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Canada's Hotel Industry Applauds Fall Economic Statement & Targeted Measures to Support the Hardest Hit Sectors

November 30, 2020 (OTTAWA, ON) - The Hotel Association of Canada (HAC) is applauding today's measures announced in the Fall Economic Update, presented by the Hon. Chrystia Freeland, Deputy Prime Minister and Minister of Finance.

"The hotel industry is one of the hardest hit by COVID-19," said Susie Grynol, HAC President & CEO. "The government is taking action to keep our sector alive. Today's plan will help hotels continue employing hundreds of thousands of Canadians when this crisis is over."

Key measures include proposals to:

- Create the Highly Affected Sectors Credit Availability Program (HASCAP) – a new program for the hardest hit businesses, including hotels. This stream would offer 100 per cent government-guaranteed financing for heavily impacted businesses, and provide low-interest loans of up to \$1 million over extended terms, up to ten years.
- Increase the maximum wage subsidy rate to 75 per cent for the period beginning December 20, 2020 and to extend this rate until March 13, 2021.
- Apply the GST/HST to all platform-based short-term rental accommodation supplied in Canada.
- Extend the current subsidy rates of the Government's fixed cost relief program, Canada Emergency Rent Subsidy, for an additional three periods until March 13, 2021.

"The government committed to supporting the hardest hit sectors in the Speech from the Throne and today announced support that will help hotels continue fighting for survival," added Grynol. "These measures will address deep gaps in the programming to date, such as a functional, guaranteed debt program, an increase in the wage subsidy support and the Government has also addressed a long-standing tax fairness issue by committing to apply GST/HST to online rental platforms like Airbnb."

"We will be working closely with the Government to ensure that these programs are rolled out quickly and that all design elements meet what's needed to bridge our sector to recovery. This includes making the new loan program accessible on a per property basis. I had the opportunity to thank Minister Joly earlier this evening for being a true champion for our industry," concluded Grynol.

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