



# Economic Impact Assessment

## 2018 Alberta Summer Games – Grande Prairie

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Date: July 20, 2018

# WHAT IS EI?

Economic Impact Assessment (EIA) studies measure the positive change in economic activity resulting from hosting an event in a specific city, town, or region. There are three factors:

1. the spending of out-of-town visitors while they attend the event;
2. the expenditures of the event organizers in producing the event;
3. capital construction costs that are directly attributed to hosting the event.

An EI study calculates the amount of new money being spent in the host community as a direct result of hosting the event, and then the impact these new monies have on the regional, provincial and national economy as a whole.

# HOW DO WE MEASURE EI?

The Canadian Sport Tourism Alliance (CSTA) has developed two tools called **steam<sup>2.0</sup>** and **steam pro<sup>2.0</sup>** to predict, collect, measure and analyze data across the three primary channels.

**steam<sup>2.0</sup>** is designed specifically as a predictive model to determine the expected economic impact of hosting an event, while **steam pro<sup>2.0</sup>** is utilized to generate the economic impact from actual spending data during the event itself.

Our economic impact services empower event organizers and host cities to accurately assess economic impact resulting from hosting a specific event in a specific location.

# STEAM VS. STEAM PRO

**steam<sup>2.0</sup>** uses standardized visitor expenditure profiles that have been developed with primary data provided by the event organizer, which is then supplemented with data from Statistics Canada. The model makes adjustments to the expenditure profile used in the preparation of the impact assessment based on these demographic characteristics, as well as the location of the event. This spending estimate is then combined with expected capital and operations expenditures to produce an overall estimate of the expenditures associated with the event, which is then entered into the economic impact assessment component of the model.

Using the same framework, **steam pro<sup>2.0</sup>** is an enhanced version of **steam<sup>2.0</sup>** featuring primary data collection on-site and detailed analysis. Its tag line *real data • real time* highlights the impact of live information collected directly from spectators and participants during the event which includes actual spending data.

CSTA has used **steam<sup>2.0</sup>** to assess the potential economic impact of this event in advance of Grande Prairie hosting the 2018 Alberta Summer Games in July 2018.

# MODEL OUTPUTS

The elements (outputs of the model) used to measure the economic impacts are:

- Gross Domestic Product (GDP)
- Wages & Salaries
- Employment
- Taxes
- Industry Output



Both CSTA's **steam<sup>2.0</sup>** & **steam pro<sup>2.0</sup>** measure the direct, indirect & induced effects for each of these elements.

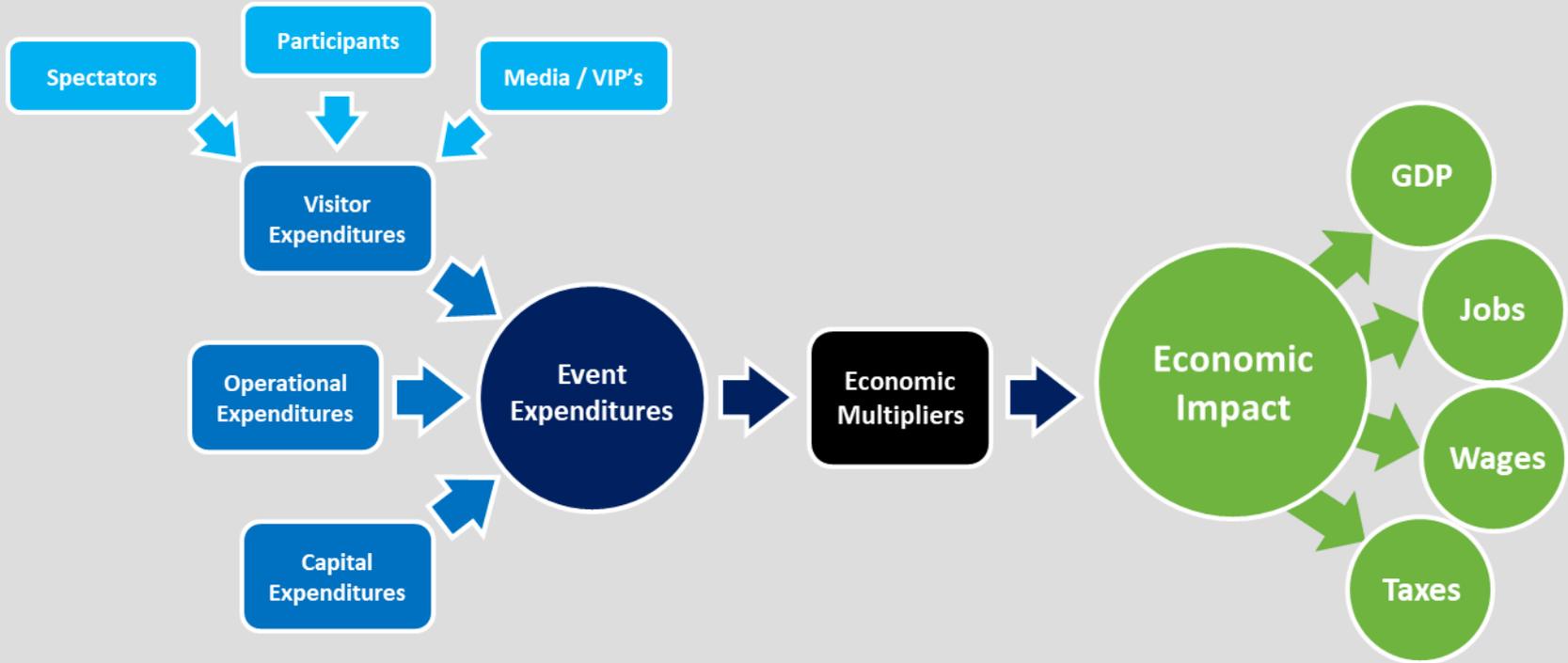
# RELIABILITY



In order to produce economic contribution assessments that are **robust** and **reliable**, the CSTA has partnered with [The Canadian Tourism Research Institute \(CTRI\)](#) at [The Conference Board of Canada](#). The CTRI serves the travel and tourism industry in providing sound economic forecasts and models with timely and insightful interpretation of data specifically relevant to travel.

The findings in this report make use of the most current and most detailed input-output tables and multipliers available from Statistics Canada and leverages the credibility and robustness of sector specific tax data available from Statistics Canada's Government Revenues Attributable to Tourism (GRAT) report.

# HOW IT WORKS



# 2018 ALBERTA SUMMER GAMES – GRANDE PRAIRIE

From July 19-22, 2018 close to 3,000 athletes, coaches, and officials are expected to visit Grande Prairie to compete for 8 different regional zones in 13 sporting events at the Alberta Summer Games. Additionally, the athletes will be supported by an expected 4,500 friends and family members who will travel to Grande Prairie to enjoy the competition and cheer on the athletes.

The Alberta Summer Games provide an opportunity to celebrate young athletes and provide them with a venue to compete and reach their athletic potential. The CSTA was commissioned to demonstrate the potential economic impact to Grande Prairie and the province of Alberta by hosting this biennial summer event.



# ASSUMPTIONS

This report has been compiled utilizing the CSTA's **steam<sup>2.0</sup>** model and populated with information provided by the event organizer. The data built into the **steam<sup>2.0</sup>** model, combined with the conservative estimates in the table below, along with the operational and capital budgets submitted, is what derives the economic impact outputs throughout this report.

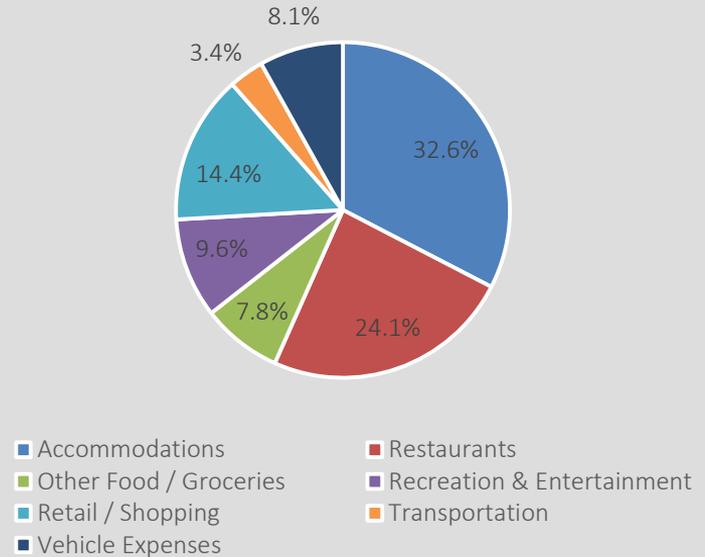
	Participants *	Out-of-Town Spectators	Media/VIP
People	2,950	4,000	225
% staying overnight	95%	90%	75%
Average number of nights	3	3	3

*\* Participants in this report includes athletes, coaches, support staff, etc.*

# EXPECTED VISITOR SPENDING

Aggregate visitor spending projected at \$1.4 million

Category	Visitor Spending
Accommodations	\$460,731
Restaurants	\$341,076
Other Food / Groceries	\$109,951
Recreation & Ent.	\$136,291
Retail / Shopping	\$203,269
Transportation	\$47,986
Vehicle Expenses	\$115,081
<b>Total</b>	<b>\$1,414,385</b>



# EXPECTED EVENT EXPENDITURES

Event organizers have an operational budget of just under **\$1.8 million** for various goods and services required for hosting the 2018 Alberta Summer Games.

Additionally, to host this event, organizers have allocated **\$218,000** for capital expenditures and legacy projects to benefit the sports community for years to come.

Operational Expenditures	
Salaries, Fees and Commissions	\$280,000
Marketing Costs	\$126,000
Professional Services	\$51,000
Insurance	\$6,000
Facility, Venue & Office Rental	\$297,000
Communication	\$5,000
Other Services & Expenses	\$134,000
Merchandise & Retail Items	\$136,000
Other Supplies	\$55,000
Food and Beverages	\$480,000
Accommodations	\$51,000
Travel	\$15,000
Transportation and Storage	\$121,000
<b>Total</b>	<b>\$1,757,000</b>

# THE EXPECTED EI RESULTS

The combined spending of out-of-town athletes, non-competing supporters, spectators and other parties who are expected to visit Grande Prairie for the event, in combination with the anticipated expenditures made by the organizers of the event, totals \$3.4 million, supporting \$5.5 million in economic activity in Alberta, including \$4.6 million of economic activity in Grande Prairie.

These expenditures would support \$1.9 million in wages and salaries in the province through the support of 24 jobs, of which 19 jobs and \$1.4 million in wages and salaries would be supported in Grande Prairie.

The total net economic activity (GDP) expected to be generated by the 2018 Alberta Summer Games is:

- \$3.2 million for Canada as a whole
- \$3.0 million for the province of Alberta
- \$2.1 million for the city of Grande Prairie

The 2018 Alberta Summer Games would also support tax revenues totaling \$793,341 million across Canada.

	Grande Prairie	Alberta	Canada
Initial Expenditure	\$3,389,384	\$3,389,384	\$3,389,384
GDP	\$2,135,442	\$2,963,980	\$3,241,036
Wages & Salaries	\$1,437,813	\$1,852,179	\$2,010,820
Employment	19.3	24.0	26.2
Total Taxes	\$549,667	\$732,051	\$793,341
Federal	\$306,033	\$398,328	\$429,692
Provincial	\$189,001	\$252,914	\$275,370
Municipal	\$54,633	\$80,808	\$88,278
Industry Output	\$4,567,329	\$5,523,738	\$6,104,069

# SUMMARY | BY THE NUMBERS

## 2018 Alberta Summer Games Grande Prairie – Expected Key Facts & Figures

<b>3,175</b> expected participants, coaches, support staff, and media / VIP's	<b>\$1.41</b> million projected in visitor spending during event	<b>19</b> local jobs expected to be supported by the event	<b>\$5.5</b> million in expected economic activity in Alberta
<b>6,800</b> expected out-of-town visitors in Grande Prairie	<b>\$1.44</b> million of wages and salaries expected to be supported locally	<b>\$2.96</b> million expected boost to provincial GDP	<b>\$793K</b> in taxes expected to be supported across Canada

# QUESTIONS?

If you have any questions concerning the findings in this report, please contact:

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If you would like to conduct another EI study using **steam<sup>2.0</sup>** or **steam pro<sup>2.0</sup>** on a future event, please contact [research@canadiansporttourism.com](mailto:research@canadiansporttourism.com)

For more information about the **Canadian Sport Tourism Alliance**, visit our website at [www.canadiansporttourism.com](http://www.canadiansporttourism.com)