

# Tourism Works for Alberta



2009



## The Economic Impact of Tourism in Alberta, 2009

### Overview:

- Direct visitor expenditures from all tourists (resident and non-resident) in Alberta exceeded **\$5.38** billion in 2009.
- These expenditures resulted in a net economic impact (value-added) of over **\$5.89** billion province-wide.
- Over **\$1.98** billion in total taxation revenue accrued to all three levels of government in 2009. This included **\$1.25** billion to the federal government, **\$537** million to the provincial government, and **\$199** million to local governments province-wide.

Alberta

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Government  
of Alberta

## 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 Destination Region (TDR) 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 (2009 International Travel Survey, 2009 Travel Survey of Residents of Canada)  
Econometric Research Limited

For more information, please contact the Tourism Business Development, Research and Investment Branch  
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780 415 –1310 [www.tpr.alberta.ca/tourism](http://www.tpr.alberta.ca/tourism)

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### Travel to Alberta by Visitor Origin, 2009

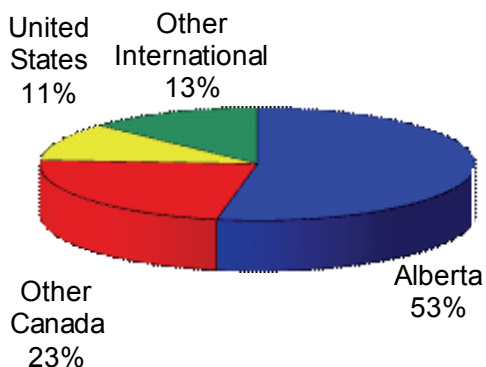
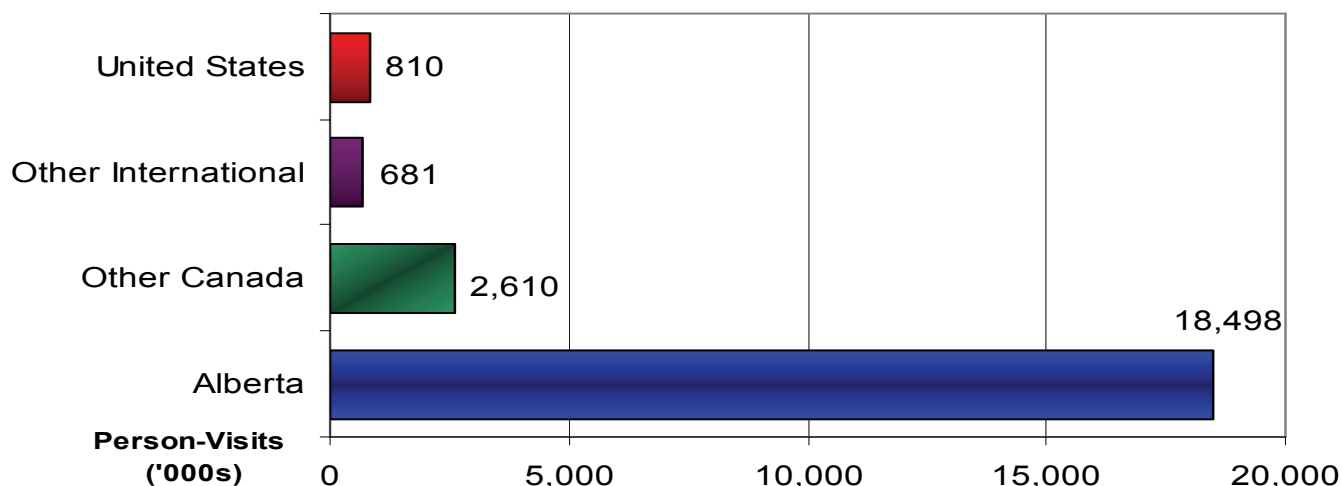
In 2009, **22.60** million person-visits were made to Alberta by residents of Alberta, other Canadians, visitors from the United States and other international visitors. Direct trip expenditures by these visitors exceeded **\$5.38** billion.

	Alberta	Other Canada	United States	Other International	Total
('000s)					
Person-Visits	18,498	2,610	810	681	<b>22,599</b>
Trip Expenditures	\$2,870,015	\$1,230,043	\$566,827	\$718,711	<b>\$5,385,596</b>

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

### Person-Visits, 2009

Residents of Alberta accounted for 82% of all person-visits to Alberta. Visitors from other parts of Canada accounted for 11%, visitors from the United States accounted for 4% and other international visitors accounted for 3% of the person-visits to Alberta.



### Direct Trip Expenditures, 2009

Residents of Alberta accounted for 53% of the direct trip expenditures in Alberta. Visitors from other parts of Canada accounted for 23%, other international visitors accounted for 13%, and visitors from the United States accounted for 11% of the direct trip expenditures in Alberta.

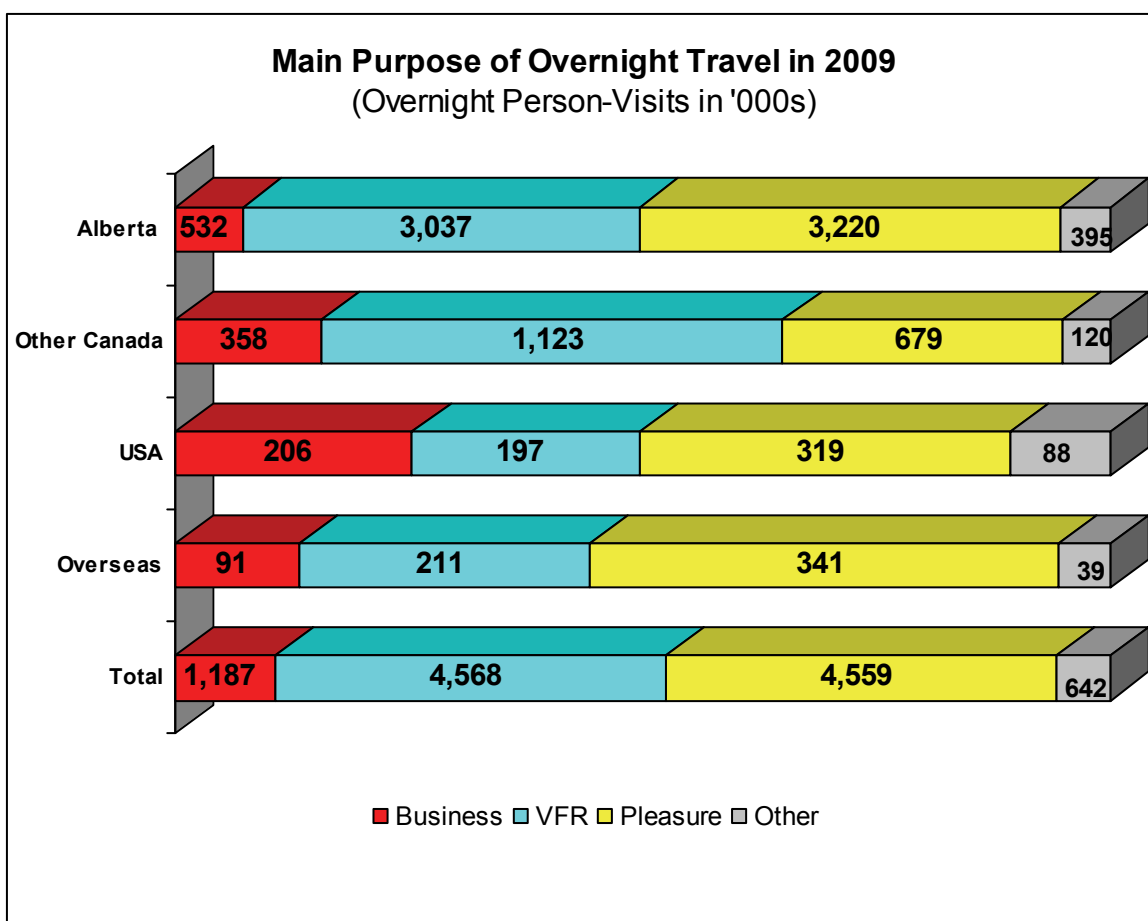
### Overnight Person-Visits to Alberta

In 2009, approximately 48% of all visits to the province included at least one overnight stop, yielding **11.0** million overnight person-visits. Of those 11.0 million overnight person-visits, approximately 66% were made by Albertans. Another 21% were made by visitors from other parts of Canada, 7% were made by visitors from the United States and 6% were made by overseas visitors.

### Main Purpose of Overnight Travel to Alberta

Overnight visits in Alberta totaled **11.0** million person-visits in 2009. Across all markets, the overnight pleasure segment and the visiting friends and relatives segment both represented 42% of all overnight travel in the province (4.56 million and 4.57 million overnight person-visits, respectively). Business travel accounted for 10% of all overnight trips in the province and 6% were for other purposes.

The pleasure market represents just under forty per cent of overnight travel in the province by American visitors (39%) and half of overnight travel by overseas visitors (50%). Visiting friends and relatives accounted for 24% of overnight travel by U.S. and 31% of overseas visitors. Business accounted for 7% of overnight travel by Albertans and 25% of overnight travel by visitors from the U.S.

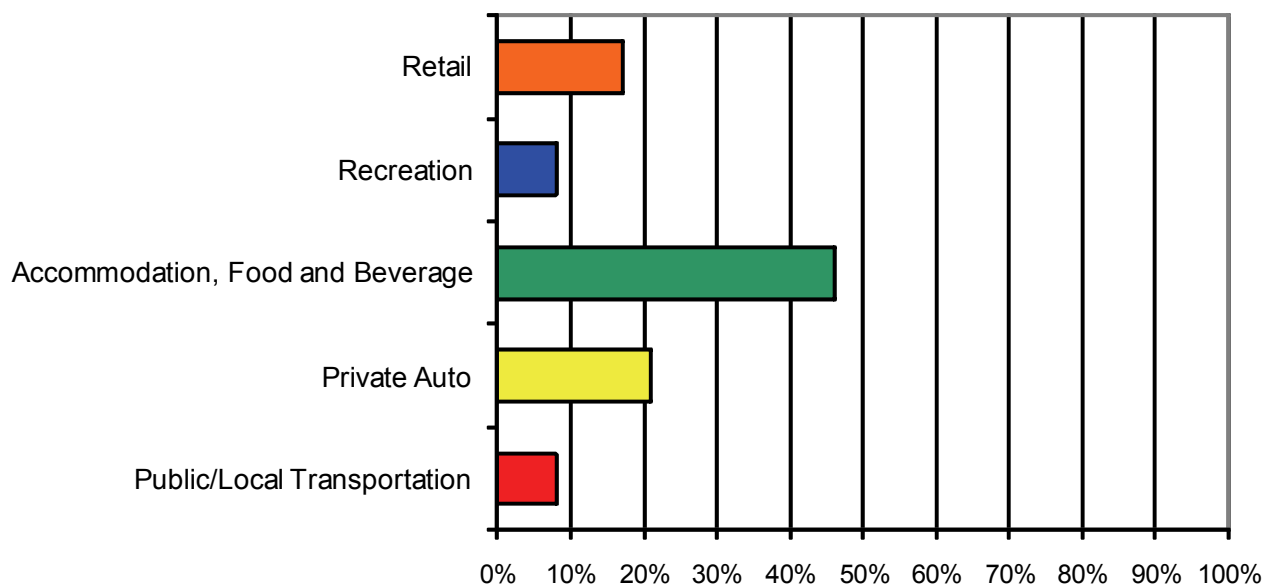


### Direct Trip Expenditures in Alberta by Category, 2009

Residents of Alberta ranked number one for spending in every direct trip expenditure category except for public/local transportation, where residents of other Canada ranked number one. Approximately 42% of all expenditures made by residents of Alberta in the province was on accommodation, food and beverage, while an additional 28% was spent on private auto.

	Alberta	Other Canada	United States	Other International	Total
(\$000s)					
Public/Local Transportation	\$122,037	\$244,975	\$28,382	\$51,123	<b>\$446,517</b>
Private Auto	\$804,490	\$182,819	\$79,484	\$61,020	<b>\$1,127,813</b>
Accommodation, Food and Beverage	\$1,197,756	\$541,060	\$327,055	\$413,706	<b>\$2,479,577</b>
Recreation	\$229,173	\$77,409	\$71,251	\$69,485	<b>\$447,318</b>
Retail	\$516,559	\$183,780	\$60,655	\$123,377	<b>\$884,371</b>
<b>Total</b>	<b>\$2,870,015</b>	<b>\$1,230,043</b>	<b>\$566,827</b>	<b>\$718,711</b>	<b>\$5,385,596</b>

### Distribution of Tourism Expenditures in Alberta by Type of Expenditures, 2009



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

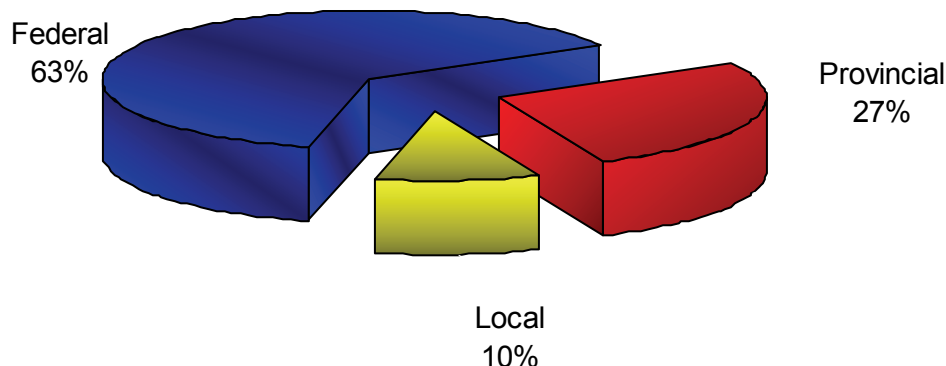
### Economic Impact of Tourism in Alberta, 2009

In 2009, the net economic impact (value-added) was over **\$5.89** billion province-wide. A total of **90,204** full time equivalent jobs were sustained province-wide. The value of wages and salaries associated with tourism-related employment was approximately **\$3.30** billion.

	Alberta	Other Canada	United States	Other International	Total
(\$000s)					
Initial Expenditure	\$2,870,015	\$1,230,043	\$566,827	\$718,711	<b>\$5,385,596</b>
Value Added	\$3,089,232	\$1,373,516	\$632,100	\$802,678	<b>\$5,897,526</b>
Gross Output	\$6,748,088	\$2,880,598	\$1,356,231	\$1,710,598	<b>\$12,695,515</b>
Wages & Salaries	\$1,643,349	\$788,432	\$380,842	\$490,649	<b>\$3,303,272</b>
Taxes*	\$1,014,398	\$466,306	\$223,185	\$283,718	<b>\$1,987,607</b>
Employment (Full Time Equivalent)	<b>44,456</b>	<b>20,428</b>	<b>11,213</b>	<b>14,107</b>	<b>90,204</b>

### Tax Impacts of Tourism Expenditures in Alberta

In 2009, over \$1.98 billion in total taxation revenue accrued to all three levels of Government. This included \$1.25 billion (63%) to the federal government, \$537 million (27%) to the provincial government, and \$199 million (10%) to local governments province-wide.

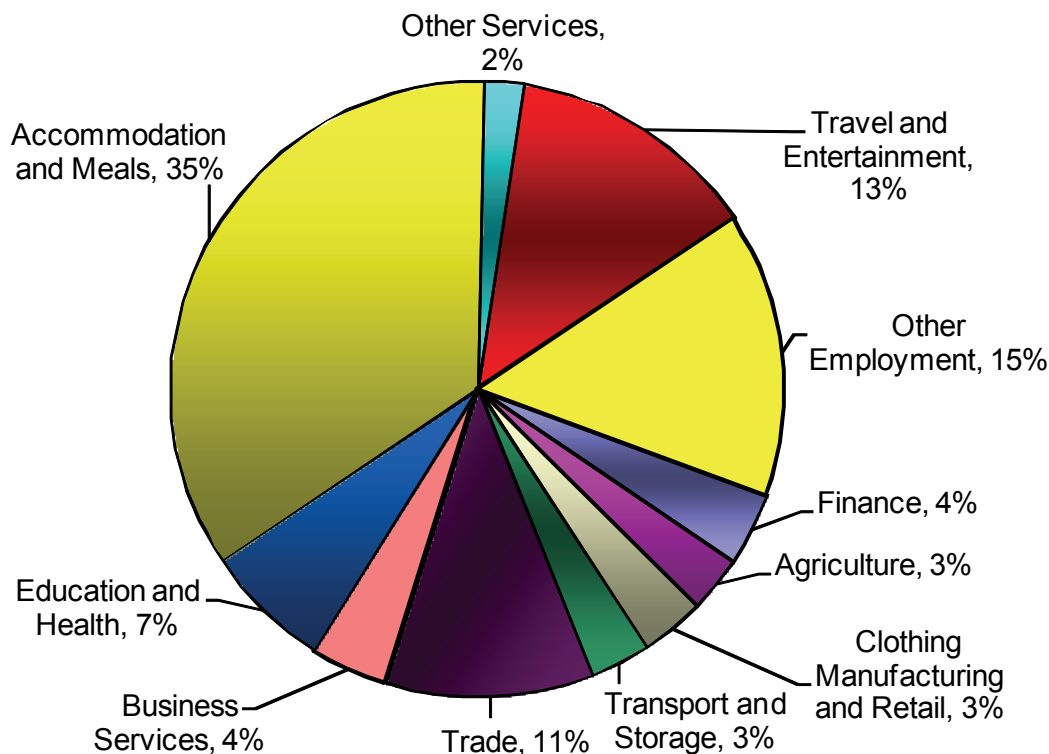


Domestic visitors include same-day and overnight, while international visitors include overnight visitors only.

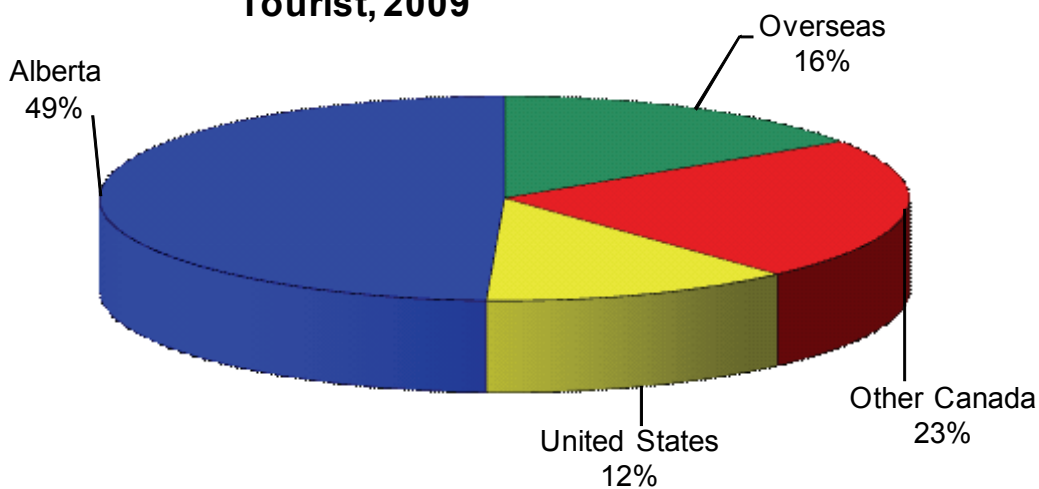
\* Taxes accrue to all 3 levels of government (federal, provincial and local).

### Employment Impacts of Tourism Expenditures in Alberta, 2009

In 2009, the accommodation and meal sector accounted for 35% of the employment impact on the tourism industry. The travel and entertainment sector accounted for another 13% and the trade sector accounted for 11%.

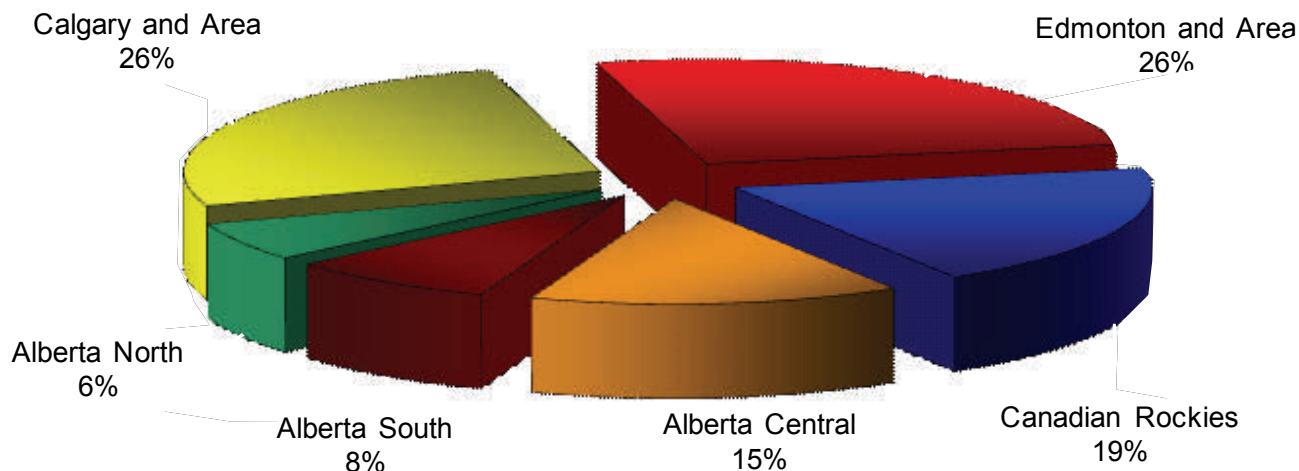


### Employment Impacts in Alberta by Origin of Tourist, 2009



### Distribution of Tourism Expenditures in Alberta Tourism Destination Regions

In 2009, the Edmonton and Area TDR accounted for 26% of the tourism expenditures in Alberta. The Calgary and Area TDR also accounted for 26% and the Canadian Rockies TDR accounted for 19% of total tourism expenditures in Alberta. In total, the three respective regions accounted for 71% of the tourism expenditures in Alberta.



### Tourism Expenditures in Alberta by Tourism Destination Region and Type

	Alberta North	Alberta Central	Edmonton & Area	Canadian Rockies	Calgary & Area	Alberta South	Total
(\$000s)							
Public/Local Transportation	\$31,728	\$6,546	\$136,604	\$39,133	\$220,445	\$12,061	<b>\$446,517</b>
Private Auto	\$97,951	\$263,711	\$239,088	\$153,099	\$234,840	\$139,124	<b>\$1,127,813</b>
Accommodation, Food and Beverage	\$126,264	\$312,261	\$628,837	\$617,847	\$602,538	\$191,831	<b>\$2,479,578</b>
Recreation	\$11,424	\$69,650	\$102,965	\$117,929	\$105,977	\$39,373	<b>\$447,318</b>
Retail	\$52,828	\$120,936	\$310,679	\$102,742	\$240,667	\$56,519	<b>\$884,371</b>
<b>Total</b>	<b>\$320,195</b>	<b>\$773,104</b>	<b>\$1,418,173</b>	<b>\$1,030,750</b>	<b>\$1,404,467</b>	<b>\$438,908</b>	<b>\$5,385,596</b>