

Tourism expected to take big hit

April 6, 2020

By Chris Drost

Tourism is a major economic driver for the region and so the self-isolation and cancellation or postponement of events and closure of facilities, will make a huge dent in the local economy. A recent survey of tourism operators by the Ontario's Highlands Tourism Organization, which took place from March 16 to March 20, revealed that 42 per cent of respondents across the region are expecting at least a 40 to 60 per cent drop in revenue for the upcoming summer season compared to last year, and 30 per cent are expecting more than a 60 per cent drop. Respondents from Hastings County provided a number of comments from "I have had to close my business until this is over. My customers are mainly seniors," to "March was dead for bookings, March Break is usually a last surge but zero bookings," to "We have temporarily closed our business," to "Decreased bookings last week and this week. Preparing to delay opening for summer season. Preparing to delay or not hire some seasonal employees." Manager of economic development and tourism for Hastings County Andrew Redden says "the launch of our new tourism website has been put on hold because of the crisis. We thought it would be better to wait to launch it until things improve." They have set up a Hastings County Business and Tourism Community Facebook group to help unite business owners and tourism operators in Hastings County. Invitations have been made to business, Chambers of Commerce, BIAs, municipalities and non-profits to come together and share what is happening. The county will also continue to provide updates on financial support that becomes available as information is released such as the 75 per cent wage subsidy the federal government announced last week for small and mid-size businesses. The Tourism Industry Association of Ontario conducted a province-wide survey to measure the impact of COVID-19 on tourism operators. TIAO said the purpose of the survey was to "develop a broad and nuanced understanding of how best to communicate the needs of the tourism and hospitality industry to all levels of government." The survey report explains that besides the health-care sector, the tourism and hospitality sector has been the hardest hit. The survey, which generated 2,000 responses, reports that close to 50 per cent of tourism operators believe that over the next three months, the situation will have a dramatic impact on their business. In the accommodation sector, 98 per cent have experienced cancellation and 20 to 100 per cent loss of bookings with a risk of layoffs and closures. Those that rely on guests from Britain and Europe are expected to be hit especially hard. Those involved in attractions report 97 per cent cancellations and slower reservations over the previous year. They expect to lose 15 to 100 per cent of their revenue due to the pandemic. In culture and heritage, 80 per cent of respondents indicated they are experiencing cancellations. They predict a revenue loss between 35 and 100 per cent. There have been dramatic cancellations of events and programs. The food and beverage sector has already been hit hard with respondents reporting 98 per cent cancellations, slower sales and reservations. Front line staff are experiencing fear and panic. Loss of revenue is estimated at 35-95 per cent and layoffs are expected.