

**THE ECONOMIC IMPACT OF
TOURISM IN SUNSET COUNTRY, ONTARIO**

Prepared for:

Northwestern Ontario Tourism Association



Prepared by:

PANNELL KERR FORSTER
in association with
CANADIAN TOURISM RESEARCH INSTITUTE

October 2003

October 20, 2003

Mr. Jerry Fisher
Northwestern Ontario Tourism Association
PO Box 458
Emo, Ontario
P0W 1E0

RE: Sunset Country Tourism Economic Impact Study – Final Report

Dear Members of the Study Steering Committee:

In accordance with the terms of engagement, PKF Consulting, in association with the Canadian Tourism Research Institute, has completed the research and analysis relating to the Economic Impact Study of Tourism in Sunset Country, Ontario.

Tourism is vital to Northwestern Ontario, providing employment for over 9,900 people in Sunset Country and infusing over \$306 million into the local economy. Over half a million people visited Sunset Country in 2001, drawn to the region for its beauty, seclusion and resource-based tourism. Based on the 2001 financial data provided by accommodation operators, tourism expenditures from both operations and capital expenditures contributed:

- 12,235 full-year jobs, of which 9,898 jobs (81%) were in Sunset Country;
- \$451 Million in economic activity, of which \$306 Million (68%) benefited Sunset Country;
- Wages and Salaries in excess of \$282 Million -- \$203 Million in Sunset Country; and
- \$185 Million in Federal, Provincial and Municipal taxes.

We offer our sincere appreciation to the many accommodation owners and operators in Sunset Country who provided us with their financial operating results, and without whose support this analysis would not have been possible.

Yours very truly,



PKF Consulting

TABLE OF CONTENTS

Letter of Transmittal

EXECUTIVE SUMMARY	i
1.0 INTRODUCTION.....	1
2.0 SUNSET COUNTRY ACCOMMODATION OPERATOR SURVEY ANALYSIS	11
3.0 NORTH-WEST ONTARIO TRAVEL REGION TOURISM VOLUMES and VALUE	28
4.0 ECONOMIC IMPACT OF TOURISM IN SUNSET COUNTRY	37

APPENDICES

Appendix A	Sunset Country Tourism Economic Impact Study – Operator Questionnaire.....	45
Appendix B	Economic Impact Methodology	46
Appendix C	Study Area and Glossary of Terms.....	48
Appendix D	Sunset Country Tourism Economic Impact Study.....	53
	Detailed Economic Impact Tables	

EXECUTIVE SUMMARY

For decades Sunset Country has been a destination for resource-based tourism including hunting and fishing. Over the years, the industry has continually been faced with the task of having to justify its value to senior government in its dealing with resource-related issues. To this end, Sunset Country tourism outfitter associations and development organizations have been unable to find valid data on the value of tourism in the Region in order to bring to the discussion table. Two of the most recent studies pertaining to this area (*1997 Resource Based Tourism Study* and *2001 Ministry of Tourism Canadian and International Travel Survey statistics*) cite large variances in the value and volume of tourism to Northwestern Ontario. By undertaking this comprehensive study of the impact of tourism in Sunset Country, regional partners will have the information needed to publicize the true value of the industry to government and other interested parties.

The subject report traces the Economic Impact of Tourism in Sunset Country at 2 levels:

1. The **VISITOR TOURISM SPENDING** in Sunset Country as calculated from the Tourism Economic Assessment Model (TEAM) using 2001 financial operating data provided from Accommodation Operator Survey. The Economic Impact of Tourism in Sunset Country Study has concluded that **tourism expenditures by visitors and all tourism operators comprising the industry** contributed:
 - 11,496 full-year jobs, of which 9,404 jobs (82%) were in Sunset Country;
 - \$417 Million in economic activity, of which \$288 Million (69%) benefited Sunset Country;
 - Wages and Salaries in excess of \$262 Million -- \$191 Million in Sunset Country;
 - \$171 Million in Federal, Provincial and Municipal taxes; and
 - Tourism in Sunset Country is an export business, which is heavily reliant upon our American neighbours – American visitors to the area contribute 79% of all tourism expenditures.
2. The **CAPITAL EXPENDITURE IMPACTS** as calculated by the Tourism Economic Assessment Model (TEAM) using 2001 capital expenditure data provided by accommodation operators in Sunset Country. The Economic Impact of Tourism in Sunset Country Study has concluded that **capital expenditures made by fixed-roof accommodation providers only** contributed:
 - Over \$34 Million in Gross Domestic Product provincially, with \$18 Million retained in Sunset Country; and
 - 740 equivalent full-year jobs in Ontario, 490 of which were in Sunset Country.

Combining both the visitor tourism spending and the capital expenditures invested by Sunset Country's accommodation providers, the total economic impact of tourism to Sunset Country is:

- 12, 235 full-year jobs, of which 9,898 jobs (81%) were in Sunset Country;
- 451 Million in economic activity, of which \$306 Million (68%) benefited Sunset Country;
- Wages and Salaries in excess of \$393 Million – \$202 Million in Sunset Country; and
- \$185 Million in Federal, Provincial and Municipal taxes.

The study findings also provide the following profile of the tourism and fixed-roof commercial accommodation industry in Sunset Country:

- There are 443 distinct fixed-roof commercial accommodation providers in Sunset Country offering visitors a combined inventory of 6,459 units;
- The typical fixed-roof commercial unit in Sunset Country generated \$40,000 in total revenues during 2001;
- Unit rentals contributed 53% to the gross revenue of accommodation operations, with guest services generating 25% and food and beverage accounting for 11% of total revenue, and other sources of package revenue contributing 11%;
- 73% of the \$222.8 Million spent on operating expenditures was spent within Sunset Country;
- Approximately 27% of revenues from commercial accommodation operations is spent on payroll and benefits, with the average expenditure being \$10,933 per unit;
- Undistributed operating expenses including administrative and general, advertising and marketing, maintenance, energy and other allocated departmental costs amounted to over \$54 Million or 21% of revenue in 2001;
- Property tax payments by accommodation providers in Sunset Country totaled \$4 Million and insurance costs were \$6 Million in 2001;
- Before debt service, lease payments and rent charges, accommodation operators earned over \$61 Million or an average of \$9,500 per unit, achieving 25% profitability in 2001;
- Accommodation operators re-invest their profit back into Sunset Country's tourism product, as evidenced by the fact that the average profit per unit was \$9,500 in 2001, with 7-in-10 operators re-investing approximately \$11,000 per unit back into their operation during the same year;
- Accommodation operators employed 3,785 persons, of which 20% were First Nations;
- Full-time seasonal employees made up 65% of the commercial accommodation workforce;
- 40% of employees are between 25 and 44 years old, with a slightly skewed distribution towards those younger than 25;
- The fixed-roof accommodation workforce equates to an estimated 2,145 equivalent full-year jobs, of which 650 are First Nation full-year equivalent jobs;

- Americans account for 88% of overnight guests, with 27% from Minnesota and 61% from Other United States;
- Approximately 87% of total overnight visits to the Region occur during the months of April to September;
- 82% of accommodation operations are owned by Canadian Citizens/Landed immigrants, 17% by Americans and 1% by First Nations;
- Overnight visitors to Sunset Country occupied 819,000 fixed-roof commercial unit nights in 2001; and
- The Region experienced 55% occupancy in 2001, based on the typical operating period of 231 days.

1.0 INTRODUCTION

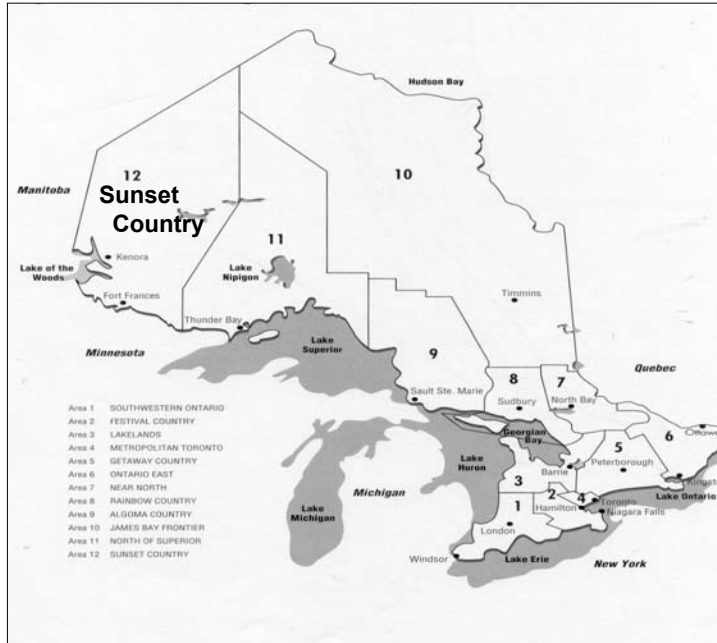
1.1 Study Background

For decades Sunset Country has been a destination for resource-based tourism including hunting and fishing. Over the years, the industry has continually been faced with the task of having to justify its value to senior government in its dealing with resource-related issues. To this end, Sunset Country tourism outfitter associations and development organizations have been unable to find valid data on the value of tourism in the Region in order to bring to the discussion table. Two of the most recent studies pertaining to this area (*1997 Resource Based Tourism Study* and *2001 Ministry of Tourism. Canadian and International Travel Survey statistics*) cite large variances in the value and volume of tourism to Northwestern Ontario. By undertaking this comprehensive study of the impact of tourism in Sunset Country, regional partners will have the information needed to publicize the true value of the industry to government and other interested parties.

1.2 Study Area

For the purposes of this analysis, the Sunset Country Study Area has been defined as west of and including Atikokan, with Quetico Park in the east, Lake of the Woods on the west, the United States to the south, and Hudson Bay to the North. The Study Area is divided into four distinct sub-regions: Red Lake, Rainy River District, Kenora and Patricia. Exhibit 1-1 illustrates Ontario's former tourism regions as defined in 2001, while Exhibit 1-2 highlights the sub-regions and communities in the Study Area.

Exhibit 1-1: SUNSET COUNTRY Map of Ontario Travel Regions, 2001



Source: Ontario Ministry of Tourism & Recreation

Exhibit 1-2: SUNSET COUNTRY STUDY AREA

Sub-Region	Communities
RED LAKE	Balmertown
	Ear Falls
	Perrault Falls
	Red Lake
RAINY RIVER DISTRICT	Barwick
	Devlin
	Emo
	Mine Centre
	LaVallee
	Morson
	Rainy River
	Sleeman
	Fort Frances
	Atikokan
	Ignace
	Upsala
KENORA	Kenora
	Keewatin
	Minaki
	Nestor Falls
	Sioux Narrows
	Grassy Narrows
	Longbow Lake
	Redditt
	Whitedog
PATRICIA	Dryden
	Dinorwic
	Hudson
	Oxdrift
	Lac Seul
	Waldhof
	Sioux Lookout
	Eagle River
	Savant Lake
	Vermilion Bay
	Pickle Lake

Source: PKF Consulting

1.4 Study Partners

PKF Consulting in association with the **Canadian Tourism Research Institute (CTRI)** was retained in July 2002 by the following stakeholders to complete this study:

- NorthWestern Ontario Tourist Association
- Kenora District Camp Owners Association
- The Conservation Coalition for Ontario's Resources
- Rainy River Future Development Corporation
- Ontario Ministry of Natural Resources
- Ontario's Sunset Country Travel Association
- Atikokan Economic Development Corporation
- Lake of the Woods Business Incentive Corporation
- Chukuni Communities Development Corporation
- Pwi-Di-Goo-Zing Nee-Yaa-Zhing Advisory Services
- Northern Ontario Tourist Outfitters Association

Tourism operators have been essential to the subject study by generously providing financial and operating data via completed questionnaires and the Ontario Ministry of Tourism and Recreation provided an advisory role in the study process.

1.5 Study Purpose and Objectives

The primary purpose of this study was to determine the total value and volume of tourism in Sunset Country Travel Region, specifically:

- The total value of the tourism industry to the Travel Region;
- The total employment generated by the tourism industry directly and indirectly;
- The total aboriginal employment generated by the industry;
- The total dollars spent on services within the Travel Region; and
- The effect of these dollars.

The objectives of the study are as follows:

- To evaluate the economic impact of tourism in Sunset Country by reviewing all previous reports and studies;
- To develop a comprehensive analysis of the tourism industry in the region;
- To assess the types and numbers of tourism businesses in the region;
- To supply a seasonal breakdown of tourism activities and expenditures;
- To provide an analysis of employees by age, gender, full-time and part-time;
- To examine First Nation's involvement in tourism;
- To determine where current purchases are going and what purchases are being made;
- To generate first-hand economic multipliers for each tourism activity; and
- To develop a working model to assist the study partners in determining the value of tourism in Sunset Country on an annual basis.

1.6 Study Methodology

As mentioned in previous sections, the study will consider and compare tourism impact estimates from both demand and supply generated data. Understandably the methodology differs for each. A description of the 3 major steps of the study follows.

1.6.1 Tourism Operator Survey . . .from the Operator/Supply Side

Survey Design

First, PKF developed and implemented a questionnaire to quantify the economic impact of tourism from the **supply side of the Tourism Industry** – that is, the operation of the tourism businesses themselves. A copy of the complete survey is included in Appendix A. The survey was organized into six sections as follows:

- Part A: Tourism Facility Profile**
Type of Operation, Primary Means of Access, Services and Activities Available
- Part B1: Market Data for Commercial Overnight Accommodation Operators**
Type of Accommodation Operation, Size, Operating Days, 2001 Occupancy Results.
- Part B2: Market Data for Non-Overnight Accommodation Operators**
2001 Attendance Figures.
- Part C: Market Data for All Operators**
Revenue Segmentation, Origin Segmentation, Seasonality
- Part D: Business & Operations Data**
Operating Days, Resource-Based Tourism License, Business Ownership, Capital Expenditures in 2001, Where Supplies/Services Purchased, Financing Sources for Capital Expenditures
- Part E: Employee Data**
Employees by Age and Type, Number of First Nations Employees
- Part F: Financial Analysis**
Revenues, Salaries and Wages, Operating Expenses, Taxes, Interest, Seasonality of Revenues

Survey Distribution

Estimates of total spending resulting from tourism were collected from completed operator questionnaires. A total of 1,400 self-complete questionnaires were mailed to tourism operators throughout Sunset Country, including both accommodation operators and retail/service operators located within the four sub-regions: Rainy River District, Red Lake, Kenora, and Patricia. Telephone follow-ups were conducted shortly afterwards by Rainy River Future Development Corporation in fall of 2002 and spring of 2003 to encourage survey participation.

Survey Response

Although retail, attraction and other non-accommodation operators were included in the survey distribution, data received from these categories has been excluded from the survey analysis due to a limited response rate. Many operators, while supportive of the study, did not respond to the survey due to the detailed and confidential nature of the financial questions asked. In all, 85 accommodation properties responded, of which 77 provided full operating financial details. The 77 accommodation properties represent a total of 1,215 rental accommodation units.

Survey Stratification

The 77 completed accommodation surveys were stratified by size of operation and sub-region, in order to achieve a balanced representation of establishments from across all accommodation types within Sunset Country. The following 3 size categories were utilized to stratify the sample:

- 1 to 10 rental units
- 11 to 19 rental units
- 20 plus rental units

The number of responses by category and region are listed in Exhibit 1-3.

Exhibit 1-3 SURVEY RESPONSES BY REGION AND SIZE OF PROPERTY								
Sub-Region	10 or less units		11-19 units		20+ units		Total Accom.	
	Properties	Total Units	Properties	Total Units	Properties	Total Units	Properties	Total Units
Kenora	9	58	6	96	5	294	20	448
Patricia	11	69	6	93	3	158	20	320
Rainy River District	10	71	6	83	3	104	19	258
Red Lake	12	81	4	51	2	57	18	189
Total	42	279	22	323	13	613	77	1,215
Source: TIMS Inventory, Ontario Ministry of Tourism and Recreation								

Accommodation Inventory and Weighting Methodology

To determine accommodation industry totals for the Study Area, these sampled units have been extrapolated to represent all accommodation properties within the Study Area. The complete inventory of accommodation establishments within the Study Area was determined through an analysis of the Ontario Tourism Establishment Management System (TEMS) database. Utilizing a listing of all postal codes within the defined Study Area, representatives of the Ministry of Tourism filtered the provincial database to determine the total number of accommodation properties and units by the 3 size categories within each of the 4 sub-regions of the Study Area. For definition purposes, a **unit** can include any of the following: *serviced hotel or motel room, serviced resort rooms, serviced cottages, serviced cabins, serviced outpost camps, housekeeping room, housekeeping suites, housekeeping cottages, housekeeping cabins, housekeeping outpost camps.*

Exhibit 1-4 STUDY AREA ACOMMODATION INVENTORY									
Sub-Regions	10 or less units		11 - 19 units		20+ units		Total Accom.		
	Properties	Total Units	Properties	Total Units	Properties	Total Units	Properties	Total Units	
Kenora	64	433	34	519	21	900	119	1,852	
Patricia	55	352	39	576	18	710	112	1,638	
Rainy River District	66	466	42	591	26	876	134	1,903	
Red Lake	39	286	26	365	13	414	78	1,065	
Total	224	1,507	141	2,052	78	2,900	443	6,459	
Percentage	51%	23%	32%	32%	18%	45%	100%	100%	
Source: TEMS Inventory, Ontario Ministry of Tourism and Recreation and Ministry of Natural Resources									

The accommodation property and unit inventory for the defined sub-regions are listed in Exhibit 1-4. According to the TEMS database, the Study Area is comprised of 443 fixed-roof accommodation properties, with a total inventory of 6,459 units. The average size of an accommodation property in Sunset Country is 15 units, which is considerably smaller than provincial average of 33 units. Furthermore, 51% of all properties have fewer than 10 rental units. This speaks to the overwhelming importance of the small and independent accommodation providers in Sunset Country Travel Region. Accommodation properties with more than 20 units make up 18% of the region's property supply; yet have 45% of the region's rental units.

An **international trip** is defined by Statistics Canada as travel for less than 12 months for any reason by anybody except: immigrants, former residents, military personnel, diplomats and dependants and crews, arriving in Canada who is cleared through Customs and Immigration point of entry.²

1.7 Economic Impact Model

The third part of the methodology was to determine the Economic Impact of Tourism in Sunset Country. The accuracy of the economic impacts generated by **TEAM** (Tourism Economic Assessment Model) is driven, in large part, by the degree of accuracy on the inputs to the model—specifically, the expenditure data. Once estimates of the total spending attributable to tourism in Sunset Country were calculated from the preceding inputs, they were incorporated into the **Tourism Economic Assessment Model** (TEAM) designed and implemented by the Canadian Tourism Research Institute.

Briefly, the purpose of TEAM was to calculate both the provincial and regional economic activity generated by tourism spending in Sunset Country. The economic impacts are calculated on the basis of capital and operating expenditures on goods, services and employee salaries, and on the basis of tourist spending within a designated tourism sector. The elements used to measure the economic impacts are Gross Domestic Product (GDP), Employment, Taxes, Industry Output and Imports. TEAM measures the direct, indirect & induced effects for each of these elements.

The statistical accuracy of TEAM itself is harder to quantify since the quality of the Statistics Canada's Input-Output Accounts—which are used by TEAM—cannot be meaningfully determined in absolute terms. Quality assurance is, however, a necessary and integral part of building the Input-Output Accounts as they form an integral part of the Canadian System of National Accounts (CSNA).

It should be noted that **TEAM does not measure**—or makes any attempt to measure—the NET economic impact of a particular activity. TEAM illustrates the direct, indirect and induced consequences of expenditures using business linkage information driven by the Input-Output Accounts.

The impact phases measured by TEAM are:

Direct Impacts.

Relates ONLY to the impact on “front-line” businesses. These are businesses that initially receive the tourist related or construction related expenditures. From a tourist spending perspective, this can include all businesses such as hotels, restaurants, transportation carriers, attraction facilities and so forth.

² Ibid.

Indirect Impacts.

Refers to the impacts resulting from all intermediate rounds of production in the supply of goods and services to industry sectors identified in the direct impact phase. An example of this would be the supply and production of food items required in the region's many food service outlets.

Induced Impacts.

These impacts are generated as a result of re-spending by employees (in the form of consumer spending) who benefited either directly or indirectly from the initial expenditure under analysis. An example of induced consumer spending would be the impacts generated by a tourist outfitter's employees, its direct suppliers, and second-tier suppliers on typical consumer items such as groceries, fuel, health care products, etc.

A technical description of the Impact Methodology used by TEAM is provided in Appendix B, with a glossary of terms provided in Appendix C.

1.8 Report Outline

The following report summarizes the Economic Impact Analysis of Ontario's Sunset Country:

- Section 2: Sunset Country Accommodation Operator Survey
- Section 3: North West Ontario Travel Region Tourism Volumes and Values
- Section 4: Economic Impact of Tourism in Sunset Country

As part of this assignment, a separate analysis of the economic importance of tourism to the Lake of the Woods Region was also provided, and is provided as a Supplementary Report, under separate cover.

2.0 SUNSET COUNTRY ACCOMMODATION OPERATOR SURVEY

2.1 Introduction

This section outlines the results of surveys completed by 85 fixed-roof accommodation operators, 77 of which provided full market and financial data representing 1,215 accommodation units weighted up to represent Sunset Country's full accommodation inventory as outlined in the survey methodology.

The Market and Business profile results for the accommodation sector are stratified into three property size categories – 10 or fewer units, 11 to 19 units and 20 plus units –with an average for the overall roofed accommodation sector.

The Facility Profile results are categorized by sub-region. Data presented in the Facility Profile section are not meant to be interpreted as representative of the full census data, due to the limited response rates at the sub-regional level, but rather provide a descriptive profile of the tourism product offered within Sunset Country.

2.2 Accommodation Facility Profile

How do Guests Access their Accommodation Destination in Sunset Country?

The initial part of the tourism operator questionnaire, sought information regarding the profile, guest services and activities offered by the property. Unlike the other Sections, all survey respondents, regardless of whether financial data was submitted, are included in the Accommodation Facility Profile. For most Travel Regions, the mode of visitor access is assumed to be automobile. However, for Sunset Country, mode of access is a significant issue. One-in-three accommodation providers that completed the survey require guests to travel via a non-traditional mode to access their overnight facility.

Exhibit 2-1: GUEST PRIMARY MODE OF ACCESSING FIXED ROOF ACCOMMODATION					
Primary Access	Red Lake	Rainy River	Kenora	Patricia	Overall
Drive In (Gravel or Paved)	56%	55%	62%	81%	64%
Boat In	25%	35%	17%	5%	20%
Fly In (Float or Strip)	19%	10%	13%	9%	12%
Drive In (Private Road w Gate)	0%	0%	8%	5%	4%
<i>Survey Response (n)</i>	16	20	24	22	82
Source: Sunset Country Economic Impact Study, Accommodation Operator Survey, 2001					

Many Guest Services are Offered by Sunset Country Accommodation Providers

Exhibit 2-2 presents the percentage of fixed-roof accommodation respondents offering the listed guest services, by sub-region. Of all fixed-roof accommodation respondents in the four sub-regions, 45% have a retail outlet/souvenir shop and bait/tackle outlet, emphasizing the unique importance of sport fishing in Sunset Country. Just over 31% of operators have a food and/or beverage outlet, which can include a snack bar. A quarter of fixed-roof accommodation operators also offer camping and/or recreational vehicle (RV) facilities, while 15% have a marina. Overall, the profile attests to the vast array of services offered by fixed-roof accommodation providers, which is in many ways unique to Sunset Country.

Exhibit 2-2: GUEST SERVICES OFFERED BY FIXED ROOF ACCOMMODATION SURVEY RESPONDENTS					
Guest Service*	Red Lake	Rainy River	Kenora	Patricia	Overall
Fixed Roof Accommodation	100%	100%	100%	100%	100%
Retail Outlet/Souvenir	42%	52%	44%	41%	45%
Bait & Tackle Outlet	50%	58%	40%	36%	45%
Restaurant/Snack Bar/Pub	21%	47%	40%	14%	31%
Campground/RV Park	42%	31%	20%	18%	27%
Marina	26%	10%	20%	5%	15%
Houseboat Rental	5%	0%	8%	0%	4%
Cruise Boat	0%	5%	8%	0%	4%
Attraction	0%	5%	0%	0%	1%
Spa Facilities	0%	5%	4%	0%	2%
<i>Survey Response (n)</i>	19	19	25	22	85
* Multiple Responses					
Source: Sunset Country Economic Impact Study, Accommodation Operator Survey, 2001					

Accommodation Operators Offer Visitors a Unique, Exciting Interactive Mix of Activities

There is no lack of activities offered by fixed-roof accommodation providers, with a vast array of outdoor and adventure-focused offerings for guests' enjoyment. Exhibit 2-3 speaks to this fact, with activity offerings presented by sub-region. The importance of angling stands out, as 9 out of 10 accommodation providers offer the sport. Clearly, angling is Sunset Country's top tourist attraction and resource. Of all accommodation providers in the Region responding to the questionnaire 69% and 65% offer Boating and Hunting respectively. Snowmobiling offsets a slower winter season for 13% of Sunset Country's accommodation operators. In the Red Lake sub-region several (11%) respondents indicated they offer ATV trails, drawing off-road riding enthusiasts to the area. Visitors to Sunset Country want to be brought to the best fishing and hunting spots by the expert guides, provided by accommodation operators. Additionally, visitors are interested in seeing northern wilderness, through eco/wildlife tours offered by 18% of operators. Overall, only 14% of responding operators offer a fly-in outfitter/aircraft service to their

property. The unique mix of interactive guide and outfitting services is available at about the same proportion of accommodation providers across all four sub-regions.

Exhibit 2-3: ACTIVITIES/TOURING/GUIDING OFFERED BY FIXED ROOF ACCOMMODATION SURVEY RESPONDENTS					
Activity*	Red Lake	Rainy River	Kenora	Patricia	Overall
Angling	89%	95%	84%	86%	88%
Boating (Motor, Sail, Kayak, Canoe)	74%	74%	80%	50%	69%
Hunting	68%	69%	60%	64%	65%
Fishing/Hunting Outfitter	58%	53%	56%	55%	55%
Guiding Service (Personal)	53%	69%	44%	55%	54%
Eco/Adventure/Wildlife Tour	26%	11%	20%	14%	18%
Fly-in Outfitter/Aircraft Service	16%	21%	12%	9%	14%
Snowmobiling	0%	21%	16%	14%	13%
Canoe Outfitter	11%	21%	8%	0%	9%
ATV Trails	11%	16%	8%	0%	8%
X-Country Skining/Snowshoe	5%	5%	8%	0%	5%
Golfing	5%	5%	4%	0%	4%
Tour Operator	5%	5%	0%	5%	4%
Scuba Diving	0%	11%	0%	0%	2%
Industrial Tour	0%	0%	4%	0%	1%
<i>Survey Response (n)</i>	<i>19</i>	<i>19</i>	<i>25</i>	<i>22</i>	<i>85</i>
* Multiple Responses					
Source: Sunset Country Economic Impact Study, Accommodation Operator Survey, 2001					

2.3 Market Data

This section profiles Sunset Country's Tourism Market from the accommodation operator's perspective. Data is stratified by size of property and weighted to reflect Sunset Country's total accommodation inventory as defined in Section 1.6.1. Three categories are utilized: 1 to 10 Units, 11 - 19 Units, and 20 Plus Units.

Most Accommodation Operator Revenue is Derived from Visitors

Overall, local residents (living within 40 km of the surveyed accommodation operators) account for 6% of total tourism revenue generated in Sunset Country, with visitors, from over 40 km away, accounting for the bulk (94%) of the revenue (Exhibit 2-4). Local residents tend not to utilize

Exhibit 2-4: PERCENTAGE OF REVENUE DERIVED FROM VISITORS VERSUS LOCAL RESIDENTS		
Size of Property	Percentage Revenue	
	Local	Visitor
1 to 10 Units	3%	97%
11 to 19 Units	2%	98%
20 Plus Units	8%	92%
Total	6%	94%
Source: Sunset Country Economic Impact Study, Accommodation Operator Survey, 2001		

accommodation providers for overnight stays, but rather for business and personal reasons: meetings, weddings and events as well as retail and foodservice purchases. Specifically, local residents account for more than the average revenue generated at properties with twenty or more units, as larger properties are more likely to have conference/meeting space and food and beverage outlets. Smaller, resort and often sport-fishing properties tend not to attract local residents as locals have the privilege and ability to enjoy many of the services offered by these properties on their own (i.e. Sport-Fishing, Hunting, Eco-Tours).

Americans Account for 88% of Overnight Guests

Exhibit 2-5 stratifies the overnight tourism market by origin and size of accommodation property. Exhibit 2-6 graphically presents the geographic overnight market segmentation for the overall Study Area. Accommodation operators attributed 88% of their 2001 occupied room nights to American visitors, more specifically 27% to Minnesota and the remaining 61% to Other United States. Canadian visitors accounted for 11% of the total overnight stays in Sunset Country. There is some disparity in geographical segmentation allocation, depending on the size of the property. The smaller leisure and recreationally focused properties attract visitors from afar due to their unique service offerings and 'complete vacation' packages. Interestingly, properties with 10 to 19 units assign almost all (94%) of their market to the United States. In contrast, visitors from nearby Ontario and Minnesota tend to visit larger properties with more than 20 units

87% of Total Visits to Sunset Country are in the Months of April to September

Clearly, visitation in Sunset Country is seasonally influenced, due to the outdoor recreation and

Exhibit 2-5: GEOGRAPHIC SEGMENTATION OF TOURISTS

Visitor Origin	Size of Property			
	Overall	1 to 10	10 to 19	20 +
Other United States	61%	64%	71%	50%
Minnesota	27%	25%	23%	31%
Ontario	6%	2%	2%	14%
Manitoba	3%	7%	2%	1%
Other Canada	2%	1%	1%	3%
International	1%	1%	1%	1%

Source: Sunset Country Economic Impact Study, Accommodation Operator Survey, 2001

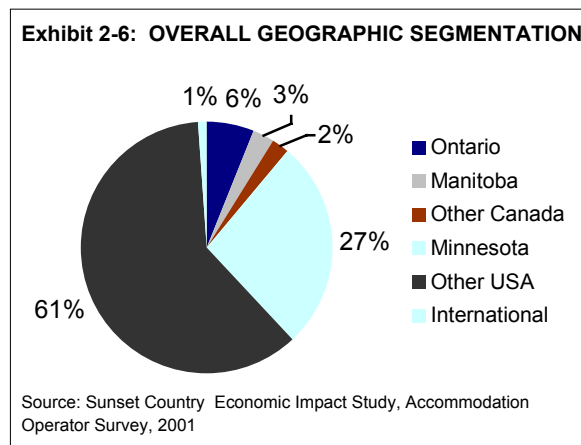
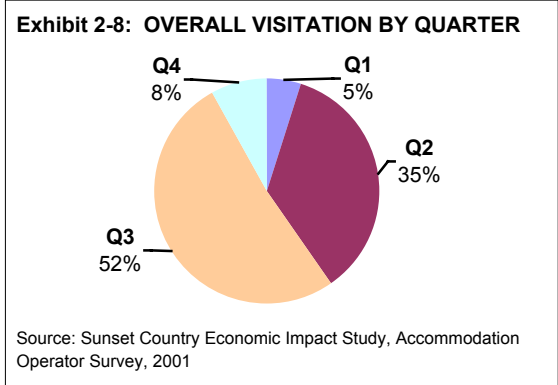


Exhibit 2-7: VISITATION BY QUARTER

	Size of Property			
	Overall	1 to 10	10 to 19	20 +
First Quarter	5%	2%	2%	11%
Second Quarter	35%	40%	37%	29%
Third Quarter	52%	52%	54%	49%
Fourth Quarter	8%	6%	7%	11%

Source: Sunset Country Economic Impact Study, Accommodation Operator Survey, 2001

leisure nature of its tourism industry. Exhibits 2-7 and 2-8 allocate visitations to the Study Region by quarter. Of all travel to Sunset Country, 87% occurs during Quarters 2 and 3, of which 52% occurs in the July to September period. Smaller accommodation property operators assign significantly more of their visits to the second quarter than their larger counterparts. With the onset of the Walleye fishing season, the smaller sport-fishing focused operations begin to fill up earlier in the year. Larger properties (20 units plus) have a relatively smoother visitation cycle than the case with smaller properties. This is mainly because large properties are open for most of the year while smaller properties are open only half of the year (Section 2.4). While larger accommodation providers are similarly affected by the seasonality of the region, they are able to infill some of the reduced recreational leisure business with personal, business and SMERF³ visitors during the off-season. The first quarter is the slowest in Sunset Country followed by the fourth quarter with 5% and 8% of all visitations, respectively. Almost all of the operators in the '1 to 10' and '10 to 19' categories close their operations during part of or all of the third and fourth quarters.

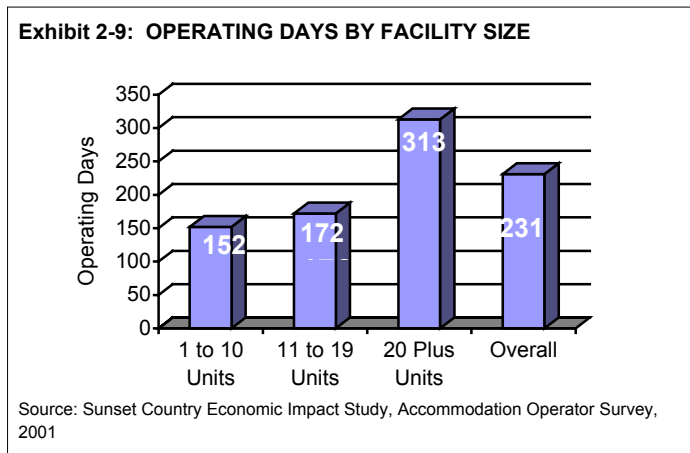


2.4 Business Profile

The business profile section identifies and analyzes general characteristics of accommodations providers in Sunset Country, stratified by size of facility.

Properties with 'Twenty Plus Units' Operate for 161 More Days than 'One to Ten Unit' Properties

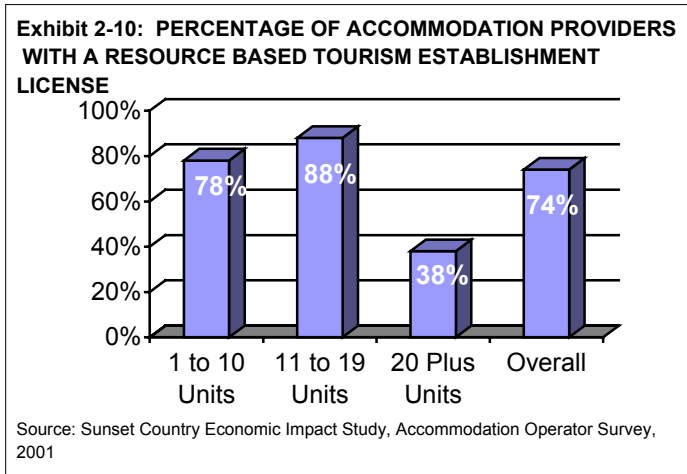
Nearly all accommodation properties cease to operate for part of the year. The smallest facilities in Sunset Country are open for less than half of the year with 1 to 10 unit and 11 to 19 Unit properties opening for 152 and 172 days, respectively. Properties with 20 plus units open on average for 313 days in the year. Thus, the average operating period for the accommodations in Sunset Country is 231 days.



³ SMERF = Sports, Military, Educational, Religious and Fraternal

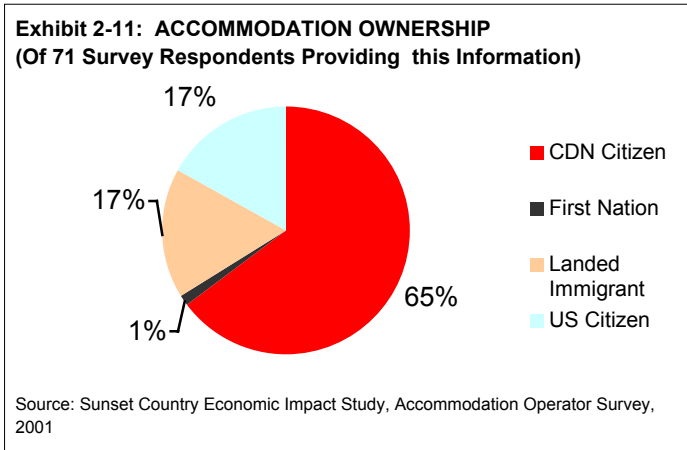
74% of Accommodation Providers have a Resource Based Tourism Establishment License

The Ministry of Tourism and Recreation requires that tourism operators that make use of Crown resources such as land, fish and wildlife, and promote access to these resources as the main reason for the traveling public to visit their establishment, obtain a Resource Based Tourism Establishment License. 74% of accommodation providers in Sunset Country have obtained this license. Accommodation providers with fewer than 20 units are very likely to have a license while only 38% of providers with twenty and more units have a license. Exhibit 2-10 graphically presents the likelihood that an accommodation provider in Sunset Country has a Resource Based Tourism Establishment License. This data further emphasizes the importance of resource-based tourism to Sunset Country and especially for small accommodation providers.



Accommodation Ownership

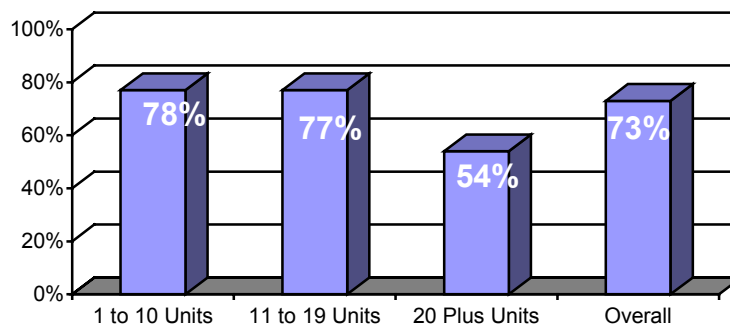
Of survey respondents providing ownership nationality information, over 82% are Canadian Citizens or Landed Immigrants. Americans own 17% of the surveyed accommodations, with First Nations at 1% of ownership.



Capital Expenditures

Just over 73% of all accommodation facilities underwent some form of capital improvement in 2001. Properties with fewer units were more likely to have made capital expenditures in 2001 as illustrated in Exhibit 2-12. Approximately 78% of all accommodation properties with fewer than 20 units experienced some form of capital improvement in 2001 compared to just 54% of properties with more than 20 units.

Exhibit 2-12: PERCENTAGE OF ACCOMMODATION PROVIDERS THAT UNDERWENT CAPITAL IMPROVEMENTS/EXPANSIONS OR RENOVATIONS IN 2001



Source: Sunset Country Economic Impact Study, Accommodation Operator Survey, 2001

Exhibit 2-13: CAPITAL EXPENDITURES PER UNIT FOR UNITS THAT REPORTED CAPITAL EXPENDITURES IN 2001

	Overall	%	Size of Property		
			1 to 10	11 to 19	20 +
Buildings & Renovations	\$3,634	31%	\$5,025	\$3,144	\$2,641
New Machinery & Equipment	\$6,069	57%	\$3,616	\$11,897	\$1,101
New Furniture & Fixtures	\$633	5%	\$502	\$612	\$816
Other Supplies	\$681	6%	\$606	\$900	\$474
Total Capital Expenditures	\$11,017		\$9,749	\$16,552	\$5,032

Source: Sunset Country Economic Impact Study, Accommodation Operator Survey, 2001

Exhibit 2-13 provides an overview of capital expenditures in Sunset Country per accommodation unit. Only units at properties that reported capital expenditures are included in the per unit figures. Overall, accommodation providers that invested in capital improvements spent an average of \$11,017 per unit on capital expenditures in 2001. Properties with 11 to 19 units spent the most at \$16,552 per unit, with smaller facilities spending an average \$11,017 per unit and largest spending \$5,032 per unit in 2001. The most pronounced expenditure by category was on new machinery and equipment with 57% of capital dollars allocated to this area, followed by 31% for building renovations.

Exhibit 2-14: OVERALL CAPITAL EXPENDITURES IN SUNSET COUNTRY (in Millions)

	Overall	%	Size of Property		
			1 to 10	11 to 19	20 +
Buildings & Renovations	\$13.8	31%	\$6.2	\$5.2	\$2.4
New Machinery & Equipment	\$25.2	57%	\$4.5	\$19.7	\$1.0
New Furniture & Fixtures	\$2.3	6%	\$0.6	\$1.0	\$0.7
Other Supplies	\$2.6	6%	\$0.7	\$1.5	\$0.4
Total Capital Expenditures	\$43.9		\$12.0	\$27.4	\$4.5

Source: Sunset Country Economic Impact Study, Accommodation Operator Survey, 2001

Overall, according to Exhibit 2-14, Sunset Country's accommodation providers spent almost \$44 Million on Capital Improvements in 2001. Of the total capital improvements, spending by properties with 1 to 10 units amounted to \$12 Million, 11 to 19 units at \$27 Million with the remaining properties spending \$4.5 Million.

Those areas benefiting from capital supply and service

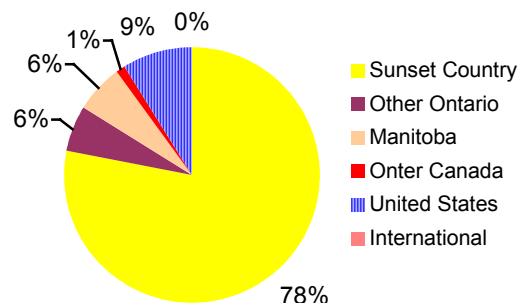
Exhibit 2-15: ALLOCATION OF CAPITAL EXPENDITURES BY SOURCE OF PURCHASES (in Millions)

	Overall	Size of Property		
		1 to 10	11 to 19	20 +
Sunset Country	\$34.4	\$9.1	\$22.5	\$3.0
Other Ontario	\$2.9	\$1.4	\$0.2	\$1.2
Manitoba	\$2.5	\$1.0	\$1.2	\$0.2
Other Canada	\$0.4	\$0.2	\$0.2	\$0.0
United States	\$3.8	\$0.3	\$3.4	\$0.1
International	\$0.0	\$0.0	\$0.0	\$0.0
Total Expenditures	\$43.9	\$12.0	\$27.5	\$4.5

Source: Sunset Country Economic Impact Study, Accommodation Operator Survey, 2001

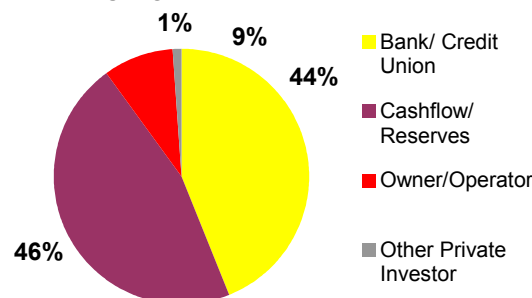
purchases must be determined and proportioned prior to calculating tourism's economic impact on Sunset Country. To accomplish this, operators were asked to allocate their expenditures to the areas where their capital supplies and services were purchased. Exhibit 2-15 summarizes the allocation of Capital Expenditures by Region. As depicted in Exhibit 2-16, accommodation providers made 78% of their capital expenditures purchasing goods and services within Sunset Country. The United States drew 9% of funds spent on capital improvements with Manitoba and Other Ontario earning 6% each. Almost no money was spent on supplies and services from international countries. On a dollar perspective, over \$34 Million was spent in Sunset Country followed by almost \$4 Million in the United States, \$3 Million in Other Ontario and \$2.5 Million in Manitoba.

Exhibit 2-16: OVERALL CAPITAL EXPENDITURE ALLOCATION OF SUPPLY AND SERVICE SOURCE



Source: Sunset Country Economic Impact Study, Accommodation Operator Survey, 2001

Exhibit 2-17: SOURCES OF FINANCING FOR CAPITAL EXPENDITURES



Source: Sunset Country Economic Impact Study, Accommodation Operator Survey, 2001

Sunset Country Accommodation providers obtained financing for capital improvements from a variety of sources in 2001. Exhibit 2-17, shows that owners continue to be reliant on the more traditional modes of financing with Cashflow and Reserves contributing 46%, Bank/Credit Unions adding 44% and Owner/Operators another 9%. Exhibit 2-19 provides an overview of financing support by size of property. Mid to large properties are more likely to obtain financing from banks and credit unions

while smaller properties tend rely on cashflow, reserves and owner/operator investment to make capital improvements.

	Overall		Size of Property		
			1 to 10	11 to 19	20 +
Bank/ Credit Union/ Finance Company	\$19.3	44%	\$3.0	\$14.8	\$1.5
Cashflow/Reserves	\$20.3	46%	\$6.8	\$10.5	\$3.0
Owner/ Operator	\$4.0	9%	\$1.9	\$2.0	\$0.1
Other Private Investor	\$0.4	1%	\$0.4	\$0.0	\$0.0
Total Capital Expenditures	\$43.9		\$12.1	\$27.3	\$4.6

Source: Sunset Country Economic Impact Study, Accommodation Operator Survey, 2001

2.5 2001 Operating Results

The financial and operating performance results for the accommodation sector are presented in Exhibit 2-19. Visitors to Sunset Country occupied 819 thousand fixed-roof unit nights in 2001. Properties with 20 plus units understandably absorbed almost 68% of the occupied nights to the Study Area due to their size and higher number of operating days.

	Overall		Size of Property		
			1 to 10	11 to 19	20 +
Occupied Unit Nights	819,181		115,219	161,150	542,812
Guest Visits	560,000		86,000	156,000	318,000
Operating Days	231		152	172	313
Occupancy (Operating Days)	55.0%		50.3%	45.7%	59.8%
Occupancy (365 Days)	34.7%		20.9%	21.5%	51.3%
Average Daily Unit Rate (ADR) ¹	\$166.94		\$273.75	\$295.98	\$105.96
Revenue Per Available Unit (RevPAR) ²	\$91.80		\$137.70	\$135.14	\$63.36

¹ Includes only room rental revenue. Food, beverage and other revenue are allocated as defined in Exhibit 2-20
² Room Revenue per Available Room on Average Operating Days for each Category
Source: Sunset Country Economic Impact Study, Accommodation Operator Survey, 2001

For clarity and comparison, two occupancy figures are presented: the first utilizes the average operating days by property size category, while the second provides an annual occupancy rate. Overall, the Region experienced 55.0% occupancy in 2001 with operators in the larger category performing above average at 59.8% and the mid-sized properties performing below the average at 45.7%. The disparity between the operating period and annual occupancy figures lessens as the property size increases. The occupancy figures are a reminder of the unique and broad effect that seasonal tourism has on Sunset Country.

Many of the cottage/cabin and outpost establishments reported package revenue, which included accommodation, meals, and other services such as boat rentals, transportation, fishing licenses and guiding services. For comparison purposes, total package plan revenues have been allocated to Units, Food, Beverage and Other Services revenue according to conventions suggested by the *Uniform System of Accounts for the Lodging Industry* and PKF Consulting, as detailed in Exhibit 2-20.⁴ Based on the properties' allocation of the package revenues, properties with 11 to 19 units had the highest Average Daily Room/Rental Unit Rate at \$296 followed by properties with 1 – 10 units at \$274 and large properties at \$106. It should be noted, that while the smaller accommodation properties achieved the highest average daily rates, the multiple occupancy factor per unit tends to be much higher amongst these properties (ie. 4 to 6 beds per cabin versus 1 to 2 beds per hotel room). Revenue per Available Room or Unit (RevPAR) for the overall region was almost \$92 in 2001, assuming units available during normal operating days. The smallest properties came in with the highest RevPar at nearly \$138 with the remaining two categories at \$135 and \$63, respectively.

Exhibit 2-20: PACKAGE PLAN REVENUE ALLOCATION

PACKAGE PLAN	ALLOCATION
Housekeeping Only	90% Units 0% Food & Beverage 10% Service/Other
American Plan	55% Units 30% Food & Beverage 15% Service/Other
Canoe Outfitter	0% Units 30% Food & Beverage 70% Service/Other

Source: PKF Assumptions based on the *Uniform System of Accounts for the Lodging Industry*

Operators were asked to estimate the number of guests they hosted (guest visits) in 2001. Guest visits refer to individual overnight persons staying for any length of time and with any number of people in a rental unit. Guest visits are equal to occupied unit nights multiplied by average unit capacity divided by the average length of stay. Based on operator estimates, Sunset Country welcomed over 560 Thousand overnight guests in 2001, 86 Thousand of whom stayed in a property with 1 – 10 units, 156 Thousand in a property with 11-19 units and 318 Thousand at a facility with 20 plus units.

⁴ Uniform System of Accounts For The Lodging Industry. Ninth Revised Edition. American Hotel & Motel Association. 1996

Operating Statement of Income and Expenses

The Statement of Income & Expenses reflects the results of Sunset Country accommodation operations for the year 2001. The Uniform System of Accounts for Hotels, recommended by the American Hotel and Motel Association and in general use throughout the accommodation industry in Canada, has been used to classify income and expenses in this analysis. In conformity with this system, only direct operating expenses are charged to operating departments of the accommodation property. The general overhead items which are applicable to operations as a whole are classified as undistributed expenses and include administrative and general expenses, advertising and marketing, property operations & maintenance, energy costs and other unallocated operating departments, property taxes and insurance.

Total Operating Revenues include all revenues from units/accommodation rentals; food & beverage; retail; guest services; rental income and other sources of revenue. Total Operating Expenses include all expenses derived from salaries & wages; departmental expenses; undistributed operating expenses; and property taxes and insurance. Other Fixed Charges include interest and mortgage charges, lease payments on machinery & equipment and rental payments from land and buildings. Net Income is defined as the remaining income derived from Operating Revenues less Operating Expenses and Fixed Charges.

An Average Accommodation Unit Generated Nearly \$40 Thousand in 2001

Exhibit 2-21 accounts for revenue generated by a unit during the 2001 fiscal year. For the overall Region, room/accommodation rentals contributed 53% of the gross revenue. The proportion of room revenue to total revenue increases with the size of property. The typical accommodation unit generated close to \$40,000 in total revenues in 2001. Retail and Guest Services revenue generated 25% of revenue, with Food and Beverage operations generating 11% of total revenue.

Exhibit 2 - 21 FIXED-ROOF ACCOMMODATION REVENUE PER UNIT								
	Total (all Units)		1 to 10 units		11 to 19 units		20 plus units	
	\$ per Avail Unit	%	\$ per Avail Unit	%	\$ per Avail Unit	%	\$ per Avail Unit	%
Rooms/Accommodation Rentals	\$21,172	53%	\$20,930	50%	\$23,244	52%	\$19,832	56%
Food & Beverage	\$4,454	11%	\$3,457	8%	\$4,094	9%	\$5,228	15%
Retail	\$3,985	10%	\$6,493	15%	\$5,109	11%	\$1,885	5%
Merchandise	\$2,048	5%	\$3,341	8%	\$2,943	6%	\$743	2%
Fuel & Gas	\$1,053	3%	\$2,358	6%	\$894	2%	\$488	1%
Live & Frozen Bait	\$287	1%	\$206	0%	\$332	1%	\$297	1%
Fishing & Hunting Licence	\$596	1%	\$588	1%	\$940	2%	\$357	1%
Guest Services	\$5,760	15%	\$4,489	10%	\$8,123	18%	\$4,748	13%
Boat & Motor	\$1,595	4%	\$2,280	5%	\$1,396	3%	\$1,380	4%
Air Service	\$2,657	7%	\$1,212	3%	\$4,650	10%	\$1,998	6%
Guiding Fees	\$1,304	3%	\$515	1%	\$1,790	4%	\$1,371	4%
Marina Slip Rentals	\$204	1%	\$482	1%	\$288	1%	\$0	0%
Other Revenue (incl. other pkg allc.)	\$4,504	11%	\$6,500	16%	\$4,351	10%	\$3,576	10%
Rental (meeting room, equipment)	\$118	0%	\$44	0%	\$118	0%	\$157	0%
TOTAL REVENUE	\$39,994	100%	\$41,913	100%	\$45,040	100%	\$35,426	100%

Source: Sunset Country Economic Impact Study, Accommodation Operator Survey, 2001

Exhibit 2 – 22 provides a revenue summary extrapolated to reflect the total accommodation inventory in the Study Region.⁵ In 2001, accommodation facilities with 1 to 10 units generated just over \$63 Million, with 11 to 19 units and 20 plus units totaling \$92 Million and almost \$103 Million, respectively, for a total of \$258 Million.

Exhibit 2 - 22 SUNSET COUNTRY FIXED-ROOF ACCOMMODATION REVENUE SUMMARY (in Millions)								
	Total (all Units)		1 to 10 units		11 to 19 units		20 plus units	
	\$	%	\$	%	\$	%	\$	%
Rooms/Accommodation Rentals	\$136.7	53%	\$31.5	50%	\$47.7	52%	\$57.5	56%
Food & Beverage	\$28.8	11%	\$5.2	8%	\$8.4	9%	\$15.2	15%
Retail	\$25.7	10%	\$9.7	15%	\$10.5	11%	\$5.5	5%
Merchandise	\$13.2	5%	\$5.0	8%	\$6.0	6%	\$2.2	2%
Fuel & Gas	\$6.8	3%	\$3.6	6%	\$1.8	2%	\$1.4	1%
Live & Frozen Bait	\$1.9	1%	\$0.3	0%	\$0.7	1%	\$0.9	1%
Fishing & Hunting Licence	\$3.8	1%	\$0.9	1%	\$1.9	2%	\$1.0	1%
Guest Services	\$37.2	15%	\$6.7	10%	\$16.7	18%	\$13.8	13%
Boat & Motor	\$10.3	4%	\$3.4	5%	\$2.9	3%	\$4.0	4%
Air Service	\$17.1	7%	\$1.8	3%	\$9.5	10%	\$5.8	6%
Guiding Fees	\$8.5	3%	\$0.8	1%	\$3.7	4%	\$4.0	4%
Marina Slip Rentals	\$1.3	1%	\$0.7	1%	\$0.6	1%	\$0.0	0%
Other Revenue (incl. other pkg allocation)	\$29.1	11%	\$9.8	16%	\$8.9	10%	\$10.4	10%
Rental (meeting room, equipment)	\$0.8	0%	\$0.1	0%	\$0.2	0%	\$0.5	0%
TOTAL REVENUE	\$258.3	100%	\$63.1	100%	\$92.4	100%	\$102.7	100%

Source: Sunset Country Economic Impact Study, Accommodation Operator Survey, 2001

⁵ Average Revenue generated per unit by Property Size (Exhibit 2-21) multiplied by total inventory by property size in Sunset Country = Total Revenue generated by Sunset Country Fixed Roof Accommodation (Exhibit 2-22).

Sunset Country Accommodation Operations Expense and Net Income Summary

Exhibit 2-23 outlines the expense and income summary for an average accommodation unit in Sunset Country using standard lodging accounting conventions⁶. Exhibit 2-24 provides a weighted summary for Sunset Country as a whole. Payroll was the largest expense for accommodation providers at over \$70 Million or 27% of revenue. Specifically, employees took home nearly \$53 Million in wages, above that, accommodation providers paid out almost \$5 Million in benefits. It is likely that a portion of the amount included in wages is actually benefits, as many of the survey respondents were unable to allocate benefits from wages.

Departmental expenses were recorded at over \$61 Million overall or \$9,547 per unit in 2001. Included in the departmental expenses are distributable cost of goods sold and food and beverage, units and guest services departmental costs. Undistributed operating expenses, including administrative and general, advertising and marketing, maintenance, energy and other unallocated departmental costs amounted to over \$54 Million or 21% of revenue in 2001. Accommodation providers paid over \$4 Million in property taxes and spent nearly \$6 Million on insurance in 2001. Before debt service, lease payments and rent charges, accommodation operators in Sunset Country earned over \$61 Million, achieving 25% profitability in 2001. Properties with 11 to 19 units were the most profitable in 2001, retaining 27% of total revenue before other fixed charges. Debt service and repayment amounted to over \$16 Million in 2001 with 11 to 19 unit properties paying the most at 9% of revenue. Net income before taxes amounted to over \$35 Million or 14% of revenue in 2001. On a per unit basis 1 to 10 unit properties made \$5,072 while 11 to 19 unit and 20 plus unit properties made \$6,481 and \$4,974, respectively.

⁶ Reader should refer to Appendix C for a Glossary of Terms used in the Statement of Income and Expenses.

Exhibit 2 -23 OPERATING EXPENSES AND NET INCOME PER UNIT								
	Total (all Units)		1 to 10 units		11 to 20 units		20 plus units	
	\$ per Avail Unit	% Rev	\$ per Avail Unit	% Rev	\$ per Avail Unit	% Rev	\$ per Avail Unit	% Rev
SALARIES, WAGES & BENEFITS								
Salaries and Wages	\$8,172	20%	\$6,306	15%	\$8,685	19%	\$8,778	25%
Employee Benefits	\$759	2%	\$619	1%	\$636	1%	\$919	2%
Management Fees	\$2,002	5%	\$3,209	8%	\$2,546	6%	\$991	3%
Total Salaries, Wages & Benefits	\$10,933	27%	\$10,134	24%	\$11,867	26%	\$10,688	30%
DEPARTMENTAL EXPENSES								
Rooms/Accommodation	\$919	2%	\$1,054	3%	\$235	1%	\$1,334	4%
Food & Beverage	\$2,094	5%	\$1,465	3%	\$1,769	4%	\$2,651	7%
Retail	\$4,703	13%	\$6,211	16%	\$6,648	16%	\$2,544	7%
Merchandise Cost of Goods Sold	\$1,844	5%	\$2,849	7%	\$2,518	6%	\$844	2%
Fuel & Gas Cost of Goods Sold	\$1,928	5%	\$2,297	6%	\$2,971	7%	\$998	3%
Live & Frozen Bait Cost of Goods Sold	\$312	1%	\$406	1%	\$269	1%	\$294	1%
Fishing & Hunting Licence Cost	\$620	2%	\$658	2%	\$890	2%	\$408	1%
Guest Services	\$1,830	5%	\$3,829	9%	\$2,006	5%	\$667	2%
Other Supplies	\$521	1%	\$1,443	3%	\$423	1%	\$110	0%
Plane Expenses (Contractural Services)	\$1,310	3%	\$2,387	6%	\$1,583	4%	\$557	2%
Total Departmental Expenses	\$9,547	24%	\$12,559	30%	\$10,658	24%	\$7,196	20%
UNDISTRIBUTED OPERATING EXPENSES								
Administrative and General Expenses	\$1,304	3%	\$1,460	3%	\$1,544	3%	\$1,054	3%
Advertising and Marketing	\$1,743	4%	\$2,101	5%	\$1,604	4%	\$1,656	5%
Property Operation and Maintenance	\$2,437	6%	\$2,717	6%	\$3,124	7%	\$1,806	5%
Energy Costs	\$1,036	3%	\$576	1%	\$1,111	2%	\$1,223	3%
Other Unallocated Operated Departments	\$1,911	5%	\$1,601	4%	\$1,107	2%	\$2,641	7%
Total Undistributable Expenses	\$8,432	21%	\$8,455	20%	\$8,489	19%	\$8,380	24%
PROPERTY TAXES AND INSURANCE								
Property Taxes and Municipal Charges	\$625	2%	\$878	2%	\$488	1%	\$591	2%
Insurance (Building, Liability, Auto etc.)	\$923	2%	\$982	2%	\$1,530	3%	\$464	1%
Total Property Taxes and Insurance	\$1,549	4%	\$1,860	4%	\$2,018	4%	\$1,055	3%
NET INCOME BEFORE OTHER FIXED CHARGES	\$9,532	24%	\$8,906	21%	\$12,007	27%	\$8,107	23%
OTHER FIXED CHARGES								
Interest and Mortgage Charges	\$2,565	6%	\$2,635	6%	\$4,116	9%	\$1,431	4%
Lease Payment on Machinery & Equipment	\$1,394	3%	\$1,102	3%	\$1,283	3%	\$1,623	5%
Rent (Land & Building)	\$98	0%	\$97	0%	\$127	0%	\$79	0%
NET INCOME	\$5,475	14%	\$5,072	12%	\$6,481	14%	\$4,974	14%

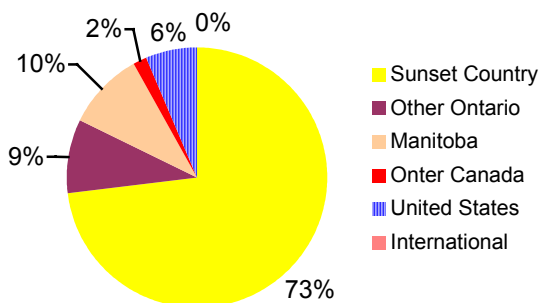
Source: Northwestern Ontario Economic Impact Study, Accommodation Operator Survey, 2001

Exhibit 2 - 24 SUNSET COUNTRY OPERATIONAL EXPENSES AND NET INCOME SUMMARY (in Millions)								
	Total (all Units)		1 to 10 units		11 to 20 units		20 plus units	%
SALARIES, WAGES & BENEFITS								
Salaries and Wages	\$52.8	20%	\$9.5	15%	\$17.8	19%	\$25.4	25%
Employee Benefits	\$4.9	2%	\$0.9	1%	\$1.3	1%	\$2.7	2%
Management Fees	\$12.9	5%	\$4.8	8%	\$5.2	6%	\$2.9	3%
Total Salaries, Wages & Benefits	\$70.6	27%	\$15.2	24%	\$24.3	26%	\$31.0	30%
DEPARTMENTAL EXPENSES								
Rooms/Accommodation	\$5.9	2%	\$1.6	3%	\$0.5	1%	\$3.9	4%
Food & Beverage	\$13.5	5%	\$2.2	3%	\$3.6	4%	\$7.7	7%
Retail	\$30.4	13%	\$9.4	16%	\$13.7	16%	\$7.4	7%
Merchandise Cost of Goods Sold	\$11.9	5%	\$4.3	7%	\$5.2	6%	\$2.4	2%
Fuel & Gas Cost of Goods Sold	\$12.5	5%	\$3.5	6%	\$6.1	7%	\$2.9	3%
Live & Frozen Bait Cost of Goods Sold	\$2.0	1%	\$0.6	1%	\$0.6	1%	\$0.9	1%
Fishing & Hunting Licence Cost	\$4.0	2%	\$1.0	2%	\$1.8	2%	\$1.2	1%
Guest Services	\$11.9	5%	\$5.8	9%	\$4.2	5%	\$1.9	2%
Other Supplies	\$3.4	1%	\$2.2	3%	\$0.9	1%	\$0.3	0%
Plane Expenses (Contractual Services)	\$8.5	3%	\$3.6	6%	\$3.3	4%	\$1.6	2%
Total Departmental Expenses	\$61.7	25%	\$18.9	31%	\$21.9	25%	\$20.9	20%
UNDISTRIBUTED OPERATING EXPENSES								
Administrative and General Expenses	\$8.4	3%	\$2.2	3%	\$3.2	3%	\$3.1	3%
Advertising and Marketing	\$11.3	4%	\$3.2	5%	\$3.3	4%	\$4.8	5%
Property Operation and Maintenance	\$15.7	6%	\$4.1	6%	\$6.4	7%	\$5.2	5%
Energy Costs	\$6.7	3%	\$0.9	1%	\$2.3	2%	\$3.5	3%
Other Unallocated Operated Departments	\$12.3	5%	\$2.4	4%	\$2.3	2%	\$7.7	7%
Total Undistributable Expenses	\$54.4	21%	\$12.8	20%	\$17.5	19%	\$24.3	24%
PROPERTY TAXES AND INSURANCE								
Property Taxes and Municipal Charges	\$4.0	2%	\$1.3	2%	\$1.0	1%	\$1.7	2%
Insurance (Building, Liability, Auto etc.)	\$6.0	2%	\$1.5	2%	\$3.1	3%	\$1.3	1%
Total Property Taxes and Insurance	\$10.0	4%	\$2.8	4%	\$4.1	4%	\$3.0	3%
NET INCOME BEFORE OTHER FIXED CHARG	\$61.7	24%	\$13.4	21%	\$24.5	27%	\$23.7	23%
OTHER FIXED CHARGES								
Interest and Mortgage Charges	\$16.6	6%	\$4.0	6%	\$8.4	9%	\$4.1	4%
Lease Payment on Machinery & Equipment	\$9.0	3%	\$1.7	3%	\$2.6	3%	\$4.7	5%
Rent (Land & Building)	\$0.6	0%	\$0.1	0%	\$0.3	0%	\$0.2	0%
NET INCOME	\$35.5	14%	\$7.6	12%	\$13.2	14%	\$14.7	14%

Source: Northwestern Ontario Economic Impact Study, Accommodation Operator Survey, 2001

2.6 Operating Expenditure Allocation by Region of Purchase

Exhibit 2-25: OVERALL ALLOCATION OF OPERATING EXPENDITURES BY REGION OF PURCHASE



Source: Sunset Country Economic Impact Study, Accommodation Operator Survey, 2001

Exhibit 2-26: ALLOCATION OF OPERATING EXPENDITURES BY REGION OF PURCHASE (in Millions)

	Overall	Size of Property		
		1 to 10	11 to 19	20 +
Sunset Country	\$163.0	\$43.8	\$59.0	\$60.2
Other Ontario	\$20.3	\$3.7	\$6.7	\$9.9
Manitoba	\$21.1	\$4.4	\$7.4	\$9.3
Other Canada	\$3.8	\$0.8	\$2.9	\$0.1
United States	\$14.2	\$2.5	\$3.1	\$8.6
International	\$0.3	\$0.3	\$0.0	\$0.0
Total Expenditures	\$222.8	\$55.5	\$79.1	\$88.2

Source: Sunset Country Economic Impact Study, Accommodation Operator Survey, 2001

Operators were asked to allocate their operational expenditures by Region of purchase. Exhibit 2-25 visually summarizes the proportion of operating expenditures by Region of purchase, while Exhibit 2-26 details dollar amounts stratified by size of property. Of the \$222.8 Million in operating expenditures, 73% of the purchases of goods and services were made within the Study Area – Sunset Country.

2.7 Employee Profile (2001)

Accommodation Providers Employed Over 3,700 in 2001

A summary of the type of employment generated by Sunset Country Accommodation providers is presented in Exhibit 2-27, stratified by employee profile. The employment figures listed include only paid employees. Fixed-roof accommodation providers employed 3,785 persons, of which 758 were First Nations. Full-time seasonal employees⁷ made up 65% of the accommodation workforce in 2001.

Exhibit 2-27: 2001 Employee Profile

	Total	Full Time	Full Seasonal	Part Time
Female	1,526	218	1,090	218
15-24	579	16	431	133
25-44	675	128	473	74
45-64	260	69	181	11
65+	11	5	5	-
Male	2,259	356	1,372	532
15-24	675	32	505	138
25-44	904	175	462	266
45-64	643	144	388	112
65+	37	5	16	16
Total Salaried	3,785	574	2,462	750
First Nations	758	0	159	599

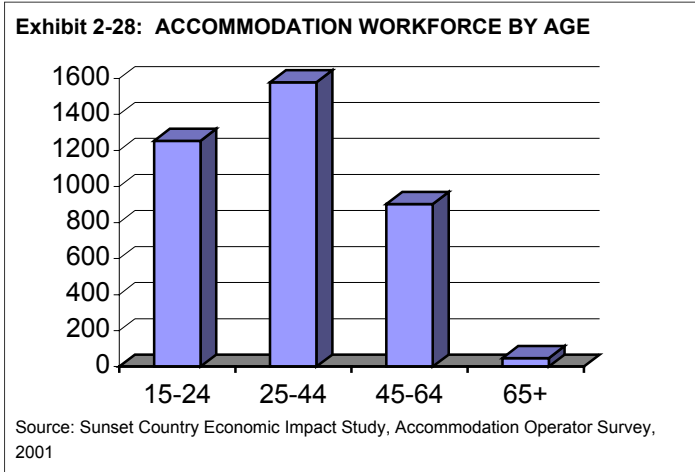
Source: Sunset Country Economic Impact Study, Accommodation Operator Survey, 2001

⁷ Full-time seasonal employees includes those with full-time equivalent positions during the peak summer season.

Exhibit 2-28 illustrates the age of Sunset Country accommodation workforce. Over 40% of employees are between 25 and 44 years old with a slightly skewed distribution towards the younger of the two employable age categories. Accommodation providers in Sunset Country employ very few seniors.

To recap from the previous section, employees earned almost \$66 Million in wages, with an additional \$5 Million in benefits. Initially, a 9% to payroll cost benefit burden may seem low, however

over 20% of employees are part-time and receive fewer benefits. Additionally, some operators were unable to detail their payroll costs, so a small portion of wages may actually be unallocated benefits.



3.0 NORTH-WEST ONTARIO TRAVEL REGION TOURISM VOLUMES and VALUE

3.1 Introduction

The following section highlights the results of previous studies on the volume and value of the tourism industry within the North-West Ontario Travel Region. The *Remote Northern Tourism Travel Survey* was completed by Research Strategy Group in 1997, while the Ministry of Tourism tracks annual visitor volumes and expenditures to all regions within Ontario, through visitor studies implemented by Statistics Canada.

3.2 Review of 1997 Remote Northern Tourism Travel Survey

153,000 Visitors to Northwest Region Generating \$118.4 Million to Economy

The *Remote Northern Tourist Travel Survey* was commissioned by the Ministry of Economic Development, Trade and Tourism in 1996 to provide an economic impact assessment of this type of tourism. Remote tourism establishments are defined as accommodation establishments that are accessible only by plane, boat, snowmobile or private road with a gate, in the following 3 regions of Northern Ontario: Northwestern Region (Thunder Bay, Rainy River and Kenora Districts); Northeast Region (Sudbury, Cochrane and Algoma Districts); and Southern Region (Nipissing, Timiskiming, Parry Sound and Manitoulin). Based on the survey results, it was estimated that there were 153,000 visitors to remote tourism facilities in Northern Ontario in 1996, with visitors spending an average of \$1,300 each within Ontario, amounting to an estimated \$183 Million, and generating an estimated \$206 Million in GDP, provincially. Specifically, the Northwest Region (including Kenora, Rainy River and Thunder Bay) hosted 93,400 remote-tourism visitors, the majority of which were males (86%) who stayed in outpost cabins or American Plan resorts for up to 6 nights, on pre-paid fishing or hunting packages. American visitors spent notably higher trip expenditures at \$1,371 per visitor versus Canadians who spent an average of \$809 per trip. The economic impact of remote-tourism to Northwestern Ontario was estimated at \$118.4 Million, contributing \$96.5 Million in GDP to Northwestern Ontario's economy; and supporting 3,079 jobs (or 2,298 person years).

3.3 Review of Ministry of Tourism Canadian and International Travel Survey Results

The results of the 2001 Canadian and International Travel Surveys data are presented at two levels:

1. The Regional Level for Region 12: North-West Travel Region (including Thunder Bay Census District); and
2. The Census District Level for the narrower Rainy River and Kenora Census Districts combined. The Rainy River and Kenora Census Districts most closely resemble the Sunset Country Study Area, however the District-level information is limited to person visits and total expenditures.

3.3.1 Travel to the Region

Person Visits to the Study Region...

2.6 Million Visitors to the Region in 2001, 1.5 Million to Rainy River and Kenora Districts

Exhibit 3-1 shows the number of person visits to the North-West Ontario Travel Region and more specifically Rainy River and Kenora Districts. A total 2,620,000 persons visited the North-West Travel Region in 2001 with 950,000 (36%) on day trips and 1,670,000 (64%) staying overnight. Most visitors were from the United States representing 44% of total visits or 1,144,000 visitors with Ontario visitors at a close second with 1,007,000 visitors or 38% of total visits to the region.

Of all travel to the North-West Travel Region, 58% of person visits are to the Rainy River and Kenora Census Districts. Traveler origin segmentation in Rainy River and Kenora, varies significantly from that of the overall Northwestern Ontario Travel Region. According to Statistics Canada, US travelers represent 825,000 visitors or 55% of the total person visits, to Rainy River and Kenora Districts far

Traveller Origin	North-West Travel Region		Rainy River and Kenora Districts	
	Person Visits	% of Total	Person Visits	% of Total
Ontario	1,007,000	38%	302,000	20%
Other Canadian Provinces	448,000	17%	376,000	25%
United States	1,144,000	44%	825,000	55%
Overseas	21,000	1%	9,000	1%
Total	2,620,000		1,512,000	
Same-Day Visit	950,000	36%	n/a	
Overnight Visit	1,670,000	64%	n/a	

Source: Statistics Canada. 2001 Canadian Travel Survey, 2001 International Travel Survey: PKF Consulting

surpassing travelers from other areas. In comparison, according to border crossing data provided by Sunset Country, there were a total of 520,582 persons entering via the Fort Frances and Rainy River border crossings in 2001. Length of stay figures specifically for the Rainy River and Kenora Districts are

not available, however the proportion of overnight visits would likely be higher than to the overall region due to the packaged recreational/leisure nature of the tourism industry in the Districts.

Why do People Visit the North-West? Leisure Overnight Pleasure is Region's Top Segment

Exhibit 3-2 breaks down total person visits by segmentation and visitor origin, providing an understanding of the reasons tourists visit the North-West Ontario Travel Region. The Leisure Overnight Pleasure segment leads all categories, drawing 1,031,000 visits or 39% of visitors to the region. The Region

Exhibit 3-2: TOURISM SEGMENTATION IN NORTH-WEST ONTARIO in 2001					
Segment	Total		by Origin		
	Person Visits	% of Total	Canada	USA	Overseas
Leisure Overnight Pleasure	1,031,000	39%	544,000	475,000	12,000
Business Overnight	101,000	4%	84,000	17,000	-
Personal/Other Overnight	164,000	6%	70,000	93,000	1,000
Leisure Overnight VFR	373,000	14%	322,000	46,000	5,000
Total Overnight	1,669,000	64%	1,020,000	631,000	18,000
Same Day	951,000	36%	435,000	513,000	3,000
Total	2,620,000		1,455,000	1,144,000	21,000

Source: Ontario Ministry of Tourism and Recreation, CTS/ITS Detailed Tables 2001: R3-6-9 CTS; R2-1, R15-1, R16-1, R17-1 ITS US; R2-1 ITS Overseas: PKF Consulting

attracts minimal business travel at 101,000 visits or 4% of total visitors. Leisure Overnight VFR (visiting friends and relatives) drew 373,000 or 14% person visits with the remaining balance of 164,000 or 6% for Personal/Other Overnight travel (funerals, weddings, medical, etc.). Same day travel represented 951,000 person visits or 36% of the total. A higher proportion of American visitors stayed in the Region only for the day.

North-West Ontario Travel Region's Top Market is . . .

Exhibit 3-3 provides a listing of North-West Ontario's top ten travel markets. Domestic travel from within the Region is the North-West Ontario's largest overnight market, typical of other travel regions, with neighbouring Manitoba, Minnesota ranked thereafter. The top ten overnight markets account for 75% of the total overnight travel to the region.

Exhibit 3-3: NORTH-WEST ONTARIO TRAVEL REGION'S TOP TEN OVERNIGHT VISITOR MARKETS		
Market	Person Visits	% of Total Person Visits
North-West Ontario	392,000	23%
Manitoba	308,000	18%
Minnesota	206,000	12%
Wisconsin	130,000	8%
North-East Ontario	61,000	4%
Metropolitan Toronto	57,000	3%
Illinois	46,000	3%
Michigan	32,000	2%
South-Central Ontario	18,000	1%
Central Ontario	17,000	1%

Source: Ontario Ministry of Tourism and Recreation, CTS/ITS Detailed Tables 2001: R3-6, R2-6, R4-6, R6-6 CTS; R3-5 ITS: PKF Consulting

Type of Accommodation – *Private Homes & Cottages Account for 45% of all Stays*

The type of overnight accommodation a traveler chooses is important in determining the economic effect that visitor will have on a region. It also aids in determining the supply and demand conditions present for a specific accommodation type. Exhibit 3-4 groups accommodation nights by type of accommodation and guest origin. Private cottages account for the largest number (3,304,000) of accommodation nights, which is expected, as cottage owners are more likely to stay in the Region for an extended period of time.

Exhibit 3-4: PERSON NIGHTS IN NORTH-WEST ONTARIO in 2001				
Type	Total	Person Nights		
		Canada	USA	Overseas
Hotel	463,000	362,000	96,000	5,000
Motel	385,000	173,000	206,000	6,000
Commercial Cottages/ Other Roofed	1,699,000	295,000	1,403,000	1,000
Camping and Trailer Parks	925,000	496,000	406,000	23,000
Private Homes and Cottages	3,304,000	2,624,000	591,000	89,000
Other (Type Unknown)	557,000	127,000	418,000	12,000
Total	7,333,000	4,077,000	3,120,000	136,000
Total Roofed Commercial	2,547,000	830,000	1,705,000	12,000

Source: Ontario Ministry of Tourism and Recreation, CTS/ITS Detailed Tables 2001: R4-6 CTS; R5-12 ITS US; R5-6 ITS
PKF Consulting

In the commercial accommodations category, most visitors' stay in Commercial Cottages especially those visiting from the United States with 45% of all accommodation nights allocated to commercial cottages. The second highest commercial accommodation category is camping and trailer parks, accounting for 925,000 nights or 13% of all travel to the North-West Travel Region. Hotel and motel nights account for 12% of the total accommodation nights in the Region, in comparison, hotels and motels account for 22% of the overnight market in overall Ontario.⁸ This underscores the unique reliance and importance of commercial cottages, fishing resorts and other non-hotel, motel or campground commercial accommodation categories in the North-West Ontario Travel Region. Approximately 2.5 million person nights were spent in fixed roof commercial accommodation establishments in Northwestern Ontario in 2001.

Size of Party

The average size of a party traveling to the North-West Travel Region varies by visitor's origin. For domestic and overseas visitors the average party size is 1.86, while

Exhibit 3-5: PARTY SIZE AND COMPOSITION			
	Canada	USA	Overseas
Average Party Size - Overnight Trips	1.86	3.00	1.86
Party Composition - Overnight Visitors			
Adults Only	81%	88%	88%
With Children under 15 Years	19%	12%	13%

Source: Ontario Ministry of Tourism and Recreation, CTS/ITS Detailed Tables 2001: R39-2, R42-2 CTS; R24-2, R25-1 ITS US; R24-2, R25-1 ITS Overseas: PKF Consulting

⁸ Ontario Ministry of Tourism and Recreation. CTS/ITS Detailed Tables 2001: p14-1 CTS; p16-1 ITS US; p16-1 ITS Overseas

a party from the United States averages 3.0 people (Exhibit 3-5). A solid majority of travelers to the Region are comprised of adult-only parties. Specifically, 88% of international (US and Overseas) visiting parties and 81% of domestic parties were adult-only.

When do Visitors Visit the North-West Ontario Travel Region?

Seasonality is an important factor in North-West Ontario tourism, with focus on recreational and leisure tourism. Exhibit 3-6 provides a breakdown of travel to the Region by quarter. Unsurprisingly, close to 40% of North-West Ontario tourism takes place from July through September, during the peak travel season. The Spring (April – June) brings 26% of overall tourism to the Region, while the fall and winter accounts for around 17% each.

Exhibit 3-6: SEASONALITY OF OVERNIGHT VISITS TO NORTH-WEST ONTARIO				
Type	All Markets	Canada	USA	Overseas
Quarter 1 (January - March)	17%	17%	17%	10%
Quarter 2 (April - June)	26%	26%	25%	24%
Quarter 3 (July - September)	39%	37%	41%	57%
Quarter 4 (October - December)	18%	20%	16%	10%

Source: Ontario Ministry of Tourism and Recreation, CTS/ITS Detailed Tables 2001: R25-6 CTS; P41-1 ITS US; P41-1 ITS: PKF Consulting

3.3.2 Visitor Expenditures in the North-West Ontario Travel Region- \$546 Million

Visitor expenditures refer to spending by incoming visitors to the North-West Travel Region, excluding those expenditures that have been allocated to the point of origin of travelers. The “point of origin expenditures” are amounts of money spent by residents of the North-West Ontario Travel Region and/or Rainy River and Kenora Districts on transportation before going on a trip outside the Region, which are assumed to have taken place at the location of origin of the trip and not the location visited.⁹ In contrast, tourism expenditures include point of origin expenditures in their total. The inclusion of these expenditures is important as they provide a quantifiable economic benefit to the tourism related industries within the Region.

Exhibit 3-7 summarizes economic spending in the Region by origin of tourists. It is estimated that over half a billion is spent on tourism in the North-West Travel Region each year of which \$323,883,000 or 59% is generated from travelers of American origin. Domestic travelers account for a combined 40% or \$214,955,000 of all receipts.

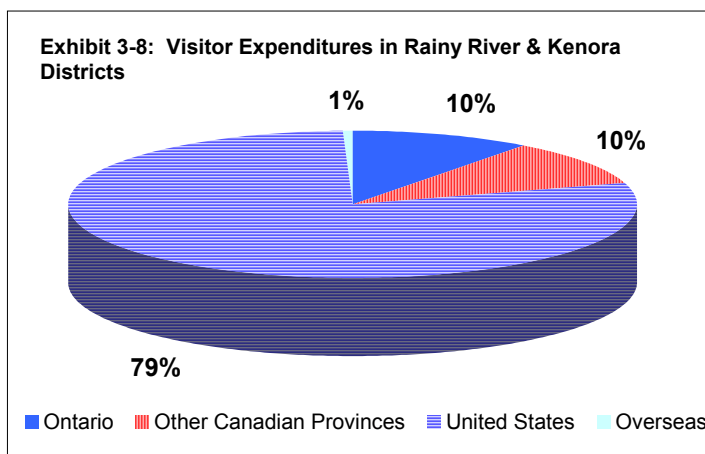
⁹ *Tourism Expenditures by All Travelers in Travel Regions, 2001*. Ontario Ministry of Tourism and Recreation. April 2003.

Exhibit 3-7: VISITOR EXPENDITURES IN NORTH-WEST ONTARIO in 2001				
Traveller Origin	North-West Travel Region		Rainy-River and Kenora	
	Spending	% of Total	Spending	% of Total
Ontario	\$156,427,000	29%	\$42,166,000	12%
Other Cdn Provinces	\$58,528,000	11%	\$26,959,000	8%
United States	\$323,883,000	59%	\$269,236,000	79%
Overseas	\$6,876,000	1%	\$2,001,000	1%
Total	\$545,714,000		\$340,362,000	
Same-Day Visit	\$47,688,000	9%	n/a	
Overnight Visit	\$498,026,000	91%	n/a	

Source: Ontario Ministry of Tourism and Recreation CTS, ITS Tables, R21-6 CTS, R12-3 ITS US, R12-3 ITS Overseas
PKF Consulting

\$340 Million Spent in Rainy River and Kenora Districts, of which Americans Spent \$270 Million in 2001

Exhibit 3-8 graphically underscores the importance of the American border to the Region. Tourism spending in the Rainy River and Kenora Census Districts amounted to \$340 Million in 2001.¹⁰ This amount represents 62% of the total spending in the North-West Travel Region, generated by only 58% of person visits to the region. Within the two Districts, a significant 79% or \$269,236,000 is spent by US visitors, further emphasizing the importance of the Region’s neighbour to the south. The proportion of economic impact allocated to overnight and same day visits is not available for the Rainy River and Kenora Districts.



Allocation of Visitor Expenditures – Largest Share Derived from Commercial Accommodation at \$169 Million to Region

Exhibit 3-9 breaks down the close to \$546 Million in visitor expenditures by category providing a picture of the sectors that benefit from tourism spending and by how much. Leading in share is Commercial Accommodation accounting for 31% of visitor spending in the North-West Ontario Travel Region or \$168,624,000. Food and Beverage and Transportation assume second spot in share with 22% each followed by Other/Retail and Recreation/Entertainment at 14% and 12% respectively. American’s spend

¹⁰ For the purposes of this analysis the \$340 Million has based on actual visitor expenditures attributed to Census Districts 59 and 60 in 2001. For all expenditures, which were unallocated to Census Districts, the Ministry of Tourism and Recreation re-allocates these expenditures on a proportioned basis back to each Census District, bringing the total visitor expenditure to \$359 Million for Census Districts 59 and 60.

40% of total expenditures on commercial accommodation significantly more than Canadian visitors who spend only 17% on commercial accommodation, due in large part to VFR travel.

The visitor expenditure profile for Rainy River and Kenora Districts is provided in Exhibit 3-10. Of the \$340 Million in visitor expenditures, 37% of the expenditures are attributable to accommodation rentals at \$124 Million.

Type of Expenditure (\$000's)	Percentage of Total	Traveller Origin		
		Canada	USA	Overseas
Transportation	22%	\$69,787	\$46,226	\$1,323
Accommodation	31%	\$37,084	\$130,885	\$655
Food & Beverage	22%	\$56,360	\$59,630	\$1,638
Recreation / Entertainment	12%	\$12,099	\$50,593	\$805
Retail/Other	14%	\$39,625	\$36,549	\$2,454
Total		\$545,714	\$323,883	\$6,875

Source: Ontario Ministry of Tourism and Recreation CTS, ITS Tables, R20-12 CTS, R12-3 ITS US, R12-3 ITS Overseas: PKF Consulting

Type of Expenditure (\$000's)	Percentage of Total	Value
Transportation	18%	\$62,006
Accommodation	37%	\$124,011
Food & Beverage	21%	\$70,355
Recreation / Entertainment	14%	\$48,570
Retail/Other	10%	\$35,420
Total	100%	\$340,362

Source: Ontario Ministry of Tourism and Recreation CTS, ITS Tables

Average American Visitor spends \$282.02 in Region, 60% more than in Overall Ontario

Exhibit 3-11 summarizes the average expenditure of an individual traveler to the Region depending on their origin and purpose of visit. For comparison, overall Ontario data is also included in the same Exhibit 3-11. On a per person basis, Americans spend almost twice as much as Canadians, or \$282.02 when visiting the North-West Ontario Travel Region. Furthermore, American's spend 60% more when visiting the North-West Travel Region than they spend on average in all of Ontario. This is due in part to the fact that American overnight visitors stay on average a half-a-day longer in the North-West Travel Region compared to when visiting Ontario on average. Guests that remain overnight in the Region typically spend considerably more than when staying for the day with the amount dependant on their origin, with domestic visitors spending 80% more and American and Overseas visitors spending 125% and 184% more respectively. When considering the purpose of the trip, American's spend more on trips to the Study Region compared to overall Ontario only when traveling for pleasure, while for business and VFR they spend less on average. Regardless of the visitor's origin, overnight business travelers spend significantly more than people visiting for other reasons.

Exhibit 3-11: AVERAGE VISITOR SPEND IN NORTH-WEST ONTARIO BY MAIN PURPOSE OF TRIP							
Average (\$)	Domestic Visitor		American Visitor		Overseas Visitor		
	North-West ON	Ontario	North-West ON	Ontario	North-West ON	Ontario	
Any Visit in Region							
per Party	\$260.39	\$190.14	\$701.44	\$367.98	\$614.33	\$1,889.69	
per Person	\$147.77	\$114.26	\$282.02	\$176.80	\$322.69	\$1,102.60	
Overnight Visit in Region							
per Person	\$189.20	\$193.77	\$471.24	\$436.85	\$362.60	\$1,233.47	
per Person, per Night in Roofed Comm. Accom	\$108.72	\$155.97	\$131.28	\$174.14	\$132.16	\$167.78	
Overnight Visit in Region - Pleasure							
per Person	\$163.11	\$186.59	\$479.88	\$368.60	\$268.81	\$1,142.45	
per Person, per Night in Roofed Comm. Accom	\$82.26	\$126.44	\$125.35	\$134.96	\$113.81	\$183.71	
Overnight Visit in Region - Business							
per Person	\$449.48	\$607.90	\$849.54	\$1,002.15	\$1,199.82	\$1,638.38	
per Person, per Night in Roofed Comm. Accom	\$183.46	\$261.39	\$228.48	\$377.43	\$265.00	\$254.95	
Overnight Visit in Region - VFR							
per Person	\$320.29	\$187.94	\$147.89	\$309.22	\$487.13	\$1,153.27	
per Person, per Night in Roofed Comm. Accom	\$131.07	\$95.33	\$68.83	\$111.68	\$164.11	\$85.10	

Source: Ontario Ministry of Tourism and Recreation, CTS/ITS Detailed Tables 2001: R22-1,2 CTS; R13-1 ITS US; R13-1 ITS Overseas; PKF Consulting

3.3.3 Economic Impact of Tourism . . .

Tourism Contributed \$362 Million to GDP in Rainy River and Kenora Districts in 2001, of which \$218 Million Retained

Tourism economically benefits any travel region, including North-West Ontario. Exhibit 3-12 breaks the tourism expenditures in Rainy River and Kenora Districts, down into categories for both the amount spent and the amount retained in the Districts¹¹. This is useful in determining the retention rate of the tourism economic impact in the Study Region. According to the Ministry of Tourism & Recreation, overall, tourism in the Rainy River and Kenora Census Districts contributed just over \$362 million in Gross Domestic Product in 2001, \$218 million or 60% of which was retained in the District. It is estimated that tourism alone generated almost \$160 million in taxes distributed to federal, provincial and municipal governments. Tourism creates almost 6,000 direct jobs in the Districts distributing close to \$97 Million in direct wages and salaries. The total number of jobs created by tourism including direct, indirect and induced was 10,526 in 2001, with payroll earnings of just over \$228 Million.

¹¹ The Ministry of Tourism and Recreation has based the economic impact analysis on visitor expenditures of \$359 Million allocated to Rainy River and Kenora Districts, rather than the \$340 Million detailed in Exhibit 3-10.

Exhibit 3-12: ECONOMIC IMPACT OF TOURISM IN RAINY RIVER & KENORA CENSUS DISTRICTS, 2001		
	TOURISM EXPENDITURES	
	in	Retained in
	Rainy River & Kenora	Rainy River & Kenora
	PROVINCIAL IMPACTS	REGIONAL IMPACTS
Total Tourism Expenditures	\$359,054,000	\$359,054,000
Gross Domestic Product		
Direct	\$129,425,000	\$129,425,000
Indirect	\$131,355,000	\$46,872,000
Induced	\$101,550,000	\$41,555,000
Total	\$362,330,000	\$217,852,000
Wages & Salaries		
Direct	\$96,689,000	\$96,689,000
Indirect	\$78,788,000	\$32,909,000
Induced	\$52,742,000	\$19,618,000
Total	\$228,219,000	\$149,216,000
Jobs (number)		
Direct	5,832	5,832
Indirect	2,745	1,414
Induced	1,949	963
Total	10,526	8,209
Taxes (Direct)		
Federal	\$37,119,000	\$37,119,000
Provincial	\$33,843,000	\$33,843,000
Municipal	\$11,641,000	\$11,641,000
Total	\$82,603,000	\$82,603,000
Taxes (Total)		
Federal	\$74,502,000	\$50,561,000
Provincial	\$62,366,000	\$46,263,000
Municipal	\$23,267,000	\$16,657,000
Total	\$160,135,000	\$113,481,000

Source: Ontario Ministry of Tourism and Recreation, Tourism Regional Economic Impact Model, 2001

4.0 ECONOMIC IMPACT OF TOURISM IN SUNSET COUNTRY

4.1 Final Tourism Spending Estimates - *Sunset Country*

The final spending figures used to assess the economic impact of tourism in Sunset Country were derived from the Operator Survey data collected as part of this study. While the survey data collected by PKF Consulting was assumed to represent a comprehensive assessment of activities provided by the accommodation sector (particularly in terms of unit rentals), the generation of complete estimates for other traditional tourism spending categories required additional effort. For instance, the data collected by PKF Consulting indicated that (weighted) tourism retail revenues of businesses surveyed in Sunset Country were \$25.7 million during 2001.

Since the goal of the survey was to establish a credible benchmark, particularly for the accommodation portion of tourism, it is not unreasonable, and in fact was expected, that overall tourism spending in Sunset Country on retail purchases would exceed the \$25.7 million level. Similarly, Operator Survey estimates for recreation, food and beverages and transportation were all expected to fall short of the true level of spending left behind by tourists. The key question was by how much.

As indicated above, PKF Consulting's estimate for accommodation (specifically unit rental) was to be assumed as complete and ultimately would comprise the benchmark estimate. In this regard, accommodation revenue in Sunset Country during 2001 using Operator Survey data was estimated to be \$136.7 million. To compare this against accommodation estimates using traditional sources—Statistics Canada's 2001 Canadian Travel Survey (CTS) and International Travel Survey (ITS)—we used the level of spending specifically allocated to the Region identified as Sunset Country.¹² According to these sources, accommodation spending in Sunset Country was \$124.0 million in 2001. Using the assumption that the Operator Survey data collection process was more robust, this suggests an approximate 10.2% under-reporting in unit rental revenues was attributed to expenditures reported through Statistics Canada's 2001 CTS and ITS.

The level of under-reporting estimated for unit rentals (10.2%) is assumed to be consistent with the level of under-reporting for other expenditure categories. In this regard, the adjustment factor of 1.102 (indicating the level to which expenditures reported by the CTS and ITS need to be multiplied by) was used to establish the new benchmark tourism spending figures. Exhibit 4-1 illustrates the level of tourism

¹² It should be noted that some tabulations of tourism in Sunset Country by the Ontario Ministry of Tourism and Recreation include a redistribution of destination unknown spending responses. For our comparison, we have chosen to exclude the destination unknown redistribution process.

expenditures reported by the CTS and ITS for Sunset Country for 2001 as well as the new imputed level of spending based on the calculated adjustment factor.

Exhibit 4-1: Tourism Expenditures in Sunset Country (all visitor origins)			
Spending (\$000's)	Visitor Spending CTS/ITS Sunset Country	Adjustment Factor Sunset Country	Adjusted Visitor Spending Sunset Country
Public & Local Transportation	\$15,851	1.102	\$17,473
Private Transportation (incl. car rental)	\$46,155	1.102	\$50,878
Accommodation	\$124,011	1.102	\$136,700
Food & Beverages	\$70,355	1.102	\$77,554
Recreation & Entertainment	\$48,570	1.102	\$53,540
Retail & Miscellaneous	\$35,420	1.102	\$39,044
Total (see also exhibit 3-10)	\$340,362		\$375,189

Sources: Ontario Ministry of Tourism and Recreation, CTS/ITS Detailed Tables 2001; PKF International; Conference Board of Canada.

Meanwhile, Exhibit 4-2 illustrates the level and percentage of the imputed tourism expenditures for Sunset Country that would have been captured through businesses surveyed by PKF Consulting. While the main purpose of the businesses surveyed was accommodation, other revenue sources (over and above unit rentals) were reported. In fact, of the \$258.3 million in operating revenue received by accommodation properties, only \$136.7 million was through unit rental revenues.

Exhibit 4-2: Tourism Expenditures in Sunset Country (share captured through Operator Survey)			
Spending (\$000's)	Adjusted Visitor Spending Sunset Country	Operator Survey Sunset Country	Percent Captured Sunset Country
Public & Local Transportation	\$17,473	\$0	0.0%
Private Transportation (incl. car rental)	\$50,878	\$23,900	47.0%
Accommodation	\$136,700	\$136,700	100.0%
Food & Beverages	\$77,554	\$38,500	49.6%
Recreation & Entertainment	\$53,540	\$29,800	55.7%
Retail & Miscellaneous	\$39,044	\$29,400	75.3%
Total	\$375,189	\$258,300	68.8%

Sources: Ontario Ministry of Tourism and Recreation, CTS/ITS Detailed Tables 2001; PKF International; Conference Board of Canada.

4.2 Tourism Spending Economic Impact Analysis - *Sunset Country*

Section 4.1 illustrates the approach and final estimates that were used to represent the level of tourism spending attributed to Sunset Country during 2001. To recap, the approach incorporated both the robust data collection efforts of PKF Consulting (through the Operator Survey) as well as the percentage breakdown of expenditures as reported by Statistics Canada's CTS and ITS. For the economic impact analysis, the expenditures and detail captured by the Operator's Survey were run using the Canadian Tourism Research Institute's (CTRI) Tourism Economic Assessment Model (TEAM). Specifically, this analysis was conducted from the perspective of the business using the supply-side. For the tourism

spending elements that were not captured through the Operators Survey (i.e. the level of spending in Exhibit 4.2 that was not captured), these figures were run through TEAM using the more traditional demand side approach.

Using the two approaches meant that in order to generate a complete economic impact assessment of tourism in Sunset Country, the two separate impact analysis (the supply-side analysis and the demand-side analysis) would have to be aggregated. Exhibit 4-3 illustrates the aggregated results using this approach, with the impacts depicted as Provincial Impacts and Regional Impacts. Regional impacts indicate the level of economic benefits that can be expected to accrue to the local area under analysis. For the impacts pertaining to Sunset Country, the regional impacts include the Rainy River District (CD-59) and Kenora District (CD-60). Meanwhile, provincial impacts refer to the level of economic benefits that can be expected to accrue to Ontario. The level of impacts reported at the provincial level will at least equal (and in most cases exceed) the level of impacts reported at the regional level. The reason for this is because some economic benefits may accrue to other regions of the province either directly (through transportation spending) or indirectly (through suppliers).

Our analysis indicates that tourism in Sunset Country during 2001

contributed over \$417 million in Gross Domestic Product to Ontario—\$288 million or 69% of which was retained in Sunset Country. In addition, the results suggest that tourism in Sunset Country supported over \$171 million in total taxes including federal, provincial and municipal governments. Tourism is also estimated to have supported nearly 11,500 full-year jobs provincially and over 9,400 within Sunset

Exhibit 4-3: ECONOMIC IMPACT OF TOURISM IN RAINY RIVER & KENORA CENSUS DISTRICTS, 2001			
		TOURISM EXPENDITURES	
		in	Retained in
		Rainy River & Kenora	Rainy River & Kenora
		PROVINCIAL IMPACTS	REGIONAL IMPACTS
Total Tourism Expenditures		\$375,188,373	\$375,188,373
Gross Domestic Product			
	Direct	\$136,223,229	\$136,223,229
	Indirect	\$167,018,767	\$96,655,227
	Induced	\$113,881,549	\$55,491,361
	Total	\$417,123,545	\$288,369,817
Wages & Salaries			
	Direct	\$86,779,971	\$86,779,971
	Indirect	\$114,217,809	\$74,918,178
	Induced	\$61,158,202	\$29,369,379
	Total	\$262,155,982	\$191,067,528
Jobs (number)			
	Direct	4,131	4,131
	Indirect	5,000	3,878
	Induced	2,365	1,396
	Total	11,496	9,404
Taxes (Direct)			
	Federal	\$32,572,116	\$32,572,116
	Provincial	\$32,845,663	\$32,845,663
	Municipal	\$8,557,637	\$8,557,637
	Total	\$73,975,416	\$73,975,416
Taxes (Total)			
	Federal	\$79,101,136	\$57,297,282
	Provincial	\$67,478,163	\$52,990,876
	Municipal	\$24,472,115	\$17,517,832
	Total	\$171,051,414	\$127,805,990

Sources: PKF Consulting; Conference Board of Canada - TEAM.

Country. These employees were estimated to draw an annual payroll of over \$262 Million provincially and \$191 million within Sunset Country.

Of the total direct employment of operations surveyed, it was estimated that 379 (or 17.4%) equivalent full-year jobs were filled by First Nations.

4.3 Capital Spending Economic Impact Analysis - Sunset Country

In addition to tourism spending, capital expenditures incurred by accommodation operators¹³ in Sunset Country also provide economic benefits to the local area as well as to other parts of Ontario.

Specifically, the survey data collected by PKF Consulting suggests that accommodation providers spent an average of \$11,017 per unit on capital expenditures in 2001 (see Exhibit 2-13). The most pronounced expenditure category was on new machinery and equipment, followed by building renovations. Overall, we estimate that Sunset Country's accommodation providers spent \$43.9 million on capital improvements in 2001 (see Exhibit 2-14). In order to access the level of economic impact attributed, the itemized levels of capital spending were also run through the Canadian Tourism Research Institute's Tourism Economic Assessment

Exhibit 4-4: ECONOMIC IMPACT OF CAPITAL SPENDING IN SUNSET COUNTRY, 2001		
	CAPITAL EXPENDITURES	
	in Sunset Country PROVINCIAL IMPACTS	Retained in Sunset Country REGIONAL IMPACTS
Total Tourism Expenditures	\$43,900,000	\$43,900,000
Gross Domestic Product		
Direct	\$8,771,639	\$8,748,043
Indirect	\$17,065,153	\$6,106,000
Induced	\$8,455,121	\$3,330,061
Total	\$34,291,913	\$18,184,104
Wages & Salaries		
Direct	\$5,507,294	\$5,498,827
Indirect	\$10,039,805	\$4,158,626
Induced	\$4,761,350	\$1,899,732
Total	\$20,308,449	\$11,557,185
Jobs (number)		
Direct	255	254
Indirect	308	153
Induced	177	87
Total	739	494
Taxes (Direct)		
Federal	\$2,883,606	\$2,881,057
Provincial	\$2,801,308	\$2,799,863
Municipal	\$297,562	\$297,167
Total	\$5,982,476	\$5,978,087
Taxes (Total)		
Federal	\$6,759,150	\$4,358,335
Provincial	\$5,740,598	\$4,068,838
Municipal	\$1,447,793	\$776,573
Total	\$13,947,541	\$9,203,746
Sources: PKF Consulting; Conference Board of Canada - TEAM.		

¹³ It should be noted that while the Economic Impact of Tourism Spending in Sunset Country reflects all sectors of the tourism industry (ie. accommodation, retail, food & beverage, attractions, entertainment, transportation, etc), the Economic Impact of Capital Spending is only reflective of the accommodation industry in Sunset Country.

Model (TEAM).

Our analysis indicates that capital spending by accommodation operators in Sunset Country, during 2001, contributed over \$34 million in Gross Domestic Product to Ontario - \$18 million (or 53% of which) was retained in the local area. In addition, this capital spending supported nearly \$14 million in total taxes paid to federal, provincial and municipal governments. Moreover, the capital spending supported a further 740 equivalent full-year jobs provincially, 490 within the local region. These employees were estimated to draw an annual payroll exceeding \$20 million provincially and \$11.5 million within the local Region.

In some case, an economic impact analysis may generate total (direct, indirect and induced) GDP impacts that are smaller than the original spending, as is the case with the subject analysis of capital expenditures by accommodation operators in Sunset Country. This can occur if the calculated level of imports (either directly or indirectly) is relatively large. Typically, capital (or construction) projects generate high import requirements of goods (and/or services) from other provinces or countries. (Refer to Exhibit 2-15 for the operator survey results of where accommodation providers purchased their capital supplies).

As a side-note, the original spending by itself generates no GDP (or incremental value-added) on its own. Also, it should be pointed out that the maximum GDP (or value-added) you can attain directly and indirectly, is only the level of the original spending. For this to be the case, however, one would need to assume that nothing was produced or imported from other provinces/countries. Only by including the induced round of impacts can total GDP actually exceed the original spending level.

4.4 Comparison of Selected CTS/ITS and Sunset Country Accommodation Operator Survey Results

The economic impacts presented in this report for Sunset Country, incorporating primary data collected through the Operator Survey, exceeds the levels generated by the Ontario Ministry of Tourism and Recreation. The two key reasons for this have to do with the use of increased tourism expenditures as well as the ability to separately generate economic impacts on the basis of operating expenditures (to supplement a portion of the overall imputed tourism spending). The benefit of running a supply-side analysis is that the resulting impacts rely on specific primary and secondary linkages reported through actual operating expenditures rather than default parameters established for generalized industries within a generalized province. Furthermore, additional primary data was incorporated into the analysis that indicated the level of aboriginal employment and wages. This level of detail would traditionally not be

available for an economic impact analysis conducted purely from the demand (or tourist spending) perspective.

Exhibit 4-5 compares the Operator Survey and CTS/ITS results as presented in this and the preceding section. In all 4 categories listed in Exhibit 4-5, the Operator Survey results indicated a higher value than the case in the CTS/ITS. Compared to the accepted CTC/ITS figures, the Operator Survey findings conclude:

- A 32% higher contribution to the Sunset Country gross domestic product;
- \$42 Million more in payroll burden;
- Almost 1,200 more employed in direct, indirect and induced tourism industries within Sunset Country;
- \$14 Million more in tax payments to local, provincial and federal governments;
- 10% more in accommodation receipts; and
- Over \$16 Million more in visitor expenditures.

Furthermore, these comparisons exclude the additional economic impacts derived from capital expenditures, which are not captured using the Ministry of Tourism & Recreation's visitor demand approach.

Exhibit 4-5: CTS/ITS AND SUNSET COUNTRY OPERATOR SURVEY ECONOMIC IMPACT COMPARISON			
	CTS/ITS Survey	Sunset Country Acc. Operator Survey	Variance
Gross Domestic Product	\$217.9 Million	\$288.4 Million	32.4%
Payroll	\$149.2 Million	\$191.1 Million	28.1%
Jobs	8,209	9,404	14.5%
Taxes (Total)	\$113.5 Million	\$127.8 Million	12.6%
Source: Sunset Country Economic Impact Study, Accommodation Operator Survey, 2001 Ontario Ministry of Tourism and Recreation. Tourism Regional Economic Impact Model			

4.5 Comparison with Other Northern Ontario Regions

Why are multipliers different across various regions? As a point of comparison, Exhibits 4-6 and 4-7 provide a ranking of GDP multipliers across 11 Northern Ontario Census Districts. The total GDP multiplier depends on:

1. The distribution of tourism spending into the various expenditure categories (ie. More on transportation, less on accommodation reduces the multiplier); and
2. The ability of the regional economy to provide the necessary direct or indirect input requirements (ie. bedsheet production, agricultural products, etc.)

According to the Ontario Ministry of Tourism & Recreation’s Economic Impact Analysis, the GDP multiplier for Rainy River District at 0.612 ranked 2nd highest out of the total 11 regions, with Kenora District ranking 4th at 0.604. In comparison, the results of the subject study resulted in a GDP multiplier of 0.769 for the combined Census Districts of Rainy River and Kenora.

Exhibit 4-6: COMPARISON OF GDP MULTIPLIERS IN NORTHERN ONATRIO			
CD #	CD Name	Total GDP (Regional Impact)	Subject Study
CD54	Timiskaming District	0.499	
CD52	Sudbury District	0.514	
CD56	Cochrane District	0.529	
CD49	Parry Sound District	0.556	
CD51	Manitoulin District	0.557	
CD48	Nipissing District	0.560	
CD53	Sudbury Regional Municipality	0.591	
CD60	Kenora District	0.604	0.769
CD57	Algoma District	0.606	
CD59	Rainy River District	0.612	0.769
CD58	Thunder Bay District	0.674	

Sources: Ontario Ministry of Tourism and Recreation, Tourism Regional Economic Impact Model
 Note: Study subject results are presented for overall Sunset Country

Exhibit 4-7 provides a comparison of the Provincial Impacts retained in each region of Northern Ontario. This analysis also depends on:

1. The distribution of tourism spending into the various expenditure categories (ie. More on transportation, less on accommodation reduces ratio retained); and
2. The ability of the regional economy to provide the necessary direct or indirect input requirements (ie. bedsheet production, agricultural products, etc.)

According to the Ontario Ministry of Tourism & Recreation's Economic Impact Analysis, the percent of provincial impacts retained in Rainy River District at 61.2% ranked 2nd highest out of the total 11 regions, with Kenora District ranking 5th at 59.6%. In comparison, the results of the subject study resulted in a retention ratio of 69.1% for the combined Census Districts of Rainy River and Kenora.

Exhibit 4-7: COMPARISON OF RETENTION RATES IN NORTHERN ONTARIO			
CD #	CD Name	Percent of Provincial Impacts Retained in Region	Subject Study
CD54	Timiskaming District	53.7%	
CD52	Sudbury District	54.0%	
CD56	Cochrane District	55.8%	
CD49	Parry Sound District	56.5%	
CD51	Manitoulin District	57.9%	
CD48	Nipissing District	58.2%	
CD53	Sudbury Regional Municipality	59.6%	
CD60	Kenora District	60.8%	69.1%
CD57	Algoma District	61.1%	
CD59	Rainy River District	61.2%	69.1%
CD58	Thunder Bay District	68.4%	
Sources: Ontario Ministry of Tourism and Recreation, Tourism Regional Economic Impact Model (TREIM)			
Note: Study subject results are presented for overall Sunset Country			

However, caution should be used to in directly comparing multipliers from our study to those generated by the Ontario Ministry of Tourism and Recreation because of the different approaches used. In the case of OMTR, secondary data (from the CTS and ITS) was used and run through the Tourism Economic Impact Model via a demand-side analysis. In our study, a portion of the data used was collected through the PKF Operator Survey and run through the model via a supply-side analysis. Differences in both the approach and data used will alter the overall level of economic impacts generated as well as the percentage that will be retained within the region.

APPENDICES

Appendix A: Northwestern Ontario Tourism Economic Impact Study – Operator Questionnaire

Northwestern Ontario Economic Impact Study



PURPOSE OF SURVEY

THE PURPOSE OF THE SURVEY IS TO DETERMINE THE TOTAL ECONOMIC IMPACT OF THE TOURISM INDUSTRY IN NORTHWESTERN ONTARIO'S SUNSET COUNTRY.

SURVEY INSTRUCTIONS

SURVEYS SHOULD BE COMPLETED BY OWNER AND/OR ON-SITE OPERATOR OF BUSINESS. SINCE YOUR 2002 OPERATING SEASON IS NOT YET COMPLETE, PLEASE USE YOUR 2001 FINANCIAL STATEMENT, OR MOST RECENT FISCAL YEAR STATEMENT TO COMPLETE THE SURVEY.

IF YOU HAVE ANY QUESTIONS, PLEASE CONTACT:

GEOFF GILLON

Rainy River Future Development Corporation @ 807 274-5484 OR 1 800 465-8502.

ALL INDIVIDUAL SURVEY RESPONSES WILL REMAIN STRICTLY CONFIDENTIAL WITH ONLY AGGREGATE SURVEY RESULTS REPORTED.

PLEASE RETURN COMPLETED SURVEY TO:

FRAN HOHOL, Principal
PANNELL KERR FORSTER
30 St. Patrick Street
8th Floor
Toronto, Ontario
M5T 3A3

FAX: (416) 777-1567

EMAIL: franhohol@pkfcanada.com

Please Provide the Following Details

Contact Name:			
Name of Business:			
Mailing Address:			
Telephone Number:		Fax Number:	
Email Address:			
Please Indicate Appropriate District, by using an X in the box provided:		Please Indicate the Body of Water you are located on, by using an X in the box provided:	
Kenora		Eagle Lake	
Patricia		Lac Seul	
Atikokan		Lake of the Woods	
Rainy River		Rainy Lake	
Red Lake		None of the Above	

PART A – TOURISM FACILITY PROFILE

1) PLEASE INDICATE THE PRIMARY TYPE OF TOURISM BUSINESS YOU OPERATE:

Check **ONE CATEGORY ONLY** using an X in the area provided. **PRINCIPAL ACTIVITY OF BUSINESS ONLY.**

Fixed Roof Accommodation (overnight stays)		Guiding Service Only	
Canoe Outfitter (overnight camping)		Marina	
Houseboat		Golf Course	
Campground/Trailer Park		Retail Outlet	
Attraction/Historical Site/Tour		Restaurant/Foodservice	
Provincial/National/Municipal Park		Other (Please Specify)	
Festival/Event			

2) PLEASE INDICATE THE PRIMARY TYPE OF ACCESS BY WHICH GUESTS/CUSTOMERS ARRIVE AT YOUR TOURISM BUSINESS:

Please indicate **ONE CATEGORY ONLY** using an X in the area provided.

Drive In (Gravel or Paved)		Boat In	
Drive In (Private Road with Gate)		Train In	
Fly In (Float or Strip)		Other (Please Specify)	

8) WHERE DO YOUR VISITORS ORIGINATE FROM? (Non local customers only i.e. VISITORS in Q7)					
2001 GEOGRAPHIC SEGMENTATION			Please estimate the percentage of tourists that visit from each of the destinations listed in the table (i.e. 40% are from Ontario, 60% are from Manitoba, etc.)		
Ontario					
Manitoba					
Rest of Canada					
Minnesota					
Rest of United States					
International					
TOTAL	100%				
9) WHEN DO YOUR VISITORS COME?					
SEASONALITY OF 2001 BUSINESS			Please estimate the percentage of tourists that visit during each season provided in the table (i.e.70% visit in the Summer, 30% visit in the Fall)		
Quarter 1 (Jan Feb Mar)					
Quarter 2 (Apr May Jun)					
Quarter 3 (Jul Aug Sep)					
Quarter 4 (Oct Nov Dec)					
TOTAL	100%				
PART D – BUSINESS and OPERATIONS DATA					
10) DO YOU OPERATE YOUR BUSINESS YEAR ROUND (365 days)					
YES					
NO**	⇒		IF NO, # OPERATING DAYS IN 2001?		
11) DO YOU HAVE A RESOURCE – BASED TOURISM LICENSE issued by the Ministry of Tourism & Recreation?					
YES		NO			
12) BUSINESS OWNERSHIP (Indicate One CATEGORY ONLY):					
Please indicate the Nationality of the Business Ownership:					
Canadian Citizen(s)		Non Resident – US Citizen(s)			
First Nation(s)		Other (Please Specify)			
Landed Immigrant(s)					
13 a) DID YOUR OPERATION UNDERGO ANY CAPITAL IMPROVEMENTS/EXPANSIONS OR RENOVATIONS IN 2001?			13 b) IF YES, ESTIMATE TOTAL CAPITAL EXPENDITURES SPENT IN 2001 ON:		
YES	⇒		Buildings and Renovations	\$	
NO			New Machinery & Equipment (Not Previously Owned)	\$	
			New Furniture & Fixtures (Not Previously Owned)	\$	
			Other Supplies	\$	
			TOTAL	\$	
13 c) OF TOTAL CAPITAL EXPENDITURES in 2001, ESTIMATE % OF SERVICES/SUPPLIES PURCHASED IN:					
SUNSET COUNTRY		%	Only include capital purchases of new machinery, equipment and other supplies. IF new equipment has been acquired through a LEASE, please account for annual lease payments as an Operating Expense in Question 20.		
REST OF ONTARIO		%			
MANITOBA		%			
REST OF CANADA		%			
UNITED STATES		%			
OTHER INT'L COUNTRIES		%			
TOTAL	100%				
13 d) OF TOTAL 2001 CAPITAL EXPENDITURES, ESTIMATE % FROM THE FOLLOWING SOURCES:					
Bank/Credit Union/Finance Company/Lease Company		%			
Community Futures Corporation		%			
Cashflow/Reserve Fund from Business Operation		%			
Owner/Operator/Family Members		%			
Other Private Investors		%			
TOTAL	100%				
PART E EMPLOYEE DATA					
14) PLEASE INDICATE THE TOTAL NUMBER OF EMPLOYEES IN 2001 (INCLUDING OWNER/OPERATOR) BY AGE CATEGORY:					
NUMBER OF SALARIED/PAID EMPLOYEES:					
NUMBER OF NON-SALARIED EMPLOYEES (OWNER, FAMILY, ETC):					
TOTAL EMPLOYEES IN 2001					
PROFILE OF SALARIED/PAID EMPLOYEES ONLY by AGE GROUP:					
15) SALARIED/PAID EMPLOYEES	15-24	25-44	45-64	65+	TOTAL
# FEMALE Full-time Full Year					
# FEMALE Full-time Seasonal					
# FEMALE Part Time/Contract					
# MALE Full-time Full Year					
# MALE Full-time Seasonal					
# MALE Part Time/Contract					
TOTAL SALARIED/PAID EMPLOYEES IN 2001					

16) OF YOUR TOTAL SALARIED/PAID EMPLOYEES, HOW MANY ARE FIRST NATION?	
TOTAL # FIRST NATION'S Full-Time Full Year Employees:	
TOTAL # FIRST NATION'S Full-Time Seasonal Employees:	
TOTAL # FIRST NATION'S Part-time/Contract Employees:	
TOTAL # FIRST NATION'S EMPLOYEES IN 2001	
PART F – FINANCIAL ANALYSIS	
For the purpose of the Northwestern Ontario Tourism Economic Impact Study, it is necessary to obtain OPERATING FINANCIAL DATA from each tourist operator in the region. Using the summary statement provided, please indicate total revenues and expenses for your 2001 OPERATING FINANCIAL YEAR, or MOST RECENT FISCAL YEAR END.	
A – Summary of Income Statement 2001 or Most Recent Fiscal Year End	
17) Please Indicate Total Revenue (Net of GST and PST) from Business Operation in 2001:	
TOTAL REVENUES (All Sources, Net of GST and PST)	\$
18) Please Indicate Revenues (Net of GST and PST) derived from each of the Following Sources:	
If your operation has multiple departments i.e. accommodation, food and beverage and equipment rental, please indicate revenue from each department.	
Rooms Only Revenue	\$
Housekeeping Package Revenue (Accommodation, Boat, Motor & Gas)	\$
American Plan Packages Revenue (Accommodation, Meals, Boat, Motor & Gas)	\$
Canoe Outfitter Packages Revenue (Canoe, Meals, Tent, etc)	\$
Food & Beverage	\$
Boat & Motor	\$
Fuel/Gas	\$
Air Service	\$
Guiding Fees	\$
Live and Frozen Bait	\$
Fishing & Hunting Licences	\$
Meeting Room Rentals	\$
Retail	\$
Attraction Entrance Fees	\$
Revenues from Attraction Rides/Tours	\$
Equipment Rental (Boats, Kayaks, Tents, Canoes, etc)	\$
Golf/Green Fees	\$
Marina Slip Rentals	\$
Other (Please Specify)	\$
TOTAL REVENUES (Total to Equal Response to Question 17)	\$
PST Collected on Sales/Services	\$
GST Collected on Sales/Services	\$
TOTAL PST AND GST TAXES COLLECTED	\$
19) Please provide details on your 2001 Salaries & Wages & Benefits Paid:	
SALARIES, WAGES & BENEFITS	
Salaries & Wages (Salaried/Paid Employees)	\$
Management Fees (Non-Salaried Owner/Operator Wages)	\$
Employee Benefits (WSIB, EI, CPP, Insurance, etc)	\$
TOTAL SALARIES, WAGES & BENEFITS	\$
20) Please provide details on your 2001 Other Operating Expenses (Net of GST):	
OTHER OPERATING EXPENSES	
Guest Room Supplies	\$
Laundry and Cleaning Services	\$
Food and Beverage Cost of Goods	\$
Kitchen Supplies	\$
Fuel/Gas Cost of Goods	\$
Live and Frozen Bait Cost of Goods	\$
Fishing & Hunting Licenses	\$
Retail Cost of Goods	\$
Other Supplies	\$
Plane Expense (Contractual Services)	\$
Automotive Expenses	\$
Advertising/Marketing Services	\$
Professional/Financial Services	\$
Telecommunications Services	\$
Energy and Other Utilities	\$
General Maintenance & Repairs	\$
Transportation & Storage	\$

Appendix B: Economic Impact Methodology

Background

The Tourism Economic Assessment Model (TEAM) is designed for visitor and convention bureaus, federal and provincial tourism departments and other organizations, which require reliable figures on the regional and/or provincial benefits of tourism, related activities. TEAM makes economic impact analysis easy, fast and reliable. TEAM is the only model endorsed by the Canadian Association of Visitor and Convention Bureaus (CACVB). Backed by Canada's leading economic forecasting organization, The Conference Board of Canada, TEAM is used by all major city visitor and convention bureaus in Canada and the provinces of New Brunswick, Manitoba and Ontario. The CTRI has more experience in building "user-friendly" economic impact models than any other organization in Canada.

Briefly, the purpose of TEAM is to calculate both the provincial and regional economic impacts of tourism. The economic impacts are calculated on the basis of capital and operating expenditures on goods, services and employee salaries, and on the basis of tourist spending within a designated tourism sector. The elements used to measure the economic impacts are Gross Domestic Product (GDP), Employment, Taxes, Industry Output and Imports. TEAM measures the direct, indirect & induced effects for each of these elements.

Technical Description of the Impact Methodology used by TEAM

The approach we have implemented in all our TEAM installations and impact studies have been based on input-output techniques. Input-Output models involve the use of coefficients that are based on economic or business linkages. These linkages trace how tourist expenditures or business operations filter through the economy. In turn, the coefficients applied are then used to quantify how tourism related activity in a particular region generates employment, taxes, income, etc. The input-output approach indicates not only the direct and indirect impact of tourism but can also indicate the induced effect resulting from the re-spending of wages and salaries generated.

All impacts generated by the model are given at the direct impact stage (i.e. the "front line" businesses impacted by tourism expenditures), indirect impact stage (i.e. those industries which supply commodities and/or services to the "front line" businesses) and the induced impact stage (induced consumption attributable to the wages and salaries generated from both the direct and indirect impact). In this sense, the model is closed with respect to wages. Imports are also determined within the model, so the model is closed with respect to imports. Exports are not endogenized (i.e. additional exports are not assumed with the induced impact) which consequently generates more conservative impacts. Another assumption of the model, which leads to more conservative impacts, is that not all commodities and/or services purchased are assumed to have at least one stage of production within the province. This assumption is crucial for souvenirs, gasoline and other commodities.

Taxes and employment are key economic impacts and as such must involve the use of both input-output and econometric techniques. As the data embodied in the provincial input-output tables are from 1990 (which is the latest currently available), taxes and employment must incorporate current coefficients and/or rates. These coefficients and/or rates are then applied to measures determined within the input-output framework of the model. Determining the level of taxes and employment outside the input-output framework of the model allows rates and/or coefficients to be selectively changed for updating or in order to conduct a scenario analysis.

Regional (Sub-Provincial) Impact Methodology

The method used to simulate intraprovincial commodity flows and ultimately regional impacts follows directly from regional economics principles. The principle is referred to as the "gravity model". The methodology used in all TEAM installations and applications involves the use of a modified "gravity model" to simulate intraprovincial commodity flows. Basically the "gravity model" states that the required commodity (& service) inputs will be "recruited" in a manner, which takes into consideration economies of scale (i.e. production costs), transportation costs and the availability of specific industries. Economies of scale (i.e. lower production costs) are positively correlated with input demand while greater transportation costs are negatively correlated with input demand. Fulfilling that demand from other provincial regions is contingent on the fact that the specific industry does actually exist. An advantage of using the "gravity model" to simulate intraprovincial commodity flows is that as the industrial composition of the labour force changes, or as new industries appear for the first time in specific regions, the share of production between the various sub-provincial regions also change.

By following this principle of the gravity model, all sub-provincial regions of a province are assigned a coefficient for their relative economies of scale in each industry (using the latest industry labour force measures) as well as a coefficient to represent the transportation cost involved to get each industry's output to the designated market. One variation on the "gravity model" principle involves the estimation of "relative trade distances" by incorporating different "weights" for different modes of transport. Once these coefficients are generated for all regions and over all industries, a measure of sensitivity (mostly relative to price, but in the case of service industries also to a "local preference criteria") is then applied to all commodities. Another variation on the strict "gravity model" approach is that the measure of sensitivity is adjusted by varying the distance exponent (which in the basic "gravity model" is 2) based on the commodity or service required. The variation in distance exponents revolve, principally, around 2 research hypotheses: (1) the greater the proportion of total shipments from the largest producer (or shipper), the lower the exponent, and (2) the greater the proportion of total flow which is local (intra-regional), the higher the exponent.

Appendix C: Study Area and Glossary of Terms

STUDY AREA

For the purposes of this analysis, the Sunset Country Study Area has been defined as west of and including Atikokan, with Quetico Park in the east, Lake of the Woods on the west, the United States to the south, and Hudson Bay to the North. The Study Area is divided into four distinct sub-regions: Red Lake, Rainy River District, Kenora and Patricia.

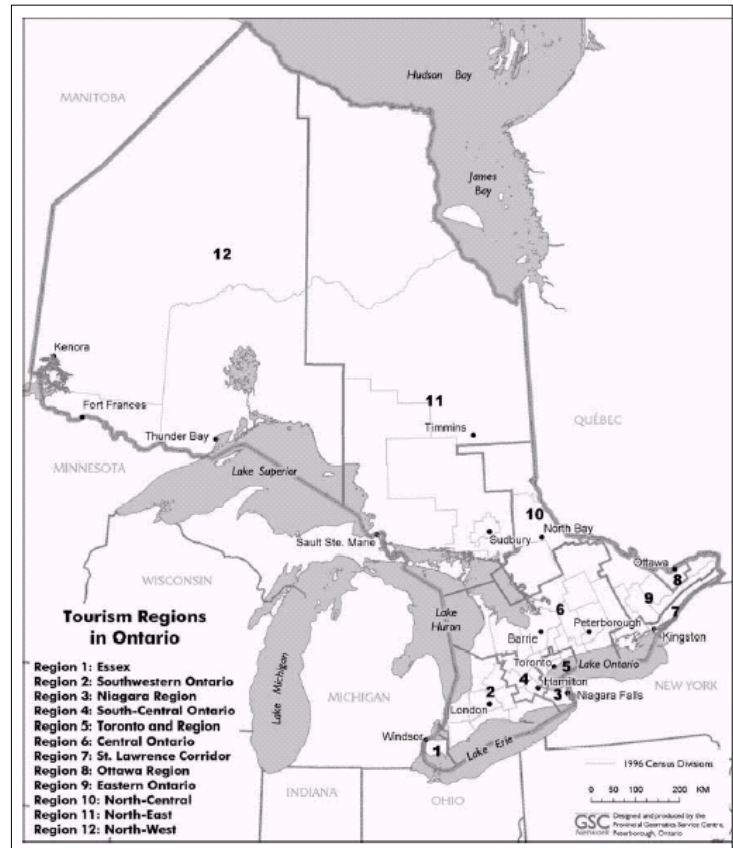
SUNSET COUNTRY Map of Ontario Travel Regions, 2001



NORTH-WEST TRAVEL REGION

Because the Ministry of Tourism & Recreation, recently re-defined Ontario's Travel Regions to align with Census Districts, the North-West Travel Region differs somewhat from the Sunset Country Study Area. The borders formerly encompassing Sunset Country have been expanded to include a larger area including: Thunder Bay District (CD-58), Rainy River District (CD-59) and Kenora District (CD-60). Thunder Bay District is not included in the Sunset Country Travel Region, however both Rainy River and Kenora Districts are included and most closely resemble the Sunset Country Study Area.

North-West Ontario Travel Region 12 - Ontario's Current Travel Regions



GENERAL TERMS

$$\text{Average Daily Unit Rate (ADR)} - \frac{\text{Total Unit Revenue}}{\text{Units Occupied}} \times 100$$

Includes only room/unit rental revenue, and excludes package revenue allocated to food, beverage, service and other.

Domestic Trip - Defined by Statistics Canada as travel to a Canadian destination at least 80km one-way from home for any reason except: travel to and from work or school (i.e. commuting); one-way travel involving a change of residence; travel of operating crew members or buses, airplanes, boats etc; travel in an ambulance to a hospital or clinic; trips that did not originate in Canada; trips longer than a year. A same-day trip does not include a night away from home, while an overnight trip includes at least one night away from home. In addition, Ontario imposes the restriction that the same day visitors from Ontario must have traveled at least 40 km one-way from their home in order to reach their destination, while same day visitors from other parts of Canada must have traveled 80 kms or more one-way away from home. Ontario does not impose any restrictions on overnight travelers with respect to the minimum distance traveled to reach their destination.¹⁴

Guest Nights – The sum of number of guests staying each night over the operating season.

Guest Visits – The sum of unique visit guests over the operating season regardless of the length of stay.

International Trip - Defined by Statistics Canada as travel for less than 12 months for any reason by anybody except: immigrants, former residents, military personnel, diplomats and dependants and crews, arriving in Canada who is cleared through Customs and Immigration point of entry.¹⁵

Occupied Nights - The number of units in use over the operating season.

$$\text{Occupancy Rate} = \frac{\text{Units Sold Per Day}}{\text{Units Available Per Day} \times \text{Number of Operating Days}} \times 100$$

$$\frac{\text{Units Sold Per Day}}{\text{Units Available Per Day} \times 365 \text{ Days}} \times 100$$

Operating Days – The number of nights units are available for rent in year.

Resource Based Tourism Establishment License - Issued by the Ministry of Tourism and Recreation for operators that make use of Crown resources such as land, fish and wildlife, and if they promote access to these resources as the main reason for the traveling public to visit their establishment. Approximately 90% of the total licenses issued were issued to tourism establishments in Northern Ontario.

$$\text{Revenue per Available Room (RevPAR)} - \frac{\text{Total Unit Revenue}}{\text{Units Available for Sale}} \times 100$$

¹⁴ *Tourism Expenditures by All Travelers in Travel Regions, 2001*. Ontario Ministry of Tourism and Recreation. April 2003.

¹⁵ Ibid

Statement of Income and Expenses

The Statement of Income & Expenses reflects the results of operations for the year 2001. The Uniform System of Accounts for Hotels, recommended by the American Hotel and Motel Association and in general use throughout the accommodation industry in Canada, has been used to classify income and expenses in this analysis. In conformity with this system, only direct operating expenses are charged to operating departments of the accommodation property. The general overhead items which are applicable to operations as a whole are classified as undistributed expenses and include administrative and general expenses, advertising and marketing, property operations & maintenance, energy costs and other unallocated operating departments, property taxes and insurance.

Total Operating Revenues include all revenues from Units/Accommodation rentals; food & beverage; retail; guest services; rental income and other sources of revenue.

Total Operating Expenses include all expenses derived from salaries & wages; departmental expenses; undistributed operating expenses; and property taxes and insurance.

Other Fixed Charges include interest and mortgage charges, lease payments on machinery & equipment and rental payments from land and buildings.

Net Income is defined as the remaining income derived from Operating Revenues less Operating Expenses and Fixed Charges.

Unit - Can include any of the following: *serviced hotel or motel room, serviced resort room, serviced cottages, serviced cabins, serviced outpost camps, housekeeping room, housekeeping suites, housekeeping cottages, housekeeping cabins, housekeeping outpost camps.*

ECONOMIC IMPACT MODEL TERMS

Accommodation Spending - This spending includes the amount tourists spend on lodging in hotels, motels, inns, campgrounds and the other alternative forms of paid lodging facilities.

Corporate Income tax - The level of corporate taxes paid by businesses in relation to the share of business receipts attributed to tourism related activity.

Direct Impact - Relates ONLY to the impact on "front-line" businesses. These are businesses that initially receive the tourist related or construction related expenditures. From a tourist spending perspective, this can include all businesses such as hotels, restaurants, retail stores, transportation carriers, attraction facilities and so forth.

Economic Activity or Industry Output - The level of output resulting from tourism related activity represents the level of economic activity generated. Initially, the spending itself represents the level of output. This is the case with the direct impact phase. During the indirect and induced impact phase, many businesses are involved in generating inputs to both tourism related businesses and other businesses helping produce the items and services required by travelers. The sum total of all this economic activity is called output. It should be noted that the sum total involves double counting on the part of the intermediate production phase. This figure should not be compared with gross domestic product, which measures only the net level of economic activity by excluding double counting and only measures the level of value added production.

Employment - Depending upon the selection of employment units (person-years or equivalent full-year jobs) these figures represent the employment generated by the initial expenditure. These figures distinguish between the direct, indirect and induced impact. "**Equivalent Full-Year Jobs**", if selected, include both part-time and full-time work in ratios consistent with the specific industries.

NOTE: *The multiplier (B) is analogous to Multiplier (B) described earlier with the exception being that employment values are represented per \$1,000,000 of spending rather than per dollar of spending. This is done to alleviate the problem of comparing very small numbers, which would be generated using the traditional notion of a multiplier (i.e.*

employment per dollar of initial expenditure).

Entertainment & Recreation Spending - Includes spending by tourists at casinos, on sporting events, the performing arts, movie theatres, museums, art galleries, historic sites, etc.

Excise, Duties & Gas tax - The level of excise taxes, import duties and gasoline taxes paid by tourists and businesses as a result of tourism related activity.

Federal tax - The total level of taxes collected by the federal government of Canada attributed to tourism related activity.

Food & Beverage Spending - Includes tourist spending on meals and beverages in restaurants and bars as well as spending on food and beverages in grocery, liquor and other retail food outlets.

Gross Domestic Product (GDP)- This figure represents the total value of production of goods and services in the economy resulting from the initial expenditure under analysis (valued at market prices).

NOTE: *The multiplier (A), Total/Initial, represents the total (direct, indirect and induced) impact on GDP for every dollar of direct GDP. This is a measure of the level of spin-off activity generated as a result of a particular project. For instance if this multiplier is 1.5 then this implies that for every dollar of GDP directly generated by "front-line" tourism businesses an additional \$0.50 of GDP is generated in spin-off activity (e.g. suppliers).*

NOTE: *The multiplier (B), Total/\$ Expenditure, represent the total (direct, indirect and induced) impact on GDP for every dollar of expenditure (or revenue from a business perspective). This is a measure of how effective project related expenditures translate into GDP for the province (or region). Depending upon the level of expenditures, this multiplier ultimately determines the overall level of net economic activity associated with the project. To take an example, if this multiplier is 1.0, this means that for every dollar of expenditure, one dollar of total GDP is generated. The magnitude of this multiplier is influenced by the level of withdrawals, or imports, necessary to sustain both production and final demand requirements. The less capable a region or province is at fulfilling all necessary production and final demand requirements, all things being equal, the lower the eventual economic impact will be.*

GDP (at factor cost) - This figure represents the total value of production of goods and services produced by industries resulting from the factors of production. The distinction to GDP (at market prices) is that GDP (at factor cost) is less by the amount of indirect taxes plus subsidies.

GST Tax - The level of goods of services tax paid by business and individuals attributed to tourism related activity.

Imports - These figures indicate the initial, direct, indirect and induced final demand and intermediate production requirements for imports—nationally and internationally.

Initial Expenditure - This figure indicates the amount of initial expenditures used for analysis. It indicates not only the total magnitude of this spending but also the region in which it was spent (thus establishing the "impact" region).

Indirect Impact - Refers to the impacts resulting from all intermediate rounds of production in the supply of goods and services to industry sectors identified in the direct impact phase. An example of this would be the supply and production of bed sheets to a hotel.

Induced Impact - These impacts are generated as a result of re-spending by employees (in the form of consumer spending) who benefited either directly or indirectly from the initial expenditure under analysis. An example of induced consumer spending would be the impacts generated by hotel employees on typical consumer items such as groceries, shoes, cameras, etc.

Local Transportation Spending - Includes tourist spending on transportation means within the area including taxis, city bus fares and such things as bus tours.

Municipal tax - The total level of taxes collected by municipal/local governments attributed to tourism related activity.

Personal income tax - The level of income taxes paid by individuals in relation to the share of their employment supported by tourism related activity in the Rainy River and Kenora Districts.

Private Transportation Spending – Includes tourist spending on own vehicle or rental vehicle.

Property tax - The level of property taxes paid by business and individuals in relation to the share of employment/business receipts attributed to tourism related activity in the Rainy River and Kenora Districts.

Provincial Tax - The total level of taxes collected by Government of Ontario attributed to tourism related activity in Rainy River and Kenora Districts.

PST Tax - The level of provincial sales tax paid by business and individuals attributed to tourism related activity in the Rainy River and Kenora Districts.

Public Transportation Spending - Includes tourist spending on air, bus, rail and other modes public intercity transportation.

Retail & Miscellaneous Spending - Outside of sales on food and beverages, this category of spending includes all tourists spending made through the retail sector. In addition, it also includes spending made by tourists, which cannot be solely attributed to one of the other spending categories.

Taxes - These figures represent the amount of taxes contributed to municipal, provincial and federal levels of government relating to the project under analysis. This information is broken down by the direct, indirect and induced impacts.

Wages & Salaries - This figure represents the amount of wages and salaries generated by the initial expenditure. This information is broken down by the direct, indirect and induced impacts.

Table #1(A) - Economic Impact Summary: Ontario

(Dollars)	Total Ontario	Sunset Country	Rest of Ontario
Initial Expenditure	\$375,188,373	\$375,188,373	\$0
Gross Domestic Product			
<i>Direct Impact</i>	\$136,223,229	\$136,223,229	\$0
<i>Indirect Impact</i>	\$167,018,767	\$96,655,227	\$70,363,540
<i>Induced Impact</i>	\$113,881,549	\$55,491,361	\$58,390,188
<i>Total Impact</i>	\$417,123,544	\$288,369,816	\$128,753,728
<i>Total/Direct (A)</i>	3.06	2.12	
<i>Total/Initial (B)</i>	1.11	0.769	0.34
Wages & Salaries			
<i>Direct Impact</i>	\$86,779,971	\$86,779,971	\$0
<i>Indirect Impact</i>	\$114,217,809	\$74,918,178	\$39,299,632
<i>Induced Impact</i>	\$61,158,202	\$29,369,379	\$31,788,823
<i>Total Impact</i>	\$262,155,982	\$191,067,527	\$71,088,455
<i>Total/Direct (A)</i>	3.02	2.20	
<i>Total/Initial (B)</i>	0.70	0.51	0.19
Employment (Jobs)			
<i>Direct Impact</i>	4,130.8	4,130.8	0.0
<i>Indirect Impact</i>	5,000.3	3,877.5	1,122.8
<i>Induced Impact</i>	2,365.2	1,395.5	969.7
<i>Total Impact</i>	11,496.3	9,403.9	2,092.5
<i>Total/Direct (A)</i>	2.78	2.28	
<i>Total/1\$ Million (B)</i>	30.64	25.06	5.58
Industry Output			
<i>Direct & Indirect</i>	\$517,174,761	\$397,170,780	\$120,003,981
<i>Induced Impact</i>	\$247,158,908	\$108,020,464	\$139,138,443
<i>Total Impact</i>	\$764,333,669	\$505,191,244	\$259,142,425
<i>Total/Initial (B)</i>	2.04	1.35	0.69

Table #1(B) - Economic Impact Summary:			Ontario
(Dollars)			
	Total Ontario	Sunset Country	Rest of Ontario
Initial Expenditure	\$375,188,373	\$375,188,373	\$0
Gross Domestic Product (at factor cost)			
<i>Direct Impact</i>	\$128,653,878	\$128,653,878	\$0
<i>Indirect Impact</i>	\$162,532,701	\$94,582,750	\$67,949,951
<i>Induced Impact</i>	\$108,151,232	\$51,829,106	\$56,322,126
<i>Total Impact</i>	\$399,337,811	\$275,065,734	\$124,272,077
<i>Total/Direct (A)</i>	3.10	2.14	0.97
<i>Total/Initial (B)</i>	1.06	0.73	0.33
Taxes			
<i>Direct Impact</i>	\$73,975,416	\$73,975,416	\$0
<i>Indirect Impact</i>	\$55,521,282	\$32,477,907	\$23,043,375
<i>Induced Impact</i>	\$41,554,716	\$21,352,667	\$20,202,049
<i>Total Impact</i>	\$171,051,413	\$127,805,990	\$43,245,423
<i>Total/Direct (A)</i>	2.31	1.73	0.58
<i>Total/Initial (B)</i>	0.46	0.34	0.12
Imports			
<i>Direct Impact</i>	\$0	\$0	\$0
<i>Indirect Impact</i>	\$67,077,450	\$15,169,492	\$51,907,958
<i>Induced Impact</i>	\$48,553,055	\$8,917,206	\$39,635,849
<i>Total Impact</i>	\$115,630,505	\$24,086,698	\$91,543,807
<i>Total/Initial (B)</i>	0.31	0.06	0.24

Table #2 - GDP (Direct) for Province: Ontario
(Dollars)

	Total Ontario	Sunset Country	Rest of Ontario
Industry Breakdown			
<i>Agriculture</i>	\$0	\$0	\$0
<i>Fishing & Trapping</i>	\$0	\$0	\$0
<i>Logging & Forestry</i>	\$0	\$0	\$0
<i>Mining</i>	\$0	\$0	\$0
<i>Manufacturing</i>	\$0	\$0	\$0
<i>Construction</i>	\$0	\$0	\$0
<i>Transport. & Storage</i>	\$8,300,287	\$8,300,287	\$0
<i>Energy & Other Utilities</i>	\$0	\$0	\$0
<i>Wholesale Trade</i>	\$0	\$0	\$0
<i>Retail Trade</i>	\$6,271,098	\$6,271,098	\$0
<i>F.I.R.</i>	\$0	\$0	\$0
<i>Owner-Occupied Dwelling</i>	\$0	\$0	\$0
<i>Services</i>	\$121,651,844	\$121,651,844	\$0
<i>Total</i>	\$136,223,229	\$136,223,229	\$0

Table #3 - GDP (Direct,Indirect) for Province: Ontario
(Dollars)

	Total Ontario	Sunset Country	Rest of Ontario
Industry Breakdown			
<i>Agriculture</i>	\$2,176,690	\$406,620	\$1,770,070
<i>Fishing & Trapping</i>	\$168,475	\$17,726	\$150,749
<i>Logging & Forestry</i>	\$38,306	\$1,516	\$36,789
<i>Mining</i>	\$582,962	\$26,304	\$556,659
<i>Manufacturing</i>	\$32,736,952	\$2,591,536	\$30,145,417
<i>Construction</i>	\$1,147,720	\$1,147,720	\$0
<i>Transport. & Storage</i>	\$16,928,592	\$16,448,772	\$479,821
<i>Energy & Other Utilities</i>	\$12,631,960	\$1,046,632	\$11,585,328
<i>Wholesale Trade</i>	\$6,461,859	\$1,608,872	\$4,852,987
<i>Retail Trade</i>	\$21,452,349	\$21,452,349	\$0
<i>F.I.R.</i>	\$35,502,262	\$14,896,711	\$20,605,551
<i>Owner-Occupied Dwelling</i>	\$0	\$0	\$0
<i>Services</i>	\$173,413,868	\$173,233,700	\$180,168
<i>Total</i>	\$303,241,995	\$232,878,456	\$70,363,540

Table #4 - GDP (Direct,Indirect,Induced) for Province: Ontario
(Dollars)

	Total Ontario	Sunset Country	Rest of Ontario
Industry Breakdown			
<i>Agriculture</i>	\$3,640,935	\$559,406	\$3,081,529
<i>Fishing & Trapping</i>	\$427,231	\$43,335	\$383,895
<i>Logging & Forestry</i>	\$71,064	\$2,795	\$68,269
<i>Mining</i>	\$1,362,869	\$39,842	\$1,323,027
<i>Manufacturing</i>	\$56,755,039	\$4,039,827	\$52,715,212
<i>Construction</i>	\$1,924,058	\$1,789,426	\$134,632
<i>Transport. & Storage</i>	\$24,436,485	\$22,244,362	\$2,192,123
<i>Energy & Other Utilities</i>	\$23,553,144	\$1,729,565	\$21,823,580
<i>Wholesale Trade</i>	\$10,653,313	\$2,917,747	\$7,735,566
<i>Retail Trade</i>	\$36,360,425	\$33,774,488	\$2,585,937
<i>F.I.R.</i>	\$51,552,180	\$20,879,170	\$30,673,010
<i>Owner-Occupied Dwelling</i>	\$17,190,784	\$14,187,582	\$3,003,202
<i>Services</i>	\$189,196,017	\$186,162,273	\$3,033,744
<i>Total</i>	\$417,123,544	\$288,369,816	\$128,753,728

Table #5 - Wages (Direct) for Province: Ontario
(Dollars)

	Total Ontario	Sunset Country	Rest of Ontario
Industry Breakdown			
<i>Agriculture</i>	\$0	\$0	\$0
<i>Fishing & Trapping</i>	\$0	\$0	\$0
<i>Logging & Forestry</i>	\$0	\$0	\$0
<i>Mining</i>	\$0	\$0	\$0
<i>Manufacturing</i>	\$0	\$0	\$0
<i>Construction</i>	\$0	\$0	\$0
<i>Transport. & Storage</i>	\$6,456,057	\$6,456,057	\$0
<i>Energy & Other Utilities</i>	\$0	\$0	\$0
<i>Wholesale Trade</i>	\$0	\$0	\$0
<i>Retail Trade</i>	\$4,465,734	\$4,465,734	\$0
<i>F.I.R.</i>	\$0	\$0	\$0
<i>Owner-Occupied Dwelling Services</i>	\$75,858,180	\$75,858,180	\$0
<i>Total</i>	\$86,779,971	\$86,779,971	\$0

Table #6 - Wages (Direct,Indirect) for Province: Ontario
(Dollars)

	Total Ontario	Sunset Country	Rest of Ontario
Industry Breakdown			
<i>Agriculture</i>	\$1,030,185	\$192,445	\$837,739
<i>Fishing & Trapping</i>	\$144,433	\$15,196	\$129,237
<i>Logging & Forestry</i>	\$24,479	\$969	\$23,510
<i>Mining</i>	\$233,451	\$10,533	\$222,917
<i>Manufacturing</i>	\$17,749,510	\$1,412,054	\$16,337,456
<i>Construction</i>	\$630,150	\$630,150	\$0
<i>Transport. & Storage</i>	\$13,104,918	\$12,790,950	\$313,968
<i>Energy & Other Utilities</i>	\$5,588,145	\$379,615	\$5,208,530
<i>Wholesale Trade</i>	\$2,315,864	\$576,603	\$1,739,261
<i>Retail Trade</i>	\$15,276,509	\$15,276,509	\$0
<i>F.I.R.</i>	\$25,882,465	\$11,466,480	\$14,415,985
<i>Owner-Occupied Dwelling</i>	\$0	\$0	\$0
<i>Services</i>	\$119,017,672	\$118,946,644	\$71,028
<i>Total</i>	\$200,997,780	\$161,698,149	\$39,299,632

Table #7 - Wages (Direct,Indirect,Induced) for Province: Ontario
(Dollars)

	Total Ontario	Sunset Country	Rest of Ontario
Industry Breakdown			
<i>Agriculture</i>	\$1,723,183	\$264,756	\$1,458,427
<i>Fishing & Trapping</i>	\$366,264	\$37,151	\$329,113
<i>Logging & Forestry</i>	\$45,414	\$1,786	\$43,627
<i>Mining</i>	\$545,769	\$15,955	\$529,814
<i>Manufacturing</i>	\$30,792,571	\$2,206,735	\$28,585,836
<i>Construction</i>	\$1,056,394	\$982,475	\$73,919
<i>Transport. & Storage</i>	\$18,872,950	\$17,295,942	\$1,577,008
<i>Energy & Other Utilities</i>	\$10,669,001	\$629,236	\$10,039,765
<i>Wholesale Trade</i>	\$3,818,038	\$1,045,691	\$2,772,348
<i>Retail Trade</i>	\$25,892,752	\$24,051,271	\$1,841,481
<i>F.I.R.</i>	\$37,552,345	\$15,880,089	\$21,672,256
<i>Owner-Occupied Dwelling</i>	\$0	\$0	\$0
<i>Services</i>	\$130,821,300	\$128,656,440	\$2,164,860
<i>Total</i>	\$262,155,982	\$191,067,527	\$71,088,455

Table #8 - Employment (Direct) for Province:			Ontario
(Jobs)	Total Ontario	Sunset Country	Rest of Ontario
Industry Breakdown			
<i>Agriculture</i>	0.0	0.0	0.0
<i>Fishing & Trapping</i>	0.0	0.0	0.0
<i>Logging & Forestry</i>	0.0	0.0	0.0
<i>Mining</i>	0.0	0.0	0.0
<i>Manufacturing</i>	0.0	0.0	0.0
<i>Construction</i>	0.0	0.0	0.0
<i>Transport. & Storage</i>	188.8	188.8	0.0
<i>Energy & Other Utilities</i>	0.0	0.0	0.0
<i>Wholesale Trade</i>	0.0	0.0	0.0
<i>Retail Trade</i>	234.0	234.0	0.0
<i>F.I.R.</i>	0.0	0.0	0.0
<i>Owner-Occupied Dwelling</i>	0.0	0.0	0.0
<i>Services</i>	3,708.0	3,708.0	0.0
<i>Total</i>	4,130.8	4,130.8	0.0

Table #9 - Employment (Direct,Indirect) for Province:			Ontario
(Jobs)	Total Ontario	Sunset Country	Rest of Ontario
Industry Breakdown			
<i>Agriculture</i>	60.1	10.0	50.1
<i>Fishing & Trapping</i>	5.8	0.4	5.3
<i>Logging & Forestry</i>	1.0	0.1	1.0
<i>Mining</i>	4.7	0.2	4.4
<i>Manufacturing</i>	600.3	56.7	543.6
<i>Construction</i>	23.4	23.4	0.0
<i>Transport. & Storage</i>	381.2	373.4	7.8
<i>Energy & Other Utilities</i>	123.4	7.7	115.8
<i>Wholesale Trade</i>	69.6	21.9	47.7
<i>Retail Trade</i>	806.8	806.8	0.0
<i>F.I.R.</i>	746.4	401.6	344.9
<i>Owner-Occupied Dwelling</i>	0.0	0.0	0.0
<i>Services</i>	6,308.4	6,306.2	2.2
<i>Total</i>	9,131.1	8,008.3	1,122.8

Table #10 - Employment (Direct,Indirect,Induced) for Province: Ontario
(Jobs)

	Total Ontario	Sunset Country	Rest of Ontario
Industry Breakdown			
<i>Agriculture</i>	100.8	13.6	87.2
<i>Fishing & Trapping</i>	14.6	1.0	13.6
<i>Logging & Forestry</i>	1.9	0.2	1.8
<i>Mining</i>	11.3	0.3	10.9
<i>Manufacturing</i>	1,006.8	82.5	924.4
<i>Construction</i>	38.7	36.3	2.4
<i>Transport. & Storage</i>	544.7	502.5	42.2
<i>Energy & Other Utilities</i>	238.5	12.8	225.7
<i>Wholesale Trade</i>	115.8	39.8	76.0
<i>Retail Trade</i>	1,363.7	1,270.8	92.8
<i>F.I.R.</i>	1,066.6	548.7	518.0
<i>Owner-Occupied Dwelling</i>	0.0	0.0	0.0
<i>Services</i>	6,992.9	6,895.4	97.6
<i>Total</i>	11,496.3	9,403.9	2,092.5

Table #11 - Specific Service Sector (Direct) for Province: Ontario
(Dollars)

	Total Ontario	Sunset Country	Rest of Ontario
GDP			
<i>Accommodation</i>	\$97,100,000	\$97,100,000	\$0
<i>Restaurants</i>	\$9,281,025	\$9,281,025	\$0
<i>Recreation</i>	\$14,451,535	\$14,451,535	\$0
<i>Other Services</i>	\$819,284	\$819,284	\$0
WAGES			
<i>Accommodation</i>	\$57,700,000	\$57,700,000	\$0
<i>Restaurants</i>	\$7,463,869	\$7,463,869	\$0
<i>Recreation</i>	\$10,120,558	\$10,120,558	\$0
<i>Other Services</i>	\$573,753	\$573,753	\$0
EMPLOYMENT			
(Jobs)			
<i>Accommodation</i>	2,180.0	2,180.0	0.0
<i>Restaurants</i>	638.9	638.9	0.0
<i>Recreation</i>	864.6	864.6	0.0
<i>Other Services</i>	24.5	24.5	0.0

Table #12 - Specific Service Sector (Direct,Indirect) for Province:			Ontario
(Dollars)			
	Total Ontario	Sunset Country	Rest of Ontario
GDP			
<i>Accommodation</i>	\$97,100,000	\$97,100,000	\$0
<i>Restaurants</i>	\$10,063,112	\$10,063,112	\$0
<i>Recreation</i>	\$15,601,417	\$15,601,417	\$0
<i>Other Services</i>	\$50,649,339	\$50,469,171	\$180,168
WAGES			
<i>Accommodation</i>	\$57,700,000	\$57,700,000	\$0
<i>Restaurants</i>	\$8,073,521	\$8,073,521	(\$0)
<i>Recreation</i>	\$10,925,832	\$10,925,832	\$0
<i>Other Services</i>	\$42,318,319	\$42,247,292	\$71,028
EMPLOYMENT (Jobs)			
<i>Accommodation</i>	2,180.0	2,180.0	0.0
<i>Restaurants</i>	689.3	689.3	(0.0)
<i>Recreation</i>	942.8	942.8	0.0
<i>Other Services</i>	2,496.3	2,494.1	2.2

Table #13 - Specific Service Sector (Direct,Indirect,Induced) for Province Ontario
(Dollars)

	Total Ontario	Sunset Country	Rest of Ontario
GDP			
<i>Accommodation</i>	\$97,100,000	\$97,100,000	\$0
<i>Restaurants</i>	\$12,997,229	\$12,484,646	\$512,583
<i>Recreation</i>	\$16,058,562	\$15,979,336	\$79,226
<i>Other Services</i>	\$63,040,225	\$60,598,291	\$2,441,935
WAGES			
<i>Accommodation</i>	\$57,700,000	\$57,700,000	\$0
<i>Restaurants</i>	\$10,309,569	\$9,918,937	\$390,632
<i>Recreation</i>	\$11,245,975	\$11,190,492	\$55,483
<i>Other Services</i>	\$51,565,756	\$49,847,011	\$1,718,745
EMPLOYMENT (Jobs)			
<i>Accommodation</i>	2,180.0	2,180.0	0.0
<i>Restaurants</i>	873.5	841.1	32.4
<i>Recreation</i>	975.9	973.0	2.9
<i>Other Services</i>	2,963.6	2,901.3	62.3

Table #14 -Taxes (Direct):			Ontario
(Dollars)	Total Ontario	Sunset Country	Rest of Ontario
<i>Personal Income Tax</i>	\$6,204,338	\$6,204,338	\$0
<i>Corporate Income Tax</i>	\$1,526,214	\$1,526,214	\$0
<i>CPP & EI</i>	\$11,092,592	\$11,092,592	\$0
<i>Excise</i>	\$875,664	\$875,664	\$0
<i>Property (Personal)</i>	\$2,926,403	\$2,926,403	\$0
<i>Property (Business)</i>	\$5,631,234	\$5,631,234	\$0
<i>GST</i>	\$21,684,820	\$21,684,820	\$0
<i>PST</i>	\$24,034,151	\$24,034,151	\$0
<i>Total</i>	\$73,975,416	\$73,975,416	\$0
<i>Federal</i>	\$32,572,116	\$32,572,116	\$0
<i>Provincial</i>	\$32,845,663	\$32,845,663	\$0
<i>Municipal</i>	\$8,557,637	\$8,557,637	\$0
<i>Total</i>	\$73,975,416	\$73,975,416	\$0

Table #15 -Taxes (Direct,Indirect): **Ontario**
(Dollars)

	Total Ontario	Sunset Country	Rest of Ontario
<i>Personal Income Tax</i>	\$25,106,757	\$16,885,063	\$8,221,694
<i>Corporate Income Tax</i>	\$13,660,168	\$7,146,052	\$6,514,116
<i>CPP & EI</i>	\$23,280,899	\$19,934,982	\$3,345,918
<i>Excise</i>	\$2,604,006	\$1,831,109	\$772,896
<i>Property (Personal)</i>	\$7,127,065	\$5,436,414	\$1,690,651
<i>Property (Business)</i>	\$11,998,833	\$9,500,733	\$2,498,100
<i>GST</i>	\$21,684,820	\$21,684,820	\$0
<i>PST</i>	\$24,034,151	\$24,034,151	\$0
<i>Total</i>	\$129,496,698	\$106,453,323	\$23,043,375
<i>Federal</i>	\$60,123,034	\$48,310,343	\$11,812,691
<i>Provincial</i>	\$50,247,766	\$43,205,834	\$7,041,933
<i>Municipal</i>	\$19,125,898	\$14,937,147	\$4,188,751
<i>Total</i>	\$129,496,698	\$106,453,323	\$23,043,375

Table #16 -Taxes (Initial,Direct,Indirect,Induced): **Ontario**
(Dollars)

	Total Ontario	Sunset Country	Rest of Ontario
<i>Personal Income Tax</i>	\$35,680,492	\$21,190,641	\$14,489,852
<i>Corporate Income Tax</i>	\$20,724,516	\$9,356,306	\$11,368,209
<i>CPP & EI</i>	\$29,473,796	\$23,245,990	\$6,227,806
<i>Excise</i>	\$3,605,985	\$2,242,025	\$1,363,960
<i>Property (Personal)</i>	\$9,488,881	\$6,424,047	\$3,064,834
<i>Property (Business)</i>	\$14,983,234	\$11,093,786	\$3,889,448
<i>GST</i>	\$25,611,973	\$24,630,681	\$981,292
<i>PST</i>	\$31,482,536	\$29,622,514	\$1,860,022
<i>Total</i>	\$171,051,413	\$127,805,990	\$43,245,423
<i>Federal</i>	\$79,101,136	\$57,297,282	\$21,803,854
<i>Provincial</i>	\$67,478,163	\$52,990,876	\$14,487,287
<i>Municipal</i>	\$24,472,115	\$17,517,832	\$6,954,282
<i>Total</i>	\$171,051,413	\$127,805,990	\$43,245,423

**APPENDIX D: DETAILED ECONOMIC IMPACT TABLES – CAPITAL EXPENDITURES BY
FIXED ROOF ACCOMMODATION OPERATORS IN SUNSET COUNTRY**

Table #1(A) - Economic Impact Summary:		Ontario		
(Dollars)				
	Total Ontario	Sunset Country	Rest of Ontario	
Initial Expenditure	\$43,900,000	\$43,900,000	\$0	
Gross Domestic Product				
<i>Direct Impact</i>	\$8,771,639	\$8,748,043	\$23,596	
<i>Indirect Impact</i>	\$17,065,153	\$6,106,000	\$10,959,153	
<i>Induced Impact</i>	\$8,455,121	\$3,330,061	\$5,125,060	
<i>Total Impact</i>	\$34,291,913	\$18,184,105	\$16,107,809	
<i>Total/Direct (A)</i>	3.91	2.08		
<i>Total/Initial (B)</i>	0.78	0.41	0.37	
Wages & Salaries				
<i>Direct Impact</i>	\$5,507,294	\$5,498,827	\$8,467	
<i>Indirect Impact</i>	\$10,039,805	\$4,158,626	\$5,881,178	
<i>Induced Impact</i>	\$4,761,350	\$1,899,732	\$2,861,617	
<i>Total Impact</i>	\$20,308,448	\$11,557,186	\$8,751,262	
<i>Total/Direct (A)</i>	3.69	2.10		
<i>Total/Initial (B)</i>	0.46	0.26	0.20	
Employment (Jobs)				
<i>Direct Impact</i>	254.6	254.4	0.2	
<i>Indirect Impact</i>	308.0	152.5	155.5	
<i>Induced Impact</i>	176.5	87.1	89.4	
<i>Total Impact</i>	739.0	494.0	245.1	
<i>Total/Direct (A)</i>	2.90	1.94		
<i>Total/\$ Million (B)</i>	16.83	11.25	5.58	
Industry Output				
<i>Direct & Indirect</i>	\$67,904,626	\$39,039,609	\$28,865,017	
<i>Induced Impact</i>	\$18,497,498	\$6,549,308	\$11,948,190	
<i>Total Impact</i>	\$86,402,124	\$45,588,917	\$40,813,207	
<i>Total/Initial (B)</i>	1.97	1.04	0.93	

Table #1(B) - Economic Impact Summary:			Ontario
(Dollars)			
	Total Ontario	Sunset Country	Rest of Ontario
Initial Expenditure	\$43,900,000	\$43,900,000	\$0
Gross Domestic Product (at factor cost)			
<i>Direct Impact</i>	\$8,534,427	\$8,511,693	\$22,734
<i>Indirect Impact</i>	\$16,647,643	\$5,898,277	\$10,749,367
<i>Induced Impact</i>	\$8,054,665	\$3,125,500	\$4,929,165
<i>Total Impact</i>	\$33,236,735	\$17,535,469	\$15,701,266
<i>Total/Direct (A)</i>	3.89	2.06	1.83
<i>Total/Initial (B)</i>	0.76	0.40	0.36
Taxes			
<i>Direct Impact</i>	\$5,982,476	\$5,978,087	\$4,389
<i>Indirect Impact</i>	\$4,699,202	\$1,819,477	\$2,879,725
<i>Induced Impact</i>	\$3,265,563	\$1,406,182	\$1,859,381
<i>Total Impact</i>	\$13,947,241	\$9,203,746	\$4,743,495
<i>Total/Direct (A)</i>	2.33	1.54	0.79
<i>Total/Initial (B)</i>	0.32	0.21	0.11
Imports			
<i>Direct Impact</i>	\$0	\$0	\$0
<i>Indirect Impact</i>	\$18,063,208	\$4,001,447	\$14,061,761
<i>Induced Impact</i>	\$3,684,621	\$745,176	\$2,939,445
<i>Total Impact</i>	\$21,747,829	\$4,746,623	\$17,001,206
<i>Total/Initial (B)</i>	0.50	0.11	0.39

Table #2 - GDP (Direct) for Province: Ontario**(Dollars)**

	Total Ontario	Sunset Country	Rest of Ontario
Industry Breakdown			
<i>Agriculture</i>	\$0	\$0	\$0
<i>Fishing & Trapping</i>	\$0	\$0	\$0
<i>Logging & Forestry</i>	\$0	\$0	\$0
<i>Mining</i>	\$0	\$0	\$0
<i>Manufacturing</i>	\$0	\$0	\$0
<i>Construction</i>	\$4,479,064	\$4,479,064	\$0
<i>Transport. & Storage</i>	\$5,443	\$5,443	\$0
<i>Energy & Other Utilities</i>	\$26,401	\$2,805	\$23,596
<i>Wholesale Trade</i>	\$0	\$0	\$0
<i>Retail Trade</i>	\$4,201,486	\$4,201,486	\$0
<i>F.I.R.</i>	\$0	\$0	\$0
<i>Owner-Occupied Dwelling</i>	\$0	\$0	\$0
<i>Services</i>	\$59,246	\$59,246	\$0
<i>Total</i>	\$8,771,639	\$8,748,043	\$23,596

Table #3 - GDP (Direct,Indirect) for Province: Ontario
(Dollars)

	Total Ontario	Sunset Country	Rest of Ontario
Industry Breakdown			
<i>Agriculture</i>	\$222,169	\$34,449	\$187,720
<i>Fishing & Trapping</i>	\$54,579	\$6,342	\$48,237
<i>Logging & Forestry</i>	\$0	\$0	\$0
<i>Mining</i>	\$414,357	\$34,723	\$379,634
<i>Manufacturing</i>	\$8,949,465	\$1,387,274	\$7,562,191
<i>Construction</i>	\$4,590,483	\$4,590,483	\$0
<i>Transport. & Storage</i>	\$1,891,056	\$1,841,221	\$49,835
<i>Energy & Other Utilities</i>	\$923,783	\$59,435	\$864,347
<i>Wholesale Trade</i>	\$1,299,962	\$343,208	\$956,754
<i>Retail Trade</i>	\$4,460,372	\$4,460,372	\$0
<i>F.I.R.</i>	\$1,447,133	\$524,423	\$922,710
<i>Owner-Occupied Dwelling</i>	\$0	\$0	\$0
<i>Services</i>	\$1,583,434	\$1,572,114	\$11,320
<i>Total</i>	\$25,836,792	\$14,854,043	\$10,982,749

Table #4 - GDP (Direct,Indirect,Induced) for Province: Ontario
(Dollars)

	Total Ontario	Sunset Country	Rest of Ontario
Industry Breakdown			
<i>Agriculture</i>	\$329,970	\$43,744	\$286,226
<i>Fishing & Trapping</i>	\$73,685	\$8,542	\$65,143
<i>Logging & Forestry</i>	\$2,241	\$98	\$2,143
<i>Mining</i>	\$472,055	\$36,299	\$435,757
<i>Manufacturing</i>	\$10,777,184	\$1,463,044	\$9,314,140
<i>Construction</i>	\$4,647,717	\$4,629,808	\$17,909
<i>Transport. & Storage</i>	\$2,456,614	\$2,208,663	\$247,951
<i>Energy & Other Utilities</i>	\$1,718,867	\$102,354	\$1,616,513
<i>Wholesale Trade</i>	\$1,618,749	\$426,788	\$1,191,962
<i>Retail Trade</i>	\$5,605,460	\$5,247,155	\$358,305
<i>F.I.R.</i>	\$2,815,363	\$947,704	\$1,867,660
<i>Owner-Occupied Dwelling Services</i>	\$969,853	\$666,380	\$303,473
	\$2,804,155	\$2,403,527	\$400,628
<i>Total</i>	\$34,291,913	\$18,184,105	\$16,107,809

Table #5 - Wages (Direct) for Province: Ontario**(Dollars)**

	Total Ontario	Sunset Country	Rest of Ontario
Industry Breakdown			
<i>Agriculture</i>	\$0	\$0	\$0
<i>Fishing & Trapping</i>	\$0	\$0	\$0
<i>Logging & Forestry</i>	\$0	\$0	\$0
<i>Mining</i>	\$0	\$0	\$0
<i>Manufacturing</i>	\$0	\$0	\$0
<i>Construction</i>	\$2,459,207	\$2,459,207	\$0
<i>Transport. & Storage</i>	\$4,234	\$4,234	\$0
<i>Energy & Other Utilities</i>	\$9,472	\$1,005	\$8,467
<i>Wholesale Trade</i>	\$0	\$0	\$0
<i>Retail Trade</i>	\$2,991,935	\$2,991,935	\$0
<i>F.I.R.</i>	\$0	\$0	\$0
<i>Owner-Occupied Dwelling</i>	\$0	\$0	\$0
<i>Services</i>	\$42,446	\$42,446	\$0
<i>Total</i>	\$5,507,294	\$5,498,827	\$8,467

Table #6 - Wages (Direct,Indirect) for Province: Ontario
(Dollars)

	Total Ontario	Sunset Country	Rest of Ontario
Industry Breakdown			
<i>Agriculture</i>	\$105,148	\$16,304	\$88,844
<i>Fishing & Trapping</i>	\$46,791	\$5,437	\$41,354
<i>Logging & Forestry</i>	\$0	\$0	\$0
<i>Mining</i>	\$165,932	\$13,905	\$152,027
<i>Manufacturing</i>	\$4,904,331	\$760,823	\$4,143,508
<i>Construction</i>	\$2,520,381	\$2,520,381	\$0
<i>Transport. & Storage</i>	\$1,464,422	\$1,431,813	\$32,609
<i>Energy & Other Utilities</i>	\$444,300	\$21,852	\$422,448
<i>Wholesale Trade</i>	\$465,893	\$123,002	\$342,891
<i>Retail Trade</i>	\$3,176,292	\$3,176,292	\$0
<i>F.I.R.</i>	\$1,065,056	\$403,555	\$661,502
<i>Owner-Occupied Dwelling</i>	\$0	\$0	\$0
<i>Services</i>	\$1,188,553	\$1,184,091	\$4,463
<i>Total</i>	\$15,547,099	\$9,657,454	\$5,889,645

Table #7 - Wages (Direct,Indirect,Induced) for Province: Ontario
(Dollars)

	Total Ontario	Sunset Country	Rest of Ontario
Industry Breakdown			
<i>Agriculture</i>	\$156,168	\$20,703	\$135,465
<i>Fishing & Trapping</i>	\$63,170	\$7,323	\$55,847
<i>Logging & Forestry</i>	\$1,432	\$63	\$1,370
<i>Mining</i>	\$189,037	\$14,536	\$174,501
<i>Manufacturing</i>	\$5,897,679	\$802,377	\$5,095,302
<i>Construction</i>	\$2,551,805	\$2,541,972	\$9,833
<i>Transport. & Storage</i>	\$1,898,996	\$1,717,344	\$181,653
<i>Energy & Other Utilities</i>	\$814,670	\$37,650	\$777,020
<i>Wholesale Trade</i>	\$580,143	\$152,956	\$427,187
<i>Retail Trade</i>	\$3,991,724	\$3,736,570	\$255,154
<i>F.I.R.</i>	\$2,060,068	\$715,801	\$1,344,266
<i>Owner-Occupied Dwelling Services</i>	\$0	\$0	\$0
	\$2,103,555	\$1,809,891	\$293,665
<i>Total</i>	\$20,308,448	\$11,557,186	\$8,751,262

Table #8 - Employment (Direct) for Province:			Ontario
(Jobs)	Total Ontario	Sunset Country	Rest of Ontario
Industry Breakdown			
<i>Agriculture</i>	0.0	0.0	0.0
<i>Fishing & Trapping</i>	0.0	0.0	0.0
<i>Logging & Forestry</i>	0.0	0.0	0.0
<i>Mining</i>	0.0	0.0	0.0
<i>Manufacturing</i>	0.0	0.0	0.0
<i>Construction</i>	94.6	94.6	0.0
<i>Transport. & Storage</i>	0.1	0.1	0.0
<i>Energy & Other Utilities</i>	0.2	0.0	0.2
<i>Wholesale Trade</i>	0.0	0.0	0.0
<i>Retail Trade</i>	156.8	156.8	0.0
<i>F.I.R.</i>	0.0	0.0	0.0
<i>Owner-Occupied Dwelling</i>	0.0	0.0	0.0
<i>Services</i>	2.9	2.9	0.0
<i>Total</i>	254.6	254.4	0.2

Table #9 - Employment (Direct,Indirect) for Province: Ontario

(Jobs)	Total Ontario	Sunset Country	Rest of Ontario
Industry Breakdown			
<i>Agriculture</i>	6.2	0.9	5.3
<i>Fishing & Trapping</i>	1.9	0.2	1.7
<i>Logging & Forestry</i>	0.0	0.0	0.0
<i>Mining</i>	3.9	0.4	3.5
<i>Manufacturing</i>	130.4	21.3	109.1
<i>Construction</i>	96.9	96.9	0.0
<i>Transport. & Storage</i>	43.3	42.5	0.9
<i>Energy & Other Utilities</i>	10.3	0.5	9.8
<i>Wholesale Trade</i>	14.0	4.6	9.4
<i>Retail Trade</i>	166.5	166.5	0.0
<i>F.I.R.</i>	29.0	13.2	15.8
<i>Owner-Occupied Dwelling</i>	0.0	0.0	0.0
<i>Services</i>	60.1	60.0	0.1
<i>Total</i>	562.5	406.9	155.7

Table #10 - Employment (Direct,Indirect,Induced) for Province:			Ontario
(Jobs)	Total Ontario	Sunset Country	Rest of Ontario
Industry Breakdown			
<i>Agriculture</i>	9.3	1.2	8.1
<i>Fishing & Trapping</i>	2.5	0.2	2.3
<i>Logging & Forestry</i>	0.1	0.0	0.1
<i>Mining</i>	4.4	0.4	4.0
<i>Manufacturing</i>	158.8	22.5	136.3
<i>Construction</i>	98.1	97.8	0.3
<i>Transport. & Storage</i>	55.9	50.9	5.0
<i>Energy & Other Utilities</i>	18.8	0.9	17.8
<i>Wholesale Trade</i>	17.5	5.8	11.7
<i>Retail Trade</i>	209.0	195.9	13.2
<i>F.I.R.</i>	55.5	23.1	32.4
<i>Owner-Occupied Dwelling</i>	0.0	0.0	0.0
<i>Services</i>	109.3	95.3	13.9
<i>Total</i>	739.0	494.0	245.1

Table #11 - Specific Service Sector (Direct) for Province: Ontario**(Dollars)**

	Total Ontario	Sunset Country	Rest of Ontario
GDP			
<i>Accommodation</i>	\$0	\$0	\$0
<i>Restaurants</i>	\$6,512	\$6,512	\$0
<i>Recreation</i>	\$14,580	\$14,580	\$0
<i>Other Services</i>	\$38,153	\$38,153	\$0
WAGES			
<i>Accommodation</i>	\$0	\$0	\$0
<i>Restaurants</i>	\$5,237	\$5,237	\$0
<i>Recreation</i>	\$10,211	\$10,211	\$0
<i>Other Services</i>	\$26,999	\$26,999	\$0
EMPLOYMENT			
(Jobs)			
<i>Accommodation</i>	0.0	0.0	0.0
<i>Restaurants</i>	0.5	0.5	0.0
<i>Recreation</i>	0.9	0.9	0.0
<i>Other Services</i>	1.5	1.5	0.0

Table #12 - Specific Service Sector (Direct,Indirect) for Province: Ontario**(Dollars)**

	Total Ontario	Sunset Country	Rest of Ontario
GDP			
<i>Accommodation</i>	\$0	\$0	\$0
<i>Restaurants</i>	\$68,115	\$68,115	\$0
<i>Recreation</i>	\$58,481	\$58,481	\$0
<i>Other Services</i>	\$1,456,837	\$1,445,517	\$11,320
WAGES			
<i>Accommodation</i>	\$0	\$0	\$0
<i>Restaurants</i>	\$51,910	\$51,910	\$0
<i>Recreation</i>	\$40,955	\$40,955	\$0
<i>Other Services</i>	\$1,095,689	\$1,091,226	\$4,463
EMPLOYMENT			
(Jobs)			
<i>Accommodation</i>	0.0	0.0	0.0
<i>Restaurants</i>	4.4	4.4	0.0
<i>Recreation</i>	3.5	3.5	0.0
<i>Other Services</i>	52.1	52.0	0.1

Table #13 - Specific Service Sector (Direct,Indirect,Induced) for Province: Ontario**(Dollars)**

	Total Ontario	Sunset Country	Rest of Ontario
GDP			
<i>Accommodation</i>	\$0	\$0	\$0
<i>Restaurants</i>	\$300,727	\$227,941	\$72,786
<i>Recreation</i>	\$93,287	\$82,396	\$10,891
<i>Other Services</i>	\$2,410,141	\$2,093,189	\$316,951
WAGES			
<i>Accommodation</i>	\$0	\$0	\$0
<i>Restaurants</i>	\$229,180	\$173,711	\$55,469
<i>Recreation</i>	\$65,330	\$57,703	\$7,627
<i>Other Services</i>	\$1,809,046	\$1,578,477	\$230,569
EMPLOYMENT			
(Jobs)			
<i>Accommodation</i>	0.0	0.0	0.0
<i>Restaurants</i>	19.6	14.8	4.8
<i>Recreation</i>	5.5	5.0	0.4
<i>Other Services</i>	84.2	75.5	8.7

Table #14 -Taxes (Direct):		Ontario	
(Dollars)	Total Ontario	Sunset Country	Rest of Ontario
<i>Personal Income Tax</i>	\$812,927	\$810,872	\$2,054
<i>Corporate Income Tax</i>	\$285,966	\$284,791	\$1,175
<i>CPP & EI</i>	\$625,867	\$625,289	\$578
<i>Excise</i>	\$75,108	\$74,921	\$187
<i>Property (Personal)</i>	\$190,762	\$190,386	\$376
<i>Property (Business)</i>	\$106,800	\$106,781	\$19
<i>GST</i>	\$1,796,965	\$1,796,965	\$0
<i>PST</i>	\$2,088,082	\$2,088,082	\$0
<i>Total</i>	\$5,982,476	\$5,978,087	\$4,389
<i>Federal</i>	\$2,883,606	\$2,881,057	\$2,549
<i>Provincial</i>	\$2,801,308	\$2,799,863	\$1,445
<i>Municipal</i>	\$297,562	\$297,167	\$395
<i>Total</i>	\$5,982,476	\$5,978,087	\$4,389

Table #15 -Taxes (Direct,Indirect):**Ontario****(Dollars)**

	Total Ontario	Sunset Country	Rest of Ontario
<i>Personal Income Tax</i>	\$2,812,601	\$1,551,652	\$1,260,949
<i>Corporate Income Tax</i>	\$1,168,110	\$573,125	\$594,985
<i>CPP & EI</i>	\$1,533,459	\$1,039,255	\$494,205
<i>Excise</i>	\$265,445	\$146,481	\$118,965
<i>Property (Personal)</i>	\$580,870	\$334,488	\$246,382
<i>Property (Business)</i>	\$436,145	\$267,517	\$168,629
<i>GST</i>	\$1,796,965	\$1,796,965	\$0
<i>PST</i>	\$2,088,082	\$2,088,082	\$0
<i>Total</i>	\$10,681,678	\$7,797,564	\$2,884,114
<i>Federal</i>	\$5,268,558	\$3,769,808	\$1,498,750
<i>Provincial</i>	\$4,396,104	\$3,425,751	\$970,353
<i>Municipal</i>	\$1,017,016	\$602,005	\$415,011
<i>Total</i>	\$10,681,678	\$7,797,564	\$2,884,114

Table #16 -Taxes (Initial,Direct,Indirect,Induced): **Ontario****(Dollars)**

	Total Ontario	Sunset Country	Rest of Ontario
<i>Personal Income Tax</i>	\$3,666,724	\$1,839,011	\$1,827,713
<i>Corporate Income Tax</i>	\$1,720,953	\$713,726	\$1,007,227
<i>CPP & EI</i>	\$2,002,073	\$1,249,218	\$752,855
<i>Excise</i>	\$346,416	\$174,186	\$172,230
<i>Property (Personal)</i>	\$771,451	\$400,113	\$371,338
<i>Property (Business)</i>	\$676,042	\$376,460	\$299,582
<i>GST</i>	\$2,102,009	\$1,993,486	\$108,523
<i>PST</i>	\$2,661,573	\$2,457,547	\$204,027
<i>Total</i>	\$13,947,241	\$9,203,746	\$4,743,495
<i>Federal</i>	\$6,759,150	\$4,358,335	\$2,400,815
<i>Provincial</i>	\$5,740,598	\$4,068,838	\$1,671,760
<i>Municipal</i>	\$1,447,493	\$776,573	\$670,920
<i>Total</i>	\$13,947,241	\$9,203,746	\$4,743,495