



HOSPITALITY
NEWFOUNDLAND & LABRADOR

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**ANNUAL
REPORT**



FROM THE CHAIR



Dear members and partners,

As I near the end of my term as your Chair, I am pleased to present to you the annual report of the association's activities over the past year. Hospitality NL works diligently every year to advance advocacy & communications and provide membership and networking and skills and knowledge opportunities for our members. I can say with confidence that your tourism industry association is well prepared and excited to take on 2020 and beyond.

Hospitality NL's advocacy efforts continued in 2019. By listening to industry and providing feedback from our members to policy makers we continued to progress our policy priorities - & although we are steadfast in our commitment to the challenges ahead, we are glad to have celebrated many wins and highlights over the past year.

We constantly strive to work closely with our regional and national tourism partners on issues that are affecting tourism operators here in NL and 2019 was no exception. Strategically working on reducing red tape to increase more positive outcomes for access and transportation, advancing a framework for more regulations surrounding unlicensed accommodations, ensuring a critical mass of authentic attractions and experiences and advocating for solutions to growing labour issues, among other priorities. We are conscious that a comprehensive work plan to grow tourism is needed from a municipal, provincial and federal standpoint and will forge forward to identify strong frameworks, joint approaches and resolutions that benefit the tourism industry as a whole and in a variety of situations.

This past fall, Newfoundland and Labrador's capital city of St. John's was selected to host Atlantic Canada Showcase, October 6-8, 2019. Hospitality Newfoundland and Labrador was delighted to represent our province and welcome international buyers and regional sellers to the capital city. We showcased the best that Atlantic Canada tourism has to offer, providing an insightful, energetic and impactful event. I know I speak for everyone when I say that we truly can't wait to have everyone back!

Sustaining success over the long term requires a solid community of qualified and passionate tourism champions – each one of you continuously demonstrate your respect and devotion to this province's tourism industry and I would like to thank each and every member, board member and employee for what we have accomplished together in 2019. Hospitality NL's Board of Directors are looking forward to advancing the organisation's objectives in 2020 and further developing Newfoundland and Labrador as the destination of choice for visitors. Your continued support is vital to the work we do - I hope you will continue to make your voice heard and be a part of our robust network of tourism industry leaders going forward.

Larry Laite
Chair



WHO WE ARE

Hospitality Newfoundland and Labrador, the provincial tourism industry association, is focused on advocacy, education, the adaptation of innovative technology and the promotion of a strong member network. Through forward thinking and fostering the growth of its members, Hospitality NL continues to be the leader of the tourism industry in the province.

In 2019, Hospitality NL celebrated 36 years of serving the provincial tourism industry. As the voice of tourism,

Hospitality NL's work on behalf of members and the sector has played a crucial role in developing the tourism industry into the flourishing economic driver that it is today.

The association would not be what it is today without the support of our hard-working, passionate and innovative members who are committed to strengthening and growing tourism in Newfoundland and Labrador.

Hospitality NL works closely with all tourism stakeholders, including private industry, regional destination management organizations, suppliers, other non-profit associations municipalities and all levels of government, to advance the tourism industry and ensure its success and sustainability. As such, Hospitality NL continues to play a key role on the Newfoundland and Labrador Tourism Board, a private-public partnership dedicated to ensuring our industry strategically grows the tourism industry beyond 2019.



STRATEGIC PLAN

2018-2021

As a member-driven organization, it is essential for Hospitality NL to employ a strategic planning process that understands members' priorities and reflects these priorities in the resulting plan. Early in 2018, Hospitality Newfoundland and Labrador Board and staff began the process of developing a new three-year strategic plan, outlined below.

STRATEGIC DIRECTION 1: Service

Objectives:

- 1.1 Improve service to members
- 1.2 Grow the capacity of the network
- 1.3 Improve communications to and from members
- 1.4 Ensure responsiveness and continuity in member service

STRATEGIC DIRECTION 2: Engagement

Objectives:

- 2.1 Implement a membership Recruitment and Retention Plan
- 2.2 Convey the benefits and advantages associated with being a Hospitality NL member
- 2.3 Enhance member engagement

STRATEGIC DIRECTION 3: Advocacy

Objectives:

- 3.1 Increase internal and external awareness and understanding of Hospitality NL's function, activities and advocacy efforts
- 3.2 Communicate Hospitality NL's advocacy policies and issues
- 3.3 Effectively manage our essential relationships
- 3.4 Raise our profile to further our priorities and agenda
- 3.5 Increase our influence with decision-makers
- 3.6 Collaborate with professional organizations and associations on common issues

STRATEGIC DIRECTION 4: Programs

Objectives:

- 4.1 Ensure Hospitality NL's industry development offerings meet the industry's ever-changing human resources and labour market demands
- 4.2 Position tourism as a viable industry within both the public and private sectors
- 4.3 Continue to provide annual conference and professional development opportunities
- 4.4 Identify and promote tools, strategies and best practices for members on using digital technology and social media to create connected networks

STRATEGIC DIRECTION 5: Resources

Objectives:

- 5.1 Ensure the association's financial sustainability
- 5.2 Increase industry engagement in leadership positions
- 5.3 Strengthen governance and operations to support the strategic vision and its implementation

MEMBERS^{1st}

On an annual basis, Hospitality NL will formally review its progress and make necessary changes. In this way, more detailed actions are planned, implemented, monitored and evaluated, keeping the strategic plan a living, dynamic tool and creating long-term value for HNL and its members.

ADVOCACY AND COMMUNICATIONS

As the voice of the provincial tourism industry, Hospitality NL aims to continually strengthen our strong connection with members and partners through open, two-way communication. This is achieved through membership outreach, email communications, social media presence and interaction with industry, whether face-to-face around the province or via webinar technology. Hospitality NL fosters the growth and sustainability of the tourism industry by keeping members informed of opportunities, developments and challenges of the industry, as well as the organization's advocacy efforts and priorities. To ensure we are best able to meet the needs of the members we serve, Hospitality NL works collaboratively with partners and industry stakeholders and encourages feedback from all members.

Hospitality NL continues to advocate on issues of importance to the tourism industry in order to sustainably build a more competitive environment for tourism operators. Throughout 2019, the Board and staff of Hospitality NL worked diligently on behalf of our members - meeting with elected officials and stakeholders, preparing letters and submissions, clarifying issues, openly supporting other tourism stakeholders and highlighting the concerns of industry operators to ensure that the needs of our tourism industry are not overlooked and that we are, in fact, acknowledged and respected as the significant and sustainable economic generator and employer we are.

Representing the provincial tourism industry on the Newfoundland and Labrador Tourism Board, as well as with respect to the federal and provincial governments, Hospitality NL strives to ensure the interests of all members are considered. Ranging from regulation of the short-term rental industry to access and transportation concerns to the sustainable use of our province's resources, Hospitality NL remains determined to promote the best interests of the industry and our members. Together, our collective voice can affect change.

POLICY PRIORITIES

With over \$1.14 billion in annual spending, more than 2,700 tourism-related businesses and organizations and 9% of provincial jobs in tourism-related industries, the industry's contribution to the economy, employment and social fabric of Newfoundland and Labrador is significant.

Hospitality NL has continued to work with stakeholders across Canada to ensure the priorities of the travel and tourism industry are top of mind. Paramount among the strategy for sustainable development and ensuring NL remains a premier travel destination is competitive provincial marketing investment and product development that supports and complements the quality assurance efforts and initiatives of industry that are unveiling opportunities to maximize growth.

Prominent policy initiatives

Hospitality NL in 2019, as outlined below, continued to focus on fair rules in the accommodations sector (i.e. short-term rental regulation), regulatory/legislative changes impacting tourism operations, and access to the province.

Other priorities included consulting on immigration levels and the protection and preservation of natural/cultural resources, such as the marine environment. In order to address issues impacting the sustainable growth of the tourism industry in NL, Hospitality NL is committed to maximizing the efficiency of organizational efforts and enhancing communications, collaborations and efficiencies among all partners and tourism stakeholders.

To learn more about any of Hospitality NL's policy priorities and advocacy efforts, please visit our website or contact Shanelle Clowe, Manager of Advocacy and Communications at sclowe@hnl.ca



ADVOCACY AND COMMUNICATIONS

Fair Rules in the Accommodations Sector

The proliferation of unlicensed and unregulated accommodations across NL is alarming. Such accommodations do not abide by the regulatory, legal, taxation, health and safety or insurance laws that licensed accommodators do and consequently, they have the potential to negatively impact NL's reputation as a premier tourism destination. Despite benefiting from the efforts of legitimate operations, they do not offer benefits back to the community like legitimate tourism operations such as gainful employment opportunities throughout all regions of NL.

With more than 2,700 tourism businesses that are operating in the spirit of legitimate competition in NL, it is essential that this issue be addressed. Hospitality NL maintains that the key to success in the new reality of a sharing economy is EQUITY – ensuring all tourism and travel product providers operate in the spirit of legitimate competition and abide by all regulatory and licensing requirements in order to operate in the province.

This issue was a major policy priority for Hospitality NL and the national tourism industry throughout 2019 and it continues to be at the forefront of many advocacy discussions. In Winter of 2019, Hospitality NL made the sharing economy discussion a highlight of the annual Conference and Trade Show and in Fall of 2019, CEO, Craig Foley travelled throughout the 5 regions of Newfoundland and Labrador and presented an overview of how Hospitality NL is advocating for a fair playing field and legislative change to all levels of Government that will be beneficial for all stakeholders, including the traveller.

Hospitality NL continued its partnership with the Hotel Association of Canada, continuing to utilize the proposed framework "Developing a Modern Approach to Short-Term Rentals in a Digital Economy", an analysis of regulatory developments worldwide and best practice approaches to developing a local framework.

Accommodations Levies

In April 2015, the Government of Newfoundland and Labrador invited Hospitality Newfoundland and Labrador and Municipalities Newfoundland and Labrador to come together with the objective of developing a joint proposal regarding an accommodations tax to submit to government that has the support of both sectors' stakeholders. Following extensive consultations with our membership, Hospitality NL and Municipalities NL have agreed upon a joint position.

Our organization is still committed to working with our members, the Provincial Government, and Municipalities Newfoundland and Labrador to continue to support and foster collaborative relationships with our province's municipalities.

Transportation & Sense of Arrival

Access and transportation continues to be a major strategic priority for the growth of the tourism industry. Travel to, from, and around the province, whether by sea, air, or road is often inhibited by issues of affordability, capacity, infrastructure and quality. Newfoundland and Labrador's tourism industry depends on an accessible, affordable and reliable transportation system in order to grow.

A sense of arrival is the welcome and warmth that people feel once they have reached their destination is imperative as well as efficient wayfinding, friendly service, warm and beautiful surroundings and a strong sense of place help industry meet and exceed the expectations of guests. Additionally, aspects of transportation, including roads, signage, trails and pedestrian infrastructure are all important sense of arrival experiences are integral to a travellers experience.

Hospitality NL recognizes that a strategic and coordinated effort from all levels of government and industry is required to support the comprehensive development of transportation within Newfoundland and Labrador. As provincial ferry services, the Trans Labrador Highway and the Tourist Oriented Directional Signage system all require significant attention, planning and resources, Hospitality NL remains committed to working with regional and government partner agencies to ensure the tourism industry is represented when addressing provincial transportation strategies.

Marine Atlantic Inc.

As a primary gateway for growing inbound tourism, Marine Atlantic Inc. continues to be an essential link not only for the future growth and development of the tourism industry but also for all residents and industries. It continues to be a critical enabler of private industry investment and with a solid commitment to sufficient, sustained funding can help drive job creation and economic diversity throughout Atlantic Canada.

There have been significant improvements in customer service, onboard amenities and fleet renewal over the last decade. In recent years, rates have steadily increased putting downward pressure on the number of travellers using the service. Despite no tariff increases to passenger fares, vehicle fares or the drop trailer management fee, commercial fares increased by 2% (Gulf and Argentinia).

Hospitality NL continues to advocate to the Federal Government that the percentage of cost recovery be lowered and funding for Marine Atlantic be set over an extended period so that it enables long-term planning, allows for pricing that does not erode the level of service or deter travellers and is sufficient to drive continuous improvement and cost efficiency in the service, and remains committed to continued dialogue with Marine Atlantic to mitigate any impacts on tourism resulting from the crown corporation's operating requirements.

Air Access

Air access is vital to Newfoundland and Labrador and its economic future. The province is highly dependent on its air transportation network for leisure and business travel, trade and investment attraction, economic development, and tourism. The emphasis on on growing visitation levels and improving access to the province continues.

Hospitality NL will continue to aggressively advocate for increased access to this province with our partners at the airport authorities, the Department of Tourism, Culture, Industry and Innovation, and others across the province. Addressing issues of access and transportation is absolutely essential if any strategy to grow inbound tourism to Newfoundland and Labrador is to be truly successful.



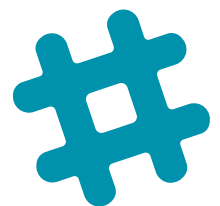
Social Media Presence

A major component of Hospitality NL's communications efforts is social media. There is no disputing the link between the travel and tourism industry and social media. As such, the association is committed to evolving its social media strategy as industry and technology develops. Hospitality NL has official accounts on Twitter, YouTube, Facebook, LinkedIn and Instagram. At the end of 2019, Hospitality NL staff collectively had more than 21,000 followers on Twitter, nearly 3,100 likes on our Facebook page and on our way to 1000 followers on Instagram since its inception mid-October.

In 2019, Hospitality NL launched a brand new presence on social media through Instagram. This free communication tool allows Hospitality NL to show its creative side to better engage with the tourism industry on a more visual level than other platforms. The use of the platform is aimed to attract a younger demographic and provide succinct information to the public and use two-way communication to establish and cultivate organization-public relationships using creative and high quality imagery.

Ranked 3rd most used social media platform in the world with 1 billion users every month – Instagram is a great platform to remain relevant and diversify our reach as an organization.

It should be noted that many of our members and partners as well as government already have a large presence on Instagram and our account @HospitalityNL has grown in "following" exponentially in just 4 short months. In today's world where content is overcrowded and saturates every platform it's important to stand out and be present as much as possible.



SKILLS & KNOWLEDGE

Part of Hospitality NL's mandate is to foster the development and growth of the tourism industry in Newfoundland and Labrador. Through professional development, training and quality initiatives, Hospitality NL assists operators improve their service delivery and professionalism.

Hospitality Newfoundland and Labrador offers a wide range of training and education products and services specifically designed for tourism organizations. By offering resources such as industry standards information and labour initiatives, Hospitality NL fosters the growth of our members, as well as the industry itself.

Inclusive Tourism Job Fair

In 2019, Hospitality Newfoundland and Labrador hosted the 3rd Annual Inclusive Tourism Job Fair. This inclusive event featured prominent tourism employers from around the province, all of which hoped to recruit employees for existing job vacancies.

Like many other industries, tourism continues to experience stiff competition for workers amid rising labour shortages. In 2016, Tourism HR Canada and the Conference Board of Canada, released the report *Bottom Line: Labour Challenges Threaten Tourism's Growth*. This report projects that by 2035, potential labour supply shortages in the tourism sector in Newfoundland and Labrador could reach 15.2%, leaving 3,016 jobs unfilled. Current projections suggest that the tourism sector could potentially support more jobs than workers will be available to fill. This means tourism in Newfoundland and Labrador will experience one of the most acute labour shortages of any province in Canada.

In order to assist Tourism businesses in the St. John's area to attract potential employees, Hospitality NL and several community partners hosted an Inclusive Tourism Job Fair on Tuesday, April 16th, 2019 at the Holiday Inn St. John's.

In 2019 the Inclusive Tourism Job Fair had participation from 10 tourism operators across Newfoundland and Labrador and we had 214 job seekers sign in.

Partners

Hospitality NL was proud to partner with the following organizations:

- inclusionNL
- Department of Advanced Education Skills & Labour
- Tourism Quality Assurance
- Stingray

Generously supported by:

- Atlantic Canada Opportunities Agency
- Department of Tourism Culture Industry & Innovation



ReSkill

Hospitality NL, in partnership with Tourism HR Canada, is working on a three-year training and research project, Reskill, aimed at reskilling non-tourism sector workers for employment in the tourism industry in Newfoundland and Labrador. Initial research and community engagement started in 2018.

The project, to be completed by August 2020, aims to identify whether reskilling for tourism will allow unemployed workers from non-tourism industries to enter the tourism labour force and support the development and expansion of a destination's tourism product offering. Initial research will identify rural communities that have potential to grow their tourism sector and have a group of individuals that have the potential to work but may require training to move into the tourism sector.

Destinations will be identified in each of the five regions of the province using the current Destination Development Plans, Provincial Tourism Product Development Strategy and other available data. The research will be done over a series of phases with training and employment to be delivered in the peak tourism seasons in the spring/summer of 2018 and 2019. Funding for the project was provided by the NL Workforce Innovation Centre; established in 2017 by the Provincial Government, the Centre provides a coordinated, central point of access to engage government, career and employment service providers, and skills development stakeholders in the business, community and government sectors throughout the province. The Centre's goal is to support the research, testing and sharing of ideas and best practices around innovation in models and approaches to workforce development that will positively impact employability, entrepreneurship and individuals' attachment to the workforce. The Centre is administered by the College of the North Atlantic and is one of two Divisions in the college's Office of Industry and Community Engagement. Funding is provided by the Department of Advanced Education, Skills and Labour under the Canada-Newfoundland and Labrador Labour Market Development Agreement.



Hospitality NL, in partnership with Tourism HR Canada, continues the training and research project, Reskill, aimed at reskilling non-tourism sector workers for employment in the tourism industry in Newfoundland and Labrador. Initial research and community engagement were started in 2018. The project aims to identify whether reskilling for tourism will allow unemployed workers from non-tourism industries to enter the tourism labour force and support the development and expansion of a destination's tourism product offering. Initial research will identify rural communities that have potential to grow their tourism sector and have a group of individuals that have the potential to work but may require training to move into the tourism sector. Destinations will be identified in each of the five regions of the province using the current Destination Development Plans, Provincial Tourism Product Development Strategy and other available data.

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Customer Service Training

Customer Service Training For several years, Hospitality NL's flagship customer service training workshop has been WorldHost® Fundamentals, a one-day workshop designed to give front-line employees the skills, tools and techniques required to provide exceptional customer service.

In the fall of 2018, Hospitality NL was proud to launch two new customer service focused training programs that will meet the needs of industry when it comes to training frontline employees.

Service First is a 1/2 day workshop introducing tourism employees to the basics of customer service and helping to reinforce your organization's commitment to creating an exceptional experience for visitors. It includes units on the value of tourism in Newfoundland & Labrador, being a professional, and customer service.



Service Best is a full-day workshop that assists learners to create memorable customer experiences, identify and respond to customer needs and turn dissatisfied customers into loyal fans.



In 2019, more than 200 tourism front-line employees from across the province participated in customer service training.

Responsible Alcohol Service

This awareness program for servers in licensed establishments combines information on the responsible service of alcohol to patrons with techniques to ensure their safety during and after their visit to the establishment. In partnership with the Newfoundland and Labrador Liquor Corporation, Hospitality NL offers this program across the province via online learning.

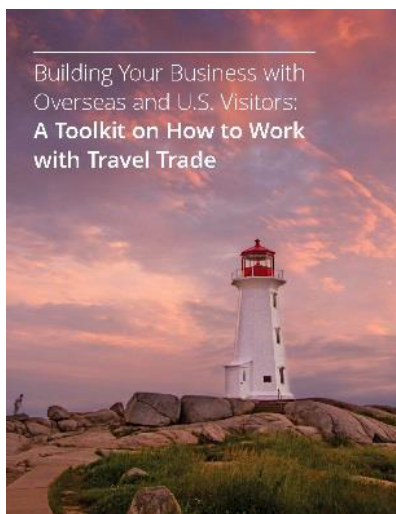
Travel Trade Readiness Toolkit

The Atlantic Canada Travel Trade Readiness Program was developed in Atlantic Canada through partnership between the Atlantic Canada Opportunities Agency and the four Atlantic Canada provinces. Here in Newfoundland and Labrador, Hospitality NL and the Department of Tourism, Culture, Industry & Innovation are leading the project.

The Travel Trade toolkit is designed to provide tactics, processes and best business practices on how to develop and expand tourism business' distribution, and ultimately, their business. Focusing on the United States, United Kingdom, Germany, France and China markets, the information in the toolkit, combined with advice and assistance from other sources, will assist operators in growing their business on the path to success.

This toolkit was developed as a self-paced learning and diagnostic tool to help operators answer the following questions:

- Am I ready for the international market?
- How can travel trade help build my business?
- How will travel trade change how I do business?
- Which travel trade partners should I work with?
- How do I gain new travel trade partners?



MEMBERSHIP & NETWORKING

Hospitality Newfoundland and Labrador has been at the forefront of the provincial tourism industry for over 35 years. Members of Hospitality NL can take pride and satisfaction in knowing that they are part of a group that has their best interests in mind. Membership provides operators with countless benefits through our constant advocacy efforts, innovative educational tools and resources, communication networks and networking opportunities, and even discounts on numerous services and products.

Hospitality NL's 2019 Conference and Trade Show – February 26-28, 2019

Hospitality NL's 36th Annual Conference and Trade Show was held in Gander in 2019 and brought together industry stakeholders from all over Newfoundland and Labrador! It provided a platform for tourism leaders and stakeholders to gather and explore new opportunities within the province's thriving tourism industry.

A wide range of session topics and a supplier-focused trade show allowed for a successful three-day event full of learning, networking and developing new opportunities for the provincial tourism industry. Hospitality Newfoundland and Labrador hosted the annual Tourism Excellence Awards Gala on Thursday night as the grand final



H. Clayton Sparkes Accommodator Award of Excellence
Presented to: The Old Salt Box Co.

Tourism Week - May 26th to June 2nd, 2019

Tourism Week, celebrated across Canada from May 26-June 2, 2019, provided an opportunity for national and provincial tourism industry leaders to showcase the economic impact and social benefits of Canada's tourism and travel sector. Hospitality NL was pleased to celebrate Tourism Week with industry partners by participating in special events throughout the province, highlighting the tremendous value of tourism and travel to Newfoundland and Labrador. Hospitality NL CEO, Craig Foley, participated in national lobby efforts in Ottawa with the Tourism Industry Association of Canada.



Tee Off for Tourism

In September, Hospitality NL members hit the links to participate in the Golf Classic! Golfers, partners and sponsors had the opportunity to network with other tourism professionals, and enjoy a great game of golf at The Wilds Golf Resort on September 26th, 2019.



Members from Newfound Marketing



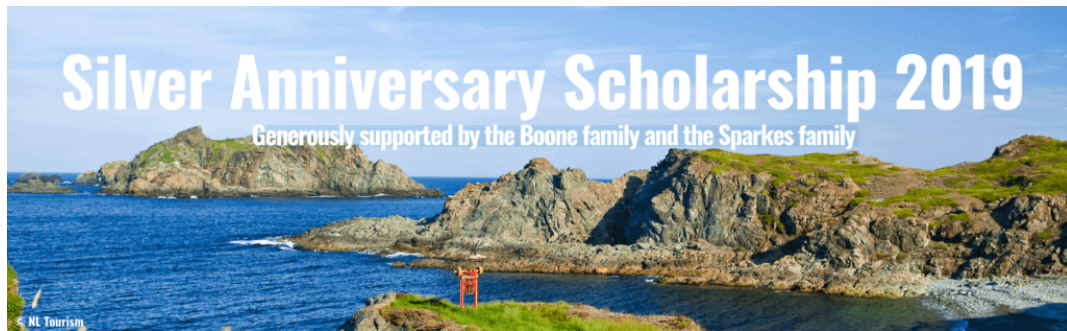
Atlantic Canada Showcase, October 6-8, 2019.



Newfoundland and Labrador's capital city of St. John's hosted the 2019 Atlantic Canada Showcase, October 6-8, 2019. Atlantic Canada Showcase (ACS) is a biennial buyer-seated tourism marketplace designed especially for the motorcoach, group, Fully Independent Travel and specialty travel industry. The event entailed three impactful days of pre-scheduled business-to-business meetings, networking events and educational sessions that allowed international buyers and regional sellers an opportunity to experience, meet and grow business with tourism product and service providers from all four Atlantic Provinces.



Silver Anniversary Scholarship



Hospitality NL presented its Silver Anniversary Scholarships to Jillian Wight and Ben Burton in 2019.

Established in 2008 in honour of Hospitality NL's 25th anniversary, the Silver Anniversary Scholarship is a way for Hospitality NL to invest in future leaders of the tourism industry. Each year, two Silver Anniversary Scholarships are awarded to a dependant or employee of a current Hospitality NL member to assist with the cost of post secondary education. The scholarships are awarded based on educational goals and direction, academic performance, extra-curricular activities and community involvement.

Hospitality NL's Silver Anniversary Scholarship is proudly supported by the Boone family and the Sparkes family. Each recipient received a \$1500 scholarship.



Hospitality NL Vice Chair, Steve Denty, presents scholarship to recipient Jillian Wight, accompanied by her family



Hospitality NL Vice Chair, Steve Denty, presents scholarship to recipient Ben Burton

