

Tourism Proceedings
PNWER Annual Summit- Calgary, AB

July 20, 2016

Co-Chairs:

- Rep. Gael Tarleton, Washington State Legislature
- Dave Cowen, General Manager, The Butchart Gardens

Speakers:

- Andrew Little, Director, Intergovernmental Relations, Tourism Policy, British Columbia Government
 - Blake Richards, Member of Parliament, Banff-Airdrie
 - Royce Chwin, CEO, Travel Alberta
 - Ian Robertson, CEO, the Greater Victoria Harbour Authority
 - Paul Nursey, President and CEO, Tourism Victoria
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Discussion Topics

Introduction

Rep. Gael Tarleton, Washington State Legislature

Rep. Tarleton started the session by giving an introduction to tourism in the Pacific Northwest and looking at why tourists come here. The recreational aspect of the region is a major draw - people come to be outdoors (hunt, fish, bike, ski, hike and see wildlife). They also come to follow stories - their own childhood, ancestors, explorers, pioneers and Native American culture.

In Washington, \$4.6 billion per year is generated by out of state visitors, with \$21.6 billion a year generated in trips.

We need to protect the sites and places and organizations that are supporting this tourism. PNWER needs to pursue funding to work with the WWU Border Policy Research Institute, Canadian Border Services Agency, U.S. Customs and Border Protection

Dave Cowen, General Manager, The Butchart Gardens,

Key points

- Tourism is one of the few trillion dollar sectors.
- Tourism is a high contributor to GDP with 3-5% growth and tourism can never be outsourced.
- Tourism is the key to economic development.
- Travel depends on destination safety, and the past few years there has been a lot of regulation. The biggest challenge is a diverse collection of medium and small businesses.

- A rising tide helps all, we are stronger together. It is not a competitive sector but strengthened by working together
- The North West is a tourism super region. If we get representation from all PNWER jurisdictions, this group has the opportunity to do something exciting and, as far as I know, brand new. We have the opportunity to become the strongest bilateral tourism coalition in the world.

Key parts of the Tourism Ecosystem and the Tourism Dashboard

Presentation on the economic impact of tourism in the region

Andrew Little, Director, Intergovernmental Relations, Tourism Policy, British Columbia Government

1. Policy - Place (plan, goods, procedures)
2. Access - Opportunity for travel relies on infrastructure
3. Customer demand is your marketing. When people think of the PNW – Oregon and Alaska are different products, but with common threads – outdoors, shopping, a small-town feel... Travelers are looking for experiences there.
4. Revenue and profit allows for expansion and growth. Visitors drive revenue and profit of businesses. This leads to reinvestment in communities.
5. Drives Reinvestment - Being able to make things better. Tourism supports a wide range of interests in the community

Three things that make a difference for tourism:

1. Government - Environment for growth. Governments need to work together to create environment conducive to tourism.
2. Partners - Marketing Agency, sector association, industry associations.
3. Consumers - Marketing (Social Media). DMOs are working with consumers to turn them into marketers.

Value of Travel and Tourism in the PNWER Region

- Employment: 672,700
- Visitor volume: 100,584,580
- Visitor expenditures and spending: \$48 billion

This is a significant economic driver. People often talk about Tourism as low-paying jobs. It provides employment for people who need a part-time job, full-time, lifestyle jobs, a wide range of jobs.

Every jurisdiction in PNWER has a role to play in tourism. It helps much more in smaller communities.

Tourism Policy Panel Discussion

Blake Richards, Member of Parliament, Banff-Airdrie

- In 2011, a Federal Tourism strategy was put in place and utilized the parliamentary Tourism Caucus. All parties working started together to engage with industry and make sure its voice was heard.
- Job and economic impact numbers by region or constituency are very important. What hits home to a politician is the local numbers. We had that on table at meetings – seeing jobs and economic impact in each jurisdiction.
- Caucus grew from next to nothing to 80 MPS across the country.
- The federal tourism strategy had four key pillars: creating greater awareness of Canada; facilitating ease of access and movement; insuring adequate supply of skilled labor; and product development encouragement.
- Most importantly from strategy was built-in engagement – regular ministerial roundtables. Bring the heads of ministers and agencies into a room and talk about tourism. The reaction from heads was – “I don’t know why I’m here” – that was the point. They didn’t know the role they play in driving the tourism economy.
- Tourism mentioned in throne speech of government – indication of importance. Tourism Canada is much better developed and better funded. Industry also stepped up efforts to engage with government.
- When you want to ensure better engagement – find what’s important to a leader’s communities. When you have that alignment and engagement – that’s when you see positive results.

Presentation

Royce Chwin: CEO, Travel Alberta

- Data is critical for defense and growth of tourism.
- Research is starting to come out to show the direct and indirect impact of tourism.
- Travel Alberta was formed as crown corporation in 2009. There has been lots of growth over that time. We created a 4% legislation – provided funding for tourism marketing. We created a performance model to go after. Funding is critical – the back side is data – why you should get funding in competition with other governments.
- Tourism has a hard time sharing its story. There is a lack of data to support funding and growth. The size of the visitor economy in the Pacific Northwest is enormous and people may not realize it. The danger is that we assume that tourism just happens.
- Colorado – tourism’s value was questioned by governor. Was 7th busiest state. The impact on the economy was not recognized. Since then – the data involved in marketing has increased 1,000-fold since the growth of internet.
- Data has a massive influence on policy. It needs to be consistent. A lack of consistency leads to dismissal.
- We need great data sources that are collaborative. We need national, provincial, city and small community data.
- Tourism supports 127,000 jobs and 19,000 businesses in Alberta. The direct flight from Calgary to Beijing is a crown jewel for province. It took visits to China over 5 years to get deal done. The

data story presented to airline brought that flight to Calgary. The financial decision to bring flight here was \$100 million. Calgary has already seen impact of that flight. Flight benefits Alberta, Calgary and PNW.

- We don't believe there's such a thing as a tourism secret.

Ian Robertson, Greater Victoria Harbour Authority

Our harbor and port just move people. A significant majority is about tourism. On the point of the types of jobs tourism supports, an entry level position in tourism can lead to greater things. Rick Sullivan started in passenger service. Now he's Captain Rick Sullivan of largest cruise ship in Alaskan seas.

Tourism is the tip of the investment spear.

- Example – visa processing. In Seattle – Consul Generals were processing 4,000-5,000 visas a year. Due to budget restrictions that service is shut down. Thousands of people a year are denied boarding to Canada due to lack of visa processing. Can't board a cruise ship. It's a problem for the entire region and reflects negatively on our region. We need to revisit and make sure visa processing happens – even before they arrive – to make two-nation vacations happen.
- Already this year 1,000 people were denied boarding due to missing Visas.
- There is a strong connection between access to ports and travelling across the region.

Paul Nursey- President & CEO, Tourism Victoria

- Based on WTO, tourism sustains a 5-7% growth/year
- Out of 5.5 arrivals to Canada, 4 have entered through the U.S.
- Collected tourism policies will create growth municipally, federally, provincially, and in the state.
- If it's a hassle-free experience – it's better for repeat and deeper engagement. If Royce hits a home run in Alberta – we all benefit.

Questions and Discussion

David Kalinchuck: Thanks to Blake, John Barlow, Royce and Paul. My job is business and industrial development ; new tax base growth. What can tourism do to promote new investment and new real estate?

Paul Nursey: We worked to replicate study in South Korea. The country aligned its tourism and economic development strategy. The country went after it in the meetings and event business. In Victoria, we go after ocean sciences and clean technology meetings and we've done very well. Focus on what you are good at. Leveraging meeting and conferences opportunity is fastest and most efficient way to build out that business.

Ian Robertson: In Saskatchewan – we wanted to show biofuel industry. Now Saskatchewan hosts International conferences in biofuel.

Senator Jane Cordy: This has been an interesting discussion. I like the two-nation vacation approach. I attended a session on Monday on border crossings but didn't have a whole lot on individuals. I think

visas is a good thing to focus on in Ottawa. I received a question from a constituent who had a DUI 20-25 years ago. Can they cross the border? I looked into this. Is the answer yes or no? It turns out, the answer is that it depends on the border guard! That's a stupid answer. How do we deal with those kinds of things?

Andrew Little: Victoria Clipper has had to turn people back when they got to Victoria. Canadian BSA will give one-time pass. It is \$200, and it goes on their record. They can apply for ministerial pardon. It is up to the border guard whether they allow it.

Blake Richards: We talk about transportation and goods – sometimes we forget about the individual crossings. We need to include that far more when we talk about harmonization at the border.

Dave Cowen: That does hurt conference business. We do talk about what it takes to become a trusted traveler. It's important work for us to educate people what it takes to become a trusted traveler.

Dave Cowen: Preclearance is not an easy thing to pass. You need to get some kind of group together, get the port workers together. We need to have more primary research, there is huge potential. We need to be ready when preclearance comes.

It will pass by the end of September from the Canadian side. The house got ready for a bill but the US is right behind. Get the eight locations, here are the facilities that have been designed, and figure out all of the aspects of it to have it ready.

Synchronized visas are a bit of a challenge, but need to keep visas on the top list. Trusted traveler will be like Nexus but for the first time travelers. We need to get the message out to the travel industry on what travelers need to do to earn this designation.

Patricia Lambert: The action items from last year can be grouped together. Numbers 5,6,7,8, are all behind the scenes. We could design some sort of portal for capturing the home base. It seems like a lot of the challenges can be framed as communication or advocacy recommendation.

The field is cultural policy. Cultural tourism and arts sphere: emphasis is on experience authenticity and quality of life. The tourism industry is very fragmented and decentralized. There is an organization called Americans for the Arts that has done a great job of pulling together fact sheets, infrastructure support to immediately access points of information. For a lot of the issues, how do we set up the access point or portal?

Dave Cowen: This is the best tourism discussion. The tourism committee needs a structure so we are sustainable. In conversations with political leadership, challenge that maybe we are important enough. Prove that there needs to be an obligation to this. Assign a private sector, academic, and policy person. We can build this online library through PNWER with the tourism group. The conference calls will lead up to this thing. Take these points up. Laying the foundational bricks of a very diverse but important sector together. It's important for employment and it's an obligation.

Bruce Agnew: PNWER can't do it themselves. Organizations involved need to raise extra money to facilitate what you're asking for. Rocky Mountaineer is using marketing dollars to show how magnificent this part of the world is. Seattle-Portland-Hood River-Boise is a potential multiple day trip. Same with Seattle-Vancouver-Banff-Calgary. A project like this tends to bring people together.

Dave Cowen: For this year, seek meetings at home at each of the jurisdictions, speak to them there so it comes to them as a local issue. If you focus on one thing, hit all of the jurisdictions, get each of the

jurisdictions to designate a policy maker and a private industry representative. Let's make this year focused on getting them on board.

Paul Nursey: I know BC and Alberta collaborate, but creating a pacific northwest logo campaign is a road to nowhere, because of the government structures.

Royce Chwin: We work with Destination BC, they are our "frenemies." We look at the destination based on traveler trust.

Dave Cowen: We need to get succinct information out to travelers on how to become a trusted traveler. We need to do that marketing here and send it over to marketers. Trusted travelers is within north America, visas are from out of this area.

Trina Mousseau: We need to figure out what they are currently Googling to find this information and where they are getting the information, so then we can make it more effective and then put the search engine optimization so that we can get it in the right spots.

Dave Cowen: Lets develop a statement of what it takes to optimize the information. All you need is a document and then get it on everyone's website so then it goes back to PNWER.

Laurie Trautman: A lot of people don't enroll in Nexus, there is going to be a limit. So we can also focus on enhanced drivers license, this is still a great option. It is very simple. Enhanced access to each other's countries. The RFID is not overly imperative unless a lot of people are using it. There is an issue of the privacy with the Canadians. Same thing of trying to focus on the high end travelers. Another point - the cross border volumes have declined but the wait times have increased.

Blake Richards: We have a lot of new members of parliament after the last election. What we need to do is the education process revamp. Within the tourism caucus, there needs to be a very specific meeting about border issues, which will be a great starting point. Particularly members of parliament, set the meetings, communicate and talk about the importance of the issue. They need to understand that Americans are the consumer base we are looking for, and explain to them the restrictions and then what they are going to do

Graham Sucha: I hesitate around the discussion around Nexus. Many casual travelers and they are not going to get the Nexus cards. We need to remove the barriers for the crossing the border for casual travelers.

Dave Cowen: there have been senior people here at PNWER on the American side are there and ready for it, but it somewhat lacks on the Canadian side. We need to demonstrate a whim on the bilateral issues and do something tangible. Industry still needs to learn but still want to be hearing what's going on. If we don't understand then we can't move forward.

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Action Items

Leads

Status

<p>1</p>	<p>Tourism Working Group Governance</p> <p>PNWER calls on every member state and province to appoint a policy maker and industry representative to the Tourism Working Group for a two year term</p> <p>Once populated with PNWER-wide membership, the PNWER Tourism Working Group will develop a sustainable governance structure including a Charter (Vision) and Terms of Reference. Action point needs PNWER Board support</p>	<p>Paul Nursey, Dave Cowen and Gael Tarleton</p>	<p>In progress</p>
<p>2</p>	<p>Access Improvement</p> <ul style="list-style-type: none"> • Explore visa synchronization pilots under the principle of ‘checked once/cleared twice’ • Support the principle of developing a Trilateral Trusted Traveler program for North America • Restore visa processing to the Canadian Consulate in Seattle • Address impediments to Border entry such as misdemeanor convictions • Support for VRFID on Canadian travel documents 	<p>Dave Cowen, Gael Tarleton</p>	<p>In progress</p>

3	<p>Communication on Trusted Traveler and Known Traveler.</p> <p>Develop a “How To Cross the Border” information packet for the tourism industry. Emphasis on NEXUS benefits and VRFID technology (Passport companion card and enhanced drivers licenses). Ensure consistent information for dissemination.</p>	<p>Andrew Little & James Phillips, Research on Trusted Traveler information coming from Laurie Trautman and Nicole Bates-Eamer</p>	<p>In progress</p>
4	<p>Product development</p> <p>Multimodal transportation. Investigate interest in dedicated project: Increased tourism rail access from Vancouver and Seattle to Montana, Yellowstone and Boise</p>	<p>Bruce Agnew, co chair of Transportation</p>	<p>In progress</p>
5	<p>Data and Collaboration:</p> <p>Find job and economic impact data on local, state, provincial and national levels</p> <p>Collaboration with universities to prepare for preclearance. University of Victoria and BPRI at WWU. Lead: Laurie Trautman and Nicole Bates-Eamer</p> <p>Work toward developing “portal” on the PNWER website Tourism Working Group page that industry, government and legislators can access.</p>	<p>Paul Nursey with support from Laurie Trautman and Nicole Bates-Eamer</p>	<p>In progress</p>