



**Working together on Tourism issues in
North Western Ontario**

NWOTA/KDCA Working Group
PO Box 65
Morson, Ont. P0W 1J0
Ph/Fax (807) 488-5514



A road map for rebuilding the tourism industry in Northwestern Ontario



A unique world class tourism destination

A unique world class tourism destination

Executive Summary

About Northwestern Ontario

NW Ontario is an area from White River to the east and the Manitoba border to the west. There are over 788 resource based operators with over three quarters of them located in western NW Ontario (a line north from Atikokan to the Manitoba border). *The Resource Based Tourism Industry is almost exclusively dependent on visitors from the US.*

Tourisms Role in Northwestern Ontario

Sunset Country is an area made up of Kenora and Rainy River districts. Sunset Country tourism supported 12,235 full-year jobs, \$451 million in economic activity, wages and salaries in excess of \$393 million and \$185 million in Federal, Provincial and municipal taxes. US visitors represent 79% of tourism expenditures in Sunset Country with Resource Based Tourism relying on US visitors for almost 100% of its expenditures. This dependence is caused by poor roads from the east, high costs to get here from other areas in Canada, and no consumer train or bus service.

Current Environment

The results of a spring 2008 survey of operators, indicates 80% of the lodges reported lower bookings for 2008 over 2007. Bookings overall were down 16%. In 2007 the gross income was down an average of 9% over 2006. Operators named the border, fuel costs, exchange rates, the poor US economy and poor government policy as reasons for the industries current condition.

NO More Studies or Strategies. It is time for results.

The industry does not need another study, or a new strategy. It simply needs the government to adequately invest in the strategy that we currently have. We are experiencing low awareness of NW Ontario due to limited marketing, perception problems, poor infrastructure, and limited offerings due to the government's lack of investment. This is compounded by limited access to capital for businesses.

Increased marketing and the border issues were the two issues identified in both the 2002 Fort Frances Fresh Water Fishing Centre and the 2008 National Marine Manufactures Association survey (available in October 2008). Our issues have not changed.

Losing Market Share

Northeastern Minnesota resorts have grown from \$17 million to over \$76 million/year from 1985 to 2006 while the number of resorts has declined. Between 2001 and 2004 Northeastern Minnesota resort gross sales have had double digit growth while NW Ontario has seen steady decline.

Critical issues

a. Border

The minor criminal issue is costing Canada millions of dollars annually.

Treatment of visitors entering Canada is less than acceptable for a country so dependent on tourism.

Recommendations:

- Call for review of Canada Border Service Agency's (CBSA) overall enforcement consistency at all ports of entry into Canada.
- Call for review of CBSA procedures for training and monitoring agents who are visitor's first contact when entering into Canada.
- Review CBSA's interpretation of minor criminal offences to recognize what might be a security risk.
- Clearly communicate relevant changes impacting visitors to Canada.

b. Marketing

Potential Midwestern US travelers to NW Ontario are being bombarded by many world destinations. Canada and Ontario have very little presence on major marketing venues.

Recommendations:

- Increase marketing that promotes travel to Ontario to augment the \$11.3 million already spent by tourism industry.
- Provide support to move the Ontario Travel Information Centre located in Fort Frances.

c. Infrastructure and Attractions

There is a very serious lack of infrastructure for the traveling public, ie. poor roads, lack of rest areas and historical way sides.

Recommendations:

- That Ontario makes significant investment in public infrastructure that supports tourism by:
- Creating additional world class attractions and improving highways, modern wayside rests areas, tourism pullover historical markers and signage.

d. Business Assistance

Because of the mandates for better water, sewage, fuel and propane handling systems very little spendable income is available for facility upgrades and improvements.

Recommendations:

- Ontario should provide and promote incentives such as low interest loans for modernizations especially for unfunded mandates.
- Reinstate the PST rebate.
- Implement the "Modernization of Tenure for Commercial Outpost Camps on Crown Land in Ontario" with a phased in approach.
- Incorporate hospitality skills development as a part of the Ontario curriculum.

e. Identification of Unique Products.

Since tourists are often looking for unique experiences there should be a mechanism established whereby a particular experience can be listed as UNIQUE and given special status. This status would ensure that Ministry policy and practice do not compromise the uniqueness of the product (experience). For example: a fly-in fishing, hunting or eco-experience can only be unique if the REMOTENESS part of the experience is protected. Therefore, all policy and practice by the various Ministries (Tourism, Natural Resources, Northern Development and Mines) must protect the remoteness factor. This would ensure the long term continuation of a unique and special tourism attraction.

Recommendation:

- That there be criteria established that would identify a ‘unique product’.
- That there be a mechanism developed that would establish unique product status.
- That once a unique product is established, the Ministry of Tourism develop criteria and operating practices that will ensure that the unique product continues to retain its uniqueness.

f. Advocate.

The tourism industry desperately needs a strong ADVOCATE that:

- a. Understands the industry
- b. Promotes the value of the industry within government and outside of government circles
- c. Continuously works within government (across Ministries) to educate, and guard against other Ministries from inadvertently developing policies or practices that will have a negative impact on the Tourism Industry.

It is a regular occurrence for many tourist operators to have to fight for the best interests of the tourism industry because no Ministry in government is doing such.

If the tourism industry is to survive within an increasingly aggressive and sophisticated marketing program from other countries, it must have a strong government advocate who continuously protects that which makes the industry special.

Recommendation:

- That there be a mechanism established to assist the Ministry of Tourism in becoming a strong advocate for the Tourism Industry.

g. Accountability.

The various Ministries that have an impact on the Tourism Industry must be held accountable for their actions.

When policy is developed government is responsible to ensure that it will not harm industry.

When policy is implemented in the field, government must be held accountable to ensure that the implementation/interpretation at the local level is in fact congruent with the strict intent of the policy. When government agencies, regions, employees etc. deviate from the intent of policy, accountability must be visible. At present the industry is accountable for its actions but the various Ministries do not seem to be.

Recommendation:

- That there be an Accountability Committee established to review Ministry's actions as they impact on the Tourism Industry.
- The committee would comprise of representatives of the Ministry of Tourism, and the Tourism Industry. The committee would meet as needed to oversee implementation of policy when the industry feels that implementation may be misinterpreted.
- This committee would bring all key Ministries representatives together in a non-confrontational effort to resolve issues brought before them.