

Wilderness Tourism Association



BRITISH COLUMBIA | CANADA

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WTA Position Paper regarding Destination BC

Introduction

The WTABC has concerns with the new Destination BC crown corporation model announced by the Premier on Nov 4 and accepted by the Tourism Industry Association of BC (TIABC). We also have concerns with the Destination BC Corp Act, which is currently before the house. Review of the proposal for DBC indicates an unwieldy organization, subject to bureaucrat control and political priorities compared to the Tourism BC (TBC) model that was eliminated by the current government. The proposed DBC model would make it very difficult for the DBC Board of Directors to set their own priorities for the Tourism industry as they would have to receive approval from the government for all activities, including operations and media relations. The proposed model has more controls and management issues than if tourism remained inside the government ministry. Very few details have been released to address the concerns apparent to the tourism industry.

Industry Requirements

The tourism industry has been consistent in their message about what is needed to regain our lost prominence in the global tourism marketplace since the elimination of TBC. In order for the tourism industry to meet and exceed the priority targets set by government a number of priority issues remain.

1. Funding must be Reliable, Predictable and Formula Based

The most common factor amongst successful tourism marketing agencies around the world is reliable, multi-year predictable funding.

In order for Destination BC to be successful the organization must:

- a. Be formula funded at an appropriate level to properly manage marketing and tourism development efforts for the province;
- b. Be funded from tourism related revenues to at least the equivalent allocation when TBC was eliminated;
- c. The formula funding model needs to be set in the Act, not by Regulation or policy;
- d. Be provided with a start-up funding allocation in addition to the annual formula funded budget;

- e. Have the ability to carry funds forward into a future fiscal year;
- f. Have the ability to make multi-year program commitments; and
- g. Have at least 18 months prior notice of any proposed changes to the formula funding to allow for changes that fit the tourism marketing cycle.

2. Destination BC must be truly Industry led.

The current proposed structure is not led by the tourism industry at any level. The Destination BC legislation describes a Board that is determined by government. The majority of board members are not chosen or nominated by the tourism industry and there is no requirement for representation regionally or by tourism sector. In addition, the BOD takes its direction from the minister and the minister of finance under Section 28 of the proposed Act, not from the tourism industry.

In order for Destination BC to be successful the organization must:

- a. Have a board of directors nominated by the tourism industry, not selected from a list of applicants to the minister;
- b. Have a majority of directors from the tourism industry, not from government or other industry;
- c. Have a selection of directors that represent the variety of rural, urban and regional concerns as well as tourism sectors and organizations across the province;
- d. Have the ability to lead a process of brand integration and co-operation of all related BC tourism marketing and management agencies while safeguarding the independence, flexibility and creativity of those agencies; and
- e. Have the legislated authority to consider tourism industry and government priorities in setting the Destination BC business plan, not direction from government.

3. Destination BC must be independent and Arm`s length from Government staffing requirements

In order for Destination BC to be able to respond to emerging trends and markets it will be required to attract leaders in the marketing and product development fields. It is clear to us that unless the legislation states that DBC will not be subject to the *Public Service Act* and the *Public Service Labour Relations Act* it will be governed by those Acts. We do not have any concerns that the proposed legislation indicates that the *Public Service Benefit Plan Act*; and the Public Service Pension Plan, continued under the *Public Sector Pension Plans Act*, applies to the corporation and its officers and employees.

Unless DBC is excluded from the *PSA* and *PSLRA* then existing government employees will be given first option at Destination BC jobs, and, given the current hiring freeze, could entirely staff the new organization.

In order for Destination BC to be successful the organization must:

- a. Have the ability to hire leaders in the tourism marketing and product development fields;
- b. Have the autonomy to determine the employee, management and contract services mix based on the best business case options;
- c. Be excluded from the *Public Service Act* and the *Public Service Labour Relations Act*; and
- d. As an independent corporation, not be constrained by government hiring freezes, re-organizations, workforce adjustments or employee re-assignments.

4. Destination BC must be independent and Arm`s length from Government Control

The current model for Destination BC includes a significant shift in control from the tourism industry and the board of directors to government compared to the Tourism BC model. We believe that government should have involvement and input but not the direct control currently envisioned for the corporation as indicated in the proposed legislation and background materials. Section 28 of the *DBC Act* provides direction from the minister responsible and the finance minister, the DBC is subject to business plan approval, the crown agencies secretariat, the board resourcing office, comptroller and auditor general and possibly even the public affairs bureau. The current model appears to effectively be a ministry under a different name.

In order for Destination BC to be successful the organization must:

- a. Be responsible and accountable to the provincial tourism industry, government and the public through annual reports and appropriate business planning;
- b. Have the most autonomy possible under the crown corporation model;
- c. Include a Dispute Resolution Agreement with government, in the event of any dispute in the operations or governance of the organization; and
- d. Be subject to review under the office of Auditor General, FOI, and Privacy Commissioner.