

TOURISM

CANADA'S TOURISM MONTHLY

May 2008

CTC market recovery program

Managing the unexpected

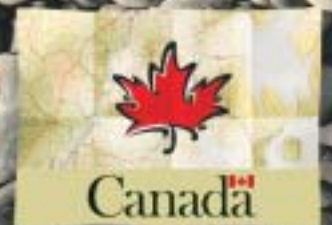
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IN OUR COMING ISSUES

In June, the summer tourist season is almost upon us. The Canadian Tourism Commission (CTC) has a new marketing committee focusing on niche products; we'll find out where that strategy is headed. And, it is the seventh anniversary of the CTC Product Clubs program, an initiative that has, incidentally, generated its share of new niche products! At Issue will look at ecotourism.

Our summer issue (July/August), not surprisingly, will look at experiencing summer in Canada. And who better to talk about in summer than our youth, who seem to epitomize the summer experience. When one thinks of tourism marketing, a lot is focused on the baby boomers, but what about the young people today? They have people to meet and places to go, and they do! And, they spend money... who is marketing to them? At Issue will look at human resources. **Deadline May 23, 2003**

Month	Deadline	Features
September 2003	July 25, 2003	CHOICES: eating well in Canada Canada, a stage for learning
October 2003	August 29, 2003	Experience AUTUMN in Canada Discovering Canada through its museums
November 2003	September 26, 2003	CHOICES: new things to do in Canada Revamping Canada's attractions
December 2003	October 24, 2003	Experience WINTER in Canada Canada, a multicultural society

Coming in 2004

We will begin 2004 with our usual CTC corporate snapshot in the January-February issue, followed by an in-depth review of Canada's flagship products from new perspectives. How do our products, as they are currently packaged and delivered, fit new demographic realities? Do they meet the demand for shorter, "getaway" trips that are becoming increasingly popular – even trendy? Or do we need to make adjustments, and perhaps develop some new product? We invite our readers' input as we develop our 2004 editorial lineup.

New CTC publications

- Traveller Accommodation Survey: A Report for the Year 2001 - C50196E
- (TAMS) - U.S. Soft Outdoor Adventure Enthusiasts - A Special Analysis of the Travel Activities and Motivation Survey - C50156E
- (TAMS) - Canadian Soft Outdoor Adventure Enthusiasts - A Special Analysis of the Travel Activities and Motivation - C50157E
- Who We Are and What We Do - C50203E
- Risk Management Guide for Tour Operators - C50128E

These publications will be available in June, through distribution@ctc-cct.ca or at www.canadatourism.com.



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On the cover: In Canada, first-class lodges, outfitters, guides and fishing packages cater to even the most demanding clients.

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TOURISM

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■ The Canadian Tourism Industry

Vision: Canada will be the premier four-season destination to connect with nature and to experience diverse cultures and communities.

Mission: Canada's tourism industry will deliver world-class cultural and leisure experiences year round, while preserving and sharing Canada's clean, safe and natural environments. The industry will be guided by the values of respect, integrity and empathy.

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Editorial

Keeping it all in perspective by Peter Kingsmill

Even in our heated-up world of global communication and information technology, the war in Iraq and the SARS health crisis have generated a flood of information that has at times seemed overwhelming, especially to those of us who create and distribute monthly magazines like *TOURISM*. Sometimes it feels as though today's breaking news is being written into history books before we even go to press!

Is a monthly magazine an anachronism in this new age of instant information? Hardly. In an industry where, to be successful, product development and marketing must be research-based according to long-term trends, the monthly magazine format is ideally suited to nurturing the creative component of the business planning process from product conception to market planning and delivery. Sharing best practices in our industry, and providing a considered perspective on new products and trends, represent what business-to-business magazines are all about.

But, planning and creativity aside, we also need to be continuously aware of the threats and opportunities of the moment, and that is why we put so much stock in our very own "dot-com" – www.canadatourism.com. The CTC's communications group has put together a new team to revitalize the business-to-business Web site, and the market and research

groups are focused on getting the very latest information onto the new Internet "front page" so tourism businesses have another tool to help make decisions and manage crisis.

At the magazine, we too are contributing to this flow of timely information. For example, we have used *TOURISM*'s strong industry roots and contacts to query small and medium-sized enterprises about the impacts of the war on their tourism businesses; that information is being posted on the Iraq Update section of the Web site, long before it is synthesized and delivered to you in the magazine.

Canada has a vast, and largely unfulfilled, potential as a tourism destination. Developing, marketing, and delivering Canadian travel experiences will go on despite international or national crises. One of our greatest strengths is the commitment of our investors – the Canadian families, individuals, and corporations who operate our tourism enterprises.

At *TOURISM*, we celebrate them, and will continue to focus our eyes on putting Canada where she deserves to be: at the top of the world's favoured destinations. 🍁

Peter Kingsmill, Editor-in-Chief



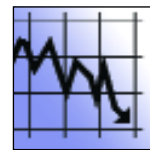
Peter Armstrong has been appointed national private sector transportation representative on the CTC board of directors. Armstrong is president and CEO of the Great Canadian Railtour Company, operator of Rocky Mountaineer Railtours. He is the past chair of the Tourism Vancouver board, and a member of the boards of directors of Tourism British Columbia, the World Travel and Tourism Council and the Vancouver 2010 Olympic Bid Corporation.



Jean-Claude Villiard will become Deputy Minister of Industry, effective June 16. Villiard, currently president of the Canada Mortgage and Housing Corporation, has spent many years in both the public and private sectors, including three years with the World Bank and eight with SNC-Lavalin Capital Inc.



Three weeks of intensive fighting in Iraq have had a cooling effect on international travel to Canada, but with the war apparently at an end, the SARS (Severe Acute Respiratory Syndrome) outbreak worldwide, and especially in Toronto, has become the major international crisis affecting travel to Canada. The Canadian Tourism Commission will continue to post up-to-date information as it becomes available. www.canadatourism.com.



Following a strong showing in January, international travel to Canada showed signs of slowing in February due largely to the anticipated war in Iraq and weaker global economies. Results published by Statistics Canada indicate that the total seasonally unadjusted international overnight travel to Canada dropped 3.7 percent in February 2003 when compared to February 2002.



WTO Declaration recognizes climate change impacts on tourism and recommends collaboration at international, national and local destination levels. www.world-tourism.org. See also *TOURISM* article page 6.



The publication of the results of the Canadian Tourism Commission (CTC) and the World Tourism Organization (WTO) Business Council joint study on "Public-Private Sector Cooperation and Private Partnerships in Tourism" will be available for sale through the WTO. The CTC will post its material when it becomes available. www.canadatourism.com.

Letters to the Editor

I want to pass along the compliments of the Parks and Special Places Branch of Saskatchewan Environment on the excellent quality of this monthly publication. It used to be that, when the magazine arrived on my desk, I would flip through it quickly

and likely not pick it up again. However, I find that in recent months I am taking more time to read the articles, make contact with folks mentioned in the articles, and get copies of research documents and publications mentioned in *TOURISM*. I am

also passing the publication on to others to read.

I note that each month reflects a different theme and that is great. The articles all relate to this theme and you let readers know ahead of time what the theme of future

publications will be. This is a good idea, and much appreciated. Keep up the good work; this opinion is shared by the other people with whom I work and who read your publication. 🍁

Ken Lozinsky, Regina



At Issue

by Randy Williams

Kyoto: challenges and opportunities for tourism

Environmental stewardship is key to the sustainability of Canada's \$54 billion tourism industry. Indeed, the *Code of Ethics and Guidelines for Sustainable Tourism*, developed by the Tourism Industry Association of Canada (TIAC) in collaboration with key public and private sector partners, recognizes that the future of tourism in Canada depends on the wise use and conservation of natural resources, and the protection and enhancement of the environment.

Global warming is a growing threat to a year-round tourism destination whose world-class products are built on, or enhanced by, Canada's tremendous natural riches. The *Kyoto Protocol to the United Nations Framework Convention*, ratified by Canada last year, seeks to counter that threat. At its core is a set of legally binding greenhouse gas (GHG) emission targets for industrialized emissions to be 5.2 percent below 1990 levels by the period 2008-2012.

To implement Canada's share of this reduction, Canadian consumers and businesses must cut GHG emissions to 6 percent below 1990 levels, although the volume of emissions we would have to reduce could be lowered if Canada earns credits through Kyoto's market mechanisms. (It is important to bear in mind that, because of population growth and economic expansion and despite improvements in energy efficiency, emission levels in Canada were an estimated 13.5 percent higher by 2000 than they were in 1990.)

Nobody knows how Canada will achieve what appears to be a fairly ambitious Kyoto target, or what contribution will be required from the various economic sectors. There are still more questions than there are answers, but it is clear that Canada's Kyoto agenda gives rise to a number of opportunities and challenges for the tourism industry.

Topping the list of opportunities is the prevention of global warming, although it's not clear how effective Kyoto will be, given that developing countries are not bound by emissions targets and not all industrialized countries, including the United States, are part of the agreement. But tourism is certain to benefit from the development of new, cleaner technologies, improvements in energy efficiency, and good environmental practices. Nature-based tourism is growing in popularity, and travellers are increasingly seeking destinations that place a priority on the environment. Kyoto also represents an opportunity to invest in innovative infrastructure—for example the creation of an integrated multi-modal passenger transportation system—that will benefit not only the environment, but Canada's tourism industry as well.

The challenges are not, perhaps, as straightforward. Tourism is not an energy-intensive industry, so our businesses are not likely to have to make major changes to the way they operate. However, tourism cannot be looked at in isolation. Various studies have predicted job losses in some sectors, higher energy costs, and increases in the prices of consumer goods, all of which could affect our industry. And, depending on their magnitude, they could also lead to a drop in Canadians' disposable income and thus in domestic tourism spending.

We must develop a clear picture of how implementing the Kyoto Protocol will impact Canadian tourism operations, and plan accordingly. TIAC has begun an industry dialogue on this important subject that will be addressed at the National Conference on Tourism in October. 🍁

I invite TOURISM readers to share their views by contacting info@tiac-aitc.ca.

A global issue...

The first international conference on climate change and tourism, organized by the World Tourism Organization (WTO), was held on April 9 – 11 in Tunisia, in recognition that the tourism sector, like so many others, is facing the challenges of climate change.

The conference organizers acknowledged:

- Changing weather patterns are making tourism planning and operations more difficult.
- Climate-related natural disasters harm infrastructure, natural and cultural heritage and host communities.
- The appearance of new diseases at destinations and climate-induced changes in general health conditions can affect visitors and insurance practices.
- Raising sea levels and temperatures are threatening coastal and island destinations and marine sites.
- Melting ice caps are impacting Arctic tourism.
- Receding glaciers and changing snow conditions are directly affecting mountain and winter-sport tourism.
- The tourism sector is also a contributor to climate change, through the intensive use of transportation and energy sources that cause harmful emissions.

The challenges facing the industry include understanding the severity of the issue and the real threats to the tourism sector. The conference looked at how climate change will progress in the near and more distant future, and what can be done to adapt to changing conditions. 🍁

Information at: www.world-tourism.org.

Our members are all over the map.



But speak with one voice.

The Tourism Industry Association of Canada is the national voice of the tourism sector and the source of information and development for tourism professionals from coast to coast. If you and your business are part of this vital and thriving industry, join us, let your voice be heard, and benefit from our innovative member programs and events.

Visit online for more information at www.tiac-aitc.ca





Climate change and tourism

Understanding the basic facts about climate change is essential to figuring out how it may affect tourism businesses and destinations. It is more complex than a simple warming trend; it is a change in the “average weather” which is experienced variously depending on the region. Wind patterns, the amount and type of precipitation, the types and frequency of severe weather events – all of these are aspects of the “average weather” which climate change threatens to alter. When scientists speak of climate change on a global scale, they are referring to changes in the climate of the earth as a whole. But, what exactly is causing this change?

A natural system known as the “greenhouse” effect regulates the

temperature here on earth. As human societies have adopted increasingly mechanized lifestyles, the amounts of heat-trapping gases in the atmosphere have increased. And by increasing the amount of these gases, humankind has enhanced the warming capability of the natural greenhouse effect. It is the potential consequences of this enhanced, rapid warming of the planet that are cause for concern.

So what does it all mean for tourism? “Spring may become a dominant season with global warming,” warns David Phillips, senior climatologist with Environment Canada. “The shoulder seasons – which have always been the shortest – may lengthen.” For Canada especially,

the change could be dramatic. “If you plot the numbers for the last 55 years, winters are approximately 3.1 degrees Celsius warmer,” says Phillips. “That’s a great deal of warming – approximately five times more than the global average.”

For example, rapid warming could have disastrous consequences for Canada’s polar bear population and, by extension, for polar bear-oriented tourism. Merv Gunter, owner of Tundra Buggy Tours in Churchill, Manitoba, says that lately the weather’s seemed more like global cooling than global warming. However, the last two years aside, Gunter remains concerned about global warming. “There is research indicating bears are able to spend less time on the ice over the last 20 years,”

says Gunter. “In 50 or 100 years there may be drastic changes, but anyone saying that the bears will be gone in five years is being alarmist. I’m concerned, but we have to be cautious not to draw absolute conclusions from 20 years of data.”

“I think the change of climate is not our biggest worry,” says Phillips. “It’s variability; it’s the swings we have to look out for.” Phillips is confident that Canada’s tourism industry will benefit from new forecasting methods to help with planning: “In another five or ten years we’ll be able to offer even better seasonal outlooks,” says Phillips. “Seasonal forecasting is the way of the future. It’s current, accurate and timely.” ❄️

Parks Canada’s Alan Latourelle, on tourism

Alan Latourelle was appointed chief executive officer of the Parks Canada Agency in August 2002. He had been director general, Western and Northern Canada, since 1997 and the agency’s chief administrative officer since 1999.

TOURISM: *One big piece of news coming out of Parks Canada is the expansion of Canada’s national parks network, with the creation of ten new national parks, five new marine conservation areas, and the expansion of three existing parks. How do you visualize the tourism opportunities directly associated with this expansion?*

Latourelle: In terms of tourism products I think there are a number of new opportunities that are going to be available to the tourism industry. We expect that in this calendar year, we will move ahead with the Gulf Islands National Park Reserve and Ukkusiksalik National Park in Nunavut, and with the Lake Superior National Marine Conservation Area. We are already working with representatives of the tourism industry; for example on the west coast we are already developing alliances with the cruise ship industry.

TOURISM: *It would appear that there are no new dollars to manage the parks network that is already in place. How do you plan to manage this reality, and at the same time rationalize it with Parks Canada’s conservation values and goals?*

Latourelle: I think the part that is missed sometimes is the announcement by the Minister of a \$75 million investment for ecological integrity over the next five years, and then an ongoing investment of \$25 million annually. The public perception is that the money is strictly for conservation goals but basically this provides an opportunity to look at the challenges we’re facing within Parks Canada and our national parks.

TOURISM: *There is much discussion in the media about increased park access fees. Will the tourism businesses associated with the parks be consulted about this?*



Moving ahead with the Gulf Islands National Park.

Latourelle: We haven’t increased fees since 1997. This time, we are committing new revenues from fee increases to enhancing visitor services or infrastructure in the park they are collected from. And, for tourism operators in the parks, there is an eighteen-month window before the new fees come into effect for the general public, likely this spring.

TOURISM: *Do you think that climate change, or the potential for climate change, will have an impact on tourism products – and revenues – in Canada’s national parks?*

Latourelle: Currently I don’t think we’ve seen a significant change. There’s maybe a one or two year “blip” but we haven’t seen any clear indication of long-term challenges resulting from climate change at this time. Clearly, though, it is something we are monitoring as an organization at this time. However, we haven’t seen any impacts on visitation or revenues. ❄️



Storefront

In need of a vision... by Marc-André Charlebois

Well, as I write these lines, war is raging in Iraq and the prospect for an early end to these hostilities is still there, despite some of the “doom and gloom” media coverage predicting a protracted conflict. No doubt this turn of events is having a dramatic impact on our industry and hitting tourism operators, airlines and travel retailers hard. But with your indulgence, I will talk about government policy, or the obvious lack thereof, and why we find ourselves in such a critical position, despite early warnings delivered on a regular basis to the federal government over the last eighteen months.

Our industry is especially vulnerable to external factors, whether terrorism, wars or other threats to the security of travel. The war in Iraq, along with fear of a possible SARS epidemic which (at time of writing) seems to have no vaccine, are now wreaking havoc on travel, whether domestic or international, be it for business or pleasure. But our industry was already in bad shape before these recent events. The present negative international events have only turned a bad situation into a crisis.

Our major carrier is against the ropes, saddled with an insurmountable debt and a legacy of labor contracts that have forced it to seek bankruptcy protection. The additional burden of surcharges and taxes (air security, federal airport rent, aviation fuel) imposed on travellers is simply another deterrent to travel, a manifestation of a federal government out of tune with the realities of today’s transportation imperatives. And despite these negative prevailing conditions, our government does not seem to think

or act strategically. It does not have in place a solid transportation policy. The recent “vision” document introduced by the Minister of Transport is in reality anything but a vision. It does not embody the strategic thinking necessary to seize the opportunity to positively impact economic hardships and uncertainty experienced by the travel industry.

I could go on and on about a situation that has been exacerbated by a vacuum of government policy. Be that as it may, what we have now in the travel and tourism industry is a crisis of untold proportions, and we cannot simply hunker down and attempt to weather the storm.

If the government were to do the proper thing now and eliminate \$800M in unwarranted taxes, rents and surcharges, I am convinced that this crisis would abate and we would come out of it stronger, dynamic and more energized than ever. Businesses will adjust and refocus their activities around their core competencies. For travel retailers, the challenge will be to focus even more on the benefits of customer relations management and new creative partnerships with other stakeholders in our industry.

With a proper national transportation policy, tourism and travel in Canada could be poised for a huge turnaround. My only hope is that our colleagues in the industry will not despair, and will have the energy to wait for the vision so dramatically needed from the corridors of power in Ottawa. 🍁

Managing the unexpected

Modern warfare, SARS, the West Nile virus – it seems every time you turn around these days there’s yet another crisis, or potential crisis, threatening the health of the tourism industry. So, in an industry where consumer perception, whether accurate or not, may easily determine industry reality, the question must be asked: How can we prepare for the unexpected?

“We were incredibly unprepared to deal with the reaction of the average consumer to SARS and the intense media focus,” says Isabelle Des Chênes, director of communications with the Canadian Tourism Commission (CTC). “Our posts ended up dealing with media that was a little more brutal than the warm and fuzzy travel media they’re used to.”

“The moment there’s even a hint of something like this (SARS) we have to respond,” says Des Chênes. “We need to respond quickly with good information and be reassuring. We have to get on top of the media and address them fully with the facts before they run wild with a story.”

Ray LeBlond, director of corporate communications with Tourism British Columbia agrees: “We, as an industry, need to be pro-active about communicating the right message to external markets.” This is something LeBlond knows all about, having experienced first-hand the sort of exaggerated picture the media is prone to painting. “When we (B.C. / Vancouver) got a bad reputation with those Stanley Cup riots a few years ago – which got such enormous press – the tourism industry got together to see that a positive message got out there,” says LeBlond.

Before SARS broke, the CTC’s weekly in-market intelligence reports were strongly suggesting that Canada was becoming top-of-mind as a safe destination. “There was incredible pent-up demand for travel,” says Des Chênes. “It’s much easier to market Canada as a safe destination against a fixed and distant war, than it is against a fast-moving disease.”

Just as market researchers had to adapt to new industry realities

following the September 11 events of 2001, it seems that these volatile times demand communications departments do the same. “We don’t take on the role of interpreting the information, but disseminating it is crucial,” adds LeBlond.

“Research can tell us when to go back to market with advertising, but it’s the immediate dissemination of accurate information that’s so vital,” says Des Chênes. “In terms of perception, an ounce of prevention really is worth a pound of cure.” 🍁

Baxter produces new resource guide

Baxter Publishing has produced the Canadian Tourism Resource Guide (CTRG), a new directory of Canadian products, published in March. The directory will feature tourism products that are new to the marketplace and/or have certain unique qualities that make them particularly appealing. This information will serve as a bridge between packagers of Canadian product and innovative services, destinations, tours, accommodation and events that can be added to their programs.

The listings, sorted into subject categories, will range from lighthouses to birding to helicopter tours and many others in-between. The new publication will reach over 25,000 key packagers globally, and will be distributed nationally in Canadian Travel Press. 🍁

Information at: sales@baxter.net, or ohman@sympatico.ca.



CTC market recovery program

As a key part of the Canadian Tourism Commission's (CTC) response to the war in Iraq and the SARS health crisis, a series of initiatives have been put in place following meetings with the market committee chairs and the board of directors.

A review of markets and financial investments is well underway. There are a number of markets where original plans for the year no longer make sense given current conditions, while other markets may be ripe for additional business generation. The focus to date has been on increasing investments to take advantage of the post-war U.S. market, but other special initiatives are also being evaluated in other markets. Key points of the recovery program are as follows:

- A task force has been holding conference calls every week in order to share information. The results of these discussions and other information are posted at www.canadatourism.com.
- SARS has become the significant issue for Canada in most markets, outweighing the Iraq War in terms of impact. The CTC is working with Health Canada to develop a communication program, stressing the need to be in market immediately to stop misinformation and to begin to turn things around.
- Quantitative consumer research has been initiated in the U.S. to determine attitudes and propensities

to travel by Americans. Other markets do not seem to require similar research at this time, given the status of their programs.

- A review of every budget and program at the CTC is being undertaken in order to determine the best mix of in-market initiatives and investments to the end of the year. One result of this process will be the identification of a Market Recovery Fund, which can be implemented once the research determines that the timing is right.
- The consumer Web site (www.travelcanada.ca) and CTX (www.canadatourism.com) are being continually updated including weekly reports from all of our markets across the world, a process which proved invaluable immediately following the 9/11 crisis.
- A request for additional one-time funding is going forward to the government in order to significantly enhance the market recovery program.
- Based upon the outcomes from the processes outlined above and a board of directors' planning session in June, marketing programs will be changed and adapted as appropriate for 2004 and beyond. ❁

Coping with war: an SME snapshot

An informal survey of SME (small and medium-sized enterprise) operators across Canada showed an overall negative impact on bookings during the first ten days of the Iraq war.

Scott Cunningham of Coastal Adventures in Nova Scotia says that bookings are down 25 percent from last year. Forty percent of his company's business comes from the U.S. "We can survive a bad year," he says, "but it means I have less funds to put back into my business for new boats, or advertising, etc."

Pat Corbett, owner of the Hill's Health Ranch in B.C.'s Interior, says "we've had a real slow down in business and enquiries. The drop in enquiries happened when the rhetoric started about six weeks ago. Where we noticed it is out of the U.S. - definitely (a feeling of) anti-Canadianism."

Denny Kobayashi chairs the Iraq crisis committee with Yukon Tourism, and says his agency hasn't seen the same levels of cancellations as after 9/11, but they do expect to see a drop in bookings out of Europe and Asia,

their key overseas markets. "The U.S. market is holding well and has been for a while," says Kobayashi.

In Charlottetown, P.E.I., Kurt Martel, owner of Saga Sailing Adventures, says "There's been a bit of a drop in enquiries, but my business is so small it's hard to tell." (Saga has one sailing vessel, and Martel says most of his bookings come only a day or so ahead of time.)

Laurie Perlin, manager for marketing and communication with Brewster, a large tour operator based in the mountain parks in Alberta, says that prior to November and December, the company was experiencing peaked interest. However, "when the alerts started we noticed a pause, and the pause is ongoing," says Perlin. "We were already dealing with a downturn in the economy before the war, and we've been restructuring since then. We're looking at short-term market reactions now." ❁

Find out how your colleagues are weathering the storm! There are more SME reactions at www.canadatourism.com.

Untangle the Web

This month, the Hotel Association of Canada has contributed an article on the Internet distribution of hotel rooms.

For hotel owners, Internet distribution channels can be both best friend and worst enemy. There is nothing wrong with using on-line hotel consolidators to upload distressed inventory, but it must be done thoughtfully and carefully. The bottom line – if you have empty rooms, and can rent them at a profit which provides positive cash flow, you will do it. The risk is price dilution and brand erosion.

Today 192 million North Americans are active Internet users and according to Nielsen, more than 37 million have purchased on-line travel. Max Starkov at *M-Travel.com* suggests that if your hotel does not currently generate at least 8 to 10 percent of its bookings from the web you should be concerned.

There are two basic types of players serving on-line reservations: hotel companies and third party travel companies. It is the third party companies that offer a tremendous challenge for hoteliers. How and when do we use these companies so as to incrementally grow our business and not leave money on the table?

Companies like Hotel Reservations Network (HRN), Travelocity or Expedia are styled after travel agencies. Other companies like Hotwire and Priceline create challenges and benefits for hoteliers with their "name your price and we'll tell you what hotel you are staying at" model. ❁

The Hotel Association of Canada has researched and prepared a report on Internet distribution of room inventory entitled "Growing Pains: Cyber Technology and the Hospitality Industry." Information: shureih.hac@hotels.ca.

Pointing the way to Canada

An unusual promotion by Canada is creating a buzz in Washington, D.C. Canada hopes the effort will point the way to even closer business ties with the associations sector in the U.S. capital. The promotion involves an Inukshuk, a traditional Inuit navigation aid built to resemble the human form.

To many Canadians, the Inukshuk has become a familiar symbol of the North and the Inuit. But in the U.S. the Inukshuk is exotic. This four-foot high Inukshuk is a sculpture by Nunavut artist Johnnassie Korgak. Canada presented the sculpture to the influential Greater Washington Society of Association Executives (GWSAE) at its Centre for Association Leadership, where it is displayed in the head office boardroom.

“The Inukshuk is a fitting reminder of Canada and a symbol of friendship,” explains Danielle Foisy, manager of meeting and conventions sales for the Canadian Tourism Commission (CTC) in Washington. The GWSAE is a powerful organization with a membership of 4,000 associations. Among them are scientific, medical, and industrial associations whose members convene regularly for annual meetings, conventions, and special events.

The U.S. associations sector is a lucrative field. The GWSAE estimates that associations spend approximately \$4.5 billion on meetings and conventions each year. Bylaws oblige some associations to meet exclusively in the United States. But 25 percent –

or approximately \$1.1 billion U.S. worth of meetings – are up for grabs.

As a demonstration of appreciation for the Inukshuk gift, the organizations are participating with the CTC in an integrated marketing campaign which involves a variety of activities and a significant amount of press in GWSAE’s magazine which targets 13,000 American CEOs and meeting planners. As well, a magazine supplement carried a feature promoting Canadian partners, destinations, and cuisine. 🍁



Johnnassie Korgak’s Inukshuk now resides in Washington.

Photo: courtesy of the Canadian Tourism Commission.

Training for urban product sales

Responding to the needs of major tour operators in the U.K. for training on Canada’s urban tourism products, eight of Canada’s “big cities” organized an exclusive one-week sales and training mission with impressive results. Representatives of destination marketing organizations (DMOs) from Victoria, Vancouver, Calgary, Edmonton, Ottawa, Montreal, Quebec City, and Halifax conducted training sessions in two teams for approximately 250 sales and reservations staff at the offices of 13 U.K. tour companies. The \$40,000 initiative, scheduled February 24-28, evolved as a result of partner discussions held during Rendez-vous Canada last May.

Based on increasing demand for “city breaks” and independent tailor-made holidays by visitors from Canada’s largest overseas market, the teams promoted the capitals and gateway cities as exciting, four-season, cosmopolitan destinations, featuring new experiences and activities, with easy access to natural attractions.

The momentum created by this mission was echoed by Canadian Tourism Commission (CTC) Chairman Charles Lapointe, saying “there is more to Canada than our beautiful mountains, pristine lakes and moose. It’s the people from Canada that make our destination unique and appealing. City product becomes very important in that sense.”

Feedback from the U.K. tour operators and their staff to the urban product-specific training was positive. The city DMO representatives reported that there was excellent dialogue with the Canada product managers at each tour company regarding ways to position Canada’s cities. The Canada Cities Consortium is already looking ahead to expansion of the program and leveraged funding opportunities. 🍁

Information: Marla Daniels: (780) 917-7621

Ontario inns market for meetings



Photo: Elera Mill, courtesy of Ontario’s Finest Inns.

The database returns a list of inns with the appropriate characteristics.

Planning for business or social events in Ontario just got a whole lot easier, thanks to a unique Web site sponsored by Ontario’s Finest Inns. Searching for the right facility is simply a matter of filling out an on-line form with such characteristics as desired meeting room capacity, on-site facilities or driving distance from major cities. A database returns to the user a list of inns with the appropriate characteristics.

Each inn has a page of description that includes photographs and a

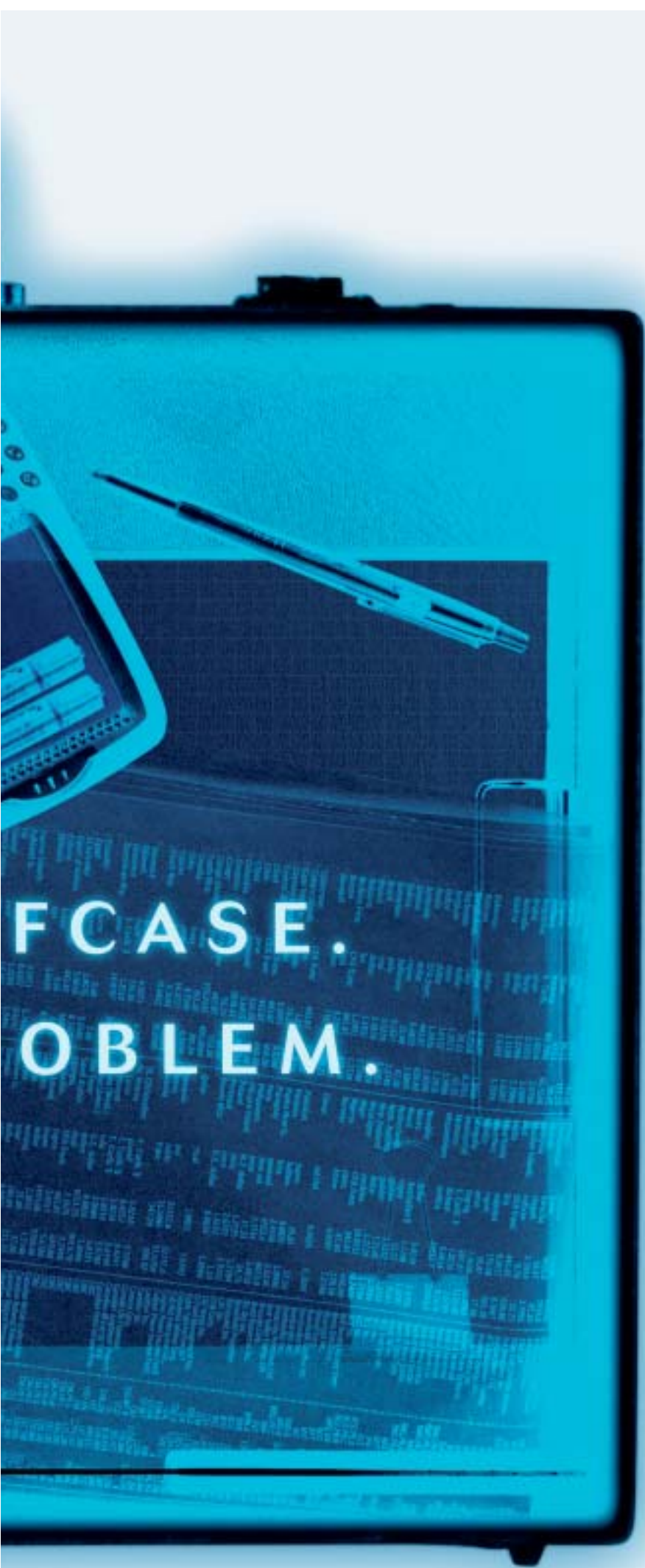
summary of meeting facilities, floor plans and equipment, accommodations, dining and regional highlights.

Detailed maps and printable driving directions are also provided for inclusion with meeting preparation materials. Says professional meeting coordinator Laurel Armstrong, “the innkeepers have thought about the meeting planner’s requirements – it’s a great tool for us!” 🍁

Information at: knichol@ontariosfinestinn.com.



YOU SEE A BRIE
WE SEE A BIG PR



There's a knife on its side at the bottom of this briefcase. You may not have noticed it, but our screening officers are expertly trained to spot any potential weapon or suspicious-looking article.

We're the Canadian Air Transport Security Authority (CATSA), and it's our responsibility to oversee key areas of air travel security. We're a newly-formed government agency made up of some of the most knowledgeable and experienced airline security people in the country.

From business travellers to backpackers, families to flight crew, we inspect everyone with the same degree of thoroughness. In addition to rigorous screening of both passengers and baggage, other measures we've taken include:

- purchasing and installing advanced explosives-detection systems at airports
- implementing new state-of-the-art screening equipment and techniques
- introducing new, universal standards for screening at all airports

We've also put hundreds more screening officers on the ground, and armed RCMP officers on selected flights.

It's CATSA's mission to provide professional, courteous service to Canadian travellers, and we're committed to ensuring ongoing improvements in the future. To learn more, visit our web site at www.catsa-acsta.gc.ca. And have a safe journey.





Accommodation sector facing challenges

In the words of Hotel Association of Canada president Tony Pollard, "invest \$30 million and get \$57 million back in a year." That's what he tells anyone who will listen, and especially Canadian Members of Parliament, when talking about increasing Canada's marketing budget, and cutting back on what he refers to as tax-grabs such as high airport fees and rents which many claim are crippling Canada's tourism industry.

These are challenging times for Canada's traveller accommodation sector, and while the war in Iraq and the SARS (disease) crisis this spring have further exacerbated the situation, the troubles began even before the terrorist attacks of September 11, 2001. Nowadays, Pollard says, consumers are travelling closer to home, booking more last minute travel, and spending less yet demanding more. "International travel is down, and more of your guests are arriving in an automobile," Pollard told members of the Hotels Association of Saskatchewan at their March annual

meeting. "The Internet is accounting for more and more of your business – \$6.2 billion U.S. in 2002 and predicted to reach 20 percent of all bookings by 2005."

Pollard was outspoken about the importance of good management: "How quickly you develop strategies and programs that accommodate the newly emerging consumer, could separate the winners and losers in 2003," he said. "The bottom line for you and your customers will be about providing value."

Hoteliers now find running a tight operation even more challenging. Costs are rising for sales and marketing, staffing, insurance and utilities. Says Pollard, "During this time of limited growth we see every effort being made to control expenses by reducing hours of food and beverage operations, and making fewer purchases of furniture, fixtures and equipment."

Pollard expects occupancies to remain flat at 63 percent in 2003, the same as 2002. "How quickly a



Photo: courtesy of ©2003 Ontario Tourism.
Consumers are spending less yet demanding more.

hotel rebounds in these times will be determined largely by its property type and market," he says. And, he is vitally aware of the need to keep traffic flowing smoothly across the U.S. border – from Canada's major tourism market. "We all

remember our losses 18 months ago (September 11). The border has a value of \$475 billion U.S. a year or \$1.3 billion a day. It must remain open for business." ❁

Information at: www.hotels.ca.

Canada Select weighs-in

The Canada Select Rating Program was incorporated in 1991 with the intention of establishing an internationally acceptable standard of measurement for all roofed accommodations. It helps provide a guideline to owners and operators of acceptable consumer standards. It also offers consumers an approved method for comparison of facilities and services within specific categories.

Whether the accommodation property is a hotel, motel, inn, cottage, bed and breakfast, resort, or a hunting lodge, the rating system is based on the basics of cleanliness, comfort and safety. Canada Select inspects and rates

all participating properties to ensure they meet consumer expectations.

Ratings are also based on the extent and quality of facilities, services and amenities. The higher the star rating, the more extensive the facilities, guest services and amenities. A One Star facility is defined as meeting the Canada Select standards of cleanliness, comfort, and safety. Five Star properties are best defined as luxurious, and are among the best in the country in terms of their outstanding facilities, amenities and guest services. ❁

Information at: www.canadaselect.com.

Ontario's outlook

According to Bruce Gravel, president of the Ontario Accommodation Association, Ontario's small and medium-sized accommodation businesses desperately need a return to normal occupancy levels to generate positive revenues. Besides meeting the normal expenses of operating a business, Ontario operators face massive cost increases in hydro, natural gas, insurance, property taxes, and compliance with new private waterworks regulations.

Tourism businesses catering to the snow trade (skiing, snowmobiling, etc.) had an excellent winter, but spring has been very soft, especially since the Iraq war started. Reservation inquiries have fallen off dramatically and some U.S. individual visitors and groups are cancelling their Ontario trips, citing security concerns or new policies against outbound travel.

Business is down for motels and inns, though operators are hopeful this is a short-term slump. However, resorts are fairly optimistic, with summer bookings holding firm. Many U.S. consumers are now asking about a property's cancellation policy; properties have to be flexible.

Approaching the traditional summer busy season, large and small accommodation operators in Ontario are also cautiously optimistic. 2002 was a "soft" year overall, a year of rebuilding following the events of 9/11. Tourism forecasters predicted 2003 would be the year when our industry would return to positive growth, but the war in Iraq has obviously affected those predictions.

The short-haul domestic and rubber-tire U.S. market are seen as the best bets for tourism growth in 2003. Border crossing delays are a big concern; an emergency Tourism Advisory Group, led by Ontario Tourism Minister Brian Coburn, has met to address the impact of the war and to develop solutions. ❁

Information at: www.ontarioaccommodation.com.

Nunavut: developing an industry

TOURISM has been carrying a series of articles about how provincial and territorial marketing organizations in Canada are structured. Over the years there have been a few challenges, and many success stories; most have been the product of careful planning and visionary thinking. This month, we look at the new territory of Nunavut, where the challenges of getting organized for tourism are, in part, mirrored by the territory's exemplary efforts to structure a whole government.

Incorporated in 1999, the territory of Nunavut is only beginning to establish the organizational infrastructure required to develop and manage a bustling economy. Nunavut Tourism however – an industry organization that works closely with government – is a notable exception. “We predate the creation of the territory,” explains Ekayi Pswarayi, director of marketing with Nunavut Tourism. “In the mid-1990s Nunavut Tourism was chosen to represent the Eastern Arctic.”

The territory's tourism industry has adopted a partnership model that it sees as very much resembling that of Saskatchewan. Created in 1996, Nunavut Tourism consists of a board of directors comprised of 13 seats, 12 of which are reserved for industry voices.

David Monteith, the director of Parks, Conservation Areas and Tourism with Nunavut's Department of Sustainable Development, is the board's sole government representative. The department provides Nunavut Tourism with the majority of its \$2.3 million annual budget, approximately four percent of the territory's total annual budget. “I represent the interests of government to see that the Minister's wishes are respected,” says Monteith. “My job is to draw up the contribution agreement and see that Nunavut Tourism lives up to it's end.”

“I think the partnership model is going through growing pains, but it's getting better each year,” says Monteith. “One has to go through



Photo: courtesy of the Canadian Tourism Commission.

Nunavut: untamed, unspoiled, undiscovered.

that phase of figuring out - ‘Are you representing government or are you representing industry?’ - and the reality is you're doing both. Ours is a one-window approach. Originally, tourism in Nunavut was delivered by the government alone.”

Nunavut Tourism sees the territory's growing pains, too. “There's a

marked lack of sophistication on behalf of the industry up here,” says Pswarayi. “Everything is still in development. But, it's beginning to happen that industry is taking its concerns to government through Nunavut Tourism.” 🍁

It's more than just fishing

Key players in the British Columbia sport fishing industry are quickly learning that fishing lodges are no longer just for angling enthusiasts. Operators are noticing an increased demand by guests for first-class resort accommodation as well as a full day of fishing.

Similarly to how ski hills have transformed into all-season, all-inclusive resorts, fishing lodges are investing additional resources to become more attractive to a wider clientele, says a representative for London Enterprises Limited, part of the H.Y. Louie Group of companies. The company is one of the players investing in first-class fishing resorts in British Columbia; in December 2002, it purchased B.C.'s famous Sonora Resort fishing lodge.

The company plans to revitalize the resort into an oasis where visitors can enjoy a variety of activities beyond fishing. Wayne Lundin, sales manager of Sonora Resort, explained the changing trends and clientele needs as follows: “Tourists in all sectors are seeking world-class accommodation, and by investing in the resort, we can meet the expectations of our guests who want unlimited possibilities to work, play and relax.”

In addition to introducing three new vessels to the fishing fleet, Sonora Resort is allocating resources to the property's amenities beyond fishing, including massage facilities, garden areas, a new wine cellar, a 12-seat theatre and fine dining facilities, all targeted to meet the needs of business executives, friends and family. 🍁

Information at: www.sonoraresort.com.

Selling the sizzle by Tom Koelbel

The old marketing axiom, “don't sell the steak, sell the sizzle!” clearly resonates in the travel and tourism sales sector. Those of us who work in the industry appreciate just how important it is to be able to “sell the sizzle” when it comes to promoting an individual region or specific tourism product. Thank goodness then for a real-life “natural” tourism product that just oozes “sizzle” to keep our lives simple – sport fishing.

All four regions of Canada's North offer widely divergent and truly exciting sport fishing experiences that are among the top in the land. The thrill of landing a monster lake trout amidst some of the wildest most pristine country is a world-class experience if there ever was one.

First-class lodges, outfitters, guides and fishing packages that professionally cater to and challenge even the most ardent and demanding clients, are only a phone call or Web site visit away. Small wonder then, that serious enthusiasts and eager neophytes travel by jet loads each year to the Northwest Territories,



Photo: © Pierre Dunningan, courtesy of Above & Beyond.

Exciting sport fishing experiences.

the Yukon, Nunavut, and Nunavik (Quebec), for a chance to land their dream “trophy” on one of the many fast-flowing rivers, gentle streams and unspoiled lakes that dot the North. 🍁

Tom Koelbel is publisher of *Above & Beyond, Canada's Arctic Journal*.

Product Clubs

No place for ghosts?

Photo: courtesy of @Parks Canada.



King's study remains as he left it.

"Canada is no place for ghosts," wrote Major Samuel Strickland of his adopted country in 1853. "The country is too new. We have no fine old ruined castles, crumbling monastic walls or ivory clad churches."

While Canada may still lack the sort of haunted castles Maj. Strickland left behind in Europe, it certainly has its fair share of mysterious residences, including one that housed two Liberal Prime Ministers. Built in 1878 and purchased by the Liberal Party in 1896, Laurier House was the Ottawa residence of Prime Minister Sir Wilfred Laurier until his death in 1919, and soon after, that of William Lyon Mackenzie King.

Considered by many to house an abundance of "disbanded spirits", this late-Victorian mansion met with King's extensive renovations in the 1920s, including the addition of an attic study where King held his séances. To this day, the study contains a crystal ball and a shrine to King's mother, to whom he was very close. In this room, King is said to have communed regularly with both his dead mother and the late Prime Minister Laurier regarding international affairs, as well as any number of other spirits including author Robert Louis Stevenson. 🍁

Laurier house is operated by Parks Canada and is open to the public. Information: (613) 992-8142.

Looking for partners

While visitors to the Bay of Fundy look for rare species of whales and the highest tides on earth, the Bay of Fundy Tourism Partnership has been looking for the ultimate Bay of Fundy tourism operators.

The program was introduced during the year 2000 as both the provincial tourism offices of New Brunswick and Nova Scotia saw an opportunity to raise awareness of the area and the profile and marketability of its many tourism operators. Now in its third year, the program is widely acknowledged as being a great success having 'graduated' some 70 tourism businesses ranging from whale-watch cruise operators, small inns and bed and breakfasts to historical sites and botanical gardens.

Designed as part of the Canadian Tourism Commission's Product Club program, the program consists of several elements, including two one-on-one mentoring sessions, a mystery shop by trained shoppers and even a one-week familiarization trip, bringing together the participants to experience the diverse range of products around the Bay of Fundy.

The program was developed – and has been administrated since its inception – by Resort Management Associates under the guidance of Tom Young and his team in Parrsboro, Nova Scotia. Each project begins with an invitation to a roster of carefully selected tourism operators who are perceived to have at least a minimum level of expertise to join such a program. The program opens with 'focus-on-product' mentoring sessions followed by the familiarization trip, the mystery shop and the second mentoring session focussed largely on marketing issues.

The two mentoring sessions are key to the success of the project. In the opening session, the focus is strictly on product development following a visit to the operator's base to review the product and recommend possible improvements. A written report is produced for each client with a list of the agreed tasks and implementation dates for the suggested improvements. The second mentoring session concentrates on marketing and promotional issues, and potential partnerships to create and develop new packages and programs for diverse markets. 🍁

With thanks to Colin Rusch (colin.rusch@sympatico.ca). Information at: www.bayoffundytourism.com.

Trans Canada Trail

Saskatchewan

Population	1,011,800	Trans Canada Trail	1,400 km
Area	652,330 km ²		

Photo: courtesy of the Trans Canada Trail Foundation.



Land of the Living Skies: This freshly washed and redecorated prairie sky brightens the picture between Yorkton and Melville. The Northern third of Saskatchewan is part of the Canadian Shield. The rest is a vast plain of fertile soil supporting half the nation's farmland.

Bearfoot Canada

Bearfoot Canada is a Canadian Tourism Commission (CTC) product club owned by Adventure Okanagan Co-operative and supported by over 30 eco-adventure businesses in the Okanagan and Shuswap Regions of British Columbia.

The product club works with tourism operators, communities, and government to establish nature-based travel routes for the responsible traveller and to create new Canadian travel products that can be promoted on the world stage as truly authentic. "While we build new travel products for Canada we also assemble the resources to provide assistance for the ongoing maintenance of backcountry trails and sensitive habitat all the while educating the public about responsible travel," states Bearfoot Canada manager Don Elzer. "Our mission is to undertake environmental protection programs that link with nature-based travel while leaving a legacy of clean water, natural shorelines and sustainable land use for future generations." 🍁

Information at: www.bearfootcanada.com or E-mail elzer@bcgrizzly.com.



The Research Viewpoint

Helpful tools to take to the bank by Scott Meis

In these turbulent times, we hear a lot about individual businesses in the tourism industry struggling to stay afloat – the recent spate of headlines on Air Canada's struggles is an obvious example of what has become an industry-wide phenomenon.

For us here in research, this raises the question of how we provide information to decision makers, in particular to help them assess their business position. It is one of the fundamental goals of the Canadian Tourism Commission, after all, to help improve the profitability of the tourism industry. And most business managers would like a handy way of assessing how their business is doing, and how it is doing compared to others in the tourism sector.

We know it is not enough to simply publish statistics, but that we must, as much as we can, help tourism businesses get through tough times. Our response has been a series of publications to be released this summer and fall – the financial performance guides. Traditionally we have always done macroeconomic studies, tracking the overall performance of the economy and the sector. But over the past three years we have also been working on microeconomic studies, estimating the performance of a typical tourism business.

We began with feasibility studies and baseline measurements, and from there we have developed a range of new measures to illustrate business performance, including such things as overall profitability and the ratio of assets to liabilities. We have also divided tourism businesses into two groups: "SMEs" (small and medium-sized enterprises), and large companies.

In our department, Nick Strizzi has been working hard on this project, along with the Industrial Organization and Financial Division (IOFD) of Statistics Canada and professor Pierre G. Bergeron of University of Ottawa's School of Management. We have developed guides for company managers to use when evaluating their figures and comparing their performance with data from the overall industry. The title of this series of publications says it all: *The ABCs of Financial Performance Measures and Benchmarks for Canada's Tourism Sector*.

There are six guides in all, and we will be supplementing these publications with the release this fall of software for businesses to do their own calculations, involving a simple plugging-in of their numbers. Together, the ABCs of financial performance function as a tool that a business, particularly a small and medium-sized business (SME), can use to link to its business plan and take it to the bank.

As our current President and CEO Doug Fyfe has said, we have been trying for a long time to get banks to improve their financing options for SMEs in the tourism sector. This initiative should help create a more favourable playing field for them. In theory and in practice, these guides should also assist businesses to ride out the current times of turbulence. As we all know, sometimes it is tough out there, and we can all use as much help as we can get! 🍁

Accommodation survey reveals decline

Data from the 2001 Traveller Accommodation Survey is now available, and shows that, overall, total world travel declined in that year. There is no question the events that year affected tourism in North America; in fact, of all parts of the world, North America experienced the largest decline in the number of tourists.

Improvements in Hotel Room Utilization

Room occupancy rates and seasonal variations in hotels in Canada were examined, and the room utilization indicator (RUI) rates in 2001 were compared to 1996 and 2000. The RUI measures how efficiently hotels and motels use their rooms, taking into account the seasonal demand for their accommodations.

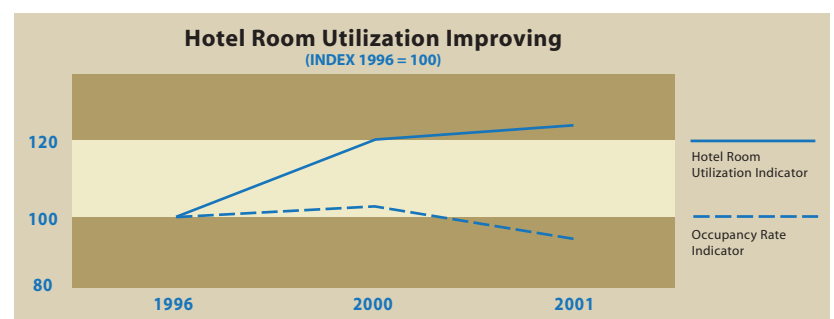
Seasonal fluctuations in demand are of interest to hotel/motel operators since there is a direct effect on both cash flow and cost structure.

Reduced business in off-season months results in lower occupancy rates and lower average revenues per room.

RUI is a result of annual room occupancy rates divided by the average monthly deviation. It is the average monthly deviation that represents seasonality in the accommodation business. High RUIs are dependent on corresponding high occupancy rates and relatively low seasonal variability.

Hotels had higher occupancy rates than resorts

Regardless of the class of the establishment, the demand for hotel rooms in 2001 was greater than that for resorts, as measured by the occupancy rates. Both upscale and luxury hotels had above average occupancy rates at 65 percent, compared to 62 percent for luxury and upscale resorts. As well, mid-scale hotels experienced an occupancy



rate of 62 percent, while that for mid-scale resorts was 58 percent.

The weather likely had some impact on the lower occupancy rates of resorts, and given that more resorts in the panel reported ski facilities than did hotels, the impact of poor weather conditions would be reflected more in the resorts group.

Comparing Outfitters with Campgrounds

Of the various forms of accommodation surveyed in 2001, campgrounds derived the largest

portion of their business from Canadian travellers. 86 percent of those staying at campgrounds were domestic residents. Overall, outfitters generated most of their business from foreign visitors. American visitors made up more than half of the guests (57 percent) staying in Canadian hunting and fishing camps. 🍁

Information:
georgescu.denisa@ctc-cct.ca
A detailed analytical report will be posted on www.canadatourism.com.



Soft outdoor adventure

Among activity-based market segments identified in the Canadian Tourism Commission's new series of TAMS (Travel Activities and Motivation Survey) analysis, Soft Outdoor Adventure Enthusiasts are the largest market, in both the U.S. and Canada. Travellers were classified as Soft Outdoor Adventure Enthusiasts based on their participation levels in various outdoor activities.

Some key findings from the Soft Outdoor Adventure reports:

- On both sides of the border, there is a substantial market for Soft Outdoor Adventure - 5.3 million adult Canadians and 35.5 million adult Americans. These are the largest segments of those analyzed by the CTC.
- Among travellers with recent leisure travel experience in Canada, there were 4.4 million Canadians (representing the largest segment with recent travel in Canada) and 7.1 million Americans (representing the second largest segment, behind Heritage Enthusiasts).
- Canadian travellers appear to have a stronger outdoors and winter orientation than do their American counterparts, but typically, top activities of choice for both groups of enthusiasts were 'warm weather' activities.
- The three most popular activities chosen by these travellers were: wildlife viewing, hiking/backpacking in wilderness settings and fishing.
- Soft Outdoor Adventure Enthusiasts are concentrated at the younger end of the adult age spectrum. Close to three quarters of American and one half of Canadian outdoor enthusiasts are between 18 and 44 years and are underrepresented at the older end of the age spectrum.
- Canadian Soft Outdoor Enthusiasts have relatively narrow tourism interests relative to the comparatively wide-ranging interests of the corresponding American group whereby 40 percent were also Heritage Enthusiasts. Different packaging and marketing strategies may be required on each side of the border to reach outdoor-oriented tourists, based on differences in interests and overlap with other activity segments.
- Compared with other activity-based market segments, there is less foreign competition for both Canadian and American Soft Outdoor Adventure Enthusiasts, although the U.S. offers strong competition for a sizeable minority of Canadians in this segment and for virtually all American Soft Outdoor Adventurers.
- The majority of Soft Outdoor Enthusiasts live in adult-only households. However they are more likely than the 'typical' tourist to have children living in their households.
- The Canadian Soft Outdoor Adventure group was the most homogeneous of all segments, with more than 9 in 10 of members being Canadian-born – this will have significant influence on future market potential with Canada's population growth being fuelled by immigration.
- While the actual rate of growth of this segment is expected to be positive over the next twenty-five years, it is going to grow at a substantially slower rate than it would have if the population structure were to remain the same. Changes in amenities and services offered by tourism businesses may be required to better accommodate the needs and interests of an ageing population. Efforts will also have to be made to entice new Canadians to experience Canada's natural settings. ❁

Highlights of TAMS reports will be featured in this section of TOURISM throughout 2003, featuring profiles of outdoor and cultural segments in the United States and Canada. Complete reports will be available at www.canadatourism.com.

A MONTHLY GUIDE TO TRAVEL AND TOURISM DATA

TOURISM ACTIVITY	REFERENCE PERIOD	QUANTITY	% CHANGE FROM PREVIOUS YEAR
TOURISTS TO CANADA			
From the U.S.	January-February 2003	1,392,225	0.3
By Auto	January-February 2003	896,290	1.3
By Non-auto	January-February 2003	495,395	-1.4
From Overseas - Total	January-February 2003	369,329	6.0
United Kingdom	January-February 2003	81,505	6.6
Japan	January-February 2003	33,568	8.3
France	January-February 2003	38,356	12.6
Germany	January-February 2003	20,994	7.6
Hong Kong	January-February 2003	13,482	-12.8
Australia	January-February 2003	22,637	23.2
Taiwan	January-February 2003	8,554	-19.5
Mexico	January-February 2003	13,641	31.7
Korea (South)	January-February 2003	18,573	8.5
OUTBOUND CANADIAN TOURISTS			
To the U.S.	January-February 2003	1,634,792	2.8
By Auto	January-February 2003	747,161	-0.7
By Non-Auto	January-February 2003	887,631	6.0
To Overseas - Total	January-February 2003	1,074,706	17.7
EMPLOYMENT IN TOURISM			
Total Activities	Fourth Quarter, 2002	579,000	2.3
Accommodation	Fourth Quarter, 2002	135,000	0.4
Food and Beverage	Fourth Quarter, 2002	140,000	2.2
Transportation	Fourth Quarter, 2002	81,600	5.0
SELECTED ECONOMIC INDICATORS			
Personal Disposable Income per person (\$)	Fourth Quarter, 2002	\$22,411	0.8
GDP at market prices (current, \$ billion)	Fourth Quarter, 2002	1,170.9	1.6
GDP chained (1997, \$ billion)	Fourth Quarter, 2002	1,072.9	0.4
CPI (1992=100)	February 2003	122.3	4.6
EXCHANGE RATES (IN CDN\$)			
American dollar	March 2003	1.4759	-7.0
British pound	March 2003	2.3358	3.4
Japanese yen	March 2003	0.0122	2.5
EURO	March 2003	1.5937	14.5

Note: All tourist estimates deal with trips of one or more nights; all data on this table is not seasonally adjusted.

Sources: Statistics Canada and the Bank of Canada.

Revised tourism indicators

The new National Tourism Indicators (NTI) estimates for demand have been revised downward compared to previously published figures. Tourism demand at current prices in 2001 now stands at \$51.7 billion, compared to \$54.6 billion in the past.

However, new NTI estimates for tourism employment and tourism GDP have been revised upward. For example, the revised number of jobs generated by tourism demand now stands at 576,900, a 2.4 percent upward revision. Tourism GDP now stands at \$22.8 billion, a 3.6 percent upward revision.

The revised numbers are based on calculations using the year 1996 as a benchmark. The quarterly pattern in tourism demand and supply has been recalculated following the availability of recent editions to the Canadian Travel Survey (CTS) results and the International Travel Survey (ITS), as well as from other updated indicators available in the System of National Accounts such as GDP by industry, and personal expenditures by commodity. ❁

Information: georgescu.denisa@ctc-cct.ca

UNLIKE ANYTHING ELSE. INCLUDING YESTERDAY.



day one



day two



day three

There's so much to see and do in Alberta, it'll make each day seem like a new trip. The landscape ranges from lush forests and majestic mountains to incredible badlands and rolling plains. And our resorts, cultural experiences, outdoor adventures and exciting city-life will keep your tour fresh and exciting every single day.

To help you plan your Alberta tour, we have developed a dedicated Travel Trade section to our website. To access tour planning tools including sample itineraries, images, and familiarization tour information visit us at:

TravelAlberta.com/TravelTrade



Discover our true nature





Terry Graff has been appointed director for Saskatoon's Mendel Art Gallery effective the beginning of June. Graff most recently has served as the executive director/chief curator of Rodman Hall Arts Centre in St. Catharines, Ontario.

Chenoa Paccagnan (national sales director - tour and travel for AFM Hospitality) and **Louis-Emmanuel Jamet** (manager, travel products for CAA-Quebec) have been appointed to the CTC product development committee.

David Grindlay has been appointed executive director for Northwest Territories Tourism, where he had previously been director of marketing. Grindlay has served the tourism industry in the Northwest Territories for 15 years in a number of capacities.

Legacy Hotels REIT is pleased to announce the appointment of

Neil J. Labatte as president and chief executive officer. Labatte will continue to hold the office of senior vice-president, real estate for Fairmont Hotels & Resorts Inc.

Stuart Duncan, a former senior economic development official with the province of Manitoba, has been appointed CEO of Destination Winnipeg. Duncan has been a senior vice-president in corporate finance with KPMG in Calgary since 1997.

Pierre Gauthier will assume responsibility for the CTC's Asia/Pacific program in Ottawa, in addition to his current responsibilities as executive director, Business Development. While he will continue to develop non-traditional business opportunities for all CTC programs, he will also manage the Asia/Pacific program with the support of **Marie-Paule Dupont** and **Yukiyo Toyoda**. 🍁



Photo: Chardin, Jean-Baptiste-Siméon, The Return from the Market (1738). Courtesy of the National Gallery of Canada.

The Age of Watteau, Chardin, and Fragonard: Masterpieces of French Genre Painting, 6 June - 7 September 2003. Organized by the National Gallery of Canada, the National Gallery of Art, Washington, D.C., and the Staatliche Museen zu Berlin, Gemäldegalerie.



Rod Seiling

Tourism Profile

To keep our readers informed about key decision-makers in Canada's tourism industry, *TOURISM* is introducing members of the Canadian tourism industry. Each profile highlights the personal vision of these industry leaders as they voice their opinions on important issues facing the tourism sector.



ROD SEILING is the national private sector member at large on the Canadian Tourism Commission (CTC) board of directors and a member of the Corporate Governance Committee. Since 1994, Seiling has been president of the Greater Toronto Hotel Association. Previously he served as vice-president of Executive Consultants and as executive director of Racetracks of Canada. Among his professional accomplishments, Seiling was chair of Team Canada, a director for Tourism Ontario and a director for the Ontario Tourism Marketing Partnership Corporation. He holds a Bachelor of Arts from Wilfrid Laurier University.

Seiling acknowledges these are very difficult and troubling times for the industry. "It is times like these that the CTC has to lead and provide a sense of direction, all the while working with its partners and stakeholders," he says. "By its very nature, the CTC has to be constantly looking ahead. This is not to say it abandons what is working well, but one of its key functions is looking into future markets, be they overseas in potential new markets, or new product offerings."

For 2003, Seiling sees the number one priority for the CTC is to provide leadership and direction for the recovery phase, and to help determine when is the strategic time to launch the recovery. 🍁



Help wanted!

Despite current world turmoil, projections indicate that the Canadian tourism industry will continue to grow over the foreseeable future. With that growth comes increased demand on services, and more specifically a need to recruit the right people to help businesses flourish.


If the growth rates seen in the 1990s resume, we could see 32,000 new jobs each year. Combine growth with turnover of up to 30 percent in sectors like food and beverage, and we could be looking at over 50,000 new hires per year. An increasing number of employers are beginning to look outside of their traditional labour pool to find the talent that will help them compete in the near future.

The Canadian Tourism Human Resource Council will continue to address ongoing HR issues with regular contributions to *TOURISM*. Please look for our pieces in future issues.

Information at: www.cthrc.ca.

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