

KDCA FALL MEETING FRIDAY, OCTOBER 1, 2008

IN ATTENDANCE (29)

HARALD LOHN
GORD BASTABLE
GARY BEARDSLEY
PAT BEARDSLEY
STEVE HARTLE
EVIE HARTLE
MAL TYGESSON
JERRY FISHER
GERRY CARIOU
ROB WISNESKI
ROGER VALLEY
STEFANIE ARMSTRONG
PETER BURNS
PEG PALUCH
BOB PALUCH
SCOTT BUCKLE
RUTH PRICE
JOHN CHRISTISON
KARLA CLARK
MIKE LOEWEN
JIM GRAYSTON
MATTHEW BENSON
BOB McCOMB
STEVE FERGUSON
JIM ANTLER
BONNIE SKENE
TANNIS DRYSDALE
GEOF GILLON
JUDY ALEXANDER

KABEELO LODGE
VERMILION BAY LODGE
LAC SEUL'S EVERGREEN LODGE
LAC SEUL'S EVERGREEN LODGE
BIG HOOK WILDERNESS CAMPS
BIG HOOK WILDERNESS CAMPS
EVERGREEN LODGE
MORSON OUTFITTERS/VP NWOTA
SUNSET COUNTRY TRAVEL ASSOCIATION
STANLEY'S RESORT
M.P. KENORA RIDING
ROGER VALLEY'S OFFICE
McAULEY & PARTNERS
TEMPLE BAY LODGE
TEMPLE BAY LODGE
TEMPLE BAY LODGE
DEER TRAIL LODGE
BIG EAGLE LODGE
CLARK'S RESORTS
PATRICIA REGIONAL TOURIST COUNCIL
OTMPC
MNR
MNR
MNR
MTO
DOMTAR
NW ONTARIO TOURISM SURVEY
NW ONTARIO TOURISM STRATEGY
NORTHWEST DESIGN + COMMUNICATIONS

1. CALL TO ORDER: The meeting was called to order at 9:35 a.m. October 1, 2008 by Harald Lohn as President. He thanked everyone for attending. He expressed condolences to the Gerry Maculey family...KDCA has lost a great friend and supporter.

2. INTRODUCTIONS: Self introductions were made around the room.

3. PRESIDENT'S OBSERVATIONS/DISCUSSION: Harald Lohn

Harald said that over the next few years the Tourism Industry will be facing huge issues. He said we need to think what we can do as an industry to keep going as lots of operators had a pretty bad season. He said that as an industry we have a lot of additional pressure on us so if you are interested in helping, please step up to the plate. We'll have elections at the end of the meeting.

He said that the Forest Management Caribou Conservation Program is a big deal with over 22 acres in the Boreal Forest. The endangered species act will have an impact on this. He said that if you get letters in the mail asking for comments you should participate. Get involved, stay involved. Do whatever you can do.

4. AGENDA CHANGES: Harald said that he got a call from Arnold Beebee saying he can't make the meeting today. As well Roger Valley may not be able to make it. Harald asked that the MNR presentation "Modernization of Tenure for Commercial Outpost Camps" be deferred till later as Bob McComb and Steve Ferguson are driving in from Red Lake this morning.

5. MINUTES OF FALL MEETING: Minutes from the 2008 Spring KDCA meeting were previously circulated. Mal commented that the date for Passports deadline was incorrect and should be corrected to 2009. Gary Beardsley moved to accept the minutes and Mal seconded. Carried.

6. TREASURER'S REPORT: Steve Hartle

Steve reported that KDCA received good publicity with KDCA's donation of \$1,000 to the Waldhof Hall. He said that KDCA investments are conservative and that KDCA isn't losing money even at the way the markets are. A summarized financial report was circulated. Mal asked if KDCA is going to continue with Bursaries as Pat had contacted all the schools with no response. Steve said nothing has been done.

7. PRESENTATION: OTMPC: Jim Grayston

Jim said that there is a Summit next week in Toronto and that Harald would be attending. There will be over 600 attendees over two and a half days. He said the Northern Strategy has been completed and the implementation plan will be released October 14, 2008. He said that the Chicago 'Best Markets' marketing promotion will be \$1 million dollars- 3 year program. In the angling program television and magazine ads were purchased. He said that they will be going into Minneapolis in early January with half a million dollars. Minneapolis will also be a 3 year program and we will be involved in several Sport Shows as well. He said they are will be looking at the Minnesota State Fair as a result of a meeting with Sunset Country. Harald asked if Jim would be at NOTO Convention. Jim said that he hasn't been invited but he said they'd be happy to make a presentation. Harald asked how their web site free listing was going. Jim said the web site is www.canadagreatoutdoors.com. He said that if you visit the site and see that you are not on it to call Gerry Cariou at Sunset Country. He said you need to make the effort to get on the site and once on make sure your listing is kept up to date. Mal asked if there were still tourism offices overseas. Jim said not under OTMPC anymore but that they do have an overseas team that does some marketing. All programs drive to the web site. Steve asked what the web site rating were. Jim said he didn't know and asked Gerry if he knew. Jerry Fisher said that KDCA acknowledges the work OTMPC has done and thanked Jim. Rob Broadhagen asked Jim how they monitor your

marketing programs. Jim said they do awareness studies.

8. PRESENTATION: MINISTRY OF TOURISM: Jim Antler

Jim said they have a new director of their research branch. He said the Competitiveness Study takes a comprehensive look at tourism. He said that Global Tourism is expected to double by 2020 which is hard for us to fathom when we see tourism slipping here. He said there are 3 things they are doing right now; consultation sessions (13 in all); research activities (determining what others have had success doing) and ,an action plan (target for next year). In the Competitiveness Study there are 6 areas of discussion:

1. The Market: What are our best prospects?
2. The Product: How can we provide the experiences tourists want?
3. The Story: How do we market Ontario?
4. The People: How can we ensure a well-trained workforce?
5. The Tools: What are the appropriate roles for governments?
6. The Industry: How can the industry work together to achieve success?

He said that within 7 years, it is estimated there will be over 100,000 tourism job vacancies in Ontario. Jim said the TIAMS Travel Studies are expanding on what they research, i.e. breaking out the Canadian Market and U.S. Markets such as travel habits. He said you can customize the report you want by using the electronic ETAMS data version. He said that the border crossings are down right across the board but that Fort Frances was doing better than most. He said the blue directional highway signage program is going under review for better ways to improve this service and that it will be recontracted. There are lots of initiatives going on that we are looking into such as the Mining Act Review which is tied to the Far North Land Use (50-51 st Latitude) Report, Provincial Land Taxes, Outposts, Border Issues and the Northern Ontario Growth Program. Harald told Jim that we hear what you're saying but who do we hold accountable to pull all this together? Jim said that the Ministry of Northern Development and Mines has control over the Mining Act and that each Ministry is responsible for their initiatives, however, sometimes they will roll some issues together. Mal said that for those in the Municipality of Machin should be aware that they made a presentation to Greg Sobara asking that cottage lots be opened up to create more of a tax base for the Municipality. Mal said this would put demand on our resources and underground/illegal activity. Mal said it was a scary presentation.

10:45 A.M. - COFFEE BREAK- Sponsored by Evergreen Lodge and KDCA.

Harald said that coffee & donuts are available and that they would work right through the break.

9. PRESENTATION: MINISTRY OF NATURAL RESOURCES: Matthew Benson, Steve Ferguson

MODERNIZATION OF TENURE FOR COMMERCIAL OUTPOST CAMPS

Matthew said that alot of the outposts have been around since the 70's. He said the MNR has come up with a rental adjustment-a blended added value for those sites. Past fees were \$125.00/year and it has been recommended that they be adjusted to \$822.50/year. This will take place January 1, 2009. The second phase to follow will be Multi-use Land Use Permits - hopefully by this time next year. There will be one permit for all sites and these are to be invoiced yearly (there will be some exceptions). The third phase will move the Land Use Permits to a Crown Lease (up to a 30 year term). He said that Crown Lease is much better for the Outpost Camps. In order to get the lease a site survey is required by the operator. He said they have worked into the formula to help offset the cost of the survey. Karla Clark asked him how they came up with market value. Steve Hartle commented that it's not feasible to visit every site. He said they looked at typical sites and blended those to an average figure. He said the end result is that everyone will be paying the same rent. It's

not true market value. Karla said that they are new to the Outpost business and commented that it's a huge jump from \$125.00/year to \$822.50/year. Steve Hartle commented that this was a 800% increase and could phasing in the increase be looked at. Gary Beardsley said that they're using GPS off the Northern Star and said it was a real slap in the face to us outfitters when the MNR offers a Patent opportunity to recreational property. Mal asked if the private LUP's are required to have a survey done as well. Steve Ferguson answered yes, they would be required to do the same survey. Harald asked when the operators would be handed responsibility of land use management in Phase 2. Steve said that is still being discussed at the Working Group level. Harald said that when they were dealing with the Provincial Working Group they said that beds would be fixed...now since the MNR stepped in the beds have been decreased when the Provincial Working Group said they wouldn't be. Steve said that hopefully in 6-8 months this will be evolved. Harald commented that as an Outfitter he's losing value and that he was going to start dumping them (he has 18) because they will be of no value. Karla said that on the surface it looks like a money grab-what about basing it on revenue generated? Steve said that Crown Land is no less valuable than private land so it has to be assessed on market value. Mal asked if we all will be paying \$822.50 starting January 1,200. Steve answered yes but the initial year will be prorated for \$125.00 already paid. Mal asked if this is the same for all districts throughout Ontario. Steve answered yes it applies to the entire Province. Steve was thanked for coming all the way from Peterborough for the meeting,.

11:45 A.M. **LUNCH Sponsored by Temple Bay Lodge, Evergreen Lodge and KDC**

12:30 P.M. MEETING RESUMED- Harald thanked everyone involved in preparing lunch.

10. MINISTRY OF NATURAL RESOURCES: DRYDEN FOREST MANAGEMENT PLAN Matt Benson

Matt advised that when you receive letters from the MNR and don't understand the information there are always three telephone numbers at the bottom to call. Matt was invited to speak about the Farabout Peninsula on Eagle Lake. He said it took three years to prepare that plan (2002-2005). There were three stages of consultation which included three public meetings. He said over the two and a half year process the MNR only received one comment which was in agreement with the plan. He said that in July the district office received letters and petitions. One hundred and fifty people signed the petition. Most were concerned that seasonal residents wanted to participate. He said there would be no harvest until they hear from all in the coalition. He said the MNR was really interested in hearing from this group. He said perhaps someone in that coalition group of 150 knows something that we don't know. Harald said he assumed comments are always welcome and asked Matt if he was the plan author. Matt said the plan author is Jack Harrison, Dryden Forest Management. Harald said "so the whole system and process is transparent?" Matt said absolutely. He said it was interesting that they stood in the Legion in Dryden for 8 hours and hardly anyone showed and then all of a sudden we receive 150 letters. Scott asked if the municipality was notified. Matt said that Machin is on the mailing list and that annually they have asked for a map of the roads to review wear and tear from forestry. He said that Jack sent letters in May via priority mail to approximately 80 people who were on the list. He said they only heard from four people. He said that another mailing was done in July and said that each operator gets a mail out on the five stages of consultation. Rob Wisneski commented that newspaper advertising doesn't give any information/details on the plan or what the open house will be covering. He said a better map showing the area under plan is needed. Matt said now the map will be larger (8.5" x 11"). Steve asked how policies can be set when you don't know where the McGinty Boreal Forest is going to go or Dr. Susuki. Matt said that they use the best information available at the time and that Dr. Susuki doesn't have much influence in what we're doing. Roger commented that the open houses are very professionally run. He encouraged people to participate as they will enjoy the process. Gord Bastable suggested that they put the map and information online so it's easier to get

information. Jim Grayston said that the Forest Management Company should be the one responsible for putting it online as they authored the plan.

11. PRESENTATION: PATRICIA REGIONAL TOURIST COUNCIL Mike Loewen

Mike said that there have been a lot of changes in the last 6 months with the retirement of the Bilbarrows, his appointment as the new Director and their web master relocating to China. Two-hundred and fifty seven thousand 2008 maps were printed and distributed. PRTC attended 3 sports shows and the TV shoot aired throughout the midwest. Between the map, two web sites (freemap and heartland) as well as 8 specific sites they get thousands of inquiries. Mike said that another TV shoot has just been filmed at North Shore Lodge and will be aired through Midwest Outdoors. Harald said that KDCA would like to officially welcome Mike. Gord Bastable asked if any of the Pat Maps are inserted into Canadian newspapers. Mike said no but if they ever do a sports show out west that PRTC would have to find a way to do this.

12. PRESENTATION: SUNSET COUNTRY TOURISM: Gerry Cariou

Gerry also welcomed Mike to PRTC. He said that Sunset Country has great respect for what PRTC does. He said like PRTC, Sunset Country produces a guide with map and are printing 40,000 copies this year. These will be distributed at Ontario Travel Centres, Sport Shows or requests from the web site. Sunset Country did six Sport Shows in 2008 and Gerry wasn't very optimistic as to whether the shows will be any better next year. Nine Shows are scheduled for 2009 with three of these being in the Canadian Market. We expect to see our membership decline due to many economic factors. Gerry encouraged the outfitters not to drop out or cut back on marketing. Harald asked what the rationale was at participating in 3 Canadian Sport Shows. Gerry said that we don't know if we don't try...we feel it's time to try it. He also said that if a camp submits 15 photos to Sunset Country for use on web sites they will get credit as well as a link to their web site.

13. PRESENTATION: ROGER VALLEY, M.P.:

Roger said there are several issues with one being the English River Water System with fluctuating water levels which are affecting camp owners. Another is the Border Crossing Issue. He said that there is no doubt that the border will tighten and high gas prices will continue and be facing us again next year. Harald asked Roger why he thinks security at the border will tighten. Roger said that Mr. Harper religiously follows American policy and they want the border security tightened. I don't think we need more security. Years ago we were traveling towards an open border before 911-we can't let enhanced security go too far. Bob Paluch commented that the border was their basic concern-there is still so much inconsistency. He said if this continues we won't have a possession of Musky over limit size of 54". Roger told Bob that he personally has had more problems with game wardens for a lot of reasons. He said he quit playing paddy cake and took a Game Warden to court as he was not going to be harassed anymore and we can't put up with them harassing our guests...we have to get them to the point where they respect our guests. He said that we have to put a policy in place to measure the value of the guest to the security of this country. We need a policy so there is no singling out of hunters and fishermen. Jon Christison said that not only his guests are being held up at the border. His daughter was held up for forty-five minutes and all she had was a couple of packs of cigarettes. Roger said that this border crossing has made it a number one priority to check for DUI's. Karla said that the stats alone show discrimination. Roger said we showed these to Stockwell Day and his comment was that he had bigger fish to fry. Steve Hartle said that the Deputy Minister of Tourism said at a meeting that the border issue is widespread across Canada. Roger said he knew it was also a problem in White Rock, B.C. He said that where the big traffic is there are no problems. Jerry Fisher asked Roger what ever happened about the four points we discussed in your office? Roger said they had no response back and that the Outdoor Caucus and the Border Crossing Committee are the only two tools he has left. Mal said that they participated in the Tourism Strategy and were told that if we keep the heat on they may do something about it. He asked Roger if this happens can we count on your support. Yes, said Roger. Scott Buckle said that border crossing regulations are easier to change than the law and

wondered why Canadians think a DUI is different here than in the U.S. Roger said that in Canada it is in the Criminal Code and that this won't change. Gerry said that Roger and Ken have both worked hard on the issue. Harald said they've made themselves available, we haven't had many results but they keep plugging away for us.

14. PRESENTATION: NW ONTARIO TOURISM SURVEY: Tannis Drysdale

NWOTA and KDCA surveyed the 15,000 people that visited one of 20 Mid West National Marine Manufactures Association (NMMA) sport shows last spring. At the entrance to the show NMMA had a computer survey available to input data and then enter a draw. The survey was conducted using survey monkey. Prizes offered for survey participation were (8) iFinder H2O hand held GPS units. 1757 of the 15,000 participated in the survey.

Key Findings

Tourist respondents who had visited Northwestern Ontario had the following responses:

The North West is a repeat visitor destination.

Those that had visited the North West in the last 12 months intended to return to visit within the next two years (96%). The overwhelming majority of those that had visited within the past two years intended to return within the next two years (86%). And more than half of the respondents that had not visited in the past two years intended to return (58%).

The North West attracts visitors only based on its natural assets.

Wilderness and Wildlife related responses topped the reason for interest in visiting the region for holidays. Fishing (46%), Wilderness (15%), Boating (7%), Hunting (9%) including other similar responses nature related responses were 90% of responses from those that had visited the region. For respondents who had not visited the region only dropped to 87%.

The North West requires additional marketing.

Survey respondents who had not visited and were not interested in visiting gave responses indicating that they had low or no awareness of the region (49%).

The North West rates highly as a destination.

99% of respondents who had visited the region rated it positively, and agreed that it provided value for cost, was friendly, and was a great fishing, hunting and outdoor destination

Barriers to visitation continue to be economic and border related.

10% of those answering the survey had heard negative information that could cause them to be less inclined to visit the region. 53% of these responses related to US or Canadian economic interests, 16% were border concerns and 13% passport concerns.

Although small relative number, the group answering that they were concerned about crossing borders figure is consistent with previous analysis of increased security and checking procedures at the International Border.

Figures obtained by industry survey indicated annual losses at .6% of total visitation due to border issues. However, given the repeat customer nature of tourists in the North West the losses remain significant.

Harald said that this was the kind of information that KDCA-NWOTA were wanting to get and that this is the kind of data we need to present to politicians. There was quite a bit of discussion as to what to do with this data. Harald said that OTMPC could use this data. It will eventually be posted on www.kdca-nwota.ca web site. Gerry Cariou said Sunset Country has about 70,000 names in

their database and suggested they could run the same survey. Jerry was very pleased at how well the survey worked.

15. PRESENTATION: KDCA-NWOTA WORKING GROUP UPDATE: Jerry Fisher

Jerry said that a lot of work has been done but without much success. Two of the most significant were us advising NOTO regarding the GST rebates and that TIAC did a great job. The other is that OTMPC have been open to our criticism and they have really listened. Jerry said that they are currently checking whether updates are needed for the canadawelcomesyou.net web site. Harald said that CBSA was supposed to feed us any info and updates for this site. Harald said that Jim Grayston, OTMPC has been a real strong advocate for Northern/Northwestern Ontario...\$1 million marketing dollars for Chicago as well as more dollars for Minneapolis over several years is incredible. Jerry said that KDCA-NWOTA Position Paper will be on the web site shortly. Jerry Antler asked to be advised when it was up.

16. PRESENTATION: WHITE TAIL DEER: Gord Bastable

In our initial meeting with the MNR we were advised that there would be changes coming probably as early as 2009. We were presented with Fixed Allocation/Limited Allocation Model dealing with controls on hunting with some consideration to having a guide requirement for non-resident deer hunters. One way of dealing with the black market deer hunt is to have non-resident deer hunters required to go through a licensed outfitter. Fort Frances, Kenora and Dryden Districts all have varying problems. In some cases dogs are being used as well as hunting on islands. Gord said that sustainable and value hunts are going down the tubes right now. Validation Tags may become seasonal or zone specific and that this will probably lead to capping the number of non-resident hunters. This is a step in the right direction. Harald asked if we as an organization are in agreement as to what we want? Gord said several of us met before the meeting so that we would have a united voice. Our approach is for a sustainable and quality hunt as that is what is going to help our industry. Gord said that a report will be coming out and it will be given to Jerry to add to the KDCA-NWOTA.ca web site. Jim Antler said that the MNR has always been concerned that it be NAFTA proof and that whatever comes out will have to be sensitive to NAFTA. Gerry said he thought how this ties in with NAFTA is that you have to stay at a Canadian facility. Mal explained that NAFTA had to do with management or resources. Jim said that he recalled some of that issue - a few signs got put up on roads but not much else happened.

17. ELECTION OF OFFICERS:

Harald said KDCA is entertaining candidacy for President, Vice-President and Secretary Treasurer. Steve Hartle has agreed to stay on as Secretary Treasurer Candidate. Gord Bastable said he would step forward for Vice-President Candidate. Harald said that candidacy for President is open. Harald offered that he would be willing to do one more year as President. A vote was taken for all those in favour of Steve Hartle for Secretary Treasurer-carried; for Gord Bastable as Vice-President-carried and for Harald Lohn as President-carried. Harald thanked the members for their confidence in him.

18. OTHER BUSINESS AND DISCUSSION:

a) NOTO CONVENTION DELEGATE - The meeting will be at the Best Western, Dryden OCTOBER 28-29, 2008. KDCA needs a delegate to attend and report back to the membership and that all expenses would be paid. Steve nominated Gord. Seconded by Patty. Carried.

b) SPRING MEETING- FRIDAY MAY 1, 2009 WALDHOF HALL

Harald thanked all the ladies that helped out Patty Tygesson last year. Patty said she would be happy to continue as long as she's able with the assistance of the committee. Harald told Patty that we all wish her the very best.

c) **POLITICAL CAMPAIGN CONTRIBUTIONS-** Harald asked the Donation Committee (Steve Hartle, Mal Tygesson and Jaqui Haukeness) whether KDCA wants to do this. Steve said he thought this would be very risky. Harald said he brought this up only because it was brought up to him. Mal said that the history of KDCA has been nonpolitical. He said he personally thought it should stay the way it is. Gerry Cariou said it was his opinion that you need to stay apolitical...if you pick the winner you're laughing and if you don't you're squished like a bug.

d) **BORDER ISSUE** - Mal said that Geof Gillon, RRFDC should go to Darren Envall and insist he go to St. Paul's Press to get fair press before the event. Jerry said this has already been done.

e) **GAME WARDEN-** Mal asked if anyone has been charged on the Musky Picture. Bob said no. Mal said we need to get a letter to Cansfield stating that we support catch and release but if a guest is bringing a fish into the boat they should be allowed to take a picture of it and then release it. Harald said this is a one to one when a guest is harassed and that he agrees a picture be allowed within the regulation. Gord said there is more to it than common sense. Before the season opens it is immediate release, picture has to be taken in water and not in the boat. Harald said he didn't think we were trying to change the regulation- it is just a negative reaction to tourism. Mal said that if the season is not open guests should take picture in the water.

f) **MINNEAPOLIS SPORTS SHOW-** Harald said that a letter should be drafted to the show organizers. Booths were selling crock shoes etc. in amongst the outfitters. He made a complaint as he didn't appreciate this flea market feeling.

19. ADJOURNMENT: Steve moved to adjourn the meeting. Seconded by Gord. Carried.