



Canadian Off-Highway Vehicle Distributors Council
Conseil Canadien des Distributeurs de Véhicules Hors Route

**For Immediate Release
November 16, 2016**

ATVs and Side by Side Off-Road Vehicles pump \$974M into Ontario Economy

Toronto –An independent economic impact study completed by Smith Gunther Associates Ltd., on behalf of the Canadian Off-Highway Vehicle Distributors Council (COHV) reported that in 2015 Ontario residents spent \$974 million on activities directly involving the operation of All-terrain Vehicles (ATVs) and recreational off-highway vehicles (ROVs) also known as side by sides.

ATV and ROV riding is a popular activity for families and friends here in Ontario, enthusiasts know they have safe places to ride and enjoy adventure tourism, trail riding and camping. “This report confirms what we already know, that off-road riding contributes significantly to Ontario’s economic well-being.” stated Dave Baker of the Ontario Federation of All Terrain Vehicles (OFATV). The OFATV is a group of ATV clubs in Ontario operated by volunteers, with the goal of proving safe, legal and sustainable trails across the province. Its staff and volunteers are constantly working with provincial government and municipalities, championing the rights of the ATV rider in Ontario.

Excluding imports, Gross Domestic Product (GDP) is a better measure of economic activity. Ontario estimates of total direct and indirect GDP is calculated at \$777 million to \$941 million, which includes labour force income of \$470 million to \$614 million with related employment measured as 9,858 full time equivalents (FTEs) including those employed directly, indirectly and in induced activities.

This activity generates revenues of \$245 million to \$301 million to all levels of government combined in the form of various direct and indirect taxes on goods and services. The higher results reflect an attrition rate suggested by nearly 3,000 respondent owners to a questionnaire and the lower estimates a higher attrition rate consistent with those on personal water craft and snowmobiles.

In 2015, Ontario’s annual investments in the economy, such as new purchases of equipment and machinery, including ATVs, ROVs and related enhancements to vehicles reached \$201million to 210 million before depreciation. Further, annual Ontario operating expenditures amounted to an additional \$630 million to \$862 million bringing 2015 direct investment and operating expenditures to \$974 million.



Through data retrieved from Statistics Canada and the COHV's current and historical data on sales of ATVs and OHVs in each province and territory, it has been identified that economic multiplier effects are strongest in provinces which are net beneficiaries of interprovincial trade and where industrial linkages within the province are the strongest

Ontario has the strongest overall multipliers at 2.51 followed by British Columbia at 2.36. Alberta benefits from strong value shipped and GDP multipliers and Quebec has above national employment and labour force income multipliers as well as strong market shares due mostly to its high participation rates in off-road riding and excellent trails.

“Managing the responsible use of ATVs and ROVs is a subject of current interest for many governments. It is also of great interest to the COHV and the not-for-profit rider federations that have developed across the country,” stated Bob Ramsay. “This report confirms the scope and scale of the contribution that ATV and ROV use makes to provincial economies. Especially in rural and northern areas, which the industry points out, is an important aspect that needs to be recognized and considered when discussion is focused on the responsible management of off-highway vehicle (OHV) activity across Canada.

The Canadian Off-Highway Vehicle Distributors Council (COHV), originally founded in 1984, is a national, non-profit, trade association that represents the responsible interests of the major ATV and ROV distributors, as well as the manufacturers, distributors and retail outlets of OHV related products and services.

The member companies of the COHV account for over 90 percent of all the new ATVs and ROVs sold in Canada. More information related to the COHV is available at: www.cohv.ca



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ECONOMIC IMPACT STUDY - FACT SHEET

- In 2015, there were an estimated 705,264 ATVs and 432,219 ROVs in operation. This estimate is based on an 8.6% attrition rate of the current stock of ATVs from 1994 onward when annual sales data were available or could be estimated. Similar adjustments were calculated on ROV purchased after 2006 when they started being used for recreational purposes. From those provinces where licensing data were available this rate is supported by that data.
- This comprehensive study updates an earlier 2006 study, also conducted by Smith Gunther, which examined the economic impact of ATVs specifically. Both of these reports are a snapshot in time of the economic impacts of ATV and Side-by-Side or Recreational Off-Road Vehicles (ROVs) recreational activities. Since the 2006 study, ROVs have become a significant factor and both data sources and geographic information systems have improved facilitating increased direct expenditures and availability of data to analyze the impacts.
- Other expenditures include upkeep and operations of the entire stock of all ATVs and ROVs that is the surviving stock of ATVs and ROVs sold in all years dating back to 1994 for ATVs and 2006 for ROV, enhancements of any on-highway vehicles to facilitate ATV or ROV recreational activities, paid repair and maintenance, gasoline for ATVs and ROVs, membership fees, licensing costs, attendance at events and off-highway vehicle shows and related travel, e.g. mileage charges, food and beverages and accommodation as well as related entertainment.



- Foreign spending is not considered in the report, but would increase economic impact further. Volunteer time is not considered since it is outside of Stats Canada's Input/Output range (because no funds are exchanged). Smith Gunther, nevertheless value volunteer time at \$554 million to \$858 million annually. Licensing fees are also not considered because they are usually recycled back into the general government revenues where their subsequent use will no longer impact ATVs or ROVs. Smith Gunther estimates their impact at \$99 million to \$123 million.

COHV BACKGROUNDER

- The **Canadian Off-Highway Vehicle Distributors Council**, originally founded in 1984, is a national, non-profit, trade association, which represents the responsible interests of the major ATV distributors, as well as the manufacturers, distributors and retail outlets of OHV-related products and services, and individual owners and riders of off-highway vehicles in Canada.
- Member companies such as; Arctic Cat; Can-Am-BRP; Honda; John Deere, Kawasaki; KTM; Polaris; Suzuki and Yamaha are committed to the integrity of the ATV and ROV industry.
- COHV's mission is the ongoing education and training of the general public on the safe and responsible use of all-terrain vehicles and off-road motorcycles as well as to promote the responsible interests of riders and the industry.
- As an industry COHV and its member companies believe that it is important to work with government and the public in our mutual goal of creating balanced legislation that works, is enforceable and includes the very important component of public education and training.