



Recreation Vehicle Dealers Association of Canada

Pre-budget submission 2019

Recommendation 1: The Government of Canada should prioritize a renewed NAFTA which recognizes the success of an integrated North American Economy.

Recommendation 2: That any renegotiated NAFTA should maintain provisions, such as De Minimis thresholds, which encourage investment in Canada and ensure Canadian taxes are paid.

Recommendation 3: Due to the geographic constraints of the existing programs, the Government of Canada should create an Apprenticeship Travel Grant that could be used by those who are required to travel in order to undertake an apprenticeship training program. This Grant should be targeted towards those enrolled in programs that are not offered in their city, town or province.

Recommendation 4: This Grant should be a taxable cash grant of \$2,000-\$4,000 per person per year in order to provide support for such items as travel costs, lodging, and care arrangements for families.

Recommendation 5: The Government of Canada should provide targeted and dedicated investment in camping/RV infrastructure in Canada's National Parks. The 119 Federal campgrounds are comprised of over 10,800 campsites. Of these sites, 7911 or 80% remain unserviced. Investing in camping/RV infrastructure will play a critical role in the overall contributions of the tourism industry to future economic development and prosperity.



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About the RVDA of Canada:

The Recreation Vehicle Dealers Association (RVDA) of Canada is a national, volunteer federation of provincial and regional RVDA associations and their members who have united to form a professional trade association for all businesses involved in the recreation vehicle industry. The RVDA of Canada has over 660 members from coast to coast.

RVing is an accessible and enriching form of Canadian tourism. In 2016, 1-in-5 campers in North America reported an RV as their primary use of accommodation for camping, and the popularity of RV camping for new campers has grown from 18% to 26% over the past year. It is clear that RVing provides individuals and families with the opportunity to explore Canada's rich natural heritage in our various national parks and other Parks Canada properties, which are currently visited by more than 27 million visitors each year.

RVing in Canada also has a considerable impact on the Canadian economy. The manufacturing, purchasing, servicing, and use of recreation vehicles contributes billions – both directly and indirectly – to the Canadian economy each year. In 2017, the RV industry supported 66,000 jobs and there was \$6.1 billion in total spending- about \$3.4 billion of that was for the sales and servicing of RVs. There are over 4,231 campgrounds operated across Canada, each offering a unique experience for Canadians and international visitors.

Canada's 2.1 million RV owners took an estimated 8.2 million RV trips in Canada in 2017. Further to this, Canadians who rented RVs took an estimated 612,000 trips in Canada bringing the total to 8.8 million RV trips. With an estimated \$3.3 billion in spending from these trips, RV tourism is the largest contributor to the overall impact by a significant margin.

The implementation of the RVDA of Canada's three key recommendations will ensure a bright future for the RV industry. To better help RVing thrive as an industry throughout the country, it is essential that we provide increased support for skilled workers in the RV industry and build upon the critical infrastructure required in our national parks. These recommendations would seamlessly complement the Government's commitments as outlined in previous budgets and Canada's New Tourism Vision to "support access to labour market, skills development and training opportunities for youth and under-represented groups," and "working with the provinces and territories, employers and educational institutions to ensure that Canadians looking to work with the tourism sector have the needed skills."

2019 Budget Recommendations:

1. North American Trade

- The RV sector, like many other industries, is part of an integrated North American market. With 95% of RVDA's product is imported from the United States.



- Steel and Aluminum are major inputs for RV production, and increased costs for either material because of tariffs will have an impact on affordability of products. Already, RV dealers are reporting price increases resulting from tariffs.
- Increasing the cost of RV inputs from Canada, like steel and aluminum, will increase manufacturing costs. This will hurt businesses and consumers on both sides of the border.
- The RV industry has benefitted tremendously from the integrated North American market that NAFTA has created. The free flow of goods and services across the border has helped our industry grow
- RVDA supports the current De Minimis threshold. An increase in the threshold creates an uneven playing field for RV dealers and foreign online retailers. It would jeopardize investments that Canada's industry is making into online sales and Canadian brick and mortar locations.

Recommendation:

- The Government of Canada should prioritize a renewed NAFTA which recognizes the success of an integrated North American Economy
- That any renegotiated NAFTA should maintain provisions, such as De Minimis thresholds, which encourage investment in Canada and ensure Canadian taxes are paid.

2. Increased Support for Skilled Workers in the RV Industry

- There are currently only two programs in Canada that offer RV service technician apprenticeship training – Okanagan College in Kelowna, British Columbia and Polytechnic-Southern Alberta Institute of Technology in Calgary, Alberta. Each of these programs provide Red Seal Designation that is accepted nation-wide.
- The current program structure requires approximately 8 weeks of in-class training annually, while the remainder of the apprenticeship work can be conducted in a location of the trainee's choosing (many of the trainees will return home at this time).
- The existing programs reach full enrollment each year and often hold waiting lists for additional several dozen prospective students.
- Training programs are offered in other provinces but they are not accepted as full apprenticeship programs. As such, few RV service technicians who actually work in the industry are classified as apprentices. Currently, there are 1020 full-time RV service technicians throughout Canada but only 424 with Red Seal Designation.
- The number of certified RV service technicians increases greatly in British Columbia and Alberta, where the training programs are conducted. In 2016, those with Red Seal Designation accounted for approximately half of the RV service technicians in both British Columbia and Alberta, while in other provinces they can be as low as 1/6th.

Recommendation:

- Due to the geographic constraints of the existing programs, the Government of Canada should create an Apprenticeship Travel Grant that could be used by those who are required to travel in order to undertake an apprenticeship training program. This Grant should be targeted towards those enrolled in programs that are not offered in their city, town or province.
- This Grant should be a taxable cash grant of \$2,000-\$4,000 per person per year in order to provide support for such items as travel costs, lodging, and care arrangements for families.



3. Critical Infrastructure Investment to Support the RV Industry

- There are over 4,231 campgrounds operated across Canada, each offering a unique experience for Canadians and international visitors. As campground services continue to rise in demand, critical infrastructure needs - such as sizing requirements to accommodate larger RVs and access to appropriate electrical outlets and waste disposal facilities - remain unfunded.
- As RVing is a large component of tourism, both internally and externally, investment in camping and RVing infrastructure will play a crucial role in the overall contributions of the tourism industry to future economic development and prosperity. Upgrades in infrastructure are essential if we want to be able to ensure the future of this industry and make it more accessible to all Canadians.

Recommendation:

- The Government of Canada should provide targeted and dedicated investment in camping/RV infrastructure in Canada's National Parks. The 119 Federal campgrounds are comprised of over 10,800 campsites. Of these sites, 7911 or 80% remain unserviced. Investing in camping/RV infrastructure will play a critical role in the overall contributions of the tourism industry to future economic development and prosperity.