



Information Tools for Marketing and Planning

Tourism Volume, Value & Characteristics in Northern Ontario

Canadian & International Travel Surveys (2002)

Canada



FedNor 

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Prepared for FedNor and OTMPC by
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Prepared for FedNor and OTMPC by Judy Rogers, Research Resolutions & Consulting Ltd.

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I. INTRODUCTION

A. Background

Representatives of FedNor (Federal Economic Development Initiative for Northern Ontario) and the Ontario Tourism Marketing Partnership Corporation (OTMPC) share an interest in information about tourism volume, value and characteristics in Northern Ontario. To meet these organizations' information needs, Research Resolutions & Consulting Ltd. was commissioned to undertake customized tabulations of the 2002 Canadian and International Travel Surveys (Statistics Canada) and to prepare accompanying reports.

Information contained in these surveys has been customized to reflect specific sub-provincial regions and the formats required by the Ontario Ministry of Tourism and Recreation's Tourism Regional Economic Impact Model (OTREIM). As a result, many decisions about how to treat information reported by survey respondents have been made and are not necessarily obvious. Readers are encouraged to familiarize themselves with the definitions provided in this introduction.

B. Geographic Areas

1. Northern & Southern Ontario (North 1, South 1)

For research purposes, Northern Ontario has been defined by OTMPC to include Tourism Regions 10, 11, 12 (North Central, North East, North West). This area is displayed on the accompanying map and includes the Census Divisions (CDs) listed below. Noteworthy by their **exclusion** from Northern Ontario (North 1) are Algonquin Park, South Algonquin Township (Part of Census Division 48) and Muskoka District.¹

To retain consistency with past tabulations, **Northern Ontario** coincides with "North 1" throughout this report.



CD48:	Nipissing District (North Central portion only*)
CD49:	Parry Sound District
CD51:	Manitoulin District
CD52:	Sudbury District
CD53:	Sudbury Regional Municipality
CD54:	Timiskaming District
CD56:	Cochrane District
CD57:	Algoma District
CD58:	Thunder Bay District
CD59:	Rainy River District
CD60:	Kenora District

*CD48 EXCLUDING Nipissing Unorganized South Part UNO, CSD-48-091 and South Algonquin TP, CSD-48-001)

The boundaries for *Northern Ontario* (North 1) were established by MTR in 2002, replacing the former seven Northern Ontario Travel Association Program areas (NOTAPS). As a result of this change, the boundaries of the three new Tourism Regions (North East, North Central and North West), when viewed as a single geographic entity (*Northern Ontario*), are not coincident with

¹ These areas are *included* in "South 1" and in "North 2".

boundaries of the seven NOTAPS when combined as a single geographic entity.² As a result of the boundary changes implemented in 2002, NOTAP data are no longer produced. Thus, tourism information from the Statistics Canada surveys for *portions* of Northern Ontario is available only for specific census divisions (CDs listed on the previous page), census metropolitan areas (CMAs) and each of the three Northern Tourism Regions currently used by MTR to create the northern tourism region.

To generate information on the *balance* of Ontario for comparative purposes, a geographical unit referred to as **South 1** was constructed. South 1 reflects tourism activity by travellers who had visits in the province but *no* visits in North 1. As such, South 1 represents *residual* travel in the province – travel volume, value and nights spent by people who did not visit Northern Ontario on their same-day or overnight trip. Because some travellers visit both Northern and Southern Ontario on the same trip and/or because some records in the Statistics Canada data files do not include information on the location of sub-provincial visits, the *sum* of North 1 and South 1 will not necessarily match total tourism volume or value for Ontario as a whole. In keeping with the nomenclature used for North 1 – *Northern Ontario* – South 1 is referred to as *Southern Ontario* throughout this report.

2. North 2 and South 2

For marketing and product development purposes, some stakeholders require a broader definition of Northern Ontario – one that includes all the Census Divisions included in “North 1” as well as Muskoka District Municipality (CD44) and the portion of Nipissing District (CD48) that includes Algonquin Park and South Algonquin Township (these latter areas are not included in North Central Ontario Tourism Region and are, therefore, excluded from “North 1”). This larger area is referred to as **North 2** (see list of Census Divisions below).

CD44:	Muskoka District Municipality
CD48:	Nipissing District (entire CD, including Algonquin Park and South Algonquin Township)
CD49:	Parry Sound District
CD51:	Manitoulin District
CD52:	Sudbury District
CD53:	Sudbury Regional Municipality
CD54:	Timiskaming District
CD56:	Cochrane District
CD57:	Algoma District
CD58:	Thunder Bay District
CD59:	Rainy River District
CD60:	Kenora District



To generate information on the *balance* of Ontario for comparative purposes when North 2 is the subject of analysis, a geographical unit referred to as **South 2** was constructed. South 2 reflects tourism activity by travellers who had visits in the province but *no* visits in North 2. As such, South 2 represents *residual* travel in the province – travel volume, value and nights spent by people who did not visit North 2 on their same-day or overnight trip. Because some travellers visit both northern and southern portions of the province on the same trip, and because the exact sub-provincial location of some visits in the province is not recorded in the survey records, the *sum* of North 2 and South 2 will not necessarily match total tourism volume or value for Ontario as a whole.

² Statistics Canada recoded travel survey data for 2001 using the new northern tourism regions but the full series of historical data (1998 through 2001) was not recoded.

3. *Additional Information on Interpreting Estimates*

a) *Smaller Geographic Units of Analysis Are Not Necessarily Additive*

The reader is reminded that visitor volumes are not additive across sub-regions. In other words, the “sum” of visits across the three Tourism Regions that constitute Northern Ontario (North Central, North West, North East) will *not* be identical to the estimate of visits in Northern Ontario as a whole because the latter is a *net* (unduplicated) count of visits to the larger geographic region (e.g., North 1, South 1).

An example: Assume a traveller spends five nights on the trip. During this trip, he/she spends three nights in North Central Tourism Region and two nights in North East Tourism Region. This person will “count” as an overnight visitor in North Central and will also “count” as an overnight visitor in North East when each of these Tourism Regions is examined independently. If volume estimates for these two regions were added together, the same traveller would be counted two times. When a larger geographic unit such as *Northern Ontario* is the unit of analysis this traveller would have only one visit to the broader region, with five nights in Northern Ontario.

The same principle of “net counts” applies to Census Divisions. The *sum* of visits in Census Divisions within a larger geographic region will *not* match the “*net*” of visits to the larger region (the sum will be equal to or larger than the net count because the same visitor could be counted more than once when the smaller units are added together).

b) *Domestic Visitor Spending*

Visitor spending includes all spending on goods and services by visitors in their destination(s). Additional spending on tourism goods and services may be spent in a community by residents of that community. For example, residents of a location may buy airline bus or train tickets to travel to locations *outside* the area in which they live. This type of spending by residents is *not* included in visitor spending, but is included in the total amount of money spent on all tourism related goods and services in a location.

The sum of *visitor spending* and spending by area residents to *leave* the place of residence is referred to as *tourism receipts*. Economic impact estimates are generally based on *visitor spending* rather than *tourism receipts* because visitor spending reflects what people who came to a destination spend on their visit in the location.³

An example: Assume a resident of Rainy River District spends \$500 on his/her trip, of which \$100 is on bus fare to travel to the destination. If the traveller only has a same-day destination *outside* Rainy River District (on a same-day trip) or all his/her nights on the trip were spent *outside* Rainy River District (on an overnight trip), the \$100 in bus fare would be assigned to Rainy River District as a *tourism receipt* but would not be included in *visitor spending* in the district (because no visit to the region took place on this trip). If, on the other hand, this same traveller had a same-day destination or spent at least one night in Rainy River District, the \$100 in bus fare would be considered as *visitor spending* (because there was a visit in the region) and assigned to Rainy River.

Why visitor spending cannot be added together from smaller units of geography: The assignment of dollars to *visitor spending* versus *tourism receipts* will change as the unit of geography changes. Using the example cited above, visitor spending *in* Rainy River will *not* include the Rainy River resident’s \$100 in bus fare if this resident did *not* have a destination or any nights spent in Rainy River

³ When an Ontario resident *visits* a destination or site **within the same geographic area** as the place of residence, transportation spending (primarily, domestic commercial carrier fares such as those for commercial airlines, trains, buses) is converted from a “tourism receipt” to “visitor spending”, and is therefore, included in the visitor spending estimate for the geographic area. If no visit by the area resident takes place in the geographic region, transportation spending to *leave* the region or to come and go from Canada is excluded from “visitor spending” (and only included in “tourism receipts” for the area).

District.⁴ If, however, this same person has a destination or nights spent in Thunder Bay District – another Census Division used to define North 1, the \$100 in bus fare would be considered “visitor spending” for Northern Ontario. In other words, “origin” spending (to leave the place of residence) can be converted to “visitor spending” as the unit of geography increases in size.

The same principle applies to Canadian carrier fares to enter and leave Canada by U.S.A. and Overseas visitors: if there is a visit in the region, spending assigned for domestic commercial carrier fares is assigned as *visitor spending* but if there is no visit, these transportation costs are included only in *tourism receipts* for the area.

C. The Tabulation Sets

Fourteen (14) sets of tabulations from the 2002 Canadian and International Travel Surveys (CTS/ITS) were produced by Research Resolutions & Consulting Ltd. and have been provided to FedNor and OTMPC in electronic format:

	Canadians	Americans	Other Countries (Overseas)	All Markets
North 1	X	X	X	X
South 1	X	X	X	
North 2	X	X	X	X
South 2	X	X	X	

Key measures of tourism volume and value for individual Tourism Regions and Census Divisions in Northern Ontario (North 1; North 2) are included in the tabulations. For regional boundaries used in these tabulations, please see Sections B-1 and B-2 (above).

D. The Reports

Three analytical products are included in this project.

- A detailed summary of tourism volume, value and characteristics in Northern Ontario (this report);
- An industry-oriented highlights report for industry stakeholders on tourism volume, value and characteristics in Northern Ontario; and
- A PowerPoint presentation and script for delivery to industry stakeholders.

⁴ This bus fare would, however, be assigned to “Tourism Receipts” in Rainy River District.

II. EXECUTIVE SUMMARY

Volume & Value of Tourism in Northern Ontario 2001 to 2003

- Total visits in Northern Ontario grew at 4 percent from 2001 to 2003, with person visits on same-day excursions and overnight trips growing from about 10.1 million to 10.6 million. While still higher than 2001, tourism in Northern Ontario dropped in 2003 from just over 11 million in 2002 to 10.6 million in 2003.
- The decline in tourism in Northern Ontario between 2002 and 2003 is appreciably less dramatic than the overall decline in Ontario, down 12 percent province-wide from approximately 130 million person visits in 2002 to 114.9 million in 2003.
- Visitor spending in Northern Ontario grew from almost \$1.4 billion in 2001 to about \$1.8 billion in 2002 but fell to about \$1.7 billion in 2003.

Tourism in Northern Ontario, 2002

Volume of Tourists

- In 2002, just over 11 million people from Canada, the U.S.A. and other countries took overnight or same-day trips⁵ in Northern Ontario, representing about eight percent (8%) of *all* tourism in Ontario over the year. These estimates include people travelling for all purposes including pleasure, visiting friends and relatives, business and other purposes.
- Most of the person visits in Northern Ontario included an overnight stay in the region. Of the 11 million person visits in Northern Ontario during 2002, almost three-in-five (57%) or about 6.3 million were overnight trips. The remaining 4.8 million person visits by tourists from Canada, the U.S.A. and other countries were same-day excursions in Northern Ontario.
- From a provincial perspective, Northern Ontario accounted for 12 percent of all *overnight* person visits in Ontario during 2002.

Place of Residence

- Most tourism in Northern Ontario is generated by Canadians. Of the 4.8 million same-day trips in the region during 2002, three-in-four trips were made by Canadians and most of these Canadians were Ontario residents. A further one-in-four same-day excursions were made by visitors from the U.S.A.
- Canadians represent an even higher proportion of **overnight** trips in Northern Ontario (80%) than is the case for same-day excursions (74%). The U.S.A. accounted for about one-fifth (19%) and all other countries ("Overseas") represented only 1-in-100 (1%) overnight visits in Northern Ontario in 2002. Of the 6.3 million overnight person visits in Northern Ontario during 2002, Northern Ontario itself accounts for almost one-third, or 1.9 million.

⁵ See Glossary, appended.

- Toronto is a major feeder market for the North⁶. This city accounts for close to one-fifth of all overnight tourism to Northern Ontario over the course of the year, or over 1.1 million overnight visitors. Contributing more than one-quarter million overnight tourists in 2002, Winnipeg follows Toronto as a source of overnight visitors from Canadian urban markets to Northern Ontario.
- All *other* Canadian markets – excluding Northern Ontario and cities such as Toronto, Winnipeg, Hamilton, Niagara Falls/St. Catharines and Ottawa – represent about one-fifth of all overnight tourism in Northern Ontario.
- Most Americans who take overnight trips to Northern Ontario live in traditional “border markets” (13%). Of the 1.2 million overnight visits by Americans to Northern Ontario, 797,000 originated in border states. States making the most sizeable contributions of overnight tourists to Northern Ontario – Michigan and Minnesota, followed by Wisconsin – are those with a common border with Ontario’s North.
- The Overseas market for Northern Ontario is primarily a European market (43,000), dominated by overnight visitors from the United Kingdom (15,000) followed by Germany (8,000) and the Netherlands (6,000).

Seasonality

- Same-day and overnight visitors to Northern Ontario come to the region in each calendar quarter of the year, but are most likely to come in warm weather periods, particularly if they are from the USA (43%) or other countries (53%). Northern Ontario visitors on overnight pleasure trips are also particularly heavily concentrated in the July through September period (55%).

Main Purpose of Trip

- Over half of all trips to Northern Ontario were made for the primary purpose of *pleasure*, approximately one-quarter were made to *visit friends and relatives* (VFR) and the balance were made for *business* (7%) or for some *other purpose* (16%). These proportions clearly suggest that the North is primarily a *pleasure* destination for tourists.

Length of Stay & Lodging in Northern Ontario

- On average, overnight visitors to Northern Ontario spent close to four nights in the region (3.7 nights) in 2002, with Canadians spending about 3.5 nights, Americans spending 4.5 nights and the comparatively small number of visitors from Overseas spending a full week in the North (7.2 nights).
- Over the course of 2002, visitors from all markets spent approximately 23.4 million person nights in Northern Ontario. Almost 18 million, or 76% of these nights were spent by Canadians, a further five million were spent by Americans and fewer than one-half million were spent by visitors from other countries.
- The domestic market displays a particularly strong preference for staying with friends and relatives (34%) or in their own cottages (22%) whereas Americans tend to stay in commercial cottages and cabins in Northern Ontario (44%). Over half the nights spent by the Overseas market in Northern Ontario are in private homes – either the homes of friends and relatives (50%) or much less commonly, in private cottages (2%).

⁶ Toronto Census Metropolitan Area (CMA).

Activities on the Trip

- Of the 6.3 million overnight visitors to Northern Ontario in 2002, three-in-five of them took part in outdoor activities while on their trip. At 61 percent, this level of participation in outdoor activities is appreciably higher than is the case for Ontario as a whole (41% of total provincial overnight visitors).

- Top Ten Activities among Visitors to Northern Ontario** (in rank order)

<u>Same-Day Visitors</u>	<u>Overnight Visitors</u>
1. Visit friends or relatives	Visit friends or relatives
2. Go shopping	Any sports or outdoor activities
3. Any sports or outdoor activities	Go shopping
4. Go sightseeing	Go sightseeing
5. Fishing*	Fishing*
6. National or provincial nature park	Boating*
7. Attend a sports event	National or provincial nature park
8. Boating*	Go to a bar or night club
9. Visit a historic site	Visit a historic site
10. Hunting*	Visit a museum or art gallery

*Included in Any Outdoor Activities

- Over the course of 2002, Northern Ontario attracted over four million visitors (same-day and overnight) who engaged in some type of outdoor sport or activity. Of the 4.3 million outdoor activity tourists in the region, two-in-five (39% or 1.7 million) went fishing on their trip, about the same proportion went boating (1.6 million), and appreciably fewer went hunting (228,000). Other outdoor activities such as winter sports (309,000⁷) and golfing (327,000) each attracted about one-third of a million same-day and overnight visitors.

Spending by Visitors in Northern Ontario – By Category

- In 2002, spending on tourism goods and services by the 11 million visitors from Canada, the U.S.A. and other countries who took overnight or same-day trips⁸ in Northern Ontario reached \$1.8 billion. This spending represents about eight percent of the \$17.9 billion spent on tourism in the province during 2002 and is consistent with the proportion of all trips in the province captured by the North (8%). Similarly, Northern Ontario accounts for about the same proportion of total *overnight* visitor spending (11%) as it represents of total overnight visitors in Ontario in 2002 (12%).
- Of the \$13.1 billion in spending on *overnight* visits in the province, Northern Ontario accounts for one-eighth (11%), or about \$1.5 billion. Because of the large distances involved for many visitors to travel to and within Northern Ontario, a noticeably higher proportion of visitor spending in Northern Ontario is associated with overnight trips (84%) than is the case in Southern Ontario (72%).

⁷ Includes alpine skiing for all flows and cross country skiing and snowmobiling for Canadians only.

⁸ Same-day *domestic* trips are *non-routine* trips of at least forty kilometres one-way from home. No distance minimum is imposed on overnight trips or on same-day trips for international travellers (U.S.A. or other countries). For details of definitions, please see the appendix.

- Most visitor spending in Northern Ontario is generated by **Canadians**. Of the \$280 million in spending on same-day visits to the region, three-quarters was by Canadians. Of the \$1.5 billion in visitor spending on overnight trips, two-thirds or almost \$980 million was a result of Canadians travelling to or within Northern Ontario.
- The \$1.8 billion spent in the region in 2002 contribute to restaurants and bars (\$275.3 million or 16%), the accommodation sector (\$468.3 million, or 26%), grocery stores (\$134.3 million, or 8%), and gas stations and auto repair outlets (\$352.5 million, or 20%).
- Attractions also benefited from tourism spending (\$151.9 million) as did retail establishments selling clothing (\$174.5 million) and other items (\$110.3 million), car rental companies (\$32 million) and local transportation carriers (\$8.1 million).
- On a per-person-per-night basis (normalized for the number of people in the travel party and the duration of the stay in Northern Ontario), Americans spent at almost twice the rate as did Canadians - \$108.00 versus \$55.00 per-person-per-night.
- At \$108.00 per-person-per-night, Americans also spent appreciably more than did their Overseas counterparts (\$64.00 per-person-per-night).

Economic Impact of Tourism Spending in Northern Ontario

- **Gross Domestic Product (GDP)**⁹ Tourism spending in Northern Ontario generated about \$875.5 million in direct economic activity (GDP) and an additional \$348.1 million in indirect and induced GDP, for a total of \$1.2 billion in GDP retained by the North. Other parts of Ontario benefited from about \$384.2 million in GDP (direct, indirect, induced) from visitor spending in Northern Ontario. When combined, the *province-wide* contribution of tourism in Northern Ontario to Ontario's GDP reached \$1.6 billion in 2002.
- **Jobs, Wages and Salaries** Over 18,400 direct **jobs** and an additional 4,513 indirect and induced jobs in Northern Ontario were generated as a result of visitor spending. These jobs include part and full-time positions on both annual and seasonal bases.¹⁰ Additional employment in the *province* was generated because of tourism in Northern Ontario, bringing the total number of direct, indirect and induced jobs to about 28,431 province-wide (including the jobs generated in Northern Ontario). Thus, of all the jobs created because of tourism in Northern Ontario, the region retained over eight-in-ten (81%).¹¹ In turn, the 28,431 jobs generated \$885.3 million in **wages and salaries** province-wide, with three-quarters of this amount retained by Northern Ontario (\$644.1 million direct, indirect and induced).
- **Taxes** All levels of government benefited from tourism spending in Northern Ontario. This spending generated \$762.7 million in government **taxes** (direct, indirect, and induced) province-wide. These taxes included \$633.7 million that were retained in the region (83%), divided among federal (\$324.1 million), provincial (\$271.7 million) and municipal governments (\$37.9 million).

⁹ See MTR's glossary, appended.

¹⁰ See MTR's glossary, appended.

¹¹ Estimates of jobs produced by the economic impact model use the same definition as is used in Statistics Canada's Labour Force Survey (LFS). Thus, jobs generated by the model include part-time, full-time and seasonal jobs. They also include paid employees and unpaid family employees.

III. YEAR-TO-YEAR COMPARISONS

A. Changes between 2001 to 2003 for All Markets

Tourism volume, visitor spending and the number of nights spent in Northern Ontario in 2001 compared to 2002 and 2003 by visitors from Canada, the U.S.A. and other countries are presented in the following table. This historical overview was to have covered the period between 1998 and 2002 but because of differences in how Northern Ontario is defined within the survey data available for analysis, comparisons prior to 2001 are not valid reflections of change over time.¹² To compensate for the absence of longer-term trend data, estimates for tourism in 2003 are provided.¹³

Total visits in Northern Ontario grew at four percent from 2001 to 2003, with person visits on same-day excursions and overnight trips growing from about 10.1 million to 10.6 million. While still higher than 2001, tourism in Northern Ontario dropped in 2003 from just over 11 million in 2002 to 10.6 million in 2003. The decline between 2002 and 2003 is, in part, a function of the resistance of travellers from other parts of Canada and the Overseas market to travel to Northern Ontario.

The decline in tourism in Northern Ontario between 2002 and 2003 is appreciably less dramatic than the overall decline in Ontario, down 12 percent province-wide from approximately 130 million person visits in 2002 to 114.9 million in 2003. The sizeable province-wide decline was largely fuelled by the SARS¹⁴ epidemic that afflicted the Toronto area in the second and third calendar quarters of 2003.

2001 & 2003 Comparisons of Key Estimates – Northern Ontario (North 1)					
	2001	2002	2003	% Change 2001 to 2003	2002 to 2003
Total Person Visits	10,127,537	11,036,000	10,552,000	4%	-4%
Canada	7,734,500	8,582,200	8,152,000	5%	-5%
Ontario	7,117,800	7,863,800	7,508,000	5%	-5%
Other Canada	616,700	718,400	644,000	4%	-10%
USA	2,315,800	2,382,700	2,345,000	1%	-2%
Overseas	77,300	71,000	55,000	-29%	-23%
Visitor Spending	\$1,381,894,000	\$1,772,591,000	\$1,681,020,000	22%	-5%
Person Nights	19,328,000	23,428,000	21,258,000	10%	-9%

Source: CTS/ITS Tabulations 2002/2001. All estimates are rounded to the nearest hundred. *Same-day and overnight visits in Northern Ontario.

The recent year-to-year decline in tourism in Northern Ontario is especially evident among Overseas visitors. From a high of 77,300 in 2001, this market segment declined to 71,000 in 2002 and experienced a much more precipitous decline in 2003, dropping to 55,000 visitors or 23 percent lower than the previous year.

The number of nights spent by Canadian, American and Overseas visitors in Northern Ontario increased by about 10 percent between 2001 and 2003. The three-year high occurred in 2002 when visitors spent about 23.4 million nights in Northern Ontario. By 2003, the number of nights had declined to 21.3 million, for a decrease of nine percent.

¹² The new regional boundaries for Northern Ontario introduced by MTR have not been coded into the data files prior to 2001.

¹⁴ Severe Acute Respiratory Syndrome

Visitor spending in Northern Ontario grew from almost \$1.4 billion in 2001 to about \$1.8 billion in 2002 but experienced a modest decline in 2003. The decline in spending between 2002 and 2003 is commensurate with the decline in visitor volume in Northern Ontario. Spending fell by about five percent between the two years, from \$1.8 billion in 2002 to \$1.7 billion in 2003. In spite of this year-to-year decline, visitor spending is noticeably higher in 2003 than it was in 2001 (+22%).

Only *topline* estimates of tourism volume, visitor nights and spending for Northern Ontario in 2003 were available when this report was prepared. As a consequence, the detailed analysis presented in the following chapters is restricted to the 2002 reference year.

IV. TOURISM IN NORTHERN ONTARIO – 2002

A. Overview of Visitor Volume & Origin

1. Same-day & Overnight Visits

Northern Ontario represents approximately 90 percent of Ontario's land mass. Much of Northern Ontario's 90,000 hectares is remote and undeveloped, making it an attractive destination for outdoor enthusiasts including sightseers, anglers, hunters and cottagers. The area also includes a wide variety of businesses and urban-based cultural attractions and events that attract leisure and business tourists.¹⁵

In 2002, just over 11 million people from Canada, the U.S.A. and other countries took overnight or same-day trips¹⁶ in Northern Ontario, representing about eight percent (8%) of *all* tourism in Ontario over the year. These estimates include people travelling for all purposes including pleasure, visiting friends and relatives, business and other purposes.

Most of the person visits in Northern Ontario included an overnight stay in the region. Of the 11 million person visits in Northern Ontario during 2002, almost three-in-five (57%) or about 6.3 million were overnight trips. The remaining 4.8 million person visits by tourists from Canada, the U.S.A. and other countries were same-day excursions in Northern Ontario.

From a provincial perspective, Northern Ontario accounted for 12 percent of all *overnight* person visits in Ontario during 2002.

Northern Ontario's Share of Tourism in Ontario, 2002		
	Total Person Visits	Overnight Person Visits
Total Ontario	129,886,000	50,211,000
Domestic	101,554,000	40,400,000
USA	26,318,000	8,107,000
Overseas	2,014,000	1,704,000
Northern Ontario	11,036,000	6,261,000
Domestic	8,582,000	5,033,000
USA	2,383,000	1,170,000
Overseas	71,000	58,000
Northern Ontario as Proportion of Total Ontario		
All Markets	8%	12%
Domestic	8%	12%
USA	9%	14%
Overseas	4%	3%

Source: CTS/ITS Tabulations 2002.

¹⁵ See appendix for definitions of tourists and visitors.

¹⁶ Same-day *domestic* trips are *non-routine* trips of at least forty kilometres one-way from home. No distance minimum is imposed on overnight trips or on same-day trips for international travellers (U.S.A. or other countries). For details of definitions, please see the appendix.

Likely because of the large distances involved in moving from place to place in the North, the proportion of Northern visitors on overnight trips in the region is appreciably greater than is the case in Southern Ontario. As noted above, 57 percent of all visits in Northern Ontario involve at least one night spent in the region whereas the proportion of overnight trips in Southern Ontario reaches only 37 percent.

Volume of Person Visits in Northern Ontario and Southern Ontario – Same-day and Overnight (2002)				
	Northern Ontario		Southern Ontario	
Total Person Visits	11,036,000		118,850,000	
Same-Day	4,775,000	43%	74,900,000	63%
Overnight	6,261,000	57%	43,950,000	37%

Source: CTS/ITS Tabulations 2002. Note: estimates for Southern Ontario represent total Ontario minus Northern Ontario and may not exactly match estimates provided in the "South 1" detailed tabulations.

2. Same-day & Overnight Visits – By Major Markets

Most tourism in Northern Ontario is generated by Canadians. Of the 4.8 million same-day trips in the region during 2002, three-in-four trips were made by Canadians and most of these Canadians were Ontario residents. A further one-in-four same-day excursions were made by visitors from the U.S.A.

Canadians represent an even higher proportion of **overnight** trips in Northern Ontario (80%) than is the case for same-day excursions (74%). The U.S.A. accounted for about one-fifth (19%) and all other countries ("Overseas") represented only 1-in-100 (1%) overnight visits in Northern Ontario in 2002.

Compared to the southern portion of the province, Northern Ontario attracts a slightly higher proportion of American overnight visitors (19% versus 16%) but a lower proportion of overnight visitors from Overseas (1% versus 4%).

Volume of Person Visits in Northern Ontario and Southern Ontario – Same-day and Overnight by Origin (2002)				
	Northern Ontario		Southern Ontario	
Person Visits	Same-Day	Overnight	Same-Day	Overnight
Total	4,775,000	6,261,000	74,900,000	43,950,000
Domestic	3,550,000	5,033,000	57,605,000	35,367,000
USA	1,213,000	1,170,000	16,998,000	6,937,000
Overseas	13,000	58,000	297,000	1,646,000
Percent by Origin				
Domestic	74%	80%	77%	80%
USA	25%	19%	23%	16%
Overseas	*	1%	*	4%

Source: CTS/ITS Tabulations 2002. Note: estimates for Southern Ontario represent total Ontario minus Northern Ontario and may not exactly match estimates provided in the "South 1" detailed tabulations. *Less than 0.5%.

3. Major Overnight Markets for Northern Ontario (Origin)

a) Northern Ontario Residents Travelling in the North

Of the 6.3 million overnight person visits in Northern Ontario during 2002, Northern Ontario itself accounts for almost one-third, or 1.9 million. These overnight visitors who live in Northern Ontario's tourism regions and travel within their own regions or to another Northern Ontario destination are concentrated in the North East Tourism Region (16%), largely because three population centres that spawn tourists for the region are located in this part of Northern Ontario – Sudbury, Sault Ste. Marie and Timmins. The North West Tourism Region, including Thunder Bay, accounts for about one-tenth of all overnight visitors in Northern Ontario (11%). North Central accounts for one-twenty-fifth of the region's overnight visitors (4%).

b) Other Visitors Travelling to the North

The Toronto CMA is a major feeder market for the North. This city accounts for close to one-fifth of all overnight tourism to Northern Ontario over the course of the year, or over 1.1 million overnight visitors. Of Toronto's overnight visitors, about one-half are on *pleasure* trips (542,000). The balance are on trips to visit friends and relatives, for business, or for other purposes.

Contributing more than one-quarter million overnight tourists in 2002, Winnipeg CMA follows Toronto as a source of overnight visitors from Canadian urban markets to Northern Ontario. This city contributes 4 percent of all overnight tourism to the region, but unlike Toronto, most of the overnight trips taken by Winnipeggers are for *pleasure* purposes (81%), including visiting private cottages within Northern Ontario.

All *other* Canadian markets – excluding Northern Ontario and cities such as Toronto, Winnipeg, Hamilton, Niagara Falls/St. Catharines and Ottawa – represent about one-fifth of all overnight tourism in Northern Ontario.

As noted in the previous section, the American market represents almost one-fifth of overnight travel in Northern Ontario (19%). Most of these Americans live in traditional "border markets" (13%). Of the 1.2 million overnight visits by Americans to Northern Ontario, 797,000 originated in border states.

States making the most sizeable contributions of overnight tourists to Northern Ontario – Michigan and Minnesota, followed by Wisconsin – are those with a common border with Ontario's North. Other U.S.A. states that contribute at least 1-in-100 overnight visitors include the following (in rank order):

- Ohio
- Iowa
- Illinois
- New York
- Indiana
- Kentucky

American overnight tourists to Northern Ontario from states *other* than those listed in the accompanying table represent about 1-in-50 overnight trips to the region (2%) with no single state contributing more than 10,000 visitors to the region.

The Overseas market for Northern Ontario is primarily a European market (43,000), dominated by overnight visitors from the United Kingdom (15,000) followed by Germany (8,000) and the Netherlands (6,000).

Figures are provided for key markets on the following page. Markets not shown represent a variety of origins that contribute relatively small numbers of overnight tourists to Northern Ontario.

Overnight Person Visits in Northern Ontario – By Major Origin Markets (2002)		
	Overnight Visits	
Overnight Person Visits	6,261,000	
PLACE OF RESIDENCE		
Canada		
Northern Ontario (Total North 1)	1,914,000	31%
North East	987,000	16%
North West	655,000	11%
North Central	272,000	4%
Major Canadian Cities		
Toronto CMA	1,102,000	18%
Winnipeg CMA	259,000	4%
Hamilton CMA	156,000	2%
Ottawa-Hull CMA	131,000	2%
St. Catherines/Niagara CMA	92,000	2%
All Other Canada**	1,380,000	22%
USA		
Border States		
Michigan	797,000	13%
Minnesota	240,000	4%
Wisconsin	200,000	3%
Ohio	137,000	2%
Illinois	79,000	1%
Indiana	76,000	1%
New York	48,000	1%
Pennsylvania	18,000	*
Other States		
Iowa	77,000	1%
Indiana	44,000	1%
Kentucky	39,000	1%
North Carolina	20,000	*
Missouri	19,000	*
Florida	17,000	*
California	11,000	*
Texas	10,000	*
All Other States**	136,000	2%
Overseas		
Europe (Total)		
United Kingdom	43,000	1%
Germany	15,000	*
Netherlands	8,000	*
Asia (Total)		
	6,000	*
All Other Countries		
	7,000	*
	9,000	*

Source: CTS/ITS Tabulations 2002. Rounded to nearest thousand. *Less than 0.5%. **All other Canada includes the balance of Canadian residents who live in Ontario and other provinces *apart* from the listed tourism regions and CMAs. All other states includes American who live in states other than those listed in the table. For details, the reader is referred to the detailed tabulations. Total may not add to 100 percent due to rounding.

B. Overview of Visitor Spending

1. Same-day and Overnight Visit Spending

In 2002, spending on tourism goods and services by the 11 million visitors from Canada, the U.S.A. and other countries who took overnight or same-day trips¹⁷ in Northern Ontario reached \$1.8 billion. This spending represents about eight percent of the \$17.9 billion spent on tourism in the province during 2002 and is consistent with the proportion of all trips in the province captured by the North (8%). Similarly, Northern Ontario accounts for about the same proportion of total *overnight* visitor spending (11%) as it represents of total overnight visitors in Ontario in 2002 (12%).

Northern Ontario's Share of Visitor Spending in Ontario, 2002		
	Visitor Spending	Overnight Visitor Spending
Total Ontario	\$17,891,286,000	\$13,058,982,000
Domestic	\$10,531,928,000	\$7,276,072,000
USA	\$4,876,759,000	\$3,491,404,000
Overseas	\$2,482,599,000	\$2,291,506,000
Northern Ontario	\$1,772,591,000	\$1,492,730,000
Domestic	\$1,188,073,000	\$ 979,815,000
USA	\$556,259,000	\$ 485,206,000
Overseas	\$28,259,000	\$27,709,000
Northern Ontario as Proportion of Total Ontario		
All Markets	8%	11%
Domestic	8%	13%
USA	11%	14%
Overseas	1%	1%

Source: CTS/ITS Tabulations 2002.

Of the \$1.8 billion spent in Northern Ontario during 2002, almost \$280 million was spent on same-day visits in the area and the balance – \$1.5 billion – was spent on overnight stays in Northern Ontario.

Not surprisingly, visitor spending in Southern Ontario far outstrips spending in Northern Ontario because the volume of visitors in the Southern portion of the province is appreciably higher than is the case in the North. As noted above, of the \$17.9 billion spent by *all* visitors in Ontario during 2002, 11 percent was spent in Northern Ontario and the remaining \$16 billion was spent in Southern Ontario.¹⁸

Of the \$13.1 billion in spending on *overnight* visits in the province, Northern Ontario accounts for one-eighth (11%), or about \$1.5 billion. Because of the large distances involved for many visitors to travel to and within Northern Ontario, a noticeably higher proportion of visitor spending in Northern Ontario is associated with overnight trips (84%) than is the case in Southern Ontario (72%).

¹⁷ Same-day *domestic* trips are *non-routine* trips of at least forty kilometres one-way from home. No distance minimum is imposed on overnight trips or on same-day trips for international travellers (U.S.A. or other countries). For details of definitions, please see the appendix.

¹⁸ Since some spending in Ontario cannot be assigned to a location in the North or South but a visit to the province as a whole is known to have occurred, figures for visitor spending in Northern and Southern Ontario will not add to total visitor spending in the province.

Visitor Spending in Northern Ontario and Southern Ontario – Same-day and Overnight in 2002				
	Northern Ontario		Southern Ontario	
Total Visitor Spending	\$1,772,591,000		\$15,897,605,000	
Same-Day	\$279,860,000	16%	\$4,517,370,000	28%
Overnight	\$1,492,731,000	84%	\$11,380,235,000	72%
Source: CTS/ITS Tabulations 2002				

2. Same-day and Overnight Visit Spending – By Major Markets

Most visitor spending in Northern Ontario is generated by **Canadians**. Of the \$280 million in spending on same-day visits to the region, three-quarters was by Canadians. Of the \$1.5 billion in visitor spending on overnight trips, two-thirds or almost \$980 million was a result of Canadians travelling to or within Northern Ontario.

Cross-border excursions by **Americans** from Michigan, Minnesota, and Wisconsin along with other same-day visits by Americans to Northern Ontario account for one-quarter of all spending on same-day visits to the region. Americans represent an even larger proportion of overnight tourism spending in Northern Ontario, reaching over \$485 million, or 33 percent of all overnight spending in Northern Ontario in 2002.

Overseas tourists, whether on same-day excursions¹⁹ or overnight trips to Northern Ontario spend appreciably less money than do Canadians or Americans travelling within the region because there are many *fewer* of them and because many overnight Overseas visitors rely on their families and friends to provide accommodation and meals.²⁰ The day-excursion market from Overseas contributes about one-half million dollars in visitor spending to Northern Ontario whereas the overnight Overseas market contributes almost \$28 million (2% of all overnight spending).

Compared to the southern portion of the province, Northern Ontario obtains a substantially higher proportion of total spending on overnight trips from the *domestic* market (66% in Northern Ontario versus 54% in Southern Ontario) and from American overnight visitors (33% versus 26%) but an appreciably lower proportion of overnight spending from Overseas visitors (2% versus 20%).

Visitor Spending in Northern Ontario and Southern Ontario – Same-day and Overnight by Origin in 2002				
	Northern Ontario		Southern Ontario	
Visitor Spending	Same-Day	Overnight	Same-Day	Overnight
Total	\$279,860,000	\$1,492,731,000	\$4,517,370,000	\$11,380,235,000
Domestic	\$208,258,000	\$979,815,000	\$3,009,835,000	\$6,130,789,000
USA	\$71,052,000	\$485,206,000	\$1,315,966,000	\$2,992,328,000
Overseas	\$550,000	\$27,709,000	\$191,569,000	\$2,257,118,000
Percent by Origin				
Domestic	74%	66%	67%	54%
USA	25%	33%	29%	26%
Overseas	*	2%	4%	20%

Source: CTS/ITS Tabulations 2002. Figures may not add to total or 100 percent because of rounding. *Less than 0.5%.

¹⁹ For the most part, same-day visits by Overseas visitors are day excursions on trips with nights spent in other Canadian destinations.

²⁰ Of the 58,000 overnight trips by Overseas visitors to Northern Ontario in 2002, 27,000 had a main purpose of visiting friends and relatives. Of the 417,000 person nights spent in the region over the year by Overseas visitors, fully half or 208,000 (50%) were spent in the homes of friends and relatives (See North 1 Overseas Table, 6-2).

3. Visitor Spending – Major Overnight Markets in Northern Ontario (Origin)

Of the \$1.5 billion spent by overnight visitors in Northern Ontario during 2002 almost one-quarter, or \$359.1 million was spent by residents of Northern Ontario. Thus, Northern Ontario residents travelling from place to place within Northern Ontario represent over one-third of all overnight *domestic* spending in the region, leaving approximately \$621 million in visitor spending coming into Northern Ontario by Canadians who do not live in the North.

Spending by Northern Ontario residents on overnight trips in the North (*intra-regional* overnight visitor spending) is most apt to originate in the North East and North West Tourism Regions, at about 10 percent each. The North Central Tourism Region generates appreciably less tourism spending on overnight trips (3% or \$42.2 million).

The Toronto CMA is a major source of overnight tourists and their spending for the North. This city accounted for close to one-seventh (15%) of all overnight tourism spending in Northern Ontario over the course of the year, or close to \$230 million.

As noted in the previous section, the American market represents one-third of overnight visitor spending in Northern Ontario (33%). Most of this spending is accounted for by Americans taking overnight trips from one of Ontario's traditional "border markets" (22%). Visitors from border states spent almost \$332 million on overnight trips to Northern Ontario in 2002. States with the most sizeable contributions to overnight spending in Northern Ontario – Wisconsin and Minnesota, followed by Michigan – are those with a common border with Ontario's North. Other states not shown in the table because their contribution to the total is comparatively small represent almost \$98 million in spending, or seven percent of all overnight spending in Northern Ontario.

Countries in Europe account for almost \$21 million of the \$28 million spent by Overseas overnight visitors to Northern Ontario. Visitors from the United Kingdom (\$8.1 million) followed by those from Germany (\$3.8 million) are the major sources of overnight visitor spending from countries other than the U.S.A. and Canada. Countries outside Europe and Asia bring about \$4.5 million in tourism spending to Northern Ontario on their overnight trips to the area.

Visitor Spending - Overnight Visits in Northern Ontario – By Major Markets (2002)		
	Overnight Visitor Spending	
Overnight Visitor Spending	\$1,492,731,000	
PLACE OF RESIDENCE		
Canada		
Northern Ontario (Total North 1)	\$359,074,000	24%
North East	\$153,746,000	10%
North West	\$163,138,000	11%
North Central	\$42,190,000	3%
Major Canadian Cities		
Toronto CMA	\$229,588,000	15%
Ottawa Hull CMA	\$47,609,000	3%
Hamilton CMA	\$30,852,000	2%
Winnipeg CMA	\$22,239,000	1%
St. Catherines/Niagara CMA	\$15,714,000	1%
All Other Canada**	\$274,740,000	18%
USA		
Border States	\$331,808,000	22%
Wisconsin	\$78,369,000	5%
Minnesota	\$74,559,000	5%
Michigan	\$63,680,000	4%
Illinois	\$48,619,000	3%
Ohio	\$44,462,000	3%
New York	\$15,860,000	1%
Pennsylvania	\$6,260,000	*
Other States		
Iowa	\$39,910,000	3%
Indiana	\$15,570,000	1%
All Other States**	\$97,913,000	7%
Overseas		
Europe (Total)	\$20,569,000	1%
United Kingdom	\$8,111,000	*
Germany	\$3,790,000	*
Netherlands	\$2,165,000	*
Asia (Total)	\$2,569,000	*
All Other Overseas**	\$4,544,000	*

Source: CTS/ITS Tabulations 2002. Rounded to nearest hundred. *Less than 0.5%. **All other Canada includes the balance of Canadian residents who live in Ontario and other provinces *apart* from the listed tourism regions and CMAs. All other states includes American who live in states other than those listed in the table. Similarly, All Other Overseas includes all non-European and non-Asian countries. For details, the reader is referred to the detailed tabulations. Total may not add to 100 percent due to rounding. The sum of each of the following "macro" origin groups (#) adds to total overnight spending in Northern Ontario: (1) Total North, CMAs and "Other Canada" add to total domestic overnight tourism spending. (2) Total listed states + "All other states" add to total USA overnight tourism spending. (3) Total Europe, Asia and "All other overseas" add to total Overseas overnight tourism spending.

C. Season of Visit

Same-day and overnight visitors to Northern Ontario come to the region in each calendar quarter of the year but are most likely to come in warm weather periods, particularly if they are from the USA (43%) or other countries (53%). Northern Ontario visitors on overnight pleasure trips are also particularly heavily concentrated in the July through September period (55%).

Calendar Quarter of Visit to Northern Ontario (2002)					
	All Visitors	Canadians	Americans	Overseas	Overnight Pleasure
Total	11,036,000	8,582,000	2,383,000	71,000	3,472,000
Jan – Mar	16%	16%	17%	8%	10%
Apr – Jun	25%	26%	21%	31%	25%
Jul – Sep	39%	38%	43%	53%	55%
Oct – Dec	19%	20%	19%	8%	10%

Source: CTS/ITS Tabulations 2002 Table 8. Percentages may not add to 100 percent due to rounding.

Among the 3.1 million overnight visitors to Northern Ontario who engaged in at least one outdoor or sporting activity while on their Canadian trip, more than half were travelling in the third calendar quarter (55% in July through September) and about one-quarter were travelling in the spring shoulder season (April through June). The comparatively robust overnight tourist volume by Canadians in the first and fourth calendar quarters is explained in part by the propensity of Canadians to be on trips to visit friends and relatives in Northern Ontario during key *family* holiday periods (Thanksgiving, Christmas, New Years).

Canadian Outdoor Activity overnight visitors to the North and their American counterparts are equally likely to concentrate their travel in the region to the warmest calendar quarter (55% each) but an even higher proportion of Overseas tourists who participate in outdoor activities are "warm weather" travellers (77%).

Only about 11 percent of American overnight visitors who engage in outdoor activities come to Northern Ontario during the coldest months of the year (October through March). In contrast, about one-quarter of the corresponding Canadians travel to or in Northern Ontario in this six month period, divided almost evenly between the first (12%) and fourth calendar quarter (13%).

Calendar Quarter of Overnight Visits with Any Outdoor Activities in Northern Ontario (2002)				
	All Visitors	Canadians	Americans	Overseas
Total	3,132,000	2,416,000	693,000	24,000
Jan – Mar	10%	12%	7%	2%
Apr – Jun	24%	20%	35%	15%
Jul – Sep	55%	55%	55%	77%
Oct – Dec	11%	13%	4%	5%

Source: CTS/ITS Tabulations 2002. Table 8

D. Main Purpose of Trip, Length of Stay and Lodging

1. Main Purpose of Trip

Over half of all trips to Northern Ontario were made for the primary purpose of *pleasure*, approximately one-quarter were made to *visit friends and relatives* (VFR) and the balance were made for *business* (7%) or for some *other purpose* (16%). These proportions clearly suggest that the North is primarily a *pleasure* destination for tourists. Southern Ontario also attracts more same-day and overnight tourists for pleasure than for any other reason but only two-in-five of its visitors are on pleasure trips compared to one-in-two in Northern Ontario.

Main Purpose of Trip – In Total in 2002				
	Northern Ontario		Southern Ontario	
Total Visitors (Same-day and Overnight)	11,036,000		118,850,000	
Pleasure	5,750,000	52%	49,308,000	41%
Friends/relatives (VFR)	2,743,000	25%	41,000,000	34%
Business	797,000	7%	11,093,000	9%
All other purposes**	1,736,000	16%	17,488,000	15%

Source: CTS/ITS Tabulations 2002. *The sum of any visitors in Northern Ontario and visitors in Southern Ontario differs from total visits in Ontario because of some double counting of visitors in both the North and South and visitors for whom the exact location of visits at the sub-provincial level is unknown. **Includes Not Stated.

The *pleasure* positioning of Northern Ontario is further evident among overnight trips. Fifty-six percent of overnight trips in Northern Ontario were taken for pleasure in 2002, compared to 45 percent of overnight trips to destinations in Southern Ontario.

Main Purpose of Trip – Overnight Trips in 2002				
	Northern Ontario		Southern Ontario	
Total Overnight Visitors	6,261,000		43,950,000	
Pleasure	3,472,000	56%	19,859,000	45%
Friends/relatives (VFR)	1,860,000	30%	16,629,000	38%
Business	432,000	7%	4,110,000	9%
All other purposes	494,000	8%	3,352,000	8%

Source: CTS/ITS Tabulations 2002 Table 5.

Pleasure is the primary trip motivation for over 8-in-10 of the Americans who spent nights in Northern Ontario during 2002. Considerably lower proportions of Canadian and Overseas tourists are on pleasure trips. In fact, *visiting family and friends* sparks the trip for over one-third of Northern Ontario's domestic market (35%) and for almost half of overnight Overseas visitors (47%).

Main Purpose of Trip – Overnight Trips in Northern Ontario by Origin in 2002				
	Total	Canada	USA	Overseas
Overnight Visitors	6,261,000	5,033,000	1,170,000	58,000
Pleasure	56%	49%	83%	48%
Friends/relatives (VFR)	30%	35%	8%	47%
Business	7%	8%	3%	3%
All other purposes	8%	8%	7%	2%

Source: CTS/ITS Tabulations 2002 Table 5

As is evident in the following sections, trip motivation is commonly associated with where visitors spend their nights – those who are traveling for pleasure tend to *pay* for lodging whereas those who are traveling to visit friends and relatives tend to stay with these friends or relatives. In turn, accommodation choices tend to have a sizeable impact on average spending in Northern Ontario: visitors who pay for lodging spend more per capita because they not only pay for a roof over their heads but they also pay for restaurant meals and other services to a much greater extent than do those who rely on the hospitality of friends and relatives.

2. Length of Stay in Northern Ontario (Overnight Trips)

On average, overnight visitors to Northern Ontario spent close to four nights in the region (3.7 nights) in 2002, with Canadians spending about 3.5 nights, Americans spending 4.5 nights and the comparatively small number of visitors from Overseas spending a full week in the North (7.2 nights).

Over the course of 2002, visitors from all markets spent approximately 23.4 million person nights in Northern Ontario. Almost 18 million, or 76 percent of these nights were spent by Canadians, a further five million were spent by Americans and fewer than one-half million were spent by visitors from other countries.

Length of Stay – Overnight Trips in Northern Ontario by Origin in 2002				
	Total	Canada	USA	Overseas
Overnight Visitors	6,261,000	5,033,000	1,170,000	58,000
One night	22%	23%	18%	19%
Two nights	29%	32%	17%	15%
Three nights	18%	18%	15%	13%
Four – five nights	13%	12%	17%	16%
Six – nine nights	14%	11%	28%	14%
Ten nights or more	5%	4%	4%	23%
Average number of nights	3.7	3.5	4.5	7.2
Total Person Nights	23,428,000	17,740,000	5,271,000	417,000

Source: CTS/ITS Tabulations 2002. Table 7

Overnight visitors from Canada and the U.S.A. seem to spend about one *more* night in Northern Ontario, on average, than they do on trips to southern parts of the province. Visitors from overseas countries, however, spend about three more nights, on average, in Southern Ontario (10.6) than they do in the North (7.2).

Average Length of Stay – Overnight Trips in Northern & Southern Ontario by Origin in 2002			
	Canada	USA	Overseas
Average number of nights			
Northern Ontario	3.5	4.5	7.2
Southern Ontario	2.6	3.2	10.6

Source: CTS/ITS Tabulations 2002. Table 7

3. Lodging in Northern Ontario (Overnight Trips)

Of the 23.4 million person nights spent in Northern Ontario in 2002, one-third or about 7.8 million nights were spent in commercial roofed lodging (hotels, motels, resorts, B&Bs, commercial cottages/cabins). A further 2.9 million were spent in campgrounds in the region. *Private* accommodation – private homes and cottages – represented almost half of all nights spent in Northern Ontario, or about 11.2 million person nights.

Visitors from each of the major markets for Northern Ontario have different lodging preferences. For example, the domestic market displays a particularly strong preference for staying with friends and relatives (34%) or in their own cottages (22%) whereas Americans tend to stay in commercial cottages and cabins in Northern Ontario (44%). Over half the nights spent by the Overseas market in Northern Ontario are in private homes – either the homes of friends and relatives (50%) or much less commonly, in private cottages (2%).

Lodging in Northern Ontario – Person Nights by Origin in 2002				
	Total	Canada	USA	Overseas
Total Person Nights	23,428,000	17,740,000	5,271,000	417,000
Hotels	9%	9%	7%	6%
Motels	7%	6%	9%	8%
Commercial Cottage/Cabins*	18%	10%	44%	15%
Campgrounds/trailer facilities	12%	13%	10%	6%
Private homes	27%	34%	6%	50%
Private cottages	20%	22%	15%	2%
Other	7%	5%	10%	13%

Source: CTS/ITS Tabulations 2002. *For Canadian tourists, includes resorts, hunting/fishing lodges. Table 6.

Not surprisingly, of the 4.7 million nights in *private* cottages in Northern Ontario, 3.9 million or over 9-in-10 were spent by Canadians. In contrast, of the 4.2 million nights in *commercial* cottages and cabins²¹, over half (55% or 2.3 million) were spent by Americans and almost all the rest were occupied by Canadians (41% or 1.7 million).

Of the 23.4 million person nights in Northern Ontario, about 14 million or 60 percent were spent on *pleasure* trips. In turn, of the 14 million nights spent in the region on pleasure trips, 60 percent or 8.4 million were spent in commercial roofed accommodation or in campgrounds. Thus, of the total nights spent in Northern Ontario during 2002, over one-third (36%) were spent on *pleasure* trips that directly benefited tourism businesses in the accommodation sector (including campgrounds).

Person Nights on Overnight Pleasure Trips in Northern Ontario in 2002	
Total Person Nights	23,428,000
On Pleasure Trips	14,046,000
On Pleasure Trips – Paid Lodging/Campgrounds	8,399,000
Type of Lodging On Pleasure Trips with Any Paid Lodging/Campgrounds	
Hotels	718,000
Motels	981,000
Commercial Cottage/Cabins*	3,691,000
Campgrounds/Trailer Facilities	2,470,000

Source: CTS/ITS Tabulations 2002. For Canadian tourists, includes resorts, hunting/fishing lodges

²¹For Canadian tourists, includes resorts, hunting/fishing lodges.

E. Activities on Trip

1. *An Overview of Activities on Trips to Northern Ontario*

When travellers report activities in the Canadian and International Travel Surveys, they are asked to identify what they did on their entire Canadian trip (without reference to *where* in Canada the activity took place). Thus, for visitors who traveled exclusively in Northern Ontario, the activity can be assumed to have taken place in the region. Those on touring trips that include stops in Southern Ontario or in other parts of Canada may have engaged in an activity at any location they visited.

Regardless of whether they are on a same-day or overnight visit to Northern Ontario, visiting with friends and relatives, shopping, participating in any outdoor activities and sightseeing are the most popular activities among travellers to the region. Of the specific **outdoor activities** measured by the Statistics Canada surveys, *fishing* and *boating* are the most widely sought (see accompanying table for figures).

In fact, of the 6.3 million overnight visitors to Northern Ontario in 2002, three-in-five of them took part in outdoor activities while on their trip. At 61 percent this level of participation in outdoor activities is appreciably higher than is the case for Ontario as a whole (41% of total provincial overnight visitors).

Top Ten Activities among Visitors to Northern Ontario (in rank order)

Same-Day Visitors

1. Visit friends or relatives
2. Go shopping
3. Any sports or outdoor activities
4. Go sightseeing
5. Fishing*
6. National or provincial nature park
7. Attend a sports event
8. Boating*
9. Visit a historic site
10. Hunting*

*Included in Any Outdoor Activities

Overnight Visitors

1. Visit friends or relatives
2. Any sports or outdoor activities
3. Go shopping
4. Go sightseeing
5. Fishing*
6. Boating*
7. National or provincial nature park
8. Go to a bar or night club
9. Visit a historic site
10. Visit a museum or art gallery

Over the course of 2002, Northern Ontario attracted over four million visitors (same-day and overnight) who engaged in some type of outdoor sport or activity. Of the 4.3 million outdoor activity tourists in the region, two-in-five (39% or 1.7 million) went fishing on their trip, about the same proportion went boating (1.6 million), and appreciably fewer went hunting (228,000). Other outdoor activities such as winter sports (309,000²²) and golfing (327,000) each attracted about one-third of a million same-day and overnight visitors.

²² Includes alpine skiing for all flows and cross country skiing and snowmobiling for Canadians only.

Winter Activities

In light of the fact that only about one-quarter of overnight visitors travel to Northern Ontario in the winter months (October/March), it is not surprising that winter sports are not widely sought by tourists to the region. During 2002, about 1-in-100 overnight visitors to Northern Ontario claim to have done alpine skiing²³ while on their trip. Of the 78,000 skiers, about three-quarters were residents of Canada.

Information on snowmobiling is available only for Canadian tourists: American and Overseas visitors may have also gone snowmobiling but this activity is *not* included in the Statistics Canada International Travel Survey so volumes are unknown for visitors in these market segments. Over the course of the 2002 winter season, about 37,000 Canadians on same-day trips in the North and 155,000 domestic overnight visitors to the region claim to have gone snowmobiling.

The Importance of Same-Day Visitors

Because overnight tourism fuels a wider array of tourism businesses than does same-day tourism, marketing efforts tend to be concentrated on attracting overnight visitors and/or extending their stay. Nonetheless, the importance of same-day visitors, particularly for *retail* enterprises should not be overlooked. Over one million same-day visitors claim that they shopped on their trip to Northern Ontario (1.3 million). While at a much lower level than shopping, the same-day market also provides audiences for sporting events (191,000), customers for bars and clubs in the region (125,000), visitors to historic sites (147,000) and nature parks (231,000). Northern Ontario's sports and outdoor activities attracted over one-million same-day visitors in 2002, with fishing being the single most popular activity of those measured in both the domestic and foreign tourist surveys (237,000).

²³ Includes snow boarding.

Activities on Trips – By Length of Stay in Northern Ontario in 2002				
	Same-day Visits*		Overnight Visits	
Total Person Visits	3,773,000*		6,261,000	
General/Entertainment Activities (In rank order by overnight visitors)				
Visit friends or relatives	1,316,000	35%	3,470,000	55%
Go shopping	1,313,000	35%	2,337,000	37%
Go sightseeing	604,000	16%	2,117,000	34%
Go to a bar or night club	125,000	3%	887,000	14%
Go to a casino	48,000	1%	308,000	5%
Attend a sports event	191,000	5%	293,000	5%
Visit a zoo, aquarium or botanical garden	40,000	1%	173,000	3%
Visit a theme or amusement	30,000	1%	125,000	2%
Cultural Activities (In rank order by overnight visitors)				
Visit a historic site	147,000	4%	727,000	12%
Visit a museum or art gallery	67,000	2%	431,000	7%
Attend a festival/fair	68,000	2%	383,000	6%
Attend a cultural performance	53,000	1%	243,000	4%
Outdoor Activities/Parks				
Visit a national or provincial nature park	231,000	6%	950,000	15%
Participate in sports or outdoor activities (any)	1,002,000	27%	3,316,000	53%
Fishing	237,000	6%	1,459,000	23%
Boating	152,000	4%	1,443,000	23%
Golfing	77,000	2%	251,000	4%
Hunting	127,000	3%	101,000	2%
Downhill skiing/snowboarding	11,000	**	78,000	1%
Snowmobiling (Canadians only)	37,000	N/A	155,000	N/A

Source: CTS/ITS Tabulations 2002 Table 4. *U.S.A. visitors to Canada who enter by automobile are not asked to report any activities. For this reason, the base is reduced for total same-day visitors from 4.8 million to 3.8 million person visits. Note: the sum of visits/proportions may not add to the total or to 100 percent because of multiple activities on trips. Only Canadian travellers are asked about snowmobiling on their trips. **Less than 0.5%.

2. An Activity Participation Index

Because 8-in-10 overnight visitors to Northern Ontario are *Canadians*, the domestic market segment will dominate each activity group. In other words, no matter which activity is the subject of interest, there will be *more* Canadian than American or Overseas participants simply because so much of tourism in Northern Ontario is driven by the Canadian market. To determine whether one or another activity has a particularly strong following among Americans or Canadians²⁴ an "index" that compares the total volume of visitors from these markets with the ratio of participation in a specific activity was generated.²⁵ This index can be used to identify the *propensity* of Americans and Canadians to participate in specific activities. The higher an index score is over one (1), the more it suggests a special interest in an activity.

Clearly, the American market for overnight trips to Northern Ontario is drawn to **fishing experiences** (2.18) to a much greater extent than are Canadians. Even though there are many *more* Canadian fishers on overnight trips in Northern Ontario (855,000) than Americans (594,000), Americans are heavily over-represented among fishers relative to their total contribution to overnight tourism in the region.

Similarly, Americans are particularly likely to visit **historic sites** while on a trip that includes nights spent in Northern Ontario (2.01). Conversely, Canadians are under-represented among overnight tourists who go to historic sites (0.72). The comparatively low level of visits to such attractions among Canadians is likely a function of the high level of *intra-regional* overnight domestic tourists in Northern Ontario: many of these visitors live in Northern Ontario and would have had multiple opportunities to go to the region's historic sites over the years.

Americans also display a particular interest in going to national or provincial **nature parks** on overnight trips to Northern Ontario (1.64), possibly to engage in fishing, camping and other outdoor activities.

In contrast, Americans do not appear to be attracted to **golfing** opportunities when on an overnight trip in Northern Ontario (0.38). Of the 251,000 overnight visitors to the region who golf, almost all are Canadians (231,000).

Hunting has about equal appeal to Canadians and Americans on overnight trips in Northern Ontario. Similarly, there is not a particular propensity to attend a **cultural performance** and/or **visit a museum or art gallery** among overnight visitors from Canada or the USA.

Index of Participation in Specific Activities on Trip in 2002							
		Propensity to Participate in Activity on Overnight Trip					
	% Of All Overnight Visitors to Northern Ontario	Hunting	Fishing	Golfing	Nature Parks	Any Cultural Performance / Museum Or Art Gallery	Historic Site
Canadians	80%	1.04	0.73	1.14	0.82	0.91	0.72
Americans	19%	0.89	2.18	0.38	1.64	1.13	2.01

²⁴ The index has not been applied to the Overseas market because of small base sizes.

²⁵ Proportion of activity participants that are Canadians on overnight trips to Northern Ontario divided by proportion of all overnight visitors to Northern Ontario who are Canadian. Process is repeated for American overnight tourists.

3. Activity Patterns on Overnight Trips by Origin

Each of the three major markets for overnight visitors in Northern Ontario has a distinctive activity pattern.

➤ Canadian Overnight Visitors

Canadians are especially likely to spend time on their trip visiting with friends and relatives (63%), engaging in outdoor sports or activities (50%), shopping (35%) and sightseeing (31%). The most popular outdoor activities within this domestic market include naturalist activities such as walking/hiking (27%), boating (22%), and fishing (17%).

Even the Canadians who claim to be on a *pleasure* trip are likely to spend time visiting with friends and relatives. Of the 2.5 million overnight domestic *pleasure* visitors to Northern Ontario in 2002, 48 percent spent time visiting with friends or family on their trip. The pleasure travel segment is also strongly drawn to outdoor activities – two-thirds of the 2.5 million say they engaged in at least one sporting or outdoor activity on their overnight trip. Almost one million of these pleasure travellers went hiking or walking and/or boating, over 660,000 went fishing and over 400,000 were bird or wildlife watching on the trip that took them to destinations in Northern Ontario.

➤ American Overnight Visitors

The U.S.A. overnight market for Northern Ontario seems to be drawn by the region's fishing (51%), shopping (47%) and sightseeing opportunities (45%). To a greater extent than their Canadian counterparts, these Americans go to historic sites (23%) and to national or provincial nature parks on their trips (25%).

Because the vast majority of American overnight travellers to Northern Ontario are on *pleasure* trips, the activity profile of *all* members of this market and the sub-set travelling for pleasure is almost identical.

➤ Overseas Overnight Visitors

Since close to half of the Overseas overnight visitors to Northern Ontario in 2002 were travelling with the primary purpose of visiting friends and relatives, it comes as no surprise that many of them spend time visiting with their hosts (76%). At the same time, these visitors seem to engage in a much wider variety of cultural activities and attractions than is the case for North American markets. For example, about half went to an historic site and/or a museum or art gallery on their trip.

Overseas visitors participate in more activities than do their Canadian and U.S.A. counterparts. Their higher participation rates are likely explained by their longer trips and/or by a propensity to visit *different* locations in Canada. Only about one-fifth (22%) of the North's overnight Overseas visitors spent all of their trip nights in Northern Ontario, compared to 85 percent of American overnight tourists and 92 percent of Canadians.

Activities on Trip – Overnight Visitors to Northern Ontario by Origin in 2002				
	Total	Canada	USA	Overseas
Total Person Visits	6,261,000	5,033,000	1,170,000	58,000
General/Entertainment Activities				
Visit friends or relatives	55%	63%	21%	76%
Go shopping	37%	35%	47%	84%
Go sightseeing	34%	31%	45%	84%
Go to a bar or night club	14%	14%	13%	34%
Go to a casino	5%	4%	8%	14%
Attend a sports event	5%	6%	1%	14%
Visit a zoo, aquarium or botanical garden	3%	3%	2%	24%
Visit a theme or amusement	2%	2%	1%	16%
Cultural Activities				
Visit a historic site	12%	8%	23%	53%
Visit a museum or art gallery	7%	6%	10%	48%
Attend a festival/fair	6%	7%	2%	17%
Attend a cultural performance	4%	4%	2%	22%
Aboriginal cultural event*	N/A	3%	N/A	N/A
Outdoor Activities/Parks				
Visit a national or provincial nature park	15%	12%	25%	59%
Cruise or boat trip*	N/A	8%	N/A	N/A
Participate in sports or outdoor activities (any)	53%	50%	66%	52%
Fishing	23%	17%	51%	19%
Boating	23%	22%	25%	31%
Golfing	4%	5%	2%	3%
Bird/wildlife viewing*	N/A	11%	N/A	N/A
Cycling*	N/A	4%	N/A	N/A
Walking/hiking*	N/A	27%	N/A	N/A
Hunting	2%	2%	1%	**
Downhill skiing/snowboarding	1%	1%	2%	1%
Snowmobiling*	N/A	3%	N/A	N/A

Source: CTS/ITS Tabulations 2002. Table 4. *Activities included only in CTS questionnaire. **Less than 0.5%.

V. SPENDING AND ECONOMIC IMPACT IN NORTHERN ONTARIO

A. Distribution of Visitor Spending

Visitor spending in Northern Ontario benefits many sectors of the regional economy. The \$1.8 billion spent in the region in 2002 contribute to restaurants and bars (\$275.3 million or 16%), the accommodation sector (\$468.3 million, or 26%), grocery stores (\$134.3 million, or 8%), and gas stations and auto repair outlets (\$352.5 million, or 20%).

Attractions also benefited from tourism spending (\$151.9 million) as did retail establishments selling clothing (\$174.5 million) and other items (\$110.3 million), car rental companies (\$32 million) and local transportation carriers (\$8.1 million).

Visitor Spending in Northern Ontario, by Category 2002		
Total	\$1,772,591,000	
Vehicle Rental	\$32,000,000	2%
Vehicle Operation	\$352,500,000	20%
Local Transportation	\$8,100,000	1%
Transportation Fares (plane, bus, etc. in area**)	\$65,400,000	4%
Food & Beverage, In Restaurants & Bars	\$275,300,000	16%
Food & Beverage, In Stores During Trip	\$134,300,000	8%
Accommodation	\$468,300,000	26%
Recreation & Entertainment	\$151,900,000	9%
Retail – Clothing	\$174,500,000	10%
Other Retail/Other Costs	\$110,300,000	6%

Source: CTS/ITS Tabulations 2002. Table 10. **Excludes fares for residents to leave the area and domestic carrier fares for USA and Overseas visitors to enter/leave Canada. All figures are rounded to the nearest 100,000.

B. Average Visitor Spending in Northern Ontario

1. Average Spending for All Visitors in Northern Ontario

Whether they are Americans or Canadians, the average spending among *same-day* visitors to Northern Ontario approaches \$60.00 per person. In contrast, average spending on *overnight* trips in the region varies substantively from market to market.

- American overnight visitors spend more money in Northern Ontario than do Canadians or Overseas visitors.
- On a per-person-per-night basis (normalized for the number of people in the travel party and the duration of the stay in Northern Ontario), Americans spent at almost twice the rate as did Canadians – \$108.00 versus \$55.00 per-person-per-night.
- At \$108.00 per-person-per-night, Americans also spent appreciably more than did their Overseas counterparts (\$64.00 per-person-per-night).

The gap between Canadians and Americans widens to a factor of three on a **per trip** basis, reflecting the larger travel party size of Americans (2.5 people on overnight trips) relative to Canadians (1.7 people) and the somewhat longer duration of Americans' overnight trips to the region (4.5 nights for Americans; 3.5 nights for Canadians). Each overnight trip to Northern Ontario yields just over \$1,000.00 for each American travel party attracted to the region but reaches only \$335.00 for each Canadian household travel party.

Because Overseas visitors spend considerably longer in Northern Ontario (7.2 nights, on average) than do their American or Canadian counterparts, their "per trip" average spending reaches an average value of \$823.00. Many of these Overseas visitors are staying with friends and relatives. Consequently, their per diem average spending, at \$64.00 per-person-per-night, remains appreciably lower than their American counterparts who generally rely on commercial lodgings while in Northern Ontario (\$108.00).

Average Visitor Spending in Northern Ontario – By Origin in 2002				
	Total	Canada	USA	Overseas
Same-day Trips				
Per Person	\$59	\$59	\$59	N/A
Overnight Trips – All Purposes				
Per Person Per Night	\$66	\$55	\$108	\$64
Per Trip*	\$434	\$335	\$1,041	\$823
Overnight Trips – Pleasure				
Per Person Per Night	\$61	\$42	\$107	\$74
Per Trip*	\$483	\$304	\$1,108	\$838

Source: CTS/ITS Tabulations 2002, Table 11. Figures are rounded to nearest dollar. Averages exclude inbound Canadian carrier fares to enter Canada (for USA/Overseas). *All members of household/travel party for all nights spent in Northern Ontario. No estimate for same-day Overseas average spending is provided because of the small base size.

2. Average Spending for Overnight Activity Participants in Northern Ontario

Overnight visitors to Northern Ontario who participate in any sport or outdoor activity while on their trip spend about \$500.00 per trip or \$60.00 per person per night. If they happen to go fishing while on the trip, their spending increases by almost 50 percent, from \$502.00 to \$747.00 on a *per trip* basis.

Overnight visitors who participate in any sport or outdoor activity but do *not* go fishing or hunting while on their trip spend \$336.00 per trip or one-third less than do outdoor activity participants as a whole and about half as much (-55%) as those who fish while on their trip. These findings highlight the importance of the American fishing market in the region (as noted in the section on *activities*, about half of all fishers on overnight trips in Northern Ontario are Americans).

While positioned as a "high end" activity, the golfing market does not generate the level of spending found in Northern Ontario among fishers or those who participate in "any" outdoor activity. Golfers on overnight trips in Northern Ontario spend an average of \$52.00 per person per night or \$429.00 per trip. The relatively low yield of overnight trips that include *golfing* as an activity may be attributable to the low participation rate in this activity by foreign visitors. As noted in the *activities* section of this report, of the 251,000 overnight trips in Northern Ontario that include golfing as an activity, 231,000 or 92 percent are comparatively *low spending* Canadians.

Average Visitor Spending in Northern Ontario – By Outdoor Activities on Trip in 2002	
	All Markets
Overnight Trips – Any Outdoor Activities	
Per Person Per Night	\$60
Per Trip*	\$502
Overnight Trips – Any Fishing	
Per Person Per Night	\$68
Per Trip*	\$747
Overnight Trips – Any Other Outdoor Activities	
Per Person Per Night	\$51
Per Trip*	\$336
Overnight Trips – Any Golfing**	
Per Person Per Night	\$52
Per Trip*	\$429

Source: CTS/ITS Tabulations 2002, Table 11. Figures are rounded to nearest dollar. Averages exclude inbound Canadian carrier fares to enter Canada (for USA/Overseas). *All members of household/travel party for all nights spent in Northern Ontario. **Included in "Any Outdoor Activities" and "Any Other Outdoor Activities".

C. Economic Impact of Visitor Spending

The economic impact estimates provided in this section reflect spending by visitors who took a same-day trip *to* or spent nights *in* Northern Ontario ("Visitor Spending"). As such, the estimates do *not* include spending by residents of Northern Ontario to leave the area for other destinations (e.g., they exclude Canadian carrier fares purchased by residents of Northern Ontario to travel to other destinations²⁶). The estimates provided here are the most appropriate ones to use when assessing the results of marketing and promotional efforts and the appeal of tourism products and experiences in Northern Ontario.

The \$1.8 billion spent by visitors in Northern Ontario ripples through the local and provincial economy, generating economic activity including contributions to Gross Domestic Product (GDP); jobs in tourism-related sectors such as accommodation, transportation, food services and in other sectors such as manufacturing and agriculture; and taxes.

In some regions, the amount of economic activity *within* the region is on par with or smaller than visitor spending. Northern Ontario is one of these regions. This situation occurs when a sizeable proportion of the economic activity required to create the goods and services consumed by tourists occurs outside the community. For example, a high proportion of the food prepared in restaurants *in* Northern Ontario is grown *outside* the region. Consequently, much of the economic activity associated with restaurant meals purchased by tourists takes place outside Northern Ontario. Similarly, materials required to build hotels, motels and other lodging establishments are created *outside* Northern Ontario and generate economic activity in communities where the materials are *produced*.

MTR's glossary of terms to be used in conjunction with outputs from its tourism economic impact model is appended and referenced throughout the following pages.

Gross Domestic Product (GDP)

Gross Domestic Product (GDP) is *the value of goods and services produced by labour and capital located within a region*.²⁷ This definition explains why GDP retained by Northern Ontario is *smaller* than the total amount of spending done by visitors to the area – many of the goods and services produced to serve tourists in Northern Ontario are produced *outside* the region. These other locations, be they in Ontario, other parts of Canada or other countries, benefit from some of the spending done by tourists in Northern Ontario because they are where the goods and services are produced.

Thus, even though visitors spent approximately \$1.8 billion on tourism goods and services *in* Northern Ontario, once *imports* from other locations in Ontario, other parts of Canada and other countries are taken into account, tourism spending in Northern Ontario generated only about \$875.5 million in direct economic activity (GDP) and an additional \$348.1 million in indirect and induced GDP, for a total of \$1.2 billion in GDP retained by the North. Other parts of Ontario benefited from about \$384.2 million in GDP (direct, indirect, induced) from visitor spending in Northern Ontario.

²⁶ Also excluded are Canadian carrier fares to enter or leave Canada that might be assigned to Northern Ontario for U.S.A. or Overseas visitors with no visits in Northern Ontario.

²⁷ See MTR's glossary, appended.

When combined, the *province-wide* contribution of tourism in Northern Ontario to Ontario's GDP reached \$1.6 billion in 2002:

	Retained In Northern Ontario (A)	Retained In Other Parts of Ontario (B)	Total Contribution to Ontario's GDP (A + B)
Direct	\$875,480,000	\$79,660,000	\$955,140,000
Indirect	\$135,380,000	\$140,570,000	\$275,950,000
Induced	\$212,670,000	\$163,960,000	\$376,630,000
Total Gross Domestic Product (GDP)	\$1,223,540,000	\$384,180,000	\$1,607,720,000

Jobs, Wages and Salaries

Over 18,400 direct **jobs** and an additional 4,513 indirect and induced jobs in Northern Ontario were generated as a result of visitor spending. These jobs include part and full time positions on both annual and seasonal bases.²⁸ Additional employment in the *province* was generated because of tourism in Northern Ontario, bringing the total number of direct, indirect and induced jobs to about 28,431 province-wide (including the jobs generated in Northern Ontario). Thus, of all the jobs created because of tourism in Northern Ontario, the region retained over 8-in-10 (81%).²⁹ In turn, the 28,431 jobs generated \$885.3 million in **wages and salaries** province-wide, with three-quarters of this amount retained by Northern Ontario (\$644.1 million direct, indirect and induced).

Taxes

All levels of government benefited from tourism spending in Northern Ontario. This spending generated \$762.7 million in government **taxes** (direct, indirect, and induced) province-wide. These taxes included \$633.7 million that were retained in the region (83%), divided among federal (\$324.1 million), provincial (\$271.7 million) and municipal governments (\$37.9 million).

²⁸ See MTR's glossary, appended.

²⁹ Estimates of jobs produced by the economic impact model use the same definition as is used in Statistics Canada's Labour Force Survey (LFS). Thus, jobs generated by the model include part-time, full-time and seasonal jobs. They also include paid employees and unpaid family employees.

Economic Impact of Visitor Spending in Northern Ontario, 2002			
	Economic Benefits Retained in Northern Ontario	Total Benefits Across Ontario (Including Portion Retained by Northern Ontario)	Proportion of Total Ontario Benefits Retained in Northern Ontario
Visitor Spending	\$1,772,591,000	\$1,772,591,000	
Gross Domestic Product (GDP)	\$1,223,540,000	\$1,607,720,000	76%
Direct	\$875,480,000	\$955,140,000	92%
Indirect	\$135,380,000	\$275,950,000	49%
Induced	\$212,670,000	\$376,630,000	56%
Wages & Salaries (Labour Income)	\$644,130,000	\$885,290,000	73%
Direct	\$441,830,000	\$496,000,000	89%
Indirect	\$82,940,000	\$171,430,000	48%
Induced	\$119,360,000	\$217,860,000	55%
Employment (Jobs)	22,925	28,431	81%
Direct	18,411	19,776	93%
Indirect	1,829	3,755	49%
Induced	2,685	4,901	55%
Total Tax Revenue	\$633,700,000	\$762,700,000	83%
Direct	\$486,600,000	\$510,100,000	95%
Indirect	\$41,500,000	\$83,900,000	49%
Induced	\$105,600,000	\$168,800,000	63%
Federal Government Taxes	\$324,100,000	\$398,700,000	81%
Provincial Government Taxes	\$271,700,000	\$310,400,000	88%
Municipal Government Taxes	\$37,900,000	\$53,600,000	71%

Source: MTR's Tourism Regional Economic Impact Model. Estimates are considered preliminary and subject to change due to further revision. Estimates of jobs produced by the economic impact model use the same definition as is used in Statistics Canada's Labour Force Survey (LFS). Thus, jobs generated by the model include part-time, full-time and seasonal jobs. They also include paid employees and unpaid family employees.

D. Employment by Sector in Northern Ontario

Statistics Canada's Labour Force Survey (LFS) provides estimates of jobs throughout the economy. The principles for determining the *shares* of jobs in each sector that are "touristic" in whole or in part are established by economists and national accountants. These principles are applied in Ontario's economic impact model.

Using information for two of Ontario's economic regions that largely correspond to the geographic area included in *Northern Ontario*, the LFS data for 2002 suggests that there were 370,000 jobs in all sectors of the economy in Northern Ontario.³⁰ Of these jobs, 1-in-20 (5%) or 18,400 represented employment as a result of tourism in the region.³¹ A *tourism job* in a sector such as retail or agriculture represents the jobs (or portions of jobs) in the respective sector that are required to produce the goods and services used by tourists. A comparatively small fraction of retail jobs or agriculture jobs in Northern Ontario would be deemed *attributable to tourism* and, not surprisingly, a considerably larger proportion of jobs in the transportation and accommodation sectors are directly associated with spending by tourists.

Employment in Northern Ontario, All Industries, 2002		
All Industries, Total Jobs 2002	370,000	
Tourism Related/Attributable Jobs	18,400	5%
11-Agriculture, Forestry, Commercial Fishing and Hunting* **	9,140	2%
21-Mining and Oil and Gas Extraction**	16,400	4%
22-Utilities	2,700	1%
23-Construction	23,600	6%
31-33 Manufacturing*	40,900	11%
41-Wholesale Trade*	7,700	2%
44-45 Retail Trade*	49,400	13%
48-49 Transportation and Warehousing*	19,700	5%
51-Information and Cultural Industries*	6,950	2%
52-Finance and Insurance*	8,400	2%
53-Real Estate Rental and Leasing	3,500	1%
54-Professional Scientific and Technical Services	13,000	4%
56-Administrative and Support	11,900	3%
61-Educational Services	28,200	8%
62-Health Care and Social Assistance	48,200	13%
71-Arts Entertainment and Recreation*	4,900	1%
72-Accommodation and Food Services*	15,900	4%
81-Other Services (except Public Admin)	18,260	5%
91-Public Administration*	20,570	6%

Source: MTR using Labour Force Survey data for Economic Divisions 590 and 595 (includes Algonquin Park/S. Algonquin Township) NAICs 2,3,4 digit codes. Monthly jobs for the year 2002; Program A080208B. Jobs shown here correspond to "direct" jobs in the economic impact assessment. *Excludes portion attributable to tourism. **The estimates for mining and forestry do *not* include manufacturing jobs associated with these industries.

³⁰ These estimates include all of LFS Economic Regions 595 and 590. For the most part, the boundaries of these Economic Regions are coincident with *Northern Ontario*, although they include all of Nipissing District (CD 48). It is not possible to obtain job estimates from Statistics Canada for "portions" of the standard Economic Regions.

³¹MTR extracts the portion of jobs attributable to tourism from the industry groups listed to create the "tourism related/attribution jobs". The LFS estimate for tourism jobs in Northern Ontario is the same number shown in the previous section as "direct jobs".

VI. NORTHERN ONTARIO'S THREE TOURISM REGIONS

A. Changes in Northern Ontario's Three Tourism Regions, 2001 – 2003

Just as this report was being finalized, information became available for the 2003 calendar year. As a consequence, some key estimates of changes from 2001 to 2003 are available for each of the Tourism Regions that constitute Northern Ontario – North West, North Central, and North East. At 4.9 million, the North East Region continues to attract the largest number of visitors (same-day and overnight), followed by North West at 3.2 million visitors and North Central at 2.8 million in 2003. These estimates represent comparatively modest declines over 2002 for North West (-2%) and North East (-3%) but an appreciably higher loss in North Central (-10%) relative to 2002.

Overnight visitation remained stable between 2002 and 2003 in North West at about 1.8 million visitors, but declined by 9 percent in North East (from 2.6 million in 2002 to 2.4 million in 2003) and by about 15 percent in North Central (from 2.0 million in 2002 to 1.7 million in 2003).

The particularly substantive declines in overnight tourism in North Central between 2002 and 2003 likely explains the major declines in visitor spending (-15%) and person nights (-19%) in this region between the two years. North East also experienced a double-digit decline in visitor spending between 2002 and 2003, again likely explained by the decline in overnight tourism. In contrast, visitor spending increased by eight percent over the two years in North West, from \$601.9 million to \$652.2 million.³²

Changes in Tourism Volume and Spending in Northern Ontario's Three Tourism Regions 2001 to 2003			
	North West (TR 12)	North Central (TR10)	North East (TR11)
All Person Visits			
2003	3,158,000	2,756,000	4,899,000
2002	3,212,739	3,048,835	5,027,771
2001	2,936,421	2,666,552	4,724,700
% Change 2002 to 2003	-2%	-10%	-3%
% Change 2001 to 2003	8%	3%	4%
Overnight Person Visits			
2003	1,814,000	1,727,000	2,416,000
2002	1,811,815	2,040,935	2,644,523
2001	1,793,190	1,546,369	2,428,561
% Change 2002 to 2003	0.1%	-15%	-9%
% Change 2001 to 2003	1%	12%	-1%
Visitor Spending			
2003	\$ 652,191,000	\$ 320,095,000	\$ 687,356,000
2002	\$ 601,855,654	\$ 374,863,492	\$ 769,093,642
2001	\$ 543,700,000	\$ 272,054,000	\$ 537,649,000
% Change 2002 to 2003	8%	-15%	-11%
% Change 2001 to 2003	20%	18%	28%
Person Nights			
2003	7,818,000	5,701,000	8,401,000
2002	7,739,524	7,012,944	8,675,731
2001	7,331,000	4,897,000	7,724,000
% Change 2002 to 2003	1%	-19%	-3%
% Change 2001 to 2003	7%	16%	9%

Source: CTS/ITS 2001, 2002, 2003.

³² Appended to this report are additional summary tables that describe shifts over time by flow (domestic, U.S.A., and overseas).

B. Overview of Visitor Volume and Spending in Northern Ontario's Tourism Regions in 2002

In 2002, visitor volume and spending was distributed throughout the three Tourism Regions that constitute Northern Ontario – North West, North Central, and North East. Appreciably more visitors were attracted to the North East on same-day (50%) and overnight visits (42%) than went to either North West or North Central. The North East region attracted almost 2.4 million same-day excursionists and about 2.6 million overnight visitors, compared to about 1.4 million same-day and 1.8 million overnight visitors in North West. More overnight tourists went to North Central (2 million) than to North West, but the western area attracted somewhat more same-day excursionists (1.4 million) than did the central northern region (1 million).

Visitor Volumes in Northern Ontario – By Region Visited in 2002				
	Same-day Visits		Overnight Visits	
Total Person Visits	4,775,000		6,261,000	
North West	1,400,000	29%	1,812,000	29%
North Central	1,004,000	21%	2,041,000	33%
North East	2,371,000	50%	2,645,000	42%

Source: CTS/ITS Tabulations 2002 (2-1, 3-1 Harmonized). Note: the sum of proportions may not add to 100 percent because of visits by the same traveller to different sub-regional destinations.

Because it attracts more visitors, it is not surprising that the North East Tourism Region attracted a higher proportion of visitor spending from all same-day excursionists in Northern Ontario (53%) and from overnight visitors in the region (41%) than did either of the two other Tourism Regions in Northern Ontario (see following table for figures).

Visitor Spending in Northern Ontario – By Region Visited in 2002				
	Same-day Visits		Overnight Visits	
Total Visitor Spending	\$279,860,000		\$1,492,731,000	
North West	\$61,349,000	22%	\$540,506,000	36%
North Central	\$59,572,000	21%	\$315,216,000	21%
North East	\$149,290,000	53%	\$619,411,000	41%

Source: CTS/ITS Tabulations 2002 (13-1 Harmonized). Note: the sum of proportions may not add to 100 percent because of visits by the same traveller to different sub-regional destinations and/or rounding.

Average visitor spending varies from region to region, with North Central (\$59.00) and North East (\$63.00) capturing higher per person spending for same-day trips than North West (\$44.00) but North West and North East garnering higher spending on overnight trips than North Central.

Because of the infusion of American tourists in North West, average spending on an overnight trip (\$609.00) and per-person-per-night spending (\$73.00) are noticeably higher in 2002 than is the case for either of the other regions that constitute Northern Ontario.

Average Visitor Spending in Northern Ontario's Tourism Regions				
	Same-day Visits		Overnight Visits	
	Average Per Person		Average Per Person Per Night	Average Per Trip
North West	\$44		\$73	\$609
North Central	\$59		\$47	\$283
North East	\$63		\$70	\$397

Source: CTS/ITS Tabulations 2002 (11-1 Harmonized). Average spending is calculated independently for each Tourism Region. These figures cannot be combined to obtain averages for Northern Ontario as a single geographic entity. Averages for same-day trips are calculated from person trip and visitor spending data.

C. Place of Residence of Overnight Visitors to Northern Ontario's Tourism Regions

Geography has a great deal to do with where each of the Northern Ontario's Tourism Regions attracts its overnight visitors. For example, the North West Tourism Region attracts about one-third of its overnight visitors from the U.S.A. In contrast, North Central attracts only one-twentieth and North East attracts close to one-fifth of its 2002 overnight tourists from American states.

The North West and North East Tourism Regions are especially apt to attract overnight visitors from urban centres contained within the respective region or from locations contiguous to it. Toronto is also a key feeder market for the North East Tourism Region.

North West

- Thunder Bay (CMA) (246,000),
- Manitoba (339,000), with the majority coming from Winnipeg CMA (255,000),
- Minnesota (173,000), and
- Wisconsin (106,000).

North East

- Sudbury CMA (351,000),
- Toronto CMA (323,000), and
- Michigan (189,000).

North Central draws 9-in-10 of its overnight visitors from within the province, including 737,000 from the Toronto CMA and 393,000 from the contiguous "Central Ontario" Tourism Region.

Because it borders Manitoba and several U.S. states, North West Tourism Region has the greatest propensity to attract overnight visitors from locations outside Ontario. In this region, three-in-five overnight visitors come from outside Ontario (60%) compared to 1-in-10 in North Central (10%) and about one-in-four in North East (24%).

Overnight Visitor Volumes in Northern Ontario Tourism Regions – By Origin in 2002						
	North West (TR 12)		North Central (TR10)		North East (TR11)	
Total Overnight Person Visits	1,812,000		2,041,000		2,645,000	
	#	%	#	%	#	%
Ontario	731,000	40%	1,835,000	90%	1,996,000	76%
Toronto CMA	61,000	3%	737,000	36%	323,000	12%
Other Canada	447,000	25%	74,000	4%	133,000	5%
USA	620,000	34%	111,000	5%	485,000	18%
Total Border States	399,000	22%	71,000	4%	357,000	14%
Michigan	32,000	2%	21,000	1%	189,000	7%
Minnesota	173,000	10%	10,000	1%	32,000	1%
Wisconsin	106,000	6%	4,000	*	31,000	1%
Ohio	10,000	1%	12,000	1%	59,000	2%
New York	18,000	1%	14,000	1%	20,000	1%
Illinois	59,000	3%	2,000	*	16,000	1%
Overseas	14,000	1%	21,000	1%	31,000	1%

Source: CTS/ITS Tabulations 2002 (harmonized 1-10/18). Note: the sum of various origins may not add to total Northern Ontario because of visits by the same traveller to different sub-regional destinations. *Less than 500 visitors/less than 0.5%.

D. Length of Overnight Trip in Northern Ontario's Tourism Regions

Close to half of the overnight tourists in each of Northern Ontario's Tourism Regions spent one or two nights in the region. Longer stays are most common in North West, with about one-quarter of overnight visitors spending at least six nights in the region. The prevalence of these longer stays in North West explains why the average length of stay in this region is a full night *longer* (4.3 nights) than is the case in North Central (3.4) or North East (3.3).

Length of Stay in Northern Ontario Regions in 2002 (Overnight Trips)			
	North West (TR 12)	North Central (TR10)	North East (TR11)
Total Overnight Person Visits	1,812,000	2,041,000	2,645,000
One night	20%	23%	28%
Two nights	28%	33%	27%
Three nights	13%	18%	19%
Four nights	8%	7%	7%
Five nights	6%	6%	5%
Six – nine nights	21%	9%	12%
Ten nights or more	5%	4%	4%
Average number of nights in region	4.3	3.4	3.3

Source: CTS/ITS Tabulations 2002 (Harmonized Table 7).

E. Season of Visits in Northern Ontario's Tourism Regions

Close to half of the overnight tourists in each of Northern Ontario's Tourism Regions come between July and September and about one-quarter come in the spring shoulder season (April through June). The travel patterns for overnight tourism in each of the regions is quite similar, although North East is somewhat more successful than is either North West or North Central in attracting overnight tourism between October and December.

Same-day tourism in each the Tourism Regions is more evenly spread throughout the year than is overnight tourism. Nonetheless, about one-third of the same-day visitors who go to North West or North East do so in the "summer peak" season (July through September).

Season of Visit – Overnight Visitors to Northern Ontario Regions in 2002			
	North West (TR 12)	North Central (TR10)	North East (TR11)
Total Same-day Person Visits	1,400,000	1,004,000	2,371,000
Jan – Mar	21%	24%	20%
Apr – Jun	21%	28%	24%
Jul – Sep	33%	26%	31%
Oct – Dec	25%	22%	25%
Total Overnight Person Visits	1,812,000	2,041,000	2,645,000
Jan – Mar	12%	11%	12%
Apr – Jun	27%	28%	24%
Jul – Sep	49%	47%	45%
Oct – Dec	12%	14%	19%

Source: CTS/ITS Tabulations 2002 (Harmonized Table 8).

F. Main Purpose of Trip for Visits in Northern Ontario's Tourism Regions

Each of Northern Ontario's Tourism Regions attracts more visitors on *pleasure* trips than those travelling to visit friends and relatives (VFR), business or for other purposes. Among overnight tourists to the North West Tourism Region, two-in-three claim to be on a trip motivated by pleasure and one-in-five are on a trip to visit friends and relatives. The proportion of *pleasure* tourists declines in North Central and North East when compared to North West, reaching about half of the overnight tourists in each of these regions. Approximately one-in-three of overnight visitors in the North Central and North East Tourism Regions are travelling in order to visit with friends and family.

About half of the many same-day visits to North West and North East Tourism Regions are also made for pleasure, but the proportion drops to about one-third in North Central. Approximately one-fifth of each of the region's same-day visitors are on trips to see friends and family, but many are also made to accomplish personal business or for other non-business and non-pleasure reasons.

Main Purpose of Visit – Visitors to Northern Ontario Regions in 2002			
	North West (TR 12)	North Central (TR10)	North East (TR11)
Total Same-Day Person Visits	1,401,000	1,008,000	2,382,000
Pleasure	48%	37%	52%
Friends/relatives (VFR)	20%	20%	17%
Business	7%	10%	7%
All other purposes	25%	33%	24%
Total Overnight Person Visits	1,812,000	2,041,000	2,645,000
Pleasure	65%	54%	52%
Friends/relatives (VFR)	20%	36%	31%
Business	7%	3%	9%
All other purposes	8%	7%	8%

Source: CTS/ITS Tabulations 2002 (Harmonized Table 5).

G. Nights and Lodging in Northern Ontario's Tourism Regions

Of the 23.4 million person nights spent in Northern Ontario in 2002, 7.7 million or one-third (33%) were spent in North West, slightly fewer were spent in North Central (7 million or 30%) and somewhat more were spent in the North East Tourism Region (8.7 million or 37%).

- Relative to the other Tourism Regions in Northern Ontario, North Central attracts the highest proportion of nights spent in private homes or private cottages (60%) and the lowest proportion of nights spent in either campgrounds (8%) or commercial roofed lodgings (29%).
- Close to three million person nights were spent in paid roofed lodging in North West (2.8 million) and North East (3 million) over the course of the year, compared to just over two million person nights in these types of lodgings in North Central (2.1 million).

Campgrounds and trailer facilities seem to be particularly popular in the North East region, accounting for 1.3 million or 16 percent of all the person nights spent in this region over the year. Close to one million *camping nights* were spent in North West during 2002 (12% of all nights spent in the region). Appreciably fewer camping nights were spent in North Central during 2002 (590,000).

Lodging in Northern Ontario – Person Nights in Northern Ontario Regions in 2002				
	Total	North West (TR 12)	North Central (TR10)	North East (TR11)
Total Person Nights	23,428,000	7,739,524	7,012,944	8,675,731
Roofed Commercial Lodging	7,824,793	2,814,415	2,050,613	2,959,765
Campgrounds/Trailers	2,888,995	960,039	586,654	1,342,302
Private (Cottages/Homes)	11,197,891	3,005,446	4,170,268	4,022,177
Other/Unknown	1,516,521	959,624	205,409	351,487

Source: CTS/ITS Tabulations 2002. Table 6.

H. Activities on Trips Among Overnight Visitors to Northern Ontario's Tourism Regions

By and large, overnight visitors to each of Ontario's three northern Tourism Regions have similar activity profiles, although there are some noteworthy differences from region to region. These differences likely reflect the relative importance of the American overnight market vis à vis Ontario residents travelling in each region. For example, American overnight visitors to Northern Ontario are especially likely to go fishing on their trip and the North West attracts an especially high proportion of American visitors. Consequently, it is not surprising that a higher proportion of North West's overnight visitors go fishing on their trip (36%) than is the case in North Central (20%) or North East (16%).

Visiting friends and relatives is a particularly prominent activity among overnight visitors to North Central (67%) relative to North East (54%) and North West (46%), again likely reflecting the importance of the American/Canadian mix in each region's visitor pool. Americans are much less likely than are Canadians to have friends and relatives to visit in Northern Ontario. Thus, the Northern region with the highest proportion of American overnight visitors – North West – is likely to have the lowest incidence of visits with family and friends as a trip activity.

Activities on Trip – Overnight Visitors to Northern Ontario Regions in 2002			
	North West (TR 12)	North Central (TR10)	North East (TR11)
Total Overnight Person Visits	1,812,000	2,041,000	2,645,000
General/Entertainment Activities			
Visit friends or relatives	46%	67%	54%
Go shopping	40%	36%	39%
Go sightseeing	33%	30%	41%
Go to a bar or night club	14%	16%	14%
Go to a casino	4%	3%	8%
Attend a sports event	5%	4%	6%
Visit a zoo, aquarium or botanical garden	3%	3%	4%
Visit a theme or amusement	3%	1%	3%
Cultural Activities			
Visit a historic site	15%	7%	17%
Visit a museum or art gallery	6%	6%	10%
Attend a festival/fair	6%	10%	5%
Attend a cultural performance	5%	3%	5%
Outdoor Activities/Parks			
Visit a national or provincial nature park	18%	13%	18%
Participate in sports or outdoor activities (any)	62%	58%	43%
Fishing	36%	20%	16%
Boating	22%	30%	18%
Golfing	3%	5%	4%
Hunting	2%	1%	2%
Downhill skiing/snowboarding	*	2%	1%

Source: CTS/ITS Tabulations 2002 (Harmonized Table 4). *Less than 0.5%.

VII. TOURISM ESTABLISHMENTS IN NORTHERN ONTARIO – 2002

According to Statistics Canada's Business Pattern estimates, Northern Ontario supports almost 12,700 businesses associated with tourism. These establishments represent about nine percent of the 146,700 tourism related establishments in the province.³³

Within Northern Ontario, there are over 1,600 **accommodation** establishments including over 200 hotels, 100 resorts, almost 350 motels/motor hotels and close to 250 housekeeping cottages and cabins.

Of the almost 800 **arts, entertainment and recreation** establishments in the North, over 90 are marinas, over 80 are golf courses and/or country clubs, 40 are museums, and close to 30 are skiing facilities.

Tourism Establishments in Northern Ontario - 2002			
	Number of Establishments in Northern Ontario	% of Establishments in Northern Ontario	% of Establishments in Ontario
Total	12,696		146,689
Accommodation	1,627	13%	1%
Hotels	203	2%	*
Motels/Motor Hotels	348	3%	*
Resorts	100	1%	*
Bed And Breakfast	31	*	*
Housekeeping Cottages And Cabins	241	2%	*
All Other Traveller Accommodation	35	*	*
Arts, Entertainment & Recreation	799	6%	1%
Museums	40	*	*
Historic and Heritage Sites/Other Heritage Institutions	10	*	*
Marinas	93	1%	*
Golf Courses and Country Clubs	82	1%	*
Skiing Facilities	29	*	*
Fitness and Recreational Sports Centres	108	1%	*
Bowling Centres	50	*	*
Food & Beverage	2,195	17%	2%
Transportation	439	3%	*
Travel Services	104	1%	*
Retail	4,921	39%	3%
Other Services	1,653	13%	1%

Source: MTR's Web Profiles, from STC's Canadian Business Patterns. Included are those businesses that meet at least one of the following criteria: (1) Have an employee force for which they submit payroll remittance to CCRA, or (2) Have a minimum of \$30,000 in annual sales revenue, or (3) Are incorporated under a federal or provincial act and have filed a federal corporate income tax form within the last three years. *Less than 0.5%.

Establishments that serve **food and beverages** to tourists represent about one-sixth of all tourism businesses in Northern Ontario or almost 2,200 food and beverage outlets. Retail businesses represent about twice the number of food/beverage establishments. At almost 5,000 establishments, the **retail** segment is the largest business segment serving tourists in the North. Of course, these food and beverage establishments and stores also provide their goods and services to the local population. Similarly, only a portion of the business done by marinas, museums and each other business sector is devoted to meeting the needs of tourists in Northern Ontario.

³³ The complete list of businesses associated with tourism in Northern Ontario is appended.

A wide array of **transportation** businesses operate in Northern Ontario, including almost 170 taxi businesses, about 60 car rental companies and almost 90 non-scheduled chartered airline companies. There are also almost 70 **travel agencies** and about 20 **tour operators** in the region (included in travel services).

VIII. TOURISM IN “NORTH 2”

A. Introduction

As noted in the introduction to this report, some stakeholders require a broader definition of Northern Ontario for marketing and product development purposes. This constructed “North 2” includes all the Census Divisions included in North 1 as well as Muskoka District Municipality (CD44) and the portion of Nipissing District (CD48) that includes Algonquin Park and South Algonquin Township (these latter areas are not included in North Central Ontario Tourism Region and are, therefore, excluded from *Northern Ontario* [North 1]).

Throughout the following pages, the terms *Algonquin Park* and *Algonquin Park area* refer to the park itself and South Algonquin Township as a single geographic entity.

It is recommended that this chapter on key tourism estimates for North 2 be used for **internal purposes only** in order to reduce potential confusion in the market place that might be caused by producing two different estimates for what might appear to be the same phenomenon: tourism in Northern Ontario.

B. Volume of Same-day and Overnight Person Visits in North 2

By increasing the geographic boundaries of Northern Ontario (North 1) to include Muskoka and Algonquin Park, the volume of same-day visitors from all markets grows from 4.8 million to 5.5 million, or an increase of 15%.³⁴ Overnight visitors increase at more than double this rate, from 6.3 million in North 1 to almost 8.3 million in North 2 (+32%).

Volume of Person Visits in Northern Ontario (North 1) and North 2 – Same-day and Overnight (2002)

	Northern Ontario (North 1)		North 2	
Total Person Visits	11,036,000		13,772,000	
Same-Day	4,775,000	43%	5,507,000	40%
Overnight	6,261,000	57%	8,265,000	60%

Source: CTS/ITS Tabulations 2002

When the boundaries of Northern Ontario are expanded, Muskoka District adds about 1.9 million overnight person visits to the region and the Algonquin Park area attracts about 181,000 overnight visitors over the year. The additional destination areas included in North 2 represent approximately one-quarter of all overnight tourism in North 2 (25%), putting this area about on par with North Central (25%) and North West (22%), but behind North East (32%) in this more broadly defined "North" (North 2).

Overnight Visitor Volumes in Northern Ontario (North 1) and North 2 – By Region Visited in 2002

	Northern Ontario (North 1)		North 2	
Overnight Person Visits	6,261,000		8,265,000	
North West	1,812,000	29%	1,812,000	22%
North Central*	2,041,000	33%	2,041,000	25%
North East	2,645,000	42%	2,645,000	32%
Algonquin Park/South Algonquin Township	N/A	N/A	181,000	2%
Muskoka District	N/A	N/A	1,865,000	23%

Source: CTS/ITS Tabulations 2002 (2-1, 3-1 Harmonized). Note: the sum of proportions may not add to 100% because of visits by the same traveller to different sub-regional destinations. *Excluding Algonquin Park/South Algonquin Township.

³⁴ The addition of Algonquin Park and South Algonquin Township has a minimal impact on total same-day visits to North 2 relative to North 1 (+39,000). In contrast, the addition of Muskoka District to North 2 increases same-day visits in the expanded North by 696,000.

C. Visitor Spending in North 2

By increasing the geographic boundaries of Northern Ontario (North 1) to include Muskoka and the Algonquin Park area, the volume of same-day visitor spending from all markets grows from about \$279.9 million to \$305.4 million, or an increase of 9%. Overnight visitor spending increases at more than double this rate, from \$1.5 billion in North 1 to just over \$1.8 billion in North 2 (+22%).

The increase in overnight visitor spending (+22%) falls well below the increase in overnight *visitors* at 32 percent (see previous section) because much of the additional overnight tourism activity in the broader Northern Ontario area (North 2) is private cottage-based. Since private cottagers do not tend to pay for accommodation or purchase as many restaurant meals as do overnight visitors who stay in paid accommodation, they do not contribute spending to the region at a rate commensurate with their volumes.

Visitor Spending in Northern Ontario (North 1) and North 2 – Same-day and Overnight (2002)

	Northern Ontario (North 1)		North 2	
Total Visitor Spending	\$1,772,591,000		\$2,120,283,000	
Same-Day	\$279,859,800	16%	\$305,397,000	14%
Overnight	\$1,492,731,000	84%	\$1,814,886,000	86%

Source: CTS/ITS Tabulations 2002

Muskoka District adds about \$284.8 million in overnight visitor spending to the region. The Algonquin Park area attracts about \$36.9 million in visitor spending over the year. The additional destination areas included in North 2 represent approximately 18 percent of all overnight tourism spending in North 2, putting this area about on par with North Central (17%) but well behind North West (30%) and North East (34%) as contributors to overnight visitor spending in the more broadly defined "North" (North 2).

Overnight Visitor Volumes in Northern Ontario (North 1) and North 2 – By Region Visited in 2002

	Northern Ontario (North 1)		North 2	
Overnight Visitor Spending	\$1,492,731,000		\$1,814,886,000	
North West	\$540,506,000	36%	\$540,506,000	30%
North Central*	\$315,216,000	21%	\$315,216,000	17%
North East	\$619,411,000	41%	\$619,411,000	34%
Algonquin Park/South Algonquin Township	N/A	N/A	\$36,851,000	2%
Muskoka District	N/A	N/A	\$284,769,000	16%

Source: CTS/ITS Tabulations 2002 (2-1, 3-1 Harmonized). Note: the sum of proportions may not add to 100 percent because of visits by the same traveller to different sub-regional destinations. The sum of sub-regions will not equal the total for Northern Ontario or North 2 because of algorithms used to assign spending to origin versus locations visited. *Excluding Algonquin Park/South Algonquin Township.

D. Place of Residence of Overnight Visitors in North 2

By increasing the geographic boundaries of Northern Ontario (North 1) to include Muskoka and the Algonquin Park area, the proportions of same-day and overnight visitors from domestic markets increases marginally at the expense of the U.S.A. market.

- Same-day visits shift from 74 percent made by tourists in the **domestic** market for Northern Ontario (North1) to 77 percent for North 2;
- The proportion of **American** same-day excursionists declines from 25 percent in Northern Ontario (North 1) to 22 percent in North 2.
- Similarly, 19 percent of all overnight visitors in Northern Ontario (North 1) are **Americans** but this proportion declines to 15 percent once Muskoka and the Algonquin Park area are included in the region. This shift is explained, at least in part, by the fact that the Muskoka/Algonquin area attracts high volumes of domestic *cottagers*.

Visitors in Northern Ontario (North 1) and North 2 – Same-day and Overnight by Origin in 2002

Person Visits	Northern Ontario (North 1)		North 2	
	Same-Day	Overnight	Same-Day	Overnight
Total	4,775,000	6,261,000	5,507,000	8,265,000
Domestic	3,550,000	5,033,000	4,264,000	6,894,000
USA	1,213,000	1,170,000	1,223,000	1,274,000
Overseas	13,000	58,000	20,000	97,000
Percent by Origin				
Domestic	74%	80%	77%	83%
USA	25%	19%	22%	15%
Overseas	*	1%	*	1%

Source: CTS/ITS Tabulations 2002. Figures may not add to total or 100 percent because of rounding. *Less than 0.5%.

The primary reason for changes in key origin markets for overnight visitors to North 2 relative to Northern Ontario (North 1) is the proximity each portion of the larger region has to the U.S.A./ Canada border. Like the North Central Tourism Region, the additional area captured in "North 2" is *not* contiguous with the U.S.A. border. Consequently, only 1-in-20 overnight visitors in North Central and Algonquin/Muskoka are Americans (5%, each). In contrast, the North West Tourism Region shares a common border with Minnesota and Wisconsin, bringing its total overnight share for Americans to 34 percent. Similarly, North East Tourism Region shares a common border with Michigan, bringing its share of overnight tourists from the U.S.A. to 18 percent.

Overnight Visitor Volumes in Northern Ontario Tourism Regions – By Origin in 2002								
	North West (TR 12)		North Central (TR10)		North East (TR11)		Algonquin Park/South Algonquin Township/ Muskoka District	
Total Overnight Person Visits	1,812,000		2,041,000		2,645,000		2,039,000	
PLACE OF RESIDENCE	#	%	#	%	#	%	#	%
Ontario	731,000	40%	1,835,000	90%	1,996,000	76%	1,845,000	91%
Toronto CMA	61,000	3%	737,000	36%	323,000	12%	1,091,000	54%
Other Canada	447,000	25%	74,000	4%	133,000	5%	39,000	2%
USA	620,000	34%	111,000	5%	485,000	18%	109,000	5%
Total Border States	399,000	22%	71,000	4%	357,000	14%	56,000	3%
Michigan	32,000	2%	21,000	1%	189,000	7%	13,000	1%
Minnesota	173,000	10%	10,000	1%	32,000	1%	*	*
Wisconsin	106,000	6%	4,000	*	31,000	1%	*	*
Ohio	10,000	1%	12,000	1%	59,000	2%	12,000	1%
New York	18,000	1%	14,000	1%	20,000	1%	19,000	1%
Illinois	59,000	3%	2,000	*	16,000	1%	59,000	3%
Overseas	14,000	1%	21,000	1%	31,000	1%	46,000	2%

Source: CTS/ITS Tabulations 2002 (harmonized 1-10/18). Note: the sum of various origins may not add to total Northern Ontario because of visits by the same traveller to different sub-regional destinations. *Less than 500 visitors/less than 0.5%.

E. Season of Visits in North 2

Expanding the size of the northern region by adding Muskoka District and the Algonquin Park area has minimal impacts on the seasonality of same-day or overnight visits relative to *Northern Ontario* (North 1). The proportions of same-day visitors travelling in North 2 over each of the four calendar quarters are essentially identical to the seasonal patterns evident for Northern Ontario (North 1).

There is, however, a marginal increase in the concentration of *overnight* tourism in the third calendar quarter in the expanded North 2 (49%) relative to North 1 (46%). This shift is likely explained by the fact that the additional area – Muskoka/Algonquin – has a particularly high concentration of “summer” visitors. As evident from the figures presented below, traditional *cottage country* exhibits a substantive “summer” skew, with almost three-fifths of all overnight trips to Muskoka/Algonquin taking place in the third calendar quarter (57%).

Proportion of Overnight Person Visits from July to September:

- North West 49%
- North Central 47%
- North East 45%
- **Muskoka/Algonquin 57%**

Season of Person Visits in Northern Ontario (North 1) and North 2 – Same-day and Overnight (2002)

	Northern Ontario (North 1)	North 2
Total Same-day Person Visits	4,775,000	5,507,000
Jan – Mar	21%	20%
Apr – Jun	24%	24%
Jul – Sep	31%	33%
Oct – Dec	24%	24%
Total Overnight Person Visits	6,261,000	8,265,000
Jan – Mar	12%	12%
Apr – Jun	26%	25%
Jul – Sep	46%	49%
Oct – Dec	16%	15%

Source: CTS/ITS Tabulations 2002 Table 8

F. Main Purpose of Trips for Visits in North 2

An expansion of Northern Ontario from current boundaries to include Muskoka District and the Algonquin Park area has minimal impact on the main purpose of same-day excursions made in the region (North 2):

- about half of the same-day person visits in North 2 are made for *pleasure* purposes;
- one-fifth are made to *visit friends and relatives*, and
- one-quarter are made to conduct *personal business* or for some other non-business reason.

These proportions are essentially the same as those found in Northern Ontario (North 1).

There is, however, a noticeable increase in the proportion of overnight trips to North 2 that are motivated by *pleasure*. Without Muskoka and Algonquin Park, 56 percent of the overnight trips attracted by Northern Ontario (North 1) are made for *pleasure*. Once traditional *cottage country* and the Algonquin Park area are added to the "North", this proportion increases to 62 percent.

Main Purpose of Visits in Northern Ontario (North 1) and North 2 – Same-day and Overnight (2002)		
	Northern Ontario (North 1)	North 2
Total Same-day Person Visits	4,775,000	5,507,000
Pleasure	48%	49%
Friends/relatives (VFR)	19%	19%
Business	8%	7%
All other purposes	26%	25%
Total Overnight Person Visits	6,261,000	8,265,000
Pleasure	56%	62%
Friends/relatives (VFR)	30%	26%
Business	7%	6%
All other purposes	8%	7%

Source: CTS/ITS Tabulations 2002 Table 5

Of the four areas that comprise North 2, Muskoka/Algonquin (81%) followed by the North West Tourism Region (65%) are most apt to attract *pleasure* overnight tourists.

Proportion of Overnight Person Visits For Pleasure Purpose:

- **North West** **65%**
- North Central 54%
- North East 52%
- **Muskoka/Algonquin** **81%**

G. Nights and Lodging in North 2

By adding the traditional *cottage country* of Muskoka and the Algonquin Park area to Northern Ontario, the number of nights spent in North 2 increases by 29 percent, from 23.4 million to 30.3 million. The bulk of this growth is, not surprisingly, in the private cottage and private home segments.

The number of person nights spent in private dwellings³⁵ during 2002 increased by about 42 percent in Northern Ontario once Muskoka and the Algonquin Park area were included (from 11.2 million in Northern Ontario to almost 16 million in North 2).

Lodging in Northern Ontario (North 1) and North 2 – Person Nights (2002)				
	Northern Ontario (North 1)		North 2	
Total Person Nights	23,428,000		30,333,000	
Roofed Commercial Lodging	7,824,793	33%	9,117,000	30%
Campgrounds/Trailers	2,888,995	12%	3,579,000	12%
Private (Cottages/Homes)	11,197,891	48%	15,950,000	53%
Other/Unknown	1,516,521	6%	1,686,000	6%

Source: CTS/ITS Tabulations 2002

It is fairly easy to understand why *Muskoka* is referred to as “cottage country”. *Private* accommodation nights – nights spent in private cottages and private homes – increases by about 42 percent when Northern boundaries are expended to include Muskoka and the Algonquin Park area. In contrast, the number of nights spent in *commercial* lodging increases at a much lower rate, from 7.8 million person nights to 9.1 million person nights (+17%). In fact, Muskoka District and Algonquin Park represent only about one-in-seven of *all* person nights spent in commercial roofed lodging in this expanded region (14%).

Roofed Commercial Person Nights in Northern Ontario (North 1) and North 2 – By Region in 2002				
	Northern Ontario (North 1)		North 2	
Roofed Commercial Person Nights	7,824,793		9,117,000	
North West	2,814,415	36%	2,814,415	31%
North Central*	2,050,613	26%	2,050,613	22%
North East	2,959,765	38%	2,959,765	32%
Algonquin Park/South Algonquin Township	N/A	N/A	81,000	1%
Muskoka District	N/A	N/A	1,211,000	13%

Source: CTS/ITS Tabulations 2002 (2-1, 3-1 Harmonized). *Excluding Algonquin Park/South Algonquin Township.

As a major camping destination in Ontario, it is not surprising that when the Algonquin Park area is added to “the North”, the number of camping nights spent in the expanded area increases. The Park and adjacent township contribute about 350,000 person nights in campgrounds or trailer facilities to North 2. Camping in Muskoka District also adds about 341,000 camping nights to North 2. Thus, camping nights increase by about 24 percent, from 2.9 million in Northern Ontario (North 1) to 3.6 million in the expanded north (North 2).

³⁵ Private homes/private cottages.

Camping Person Nights in Northern Ontario (North 1) and North 2 – By Region in 2002				
	Northern Ontario (North 1)		North 2	
Camping Person Nights	2,888,995		3,579,000	
North West	960,039	33%	960,039	27%
North Central*	586,654	20%	586,654	16%
North East	1,342,302	46%	1,342,302	38%
Algonquin Park/South Algonquin Township	N/A	N/A	350,000	10%
Muskoka District	N/A	N/A	341,000	10%

Source: CTS/ITS Tabulations 2002 (2-1, 3-1 Harmonized). *Excluding Algonquin Park/South Algonquin Township.

Private Cottage/Home Person Nights in Northern Ontario (North 1) and North 2 – By Region in 2002				
	Northern Ontario (North 1)		North 2	
Private Cottage/Home Person Nights	11,197,891		15,950,000	
North West	3,005,446	27%	3,005,446	19%
North Central*	4,170,268	37%	4,170,268	26%
North East	4,022,177	36%	4,022,177	25%
Algonquin Park/South Algonquin Township	N/A	N/A	69,000	**
Muskoka District	N/A	N/A	4,684,000	29%

Source: CTS/ITS Tabulations 2002 (2-1, 3-1 Harmonized). *Excluding Algonquin Park/South Algonquin Township. Less than 0.5%.

H. Activities on Trip

There are no substantive differences in the activity profiles of same-day excursions or overnight trips when this information is examined within Northern Ontario (North 1) or in the expanded North 2 area. Visiting friends and relatives, engaging in an outdoor sport or activity, shopping and sightseeing are the most widely sought activities on trips that bring same-day excursionists and overnight visitors to locations in Northern Ontario (North 1) and in the expanded North 2.

Activities on Trips – By Length of Stay in Northern Ontario/ North 2 in 2002				
	Same-day Visits*		Overnight Visits	
	Northern Ontario (North 1)	North 2	Northern Ontario (North 1)	North 2
Total Person Visits	3,773,000*	4,502,000*	6,261,000	8,265,000
General/Entertainment Activities				
Visit friends or relatives	35%	39%	55%	55%
Go shopping	35%	31%	37%	38%
Go sightseeing	16%	18%	34%	34%
Go to a bar or night club	3%	3%	14%	13%
Go to a casino	1%	1%	5%	4%
Attend a sports event	5%	4%	5%	4%
Visit a zoo, aquarium or botanical garden	1%	1%	3%	2%
Visit a theme or amusement	1%	1%	2%	2%
Cultural Activities				
Visit a historic site	4%	4%	12%	11%
Visit a museum or art gallery	2%	2%	7%	6%
Attend a festival/fair	2%	2%	6%	7%
Attend a cultural performance	1%	2%	4%	4%
Outdoor Activities/Parks				
Visit a national or provincial nature park	6%	9%	15%	16%
Participate in sports or outdoor activities (any)	27%	29%	53%	57%
Fishing	6%	8%	23%	20%
Boating	4%	6%	23%	26%
Golfing	2%	3%	4%	6%
Hunting	3%	3%	2%	1%
Downhill skiing/snowboarding	**	**	1%	2%

Source: CTS/ITS Tabulations 2002 Table 4. *U.S.A. visitors to Canada who enter by automobile are not asked to report any activities. For this reason, the base is reduced for total same-day visitors. Note: the sum of visits/proportions may not add to the total or to 100 percent because of multiple activities on trips. **Less than 0.5%.

By and large, overnight visitors to each of the four areas that contribute to tourism in North 2 have similar activity profiles, although there are some noteworthy differences from region to region. Of particular interest in this analysis is how visitors to Algonquin Park/South Algonquin Township/Muskoka District differ from visitors to the three Tourism Regions that constitute Northern Ontario (North 1). Key differences include a reduced tendency to visit bars and clubs or to fish and an enhanced tendency to *golf* while on the trip among overnight visitors to Muskoka District or the Algonquin Park area (combined) relative to visitors in North East, North Central and North West.

Activities on Trip – Overnight Visitors to Northern Ontario/ North 2 Regions in 2002				
	North West (TR 12)	North Central (TR10)	North East (TR11)	Algonquin Park/South Algonquin Township/ Muskoka District
Total Overnight Person Visits	1,812,000	2,041,000	2,645,000	2,039,000
General/Entertainment Activities				
Visit friends or relatives	46%	67%	54%	56%
Go shopping	40%	36%	39%	41%
Go sightseeing	33%	30%	41%	33%
Go to a bar or night club	14%	16%	14%	8%
Go to a casino	4%	3%	8%	2%
Attend a sports event	5%	4%	6%	3%
Visit a zoo, aquarium or botanical garden	3%	3%	4%	1%
Visit a theme or amusement	3%	1%	3%	3%
Cultural Activities				
Visit a historic site	15%	7%	17%	9%
Visit a museum or art gallery	6%	6%	10%	5%
Attend a festival/fair	6%	10%	5%	8%
Attend a cultural performance	5%	3%	5%	4%
Outdoor Activities/Parks				
Visit a national or provincial nature park	18%	13%	18%	19%
Participate in sports or outdoor activities (any)	62%	58%	43%	69%
Fishing	36%	20%	16%	11%
Boating	22%	30%	18%	37%
Golfing	3%	5%	4%	13%
Hunting	2%	1%	2%	*
Downhill skiing/ snowboarding	*	2%	1%	3%

Source: CTS/ITS Tabulations 2002 (Harmonized Table 4). *Less than 0.5%.

IX. DEFINITIONS AND NOTES

A. Summary Tables (Change Over Time in Northern Ontario's Three Tourism Regions)

Region 10: North-Central	Place of Residence				
	Total	Canada	Ontario	USA	Overseas
All Person Visits					
2003	2,756,000	2,623,000	2,568,000	112,000	21,000
2002	3,048,835	2,901,496	2,781,360	118,481	28,858
2001	2,666,552	2,509,538	2,432,903	123,331	33,684
% Change 2002 to 2003	-10%	-10%	-8%	-5%	-27%
% Change 2001 to 2003	3%	5%	6%	-9%	-38%
Overnight Person Visits					
2003	1,727,000	1,622,000	1,584,000	91,000	14,000
2002	2,040,935	1,909,559	1,835,492	110,711	20,665
2001	1,546,369	1,409,832	1,358,612	112,861	23,676
% Change 2002 to 2003	-15%	-15%	-14%	-18%	-32%
% Change 2001 to 2003	12%	15%	17%	-19%	-41%
Visitor Spending					
2003	\$ 320,095,000	\$ 282,391,000	\$ 274,190,000	\$ 32,727,000	\$ 4,977,000
2002	\$ 374,863,492	\$ 324,871,941	\$ 308,577,596	\$ 42,441,474	\$ 7,550,077
2001	\$ 272,054,000	\$ 211,722,000	\$ 191,993,000	\$ 50,267,000	\$ 10,065,000
% Change 2002 to 2003	-15%	-13%	-11%	-23%	-34%
% Change 2001 to 2003	18%	33%	43%	-35%	-51%
Person Nights					
2003	5,701,000	5,222,000	5,084,000	401,000	78,000
2002	7,012,944	6,411,814	6,110,195	476,041	125,089
2001	4,897,000	4,114,000	3,820,000	612,000	171,000
% Change 2002 to 2003	-19%	-19%	-17%	-16%	-38%
% Change 2001 to 2003	16%	27%	33%	-34%	-54%

Place of Residence					
Region 11: North-East	Total	Canada	Ontario	USA	Overseas
All Person Visits					
2003	4,899,000	3,957,000	3,814,000	916,000	26,000
2002	5,027,771	3,938,131	3,804,065	1,055,682	33,958
2001	4,724,700	3,594,460	3,447,638	1,096,462	33,779
% Change 2002 to 2003	-3%	0.5%	0.3%	-13%	-23%
% Change 2001 to 2003	4%	10%	11%	-16%	-23%
Overnight Person Visits					
2003	2,416,000	1,978,000	1,840,000	416,000	22,000
2002	2,644,523	2,128,987	1,996,335	484,958	30,578
2001	2,428,561	1,945,446	1,807,629	454,099	29,016
% Change 2002 to 2003	-9%	-7%	-8%	-14%	-28%
% Change 2001 to 2003	-1%	2%	2%	-8%	-24%
Visitor Spending					
2003	\$ 687,356,000	\$ 500,131,000	\$ 463,403,000	\$ 173,869,000	\$ 13,356,000
2002	\$ 769,093,642	\$ 571,700,739	\$ 540,506,946	\$ 183,393,639	\$ 13,999,264
2001	\$ 537,649,000	\$ 382,709,000	\$ 360,143,000	\$ 138,380,000	\$ 16,560,000
% Change 2002 to 2003	-11%	-13%	-14%	-5%	-5%
% Change 2001 to 2003	28%	31%	29%	26%	-19%
Person Nights					
2003	8,401,000	6,797,000	6,055,000	1,433,000	171,000
2002	8,675,731	7,110,179	6,388,814	1,391,004	174,548
2001	7,724,000	6,076,000	5,308,000	1,425,000	223,000
% Change 2002 to 2003	-3%	-4%	-5%	3%	-2%
% Change 2001 to 2003	9%	12%	14%	1%	-23%

Region 12: North-West	Place of Residence				
	Total	Canada	Ontario	USA	Overseas
All Person Visits					
2003	3,158,000	1,761,000	1,246,000	1,381,000	16,000
2002	3,212,739	1,932,365	1,411,333	1,262,600	17,774
2001	2,936,421	1,771,177	1,346,279	1,144,125	21,118
% Change 2002 to 2003	-2%	-9%	-12%	9%	-10%
% Change 2001 to 2003	8%	-1%	-7%	21%	-24%
Overnight Person Visits					
2003	1,814,000	1,173,000	738,000	627,000	14,000
2002	1,811,815	1,177,950	731,261	619,608	14,258
2001	1,793,190	1,144,377	787,193	630,920	17,894
% Change 2002 to 2003	0.1%	-0.4%	1%	1%	-2%
% Change 2001 to 2003	1%	3%	-6%	-1%	-22%
Visitor Spending					
2003	\$ 652,191,000	\$ 282,926,000	\$ 214,037,000	\$ 362,503,000	\$ 6,762,000
2002	\$ 601,855,654	\$ 264,722,643	\$ 197,275,380	\$ 330,423,832	\$ 6,709,179
2001	\$ 543,700,000	\$ 214,955,000	\$ 156,427,000	\$ 321,869,000	\$ 6,876,000
% Change 2002 to 2003	8%	7%	8%	10%	1%
% Change 2001 to 2003	20%	32%	37%	13%	-2%
Person Nights					
2003	7,818,000	4,490,000	2,837,000	3,205,000	123,000
2002	7,739,524	4,218,001	2,806,053	3,404,315	117,209
2001	7,331,000	4,076,000	2,563,000	3,120,000	135,000
% Change 2002 to 2003	1%	6%	1%	-6%	5%
% Change 2001 to 2003	7%	10%	11%	3%	-9%

B. Tourism Establishments in Northern Ontario (2002)

<i>Statistics Canada Business Patterns, from MTR's Web Profile for Northern Ontario, 2003</i>	# of Establishments		# of Establishments
ACCOMMODATION	1,627	FOOD & BEVERAGE	2,195
Hotels	203	Full-Service Restaurants	990
Motor Hotels	49	Limited-Service Eating Places	891
Resorts	100	Caterers	67
Motels	299	Mobile Food Services	34
Casino Hotels	0	Drinking Places (Alcoholic Beverages)	213
Bed and Breakfast	31	TRANSPORTATION	439
Housekeeping Cottages and Cabins	241	Scheduled Air Transportation	12
All Other Traveller Accommodation	35	Non-Scheduled Chartered Air Transportation	88
ARTS, ENTERTAINMENT & RECREATION	799	Passenger Rail Transportation	0
Commercial Art Dealers	28	Deep Sea, Coastal and Great Lakes Water Transportation	18
Motion Picture and Video Exhibition	20	Inland Water Transportation	3
Theatre Companies and Dinner Theatres	21	Urban Transit Systems	9
Dance Companies	0	Interurban and Rural Bus Transportation	10
Other Performing Arts Companies	0	Taxi Service	167
Sports Teams and Clubs	16	Limousine Service	11
Horse Race Tracks	19	Charter Bus Industry	4
Other Spectator Sports	12	Other Transit and Ground Passenger Transportation	9
Live Theatres and Other Performing Arts Presenters with Facilities	5	Scenic and Sightseeing Transportation	17
Sports Stadiums and Other Presenters with Facilities	7	Passenger Car Rental	62
Museums	40	Truck, Utility Trailer and RV (Recreational Vehicle) Rental and Leasing	29
Historic and Heritage Sites	6	TRAVEL SERVICES	104
Zoos and Botanical Gardens	5	Travel Agencies	69
Other Heritage Institutions	4	Tour Operators	21
Amusement and Theme Parks	5	Other Travel Arrangement and Reservation Services	14
Amusement Arcades	18	RETAIL	4,921
Casinos (except Casino Hotels)	2	OTHER SERVICES	1,653
All Other Gambling Industries	18		
Golf Courses and Country Clubs	82		
Skiing Facilities	29		
Marinas	93		
Fitness and Recreational Sports Centres	108		
Bowling Centres	50		
All Other Amusement and Recreation Industries	211		
All Other Amusement and Recreation Industries	211		

C. Bases Used in Tabulations

Visitors to Tourism Regions All person visits with an overnight stop or same-day destination in a specified Tourism Region. Since some trips involve visits to more than one Tourism Region, the sum of person visits in Ontario's regions is greater than "total visits" to the province or to some of the "macro" regions such as North 1 and North 2. Visits at the provincial level represent the "net" of visits to all regions.

Unweighted Bases Unweighted bases are the number of adult records available for analysis (completed questionnaires) that meet the criteria of each analytical sub-group shown across the top of the tabulations (*banner*).

Information based on cell sizes under 100 should be viewed with caution and those under 50 should be interpreted with extreme caution.

Weighted Bases Projections of unweighted household or party data to weighted party or person visits, party or person nights, and spending. All weights are supplied by Statistics Canada in the micro data files.

D. Banner Points Used in the Tabulations

Several activity and accommodation banner points are used throughout the tabulations. These are described below.

Overnight Pleasure Visitors/ Any Commercial Accommodation

All person visits with an overnight stop in a specified tourism area who claim that the main purpose of the trip was "pleasure".

A sub-set of this Overnight Pleasure Traveller group are those who used *any* **Commercial Accommodation** in the specified tourism area.

Any commercial accommodation includes all roofed commercial accommodation and campgrounds/trailer facilities. Individuals who used *any* commercial accommodation could also have spent nights in private/other accommodation in the specified tourism area.

Outdoor Activities

Any outdoor activities are any of the itemized outdoor activities indicated by the respondent in the CTS or ITS questionnaire. This category also includes individuals who indicated that they engaged in an outdoor activity but did not indicate any of the specific items listed or specified "other" as the type of outdoor activity in which they engaged. The activity could have taken place at any destination visited on the trip in Canada.

Any Fishing

Travellers who claim to have gone fishing on their trip in Canada. These travellers are *included* in "any outdoor activities" (see above).

Fishing/Hunting (net)

Travellers who claim to have gone fishing and/or hunting on their trip in Canada. These travellers are *included* in "any outdoor activities" (see above).

Any Other Outdoor Activity

Travellers who do **NOT** claim to have gone fishing and/or hunting on their trip in Canada but **DO** claim to have engaged in any other outdoor activity while on their trip (with the exception of "swimming" in the CTS. Swimming is excluded because it is impossible to know from survey data whether the swimming took place at an indoor facility such as a hotel's pool or in the outdoors).

Golfing

Travellers who claim to have gone golfing on their trip in Canada. These travellers are *included* in "any outdoor activities" (see above). The *Golfing* banner point is included in the harmonized tabulations only.

E. Definitions

ACCOMMODATION

Respondents are asked to identify the specific types of accommodation they used in each location they visited and to report the number of nights they spent in each. Within the ITS file, this information is often incomplete, perhaps reflecting the need for more categories of accommodation to help foreign visitors identify the form(s) of commercial accommodation they used (e.g., bed and breakfast establishments, resorts). Three macro categories of accommodation appear in the tabulations.

Commercial Accommodation

All paid roofed accommodation plus campgrounds/trailer parks.

Paid Roofed Accommodation

The ITS and CTS do not have identical accommodation type lists. Paid roofed accommodation includes the following:

ITS

Hotel
Motel
Cottage or Cabin³⁶

CTS

Hotel
Motel
Bed and Breakfast
Resort
Commercial Cottage
Hunting/Fishing Lodge

Non-Commercial Accommodation

ITS

Homes of friends/relatives
"Private" Cottage or Cabin
(owned by the visitor)
Other Non-Commercial

CTS

Homes of friends/relatives
Private Cottage or Vacation
Home
Other Non-Commercial

ACTIVITY

The ITS and CTS do not have identical activity lists. To combine data across the two surveys, the broader definitions used in the ITS were adopted. Activities could have been engaged in at any point during the trip, and are not linked to a specific location.

No activity data are available for same-day auto visitors from the USA (short form). Consequently, activity data are tabulated on a reduced base of those who were asked to provide this information. Each activity group includes all visits during which any or all of the following activities were engaged in by at least one member of the household/party members on the trip.

³⁶ Cottage or cabin not owned by the visitor.

**Blended Data Set
(Harmonized)**

	ITS	CTS
Visit Friends/Relatives	Visit Friends or Relatives	Visit Friends; Visit Relatives (NET)
Festivals/Fairs	Attending Festivals or Fairs	Attend Festival/Fair
Cultural Events	Attend a Cultural Event (Plays, Concerts) Visit a Museum/Art Gallery	Attend a Cultural Event (Plays, Concerts) Visit a Museum/Art Gallery Attend an Aboriginal/Native Cultural Activity
Sports Events	Attending Sports Events	Attend a Sports Event
Shopping	Shopping	Shopping
Sightseeing	Sightseeing	Sightseeing
Nightlife/Entertainment	Go to a Bar or Nightclub Go to a Casino	Go to a Bar or Nightclub Go to a Casino
Theme Parks	Visiting a Theme Park	Visit a Theme Park
Nature Parks	Visiting a National, Provincial, Nature Park	Visiting a National, Provincial, Nature Park
Outdoor Sports/Activities	Participate in Sports or Outdoor Activities	Participate in any Sports or Outdoor Activities

Individual Data Sets

	ITS	CTS
Any Cultural Activities	Attending Festivals or Fairs Attending Cultural Event (Plays, Concerts) Visiting a Museum or Art Gallery Visit a Historic Site	Attending Festivals or Fairs Attending Cultural Event (Plays, Concerts) Visiting a Museum or Art Gallery Visit a Historic Site Attend Aboriginal/Native Cultural Activity
Any Natural/ Park Activities	Visit a National or Provincial Nature Park Visit a Zoo, Aquarium, Botanical Garden	Visit a National or Provincial Nature Park Visit a Zoo, Aquarium, Botanical Garden
Any Water-based Activity	Boating Other Water-based Activities Fishing	Swimming Boating Other Water-based Activities Fishing

Any Winter Sports	Cross-country Skiing Downhill Skiing/Boarding Snowmobiling	Cross-country Skiing Downhill Skiing/Boarding Snowmobiling
Any Fitness/ Naturalist Activity	N/A	Walking/Hiking Bird/Wildlife Viewing

DESTINATION The "destination" (or location furthest from home) is reported by the traveller in the CTS and is used to identify whether a location is the destination or a "pass-through" stop on a trip. In the International Travel Survey, no destination information is captured or assigned.

HOUSEHOLD/PARTY VISIT A visit to a location reported by the respondent. The respondent in the CTS is an individual 15 years of age or over. This individual reports his/her travel behaviour and indicates which other members of the *household* were also on the trip. The respondent in the ITS is a self-designated member of the travel *party* who is best able to report expenditures. Travel parties in the ITS can include people from more than one household.

MAIN PURPOSE OF TRIP

Pleasure	Visits on trips with a stated main purpose of <i>pleasure</i> . <i>Shopping</i> is considered to be a "pleasure" purpose within the ITS.
Business	Visits on trips with a stated main purpose of <i>business</i> .
Visit Friends/Relatives	Visits on trips with a stated main purpose of <i>visiting friends or relatives</i> (VFR).
Personal/Other	Visits on trips with a stated main purpose of <i>personal, other</i> or records in which main purpose is <i>not stated</i> .
Leisure or Commercial Leisure (constructed variables)	<i>Leisure</i> is a combined main purpose — <i>pleasure</i> or <i>VFR</i> . A constructed variable, <i>commercial leisure</i> , is made up of leisure visitors who use any form of paid, roofed accommodation on their trip.

NIGHTS

Household/Party Nights	Nights spent in a location by one or more members of the travel household/party. This unit can be used as a surrogate for "room nights" when applied to paid commercial accommodation.
Person Nights	Nights spent in a location times the number of household/party members on the trip (including children).

OVERNIGHT

Overnight Visits	A visit to a location with at least a one night reported in that location.
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PERSON VISITS

A person visit is a same-day or overnight stop in a location reported by the respondent times the number of household/party members on the trip (including children of all ages).

SAME-DAY**Same-Day Visits**

In the CTS, a same-day trip and a same-day visit are equivalent.

Non-domestic visitors can have same-day and overnight visits on the same trip. The duration of the *trip* determines whether the record is treated as a same-day or overnight stay, but day excursions and associated spending (food/beverage, recreation, and retail only) are included in same-day counts. If both a same-day and overnight visit is made to the same location, the visit is counted only once, as an *overnight* visit, with associated spending for both the same-day and overnight components accruing to the site.

Household or party visits are multiplied by the number of household/party members on the trip to generate the person visit measure.

SPENDING

In the blended tables, spending categories have been collapsed to reflect those available across the three data sets. For greater detail on transportation, food/beverage and retail/other, the reader is referred to the individual tabulations. Figures from the individual data sets (CTS, ITS – USA, ITS – Overseas) may be more appropriate as inputs to economic impact models than are those in the blended tabulations.

Categories

Within the blended tabulations, "Public/Local Transport" includes "Local Transport" from the CTS and all public carrier fares within Canada from the ITS/CTS.

Local transport (city busses, subways, taxis) is shown as a separate category in CTS tabulations.

"Private/Auto" includes "Auto Operation" and "Vehicle Rental". These are shown separately in CTS tabulations.

"Transportation to Canada (Canadian Fares)" are Canadian carrier fares assigned to Canada for USA and Overseas residents' travel *to/from* Canada (a separate category is shown for carrier fares *within* Canada — "Public/Local Transport").

"Food/Beverages" is divided into food purchased in stores and in restaurants in CTS questionnaire and assigned to these sub-categories in the ITS by Research Resolutions & Consulting Ltd.

"Retail/Other" is divided into "Clothing" and "Other" in CTS questionnaire and assigned to these sub-categories in the ITS by Research Resolutions & Consulting Ltd.

Average Spending

Average spending calculations are based on the total spending on the trip for all members of the party. Average spending estimates *exclude* dollars spent by residents leaving the province or region and inbound ("to Canada") carrier costs by USA and Overseas travellers (see below).

To generate averages, spending assigned to a location because a travel party spent time in that location is divided by:

- i) The number of parties (average per party)
- ii) The number of people on the trip including children (average per person), and/or
- iii) The number of party nights spent on the trip.

In the case of per person averages for domestic visitors, a limit of six persons per household travel party is set by the micro-data file. While this limit does *not* affect estimates of total person visits, it does influence how averages can be calculated within the CTS. Calculated averages are very slightly higher than would be the case if the manual calculation of total spending/total person visits were performed. Differences between the computer generated and manually calculated averages occur only within the "cents", so are quite minor. Users should determine whether they wish to undertake the manual calculations, or rely on the computer generated ones.

Overnight Spending

Spending assigned to a location for each night spent in the location (includes "origin" spending only in cases where at least one night was spent in the location).

Visitor Spending In Province/Region

Spending assigned to a location because it is the location of an overnight stop, the destination of a trip or the location of a same-day excursion on an overnight trip (USA and Overseas only). Canadian carrier fares for trips to destinations outside the location by *residents* are not included.

Spending on transportation *to Canada* by inbound visitors using commercial Canadian carriers is also excluded from category spending estimates unless there is a visit in the region under study. All transportation spending *in Canada* by American and Overseas visitors is included in total spending estimates and is shown as a separate category of expense.

Spending by Residents Leaving the Location

Canadian carrier fares for trips to destinations outside the province or region by *residents* are not included in visitor spending tables but are included in "tourism receipts" tables. While these fares constitute touristic spending and are included in many economic impact models, expenditures by residents assigned to their place of residence for trips *leaving* that location are not expenditures generated by a visit *to* a location.

Spending By Visitors To Get To Canada (Total Carrier Fares To Canada)

Like resident spending on outbound trips, Canadian carrier fares assigned to Canadian locations for the cost of getting *to* Canada are not included in visitor spending tables unless there is a visit in the region but are included in "tourism receipts" tables.

TIMING OF VISIT

Calendar quarters within the ITS represent the quarter in which the trip **began** (when the visitor entered Canada). Calendar quarters within the CTS represent the quarter in which the trip **ended**.

TRANSPORT MODE

Only one mode of transport is reported by Canadians (CTS). It is the mode used to travel the furthest distance. Multiple modes of transport can be reported for travel within Canada by USA and Overseas visitors.

TRIP

Domestic: travel that takes the household member outside his/her usual environment for all purposes other than commuting to work or school, travelling as an employed operator or vehicle crew member, or moving to a new residence. All trips must have originated in Canada and must be completed within 365 days. *Leaving the usual environment* is operationalized in the province of Ontario as travelling at least 40 km one-way from home on a same-day excursion or spending a night away from home (no distance minimum). In other parts of Canada, the operational definition is travelling at least 80 km one way from home (same-day and overnight trips).

Foreign: travel that takes the travel party outside its usual environment, operationally defined as crossing an international border. Certain exclusions apply: travellers who do not clear customs (*in transit*), crew members, students, commuters, and visitors travelling on military or diplomatic business.

VISITS**Person Visits**

A same-day or overnight stop in a location by the travelling party (ITS) or household (CTS) times the total number of people in the travelling party or household.

Household/Party Visits

A same-day or overnight stop in a location by the travelling party (ITS) or household (CTS).

F. MTR's Economic Impact of Tourism Glossary

This glossary was available on MTR's website as of October, 2004.

(<http://www.tourism.gov.on.ca/english/tourdiv/research/rtp/EconomicImpact>)

Economic Impact of Tourism

Gross Domestic Product (GDP)

The value of goods and services produced by labour and capital located within a country (or region), regardless of nationality of labour or ownership, which is measured at market prices. Tourism GDP refers to the GDP generated in those businesses that directly produce or provide goods and services for travelers.

Direct Impact

The impact generated in businesses or sectors that produce or provide products and services directly to travellers, e.g., accommodations, restaurants, recreations, travel agents, transportation and retail enterprises etc. Direct impacts on GDP, employment and tax revenues are also called tourism GDP, tourism employment and tourism tax revenues.

Indirect Impact

Refers to the impact resulting from the expansion of demand from tourism front-line businesses or tourism-related sectors, to other businesses or sectors.

Induced Impact

Refers to the impact associated with the re-spending of labour income and /or profits earned in the industries that serve travellers directly and indirectly.

Jobs generated by tourism

Include full-time, part-time, seasonal employment, as well as both employed and self-employed.

Federal tax revenues

Include personal income tax, corporate income tax, commodity tax (GST, gas tax, excise tax, excise duty, air tax and trading profits) and payroll deduction that collected by the federal government.

Provincial tax revenues

Include personal income tax, corporate income tax, commodity tax (PST, gas tax, liquor gallonage tax, amusement tax and trading profits) and employer health tax that collected by Ontario provincial government.

Municipal tax revenues

Include business and personal property taxes that collected by the municipalities. Collection, however, does not follow immediately the consumption or production of goods and services in a municipality by visitors (as is the case with GST or personal income taxes). Rather, these taxes show the percent of the total property taxes collected by a municipality that can be attributed to tourism because of tourism's contribution to the economic activity of the municipality and hence its tax base.

The Economic Impact of Visitors' Spending in a Community

Refers to the economic impact that follows the spending of a community's visitors on that community. Since a community imports goods and services in order to supply to its visitors the goods and services that they demand locally, not all of the benefits from the community's visitors' spending will be retained within that community.

The Economic Impact of Tourism Receipts of a Community

Refers to the economic impact that follows the spending of a community's visitors on that community PLUS the economic impact that follows the spending of a community's residents on transportation fares (Canadian carriers only) in order to travel outside that community. Since a community imports goods and services in order to supply to its visitors the goods and services that they demand locally, not all of the benefits from a community's tourism receipts will be retained within that community.

The Economic Impact of Ontario's Tourism Receipts on a Community

Refers to the economic impact that follows the spending of a community's visitors on that community PLUS the economic impact that follows the spending of a community's residents on transportation fares (Canadian carriers only) in order to travel outside that community PLUS the economic impact that follows the spending of visitors' in other Ontario communities on the community under consideration PLUS the economic impact that follows the spending of transportation fares by residents of other Ontario communities in order to travel outside those communities on the community under consideration.

Since communities are linked economically through imports and exports, spending by visitors in one community generates indirect impacts in other Ontario communities that supply goods and services to the community under consideration. As such, the economic impacts on a community resulting from a community's tourism receipts will differ from those generated by Ontario's total tourism receipts in the area of indirect and induced impacts. For example, the direct economic impact of tourism in Toronto will consist of its visitors' spending AND the impact that follows its residents' spending on transportation fares to travel outside the city. The indirect and induced impacts will consist of those that follow the spending in Toronto by its visitors, PLUS the impact that follows spending by Toronto residents on transportation fares to travel outside the city, PLUS spending by visitors in other parts of Ontario, since Toronto supplies goods and services to those communities in order to service their visitors.