August 16, 2023

Hon. Neil Lumsden, Minister of Tourism, Culture and Sport Ministry of Tourism, Culture and Sport 6th Floor, 438 University Avenue Toronto, ON, M5G 2K8

## **Re: Top-Up Funds for Experience Ontario Recipients**

Dear Minister Lumsden,

I am writing today on behalf of the Tourism Industry Association of Ontario (TIAO), the Canadian Live Music Association (CLMA), Festivals and Events Ontario, and the Ottawa Festival Network. At TIAO, we work on behalf of our membership, collectively representing the majority of tourism businesses and employees across the province, to take on pressing policy issues that impact the Ontario tourism industry.

We thank the Ministry of Tourism, Culture and Sport and the Government of Ontario for their support of Ontario's tourism industry. Through our close collaboration, tourism businesses are welcoming visitors back to Ontario, ramping up capacity, creating new tourism products, and planning for the future.

Over the past three years, the Experience Ontario program (formerly Reconnect Ontario) has been instrumental in providing support for festivals and events to motivate visitors to rediscover Ontario, reconnect with local experiences, and increase tourism spending.

This year, the Experience Ontario program has been hugely oversubscribed—a reflection of the popularity of the program but also the financial impact of new and pandemic-related challenges. According to an August 2023 report by TD Economics, Canada's rapid tourism recovery is beginning to slow as the sector faces headwinds from higher interest rates, a slowing job market, and broader cyclical slowdown in the US and abroad. Coupled with pandemic debt, labour gaps, inflation, and rising commercial costs, tourism businesses and organizations face a more limited capacity to execute the premier festivals and events that Ontario is known for.

To best leverage Ontario's first full year of tourism since 2019, our festivals and events require additional investment—especially given that many Ontarians are only beginning to rediscover the province, having missed out on the opportunity in last year's shortened tourism season to use the 2022 Ontario Staycation Tax Credit.

## To amplify the return on Provincial investment, we recommend allocating any unspent funds from the 2022 Ontario Staycation Tax Credit to Experience Ontario to provide top-up payments for recipients who received 25% or less of their financial ask.

We would like to meet with you to discuss further at your earliest convenience.

Thank you for your consideration of the contents of this letter. Please do not hesitate to contact me for further information.

We look forward to your favourable reply, Kindest regards,

**Christopher Bloore** 

President & CEO

Tourism Industry Association of Ontario (TIAO)



Lee Dunbar

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