

The tourist traffic is of obvious importance to certain industries, e.g. Hotels, Restaurants, Automotive, etc., but it is equally though less obviously important in others. It has been estimated, for example, that visitors in Canada in 1929 consumed over 4,000,000 pounds of butter, 18,000,000 pounds of meat, 4,000,000 dozen eggs and other commodities in like proportion. The tourist dollar thus percolates through the channels of trade to practically every industry and producer in Canada.

The tourist traffic is valuable in bringing into productive use large areas of Canada which would not otherwise be very productive. In one of the smaller lake and resort areas of Ontario (Kawartha) about \$750,000 of American currency and "Traveller's Cheques" passed through the local banks in the season of 1929. A small fishing village on the Bruce peninsula which a few years ago never saw an American car now has its hotels and boarding houses booked up all season, and eighty per cent of its annual retail trade is done in the months of July and August.

The tourist traffic has raised the whole standard of living in such areas as these. Good roads, better shops, improved quality and variety of merchandise, better hotels, better steamship and rail service and a dozen other things have come with the tourist.

In the larger cities the heavy flow of this traffic is in the months of July and August which are normally, so far as domestic sales are concerned, slack months. The trade brought by tourists in such lines does not create peak-load costs, but ends to bring up to normal otherwise slack months.

In the field of retail merchandising the tourist traffic is a source of considerable revenue, and is potentially a source of very greatly increased revenue. Individual merchants in quite a number of towns and cities have been alive to this avenue of increasing their sales, and have used it effectively; and in the past three or four years some co-ordinated efforts have been made to develop along these lines. But until this year these efforts have been of a rather stereotyped sort and of doubtful effectiveness. The two methods generally used in the past have been

(a) a small paragraph in a few of the local Tourist Bureau booklets (samples given in Appendix C).

(b) small cards distributed to local merchants to be placed in their store or window welcoming American visitors. In some cases these cards refer to the lower cost of some articles in Canada, and in a few cases they call attention to the \$100 exemption clause.

The tourist traffic has another important though indirect effect. Many visitors are men of substance in industry and trade, and seeing the country and its possibilities on a holiday will become interested in investment and not infrequently this has led to the establishment of branch plants.

To sum up:—

1. The Tourist Trade has grown with extraordinary and steady rapidity in the last ten years.

2. While the annual number of tourists cannot be expected to maintain the same rate of increase in the next ten years, it should increase substantially, and if the average length of stay can be increased the number of Tourist Days might increase at a rate approximately equal to that of the past ten years.

3. Greater attention to merchandising and to the quality of services rendered should maintain the past rate of increase in the dollar value of the Tourist Trade to Canada.

4. The Tourist Trade is of tremendous economic importance to Canada

(a) The present dollar value ranks it among the half dozen leading industries of Canada.