

# Canadian RV & Campground Industry Awareness Day

May 2nd, 2019 | Ottawa, Ontario



CANADIAN CAMPING  
AND RV COUNCIL

CONSEIL CANADIEN DU  
CAMPING ET DU VR

The Canadian Camping and RV Council (CCRVC) is a national, volunteer federation of the Provincial Private Campground Owner Associations and their members. CCRVC was incorporated in 2013 by the RVDA of Canada and the Canadian Recreational Vehicle Association (CRVA) with a mandate to provide for the betterment and to support the Canadian RVing and Camping Industry in Canada.

Canada's RV and Camping Industry includes 2347 Private Campgrounds, 450 RVDA Dealers and CRVA Manufacturers who collectively employ 66,000 Canadians and generate over \$3.3 Billion in Tourism spending and \$6.1 Billion to the Economy in Canada. In 2016, over 5.8 million Canadians or 22% of the adult population engaged in camping activities coast-to-coast.

Our Private Campgrounds offer an opportunity for middle-class families to spend time together, create life-long memories and discover Canada's natural landscape. Camping is an affordable activity for the middle class and creates a strong sense of community that is unique to this form of travel accommodation across Canada.

## Current issues and policies currently impacting Private Campgrounds

1

**CCRVC strongly advocates that the Government of Canada recognize the income earned by campgrounds as "active business income" for the purpose of determining eligibility for the small business deduction.**

Small Private Campgrounds throughout Canada continue to advocate the Federal Government to endorse change in the current Income Tax Act or enact other legislative measures that clearly distinguish small family run campgrounds with less than 5 full time employees as an "active business" and thus eligible for the small business tax deduction.

### Income Tax Act s. 125(7)

*A specified investment business is a corporation whose principal purpose is to derive income (interest, rent, dividends and royalties) from property, unless the business employs more than 5 full time employees. Income from property would include rental or leasing income from land or buildings, but would exclude income from renting or leasing moveable property such as machinery and equipment. A specified investment business is not eligible for the small business deduction and the income is taxed in the corporation in the same way that investment income is taxed.*

A change in interpretation by CRA in the past 3 years has resulted in a number of small Private Campgrounds denied the Small Business Tax Deduction and re-assessed at an Investment Rate, some retroactively 2-3 years, resulting in a corporate tax rate increase to nearly 50% vs 14%.

The classification of a Campground being assessed as a "Specified Investment Business" is ambiguous and up to arbitrary determination by the Canada Revenue Agency and the issue remains to be the #1 threat to not only Private Campgrounds, but to all RV and Camping Industry Stakeholders.

## 2

**Being a seasonal tourism business, we are experiencing a shortage of part-time help. There is an industry need for programs to attract seasonal employees especially in remote areas.**

We are in support of programs such as the The Temporary Foreign Worker Program (TFWP) which allows Canadian employers to hire foreign nationals to fill temporary labour and skill shortages when qualified Canadian citizens or permanent residents are not available. We are encouraged by measures announced in budget 2019 to accelerate and efficiently process Canadian visitor's visas, and work and student permits.

We would like to work with the Federal Government to develop additional programs to attract seasonal, part time employees to our remote area private campgrounds.

## 3

**The RV and Camping Industry has been successful attracting new consumers to the RV Lifestyle. However, at a time when RV Retail Activity is increasing, the number of camping destinations have been declining resulting in a need for more campgrounds and campsites to align availability with our growth.**

With the RV Industry's growing popularity with young Millennials and retiring Baby Boomers, it has become increasingly apparent that record RV shipments combined with low campsite vacancy rates means a need to develop new destinations for consumers.

To remain viable, the RV Industry asks to work along with Government policy makers to not only increase the number of Federal, Provincial and Private Campsites available to our consumers, but to help enhance their experience with increased Wi-Fi capabilities, services and infrastructure improvements in RV Parks and Campgrounds. Without these improvements, we risk disenchanted consumers leaving our lifestyle altogether.

The RV and Camping Industry would be most interested in participating in the Parliamentary Outdoor Caucus along with other like-minded groups who conduct business in Canada. We would be grateful to be included in critical discussions that will have impact on the future of the Canadian RV and Camping Industry.

