

ONTARIO'S TOURISM ACTION PLAN



June 2016

Ministry of Tourism, Culture and Sport

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Minister's Message



Ontario's tourism industry is a significant economic driver and key contributor to our cultural vitality and quality of life. Generating over \$28.5 billion annually and representing 4 per cent of the GDP, I am proud of the role it plays in building robust communities and enriching the lives of Ontarians.

Globally, the tourism industry is growing and changing rapidly.

To best position Ontario's tourism industry to respond quickly to shifting consumer demands and capitalize on future opportunities, the government committed to developing *A Strategic Framework for Tourism in Ontario*. **Ontario's Tourism Action Plan** marks an important step toward achieving this goal.

In 2015, I initiated a sector-wide engagement process seeking input from a broad range of industry stakeholders on how government and industry can work together to grow tourism in Ontario.

This engagement process was a great success thanks to the enthusiastic participation and valuable input from our partners. I was impressed by the diversity of industry representation and the range of ideas discussed. I was particularly pleased to see many individuals participating in tourism discussions for the first time. My sincere thanks to all who took part.

One clear takeaway from our engagement was a call for immediate action. This document answers that call by outlining initial steps the government will undertake to support the best environment for industry growth.

As always, I will continue to champion tourism across Ontario and across government. This includes engaging the federal government and tourism leaders across the country.

To that end, I am looking ahead to future meetings of the Canadian Council of Tourism Ministers, including the 2017 meeting, which will be co-hosted by the Province of Ontario and the federal government. These conversations provide an important opportunity to discuss shared concerns, including data collection, air access, marketing strategies and the responsible use of the sharing economy.

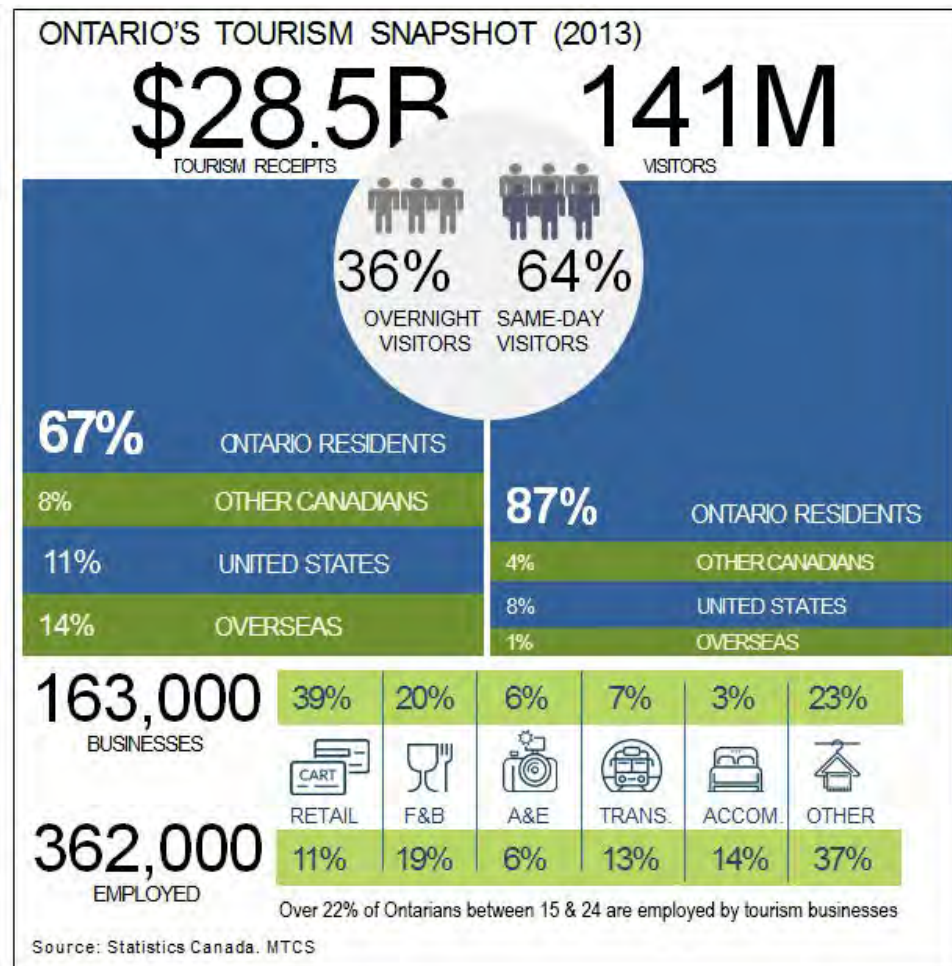
I am also looking forward to hearing about actions that industry plans to undertake to help address challenges and seize opportunities that lie ahead. With strong partnerships and a coordinated approach, together we can position Ontario's tourism industry to reach its highest potential.

Thank You,
Michael Coteau
Minister

A Diverse and Vibrant Industry

A strong tourism industry benefits all Ontarians.

Ontario's tourism industry is a **key economic driver** contributing to the provincial economy and to local communities across the province.



Ontario's tourism industry¹:

- Generates over **\$28.5 billion annually in tourism receipts**
- Supports over **362,000 tourism-related jobs** and more than **160,000 tourism-related businesses**
- Generates **141 million visits** and **\$22.7 billion in visitor spending**
- Contributes **\$25 billion** to Ontario's Gross Domestic Product
- Contributes **\$4.9 billion in provincial tax revenues**

¹ Source: Statistics Canada's Travel Survey of the Residents of Canada, International Travel Survey and Business Register 2013; Ontario Ministry of Tourism, Culture and Sport

In addition to making a significant economic contribution, a prosperous tourism sector benefits Ontarians **culturally** and **socially** by:

- Supporting **healthy and prosperous communities** across Ontario
- Fostering a **powerful sense of place and pride** in the province, its culture, history and diverse communities
- Supporting **healthy and active lifestyles** through sport and recreation, such as walking, hiking and cycling
- Developing the **talents and skills** of Ontario's workforce as the largest employer of youth in the province

These benefits are the result of the hard work and dedication of Ontario's tourism partners and their willingness to work alongside government to continually strengthen and grow the industry.

The government remains committed to fostering the best environment to support this growth.



Building on a Strong Foundation

The Ministry of Tourism, Culture and Sport (MTCS) has benefitted from a collaborative and productive relationship with its tourism industry partners. The ministry greatly values the contributions of our sector associations, Regional Tourism Organizations, Destination Marketing Organizations, operators and so many others.

Over the past decade, the ministry has implemented a number of initiatives to reflect the changing needs of Ontario's tourism sector, including:

- Implementing a **regional tourism approach**
 - This massive industry transformation involved the creation of 13 Regional Tourism Organizations (RTOs) that give regional stakeholders the opportunity to collaborate on shared goals. Since 2010, the government has invested \$281 million in support of the RTO model.
 - This model has resulted in partnerships and collaboration that support tourism growth. For example, in 2014-15, RTOs used \$5 million in government investment to leverage \$6.5 million from industry to support over 200 partnership projects relating to product development, marketing and training initiatives.
- Launching a **tourism investment attraction strategy**
 - In 2012, the ministry launched *Welcoming Investors: A Tourism Investment Attraction Strategy for Ontario* to raise Ontario's profile as an ideal investment destination for prospective domestic and international investors.
 - Successes include:
 - Raising the profile of tourism as a key investment sector for the province.
 - Creating customized value propositions, which are gaining increased attention from investors interested in Ontario.
 - Establishing an extensive database of potential investors and forging strong relationships with investment leads.
 - Supporting a number of landed investments with a whole-of-government approach.



- Enhancing **support for Ontario's tourism industry** by:
 - Investing over \$211 million since 2009 to support more than 2,900 festivals and events (e.g., multicultural, Francophone, LGBTQ, sport, etc.) across the province through a number of tourism and culture programs.
 - Investing \$8 million since 2009 to develop new products, support investment attraction and build industry capacity through the **Tourism Development Fund** (e.g., culinary trails, cycle tourism routes, feasibility studies, environmental assessments, business plans, strategic planning for sector associations, etc.).
 - Investing in the development and renewal of convention centres in Niagara Falls and Ottawa.
 - Improving visitor services, such as opening a new Ontario Travel Information Centre (OTIC) location in Toronto, relocating two OTICs into existing OnRoute centres and refreshing eight additional locations.
 - Implementing industry best practises in the redevelopment of the Ontario Tourism Marketing Partnership Corporation (OTMPC) tourism consumer and industry websites.

Many of these initiatives were first recommended in 2009's comprehensive *Discovering Ontario* report. In 2014, with ministry support, the Tourism Industry Association of Ontario (TIAO) undertook a stakeholder review of progress made since 2009.

TIAO's report, *Mapping Ontario's Tourism Future: A Five-Year Look Back at the Ontario Tourism Competitiveness Study*, provided insight into themes and issues that tourism stakeholders felt were important for both government and industry to address.

To continue to move the sector forward, in May 2015, the ministry committed to leading the development of a broader tourism framework.



Collaborating with Our Partners

Tourism is a fiercely competitive international industry with ever-changing conditions. For Ontario operators, these conditions include economic volatility, a fluctuating dollar, shifting demographics, and advancing technology, including the emergence of the new sharing economy, to name a few.

To ensure that Ontario captures its fair share of this evolving market, government and industry need to work together to anticipate needs and seize opportunities.

The cornerstone of effective collaboration is meaningful communication. With this in mind, in 2015 the ministry announced that it would engage a diverse range of tourism stakeholders to seek feedback and promote discussion about ways to advance the sector.

This comprehensive engagement included the following province-wide interactions:



- **Minister's Forum and Q&A Session** (November 2015) – In early November, Minister Michael Coteau hosted a forum with industry leaders, followed by a question and answer session during the Ontario Tourism Summit to discuss key themes and issues facing the industry.
- **Minister's Meetings with TIAO Board of Directors and RTO Chairs and Executive Directors** (January 2016) – These meetings provided an opportunity to receive feedback on the preliminary engagement approach and key priorities.
- **Five Targeted Stakeholder Meetings** (February to March 2016) – Led by ministry staff, these meetings provided a forum to discuss a multilateral approach to addressing specific policy areas, including Francophone Tourism, Indigenous-led Tourism, Workforce Development, Research and Data Collection, and Investment.
- **Fifteen Facilitated Focus Sessions** (April to May 2016) – Informed by key themes and priorities that emerged from earlier discussions and supported by government research, the ministry hosted facilitated discussions with a diverse range of tourism stakeholders in communities across Ontario.

Thanks to the enthusiastic participation of a wide range of traditional and non-traditional tourism stakeholders, including tourism operators, sector associations, RTOs, Destination Marketing Organizations, municipalities, chambers of commerce, business improvement areas, colleges and universities, and many others, this engagement process was a great success.

Over the coming months, the ministry will continue to review the valuable feedback provided as it works to develop a Strategic Framework for Tourism in Ontario.

Shared Government Priorities

The ministry's engagement with its tourism partners identified a number of important policy areas across government that either directly or indirectly impact the tourism sector.

The ministry will explore ways to facilitate discussions about opportunities and challenges within the following areas:

- **Indigenous-led Tourism** – Government and industry have the potential to enhance Indigenous-led tourism products and experiences and promote cultural awareness by increasing visitation and sharing authentic experiences.
- **Francophone Tourism** – As home to one of the most diverse cultures in the world, including the largest French-speaking community in Canada outside of Quebec, there is a growing opportunity to enhance Francophone and multicultural tourism products and experiences to attract visitors and celebrate our diversity.
- **Sharing Economy Strategy** – The sharing economy has significant potential to drive growth, productivity and innovation. Government and industry need to continue to adapt to ever-changing market forces.
- **Culture and Sport Linkages** – With the release of *Game ON*, the government's 2015 sport plan, and the upcoming release of Ontario's first culture strategy, there are opportunities for government and industry to explore new partnerships and initiatives across the tourism, culture and sport sectors, including trails, cycling and Great Lakes cruising, which encourage healthy and active lifestyles and support local economies and jobs.
- **Events and Celebrations** – Similarly, government and industry need to work together to take advantage of upcoming significant events across the country, such as Ontario's celebration of Canada's sesquicentennial year in 2017, in order to maximize opportunities to grow tourism in Ontario.



Tourism Priority Areas

Throughout the engagement process, discussions focused on actions that both government and industry can take to grow tourism, while stressing the importance of working together to promote alignment among partners, attract new and innovative investment, and maximize program effectiveness.

All partners in the tourism sector share a belief in the economic potential of tourism and the opportunity to achieve growth through collaboration, partnerships and effective communication.

While stakeholders offered a wide range of perspectives and suggestions for specific opportunities, there was strong support to take action in the following five priority areas.

- **Product and Experience Development** – Attract investment and develop and enhance tourism products and experiences.
- **Tourism Workforce Development** – Support industry to enhance, develop and retain a professional tourism workforce in Ontario.
- **Marketing Strategically** – Increase awareness of Ontario’s unique tourism offerings and improve the coordination and impact of marketing efforts.
- **Advancing the Tourism Sector** – Increase awareness of the economic and social benefits of tourism, and support a whole-of-government approach to improve the business climate for tourism and enhance collaboration between industry and government.
- **Making Evidence-Based Decisions** – Improve the quality, the quantity and the sharing of tourism data and strengthen performance measurement and the tracking of industry goals and targets.

With these shared goals in mind, the ministry developed *Ontario’s Tourism Action Plan*, which outlines 12 initial steps the government will take to support the growth of tourism across the five priority areas.

The ministry is looking forward to continuing its work with industry partners as it implements these initial action items, and also to learning more about initiatives the industry is implementing to support these priority areas.

Taking Action – Product and Experience Development

Industry feedback identified a need to develop authentic, market-ready products and experiences that incorporate a “visitor-first” philosophy to attract tourists to Ontario. As a result, the ministry will continue to encourage investments that enhance Ontario’s compelling tourism offerings, including festivals, events, conventions, provincially owned assets, and tourism-related infrastructure.

Action Item #1 – Proactive Investment Approach for Economic Growth

Promoting Ontario as an ideal investment location for private sector investors is a key activity of all economic ministries in Ontario. The Ministry of Tourism, Culture and Sport is playing a leadership role in pursuing and supporting investment in the tourism sector. Private sector investment is critical to creating jobs, increasing visitation and revitalizing the industry.

- The ministry remains committed to promoting Ontario as an ideal tourism investment destination, and will work across government and with other partners to develop new lead-generation strategies and a targeted global outreach approach to sell Ontario as a great place to invest in tourism.



Action Item #2 – Deliver on the Attractions Study to Target New Investment

Significant private and public sector investments are occurring internationally in large scale tourism products and experiences. Many of these projects are complex in nature, requiring time and effort on the part of both the private and public sector.



To capitalize on these opportunities and strengthen Ontario's position as the ideal location for investment, strategic research is required to identify appropriate demand-generating projects, evaluate market potential, build the business case for Ontario and articulate the economic impact for the province. In addition, these initiatives need to be supported by a take-to-market strategy to secure the investment in Ontario.

- The ministry will use results from the recently completed *Ontario Attractions Study* to strengthen Ontario's value proposition and strategically target new investment in large-scale demand generators. The ministry will share key elements of the study that will include best practices of value to regions and municipalities across the province. Further strategic research to attract private sector investment will also be considered.

Action Item #3 – Collaborate with Municipal and Economic Development Partners to Grow Tourism

To position tourism as an important economic driver, many Ontario communities are identifying development sites with a potential tourism use. Recent engagement revealed a need for more targeted support for existing tourism businesses to expand their operations and bring new products to market.

- Working with the economic development community (i.e., Economic Developers Council of Ontario and municipalities), the ministry will work across government to explore a business retention and expansion service for the tourism industry, and determine how a one-window approach could help business growth. The ministry will also work with economic developers and planners to build local capacity for tourism development through pan-provincial tourism readiness workshops that will support communities to generate research driven, market-ready investment opportunities.

Taking Action – Tourism Workforce Development

Almost one out of every five Ontario businesses is involved in tourism, and over 90 per cent of these are small businesses with less than 20 employees. Many employers are facing significant labour shortages for low-skilled or seasonal positions, while others are struggling to retain employees in high-skilled and management positions.

In order to stay competitive, the tourism industry relies on a multi-skilled workforce that is supported and promoted through high-quality training and education. Recent engagement sessions stressed the importance of maximizing the career potential of the tourism industry and facilitating the entry of under-represented groups.

Action Item #4 – Working Together to Support Workforce Development in the Tourism Industry

- The ministry encourages TIAO and other stakeholders to continue working together to implement industry recommendations from the *Ontario Tourism Workforce Development Strategy*. The ministry will work with TIAO to support the next phase of the *Promoting Tourism as a Career* campaign, as well as with other ministries and levels of government to identify opportunities to advance the unique workforce needs of the sector.



Taking Action – Marketing Strategically

Industry feedback revealed a need to expand Ontario's global reach as a destination, focusing on marketing tourism experiences, and increasing awareness of Ontario as a four-season experience. As a result, the ministry will work to ensure message consistency and align efforts of provincial, regional, and local tourism marketing campaigns.

The ministry also recognizes the industry's interest in developing revenue generating tools to help meet the marketing needs of the region and cities that they support.

Action Item #5 – Improve Marketing Alignment for Better Results

- Through continued engagement with stakeholders, the ministry will strive to encourage that marketing decisions are made in a collaborative manner. This will enhance consistency of branding and messaging, and help avoid duplication. Ontario Tourism Marketing Partnership Corporation will work with the tourism industry through existing channels and best practices to establish clear roles for campaigns that maximize consumer impact.
- The ministry will continue to support the work of Destination Canada in the *Connecting America* campaign, to maximize the reach of the Ontario brand.



Taking Action – Advancing the Tourism Sector

Industry feedback underlined the importance for all levels of government, including local communities, to recognize tourism as an economic driver. To achieve this, the ministry will continue to promote awareness of the economic and social benefits of tourism across urban, rural, and northern communities. The ministry will also encourage a whole-of-government approach to advancing the sector in order to create a stronger business environment and enhance collaboration between industry and government.

Action Item #6 – Host an Annual Minister's Forum to Promote Government-Industry Collaboration

During the engagement process, increasing opportunities to communicate with government and across the sector was identified as a key contributor to growing tourism. Building on recent positive engagement, the ministry will be identifying more opportunities to hear first-hand from the industry and relevant partners, and deliver clear, timely information.

- The ministry will host an annual Minister's Forum, in different regions of the province, that will include tourism industry leaders, operators, and stakeholders representing a range of sub-sectors in the industry, as well as the province's diverse regions. The forum will provide an opportunity to share progress on plans, highlight new innovation and research, build new partnerships and improve collaboration among government and industry partners.

Action Item #7 – Review Ministry Tourism Funding Programs to Enhance Program Outcomes

The ministry's largest tourism granting programs fall into three broad categories: funding in support of tourism regions, funding in support of investment opportunities, and funding in support of festivals and events. Strategic project-based funding assists not-for-profit organizations, national and/or provincial industry sector associations, municipalities, and businesses to develop quality tourism products, and encourage the competitiveness of our tourism sector.

Ontario's events and attractions contribute to the quality and diversity of community life for Ontario citizens and tourists, and provide opportunities for public participation, economic activity and tourism. Sustainable quality events and visitor experiences are important to urban centres, small towns, northern and rural communities.

- The ministry will undertake a review of current ministry funding programs (including, Celebrate Ontario -Festival and Event program, the Tourism Development Fund and the Regional Tourism Organization program) with a goal of streamlining applications, focusing on results, and improving alignment to better support communities across Ontario. Through the review, the ministry will consider changes to the funding mechanisms for the Regional Tourism Organizations to ensure a fair, transparent and research-based approach to the distribution of funds.

Action Item #8 – Explore Opportunities for Multicultural, Francophone and Indigenous-led Tourism

Indigenous and Francophone tourism experiences represent important opportunities for Ontario in a competitive global tourism environment. Along with offering authentic tourism offerings, cultural tourism also provides an opportunity to promote and celebrate the province's rich diversity.

The 2013 *Ontario Travel Intentions Survey* indicated that Aboriginal attractions were among the top 10 type of attractions that would increase visitor interest to Ontario. In addition, as home to the largest Francophone community in Canada outside of Quebec, there is significant opportunity for the province to benefit from an increase in Francophone tourism experiences.

- The ministry will collaborate across government and with industry partners to identify opportunities to advance multicultural, Francophone and Indigenous-led tourism in Ontario. This will include evaluating options that assess market readiness, capacity building and an authentic promotion of both past and current cultural connections, including development on the Route Champlain and supporting the next phase of the Aboriginal Tourism 2020 strategy.



Action Item #9 – Working Together to Improve the Business Climate for Tourism - Reduce Regulatory Burdens

The tourism sector is unique in that it intersects with many lines of business and, as such, is subject to regulations and processes from multiple ministries and all levels of government. Removing or reducing unnecessary regulatory burdens on businesses and creating benefits for the industry is a priority for the ministry. An improved regulatory environment will help foster an innovative and dynamic business climate for tourism by modernizing government lines of business and introducing regulatory updates to reduce confusions caused by outdated and obsolete legislative requirements.

- The ministry will work across government to improve the regulatory environment for the tourism sector. To support this work, the ministry will convene focused discussions with industry partners to prioritize business challenges facing the sector. It also commits to working across government to improve the business climate for the tourism industry. This includes working with the Ministry of Economic Development, Employment and Infrastructure to work with the Open for Business Team and look for opportunities to address the industry's regulatory burdens.

Taking Action – Making Evidence-Based Decisions

Industry feedback emphasized the importance of receiving timely and relevant data that identifies emerging trends, travel patterns and target markets in order to make better informed business decisions. As a result, the ministry will work to improve the collection and sharing of tourism data across government and industry.

Action Item #10 – New Approach to Data Collection to Improve Data Quality and Availability

The comprehensive collection of data, including tourism data, is vital for evidence-based decision-making. Data allows governments and the industry to understand the economic impact of the tourism sector and identify gaps where intervention or investment may be required. All levels of government, Destination Marketing Organizations, Regional Tourism Organizations, and industry stakeholders rely on accurate tourism data to help shape strategic plans, develop marketing campaigns, and build products and services to attract visitors.

- The ministry will partner with government departments across Canada to encourage the sharing of tools and information relating to tourism data collection, evaluation and modelling. The ministry is also partnering with provinces, territories and Destination Canada to pilot a new survey to collect data from international travellers entering Canada through landports and smaller airports. If successful, starting in January 2017, this will become an annual survey that will supplement the data collected by Statistics Canada from larger airports.

Action Item #11 – Establish a Tourism Research Community of Practice to Improve Sharing of Data

Collecting and sharing tourism research was highlighted as an important and shared responsibility. Creating a platform to enable information sharing, new market research and best practices will increase sector capacity and strengthen the business case for investment, and take full advantage of available resources.

- The ministry will facilitate a tourism research community of practice to increase access to and understanding of tourism related data. Meeting quarterly, this volunteer network will create an environment for learning, sharing information and forging new partnerships. The network would be open to external suppliers or other industry operators who could present trends or advancements in the research sector.

Action Item #12 – Enhance the Tourism Regional Economic Impact Model (TREIM)

The proper use and analysis of data is vital for evidence-based decision-making. The Tourism Regional Economic Impact Model (TREIM) allows users to analyze the importance of tourism in general and of tourism events in particular, in terms of jobs, GDP and taxes generated.

- The ministry will update the TREIM platform to enhance the user experience and enable a more efficient process for updating information. This improved user experience will result in more frequent updates that, in turn, support more evidence-based decision-making.



Conclusion

The Ministry of Tourism, Culture and Sport and its tourism industry partners have enjoyed a successful history of working together to support Ontario's continued growth as a destination of choice for domestic and international travellers.

A strong tourism industry benefits all Ontarians, and the ministry is committed to continuing to work with its partners to promote and strengthen the industry.

This action plan outlines immediate steps the government will take to help create the best conditions to facilitate industry growth.

The ministry is implementing these initial actions to build on the momentum of its recent engagement with the tourism industry, and looks forward to learning more about initiatives the industry is undertaking to strengthen the sector.

The partnerships that industry has built and the programs it is undertaking are central to raising the level of strategic coordination across the sector and building a more competitive tourism industry.

By working together to seek opportunities for increased growth and sustainability, the full potential of Ontario's vibrant tourism industry can be realized. Over the coming months, the ministry will continue to review the valuable feedback provided and will work with industry to identify further actions that can be taken collaboratively to grow the sector and develop *A Strategic Framework for Tourism in Ontario*.



Photos

1. Cover Page, clockwise from right:
Sleeping Giant Provincial Park
North Bay
Agawa Canyon
Toronto
Ottawa
2. Sault Ste. Marie
3. Minister Michael Coteau
5. Jordan
6. The Blue Mountains
7. Toronto
8. Minister Michael Coteau
9. Ohsweken
Huron
11. Algonquin Provincial Park
12. Bracebridge
13. Ontario
14. Niagara Falls
16. Awenda Provincial Park
18. Hamilton
19. Kenora
20. Kingston

