

December 20, 2011



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The Honourable Darrell Dexter
Office of the Premier
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1700 Granville St. P.O. Box 726
Halifax, NS B3J 2T3

The Honourable Percy Paris
Minister of Economic and Rural Development and Tourism
1660 Hollis Street
P.O. Box 2311
Halifax, NS B3J 3C8



Dear Premier Dexter and Minister Paris:

On behalf of the Board of Directors and membership of the Tourism Industry Association of Nova Scotia, we are writing to express our unwavering support for a solution that would see the continuation of a ferry link to the United States.



We appreciate that your government has been open to looking at viable options for service continuation and as we near the two year anniversary of the cancelled service, we wanted to reiterate how important a link to the United States will be to tourism and trade.



Of late, there have been some significant announcements for the province that promise positive economic activity in the years to come; the Ship Building Contract will be positive for the entire region, including rural communities; the reinvestment in the Bowater Mill; the efforts in Port Hawkesbury; and, the support for Cape Breton Rail are all positive efforts that will help economic activity throughout the province. We believe having a ferry route to the US will not only support these efforts but will be a catalyst for new business on both the tourism and trade side.

We understand the past challenges with the service, and appreciate your government's efforts to better understand the potential through research and studies; we know that the recent study commissioned indicates the business case is there for the right service. We believe that if we are able to reestablish a link, and integrate it better into the provincial strategy for tourism, we will see significant impacts for the province. With the establishment of the Nova Scotia Tourism Agency (NSTA) supported by your government and a provincial long term strategy underway, we believe the time is right to invest in this infrastructure that will open up access into the province.

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On a weekly basis, TIANS receives phone calls from members in the southwest region struggling to keep their businesses afloat and hoping that they can hang on for another year. In fact, this past year, TIANS had the highest number of tourism business closures during the annual renewal process. To date, this year, over 48 properties have ceased operation and the highest number of them are in the southwest region (over 35%). Many other operators have downsized and have indicated uncertainty for the long term. In our membership survey, operators from all over Nova Scotia have noticed a drop in the United States market and attribute it to the lack of ferry access into the province. Last year much of the business that was destined for Yarmouth was rerouted to the Digby/Saint John ferry. Customers who had booked and paid did not have decisions to make. This year we are seeing a truer picture of the impact on business levels.

Although numbers had been declining on the service, the business coming in from the United States was still very significant for the province with just under 80,000 passengers over a four month period. With a market of 350 million people geographically and culturally connected to us, we believe, with the right business approach, we could attract a significant piece of market share into Nova Scotia. In 2010, outbound tourism was up in the U.S. by two per cent. The U.S. visitor is travelling and Nova Scotia can resonate as a destination of choice, but with the rising cost of air travel making Canada less attractive and limited alternatives to get to us in Nova Scotia, the challenges are mounting. From a tourism destination perspective, our geography is a blessing and the simple and slower paced seacoast lifestyle holds a great deal of appeal, for our neighbours to the south. However, if we continue to make it expensive and difficult to get to us, we will continue to erode tourism and trade.

Ferry service to the United States is a crucial piece of provincial infrastructure and will spur investment and jobs in rural Nova Scotia.

We respectfully request an update on your government's position on this issue. We are hopeful there is ongoing activity to search for and develop a long term solution and offer our support and assistance in any way appropriate.

Sincerely,

Darlene Grant Fiander
President

cc TIANS Board



Economic and Rural Development and Tourism
Office of the Minister

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January 12, 2012

Ref: 23430/122211001

Ms. Darlene Grant Fiander, President
TIANS
2089 Maitland Street
Halifax, NS B3K 2Z8

RE: Yarmouth Ferry Update

Dear Ms. Grant Fiander:

On behalf of Premier Dexter, I am responding to your recent letter requesting an update on the Yarmouth ferry. As you note, there have been huge challenges in the past and the situation, in that regard, has not necessarily changed for the better.

Growing the economy across Nova Scotia, and in south-western Nova Scotia in particular, is very important to our government. Nova Scotia Economic and Rural Development and Tourism has been working with municipalities in the region, and with other community partners, to develop a plan for south-western Nova Scotia that builds on the region's unique assets and potential. There is still work to be done. However, we do remain committed to the region's success.

The Province's position on the Yarmouth ferry has not changed. If a sustainable option is identified, we would be prepared to look at what we can do to help. We also remain open to ideas in partnership with stakeholders in south-western Nova Scotia to find an affordable ferry solution, including the federal government, whose support is key to any proposal going forward.

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Ms. Grant Fiander

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Thank you for taking the time to write and express TIANS' support for the Yarmouth ferry and tourism-related enterprises in south-western Nova Scotia. I greatly appreciate your offer of assistance in this matter and I have passed your letter on to the government team working on this file.

Sincerely,

A handwritten signature in black ink, appearing to read "Percy A. Paris". The signature is fluid and cursive, with a prominent loop at the end.

Percy A. Paris
Minister

cc. Honourable Darrell Dexter, Premier of Nova Scotia
Sandra McKenzie, Acting Deputy Minister, Economic and Rural Development and Tourism
Brandon Rose, Executive Assistant to the Honourable Percy A. Paris
Roland McCaffrey, Investment & Trade, Economic and Rural Development and Tourism
Heather Spidell, Acting Executive Director, Tourism Division, Economic and Rural Development and Tourism