



Committee Report

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

From: Kara Van Myall
Director of Planning and Development

Date: October 15, 2020

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

Staff Recommendation:

The 2020 Economic Impact of Tourism Business Survey Update - September 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:

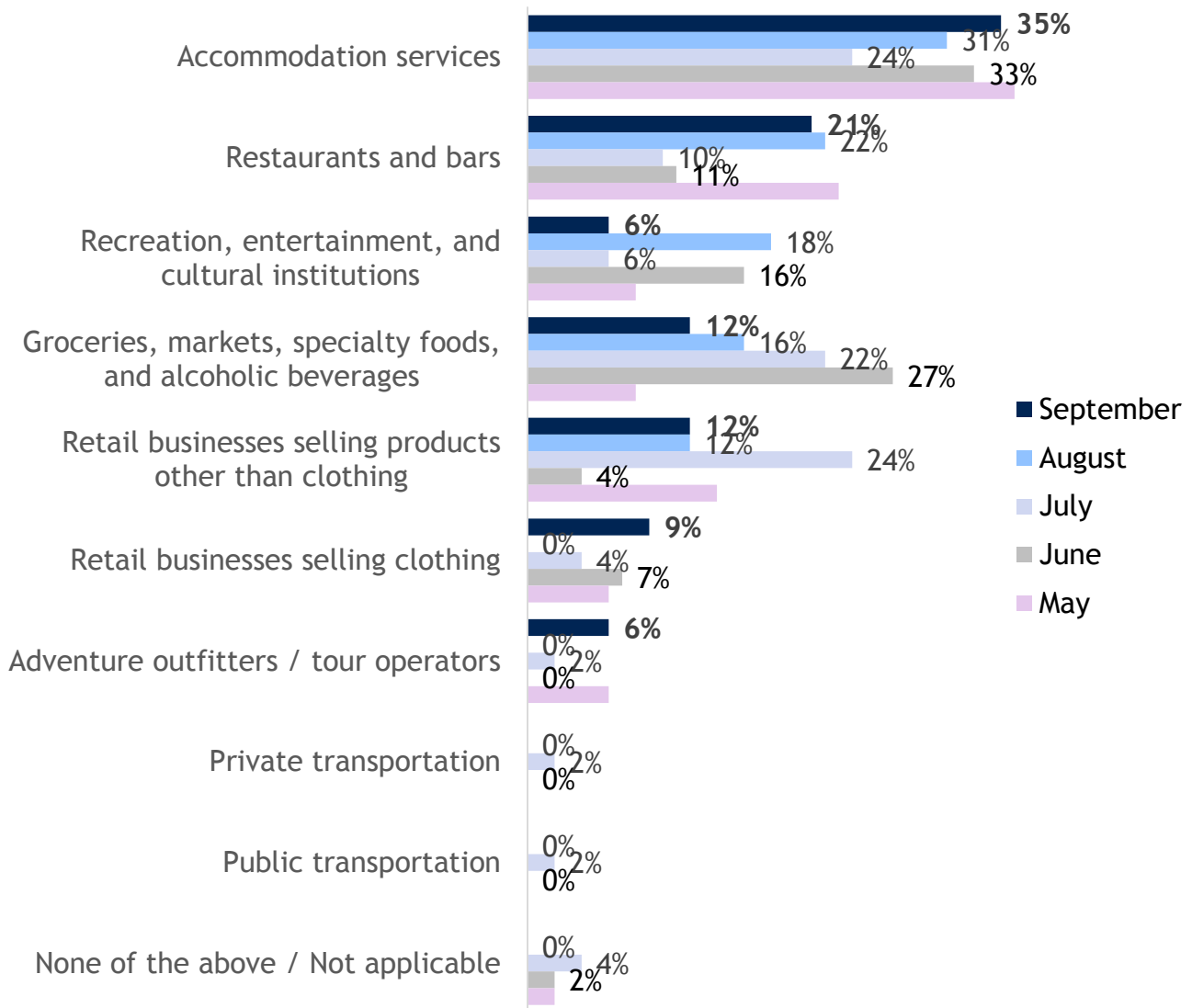
1. Shared data from partner organizations, including National parks, Provincial campgrounds, municipal parking, harbour data, Ontario Ferries / Chi-Cheemaun;
2. A survey of regional businesses that intersect directly with visitors; and
3. A survey of tourists conducted on-site at various locations / 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 September 2020 Business Surveys:

The following represents the key findings in the September 2020 business surveys. For the month of September businesses that had been surveyed prior were re-contacted to determine the change in operation status and revenue.

Types of Businesses Surveyed

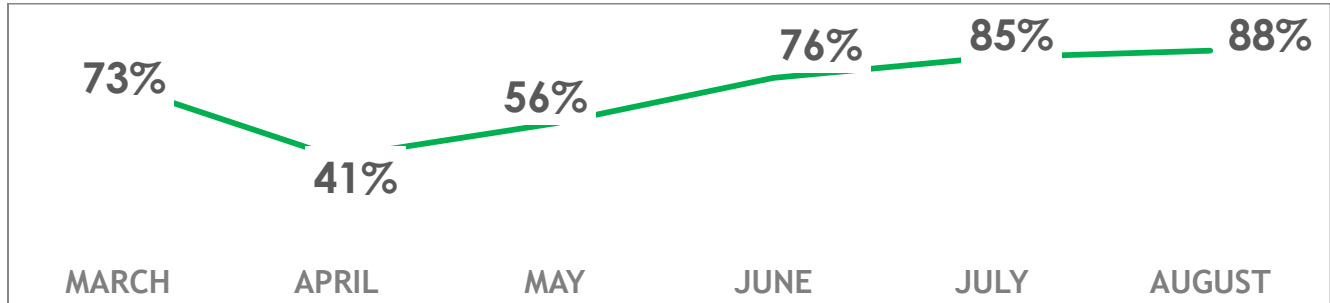


Highlights of the Impact of COVID-19 on Tourism Businesses to date:

- More than one in ten (12%) re-contacted businesses surveyed were affected by COVID-19 and do not seem to have recovered.
- In general, restaurants and bars and retail businesses (both those selling clothing and those selling products other than clothing) were more likely to have remained open through all six months or closed in March and/or April but open the rest of the months.
- Specialty food stores, accommodations, and recreation, entertainment and cultural institutions were either slow to re-open or were closed most of the months.

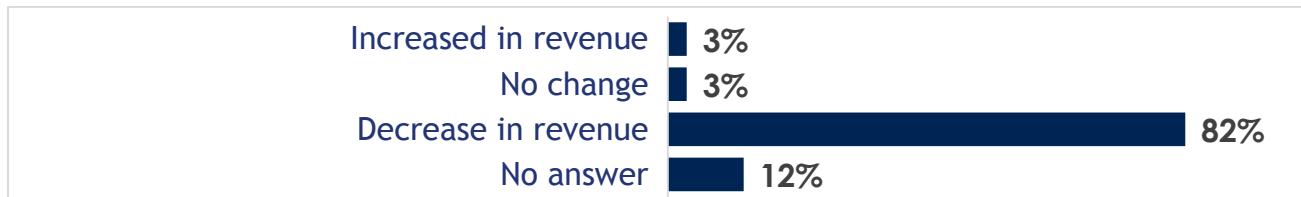
Business Open -Yes (Change over time)

- The COVID-19 measures had a big impact on the re-contacted businesses surveyed in September, many businesses were closed in April but some bounced back in May and by June, this number rebounded back to the level recorded in March.



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

- Not surprisingly, the Covid-19 measures took the greatest toll on revenue in the second quarter of 2020 with revenues down considerably from the second quarter of 2019. Many re-contacted businesses were closed for most, if not all of the second quarter of 2020. Hence, they saw between 80 to 100 percent drop in revenue in the second quarter.
- Eight in ten (82%) of the re-contacted businesses surveyed experienced a decrease in business revenue in quarter 2 2020 compared to quarter 2 2019; while 3% saw an increase, 3% no change and 12% offered no answer.



Percentage of Revenue Increase/Decrease

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

- On average, those who experienced a decrease, experienced a decrease of 76%; this is driven by the accommodation sector and restaurants and bars.
- On average, those who experienced an increase, experienced an increase of 30%.

	July	August	September
Increase	41%	28%	30%
Decrease	61%	41%	76%

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 24% saw an increase, 12% no change and 12% offered no answer.



Percentage of Revenue Increase/Decrease

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

- On average, those who experienced a decrease, experienced a decrease of 73%; this figure is driven by the accommodation sector.
- On average, those who experienced an increase, experienced an increase of 19%.

	July	August	September
Increase	31%	40%	19%
Decrease	58%	70%	73%

Next Steps:

There will be a final month of business survey collection and a visitor panel (500 Ontarians) survey collection. This visitor survey data will be used to determine the spending of visitors and the effect Covid-19 had on their visit. 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 support the tourism industry in Bruce County and its move back into 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 (RTO7) 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

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Approved by:



Sandra Datars Bere
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