



Value of Tourism

Understanding tourism's contribution to a community is central to developing an informed tourism planning approach, strengthening the support of community stakeholders and local government, and encouraging an appreciation of tourism's economic benefits and development potential.

Tourism Fernie, in partnership with Destination BC (DBC), the crown corporation responsible for marketing the Province of British Columbia as a tourist destination, conducted this Value of Tourism in Fernie Study.

Developed through DBC's Research, Planning & Evaluation Department, The Value of Tourism Model is a program that provides a structured, consistent approach to estimate the volume and value of tourism in a community.

UNDERSTANDING TOURISM

The World Tourism Organization defines tourism as 'a social, cultural and economic phenomenon which entails the movement of people to countries or places outside their usual environment for personal or business/professional purposes.'

- Tourism generates many types of revenues for a region, including business income, wage earnings, share earnings, rates and taxes.
- The money is then circulated and re-spent again and again in the community via indirect spending, such as staff and business owners spending their pay cheques on rent, mortgage, groceries, entertainment, clothing, recreation, sports equipment etc.
- Tourism spending helps to shift wealth from urban to rural areas with city dwellers visiting small towns.
- Tourism helps build attractive and livable communities and supports investment in Fernie's culture, heritage, recreation opportunities and environment as they are essential for a successful tourism economy.
- Tourism creates a platform for positive economic development by positioning Fernie as a great place to live, work, play and invest.
- Undesirable changes, such as adverse impact on trails or other community resources, need solutions through collaboration and effectively managing growth and use.

Fernie has begun a Tourism Master Plan process. Learn more at TourismPlanFernie.com

Tourism in FERNIE

2017 Accommodation Revenues up 18%

\$100+ million
in annual visitor
spending in 2014-2015

Average spend of **\$580** per
overnight visitor to Fernie

Number of annual
visitors **307,000**
in 2014-2015

% of leisure visitors from

AB **49%**

Overseas **12%**

BC **16%**

USA **8%**

Other Canada **15%**

Average length of stay for overnight visitors **3.4 nights**

Average Daily Room Rate **\$191.67**

Did you know? 2nd Home Owners are a key segment of Fernie's tourism economy and represent **30%** of all residential properties in town and almost **50%** in surrounding Fernie, including the resort

2nd home owners contribute **\$16 million** in 'annual visitor spending' alone. Visitor spending for 2nd home owners is related to dining out, partaking in activities, shopping and local transportation. It **does not** include the **millions of dollars** non-local 2nd home owners spend on real estate, construction and other larger local purchases

87% of visitor spending
in Fernie is associated with
53% of the 307,000 visitors,
the overnight visitors

143,000 same-day
travellers enter and leave
Fernie within a 24 hour
period and account for
13% of Fernie's total
visitor spending

Fernie's **2%** Hotel Tax & RMI Funding has contributed
\$9 million towards tourism marketing, programs and
infrastructure since 2007

Year-round accommodation occupancy is over **50%** with
the slowest months being April, May, October & November

Fishing tourism in Fernie – Guided anglers visiting Fernie
account for an estimated **\$2.7 million**
in visitor spending per year

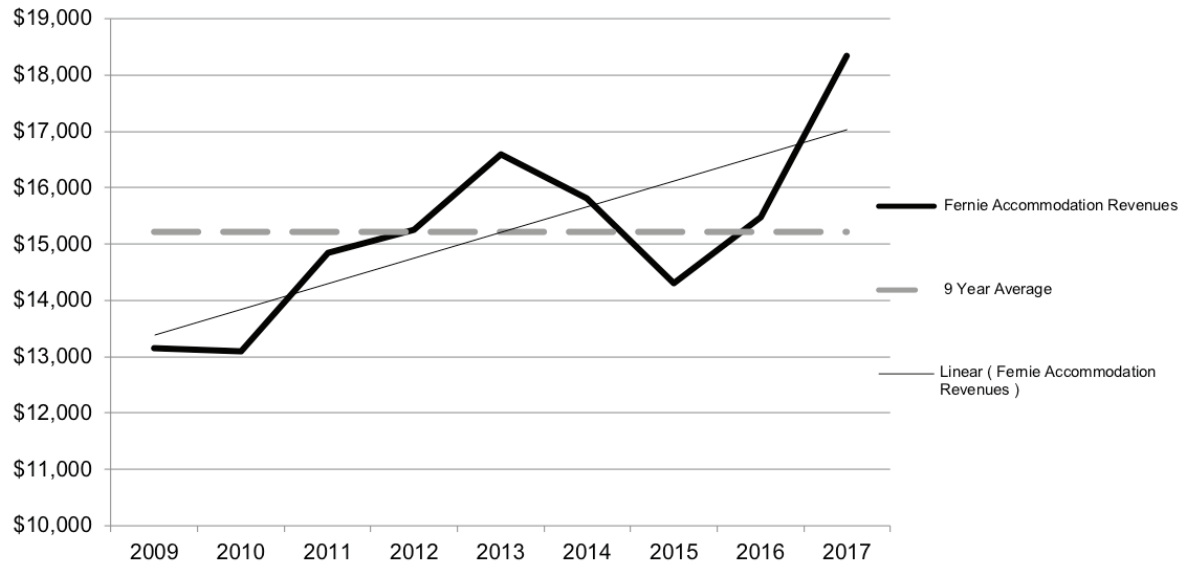
93% of Fernie businesses surveyed in the Fernie Chamber
of Commerce's BRE Report indicated that tourism was the
economic driver with the greatest growth potential

132 businesses in Fernie are directly or closely associated
with the tourism industry,
16% of the regions tourism businesses

Fernie Accommodation Revenues

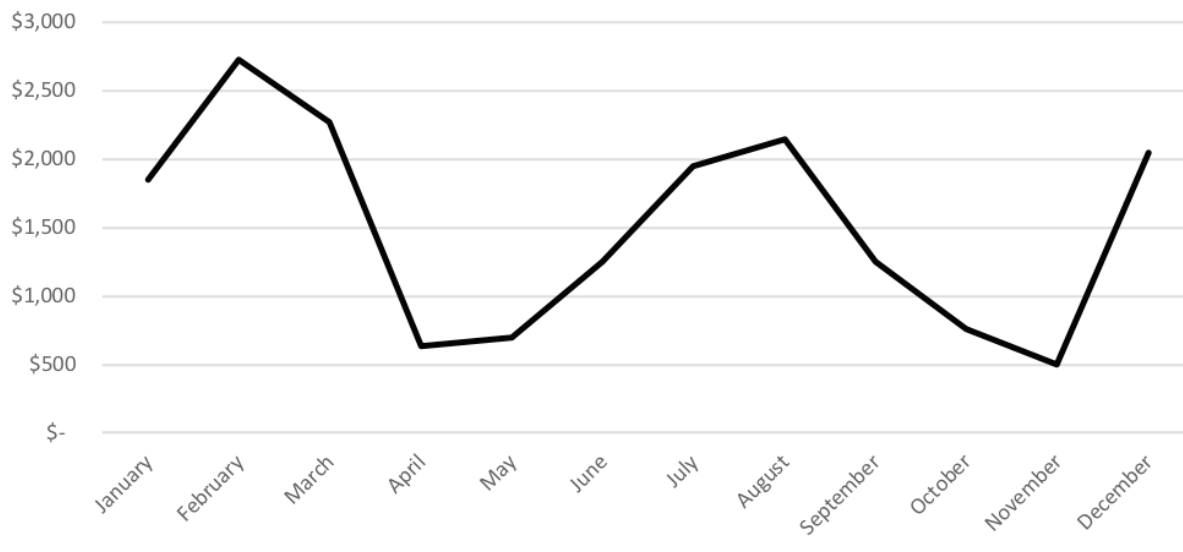
Fernie Accommodation Revenues (\$000)

Source: BC Stats, Based on MRDT



2017 Monthly Accommodation Revenues (\$000)

Source: BC Stats, Based on MRDT 2% Hotel Tax



“Tourism is essential to the growth and sustainability of Fernie. Sharing our wonderful valley brings extra money in to provide jobs, more activities and amenities, better trail networks, more restaurants to choose from and so much more, making Fernie not just a wonderful holiday destination, but an awesome place for those of us lucky enough to live here!”

Local business response submitted as part of Tourism Fernie Value of Tourism Survey.

KOOTENAY Tourism

Visitor Spending of **\$777 million** in 2014

In 2004:

2.1 million overnight visitors
11% of BC's overnight visitors

An additional **1.8 million** same-day travellers enter and leave the region within a 24 hour period and account for **16%** of the region's total visitor spending

81% of visitors are from Canada,
19% are international

The visitors from outside Canada account for **26%** of visitor spending

29% of visitors are from BC,
52% are from other provinces – primarily AB,
10% from USA, **9%** from Overseas

Average spend per visitor to Kootenay Region:

\$207 BC Visitor **\$381** USA Visitor
\$336 Other Canada Visitor **\$481** Overseas Visitor

819 tourism businesses and **4,000** jobs,
 4% and 3% of BC's tourism businesses and jobs respectively



PROVINCIAL Tourism

TOURISM IN BC



TOURISM IMPROVES THE QUALITY OF LIFE OF ALL BRITISH COLUMBIANS

accommodation **JOBS** international education
 museums **TRANSIT** CULINARY FACILITIES parks
TRADE & INVESTMENT
 highways wine sector development galleries
immigration SPORTS EVENTS
 AIRLINE ROUTES ski resorts COASTAL TRANSPORTATION

BC VISITOR ECONOMY



\$17B
 2016 REVENUE

+3.3%
 INTERNATIONAL OVERNIGHT ARRIVALS
 2017 vs 2016

↑1.9%
 USA OVERNIGHTS
 2017 vs 2016

\$4.9B
 EXPORT REVENUE
 2016

3,691,074
 USA OVERNIGHTS
 2017

133,100
 JOBS

+2.7%
 2017 PROVINCIAL ROOM REVENUE

24M
 YVR PASSENGERS

+5.6%
 GDP GROWTH
 OVER 2016

↑7.7%
 RESTAURANT RECEIPTS

BC'S GDP



\$1.5B
 Agriculture & Fish

\$2B
 Forestry & Logging

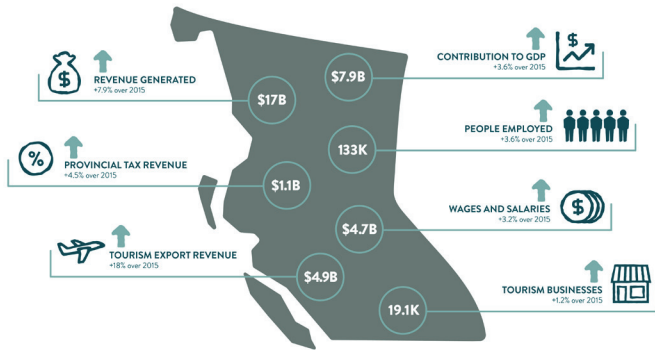
\$4.1B
 Mining

\$7.9B
 Tourism

\$8.2B
 Oil & Gas

Value of Tourism

THE VALUE OF TOURISM 2016



NATIONAL Tourism

2% of Canada's GDP

21 million international visitors travelled to Canada

94 million domestic travellers within Canada

In 2016 **\$91.6 billion** in visitor spending:

- 22% from international visitors
- 78% from Canadians travelling within Canada

Average spend per overnight international visitor:

\$613 USA Visitor, **\$1,651** Overseas Visitor

1 in 11

people are employed in the tourism and travel industry

190,000 tourism businesses and
721,600 jobs

GLOBAL Tourism

10% of the world's GDP

1.2 billion
overnight travellers

In 2015 **\$1.2 trillion**
visitor spending

In 2015 **\$1.2 trillion** visitor spending

1 in 10

people are employed in the tourism and travel industry

Purpose of Travel:

80% Leisure, Health,
Religion, or Other

20% Business
and Professional

Since 1996 global international arrivals increased **119%**

Visitor Spending

Globally	\$1.2 trillion
Canada	\$91.6 billion
BC	\$9.9 billion

Kootenays	\$777 million
Fernie	\$100 million