

# Tourism Industry Association of Ontario

The Tourism Industry Association of Ontario (TIAO) is working hard to help all levels of government to position Ontario's tourism industry for prosperity and growth.

# Tourism Industry Association of Ontario

- ✓ The Tourism Industry Association of Ontario (TIAO) promotes the growth and prosperity of the tourism industry by working with businesses owners, stakeholders and governments.
- ✓ Collectively, TIAO represents 147,000 businesses and 608,000 employees that are dedicated to promoting and operating the Province's tourism infrastructure.
- ✓ Ontario's tourism industry is an economic powerhouse with \$23.6 billion in annual receipts, representing 3.9% of the provinces GDP.

# Tourism & the Economy

- ✓ Ontario's tourism industry (\$23.6 billion) contributes more to Ontario's economy than the mining and supply (\$5.6 billion), pharmaceuticals and biotechnology (\$5.4 billion), advanced medical technologies (\$3.6 billion) and aerospace (\$6.5 billion) sectors combined.

*Sources: MTCS, EDCO and Invest in Ontario*



Source: Invest in Ontario



Source: Radio Canada International



Source: Ahlstrom

# Tourism & the Economy

## National Results for 2012:

- ✓ Tourism spending in Canada reached \$15.8 billion in the first quarter of 2012, up 6.9% from the first quarter of 2011.
  - This was the ninth consecutive year-over-year increase in tourism spending in Canada
  
- ✓ Tourism spending by Canadians at home reached \$13.3 billion in the first quarter of 2012, up 6.6% from the first quarter of 2011.
  - This was the tenth consecutive year-over-year increase in domestic tourism spending.
  
- ✓ International visitors in Canada spent \$2.5 billion in the first quarter of 2012, up 8.5% from the first quarter of 2011, as overnight travel from the United States and overseas countries both increased

# Tourism & the Economy

In 2011, crossings from overseas markets to Ontario grew 6.6% over 2010 with arrivals from emerging markets leading the way:

- ✓ China (101, 829 visitors), up 41.8%
- ✓ Hong Kong (44,843 visitors), up 17.5%
- ✓ India (78, 309 visitors), up 15%
- ✓ Brazil (63,474 visitors), up 9.9%

As of 2011, arrivals from traditional markets, to Ontario, continued to increase with the exception of the U.K.:

- ✓ Japan (83,064 visitors), up 1.7%
- ✓ France (80,833 visitors), up 1.6%
- ✓ Germany (123, 076 visitors), up 1.2%
- ✓ U.K. (286, 144 visitors), -1.7%

Entries from the U.S., into Ontario, accounted for 86% of international entries into the province for 2011.

# Tourism & Jobs

- ✓ Employment in the travel arrangement, amusement, recreation and food service industries grew by 2 % in 2010 compared to 2009.
- ✓ Top employers amongst tourism industry in 2008:
  - 1) food and beverage (333,000 jobs)
  - 2) recreation and entertainment (107,000 jobs)
  - 3) transportation (83,000 jobs)
  - 4) accommodation (66,000 jobs)
  - 5) travel services (18,000 jobs)
- ✓ \$17.9 B was paid out to employees in Ontario's tourism sector.

# Tourism & Jobs

- ✓ There are approximately 147,000 \* businesses related to tourism products and services in Ontario. This represented 17% of the total number of businesses in the province.

\*Source: Invest in Ontario, Ontario Sectors, Tourism Investment, Ontario Tourism Overview

- ✓ For every \$ 1 million spent by visitors, Ontario creates approximately 14 jobs

# Tourism & Jobs

The Ontario Tourism Industry prides itself on offering great opportunities for its employees, and rewards accordingly. Those that work in the tourism industry can earn an above average wage.

## Average Annual Salaries for **Tourism** Positions:

- General Manager: \$ 70, 000
  - Executive Chef: \$ 59,993
  - Travel Agency Manager: \$ 50,000
- ✓ Average hourly rate: \$ 19.33 per hour

\*Source: Hay Group, 2010 Canadian Tourism Sector Compensation Study for CTHRC

## Average Annual Salaries for **Manufacturing** Positions:

- Administrative: \$ 65,627
  - Production: \$ 43,239
  - All Employees: \$ 49,272
- ✓ Average hourly rate: \$ 19.11 per hour

\*Source: Stats Canada, Salaries and Wages Manufacturing (NAICS 31-33)

# Invest in Tourism

- ✓ At the recent G20 meeting in Mexico, tourism was recognized as a major driver of economic growth and development
- ✓ According to World Travel and Tourism Council, in 2011, despite political upheaval, economic uncertainty and natural disasters, the industry's direct contribution was very positive:
  - World GDP grew by nearly 3% to US\$2 trillion
  - There was a 3% increase in visitor exports to US\$1.2 trillion
  - Roughly 3% growth in capital investment, which rose to over US\$0.7 trillion

# Invest in Tourism

Examples of some federal tourism investments in 2012:

- ✓ \$600,000 was given to ArtsBuild Ontario to help enhance cultural tourism in Ontario (Canada Cultural Investment Fund)
- ✓ \$2,132,946 has gone towards War of 1812 Commemorations in Ontario (War of 1812 Commemoration Fund)
- ✓ \$40,000 (\$20,000 in 2012–2013 and \$20,000 in 2013–2014) given to Music Niagara festival (Canada Arts Presentation Fund)
- ✓ \$11,000 given to Kincardine Scottish Festival and Highland Games (Building Communities Through Arts and Heritage)

# Invest in Tourism

Celebrate Ontario program has given municipalities throughout the province a combined total of \$17 million in funds so that tourists can see more and do more in cities that invest in tourism through festivals and events.

Example of some cities that have received funding in 2012:

- ✓ Barrie: \$127,000 (3 festivals)
- ✓ Durham: \$20,000 (1 festival)
- ✓ Niagara Falls: \$625,000 (3 festivals)
- ✓ Ottawa: \$2, 283, 704 (21 festivals)
- ✓ Sarnia: \$350,000 (1 festival)
- ✓ Toronto: \$5, 655, 375 (38 festivals)
- ✓ Port Hope: \$25,000 (1 festival)

Example of some cities that have received funding for winter festivals and events for 2013:

- ✓ Hearst: \$30, 500 (1 festival)
- ✓ Kingston: \$162,500 (2 festivals)
- ✓ Sault Ste. Marie: \$27,000 (1 festival)
- ✓ South Georgian Bay: \$40, 000 (1 festival)

# Tourism Can Save Municipalities

Tourism Investments : Township of Terrace Bay's Downtown Revitalization Project

- ✓ Lost major employer Terrace Bay Pulp Inc from 2009-2010, which resulted in 40% unemployment.
- ✓ Township of Terrace Bay looked to tourism to help them generate revenues and create jobs by investing \$3 million in their community.
- ✓ Added a new attraction: the 50 foot Terrace Bay Lighthouse, allows visitors to climb to the top of the lighthouse and take in the amazing views of Terrace Bay, Lake Superior, the Slate Islands and the surrounding area.
- ✓ The Lighthouse has been a symbol of the turnaround for their community which included the reopening of Terrace Bay Pulp in October 2010 and the completion of their downtown revitalization project.

# Invest in Tourism

## ✓ Ontario's Transportation System

- The quality of a transportation system is clearly evident to tourists from the moment they arrive; well developed transportation systems make it easy for tourists (and Staycationers) to find their destinations, have a positive experience and stay longer

# Working Together to Grow Ontario Tourism

## Municipal Relations:

- ✓ Municipalities should look to tourism as a strong revenue generator and invest in tourism through their e.g. DMOs, festivals and events and signage (way finding) system
- ✓ Tourism industry should be consulted on major economic, transportation and infrastructure projects
  - Before investing in a project, investors look at whether the location has adequate transportation and infrastructure set in place
- ✓ Efficient, effective and safe transportation is critical to the health and vitality of tourism in Ontario

# Working Together to Grow Ontario Tourism

- ✓ Provincial Tourism Strategy for Ontario
  - Canada's Federal tourism strategy, "Welcoming the World" was launched in 2011, British Columbia's tourism strategy entitled, "Gaining the Edge" was launched earlier this year and Nova Scotia released its tourism strategy, "Tourism Partnerships and Programs" in March of 2012.
  - Ontario, building on the Discovering Ontario Report recommendations.

# Thank you!

We look forward to working with you.

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