

By the Numbers: A frog in the pot: Climate change, tourism, and small business

This article is not about “going green”, who or what is to blame, nor a moralistic sermon. It is about paying attention to the changing temperature of the water in the pot.

Most of us have heard the story of a frog in a pot of water on the stove that does not respond (try to escape) to small incremental changes in its environment (temperature) until it is too late. The message from this classic tale is that we need to be aware of the many small changes in our various environments, before it is too late, and make changes that will allow us, as small businesses, to continue in business. This is particularly true in Grey Bruce, as we are an important tourism destination.

Before we continue, we need to establish a bit of context. First, the pot represents the “tourism industry”, the water is the collective effect of climate change as it relates to our businesses (e.g., drop in spending, drop in visitations), and the frog - well, that represents us, the business owners. Second, there is no such thing as a “tourism industry” per se, as is the traditional sense of manufacturing, forestry, and transportation. But, because tourism affects many businesses in different sectors, researchers and governments have worked out an accounting strategy, called “tourism satellite accounts” to track the economic impacts of tourism spending. So many businesses are directly and indirectly linked economically to tourism in Grey and Bruce that a change in our appeal as a destination will have a significant impact. And third, climate change is real and average annual temperatures are changing, they are warming compared to the historical record. And, IF the trend continues, predictions are for an increasingly warmer future.

Interest in climate change and its impact on tourism has been climbing since the 1960s. A recently published guide to climate change studies, published in academic journals, indicated there were only 14 studies published in the '60s and earlier; 38 in the '70s, 55 in the '80s; 161 in the '90s; and 283 from 2000 to 2006 - an increase of twenty times. Type in “climate change” in Google and you’ll get 68.6 million hits. Type in climate change + tourism and you’ll get 4.2 million. With climate change + “economic impact” you get a mere 390,000 hits. And, finally, climate change + “small business” gets 1.4 million.

Interestingly though, the publication “Tourism” (the Canadian Tourism Commission’s official publication), has only run one article about climate change (May/June 2007) and one short editorial on going green (September/October 2005) since 2004.

The frog in the water, as a metaphor, is about paying attention to the small changes over time, to respond in a pro-active way and adapt one’s business

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and business practices to changing circumstances. This is especially true for businesses (and organisations) of a seasonal nature. Most businesses will be affected by changes to any other sector because of the economic concept of "trickle-down". To illustrate, a tourist dollar spent in an activity will trickle down to every business directly and indirectly associated with the activity, creating a multiplier effect. Take, for example, \$1 spent in cross-country skiing. That \$1 will be shared with, and flow through, businesses (and organisations) that are associated with cross-country skiing such as equipment sales and rental shops, gas/transportation, accommodations (hotels, motels, B&Bs), manufacturers of skis and clothing, manufacturers of trail grooming equipment, retail shops, restaurants and bars, grocery and convenience stores, and, memberships and trail permit sales purchased through ski clubs.

Paying attention to small changes in climate change and the resulting changing behaviours of tourists can be difficult, almost impossible, for owners of small and medium businesses (SMB). The changes may be small and spread out over many years. And who has the time to analyse and draw conclusions from anything that might be available? Usually tourism and business statistics are published well after the fact and the detailed numbers needed for in-depth analysis, to determine a region's changing circumstances, are seldom available until the following year. (We'll come back to this point about who could assume responsibility for helping us understand what is happening.)

Nevertheless, we do need to pay attention, or we'll be that frog that realises too late things are not going to get better. As stated above, there is a growing base of research and studies that are helpful in pointing to effects of climate change, possible long-term scenarios, and how changes might affect our various businesses. To illustrate this, we are going to turn our attention to a few studies that have particular relevance to the Grey Bruce region.

Geoff McBoyle and fellow researchers at the University of Waterloo looked at the effects of climate change and snowmobiling for Ontario, Quebec, Atlantic Canada, and the Prairies (published in 2007). The study used data from 13 sites across Canada. A 30-year baseline period (1961 - 1990) was used to establish average operating seasons measured in days that ranged from 18 days in Sydney, Nova Scotia to 100 days in Kenora, Ontario. A snow depth of 15 cm was used in the study as an acceptable minimum for snowmobiling trails.

In Ontario and Quebec, the snowmobiling season has been projected to be reduced by 11% to 68%, on average, in the period of 2010- 2039, meaning a "reliable snowmobiling season would be essentially eliminated" for the period 2040 - 2069, due to climate change. The projections vary, depending on whether a low or high greenhouse gas emissions scenario is used.

Unlike Alpine/downhill skiing (which can use manufactured snow),