



Economic Impact Assessment

Final Report – South Slave 2018 Arctic Winter Games

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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;
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.



CSTA'S TOOL

The Canadian Sport Tourism Alliance (CSTA) has developed a tool called **steam pro^{2.0}** 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^{2.0}** 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.



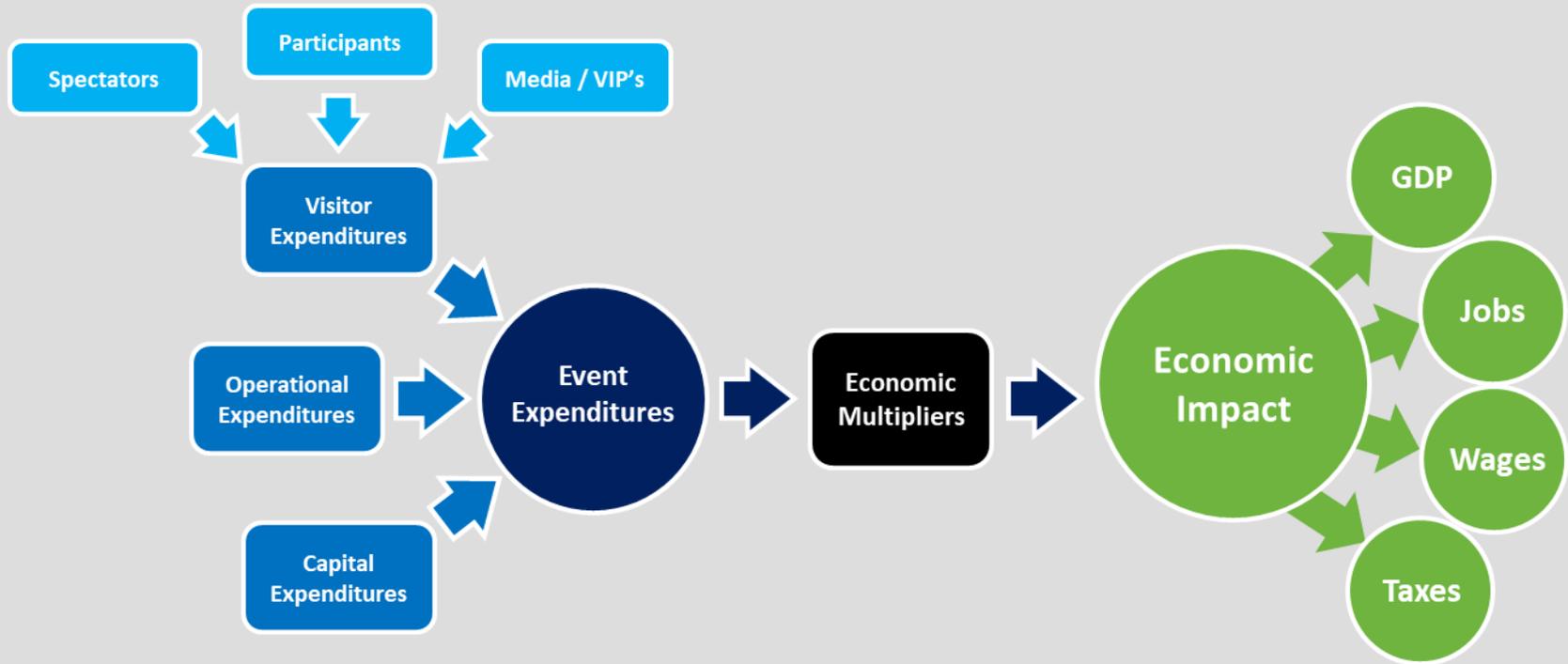
RELIABILITY OF THE DATA

For this study, event organizers opted to engage the CSTA and paid surveyors to collect data onsite during the event. Surveyors were recruited and supervised by the CSTA, and trained on-site by CSTA's Field Supervisor.

As a result of having a member of the CSTA Economic Impact Team involved in the onsite data collection, the CSTA is able to validate the data records that were generated onsite that underpins this analysis.



HOW IT WORKS



SOUTH SLAVE 2018 ARCTIC WINTER GAMES

The Arctic Winter Games returned to the Northwest Territories South Slave Region for the first time in 40 years. Hosted jointly by the communities of Hay River and Fort Smith from March 18-24, the 25th edition of the Games provided a unique opportunity to connect with a large, highly engaged audience from across the Canadian North and the Circumpolar World.

The original intent of the Arctic Winter Games, as instilled by Pierre E. Trudeau, was to provide a venue to allow Northern athletes to compete at comparable levels to their Southern counterparts and to build a strong network between communities.

The spirit of the Games flourished in the South Slave with sporting competitions providing athletes with excellent opportunities to perform at their best and the talents of the cultural contingents to be recognized.



THE METHODOLOGY

The visitor statistics cited in this report were derived from an on-site intercept survey that was conducted over six days of the Arctic Winter Games. The survey was developed by the CSTA specifically for this event and was administered by a team of surveyors at key locations throughout the venues in both Hay River and Fort Smith, on tablet computers running Survey Analytics' software.

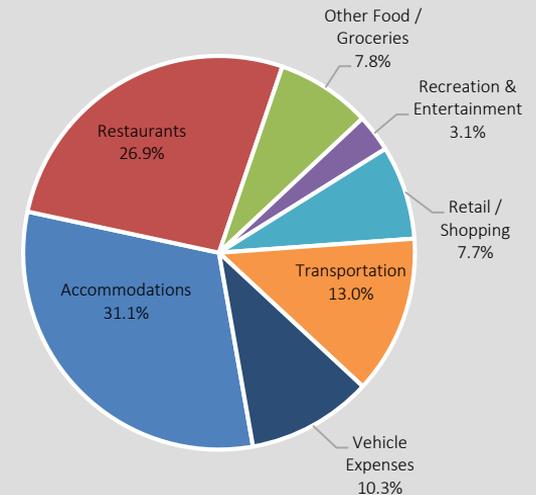
A total of **450** valid responses were collected during this event.

The survey included a variety of questions for the event attendees with regards to their age, place of residence, party size, event satisfaction, etc. Respondents from out-of-town were asked about their length of stay in the Region, the amount of money spent in various categories while attending, as well as the importance of this event in their decision to travel to the area.

VISITOR SPENDING

	Per Party	Overall
Accommodations	\$517.05	\$106,428
Restaurants	\$446.48	\$91,902
Other Food / Groceries	\$129.76	\$26,709
Recreation & Entertainment	\$51.34	\$10,568
Retail / Shopping	\$127.99	\$26,345
Transportation	\$216.39	\$44,541
Vehicle Expenses	\$171.67	\$35,336
Total	\$1,660.68	\$341,830

Aggregate visitor spending was nearly **\$342,000**



VISITOR SPENDING – SCALED BY IMPORTANCE

	Per Party	Overall
Accommodations	\$465.35	\$95,785
Restaurants	\$401.83	\$82,712
Other Food / Groceries	\$116.78	\$24,039
Recreation & Entertainment	\$46.21	\$9,511
Retail / Shopping	\$115.19	\$23,711
Transportation	\$194.75	\$40,087
Vehicle Expenses	\$154.50	\$31,803
Total	\$1,494.61	\$307,647

Visitor spending directly attributable to the Arctic Winter Games was
\$307,647

Visitors to the Region were asked about the importance of the 2018 Arctic Winter Games in their decision to travel to the Region using a scale of 1-10 with 1 meaning 'not at all important' and 10 meaning it was 'the primary reason for travel'. The results show that this event was the primary driver for most respondents, with an average importance of 9.0/10

OPERATIONAL EXPENDITURES

In hosting the South Slave 2018 Arctic Winter Games, the event organizers spent approximately **\$7.9 million** on various **goods and services** to ensure the successful operation of the event.



Operational Expenditures	
Salaries, Fees and Commissions	\$1,579,820
Marketing & Advertising Services	\$165,367
Professional Services	\$363,688
Insurance	\$42,966
Facility, Venue and Office Rent	\$204,852
Communication	\$849,426
Other Supplies	\$413,659
Food and Beverages	\$931,418
Accommodations	\$897,548
Merchandise and Retail	\$732,004
Travel	\$723,562
Transportation and Storage	\$468,824
Other Services	\$498,657
Total	\$7,871,791

CAPITAL EXPENDITURES

In addition to the operational expenditures required to host the Arctic Winter Games, event organizers spent over **\$2.1 million** on **capital** projects to ensure the successful operation and the legacy of the event for the communities.

Capital Expenditures	
Buildings & Renovations	\$2,143,450
Machinery & Equipment	\$0
Furniture & Fixtures	\$0
Total	\$2,143,450



THE EI RESULTS

The combined spending of out-of-town fans/spectators, participants, media, sponsors, and other people who visited the South Slave Region for the event, in combination with the expenditures made by the organizers of the event, totaled \$10.3 million, supporting \$13.1 million in economic activity in the Northwest Territories, including \$12.0 million of economic activity in the South Slave Region.

These expenditures supported \$4.7 million in wages and salaries in the Territory through the support of 40 jobs, of which 28 jobs and \$3.8 million in wages and salaries were supported locally.

The total net economic activity (GDP) generated by the South Slave 2018 Arctic Winter Games was:

- \$8.1 million for Canada as a whole
- \$7.0 million for the Northwest Territories
- \$5.1 million for the Region of South Slave

The 2018 Arctic Winter Games supported tax revenues totaling over \$1.9 million across Canada.

	South Slave	NWT	Canada
Initial Expenditure	\$10,300,603	\$10,300,603	\$10,300,603
GDP	\$5,052,752	\$7,040,395	\$8,080,971
Wages & Salaries	\$3,794,167	\$4,727,611	\$5,341,310
Employment	27.6	39.7	47.3
Total Taxes	\$1,201,715	\$1,577,567	\$1,866,091
Federal	\$667,380	\$849,239	\$991,523
Provincial	\$435,287	\$574,392	\$688,250
Municipal	\$99,049	\$153,937	\$186,319
Industry Output	\$12,008,881	\$13,079,137	\$15,122,341

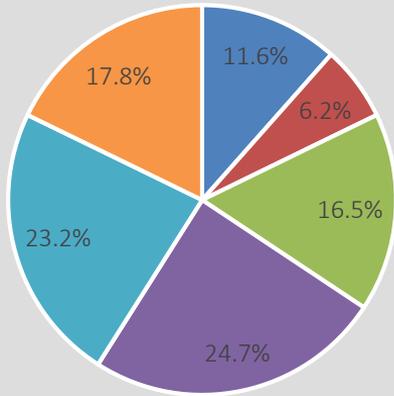
ADDITIONAL QUESTIONS

The following slides summarize the results from questions that were included as part of the survey, but were not all necessarily required for the economic impact analysis calculations.



DEMOGRAPHICS

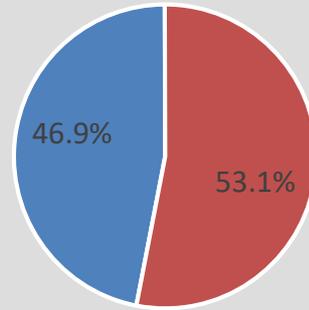
Age Range



■ 18 & under ■ 19-24 ■ 25-34 ■ 35-44 ■ 45-54 ■ 55+

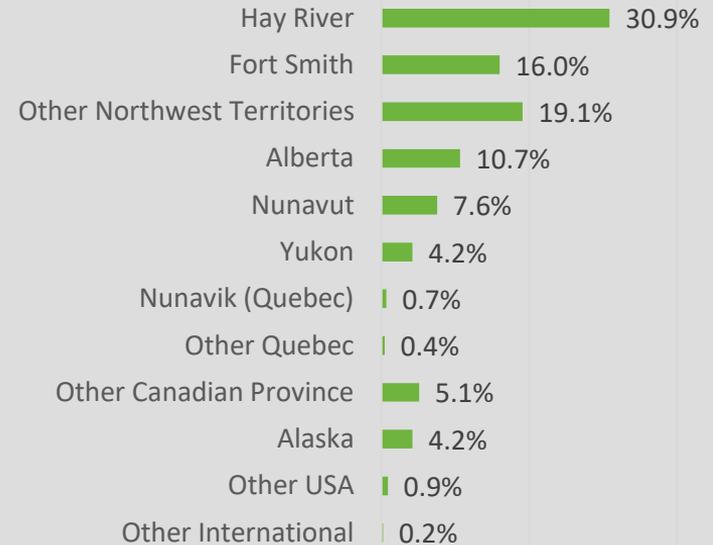
Average Age = 40.9 years

Gender



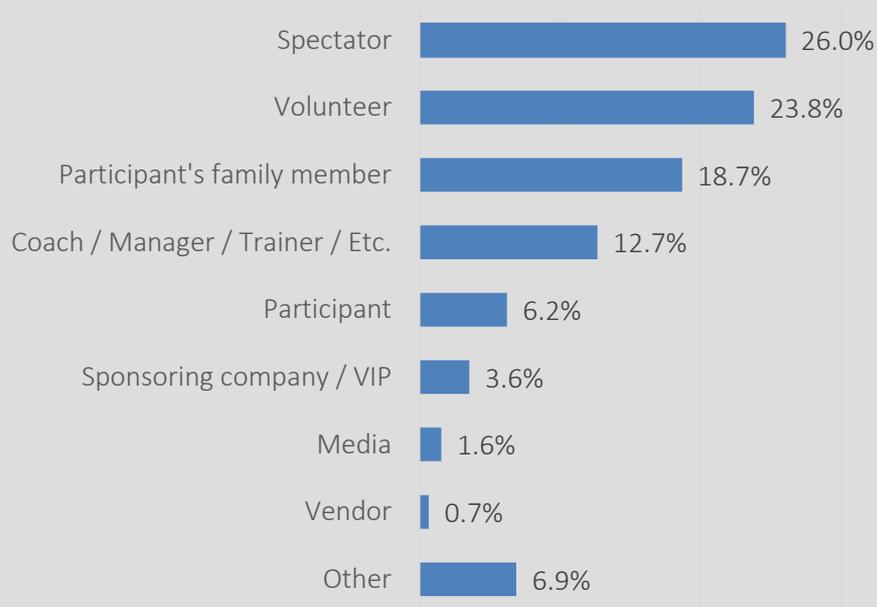
■ Male ■ Female

Place of Residence

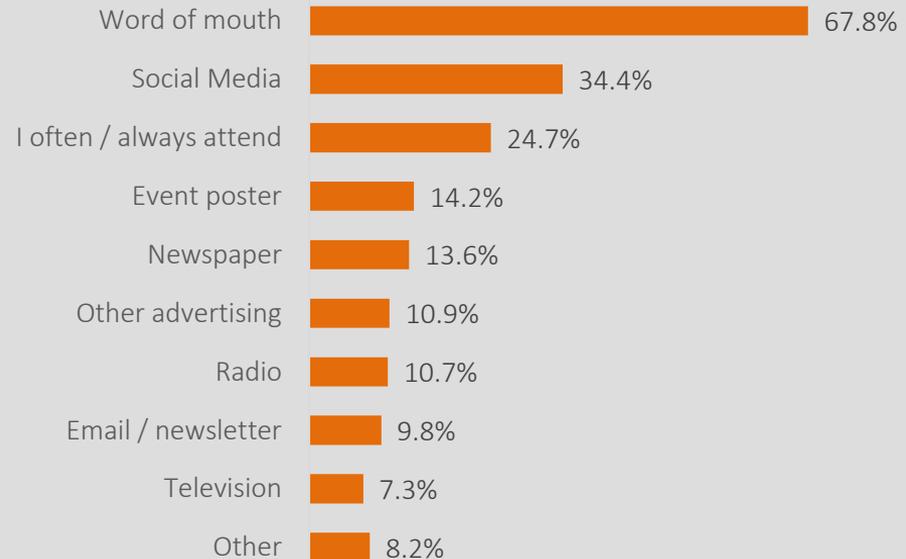


ATTENDANCE CHARACTERISTICS

Role at the Event



Learned About Event: Source



EVENT ATTENDANCE

Events Attended:

Hockey	75.1%	Speed Skating	19.6%
Opening Ceremonies	49.6%	Cultural Gala	15.6%
Volleyball	37.1%	Dog Mushing	13.8%
Closing Ceremonies	36.0%	Table Tennis	12.9%
Arctic Sports	35.6%	Badminton	10.9%
Basketball	28.4%	Wrestling	10.2%
Curling	27.3%	Gymnastics	8.7%
Futsal	24.9%	Cross Country Skiing	7.8%
Dene Games	22.0%	Biathlon – Ski	5.6%
Snowboarding	21.3%	Biathlon – Snowshoe	4.9%
Figure Skating	20.2%	Snowshoeing	4.7%



77% of attendees indicated that this event was the sole reason for their visit to the Northwest Territories.

Overall, the importance of this event in influencing visitation to the Northwest Territories was **9.0/10**.

TRAVEL CHARACTERISTICS

99% of out-of-town attendees stayed overnight during their visit to the South Slave Region



Of those staying overnight...

- 30% stayed with friends / family
- 21% stayed in a hotel
- 17% used a short term rental
- 4% camped / RV
- 29% made other arrangements

Average nights stayed in...

Hay River	Fort Smith	Other	Total
5.3	5.6	0.5	11.4

Of those making day trips to Hay River or Fort Smith did so an average of 3.8 times



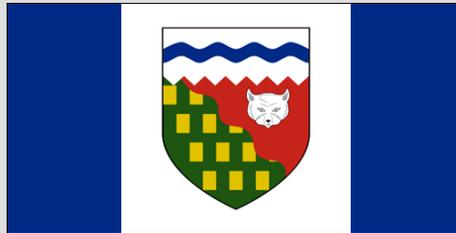
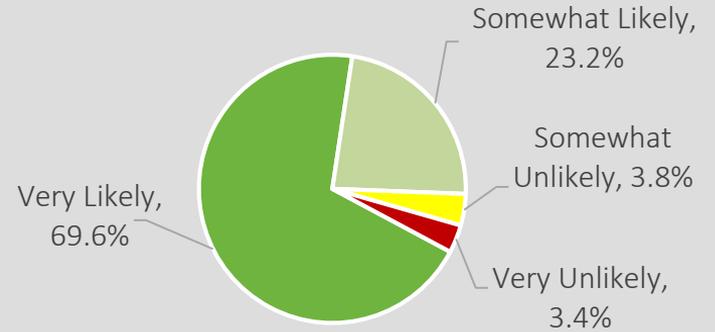
Average travel party size = 2.4 people

NORTHWEST TERRITORIES

First Visit to Northwest Territories

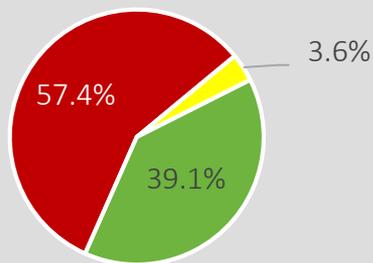


Future Visitation to Northwest Territories



KATLODEECHE FIRST NATION

Visited Katlodeeche First Nation



■ No ■ Not sure ■ Yes

The average visitor spent
\$51 while visiting the
Katlodeeche First Nation

Activities Experienced / Visited



K'atl'odeeche First Nation

SUMMARY | BY THE NUMBERS

South Slave 2018 Arctic Winter Games – Key Facts & Figures

\$10.3 Million of initial expenditures	\$385,000 of visitor spending attributable to event	28 Local jobs supported by event	\$13.1 Million overall economic activity in the NWT
2,300 estimated out of town visitors in the Region	\$3.8 Million of wages and salaries supported locally	\$7.0 Million total boost to Territory GDP	\$1.9 Million in taxes 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 pro^{2.0}** on a future event, please contact research@canadiansporttourism.com

