

QUEBEC HOTELS TO RECEIVE UP TO \$200,000 IN SUBSIDIES



The majority of Quebec hotels, including those of major chains, will receive up to \$200,000 in subsidies, announced Minister Caroline Proulx, confirming the injection of an additional \$65M in subsidies for the tourism industry.

Due to the pandemic, nearly a quarter of workers in the tourism industry in Quebec have still not found their jobs. During last spring's lockdown, 52% of workers in the industry were temporarily laid off. Of this number, 28% returned to work during the summer deconfinement that followed, but 24% have still not been recalled. **Urban areas such as Quebec City, Montreal and Laval were most affected.** The Canada Emergency Benefit was the main source of income for 73% of unemployed workers during the summer.

According to the Conference Board of Canada, tourism in Quebec will have lost more than 100,000 of its 400,000 jobs by the end of 2020. It also indicates that it will take until 2023 before all the jobs lost due to COVID-19 are recovered.

Support of the Industry

"Of the \$65.5 million earmarked for tourism in the economic update unveiled last week, \$38 million will ultimately go to the tourist accommodation sector," said Ms. Proulx.

To qualify for this financial boost, hotels with 4 to 299 rooms will have to show a decrease of at least 30% in the amount of accommodation tax (ATH) collected compared to the previous year.

Outfitters and lodges will also be able to benefit from this "immediate and targeted" assistance.

"The new measures are good news for many tourism businesses, including outfitters, but especially for all Quebecers, since they will allow several regional businesses to maintain their activities in 2021," reacted the CEO of the Quebec Outfitters Federation, Marc Plourde.

"We are pleased to have obtained today new support measures that will give us a short-term break," said Dany Thibault, Chairman of the Board of Directors of the AHQ. He believes that Quebec hotel pool is currently "endangered" by the pressure exerted by the weight of fixed costs and the drastic drop in occupancy rates.

Tourist Relaunch

In addition to the assistance to hotels, another \$17 million envelope has been earmarked for tourism recovery in the tourist gateways of Montreal, Quebec City and the Outaouais region.

However, it remains to be seen how this money will be spent. An advisory committee made up of representatives from the municipalities, the Ministry of Tourism, Tourisme Montréal, Tourisme Outaouais and the Quebec City Tourism Office will soon be responsible for determining which so-called "strategic" enterprises will be supported.

An amount of \$5 million has also been set aside for promotional activities on the Quebec and non-

Quebec markets.

Tourisme Montréal will benefit from \$2.5M in assistance to stimulate the eventual revival of business tourism in the city.

The Quebec Tourism Human Resource Council will receive \$3 million over three years to implement targeted actions to counter the effects of the pandemic.

Jacques Demers, President of the Quebec Federation of Municipalities (FQM), believes that this amount will enable tourism companies to develop the skills of their employees.

"This measure will also help to promote the attraction and retention of the tourism workforce. The healthy tourism industry is essential to ensure the occupation of the territory," commented Mr. Demers.

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