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# FEDERAL CONTRIBUTIONS TO CANADIAN TOURISM

A REVIEW OF FEDERAL EXPENDITURES FOR  
FISCAL YEAR 2008/2009



This report was prepared by Industry Canada in cooperation with the following federal departments and agencies: Atlantic Canada Opportunity Agency, Business Development Bank of Canada, Canada Border Services Agency, Canada Economic Development for Quebec Regions, Canadian Heritage, Canadian Tourism Commission, Federal Economic Development Initiative in Northern Ontario, Human Resources and Skills Development Canada, Indian and Northern Affairs Canada, Transport, Infrastructure and Communities Portfolio, National Capital Commission, Parks Canada, Statistics Canada, Western Economic Diversification.

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Cat. No.: Iu185-5/2009E-PDF  
ISBN: 978-1-100-17608-6

Industry Canada Registration No.: 60870

Aussi offert en français sous le titre *Contributions du gouvernement fédéral à l'industrie canadienne du tourisme - Examen des dépenses du gouvernement fédéral pendant l'exercice financier 2008-2009.*

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## INTRODUCTION

The Government of Canada recognizes the importance of tourism for the country's economic development. The government's investments contribute to the prosperity and job creation in this economic sector in every region of the country. This report examines the federal government's contribution to Canada's tourism industry in 2008-2009.

Expenditures are reviewed on the basis of the six priorities set out in the *Building a National Tourism Strategy: A Framework for Federal/Provincial/Territorial Collaboration* (NTS) (2006). These priorities serve as the frame of reference for analyzing the federal government's expenditures that have an impact on tourism; the Strategy does not guide federal government spending.

In 2009, the government of Canada launched the *Federal Tourism Strategy Framework* to bring greater coherence to the policies and programs that support tourism. The Framework focuses on the following priorities:

1. Encourage stakeholder investments in Canadian tourism assets and products;
2. Facilitate ease of access and movement for travellers;
3. Increase awareness of Canada as a premier tourist destination, including federal tourism assets, through organizations like the Canadian Tourism Commission;
4. Foster an adequate supply of skills and labour and enhance visitor experiences through quality service and hospitality.

Henceforth, review of the federal government's spending in fiscal year 2009-2010, spending will be examined using the priorities from the *Federal Tourism Strategy Framework*.

The government of Canada continues, year after year, to invest in the tourism sector. In 2005-2006, the government spent more than \$400 million to support the industry and more than \$530 million in 2008-2009.

## SUMMARY

In the 2008-2009 fiscal year, the federal government contributed over \$530 million to various programs, projects and activities that have a direct impact on tourism.

This direct tourism spending included:

- services and experiences aimed at visitors (e.g., attractions and events);
- purchase of real estate, fixed capital expenditures and various other expenditures for business development directly related to tourism;
- professional development for human resources in the tourism industry;
- regional tourism development programs;
- tourism marketing and research in this area; and
- tourism infrastructure.

The federal government also spent over \$780 million on activities and investments with indirect spin-offs for tourism, for example:

- spending on programs mainly intended for local residents or to support local artistic or cultural groups, including cultural institutions and festivals;
- spending on the operation of organizations indirectly related to tourism, such as economic development organizations that offer programs designed to improve the management capabilities of small and medium-sized enterprises (SMEs).

### Total federal spending on tourism

Fiscal Year	Spending Directly Related to Tourism	Spending Indirectly Related to Tourism
2008 - 2009	\$531.7 M	\$782.3 M
2007 - 2008	\$540.9 M	\$711.7 M
2006 - 2007	\$404.2 M	\$565.1 M
2005 - 2006	\$407.6 M	\$308.1 M

Much of the declared spending with a direct impact on tourism reflects the priorities set out in *Building a National Tourism Strategy* (NTS). The NTS does not guide government spending but is simply a policy framework for this expenditure review.

The following table shows this spending, which totals over \$530 million, and the corresponding NTS priorities.

**Direct federal spending by NTS priority**

<b>Priority</b>	<b>2008-2009</b>	<b>2007-2008</b>	<b>2006-2007</b>	<b>2005-2006</b>
1. Product development <sup>1</sup>	\$366.2 M	\$402.3 M	\$289.1 M	\$287.5 M
2. Human resources	\$11.2 M	\$7.9 M	\$6.4 M	\$6.1 M
3. Tourism information and statistics	\$13.4 M	\$11.6 M	\$10.3 M	\$13.3 M
4. Tourism marketing	\$113.6 M	\$102.3 M	\$84.8 M	\$100.7 M
5. Transportation	\$4.6 M	\$3 M	-	-
6. Other	\$22.6 M	\$13.8 M	\$13.6 M	-
<b>Total</b>	<b>\$531.6 M</b>	<b>\$540.9 M</b>	<b>\$404.2 M</b>	<b>\$407.6 M</b>

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<sup>1</sup> Program and infrastructure expenditures are included in this category.

# 1. TOURISM

## a. World tourism

In 2008, the number of international tourist arrivals totalled 922 million.<sup>2</sup> However, the difficult economic context of 2009 had an impact on the industry, and the World Tourism Organization (WTO) estimates that there were 880 million international tourists in 2009, down 4.3% from 2008. Revenues from international tourism totalled US\$942 billion in 2008,<sup>3</sup> whereas the initial estimates for 2009 show that tourism revenues dropped by US\$90 billion.

The current economic situation is affecting the tourism industry. In 2008, the tourism industry achieved a 2% rate of growth, which was much lower than the 7% growth of 2007.<sup>4</sup> The decline accelerated in late 2008 up until the third quarter of 2009. After retracting for 14 months, the tourism industry saw a respectable, albeit timid, upswing in the fourth quarter of 2009.<sup>5</sup> Tourism is an economic sector that has shown a great capacity to withstand past economic crises.

Therefore, the industry's future is full of promise. Based on the prospective study entitled *Tourism: Horizon 2020*, the WTO predicts that the number of international tourist arrivals will be close to 1.6 billion in 2020. This prediction is based on an annual growth rate of 4.1%.

Governments recognize tourism's potential to increase their country's prosperity and improve their trade balance. According to the WTTC, government contributions are estimated at \$405.3 billion in 2009 and are forecasted to reach \$697.8 billion in 2019.

The World Economic Forum believes that better coordination of government investments and more collaboration with the tourism industry should help countries face the current crisis while positioning themselves favourably for the future. Infrastructure investments should also take tourism implications into account in the planning phase, since infrastructure enhances the competitiveness of the tourism sector.<sup>6</sup>

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<sup>2</sup> Tourism Highlights, 2009 Edition, World Tourism Organization, 2009, p. 2.

<sup>3</sup> Ibid.

<sup>4</sup> UNWTO World Tourism Barometer, Volume 7, Number 1, January 2009, page 1.

<sup>5</sup> UNWTO World Tourism Barometer, Volume 8, Number 2, April 2010, page 1.

<sup>6</sup> World Economic Forum, March 4, 2009, press release.

## b. Tourism in Canada

In 2009, tourism generated revenues totalling \$71.5 billion and accounted for some 2% of Canada's overall gross domestic product (GDP). Tourism also provided 650,000 jobs, or 3.8% of total jobs in each of the country's provinces and regions. Tourism supports major service providers, such as restaurants and hotels. Visitors need places to sleep and eat, not to mention recreation and entertainment. Ten per cent of the Canadian labour force works in this sector.

International tourism is also an important source of export revenues, contributing \$14.2 billion to the economy in 2009, which is comparable to the combined export sales of three key natural resources: aluminium, copper and coal. Tourism also accounts for approximately 22% of Canada's total international trade in services. It is the second largest export product in the Canadian services sector, behind commercial services.

In addition to the important economic benefits it provides, tourism allows Canadians to share their heritage with one another and with the world. It forges links, promotes understanding and fosters respect for the natural environment.



## 2. THE FEDERAL GOVERNMENT'S CONTRIBUTION TO THE TOURISM INDUSTRY

### a. Framework for a National Tourism Strategy

In December 2006, the Canadian ministers of tourism agreed on a framework for a National Tourism Strategy and agreed to collaborate with the industry to promote the prosperity of the tourism sector and make Canada a more attractive destination in the eyes of Canadian and international travellers.

The document entitled *Building a National Tourism Strategy* (NTS) sets out the challenges and priorities related to improving tourism competitiveness. Six priority sectors (see table below) were identified to improve the competitiveness and growth of the tourism sector. These priorities reflect comments made by stakeholders in the tourism industry during consultations, as well as government research and analysis. They also offer a useful accounting tool for analyzing federal government tourism spending.

### b. The six priorities

Priority	Goal
<i>Accessible destination</i> – <b>Border crossings</b>	To ensure the efficient flow of tourists to and from Canada
<i>Accessible destination</i> – <b>Transportation</b>	To implement transportation policies and programs that reflect national, provincial/territorial and regional tourism economic benefits, and to ensure that transportation policies enhance the ability of tourists to travel to and within Canada
<i>Exceptional experiences</i> – <b>Product development</b>	To ensure existing products are enhanced and new products are developed to take advantage of emerging opportunities
<i>Exceptional hosts</i> – <b>Human resources</b>	To ensure the supply of tourism and hospitality labour is consistent with the demand for that labour
<i>Exceptional reputation</i> – <b>Tourism information and statistics</b>	To improve government, business and stakeholder access to relevant information and analysis for decision-making, and to improve the measurement of tourism's performance and its contributions to the economy
<i>Exceptional reputation</i> – <b>Tourism marketing</b>	To better harmonize and coordinate marketing activities between the CTC and provinces/territories, and to optimize use of existing resources through increased inter-governmental collaboration

Expenditures included under the six NTS priorities are:

- **Accessible destination – Border crossings**

Investments in this area include local access roads and rail infrastructure to and from border crossings, as well as additional lanes and approaches to existing access roads and sections of Canadian highways. This also includes the construction or expansion of bridges, customs facilities and Intelligent Transportation System Infrastructure projects, which increase the rate of crossings for low-risk traffic, while ensuring security is not compromised.

These investments were not included when calculating total direct investments in tourism, since border infrastructure serves many purposes other than tourism. However, these investments contribute to modern and efficient border-crossing facilities which are crucial to the long-term success of the tourism industry.

- **Accessible destination – Transportation**

A significant portion of infrastructure investment benefits the entire transportation sector, not just tourism. Parks Canada's investment in this area is through highway networks, interior Park and historic site road networks and maintenance of historic canals. Parks Canada's investment in transportation benefits the tourism industry by allowing visitors to have better access to major Canadian tourism destinations, facilitating movement within the parks and historic sites and acting as the major Canadian recreational tourism waterway, which allows water access to significant tourism destinations in Ontario and Quebec.

DEPARTMENT/AGENCY	DIRECT SPENDING RELATED TO TRANSPORTATION
Parks Canada	\$4.5 M
Total	\$4.5 M

- **Exceptional experiences – Product development**

Tourism products are diverse and include festivals, sporting events, arts centres, museums, unique architecture, heritage sites, parks and botanical gardens. Products must be renewed and created continually so that destinations remain attractive, meet changes in various market segments, give visitors a reason to stay longer, and generate new opportunities for job and wealth creation. Product development includes support to individual companies to help them create and improve their range of products, the

dissemination of information to businesses to help them identify and seize product development opportunities, tourism event programming and the operation of public tourist attractions. It also includes investments in public infrastructures that strengthen tourist activity. Many departments and agencies are involved in product development.

DEPARTMENT/AGENCY	DIRECT SPENDING RELATED TO PRODUCT DEVELOPMENT
Indian and Northern Affairs Canada	\$1.8 M
Atlantic Canada Opportunities Agency	\$17.7 M
Canadian Tourism Commission	\$1.6 M
National Capital Commission	\$7.9 M
Canada Economic Development for Quebec Regions	\$21.2 M
Western Economic Diversification	\$8.0 M
FedNor	\$3.0 M
Parks Canada	\$233.5 M
Canadian Heritage	\$22.5 M
Transportation, Infrastructure, Communities	\$48.9 M
<b>Total</b>	<b>\$366.2 M</b>

- **Exceptional hosts – Human resources**

Tourism consists of a series of services provided by activity sectors such as transportation, accommodation, food services, recreational activities, entertainment, travel services, and conference services. The quality of the service provided by workers in these industries is pivotal to visitors' perceptions of the quality of Canada's tourism offering. The Canadian Tourism Human Resource Council, a sector council supported by Human Resources and Skills Development Canada representing business, labour and education, is a national organization supporting skills and professional development in the tourism workforce and promoting strong human resource management practices on the part of tourism employers.

DEPARTMENT/AGENCY	DIRECT SPENDING RELATED TO HUMAN RESOURCES
Indian and Northern Affairs Canada	\$0.09 M
Human Resources and Skills Development Canada	\$11.2 M
<b>Total</b>	<b>\$11.2 M</b>

- **Exceptional reputation – Tourism information and statistics**

Investment in tourism information and statistics is at the heart of the activities of certain federal departments and agencies. Statistics Canada conducts many surveys of visitor and tourism enterprises. It is also responsible for important tourism information tools like the National Tourism Indicators. The Canadian Tourism Commission and the Canadian Tourism Human Resource Council also invest in tourism research and information tools, often in partnership with Statistics Canada.

DEPARTMENT/AGENCY	DIRECT SPENDING RELATED TO INFORMATION AND STATISTICS
Indian and Northern Affairs Canada	\$0.3 M
Atlantic Canada Opportunities Agency	\$0.8 M
Canadian Tourism Commission	\$2.2 M
Canada Economic Development for Quebec Regions	\$0.1 M
Parks Canada	\$4.2 M
Canadian Heritage	\$0.1 M
Statistics Canada	\$5.7 M
<b>Total</b>	<b>\$13.4 M</b>

- **Exceptional reputation – Tourism marketing**

Marketing programs encourage Canadians to travel in Canada, educate major international markets and increase the sales of tourism companies. The Canadian Tourism Commission is the federal government’s main stakeholder in tourism marketing. Other departments and agencies contribute significantly to tourism marketing, including the Atlantic Canada Opportunities Agency, Canada Economic Development for Quebec Regions, Parks Canada and the Federal Economic Development Initiative in Northern Ontario (FedNor).

DEPARTMETN/AGENCY	DIRECT SPENDING RELATED TO MARKETING
Indian and Northern Affairs Canada	\$1.3 M
Atlantic Canada Opportunities Agency	\$7.6 M
Canadian Tourism Commission	\$74.9 M
Canada Economic Development for Quebec Regions	\$13.3 M
FedNor	\$2.6 M
Parks Canada	\$10.6 M
Canadian Heritage	\$3.3 M
<b>Total</b>	<b>\$113.6 M</b>

c. Departments and agencies

Many departments and agencies support the development of Canada's tourism industry; their investments have a direct impact on tourism and help make Canada an attractive, dynamic destination.

**Industry Canada (IC)**

Industry Canada (IC) is responsible for federal tourism policy development and policy integration. As such, it is leading the development of a Federal Tourism Strategy to bring greater consistency to the policies and programs that support tourism. It works with federal stakeholders to better communicate tourism's importance to the Canadian economy and how federal policy affects the sector's competitiveness. IC also maintains its dialogue with tourism industry representatives to enhance its knowledge of current and emerging tourism issues and opportunities. It continues to participate in and engage with international tourism organizations that examine and carry out research on tourism trends and government tourism policies.

IC is also responsible for preparing and publishing *Federal Contributions to Canadian Tourism: A Review of Federal Expenditures*.

**Indian and Northern Affairs Canada (INAC)**

INAC's economic development programs provide funding to Aboriginal peoples, community organizations (or organizations they designate), businesses, and economic institutions. Funding is used for economic development projects and the delivery of services to community members. The Department also encourages both the private and public sectors to add First Nations, Métis and Inuit peoples to their current workforce, and promotes the use of Aboriginal businesses for federal government supplies and services.

Through various programs, the Department recognizes tourism as an opportunity for Aboriginal entrepreneurs. In particular, it supports the Aboriginal businesses that operate attractions, accommodation services, transportation and food services, as well as retail sales businesses.

Programs have also been used to facilitate industry growth through research and strategic planning initiatives.

INAC aims to encourage long-term growth in the three territories by supporting regional development programs, awareness activities and

investments in innovation and knowledge, among other things. Therefore, through the Strategic Investments in Northern Economic Development Program, the Department provides financial and other support for projects designed to stimulate and diversify the economy, improve coordination of federal programs and give Northern residents an important place in the market.

### **[Atlantic Canada Opportunities Agency \(ACOA\)](#)**

ACOA works with businesses and communities to make them more innovative, productive and competitive. Therefore, the Agency continues to apply a coordinated regional strategy to promote and develop tourism in Canada. It works to promote the region as a tourism destination with international markets, and to increase the competitiveness and sustainability of the region's tourism industry.

### **[Canadian Tourism Commission \(CTC\)](#)**

The CTC is Canada's national marketing organization, and its vision is to inspire the world to explore Canada. As set out in the *Canadian Tourism Commission Act*, its purpose is to sustain a vibrant and profitable tourism industry by supporting a cooperative relationship between the private sector and the governments of Canada, the provinces and the territories. The CTC promotes Canada as an internationally competitive, premier, four-season tourism destination where travellers have access to extraordinary experiences. It provides a consistent voice for Canada in the international tourism marketplace. Along with its partners in the tourism industry and all levels of government, it markets Canada in 12 countries around the world, focusing on direct-to-consumer marketing, international travel trade, media and public relations, and meetings, conventions and incentive travel. In addition, the CTC has been recognized as a world leader in tourism market research and performance management with many competitors emulating the CTC's approaches in those areas.

### **[National Capital Commission \(NCC\)](#)**

The NCC's mandate includes public activity programming that instils Canadians with pride and a sense of unity, helps Canada's National Capital Region serve as a gathering place for all Canadians, and helps Canadians and international visitors get to know Canada better.

## **Canada Economic Development for Quebec Regions (CED)**

CED's mission is to promote long-term economic development in Quebec's regions with particular emphasis on areas with low economic growth or without enough productive employment opportunities. Through various programs, CED supports the development of innovative tourism products and the promotion of popular tourism events, and it also supports regional and sectoral tourism associations.

## **Western Economic Diversification (WD)**

WD works to promote western innovation, business development and entrepreneurship, and community economic development.

Although WD does not operate programs that specifically aim to support the tourism industry in Western Canada, the organization does invest in tourism projects through a certain number of basic and supplemental programs. These investments have improved the tourism "product" in Western Canada, increased the number of tourism visits there, and provided employment opportunities to Westerners.

## **Industry Canada (IC)/ Federal Economic Development Initiative in Northern Ontario (FedNor)**

IC works with Canadians throughout the economy and in all parts of the country to improve conditions for investment, stimulate innovation, increase Canada's share of global trade and build a fair, efficient and competitive marketplace.

FedNor is the lead federal economic driver in Northern and rural Ontario. It works with community partners, business leaders and other organizations, as both a facilitator and a catalyst to promote economic growth, diversification and job creation and to help build diversified and self-reliant communities.

## **Parks Canada**

Through a network of 42 national parks, 158 national historic sites and 3 national marine conservation areas, Parks Canada invites visitors to experience these invaluable treasures that it protects on behalf of all Canadians. Parks Canada's mandate is to protect and enhance Canada's natural and cultural heritage and foster public recognition, appreciation and enjoyment in such a way as to ensure ecological and commemorative integrity for the generations of today and tomorrow.



The sites entrusted to Parks Canada are jewels of the Canadian tourism industry that contribute directly to economic growth, provide exciting opportunities for Aboriginal people, rural areas and Northern Canada, and inspire tourists to become the guardians and promoters of our heritage.

Parks Canada offers visitors the opportunity to experience the history and nature of our vast country and understand what it means to be Canadian. These "unforgettable visitor experiences" are provided thanks to investments in infrastructure, facilities, programs and services. The experience Parks Canada offers visitors is the result of the visitor's personal interaction with the heritage site and its staff. The visitor's experience may include information on trip planning, before or during their travels, as well as welcome and orientation services, campgrounds, walking trails, other recreational services, public security measures, and ongoing ties after the visit. The efforts and resources that Parks Canada deploys to offer visitors a quality experience combine with other efforts within the framework of its mandate and aim to protect Canada's natural and heritage resources, as well as to inform and educate the public.

### [Canadian Heritage \(PCH\)](#)

The Canadian Heritage Portfolio, which includes the Department of Canadian Heritage and the national cultural institutions, plays a vital role in the cultural and civic life of Canadians. The focus of Canadian Heritage policies, programs and institutions is to promote culture, the arts, heritage, official languages, citizenship and participation, Aboriginal, youth, and sport initiatives.

Tourism is not a primary objective of Canadian Heritage activities and institutions. Arts, heritage, and sport institutions and events are, however, major tourism draws therefore a number of Canadian Heritage contributions have tourism implications. Canadian Heritage was also the department responsible for co-ordinating the federal role in the 2010 Olympic and Paralympic Winter Games.

The Department is engaged in culture and sport tourism, mainly through research and analysis to define and articulate the relationship between culture/sport and tourism. The Department also currently serves as the secretariat for the Federal-Provincial/Territorial Culture/Heritage and Tourism Initiative (FPTTI), a partnership between all provincial and territorial ministries responsible for culture and heritage and the Department of Canadian Heritage. The FPTTI supports collaboration and research, which contributes to greater awareness and understanding of the mutual benefits

of strengthening the relationship and increasing the collaboration between culture and tourism.

### **Transportation, Infrastructure and Communities Portfolio**

The Portfolio negotiates the divestiture of ports, airports and Seaway lands to local interests, operates airports and ports until their transfer, and operates federally owned remote airports and remote ports. It also administers airport, port (not including Canada Port Authorities), highway and bridge subsidy programs and ferry service contribution programs, performs landlord and monitoring functions for the department's ports, airports and air navigation systems and ferry terminal sites, and facilitates expanded international air services. The Portfolio's work supports the economy, the environment and the health of Canada's communities. Of the 16 Crown corporations in the Portfolio, many are important to tourism, such as the National Capital Commission, VIA Rail, the Royal Canadian Mint, various administrative bodies for bridges, the Old Port of Montréal and Marine Atlantic.

Transport Canada (TC), through its International Air Policy Directorate, manages bilateral and multilateral air service relations and negotiates bilateral air services treaties, in collaboration with International Trade Canada. TC also advises and collaborates with the Canadian Transportation Agency on bilateral relations with other countries, recommends applications for international air service, analyzes international trends and consults with air industry stakeholders.

In addition, Transport Canada maintains the Access to Travel (ATT) website, which provides a wealth of information on accessible transportation and travel across Canada with the aim of making accessible travel easier and more enjoyable. Sections of the ATT website contain information on transportation between Canadian cities, local transportation service providers, accessibility of airport terminals, travel resources and government policies. There is also a section for complaints, inquiries and user feedback.

As part of this portfolio, Infrastructure Canada plays a lead role in federal efforts to enhance Canada's public infrastructure, a key factor in achieving the Government of Canada's priorities of a stronger economy, a cleaner environment and more prosperous, safer communities. The department coordinates various infrastructure initiatives under the Government of Canada's \$33 billion Building Canada Plan and more recently, under the Economic Action Plan. As such, Infrastructure Canada provides direct investments in tourism infrastructure, such as convention centres and exhibition spaces, and also provides indirect support for tourism via

investments in infrastructure that contributes to the attractiveness of communities as potential visitor destinations, such as major cultural and sport facilities.

### **Statistics Canada**

Statistics Canada gathers and prepares statistics on domestic and international travel, notably the number of travellers, expenditures and various characteristics of travel and travellers. This information is used by the Canadian Tourism Commission, provincial/territorial tourism agencies, destination marketing bodies, tourism researchers and the tourism industry. Statistics Canada also collects and tabulates macroeconomic data on tourism, such as the value of tourism imports and exports, in order to calculate tourism's contribution to the GDP and its net incidence on the balance of payments.

### **Human Resources and Skills Development Canada (HRSDC)**

HRSDC's mission is to build a stronger and more competitive Canada, to support Canadians in making choices that help them live productive and rewarding lives, and to improve Canadians' quality of life. HRSDC develops policies that make Canada a society in which all can use their talents, skills and resources to participate in learning, work and their community; creates programs and supports initiatives that help Canadians move through life's transitions; and creates better outcomes for Canadians through service excellence with Service Canada and other partners. HRSDC supports Canada's strategic, long-term plan, Advantage Canada, which seeks to create a knowledge advantage by fostering the best-educated, most skilled, and most flexible workforce in the world.

HRSDC supports the tourism industry primarily through the Sector Council Program, which provides funding to the Canadian Tourism Human Resource Council (CTHRC). The CTHRC's mandate is to address labour market issues in the tourism industry and bring together tourism businesses, labour unions, associations, educators and government to coordinate human resources development activities in support of a globally competitive and sustainable tourism industry in Canada. It is a leader in a number of areas, including groundbreaking work in the area of labour market information, active career measures, foreign credential recognition, and its comprehensive suite of *emerit* online tourism training and professional certification resources.

In addition to the departments and agencies whose spending is examined in this report, a number of other federal bodies play an essential role in the growth of Canada's tourism industry. Some organizations contribute financially to tourism, indirectly or through their policies that support the industry's development.

### **Foreign Affairs and International Trade Canada (DFAIT)**

DFAIT ensures that Canada's foreign policy reflects true Canadian values and advances Canada's national interests; strengthens rules-based trading arrangements to expand free and fair market access at bilateral, regional and global levels; and works with a range of partners inside and outside government to achieve increased economic opportunity and enhanced security for Canada and for Canadians at home and abroad.

DFAIT supports international tourism by organizing events that enhance Canada's brand image and by disseminating information about Canada.

DFAIT and Transport Canada work together to advance the Government of Canada's Blue Sky policy, which governs air transportation agreements.

### **Canada Border Services Agency (CBSA)**

CBSA ensures the security and prosperity of Canada by managing the free and legitimate flow (access) of people and goods to Canada.

### **Canada Revenue Agency (CRA)**

CRA administers tax laws for the Government of Canada and for most provinces and territories, as well as various social and economic benefit and incentive programs delivered through the tax system.

The CRA administers the Foreign Convention and Tour Incentive Program, which promotes Canadian tourism packages and encourages foreign conventions and conferences to be held in Canada.

### **Business Development Bank of Canada (BDC)**

The BDC's mandate is to help create and develop Canadian businesses through financing, venture capital and consulting services, with a focus on small and medium-sized enterprises (SMEs).

The BDC finances many tourism businesses. Currently, the BDC portfolio of tourism businesses is valued in excess of \$1.5 billion.

### **Citizenship and Immigration Canada (CIC)**

CIC admits immigrants, foreign students, visitors and temporary workers who help Canada's social and economic growth; resettles, protects and provides a safe haven for refugees; helps newcomers adapt to Canadian society and become Canadian citizens; manages access to Canada to protect the security and health of Canadians and the integrity of Canadian laws; and helps Canadians and newcomers to participate fully in the economic, political, social and cultural life of the country.

### **Finance Canada**

Finance Canada plans and prepares the federal government's budget, analyzes and designs tax policies, and develops rules and regulations for Canada's banks and other federally regulated financial institutions. It administers the transfer of federal funds to the provinces and territories, develops policies on international finance and helps design Canada's tariff policies. It also monitors economic and financial developments in Canada and provides policy advice on a wide range of economic issues.

### 3. TABLE OF FEDERAL SPENDING (2008-2009)

Departments/ Agencies	Direct Spending	Total Amount	Indirect Spending	Total Amount
<b>Indian and Northern Affairs Canada</b>	Strategic Investments in Northern Economic Development  Research and statistics: \$283,100 Product development: \$49,887 Infrastructure: \$156,610 Human resources: \$91,240 Promotion: \$1,364,000  Aboriginal Business Development Program Product development: \$1,045,149  Community Economic Opportunities Program Product development: \$575,000	\$3.5 M	Strategic Investments in Northern Economic Development  Product development: \$150,000 Infrastructure: \$645,000 Promotion: \$57,080  Aboriginal Business Development Program Promotion: \$112,141  Community Economic Opportunities Program  Business development, strategic planning, development of collective lands and promotion: \$862,800  Community Support Services Program  Business development, strategic planning, recognition of communities and capacity development: \$1,586,602	\$3.4 M
<b>Atlantic Canada Opportunities Agency</b>	Equipment and infrastructure: \$9,869,786  Business start-ups, expansions and modernizations: \$2,812,053  Promotion: \$7,546,714  Planning and studies: \$763,285  Capital investments: \$2,525,894  Product marketing: \$1,944,112  SME training: \$532,807  Other/miscellaneous: \$604,567	\$26.6 M		
<b>Canada Border Services Agency</b>			Access: \$133,600,000	\$133.6M

<b>Canadian Tourism Commission</b>	Promotion, corporate services, planning and evaluation: \$96,588,000	\$96.6 M		
<b>National Capital Commission</b>	Canada Day celebrations Winterlude Christmas Lights Across Canada Fall Rhapsody Sound and light show on Parliament Hill Discover the Hill Programs Commemorations Capital interpretation Rideau Canal Skateway Other activities and programs	\$7.9 M	Canada Day celebrations Winterlude Christmas Lights Across Canada Fall Rhapsody Sound and light show on Parliament Hill Discover the Hill Programs Commemorations Capital interpretation Rideau Canal Skateway Other activities and programs	\$11.3 M
<b>Canada Economic Development for Quebec Regions</b>	<b>Former programs</b> Innovation, development of entrepreneurship and export programs for SMEs: \$538,390 Regional Strategic Initiatives (RSI): \$1,301,304 RSI / Federal Action Strategy for Greater Montreal: \$245,520 RSI / Fishing Community Economic Diversification Initiative: \$173,647 RSI / Community Economic Diversification Initiative - Coulombe Report: \$77,696 RSI / Community Diversification Initiative - Vitality: \$594,352 Support Program for the Gaspésie-Îles-de-la-Madeleine Economy: \$19,894	\$34.7 M	<b>Former programs</b> Regional Strategic Initiatives (RSI): \$242,925 RSI / Federal Action Strategy for Greater Montreal: \$272,954 RSI / Fishing Community Economic Diversification Initiative: \$27,817 RSI / Community Economic Diversification Initiative - Coulombe Report: \$2,593 RSI / Community Diversification Initiative - Vitality: \$10,000 Support Program for the Gaspésie-Îles-de-la-Madeleine Economy: \$40,984	\$1.1 M

	<p><b>Existing programs</b></p> <p>Community Diversification (CED): \$15,277,019</p> <p>CED-CD / Community Diversification Initiative - Vitality: \$6,700,127</p> <p>CED-CD / International Cruise Ports of Call: \$3,377,764</p> <p>CED-CD / Major Economic and Tourism Facilities: \$138,047</p> <p>Municipal Rural Infrastructure Fund: \$4,544,896</p> <p>Canada-Quebec Infrastructure Works: \$1,709,000</p>		<p><b>Existing programs</b></p> <p>Community Diversification (CED): \$155,407</p> <p>CED-CD / Community Diversification Initiative – Vitality: \$334,507</p> <p>Municipal Rural Infrastructure Fund: \$40,411</p>	
<b>Western Economic Diversification</b>	<p>Mountain Pine Beetle - Community Economic Diversification Initiative: \$1,092,779</p> <p>Saskatchewan Northern Development Agreement: \$182,291</p> <p>Western Economic Partnership Agreements Program: \$107,013</p> <p>Western Diversification Program: \$6,691,718</p>	\$8.1 M	<p>Alberta and Saskatchewan centennials: \$3,557,640</p> <p>Mountain Pine Beetle - Community Economic Diversification Initiative: \$15,240,839</p> <p>Western Diversification Program: \$2,099,325</p>	\$21.0 M
<b>Industry Canada - FedNor</b>	<p>Tourism Capital Incentive Projects: \$2,991,228</p> <p>Tourism projects other than capital incentive projects: \$2,585,947</p>	\$5.5 M	<p>Other tourism projects: \$1,244,010</p>	\$1.2 M
<b>Canadian Heritage</b>	<p>National Gallery of Canada: \$137,000</p> <p>Science and Technology Museum Corporation</p> <p>Ottawa Tourism: \$27,138</p> <p>Auditorium, retail and education: \$358,284</p> <p>Promotion: \$554,917</p>	\$30.0 M	<p>2008 Centennial Celebration: \$119,337</p> <p>Canada Council for the Arts: \$145,000,000</p> <p>Official Languages Support Program: \$2,662,948</p> <p>Société du 400e de Québec: \$18,360,000</p> <p>Virtual Museum of Canada: \$76,745</p>	\$323.8M



	<p>Visitor services: \$3,377,475</p> <p>Survey work: \$48,216</p> <p>Canadian Museum of Civilization Corporation: \$23,200,000</p> <p>Canadian Museum of Nature: \$60,000</p> <p>National Battlefields Commission:</p> <p>Education and public services: \$914,767</p> <p>100<sup>th</sup> Anniversary of The National Battlefields Commission: \$1,128,977</p> <p>Commemoration of the 250<sup>th</sup> Anniversary of the Historic Battles of 1759 and 1760: \$95,146</p> <p>Travel Survey of Residents of Canada: \$105,000</p>		<p>2010 Olympic and Paralympic Winter Games Federal Secretariat: \$29,825,000</p> <p>Fathers of Confederation Buildings Trust: \$1,875,000</p> <p>British Columbia 150 Initiative: \$5,613,962</p> <p>Canada Arts Presentation Fund: \$29,869,972</p> <p>Canada Cultural Spaces Fund: \$29,130,086</p> <p>Canada Day Noon Show: \$1,600,000</p> <p>Canada Music Fund: \$1,380,000</p> <p>Science and Technology Museum Corporation – Study on New Museums: \$158,769</p> <p>Canadian Culture Online Program: \$8,968,342</p> <p>Contribution to International Eucharistic Congress: \$1,500,000</p> <p>Cultural Capitals of Canada: \$4,250,000</p> <p>Democracy 250 Initiative: \$3,578,816</p> <p>International exhibitions: \$9,533,334</p> <p>Museums Assistance Program: \$5,484,435</p> <p>Sport Canada - Hosting Program: \$14,500,000</p> <p>Telefilm Canada: \$3,456,000</p> <p>Research and Analysis (Tourism) – Federal-Provincial-Territorial Culture/Heritage and Tourism Initiative: \$84,688</p> <p>Building Communities Through Arts and Heritage: \$6,809,545</p>	
<b>Parks Canada</b>	<p>Heritage Places Establishment: \$27,529,700</p> <p>Visitor Experience: \$211,867,800</p> <p>Townsite and Throughway Infrastructure: \$13,740,000</p>	\$252.9 M	<p>Heritage Resources Conservation: \$161,416,500</p> <p>Public Appreciation and Understanding: \$28,184,000</p> <p>Townsite and Throughway Infrastructure: \$13,740,000</p>	\$267.0M
<b>Human Resources and Skills</b>	Sector Council Program – Canadian Tourism Human Resource Council (CTHRC)	\$11.2 M	Workplace Skills Initiative	\$0.1 M

<p><b>Development Canada</b></p>	<p>Basic infrastructure: \$750,000</p> <p>Emerit products and service networks: \$1,580,092</p> <p>Ready to Work: \$1,483,553</p> <p>Strategic human resources management tools in tourism (Research): \$1,310,533</p> <p>Productivity improvement: \$1,014,626</p> <p>Facilitating the workplace integration of new immigrants: \$434,606</p> <p>Canadian Academy of Travel and Tourism: \$257,187</p> <p>Foreign Credential Recognition Program – CTHRC</p> <p>Foreign Credential Recognition: \$1,325,566</p> <p>Aboriginal Skills and Employment Partnership Program –An'onwentsa Initiative: \$1,066,993</p> <p>Workplace Skills Initiative</p> <p>Niagara Workforce Innovations Network: \$547,572</p> <p>Conseil québécois des ressources humaines en tourisme: \$273,776</p> <p>Apprenticeship Incentive Grant: \$1,108,000</p>		<p>Community Futures Development Corporations: \$138,853</p>	
<p><b>Transportation, Infrastructure and Communities Portfolio</b></p>	<p>Canada Strategic Infrastructure Fund: \$10,525,993</p> <p>Municipal Rural Infrastructure Fund: \$2,604,509</p>	<p>\$48.9 M</p>	<p>Municipal Rural Infrastructure Fund: \$2,197,510</p> <p>Building Canada Fund – Major Infrastructure Component: \$17,545,110</p>	<p>\$19.7 M</p>

	Building Canada Fund – Major Infrastructure Component: \$35,802,930			
<b>Statistics Canada</b>	International Travel Survey: \$3,290,000 Travel Survey of Residents of Canada: \$1,223,800 National Tourism Indicators, Quarterly Estimates: \$15,000 Annual Survey of Traveller Accommodation: \$497,000 Annual Survey of Travel Arrangement Services: \$191,000 Canadian Tourism Satellite Account: \$5,000 Human Resource Module of the Tourism Satellite Account / Human Resource Module / Provincial & Territorial Human Resource Module: \$10,000	\$5.7 M		