FDFA Government Relations Blog/Update – Week of October 23rd/15

Liberal Party Position on Tourism

- During the Federal Election campaign, TIAC reached out to all parties with a specific tourism questionnaire on key party tourism positions/policies.
- Only the NDP and Liberal party responded.
- Liberal party has confirmed its commitment to Connecting America budgetary spend, as announced by the previous Harper Government
- No substantive comments on further spend for American tourism incentives, but the Liberal Tourism Critic did respond after Connecting America announcement in Summer 2015, that further American tourism incentives were needed
- **NOTATION: Full Report on Liberal Tourism Position on GR Committee Portal for review**

Ministry of Small Business & Tourism Viability – Update

- It is uncertain whether the Liberal Government will continue with a specific Ministry for Small Business & Tourism, which was previously headed by Maxime Bernier (previous to Bernier – position held by Rob Moore)
- The Ministry of Small Business & Tourism was created approx. 5 years ago under the Harper Government – but reported to the Ministry of Industry
- Given the Liberal Government's mandate to decrease the size of the Federal cabinet to approx.. 25 to 30 Ministries – compared to 40, it is likely that this Ministry will be eliminated
- If eliminated, it would most likely become once again a position held by a Parliamentary Secretary position reporting to the Ministry of Industry
- This is not necessarily a negative for our duty free industry, as often the Ministry of Small Business/Tourism had conflicting cabinet issues for budgets with Industry

Upcoming Ministerial Announcements/Cabinet appointments/Throne Speech – Update

- As noted in GR Meeting, November 4th Prime Minister Designate – Trudeau will announce the new Ministers/cabinet
- It is anticipated that within two following the Ministerial announcement, the Ministers will begin populating their cabinets/chief of staff, etc.
- Typically, Ministers then provide the PM with their Ministerial mandates, and this is not made public.
- But, Kathlynn Wynn made her ministerial mandates public when appointed in ON, so the Federal Government under a Liberal majority may follow suit
- We can expect the Ministerial Mandate (if released) to be aligned with the Liberal election promises
- **ACTION: The FDFA will begin populating the FDFA GR Relationship Plan accordingly once information is released**
- **Throne Speech –** There are two sides to this equation. First, some are speculating a late December/early January Throne speech with an April Federal Budget
- TIAC is predicting a late November or early December Throne speech – which is based on PC criticism that "Trudeau is not ready". Politically, Trudeau may want to identify their government's priorities in a timely manner to discount critics. This statement may hold true for

an early March Federal Budget since Liberals were critical of Minister Oliver for the 2015 Budget delay to April 2015.

Road TRIP Update

- After meeting with Retail Council of Canada GR Head in Ottawa yesterday afternoon, **they have agreed to support Road TRIP** for this year's lobbying efforts – if it still has the same mechanics as last year
- They requested any wording requests from the FDFA to update previous support letter. I noted that we are waiting to speak to economist and understand more Liberal tourism policies, current US metrics before requesting any wording amendments – I will be in touch with RCC once this information is confirmed by FDFA GR Committee. They were very pleased with National Chamber resolution support at recent Chamber AGM.
- U.S. visitation numbers for 2015 have been provided to L.Karson for Road TRIP review – posted on GR Portal
- **ACTION: Peter Brain to speak to Dr. Kubrusi regarding our previous Road TRIP economic report – does he think we need to update to current numbers, etc.**

FINTRAC Update

- RCC has made FINTRAC a GR priority as this is an issue impacting many other Canadian retailers.
- Recommendation is that FDFA partner with RCC on the FINTRAC issue since RCC has a larger voice for retailers in Canada.
- Peter Brain will be sending L. Karson next week a detailed email on the key issues impacting our duty free stores with FINTRAC. L. Karson will provide RCC with information and RCC will provide FDFA with updates on issue which will be raised to Canadian government when Finance department is established in Ottawa
- RCC will speak to issue at our upcoming Operator's meeting in Ottawa at the meeting on Sunday, November 15th.

FDFA Industry Metrics/Tobacco Economic Numbers and Land Border Lease Agreement Listing

- L.Karson and Peter Brain to discuss and develop key industry metrics that we will request of Operator's at upcoming meeting – with deadline date noted to operators
- Key tobacco economic information to be reviewed by GR Committee – specifically what information is required. Will ask CBSA for tobacco unit sales information once again.
- L.Karson to begin creating list of all land border duty free lease agreement types for reference purposes i.e. land owed privately, owned by government, bridge & tunnel