SNOWMOBILING TOURISTS IN NORTHERN ONTARIO (RTO13)

A SITUATION ANALYSIS

PREPARED FOR

TOURISM NORTHERN ONTARIO

BY

Research Resolutions & Consulting Ltd.

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EXECUTIVE SUMMARY

MARKET OVERVIEW

Canadian snowmobiling tourists live in and travel to every Canadian province.

Of the 19.7 million Canadians who took leisure overnight trips to any destination over a two-year period, about one million or five per cent went snowmobiling as one of their trip activities.[1] As a proportion of all overnight pleasure travellers, the rate at which Canadians go snowmobiling on a trip varies from province to province, reaching a high of seven per cent in Quebec, Manitoba and Saskatchewan and falling to four per cent in Ontario and to three per cent in British Columbia.

Although the penetration rate of snowmobiling as a travel activity is lower in Ontario than in Quebec, Ontario generates the largest source of snowmobile tourists reflecting its large population. Over a two-year period, about 326,000 Ontario residents take leisure trips that include snowmobiling as an activity. Quebec is the second largest source of Canada's snowmobile tourists at almost 300,000 overnight leisure travellers.

Of 166 million American overnight leisure travellers, about 3.4 million are snowmobile tourists.

Even though the volume is much higher, the *share* of snowmobile tourists in the U.S.A. (2%) is smaller than Canada's (5%), no doubt explained by the fact that much of the U.S.A. land mass does not get snow! While the *pool* of American snowmobile tourists south of the border seems very large, it is important to note that most American snowmobile tourists have *not* travelled to Canada over a two-year period. While their reluctance to cross the border does not rule them out as a potential source of snowmobile tourists for Northern Ontario, it does mean that they will be hard to attract.

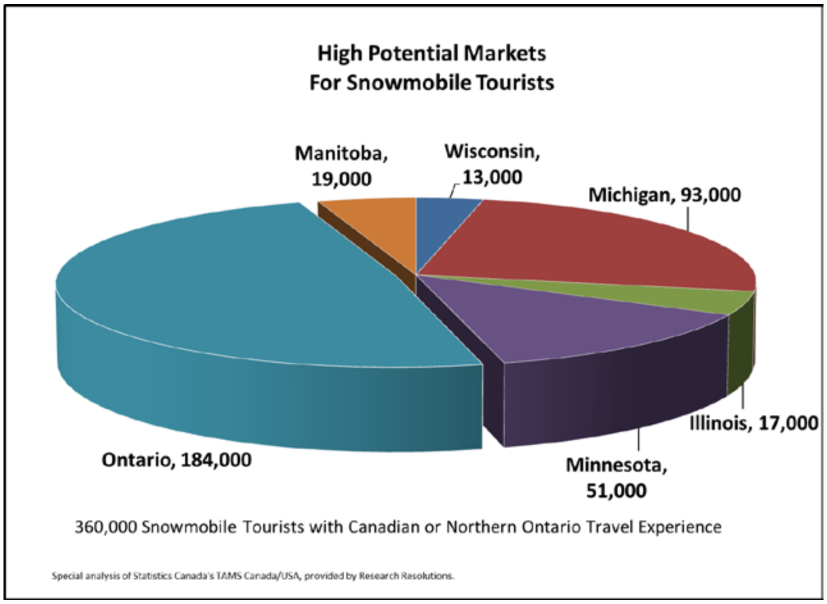
Of the 3.4 million snowmobile tourists in the U.S., about 25%, or 844,000 have been to Canada relatively recently.

The potential U.S. market for Northern Ontario will diminish further because most American tourists to Canada travel along *north/south* corridors. Thus, if they travel to Canada at all, the many snowmobile tourists from Mountain and Pacific states are more likely to visit British Columbia or Alberta than they are to go to Northern Ontario.

[1] These findings are derived from TAMS Canada and represent adult Canadians (18+ years) who claimed to have taken at least one overnight leisure trip over a two-year period.

The most promising target markets for snowmobile tourists in RTO13 are Canadians in Ontario and Manitoba and Americans living in near-border states.

The quantitative information presented in this report clearly indicates that there is a market for snowmobile tourism for RTO13. Like other outdoor-based activity tourists, however, snowmobilers have a tendency to engage in the sport close to home. Thus, the most promising target markets are likely to be Canadians in Ontario and Manitoba and Americans living in near-border states including Michigan, Minnesota, Illinois and Wisconsin. At the outside, these markets represent about 360,000 overnight leisure tourists.



Snowmobile tourists take short trips and often live in places that offer terrain similar to Northern Ontario's.

As is the case for most outdoor-oriented tourism activities, attracting snowmobile tourists from *near* markets is challenging because for many, the terrain and snowmobiling opportunities closer to home are very similar to those offered in RTO13.

Canadians' snowmobile trips last between two and four nights, on average. A study recently among New York snowmobilers also reports short trip durations.[2] If New Yorkers and most Canadians are taking two-day snowmobiling trips, they are most likely travelling to destinations relatively close to home.

Overcoming sizeable travel distances to reach Northern Ontario from American states with strong snowmobiling markets such as New York will likely be challenging. Not only does the snowmobiler require extra time to reach Northern Ontario but also spends more on fuel and lodging costs to bring their snowmobiles to the destination.

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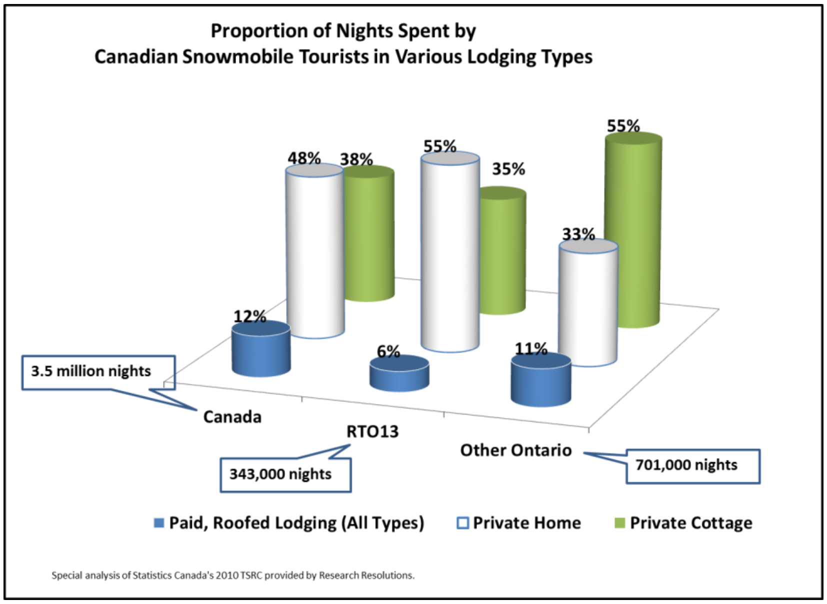
[2] *Individuals questioned in the surveys told us that on an average annual basis, the take 8 snowmobile related trips per winter. Typically a snowmobiling trip lasts two days.* Study results cited in: *Positive Economic Impact of Snowmobiling Outperforms Economy*, Ed Klim. http://www.snowmobile.org/pr_11_2012_sales-outperform-economy.asp#sthash.d9hJJB1s.dpuf

PAID LODGING & CASUAL SNOWMOBILERS

Regardless of which part of Canada they live in, almost all domestic snowmobile tourists use private cottages or stay with friends and relatives.



Only six per cent of the 343,000 nights spent by Canadian snowmobile tourists in Northern Ontario are in the region's paid, roofed lodging.

Those who rely on cottages and private homes may not need to transport snowmobiles from their homes, thereby reducing their transportation costs and making snowmobiling on RTO13`s trails more affordable.

With so few of their nights in commercial properties, snowmobile tourists contribute to touristic activity and spending in Northern Ontario's *other* tourism sectors but do not represent a particularly promising market opportunity for the lodging sector.

DEMOGRAPHICS

The potential Canadian and U.S. markets are remarkably similar demographically.

On both sides of the border, there is a sixty-forty gender split, with men predominating among snowmobile tourists. They are spread relatively evenly across the age spectrum with about two fifths who are 18 to 34 years of age and about the same proportion who are 35 to 54 years old. On average, these snowmobiler tourists are about forty years of age.

A university education is more characteristic of American snowmobilers (44%) than Canadians (23%) but over half of both groups of snowmobile tourists have a post-secondary diploma/certificate or university degree. Three in ten snowmobile tourists have household incomes of less than $60,000, the same proportion are in the $60,000 to $99,999 income bracket and about 4-in-10 have incomes of at least $100,000.

ECONOMICS OF CANADIAN SNOWMOBILE TOURISTS

Canadian snowmobile tourists contribute to tourism revenues in Northern Ontario.[3]

Snowmobile tourists spend about three per cent or $23.6 million of the $687.0 million spent by *all* **Canadian** overnight tourists in RTO13. Their comparatively small contribution to domestic tourism revenues in the region is largely a result of Canadian snowmobile tourists' reliance on private lodging.

RTO13's share of snowmobile tourists' spending in Ontario is higher (31%) than its share of snowmobile tourists. Specifically, RTO13 captures 21% of the province's domestic snowmobile tourists but 31% of all spending in the province by these tourists. The difference in share of volume and spending is largely attributable to the fact that the North's market takes trips that are, on average, about twice as long (4.3 nights) as snowmobilers in Southern Ontario (2.2 nights).

Each sub-region of RTO13 captures about one third of Canadian snowmobile tourists. Although base sizes are quite small, from the share of snowmobile tourists each attracts, it can be assumed that spending and economic impact of Canadian snowmobile tourists across Northern Ontario is spread relatively evenly among 13A, 13B and 13C.

Canadian Snowmobile Tourists' Spending in RTO13

	Total Canadian Tourist Spending in RTO13	Total Canadian Snowmobile Tourist Spending in Ontario
Canadian Overnight Tourist Spending	$687,000,000	$76,000,000
Snowmobile Tourists in RTO13	$23,600,000	$23,600,000
Percentage	3%	31%

Differences in trip duration are clearly manifest in per *trip* and per *night* spending.

A Canadian snowmobile tourist travel party in Northern Ontario spends approximately $330.00 for the trip and $75.00 per night. While the per-trip spend is about $100.00 *more* than the corresponding snowmobile tourist in Southern Ontario ($230.00), the per-night spending is less ($75.00 vs. $110.00) because the Northern tourist's trip is about two days longer.

Canadian Snowmobile Tourists – Spending on the Trip

	Canada	RTO13	Other Ontario
Total Spending in Region	$269,500,000	$23,600,000	$49,700,000
Average Per Trip	$335.00	$330.00	$230.00
Average Per Party Per Night	$99.00	$75.00	$110.00

[3] Note that spending information is available *only* for Canadian snowmobile tourists.

Canadian snowmobile tourists contribute to the economic wellbeing of Northern Ontario.[4]

Note that figures provided here *under estimate* the full economic benefit of the sector because no spending information was available for the Americans who come to RTO13 to snowmobile. The economic impact estimates are based solely on *Canadian* snowmobile tourists in Northern Ontario.

Bearing this caveat in mind, RTO13's Canadian snowmobile tourists contributed $14.4 million toward Ontario's gross domestic product (GDP). Approximately 226 jobs and $8.7 million in wages were generated in Ontario as a result of their spending.

At $6.8 million in taxes, all levels of government benefited from spending by these Canadian snowmobile tourist s in RTO13. Of the $6.8 million, approximately $3.6 million were federal government taxes, a further $3.2 million were provincial taxes and $38,000 million were municipal taxes.

More than 90% of the economic benefits generated in Ontario by Canadian snowmobile tourists in RTO13 were retained *within* the region.

Most snowmobiling economic impact studies include equipment purchases and spending by local and tourist snowmobilers.

Some readers may find the economic benefits of RTO13's snowmobiling tourists to be lower than anticipated. The discrepancy between estimates provided here and those from other sources likely derives from the fact that other studies include all aspects of the sport, including equipment purchase and local recreational use. In fact, the literature review provided many examples of snowmobiling's economic impacts in various jurisdictions but none focussed on the *touristic* component of the sport (see appendix for examples).

CHALLENGES & OPPORTUNITIES

Not all snowmobilers are tourists.

The thousands of kilometres of groomed trails in Northern Ontario attract many recreational users. Since trails are maintained by snowmobile club members who tend to live nearby, we can assume that many of the snowmobilers in RTO13 are local. This local market contributes to the regional economy by purchasing fuel, restaurant meals and occasional paid roofed lodging. At the same time, these snowmobilers do not bring *new dollars* into Northern Ontario. Only visitors from outside the local area contribute to the sport's *touristic* economic benefit.

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

There are inherent challenges in attracting snowmobiling tourists to any destination.

There are some fundamental realities associated with snowmobile tourism that contribute to its niche market position.

- Snowmobiles are expensive to purchase, service, operate and transport.
- Road access is necessary for a snowmobile owner to bring equipment with him/her to the destination.
- For non-owners, rental costs for day or longer touring trips are high. For example, a Northern Ontario rental company rents Ski Doo Renegade 1200s for $350.00 per day.

Thus, while Northern Ontario has an extensive and well-maintained trail system, getting *tourists* to come and utilize the infrastructure will require creative ways to overcome some of these cost and access issues.

Appealing to *casual* rather than dedicated snowmobilers might increase use of the accommodation sector.

Findings suggest that about half of Northern Ontario's potential snowmobile tourists on each side of the Canada/U.S. border are taking *snowmobiling trips.* In other words, they can be considered *dedicated snowmobilers,* taking a trip *in order to go snowmobiling.*

For the remaining half, however, the sport is one of the many activities they engage in on trips. Perhaps this more casual market can be enticed to support Northern Ontario's accommodation sector if offered a smorgasbord of winter experiences. For example accommodation owners could promote winter recreation-oriented packages that include accommodation, snowmobiling and other winter sports such as snow shoeing or dog sledding. Thus, the *winter experience* rather than snowmobiling per se could be the impetus for the trip.

Not only would *winter experience packages* encourage some tourists to try snowmobiling but they could also expand the market beyond those who have invested in snowmobiles and all the necessary equipment and permits required to engage in the sport.

Northern Ontario has a strong reputation as a fishing destination and approximately one-fifth of Canadian and American snowmobilers go ice fishing while on trips.

Capitalizing on its angling reputation, Northern Ontario might consider pairing snowmobiling with ice fishing trips or derbies to attract more snowmobile tourists to the region.

Other popular activities among snowmobiling tourists in Canada and the U.S. include hunting, downhill skiing, camping and hiking. Spectator sporting events, music concerts, theme parks, festivals, historic sites and casinos are also common activities among these tourists. These entertainment and attraction-based activities might also be included in packages that could appeal to dedicated and/or casual snowmobilers. For example, a popular or country music concert or festival might be a hook that could attract snowmobile tourists.

The network of northern tier snowmobile clubs is a good source of *dedicated* snowmobile tourists.

According to the International Snowmobile Manufacturers Association (ISMA), there are nearly 3000 snowmobile clubs across North America and a further 25 state associations in the U.S. and 13 provincial and territorial organizations in Canada. Members of these clubs and associations, and particularly those in northern tier states, Manitoba, Quebec and Southern Ontario are a natural audience for snowmobile tourism in Northern Ontario.

In promoting snowmobiling experiences in RTO13, the focus should be on what makes the experiences in this region *different* from those snowmobilers can find in their own communities. Building winter events around some of the attraction-based activities known to appeal to snowmobile tourists as well as ice fishing and other winter sports could be promoted by Northern Ontario's snowmobile clubs to attract members of other clubs.

The impacts of climate change may lure southern snowmobilers to the North in the medium term.

The Ontario Ministry of Natural Resources projects that that snowmobiling and ice fishing will be moderately affected by climate change in Northern Ontario in the short and mid-term and that the snowmobile season length will decrease in southerly areas of the province.[5]

Currently, Southern Ontario attracts almost four times the number of domestic snowmobile tourists (313,700 overnight visitors) as does Northern Ontario (80,500 overnight visitors).[6] The southern portion of the province is also relatively accessible to the large snowmobile market in New York State. If, as predicted, snow cover and season length diminish as a function of climate change, many of Southern Ontario's snowmobile tourists might be encouraged to travel further north for quality snowmobiling experiences. Thus, messages that focus on the level of snow cover and the duration of the snowmobiling season may become increasingly important to attract the large snowmobile tourist base in Southern Ontario and New York State.

Promote fun, family, adventure and healthy wholesome outdoor recreation.

According to the literature, the appeal of snowmobiling is commonly associated with enjoyment, adventure, exploring pristine natural environments, and a wholesome, family-oriented recreational activity. Some suggest that health benefits and opportunities for adventure explain increased interest in the sport among Generation Y although others note a declining interest in snowmobiling among younger consumers.[7]

[5] *Selected Social Implications of Climate Change for Ontario's Ecodistrict 3E-1 (The Clay Belt)*, Len M. Hunt and Brian Kolman, Ontario Ministry of Natural Resources, 2012

[6] See Table 5, main body of this report (Source: 2010 TSRC).

[7] *Consumer Insight Study Shows Snowmobile Enthusiasts Consider Snowmobiling a Family Activity,* International Snowmobile Manufacturers Association (ISMA) http://www.snowmobile.org/Study-Shows-Snowmobile-Enthusiasts-Consider.asp#sthash.uY5nrYck.dpuf

There are indications that the snowmobiling market is declining.

U.S. recreational studies suggest that the market for Americans snowmobilers, whether as tourists or local recreational users, is declining. According to one study, there were about 5.1 million American snowmobilers in 2010 but only about 2.9 million in 2012 (-44%).[8]

Evidence of a market in decline is also found in RTO13. In December 2012, permit sales for a Thunder Bay snowmobile club was reported to have reached only 55 or about half of the previous year's sales and a far cry from about 3,500 twenty years ago, leading to a CBC headline: *Sales of trail passes in the Thunder Bay area dropping drastically.*[9] According to the same article, permit sales in other parts of Northern Ontario have also fallen substantively (*the now-defunct North of Superior Snowmobile Association said most clubs in that area have folded*).

Declines in local usage and trail grooming could have a negative impact on the potential to attract snowmobile tourists. Why? Because it is important to ensure that the trail infrastructure is maintained for tourists. Thus, as tourism marketers and planners consider how to bring snowmobile tourists to the region, they should be mindful of retaining the support of the local communities' and their commitment to the sport and to trail grooming. At the same time, tourism operators in RTO13 might consider what the region can offer to attract the apparently growing market for off-road snowmobiling experiences. [10]

[8] *2013 Outdoor Recreation Participation* report, The Outdoor Foundation, Boulder Colorado, pg. 60. Figures represent Americans 6+ years of age.
[9] CBC News Posted: Dec 28, 2012 2:04 PM ET, http://www.cbc.ca/news/canada/thunder-bay/snowmobile-clubs-face-big-challenges-1.1290995
[10] *Trend in the snowmobile industry,* Marc Thibeault, 2013-10-24, http://www.sledmagazine.com/ actions/page?docId=6418

DETAILED FINDINGS

INTRODUCTION

Tourism Northern Ontario is exploring opportunities for various outdoor tourism activities available in Northern Ontario. With its thousands of kilometres of groomed trails and ample snow, snowmobiling is one of these activities.

To learn more about the current role snowmobiling plays in Northern Ontario's tourism mix and the segment's potential for the future, Tourism Northern Ontario commissioned Research Resolutions & Consulting Ltd. to provide a situation analysis.[11]

This analysis provides RTO13 tourism operators, planners and marketers with information about the structure, size and characteristics of the current snowmobiling tourist market in Canada and RTO13.[12] As such, it **excludes** the many snowmobilers who live in Northern Ontario and rely on the sport as a source of local winter recreation or transportation at or near their homes.

Most documentation on the size, characteristics and economic impacts of snowmobiling is generated by advocacy groups, including snowmobile and other equipment manufacturers, associations of snowmobile clubs and the like. As such, estimates typically include the manufacture, sales and maintenance of snowmobiles and the activities of *local residents* and *tourists.*

The primary sources of *touristic* information used in this analysis are the Canadian and American Travel Activities and Motivation Surveys (TAMS), Statistics Canada's Travel Survey of Residents of Canada (TSRC), and a literature review. [13]

[11] 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.

[12] The project was commissioned by Tourism Northern Ontario to Research Resolutions & Consulting Ltd. in October 2013.

[13] Statistics Canada's International Travel Survey does not capture information on snowmobiling as an activity. For this reason, volume, value and economic impact estimates; and trip characteristic information in this report are based solely on the Canadian market (TSRC 2010, pooled).

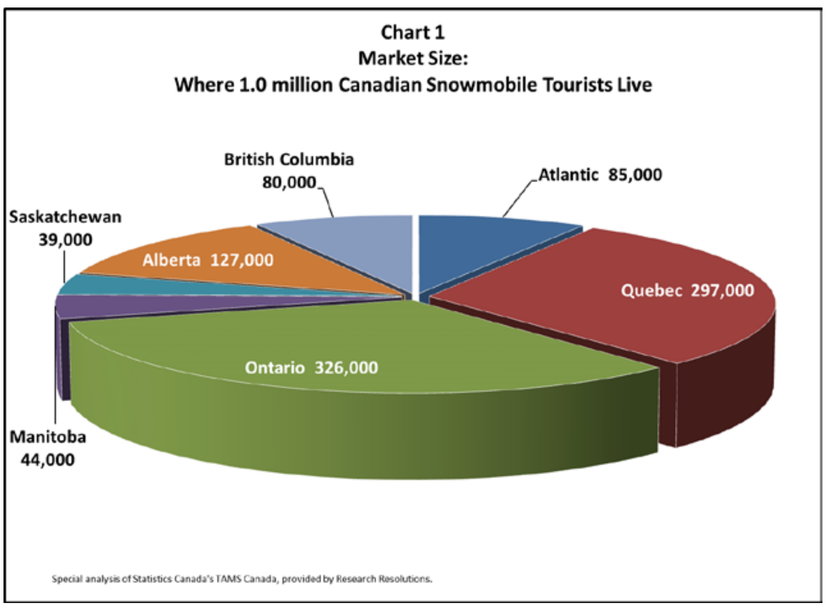
DIMENSIONS OF THE TARGET MARKET

NORTH AMERICAN SNOWMOBILE TOURIST MARKET SIZE

CANADIANS

Of the 19.7 million Canadians who took leisure overnight trips to any destination over a two-year period, about one million or five per cent went snowmobiling as one of their trip activities.[14] These snowmobiling tourists live in and travel to every Canadian province. As a proportion of all overnight pleasure travellers, the rate at which Canadians go snowmobiling on a trip varies from province to province, reaching a high of seven per cent in Quebec, Manitoba and Saskatchewan and falling to four per cent in Ontario and to three per cent in British Columbia.

Although the penetration rate of snowmobiling as a travel activity is lower in Ontario than in Quebec, Ontario generates the largest source of snowmobile tourists reflecting its large population. Over a two-year period, about 326,000 Ontario residents take leisure trips that include snowmobiling as an activity. Quebec is the second largest source of Canada's snowmobile tourists at almost 300,000 overnight leisure travellers (see Chart 1).



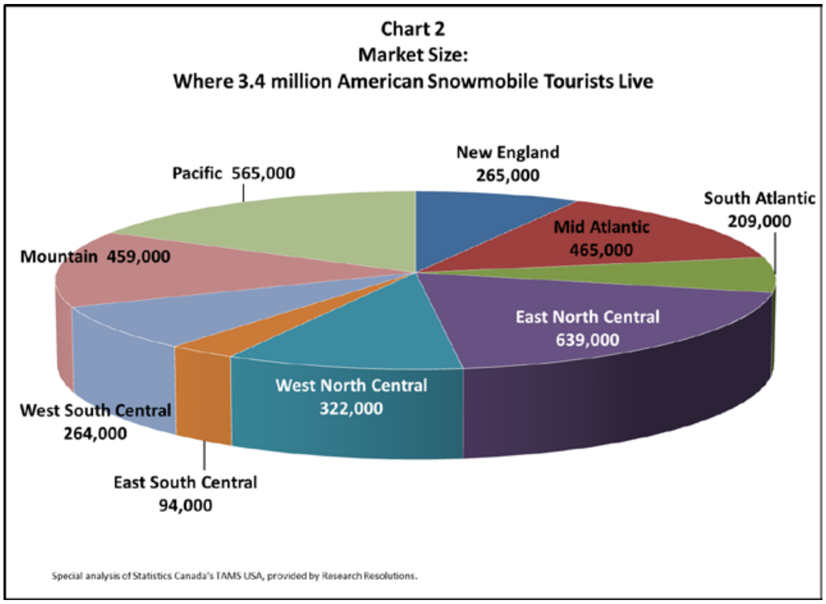
At seven percent, the rate of snowmobiling is relatively high in Manitoba (44,000) and Saskatchewan (39,000) but the small populations in these provinces explains the comparatively few snowmobile tourists each generates.

Information on registered snowmobile ownership supports the strength of the snowmobiling market in Ontario and Quebec. Almost 600,000 snowmobiles were registered in Canada in 2013. Of these, 149,000 were in Ontario and a further 176,000 were in Quebec. No other province or territory approaches these levels of snowmobile ownership but for many of these snowmobile owners, usage is *not* touristic. Instead, snowmobiling is a form of local recreation in people's immediate environs or used as a means of transportation.[15]

[14] These findings are derived from TAMS Canada and represent adult Canadians (18+ years) who claimed to have taken at least one overnight leisure trip over a two-year period.
[15] See Appendix for full provincial list.

AMERICANS

The tourism market in the U.S.A. is appreciably larger than Canada's and so too is the snowmobile tourism market. Of the 166 million overnight leisure travellers in the country, about 3.4 million are snowmobile tourists. Even though the volume is much higher, the *share* of snowmobile tourists in the U.S.A. (2%) is smaller than Canada's (5%), no doubt explained by the fact that much of the U.S.A. land mass does not get snow!



As is evident in Chart 2, snowmobiling as a tourism activity is especially popular in regions that experience winter weather and commonly have snow on the ground: New England, Mid-Atlantic, East and West North Central and the western states. Not surprisingly, snowmobiling on leisure trips is comparatively rare among residents of southern regions such as South Atlantic.

The largest single market for snowmobile tourists is the East North Central region (639,000) followed by Pacific (565,000), Mid-Atlantic (465,000) and Mountain states (459,000).

While the *pool* of American snowmobile tourists south of the border seems very large, it is important to note that most American snowmobile tourists have *not* travelled to Canada over a two-year period. While their reluctance to cross the border does not rule them out as a potential source of snowmobile tourists for Northern Ontario, it does mean that they will be hard to attract.

Of the 3.4 million snowmobile tourists in the U.S., about 25%, or 844,000 have been to Canada relatively recently. The potential U.S. market for Northern Ontario will diminish further because most American tourists to Canada travel along *north/south* corridors. Thus, if they travel to Canada at all, the many snowmobile tourists from Mountain and Pacific states are more likely to visit British Columbia or Alberta than they are to come to Northern Ontario.

NORTHERN ONTARIO'S NORTH AMERICAN SNOWMOBILE TOURIST MARKET

CANADIANS

THE POTENTIAL MARKET – PEOPLE

Close to three million Canadians took an overnight leisure trip to Northern Ontario over a two-year period (see Table 1). Four fifths of these tourists or 2.2 million are residents of the province, including about 3-in-10 Torontonians (809,000). Neighbouring Quebec (8%) and Manitoba (5%) each contributes less than one tenth of RTO13's domestic tourist potential.

Over one quarter million Canadians who have visited RTO13 over a two-year period also went snowmobiling on at least one of their overnight leisure trips. Note that snowmobiling could have been a trip activity in RTO13 or in other destinations these leisure tourists visited over the two-year period. Most of Northern Ontario's snowmobile tourists are Ontario residents (81% or 184,000).

Table 1: Northern Ontario's Potential Snowmobile Tourist Market in Canada by Place of Residence

Place of Residence	**All Tourists with Trips to Northern Ontario in Past 2 Years**	**Snowmobile Tourists with Trips to Northern Ontario in Past 2 Years**
Canada	2,777,000	228,000
Atlantic Canada	49,000	4,000
Quebec	227,000	14,000
Montreal CMA	105,000	3,000
Ontario	2,213,000	184,000
Toronto CMA	809,000	44,000
Hamilton CMA	154,000	13,000
London CMA	85,000	11,000
Manitoba	138,000	19,000
Winnipeg	104,000	14,000
Saskatchewan	23,000	1,000
Alberta	72,200	2,000
British Columbia	55,000	4,000

Special Tabulations, TAMS Canada prepared by Research Resolutions.

THE ACTUAL MARKET – TRIPS

As detailed in the previous section, the domestic *potential market* for snowmobiling in Northern Ontario is about 228,000 Canadian adults – those who have travelled to RTO13 over a two-year period and engage in snowmobiling as a trip activity. The actual market, based on overnight trips taken by Canadians, is described in this section.

Over a season, overnight *snowmobiling trips* by Canadians reached over one million nationwide. Approximately 80,500 (7%) of these trips were to locations in Northern Ontario. [16] Southern Ontario

[16] These data are from the TSRC and represent trips to locations in Canada on which the tourist went snowmobiling in a one year period.

(29%) and Quebec (30%) each registered over 300,000 Canadian snowmobile tourists on overnight trips. More than 130,000 of these snowmobiling trips were to locations in the Prairies (Manitoba/ Saskatchewan 13%) or Western Canada (Alberta/British Columbia 14%).

For the most part, Canadian snowmobile tourists take their overnight snowmobiling trips close to home, either within their *home* region or province or, less commonly, to their next-door neighbours (see Table 2).

- Four fifths of RTO13's 80,500 snowmobiling tourists are Ontario residents (65,000), including 32,000 who live in Northern Ontario and travel within the region to go snowmobiling.
- Other noteworthy sources of snowmobiling tourists for Northern Ontario include Winnipeg (10,000) and Ottawa (7,000).
- The Toronto market generates a large number of snowmobiling tourists (153,000) but most of them go to locations in Southern Ontario (150,000).
- Quebec is also a major source of Canadian snowmobilers but of the 334,300 snowmobiling tourists who visit this province, more than 9-in-10 of them (95%) reside in the province.

The comparatively short haul nature of snowmobiling trips is, no doubt, a reflection of snowmobilers' tendency to bring their own snowmobiles to the snowmobiling destination or keep them at their private cottages and the availability of road access to these destinations.

Table 2: Canadian Snowmobile Tourists' Overnight Trips

	Overnight Visits to . . .					
	Canada	**Northern Ontario**	**Southern Ontario**	**Quebec**	**Man/Sask**	**Alberta/ B.C.**
Place of Residence	1,098,800	80,500	313,700	334,300	137,500	156,000
Atlantic Provinces	86,000	1,000	1,000	2,000	*	1,000
Quebec	317,000	*	*	317,000	*	*
Ontario	391,000	65,000	310,000	14,000	2,000	*
RTO13	38,000	32,000	2,000	2,000	2,000	*
Toronto CMA	153,000	3,000	150,000	*	*	*
Ottawa CMA	65,000	7,000	17,000	41,000	*	*
Manitoba	65,000	10,000	*	*	49,000	5,000
Winnipeg CMA	41,000	10,000	*	*	28,000	4,000
Saskatchewan	85,000	*	*	*	69,000	16,000
Alberta	102,000	4,000	2,000	*	6,000	94,000
British Columbia	53,000	*	*	*	11,000	41,000

*Special Tabulations, TSRC (2010) prepared by Research Resolutions.*Less than 0.5%. Interpret with caution: small base sizes.*

AMERICANS

Over a two-year period, East North Central, including Michigan, Wisconsin and Illinois have been the most fertile sources of RTO13's overnight American tourists, irrespective of their trip activities (see Table 3). Over 600,000 American adults living in this region visited Northern Ontario over a two-year period. This same region generates almost one fifth of Americans who have both been to **Canada** and who go snowmobiling on overnight leisure trips (154,000 or 18%).[17]

The Mid-Atlantic region and particularly New York are also strong feeder markets for American tourists to Northern Ontario (363,000 or 20%). There is a robust snowmobiling market in the region, with about 168,000 snowmobile tourists who have been to Canada over a two-year period. If they were snowmobiling on trips to Canadian destinations, however, New York and other Mid-Atlantic snowmobilers would most probably select destinations in Quebec or Southern Ontario because they are closer to home. Similarly, the California snowmobilers who have travel experience in Canada (118,000) are most likely to go to British Columbia for a snowmobiling trip.

Michigan and Minnesota would appear to offer the greatest potential for RTO13's snowmobile tourism because tourists from these states have demonstrated a willingness to travel to the region and have comparatively high snowmobiling participation rates.

Table 3: Northern Ontario's Potential Snowmobile Tourist Market in U.S.A. by Place of Residence

	All Tourists with Trips to **Northern Ontario** in Past 2 Years	Snowmobile Tourists with Trips to **Canada** in Past 2 Years	Snowmobile Tourists with Trips to **Any Destination** Past 2 Years
USA	1,803,000	844,000	3,351,000
New England	81,000	62,000	265,000
Mid Atlantic	363,000	168,000	465,000
New York	199,000	118,000	262,000
South Atlantic	204,000	52,000	209,000
East North Central	623,000	154,000	639,000
Wisconsin	114,000	13,000	151,000
Michigan	223,000	93,000	252,000
Illinois	104,000	17,000	134,000
West North Central	188,000	88,000	322,000
Minnesota	127,000	51,000	215,000
East South Central	79,000	35,000	94,000
West South Central	70,000	22,000	264,000
Texas	45,000	22,000	221,000
Mountain	64,000	57,000	459,000
Colorado	25,000	10,000	100,000
Pacific	129,000	186,000	565,000
California	109,000	118,000	419,000

[17] Recall that TAMS findings provide information on *where* tourists travelled and *what they did* on trips (activities) but do not provide information on which activities took place in specific destinations.

Special Tabulations, TAMS USA prepared by Research Resolutions.

Consistent with these findings, Michigan and Minnesota along with Wisconsin have the highest levels of snowmobile registrations in the U.S.A. (see Table 4).[18] Of the 1.4 million snowmobiles registered in the U.S.A., each represents more than 200,000 snowmobiles. In contrast, no other state posts registrations of over 115,000.

Table 4: Top 5 States for Snowmobile Registrations, 2013

Minnesota	**252,000**
Wisconsin	**225,000**
Michigan	**206,000**
New York	115,000
Maine	80,000

Of the 844,000 American **snowmobile tourists** who have been to Canada, almost 150,000 or 18% have been to Northern Ontario on an overnight leisure trip in the past couple of years, though they may or may not have gone snowmobiling on these trips (see Table 5). A further 423,000 or 50% of U.S. snowmobile tourists with Canadian travel experience visited locations in Other Ontario and over half a million went to other destinations in Canada (528,000) including almost one third with destinations in British Columbia.[19]

Table 5: U.S. Snowmobile Tourists with Overnight Leisure trips to Canada in Past Two Years

Total	844,000
Locations Visited in Canada	
Newfoundland and Labrador	6%
Prince Edward Island	6%
New Brunswick	7%
Nova Scotia	8%
Quebec	28%
Ontario	60%
Northern Ontario	**18%**
Southern Ontario	50%
Manitoba	7%
Saskatchewan	4%
Alberta	6%
British Columbia	31%

Source: TAMS US, special tabulations provided by Research Resolutions. Note: percentages add to more than 100% because of trips to more than one province/region.

[18] See Appendix for full state list.

[19] Values will add to more than 844,000 because travellers have been to multiple destinations over the two-year period.

PROFILE OF POTENTIAL SNOWMOBILE TOURIST MARKETS

In this section, profiles of RTO13's potential snowmobile tourist markets in Canada and the United States are provided. The information derives from the TAMS study. People described here meet the following criteria:

- Adults (18+ years)
- Have taken an overnight leisure trip to Northern Ontario (Canadians) or to Canada (Americans) over a two-year period;
- Have gone snowmobiling on an overnight leisure trip to any destination over a two-year period.

DEMOGRAPHICS

The potential Canadian and U.S. markets are remarkably similar demographically (see Table 6).

- On both sides of the border, there is a sixty-forty gender split, with men predominating among snowmobile tourists.
- They are spread relatively evenly across the age spectrum with about two fifths who are 18 to 34 years of age and about the same proportion who are 35 to 54 years old. On average, these snowmobilers are about forty years of age.
- A university education is more characteristic of American snowmobilers (44%) than Canadians (23%) but over half of both groups of snowmobilers have a post-secondary diploma/certificate or university degree.
- Three in ten snowmobile tourists have household incomes of less than $60,000, the same proportion are in the $60,000 to $99,999 income bracket and about 4-in-10 have incomes of at least $100,000.

Table 6: Demographic Profile of Potential Snowmobile Tourists for Northern Ontario

	Canadian Snowmobile Tourists with Trips to Northern Ontario	American Snowmobile Tourists with Trips to Canada
Gender		
Male	59%	58%
Female	41%	42%
Age		
18-24 years old	14%	12%
25-34 years old	27%	26%
35-44 years old	27%	25%
45-54 years old	22%	17%
55 + years old	10%	20%
Average age (18+)	39 years	41 years
Education		
Less than high school	11%	2%
High school diploma	21%	17%
Some post-secondary	12%	25%
Post-secondary diploma/certificate	32%	8%
University degree	23%	44%
Household Income*		
Under $40,000	12%	13%
$40,000 to $59,999	18%	16%
$60,000 to $99,999	29%	31%
$100,000 or more	41%	40%

*Source: TAMS Canada/US, Special Tabulations provided by Research Resolutions. *Household income (2006) based on total stating.*

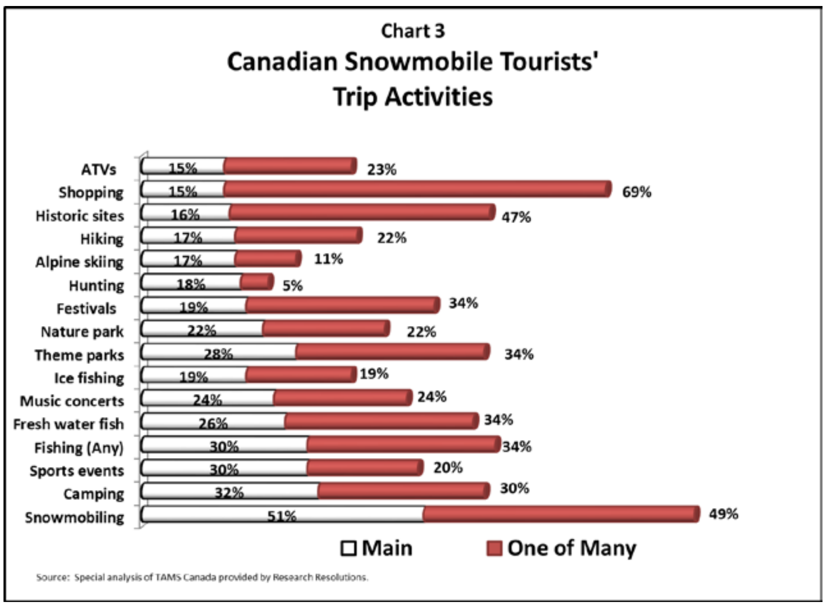
ACTIVITIES ON TRIPS

Tourists were asked to identify the activities they had engaged in while on overnight leisure trips over a two-year period. Additionally, they were asked to indicate which of these activities had been the *main reason* for an overnight leisure trip over the same time period.[20]

All tourists described here include snowmobiling as "one-of-many" activities on their overnight trips. For half of these snowmobile tourists, snowmobiling was the trip driver – the main reason they took a trip. For the remaining half, snowmobiling was one of the activities in which they engaged.

CANADIAN SNOWMOBILE TOURISTS WITH NORTHERN ONTARIO TRAVEL EXPERIENCE

Outdoor activities such as camping, fishing and going to nature parks are trip drivers for at least one fifth of Canadians in the potential snowmobiling market. Somewhat fewer include ice fishing, hunting, downhill skiing and hiking among the main reasons they have taken an overnight leisure trip in the past couple of years. Spectator sporting events, music concerts, theme parks, festivals and historic sites and are also cited as the primary reason for taking a trip by noteworthy proportions of these snowmobile tourists.



Of course, many more snowmobilers participate in these and other activities than identify them as trip motivators (see Chart 3).[21] For example, as a *main* or *one-of-many* activities on overnight leisure trips (summed), at least half of Canadian snowmobilers who have travelled to Northern Ontario engaged in each of the activities listed on the following page.

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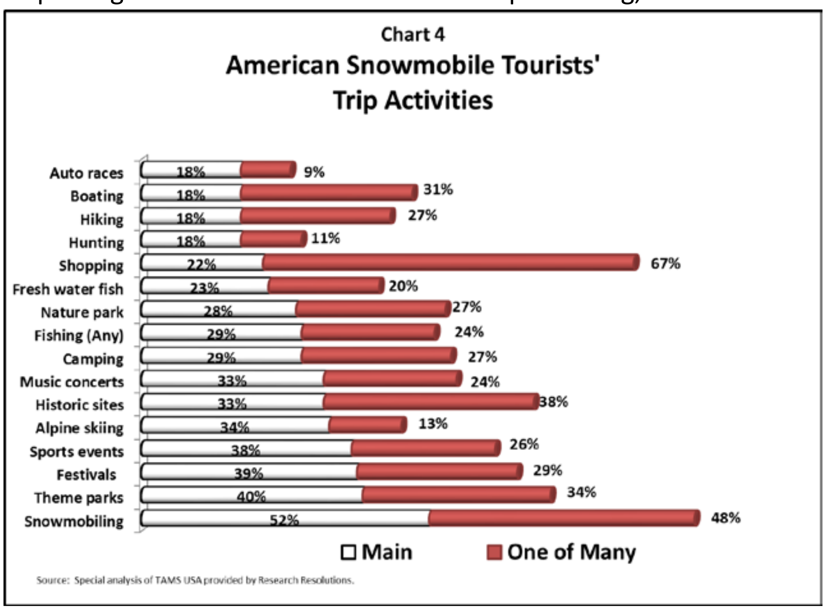
[20] Canadians described in this section are snowmobile tourists who have travelled to **Northern Ontario** over a two-year period. Because the base size for the corresponding American snowmobile tourists is too small to support analysis, the Americans described here are snowmobile tourists who have travelled to **Canada** over the two-year span.

[21] See Appendix, Table A-1 for figures.

- Shopping
- Fishing (any)
- Historic sites/buildings
- Camping
- Theme/amusement parks
- Motor/sail boating
- Fresh water fishing
- Festivals
- Spectator sports events
- Casinos

AMERICAN SNOWMOBILE TOURISTS WITH CANADIAN TRAVEL EXPERIENCE

The activity profile of American snowmobile tourists who have travelled to Canada is similar but not identical to that of their Canadian counterparts. More U.S. snowmobilers are apt to take trips for entertainment-based reasons than are Canadians. Specifically, about two fifths of these Americans say they have taken trips in order to visit theme or amusement parks, attend festivals and/or spectator sporting events. One third claims that alpine skiing, historic sites and/or music concerts have been the motivating force behind recent overnight leisure trips.



They are just as likely as Canadian snowmobile tourists to take trips in order to fish, camp, hunt and go to nature parks. And, similar to their Canadian counterparts, American snowmobilers in the potential market for RTO13 engage in a host of activities as *one-on-many* to a much greater extent than identify these activities as trip drivers. More than half of them engaged in each of the following as a *main* or as *one-of-many* activities while on trips (summed):

- Shopping
- Theme/amusement parks
- Historic sites/buildings
- Festivals
- Spectator sports events
- Music concerts
- Camping
- Nature park
- Casinos
- Fishing (Any)

PACKAGING SNOWMOBILING WITH OTHER ACTIVITIES

The composite picture of Canadians and Americans in RTO13's potential snowmobiling market is one of men and, less commonly women who enjoy the outdoors, embrace the winter with snowmobiling, ice fishing and alpine skiing. They enjoy music concerts, major sporting events including auto races, going to theme parks, historic sites and festivals. And, of course, like almost all tourists, they shop while on their trips. In addition to winter outdoor activities, snowmobile tourists hike, camp, go to nature parks and fish in bodies of fresh water.

Climate-compatible activities or events that might attract more snowmobile tourists to RTO13's groomed trails may include music concerts (country/popular), highlighting the region's historic sites, ice fishing derbies and/or winter-activity festivals.

CANADIAN SNOWMOBILING TOURISTS' TRIP CHARACTERISTICS

PURPOSE, PARTY COMPOSITION, LENGTH OF STAY

In this section, key trip characteristics of the **domestic** target market for RTO13, other parts of Ontario and key competitive provinces are provided. Note that small sample sizes for snowmobiling tourists in RTO13 and Other Ontario require that extreme caution be used in interpreting these findings.

Trip Purpose: Regardless of their destination, most Canadian snowmobiling tourists are on pleasure trips (see Table 7). While three-fifths of the target market to RTO13 is travelling for pleasure, this region is somewhat more likely to attract domestic snowmobiling tourists who took their trip in order to visit with friends and relatives (40%) than is Canada as a whole (32%), the rest of Ontario (23%) or Quebec (31%). Snowmobilers in the two Prairie provinces, however, are about as likely to be on a pleasure trip (47%) as one to visit with their families or friends (52%).

Party Composition/Size: Canadians in RTO13's target market are especially likely to travel in adult-only parties (86%). Only about one seventh of them include children or teenagers. This distribution is on par with Canada, Other Ontario and Quebec but skews toward adult-only travel parties to a somewhat greater extent than is found in Manitoba/Saskatchewan.

RTO13's typical domestic snowmobile tourist travel party is between one and two people (1.4), on average. This party size is similar to those found across the country (1.6), in Other Ontario (1.7) and other major snowmobiling destinations.

Length of Stay in Location: Key domestic snowmobiling destinations differ in the number of nights Canadian snowmobilers spend in them. At 4.3 nights on average, RTO13 attracts somewhat longer stays by snowmobilers than do other destinations. By way of contrast, trip durations range from a low of 2.2 nights in Other Ontario to between three and four nights in Quebec and Manitoba/Saskatchewan.

Table 7: Canadian Snowmobiling Tourists' Trip Characteristics by Location Visited

Location(s) in Which Nights Were Spent by Canadian Snowmobilers	**Canada**	**RTO13**	**Other Ontario**	**Quebec**	**Manitoba/ Saskatchewan**
	1,100,000	81,000	314,000	334,000	137,000
	%	%	%	%	%
Trip Purpose					
Pleasure	63%	60%	76%	55%	47%
Visit Friends/Relatives	32%	40%	23%	31%	52%
Party Composition					
Adults Only	84%	86%	83%	83%	75%
With Children/Teens	16%	14%	17%	17%	25%
Average Party Size	1.6	1.4	1.7	1.8	1.8
Length of Stay in Location					
Average Length of Stay	3.2 nights	4.3 nights	2.2 nights	3.9 nights	2.9 nights

Source: Special Tabulations, TSRC (2010) prepared by Research Resolutions. Interpret with caution: small base sizes.

AGE & GENDER

Across Canada, male snowmobile tourists outnumber females by about two to one. The same is true among Canadian snowmobile tourists in RTO13. They are predominantly men (67%) whereas those in Southern Ontario are more evenly distributed by gender (men, 56%); women, (44%).

Snowmobile tourists to destinations across the country, like those who visit RTO13, are spread across the age spectrum with about 4-in-10 in the 18 to 34 year old bracket. In RTO13, there is a somewhat greater concentration of older snowmobile tourists – 55+ years of age (22%) – than is the case in Canada as a whole (12%) or Other Ontario (7%). Like their counterparts in Canada and Other Ontario, RTO13's snowmobiling tourists are about 40 years old, on average.

Table 8: Canadian Snowmobile Tourists – Age & Gender

	Canada	RTO13	Other Ontario
Gender of respondent			
Male	66%	67%	56%
Female	34%	33%	44%
Age of respondent			
18 - 24	17%	17%	17%
25 - 34	24%	25%	23%
35 - 44	17%	23%	17%
45 - 54	29%	13%	37%
55+	12%	22%	7%
Average Age (18+)	40 years	40 years	39 years

Source: Special Tabulations, TSRC (2010) prepared by Research Resolutions. Interpret with caution: small base sizes.

HOUSEHOLD INCOME

RTO13`s snowmobile tourists tend to represent households with lower incomes than is the case for the corresponding tourists across Canada and those with destinations in Southern Ontario (see Table 9). Over half of Canadians in RTO13's snowmobiling segment have moderate (33%) to low (19%) incomes and about one third fall into the high income group (35%). In contrast, more than half of Other Ontario snowmobilers are in the high income group (55%).

Table 9: Canadian Snowmobile Tourists – Household Income

	Canada	RTO13	Other Ontario
Less than $50,000	17%	19%	8%
$50,000 to $74,999	25%	33%	29%
$75,000 to $99,999	13%	13%	8%
$100,000 and over	45%	35%	55%

Source: Special Tabulations, TSRC (2010) prepared by Research Resolutions. Percentages are based on those stating income.

LODGING NIGHTS

Whether at the Canada level or within regions, most of the nights spent by Canada's snowmobile tourists are in unpaid lodging. Specifically, of the 343,000 nights spent by snowmobile tourists in RTO13, more than 9-in-10 were in private cottages (35%) or, more commonly, in the homes of friends and relatives (55%). Only about 1-in-20 nights in RTO13 were spent in the region's hotels, motels, resorts or other forms of paid, roofed lodging.

The preference for unpaid lodging is almost as characteristic of snowmobile tourists in Other Ontario as it is in the North. About 9-in-10 nights by these tourists are spent in Southern Ontario's private cottages (55%) or the homes of friends/relatives (33%). Similarly, the vast majority of snowmobile tourists in Quebec, the Prairie provinces and Western Canada are spent in either private cottages or private homes.[22]

With so few of their nights in commercial properties, snowmobile tourists contribute to touristic activity and spending in Northern Ontario's *other* tourism sectors but do not represent a particularly promising market opportunity for the lodging sector.

Table 10: Canadian Snowmobile Tourists – Lodging Nights

Nights in Province/ Region by Canadian Snowmobile Tourists	**Canada**	**RTO13**	**Other Ontario**
Total Person Nights	3,500,000	343,000	701,000
Paid, Roofed Lodging (All Types)	**12%**	**6%**	**11%**
Commercial Cottage	3%	1%	2%
Motel	3%	1%	5%
Hotel	4%	4%	2%
Resort	1%	*	3%
Private Lodging (All Types)	**87%**	**94%**	**89%**
Private Home	48%	55%	33%
Private Cottage	38%	35%	55%

*Source: Special Tabulations, TSRC (2010) prepared by Research Resolutions. *Less than 0.5%. Interpret with caution: small base sizes.*

[22] For figures, see TSRC 2010 Detailed Tables, Table 5.

OTHER ACTIVITIES ON THE SNOWMOBILING TRIP

Snowmobile tourists in RTO13 are drawn to other outdoor activities, and especially to fishing on their trip (see Table 11).[23] In fact, many appear to use snowmobiles to reach ice fishing locations in the region. Other popular outdoor activities include wildlife viewing or bird watching, hiking and visiting a nature park. To a lesser degree, these snowmobilers also go downhill skiing, camp and go boating on their trip. With the exception of going to historic sites, RTO13's snowmobile tourists are not drawn to cultural or entertainment activities.

The level of engagement with the outdoors and cultural/entertainment attractions is appreciably more common among Northern Ontario's snowmobilers than it is among those going to destinations across Canada as a whole and specifically to Southern Ontario. For example, only 1-in-10 of the South's snowmobile tourists go fishing compared to almost 6-in-10 of the North's market. Only hiking and downhill skiing attract more than one tenth of Southern Ontario's snowmobile tourists.

The popularity of ice fishing among Northern Ontario's snowmobilers and the strong reputation the region has as a fishing destination suggest opportunities to pair snowmobiling and ice fishing as a winter outdoor adventure experience.

Table 11: Canadian Snowmobile Tourists – Activities on the Trip

Person Visits (Snowmobile Tourists)	**Canada**	**RTO13**	**Other Ontario**
Outdoor Activities			
National, provincial or nature park	9%	19%	4%
Hiking or backpacking	21%	26%	18%
Wildlife viewing or bird watching	20%	29%	9%
Boating/canoeing/kayaking (Net)	2%	15%	*
Boating	2%	8%	*
Canoeing or kayaking	1%	15%	*
Fishing	17%	57%	10%
Hunting	2%	5%	*
Alpine skiing	7%	14%	13%
Other Activities			
Culture/Entertainment (Net)	11%	26%	2%
Historic site	4%	23%	2%

*Source: Special Tabulations, TSRC (2010) prepared by Research Resolutions.*Less than 0.5%. Interpret with caution: small base sizes.*

[23] Note that tourists identify the activities they engaged in while on the *trip.* These activities may or may not have taken place in the same location in which some of their nights were spent. For example, on a touring trip with stops in several regions, an activity may have taken place in only one of these regions.

SPENDING ON THE CANADIAN SNOWMOBILE TOURIST TRIPS

Over a year, snowmobile tourists across Ontario spent almost $76.0 million on goods and services during their trips.[24] RTO13 captured almost one third of this revenue, or $23.6 million. The region's share of *all* snowmobile tourists' spending in the province is higher (31%) than its share of snowmobile tourists (21% of the province's snowmobile tourists). The difference is largely attributable to the fact that the North's market takes trips that are, on average, about twice as long (4.3 nights) as snowmobilers in Southern Ontario (2.2 nights).

Differences in trip duration are clearly manifest in per *trip* and per *night* spending. A snowmobile tourist travel party in Northern Ontario spends approximately $330.00 for the trip and $75.00 per night. While the per-trip spend is about $100.00 *more* than the corresponding snowmobile tourist in Southern Ontario ($230.00), the per-night spending is less ($75.00 vs. $110.00) because the Northern tourist's trip is about two days longer.

Table 12: Canadian Snowmobile Tourists – Spending on the Trip

	Canada	RTO13	Other Ontario
Total Spending in Region	$269,500,000	$23,600,000	$49,700,000
Average Per Trip	$335.00	$330.00	$230.00
Average Per Party Per Night	$99.00	$75.00	$110.00

Source: Special Tabulations, TSRC (2010) prepared by Research Resolutions. Interpret with caution: small base sizes.

Each sub-region of RTO13 captures about one third of Canadian snowmobile tourists. Although base sizes are quite small, from the share of snowmobile tourists each attracts, it can be assumed that spending and economic impact of Canadian snowmobile tourists across Northern Ontario is spread relatively evenly among 13A, 13B and 13C. Very rough approximations of the market share are provided in Table 13 but should be interpreted with extreme caution.

Table 13: Canadian Snowmobile Tourists/Spending by Sub-Region (Approximate Share)

	Overnight Snowmobile Tourists in RTO13	Spending in RTO13
Region 13A	30,000 (37%)	$8.7 million (37%)
Region 13B	27,000 (34%)	$8.0 million (34%)
Region 13C	27,000 (33%)	$7.8 million (33%)

Source: Special Tabulations, TSRC (2010) prepared by Research Resolutions. Interpret with caution: small base sizes.

[24] The $76.0 million includes $23.6 million in RTO13, $49.7 million in Other Ontario and $2.3 million in Ontario but not assigned to a sub-provincial location.

ECONOMIC IMPACT OF CANADIAN SNOWMOBILE TOURISTS IN RTO13

INTRODUCTION

Snowmobile tourists' spending in RTO13 is available only for Canadians. Hence, the information in this section does **not** include the contribution American snowmobilers make to the regional economy.

The $23.6 million spent by Canadian snowmobile tourists in Northern Ontario ripples throughout the local and provincial economies.[25] 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.[26]

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 RTO13 is smaller than the total amount of spending done by visitors to the area in the target market: many of the goods and services provided to serve tourists in RTO13 are produced outside the region.[27]

Canadian snowmobile tourists spent about $23.6 million on tourism goods and services in Northern Ontario.[28] Once the imports from other locations in Ontario, other parts of Canada, and other countries are taken into account, tourism spending by the domestic snowmobiler segment in RTO13 generated about $8.4 million in direct economic activity (i.e. GDP), and an additional $4.8 million in indirect and induced GDP for Northern Ontario's economy.

There was, therefore, about $13.2 million in GDP retained in Northern Ontario. Other parts of Ontario benefited from about $1.2 million in GDP (direct, indirect, and induced) from target market visitor spending in the region. When combined, the province-wide GDP contribution of domestic snowmobile tourism in Northern Ontario reached $14.4 million.

[25] MTCS provides the TREIM for estimating purposes.

[26] The economic impact estimates provided in this section reflect visitor spending only, that is, spending by visitors in the snowmobile tourist target market in Northern Ontario. 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.

[27] 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.

[28] Spending estimates are based on the 2010 reference year for the domestic market.

Table 14: Canadian Snowmobile Tourists Contributions to GDP and Funds Retained in RO13

	Amount Retained in RTO13 (A)	Amount Retained in Other Ontario (B)	Total Contribution to Ontario's GDP (A + B)
Direct	$8,400,000		$8,400,000
Indirect	$2,800,000	$800,000	$3,600,000
Induced	$2,100,000	$400,000	$2,500,000
Total GDP	**$13,200,000**	**$1,200,000**	**$14,400,000**

Source: TSRC 2010 Special Tabulations prepared by Research Resolutions and special calculations of TREIM for RTO13 (MTCS). Interpret with caution: small base sizes.

JOBS, WAGES, AND SALARIES

Approximately 155 direct jobs and an additional 57 indirect and induced jobs in Northern Ontario were generated as a result of snowmobile tourists' spending. These jobs include part- and full-time positions, on both annual and seasonal bases.[29] Additional employment in the province was generated because of snowmobile tourists in Northern Ontario, bringing the total number of direct, indirect and induced jobs to about 226 across Northern Ontario and the entire province.

Over a year, RTO13 retained 93% of the 226 jobs created by snowmobile tourists in Northern Ontario.[30] These jobs generated $8.7 million in wages and salaries province-wide, with 91% of this amount ($7.9 million direct, indirect, and induced) retained in Northern Ontario.

TAXES

All levels of government benefited from snowmobile tourism spending in Northern Ontario. This spending generated $3.6 million in federal government taxes, a further $3.2 million in provincial taxes and $38,000 in municipal taxes based on incremental tourism revenue (direct, indirect, and induced) province-wide. RTO13 retained the following amounts from these taxes:

- $2.0 million in direct federal taxes; and
- $2.2 million in direct provincial taxes.

[29] 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.

[30] 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 15. Economic Impact of Canadian Snowmobiler Tourist Spending in RTO13

	Economic Benefits Retained in RTO13	Total Benefits Across Ontario	Proportion of Total Ontario Benefits Retained in RTO13
Total Visitor Spending	$23,600,000		
Gross Domestic Product	**$13,200,000**	**$14,400,000**	**92%**
Direct	$8,400,000	$8,400,000	100%
Indirect/Induced	$4,800,000	$6,000,000	80%
Wages	**$7,900,000**	**$8,700,000**	**91%**
Direct	$4,900,000	$4,900,000	100%
Indirect/Induced	$3,000,000	$3,800,000	**79%**
Employment (Jobs)	**211**	**226**	**93%**
Direct	155	155	100%
Indirect/Induced	57	72	79%
Federal Taxes	**$3,400,000**	**$3,600,000**	**94%**
Direct	$2,000,000	$2,000,000	100%
Indirect/Induced	$1,400,000	$1,600,000	**85%**
Provincial Taxes	**$3,000,000**	**$3,200,000**	**94%**
Direct	$2,200,000	$2,200,000	100%
Indirect/Induced	$800,000	$1,000,000	80%
Municipal Taxes	**$34,000**	**$38,000**	**90%**
Direct	$11,000	$11,000	100%
Indirect/Induced	$23,000	$27,000	86%

Source: TSRC 2010 Special Tabulations prepared by Research Resolutions and special calculations of TREIM for RTO13 (MTCS). Interpret with caution: small base sizes.

APPENDICES

PRIMARY INFORMATION SOURCES

The primary sources of information used in this report include the following:

- Statistics Canada, 2010 Travel Survey of Residents of Canada (TSRC);
- Travel Activities & Motivation Study (2006), Canada, U.S.A.
- Summaries of TNS Travel Intentions Survey, Ontario Regional Profiles contained in The Strategic Plan;
- TNS Regional Reports— RTO13a, 13b, 13c, RTO13 (2012);
- Rediscovering Northern Ontario: Partnerships for a Strong Tourism Industry, Northern Ontario Tourism Marketing Strategy, 2012-2017. Government of Ontario, 2012

MAIN/ANY ACTIVITIES ON TRIPS (TAMS SUMMARY TABLE)

Table A-1: Main & One-of-Many Activities on Overnight Trips

	Canadian Snowmobile Tourists with Trips to Northern Ontario		American Snowmobile Tourists with Trips to Canada	
	Main Reasons For Trips	One-of-Many	Main Reasons For Trips	One-of-Many
Snowmobiling	51%	100%	52%	100%
Shopping	15%	84%	22%	89%
Theme/Amusement	28%	62%	40%	74%
Historic Sites/Buildings	16%	63%	33%	71%
Any Festivals	19%	53%	39%	68%
Spectator Sports	30%	50%	38%	64%
Music Performances	24%	48%	33%	57%
Camping	32%	62%	29%	56%
Nature park	22%	44%	28%	55%
Fishing (Any)	30%	64%	29%	53%
Motor/Sail boating	13%	61%	18%	49%
Alpine Skiing	17%	28%	34%	47%
Hiking	17%	39%	18%	45%
Lakeside/riverside resort	13%	39%	17%	45%
Fresh water fishing	26%	60%	23%	43%
ATVs	15%	38%	16%	37%
Hunting	18%	23%	18%	29%
Auto races	12%	18%	18%	27%
Ice fishing	19%	38%	14%	21%
Casinos	11%	50%	27%	64%

Source: TAMS Canada/US, Special Tabulations provided by Research Resolutions.

REGISTERED SNOWMOBILES IN CANADA/USA

2013 Canadian Snowmobile Registrations	
Province	# Registered Snowmobiles
Newfoundland & Labrador	101,360
Prince Edward Island	1,650
Nova Scotia	6,661
New Brunswick	15,750
Quebec	**176,564**
Ontario	**149,000**
Manitoba	35,000
Saskatchewan	23,307
Alberta	35,000
British Columbia	40,200
Yukon	899
North West Territory	5,000
Nunavut	286
Total	590,677

http://www.snowmobile.org/stats_registrations_canada.asp

013 United States Snowmobile Registrations	
State	# Registered Snowmobiles
Alaska	52,400
California	20,184
Colorado	28,481
Idaho	38,324
Illinois	33,750
Indiana	9,021
Iowa	25,917
Maine	80,000
Massachusetts	12,845
Michigan	**205,808**
Minnesota	**251,986**
Montana	46,606
Nebraska	836
New Hampshire	42,000
New York	115,017
North Dakota	14,528
Ohio	14,000
Oregon	15,129
Pennsylvania	38,500
South Dakota	14,845
Utah	23,184
Vermont	25,238
Washington	28,000
Wisconsin	**224,716**
Wyoming	30,728
Total	1,392,043

SNOWMOBILING ECONOMIC IMPACT STUDIES – RECREATION VS. TOURISM

Following are examples of studies conducted across North America to estimate the economic benefit of snowmobiling *as a sport.*[31] Note that **none** of these studies isolates the *touristic* from *local recreational* segments of snowmobiling. Furthermore, most of the studies include the purchase of equipment, clothing and accessories when estimating the value of the sector. For these reasons, the information is not useful for gaining an understanding of the economic benefit that might accrue to Northern Ontario if it were to increase the number of snowmobile tourists it attracts.

> *Snowmobilers in **Canada and the United States** spend over $34 billion on snowmobiling each year. This includes expenditures on equipment, clothing, accessories, snowmobiling vacations, etc.*
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> ***Iowa** State University Department of Economics conducted an Economic Impact Study of snowmobiling in the state of Iowa in 2010. The study shows that total economic impact of $123.2 million dollars is realized in Iowa being generated by the snowmobile community. This economic activity generates a total of 1,101 jobs.*
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> *Econometric Research conducted an economic impact study of snowmobiling in **Alberta** published in 2010. The report shows that the economic impact of snowmobiling in Alberta is $336.5 million dollars annually. According to the study, snowmobiling is responsible for many economic benefits including jobs for thousands of Albertans and millions of dollars in tax revenue paid by snowmobilers to the Alberta government. All three levels of government in Alberta realize $142 million dollars in taxation revenues annually from snowmobiling. Wages and salary in Alberta are augmented by a total of $213.9 million dollars annually by snowmobiling expenditures.*
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> *The **New York State** Snowmobile Association, in cooperation with SUNY Potsdam, performed an economic impact analysis in 1998 showing the economic impact of snowmobiling in New York state at an estimated $476.2 million dollars annually. In 2012 the state of New York surveyed snowmobilers and calculated the economic impact of snowmobiling in New York had increased to $875 million annually – an increase of 84%!*
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> *In 2011, the **South Dakota** Snowmobile Association contracted to have an Economic Impact Study of snowmobiling performed by the University of South Dakota. The study found that $131.6 million in annual economic impact was generated by snowmobiling in South Dakota.*
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> *In 2012 the University of **Wyoming** completed a comprehensive snowmobile recreation report. One of the key findings highlights that over $175 million in snowmobiling related spending activity occurred in the state of Wyoming. Snowmobiling generated approximately 1300 annual fulltime jobs with labor income of over $35 million!*

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[31] *Snowmobiling Fact book: Economic Impact*, http://www.snowmobile.org/facts_econ.asp

Snowmobilers in Wyoming spent an average of $98 per day on their average snowmobile trip, with 46% of that spent on gasoline; 15% on food; and 14% on lodging. The average Wyoming snowmobiler spent $3,367 dollars per person for snowmobile related equipment. Over 90% of the respondents to the survey stated they were extremely satisfied with their Wyoming snowmobiling experience and look forward to snowmobiling next season.

SAMPLE SNOWMOBILE RENTAL PRICES

SNOWMOBILE RENTAL PACKAGES – MODELS, PRICES AND EXTRAS[32]

All of our rental packages are current models, equipped with:
Hand and thumb warmers
Heated shield plugs
Spare belt and spark plugs
OFSC trail permit and Ontario Vehicle License
Insurance included: fire, theft, collision with a $2,500 deductible.
Unlimited mileage!
SKI DOO RENEGADE 1200
1 day: $350
2 days: $640
3 days: $880
4 days: $1,120
5 days: $1,375
6 days: $1,620
7 days: $1,855

MTCS GLOSSARY: ECONOMIC IMPACT TERMS[33]

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.

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[32] A snowmobile rental company in Kirkland Lake ON, http://www.rentsnowmobile.com/rentals/snowmobile/
[33] MCTS glossary, from website (http://www.mtr-treim.com/webtreim/data_out/NP1/EconomicImpact.pdf), July 2012.

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.