



Economic Impact Assessment (Prediction)

2020 Canadian International Challenge – Fort McMurray, AB

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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, 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 three tools called **steam^{2.0}**, **steam pro^{2.0}** and **fest pro** to predict, collect, measure and analyze event data across the three primary channels.

steam^{2.0} is designed specifically as a predictive model to determine the expected economic impact of hosting a sport event, while **steam pro^{2.0}** is utilized to generate the economic impact from actual spending data during the sport event itself.

CSTA's latest tool, called **fest pro**, is the sister model to **steam pro^{2.0}**. It measures the economic impact of non-sport events like festivals, exhibitions and fairs using actual spending data collected during the event.

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^{2.0} 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^{2.0}** is an enhanced version of **steam^{2.0}** 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 sport event which includes actual spending data.

CSTA has used **steam^{2.0}** to assess the potential economic impact of this event in advance of Fort McMurray hosting the 2020 Canadian International Challenge.

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

**WOOD BUFFALO
ECONOMIC
DEVELOPMENT**

Both CSTA's **steam^{2.0}** & **steam pro^{2.0}** measure the direct, indirect & induced effects for each of these elements specifically for sport events.

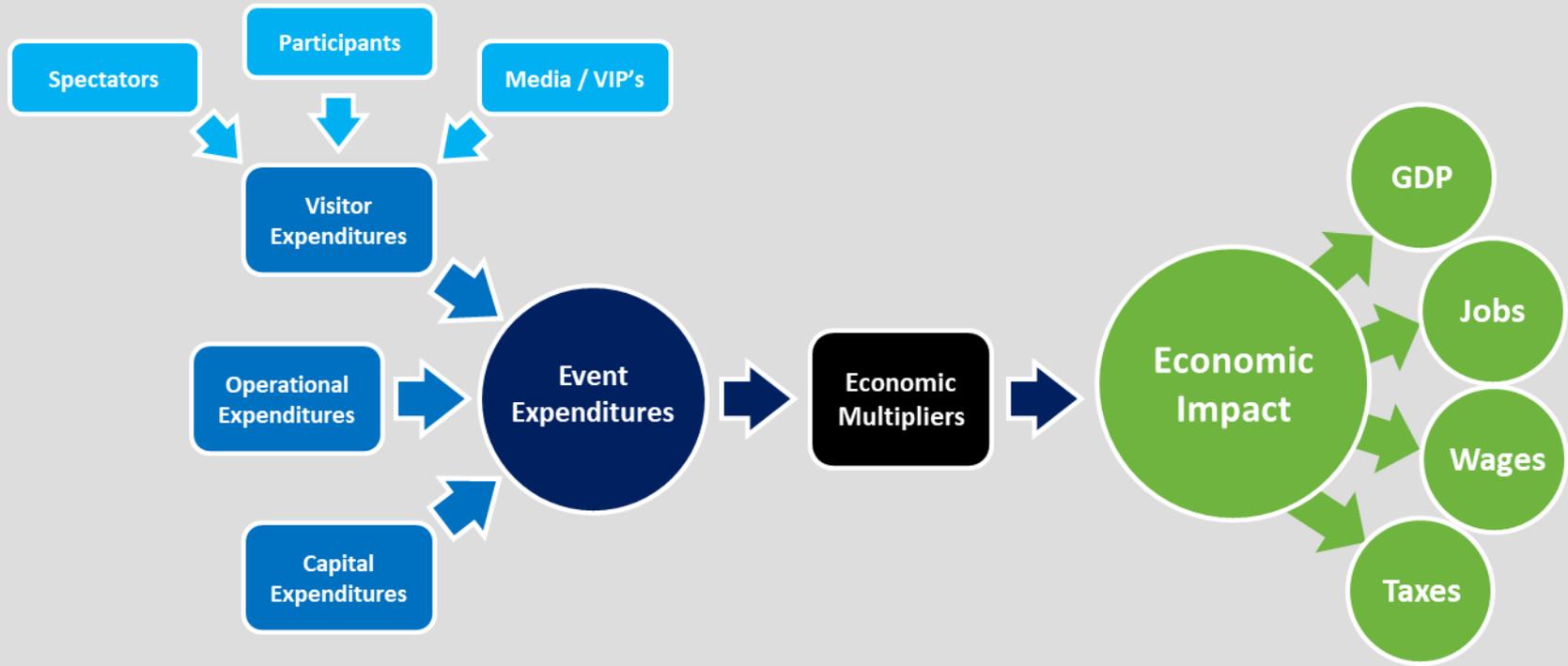
RELIABILITY OF THE MODEL

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



2020 CANADIAN INTERNATIONAL CHALLENGE

Fort McMurray, Alberta will host the 2020 Yonex Canadian International Challenge, which takes place from March 31 - April 5, 2020.

The event is hosted over 6 days, attracting badminton teams and players from around the world. This international competition will feature some of the best in the sport in each discipline: Men's Singles, Women's Singles, Men's Doubles, Women's Doubles, and Mixed Doubles.

With the Tokyo 2020 Olympic Games fast approaching, the tournament will be one of the last in the Olympic qualifying period; giving athletes one last opportunity to secure their spot for the Games!

The CSTA was commissioned to demonstrate the potential economic impact to the Regional Municipality of Wood Buffalo by hosting this international badminton event.



ASSUMPTIONS

This report has been compiled utilizing the CSTA's **steam^{2.0}** model and populated with information provided by Fort McMurray Tourism and the Wood Buffalo Economic Development Corporation. The data built into the **steam^{2.0}** model, combined with the conservative estimates in the table below, along with the operational budget submitted, is what derives the economic impact outputs throughout this report.

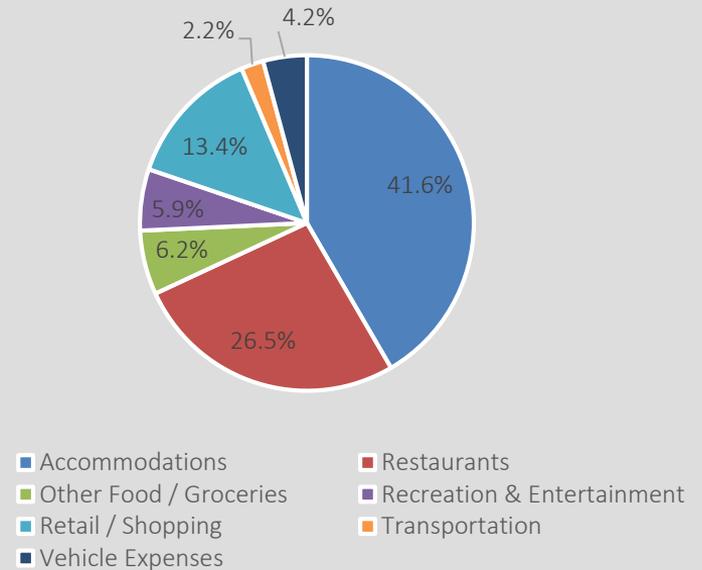
	Participants *	Non-competing Supporters	Out-of-Town Spectators	Media / VIP
People	300	150	200	60
% staying overnight	100%	100%	100%	100%
Average number of nights	4	4	3	4

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

EXPECTED VISITOR SPENDING

Category	Visitor Spending
Accommodations	\$156,142
Restaurants	\$99,476
Other Food / Groceries	\$23,226
Recreation & Entertainment	\$22,231
Retail / Shopping	\$50,367
Transportation	\$8,140
Vehicle Expenses	\$15,849
Total	\$375,431

Aggregate visitor spending
projected at **\$375,431**



EXPECTED EVENT EXPENDITURES

Event organizers have an operational budget of **\$112,000** for various goods and services required for hosting the 2020 Canadian International Challenge.



Existing facilities and infrastructure are fully sufficient to host this event; therefore organizers have not allocated any monies for capital expenditures to host this event.

Operational Expenditures	
Salaries, Fees and Commissions	\$900
Advertising & Marketing	\$2,000
Professional Services	\$3,000
Facility, Venue, and Office Rental	\$10,500
Communication	\$10,000
Other Supplies	\$2,500
Food and Beverages	\$31,500
Event Accommodations	\$9,000
Travel Costs	\$13,600
Transportation and Storage	\$10,500
Other Expenses	\$18,500
Total	\$112,000

THE EXPECTED EI RESULTS

The combined spending of out-of-town athletes, non-competing supporters, spectators and other parties who are expected to visit Fort McMurray for the event, in combination with the anticipated expenditures made by the organizers of the event, totals \$487,431, supporting \$797,772 of overall economic activity in Alberta, including \$634,526 of economic activity in the Region.

These expenditures would support \$245,589 in wages and salaries in the province through the support of 2.9 jobs, of which 2.2 jobs and \$183,960 in wages and salaries would be supported in the region of Wood Buffalo.

The total net economic activity (GDP) expected to be generated by the 2020 Canadian International Challenge is:

- \$480,564 for Canada as a whole
- \$417,308 for the province of Alberta
- \$291,673 for the Regional Municipality of Wood Buffalo

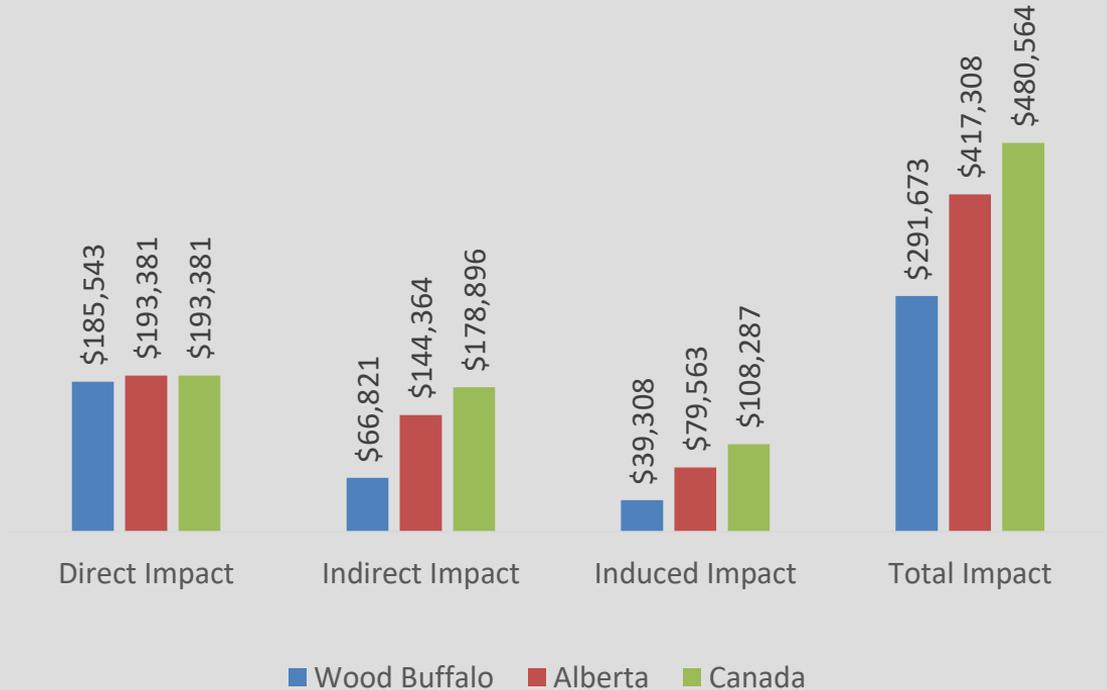
The 2020 Canadian International Challenge would also expect to support tax revenues totaling near \$126,395 across Canada.

	Wood Buffalo	Alberta	Canada
Initial Expenditure	\$487,431	\$487,431	\$487,431
GDP	\$291,673	\$417,308	\$480,564
Wages & Salaries	\$183,960	\$245,589	\$281,525
Employment	2.2	2.9	3.4
Total Taxes	\$85,701	\$112,890	126,395\$
Federal	\$48,608	\$62,485	\$69,345
Provincial	\$29,624	\$39,188	\$44,155
Municipal	\$7,469	\$11,217	\$12,895
Industry Output	\$634,526	\$797,772	\$931,477

GROSS DOMESTIC PRODUCT

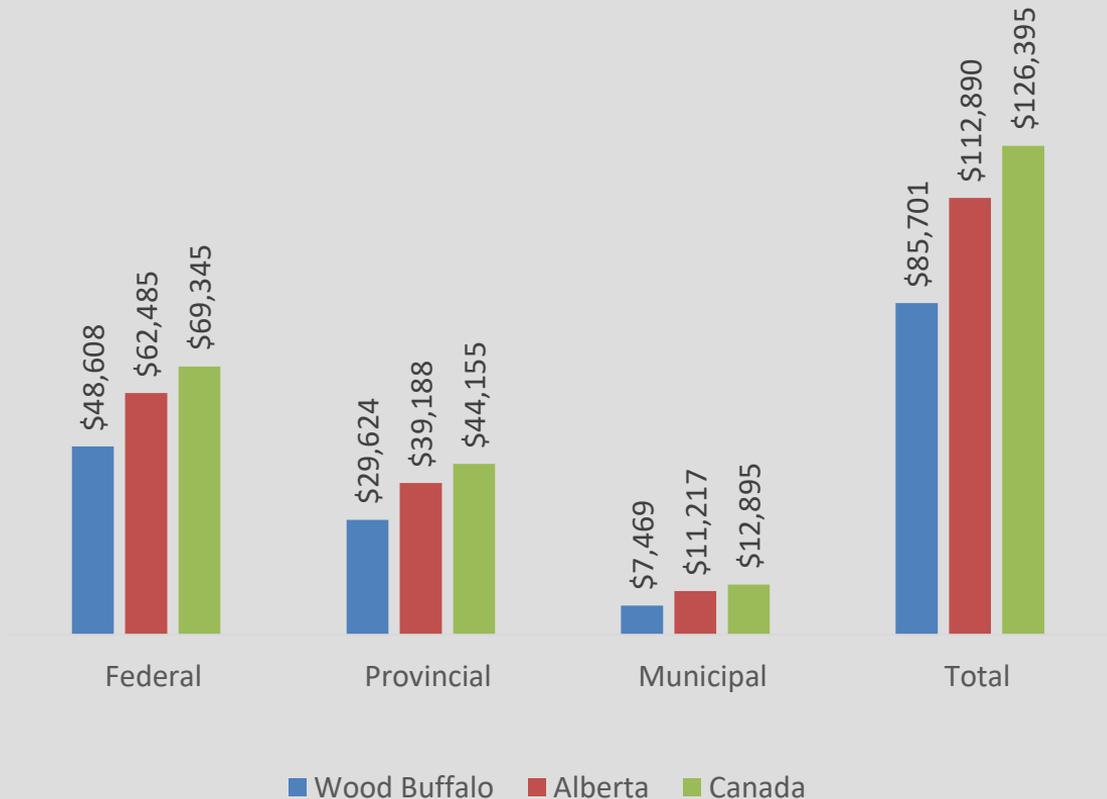
GPD (at basic prices)

The 2020 Canadian International Challenge in Fort McMurray is expected to contribute just over **\$480,000** in GDP to the Canadian economy through direct and spin-off impacts.



TAXES

The 2020 Canadian International Challenge is expected to contribute over **\$126,000** in federal, provincial, and local taxes through direct and spin-off effects throughout Canada.



SUMMARY | BY THE NUMBERS

2020 Canadian International Challenge – Expected Key Facts & Figures

300 expected participants, coaches, and support staff	\$375,431 (projected) in visitor spending during event	2.2 local jobs expected to be supported by the event	\$797,772 in expected economic activity in Alberta
600 expected out-of-town visitors in Fort McMurray	\$183,960 of wages and salaries expected to be supported locally	\$417,308 expected boost to provincial GDP	\$126,395 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^{2.0}** or **steam pro^{2.0}** on a future sport event or **fest pro** (for a non-sport event), please contact research@canadiansporttourism.com . For more information about the **Canadian Sport Tourism Alliance**, visit our website at www.canadiansporttourism.com