



Economic Impact Analysis of Fort Steele National Heritage Town

Final Report

By:

The Canadian Tourism Research Institute
The Conference Board of Canada

April 30, 2008

WHAT'S INSIDE

This study reports on the economic impact resulting from the operating and capital expenditures of Fort Steele National Heritage Town. In addition, economic impacts are also generated by local expenditures from independent visitors to Fort Steele National Heritage Town.

Table of Contents

EXECUTIVE SUMMARY.....	2
INTRODUCTION.....	3
Background.....	3
Operating and Capital Costs of the Fort Steele National Heritage Town	3
Spending of Visitors to the Fort Steele National Heritage Town.....	3
ECONOMIC IMPACT ANALYSIS	4
Economic impacts generated by annual operations of the Fort Steele National Heritage Town.....	4
Economic impacts generated by capital expenditures of the Fort Steele National Heritage Town	4
Economic impacts generated by visitors to the Fort Steele National Heritage Town.....	5
APPENDIX A: ECONOMIC OUTPUT TABLES (SELECT TABLES)	7
APPENDIX B: ECONOMIC IMPACT METHODOLOGY	1
APPENDIX C: GLOSSARY OF TERMS USED	2

EXECUTIVE SUMMARY

The Ministry of Tourism, Sports and the Arts of the Province of British Columbia contracted The Canadian Tourism Research Institute (CTRI) to assess the economic impact associated with the Fort Steele National Heritage Town, including its annual operation, capital expenditures and expenditures by independent travellers.

The economic impacts presented in this report were based on spending estimates collected from the Friends of Fort Steele Society and by other consultants on behalf of the Province of British Columbia. The estimates were based on projected data for a full fiscal year (2007/08) of the Fort Steele National Heritage Town.

Total Economic impacts generated by the Fort Steele National Heritage Town

The total spending related to the annual operations and capital expenditures of the Fort Steele National Heritage Town as well as independent visitor spending related to the Fort Steele National Heritage Town amounts to \$11.7 million within the Regional District of East Kootenay.

Our analysis suggests that total spending related to the Fort Steele National Heritage Town (including operation, capital expenditures, and independent visitor expenditures) will generate the following benefits within the Regional District of East Kootenay:

- Increased direct employment of 146 equivalent full-year jobs for local residents
- Including indirect and induced effects, a total of 241 equivalent full-year jobs for local residents
- Wages and salaries of over \$7.1 million
- Gross domestic (regional) product in the order of \$8.8 million
- Federal, provincial and municipal taxes of \$2.3 million, \$1.6 million and \$0.8 million respectively.

Our analysis suggests that total spending related to the Fort Steele National Heritage Town (including operation, capital expenditures, and independent visitor expenditures) will generate the following benefits for the province of British Columbia:

- Including indirect and induced effects, a total of 295 equivalent full-year jobs for B.C. residents
- Wages and salaries of nearly \$10 million
- Gross domestic product exceeding \$13.5 million
- Federal, provincial and municipal taxes of \$3.2 million, \$2.3 million and \$1.0 million respectively.

INTRODUCTION

Background

The Canadian Tourism Research Institute (CTRI) was contracted by The Ministry of Tourism, Sports and the Arts of the Province of British Columbia to assess the economic impact of the operations and capital spending incurred by the Fort Steele National Heritage Town on the regional economy of East Kootenay. In addition, the economic impacts generated by independent travelers visiting the Fort Steele National Heritage Town were also to be reported. The economic impacts presented in this report were based on spending estimates collected from the Friends of Fort Steele Society and by other consultants on behalf of the Province of British Columbia. The estimates were based on projected data for a full fiscal year (2007/08) of the Fort Steele National Heritage Town.

Operating and Capital Costs of the Fort Steele National Heritage Town

Based on annual operating expenditures provided by the Friends of Fort Steele Society, a total \$1.71 million is expected to be spent to maintain operations of the Fort Steele National Heritage Town during the 2007/08 fiscal year. Based on the annual capital budget provided by the Friends of Fort Steele Society for 2007/08, a further \$1.02 million is expected to be spent on enhancing or upgrading facilities.

Spending of Visitors to the Fort Steele National Heritage Town

Incorporating estimates provided from a survey of visitors to the Fort Steele National Heritage Town, we estimate that independent visitors alone spent \$8.9 million outside the grounds of the Fort Steele National Heritage Town in other parts of the Regional District of East Kootenay. Table 1 provides the breakdown of visitor spending in the Regional District of East Kootenay.

TABLE 1: Independent Visitor Spending in the Regional District of East Kootenay (2007/08)

Expenditure Category	Spending
Public Transportation	\$102,119
Private Transportation - Rental	\$509,380
Private Transportation - Operation	\$1,915,103
Local Transportation	\$1,036
Accommodation	\$2,679,653
Food & Beverage - At Stores	\$1,042,759
Food & Beverage - At Restaurants/Bars	\$1,571,182
Recreation & Entertainment	\$736,431
Retail - Clothing	\$94,028
Retail - Other	\$260,451
Total Spending	\$8,912,142

Source: The Conference Board of Canada.

ECONOMIC IMPACT ANALYSIS

Economic impacts generated by annual operations of the Fort Steele National Heritage Town

Using the annual operating expenditures provided by the Friends of Fort Steele Society for the budgeted 2007/08, a total of \$1.71 million is expected to be spent to maintain operations. This spending is expected to generate significant economic benefits to the regional economy of East Kootenay, as well as the province of British Columbia. Specifically, our analysis suggests that, over the fiscal year 2007/08, operations of the Fort Steele National Heritage Town will generate the following benefits within East Kootenay:

- Increased direct employment of 31 equivalent full-year jobs for local residents
- Including indirect and induced effects, a total of 49 equivalent full-year jobs for local residents
- Wages and salaries of \$1.45 million
- Gross domestic (regional) product in the order of \$1.6 million

In addition, it is expected that the operations of the Fort Steele National Heritage Town to provide even larger economic benefits to the province of B.C. Specifically, our analysis suggests that the level of economic impact would generate:

- Including indirect and induced effects, a total of nearly 57 equivalent full-year jobs for B.C. residents
- Wages and salaries of \$1.8 million
- Gross domestic product in the order of \$2.3 million

Economic impacts generated by capital expenditures of the Fort Steele National Heritage Town

Using the annual capital budget provided by the Friends of Fort Steele Society for 2007/08, a total of \$1.02 million is expected to be spent on enhancing or upgrading facilities. Our analysis suggests that, over the fiscal year 2007/08, capital spending made by the Fort Steele National Heritage Town will generate the following benefits within the Regional District of East Kootenay:

- Including indirect and induced effects, a total of 11 equivalent full-year jobs for local residents
- Wages and salaries of nearly \$440,000
- Gross domestic (regional) product in the order of \$630,000

Our analysis suggests that the capital spending made by the Fort Steele National Heritage Town will generate the following benefits for the Province of B.C.:

- Including indirect and induced effects, a total of 15 equivalent full-year jobs for B.C. residents
- Wages and salaries of nearly \$650,000
- Gross domestic product exceeding \$950,000

Economic impacts generated by visitors to the Fort Steele National Heritage Town

Incorporating estimates provided from a survey of visitors to the Fort Steele National Heritage Town, we estimated that independent visitors alone spent \$8.9 million outside the grounds of the Fort Steele National Heritage Town in other parts of the Regional District of East Kootenay.

Our analysis suggests that this spending by independent visitors will generate the following benefits within the Regional District of East Kootenay:

- Increased direct employment of 109 equivalent full-year jobs for local residents
- Including indirect and induced effects, a total of 180 equivalent full-year jobs for local residents
- Payroll of over \$5.3 million
- Gross domestic (regional) product in the order of \$6.5 million

Our analysis suggests that independent visitor spending in other parts of the Regional District of East Kootenay will generate the following benefits for the Province of B.C.:

- Including indirect and induced effects, a total of 223 equivalent full-year jobs for B.C. residents
- Wages and salaries of nearly \$7.5 million
- Gross domestic product exceeding \$10.3 million

Total Economic impacts generated by the Fort Steele National Heritage Town

The total spending related to the annual operations and capital expenditures of the Fort Steele National Heritage Town as well as independent visitor spending related to the Fort Steele National Heritage Town amounts to \$11.7 million within the Regional District of East Kootenay.

Our analysis suggests that total spending related to the Fort Steele National Heritage Town (including operation, capital expenditures, and visitor expenditures) will generate the following benefits within the Regional District of East Kootenay:

- Increased direct employment of 145 equivalent full-year jobs for local residents

- Including indirect and induced effects, a total of 241 equivalent full-year jobs for local residents
- Wages and salaries of nearly \$7.2 million
- Gross domestic (regional) product in the order of \$8.8 million
- Federal, provincial and municipal taxes of \$2.3 million, \$1.6 million and \$0.8 million respectively.

Our analysis suggests that total spending related to the Fort Steele National Heritage Town (including operation, capital expenditures, and independent visitor expenditures) will generate the following benefits for the province of British Columbia:

- Including indirect and induced effects, a total of 295 equivalent full-year jobs for B.C. residents
- Wages and salaries of nearly \$10 million
- Gross domestic product exceeding \$13.5 million
- Federal, provincial and municipal taxes of \$3.2 million, \$2.3 million and \$1.0 million respectively.

The reader can refer to Appendix A: Economic Impact Tables (Select Output Tables) to see more detailed findings from the economic impact analysis.

Appendix A: Economic Output Tables (Select Tables)

Economic impact of operating expenditures of the Fort Steele National Heritage Town

Table #A - Economic Impact Summary - Operations:			British Columbia
(Dollars)	Total British Columbia	Regional District of East Kootenay	Rest of British Columbia
Initial Expenditure	\$1,743,886	\$1,743,886	\$0
Gross Domestic Product			
Direct Impact	\$840,729	\$840,729	\$0
Indirect Impact	\$625,115	\$316,898	\$308,217
Induced Impact	\$828,096	\$455,342	\$372,753
Total Impact	\$2,293,940	\$1,612,969	\$680,971
Wages & Salaries			
Direct Impact	\$824,007	\$824,007	\$0
Indirect Impact	\$428,308	\$283,316	\$144,992
Induced Impact	\$591,169	\$344,918	\$246,251
Total Impact	\$1,843,483	\$1,452,241	\$391,243
Employment (Full-year jobs)			
Direct Impact	30.8	30.8	-
Indirect Impact	10.6	7.5	3.1
Induced Impact	15.2	10.7	4.4
Total Impact	56.5	49.0	7.6
Direct Taxes			
Federal	\$146,606	\$146,606	\$0
Provincial	\$106,585	\$106,585	\$0
Municipal	\$39,722	\$39,722	\$0
Total	\$292,914	\$292,914	\$0
Total Taxes			
Federal	\$473,609	\$343,348	\$130,261
Provincial	\$319,625	\$228,453	\$91,172
Municipal	\$130,300	\$91,135	\$39,165
Total	\$923,533	\$662,936	\$260,598
Industry Output			
Direct & Indirect	\$2,271,284	\$2,011,247	\$260,037
Induced Impact	\$1,635,311	\$899,203	\$736,108
Total Impact	\$3,906,595	\$2,910,450	\$996,145

Economic impact of capital spending on the Fort Steele National Heritage Town

Table #A - Economic Impact Summary - Capital: **British Columbia**
(Dollars)

	Total British Columbia	Regional District of East Kootenay	Rest of British Columbia
Initial Expenditure	\$1,017,250	\$1,017,250	\$0
Gross Domestic Product			
Direct Impact	\$328,275	\$328,275	\$0
Indirect Impact	\$359,458	\$155,761	\$203,696
Induced Impact	\$271,008	\$145,552	\$125,456
Total Impact	\$958,741	\$629,588	\$329,153
Wages & Salaries			
Direct Impact	\$220,175	\$220,175	\$0
Indirect Impact	\$233,247	\$108,558	\$124,689
Induced Impact	\$193,912	\$110,429	\$83,483
Total Impact	\$647,334	\$439,162	\$208,172
Employment (Full-year jobs)			
Direct Impact	5.2	5.2	-
Indirect Impact	5.2	2.5	2.7
Induced Impact	5.0	3.7	1.3
Total Impact	15.4	11.4	4.0
Direct Taxes			
Federal	\$62,920	\$62,920	\$0
Provincial	\$47,178	\$47,178	\$0
Municipal	\$11,945	\$11,945	\$0
Total	\$122,044	\$122,044	\$0
Total Taxes			
Federal	\$198,047	\$132,188	\$65,859
Provincial	\$132,388	\$90,906	\$41,482
Municipal	\$48,551	\$30,445	\$18,106
Total	\$378,985	\$253,539	\$125,446
Industry Output			
Direct & Indirect	\$1,728,876	\$1,325,614	\$403,262
Induced Impact	\$531,951	\$285,698	\$246,253
Total Impact	\$2,260,827	\$1,611,312	\$649,515

Economic impact of independent visitor spending to the Fort Steele National Heritage Town

Table #A - Economic Impact Summary - Visitor:		British Columbia		
(Dollars)		Total British Columbia	Regional District of East Kootenay	Rest of British Columbia
Initial Expenditure		\$8,912,142	\$8,912,142	\$0
Gross Domestic Product				
Direct Impact		\$3,683,688	\$3,650,305	\$33,383
Indirect Impact		\$3,129,855	\$988,008	\$2,141,847
Induced Impact		\$3,521,314	\$1,870,030	\$1,651,285
Total Impact		\$10,334,857	\$6,508,343	\$3,826,514
Wages & Salaries				
Direct Impact		\$2,875,791	\$2,849,394	\$26,396
Indirect Impact		\$2,095,161	\$1,036,821	\$1,058,340
Induced Impact		\$2,522,452	\$1,419,282	\$1,103,169
Total Impact		\$7,493,403	\$5,305,497	\$2,187,906
Employment (Full-year jobs)				
Direct Impact		109.7	109.1	0.6
Indirect Impact		48.5	25.2	23.3
Induced Impact		65.3	46.0	19.3
Total Impact		223.4	180.2	43.2
Direct Taxes				
Federal		\$1,032,532	\$1,026,839	\$5,693
Provincial		\$854,535	\$851,075	\$3,460
Municipal		\$422,764	\$418,920	\$3,845
Total		\$2,309,832	\$2,296,834	\$12,998
Total Taxes				
Federal		\$2,540,379	\$1,795,733	\$744,646
Provincial		\$1,814,237	\$1,337,964	\$476,273
Municipal		\$863,892	\$633,342	\$230,550
Total		\$5,218,508	\$3,767,039	\$1,451,469
Industry Output				
Direct & Indirect		\$14,156,272	\$10,567,568	\$3,588,705
Induced Impact		\$6,907,400	\$3,668,245	\$3,239,155
Total Impact		\$21,063,672	\$14,235,812	\$6,827,859

Total economic impact related to the Fort Steele National Heritage Town, including annual operations, capital expenditures and independent visitor expenditures

Table #A - Economic Impact Summary - Combined Total:		British Columbia	
(Dollars)	Total British Columbia	Regional District of East Kootenay	Rest of British Columbia
Initial Expenditure	\$11,673,278	\$11,673,278	\$0
Gross Domestic Product			
Direct Impact	\$4,852,692	\$4,819,309	\$33,383
Indirect Impact	\$4,114,428	\$1,460,667	\$2,653,761
Induced Impact	\$4,620,418	\$2,470,924	\$2,149,494
Total Impact	\$13,587,538	\$8,750,900	\$4,836,638
Wages & Salaries			
Direct Impact	\$3,919,973	\$3,893,576	\$26,396
Indirect Impact	\$2,756,715	\$1,428,695	\$1,328,021
Induced Impact	\$3,307,532	\$1,874,629	\$1,432,903
Total Impact	\$9,984,220	\$7,196,900	\$2,787,320
Employment (Full-year jobs)			
Direct Impact	145.6	145.1	0.6
Indirect Impact	64.3	35.2	29.1
Induced Impact	85.5	60.4	25.1
Total Impact	295.4	240.6	54.8
Direct Taxes			
Federal	\$1,242,059	\$1,236,365	\$5,693
Provincial	\$1,008,299	\$1,004,839	\$3,460
Municipal	\$474,432	\$470,587	\$3,845
Total	\$2,724,790	\$2,711,791	\$12,998
Total Taxes			
Federal	\$3,212,035	\$2,271,269	\$940,766
Provincial	\$2,266,250	\$1,657,323	\$608,927
Municipal	\$1,042,743	\$754,922	\$287,820
Total	\$6,521,027	\$4,683,515	\$1,837,513
Industry Output			
Direct & Indirect	\$18,156,432	\$13,904,428	\$4,252,004
Induced Impact	\$9,074,662	\$4,853,146	\$4,221,516
Total Impact	\$27,231,094	\$18,757,574	\$8,473,520

Summary tables by industry: Total economic impact related to the Fort Steele National Heritage Town, including annual operations, capital expenditures and independent visitor expenditures

Table #A5 - GDP (Direct - Combined Total):	British Columbia	East Kootenay	Rest of B.C.
(Dollars)			
Crop and Animal Production	\$0	\$0	\$0
Forestry and Logging	\$0	\$0	\$0
Fishing, Hunting and Trapping	\$0	\$0	\$0
Support Activities for Agriculture and forestry	\$45	\$45	\$0
Mining and Oil and Gas Extraction	\$0	\$0	\$0
Utilities	\$645	\$645	\$0
Construction	\$253,599	\$253,599	\$0
Manufacturing	\$0	\$0	\$0
Wholesale Trade	\$2,170	\$2,170	\$0
Retail Trade	\$383,226	\$383,226	\$0
Transportation and Warehousing	\$49,508	\$16,125	\$33,383
Information and Cultural Industries	\$4,514	\$4,514	\$0
Finance, Insurance, Real Estate and Rental and Leasing	\$318,454	\$318,454	\$0
Professional, Scientific and Technical Services	\$14,806	\$14,806	\$0
Administrative and Support, Waste Management and Remediation Services	\$5,474	\$5,474	\$0
Educational Services	\$0	\$0	\$0
Health Care and Social Assistance	\$14	\$14	\$0
Arts, Entertainment and Recreation	\$1,293,307	\$1,293,307	\$0
Accommodation and Food Services	\$2,518,988	\$2,518,988	\$0
Other Services (Except Public Administration)	\$7,942	\$7,942	\$0
Operating, Office, Cafeteria and Laboratory Supplies	\$0	\$0	\$0
Travel, Entertainment, Advertising and Promotion	\$0	\$0	\$0
Total	\$4,852,692	\$4,819,309	\$33,383

Table #A6 - GDP (Direct, Indirect - Combined Total):	British Columbia	East Kootenay	Rest of B.C.
(Dollars)			
Crop and Animal Production	\$59,679	\$11,936	\$47,743
Forestry and Logging	\$100,166	\$5,008	\$95,158
Fishing, Hunting and Trapping	\$5,195	\$26	\$5,169
Support Activities for Agriculture and forestry	\$15,101	\$3,056	\$12,045
Mining and Oil and Gas Extraction	\$98,627	\$9,863	\$88,764
Utilities	\$164,603	\$11,302	\$153,301
Construction	\$368,118	\$368,118	\$0
Manufacturing	\$691,337	\$207,401	\$483,936
Wholesale Trade	\$352,016	\$159,600	\$192,415
Retail Trade	\$579,828	\$470,298	\$109,530
Transportation and Warehousing	\$528,756	\$30,502	\$498,254
Information and Cultural Industries	\$203,753	\$14,476	\$189,277
Finance, Insurance, Real Estate and Rental and Leasing	\$1,186,648	\$1,056,419	\$130,229
Professional, Scientific and Technical Services	\$362,220	\$77,646	\$284,574
Administrative and Support, Waste Management and Remediation Services	\$135,366	\$15,465	\$119,902
Educational Services	\$0	\$0	\$0
Health Care and Social Assistance	\$553	\$47	\$505
Arts, Entertainment and Recreation	\$1,345,458	\$1,293,820	\$51,638
Accommodation and Food Services	\$2,604,212	\$2,524,644	\$79,568
Other Services (Except Public Administration)	\$106,359	\$18,096	\$88,264
Operating, Office, Cafeteria and Laboratory Supplies	\$18,054	\$1,248	\$16,806
Travel, Entertainment, Advertising and Promotion	\$22,464	\$1,004	\$21,460
Total	\$8,948,514	\$6,279,976	\$2,668,538

Table #A7 - GDP (Direct, Indirect, Induced - Combined Total):	British Columbia	East Kootenay	Rest of B.C.
(Dollars)			
Crop and Animal Production	\$92,503	\$18,501	\$74,002
Forestry and Logging	\$165,078	\$8,254	\$156,824
Fishing, Hunting and Trapping	\$8,282	\$41	\$8,241
Support Activities for Agriculture and forestry	\$22,863	\$4,608	\$18,254
Mining and Oil and Gas Extraction	\$170,160	\$17,016	\$153,144
Utilities	\$368,883	\$24,581	\$344,302
Construction	\$406,200	\$406,200	\$0
Manufacturing	\$1,119,285	\$335,785	\$783,499
Wholesale Trade	\$546,309	\$247,032	\$299,277
Retail Trade	\$1,219,318	\$883,280	\$336,037
Transportation and Warehousing	\$954,990	\$43,289	\$911,701
Information and Cultural Industries	\$417,147	\$25,145	\$392,002
Finance, Insurance, Real Estate and Rental and Leasing	\$2,541,031	\$2,207,645	\$333,387
Professional, Scientific and Technical Services	\$543,372	\$194,831	\$348,541
Administrative and Support, Waste Management and Remediation Services	\$208,683	\$63,182	\$145,501
Educational Services	\$30,947	\$20,063	\$10,884
Health Care and Social Assistance	\$175,767	\$113,260	\$62,507
Arts, Entertainment and Recreation	\$1,485,455	\$1,382,317	\$103,138
Accommodation and Food Services	\$2,818,162	\$2,663,438	\$154,724
Other Services (Except Public Administration)	\$176,788	\$64,511	\$112,277
Operating, Office, Cafeteria and Laboratory Supplies	\$41,286	\$16,279	\$25,007
Travel, Entertainment, Advertising and Promotion	\$38,898	\$11,641	\$27,257
Total	\$13,551,407	\$8,750,900	\$4,800,507

Table #A8 - Wages (Direct - Combined Total):	British Columbia	East Kootenay	Rest of B.C.
(Dollars)			
Crop and Animal Production	\$0	\$0	\$0
Forestry and Logging	\$0	\$0	\$0
Fishing, Hunting and Trapping	\$0	\$0	\$0
Support Activities for Agriculture and forestry	\$17	\$17	\$0
Mining and Oil and Gas Extraction	\$0	\$0	\$0
Utilities	\$231	\$231	\$0
Construction	\$162,582	\$162,582	\$0
Manufacturing	\$0	\$0	\$0
Wholesale Trade	\$778	\$778	\$0
Retail Trade	\$300,391	\$300,391	\$0
Transportation and Warehousing	\$39,133	\$12,737	\$26,396
Information and Cultural Industries	\$3,232	\$3,232	\$0
Finance, Insurance, Real Estate and Rental and Leasing	\$265,018	\$265,018	\$0
Professional, Scientific and Technical Services	\$12,741	\$12,741	\$0
Administrative and Support, Waste Management and Remediation Services	\$3,936	\$3,936	\$0
Educational Services	\$0	\$0	\$0
Health Care and Social Assistance	\$12	\$12	\$0
Arts, Entertainment and Recreation	\$1,149,440	\$1,149,440	\$0
Accommodation and Food Services	\$1,976,750	\$1,976,750	\$0
Other Services (Except Public Administration)	\$5,711	\$5,711	\$0
Operating, Office, Cafeteria and Laboratory Supplies	\$0	\$0	\$0
Travel, Entertainment, Advertising and Promotion	\$0	\$0	\$0
Total	\$3,919,973	\$3,893,576	\$26,396

Table #A9 - Wages (Direct,Indirect - Combined Total):	British Columbia	East Kootenay	Rest of B.C.
(Dollars)			
Crop and Animal Production	\$37,872	\$7,574	\$30,298
Forestry and Logging	\$56,750	\$2,838	\$53,913
Fishing, Hunting and Trapping	\$2,454	\$12	\$2,442
Support Activities for Agriculture and forestry	\$5,693	\$1,152	\$4,541
Mining and Oil and Gas Extraction	\$32,354	\$3,235	\$29,118
Utilities	\$59,014	\$4,052	\$54,962
Construction	\$235,999	\$235,999	\$0
Manufacturing	\$443,214	\$132,964	\$310,250
Wholesale Trade	\$126,205	\$57,220	\$68,985
Retail Trade	\$454,497	\$425,206	\$29,291
Transportation and Warehousing	\$415,943	\$24,041	\$391,902
Information and Cultural Industries	\$145,911	\$10,366	\$135,545
Finance, Insurance, Real Estate and Rental and Leasing	\$944,287	\$842,396	\$101,890
Professional, Scientific and Technical Services	\$311,699	\$238,175	\$73,524
Administrative and Support, Waste Management and Remediation Services	\$97,337	\$73,939	\$23,398
Educational Services	\$0	\$0	\$0
Health Care and Social Assistance	\$480	\$361	\$119
Arts, Entertainment and Recreation	\$1,186,940	\$1,177,363	\$9,577
Accommodation and Food Services	\$2,043,558	\$2,026,769	\$16,789
Other Services (Except Public Administration)	\$76,479	\$58,606	\$17,873
Operating, Office, Cafeteria and Laboratory Supplies	\$0	\$0	\$0
Travel, Entertainment, Advertising and Promotion	\$0	\$0	\$0
Total	\$6,676,688	\$5,322,271	\$1,354,417

Table #A10 - Wages (Direct,Indirect,Induced - Combined Total):	British Columbia	East Kootenay	Rest of B.C.
(Dollars)			
Crop and Animal Production	\$58,703	\$11,741	\$46,962
Forestry and Logging	\$93,526	\$4,676	\$88,850
Fishing, Hunting and Trapping	\$3,912	\$20	\$3,893
Support Activities for Agriculture and forestry	\$6,120	\$1,237	\$4,882
Mining and Oil and Gas Extraction	\$55,819	\$5,582	\$50,237
Utilities	\$132,253	\$8,813	\$123,440
Construction	\$260,414	\$260,414	\$0
Manufacturing	\$717,570	\$215,271	\$502,299
Wholesale Trade	\$195,864	\$88,566	\$107,297
Retail Trade	\$955,760	\$748,921	\$206,838
Transportation and Warehousing	\$746,761	\$33,966	\$712,795
Information and Cultural Industries	\$298,727	\$18,007	\$280,720
Finance, Insurance, Real Estate and Rental and Leasing	\$2,032,409	\$1,767,300	\$265,109
Professional, Scientific and Technical Services	\$467,586	\$339,016	\$128,570
Administrative and Support, Waste Management and Remediation Services	\$150,056	\$108,251	\$41,806
Educational Services	\$27,173	\$17,616	\$9,557
Health Care and Social Assistance	\$152,611	\$98,659	\$53,952
Arts, Entertainment and Recreation	\$1,287,607	\$1,240,998	\$46,609
Accommodation and Food Services	\$2,211,729	\$2,135,865	\$75,863
Other Services (Except Public Administration)	\$127,122	\$91,982	\$35,140
Operating, Office, Cafeteria and Laboratory Supplies	\$0	\$0	\$0
Travel, Entertainment, Advertising and Promotion	\$0	\$0	\$0
Total	\$9,981,719	\$7,196,900	\$2,784,820

Table #A11 - Employment (Direct - Combined Total):	British Columbia	East Kootenay	Rest of B.C.
(Full-year jobs)			
Crop and Animal Production	0.0	0.0	\$0
Forestry and Logging	0.0	0.0	\$0
Fishing, Hunting and Trapping	0.0	0.0	\$0
Support Activities for Agriculture and forestry	0.0	0.0	\$0
Mining and Oil and Gas Extraction	0.0	0.0	\$0
Utilities	0.0	0.0	\$0
Construction	3.6	3.6	\$0
Manufacturing	0.0	0.0	\$0
Wholesale Trade	0.0	0.0	\$0
Retail Trade	11.9	11.9	\$0
Transportation and Warehousing	0.9	0.3	\$1
Information and Cultural Industries	0.1	0.1	\$0
Finance, Insurance, Real Estate and Rental and Leasing	5.5	5.5	\$0
Professional, Scientific and Technical Services	0.3	0.3	\$0
Administrative and Support, Waste Management and Remediation Services	0.1	0.1	\$0
Educational Services	0.0	0.0	\$0
Health Care and Social Assistance	0.0	0.0	\$0
Arts, Entertainment and Recreation	41.8	41.8	\$0
Accommodation and Food Services	81.3	81.3	\$0
Other Services (Except Public Administration)	0.2	0.2	\$0
Operating, Office, Cafeteria and Laboratory Supplies	0.0	0.0	\$0
Travel, Entertainment, Advertising and Promotion	0.0	0.0	\$0
Total	145.6	145.1	\$1

Table #A12 - Employment (Direct,Indirect - Combined Total):	British Columbia	East Kootenay	Rest of B.C.
(Full-year jobs)			
Crop and Animal Production	1.1	0.2	\$1
Forestry and Logging	1.0	0.1	\$1
Fishing, Hunting and Trapping	0.1	0.0	\$0
Support Activities for Agriculture and forestry	0.1	0.0	\$0
Mining and Oil and Gas Extraction	0.5	0.0	\$0
Utilities	1.0	0.1	\$1
Construction	5.3	5.3	\$0
Manufacturing	9.4	2.9	\$6
Wholesale Trade	2.9	1.3	\$2
Retail Trade	17.8	16.7	\$1
Transportation and Warehousing	8.9	0.5	\$8
Information and Cultural Industries	3.3	0.2	\$3
Finance, Insurance, Real Estate and Rental and Leasing	19.1	17.1	\$2
Professional, Scientific and Technical Services	6.2	4.8	\$1
Administrative and Support, Waste Management and Remediation Services	3.2	2.4	\$1
Educational Services	0.0	0.0	\$0
Health Care and Social Assistance	0.0	0.0	\$0
Arts, Entertainment and Recreation	43.0	42.7	\$0
Accommodation and Food Services	84.7	83.8	\$1
Other Services (Except Public Administration)	2.5	1.9	\$1
Operating, Office, Cafeteria and Laboratory Supplies	0.0	0.0	\$0
Travel, Entertainment, Advertising and Promotion	0.0	0.0	\$0
Total	209.9	180.3	\$30

Table #A13 - Employment (Direct,Indirect,Induced - Combined Total):	British Columbia	East Kootenay	Rest of B.C.
(Full-year jobs)			
Crop and Animal Production	1.7	0.3	\$1
Forestry and Logging	1.7	0.1	\$2
Fishing, Hunting and Trapping	0.1	0.0	\$0
Support Activities for Agriculture and forestry	0.1	0.0	\$0
Mining and Oil and Gas Extraction	0.8	0.1	\$1
Utilities	2.3	0.2	\$2
Construction	5.8	5.8	\$0
Manufacturing	15.2	4.7	\$10
Wholesale Trade	4.4	2.1	\$2
Retail Trade	37.2	34.0	\$3
Transportation and Warehousing	15.8	0.8	\$15
Information and Cultural Industries	6.7	0.4	\$6
Finance, Insurance, Real Estate and Rental and Leasing	40.9	35.8	\$5
Professional, Scientific and Technical Services	9.4	7.6	\$2
Administrative and Support, Waste Management and Remediation Services	4.9	4.0	\$1
Educational Services	0.6	0.6	\$0
Health Care and Social Assistance	4.3	3.8	\$0
Arts, Entertainment and Recreation	46.3	45.6	\$1
Accommodation and Food Services	93.1	91.4	\$2
Other Services (Except Public Administration)	4.2	3.4	\$1
Operating, Office, Cafeteria and Laboratory Supplies	0.0	0.0	\$0
Travel, Entertainment, Advertising and Promotion	0.0	0.0	\$0
Total	295.4	240.6	\$55

APPENDIX B: ECONOMIC IMPACT METHODOLOGY

Technical Description of the Impact Methodology

The approach we have implemented in all our economic impact models 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 C: 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.