Arctic Development

BACKGROUND REPORT - THE TOURISM INDUSTRY IN NEWFOUNDLAND AND LABRADOR

PROVINCIAL TOURISM GENERAL

Tourism

Analysis/Review

1986

ANNETTE STUCKLESS

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Background Report

The Tourism Industry in Newfoundland and Labrador

Royal Commission on
Employment and Unemployment,
Newfoundland and Labrador

Annette Stuckless

THE TOURISM INDUSTRY IN NEWFOUNDLAND AND LABRADOR

Annette Stuckless

This Background Report is one of several prepared for the Royal Commission on Employment and Unemployment and is being released in the hope that it will be widely circulated and discussed.

The findings of this Report are the personal responsibility of the author and do not necessarily reflect the views of the Commission.

September 1986

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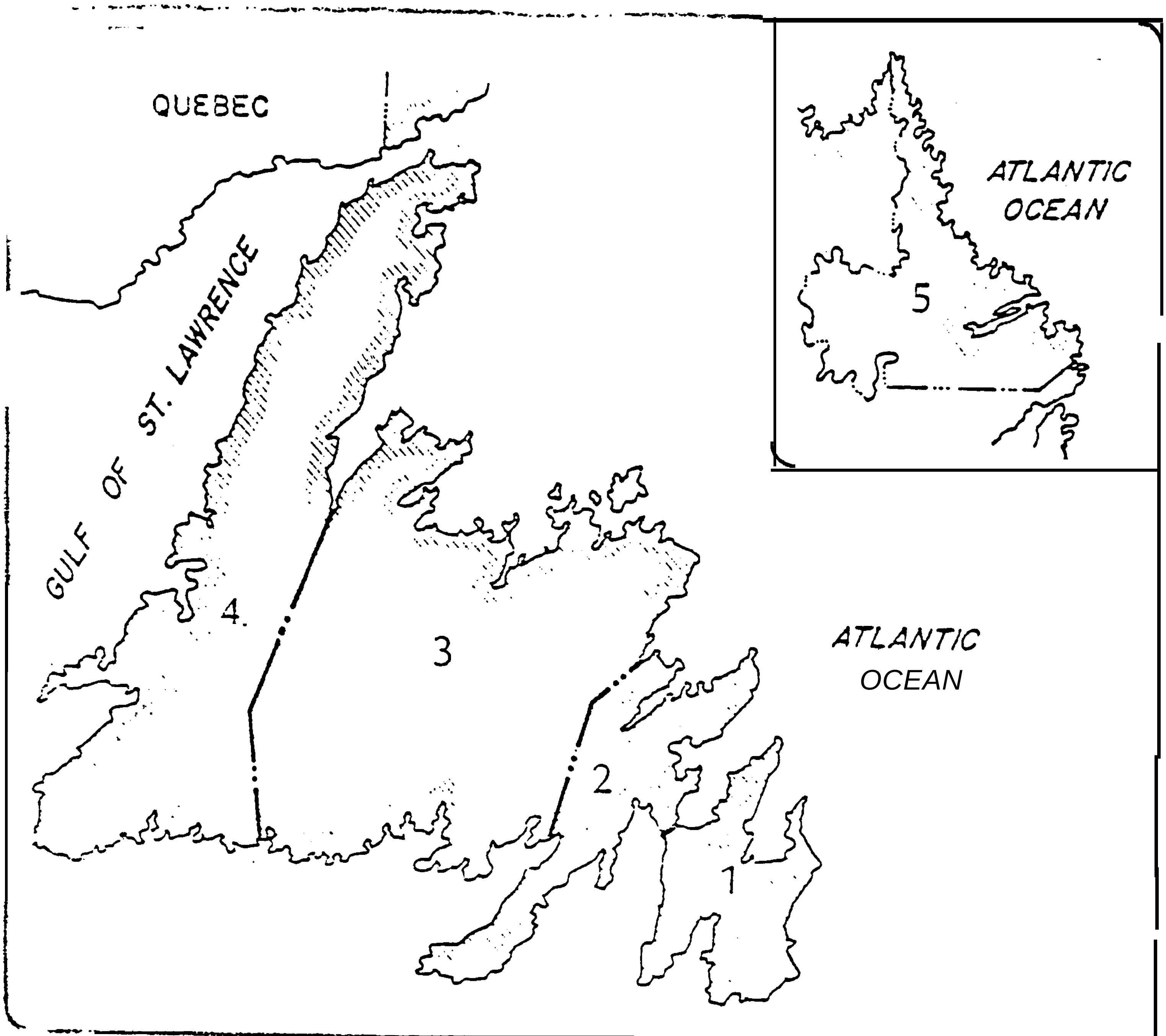

Tourism Regions: Newfoundland and Labrador

Region 1 : AVALON
2 : BONAVISTA - BURIN - EASTPORT
3 : CENTRAL
4 : WESTERN
5 : LABRADOR

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Foreword

Tourism was one of the main topics covered during the public hearings of the Royal Commission on Employment and Unemployment. We received forty briefs and heard much informal discussion of this industry, particularly in the regions of the province distant from St. John's and other large centres of population. A number of themes characterized these submissions. The first, and perhaps most important, is the suitability of developing tourism as a labour-intensive industry on a scale appropriate to communities in Newfoundland and Labrador.

> Tourism's past performance in employment growth, and its high labour ratios and ease of entry, render it an effective instrument for employment, especially for unskilled workers, new labour force entrants, women and students trying to finance their education.
>
> Labrador West Chamber of Commerce
> Labrador West Public Hearing

The second theme stressed was development potential. Many development associations, municipal governments and other regional organizations believe that the scenery, wildlife, history and distinctive culture of Newfoundland and Labrador provide a virtually untapped resource.

> The tourism industry is one that has great potential for development in this area. The area immediately around this town is blessed with some of the most scenic sites in Newfoundland. We also have some of the best fishing rivers and ponds in this province. To list just a few, mention must be made of the Cloud River, the beautiful Cloud Mountains (part of the Long Range Mountains), the Tickles (a natural inland water way with its tides, scenic areas and excellent fishing spots), Beaver Brook, North East River and Cole's Pond, all prime trout and salmon fishing areas. We must not forget the Grey Islands which are within commuting distance with its caribou herds and good cod fishery and berry picking.
>
> Roddickton Town Council
> Plum Point Public Hearing

> Under Tourism, there is a potential for a tourism industry on Bell Island. We have a number of attractions such as the proposed mines museum which is being researched by the Wabana Town Council. The distinction of being the only place in Canada which was torpedoed during the Second World War, the attraction of a scenic lighthouse, the beautiful rural setting of Lance Cove and area, a number of distinguishing cliffs and caves which surround the Island, the potential for sports, fishing and camping. We do, in fact, need to improve on these attractions. We need to set up suitable camping and parking facilities, tourism accommodations and an improved ferry service which alone could be a major attraction. We have the potential for tourism but, once again, we need government support such as making easier access of monies for potential tourist attractions and upgrading some government programs already available for Bell Island.
>
> Bell Island Development Association
> Bell Island Public Hearings

While some presenters were clearly overly optimistic about the potential of the tourism industry, most were realistic. They admitted that Newfoundland was unlikely to become the next Florida or Riviera, but felt that the industry could be developed much more than it is at present, and that it can provide valuable jobs to their regions.

> There has been some increase in tourism activity with the creation of the national park at Bonne Bay, a provincial park at River of Ponds, the paving of the Northern Peninsula Highway from Deer Lake to St. Anthony and the ferry service to the Labrador side. However, our tourist season is so short due to adverse weather conditions that there has never been any encouragement for major development of the tourist resource. No doubt there is more potential than is presently being explored but again we don't anticipate an overwhelming increase in the number of jobs to be derived from this industry. Even though our tourist season is short we know that there is much potential for development. By pursuing these opportunities and providing more and better services we would definitely attract more tourists to the area.
>
> St. Barbe Development Association
> Plum Point Public Hearing

Despite the perceived potential, most presenters felt that there are nevertheless a number of impediments or barriers to development that have to be overcome for tourism to flourish. As one brief succinctly put it: "The tourist industry is curtailed chiefly by lack of imagination, appreciation for its potential, promotion, transportation problems and taxes." (Private citizen, Corner Brook Public Hearing.) Transportation, particularly a region's inadequate road system, was the barrier mentioned most.

> The government should make preparations to upgrade the road from Eddies Cove east to the old airport for the attraction of tourists visiting the area. I find when traveling in a new area it's more interesting than back tracking a road you have just travelled before. If this road was upgraded and eventually paved, it would be an added attraction, making the loop for the Viking trail on the Great Northern Peninsula. The scenery is excellent, looking across on the Labrador side, viewing the boats and large icebergs often seen in the area.
>
> Private Citizen
> St. Anthony Public Hearing

The second impediment mentioned by many presenters was inadequate education and training for businesspeople, managers and service workers in the tourism industry.

> Tourism will be one of Labrador's growth industries within five years. We have to be able to train people for hospitality, service, promotion, and marketing in a host of industries such as travel, outdoor recreation of a new nature such as white water sports, fauna and floral interpretation, photography and sight-seeing in addition to the traditional hunting and fishing. Guides have to be trained and legislation has to be changed to require a guide. With legislation you have to train people to enforce it and the extra policing will be necessary to protect the resource.
>
> Combined Councils of Labrador
> Happy Valley-Goose Bay Public Hearing

The third factor holding back tourism development, in the opinion of many of the presenters, is inadequate promotion. Many blamed the provincial government for failing to promote tourism vigorously in mainland and overseas markets.

> The major thing that we're personally concerned with, and I say we, I speak on behalf of not only myself but a number of people that are associated with tourism here in Rocky Harbour, is the fact that the provincial government itself, that there's a lack of promotion and it is a major concern for all of us, right from here to St. Anthony.
>
> Private Citizen
> Rocky Harbour Public Hearing

Despite a tendency to blame the government for the underdeveloped state of the tourism industry, the Commission was encouraged to learn of several local initiatives for people in the regions themselves to organize and promote tourism in their areas. Groups such as the Labrador West Tourism Industry Association, Northern Travel Associates, Gateway Association on Transportation and Employment, and the proposed Southern Avalon Tourism Association all attest to this grass roots movement. There is no dearth of ideas, as comprehensive briefs from such groups as the Port au Port Economic Development Association and the Town of Burin clearly show. These briefs are full of ideas for tourism development, from the construction of new hiking trails to the building of a heritage fishing village.

The Royal Commission on Employment and Unemployment was unable to do feasibility studies on the many ideas suggested to us for the growth of the tourism industry, but many of our recommendations, such as the formation of regional development boards and the establishment of regional development funds, reflect our conviction that many local initiatives have real merit and deserve government support. In the Final Report of the Commission, we have included a section on tourism in which we argue that Newfoundland and Labrador should build on its strengths in this industry to promote the kind of specialty tourist 'experiences'--marine; coastal village; historic sites; rivers; streams and ponds; wilderness and wildlife; and culture, festival and family--in which we enjoy a competitive advantage.

This Background Report, prepared by a member of our research staff, Annette Stuckless, provides an overview of our province's current tourism industry, reviews the kinds of structures and organizations that must be put in place at the provincial level, points to the importance of improving our education and training programmed for tourism, and discusses a number of exciting new market opportunities for this industry. The recommendations of this report can be found on pp. 74-77. The Commission hopes that this report, together with the section on tourism in the Final Report, will be helpful to the many Newfoundlanders and Labradorians willing to work towards a bright future in this industry.

Douglas House
Chairman
Royal Commission on Employment and Unemployment
September, 1986

We have a culture, cuisine, and lifestyle that is unique in Canada, indeed in the world. But tourists don't really experience it, because we don't deliver ourselves to them. This natural resource, then, is one which is not exhaustible. It is not developed, but it can be vital to assisting us with unemployment alleviation.

The Council and People of Bishop's Falls
Grand Falls Public Hearings

PROVINCIAL TOURISM 1NDUSTR% FACTS AND FIGURES

Source: Department of Development and Tourism

approximately $235.5 million was spent by resident and non-resident travelers in 1982

travel/tourism ranked as the fourth largest contributor to the Gross Domestic Product (GDP) at 5.4% in 1981

- travel/tourism yielded 14.2% of the total retail sales tax in 1982

travel/tourism was the fifth largest earner of foreign exchange in 1982

Source: Statistics Canada

- 9.4% of the province's labour force in 1981 (the last census year for which results have been published) were in industries related to travel, tourism and recreation, representing some 25,225 people:

  11,345 in transportation
  2,335 in gasoline service stations
  9,885 in accommodation and food services
  275 in liquor, wine and beer stores
  1,385 in amusement and recreational services

- from 1971 to 1981, the labour force in these related industries experienced a 46.4% growth, as compared to a 52.9% growth in the total provincial labour force

- 40.3% of this labour force is in the accommodation and food services, and liquor, wine and beer store industries, representing some 10,160 people in 1981. Of these 10,160 people, 69.6% are female, and 39% have attained between Grades 9 and 13, but without a diploma. Workers in this sector make the lowest average weekly earnings of any industry sector: $198.82 per week was the average weekly wage in the accommodation and food services industry in 1984, as compared to $389.24 per week for the industrial aggregate.

'SECTION I: THE TOURISM INDUSTRY

Introduction

This section provides general background material for better understanding of the province's tourism industry. This includes a basic definition of tourism and a brief description of the different types of tourists. The concept of 'packaged tourism' will also be described, as well as the marketing structure of the tourism/travel trade. The province's past development and marketing efforts in tourism will also be summarized.

Definition of Tourism

As described in Robert McIntosh's Tourism: Principles, Practices, Philosophies:

> Today, tourism is a global industry. In fact, few locations are too remote to be tourist destinations. Areas virtually unexplored only a few decades ago are today successful tourist destinations. Even the south polar region has been successfully promoted by one of America's most prominent tour companies.[1]

In any attempt to define tourism, one must consider the various groups participating in and being affected by this industry. Four different perspectives of tourism can be identified as follows:

1. The tourist - The tourist seeks various types of psychic and physical experiences and satisfactions. The nature of these will largely determine the destinations chosen and activities enjoyed.

2. The business providing tourist goods and services - Business people see tourism as an opportunity to make a profit by providing the types of goods and services that the tourist market demands.

3. The government of the host community/area - Politicians view tourism as an economic factor in the economy. This perspective of tourism relates to the incomes of citizens to be earned from the industry, foreign exchange receipts from international tourism, and the increased tax receipts resulting from tourist expenditures in the area.

4. The host community - Local people usually see tourism as a cultural factor. Of importance to this group, for example, is the effect of the interaction between large numbers of foreign visitors and the residents. This could be either beneficial or harmful.[2]

For tourism to succeed in an area, all four groups - the tourist, the businesses, the host government and the host community - must have a positive attitude toward the industry. A lack of harmony and uncoordinated objectives and efforts will lead to development 'bottlenecks' and prevent the industry from developing to its full potential.

Thus, tourism may be defined as:

> The sum of the phenomena and relationships arising from the interaction of tourists, businesses, host governments, and host communities in the process of attracting and hosting members of the traveling public.[3]

Tourists/Visitors

Members of the traveling public are the clientele to which the tourism industry caters, commonly called tourists or visitors.

Market Segmenting:

But as with any industry's clientele, the tourism industry's clientele can be broken down into various sub-categories. This process of sub-categorizing is referred to as 'market segmenting', breaking down the market into smaller homogeneous groups. Each of these sub-categories of homogeneous groups has some or many characteristics in common with others.

Segmenting the tourism market is important. The more. information one has about the wants and needs of the existing and potential clientele, the better one is able to develop the appropriate tourism products to attract them.

Purpose of Trip:

One simple way of segmenting the tourism market is by the purpose of the traveller's trip. Basically, one travels for one or more of the following purposes:

- business, including attendance at conferences and trade shows;
- leisure, such as pleasure, general interest, taking holidays or visiting friends and relatives; and/or
- specific or special interest, such as specific recreational events, or particular cultural lifestyles.

Origin:

These categories can be further divided according to origin (ie. where the traveller is from). This is referred to as geographic segmentation.

domestic or resident: these travelers are from the destination area. An example of such would be fellow Newfoundlanders vacationing within the province.

foreign or non-resident travelers: these travelers are from outside the destination area. They may be from other provinces within the country, from other countries on the continent, or from overseas.

Through advances in marketing research techniques, market segmenting is becoming increasingly more sophisticated. Market segments can be defined now in terms of demographics such as age, sex, income, education characteristics, as well as in psychographic terms, to include attitudes, behaviors, awareness, needs, wants and preferences of the target market segment.

A Brief Description of the Province's Current Tourism Market

The main source of the province's tourism market information comes from primary research conducted by the Department of Development and Tourism in the form of 'Auto and Air Exit' Questionnaire Surveys of visitors exiting at the province's major terminals. Although this type of research provides information about the current market, it does not provide information about potential markets.

The following are findings from the Auto and Air Exit Surveys concerning the province's current non-resident tourism markets.

Table I and Graph I indicate that most non-resident travelers to the province travel by air. From 1983 to 1984 air travel increased substantially from 118,400 to 153,186. This increase is largely due to the effects of 'air deregulation' and the resulting increases in the number of seat sales. Although the long-term effect of deregulation on air fares to the province is still unknown, should the cost of air travel continue to decline, air visitation to the province can be expected to increase.

Auto visitation has been more stable than air visitation; however, the auto touring market is declining and is expected to continue to decline especially if air travel costs continue to decrease. The large drop in auto travel to the province from 1981 to 1982 was primarily due to a decrease in the Argentia ferry service.

For comparison, Tables II and III give non-resident auto and air visitation figures from the other Atlantic Provinces, as well as tour bus visitations. Newfoundland's visitation figures for auto, air and tour bus visitation are substantially lower than those of the other provinces, with the exception of air visitation to Prince Edward Island.

Table I

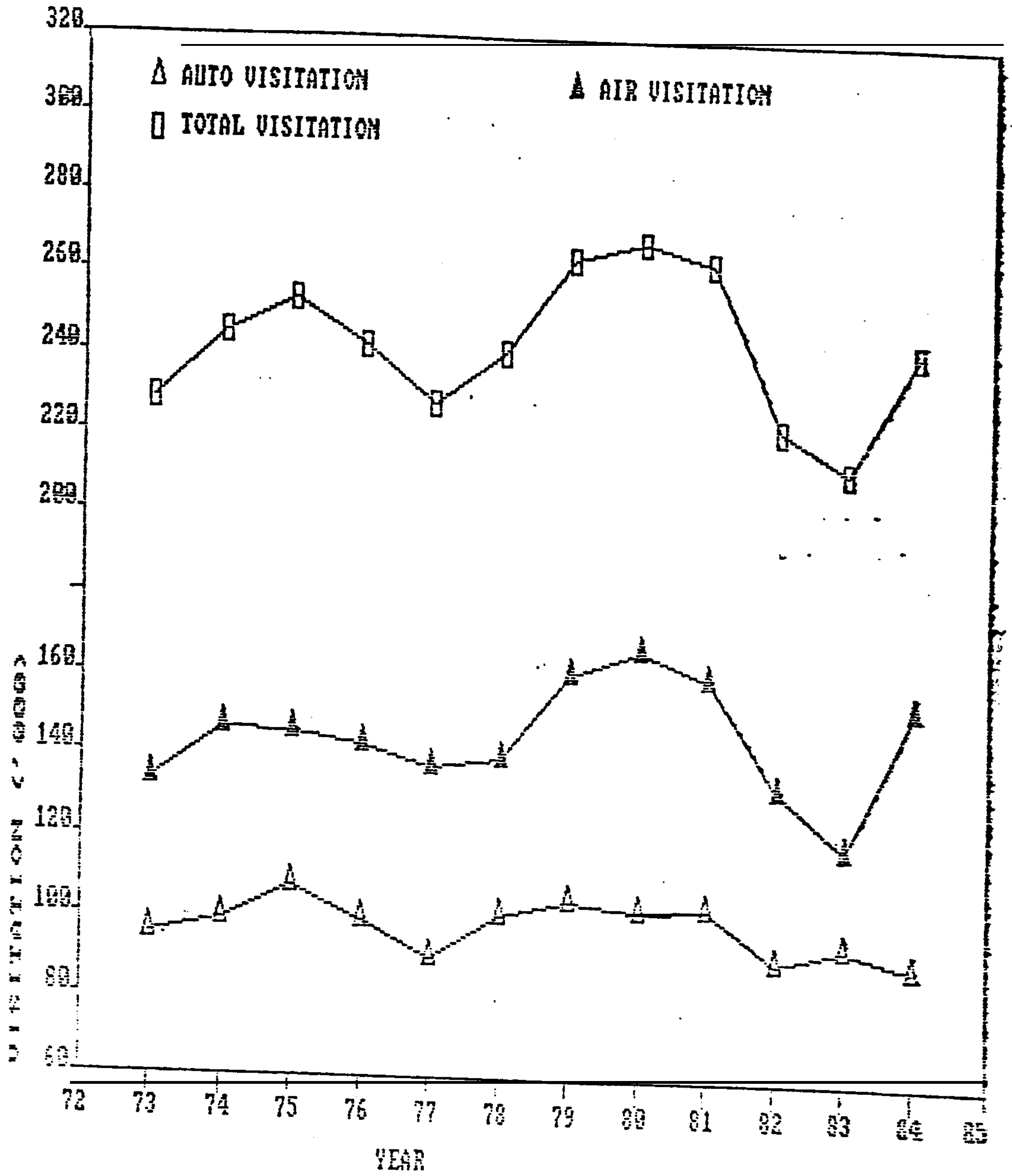
Estimates of Non-Resident Visitation and Expenditures

	Auto		Air		Total	
Year	Visitors	Expenditures	Visitors	Expenditures	Visitors	Expenditures
1973	94,882	$10,895,128	133,575	$19,133,636	227,924	$30,028,764
1974	99,073	$10,867,122	146,130	$23,122,730	245,203	$33,989,852
1975	107,494	$12,899,316	145,677	$25,688,002	253,171	$38,587,318
1976	99,270	$12,850,501	142,746	$27,181,146	242,016	$40,031,647
1977	89,876	$12,357,840	137,267	$28,228,715	227,143	$40,586,555
1978	100,500	$16,055,000	139,800	$30,074,000	240,300	$46,129,000
1979	104,200	$18,964,000	160,600	$39,380,000	264,300	$58,344,000
1980	102,080	$21,142,000	166,776	$46,711,300	268,856	$67,853,300
1981	102,959	$24,605,400	160,142	$51,805,300	263,101	$76,410,700
1982	89,557	$23,315,400	132,378	$44,923,600	221,935	$68,239,000
1983	93,989	$29,405,300	118,400	$42,408,100	212,389	$71,813,400
1983R	93,989	$29,405,300	122,192	$43,766,000	216,181	$73,171,300
1984	88,947	$29,224,300	153,186	$56,304,800	242,133	$85,529,100

Source: Planning and Evaluation Division,
Department of Development and Tourism

GRAPH I

ESTIMATES OF NON-RESIDENT VISITATION



Source: Table I

TABLE II

Non-Resident Visitation

(June 1 - October 31, 1984)

MODE/PROVINCE	N.B.	N.S.	N.F.	P.E.I.
Auto	753,830	421,000	43,805	187,341
Air	75,275	191,000	47,492	18,941

Source: Department of Tourism
Halifax, Nova Scotia

TABLE III

Tour Bus Visitation

(June 1 - October 31, "1984)

YEAR/PROVINCE	N.B.	N.S.	N.F.	P.E.I.
1983	1165	1585	190	993
1984	1051	1271	160	770
% change	(-9.8)	(-20)	(-19)	(-22)

Source: Department of Tourism
Halifax, Nova Scotia

Graph II indicates discretionary travel (i.e. sightseeing, visiting friends and relatives and other types of travel, except for business). In order of volume, from largest to smallest, Newfoundland's markets, by origin, are as follows:

- Ontario
- the Maritimes
- Western Canada
- Northeastern United States
- Province of Quebec

From 1983 to 1984, each of these markets experienced increases, especially Ontario. The number of non-U.S. international visitors has been minimal.

In terms of the purpose of non-resident travel to the province, the following lists the reasons for both auto and air visitors:

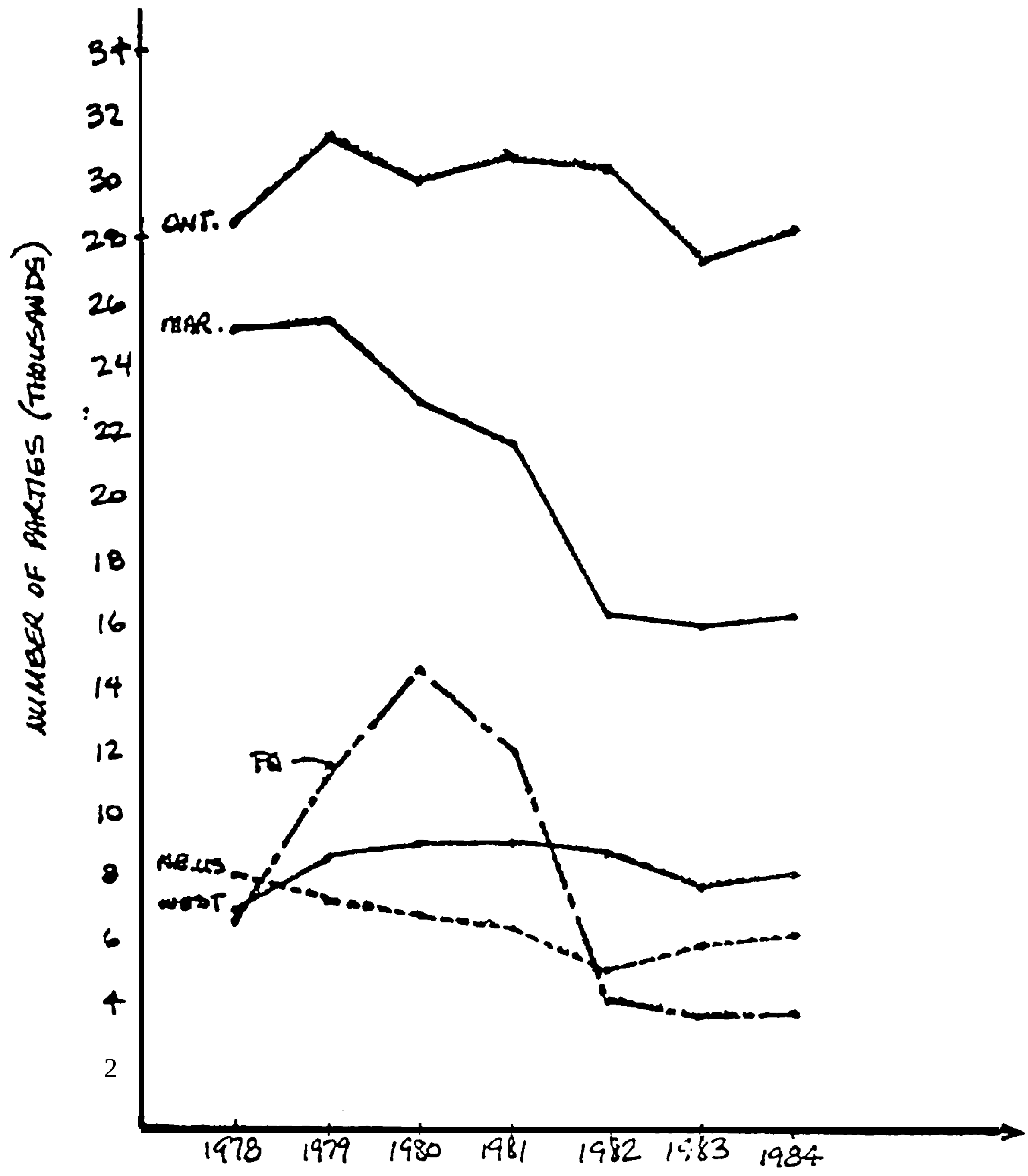
Mode	Purpose	Percentage
Auto:	sightseeing/ touring	41.8%
	visiting friends/relatives	41.4%
	other	10.1%
	convention/conference	2.5%
	other business	2.5%
	different culture/lifestyle	1.7%
Air:	visiting friends and relatives	40.11%
	other business	33.77%
	sightseeing/touring	12.15%
	other	6.94%
	convention/conference	6.32%
	different culture/lifestyle	0.71%

Source: Department of Development and Tourism

GRAPH II

DISCRETIONARY TRAVEL

(SIGHTSEEING, VISITING FRIENDS AND RELATIVES AND OTHER)



Source: Department of Development and Tourism
St. John's, Newfoundland

For auto visitation, sightseeing is the most common purpose for visiting (41.8% of all auto visitation), followed closely by visiting friends and relatives (41.4%). Our different culture/lifestyle is not a strong attraction for the current auto market.

For air visitation, visiting friends and relatives, and business are the two primary reasons for visiting. Neither of these two types of travelers is strongly influenced by 'tourism promotion'; therefore, the 'tourist activities and attractions' of sightseeing and touring, and the 'different culture and lifestyle' are not major reasons for travel to the province by the province's current air traveller market.

Market Information Summary:

To summarize the province's current tourism market, the following are a number of major points:

auto touring is declining

air travel is increasing

visiting friends and relatives, and business are the reasons for approximately 73.77% of air travel
travelers in these two categories are not substantially affected by marketing efforts

the province's 'different culture and lifestyle' is not a popular reason for traveling to the province by the current markets

apart from the U.S. market, foreign travelers do not comprise a substantial segment of our current market.

Tourism Product

Parallel with advances in market research techniques that enable us to determine specific characteristics of current and potential markets, tourism product development is becoming increasingly more sophisticated. As the wants and needs of the market are being determined, new tourism products are being created to meet these demands.

Tourism Industrv Components

The wants and needs of the traveling public can be categorized into four basic components:

1. the events, attractions and recreational facilities that lure the traveller
2. the transportation networks and modes of travel providing adequate accessibility to the destination area and transportation within it
3. the accommodation facilities and services
4. the food and beverage facilities and services

Packaged Tourism

A growing trend in the development of the tourism product is the assembly of these component parts into an all-inclusive travel experience, commonly called a 'tour package'. To quote Tom McMillan, the former federal Minister for Tourism, in his discussion paper Tourism Tomorrow:

> The days when tourism was synonymous with auto touring have been replaced by highly competitive, highly segmented tourism markets demanding a melange of brightly packaged experiences from special resorts to sports and fitness to theme tours to wilderness adventures. . . . Similarly, the meetings and conventions market has changed over the past decade. The choice of location is no longer determined solely by the existence of convention facilities; the attractiveness of the 'package' offered by the host community is also highly relevant.[4]

Tourism Image

In developing attractive tourism components and tour packages, image is of **utmost** importance; a choice of destination is usually not made objectively but according to the image projected. Where prices are comparable, this is often the decisive factor in selection even though similar attractions and facilities may be available elsewhere.

One of the main tasks of tourist resorts, tourism development and packaging is to define, promote and advertise the most attractive images possible to the market to which these images appeal. Travel/tourism images have to be:5

10 As original as possible; tourist facilities (and the way they are operated) must add to the unique character and particular attractiveness of the region or site concerned. In the past, so many of the most picturesque areas have been rendered commonplace by the sprawling development of unimaginative and unattractive hotels and other buildings, set amidst a sea of concrete. Reflecting the unique cultural heritage or fitting into a unique natural setting are ways of creating original and attractive facilities.

2. Truthful, either as a reflection of the original character - if retained - or of the resources made available. All too often the image is misleading, for instance:

   a) The idyllic conditions represented are often out of date, having been disfigured by the travel/tourism development.

   b) The illustration may only be typical of a short, unrepresentative period of the year.

   c) The image presented may be that of travel/tourism facilities planned but not yet completed.

3* Capable of being implemented at a cost appropriate to their attractiveness, within the financial means of the corresponding market and to ensure competitiveness with other similar tourist destinations.

With regards to the events, attractions and recreational component of the travel/tourism product, the images tend to be focused on the activities which generate interest in participation and may emphasize the originality and uniqueness of the experience, the wide range of facilities available or the degree of sophistication.

The image that the Newfoundland Department of Development and Tourism is attempting to create through promotion is one of a variety of unique cultural and natural/scenic activities and attractions, which we will assume fits the image criteria of 'original' and 'truthful'. However, with respect to implementing our image "within the financial means of the corresponding market," problems arise.

1. The current market perceives our tourism product as being expensive in comparison to our competition. Considering the larger volume of visitors who visit the Maritimes but do not visit Newfoundland, this province may not be seen to be unique compared to the competition, at least not in a positive sense, such as to warrant a visit .

2. The largest sector of our current market is made up of business travelers and those visiting friends and relatives; neither group would be influenced greatly by a tourism image in any case.

3. The tourism image of unique cultural and natural/scenic activities and attractions is not being promoted to non-U.S. international travelers, a market which would likely perceive our image as unique and attractive.

These findings indicate that our current tourism image is not appealing to our current markets. So we have a choice:

- change our image
- change our markets

Because our image is one that we assume is both unique and truthful, it would appear that our market development needs improvement. Later in this report, the emergence of a new type of traveller will be discussed, a traveller who enjoys the types of travel experiences that Newfoundland can best provide - cultural and nature experiences. A market for these types of activities is emerging in Canada and the U.S. but also in other countries, such as Germany and Japan, markets in which the province does not currently promote. Perhaps this is the direction that Newfoundland's market development and marketing efforts (particularly in the form of packaging) should go to increase our tourism market share.

Tourism Industry Structure

In any attempt to encourage the development of tourism, it is important to understand the overall structure of the industry. Tourist businesses fall into four basic groupings:[6] the developer, the supplier, the producer and the distributor.

1. The developer:

Working within the constraints of the market and resources, and taking into consideration the interests of many parties (investors, suppliers, operators and intermediaries, as well as local residents), the developer of a tourism-related facility plays a major role. The developer may be an independent private entrepreneur, a government, regional or municipal authority or an intermediary (a holiday club, for example). Or, in more centrally planned countries, the developer may be the country's national tourism organization, which generally exercises a co-ordinating function at regional, provincial or national levels, a regional or local peoples' council, trades union, ministry, co-operative, or similar body.

2. The supplier:

The suppliers are the businesses (or sometimes public sector agencies or departments or non-profit organizations) that provide the components of the tourism product (that is, the package). There are four main types of suppliers:

transportation companies: airlines, bus companies, railways, ferry services, car rental firms accommodation facilities: hotels, motels, motor hotels, camp-grounds, trailer parks, bed and breakfast homes

those offering attractions, events and recreational activities: historic sites, museums, sports facilities, entertainment facilities, theme parks and other natural and man-made points of interest, folk festivals, carnivals, special celebrations, craft exhibits, conferences, hiking, camping, fishing, scenic tour routes, boating, golfing, skiing

- food and beverage establishments: restaurants, take-outs, cafeterias, taverns, lounges.

3. The producer:

Generally speaking, the producers in the tourism industry are the tour operators who produce the tourism packages. They contact the suppliers and assemble the various components of a package. Quite often the tour operator is also a distributor (commonly referred to as a tour wholesaler). Tour wholesalers assemble tour packages and distribute them to the general public through the retailer (i.e. the travel agent). As a result, the selling price of tour packages purchased by the consumer must reflect the commission paid to the retailer. In order to provide good value to the consumer, tour wholesalers must negotiate rates with the suppliers (e.g. hotel managers) on the basis of at least 20% below the regular cost to off-the-street patrons. Since this commission structure has implications for the suppliers' pricing structure, it will influence the suppliers' decision on whether to go after tour business.

4. The distributor: (Travel Agent)

This is the retailer of tourism products which include those provided by tour operators (i.e. producers) and tour wholesalers (i.e. producer/distributors) as well as those provided directly by suppliers. The travel agent receives a commission for selling since the agents perform an important marketing and distribution function.

While actual commission rates vary somewhat, 10% is a norm in the tourism industry. For certain products with special bonus or incentive commission structures, commissions as high as 15% to 20% are possible when high volumes of sales are achieved. These margins are clearly quite low compared to other forms of retailing, which means that travel agents must handle very high volumes of business to be profitable (although the major cost advantage they have over other retailers is the lack of inventory costs).

Tourism Development and Marketing

For many years the United States has been the province's major market for tourism. Hunting and fishing opportunities for the American elite have been promoted ever since the railway improved access to wilderness areas of the province in the latter part of the nineteenth century.[7] With the completion of the Trans-Canada Highway in the mid-1960s, special promotional efforts were made to attract the many Newfoundlanders living abroad, culminating in "Come Home Year" in 1966. It was not until this time that the Newfoundland and Labrador government actively encouraged a large influx of tourists, at which time many ancillary facilities, such as provincial parks and more hotels, were developed along the newly completed Trans-Canada highway. After this, developing the automobile tourism market was a major thrust of the province's marketing effort.

As pointed out by Hospitality Newfoundland, the association representing the private sector in the province's tourism industry, to the federal Tourism Minister during his June 1985 visit to Newfoundland: "'By that time (1966), most of the other provinces in the country already had a thriving and comparatively well-organized tourism industry. What's more, although we have evolved quickly in the last two decades, so have other provinces, so that the net effect is that, compared to the national tourism plant, we are still a rather underdeveloped region." Also, while the province was attempting to catch up and capture its share of the U.S., Ontario and Maritimes auto touring market, the auto touring market was declining. "The post-war fashion of auto touring, which led to strip development of attractions and accommodations along Canada's highways, began to wane in the late 1960s when jets made long distance air travel competitive."[8] While the province was still concentrating on the auto touring market, the competition's attention was turning to the one-stop vacations (ski" areas, beach resorts, cities) and 'packaged' tours, usually based on a themed experience. Also, theme parks appeared along with major events, such as Expo '67, and cultural attractions, such as the Stratford Festival.

> By the mid 1960s, the pace of the Country's development had accelerated. Spurred by unprecedented affluence, tourism became a growth industry. Commercial development goals changed with the oil crisis of the 1970s, which decreased the demand for long distance auto touring and increased the demand for closer-to-home destinations and more one-stop vacations. Some resorts experienced a revival by offering full recreational services, entertainment, package rates, and quality accommodation. The competitive pace was set by new or revitalized resorts like Mont Tremblant. Major travel generators were created such as large-scale projects geared specifically to tourism (e.g. Disneyland and Walt Disney World).
>
> Developments sprang up in Whistler, the Muskokas, and Mont Ste-Anne. At the same time historical villages (e.g. Upper Canada Village), theme and amusement parks (e.g. Canada's Wonderland), massive urban restorations (e.g. Quebec, Vancouver, Montreal), and waterfront rejuvenations (e.g. Toronto, Halifax), proceeded.
>
> The 1980s with high unemployment and associated income loss, intensified the competition for available tourism dollars and placed new premiums on planning and marketing. Innovation produced a new set of differentiated travel products related to skills and changing interests (e.g. computer camps, cooking schools, river rafting expeditions).[9]

Packaging and the travel trade became more and more competitive and specialized.

With this brief sketch of the history of Canada's tourism development and marketing in mind, and bearing in mind also that Newfoundland has been behind in tourism product and market development, what should it do in the future? Considering that we are still underdeveloped, what approach can Newfoundland take to develop its unique tourism resources and to capture an adequate tourism market share to justify further development of the industry?

A brief presented to the Commission by Elke Dettmer entitled "Suggestions toward the Development of 'Soft' Tourism in Newfoundland" may hold the key.[10] The brief focuses on the development of the rich and unique cultural and natural resources of our province. It also identifies a market opportunity for the development of our natural and cultural resources, an opportunity created as the result of increasing urbanization, and overcrowding and pollution in European countries, particularly Germany. There is a growing demand from Europeans for wilderness experience and cultural exchange with people having simpler lifestyles. The newly emerging traveller is one who prefers physical and mental challenges over tanning on a beach. In tune with the physical fitness movement, the emphasis is on participate.on. The new tourist readily sacrifices creature comforts for close contact with people and their culture and is sensitive to the wilderness environment. In Canada, adventure and wilderness tours have become well established during the last decade.

Dettmer believes that this new and growing consciousness for culture and the environment turns the once '*handicapped status of Newfoundland as a remote and underdeveloped place into an asset. Because tourism has not been developed to any great extent, the environment has remained relatively unchanged."[11] Spectacular scenery, wilderness, fresh air, clean water, solitude, friendly and unaffected people in their everyday environment, much of which we as Newfoundlanders take for granted, are attractive items to this new type of tourist. Bed and breakfast homes, folk festivals, handicrafts and traditional foods are each a means of cultural expression that this type of traveller is seeking, each of which would be enhancing to rural communities. Nature-based recreational activities such as bird-watching, canoeing, whale-watching, fishing, hiking and camping are also attractive activities, each of which our province's national and provincial parks and wilderness areas can most suitably provide.

Such activities provide opportunities to small business to cater to these travelers' needs by operating packaged tours and offering nature-oriented tours, recreational activities, and cultural tours. Private campgrounds and cabins, bed and breakfast homes, hiking and camping outfitting, boat tours and craft development, just to mention a few, are a number of potential opportunities that may appeal to this emerging market.

In order to attract such new tourists, however, the province's marketing research and marketing efforts will have to be redirected. There appears to be a reluctance on the part of the provincial Department of Development and Tourism to attract German tourists. The general marketing focus is on the traditional markets with which the Department is more familiar (Ontario, the Maritimes and the U.S.).

In the meantime, not only the German but also the Japanese markets are growing in Canada. More than 160,000 Japanese, up 17% from 1983, visited Canada last year.[12] Jack Murta, the new federal Minister of Tourism, told a news conference recently that the federal government has earmarked an additional $500 million to enhance its tourism trade. He identified Japan as a foreign point of origin with most potential for gains. Murta later went on a week-long visit to Japan at the head of a delegation that included provincial tourism ministers from Nova Scotia, Alberta, British Columbia and Manitoba as well as a senior official from the Yukon, but no representative from Newfoundland.

Newfoundland could capture a share of these emerging markets, turning our underdevelopment and unspoiled countryside to advantage. This potential opportunity should not be ignored. Investigating the province's tourism potential for development of these markets is vital, especially when we consider that our competition is vigorously attempting to capture their share.

Another marketing concern is to further penetrate our existing markets in Ontario, the Maritimes and the U.S., through further development and promotion of packaged tourism. Currently, few travel packages have been developed that feature Newfoundland's tourism product. Motor-coach tours to the province have become increasingly popular, but other packaged activities have been few. By contrast, imaginative new types of packages have been developed elsewhere:

- P.E.I. puts together weekend helicopter tours to the iceflows for naturalists and photographers to see the seal herds
- New Hampshire offers a "Come Quilt in the Mountains"' package for homemakers and crafts people to learn quilting
- In Europe, bicycle/camping tours have been developed for the young traveller on a tight budget.

Under the new federal/provincial tourism subsidiary agreement, funding is available under the Tourism Incentives Program for the development of package tourism through the purchase, lease or rent of capital equipment such as:

- mobile road vehicles intended for group tours: vans, tour buses, camper-trailers
- mobile water vehicles intended for group tours: tour boats, canoes, glass-bottom boats
- hunting tour equipment: binoculars, packsacks, all terrain vehicles
- fishing tour equipment: rods, reels, safety gear.

Marketing assistance to the private sector will be a major element in the Tourism Marketing Program. For example, increasing travel agent awareness of Newfoundland tourism packages is one of the programmers objectives.

Under the Development Counseling Program, funding has been provided for contractual salaries for Packaged Tourism Development officers. One of the objectives of this programme is to increase the quantity and quality of the province's package tour offerings by encouraging appropriate groups and individuals, and assisting with their funding proposals, as well as operating and marketing efforts.

If properly implemented, these programmed could potentially help the province to capture a share of the growing packaged tourism market.

Conclusion

Because of increased urbanization, overcrowding and pollution in many parts of the world, unspoiled places like Newfoundland are becoming increasingly attractive as travel destinations particularly amongst international travelers from Germany and Japan. The challenge now is to become more aware of the market opportunities created by this growing desire for back-to-nature experiences and cultural exchanges with people having simpler lifestyles, because it is this type of travel experience that Newfoundland can best offer.

Along with identifying these emerging markets, packaging that offers the cultural/nature experiences that appeal to these emerging markets should be increased. Furthermore, these packages need to be effectively promoted in the appropriate originating market areas, such as Germany and Japan, and in our existing market areas.

Tourism is an industry. And in industry, it is not sound business thinking to build upon ones weaknesses or to go after marginal or dying markets. The key is to identify growth markets to which one's uniqueness appeals, and to develop products (in this case package tour experiences) that build upon these unique strengths: our culture and natural resources.

SECTION II: TOURISM INDUSTRY RESOURCES DEVELOPMENT

Introduction

This section discusses the province's tourism industry resources in terms of their opportunities and constraints. As with any industry, there are specific input resources upon which the development of the tourism industry depends. In general, these resources are:

1. Natural resources. This category includes natural features available for the use and enjoyment of visitors: climate, land-forms, terrain, flora, fauna, bodies of water, beaches, natural beauty and water supply for drinking, sanitation, recreation and other uses. Proper planning, taking concentrations and capacity of use into consideration, and planning for permanent aesthetic appreciation, will help maintain the quality of these natural resources for the enjoyment of present and future users.

2. Infrastructure. In this category are underground and surface constructions such as water supply systems, sewage disposal systems, gas lines, electrical and communication systems, highways, directional signs, airports, railways, parking space, lighting, marine and dock facilities, and other similar service networks.

3. Transportation and transportation equipment. Included are ferries, motorcoaches, airplanes, taxis, automobiles, and other modes of passenger travel.

4. Superstructure. These are major above-ground facilities such as hotels, motels, restaurants, places of entertainment and recreation, and shopping centres.

5. Human/Cultural resources. This includes local residents' attitudes towards visitors, local interest in preserving and sharing the area's cultural resources (e.g. history, music, drama, crafts, festivals), and the willingness to serve visitors and make them feel welcome. To enhance this important resource, public awareness programmed and hospitality training are necessary. An investment in tourist facilities is worthless if the tourist feels unwelcome.[13]

The relation of each of" these tourism resources to the province will now be discussed in greater detail. For the purposes of this report, because the major tourism infrastructure problem is within the province's road system, the tourism resource of infrastructure will be limited to and discussed under the heading of 'transportation'.

Newfoundland's Tourism Industry Resources

1. Natural Resources

Newfoundland and Labrador has an abundant supply of natural resources. To quote Robert Thompson, the province offers "idyllic natural settings and an environment unspoiled by industrial carnage. . . . [These] are very saleable commodities in the tourist markets of urban North America."[14]

Examples of natural resource attractions include:

seabird sanctuaries at Witless Bay and Funk Island
Gros Morne and Terra Nova national parks
Northern Labrador's Torngat Mountains
salmon rivers of coastal Labrador

These and other natural/scenic attractions form an extensive base for outdoor recreation activities such as skiing, hiking, fishing, hunting, canoeing, windsurfing, boat touring and general auto touring.

Related to the importance of these natural resources to our province's tourism, Dettmer makes the point that tourism has become the subject of much attention from sociologists, anthropologists and folklorists, as it emerges as one of the distinguishing characteristics of modern society: *'Increasing urbanization, industrialization, alienation and overcrowding and pollution have created the premise for nostalgia: a yearning for the supposedly simpler, more natural life of the past."[15]

In contrast to Newfoundland and Labrador, Dettmer describes Germany as a place where space is at a premium, resorts are overcrowded, every move seems governed by rules, and, worst of all, the country's waters, forests and soils are dead or dying of pollution. She suggests that Newfoundlanders should be thankful for a relatively pollution free lifestyle and should ensure the protection and preservation of the environment. It is important to recognize that Newfoundland's unspoiled natural environment is a saleable commodity, and that the market is potentially larger than realized, including not only the North American market, but also the European and Asian, and particularly the German and Japanese markets.

The quality of the natural resources must be maintained to sustain tourism demand.[16] Proper levels of quality must be considered when planning is undertaken, and the maintenance of quality standards is essential. Tourists are very sensitive to the quality of recreational use of natural resources, and unless high standards are maintained, a depreciation of demand will inevitably result. Thus, ecological and environmental considerations are vital to long-term tourism success.

2. Transportation

Because the tourism industry is partially defined as catering to the wants and needs of the 'traveling' public, providing a suitable means of travel isan essential part of tourism industry development. Adequate transportation must be available to and within the destination area. Because traveling itself is part of the traveller's experience, all aspects of the trip must contribute to an overall positive experience; the traveller's safety, comfort, convenience and enjoyment must be ensured. Transportation, therefore, is not merely for the purpose of getting people (and goods) from point A to point B. Transportation is a vital resource upon which tourism is dependent. Consequently, the important role that transportation policy plays in tourism development must be recognized and that future transportation decisions take place without unnecessary detriment to tourism.

The following is a discussion of land, water and air transportation providing accessibility to and within the province for both resident and non-resident travelers.

a) <u>Land Travel</u>

The three major modes of land travel available for travelers in the province are auto, motorcoach and rail travel.

i) Auto Travel:

Accessibility, adequate signage, auxiliary roadside facilities and services, and aesthetics are essential for stimulating auto travel.

Regarding accessibility by auto, the Trans-Canada Highway, completed in 1965, acts as a single, primary travel corridor linking the west coast of the Island portion of the province to the east coast. The fact that this highway is the only one is no doubt a deterrent factor to non-resident auto travelers considering to visit the province. Auto travelers usually prefer to choose destinations that provide alternative touring routes such that doubling back over the same routes can be avoided.

In Labrador, the Trans-Labrador Highway is yet to be constructed. Although the construction of this highway has been announced, it is expected to take a lengthy time to complete. Its completion, however, will impact positively upon the development of tourism by providing substantially more auto accessibility to the mainland portion of the province.

Considering that the Trans-Canada Highway cuts through the midland of the province, accessibility to most of the outlying coastal communities is provided by secondary and tertiary travel corridors. Auto travelers who are interested in experiencing the rural lifestyle and scenery of coastal Newfoundland are encouraged to “get off the beaten track” (ie. the

Trans-Canada) . In several areas of the province, however, the secondary and tertiary routes providing access to these promoted areas are in poor condition or potentially circuitous routes are incomplete.

Several groups that made presentations to the Royal Commission on Employment and Unemployment pointed to the need for road improvements in order to develop the tourism potential in their areas. For example:

> Our region boasts one of the top ten scenic rivers in Canada. Access would provide every opportunity for a tremendous boom in our tourist industry. To date, tourism has not been utilized in the area to any great degree. Our scenic valleys, mountains, and inlets are attractions second to none. We also have some of the best salmon fishing in the province. Local business, along with the provincial government, must promote our area in such a manner as to attract the average vacationer and his family. It is important to emphasize that our transportation system must be improved to provide easy access to this area. Todate,most campers pass us by because of the difficulty in getting a camper-trailer safely over the road.
>
> White Bay South Development
> Association
> Pollard's Point Public Hearing

Other examples of inadequate road accessibility constraining tourism development is the 10 kilometre section of gravel road between Boyd's Cove and Gander Bay; a completely paved circular route around the Lewisporte, Twillingate, Wesleyville loop would improve the tourism potential of this whole region. A similar situation exists on the Bonavista Peninsula; the gravel road from Port Blandford to Musgravetown downgrades a circular route that would enhance visitation to this area if paved. Likewise, on the Burin Peninsula, the lack of a paved road from Lord's Cove to Lawn creates a gap in a potentially alternative paved route. And the road to Red Bay, the location of the Basques Whaling site, is partially unpaved. On the Port a‘ Port Peninsula, a potentially circuitous route exists also. Currently, however, instead of a loop, a horseshoe-shaped route exists with two dead ends.

In conclusion, with regards to road accessibility, several potential circuit routes exist for auto and motorcoach touring, routes that would provide a welcome alternative and/or addition to travel along the Trans-Canada. For tourism to develop in these areas, which' have the potential to develop scenic/natural and cultural themes, the constraints due to road inaccessibility need to be recognized and measures taken to overcome these problems. Increased promotion of these areas without improvement of the means to get there is an ineffective and counter productive use of government funds. Together, the Department of Development and Tourism, and the Department of Transportation need to address this issue of inadequate accessibility to rural areas and recognize the potential these areas have to attract tourists and consequently generate employment.

For the convenience of visitors from outside the province, directional and promotional signage is important, but currently lacking. In addition to good signage, a good road map is also needed. Outdated maps still indicate a number of gravel roads that have since been paved. An attractive map recently released in Labrador Indicates significant attractions and available services. Such an updated and improved map is needed for the Island as well.

Auxiliary services, such as auto repair and gasoline stations, roadside eating establishments, motels, roadside parks and picnic facilities, toilet facilities, information centres, scenic lookouts and marked points of interest within easy access of the road are all needed for successful auto tourism. Catering to these needs, there are numerous parks located along the Trans Canada. Eating establishments, however, could be improved by theming the decor, featuring more traditional and seafood dishes, and providing improved washroom facilities. Newfoundland must improve the standards of its auxiliary services to auto travelers if it is to succeed in tourism. As one of the means to achieve this, perhaps Hospitality Newfoundland could develop incentive programmed that would encourage these establishment operators to improve their facilities and level of service.

In the planning and maintenance of travel corridors, long-term consideration must be given to the aesthetics of the road system. Litter, car wreckages, exposed gravel pits, uncontrolled tree cutting, unmaintained signage, unkempt picnic areas , and poor landscaping and drainage along the roadside all undermine Newfoundland's image for out-of-province visitors.

ii) Motorcoach Travel:

Motorcoach service is provided by Terra Transport across the Island along the Trans Canada Highway. Scheduled routes are also provided in outlying areas and peninsulas, with the exception of the Bonavista North Loop, the Burin Peninsula, the southern part of the Avalon Peninsula and the Gander Bay/Twillingate area.

The travel/tourism industry could be expanded through increased motorcoach travel by resident and non-resident travelers, as the service already exists and is relatively extensive throughout the province; advantage must be taken of such opportunities in the face of limited resources for economic development. Increased bus travel would stimulate the development of supporting facilities and services required by travelers, and hence generate employment opportunities. For example, the motorcoach service could be actively marketed through the development of package tours encouraging residents to travel by bus to attend special events such as Regatta Day. In Ontario during Ottawa's winter carnival, Winterlude, VIA Rail promotes a special travel package encouraging visitors to the city to take the train. Apparently, the package promotion is quite successful.

The bus lines also provide non-scheduled group charters. During May and October, Terra Transport offers tours of the St. John's and Avalon areas, particularly to senior citizens. Special interests groups and senior citizens are growing markets for motorcoach charter tours. Currently, there are few tour operators operating in the province. For the most part, inclusive motorcoach tours of the province are offered by tour operating companies from outside the province. Most commonly, the province is part of a larger motorcoach tour package that includes the Maritime Provinces.

A substantial number of the motorcoach tours of the Atlantic Region do not include Newfoundland in their trip. The magnitude of the difference in number of motorcoach visits amongst each of the Atlantic Provinces is as follows:

Atlantic Provinces	No. of Motorcoach Visits in 1982
Newfoundland	154
P E I	1035
Nova Scotia	1579
New Brunswick	1353

Source: Department of Tourism
Halifax, Nova Scotia

In 1982 Nova Scotia was the highest, with 1425 more motorcoach visits than Newfoundland. Considering that Newfoundland is within close proximity to Nova Scotia, our capture rate of this market is very low.

Although motorcoach visitation to the province has grown substantially over time, this difference in numbers between Newfoundland and the other Atlantic Provinces indicates that there may be greater potential for Newfoundland to increase its market share. Determining why the province's capture rate of motorcoach tour market is currently so low and developing strategies to maximize market opportunities and to overcome current constraints should be a priority for tourism development.

iii) Rail Travel:

Since the completion of the Trans-Canada Highway in 1965 and the introduction of motorcoach service in 1969, passenger rail service on the Island portion of the province has ceased. Portions of Newfoundland's railway system, however, could possibly be packaged or developed as attractions for tourism promotion as is happening, for example, with the 'loop' near Trinity, Trinity Bay. Because the railway provides access to wilderness areas, packages that would be of interest to certain types of tourists for nature experiences could also be developed and promoted.

In Labrador, passenger rail service is provided from Sept-Isles, Quebec up through western Labrador by the Quebec North Shore and Labrador Railway. This passenger rail service could be promoted for tourism. In the snow-belt region of Ontario, a train run that appeals particularly to skiers, the Snowtrain, is actively promoted to attract this particular winter sport market. Potential may exist for a similar use of the Quebec North Shore and Labrador Railway.

In western Labrador, skiing is a major attraction, with ski facilities at Smokey Mountain in Labrador City. On a limited scale, other specialty activities such as mountain climbing and wilderness hiking have been occurring. As these activities do not require automobile use, . accessibility by train would be quite suitable to enable further development of these and other tourism activities in western Labrador.

Also, winter is traditionally a slow time for tourism. There is, however, a trend towards shorter, more frequent vacations, some during the winter months; and winter recreation, particularly skiing, is becoming increasingly popular.

b) Water Travel

Newfoundland and Labrador, with its many coastline and island communities, depends heavily on its water transportation system. The system consists of three major components: mainland-connection, coastal boat service, and intra-island ferry service. Each of these will be discussed briefly.

i) Mainland-Connection Ferry Service:

The mainland-connection ferry services connect the Island portion of the province to the mainland of Canada. Routes across the Gulf are provided between:

- North Sydney, N.S. and Port aux Basques, Nfld.
- North Sydney, N.S. and Argentia, Nfld.
- St. Barbe, Nfld. and Blanc Sablon, Quebec.

Port aux Basques Route:

This ferry route, operated by CN Marine, provides the largest ferry capacity. Early in 1985, CN Marine, which used to-be a division of Canadian National, became a separate crown company.

The Sullivan Commission on the province's transportation system commented on the rather deplorable state of the passenger waiting facilities at Port aux Basques and stated that upgrading was necessary to enhance the journeys taken from the terminal. The new improvements at the Port aux Basques terminal should include improvements to these facilities.

Another problem identified by the Sullivan Commission was the ferry services' reservation system. Apparently local people make multiple ferry bookings for one trip. This situation results in a high number of 'no-shows' for which space is eventually sold on a first-come-first served basis. This issue was discussed when the former federal Tourism Minister, Tom McMillan, visited the province in June, 1985 while on his cross-country campaign to develop a new national tourism strategy. What is more of an obstacle than rates, he said, is the CN reservation system which is "not sensitive enough to register cancellations, so the boats are going half full".17 He went on to say, "There's no use of the federal or provincial governments spending millions enticing visitors to Newfoundland by car if you can't get them here,'" noting that in the past it has been difficult for people to get ferry reservations and there are often long line-ups of cars because of problems with the reservation system. McMillan said that any ferry service, not just the CN service, *'should be part of the appeal" for tourists. "We should turn possible negatives into potential positives by dressing it up, presenting it as a cruise."* As an example of this cruise idea, the Bar Harbour-Yarmouth ferry is promoted as a cruise rather than a ferry crossing. Because of the high cost of travel on the ships, the importance of the quality of facilities needs to be recognized. Visitors need to feel that they have received value for the dollars spent.

A bright spot for the Port aux Basques ferry service is the new CN Marine Gulf ferry, the Caribou. This vessel is bigger and faster than the ferries formerly used on the Gulf. The Caribou is able to make the crossing in four and one-half to five hours, as compared with the old crossing time of seven hours.

Improved service from the crew and staff is also necessary. Crew training has been taking place at the Bay St. George Community College. This could help make travel on the new Gulf ferry a more pleasurable experience. Every effort should be made to achieve this cruise effect as the province's tourism industry currently depends very heavily upon the numbers of visitors traveling to Newfoundland by ferry to Port aux Basques.

Argentia Ferry Service:

The Argentia ferry service provides accessibility to and from the province on the eastern side of the Island and offers automobile travelers an alternative to the Port aux Basques ferry service.

The Argentia service is much smaller in passenger capacity than the Port aux Basques service and was not originally intended as a major route. As stated in the brief presented by the St. John's Board of Trade to the Federal Minister of Tourism during his June 1985 visit, "Tourists are anxious to avoid the 500 mile backtrack between Port aux Basques and St. John's . . . . This is supported by figures collected by the Department of

Development and Tourism, which show that after the Argentia ferry service was cut in half in 1982, the volume on both gulf crossings experienced a considerable drop.**

Non-Resident Travelers Exiting Newfoundland

	1981	1982	1983	1984(est)
Via Argentia	14,105	10,118	10,654	9,552
Via Port aux Basques	88,854	79,439	83,335	79,395

Source: Planning and Evaluation Division
Department of Development and Tourism

These figures suggest that decreasing capacity at Argentia also decreases the demand for services at Port aux Basques. Should this be the case, increasing capacity at Port aux Basques with the new Gulf ferry suggests that increased capacity may also be required at Argentia.

The St. John's Board of Trade also argued that an increase in the capacity of the Argentia ferry service would also stimulate motorcoach visitation to the Province. "Clients of motorcoach tours prefer not to retrace a particular route. They want value for their money, with a minimum of repeat activities, especially extended periods of driving."'[18] Currently the province captures about one-tenth of the motorcoach tours visiting the Maritime Provinces. This low capture rate is largely because '*The circulation route through Newfoundland is an important consideration for tour operators and their clients.'* The Board states that "If the full potential of the package tour (motorcoach) market is to be realized, this route through the province must be readily available."

Strait of Belle Island Ferry Service:

In addition to CN Marine, coastal boat service to Red Bay, the Labrador Straits communities and the Northern St. Lawrence areas of Quebec are serviced by ferry from St. Barbe on the Northern Peninsula to Blanc Sablon, Quebec. Red Bay is the site of a recent archaeological discovery of a 16th century Basque Whaling settlement and is likely to become a significant tourist attraction. And considering that Red Bay is just a short distance from Blanc Sablon, and is already connected by road, it is important that this ferry service meet the demands of the tourism market with an efficient reservation system and up-to-date telephone information.

ii) Coastal Boat Service:

The coastal boat service provides transportation linkage along the southern coast of the Island and up along the northern coasts of both the Island and Labrador. The main tourism issue with regards to coastal ferry service is the competition between passengers and freight onboard the vessels. The system is designed primarily to carry freight and to provide transportation for coastal residents. With the exception of the route between Fortune and St. Pierre and between Lewisporte and Goose Bay, travel on these coastal ferries is not oriented to attract or accommodate tourists. For example, reservations cannot be made from outside the province, however, any visitors can travel the coastal system if they take the time and effort to make the necessary arrangements.

This coastal service is a unique feature of Newfoundland and Labrador, but is not currently being encouraged for tourism development. The coastal service system should be improved and policies changed to promote the full potential for tourism development. The coastal tour could be a very attractive travel experience. Alaska currently has a coastal tour in the form of a packaged cruise equipped with cruiseliners, demonstrating that warm climates are not always a factor and that cruise experiences need not be limited to equatorial destinations.

Coastal cruises could open up to tourism many of the rich cultural and scenic attractions that the province has to offer. For example, "communities along the coast could hold folk festivals and develop their craft industries. Local residents could provide tours to scenic sites or for specific activities, as well as open their homes as bed and breakfast operations. The mode of transportation already exists for this type of tourism development. The level of coastal boat services would need to be upgraded, however, and service policies designed to attract and cater to tourists. If CN were not interested, the government could consider allowing private companies to compete in the coastal trade.

iii) Intra-Island Ferry Service:

The intra-island ferry service provides a transportation linkage between the mainland of the province and the islands off the coast, with the exception of the Bonne Bay ferry service which provided a linkage across the mouth of a bay. The ferry services are as follows:

- Bell Island/Portugal Cove
- St. Brendan's/Burnside
- Fogo Island/Carmanville
- Change Island/Cobb's Arm
- Little Bay Island/Long Island/St. Patrick's
- Woody Point/Norris Point

Considering that this type of transportation is rare, intra-island ferries could be promoted to tourists as part of the province's tourist appeal.

One particular ferry service having tourist appeal was the Woody Point/Norris Point ferry, but this service was terminated in September, 1985 because it was not the only automobile transportation linkage to the area. The Woody Point/Norris Point ferry connected one side of a small bay to the other. Without this ferry service, one can still get from one side to the other by driving around the bay, approximately a one hour trip. Since it was considered 'non-essential' to transportation, the provincial government's subsidy for operation of the Woody Point/Norris Point ferry service was discontinued.

Transportation, however, is not merely for the purpose of getting people from point A to point B. Transportation is also a resource upon which tourism is based. This government decision fails to consider the vital role that transportation policy plays in tourism development.

Located in the Gros Morne National park area, this ferry was a key to tourism development. Tourism is the major industry in the Bonne Bay area. Already many jobs have been created that rely upon tourism and consequently the Woody Point/Norris Point ferry played a vital role in the industry's success in the area.

c) Air Travel

Air travel is vital to the growth in non-resident visitor travel to Newfoundland and Labrador. Estimates of non-resident visits indicate that in 1984 approximately 63% of visitors to the province travelled by air. About 41% of air travel to the province is for the purpose of business, including attending conventions. With the anticipated increases in oil development business activity and conventions, one would expect this percentage to rise.

Canada's air services are currently being deregulated. Transportation Minister, Don Mazankowski, released in July, 1985 a discussion paper on the deregulation which proposed "market-driven airline prices, freer access to air routes and the transfer of Canadian Transport Commission (CTC) powers to cabinet." Under the proposal, airlines would be free to set their own ticket prices and move into routes that previously were approved only after lengthy consideration by the CTC. Part of the purpose of deregulation is to get away from the mismatch of large air craft serving small communities.

It is believed that deregulation will result in the expansion of smaller airlines serving low population areas, like Atlantic Canada. To take up the slack of larger airlines' abandoned routes, a new class of entrepreneur will move in. Mazankowksi said, "We think that by opening the system up, we provide opportunities for new services to move into areas where, under the controlled regime. ..some of the larger carriers find it a losing proposition."

The expected growth of these smaller airlines is also generating a fear that although travel costs may decrease due to much competition between these smaller airlines, operating costs will be cut by cutting down on employment costs. And in the case that smaller airlines do not move in to take over less travelled routes, it is feared that some routes may be cut and/or fares increased to cover operating costs.

The implications of these consequences of air transport deregulation might impact negatively upon Newfoundland and Labrador where the number of jobs is already low and air transportation costs high. The implications of deregulation for Newfoundland's tourism industry need to be carefully considered.

3. Superstructure

Superstructure, "as it relates to tourism, is defined as the buildings and facilities frequented by the traveling public, such as attractions and recreational facilities, accommodations and food and beverage establishments.

a) Attractions and Recreational Facilities

Places of amusement and recreation contribute to the attractiveness of a destination. They may be privately or publicly owned and/or operated. They may be revenue generating or provide free admission.

In developing tourism, considerable thought and effort should be devoted to the type of activities in which visitors are to be engaged. One of the most common errors in tourism is that insufficient effort is devoted to this phase. A comfortable hotel room and delicious meals provided to a person who has reached his or her destination in a pleasant form is not all that is needed for successful tourism. Nor is the development of an attraction without supporting facilities and services enough. An integrated combination of both attractions, facilities and services is required.

With the development of the new convention centre in St. John's, it appears that considerable attention is being given to ensure complementing developments such as that of George Street and the downtown area, as well as the Quidi Vidi-Rennies' Mill River development, all of which will add to the overall attractiveness of the city to tourists, particularly the convention market.

With respect to the Trinity restoration project, however, it appears that an integrated combination of both attractions and supporting facilities and services was lacking in the development of the respective area.

According to research conducted by Julie O'Halleren, a social anthropologist at Memorial, it appears that the restoration of a number of historically' significant structures in Trinity did not significantly stimulate the development of tourism-related enterprises that could contribute. to the local economy. Even though more tourists are visiting the area, few tourist dollars are being spent.

In developing the tourism industry, making a destination area more attractive is only one of the objectives. (Evidently, this objective has been met; more visitors are being attracted to Trinity, and too, local people generally are pleased with the restoration as it makes their town much more aesthetically appealing.) Economic objectives must also be established however. In the planning stages of the development, business opportunities need to be identified and community roles determined. Including these and other planning objectives, a development plan then takes on the characteristics of a tourism development plan as opposed to a restoration plan. This is not to suggest that restoration is not valuable in its own rite. The point to be made is that restoration in itself is only a component of tourism development planning. Therefore, restoration by itself cannot be expected to meet the objectives of successful tourism industry development. Other factors need to be integrated into the plan.

Recreational facilities, many of which are developed in communities for local resident use are also attractive features for tourism development. Many communities, however, overlook the potential dual function that their towns' recreational facilities can provide. These facilities can often be developed and promoted to service not only local residents, but also to add to the communities' tourist appeal.

Provincial parks also have greater potential to cater to the desires of the traveling public. Although park-user demand exists for such, provincial parks generally do not provide concession stands or recreational equipment rentals, etc. These would be ideal small business opportunities for the tourism private sector and would likely increase park visitation.

Issues impacting on the development of the province's tourism attraction and recreational facilities raised in this section, such as restoration, municipal planning for recreational facilities and potential private sector opportunities in provincial parks, need to be discussed amongst the respective government departments and co-ordinated tourism development planning efforts undertaken to avoid unnecessary detriment to tourism development. The Department of Culture, Recreation and Youth, the Department of Municipal Affairs and the Department of Development and Tourism each have a role to play in this regard.

b) Accommodations

Accommodations can be categorized as hotels, motels, motor hotels, hospitality homes (commonly called bed and breakfast homes), cabins, campgrounds and parks, and outfitting camps.

In general, hotel, motel and motor hotel operations tend to be year-round, high in price per unit, and cater mainly to the business traveller. Hospitality homes, cabins, campgrounds and outfitting camps tend to be preferred by non-business travelers as they are more affordable and provide a greater means of contact with local residents and natural settings.

Except for during peak tourist season, occupancy rates in the province are depressed. The low occupancy rates tend to indicate little opportunity for new development of year-round accommodation establishments. Because during peak tourist season there is insufficient supply of accommodation to meet the demand, opportunity appears to exist for seasonal accommodation.

Hospitality Homes:

Hospitality homes are becoming quite popular in the rest of Canada, however, the idea seems to be slow to catch on in the province. This concept originated in Britain and is very popular in Europe. It was not until 1972 that the idea was introduced in Canada. It started in Cape Breton as a government project to overcome economic disparity. Since then the idea has spread and is a very attractive form of accommodation for travelers interested in meeting peopie and experiencing their culture.

As the physical facilities already exist (ie. peoples' private homes), relatively little capital cost would be required. Particularly in rural communities, this type of accommodation development would be most appropriate due to the setting and also because of the local cultural lifestyle.

Under the new tourism subsidiary agreement, funding is available as an incentive for hospitality home development.

Current fire regulations, however, are somewhat prohibitive. A hospitality home accommodating four or more guests upstairs requires an exterior exit stairway from the second storey. Hospitality home fire regulations in other provinces are less prohibitive. Considering that a hospitality home is a private dwelling, could not the current fire regulations in the province for private dwellings also apply for hospitality homes? This is a sensitive issue for it is not intended that the relaxing of current fire regulations indicate a disregard for human safety.

Camping Accommodation:

Considering the high levels of indiscriminate gravel pit and roadside camping, there appears to be significant potential for private campground development, if not a indication of the discontent with public campgrounds, possibly due to the lack of recreational facilities and other services not currently provided in provincial parks.

Outfitting Camps:

Considering the rich wildlife resources and wilderness area the province possesses and the lucrative market demand for hunting and fishing, the development of outfitting camps in the province holds much undeveloped potential. One of the major constraints to this type of development is hunting licensing. Apparently, there is a lack of sufficient non-resident hunting licenses to meet market demand. This problem must be resolved but without unnecessary detriment to wildlife conservation.

Accommodations funding:

The following is an excerpt taken from the current Canada/Newfoundland Tourism Development Subsidiary Agreement regarding funding for accommodations in the province:

> Considerable gains were made under the previous Tourism Development Agreement toward improving the quantity and quality of accommodations plant in the province. However, improvements are still necessary, particularly in the quality of existing accommodation facilities. Occupancy rates for the majority of hotels and motels in the province generally indicate inadequate demand to justify construction of new hotel and motel facilities. Nevertheless, in specific instances there are clearly accommodation supply shortages in the province which can be addressed.
>
> Accommodation incentives are available for feasibility analysis and for capital costs to develop new establishments, to modernize existing hotels and motels, seasonal accommodations, hospitality homes and hunting and fishing camps and to convert existing structures. Developing seasonal accommodation in areas not presently serviced will be a priority, particularly in those areas near major travel generators where occupancy rates for seasonal accommodations indicate there is a demand for additional facilities.

Accommodations Grading System:

When traveling, people generally want to know what type of accommodations are available. In response, accommodation grading systems are becoming more common. Tourism Ontario, a private sector tourism organization similar to Hospitality Newfoundland, has implemented its own five-star grading programme. Members of the organization voluntarily have their establishment assessed according to approved quality standards. The programme is proving quite successful. Upon receiving their star grading, the establishment owner receives a large sign saying 'Tourism Ontario Recommended', and the name of 'the establishment, along with its grading, is published in an accommodation guide for travelers. Monitoring of traveller usage indicates that the system is reliable and well recognized.

With the potential development of a National Tourism Plan, it becomes quite likely that such a grading system will be implemented nation-wide. The Department of Development and Tourism, and Hospitality Newfoundland should consider designing an accommodation grading system appropriate for implementation in the province as it would provide an incentive for Hospitality Newfoundland's members to upgrade their establishments, as well as provide a service to travelers.

c) Food and Beverage Services

Food and drink are among a destination area's most important cultural expressions. Travelers often enjoy trying traditional foods and local dishes. To improve their appeal, restaurants could feature local dishes, explaining on the menu the ingredients and method of preparation. Also, the decor of the restaurant could be themed to suit the type of food being served and to create a unique and memorable image.

Under the old tourism sub-agreement a 'Taste of Newfoundland' programme was designed and implemented to:

1) develop a recipe and service programme in conjunction with the Newfoundland Restaurant and Hotel Industry, that would provide an interesting and reliable selection of traditional dishes to tourists during the tourist season;

2) bring the existence of the programmed to the attention of tourists and provide them with a means of identifying participating restaurants;

3) have at least 200 eating establishments participating in the programme, with 50 in the first year.

This programme operated for only two years (1981 and 1982). Fifty-two establishments participated in the first year and twenty-six in the second. It was felt that the programmers success was limited by a lack of awareness of the programme and its benefits.

A few of the participating restaurants were questioned after the programme had finished, and in general they were pleased with the programme. Free radio advertising during the summer months appeared to have increased their business. They felt that the tourists were generally enthusiastic about being able to find a good selection of traditional meals in the province. It is, however, disappointing that the promotional work on this programme was not completely successful. If, in future, this programme is reinstated, a stronger emphasis should be placed on the benefits of participating and the overall benefits for the province.

Newfoundland is one of the largest international suppliers of fish. Our world renowned fish produce should be available to visitors in the form of attractively prepared dishes served in our restaurants. Sampling traditional foods is a significant part of a travel experience, therefore, because we are known for our fishing industry, visitors to Newfoundland naturally expect fish dishes to be available in our restaurants. To ignore the restaurant industry is to miss an opportunity for promoting Newfoundland fish to people from other provinces and countries.

Within the fishing industry, the province's restaurants should be perceived as promotional show cases for our fishing industry's produce. Visitors to the province, international visitors especially, formulate attitudes and opinions about the province based on their experiences while here. When they leave, they carry these attitudes and opinions with them and spread them to others. Eventually a general image of the province is created in people's minds. Ensuring that this image is a positive one, one that enhances our province in general, but in particular our major export industry, is very important. Encouraging restaurant owners to provide fish dishes and ensuring an adequate supply of produce is a means by which the fishing industry can create and promote a positive image of its product, and at the same time, the tourism industry benefits by catering to the tourism demand for fish dishes.

Newfoundland has also become internationally known for its wild game. Caribou, moose, fowl, etc. could be served in specialty restaurants to enhance the province's image. Also the internationally controversial issue of the sealing industry could be built upon by including seal meat on specialty menus. Adequate supplies of these items would need to be ensured.

Hospitality Training Institutes and the Lack of Emphasis on Traditional Newfoundland Dishes:

Part of the reason that traditional Newfoundland dishes and wild game and seafood are not adequately available to visitors in the province is because the training programmed oriented towards food preparation and management do not emphasize the importance of these dishes. There are a number of training programmed oriented towards the management and preparation of food and beverage, such as cooking courses and food preparation management, and also a new hospitality management programme at Bay St. George Community College. But for the most part, training in food preparation has been geared primarily towards employment in institutions and not for the restaurant sector of the tourism industry. Consequently, there has been little emphasis on the preparation of traditional Newfoundland dishes.

In contrast, Prince Edward Island now has its own Seafood Culinary Institute. Newfoundland's food and beverage institutes need to be encouraged to respond to the growing tourism demand for local dishes by training a labour force skilled to prepare them.

Successful food and beverage facilities and services in the tourism industry are not simply a matter of providing good food in clean surroundings. Adding a particular flavour and atmosphere in keeping with traditional ways of life and projecting a favorable image of one's culture is the key to success when developing the tourism potential of food and beverage operations. It is this philosophy of cultural tourism image development that our province's food and beverage establishments need to adopt. As previously discussed, our province's fishing industry should be encouraged to perceive restaurants catering to tourists as promotional showcases.

4. Human Resources

Tourism, being a very people-oriented, people-dependent industry, relies very much on the development of human resources. These human resources include the people actually employed in the industry itself, either directly or indirectly, as well as the cultural resources that contribute to the 'attractiveness' of the destination area. With this in mind, we will now discuss the Human Resources of the tourism industry in three separate sections:

a) Labour Force and Employment Characteristics of the Tourism Industry
b) Tourism Education and Training
c) Cultural Tourism

a) <u>Labour Force and Employment Characteristics of the Tourism Industry</u>

The tourism industry remains undefined according to Statistics Canada's Standard Industrial Classification (SIC) system. It is therefore rather difficult to determine the actual employment figures generated by the tourism industry. Part of the reason for this is the fact that the tourism industry is defined not merely in terms of the product and services it provides, but also in terms of the customer that buys them. However, when we identify facilities and services that cater to the wants and needs of the traveling public, we realize that these do not simply contribute to the tourism industry. Employment generated is due not only to tourists but also to local patrons. Employment in the transportation component of the tourism industry is also partially generated through the transportation of goods.

Nevertheless, in an attempt to get some idea of the labour force and employment characteristics of the tourism industry, we will select for our analysis a number of SIC industries that are 'related' to the tourism industry. These related industries we will then re-categorize according to the components of the tourism industry as follows:

Tourism Industry Component	Corresponding Selected SIC Industries related to the Tourism Industry
Transportation	Transportation (to include people and freight) Gasoline Service Stations
Accommodation, and Food and Beverage Services	Accommodation and Food Services Liquor, Wine and Beer Stores
Attractions, Events and Recreational Facilities and Services	Amusement and Recreational Services

Using the re-categorized SIC industries, we will attempt to determine the labour force and employment characteristics of the tourism industry, keeping in mind that other activities also contribute to these labour force and employment figures.

Percentage of Total Labour Force:

Table IV indicates the proportion of the labour force in industries related to tourism by province, and the proportion of the related industries that are in the accommodation and food services sector.

The table indicates that:

- Newfoundland and Labrador has the lowest proportion of the labour force in the industries related to tourism (9.4%)

  except for the North West Territories, the other provinces have a higher proportion of their tourism related labour force in the accommodation and food services sector. Newfoundland and Labrador has 44.0% of its tourism related labour force in the accommodation and food services sector.

Sex:

Table V shows the labour force by both males and females in the years 1971 and 1981, as well as the percentage change from 1971 to 1981. To highlight the findings of this table:

each selected industry related to tourism experienced substantial labour force increases from 1971 to 1981

Transportation	+21.3%
Accommodation, Food and Beverage	+88.7%
Attractions, Events and Recreational Services	+147 .3%

the percentage change in the total labour force in selected industries related to tourism was +46.4% from 1971 to 1981. This percentage increase was slightly lower than the +52.9% increase experienced in the total provincial labour force.

TABLE IV

Labour Force in Accommodation and Food Services Sector as a Percentage of Selected Industries Related to Travel/Tourism and Recreation by Canada and Province, 1981

	Total Labour Force	Total of All Selected Industries Related to Travel/Tourism and Recreation	% of Total Labour Force	Total of All Labour Force in Accommodation and Food Services	% of Total Selected Industries related to Travel/Tourism + Recreation
Canada	12,267,015	1,356,690	11.1	666,830	49.2
Newfoundland	232,015	21,900	9.4	9,630	44.0
Prince Edward Island	57,880	6,860	11.9	3,450	50.3
Nova Scotia	388,465	41,105	10.6	19,610	47.7
New Brunswick	308,440	31,320	10.2	16,255	51.9
Quebec	3,100,425	315,820	10.2	161,510	51.1
Ontario	4,548,410	546,130	12.0	243,965	44.7
Manitoba	510,885	56,725	11.1	28,370	50.0
Saskatchewan	461,380	44,385	9.6	24,400	55.0
Alberta	1,213,705	119,760	9.9	63,710	53.2
British Columbia	1,412,490	168,525	11.9	94,065	55.8
Yukon	13,300	2,150	16.2	1,090	50.7
North West Territories	19,670	2,015	10.2	790	39.2

Source: Statistics Canada, 87,401

TABLE V
Newfoundland and Labrador
Selected Industries related to Tourism
(categorized by Tourism Industry Components) by Sex, 1971 and 1981

Selected Industries
Categorized by Tourism Industry Components

	1971										% Change From 19 -1981		
			F		Total						M	F	Total
	#	%	#	%	#	#	%	#	%	Total	% Chg	% Chg.	% Chg.
Transportation:													
Tranaportation	9,630	96.2	380	3.	10,010	10,445	92.1	900	7.9	11,345	+ 8.5	+136.8	+ 13,3
Gasoline Servic Stations	1,200	94.5	70	5.	1,270	1,765	75.6	570	24.4	2,335	+47.1	+714.3	+ 83.9
Sub-total	10,830	96.0	450	4.	11,280	12,210	89.3	1,470	10.7	13,680	+12.7	+226.7	+ 21.3
Accommodation an Food and Beverag Components:													
Accommodation and Food Servic	1,975	38.4	3,170	61.	5,145	2,815	28.5	7,070	71*5	9,885	+42.5	+123.0	+ 92.1
Liquor, wine & Beer Stores	240	100.0			240	275	100.0			275	+14.6		+ 14.6
Sub-total	2,215	41.1	3,170	58.	5,385	3,090	90.4	7,070	69.6	10,160	+39.5	+123.0	+ 88.7
Attraction. Events & Recreational Services:													
Amusement & Recreational Services	415	74.1	145	25.	560	825	59.6	560	40.4	1,385	+98.8	+286.2	+147.3
Subtotal	415	74.1	145	25.	560	825	59.6	560	40.4	1,385	+98.8	+286.2	+147.3
Total Tourism & Recreational related ind.	13,460	78.1	3,765	21.	17,225	16,125	63.9	9,100	36.1	25,225	+19.8	+141.7	+ 46.4
Total Labour Force	107,18(	72.4	40,815	27.	147,995	142,335	62.9	83,985	37.1	226,340	+32.8	+105.8	+ 52.9

Source: Labour Force Statistics

- in 1971 the percentage of the total provincial labour force in industries related to tourism was 11.6%. In 1981 the percentage was 11.1%. Therefore, in terms of proportion, the size of the labour force in industries related to tourism experienced a 0.5% decrease when compared to the total provincial labour force.

  significant growth in the female labour force in each of the selected industries related to tourism was experienced.

Transportation	+226.7%
Accommodation, Food and Beverage	+123.0%
Attractions, Events and Recreational Services	+286.2%

  the percentage change in the total female labour force in selected industries related to tourism was +141.7% from 1971 to 1981, as compared to the +105.8% increase of the total female labour force from 1971 to 1981.

- with respect to the male-to-female ratio in each of the selected industries related to tourism:

  Transportation is male dominated:
  . 96.0% male in 1971
  . 89.3% male in 1981

  Accommodation, Food and Beverage Services are female dominated:
  . 58.9% female in 1971
  . 69.6% female in 1981

  Attractions,. Events, and Recreational Services are male dominated:
  . 74.1% male in 1971
  . 59.6% male in 1981

  The overall total labour force in industries related to tourism is male dominated, but less so than in 1971:
  . 78.1% male in 1971
  . 63.9% male in 1981

  In each case, the female portion of the labour force industries related to tourism has experienced a substantial growth from 1971 to 1981.

Age Distribution:

Table VI breaks down the data by age and shows the following:

- the tourism labour force sectors of the economy have a significantly higher proportion of youth between age 15-25 years than does the total labour force.

	% of Labour Force Between 15-25 years
Total Labour Force	27.1
Accommodation and Food and Beverage	36.2
Attractions, Events and Recreational Services	45.5

Level of Schooling:

Table VII gives a breakdown by educational level. It indicates that:

- the greatest proportion of the provincial labour force in industries related to tourism consists of people with a low level of schooling.
  - approximately 22.9% of the tourism related labour force have less than Grade 9.
  - approximately 31.2% of the tourism related labour force are in the Grade 9-13 without certificate or diploma category, as compared to approximately 24.3% of the total labour force being in this cateogry.
  - about an equal proportion of the tourism related labour force have trades certificates or diplomas as does the total labour force. (17.5% and 17.4% respectively) .
  - smaller proportion of the tourism related labour force have university degrees as compared to the total labour force (1.3% and 7.5% respectively).

TABLE VI

Newfoundland and Labrador
Selected Industries related to Tourism
(categorized by Tourism Industry Components) by Age, 1981

Selected Industries Categorized by Tourism Industry Components	.5-25 years						25-44					
	I				Tot						T al	
	#	%	#	%	#	%	#	%	#	%	#	%
Transportation:	1,555	81.0	365	19.0	1,920	16.9	5,455	92.6	435	7.4	5,890	51.9
Transportation	895	77.5	260	22.5	1,155	49.5	600	72.3	230	27.7	830	35.5
Gasoline Servic Stations												
Sub-total	2,450	79.7	625	20.3	3,075	22.5	6,055	9001	665	9*9	6,720	49.1
Accommodation an Food and Beverag Components:												
Accommodation and Food Servic	1,060	29.0	2,590	71.0	3,650	36.9	1,230	26.9	3,340	73.1	4,570	46.2
Liquor, wine & Beer Stores	20	100.0			20	7.5	160	100.0			160	60.4
Sub-total	1,080	29.4	2,590	70.6	3,670	36.2	1,390	29.4	3,340	70.6	4,730	46.6
Attractions, Events & Recreational Services:												
Amusement & Recreational Services	365	57.5	270	42.5	635	45.5	340	60.7	220	39*3	560	40.1
Total Tourism & Recreational related ind.	4,640	57.1	3,485	42.9	8,125	26.3	11,095	72.4	4,225	27.6	15,320	49.6
Total Labour Force	33,995	55.5	27,260	44.5	61,255	27.1	72,260	62.8	2,805	37.2	115,065	50.8

TABLE VI (cent'd)
Newfoundland and Labrador
Selected Industries related to Tourism
(categorized by Tourism Industry Components) by Age, 1981

Selected Industries Categorized by Tourism Industry Components	45-65+						Total		Total
			I		Tota		M	F	Total
	#	%	#	%	#	%	#	#	#
Transportation:	3,435	97.2	100	2.8	3,535	31.2	10,445	900	11,345
Transportation	265	75.7	85	24.3	350	15.0	1,760	575	2.335
Gasoline Servic Stations									
Sub-total	3,700	795.2	185	4.8	3,885	28.4	12,205	1,475	13,680
Accommodation an Food and Beverag Components:									
Accommodation and Food Servic	525	31.5	1,140	68.5	1,665	16.8	2,815	7,070	9,885
Liquor, wine & Beer Stores	85	100.0			85	32.1	265		265
Sub-total	610	34.9	1,140	65.1	1,750	17.2	3,080	7,070	10,150
Attractions, Events & Recreational Services:									
Amusement & Recreational Services	125	62.5	75	37.5	200	14.3	830	565	1,395
Total Tourism & Recreational related ind.	6,065	81.2	1,400	18.8	7,465	24.2	16,115	9,110	25,225
Total Labour Force	36,100	72.2	13,915	27.8	50,015	22.1	142,355	83,980	226,335

TABLE VII
Newfoundland and Labrador
Selected Industries related to Tourism
(categorized by Tourism Industry Components) by Level of Schooling, 1981

Selected Industries Categorized by Tourism Industry Components	ess thar Grade 9						Grade)-13 witl ut cert or dip:					
			F		Tot.		M		1		Total	
	#	%	#	%	#	%	#	%	#	%	#	&
Transportation:	2,970	98.3	50	1.7	3,020	24.1	2,835	95.1	145	4.9	2,980	.
Transportation Gasoline Service Stations	275	80.9	65	19.1	340	14.4	645	72.1	250	27.9	895	38.0
Sub-total	3,245	96.6	115	34.2	3,360	22.6	3,480	89.8	395	10.2	3,875	26.0
Accommodation and Food and Beverage Components:												
Accommodation and Food Service	635	26.5	1,760	73*5	2,395	24.2	970	25.0	2,910	75.0	3,880	39.3
Liquor, wine & Beer Stores	25	100.0			25	9.4	80	100.0			80	30.2
Sub-total	660	27.3	21,760	72.3	2,420	**23.8**	1,050	26.5	2,910	73.5	3,960	39.0
Attractions, Events & Recreational Services:												
Amusement & Recreational Services	185	69.8	80	30.2	265	19.2	200	50.0	200	50.0	400	29.0
Total Tourism & Recreational related ind.	4,090	67.7	1,955	32.3	6,045	22.9	4,730	57.4	3,505	42.6	8,235	31.2
Total Labour Force	36,970	75.1	12,230	24.9	49,200	21.7	33,340	60.6	21,665	39*4	55,005	24.3

TABLE VII (cent'd)
Newfoundland and Labrador
Selected Industries related to Tourism
(categorized by Tourism Industry components by Level of Schooling, 1981

Selected Industries Categorized by Tourism Industry Components	rade 9-1 with ce t. or dipl .						Trades certific te or diploma					
			]		Tot		M		F		Total	
	#	%	#	%	#	%	#	%	#	%	#	%
Transportation:												
Transportation	1,170	92.1	100	7.9	1,270	10.1	1,975	69.8	855	30.2	--TJm-	22.6
Gasoline Service Stations	250	73.5	90	26.5	340	14.4	400	81.6	90	18.4	490	20.8
Sub-total	1,420	88.2	190	11.8	1,610	10.8	2,375	71.5	945	28.5	3,320	22.3
Accommodation and Food and Beverage Components:												
Accommodation and Food Service	330	26.1	935	73.9	1,265	12.8	340	32.7	700	67.3	1,040	10.5
Liquor, wine & Beer Stores	20	100.0			20	7.5	70	100.0			70	26.4
Sub-total	350	27.2	935	72.8	1,285	12.7	410	36.9	700	63.1	1,110	10.9
Attractions, Events & Recreational Services:												
Amusement & Recreational Services	65	59.1	45	40.9	110	8.0	135	69.2	60	30.8	195	14.1
Total Tourism & Recreational related ind.	1,835	61.1	1,170	38.9	3,005	11.4	2,920	63.1	1,705	36.9	4,625	17.5
Total Labour Force	4,645	60.0	9,780	40.0	24,425	10.8	24,455	62.3	14,815	37*7	39,270	17.4

TABLE VII (cent'd)
Newfoundland and Labrador
Selected Industries related to Tourism
(categorized by Tourism Industry Components) by Level of Schooling, 1981

Selected Industries Categorized by Tourism Industry Components	ome Pos		Secondsry witho		cert. or dipl.		Post- :condar		ith cert. or dipl.			
					Tot						Total	
	#	%	#	%	#	Z	#	%	#	%	#	%
Transportation:	725	60.0	485	40.0	1,210	9.6	665	64.3	370	35.7	1,035	8.3
Transportation Gasoline Service Stations	140	73.7	50	26.3	190	8.1	65	65.0	35	35.0	100	4.2
Sub-total	865	61.8	535	38.2	1,400	9.4	730		405		1,135	
Accommodation and Food and Beverage Components:												
Accommodation and Food Service	360	41.9	500	58.1	860	8.7	120	34.8	225	65.2	345	3.5
Liquor, wine & Beer Stores	30	100.0			30	11.3	25	100.0			25	904
Sub-total	390	43.8	500	56.2	890	8.8	145	39.2	225	60.8	370	3.6
Attractions, Events & Recreational Services:												
Amusement & Recreational Services	185	60.7	120	39.3	305	22.1	30	42.9	40	57.1	70	5.1
Total Tourism Recreational related ind.	1,440	55.5	1,155	44.5	2,595	9.8	905	57.5	670	42.5	1,575	6.0
Total Labour Force	1,460	58.9	9,375	41.1	22,835	10.1	8,610	46.0	10,115	54.0	18,725	8.3

TABLE VII (cent'd)
Newfoundland and Labrador
Selected Industries related to Tourism
(categorized by Tourism Industry Components) by Level of Schooling, 1981

Selected Industries Categorized by Tourism Industry Components	Unive sity Deg ee		F		Tota				Tota		Total	
	#	%	#	%	#	%	#	%	#	%	#	%
Transportation:	100	50.0	100	50.0	200	1.6	10,440		2,105		12,545	
Transportation							1,775		590		2.355	
Gasoline Service Stations						.						
Sub-total	100	50.0	100	50.0	200	1.3	12,2150		2,685		14,900	
Accommodation anc Food and Beverage Components:												
Accommodation and Food Service	55	55.0	45	45.0	100	1.0	2,810		7,075		9,885	
Liquor, wine & Beer Stores	15	100.0			15	5.7	265				265	
Sub-total	70	60.9	45	39.1	115	1.1	3,075		7,075		10,150	
Attractions, Events & Recreational Services:												
Amusement & Recreational Services	25	71.4	10	28.6	35	2.5	825		555		1,380	
Total Tourism Recreational related ind.	195	55.7	155	44.3	350	1.3	16,115		10,315		26,430	
Total Labour Force	10,870	64.4	6,010	35.6	16,880	7.5	142,350		83,990		226,340	

Earnings:

Table VIII on earnings indicates that:

the average weekly earnings received in all tourism related industries experienced positive increases from 1983-1984, except the accommodation and food/beverage service sector which experienced a 0.16% decrease;

the accommodation and food/beverage sector is also the lowest paying of all industry sectors at approximately $178.82 per week in 1984;

- average weekly wages in transportation were $447.07 in 1984, putting them above the average industrial aggregate of $389.24 per week.

Seasonality:

Table IX indicates the seasonality of employment in the industries related to tourism. To more easily picture the seasonal trends, a number of provincial statistics have been graphed for comparison (See Graph III). March is taken as the base month. The findings indicate that:

(1) Employment in other provinces tends to fluctuate to a greater proportion during the tourism season than in Newfoundland. This means that other provinces have a greater demand for accommodation and food services related labour during the tourism season than Newfoundland.

(2) P.E.I. experienced about a 65 to 70% increase in accommodation and food services employment from March to its peak in July and August 1983. Considering that most visitation to P.E.I. is for vacation/ touring purposes, it is to be expected that employment in the accommodation and food services sector is subject to such large seasonal percentage fluctuations, due to the seasonality of this type of travel.

TABLE VIII

Newfoundland and Labrador
Selected Tourism Related
Industries by Average Weekly Earnings, 1983-84

Sector	Average Weekly Earnings ($/wk) 1983	1984	% Change from 1983 to 1984
Transportation	$422.91	$447.07	+5.7
Gasoline Service Stations	198.99	215.47	+8.3
Amusements & Recreation Services	191.19	210.40	+10.0
Accommodation and Food Services	179.11	178.82	-0.16
Service Producing Industries	359.98	377.79	+4.9
Industrial Aggregate	369.47	389.24	+5.4

Source: Statistics Canada, 72-002

TABLE IX
Monthly Employment and Percentage Fluctuation in Accommodation and Food Services by Province, 1983

Province ('000)	Jan.[1] #	%	Feb.[1] #	%	Mar. #	%	Apr. #	%
Canada					433.4	0	440.3	1.6
Newfoundland					5.3	0	5.2	-5.5
P.E.I.					1.6	0	1.6	0
N.S.					9.1	0	9.6	5.5
N.B.					8.3	0	8.7	4.8
Que.					92.7	0	92.7	0
Ont.					171.7	0	176.3	2.7
Man.					20.5	0	20.8	1.5
Sask.					14.5	0	14.8	2*1
Alb .					46.9	0	47.3	0.9
B.C.					61.5	0	62.1	1.0

Province ('000)	May #	%	June #	%	July #	%	Aug. #	%
Canada	477.7	10.2	512.3	18.2	511.4	18.0	508.2	17.3
Newfoundland	5.5	0	6.1	10.9	6.5	18.2	6.7	21.8
P.E.I.	1.8	12.5	2.2	37.5	2.7	68.8	2.7	68*8
N.S.	10.2	12.1	11.5	26.4	12.9	41.8	12.7	39.6
N.B.	9.3	12.0	9.9	19.3	9.9	19.3	9.4	13.3
Que.	103.0	11.1	111.1	19.8	103.4	11.5	101.3	9.2
Ont.	195.8	14.0	208.1	21.2	211.9	23.4	213.9	24.2
Man.	22.7	10.7	23.9	16.6	22.7	10.7	22.0	7.3
Sask.	15.1	4.1	15.7	8.3	16.1	11.0	15.9	9.7
Alb.	47.'4	1.2	50.1	6.8	50.4	7.5	50.9	8.5
B.C.	65.5	6.5	72.1	17.2	73.2	19.0	71.1	15.6

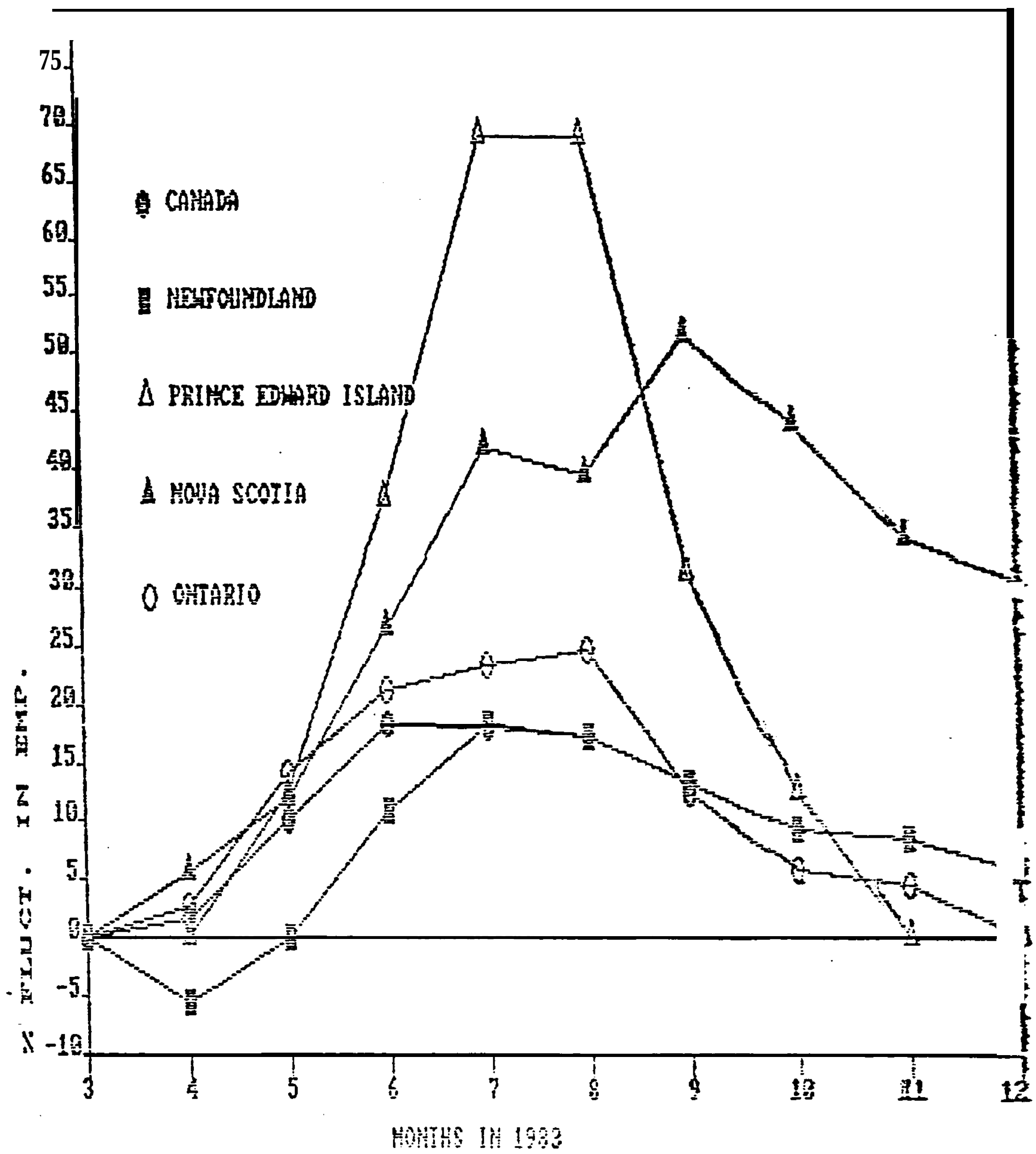
Province ('000)	Sept. #	%	Ott . #	%	Nov. #	%	Dec. #	%	Estimated Average[2]
Canada	491.2	13.3	473.4	9.2	469.8	8.4	458.9	5.9	470.9
Newfoundland	6.0	9.1	5.7	3.6	5.7	3.6	5.4	-1.8	5.7
P.E.I.	2.1	31.3	1.8	12.5	1.6	0	1.6	0	1.9
N.S.	13.8	51.6	13.1	44.0	12.2	34.1	11.9	30.8	11.3
N.B.	9.2	10.8	8.9	7.2	8.8	6.0	8.4	1*2	8.9
Que.	110.2	18.9	110.8	19.5	110.0	18.7	109.1	17.7	103.3
Ont.	193.3	12.6	182.0	6.0	179.4	4*5	172.3	0.3	187.4
Man.	21.3	3.9	20.4	-0.5	20.9	2.0	19.8	-3.4	21.3
Sask.	16.2	11.7	16.1	11.0	15.2	4.3	14.9	2.8	15.4
Alb.	50.5	7.7	47.9	2.1	47*9	2.1	46.8	-0.2	52.7
B.C.	67.0	8.9	65.0	5.7	65.9	7.2	67.4	9.6	65.7

[1]Employment data for January and February, 1983 are not available.
[2]Average of 12 months includes estimates for January and February for which data are not available.

Source: Statistics Canada, 72-002

GRAPH III

PER CENT FLUCTUATION IN EMPLOYMENT IN ACCOMMODATION/
FOOD SERVICES BY PROVINCE, BY MONTH, 1983



(3) Newfoundland's accommodation and food services employment is of a shorter season. From March to May the employment level experiences a slump and then from May to the seasonal peak in July, there is a 17-18% increase, followed by a gradual decline. The other provinces graphed on the chart experience gradual increases in accommodation and foods services employment beginning in March.

Urban/Rural Distribution:

Table X provides urban/rural breakdowns. Since the service sector of the economy is one in which much of the economic growth is occurring, it is important to know whether this growth will be accruing more to urban or rural areas. The rural areas have the smaller proportion of accommodation and food services labour force (31.9%), but this is 2.9% greater than the percentage of the total community business and personal service industries located in rural communities.

TABLE X

Newfoundland and Labrador
Labour Force by Accommodation and Food Services,
and Community Business and Personal Services,
by Rural and Urban Distribution, 1981

Labour Force	Rural		Urban[1]		Total	
	#	%	#	%		
Accommodation and Food Services	3150	31.9	6730	68.1	9880	100.0
Total Community business and personal service industries	17565	29.0	42960	71*O	60525	100*O

[1] Urban represents an area having a population concentration of 1000+ and a population density of 400+ per-sq. km.

Source: Statistics Canada, 92-921

Statistics Summary

Tourism is a growing sector of the Newfoundland economy and the potential for further growth is substantial.

Approximately 9.4% of the province's labour force are in industries related to tourism, the lowest percentage of any province in Canada. Other provinces have a higher proportion of their tourism-related labour force in the accommodation and food services sector. In Newfoundland and Labrador, 44.0% of the tourism related labour force is in the accommodation and food/beverage sectors.

Tourism Employee Profiles:

The following is a likely profile of an individual employed in industries related to tourism:

Transportation:

- male (89.3%)
- aged 25-44 (49.1%)
- has Grade 9-13 without a certificate or diploma
- makes $447.07 (average weekly earning) which is $57.83 more than the average annual industrial aggregate. This does not include gasoline service station employees who average $215.47 weekly.

Accommodation and Food/Beverage:

- female (69.6% in 1981)
- aged 25-44 (46.6% in 1981)
- has between Grade 9-13 without a certificate or diploma (39.0% in 1981)
- make $178.82 the lowest industry sector earnings (the average weekly earnings in the Accommodation and Food Services in 1984)
- lives in a urban area (68.1% in 1981)

Attractions, Events and 'Recreational Service:

. male (59.6% in 1981)
. aged 15-25 (45.5% in 1981)
. has between Grade 9-13 without a certificate or diploma
. makes $210.40 per week (the average weekly earnings in the amusement and recreation services)

Newfoundland and Labrador experiences a substantially smaller degree of seasonal fluctuations in employment in the accommodation and food/beverage sector than other provinces. Most travelers who come to Newfoundland are visiting friends and relatives, or on business; these travelers are less affected by tourism marketing and tourism plant developments that lure summer vacation travelers. P.E.I., by contrast, attracts large proportions of these vacationing travelers, therefore its accommodation and food establishments hire increased numbers of employees during the summer months.

b) <u>Tourism Education and Training</u>

Training has had a low priority in Canadian tourism, and Newfoundland is no exception. To compete in this industry, Newfoundland needs training institutes and programmed to develop and enhance those skills which contribute to the creation of a quality tourism experience, both through hospitality and tourist services training.

Hospitality Training:

Because the hospitality component (i.e. accommodation and food and beverage services) comprises the largest portion of the tourism industry's labour force, it is not surprising that most tourism institutes and programmed in the country provide training for the skills required in the hospitality sector. Such programmed include food preparation courses such as baking, cooking, meat cutting/butchery, dietetics/nutrition, and food and beverage services; and hospitality management courses such as food and beverage management, and hotel/motel and resort management.

A number of these types of programmed are offered in this province; the Bay St. George Community College which is the most specialized, offers programmed in waiter/waitressing, cooking, baking, and hospitality management.

It is generally agreed, however, that the available programmed do not meet the needs of the tourism market. Food preparation programmed, for example, are geared towards institutions. Those that are geared towards the hospitality industry do not appear to distinguish between catering to local patrons as opposed to tourists. When catering to tourists, a focus on traditional foods, and specialty items such as wild game and seafood, as well as preparation and presentation, are of great importance.

Hospitality training programmed need to recognize the attractiveness of food and atmosphere as cultural expressions of the province.

Food and beverage marketing efforts must also be tailored to attract tourists. Students in the hospitality industry need a knowledge of tourism marketing and the structure of the tourism/travel trade. For example, including a restaurant or hotel in a tour package requires a knowledge of tour operating and wholesaling.

Training in the hospitality industry, therefore, needs to recognize the role that both accommodation and food and beverage establishments play in the tourism industry, with particular respect to developing attractive specialty dishes and atmosphere, as well as developing an effective marketing effort to attract potential tourists.

Tourist Services Training:

Ensuring good quality tourism also requires training in the 'tourist services sector', which raises a number of wholly different problems. This sector, includes in particular:[19]

the sale and distribution of tourist services (travel agencies, tour operators, reservation services)

- information and assistance for tourists at the destination (guides, hostesses, tour group leaders)

- public and semi-public tourism authorities (national and regional tourist offices, associations of tourist enterprises).

The tourist services sector, as compared to the hospitality sector, has a number of unique characteristics:

the tourist services sector, with regards to employment and manpower needs, is considerably smaller than the hospitality sector. Research into manpower needs carried out by the Vocational Training Branch of the International Labour Office shows that between two-thirds and three-quarters of total employment in the tourist industry is accounted for by the hotel/accommodation trade. This means that demand for training in the tourist services sector is smaller; training institutes are therefore smaller scale and are likely to be more difficult to operate on an economical basis.

- The tourist services sector comprises a large variety of tasks, functions and positions. There is a great difference, for example, between the abilities, practical knowledge, personal characteristics and motivations that a ticket clerk must have in a travel agency and those expected of a group tour leader working in the field. Very detailed, comprehensive and specific job descriptions are required as a reliable basis for the planning of training programs, qualification examinations and manpower requirement studies in the hospitality sector. In the tourist services sector, job descriptions of the quality found in the hospitality sector are still evolving and are far from being standardized.

- Unlike the hospitality sector, where posts and functions are clearly established and not likely to undergo considerable modifications and additions as time goes on, a significant evolution in the tourist services sector is still going on, with obvious implications for manpower requirements and training. In addition to the more 'traditional' posts and functions, new service features such as package tours, convention and conference tourism, incentive travel, new marketing techniques, and tourist facilities and services research and planning are gaining in importance and expanding, modifying the demand for training.

- In developing destinations, the emphasis in creating training facilities and programmed has been on the hospitality sector, where the demand for personnel is the strongest and most urgent. Increasingly, however, shortages have begun to appear in the tourist services sector.

  Technical and planning assistance in the field of training will increasingly be needed in the tourist services sector. Even though employment potential in this sector is smaller than in the hospitality sector, training is needed to provide a competitive advantage over other destinations.

Training Institutes and Training Programmed:

Excluding institutes that provide training for managerial, supervisory and subordinate staff (cooks, waiters, room-service personnel, etc.) in the hospitality sector, the following types of training institutes and programmed are suggested for labour force development for tourism by the International Union of Official Travel Organizations.

1. University level and post-graduate studies in tourism

   these are predominantly oriented towards a scientific and theoretical investigation of economic, social and environmental aspects of tourism.

although the training of senior executives for tourism enterprises and organizations has not traditionally been the objective of these institutions, more and more are placing greater emphasis on practical and management problems in tourism. Management training institutes are collaborating with other university departments, as it "is argued that the phenomenon of tourism must be studied from the standpoint of sociology, geography, ethnology, history and law, as well as from economics and business management.

2. Training for middle-grade managers, technical staff and supervisory staff in tourism enterprises and organizations

these programmed are usually of two to three years duration, providing a certain amount of specialization (e.g. tourism planning and development, tour development, marketing, tourism reception services such as tour guiding, hotel/resort management.)

language studies are usually a standard part of the programmed.

3. Training for clerical supporting and field staff

This third main group of training institutes and schools forms the base of the training pyramid. Among the training and subsequent employment options at this level, two main groups can be distinguished:

office staff in travel agencies, tourist organizations and associations, or carriers.

- field staff such as guides and hostesses, group tour managers (sometimes during the main tourist season only) travel agents, tour operators, carriers.

Another way to describe jobs and training areas at this level is to consider the distinction between office and field staff as secondary in importance and to classify them by function:

sales and information: advice to prospective travellers, travel planning, advertising, correspondence, selling;

travel operation: scheduling and reservations, ticketing and billing, statistics and control;

customer service: reception, transport, guiding, recreation/ sports instructors, official inspectors.

4. Supplementary training facilities

Supplementary training facilities provide opportunities for basic or advanced training in tourism to those already employed in the tourism industry, who wish to broaden their skills and qualifications, or those who intend to enter the tourism industry in the future.

Such supplementary training facilities should:

offer a wide variety of training courses ranging from basic training for specific jobs such as tourist guide, hostess, counter staff in travel agencies, etc., to advanced training in tourist marketing, management, research, and tourism planning and development;

rely heavily on correspondence courses and intensive seminars, of a relatively short duration, since both enable students to participate in further training without abandoning their present employment.

Supplementary training facilities can also be involved in organizing and conducting seminars, symposia, study-tours and colloquia for senior management and administrative personnel in tourist enterprises and organizations, thus providing opportunities for continuous training, retraining and discussions.

Conclusion

The importance of training in tourism is becoming recognized more and more. The tourism industry encompasses a wide diversity of functions and jobs, the majority of which exist in the hospitality sector where most training is focused. As a result, the tourist services sector, characteristically smaller than the hospitality sector, receives less attention for training programme development. Even though employment potential in this sector is smaller than the hospitality sector, training here is desirable, if only because a destination area with a developed and well-functioning tourist service sector will enjoy a marked competitive advantage over any other destination offering otherwise similar attractions and facilities but without the capacity to provide incoming (i.e. tourist-receiving) services. This will become more and more apparent as the trend towards increased packaged tourism continues.

The economic potential of investment in tourist facilities can be fully tapped only if they are matched by the necessary human investments. Although the need for training in the tourist services sector is not questioned as a general proposition, considerable and sustained effort is still needed before well defined, specific programmed of action, geared to actual needs, become a reality. There is still a wide gap, in other words, between the acceptance of training as a valid general proposition and the translation of this proposition into training programmed that meet specific needs.

Systematic investigation and inquiry are needed in the forecasting of manpower requirements based on realistic and comprehensive job descriptions; this is the first step in determining training objectives and programmed. Although considerable efforts have been made in this area, such as the Manpower Training Needs Study in 1980 of the Newfoundland hospitality sector, considerable work still remains to be done, particularly in the tourism services sector.

To develop a trained human resource base to meet the labour force demands of the tourism industry, it will be necessary to ensure that the appropriate training facilities are made available and that their programmed are made known to those potentially pursuing careers in tourism. After having identified the programmed that can be better offered elsewhere, they need to be identified and the appropriate trained manpower obtained through such programmed. For example, the discussion paper by the federal Minister of Tourism discussed the development of "Centres of Excellence" for training in tourism. Already large amounts of federal funds are being spent to further develop various colleges across the country specializing in regional tourism planning and development, marketing and marketing research.

A healthy tourism industry requires a well-trained tourism labour force; the location of training is secondary. Only in situations where the volume of students warrant, and where the available training resources exist or can be obtained cost-effectively, should training take place in the province. For the remaining programmed, the training and/or expertise may well be more cost-effectively obtained elsewhere. Out-of-province institutes need to be identified, and incentives provided to encourage students to seek the required training and then return to further develop the province's tourism industry.

c) Cultural Tourism

Cultural tourism, travel whereby people learn about each other's ways of life and thought, is a growing international trend and consequently was a major issue at the Tourism Conference held in Ottawa in the fall of 1985. This conference was held as a follow-up of public hearings held throughout the country by the federal Minister of Tourism for the purpose of developing a National Tourism Strategy.

In many countries tourism can be linked with a 'cultural relations' policy. It is used to promote not only knowledge and understanding but also a favorable image of the culture among foreigners in the travel market.

The tourism potential for culture has not been fully realized in Newfoundland. Although cultural assets are not accumulated specifically for tourists and, though most are not enough to draw non-resident visitors to the province by themselves, their overall importance to tourism is enormous. Initiatives to attract resident and non-resident tourists have rarely been undertaken in a co-ordinated fashion by cultural organizations, communities and government, though such an approach would optimize returns for the cultural sector and the tourism industry alike.

In each of the following areas of cultural expression, the province has unique resources which can add to the cultural tourism appeal of the province as a tourist destination area.

- art
- music and dance
- handicraft
- industry and business
- agriculture
- education
- literature and language
- science
- government
- religion
- food and drink
- history

The unique features of Newfoundland's and Labrador's cultural expressions need to become more keenly recognized and appreciated in their own right; for instance, being taught to school students to give them a greater awareness of what it means to be Newfoundlanders and Labradorians. In addition to this, the tourism potential for culture needs to be more widely recognized and reflected in tourism plant developments, packaging and promotional images.

Conclusion

Newfoundland has a rich supply of natural and cultural resources upon which to build an attractive tourism image. Because tourism development has the ability to both destroy and enhance natural and cultural resources, proper planning is required "to minimize negative environmental and socio-economic impacts and to maximize the positive.

Transportation weaknesses severely constrain tourism development: the Gulf ferry service, coastal boat restrictions, poor road conditions (particularly in rural areas). With respect to tourism 'superstructure', particularly food and beverage, accommodation, and attractions, a number of problems also persist. Few establishments in the province provide a sufficient menu of traditional dishes and seafood. There is a shortage of seasonal accommodations in some areas during the peak of the tourist season. Tourist attractions need to reflect the tourism image that the province's promotional effort is attempting to create - that of experiencing a unique culture and natural environment, and getting 'off the beaten track' and into rural communities. This image, however, appears to conflict with such developments as waterslide theme parks along the Trans-Canada and the lack of adequate road infrastructure providing access to rural communities that would enable tourists to 'get off the beaten track'.

With respect to the human resources required for tourism, the 1981 statistics indicate that 9.4% of the province's labour force are in occupations related to tourism. Employment in the hospitality sector of the tourism industry (i.e. food and beverage, and accommodation), comprises a large percentage of those employed in these tourism related occupations. Characteristically, these hospitality occupations are female dominated, largely seasonal and low paying. Considering that the largest proportion of occupations are in the hospitality sector, it is not surprising that education and training for tourism-related occupations are oriented toward developing skills such as waiter/waitressing, bartending, cooking, etc. There is a lack of training for occupations in the tourist services sector. The tourist services sector includes such skills as planning and development, marketing, marketing research, tour guiding, and conventions planning. Institutes providing these skills are emerging in other provinces> particularly in Ontario. It will be necessary to provide training in these aspects of tourism if the success of the province's tourism future is to be ensured.

Recommendations:

1. Newfoundland and Labrador needs to identify its unique cultural and natural resources, develop its tourism plant upon these resources, develop packages around the culture/nature theme and promote to markets to which this tourism product would appeal, mainly areas of concentrated urbanization and industrialization such as segments within the current U.S. market and the emerging international markets of Japan, Germany and others.

2. Because Newfoundland and Labrador has rich natural resources with potential to attract tourists (particularly if promoted to the emerging international markets), an integrated approach to the industry's development and to land-usage is necessary. This should include environmental protection and enhancement policies, to ensure conflicting demands on natural resources are resolved without unnecessarily undermining tourism potential.

3. Determining why the province's capture rate of motorcoach tours is currently so low and developing strategies to maximize market opportunities and to overcome current constraints should be a priority for tourism development.

4. Packages, particularly winter recreation 'experiences', could be developed to promote passenger use of the western Labrador railway.

5. For tourism to develop in those areas which have the potential to develop scenic/natural and cultural themes, the constraints due to road inaccessibility need to be recognized and measures taken to overcome these problems. Increased promotion encouraging visits to rural communities to experience Newfoundland hospitality and the unique culture and scenery, is an ineffective and counter-productive use of government funds without the improvement of the means to get there. Together, the Department of Transportation and the Department of Development and Tourism need to address this issue of inaccessibility to rural areas, including road signage. These areas have much potential to attract tourists and consequently much potential to generate and enhance local employment opportunities and contribute to the overall attractiveness of the province's tourism image.

6. On the basis that first and final impressions are the lasting ones, and that Port aux Basques is a major gateway to the province, it is important that a positive image be created 'at Port aux Basques. It is therefore recommended that this Commission support the recommendation of the Sullivan Commission for new improvements at the Port aux Basques terminal, to include improvements to the passenger waiting facilities.

7* Problems with CN ferries' reservation system must be resolved.

8. In the operation of the new CN Marine Gulf ferry, Caribou, every effort should be made to achieve a high quality cruise image such that travelers receive value for the money they spend.

9. It is recommended that the Commission support the St. John's Board of Trade's lobby efforts to increase ferry capacity at Argentia. This improvement could substantially help to increase the province's share of the motorcoach market as the need for a circular route through Newfoundland is an important consideration for tour operators and their clients.

10. Adequate reservation service for the St. Barbe/Blanc Sablon ferry connection should be provided to enable individual travelers and tour operators to reserve ferry space. The first-come-first-serve arrangement creates an unnecessary element of uncertainty in travel planning.

11. Because the coastal boat service is a unique feature of the province, it is recommended that CN Marine policy for passengers be reviewed and the tourism impact of encouraging the coastal ferry service to attract and cater to tourists be assessed.

12. With respect to the intra-island ferry service, particularly the Woody Point/Norris Point ferry, it is recommended that this form of transportation be recognized as having potential to be an integral part of the development of the province's tourism industry and hence be given due consideration in transportation policy.

13. The planning and development of tourism attractions, and recreational facilities and services that are the current responsibility of government departments other than the Department of Development and Tourism, such as restoration, municipal planning of recreational facilities and services, and policies restricting the potential private sector opportunities in provincial parks, need to be discussed amongst the appropriate government departments and co-ordinated tourism development planning efforts undertaken to avoid unnecessary detriment and/or maximum benefit to tourism development. The Department of Culture, Recreation and Youth, the Department of Municipal Affairs, and the Department of Development and Tourism each have a role to play in this regard.

14. The development of seasonal accommodations, such as outfitting camps and hospitality homes, should be further encouraged through appropriate incentives and regulations.

15. Newfoundland should investigate the benefits of and potentially design an accommodations grading system to provide an' incentive for establishment operators to improve the quality of accommodations in the province.

16. A programme should be developed which would encourage the provision of traditional dishes by restaurant owners. This should be aimed not only at establishment operators but also at food preparation training institutes to encourage a stronger training focus on catering to the tourism industry.

17. The federal and provincial departments responsible for tourism should keep and monitor employment and labour force statistics of industries related to tourism.

18. Training in the hospitality sector should give greater emphasis to catering to the tourism market, recognizing that the food and drink of a destination area are among its most important and visible cultural expressions.

19. The importance of training in the tourist services sector should be recognized and training needs identified. Because employment opportunities in this sector will be smaller than that of the hospitality sector, tourist services training programme development will need to be carefully planned.

20. Identifying and creating an awareness of career opportunities, institutes and programmed catering to tourism should be part of the province's tourism development effort, as well as providing incentives for obtaining the skills that these programmed offer: such as tourism planning and development skills, marketing and marketing research, tour package planning and conventions planning. Programmed such as tour guiding and hostessing programmed should also be developed and offered within the province to provide knowledge of the province's tourism resources: its unique cultural and physical features.

21. The unique features and talents of Newfoundland's and Labrador's cultural expressions need to be recognized and supported both in their own right and because of the tourism potential they contain.

Footnotes

1. Robert McIntosh, Tourism: Principles, Practices, Philosophies, Grid Publishing, Inc., United States, 1980, p. 7.

2. Ibid, p. 7.

3. Ibid, p. 8.

4. Thomas McMillan, Tourism Tomorrow, Ministry of State (Tourism), Government of Canada, 1985, p. 3.

5. Manuel Baud-Bevy, Tourism and Recreation Development: A Handbook of Physical Planning, The Architectural Press Ltd., Great Britain, 1977, p. 10.

6. John Murray, "Tour Packaging and Wholesaling", The Accommodation, June 1983, pp. 25-26; February, 1984, pp. 19-27; April 1984, pp. 11 and 20.

7. Elke Dettmer, "Suggestions Toward the Development of 'Soft' Tourism in Newfoundland", a Brief submitted to the Royal Commission on Employment and Unemployment, 1985, p. 2.

8. McMillan, p. 9.

9. McMillan, p. 9, p. 11.

10. Dettmer, "Suggestions".

11. Dettmer, "Suggestions**.

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