

The Hon. Doug Ford, Premier of Ontario
Premier's Office
Legislative Building, Queen's Park
Room 281
Toronto, ON M7A 1A1

Sent via Email

October 14, 2021

Ref: Lifting Capacity Limits for All Tourism and Hospitality Operators

Dear Premier Ford,

We are writing on behalf of Ontario's tourism and hospitality industry to express our cautious optimism but also continued concern with the revised capacity limit regulations announced on Friday October 8, 2021. The sectors we represent across all regions of Ontario include hotels and accommodations, resorts, restaurants, food and beverage vendors, live events, attractions, recreation, transport operators, and culture and heritage.

We listened to your recent announcement with both anticipation and continued concern. First, we welcome the lifting of capacity limits for some concert venues, theatres, cinemas, spectator areas of sports facilities, meeting and event spaces (with physical distancing limits), racing tracks, and commercial film and television productions with studio audiences. We thank you and the Government of Ontario for this long-awaited measure, which reflects the added layer of protection provided by proof of vaccination requirements. We are cautiously optimistic that reopening is moving forward for our industry.

However, we are also troubled by the lack of clarity around this regulatory change, which treats some sectors differently than others. The science behind why some sectors can now open at full capacity and not others is still unclear, as no explanation has been given for this decision-making. We believe that there are key questions that remain unanswered:

- **What is the scientific reasoning behind this decision-making that treats some sectors differently than others when it comes to reopening and capacity limits?**
- **What requirements must the rest of the province's tourism and hospitality operators meet in order to be deemed eligible to operate at full capacity?**

These are key questions that must be answered in order to ensure parity of reopening and recovery across the tourism industry, and provide tourism and hospitality businesses with some sense of certainty as to their eventual full reopening and prospects for continued survival.

This is a critical time for the tourism industry. The key period for sales for 2022 has been lost for most of our operators with many having lost two summers in a row due to COVID-19. Federal financial supports are coming to an end, leaving businesses in a financially precarious and uncertain position. With continued capacity limits for the vast majority of tourism and hospitality businesses, recovery from the

devastating impacts of COVID-19 has been slow and uneven. According to our own research over 60% of tourism businesses are recovering from COVID-19-related revenue losses of more than 90%. 7 in 10 businesses have taken on at least \$50,000 in debt to remain afloat during the pandemic and anticipate that it will take at least 2 years to resolve. Further coupled with the current industry labour shortage, businesses are not even operating at the capacity that they could be, resulting in reduced operating hours and lost potential revenue. As such, despite being in Step 3, half of all tourism businesses in Ontario expect to recoup only up to 25% of their revenue losses over the next 3 months, and a full quarter of tourism businesses do not expect to recoup any of their revenue losses over this period. This underscores the timely need for our operators to fully reopen.

If the province continues to delay its full reopening and exit from the Roadmap to Reopen, the consequences for our industry will be dire. On top of cancelled and postponed bookings and sunk business costs, it will mean even greater reliance on continuance funds from the province's additional \$2.2 billion in COVID-19 spending. In June, 61% of Ontario tourism businesses had estimated that without continued government support and with no changes in sales or financing, they would not be able to continue paying their ongoing business expenses beyond the end of 2021, putting them at risk of financial insolvency and permanent closure. With continued limits on operating capacity, that risk is closer to becoming a reality. **It is also important to note that many businesses not mandated to implement a proof of vaccination requirement have done so voluntarily.**

Our operators want to fully reopen and are prepared to do so while protecting the safety of Ontarians. By participating in our [Safe Travels Stamp](#) program, our operators have gone to huge lengths to follow the highest level of health and safety protocols outlined by the World Travel & Tourism Council.

We would like to work with your government to lift capacity restrictions to make full reopening possible for all of our tourism and hospitality businesses. We would like to meet to discuss this at your earliest convenience.

Thank you for considering the contents of this letter. Please do not hesitate to contact us for further information. We look forward to hearing from you.

Yours sincerely,



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Tourism Industry
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