



SHIUX LOOKOUT

Hub of the North

The Corporation of the
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Office of the Mayor

August 26, 2020

Standing Committee on Finance and Economic Affairs
Legislative Assembly of Ontario
99 Wellesley Street West, Room 1405 Whitney Block
Toronto, ON
M7A 1A2

Dear Members of the Standing Committee:

RE: Mayor Doug Lawrance presentation to the Standing Committee on August 19th, 2020 via Zoom

On behalf of the Municipality of Sioux Lookout, I would like to thank you for the opportunity to present to you our briefing note on the financial impact that COVID-19 has had to our tourism industry in Sioux Lookout and Northwestern Ontario.

Also I would like to reiterate some of the important points from the presentation.

1. Tourist outfitters expenditures are down which means that money normally spent through 58 area businesses, is missing from the economy of Sioux Lookout.
2. Tourist outfitters have fixed operating costs which must be paid whether or not they have income: insurance, property taxes, hydro, telephone, bank fees, automobile loans, long term debt and more. No leniency is being given on these payments.
3. During the winter months marketing expenses were incurred anticipating that revenues from the 2020 season would cover the expenses, they will not.
4. This winter outfitters spent money to do upgrades to cabins, lodge facilities and marine equipment anticipating income from this season which did not flow.
5. Not being open to the U.S. marketplace has decimated the revenues for the 25 Sioux Lookout area tourism businesses this year. The significant employment and the significant expenditures to supporting businesses did not happen this year..

Notably:

1. Some of the Lodges/Outfitters are new owners that have substantial loans from financial institutions and are fearful that they may lose their investments to the bank if they are unable to continue to make debt payments, not to mention the fixed costs like utilities, insurance, property taxes.

2. Many American Tourists are not willing to give up their reservations in hopes of the borders opening for Fall hunting season, leaving Tourist Operators in a situation whereby they are afraid to lose their secured and repeat clientele from the U.S. in favour of getting the odd reservation from a Canadian first time client that may not come back.
3. Our Lodge and Outfitters have advised that some of their clientele from the U.S. have indicated that if and when the borders open, they are not sure if they would be willing to travel fearing no health insurance coverage if they were to contract the virus. In addition, some of the U.S. clientele have indicated that they may be required to self-isolate upon return which would put a burden on their allotted vacation time.
4. Tourist business owners have indicated that they may not be able to ensure property tax payments as a result of the impact that COVID has had on their businesses.
5. There is no magic that can create this tourist market to come to the Sioux Lookout outfitters from another area. Please see that attached map.

Once again, thank you for your time and we look forward to seeing what impact our presentation has had on the Province's understanding on how much COVID-19 has impacted our tourist industry here in Northwestern Ontario.

Yours truly,

THE CORPORATION OF THE MUNICIPALITY OF SIOUX LOOKOUT



Mayor Doug Lawrance

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cc: CAO Michelle Larose, Municipality of Sioux Lookout
Council, Municipality of Sioux Lookout
Sol Mamakwa, MPP for Kiiwetinoong, Critic, Indigenous Relations and Reconciliation
Member, Standing Committee on Finance and Economic Affairs
Sioux Lookout Chamber of Commerce