AN ECONOMIC PROFILE OF RESOURCE-BASED TOURISM IN ONTARIO, 2001

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Table of Contents

I. INTRODUCTION

Ontario offers tourists outdoor experiences in its forests, meadows and hills and on its lakes, rivers and streams. These tourism experiences include visiting national and provincial parks, fishing, swimming, engaging in other water sports, hunting, walking and hiking, camping, skiing and wildlife viewing. The resource-based tourism experiences and the tourists who travel to engage in them bring economic activity to the areas of Ontario they visit. These resource-based tourism activities tend to occur on Crown lands and waters in Ontario. As a percentage of the land mass, Crown lands and waters encompass approximately 87% of Ontario.

This report, commissioned by the Resource-Based Tourism Unit, Tourism Branch of Ontario's Ministry of Tourism and Recreation (MTR), provides an estimate of the volume, value and economic importance of resource-based tourism activity in the province using information available from over 48,700 trip records with a destination or stop in Ontario contained in Statistics Canada's major domestic and international tourism surveys.[1]

Assuming estimates in the 50% range, findings are deemed to be accurate nineteen times out of twenty at ±2.3% for domestic resource-based travellers; ±4.0% for U.S.A. resource-based travellers; and ±7.2% for overseas resource-based travellers. Additional methodological details and definitions are provided in the appendix to this report.[2]

The report covers *all* tourism activity in almost 83 million hectares of Ontario's lands and waters by visitors who engage in at least one outdoor or nature-oriented activity during their stay in Canada. Once a traveller is identified as a resource-based tourist or visitor, *all spending* and *nights* in Ontario for his or her entire stay in the province and *all activities* engaged in on the entire trip are included in estimates provided in this report.

II. EXECUTIVE SUMMARY

- Many visitors engage in resource-based tourism activities on Crown lands and waters in Ontario. As a percentage of the land mass, these Crown lands and waters encompass approximately 87% of Ontario.

- During 2001, over 5.9 million Canadians, Americans and overseas visitors engaged in resource-based tourism throughout the 82.7 million hectares of Ontario's lands and waters that comprise the province's Resource-Based Tourism Region.[3]

- Resource-based tourism in Ontario tends to be *overnight* tourism. Of the 5.9 million resource-based trips in Ontario in 2001, over 8-in-10 or 4.9 million were overnight trips. These trips generated over 20 million person nights in Ontario's Resource-Based Tourism Region.

- Resource-based visitors and tourists spent $1.3 billion in Ontario during their same-day or overnight stays in the province on all spending categories including accommodation, food/beverage, transportation, recreation and retail. Most of this money – $1.1 billion – was spent in the province's Resource-Based Tourism Region. These values cover *all* tourism activities engaged in by these visitors.

- In total, $2.7 billion in industry output (sales) were generated throughout the province in order to meet the demand of resource-based visitors. Close to $1.6 billion in sales were retained within the economy of Ontario's Resource-Based Tourism Region.

- Contribution to Ontario's Gross Domestic Product (GDP) by resource-based industries and the sectors that supply goods and services to them directly or indirectly reached $1.2 billion during 2001.

- Resource-based tourists' spending in Ontario's Resource-Based Tourism Region and in other parts of Ontario while getting to resource-based parts of the province generated approximately 20,526 direct jobs, and an additional 15,744 indirect and induced jobs province-wide.

- Of the 20,526 direct jobs generated, 85% or 17,525 jobs were retained in Ontario's Resource-Based Tourism Region, while the rest were generated in other parts of Ontario.

- All levels of government benefited from tourism spending in Ontario's Resource-Based Tourism Region. Province-wide, this tourism activity generated $554.6 million in taxes for all levels of government.

- Compared to other industries in Ontario's Resource-Based Tourism Region, resource-based tourism at 17,525 direct jobs or 3% of the region's total direct employment, represents almost as many direct jobs as does mining (22,200 jobs or 4%) and more than half of the direct jobs generated in forest products and services industries within the Resource-Based Tourism Region (29,700 or 6%).

III. Resource-Based Tourism in Ontario

A. Visitors & Their Spending in Ontario's Resource-Based Tourism Region

In 2001, there were almost 6.0 million resource-based tourists on same-day or overnight trips in Ontario (person visits).[4] Most of these visitors came from Ontario (74%), followed by Americans (18%), residents of other Canadian provinces (5%) and residents of other countries (2%) [see Table 1].

Table 1

Resource-Based Tourists in Ontario's Resource-Based Tourism Region, 2001

Person Visits (000s)	Total	Percent
Total	**5,963**	**%**
Ontario	4,433	74%
Other Canada	305	5%
USA	1,103	18%
Other Countries	122	2%

Source: 2001 Canadian and International Travel Surveys, Statistics Canada, special tabulations, page 2-1.

Most resource-based tourism in the province takes place in the spring (25%) or, more commonly, the summer calendar quarter (54%). The first calendar quarter accounted for just under one-tenth of all resource-based tourism in the province (9%) whereas somewhat more took place in the fourth quarter (12%) [see Table 2].

Table 2

Calendar Quarter of Visit to Ontario's Resource-Based Tourism Region, 2001

Person Visits (000s)	Total	Percent
Total	**5,963**	**%**
Quarter I (January – March)	549	9%
Quarter II (April – June)	1,479	25%
Quarter III (July – September)	3,236	54%
Quarter IV (October – December)	698	12%

Source: 2001 Canadian and International Travel Surveys, Statistics Canada, special tabulations, page 34-1.

Ontario's Resource-Based Tourism Region attracted 14% of *all* the visitors to the province in 2001, including 10% of same-day trips and 22% of all overnight trips with a destination in Ontario. Of the 14.6 million visitors to the three resource-based economic regions, about two-fifths (41%) were travellers who engaged in resource-based activities on their trip (6.0 million) [see Table 3].

Table 3

Volume of Resource-Based Tourism in Ontario, 2001			
Person Visits (000s)	Total	Overnight Visits	Same-Day Trips
Total Person Visits – Ontario (All Activities)	103,189	38,652	64,537
Total Person Visits to Ontario's Resource-Based Tourism Region (3 Economic Regions - All Activities)	14,597	8,438	6,159
Resource-Based Tourists in Ontario's Resource-Based Tourism Region	**5,963**	**4,912**	**1,051**

Source: 2001 Canadian and International Travel Surveys, Statistics Canada, special tabulations, page 34-1. Numbers in overnight and same-day columns may not add to total due to rounding.

Resource-based tourism in Ontario tends to be *overnight* tourism. Of the 6.0 million resource-based trips in Ontario in 2001, approximately 8-in-10 (4.9 million) included nights spent in at least one of the Ontario's resource-based economic regions (82%) [see Table 3].

Furthermore, of the total 8.4 million overnight visitors to Ontario's Resource-Based Tourism Region (all activities), three-fifths or 4.9 million engaged in resource-based activities while on their trip. In contrast, of the 6.2 million total same-day visits to this region, only about one-sixth or one million visitors included a resource-based activity on their trip [see Table 3].

Of all Ontario residents who travelled in the province's Resource-Based Tourism Region, close to two-fifths (39%) engaged in resource-based activities in 2001. This is an appreciably lower level of resource-based activity than that evident among travellers from other Canadian provinces (54%) but on par with American visitors (42%). Although relatively few overseas visitors went to Ontario's Resource-Based Tourism Region (164,000), most who did travel to this region also engaged in at least one resource-based activity while on their trip to Canada (74% or 122,000) [see Table 4].

Table 4

Tourists in Resource-Based Tourism Region Who Engage in Resource-Based Tourism Activities – By Origin, 2001			
(Person Visits 000s)	Total Visits in Resource-Based Region	Total Visits in Resource-Based Tourism Region with Resource-Based Activities	% (Horizontal)
Total	14,597	5,963	41%
Place of Origin			
Ontario	11,259	4,433	39%
Other Canada	568	305	54%
USA	2,606	1,103	42%
Other Countries	164	122	74%

Source: 2001 Canadian and International Travel Surveys, Statistics Canada, special tabulations, page 2.

In 2001, resource-based tourists in Ontario spent $1.3 billion in the province. This spending represents 55% of the total $2.4 billion spent in the resource-based economic regions that constitute Ontario's Resource-Based Tourism Region [see Table 5].

Tourists who participated in resource-based activities are an important segment of the tourism economy in Ontario's Resource-Based Tourism Region, especially for the accommodation sector where they account for almost three-quarters of the region's tourism receipts and the recreation sector where they account for close to two-thirds of total tourism receipts.

Table 5

Tourists' Spending in Ontario for Visits to Ontario's Resource-Based Tourism Region By Expenditure Type, 2001

Expenditure Type	**All Travel To Ontario's Resource Based Region**		**Travel To Ontario's Resource Based Region with Resource Based Activities**		**Resource-Based Share of Expenditure Category Spending**
	$000	%	$000	%	(horizontal percent)
Accommodation	$ 522,500	21%	$ 363,600	27%	70%
Food and Beverages	$ 563,900	23%	$ 285,100	21%	51%
Private Transport	$ 487,100	20%	$ 243,800	18%	50%
Recreation	$ 217,500	9%	$ 139,200	10%	64%
Retail/Other[1]	$ 399,900	16%	$ 186,900	14%	47%
Public Transport[2]	$ 246,800	10%	$ 114,100	9%	46%
Total	$ 2,437,700[3]	100%	$ 1,332,600	100%	55%

Source: 2001 Canadian and International Travel Surveys, Statistics Canada (CTS 22-1/4; ITS 6-3). Figures have been rounded to the nearest 100,000.
[1]Includes clothing, food/beverages bought at stores, other retail, other.
[2]Includes local transport and carrier fares.
[3]Includes spending that is assigned to their place of residence by residents of the resource-based tourism census divisions for travel to locations outside the region.

Of the $1.3 billion spent in Ontario by resource-based tourists, $1.1 billion were spent in Ontario's Resource-Based Tourism Region itself and $227 million were spent in other parts of Ontario, primarily on the costs of getting to the Resource-Based Tourism Region (i.e., public carrier fares spent by foreign visitors that is assigned to their point of entry to Canada) [see Table 6].

Table 6

Resource-Based Tourists' Spending in Ontario's Resource-Based Tourism Region & Other Parts of Ontario on Trips to Ontario's Resource-Based Tourism Region, 2001

$000	Total	Canada	USA	Overseas
Spending Assigned to Resource-Based Region	$1,105,900	$599,200	$455,200	$51,600
Spending Assigned to Other Parts of Ontario	$226,700	$ 55,400	$56,400	$114,800
Total	$1,332,600	$654,600	$511,600	$166,400

Source: 2001 Canadian and International Travel Surveys, Statistics Canada (CTS 22-1/4; ITS 6-3). Figures may not add to total because of rounding.

Of the total expenditures associated with resource-based tourists, Ontario residents spent $604.4 million (45% of the total) and Canadians from other provinces spent $50.2 million (4% of the total), for a total of $654.6 million in spending by the domestic market. Americans spent $511.6 million (38% of the total) and residents of other countries spent $166.4 million (12% of the total). The comparatively large expenditure by overseas tourists in other parts of Ontario ($114.8 million) reflects the inclusion of their transportation costs to reach Canada assigned to ports of entry in Ontario. These ports are generally outside the boundaries of the resource-based census divisions.

Almost all expenditures made on resource-based tourism in Ontario by Canadian (92%) and American tourists (89%) accrues to the province's Resource-Based Tourism Region but only one-third of the expenditures made by overseas visitors accrues to these locations, again because of the substantive transportation spending assigned to parts of the province outside the Resource-Based Tourism Region [see Table 6].

Average spending on trips to Ontario's Resource-Based Tourism Region is appreciably lower among Canadians than it is among American or overseas visitors, likely because Canadians stay in private rather than commercial forms of accommodation and because public carrier fares to reach Canada are included in estimates of foreign visitors' spending.

On average, a Canadian same-day resource-based visitor spends $40.00 per person in Ontario and the corresponding American same-day visitor spends $76.00 per person. The disparities by origin are equally pronounced for overnight visits – on average, a resource-based Canadian tourist spends $149.00 per person in the province while an American spends almost three times this amount or $438.00 per person. At $478.00 per person, the overseas resource-based tourism visitors' average overnight visit spending is much closer to the American's than it is to the Canadian's [see Table 7].

Table 7

Average Per Person Per Visit Spending in Ontario on Resource-Based Trip, 2001

Per Person Per Visit	Canada	USA	Overseas
Ontario's Resource-Based Tourism	**$127.00**	**$413.00**	**$424.00**
Same-day visit	$40.00	$76.00	N/A
Overnight stay	$149.00	$438.00	$478.00

Source: 2001 Canadian and International Travel Surveys, Statistics Canada, special tabulations, page 8-1. Averages reflect spending in Ontario's Resource-Based Tourism Region among visitors who participated in resource-based activities on their trip.
The base size for overseas same-day visitors is too small to produce reliable average spending estimates but same-day spending is included in the calculation of "total" overseas average spending. Inclusion of this same-day spending explains why the "total" is lower than the "overnight" average estimate.

Average party size for Canadians (2.0) and overseas resource-based visitors (2.2) is somewhat smaller than it is for Americans (2.8).[5] Conversely, the average length of stay in Ontario's Resource-Based Tourism Region is higher among resource-based tourists from overseas (5.9 nights, on average) than it is for Americans (4.9 nights, on average) or Canadians (3.0 nights, on average). These differences produce very different average spending estimates at the trip level: Canadians spent an average of $248.00 in Ontario on a resource-based trip, Americans spent $1,146.00 in the province and overseas visitors spent $921.00 in Ontario, on average [see Table 8].

Table 8

Average Per Visit Spending in Ontario on Resource-Based Trip, 2001

Per Visit	Canada	USA	Overseas
Ontario's Resource-Based Tourism Region	**$248.00**	**$1,146.00**	**$921.00**
Same-day visit	$73.00	$148.00	N/A
Overnight stay	$300.00	$1,257.00	$1,005.00

Source: 2001 Canadian and International Travel Surveys, Statistics Canada, special tabulations, page 8-1. Averages reflect spending in Ontario's Resource-Based Tourism Region among visitors who participated in resource-based activities on their trip.
The base size for overseas same-day visitors is too small to produce reliable average spending estimates but same-day spending is included in the calculation of "total" overseas average spending. Inclusion of this same-day spending explains why the "total" is lower than the "overnight" average estimate.

Although resource-based visitors accounted for 41% of the total **visits** to Ontario's Resource-Based Tourism Region, their **spending** accounted for 54% of all spending by tourists in the region – including those who did *not* participate in any resource-based tourist activity [see Tables 9, 10].

Table 9

Dependence of Resource-Based Economic Regions on Tourists Participating in Resource-Based Activities -- Spending, 2001

	Total Tourism Spending in Resource-Based Economic Regions (All Visits)*	Resource-Based Tourists' Spending in Resource-Based Tourism Region	Resource-Based Tourists' Spending as % of Total Spending in Resource-Based Tourism Region
	$000	$000	Horizontal %
Ontario's Resource-Based Tourism Region (Total)	**$ 2,031,200**	**$ 1,105,900**	**54%**
Economic Region 595	$ 537,200	$ 368,300	69%
Economic Region 590	$ 858,700	$ 375,900	44%
Economic Region 520	$ 634,200	$ 361,800	57%

Source: 2001 Canadian and International Travel Surveys, Statistics Canada, special tabulations, pages 17, 22.
**All visits includes those that did or did not have a resource-based tourism activity. See Appendix for list of census divisions in each Economic Region.*

Ontario's northwestern economic region – Economic Region 595 – including Rainy River, Thunder Bay and Kenora has the most pronounced dependence on resource-based tourism as a proportion of total visits and total spending [see Tables 9, 10].

Table 10

Dependence of Resource-Based Economic Regions on Tourists Participating in Resource-Based Activities – Person Visits, 2001			
	Total Tourists in Resource-Based Tourism Region (All Visits)*	Resource-Based Tourists in Resource-Based Tourism Region	Resource-Based Tourists as % of Total Tourists in Resource-Based Tourism Region
Person visits	(000s)	(000s)	Horizontal %
Ontario's Resource-Based Tourism Region	**14,596**	**5,963**	**41%**
Economic Region 595	2,534	1,224	48%
Economic Region 590	5,942	2,021	34%
Economic Region 520	6,264	2,798	45%

Source: 2001 Canadian and International Travel Surveys, Statistics Canada, special tabulations, pages 1, 2.
**All visits includes those that did or did not have a resource-based tourism activity. See Appendix for list of census divisions in each Economic Region.*

B. Nights by Accommodation Type in Ontario's Resource-Based Tourism Region

Of the 20.2 million person nights spent in Ontario's Resource-Based Tourism Region by resource-based tourists, over 1-in-3 were spent in private cottages by Ontario residents (5.6 million), other Canadians (440,000), Americans (732,000) and to a much more limited extent, visitors from overseas (40,000). Commercial housekeeping cottages, cabins, lodges and resorts were also popular, especially among American visitors to Ontario's Resource-Based Tourism Region. These outdoor-oriented commercial lodgings accounted for over four million person nights spent by resource-based visitors (20%) in 2001.

Almost half of all the nights spent by American resource-based tourists in the Resource-Based Tourism Region were spent in housekeeping cottages, cabins, lodges and resorts (2.6 million of the total 5.4 million person nights). Camping was also a popular form of accommodation in the region, accounting for 4.0 million person nights over 2001 (20%) [see Table 11].

Table 11

Resource-Based Tourists' Nights in Resource-Based Region, 2001

Person Nights (000s)		Place of Residence			
	Total	Ontario	Other Canada	USA	Overseas
Total	20,163	12,583	1,492	5,374	714
Hotel nights	595	309	15	213	58
Motel nights	563	208	17	292	46
Commercial cottage/cabin/lodge/resort*	4,053	1,256	75	2,572	150
Camping/trailer parks	3,961	2,932	276	661	92
Private cottages	6,861	5,649	440	732	40
Homes of friends/relatives	3,216	2,000	657	316	243

*Source: 2001 Canadian and International Travel Surveys, Statistics Canada, special tabulations, pages 16-1/2. Individual accommodation types do not add to total because of varying levels of "other" accommodation named by respondents. *This category includes housekeeping cottages, hunting/fishing lodges, resorts, etc.*

C. Activities - Overnight Visits to Ontario's Resource-Based Tourism Region

By definition, resource-based **overnight** tourists participated in a resource-based activity but almost all of them participated in at least one form of outdoor activity that *occurs on Crown lands*[6]. While cottaging takes place on private lands, cottagers likely use the many bodies of water in Ontario's Resource-Based Tourism Region as a base for their recreational activities.

Boating and fishing are especially popular activities among overnight visitors to Ontario's Resource-Based Tourism Region, with fishing enjoying a very high level of participation by American tourists. Americans also seem to be park visitors, shoppers and sightseers. Overseas visitors, on the other hand, are comparatively unlikely to fish on their trip but almost all of them shop or sightsee and most go to national or provincial parks, and/or visit friends and relatives (see Table 12 for percentages and Appendix Table 1 for figures).

Table 12

Activities on Trip Among Ontario's Resource-Based Overnight Tourists, 2001

In Thousands (000s)		Place of Residence			
	Total	Ontario	Other Canada	USA	Overseas
Total Overnight Person Visits	4,880	3,474	274	1,026	106
Resource-Based Activities					
Boating	46%	49%	45%	35%	46%
Fishing	39%	32%	44%	66%	26%
Visiting National/Provincial Parks	24%	20%	28%	33%	81%
Camping**	20%	21%	18%	18%	15%
Hunting	2%	3%	1%	2%	*
Downhill Skiing	2%	2%	1%	2%	3%
Other Activities					
Visiting Friends/Relatives	50%	55%	70%	25%	74%
Sightseeing	37%	34%	34%	42%	86%
Shopping	32%	26%	40%	45%	88%
Going to Historic Site	12%	7%	15%	23%	52%
Going to Museums/Art Galleries	8%	6%	10%	10%	49%

*Source: 2001 Canadian and International Travel Surveys, Statistics Canada, special tabulations, pages 10-1/3. Activities that were identified in the Canadian Travel Survey (CTS) but not in the International Travel Survey (ITS) are not shown here. *Less than 0.5%. **At least one camping night must have occurred in Ontario's Resource-Based Tourism Region.*

D. Jobs, GDP, Taxes[7]

Resource-based tourists' spending in Ontario's Resource-Based Region (and in other parts of Ontario while getting to the Resource-Based Region) generated approximately 20,526 direct jobs, and an additional 15,744 indirect and induced jobs province-wide [see Table 13].

Of the 36,270 total jobs generated, 69%, or 24,923 part-time, full-time and seasonal jobs were retained in Ontario's Resource-Based Tourism Region, while the rest were generated in other parts of Ontario. 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 [see Table 13].

Contribution to Gross Domestic Product (GDP) by resource-based visitors in Ontario reached $1.2 billion for the province as a whole during 2001. In total, $2.7 billion in industry output (sales) were generated throughout the province in order to meet the demand of resource-based visitors. Almost $1.6 billion in sales were retained within the economy of Ontario's Resource-Based Tourism Region.

All levels of government benefited from tourism spending in Ontario's Resource-Based Tourism Region. Province-wide, this tourism activity generated $554.6 million in taxes for all levels of government.

Table 13

The Economic Impact of Resource-Based Tourism in Ontario, 2001[1]		
Economic Impact Item	**Resource-Based Tourism**	
($Millions)	Impacts Retained in 3 Resource-Based Economic Regions	Province-wide Impacts
Resource-Based Tourism Spending Associated with Visits Ontario's Resource-Based Tourism Region (3 Economic Regions)	**$1,106.0**	**$1,332.6**
Gross Domestic Product		
Direct	$356.6	$450.9
Indirect	$152.3	$448.3
Induced	$120.3	$325.1
Total	$629.2	$1,224.3
Labour Income		
Direct	$266.7	$337.7
Indirect	$106.3	$270.7
Induced	$57.0	$168.9
Total	$430.0	$777.3
Industry Output		
Direct	$1,106.0	$1,332.6
Indirect	$271.5	$691.4
Induced	$220.3	$685.1
Total	$1,597.8	$2,709.1
Employment - Number of Jobs		
Direct	17,525	20,526
Indirect	4,463	9,339
Induced	2,935	6,405
Total	24,923	36,270
Taxes (Direct)	$246.4	$301.9
Federal	$105.4	$145.5
Provincial	$108.4	$117.1
Municipal	$32.6	$39.3
Taxes (Total)	$337.4	$554.6
Federal	$145.8	$284.1
Provincial	$143.0	$192.3
Municipal	$48.6	$78.2

*Note: * Preliminary and subject to change due to further revision.*
*** Includes Census Divisions 14,15,16,44,46,48,49,51,52,53,54,56,57,58,59,60.*
Sources: Statistics Canada, Canadian Travel Survey and International Travel Survey
Ontario Ministry of Tourism and Recreation, Tourism Regional Economic Impact Model (TREIM)

E. Employment by Sector in Ontario's Resource-Based Tourism Region

According to Statistics Canada's Labour Force Survey estimates, there were 517,300 jobs in Ontario's Resource-Based Tourism Region during 2001. Of these jobs across all sectors of the economy, 1-in-33 or 17,525 were direct employment as a result of resource-based tourism in the region. Other *tourism* spending in the region, apart from that associated with resource-based tourism, accounted for a further 1-in-33 jobs (17,445) [see Table 14].

Compared to other industries in Ontario's Resource-Based Tourism Region, resource-based tourism at 17,525 jobs, or 3% of the region's total employment, represents almost as many jobs as does mining (22,200 jobs or 4%) and represents more than half of the jobs generated in forest products and services industries (29,700 or 6%).

Table 14

Employment in Resource-Based Tourism Region, all Industries, 2001		
Industry Group	**Employment**	**% of total employment in Ontario's Resource-Based Region**
Agriculture, Fishing & Hunting[1]	10,000	1.9%
Finance & Insurance[2]	14,200	2.7%
Utilities[3]	5,100	1.0%
Real Estate Rental and Leasing[4]	4,900	0.9%
Information & Cultural Industries[5]	8,500	1.6%
Resource-Based Tourism*	**17,525**	**3.3%**
Other Tourism*	17,445	3.3%
Total Tourism*	34,970	6.6%
Mining and Related Manufacturing[6]	22,200	4.2%
Oil and Gas Extraction[7]	2,900	0.6%
Transportation & Storage[8]	19,105	3.6%
Construction[9]	35,400	6.8%
Other Manufacturing[10]	39,200	7.5%
Federal, Provincial & Local Government[11]	27,100	5.2%
Logging & Forestry Industries[12]	3,600	0.7%
Wood Industries (Primary) [13]	10,800	2.1%
Pulp & Paper Industries[14]	15,300	2.9%
Total Forest Products & Services Industries	29,700	5.7%
Wholesale[15]	13,800	2.6%
Retail[16]	62,740	12.0%
Business Services[17]	37,600	7.2%
Educational & Health and Social Service Industries[18]	103,400	19.8%
Other Service Industries[19]	46,485	8.9%
Sources: Statistics Canada, Labour Force Survey. Discrepancy is due to rounding. Ontario Ministry of Tourism and Recreation, Tourism Regional Economic Impact Model (TREIM)		

[1] NAICS 11, excluding 113;
[2] NAICS 52;
[3] NAICS 22;
[4] NAICS 53, excluding the employment attributable to tourism;
[5] NAICS 51;
[6] NAICS 212, 327 and 331;
[7] NAICS 21, excluding 212;
[8] NAICS 48 and 49; excluding the employment attributable to tourism;
[9] NAICS 23;
[10] NAICS 31, 32 and 33, excluding 321, 322, 327 and 331;
[11] NAICS 91;
[12] NAICS 113;
[13] NAICS 321;
[14] NAICS 322;
[15] NAICS 41;
[16] NAICS 44 and 45, excluding the employment attributable to tourism;
[17] NAICS 54, 55 and 56, excluding the employment attributable to tourism;
[18] NAICS 61 and 62;
[19] NAICS 71, 72 and 81, excluding the employment attributable to tourism.

IV. MARKETS FOR RESOURCE-BASED TOURISM ACTIVITIES

A special analysis of the Travel Activities and Motivation Survey (TAMS) is provided to aid local tourism planners and operators in understanding the market potential for resource-based tourism products. TAMS provides estimates of the potential market available to destinations in Ontario. Because the province itself and the states in the Great Lakes Basin represent the largest tourism flows to Ontario's Resource-Based Tourism Region, these markets are the focus of this analysis.[8]

Within TAMS, tourists of greatest interest to Ontario's Resource-Based Tourism Region are likely to be those who have taken leisure trips in Ontario over the past couple of years and who, while on their travels, participated in the types of activities the region has to offer.[9]

It is important to note that the tourists described in the TAMS study have taken leisure trips to Ontario and have participated in a cluster of activities while on trips but they may have **engaged in the particular tourism experiences in *any* destination they visited over a two year period**. For example, Hard Outdoor Adventurers who have visited Ontario recently may have been scuba diving and/or white water rafting while on a trip in the past two years, but they may not have engaged in these activities *in Ontario.*

Table 15 describes the potential market for various *high intensity* tourist segments among Ontario and Great Lake State residents who have taken a leisure trip to Ontario in the past two years. The percentages shown in the table represent the proportion of the *total* market segment that have taken trips to Ontario destinations in the recent past (see Appendix for the total market sizes).

For example, 580,000 Ontario adults are Soft Outdoor Adventurers and have taken a leisure trip in the past two years to an Ontario destination. These 580,000 Ontario residents represent 75% of all Ontario residents in the Soft Outdoor Adventurer segment (780,000). In contrast, 1.5 million residents of the Great Lakes states are Soft Outdoor Adventurers and have taken a leisure trip in the past two years to an Ontario destination. These 1.5 million Americans represent 25% of all Great Lakes State residents in the Soft Outdoor Adventurer segment (5.9 million). Using this example, it is clear that the Ontario attracts a higher proportion of tourists from each of the market segments within Ontario than it does within the Great Lakes States.

Table 15

Activity-Based Market Segments				
	Ontario Residents		**Great Lakes State Residents**	
	Ontario Travellers	% of Market Segment	Ontario Travellers	% of Market Segment
Adults (18+)	4,200,000		9,800,000	
Outdoor Oriented Segments				
Hard Outdoor Adventurers	460,000	83%	1,030,000	23%
Soft Outdoor Adventurers	580,000	75%	1,490,000	25%
Winter Outdoors Participants*	710,000	78%	1,140,000	24%
Golf Enthusiasts	710,000	70%	1,690,000	25%
Cultural/Heritage Segments				
Wine/Culinary	560,000	75%	1,920,000	29%
Art Galleries/Museums	1,200,000	67%	3,640,000	25%
Cultural Performances	680,000	78%	1,820,000	26%
Zoos/Aquariums	550,000	56%	2,910,000	25%
Theme Parks	530,000	56%	3,080,000	25%
Casinos	730,000	64%	3,140,000	28%

*Source: Special TAMS Tabulations, pages 15-1/2. Note: by definition, ”soft outdoor adventure enthusiasts” are NOT “hard outdoor adventure enthusiasts”.*Excludes alpine skiers. All estimates have been rounded to the nearest 10,000.*

A. Implications of Population Changes on Tourism Activity Segments

Ontario residents are the primary source of domestic tourism activity in the province now, representing approximately 88% of all overnight person visits by Canadians in the province.[10] Similarly, Great Lakes state residents are the primary source of U.S.A. tourism activity in the province now, representing approximately two-thirds of all overnight person visits by Americans in Ontario.[11] These two markets are also the most prominent sources of overnight tourism in Ontario's Resource-Based Tourism Region. Because of their importance to tourism in the region and in the province as a whole, changes to the demographic profile of Ontarians and Great Lake state residents over time are apt to have an especially dramatic impact on Ontario's tourism volume and value, and the types of activities these residents and American neighbours will seek on their travels.

Key changes in these markets are described below. This information is extracted from reports prepared by Research Resolutions & Consulting Ltd. for the Ontario Ministry of Tourism and Recreation and available from MTR:

- *Impacts of Aging the Canadian Market on Tourism in Ontario* and
- *Impacts of Aging the American Market on Tourism in Ontario.*

For more information on changing demographic and travel behaviour characteristics of Great Lakes state residents and Ontario residents over the next 25 years, the reader is encouraged to visit the MTR website to obtain copies of the full reports.[12]

Ontario Residents

Fundamental changes in Ontario's population structure will influence tourism planning and product development over the next two decades:

- Ontario's population will grow at an appreciably higher rate than will the population of Canada as a whole. At an estimated 37% increase in Ontario's adult population by 2026 compared to a 27% increase for Canada, the pool from which Ontario has to draw for the all-important resident market will increase. By 2026, this population is estimated to be over 12 million adults (18+).

- Older people – those who are at least 55 years of age – will represent an increasingly sizeable proportion of the province's population. They currently account for approximately one-quarter of the adult population (26%) but will represent about two-fifths by 2026 (41%).

- As the population ages, the proportion of Ontario residents living in households with children will decline. At this time, close to 4-in-10 adult residents live in households with teenagers or children (37%), but this proportion will decline to less than 3-in-10 by 2026 (29%).

- A higher proportion of Ontario residents will be foreign-born in 2026 (37%) than is the case now (31%) with particular increases in Eastern European and Asian immigrants predicted, assuming pre-September 11, 2001 immigration policies.

If the new generation of Ontario residents displays similar tourism activity preferences to their 2000 counterparts, the impact of an aging population will result in a shift away from strenuous outdoor activities and a corresponding shift toward non-strenuous *warm weather* outdoor activities and indoor cultural events and attractions. The comparative reluctance of foreign-born residents to participate in strenuous outdoor experiences will contribute to the move away from traditional outdoor tourism experiences by Ontario residents.[13]

Foreign-born potential domestic tourists, many of whom will be concentrated in the Toronto area, may seek tourism experiences that respect their language, cultural traditions and cuisine. To attract this market, tourism businesses in the Resource-Based Tourism Region may have to adapt their products and services to meet the needs of various cultural and ethnic groups. The region might also consider marketing local festivals and fairs to new Canadians as ways to learn more about Canada's rural and small town traditions.

Predicted declines in Ontario residents' interest in traditional outdoor activities such as fishing, canoeing, hunting and camping could have substantive implications for product development and marketing of tourism in Ontario's Resource-Based Tourism Region over the coming years.

The Great Lakes Basin

Similar fundamental changes in the U.S. Great Lakes Basin's population structure are expected to occur between now and 2025:

- As the primary market for inbound U.S. tourism to Ontario, the Great Lakes states' population will grow at an appreciably lower rate than will the population of the U.S.A. as a whole, and particularly the southern tier of the U.S.A. At an estimated 9% increase in the Great Lake states' adult population by 2025 compared to a 27% increase for the entire country, the pool of Americans from which Ontario has to draw from for the all-important "border" market will increase at a lower rate than will more distant parts of the U.S.A. By 2025, Great Lakes states' population is estimated to be approximately 65.4 million adults (18+).

- States in the Great Lakes Basin will not grow at the same rate over the next two decades. In fact, one key feeder state – Michigan – will grow at only 5% compared to 9% for the region as a whole. This comparatively low growth rate may have implications for sustaining the important U.S. tourist market for Ontario's Resource-Based Tourism Region in the future (see Appendix for growth rates by state).

- Minnesota, on the other hand, is expected to grow at a much higher rate than the Great Lakes Basin in total. Between 2000 and 2025, growth in Minnesota will reach 4.2 million adults, or 20% more adults than currently reside in the state (3.5 million).

- Older people – those who are at least 55 years of age – will represent an increasingly sizeable proportion of the region's population. They currently account for over one-quarter of the adult population (28%) but will represent over one-third by 2025 (36%).

- As the population ages, the proportion of Great Lake state residents living in households with children will decline. At this time, 1-in-3 adults live in households with teenagers or children (33%), but this proportion will decline to less than 3-in-10 by 2025 (29%).

Like their Ontario counterparts, an aging Great Lakes state population will result in a shift away from strenuous outdoor activities and a corresponding shift toward non-strenuous *warm weather* outdoor activities and indoor cultural events and attractions. In some cases, the absolute number of Great Lakes state residents interested in some of the outdoor tourism product Ontario has traditionally featured will actually decline.

With an increasingly aging population, Great Lakes state demand for cultural attractions and performances is expected to grow. For example, art galleries and general history museums can expect increases in the proportions of U.S. travellers who will seek these experiences while on trips. While still relatively small *niche* markets, wineries, dance and classical music or opera performances are also likely to benefit from the aging of the travelling public.

B. Opportunities for Resource-Based Tourism in Ontario

Ontario Residents Travelling in Ontario

The current product base and profile of tourist activities in Ontario's Resource-Based Tourism Region suggest that **soft outdoor adventurers** will be a primary target market for the region in the years to come. These adventurers are people who engaged in at least two of the following winter or summer outdoor activities on leisure trips in the past couple of years:

- recreational biking;
- motorcycling;
- kayaking or canoeing;
- motor boating;
- sailing;
- wind surfing;
- hiking/backpacking;
- horseback riding;
- hot air ballooning
- cross-county skiing;
- downhill skiing;
- snowboarding;
- snowmobiling.

They may also have been fishing and/or hunting on recent trips. This ***high intensity*** activity segment currently represents about 578,000 Ontario residents and is expected to grow by approximately 9% to 630,000 by 2026. While these Soft Outdoor Adventurers will represent a larger market in the future than they do now, the segment will grow at a much lower rate than the adult population of Ontario (37%).

Primary changes in the structure of the Ontario travelling public are functions of the increasing age of the Ontario population and the increasing proportion of *new Canadians* in the Toronto CMA over the next couple of decades.

- As the population ages and as a higher proportion of Ontario tourists are not Canadian-born, the mix of activities in which they want to participate also changes. For example, projections of TAMS data suggest that as Ontario residents become older, lower proportions will want to engage in *rugged* outdoor adventure activities.
- Similarly, *new Canadians* tend to travel less in Ontario than do provincial residents who were born in Canada. They are also less likely to participate in outdoor adventure activities.

When these elements are combined, they suggest that over the next two decades, destinations such as Ontario's Resource-Based Tourism Region that are primarily *outdoor* oriented will face increasing challenges within the resident market. Projections suggest that there will be a continuing market for the outdoor products offered in Ontario's Resource-Based Tourism Region but this market will become more difficult to identify and attract because it will represent a smaller proportion of the important Ontario feeder market.

Table 16

Soft Outdoor Adventure & Other Outdoor Activities Ontario Residents Who Took A Leisure Trip in Ontario Recently		
	2000	**Projection to 2026**
Soft Outdoor Adventurers (High Intensity)	578,000	630,000
Motor boating	1,215,000	1,444,000
Hiking/backpacking	1,091,000	1,258,000
Kayaking or canoeing	1,018,000	1,176,000
Recreational biking	960,000	1,138,000
Downhill skiing	561,000	672,000
Cross-county skiing	423,000	536,000
Horseback riding	316,000	346,000
Sailing	307,000	378,000
Snowmobiling	297,000	297,000
Motorcycling	142,000	155,000
Wind surfing	124,000	133,000
Snowboarding	107,000	136,000
Hot air ballooning	20,000	26,000
Other Outdoor Activities		
Fresh water fishing	1,261,000	1,471,000
Golfing	1,157,000	1,490,000
Bird watching	689,000	924,000
White water rafting	202,000	217,000
Hunting	233,000	255,000
Rock climbing	143,000	154,000
Dog sledding	26,000	31,000

Source: Special TAMS Tabulations, pages 15 and 16-1/2. Note: "Soft Outdoor Adventurers" is smaller in size than some of the individual activity groups because to qualify in the high intensity segment, the traveller had to participate in at least two of the listed activities.

The *high intensity* Soft Outdoors Adventurer market represents the *core* market for many of the products Ontario's Resource-Based Tourism Region has to offer. When some of the activities that define Soft Outdoors Adventurers and other important outdoor products are examined individually, it is anticipated that at least **one million** Ontario adults who have recent travel experience in the province are and will continue to be in the market for:

- Fresh water fishing
- Motor boating
- Golfing
- Hiking/backpacking
- Kayaking or canoeing

Cycling and bird watching as tourism activities also attract sizeable numbers of Ontario resident tourists and are expected to continue to do so. Like other core outdoor activities of critical importance to Ontario's Resource-Based Tourism Region, however, the markets for these activities will not keep pace with population growth in the province. For example, fresh water fishing by Ontario residents travelling in their own province is projected to grow at about 17% between now and 2026 compared to a projected 37% growth rate for the Ontario adult population as a whole.

Winter outdoor activities including alpine and cross-country skiing, snowboarding, snowmobiling and dogsledding will, for the most part, represent larger Ontario markets than they do currently but will not keep pace with population growth. The exception to growth is *snowmobiling.* The market for this activity in Ontario by Ontario residents on overnight leisure trips is expected to remain virtually unchanged over the next two decades . . . unless changes are made to the product or marketing that entice more consumers to snowmobile as part of a winter holiday. Anticipated lower growth rates in winter sports is likely a function of the resistance of an aging population to engage in rugged and/or cold weather outdoor activities when they travel.

Table 17

Aboriginal, Historic Activities and Events Ontario Residents Who Took A Leisure Trip in Ontario Recently		
	2000	**Projection to 2026**
Farmers' fairs/markets	1,640,000	2,069,000
Local festivals/fairs	1,380,000	1,765,000
History/heritage museums	1,328,000	1,770,000
Historic replica towns	750,000	1,023,000
Historic sites	739,000	1,012,000
Aboriginal culture/events	354,000	476,000
Source: Special TAMS Tabulations, pages 15 and 16-1/2.		

The challenge for Ontario's Resource-Based Tourism Region will be to develop, package and promote outdoor product that meets the changing needs of older Ontario residents and that responds to the particular interests and needs of Toronto's increasingly multi-cultural population. Since the aging population is expected to be more interested in cultural and/or indoor activities than in the outdoors, efforts to focus on Aboriginal cultural attractions and events, local fairs and festivals, museums and galleries may also be important for future marketing and product development in the region. As is evident from Table 17, markets for a variety of festivals, markets, and history-oriented attractions currently exceed one million Ontario residents and will grow at higher rates between now and 2026 than will many of the outdoor-oriented markets discussed previously.

Great Lakes State (USA) Residents Travelling in Ontario

American residents of the Great Lakes states who have recently travelled to Ontario constitute the core *foreign* market for Ontario's Resource-Based Tourism Region. Presently, about 9.8 million American adults residing in the Great Lakes Basin have recent tourism experience in Ontario. By 2025, this number is projected fall to approximately 8.4 million adults.

Because the available market for Ontario within the Great Lakes Basin will be appreciably older by 2025 than it is now and fewer of these Americans are expected to take leisure trips to Ontario over a two year period, it is not surprising that the markets for almost every *outdoor-oriented* subset of this market, including **soft outdoor adventurers**, anglers, boaters, and hunters are expected to decline.

Table 18

Soft Outdoor Adventure & Other Outdoor Activities U.S. Great Lakes State Residents Who Took A Leisure Trip in Ontario Recently		
	2000	**Projection to 2025**
Soft Outdoor Adventurers (High Intensity)	1,491,000	1,300,000
Motor boating	2,113,000	2,091,000
Hiking/backpacking	2,029,000	1,600,000
Recreational biking	1,774,000	1,645,000
Kayaking or canoeing	1,627,000	1,331,000
Horseback riding	1,505,000	1,327,000
Downhill skiing	987,000	814,000
Sailing	888,000	729,000
Cross-county skiing	757,000	633,000
Snowmobiling	523,000	471,000
Motorcycling	351,000	230,000
Hot air ballooning	155,000	305,000
Snowboarding	139,000	83,000
Wind surfing	116,000	63,000
Other Outdoor Activities		
Fresh water fishing	3,208,000	3,018,000
Golfing	2,551,000	1,932,000
Bird watching	1,488,000	1,430,000
White water rafting	978,000	608,000
Hunting	641,000	589,000
Rock climbing	329,000	281,000
Dog sledding	70,000	83,000
Source: Special TAMS Tabulations, pages 15 and 16-1/2. Note: "Soft Outdoor Adventurers" is smaller in size than some of the individual activity groups because to qualify in the high intensity segment, the traveller had to participate in at least two of the listed activities.		

Market levels now and in the future for the *high intensity* outdoor segment are expected to go from about 1.5 million now to 1.3 million by 2025 (see footnotes for activity segment definition).

Thus, these Soft Outdoor Adventurers from the Great Lakes Basin will represent a smaller market in the future than they do currently.

Primary changes in the structure of the Great Lakes Basin travelling public are functions of the increasing age of the northern tier U.S. population and the lure of warmer weather U.S. locations on the part of the Americans living in northern states. As this population ages, it is emigrating to U.S. southern states, seeking the same warmth on a permanent basis that Canada's snow birds seek on temporary basis in the winter.

As the population ages, the mix of activities in which tourists want to participate also changes. For example, projections of TAMS data suggest that as Great Lakes Basin residents become older, lower proportions will want to engage in *rugged* outdoor adventure activities. These estimates suggest that over the next two decades, destinations such as Ontario's Resource-Based Tourism Region that are primarily *outdoor* destinations will face increasing challenges within the border-state market. Projections suggest that there will be a continuing market for the outdoor products offered in Ontario's Resource-Based Tourism Region but this market will become more difficult to identify and attract because it will represent a smaller proportion of the key American feeder market.

The *high intensity* Soft Outdoors Adventurer market represents the *core* market for many of the products Ontario's Resource-Based Tourism Region has to offer. When some of the activities that define Soft Outdoors Adventurers and other important outdoor products are examined individually, at least **two million** adults who live in U.S. Great Lakes Basin states have recent travel experience in the province are in the market for:

- Fresh water fishing
- Motor boating
- Golfing
- Hiking/backpacking

Cycling, canoeing or kayaking and bird watching as tourism activities also attract sizeable numbers of these American tourists and will continue to do so. Like other core activities, however, the markets for these activities will not keep pace with population growth in the Great Lakes Basin. For example, fresh water fishing by Great Lakes State residents while travelling is projected to decline from 3.2 now million to 3.0 million in 2025.

Even outdoor activities on trips that are not especially strenuous such as golf are expected to decline over the next twenty-five years. Close to 2.6 million Great Lakes Basin tourists who have been to Ontario in the past couple of years went golfing on a trip . . . but by 2025, this number is estimated to be only 1.9 million.

The challenge for Ontario's Resource-Based Tourism Region will be to develop, package and promote outdoor product that meets the changing needs of older Great Lakes State residents and to seek *replacements* for the traditional feeder market just across the U.S./Canada border. Since the aging population is expected to be more interested in cultural and/or indoor activities than in the outdoors, efforts to focus on Aboriginal cultural attractions and events, local fairs and festivals, museums and galleries may also be important for future marketing and product development in the region. As is evident from Table 19, markets for a variety of festivals, markets, and history-oriented attractions currently exceed two million Great Lakes State residents.

Table 19

Aboriginal, Historic Activities and Events U.S. Great Lakes State Residents Who Took A Leisure Trip in Ontario Recently		
	2000	**Projection to 2025**
Local festivals/fairs	4,041,000	3,559,000
History/heritage museums	3,867,000	3,988,000
Farmers' fairs/markets	3,772,000	3,495,000
Historic sites	2,770,000	2,778,000
Historic replica towns	2,298,000	2,379,000
Aboriginal culture/events	1,444,000	1,755,000
Source: Special TAMS Tabulations, pages 15 and 16-1/2.		

Attracting **outdoor adventurers** from the Great Lakes may pose a greater challenge than is the case among Ontario residents not only because the population of the region is declining, but also because many Great Lakes state residents have terrain and outdoor opportunities in their own *backyards* that are very similar to those Ontario’s Resource-Based Tourism Region could offer them. If efforts are made to lure Great Lakes state residents in the Hard, Soft and Winter outdoor markets to Ontario’s Resource-Based Tourism Region, the emphasis may have to be on what makes the region’s outdoor sites and attractions substantively *different* from those these Americans can find at home.

V. GLOSSARY

Directly Attributable To Tourism refers to the portion of the tourism-related sectors' economic activity that is attributed to the tourists' spending.

Direct Impact refers to the impact that the tourists' spending has on the front-line businesses serving these tourists (i.e. the tourism-related sectors).

Employment jobs that are *attributed to tourism* are generated by MTR's economic impact model, which essentially converts tourists' expenditures in a particular industry to jobs according to the industry's production process and part-time/full-time ratios.

GDP this figure refers to the total value of wages & salaries, profits and indirect taxes (less subsidies) generated in the industries involved in the production process that is initiated with the tourists' spending.

Gross Output refers to the total sales achieved by all industries (direct and indirect) that participate in the production process initiated by the tourists' spending.

Indirect Impact refers to the economic impact resulting from the expansion of demand from the industries involved in the direct supply of goods and services to tourists, to other industries.

Induced Impact refers to the economic impact associated with the re-spending of labour income and/or profits earned in the industries that serve tourists directly and indirectly.

Initial Impact refers to the impact on GDP, labor income, jobs or taxes generated by tourism spending in tourism front-line businesses. These front-line businesses are those that sell products and services directly to tourists, e.g. accommodations, restaurants, recreations, travel agents, transportation and retail enterprises etc.

Jobs Ontario's Tourism Regional Economic Impact Model (TREIM) uses the Statistics Canada's Labour Force Survey (LFS) definition of a job. Thus, jobs generated by the model include both part-time and full-time as well as seasonal. They also include paid employees as well as unpaid family employees. See *Employment* for jobs that are "attributed to tourism".

Municipal Taxes refers to business and property taxes collected by municipalities. Although in the long-term these taxes are correlated with the economic health of the community, in the short-term these taxes may not be related to the community's economic fluctuations.

Resource-Based Activities refers to the activities engaged in during the traveller's stay within Canada that have a direct relationship to the outdoors and are likely to occur on Crown land. The activities may or may not have taken place in Ontario census divisions that have been designated as part of the *resource-based tourism region*. Activities include only those captured in the Canadian and International Travel Surveys (Statistics Canada) and those included in the resource-based activity group are listed in the Appendix.

Resource-Based Tourism Region The three Labour Force Survey's (LFS) Economic Regions in Ontario with the highest proportion of Crown land as provided by MNR (hectares of provincial parks, regulated conservation reserves and OLL sites). The census divisions included in the resource-based tourism region are listed in the Appendix.

Resource-Based Tourism in Ontario To qualify as a resource-based tourist in Ontario, the same-day or overnight traveller must have had a destination or overnight stay in one of three Labour Force Survey's (LFS) Economic Regions in Ontario with the highest proportion of Crown land as provided by MNR (hectares of provincial parks, regulated conservation reserves and OLL sites) and to have engaged in at least one of the *resource-based activities* described above on his/her trip in Canada.

Sales (Industry Output) Total sales (industry output) is the sum of all receipts for goods and services purchased by tourists at all levels of production. This measures differs from GDP since GDP is the *value added* of all sales to the domestic economy. For example, when a farmer sells an egg to a restaurant for fifty cents and the restaurants sells this same egg to the tourist for $2.00, the "sales" value is $2.50 (sum). The contribution to GDP is $2.00 of which fifty cents is the farmer's contribution and $1.50 is the restaurant's contribution.

Tourism Tourism comprises the activities of persons travelling to and staying in places outside their usual environment for not more than one consecutive year for leisure, business and other purposes.[14] In Ontario, the definition of tourism also excludes same day travellers who, in order to reach their destination, travelled less than 40 kms (one way) away from home.

Tourism Related Industries refers to the sectors that supply the goods and services consumed by tourists. These sectors are: transportation (air, rail, bus and local), accommodation services, food & beverage services, amusement & recreation services, retail and "other" services (car rental, travel agents). Although these sectors supply the goods and services consumed by tourists, they also supply goods and services consumed by non-tourists. As such not all of these sectors' revenues and jobs are attributed to tourists spending.

VI. APPENDIX

A. Methodology

In order to generate estimates of resource-based tourism in Ontario, operational definitions were developed to identify the parts of the province that could be characterized as *Ontario's Resource-Based Tourism Region* and the types of visitors who could be characterized as *resource-based tourists*.

Using the best available information, two initial criteria were used in developing the operational or working definition of *resource-based tourism in Ontario*:

1) The location in which the tourism activity took place should be one in which a substantive proportion of the land mass is Crown land; and

2) The visitor had to engage in at least one resource-based tourism activity on his or her same-day or overnight trip.[15]

1. Identifying Ontario's Resource-Based Tourism Region

To identify the parts of the province that would constitute *Ontario's Resource-Based Tourism Region*, MTR approached the Ministry of Natural Resources (MNR) to supply an estimate of the proportion of all Crown lands in each of Ontario's census divisions. The purpose of this request was to determine, based on the best information currently available, the Economic Regions in the province that have a *high density* of Crown lands.

MNR responded to this request with a distribution of land mass devoted to three specific types of Crown land as measured in hectares for each of Ontario's Economic Regions (in the form of census divisions):

- provincial parks,
- regulated conservation reserves, and
- Ontario Living Legacy sites.

Data were not available to provide an estimate of other Crown lands or bodies of water at the Economic Region level. Thus, the operational definition to designate Ontario's Resource-Based Tourism Region includes three types of Crown land (provincial parks, regulated conservation reserves and OLL sites).

To identify "high density" resource-based Economic Regions, the proportion of total land mass devoted to provincial parks, regulated conservation reserves and Ontario Living Legacy sites was calculated for each Economic Region. This analysis yielded:

- **Economic Region 595**, accounting for 12.5% of the province's land mass devoted to provincial parks, regulated conservation reserves and Ontario Living Legacy sites;
- **Economic Region 590**, accounting for 9%; and
- **Economic Region 520**, accounting for 11.6% of these lands.

These three Economic Regions form the operational unit for this analysis: Ontario's Resource-Based Tourism Region. The census divisions included in each of these Economic Regions are listed below. The full distribution and proportions can be found in the following section.

Economic Region	**Census Divisions**
595	
	Rainy River
	Thunder Bay
	Kenora
590	
	Nipissing
	Parry Sound
	Manitoulin
	Timiskaming
	Sudbury
	Algoma
	Sudbury Region
	Cochrane
520	
	Haliburton
	Muskoka
	Peterborough
	Victoria
	Northumberland

These Economic Regions represent a single geographic unit from an analytical perspective even though they are not contiguous.

2. Identifying Ontario's Resource-Based Tourists

For the purposes of this report, to be considered a *resource-based tourist*, a same-day or overnight traveller visited at least one of the designated Ontario resource-based census divisions and participated in at least one of the activities listed below.[16] The activity lists differ for Canadian and foreign travellers because Statistics Canada's domestic and international questionnaires have different activity options. It is important to note that these tourism surveys capture "activities on the trip" rather than activities in a specific location visited on the trip.

Activities Designated as Resource-Based Tourism

Canadian Tourists	USA/Overseas Tourists
fishing	fishing
hunting	hunting
boating	boating
visiting national or provincial nature parks	visiting national or provincial nature parks
bird or wildlife viewing	downhill skiing
nature walks and hiking	camping
camping	swimming and other water sports
swimming or other water-based sports	
snowmobiling, cross-country or downhill skiing	

Once a traveller is identified as a resource-based tourist or visitor, all spending and nights in Ontario for his or her entire stay in the province and for *all* activities he or she may have engaged in on the trip are included in estimates provided in this report.

All estimates of tourism volume and value contained in this report derive from the 2001 Statistics Canada Canadian Travel Survey (CTS) and International Travel Survey (ITS). When this report was prepared, these were the most recent data available for all tourism flows to Ontario. Special tabulations of these surveys and this report were prepared for the Ontario Ministry of Tourism and Recreation (MTR) by Research Resolutions & Consulting Ltd. in March, 2003.[17] In addition to this report, detailed computer tabulations for Canada, USA and overseas resource-based tourism in Ontario have been provided to MTR (under separate cover).

B. Economic Regions Designated as "Resource-Based"

Note: An operational definition of Ontario's resource based tourism area is used throughout this report. It is based on information available to MNR at the time this report was prepared. Thus, the operational definition includes only three types of Crown land: provincial parks, regulated conservation reserves and OLL sites. If information by Economic Regions and census divisions for other types of Crown land were available, the designated region would likely be configured differently than it is.

Ontario's Resource-Based Tourism Region

Economic Region	Census Division	Prov Parks	Regulated Conservation Reserves	OLL Sites	Sum of Crown Lands	Total Hectares in County	% of Economic Region in "Crown Lands"
595		**5,383,936.11**	**32,848.33**	**1,099,892.24**	**6,516,676.69**	**52,325,244.00**	**12.5%**
595	Rainy River	475,935.92	-	-	475,935.92	1,681,714.00	28.3%
595	Thunder Bay	1,131,026.10	32,087.28	656,775.97	1,819,889.35	10,956,422.00	16.6%
595	Kenora	3,776,974.09	761.05	443,116.27	4,220,851.42	39,687,108.00	10.6%
590		**1,403,898.18**	**190105.58**	**992,225.35**	**2,586,229.10**	**28,715,947.00**	**9.0%**
590	Nipissing	696,616.27	8,135.14	44,549.59	749,300.99	1,801,159.00	41.6%
590	Parry Sound	44,222.32	38,733.21	60,527.44	143,482.98	1,005,658.00	14.3%
590	Manitoulin	26,599.42	301.25	16,676.63	43,577.30	367,892.00	11.8%
590	Timiskaming	70,504.74	23,765.06	48,927.98	143,197.77	1,270,539.00	11.3%
590	Sudbury	211,767.10	17,705.59	208,954.82	438,427.51	4,327,506.00	10.1%
590	Algoma	205,986.11	52,999.35	234,293.96	493,279.42	5,120,690.00	9.6%
590	Sudbury Region	159.92	-	3,201.41	3,361.33	260,702.00	1.3%
590	Cochrane	148,042.30	48,465.98	375,093.52	571,601.80	14,561,801.00	3.9%
520		**103,392.63**	**10,098.32**	**88,110.94**	**201,601.88**	**1,733,478.00**	**11.6%**
520	Haliburton	89,295.06	1,636.84	5,025.47	95,957.37	416,874.00	23.0%
520	Muskoka	8,381.26	7,816.26	25,652.77	41,850.29	403,534.00	10.4%
520	Peterborough	3,709.09	645.22	34,321.29	38,675.59	395,611.00	9.8%
520	Victoria	1,492.32	-	23,111.41	24,603.73	306,690.00	8.0%
520	Northumberland	514.9	-	-	514.9	210,769.00	0.2%

Other Economic Regions	Census Division	Prov Parks	Regulated Conservation Reserves	OLL Sites	Sum of Crown Lands	Total Hectares in County	% of Economic Region in "Crown Lands"
510		5432.36	0	703.68	6136.04	1451611	0.4%
510	Leeds & Grenville	2,504.62	-	-	2,504.62	339,003.00	0.7%
510	Prescott & Russell	1,365.08	-	-	1,365.08	200,333.00	0.7%
510	Lanark	1,320.68	-	551.98	1,872.66	306,396.00	0.6%
510	Ottawa-Carleton	241.98	-	151.7	393.68	275,698.00	0.1%
510	Stormont Dundas & Glengarry	-	-	-	-	330,181.00	
515		**22,580.98**	**9,635.75**	**23,951.39**	**56,168.12**	**2,132,177.00**	**2.6%**
515	Lennox & Addington	9,392.61	7,392.34	2,069.92	18,854.87	284,071.00	6.6%
515	Frontenac	6,559.15	1,942.98	5,085.60	13,587.73	381,971.00	3.6%
515	Renfrew	5,589.68	-	9,983.02	15,572.70	764,568.00	2.0%
515	Hastings	451.88	300.43	6,812.85	7,565.16	596,737.00	1.3%
515	Prince Edward	587.66	-	-	587.66	104,830.00	0.6%
530		**808.02**	**0.00**	**0.00**	**808.02**	**610,041.00**	**0.1%**
530	Peel	282.12	-	-	282.12	122,506.00	0.2%
530	York	375.98	-	-	375.98	175,564.00	0.2%
530	Durham	149.92	-	-	149.92	248,962.00	0.1%
530	Toronto	-	-	-	-	63,009.00	-
540		**6685.76**	**0**	**0.22**	**6685.97**	**1035173**	0.6%
540	Simcoe	5,185.21	-	0.22	5,185.42	484,231.00	1.1%
540	Dufferin	1,500.55	-	-	1,500.55	149,031.00	1.0%
540	Waterloo	-	-	-	-	135,971.00	-
540	Wellington	-	-	-	-	265,940.00	-
550		**1,730.07**	**244.53**	**0.00**	**1,974.60**	**792,458.00**	0.2%
550	Halton	634.87	-	-	634.87	95,864.00	0.7%
550	Niagara	644.61	244.53	-	889.14	185,085.00	0.5%
550	Haldimand-Norfolk	450.59	-	-	450.59	291,088.00	0.2%
550	Brant	-	-	-	-	109,123.00	-
550	Hamilton-Wentworth	-	-	-	-	111,298.00	-
560		**523.29**	**0**	**0**	**523.29**	**727359**	**0.1%**
560	Elgin	296.07	-	-	296.07	188,417.00	0.2%
560	Middlesex	217.08	-	-	217.08	335,712.00	0.1%
560	Oxford	10.14	-	-	10.14	203,230.00	0.0%
570		**5394.67**	**0**	**0**	**5394.67**	**735345**	**0.7%**
570	Kent	2,987.39	-	-	2,987.39	249,443.00	1.2%
570	Lambton	2,154.82	-	-	2,154.82	299,753.00	0.7%
570	Essex	252.46	-	-	252.46	186,149.00	0.1%
580		**6,155.03**	**0.00**	**0.00**	**6,155.03**	**1,414,537.00**	**0.4%**
580	Bruce	4,416.19	-	-	4,416.19	404,847.00	1.1%
580	Grey	1,486.34	-	-	1,486.34	450,501.00	0.3%
580	Huron	252.5	-	-	252.5	340,176.00	0.1%
580	Perth	-	-	-	-	219,013.00	-

C. Appendix Table 1

Activities on Trip Among Ontario's Resource-Based Overnight Tourists, 2001					
In Thousands (000s)		Place of Residence			
	Total	Ontario	Other Canada	USA	Overseas
Total Overnight Person Visits	4,880	3,474	274	1,026	106
Resource-Based Activities					
Boating	2,233	1,700	123	361	49
Fishing	1,924	1,103	121	672	28
Visiting National/Provincial Parks	1,188	688	76	338	86
Camping**	979	731	48	184	16
Hunting	118	91	3	24	*
Downhill Skiing	98	77	2	16	3
Other Activities	-				
Visiting Friends/Relatives	2,429	1,901	193	256	79
Sightseeing	1,804	1,189	94	429	92
Shopping	1,582	920	108	460	94
Going to Historic Site	563	230	40	238	55
Going to Museums/Art Galleries	387	209	27	99	52

*Source: 2001 Canadian and International Travel Surveys, Statistics Canada, special tabulations, pages 10-1/3. Activities that were identified in the Canadian Travel Survey (CTS) but not in the International Travel Survey (ITS) are not shown here. *Less than 0.5%. **At least one camping night must have occurred in Ontario's Resource-Based Tourism Region.*

D. NAICS Codes

NAICS Code	Description
11	Agriculture Forestry Fishing and Hunting
21	Mining and Oil and Gas Extraction
22	Utilities
23	Construction
31	Manufacturing
32	Manufacturing
33	Manufacturing
41	Wholesale Trade
44	Retail Trade
45	Retail Trade
48	Transportation and Warehousing
49	Transportation and Warehousing
51	Information and Cultural Industries
52	Finance and Insurance
53	Real Estate Rental and Leasing
54	Professional Scientific and Technical Services
55	Management of Companies and Enterprises
56	Administrative and Support
61	Educational Services
62	Health Care and Social Assistance
71	Arts Entertainment and Recreation
72	Accommodation and Food Services
81	Other Services (except Public Administration)
91	Public Administration
113	Forestry and Logging
212	Mining (except Oil and Gas)
321	Wood Product Manufacturing
322	Paper Manufacturing
327	Non-Metallic Mineral Manufacturing
331	Primary Metal Manufacturing

Appendix Table 1: Activity-Based Market Segments				
	Ontario Residents		**Great Lakes State Residents**	
	Total Adults (18+ Years)	**Ontario Travellers**	**Total Adults (18+ Years)**	**Ontario Travellers**
Millions of Adults (18+)	*8.9*	*4.2*	*64.3*	*9.8*
Outdoor Oriented Segments				
Hard Outdoor Adventurers	0.6	0.5	4.4	1.0
Soft Outdoor Adventurers	0.8	0.6	5.9	1.5
Winter Outdoors Participants*	0.9	0.7	4.6	1.1
Golf Enthusiasts	1.0	0.7	6.8	1.7
Cultural/Heritage Segments				
Wine/Culinary	0.8	0.6	6.6	1.9
Art Galleries/Museums	1.8	1.2	14.3	3.6
Cultural Performances	0.9	0.7	6.9	1.8
Zoos/Aquariums	0.9	0.5	11.5	2.9
Theme Parks	0.9	0.5	12.5	3.1
Casinos	1.1	0.7	11.1	3.1

*Source: Special TAMS Tabulations, pages 15-1/2. Note: by definition, "soft outdoor adventure enthusiasts" are NOT "hard outdoor adventure enthusiasts".*Excludes alpine skiers.*

Appendix Table 2: The Adult Population 2000 & 2025 by State				
	2000	**2025**	**Percentage Increase**	**Percentage of Ontario's 2000 USA Overnight Person Visits***
Great Lakes	60,184,000	65,440,000	+9%	
New York	13,673,000	14,926,000	+9%	18%
Pennsylvania	10,044,000	9,899,000	-1%	6%
Wisconsin	3,805,000	4,537,000	+19%	3%
Michigan	7,266,000	7,659,000	+5%	22%
Illinois	8,858,000	10,060,000	+14%	5%
Indiana	4,344,000	5,055,000	+16%	N/A
Ohio	8,662,000	9,058,000	+5%	9%
Minnesota	3,534,000	4,245,000	+20%	4%

*Source: Special TAMS U.S.A. Tabulations, page 5. ITS USA 2000 Special Tabulations, page P2-1. *Figures are not available for Indiana.*

VII. Notes

[1] Based on Statistics Canada's 2001 Canadian Travel Survey (CTS) and 2001 International Travel Survey (ITS) for USA and overseas visitors to the province. Sample sizes: 18,126 trip records in the CTS with an Ontario destination from the household survey of 175,915 Canadians 15+ during 2001; 23,427 trip records in the ITS USA survey with a stop in Ontario from 41,782 self-completion surveys; and 7,221 trip records in the ITS Overseas survey with a stop in Ontario from 15,682 self-completion surveys.

[2] Sample sizes for resource based visitors and tourists in Ontario: 3,478 trip records in the CTS; 1,186 trip records in the ITS USA; and 370 trip records in the ITS Overseas file.

[3] Visitors with a main destination in a resource-based census division if Canadian or a visit in a resource-based census division if foreign, and with at least one resource-based activity on the trip (see Appendix for list of census divisions and activities). All data derive from special tabulations of Statistics Canada's Canadian Travel Survey and International Travel Survey, 2001.

[4] With the main destination in a resource-based census division if Canadian or a visit in a resource-based census division if foreign, and with at least one resource-based activity on the trip.

[5] See Special Tabulations, page 30-1 for figures.

[6] Estimates of the proportion of visitors who participate in a "Crown land" activity are based on the assumption that all water-based activities and land-based activities in national/provincial parks, and hunting occur on Crown lands and that some camping is also on Crown land (proportions were provided by MTR).

[7] *Economic impact* means the resources that were used to satisfy a sector's demand and the taxes that the economic activity associated with a sector's output generates. This section neither evaluates the costs of the various economic activities, nor the costs and benefits of other non-traded economic activities or non-economic activities generated by a sector's production/consumption.

[8] States included in the Great Lakes Basin: New York, Pennsylvania, Michigan, Ohio, Illinois, Minnesota, Wisconsin, Indiana.

[9] The high intensity and participant groups described here were developed by the Ontario Ministry of Tourism and Recreation in conjunction with the Ontario Tourism Marketing Partnership.

High Intensity Soft Outdoors - Minimum of two of the following from the TAMS "activities on trips in past two years" list and not already categorized as "High Intensity Hard Outdoor Adventure": recreational biking, biking as an overnight touring trip, any motorcycling, kayaking or canoeing, motor boating, sailing, wind surfing, hiking/backpacking, horseback riding, hot air ballooning, cross-county skiing, downhill skiing, snowboarding, any snowmobiling. May include consumptive outdoor activities (hunting/fishing).

High Intensity Hard Outdoors - Took trip to experience adventure and excitement in past two years and at least one of: ice or rock climbing, mountain biking; dog sledding; hang-gliding; bungee jumping; heli-skiing; scuba diving. May include consumptive outdoor activities (hunting/fishing).

High Intensity Wine/Culinary - Any of: Stay at cooking school, wine tasting school or gourmet restaurant with accommodation on the premises; or minimum of 2 of the following: touring a region's wineries; going to wineries for day visits; dining at internationally acclaimed restaurants.

High Intensity Gallery/Museum Goers - Minimum of two of the following from the TAMS "activities on trips in past two years" list: Aboriginal museum; art galleries; general history museums; science/tech museums; musical attractions such as Rock 'n Roll museum.

High Intensity Golfers - From TAMS experiences/activities on trips in past two years: Took trip to participate in hobby or sport (e.g., golf, fishing, photography) in past 2 years and any of occasional golf game while travelling; stay at golf resort for one or more nights; take a packaged golf tour to play on various courses.

High Intensity Cultural Performance Tourists - Minimum of three of the following from the TAMS "activities on trips in past two years" list: opera, ballet, theatre, concerts (classical, jazz, rock 'n roll); musical, literary or theatre festival.

High Intensity Casino Gamblers - From the TAMS "experiences/activities on trips in past two years" list: Trip experience to "visit casinos and gamble" and casinos as activity.

Mega-Theme Park Enthusiasts - Minimum of two of the following from the TAMS "activities on trips in past two years" list: movie theme parks, science & technology theme parks; amusement parks such as Disneyland; garden attractions such as Cypress Gardens.

Any Other Winter - Any of: ice climbing, dog sledding, ice fishing, snowmobiling, cross country skiing (any or as a touring trip) [excludes alpine skiers and snowboarders].

[10] See 2001 Canadian Travel Survey Tabulations provided to MTR in July, 2002.

[11] See 2001 International Travel Survey Tabulations (USA) provided to MTR in 2002.

[12] http://www.tourism.gov.on.ca/english/research/tams

[13] See *Big City Attractions* tabulations prepared from TAMS for the Ontario Tourism Marketing Partnership, February, 2002. In the Toronto CMA – the likely reception site for many new immigrants to the province – those born outside Canada participate in outdoor activities such as canoeing, fishing and hunting at about half the rate as do Torontonians who were born in Canada. Participation rates in various urban and indoor-oriented activities such as museums, art galleries, theatre and concerts in their home community, favour Canadian-born residents but are considerably closer for the two groups than is the case for outdoor activities.

[14] Excluded from the definition of tourism are: border workers and other travellers that commute to work, temporary immigrants, permanent immigrants, nomads, transit passengers, refugees, members of armed forces, representation of consulates and diplomats.

[15] MTR recognizes that these operational definitions are restricted by the realities of information available to estimate the parts of the province that have a high "density" of public or Crown lands and by the measures included by Statistics Canada in its major tourism surveys.

[16] The Canadian Travel Survey (CTS) contains a "main destination" variable but the International Travel Survey (ITS) does not. Consequently, for a Canadian traveller to qualify as a resource-based tourist in Ontario, he/she had to have participated in one of the listed activities and to have named one of the twelve resource-based census divisions as his/her main destination on an overnight or same-day trip. International visitors (USA and overseas) had to have participated in one of the listed activities and to have named one of the twelve resource-based census divisions as his/her destination same-day trip or to have spent at least one night in the census division on an overnight trip.

[17] Research Resolutions & Consulting Ltd., 16 Hepbourne Street, Toronto, ON M6H 1J9 (tel 416-531-9973; email rogers.judy@sympatico.ca).