



Committee Report

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

From: Kara Van Myall
Director of Planning and Development

Date: November 19, 2020

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

Staff Recommendation:

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

Background:

Assessing the Economic Impact of Tourism in Bruce County is an annual undertaking of the County by its 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 October 2020 Business Surveys:

The following represents the key findings in the October 2020 business surveys. Businesses that had been surveyed prior were re-contacted to determine the change in operation status and revenue.

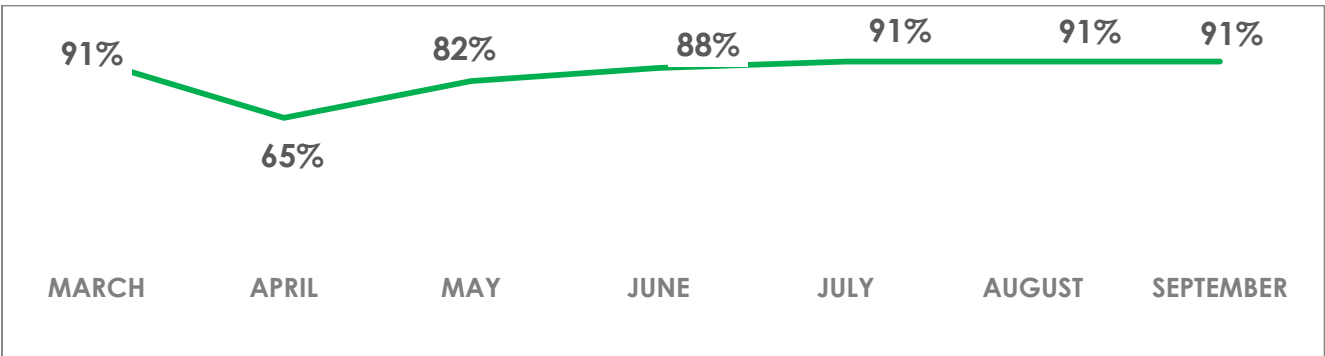
- It should be noted that the sample of businesses that were re-contacted in October was much less representative of the accommodation sector and more likely to include groceries, markets, specialty foods, and alcoholic beverages and retail businesses selling products other than clothing.

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

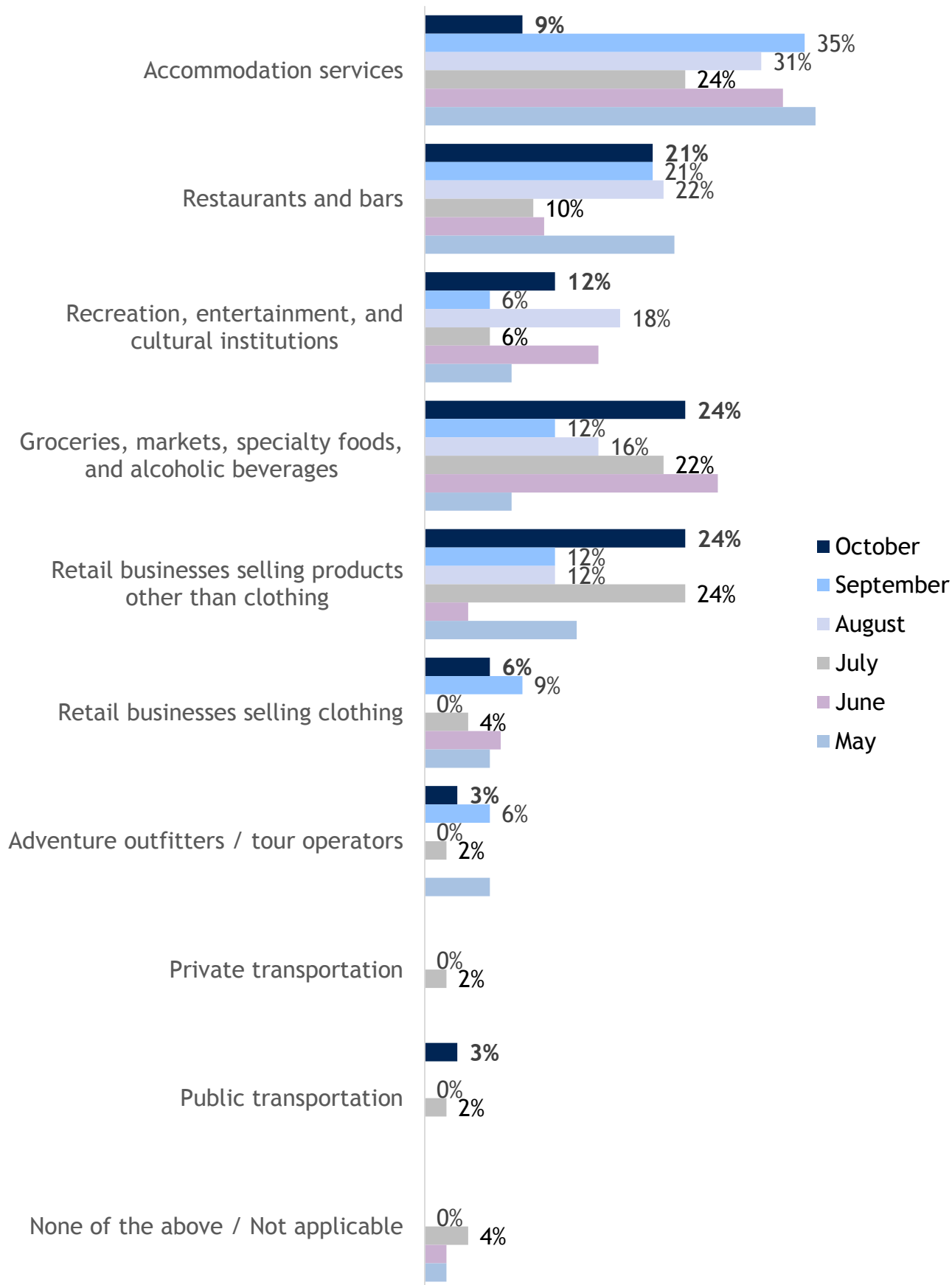
- Six in ten (62%) of re-contacted businesses surveyed have been open since March, while 21% had closed for April and/or May.
- Of the businesses that were surveyed this month, 6% had closed by April and have not reopened.
- In general, restaurants and bars, retail businesses (both those selling clothing and those selling products other than clothing), and stores selling groceries, markets, specialty foods, and alcoholic beverages were more likely to have remained open through all seven months or closed in March and/or April but open the rest of the months.

Business Open -Yes (Change over time)

- The COVID-19 measures had a big impact on re-contacted businesses for the month of April, but the businesses returned to the recorded March levels for the months of July, August and September.

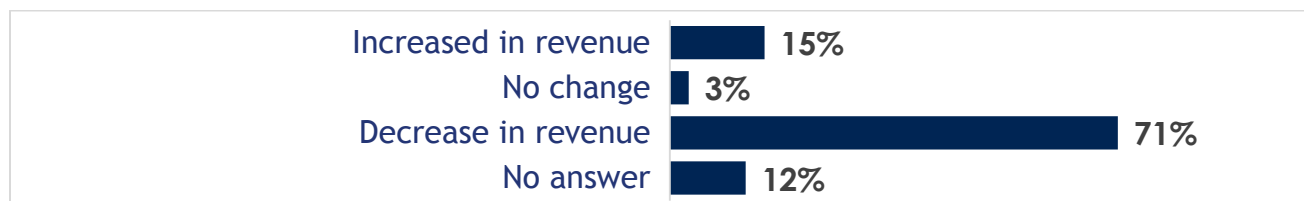


Types of Businesses Surveyed



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.
- Seven in ten (71%) of the re-contacted businesses surveyed experienced a decrease in business revenue in quarter 2- 2020 compared to quarter 2- 2019; while 15% saw an increase, 3% no change and 12% offered no answer.
- On average, those who experienced a decrease experienced a decrease of 49%; this is driven by restaurants and bars and retail businesses selling products other than clothing.
- On average, those who experienced an increase experienced an increase of 40%.



Percentage of Revenue Increase/Decrease

October survey results asking business owners to compare Q2 2020 to Q2 2019:

- On average, those who experienced a decrease experienced a decrease of 49%.
- On average, those who experienced an increase experienced an increase of 40%.

	October
Decrease	49%
Increase	40%

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

- One-third (25%) of the businesses surveyed experienced a decrease in business revenue in quarter 2 2020 compared to quarter 1 2020; while 47% saw an increase, and 18% no change.
- On average, those who experienced a decrease, experienced a decrease of 49%; this figure is driven by retail businesses selling products other than clothing and recreation, entertainment and cultural institutions.
- On average, those who experienced an increase, experienced an increase of 44%.



Percentage of Revenue Increase/Decrease

October 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%.

	October
Decrease	73%
Increase	19%

Next Steps:

The business survey collection and a visitor panel (500 Ontarians) survey collection is complete and with the shared partner data a fulsome report on the sector will be generated. The final report on the Economic Impact of COVID-19 on Tourism will be brought forward in December at the Planning and Development Committee. This work 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 for submission:

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