
**NATURE-BASED TOURISTS
IN NORTHERN ONTARIO (RTO13)
A SITUATION ANALYSIS**

Prepared for

Tourism Northern Ontario

By

 Research Resolutions & Consulting Ltd.



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EXECUTIVE SUMMARY

NATURE-BASED TOURIST MARKET SIZE

Over 38 million overnight tourists across Canada were travelling to engage in outdoor tourism experiences apart from hunting or fishing.

In 2013 almost one third or 38.3 million of the 126.6 million overnight tourists from all markets can be categorized as Nature-Based Tourists.¹

Similar to *all* overnight tourism, Canadians dominate the Nature-Based Tourist sector. Residents of Canada account for almost 9-in-10 of these tourists (87%). Americans represent about one tenth of Canada's overnight tourists as a whole (9%) and the same proportion of outdoor-oriented tourists. At the national level, overseas markets also contribute about the same proportion of Nature-Based Tourists (5%) as they contribute to *all* overnight tourism in Canada (3%).

Ontario attracts more Nature-Based Tourists than does any other province.

Overnight tourists in virtually every region of Canada engaged in outdoor experiences on their overnight trips. Their large populations and the propensity of provincial residents to travel in their *own* province contribute to the dominance of Ontario and Quebec as destinations for these tourists. Roughly commensurate with their respective populations, Ontario captures one third of this market and Quebec attracts one quarter.²

Northern Ontario was a destination for almost one million of the overnight Nature-Based Tourists travelling in Canada over the year (3%).

The North's market share is about on par with Manitoba (3%) and Saskatchewan (4%). British Columbia at 8.1 million and Alberta at 4.6 million Nature-Based Tourists are especially prominent destinations for these tourists, likely because these provinces offer a wide-array of four season outdoor activities and are known for the natural beauty of the Rocky Mountains and Pacific shores.

¹ All markets include Canada, U.S.A. and overseas origins. Nature-Based Tourists are overnight tourists who engage in outdoor activities such as going to nature parks, boating, wildlife viewing or bird watching, camping, going to beaches and/or hiking/backpacking but do not go hunting or fishing on their trip.

² Share of Canada's 2014 population: Ontario = 39%; Quebec = 23%.

Overnight Nature-Based Tourists to . . . Province in 2013

| Overnight Visitors <i>Location(s) in Which Nights Spent</i> | Nature-Based Tourists in Canada | |
|--|---------------------------------|-------------------------------------|
| | 38.3 million | % of Canada's Nature-Based Tourists |
| Ontario | 12,679,000 | 33% |
| RTO13 | 955,000 | 3% |
| Southern Ontario | 11,804,000 | 31% |
| Quebec | 9,791,000 | 26% |
| Manitoba | 1,130,000 | 3% |
| Saskatchewan | 1,170,000 | 3% |
| Alberta | 4,545,000 | 12% |
| B.C. | 8,057,000 | 21% |
| Atlantic | 2,721,000 | 7% |

Special Tabulations, TSRC 2012/2013 Pooled/ITS US/OVS 2012 prepared by Research Resolutions. Numbers/percentages add to more than total/100% because of duplication.

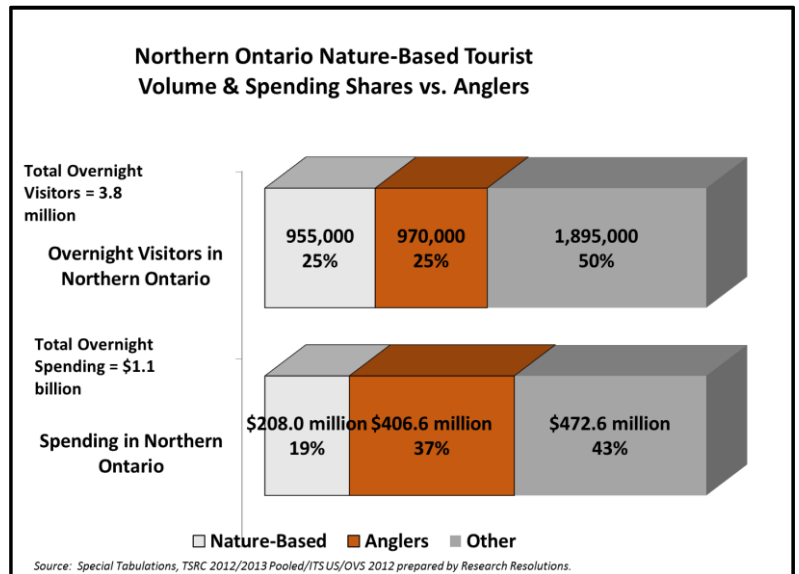
Nature-Based Tourists in Northern Ontario spent \$208.0 million in the region.

At 955,000, Nature-Based Tourists represent one quarter of the 3.8 million overnight tourists who travelled in Northern Ontario during 2013 (25%) and one fifth of the \$1.1 billion spent by all overnight tourists in the region (19%).

This market segment is almost identical in size to Northern Ontario's angling market but contributes appreciably less spending in the North (19% versus 37%), largely because nature-based tourists who do not hunt or fish are overwhelmingly Canadian while fishing attracts an especially high proportion of Americans to Northern Ontario.

American anglers tend to use paid roofed lodging on their trips, thereby increasing their spending in the region. In contrast, the Canadian-

dominated Nature-Based Tourist segment relies heavily on private lodging – private cottages or homes of friends and relatives – thereby minimizing lodging costs and, in turn, total spending.



Few Nature-Based Tourists live outside Ontario.

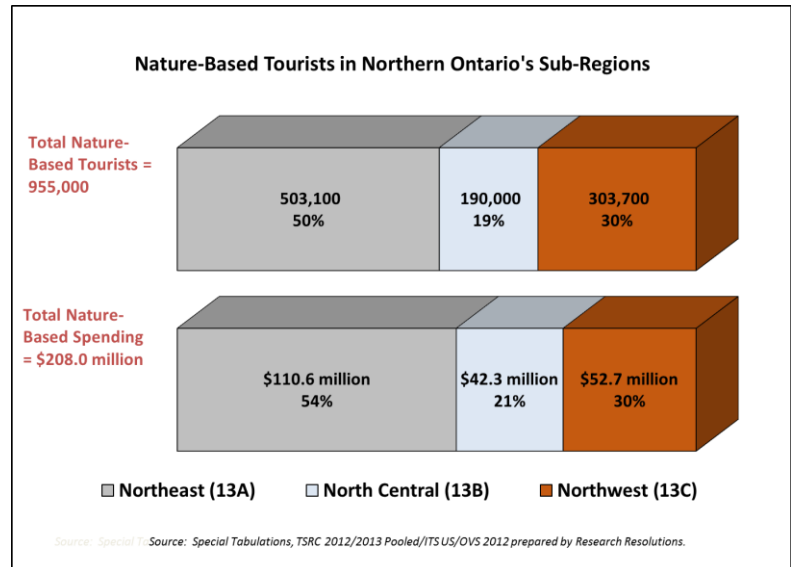
As might be expected, there is considerable *intra-regional* outdoor-oriented tourism activity in the North. Residents of Northern Ontario travelling to other parts of the North account for about 340,000 Nature-Based Tourists (36%). A further 352,000 reside in Southern Ontario (37%). Of these, 128,000 or one eighth of the annual outdoor-oriented market for the North live in the Toronto area (13%).

A similar proportion of these tourists live in neighbouring Manitoba (11%) and specifically in Winnipeg (9%). Approximately 100,000 Americans travel in Northern Ontario and engage in outdoor activities other than fishing and hunting (11%). Overseas tourists are not widely represented in Northern Ontario’s nature-based market (2%).

Each Northern Ontario sub-region attracts Nature-Based Tourists and spending.

Northeast Ontario (13A) attracts half of Northern Ontario’s overnight Nature-Based Tourists (503,100) and their spending (\$110.6 million). Approximately one fifth spent nights in North Central (13B) (190,000), generating about \$42.3 million in visitor spending (21%).

The Northwest (13C) receives close to one third of the tourists in this market segment (303,700) and the same proportion of the segment’s spending (\$52.7 million).



Demographically, Nature-Based Tourists resemble *all* overnight tourists in Northern Ontario.

They are evenly divided between men and women. Their age profile is essentially identical to *all* overnight visitors in Northern Ontario, with every age group represented and an average age of 45 years. Most represent adult-only travel parties, although more *campers* bring children or teens on the trip than do those using other forms of lodging.

LODGING

Northern Ontario’s Nature-Based Tourists spend between three and four nights in the region.

At an average of 3.4 nights, their stay in the North is about the same as the region’s *typical* overnight tourist (3.6 nights). Over a calendar year, they spent about 3.2 million nights in Northern Ontario (3,226,000).

Approximately 9-in-10 of these nights were spent by Canadians (2.8 million), 323,000 were spent by Americans and a further 86,000 were spent by overseas tourists in the region.

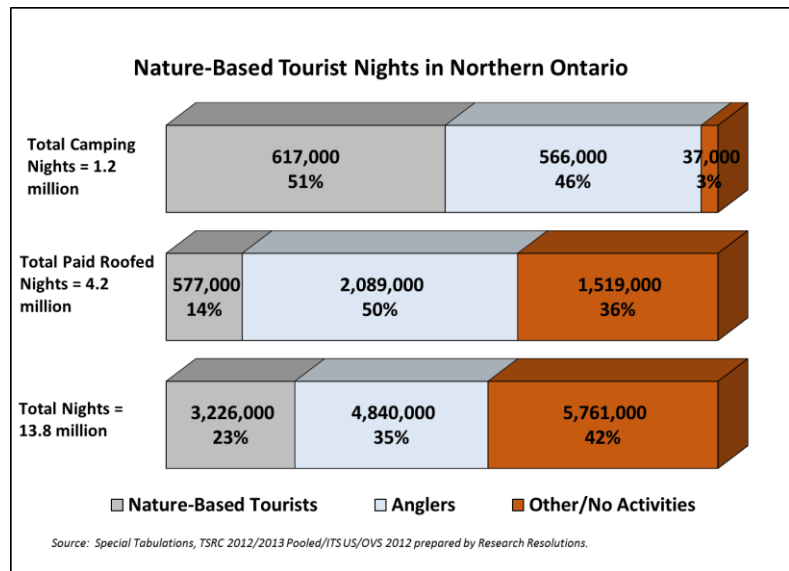
Most nights were spent in unpaid lodging, followed at a considerable distance by the North’s camping and trailer facilities.³

Most of the nights spent by Nature-Based Tourists were in unpaid lodging (2.0 million nights, 60%). Additionally, about 617,000 nights were spent in the North’s campgrounds and trailer facilities. Roofed commercial lodging accounts for almost one fifth of the nights spent in Northern Ontario (576,000). Most of these nights were spent in hotels and motels (411,000).

The nature-based market represents one quarter of all nights spent in Northern Ontario and one half of all camping nights.

Nature-Based Tourists are a mainstay for camping and trailer facilities throughout the North. They share these facilities almost equally with Anglers (46%). The nature-based segment contributes at an appreciably lower rate than do Anglers to paid roofed properties in the North (14% versus 50%) for two key reasons:

- (1) More Americans come to Northern Ontario to fish than come for other outdoor pursuits and these anglers are rely on commercial lodging because most do not have private cottages or friends/ relatives to billet them.
- (2) The typical angler trip is *longer* than is the typical Nature-Based Tourist trip (5.0 nights vs. 3.4 nights).



³ The questionnaires for Statistics Canada’s foreign and Canadian travel surveys provide different lodging choices for survey respondents. Furthermore, respondents self-identify their lodging type from an available list that does not provide descriptions to aid in differentiating a “lodge” from a “resort” or “commercial cottage/cabin”. This analysis can only provide information as reported, recognizing that consumer responses may not match industry definitions of lodging types.

Nature-Based Tourists spend their limited time in the North on *outdoor* activities.

With only about three nights on their trips, Nature-Based Tourists seem to focus their attention on enjoying the outdoors, possibly leaving little time to participate in the region's entertainment and cultural experiences.

The most popular outdoor activities include hiking, camping, visiting the region's nature parks and beaches, boating and viewing wildlife or bird watching. Each of these activities attracts at least 1-in-4 Nature-Based Tourists.

Entertainment and cultural experiences as a whole are part of the trip for 1-in-4 Nature-Based Tourists, with about 1-in-10 going to historic sites and/or museums on their trip. The large market that utilizes private lodging is especially *unlikely* to visit the North's attractions and events (15%) whereas those who use paid roofed lodging are particularly *likely* to do so (51%). Campers fall between these two groups in terms of their engagement with entertainment and cultural experiences (23%).

ECONOMICS OF NATURE-BASED TOURISTS IN NORTHERN ONTARIO

Northern Ontario's Nature-Based Tourists spend about \$333.00 per *trip* in the region or approximately \$68.00 per *travel party per night*.

Not surprisingly, spending increases substantively among those who rely on Northern Ontario's paid roofed lodging. A nature-oriented travel party that uses a hotel, motel, B&B or other type of paid roofed lodging in Northern Ontario spends \$728.00 per trip or over \$500.00 *more* per stay than does a party that does not use these types of lodging (\$218.00).

Average Spending by Overnight Nature-Based Tourists

| | All Nature-Based | | | |
|-----------------------------|-------------------|---------------------|------------------------|----------|
| | Tourists Spending | Paid Roofed Lodging | No Paid Roofed Lodging | Campers* |
| Average Per Trip | \$333.00 | \$728.00 | \$218.00 | \$300.00 |
| Average Per Party Per Night | \$99.00 | \$250.00 | \$63.00 | \$92.00 |

*Special Tabulations, TSRC 2012/2013 Pooled/ITS US/OVS 2012 prepared by Research Resolutions. Percentages may add to more than 100% due to rounding. *Included in No Paid Roofed Lodging.*

Nature-Based Tourists make substantial contributions to all types of tourism businesses in the region.

They spent \$51.1 million on roofed lodging or camping facilities. Their spending is also concentrated on keeping their vehicles fuelled (\$47.3 million), eating in restaurants (\$34.3 million), buying groceries in the region's stores (\$28.5 million), entertainment and recreation pursuits (\$14.3 million), and clothing in Northern Ontario's retail establishments (\$14.8 million). They also spent \$9.9 million on commercial plane, bus or boat fares.

Not surprisingly, the lodging sector is a key beneficiary among Nature-Based Tourists who use hotels, motels, lodges and resorts during their stay. They spend about \$40.3 million on lodging. Camping and trailer hook-up fees account for almost one third of the money spent by Northern Ontario's Nature-Based Tourists who use campgrounds in the region, or almost \$11.0 million.

Those who rely on their own cottages or homes of friends and relatives in the North make particularly substantive contributions to the region's gas stations and vehicle repair enterprises (\$33.6 million) and grocery stores (\$23.2 million).

These tourists contribute to the economic wellbeing of Northern Ontario and the province as a whole.⁴

Nature-Based Tourists contributed \$137.3 million toward Ontario's gross domestic product (GDP). Approximately 2,166 jobs and \$86.7 million in wages were generated throughout Ontario as a result of their spending in the North.

At \$64.2 million in taxes, all levels of government benefited from spending by these tourists. Approximately \$34.9 million were federal government taxes, a further \$29.0 million were provincial taxes and \$352,000 were municipal taxes.

More than 90% of the economic benefits generated in Ontario by Northern Ontario's Nature-Based Tourists were retained *within* the region.

⁴ Estimates of economic impact are based on MTCS's TREIM model. Figures include direct, indirect and induced impacts.

SOME OBSERVATIONS

Demographics and urbanization are likely to exert the greatest influence on the health of the North's nature-based tourism market in the years to come.

As highlighted in the following paragraphs, the major challenges facing outdoor-oriented tourism businesses in Northern Ontario as they plan for the future include the aging of North America's population, the role of immigration in population growth, increasing urbanization and the potential impacts of climate change.

Northern Ontario is an outdoor playground for tourists who live in Ontario or nearby.

Ontario cottagers, campers and those visiting friends and relatives come to the North to enjoy outdoor activities in pristine and expansive natural settings that are quite different from their usual environments. It would seem, however, that Americans in adjacent regions such as northern Michigan, Wisconsin and Minnesota come to Northern Ontario for fishing but are not drawn to the region for other outdoor experiences. Perhaps the terrain and types of outdoor activities available are too similar to those these Americans can find closer to home.

The North's largely Ontario-based tourist market is aging.

Some of the older people currently engaging in outdoor activities will leave the market altogether and others may require less strenuous activities and/or additional amenities in order to continue to enjoy outdoor experiences. At the same time that the older population across Ontario is increasing, a core component of the camping market – Ontario residents under 35 years of age – is shrinking.⁵

Ontario's population growth is fuelled by immigration.

Many of Canada's newcomers must overcome settlement issues such as finding suitable employment and learning the language before they can be expected to explore Northern Ontario's natural beauty. What time and financial resources they are able to contribute to tourism are commonly devoted to trips to their home country to see friends and relatives.

There are also potential cultural barriers to nature-oriented tourism among new immigrants. Many have not grown up with the images and mystique of Canada's northern regions and may simply not be as comfortable in these settings as other residents. Some may also be concerned about acceptance of their garments and/or dietary customs outside major urban centres.

⁵ Ontario Ministry of Finance, *2011 Census Population Highlights, Fact Sheet #3*, February 2012

Nature-Based Tourists are essential for public and private campgrounds in Northern Ontario.

Of the 324,000 campers throughout Northern Ontario, 60% (192,000) do **not** hunt or fish on their trip. These nature-based campers spend \$35.1 million on goods and services in Northern Ontario.

To safeguard this important flow of people and revenue, Northern Ontario's tourism organizations may need to counter aging and urbanization pressures by implementing special programs to retain and/or recruit new campers (see *Teach to Reach* discussion, below).

Diversified and more comfortable lodging options are part of the future.

Already adopted by some Northern Ontario camping areas, more diversified lodging options in campgrounds could help sustain the camping market. Options such as cabins and yurts address the needs of older tourists who want to engage in outdoor activities but no longer want to "rough it". They also make camping easier and more attractive to families with young children, thereby gaining traction within a younger market segment.

Parks Canada and Ontario Parks have developed *teach to reach* programs for urban markets.

As residents of rural areas and small towns migrate to cities and with most immigrants settling in large urban centres, there will be more segments of the population that may have to be introduced and encouraged to engage in the outdoor experiences available in Northern Ontario. Providing urban opportunities to learn about camping and other outdoor activities including the programs offered by Parks Canada and Ontario Parks may build the confidence some urban dwellers need to participate in these activities in the North.

Teach to Reach New Nature-Based Tourists

Parks Canada's Learn-to Camp

Think you might want to experience the pleasure of camping overnight but just need a helping hand? Register for Parks Canada's Learn-to camp events, co-presented with Mountain Equipment Co-op!
<http://www.pc.gc.ca/eng/media/lrc-dlc/lrc-dlc08.aspx>

Welcome to Learn to Camp @ Ontario Parks!

Love the idea of camping, but don't know where to start? Our Learn to Camp program can help!
<http://www.ontarioparks.com/learntocamp>

Familiarity programs are especially important in developing an interest in the outdoors among young people.

Most outdoor-oriented tourists are first exposed to nature-based activities by their parents and supported in these interests by family and friends. As North America continues to urbanize, without familiarity programs, how many urban youth will be exposed to nature-based experiences and wilderness or remote settings?

Made-in-the-North enhancements to existing familiarity programs might be considered.

Just as tourism businesses and DMOs offer *fam tours* to media and tour packagers, so too might they offer fam tours for consumers to acquaint them with the North's camping and other outdoor experiences. For example, Northern Ontario tourism operators could sponsor overnight camping trips for some of Ontario's young adults and young families. Once they have had the experience, they can become ambassadors for the outdoors and the North in their home communities.

Promoting family reunions might help increase utilization of paid roofed lodging by Nature-Based Tourists in the North.

By tapping into the *family reunion* and/or intergenerational tourism trend, there may be opportunities to increase utilization of the North's hotels, motels and resorts. As described in the VFR Situation Analysis⁶, the increasing popularity of large family gatherings that require a variety of activities and commercial lodging could bolster the volume and corresponding economic contribution of nature-oriented tourists in Northern Ontario.

Recruitment and renewal challenges for almost all outdoor activities are common across North America.

Northern Ontario cannot tackle structural issues such as urbanization and increasingly wired, busy and often sedentary youth on its own. As discussed in the Anglers Situation Analysis⁷, ensuring markets for camping, fishing and many other outdoor activities will likely require multi-faceted and multi-jurisdictional efforts.

Key motivations for engaging in outdoor activities either locally or on trips are commonly associated with *action, escape and family*.

Messages that convey the fitness, adventure and risk aspects of nature-based activities are likely to have traction among younger consumers. In turn, fitness and healthful family time messages can be expected to have more resonance with older consumers.

⁶ *Too Big to Ignore – VFR Tourists in Northern Ontario (RTO13) A Situation Analysis*, Research Resolutions, May 2015

⁷ See *A summary of work and recommendations of the Commissioner's Council on Hunting and Angling Recruitment and Retention*, 2013. Available as a pdf online at <http://files.dnr.state.mn.us/recreation/hunting/harr/ccrr.pdf>

Northern Ontario's tourism businesses may have to adapt to climate changes.

Climate change expectations for a region such as Northern Ontario would likely extend the summer season but curtail snow-reliant experiences such as snowmobiling, cross-country skiing. If predictions hold, the North might expect extended seasons for camping, boating, hiking and other traditional land and water based outdoor activities but a reduction in winter activities.⁸

Possible impacts of climate change

Warmer winters with less natural snow and ice

Some activities are directly dependent on sufficiently cold temperatures to generate natural snow or ice, e.g., cross country skiing, ice fishing, snowmobiling.

Warmer springs and falls

Warmer springs and falls would likely increase the climatic attractiveness . . . for activities such as camping, boating and kayaking in these seasons.

Warmer summers and an increase in the frequency of heat waves

Warmer summers may place additional constraints on providers in both urban and rural settings, e.g., smaller rural properties that currently do not offer air conditioning may be forced to install such technology; excessive heat would likely reduce demand for camping facilities.

More frequent and/or more severe extreme weather

Severe storms and flash flooding might threaten resources such as visitor centers, archaeological sites and trails.

⁸ Nicholls, S., 2012: Outdoor Recreation and Tourism. In: *U.S. National Climate Assessment Midwest Technical Input Report*. J. Winkler, J. Andresen, J. Hatfield, D. Bidwell, and D. Brown, coordinators. Available from the Great Lakes Integrated Sciences and Assessments (GLISA) Center, http://glisa.msu.edu/docs/NCA/MTIT_RecTourism.pdf.

DETAILED FINDINGS

INTRODUCTION

Northern Ontario offers some of the most pristine and breathtaking natural settings on the continent. Whether for hiking, camping, boating, birding or wildlife viewing, tourists come to the region to enjoy its vast expanses of natural beauty. Those who enjoy the outdoors but do not hunt or fish on their Northern Ontario trips contribute to the wellbeing of tourism businesses and tourism revenue throughout the North.

In light of their importance to the region, Tourism Northern Ontario (TNO) commissioned Research Resolutions & Consulting Ltd.⁹ to undertake a situation analysis of Nature-Based Tourists. This report updates and expands the scope of an earlier analysis.¹⁰ The focus of the previous report was Nature-Based tourists who relied on hotels, motels, commercial cottages and camps for their overnight stays in Northern Ontario.

By broadening the analysis to include all Nature-Based Tourists on overnight trips in Northern Ontario, the full size and tourism economic contribution of this market segment becomes evident. For example, regardless of whether they camp, stay in a private or a commercial cottage, a hotel or resort, or the homes of friends and relatives Nature-Based Tourists on overnight trips in the North consume food and beverages purchased in stores and restaurants, fuel their cars and boats at gas stations and marinas, make retail purchases at area stores and pay admissions to local attractions and events.

The findings presented in this report cover all overnight tourists in Northern Ontario who engaged in outdoor recreational activities other than fishing or hunting. The information in the previous report was based on 2010 Statistics Canada data whereas this project relies on the most current available data sources (2012/2013):

- Statistics Canada's 2013 Travel Survey of Residents of Canada (TSRC – 2012/2013 pooled) and
- Statistics Canada's International Travel Survey (ITS US/OVS 2012).

These studies capture the volume, value and characteristics of tourists across Canada. In this analysis, the focus is on those who meet the following criteria:

- Took an overnight trip in Northern Ontario: spent at least one night in Northern Ontario on their trip;
- Engaged in one or more of the following activities but did NOT fish or hunt while on the trip.¹¹
 - *Visit a national, provincial or nature park*
 - *Go boating/canoeing/kayaking*
 - *Engage in wildlife viewing or bird watching**
 - *Go camping*
 - *Go to a beach**
 - *Go hiking or backpacking**

⁹ Judy Rogers, President of Research Resolutions & Consulting Ltd. prepared the report. She can be reached at Research Resolutions & Consulting Ltd., 16 Hepbourne Street, Toronto ON, M6H 1J9; 416 531-9973; rogers.judy@sympatico.ca.

¹⁰ *High Yield Nature-Based Tourists in RTO13: A Situation Analysis*, November 2013 prepared by Research Resolutions & Consulting Ltd.

¹¹ Asterisked (*) activities are not included in the International Travel Survey questionnaire.

Other studies and commentary associated with nature-based tourists are referenced in this situation analysis to provide tourism planners and marketers with ideas about how best to capitalize on the potential of this important tourism market in Northern Ontario. These studies are listed in the appendix.

DIMENSIONS OF THE TARGET MARKET

MARKET SIZE AT THE CANADA LEVEL

Of the 126.6 million overnight tourists in Canada, 38.3 million (30%) claim to have engaged in an outdoors or nature-based activity on their trip. Of these, about 11.7 million relied on some form of roofed commercial lodging on their trip (see Table 1).

Most tourism in Canada is driven by Canadians. The domestic market accounts for almost 9-in-10 of all overnight tourists in the country over the year (88%). Similarly, Canadians account for most of the overnight tourists who participate in an outdoors or nature-based activity on their trips (All Nature-Based Tourists, 87%).

Table 1: Canada's Nature-Based Tourists by Place of Residence

| | Nature-Based Tourists | | |
|----------------------------|-----------------------|--------------|---------------------------------|
| | Total Tourists | All | Using Commercial Roofed Lodging |
| Overnight Visitors (Total) | 126.6 million | 38.3 million | 11.7 million |
| <u>Place of Residence</u> | | | |
| Canada | 88% | 87% | 72% |
| U.S.A. | 9% | 8% | 18% |
| Overseas | 3% | 5% | 10% |

Special Tabulations, TSRC 2012/2013 Pooled; ITS US & OVS, 2012 prepared by Research Resolutions. Percentages may add to more than 100% due to rounding.

Americans represent about one-tenth of all of Canada's overnight tourists (9%) and about the same proportion of Nature-Based Tourists (8%). Visitors from overseas countries contribute a small share of all overnight tourists (3%) and Nature-Based Tourists (5%).

The market mix changes substantially within the portion of the market that relies on paid roofed lodging. Specifically, Americans and overseas visitors are over-represented among the 11.7 million tourists to the country who stay in hotels, motels, B&Bs and other forms of roofed commercial lodging. In contrast, Canadians on overnight outdoor-oriented trips throughout the country tend to rely on unpaid lodging such as homes of friends or relatives and private cottages. As a consequence of their lodging choices, the domestic market falls from representing 87% of *all Nature-Based Tourists* to 72% of those using paid roofed lodging nationwide.

MARKET SIZE AT THE PROVINCIAL LEVEL

Overnight tourists in virtually every region of Canada engage in nature-based activities apart from hunting and fishing. Because of its large population and the appeal of Ontario destinations to the province’s own residents, Ontario attracts more of these tourists than does any other province (see Table 2). During the year, there were 12.7 million nature-based overnight tourists in Ontario and 955,000 of these were visiting locations in Northern Ontario.

Table 2: Overnight Nature-Based Tourists to . . . Province

| Overnight Visitors <i>Location(s) in Which Nights Spent</i> | Nature-Based Tourists in Canada | |
|--|---------------------------------|-------------------------------------|
| | 38.3 million | % of Canada’s Nature-Based Tourists |
| Ontario | 12,679,000 | 33% |
| RTO13 | 955,000 | 3% |
| Southern Ontario | 11,804,000 | 31% |
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| Manitoba | 1,130,000 | 3% |
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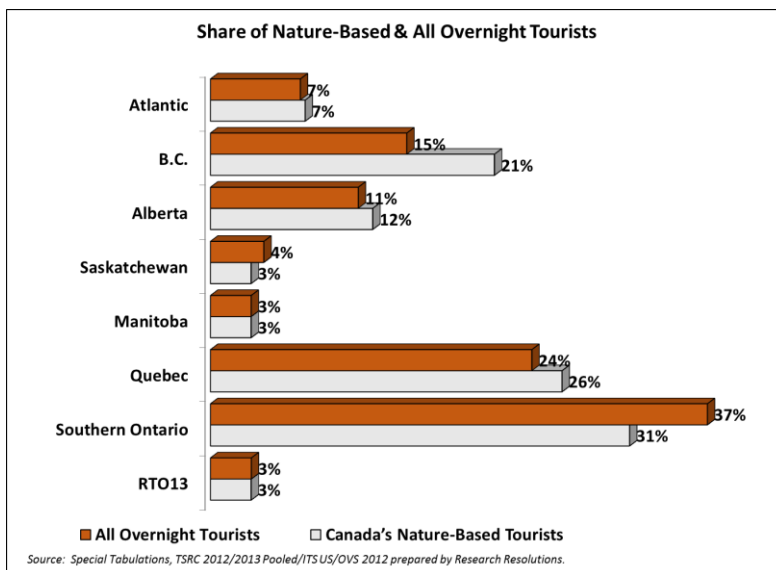
Special Tabulations, TSRC 2012/2013 Pooled/ITS US/OVS 2012 prepared by Research Resolutions. Numbers/percentages add to more than total/100% because of duplication.

Similarly, the large population in Quebec combined with propensity of Quebec residents to travel within their own province yield a large overnight Nature-Based market (9.8 million). While overnight Nature-Based trips are less common in Alberta (4.6 million) and British Columbia (8.1 million) than in Ontario or Quebec, these western provinces and most particularly British Columbia attract Nature-Based tourists at substantial rates.

With one exception, regions of Canada attract Nature-Based tourists at about the same rate as they attract overnight tourists overall (see chart). This is true for Northern Ontario: at three per cent of all

Nature-Based tourists across the country the region attracts these visitors at the same rate as it attracts overnight visitors in total (3%).

The one exception is British Columbia. This province attracts Nature-Based tourists at a noticeably higher rate (21%) than it attracts all overnight visitors over a year (15%).



NORTHERN ONTARIO'S NATURE-BASED TOURISTS

OVERVIEW OF THE MARKET

Close to one million overnight tourists come to Northern Ontario over a year and engage in outdoor activities other than fishing or hunting. These Nature-Based Tourists most commonly rely on private lodgings or campgrounds while in the North although one quarter of them utilize the region's hotels, motels, resorts, commercial cottages and other forms of paid, roofed accommodation.

They spent about \$208.0 million in Northern Ontario during their stay. Even though one quarter relied on roofed commercial lodging (24%), these visitors accounted for half of all spending done by Nature-Based Tourists (\$102.4 million, 49%). The much larger group of tourists who did **not** use commercial roofed lodging spent \$105.6 million on tourism goods and services in Northern Ontario (51%). About \$35.1 million of these dollars was spent by those who were camping in the North.

Table 3: Northern Ontario's Nature-Based Tourists & Spending by Type of Lodging

| | Overnight Nature-Based Tourists | | Overnight Spending | |
|--|---------------------------------|----------|--------------------|----------|
| | Number | Per cent | Number | Per cent |
| Northern Ontario's Nature-Based Tourists (Total) | 955,000 | 100% | \$208.0 million | 100% |
| Paid roofed lodging | 229,000 | 24% | \$102.4 million | 49% |
| No paid roofed lodging | 726,000 | 76% | \$105.6 million | 51% |
| Camping (incl. in no paid roofed) | 192,000 | 20% | \$35.1 million | 17% |

Special Tabulations, TSRC 2012/2013 Pooled/ITS US/OVS 2012 prepared by Research Resolutions.

 WHERE THEY LIVE

Most Nature-Based Tourists in Northern Ontario are Canadians (88%) and three quarters are Ontario residents (see Table 4). Ontarians are divided evenly between those who live in Northern Ontario (36%) and those who live elsewhere in the province (37%). A sizeable minority of these Ontario residents live in the greater Toronto area (128,000 or 13%). Manitoba and most notably, Winnipeg are also key contributors to Nature-Based Tourists in the North. This neighbouring province provides about one tenth of Nature-Based Tourists to the region (107,000) and most of these tourists live in Winnipeg (86,000).

Americans are relatively rare among Northern Ontario's Nature-Based Tourists, representing about one tenth of the market (11%). At 1-in-50, the overseas market is especially small (16,000).

Table 4: Northern Ontario's Nature-Based Tourists by Place of Residence

| | Total | | Paid Roofed Lodging | | No Paid Roofed Lodging | |
|-------------------------------|----------------|------------|---------------------|------------|------------------------|------------|
| | # | % | # | % | # | % |
| RTO13's Nature-Based Tourists | 955,000 | 100% | 229,000 | 100% | 726,000 | 100% |
| Canada | 838,000 | 88% | 165,000 | 72% | 674,000 | 93% |
| RTO13 Residents | 340,000 | 36% | 33,000 | 14% | 307,000 | 42% |
| Northeast (13A) | 194,000 | 20% | 20,000 | 9% | 174,000 | 24% |
| North Central (13B) | 62,000 | 7% | 3,000 | 1% | 59,000 | 8% |
| Northwest (13C) | 83,000 | 9% | 10,000 | 4% | 74,000 | 10% |
| Southern Ontario | 352,000 | 37% | 105,000 | 46% | 248,000 | 34% |
| Toronto CMA | 128,000 | 13% | 43,000 | 19% | 85,000 | 12% |
| Manitoba | 107,000 | 11% | 17,000 | 8% | 90,000 | 12% |
| Winnipeg | 86,000 | 9% | 16,000 | 7% | 70,000 | 10% |
| U.S.A. | 100,000 | 11% | 55,000 | 24% | 45,000 | 6% |
| Michigan | 22,000 | 2% | 8,000 | 3% | 14,000 | 2% |
| Minnesota | 13,000 | 1% | 4,000 | 2% | 9,000 | 1% |
| Overseas | 16,000 | 2% | 9,000 | 4% | 7,000 | 1% |

*Special Tabulations, TSRC 2012/2013 Pooled/ITS US/OVS 2012 prepared by Research Resolutions. *Less than 0.5%.*

The role domestic and American markets play in outdoor-oriented experiences offered in Northern Ontario varies appreciably between those who go fishing and those who neither hunt nor fish.

For example, although the markets have similar sizes, two fifths of Northern Ontario's 970,000 anglers are Americans (39%) whereas only one tenth of the region's 955,000 Nature-Based Tourists live in the U.S.A. (11%).

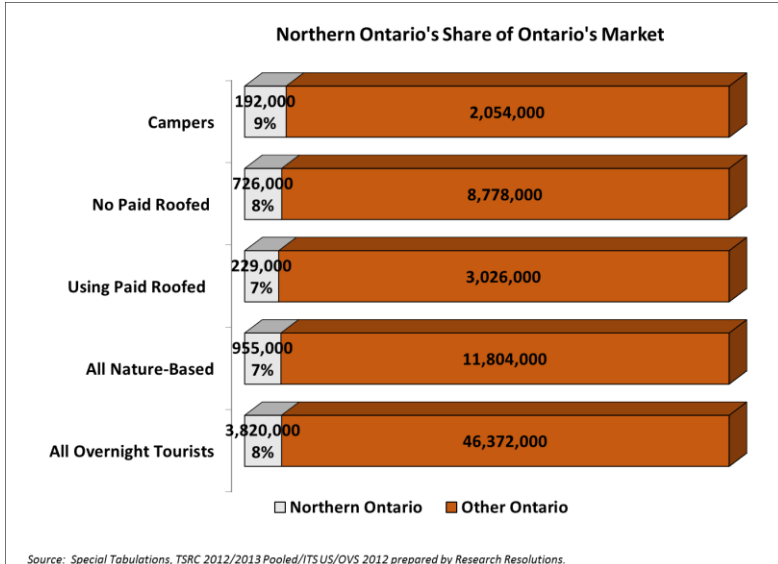
Table 5: Nature-Based Tourists & Anglers in Northern Ontario

| | Any Outdoor Activity | Anglers | Nature-Based |
|---|----------------------|---------|--------------|
| Overnight Person Visits in Northern Ontario | 2,001,000 | 970,000 | 955,000 |
| Canadians | 75% | 60% | 88% |
| Americans | 24% | 39% | 10% |
| Overseas | 1% | * | 2% |

*Special Tabulations, TSRC 2012/2013 Pooled/ITS US/OVS 2012 prepared by Research Resolutions. *Less than 0.5%.*

NATURE-BASED TOURISTS IN NORTHERN AND SOUTHERN ONTARIO

Nature-Based Tourists come to Northern Ontario at about the same rate as do *all* overnight tourists in Ontario. Specifically, the region attracts about 1-in-12 of the overnight tourists in the province (8%) and about the same proportion of Ontario’s annual Nature-Based Tourists (7%). Subsets of Northern



Ontario’s Nature-Based Tourists who rely on paid roofed lodging (7%), other lodging (8%) including campgrounds (9%) have similar market shares.

SPENDING IN NORTHERN ONTARIO

Nature-Based Tourists spent about \$208.0 million on tourism goods and services throughout Northern Ontario during the year.¹² Since they represent the lion’s share of the Nature-Based Tourist market in the North, it is not surprising that *Canadians* contribute most of this spending. This market

contributes \$165.8 million to tourism businesses in Northern Ontario (80%). Again, reflecting the prominence of the *Ontario* market for outdoor experiences in the North, provincial residents spent two thirds of the nature-based segment’s annual spending (\$135.9 million, 65%).

Americans in the segment spent about \$36.8 million in the North (18%). At this rate, Americans’ spending is noticeably higher than their volume would suggest (10%). The higher spending rate is largely attributable to their increased reliance on paid roofed lodging relative to their Canadian counterparts. In fact, more than one quarter of the \$102.4 million spent by *all* Nature-Based Tourists using paid roofed lodging in the North was done by Americans (\$28.2 million).

The small overseas market for nature-based tourism activities in Northern Ontario spent approximately \$5.5 million.

Table 6: Northern Ontario’s Nature-Based Tourist Spending by Place of Residence

| | Total | Any Paid Roofed Nights | No Paid Roofed Nights |
|-------------------|-----------------|------------------------|-----------------------|
| Total | \$208.0 million | \$102.4 million | \$105.6 million |
| Canada | 80% | 69% | 90% |
| Ontario residents | 65% | 62% | 68% |
| Other Canadians | 14% | 7% | 21% |
| U.S.A. | 18% | 28% | 8% |
| Overseas | 3% | 3% | 2% |

Special Tabulations, TSRC 2012/2013 Pooled/ITS US/OVS 2012 prepared by Research Resolutions.

¹² Domestic spending estimates are based on 2013 data and foreign spending is based on 2012 data (2013 information for foreign markets was not available when this report was prepared).

NATURE-BASED TOURIST TRIP CHARACTERISTICS

TRIP PURPOSE, PARTY COMPOSITION, LENGTH OF STAY

Two thirds of nature-oriented trips in Northern Ontario are *pleasure* trips (66%) and almost all of the remaining one third are trips made to visit with friends and family (31%). Not surprisingly, Nature-Based Tourists who use paid roofed lodging in the North are especially apt to be on *pleasure* trips (80%) whereas those who rely on the hospitality of friends and family or private cottages are more likely to have travelled in the North to see friends and family (36%). The campers in this group are, however, almost all on *pleasure* trips (88%).

A Nature-Based Tourist's travel party tends to include two adults from the household. On average, these individuals will spend between three and four nights in Northern Ontario on their trip (3.4 nights). Party size and composition are equally characteristic of Nature-Based Tourists who do and do not rely on paid roofed lodging although campers are more likely than others to be travelling with teenagers or children (27%). Those who pay for a roof over their heads while in the North tend, however, to spend fewer nights in the region (2.5) than those who are staying in private lodgings or camping (3.5).

Table 7: Nature-Based Tourists Trip Profile

| | Nature-Based Tourists in Northern Ontario | | | |
|-----------------------------------|---|---|--|-----------------------|
| | Total (955,000) | Any Nights in Paid Roofed Lodging (229,000) | No Nights in Paid Roofed Lodging (726,000) | Campers* (192,000) |
| Overnight Visitors | | | | |
| Trip Purpose | | | | |
| Pleasure | 66% | 80% | 62% | 88% |
| Visit Friends/Relatives | 31% | 16% | 36% | 8% |
| Party Composition | | | | |
| Adults Only | 82% | 83% | 82% | 73% |
| With Children/Teens | 18% | 17% | 18% | 27% |
| Average Party Size | 1.8 | 1.9 | 1.8 | 2.1 |
| Length of Stay in Location | | | | |
| Average Length of Stay | 3.4 nights | 2.5 nights | 3.5 nights | 3.2 nights |

*Special Tabulations, TSRC 2012/2013 Pooled prepared by Research Resolutions. Numbers/percentages add to more than total/100% because of duplication. *Campers are included in "No Paid Roofed Lodging".*

SEASON OF VISIT

Nature-Based Tourists are appreciably more concentrated in the peak summer season than are Northern Ontario's tourists in general. Close to three fifths are travelling in the North during July through September. A further fifth are enjoying Northern Ontario's outdoors in the spring (April – June).

Table 8: Calendar Quarter of Visit

| <i>Location(s) in Which Nights Spent</i> | Overnight Tourists in Northern Ontario | |
|--|---|------------------------------|
| | Total | Nature-Based Tourists |
| | | 3,820,000 |
| | % | % |
| 1st Quarter (January - March) | 14% | 11% |
| 2nd Quarter (April - June) | 25% | 22% |
| 3rd Quarter (July - September) | 42% | 58% |
| 4th Quarter (October - December) | 19% | 9% |

Special Tabulations, TSRC 2012/2013 Pooled/ITS US/OVS 2012 prepared by Research Resolutions.

GENDER AND AGE

Nature-Based Tourists in Northern Ontario are evenly divided between men and women but men are more common among those who rely on the North’s paid roofed lodging sector. In this segment, 2-in-3 are men compared to about 1-in-2 for all Nature-Based Tourists. Conversely, there is a somewhat higher proportion of women (56%) than men (44%) in the segment that does not utilize paid, roofed lodging.

Nature-Based Tourists’ age profile is essentially the same as *all* overnight visitors in Northern Ontario, with every age group represented and an average age of 45 years. Worth noting, however, is how few younger people – those between 18 and 24 years – are on nature-oriented trips and use the North’s hotels, motels, resorts or other commercial roofed lodging. This age group represents only 3% of this market segment. Furthermore, Nature-Based Tourists between 25 and 34 years are also under-represented among paid roofed lodging users (11%) relative to Nature-Based Tourists in total (19%) or those using private lodging or camping (21%).

Table 9: Gender and Age of All Overnight & Nature-Based Tourists

| | Overnight Tourists in Northern Ontario | | Nature Based Tourists | |
|-----------------------------|--|--|-----------------------|------------------------------|
| | Total | | Total | Paid Roofed / No Paid Roofed |
| Gender of respondent | | | | |
| Male | 57% | | 49% | 65% / 44% |
| Female | 43% | | 51% | 35% / 56% |
| Age (years) | | | | |
| Under 25 | 14% | | 12% | 3% / 14% |
| 25-34 | 16% | | 19% | 11% / 21% |
| 35-44 | 17% | | 18% | 17% / 18% |
| 45-54 | 19% | | 18% | 25% / 16% |
| 55-64 | 19% | | 17% | 24% / 15% |
| 65+ | 15% | | 16% | 20% / 15% |
| Average Age (years) | 45.3 | | 45.3 | 47.9 / 44.5 |

Special Tabulations, TSRC 2012/2013 Pooled prepared by Research Resolutions. Numbers/percentages add to more than total/100% because of duplication.

LODGING NIGHTS

Of the 3.2 million nights spent by Nature-Based Tourists in Northern Ontario, almost one fifth or 577,000 were in paid roofed lodging, a further one fifth (617,000) were spent in campgrounds and the majority – three fifths – were spent in private lodging, divided evenly between tourists' private cottages (980,000) and the homes of friends or relatives (971,000).

Since most Nature-Based Tourists are Canadians, the domestic market accounts for most of the nights spent in the North (2.8 million, 87%). These tourists also represent close to three quarters of the nights spent in *commercial roofed* lodgings (414,000) and almost 9-in-10 of the nights spent in Northern Ontario's campgrounds and trailer facilities (535,000).

Table 10: Nature-Based Tourists' Nights in Northern Ontario

| | Nature-Based Tourists | | | | |
|----------------------------|------------------------|-----------|-------------|----------------|----------|
| | Total Northern Ontario | Total | Paid Roofed | No Paid Roofed | Campers* |
| Total Person Nights | 13,827,000 | 3,226,000 | 577,000 | 2,567,000 | 617,000 |
| | # | # | # | # | # |
| Canadians | 10,269,000 | 2,802,000 | 414,000 | 2,321,000 | 535,000 |
| Americans | 3,337,000 | 338,000 | 130,000 | 195,000 | 64,000 |
| Overseas | 220,000 | 86,000 | 32,000 | 52,000 | 18,000 |
| | % | % | % | % | % |
| Canadians | 74% | 87% | 72% | 90% | 87% |
| Americans | 24% | 10% | 23% | 8% | 10% |
| Overseas | 2% | 3% | 6% | 2% | 3% |
| Length of Stay | | | | | |
| Total | 3.6 | 3.4 | 2.5 | 3.5 | 3.3 |
| Canadians | 3.2 | 3.3 | 2.5 | 3.4 | 3.3 |
| Americans | 5.4 | 3.4 | 2.4 | 4.4 | 2.4 |
| Overseas | 7.6 | 5.2 | 3.6 | 6.9 | 4.9 |

*Special Tabulations, TSRC 2012/2013 Pooled prepared by Research Resolutions. Numbers/percentages add to more than total/100% because of duplication. *Campers are included in "No Paid Roofed".*

Hotels are the most popular form of paid roofed lodging for Northern Ontario's Nature-Based Tourists. At 275,000, hotel nights represent one tenth of nights spent by Nature-Based Tourists in the North and about half of the 576,000 nights spent in Northern Ontario's paid roofed lodging establishments (47%). A further 136,000 nights were spent in motels. Almost the same number were in the region's commercial cottages (124,000).

Nature-Based Tourists spent nights in the region's campgrounds (617,000, 19%). *Private cottages* and *private homes*, however, are the most widely used form of lodging in the North. Private cottages account for close to one third of all nights spent by Nature-Based Tourists in the region (980,000 nights; 30%) and similar numbers of nights are spent in the homes of friends/relatives (971,000; 30%).

Canadian Nature-Based Tourists' lodging nights closely resemble the pattern described above for the *all* Nature-Based Tourists. Since they are less apt to own private cottages or have friends/relatives in the North to billet them, it is not surprising that Nature-Based Tourists from the U.S.A. and overseas are less likely to spend their nights in private lodging and more likely to rely on Northern Ontario's commercial roofed properties in the North. At the same time, almost one quarter of the nights spent by Americans in this segment stay in properties they own in Northern Ontario (23%) while one third of the comparatively small group of overseas Nature-Based Tourists billet with friends and relatives during their stay (33%).

Table 11: Nature-Based Tourist Lodging Nights

| | Total | Canada | U.S.A. | Overseas |
|--|-----------|-----------|---------|----------|
| <i>Person Nights in Northern Ontario</i> | 3,226,000 | 2,802,000 | 338,000 | 86,000 |
| Commercial Roofed (All Types) | 576,000 | 414,000 | 130,000 | 32,000 |
| Hotels | 275,000 | 200,000 | 68,000 | 7,000 |
| Motels | 136,000 | 99,000 | 32,000 | 5,000 |
| Commercial Cottage | 124,000 | 74,000 | 30,000 | 20,000 |
| Campgrounds | 617,000 | 535,000 | 64,000 | 18,000 |
| Private cottage | 980,000 | 899,000 | 78,000 | 3,000 |
| Private home | 971,000 | 910,000 | 33,000 | 28,000 |
| Commercial Roofed | 18% | 15% | 39% | 38% |
| Hotels | 9% | 7% | 20% | 8% |
| Motels | 4% | 4% | 10% | 6% |
| Commercial Cottage | 4% | 3% | 9% | 24% |
| Campgrounds | 19% | 19% | 19% | 21% |
| Private cottage | 30% | 32% | 23% | 3% |
| Private home | 30% | 32% | 10% | 33% |

Special Tabulations, TSRC 2012/2013 Pooled prepared by Research Resolutions. Numbers/percentages add to more than total/100% because of duplication.

ACTIVITIES ON THE NATURE-BASED TRIP

The most popular outdoor activities among Northern Ontario's Nature-Based Tourists include hiking/backpacking, camping, going to nature parks, boating and going to beaches. Each of these activities attracts at least 1-in-3. Wildlife viewing and/or bird watching are also quite popular among members of this market segment (26%).¹³

Approximately one quarter of these tourists also engage in a cultural or entertainment activity while on their overnight trip. The most common of these activities are visiting an historic site (14%) followed by going to a museum or art gallery (10%). Nature-Based Tourists staying in roofed commercial properties during their stay in the North are much more likely to avail themselves of cultural and entertainment activities (51%) than are those who are camping (23%) or staying in private lodging (15%¹⁴).

The entertainment and cultural activities that seem to hold the greatest attraction for Nature-Based Tourists staying in paid roofed lodging include historic sites, museums and, less commonly, festivals and zoos or aquariums.

¹³ Note that the asterisked activities are only available for the domestic market but since Canadians are predominant among Nature-Based Tourists, the proportions shown are unlikely to be substantively different if U.S.A. and overseas tourists were included.

¹⁴ Proportion of those with any nights in homes of friends/relatives or private cottages in Northern Ontario (see Detailed Tables for figures).

Table 12: Activities on Overnight Trips

| | Nature-Based Tourists | | | | |
|--|-----------------------|-------------|-------------|----------------|-------------|
| | Northern Ontario | Total | Paid Roofed | No Paid Roofed | Campers** |
| Overnight Person Visits | (3,820,000) | (955,000) | (229,000) | (726,000) | (192,000) |
| Any outdoor activity | 52% | 100% | 100% | 100% | 100% |
| Hiking or backpacking* | 15% | 37% | 28% | 39% | 35% |
| Camping | 16% | 33% | 11% | 40% | 100% |
| National, provincial or nature park | 11% | 32% | 59% | 23% | 49% |
| Boating | 22% | 31% | 20% | 35% | 23% |
| Beach* | | 30% | 23% | 32% | 42% |
| Wildlife viewing or bird watching* | 11% | 26% | 18% | 28% | 22% |
| Snowmobiling* | 2% | 6% | 6% | 6% | *** |
| Golfing | 2% | 5% | 6% | 5% | 1% |
| Cycling* | 2% | 5% | 6% | 4% | 6% |
| Team sports (participant)* | 3% | 5% | 5% | 5% | 1% |
| Snowmobiling* | 2% | 6% | 6% | 6% | *** |
| Downhill skiing or snowboarding | 1% | 3% | 3% | 2% | 3% |
| Any entertainment/cultural activity | 17% | 24% | 51% | 15% | 23% |
| Historic site | 7% | 14% | 35% | 8% | 16% |
| Museum or art gallery | 4% | 10% | 25% | 5% | 5% |
| Festival or fair | 3% | 5% | 10% | 3% | 4% |
| Zoo or aquarium | 1% | 4% | 11% | 2% | 2% |
| Sports event as a spectator | 4% | 4% | 6% | 3% | 1% |
| Performance such as a play or concert | 3% | 3% | 3% | 4% | 4% |
| Casino | 2% | 3% | 10% | 1% | 1% |
| Theme or amusement park | 1% | 2% | 3% | 2% | 3% |
| Aboriginal event* | 1% | 1% | 3% | *** | *** |

Special Tabulations, TSRC 2012/2013 Pooled prepared by Research Resolutions. Numbers/percentages add to more than total/100% because of duplication. *Canadian tourists only (The listed activity is not included in ITS questionnaires). **Campers are included in "No Paid Roofed". ***Less than 0.5%.

SPENDING IN NORTHERN ONTARIO

AVERAGE SPENDING

Northern Ontario's Nature-Based Tourists spend about \$333.00 per *trip* in the region or approximately \$68.00 *per travel party per night*. Not surprisingly, spending increases substantively among those who rely on Northern Ontario's paid roofed lodging. A nature-oriented travel party that uses a hotel, motel, B&B or other type of paid roofed lodging in Northern Ontario spends over \$500.00 *more* per stay than does a party that does not use these types of lodging (\$218.00).

Table 13: Average Spending by Overnight Nature-Based Tourists

| | All Nature-Based | | | |
|-----------------------------|-------------------|---------------------|------------------------|----------|
| | Tourists Spending | Paid Roofed Lodging | No Paid Roofed Lodging | Campers* |
| Average Per Trip | \$333.00 | \$728.00 | \$218.00 | \$300.00 |
| Average Per Party Per Night | \$99.00 | \$250.00 | \$63.00 | \$92.00 |

*Special Tabulations, TSRC 2012/2013 Pooled/ITS US/OVS 2012 prepared by Research Resolutions. Percentages may add to more than 100% due to rounding. *Included in No Paid Roofed Lodging.*

SPENDING BY CATEGORY

Whether they do or do not use paid roofed lodging in Northern Ontario, Nature-Based Tourists make substantial contributions to all types of tourism businesses in the region. They spent \$51.1 million on roofed lodging or camping facilities. Their spending is also concentrated on keeping their vehicles fuelled (\$47.3 million), eating in restaurants (\$34.3 million), buying groceries in the region's stores (\$28.5 million), entertainment and recreation pursuits (\$14.3 million), and clothing in Northern Ontario retail establishments (\$14.8 million). They also spent \$9.9 million on commercial plane, bus or boat fares.

Not surprisingly, the lodging sector is a key beneficiary among Nature-Based Tourists who use hotels, motels, lodges and resorts during their stay. They spend about \$40.3 million on lodging. Camping and trailer hook-up fees account for almost one third of the money spent by Northern Ontario's Nature-Based Tourists who use campgrounds in the region, or almost \$11.0 million.

Those who rely on their own cottages or homes of friends and relatives in the North make particularly substantive contributions to the region's gas stations and vehicle repair enterprises (\$33.6 million) and grocery stores (\$23.2 million).

Table 14: Detailed Spending by Overnight Nature-Based Tourists in Northern Ontario

| | Northern Ontario | | Nature -Based Tourists in Northern Ontario | | |
|------------------------------|------------------|---------------|--|------------------------|--------------|
| | Total | Total | Paid Roofed Lodging | No Paid Roofed Lodging | Campers* |
| All Overnight Tourists | \$1,087,000,000 | \$208,026,000 | \$102,409,000 | \$105,617,000 | \$35,147 |
| | \$ | \$ | \$ | \$ | \$ |
| Commercial fares | \$76,300,000 | \$9,877,000 | \$4,036,000 | \$5,841,000 | \$99,000 |
| Local transport | \$6,500,000 | \$1,230,000 | \$580,000 | \$649,000 | \$314,000 |
| Vehicle operation | \$212,800,000 | \$47,308,000 | \$13,663,000 | \$33,645,000 | \$8,278,000 |
| Vehicle rental | \$17,100,000 | \$3,971,000 | \$933,000 | \$3,038,000 | \$787,000 |
| Lodging | \$297,500,000 | \$51,091,000 | \$40,279,000 | \$10,812,000 | \$10,929,000 |
| Restaurants/bars | \$190,800,000 | \$34,299,000 | \$18,817,000 | \$15,483,000 | \$3,541,000 |
| Grocery stores | \$105,400,000 | \$28,546,000 | \$5,350,000 | \$23,196,000 | \$6,448,000 |
| Recreation/ entertainment | \$79,900,000 | \$14,276,000 | \$8,933,000 | \$5,343,000 | \$2,328,000 |
| Clothing/footwear | \$79,400,000 | \$14,791,000 | \$8,375,000 | \$6,417,000 | \$2,207,000 |
| Other retail | \$21,700,000 | \$2,637,000 | \$1,443,000 | \$1,194,000 | \$217,000 |
| | % | % | % | % | % |
| Commercial fares | 7% | 5% | 4% | 6% | ** |
| Local transport | 1% | 1% | 1% | 1% | 1% |
| Vehicle operation | 20% | 23% | 13% | 32% | 24% |
| Vehicle rental | 2% | 2% | 1% | 3% | 2% |
| Lodging | 27% | 25% | 39% | 10% | 31% |
| Restaurants/bars | 18% | 16% | 18% | 15% | 10% |
| Grocery stores | 10% | 14% | 5% | 22% | 18% |
| Recreation/ entertainment | 7% | 7% | 9% | 5% | 7% |
| Clothing/footwear | 7% | 7% | 8% | 6% | 6% |
| Other retail | 2% | 1% | 1% | 1% | 1% |

Special Tabulations, TSRC 2012/2013 Pooled/ITS US/OVS 2012 prepared by Research Resolutions. Percentages may add to more than 100% due to rounding. *Included in No Paid Roofed Lodging. **Less than 0.5%.

As demonstrated in the table below, every sector of the tourism economy benefits from Nature-Based Tourists in Northern Ontario but the share of spending by category differs somewhat between those who do and do not use paid roofed lodging. For example, almost three quarters of vehicle operation expenditures are made by those who do **not** use paid roofed lodging even though total spending for this group represents about one half of all spending by Nature-Based Tourists. Similarly, grocery stores benefit more from these visitors (81%) than they do from Nature-Based Tourists relying on paid roofed lodging (19%).

Conversely, Northern Ontario’s restaurants are somewhat more likely to get patronage from people staying in hotels, lodges, resorts and the like (55%) than from campers who have cooking facilities (10%).

Table 15: Share of All Spending by Overnight Nature-Based Tourists

| | All Nature-Based Tourists Spending | Paid Roofed Lodging | No Paid Roofed Lodging | Campers* |
|--------------------------|------------------------------------|---------------------|------------------------|----------|
| (Horizontal % of Total) | \$208,026,000 | 49% | 51% | 17% |
| Commercial fares | \$9,877,000 | 41% | 59% | 1% |
| Local transport | \$1,230,000 | 47% | 53% | 26% |
| Vehicle operation | \$47,308,000 | 29% | 71% | 17% |
| Vehicle rental | \$3,971,000 | 23% | 77% | 20% |
| Lodging | \$51,091,000 | 79% | 21% | 21% |
| Restaurants/bars | \$34,299,000 | 55% | 45% | 10% |
| Grocery stores | \$28,546,000 | 19% | 81% | 23% |
| Recreation/entertainment | \$14,276,000 | 63% | 37% | 16% |
| Clothing/footwear | \$14,791,000 | 57% | 43% | 15% |
| Other retail | \$2,637,000 | 55% | 45% | 8% |

*Special Tabulations, TSRC 2012/2013 Pooled/ITS US/OVS 2012 prepared by Research Resolutions. Percentages may add to more than 100% due to rounding. *Included in No Paid Roofed Lodging.*

ECONOMIC IMPACT OF NATURE-BASED TOURISTS IN NORTHERN ONTARIO

INTRODUCTION

The money spent by Nature-Based Tourists in Northern Ontario ripples throughout the local and provincial economies. These expenditures generate economic activity including contributions to gross domestic product (GDP); jobs in tourism-related sectors such as accommodation, transportation and food services; jobs in other sectors such as manufacturing and agriculture; and taxes.¹⁵

GROSS DOMESTIC PRODUCT

Gross domestic product is the value of goods and services produced by labour and capital located within a region. This definition helps explain why GDP retained in Northern Ontario is smaller than the total amount of spending done by overnight Nature-Based Tourists in the North: many of the goods and services provided to serve tourists in Northern Ontario are produced outside the region.¹⁶

During the year, Nature-Based Tourists spent about \$208.0 million on tourism goods and services in Northern Ontario.¹⁷ Once the imports from other locations in Ontario, other parts of Canada, and other countries are taken into account, tourism spending by these tourists generated about \$82.4 million in direct economic activity (i.e. GDP), and an additional \$44.9 million in indirect and induced GDP for Northern Ontario's economy.

Table 16: Overnight Nature-Based Tourists' Contributions to GDP and Funds Retained in Northern Ontario

| | Amount Retained in Northern Ontario (A) | Amount Retained in Other Ontario (B) | Total Contribution to Ontario's GDP (A + B) |
|------------------|--|---|--|
| Direct | \$82,400,000 | - | \$82,400,000 |
| Indirect | \$23,900,000 | \$6,100,000 | \$30,000,000 |
| Induced | \$21,000,000 | \$3,900,000 | \$24,900,000 |
| Total GDP | \$127,300,000 | \$10,000,000 | \$137,300,000 |

There was, therefore, about \$127.3 million in GDP retained in Northern Ontario. Other parts of Ontario benefited from about \$10.0 million in GDP (direct, indirect, and induced) from Nature-Based Tourists' spending in the region. When combined, the province-wide GDP contribution by these outdoor-oriented tourists in Northern Ontario reached \$137.3 million.

¹⁵ The economic impact estimates provided in this section reflect visitor spending only, that is, spending by visitors on overnight trips in Northern Ontario on which they engaged in outdoor activities apart from fishing or hunting. The estimates provided here are the most appropriate ones to use when assessing the results of marketing and promotional efforts, and the appeal of tourism products and experiences in Northern Ontario. MTCS's glossary of terms to be used in conjunction with outputs from TREIM is appended.

¹⁶ In some geographical areas, the amount of economic activity is on par with, or less than visitor spending. Northern Ontario is one of these regions. This situation occurs when a sizeable proportion of the economic activity required to create the goods and services consumed by tourists occurs outside the community. For example, a high proportion of the food prepared in restaurants in RTO13 is grown outside the region. Consequently, much of the economic activity associated with restaurant meals purchased by tourists takes place outside Northern Ontario. Similarly, materials required for building hotels, motels and other lodging establishments are created outside RTO13 and generate economic activity in communities where the materials are produced.

¹⁷ Spending estimates are based on the 2013 reference year for domestic and 2012 reference year for foreign markets.

JOBS, WAGES AND SALARIES

Approximately 1,532 direct jobs and an additional 510 indirect and induced jobs in Northern Ontario were generated as a result of Nature-Based Tourists' spending (see Table 16). These jobs include part- and full-time positions, on both annual and seasonal bases.¹⁸ Additional employment in the province was generated because of the prevalence of outdoor-oriented tourists in Northern Ontario, bringing the total number of direct, indirect and induced jobs to about 2,166 across Northern Ontario and the entire province.

Over a year, Northern Ontario retained 94% of the 2,166 jobs created by its overnight Nature-Based Tourists.¹⁹ These jobs generated \$86.7 million in wages and salaries province-wide, with 92% of this amount (\$79.9 million direct, indirect, and induced) retained in Northern Ontario.

TAXES

All levels of government benefited from Nature-Based Tourists' spending in Northern Ontario. Their spending generated \$34.9 million in federal government taxes, a further \$29.0 million in provincial taxes and \$352,000 in municipal taxes based on incremental tourism revenue (direct, indirect, and induced) province-wide.

Northern Ontario retained \$19.7 million in direct federal taxes and \$27.5 million in direct provincial taxes.

NATURE-BASED TOURISTS' SHARE OF OVERNIGHT TOURISM ECONOMIC ACTIVITY

Northern Ontario's Nature-Based Tourists contributed approximately one fifth of *all* tourism economic activity across the region in 2013.

Nature-Based Tourists' Share of Total Tourism Economic Activity Retained in Northern Ontario

| | | | |
|------------------------|-----|------------------|-----|
| Gross Domestic Product | 18% | Federal Taxes | 18% |
| Wages | 18% | Provincial Taxes | 18% |
| Employment (Jobs) | 18% | Municipal Taxes | 18% |

¹⁸ Note that estimates for tourism economic impact in Northern Ontario published in MTCS's products may differ from those provided herein because the inputs used for the TREIM model are somewhat different and the online TREIM model is based on different assumptions and/or data than the one used internally by MTCS.

¹⁹ Estimates of jobs produced by the economic impact model use the same definition as is used in Statistics Canada's Labour Force Survey. Thus, jobs generated by the model include part-time, full-time and seasonal jobs. They also include paid employees and unpaid family employees.

Table 17: Economic Impact of Nature-Based Tourists in Northern Ontario

| | Economic Benefits Retained in Northern Ontario | Total Benefits Across Ontario | Proportion of Total Ontario Benefits Retained in Northern Ontario |
|-------------------------------|---|--------------------------------------|--|
| Gross Domestic Product | \$127,337,000 | \$137,363,000 | 93% |
| Direct | \$82,434,000 | \$82,434,000 | 100% |
| Indirect/Induced | \$44,903,000 | \$54,928,000 | 82% |
| Wages | \$79,878,000 | \$86,716,000 | 92% |
| Direct | \$50,837,000 | \$50,837,000 | 100% |
| Indirect/Induced | \$29,041,000 | \$35,879,000 | 81% |
| Employment (Jobs) | 2,042 | 2,166 | 94% |
| Direct | 1,532 | 1,532 | 100% |
| Indirect/Induced | 510 | 634 | 80% |
| Federal Taxes | \$32,908,000 | \$34,863,000 | 94% |
| Direct | \$19,701,000 | \$19,701,000 | 100% |
| Indirect/Induced | \$13,207,000 | \$31,600,000 | 42% |
| Provincial Taxes | \$27,466,000 | \$29,010,000 | 95% |
| Direct | \$20,209,000 | \$20,209,000 | 100% |
| Indirect/Induced | \$7,258,000 | \$8,802,000 | 82% |
| Municipal Taxes | \$327,000 | \$352,000 | 93% |
| Direct | \$126,000 | \$126,000 | 100% |
| Indirect/Induced | \$201,000 | \$226,000 | 89% |

Source: TSRC 2012/2013 Pooled/ITS US/OVS 2012 *Special Tabulations prepared by Research Resolutions and special calculations of TREIM for RTO13 (MTCS). Figures are rounded to nearest 1,000.*

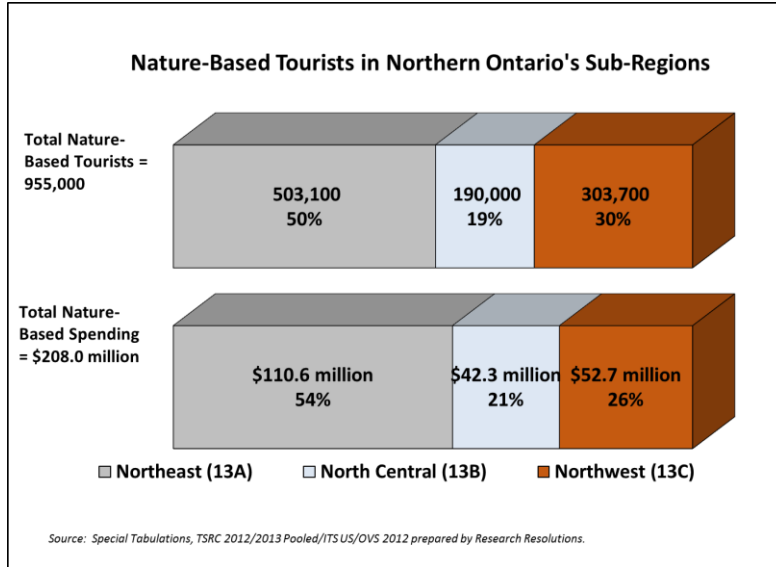
NATURE-BASED TOURISTS IN NORTHERN ONTARIO'S SUB-REGIONS

VOLUME OF OVERNIGHT TOURISTS IN SUB-REGIONS

Northeast Ontario (13A) is a destination for about half of *all* overnight tourists in Northern Ontario and is equally popular among Nature-Based Tourists. This sub-region attracts about one half million (50%) of these outdoor enthusiasts. Similarly, Northwest Ontario (13C) captures about one third of *all* overnight

tourists to the North and about one third of Northern Ontario's Nature-Based Tourists (303,700, 30%).

At one fifth or 190,000, North Central (13B) is also a destination for Nature-Based Tourists at about the same rate that the region attracts *all* overnight visitors in the North (18%).



SPENDING IN SUB-REGIONS

The spending pattern across the three sub-regions closely resembles the volume of tourists each captures. Just as about half of Nature-Based Tourists spend nights in Northeast (13A), about half this segment's

spending takes place in this region (\$110.6 million). The North's Nature-Based Tourists spend approximately \$52.7 million in Northwest (13C) and about \$42.3 million in North Central (13B).

Nature-Based Tourists are important contributors to total overnight tourist spending *within* each sub-region (see Table 18). They represent about 1-in-4 of dollars spent by all overnight tourists in each of Northeast and North Central but make a substantially smaller contribution to the Northwest. Nature-Based Tourists contribute about one eighth of all overnight tourist spending in this sub-region (12%).

In the Northeast, Nature-Based Tourists' spending is evenly divided between those who do and do not rely on paid roofed lodging in the region (12% each) whereas a somewhat higher proportion of spending by these tourists in North Central comes from tourists who use paid roofed lodging (17% versus 10% with no commercial roofed lodging). The converse is the case in the Northwest: those who do **not** use paid roofed lodging make a larger contribution (8%) than those who do (4%).

Table 18: Nature-Based Spending in Northern Ontario's Sub-Regions

| | Northeast (13A) | | North Central (13B) | | Northwest (13C) | |
|---|----------------------|------------|---------------------|------------|---------------------|------------|
| Total Overnight Tourist Spending in Each Sub-Region | \$462,500,000 | % | \$158,700,000 | % | \$446,300,000 | % |
| All Nature-Based Tourists | \$110,600,000 | 24% | \$42,300,000 | 27% | \$52,700,000 | 12% |
| Using Paid Roofed Lodging | \$53,998,000 | 12% | \$26,596,000 | 17% | \$17,221,000 | 4% |
| No Paid Roofed Lodging | \$56,587,000 | 12% | \$15,739,000 | 10% | \$35,495,000 | 8% |
| Campers* | \$18,147,000 | 4% | \$4,010,000 | 3% | \$12,511,000 | 3% |

Special Tabulations, TSRC 2012/2013 Pooled/ITS US/OVS 2012 prepared by Research Resolutions. *Campers are included in No Paid Roofed.

CONSIDERING THE FUTURE

As noted in other reports prepared for Tourism Northern Ontario, demographics and urbanization are key factors likely to exert the greatest influence on the health of the North's nature-based tourism market in the years to come. In addition to the aging of North America's population, the role of immigration in population growth and increasing urbanization, nature-based tourism business may need to take into account the impacts of climate change as they plan for the future.

MAJOR INFLUENCES

AGING POPULATION

The current nature-based market is largely Ontario-based and this province's population is aging.

- *Between 2006 and 2011, the fastest growing segment of Ontario's population was the 85+ age group, which increased 29 per cent, followed closely by the 60–69 age group, which rose 27 per cent.*
- *The number of seniors 65+ grew by 14 per cent over 2006-11, and the proportion of population they represent continued to rise, reaching 14.6 per cent, up from 13.6 per cent in 2006 and 12.4 per cent in 1996.*
- *However, as the large cohorts of baby boomers (aged 46-65 in 2011) moved up the age structure, the number of people aged 33-45 shrank almost 6.7 per cent from 2006 to 2011.*²⁰

Some of the older people currently engaging in outdoor activities will leave the market altogether and others may require less strenuous activities and/or additional amenities in order to continue to enjoy outdoor experiences. At the same time, a sizeable proportion of the camping market in Northern Ontario is under 35 years of age (35%) – a cohort that is shrinking in size.

IMMIGRATION

Population growth in Canada and especially in Ontario is fuelled by immigration. Many of these newcomers must overcome settlement issues such as finding suitable employment and learning the language before they can be expected to explore Northern Ontario's natural beauty. What time and financial resources they are able to contribute to *tourism* are commonly devoted to visiting friends and relatives from their home countries.

There are also potential cultural barriers to nature-oriented tourism among new immigrants. They have not grown up with the images and mystique of Canada's northern regions and may simply not be as

²⁰ Ontario Ministry of Finance, *2011 Census Population Highlights, Fact Sheet #3*, February 2012

comfortable in these settings as other residents. Some may also be concerned about acceptance of how they dress or their dietary customs.

Teaching as a way of reaching Nature-Based Tourists

Parks Canada's Learn-to Camp

Think you might want to experience the pleasure of camping overnight but just need a helping hand? Register for Parks Canada's Learn-to camp events, co-presented with Mountain Equipment Co-op! These events are hosted across Canada and offer you the opportunity to learn how to plan and enjoy safe and successful camping trips.

Events feature workshops on camping related skills like how to set up a tent or cook in the outdoors. Participants have the opportunity to enjoy fun interpretive programs and other Parks Canada activities.

<http://www.pc.gc.ca/eng/media/ltc-dlc/ltc-dlc08.aspx>

Welcome to Learn to Camp @ Ontario Parks!

Love the idea of camping, but don't know where to start? Our Learn to Camp program can help!

Three ways to learn:

- *Overnight camping experience: Join us for a guided overnight camping experience at one of nine participating parks, equipment provided. Click here to sign up today!*
 - *Community programs: Learn all about camping and Ontario Parks at family oriented programs in a community near you.*
 - *Online: Find answers to your camping questions. Our camping resources will help you plan a safe and fun camping trip.*
- <http://www.ontarioparks.com/learntocamp>

Newcomers to Canada also tend to live in urban areas. Clearly the *familiarity* programs organizations such as Parks Canada and Ontario Parks provide are targeting this market (see websites for photos that accompany program description).

URBANIZATION

Canada is an increasingly urban country and Ontario is an increasingly urban province. Based on the 2011 Census, the Ontario Ministry of Finance concluded that “over the 2006–2011 period, 98 per cent of Ontario’s total population growth occurred within the 15 Census Metropolitan Areas (CMAs) of the province.”²¹

In essence, as residents of rural areas and small towns migrate to cities and with most immigrants settling in large urban centres, there will be increasing segments of the population that may have to be introduced to and encouraged to engage in the types of outdoor experiences Northern Ontario has to offer. They simply will not have easy access to natural settings in which to engage in nature-based pursuits.

RESPONSES TO A CHANGING MARKETPLACE

As noted in an earlier situation analysis of the nature-based market for Northern Ontario, the needs and interests of the increasing older population and the expectations of a younger, largely urban-based population may require a two-pronged approach to product development and marketing strategies²².

- On the one hand, older people are apt to seek outdoor experiences that focus on the authentic, on wellness and wellbeing, and activities that take into account their increasingly limited physical endurance. Many of these potential tourists have time and financial resources to travel.

- On the other hand, youth outdoor-oriented tourists, and particularly those in the 16 to 35 age group, expect electronic access no matter where they are, are more likely to represent one-person households, face severe time-shortages and therefore take shorter holidays. With ‘time

²¹ Ontario Ministry of Finance, *2011 Census Population Highlights, Fact Sheet #1*, February 2012.

²² *High Yield Nature-Based Tourists in Northern Ontario (RTO13): A Situation Analysis*, Research Resolutions, November 2013.

poverty’ increasing, these consumers are looking for one stop shopping and fewer hassles in their travel experiences.²³ Many of them are seeking active adventure.

Whether it is fishing, hunting or other nature-based experiences, research shows that most young outdoor-oriented travellers are first exposed to nature-based activities by their parents and are supported in their interest by friends. As North America continues to urbanize and as immigration continues fuel population growth, how many of these urbanites and recent immigrants will be aware of or interested in the types of outdoor experiences Northern Ontario offers? Further, as more young people rely on sedentary “at home” activities (computer games, surfing the web, tweeting, etc.), how many will share older generations’ interest in nature-based activities?

Consistent with the importance of older people seeking outdoor experiences other than fishing or hunting, activities with high growth rates are best characterized as *passive* engagements with nature (e.g., viewing or photographing flowers and trees and/or natural scenery). As the study authors put it, *generally, the greatest growth in participation is for activities that are physically not very challenging.*²⁴ In contrast, activities on the decline by 20% to 40% tend to be among the more physically demanding (e.g. mountain climbing, wind surfing).

MOTIVATIONS FOR ENGAGING IN OUTDOOR ACTIVITIES

In *The Outdoor Foundation’s* most recent study of outdoor activity participation in the U.S., key motivations for engaging in outdoor activities either locally or on trips can be characterized as those associated with *action, escape and family.*²⁵ Targeting the younger end of the market with messages that convey the fitness, adventure and risk aspects of nature based activities might have more traction with younger consumers while fitness and healthful family-time messages might have more resonance with potential Nature-Based Tourists in general.

Table xx: Motivations for Participation in Outdoor Activities

| | All Americans | 18 to 24 Year Old Americans |
|---------------------------------|---------------|-----------------------------|
| Get exercise | 70% | 74% |
| Be with family/friends | 54% | 49% |
| Keep physically fit | 51% | 59% |
| Get away from usual demands | 47% | 49% |
| Be close to nature | 47% | 44% |
| Observe the scenic beauty | 46% | 43% |
| Experience excitement/adventure | 45% | 52% |

Source: *The Outdoor Foundation, Outdoor Recreation Report, 2013.*

²³ *Developing a Nature Based Tourism Product in the North – Handbook for Tourism Businesses.* Copyright 2008, Kjartan Bollason, John Hull and Carol Patterson, Holar University College, Iceland, pg. 44.

²⁴ *The Latest on Trends in Nature-Based Outdoor Recreation,* H. Ken Cordell, Proceedings of the National Academy of Sciences, Forest History Today, Spring, 2008. Changes reported are for 2000 to 2007.

²⁵ While the study is conducted among Americans, there are ample reasons to anticipate that Canadians overall and those in the younger age group would exhibit similar motivations.

Developing programs to introduce urban younger people to outdoor experiences may be required. As discussed in the Anglers report, such programs to refresh the outdoor market will likely be multi-faceted and multi-jurisdictional efforts to address concerns of a busy, *wired* and often sedentary youth market.²⁶

As already recognized by some of Northern Ontario's camping areas, more diversified lodging options in campgrounds could help sustain the camping market. Options such as cabins and yurts address the needs of older tourists who want to engage in outdoor activities but no longer want to "rough it". They also make camping easier and more attractive to families with young children, thereby gaining traction within a younger market.

Educating new Canadians and urban dwellers to nature-based experiences including programs such as those offered by Parks Canada and Ontario Parks will likely be instrumental in sustaining Northern Ontario's nature-based businesses. Consideration might be given to made-in-the North enhancements to these programs. For example, Northern Ontario tourism operators could invest in transporting some of Ontario's urban young adults and young families who are *nature neophytes* to Northern Ontario to experience its natural beauty and, in turn, to become ambassadors for nature-based activities in the region.

A NEW PHYSICAL ENVIRONMENT

If predictions of global warming materialize, Northern Ontario's tourism businesses may have to adapt to changes in the length of seasons for some products and the sustainability of others. Expectations for a region such as Northern Ontario would likely extend the summer season but curtail snow-reliant experiences such as snowmobiling, cross-country skiing.

In a study of impacts of climate change predictions for states adjacent to Northern Ontario (Minnesota, Wisconsin, Michigan), the authors identify potential implications for *outdoor recreation and tourism* (ORT).²⁷ Because the study covers impacts on environments very

Possible impacts of climate change

Warmer winters with less natural snow and ice

Some activities are directly dependent on sufficiently cold temperatures to generate natural snow or ice, e.g., cross country skiing, ice fishing, snowmobiling. Without natural snow or ice, these activities may become impossible. Other activities, i.e., downhill skiing, rely on a combination of natural and manufactured snow. The ability to make snow will depend on the continuance of sufficiently cool temperatures for this activity.

Warmer springs and falls

Warmer springs and falls would likely increase the climatic attractiveness . . . for activities such as camping, boating and kayaking in these seasons. Certain activities are already available on a year-round basis and the settings for those activities are prepared for visitation in any season, e.g., national and state parks, whereas commercial enterprises may require restructuring to enable them to offer year-round service.

Warmer summers and an increase in the frequency of heat waves

Warmer summers may place additional constraints on providers in both urban and rural settings, e.g., urban properties may be required to considerably increase their energy usage due to increased air conditioning demands, while smaller rural properties that currently do not offer air conditioning may be forced to install such technology so as to remain competitive in the marketplace. Excessive heat would likely reduce demand for camping facilities.

More frequent and/or more severe extreme weather

Severe storms and flash flooding might threaten resources such as visitor centers, archaeological sites and trails. Severe weather events might also have implications for the quality and/or aesthetics of the natural environment.

²⁶ See examples of Minnesota's program for the hunting and fishing markets, described in *Northern Ontario Anglers: A Situation Analysis*, Research Resolutions, July 2015. [Commissioner's Council on Hunting and Angling Recruitment and Retention, 2013. Available as a pdf online at <http://files.dnr.state.mn.us/recreation/hunting/harr/ccrr.pdf>]

²⁷ Nicholls, S., 2012: Outdoor Recreation and Tourism. In: *U.S. National Climate Assessment Midwest Technical Input Report*. J. Winkler, J. Andresen, J. Hatfield, D. Bidwell, and D. Brown, coordinators. Available from the Great Lakes Integrated Sciences and Assessments (GLISA) Center, http://glisa.msu.edu/docs/NCA/MTIT_RecTourism.pdf.

similar to those found in adjacent areas of Northern Ontario, highlights displayed in the sidebar and the full report.

APPENDICES

INFORMATION SOURCES:

Sources of information used in this report include the following:

- Statistics Canada, 2013 (2012/2013 pooled) Travel Survey of Residents of Canada (TSRC);
- Statistics Canada, 2012 International Travel Survey (ITS);
- U.S. National Climate Assessment Midwest Technical Input Report.
http://glisa.msu.edu/docs/NCA/MTIT_RecTourism.pdf.
- *Participation Topline Report*, 2014, The Outdoor Foundation.
- A summary of work and recommendations of the Commissioner's Council on Hunting and Angling Recruitment and Retention, 2013. Available as a pdf online at <http://files.dnr.state.mn.us/recreation/hunting/harr/ccrr.pdf>

MTCS GLOSSARY: ECONOMIC IMPACT TERMS²⁸

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

Direct impact: refers to the impact generated in businesses or sectors that produce or provide goods and services directly to travellers, e.g. accommodations, restaurants, recreation providers, travel agents, transportation, and retail enterprises. Direct impact on GDP, employment, and tax revenues is also called tourism GDP, tourism employment, and tourism tax revenues.

Indirect impact: refers to the impact resulting from the expansion of demand from businesses or sectors that directly produce or provide goods and services to travellers, to other businesses or sectors.

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

Employment: refers to number of jobs, including full-time, part-time, and seasonal employment, as well as both employed and self-employed.

Federal tax revenues: include personal income tax, corporate income tax, commodity tax (GST/HST, gas tax, excise tax, excise duty, air tax and trading profits) and payroll deduction that collected by the federal government.

Provincial tax revenues: include personal income tax, corporate income tax, commodity tax (PST/HST, gas tax, liquor gallonage tax, amusement tax and trading profits) and employer health tax that collected by Ontario provincial government.

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

Industry: The industry follows Statistics Canada's 2007 North America Industry Classification System (NAICS) Input-Output small aggregation industry classification.

²⁸MCTS glossary, from website (http://www.mtr-treim.com/webtreim/data_out/NP1/EconomicImpact.pdf), July 2012.