

# CLOSING THE TOURISM GAP

CREATING A LONG-TERM  
ADVANTAGE FOR THE  
PARRY SOUND AREA



*Parry Sound Area*  
**Chamber of Commerce**

# BACKGROUND

The Parry Sound Area Chamber of Commerce is proud to co-release, in partnership with the Ontario Chamber of Commerce, 'Closing the Tourism Gap: Creating a Long-Term Advantage for Ontario'.

In order to better inform the Parry Sound Area Chamber of Commerce's advocacy position in regards to Tourism in Ontario and in our Area specifically, the Chamber sought engagement of key stakeholders and members on this advocacy file. The Chamber reached out to obtain feedback on the recommendations proposed by the OCC and their relevance/priority to our Area, as well as to open dialogue on local issues or barriers not addressed in the report.

The Chamber offered three channels for community engagement:

1. Roundtable Discussion – a Roundtable Discussion was held on December 9, 2016, open to all members and general public. On the panel were: M.P.P. Mr. Norm Miller; James Murphy, Executive Director of RTO12 Explorers Edge; and Tim West, Spokesperson for the Regional Economic Development Advisory Committee (REDAC) Tourism Advisory Committee.
2. Conversations with and emailed comments from stakeholders.
3. A survey sent out to all members of the Chamber, and all attendees at the roundtable.

# OVERVIEW

Overall there is great support for all nine of the recommendations put forth by the OCC. From a local perspective, Recommendation #2 and Recommendation #3 were considered of the highest priority, closely followed by Recommendations #4, 6 and 9.



**Recommendation 2: Work with relevant partners to improve the timeliness of tourism data dissemination, specifically related to visitor spending, as well as the scope of available tourism data.**

Tourism operators and stakeholders expressed frustration with the current data availability and emphasized the need for improved systems for the communication of information to help strategic planning of tourism initiatives.

RTO12 has been advocating for more timely data for years as well as data that would indicate whether tourism promotion and development is effective in our Area. In the absence of improvement in this Area, the RTO12 Board of Directors initiated a Business Indicator Framework to track tourism data themselves, which local tourism operators feel is a more timely and effective source than the data provided by the province. Several tourism operators have come forward to indicate that Explorers Edge is the only entity that has asked them for their statistics and would like clarity on what tourism operations are reflected in the official statistics.

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*“Information that is years old is stale. We can’t move forward effectively if we are always looking far back.”*

Dave Gray, Community Economic Development Officer, Burk’s Falls

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**Recommendation 3: Work with industry to more clearly define the roles and responsibilities of the province’s tourism organizations.**

This recommendation particularly resonated in the community as the Parry Sound Area currently has a leadership vacuum in terms of tourism development and management.

Steps have been taken by REDAC and Explorers Edge to clarify roles and responsibilities for the local context, but more work remains to be done.

Tourism operators are expressing frustration at perceived overlap and duplication of roles.

**Recommendation 4: Work with tourism operators to reduce regulatory and cost burdens, and add tourism to the Red Tape Challenge.**

As with all small business, the rising cost of doing business is a barrier to growth and success.

Tourism operators also cite the lack of access to financial assistance to expand operations or bridge financing between seasons.

**Recommendation 6: Incorporate tourism considerations into provincial infrastructure investments.**

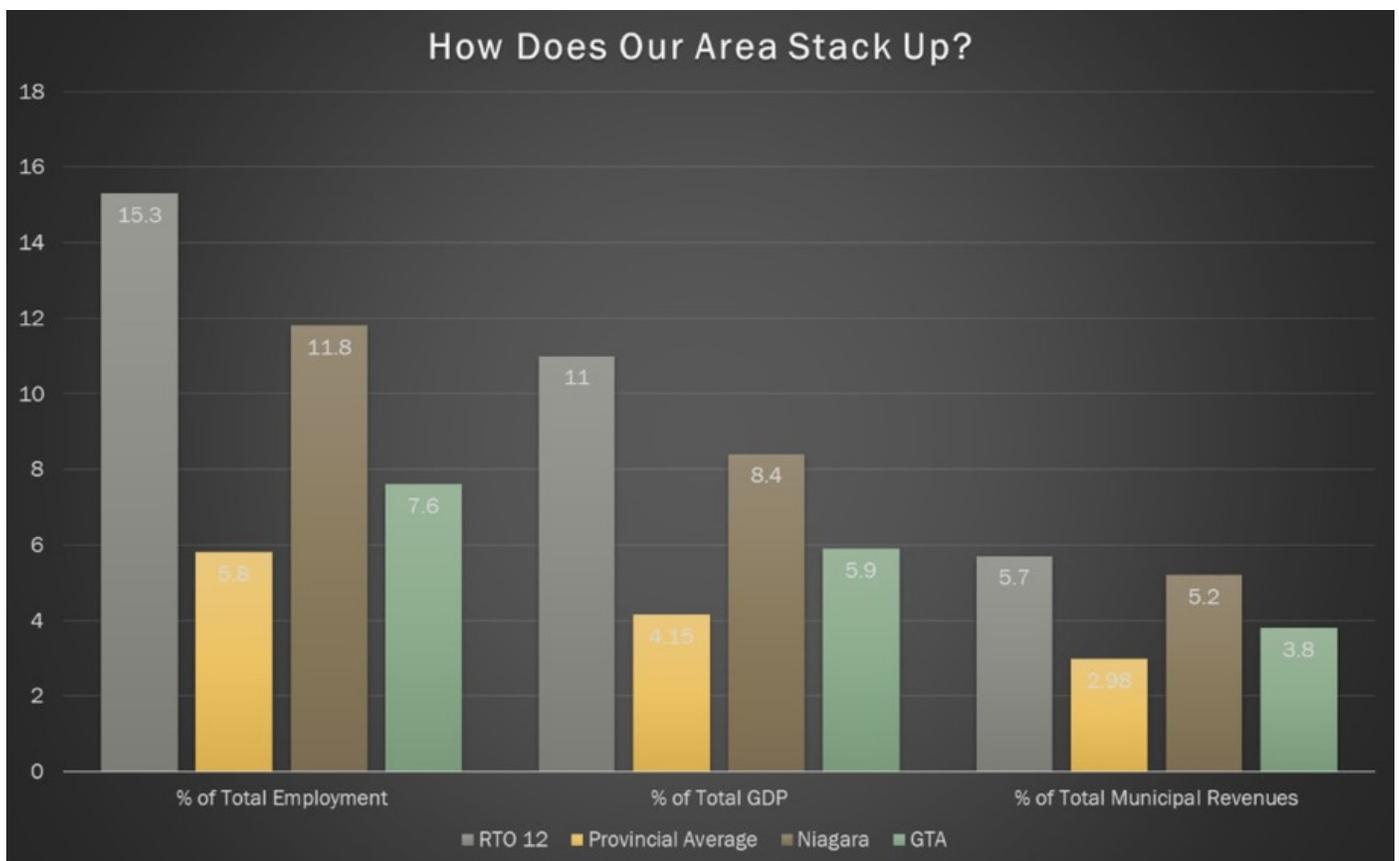
Investment needs to be made in infrastructure that will allow visitors to reach attractions within the province. Businesses in the Region expressed concern that investment dollars will be concentrated in urban centres and not allocated to rural areas, where investment is badly needed to move visitors to and within our Region.

**Recommendation 9: Create greater consistency and predictability in provincial tourism marketing funding by moving to a multi-year funding model.**

A change in the funding model would allow for greater consistency in marketing initiatives and partnership opportunities.

# THE PARRY SOUND AREA TOURISM GAP

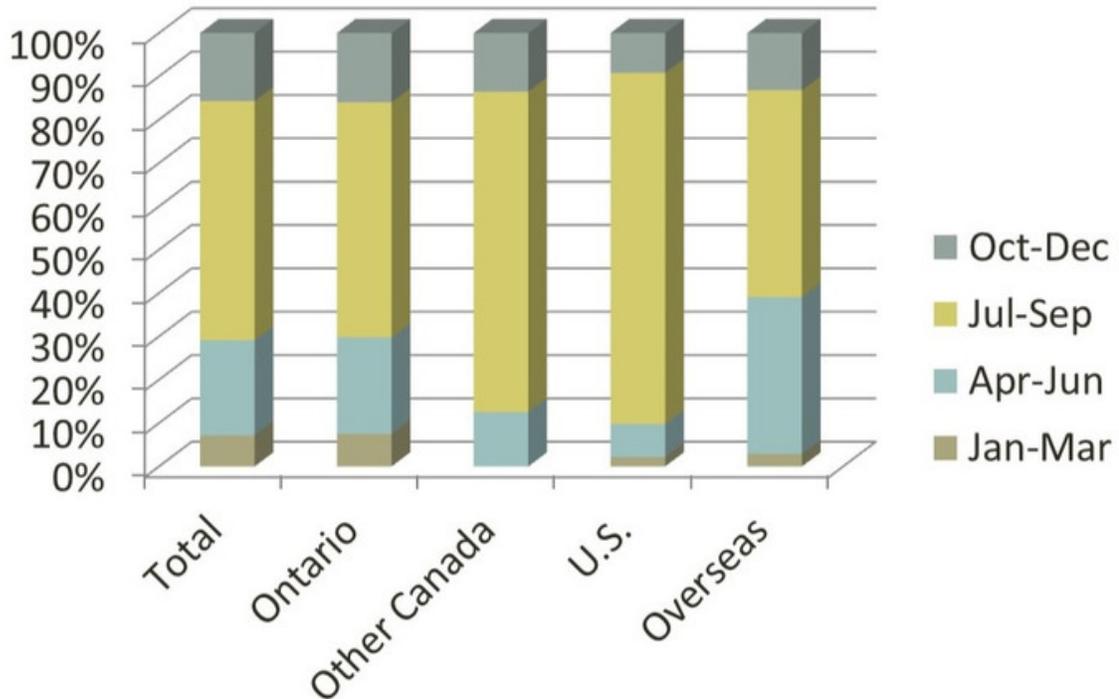
We commend the Ontario Chamber of Commerce on this report and timely recommendations. However, the Parry Sound Area Chamber of Commerce represents the voice of business in the near north, and we feel that our collective voice needs to be heard more clearly on this issue. Tourism is our key industry. We rely on tourism for economic prosperity more heavily than any other region and must advocate for our unique needs.



Over 15% of our employment comes from tourism, compared with the provincial average of 5.8%. Likewise our GDP and Total Municipal Revenues are much more dependent upon tourism revenue than anywhere else in the province.

We also face greater seasonal highs and lows than the provincial average, with 55% of our visitors arriving in the months of July-September. This exposes our tourism operators and stakeholders to increased risk.

# Visits by Time of Year



Source: Statistics Canada's Travel Survey of the Residents of Canada and International Travel Survey 2014

## RECOMMENDATIONS

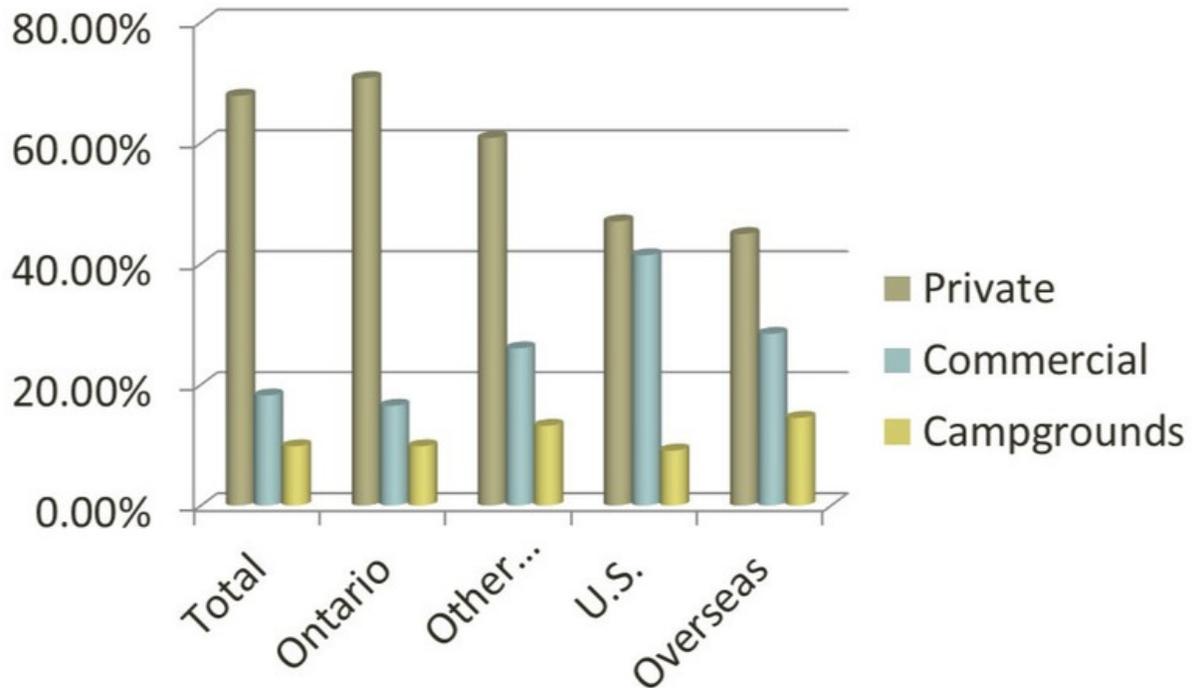
### 1. RTO FUNDING MODEL BE REWORKED TO BETTER REFLECT RURAL TOURISM PATTERNS.

The RTO Funding Model currently only takes into account roofed accommodation and does not take into consideration the many visitors to our area staying in private cottages, a campground or one of our very popular provincial parks.

According to the latest statistics released by the Ministry of Tourism, Culture and Sport, only 18.2% of overnight visits to our region were in paid, roofed accommodation. That leaves a staggering 81.8% of our visitors uncouncted in funding calculations. Should the many seasonal residents of our Area be counted as tourists (as some calls for a redefinition of tourist suggest), the numbers would be even further out of line.

The Parry Sound Area Chamber of Commerce calls for a review of this funding model to move from an urban-centric model to a model that better reflects the reality of tourism in rural areas and provides the funding essential for the RTOs to fulfill their mandate. A move to a funding model that does not preclude the sharing of private accommodations would also allow the RTOs to include new areas of focus such as developing the sharing economy.

# Visits by Accommodation Type



Source: Statistics Canada's Travel Survey of the Residents of Canada and International Travel Survey 2014

## 2. REVISE THE PARTNERSHIP PROGRAMS WITH DESTINATION CANADA AND THE ONTARIO TOURISM MARKETING PARTNERSHIP CORPORATION TO MAKE IT POSSIBLE FOR RTOS WITH SMALLER BUDGETS TO PARTICIPATE.

Current partnership costs make it prohibitive for RTOs with smaller budgets to participate in programs with Destination Canada and OTMPC. These organizations are primarily promoting large urban centres, and do not encourage visitor dispersion across the province.

RTO 12 Explorers Edge has no representation internationally; they have, therefore, had to become "The Little Engine That Could" to launch their own digital media and content marketing campaign internationally in order to promote our Region to the visitors who would love to experience the beauty and wilderness we have to offer.

## 3. DEVELOP A PROVINCIAL DISPERSION STRATEGY TO MORE STRATEGICALLY MOVE VISITORS AROUND THE PROVINCE.

Current marketing strategies attract visitors to the top attractions and areas in Ontario but do little to entice them to spread out to lesser known areas. A province-wide strategy to encourage visitors to explore more regions would increase length of stay and spending, and encourage more repeat visitation. It is also an effective way to encourage visitors who are "already sold" on the idea of Ontario as a tourism destination to explore new regions and attractions.

#### 4. CONSIDER THE INFRASTRUCTURE REQUIREMENTS TO ALLOW VISITORS BETTER ACCESS TO ATTRACTIONS.

Hand-in-hand with a province-wide dispersion strategy must be improved infrastructure to move visitors to different regions and within regions. For example, the only way travel from Algonquin Park to Georgian Bay without a personal vehicle is to take private transportation from the park to a bus terminal in Hunstville, take the bus up to North Bay then transfer to a southbound bus back to Parry Sound. There is no east-west accessibility by public transportation.

Infrastructure investment must consider the needs of rural Ontario as well as urban centres.

#### 5. CONSIDER THE INFRASTRUCTURE REQUIREMENTS TO ALLOW VISITORS ACCESS TO CROWN LAND

Ontario contains a vast wealth of Crown Land to share with our visitors, but accessing this land is becoming increasingly difficult. Many of the access points or shared use sites have been downloaded from Federal and Provincial ministries to the municipalities, who do not have the funds available to properly maintain them or keep them open to public use.

There is a barrier to utilizing our natural products due to a lack of infrastructure and management facilities.

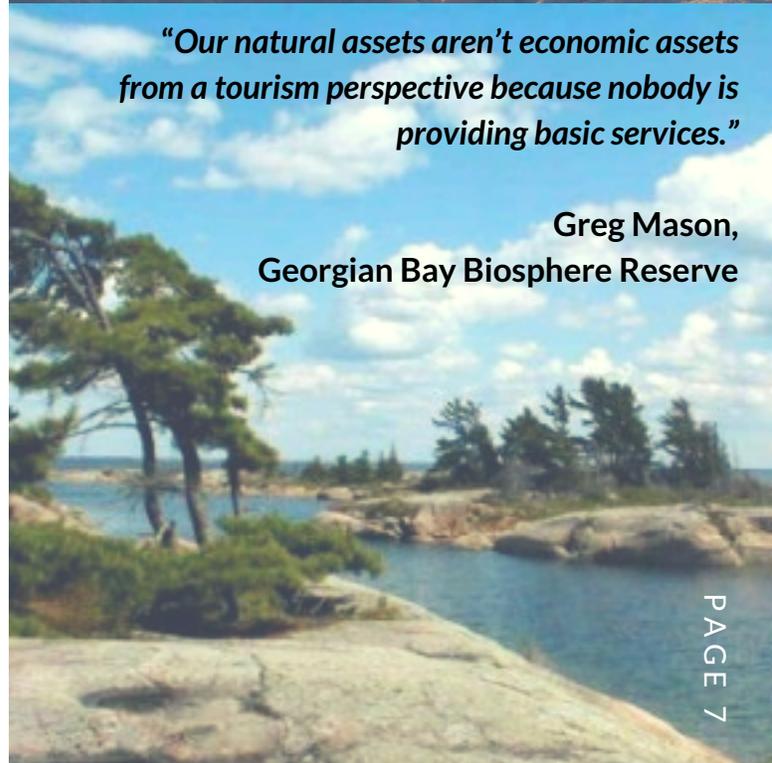
#### 6. WORK WITH OTHER MINISTRIES AND INDUSTRY TO DEVELOP INNOVATIVE SOLUTIONS TO THE SEASONAL WORK CHALLENGE AND LABOUR SHORTAGE IN RURAL AREAS.

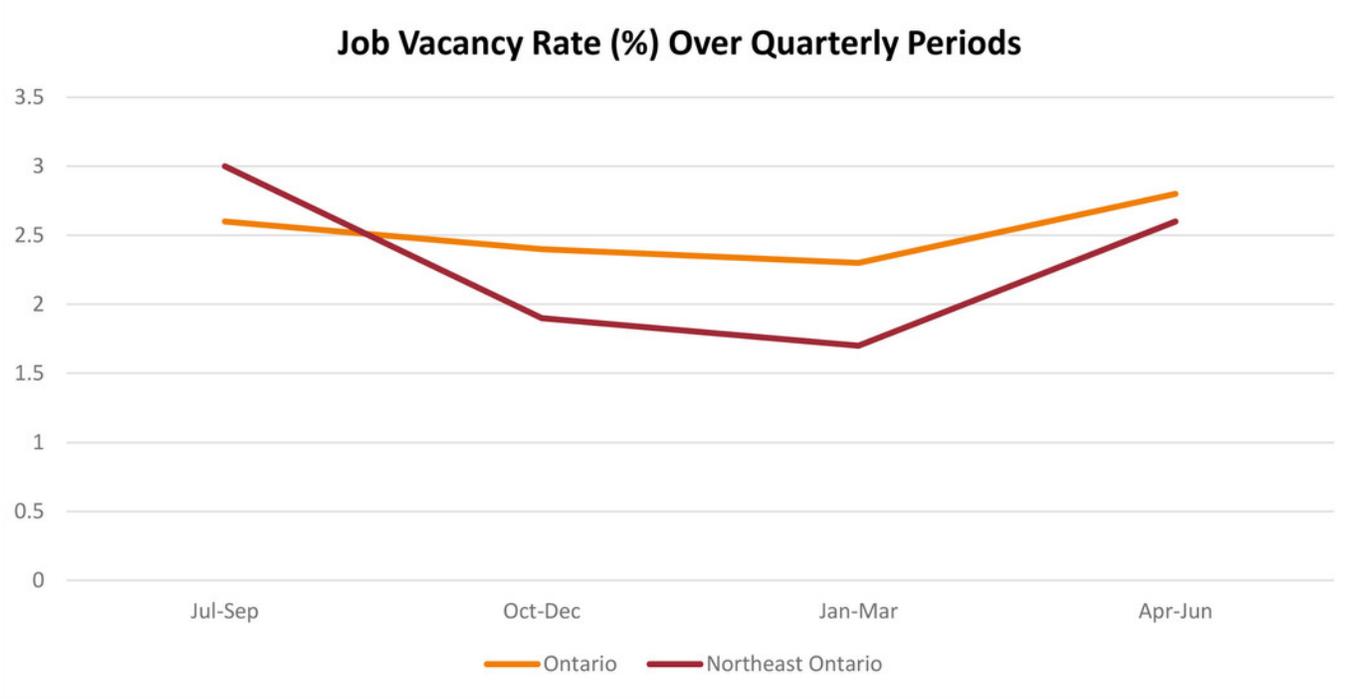
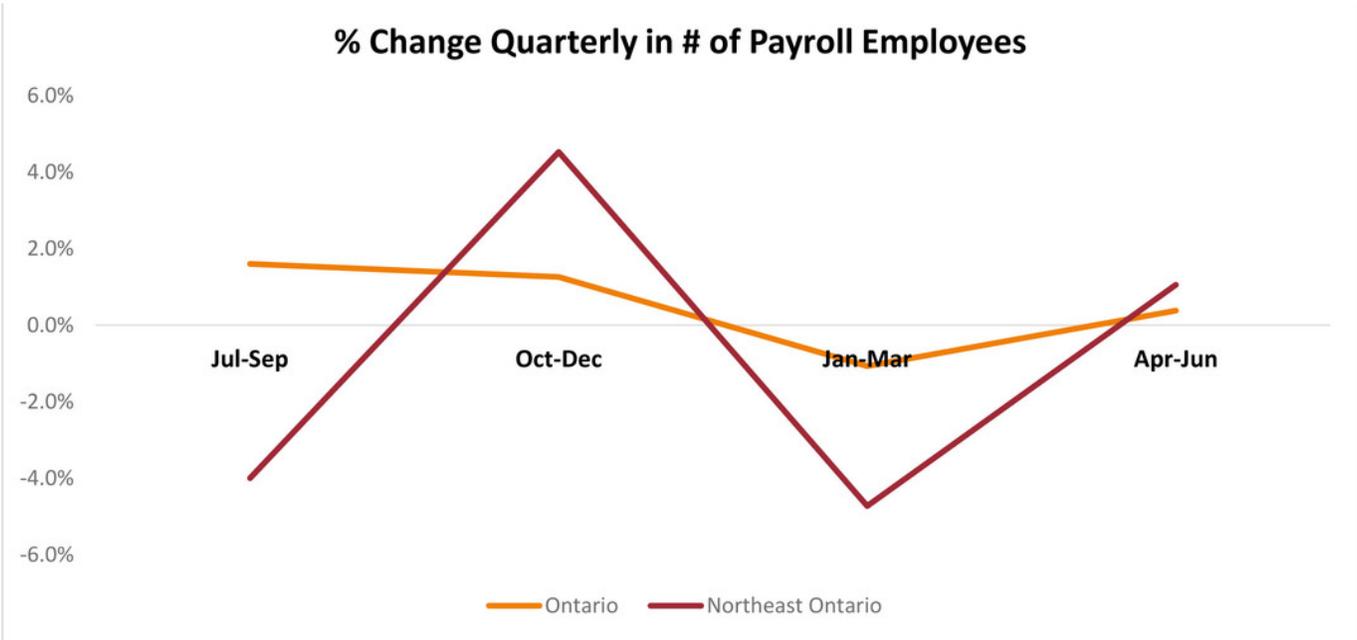
The Parry Sound Area is a seasonal destination, with 55% of our visitors arriving in the summer months. This not only creates a seasonal staffing crunch during those busy months, but also leads to a culture of short-term contract employment and job instability.



***“Our natural assets aren’t economic assets from a tourism perspective because nobody is providing basic services.”***

**Greg Mason,  
Georgian Bay Biosphere Reserve**





This data strongly suggests that job occupancy within the Northeast Region is significantly more turbulent than the province of Ontario on average. This further illustrates the instability of such employment.

Attracting and retaining staff for such unstable positions is very difficult, and is further hampered by the complete lack of public transportation in our area to move youth and low-income earners without their own vehicle to the job sites.

This has a direct impact on tourism operators, who cannot maintain the staffing levels they need to provide the best customer service, or increase operations.

Innovative solutions need to be sought to attract and retain an effective workforce – a workforce that can expect some job stability and a living wage.

# CONCLUSION

The Parry Sound Area is a valuable resource in Ontario's tourism market. Tourism has developed naturally here over many years as visitors discover the rugged and inspiring beauty. We have it all - Georgian Bay, inland lakes, trails, freshwater sailing, canoeing and kayaking, winter activities, a world class performing arts centre - all just a short distance from major urban centres.

Tourism is our key industry, upon which the prosperity of the community is in dependence. Without strategic planning, investment in infrastructure and marketing, and stepping outside the lines of tradition, the Area will struggle to achieve its potential in a quickly changing landscape.

As the Government of Ontario moves forward with developing long-term tourism strategies, and as the Ontario Chamber of Commerce continues to work in partnership with and advocates to the Government, it is our hope that this document will give voice to tourism in the rural, near north.



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