



**Newfoundland and Labrador
Public Sector Pensioners' Association**

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October 20, 2022

Honourable Siobhan Coady
President Treasury Board
Treasury Board Secretariat
Government of Newfoundland and Labrador
West Block, Confederation Building
P.O. Box 8700
St. John's, NL A1B 4J6
SiobhanCoady@gov.nl.ca

Re: Accommodation Tax (Tourism Levy Tax)

Dear Minister Coady:

The Newfoundland and Labrador Public Sector Pensioners' Association (NLPSPA) is grateful, on behalf of all diabetic patients in the Province of Newfoundland and Labrador for the decision of Government in 2021, effective April 2022, to make a policy change to the insurance coverage rules for diabetic supplies. I now bring to you another matter that I trust you can take action on that would make it easier and less financially painful for patients who must travel and stay in buildings, lodges, or hotels to access medical care. I refer specifically to the Accommodation Tax (Tourism Levy Tax).

The Accommodation Tax (also known as the Tourism Marketing Levy) provides a sustainable source of funding for the marketing and promotion of tourism to the City of St. John's through their partnership with Destination St. John's (DSJ). The **Accommodation Tax** is set at 4% which is to be collected from any person who for a daily charge, fee or remuneration is accommodated, lodges or stays in a room in a building within the city, that is licensed under the Tourist Establishments Act or owned by Memorial University.

The Accommodation Tax is governed by the Municipal Taxation Act, Government of Newfoundland and Labrador, SNL 1999 Chapter M-24, **MUNICIPALITIES ACT, 1999**. It is understood that the House of Assembly passed an amendment to the Saint John's Assessment Act, to which the City of St. John's then passed "**Accommodation Tax By-Law No 40**". An effort was made about two (2) years ago to bring this matter before the City Council but it was turned away as having to be presented to the provincial government.

Our case is as follows:

As the City of St. John's is the principal provincial location of:

- the largest health care resources including specialist and additional treatment resources and services in the province;
- other provincial services such as incarceration locations;
- provincial educational and other learning resources outside the limits of Memorial University;
- services for indigenous persons, new Canadians, and immigrants;
- and, other like provincial service centres;

Many citizens of the province have occasion to reside at such hotels or like residential accommodations and are not in residence for purposes of tourism.

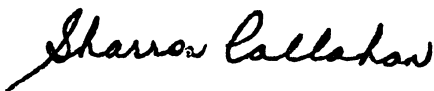
It is understood that some hotels in the metro area are now offering hotel rooms at reduced rates and shuttle service for people travelling for medical or treatment appointments, where these services are not available in their local area.

This is a much needed service, but unfortunately, the City of St. John's is still collecting the Accommodation Tax on each night of stay. People who are travelling to the city for medical or treatment purposes should not be expected to pay this tax when travelling for these reasons, as these are above and beyond the purpose of tourism, sometimes even in critical life threatening or death situations.

It is the understanding of the NLPSPA that there is no exemption for medical or treatment related travel to the Accommodations Tax. This means that this tax is, therefore, grossly biased towards the hotel business being a tourism resource and offers no thought or consideration for people who must utilize these resources for purposes other than touring and holidays.

Action Requested: that an appropriate amendment be made to the legislation and municipal by-law to exempt guests who “for a daily charge, fee or remuneration are accommodated, lodge or stay in a room in a building within the city, that is licensed under the Tourist Establishments Act or owned by Memorial University” for purposes of medical or other health connected or health related treatment. Proof of attendance for such a purpose should be able to be easily provided.

Sincerely,

A handwritten signature in black ink, reading "Sharron Callahan". The signature is fluid and cursive, with the first name "Sharron" being more prominent than the last name "Callahan".

Sharron Callahan
Executive Director

cc. Minister John Abbott, CSSD
CSSDMinister@gov.nl.ca

cc. Minister Tom Osborne, HCS
HCSMinister@gov.nl.ca

cc. Susan Walsh, Seniors' Advocate
seniorsadvocate@seniorsadvocatenl.ca