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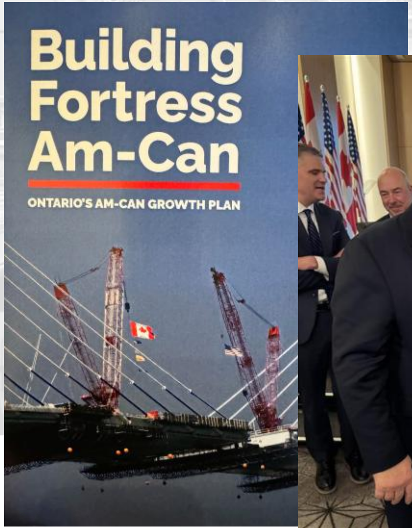
Tourism Industry
Association of Ontario

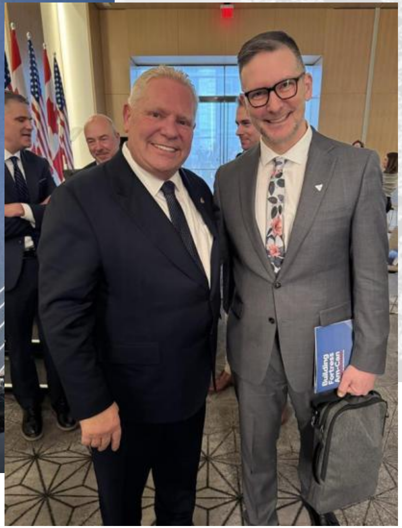
FONOM Northeastern Municipal Conference

Tourism Industry Association of Ontario

TIAO is the voice of Ontario's tourism industry

- **Members:** tourism operators, destination marketing & regional tourism organizations, sectoral associations, suppliers, municipalities, economic developers, and educators.
- **Services:** events, programs, communications.
- **Advocacy:** Federal, provincial, & municipal.
- **2025 Priorities:** New Ontario Tourism Strategy, Trade, Market Diversification, Infrastructure Investment, Workforce & Productivity.





Tourism Industry Economic Impact

Tourism Spending: $31 billion
- Tourism Portion of Ontario GDP: 4.1%
- Ontarians: 55% (NE 3.9%, NC .8%, NW 2.7%)
- Canadians: 12%
- US: 20% ---- *(Strong recent growth rates)*
- Overseas: 13% ---- *(Weak recent performance)*
- Top: UK, China, S. Korea, Australia, Germany

Tourism Visitors: 127 million
- Ontarians: 80%
- Canadians: 4%
- US: 7%
- Overseas: 2%

Spend Proportion:
- F&B
- Accommodation
- Transportation
- Recreation & Entertainment
- Retail

Tax Revenue: $11B
- $4.8 Fed
- $5 Prov
- $1.2 Mun

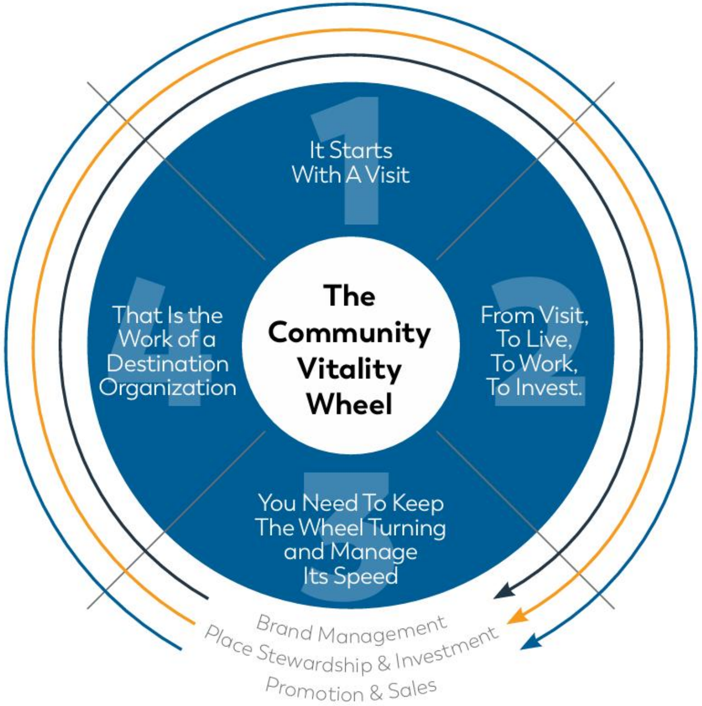
Employment:
- 793K direct and tourism-related jobs

Tourism's Community Impact

Community Vitality Wheel

1. Visit
If you built a place where people want to visit, then you have built a place where people want to live.

2. Live
And if you built a place where people want to live, then you have built a place where people want to work.



4. Invest
And if you built a place where business and residents will invest, then you have built a place where people will want to visit

3. Work
And if you built a place where people want to work, then you have built a place where business and residents want to invest.

& Brand Builder

Tourism Community Impact*

- **Marketing Impact** - Every media dollar invested drives $85 in spend, and $9 in taxes. Plus, community brand development.
- **Non-Tourism Spending** - Visitor spending impacts sectors outside of leisure and hospitality, driving 60% additional spend in markets.
- **Resident Experience** - Tourism development increases quality of life and wellbeing for residents (culture, festivals and events, placemaking, services and attractions, retail, amenities).
- **Investment Attraction** - Visitor economies and destination brands attract public and private investment & additional economic development (housing, services, tech, etc.).

*** Destinations International, 2024**

Tourism Community Impact*

- **Talent Attraction** - Destination communities with lifestyle amenities attract more talent, residents.
- **Non-Resident Tax Contribution** - Tax revenue funds government services & community programs, saves taxpayers. Further contributions from Municipal Accommodation Tax (MAT).
- **Growth Rates** - Higher concentrations of visitor economy businesses delivery higher rates of growth.

*** Destinations International, 2024**

Trending Investments

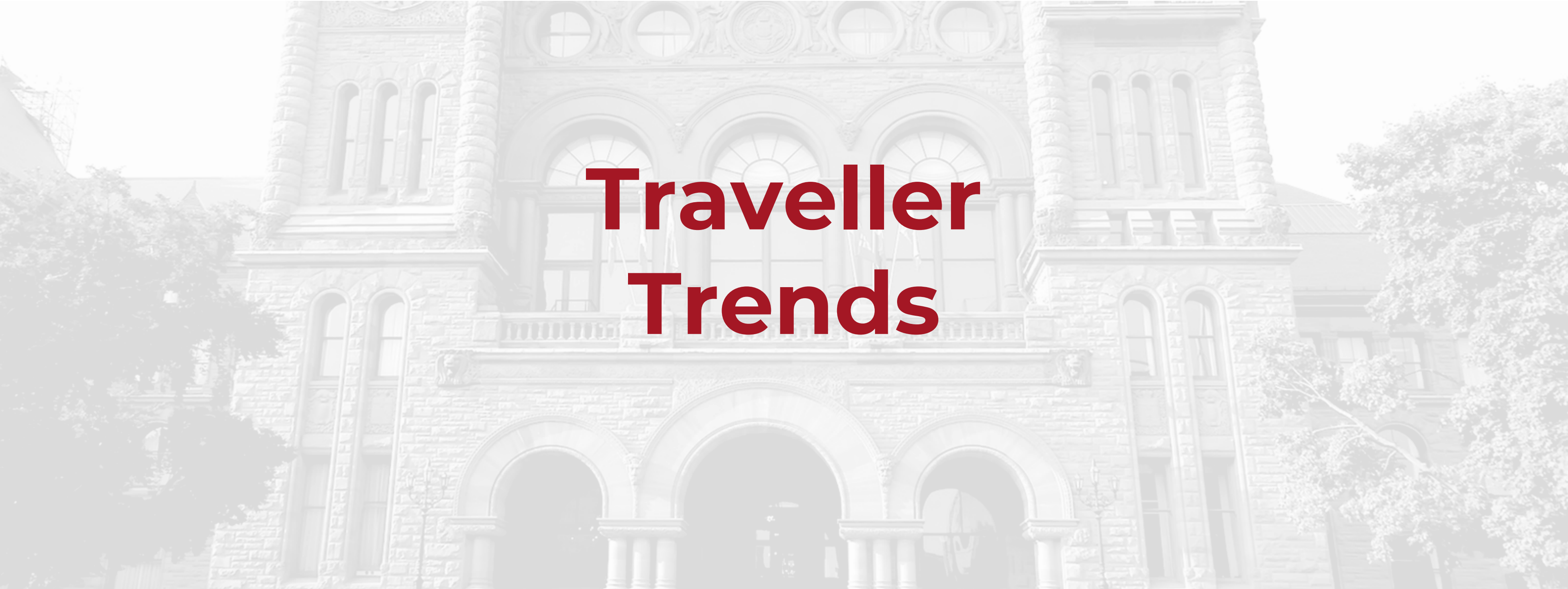
- **Housing** - Diverse development, workforce housing.
- **Investment Grants** - Attract or develop new tourism products/businesses.
- **Transportation** - Co-development of services (e.g., public transit, air access, rail).
- **Road infrastructure** - (e.g., signage, rest stops).
- **Sustainability infrastructure** - e.g., EV charging networks.
- **Arts & culture** – new & enhanced venues, festivals.
- **Sports & Recreation** – Arenas/complexes, expositions.
- **Sustainability planning** - certifications & benchmarking.
- **Leisure** - Parks, trails, cycling infrastructure.

Municipal Accommodation Tax

- 73 implementations across Ontario.
- $244 million (2024), projected to grow.
- Average 50% split between municipalities and industry.
- Majority are charging 4%, some moving to 5% & 6%.
- Outlier events, e.g., FIFA.
- 13 (11%) municipalities in FONOM regions implemented so far, $7.1 million in revenue.
- Lessons learned since implementation – more consultation between industry and municipalities can improve results.
- TIAO available to consult with municipalities, share best practices.

Considerations

- **Tourism Strategy/Master Plan** – Best-practice for municipalities.
- **Resident Engagement** – Work closely with residents to understand sentiment and ensure balance.
- **Housing** – It's important to ensure planning and zoning are proactively managed, e.g., short term rentals, housing availability.
- **Amenities** – Parking, public restrooms, etc.
- **Demand Management** – Ensuring balanced seasons, traffic management, pre-booking infrastructure, avoid over-tourism.
- **Collaboration** – Regional Tourism Organizations, Destination Marketing organizations, Municipal Economic Developers, local tourism businesses.



Traveller Trends

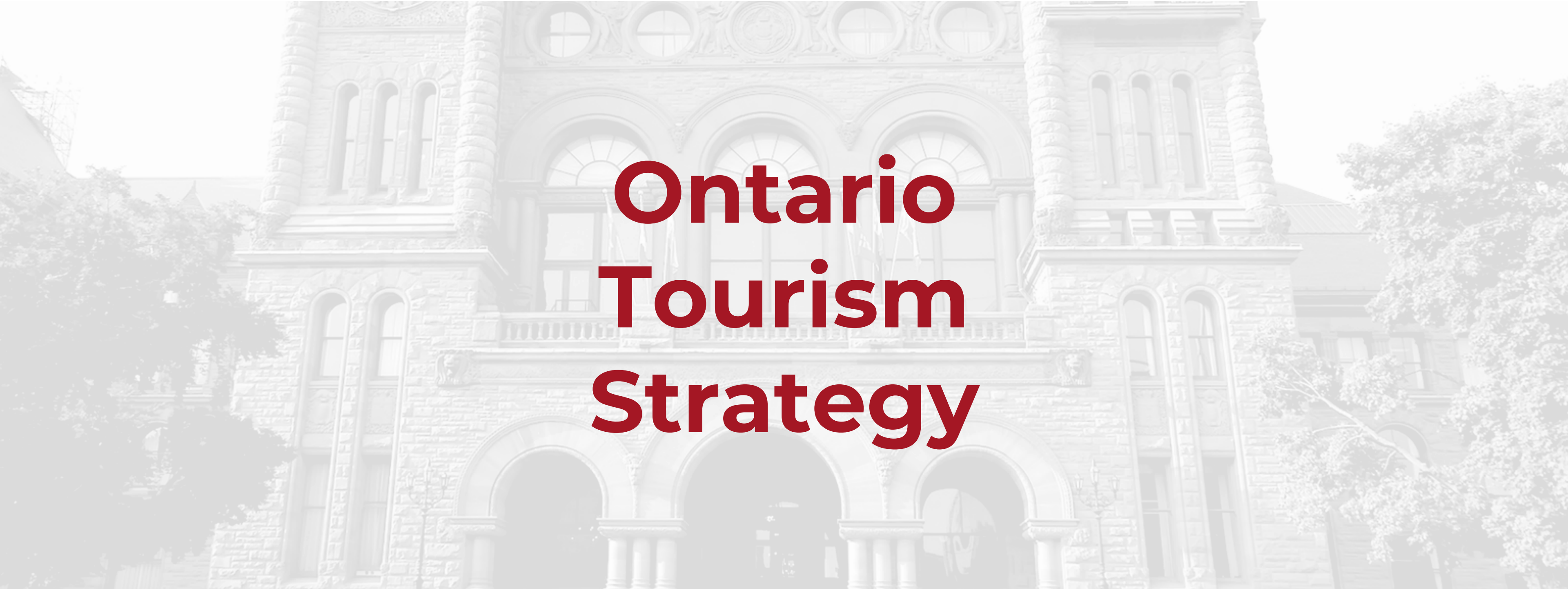
Traveller Trends

- **AI** – Travelers using in greater frequence for itineraries.
- **Conscious/Sustainable Travel** – Looking to reduce impact, seeking sustainable choices, avoid overtourism spots.
- **Noctourism** – Aurora borealis, bioluminescent beaches, night at the museum, etc.
- **Film Tourism** – places where movies are filmed.
- **Nostalgia Tourism** – Return to holidays and activities we loved as children, rise in adult summer camp-like experiences.
- **Destination "Dupes"** – Less expensive, busy places with similar experiences to popular destinations – hidden gems, "off the beaten track."

Traveller Trends

- **Season Expansion** – Looking to off-peak seasons to save, less crowds.
- **Cool Escapes** – Global temperature increases, looking for cooler climate to escape heat. Norway, Finland, Northern Canada.
- **Slow Travel** – Rest, relaxation, wellness, outdoor, rural, agri-tourism, connect with operators and producers.
- **Digital Detoxing** – Unplug from smartphones, inboxes, outdoor, remote, recreation.
- **Indigenous Tourism** – domestic and international interest in learning about indigenous heritage and supporting Indigenous-owned businesses.

Ontario Tourism Strategy



STRATEGIC PILLARS

Key Areas of Focus for Ontario's Tourism Strategy

FOCUS AREAS

Designed to improve the visitor experience, driving growth for the sector.

1. Grow & Attract Visitors
2. Transportation Infrastructure
3. Workforce Resilience
4. Develop Products & Build Capacity
5. Sustainability
6. Collaboration

Thank you!

Let's stay connected.

TIAOtweets

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