



News Release

For Immediate Release

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Lack of Effective Long-Term Strategic Plan and Funding Delays Limit Tourism and Economic Growth

(TORONTO) Ontario's economic growth from the tourism industry is being limited because the Ministry of Tourism, Culture and Sport does not have an effective long-term strategic plan for supporting and growing tourism in the province, Acting Auditor General Nick Stavropoulos said today.

"Tourism contributes to Ontario's economy through many different sectors including transportation, hospitality and food and beverage businesses, so it's important for the government to have a long-term strategy for delivering effective support through its programs," said Stavropoulos.

Our audit found the Ministry did not always approve support in a timely way for events such as arts, food and music festivals across the province. This resulted in event cancellations, impacting communities and businesses that benefit from visitors and their spending to bolster the local economy.

Destination Ontario, a provincial tourism marketing agency, identified in an analysis that more strategic marketing investments could help the tourism industry grow. If some advertising costs now spent to market to Ontarians were reallocated to advertise in the United States, Ontario could potentially see an increase in U.S. visitors and tourism spending, which would provide a greater economic benefit to Ontario overall.

Our audit also found the ministry provided COVID-19 support funding to recipients in the tourism industry that were not eligible. Six applicants out of the 90 applications we reviewed (of 570 total) received a total of almost \$1.1 million despite being ineligible for this funding.

"As the tourism industry in Ontario continues to recover from the unique challenges of the pandemic, more strategic planning and more effective delivery of programs will be critical to maximize tourism's economic benefits in communities and in Ontario," said Stavropoulos.

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