canada. He listened to us. He has met this commitment.”

Foreign conventions will continue to be exempt from the GST/HST in the new enhanced program. Tour packages will be eligible for a GST/HST rebate. This segment of the travel and tourism business generates more than \$1.28 billion annually; a significant factor in Canada’s economy.

Last year hotels had revenues of \$17.9 billion, generated value-added of \$16.2 billion in all sectors and employed 378,000 people with wages and benefits totalling \$8.6 billion.

“Minister Flaherty has underscored his recognition of the critical impact of the hotel industry in Canada and its need to remain competitive in the global market,” said Pollard, who has applauded other industry related initiatives including:

- \$50.5 million over two years to improve the Temporary Foreign Workers Program;
- \$30 million a year to support local arts and heritage festivals
- \$17.6 billion in gas tax and funds for municipalities;
- \$8.8 billion for the national highway system and infrastructure;
- \$1.5 billion for projects cutting air pollution and greenhouse gas emissions; and
- \$2.1 billion for borders/gateways including funding for Windsor – Detroit.

The Hotel Association of Canada is a federation of provincial and territorial hotel associations, hotel chains, and suppliers with a mandate to represent members nationally and internationally and to provide cost effective services which stimulate and encourage a free market accommodation industry.