

Making the Case for Tourism – A Toolkit

Appendix II Using the Regional Tourism Profiles

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Using The Regional Tourism Profiles

The Ministry of Tourism and Recreation implemented a new program in 2004, a first of its kind in Canada, involving the publication of ‘regional tourism profiles’. These are special runs of Statistics Canada data on visitor activity and tourism industry performance for many regions in Ontario. Data is available for selected Travel Regions, Census Metropolitan Areas (CMAs) and Census Divisions (CDs). However, in some cases the sample sizes are too small to report the data. A list of the areas for which Regional Tourism Profiles are available is provided below.

What makes these profiles special is that the data is presented for tourism activity in the areas, which conform fairly well in most cases to county and regional boundaries. This allows you to identify the profile of tourism in your community and its surrounding area.

These are very valuable data when it comes to presenting the ‘tourism business case’. They present a picture of the real economic benefit from tourism activity, focussed down to the county or region in question.

Community-Level Data

In most cases, the data is available only for census divisions that, in most cases, are relatively large regional areas. However, there is also data available for some larger cities, as well as for travel regions. Exhibit II-1 on the next page identifies the areas for which the data is available, as of 2004. It is possible that the availability of data may change in future.

If your community is not listed as having data available, look for the county or regional municipality in which your community is located. If data is not available at this level, you will have to use data for the travel region in which you are located.

The Nature and Source of the Data

The Regional Tourism Profiles can be retrieved as follows:

1. Go to <http://www.tourism.gov.on.ca/english/tourdiv/research/rtp.index.html>. (Note: If this link doesn’t work, go to www.tourism.gov.on.ca, then select Tourism Research from the menu on the left, and then select Regional Tourism Profiles from the menu on the left).
2. Select a Travel Region, Census Metropolitan Area or Census Division from the pull-down menu.

Exhibit II-1 List of Travel Regions, Census Metropolitan Areas and Census Divisions for which Regional Tourism Profiles are Available		
Travel Regions, Census Metropolitan Areas and Regional Tourism Profiles	Data Available	Sample Size too Small to Report Data
All Ontario	○	
North Ontario	○	
Travel Regions		
Central Ontario	○	
Eastern Ontario	○	
Essex Region	○	
Niagara Region	○	
North-Central	○	
North-East	○	
North-West	○	
Ottawa Region	○	
South-Western Ontario	○	
South-Central Ontario	○	
St. Lawrence River Corridor	○	
Toronto and Area	○	
Census Metropolitan Area (CMA)		
Hamilton (CMA 537)	○	
Kitchener (CMA 541)	○	
London (CMA 555)	○	
Oshawa (CMA 532)	○	
Ottawa-Hull (CMA 505)	○	
St. Catharines-Niagara (CMA 539)	○	
Sudbury (CMA 580)	○	
Thunder Bay (CMA 595)	○	
Toronto (CMA 535)	○	
Windsor (CMA 559)	○	
Census Divisions (CD)		
Algoma District (CD 57)	○	
Brant County		○
Bruce County (CD41)	○	
Cochrane District		○
Dufferin County		○
Durham Regional Municipality (CD18)	○	

**Exhibit II-1
List of Travel Regions, Census Metropolitan Areas and Census Divisions for
which Regional Tourism Profiles are Available**

Travel Regions, Census Metropolitan Areas and Regional Tourism Profiles	Data Available	Sample Size too Small to Report Data
Elgin County		○
Essex County (CD37)	○	
Frontenac County (CD10)	○	
Grey County (CD42)	○	
Haldimand-Norfolk Regional Municipality (CD28)	○	
Haliburton County		○
Halton Regional Municipality (CD24)	○	
Hamilton-Wentworth Regional Municipality (CD25)	○	
Hastings County (CD12)	○	
Huron County (CD40)	○	
Kenora District (CD60)	○	
Kent County (CD36)	○	
Lambton County (CD38)	○	
Lanark County		○
Leeds & Grenville United County (CD07)	○	
Lennox & Addington County		○
Manitoulin District		○
Middlesex County (CD39)	○	
Muskoka District Municipality (CD44)	○	
Niagara Regional Municipality (CD26)	○	
Nippissing District (CD48)	○	
Northumberland County		○
Ottawa-Carleton Regional Municipality (CD06)	○	
Oxford County		○
Parry Sound District (CD49)	○	
Peel Regional Municipality (CD21)	○	
Perth County (CD31)	○	
Peterborough County (CD15)	○	
Prescott & Russell United Counties		○
Prince Edward County	○	
Rainy River District (CD59)	○	
Renfrew County (CD47)	○	
Simcoe County (CD)	○	
Stormont, Dundas & Glengarry United Counties (CD01)	○	
Sudbury District		○

**Exhibit II-1
List of Travel Regions, Census Metropolitan Areas and Census Divisions for
which Regional Tourism Profiles are Available**

Travel Regions, Census Metropolitan Areas and Regional Tourism Profiles	Data Available	Sample Size too Small to Report Data
Sudbury Regional Municipality (CD53)	○	
Thunder Bay District (CD58)	○	
Timiskaming District		○
Toronto Metropolitan Municipality (CD20)	○	
Victoria County (CD16)	○	
Waterloo Regional Municipality (CD30)	○	
Wellington County (CD23)	○	
York Regional Municipality (CD19)	○	

3. The Regional Tourism Profile for the area selected will appear. You can print the entire piece or just select the data you need from the Table of Contents. Or, you can download the entire file by scrolling down to the first section and following the instructions.

The profiles are presented in four parts:

- Part 1, Historical Statistics, presents five-year data on tourist visitation (1.1 through 1.5), while 1.6 presents 5-year hotel occupancy and revenue data.
- Part 2, Profile Statistics, presents more detailed data on visitation and visitor spending for the most recent year data is available.
- Part 3, Economic Impacts, presents data on the economic impact of tourism activity in the Census Division:
 - First, in 3.1, the economic impacts from visitor spending in the Travel Region, CMA or CD
 - Secondly, in 3.2, the impacts from tourism industry ‘receipts’ in the Travel Region, CMA, or CD, and
 - Thirdly, in 3.3, the impacts from tourism industry ‘receipts’ in the province as a whole that flow into the Travel Region, CMA or CD
- Part 4 presents data on the numbers of tourism-related establishments in the Travel Region, CMA or CD

Visitation and visitor spending have to do with the activity in the county/region of people who meet the definition of ‘tourist’. In Ontario, a tourist is a person staying overnight away from home, or a person making a same-day trip of 40 kilometres or more in one direction. (Commuting-to-work trips are excluded.) The data is presented as ‘person-visits’ and visitor ‘spending’.

To clarify the differences in ‘visitor spending’ on the one hand and ‘tourism receipts’ on the other in Chapter 3 on economic impacts, the first one is the spending of visitors while in the jurisdiction. The second is the same visitor spending, plus the spending of local residents on purchases from Canadian carriers of outbound transportation.

For more information, review the ‘Concepts and Definitions’ document on the ministry’s website at www.tourism.gov.on.ca/english/tourdiv/research/resources.htm.

Use of the Data in the Tourism Business Case

All of the data in the regional profiles is interesting, but not all of it is directly relevant to our purposes. The data that is most relevant includes:

- 2.1 Total Visitors.
- 2.11 Spending in (Travel Region, CMA or CD) by Visitors.
- 3.1 The Economic Impact in (Travel Region, CMA or CD) from Spending by Visitors.

This presents the ‘big picture’ of tourism in the community.

The next level of data you may want to use, depending on the attention span of the intended audience for numbers, include:

- Trends over time, particularly 1.1.
- 2.2 Overnight Visitors by Origin.
- 2.5 Overnight Pleasure Trips by Place of Residents (shows how far you are drawing discretionary leisure visitors, as opposed to business travellers and others needing to make the trip).
- 2.8 Activities on Trip among Overnight Visitors (shows what is drawing people to your destination).
- 3.2 and 3.3 The economic impact based on tourism ‘receipts’ (visitor spending plus resident spending on outbound transportation).

The economic impact data requires some further explanation prior to looking at which of the data should be used in the Tourism Business Case initiative. We provide that below and then return to using the data.

The Economic Impact of Tourism

Exhibit II-2 illustrates the overall flow of visitor spending impacts into and out of each county/region, highlighting how the 3.1 data fits into the overall pattern. As you can see, the 3.1 data represents the economic impacts of community-based visitor spending on both the local economy and on the rest of Ontario as well. It does not include the economic benefits of tourism spending occurring elsewhere in the province that flow into the local economy. (3.2 and 3.3 data do not figure in this exhibit as it represents a fundamentally different analytical method).

The visitor activity data in 3.1 comes from the Canadian Travel Survey (Canadians travelling in Canada), the International Travel Survey (you guessed it – international visitors travelling in Canada). It addresses the numbers of visitors - their origins, length of stay, spending and other such data.

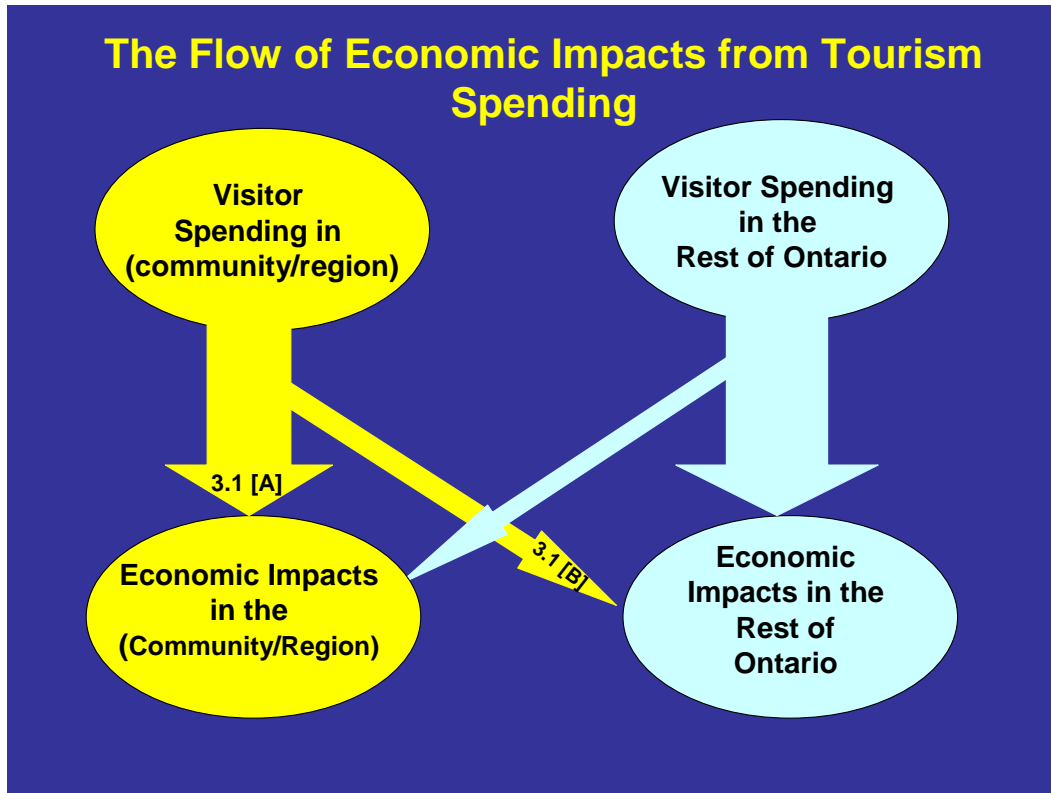
The ‘tourism receipts’ data in 3.2 and 3.3 come from the same two surveys, plus Statistics Canada data on the fares paid to Canadian carriers by residents.

Other Helpful Information

Direct, Indirect and Induced Economic Impacts – Tourism Impact Versus Tourism Benefit

The regional profiles present economic impact measures that measure the flow of dollars through the economy. This provides an important perspective on the ultimate impact of tourism activity, the ‘ripple effect’.

Exhibit II-2
Flow of Economic Impacts from Visitor Spending in the
Community/Region and in the Rest of Ontario



The benefit portion of economic impact measures is really the direct expenditure of visitors to the community, plus the portion of the impacts that are retained within the community. The other impacts flow out of the community/region to other regions of the province.

Another benefit is the impacts of tourism spending in other regions, where some of the monies flow into your community. This is not included in the community impact data.

As you can see, ‘impacts’ and ‘benefits’ are apples and oranges.

Comparing Tourism Economic Impacts to Those in Other Sectors

The indirect and induced impacts of tourism expenditures flow in large part to other economic sectors. So, in comparing economic impacts among economic sectors, it is only valid to consider the direct impacts, since the other sectors count their share of the money flow as their direct impacts. In other words, it’s fine to talk about indirect and induced effects if you are talking about tourism alone, but not if you are comparing the industry to others in the economy.

If you are not familiar with economic impact analysis you should review the, ministry’s website at www.tourism.gov.on.ca/english/tourdiv/research/resources.htm for definitions of the terms used.

The Economic Impact Data

The economic impacts in the Regional Tourism Profiles are presented in terms of GDP (gross domestic product), labour income, number of jobs and taxes. The data are presented in terms of direct, indirect, induced and total impacts.

The economic impact data in the profiles is presented in three ways:

1. 3.1 – The Economic Impact of Visitor Spending in (county/region) - The first, in 3.1, is the impact of the spending of visitors to the county/region, while they are in the county/region. The data shows the economic impacts that are generated within the county/region along with the impacts that flow to the rest of the province, as well as the aggregate impacts in the province as a whole from that tourism spending in the county/region.
2. 3.2 - The Economic Impact of Tourism Receipts in (county/region) - The second is the impact in the economy of the ‘tourism receipts’ (visitor spending plus purchases by residents of outbound transportation) As with 3.1, the data shows the economic impacts that are generated within the county/region along with the impacts that flow to the rest of the province, as well as the aggregate impacts in the province as a whole from the tourism receipts in the county/region.

3. 3.3 – The Economic Impact of Ontario’s Tourism Receipts on (county/region) - The third is the impact in the county/region of tourism receipts occurring across the province as a whole that flow into the county/region. In other words, how much of the province’s total tourism receipts benefits the county/region in question.

Use of the Economic Impact Data in the Tourism Business Case

We recommend that the primary focus for the Tourism Business Case be on 3.1, The Economic Impacts of Visitor Spending. While the tourism receipts are important in their own way, they aren’t what most laymen think when ‘tourism’ is discussed. Most people would think first of how many visitors came and how much they brought into the economy. Visitor spending data is simpler to understand, which is very important in the context of this initiative.

Secondly, unless the audience is economists, we also recommend avoidance of data relating to ‘direct’, ‘indirect’ and ‘induced’ impacts. Keep it simple and non-technical. The ‘total’ impact is the real story, if no comparisons to other industries are required. But, if they are, then use the direct impacts only.

That brings it down to the following key data from table 3.1 for a presentation (other data can be provided in a backup document if the audience is one that would like to have more details for reference purposes):

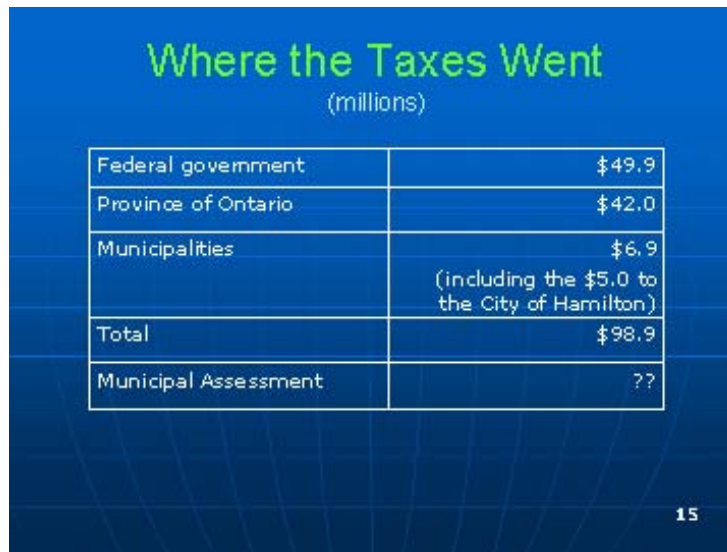
1. Total GDP.
2. Total Labour Income.
3. Total Number of Jobs.
4. Total Taxes:
 - a. Federal
 - b. Provincial
 - c. Municipal
 - d. Local

In each case, we would suggest using the data from columns [A] and [A+B] in table 3.1. Column [A] presents the net economic benefit retained within the county/region economy from the tourism occurring within the county/region, while [A+B] presents the total impact on the province as a whole from the tourism occurring within the county/region.

Here’s how it appears in the Hamilton pilot project presentation.



A second table showing a breakdown of who gets the tax revenues may be useful as well. We present that slide from the Hamilton pilot below.



In this case we present just the total taxes, since there is an anomaly with the local impact numbers. In this case the ‘impacts retained within Hamilton-Wentworth Regional Municipality’ represent the taxes generated from flows within the community, not kept there. The only one that is different is the ‘local’ taxes, where some flow to the City of Hamilton. We therefore show that number as well in the exhibit. This is not, however, the municipal assessment, which is the real tax base, rather it is a theoretical number based on the structure of the economy in the province. In instances where you can put in an estimate of the municipal assessment associated with tourism businesses in the community, that data would be helpful.