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YUKON TOURISM INDUSTRY SEEKS STIMULUS FOR COVID-19 IMPACTS

Whitehorse: In wake of the recent announcements relating to the cancellation of the Arctic Winter Games and advisories from senior health officials in both Canada and the United States to avoid cruise ship travel, the Tourism Industry Association of the Yukon (TIA Yukon) has been busy reaching out to Yukon’s tourism operators to assess the impacts (immediate and projected) on their businesses. The feedback confirms some of the assumptions made earlier this week: the forecast for 2020 looks challenging.

With approximately fifty of the territory’s most established tourism operators from various sectors and regions weighing in during a 24 hour period, the research notes several trends emerging. This week’s reported fall out is calculated at over \$2 million, but a 20% drop in the approximately \$300 million in revenue that tourism generates annually could see losses in the ballpark of \$60 million over 2020. The situation is constantly changing, but at this point the medium and long term projections are reporting declines of about 25-30% overall, with some seeing a drop in bookings as much as 50%. The expected reduction in cruise ship travel could hit operators in Whitehorse, Carcross, and Dawson particularly hard.

“The events unfolding on the world stage, from volatility in the economic markets, in the price of oil, to the impending U.S. election are all factors creating uncertainty – these are compounded by all the news about Covid-19”, says TIA Yukon Chair, Neil Hartling. “We are seeing the impacts on the global tourism industry and the Yukon is not immune. While it’s still early days, the Yukon needs to be proactive so that we are prepared to face whatever is around the corner.”

While the situation is a major concern, there is optimism that any fallout for tourism operators for 2020 may be curbed if appropriate actions are taken immediately.

To that end, TIA Yukon is requesting that the Yukon Government allocate at least \$2.5 million in stimulus to support tourism operators through the 2020 year. This kind of stimulus would mirror actions taken in other parts of the world that are supporting their respective tourism industries. Components of such a package should include (but not be limited to): a domestic marketing campaign that leverages Air North’s presence in gateway cities; subsidies for employers that cover wages, utilities, and supplemental costs; and discussions with banks and the federal government on help that can be offered in addition to the assistance announced today in Ottawa.

“Tourism contributes about 5% to the territory’s GDP and is the Yukon’s biggest private sector employer”, says TIA Yukon Executive Director, Blake Rogers. “The Yukon Government has long been supportive of the industry: right now, more than ever, the industry needs its help.”

TIA Yukon continues to work in concert with the Yukon Government, the Yukon Chambers of Commerce, and other partners to address the immediate losses due to the Arctic Winter Games cancellation. The call for stimulus is to specifically assist tourism by supporting marketing efforts starting in the short term and putting in place supports that can be accessed by operators by the start of the peak season in May.