

How does the world affect tourism in British Columbia?

Phase 1 Discussion Paper





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Executive summary

The future of the tourism industry in BC is built on uncertainties. Recent events, such as the 2003 SARs outbreak & 9/11, show that many incidents, trends and issues are out of the industries direct control and even those things we can control can have uncertain outcomes. It is in response to these uncertainties that the tourism industry, led by the Council of Tourism Associations (COTA) initiated the project Foresight -Shaping and Sustaining a Vision for Tourism in BC”.

The project, which began in December 2005, is jointly funded by the Industry, the BC Government & Western Economic Diversification Canada the project will ultimately produce a plan for a sustainable tourism industry in BC. Before the production of this plan we must first identify how the world affects tourism in BC and how tourism in BC affects the rest of the world. The first phase of the project, examining how the world affects tourism in BC, is nearing completion.

The most critical element of our first phase research was the identification and review of existing strategic plans and strategies for the industry. It is the intention of the project, to use these existing plans and strategies that have been already been developed by sector specific associations, regional DMO's, the government and individual businesses, to produce an overarching plan for the industry. This project will look at existing documents as well as identifying gaps and synergies.

Through extensive on-line research, document reviews, industry workshops and personal interviews we have documented the most important influencers for the success of the tourism industry in BC. These influencers were taken into a two-day workshop in January 2006. The delegates at the workshop represented the tourism industry, forestry & other resource users, the BC government and a number of organizations such as VANOC and the Justice Institute of BC. Through a facilitated process the participants produced four possible futures for tourism in BC, each of which was possible depending on future events and the industry's development.



Both the scenarios and the influencers were presented at an interactive workshop during the 2006 Tourism Industry Conference in Penticton, BC. During this workshop delegates voted on the influencers that they felt were most important and the scenario that was most achievable.

After identifying these influencers and producing the scenarios, we made research-led assumptions on the possible impacts on the industry and identified threats and opportunities. These assumptions, threats and opportunities will be used to develop the objectives that will shape Foresight's results.

At this juncture of the project we are seeking your input. There are limitations on the use of the workshop results because there are large numbers of tourism operators that were not present or represented at either workshop. To rectify this we have produced this discussion paper, highlighting the results so far and asking for your feedback. In addition we have listed influencers, threats and opportunities and left space for you, the reader, to suggest industry level objectives that you can support.

Once we have received your feedback we will be producing a final version of this paper, including the industry level objectives. The next steps will be to identify indicators that will tell us if we are achieving our objectives. The results of this work and details on the next phase of the project will be presented through a series of regional workshops in the fall.

The final product of the project will be a long-term strategy for the industry, a sustainability policy and code of ethics and a set of tools for tourism operators, regardless of geographic region or sector.

Introduction



While the industry cannot control everything that affects tourism in BC, we can make well-informed decisions and we can operate in ways that make our long-term success more likely. This is the cornerstone of sustainability; finding out how we affect the world around us and how the world, in turn affects us, then creating a plan for the future that makes sure that not only are we successful today, but that future generations will have the resources to achieve their version of success.

The Foresight Project is industry driven and without your contribution we cannot be successful. The project does not plan to rewrite or overturn plans or strategies that already exist, both inside and outside of the tourism industry in BC. Instead we are trying to bring together those plans and strategies and provide the 'big picture'

During the first stage of the Foresight project we have been discovering how the world around us affects the success of tourism in BC. The first stage of this research – “How does the world affect tourism in BC?” is almost finished. The only remaining step in this stage is for you to review this paper and give us your feedback. Is our vision of the BC tourism industry in the future a vision you can share? Have we missed anything important? Should we be reviewing other plans and strategies?

We have also identified a small number of indicators that we will begin to monitor to give an overview of the industry. This will be supported by a larger number of indicators that will be identified as soon as we have agreed upon our objectives.

So, we invite you to join our discussion and contribute to this, the first stage in the development of an overarching plan for sustainable tourism in BC.

The Foresight Project and how you can be involved

The BC tourism industry was rocked in 2003 by a series of fateful events. Who could have predicted that forest fires, floods and the pine beetle would all have hit at the same time as SARS and BSE? In addition the US economy, increased security regulations, international security fears and the war in Iraq all took their toll with each of these elements, and many others, coming together to see overall tourism spending drop from \$9.2 billion in 2002, to \$8.9 billion 2003.

The Foresight project was developed to produce a sustainability plan for tourism in British Columbia. To support this plan we will also produce a set of tools that will support operators at all levels as they work towards a sustainable tourism industry in BC.

Foresight is a partnership project led by the Council of Tourism Associations (COTA). There are three funding partners; the tourism industry, the Ministry of Tourism, Sport and the Arts (MTSA) and Western Economic Diversification Canada (WED). The industry, MTSA and WED do not only support the project through funding, they have all taken part in the project from its first stages of development and have representatives on the Taskforce that steers the Foresight Project (Taskforce listing Appendix A). This is part of what makes Foresight unique; the way in which the industry is working together with government and the public to build a plan for the future.

Our fourth partner is you, someone who derives his or her livelihood from the tourism industry. At this foundational stage the project needs to be informed by your knowledge and experience as a tourism stakeholder. Our success in developing an effective plan is highly dependant on your participation. Therefore, throughout the discussion paper a number of questions will be posed. These questions are repeated in the workbook that accompanies this discussion paper.

To send us your answers to the questions in this document you can do one of four things:

1. Complete the electronic workbook that accompanies this discussion paper and e-mail it to: COTA_Foresight@BarnesandJeffreys.com
2. Print the workbook pages and fax them to the project manager at 604.922.0163
3. Print the workbook pages and mail them to the COTA office at:
1208 - 409 Granville Street, Vancouver, BC, V6C 1T2
4. Call the project manager at 604 922 0163 and talk us through your feedback

Of course, your contribution is not limited to answering our questions. We would like to hear whatever you have to say, so please take the time to contact us:

Tel: 604 922 0163 • Fax: 604 922 0163 • E-Mail: COTA_Foresight@BarnesandJeffreys.com

What we are trying to achieve

The future is always uncertain and we cannot control all that the future will bring, but through well thought-out plans we can ensure that we are prepared for the uncertainties.

A wide variety of individuals and organizations have a stake in tourism in BC. More than 117,500 people work directly in the province's 18,000 plus tourism businesses. When we include people who work in positions that are linked to tourism the number of tourism related jobs swells to 266,000. In 2005 tourism, BC's second largest industry was responsible for \$9.8 billion in tourism spending and we have a goal to double tourism by 2015.

Planning for the future of such a large and diverse industry is like a putting together a complex jigsaw puzzle. Each piece is different, each piece is important each has a specific place in the puzzle and the pieces must fit together to create the bigger picture.

In the tourism puzzle the industry holds many of the pieces. Each tourism sector, region and operator holds its own important piece. However, to make things more difficult, other industries, such as forestry and mining hold many pieces of their own. Throw in the pieces held by the four layers of government, Tourism BC, the communities in which we operate and a huge range of other influences and the puzzle becomes really complex! Each of these pieces may have a plan or strategy of their own, but at the moment nobody has put together the entire picture – the one that shows how all of the pieces fit together and what they will look like. Foresight has set out to address this need to see, and in many ways shape, a vision of the bigger picture - to solve the puzzle.

Foresight will study the leading practices from around the province and around the world and assemble a body of research that can benefit industry, government and the world of education. It will build a code of ethics and a sustainability policy that everyone with a stake in the industry's success can support. When Foresight is completed in 2007, it will have developed an over-arching plan for the success of tourism in BC that embraces all existing plans and strategies, from both inside and outside the tourism industry; a plan that brings the pieces together in a way that will ensure not only our success, but the success of our children, our grandchildren and all of the following generations to whom we are obligated.

So far, to help put together the puzzle, we have researched the things that have a major effect on tourism (we have called these "influencers") and a group of over 30 leaders from tourism, government and other industries has come together in a workshop to predict how the tourism picture in BC could look in the future (we have called these pictures "scenarios").

Both of these sets of information were presented in a workshop at the BC Tourism Industry Conference in February 2006. The delegates in the workshop were given the chance to vote on what they felt were important influencers and which scenario they would like to see in the future.



How we would like the future to look

When planning for the future we have to be very clear about what where we want to be or we may not get there. At the BC Tourism Industry Conference in 2001 a 'vision' for tourism in BC was written. This vision is:

"British Columbia is recognized internationally as a year-round tourism destination that provides exceptional "Super, Natural" experiences in outstanding natural, cultural and urban settings"

This vision describes a very big picture "end state" . When we start to look at the next level of detail we need to think about how we can get to our vision sustainably – to develop "sustainable tourism" .

Many people use words and phrases like 'sustainable', 'sustainability' & 'sustainable tourism' and it is not always clear what they mean. Each word or phrase can mean different things to different people. When we talk about sustainable tourism we are using the definition developed by the Tourism Industry Association of Canada and Parks Canada:

"Sustainable tourism actively fosters appreciation and stewardship of the natural, cultural and historic resources and special places by local residents, the tourism industry, governments and visitors. It is tourism which is viable over the long term because it results in a net benefit for the social, economic, natural and cultural environments of the area in which it takes place."

So we know that we want BC to be recognized internationally as a year-round destination. We know that we want to provide "Super, Natural" experiences in outstanding natural, cultural and urban settings. We want to do this in a way that the industry, governments and visitors value and respect the social, economic, natural and cultural environments. And we want to ensure that there is a long term benefit to society, the economy, the natural environment and the cultural environment. But what will be happening in the world, both inside and outside of tourism, while we make this happen?

The issues & trends that could shape our future

Influencers

We have identified many of the issues and trends that will affect tourism as the future unfolds and we have called these “influencers”. Following the research we were left with a list of forty influencers. Each of these influencers raises uncertainties, both positive and negative, and identifying these uncertainties is a critical step in putting together our plan for the future of tourism in BC.

A full report on the influencers (called drivers in the report), how we chose them and what they could mean for the industry can be found on the COTA website at <http://www.cotabc.com/sustainability/#Updates> or you can contact us for a copy.

Scenarios

In our scenario planning workshop, in January 2006, Participants reviewed the influencers and over the course of the workshop created four different scenarios for how the future might unfold. They did this by grouping the influencers into two different areas of uncertainty. These two uncertainties included: the quality of the visitor experience (which could range from positive to negative); and, the stability of the environment in which tourism operates (from predictable to volatile). These two uncertainties formed intersecting axis on a plane which defined four different quadrants (diagram 1). In each of the quadrants the participants created a scenario story.



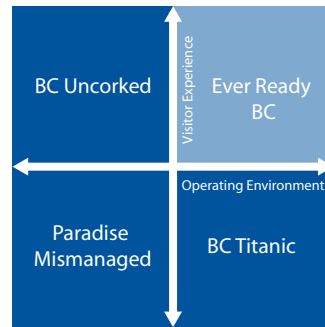
Diagram 1

Positive Visitor Experience

- Diverse, affordable range of products
- Information easy to access
- Accessibility to destination
- Unique quality experience
- Tailored to preference
- Ease of communication (language option)
- Flexible and responsive
- Feeling of security / safety
- Sustainable
- BC brand distinctive, attractive, meets and exceeds expectations
- Hospitable

Predictable Operating Environment

- Price stability
- Meets customer expectations
- Quality "guaranteed" carrying capacity
- Labour supply stable
- Visitor well served
- BC reputation as destination growing
- Confidence in the product
- Room for growth for experience diversity
- Range of selection
- Infrastructure (hotels, roads, bridges)



Volatile Operating Environment

Environment

- Rampant deforestation
- Historical weather patterns change, no snow in mountains, no fish, wild fires / floods

Social / Cultural

- Pandemic flu strikes, high fear, borders close
- Labour issues, cultural alienation / fragmentation, prejudice / intolerance / ignorance
- High crime / poverty

Economic

- Community economic development challenges, recession, oil / resources costs / scarcity
- Shifting economic power, affordability challenged high taxation
- Massive technical failures

Negative Visitor Experience

- Hidden fees
- Expensive / unaffordable
- Inconvenient information and physical access
- Typical / unoriginal experience
- Poor service / unfriendly tourism staff
- Unfriendly locals
- Similar products offered elsewhere
- Difficult navigation to province and within province
- One size fits all products
- Communication problems
- Feelings of insecurity (crime, health, homeless, communities)

The stories that resulted had the following titles:

- **BC Uncorked** – A positive visitor experience in a predictable operating environment
- **Every Ready BC** – A positive visitor experience in an uncertain operating environment
- **BC Titanic** - A negative visitor experience in an uncertain operating environment
- **Paradise Mismanaged** – A negative visitor experience in a predictable operating environment

BC Uncorked

In this best case scenario, the tourism industry in British Columbia is expected to flourish in an environment of supportive government, predictable operating environments, and increasing collaboration and cooperation among operators. Increased interest and funding from provincial and federal governments enables partnerships in the industry, creating in turn an environment of innovation, creative change, and shared effort to maximize the returns from the Olympic bid. This will further contribute towards a strong and vibrant tourism sector for years to come. Planning for challenges such as the skills shortages (a shrinking labour force) and the need for industry diversification is coordinated, resulting in positive change, a successful Games and a positive experience for travelers.

Ever Ready BC

In this second case scenario, while there is also increasing coordination and support across the industry, external forces impact negatively on the tourism operating environment. Increasingly the impact of climate change is felt locally in diminished snow packs and events such as the pine beetle infestation. These changes motivate the industry and government to work together through cross-sector planning which supports a robust tourism sector. Land use decisions (including native land claim settlements) begin to meaningfully incorporate the potentials of tourism, and operators build creative partnerships to meet the challenges of a changing natural and social landscape. Strategies to cope with challenges such as labour shortages, as well as comprehensive disaster recovery planning for the province, support a growing industry. Tourism continues to flourish despite a less stable environment.

BC Titanic

As implied by the name, in this worst-case scenario faulty planning is compounded by a series of external shocks (such as a brief outbreak of Avian flu) leading to a collapse of the industry. Ineffective leadership, poor coordination, and a lack of vision for the future lead to declining viability for the industry, and visitor experiences reflect this reality. Poor responses to these external shocks tarnish the image of BC internationally, and insurance rates sky rocket. Poor planning for the Olympic Games has catastrophic implications for the industry, ultimately resulting in a highly-visible failure for tourism in British Columbia. Visitors begin to avoid the province as a destination and the revenues from tourism plummet. This vicious cycle increasingly undermines the sustainability of the industry, and government interests turn elsewhere.

Paradise Mismanaged

In this scenario poor management, lack of coordination, and the absence of a coherent vision for the future drive a swift decline in the industry, ultimately resulting in a precarious position for tourism in British Columbia. Failure to engage the public and communities in the Games and an overriding focus on the economic bottom line (at the expense of social and environmental considerations) reflects a silo mentality which supports financial returns but little in the way of sustainable growth for local communities from the Games. At the same time, increasing United States and Canada tensions impact local attitudes, and Americans increasingly feel unwelcome in British Columbia. Unrealized community benefits result in diminished public support for the Olympics and tourism, and intrusive security measures along with a general lack of hospitality lead to 2010 being dubbed "The No Fun Games". Government and public support for a fragmented and uncoordinated industry wanes, and British Columbia is increasingly perceived as an expensive and unattractive destination. The industry is left disconnected and demoralized.

The full scenario stories and the details of the scenario process we used, along with the final report, can be found at: www.COTABC.com/sustainability or you can contact us for a copy.

OUR QUESTIONS TO YOU

- **All four scenarios were presented at the BC Tourism Industry Conference, 2006. "Ever Ready BC" was chosen as the most likely scenario. Do you agree?**
- **If you could change the way the tourism industry operates in the future to make it more sustainable, what would be the top five changes that you would make?**

Our assumptions about the issues and trends

Dealing with over forty influencers proved to be unwieldy so, with the support of the Taskforce we arranged the influencers into groups under the headings of Visitor Experience and Operating Environment. The influencers can be found in the accompanying workbook and in the chart in appendix C. We ask that you go to the workbook and answer the following questions.

OUR QUESTIONS TO YOU

- **Of the influencers listed, what do you see as being the most important/having the greatest influence on the success and sustainability of the tourism industry in British Columbia?**
- **Which would you see as being most influential for the sustainability of your business?**

Once this grouping took place we listed all of the things that we assume through our research and experience, could happen. For example:

Influencer	Assumptions for the Future
<p>Emerging and diminishing markets, and increasing global competition for markets</p>	<p>Asia Pacific markets: China and India are both experiencing a period of rapid economic growth, which will likely lead to an increased ability for the citizens of both countries to travel; the potential of Canada achieving Approved Destination Status with China, will allow Chinese leisure visitors to obtain visas to visit Canada; Australia and New Zealand continue to be attracted to BC's unique geography; Competition for these markets continues to be fierce US Market: BC has been experiencing declines in US visitation, due to many contributing factors, including rising gas prices, the strong Canadian dollar, misunderstanding of the current passport requirements and tightened security at the border. Competition from other jurisdictions and the necessity to hold a passport to travel outside of the US from 2007, will continue to erode the US market for BC</p>

We then identified the threats and opportunities for each assumption. For example:

Influencer	Assumptions for the Future	Opportunities	Threats
Emerging and diminishing markets, and Increasing global competition for markets	Asia Pacific markets: China and India are both experiencing a period of rapid economic growth, which will likely lead to an increased ability for the citizens of both countries to travel; the potential of Canada achieving Approved Destination Status with China, will allow Chinese leisure visitors to obtain visas to visit Canada; Australia and New Zealand continue to be attracted to BC's unique geography; competition for these markets continues to be fierce	There are significant family ties for many Chinese and Indians to Canada through a long history of immigration, therefore BC is well placed to target services and advertising to this market; Increased knowledge and acceptance of AP cultural values in the general population; growth of VFR market; the potential to develop outdoor and wilderness product to match the travel motivations of South Pacific clientele	ADS could significantly increase the volume of visitors visiting BC, bringing concerns of capacity, crowding and impact on the environment. Long-haul travel implies greater reliance on air travel; overdevelopment of the wilderness product will destroy it; increased marketing efforts and resources will be necessary to overcome global competition, particularly as the CDN dollar remains low against foreign currencies
	US Market: BC has been experiencing declines in US visitation, due to many contributing factors, including rising gas prices, the strong Canadian dollar, misunderstanding of the current passport requirements and tightened security at the border; competition from other jurisdictions and the necessity to hold a passport to travel outside of the US from 2007, will continue to erode the US market for BC	To identify new high-yield markets and pursue them; incentives targeted at the US market (discounts for certain activities, attractions and events)	Decrease in revenue from this market; as the US is a high-yield market, BC will be challenged to replace it; first hand knowledge of Canada and Canadians by Americans will be eroded, affecting political relations and direct cultural exchange

OUR QUESTIONS TO YOU

In the accompanying workbook we have included a chart (which can also be found in appendix C of this discussion paper) which lists all of the influencers and assumptions as well as the threats and opportunities associated with each. We ask that you go to the workbook and answer the following questions.

- Reading all of the statements, in the column entitled "assumptions for the future" are there any that you disagree with? Please identify the assumption and explain why.
- Are there any assumptions that we have missed? Please identify the influencer that the assumption is associated with and tell us the missed assumption.

The next step- objectives

The next step is to create high level objectives for the future of the industry as our next step in the process. An objective is an overall goal that the industry will set out to achieve. So, using the previous example these high level objectives may look like this:

Influencer	Assumptions for the Future	Opportunities	Threats	High Level Objectives
<p>Emerging and diminishing markets, and increasing global competition for markets</p>	<p>Asia Pacific markets: China and India are both experiencing a period of rapid economic growth, which will likely lead to an increased ability for the citizens of both countries to travel; the potential of Canada achieving Approved Destination Status with China, will allow Chinese leisure visitors to obtain visas to visit Canada; Australia and New Zealand continue to be attracted to BC's unique geography; competition for these markets continues to be fierce</p>	<p>There are significant family ties for many Chinese and Indians to Canada through a long history of immigration, therefore BC is well placed to target services and advertising to this market; Increased knowledge and acceptance of AP cultural values in the general population; growth of VFR market; the potential to develop outdoor and wilderness product to match the travel motivations of South Pacific clientele</p>	<p>ADS could significantly increase the volume of visitors visiting BC, bringing concerns of capacity, crowding and impact on the environment; long-haul travel implies greater reliance on air travel; overdevelopment of the wilderness product will destroy it; increased marketing efforts and resources will be necessary to overcome global competition, particularly as the CDN dollar remains low against foreign currencies.</p>	<p>BC will become a favored destination for Asia Pacific travelers</p>
	<p>US Market: BC has been experiencing declines in US visitation, due to many contributing factors, including rising gas prices, the strong Canadian dollar, misunderstanding of the current passport requirements and tightened security at the border; competition from other jurisdictions and the necessity to hold a passport to travel outside of the US from 2007, will continue to erode the US market for BC; misunderstanding of the current passport requirements and tightened security at the border; competition from other jurisdictions and the necessity to hold a passport to travel outside of the US from 2007, will continue to erode the US market for BC</p>	<p>To identify new high-yield markets and pursue them; incentives targeted at the US market (discounts for certain activities, attractions and events)</p>	<p>Decrease in revenue from this market; as the US is a high-yield market, BC will be challenged to replace it; first hand knowledge of Canada and Canadians by Americans will be eroded, affecting political relations and direct cultural exchange</p>	<p>BC will create appropriate strategies to encourage increased US visitation</p>

Objectives are meant to help us reach our goal of a sustainable tourism industry in BC. We may already be on our way to achieving many of these objectives. Some of them may be fairly simple to address and some of them may be very complicated. Within each objective there may be many steps along the way but each one is written as a small piece of our tourism tale. When they are brought together they will form the first chapters of the sustainable BC tourism story.

We started to write the objectives with the intention of asking your opinion when we had finished and then making any changes. However, during discussion we felt that it would be more effective to have you suggest objectives and for us to bring together all of the suggestions.

Next steps - layers of objectives

When identifying the next layers of objectives we will be thinking of the following:

1. As Foresight intends to develop an 'overview plan' within the context of existing plans, many of the objectives and the indicators that support them will be from the existing plans and strategies developed by other organizations.
2. The objectives will be written to reflect the way we would like tourism in BC to be in the future – our "Desired Future State"
3. The objectives are for the industry as a whole and at this level are not intended to be for operators. Operators are the best people to set their objectives. We can provide suggestions or guidance, but will not impose goals.
4. The objectives will be gathered from many sources, but we do not claim to have found every relevant objective from every existing plan that has an influence on tourism in BC. Instead we have focused on advice, plans and strategies that have been developed by COTA members, our funding partners and members of the Taskforce.
5. In many cases the objectives will fall against a number of different influencers. In these cases we will place it where it makes the 'best fit'. This does not mean that this will be the only influencer we need to think about when planning for that objective.
6. We have placed the influencers into groups of similar influencers. Again, many of the influencers could fit into a number of different sets.
7. Some of the objectives will be to investigate an influencer. This will not be a final step. The information we obtain will lead to a second objective -depending on what we learn.
8. You can assume that, when we talk about objectives, we are thinking about them in a sustainable way. For example, if we talk about community economic growth we mean economic growth that will not adversely affect the community's natural cultural or social environments.



The layers of objectives are important. An operator by themselves cannot be responsible for making BC a favored destination for Asia Pacific travelers, but without the operators support the industry as a whole cannot achieve this. As a result, the layers of objectives might look something like this:



NOTE: The objectives in this diagram are examples only, used to show how the layers of objectives work, they are not meant to be adopted.



Next steps - performance indicators

Once we receive your input and have identified our objectives we will need to monitor our progress. To know if we are meeting our objectives and to see how we measure-up to other industries, other sectors and tourism in other parts of the world, we will use performance indicators, targets, and benchmarks.

A performance indicator is a unit used to measure your performance. Performance indicators allow the industry to:

- See whether activities are effective
- Weigh performance against industries targets as well as against benchmarks
- Compare performance across different regions or different sectors
- Monitor trends over time and identify potential problems before they occur
- Communicate achievements to stakeholders

Choosing performance indicators can be quite simple once you have developed your objectives, but we have to make sure that they are:

- Quantifiable
- Similar to standard indicators which may be used by regulators or other organizations to aid benchmarking
- A direct measure of performance

They must be normalized and not absolute – for example “Revenue generated by tourism as a percentage of community revenue” instead of “revenue generated by tourism” There may be many performance indicators for a single objective.

A target is a detailed performance goal that comes from an objective. It can be measured and where possible it will have a deadline. Targets can be considered as stages on the way to achieving objectives.

A benchmark is an accepted standard against which other standards of performance may be measured.

There will be many performance indicators that we will want to monitor either directly or through other plans and strategies. Our draft list of performance indicators will be published on the COTA website and will also be available on hard copy from the contacts listed at the beginning of this paper. This list will be produced and made available once we have agreement on the industry objectives.

Where we go from here

Up until now the project has been successful in producing its deliverables in the timeframes set out in our project plan. We intend to maintain his success with these, our next steps:

- Once we have received your feedback we will review this discussion paper, the influencers we are addressing, the desired future state of the industry and the objectives that are suggested. Your thoughts and opinions will be included in this reviewed version to produce the first Foresight research paper.
- Following this, we will be establishing wide ranging performance indicators and benchmarking protocols so we can begin to see how we measure against other industries and other tourism regions. Then we will be able to set targets so that we can monitor our progress as we travel towards sustainability. Once these are available we will be publishing the data on our website, providing a 'one stop shop' for data on sustainable tourism in BC.
- We recognize that the tourism industry in BC should have a single, focused policy for sustainability. However we feel that there are a number of very good policies already in existence. We propose to review the Tourism Industry Association of Canada (TIAC) Sustainability Policy & Code of Ethics and then make a recommendation to the industry in BC to either adopt the policy and code of ethics as they are now or to adopt them with few changes.
- While this is happening, we will also be researching reward and recognition programs from around the world looking at leading tourism operators, organizations and regions and finding out what makes them successful. We will be looking for programs that could be adopted by tourism in BC or adapted to suit tourism's needs. Developing such a program will help us to monitor the sustainability of the tourism industry in BC but it will also help operators demonstrate to prospective clients, their commitment and the practical steps they have taken. The results of all of these pieces of research will be published, along with recommendations for the next steps, in a second discussion paper in fall 2006.
- In the fall of 2006 COTA will host a number of regional workshops. At these workshops you will have the opportunity to find out more about the project in general and to comment on our proposals for the next steps.
- This will bring us to our most exciting step. When we have established the objectives and targets that the industry feels will support our sustainability story, we will be able to put together a set of tools at the operator level to support individual operations as they work towards sustainable practices. This set of tools will have elements that will be suitable for all operators, whatever their size, sector or geographic location.

OUR QUESTIONS TO YOU

- **Are there any strategic plans or strategies that we have missed?**
- **Learning from leading initiatives in BC and around the world, if a program were to be established in British Columbia to advance the adoption of principles of sustainability and practices by tourism operators, what should it provide to you in the way of education and awareness building, certification, and/or recognition and rewards?**

We would like to close by thanking you for taking the time to read our discussion paper and to ask you again to take the time to contribute to this important project.

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Appendix A

COTA Foresight taskforce members

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Rick Antonson, President / CEO, Tourism Vancouver

Brenda Baptiste, President, Aboriginal Tourism BC

Graeme Benn, Regional Director Sales & Marketing, Fairmont Hotels Pacific Northwest Region

Gord Burns, Owner/Operator, Mountain Magic Ventures

Dave Butler, Director of Land Resources, Canadian Mountain Holidays

James Chase, Chief Executive Officer, BC & Yukon Hotels Association

Lee Davis, CEO, VanCity Capital

Linda Coady, Vice President Sustainability, Vancouver 2010 Organizing Committee

Geoff Dickson, Vice President Marketing & Retail Services, BC Ferries

Dave Donaldson, Member of COTA board

John Nightingale, Director, Vancouver Aquarium

Helen Glavinic, Senior Business Officer, West Economic Diversification

Terry Hood, Executive Director, BC Centre for Leadership & Innovation in Tourism

Sydney Johnsen, Graduate Student, School of Resource & Environmental Management

Stuart McLaughlin, President, Grouse Mountain & Kicking Horse Mountain Resorts

Don Monsour, Past President, Council of Tourism Associations of BC

Beverley O'Neil, President, O'Neil Marketing & Consulting (Aboriginal Tourism)

Richard Porges, Chief Economist, Tourism BC

Ian Robertson, Director Sustainable Development, Rocky Mountaineer Vacations

Deane Strongitharm, Vice President, Council of Tourism Associations of BC

Tina Symco, Vancouver 2010 Organizing Committee

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Appendix B
COTA members



Council of Tourism Associations
VOICE OF THE BC TOURISM INDUSTRY

Associations

Aboriginal Tourism British Columbia
BC Agritourism Initiative
BC Centre for Leadership and Innovation in Hospitality
BC Centre for Tourism Leadership and Innovation
British Columbia and Yukon Hotels Association
British Columbia Fishing Resort and Outfitters Association
British Columbia Golf Association
British Columbia Guest Association
British Columbia Lodging and Campgrounds Association
British Columbia Restaurant and Foodservices Association
Canada West Ski Areas Association
Cariboo Chilcotin Coast Tourism Association
Cruise BC
go2
Guide Outfitters Association of British Columbia
Helicat Canada Association
Japan Canada Tourism Association (JACATA)
Kootenay Rockies Tourism Association
Northern BC Tourism Association
Northern Rockies Alaska Highway Tourism Association
Penticton Wine Country Chamber of Commerce
Sport Fishing Institute of BC
Terrace Tourism Society
Thompson Okanagan Tourism Association
Tourism Abbotsford Society
Tourism Coquitlam
Tourism Kamloops
Tourism Kelowna
Tourism Prince George
Tourism Prince Rupert
Tourism Richmond
Tourism Vancouver
Tourism Vancouver Island
TourismVictoria
Tourism Whistler
Vancouver Hotel General Managers Association
Vancouver, Coast & Mountains Tourism Region
West Chilcotin Tourism Association
Western Canada B&B Innkeepers Association
Wilderness Tourism Association

Business

Accent Inns
Ainsworth Hotsprings Resort
BC Ferries
British Columbia Pavilion Corporation
Butchart Gardens, The
Canadian Mountain Holidays
Capilano Suspension Bridge and Park
Charter Bus Lines of British Columbia
Grant Thornton International
Harbour Air Seaplanes
Oak Bay Marine Group
Pacific Coastal Airline
Pacific Newspaper Group
Royal BC Museum
St. Eugene Mission Resort & Golf Course
Vancouver International Airport Authority
West Coast Air
Whistler Blackcomb

Appendix C
Influencers and assumptions chart

Quality of the Visitor Experience				
Influencers	Assumptions for the Future	Opportunities	Threats	High Level Objectives
1. Emerging and diminishing markets, and increasing global competition for markets	Asia Pacific markets: China and India are both experiencing a period of rapid economic growth, which will likely lead to an increased ability for the citizens of both countries to travel; the potential of Canada achieving Approved Destination Status with China, will allow Chinese leisure visitors to obtain visas to visit Canada; Australia and New Zealand continue to be attracted to BC's unique geography; Competition for these markets continues to be fierce	There are significant family ties for many Chinese and Indians to Canada through a long history of immigration, therefore BC is well placed to target services and advertising to this market; Increased knowledge and acceptance of AP cultural values in the general population; growth of VFR market; the potential to develop outdoor and wilderness product to match the travel motivations of South Pacific clientele	ADS could significantly increase the volume of visitors visiting BC, bringing concerns of capacity, crowding and impact on the environment. Long-haul travel implies greater reliance on air travel; overdevelopment of the wilderness product will destroy it; increased marketing efforts and resources will be necessary to overcome global competition, particularly as the CDN dollar remains low against foreign currencies	
	US Market: BC has been experiencing declines in US visitation, due to many contributing factors, including rising gas prices, the strong Canadian dollar, misunderstanding of the current passport requirements and tightened security at the border. Competition from other jurisdictions and the necessity to hold a passport to travel outside of the US from 2007, will continue to erode the US market for BC	To identify new high-yield markets and pursue them; incentives targeted at the US market (discounts for certain activities, attractions and events)	Decrease in revenue from this market; as the US is a high-yield market, BC will be challenged to replace it; first hand knowledge of Canada and Canadians by Americans will be eroded, affecting political relations and direct cultural exchange	
	BC will experience a loss in some of its high spending markets	To identify new high yield markets	Potential increase in volume of visitors as tourism attempts to increase revenue from lower spending markets, placing more pressure on carrying capacity	

Quality of the Visitor Experience

Influencers	Assumptions for the Future	Opportunities	Threats	High Level Objectives
2. The changing nature of the traveler and shifting travel values	The growth of business travel by air is increasing the demand for higher-end products in the air services industry	Expanded facilities in some communities will attract meeting planners, particularly lower mainland; increase in US visitation as this is the largest MICE market	Lost opportunities if BC is not promoted to this "captured" high-yield audience for return visits	
	World demand is expanding for niche products: cuisine tourism, aboriginal tourism, health/spa tourism, agri-tourism, arts tourism, heritage tourism	BC can develop new or upgraded products to match the world's tastes	BC does not have market research available to identify niche travelers and match to product; or, the research is not readily available to the industry	
	Fully Independent Travellers: An increasing number of travelers create their own travel itineraries using the internet; the ability to shop around leads to greater price sensitivity and demand for value added; the growth of last minute specials and other trends has led to shorter lead times in booking.	Savings passed on to the consumer; greater opportunity for marketing last minute deals; operators can create value added packages in cooperation with others	FIT travel could become the only option for leisure travelers due to the re-focus of travel agents on business travel; shorter lead times hinder planning and cost projecting; lack of planning makes it hard to attract investment; decision to travel based on price rather than quality of product; traveller more sensitive to cost barriers such as passports, tickets, fuel surcharges, taxes; operations with little or no IT in the collective skill set will suffer from competition	

Quality of the Visitor Experience

Influencers	Assumptions for the Future	Opportunities	Threats	High Level Objectives
2. The changing nature of the traveler and shifting travel values	There is an increased concern for security in BC's key markets	To develop and promote Canada as safe by working with law enforcement community	BC's reputation as a safe destination is eroded by media coverage of crime and disaster; Visitors may not want the hassle of traveling to foreign soils; US citizens reluctant to leave US	
	The aging population in the US and Canada is increasing demand for 'comfort' and 'passive' experiences	Product development in cultural tourism, and other niche product sectors	Increased infrastructure and comfort mechanisms may increase drain on environment	
	Based on the experiences of SARs in 2003, travelers will not go to places that have threat of infectious diseases. It is predicted that a world flu epidemic will occur in the near future	To promote the excellence of the Canadian health system and disease control centres	If improperly handled, an outbreak in BC will devastate the BC tourism industry and affect the rest of Canada; outbreaks in the rest of Canada will have impacts on long-haul and trans-border travel to BC	
	International travel is increasing	Long-haul travelers are higher yield - stay longer, spend more; BC's primarily Asian immigrant population will attract VFR clientele; increased export dollars for BC; First class YVR and Canada Line will attract more travelers to pass through Vancouver; the introduction of Fifth Freedom Rights to Can/US open skies policy will attract more foreign carriers	Airplanes are a significant contributor to greenhouse gases (SOURCE?); lack of open skies policies will hamper growth of air travel	

Quality of the Visitor Experience

Influencers	Assumptions for the Future	Opportunities	Threats	High Level Objectives
3. The availability of marketing resources to retain markets and attract new ones	Changes in government policy around the Hotel Tax Act make more resources available to resort communities, municipalities and to the provincial marketing body (TBC)	Increased reach of marketing programs to capture new markets; tourism operators collaborate with unique offerings	If business plans are lacking, resources could be squandered; potential conflict between resource-rich DMO's and neighbours; hotel room prices escalate due to pressure from municipalities to capture increased tax dollars for capital projects	
	Hotel Tax as a source of funding is good when the industry is thriving, lacking when the industry is not; this also has regional ramifications, as the regions/cities who are having good years will have more \$\$ to spend on marketing when those that are struggling will have less		Government policy prohibits deficit budgeting for Tourism BC; if funds are not set aside in times of prosperity, less funds are available when the need for increased marketing is greatest; BC marketing targeted at 'low hanging fruit' in years when the hotel tax is not paying great dividends - potential visitors who have already visited BC; limited ability to attract new markets when traditional markets fall away; inconsistent marketing programs between good and bad years, should revenues fluctuate	

Quality of the Visitor Experience

Influencers	Assumptions for the Future	Opportunities	Threats	High Level Objectives
4. The perception of BC as a destination	Media reports of negative events (crime, disasters, changes in gov't policy) affect world markets	To provide media with good news story ideas and content	Depending on the issue, certain markets will avoid BC	
	BC is perceived as a place of natural beauty that respects and conserves its natural resources and wild places and encourages sustainable practices	Attraction of eco-respectful markets; eco-tourism products increase in BC; BC has a unique asset for marketing	Conflicts with subtractive resource industries could increase as tourism protects its image; BC loses its reputation for beauty through reports of conflict between environmental community and resource extraction community	
	BC is appreciated as a destination with unique niche products	If products anticipate world tastes correctly, BC could become well-known for them	BC's products lack investment to ensure that they meet global consumer demands	

Quality of the Visitor Experience

Influencers	Assumptions for the Future	Opportunities	Threats	High Level Objectives
5. Visitors' experience of the BC product	There is global demand for some product sectors over others (city stays, alpine skiing/snowboarding, cuisine tourism, wildlife consumption and viewing, golf, agri-tourism, aboriginal tourism, MICE)	The province of BC ensures that on-going market research to assist tourism operators in developing the right products are available	Products do not change to meet changing global demand	
	Vancouver currently receives 76% of the cruise market in Canada but is seeing increasing competition from Seattle	Increased tourism revenue through the capitalisation of this market	Fluctuating boom-bust cycle of business particularly relevant for smaller communities	
	There is a growing aboriginal cultural tourism market.	Increased aboriginal employment and entrepreneurship	Potential negative impacts on the natural environment due to infrastructure development	
		New opportunities for partnerships with Aboriginal communities for cultural tourism	Possible erosion of cultural integrity through unregulated cultural offerings	
		Increased exposure and government support for aboriginal-led businesses	Use of aboriginal culture for economic advantage by non-aboriginal parties	
	There is an over-saturation of product in some areas and in other areas, products are undersupplied to assist the growth of tourism	Where the environment is suitable, communities and/or regions have tourism development plans; partnerships between regions, communities and individual operators can build on the unique strengths of all	Tourism development is slowed or non-existent due to lack of local government support or enabling; Products compete for a limited clientele and several bankruptcies occur as the survival of the fittest	

Stability of the Operating Environment

Influencers	Assumptions for the Future	Opportunities	Threats	High Level Objectives
6. The 2010 Winter Olympic Games	By highlighting BC as a desirable destination, the games will significantly increase the number and yield of tourists visiting BC	The initial draw being Vancouver, opportunities exist to promote the rest of BC from this gateway city; this leads to more economic benefit for BC's rural areas and smaller communities; The Games act as a catalyst to BC doubling tourism revenue to the province by 2015	Without a plan in place to address environmental and social impact of increased visitation, BC could face lawsuits by environmental groups; BC's natural beauty and quality of life will suffer; BC's tourism industry fails to take advantage of the Olympic opportunity and declines post Olympics	
	BC's tourism businesses will have increased business opportunities before, during and after the games	BC shines through promotion and use of indigenous tourism products	BC businesses are edged out of the opportunity through grandfathered contracts, etc.	
	BC is appreciated as a destination with unique niche products	If products anticipate world tastes correctly, BC could become well-known for them	BC's products lack investment to ensure that they meet global consumer demands	
7. Increased use of technology	Technology is being increasingly used to accommodate long-distance meetings	Opportunities emerge for smaller operators to reach international markets through the use of long-distance education	BC's MICE market suffers as it cannot attract long-haul traffic; business travel - the bread basket of airline travel - reduced, in turn prices for leisure	
	Potential travellers are adept at accessing information via the Internet; Travellers are becoming more familiar with their travel options through technology	Internet marketing strategies become ever more creative and innovative as BC hones its IT skills	Tourism businesses suffer as they are unable to keep up with technological change	

Stability of the Operating Environment

Influencers	Assumptions for the Future	Opportunities	Threats	High Level Objectives
8. Changing workforce and community relations	There is a shrinking workforce due to fewer Canadian young people (16 - 24) entering and staying in tourism	Older/transitional workers are interested in working in the tourism industry; opportunities exist to provide good jobs to citizens of third world countries by extending the foreign workers program; demographics of the aboriginal population support more aboriginal jobs in tourism	Loss of service, ultimately business closures, particularly in the hospitality industry, seasonal businesses and rural areas	
	Tourism operators are experiencing skill shortages, particularly in rural areas due to the urbanisation of the population	Diversification of rural economies promotes sustainability	Local rural economies put under strain due to loss of population to urban areas	
	There is a critical labour shortage in seasonal and hospitality jobs	Potential to market as a desirable destination for disabled travellers	Investment costs for the provision of facilities for elderly and disabled travellers	
	Sustainable development depends on healthy relationships with local community leaders and citizens	Development planning in conjunction with local communities will potentially increase understanding of sustainability issues	If neglected, tourism operators could face opposition from community interests against development and desired land uses	
9. The structure of the tourism industry	The success of the tourism industry is affected by how cohesive it is in working towards a common vision	Increased industry wide cohesion strengthens its ability to build a sustainable sector and sustainable businesses	Overlapping missions and mandates will waste scarce resources	
	Fragmentation of the industry will negatively impact how well the industry can create unique product lines	A well organized industry will assist operators in achieving unique products in every tourism sub sector and region of the province	Economic sustainability will to a large extent depend on how successful the industry is in creating unique services and attractions; Each industry sub sector has specific vulnerabilities which could cause it to collapse	

Stability of the Operating Environment

Influencers	Assumptions for the Future	Opportunities	Threats	High Level Objectives
10. State of supporting infrastructure	Transportation routes and accessibility in particular for special needs travellers, will be an increasing determinant in market share	High quality mass transit in urban areas will reduce pollution and cost of travel; reliable transportation infrastructure enhances the ability of destinations to attract clients; tourists will move more efficiently into and around British Columbia	New transit projects are costly, taking dollars away from other important public projects; Transportation routes into wilderness areas will impair BC's reputation as a destination featuring wild places	
	Destination communities and tourism operators benefit greatly from access to an airport	Through regional plans, communities can collaborate in a business plan to draw airlines to the area	Community airports have increased costs imposed by government regulations; too many airports in close proximity will draw down on resources	
	A provincial signage program would assist tourism businesses in attracting tourists and assist the promotion of their businesses	Tourism operators see value for money in a program that will allow them to advertise their businesses; a universal program would assist BC in keeping its beautiful character;	Without an overall framework, operators will erect their own signs with less regard for visual pollution; tourists will become frustrated in attempting to locate desired services or a specific designation	
	There is an increasing demand in the meetings and convention market that BC is currently not meeting	There is an opportunity for the province to implement a convention centre strategy to assist communities in developing the MICE market	An increase in the number of structures has a direct impact on eco-systems	

Stability of the Operating Environment

Influencers	Assumptions for the Future	Opportunities	Threats	High Level Objectives
11. Government policy	Canadian and BC governments are increasingly interested in a healthy and educated population	BC's adventure/sport tourism industry may promote itself to government as preventative health care for British Columbians	Government spending will be focused on Health Care and Education, more than supporting tourism growth	
	The BC Government has committed to doubling tourism by 2015	The BC government will increasingly become a champion of growth of the tourism industry	BC Government could become prescriptive of Tourism BC and the DMO system	
	The BC Government is friendly to small business and investment	The BC government more sympathetic to regulatory and taxation regimes that support the growth of small business and promotes investment (such as the Resort Strategy)	Change in government may change this as a priority	
	Canadian and BC governments are increasingly interested in environmental sustainability	As a recognized 'green' industry, tourism will become more popular as a means to sustainability; as it is hosting the 'sustainable games', BC has an opportunity to promote itself to a world concerned about the environment as sustainable; increased emphasis on 'sustainability environmental management' will have attendant positive impacts on the environment	Without a clear commitment to environmental sustainability, the tourism industry will lose government support; support for the "sustainable" Olympic games will be affected; threats of NGO militancy would damage BC's reputation for natural settings; a lack of mechanisms exists by which the systematic incorporation of the triple bottom line in planning and allocation of land	
	Most BC municipalities recognize tourism as a means to diversify and grow their economies	Some BC municipalities may enact tourism friendly regulations to attract more tourists and tourism businesses; Municipalities may enact grandfathering clauses to protect multi-year projects	Strapped for revenue sources, municipalities may increase taxes from the local tourism sector, leading to economic stress for these small businesses; NMBYism could lead municipalities to tax tourists, tourism businesses or re-zone multi-year projects in final phases	

Stability of the Operating Environment

Influencers	Assumptions for the Future	Opportunities	Threats	High Level Objectives
12. Modes of travel	Canadian government policy will shift to more liberal air agreements with other countries	More open skies policies will bring more long-haul visitors to BC		
	Leisure air travellers continue to seek low cost options; business travellers seek higher end "comfort" product	Low-cost "no frill" airlines continue to flourish for short-haul leisure markets; luxury high end air travel emerges for a limited market; medium- to long-haul airlines increase business class options	Destinations with insufficient population base or business travel will lose access to air travel; some regional airports may go bankrupt	
	With few exceptions, ferry travel will continue to provide the principle water highway link between Vancouver Island and the BC mainland	In response to market demand, BC Ferries can improve the service and dependability of the product and explore new areas of service delivery	Increased overhead costs such as fuel, labour push ferry prices to market limits, restricting ferry use by tourists	
	Tourists in BC will continue to explore the province mainly via rubber tire			
13. Access to land and resources and the quality of the viewscape	Wilderness and back country holidays are increasing in popularity amongst global tourists	Rural communities can increase their economies as gateways to the backcountry; tourism operators as "stewards" of the environment teach the world the value of the natural environment; increased understanding and appreciation of the natural environment by more people in the world	Overexposure and development of the back country, leading to loss of wilderness	
	Scenery or viewsapes are affected by subtractive resource users in some areas of the province	Accords and agreements can be reached at the provincial and local level for partnerships between tourism and resource industries	Certainty for tourism development and investment is hampered by threat of loss of biodiversity and viewsapes	

Stability of the Operating Environment

Influencers	Assumptions for the Future	Opportunities	Threats	High Level Objectives
13. Access to land and resources and the quality of the viewscape	Commercial recreation tenures are increasing in British Columbia	Government can control the development of land use for commercial recreation that enhances the environment; increased opportunities for tourism industry to promote outdoor recreation opportunities and to leverage government policies for a healthy population and economy into direct financial and policy support; increased emphasis on "sustainable environmental management" will have attendant positive impacts on the state of the natural environment	Potential exists for over taxing the carrying capacity of the land base affecting the wilderness product	
	Some forest service roads currently being used by tourism operators are financed by forest companies and are temporary in nature	Tourism operators can enter into agreements with forest company or government to maintain road in return for access; operators can negotiate exclusive access to encourage sense of wilderness	Cost of maintenance could be prohibitive affecting business viability; access to many locations will be limited	
	Wildlife interaction will become an increasingly popular tourism activity	Increased understanding and appreciation of the need for protection of habitat by the world's population	Increased competition and potential for conflict between consumptive and non-consumptive operations in close proximity	
	Wild salmon populations are deteriorating in some areas	Agreements with environmental watchdogs to determine the reason for the decline; increased research and knowledge of the habits and life of wild salmon; investigation of methods of controlling sea lice with the sea farming industry	loss of salmon from some spawning rivers destroys product base of some fishing based operators; loss to coastal ecosystem as an essential food source for other wildlife and as a nutrient for plant life; BC's 'icon' of the salmon is diminished	

Stability of the Operating Environment

Influencers	Assumptions for the Future	Opportunities	Threats	High Level Objectives
14. Climate change	There will be changes to the natural environment and subsequently to the range of tourism offerings that depend on environmental resources	Changes to the natural environment could stimulate diverse tourism offerings; diversification of rural communities to promote sustainability; investment by government in communities affected by climate change presents an opportunity for tourism to create new products, attract new markets	BC's water table is receding affecting river levels, salmon spawning, lice infestations, etc. In some parts of BC, the snow pack will diminish and be gone in 30 years; the Mountain Pine Beetle will destroy most of the lodgepole pine in BC by 2012, leaving previously forested areas greatly changed as a result of clearcutting; regions or products that focus on a narrow or single product will fail, with subsequent social consequences for their host communities; attendant social problems in communities such as unemployment due to loss	
15. The threat of large-scale environmental disasters	There is always potential for a large scale environmental disasters such as earthquakes, floods etc.	To promote the excellence of the Canadian disaster & emergency response systems	Impaired social well being in impacted areas and migration of population from affected areas	
	Forest fires are a fact of life for some areas of BC	Some limited, short-term benefits to accommodation and food service providers from evacuees, firefighters etc	Loss of live forests, smoke damage, loss of habitat for some species, decreased visitation to affected areas, a range of negative human health impacts	

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