



Recreation Vehicle Dealers Association of Canada

Pre-Budget Submission 2021

August 2020



Recommendation 1: Introduce a short-term GST/HST holiday on RV sales across Canada.

Recommendation 2: Reintroduce the Canada Secured Credit Facility to increase lending capacity in the industry and support RV and automobile dealers.

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: The above mentioned Grant should be a taxable cash grant of \$2,000-\$4,000 per person, per year, in order to provide support for items such 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 un-serviced. 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 core objective of the RVDA of Canada is to bring together and represent the retail businesses involved in the recreation vehicle industry across Canada, thus providing the support and strength to protect and promote the interests and welfare of Canadian RV Dealers, and to maximize the potential of the industry for all involved.

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. Across all four subsectors, total RV industry expenditures for 2019 have been estimated at approximately \$6.2 billion. Moreover, the Canadian RV industry was a significant driver of tax revenues, with the industry contributing \$1.9 billion in tax revenue to municipal, provincial and national governments, in the form of personal tax, corporate tax, and other taxes.

The implementation of the RVDA's recommendations in this document will contribute significantly to the RV industry recovery from the COVID-19 crisis and ensure the continued success of the RV and camping industry in Canada. To ensure the long-term sustainability of the RV sector and to facilitate recovery, we recommend that the federal government introduces a strong and robust recovery package to jumpstart the RV and camping industry through incentive programs to encourage RV purchase and investment in camping infrastructure. This stimulus program should include a short-term GST/HST holiday on RV sales across Canada, the reintroduction of the Canada Secured Credit Facility, which was key to the automobile industry recovery post-financial crisis in 2008, and investment in public campground facilities.

We would also like to use this opportunity to congratulate the government on the full implementation of CUSMA and express our deep concerns with the recent threat of new tariffs on steel and aluminum by the United States. These tariffs were devastating and have disrupted the integrated North-American supply chain, and added unnecessary costs for businesses and consumers. Canada needs to take the threat seriously and ensure the spirit of the new deal is adhered to by all parties.



2021 Budget Recommendations

1. COVID-19 Recovery measures

The Canadian economy is reeling from the devastating economic impact of COVID-19. Virtually, all sectors of the economy have been hit hard and no business has been spared. The impact of the global pandemic has been particularly severe for the RV and auto sector in Canada. The strict containment measures put in place in many provinces, and the resulting steep decline in economic activity have led to an unprecedented drop in RV sales across Canada.

RV sales crashed by more than 75 per cent in April and by more than 22 per cent in March — lowest levels for these months in decades. RV sales have slowed to a point where the long-term sustainability of Canada's RV industry, employing upwards of 11,000 people in every part of the country, has been called into question. Quick action is required to jumpstart the industry and stimulate the economy post-crisis

That said, while we are pleased with the government's economic response to the crisis, more is needed to ensure the RV industry remains viable post-crisis. **We recommend a strong and robust recovery package to jumpstart the RV and camping industry through incentive programs to encourage RV purchase and investment in camping infrastructure. This stimulus program should include a short-term GST/HST holiday on RV sales across Canada, and the reintroduction of the Canada Secured Credit Facility, which was key to the automobile industry recovery post-financial crisis in 2008, and investment in public campground facilities.**

These measures, coupled with the gradual reopening of the economy, will ensure quick recovery of the RV industry that has been significantly affected by COVID-19 and the unprecedented decline of RV sales in Canada.

Our dealerships employ thousands of Canadians in every part of the country and actively contribute to the communities where they operate. These proposed recovery measures will protect jobs and ensure long-term business continuity for RV dealerships.

Once again, we commend the federal government for its leadership during these difficult times and we welcome the opportunity to meet with the Finance Committee to discuss our recovery plan in further detail.

Recommendation:

- Introduce a short-term GST/HST holiday on RV sales across Canada.
- Reintroduce the Canada Secured Credit Facility to increase lending capacity in the industry and support RV and automobile dealers.



2. Increased Support for Skilled Workers in the RV Industry

The shortage of skilled workers remains a key concern for the RV industry. Currently, out of 1,080 full-time RV service technicians throughout Canada, only half have the Red Seal Designation.

There are currently only two programs in Canada that offer RV service technician apprenticeship training – in British Columbia and Alberta. Each of these programs provide Red Seal Designation that is accepted nation-wide. The existing programs reach full enrolment each year and often hold waiting lists for an additional several dozen prospective students.

Training programs are offered in other provinces, but they are not accepted as full apprenticeship programs. As a result, few RV service technicians who actually work in the industry are classified as apprentices.

We applaud the government for the focus on skills and training in budget 2019. New measures such as the Canada Training Benefit, more funding for Skills Canada and the new apprenticeship strategy will help Canadians get the skills they need. We look forward to working with the government in the development of the new apprenticeship strategy.

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 items such as travel costs, lodging, and care arrangements for families.

3. Critical Infrastructure Investment to Support the RV Industry

There are over 4,231 campgrounds operating 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, 7,911 or 80%, remain un-serviced. Investing in camping/RV infrastructure will play a critical role in the overall contributions of the tourism industry to future economic development and prosperity.