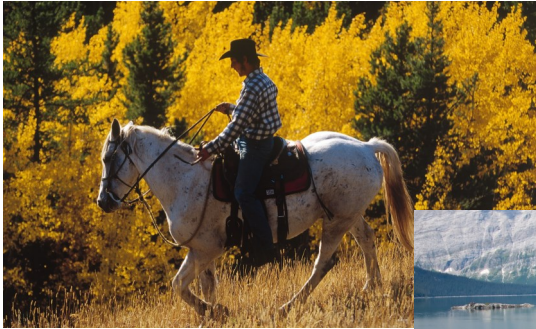


Tourism Works for Alberta



2012



The Economic Impact of Tourism in the Canadian Rockies Tourism Region 2012

Overview:

- Direct visitor spending by all tourists (resident and non-resident) in the Canadian Rockies was approximately **\$1.09** billion in 2012.
- This spending resulted in a net economic impact (value-added) of approximately **\$1.48** billion province-wide.
- A total of **23,602** full-time equivalent jobs were sustained province-wide in 2012 as a result of visitor expenditures in the Canadian Rockies.
- Approximately **\$623** million in total tax revenue accrued to all three levels of government in 2012 as a result of tourism activity in the Canadian Rockies. This included **\$334** million to the federal government, **\$203** million to the provincial government, and **\$86** million to local governments province-wide.

What is Economic Impact Analysis?

Economic impact analysis is used to determine the impacts of additional tourist spending primarily on employment, income (value-added) and government tax revenues in an economy. It provides a snapshot of the economy at a particular point in time based on the initial spending. It is based on the premise that initial or direct impacts alone are poor measures of the total impact of tourism on the economy. It is often the case that indirect and induced impacts are just as large, if not greater, than direct impacts and frequently involve sectors and activities distantly, but importantly, connected to the initial activity.

Let's suppose a tourist travels to Alberta and spends \$100 at a gas station. In an economic impact analysis, the focus is not on the amount of sales (in this case \$100), but rather the impact of those sales on the provincial/regional economy.

If you consider:

- **Direct Impact:** The gasoline station owner must take part of the \$100 spent by the tourist and buy more gasoline from a wholesale distributor, and pay wages and taxes.
- **Indirect Impact:** In the second round, the wholesale gasoline distributor buys additional items and pays salaries/wages with part of the \$100.
- **Induced Impact:** The gasoline station employees and the employees of the wholesale distributor spend part of their salaries on groceries, rent, automobiles, and so on.

This ripple effect based on the initial amount of tourist spending circulates throughout the economy and creates a "multiplier effect". In this analysis, the objective is to estimate and analyze the ripple effect of tourism spending in each tourism region and understand tourism's vital economic contribution to every region of the province.

All economic impacts include direct, indirect, and induced effects.

Sources:

Statistics Canada's 2012 International Travel Survey and 2012 Travel Survey of Residents of Canada
Econometric Research Limited

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Travel to the Canadian Rockies Tourism Region by Visitor Origin, 2012

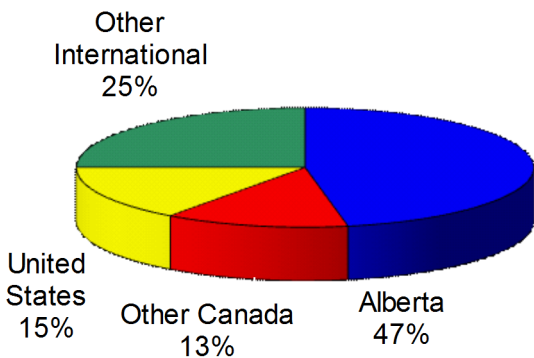
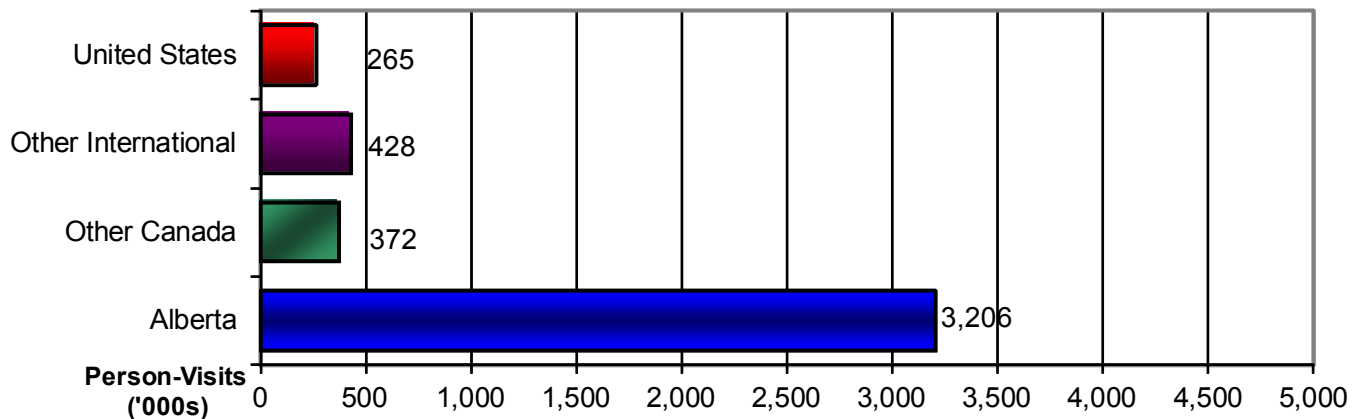
In 2012, **4.27** million visits were made to the Canadian Rockies by residents of Alberta, other parts of Canada, visitors from the United States and other international visitors. Direct tourism expenditures by these visitors were approximately **\$1.09** billion.

	Alberta	Other Canada	United States	Other International	Total
('000s)					
Person-Visits	3,206	372	265	428	4,271
Tourism Expenditures	\$399,645	\$168,300	\$196,261	\$326,797	\$1,091,003

Domestic visitors include same-day and overnight, while international visitors include overnight visitors only.

Person-Visits, 2012

Residents of Alberta accounted for 75% of all person-visits to the Canadian Rockies. Visitors from other parts of Canada accounted for 9%, visitors from the United States accounted for 6% and other international visitors accounted for 10% of the person-visits to the region.



Direct Tourism Expenditures, 2012

Residents of Alberta accounted for 47% of direct visitor spending in the Canadian Rockies. Other international visitors accounted for 25%, visitors from the United States accounted for 15%, and visitors from other parts of Canada accounted for 13% of the direct tourism expenditures in the region.

Tourism Expenditures in the Canadian Rockies Tourism Region by Category, 2012

Residents of Alberta ranked number one for total tourism expenditures in the Canadian Rockies. Approximately 34% of total visitor spending by Albertans was on accommodation, food and beverage, while 64% of international visitor spending was on accommodation, food and beverage.

	Alberta	Other Canada	United States	Other International	Total
(\$000s)					
Public/Local Transportation	\$6,956	\$7,127	\$13,220	\$22,143	\$49,446
Private/Rental Auto	\$93,616	\$28,686	\$18,145	\$22,446	\$162,893
Accommodation, Food and Beverage	\$135,637	\$107,054	\$127,222	\$210,723	\$780,636
Recreation/Entertainment	\$88,740	\$14,200	\$22,157	\$28,609	\$153,706
Retail/Other	\$74,696	\$11,233	\$15,517	\$42,876	\$144,322
Total	\$399,645	\$168,300	\$196,261	\$326,797	\$1,091,003

Economic Impact of Tourism in the Canadian Rockies Tourism Region, 2012

In 2012, the net economic impact (value-added) was approximately **\$1.48** billion province-wide. A total of **23,602** full-time equivalent jobs were sustained province-wide. The total value of wages and salaries associated with tourism-related employment was over **\$999** million.

	Alberta	Other Canada	United States	Other International	Total
(\$000s)					
Initial Expenditure	\$599,645	\$168,300	\$196,261	\$326,797	\$1,291,003
Value-Added	\$671,253	\$195,041	\$229,810	\$382,535	\$1,478,639
Gross Output	\$1,531,319	\$427,241	\$496,421	\$820,291	\$3,275,272
Wages & Salaries	\$441,963	\$131,190	\$159,655	\$266,644	\$999,452
Taxes*	\$278,798	\$82,428	\$98,396	\$163,451	\$623,073
Employment (Full-Time Equivalent)	10,422	3,097	3,783	6,300	23,602

*Taxes accrue to all 3 levels of government (federal, provincial and local).