



The Ontario Restaurant Hotel & Motel Association

Mapping Ontario's Tourism Future

Submission to the Ontario Tourism Competitiveness Study

"With the advent of globalization, the reduction in the cost of telecommunications, expansion of market economies throughout the world, and the endurance of democracy, the roles of the three sectors have become increasingly interdependent"

The World Bank on Business, Society and Government

Introduction

The Ontario Restaurant Hotel & Motel Association (ORHMA)

The Ontario Restaurant Hotel & Motel Association (ORHMA) was formed in 1999 as a result of the amalgamation of the Ontario Hotel & Motel Association and the Ontario Restaurant Association.

The Ontario Hotel & Motel Association was a member organization that had been in existence since 1925. Its membership was composed of two major sectors of the hospitality industry; the lodging or accommodation sector which included large and small hotels, motels and motor inns and the licensee sector which included licensed establishments. The Ontario Restaurant Association was formed in 1928.

Today, the ORHMA is the largest provincial hospitality association in Canada representing over 11,000 business establishments.

Ontario's Hospitality Industry

In today's Ontario, the hospitality industry is the fastest growing sector of the economy. The hospitality industry in Ontario accounts for more than 22,000 foodservice establishments and 3,000 accommodation properties across the province, and directly employs close to 400,000 Ontarians.

Ontario's hospitality industry is one of the most dynamic and competitive sectors of the provincial economy contributing 4.3% of the provincial GDP. The \$25.2 billion industry has the potential to create more jobs, more investment and more service destinations. We are uniquely positioned to contribute to the economy of every Ontario community.

Ontario's Tourism

Tourism has a vital role in the economic success of the hospitality industry and the overall economy and development of Ontario. Tourism is facing serious challenges.

It is recognized that for tourism to develop in a sustainable manner an appropriate regulatory, fiscal, social and capital framework is required. Since the economic impact of tourism has been recognized the industry is regarded as a powerful economic source.

With the effect of increasing competition many destinations are continuously forced to search for the best ways of growing share forcing additional effort toward establishing a competitive advantage.

Ontario's tourism industry needs to stimulate a competitive advantage. This is not unique to Ontario but it is recognized as a global phenomenon leading to even more stiff competition in the future. Demand has been and will continue to change, the traveler has changed and technology is bringing new ways of doing business. With a touch of a keyboard someone is able to tour the world with many choices and options offered.

The ORHMA is pleased that the Government of Ontario has recognized the importance of Tourism and the Competitiveness study is a starting point. There are many opportunities to take advantage of the global growth in tourism market and the ORHMA believes a future-focused framework for Ontario within a business style execution will bring rewards.

The ORHMA welcomes Ontario's Tourism Competitiveness Study and is pleased to submit its recommendations to support the Mapping out of Ontario's Tourism Future.

Summary of Recommendations

The ORHMA is listing here a summary of its recommendations. A full report is presented within this submission paper.

What Are Our Best Prospects?

Domestic Travel

1. Develop a "Pride of Ontario" theme campaign to ignite Ontarians to travel and visit Ontario Experiences.
2. Target the Province of Quebec.

Access to Ontario's Market

3. The Ontario Government should lobby the Federal government to develop border efficiencies, liberalizing air services and reduce airport expenses.
4. The Ontario Government should lobby the Federal Government to secure an Approved Destination Status (ADS) with China.

How We Can Provide The Experiences Tourists Want?

Visitor Way Finding and Signage to Ontario's Product

5. It is recommended that a specific provincial industry and government led task team be established to identify an action plan of improving the "way-finding" gaps to offer visitors a more enjoyable and efficient experience.

Transportation to Experience Ontario's Product

6. Establish a closer partnership with industry, government and private sectors in ensuring efficiencies, key travel points access and tourism demands are addressed in all transportation plans.
7. Build the Toronto Airport link to Union Station.

Festivals and Events

8. Develop a reinvigorated and fresh approach to the festivals and major events product. Drive a marketing plan with emphasis on unique offerings capturing new markets, particularly in the non-peak periods.

Investment by the Private Sector on Attractors

9. Involve and work with the private sector to invest, develop and execute a plan to address the experience deficiencies in the province through a renewed and fresh Ontario product.

A Responsible Investment Project Team

10. Establish an investment project team to work within a measurable business plan to drive activities to conclusion irrelative of staff changes. This team needs to be empowered to work with all levels of government in removing regulatory barriers and employ incentives for beneficial use.

How Do We Market Ontario?

Marketing Ontario

11. Synergize the promotional themes across the industry.
12. Review OTMPC's business model.

How Can We Ensure A Well Trained Workforce?

Ontario's Workforce

13. Work within a plan and implement recruitment and development opportunities as presented by the Workforce Shortage Coalition.
14. The Ontario Tourism Education Corporation (OTEC) needs to be strengthened in order for this organization to act as the foundation in human resources training and development for the tourism sector.
15. The province needs to prioritize the development and support of first time employee training module to react to upcoming workforce crisis.

Apprenticeship Training Tax Credit Program

16. Broaden the eligibility criteria for the existing Apprenticeship Training Tax Credit to include red seal positions of Culinary Cooks and Bakers
17. Offer an extra year of eligibility to the ATTC so employers receive an additional credit for apprentices upon completion of the program.

Apprenticeship Enhancement Fund (AEF)

18. Through the AEF focus on supporting hospitality institutions.

Culinary Institute of Higher Learning

19. The Ontario government needs to work with the industry and education sector partners to develop a strategy of creating a world rank culinary institute and examine a model of government funding to support culinary accreditation.

What Are The Appropriate Roles For Government?

Extremely Regulated Hospitality Industry

20. Continue to drive the "Red Tape" review and work along with the industry to simplify the process to the operator.

Destination Marketing Fees

21. Maintain the existing DMF model.
22. Municipalities must not be allowed to add a room tax.
23. The funds must be dedicated to destination marketing.
24. The governance needs to stay with the industry that must develop a "Best Practices" model that defines how a DMF should be implemented within a third party administration to ensure fair compliance in all regions.

Commitment to This Study

25. Ensure responsibility and accountability are applied in the industry's recommendations and implementation is followed all the way through.

How can the Industry Work Together to Achieve Success?

Leadership

26. The government is to facilitate and create a Tourism Culture through engagement, communication, provision of required tools, breaking barriers, developing experiences and most importantly inspiring campaigns and themes that pull all stakeholders together.
27. Leadership of the sector by the sector is essential. Players within the tourism sector are to drive the agenda within a framework of "one voice", goals and measurements ensuring the industry's members are engaged and succeed.
28. All organizations must be self sustained.

What Are Our Best Prospects?

Domestic Travel

Ontarians are travelling more and more within Ontario and contribute 80 per cent of the visitors travelling in the province. A much stronger "Pride of Ontario" theme campaign needs to be ignited by the government similar to the "Local Food" movement. This requires stakeholder engagement and harmonization in the delivery by all players. The campaign needs to touch the hearts of Ontarians. Aim at natural and modern Ontario Experiences and tell the story.

The Maritime Provinces are discovering success with a tourism strategy and well planned framework of activities. The campaigns are impressive as they have been able to connect the messaging with their region. Their marketing budget is well targeted.

Ontario has potential to target our Domestic Market including our closest province to the east the province of Quebec due to its location and population size. Address the profile needs of this market with Ontario's tourism industry equipping them with readiness then shift a larger share of marketing funding to penetrate this province. Capitalize on Ontario's French Heritage regions.

Recommendation:

1. Develop a stronger "Pride of Ontario" theme campaign to ignite Ontarians to travel and visit Ontario Experiences.
2. Target the Province of Quebec.

Access to Ontario's Market

Canada and the USA's special relationship once included easy border access contributing to uncomplicated tourism flow. The borders still facilitate the largest bilateral trading relationship in the world. There are enormous benefits to the two countries but the access issues have battered the tourism industry resulting in mammoth declines impacting each and every tourism sector.

Ontario can not be complacent and rationalize this as a "Homeland Security" and strictly a "Federal Government" issue. The Province of Ontario must lead the way and continue to lobby the federal government for improvements at our borders and for policies to increase visits from the U.S. Market. We need to learn from the European Union which overcame historic differences and now operates with "free borders". We call upon the government of Ontario to focus on the following border impediments:

- High fuel prices, a strong Canadian dollar, lengthy border wait times and confusion surrounding passport requirements have altered longstanding leisure travel patterns for residents of Ontario and its border states. The Ambassador Bridge at Windsor-Detroit wait times was in excess of four hours between July and August 2007. Visitors crossing at the Blue Water Bridge experienced delays of at least an hour. These delays are unacceptable to most travelers and seriously threaten our industry.

Required Government Actions:

- ❖ Enhancing the physical infrastructure at Canada's crossing facilities, including augmented investment in NEXUS infrastructure which is less than 200,000 persons. We need to grow this number through establishing enrolment centers, streamlining the renewal process and contain adequate equipment.
- ❖ Along with the infrastructure add manpower. A major concern for the business community is that not all border booths are operational during peak times at major crossings resulting in increased border wait times. This has a direct negative impact on just-in-time logistics practices and affects tourism travel between Canada and the USA.
- ❖ Clarifying acceptable border-crossing documents.
- ❖ Developing new biometric-based, RFID-linked and/or machine readable forms of identification similar to an enhanced drivers license, will help manage the flow of people across our shared borders.
- ❖ Screening low risk, repeat travelers from the general queue will free up resources for customs and border patrol officials to focus their energies on detecting real security or criminal threats.

We call upon the government of Ontario to focus on the following aviation impediments:

- Canada's geography and rugged landscape necessitate travel by air. Air travel issues have a significant impact on the viability and sustainability of Canada's tourism sector. Statistics Canada reports that demand for passenger air transportation services is a \$12.8 billion industry in Canada, which equates to 19% of tourism demand. Over the past few years there have been many significant changes to Canada's airline industry, including the consolidation of Canada's two major air carriers, the passage of air restructuring legislation, the rise, fall and expansion of several Canadian low-cost carriers, the terrorist attacks of 9/11 and the new security fees and practices that followed. More recently an increase in fuel costs, the rapid rise in the value of the Canadian dollar and an economic slowdown in the United States have further shattered Canada's primary inbound travel market.

Air Access and capacity are issues affecting Canada and Ontario. Since 1997, Transit Without Visa (TWOV) has operated as a pilot program at Vancouver International Airport (YVR) allowing nationals of Indonesia, Philippines, Taiwan and Thailand to transit through the airport enroute to or from the U.S. without the need to obtain a visa for Canada. Ontario needs to work with the federal government on the success of "open skies" in negotiation with the European Union as this is likely to enhance consumer choice in terms of flights, destinations and fares.

The cost burden from airport rents and high landing fees, the Air Travelers Security Charge and other consumer fees and levies that are added to the cost of a plane ticket have positioned Canada as an expensive market. The City of Toronto is the gateway for a vast majority of international visitors coming to Canada, yet Pearson Airport's high costs continue to threaten international service levels, which result in repercussions for tourism. Gateway strategies focused on Toronto will not succeed as long as Pearson Airport is the most expensive airstrip in the world to land a plane. Business decisions, tourism and conventions are all driven by an assessment of a region's air travel costs and connectivity. A progressive reduction in these costs would lead to the expansion of new routes and longer stay/higher yield visitors providing a significant long-term benefit to tourism.

- ❖ Lobby for Open Skies. The tourism sector will benefit from further Open Skies negotiations, which would increase competition and result in more choice in flights, destinations and fares.
- ❖ Canada needs to secure an Approved Destination Status (ADS) with China to secure access to the group outbound Chinese travel market. The U.S. signed its ADS agreement with China in December 2007.
- ❖ Lobby to reduce Airport expenses. Rent reductions at Toronto Pearson Airport and the elimination of the Air Travellers Security Charge, or funding of air travel security from the general tax base will help to address the reality that air transportation fees and levies are too high and act as a deterrent to travel to and within Canada. With fuel prices at historic levels, these taxes are now generating far more revenue, creating room in government budgets for reductions. The federal government should follow the example of some provinces and phase out the federal four cents per litre excise tax.

Recommendation:

3. The Ontario Government should lobby the Federal government to develop border efficiencies, liberalizing air services and reduce airport expenses.
4. The Ontario Government should lobby the Federal Government to secure an Approved Destination Status (ADS) with China.

How We Can Provide The Experiences Tourists Want?

Visitor Way Finding and Signage to Ontario's Product

Upon driving the many roads in Ontario there is little in the way of directional signage to any of the major tourist oriented facilities. Unless the visitor knows in advance the route to travel, and where to exit, the visitor will not see any directional signage unless he/she happens to drive to its immediate vicinity. A review on this requires taking into account the scenic back routes that are currently hidden to the highway traveler and can easily be an engine to drive the local business economy. Furthermore signage opportunities can be found in most city and towns and improvements once applied will assist in keeping tourists informed while boosting spending.

Recommendation:

5. It is recommended that a specific provincial industry and government led task team be established to identify an action plan of improving the "way-finding" gaps to offer visitors a more enjoyable and efficient experience.

Transportation to Experience Ontario's Product

The planning of regional transportation plans must include a tourism component taking into consideration demand fluctuations and links to major attractors and key travel points. Transportation plans need to interface all forms of transportation in order to operate with maximum efficiency. Metrolinx, Toronto Transit Commission, Go Trains and other regional transportation systems need to work seamlessly in providing similar fare systems and complimenting scheduling. Transportation is a key ingredient to a pleasant visit by our travelers and we need to "get it right".

Recommendation:

6. Establish a closer partnership with industry, government and private sectors in ensuring efficiencies, key travel points access and tourism demands are addressed in all transportation plans.
7. Build the Toronto Airport link to Union Station.

Festivals and Events

Local festivals and events provide the opportunity to engage residents and attract visitors from nearby regions. Mega events demand a higher level of commitment while providing an enormous opportunity to establish the destinations tourism credentials in the global stage. Festivals and events should enable destinations to increase their demand during the low seasons. Development of innovative new Festivals and themed experiences (i.e. Summer and Culinary Festivals) also allow destinations to manage their product life cycle electively. The aim is to maintain the destination to the maturity/consolidation stages and to avoid the stagnation, saturation and decline stages in their life cycle.

Events when targeted and executed well, offer a unique visitor experience. ORHMA recommends the development of a marketing plan to target Entertainment, Culinary, Sports Culture and Heritage events. We need to grow our share of major North American and International Events. The plan needs to be driven through a revenue management approach taking into consideration peak, shoulder and need periods.

Recommendation:

8. Develop a reinvigorated and fresh approach to the festivals and major events product. Drive a marketing plan with emphasis on unique offerings capturing new markets, particularly in the non-peak periods.

Investment by the Private Sector on Attractors

The province's existing attractions have matured. In many instances these have passed through the introduction, growth, maturity and are in the decline stage of their life cycle experiencing lower demand. We now have a non- competing product. This occurrence has been observed in many other global areas and there are destinations that have showed success through reinvention of their product. The ORHMA asks that a plan is drawn and executed in consultation with industry stakeholders focusing on rejuvenating existing product and building "fresh attractors". This plan needs to address the experience deficiencies in the province. The premier rank tourist destination projects previously completed in many regions does provide a good start.

The challenges facing the industry and government will only become tougher to address unless the private sector is involved. Considering that substantial increase in government spending is limited, it is of utmost importance for the government of Ontario to promote and rethink it's current financing model practices in attracting and taking advantage of the considerable growth of private capital markets. Consideration of funding and involvement by the private sector will support improvements to Existing Attractors, New Build Attractors, Marketing and Management.

Recommendation:

9. Involve and work with the private sector to invest, develop and execute a plan to address the experience deficiencies in the province through a renewed and fresh Ontario product.

A Responsible Investment Project Team

Currently the government does not invest fully but facilitates projects with the private sector through fiscal and other incentives at various government levels.

There is a void in a responsible role to drive investment into tourism destinations. New product development and access to capital already a prevalent threat will become even more of a concern for the tourism industry. This facilitator function of government needs to change to driving investment in destinations through collaboration with the private sector.

This role will be strictly responsible for the execution of a lean effective secretariat to bring investors into tourism destinations and to support project development through breaking down barriers with other ministries and layers of government an area in which the industry views an urgent need for improvement. It will eventually take away the existing "working in silos" efforts and achieve a more purposeful integration with a strategy that has meaning. It will bring coordinated focus on product development gaps and opportunities.

The Responsible Investment Team needs to operate within a measurable plan:

- Develop and execute a business plan
 - ❖ Execute recommendations from the Ontario Tourism Investment Climate Study
 - ❖ Sales and marketing efforts to bringing investment to include leadership of government
 - ❖ Include targets and actions with accountability assigned
- Identify competitiveness drivers for private investment
 - ❖ Evaluate Investment Attractiveness and Infrastructure Quality
- Co-ordinate private sector efforts
 - ❖ Identify investors within the private sector and partner with various stakeholders
- Address barriers in regulations and policy
 - ❖ Work with other government ministries and local municipal levels
 - ❖ Work on the philosophy that regulations and legislations on industry need to be predominantly on conservation and consumer safety and protection
- Enable incentives to "close the sale"
 - ❖ Catalyze – "make it happen" and minimize the risks of losing it

Recommendation:

10. Establish an investment project team to work within a measurable business plan to drive activities to conclusion irrelative of staff changes. This team needs to be empowered to work with all levels of government in removing regulatory barriers and employ incentives for beneficial use.

How Do We Market Ontario?

Marketing Ontario

There is a need for better coordination of marketing efforts among government and industry marketing organizations. A single Ontario promotional theme through all the various tourism organizations and private sector establishments will achieve a healthier penetration when targeting markets. It will promote a “working together” style.

The Ontario Tourism Marketing Partnership Corporation’s (OTMPC) mandate and its role need to align with industry needs and performance measurements need to be included on activities including closing the sale.

Recommendation:

11. Synergize the promotional themes across the industry.
12. Review of OTMPC’s business model.

How Can We Ensure A Well Trained Workforce?

Ontario’s Workforce

The Conference Board of Canada recently released a report that has found Ontario faces a shortfall of 560,000 skilled employees by 2030. Representing about 20 per cent of all Ontario’s businesses and employing about 194,000 people, this labour shortage poses a significant threat to the competitiveness of the tourism industry. The CTHRC in 2008 projected a labour shortage in Ontario’s tourism industry of almost 120,000 employees by 2025. Demographics show that for the first time ever there as many people under the age of forty as over this age translating to more employees leaving the workforce than entering it. This will build momentum as more and more baby boomers retire. Our industry has the highest young people employee market and this segment is facing a decline. The industry is being forced to hire inexperienced and under qualified people.

It’s vital that the government finds solutions to address this upcoming crisis. We need to assess skill gaps needed and ensure the development and training of untraditional markets such as Ontario’s Aboriginal people and the seniors who longer act and perform like “old” people. They are our impending workforce. The education system will still provide a potential workforce resource and programs such as apprenticeships will support gains in the industry’s workforce.

Ontario’s Workforce Shortage Coalition recently completed its strategy session on the workforce shortage challenge, and has now consulted province wide organizations representing business, labour, education and government. Detailed recommendations will be provided in a final report to the federal and Ontario governments. Tourism opportunities need to be explored for implementation.

The Ontario Tourism Education Corporation (OTEC) which is Ontario’s sector council delivering human resource development must be supported to provide development in the tourism industry. In addition the Hospitality Schools throughout the province along with government and the industry need to work within one theme in attracting and in developing industry careers.

There needs to be a universal program that will prepare “at risk” persons to enter the workforce for the first time or re-enter after becoming unemployed. Training modules need to include Basic Life Skills, Job Search, Service Training and Industry Specific.

Recommendation:

13. Work on a recruitment and development industry solution from the opportunities presented by the Work Force Shortage Coalition.
14. Ontario Tourism Education Corporation (OTEC) needs to be strengthened in order for this organization to act as the foundation in human resources training and development.
15. The province needs to prioritize the development and support of first time employee training module to react to upcoming workforce crisis.

Apprenticeship Training Tax Credit (ATTC)

The current Apprenticeship Training Tax Credit Program does not include Hospitality Red Skill positions. The 2004 Ontario Budget announced a new refundable tax credit for corporations and unincorporated businesses employing apprentices in certain skilled trades during the first 36 months of an apprenticeship program. This measure became law on December 16, 2004, when legislative amendments to the Corporations Tax Act and the Income Tax Act received Royal Assent. The ATTC reimburses corporations and unincorporated businesses 25 per cent of eligible expenditures paid or payable after May 18, 2004 and before January 1, 2015, up to a maximum tax credit of \$5,000 per qualifying apprentice per taxation year. For corporations and unincorporated businesses that have total salaries and wages for the previous taxation year of \$400,000 or less, the rate of the tax credit is increased to 30 per cent.

The ORHMA recommends that the government broaden the eligibility criteria for the existing Apprenticeship Training Tax Credit to include red seal positions of Culinary Cooks and Bakers. We further support expansion of the program to include an additional year of eligibility so employers receive an additional credit for apprentices upon completion of the program.

The expansion and promotion of the apprenticeship program is one important component of addressing the labour shortage, promoting the hospitality and tourism industry as a career choice in the critical middle school years. Moreover it will support the Specialized High Skills Major program offered in secondary schools which includes a focus on hospitality and tourism among other underrepresented labour markets.

Very importantly this program will support delivering "Service Excellence" through building job confidence and enhanced skills. It will offer real skills and techniques the students will need to prepare culinary dishes the correct way. By starting out as apprentices, students can be well on their way to an exciting and rewarding career as a chef or a cook. Apprentices can earn official certification as a Cook from the Ministry of Training, Colleges and Universities by completing approximately 6,000 hours of on-the-job and classroom training under the sponsorship of a registered employer. This will truly open the doors to more students and more employers working together to stimulate and support the culinary industry.

Recommendation:

16. Broaden the eligibility criteria for the existing Apprenticeship Training Tax Credit to include red seal positions of Culinary Cooks and Bakers
17. Offer an extra year of eligibility to the ATTC so employers receive an additional credit for apprentices upon completion of the program.

Apprenticeship Enhancement Fund (AEF)

Through AEF, colleges can update their training facilities, allowing them to train more apprentices to industry standards. The government needs to continue to support the Apprenticeship Enhancement Fund (AEF) with focus in the Hospitality Schools. This will support growth in hospitality careers and enable proficient and talented people.

Recommendation:

18. Through the AEF focus on supporting hospitality institutions.

Culinary Institute of Higher Learning

One only needs to look at our next door neighbour's success in culinary progress. The College of Culinary Arts at Johnson & Wales University opened in 1973, with just 141 students. It quickly grew to become the world's largest foodservice educator, and, in 1993, became the first U.S. school to offer a Bachelor of Science degree in the culinary arts. Today, Johnson & Wales is the world's largest culinary educator; over 5,000 students are enrolled at any given time.

In 1976, the American Culinary Federation Educational Institute (ACFEI) began coordinating apprenticeship programs with the help of a government grant. Today, apprenticeships continue to offer an excellent culinary experience to aspiring chefs. The ACFEI apprenticeship program is currently the seventh largest US apprenticeship system. During the three-year apprenticeship program, students gain paid on-the-job experience and graduate as certified cooks.

In 1986, the ACFEI Accrediting Commission was formed in response to the growing educational needs of culinary field. By 1990, the commission was recognized as a legitimate accreditation agency by the U.S. Department of Education. Today, there are over 90 U.S. culinary schools accredited by the ACFEI, a distinction of honor that carries the same clout as an individual certified by the ACF.

Collectively the many culinary institutes primarily the Johnson & Wales University and the Culinary Institute of America (CIA), the American Culinary Federation Educational Institute (ACFEI) and its government fund have evolved the country's culinary skills, profile and popularity.

We can do it in Ontario.....with a culinary institute of higher learning to include bachelor's degrees and continuing education for professionals in the hospitality industry. This is to be a world premier learning center with the caliber to inspire and attract top instructors and new talent. One of the province's fine culinary schools can be enhanced and be included in this project to raise the bar in the growing culinary playing field. The benefits here are enormous:

- ❖ Elevating up Ontario in the World Culinary stage map
- ❖ Supports growth of local "taste trail" food product
- ❖ Inspires students to enter culinary careers
- ❖ Creates people talent for the province resulting in service excellence
- ❖ Growth of trendy establishments and consumer culinary interest
- ❖ Attracts out of province enrolments
- ❖ Growth in culinary tourism

Recommendation:

19. The Ontario government needs to work with the industry and education sectors to develop a strategy of creating a world rank culinary institute and examine a model of government funding to support culinary accreditation.

What Are The Appropriate Roles For Government?

Extremely Regulated Hospitality Industry

The hospitality industry is extremely regulated and this leads to not only bottom line burden but detractions in meeting the main objective which is giving excellent service. A Reduction of "Red Tape" allow us to focus on service.

Regulations need to exist for the safety and well being of our employees and guests but the duplication, excessive documentation, inconsistency, slow processes and without three level government synchronization, barriers are formed to "getting the job done". We call for the review currently under way to remove unnecessary documentation and simplify the process. Here is one example that will also lessen government administration expenses across the provincial and municipal levels and benefit our industry.

Red Tape Example: Harmonize provincially mandated regional and municipal programs:

- ❖ The province to establish a provincial standard for food premise inspection programs ensuring compliance of food safety standards throughout the province eliminating a patchwork of regional policies. Regional health units will be responsible only for the enforcement of the provincial program. Currently the province simply gives local public health units the authority to design, implement and enforce their own food premise inspection program leading to non uniformity and complexities for our employees.
- ❖ The province to establish a provincial standard for food handler training programs to ensure food safety compliance throughout the province and eliminate a patchwork of regional policies which create barriers for our operators.
- ❖ The province to take over responsibility for the designation of certain materials, including food packaging collected by municipalities within their municipal waste collection and diversion programs. This process will create "best practice" standardization in package design and will eliminate a patchwork of municipal programs ensuring one level of procedures for the manufacturing and goods and services industries.

Recommendation:

20. Continue to drive the Ministry of Labour's "Red Tape" review and work along with the industry to simplify the process to the operator.

Destination Marketing Fees

The Destination Marketing fee implemented by the Greater Toronto Hotel Association (GTHA) in 2004 then followed by the Ottawa Gatineau Hotel Association (OGHA) has resulted in a considerable and conventional funding mechanism to attract conventions and visitors. Now other destinations have adopted this approach and more are in the pipeline.

Municipalities are aware of this success and have engaged in strategies to allow them to impose a municipal hotel room tax to fund a range of community projects.

A 2008 study prepared for the American Hotel & Lodging Educational Foundation by the American Economics Group Inc. revealed that on average a 2% increase in the combined tax on hotel rooms will cause a reduction in room sales leading to further reduction in spin off visitor spend. The study concluded that this impact can be mitigated and may even be beneficial if taxes are used to support convention and visitor initiatives. It went to state other forms of room taxes do not benefit tourism and act as a travel deterrent increasing a guest's cost without attracting more guests.

The system introduced in the hotel sector, works and should be allowed to continue to work without external interference or competition for revenue. This mechanism of funding is the ideal model as it provides funding that the government does not have and it is funding directed to sales and marketing of the destination.

Recommendation:

21. Maintain the existing DMF model.
22. Municipalities must not be allowed to add a room tax.
23. The funds must be dedicated to destination marketing.
24. The governance needs to stay with the industry that must develop a "Best Practices" model that defines how a DMF should be implemented within a third party administration to ensure fair compliance in all regions.

Commitment to Ontario's Tourism Competitiveness Study

The 2001 Investment Study, the 2004 Tourism Strategy and the 2006 Ontario Culinary Tourism Alliance just to name a few papers included excellent recommendations and initiatives but have not been implemented and have been left in archives. There has been a considerable investment in government and engagement by this industry in this 2008 study and it is of the outmost importance that chosen initiatives are rolled into actions and followed to success.

Recommendation:

25. Ensure responsibility and accountability are applied in the industry's recommendations and implementation is followed all the way through.

How can the Industry Work Together to Achieve Success?

Leadership

A successful strategy connects all activities together and the work must be performed in synergy. To achieve a sustainable competitive advantage and for Ontario Tourism to reach its potential the industry stakeholders all need to work together. Activities can be linked yet can be performed in different ways. Tourism activities need to interact and reinforce each other. The Government needs to build and drive Tourism Culture. Many ideas to support the building of culture are included in this paper and will be found in the many other submissions collected.

The Council of Tourism Associations (COTA) of British Columbia is a "one voice" industry model that represents specific regions but it is not reaching it's effectiveness due to luck of funding leading to limited resources and duplicative membership drives to businesses of parent organizations.

Leadership of the sector by the sector is essential. Players within the tourism sector are to drive the agenda within a framework of "one voice", goals and measurements ensuring the industry's members are engaged and succeed. All organizations need to be self sustained.

Recommendation:

26. The government is to facilitate and create a Tourism culture through engagement, communication, provision of required tools, breaking barriers, developing experiences and most importantly inspiring campaigns and themes that pull all stakeholders together.
27. Leadership of the sector by the sector is essential. Players within the tourism sector are to drive the agenda within a framework of "one voice", goals and measurements ensuring the industry's members are engaged and succeed.
28. All organizations must be self sustained.