



NEWS RELEASE

FOR IMMEDIATE RELEASE

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Kelowna Chamber Supports Sustainable Tourism and New Rental Housing

Kelowna, BC – Two important federal issues have been brought to the attention of the Canadian Chamber of Commerce. The Kelowna Chamber of Commerce has submitted a resolution titled *Focused Strategy and Innovation for Sustainable Tourism* and one titled *Improving Rental Incentives through Tax Reform* to the Canadian Chamber of Commerce for approval at the upcoming Annual General Meeting (AGM) in late September. Both resolutions have already received the support of the respective Canadian Chamber committees tasked with examining them in advance of the Canadian Chamber AGM.

The International Affairs committee of the Canadian Chamber of Commerce expressed appreciation to the Kelowna Chamber for bringing the resolution on sustainable tourism to the national level. Travelers are becoming increasingly interested in hotels that have a true environmental focus. Business trends show a commitment to such sustainable innovation and investments, which require upfront costs to achieve long term savings. Tourism businesses seek to better access tourism related funding programs through a streamlined approval process including a national recognized sustainable certification program or programs. The resolution calls on the federal government to do the following:

- Establish a focused strategy and innovation commitment for sustainable tourism businesses within the National Tourism Strategy and Canadian Tourism Commission;
- Hold a Sustainable Tourism Businesses Roundtable Conference with federal, provincial and territorial, and tourism stakeholders by April 2011;
- Implement a common gateway website for sustainable tourism businesses with information resources and funding programs by April 2011;
- Undertake a common gateway website on a national recognized certification program(s) for sustainable tourism businesses by April 2011- short time frame certification, and cost neutral recovery fees.

The Kelowna Chamber received input from Tourism Kelowna as well as local tourism operators in crafting this resolution.

Another significant concern of the Kelowna Chamber is the outlook of rental units. It is noted in a 2004 Price Waterhouse Coopers report for the Greater Vancouver Regional District (GVRD), *Forecast Demand for Affordable Housing in Greater Vancouver*, that in 2001, 43% of renters in the GVRD spent over 30% of their income on rent, and 22% of renters spent more than 50% of their income. The problem has worsened in the Region since 2001. The availability of affordable housing/rental accommodation has economic implications since there is a direct impact on the ability of businesses to retain current employees who have difficulty in meeting their housing needs, and the ability to recruit new employees into the region due to high housing costs. The resolution calls on the federal government to reduce some of the costs for investors and homebuyers by re-introducing federal tax

policies that successfully encouraged the development of rental housing in the past. It recommends that the federal government:

- Offer a rebate of the Goods and Services Tax (GST)/Harmonized Sales Tax (HST) on new rental housing;
- Offer deferral of capital gains tax and recaptured Capital Cost Allowance (CCA) upon sale of a property and re-investment in new rental housing within a reasonable amount of time (two years);
- Increase CCA for new rental housing to line up with the true economic life of the relevant asset
- Restore soft cost deductibility in the year the costs are incurred for new rental housing.

Each year, the Kelowna Chamber submits federal resolutions for approval at the Canadian Chamber of Commerce Annual General Meeting. All Kelowna Chamber of Commerce policies are included in the Kelowna Chamber's Municipal, Provincial and Federal Briefs, which are accessible from the Kelowna Chamber website at www.kelownachamber.org

The Kelowna Chamber of Commerce is the largest Chamber outside of the Lower Mainland. Focusing on connection, value, and influence for its members the Chamber pro-actively works with all levels of government to reduce barriers to the Okanagan economy.

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