



Economic Impact Study of Snowmobiling in Revelstoke

Prepared for the Revelstoke Snowmobile Club

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Executive Summary

Snowmobiling is an important part of the Revelstoke economy providing recreational opportunities to residents and drawing visitors to the region. In Revelstoke the snowmobile industry comprises recreational and commercial snowmobile users, snowmobile accessory retailers, snowmobile rental and guiding operators, a snowmobile club, and the many other businesses providing services to snowmobilers.

MNP LLP (“MNP”) was engaged by the Revelstoke Snowmobile Club (“RSC”) to conduct a study to assess the contributions that snowmobiling makes to Revelstoke’s economy.

Economic Impacts of Snowmobiling in Revelstoke

Expenditures associated with snowmobiling in Revelstoke generate economic impacts through direct expenditures on goods and services, the generation of employment, and the generation of tax revenues for local, provincial, and federal governments. Snowmobiling in Revelstoke generates economic activity in three main ways:

- **Economic impacts generated by snowmobilers’ activities in Revelstoke.** This includes expenditures by BC residents and out-of-province visitors on fuel consumed on day trips, and accommodation, travel expenses, fuel, food, meals, and retail items purchased on multi-day trips.
- **Economic impacts generated by the activities of rental and guiding operators.** This includes rental and guiding operators’ expenditures on salaries and benefits, goods, and services.
- **Economic impacts generated by the activities of the RSC and other supporting organizations, including avalanche and safety course providers, and insurance providers.** This includes expenditures by the RSC on salaries and benefits, equipment purchases, fuel, shelter construction and maintenance, and administrative costs, and expenditures by other supporting organizations on salaries and benefits, and goods and services.

Table 1 shows the total estimated economic impacts of snowmobiling in Revelstoke, comprising the economic impacts in each category above. In 2018, snowmobiling in Revelstoke is estimated to have generated approximately:

- \$22.5 million in direct economic output and \$31.2 million in total economic output.
- \$7.7 million in direct GDP and \$12.9 million in total GDP.
- \$1.63 million in direct revenue for all three levels of government and \$2.75 million in total government revenue.
- 138 FTEs of direct employment and 197 FTEs of total employment.

It is important to note that FTEs are based on full-time work for a full year. Snowmobiling is a seasonal activity, taking place almost entirely between December and April. Businesses in the industry typically provide services to snowmobilers in winter and other customers during the remainder of the year. Consequently, estimates of FTE employment underestimate the number of jobs supported by the industry. The 138 direct FTEs represent 414 jobs and the 197 FTEs of total employment represent 591 jobs.

Table 1: Economic Impacts of Snowmobiling in Revelstoke, by Component

	Output	GDP	Employment*		Federal Tax	Provincial Tax	Municipal Tax
			Jobs	FTEs			
Snowmobile Tourism							
Direct	\$17.5	\$5.3	288	96	\$0.6	\$0.5	\$0.1
Indirect and Induced	\$6.1	\$3.6	96	32	\$0.4	\$0.3	\$0.1
Subtotal	\$23.6	\$8.9	384	128	\$1.0	\$0.8	\$0.2
Snowmobile Rental and Guiding Operators							
Direct	\$3.7	\$1.9	99	33	\$0.2	\$0.1	\$0.04
Indirect and Induced	\$1.9	\$1.2	60	20	\$0.1	\$0.1	\$0.05
Subtotal	\$5.6	\$3.1	159	53	\$0.3	\$0.2	\$0.09
Snowmobile Clubs and Other Supporting Organizations							
Direct	\$1.3	\$0.5	27	9	\$0.05	\$0.03	\$0.01
Indirect and Induced	\$0.7	\$0.4	21	7	\$0.03	\$0.03	\$0.01
Subtotal	\$2.0	\$0.9	48	16	\$0.08	\$0.06	\$0.02
Total Snowmobile Industry							
Direct	\$22.5	\$7.7	414	138	\$0.85	\$0.63	\$0.15
Indirect and Induced	\$8.7	\$5.2	177	59	\$0.53	\$0.43	\$0.16
Total	\$31.2	\$12.9	591	197	\$1.38	\$1.06	\$0.31

*Jobs estimates reflect the levels of employment supported by snowmobiling during the season, while FTEs convert these estimates to full-time, full year equivalents.

Industry Comparisons

To provide perspective on the size of the economic impacts of snowmobiling in Revelstoke, it is useful to compare the impacts with those created by other industries. Three examples of other industries are new home construction, heli and cat skiing, and the cruise ship industry.

- **New Home Construction** – The employment supported by snowmobiling in Revelstoke in 2018 is equivalent to the direct and indirect employment supported by the construction of approximately 87 new homes in BC.¹
- **Heli and Cat Skiing** – In 2018 there were approximately 118,000 skier days that supported \$164 million in GDP attributable to the heli and cat skiing industry in BC.² The estimated total GDP generated by snowmobiling in Revelstoke is equivalent to the total GDP supported by approximately 9,500 skier days in the heli and cat skiing industries in BC.
- **Cruise Ships** – The direct employment supported by snowmobiling in Revelstoke is equivalent to the direct employment supported by approximately 21,900 cruise ship visitors in the port of Vancouver. The port of Vancouver was visited by approximately 827,000 cruise ship passengers in 2016.³

¹ Will Dunning for the Canadian Homebuilders Association, British Columbia 2016 Economic Impacts of New Home Construction. 2016. Available Here: http://www.chba.ca/CHBA/Housing_in_Canada/Information_and_Statistics/impacts/1%20British%20Columbia%20Economic%20Impacts%20of%20New%20Home%20Construction%202016.pdf

² Elevating Adventure, A Three Year Update on the Economic Impact of Helicopter and Snowcat Skiing in British Columbia, 2019. Available here: <http://www.helicat.org/socio-economic>

³ Intervistas, Port of Vancouver – 2016 Economic Impact Study. 2017. Available here: <https://www.portvancouver.com/wp-content/uploads/2016/05/2016-Port-of-Vancouver-Economic-Impact-Study.pdf>

1 Introduction

1.1 Background and Purpose

Snowmobiles were originally developed as a form of winter transportation and have played an important role in improving access to remote areas for commercial purposes. In Revelstoke, recreational snowmobiling is a popular activity that draws visitors from both within and outside the province to partake in snowmobile day trips or longer multi-day trips. Revelstoke's abundant snowfall and mountainous terrain make it an attractive destination for snowmobilers from Alberta, Washington State, and abroad. Snowmobiling impacts Revelstoke's economy through many means, including the expenditures of snowmobile tourists, and the operations of snowmobile rental and guiding operators and snowmobile clubs.

The Revelstoke Snowmobile Club ("RSC") engaged MNP LLP ("MNP") to conduct a study to assess the contributions that snowmobiling makes to Revelstoke.

1.2 Scope

The scope of the study encompassed developing a profile of snowmobiling in Revelstoke and developing estimates of the economic impacts of:

- Tourism arising from snowmobiling.
- Services provided by snowmobile rental and guiding operators.
- The operations of the RSC and other supporting organizations, including avalanche and safety course providers, and insurance providers.

1.3 Approach

In preparing this report, MNP carried out the following activities:

- Gathered information from the RSC, the BC Snowmobile Federation (BCSF), and publicly available sources on snowmobile rental and guiding operations, snowmobile tourism in Revelstoke, and RSC activities.
- Conducted an online survey of snowmobilers in BC and Revelstoke.
- Conducted interviews with retailers of snowmobile accessories and snowmobile rental and guiding operators.
- Developed quantitative estimates based on the data collected.
- Developed economic impact models to estimate the impacts of snowmobiling in Revelstoke.

1.4 Structure of the Report

The remainder of the report is organized as follows:

- Section 2 provides an overview of snowmobiling in Revelstoke.
- Section 3 provides a description of the methodology used to develop estimates of economic impacts.
- Section 4 contains estimates of the economic impacts of snowmobiling in Revelstoke.

1.5 Limitations

This report is provided for information purposes and is intended for general guidance only. It should not be regarded as comprehensive or as a substitute for personalized, professional advice.

We have relied upon the completeness, accuracy and fair presentation of all information and data obtained from the RSC and the BCSF, primary research and public sources, believed to be reliable. The accuracy and reliability of the findings and opinions expressed in the presentation are conditional upon the completeness, accuracy and fair presentation of the information underlying them. As a result, we caution readers not to rely upon any findings or opinions expressed for business or investment decisions and disclaim any liability to any party who relies upon them as such. Before taking any particular course of action, readers should contact their own professional advisor to discuss matters in the context of their particular situation.

Additionally, the findings and opinions expressed in the presentation constitute judgments as of the date of the presentation and are subject to change without notice. MNP is under no obligation to advise of any change brought to its attention which would alter those findings or opinions.

Finally, the reader must understand that our analysis is based upon projections, founded on past events giving an expectation of certain future events. Future events are not guaranteed to follow past patterns and results may vary, even significantly. Accordingly, we express no assurance as to whether the projections underlying the economic and financial analysis will be achieved.

1.6 Data Sources

Data for the economic impact modelling was obtained from a combination of primary and secondary sources, including interviews, surveys, snowmobile club financial statements, and publicly available reports.

Primary Sources

Primary research was used to gather information on rental and guiding operators' revenues and expenditures, snowmobilers' riding habits, expenditures, and demographics, and snowmobile clubs' revenues, expenditures, and capital assets. The primary sources used were:

- Interviews with a retailer of snowmobile accessories, rental and guiding operators, and a regional tourism agency representative.
- An online survey of snowmobilers.
- An online survey of snowmobile clubs, including the RSC.
- RSC financial statements.

Secondary Sources

The information gathered through primary research was augmented with information from secondary sources including:

- Statistics Canada, including the Annual Retail Trade Survey, business counts by location, and small business Financial Performance Data.
- A statistics factsheet published by the International Snowmobile Manufacturers Association.
- Information published by Recreation Sites and Trails BC (“RSTBC”) on snowmobile trails and facilities.

2 Overview of Snowmobiling in Revelstoke

Snowmobiling is a seasonal activity and is generally practiced by recreational enthusiasts in the months of December to April, with peak activity in January, February, and March. In addition to local Revelstoke residents, many snowmobilers from the rest of BC, and from Alberta, Saskatchewan, and Washington State visit Revelstoke expressly to snowmobile.

Recreational snowmobile users in Revelstoke represent the bulk of snowmobilers in the community. In addition to their recreational use, snowmobiles are also valuable means of accessing remote areas and are used by commercial and governmental users such as forestry operators, search and rescue personnel, and utility companies.

Snowmobile users are supported by a wide range of businesses and organizations, which comprise the snowmobile industry, including rental and guiding operators, snowmobile clubs, and tourism industry operators.

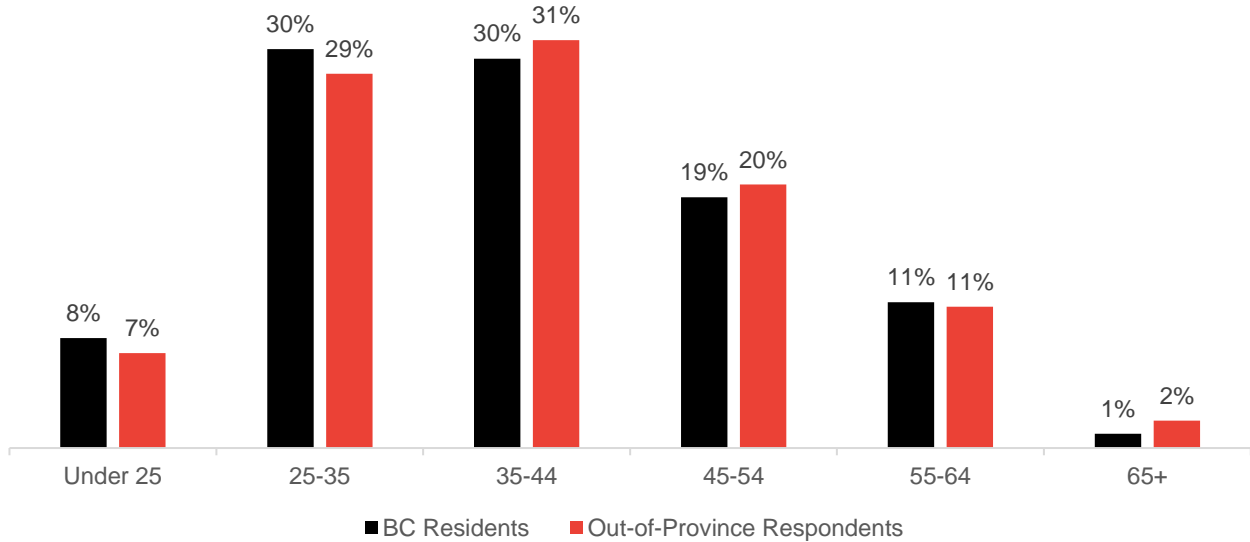
2.1 Profile of Snowmobilers in Revelstoke

Snowmobilers in Revelstoke comprise BC residents and tourists. Information on the demographics and riding habits of resident snowmobilers and tourists was gathered through an online survey. The survey generated responses from 815 snowmobilers who typically ride in the Kootenay Rockies, the area in which Revelstoke is located. The majority of survey respondents who reported typically riding in the Kootenay Rockies reside in Alberta (47 percent), BC (33 percent) and Saskatchewan (17 percent), while the remainder live in other Canadian provinces, the United States or overseas.

Demographics of Snowmobilers

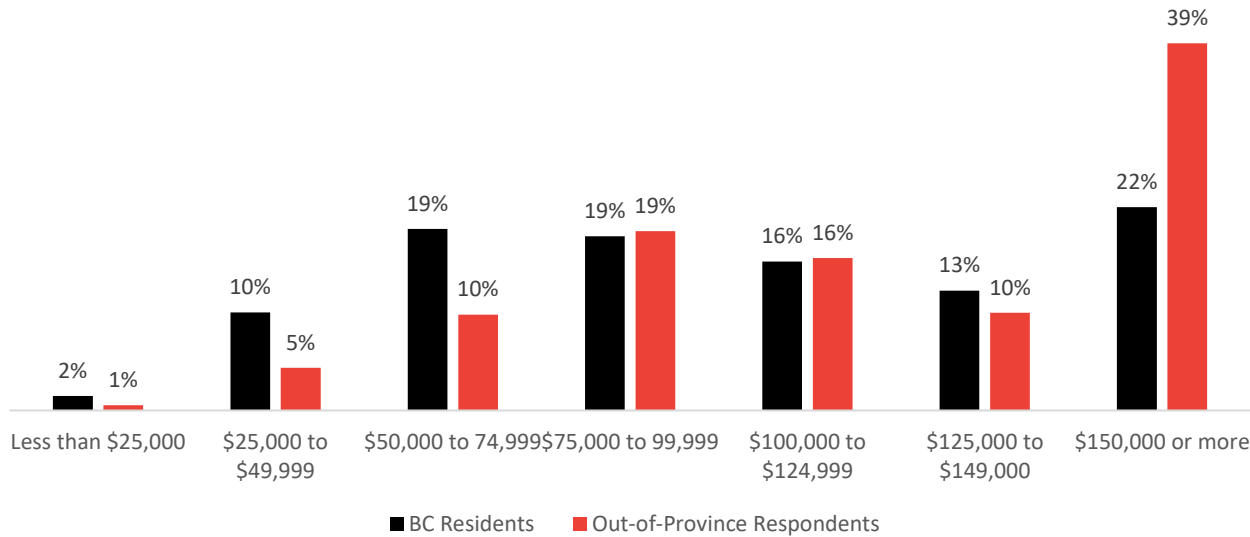
Approximately 90 percent of survey respondents were male, with the majority (66 percent) being under the age of 45 (Figure 1).

Figure 1: Age Distribution of Survey Respondents



Snowmobilers tend to have relatively high income levels. Approximately 61 percent of survey respondents reported having a household income of \$100,000 or more per year (Figure 2).

Figure 2: Income Distribution of Survey Respondents

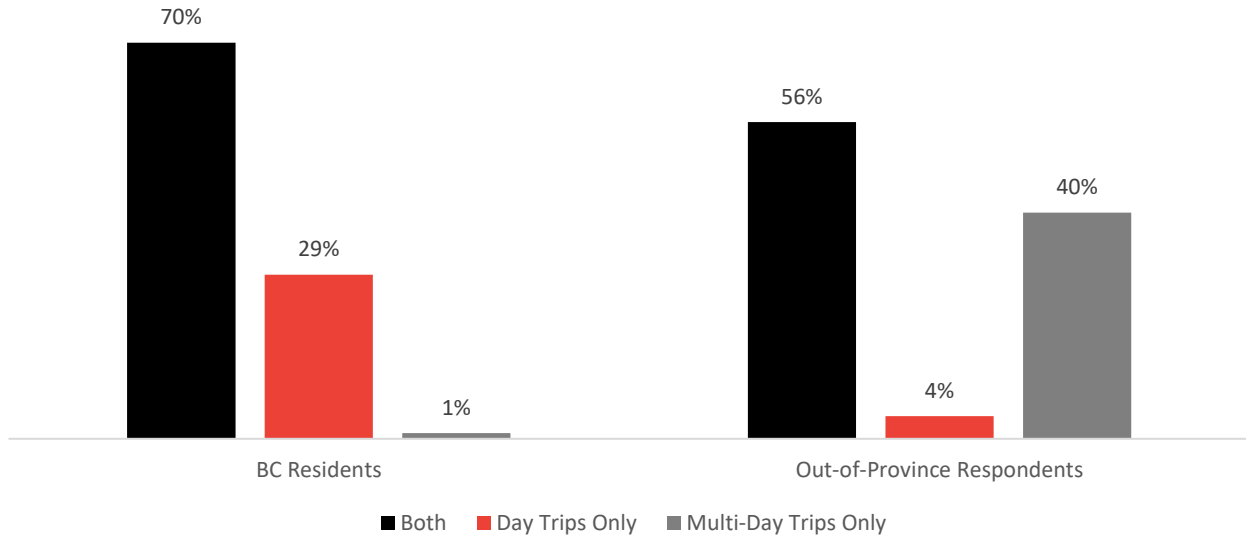


Trip Information

The majority of survey respondents (62 percent) said that they took both day trips and multi-day trips, while 26 percent said that they took multi-day trips only and 12 percent said that they took day trips only. Figure 3 shows the distribution of trips for BC residents and out-of-province visitors. Approximately 29 percent of BC residents reported taking day trips exclusively, while only four percent of out-of-province respondents took day trips

exclusively. The tendency was reversed for multi-day trips. Only 1 percent of BC respondents reported taking multi-trips exclusively, while 40 percent of out-of-province respondents reported taking only multi-day trips when visiting BC for snowmobiling.

Figure 3: Distribution of Types of Trips Taken



When travelling on multi-day trips in the Kootenay Rockies:

- 59 percent of snowmobilers stay in hotels/motels,
- 23 percent of snowmobilers stay in rental cabins
- 9 percent of snowmobilers stay in Airbnb or other vacation rentals.

Source: Survey of Snowmobilers

2.2 Profile of the Snowmobile Industry

Revelstoke’s snowmobile industry comprises recreational and commercial snowmobile users, snowmobile accessory retailers, snowmobile rental and guiding operators, a snowmobile club, and the many supporting businesses providing services to snowmobilers.

Snowmobile Tourism

Tourism is a key sector of Revelstoke’s economy, alongside the railroad and forestry.⁴ In the summer visitors come to the region to experience the Monashee and Selkirk mountain ranges, while in winter visitors are drawn by skiing and snowmobiling. Providing services to visitors is an important source of year-round employment in the community. Approximately 15

Accommodation revenue from snowmobile tourists can account for up to 25 percent of room revenues in the peak months of January to April in Revelstoke.⁷

⁴ Department of Community Economic Development – City of Revelstoke, Revelstoke Community Profile, 2015. Available here: <http://www.cityofrevelstoke.com/DocumentCenter/View/384/Community-Profile-Rev-2015?bidId=>

percent of Revelstoke residents work in the accommodation and food services industry.⁵

Snowmobile Rental and Guiding Operators

Snowmobile rental and guiding operators comprise businesses offering snowmobile rentals and guided day or multi-day tours on snowmobiles. Many businesses offer both rental and guiding services. Revelstoke is home to one rental and guiding operator, and seven additional businesses offering snowmobile rentals. Together these business account for approximately 16 percent of the snowmobile rental and guiding operators in BC. Revelstoke-based snowmobile rental and guiding operators interviewed by MNP reported having a broad range of clients, including international visitors from Central and Eastern Canada, the United States and Scandinavia, and local families taking half-day tours. Snowmobile rental and guiding operators employ a range of different staff members, including reservation agents, logistical operators, forecasters, and full-time and on-call guides.

About the Revelstoke Snowmobile Club

With over 1,000 registered members, the RSC is the largest snowmobile club in BC, and also the second-oldest registered snowmobile club in BC.⁷ The RSC's mandate is to promote the recreational sport of snowmobiling by offering high quality trails, warmup shelters and events, to encourage safe and responsible riding, and to work with government to keep riding areas open while creating awareness of the protected areas



for mountain caribou. Approximately 38 percent of the RSC's members reside in Alberta, while 37 percent are from BC and nearly 7 percent of members are from the United States and overseas, including Norway and Denmark.

To fund its operations, the RSC relies on revenue from annual membership purchases and day pass sales as well as other sources such as donations, grants, and fundraisers. Because it is located in a popular snowmobile tourism destination, the RSC earns significant revenues from the sale of day passes charged to non-member users accessing groomed trails maintained by the club.

In order to collect fees for day passes, snowmobile clubs must enter into a partnership agreement with Recreation Sites and Trails BC ("RSTBC"). The RSC holds two partnership agreements with RSTBC, allowing the club to charge snowmobilers a day pass fee for accessing snowmobile trails in the Boulder Mountain and Frisby Ridge snowmobile areas. The RSC has also applied to manage four other snowmobile areas in Revelstoke (Turtle, Hall, Sale and Griffin Mountains). In addition to the six areas for which the RSC either holds, or has applied for a partnership agreement, Revelstoke is home to five snowmobile areas that are not managed by the RSC (Keystone, Griffin, Joss, Area 51, and McCrae).

⁵ Statistics Canada, Revelstoke, CY [Census subdivision] Census Profile. 2017. Available here: <https://www12.statcan.gc.ca/census-recensement/2016/dp-pd/prof/index.cfm?Lang=E>

⁶ Based on estimates of accommodation room revenues in Revelstoke derived from MNP's survey of snowmobilers, and BC Stats, Room Revenues and Property Counts – January 2010 to September 2018. Available here: <https://www.bcstats.gov.bc.ca/Files/c071216f-989d-42ea-9a8c-f68e885274ec/TourismRoomRevenue.xlsx>

⁷ Revelstoke Snowmobile Club, The Club, <http://revelstokesnowmobileclub.com/the-club/>.

RSC promotes the safe and responsible use of snowmobiles and encourages all snowmobilers to practice environmental and avalanche awareness while using the backcountry. It also coordinates between seven and nine club events annually that benefit local charities and snowmobilers.

Supporting Organizations

Revelstoke's snowmobile industry comprises a wide range of organizations providing support to snowmobilers and other organizations in the snowmobile industry. Supporting organizations include Avalanche Canada, avalanche safety course providers, and insurance providers.

Avalanche Canada is a not-for-profit organization dedicated to reducing avalanche risk. Avalanche Canada's efforts to reduce avalanche risk comprise a number of activities, including coordinating an information network available to mountain professionals across Canada, developing and publishing daily avalanche forecasts throughout the winter season, and coordinating the Avalanche Skills Training ("AST") program. The AST program comprises courses ranging from entry level introductions to avalanche safety, to advanced courses designed for backcountry professionals. AST courses are delivered by providers certified by Avalanche Canada. There are currently 100 certified AST providers in BC, of which approximately 20 are in Revelstoke.

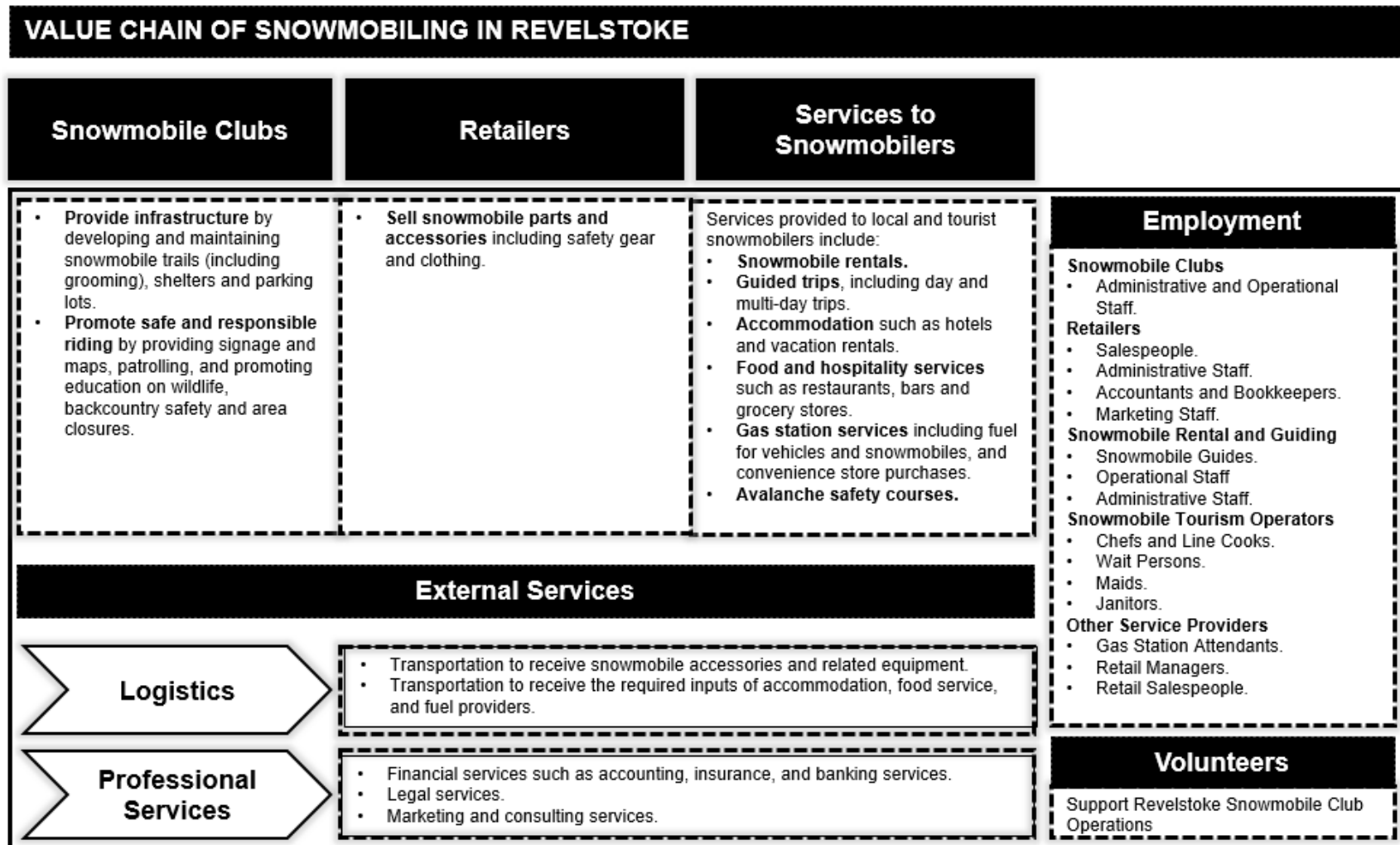
2.3 Revelstoke Snowmobile Value Chain

A value chain illustrates the linkages between stakeholders' activities and operations, and other industry sectors. It identifies inputs provided by suppliers, partners and external service providers, which are used by the stakeholders in their activities and operations.

The Revelstoke Snowmobile Value Chain is shown in Figure 4 below. Suppliers and partners in the Revelstoke snowmobile value chain include snowmobile clubs, snowmobile rental and guiding operators, gas stations, hotels, restaurants and retailers. These organizations support employment in a wide range of occupations, including administrative and operational staff, salespeople, mechanics, accountants and bookkeepers, marketing staff, snowmobile tour guides, chefs and line cooks, wait persons, maids, janitors, gas station attendants, retail managers, and retail salespeople.

The snowmobile value chain is supported by external services such as transportation and professional services.

Figure 4: Value Chain of Snowmobiling in Revelstoke



3 Economic Impact Methodology

3.1 Economic Impact Methodology

In general, economic impacts are viewed as being restricted to quantitative, well-established measures of economic activity. The most commonly used of these measures are output, GDP, government tax revenue and employment:

- **Output** is the total gross value of goods and services produced by a given company or industry measured by the price paid to the producer. This is the broadest measure of economic activity.
- **Gross Domestic Product (“GDP”)**, or value added, refers to the additional value of a good or service over the cost of inputs used to produce it from the previous stage of production. Thus, GDP is equal to the unduplicated value of goods and services produced.
- **Employment** is the number of additional jobs created. Employment is typically measured in terms of full-time equivalents (“FTEs”). One FTE may be considered one person-year of employment. That is, one FTE is the equivalent of one person working full-time for a period of one year. For seasonal activities such as snowmobiling, FTEs would underestimate the number of jobs supported during the snowmobile season. Consequently, we have reported both jobs and FTEs.
- **Government Tax Revenues** are the total amount of tax revenues generated for different levels of government. Tax revenues arise from personal income taxes, corporate income taxes, taxes on products, and taxes on production. Please note that because tax revenues can frequently change due to modifications in tax policy, the tax revenue impacts in this report are estimates only and subject to change. They should be viewed as approximate in nature.

Economic impacts may be estimated at the direct, indirect, and induced levels.

- **Direct impacts** are due to changes to “front end” businesses that would initially receive operating revenue as a direct consequence of the operations and activities of a facility or industry.
- **Indirect impacts** arise from changes in activity for suppliers of the “front end” businesses.
- **Induced impacts** arise from shifts in spending on goods and services as a consequence of changes to the payroll of the directly and indirectly affected businesses.

To estimate the economic impacts of snowmobiling in Revelstoke, MNP employed an input-output methodology that uses economic multipliers published by Statistics Canada. Input-output modeling is a widely-used and widely-accepted approach, making it recognizable by many different stakeholders and audiences. The structure of the approach also facilitates easy comparisons between reported results for different projects and facilities. An overview of the approach is provided in Appendix A.

4 Economic Impact Analysis

Expenditures associated with snowmobiling in Revelstoke generate economic impacts through direct expenditures on goods and services, the generation of employment, and the generation of tax revenues for local, provincial, and federal governments. Snowmobiling in Revelstoke generates economic activity in four main ways:

- **Economic impacts generated by snowmobilers' activities in Revelstoke.** This includes expenditures by Revelstoke residents and out-of-province visitors on fuel consumed on day trips, and accommodation, travel expenses, fuel, food, meals, and retail items purchased on multi-day trips.
- **Economic impacts generated by the activities of rental and guiding operators.** This includes rental and guiding operators' expenditures on salaries and benefits, goods, and services.
- **Economic impacts generated by the activities of the RSC and other supporting organizations, including avalanche and safety course providers, and insurance providers.** This includes expenditures by the RSC on salaries and benefits, equipment purchases, fuel, shelter construction and maintenance, and administrative costs, and expenditures by other supporting organizations on salaries and benefits, and goods and services.

4.1 Economic Impacts of Snowmobile Tourism in Revelstoke

In assessing the impacts of snowmobile tourism, it is important to recognize that spending by local residents in a region will have a different impact than spending by visitors to a region. Expenditure by visitors creates incremental economic activity while expenditure by local residents would likely have occurred in the region regardless of whether it was spent on a snowmobile trip. Thus, expenditure by local residents is considered to be a re-allocation of expenditure rather than an incremental expenditure.

For the purposes of this study spending on day trips by BC residents is considered to be a reallocation of expenditure, while spending on multi-day trips by BC residents and all spending by out-of-province residents is considered to be incremental expenditure.



Snowmobile tourism creates economic impacts in Revelstoke's and BC's economy through visitors' expenditures on goods and services such as accommodation, restaurants, and the purchase of retail goods, including snowmobile accessories. These expenditures are in addition to spending by snowmobilers on snowmobile rentals, guides, trail fees, club memberships, and snowmobile parts and repairs, while taking a snowmobile trip.

Revelstoke accounts for approximately 13 percent of day trips and 18 percent of multi-day trips taken by snowmobilers in BC.

To estimate tourism expenditures attributed to snowmobiling we used data from the survey of snowmobilers, and data on day pass sales and memberships provided by the BCSF. We estimated that there were approximately 14,600 snowmobile day trips taken in Revelstoke in 2018. An additional 9,150 multi-day snowmobile trips, amounting to

approximately 41,500 snowmobiler days, were taken in Revelstoke in 2018. On each multi-day trip snowmobilers spent an average of 4.6 days and 4.4 nights. This translated into a total of approximately 67,600 snowmobiler days in Revelstoke in 2018. Table 2 shows estimated day trips and multi day trips taken by BC residents and out-of-province visitors.

Table 2: Number of Trips to Revelstoke and Snowmobiler Days

	BC Residents in Revelstoke	Visitors to Revelstoke	Revelstoke Total	Provincial Total
Day Trips	19,100	7,000	26,100	204,000
<i>Multi Day Trips</i>				
Number of Trips	1,920	7,230	9,150	51,000
Number of Snowmobiler Days	10,120	31,380	41,500	239,000
<i>Total Days</i>				
Snowmobiler Days	29,220	38,380	67,600	443,000

Table 3 shows average expenditure per snowmobiler on a day trip in Revelstoke for BC residents and out-of-province visitors. During a day trip, snowmobilers typically spend money on fuel for the vehicles and snowmobiles, and food and drinks purchased from restaurants, bars, and grocery stores. BC residents were estimated to spend approximately \$134 on each day trip, while out-of-province visitors were estimated to spend approximately \$230 on a typical day trip (72 percent more than BC residents).

Table 3: Average Expenditure per Snowmobiler on a Day Trip to Revelstoke

Category of Expenditure	BC Residents	Visitors	Average	Percentage
Fuel	\$85	\$148	\$115	64%
Food	\$49	\$82	\$65	36%
Total	\$134	\$230	\$180	100%

Source: Survey of Snowmobilers

Table 4 shows estimated average expenditure per snowmobiler on a multi-day trip to Revelstoke. Expenditure on accommodation and food and drinks purchased from restaurants and grocery stores accounted for the largest share of total trip expenditure (52 percent). Expenditure on fuel for the sleds and fuel used for travelling to and from the trailhead accounted for 23 percent of total expenditure, followed by travel expenses to get to and from Revelstoke (18 percent), and retail purchases such as gifts, accessories, and souvenirs (7 percent). Total average expenditures by BC visitors on a typical multi-day trip were approximately 10 percent higher than expenditures by out-of-province visitors.

Table 4: Average Expenditure per Snowmobiler on a Multi-Day Trip to Revelstoke

	BC Residents	Visitors	Total	Percentage
Accommodation	\$415	\$373	\$382	26%
Food	\$427	\$370	\$382	26%
Fuel	\$367	\$321	\$330	23%
Travel Expenses	\$203	\$275	\$260	18%
Retail Items	\$155	\$88	\$102	7%
Total	\$1,567	\$1,427	\$1,456	100%

Source: Survey of Snowmobilers

Table 5 shows snowmobilers' estimated expenditures incurred by category. In 2018, total tourism related expenditure by snowmobilers in Revelstoke was approximately \$17.5 million. Of the total expenditure, approximately 14 percent was attributable to BC residents taking day trips and the remainder was incremental expenditure arising from spending by out-of-province visitors and BC residents on multi-day trips. Out-of-province visitors account for 80 percent of incremental tourism spending and approximately 69 percent of total tourism spending.

Table 5: Estimated Expenditures by Snowmobilers in Revelstoke, 2018 (\$ millions)

Category of Expenditure	BC Residents	Visitors	Total
<i>Day Trips</i>			
Food	\$0.9	\$0.6	\$1.5
Fuel	\$1.6	\$1.0	\$2.6
Total	\$2.5	\$1.6	\$4.1
<i>Multi-Day Trips</i>			
Food	\$0.8	\$2.7	\$3.5
Fuel	\$0.7	\$2.3	\$3.0
Accommodation	\$0.8	\$2.8	\$3.6
Travel Expenses	\$0.4	\$2.0	\$2.4
Retail Items	\$0.3	\$0.6	\$0.9
Total	\$3.0	\$10.4	\$13.4
<i>Total</i>			
Food	\$1.7	\$3.3	\$5.0
Fuel	\$2.3	\$3.3	\$5.6
Accommodation	\$0.8	\$2.8	\$3.6
Travel Expenses	\$0.4	\$2.0	\$2.4
Retail Items	\$0.3	\$0.6	\$0.9
Total	\$5.5	\$12.0	\$17.5

Source: Survey of Snowmobilers

Table 6 shows the estimated economic impacts of snowmobile tourists based on the expenditures in Table 5. In 2018, snowmobile tourism in Revelstoke was estimated to have generated approximately:

- \$17.5 million in direct economic output and \$23.6 million in total economic output.
- \$5.3 million in direct GDP and \$8.9 million in total GDP.
- \$1.2 million in direct revenue for all three levels of government and \$2.0 million in total government revenue.
- 288 direct jobs (96 FTEs) and 384 total jobs (128 FTEs).

The majority of the direct impacts occur in Revelstoke while the indirect and induced impacts occur both in Revelstoke and other parts of BC through supply chains.

Table 6: Estimated Economic Impacts of Snowmobile Tourism in Revelstoke, 2018 (\$ millions)

	Output	GDP	Employment*		Federal Tax	Provincial Tax	Municipal Tax
			Jobs	FTEs			
Direct	\$17.5	\$5.3	288	96	\$0.6	\$0.5	\$0.1
Indirect and Induced	\$6.1	\$3.6	96	32	\$0.4	\$0.3	\$0.1
Total	\$23.6	\$8.9	384	128	\$1.0	\$0.8	\$0.2

*Jobs estimates reflect the levels of employment supported by snowmobiling during the season, while FTEs convert these estimates to full-time, full year equivalents.

4.2 Economic Impacts of Snowmobile Rental and Guiding Operators in Revelstoke

Snowmobile rental and guiding operators impact Revelstoke's economy through expenditures on goods and services, the employment of staff, and the generation of tax revenues for different levels of government. There is one snowmobile rental and guiding operator, and seven additional businesses offering snowmobile rentals in Revelstoke.

Table 7 shows the estimated expenditures incurred by category for snowmobile rental and guiding operators located in Revelstoke. In 2018, snowmobile rental and guiding operators' total expenditures were approximately \$3.7 million, approximately \$3.1 million of which occurred in Revelstoke. Expenditures in Revelstoke included salaries and benefits of approximately \$1.1 million, and fuel and other expenditures of approximately \$2.0 million. There are no snowmobile dealers in Revelstoke so the purchase of snowmobiles and most parts occurred in other parts of BC.

Table 7: Estimated Expenditures of Snowmobile Rental and Guiding Operators, 2018 (\$ millions)

Category of Expenditure	Total Expenditure
Salaries, Wages and Benefits	\$1.1
Purchase of Equipment	\$0.6
Fuels and Other Expenditures	\$2.0
Total	\$3.7

Table 8 shows the estimated economic impacts of Revelstoke’s snowmobile rental and guiding operators, based on the expenditures in Table 7. In 2018, the activities of Revelstoke snowmobile rental and guiding operators were estimated to have generated approximately:

- \$3.7 million in direct economic output and \$5.6 million in total economic output.
- \$1.9 million in direct GDP and \$3.1 million in total GDP.
- \$0.34 million in direct revenue for all three levels of government and \$0.59 million in total government revenue.
- 99 direct jobs (33 FTEs) and 159 total jobs (53 FTEs).

The majority of the direct impacts occur in Revelstoke while the indirect and induced impacts occur both in Revelstoke and other parts of BC through supply chains.

Table 8: Estimated Economic Impacts of Snowmobile Rental and Guiding Operators in Revelstoke, 2018 (\$ millions)

	Output	GDP	Employment*		Federal Tax	Provincial Tax	Municipal Tax
			Jobs	FTEs			
Direct	\$3.7	\$1.9	99	33	\$0.2	\$0.1	\$0.04
Indirect and Induced	\$1.9	\$1.2	60	20	\$0.1	\$0.1	\$0.05
Total	\$5.6	\$3.1	159	53	\$0.3	\$0.2	\$0.09

*Jobs estimates reflect the levels of employment supported by snowmobiling during the season, while FTEs convert these estimates to full-time, full year equivalents.

4.3 Economic Impacts of the RSC and Other Supporting Organizations

The RSC and other supporting organizations, including avalanche and safety instructors and insurance providers impact Revelstoke’s economy through expenditures on goods and services, and the generation of tax revenues for different levels of government. To estimate the economic impacts of the RSC, we used information provided by the RSC on revenues and expenditures in the 2017-2018 and 2018-2019 snowmobile seasons. To estimate the economic impacts of other supporting organizations in Revelstoke, we used information provided by these organizations on revenues and expenditures in the 2018-2019 snowmobile season.

Table 9 shows the estimated expenditures incurred by category. In 2018, total expenditures by the RSC were approximately \$0.5 million. In addition to the RSC’s expenditures, avalanche and safety instructors incurred expenditures of approximately \$46,000 in Revelstoke, and approximately \$0.7 million was spent on insurance for snowmobiles in Revelstoke.

Table 9: Estimated Expenditures of the RSC, 2018 (\$ millions)

Category of Expenditure	Expenditure
Salaries, wages and benefits	\$0.241
Grooming equipment lease/purchase	\$0.009
Grooming equipment maintenance	\$0.022
Fuel	\$0.022
Shelter maintenance	\$0.004
All other expenditures	\$0.224
Total	\$0.522

Table 10 shows the estimated economic impacts of snowmobile clubs and other supporting organizations based on the expenditures in Table 9 and on the annual expenditures of other supporting organizations. In 2018, the RSC and supporting organizations was estimated to have generated approximately:

- \$1.3 million in direct economic output and \$2.0 million in total economic output.
- \$0.5 million in direct GDP and \$0.9 million in total GDP.
- \$0.09 million in direct revenue for all three levels of government and \$0.16 million in total government revenue.
- 27 direct jobs (9 FTEs) and 48 total jobs (16 FTEs).

The majority of the direct impacts occur in Revelstoke while the indirect and induced impacts occur both in Revelstoke and other parts of BC through supply chains.

Table 10: Estimated Economic Impacts of the RSC and Other Supporting Organizations, 2018 (\$ millions)

	Output	GDP	Employment*		Federal Tax	Provincial Tax	Municipal Tax
			Jobs	FTEs			
Direct	\$1.3	\$0.5	27	9	\$0.05	\$0.03	\$0.01
Indirect and Induced	\$0.7	\$0.4	21	7	\$0.03	\$0.03	\$0.01
Total	\$2.0	\$0.9	48	16	\$0.08	\$0.06	\$0.02

*Jobs estimates reflect the levels of employment supported by snowmobiling during the season, while FTEs convert these estimates to full-time, full year equivalents.

4.4 Total Economic Impacts of Snowmobiling

Table 11 shows the total estimated economic impacts of snowmobiling in Revelstoke, comprising the economic impacts in each category above.

In 2018, snowmobiling in Revelstoke is estimated to have generated approximately:

- \$22.5 million in direct economic output and \$31.2 million in total economic output.
- \$7.7 million in direct GDP and \$12.9 million in total GDP.
- \$1.63 million in direct revenue for all three levels of government and \$2.75 million in total government revenue.
- 414 direct jobs (138 FTEs) and 591 total jobs (197 FTEs).

The majority of the direct impacts occur in Revelstoke while the indirect and induced impacts occur both in Revelstoke and other parts of BC through supply chains.

Table 11: Estimated Economic Impacts of Snowmobiling in Revelstoke, 2018 (\$ millions)

	Output	GDP	Employment*		Federal Tax	Provincial Tax	Municipal Tax
			Jobs	FTEs			
Direct	\$22.5	\$7.7	414	138	\$0.85	\$0.63	\$0.15
Indirect and Induced	\$8.7	\$5.2	177	59	\$0.53	\$0.43	\$0.16
Total	\$31.2	\$12.9	591	197	\$1.38	\$1.06	\$0.31

*Jobs estimates reflect the levels of employment supported by snowmobiling during the season, while FTEs convert these estimates to full-time, full year equivalents.

Figure 5, Figure 6, Figure 7 and Figure 8 below respectively compare the direct output, GDP, employment, and total tax revenue for all levels of government generated by snowmobiling in Revelstoke and other regions of BC. Revelstoke accounts for approximately 14 percent of direct output and direct GDP, and 18 percent of direct employment generated by snowmobiling in BC.

Figure 5: Regional Distribution of Direct and Indirect Output of Snowmobiling in BC, 2018 (\$ millions)

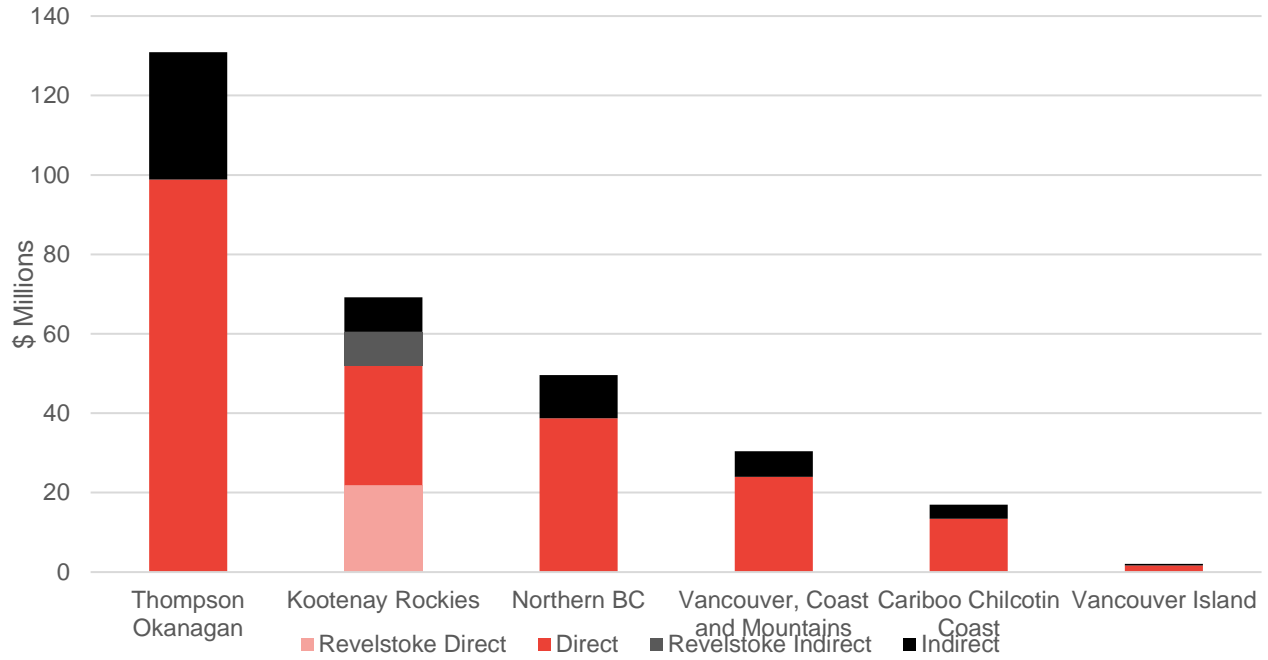


Figure 6: Regional Distribution of Direct and Indirect GDP of Snowmobiling in BC, 2018 (\$ millions)

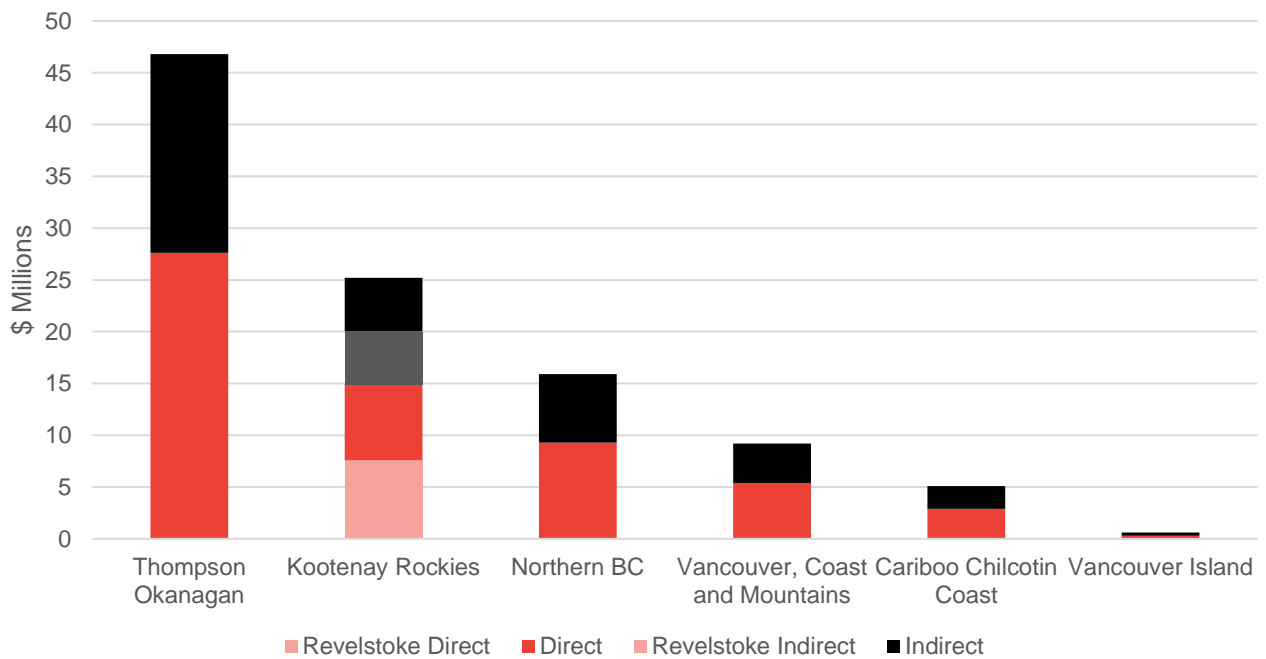


Figure 7: Regional Distribution of Direct and Indirect Employment (FTEs) Attributable to Snowmobiling in BC, 2018 (\$ millions)

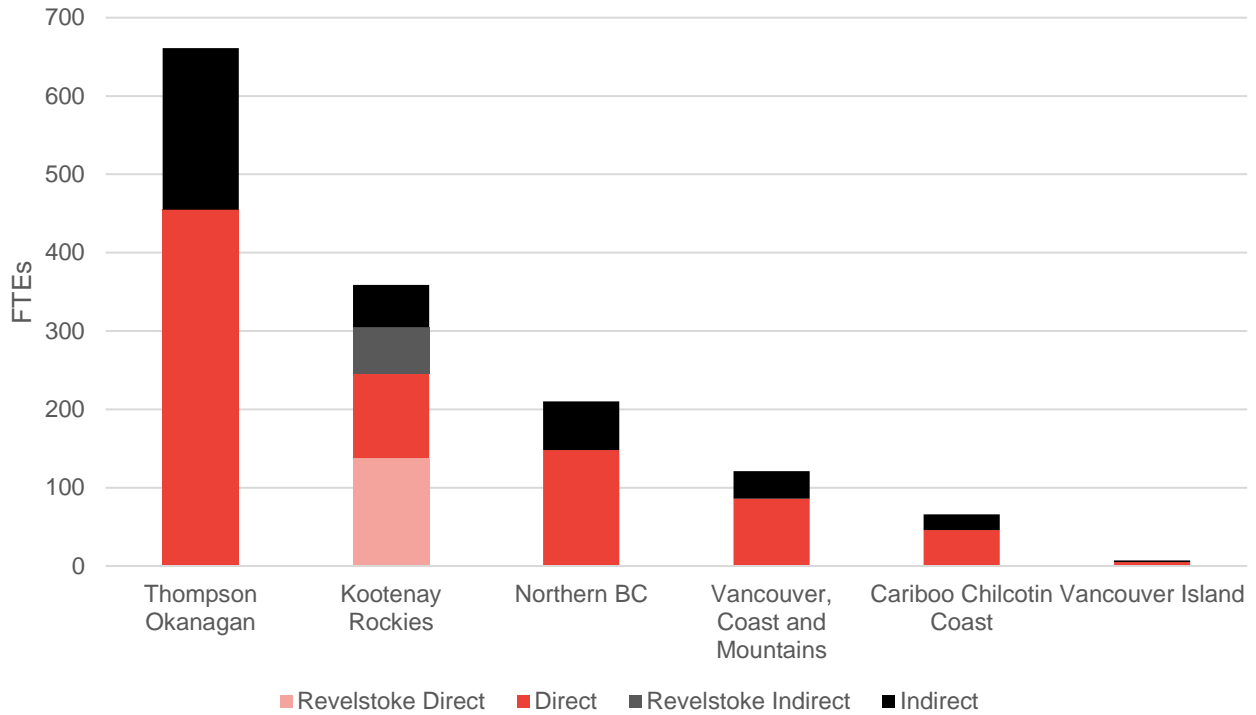
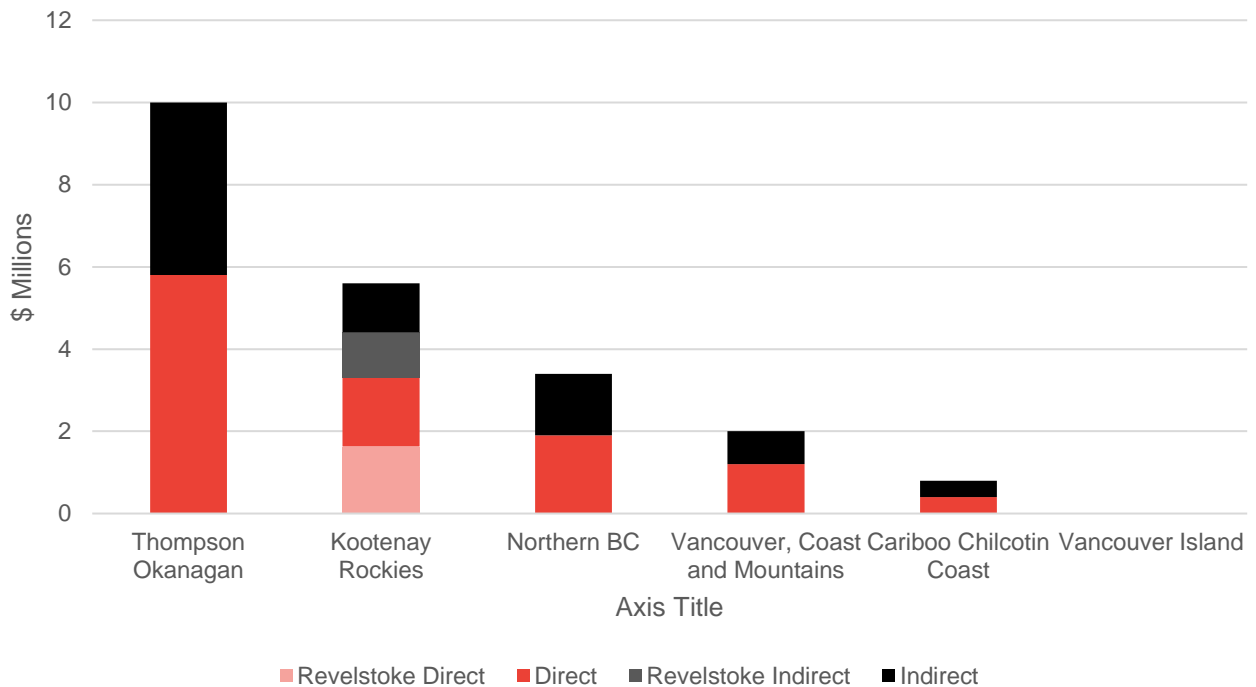


Figure 8: Regional Distribution of Direct and Indirect Tax Revenue from Snowmobiling in BC, 2018 (\$ millions)



4.5 Industry Comparisons

To provide perspective on the size of the economic impacts of snowmobiling in Revelstoke, it is useful to compare the impacts with those created by other industries. Three examples of other industries are new home construction, heli and cat skiing, and the cruise ship industry.

- **New Home Construction** – The employment supported by snowmobiling in Revelstoke in 2018 is equivalent to the direct and indirect employment supported by the construction of approximately 87 new homes in BC.⁸
- **Heli and Cat Skiing** – In 2018 there were approximately 118,000 skier days that supported \$164 million in GDP attributable to the heli and cat skiing industry in BC.⁹ The estimated total GDP generated by snowmobiling in Revelstoke is equivalent to the total GDP supported by approximately 9,500 skier days in the heli and cat skiing industries in BC.
- **Cruise Ships** – The direct employment supported by snowmobiling in Revelstoke is equivalent to the direct employment supported by approximately 21,900 cruise ship visitors in the port of Vancouver. The port of Vancouver was visited by approximately 827,000 cruise ship passengers in 2016.¹⁰

⁸ Will Dunning for the Canadian Homebuilders Association, British Columbia 2016 Economic Impacts of New Home Construction. 2016.

Available Here:

http://www.chba.ca/CHBA/Housing_in_Canada/Information_and_Statistics/impacts/1%20British%20Columbia%20Economic%20Impacts%20of%20New%20Home%20Construction%202016.pdf

⁹ Elevating Adventure, A Three Year Update on the Economic Impact of Helicopter and Snowcat Skiing in British Columbia, 2019.

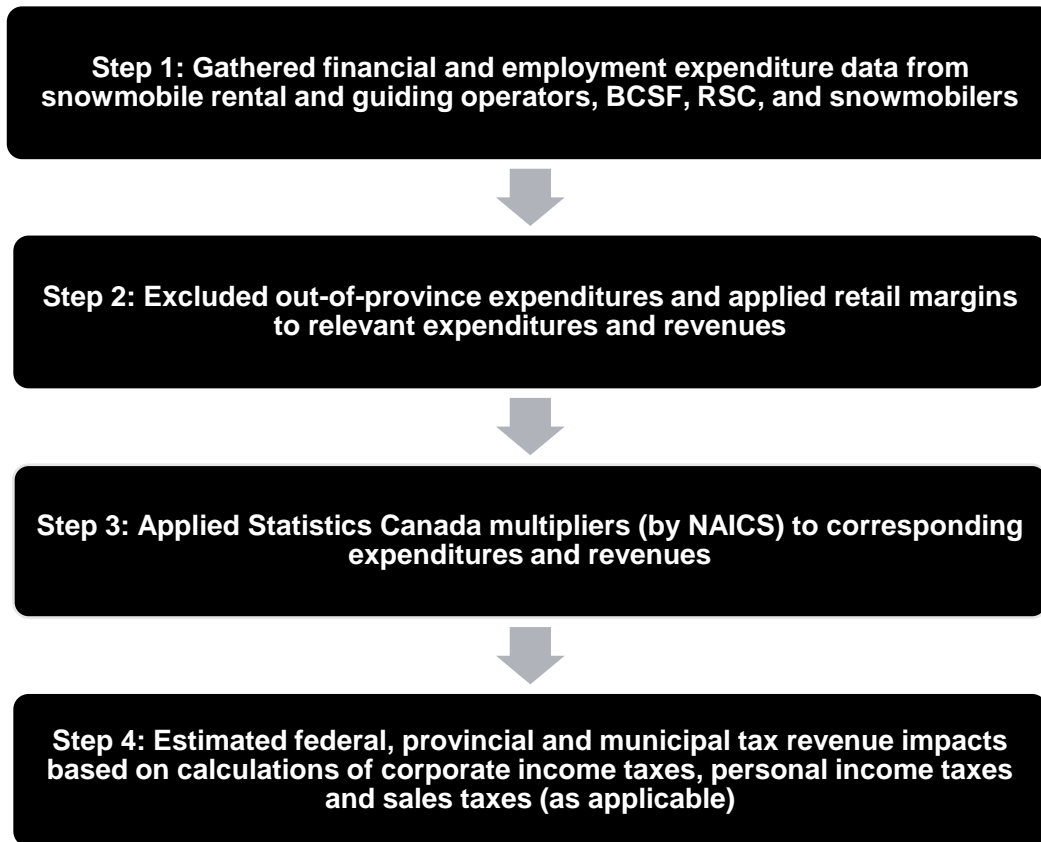
Available here: <http://www.helicat.org/socio-economic>

¹⁰ Intervistas, Port of Vancouver – 2016 Economic Impact Study. 2017. Available here: <https://www.portvancouver.com/wp-content/uploads/2016/05/2016-Port-of-Vancouver-Economic-Impact-Study.pdf>

Appendix A: Economic Impact Approach and Assumptions

Approach

A step-by-step overview of our approach to estimating the economic impacts of snowmobiling in Revelstoke and BC is provided below.



Assumptions

The analysis presented in this report is based on several key assumptions. The main assumptions are presented below.

- The economic output of the RSC was estimated based on the financial statements for the 2018-2019 season (defined as the period starting July 1, 2018 to June 30, 2019), and supplemented with data from the 2017-2018 season.
- The economic output of snowmobile rental and guiding operators in Revelstoke was estimated based on data collected from snowmobile rental and guiding businesses, from Statistics Canada and the British Columbia Commercial Snowmobiles Operators, and from Industry Canada's Small Business Profiles.

Appendix B: About MNP

MNP is the fastest growing major chartered accountancy and business advisory firm in Canada. Founded in 1958, MNP has grown to more than 70 offices and 4,000 team members across Canada. In British Columbia, MNP has more than 800 staff located in 19 offices throughout the province. The map below shows our office locations.

MNP provides a wide range of accounting, finance and business advisory services to clients. These include:

- Assurance
- Taxation
- Corporate Finance
- Mergers and Acquisitions
- Enterprise Risk Services
- Forensic Accounting
- Consulting
- Insolvency and Corporate Recovery
- Succession
- Valuations and Litigation Support



About MNP's Economics and Research Practice

Economic and industry studies are carried out by MNP's Economics and Research practice. Based in Vancouver, the Economics and Research practice consists of a team of professionals that has a successful track record of assisting clients with a wide variety of financial and economic impact studies. Our work has encompassed a wide range of programs, industries, company operations and policy initiatives, and has helped clients with decision-making, communication of economic and financial contributions, documentation of the value of initiatives and activities, and development of public policy.