

FORWARD MOTION

TOURISM, TARIFFS, AND TRENDS
OCTOBER 21, 2025

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Tourism Industry
Association of Ontario



AGENDA

1. *Strategic Playbook for Ontario's Tourism Industry*
2. *Tariff Impact – Summer 2025*
3. *Policy Pipeline 2026/7*
4. *Global Traveller Trends*

ONTARIO'S NEW TOURISM STRATEGY

WHY NOW?

WHY NOW?

We've nearly recovered
– now we must **GROW**.

Ontario's tourism economy has almost returned to 2019 levels, but accelerated visitor and spend growth rates are needed to boost operator profitability, attract investment, and expand employment.

High-spending markets present **DIVERSIFICATION** opportunities.

U.S. and overseas visitation—high-yielding segments—present opportunities for growth. Strategic action is needed to expand these markets – especially considering global trade and economic disruptions.

WHY NOW?

Key sectors and regions need
tailored *SUPPORT*.

Business events, Northern Ontario, and border communities have not fully recovered and require targeted support and action to drive visitor volume requirements.

The competition
is moving *FASTER*.

Other provinces are increasing tourism marketing and development investments. Ontario must catch-up to BC, Quebec, Alberta, and Atlantic Canada to protect and grow its market share.

WHY NOW?

National goals *DEPEND* on
Ontario's performance.

To help Canada reclaim its top 10 global
tourism ranking by 2030, Ontario must lead
with renewed growth.

LOCAL revenues are
on the line.

With almost 80 municipalities relying on
Municipal Accommodation Tax revenue,
local budgets and services are directly tied
to the sector's success.

WHY NOW?

Tourism is a growth engine in *UNCERTAIN* times.

Tourism is a major economic engine that can be more fully leveraged. With strategic investment, tourism can generate billions more in GDP, over \$13B in tax revenue, and tens of thousands of new jobs by 2030.

Strengthening *COLLABORATION* can lead to more effective teams.

Lack of clarity among key stakeholders causes duplication, inefficiency and missed opportunities. A new strategy will streamline governance, clarify mandates, and establish greater accountability across the system.



PROJECT GUIDING PRINCIPLES



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1. *Industry-Led*
2. *Cross-Sector, Pan-Provincial*
3. *Action-oriented*
4. *Shared Implementation*
5. *Partner with Government*
6. *Project Governance*

CONSULTATION JOURNEY

SECTOR SURVEY

Oct 24
Wide distribution exploring themes and goals.

Total n=654
Participants

FOCUS GROUPS

Dec 24
Stakeholder Specific focus groups to define pillars.

Eight Groups
n=58
participants

INSIGHTS COMMUNITY

Q1 25
Develop & explore action items and goals.

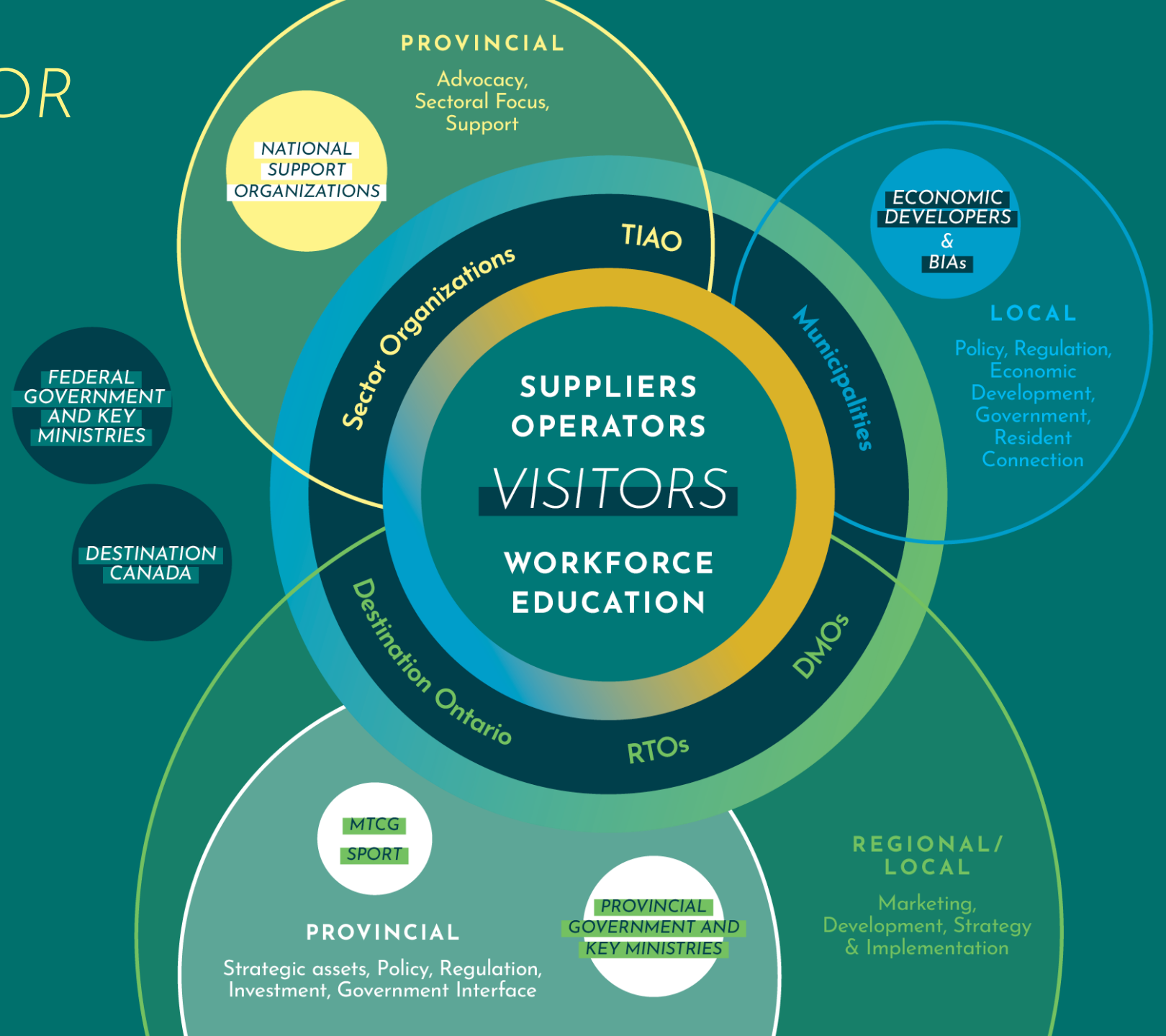
n=207
members

FOCUS GROUPS

Mar 25,
Deep dive in strategic pillars, goal setting & actions

4 groups
n=24
Participants

ONTARIO'S VISITOR ECONOMY ECOSYSTEM



PROJECT VISION *2025 TO 2030*

To strengthen Ontario's position as a **world-leading tourism** destination that enriches the lives of **residents and visitors** alike by fostering collaboration, supporting a resilient workforce, advocating for strategic investment, and boldly charting a path toward **long-term competitiveness and growth**.



STRATEGIC TARGETS

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1

Increase visitor spending by 4%
(2% natural + 2% opportunity growth)

> \$30.1B to **\$38.1B**



2

Increase GDP (2025 to 2030):

> \$29.7B to **\$39.3B**

STRATEGIC TARGETS



3

Increase tax contribution (2025 to 2030):

> \$11B to **\$13.7B**



4

Increase direct tourism jobs (2025 to 2030):

> 296K to **313K**

STRATEGIC GOALS

- 1** Attract More Visitors & Spending
- 2** Expand Transportation Infrastructure
- 3** Strengthen Workforce Resilience
- 4** Facilitate Product Development & Capacity Investment
- 5** Advance Practical Sustainability
- 6** Foster Collaboration & Leadership

STRATEGIC GOALS

1

Attract More Visitors & Spending

Goal: Strengthen Ontario's global tourism presence; facilitate provincial, regional and sectoral market development, planning and collaboration.

Actions/Outcomes:

1. **International (U.S. and Overseas) Marketing Task Force.** (Y1)
2. **Develop & Implement 5-year International (U.S. & Overseas) Marketing Roadmap.** (Y1-5)
3. **Attract More Domestic and International Sport and Business Events.** (Y1-5)
4. **Advocate for Provincial Tourism Marketing Collaboration Fund.** (Y2)
5. **Advocate for MAT Regulation Updates & Share Best-Practices.** (Y1)

Lead/Facilitate:

Destination Ontario, TIAO

Participate:

RTOs, DMOs, Sector Organizations, Demand Drivers, Arts & Culture, Travel Trade, Marketing Suppliers

Support:

MTCG, Destination Canada

STRATEGIC GOALS

2

Expand Transportation Infrastructure

Goal: Improve access and mobility to strengthen Ontario's tourism economy, and advance sustainability.

Actions/Outcomes:

1. **Unique Northern and Remote Access and Mobility Strategy.** (Y2)
2. **Develop Visitor Support Platforms and Tools.** (Y2-3)
3. **Expand Inbound Access to Ontario (U.S., overseas, domestic), & Connect Regions Within Ontario.** (Y2-5)
4. **Develop & Promote "Green Travel Routes/Corridors."** (Y2-5)

Lead/Facilitate:

Transportation Sector (all modes) and related sector organizations, RTOs, DMOs, Municipalities

Participate:

Sector Organizations, TIAO, Operators

Support:

MTCG, Ministry of Transportation, Municipalities Associations (e.g., AMO, ROMA, FONOM, NOMA), EDCO, federal transportation ministries/regulators

3

STRATEGIC GOALS

Strengthen Workforce Resilience

Goal: Build a stable, skilled, and future-ready tourism workforce by addressing structural barriers, improving job quality, and shifting perceptions.

Actions/Outcomes:

1. **Coordinate Tourism Workforce Market Planning.** (Y1)
2. **Expand access to In-Demand Skills Training Programs.** (Y1)
3. **“Skills That Travel” - Storytelling Campaign - Youth, Newcomers, and Career Changers.** (Y2-3)
4. **Share Tourism HR Best Practices.** (Y2-3)
5. **Increase Co-op and Internships.** (Y2-3)

Lead/Facilitate:

RTOs, Sector Organizations, TIAO, OTEC

Participate:

Ministry of Labour, Immigration, Training and Skills Development (MLITSD), Education, Ministry of Colleges, Universities, Research Excellence, and Security, DMOs, Municipalities, Operators, Training Organizations, Secondary & Post-Secondary schools, CGLCC, ORHMA, Workforce Services Organizations

Support:

MTCG, Tourism HR Canada

Facilitate Product Development & Capacity Investment

Goal: Expand 4-season tourism capacity across Ontario as well as among Indigenous tourism operators through investment attraction, capacity building, and innovation.

Actions/Outcomes:

1. **Province-wide Investment Attraction Plan/Pipeline.** (Y1)
2. **Product Development and Market Readiness Training/Programs.** (Y1-3)
3. **Advocate for Investment Incentives - Tax Credits, Loans, Reduce Regulatory Barriers to Building.** (Y2-3)
4. **Fund Indigenous-led Tourism.** (Y2-4)

Lead/Facilitate:

RTOs, Sector Organizations, DMOs, ITO, TIAO

Participate:

Municipalities, Operators, Arts & Culture, EDCO

Support:

MTCG, economic development-related ministries, Fed Dev/Nor,

5

STRATEGIC GOALS

Advance Practical Sustainability

Goal: Make sustainability a practical, competitive, and accessible foundation for Ontario's tourism future.

Actions/Outcomes:

1. **Sustainability Task Force - Advocate for Incentives not Mandates.** (Y1)
2. **Expand Industry Certifications.** (Y1)
3. **Sustainability Toolkits - Energy Efficiency, Waste & Water Reduction, Local/Domestic Sourcing, Climate Adaptation, Social Justice.** (Y2)
4. **Sustainable Product Development & Marketing Test Pilots.** (Y2-3)

Lead/Facilitate:

TIAO, Sector Organizations, RTOs

Participate:

DMOs, Municipalities, Operators, Greenstep, Suppliers

Support:

MTCG, DO, environment-related ministries, Fed DEV/NOR

STRATEGIC GOALS

6

Foster Collaboration & Leadership

Goal: Build a high functioning, coordinated tourism system through clarified roles, inclusive governance, and shared accountability.

Actions/Outcomes:

- 1. Appoint Alignment Council - Project Leadership. (Y1)**
- 2. Recruit Working Groups - Drive Key Actions/Outcomes. (Y1)**
- 3. Host Idea Summits to Drive Innovation and Generate New Ideas. (Y2-5)**

Lead/Facilitate:

TIAO

Participate:

RTOs, DMOs, Sector Organizations, Operators, Government Representatives, EDCO, OCC

Support:

MTCG, DO, Key Supplier Partners, National Industry Associations, Statistics Canada

NEXT STEPS

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PROJECT NEXT STEPS

- Form Strategic Alignment Council – Map out 5-year sequencing, measurement & communication.
- Form Strategic Implementation Teams – aligned organizations, refine actions, start work: Marketing, transportation, workforce, & sustainability.
- Partnership development, funding and grant applications.

TIAO NEXT STEPS

- Facilitate strategy project
- Skills training & recruitment project (Forward Ready Tourism)
- Investment attraction gap analysis
- 18-month policy plan
- TIAO strategic plan

Policy Pipeline 2026-2027

- Tariff response (investment, CUSMA)
- Marketing funding (Diversify Markets - DO & Stakeholder Network)
- Business & sporting events fund
- MAT regulation & best practices
- Next-wave transportation corridors
- Post-secondary programs
- Investment incentives (tax, grants, loans)
- Product development fund
- Climate adaptation
- Sustainable product development & marketing fund

Tariff Impact Summer 2025*

Sales

- In general, similar overall sales and visitation y/y
- Domestic Ontario y/y gains (50%)
- U.S. variable swings 26% (+&-), net flat
- Overseas net 20% improved performance
- Most gains in leisure, business travel still underperforming
- Operators report shorter stays, more conservative spending
- 67% note tariffs impacted season
- U.S. visitor goodwill, empathy
- Domestic gains largely from cancelled U.S. travel plans

Tariff Impact Summer 2025*

Operations

- 86% noted increased costs due to tariffs & inflation y/y
- 50% sought new suppliers to replace U.S. suppliers (48% domestic)
- 43% launched new marketing campaigns to reach new customers
- 32% increased prices
- 19% paused or cancelled planned investments
- Additional Factors: 50% noted impact from extreme weather & related booking unpredictability - Labour shortage - Lingering pandemic debt

Tariff Impact Summer 2025*

Insights

- Domestic resilience despite cautious consumer
- U.S. sentiment is leverageable
- International visits represent strong opportunity
- Continued focus on business travel among marketing teams is critical
- Nimble operators with ability to shift to domestic suppliers shows resilience, more local collaboration potential
- Costs impacting both businesses and consumers – need to be aware
- Climate change & weather patterns require strategic and annual planning efforts

Global Traveller Trends

- AI-driven trip planning
- Conscious travel
- Noctourism
- Film tourism
- Nostalgia tourism (e.g., adult summer camp, 90s themes)
- Destination dupes (similar, but quieter places than icons)
- Off-peak
- Cool escapes
- Slow travel, non-urban
- Digital detox
- Indigenous experiences
- Experiential learning
- Outdoor recreation and wellness
- Alternative accommodations



THANK YOU!

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