

Barriers to Growth Northwest Ontario

August 24, 2007
Pace Board Room
Dryden

Barriers to growth in NW Ontario

- **The US/Canadian Borders of NW Ontario.**
- **Lack of Government marketing support.**
- **The lack of public travel destinations, attractions and infrastructure.**
- **Increased provincial incentives for tourism industry to upgrade and modernize facilities.**

Help with the Border issue

NOT ALL COMMUNITIES EMBRACE TOURISM

Unfortunate, but true! “Canadians ... have shown themselves to be intolerant of tourism development strategies that compete with the quality of life ... [and] have been remarkably vigilant about pursuing only those tourism developments that *enhance* our way of life.” *

A professional presence

Front line personnel must receive proper training to ensure professional and consistent enforcement.

Without it anti tourism and anti American biases can have a very negative impact on tourism.

CBSA staff are the first persons to contact visitors to Canada. Frequently in the past you heard welcome to Canada.

Canada's minor criminal policy

- We have private land owners (US citizens) that are not able to enter Canada.
- We have business owners (US citizens) who can't get in to operate the business's.
- Thousands of US visitors have been denied entry to vacation in Canada.

Sport Fishing Centre study

- Approx. 150 mile radius of Fort Frances.
 - An area $\frac{1}{4}$ the size Sunset Country.
 - Has 3.7 times the population of Sunset Country.
 - Very diversified economy.
 - Gross sales 4.8 times that of Sunset country.
 - Major American Destination.

Conclusion of the study:

- The border is a real or perceived concern.
- Most Americans are not even curious about Canada.

Recommendation of the study

Resolving these issues is a necessary pre-condition for any future tourism development including development of the Fort Frances Fishing Centre

Border Losses Survey

Predominantly RBT operators.

- Loss of \$10.5m Economic Activity
- Loss of \$ 5.0m Total Taxes
- Loss of \$ 3.8m Direct Taxes
- Loss of 171 Jobs

Recommendation #1

- We need Ontario to call for a review of Canadian Border Services Agency procedures and requirements for entering Canada
- “When Has Someone Paid their Debt to Society”

INCREASED GOVERNMENT MARKETING SUPPORT

Canada Falling Off the Map with American travelers

Canada has an image problem south of the border. It's not that Americans have a bad impression of their northern neighbour — **it's that they have no impression at all.**

Canada Falling Off the Map with American travelers

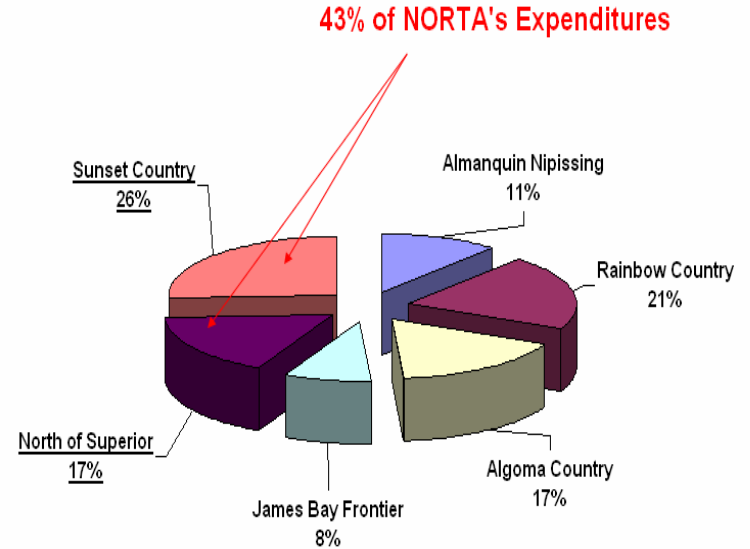
Funding may be part of the problem. The *Commission's \$78.8-million budget has **shrunk by almost a quarter** since 2000. Worldwide government investment in tourism promotion, by contrast, **jumped 11% last year** from 2004, according to a United Nations study.

Tourism is big business in NW Ontario.

Northern Ontario Travel Area Map



Six northern travel associations



Source: Data from MTCR B.4.

Northwest Ontario is a destination

It is a crown jewel of the world.

- Clean, Green and Safe.
- Small and large communities offer a wide variety of things for the traveling public.
- Vast wilderness.
- Great fishing and hunting.
- Many high quality accommodation facilities.

Northwest Ontario is heavily Dependent on the US visitor

- NWO has 60% of US overnight visitors to Northern Ontario.
 - (West of Thunder Bay* has 78% of NWO's US overnight visitors.)
- NWO has 70% of US overnight visitor spending of Northern Ontario.
 - (West of Thunder Bay* has 88% of NWO US visitor spending)

Tourism industry invests heavily to market itself!

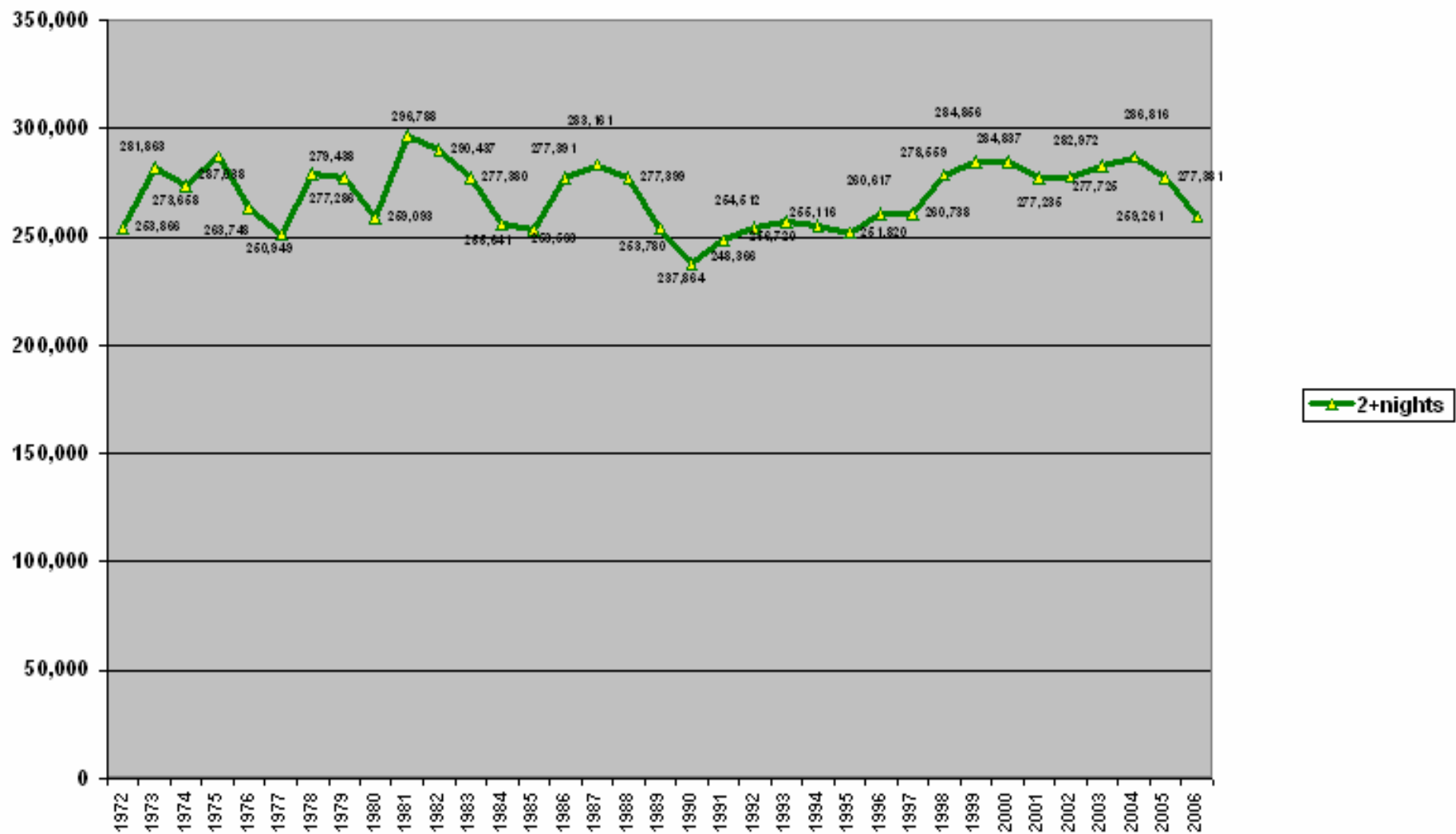
Tourism businesses in Sunset Country spent \$11.3 million* in 2001 to market their product.

What has it accomplished.

- In the last 35 years we have experienced 0 growth.
- All of the money spent on marketing has maintained what we have.
- It is felt we are simply competing with our neighbor.

All visitors by Automobile

Rainy River, Fort Frances



Fort Frances tourism information centre

- When the Port of entry was moved in 2001 traffic was diverted from the information centre.
- There has been no senior government support for moving the centre.

As tourism improves

- **Each of these items, documented in the 2001 tourism economic impact study, will be positively impacted, making communities that much better.**
 - **451M economic activity.**
 - 306 m (68%) benefited Sunset Country
 - **12,235 full-year jobs.**
 - 9,898 jobs (81%) were in Sunset Country
 - **Wages and Salaries in excess of \$393M.**
 - \$202 m in Sunset Country
 - **\$185 million in Federal, Provincial and Municipal Taxes.**

Recommendation #2

Ontario must improve the marketing of Northwest Ontario;

- By splitting OTMPC's Northern Committee, to form a separate committee for NW Ontario to focus on US Midwest markets.
- By investing in this process with additional and consistent marketing funds
- Provide support to move the Fort Frances travel information centre.

Improvements in public travel infrastructure, destinations and attractions

Many destinations available

- NW Ontario is competing with many other world class destinations.
- Visitors expect more than just fish, wildlife and wilderness.

CATCH 22

Currently the private sector is unwilling to invest without visible efforts by Ontario to increase the number of visitors.

Destination Attraction

Northwest Ontario has one government sponsored destination attraction, aside from parks.

Old Fort William

Roads, waysides and Signage

- If we are interested in attracting visitors NW Ontario must pay attention to the traveling public
- We need better Roads.
- There are very few way sides rest. More could be built especially around historically significant areas.
- We need to inform the traveler with better signage.

Recommendation #3

- That Ontario make significant investments in public infrastructure that supports tourism:
- Create Additional World Class Attractions
- Modernize wayside rests, highways, tourist pullovers and signage

**Provincial incentives for the
tourism industry to upgrade and
modernize facilities**



Provincial Assistance

- The tourism industry needs provincial help with low interest loans and other incentives to stimulate upgrades.
- Most recent upgrades have been for support infrastructure, sewers etc., not for improved visitor experiences.

Recommendation #4

Ontario must stimulate infrastructure upgrading and facility modernization to meet the challenges of today's competitive environment by expanding its support of the tourism industry through low interest loans etc.

In closing

There are four recommendations we feel should be a high priority for improving tourism growth in NW Ontario.

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