



Committee Report

To: Warden Mitch Twolan
Members of the Planning and Development Committee

From: Kara Van Myall
Director of Planning and Development

Date: September 17, 2020

Re: 2020 Economic Impact of Tourism Business Survey Update - August

Staff Recommendation:

The 2020 Economic Impact of Tourism Business Survey Update - August report is for information.

Background:

Assessing the Economic Impact of Tourism in Bruce County is an annual undertaking of the Planning and Development department. The framework initiated in 2018 integrates data from multiple sources including:

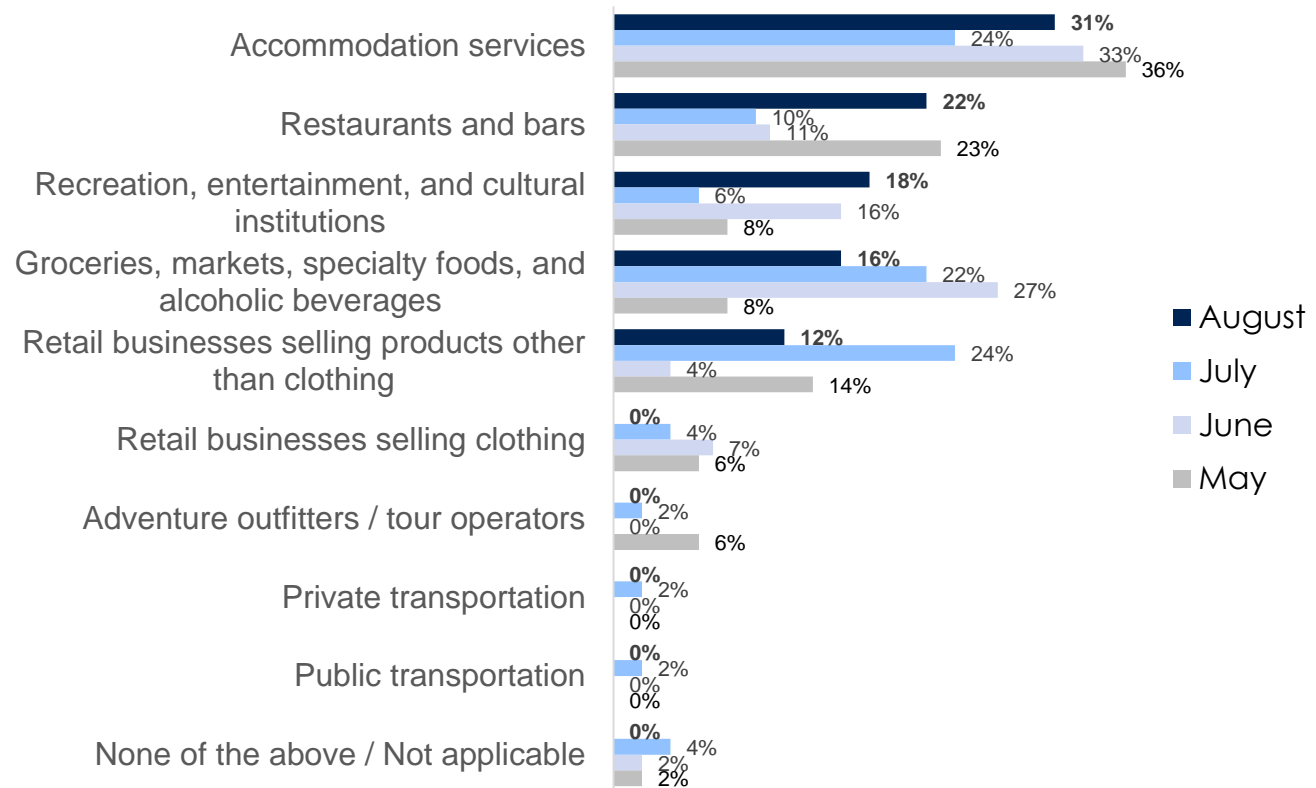
1. Shared data from partner organizations, including National parks, Provincial campgrounds, municipal parking, harbour data, Ontario Ferries / Chi-Cheemaun;
2. A survey of regional businesses that intersect directly with visitors; and
3. A survey of tourists conducted on-site at various locations / events throughout the County during the summer season. (*Note: In 2018, a panel survey of Ontarians was undertaken by an outside vendor [Ipsos] - this will be repeated in 2020 as recommended and in light of the pandemic*).

The Covid-19 Pandemic that hit mid-March continues to significantly impact businesses across the region, especially those in the tourism industry. These businesses were the first to feel the impact and will likely take the longest to recover. As such, staff began the process to assess the economic impact of the COVID-19 pandemic on tourism businesses now and do so monthly for 6 months. Doing so will support the analysis needed to follow what is happening in the industry from month to month. Hopefully, this will also acknowledge when the industry begins to rebound as more businesses open, adapt, when restrictions are eventually eased, and increased revenue generation is realized.

Key Findings from the August 2020 Business Surveys:

The following represents the key findings in the August 2020 business surveys, based on a total of 49 additional business respondents. This data will continue to build as the work advances over the coming months.

Types of Businesses Surveyed

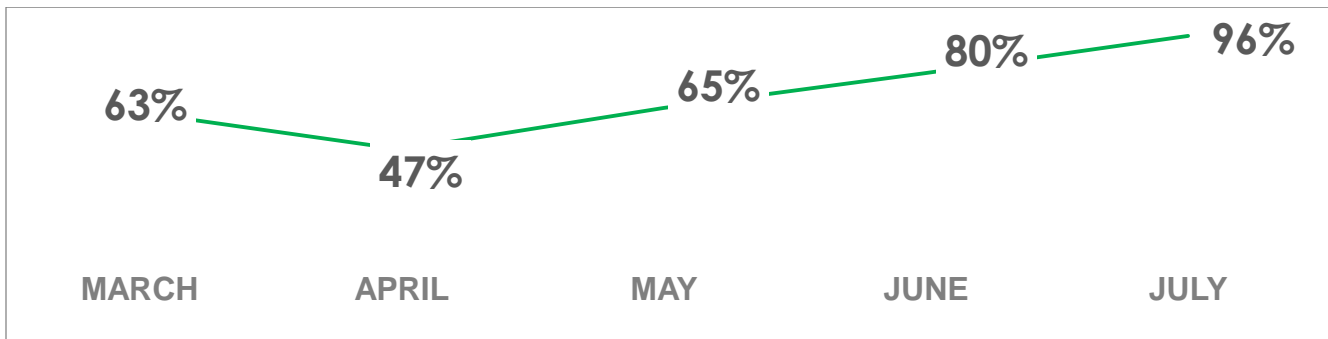


Highlights of the Impact of COVID-19 on Tourism Businesses to date:

- Almost half (47%) of the businesses surveyed in August were open in March, April, May, June and July, while 6% were open part of March, closed in April and May and open in June and July. Almost two in ten (16%) were closed in March and April and open in May, June and July, while 8% were closed in March, April and May and open in June and July, and 10% were closed in March, April, May and June and open in July.

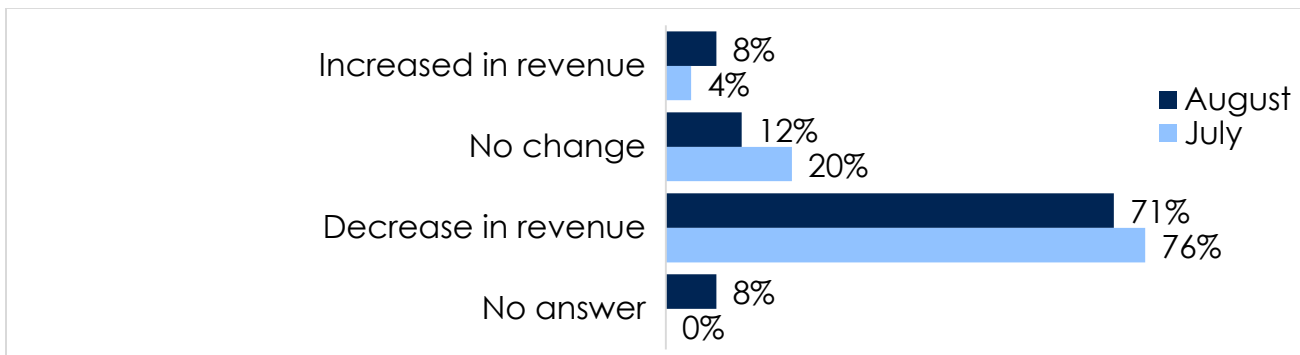
Business Open -Yes (Change over time)

- The COVID-19 measures had a big impact on businesses in Bruce County in April but business that were open appears to have bounced back in May and increased again in June and July.
- Among the businesses surveyed, there was a huge decline in the number of businesses open in April compared to March, but a rebound in May and increases in the next two months to a high of 96%.



Business Revenue -2nd Quarter 2020 Compared to 2nd Quarter 2019

- Seven in ten (71%) of the businesses surveyed experienced a decrease in business revenue in quarter 2 2020 compared to quarter 2 2019; while 8% saw an increase and 12% no change.



Percentage of Revenue Increase/Decrease

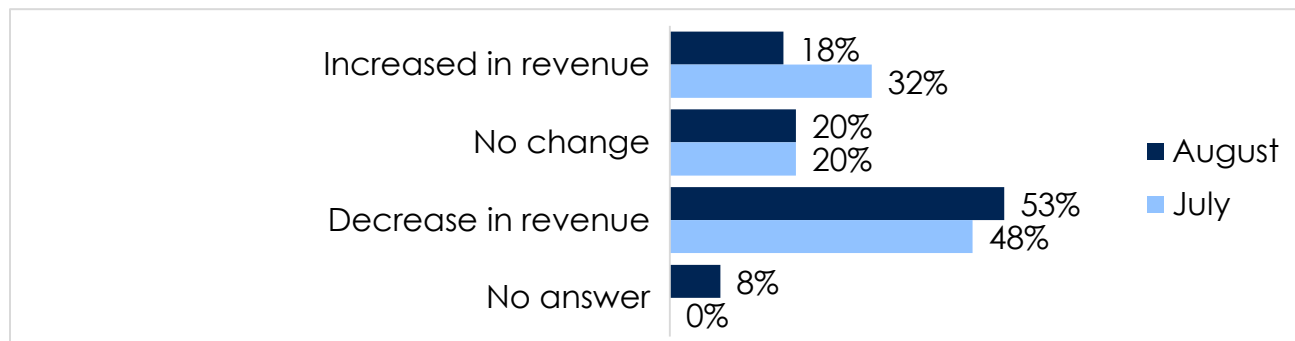
July and August survey results asking business owners to compare Q2 2020 to Q2 2019:

- On average, those who experienced an increase experienced an increase of 28%.
- On average, those who experienced a decrease experienced a decrease of 41%.

| | July | August |
|----------|------|--------|
| Increase | 41% | 28% |
| Decrease | 61% | 41% |

Business Revenue - 2nd Quarter 2020 Compared to 1st Quarter 2020

- Just over half (53%) of the businesses surveyed experienced a decrease in business revenue in quarter 2 2020 compared to quarter 1 2020; while 18% saw an increase and 20% no change.



Percentage of Revenue Increase/Decrease

July and August survey results asking business owners to compare Q2 2020 to Q1 2020:

- On average, those who experienced an increase experienced an increase of 40%.
- On average, those who experienced a decrease experienced a decrease of 70%.

| | July | August |
|----------|------|--------|
| Increase | 31% | 40% |
| Decrease | 58% | 70% |

Next Steps:

Business surveys will be continued monthly and the results will start to frame a narrative around the impact of the COVID-19 pandemic on the tourism economy in Bruce County. The monthly findings will be compared consecutively with a final analysis after 6 months. The business survey results will then be tabulated and included with the shared data and visitor survey to compile a fulsome report on the sector. This will inform staff and operators on potential actions to ensure that the tourism industry in Bruce County is back in a growth position post-pandemic.

Financial/Staffing/Legal/IT Considerations:

The total cost to run the monthly business survey from May until October, conduct a panel survey of 500 Ontarians, collect shared data from applicable tourism industry sources and report the Economic Impact of Tourism in Bruce County for 2020 is \$50,000. The Regional

Tourism Organization 7 (RT07) will pay \$25,000 and the other \$25,000 will be allocated as an emergency pandemic expense.

Interdepartmental Consultation:

There was no interdepartmental consultation.

Link to Strategic Goals and Elements:

Goal #6 Explore alternate options to improve efficiency, service:
C. Look for economy of scale or shared services among our departments and our communities

Goal #7 Stimulate and reward innovation and economic development

Written by: Paul McGrath, Project Coordinator, Planning and Development

Approved by:

A handwritten signature in black ink, appearing to read "Sandra Datars Bere".

Sandra Datars Bere
Chief Administrative Officer