

DRAFT SQUAMISH TOURISM SECTOR ECONOMIC IMPACT ANALYSIS

DRAFT REPORT

FEBRUARY 2020

Prepared by Crane Management Consultants

With research contributions from
Pacific Analytics Inc.

Prepared for:



EXECUTIVE SUMMARY

Tourism is one of British Columbia's leading economic sectors and makes a significant contribution to the economy. This project was a joint initiative between the District of Squamish, Squamish Chamber of Commerce and Tourism Squamish to better understand the impact of the tourism industry in the Squamish area, with economic analysis by Crane Management Consultants Ltd. and Pacific Analytics Inc. along with Value of Tourism modelling from Destination BC.

The report presents estimates of tourism visitation and economic impacts of the Squamish tourism sector and includes the following estimates:

- tourism visitation in 2018 to the Squamish area (vs 2008)
- direct spending of visitors to Squamish in 2018 (vs 2008)
- the economic impact in 2018 of Squamish's tourism sector

The study area is anchored by the District of Squamish and extends between Britannia and Brackendale and includes Paradise Valley and Squamish Valley. The bulk of the tourism attractions and businesses that cater to visitors are located within the boundaries of the District of Squamish.

The area is situated within the unceded core traditional territory of the Skwxwú7mesh Úxwumixw (Squamish Nation).

The economic importance of Squamish's tourism sector is reflected in the key findings including:

- 615,000 visitors in 2018
- \$95.2 million in direct visitor spending
- \$50.1 million in Gross Domestic Product (GDP)
- \$35.5 million in employment income
- \$20.5 million in taxes



**The economic impact
of the tourism industry
in Squamish includes
788 jobs and \$95.2
million in visitor
spending.**

Photo: Christie-images.com

VISITATION

In 2018, an estimated 615,600 visitors came to Squamish for either a day visit or a stay of one or more nights. During the summer high season, the Tourism Squamish Intercept Survey of more than 1,800 visitors to Squamish showed that 58% were overnight visitors and 42% were day-trippers, mainly from Greater Vancouver and the Fraser Valley.

Overall Total Visits in 2018

615,600

vs 2008

290% 

Share of Overnight Visitors in 2018

58%

Fig 1: 2018 Visitation by Visitor Type (# and share (%) of visitors)

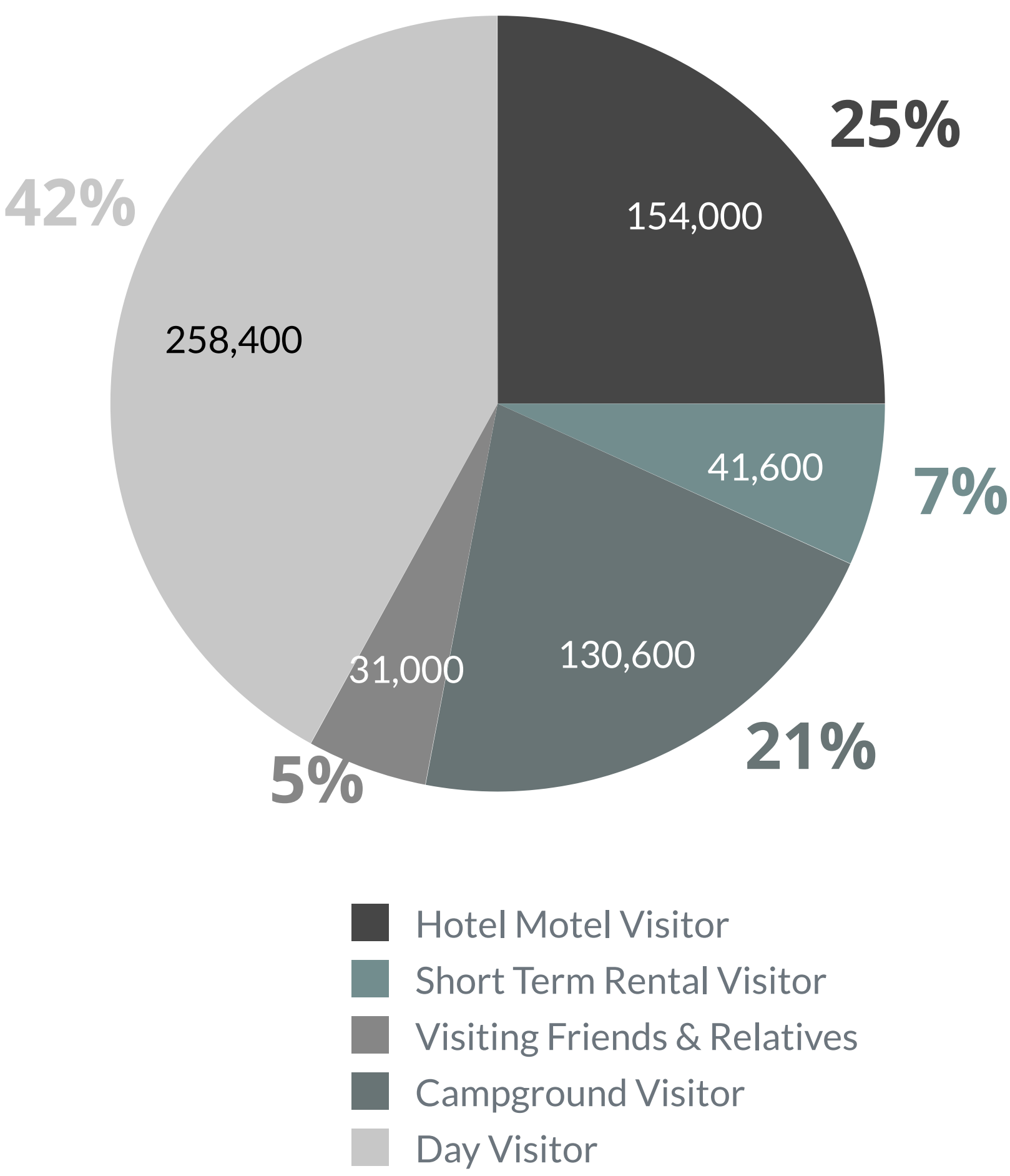


Fig 2: Visitation estimate for Squamish Tourism Sector (# of visitors), 2018 & 2008

	2018	2008	2018 vs 2008 % Change
Traditional Commercial Fixed Roof	154,000	50,400	+206%
Leisure	127,100	34,400	+269%
Business	26,900	16,000	+68%
Vacation Rentals	41,600	N/A	-
Campgrounds/RV Parks	130,600	34,500	+279%
Total Commercial Accommodation Visitors	326,200	84,900	+284%
Visiting Friends & Relatives	31,000	19,300	+61%
Day Visitors	258,400	53,500	+383%
Total Visitation	615,600	157,700	+290%

DIRECT SPEND

The estimated 615,600 visitors to Squamish spent an estimated total of \$95.2 million in 2018, a per visitor average of \$155. This 2018 level of direct tourism spending in Squamish is a 277% increase (13% annual average) over the estimated 2008 level of \$25.3 million.

Visitor Direct Spend in 2018

\$95.2 million

vs 2008

277% ^

Average Per Visitor Spend

\$155

Fig 3: Visitor Spend by Visitor Type (\$ and share (%) of spend)

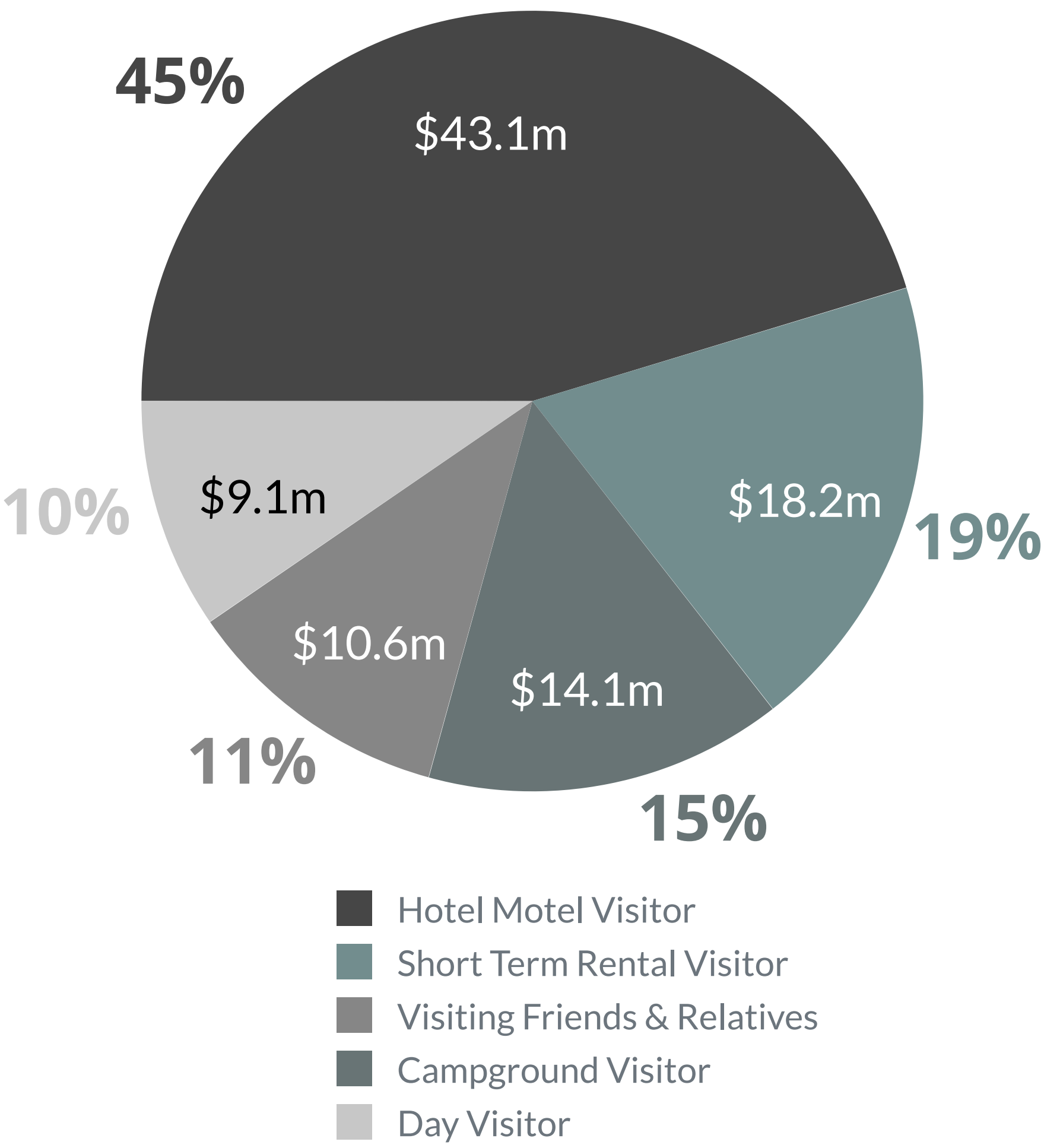


Fig 4: Direct spending estimates for Squamish visitors (\$), 2018 & 2008

	2018 (\$M)	2008 (\$M)	2018 vs 2008 % Change
Traditional Commercial Fixed Roof	\$43.1	N/A	-
Leisure	\$29.9	\$11.6*	+269%
Business	\$13.2	\$8.0	+68%
Vacation Rentals	\$18.2	N/A	-
Campgrounds/RV Parks	\$14.1	N/A	-
Total Commercial Accommodation Visitors	\$75.4	\$19.6	+285%
Visiting Friends & Relatives	\$10.6	\$3.4	+211%
Day Visitors	\$9.2	\$2.3	+298%
Total Visitation	\$95.2	\$25.3	+277%

*Including campgrounds





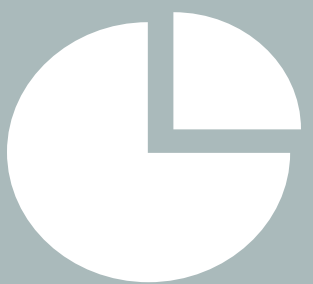

Fig 5: Estimated per day spending on non-accommodation goods and services by Squamish accommodation segments (\$)

ECONOMIC IMPACT

Economic impact is a measure of the spending and employment associated with a sector of the economy, a specific project, or a change in government policy or regulation. In this case, economic impact refers to the economic contribution associated with the tourism sector in Squamish. The three major components of economic impact are classified as direct, indirect and induced impacts. [1] Together, they provide a snapshot of how the tourism sector in Squamish impacts the economy on a local, provincial, or national level.

Tourism is a key sector of the Squamish economy. The economic importance of Squamish’s tourism sector is reflected by the estimated 788 jobs supported and the \$50.1 million contributed to Gross Domestic Product (GDP). Including indirect and induced impacts, the Squamish tourism sector generated an estimated total of 1,091 jobs and \$79.2 million in GDP in British Columbia in 2018.

Fig 6: Total Economic Impact of the tourism sector in Squamish, B.C. in 2018

	<div>EMPLOYMENT (# OF JOBS) </div>	<div>WAGES (\$M) </div>	<div>GDP (\$M) </div>	<div>ECONOMIC OUTPUT (\$M) </div>
Direct	727	\$28.4	\$40.7	\$75.4
Indirect	37	\$2.6	\$3.8	\$5.4
Induced	24	\$4.5	\$5.6	\$6.9
SQUAMISH TOTAL	788	\$35.5	\$50.1	\$87.7
Rest of BC	303	\$17.7	\$29.0	\$46.9
BC TOTAL	1,091	\$53.2	\$79.2	\$134.6

[1] Direct impacts account for the economic activity of the target sector itself. Indirect impacts are those that result because of the direct impacts, which involve employment in downstream industries that arise from tourism in Squamish. Induced employment is generated from expenditures in the general economy by individuals employed directly or indirectly by tourism.

ECONOMIC IMPACT

Employment Income

\$35.5 million

in total employment
income supported by
tourism in Squamish

Jobs

788

Squamish tourism
jobs supported

Total Taxes

\$26.6 million

in taxes supported
across Canada

Squamish GDP

\$50.1 million

total boost to
Squamish GDP

Provincial GDP

\$79.2 million

total boost to
provincial GDP

Fig 7: Total Employment, Employment Income, Output and GDP impact of the tourism sector in Squamish, B.C. in 2018

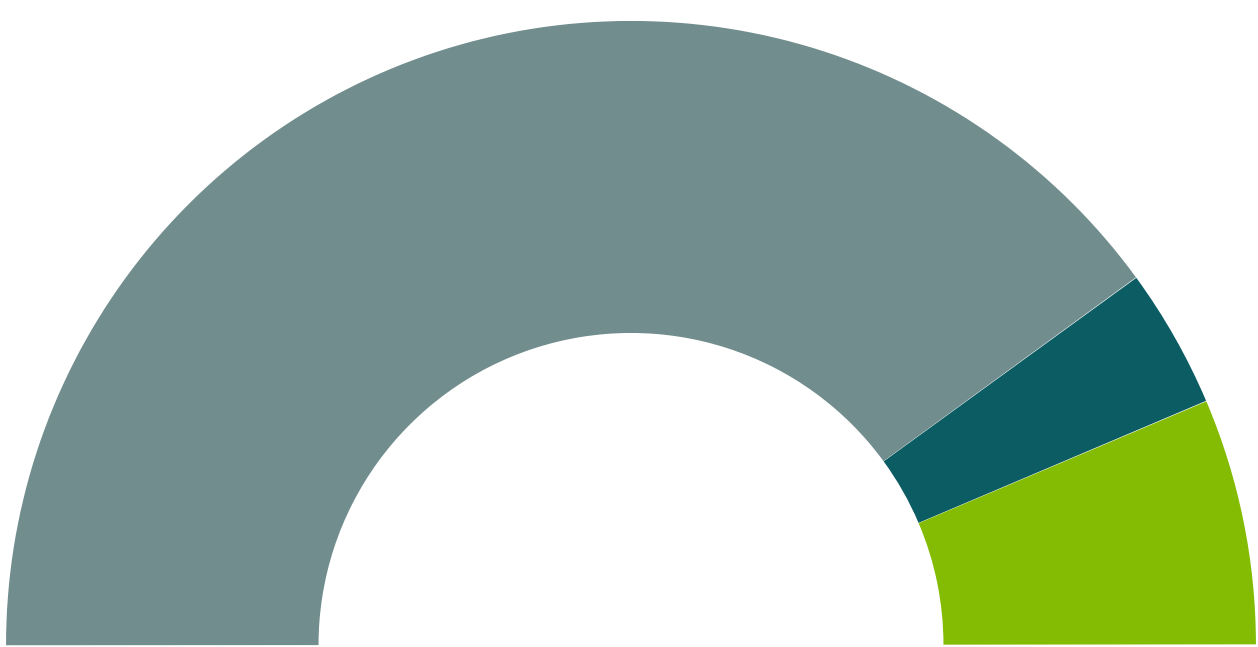
Total Employment | 788 Jobs

727 | 37 | 24



Employment Income | \$35M

\$28M | \$3M | \$4M



Direct Indirect Induced

Output | \$87M
\$75M | \$5M | \$7M



GDP | \$50M
\$40M | \$3M | \$8M



Fig 8: Total Tax Impact of tourism sector in Squamish, B.C. in 2018



Federal | 48%

Provincial | 40%

Municipal | 12%

SQUAMISH TOURISM SECTOR DYNAMICS

Visitation growth in 2018, when compared to 2008, can be attributed to several factors, including a healthy economy, increased global awareness and major highway upgrades afforded from the 2010 Vancouver Olympics, the 2014 opening of the Sea to Sky Gondola, strategic marketing efforts by Tourism Squamish enabled through increasing Municipal and Regional District Tax (MRDT) revenues, and increased accommodation supply due to growth in vacation rental accommodation.

1 AREA OF ORIGIN

- Regional visitors made up the greatest proportion of day visitors to Squamish with those travelling from Greater Vancouver and the Fraser Valley accounting for 41% of total day visitors.
- Visitors from international destinations made up the greatest proportion of overnight visitors to Squamish accounting for 52% of total overnight visitors.

2 TRIP PURPOSE

- Day visitors cited general sightseeing as their main trip purpose (46%) compared to overnight visitors with just 21% citing sightseeing.
- Overall, overnight visitors were more likely to pursue more adventurous activities, with 21% indicating that rock climbing was their primary purpose, followed by 14% citing mountain biking.

3 ACCOMMODATION OCCUPANCY

- The summer season occupancy levels in hotels and motels, and vacation rentals in Squamish is relatively high.
- In 2018, occupancy in Squamish hotels and motels, and vacation rentals averaged 77% and 64%, respectively, over the June through September period.



Photo: Mountain Skills Academy, Squamish Via Ferrata



Photo: Dialed In Cycling