

An Overview of Tourism - 1000 Islands/St. Lawrence Seaway

*An Analysis of Domestic & International
Travel Surveys (2001) and
Travel Activities & Motivation Survey (TAMS)*

Presented To:

1000 Islands/St. Lawrence Seaway Marketing Partnership

May, 2003

Presented By:



Research Resolutions & Consulting Ltd.

TABLE OF CONTENTS

I.	INTRODUCTION.....	5
II.	EXECUTIVE SUMMARY.....	8
III.	MAIN FINDINGS	10
IV.	AN OVERVIEW OF TOURISM ACTIVITY.....	15
A.	Major Markets - Overnight Visits.....	17
1.	The Domestic Market.....	17
2.	Key USA Feeder Markets.....	17
3.	The Overseas Market.....	18
B.	Major Markets – Same-Day Visits In 1000 Islands/St. Lawrence.....	19
C.	Spending in 1000 Islands/St. Lawrence Seaway Area.....	20
V.	TRIP CHARACTERISTICS OF OVERNIGHT VISITORS	21
A.	Purpose Of Trip.....	21
1.	Volume.....	21
2.	Value.....	22
B.	Seasonality	23
C.	Nights Spent in the 1000 Islands/St. Lawrence Seaway Area.....	24
D.	Accommodation in the 1000 Islands/St. Lawrence Seaway Area.....	25
VI.	TRAVEL SPENDING.....	27
A.	Spending by Category.....	27
B.	Average Spending	28
VII.	ACTIVITIES ON THE TRIP	29
A.	All Overnight Leisure Visitors	29
B.	Canadian Overnight Visitors	31

VIII. OTHER IMPORTANT INFORMATION.....	33
A. Party Size & Composition.....	33
B. Potential Partners.....	34
C. Economic Impact Estimates for 1000 Islands/St. Lawrence Seaway	35
IX. TOURISM IN KINGSTON	38
A. Introduction	38
B. Volume & Origin of Tourists in Kingston.....	38
C. Spending in Kingston.....	40
D. Main Purpose of Overnight Trips in Kingston.....	41
E. Accommodation in Kingston.....	42
F. Economic Impact of Tourism in Kingston.....	43
X. THE TRAVEL ACTIVITIES AND MOTIVATION SURVEY (TAMS).....	45
A. Introduction.....	45
B. Market Segments in Ontario and the Great Lakes States.....	46
C. Opportunities for the 1000 Islands/St. Lawrence Seaway Area.....	47
1. Some General Comments.....	48
2. More Information on Market Segments	48
D. Implications of Population Changes on Tourism Activity Segments	49
1. Ontario Residents.....	49
2. The Great Lakes Basin.....	51
XI. APPENDICES	53
A. Economic Impact Tables.....	54
B. International Tourist Arrivals, 1988-2001	56
C. Glossary of Economic Impact Terms	57

I. Introduction

Tourism along the 1000 Islands/St. Lawrence Seaway is vital to many businesses and to the many people who come to the region annually to enjoy natural beauty along the shores of Lake Ontario and the picturesque 1000 Islands; attractions and festivals ranging from Boldt Castle and Fort Henry National Historic Site and Upper Canada Village to the local farmers' market in downtown Kingston; business and educational opportunities and to spend time with friends and relatives. By attracting visitors to the region, the 1000 Islands/St. Lawrence Seaway region obtains revenue across a variety of economic sectors including accommodation, restaurants and grocery stores, transportation services, attractions and events, and retail.

At the request of the 1000 Islands/St. Lawrence Seaway Marketing Partnership, Research Resolutions & Consulting Ltd. undertook an examination of special tabulations of Statistics Canada's Canadian and International Travel Surveys (CTS, ITS) made available by the Ontario Ministry of Tourism and Recreation (MTR). Tourism highlights described in the following pages reflect travel over the 2001 calendar year for the area covered by the marketing partnership. A separate chapter is devoted to top line estimates of tourism volume and value in Kingston, as a subset of the larger region.

The report also covers information produced from the Travel Activities and Motivation Surveys (TAMS) for Canada and the U.S.A., with permission of the Ontario Ministry of Tourism and Recreation.

Members of the 1000 Islands/St. Lawrence Seaway Marketing Partnership are as follows:

- 1000 Islands Community Development Corporation
- City of Brockville
- Grenville Community Development Corporation
- Tourism Prescott
- Cornwall & Seaway Valley Tourism
- Gananoque
- South Leeds Economic Development Commission
- Kingston Economic Development Corporation
- St. Lawrence Parks Commission
- Parks Canada

Since the area covered by the partnership does not exactly coincide with Ontario Ministry of Tourism and Recreation's tourism regions or Statistics Canada's census divisions, special steps were required to "build" estimates that closely approximate the geographic area covered by the marketing organization.¹

Some points to keep in mind in the following analysis:

- Unless specifically noted, the primary unit of analysis for the 1000 Islands/St. Lawrence Seaway is a person *visit* -- a same-day or overnight stay in MTR's St. Lawrence River Corridor (Tourism Region 7) and in one of the following counties: Stormont, Dundas & Glengarry United Counties (CD 01), Leeds & Grenville United Counties (CD 07) or Frontenac County (CD 10).
- Estimates for Kingston are based on a geographical subset of this larger region. The subset closely approximates the Kingston Census Agglomeration Area (CA): MTR's St. Lawrence River Corridor (Tourism Region 7) and Frontenac County (CD 10).
- Visits by Canadians are those that take them at least 40 kilometres from home (one-way) for *same-day* trips. No distance minimum is imposed on domestic travel for *overnight* trips. Visits by Americans and Overseas visitors have no distance minimums.

- Consumer spending can be divided into (a) dollars spent by visitors *who spent time along the 1000 Islands/St. Lawrence Seaway* and (b) touristic spending by residents of the region to *leave* the region (e.g., fares for residents' trips to other destinations) and travel costs by non-domestic visitors to reach Canada (inbound fares).² Within the text and tables provided herein, estimates of spending and economic impact are associated with visits *to* the 1000 Islands St. Lawrence Seaway area. Carrier fares and some other transportation spending by area residents *to leave* the region and carrier fares to come and go from Canada by U.S. and overseas visitors have been excluded.
- Spending estimates for *Kingston* and the *balance of the 1000 Islands/St. Lawrence Seaway* will not necessarily add to total spending in the full *1000 Islands/St. Lawrence Seaway* area because certain types of spending on trips originating in one part of the area with destinations in another part of the area are included in the *full* area but not necessarily in the portion of the area under review.³

This summary provides an overview of current markets, value and characteristics of visits to the region. There is considerably more information in the tabulations provided by Research Resolutions & Consulting Ltd. (under separate cover). Tourism planners and marketers in the 1000 Islands/St. Lawrence Seaway area are encouraged to explore this information in detail.

Summary information from the Travel Activities and Motivation Survey (TAMS) is also provided to aid the 1000 Islands/St. Lawrence Seaway tourism planners and businesses in understanding the market potential for the types of tourism products the region offers.

II. Executive Summary

Volume of Tourists

The 1000 Islands/St. Lawrence Seaway Marketing Partnership area attracted 4.5 million person visits in 2001. Close to 3-in-5 of these visitors were in the area on same-day excursions (2.7 million) and the balance were on overnight trips (1.8 million).

Most same-day excursions were made by Ontario residents (1.6 million), although the 1000 Islands/St. Lawrence Seaway area is also a popular same-day destination for almost one million American visitors, primarily from New York.

Almost 2-in-3 overnight tourists in the area during 2001 were residents of the province (1.2 million). In addition, there were about 374,000 American overnight visitors, 105,000 overseas overnight tourists and 196,000 overnight tourists from provinces other than Ontario in the 1000 Islands/St. Lawrence Seaway area during 2001.

Tourism Spending and Economic Impact

Visitors spent \$439.8 million on goods and services in the 1000 Islands/St. Lawrence Seaway area during 2001. In spite of the brevity of their stays in the region, same-day visitors contributed almost one-quarter of all tourism spending in the region in 2001, or about \$102.6 million. The balance of the money spent on tourism in the 1000 Islands/St. Lawrence Seaway area, or \$337.2 million, was spent by overnight visitors.

Money spent by tourists in the 1000 Islands/St. Lawrence Seaway area ripples through the economy, creating economic activity, jobs and associated wages, and municipal taxes that benefit the residents of the area. Using a series of multipliers generated by the Ontario Ministry of Tourism and Recreation's Tourism Regional Economic Impact Model (OTREIM), estimates of the **economic impact** of tourism in the 1000 Islands/St. Lawrence Seaway area are calculated.

Spending by visitors in the 1000 Islands/St. Lawrence Seaway area during 2001 generated 7,409 *direct jobs* in the local area and an additional 2,983 *indirect* and *induced* jobs, for a total of 10,392 jobs in the region.

In turn, these jobs generated about \$108.4 million in *direct wages and salaries* for the 1000 Islands/St. Lawrence Seaway area. They also generated \$69.0 million in *indirect* and *induced* wages and salaries, for a total of \$177.4 million in wages and salaries for the area.

Levels of Tourism Economic Impact

Direct Economic Impacts Industry output, jobs, wages and taxes are generated in the 1000 Islands/St. Lawrence Seaway area at hotels and other lodging establishments, at marinas, restaurants, gas stations and retail stores, museums and other attractions in order to meet the needs of tourists in the area.

Indirect Economic Impacts These firms, in turn, purchase goods and services from other companies in order to provide for tourists' needs. For example, restaurants purchase food, dinnerware, cutlery, napkins, etc. in order to provide a meal to a tourist. The firms from which goods and services are purchased may be in 1000 Islands/St. Lawrence Seaway area, or elsewhere. The industry output, jobs, wages and taxes generated by these purchases are *indirect* economic impacts.

Induced economic impacts People who earn some or all of their wages because tourists spend money in 1000 Islands/St. Lawrence Seaway area and the profits earned by companies because of tourism spending are used to purchase other goods and services. The value of these purchases generates *induced economic impacts*.

Industry output, or total economic activity in the 1000 Islands/St. Lawrence Seaway area required to meet the needs of 4.5 million overnight and same-day visitors reached \$510.4 million in the region during 2001.

Direct **taxes** at the municipal level, primarily associated with property and business taxes, represented about \$13.7 million for the local area. A further \$6.7 million in *indirect* and *induced* municipal taxes were generated for the 1000 Islands/St. Lawrence Seaway area, resulting in about \$20.4 million in municipal taxes that would not have been available if the region had not supported 4.5 million visitors who, in turn, spent \$439.8 million on lodging, food and beverages, entertainment and attractions, transportation and retail purchases over the year.

In addition to the industry output, jobs, wages and taxes generated in the 1000 Islands/St. Lawrence Seaway area, tourism activity in this region generates economic impacts in other parts of the province as well as provincial and federal tax revenues. For details of these additional impacts to the province as a whole, please refer to Chapter VIII. C in the main body of this report.

Tourism in Kingston

Kingston accounts for approximately one half of tourism volume and value in the greater 1000 Islands/St. Lawrence Seaway area. During 2001, the city attracted 2.1 million overnight and same-day visitors from all market segments, representing just under half of the 4.5 million visitors in the 1000 Islands/St. Lawrence Seaway area over the course of the year.

Kingston

For purposes of this report, Kingston is defined as the portion of Frontenac County (CD 10) that falls within MTR's St. Lawrence River Corridor Tourism Region (#7).

As such, the area closely approximates the city of Kingston (CA). This is a much smaller geographic unit than Frontenac County in total – the definition used in historical assessments of tourism in the *Kingston Area* (e.g., 1999). Because of the difference in definitions, estimates for tourism in Kingston contained in this report are not comparable to those provided in earlier reports.

Overnight and same-day visitors to Kingston spent almost \$232 million on tourism activities, goods and services in the city. This estimate represents just over half of the \$439.8 million spent by *all* visitors in the 1000 Islands/St. Lawrence Seaway area over the course of the year. Kingston also accounts for approximately half of the direct jobs, wages, municipal taxes and industry output generated in the 1000 Islands/St. Lawrence Seaway area over the course of 2001.

III. Main Findings

- **The 1000 Islands/St. Lawrence Seaway is a recreational playground for Ontario and New York residents.**

During 2001, 3-in-5 of the 4.5 million person visits to the 1000 Islands/St. Lawrence Seaway area were made by residents of Ontario (60% or 2.7 million) and 1-in-5 were made by residents of New York (21% or 939,000). Close to 2-in-5 of all visitors in the area were on same-day excursions (2.7 million) and the balance were on overnight trips (1.8 million). Ontario residents made close to 1.2 million overnight visits to the area, led by residents of Toronto and Ottawa.

There were about 374,000 American overnight visitors and 105,000 overseas overnight tourists along the 1000 Islands/St. Lawrence Seaway during 2001.

- **Most overnight visitors come to 1000 Islands/St. Lawrence Seaway for *pleasure* purposes or to visit friends and family.**

Over two-fifths of all overnight tourism along the 1000 Islands/St. Lawrence Seaway is *pleasure* travel, resulting in about 800,000 *pleasure* person visits in 2001. Somewhat fewer overnight visitors to the area are on trips motivated by *visiting friends and relatives* (VFR) (721,000) and comparatively few are in the region on *business* trips (177,000).

- **Because so much of the tourism along the 1000 Islands/St. Lawrence Seaway is pleasure-oriented, considerable use is made of roofed commercial lodging, private cottages and campgrounds in the region.**

Over the course of the year, 1.7 million person *nights* were spent in hotels, motels, and other roofed commercial lodging along the 1000 Islands/St. Lawrence Seaway. A further 411,000 person nights were spent in the region's campgrounds and trailer facilities. Canadians dominate the roofed commercial accommodation sector (966,000 person nights), followed by American tourists (640,000). In contrast, the camping sector is almost exclusively Canadian. Of the 411,000 camping nights spent along the 1000 Islands St. Lawrence Seaway, over 8-in-10 are Canadian (356,000). Private cottages are also widely popular among Canadian and American overnight tourists. In 2001, over 200,000 nights spent in the region were accounted for by Canadians staying in their private cottages and even more nights spent by American visitors were in private cottages (286,000).

- **The strong “pleasure” orientation of tourism in the region creates a seasonal skew.**

Over two-fifths of all overnight tourism takes place in the third calendar quarter (June – September), or 803,000 of the 1.8 million overnight trips made to the 1000 Islands/St. Lawrence Seaway area. Within the *pleasure* market segment, the proportion increases to close to three-fifths, or 462,000 of the total 803,000 overnight pleasure visits to the region.

- **Sightseeing, historic sites and outdoor activities are central to overnight visitors' activities in the 1000 Islands/St. Lawrence Seaway region.**

Visiting with friends and relatives, shopping, sightseeing, going to historic sites and engaging in outdoor activities including park visits, boating and fishing are among the most prominent activities for overnight visitors.

The beautiful vistas and rich array of historic sites in the region likely account for the fact that over 700,000 overnight tourists say they went sightseeing, about 400,000 claim to have gone to historic sites and 235,000 went to museums and galleries while on their overnight trip. In addition, almost 275,000 overnight visitors claim to have been boating on the trip that brought them to the 1000 Islands/St.

Lawrence Seaway area and about 164,000 went fishing while on the trip. Most of the anglers are Americans on overnight trips (91,000) but day trips that include fishing are also popular with American tourists (41,000). Boating while on an overnight visit to the area is comparatively widespread among Canadians (146,000) and Americans (108,000).

While not as popular as water-based activities, 56,000 overnight visitors and about 20,000 same-day excursionists went **golfing** while on trips to 1000 Islands St. Lawrence Seaway.

- **Winter outdoor activities are not strong lures for the 1000 Islands/St. Lawrence Seaway area.**

Compared to outdoor activities in warm weather months, *winter* outdoor activities are not especially popular, although 31,000 overnight tourists in 2001 were skiing or snow boarding on their trips. Very few Canadians were snowmobiling (1,000) in the area while on an overnight trip.⁴

- **Visitors spent \$439.8 million along the 1000 Islands/St. Lawrence Seaway during 2001.**

In spite of the brevity of their stays in the region, same-day visitors contributed almost one-quarter of all tourism spending in the region in 2001, or about \$102.6 million. The balance of the \$439.8 million spent on tourism along the 1000 Islands St. Lawrence Seaway, or \$337.2 million, was spent by overnight visitors.

- **Tourism along the 1000 Islands/St. Lawrence Seaway generated about 7,400 direct jobs and \$510.4 million in industry output (sales) for the local economy during 2001.**

Based on the \$439.8 million in spending assigned to the 1000 Islands/St. Lawrence Seaway area for people who visited the region in 2001, tourism activity generated approximately 10,392 direct, indirect and induced jobs throughout the region and a further 2,776 jobs in other parts of Ontario. In turn,

these jobs generated \$177.4 million in wages and salaries within the 1000 Islands/St. Lawrence Seaway area.

Total industry output or total economic activity generated by visitors to the 1000 Islands/St. Lawrence Seaway area reached approximately \$510.4 million in 2001. A further \$433.9 million in industry output were generated in other parts of the province as a result of tourism activity and spending along the 1000 Islands/St. Lawrence Seaway.

All levels of government benefited from tourism spending along the 1000 Islands/St. Lawrence Seaway. The area generated \$193.7 million in taxes, province-wide, including \$20.4 million in municipal taxes retained by the region (direct, indirect and induced). Tourism spending in the area also generated \$77.9 million in provincial taxes (direct, indirect and induced) and \$88.3 million at the federal level.

- **According to the Travel Activities and Motivation Survey (TAMS), opportunities will increase for cultural tourism while visitors who want to engage in strenuous outdoor activities will decline in key feeder markets.**

The anticipated trend toward *cultural* tourism and *gentle outdoor* experiences that will result from the changes in population structure in Ontario and key USA feeder states is good news for the 1000 Islands/St. Lawrence Seaway tourism area. Because the region is rich in museums, historic sites, gentle trails that offer bird watching and nature appreciation, it has the potential to capitalize on the interests of a burgeoning *older* tourist market.

- **The growing immigrant population in Ontario offers new challenges to tourism planners.**

Foreign-born potential *domestic* tourists, many of whom will be concentrated in the Toronto area, may seek tourism experiences that respect their language, cultural traditions and cuisine. To attract this

market, tourism businesses along the 1000 Islands/St. Lawrence Seaway may have to adapt their products and services to meet the needs of various cultural and ethnic groups. Over the medium and longer term, the importance of the immigrant population for the region will grow more than it might for some other tourism areas of the province because so many of the area's tourists live in the Toronto CMA.

- **The U.S.A. market for the 1000 Islands/St. Lawrence Seaway may soften over the next two decades because of a low growth rate in the Great Lakes basin and New York state.**

The region's key feeder state – New York – will grow at the same rate as the region as a whole (9%). This comparatively low growth rate relative to the USA as a whole (27%) may have implications for sustaining the important U.S. tourist market for the 1000 Islands/St. Lawrence Seaway in the future

IV. An Overview Of Tourism Activity

The 1000 Islands/St. Lawrence Seaway tourism area attracted almost 4.5 million person visits in 2001 or over four percent of the 104 million person visits that took place in Ontario during the year. Canadians, Americans and visitors from other countries spent approximately \$439.8 million on touristic activities in the region. These estimates include trips made for a wide variety of purposes, including visiting friends and relatives, business, and pleasure; and trips that involve same-day and overnight stays in the greater 1000 Islands/St. Lawrence Seaway area.

Almost three-fifths of all visits to 1000 Islands/St. Lawrence Seaway were same-day excursions (2,661,000) including trips of 40 kilometres one way from home made by residents of Ontario. The

Table 1: An Overview of Tourism in 2001				
	Person Visits In		Tourism Spending In	
	1000 Islands/St. Lawrence		1000 Islands/St. Lawrence	
Total	4,494,000		\$439,800,000	
Canada	2,992,000	67%	\$262,600,000	60%
USA	1,342,000	30%	\$146,600,000	33%
Overseas	160,000	4%	\$30,700,000	7%
Same-Day Visit	2,661,000	59%	\$102,600,000	23%
Overnight Visit	1,833,000	41%	\$337,200,000	77%

Spending estimates rounded to nearest 100,000. Source: Ontario Ministry of Tourism and Recreation & Research Resolutions, 2001, Harmonized CTS/ITS Detailed Tables, 1, 2. Percentages may not add to 100% because of rounding. Figures may not add to total due to rounding.

remainder were overnight visits (1,833,000). Even though same-day trips represent most of the volume of tourism in the area, overnight trips represent most of the

value. Over three-quarters of all spending along the 1000 Islands/St. Lawrence Seaway takes place on overnight trips.

Consistent with other areas in Ontario, the **domestic** market is the main source of tourism volume and value for 1000 Islands/St. Lawrence Seaway Partnership. Canadians account for 3.0 million visits to the area and \$262.6 million in travel spending. Americans account for about 1,342,000 visits (30%) and about the same proportion of tourism spending - \$146.6 million or 33%. Overseas travellers to 1000

Islands/St. Lawrence Seaway were comparatively rare in 2001 (160,000), representing about four percent of tourism volume but a higher proportion of tourism value (\$30.7 million or 7%).

The basic pattern of tourism along the 1000 Islands/St. Lawrence Seaway closely matches the provincial pattern, with the majority of trips to the destination taking place in a single day.

Table 2: Tourism Pattern in Ontario and 1000 Islands/St. Lawrence				
	1000 Islands/ St. Lawrence		Ontario	
Total Person Visits	2,661,000		103,821,000	
Same-day	2,661,000	59%	64,537,000	62%
Leisure Overnight (Pleasure/VFR)	1,524,000	34%	32,641,000	31%
Business/Other Overnight	309,000	7%	6,643,000	6%
<i>Source: Ontario Ministry of Tourism and Recreation & Research Resolutions, 2001, Harmonized CTS/ITS Detailed Tables, Table 1. Percentages may not add to 100% because of rounding.</i>				

A. Major Markets - Overnight Visits

1. The Domestic Market

Ontario is the primary source of tourism for the 1000 Islands/St. Lawrence Seaway area in total and within the overnight tourism sector. In 2001, Ontario residents made close to 1.2 million overnight person visits to the area, or almost 2-in-3 of all overnight visits.

Toronto is the largest domestic overnight market for the 1000 Islands/St. Lawrence Seaway area, generating 2-in-10 of all overnight person visits. Of the 356,000 overnight visits made to the region by residents of the Toronto Census Metropolitan Area, over half were made by residents of the central city (Metro Toronto - 209,000). The Ottawa-Hull metropolitan area is also a major feeder market for overnight trips to the 1000 Islands/St. Lawrence Seaway area, contributing about 1-in-8 overnight visitors (12%). One-in-twenty overnight visitors to the region are residents of Montréal (91,000).

Table 3: Key Overnight Markets in 2001

Overnight Person Visits	1,833,000	
Canada	1,354,000	74%
U.S.A.	374,000	20%
Other Countries	105,000	6%
Ontario (Total)	1,158,000	63%
Toronto CMA	356,000	19%
Ottawa- Hull CMA	214,000	12%
Montréal	91,000	5%
Other Canada	105,000	6%
New York	160,000	9%
Pennsylvania	57,000	3%
Europe	83,000	5%
Asia	11,000	1%

Source: Ontario Ministry of Tourism and Recreation & Research Resolutions, 2001, Harmonized CTS/ITS Detailed Tables, Table 3.

Beyond these three major urban centres, the 1000 Islands/St. Lawrence Seaway area captures a sizeable market from the rest of Canada including 27,000 overnight tourists from British Columbia and about the same number from the four Atlantic provinces (24,000).⁵

2. Key USA Feeder Markets

Americans represent 374,000, or one-fifth of all overnight visitors to the 1000 Islands/St. Lawrence Seaway area (20%). The region draws two-fifths of its overnight American visitors from New York (160,000). More limited numbers of overnight visitors from the U.S.A. come from Pennsylvania (57,000),

Michigan and Ohio (15,000 each). Americans from outside the Great Lakes Basin – those coming from states such as Texas (7,000) and California (6,000) – are also found in the region’s overnight tourism mix.

3. The Overseas Market

Compared to the domestic and U.S. markets, few of the 1000 Islands/St. Lawrence Seaway area’s overnight visitors in 2001 were from overseas, representing about 105,000 visitors. France (26,000) followed by the United Kingdom (23,000) generate the most overnight overseas tourists for the region, followed at a considerable distance by Germany (9,000). All Asian countries account for about 11,000 overnight tourists to the 1000 Islands/St. Lawrence Seaway region.

The level of foreign visitation is likely to remain low or to decline over the next few years. Even before the terrorist attack on the United States in September, 2001, Canada had been experiencing double-digit declines in arrivals from major traditional markets such as Germany, France and Japan. These declines were attributed to unfavourable exchange rates vis à vis the Canadian dollar for many continental European currencies and the persistent economic difficulties in Japan. (see appendix for Canada-level overseas and USA arrivals over time). The September 11th terrorist attack, the war in Iraq, continuing terrorist activity around the globe as well as threats to traveller confidence from Severe Acute Respiratory Syndrome (SARS) and the West Nile Virus will undoubtedly impact inbound travel to Canada, particularly from overseas markets.

Overnight visits to the 1000 Islands/St. Lawrence Seaway region parallel the provincial pattern with

respect to
origin, as
shown in

4.

Table 4: Markets for Overnight Tourism in Ontario and 1000 Islands/St. Lawrence				
	1000 Islands/ St. Lawrence		Ontario	
Total Overnight Person Visits	1,833,000		39,284,000	
Canada	1,354,000	74%	29,610,000	75%
U.S.A.	374,000	20%	7,879,000	20%
Other Countries	105,000	6%	1,795,000	5%

Spending estimates rounded to nearest 100,000. Source: Ontario Ministry of Tourism and Recreation & Research Resolutions, 2001, Harmonized CTS/ITS Detailed Tables, pages 3-1/6. Percentages may not add to 100% because of rounding.

visitor
Table

B. Major Markets – Same-Day Visits In 1000 Islands/St. Lawrence

The majority of the 2.7 million same-day person visits to the 1000 Islands/St. Lawrence Seaway region in 2001 were made by Ontario residents (62%), with a substantial concentration coming from the Ottawa area (468,000 or 18%). All Canadians who claim to have made same-day visits to the region are on same-day *trips* because the Canadian Travel Survey does not capture same-day excursions for travellers on overnight trips. Such excursions are, however, measured for American and overseas travellers in the International Travel Survey (see below).

New Yorkers are also common same-day visitors, representing 779,000 or 3-in-10 same-day excursionists to the area. Many of these New Yorkers may be on same-day *trips* whereas

Americans from other states and overseas visitors who make same-day excursions to the region are most likely on *overnight trips* and elect to visit the 1000 Islands/St. Lawrence Seaway region for a day.

Table 5: Key Same-Day Markets in 2001

Total Same-Day Person Visits	2,661,000	
Canada	1,638,000	62%
U.S.A.	967,000	36%
Other Countries	56,000	2%
Ontario (Total)	1,552,000	58%
Ottawa Hull CMA	468,000	18%
Toronto CMA	109,000	4%
Frontenac County	190,000	7%
New York	779,000	29%
Pennsylvania	41,000	2%
Michigan	25,000	1%
Europe	34,000	1%

Source: Ontario Ministry of Tourism and Recreation & Research Resolutions, 2001, Harmonized CTS/ITS Detailed Tables Table 3-16-2

C. Spending in 1000 Islands/St. Lawrence Seaway Area

From a revenue perspective, the same-day market is quite important to the region, representing about 1-in-4 of the dollars spent on tourism by visitors to the 1000 Islands/St. Lawrence Seaway area, or \$102.6 million of the \$439.8 million spent by all visitors to the region. Domestic visitors account for over \$50 million in same-day spending along the 1000 Islands/St. Lawrence Seaway (49% of total same-day spending). American same-day visitors account for most of the remaining half, or \$49.3 million (48%). Overseas visitors on day excursions to the region spend about \$2.6 million.

Close to two-thirds of the \$337.2 million in spending on overnight visits to the 1000 Islands/St. Lawrence Seaway area – \$211.9 million – is by **Canadians**.

American visitors account for about two-in-ten of the overnight visits to the 1000 Islands/St. Lawrence Seaway area (20%) but represent a larger share of overnight tourism revenues (\$97.2 million, or 29%). **Overseas** visitors who spend at least one night along the 1000 Islands/St. Lawrence Seaway contribute about \$28.1 million dollars to the region (8%).

Table 6: A Market Overview of Visits & Spending in 1000 Islands/St. Lawrence

	Person Visits In 1000 Islands/ St. Lawrence		Tourism Spending In 1000 Islands/ St. Lawrence	
Total	4,494,000		\$439,800,000	
Same-Day (Total)	2,661,000	59%	\$102,600,000	23%
Canadians	1,638,000	62%	\$50,700,000	49%
Americans	967,000	36%	\$49,300,000	48%
Overseas	56,000	2%	\$2,600,000	3%
Overnight (Total)	1,833,000	41%	\$337,200,000	77%
Canadians	1,354,000	74%	\$211,900,000	63%
Americans	374,000	20%	\$97,200,000	29%
Overseas	105,000	6%	\$28,100,000	8%

Spending estimates rounded to nearest 100,000. Source: Ontario Ministry of Tourism and Recreation & Research Resolutions, 2001, Harmonized CTS/ITS Detailed Tables, 1,2. Percentages may add to more than 100% because of rounding. Figures may not add to total due to rounding

V. Trip Characteristics of Overnight Visitors

A. Purpose Of Trip

1. Volume

Over eight hundred thousand overnight person visits to the 1000 Islands/St. Lawrence Seaway area in 2001 were made for pleasure purposes (803,000 or 44%) and over one-third were made to visit friends

Table 7: Purpose Of Overnight Trips

Total Overnight Person Visits	1,833,000	
Pleasure	803,000	44%
Canadians	495,000	27%
Americans	240,000	13%
Overseas	68,000	4%
Business	177,000	10%
Canadians	145,000	8%
Americans	27,000	1%
Overseas	5,000	*
Visit Friends & Relatives	721,000	39%
Canadians	607,000	33%
Americans	88,000	5%
Overseas	26,000	1%

Source: Ontario Ministry of Tourism and Recreation & Research Resolutions, 2001, Harmonized CTS/ITS Detailed Tables, Table 1. All percentages are based on total overnight person visits. *Less than 0.5%.

number of Canadian residents go to the 1000 Islands/St. Lawrence Seaway to visit friends and relations (607,000) than is the case for Americans (88,000) or overseas visitors (26,000).

When overnight market segments are examined to identify the main source of visitors, it is clear that domestic travellers and primarily those who live in

Ontario, predominate in the *leisure* market. Canadians account for over 6-in-10 overnight *pleasure* visits and an even higher proportion of overnight visits to *see friends and relatives* (84%).

and relatives (721,000 or 39%). Comparatively few of the overnight trips over the year were taken to conduct business (177,000 or 10%).

The two primary tourism flows to the region – Canadians and Americans – are well represented in the overnight *pleasure* tourism market segment. Not surprisingly, however, Canadians are more apt to have family and friends to visit in the region than are their American or overseas counterparts. Hence, a considerably larger

Table 8: Purpose of Overnight Trips by Place of Residence

	Pleasure	Visit Friends & Relatives	Business
Total Overnight Person Visits	803,000	721,000	177,000
Canada	62%	84%	82%
USA	30%	12%	15%
Overseas	9%	4%	3%

Source: Ontario Ministry of Tourism and Recreation & Research Resolutions, 2001, Harmonized CTS/ITS Detailed Tables, Table 1. All percentages are based on total overnight person visits. Percentages may not add to 100% due to rounding.

2. Value

Overnight *pleasure* trips make up over two-fifths of all overnight *visits* to 1000 Islands/St. Lawrence Seaway (44%) but a slightly higher proportion of all overnight tourism spending in the region – 50% or \$167.5 million. A somewhat different pattern is evident within the VFR overnight segment: these overnight visits represent just under two-fifths of the overnight volume along the 1000 Islands/St. Lawrence Seaway (39%) but an appreciably smaller share of overnight spending (25% or \$82.8 million), in large part,

Table 9: Spending On Overnight Trips by Purpose

Total Spending in 1000 Islands/ St. Lawrence on Overnight Visits		
	\$337,200,000	
Pleasure	\$167,500,000	50%
Business	\$54,900,000	16%
Visit Friends & Relatives	\$82,800,000	25%
Other	\$32,000,000	10%

Source: Ontario Ministry of Tourism and Recreation & Research Resolutions, 2001, Harmonized CTS/ITS Detailed Tables, Table 2. All percentages are based on total spending in the region on overnight person visits. Figures and percentages may not add to total because of rounding.

because most tourists who are travelling to see friends and relatives tend to rely on these friends and relatives for lodging and accommodation. As a consequence, they tend to spend *less* in the region than other overnight tourists.

In contrast, because of their heavy reliance on the commercial accommodation and food/beverage sectors, overnight *business* trips contribute one-sixth of all overnight spending (\$54.9 million or 16%), but represent a smaller share of all overnight person visits along the 1000 Islands/St. Lawrence Seaway (10%).

B. Seasonality

The 1000 Islands/St. Lawrence Seaway area supports a variety of traditional outdoor and recreational *peak season* activities and opportunities for indoor events and attractions in the winter and shoulder seasons. Because the region attracts

so much tourism associated with the outdoors, it is subject to Canada's traditional fair weather peak (see Section VII for trip activities). The "summer" calendar quarter (July

through September) accounts for over two-fifths of all overnight tourism in the region (44%) and the "spring" quarter (April through June) accounts for an additional one-fifth.

Table 10: Calendar Quarter – Overnight Visits

Quarter	All Markets	Canada	USA	Overseas
1 st Quarter (Jan-Mar)	12%	13%	8%	5%
2 nd Quarter (Apr-June)	21%	18%	27%	27%
3 rd Quarter (July-Sept)	44%	41%	49%	58%
4 th Quarter (Oct-Dec)	24%	27%	16%	10%

Source Ontario Ministry of Tourism and Recreation & Research Resolutions, 2001, Harmonized CTS/ITS Detailed Tables Table 7 Harmonized Table 11 CTS/ITS

The concentration of overnight tourism between July and September is particularly evident among American (49%) and overseas overnight visitors (58%).

C. Nights Spent in the 1000 Islands/St. Lawrence Seaway Area

Canadian overnight visitors to the 1000 Islands/St. Lawrence Seaway area spend two nights, on average, in the region (2.4). American overnight visitors spend almost twice this length of time (4.3 nights) and

overseas visitors fall between Canadians and Americans, spending an average of 3.4 nights.

Table 11: Average Length of Stay in 1000 Islands/St. Lawrence Seaway Area

Overnight Person Visits	Total	Canada	USA	Overseas
Average person nights	2.9	2.4	4.3	3.4
Average party size	1.8	1.7	2.1	2.0
Total person nights	5.3 million	3.3 million	1.6 million	356,000

Source: Ontario Ministry of Tourism and Recreation & Research Resolutions, 2001, Harmonized CTS/ITS Detailed Tables, Tables 5, 8; Table 12 CTS/ITS.

When the number of nights spent is combined with the number of

visitors in each travel party, an estimate of “person nights” is obtained. Over the course of 2001, visitors spent approximately 5.3 million person nights along the 1000 Islands/St. Lawrence Seaway (5,264,000), with most of these nights spent by Canadians (63% or 3,304,000 person nights). American visitors spent almost one-third of the nights (31%, or 1,605,000 person nights), and the balance were spent by overseas visitors (356,000 or 7%).

D. Accommodation in the 1000 Islands/St. Lawrence Seaway Area

As noted in the previous section, overnight visitors to the 1000 Islands/St. Lawrence Seaway spent approximately 5.3 million person nights in private and commercial accommodation facilities in the area during 2001. Over 2.5 million of these person nights were spent in non-commercial accommodation –

Table 12: Lodging Nights in 1000 Islands/St. Lawrence

Total Person Nights in 1000 Islands/St. Lawrence Seaway Area	All Markets
Roofed Commercial Accommodation	1,720,000
Campgrounds/Trailer Parks	411,000
Private Homes/Private Cottages	2,552,000
Private Cottages by Canadians*	202,000
Private Cottages by Americans*	286,000
Accommodation Type Unknown	581,000

Source: Ontario Ministry of Tourism and Recreation & Research Resolutions, 2001, Harmonized CTS/ITS Detailed Tables, Table 5; Table 7 CTS/ITS. *Private cottage nights by Canadians and Americans are included in "Private Homes/ Private Cottages"

private homes or private cottages (49%) with over 200,000 of these nights being spent in private cottages in the 1000 Islands area by Canadians (202,000) and even more spent in private vacation homes by Americans (286,000). One-third of all person nights were spent in hotels, motels, bed and breakfast establishments or other forms of roofed commercial lodging (1.7 million or 33%). About 400,000 nights were spent in the

region's campsites and trailer facilities (411,000 or 8%).

On a proportional basis, Americans are the most reliant on commercial accommodation but because of their sheer volume, Canadians represent a much larger commercial lodging market for the 1000 Islands St. Lawrence Seaway area.

Specifically, two-fifths of the nights Americans spent along the 1000 Islands/St. Lawrence Seaway in 2001 were commercial roofed lodging, divided among hotels (140,000), motels (201,000) and other commercial properties such as housekeeping cottages/cabins (298,000).

Table 13: Lodging Used in 1000 Islands/St. Lawrence – By Market

	Canada	USA	Overseas
Total Person Nights	3,304,000	1,605,000	356,000
Hotel	593,000	140,000	80,000
Motel	174,000	201,000	34,000
Resorts, Commercial Cottages, B & Bs, etc.	199,000	298,000	*
Camping or trailer park	356,000	48,000	7,000
Private home	1,615,000	292,000	156,000
Private cottage	202,000	286,000	*
Other	165,000	338,000	78,000

Source: Ontario Ministry of Tourism and Recreation & Research Resolutions, 2001, CTS/ITS Detailed Tables, Table 7. *Less than 0.5%.

Of the nights spent by Canadian visitors in the region, only about 3-in-10 were spent in commercial roofed lodging but this represents 966,000 person nights, spread among hotels (593,000), motels (174,000), resorts (23,000), commercial cottages and cabins (28,000), and bed and breakfast establishments in the region (149,000).⁶ Canadians are also especially apt to spend nights in the region in campgrounds and trailer facilities along the 1000 Islands/St. Lawrence Seaway (356,000).

Because Canadians are especially apt to stay in the homes of friends and relatives or to have private cottages in the region, more than half of all the nights they spend along the 1000 Islands/St. Lawrence Seaway are in private lodgings (1,817,000). More of these nights are spent in the homes of friends and relatives (1,615,000) than in private cottages (202,000).⁷

VI. Travel Spending

A. Spending by Category

Visitor spending along the 1000 Islands/St. Lawrence Seaway benefits many sectors of the local economy. The \$439.8 million spent in the area contributes to the accommodation sector (\$92.9 million, or 21%), restaurants, bars and grocery stores (\$134.0 million, or 31%), transportation (\$85.1 million, or 19% in

public and private transportation expenses), recreational activities and attractions (\$44.7 million or 10%) and the retail sector (\$83.1 million, or 19%).

Table 14: Total Spending By Category - Amounts

All Markets (\$)	Total	Same-day	Overnight
All Categories	\$439,800,000	\$102,600,000	\$337,200,000
Commercial Transportation In Canada*	\$8,700,000	\$513,000	\$8,200,000
Vehicle Operation/Rental	\$76,400,000	\$10,200,000	\$66,200,000
Accommodation	\$92,900,000	-	\$92,900,000
Food/Beverages	\$134,000,000	\$42,200,000	\$91,800,000
Recreation/Entertainment	\$44,700,000	\$18,500,000	\$26,300,000
Retail/Other	\$83,100,000	\$31,200,000	\$51,900,000

Source: Ontario Ministry of Tourism and Recreation & Research Resolutions, 2001, Harmonized CTS/ITS Detailed Tables, Table 11. Numbers may not add to total due to rounding.*Includes some carrier fares and local transportation.

Table 15: Total Spending By Category - Percentages

All Markets (\$)	Total	Same-day	Overnight
All Categories	\$439,800,000	\$102,600,000	\$337,200,000
Commercial Transportation In Canada	2%	1%	2%
Vehicle Operation/Rental	17%	10%	20%
Accommodation	21%	-	28%
Food/Beverages	31%	41%	27%
Recreation/Entertainment	10%	18%	8%
Retail/Other	19%	30%	15%

Source: Ontario Ministry of Tourism and Recreation & Research Resolutions, 2001, Harmonized CTS/ITS Detailed Tables, Table 11. Percentages may not add to total due to rounding.

B. Average Spending

Every same-day visit to the 1000 Islands/St. Lawrence Seaway area generates close to \$40.00 per person in consumer spending and every overnight visit generates over four times this amount, or about \$184.00 per person per trip.

Per person per night spending is very similar for each of the primary tourism flows, with Canadians, Americans and overseas overnight visitors spending between sixty and seventy dollars per person per night while on their trips to the 1000 Islands/St. Lawrence Seaway area. Because American tourists spend longer in the region (4.3 nights, on average) than do Canadians (2.4 nights, on average), the *total* amount

of money
spent in
the 1000
Islands
area for

Table 16: Average Spending in 1000 Islands/St. Lawrence – By Market

Average Spending	All Markets	Canada	USA	Overseas
Per Person Same-day	\$39.00	\$31.00	\$51.00	\$47.00
Overnight per person per visit	\$184.00	\$157.00	\$260.00	\$268.00
Overnight per person per night	\$67.00	\$67.00	\$62.00	\$69.00

Source: Ontario Ministry of Tourism and Recreation & Research Resolutions, 2001, Harmonized CTS/ITS Detailed Tables, Table 15; CTS Tabulations, Table 18; ITS Tabulations, 17-1.

each American tourist's entire trip is appreciably higher (\$260.00) than is the amount spent for each Canadian's overnight trip (\$157.00).

VII. Activities on the Trip

A. All Overnight Leisure Visitors

Activities reported by visitors could have taken place along the 1000 Islands/St. Lawrence Seaway or in other destinations they visited on their *trip in Canada*. It is most likely that a reported activity took place along the 1000 Islands/St. Lawrence Seaway among domestic and American visitors to the area since these travellers tend not to have multiple destinations on their overnight trips in Canada. For overseas visitors, on the other hand, overnight stops in other destinations while on the trip in Canada are relatively prevalent, making it difficult to know *where* on the trip specific activities took place.

In addition to spending time with friends and relatives, visitors to 1000 Islands/St. Lawrence Seaway shop, sightsee and engage in outdoor activities. A visit to an historic site is also relatively common among visitors to the region.

Same-day visitors in the region are especially likely to visit friends and relatives (39%), shop (36%), sightsee (19%) or engage in an outdoor activity (18% net).

Because they spend more time in the area, **overnight visitors** to the 1000 Islands/St. Lawrence Seaway engage in a wider variety of activities than do same-day excursionists. More than half of them visit with friends and relatives, but they are also especially likely to shop, sightsee, participate in a variety of outdoor recreational or sporting activities, and visit historic sites and/or nature parks while on their trip.

Overnight visitors on trips with a main purpose of **pleasure** are even more likely to engage in a variety of activities than is the average tourist. Pleasure tourists engage in outdoor activities (56%), and particularly boating (27%) and fishing (15%). They are not, however, likely to be found golfing (5%). Attractions such as parks (27%), historic sites (34%), and museums or art galleries (21%) are also comparatively popular within the overnight pleasure market in the 1000 Islands/St. Lawrence Seaway area.

More detail is available for the domestic market's activities than is the case for Americans and overseas visitors. Consequently, the domestic market is examined on its own in the following section.

Table 17: Participation In Specific Activities				
All Markets	Total	Same-Day	Overnight	Pleasure O'night
Total	4,494,000	2,661,000	1,833,000	803,000
	%	%	%	%
Visit Friends Or Relatives	51	39	62	45
Shopping	40	36	44	49
Sightseeing	28	19	39	60
Visit a Historic Site	15	8	23	34
Go to a Bar, Nightclub	13	6	19	20
Visit National/Provincial Nature Park	11	5	17	27
Visit a Museum/Art Gallery	9	6	13	21
Attend Sports Event	8	7	9	5
Attend a Cultural Performance	7	6	8	10
Attend a Festival or Fair	6	3	8	9
Visit Zoo, Aquarium or Botanical Garden	4	2	5	7
Go to a Casino	2	1	3	2
Participate In Sports /Outdoor Activity (Any)	26	18	35	56
Boating	9	4	15	27
Fishing	6	3	9	15
Golfing	2	1	3	5
Hunting	*	*	1	1

*Source: Ontario Ministry of Tourism and Recreation & Research Resolutions, 2001, Harmonized CTS/ITS Detailed Tables, Table 6. *Less than 0.5%. Excludes U.S. same-day visitors to Canada and non-responders.*

B. Canadian Overnight Visitors

Canadians who take overnight trips to the 1000 Islands/St. Lawrence Seaway tend to visit friends and relatives in the region (71%), shop (36%), participate in a variety of outdoor activities (33%) and go

Table 18: Participation In Specific Activities - Canadian Overnight Visitors

Canadian Overnight Visitors	1,354,000
	%
Visit Friends Or Relatives	71
Shopping	36
Participate In Sports /Outdoor Activity ¹	33
Sightseeing	32
Go To A Bar Or Nightclub	17
Visit An Historic Site	16
Visit A National Or Provincial Nature Park	12
Took A Cruise Or Boat Trip	9
Visit A Museum Or Art Gallery	9
Attend Sports Event	8
Attend A Festival, Fair	7
Attend A Cultural Performance	6
Go to a Casino	3
Visit A Zoo, Aquarium, Botanical Garden	3
Visit Theme or Amusement Park	3
Attend an Aboriginal/Native Cultural Activity	2

Source: Ontario Ministry of Tourism and Recreation & Research Resolutions, 2001, CTS Detailed Tables, Table 9. ¹Details of outdoor activities are provided on the following table.

sightseeing (32%). About 1-in-6 go to bars or clubs while on their overnight trip to the 1000 Islands/St. Lawrence Seaway area (17%) and a similar proportion go to historic sites (16%) such as Fort Henry.

National and provincial parks are used by about 1-in-8 Canadians on overnight trips in the region, while about 1-in-10 take a boat tour or cruise, or go to a museum or art gallery.

The most popular **outdoor activities** among these Canadian tourists, many of whom are cottagers, include swimming, walking/hiking, boating and, to a lesser extent, fishing. Boating not only appeals to 146,000 overnight Canadian visitors in the region but is also popular among Canadians on same-day excursions to the area (29,000). Walking and hiking too attracts both overnights (155,000) and same-day domestic visitors (22,000).

Despite the many opportunities in the area to engage in bird watching or animal viewing, Canadians do not seem to seek out this activity. Similarly, they do not engage in outdoor winter activities such as snowmobiling, cross country or downhill skiing to an appreciable extent.

Golfing attracts about 1-in-50 Canadians on overnight trips to the 1000 Islands/St. Lawrence Seaway (25,000) and an additional 12,000 same-day visitors to the region are likely to be found on the greens.

Table 19: Participation In Outdoor Activities - Canadian Overnight Visitors

Canadian Overnight Visitors	Total
	1,354,000
	%
Participate In Sports /Outdoor Activity (NET)	33
Swimming	12
Walking Or Hiking	12
Boating	11
Fishing	5
Cycling	4
Golfing	2
Other Water-Based Activities	2
Bird Or Wildlife Viewing	2
Alpine Skiing/Boarding	2
Cross Country Skiing	1
Snowmobiling	*
Hunting	*

Source: Ontario Ministry of Tourism and Recreation & Research Resolutions, 2001, CTS Detailed Tables, Table 9. *Less than 0.5%.

VIII. Other Important Information

A. Party Size & Composition

Most 1000 Islands/St. Lawrence Seaway visitors are travelling in small groups and in adult-only parties (no children under 15 years). Party composition is relatively consistent across all markets, although Canadian overnight visitors to the 1000 Islands/St. Lawrence Seaway area are more likely to be travelling with children (19%) than are American (11%) or overseas visitors (12%).

Table 20: Party Size and Composition

	Canada	USA	Overseas
Average Party Size – Overnight Trips	1.7	2.1	2.0
Party Composition			
Adults Only	81%	89%	88%
With Children Under 15 Years	19%	11%	12%

Source: Ontario Ministry of Tourism and Recreation & Research Resolutions, 2001, CTS/ITS Detailed Tables, Table 12.

B. Potential Partners

By examining where *else* people stay who spend at least one night in the 1000 Islands/St. Lawrence Seaway area, it is possible to identify *routes* and, in turn, potential partners for packaging and promotion. As is evident from the figures, some overnight visitors, and particularly those from overseas, are following the shore of Lake Ontario and the St. Lawrence Seaway. While there is little multiple-location activity

Table 21: Other Locations Visited on Trips with an Overnight Stay In 1000 Islands/St. Lawrence

	Canada	USA	Overseas
Niagara Falls	1%	8%	38%
Toronto CMA	2%	9%	65%
Ottawa – Hull CMA	6%	9%	43%
Montreal	1%	9%	54%
Quebec City	1%	5%	42%

Source: Ontario Ministry of Tourism and Recreation & Research Resolutions, 2001, Detailed Tables, CTS Table 19; ITS Table 18. *Less than 0.5%.

within the domestic market, almost 1-in-10 American visitors and over 2-in-5 Overseas visitors to the 1000 Islands/St. Lawrence Seaway region *also* spend nights in Toronto, Ottawa, Montreal and/or Quebec City. In addition, Niagara Falls is comparatively popular among foreign

visitors. These findings suggest that continued effort by the 1000 Islands/St. Lawrence Seaway Marketing Partnership be devoted to touring products with destination marketing organizations and tourism operators in each of these centres, particularly when packaging for the overseas market.

C. Economic Impact Estimates for 1000 Islands/St. Lawrence Seaway

Visitors to the 1000 Islands/St. Lawrence Seaway area spent approximately \$439.8 million on tourism activities and services in the region.⁸ This spending ripples through the local and provincial economy, generating additional economic activity including industry output, jobs and wages in tourism-related sectors

such as accommodation, transportation, food services and in other sectors such as manufacturing and agriculture. Tourism spending also generates taxes at the municipal, provincial and federal levels.

Using a series of multipliers generated by the Ontario Ministry of Tourism and Recreation's Tourism Regional Economic Impact Model (OTREIM), estimates of the **economic impact** of tourism in the 1000 Islands/St. Lawrence Seaway area are calculated.

Spending by visitors in the 1000 Islands/St. Lawrence Seaway area during 2001 generated 7,409 *direct jobs* in the local area and an additional 2,983 *indirect* and *induced* jobs, for a total of 10,392 jobs in the region.

Table 22: The Economic Impact of Tourism in 1000 Islands/St. Lawrence Seaway, 2001¹

Dollars are in thousands (\$in millions)	Province-wide Impacts	Impacts in 1000 Islands/St. Lawrence Seaway
Tourism Spending Associated with Visits to 1000 Islands/St. Lawrence Seaway	\$439.8	\$439.8
Total Gross Domestic Product (GDP)	\$432.5	\$259.3
Direct Impact	\$144.4	\$144.4
Indirect Impact	\$167.1	\$60.3
Induced Impact	\$121.0	\$54.6
Total Industry Output (Sales)	\$944.3	\$510.4
Direct & Indirect	\$683.1	\$410.3
Induced Impact	\$261.2	\$100.1
Total Labour Income (Wages & Salaries)	\$271.1	\$177.4
Direct Impact	\$108.4	\$108.4
Indirect Impact	\$99.7	\$42.2
Induced Impact	\$63.0	\$26.8
Total Employment (number of jobs²)	13,168	10,392
Direct Impact	7,409	7,409
Indirect Impact	3,395	1,686
Induced Impact	2,364	1,297
Total Taxes (Direct, Indirect, Induced)	\$193.7	\$138.9
Federal	\$88.3	\$59.9
Provincial	\$77.9	\$58.6
Municipal	\$27.5	\$20.4

¹Preliminary and subject to change due to further revision. ²Jobs = full time, part-time and seasonal employment. Jobs are actual numbers, not in millions. See Glossary

In turn, these jobs generated about \$108.4 million in *direct wages and salaries* for the 1000 Islands/St. Lawrence Seaway area. They also generated \$69.0 million in *indirect* and *induced* wages and salaries, for a total of \$177.4 million in wages and salaries for the area.

Industry output, or total economic activity in the 1000 Islands/St. Lawrence Seaway area required to meet the needs of 4.5 million overnight and same-day visitors reached \$510.4 million in the region during 2001.

Direct **taxes** at the municipal level, primarily associated with property and business taxes, represented about \$13.7 million for the local area. A further \$6.7 million in *indirect* and *induced* municipal taxes were generated for the 1000 Islands/St. Lawrence Seaway area, resulting in about \$20.4 million in municipal taxes that would not have been available if the region had not supported 4.5 million visitors who, in turn, spent \$439.8 million on lodging, food and beverages, entertainment and attractions, transportation and retail purchases over the year.

In addition to the industry output, jobs, wages and taxes generated **in the 1000 Islands/St. Lawrence Seaway area**, tourism activity in this region generates economic impacts in **other parts of the province** as well as provincial and federal tax revenues. When all the impacts of spending by tourists along the 1000 Islands/St. Lawrence Seaway are combined, the \$439.8 million in visitor spending generated approximately an additional 2,776 indirect and induced jobs and a further \$93.7 million in wages and salaries (indirect and induced) in other parts of Ontario. Total economic activity, or industry output in *other* parts of the province as a result of tourists' spending in the 1000 Islands/St. Lawrence Seaway area generated a further \$433.9 million. When added to economic activity *within* the 1000 Islands/St. Lawrence Seaway area, the total industry output from tourism spending by visitors to the area reached \$944.3 million in 2001.

All levels of government benefited from tourism spending along the 1000 Islands/St. Lawrence Seaway as it generated \$193.7 million in **taxes** (direct, indirect, and induced) province-wide. These taxes included

\$27.5 million at the municipal level of which \$20.4 million were retained by the local economy. Tourism spending in the area also generated \$77.9 million in taxes (direct, indirect and induced) at the provincial level and \$88.3 million at the federal level. Direct taxes at the municipal level represented about \$13.7 million for the local area.

IX. Tourism in Kingston

A. Introduction

This chapter is devoted to tourism in the Kingston area, as a subset of the 1000 Islands/St. Lawrence Seaway region. To be included in estimates from the Statistics Canada travel surveys for an area approximating the Kingston Census Agglomeration Area⁹ (Kingston CA), the traveller had to visit locations that met two conditions:

- in MTR's Tourism Region #7, St. Lawrence River Corridor and
- in Frontenac County (Census Division #10).

Kingston

For purposes of this report, Kingston is defined as the portion of Frontenac County (CD 10) that falls within MTR's St. Lawrence River Corridor Tourism Region (#7).

As such, the area closely approximates the city of Kingston (CA). This is a much smaller geographic unit than Frontenac County in total – the definition used in historical assessments of tourism in the *Kingston Area* (e.g., 1999). Because of the difference in definitions, estimates for tourism in Kingston contained in this report are not comparable to those provided in earlier reports.

B. Volume & Origin of Tourists in Kingston

During 2001, Kingston attracted 2.1 million overnight and same-day visitors from all market segments, representing just under half of the 4.5 million visitors in the 1000 Islands/St. Lawrence Seaway area (47%)

over the course of the year.

Over 8-in-10 visitors to Kingston were residents of Canada (81%). Of the 1.7 million person visits by Canadians to Kingston, 1.6 million were made by residents of Ontario. The American market for tourism in Kingston represented about 1-in-7 visitors to the city in 2001, or

Total	Person Visits In Kingston 2,109,000		
	Person Visits in Kingston	% of Kingston Visits	Share of Region*
Canada	1,717,000	81%	57%
USA	284,000	13%	21%
Overseas	108,000	5%	68%
Same-Day Visit	1,122,000	53%	42%
Overnight Visit	988,000	47%	54%

Spending estimates rounded to nearest 100,000. Source: Ontario Ministry of Tourism and Recreation & Research Resolutions, 2001, Harmonized CTS/ITS Detailed Tables, 1, 2,9. Percentages may not add to 100% because of rounding. Figures may not add to total due to rounding.

**These "share" figures represent Kingston's volume as a percentage of the total*

284,000. More than 100,000 visits to Kingston were made by visitors from countries other than Canada and the USA in 2001, or about 5% of the city's total tourism volume (108,000).

Among the major tourism *flows*, Kingston was particularly successful in attracting *domestic* and *overseas* visitors. The 1.7 million Canadian visitors represent 57% of *all* domestic visitors to the 1000 Islands/St. Lawrence Seaway area during 2001 (total in region, 3.0 million). The city also attracted about two-thirds of the 160,000 overseas visitors to the region, or 108,000. In contrast, Kingston attracted only one-fifth of the 1.3 million American visitors to the 1000 Islands/St. Lawrence Seaway area, or 284,000.

At 1.1 million person visits, same-day excursions to Kingston represented over half of all tourism in the city and about two-fifths of all same-day tourism in the region (total in region, 2.7 million). Almost one million overnight person visits were made to Kingston in 2001 (988,000), representing just under half of the city's tourism activity. Kingston's share of overnight person visits to the 1000 Islands/St. Lawrence Seaway area during 2001 reached 54% (total in region, 1.8 million).

C. Spending in Kingston

During 2001, overnight and same-day visitors to Kingston spent about \$232 million on tourism activities, goods and services in the city. This estimate represents just over half of the \$439.8 million spent by *all* visitors in the 1000 Islands/St. Lawrence Seaway area (53%) over the course of the year.

Table 24: Tourism Spending in Kingston, 2001

Total	Tourism Spending In 1000 Islands/St. Lawrence \$231,800,000		
	Spending in Kingston	% of Kingston Spending	Share of Region*
Canada	\$171,700,000	74%	65%
USA	\$38,400,000	17%	26%
Overseas	\$21,800,000	9%	71%
Same-Day Visit	\$41,700,000	18%	41%
Overnight Visit	\$190,100,000	82%	56%

Spending estimates rounded to nearest 100,000. Source: Ontario Ministry of Tourism and Recreation & Research Resolutions, 2001, Harmonized CTS/ITS Detailed Tables, 1, 2,9. Percentages may not add to 100% because of rounding. Figures may not add to total due to rounding.

D. Main Purpose of Overnight Trips in Kingston

Despite the dominance of Canadian overnight visitors to Kingston (77%) relative to the balance of the 1000 Islands/St. Lawrence Seaway area (68%), and the strong institutional infrastructure in Kingston – universities, prisons, and businesses – the two parts of the tourism partnership region draw about equal shares of overnight *pleasure* and *business* travellers.

Overnight pleasure trips

- 42% of overnight trips to Kingston
- 47% of overnight trips to balance of the 1000 Islands/St. Lawrence Seaway area

Overnight business trips

- 9% of overnight trips to Kingston
- 10% of overnight trips to balance of the 1000 Islands/St. Lawrence Seaway area

E. Accommodation in Kingston

Overnight visitors to Kingston spent approximately 2.5 million person nights in private and commercial accommodation facilities in the city during 2001. Over 1.2 million of these person nights were spent in non-commercial accommodation – private homes or private cottages (50%). Approximately one-third of

Table 25: Lodging Nights in Kingston

	All Markets
Total Person Nights in Kingston	2,458,000
Roofed Commercial Accommodation	854,000
Campgrounds/Trailer Parks	73,000
Private Homes/Private Cottages	1,239,000
Accommodation Type Unknown	292,000

Source: Ontario Ministry of Tourism and Recreation & Research Resolutions, 2001, Harmonized CTS/ITS Detailed Tables, Table 5.

all person nights were spent in Kingston’s hotels, motels, bed and breakfast establishments or other forms of roofed commercial lodging (854,000 or 35%). About 73,000 nights were spent in the Kingston area’s campsites and trailer facilities (3%).

Kingston overnight visitors account for almost half of the 5.3 million nights spent in the 1000 Islands/St. Lawrence Seaway area (47%), and for a slightly higher proportion of the 1.7 million person nights spent in paid roofed lodging in the larger region (50%).

F. Economic Impact of Tourism in Kingston

Table 26 displays the economic impact of tourism in the Kingston portion of the 1000 Islands/St. Lawrence Seaway area and, for purposes of comparison, the economic impacts of tourism for the region as a whole. Consistent with the fact that Kingston represents almost one-half of the region's tourism volume

and slightly more than half of all tourism spending, the city accounts for approximately half of the jobs, wages, industry output and taxes generated by tourism in the 1000 Islands/St. Lawrence Seaway area.

Spending by visitors in Kingston during 2001 generated 3,777 *direct jobs* in the municipality and an additional 1,574 *indirect* and *induced* jobs, for a total of 5,351 jobs in the municipality.

In turn, these jobs generated about \$56.4 million in *direct wages and salaries* and \$36.2 million in *indirect* and *induced* wages and salaries, for a total of \$92.6 million in wages and salaries for Kingston.

Table 26: The Economic Impact of Tourism in Kingston, 2001¹

Dollars are in thousands (\$in millions)	Impacts in Kingston	Impacts in 1000 Islands/St. Lawrence Seaway
Total Gross Domestic Product (GDP)	\$134.7	\$259.3
Direct Impact	\$74.8	\$144.4
Indirect Impact	\$32.0	\$60.3
Induced Impact	\$27.9	\$54.6
Total Industry Output (Sales)	\$265.4	\$510.4
Direct & Indirect	\$214.2	\$410.3
Induced Impact	\$51.2	\$100.1
Total Labour Income (Wages & Salaries)	\$92.6	\$177.4
Direct Impact	\$56.4	\$108.4
Indirect Impact	\$22.5	\$42.2
Induced Impact	\$13.7	\$26.8
Total Employment (number of jobs²)	5,351	10,392
Direct Impact	3,777	7,409
Indirect Impact	916	1,686
Induced Impact	658	1,297
Total Taxes (Direct, Indirect, Induced)	\$72.2	\$138.9
Federal	\$31.3	\$59.9
Provincial	\$30.7	\$58.6
Municipal	\$10.2	\$20.4

¹ Preliminary and subject to change due to further revision ² Jobs – full time part-

Industry output, or total economic activity in Kingston required to meet the needs of 2.1 million overnight and same-day visitors reached \$265.4 million in the city during 2001.

Direct **taxes** at the municipal level, primarily associated with property and business taxes, represented about \$6.7 million for Kingston. A further \$3.5 million in *indirect* and *induced* municipal taxes were generated for Kingston, resulting in about \$10.2 million in municipal taxes that would not have been available if the city had not supported over two million visitors who, in turn, spent about \$232 million on lodging, food and beverages, entertainment and attractions, transportation and retail purchases over the year.

In addition to the industry output, jobs, wages and taxes generated **in Kingston**, tourism activity in this region generates economic impacts in **other parts of the province** as well as provincial and federal tax revenues. For details of impacts in other parts of Ontario, please refer to the economic impact tables, appended to this report.

X. The Travel Activities and Motivation Survey (TAMS)

A. Introduction

In this section, summary information from the Travel Activities and Motivation Survey (TAMS) is provided to aid local tourism planners and operators in understanding the market potential for the types of tourism products they offer. TAMS provides estimates of the potential market available to destinations in Ontario. Because the province itself and the states in the Great Lakes basin represent the largest tourism flows to Ontario, these regions are the focus of this analysis.¹⁰

Within TAMS, tourists of greatest interest to the 1000 Islands/St. Lawrence Seaway Marketing Partnership are likely to be those who have taken leisure trips in Ontario over the past couple of years and who, while on their travels, participated in the types of activities the region has to offer.¹¹

It is important to note that the tourists described in the TAMS study have taken leisure trips to Ontario and have participated in a cluster of activities while on trips but they may have **engaged in the particular tourism experiences in any destination they visited over a two year period**. For example, Hard Outdoor Adventurers who have visited Ontario recently may have been scuba diving and/or white water rafting while on a trip in the past two years, but they may not have engaged in these activities *in Ontario*.

B. Market Segments in Ontario and the Great Lakes States

Table 27 describes the potential market for various *high intensity* tourist segments among Ontario and Great Lake State residents who have taken a leisure trip to Ontario in the past two years. The percentages shown in the table represent the proportion of the *total* market segment that have taken trips to Ontario destinations in the recent past (see Appendix for the total market sizes).

Table 27: Activity-Based Market Segments				
	Ontario Residents		Great Lakes State Residents	
	Ontario Travellers	% of Market Segment	Ontario Travellers	% of Market Segment
<i>Adults (18+)</i>	4,200,000		9,800,000	
Outdoor Oriented Segments				
Hard Outdoor Adventurers	460,000	83%	1,030,000	23%
Soft Outdoor Adventurers	580,000	75%	1,490,000	25%
Winter Outdoors Participants*	710,000	78%	1,140,000	24%
Golf Enthusiasts	710,000	70%	1,690,000	25%
Cultural/Heritage Segments				
Wine/Culinary	560,000	75%	1,920,000	29%
Art Galleries/Museums	1,200,000	67%	3,640,000	25%
Cultural Performances	680,000	78%	1,820,000	26%
Zoos/Aquariums	550,000	56%	2,910,000	25%
Theme Parks	530,000	56%	3,080,000	25%
Casinos	730,000	64%	3,140,000	28%

*Source: Special TAMS Tabulations, pages 15-1/2. Note: by definition, "soft outdoor adventure enthusiasts" are NOT "hard outdoor adventure enthusiasts". *Excludes alpine skiers. All estimates have been rounded to the nearest 10,000.*

For example, 580,000 Ontario adults are Soft Outdoor Adventurers and have taken a leisure trip in the past two years to an Ontario destination. These 580,000 Ontario residents represent 75% of all Ontario residents in the Soft Outdoor Adventurer segment (780,000). In contrast, 1.5 million residents of the Great Lakes states are Soft Outdoor Adventurers and have taken a leisure trip in the past two years to an Ontario destination. These 1.5 million Americans represent 25% of all Great Lakes State residents in the Soft Outdoor Adventurer segment (5.9 million). Using this example, it is clear that the Ontario attracts a higher proportion of tourists from each of the market segments within Ontario than it does within the Great Lakes States.

C. Opportunities for the 1000 Islands/St. Lawrence Seaway Area

The largest markets on both sides of the Ontario/U.S. border are oriented toward **art galleries or museums** – types of attractions that are widely available in the 1000 Islands/St. Lawrence Seaway area. Within the Ontario resident market, **golf** and **winter outdoors**, including activities such as cross country skiing, snowmobiling and ice fishing, followed by **cultural performances** represent strong opportunities for the 1000 Islands/St. Lawrence Seaway area. The area has golf courses, boating and natural outdoor environments to offer tourists in the Golf and Soft Outdoor Adventure

Table 28: Rank Order – Adults Who Took A Leisure Trip in Ontario Recently	
Ontario Residents	Great Lakes State Residents
1. Art Galleries/Museums	1. Art Galleries/Museums
2. Casinos	2. Casinos
3. Golf Enthusiasts	3. Theme Parks
4. Winter Outdoors Participants	4. Zoos/Aquariums
5. Cultural Performances	5. Wine/Culinary
6. Soft Outdoor Adventurers	6. Cultural Performances
7. Wine/Culinary	7. Golf Enthusiasts
8. Zoos/Aquariums	8. Soft Outdoor Adventurers
9. Theme Parks	9. Winter Outdoors Participants
10. Hard Outdoor Adventurers	10. Hard Outdoor Adventurers

market segments during warm weather seasons. The region can also provide ice fishing and other winter activities to attract Winter Outdoor Participants. Thus, the 1000 Islands/St. Lawrence Seaway area offers tourism experiences that appeal to many Ontario residents.

Attracting **outdoor adventurers** from the Great Lakes states seems to pose a greater challenge for Ontario than is the case among Ontario residents. This finding is not surprising in light of the fact that many Great Lakes state residents have terrain and outdoor opportunities in their own *backyards* that are very similar to those the 1000 Islands/St. Lawrence Seaway area could offer them. If efforts are made to lure Great Lakes state residents in the Hard, Soft and Winter outdoor markets to the 1000 Islands/St. Lawrence Seaway area, the emphasis may have to be on what makes the region’s outdoor sites and attractions substantively *different* from those these Americans can find at home.

1. Some General Comments

As the 1000 Islands/St. Lawrence Seaway Marketing Partnership evaluates where to focus its marketing and promotional efforts and budget, it might take into account the following realities:

1. Ontarians are easier to attract to destinations within the province than are residents of the Great Lakes States;
2. Ontario's population will grow at a substantively higher rate than will the rest of Canada or the Great Lakes Basin over the next two decades (see projections to 2026); and
3. Marketing to the Ontario resident population is appreciably less costly than is directing advertising to market segments in the Great Lakes states.
4. 1000 Islands/St. Lawrence Seaway might try and build on the available Aboriginal product in the region (e.g., The Missing Chapters or the Silver Lake Pow Wow) since this is a potential growth market, particularly in U.S. border states. Consideration might also be given to building packages around local festivals and fairs and farmers' markets, both as a way to lure American tourists to the region and to expose the many new Canadians who live in the Toronto area to the natural wonder and beauty of their new country. These types of products might be packaged with *gentle* outdoor experiences to take into account the aging of a substantive segment of the travelling public.

2. More Information on Market Segments

For more information on the demographic profiles and tourism activity preferences of members of various Canadian and American activity-based market segments, the reader is encouraged to obtain copies of a series of reports prepared by Research Resolutions & Consulting Ltd. for the Canadian Tourism Commission. These reports are available on the CTC's website (e.g., *U.S. Heritage Tourism Enthusiasts – A Special Analysis of the Travel Activities and Motivation Survey (TAMS) Executive Summary*, Research report 2002-9).¹²

D. Implications of Population Changes on Tourism Activity Segments

Ontario residents are the primary source of domestic tourism activity in the province now, representing approximately 88% of all overnight person visits by Canadians to destinations in Ontario.¹³ Similarly, Great Lakes state residents are the primary source of U.S.A. tourism activity in the province, representing approximately two-thirds of all overnight person visits by Americans in Ontario.¹⁴ These two markets are also the most prominent sources of overnight tourism along the 1000 Islands St. Lawrence Seaway. Because of their importance to tourism in the region and in the province as a whole, changes to the demographic profile of Ontarians and Great Lake state residents over time are apt to have an especially dramatic impact on Ontario's tourism volume and value, and the types of activities these residents and American neighbours will seek on their travels.

Key changes in these markets are described below. This information is extracted from reports prepared by Research Resolutions & Consulting Ltd. for the Ontario Ministry of Tourism and Recreation and available from MTR:

- *Impacts of Aging the Canadian Market on Tourism in Ontario* and
- *Impacts of Aging the American Market on Tourism in Ontario.*

For more information on changing demographic and travel behaviour characteristics of Great Lakes state residents and Ontario residents over the next 25 years, the reader is encouraged to visit the MTR website to obtain copies of the full reports.¹⁵

1. Ontario Residents

Fundamental changes in Ontario's population structure will influence tourism planning and product development over the next two decades:

- Ontario's population will grow at an appreciably higher rate than will the population of Canada as a whole. At an estimated 37% increase in Ontario's adult population by 2026 compared to a 27% increase for Canada, the pool from which Ontario has to draw for the all-important resident market will increase. By 2026, this population is estimated to be over 12 million adults (18+).
- Older people – those who are at least 55 years of age – will represent an increasingly sizeable proportion of the province's population. They currently account for approximately one-quarter of the adult population (26%) but will represent about two-fifths by 2026 (41%).
- As the population ages, the proportion of Ontario residents living in households with children will decline. At this time, close to 4-in-10 adult residents live in households with teenagers or children (37%), but this proportion will decline to less than 3-in-10 by 2026 (29%).
- A higher proportion of Ontario residents will be foreign-born in 2026 (37%) than is the case now (31%) with particular increases in Eastern European and Asian immigrants predicted, assuming pre-September 11, 2001 immigration policies.

If the new generation of Ontario residents displays similar tourism activity preferences to their 2000 counterparts, the impact of an aging population will result in a shift away from strenuous outdoor activities and a corresponding shift toward non-strenuous *warm weather* outdoor activities and indoor cultural events and attractions. The comparative reluctance of foreign-born residents to participate in strenuous outdoor experiences will contribute to the move away from traditional outdoor tourism experiences by Ontario residents.¹⁶

Foreign-born potential domestic tourists, many of whom will be concentrated in the Toronto area, may seek tourism experiences that respect their language, cultural traditions and cuisine. To attract this market, tourism businesses along the 1000 Islands/St. Lawrence Seaway may have to adapt their products and services to meet the needs of various cultural and ethnic groups. The region might also consider marketing

local festivals and fairs such as the Kingston Buskers Rendezvous, Lanark County International Ploughing Match and Farm Machinery Show, Interconnected Art - Kingston Art Tour, the Upper Canada Trade Faire and the major historic sites such as the Penitentiary Museum, Fort Henry National Historic Site, Heritage House Museum, MacLachlan Woodworking Museum, and the Marine Museum of the Great Lakes to new Canadians as ways to learn more about Canada's traditions.

Predicted declines in Ontario residents' interest in traditional outdoor activities such as fishing, canoeing, hunting and camping could have substantive implications for product development and marketing of tourism along the 1000 Islands/St. Lawrence Seaway over the coming years.

2. The Great Lakes Basin

Similar fundamental changes in the U.S. Great Lakes Basin's population structure are expected to occur between now and 2025:

- As the primary market for inbound U.S. tourism to Ontario, the Great Lakes states' population will grow at an appreciably lower rate than will the population of the U.S.A. as a whole, and particularly the southern tier of the U.S.A. At an estimated 9% increase in the Great Lake states' adult population by 2025 compared to a 27% increase for the entire country, the pool of Americans from which Ontario has to draw from for the all-important "border" market will increase at a lower rate than will more distant parts of the U.S.A. By 2025, Great Lakes states' population is estimated to be approximately 65.4 million adults (18+).
- States in the Great Lakes basin will not grow at the same rate over the next two decades. In fact, the region's key feeder state – New York – will grow at the same rate as the region as a whole (9%). This growth rate may have implications for sustaining the important U.S. tourist market for 1000 Islands/St. Lawrence Seaway in the future (see Appendix for growth rates by state).

- Older people – those who are at least 55 years of age – will represent an increasingly sizeable proportion of the region’s population. They currently account for over one-quarter of the adult population (28%) but will represent over one-third by 2025 (36%).
- As the population ages, the proportion of Great Lake state residents living in households with children will decline. At this time, 1-in-3 adults live in households with teenagers or children (33%), but this proportion will decline to less than 3-in-10 by 2025 (29%).

Like their Ontario counterparts, an aging Great Lakes state population will result in a shift away from strenuous outdoor activities and a corresponding shift toward non-strenuous *warm weather* outdoor activities and indoor cultural events and attractions. In some cases, the absolute number of Great Lakes state residents interested in some of the outdoor tourism product Ontario has traditionally featured will actually decline.

With an increasingly aging population, Great Lakes state demand for cultural attractions and performances is expected to grow. For example, art galleries and general history museums can expect increases in the proportions of U.S. travellers who will seek these experiences while on trips. While still relatively small *niche* markets, wineries, dance and classical music or opera performances are also likely to benefit from the aging of the travelling public.

XI. Appendices

Appendix Table 1: Activity-Based Market Segments				
	Ontario Residents		Great Lakes State Residents	
	Total Adults (18+ Years)	Ontario Travellers	Total Adults (18+ Years)	Ontario Travellers
<i>Millions of Adults (18+)</i>	8.9	4.2	64.3	9.8
Outdoor Oriented Segments				
Hard Outdoor Adventurers	0.6	0.5	4.4	1.0
Soft Outdoor Adventurers	0.8	0.6	5.9	1.5
Winter Outdoors Participants*	0.9	0.7	4.6	1.1
Golf Enthusiasts	1.0	0.7	6.8	1.7
Cultural/Heritage Segments				
Wine/Culinary	0.8	0.6	6.6	1.9
Art Galleries/Museums	1.8	1.2	14.3	3.6
Cultural Performances	0.9	0.7	6.9	1.8
Zoos/Aquariums	0.9	0.5	11.5	2.9
Theme Parks	0.9	0.5	12.5	3.1
Casinos	1.1	0.7	11.1	3.1

*Source: Special TAMS Tabulations, pages 15-1/2. Note: by definition, "soft outdoor adventure enthusiasts" are NOT "hard outdoor adventure enthusiasts".*Excludes alpine skiers.*

Appendix Table 2: The Adult Population 2000 & 2025 by State				
	2000	2025	Percentage Increase	Percentage of Ontario's 2000 USA Overnight Person Visits*
Great Lakes	60,184,000	65,440,000	+9%	
New York	13,673,000	14,926,000	+9%	18%
Pennsylvania	10,044,000	9,899,000	-1%	6%
Wisconsin	3,805,000	4,537,000	+19%	3%
Michigan	7,266,000	7,659,000	+5%	22%
Illinois	8,858,000	10,060,000	+14%	5%
Indiana	4,344,000	5,055,000	+16%	N/A
Ohio	8,662,000	9,058,000	+5%	9%
Minnesota	3,534,000	4,245,000	+20%	4%

Source: Special TAMS U.S.A. Tabulations, page 5. ITS USA 2000 Special Tabulations, page P2-1.

A. Economic Impact Tables

Economic Impact of Tourism in 1000 Islands/St. Lawrence Seaway Area		
\$ in millions	Total Impacts in Ontario	Impacts in 1000 Islands/St. Lawrence Seaway
Visitor expenditures in 1000 Islands/St. Lawrence Seaway	\$439.8	\$439.8
Gross Domestic Product:		
Direct	\$144.4	\$144.4
Indirect	\$167.1	\$60.3
Induced	\$121.0	\$54.6
Total	\$432.5	\$259.3
Labour Income:		
Direct	\$108.4	\$108.4
Indirect	\$99.7	\$42.2
Induced	\$63.0	\$26.8
Total	\$271.1	\$177.4
Industry Output:		
Direct & Indirect	\$683.1	\$410.3
Induced	\$261.2	\$100.1
Total	\$944.3	\$510.4
Employment - Number of Jobs:		
Direct	7,409	7,409
Indirect	3,395	1,686
Induced	2,364	1,297
Total	13,168	10,392
Taxes (Direct):		
Federal	\$42.2	\$42.2
Provincial	\$43.0	\$43.0
Municipal	\$13.7	\$13.7
Total	\$98.9	\$98.9
Taxes (Total):		
Federal	\$88.3	\$59.9
Provincial	\$77.9	\$58.6
Municipal	\$27.5	\$20.4
Total	\$193.7	\$138.9
Note: 1000 Islands/St. Lawrence Seaway portion is included in "Ontario" impacts.		

Economic Impact of Tourism in Kingston		
\$ in millions	Total Impacts in Ontario	Impacts in Kingston*
Visitor expenditures	\$231.8	\$231.8
Gross Domestic Product:		
Direct	\$74.8	\$74.8
Indirect	\$89.5	\$32.0
Induced	\$63.7	\$27.9
Total	\$228.0	\$134.7
Labour Income:		
Direct	\$56.4	\$56.4
Indirect	\$53.2	\$22.5
Induced	\$33.2	\$13.7
Total	\$142.8	\$92.6
Industry Output:		
Direct & Indirect	\$361.5	\$214.2
Induced	\$137.6	\$51.2
Total	\$499.1	\$265.4
Employment - Number of Jobs:		
Direct	3,777	3,777
Indirect	1,832	916
Induced	1,233	658
Total	6,842	5,351
Taxes (Direct):		
Federal	\$22.0	\$22.0
Provincial	\$22.5	\$22.5
Municipal	\$6.7	\$6.7
Total	\$51.2	\$51.2
Taxes (Total):		
Federal	\$46.4	\$31.3
Provincial	\$41.0	\$30.7
Municipal	\$13.9	\$10.2
Total	\$101.3	\$72.2
Note: Kingston portion is included in "Ontario" impacts. *Frontenac portion of 1000 Islands/St. Lawrence Seaway Area		

B. International Tourist Arrivals, 1988-2001

(000s)

(Statistics Canada)

Year	U.S.	U.K.	Japan	France	Germany	Total Overseas	Total Arrivals
1988	12,763	527	324	230	263	2,722	15,485
1989	12,184	561	387	243	263	2,927	15,111
1990	12,252	553	411	259	253	2,958	15,210
1991	12,003	530	393	307	273	2,909	14,912
1992	11,819	536	392	310	290	2,922	14,741
1993	12,024	562	408	361	339	3,081	15,105
1994	12,542	577	481	410	367	3,429	15,972
1995	13,005	641	589	430	421	3,927	16,932
1996	12,909	691	648	460	447	4,377	17,285
1997	13,401	734	566	439	398	4,234	17,636
1998	14,893	747	484	402	379	3,935	18,828
1999	15,180	780	516	414	393	4,187	19,367
2000	15,225	866	500	404	385	4,393	19,618
2001	15,590	826	410	356	337	4,034	19,624

C. Glossary of Economic Impact Terms¹⁷

Directly Attributable To Tourism refers to the portion of the tourism-related sectors' economic activity that is attributed to the tourists' spending.

Direct Impact refers to the impact that the tourists' spending has on the front-line businesses serving these tourists (i.e. the tourism-related sectors).

Employment jobs that are *attributed to tourism* are generated by MTR's economic impact model, which essentially converts tourists' expenditures in a particular industry to jobs according to the industry's production process and part-time/full-time ratios.

GDP this figure refers to the total value of wages & salaries, profits and indirect taxes (less subsidies) generated in the industries involved in the production process that is initiated with the tourists' spending.

Gross Output refers to the total sales achieved by all industries (direct and indirect) that participate in the production process initiated by the tourists' spending.

Indirect Impact refers to the economic impact resulting from the expansion of demand from the industries involved in the direct supply of goods and services to tourists, to other industries.

Induced Impact refers to the economic impact associated with the re-spending of labour income and/or profits earned in the industries that serve tourists directly and indirectly.

Initial Impact refers to the impact on GDP, labor income, jobs or taxes generated by tourism spending in tourism front-line businesses. These front-line businesses are those that sell products and services directly to tourists, e.g. accommodations, restaurants, recreations, travel agents, transportation and retail enterprises etc.

Jobs Ontario's Tourism Regional Economic Impact Model (TREIM) uses the Statistics Canada's Labour Force Survey (LFS) definition of a job. Thus, jobs generated by the model include both part-time and full-time as well as seasonal. They also include paid employees as well as unpaid family employees. See *Employment* for jobs that are "attributed to tourism".

Municipal Taxes refers to business and property taxes collected by municipalities. Although in the long-term these taxes are correlated with the economic health of the community, in the short-term these taxes may not be related to the community's economic fluctuations.

Sales (Industry Output) Total sales (industry output) is the sum of all receipts for goods and services purchased by tourists at all levels of production. This measure differs from GDP since GDP is the *value added* of all sales to the domestic economy. For example, when a farmer sells an egg to a restaurant for

fifty cents and the restaurant sells this same egg to the tourist for \$2.00, the “sales” value is \$2.50 (sum). The contribution to GDP is \$2.00 of which fifty cents is the farmer’s contribution and \$1.50 is the restaurant’s contribution.

Tourism Tourism comprises the activities of persons travelling to and staying in places outside their usual environment for not more than one consecutive year for leisure, business and other purposes.¹⁸ In Ontario, the definition of tourism also excludes same day travellers who, in order to reach their destination, travelled less than 40 kms (one way) away from home.

Tourism Related Industries refers to the sectors that supply the goods and services consumed by tourists. These sectors are: transportation (air, rail, bus and local), accommodation services, food & beverage services, amusement & recreation services, retail and “other” services (car rental, travel agents). Although these sectors supply the goods and services consumed by tourists, they also supply goods and services consumed by non-tourists. As such not all of these sectors’ revenues and jobs are attributed to tourists spending.

Notes

¹The region covered by this report is defined as follows: MTR Tourism Region 07 and Census Divisions 01, 07, 10. Estimates for Kingston are based on a geographical subset of this larger region. The subset closely approximates the Kingston Census Agglomeration Area (CA): Tourism Region 07 and CD 10.

²Touristic spending that accrues to the region for residents who are taking trips elsewhere, and fares by non-domestic visitors to the county are not included in the main analysis.

³If origin and destination are in the same area, origin spending is considered to be destination spending, but if the origin and destination are not the same, the origin spending is excluded.

⁴Snowmobiling is not included in the U.S. and Overseas ITS questionnaires.

⁵See Harmonized Tabulations, page 3-2.

⁶See Canadian Travel Survey Tabulations, page 7-1/2.

⁷See Canadian Travel Survey Tabulations, page 7-1/2.

⁸Estimates of economic impacts of tourism provided by the Ontario Ministry of Tourism and Recreation generally include spending on transportation for residents to leave their place of residence. These carrier fares are NOT included in the economic impact calculations provided herein because they do not represent spending by people attracted to the region.

⁹Kingston had not been designated as a Census Metropolitan Area (CMA) when the 2001 surveys were conducted.

¹⁰States included in the Great Lakes Basin: New York, Pennsylvania, Michigan, Ohio, Illinois, Minnesota, Wisconsin, Indiana.

¹¹The high intensity and participant groups described here were developed by the Ontario Ministry of Tourism and Recreation in conjunction with the Ontario Tourism Marketing Partnership.

High Intensity Soft Outdoors - Minimum of two of the following from the TAMS “activities on trips in past two years” list and not already categorized as “High Intensity Hard Outdoor Adventure”: recreational biking, biking as an overnight touring trip, any motorcycling, kayaking or canoeing, motor boating, sailing, wind surfing, hiking/backpacking, horseback riding, hot air ballooning, cross-county skiing, downhill skiing, snowboarding, any snowmobiling. May include consumptive outdoor activities (hunting/fishing).

High Intensity Hard Outdoors - Took trip to experience adventure and excitement in past two years and at least one of: ice or rock climbing, mountain biking; dog sledding; hang-gliding; bungee jumping; heli-skiing; scuba diving. May include consumptive outdoor activities (hunting/fishing).

High Intensity Wine/Culinary - Any of: Stay at cooking school, wine tasting school or gourmet restaurant with accommodation on the premises; or minimum of 2 of the following: touring a region’s wineries; going to wineries for day visits; dining at internationally acclaimed restaurants.

High Intensity Gallery/Museum Goers - Minimum of two of the following from the TAMS “activities on trips in past two years” list: Aboriginal museum; art galleries; general history museums; science/tech museums; musical attractions such as Rock ‘n Roll museum.

High Intensity Golfers - From TAMS experiences/activities on trips in past two years: Took trip to participate in hobby or sport (e.g., golf, fishing, photography) in past 2 years and any of occasional golf game while travelling; stay at golf resort for one or more nights; take a packaged golf tour to play on various courses.

High Intensity Cultural Performance Tourists - Minimum of three of the following from the TAMS “activities on trips in past two years” list: opera, ballet, theatre, concerts (classical, jazz, rock ‘n roll); musical, literary or theatre festival.

High Intensity Casino Gamblers - From the TAMS “experiences/activities on trips in past two years” list: Trip experience to “visit casinos and gamble” and casinos as activity.

Mega-Theme Park Enthusiasts - Minimum of two of the following from the TAMS “activities on trips in past two years” list: movie theme parks, science & technology theme parks; amusement parks such as Disneyland; garden attractions such as Cypress Gardens.

Any Other Winter - Any of: ice climbing, dog sledding, ice fishing, snowmobiling, cross country skiing (any or as a touring trip) [excludes alpine skiers and snowboarders].

¹²http://ftp.canadatourism.com/ctxUploads/en_publications/USA_heritage_TAMS_exec.pdf

¹³See 2001 Canadian Travel Survey Tabulations provided to MTR in July, 2002.

¹⁴See 2000 International Travel Survey Tabulations (USA) provided to MTR in 2002.

¹⁵<http://www.tourism.gov.on.ca/english/research/tams>

¹⁶ See *Big City Attractions* tabulations prepared from TAMS for the Ontario Tourism Marketing Partnership, February, 2002. In the Toronto CMA – the likely reception site for many new immigrants to the province – those born outside Canada participate in outdoor activities such as canoeing, fishing and hunting at about half the rate as do Torontonians who were born in Canada. Participation rates in various urban and indoor-oriented activities such as museums, art galleries, theatre and concerts in their home community, favour Canadian-born residents but are considerably closer for the two groups than is the case for outdoor activities.

¹⁷ Modified from *Glossary* prepared by Alex Athanassakos, Ontario Ministry of Tourism and Recreation.

¹⁸ Excluded from the definition of tourism are: border workers and other travellers that commute to work, temporary immigrants, permanent immigrants, nomads, transit passengers, refugees, members of armed forces, representation of consulates and diplomats.