

## **Agenda Thursday October 20, 2022 @ 3:30PM EST**

### **Attendees**

#### **Confirmed Members**

Collette, Brett Walker, GM & Int. Ops  
GOWAY, Peter Lacy, CFO  
GOWAY, Emma Cottis, GM Corp. Affairs  
HIS Canada H. Inc, Tony Saunders, CFO  
Sunwing, Joanne Dhue Director, C&C  
Transat, Nicole Bursey, Commercial Director  
Westworld Tours, Leanne Haus, GM  
TTC, Richard Edwards, Controller

#### **Confirmed Supporting Members**

Canada North, Elena Ramirez  
ENIT, Salvatore Basile  
Tourism Ireland, Sandra Moffatt,  
Turismo de Portugal, Ines Almeida Garrett

#### **Alliances & Partners**

Tourism Cares, John Sutherland

The Chair acknowledged the commitment and ongoing efforts of CATO Executives: Stéphanie Bishop (Vice Chair), Richard Edwards (Treasurer) Nicole Bursey (TICO Director – CATO appointed) and Joanne Dhue (TICO Director – CATO appointed).

### **Current Members 2022**

#### **Tour Operators**

Club Med Sales Canada Inc.  
Collette Vacations  
Denure Tours  
G Adventures  
Globus Family of Brands  
Goway  
Hola Sun  
JM Vacations  
Okushu Tours  
Railbookers  
Savour Italy  
Sunwing Vacations INC.  
The Travel Corporation  
Transat Tours Canada Inc.

#### Travel Brands

West World Tours  
Westjet Vacations

#### **Suppliers**

Canadian North  
Discover the World  
Agenzia Nazionale del Turismo  
Switzerland Tourism  
Tourism Ireland  
Turismo de Portugal  
Visit Britain  
Visit California  
South Dakota

### **CATO Media**

Chair invited all members to visit the new CATO website and partake in any of the discussion forums or start your own. Chair also encouraged all members to follow CATO on Twitter:

@CATOCanada

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### **CATO Media**

Chair noted a few questions posted in the Sustainability chat on the CATO members' site.

Where are members at with regard to sustainability?

What members feel should be CATO's role regarding sustainability?

Should CATO educate, facilitate and/or possibly develop guidelines or a code of conduct?

If CATO were to consider guidelines or a code of conduct, CATO would essentially create a threshold CATO members would need to meet to obtain or retain membership. This threshold could be extremely high OR as low i.e. avoiding activities that are a detriment to local communities and their desire to welcome visitors back.

Another consideration is whether CATO itself should sign the UNWTO Glasgow Declaration which is something Paula Vlamings, Chief Impact Officer at Tourism Cares recommended CATO do during an interview with Cindy Sosroutomo at Travelweek's Future of Travel event. For more information on the UNWTO Glasgow Declaration [click here](#).

**YOUR INPUT IS CRITICAL:** Please give us your thoughts and opinions.

#### **What should be CATO's role in regards to sustainability?**

Go online to [www.cato.ca](http://www.cato.ca) and participate the private members' chat or reach out to any of the members or executives involved including Emma Cottis, Stéphanie Bishop or Brett Walker.

### **Tourism Cares**

Brett Walker, Stéphanie Bishop and Emma Cottis all registered to attend the Meaningful Travel Summit in Victoria, BC September 28-30. All associated costs were incurred by respective corporate members and not CATO.

Chair introduced Emma Cottis. Emma briefed members on the Meaningful Travel Summit and its importance in bringing people together from across the world to discuss issues around climate change, the environment and people. The latter is often overlooked or misunderstood in the realm of sustainability. The Summit coincided with The National Day for Truth & Reconciliation. Emma noted the emphasis given to first nations and indigenous people and cultures throughout the Summit. Featured indigenous speakers spoke about reconciliation and sustainability as "nothing about us without us".

Emma touched on the partnership with Tourism Cares and the wealth of resources available. Why reinvent the wheel? The partnership with Tourism Cares provides CATO members with access to materials and knowledge we could never amass on our own.

Media coverage of the Summit

<https://www.travelweek.ca/news/one-on-one-with-cato-about-its-new-approach-to-sustainability>

[https://www.travelpress.com/subscription/IDEA/085422\\_103122\\_ctp/index.html](https://www.travelpress.com/subscription/IDEA/085422_103122_ctp/index.html)

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Chair introduced John Sutherland, Director of community Impact, Tourism Cares. John stated that Tourism Cares seeks to lead from the middle and unite the industry and activate membership toward positive change and hopefully working toward sustainability goals (SDGs). For more information [click here](#). More than this, Tourism Cares “acts as a convening space where industry can unite”. John noted many CATO members might know Tourism Cares for the preservation work they had done in the past, however Tourism Cares is now almost entirely focused on the root issues of the many environmental, climate and cultural problems for which tourism is a factor. Tourism Cares now focusses on regenerative tourism and developing resources and tools such as the Meaningful Travel Platform and Meaningful Travel Maps to aid and help steward CATO members and others on their sustainability journey.

Members are encouraged to join Tourism Cares and take advantage of all their available resources including the Meaningful Travel Platform, Meaningful Travel Maps and an abundance of other resources.

To become a member of Tourism Cares [click here](#).

Chair noted that feedback from members favours establishing a committee and possibly a standing committee on sustainability. The committee to be derived of current members and any available experts. As some CATO members have sustainability experts within their organizations, it's hoped some would partake on this committee.

Please let Emma Cottis or Brett Walker know if you or anyone from your organization is interested in serving on CATO's NEW Sustainability committee.

### **Government Relations update**

Chair advised that Innovation, Science and Economic Development has been tasked with conducting a public consultation on a new Federal Tourism Growth Strategy. Input from Canadians and any stakeholders was to have been received prior to August 3, 2022.

Chair noted CATO's submission underscored the need to all work together – industry, government and all other stakeholders - to both grow and shockproof the tourism industry as well as make it more sustainable. Moreover, to work together to attract new investment, new opportunities and enhanced resources and employment in our industry.

CATO's submission referenced The Economic Impact Assessment of 2021 which clearly illustrated why CATO's voice matters and why government should take note. The direct and indirect economic activity of the tourism industry is profound. In 2018, CATO members generated more than \$6,000,000,000 in direct economic output, employed more than 10,000 individuals - earning more than \$1,000,000,000 in labour income.

For more information on this consultation [click here](#).

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### **TICO – Advocacy & Fee review –**

The Chair noted that On August 25, 2021 TICO released a register bulletin announcing consultation on a new funding framework and fee model. At the time, CATO did not support the consultation because it did not include a review of the funding of the Compensation Fund; including a consumer contribution. CATO believes that consumer contributions are not only a means to a fully funded Fund, they are also a means to create awareness of the Fund and why it is so important for consumers to book through an Ontario registrant. Apart from the shortcomings, the largest pf wholesale registrants would have seen their fees increase by as much as 1,600%.

At previous meetings, members expressed the desire to pursue our own advocacy apart from any involvement with TICO's own advocacy.

While the Ministry of Public and Business Service Delivery is the governing Ministry over TICO, the Chair has met several times with senior staff at the Minister of Tourism, Culture, and Sport, including Ted Scaldwell (Director, Caucus Relations) and Husam Khalo (Director of Tour) who are well connected with other Ministries including Ministry of Public and Business Service Delivery. In discussions with Ted Scaldwell and Husam Khalo there was some inference that this government is considering a whole of government approach to consumer protection and not necessarily Ministry by Ministry.

The Chair has also written to Minister Kaleed Rasheed (Public and Business Service Delivery) but has not yet received a reply.

Peter Lacy asked what was the status of the regulations? Were they to be considered as part of the current review and consultation?

Nicole Bursey noted that TICO's current review being conducted by Optimus SBR (as announced in TICO's most recent Bulletin [click here](#)) will entail an end-to-end review of TICO's current funding framework, as well as a full review of the Compensation Fund. Inevitably there are linkages to the regulations but the regulations themselves are not currently a subject for this review.

The TICO Bulletin states "In collaboration with TICO's management, Optimus will consider all available options around an innovative funding model that meets the needs of consumer protection today and the future."

As of April 1, 2023, TICO will temporarily revert to the fee structure that was in place prior to the pandemic. This will be in effect until a comprehensive funding framework review is complete.

### **IMPORTANT UPDATE – POST MEETING**

On October 25 the Chair received an email from Sanja Skrbic, Director, Finance & Financial Compliance at TICO advising that Optimus SBR would now like to engage CATO in a focus group to collect input and feedback (full email is included in the Addendum).

**The date and time for this focus group has now been set for November 22nd from 2:30-4:00 pm. If you or anyone in your organization wishes to attend, please let me or any of the executive know.**

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**2023 CATO Economic Impact Assessment & Report**

In 2021 CATO commissioned BDO to undertake our first Economic Impact Statement and report released in Fall 2021.

Chair emphasized the magnitude of this undertaking as well as the success of having had 100% of CATO's committed members participate in the survey along with dozens of ATOQ members. Even more impressive, and generally overlooked at the time, was that CATO members (with a market one tenth the size of the US) generated over 6 billion dollars in revenues (2018) as compared to USTOA's 18 billion in the same year 2018 (source USTOA 2018 Economic Impact Study).

Chair suggested CATO consider another such undertaking in 2023.

Chair further noted that this past October USTOA concluded their 2022 economic impact assessment and analysis and have kindly provided CATO with the questions should we wish to consider the same. The USTOA survey has been uploaded with permission to the members' site and is located in the Knowledge Library

Chair noted the benefit of aggregated data (North American) should CATO ask any of the same questions of its members.

Chair suggested it may be the will of members to undertake a similar survey and report in 2023 based on Y/E 22 and any projections for Y/E 2023. Since this would be a sizable cost, the Chair believed it should be a motion and voted on by members.

Discussion ensued and while many members felt another survey would be valuable, some felt it would better serve CATO and its members to wait until the end of 2023 or 2024 as any figures from 2022 would reflect periods of both limited demand and travel.

It was mentioned that CATO had reacted very quickly in 2021 to the crisis at hand and likely could again if there was another event or crisis which warranted such data. It was also mentioned that any future event or crisis might only warrant a fractional response compared to a full economic impact assessment and report.

Chair noted that while we had tremendous success with the first economic impact assessment and report it involved a lot of effort and participation was greatly enabled by the necessity of the pandemic. Without such a catastrophic event, members may not be so responsive to any impromptu request for information. The Chair suggested that committing to another assessment & report, at whatever timeframe is deemed best, will help ensure this remains on the minds of members and the importance of having relevant and comprehensive data.

Nicole Bursey suggested the preferred time for the next assessment and report would be end of year 2023 or 1<sup>st</sup> QTR 2024 to account for accurate Y/E data for 2023.

Chair advised the CATO executive will give further consideration of this and come back to members in the new year with any updates.

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### **Addendum**

**From:** Sanja Skrbic [mailto:sskrbic@tico.ca]  
**Sent:** Tuesday, October 25, 2022 10:01 AM  
**To:** Walker, Brett <BWalker@collette.com>  
**Cc:** Taylor Lew <taylor.lew@optimussbr.com>; Justin Khera <justin.khera@optimussbr.com>; Richard Smart <RSmart@tico.ca>  
**Subject:** [EXTERNAL] Invitation to engage in a review of TICO's funding framework and Compensation Fund

Hello Brett, hope you are doing well.

As you may be aware from TICO's September 21<sup>st</sup> Registrar Bulletin, and from speaking with Richard, TICO has partnered with Optimus SBR (a Toronto-based management consulting firm) to lead an end-to-end review of TICO's current funding framework, as well as a full review of the compensation fund. Consultations on a proposed funding approach were previously conducted in 2021, in which much of the industry feedback heard centered on a desire to conduct a review that also encompassed the Compensation Fund. As such, TICO is now following through on its commitment to updating registrant fees in a comprehensive manner, by reviewing both the funding framework and the Compensation Fund holistically.

The project is expected to result in:

- A comprehensive review of TICO's current funding framework and Compensation Fund, including a comparator scan that will review similar models in place at similar jurisdictions
- A recommended approach to TICO's management for a future funding model that addresses both registrant fees and the Compensation Fund
- A clear understanding of the implementation path forward, with implementation considerations clearly identified

Initial discussions have been held with TICO leadership as part of the discovery process, and Optimus SBR would now like to engage with your association in a 1.5-2hr focus group to collect your input and feedback. Taylor Lew from Optimus SBR (Cc'd) will be reaching out to coordinate a meeting time and set up a virtual Teams meeting with yourself or an appropriate appointee(s).