



Written Submission for the Pre-Budget Consultations in Advance of the Upcoming Federal Budget- 2022

Submitted by:

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Summary List of Budget Recommendations

- 1. *INTRODUCE A TAILORED WAGE AND FIXED COST SUPPORT PROGRAM TO SUPPORT HARDEST HIT BUSINESS UNTIL SUMMER 2022.***
- 2. *INTRODUCE SPECIFIC ECONOMIC RELIEF PROGRAM FOR MOTOR COACH TRANSPORTATION SERVICE PROVIDERS***
- 3. REDEVELOP A NATIONAL COAST TO COAST MOTOR COACH TRANSPORTATION NETWORK**

About Motor Coach Canada (MCC)

MCC is a national association representing motor coach and tour operators in Canada. MCC represents the interests of motor coach tour operators and bus operators supplying scheduled, charter, transit, and tour services.

About Ontario Motor Coach Association (OMCA)

OMCA is comprised of motor coach operators providing scheduled and charter transportation services in Ontario as well as tour operators, tourism businesses and destinations.

Our Members Are;

- mostly small to medium size, family-owned businesses that have been in the industry for generations.
- essential to connecting cities, towns, and rural communities across Canada.
- essential to tourism sector recovery
- provide group travel services seniors, students and organized groups
- provide anchor services to business meetings, festivals, sports and attractions
- provide the most cost efficient and environmentally responsible means for organized groups to travel. This includes amateur sporting teams, tour groups, universities, colleges and schools, community groups and seniors' groups.
- the most environmentally responsible way to travel. Each motor coach on the road potentially removes 56 passenger vehicles. This improves the lifespan of infrastructure, enhances safety by reduced traffic volumes, improves congestion, and reduces GHG emissions.
- servicing passengers that largely rely on scheduled services. Often fixed income families, students, the elderly, and those in remote and rural communities.

The Economics

The Tourism Satellite Account (TSA) breaks down tourism demand by the product that tourists are spending money on. Transportation accounts for 37% of total tourism demand in Canada. The bus component under transportation in the TSA covers urban transit, interurban bus travel, charter bus services, shuttle services, sightseeing by bus. The contribution of this industry accounts for nearly 900 million dollars to Canada's economy. 37% of which is domestic demand, 7% is interprovincial and 56% is international demand. Yet Canada's National Tourism Indicators (NTI) shows a dramatic drop in demand from 147 million in Q4-2019 to 27 million for Q4-2020.

Both the TSA and NTI pull out the tourism revenue component from the Statistics Canada - Canadian Passenger Bus and Urban Transit Industries Survey. In the June 3, 2021, data release, Statistics Canada indicates that it will be a "Bumpy road ahead." Measures to combat COVID-19, including travel restrictions along with the temporary closures of businesses and schools, have hampered the Canadian passenger bus and urban transit industries. First, charter, airport, scenic and sightseeing bus services are all down drastically, and school busing is also hurting. Then, Greyhound Canada announced in May 2021 that it will no longer offer domestic intercity service in Canada because of the pandemic.

Budget Priorities

- **INTRODUCE A TAILORED WAGE AND FIXED COST SUPPORT PROGRAM** to support hardest hit business until summer 2022. The wind down of CEWS and CERS jeopardized tourism business across Canada. We believe that a tailored support program exclusively for hardest hit businesses in our industry represents a low risk for the government. In fact, over 95% of the economy has experiencing recovery, and only sectors that are truly the hardest hit would remain eligible for a tailored program.
- **INTRODUCE SPECIFIC ECONOMIC RELIEF FOR MOTOR COACH TRANSPORTATION SERVICE PROVIDERS** Countries around the world are safeguarding their motor coach sector. The U.S. Department of Treasury introduced a Coronavirus Economic Relief for Transportation Services (CERTS) Grant Program in the spring of 2021 that provided grants to eligible motor coach companies and other transportation service providers that have experienced annual revenue losses of 25 percent or more as result of COVID-19. Canada must do the same to safeguard against the total collapse of this affordable and environmentally sustainable ground transportation service.
- **REDEVELOP A NATIONAL COAST TO COAST MOTOR COACH NETWORK** to reconnect communities and Canadians no longer serviced by bus or train or cut off from essential services. Motor Coaches provide Canadians with an affordable, safe, and environmentally responsible way to connect our country. Currently, Canadians in many rural communities are cut off from essential ground transportation services. Canadians have lost their ability to travel from coast to coast on a single ticket, in an affordable and environmentally sustainable mode of transportation.

Supporting Canada's Tourism Sector

Motor Coach and group travel has provided rural communities the opportunity to grow and benefit from tourism. Motor coach travel presents visitors with the opportunity to get off the beaten path and explore the lesser-known parts of the country, and most often during the off-peak seasons. Group travel connects urban and rural destinations for spectacular fall colors and rugged northern landscapes. We draw international and domestic tourists to destinations not serviced by air or rail and connect visitors to landscapes, skiing, sports tournaments, festivals, and events plus so much more.

Canada is a country of large spaces and breathtaking nature. Supporting Canada's Motor Coach sector is an investment in rural and remote areas which will create middle class jobs and new economic opportunities in these communities. It will help entice domestic and international tourists to lesser-known parts of the country. Consistent with the aims of the Rural Economic Development Strategy and Canada's Tourism Growth Strategy, this will help rural communities build on their strengths to transition to a more diverse economy through strategic planning.

Conclusion

Canada's competitiveness and economic recovery relies on all tourism and transportation industries working with the government to ensure that policies set up our sectors to thrive. Tourism and motor coach group transportation was devastated by the pandemic and although our sector may not be doing well now, with government support, employing a whole-of-government and Covid business lens approach to policy, we can ensure that our sector is able to recover and thrive. Canada needs to ensure

Canadians have an affordable and environmentally sustainable motor coach transportation network to connect them, and visitors to communities.