



# Economic Impact Assessment

## Final Report – World Sailing Championships – Halifax, NS

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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(s);
2. The expenditures of the event organizers in producing the event(s);
3. Capital construction costs that are directly attributed to hosting the event(s).

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



# HOW DO WE MEASURE EI?

Sport Tourism Canada (formerly the Canadian Sport Tourism Alliance) has developed three tools called **STEAM**, **STEAMPRO** and **FESTPRO** to predict, collect, measure and analyze event data across the three primary channels.

**STEAM** is designed specifically as a predictive model to determine the expected economic impact of hosting a sport event, while **STEAMPRO** is utilized to generate the economic impact from actual spending data during the sport event itself.

STC's latest tool, called **FESTPRO**, is the sister model to **STEAMPRO**. 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.

# RELIABILITY OF THE MODEL

In order to produce economic contribution assessments that are robust and reliable, STC 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 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.



The Conference Board  
of Canada



Statistics  
Canada



Government Revenues  
Attributable to Tourism

# MODEL OUTPUTS

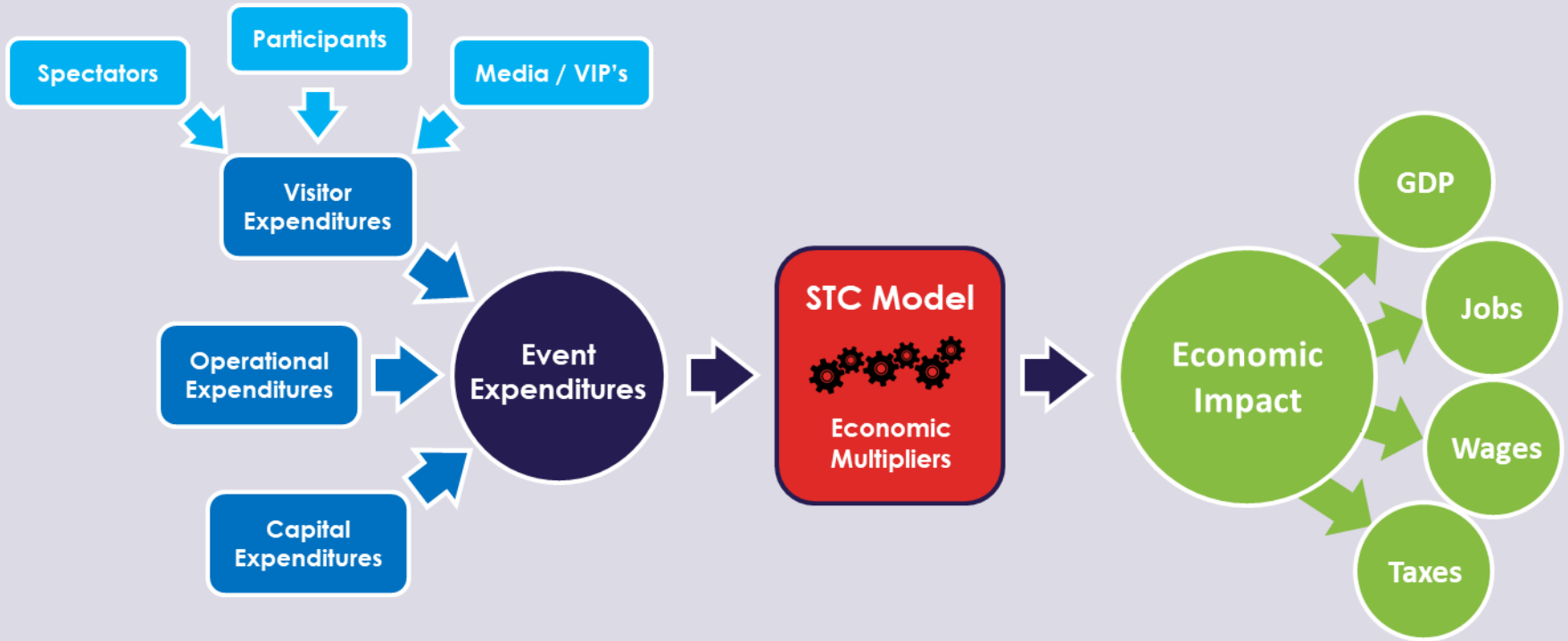
The elements (outputs of the model) used to measure the economic impacts are:

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

STC's **STEAMPRO** measures the direct, indirect & induced effects for each of these elements.



# HOW IT WORKS





# METHODOLOGY

The visitor statistics cited in this report were derived from a post-event survey that was conducted with the participating countries / teams. The survey / worksheet was developed by STC specifically for this event and was administered via an email to all registered participating teams from the event organizers.

A total of **46%** of teams / participants were accounted for with the gathered data and then extrapolations were made based on the remaining teams / participants. The additional volunteers, media, VIP's, etc. were run through the STEAM model to derive expenditures for each of these constituent groups.

Additionally, event organizers provided both operational and capital expenditures that were input into the model along with the visitor expenditures to derive the outputs in this report.



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Chester, N.S.  
49erFX sailors  
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# THE EVENT



# VISITOR SPENDING

Visitor spending totalled **\$902,449**

Of the overall visitor spending, participants accounted for **\$658,137** from the **358** athletes, coaches, officials, and other team personnel who spent an average of **24** days in the area leading up to, and including the championships themselves.

The **116** volunteers, media, VIP's and others from out of town accounted for the other **\$244,313** spent in the local area.

# OPERATIONAL EXPENDITURES

To ensure the successful operation and staging of this event, the combined purchase of **goods and services** by the event organizers totaled **\$1,358,106**. An additional **\$1,255,900** was invested in capital / legacy items to ensure the future success of sailing events in the area.



**Operational Expenses = \$1,358,106**

**Capital Expenses = \$1,255,900**



These operational expenditures include, but are not limited to salaries & fees, marketing and advertising services, professional services, insurance, communication, food and beverage, merchandise, travel, transportation, and storage. Capital expenditures include buildings and renovations, machinery and equipment, furniture and fixtures, and other capital related projects.

# THE EI RESULTS

The combined spending of out-of-town participants, staff, officials, media, and other people who visited Halifax for the World Sailing Championship, in combination with the expenditures made by the event organizers, totalled just over \$3.5 million, supporting just over \$4.6 million in overall economic activity in Nova Scotia, including just over \$4.3 million of economic activity in the Halifax area.

These expenditures supported \$1.6 million in wages and salaries in the province through the support of 29 jobs, of which 25 jobs and \$1.4 million in wages and salaries were supported locally.

The total net economic activity (GDP) generated by the World Sailing Championship was:

- \$3.3 million for Canada as a whole
- \$2.3 million for the province of Nova Scotia
- \$2.0 million for the city of Halifax

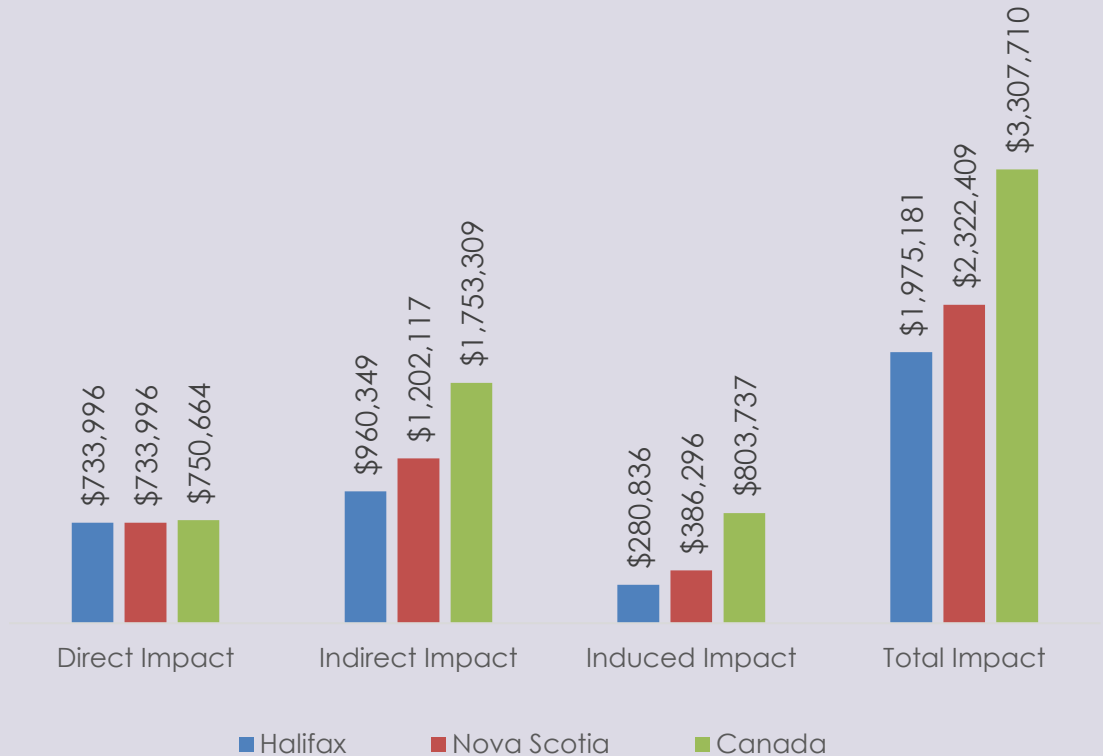
The 2022 World Sailing Championship supported tax revenues totaling just over \$1.3 million across Canada.

|                        | Halifax            | Nova Scotia        | Canada             |
|------------------------|--------------------|--------------------|--------------------|
| Initial Expenditure    | \$3,516,455        | \$3,516,455        | \$3,516,455        |
| GDP                    | \$1,975,181        | \$2,322,409        | \$3,307,710        |
| Wages & Salaries       | \$1,381,938        | \$1,573,762        | \$2,145,565        |
| Employment             | 25.1               | 28.5               | 38.8               |
| Total Taxes            | \$713,672          | \$825,580          | \$1,323,513        |
| Federal                | \$305,884          | \$353,565          | \$625,031          |
| Provincial             | \$357,965          | \$414,709          | \$613,229          |
| Municipal              | \$49,672           | \$57,305           | \$85,252           |
| <b>Industry Output</b> | <b>\$4,337,497</b> | <b>\$4,632,895</b> | <b>\$6,548,843</b> |

# GROSS DOMESTIC PRODUCT

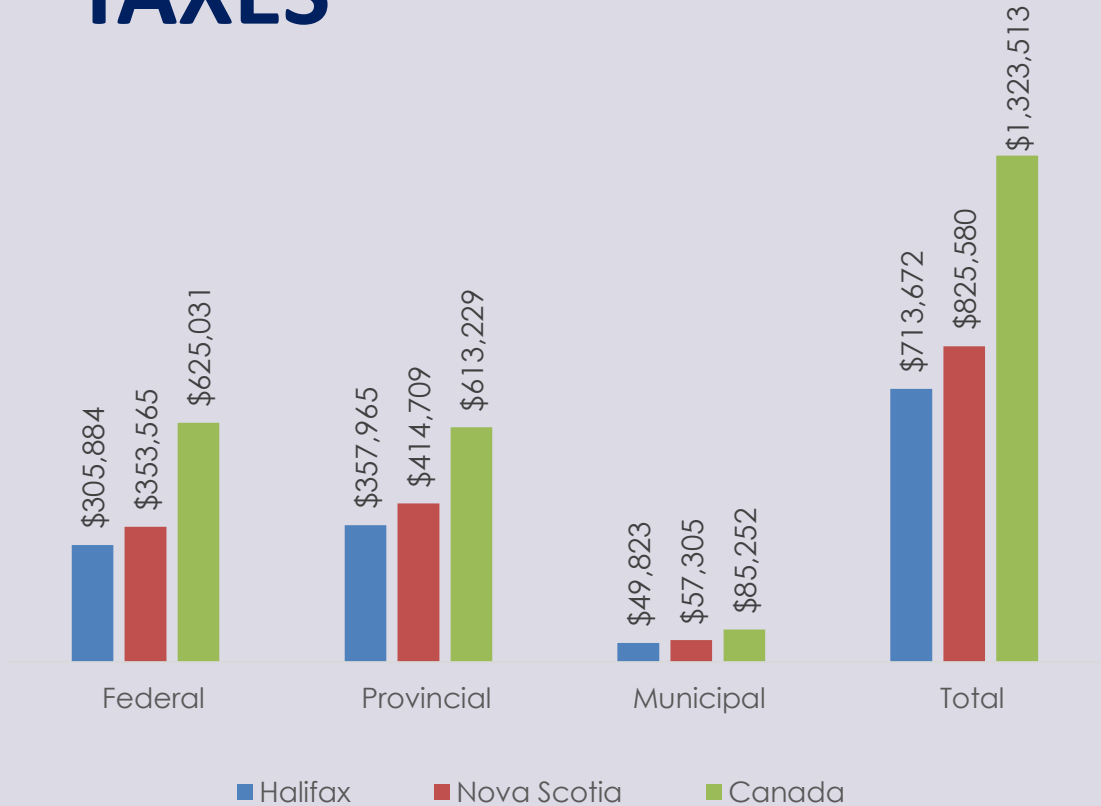
## GDP (at basic prices)

Hosting the **World Sailing Championships** in **Halifax** contributed over **\$3.3 million** in GDP to the Canadian economy through direct and spin-off impacts.



# TAXES

The **World Sailing Championships** hosted in **Halifax** contributed just over **\$1.3 million** in federal, provincial, and local **taxes** through direct and spin-off effects throughout Canada.





# SUMMARY | BY THE NUMBERS

## 2022 World Sailing Championships – Key Facts & Figures

|   |  |  |  |
|---|--|--|--|
| <b>\$3.5 million</b><br>of initial expenditures   | <b>\$902,000</b><br>of visitor spending                            | <b>25</b><br>local jobs supported<br>by the event  | <b>\$4.6 million</b><br>overall economic<br>activity in the province |
| <b>474</b><br>out of town visitors*<br>in Halifax | <b>\$1.4 million</b><br>of wages and salaries<br>supported locally | <b>\$2.3 million</b><br>boost to provincial<br>GDP | <b>\$1.3 million</b><br>in taxes supported<br>across Canada          |

\* Visitors derived from attendance figures obtained from event organizers.

# APPENDIX – GLOSSARY OF TERMS

**Initial Expenditure** - This figure indicates the amount of initial expenditures 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.



# CONTACT INFORMATION

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**, **STEAMPRO** or **FESTPRO** on any other type of event, please contact [research@sporttourismcanada.com](mailto:research@sporttourismcanada.com)

