



# Economic Impact Assessment

FINAL REPORT – 2019 Memorial Cup Presented by KIA – Halifax (May 17 - 26)

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# 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. 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; and
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 the subsequent impact these new monies have on the regional, provincial and national economy as a whole.



# CSTA'S TOOL

The Canadian Sport Tourism Alliance (CSTA) has developed a tool called **steam pro<sup>2.0</sup>** that collects, measures and analyzes data across the three primary channels.

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.



# MODEL OUTPUTS

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

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

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



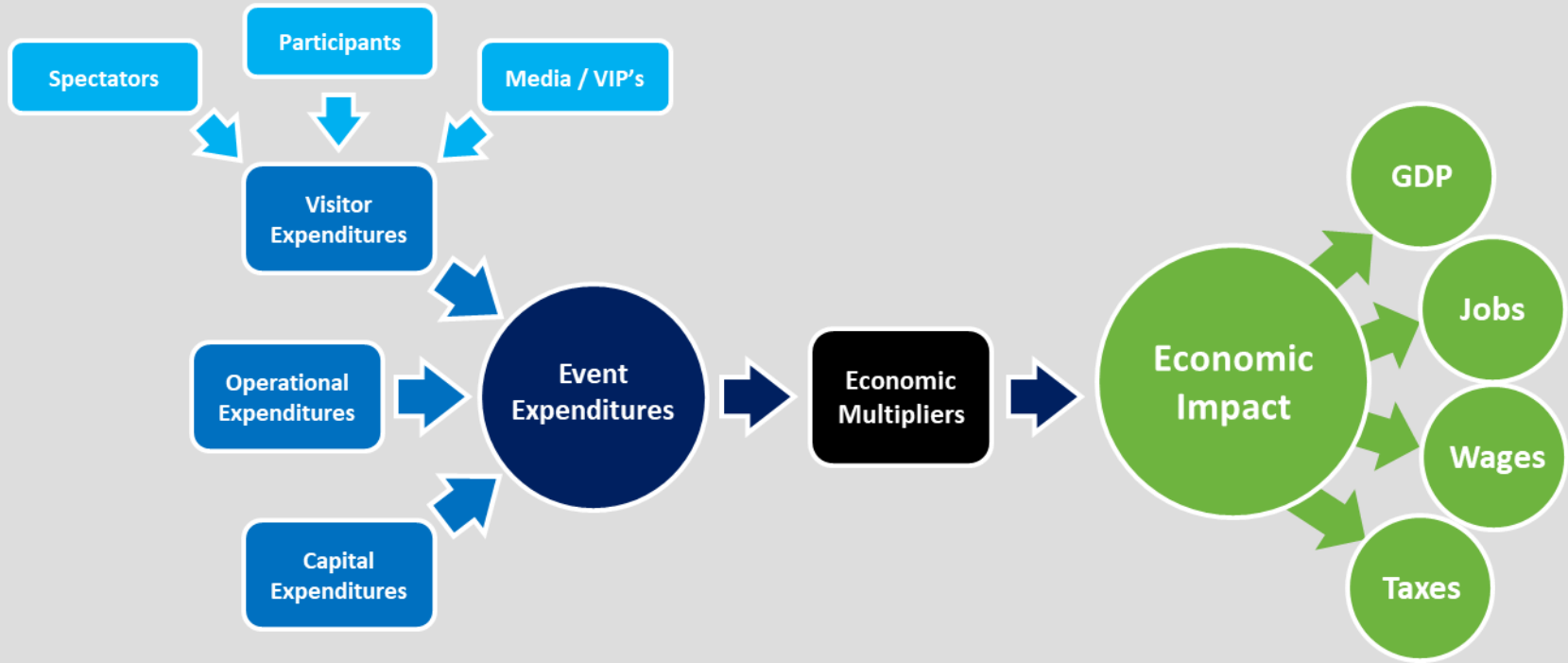
# RELIABILITY OF THE MODEL

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



# 2019 MEMORIAL CUP PRESENTED BY KIA | MAY 17-26, 2019

The 2019 Memorial Cup Presented by KIA took place at the Scotiabank Centre, Halifax, NS from May 17 until May 26, 2019 and included festival sites in downtown Halifax.

This event featured the Mooseheads as host team, along with the champions of the Quebec Major Junior Hockey League, Ontario Hockey League and the Western Hockey League. The 2019 Memorial Cup was the tournament's 101<sup>st</sup> year and coincided with the Halifax Mooseheads' 25th anniversary. According to information provided by event organizers, the four-team, round-robin format tournament included 160 participants and attracted 55,000 unique spectators.



## MEDIA GUIDE GUIDE DE PRESSE

*Halifax 2019*

CHLMEMORIALCUP.CA



# THE METHODOLOGY

The visitor statistics cited in this report were derived from an on-site intercept survey, conducted during the **2019 Memorial Cup Presented by KIA**.

The survey was developed for the event by the CSTA, specifically for this event and was administered by a team of volunteer surveyors recruited by, trained by, and supervised by **Events Nova Scotia**.

Interviewers were stationed at key locations throughout the venue during the event and at the Fan Fest and Street Fest . The questionnaire covered residence, party size, participation in activities, among other topics. Out-of-town respondents were also asked about their length of stay in the Halifax area, spending on various categories, as well as the importance of this event in their decision to travel to the area.

A total of **1,008 valid responses** were collected during this event.





Photo: <https://chlmemorialcup.ca/>

# VISITOR SPENDING

	Per Party	Overall
Accommodations	\$692.36	\$3,887,352
Restaurants/Bars (including concessions)	\$393.62	\$2,210,006
Groceries/Other food and beverage	\$103.73	\$582,399
Recreation/Entertainment	\$86.88	\$487,806
Public transportation (bus, shuttles, etc.)	\$8.36	\$46,947
Local transportation services (taxi, etc.)	\$25.40	\$142,586
Vehicle expenses (gas, parking, repairs, etc.)	\$80.11	\$449,805
Vehicle rentals	\$42.45	\$238,352
Clothing (including event merchandise)	\$105.10	\$590,107
All other shopping	\$85.92	\$482,382
<b>Total</b>	<b>\$1,623.93</b>	<b>\$9,117,741</b>

Visitor spending directly attributable to this event was just over **\$9.1 million**



Visitors were asked about the importance of the event in their decision to travel to Halifax. Their spending was weighted or adjusted by importance.

The results show that this event was the main driver for **96%** respondents and indicated an average importance of **9.6/10**.



# OPERATIONAL & CAPITAL EXPENDITURES

Event organizers spent approximately **\$3.4 million** on various goods and services to host the **2019 Memorial Cup Presented by KIA**.



Operational & Capital Expenditures	
Staff Salaries, Fees and Commissions	\$107,251
Marketing Costs	\$121,677
Professional Services	\$127,210
Insurance	\$11,828
Facility, Venue and Office Rental	\$212,886
Food and Beverages	\$223,118
Event Accommodation	\$202,971
Merchandise and Retail items	\$277,891
Personal Travel	\$1,002
Transportation and Storage	\$99,114
Other Expenses	\$2,994,831
<b>Total Operational Expense</b>	<b>\$4,379,778</b>

# THE EI RESULTS

The spending of out-of-town spectators, participants, media, sponsors, and others who visited Halifax for the **2019 Memorial Cup Presented by KIA**, in combination with expenditures by event organizers, totaled \$13.5 million, supporting \$20.4 million in economic activity (industry output) in Nova Scotia, including \$17.4 million in Halifax.

These expenditures supported \$6.3 million in wages and salaries in the province, including \$4.7 million in Halifax. The total net economic activity (GDP) generated by the **2019 Memorial Cup Presented by KIA** was:

- \$12.3 million for Canada as a whole
- \$10.3 million for the Province of Nova Scotia; and
- \$7.4 million for Halifax.

The **2019 Memorial Cup Presented by KIA** supported tax revenues totaling \$1.6 million across Canada.

	Halifax (CMA)	Nova Scotia	Canada
Initial Expenditure	\$13,554,842	\$13,554,842	\$13,554,842
GDP	\$7,480,609	\$10,372,260	\$12,302,893
Wages & Salaries	\$4,689,672	\$6,345,409	\$7,414,555
Employment	99	129	144
Total Taxes	\$2,975,747	\$3,671,350	\$4,098,988
<i>Federal</i>	\$1,082,375	\$1,360,315	\$1,538,246
<i>Provincial</i>	\$1,626,930	\$2,045,530	\$2,167,877
<i>Municipal</i>	\$266,442	\$265,506	\$392,865
Industry Output	\$17,385,416	\$20,432,570	\$24,430,823

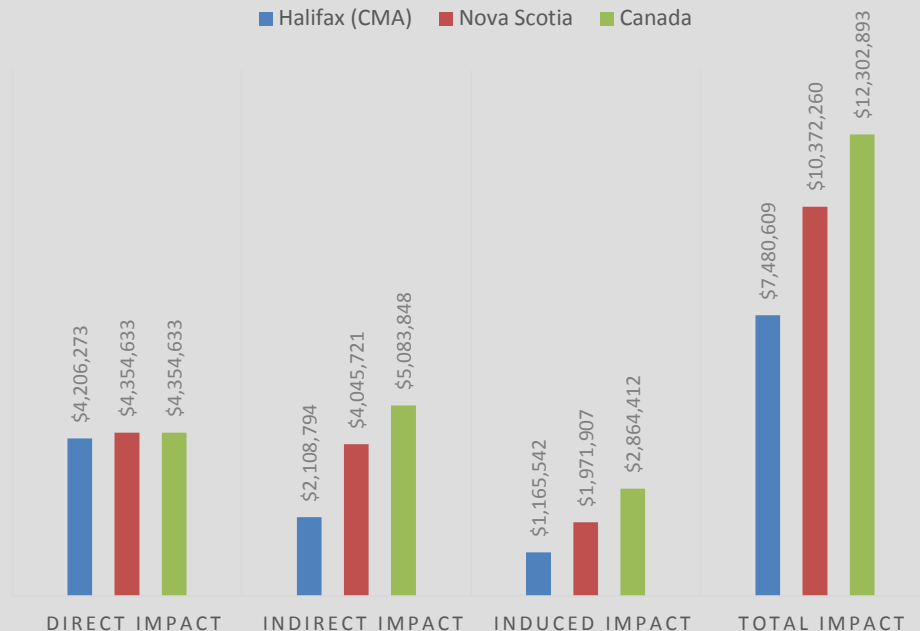
# GROSS DOMESTIC PRODUCT

## GPD (at basic prices)

The 2019 Memorial Cup Presented by KIA contributed \$12.3 million in GDP to the Canadian economy through direct and spin-off impacts.

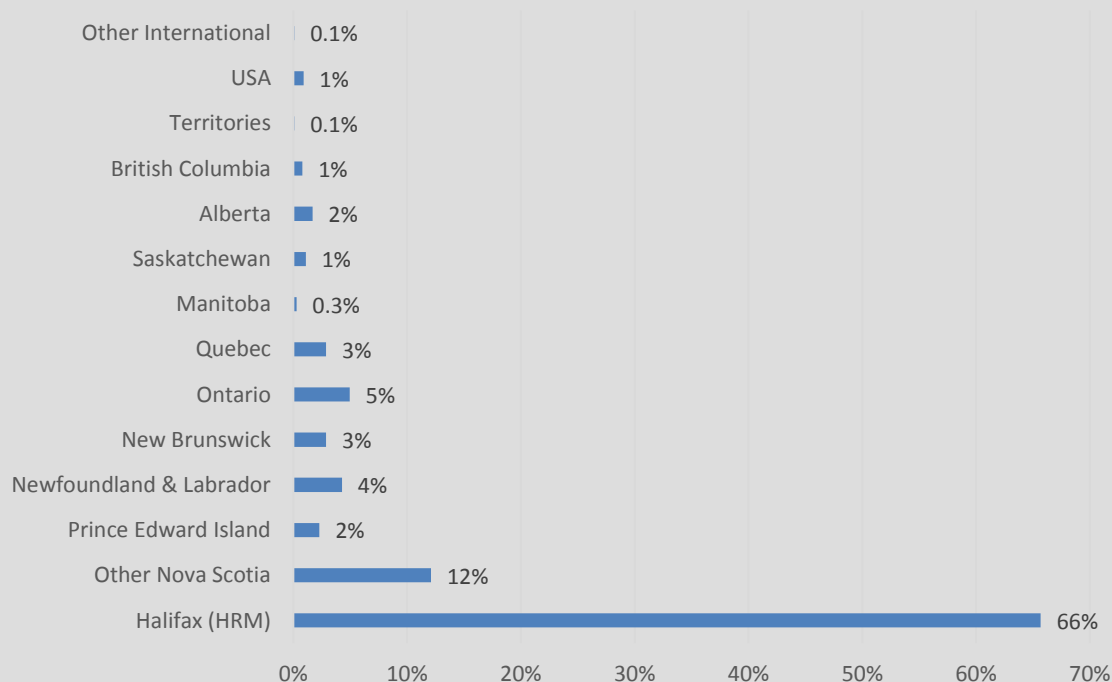
Of this, \$7.5 million (61%) accrued in the Halifax area, while 84% of the total GDP impact remained in Nova Scotia.

## GROSS DOMESTIC PRODUCT (AT BASIC PRICES)



# PLACE OF RESIDENCE

Where do you live?

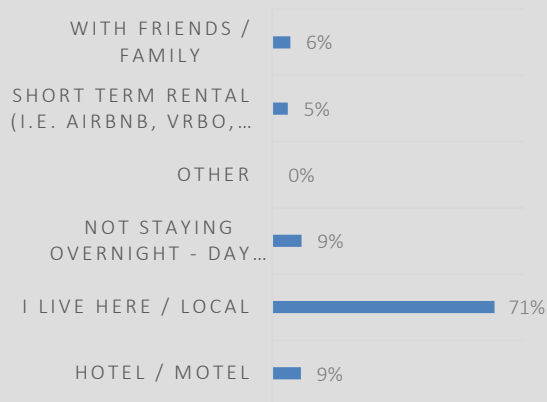




# TRAVEL CHARACTERISTICS

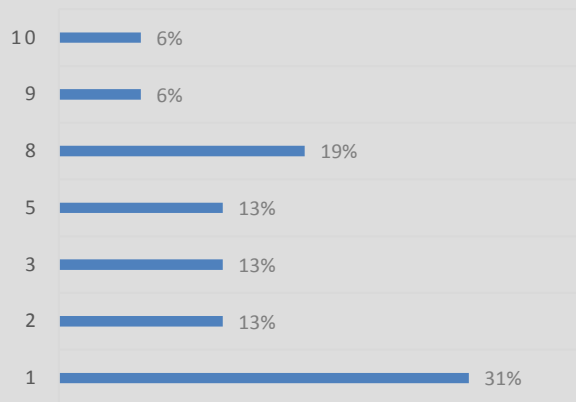


Where are you staying overnight while attending this event in Halifax?



Average number of nights in Halifax = 7.3

In total, how many day trips will you be making to Halifax for this event?



Average travel party (same household) size = 3.2 people



93% of those surveyed said their one-way daily commute to the event was less than 200 km

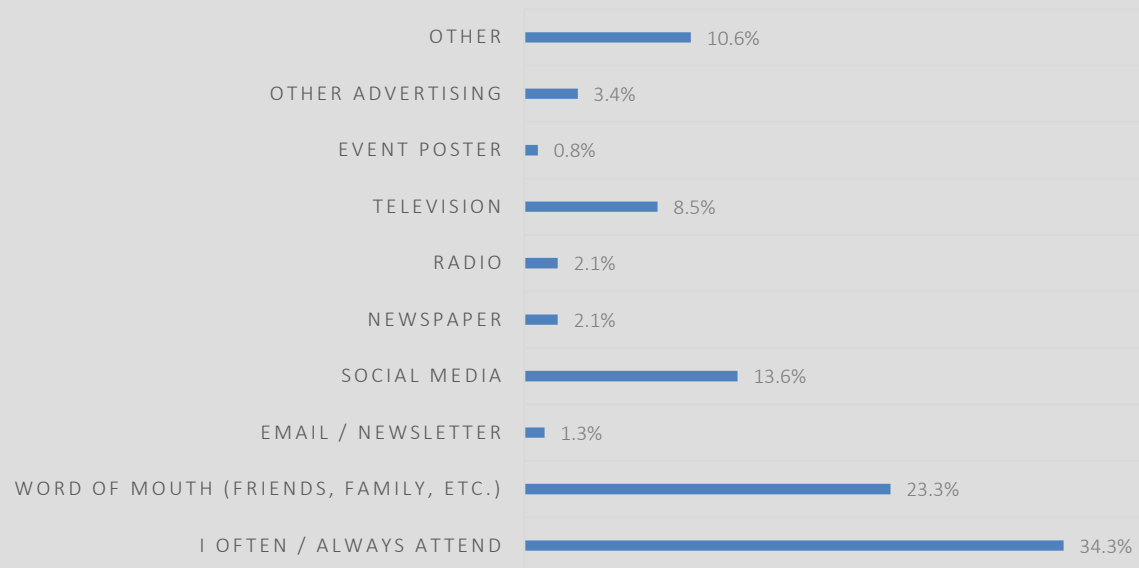
# ADDITIONAL QUESTIONS

The following slides summarize the results from other survey questions unrelated to economic impact.



# AWARENESS & MOTIVATION

How did you find out about this year's  
2019 Memorial Cup Presented by KIA?

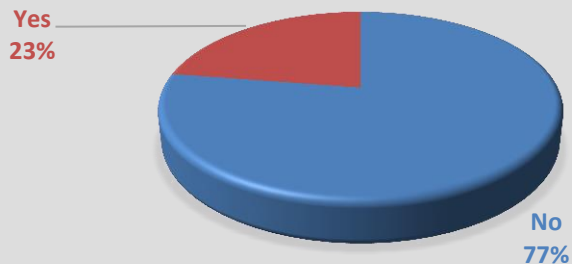


83% of attendees indicated that  
this event was the sole reason for  
their visit to Halifax.

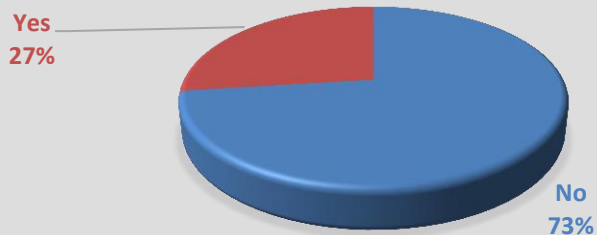
Overall, the importance of this  
event in influencing visitation to  
Halifax was 8.6/10.

# VISITOR EXPERIENCE

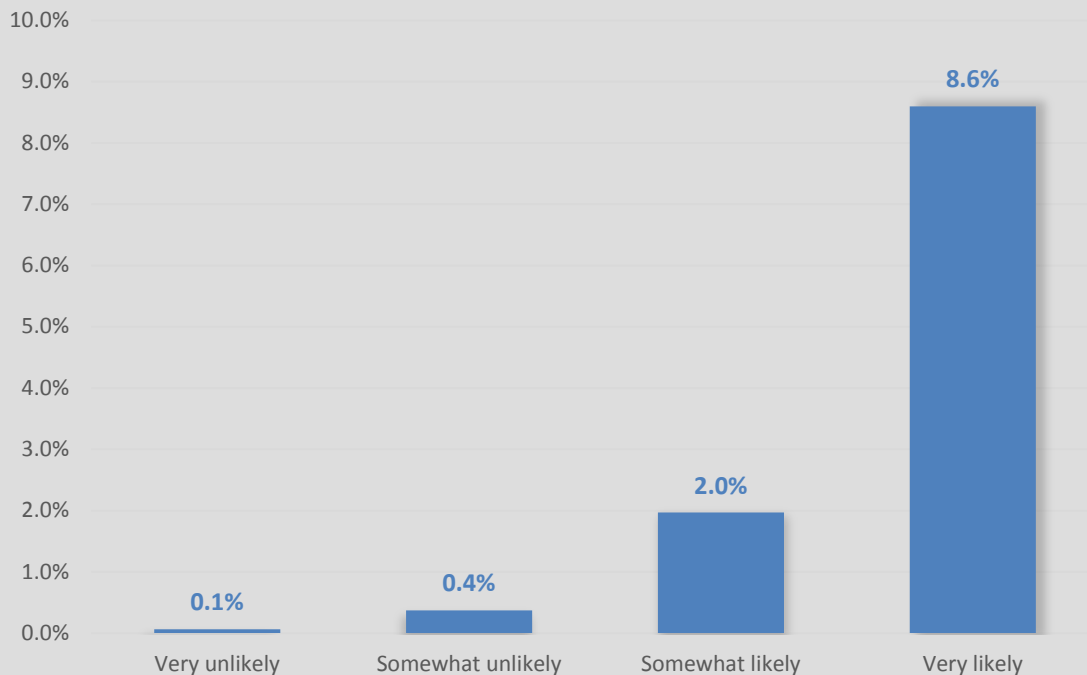
Is this your first visit to Nova Scotia?



Is this your first visit to Halifax?

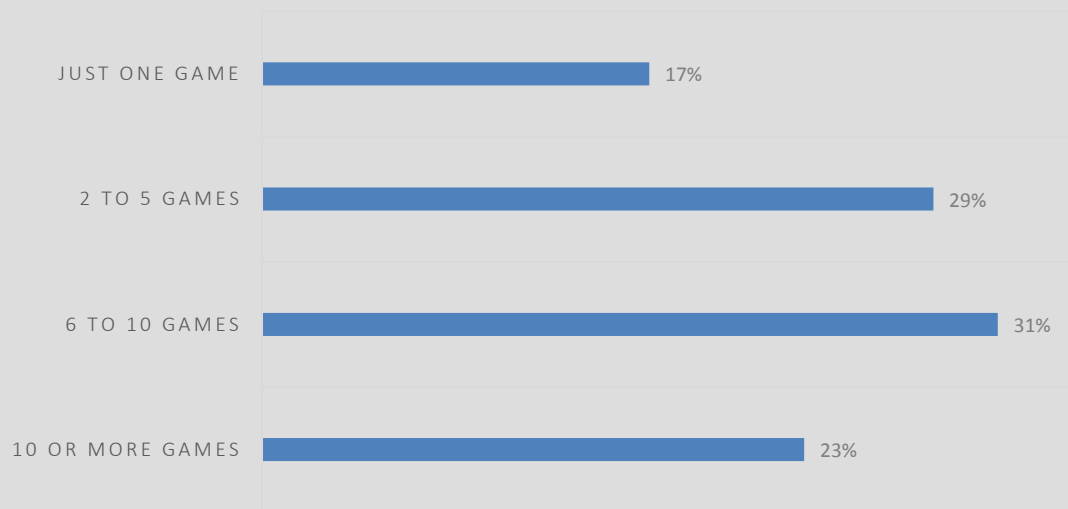


Based on your experience here in Halifax, how likely are you to return to Halifax again in the future?



# VISITOR EXPERIENCE

How many games are you planning on attending during the 2019 Memorial Cup Presented by KIA?



# SUMMARY | BY THE NUMBERS

2019 Memorial Cup Presented by KIA – Key Facts & Figures			
<b>\$13,554,842</b> of initial expenditures	<b>\$9,117,741</b> of visitor spending attributable to event	<b>99</b> local jobs supported by the event	<b>\$24,430,823</b> overall economic activity in the province
<b>18,879</b> out of town visitors in Halifax	<b>\$4,689,672</b> of wages and salaries supported locally	<b>\$10,372,260</b> total boost to provincial GDP	<b>\$4,098,988</b> in taxes supported across Canada



# GLOSSARY OF TERMS USED BY STEAM PRO<sup>2.0</sup>

- **Initial Expenditure** - This figure indicates the amount of initial expenditures or revenue used in the analysis. This heading indicates not only the total magnitude of the spending but also the region in which it was spent (thus establishing the "impact" region).
- **Direct Impact** - Relates ONLY to the impact on "front-line" businesses. These are businesses that initially receive the operating revenue or tourist expenditures for the project under analysis. From a business perspective, this impact is limited only to that particular business or group of businesses involved. From a tourist spending perspective, this can include all businesses such as hotels, restaurants, retail stores, transportation carriers, attraction facilities and so forth.
- **Indirect Impact** - Refers to the impacts resulting from all intermediate rounds of production in the supply of goods and services to industry sectors identified in the direct impact phase.
- **Induced Impact** - These impacts are generated as a result of spending by employees (in the form of consumer spending) and businesses (in the form of investment) that benefited either directly or indirectly from the initial expenditures under analysis.
- **Gross Domestic Product (GDP)** - This figure represents the total value of production of goods and services in the economy resulting from the initial expenditure under analysis (valued at market prices).
- **GDP (at factor cost)** - This figure represents the total value of production of goods and services produced by industries resulting from the factors of production. The distinction to GDP (at market prices) is that GDP (at factor cost) is less by the amount of indirect taxes plus subsidies.
- **Wages & Salaries** - This figure represents the amount of wages and salaries generated by the initial expenditure. This information is presented by the aggregate of direct, indirect and induced impacts.
- **Employment** - Depending upon the selection of employment units (person-years or equivalent full-year jobs) these figures represent the employment generated by the initial expenditure. "Equivalent Full-Year Jobs", if selected, include both part-time and full-time work in ratios consistent with the specific industries.
- **Industry Output** - These figures represent the direct & indirect and total impact (including induced impacts) on industry output generated by the initial tourism expenditure. It should be noted that the industry output measure represents the sum total of all **economic activity** that has taken place and consequently involve double counting on the part of the intermediate production phase. Since the Gross Domestic Product (GDP) figure includes only the net total of all economic activity (i.e. considers only the value added), the industry output measure will always exceed or at least equal the value of GDP.
- **Taxes** - These figures represent the amount of taxes contributed to municipal, provincial and federal levels of government relating to the project under analysis.

# 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 pro<sup>2.0</sup>** or **fest pro** on a future event, please contact [research@canadiansporttourism.com](mailto:research@canadiansporttourism.com)

