

APPENDIX 4

Tourism Industry Structure – Lower Sunshine Coast

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|---|----|
| NUMBER OF BUSINESSES BY TOURISM SECTOR..... | 1 |
| ACCOMMODATION | 1 |
| FOOD & BEVERAGE | 3 |
| ADVENTURE & RECREATION | 4 |
| TRANSPORTATION..... | 6 |
| TOURISM SERVICES..... | 8 |
| TOUR/TRAVEL AGENCIES (LICENSED)..... | 9 |
| FESTIVALS & EVENTS | 10 |
| HERITAGE, ARTS/CULTURE & ATTRACTIONS | 11 |

The tourism inventory, which is classified by the eight main sectors of tourism has indicated there are 404 tourism businesses on the lower Sunshine Coast comprised of accommodation facilities, food & beverage providers, adventure & recreational operators, attractions/heritage/arts & culture, visitor-oriented festivals & events, transportation providers, tour/travel agencies and tourism services.

Please refer Appendix 5 Tourism Industry Structure for quantities by sector and sub-sector of operators.

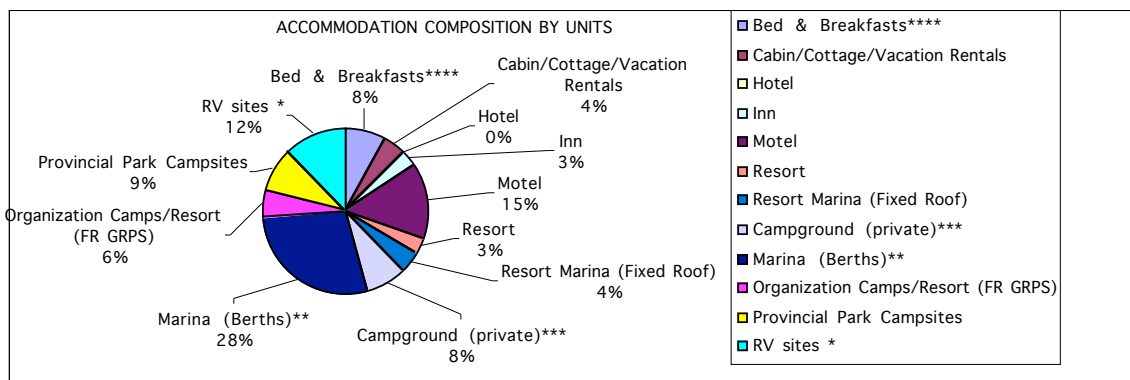
NUMBER OF BUSINESSES BY TOURISM SECTOR

- | | |
|--|---|
| <ul style="list-style-type: none">• Accommodation 207• Adventure & Recreation 118• Attractions, Heritage/Arts/Culture 53• Events & Festival 21• Food & Beverage 74 | <ul style="list-style-type: none">• Tour/Travel Agencies 11• Tourism Services 15• Transportation 25 |
|--|---|
- For a total of 524*

*It is important to note that the total adds up to more than the total number of tourism businesses identified. This is because some of the tourism businesses have more than one type of primary operation. For instance, an accommodation facility may offer overnight accommodation and fishing charters or a tour operator might offer a range of adventure & recreational activities.

ACCOMMODATION

There are 189 accommodation businesses offering 207 accommodation facilities/types in the region. The total number of accommodation units on the coast is 1,885 and the total number of beds/sites is 3751. Fixed-roof accommodation accounts for 712 units and 1,242 beds. Sixty-six percent of the accommodation facilities/types are B&Bs and cabins/cottages/vacation rentals representing 12% of the accommodation units and 10% of the beds. Inns, motels and resorts represent 25% of the accommodation units and 24% of the beds. There are no hotels at present on the Sunshine Coast. The region's 31 campgrounds and RV parks account for 52% of the number of beds/sites. Many of these belong to private organizations like Young Life, the YMCA and Scout or Girl Guide groups, who bring thousands of their members to the coast for summer programs. The inventory indicated there were 11 marinas, or marina resorts, with a total of 527 public berths available to recreational boaters.



Strengths

Approximately 1/3 of our fixed-roof accommodation is bed & breakfast and cabin. These are distributed all across the coast and offer a great diversity of oceanfront, forest or country setting and acreage. Many have hot tubs/spas. The B&B Association produces an annual bed & breakfast & cottage guide and has increased marketing and public awareness of this sector. Their reservation matrix offers on-line availability.

- The majority of our inns and resorts are oceanfront or have views of the ocean
- Many of our resorts are marine access and can support boat travellers in their marinas
- There have been upgrades to several of the resort properties in the past few years - West Coast Wilderness Lodge, Ruby Lake Resort, Lord Jim's and Sunshine Coast Resort
- There are a large number of marine berths available for visiting and overnight recreational boaters
- There are several private and provincial campgrounds
- There are a large number of organization camps that have facilities for group accommodation, meetings and functions
- There are 230 RV & Campsites

Weaknesses

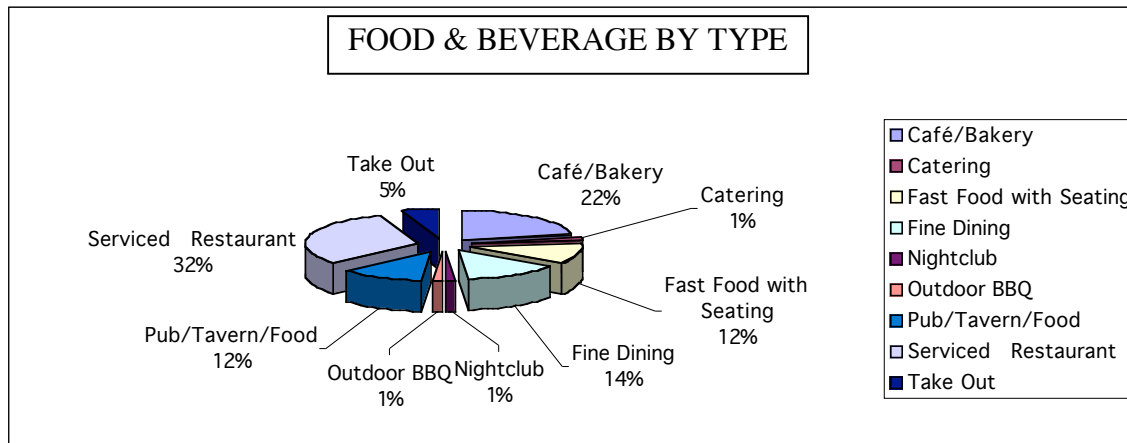
- There are just only 138 rooms in our resorts. This is a small number of resort rooms severely limiting the carrying capacity of the traditional accommodation sector. There are no resorts south of Halfmoon Bay
- There are only a few properties capable of supporting large group travel (25 or more).
- Very few of the motels are located in scenic areas with the majority located in the centre of town
- Many facilities are aging
- Very few of the accommodations have sufficient margins for commission-based pricing
- Very few of the resorts/inns/motels have restaurants on-site or within walking distance

Opportunities

- There is land available for new resort-style accommodations. Three sites have been identified as commercially suitable for hotel development, one on the waterfront in Gibsons Landing, one oceanview in Davis Bay and one oceanfront in Sechelt
- There is potential to market marine access/berths to a wider audience
- Marine campsites could grow to enhance canoe, recreational boating and kayak market opportunities
- Partnerships with the organization camps could utilize facilities during non-peak periods

FOOD & BEVERAGE

There are 71 food & beverage providers with over 4,000 seats, providing great variety for a small region with dining experiences to suit every budget. Many of the restaurants & pubs are located on the waterfront or have ocean/water views. 86% of the restaurants are located from Halfmoon Bay south. Many of those found north of Halfmoon Bay are closed in the shoulder and winter months severely limiting the accommodations and adventure recreational operators in the area to offer year round services. The lack of late evening retail openings and low levels of visitor-oriented nightly entertainment severely lessens the ability of many restaurants to provide late night dining.



Strengths

- 74 food & beverage providers with over 4,000 seats is a high number with excellent variety for such a small region
- There is food service available to suit every budget

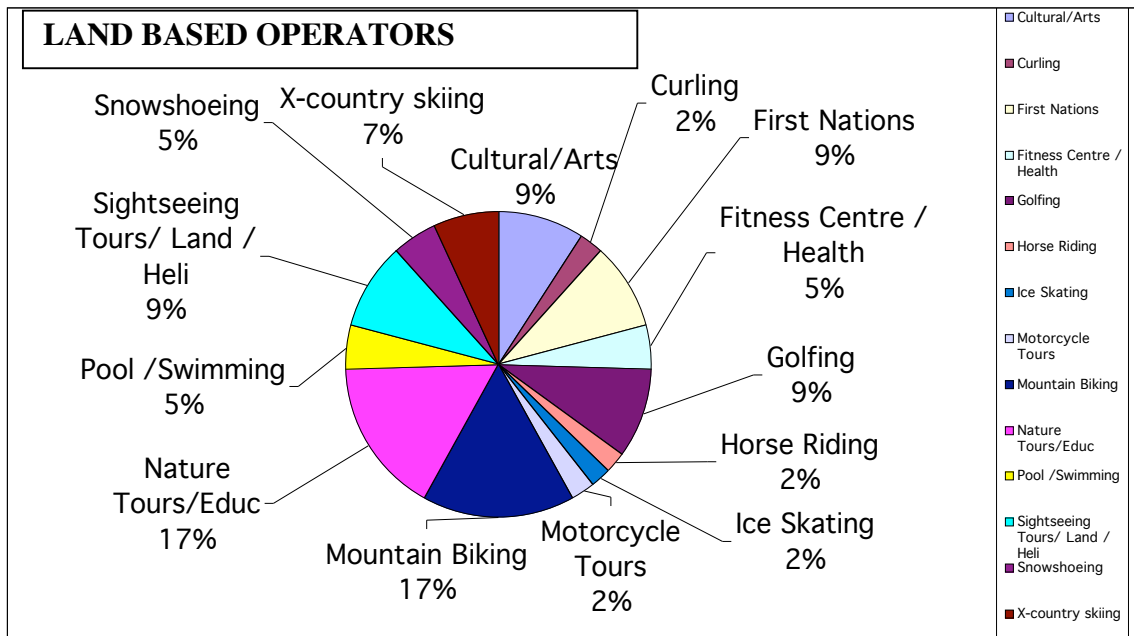
Weaknesses

- Only 18% or 13 of 74 food & beverage providers are located north of Sechelt. A good number of these are closed in the shoulder and winter months. This severely impacts the accommodation providers and the recreational adventure companies in the north end of the region.
- Some offer evening entertainment, however, there is little late night activity
- There is limited outdoor dining, especially on the waterfront
- This is the lowest paying sector of the tourism industry although gratuities account for a good portion of the monies received, which does not show in the wages section of the survey.

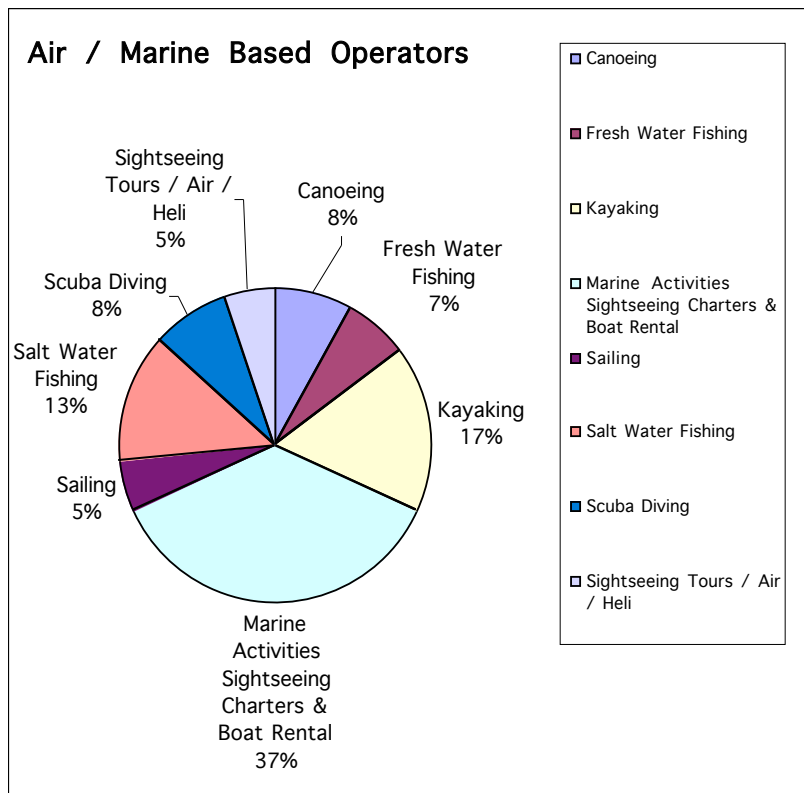
Opportunities

- There are opportunities for year-round food & beverage providers to develop in Madeira Park and Pender Harbour.

ADVENTURE & RECREATION



There is a great variety of land-based adventure & recreational operators with products of hiking, cultural tours, fitness/health, golfing, cycling, motorcycling, mountain biking, nature tours, First Nations, horseback riding, general sightseeing, cross-country skiing and snowshoeing.



Marine operators make up 64% or 75 of the 118 adventure or recreation based tourism businesses. This includes marine sightseeing and boat charters, kayaking, fresh & salt-water fishing, canoeing, scuba diving and sailing. Marine-based activities are a significant part of the local tourism product. There is a strong inventory of marinas, float planes and water taxis with supporting marine access to accommodation.

Strengths

- There is an excellent bounty of adventure and recreation providers offering a wide diversity of product
- There is a strong showing of marine operators
- There have been vast improvements made in trails for hiking and mountain biking in the past couple of years. Hiking and mountain biking maps are now available.

Weaknesses

- There are limited numbers of larger vessels able to carry over 12 persons
- There are limited numbers of certified skippers to operate marine passenger vessels
- The new marine liability act will make it difficult for operators with marine-based activities to carry adequate insurance while maintaining a viable business
- Common throughout the industry, many small operators are providing tourism services outside the perimeters of provincial licensing, risking liability
- Many of the viewsapes are impacted, often severely, by industrial activities like mining and forestry, which is in conflict with the provincial branding of “Super Natural BC”
- The weather can be unpredictable for marine-based activities
- Land-based recreation is impeded by poor or absent signage and by a limited number of operators with motor vehicle licensing to carry commercial passengers.

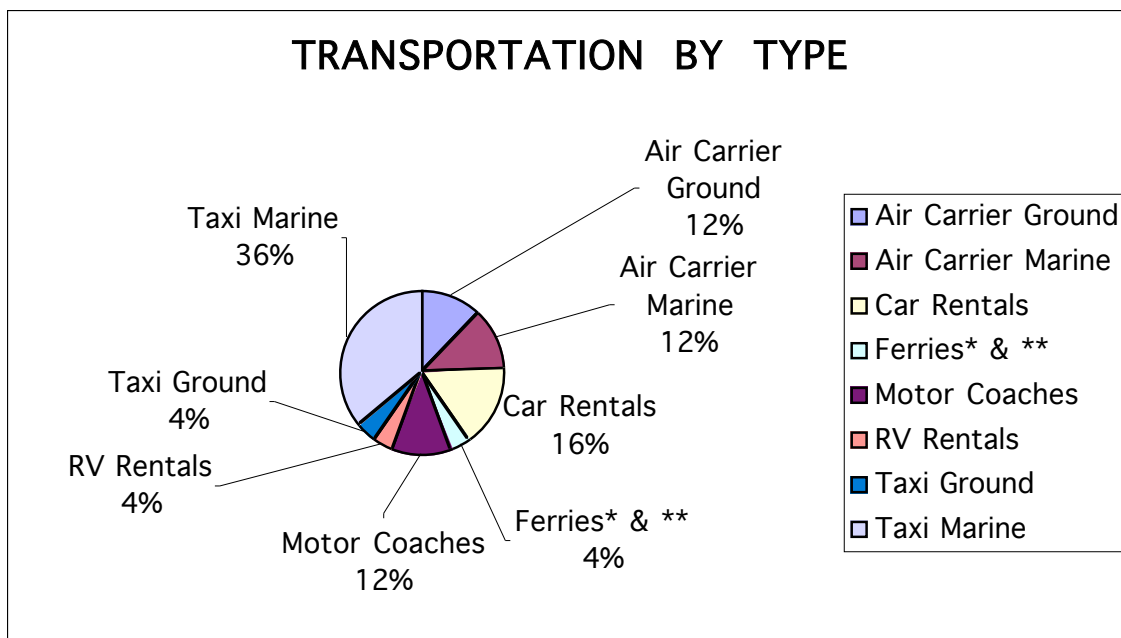
Opportunities

- To upgrade the standards to ensure that passengers are properly protected when undertaking commercial adventure and recreation
- Develop more weather-independent adventure and recreational pursuits.

TRANSPORTATION

BC Ferries provides the main mode of transportation to the Sunshine Coast with a capacity per day of 2,455 (vehicles) incoming through Langdale and Egmont terminals. This journey provides a stunning viewscape for visitors to the region. The Sunshine Coast Regional District (SCRD) provides near hourly public transit between the ferry terminal and Sechelt. There is limited public transit available to West Sechelt and Halfmoon Bay. There is no public transit north of Halfmoon Bay, reinforcing the need for visitors to bring their own vehicles.

While the number of float, wheeled plane and helicopter transportation operators is low (with 6 aircraft in total and passenger capacity of 54), the proximity in air miles between the Sunshine Coast and potential air pick-up points in Powell River, Vancouver Island, Vancouver and Seattle, make repeat trips viable. The majority of the air transportation operators are servicing industries other than tourism. Off-coast-based carriers servicing the Sunshine Coast were not included in the inventory.



One national chain car rental company was identified in Sechelt. 3 other independent rental providers were identified. The total available rental units were 65 vehicles. Pick-up and drop-off terminal service was not coordinated for visitors. There is just one taxi company with 7 cars. With passenger fares higher than the lower mainland, taxi is an expensive option for visitors.

3 operators were identified as carrying provincial motor carrier's licences. These represent a total passenger capacity of 202 persons. One is an established transportation company with daily scheduled service from the Vancouver airport & Vancouver downtown core along the lower Coast and terminating in Powell River. They also provide charters. The other two began operations within the past few months. Some restrictions apply to their licences. The low number of motor carriers coupled with irregular public transit, the high taxi fares and the disconnection of the car rental companies reinforces the necessity of visitors to bring their own vehicles.

Strengths

- The marine taxi industry is very strong, especially in the 12-and-under capacity.
- There is near hourly public transit between the ferry terminal and Sechelt.

Weaknesses

- Air fleet helicopters (2), floatplanes (3) and wheeled planes (1) have a total passenger capacity of only 54 persons. Most operate for industries other than tourism.
- Of 3 motor carrier licensed operators, 2 have just begun operations in 2002 and both have limits on their motor carrier's licensing at present
- Only 1 chain car rental company on the coast. Most cars are rented by locals and there is no pick-up service at ferry terminals or floatplane arrival areas.
- The coast infrastructure does not support arrivals of foot passengers adequately, thus encouraging only car arrivals
- There is only 1 taxi company with rates are higher than national prices, making it out of reach for most tourist use
- Often public transit does not meet the ferry arrivals and departures
- There is limited public transit available between Sechelt and Halfmoon Bay and West Sechelt. There is no public transit north of Halfmoon Bay.
- There are often 2 and 3 sailing waits for transportation to or from the Sunshine Coast via BC Ferries during the peak season.

Opportunities

- To increase the schedule and charter availability of motor coaches of varying sizes on the Coast
- Make the public transit and ferry scheduling work to suit tourists
- To improve the ferry schedule in peak season.

TOURISM SERVICES

There is a wide variety of skilled tourism service providers offering photography, writing, tourism information, outdoor education, web design, business consulting, sales & marketing and tourism training. There are many travel writers, travel photographers and tourism support businesses. Due to the scope of this project, a comprehensive list of tourism service businesses was not completed.

There are 4 visitor information centres (VIC), one in Gibsons Landing, one in upper Gibsons, one in Sechelt and one in Pender Harbour. This is a large number for such a small region. The Sechelt VIC has a 1-800 number, which is marketed off-coast. They will soon be located in a highly visible community building currently being constructed on the highway in the town of Sechelt. There are plans underway to create a new Gateway VIC at the top of the by-pass in Langdale where most travellers to the Sunshine Coast arrive. With a lack of Sunshine Coast Regional District financial support for VICs in the last fiscal year, there are insufficient funds to open for the Pender Harbour VIC. The Gibsons Landing VIC is only operational during the peak summer months. The VICs lack the adequate print material to support visitor requests and the resources to adequately fulfill visitor requests. There is a great opportunity for the DMO to work on an integrated strategy with the VICs.

Strengths

- This is the highest paying sector of the tourism industry, averaging \$19.50 per hour according to the SCTP survey March 2002.
- There is a wide variety of skilled tourism service providers offering photography, writing, tourism information, outdoor education, web design, business consulting and tourism training.
- There are four Visitor Info Centres located throughout the coast

Weaknesses

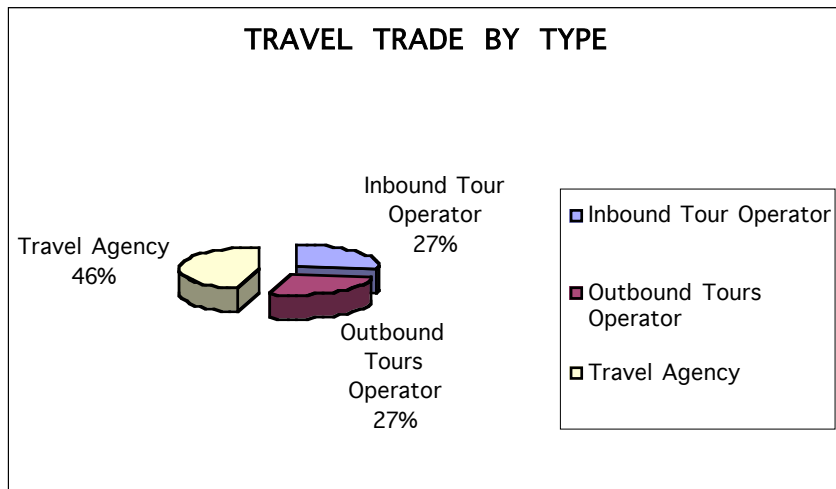
- At time of delivery of this document the Gibsons & District Chamber of Commerce had not reinstated its position on the steering committee under the management of the new board of directors
- Pender Harbour VIC does not receive any core funding
- All VIC were inadequately funded to deliver visitor services effectively
- The Pender Harbour and Gibsons Landing VICs are only operational for the peak of the summer season.

Opportunities

- There is great future opportunity for the DMO to work with the VICs in marketing and delivery coordination
- With a perceived need for improvements in standards, services and education, there exists an abundance of in-house/local tourism trainers and educators
- Revenue from DMO initiatives can help support the under-funded VICs
- Business associations could assist in operating the VICs in Gibsons Landing and Pender Harbour on an extended basis.

TOUR/TRAVEL AGENCIES (licensed)

There are 3 inbound tour operators, 3 outbound tour operators and 5 travel agencies that are provincially licensed. This is a high number for such a small region. One of the inbound tour operators had over 15 years of nature & cultural tour experience before opening its inbound agency. A second one specializes in the German market and outdoor recreation, and one specializes in circle tours. As all 3 of the inbound tour operators are new, less than 2 years old, the Sunshine Coast has not benefited significantly from the presence of these inbound operators. Our survey found that while the well-established outbound operators and travel agencies were responsible for high revenues, 95 % of their expenditures were found to be spent off-coast.



Strengths

- There is a high number of inbound, outbound and travel agencies for such a small region
- Many travellers, organizations and groups prefer to book their travel with provincially licensed travel agents/tour operators for consumer protection and perceived reliability/credibility.

Weaknesses

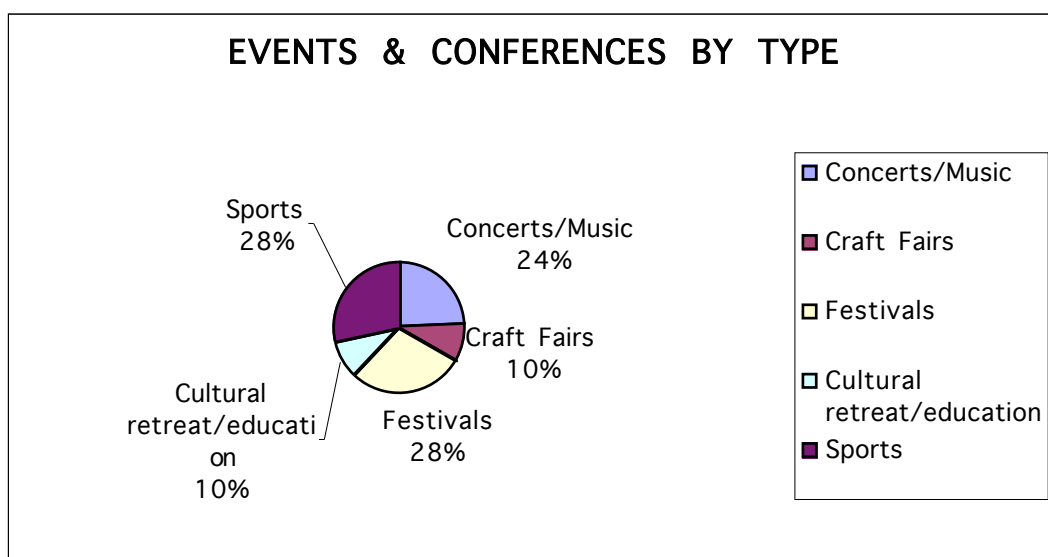
- All 3 of the inbound operators are new companies, less than 2 years old, and therefore not contributing heavily to inbound dollars in 2001
- Outbound tour operators and travel agencies often have high gross revenue. This translates to low on-coast expenditures as over 95% of the money, aside from wages, is leaving the coast.

Opportunities

- The growth of inbound operations could mean a substantial increase in dollars brought into the coast in future years
- There is packaging potential with adventure providers and accommodations providers.

FESTIVALS & EVENTS

Festivals and events usually represent a fun-filled experience for a wide age range. They can be huge economic drivers for the local economy. There have been many festivals and events that have had a long history of operational success, such as the Festival of the Written Arts, the Hackett Park Craft Fair, The Pender Harbour Jazz Festival and the Pender Harbour Music Society Winter Concerts. There have been successes seen with several new events. Now in its third year, the Gibsons Landing Fibre Arts Festival saw a 67% rise in gross revenues in 2001 over 2000. The semi-annual Malibu Arts Retreat debuted in May 2002 and has already pre-sold over 70% of its space for the Fall. The Ruby Lake Wood Duck Festival is gaining wide recognition. Several sports events like, the Howe Sound Outriggers race, the car rally and the Subaru Tune-up Relay have been drawing wider off-coast audiences with each passing year. Almost all events & festivals take place between May and September with the majority occurring in the months of July and August. There are few facilities to support large group festivals, events or conferences.



Strengths

- They usually represent a fun-filled experience for wide age range
- They can be huge economic drivers for local economy
- Many successful new events have developed in the past three years and are growing in popularity

Weaknesses

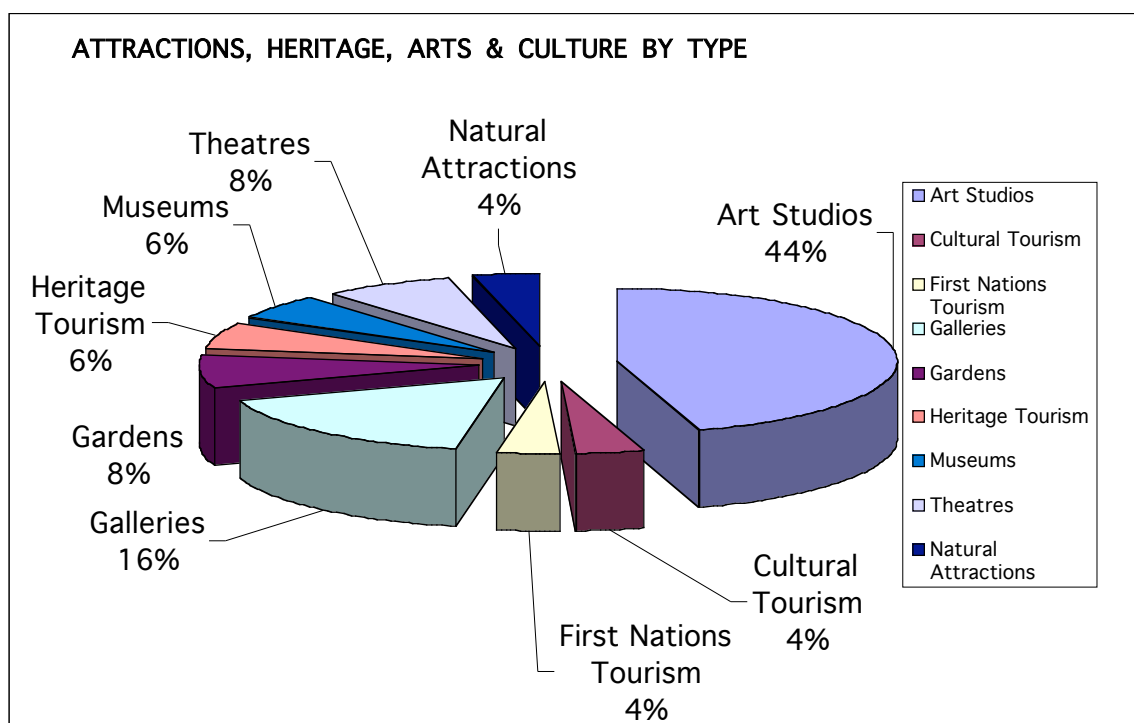
- Almost all events take place between May and September with the majority occurring in the months of July and August.

Opportunities

- There are great opportunities to develop weather-independent fall, winter and spring events, especially with sports, nature and the arts/culture/heritage, providing product for the off-season.

HERITAGE, ARTS/CULTURE & ATTRACTIONS

There is a large number of art studios, galleries and cultural attractions on the coast. The Coast Cultural Alliance (CCA) has reported there are over 1,000 artists of every discipline on the upper and lower Sunshine Coast. The CCA developed a number of initiatives during the past three years to mobilize this sector and develop arts & cultural tourism, including their Purple Banner Route identifying the studios and galleries for self-drive tours, the Malibu Arts Retreat and arts learning programs under the label Pro-paedeia. A big attraction is Molly's Reach Restaurant where the TV series *The Beachcombers* was filmed for 19 years. A pilot for the new *Beachcombers* has just wrapped production and plans are in the works to revive a modern series based on the new pilot. The region could benefit from international film exposure from the new pilot. The biggest attraction for visitors is the Skookumchuck rapids. Princess Louisa Inlet is also world-renowned. Many industrial tours take place at the coast's two largest employment facilities, Howe Sound Pulp & Paper and Construction Aggregates gravel pit.



Strengths

- There is a high percentage of artists of every discipline on the coast
- There is a large number of art studios/galleries on the coast. These are linked and promoted under the Purple Banner initiative by the Coast Cultural Alliance.
- There is a strong presence First Nations on the lower coast.
- We have unique attractions like Molly's Reach, Skookumchuck Narrows and Princess Louis Inlet

Weaknesses

- There are no family entertainment centres
- There are very few renowned natural attractions other than Skookumchuck rapids and Princess Louisa Inlet/Chatterbox Falls
- Signage of attractions is poor.

Opportunities

- Economic benefits to local artists as more tourists are aware of the Purple Banner route and other CCA marketing initiatives
- There is strong support for marketing by VCM and CTC for Arts, Culture & Heritage, i.e. “Cultural Highway.”
- Develop First Nations archaeological and cultural sites. Interest in First Nations is very strong, particularly with Europeans.
- Federal government has incentives to encourage First Nations tour developments.