

Barkerville Historic Town

Tourism Economic Impact Assessment

June 2010

The following analysis provides an estimate of the tourism economic impact generated by Barkerville Historic Town on the North Cariboo in 2009 arising from the capital and operational expenditures of the town as well as regional visitor spending of those who visited Barkerville Historic Town between June – September 2009.

Acknowledgements

This report has been prepared and partially written by Paradigm Consulting Group, under a contract with Tourism British Columbia. This report is part of a larger visitor research project that was conducted in the summer of 2009. The project generated two detailed reports under two separate covers. The companion report, *Barkerville Visitor Research Study 2009*, is available at:

<http://www.tca.gov.bc.ca/research/ResearchByRegion/CaribooChilcotinCoast.htm>.

Partial funding for this study was provided by the Federal, Provincial, Territorial Culture/Heritage and Tourism Initiative (FPTTI).

Tourism British Columbia – Research, Planning and Evaluation would like to gratefully acknowledge their project partner, Barkerville Historic Town, as well as the following organizations for their participation and support of this project:

- Quesnel Visitor Centre;
- FPTTI;
- Ministry Tourism, Culture and Arts - Heritage Branch.

Executive Summary

Tourism British Columbia – Research, Planning & Evaluation contracted Paradigm Consulting Group to assess the incremental tourism economic impact associated with the Barkerville Heritage Town to the North Cariboo¹, including its annual operation, capital expenditures and expenditures by independent travellers while visiting attraction and local community during the summer 2009. In addition, the study includes the operation expenditures of the 18 independent businesses that operate within Barkerville Historic Town.

The total spending related to Barkerville Historic Town (including operations, capital expenditures, and the net spending of independent visitors to the region²) generate the following incremental benefits for the North Cariboo:

- Total spending in the region of \$7.6 million;
- Gross domestic product of \$5.6 million for the region;
- Including indirect and induced effects, a total of 120 equivalent full-year jobs supported in the North Cariboo, with wages and salaries of \$4.7 million;
- A total of \$395,000 in municipal taxes supported in the region;
- Total economic activity of \$11.8 million.

For the province of British Columbia as a whole, the incremental tourism economic impacts of Barkerville Historic Town (including operations, capital expenditures, and the net spending of out of province visitors to the region³) were:

- Total spending in the region of \$5.8 million;
- Gross domestic product of \$7.0 million for the province as a whole;
- Including indirect and induced effects, a total of 116 equivalent full-year jobs supported in the Province of British Columbia, with wages and salaries of \$5.2 million;
- Total taxes collected throughout the province of \$1.4 million; \$949,000 and \$363,000 for the federal, provincial, and municipal governments; respectively;
- Total economic activity of \$12.7 million.

¹ North Cariboo includes Quesnel, Wells/Barkerville, Hixon, Nazko and all surrounding areas.

² To calculate regional incremental tourism economic benefits, only non- local spending was analyzed (residents of the North Cariboo was excluded from the analysis).

³ To calculate the provincial incremental tourism economic benefits, only spending of non-BC residents was analyzed (residents of BC were excluded from the analysis).

Table of Contents

ACKNOWLEDGEMENTS 1

EXECUTIVE SUMMARY..... 2

TABLE OF CONTENTS..... 3

INTRODUCTION 5

 Background..... 5

 Operating and Capital Costs of the Barkerville Historic Town..... 5

 Spending of Visitors to the Barkerville Historic Town..... 5

ECONOMIC IMPACT RESULTS..... 7

 Operations Expenditures..... 7

 Capital Expenditures..... 9

 Visitor Expenditures – All Visitors 11

 Visitor Expenditures – Non-BC Residents 13

 Total Impact – All Visitors 15

 Total Impact – Non-BC Residents 17

APPENDIX A: ECONOMIC IMPACT METHODOLOGY 19

APPENDIX B: GLOSSARY OF TERMS USED 20

APPENDIX C: EXCERPT - ECONOMIC IMPACT SURVEY QUESTIONS..... 22

Introduction

Background

The Paradigm Consulting Group was contracted by Tourism British Columbia – Research, Planning & Evaluation, in partnership with Barkerville Historic Town, to assess the tourism economic impact of the Barkerville Historic Town to the North Cariboo as well as to the province of British Columbia as a whole. These impacts arise from the spending of visitors to the region / province, as well as the capital and operational expenditures made by the individual businesses operating in the historic town. These expenditures were then entered into the Conference Board of Canada’s Regional Economic Impact assessment Model (REIM), with the results reported below. Note that all of the impacts in this report are for the 2009 calendar year.

Operating and Capital Costs of the Barkerville Historic Town

Based on annual operating expenditures provided by Barkerville Historic Town, a total of \$4.5 million of operational expenditures was made in 2009. Nearly two-thirds of the spending was made by the Barkerville Heritage Trust, with the remainder made by the 18 businesses that operate independently at Barkerville Historic Town. In addition to the operational expenditures, in excess of \$460,000 in capital expenditures was made as a part of maintaining the town in 2009.

Spending of Visitors to the Barkerville Historic Town

As noted, information regarding independent, leisure visitor expenditures in Barkerville Historic Town, North Cariboo and the province was collected between June and September 2009 through the use of an intercept survey (an excerpt of the relevant economic impact questions can be found in Appendix C). The survey results were adjusted to exclude incomplete surveys as well as extreme values (+/- 2.5% in each category). Additionally, the results were scaled to represent the importance of Barkerville in motivating trip as well as weighted to reflect Barkerville’s unique, independent leisure visitor numbers by month for the operating season in an effort to capture the incremental tourism impact that Barkerville Historic Town provides to the region.

Through the calculations above, total incremental spending in the North Cariboo⁴ made by visitors was estimated to be \$2.6 million in 2009 (excluding onsite visitor expenditures at the 18 independent businesses). Table 1, below, provides a breakdown of the spending made by visitors to the North Cariboo, and also includes the sub-set of visitors who came from outside of the Province of British Columbia.

⁴ North Cariboo includes Quesnel, Wells/Barkerville, Hixon, Nazko and all surrounding areas.

Table 1 – Visitor Expenditures

| Expense Category | Visitor Spending | Non-BC Visitor Spending |
|--|--------------------|-------------------------|
| Intercity Transportation Tickets (<i>within BC</i>) | \$125,748 | \$39,283 |
| Transportation Operation | \$808,380 | \$229,427 |
| Vehicle Rentals | \$142,563 | \$105,888 |
| Local Transportation | \$499 | \$426 |
| Accommodation | \$639,123 | \$191,081 |
| Food & Beverage (<i>Groceries/store purchases</i>) | \$267,471 | \$70,647 |
| Food & Beverage (<i>from cafes, restaurants, concessions, pubs</i>) | \$373,416 | \$80,971 |
| Other Shopping | \$212,976 | \$41,469 |
| Other Recreation & Entertainment | \$67,969 | \$16,867 |
| Other spending | \$9,960 | \$3,626 |
| Total | \$2,648,106 | \$779,685 |

Note that onsite visitor expenditures were excluded in order to avoid double counting with the reported revenues from the Barkerville Heritage Trust & on-site businesses.

Economic Impact Results

Operations Expenditures

Using the annual operating expenditures provided by the Barkerville Heritage Trust and the on-site businesses, total operational expenditures reached \$4.5 million in 2009. This spending provided a significant economic benefit to the economy of the North Cariboo, as well as the province of British Columbia. Specifically, the annual operating expenditures:

- Increased direct employment of 31 equivalent full-year jobs for local residents;
- Including indirect and induced effects, maintained a total of 72 equivalent full-year jobs for local residents;
- Provided wages and salaries of \$3.2 million;
- Gross domestic (regional) product of \$3.7 million.

In addition, the operations of the Barkerville Historic Town provided even larger economic benefits to the province of B.C. Specifically:

- Including indirect and induced effects, maintained a total of nearly 93 equivalent full-year jobs for B.C. residents
- Provided wages and salaries of \$4.3 million
- Gross domestic product of \$5.8 million.

Table 2 – Operations Impact

| | Total British Columbia | Quesnel region | Rest of B.C. |
|------------------------------------|---------------------------|--------------------|--------------------|
| Initial Expenditure | \$4,517,275 | \$4,517,275 | \$0 |
| Gross Domestic Product | | | |
| Direct Impact | \$1,852,449 | \$1,852,449 | \$0 |
| Indirect Impact | \$2,068,365 | \$967,855 | \$1,100,510 |
| Induced Impact | \$1,843,474 | \$882,476 | \$960,998 |
| Total Impact | \$5,764,288 | \$3,702,781 | \$2,061,507 |
| Industry Output | | | |
| Direct & Indirect | \$6,281,643 | \$5,342,880 | \$938,763 |
| Induced Impact | \$3,671,091 | \$1,757,362 | \$1,913,729 |
| Total Impact | \$9,952,734 | \$7,100,242 | \$2,852,492 |
| Wages & Salaries | | | |
| Direct Impact | \$1,849,580 | \$1,849,580 | \$0 |
| Indirect Impact | \$1,329,714 | \$843,050 | \$486,665 |
| Induced Impact | \$1,132,489 | \$546,417 | \$586,072 |
| Total Impact | \$4,311,783 | \$3,239,047 | \$1,072,737 |
| Employment (Full-year jobs) | | | |
| Direct Impact ⁵ | 30.8 | 30.8 | 0.0 |
| Indirect Impact | 32.2 | 21.6 | 10.5 |
| Induced Impact | 29.9 | 19.5 | 10.4 |
| Total Impact | 92.9 | 71.9 | 21.0 |
| Taxes (Total) | | | |
| Federal | \$1,075,894 | \$736,621 | \$339,272 |
| Provincial | \$743,802 | \$495,758 | \$248,045 |
| Municipal | \$252,318 | \$167,553 | \$84,765 |
| Total | \$2,072,013 | \$1,399,932 | \$672,081 |

⁵ Direct employment impact is generally extra shifts or overtime for existing workers rather than new employment.

Capital Expenditures

The total capital expenditures, as reported by the Barkerville Heritage Trust and the on-site businesses, totalled \$461,000 in 2009. The economic impact supported by the capital expenditures is as follows:

- Increased direct employment of 2.1 equivalent full-year jobs for local residents;
- Including indirect and induced effects, maintained a total of 4.7 equivalent full-year jobs for local residents;
- Wages and salaries of \$184,000;
- Gross domestic (regional) product of \$268,000.

In addition, the capital expenditures of the Barkerville Historic Town to provided even larger economic benefits to the province of B.C. Specifically:

- Including indirect and induced effects, a total of 6.4 equivalent full-year jobs for B.C. residents;
- Wages and salaries of \$278,000;
- Gross domestic product of \$417,200.

Table 3 – Capital Impact

| | Total British Columbia | Quesnel region | Rest of B.C. |
|------------------------------------|---------------------------|-------------------|------------------|
| Initial Expenditure | \$461,118 | \$461,118 | \$0 |
| Gross Domestic Product | | | |
| Direct Impact | \$139,978 | \$139,978 | \$0 |
| Indirect Impact | \$164,241 | \$68,060 | \$96,181 |
| Induced Impact | \$112,979 | \$60,281 | \$52,698 |
| Total Impact | \$417,199 | \$268,320 | \$148,879 |
| Industry Output | | | |
| Direct & Indirect | \$791,543 | \$597,602 | \$193,942 |
| Induced Impact | \$222,685 | \$118,372 | \$104,313 |
| Total Impact | \$1,014,228 | \$715,974 | \$298,254 |
| Wages & Salaries | | | |
| Direct Impact | \$90,851 | \$90,851 | \$0 |
| Indirect Impact | \$106,056 | \$47,265 | \$58,791 |
| Induced Impact | \$81,056 | \$45,949 | \$35,108 |
| Total Impact | \$277,963 | \$184,065 | \$93,898 |
| Employment (Full-year jobs) | | | |
| Direct Impact ⁶ | 2.1 | 2.1 | 0.0 |
| Indirect Impact | 2.3 | 1.1 | 1.2 |
| Induced Impact | 2.0 | 1.5 | 0.5 |
| Total Impact | 6.4 | 4.7 | 1.7 |
| Taxes (Total) | | | |
| Federal | \$82,706 | \$53,539 | \$29,168 |
| Provincial | \$54,088 | \$35,558 | \$18,531 |
| Municipal | \$20,094 | \$12,070 | \$8,023 |
| Total | \$156,889 | \$101,167 | \$55,722 |

⁶ Direct employment impact is generally extra shifts or overtime for existing workers rather than new employment.

Visitor Expenditures – All Visitors

The total expenditures made by visitors to the North Cariboo both on-site at the Barkerville Historic Town and in the region were estimated to be \$2.6 million in 2009. The economic impact supported by these expenditures is as follows:

- Increased direct employment of 26 equivalent full-year jobs for local residents
- Including indirect and induced effects, a total of 42 equivalent full-year jobs for local residents
- Wages and salaries of \$1.3 million
- Gross domestic (regional) product of \$1.6 million.

In addition, the expenditures of the out of district visitors to Barkerville Historic Town provided larger economic benefits to the province of B.C. Specifically:

- Including indirect and induced effects, a total of 56 equivalent full-year jobs for B.C. residents
- Wages and salaries of \$2.0 million
- Gross domestic product of \$2.8 million.

Table 4 – Visitor Impact – All Visitors

| | Total British Columbia | Quesnel region | Rest of B.C. |
|------------------------------------|---------------------------|--------------------|--------------------|
| Initial Expenditure | \$2,648,095 | \$2,648,095 | \$0 |
| Gross Domestic Product | | | |
| Direct Impact | \$920,366 | \$879,259 | \$41,107 |
| Indirect Impact | \$935,088 | \$264,062 | \$671,026 |
| Induced Impact | \$908,890 | \$466,067 | \$442,822 |
| Total Impact | \$2,764,344 | \$1,609,388 | \$1,154,956 |
| Industry Output | | | |
| Direct & Indirect | \$4,124,113 | \$3,062,904 | \$1,061,209 |
| Induced Impact | \$1,802,097 | \$920,465 | \$881,631 |
| Total Impact | \$5,926,210 | \$3,983,370 | \$1,942,841 |
| Wages & Salaries | | | |
| Direct Impact | \$723,849 | \$691,344 | \$32,504 |
| Indirect Impact | \$629,380 | \$265,769 | \$363,611 |
| Induced Impact | \$653,318 | \$356,146 | \$297,172 |
| Total Impact | \$2,006,547 | \$1,313,259 | \$693,288 |
| Employment (Full-year jobs) | | | |
| Direct Impact ⁷ | 26.4 | 25.7 | 0.7 |
| Indirect Impact | 13.7 | 6.2 | 7.6 |
| Induced Impact | 16.1 | 10.6 | 5.5 |
| Total Impact | 56.3 | 42.5 | 13.8 |
| Taxes (Total) | | | |
| Federal | \$676,132 | \$447,363 | \$228,770 |
| Provincial | \$507,478 | \$360,978 | \$146,500 |
| Municipal | \$287,354 | \$215,728 | \$71,627 |
| Total | \$1,470,964 | \$1,024,068 | \$446,896 |

⁷ Direct employment impact is generally extra shifts or overtime for existing workers rather than new employment.

Visitor Expenditures – Non-BC Residents

The total expenditures made by out of province visitors to the North Cariboo both on-site at the Barkerville Heritage town and in the region were estimated to be \$780,000 in 2009. The economic impact supported by these expenditures is as follows:

- Increased direct employment of 7.5 equivalent full-year jobs for local residents
- Including indirect and induced effects, a total of 12.7 equivalent full-year jobs for local residents
- Wages and salaries of \$412,000
- Gross domestic (regional) product of \$502,000.

In addition, the expenditures of the out of district visitors to Barkerville Historic Town provided larger economic benefits to the province of B.C. Specifically:

- Including indirect and induced effects, a total of 16.6 equivalent full-year jobs for B.C. residents
- Wages and salaries of \$612,000
- Gross domestic product of \$838,000.

Table 5 – Visitor Impact – Non-BC Residents

| | Total British Columbia | Quesnel region | Rest of B.C. |
|------------------------------------|---------------------------|--------------------|------------------|
| Initial Expenditure | \$779,684 | \$779,684 | \$0 |
| Gross Domestic Product | | | |
| Direct Impact | \$290,904 | \$278,062 | \$12,842 |
| Indirect Impact | \$270,123 | \$80,518 | \$189,605 |
| Induced Impact | \$276,566 | \$143,395 | \$133,171 |
| Total Impact | \$837,593 | \$501,975 | \$335,618 |
| Industry Output | | | |
| Direct & Indirect | \$1,212,119 | \$907,992 | \$304,127 |
| Induced Impact | \$548,315 | \$283,180 | \$265,134 |
| Total Impact | \$1,760,434 | \$1,191,173 | \$569,261 |
| Wages & Salaries | | | |
| Direct Impact | \$230,811 | \$220,657 | \$10,154 |
| Indirect Impact | \$182,009 | \$81,338 | \$100,671 |
| Induced Impact | \$198,851 | \$109,562 | \$89,289 |
| Total Impact | \$611,671 | \$411,557 | \$200,114 |
| Employment (Full-year jobs) | | | |
| Direct Impact ⁸ | 7.7 | 7.5 | 0.2 |
| Indirect Impact | 4.0 | 1.9 | 2.1 |
| Induced Impact | 4.9 | 3.3 | 1.6 |
| Total Impact | 16.6 | 12.7 | 3.9 |
| Taxes (Total) | | | |
| Federal | \$206,409 | \$139,777 | \$66,632 |
| Provincial | \$151,090 | \$108,482 | \$42,608 |
| Municipal | \$90,367 | \$69,023 | \$21,343 |
| Total | \$447,866 | \$317,282 | \$130,583 |

⁸ Direct employment impact is generally extra shifts or overtime for existing workers rather than new employment.

Total Impact – All Visitors

The combined expenditures of all visitors to the region along with the operations and capital expenditures totaled \$7.6 million at Barkerville Historic Town. This spending generated a considerable economic benefit to the economy of the North Cariboo, as well as the province of British Columbia. Specifically:

- Increased direct employment of 59 equivalent full-year jobs for local residents ;
- Including indirect and induced effects, a total of 119 equivalent full-year jobs for local residents ;
- Wages and salaries of \$4.7 million;
- Gross domestic (regional) product of \$5.6 million
- Total taxes collected throughout the province of \$1.2 million; \$890,000 and \$395,000 for the federal, provincial, and municipal governments; respectively;
- Total economic activity of \$11.8 million.

In addition, the combined expenditures provided a significant economic impact for the province of B.C. Specifically:

- Including indirect and induced effects, a total of nearly 156 equivalent full-year jobs for B.C. residents;
- Wages and salaries of \$6.6 million;
- Gross domestic product of \$8.9 million;
- Total taxes collected throughout the province of \$1.8 million; \$1.3 million and \$560,000 for the federal, provincial, and municipal governments; respectively;
- Total economic activity of \$16.9 million.

Table 6 – Total Impact – All Visitors

| | Total British Columbia | North Cariboo | Rest of B.C. |
|-----------------------------------|---------------------------|---------------------|--------------------|
| Initial Expenditure | \$7,626,488 | \$7,626,488 | \$0 |
| Gross Domestic Product | | | |
| Direct Impact | \$2,912,794 | \$2,871,687 | \$41,107 |
| Indirect Impact | \$3,167,694 | \$1,299,977 | \$1,867,717 |
| Induced Impact | \$2,865,343 | \$1,408,825 | \$1,456,518 |
| Total Impact | \$8,945,831 | \$5,580,489 | \$3,365,342 |
| Industry Output | | | |
| Direct & Indirect | \$11,197,300 | \$9,003,386 | \$2,193,914 |
| Induced Impact | \$5,695,872 | \$2,796,199 | \$2,899,673 |
| Total Impact | \$16,893,172 | \$11,799,586 | \$5,093,587 |
| Wages & Salaries | | | |
| Direct Impact | \$2,664,279 | \$2,631,775 | \$32,504 |
| Indirect Impact | \$2,065,150 | \$1,156,084 | \$909,067 |
| Induced Impact | \$1,866,863 | \$948,512 | \$918,352 |
| Total Impact | \$6,596,293 | \$4,736,370 | \$1,859,923 |
| Employment (Full-year job) | | | |
| Direct Impact ⁹ | 59.2 | 58.6 | 0.7 |
| Indirect Impact | 48.2 | 28.9 | 19.3 |
| Induced Impact | 48.1 | 31.7 | 16.5 |
| Total Impact | 155.6 | 119.1 | 36.5 |
| Taxes (Total) | | | |
| Federal | \$1,834,732 | \$1,237,523 | \$597,210 |
| Provincial | \$1,305,369 | \$892,293 | \$413,075 |
| Municipal | \$559,766 | \$395,351 | \$164,415 |
| Total | \$3,699,867 | \$2,525,167 | \$1,174,699 |

⁹ Direct employment impact is generally extra shifts or overtime for existing workers rather than new employment.

Total Impact – Non-BC Residents

The combined expenditures of out of province visitors to the region along with the operations and capital expenditures totaled \$5.8 million at Barkerville Historic Town. This spending generated a considerable economic benefit to the economy of the North Cariboo, as well as the province of British Columbia. Specifically:

- Increased direct employment of 40 equivalent full-year jobs for local residents;
- Including indirect and induced effects, a total of 89 equivalent full-year jobs for local residents;
- Wages and salaries of \$3.8 million;
- Gross domestic (regional) product of \$4.5 million;
- Total taxes collected throughout the province of \$930,000; \$640,000 and \$249,000 for the federal, provincial, and municipal governments; respectively;
- Total economic activity of \$9.0 million.

In addition, the combined expenditures provided a significant economic impact for the province of B.C. Specifically:

- Including indirect and induced effects, a total of nearly 116 equivalent full-year jobs for B.C. residents;
- Wages and salaries of \$5.2 million;
- Gross domestic product of \$7.0 million;
- Total taxes collected throughout the province of \$1.4 million; \$949,000 and \$362,000 for the federal, provincial, and municipal governments; respectively;
- Total economic activity of \$12.7 million.

Table 7 – Total Impact – Non-BC Residents

| | Total British Columbia | Quesnel region | Rest of B.C. |
|------------------------------------|---------------------------|--------------------|--------------------|
| Initial Expenditure | \$5,758,077 | \$5,758,077 | \$0 |
| Gross Domestic Product | | | |
| Direct Impact | \$2,283,331 | \$2,270,490 | \$12,842 |
| Indirect Impact | \$2,502,729 | \$1,116,434 | \$1,386,295 |
| Induced Impact | \$2,233,019 | \$1,086,152 | \$1,146,867 |
| Total Impact | \$7,019,080 | \$4,473,076 | \$2,546,004 |
| Industry Output | | | |
| Direct & Indirect | \$8,285,305 | \$6,848,474 | \$1,436,831 |
| Induced Impact | \$4,442,090 | \$2,158,914 | \$2,283,176 |
| Total Impact | \$12,727,395 | \$9,007,389 | \$3,720,007 |
| Wages & Salaries | | | |
| Direct Impact | \$2,171,241 | \$2,161,087 | \$10,154 |
| Indirect Impact | \$1,617,779 | \$971,653 | \$646,126 |
| Induced Impact | \$1,412,396 | \$701,928 | \$710,468 |
| Total Impact | \$5,201,417 | \$3,834,668 | \$1,366,749 |
| Employment (Full-year jobs) | | | |
| Direct Impact ¹⁰ | 40.6 | 40.4 | 0.2 |
| Indirect Impact | 38.5 | 24.6 | 13.8 |
| Induced Impact | 36.9 | 24.3 | 12.6 |
| Total Impact | 116.0 | 89.3 | 26.6 |
| Taxes (Total) | | | |
| Federal | \$1,365,009 | \$929,937 | \$435,072 |
| Provincial | \$948,981 | \$639,798 | \$309,183 |
| Municipal | \$362,778 | \$248,646 | \$114,131 |
| Total | \$2,676,768 | \$1,818,382 | \$858,387 |

¹⁰ Direct employment impact is generally extra shifts or overtime for existing workers rather than new employment.

Appendix A: Economic Impact Methodology

Technical Description of the Impact Methodology

The approach we have implemented in the economic impact model is based on input-output techniques. Input-Output models use coefficients that are based on economic or business linkages. These linkages track the way in which consumer expenditures or business operations filter through the economy. In turn, the coefficients are then used to quantify the employment, taxes, income, etc., generated by tourism activities. The input-output approach indicates not only the direct and indirect impact of tourism spending, but also the induced effect generated by the re-spending of wages and salaries.

The impacts generated by the model are at the direct stage (i.e. the "front line" businesses impacted by expenditures), the indirect stage (i.e. those industries that supply goods and services to the "front line" businesses) and the induced stage (induced consumption attributed to the wages and salaries generated from both the direct and indirect impacts).

In addition, there are a number of assumptions made within the model. For example, wages and imports are pre-determined within the model. As well, additional exports are not incorporated into the induced impact, which consequently generates more conservative impacts.

Taxes and employment are key economic impacts and therefore must involve the use of both input-output and econometric techniques. As the data used in the provincial input-output tables is from 2003, taxes and employment must incorporate current coefficients and/or rates. These coefficients and/or rates are then applied to measures determined within the input-output framework of the model. Determining the level of taxes and employment outside of the input-output framework of the model allows rates and/or coefficients to be selectively changed for updates, or for conducting scenario analyses.

Appendix B: Glossary of Terms Used

Initial Expenditure - This figure indicates the amount of initial expenditures or revenues 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 revenues or capital expenditures for the project under analysis. From a business operating perspective, this impact is limited only to that particular business or group of businesses involved.

Indirect Impact - Refers to the impact of 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. An example of induced consumer spending would be the impacts generated by hotel employees on typical consumer items such as groceries, shoes, cameras, etc. An example of induced business investment would be the impacts generated by the spending of retained earnings, attributable to the expenditures under analysis, on machinery and equipment.

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).

NOTE: *The multiplier (A), Total/Initial, represents the total (direct, indirect and induced) impact on GDP for every dollar of direct GDP. This is a measure of the level of spin-off activity generated as a result of a particular project. For instance, if this multiplier is 1.5 then this implies that for every dollar of GDP directly generated by "front-line" businesses, an additional \$0.50 of GDP is generated in spin-off activity (e.g. by suppliers).*

The multiplier (B), Total/\$ Expenditure, represent the total (direct, indirect and induced) impact on GDP for every dollar of expenditure or business revenue. This is a measure of how effectively project-related expenditures translate into GDP for the province (or region). Depending upon the level of expenditures, this multiplier ultimately determines the overall level of net economic activity associated with the project. For example, if this multiplier is 1.0, this means that for every dollar of expenditure, one dollar of total GDP is generated. The magnitude of this multiplier is influenced by the level of withdrawals, or imports, necessary to sustain both production and final demand requirements. The less capable a region or province is at fulfilling all necessary production and final demand requirements, the lower the eventual economic impact, all things being equal.

Wages & Salaries - This represents the wages and salaries generated by the initial expenditure. This information is broken down into the 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. These figures distinguish between the direct, indirect and induced impact. "Equivalent Full-Year Jobs", if selected, include both part-time and full-time work in ratios consistent with the specific industries.

NOTE: *The multiplier (B) is analogous to Multiplier (B) described earlier, except that employment values are per \$1,000,000 of spending rather than per dollar of spending. This is done to alleviate the problem of comparing very small numbers that would be generated by the traditional notion of a multiplier (i.e. employment per dollar of initial expenditure).*

Industry Output - These figures represent the direct and indirect, and overall impact (including induced impacts) of the initial expenditure on industry output. It should be noted that the industry output measure represents the **sum total** of all economic activity that has taken place, and consequently involves 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 taxes contributed to municipal, provincial and federal governments associated with the project under analysis. This information is broken down into the direct, indirect and induced impacts.

Appendix C: Excerpt - Economic Impact Survey Questions

Good morning / afternoon / evening. My name is _____ and I'm conducting a survey on behalf of Barkerville Historic Town, the Ministry of Tourism, Sport, and the Arts, and Tourism British Columbia. In order for us to learn more about your experience at Barkerville, can I please speak with someone in your travel party who is knowledgeable about your trip planning and expenditures?

- Would you have approximately **8 minutes** to answer some questions? If you participate, we would like to offer you a token of our appreciation for your time.

YES NO *Are you sure? You will receive a complimentary gift for completing the interview?
Thank you.*

- Have you or anyone in your travelling (household) party previously participated in this survey either today or on a previous day you came to Barkerville during this trip?

YES *You need only to complete one questionnaire for all your visits to Barkerville on this trip. Thank you for your cooperation and have a safe trip.*

NO

- Where do you live (usual place of residence)?

Province _____ **OR** State _____ **OR** Country _____

IF FROM BC Are you a Quesnel area resident? (Consult map)

NO YES

IF FROM QUESNEL AREA Are you a resident of Wells, Barkerville, or Bowron Lakes?

NO YES - *Thanks for agreeing to participate, however, we are only interviewing visitors from outside the area.*

- Are you part of an organized tour group?

NO YES

- What is the primary purpose of your trip? Is it for Leisure, Visiting Friends and Family or Business?

LEISURE Go to Q8

VISITING FRIENDS & FAMILY Go to Q9

WORK/BUSINESS ACTIVITY Go to Box1

OTHER (SPECIFY: _____) Go to Q9

DK/NR Go to Q9

- Including the day you left your residence and the day you will return, how many days will you be away from your home on this entire trip? _____ days (Consult calendar; including day left and day returning)

- How much time will be spent in the Quesnel area? (Consult regional map)

NONE - JUST PASSING THROUGH _____ HOURS OR _____ DAYS DK/NR

- How many of those days will be spent travelling in British Columbia?

_____ days

Have you or do you plan on stopping at the Quesnel Visitor Centre?

NO YES

- Including you, how many people are in your travel party today? How many are children under 18 and how many are adults? (Travel party includes individuals who have the same itinerary and/or the same expenditure)

_____ Adult(s) _____ Child(ren) (under 18) = _____ Total

- Including today, how many days will your travel party spend at Barkerville on this trip? (Travel party includes individuals who have the same itinerary and/or the same expenditure)

_____ DAYS DK/NR

IF ONLY SPENDING 1 DAY How many hours will your travel party spend at Barkerville today?

_____ HOURS DK/NR

IF SPENDING MULTIPLE DAYS Considering all of your days at Barkerville, in **total** how many hours will your travel party spend at Barkerville?

_____ HOURS DK/NR

SKIP IF FROM QUESNEL AREA On a scale of 0 to 10, **how important** was Barkerville Historic Town in your decision to **visit the Quesnel Area**? 0 indicates **no influence** at all and 10 indicates that Barkerville was the **single main reason** for visiting this region. _____

I would now like to ask you about your travel party's total trip expenditures **at Barkerville Historic Town** as well as **the entire duration of your planned stay in BC**. This information is very important in order to determine Barkerville's economic contribution to the region. The information you provide will be confidential and only used for this study.

- What is your best estimate of the **total amount of money** you have or will spend on **all your visits** to Barkerville Historic Town on this current trip?

| | Spent Any? | Amount in CDN \$ |
|--|------------|------------------|
| ADMISSION to Barkerville Historic Town (including tickets purchased in advance) | Y N | \$____ or DK |
| OTHER ONSITE TICKETS/admissions (special events, theatre, wagon rides, gold panning etc. held at the attraction but not included in admission price) | Y N | \$____ or DK |
| ACCOMMODATION (B&B and campsites onsite at Barkerville) | Y N | \$____ or DK |
| FOOD & BEVERAGE at restaurants, fast food outlets, concessions | Y N | \$____ or DK |
| SOUVENIRS/GIFT SHOP purchases | Y N | \$____ or DK |
| OTHER SHOPPING /RETAIL PURCHASES | Y N | \$____ or DK |

SKIP IF FROM QUESNEL AREA Did you purchase any plane, train, inter-city (ex. Greyhound, Charter Buses etc), ferry tickets for this trip?

NO YES DK/NR

IF Q25 YES 29. What is the total spent on these types of transportation tickets for travel in British Columbia for all household members in CDN dollars? _____

SKIP IF FROM QUESNEL AREA Please provide your **BEST ESTIMATE** for you and all other members of your household travel party's total trip expenditures for the entire duration of your planned stay in British Columbia in the following categories. Please include all taxes and tips; travel packages you might have purchased. Please exclude any spending that you may have done at Barkerville Historic Town.

OTHER SPENDING IN British Columbia (exclude ON-SITE spending)

| | Spent Any? | Amount in BC \$ CDN |
|--|------------|---------------------|
| TRANSPORTATION | | |
| <i>Transportation Operation</i> - Including gasoline and repairs for vehicle | Y N | \$____ or DK |
| <i>Transportation Rentals</i> | Y N | \$____ or DK |
| <i>Local Transportation</i> - local taxis, buses, subways, and parking | Y N | \$____ or DK |
| ACCOMMODATION | | |
| <i>Paid accommodation</i> - All accommodation. EXCLUDING onsite accom. | Y N | \$____ or DK |
| FOOD & BEVERAGE | | |
| <i>Groceries/beverages</i> (at grocery/liquor stores) | Y N | \$____ or DK |
| <i>Food & beverages</i> at restaurants | Y N | \$____ or DK |
| SHOPPING | | |
| <i>All shopping</i> - including clothing | Y N | \$____ or DK |
| RECREATION | Y N | |
| <i>Other recreation/ entertainment</i> - (excluding Barkerville admission)(| Y N | \$____ or DK |
| OTHER | | |
| All other spending | Y N | \$____ or DK |
| TOTAL | | |

