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project report

THE GREATER CHARLOTTETOWN URBAN AREA OPPORTUNITIES STUDY

VOLUME III

THE ROLE OF THE CHARLOTTETOWN AREA AS A TOURIST, CONFERENCE, SEMINAR, AND CONTINUING EDUCATION CENTRE. LAND AND BUILDING USES AND SERVICES

prepared for:

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THE GREATER CHARLOTTETOWN URBAN AREA AS A TOURIST CENTRE

A. INTRODUCTION AND SUMMARY

1. Introduction

During the past decade, Prince Edward Island has entered into a new stage of rapid economic development. This has been prompted by rapid increases in public investment, a new style of public stewardship through a co-ordinated comprehensive economic development plan, and the emergence of new investment opportunities in the private sector.

This chapter is about tourism in The Greater Charlottetown Urban Area (Charlottetown area). But it is only possible to assess tourism in the Charlottetown area with reference to the entire tourist industry in the province. The success of tourism in Charlottetown will depend on the growth of tourism in P. E. I. Conversely, we suspect that positive developments in the Charlottetown area's role as a tourist centre will have more than equivalent influence on the success of tourism in the province.

We feel that tourism provides one of the most important sets of opportunities for private and public investments in both P. E. I. and in the Charlottetown area. A large portion of our analysis in this report will focus on the nature of these opportunities.

In section C of this chapter, we describe and evaluate the general state of tourism in P. E. I. This is designed to be more than a general introduction to the study. Its purpose is to provide a basis for assessing tourism in the Charlottetown area. We recognize that P. E. I. offers a unique set of services to tourists, and the nature of these services defines both the limitations of growth in tourism and the challenging opportunities for the Charlottetown area.

Next we perform a forecast of demand in the tourist industry. A number of forecasting methods are used, under the assumption that the main constraint to expansion is in the supply of facilities, and there exists a good deal of unrealized or "potential" demand.

In the following two sections, we assess the Charlottetown area as a tourist centre. This begins with a review of tourist spending in the Charlottetown area. We show that different types of tourists have drastically different spending habits. In addition, we note that the Charlottetown area's existing tourist facilities place a severe limitation on the growth of the tourist industry. We examine all components of tourist plant to see whether there are significant incentives for private expansion through investment.

Finally, we make a number of recommendations for future growth in the industry. These are based on the premise that the object of government policy is to encourage the maximum development of tourism, particularly in areas which best contribute to diversified economic development.

2. Summary

a) Findings

In the course of our study of the tourist role, we assessed many aspects of tourism in P. E. I. and in the Charlottetown area. The critical elements arising from our assessment are:

- P. E. I. attracts a large number of tourists relative to its population and economic infra-structure.
- The Island tourist industry has a number of fundamental weaknesses, i. e:
  - relatively low tourist expenditures;

- tourists spend relatively little time on the Island;

- relatively few "repeat" tourists;

- there is severe "peaking" of tourist visit patterns.

▶ We feel that the P.E.I. tourist industry lacks diversified, sophisticated tourist entertainment activities. Quite simply: P.E.I. tourists seeking a summer beach/resort vacation, find too few activities to satisfy their wishes, and perhaps become bored with the emphasis on swimming and beaches.

▶ The Charlottetown area plays an important role in the provincial tourist industry. This fact is illustrated by the large amounts spent by Island tourists in the Charlottetown area, and the large proportion of area jobs created by tourism.

▶ Presently, the Charlottetown area is not achieving its full potential in the tourism field. It is not maximizing its contribution as a tourist centre--the provision of entertainment services falls short of the need.

▶ Many of the limitations of the Charlottetown area have an economic origin. The area is simply not large enough to support the required facilities year round. We are well aware of the seasonality of demand for accommodation and entertainment facilities, and have considered this constraint in our economic considerations.

b) Planning Objectives And Economic Constraints

i) Objectives

Here we outline two further dimensions: Planning objectives and economic constraints. Our recommendations must fit into the fabric of a development plan. Hence, the question of objectives and constraints assists in defining priorities and the time phasing of implementation.

No development plan can be without objectives. Also, objectives must be realistically framed in the context of an "attainable future". Hence, we interpret the aims of economic policy related to the development of tourism in the Charlottetown area as follows:

- The P. E. I. Development Plan is to promote balanced provincial economic development and foster growth of personal income for Islanders. This objective divides logically into a number of categories, i. e:
    - reduce economic inequalities;
    - reduce the chronic Island unemployment;
    - narrow the spread between Island personal income and the Canadian average;
    - achieve economic aims without significantly detracting from P. E. I. 's serene physical and social environment.

- The P. E. I. Development Plan is broken down into "sector plans", each of which sets out objectives and plans of action. Tourism is treated as a sector, as is agriculture and manufacturing. Its plan establishes guidelines for growth in the tourist industry, indicating the extent to which tourism can contribute to balanced economic development in the Charlottetown area as a component of the overall tourist development plan. It should be designed to maximize the economic benefits derived from tourism and provide as much impetus as possible for balanced economic growth.

If tourism development in the Charlottetown area is to contribute to Island tourism and, broadly speaking, to economic development in the province, we suggest that individual recommendations for tourism in the Charlottetown area should meet the following specific objectives:

- Changes incorporated in the Charlottetown area tourist industry should encourage increased tourist spending, prolonged tourist visits, and a lengthened season.

- To the extent possible, tourist spending should be channelled into areas resulting in a maximum impact on the economy of the Island. This suggests that recommendations should encourage spending where there is a minimum "leakage" from the Island economy, and where "linkages" with other sectors of the economy are most pronounced.

We examined the leakages and linkages operating in various areas of the tourist sector in the Charlottetown area. Our recommendations reflect this analysis and focus on the following areas in the tourist economy:

- restaurants, food and beverages;
- handcrafts;
- entertainment.

Although we make major recommendations in the accommodations area, these changes will not necessarily be justifiable with the leakage/multiplier argument. These changes are noted below in the following section on constraints.

ii) Constraints On Tourism Development In The Charlottetown Area

Tourism in P. E. I. is characterized by severe "peaking" problems. Almost 70 per cent of tourists visit in July and August. This peaking problem has two important implications on the recommendations of a tourist development plan, i. e:

- Existing facilities are under a severe strain. If the strain continues, we anticipate a harmful long-term effect on future tourist returns. For example, if accommodations in the Charlottetown area are booked to capacity, then promoting increased overnight visits would do tourism in P. E. I. a great deal of harm. Therefore, in making our recommendations, we considered the "absorptive capacity" of the Charlottetown area. This is particularly true with regard to accommodation.

- Capital facilities designed for the tourist season can be expected to be underutilized during the off season. Thus, the economic feasibility of constructing expensive facilities for a two-month tourist season must be carefully assessed.

These two considerations have important implications on the Charlottetown Area Tourist Plan. Activities designed to increase the Charlottetown area's capacity to retain tourists must have the highest priority. Also, activities designed to extend the season must be introduced at a critical stage of development in order to increase the economic viability of tourist amenities.

Implementation timing is vitally important to the tourist development plan. Therefore, it is necessary to make a series of recommendations about organization for plan implementation. It will be necessary to develop a self-sustaining organization which can:

- define all responsibilities related to the recommendations;
- ensure that the implementation is properly phased;
- adequately staff all phases;
- ensure that budget appropriations are allocated on a priority basis.

Our recommendations are presented under six categories. The first five relate to accommodations, restaurants, handcrafts, entertainment, and major tourist attractions. The final category outlines an organization scheme for the implementation of the recommendations.

B. RECOMMENDATIONS

1. Accommodations

As a first priority in the tourist development plan, we recommend that the location in the Charlottetown area of a medium-sized, 175 - 200 room hotel be encouraged. This facility should have the following features:

- ▶ It should either be owned by or franchised to a large hotel chain. The large chain would offer the advantages of advanced reservations systems and national (perhaps international) advertising and promotion.
- ▶ The hotel should contain convention facilities suitable for meetings of up to 250 people.
- ▶ The hotel should be located in the centre core of the Charlottetown area, preferably near the waterfront. The waterfront location would stimulate development and encourage refurbishment of the Charlottetown area centre core.
- ▶ The hotel should contain the normal amenities of a "first-class" hotel; first-class restaurant, a reasonably large bar, room service, and a lobby of adequate size.

2. Restaurants

We note that a large portion of tourist expenditures is on restaurant food. This confirms our impression that, although tourists visit P. E. I. principally to enjoy the beaches, they demand extra amenities as diversions. The Charlottetown area has insufficient first-class restaurant facilities. Recognizing that a new restaurant facility requires a year-round operation for economic viability, we recommend:

- Establishing at least two out-door "cafes" to complement the Charlottetown area's principal entertainment opportunities. These should be located at:

  - the Confederation Centre Plaza, to augment food service and to add to the attractiveness of the centre;

  - the waterfront in the vicinity of Lower George and Queen Streets, to tie in with the pedestrian treatment of the waterfront.

  We feel that perhaps a number of outdoor "cafes" could set up and be profitable on a summer operation. Capital costs for outdoor cafes are low. To take full advantage of the Charlottetown area maritime atmosphere, preferably these should feature an outdoor tavern/ cafe, offering a limited fish-dish menu.

- On a year-round basis, we feel that the Charlottetown area can support an additional medium sized (100 - 200 seats) first class restaurant. This restaurant should be located in the proposed new hotel facility in Charlottetown. To provide the maximum benefits for the tourist industry, the restaurant should:

  - be located near the waterfront;

  - be fully licensed;

  - offer a range of food and service competitive with other Maritime top-line hotels;

  - provide night club type entertainment;

- accept reservations--to assure tourists of a "night on the town".

We feel that a new level in the quality of the Charlottetown area's cuisine is essential to the expansion of tourism. Such an improvement would be directly promoted by the development of a new first-class restaurant. Other strategies designed to improve the quality of food served in the Charlottetown area would be:

- ▶ Retain a dietition/home economist to teach Charlottetown area restaurants to introduce more interesting food, attractively served. "Home Style" cooking is indeed palatable, but does not mean visitors will identify the Charlottetown area as a place for an eating experience.

- ▶ A local or national cooking competition designed to develop recipes for "typical Island menus".

- ▶ A national promotional campaign, focusing on editors of women's sections in Canadian newspapers, extolling the Charlottetown area as "a place to eat".

3. Handcrafts

In our assessment of the potential of the Charlottetown area for tourism, we have earmarked the handcraft industry for its importance to the balanced economic development of P.E.I. Consequently, we outline a comprehensive set of recommendations for handcrafts which call for a thorough revitalization of activities associated with this industry. Our recommendations are:

▶ At present there is no large retail merchandising centre for handcrafts in the Charlottetown area. They are marketed by small entrepreneurial outlets or in large retail department store operations where their distinctive qualities are lost in packaged arrays of merchandise. We recommend that a retail centre be selected for display of the entire range of handcrafts available in P. E. I. This retail centre should have the following qualities:

- large enough to allow activities display areas for "craftsmen at work";

- should be located in a building of historical significance;

- located in the centre core of the Charlottetown area, as close as possible to the waterfront;

- promote handcraft sales and, at the same time, provide a form of entertainment for tourists in the Charlottetown area.

There are at present, tentative plans to relocate judicial offices from the Old Courthouse. Should the Old Courthouse become available, we strongly recommend that it be designated for use as a handcraft centre.

▶ We recommend that a bi-annual design competition for local handcrafts be held in P. E. I. The importance of such an activity is obvious. It would:

- promote Island handcrafts;

- enhance the quality of Island handcrafts;

- act as an incentive for new producers in this area;

- assist in developing a number of handcraft "specialties" on the Island to foster the growth of handcraft exports;

- prepare test market products for display at regional and national handcraft trade fairs.

The design competition must offer prices and distinctions for a wide variety of handcrafts, categorized by: type of handcraft, retail price, and its physical size. One of the prime objectives of this competition would be to generate inexpensive handcrafts for distribution as gifts to attendees at Charlottetown area meetings.

▸ P. E. I. has no well-defined policy regarding attendance at regional and national handcraft trade fairs. Three years ago, a number of handcraft artisans funded by the Market Development Centre attended a Toronto trade fair. The results were encouraging. A number of profitable, long-term orders for handcrafts were landed from Canadian and United States dealers. Unfortunately, there was no follow-up on this venture. Currently, no attempts are being made to encourage P. E. I. handcraft operators to attend trade fairs. We recommend that funds be made available to enable P. E. I. handcraft dealers to attend the most important regional handcraft trade fairs. This requires a comprehensive strategy involving:

- selection of representative P. E. I. handcrafts;

- assigning the responsibility for building displays at trade fairs;

- selection of appropriate trade fairs;

- assigning responsibility for marketing follow up;

- ensuring that handcrafts displayed at trade fairs will be available for future commercial production.

▶ At present, there are a number of loan schemes, administered by different political jurisdictions, to assist handcraft operations with "start-up" capital costs. On average, the handcraft operation can receive a subsidized $3,000 loan. The present loan scheme falls short in promoting significant developments in the handcraft sector. For many operators, much more than $3,000 is required to start a business. Loans are allowed only for production equipment, while in many instances, marketing is the most important activity. The loans are not administered in accordance with some provincial policy for handcraft development.

We recommend the establishment of a $500,000 loan fund to assist handcraft entrepreneurs. It should be administered in a businesslike manner, by individuals who are responsible for the overall development of handcrafts in P. E. I.

▶ There are too many agencies and individuals involved in the co-ordination of handcraft development in P. E. I. The list includes: The Department of Industry and Commerce, The Department of Education, the Craftsmen's Council, and other agencies responsible for education in the handcraft area. Neither has one agency been assigned the co-ordinating role, nor has any one sufficient funds to accept this role.

We recommend that one person be designated "co-ordinator of handcraft development". He must be given adequate resources to ensure that the quality of production and promotional activities are carried out at an acceptable level. He should control the Handcraft Loan Fund. In short, the co-ordinator of handcraft development would have the responsibility for seeing that the handcraft sector takes advantage of all opportunities and plays its proper role in the development of a balanced economic growth for P. E. I.

4. The Entertainment Sector

We identified the Charlottetown area's principal tourism role as a focus of diversified activities designed to prolong tourists stay and increase their spending. This is the tourist centre role. If the Charlottetown area is to successfully play this role, entertainment facilities must be substantially improved. We therefore recommend the following:

- A number of physical changes are needed in the Confederation Centre to increase its effectiveness as the city's premiere entertainment facility. Some of these changes are:

    - the box office in the summer season should be an attractive, portable booth on the Confederation Plaza--the wrong entrance is now being used by most patrons of the Confederation Centre. This is due in part to the location of the box office. We recommend that the new summer ticket booth as well as the proposed outdoor cafe, be located near the original, more appropriate entrance. This portable booth could be moved inside on wet days to allow ticket buyers to queue up in the large foyer. This would lessen the congestion around the miniscule foyer of the Queen Street entrance.

- It should be possible to make advanced bookings for all engagements in the Confederation Centre. In addition, booking agents should be located in other parts of the Island.

- There is a need to erect a new marquee for the Confederation Centre. The existing marquee is not in keeping with the Confederation Centre.

- The Confederation Centre theatre has a capacity of about 900 seats. Its capacity is too large for summer stock theatre. We feel that there is a real need to incorporate a second, small theatre into the Confederation Centre entertainment operation. If such a theatre were available, it could be used for mime theatre, small summer stock presentations, perhaps cabaret-style entertainment, and a variety of other purposes. We recommend purchasing the Capitol Theatre and adapting it for these new purposes.

- The Confederation Centre Plaza, as well as adjoining open space, is presently not being fully used for either daytime or nighttime activities. Some of our recommendations are designed to make the Plaza more attractive for daytime activities. We should not overlook that there is a tourist requirement for evening entertainment also. The July-August evenings could be considered for attractive and appealing outdoor activities. We propose that entertainments for the Confederation Centre Plaza feature various types of musical presentations, perhaps rock bands, small drama groups, and possibly outdoor non-commercial movies.

- Should the number of entertainment activities in the Charlottetown area increase substantially, there will be an increased need to promote the "Charlottetown Square" activities. This will help to promote the proposed tourist service centre role for the Charlottetown area by attracting people from the beaches to enjoy the more diversified entertainment activities. Presently, a small weekly promotional magazine, "This Week In Charlottetown", is published by a private, profit-making concern, supported entirely by advertising. Its quality is excellent, given the limited financial support it receives. We feel, however, that a promotional document such as "This Week In Charlottetown", could be a major contributor to the success of the Charlottetown area tourist development plan. We therefore recommend sudsidizing the weekly magazine. This subsidy should be in the order of $10,000 - $15,000 per year, and conditional on improvements in graphics and distribution.

- Walking tours of Historic Charlottetown. These should be provided free by a public agency.

5. Other Improvements

Other chapters have described the need for various types of new physical facilities in the Charlottetown area. Here we suggest the need for a new appearance for the city--capitalizing on its architectural and historical significance. Chapter V of this report describes this treatment in more detail. There are a number of criteria from which we can select appropriate strategies in this area. They are:

- We do not recommend "Carnival City" form of development for the Charlottetown area. We do believe, however, that an appropriate development would embellish its physical and natural attributes, and in so doing enhance the Charlottetown area's existing character.

- The development must engender residential pride.

- Improvements to public space must recognize the seasonal differences in terms of people density and natural characteristics.

- There are many competing claims for public investment funds in P. E. I. We have established the importance of the Charlottetown area to tourism in P. E. I. --to the extent that we feel it warrants public investment. Yet other claims for public investment are similarily justified in the interest of "balanced economic growth". Thus, we propose a set of investment criteria, that is:

  - where possible, private is preferred over public investment;

  - public investment schemes must be carefully screened to determine the social payoffs;

  - public investments should support activities which would be considered "overhead" and "avoidable" through industry co-operation, e.g. an integrated advertising and promotional campaign for tourism, improvements in infra-structure, etc.

6. Overall Organization Of The Tourist Development Plan

Our terms of reference preclude us from proposing a comprehensive reorganization of public and private agencies involved with tourism in the Charlottetown area. Hence, our organizational recommendations review only the types of functions which must be served, and areas where individuals (or individual agencies) must accept prime responsibility for implementation. Our recommendations are as follows:

- Administrative responsibility for the Tourist Development Plan in the Charlottetown area should be vested in a "Tourism Development Committee". Individuals responsible for the following activities should be on the Committee:
  - Charlottetown Area Tourist/Conference Manager;
  - Co-ordinator of Handcraft Development;
  - Co-ordinator of Summer Entertainment.
- In Chapter II of this volume we have proposed a tourist/conference manager to assume responsibility for co-ordinating meetings in the Charlottetown area. His responsibilities include:
  - meeting promotion;
  - organizing accommodation and meeting space;

- follow-up on conferences and conventions to increase repeat visits and to learn what improvements are needed.

▶ We have recommended the appointment of a Co-ordinator of Handcrafts. His immediate role would be:

  - establish catalogues and supplier lists;
  - organize an advertising/promotion campaign;
  - develop an integrated strategy for attending trade fairs;
  - administer loans to handcraft entrepreneurs;
  - act as an entrepot for and take advantage of bulk purchases of handcraft supplies.
  - promote educational workshops for handcraft producers.

▶ We have recommended a substantial program of summer entertainment, taking advantage of inexpensive, outdoor activities. This will require a great deal of co-ordination. Consequently, we propose appointing a Co-ordinator of Summer Entertainment. This would be a part time job, responsible to the Fathers of Confederation Trust, and would include the following functions:

  - responsible for walking tours of the Charlottetown area:

- developing sufficient outdoor activities for the Confederation Plaza;

- interacting with the Director of Entertainment for the Confederation Centre, to ensure sufficient diversified entertainment for tourists.

- responsible for Island advertising and promotion of the Charlottetown area. This would be aimed at tourists whose holiday residence is outside of the Charlottetown area.

These functions, well carried out, will help to maximize tourist use of the Charlottetown area. We also feel that it is vitally important for successful development of tourism in the Charlottetown area to co-ordinate all activities and the allocation of resources for a meaningful, integrated plan.

C. TOURISM IN PRINCE EDWARD ISLAND

Since the future of tourism in the Charlottetown area will depend on the success of Prince Edward Island as a tourist attraction, this section provides an overview of tourism in P. E. I.

This descriptive analysis of tourism in P. E. I. draws on a variety of data from private and public sources, as well as primary data collected solely for this study. The material has been selected to support and reinforce various arguments on the need for a particular tourist strategy for the Charlottetown area.

1. Tourist Arrivals

Table 1 shows a set of summary statistics on tourist arrivals in P.E.I. since 1960. The first obvious characteristic is the proportion of the total tourists who arrive by automobile; in 1969 over 95 per cent travelled by this mode. The role of the automobile as a principal tourist carrier has not eroded significantly since 1960.

During the period under review, the tourist sector in P.E.I. has expanded at a rapid rate, with an average 10 per cent increase in arrivals per annum. The major exception to this trend occurred in 1967, when tourist arrivals decreased by 4 per cent. This was the year of Expo '67 and Canada's Centennial celebration, when alternative activities captured a large share of the tourist market. The Island's experience during 1967 illustrates a common feature of the tourist industry. Tourist demand is subject to fluctuations, creating uncertainties and risks for investments in facilities. The effect of fluctuations in demand on investment in tourist facilities is amplified by the narrow breadth of the tourist season, so that operators seek to minimize the size of their fixed investment.

There are few meaningful forecasts of tourist demand in P.E.I. This is explained primarily by the conceptual nature of tourist demand forecasts. Typically, one generates forecasts from historical data representing past achievements. Observations of past performance must be interpreted, with the effect of both demand and supply separated in the calculation. For example, we observed 494,661 tourist arrivals in 1969. This represents a 10 per cent increase over the previous year. It does not represent the number of tourists who wished to travel in P.E.I.--the effective demand for tourism--rather, it describes only those tourists who managed to come to P.E.I. The effect of advertising and promotion, travel constraints through insufficient airline and ferry service, the attractiveness of complementary and competing tourist services, etc., are hidden in each statistic on actual tourist arrivals. As a result, any forecast based on past trends and observations is of limited value to planners.

TABLE 1

TOURIST ARRIVALS IN PRINCE EDWARD ISLAND
(May - October inclusive)

	1960	1965	1966	1967	1968	1969	1971	
Automobile	203,984	332,925	368,620	353,046	426,198	470,973	577,518	(95.3%)
Aeroplane	2,300	7,334	9,674	9,367	10,056	11,059	13,332	(2.2%)
Train and bus	500	5,272	8,351	9,251	10,049	10,049	12,120	(2.0%)
Tour bus	N/A	2,324	4,110	2,400	2,730	2,580	3,030	(0.5%)
	206,784	347,855	390,755	374,064	449,033	494,661	606,000	(100.0%)
Annual Percentage Charge	N/A	+10%	+12%	-4%	+20%	+10%	+11%	
(Average Annual Change = 10%)								

Source: Jackson, R.W., An Economic Profile of P.E.I., Department of Labour, Industry and Commerce Province of Prince Edward Island, 1970, page 41.

Nevertheless, it is possible to generate a simple linear forecast of tourist arrivals in P. E. I. to 1980. Taking the historical observations in Table 1 and extrapolating on the assumption that tourist arrivals will increase by 10 per cent per annum, we calculate a total demand in 1980 of over 1, 000, 000 tourists. A more comprehensive forecast is provided in Section D.

2. Two Hypotheses on Tourism in Prince Edward Island

After introducing the subject of demand, it is pertinent to ask: What is the nature of tourist demand in P. E. I? Put in simpler terms, why do tourists come to P. E. I?

Generally, P. E. I. offers the tourist a combination of environmental conditions, attractive and unique to North Americans. These conditions are derived from a combination of the environment, with its balmy summer weather, sand beaches, and ocean swimming facilities, as well as a social and physical environment emphasizing recreation in a restful, peaceful mode. Moveover, nature has endowed P. E. I. with about three quarters of Canada's coastal sand beaches. Environmental conditions on P. E. I. describe its tourist industry as a combination of the Muskoka region in Ontario and the Cape Cod region in the New England area of the United States.

Taking these analogies one step further, we develop two basic hypotheses about tourism in P. E. I. , i. e:

- Since sun and ocean beaches are generally free commodities, we suspect that tourists spend relatively little money while visiting the Island.

- The P. E. I. tourist industry is a component of tourism in the larger area of the Maritime provinces and part of New England. If this is true, then we infer that P. E. I. has not successfully "differentiated" its tourist services from other competing regions. If a tourist from Ontario was asked where he spent his holidays, he might answer "the Maritimes", even though he spent an appreciable portion of time in P. E. I.

Data to support the hypotheses are found in Tables 2 to 4 inclusive and Figure 1. Table 2 describes tourism in P. E. I. according to the main purpose of travel, showing that over 65 per cent of tourists surveyed describe the purpose of their visit as "sight-seeing". Table 3 shows the type of accommodation used by overnight visitors to P. E. I. Camping grounds were the most popular type of accommodation, attracting 32.9 per cent of the visitors. Moreover, low-priced accommodations related to the use of beaches accounted for an additional 15 per cent of the accommodations in cabins, tourist guest homes, cottages and lodges. Possibly some large proportion of the 31.2 per cent who resided in motels during their stay in P. E. I. are also in this category of visitor.

Figure 1 shows the occupancy rate of seasonal motels in P. E. I. in 1965, and illustrates the seasonality of tourism. It reinforces the hypothesis that tourism in P. E. I. is principally a summertime activity linked to similar activities in the Maritime region. The data shows occupancy of more than 40 per cent occurring only during the period between June 30th and September 15th.

TABLE 2

MAIN PURPOSE OF TRAVEL TO P.E.I.

	Proportion
Sightseeing	65.1
Visiting Relatives (personal)	16.1
Outdoor Sport	6.9
Business	9.2
Travel Education	0.1
Convention	0.3
Commuting	0.6
Other	0.9
	100.0

Source: 1971 Tourist Exit Survey.

TABLE 3

TYPE OF ACCOMMODATION USED BY OVERNIGHT VISITORS TO PRINCE EDWARD ISLAND AND NOVA SCOTIA

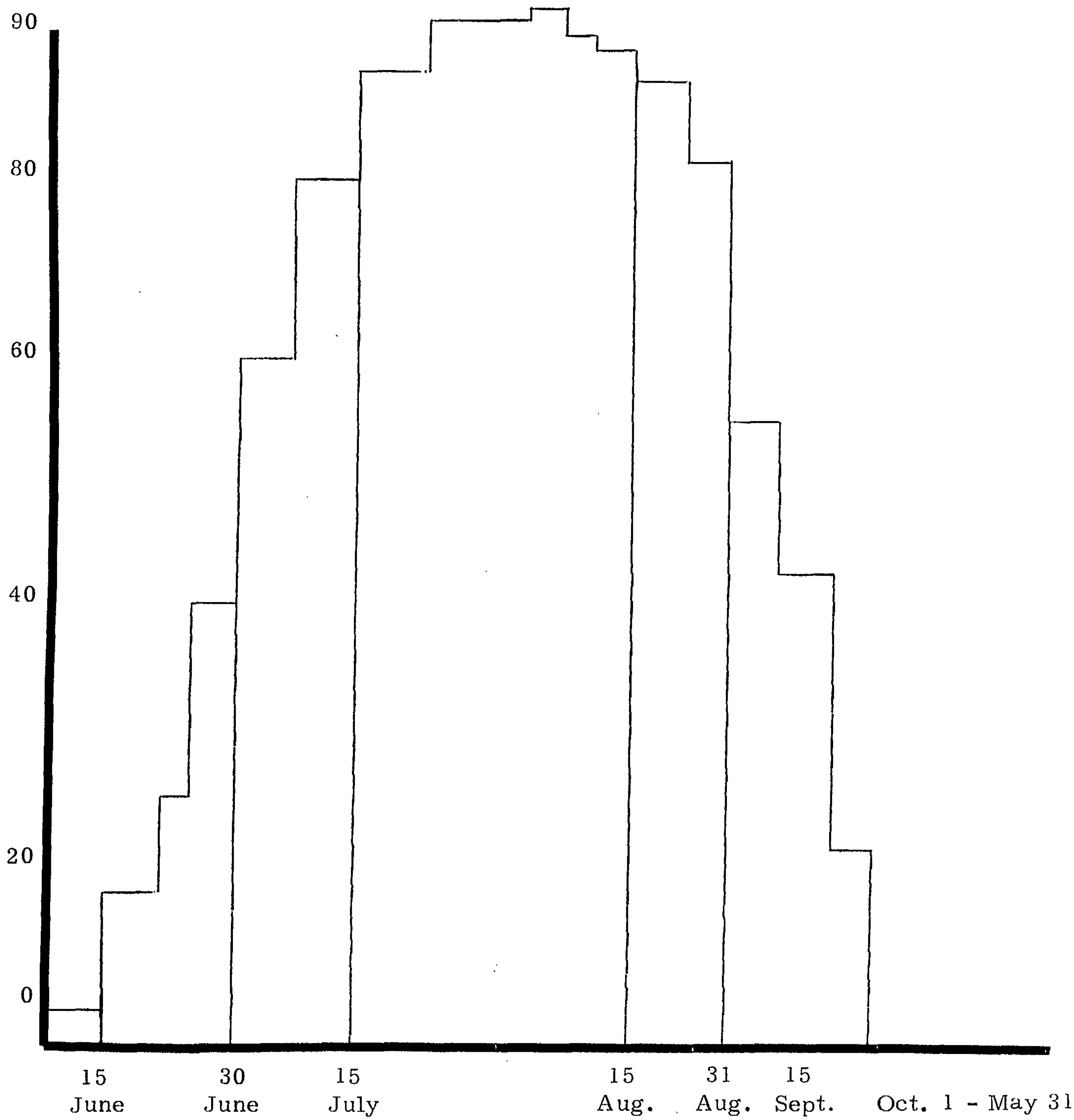
	Prince Edward Island %	Nova Scotia %
Hotels	2.1	5.9
Motels	31.2	23.7
Cabin	7.9	2.7
Tourist Guest Home	4.0	1.2
Cottage	2.9	1.0
Friends or Relatives	17.5	30.7
Camping Grounds	32.9	26.1
Lodges	0.2	8.7
Other	2.1	0.0
	100.8[1]	100.0

Source: 1971 Tourist Exit Survey.

[1] Some visitors stayed at more than one type of accommodation.

FIGURE 1

OCCUPANCY RATES OF SEASONAL MOTELS, 1965



Source: Acres Research & Planning Ltd., Recreation-Tourism in P. E. I., Toronto, 1967.

P. E. I. offers tourist services primarily to a market based on summertime travellers, who seek short, inexpensive cottage or camping-related accommodations. The effect of this type of tourist industry is illustrated in Table 4, which describes characteristics of P. E. I. and Nova Scotia automobile arrivals in 1965 and 1971. There is little difference between Nova Scotia and P. E. I. in the average size of the tourist party, this being 3.1 persons. The average tourist party is large, reflecting the number of families which travel to the Island, mainly for family activities such as camping.

The statistic showing average length of stay is important. Since the 1965 and 1971 P. E. I. estimates were derived from different sources, and it was difficult to separate automobile and airline travellers by length of stay, no real inference can be made for changes in this statistic over time. However, comparable Nova Scotia data show that tourists tend to stay in that province for a significantly longer period. Similarly, the average daily expenditures of tourists in Nova Scotia are much larger than those of Island tourists. From these two items of data it may be inferred that P. E. I. receives a large number of tourists who are generally interested in touring the Maritime provinces (and/or New England states). They treat a short visit to the Island as part of their larger tour. Nova Scotia has a greater attractiveness given the fact that there are more things to see and do. This is reflected in the amount of money spent by tourists in the two provinces.

The data on tourist region of origin are interesting, partly because they show a countervailing force to transience of Island tourists. Since the statistical basis of the 1965 and 1971 surveys were similar for this item, the time series data can be compared. This data shows that the proportion of visitors to P. E. I. originating from outside of the Maritimes and the United States (principally Ontario and Quebec), increased between 1965 and 1971. Tourists travelling such long distances by automobile are less likely to take the ferry to P. E. I. unless their length of stay on the Island justified it. These types of tourists can be expected to devote a relatively larger portion of their visit to one location.

TABLE 4

PRINCE EDWARD ISLAND AND NOVA SCOTIAN TOURIST CHARACTERISTICS - ARRIVALS BY AUTOMOBILE, 1965 AND 1971

	Prince Edward Island		Nova Scotia
	1965[1]	1971[2]	1971[3]
Average Size of Party (Persons)	3.2	3.1	3.1
Average Length of Stay (Nights)	4.1	4.3[4]	5.4
Average Daily Expenditure/ Person	$7.10	$9.91[4]	$14.00
Region of Origin	%	%	%
Maritimes	40	36	37
Rest of Canada	30	36	31
United States	30	28	32
Frequency of Visit	%	%	%
First	51	52	43
Repeat	49	48	57

[1] Compiled from Acres Research & Planning Ltd., Recreation-Tourism in P.E.I., Toronto, 1967.

[2] Derived from: Tourist Exit Survey, 1971.

[3] Information supplied by Department of Tourism, Province of Nova Scotia.

[4] Derived from data on all visitors, including those travelling by Commercial airlines.

Finally, Table 4 contains data on the frequency of visits by tourists. Without significant changes between 1965 and 1971, the Table shows that a larger portion of Nova Scotia tourists were repeat visitors. Nova Scotia was more successful in attracting and holding its tourists. Moreover, notwithstanding comparisons between P. E. I. and Nova Scotia, if one takes the "repeat proportion" of 1971 and subtracts those who were visiting relatives, travelling on business or commuting (see Table 2), it would seem that only 22 per cent of the repeat visitors to P. E. I. are being attracted to the Island's tourist facilities.

In much of the literature and commentary on tourism in P. E. I., the province's lack of success in attracting high-spending tourists is attributed to the large proportion of campers and cottagers amongst tourist arrivals. The argument is supported by data which show that campers and cottagers spend less than tourists who reside in hotels and motels. The argument takes a different perspective, however, if we compare Nova Scotia and P. E. I. with respect to the type of accommodation used by overnight visitors (see Table 3). In P. E. I., 33. 3 per cent of the tourists stayed in hotels/motels and 32. 9 per cent stayed in camping grounds. The comparable statistics for Nova Scotia show that a smaller proportion of the visitors stayed in both categories of accommodation, 29. 6 per cent stayed in hotels/motels and 26. 1 per cent stayed in camping grounds. Yet visitors to Nova Scotia spent significantly more per diem than visitors to P. E. I.

We conclude that a major reason for the failure of P. E. I. to attract and hold high-spending tourists stems from the lack of opportunities for spending (supply of services on P. E. I.) rather than some innate quality of the tourists and their demand for services.

The data presented thus far strongly support the claim that the tourist industry in P. E. I., although substantial in size, has not succeeded in developing a form of "product differentiation". It is merely an adjunct to the larger regional tourist area of the Maritimes and the New England states.

There are two possible conclusions: an optimistic one which suggests that there is a hugh potential for future development of tourism in P. E. I. and a pessimistic one which acknowledges the dangerous uncertainties attached to tourism on the Island.

3. The Activities Of The Provincial Department Of Environment And Tourism

Tourism depends, to a great degree, on promotion and planning in the public sector. Therefore, it is appropriate to examine the activities of the Provincial Department of Environment and Tourism in relation to our overview description of tourism in P. E. I. It is not our intention to do a critical analysis of this Department's activities. Nor do we wish to provide comprehensive descriptions of all programs. Instead, we identify the major philosophy of the Department and those programs which relate to our assessment of the current needs in the P. E. I. tourist industry.

During the past five years, the Department of Environment and Tourism has undergone a substantial structural change, dedicated to modernization and revitalization of its activities. During this period, the Department has moved into a more active role in the encouragement and maintenance of a tourist industry which would reap the maximum benefits for the province. Two programs contributed to this change: an administrative reorganization and a research program designed to develop new policy initiatives for tourism. The Tourism Exit Survey of 1971 was a major contributor to the new research program.

The philosophy of the Department of Environment and Tourism is summarized in the Department's brochure, "Policy and Program: Recreation and Tourism Sector", published in December 1971. It states:

> "Development philosophy... centres upon reducing current economic barriers related to the viability of private developments, expanding the potentials of development to include a broader portion of the Island's tourist/recreation resources, to maintain a quality environment and enhance visitor experience.
>
> ...The core belief is that the system is not just the creation of super parks throughout the Island but a network of activity spaces each functionally related to the whole.
>
> The basic strategy of the development plan remains intact: lengthening of the tourist season, inducing the tourist visitor to stay longer, encouragement of tourists in the higher expenditure categories, and the establishment of zoning and quality controls. The development philosophy emphasizes the interrelated character of all elements of the development programs."

The Department's philosophy is represented in two programs, currently being planned for the 1973 tourist season, i. e:

- The Fly/Drive Package Tour. In co-operation with Eastern Provincial Airlines and a number of commercial tour companies, the Department has developed a number of package tours in an effort to attract higher spending, longer staying tourists. This strategy is supported by Tourist Exit Survey data which show that air travellers tend to spend more than automobile travellers. In a similar vein, there is at present an attempt to promote cruise ship visits.

- <u>Tourist Reservation System</u>. A new accommodation reservation system called "Dial-the-Island" has been designed to go into operation on June 1, 1973. This system allows the potential visitor to the Island to place a toll-free call to a central reservations office from any telephone in New Brunswick and Nova Scotia. The caller will be advised of the availability of accommodation at the location of his choice, and can immediately confirm his reservation. The system is designed to reduce the tourist's uncertainty about accommodations on the Island, and make tourists aware of alternative accommodations when their first choice is fully booked.

The tourist development philosophy and the two programs described above, help illustrate the new planned direction for tourism in P. E. I. They imply that P. E. I. is more than a beach resort and there exists a number of diversified activities for tourists. This policy philosophy has important implications for the Charlottetown area, which we feel can be the single most important diversifying factor for tourism in P. E. I.

4. The Economic Impact Of Tourism On Prince Edward Island

To assess the economic value of any industry, we examine two of its qualities, i. e:

- the amount of employment, and
- the income generated by the industry.

The analysis of employment generated by the tourist industry is essentially static and offers no more than a snapshot view of employment supported by the industry over a particular period of time. Table 5 presents information of the man-weeks of employment attributable to tourism in P. E. I. in 1966, separating employment by industry sector and type of employee. Also, we have extrapolated this information to estimate employment supported by tourism in 1971. There were approximately 62,000 man-weeks of employment generated by the tourist industry in 1966. More than two-thirds of this employment occurred in the accommodations and restaurant sectors. In 1971, we estimate that this has increased to 93,662 man-weeks.

A number of disturbing themes are revealed in Table 5, reflecting on the economic value of tourism, i. e:

- Although 93,662 man-weeks of employment were attributable to the tourist industry, 40,292 man-weeks are for seasonal and part-time employees.

- The tourist industry supported virtually no full-time employees and only 1,136 seasonal man-weeks of employment in the economically vital sub-sectors of manufacturing, wholesaling, and banking.

From data on employment maintained by tourism, we can infer that tourism has had something less than an overwhelming effect on the economic development of P. E. I. The industry has a pronounced seasonal orientation. It is probable that the large demand for seasonal employees places a severe strain on the labour market and acts as a constraint on all industries, especially agriculture, during the critical peak season period of its operation.

Finally, it does not seem probable that the tourist sector, in acting as a "leading sector" is promoting a wide range of economic activities which may be ultimately important to the economic development of the Island.

TABLE 5

MAN WEEKS OF EMPLOYMENT ATTRIBUTABLE TO RECREATION-TOURISM PRINCE EDWARD ISLAND

Description	1966					1971* Equivalent by Category
	Managerial	Full-time	Part-time	Seasonal	Total	
Accommodations						
Hotels	679	2,700	558	2,326	6,263	
Motels (12 months)	1,794	4,100	1,300	1,222	8,416	
Cottages	2,202			2,040	4,251	
Tourist homes	1,480				1,480	
Private parks	151			509	660	
Total	6,306	6,800	1,858	6,106	21,070	31,605
Restaurant	450	17,524	875	2,790	21,639	32,459
Deep-Sea Fishing				140	140	210
Parks						
National	300	480		1,900	2,680	
Provincial	25	183		990	1,198	
Total	325	663		2,890	3,878	5,817
Transport						
Borden Ferries				4,900	4,900	
Northumberland Ferries				1,880	1,880	
Island Motor Transport				75	75	
Eastern Provincial Airways				15	15	
Total				6,870	6,870	10,305
Amusement and Entertainment**						
Clubs		468	312	260	1,040	
Theatres		1,040	286	286	1,612	
Museums	72		26	177	275	
Miscellaneous Entertainment	164	1,404	404	1,470	3,442	
Total	236	2,912	1,028	2,193	6,369	9,554
Provincial Government						
Travel Bureau	104	208	100	420	832	
Sanitary Engineering		52			52	
Total	104	260	100	420	884	1,326
Communications						
Island Telephone				455	455	683
Manufacturing				854	854	1,281
Wholesaling				222	222	333
Banking				60	60	90
Total				1,136	1,136	1,704
TOTAL -- all sections	7,421	28,159	3,861	23,000	62,441	93,662
1971 TOTALS -- by section	11,131	42,238	5,792	34,500	93,662	

* Estimated with an inflation factor of 1.5, which represents the increase in tourist visits between 1966 and 1972.
** Excluding Confederation Centre

Source: Acres Planning and Research Inc., The Development Plan, Appendix 4.

Another approach to evaluating the impact of tourist spending on P. E. I. assesses the income generated by the infusion of tourist dollars. It should be noted that in economic terms, employment and income-generated are similar views from two different perspectives.

5. Direct Income General: The Tourist Expenditure Multiplier

An analysis of income generation begins with the concept of the income multiplier and expenditure leakages from the domestic economy. Leakages occur when tourist expenditures purchase imports to the Island economy. A portion of the tourist dollar is simply transferred, through local entrepreneurs, to other parts of Canadian or foreign economies. The multiplier is based on the principle that a new expenditure will percolate through the economic system and, while losing its impetus through leakages at each "round of expenditure" will eventually create more income than was originally injected into the system. Thus, the larger the leakages, the smaller the multiplier. For example, consider the expenditure of a tourist dollar in a P. E. I. restaurant. Some portion of that dollar will be appropriated by: wages and salaries of employees, profits of employers, domestic goods and services, imported goods and services, and various forms of taxes.

The portion appropriated by domestic users will be re-used according to the consumption pattern prevailing in the economy. Again, at this second round of expenditure, some portion of the income supports domestic producers while another portion purchases imports. Calculating the multiplier involves analyzing the distribution of expenditures at each round, separating out those expenditures lost through leakages, and summing the dwindling amounts which continue to be re-injected into the domestic economy at each round of expenditure.

In 1969, Jean L. Herivault of the Department of Economics, University of Prince Edward Island, completed a study of the multiplier effect of the tourist industry in P. E. I. He concludes that the multiplier falls in the range of 1. 22 to 1. 34, but because of the prominence of imports in the P. E. I. economy, $1. 00 spent in the tourist industry represents only 50 cents to 70 cents increase in gross provincial product. These findings suggest that tourism is presently not playing an important role in the economic development of P. E. I.

Since the primary focus of this study is the Charlottetown area and not tourism in P. E. I., we will not attempt to replicate Herivault's analysis of tourist expenditure multipliers in the provincial economy. Instead, we develop a simpler approach to assessing the impact of tourist expenditures on particular sectors of the economy, and disregard the question of the impact of tourist expenditures on the economy as a whole. Our simplified framework is more suitable for the development of strategies in the tourist industry.

Table 6 contains summary data on the estimated impact of tourist spending on the P. E. I. economy in 1965 and 1971. Column 3 represents the percentage of the tourist dollar remaining in the P. E. I. economy after the first round of expenditure. Calculations are performed to transform estimates of expenditure patterns by tourists in 1965 and 1971, into estimates of the impact on the P. E. I. economy in the two periods. The summation of the two columns shows the proportion of the tourist dollar which goes directly into the P. E. I. economy after the first round of expenditure. Our data shows that 54. 1 cents of every 1965 tourist dollar and 55. 9 cents of every 1971 tourist dollar remained in the Island economy after the first round of expenditure.

It should be noted that the basis for the computations in Table 6 is a drastically simplified model of the P. E. I. economy. This is especially true for estimates of leakage proportions, which assume that there has been no fundamental structural change in the import replacement capacity of the Island economy. This seems to be a reasonable assumption.

TABLE 6

ESTIMATED IMPACT OF TOURIST SPENDING ON THE PRINCE EDWARD ISLAND ECONOMY 1965 AND 1971

Category Of Expenditure	Per Cent of Total Tourist Spending		Per Cent Entering P. E. I. Economy		Estimated Impact On P. E. I. Economy[1]	
	1965	1971		Notes	1965	1971
Accommodation	28	24	75	(2)	21.0	18.0
Transportation	16	15	25	(3)	4.0	3.8
Restaurants	16	23	55	(4)	8.8	12.7
Groceries	14	11 (8	40	(5)	5.6	3.6
Alcoholic Beverages	5	(3	20	(6)	1.0	0.6
Handcrafts	7	9	80	(7)	5.6	7.2
Amusement and Entertainment	7	8	75	(8)	5.3	6.0
Miscellaneous	7	10	40	(9)	2.8	4.0
TOTAL	100	100			54.1	55.9

Sources: 1965 data calculated from Acres Research Planning Ltd., ibid, Tables 4-10 and 5-8; 1971 data derived from 1971 Tourist Exit Survey.

[1] These columns should be read as: For every dollar spent by tourists in 1965, 21.0 cents went directly into the P. E. I. economy through accommodations......etc.

Please see notes on following page.

NOTES TO TABLE 6

2. On the basis of Table 5-8 of the Acres study, an estimated 40 per cent of the cost of providing accommodation consists of supplies, fuel and other goods. From Table 3, we note that 90 per cent of all non-food products are imported. Thus, about .9 x 40 = 36 per cent of the accommodation expenditure goes for imports. However, the distribution of these goods does provide some income for the Prince Edward Island economy. Hence, we estimate about 75 per cent of the accommodation expenditure enters the Prince Edward Island economy.

3. The transportation expenditure is assumed to be primarily gasoline. The local distribution costs and provincial tax revenues are estimated at 25 per cent.

4. Table 5-8 of the Acres study shows that over 70 per cent of a restaurant's costs are for supplies. These are assumed to be food and beverage products, of which about 60 per cent are imported. So almost 45 per cent of the restaurant expenditures are for imports and about 55 per cent enters the local economy.

5. About 60 per cent of the food and beverage products are imported. Hence, even including local distribution costs, only about 40 per cent of the grocery expenditures enter the Prince Edward Island economy.

6. The distribution costs and provincial taxes on alcoholic beverages are estimated at 20 per cent.

7. We assume that 80 per cent of all handcrafts are produced locally.

8. Most amusements and entertainments require some charge to external agencies. For example, film rental fees and charges for external performers represent leakages from Prince Edward Island. We estimate the leakage on this item at 25 per cent.

9. Estimated on the basis that 80 per cent of all goods consumed on the Island are imported and an average retail markup of 20 per cent is charged by all local merchants.

Yet the absolute accuracy of the actual quantities, 54.1 cents and 55.9 cents is suspect. Nevertheless, the model is valid for comparisons of 1965 and 1971, as an indication of the direction of change.

The P.E.I. economy is becoming more successful in attracting tourist dollars which have a greater impact on economic activity through the multiplier effect. Comparing the first two columns, which show the proportion of tourist dollars spent on various tourist activities, illustrates the nature of this change. Changing consumption patterns of tourists has assisted the economic development of P.E.I. Tourists in 1971 are spending a larger portion of their money on restaurants, handcrafts, and entertainment, all of which have a positive effect on the multiplier, given the low import leakage in those sectors.

Two questions are raised by this analysis; both are vital to the development of tourist development strategies for P.E.I. and the Charlottetown area, i.e:

- Are the changes in tourist consumption patterns supply or demand-activated? In other words, are tourists spending more money in restaurants because of a fundamental change in tourist demand for services, or has this happened in P.E.I. because more attractive restaurants have become available?

- If the change in consumption patterns is demand-related, can we expect the market to respond effectively? Distortions in the market, such as constraints on the supply of capital, traditional entrepreneurship, immobility of labour, etc., will limit the response to new investment opportunities.

6. The Value Of Tourism For Balanced Economic Development In Prince Edward Island

From the preceding sections on the economic impact of tourism on P. E. I., we have been able to identify two measures of economic value, i. e:

- We estimate that for 1971, 93,662 man-weeks of employment were generated by the tourist industry in all categories of part and full-time work. In full-time categories, including managerial employment, the industry accounts for 53,370 man-weeks, or approximately 1,026 full-time equivalent employees. Assuming that the labour force in P. E. I. is 37,000 persons, tourism accounts for 4.9 per cent of the Island employment.

- In 1971, tourist spending totalled $15.6 million. However, we estimate that 44.1 per cent of every dollar spent was "leaked" out of the local economy on the first round of expenditure. With an estimated multiplier of 1.34, tourist spending accounts for $11,685,000, or 3.4 per cent of gross provincial product.

There are limitations to the use of the income multiplier concept for analyzing tourist expenditures. These limitations enhance the importance of economic linkages in the development of a tourist development strategy. The multiplier concept is essentially static. It assumes that <u>changes</u> in expenditures will be used in the economy in the same manner as existing expenditures. The multiplier assumes that supply and demand are always in balance within the economy.

The following example illustrates the difference between multipliers and economic linkages. Suppose a shift occurs in tourist expenditure habits and visitors to P. E. I. spend a larger portion of their expenditures in the restaurant sector.

Our simple multipler concept shows that only 55 per cent of expenditures in restaurants enter directly into a second round of expenditure on the Island. The remaining 45 per cent pays for "imports", which are not presently produced locally. A large portion of these imported goods are processed food stocks such as bread, canned items, fruits, vegetables and meat products. A tourist development strategy, based on the multiplier concept, recommends that tourism be encouraged in areas where the multiplier is high.

But the logic of the multiplier exercise rests on the assumption that the 45 per cent "leakage" from expenditures on restaurants is a given fact of life. The long term result of increased expenditures in the restaurant sector may decrease the size of the leakage, hence increase the multiplier effect, if entrepreneurs respond to new profit opportunities from the increased tourist expenditure. This is the linkage concept! It is defined as the inducement to invest in secondary or support economic activities resulting from increased expenditures in other areas.

Therefore, tourist development strategies must recognize the existence of economic linkages which may promote the development of secondary industries. Such a strategy requires a hard assessment of the future economic potential in the various secondary industries which may be supported by expansion in the tourist sector.

We propose to develop a new strategy for the tourist industry in the Charlottetown area, which begins with an assessment of multipliers in the various tourist-support industries. Essentially, this will be an assessment of the present capacities of the support sectors. Next, we will define a specific strategy for the entire tourist industry in conjunction with our assessment of the potential future growth in each of the support industries. Thus, in our analysis we will prescribe a strategy which is derived from a consideration of both the multiplier and economic linkage elements and their contribution to the total economic development of P. E. I.

The next step in this analysis requires an assessment of the role of the Charlottetown area in the P. E. I. tourist sector.

7. Conclusions

From this review of data on tourism in P. E. I., we make a number of basic conclusions about the nature of the industry, i. e:

- Tourist demand is subject to annual fluctuations. Nevertheless, the tourist industry has expanded rapidly in P. E. I., showing an average annual increase in tourist arrivals of 10 per cent.
- The P. E. I. tourist industry must be viewed as a component of the larger Maritime tourist sector from which P. E. I. derives a large portion of its tourists.
- Compared with Nova Scotia, tourists spend less time in P. E. I., and less money per day. In addition, P. E. I. receives relatively few "repeat" visitors. This suggests that, despite the high volume of tourist visitors, there is relatively little for tourists to do while visiting the Island.
- Tourist demand is highly seasonal, with the major portion of visitors arriving in July and August. This causes severe strain on the labour market.
- The economic impact of tourism, as assessed by the income multiplier or employment generated by tourism, is relatively low in P. E. I.
- However, time series data show that tourist consumption patterns are changing and improving the income multiplier.

From the observations and inferences made from our examination of data on the tourist industry in P. E. I., we make three general recommendations for a tourist development strategy. These recommendations will have an important influence on our assessment of tourism in the Charlottetown area. They are:

- To ensure stability and growth in tourist demand, the province must seek to establish its "uniqueness" and reap the benefits of "product differentiation".

- From the standpoint of supply of services, there is an apparent lack of general tourist entertainment services on the Island. This matter should be investigated with a view to establishing a more comprehensive set of services which would attract more tourist dollars to the economy.

- The tourist development strategy is more than an assessment of the tourist sector. It should extend into the non-tourist areas of the economy with an assessment of the potential economic linkages related to an increase in tourist demand.

D. DEMAND FORECAST FOR TOURIST VISITORS TO PRINCE EDWARD ISLAND

Demand forecasts are essential elements in all types of economic studies. One produces demand forecasts for tourism to: estimate future capital and operation requirements for the industry, learn more about its nature, or the conditions under which tourists arrive so that the product can be made more attractive and more successfully exploited.

In this study, we carry out a demand forecast mainly to assist us in the interpretation of tourism in P. E. I. We are trying to understand its nature, and the boundaries or parameters for growth over the next 15 years. We are under no illusion that the numbers generated in this exercise will accurately predict the future.

1. The Conditions Of Demand For Tourism In Prince Edward Island

To understand tourism in P. E. I., we must recognize the tourist industry as a "system". The elements of this system are individual tourists who are faced with a range of competing opportunities for pleasure and recreation. Each tourist has a set of criteria by which he evaluates the strength and attractiveness of the recreational opportunities. Depending on how he assesses these criteria, and weighs them in his personal deliberations, he makes an individual decision on his holiday plans. Millions of individual tourists make their own individual decisions, and collectively they carry out their plans. A tourist pattern emerges from these individual decisions.

To determine the nature of the tourist pattern for any place, at any point in time, we separate the decision criteria and look at their impact on holiday plans. The most important criteria are:

a) Distance

In a previous technological age, distance was an important determining factor in holiday planning. This remained true when the automobile became the predominant form of transportation by tourists. The farther the distance to the final destination, the more time and discomfort was required for the vacation. Distance could be considered as an overhead expense on the vacation. However, with the advent of the aeroplane as a primary mode of long distance transportation, the meaning of distance as a criterion of selection for particular vacations has become much more complex. Time is no longer a limiting factor. Distance can be directly transformed into dollar overhead costs on the vacation. The complexity of this element increased as transportation/accommodations/final destination tour packages were developed, smudging the relationship between distance and travel costs in the total cost of the vacation.

b) Disposable Income

As people become more affluent, they can afford longer vacations and to travel longer distances for recreation purposes.

c) Population

The size of the total market population has a clear and obvious impact on tourist demand. However, the structure of the population, including its age and sex distribution, as well as the rate of family formation and the size of families, also has an important impact on the nature of demand for tourism.

d) Availability Of Discretionary Leisure Time

Increased availability of discretionary leisure time not only increases tourist demand, but changes its structure. As people move through two, three, to four and five week vacations, they become less interested in short "final destination vacations" and more interested in owning some recreational facilities such as a cottage, a yacht, or a camping trailer. The four-day week will have a similar destabilizing effect on tourist demand.

e) Relative Attractions And Interests Of Travellers

Each vacation area has some primary focal set of attractions. People's interests change. As the hula-hoop came and went in the North American culture, so does recreational interest in particular types of recreational activities.

The short description of the five basic elements which determines the pattern of demand in the tourist industry, serve to illustrate its complexity. They also indicate the difficulty of deriving accurate forecasts of future demand.

There are three different types of forecasting methodologies. These are:

- Simple extrapolation of past trends into future periods. This technique disregards the determinants of demand, and assumes that all will continue as it has in the past.
- A prediction model based on statistical analyses of all factors which determine demand, and deriving quantified relationships between these factors and final demand. Traditionally, multiple regression techniques are used in this methodology and an equation is defined which states: future number of tourists is determined to some "x" extent by future income levels, some "y" extent by future population, some "z" extent by average length of the work week, etc.
- A simplified prediction model is the application of ratios of population to past experience in tourism to forecasts of future population. The ratio method has the advantage of using the vital population determinant of future demand to estimate the potential tourist demand for future periods.

In the following section, we propose to apply all methods to forecast tourist demand in P. E. I. Thus, we will produce three separate forecasts for P. E. I. Although the procedure is not designed to provide forecasts to a high degree of accuracy, it will focus on the potential tourist market from which P. E. I. draws its tourists. Thus, we will highlight the potential and boundaries of future tourist demand in P. E. I.

2. A Tourist Demand Forecast For Prince Edward Island

Some approximation of future tourist demand is derived from an extrapolation of past data on tourist arrivals. Table 1 gives aggregate tourist visits to P.E.I. since 1960. It shows that tourist demand has expanded at an average rate of 10 per cent per annum. We extrapolate this simple growth rate for 1976, 1981 and 1985, and the results are shown in Table 7. The 10 per cent growth rate is massive. It shows tourism volume more than doubling in a fourteen-year period. One suspects that capacity constraints such as accommodations, ferry service, and other tourist amenities will significantly dampen the growth rate. Table 7 shows the effect of extrapolating at a lower 8 per cent average growth rate. The result is still a significant 1,290,000 tourists by 1985.

TABLE 7

SIMPLE EXTRAPOLATION OF TRENDS IN TOURIST VISITS TO PRINCE EDWARD ISLAND[1]

	Extrapolated At 10 Per Cent	Extrapolated At 8 Per Cent
1971	608,000	608,000
1976	913,000	852,000
1981	1,217,000	1,095,000
1985	1,460,000	1,290,000

[1] Note: Any extrapolation of historical data always resembles a "sleight of hand" exercise. Consequently, little credibility should be attached to these exercises. For example, if we extrapolate historical data on P.E.I. on a compound interest basis, the 1985 forecast would be incremented by over 1 million visitors.

Although overly simplistic as a basis for analysis of future demand, the extrapolotion method establishes some sort of boundary on our expectations: we expect that by 1985, P. E. I. will receive between 1. 3 and 1. 5 million tourists per annum.

In 1969, a comprehensive approach to forecasting tourist demand was taken in a study prepared for the Atlantic Development Board.[1] The study assessed the determinants of tourist demand in Nova Scotia and developed regression models to show the extent to which the following variables affected tourist arrivals:

- population, by age and region,
- disposable income,
- changes in transportation costs,
- length of the work week.

The Nova Scotia study report is a lengthy volume containing much statistical data and commentary on the validity of the various determinants of demand. It concluded that Nova Scotia's tourist demand can be expected to increase by a compounded average rate of 4 per cent per annum.

If we accept the Nova Scotia study results as authoritative and reasonable, they can be applied to estimate demand in P. E. I. This is shown in Table 8. The P. E. I. estimate is derived from the ratio of tourists in P. E. I. and Nova Scotia. From historical data, we note that this ratio was 39.0 per cent in 1966 and 45. 4 per cent in 1971. For the demand forecast we extrapolate this ratio to 1985.

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[1] Reference: Atlantic Development Board, Tourism and Recreation in Nova Scotia, New Brunswick and Newfoundland: Demand and Economics, 1969.

Our ratio method forecast estimates 1985 tourist demand in P.E.I. at 1,462,000. This assumes that the ratio of tourists in P.E.I. and Nova Scotia will rise to 63 per cent in 1985. This fits into our initial extrapolated range of 1.3 to 1.5 million tourists per year by that date.

TABLE 8

FORECAST OF TOURISM IN PRINCE EDWARD ISLAND USING THE NOVA SCOTIAN BASE ANALYSIS

	Nova Scotia	Ratio	P.E.I.
1966	1,000,000	39.1	391,000
1971	1,340,000	45.4	608,000
1976	1,630,000[1]	51.7[2]	843,000
1981	1,984,000	58.0	1,151,000
1985	2,321,000	63.0	1,462,000

[1] Assuming a 4 per cent annual increase.

[2] P.E.I./Nova Scotia ratio is extrapolated.

The two demand forecasts seem reasonably consistent with each other. Next, we prepare a forecast which is more general is nature, and reveals more about the future of tourism. We begin with estimates of the "attractiveness" of vacations to Canadians. Table 9 shows the proportion of Canadian adults who took holidays, by region and annually, between 1966 and 1970. The data show that the proportion is steadily increasing; this is particularly pronounced for Canadians from Quebec and Ontario, the largest source of tourists for the Atlantic provinces.

Next, Table 10 shows the mode of transportation used by Canadian travellers. The data show that automobiles are the principal mode of transportation for Canadian travellers, but that both automobiles and trains are steadily losing ground to the aeroplane as holiday modes of transportation.

Mode of transportation is particularly important in the Atlantic provinces for the following reasons:

- The Atlantic provinces are located on the periphery of one of the world's largest concentrations of population. They are close enough to attract automobile travellers for medium-stay vacations (one week or more), but too far to warrant weekend trips by that mode of transportation.

- The growth of population of the aeroplane as a mode of transport for vacationers has been caused by the relative decline of aeroplane fares in conjunction with a growth in popularity of international short and medium-stay vacation spots. The Atlantic provinces have not shared in this market. In part, because of price. It costs as much to fly Toronto-Nassau as Toronto-Charlottetown. Also, the new air flight tourist market is mainly composed of young childless couples, looking for an exotic vacation. In this respect, the Atlantic provinces cannot compete with international vacation spots. These comments are reinforced by data showing tourist arrivals by air in P. E. I. The proportion has only increased from 1.1 per cent to 2.2 per cent between 1960 and 1971.

Where do Canadian tourists travel? Data illustrating travel patterns of Canadians are found in Table 11. The data show that there has been a decrease in the proportion of Canadian travellers taking vacations in Canada except:

- The Atlantic provinces showed a slight increase of one percentage point; this was derived entirely from an increase in P. E. I.

TABLE 9

PROPORTION OF CANADIAN ADULTS WHO TAKE VACATIONS 1966-70

REGION	Percentage Of Canadian Adults, Age 18 And Over, Who Took At Least One Vacation				
	1966	1967	1968	1969	1970
Canada	52	56	54	55	58
Atlantic Provinces	41	46	38	39	46
Quebec	49	49	56	55	59
Ontario	56	61	54	59	62
Prairies	50	58	53	51	56
British Columbia	59	65	60	60	61
Proportion Of Total Who Took A Vacation Trip In Canada	46	50	44	49	54

Source: Canadian Government Travel Bureau.

TABLE 10

TRANSPORTATION MODE USED BY CANADIAN TRAVELLERS 1966-70

Mode	1966	1967	1968	1969	1970
	%	%	%	%	%
Automobile	73	71	73	70	67
Aeroplane	10	13	13	17	17
Train	8	9	7	6	5
Bus	7	6	4	5	7
Other	2	1	3	2	4

Source: Canadian Government Travel Bureau.

TABLE 11

AREAS VISITED BY VACATIONING CANADIANS

Areas Visited Overnight or Longer	Percent of Total Trips				
	1966	1967	1968	1969	1970
Canada only	69	75	70	69	69
Canada at all	- -	82	78	75	74
Atlantic Provinces	-	7	8	8	8
Newfoundland	2	1	2	1	2
Prince Edward Island	1	1	1	2	2
Nova Scotia	4	3	4	3	4
New Brunswick	4	4	4	4	4
Quebec	18	32	20	21	19
Ontario	32	31	31	27	28
Prairie Provinces	-	17	17	16	15
Manitoba	5	5	5	5	5
Saskatchewan	7	7	6	6	5
Alberta	11	12	11	9	8
British Columbia	14	15	15	15	13
Yukon/N.W.T.	*	*	*	*	*
Continental U.S.A. (including Alaska)	25	20	24	23	23
All other Countries	6	5	6	8	8
Any "other" province	-	-	-	30	28

* Less than 1%.

- All other areas showed a decrease.

Finally, what is the Canadian population base from which Canadian tourism is derived? Table 12 provides a forecast of Canadian population, by age group, to the year 2001.

If our forecast of Canadian population is correct, it has important implications to the future of tourism in the Atlantic provinces. The data show:

- A diminishing proportion of the population in the 0-4 age cohort. This has serious implications for tourism in P. E. I. where a large proportion of the visitors are travelling with their families.

- An increasing proportion of the population will fall in the 65+ age cohort. We expect that this will have a positive effect on tourism in P. E. I. to the extent that retired people seek cottage/beach/resort holiday activities.

We now have sufficient information on demographic trends and holiday patterns by Canadians to perform an additional forecast of tourist demand in P. E. I. using another method of projection. This forecast is summarized in Table 13. The methodology used is as follows:

- Population is forecast to 1985.

- Survey estimates of the proportion taking vacation trips are taken and extrapolated to 1985. From this we estimate the total number of Canadians who will be taking vacation trips, to 1985.

- Finally, we take actual visitors to P. E. I. in 1971 as a proportion of the total vacation trippers. This proportion, 5.1 per cent, is assumed to be constant and used to derive forecasts of tourists in P. E. I. to 1985.

TABLE 12

FORECAST OF CANADIAN POPULATION BY AGE GROUP, TO THE YEAR 2001[1]

Year	Total '000	0-14		15-64		65+	
		'000	%	'000	%	'000	%
1971	21,569	6,201	28.7	13,599	63.0	1,769	8.3
1976	23,023	5,913	25.7	15,128	65.7	1,983	8.6
1981	24,727	6.067	24.5	16,384	66.4	2,243	9.1
1986	26,557	6,892	26.0	17,177	64.6	2,488	9.4
1991	28,304	7,477	26.4	18,049	63.8	2,778	9.8
1996	29,874	7,656	25.6	19,237	64.4	2,982	10.0
2001	31,395	7,663	24.4	20,616	65.7	3,117	9.9

1 Assuming net migration of 30,000 and crude fertility rate of 2.42.

Source: Stevenson & Kellogg, Ltd. from Statistics Canada sources.

TABLE 13

TOURIST DEMAND FORECAST FOR PRINCE EDWARD ISLAND USING TOTAL POPULATION FORECAST

Year	Population	Number Taking a Vacation Trip		Number of P. E. I. Tourists	
	'000	'000	%	'000	%
1971	21,570[1]	11,864	55[2]	606	5.1[3]
1976	23,030	16,351	71	834	5.1
1981	24,730	21,515	87	1,097	5.1
1985	26,200	26,200	100	1,336	5.1

1 See Table 12.

2 Extrapolated, increased proportion of Canadians taking vacations. See Table 9.

3 Forecast mode assuming that P. E. I. "holds its own" in attracting tourists.

Note: A Canadian population forecast is used as a basis for the tourist demand forecast. This simply assumes that the proportion of Americans to Canadians visiting P. E. I. remains the same and U. S. population will increase at the same rate as Canadian population.

From the new estimation procedure, we forecast 1,336,200 tourists for P.E.I. in 1985.

Three separate measures of future tourist demand have been developed. They are summarized below:

ESTIMATES OF FUTURE TOURIST DEMAND

	1976	1981	1985
Method 1			
- 10%	913,000	1,217,000	1,460,000
- 8%	852,000	1,095,000	1,290,000
Method 2	843,000	1,151,000	1,462,000
Method 3	833,900	1,097,000	1,336,200

The results show a great deal of consistency, leading us to conclude that, if existing trends continue, P.E.I. has a potential for between 1.3 and 1.4 million tourists by 1985.

3. A Caveat On The Tourist Demand Forecast

Nobody can predict the future! We can only make reasonable estimates, based on the best information available to us at the present time. We have used a number of assumptions about the nature of the "tourist system". At this point, we should review these assumptions and their implications for tourism in P.E.I.

We can separate the determinants of future tourist visits to P.E.I. into two categories--demand and supply factors. We have considered demand factors in our analysis. We have assumed that trends in demand factors will continue in the same direction and in the same order of magnitude as they have in the past. This is the only reasonable assumption that can be made.

However, we have made an equally powerful assumption about supply factors which may influence future tourist visitations. We assumed that supply will respond adequately to the increase in demand. In other words, our forecasts of tourists provide only an estimate of potential future visitors to P. E. I. They will not materialize if the supply of facilities to accommodate them does not increase at a competitive rate, and to a competitive level. The vital facilities are:

- accommodations,
- restaurants,
- ferry service,
- access roads,
- entertainment attractions,
- other tourist amenities.

We have used the term "competitive" to describe the required supply-response for facilities in P. E. I. It is important to realize that there is an active competition for tourist dollars, both internationally and within regions on a national scale. P. E. I. competes with Nova Scotia for tourists in the Atlantic provinces region, as does the region compete with other regions on an international scale.

The question of adequate supply-response is not only important for the accuracy of forecasts; it is a vital determinant of P. E. I.'s success in holding or expanding its share of the tourist market. The remainder of this study examines the question of "supply" in tourism with emphasis on the Charlottetown area as an important component of this industry.

E. TOURISM IN THE CHARLOTTETOWN AREA

In previous sections, we concentrated on describing the tourist industry in P. E. I. The sections ended with questions which underscored the importance of the Charlottetown area to the growth of tourism in P. E. I. Section C outlined some disturbing trends in the P. E. I. tourist industry and suggested that a more positive role for the Charlottetown area would provide the diversity required to prolong tourist visits and encourage a greater degree of spending by tourists. Section D took a global view of demand for tourism in the Maritime provinces, and concluded that P. E. I. was faced with a potentially large demand in the Maritime tourist market. Again, we concluded that there was an urgent need to provide "competitive" tourist services, and this would require a more important role for the Charlottetown area.

Here we assess the role of the Charlottetown area in the province's tourist industry. The first section assesses some statistics describing the Charlottetown area's present status as a tourist centre. Following that, we specify a more positive future role for the Charlottetown area, showing how improvements in tourist amenities within the Charlottetown area can benefit tourism in P. E. I.

1. Summary Statistics On Tourism In The Charlottetown Area

Table 14 presents data from the 1971 Tourist Exit Survey describing the dispersion of tourists in P. E. I. The data show that 86. 3 per cent spent some time in the Charlottetown area, while 26. 6 per cent indicate that they stayed overnight in the area. After making adjustments in the co-efficients and normalizing the proportions, we calculate that 27. 0 per cent of the total tourist time was spent in the Charlottetown area.

TABLE 14

DISPERSION OF TOURISTS
PRINCE EDWARD ISLAND
1971

Region	Travelled in Region	Estimated Total Time Spent in Region[1]	Stayed Overnight in Region
	%	%	%
West of Summerside	18.0	6.0	6.2
Summerside	45.4	13.5	12.6
Between Summerside and Charlottetown	89.4	36.2	44.5
Charlottetown	86.3	27.0	26.6
East of Charlottetown	59.3	17.4	16.0
	298.4	100.1	

[1]To estimate total time in region, we assumed that "travelled in region" represents one day and "overnight" represents three days, then normalized the resulting summations. This provides essentially the same results as normalizing the "travelled in region" column, i.e., changing 298.4 to 100.0 and adjusting each percentage accordingly.

Source: 1971 Tourist Exit Survey.

The proportion of the total tourist time spent in the Charlottetown area is a rough measure of its present importance to tourism in P. E. I. This is particularly obvious when we note that the total accommodations capacity of the Charlottetown area is in the order of 65,000 room-nights during the tourist season. This means that many tourists overnighting in areas outside the Charlottetown area, visit the area often for other purposes.

We highlight the importance of the Charlottetown area in Table 15, which shows estimates of tourist expenditures in the Charlottetown area in 1971. Here, tourist spending is separated into the seven traditional categories of Accommodations, Automobile, Food and Beverage, Restaurants, Handcrafts, Entertainment, and Other. The total P. E. I. tourist spending for all categories of expenditure is $15. 6 million. Next we estimate the proportion of the total spending in each category which is spent in the Charlottetown area. These are derived from taxation data. Following that, we compute total spending on each category in the Charlottetown area.

Our estimates show that of the $15. 6 million spent by tourists in P. E. I., $8. 606 million, or 55. 1 per cent is spent in the Charlottetown area. The two most important categories of spending are "restaurants" and the consolidated "handcrafts/entertainment/other" category. This reinforces the belief that tourists view the Charlottetown area as a centre for the purchase of a more sophisticated kind of service than is available in the outlying cottage and resort areas. The Charlottetown area provides a complementary set of diversified entertainment facilities.

Not all tourists are alike, in either their length of stay or spending habits. This is demonstrated in Tables 16 and 17.

TABLE 15

TOURIST EXPENDITURES IN CHARLOTTETOWN - 1971

Categories of Spending	P.E.I. % of Total Expenditure	P.E.I. Expenditure by Category ($'000)	Charlottetown[1] Area As A Percent of Total	Expenditure In the Charlottetown area ($'000)
Accommodation	24	3,744	53.0	1,984
Gas, oil and repairs	15	2,340	43.9	1,027
Food and beverage	11	1,716	44.2	758
Restaurants	23	3,588	58.5	2,099
Handcrafts	9	1,404		
Entertainment	8	1,248	65.0	2,738
Other	10	1,560		
	100	15,600		8,606 (55.1%)

[1]The Charlottetown proportion was computed from data provided by the Taxation Branch of the Provincial Department of Finance.

TABLE 16

NUMBER OF DAYS SPENT IN P. E. I. BY VISITORS BY MAIN PURPOSE OF TRIP

Purpose of Trip	Average	Number	Percentage
Convention	2.95	567	0.3
Business	3.27	14,963	9.2
Shopping	1.67	149	0.1
Visit Relatives	6.20	21,905	13.5
Other Personal	2.71	4,881	3.0
Outdoor Sport	5.57	11,391	7.0
Travel Educ.	10.87	143	0.1
Sightseeing	3.44	108,570	66.8
Total	3.96	162,569	100.0

Source: 1971 Tourist Exit Survey

TABLE 17

VISITORS' EXPENDITURES BY MAIN PURPOSE OF TRIP 1971

Purpose of Trip	Total by Party	Average # of Days	% in Each Group	Expen-diture per day	Per Diem Expenditure by Category						
					Accom-modation	Gas and oil	Food and Beverage	Restaurant	Recreation	Hand-crafts	Other
Convention	111.86	2.95	0.3	37.92	15.47	1.70	2.49	9.44	6.92	1.18	0.72
Business	82.70	3.27	9.2	25.29	7.41	3.79	2.19	9.37	1.76	0.80	-
Shopping	50.46	1.67	0.0	30.22	6.68	4.12	2.41	5.26	1.08	3.89	6.78
Visit Relatives	72.39	6.20	13.5	11.68	1.26	2.10	2.51	1.85	1.32	1.67	0.97
Other Personal	67.57	2.71	3.0	24.93	5.06	2.83	3.17	5.59	1.95	2.49	3.84
Outdoor Sport	122.54	5.57	7.0	22.00	4.38	2.77	5.01	4.71	2.50	1.21	1.42
Travel Educ.	232.31	10.87	0.0	21.37	7.36	0.73	9.87	1.77	0.24	2.17	-
Sightseeing	92.28	3.44	66.8	26.82	7.78	3.74	3.79	5.23	2.32	2.22	1.74
Entire Population	90.46	3.96	99.8	22.84	5.93	3.04	3.50	4.52	2.08	1.78	1.99

Source: 1971 Tourist Exit Survey.

Table 16 describes the average number of days spent in the province by visitors according to the purpose of their trip. The average length of stay is 3.96 days. Of the major categories of visitors, sightseers spend 3.4 days, tourists visiting relatives spend 6.2 days, those interested in outdoor sport spend 5.6 days, while business travellers spend 2.3 days. Although tourists travelling for education spend over 10 days on an average visit, the sample size is too small for significant inference.

In Table 17, we have estimated expenditures of visitors, by category of spending and according to the main purpose of their trip. The highest spending visitor is travelling for convention and conference purposes. He spends the major portion of his per diem expenditure on accommodations, restaurants, and recreation. Similarly, sightseers spend the largest amount on accommodations and restaurants, but at a much lower order of magnitude. As might be expected, tourists who are visiting relatives spend the least amount of money per day and almost an insignificant amount on accommodations.

A further important fact is revealed in Table 17. Conventioneers either travel alone or with their wives. Rarely do they travel with their entire families. In addition, they stay an average of less than three days. Consequently, on a per diem basis, they represent the largest and most important source of spending on tourism.

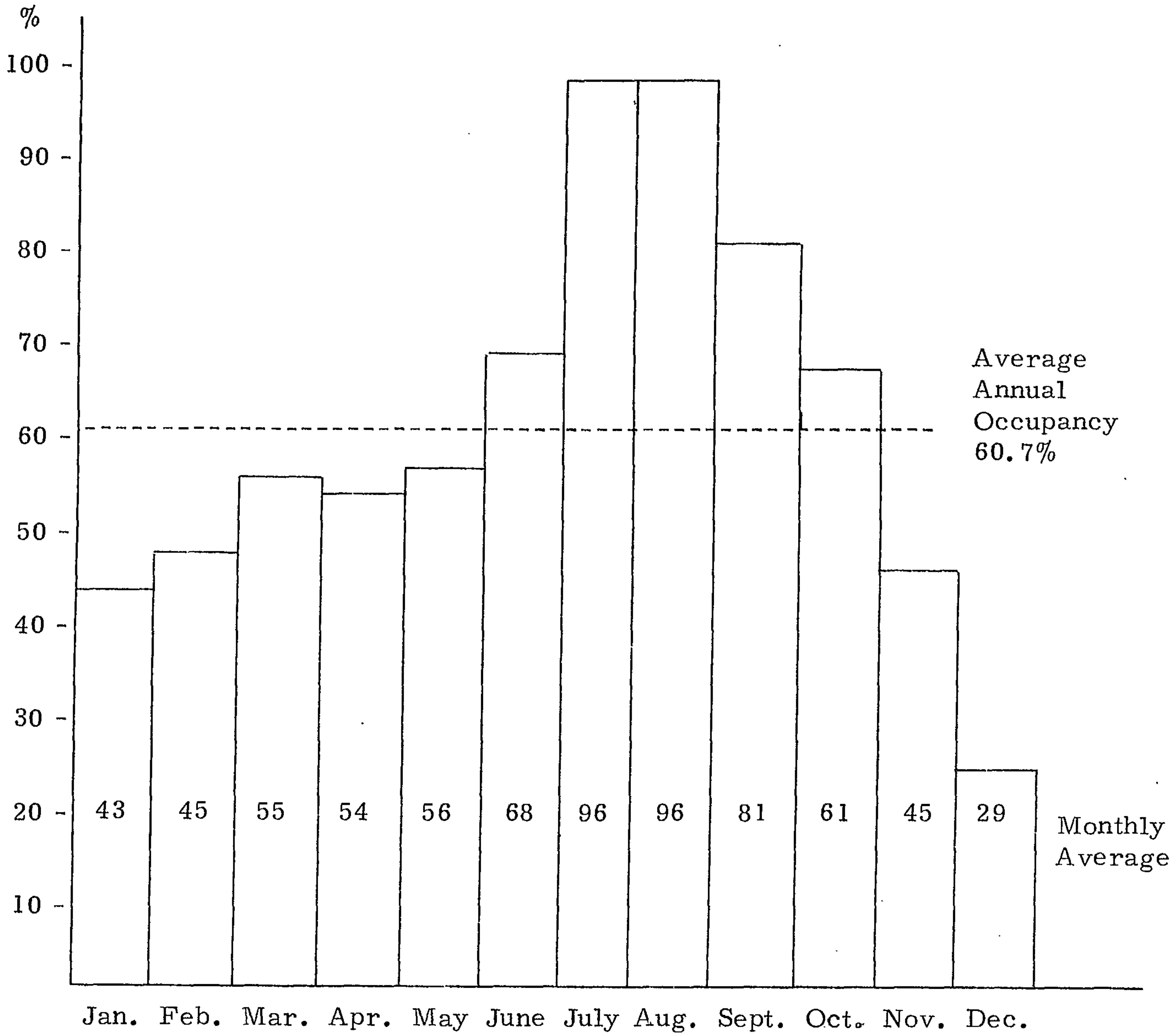
Although tourism in P.E.I. is characterized by severe "peaking" in visits, our estimates of occupancy levels in Charlottetown area hotels over 1972 indicates that a more constant level of operation is experienced in the accommodations sector. This is shown in Figure 2. Average occupancy for the Charlottetown area hotels is 60.7 per cent. Although occupancy in the month of December is a depressed 29.0 per cent, all other months of the year have at least 43.0 per cent.

There are two major inferences which can be made from our estimates on occupancy levels in Charlottetown area hotels, i.e:

FIGURE 2

HOTEL OCCUPANCY LEVELS IN THE CHARLOTTETOWN AREA[1]

1971



[1] Computed from data on occupancy in eight Charlottetown area hotels.

Source: Collected by Harold Verge and Associates, 1972.

- The accommodations industry in the Charlottetown area is characterized by reasonably high profits.

- Charlottetown area hotels are reasonably successful in attracting businessmen, conventioneers, and other types of visitors during the non-peak season.

A measure of the importance of tourism to the economy of the Charlottetown area is shown in Table 18, which describes estimates of the employment generated in the Charlottetown area by tourist spending in 1971. Our procedure for calculating the employment generation effects of tourist spending in the area is simple. We began with estimates of employment generated by tourist spending in P. E. I., calculated for the Economic Development Plan (see Table 5 in Section C), and extracted the proportion attributable to spending in the Charlottetown area (see Table 15 in this section). We calculate that 52,634 man-weeks of direct employment are generated by tourist spending in the Charlottetown area.

Assuming that the Charlottetown area labour force in 1971 was about 9,000 full-time employees, approximately 11.1 per cent of the labour force is directly employed as a result of tourist spending in the Charlottetown area.

Finally, we look at one other measure of the impact of tourism on the Charlottetown area. Since over 95 per cent of the tourists travelling to P. E. I. arrive by automobile, and over 86 per cent of them visit the Charlottetown area, there is a major traffic/parking problem in the city during the peak summer tourist season. We performed a simple general estimate to indicate the order of magnitude of the problem. This is shown in Table 19 below. We estimate that, on an "average day" in July, over 1,700 tourist automobiles compete for the limited parking space available in the Charlottetown area. This too, is subject to peaking. On rainy days this number is substantially increased.

TABLE 18

EMPLOYMENT GENERATED IN THE CHARLOTTETOWN AREA
BY TOURIST SPENDING
1971

Categories	P.E.I.[1]	Charlottetown Proportion	Charlottetown Man-Weeks
Accommodations	31,605	53.0	16,750
Restaurants	32,459	58.5	18,989
Entertainment	9,554	65.0	6,210
Provincial Government	1,326	100.0	1,326
Other (consolidated)	18,718	50.0	9,359
TOTAL			52,634

The Charlottetown area labour force is approximately 9,000.

Approximately 11.1% of the labour force is employed as a result of tourist spending.

[1] See Table 5 for source.

TABLE 19

PARKING DEMAND IN THE CHARLOTTETOWN AREA

Number Of:	
Tourists	600,000
Tourist Parties	171,400
Peak Month - 35%	60,000
Proportion visiting the Charlottetown area = 86%	51,000
Number of cars on an average day	1,720

2. The Role Of The Charlottetown Area In Prince Edward Island Tourism

From statistics presented in the previous section, we have concluded that the Charlottetown area plays a vital role for tourism in P. E. I. We now examine more carefully, the nature of this role and the degree to which improvements are necessary to make the best use of existing facilities.

Why does the Charlottetown area play its role in the tourist industry? First, we examine its physical attributes, relating to location and existing physical plant, and make inferences about "the facts of life" for tourism in the area. There are eight basic elements to the Charlottetown area's attractiveness as a tourist centre. These are:

a) Historic Setting

Most Canadians, and some Americans, know that the original agreement leading to the BNA Act was signed in Charlottetown in 1864. After two Centennial celebrations, in 1964 and 1973, and in conjunction with a re-awakened interest by Canadians in their own history, the Charlottetown area's historic significance has become an important tourist attraction.

b) Seat Of Government

The Charlottetown area, as the provincial seat of government, has Province House as an attractive feature.

c) Major Population Centre

The Charlottetown area is the major urban centre for P. E. I. Consequently, it is recognized by tourists as having amenities commonly found in large cities. For example, it is the centre of retail trade, contains sophisticated health services, and other service amenities which are used by tourists.

d) Entertainment Centre

The Charlottetown area has the largest population base in P. E. I., and as such has the main concentration of entertainment facilities. The Confederation Centre, offering live theatre and an art gallery, is a major tourist attraction.

e) Airport

The Charlottetown area contains the only major commercial airport in P. E. I. Consequently, tourists travelling by air must at least pass through the Charlottetown area. If the provincial fly/drive packages are successfully promoted in Ontario and Quebec, the Charlottetown area will play an even more important role in this respect.

f) Convention Space--Physical Plant

With some minor exceptions, the Charlottetown area contains most of the province's convention space. The space is spread over a number of locations in the Charlottetown area. The future of P. E. I. in the convention market hinges largely on the role of the Charlottetown area.

g) <u>Central Location of The Charlottetown Area</u>

The Charlottetown area's geographic location is about the centre of P. E. I. The road system emanates from and through the Charlottetown area. Ferry landings from the mainland at Borden and Wood Island are close by, and most tourists must at least drive through the Charlottetown area.

h) <u>Harbour</u>

Although its facilities are limited, the Charlottetown area has a potentially exploitable harbour. Cruise ships have anchored in the harbour, enabling shipboard tourists to visit the Charlottetown area.

These physical attributes collectively define the elements of any tourist plan for the Charlottetown area. Any tourist development plan must be founded on these as the base.

What specific role is the Charlottetown area playing in tourism in P. E. I? There are two different types of roles any region or locality can play. It can act either as a "final destination" for tourists, or as a "tourist service centre", supplying support services to tourists travelling to or from other final destinations.

The distinction between the final destination and the tourist service centre role is found in the range and type of services offered, the motivation of tourists who visit the locale, and is indirectly reflected in their length of stay.

The final destination tourist centre either offers tourists a wide range of diverse services (in the case of an urban centre) or offers some specialized activity, intensively used over a short to medium length stay. Ski or summer resorts are examples of final destination tourist centres, whose activities are seasonal and who cater to specialized, intensive interests. But even in the case of a ski resort, which caters to individuals whose interests are intensive and inelastic, a fairly wide range and diverse set of activities must be available. Otherwise, visitors' lengths of stay will be short.

Montreal and Toronto are typical examples of urban final destination tourist centres. They offer the most complete range of services, serving tourists with virtually all tastes. We feel that there are no equivalent final destination urban tourist centres in the Atlantic provinces. No city is large enough to warrant construction of a sufficiently large and diverse entertainment plant. On the other hand, many cities in the Atlantic provinces, including the Charlottetown area, play a final destination role. This occurs when the city is chosen to host a conference or convention. Typically, the conventioneer spends three or four days in a particular urban centre, and is expected to spend seven or eight hours per day in conference activities. In addition to supplying physical plant suitable for conferences, the host city must offer a set of support accommodations and entertainment facilities to occupy the conventioneer for the remaining 8 hours of the day.

We discuss the Charlottetown area's final destination role with conferences and conventions in Chapter II of this volume of the Opportunities Study. At this junction, it is sufficient to say that the Charlottetown area does play a final destination role, albeit to a limited extent, for conventions and conferences held in the area.

In the present context of tourism in P. E. I. the Charlottetown area's major role is that of a tourist service centre. The Charlottetown area is the only large city of consequence serving a tourist industry primarily founded on maritime/resort activities. At best, it provides tourists with a diverse set of entertainment facilities, easily accessible by automobile transit, which one cannot expect to find near rural resorts. At worst, it is a destination for bored tourists when inclement weather makes outdoor resort activities impossible. The Charlottetown area is often called the "rainy-day city". Its role as a tourist service centre is obvious when rain-swept beaches pour hordes of tourists into the congested traffic and parking facilities of the Charlottetown area.

Another illustration of the degree to which the Charlottetown area plays a tourist service centre as opposed to final destination role for tourists in P. E. I. can be shown from the Charlottetown area's accommodation capacity. We estimate that the Charlottetown area contains approximately 900 hotel/motel rooms. From this, we calculate that the Charlottetown area has approximately 15 to 20 per cent of P. E. I. 's overnight accommodation capacity. If the Charlottetown area played a more important final destination role in P. E. I., it would contain a much larger proportion of the accommodations capacity.

We believe that the Charlottetown area's success as a tourist service centre is of vital importance to the future development of tourism in P. E. I. The more successful is the Charlottetown area in this respect, the more will P. E. I. offer the tourist a set of activities which will tend to prolong the tourist stay and increase his spending in P. E. I. The potential economic gains to P. E. I. are vast. They can be easily illustrated with two simple examples:

- Suppose the Charlottetown area provided the tourist with enough interesting activities to prolong the average tourist stay by one day. In 1972, this would have meant an increase in tourist spending by 23.0 per cent, or $3.6 million.

- P. E. I. competes with other Atlantic provinces for visits from essentially the same tourists. Most automobile tourists in the Atlantic provinces visit two or more provinces during their tour. Yet, tourists in Nova Scotia spend approximately twice as much as they do in P. E. I. Suppose, by expanding the range of activities and amenities available for sale in the Charlottetown area, tourists spend as much per day as they do in Nova Scotia. In 1971 terms, tourists would have spend over $36 million in P. E. I. or a 130 per cent increase in expenditures.

Of course, it is unfair to make these types of simplistic comparisons. However, the simple comparisons do reveal the general potential of an improved tourist industry in P.E.I. To a great extent, the improvements depend on the Charlottetown area playing a more dynamic and important role.

We do not suggest that the Charlottetown area has no role to play as a final destination for tourists in P.E.I. Some possibilities are:

- The Charlottetown area presently plays a role as a convention centre. From the 1971 tourist exit survey, we note that convention goers spend approximately twice as much per person, per day, as other types of visitors. A more attractive set of physical amenities could increase the number of conventions in the Charlottetown area to enhance the economic benefits of tourism to P.E.I. The shortage of high quality accommodations, grouped in large hotels and located near suitable convention space, currently acts as a constraint on the expansion of the convention sector in the Charlottetown area.

- Many tourists, particularly those with no children or small families, prefer to locate in urban centres for accommodations while touring the Atlantic provinces. This tourist prefers to commute to beaches and resorts during the day, and partake in urban night life during the evening. The Charlottetown area has a natural potential for this type of tourist. It is located near some of the finest beaches in the world. However, again the critical shortage is with accommodations during the peak tourist season.

In the following section, we examine the Charlottetown area's potential and capacity as a tourist centre. Essentially, we will be looking at the quantity and quality of available tourist plant.

We believe that any improvement in existing plant will promote tourism in P. E. I. and generate substantial economic benefits to the province. Moreover, we feel that improvements will have an impact on both the Charlottetown area's role as a final destination centre and tourist service centre for tourism in P. E. I. Any change which increases the Charlottetown area's absorptive capacity for tourists and provides a more diversified, sophisticated set of tourist activities, will: enhance its role as a convention centre, make it more attractive for tourists wishing to locate in an urban area, and provide interesting diversions which might prolong the stay of tourists in accommodations outside of the Charlottetown area.

F. THE TOURIST POTENTIAL OF THE CHARLOTTETOWN AREA

In previous sections, all logic has led to the conclusion that the Charlottetown area is playing a crucial role for tourism in P. E. I. The role is principally one of a tourist service centre, providing support through diversified activities for tourists taking a cottage/resort/beach holiday. Although the Charlottetown area presently plays this role, we suggested that major improvements are required for successful exploitation of its entire potential. In this section, we provide a critical appraisal of the Charlottetown area's potential as a tourist service centre.

The appraisal focuses on the quantity and quality of facilities (supply factors) in five sub-sectors of the tourist industry in the Charlottetown area, i. e:

- accommodations,
- restaurants,
- handcrafts,
- entertainment,
- other support activities.

There are many approaches to evaluating the five sub-sectors of tourism in the Charlottetown area. Since this study is designed to provide information for a Development Plan in the Charlottetown area, we select a specific set of evaluation criteria. These are:

- What is the existing inventory of facilities?
- What is the existing quality of these facilities? How long can they be expected to divert, attract, and hold tourists?
- How can they be improved?
- To what extent will improvements in particular facilities be of economic value, i.e:
  - to the tourist industry,
  - to other industries (linkages).
- Can private capital be expected to provide a primary source of investment for required facilities? In other words, what is the feasibility of private investment, with or without public subsidies?

In this section, "potential" is defined in its broadest sense. We wish to assess the present capacity of the Charlottetown area as a tourist service centre and make recommendations for future changes in capacity. Capacity is defined in qualitative and quantitative terms.

1. Accommodations

In P.E.I., tourist accommodations are classified in the following categories:

- hotels,
- motels,
- tourist homes,

- resorts,
- camp grounds.

The Charlottetown area contains the major concentration of hotels and motels in P. E. I. Approximately 65 per cent of the total 1972 provincial inventory of these facilities is located in the Charlottetown area. We calculate a total of 900 hotel/motel rooms in the city, 72 per cent of which are located in hotels with some banquet facilities. In addition, during the peak summer season, approximately 100 tourist home bedrooms in private homes are made available for tourists.

It is difficult to accurately assess the quality of the Charlottetown area's accommodation facilities. Quality is relative, and can only be described in relation to similar competing facilities found elsewhere. We feel that the Charlottetown area has no accommodation facilities matching first-class accommodations in Toronto or Montreal. But comparing the Charlottetown area with Halifax or Saint John, one must again conclude that the Charlottetown area is not adequately blessed with first-class accommodations. Only 20 per cent to 30 per cent of the hotel/motel accommodations in the Charlottetown area are first-class by maritime standards. We make this evaluation from a first-hand assessment of existing facilities, using the following criteria:

- size of rooms,
- quality of furniture,
- size and quality of bathrooms,
- availability of room service,
- existence of first-class restaurants,
- size of lobby,
- availability of other services such as dry-cleaning, laundry, telecommunications, bellboys, etc.

There are many other characteristics of the accommodations sector in the Charlottetown area which reflect poorly on the industry and have an inimical effect on tourism. They are:

- Most hotels/motels are very small, the median size of new hotel plant constructed during the past five years is 50 units.
- Most of the new hotel/motel facilities are located three miles from the city core, on highway routes designed to attract the "passing tourist traveller" market. This may be an attractive strategy for private hotel owners, but from the standpoint of development in the Charlottetown area, it contributes little to the growth of a more attractive city.
- With some notable exceptions, the small hotels contain small restaurants which have undiversified menus, mediocre food, and lack liquor licenses.
- Although many of the hotel/motels have some banquet facilities, these are small and nothing more than "meeting rooms".
- Only one motel chain, the Wandlyn, is represented in the Charlottetown area. Therefore, tourism in P. E. I. does not receive the benefit of external advertising and promotion which characterizes the large chain operations.

Despite the criticisms of accommodations in the Charlottetown area, the industry must be characterized by reasonably high profits. This is evidenced by the rapid rate of construction in new facilities during the past two years. Our data show that new hotel/motel units have been built at a rate which increased capacity by 8.5 per cent per year during this period. Moreover, our survey of hotels/motels in the Charlottetown area has shown that the industry is characterized by reasonably high occupancy rates. In Figure 2 (see Section E), we show that on an annual average basis, occupancy in the Charlottetown area's hotels is over 60 per cent. We have reason to believe that this data understates the actual situation with real occupancy being much higher.

To what extent does expansion of accommodation facilities in the Charlottetown area contribute to broader and more balanced economic development in P. E. I? In other words, what are the "linkages" for this sector? These are:

- An expansion of accommodation facilities in the Charlottetown area reduces a major constraint to tourist demand during the peak season. It would have an effect on: the average stay of the tourist and his per diem spending while on the Island. In addition, the availability of more sophisticated accommodations in the Charlottetown area would promote the growth of conferences and conventions, increasing the number of visitors in the "more generous spending" categories.

- Expansion of plant and facilities in the accommodations sector would have an effect on the construction, wholesale, furniture manufacture and handcraft industries. The potential impact on handcrafts is important. The existing hotels have made little use of local handcraft manufacturers to provide furniture for hotel rooms. In fact, the hotel rooms which we have visited all lacked aesthetic diversity. All of these facilities might be improved by small investments on handcrafted bedspreads, replica pine furniture, locally produced ashtrays, and works of art such as paintings. The improvement in style of facilities and their attractiveness to tourists would be substantial.

Our assessment of accommodations requirements and the existing profitability in that industry lead us to recommend that a private investor be encouraged to locate of 175-200 room hotel in the Charlottetown area. What impact would that hotel have on the accommodations industry in the Charlottetown area?

2. The Impact Of A New Hotel Facility

Assessing the impact of a new hotel facility in the Charlottetown area is a difficult task. It is difficult because we cannot accurately forecast future demand for any facility, especially one which must be so dependent on the fluctuations of the tourist and convention industries.

Although we cannot assess accurately the total potential of a new facility, a simple manipulation of data which we now possess can establish "the most pessimistic" affect on such a facility. Thus, for this evaluation, we assess the impact of a hypothetical 175-room hotel.

a) Feasibility Analysis Assumptions

To do this analysis, we must make a number of assumptions. The assumptions have been deliberately chosen in order to coincide with the "most pessimistic" prognosis in this analysis. Therefore, we assume that:

- If a 175-room hotel is built in the Charlottetown area, no other new hotel facilities will be erected at the same time.

- The 1972 occupancy ratios, which were ascertained in our survey, identify a recurring physical demand for hotel rooms, by month, in the Charlottetown area. For example, in January, the occupancy ratio was 43 per cent. Given that there were 550 hotel rooms available in the Charlottetown area, we identify a physical demand for 236 rooms per day in January. Future occupancy is projected to grow at 10 per cent per annum.

- The new facility adds no new demand for space in the Charlottetown area, but increases the supply by 175 rooms. A new occupancy ratio is calculated for the Charlottetown area by relating the previous daily physical demand (236 rooms in January) to the new expanded supply. This is shown in Table 20.

- The new occupany ratio will apply to both the new hotel facility and the existing hotel system.

- The previously existing occupancy ratio of 96 per cent in July and August will continue to apply after the new hotel is erected.

- Room sales generate average revenue of $21 per occupied day. This is equivalent to a single rate of $18 per night, and a double rate of $24 per night, with an equal division between single and double occupancy.

- Food sales are 60 per cent, beverage sales are 40 per cent, and Other sales are 15 per cent of revenue from room sales. ?

- All costs of goods sold are 45 per cent of sales; departmental expenses cover direct labour and miscellaneous supplies.

- Room department expenses are 25 per cent; food and beverage department expenses are 35 per cent, and other departments are 35 per cent of revenue from room sales.

TABLE 20

IMPACT OF A NEW 175-ROOM HOTEL IN CHARLOTTETOWN

Months	1972 Occupancy	Rooms Rented	Occupancy for System with New Hotel
January	43	236	32.6
February	45	247	34.0
March	55	303	41.8
April	54	297	41.0
May	56	308	42.5
June	68	374	51.6
July	96	528	96.0[1]
August	96	528	96.0[1]
September	81	446	61.5
October	61	336	46.3
November	45	248	34.2
December	29	160	22.1
Average	61%		50%

[1] We assume that there is an unsatisfied demand during the peak summer months.

- Administrative expenses are 7 per cent; advertising and promotion are 2 per cent; utilities are 4 per cent, and repair and maintenance are 5 per cent of total revenue.

- Local taxes are 1/2 per cent, and insurance about 1 per cent of the value of fixed assets.

- No income taxes, as the losses during initial years are sufficient to cover the profits in the other years.

- Equity is 30 per cent of the total funds required. The remainder was assumed to be a long-term debt bearing 10 per cent interest over 20 years.

- Fixed assets were calculated on the basis of $22,000 per room for 175 rooms.

- Pre-opening expenses are $175,000, of which $86,200 is for inventories and the remainder for miscellaneous expenses. We have included a reserve for replacement of fixed assets as, at some point, they are going to have to start replacing furnishings and equipment. It was calculated on the basis of 25 per cent of the net cash flow from operations. The net cash flow from operations was obtained by taking the net income from operations and subtracting the debt servicing costs. In future years, this would also require subtracting income tax.

Table 20 shows the effect of the hypothetical facility on occupancy in hotels in the Charlottetown area. They now vary between the range of 96 per cent and 22.1 per cent over the months of the year. It is essential to note that the analysis is truly "most pessimistic". Tourism and accommodations demand in the Charlottetown area has expanded at an annual rate of 8 to 10 per cent. This has been matched by a similar increase in the supply of facilities. Despite this, we have assumed that the physical demand for rooms remains the same as in 1972. Similarly, one can expect that a new 175 room hotel in the Charlottetown area would create a further demand for hotel rooms for convention purposes, or, if the hotel was built by a large chain, a private advertising campaign would be designed to bring new business to the Charlottetown area.

b) Pro Forma Profit/Loss And Cash Flow Statement

Table 21 shows the pro forma statements of income and profit/loss for years 1 to 5. The net income rises from an estimated $345,000 in year 1 to $530,000 in year 5. The new hotel facility is in a loss position until year 4, when a profit of about $16,700 is realized.

c) Pro Forma Cash Flow, Balance Sheet and Net Present Value Of Cash Flow From Operations

In Table 22, we have projected the hotel cash flows, balance sheet, and net present value of cash flow from operations. The closing cash balances increase from about

TABLE 21

PRO FORMA STATEMENT OF INCOME

	Year 1	Year 2	Year 3	Year 4	Year 5
Annual Room Occupancy	50.0	55.0	60.5	66.6	73.2
Revenue:					
Room Sales	670,700	737,700	811,500	893,400	981,900
Food Sales	402,400	442,600	486,900	536,000	589,100
Beverage Sales	268,200	295,000	324,600	357,300	392,700
Other Sales	100,600	110,600	121,700	134,000	147,300
Total Revenue:	1,441,900	1,585,900	1,744,700	1,920,700	2,111,000
Cost of Goods Sold:					
Food Costs	181,100	199,200	219,100	241,200	265,100
Beverage Costs	120,700	132,700	146,000	160,800	176,700
Other Costs	45,300	49,800	54,800	60,300	66,300
Total Cost of Goods Sold	347,100	381,700	419,900	462,300	508,100
Departmental Expenses:					
Room Dept.	167,700	184,400	202,900	223,300	245,500
Food/Beverage Dept.	234,700	258,200	284,000	312,700	343,600
Other Depts.	35,200	38,700	42,600	46,900	51,500
Total Dept'l Expenses	437,600	481,300	529,500	582,900	640,600
Undistributed Operating Expenses:					
Admin. and General	100,900	111,000	122,100	134,400	147,800
Advertising and Promotion	28,800	31,700	34,900	38,400	42,200
Utilities	57,700	63,400	69,800	76,800	84,400
Repair & Maintenance	72,100	79,300	87,200	96,000	105,500
Total Undistributed Operating Expenses	259,500	285,400	314,000	345,600	379,900
Other Expenses:					
Local Taxes	17,500	17,500	17,500	17,500	17,500
Insurance	35,000	35,000	35,000	35,000	35,000
Total Other Expenses	52,500	52,500	52,500	52,500	52,500
Net Income	345,200	385,000	428,800	477,400	529,900

PRO FORMA PROFIT/LOSS STATEMENT

	Year 1	Year 2	Year 3	Year 4	Year 5
Net Income from Operation	345,200	385,000	428,800	477,400	529,900
Less - Interest on long term debt	283,875	279,147	273,935	268,188	261,852
- Depreciation	192,500	192,500	192,500	192,500	192,500
Net Profit (Loss) before Taxes	(136,175)	(86,647)	(37,635)	16,712	75,548

TABLE 22

PRO FORMA CASH FLOW STATEMENT

	Opening	Year 1	Year 2	Year 3	Year 4	Year 5
Opening Cash Balance	-	75,000	86,400	121,200	188,400	291,100
Receipts						
Long Term Debt	2,850,000	-	-	-	-	-
Equity Invested by Shareholders	1,250,000	-	-	-	-	-
Net Income from Operations	-	345,200	385,000	428,800	477,400	529,900
Disbursements						
Provision of Fixed Assets	3,850,000	-	-	-	-	-
Pre-opening Expenses	175,000	-	-	-	-	-
Increase in Inventories	-	-	8,600	9,500	10,500	11,400
Debt Servicing:						
Interest	-	283,875	279,147	273,935	268,188	261,852
Principal	-	46,125	50,853	56,065	61,812	68,148
Net Cash Flow from Operations	-	15,200	46,400	89,300	136,900	188,500
Reserve for Replacement of Fixed Assets	-	3,800	11,600	22,100	34,200	47,100
Closing Cash Balance	75,000	86,400	121,200	188,400	291,100	432,500

PRO FORMA BALANCE SHEET

	Year 1	Year 2	Year 3	Year 4	Year 5
Assets					
Cash on Hand (includes net of Accounts Payable and Receivable)	86,400	121,200	188,400	291,100	432,500
Inventory at Cost	86,200	94,800	104,300	114,800	126,200
Fixed Assets:					
At Cost	3,850,000	3,850,000	3,850,000	3,850,000	3,850,000
Less Accumulated Depreciation	(192,500)	(385,000)	(577,500)	(770,000)	(962,000)
Replacement Reserve	3,800	15,400	37,500	71,700	118,800
Total Assets	3,833,900	3,696,400	3,602,700	3,557,600	3,565,500
Liabilities					
Long term Debt outstanding	2,803,875	2,753,022	2,696,957	2,635,145	2,566,997
Shareholders Equity:					
Stock	1,250,000	1,250,000	1,250,000	1,250,000	1,250,000
Retained Earnings (deficits)	(131,175)	(217,822)	(255,457)	(238,745)	(163,197)
(Non-Inventory Pre Opening Expense)	(88,800)	(88,800)	(88,800)	(88,800)	(88,800)
Total Liabilities	3,833,900	3,696,400	3,602,700	3,557,600	3,565,500

NET PRESENT VALUE OF CASH FLOW FROM OPERATIONS (DISCOUNTED AT 12%)

	Prior	Year 1	Year 2	Year 3	Year 4	Year 5
Annual Cash Flow from Operation	-	15,200	46,400	89,300	136,900	188,500
N.P.V. of Annual Cash Flow	-	13,570	36,990	63,560	87,000	106,980
Cumulative N.P.V.	-	13,570	50,560	114,120	201,120	308,100

$86,000 to $433,000 by year 5. The cash on hand figure in the pro forma balance sheet is taken directly from the cash flow statement. The inventory is the sum of 4 per cent of food sales, plus 10 per cent of beverage sales, plus 3 per cent of total sales, which covers all other operating supplies.

The retained earnings figure for the liabilities is a cumulative figure of the net profit from the profit/loss statement. We have also included here the loss prior to opening associated with miscellaneous expenses.

We calculated the annual cash flow from operations figure obtained from the cash flow statement. These annual figures have been discounted at the rate of 12 per cent per year to obtain a net present value. The cumulative sum of this figure is an indication of the type of borrowing that an investor would have to do to cover his equity position. In this case, for the first five years the investor is only able to recover sufficient funds to pay interest and principal on about one-quarter of the total equity. It appears, when projecting out the recovery of funds, that it would take about 15 years to cover the total equity. This suggests that an investor would have to have sufficient cash or borrowing power in order to provide the required equity. An alternative course would be government participation in terms of some of the equity or regional incentive grants.

d) Rates Of Return

The net income from operations is about $500,000 per year. Assuming an equipment replacement of $50,000 per year, we have about $450,000 a year income yield from the

$4,100,000 investment. This results in an annual rate of return, prior to taxes, on total capital of about 11 per cent. The same calculation for equity requires removing the debt servicing cost from the income, which reduces the income level down to $120,000 a year, on an equity of $1,250,000, which is about a 9-1/2 per cent return. If taxes are estimated at $38,000 the first year that they are payable our after tax income of about $82,000 on an equity of $1,250,000 is equivalent to an after tax rate of about 6-1/2 per cent. We estimate the breakeven period on equity to be about 9 - 10 years. This is not considered to be out of line for a hotel operation.

It is difficult to assess the impact of the new hotel on existing hotels in the Charlottetown area. One suspects that they would suffer by comparison with the new facility. This is especially true if the new facility were located in the downtown/waterfront district of a refurbished Charlottetown.

A new hotel in the Charlottetown area can earn reasonable profits for a private investor. We therefore recommend that a medium-sized 175 room hotel be encouraged to locate in the Charlottetown area. This facility should:

- Either be owned by, or franchised to, a large hotel chain. The large chain would offer the advantages of advanced reservations systems, and a national (perhaps international) advertising and promotion program.

- Incorporate convention facilities suitable for meetings of up to 250 people.

- Be located in the downtown core, preferably in or near Charlottetown Square. Such a location would stimulate development and refurbishment of the heart of the Charlottetown tourist district.

- The hotel should contain sufficient amenities such as room service, a first-class restaurant, a reasonably large bar and a large enough lobby to justify its inclusion in the "first-class category" of hotels.

A new hotel in the Charlottetown area would not solve peak summer accommodations demand. Yet on a year-round basis, we feel that the proposed new hotel facility is all that the Charlottetown area can "afford" in the immediate future. Nevertheless, we have forecast 1.3 million visitors to P.E.I. in 1985. This translates into a potential demand for 210,000 room nights in the Charlottetown area during the July-August period, compared with a supply of 85,000.

We support the Department of Environment and Tourism in their active search for inexpensive, seasonal accommodations. The future seasonal peak accommodations demand will have to be supported through use of:

- Dormitories in institutions, such as UPEI;
- Caravan parks;
- Inexpensive motel units.

We hope that if inexpensive tourist facilities are developed for future use, they would not be located in the central core of the Charlottetown area.

3. Restaurants

Analysis of tourist spending in P.E.I. and the Charlottetown area shows that tourists are spending a larger proportion of their total expenditures on restaurant meals. This fact has an important bearing on the Charlottetown area, which plays a major role in the provision of restaurant services to Island tourists.

In the Charlottetown area there are approximately 24 restaurants, with a seating capacity of over 2,400. One can easily infer that a large proportion of the restaurant capacity in the Charlottetown area is highly dependent on the tourist traffic for its maintenance. No further restaurant capacity seems warranted to serve only the population of the Charlottetown area.

Similarly, the average quality of the restaurants in the Charlottetown area is reasonably high. About one-half of the restaurants in the area can be grouped in the "first-class" category. The criteria for first-class classification are as follows:

- liquor license,
- ornate and reasonably expensive interior design,
- size of washroom facilities,
- variety of dishes found on menu,
- quality of service.

We face a quandary in making recommendations about future requirements of restaurant facilities in the Charlottetown area. Although we feel that a sophisticated restaurant service is important to the future of tourism, we also recognize that the feasibility of expansion is related to the size of the Charlottetown area's population, and the extent to which this population patronizes restaurants during the non-tourist months. Charlottetowners are not accustomed to eating out. During the off-season, restaurants in the Charlottetown area are poorly patronized, making them quite dependent on tourist traffic for their maintenance. Jean-Louis Herivault, in his monograph "Seasonal Pattern of the Tourist Industry in P.E.I." has estimated that yearly-operated restaurants in the Charlottetown area receive approximately 20 per cent of their total business from tourists.

On the other hand, Herivault's analysis shows that the average return per restaurant seat in the Charlottetown area is reasonably high. Updated to 1971 dollars, the average return is $1,825 per restaurant seat. Only in Summerside, where restaurants are much more dependent on tourism, is the average return per seat higher than in the Charlottetown area.

What is the economic value of the restaurant sector to balanced economic growth in P.E.I? Economic benefits which we would expect to receive from improvements in the restaurant sector are as follows:

- Since tourists, through their spending habits, have indicated a desire to spend more money in restaurants, improvements in restaurant facilities would provide a better vehicle for this spending. Since P.E.I. has an agricultural base, producing much of its own food requirements, and most restaurants are owned locally, spending in the restaurant sector has a high multiplier impact on incomes in the province.

- An increased demand for foodstuffs in P.E.I. would promote growth in the food processing industry. If tourists in P.E.I. spent as much per day on restaurant meals as tourists in Nova Scotia, and our demand forecasts for 1985 are correct, we estimate that the tourism industry alone would be consuming $4 million worth of restaurant meals. This represents a demand for raw food of $1.4 million. A large proportion of food consumed on any menu is in the form of staple foods such as vegetables, fish and processed meat. These are agricultural products produced in P.E.I. They all require processing before delivery for final consumption. We feel that the food processing industry may receive a significant incentive for expansion through a large increase in tourist demand for food.

We recommend that private developers be encouraged to build two types of restaurants in the Charlottetown area, i.e:

- At least two outdoor cafes should be established to complement the Charlottetown area's principal entertainment opportunities. These should be located at:

  - the Confederation Centre Plaza;

  - the waterfront, in the vicinity of Lower George and Queen Streets, to bring tourists into contact with waterfront activities and atmosphere.

  The outdoor cafes can be constructed to provide a profitable level of operation during the two-month summer season. Capital costs for such establishments are low. To take full advantage of the Charlottetown area maritime atmosphere, the cafes should feature a limited menu containing a number of fish dishes.

- On a year-round basis, we feel that Charlottetown can support an additional medium-sized (100-200 seats) first-class restaurant. This restaurant should be located in the proposed new hotel facility. To provide the maximum benefits for the tourist industry, the restaurant should:

  - be located near the waterfront;

  - be fully licensed;

  - provide nightclub type entertainment;

  - accept reservations to assure tourists of a "night on the town".

We feel that a new level in the quality of the Charlottetown area's cuisine is essential to the expansion of tourism. Such an improvement would be directly and indirectly promoted by the development of a new first-class restaurant.

4. Handcrafts

Handcraft purchases are a significant component of total tourist spending in P. E. I. From 1971 Tourist Exit Survey results, we estimate that approximately $1.4 million is spent annually by tourists on P. E. I. handcrafts. We suspect that this estimate is low. The Tourist Exit Survey required that tourists self-define their expenditures. Since there is no common definition of handcrafts, it is difficult to separate expenditures on handcrafts and other types of retail expenditures.

There is a great potential in the handcraft sector for tourism in P.E.I. This potential exists in both absolute terms, for total volume of spending on handcrafts, and in relative terms, for the impact of a dollar's worth of expenditure in this area. The province of Nova Scotia has promoted and co-ordinated the development of a handcraft industry which has at least doubled the success of P. E. I. in capturing tourist dollars.

The handcraft industry might well be the last bastion of private enterprise, characterized by a large number of small, private operators producing commodities in small scale operations. This makes the handcraft industry both difficult to co-ordinate and to describe. There is no complete list of handcraft operators in P. E. I. The Handcraft Training Centre provides a partial list focusing on those operators who have achieved a measure of success. This is shown below:

TABLE 23

INVENTORY OF HANDCRAFT OPERATORS
IN PRINCE EDWARD ISLAND

Type of Operator	Total Listed	Full-Time Operators
Glasscraft	1	0
Leatherwork	3	1
Weaving	11	3
Pottery	2	0
Woodturning	10	2
Copper work	3	0
Woodcarving	1	1
Decoupage	1	0
Silkscreening	2	0
Wax candles	1	1
Miscellaneous	2	0
TOTAL	35	8

We have little doubt that the Handcraft Training Centre lists of handcraft producers are not complete. What they do show is the order of magnitude between full-time and part-time operators. From the data, 23 per cent of the operators are in the full-time category.

It is difficult, if not impossible, to define the quality of handcrafts in P. E. I. This requires a subjective evaluation which is almost futile by definition. Handcrafts are attractive to purchasers because of their obvious non-manufactured quality. The only definition of quality can be derived from success in sales and market penetration. By this criterion, the P. E. I. handcraft industry is reasonably successful.

We can comment on the quality of advertising, promotion, and distribution of P. E. I. handcrafts. From our study of the industry, we conclude that the quality of distribution is at best uneven, and the quality of advertising and promotion is poor. Handcraft retail outlets are spread throughout the province. There is no consistency in design or quality. There is no central focus which represents the purpose or style of handcrafts in P. E. I.

Recently, an organization known as the Interdepartmental Handcraft Committee was formed to assist in the coordination of this area. Its primary focus has been on production. The committee has representatives from the Department of Industry, the Market Development Corporation, the Handcraft Training Centre, and the Craftsmen's Council. At present, the Interdepartmental Handcraft Committee is assessing production conditions in P. E. I. and preparing for a more active role.

From our review of the handcraft sector, we feel confident that the initiatives taken through the Interdepartmental Handcraft Committee will have an important impact on the future of this industry. Our recommendations merely reinforce the fact and re-emphasize the importance of the marketing function for growth in the industry.

We recommend that the Interdepartmental Handcraft Committee focus its efforts on four activities in the immediate future. They are:

- Prepare lists of high quality, high production handcraft producers in P. E. I.
- Prepare a catalogue of products, one which can be used for marketing purposes.
- Assist and subsidize individual producers in the preparation of mailings to large retail outlets selling handcrafts.

- Assist and subsidize producers to attend large regional and national trade shows.

We feel that handcrafts have a large potential economic value to the goal of balanced economic development in P. E. I. This value takes the form of:

- Increased market penetration of P. E. I. handcrafts, in conjunction with a large increase in production, can lead to the development of many profitable light manufacturing enterprises.

- Part-time handcraft producers work at their craft during the off-season. This coincides with a period of inactivity in agriculture. Many part-time handcraft producers can be supplementing their income from agriculture.

- Handcraft manufacture is labour intensive and can have an important effect on unemployment rates in P. E. I.

In our assessment of the potential of the Charlottetown area for tourism, we have earmarked the handcraft industry for its importance to balanced economic development. Consequently, we outline a comprehensive set of recommendations which call for a thorough revitalization of activities associated with this industry. Our recommendations are:

- At present there is no large retail merchandising centre for handcrafts in the Charlottetown area. They are marketed by small entrepreneurial outlets or in large retail department store operations where their distinctive qualities are lost in packaged arrays of merchandise. We recommend that a retail centre be selected for display of the entire range of handcrafts available in P. E. I. This retail centre should have the following qualities:

- It should be large enough to allow display areas for "craftsmen at work" activities.

- The architectural design of the handcraft centre should complement the Charlottetown area's historical antecedents.

- It must be located in the centre core area of Charlottetown, as close as possible to the waterfront.

- The function of the handcraft centre is to promote handcraft sales, and at the same time, provide a form of entertainment for tourists in the Charlottetown area.

There are at present plans to relocate the judicial offices from the Old Courthouse. If this is carried out, and the Old Courthouse becomes available for other uses, we strongly recommend that it be designated for use as a handcraft centre.

▶ We recommend that a bi-annual design competition be held in P. E. I. for local handcrafts. The importance of such an activity is obvious. It would:

- act as a vehicle for promotion of Island handcrafts;

- enhance the quality of the Island handcrafts;

- act as an incentive for new producers in this area;

- assist in developing a number of handcraft "specialties" on the Island which would encourage the development of a handcraft export industry;

- prepare test market products for display at regional and national handcraft trade fairs.

The design competition must be organized to provide prizes and distinctions for a wide variety of handcrafts categorized by: type of handcraft, retail price, and its physical size. One of the original objectives of this design competition would be to select a set of inexpensive handcrafts for manufacture as gifts to be given to Charlottetown area conventioneers. (This is a recommendation in Chapter II.)

▶ P.E.I. has no well-defined strategy for attending regional and national handcraft trade fairs. Three years ago, with funding from the Market Development Centre, a number of handcraft artesans attended a trade fair in Toronto. The results were encouraging. They resulted in a number of profitable long-term orders for handcrafts from dealers in both Canada and the United States. However, there was no follow-up on this success. There is at present, no strategy to encourage handcraft operators in P.E.I. to attend trade fairs.

We recommend that a budget be established to enable P.E.I. handcraft dealers to be represented in the most important regional handcraft trade fairs. This requires a comprehensive strategy involving:

- selection of representative P.E.I. handcrafts;

- allocation of responsibility for building displays at trade fairs;

- selection of appropriate trade fairs;

- allocation of responsibility for marketing follow-up.

- ensuring that handcrafts displayed at trade fairs will be available for future commercial production.

- At present there are a number of loan schemes, administered by different political jurisdictions, enabling handcraft operators to cover "start-up" costs. On average, the handcraft operator can receive a subsidized $3, 000 loan. The existing loan scheme is inadequate as a device to promote significant developments in the handcraft sector. For many operators, much more than $3, 000 is required to initiate the business. Loans are designed to primarily fund equipment purchases (85 per cent of total loan), while in many instances the most important activity is in merchandising and promotion. The loans are not administered in accordance with some provincial strategy for handcraft development.

  We recommend that a loan fund of $500, 000 be established to assist entrepreneurs operating in the handcraft sector. It should be administered in a business-like manner by individuals who are responsible for the overall development of handcrafts in P. E. I.

- There are too many agencies and individuals involved in the co-ordination of handcraft development in P. E. I. The list includes: The Market Development Centre, The Department of Industry, The Department of Education, the Craftsmen's Council, and various other agencies responsible for education in the handcraft area. No one agency has been given a sufficient mandate to take a co-ordinating role. No one agency has a sufficient budget to accept a co-ordinating role.

We recommend that your "Co-ordinator of Handcraft Development" be given sufficient resources to ensure an adequate level of production and quality of promotion activities. He should control the Handcraft Loan Fund. In short, the Co-ordinator of Handcraft Development would be responsible for seeing that the handcraft sector took advantage of all opportunities and played its proper role in the development of a balanced economic growth for P. E. I.

5. Entertainment Facilities

If the Charlottetown area is to play an active role as a tourist service centre, it must provide enough diversified entertainment activities to hold and attract tourists for significantly longer stays in P. E. I. Thus, the major question in this section relates to the adequacy of entertainment plant in the Charlottetown area. This is specified in terms of its physical capacity and the utilization of that capacity. Again, as with other types of activities which support the tourist service centre role, we must be constantly aware of the limitations imposed on the Charlottetown area's tourist capacity by its population size during the off-season.

Any inventory of entertainment plant in the Charlottetown area would contain the following items:

- Two medium-sized movie theatres, with a total seat capacity of 900.
- Three large discotheques, attached to restaurants, with a total seat capacity of 6-700.
- Dancehall facilities through the Canadian Legion Club, offering periodic dances to a total capacity of 350.
- Numerous small bars, located mainly in various Charlottetown area hotels.
- The Confederation Centre Theatre, with a total seat capacity of 900.
- A number of seasonal drive-in theatres.
- A race track, which features an active summer racing season.

The Confederation Centre is also the principal daytime entertainment centre in the Charlottetown area. There are estimates that an many as 10,000 tourists visit the Centre on a peak summer day. The major attraction of the Centre during the daytime is a guided tour which focuses on the art gallery and the architectural structure of the Centre, and various other entertainment presentations for children and adults.

The Confederation Centre is the premiere entertainment attraction in the Charlottetown area. Therefore, we focus most of our comments on this facility. It was built to commemorate Canada's Confederation, and funded through inter-provincial co-operation. It is managed and operated by the Fathers of Confederation Trust on a year-round basis. Entertainment centres around a permanent repertory theatre, resident in the Confederation Centre, and designed to produce original Canadian musical theatre. In the 1972 ten-week season, 78 performances took place. Each year a new Canadian musical is introduced into the repertoire of performances. In addition, during the summer season, each Sunday night folk/rock pop concerts are held. In the 1972 season, they were booked to 85 per cent of total capacity.

Over the ten-week season, the average booking capacity for the Confederation Theatre is 80 per cent. Booking capacity varies greatly over the ten-week season. In the first five weeks, from approximately June 20 to the end of July, it averages 55 to 60 per cent. For the last five weeks of the season, the end of July to Labour Day, it averages 95 to 98 per cent. Throughout the season, there is little variation in bookings over the days of the week.

In the physical sense, the Confederation Centre Theatre is virtually used to full capacity. No more than 78 performances may be put on over a ten-week period. However, in the seat-utilization sense, the Confederation Centre Theatre falls far short of full capacity utilization. This is particularly true for the first five weeks of the season. Over

200,000 tourists are in P.E.I. during the month of July, but only 18,000 people attend performances in the theatre during that period. The fault lies in an inadequate advertisement and promotion campaign for the Confederation Centre Theatre. This can be remedied in two ways:

- An intensive advertising campaign at the primary entry point for tourists, on ferries crossing to the Island.

- A facility allowing tourists to make advance reservations for the Confederation Centre Theatre, at all major tourist concentration points in P.E.I.

We propose a number of other recommendations, designed primarily to make more intensive use of entertainment facilities available through the Confederation Centre. They are:

- Many physical changes are needed in the Confederation Centre, so that it may be more effectively used as the city's premiere entertainment facility. Some of these changes are:

  - During the summer season, the box office should be located in a portable booth on Confederation Plaza.

  - It should be possible to make advanced bookings for all engagements in the Confederation Centre. In addition, booking agents should be located in other areas of P.E.I.

  - There is an urgent need to erect a new marquee for the Confederation Centre Theatre. The existing marquee detracts from the physical splendour of the Confederation Centre.

- At present, the wrong entrance is being used by most patrons of Confederation Centre. This is in part due to the existing location of the box office. We recommend that the new portable box office as well as the proposed outdoor restaurant be located near the original, more appropriate entrance. This would do much to diminish the existing congestion around the miniscule foyer of the Queen Street entrance.

- The Confederation Centre Theatre has approximately 900 seats. This makes it too small to efficiently offer mass entertainment attractions, yet too large to establish casual cabaret-style entertainment activities. We feel that there is a real need to incorporate a second, small theatre into the Confederation Centre entertainment operation. If such a theatre were available, it could be used for cabaret-style entertainment, mime theatre, small summer stock presentations, and a variety of other entertainment purposes. We recommend that the Capital Theatre be purchased from the present owners and adapted for these new purposes.

- The Confederation Centre Plaza, as well as the adjoining open space, is not presently being fully utilized for either daytime or nighttime activities. Some of our previous recommendations are designed to make the Plaza more attractive for daytime activities. We should not forget that the tourists require entertainment at night also. And the warm July-August temperatures make nighttime outdoor activities both attractive and inexpensive. We propose that an entertainment schedule be established for the Confederation Centre Plaza, featuring various types of musical presentations, rock bands, small drama groups and perhaps outdoor non-commercial movies.

- If our recommendations are acted upon, and the number of entertainment activities in the Charlottetown area increase substantially, there will be an increased need for promotional activity to advertise the potential of the Charlottetown area. This is especially important to our proposed tourist service centre role of the Charlottetown area drawing people away from the beaches for more diversified entertainment activities. There exists at present a small weekly promotional magazine called "This Week in Prince Edward Island". It is a private, profit-making concern, existing entirely on advertising revenues. Its quality is excellent, given the limited financial support which it receives. However, we feel that a promotional document such as "This Week in Prince Edward Island" is of vital importance to the success of the Charlottetown area tourist development plan. Therefore, we recommend that the existing private owners of the weekly magazine receive a subsidy from government. This subsidy should be in the order of $10,000 per year and conditional on improvements in graphics and distribution procedures.

  Alternatively, the Provincial Department of Tourism should take a greater direct involvement in promoting tourist activities in the Charlottetown area.

6. Other Support Amenities

The P.E.I. 1973 Centennial Commission has produced a document known as the "Calendar of Events". It describes all special events taking place in P.E.I. to commemorate the centennial year 1973. Properly distributed, it is a document which will be important to tourists visiting the Island this year. We have analyzed this document, and noted a disturbing lack of "Special Events" taking place in the Charlottetown area. Of the 164 events scheduled to take place during the July-August tourist season, only 30 will take place in the Charlottetown area. This represents only

18 per cent of the total number of special events for the period and substantially less than one would expect, given the size of the population in the Charlottetown area, the relative wealth of that community in P.E.I., and the important role which tourism plays in the economy of the Charlottetown area.

There are many explanations for the relatively low number of special events planned for the Charlottetown area for the centennial year. Local initiative, spurred by local pride, often disproportionate to the size of the community, determines the location of many special events. Also, many of the activities such as the "Strawberry Festival" have a rural/agricultural orientation. This is not found in the Charlottetown area. However, the fact remains! The Charlottetown area's local initiative in promoting tourism could be enhanced. We suspect that a major reason for the lack of such initiative relates to an insuffiecent "pride of place" in the Charlottetown area. Thus, our recommendations on "other support tourist attractions" relate to the need to improve physical amenities in the Charlottetown area.

Although this subject is important to the development of tourism, we devote to it only a cursory treatment. Chapter III of this volume of the Opportunities Study provides a more intensive treatment.

There are a number of criteria from which we can select appropriate strategies in this area. They are:

- We wish to recommend a form of development for the Charlottetown area which does not earn it the title "Carnival City". The Charlottetown area is the largest population centre in P.E.I. and the seat of provincial government. An appropriate development would make it: beautiful but not overly quaint; interesting but not mawkish; diversified but not chintzy; and, colourful but dignified.

- We wish to promote the development of a city in which local residents can be proud.

- The treatment of public space must accommodate two different populations, in both size and texture--for both tourist and non-tourist seasons. If the city is solely designed to service the massive peak season population, it would look empty and arid during the normal off-season.

- There are many competing claims for public investment funds in P. E. I. We have established the importance of the Charlottetown area to tourism in P. E. I. --to the extent that we feel it warrants public investment. Yet other claims for public investment are similarly justified in the interest of "balanced economic growth". Thus, we propose a set of investment criteria, i. e:

    - where possible, private investment is preferred over public investment;

    - public investment schemes must be carefully screened to determine the social payoffs;

    - public investments should support activities which would be considered "overhead" and "avoidable" through industry co-operation, e. g. an integrated advertising and promotion campaign for tourism, improvements in infra-structure, etc.

7. Cruise Ship

During the course of our study, we became aware of promotional efforts by the Department of the Environment and Tourism to attract cruise ships to Charlottetown. Through the Department of Regional Economic Expansion, we were instrumental in having the Department of Public Works examine the mooring facilities for ships planning to visit Charlottetown this summer. We also examined the marina policy and discussed possible cruise ship pier locations with yacht club members and the Department of Public Works.

We recognize that construction of a cruise ship pier would mean that Charlottetown could then be promoted as a visiting port. The passengers of these "floating hotels" would, as short duration visitors to the Charlottetown area, not place any additional strain on accommodations. Cruise ship passengers could be the type of tourist whose expenditures would be well above average. Their call on the port could generate substantial revenues to the tourist industry. We estimate that large cruise ship tourists on a one-day visit to the Charlottetown area could leave about $8,000 to $10,000 in the area.

A number of alternative locations discussed with the Department of Public Works (DPW) were examined. DPW estimated costs of each alternative.

The crucial question with regard to providing a cruise ship pier is: Are any of the schemes economically viable? The alternative cruise ship pier strategies are:

- Construct a breakwater/cruise ship pier as part of a marina program. This would provide a wharf for docking a cruise ship and a breakwater for the yacht club basin. DPW estimates that a 40 foot wide pier located off the yacht basin would cost about $2 million.

- Upgrade the Prince Street wharf to a 100 foot width and extend it to the same length as the railway wharf. This wharf would serve as a dock for cruise ships and as a container pier. Estimated costs are about $2,300,000.

Our preliminary evaluation of the alternative schemes is as follows:

- The combined breakwater/pier appears to have little economic validity. Based on Sydney, Nova Scotia's experience--eight cruise ships in 1972--the wharfage fees would obviously not even start to pay the interest, let alone the capital, on the cost of this facility. Nevertheless, a cruise ship represents potentially substantial revenues for the tourist industry. On the basis of eight ships in port for one day each, this could represent annual tourist expenditures between $65,000 and $80,000.

There appear to be two logical routes to follow with regard to providing a pier/breakwater, or wharf for cruise ships. Firstly, we understand that the feasibility of a container operation at the Prince Street wharf has been considered. This possibility appears to represent an approach to providing a pier that could be more readily justified economically. Further investigation should be made to determine whether a container operation is to be established. If such is the case, ensure that provisions are made to accommodate cruise ships.

The second approach is to explore the federal government and provincial marina policy to determine what waterfront developments would be required to offset the costs of a breakwater/pier.

We see the cruise ship visits to Charlottetown harbour as an added tourist attraction and complementing our waterfront development scheme, and therefore support any further efforts on the part of the Department of Environment and Tourism in following up on this potential development.

G. A STRATEGY OF TOURISM DEVELOPMENT

Our role in carrying out this study was to identify economic opportunities available for future development of the Charlottetown area. We feel that the tourist sector contains one of the most important sets of opportunities for the Charlottetown area. The tactics suggested for better exploitation of the opportunities in the Charlottetown area are:

- increase the length of tourists' stay,
- increase the average tourist spending, and
- lengthen the tourist season.

These tactics are consistent with stated government policy and are reflected in the current promotional activities of the Department of Environment and Tourism. We support their policy which emphasizes capitalizing on Island tourists. Our tourist demand forecast predicts rapid increases in the number of tourist visits. Policies that encourage increased tourist spending and length of stay represent an appropriate allocation of public and private resources--focussing on assets which are readily available in the province.

We have proposed two general strategies which reflect the present policy initiative in P. E. I., i. e:

- To increase the spending and length of stay of "typical" tourists we advocate a substantial redevelopment of the central area of Charlottetown. This will make Charlottetown a more interesting place for tourists and contribute to a more balanced set of Island activities. Although a large proportion of tourists in P. E. I. are principally interested in activities such as sightseeing, camping and swimming, we believe that they need urban "big-city" activities in order to strengthen their desire to remain in one place for any length of time.

- To lengthen the tourist season, we see the Charlottetown area's role as a conference centre as a major factor. Since a major portion of the conferences in the Charlottetown area are held in the "shoulder months" any further developments in this area will serve to extend the tourist season.

In addition, we feel that our recommendations complement current policies of the Department of Environment and Tourism, and will have an indirect impact on the length of the tourist season. If Charlottetown becomes a more attractive and interesting place for visitors, programs such as the "fly-drive package tours" will have a better chance of attracting more tourists in the shoulder months.

We do feel, however, that additional emphasis in public policy on extending the tourist season may result in a poor allocation of public resources. The arguments against extending this tactic in a general strategy for tourism development are as follows:

- Many of the tourist activities are closed in September, e.g. Anne's House of Dreams, Rainbow Valley, Garden of Gulf Museum, etc. There is strong economic logic to this. The activities depend on large numbers of tourists for breakeven revenues. The increase in tourist visitors during the shoulder months would have to be very large to justify extending their operation.

- Many tourist activities depend on student labour, which is not generally available after Labour Day.

- A simple consideration of the numbers involved in tourism for P.E.I. places the question of seasonality in a different perspective. The province now receives over 600,000 tourists, 70 per cent of whom arrive in July and August. How many additional tourists can be derived from programs designed to lengthen the season? If the numbers involved fall in the range 9-10,000, then there is only a minor impact on the P.E.I. economy. If the program requires significant public resources, then it may be rejected on benefit/cost criteria.

We do not suggest placing no emphasis in public policy on extending the tourist season. The "fly-drive package tour" is a high-quality program which can have valuable side-benefits as a test market project to determine tourist interest in Island shoulder month activities. The results of these promotional programs should be carefully considered before launching into a more comprehensive program. Meanwhile, the major priority rests with our strategy to create in the Charlottetown area an increased capacity for providing diversified accommodations and entertainment for peak month tourists.

II

THE GREATER CHARLOTTETOWN URBAN AREA AS PART OF A PROVINCIAL CONFERENCE, SEMINAR, AND CONTINUING EDUCATION CENTRE

A. INTRODUCTION AND SUMMARY

1. Introduction

In this chapter we consider the Charlottetown area's role in developing an opportunity in the conference, seminar, and continuing education market. In carrying out a study of this role, we have inventoried all the facilities available in the two major urban areas of Charlottetown and Summerside. We have also considered the potential of facilities on the Island such as Brudenell in relation to this opportunity.

We have met with all levels of government, senior people in the post-secondary education field, and hotel and motel operators, and with a variety of people in related fields on the Island.

A questionnaire was directed to a number of meeting place decision makers in government, industry, and associations, etc. in various parts of Canada and the U. S. A. The results of this survey, our analysis of previous statistics in the meeting field, and experience in general in the meeting industry, were all considered in developing our recommendations.

The supply side of the meeting facilities market has also been related to the Charlottetown situation. We have also considered Charlottetown's capability to penetrate the market, and its attractiveness to holders of smaller meetings.

Throughout this chapter, we refer to the meeting market. This market includes meetings which are held for a variety of purposes. We suggest that one should not attempt to differentiate between the different reasons for holding meetings. In an attempt to further clarify the meeting market in general, we present our definitions of conventions, conferences, seminars, continuing education, and training.

Conventions are held by a group or association for the purposes of electing or changing officers, and conducting other formal business matters. In general, conferences, seminars, and education sessions, which form part of the convention, may, in fact, be the dominant features of the program. Greater emphasis is now being placed on the inclusion of technical sessions as part of a total convention program.

Conferences are meetings that are held to review and discuss a particular topic of timely importance. In general, seminars form an important part of conferences as well.

Seminars are usually educational in nature, attended by small groups (15 - 20 people), to permit a closer relationship and full discussion and debate by all participants.

Continuing education programs are sponsored by associations, governments, businesses, etc. for their own personnel or members. Organizations, in general, look to these types of programs as a means of continually upgrading the skills and knowledge of their personnel. Seminars are usually the principal means of providing education programs.

Training is similar in many respects to the continuing education programs, except that the emphasis is placed on the dissemination of new skills or methods. As with continuing education, these take the form of seminars.

These types of meetings are not always clearly distinguishable. Frequently, one type of activity may closely resemble or form part of another. We have found that the seminar market includes seminars, continuing education, and training.

The term "conventions" often includes all of the meeting market. Thus, it is the function of convention bureaux and hotel convention managers to promote meetings of all types. Many of the published statistics relating to conventions include meetings which are not, by definition, conventions, but which could more accurately be described as conferences, seminars, continuing education, or training programs.

Thus, in this chapter, whilst being principally concerned with meetings of a non-convention nature, we could not ignore meeting activities statistics, even though they may be referred to as conventions.

2. Summary

a) Industry Trends

The twentieth century growth in the number of conventions and conferences is primarily a North American phenomenon. This technical and scientific age has fostered the holding of conferences and seminars to periodically exchange information and to display and market new products. The increased affluence of individuals and companies, coupled with the ease of transport via mass air travel, are contributing factors.

Meetings are generally held during off-peak vacation periods, and delegates, who are spending more, are accompanied more frequently by their wives. The Charlottetown area statistics, however, reveal that counter to this generalization, meetings are held there in the summer months.

In recent years, competitive facilities for the meeting market have been constructed at an increasing rate, and it is expected that this trend will continue. In addition, competition for conferences is now on an international basis.

The increase in conference activity reflects the economic and cultural involvement in a shrinking global society, and the growth in air travel. Nationally and regionally, competition has been increasing by the number and capacity of meeting facilities. Future competition in the marketplace will grow at a rate in keeping with the addition of facilities, and as centres are created. In general, communities who have become increasingly aware of the market size are now actively pursuing their share.

In the continuing education field in Canada, many corporations and universities have created facilities in locations outside urban areas. Generally, these are operated for their own education conferences, training sessions, and special seminars. These centres, when not required for in-house purposes, are made available for commercial purposes. In general, these facilities do well to break-even.

b) The Charlottetown Opportunities

Just as international conferences make it their policy to rotate their meeting places in Canada, so do the Atlantic regional meetings change their conference site. Within this context, we would expect the Charlottetown area to receive its share of the meeting market.

The Charlottetown area's success in competing with other regional centres, however, may be limited by such factors as its lack of variety of attractions and cuisine, and a hotel as a base of operations. It is also not as readily accessible by air as other large centres. Our analysis of Charlottetown conventions from 1967 to 1972 reveals the disturbing fact that less than 5 per cent is repeat business. This statistic suggests that the Charlottetown area as a meeting place is unable to compete for conferences who insist on a hotel as a base of operations, where they meet, convene, and sleep under one roof. With the exception of relatively small groups, the Charlottetown area is not in a strongly competitive position.

Many other small centres in Canada that succeed in attracting a portion of the continuing education market have a captive market as a base of support. The conference and educational centres operated by corporations, e.g. Bell Telephone at Belleville, Ontario Hydro at Orangeville, churches and educational bodies (e.g. universities, American Management Association, etc.), enjoy a captive market of the sponsoring organization. At this point in time, neither the Charlottetown area nor the Island have this.

We believe that Charlottetown should develop conference facilities which would enhance its unique features and those of Prince Edward Island. It should emphasize their special history and characteristics. In recommending facilities, we suggest that their size, design, and concept harmonize with Charlottetown's special qualities. This is the most effective means of developing or enlarging the meeting market for Charlottetown. If Charlottetown was remembered as a nice place to visit, it will be recommended and approved for meetings. Many meeting place decision makers could be former tourists.

Furthermore, if the qualities of Charlottetown are enhanced in a meaningful way, then changes and additions will receive community support. This is essential in achieving on-going success. If the community relates to the activities, it will be more hospitable, courteous, and helpful; this will be passed by word of mouth from participant to potential future participants. This is an intangible element, but in a highly competitive market it is, in our view, extremely important.

We do not see Charlottetown developing a high volume of meeting activity, but we do see it capable of achieving larger participation in the market than it presently enjoys.

c) Convention Hotels

Prince Edward Island and the Charlottetown area in particular, in competing for their share of the meeting market, are faced with strong competition from hotels in Halifax, St. John's, and now in Moncton. The meeting places either planned, under construction, or completed in these three cities are of a very high quality and will provide medium sized conferences with a base of operations.

d) Existing Facilities

Although we believe the Charlottetown area has adequate facilities to accommodate meetings for continuing education and the seminar market, and for most conventions, the facilities are handicapped by the following shortcomings:

- shortage of good audio-visual and seminar rooms;
- lack of size and flexibility in some facilities;
- there are no premises with sufficient capacity to accommodate meetings and banquets for large groups;
- lack of a facility which can house, feed, and provide meeting rooms for large groups;
- conflicting demands on facilities at certain periods of the year--the facilities of U. P. E. I. and Holland College during the academic year--Confederation Centre's facilities during the theatre season.

The deficiencies identified are, perhaps, less serious for the Charlottetown area than they would be for a larger centre. Charlottetown's size and the fact that it is on an Island will tend to encourage visitors to modify their expectations. In these circumstances, special arrangements, providing they are skillfully handled and services exemplory, could be acceptable.

B. RECOMMENDATIONS

- Encourage the location of a hotel of 175 rooms in the Charlottetown area.

- Remodel the cabinet meeting room in Province House into a V.I.P. meeting room. This modification presumes that it could be made available for special small meetings of visiting groups. Its location of historic significance would have promotional appeal. The room could double as a commercial art gallery during the peak tourist season.

- Until such time as a hotel with conference facilities is available, the reliance on existing facilities to serve the conference market will require the highest degree of co-operation between those people responsible for the various existing facilities.

- Create first quality seminar rooms in the Charlottetown area. This type of room should include soundproofed moveable partitions, flexible lighting, quality sound and visual display equipment, etc.

- Appoint a tourist/conference co-ordinator for the Charlottetown area. This co-ordinator would be better able to develop the special skills needed to compete effectively in the market for conferences, seminars, and would tend to avoid conflicts in priorities which might otherwise occur.

- Promote for the Charlottetown area conventions, conferences, and seminars of less than 400 delegates.

C. OVERVIEW OF THE MEETING INDUSTRY

1. Industry Trends

The growth in the number of conventions and conferences is, for the most part, a twentieth century North American phenomenon. Our technological and scientific age has fostered the need to hold conferences and seminars. The reasons behind this need can be traced to the following:

- the need to periodically exchange information and ideas, and to display and market new products;
- the increasing affluence of both individuals and companies;
- the transportation breakthrough resulting from mass air travel.

Appendix A contains background data on the trends and spending patterns of the convention market in Canada and the United States. The important points relative to the demand for meeting facilities in the Charlottetown area are:

- sizeable growth in attendance at conferences and conventions;
- a significant increase in the number of wives accompanying their husbands--four times the number in 1950;
- increased delegate expenditures;
- a shift to air travel as the mode of transport--up by 36 per cent;
- meetings are generally held during off-peak vacation periods;
- 82 per cent of all United States and Canadian national and regional conventions attract less than 1,500 delegates.

2. Meetings In The Atlantic Region

In Table 24 we show a comparative analysis of conventions held in three Atlantic Province centres in the years 1970, 1971, and 1972. The three centres for which data was available are Charlottetown, Halifax, and St. John's, Newfoundland. The number of conventions held at these three centres has risen from 107 to 127 over the three year period. Although the Charlottetown area had, in 1972, about 31 per cent of the total of rooms in hotels with convention facilities, it only enjoyed about 22 per cent of the total market. This percentage is slightly higher than the previous two years. Halifax enjoys the lion's share of this market with an average participation of about 57 per cent.

These statistics tend to support the contention that centres having large hotels that serve as a convention base of operations, tend to enhance their ability to participate in the convention market.

In Table 25 we present a summary of conventions held in the Charlottetown area for the period 1967 to 1973. Complete statistics on all conventions held for the same period are listed in Appendix B. The average number of registrants over the past 7 years is 4,776. The average number of registrants for the same period in June and July is 1,406, or 29.43 per cent. These statistics suggest that the Charlottetown area in the summer months when the scenic beauty and recreational activities are at their prime, does attract meetings. This influx of meetings during the peak tourist season tends to counter the general trends that prevail in other parts of North America, where conventions are normally not held during those two months. This meeting business during the peak season places a further strain on facilities, which, if conventions were not held, could be made available to the visiting tourists.

Our analysis of the statistics of conventions from 1967 to date reveals that less than 5 per cent of all conventions held in the Charlottetown area are repeats.

TABLE 24

A COMPARATIVE ANALYSIS OF CONVENTIONS HELD IN THREE ATLANTIC PROVINCE CENTRES

Year	Location	No. Of Conventions	Delegates		Hotel Rooms[1]	
			Number	% Of Market	Number	% Of Total
1970	Charlottetown	44	4,714	19.59		
	Halifax	41	13,940	57.91		
	St. John's	22	5,417	22.50		
	Total	107	24,071	100.00		
1971	Charlottetown	37	5,659	17.54		
	Halifax	75	18,290	56.70		
	St. John's	31	8,309	25.76		
	Total	143	32,258	100.00		
1972	Charlottetown	23	5,185	22.11		
	Halifax	70	13,800	58.86		
	St. John's	34	4,461	19.03		
	Total	127	23,446	100.00		
	Charlottetown				559	30.65
	Halifax				848	46.49
	St. John's				417	22.86
	Total				1,824	100.00

[1]Includes only rooms located in hotels with convention facilities.

TABLE 25

SUMMARY OF CONVENTIONS HELD IN THE CHARLOTTETOWN AREA 1967 - 1973

Year	REGISTRANTS			Maximum Size	Name
	Total	June and July			
		No.	%		
1967	1,230	230	18.70	300	Superintendents of Insurance
1968	3,190	1,190	37.30	600	Grand Chapter Eastern Star
1969	3,940	1,030	26.14	315	Junior Chamber of Commerce
1970	4,714	1,005	21.30	400	Canada Permanent Mortgage
1971	5,659	1,120	19.80	1,000	Canadian Music Educators
1972	5,185	2,045	39.40	1,000	Agriculture Institute of Canada
1973	9,515[1]	3,225	33.90	900	Cdn. Fed. Of Mayors and Municipalities
Averages	4,776	1,406	29.43		

[1] Estimate only--complete statistics not available.

D. THE SUPPLY SIDE OF THE MEETING FACILITIES MARKET

1. Developing Patterns

The predominant feature of the supply side in recent years has been the tremendous growth in the construction of competitive facilities. In the foreseeable future, this established pattern of additional facilities being built to service the market will continue.

Growth in air travel and the increase in economic and cultural involvements in a shrinking global society will foster world-wide competition for international conventions and conferences--even of modest size. This appears to be a common characteristic of the meeting market.

On the national and regional scenes, the increased number and capacity of meeting facilities has intensified the competition. It is expected that the competitive attitude adopted in the market place will grow proportionately with the number of facilities and centres created.

All levels of government and private enterprise have assisted in creating meeting facilities. Communities have become more aware of the market size and are anxious to capture their share.

Meeting accommodation often takes the form of additions to existing or planned hotels, resorts, arenas, civic centres, exhibition halls, etc. Modifications to existing facilities can encourage their use year-round. Many corporations, educational institutions, and other organizations have built special seminar facilities. These are often made available for commercial purposes when not required for in-house meetings.

2. Charlottetown's Opportunities As A Meeting Place

National conventions make it their policy to rotate their meeting places across Canada. Atlantic regional meetings also rotate their meeting places within the Atlantic Provinces. Within this context, we would expect that the Greater Charlottetown Urban Area will receive its share of the meeting market, to the extent that it is able to supply suitable accommodation.

Can Charlottetown expect to enjoy the sector of the market not related to the convention site rotation policy? It must be recognized that it is not competitive with other major centres in some respects. For example, it is not able to offer the variety of attractions, shopping, and hotel accommodations, of Halifax, Montreal, and other larger cities, nor is it as readily accessible by air as these larger centres. Also, it does not have the variety of support facilities, such as taxis, buses, and skilled supporting trades which are essential to the very large convention and trade shows. In addition, the cost of moving exhibits by air to a Charlottetown conference or other meeting could be prohibitive. This disadvantage is underlined by the fact that Charlottetown does not have the consumer population of larger communities which enables consumer shows to be integrated with some trade shows; for example, sporting equipment, furniture, etc.

More important is the requirement of some meeting groups insisting on a base of operations where they hold meetings, sleep, eat, and convene under one roof. With the exception of relatively small groups, Charlottetown is not in a competitive position.

Can Charlottetown attract the smaller meetings? Can it by reason of its quiet setting and intimate atmosphere, attract seminars that bustling metropolitan centres cannot? We believe that there are some opportunities in this sector. However, the limitations are:

- There are resorts and other small centres already offering, or predictably will offer, quality facilities. These are, or will be, located in the Atlantic Region as well as throughout central and eastern Canada and the northern United States.

- Charlottetown is less well served with direct airline connections than some other cities.

- Many small centres that succeed in attracting a portion of this market have a large captive market as a base of support. For example, conference and educational centres operated by corporations (e.g. Bell Telephone at Belleville, Ontario, Ontario Hydro at Orangeville, Ontario); churches, and educational bodies (e.g. universities, American Management Association, etc.) enjoy a captive market of the sponsoring organization. At this point in time, Charlottetown does not have this.

- Even where excellent facilities are offered, groups which are not captive will change the site of their meetings in order to provide variety and to accommodate the wishes of their members.

We believe that Charlottetown should develop conference facilities which would enhance its unique features and those of Prince Edward Island. It should emphasize their special history and characteristics. In recommending facilities, we suggest that their size, design, and concept harmonize with Charlottetown's special qualities. This is the most effective means of developing or enlarging the meeting market for Charlottetown. If Charlottetown was remembered as a nice place to visit, it will be recommended and approved for meetings. Many meeting place decision makers could be former tourists.

Furthermore, if the qualities of Charlottetown are enhanced in a meaningful way, then changes and additions will receive community support. This is essential in achieving on-going success. If the community relates to the activities, it will be more hospitable, courteous, and helpful; this will be passed by word of mouth from participant to potential future participants. This is an intangible element, but in a highly competitive market it is, in our view, extremely important.

In summary, we do not see Charlottetown developing a high volume of meeting activities, but we do see it capable of achieving larger participation in the meeting market than it enjoys at present.

E. COMPETITIVE ATLANTIC PROVINCE CONVENTION SPACE

1. Convention Hotels

Prince Edward Island and Charlottetown in particular, in competing for their share of the meeting market, are faced with strong competition from hotels in Halifax, Moncton, and St. John's. The meeting space either planned, being constructed, or completed in these three cities is of a very high quality, and will provide medium size conferences with a base of operations. The comparative hotels with their number of rooms and meeting space is listed below:

	City	Number Of Rooms	Meeting Space Sq. Ft.
CN Hotels			
Beausejour	Moncton	212	9,000
Nova Scotian[1]	Halifax	320	20,000
Not Yet Determined[2]	St. John's	300	11,000
CP Hotels			
Chateau Halifax[3]	Halifax	312	4,000

[1] Refurbishing program in progress

[2] Planned for 1975

[3] Under construction.

We list the hotels with meeting space and facilities in Prince Edward Island, Nova Scotia, and New Brunswick in Appendix C.

F. FACILITIES REQUIRED

1. Existing Facilities

We have inventoried and studied the existing facilities in the Charlottetown area. As reported to the Steering Committee, we believe the Charlottetown area has adequate facilities to accommodate meetings for the continuing education and seminar market and for most conventions. The facilities in Charlottetown, however, are handicapped by the following shortcomings:

- shortage of good audio-visual and seminar rooms;
- lack of size and flexibility in some facilities;
- there are no premises with sufficient capacity to accommodate meetings and banquets for large groups;
- lack of a facility which can house, feed, and provide meeting rooms for large groups;
- conflicting demands on facilities at certain periods of the year--the facilities of the U. P. E. I. and Holland College during the academic year--Confederation Centre's facilities during the theatre season.

In spite of these shortcomings, Charlottetown is, for the most part, able to improvise in order to accommodate the larger meetings during most of the year.

Thus, a group large enough to fill the Confederation Centre Theatre (900 - 1,000), can be served lunch partly in the Centre and/or at the Basilica. Somewhat smaller groups could hold their plenary sessions, smaller workshop sessions, and depending on the menu and style of service, be fed within the Confederation Centre. Dinner could be served at U. P. E. I. providing bus transport was laid on.

We believe the deficiencies identified are less serious for Charlottetown than they would be for a larger centre. Charlottetown is a small city, on an Island, and it possesses old world character. These attributes will tend to encourage visitors to modify their expectations. In these circumstances, special arrangements, providing they are skillfully handled and the services exemplory, could be acceptable. The close proximity of facilities in the centre core of the city make walking and short distance bussing practicable.

2. Alternative Solution

A new major facility with ideal space could be more readily sold to potential users than the facilities currently available. New space would enhance the attractiveness of Charlottetown as a meeting place. The increased activity would justify the large capital outlay required and the financial operating risks.

On the demand size (potential users), Charlottetown's share of the market is limited and, in any case, some of it is captive. On the supply side (competitive facilities), Charlottetown is inevitably faced with an increasingly difficult situation. The resolution of a course of action would likely depend on government economic and social priorities.

Our analysis of the situation suggests that the approach to providing meeting facilities in Charlottetown provides two basic alternatives:

- improve existing buildings and facilities;
- create or encourage the creation of a new major facility.

3. First Alternative - Improving Existing Facilities

If, as an interim measure, it is decided to upgrade existing facilities, then plans should be made to incorporate these in existing buildings. Some of these improvements would be in the Basilica Recreation Centre, Province House, and the existing Courthouse.

Prior to the allocation of space in the Basilica Recreation Centre to office use, banquets could be served to larger numbers of people. Consideration should be given to relocating these offices and thus restore the banquet facility to its larger capacity. We understand that adequate kitchen facilities exist. In addition, we see a need to improve the decor of the meeting facilities.

In Province House, we suggest the remodelling of the cabinet meeting room into a V.I.P. meeting room. This modification presumes that it could be made available for special small meetings of visiting groups. Its location and historic significance would have strong promotional appeal. Improving the quality of the upper storey of this historically important building would also enhance its role as a tourist attraction.

In considering the use of the Courthouse, attention should be paid to the practicability of redesigning the interior to create one or two quality meeting rooms. These rooms could double as commercial art galleries during the peak tourist season.

The two new theatres and the older theatre, if remodelled, could serve as additional facilities for certain presentations and lectures. As movie theatres, they offer good sound and projection facilities, comfortable, permanent seats, and a sloping floor. Their availability would be compatible with conferences and seminars, since films are usually shown at night. We have suggested to the theatre management that larger stages and other related features be incorporated in the new theatres, in order to accommodate various types of gatherings.

If this alternative of placing total reliance on existing structures is pursued, one over-riding requirement is the need for close co-ordination and co-operation between people responsible for Charlottetown's various facilities. It is only through the successful combination of facilities that some events can be adequately hosted in Charlottetown.

4. Seminar Rooms

At present, there are no ideal seminar rooms in Charlottetown. We believe these are essential and offer for your guidance the features and equipment that should be incorporated in modern seminar facilities. Seminar rooms should include:

- moveable partitions to allow division into smaller meeting areas;
- partitions and rooms must be soundproofed;
- lighting flexibility--side and end lighting, sectional lighting, thermostat controls, speakers' control panel;
- quality sound systems;
- vision display equipment;
- projection booths;
- closed circuit T.V. may be desirable, depending on the overall size of meeting and feeding facilities;
- recording and translating facilities;
- storage facilities for chairs, tables, and presentation and dining equipment--well located to minimize delays and labour costs;
- adjacent crush space;
- a self-contained kitchen-pantry attached to each seminar room, accessible for servicing from the adjacent corridor; (this will enable each seminar to schedule its own coffee breaks);
- the room should be serviced from the kitchen by a corridor not used by the participants.

The four meeting salons in the Confederation Centre, although of adequate size and number, only partially meet these requirements. In addition, the Centre's own scheduling priorities will at times make these unavailable.

5. Second Alternative--A Major New Facility

The Charlottetown area has proven that its facilities can satisfactorily host any small and even larger meetings. However, considering the competitive facilities available in the other Atlantic Provinces, in order to capture its share of the meeting market, it would be desirable to develop a new facility.

We believe that this new facility should harmonize in concept, size, and design with Charlottetown's uniqueness and qualities. It should be located in the general area of our suggested Charlottetown Square. We do not believe that it would be practical to create a self-standing, independent building because of the cost of land, construction, and operations.

We see three specific opportunities in considering the development of a major new facility:

- A new office building incorporating major meeting space.

- A hotel incorporating 125 to 175 rooms could possibly justify the required meeting facilities. Encouragement to private enterprise could be provided in the form of grants, loans, other financial concessions, independent studies, etc.

- Private enterprise could be encouraged to build a new hotel in Charlottetown adjacent to the suggested meeting facilities in the proposed office building. This meeting space would be government owned. Under this arrangement, the hotel would not incorporate meeting space, but would serve as exclusive caterers for all food and beverage operations in the meeting facility. Catering contract terms could be developed to minimize the risk of operating losses. The terms could be made attractive to the hotel if they were related to levels of revenue and minimums were established. The hotel sales force would be expected to promote the Charlottetown area as a meeting place.

The availability of first quality meeting space at one location could be a major factor in attracting meetings to the Charlottetown area. It would tend to offset the advantages other centres have in the Atlantic Region, and serve as the focal point in promoting the Charlottetown area as a meeting place. Effective marketing promotion of the Charlottetown area which contained a featured facility, even if meetings elected to use other space, would be more effective. At this point in time without new facilities available, the many qualities of the Confederation Centre best meet this need in promoting efforts.

The development of a new facility offers an additional advantage in that it could be a creation of something conceptually and architecturally unique. This facility would attract a lot of public interest and press coverage and, like the Confederation Centre, become symbolic of Charlottetown.

We recognize that existing hotels would be opposed to government providing assistance to a new large hotel or meeting rooms, or a catering contract. This reaction is common to most cities when facilities are proposed which will offer new competition. The offsetting feature to existing hotels and motels is that the new meeting space would attract additional meetings, which could avail themselves of the services of a variety of hotels. Nevertheless, some hotels/motels would lose some business and others would be fearful of the risks, without losing business. These factors must be taken into consideration in the final plans for a new facility.

We believe the inclusion of meeting space in the new office building would be more palatable to the existing operators. It may, however, be less appealing to potential conference and seminar groups who prefer to have their meeting, eating, and sleeping facilities at one location.

We did not study the number of additional hotel rooms that Charlottetown could realistically support. We have, however, prepared in Chapter I, a feasibility analysis for a 175-room hotel, to be located in the centre core area.

Assuming that Charlottetown could support an additional 175 rooms, the concentration of these rooms in one hotel rather than spread among three or four motels would be a strong selling feature in the market place. We see the city taking responsibility for approval of the location, height, size, style, and concept of any new hotel/meeting facility projects to be developed in Charlottetown.

6. Promotion

Regardless of what facilities are presently available, are planned, or can be encouraged to locate in Charlottetown, we feel the extent of their use will be directly related to:

- promotion;
- performance;
- citizen support;
- things to do.

We have listed below under these main headings the important factors related to each.

- Promotion by:
  - hotels, motels, Confederation Centre, and other meeting facilities;
  - official community organizations (e.g. Chamber of Commerce, Downtown Business Association, etc);
  - local personnel of corporations with affiliated offices off the Island;
  - members of regional or national associations;
  - personnel of federal government departments and agencies;
  - provincial government departments.
- Performance by:
  - all segments of the hospitality industry (hotels, motels, restaurants, meeting facilities, places of entertainment);
  - all support sectors (airlines, railways, bus lines, taxis, engineering trades, governments, community and business organizations).

- Citizen support:
  - courtesy;
  - enthusiasm;
  - knowledge of what is in Charlottetown and where.
- Things to do:
  - shopping;
  - events;
  - attractions;
  - atmosphere.

There are many features of a city that contribute to making it a suitable meeting location:

- its special attractions and environmental qualities;
- transportation to and from, and within the city;
- the quality of the hospitality extended by the community and the meeting organizers.

In addition to the above, it is absolutely essential that certain facilities be of satisfactory size, flexibility and quality:

- hotel and motel accommodation;
- eating facilities and the variety and quality of meals;
- meeting facilities.

7. Feasibility Of The Proposed Meeting Facilities

Here we present the financial picture of:

- a major meeting facility within an office building.

The following assumptions were considered in preparing for purpose of an illustration, the feasibility of an independent meeting facility operation as opposed to being an integral part of a hotel:

- the meeting facility incorporates a room capable of seating 675 to 775 people, theatre style, and feeding 540 - 600; this is in reasonable relationship to the existing hotel capacity in Charlottetown:

Number of existing first-class rooms	550
Assume additional rooms to be built	150
	700
Assume that 60 per cent would be made available for advanced bookings at hotels	420
Assume 1.6 persons per occupied rooms	627

There would also be participants from the local area, or people in attendance would be housed with local residents.

- Adequate parking will be provided to accommodate the users of the meeting facility.

- Charlottetown would draw 7,000 attendees in 1975 to its conventions, conferences, and seminars. We estimate if such a facility were provided, an additional 3,000 people would be attracted to Charlottetown, thus totalling 10,000.

- It is assumed that half of these would be participants in meetings held at the proposed facility. This implies that about 2,000 people would not use other facilities.

- The income statement estimates reflect contributions from local events such as weddings, service club meetings, fund raising dinners, celebrations, etc.

- The restaurant operator would provide food and beverage catering service to the proposed office building.

  Lease arrangements are dependent on sales volume, relationship between food and beverage activity, length of lease, investment in equipment, responsibility for replacements, maintenance, and cleaning, etc. For our purposes, we used 25 per cent of food and beverage sales as the contribution to the meeting facility from catering services.

- Meeting room rentals of 10 cents per square foot for off-Island groups and 5 cents per square foot for local events.

- Meeting facility space appears below.

Meeting Facility Space

		Square Feet
One large meeting room (divisible into 3 rooms):		
1 - 3,400		
1 - 1,000		
1 - 1,000		5,400
Design permitting, 2 additional adjoining rooms:		
1 - 750		
1 - 250		1,000
Other meeting rooms:		
2 - 500	1,000	
2 - 300	600	1,600
Service Space:		
Foyer		
Washrooms		
Checkroom		
Storage		
Service Kitchen		
Administrative Office		
Convention Office		3,600
TOTAL SPACE[1]		11,600

[1] Excluding space for stairs, elevator, outside terrace, and parking.

1975 Capital Requirements[1]

		$
Building, 11,600 sq. ft. at $25 per sq. ft.		290,000
Furnishings and equipment		125,000
Service kitchen		30,000
Dishes, cutlery, linen		20,000
Working capital		40,000
Pre-opening expenses:		
Payroll	$10,000	
Promotion	20,000	
Other	15,000	45,000
TOTAL		550,000

1975 Operating And Maintenance Expenses[1]

Office	5,000
Telephone	6,000
Promotion	25,000
Building maintenance	10,000
Utilities	15,000
Insurance	6,000
Equipment repairs	5,000[2]
Other	15,000
TOTAL	87,000

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[1] In terms of 1973 dollars.

[2] In 1975, most equipment repairs would be covered by warranties.

1975 Personnel Expenses[1]

Position	Annual Payroll Costs Including Employee Benefits
General Manager	$20,000
Engineer	12,000
Assistant Manager	12,000
Accountant (part time)	5,000
Secretary	7,000
	$56,000

Summary of Projected 1975 Income And Expenses[1]

Source Of Income	Conference/Seminar Meetings Attracted To Charlottetown	Local Events	Totals
	$	$	$
Catering fees	23,000	47,000	70,000
Space rental	13,000	13,000	26,000
	36,000	60,000	96,000
Sundry			3,000
			99,000

Expenses

Personnel	$56,000	
Operating and maintenance	87,000	
Depreciation of furnishings and equipment	12,000	
Amortization of preopening expenses	9,000	
Real property and business tax	13,000	
Total expenses		177,000[2]
Net Operating Loss		78,000

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[1] In terms of 1973 dollars.

[2] Interest expense, if any, not included.

Summary Of 1975 Cash Flow[1]

			$
Net Operating Loss			78,000
Less:	Depreciation	$12,000	
	Amortization of pre-opening expenses	9,000	21,000
Cash deficit before payments to amortize projected capital requirements			57,000
Add:	Annual payments to retire projected capital requirements at 8% over 20 years		55,000
Cash Deficit			112,000

The feasibility analysis indicates that a new major meeting facility would incur substantial annual operating losses and cash deficits. Thus, such a facility could not be justified on entrepreneurial grounds.

Some justification could perhaps be found in the economic impact resulting from the 3,000 additional meeting participants. Assuming a 2-1/2 day average length of stay and $50.00 as the average spending per delegate-day in 1975, then the direct spending would be $375,000. In addition, assuming a multiplier of 1.5, the ultimate spending resulting from the additional attendees would be $562,000.

[1] In terms of 1973 dollars.

We believe it would be preferable to encourage the development of a new hotel facility in Charlottetown. It should incorporate the convention space mentioned above. In this way, Charlottetown would capture the spending benefits without incurring annual operating losses.

Charlottetown might attract a hotel development by discouraging the creation of a number of new small motels, each of which would take a share of the room night demand. It could be further encouraged through assistance in land assembly, loans, and the availability of appropriate preliminary studies.

It should be recognized that if Charlottetown is forced to incur losses in order to enjoy the benefits of a large new meeting facility, then the alternative described earlier may be more in keeping with what Charlottetown can afford. The earlier alternative was predicted on the fact that Charlottetown could not greatly increase its annual share of the meeting market. It should, therefore, concentrate on upgrading and co-ordinating the facilities that already exist. It should further concentrate on enhancing the quality and attractiveness of the city, with all its unique characteristics, as a place to visit.

Our recommendations take the form of a preferred solution and a second choice.

- The preferred solution would be to attract a new hotel to Charlottetown which would incorporate major meeting facilities of the type described. This recommendation carries with it a word of caution. The hotel should be of very high quality in terms of concept and design, landscaping, exterior signs, and building materials, furnishing, decor, staffing and management. It should be a landmark building of symbolic value which enhances Charlottetown as a special city and as a provincial capital.

- The second choice solution is to concentrate on upgrading and co-ordinating existing facilities. Even if a new hotel is attracted to Charlottetown, most of the detailed improvements suggested should still be made. Since this second alternative is not only acceptable, but is desirable, Charlottetown should recognize that it is in a position to insist on the highest standards from any hotel organization which may wish to build a major hotel facility.

G. MEETING PLACE QUESTIONNAIRE

In order to determine the meeting requirements of industry, government, and other groups that might consider holding future conferences, seminars, etc. in Prince Edward Island, we developed a list of meeting place decision makers. The sample questionnaire and the Questionnaire Mailing List appear in Appendix D. Responses were received from 100 of the total mailing list of 358.

The Charlottetown area as a meeting place was selected by 12 per cent of the respondees as the preferred Atlantic Province city for meetings. Only 2 per cent indicated that it would be their first choice.

Here we present the summary of responses to the questionnaire and some pertinent comments taken from the questionnaires and letters we received.

1. Location

- Where do companies or associations hold their events?
  - Canada 38, U.S.A. 32, both 2.
- Most popular Canadian cities?
  - Toronto, Montreal, Vancouver, Halifax, and Ottawa.

- Number of meetings held in the Atlantic Province?

  - In the past: 36.
  - In the future: 36.

- What is the Atlantic Province city preferred?

  - Majority selected Halifax.

- What reservations did those who selected the Atlantic Provinces indicate?

  - A definite need to improve facilities and transportation.

- The number who selected the Charlottetown area in order of sequence?

  - Choice:

. First	2
. Second	4
. Third	6
. Fourth	4
. Fifth	3

2. <u>Season And Length of Stay</u>

- What time of year is the most popular?

  - Spring - month of June.

- Average number of days in a session?

  - Four.

3. Hotels And Meeting Rooms

- Average number of meeting rooms per session?
  - Seven.
- Average number of bedrooms used?
  - 253.

4. Attendees

- Average number of delegates attending?
  - 560, (10 minimum, 3,250 maximum).
- Average number of spouses attending conventions?
  - 233.

5. Major Criticisms of Features, Taken From All Questionnaires

Facilities:

- Hotel
  - poor:
    - elevator service,
    - management,
    - old accommodations.
- Meeting
  - poor meeting room accommodation;
  - poorly combined small and large room accommodation;
  - poor soundproofing.

Transportation:

- poor in Charlottetown.

Entertainment:

- not much in Charlottetown.

Interest:

- April in Charlottetown poor time to see anything.

Shopping:

- Charlottetown very limited.

Quality of City:

- No comments.

Ease Of Co-ordination

- Charlottetown very difficult.

Features Of A City As A Meeting Place

- Important:
  - Location
  - Meeting place close to hotel
  - Quality of hotel facilities
  - Quality of meeting facilities
  - Delegates in the same hotel
  - Meeting and lodging in the same place.

- Desirable:
  - Climate
  - Transportation
  - Entertainment.

- Desirable to Unimportant:
  - Places of interest.
- Unimportant:
  - Special character
  - Shopping
  - Exhibit area.

6. <u>Some Comments Taken From The Questionnaires And Letters We Received</u>

"We would not be holding any events in Charlottetown as our offices do not have a branch in that location."

"We do not feel our replies would be of much value to you as we are not planning any meetings in Charlottetown in the near future."

"Selection of cities for our meetings depend upon invitations made by members in that city."

"We feel that Halifax is the only Atlantic Province centre capable of holding a conference of over 1,000 people and even it has some difficulty in handling our annual conference."

"We hold our meetings in areas with the most amount of member concentration."

"Would consider returning to Charlottetown if modern hotel facilities and convention centre facilities were provided to handle our needs - delightful scenic area."

"Good hotel facilities with meeting rooms and eating establishments all under one roof is important." //

"Prefer downtown hotel which can hold all our people, with swimming pool, restaurants with first class service, and bars with moderately priced entertainment."

"A feeling that we are wanted, its support services are adequate and willingly given. That food and accommodation will be good and reasonably priced. Parking is no problem and reasonable transportation readily available. Good communication facilities, expeditor available to help break unexpected bottlenecks."

"Hope to charter one or two large cruise ships to anchor off facilities."

"Adequate air connections. Was not impressed with Charlottetown. Found it dirty, inadequate rest room facilities and restaurants."

"Good area for those desiring to use it as part of vacation."

"Prefer reasonable number of local members of our association in an area for program development and low travel costs for major segment of our membership."

"Problem of transportation too difficult to give serious consideration. Cost factor favours Montreal area for any large conventions."

"Y. M. C. A. usually use their own places for meetings as finances are low."

"Office in Toronto, so distance factor would be great and inconvenient."

"Lack of a large hotel in Charlottetown would stop us from going there again."

"Meetings held in a city nearest our requirements and operations."

"Our experience was unfortunate that MacLaughlin's Hotel was not completed."

"Spent three glorious days in P. E. I. Hope to go there again."

"Meetings that are controlled by the area in which outgoing President lives."

"Difficulty of access during high season heavily booked accommodations militates against use of Charlottetown."

"Have been in Charlottetown several times, small conventions or seminars are fine. More use could be made of the University facilities."

"Important to have one large room, theatre style to seat over 1,500 people plus several smaller rooms for adjacent meetings."

"Choose on the basis of air access or train from all parts of Canada. Also on efficient facilities available in major hotels."

"Difficult getting from a mainland location to Charlottetown. Need to improve on food."

H. OPERATION AND MANAGEMENT POLICIES

A new major meeting facility would require well-conceived operating policies and effective management to achieve maximum benefits. Based on our experience, we offer the following guidelines:

- The meeting facility management should be free from political pressures. This can be accomplished by establishing policies which fully and clearly define its aims and priorities.

- An experienced and well qualified general manager should be hired.

- A separate agency of the sponsoring government department should be established to monitor operations.

- This agency should have a board of directors which includes the general manager of the Chamber of Commerce. The general manager of the meeting facility should be a board member of the Chamber. This would help to assure close and constant co-operation between the two organizations.

- The Chamber of Commerce should locate its offices in or adjacent to the meeting centre. This would increase the opportunity for interested parties to tour facilities and would create an effective sales climate. It would also encourage a close rapport between the Chamber and the meeting facility.

- Except for broad policy approval of major expenditures, the general manager should be held responsible for operations.

- The general manager should be appointed by the board of directors. He in turn hires other employees.

- Since the primary purpose of such a facility would be to attract off-Island meetings, organizations outside the Charlottetown area should be given priority in bookings. The policy of some facilities is that a local meeting may be given a firm date only when it is less than a year in advance.

- Accurate records should be maintained. Where the meeting centre would derive revenue as a percentage of receipts, it should have full right to specify financial control. It should have the right to order an audit inspection of the caterers' records. Proper techniques should be employed in determining head counts.

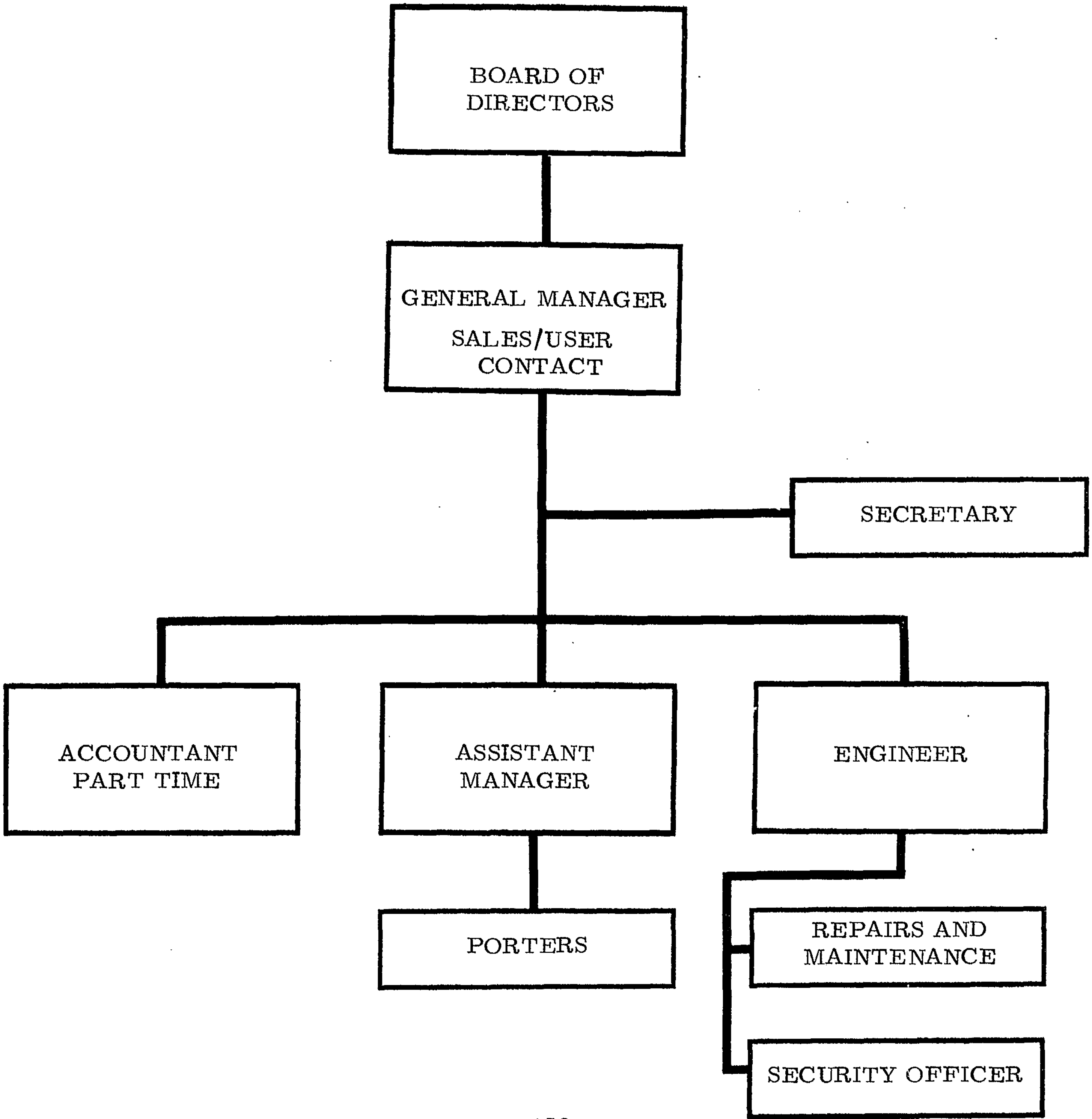
- Sales efforts and booking of space should commence with the start of the project and the selection of the general manager.

- Proper budgeting, financial reporting practices, internal controls, and independent audits are essential.

A suggested organization structure for the new major facility is shown in Figure 3.

FIGURE 3

SUGGESTED ORGANIZATION STRUCTURE FOR A NEW MEETING FACILITY



Position Descriptions

General Manager is responsible:

- to Board of Directors;
- for management of facilities;
- for sales;
- for service to users of facilities;
- for dealings with the caterer;
- direction and control of the accountant assistant manager, engineer.

Assistant Manager:

- responsible to manager;
- assists manager in management of facilities, sales, service to users, and in dealing with caterer.

Engineer is responsible:

- to manager;
- for efficiency, repairs, maintenance, and security of facilities and equipment;
- for setting up, taking down, and storage of moveable equipment;

Accountant (Part-time) is responsible:

- to manager;
- for bookkeeping, accounts receivable and payable, deposits and payments, budget and financial statement preparation, collection and accuracy of all financial information.

Secretary:

- responsible to manager;
- provides secretarial service to manager, assistant manager, engineer, accountant.
- telephone and waiting room receptionist.

I. THE TOURIST AND CONVENTION BUREAU

A city requires a community sponsored organization to promote meeting activity. This is often referred to as the Convention Bureau; it is frequently combined with the function of tourism promotion and would then carry a name such as Tourist and Convention Bureau. In smaller centres, the functions of tourism and convention promotion may be carried on by the local Board of Trade or Chamber of Commerce.

We recommend that the Charlottetown area create a separate organization to concentrate on attracting and serving the visitor market in the fields of tourism and meeting activities--in other words to have a Visitor Bureau or a Tourist and Convention Bureau distinct from the Chamber of Commerce. A separate organization would be better able to develop the special skills needed to compete effectively and would avoid conflicts in priorities which would otherwise occur.

Whether a separate bureau is created or the function is continued to be carried on by the Chamber of Commerce, we make the following recommendations for the effective promotion and servicing of the meeting market. In the following outline, we refer to the Chamber of Commerce but, if the above recommendation is adopted, the responsibility would be vested with the Tourist and Convention Bureau.

The Chamber of Commerce can assist in developing business by the following means:

- Many meetings need badges, program covers, promotional literature and other supplies. These should be made available by the Chamber of Commerce, if not free then certainly at cost price.

- Impress upon the business community that the delegate to one seminar or conference may well be the site selector for another totally unrelated organization.

- The Chamber may wish to supply staff to meet some of the convention needs. This can be done from the Chamber's staff or from part-time help recruited and supervised by the Chamber, or from temporary help organizations. The Chamber may wish to subsidize some portion of the costs involved but, in any event, it should be able to provide the source of personnel.

- Act as a liaison between the meeting organizer and suppliers of typewriters, audio visual equipment, printers, etc.

- Provide assistance with respect to entertainment activities and attractions in the area. It should package programs, including ticketing, transportation, scheduling, and catering for meeting groups.

- Whenever the Chamber of Commerce acts in a liaison or packaging capacity, it should make sure that the local business owner or manager is fully aware of the source of business. This will result in a better relationship with, and a stronger financial support for, the Chamber.

- Where time permits, buses should be instructed to avoid the ordinary routes from point A to point B, and instead should take a route which is more scenic, interesting, and makes the participants more aware of the attractions of the Charlottetown area.

- The Chamber should alert the taxi companies about conventions being held and their programs, so that they can pay special attention to taxi requirements. This is particularly important when a meeting uses more than one accommodation facility.

- The Chamber should stand ready to arrange special welcomes for incoming groups if requested by the meeting organizer. This should include attendance of the Mayor or other dignitaries.

- The Chamber should provide up-dated glossy photographs and copies to assist the meeting chairman in his pre-meeting publicity.

- One of the most important functions of the Chamber is to motivate local business and other appropriate leaders to invite their businesses and organizations to hold their meetings and education programs in Charlottetown. Also, the Chamber should motivate all elements of the community to unite and co-ordinate their efforts to attract and successfully serve meetings in the Charlottetown area.

- General visitor information should be provided in order to increase the length of the participants' stay in the Charlottetown area.

- The Chamber should be in close contact with the Province to determine whether any unsolicited inquiries are made about activities in the Charlottetown area.

- The promotion of meetings will always require personal contact. This means seeking out the organizers and meeting them face to face, and advising them of all of the benefits of the Charlottetown area.

- Charlottetown may well set up information booths at appropriate trade shows held throughout the Atlantic region, encouraging industry to hold its seminars and continuing education activities in the Charlottetown area.

- The Chamber should prepare a special kit for members of the local community who are about to attend seminars or conferences at other locations. This kit would include brochures and promotional material to help them bid for future meetings for the Charlottetown area.

- Promote the special advantages of the Charlottetown area:

    - If there is not a great deal for attendees to do after-hours, then there is the advantage that they will be wide awake and eager to start the early morning sessions.

    - The meeting will get better service and better attention in a small community where it is not "just another meeting".

    - A more relaxed atmosphere, interesting programs, and accessibility to rural surroundings.

- Encourage local restaurants to improve the quality and interest of their menus. Advise them of the importance of good service. Good meals, well served, will result in favourable recommendations; poor meals and poor service will have the reverse effect.

- Prepare a visual presentation as a sales tool. This can be shown to all prospective meeting organizers. This can be done inexpensively with 35 millimeter slides. A movie film is more expensive but can be more effective. In any event, the presentation should be professionally produced.

- Press releases should be accurate and reliable so that editors have every faith in what the Chamber releases. They should also have imagination, so as to intrigue editors and announcers. This will result in greater publicity for the successes of Charlottetown.

- The Chamber needs to receive complete statistical and other data relating to all meetings booked into and held in the Charlottetown area. At the present time there is a lack of such data. Partly, this results from a failure by some facilities in Charlottetown to report the data to the Chamber.

  Other means by which the Chamber may maintain a link with all convention and seminar activity in the Charlottetown area would be to provide a free souvenir to each meeting participant. This would encourage the motels, U. P. E. I., etc. to notify the Chamber of all visiting groups.

  It would be better to distribute locally produced handcrafts as a souvenir than to provide complementary liquor or beer; this would ensure that the first round of spending would go to Islanders, thus improving the spending multiplier. It would also serve to bolster handcrafts in Prince Edward Island.

  Suitable souvenirs could include:

  - a book of poems or stories;
  - pictures;
  - lapel pins;
  - pottery items.

  Ideally, these items should not be otherwise available on the Island.

  The Chamber should produce a two or four page catalogue of such items from various parts of the Island. As stated, these would be exclusive and the convention organizer and the hotel manager, etc. could make the selection from this listing.

In return, the Chamber would get full details supplied by the hotels/motels, etc. which would enable it to build up a reliable and helpful information base. It would also receive timely information of bookings so that it could provide many of the important services outlined above.

J. CONTINUING EDUCATION/SEMINAR CENTRES- THE POTENTIAL FOR THE CHARLOTTETOWN AREA AND P. E. I.

In the course of our investigation and analysis of facilities that would be compatible with the needs for continuing education programs, we recognized the apparent comparative advantage of facilities outside of urban areas in Prince Edward Island. The type of facility which lends itself to use as a continuing education centre and for seminar activities is the single-purpose, self-contained, meeting facility, often in the nature of a "retreat".

The aim of such centres is to locate participants in a site where they can avoid distractions. Such centres usually emphasize an attractive, natural setting, and contain unpretentious accommodations. Nevertheless, the meeting areas need to include the equipment, sound and lighting features incorporated in most modern convention facilities.

Some centres are not necessarily isolated or located in one of nature's beauty spots. For example, the American Management Association has built a continuing education centre near O'Hare Airport in Chicago, and as we mentioned above, the Bell Telephone Company has a meeting facility in the town of Belleville, Ontario.

Prince Edward Island's intimate and quaint environment may suggest to some that, because of these features, there is a significant opportunity for the establishment of this type of centre on the Island. Unfortunately, we believe that there is not a major opportunity for a continuing education/seminar centre because:

- This type of centre usually has a sponsoring organization. The sponsor would schedule the centre's meeting activities primarily for its own needs, and offer it to others only on an as, if, and when available basis.

  It was beyond the terms of reference of our study to determine the availability of a sponsor. The group charged with the responsibility of implementing the Charlottetown Area Development Plan may wish to approach major well-financed organizations in the community to promote the advantages of such a centre. In the event that a single sponsor could not be identified, joint sponsorship could be entertained. A jointly sponsored centre, however, complicates the design, priorities of use, operating policies, permanent storage and set up of in-house equipment. We look upon joint sponsorship as an extremely difficult "sell". In any event, we feel that sponsorship in Prince Edward Island could not be obtained on strictly entrepreneurial grounds. A strong sense of community support would be mandatory.

- Continuing education centres are unlikely to be money makers. Their appeal is based strictly on a "no-frills" approach with compatible pricing structure. In general, hotel room rates, by comparison, exceed those charged by education centres by anywhere from 50 to 200 per cent. Education centres whose rates approach hotel levels receive competition from hotels and motels.

- Education centre attendees usually travel without their spouses and are unlikely to spend money on outside activities because sites are selected for their low cost and lack of distractions.

- Accessibility by direct flights is a major factor in choosing the location. Increased travel time and inconvenience advance costs. The Charlottetown area and P.E.I. is in a less favoured position in comparison to other cities because of the limited number of airline flights.

- The Charlottetown area is unlikely to be successful in booking continual use of an education centre. Neither is it centrally located nor heavily populated.

- A Prince Edward Island continuing education centre, or one located in the Charlottetown area would have to compete for their share of the market with the Memramcook Institute outside of Moncton. The possibility of linking Charlottetown's university or college with new meeting room facilities immediately points up the problem of providing overnight accommodation. Excepting the mid-summer and shoulder months, the students are in residence. Tourists occupy the residences in the peak season. We see little economic advantage in displacing higher spending tourists with lower spending seminar participants.

III

LAND AND BUILDING USES AND SERVICES FOR THE GREATER CHARLOTTETOWN URBAN AREA OPPORTUNITIES

A. INTRODUCTION AND SUMMARY

1. Introduction

In this chapter, we present a review of land and building uses in the Charlottetown area, and services related to anticipated opportunities as a result of projecting the economy to 1985.

In relation to the opportunities identified, we have examined the existing land uses, considered any possible conflicts, and investigated the downtown historic and waterfront areas in detail. We carried out a study of traffic patterns and parking facilities in such a manner that we were able to make recommendations concerning the traffic flow and parking requirements for the Charlottetown area.

For each of the opportunities we have examined the service requirements and estimated the cost for new services. We have also estimated the cost of converting existing buildings, modifying streets, and installing new services in the area. Areas have been identified for the location of the opportunities relating to all elements of this study. Where necessary, we examined in greater detail the location of major facilities, and have made recommendations on a desirable site.

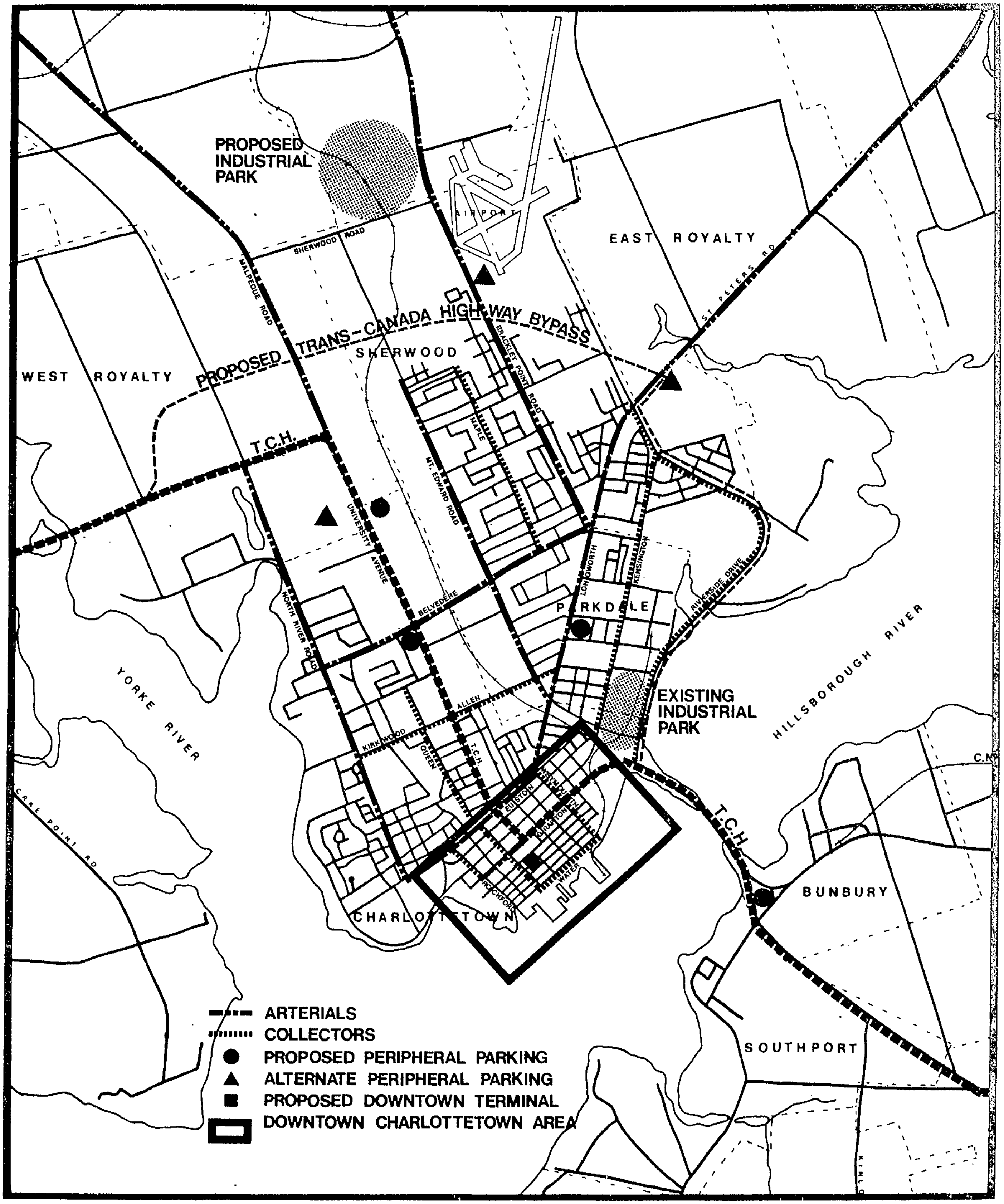
2. Summary

The Greater Charlottetown Urban Area, our study area, includes the Municipalities of East Royalty, West Royalty, Parkdale, Sherwood, Southport, Bunbury, and the City of Charlottetown. The Charlottetown area is shown in Figure 4. Our study of land use, services, circulation patterns, and parking did not involve preparation of a comprehensive physical development plan for the Charlottetown area. It did, however, deal with the identification of specific physical factors compatible with the exploitation of potential development opportunities in the Charlottetown area.

We consider the Charlottetown area as being neither so large nor so wealthy that it can afford to disperse its economic development forces. Rather, they must be concentrated and aimed to have the greatest possible impact on the quality of the urban environment. It is for this reason and our analysis of findings throughout the course of the study, that we see the central area of the city representing the single, most important element in terms of creating an unique image for the Charlottetown area.

At the micro level, little relationship exists between the central area and the broader Charlottetown area in terms of physical features and character of the two areas. Proposals developed for the central part of Charlottetown are intended to enhance its existing character--with little impact on the physical form of the surrounding Urban Area. In short, the focal point of this element of the study was the central area of Charlottetown.

FIGURE 4



CHARLOTTETOWN AREA

The centre core area of the study area is bounded by Euston Street on the north, the C.N. rail line to the east, the harbour on the south, and Victoria Park on the west. It contains the vital activities--municipal, provincial, and federal government functions; medical services and facilities; cultural facilities; the principal commercial centre; the waterfront associated activities: shipping, marine administration, wholesaling and storage, and transportation. Of greater significance to the opportunities for development is the fact that a truly representative sample of the history, the character, and the charm of Charlottetown are found in its central area. These are the features that, taken as a whole, make Charlottetown unique. Moreover, these are the assets which must be emphasized if the development image, true to the scale and spirit of the Charlottetown area, is to be formulated.

The Charlottetown area has a number of assets and liabilities. We have identified the physical assets as:

- its size, the scale and the character of development that has occurred, particularly in the central area;
- the potentially strong relationship between the waterfront and the city centre;
- the absence of major development pressure to significantly alter this existing condition;
- location in relation to the Island--and in particular to major tourist areas;
- absence of pollution of the kind and scale associated with larger urban centres, and the access to the countryside;
- most principal functions are located in the centre area.

Offsetting these strengths, we see the liabilities of the Charlottetown area as:

- the size and relatively low growth rate characteristics of the Charlottetown area;

- the growth stability of its service market, the Island;

- the restrictions associated with the Charlottetown area's access to the mainland.

These factors tend to act as constraints on the scale of potential development opportunities. However, the potential for the creation of an unique development image for the Charlottetown area is inherent in its physical assets. We believe that the positive features more than counterbalance the restrictions associated with the liabilities. The focus of this chapter is the form of this proposed development image.

The revitalization and preservation of the unique character and physical assets of central Charlottetown, in a compact, pedestrian oriented form, is a means of capitalizing on the physical assets--more sharply defining the city's unique character. This approach will help to develop an image compatible with the realization of development opportunities defined in this study. We have identified the central area as "Charlottetown Square". Charlottetown Square comprises the four elements of the central district. In Table 26 on the following page, we present the development goals and the strategies necessary to achieve these goals for the four elements which make up Charlottetown Square. Considered together, these form an easily identifiable pedestrian scale of traction for Charlottetown Square, consistent in both character and purpose with the city.

TABLE 26

DEVELOPMENT GOALS AND STRATEGY FOR CHARLOTTETOWN SQUARE

ELEMENT	DEVELOPMENT	
	GOALS	STRATEGY
The Commercial Centre	Maintain and upgrade to serve the Charlottetown area	Restore the downtown area
The Cultural/Historical Centre	Maintain and enhance the Confederation Centre - Province House complex as the centre of cultural activity	Increase the use and accessibility of this complex
The Waterfront	Re-emphasize the traditional waterfront-city relationship--maintain the existing character and function of the area	Superimpose new facilities and activities on the existing use patterns to increase the tourist and resident interest
Pedestrian/Vehicular Links Between The Above Areas	Develop visual and physical pedestrian links between the commercial/cultural/historical centre of Charlottetown and the waterfront. Two links are: . Queen Street - the commercial link . Great George Street - the historical link	Great George Street - historical link: Promote historical restoration Queen Street - Commercial link: Encourage small shops and boutiques to locate in existing structures

Our analysis of the circulation patterns and parking suggests that the existing systems of traffic circulation and parking--with modification--are adequate to accommodate traffic generated within the Charlottetown area. The additional demands associated with the summer tourist peak season cannot be adequately accommodated by these systems. Solutions may be found in introducing the Charlottetown area bus intercept concept. This scheme involves using under-utilized peripheral parking facilities for visitors to the Charlottetown area. Free bus service would also be provided to downtown business employees in the morning and evening rush hours. In this manner, tourist parking demands in the peak season could be accommodated without incurring large capital expenditures, or downgrading the quality of the central area.

B. RECOMMENDATIONS

▸ Create Charlottetown Square. To do this you must:

- Maintain and upgrade the commercial centre by improving the visual appearance of buildings and streetscapes. Introduce and promote a paintup/cleanup program along the lines of the Norwich Plan. This would include designing, promoting, and directing the use of co-ordinated colour schemes for buildings and houses in the central area. Establish co-ordinated standards for street signs, introduce selective landscaping, street benches, pedestrian scale street lighting, and a uniform system of street graphics.

  This upgrading concept for the downtown area, combined with modifications to principal downtown steet parking patterns, will create a more pleasant shopping environment, and improve the pedestrian circulation system.

- Maintain, enhance, and increase the use and accessibility of the Confederation Centre-Province House complex as the centre of cultural activity.

  Modifications to the Confederation Centre would involve:

  . greater use of graphics;

  . more effective identification of functions;

  . improved Plaza landscaping;

  . exposing the Plaza and structures more directly to the commercial centre and the waterfront links, by varying the Plaza elevations in selected areas;

  . establishing a museum of P. E. I. heritage and Confederation history in a section of Province House;

  . establishing a handcraft centre in the Courthouse, together with other uses, such day use facilities as a children's day care centre, etc.

- Emphasize the traditional relationship between the waterfront and the city, maintaining the existing character and functions of the area. Proposed facilities representative of the kind of activities which can revitalize the waterfront are:

  . a farmer's/fisherman's market;

- shops and boutiques (crafts, specialty items, etc);

- art gallery;

- marine museum;

- P.E.I. replica pine furniture manufacture and sales;

- tavern/restaurant;

- outdoor cafes;

- a pedestrian system providing circulation throughout the waterfront; its features should include: lighting, unique surface treatment, graphics, rain protection.

These new facilities and activities should be superimposed on the existing pattern of waterfront uses, expanding both tourist and residential interest in the area.

- Develop visual and physical pedestrian links between the commercial-cultural/historical centre of Charlottetown and the waterfront. Encourage the continued development of special interest commercial activity and upgrade the pedestrian character of Queen Street as a principal pedestrian link by incorporating the following urban design proposals:

    - paintup/cleanup program;

    - improved street planting;

    - pedestrian scale street lighting;

    - on street parking modifications.

- Restore and conserve Great George Street to strengthen its role as the historical link between the commercial-cultural/historical centre and the waterfront. The restoration of this area should include:

  - modification of on street parking;
  - an improved planting program;
  - street lighting modifications;
  - pavement treatment;
  - development of a graphic system;
  - subsidized building maintenance program;
  - encourage and monitor building uses consistent with the restored character of the area.

- Discourage redevelopment of residential areas, and preserve and upgrade housing by taking advantage of the improvements and rehabilitation amendments in the National Housing Act.

  The style and scale of the majority of residential structures in the central area contributes significantly to the nineteenth century maritime character of this part of the city.

▶ Locate the hotel/conference complex, recommended in the chapters on tourism and conferences, in central Charlottetown, the western section of the block bounded by Queen, Grafton, Pownal, and Richmond Streets.

This location would afford close interrelationship with the Confederation Centre to the east and the federal government building to the south. An underground pedestrian link with the Confederation Centre, incorporating existing commercial facilities on Queen Street, would allow the new facility to take advantage of its facilities.

- Incorporate parking facilities (500 - 800 automobiles) in the complex on two or three levels before grade.

- Increase the capacity of access, circulation, and parking facilities in the central Charlottetown area by:

    - removing on street parking in the vicinity of street intersections;

    - installing variable phase, synchronized traffic signals;

    - permitting right turns during the red signal phase;

    - creating a peripheral traffic route around the central business district by removing parking from Euston, Pownal, Water, and Hillsborough Streets.

- Initiate a Charlottetown area bus intercept concept pilot project.

- Locate a new industrial park on a site "within the roughly triangular area bounded on the east by the Brackley Point Road, and the railroad loop on the north and west".

C. FIELD SURVEY

As a means of more specifically defining the central area's function and status, we surveyed the existing patterns of activity and use. The objective was to determine, in relation to existing uses and structures, whether these should be maintained or changed with the implementation of the opportunities identified for the Charlottetown area. The central area survey included the following elements:

- use of existing land and structures;
- existing structures -
  - state of repair,
  - architectural consistency,
  - architectural or historical significance.

1. Land Use

A relatively generalized classification was used in identifying the following:

- residential;
- retail and business;
- manufacturing and extraction;
- distribution (wholesaling and storage);
- transportation, communication, and utilities;
- public facilities, including community, educational, and public administration;
- parking (off-street);

- functional open space;

- vacant (unused).

Where the use of a site was accessory to the use of a structure located on the site, no differentiation was made in use between the site and the structure. Differentiation was noted only when the site use differed from that of the structure.

2. Structural State Of Repair

   Three classifications to signify the existing structural condition of buildings were used:

   - good--buildings in generally good conditions, requiring only normal maintenance;

   - fair--buildings requiring significant maintenance and repair to upgrade to the level of good;

   - poor--buildings requiring significant structural repair or renovation as well as specific maintenance.

3. Architectural Consistency

   This criterion was employed as a rough measure of quality of the built environment. Structures in the central area were subjectively designated as consistent, or inconsistent, relative to the scale and quality of development within the central area as a whole.

4. Buildings Of Architectural Or Historical Significance

   We identified those structures considered to possess exceptional architectural quality--reflecting the best of the style, scale, or character of existing development. The Heritage Foundation, an agency devoted to preservation and restoration of the Island's history, had designated all buildings of historical significance in the central area. These two criteria provided a further measure of the quality of existing development.

5. Traffic And Parking Facilities

Studies of a preliminary nature of the traffic circulation and parking in the Charlottetown area were carried out using available data, supplemented with field observation. Specific traffic counts were not made. We analyzed the existing parking capacity in the downtown area, and related these to accepted standards based on floor space by land use classification.

6. Water Supply And Sewage Disposal Services

We reviewed existing plans and data on water supply and sewage disposal systems for the Charlottetown area. A survey was carried out to determine the compatibility with existing services with the opportunities identified in this study. The present available municipal services are discussed in Appendix E.

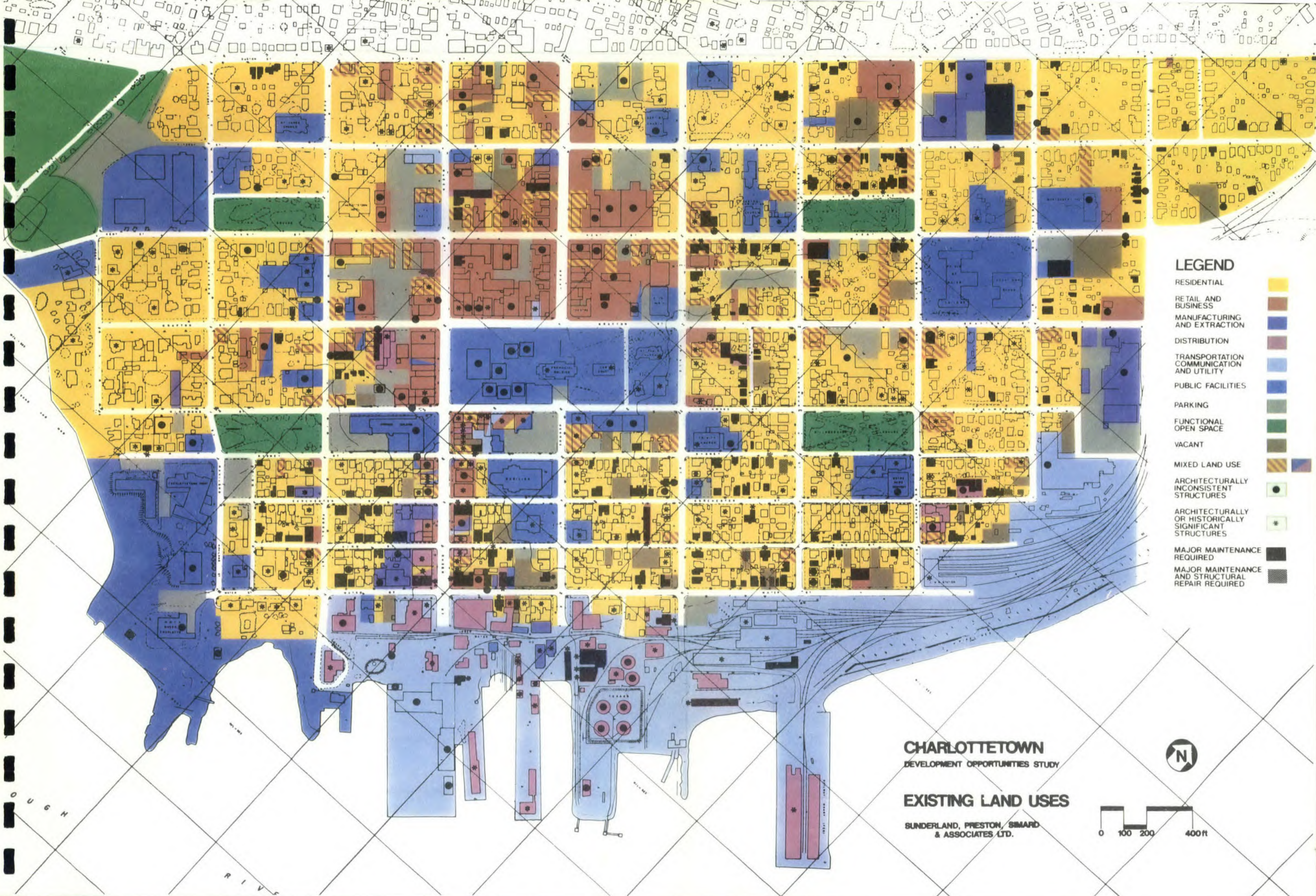
D. FIELD SURVEY FINDINGS

Here we present our observations resulting from the survey -- relating to specific uses or areas of the study area. The survey data are presented in Figure 5.

1. The Character Of Central Charlottetown

The character of the central area of Charlottetown is, for the most part, consistent with the role and functions of the community as it exists today -- a centre of government, commerce, transportation, and culture. In terms of such factors as building scale, architectural style, and use of materials, however, this character reflects the city's relationship to its past and to the sea.

Few new buildings have been developed which conflict with the style and the two-three storey scale of earlier development. The steeples of the Basilica on Great George Street remain the most visually dominant aspect of the area. The abundance of tree lined streets throughout most of the central area complements this charm and sense of scale.



LEGEND
RESIDENTIAL
RETAIL AND BUSINESS
MANUFACTURING AND EXTRACTION
DISTRIBUTION
TRANSPORTATION COMMUNICATION AND UTILITY
PUBLIC FACILITIES
PARKING
FUNCTIONAL OPEN SPACE
VACANT
MIXED LAND USE
ARCHITECTURALLY INCONSISTENT STRUCTURES
ARCHITECTURALLY OR HISTORICALLY SIGNIFICANT STRUCTURES
MAJOR MAINTENANCE REQUIRED
MAJOR MAINTENANCE AND STRUCTURAL REPAIR REQUIRED
CHARLOTTETOWN
DEVELOPMENT OPPORTUNITIES STUDY
EXISTING LAND USES
SUNDERLAND, PRESTON, SIMARD & ASSOCIATES LTD.
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0 100 200 400ft

FIGURE 5

Charlottetown, while most certainly a city of the twentieth century, retains strong links with its nineteenth century past, and the charm and pace of that period.

2. The Commercial Centre

The central business district of Charlottetown constitutes the dominant commercial centre of the city, and of the Island. Here are located major retail outlets, financial institutions, business and professional offices, and municipal, provincial, and federal government functions to serve the area, and in many instances, the Island. These are all located in a relatively compact area of six to seven square blocks in the centre core.

While relatively compact in terms of area, the commercial centre presents the general appearance of an unco-ordinated system, lacking the physical cohesion or integration which its functional interrelationships imply. Several structures have been designated as architecturally inconsistent, contrasting sharply with the overall character of the central area. Building and storefronts have been maintained or upgraded sporadically (several suffer from neglect), often bearing little relationship to others or to the broader functions and character of the area. A lack of trees or landscaping on the streets contrasts sharply with most other streets in central Charlottetown.

The impact of the automobile on the commercial centre is evident in the circulation of traffic throughout all streets in the area, and the presence of curb parking space. The highest concentrations of off-street parking are found in this area, where demand is the greatest. A degree of conflict exists between these functions and the pedestrian oriented commercial role of the area, but this is not considered overwhelming

3. Housing

Although small concentrations of housing in fair condition exist, particularly on the streets off Queen Street near the waterfront, and in the vicinity of the railyards, most of the housing stock in the central area is considered to be in good structural condition. Significantly, very few buildings, either residential or other structures, are considered to be in poor condition, i.e. in need of major structural repair.

Very few residential buildings have been designated as architechturally inconsistent. Little new residential development has occurred, preserving the earlier character and scale of this part of the city. The absence of large scale apartment redevelopment has contributed greatly to this situation. The structures were designed as two or three storey, single family units, although a significant number have been converted to suites or rooms. Some have been converted to commercial or institutional uses as well.

The style of these buildings, their scale, and the use of materials form a significant part of the character and charm of central Charlottetown, reflecting the city's history and its maritime tradition. At the micro level, the four squares serve as fine settings for these buildings, enhancing the character of the surrounding residential development.

4. Cultural Facilities

The major cultural facilities located in the Confederation Centre serve the Charlottetown area and the Island, and are in close proximity to the commercial centre. This is a complex of buildings which, while consistent with the height of existing development in the central area, contrasts strongly with its character. The cold appearance of the concrete structure, the monumental style, and the above grade elevation of the plaza, tend to conceal the centre's relationship to the surrounding area, diminishing its accessibility and function as a centre of cultural and social activity.

5. The Waterfront

The waterfront area contains the greatest mixture of land uses and activities in the urban area, and provides a direct interface with that element most influencial in the history and development of the Charlottetown area--the sea.

For the most part, the structures in the waterfront area are consistent with the existing scale and character of development elsewhere in central Charlottetown. While a number of buildings are considered in only fair structural condition, many of these, as well as others in good condition, have been designated as architecturally or historically significant. Residential buildings along Water Street, small manufacturing establishments, major warehouse and storage facilities, federal transport and marine facilities, small craft moorings, the piers and the boats using them, and the water itself--together define the waterfront as an area of great diversity and activity.

The Charlottetown area is fortunate that, unlike many other Canadian cities situated adjacent to a body of water, it is not separated physically from the waterfront by major rail lines or yards, or a major roadway. While the Canadian National rail yard facility occupies a large amount of space along the waterfront, because of its peripheral location, it does not act as a barrier between the waterfront and the commercial centre of the city.

6. Lower Queen Street

This area constitutes both a continuation of commercial centre functions on a smaller scale and an entrance to the waterfront activities at its base, providing a natural link between the waterfront and the city centre. The condition of most buildings along the street is good. Some structures, however, particularly at the lower end of the street, require maintenance. Many architecturally or historically significant buildings are located along this street.

7. Victoria Park

Victoria Park is immediately west of the central area. The pedestrian relationship between this facility and the commercial centre-waterfront area is poorly defined.

E. TRANSPORTATION FACILITIES

1. Roads And Streets

The Charlottetown area is now served by a system of two lane streets of varying design and capacity.

A clearly defined "hierarchy" of streets is not readily identifiable. However, based on their use and spatial distribution within the Urban Area, the major traffic routes can be classified as follows:

Arterials	Collectors
University Avenue	Kirkwood Drive - Allen Street
North River Road	Kensington Road
Mount Edward Road	Maple Avenue
St. Peters Road - Longworth Avenue	Queen Street
Euston Street	Rochford Street
Belvedere Avenue	Weymouth Street
Grafton Street - Hillsborough Bridge Road	Riverside Drive

The present routing of the Trans Canada Highway (TCH), through the Charlottetown area is via University Avenue, Grafton Street, Hillsborough Bridge Road, and the Hillsborough River Bridge. This routing, and the proposed future diversion of the TCH is shown in Figure 4. The future diversion is intended to allow traffic to circumvent the Urban Area rather than pass through the centre.

Most of the traffic approaching the city is probably destined to points within the Urban Area. Therefore, the proposed TCH bypass will only reduce internal traffic flows marginally.

Although traffic counts were not carried out as part of this study, in general our observations suggest that the street system provides a satisfactory level of service under normal traffic conditions. During the peak summer tourist season, however, traffic congestion, particularly in the downtown area, becomes a problem of considerable order of magnitude.

2. Parking Facilities

We reviewed and updated the inventory of downtown parking space taken by Harold Verge & Associates in June 1972. Our estimates show that there are about 1,300 on-street and 1,200 off-street parking spaces within the central business district (CBD). This parking zone is illustrated in Figure 6. It is clear that the CBD parking facilities cannot cope with peak shopping and tourist season demands. Whereas parking facilities at the shopping centres in the municipalities surrounding the city can meet the shopper's needs.

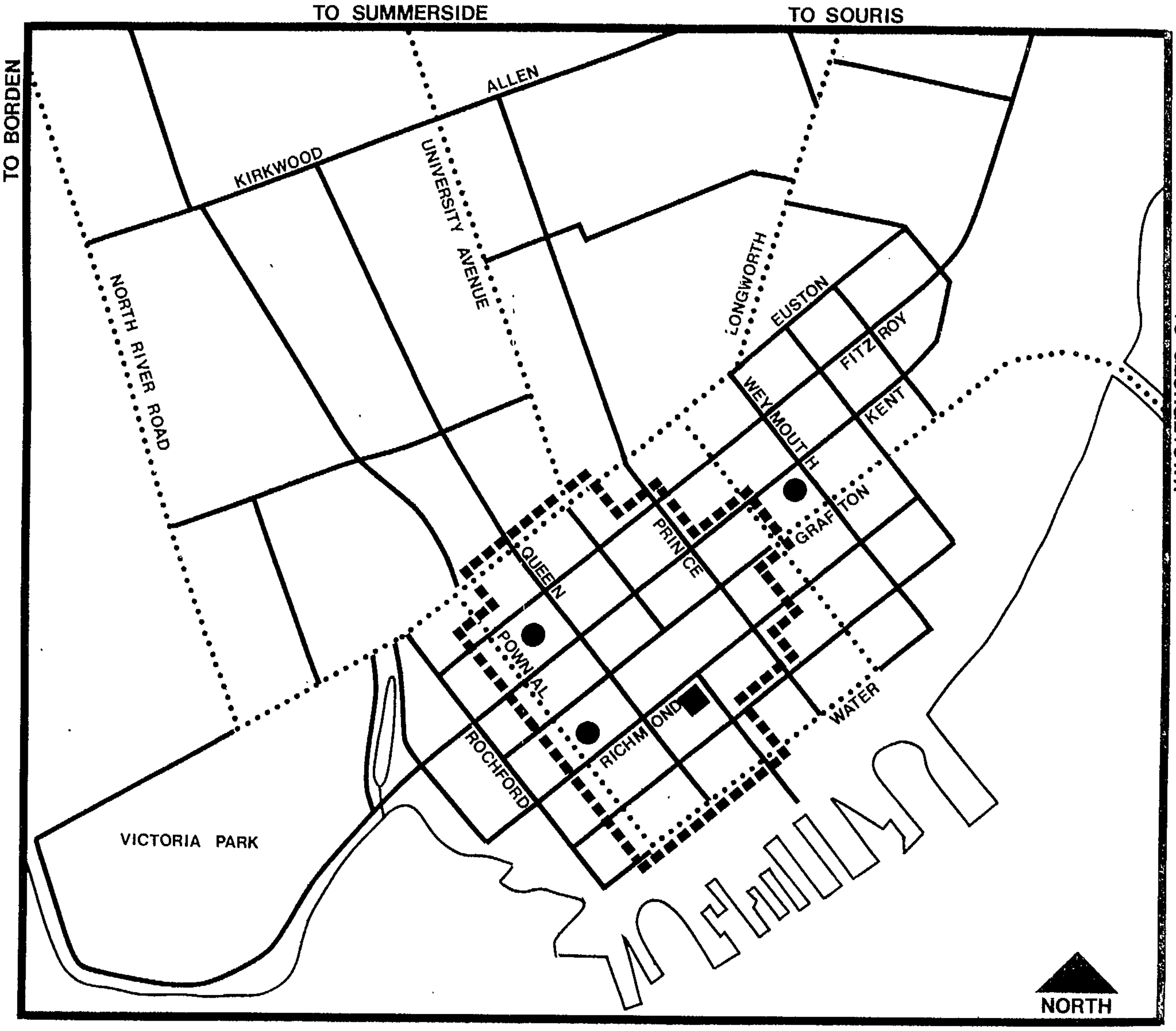
3. Transit And Taxi Facilities

At present there is no public transit system serving the Charlottetown area. Several taxi companies operate in the area and provide satisfactory service under normal conditions.

4. Railway Facilities

A single track branch line connects the Charlottetown area with the main trans-Island Canadian National (CN) railway line. This track runs from Royalty Junction to the manufacturing and storage plants near the Charlottetown waterfront. The present rail facilities are considered adequate, and CN has no immediate plans for upgrading or reducing its level of service.

FIGURE 6



CENTRAL BUSINESS DISTRICT PARKING SURVEY ZONE BOUNDARY

PROPOSED MAJOR TRAFFIC ROUTES

POSSIBLE MUNICIPAL PARKING FACILITIES

PROPOSED DOWNTOWN TRANSIT TERMINAL

DOWNTOWN CHARLOTTETOWN

5. Airport Facilities

The Charlottetown airport is located about three miles to the north of the centre of the city, as shown in Figure 4. Brackley Point Road and Longworth Avenue are the main roads connecting the airport and the downtown Charlottetown area. The 7,000 foot main runway accommodates jet aircraft. The airport terminal facilities are comparable to those at other centres the size of the Charlottetown area.

F. PHYSICAL ASSETS AND LIABILITIES

1. Assets

The Charlottetown area's physical assets are found in its size, in the scale and character of development that has occurred, particularly in the central area, in the potentially strong relationship between the waterfront and the city centre, and in the absence of major development pressure to significantly alter these conditions.

The area's location in relation to the Island--and particularly to the major Island tourist areas--is a strong asset; most of the major Island tourist sites are no more than an hour's drive from the city.

The absence of pollution of the kind and scale associated with larger urban areas is an important asset, as well as the close relationship between the Urban Area and the easy access to the countryside.

The fact that most of the principal functions of the city are located in the central core--in a relatively compact, consolidated pattern oriented to pedestrian scale--is a significant asset.

The state of structural repair of existing development in the central area is not considered a serious liability. The majority of buildings are in good condition; significant numbers require major maintenance, but few are in a serious state of neglect. This situation suggests restoration and maintenance action rather than clearance and redevelopment.

2. Liabilities

The size and growth rate characteristics of the Charlottetown area, together with its relatively low rate of growth, the growth and stability of its service market--the Island, and the restrictions associated with the city's level of access to the mainland, place strict limitations on the scale of impact of potential development opportunities.

The recent trend towards decentralization of some urban functions, evident in the growth of suburban shopping centres, development of the university, and suburban residential sprawl, could, if continued, have a negative impact on the viability of the central area as a focus of the Charlottetown area's functions.

The impact of the private automobile represents a serious liability on the quality of the central area. Increasing demands for parking space, higher street traffic volumes, and the increased pressure on the street system associated with the summer tourist peak, exercise a negative impact on the quality and attractiveness of the central area of Charlottetown.

As the use of buildings is changed, there is an increased tendency for the original style and character of original structures to be downgraded. This is noticeable, particularly where residential areas have been converted to other uses.

The rail lands represent both an asset and a liability. The railyard facility isolates a large piece of land in the central area for other use, yet with possible phasing out of railway activity in this area, preserves this land for future development. Our discussions with senior officials of CN indicate that neither rail relocation nor phasing down rail operations in the Charlottetown area is contemplated in the foreseeable future. In the long term, it is felt that this possibility--particularly in terms of its impact on land available in the central area--should not be disregarded.

G. THE DEVELOPMENT IMAGE - "CHARLOTTETOWN SQUARE"

In order to capitalize on the physical assets of the Charlottetown area, we see the need to revitalize and preserve the unique character and physical assets of the central Charlottetown area, in a compact, pedestrian oriented form. This would tend to more sharply define the city's character and develop an image compatible with the implementation of the development opportunities. Given the constraints associated with the size and scale of the city, and the limitations imposed by its physical liabilities, revitalization must be concentrated in a relatively small area, exploiting and expanding the pedestrian scale and compact nature of existing development. The specific elements within the central area that form the basis of "Charlottetown Square", are shown in Figure 7. Application of the revitalization and preservation concept will emphasize:

- The creation of "Charlottetown Square" -
  - the commercial centre;
  - the cultural/historical centre;
  - the waterfront;
  - the creation of pedestrian links between these areas;

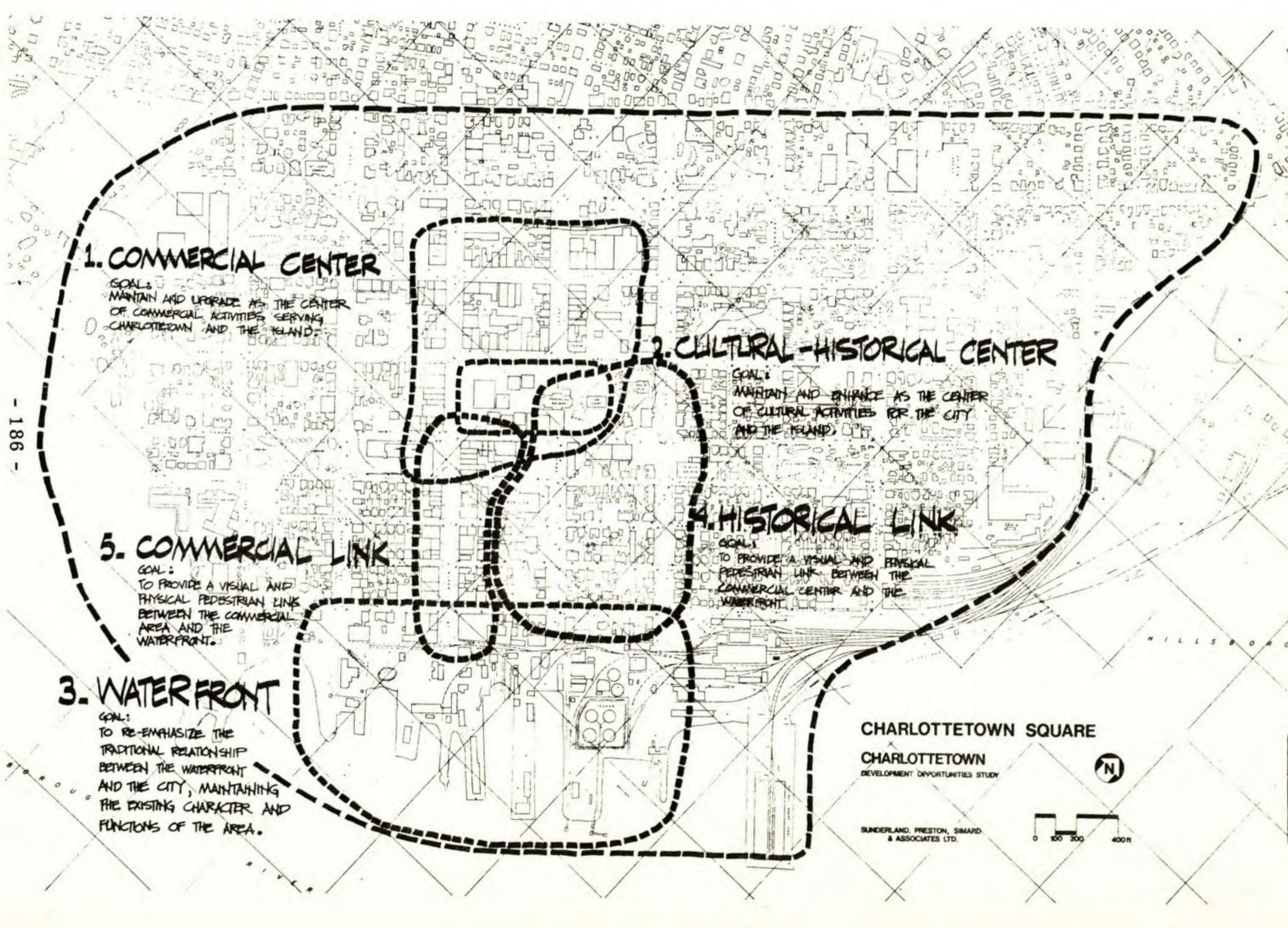

1. COMMERCIAL CENTER
GOAL:
MAINTAIN AND UPGRADE AS THE CENTER OF COMMERCIAL ACTIVITIES SERVING CHARLOTTETOWN AND THE ISLAND.
2. CULTURAL-HISTORICAL CENTER
GOAL:
MAINTAIN AND ENHANCE AS THE CENTER OF CULTURAL ACTIVITIES FOR THE CITY AND THE ISLAND.
3. WATERFRONT
GOAL:
TO RE-EMPHASIZE THE TRADITIONAL RELATIONSHIP BETWEEN THE WATERFRONT AND THE CITY, MAINTAINING THE EXISTING CHARACTER AND FUNCTIONS OF THE AREA.
4. HISTORICAL LINK
GOAL:
TO PROVIDE A VISUAL AND PHYSICAL PEDESTRIAN LINK BETWEEN THE COMMERCIAL CENTER AND THE WATERFRONT
5. COMMERCIAL LINK
GOAL:
TO PROVIDE A VISUAL AND PHYSICAL PEDESTRIAN LINK BETWEEN THE COMMERCIAL AREA AND THE WATERFRONT.
HILLSBORO
BOROUGH
RIVER
CHARLOTTETOWN SQUARE
CHARLOTTETOWN
DEVELOPMENT OPPORTUNITIES STUDY
N
SUNDERLAND, PRESTON, SIMARD & ASSOCIATES LTD.
0 100 200 400 ft

FIGURE 7

- proposed location for development of an office/ hotel/convention complex;

- housing.

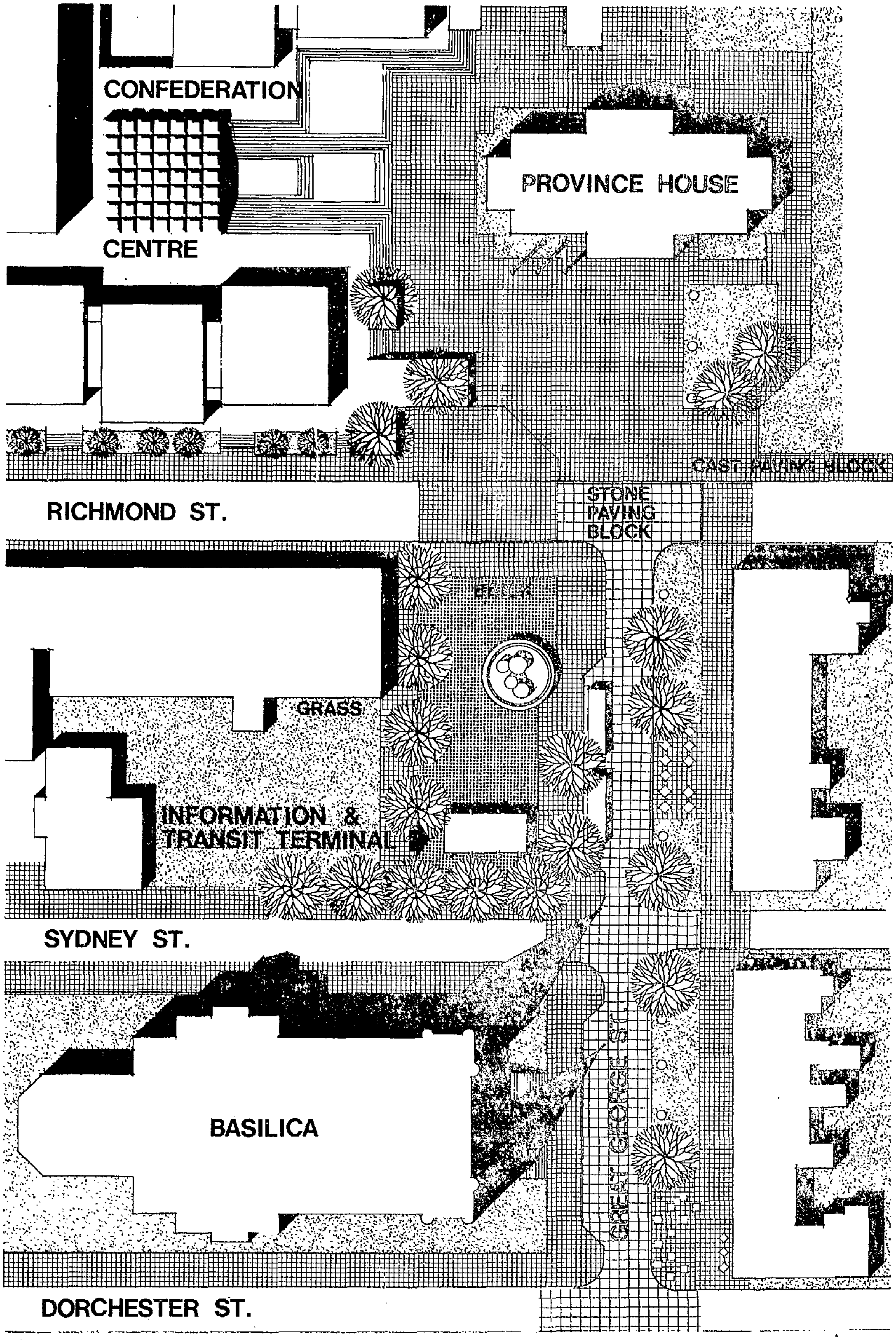
"Charlottetown Square"

1. The Commercial Centre

A suggested development goal is to maintain and upgrade this area as the centre of commercial activity to serve the Charlottetown area and the Island. This will involve a downtown restoration scheme along the lines of the Norwich Plan. It would include designing, promoting, and directing the use of co-ordinated colour schemes for buildings and houses in the area. It would also entail establishing co-ordinated standards for signs, selective landscaping, the provision of benches and other street furniture, pedestrian scale street lighting, and a uniform system of street graphics, etc. Costs would be comparable to normal maintenance expenditures.

The application of this kind of beautification and restoration, with modifications to the pattern of on-street parking on the principal downtown streets, will create a more pleasant shopping environment. It will also improve the pedestrian circulation system, and in general enhance the role of downtown Charlottetown as the principal shopping centre of the Island. In Figure 8, we have illustrated the application of this scheme as applied to Great George Street. Figure 9 illustrates an example of typical renovation of an architecturally and historically significant building in the central area.

FIGURE 8



SUGGESTED TREATMENT CENTRAL CHARLOTTETOWN

FIGURE 9

AS IT IS...

AS IT WAS AND SHOULD BE...

COMMERCIAL AREA RENOVATION

2. The Cultural-Historic Centre

Here we see the need to maintain and enhance the Confederation Centre/Province House complex as the centre of cultural activities for the Charlottetown area and the Island. The prime objective is to increase the use and accessibility of the complex. The physical form of the Confederation Centre--and particularly the above grade elevation of the plaza--tend, in a visual sense, to reduce both the identification of functions held in the Centre, and accessibility to them. Also, we feel that the historic significance of Province House should be more strongly emphasized as an asset of historic and tourist interest.

The modifications to the Confederation Centre could involve:

- greater use of graphics;
- more effective function identification;
- improved plaza landscaping;
- exposing the plaza and structures more directly to the commercial centre and the waterfront links, by varying the plaza elevation in selected areas; Figures 10 and 11 illustrate the application of these schemes;
- establishing a museum of P. E. I. heritage, and confederation history in a section of Province House;
- establishing a handcraft centre in the Court House, together with such day use facilities as a children's day care centre, etc.
- modifying the magistrates court to a children's theatre, elderly citizens centre, etc.

FIGURE 10

CONFEDERATION CENTRE

FIGURE 11

We estimate the cost of the required construction work to improve the visibility and access to the main entrance of the Confederation Centre/Province House area at about $150,000. This would include:

▶ Renovations to the Confederation Centre-Province House Courtyard	$ 50,000
▶ Renovations to the Confederation Centre and sidewalks along Richmond, Queen, and Grafton Streets	$100,000

We estimate the following costs for converting:

	Price Range $
▶ Sections of Province House to a museum	220,000-330,000
▶ The Court House to a craft centre	128,000-250,000
▶ The magistrates court to children's theatre, elderly citizens' centre, etc.	36,000
TOTAL	384,000-616,000

3. The Waterfront

The development goal for the waterfront is to re-emphasize the traditional relationship between the waterfront and the city, while maintaining the existing character and functions of the area. New facilities and activities will be superimposed on the existing pattern of uses in the waterfront area, expanding both tourist and resident interest in the area. These functions should be located in existing under-utilized structures whenever possible, or in such facilities as a moored boat or barge. When this is not possible, the construction of new facilities to accommodate these functions must beon a scale consistent with the development goal, i.e. retention of existing waterfront functions.

The proposed facilities representative of the kind of activities which can revitalize the waterfront, intensify activity in the area, and re-emphasize the original relationship between the city and the harbour are:

- a farmer/fisherman's market;
- shops and boutiques (crafts, specialty items, etc.);
- art gallery;
- marine museum;
- P. E. I. replica pine furniture manufacture and sales;
- tavern/restaurant;
- outdoor cafes;
- pedestrian system providing circulation throughout the waterfront; its features should include lighting, unique surface treatment (brick walkways), graphics, rain protection;
- improved sidewalks along Water Street;
- providing special pedestrian directional and locational signing.

The estimated costs for the sidewalks, walkways, signing, and lighting in the waterfront area are:

		$
▶	Improving sidewalks	10,000
▶	Constructing 6,000 sq. ft. of brick walkways	14,000
▶	Signing	3,000
▶	Lighting	7,500
	TOTAL	33,500

Converting the wharf buildings to a tavern/restaurant would range in cost from $220,000 - $265,000. We estimate the cost of creating typical shops out of pier buildings at about $8.00 per square foot, or $4,000 for a 500 foot shop.

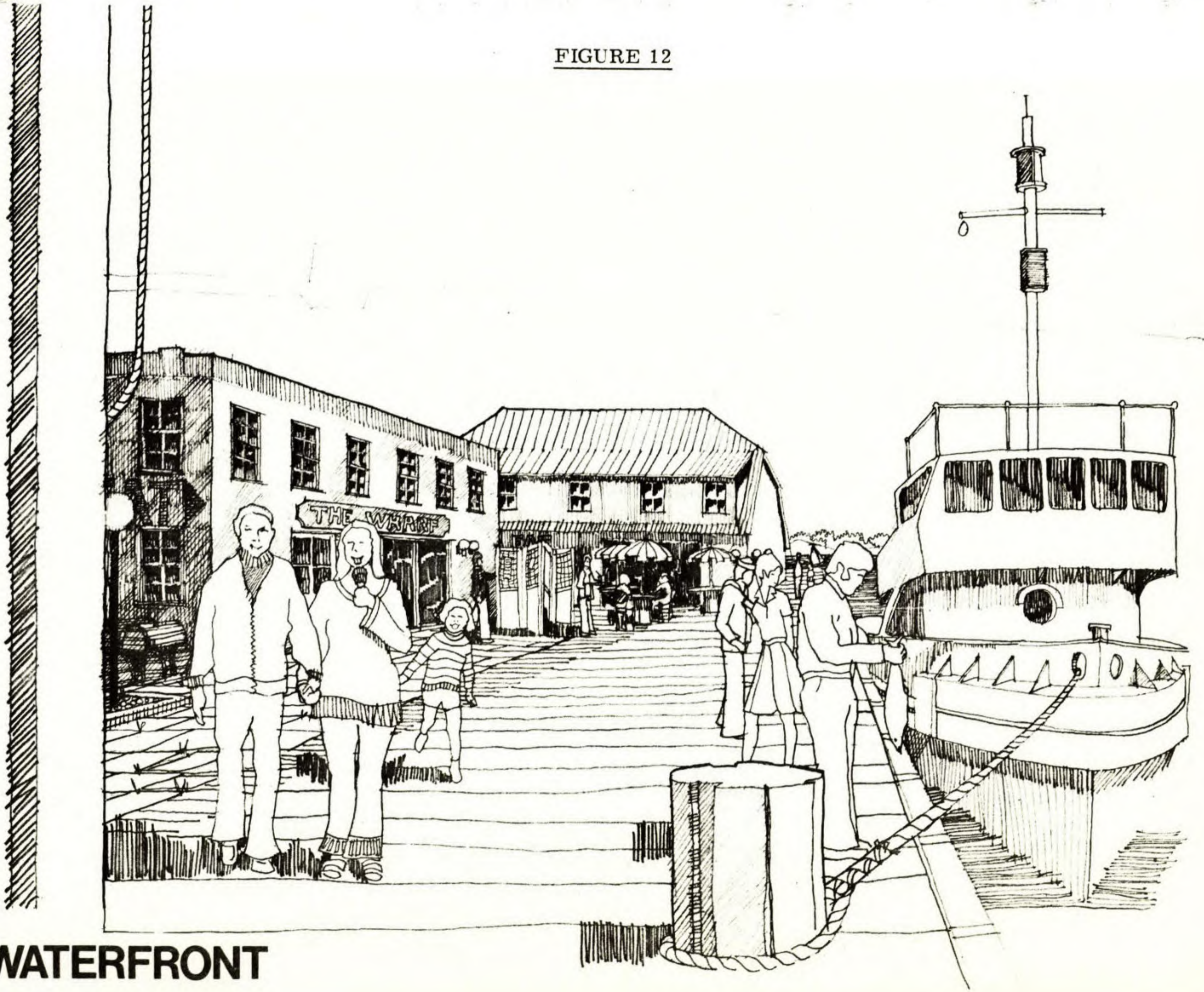
Much of this work may possibly be funded through local initiative or opportunities for youth programs.

The location of the proposed facilities in the waterfront area would not overtax the existing water and sewer services. Normally, the connection costs to the existing systems would be borne by the individual developers.

Figures 12, 13, and 14, show the new facilities and convey an impression of the new activities. Figure 15 is a plan of the suggested waterfront development.

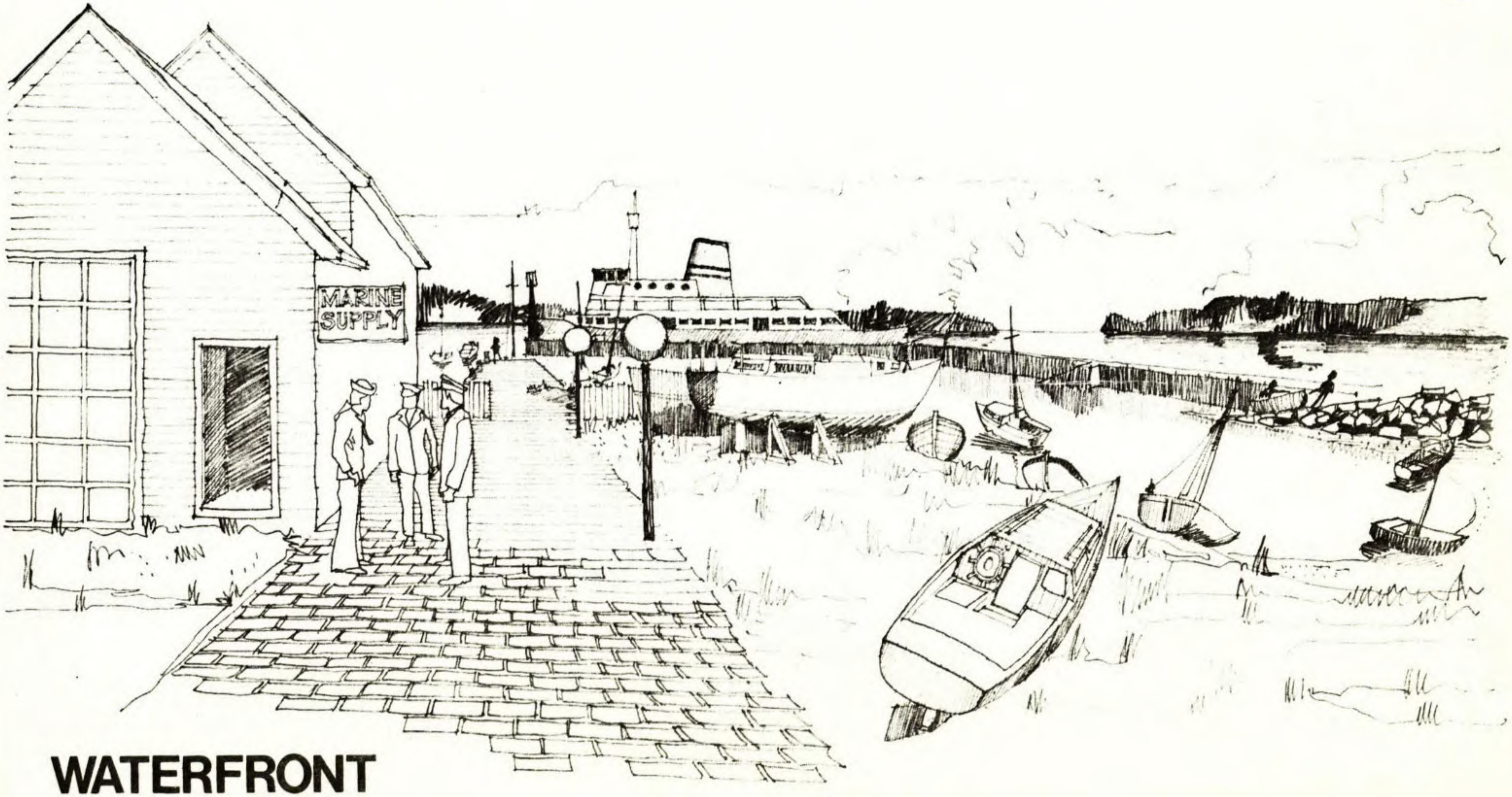
The introduction of these proposed facilities would create two contrasting characters in the waterfront area. During the day the tempo would be busy; the waterfront would buzz with the intermix of activities--both existing and new. In the evening, the mood would be quiet, relaxed. Most activities would have stopped for the day; the lights of the tavern/restaurant, the art gallery and museum, and the hotel--the focal points of evening activity--would mingle with those of the pedestrian system winding through the waterfront, creating an evening character soft in contrast with the day.

FIGURE 12



WATERFRONT

FIGURE 13

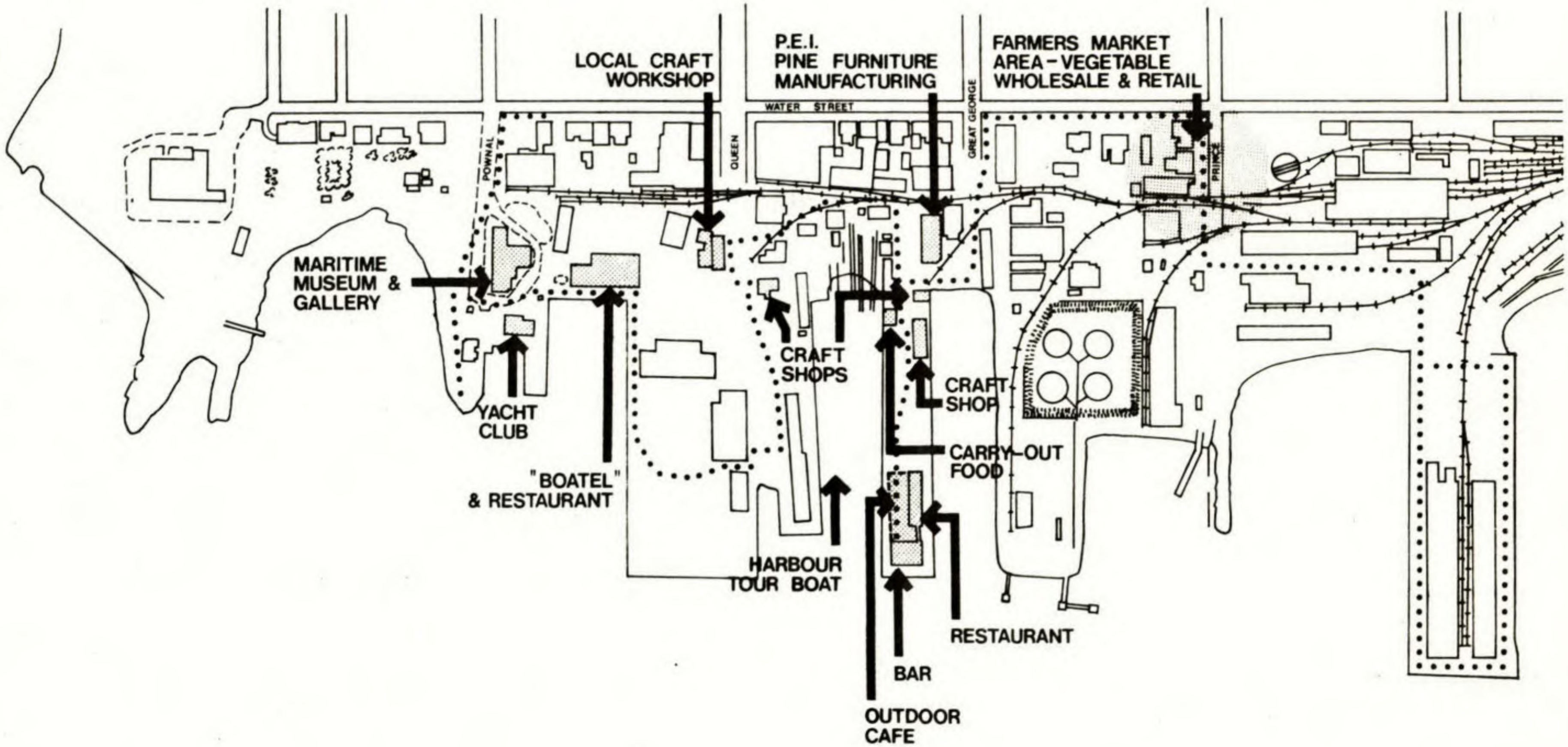


WATERFRONT

FIGURE 14

WATERFRONT

FIGURE 15



SUGGESTED WATERFRONT DEVELOPMENT

4. The Links

In order to develop visual and physical pedestrian links between the commercial/cultural/historical centre of Charlottetown and the waterfront, two links are proposed: the first, a commercial link, focusing on Queen Street; the second, a historical link on Great George Street.

- **The Commercial Link, Queen Street**

  Queen Street as it now exists provides a link between the centre of the city and the waterfront; the intensity of this function should be increased by encouraging the continued development of special interest commercial activity and upgrading the pedestrian character of the street. This suggests incorporating the following urban design proposals:

  - paintup/cleanup program;
  - improved street planting;
  - pedestrian scale street lighting;
  - on-street parking modification.

- **The Historical Link, Great George Street**

  This area, principally along Great George Street, contains the greater concentration of architecturally or historically significant structures in the central area of Charlottetown. To develop this area as a link between the commercial/cultural/historical centre and the waterfront (its function now as a link is not strong), we recommend restoring and conserving the streets and buildings. This will provide a second pedestrian link of an unique character, contrasting with the commercial aspect of the Queen Street link.

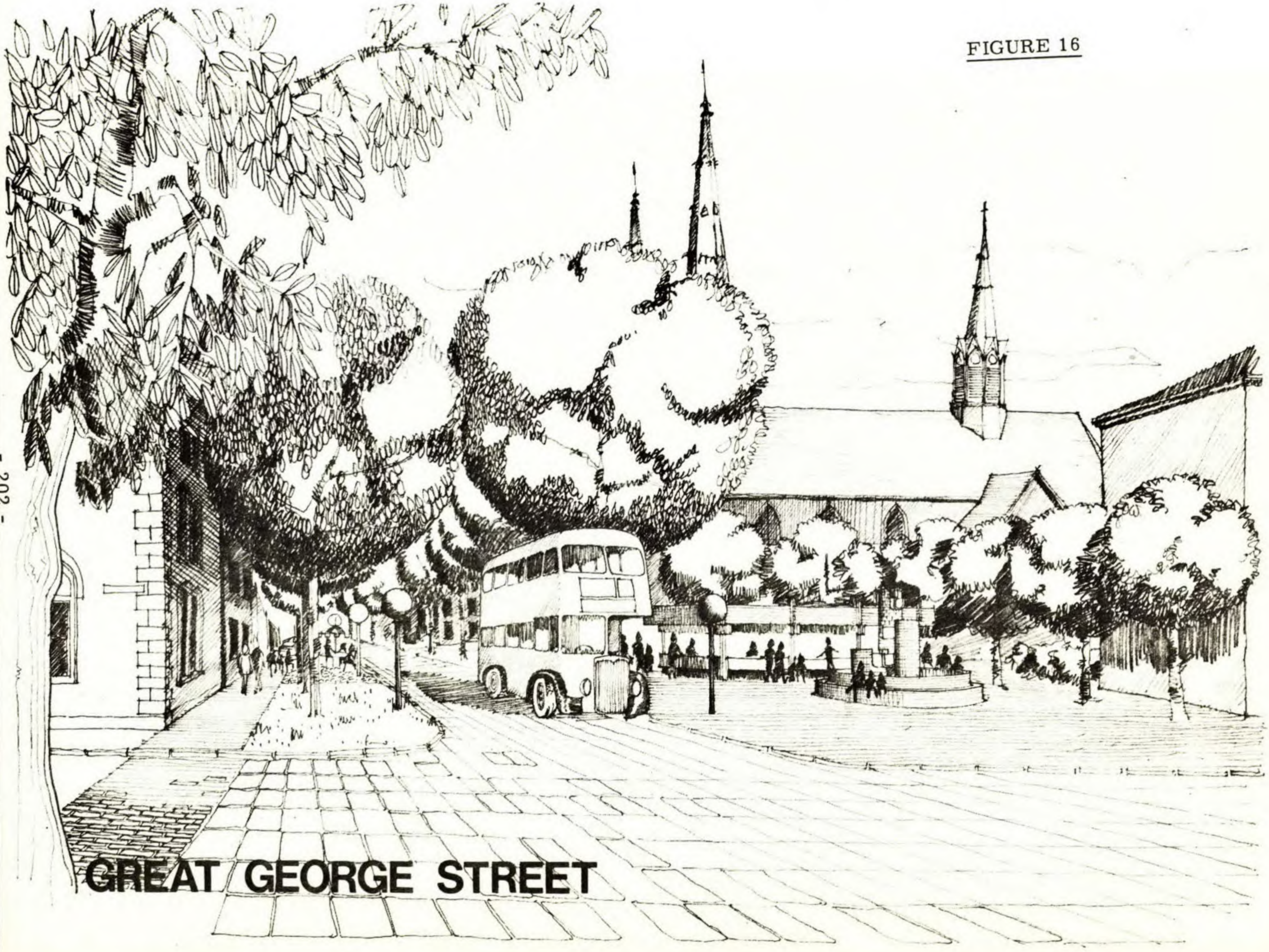
The restoration of this area should include:

- modification of on-street parking;
- an improved planting program;
- street lighting modifications;
- pavement treatment;
- development of a graphics system;
- subsidized building maintenance programs;
- encourage and monitor building uses consistent with the restored character of the area;
- renovating curbs and sidewalks;
- widening sidewalks, providing seats;
- removing utility poles;
- landscaping boulevards.

This reconstruction between Richmond and Water Streets is estimated to cost about $250,000. It may be possible to fund part of this through lócal initiative or opportunities for youth programs.

Creation of a park area adjacent to Great George Street as illustrated in Figure 16 would involve:

FIGURE 16



- site grading;
- landscaping and installing a patio area;
- constructing a transit terminal-information centre;
- installing new pedestrian style lighting facilities.

The cost estimate for these changes is about $85,000, excluding land costs.

In terms of municipal services, the redevelopment would have a minor impact. The suggested facilities would not contribute any significantly additional loads on the downtown water and sewer facilities. The costs for any new connections to the existing mains would be borne by the individual enterprises.

Figure 8 illustrates the impact on Great George Street resulting from the restoration.

5. Hotel/Convention Complex

We recommend the western portion of that block bounded by Queen Street, Grafton Street, Pownal Street, and Richmond Street as the site for the hotel/convention complex. This location, a site of about 90,000 square feet, would afford a close relationship with the Confederation Centre to the east and the federal government building to the south.

The buildings on the block facing Queen Street could be retained as well as the warehouse serving the Roger's Hardware Store on Queen Street. All other buildings are considered of low preservation value, some are vacant, many are in need of repair.

Relatively high off-street parking capacity (500 - 800 cars) should be provided within the complex on two to three levels below grade. A low building profile of two to three storeys accommodating office and convention functions would reflect the existing scale of development in central Charlottetown. A hotel tower (of two to four storeys), could be located above this, on part of the roof space. Roof gardens and plazas could be developed in the remainder of the space.

An underground pedestrian link with the Confederation Centre, incorporating existing commercial facilities on Queen Street, would be a logical development (this could be extended to include the Federal Building, if desirable), creating an indoor link between the two.

The suggested location for the centre would not require alterations to the water services. We believe, however, that such a facility would overload the adjacent sewer mains. Thus, a new 12 inch sewer main would be required to connect the hotel/convention centre to the existing interceptor sewer along the waterfront. We estimate that this sewer installation would cost about $15,000.

The costs of the vehicular and pedestrian facilities required in conjunction with the hotel/convention centre would be borne by the developer.

The Pownal Street entrance to the parking facility would provide easy access to the centre from outside the CBD, via the proposed urban core peripheral traffic route.

We considered and discarded other alternative sites for this facility. A site near the waterfront on Queen Street would reduce the level of functional interrelationship as well as conflict with the existing character of this area, replacing buildings considered of high preservation value. Sites elsewhere in the CBD would remove significantly more good buildings from the area, and provide a lower level of functional interrelationship.

We therefore feel that the recommended location would strongly complement the revitalization proposals suggested for the central Charlottetown area. It would also improve the access and locational relationships with the major elements of the downtown area.

6. Housing

The housing stock in the central part of Charlottetown--as noted earlier--is considered in a good overall state of physical repair. Clusters of dwellings in need of maintenance attention occur, but no evidence of any seriously blighted areas of housing exists.

The style and scale of the majority of residential structures in the central area reflect the nineteenth century maritime character of this part of the city, and indeed, contribute significantly to this character.

As a means of maintaining residential development at its present level in the central part of the city, and improving and upgrading its quality where necessary, we recommend that:

- redevelopment of residential areas to other uses be discouraged;
- existing residential areas be preserved and upgraded through the application of recent admendments to the National Housing Act, regarding neighbourhood improvements and rehabilitation.

H. SERVICING COSTS

1. Industrial Park

The suggested site for the new industrial park is shown in Figure 4. The site was selected for its favourable topography and proximity to transportation facilities. We recommend that ten acres of the park be serviced initially, followed by an additional ten acres in 1985.

The industrial park at this location would require the construction of a trunk sanitary sewer to carry sewage to West Royalty. A pumping station located in West Royalty would then pump sewage via a forcemain into the existing Charlottetown trunk sewers.

We estimate the following system costs:

▶ Trunk Gravity Sewer	$180,000
▶ The Forcemain	70,000
▶ Pumping Station	15,000
	$265,000

This industrial park sewer would logically be incorporated in any future West Royalty sewerage system. It may then be advantageous to abandon the pumping station and foremain.

Off-site trunk storm drainage would not be required as surface run-off could be directed to the existing watercourse which passes through the site.

The water supply would be obtained by connecting to the Brackley Point Road transmission main. A water pumping station and reservoir would be required at the site. The estimated costs are $148,000 for the pumping station and $92,000 for the reservoir. Capacities of these installations are primarily based on firefighting demands and are therefore largely independent of the size of the industrial park. Therefore, installation of both the pumping station and the reservoir would be required in the first phase.

On-site development costs are not expected to be out of line. The land is more or less flat and subsoil conditions appear to be of the same unconsolidated sandstone typical of the Island. We would not expect to have to blast or provide exceptional subsurface drainage. We estimate on-site development costs for a 100 acre park at this location at about $1,530,000. A summary of total costs is contained in Table 27. Our estimates include the following:

- grading of the industrial park lots;
- grading, paving, and curbing of streets;
- grading of railway spur lines to subgrade;
- installation of on-site water and sewer services;
- installation of quality lighting standard with underground wiring for street lighting;
- landscaping of public open areas.

Our on-site costs do not include the following:

- land acquisiton costs;
- installation of -

TABLE 27

ESTIMATED INDUSTRIAL PARK COSTS[1]

▶ Off-Site:		
- Access		
. Upgrade Sherwood Road	$ 58,000	
. Upgrade Brackley Point Road	57,000	$ 115,000
- Sanitary Sewers		
. Trunk Gravity Sewer From The Industrial Park to West Royalty	180,000	
. West Royalty Pumping Station	15,000	
. Forcemain From Pumping Station To Charlottetown System	70,000	265,000
- Storm Drainage		0
- Water Supply		
. Pumping Station	148,000	
. Reservoir	92,000	240,000
▶ Total Off-Site Costs		$ 620,000
▶ On-Site:		
- Grading, Servicing, Street Paving, and lighting of 100 Acres		$1,530,000
▶ Land Acquisition Costs 100 Acres At $5,000/Acre		500,000
		$2,030,000

[1] All costs are in 1973 dollars and include a 15 per cent allowance for engineering and contingencies.

- railway spur tracks and ballasts (these items would be installed by the CN and rented back to the park owners);

- electrical power facilities (the power company would bear the cost of these installations).

In Tables 28 and 29, we show the breakdown of all costs associated with the two initial phases of development. In summary we estimate industrial park costs as follows:

Phase	Off-Site $	On-Site $	Land Acquisition $	Total $
I	505,000	155,000	500,000	1,160,000
II	115,000	155,000	-	270,000

2. Industrial Park Transportation Requirements

The potential growth suggested for light manufacturing and resource support industry suggests a number of new firms would locate in a quality, 100 acre industrial park. This site, shown in Figure 4, is immediately adjacent to rail, air, and road transportation facilities. The park development plan phasing suggests that ten acres be serviced in 1975 and a further ten acres in 1985.

A connection with the proposed Trans Canada Highway (TCH) bypass with the industrial park would be via two routes: Sherwood and Malpeque, and Brackley Point Roads, Malpeque Road is a high grade two-lane rural highway and would not require upgrading. Sherwood and Brackley Point Roads are paved, but are considered inadequate for the ultimate use. The cost of widening and repaving these roads is estimated at $115,000. This road upgrading will form part of the second (1985) phase of park development.

TABLE 28

PHASE I ESTIMATED INDUSTRIAL PARK COSTS[1]
1975

▶ Off-Site:		
- Access		$ 0
- Sanitary Sewers		
. Trunk Gravity Sewer From The Industrial Park To West Royalty	$180,000	
. West Royalty Pumping Station	15,000	
. Forcemain from Pumping Station To Charlottetown System	70,000	265,000
- Storm Drainage		0
- Water Supply		
. Pumping Station	148,000	
. Reservoir	92,000	240,000
▶ Total Off-Site Costs		$ 505,000
▶ On-Site Costs:		
- Grading, Servicing, Street Paving, and Lighting of 10 Acres		$ 155,000
▶ Land Aquisition Cost - 100 Acres at $5,000/Acre		$ 500,000
▶ Total Phase I Development Costs		$1,160,000

[1] All costs are in 1973 dollars and include a 15 per cent allowance for engineering and contingencies.

TABLE 29

PHASE II ESTIMATED INDUSTRIAL PARK COSTS[1]
1985

▶ Off-Site Costs:		
- Access		
. Upgrade Sherwood Road	$58,000	
. Upgrade Brackley Point Road	57,000	$115,000
- Sanitary Sewers		0
- Storm Drainage		0
- Water Supply		0
▶ Total Off-Site Costs		$115,000
▶ On-Site Costs:		
- Grading, Servicing, Street Paving, and Lighting Of 10 Acres		$155,000
▶ Total Phase II Development Costs		$270,000

[1] All costs are in 1973 dollars and include a 15 per cent allowance for engineering and contingencies.

3. Residential Servicing

As mentioned above, we envisage continued growth in residential land requirements--450 acres by 1985. As residential density increases in the suburbs, all areas will require water and sewer servicing.

Currently, Charlottetown installs residential services and the costs are borne by the taxpayers. Legislation is now being considered to require property developers to install the services. The servicing costs would then be incorporated in the price of a lot or a house in the development.

The municipalities of Parkdale and Sherwood install services and recover the costs from taxation revenues. The other Charlottetown suburbs do not have municipal water and sewer systems.

We did not include municipal servicing costs for residential areas as an "opportunity" cost, since these costs would eventually be borne by the individual property owners.

I. TRANSPORTATION DEFICIENCIES

1. Major Street Connections With Downtown Charlottetown

Most of the major streets narrow down as they near the Charlottetown urban core. In the narrow sections, clearances are reduced by utility poles and trees. The presence of parked vehicles also retards traffic flow.

On the arterial routes, vehicular flow is further impeded by non-synchronized traffic signals. Signal timing is constant and no allowance is made for varying peak period flow patterns. Traffic flow is retarded at several major intersections by narrow lane widths and the lack of channelization.[1]

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[1] The definition of street lanes at the intersections through painting lines and/or the provision of curbed islands.

2. Downtown Traffic Congestion

Our traffic operation observations suggest a number of contributing factors to traffic congestion in the downtown Charlottetown area:

- allowing angle parking;
- parked vehicles adjacent to street intersections cause poor visibility;
- poor traffic signal synchronization and fixed signal phasing;
- through traffic to and from the waterfront and the Hillsborough Bridge passing through the CBD, is superimposed on the normal flow of local traffic.

3. Downtown Parking

We applied factors[1] to the known areas of floor space utilization in downtown Charlottetown to determine acceptable standards of parking. Our estimates suggest that about 2,750 spaces are required. As we mentioned above, there are now only 2,500 in the vicinity of the downtown area. Therefore, the current deficiency is about 250 spaces. This deficiency is amplified on peak shopping days and in the tourist season.

4. Transit System And Taxicab Services

Parking problems are accentuated by the lack of a public transit system linking the downtown with the suburbs. Practically all employees and shoppers must use their cars. The existing fleet of taxis attempt to cope with the large demands associated with conventions, public celebrations, and other special events.

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[1] Source of parking space factors: "Parking in the City Centre", Wilbur Smith & Associates, May, 1965; "Parking in Urban Centres", E. R. Drucker, Accredited Mortgage and Investment Corp., Ottawa, 1973.

5. Revitalization Of The Urban Core

One of the opportunities identified suggests developing the "Charlottetown Square" concept. This will mean revitalization through redevelopment and creation of a more pedestrian-oriented environment. The traffic considerations connected with this proposal are:

- route through traffic around the urban core;
- create off-street parking on the periphery of the urban core;
- improve traffic flow within the urban core;
- provide a Charlottetown area intercept transit system for the tourist season;
- improve pedestrian amenities within the urban core.

6. Urban Core Peripheral Traffic Route

Designation of a major traffic route around the periphery of the central area would improve access to the urban core. This peripheral route is shown in Figure 8. To accomplish this:

- remove parking from Euston, Pownal, Water, and Hillsborough Streets; including 210 spaces in the vicinity of the CBD;
- install four sets of traffic signals at an estimated cost of $35,000.

This peripheral routing would lessen traffic congestion in the CBD by minimizing the through traffic in the area. It would be mandatory for throughtruck traffic to follow this route.

7. Recommended Improvements To Internal Urban Core Traffic Facilities

Reduction of traffic congestion would improve the environment of the urban core. One means of accelerating traffic flow would be to install variable phase, synchronized traffic signals. New control boxes for the existing signals to implement this idea would cost about $35,000. Introducing a new traffic signal at the intersection of University Avenue and Grafton Street at an estimated cost of $8,000 would also be a further improvement.

In order to increase the visibility and the approach widths at certain key intersections, some on-street parking should be removed. Renovations of existing curbs and sidewalks would be required. We estimate that this would involve removing sixty parking spaces. The sidewalk renovations would cost about $30,000.

Permitting right-turns on a red signal phase would also increase the downtown street traffic capacity. Providing they were strictly enforced by the police, vehicle-pedestrian conflicts would not present a serious problem.

8. Central Area Off-Street Peripheral Parking Requirements

Central area parking facilities should be located adjacent to the proposed peripheral traffic route to afford easy access. These suggested parking areas are shown in Figure 6.

Future downtown parking requirements comprise the present parking deficiency and the future requirements resulting from implementation of the Charlottetown area opportunities plan.

The creation of the "Charlottetown Square" concept will not involve additional parking capacity. Some parking, however, will necessarily be removed from the existing streets to improve traffic flow and enhance the pedestrian activities.

A summary of future off-street parking requirements and costs is presented in Table 30. The indicated demand is for about 750 spaces. The parking demand factors used in calculating these requirements do include an allowance for peaking. No allowance has been made, however, to accommodate the absolute parking demand peaks in the tourist season.

The proposed downtown hotel/convention centre could be expected to provide sufficient parking to service its own needs. Presumably, this facility could also accommodate some of the additional requirements for off-street parking.

We recommend that future parking space take the form of above grade parking. This recommendation stems from the fact that insufficient land is available to contemplate surface facilities, and sub-surface parking facilities' costs would be prohibitive. We recommend strongly that employees working in the downtown area be encouraged to park in off-street facilities to release on-street space to the shopping public.

9. Proposed Transit Intercept Concepts

We estimate that on an average day, 1,700 tourist vehicles visited Charlottetown during the 1972 peak tourist months. Also, the traffic reached extreme levels on peak weekends, and in periods of inclement weather. Tourist vehicles contributed to the congestion of the already overloaded streets and parking facilities of downtown Charlottetown. Reducing the number of tourist cars entering the city centre during the summer season would complement the creation of the pedestrian-oriented environment in Charlottetown Square.

TABLE 30

SUMMARY OF FUTURE[1] CENTRAL CHARLOTTETOWN AREA OFF-STREET PARKING REQUIREMENTS AND COSTS

Future Off-Street Parking Requirements

	Spaces
- Present deficiency	250
- Removed at CBD intersections	60
- Removed from Euston, Pownal, Hillsborough, and Water Streets in vicinity of CBD	210
- Removed from Great George, Queen, and University Avenue for Charlottetown Square concept	140
- Off-street parking to be removed for development of pedestrian and transit-intercept facilities	90
Total	750

Cost Estimates For 750 Space Off-Street Future Parking Facility[2]

	Capital Costs $'000		Parking Fees Cents/Hr.
	Total	Per Space	
- Surface (5.5 Acres)	2,100	2.80	25
- Above Surface (1.5 Acres: 4 levels)	2,800	3.73	30
- Subsurface (2 Acres: 3 levels)	5,500	7.33	45

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[1] Future relates to implementation of "Charlottetown Square" and Traffic Flow Improvements--timing depends on the implementation schedule.

[2] Capital costs include construction and land acquisition costs at $250,000 per acre.

[3] Parking fees are predicated on an assumed utilization of 70 per cent for a 70-hour week, capital recovery over 20 years at 9 per cent, and annual operating costs.

As a partial solution to this overcrowding, then, we recommend that a bus transit intercept system be tried. Tourists would leave their cars in a peripheral parking lot and ride the free bus to and from the central area.

The success of this concept requires that the bus system be convenient and efficient. Firstly, the peripheral parking lots must be readily accessible from the main routes leading into the city. Secondly, the buses must circulate continuously on short headway times.[1] Perhaps two-way radio communication between the buses would assist them to avoid traffic congestion points. Thirdly, we recommend British double-deck buses because of their carrying capacity, maneuvourability, and obvious tourist appeal.

Initially, the transit intercept concept should be tested as a pilot project to ascertain the acceptability. This project would entail leasing three double-deck buses for July and August 1974. The buses would be on a daily schedule on 15 minute headways between 9.00 a.m. and 7.00 p.m. The UPEI student parking lot would logically serve as the trial peripheral parking area. An additional entrance would facilitate easier access to University Avenue. A suggested downtown terminal site located in "Charlottetown Square" is shown in Figure 9. Special direction signs to guide potential users of this facility and temporary terminals would also be required.

The two month pilot project estimated costs are:

[1] The suggested interval between buses would be 15 minutes.

		$
▶	Lease 3 double-deck buses	19,000
▶	Construct:	
	- new access to the UPEI parking lot	15,000
	- temporary terminal structures	12,000
▶	Provide direction signs	1,000
▶	Administration and Wages	3,000
	TOTAL	50,000

Predicated on the success of the pilot project, an annual intercept tourist system bus service could be established. The transit system would require the following:

- purchasing and reconditioning eight double-deck buses;
- construction of 300 car parking lots in Parkdale and Bunbury;
- obtaining UPEI and K-Mart permission to use 300 spaces and 100 spaces of their parking lots respectively;
- constructing permanent terminal structures at each lot and at the central area terminal.

The general location of the various terminals is shown in Figure 4. During peak daily home-work travel periods, some buses could be routed to provide transit service to employees who work downtown, thus freeing up additional parking space.

The estimated annual costs[1] of the intercept transit system would be:

		$
▶	Capital Costs	
	- Purchase and recondition eight buses--double-deck	280,000
	- Parking Lot:	
	. Land	45,000
	. Construction and providing signs	100,000
	- Construction of three terminal buildings	85,000
	TOTAL	510,000

Annual Operating Costs	
- Debt Retirement Charges over 10 years at 9%	80,000
- Maintenance of buses, buildings, and parking areas, administration, fuel, and wages	60,000
TOTAL ANNUAL COSTS	140,000

We estimate the annual capital and operating costs of a parking facility to provide free off-street parking for twenty per cent of the average daily peak tourist traffic, 170 spaces, at about $140,000. This is based on 1,700 vehicles per day and a parking turnover rate of 2 vehicles per day. Thus, if over twenty per cent of the tourist vehicles could be encouraged to use the transit system, the concept would be economically justified.

[1] Costs are in 1973 dollars.

10. Street Improvements In Suburban Charlottetown

We have, in the course of our study, identified several deficiencies in the existing street network of suburban Charlottetown that require attention.

Most of the major streets entering Charlottetown become constricted as they approach the downtown area. We therefore recommend that parking be strictly prohibited from these areas during the periods of peak flow.

Synchronized, variable phase signal controls should also be installed on the existing signals located on the arterial streets in the outlying areas, at a cost of about $12, 000. Also, permitting righthand turns during the red signal phase would tend to increase the intersection capacity.

The traffic operation at the Belvedere/University Avenue and Mount Edward Road/Longworth Avenue intersections would be improved by widening and channelizing the intersections. These improvements would cost about $24, 000 for each intersection.

Brackley Point Road is the main route from the Charlottetown airport to the city. This road should be upgraded to increase its capacity and improve its appearance, as it tends to create a "first impression" to people visiting the Charlottetown area for the first time. Upgrading this arterial from the airport to Longworth Avenue to a 40 foot curb-to-curb width, with paved sidewalks and grassed boulevards, similar to North River Road, would cost about $500, 000.

Kirkwood Drive/Allen Street could serve as a good east-west connector for the present suburban Charlottetown street network. However, its narrow width and poor intersection geometrics now preclude its use as an arterial. Upgrading this link in the near future is probably neither economically nor politically feasible because of property acquisition requirements. Any future redevelopment contemplated for this area should incorporate an allowance to cover widening these streets.

APPENDICES

APPENDIX A

CONVENTIONS IN CANADA AND THE UNITED STATES

CONVENTIONS IN CANADA AND THE UNITED STATES

1. INDUSTRY TRENDS

In 1968, about 6,300 Canadian and United States national and international, and 28,000 regional, provincial, state, and local associations held conventions. These were attended by about 12 million people. In addition, 4,500 trade shows and exhibitions attracted about five million people. Indications are that this industry's annual growth rate is about 5 per cent.

More than fifty new major convention or exhibition halls were built during the 1960's. Larger facilities are presently under construction and many existing facilities are being enlarged. Major Canadian cities such as Calgary, Winnipeg, and Toronto are aggressively competing for their share of conventions. Even small centres are attempting to share in this market. As an example, Gatlinburg, Tennessee, with a population of only 1,700, has a $600,000 convention centre.

Today's convention emphasis is on education and participation. Convention delegates in the 70's spend less time on recreation and social activities and more on meetings, seminars, and exhibits, than in the past.

A change in attendance patterns is the increasing number of wives accompanying their husbands at conventions. New York's Convention and Visitor's Bureau statistics reveal that 60 per cent of today's convention delegates bring their wives. This is about twice the number in 1963 and four times the number in 1950.

Both the average daily delegate expenditure and length of stay has increased over the last decade. The International Association of Convention Bureaux (IACB) statistics on expenditure and length of stay, and importance of mode of travel, are shown in Table A-1.

TABLE A-1

DELEGATES' AVERAGE DAILY EXPENDITURE, LENGTH OF STAY, AND MODE OF TRAVEL[1]

	1957	1966	1967	Growth %
Delegates':				
Average daily Expenditure	$ 30.84		$ 34.27	11.12
Total expenditure	$118.61		$134.68	13.55
Average length of stay (days)	3.84		3.93	2.34
Delegates' Mode Of Travel:	%	%		
Aeroplane	38.14	51.81		35.84
Automobile	37.42	41.90		11.97
Train	23.42	3.61		(84.58)
Bus	1.02	2.68		162.75
	100.00	100.00		

[1] Source: The International Association of Convention Bureaux.

The number of delegates travelling by aeroplane has increased by about 36 per cent. The increased emphasis on air travel as a mode of transport underlines the importance to convention cities of adequate airline and airport facilities.

2. THE ECONOMIC IMPACT OF CONVENTIONS

a) Season

Conventions, conferences, and seminars have a greater impact on the economy as they are held in months other than the peak tourist season. In Canada, for example, conventions are generally held year round. Fewer take place in December and January and a negligible number in the tourist season from late June until the end of August.

b) Size

The I. A. C. B. surveyed 84 member cities and found that 82 per cent of national (U. S., Canada, and Puerto Rico) and regional conventions represent less than 1,500 delegates The results of the survey revealed the following:

Number Of Delegates	Percentages Individual	Percentages Cumulative
Less than 250	20.15	
250 - 400	16.48	36.63
400 - 600	17.34	53.97
600 - 800	7.92	61.89
800 - 1,000	9.43	71.32
1,000 - 1,500	10.96	82.28
1,500 - 2,000	5.54	87.82
2,000 - 3,000	4.55	92.37
3,000 - 5,000	3.11	95.48
5,000 - 7,000	1.21	96.69
7,000 - 10,000	.92	97.61
Over 10,000	2.39	100.00

The I. A. C. B. also surveyed the spending habits of 1,029,267 convention delegates attending 734 conventions in 46 member cities. It found the average delegates':

- daily expenditure: $34.27
- length of stay: 3.93 days.

This suggests, therefore, that a small meeting of, say, 300 delegates contributes about $40,000 to the convention centre. The breakdown of the delegates' spending at national and international conventions is as follows:

Delegates' Expenditures	Percentage By Type Individual	Cumulative
Hotel:		
. rooms and incidentals	34.21	34.21
. restaurants	12.89	47.10
Other restaurants	12.48	59.58
Beverages	5.30	64.88
Retail stores	11.13	76.02
Local Transportation	4.30	80.31
Theatres	1.02	81.33
Sightseeing	1.64	82.97
Night clubs, sports events	4.79	87.76
Automobile, oil, gas, service	6.42	94.18
Other items	5.81	100.00

The service industry in a centre where a convention is held receives a natural stimulus which is reflected in increased employment. Hotels, restaurants, retail stores, and a variety of other commercial operators employ more people to meet the increased demand for services.

In general, convention delegates impressed with the centres' facilities and service are more likely to be future visitors to the city.

APPENDIX B

CONVENTIONS HELD IN THE GREATER CHARLOTTETOWN URBAN AREA

1967 TO 1973

CONVENTIONS HELD IN THE GREATER CHARLOTTETOWN URBAN AREA
1967, 1968, 1969

NO.	CONVENTION	YEAR	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
1	Maritime Provinces Board of Trade	1967						150						
2	Public Health Association							80						
3	Maritime Provinces Main Branch (Naval)										75			
4	Superintendents of Insurance										300			
5	Canadian Federation of Government Employees Organization										50			
6	The Gideons International in Canada										200			
7	Chief Justice of Canada Conference											50		
8	The Refrigeration Service Engineers Society											50		
9	Eastern Canada Association of Highway Officials											150		
10	Third Conjoint Scientific Assembly of the Maritime Provinces Chapter of the College of Family Physicians											125		
	TOTAL REGISTRANTS	1,230	-	-	-	-	-	230	-	-	625	375	-	-
1	University of Moncton Students	1968				75								
2	Canada Packers - Managerial Conference					125								
3	Lions - Presidents and Secretaries						100							
4	Council of Young Christian Workers						75							
5	Canadian Conference Motor Transportation Administrators							150						
6	Imperial Oil Directors							40						
7	NB-PEI Alcoholics Anonymous							400						
8	Grand Chapter - Eastern Star								600					
9	Mission From Trinidad									35				
10	Reunion Western Nova Scotia Regiment									400				
11	Maritime Funeral Directors										150			
12	Florists Trans-World and Florists of Canada										60			
13	Maritime Conference United Church Women										75			
14	Cyanamid of Canada											75		
15	Maritime Guidance Association											200		
16	Maritime Branch Canadian Chiropractors' Association											30		
17	Maritime College of General Practitioners											300		
18	Atlantic Provinces Feed Manufacturers											75		
19	Maritime Scientific Assembly											225		
	TOTAL REGISTRANTS	3,190	-	-	-	200	175	590	600	435	285	905	-	-
1	Navy League of Canada (National)	1969			80									
2	Junior Chambers of Commerce (Atlantic)						315							
3	Atlantic Provinces Thermal Plant Operators (Atlantic) Assc.						75							
4	Royal Life Saving Society (National)						60							
5	9th Atlantic Provinces Conference on Cerebral Palsy						150							
6	Canadian School Trustees (National)						300							
7	Maritime Professional Photographers (Maritime)						100							
8	Atlantic Provinces Transportation (Atlantic) Commission							30						
9	Atlantic Provinces Association of Medical Lab. Scientists							100						
10	Welfare Council (Atlantic)							300						
11	Maritime Automobile Dealers							300						
12	Canadian Hatchery Federation (National)									300				
13	Maritime Branch American Water Works Association										300			
14	Montreal Trust Company (Fall Conference)										35			
15	Association of Universities and Colleges Executive - Dr. Colin Mackay											10		
16	Canadian Chamber of Commerce Delegates											35		
17	Maritime College of General Practitioners											300		
18	Maritime Basketball Official Referees Convention											100		
19	Atlantic Planners Institute												50	
20	Northumberland District Conference of Y's Men's Clubs												300	
21	Atlantic Provinces Chapter American Society Architectural Hardware Consultants												100	
22	Conference of the Atlantic Association of Health, Physical Education and Recreation												300	
23	Three College Groups							300						
	TOTAL REGISTRANTS	3,940	-	-	80	-	1000	1030	-	300	335	445	750	-

CONVENTIONS HELD IN THE GREATER CHARLOTTETOWN URBAN AREA

1970

NO.	CONVENTION	YEAR	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
1	C.I.P. Panel Board	1970		50										
2	Atlantic Field Crop Commission			32										
3	United Commercial Travellers Bonspiel			50										
4	Maritime Intercollegiate Hockey			200										
5	National Intercollegiate Hockey				200									
6	Kinsmen Zone Meeting, Max Skinner				180									
7	Maritime Farm Credit				50									
8	Canadian National Railway				85									
9	Hudson Bay Oil				50									
10	Canadian Teachers Federation - Annual					200								
11	Rothman Pall Mall					200								
12	Mutual Life Association					55								
13	Public Servants Association of Canada (F. Buell)						150							
14	Maritime Men's Bowling Championship						200							
15	Kinsmen Bonspiel						50							
16	Canadian Travel Students						32							
17	Canadian Museum Association						150							
18	Skidoo Show - Conf. Centre							250						
19	Maritime Provinces Board of Trade							150						
20	National Board, Anglican Church Women							100						
21	Maritime Rifle Shoot (R. McCabe - E. MacLean)							15						
22	Atlantic Conference Tenants Union, etc.							60						
23	Canadian Permanent Mortgage Corporation								400					
24	Atlantic U.I., Regional Advisors Finance and Admin. Conf.								30					
25	E.P.A.								**					
26	Commissioners, Uniformity of Legislation in Canada									165				
27	Canadian Construction Association (Norman MacLeod)									290				
28	Cape Breton Highlanders Regiment										200			
29	Atlantic Provinces Consumer Credit Association										300			
30	Maritime Psychiatric Association										30			
31	Conference Deputy Minister Public Works										20			
32	Atlantic Provinces Transportation Commission										40			
33	Visitation of New Bishop (Fr. Hanley)										100			
34	Atlantic Council of Catholic Nurses (A. Trainor)											50		
35	Royal College of Physicians and Surgeons											235		
36	Maritime Guidance Association Convention											150		
37	Canadian Council for the Blind											20		
38	Delegation, Constitution of Canada											10		
39	National Council Boy Scouts of Canada											10		
40	Canadian Manufacturers Assn. Atlantic Division											30		
41	Canadian Federation Amateur Baseball												10	
42	Canadian Education Association												50	
43	Atlantic Provinces Letter Carriers Union												55	
44	LeDain Commission												10	
	TOTAL REGISTRANTS	4,714	-	332	565	455	582	575	430	455	690	505	125	-

** Not Available

APPENDIX B - cont'd.

CONVENTIONS HELD IN THE GREATER CHARLOTTETOWN URBAN AREA

1971, 1972

NO.	CONVENTION	YEAR	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
1	E. P. A. Curling Bonspiel	1971	200											
2	Assistant Trade Commissioners - Ottawa		10											
3	Atlantic Assn. of University Broadcasters			50										
4	Atlantic Intercollegiate Curling Championships			200										
5	Legion Briar				300									
6	Maritime Tobacco Growers				50									
7	Canadian Music Educators					1000								
8	Canada Packers					125								
9	NB-PEI Real Estate						50							
10	Executive Maritime Province Chamber of Commerce						10							
11	Third Annual Conference of Atlantic Priests						100							
12	Ford Motor Company Executives						20							
13	Executive Commonwealth Parliamentary Associates						50							
14	Kairos Folk Singers						40							
15	Imperial Oil Executives							10						
16	Atlantic Provinces Travel-Trade Fair							200						
17	Canadian Fire Marshalls							100						
18	32nd Annual Conf. Assn. of Provincial Liquor Commissioners							100						
19	Atlantic Provinces Education Ministers							85						
20	Canadian Citation - Corsair Travel Trailer Club (135 Vehicles)							500						
21	Atlantic Provinces Red Cross Youth Leadership Training Centre								80					
22	Fathers of Confederation Buildings Trust								25					
23	Atlantic Provinces Building Inspectors								20					
24	United Church A. O. T. H.									600				
25	Air Cadets From the U. K.									35				
26	Reunion Graduates of Charlottetown Hospital Nursing School									150				
27	Council Maritime Premiers and Newsmen									50				
28	P. E. I. Highlanders of World War II									100				
29	Atlantic Provinces Ministers and Dep. Mins. of Welfare & staff									25				
30	Inland Open Gold Tournament									400				
31	Canadian Provincial Sales Tax Administrators										50			
32	6th Scientific Assembly, Conjoint Mar. Chap. Clg. Family Physicians of Canada										350			
33	Metropolitan Toronto Board of Trade Delegation										94			
34	Atlantic Provinces Correction Association										400			
35	Atlantic Provinces Ministers of Tourism										**			
36	Board of Directors, National Assn. Canadian Race Tracks										50			
37	Council of Atlantic Provincial Employees													30
	TOTAL REGISTRANTS	5,659	210	250	350	1125	270	995	125	1360	944	-	-	30
1	Atlantic Dairy Council	1972				100								
2	Atlantic Area Militia Commanders Conference					10								
3	Maritime Fire Fighters Bowling Tournament					125								
4	Admin. Officers of Liquor Control Commission from across Canada						40							
5	Atlantic Provinces Conference on Business Education						200							
6	The Maritime Regional Y's Men's Convention						550							
7	Atlantic RCAF Association No. 201 Confederation Wing						200							
8	38th Annual Mtg, Maritime Branch, Canadian Postmasters' Assn						100							
9	2nd Annual Conf. Atlantic Provinces Bldg. Officials Assn.							90						
10	Canadian Feed Manufacturers Assn. Atlantic Region							100						
11	War Amputees of Canada							100						
12	Agricultural Instit. of Canada (Host, PEI Instit. of Agrology)							1000						
13	Bi-Annual Atlantic Directors of Physical Education							**						
14	PEI Scottish Settlers Historical Society's 200th Anniversary							600						
15	International Conf. on Methods in Dialectology							80						
16	Maritime Bookkeepers Association Research Station								75					
17	Alcoholics Anonymous										600			
18	Canadian National W. C. T. U.										300			
19	Atlantic Division, Catholic Hospitals Conference										100			
20	Postal Employees Gold Tournament, P. E. I.										80			
21	Senior Citizens' Fed. of Canada Convention										500			
22	Atlantic Division Catholic Hospitals Conference											100		
23	Refrigeration Service Conference											135		
	TOTAL REGISTRANTS	5,185	-	-	-	235	1090	1970	75	-	1580	235	-	-

** Not Available

APPENDIX B - cont'd.

CONVENTIONS HELD IN THE GREATER CHARLOTTETOWN URBAN AREA

1973

NO.	CONVENTION	YEAR	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
1	NB-PEI Sectional Figure Skating Championship	1973	150											
2	Eastern Provincial Airways Curling Bonspiel		125											
3	Canadian Electrical Manufacturing Association			150										
4	Electric Service League			100										
5	Canadian Ladies Dominion Curling Association			125										
6	English Instructors Atlantic Community Colleges					20								
7	Woolworths					20								
8	Fisheries Council of Canada					500								
9	Lions						250							
10	Pharmaceutical Manufacturers Association of Canada						150							
11	Atlantic Provinces Transportation Commission						35							
12	Canadian Amateur Hockey Association						200							
13	Atlantic Association of Rehabilitation Workshops						100							
14	I. O. D. E. National						300							
15	Telephone Pioneers						250							
16	Canadian Council for the Blind						60							
17	United Commercial Travellers						250							
18	Nova Scotia Architects							150						
19	Maritime Provinces Chamber of Commerce							180						
20	Canadian Home and School and Parent-Teachers Federation							50						
21	Canadian Federation of Mayors and Municipalities							900						
22	The John Howard Society							50						
23	Rotary-International District Convention							200						
24	Girl Guides of Canada							150						
25	Canadian National Committee on International Ecological Decade							40						
26	Atlantic Provinces Automobile Dealers Association							250						
27	Board of Directors of National Museums Corporation of Canada							25						
28	Kinsmen District Convention							800						
29	Canadian Teachers Federation								200					
30	Canadian Association of Administrators of Labour								150					
31	Semi-Annual Canadian Federation of Agriculture								80					
32	International Conference on Teachers' Pensions									75				
33	Canadian Ladies' Junior Golf Championship									150				
34	Canadian Ladies Open Golf Championship									150				
35	Premiers of Canada									**				
36	Queens Printers									20				
37	Conference of Law Enforcement Officers									500				
38	Inter-Provincial Security Administrators Conference									25				
39	First and Fifth Medium Artillery Regiment										200			
40	Atlantic Alcoholics Anonymous										600			
41	National Administrators Security Conference										25			
42	Provincial Planning Officers Conference										25			
43	Inter-Provincial Conference, Consumers Affairs										75			
44	Town Planning Institute of Canada										200			
45	Provincial Government's Trade and Industry Council										**			
46	The Atlantic Provinces Dental Convention										250			
47	Association of Chief Boiler Inspectors										25			
48	Canadian Standards Association										85			
49	Woolworth's										20			
50	American Water Works Association										300			
51	Atlantic Provinces Conference on Tourism											100		
52	Provincial Ministers Responsible for Highway Transportation											35		
53	Emergency Welfare Serv. Conf. Dept. of National Health & Wel.											40		
54	Atlantic Provinces Economic Council											300		
55	Federal Provincial Conference on Tourism											125		
56	Rural Beautification												150	
57	District Managers Atlantic Provinces - Canada Pension Plan						30							
58	The Royal Bank of Canada												**	
59	Traders Group													
60	Canadian Fitness and Amateur Sports Council - Council of National Health and Welfare													
61[1]	Canadian Water-Skiing Association Conference													
	TOTAL REGISTRANTS[1]	9,515	275	375	-	540	1625	2795	430	920	1805	600	150	-

[1] Totals represent bookings and registrant figures available as at April 1973.

** Not Available.

APPENDIX C

MEETING FACILITIES IN THE ATLANTIC PROVINCES

HOTELS WITH MEETING SPACE IN THE GREATER CHARLOTTETOWN URBAN AREA AND SUMMERSIDE

Facility	Rooms	Beds	Advertised Summer Rates Single	Double	CONFERENCE SPACE Name	Dimensions	Capacity Meeting	Banquet	Features	Equipment
			$	$						
Charlottetown Hotel	110	200	15.00	21.00	Georgian Room	58' x 48'	300	200		
					Salon A	22' x 14'	25	20		
					Tudor Cocktail Lounge	45' x 35'	100	100		
					Confederation Room	34' x 18'	40	40		
					Coffee Shop	-	-	45		
Confederation Inn	56		18.00	24.00	Salon A	30' x 20'	75	50	Outdoor Swimming Pool	
					Salon B	14' x 25'	45	35		
					Suite	15' x 20'	-	10		
					Coffee Shop	-	-	10		
					Smuggler's Jug Lounge	-	-	35		
					Dining Room	-	-	38		
Holiday Island Motor Lodge										
Inn On The Hill	48	96	16.00	25.00	Holland Grove (Salon A-B-C)	28' x 60'	90	50		
					Coffee Shop	-	54	-		
					"The Gallows" Lounge	-	64	-		
Islander Motor Lodge	49	89	11.00	17.00	Gold Room	20' x 20'	25	20		
					Conference Room	26' x 56'	175	100		
					Oyster Room	14' x 21'	15	10		
					Coffee Shop	-	-	25		
					Bar/Lounge	-	-	25		
					Restaurant	-	-	50		
Kirkwood Motel	68	125	10.00	24.00	Hillsborough	80' x 20'	250	125	Indoor Swimming Pool	
					Florentine	60' x 20'	175	100		
					Salon	14' x 20'	40	25		
					Coffee Shop	-	-	42		
					Restaurant	-	-	80		
MacLaughlans Motel	86	200	12.00	24.00	Salon E	20' x 30'	75	50	Indoor Heated Pool	P/A System
					Salon F	20' x 30'	75	50	Sauna	Microphones
					Rowan Room	-	-	40		Spotlights
					Dining Room (Licensed)	30' x 40'	200	125		
Motel Charlottetown	56	120	16.00	24.00	The Willow Room	40' x 20'	80	70	Outdoor Swimming Pool	
					Banquet Room ('73)	50' x 30'	150	100		
					Coffee Shop	-	-	36		
Wandlyn Motor Inn	76	145	15.00	21.00	Dining Room	-	-	64	Heated Outdoor Pool	
					Banquet Room	60' x 32'	250	200		
					"The Trophy Room" Lounge	-	-	60		
					SUMMERSIDE					
Garden Of The Gulf Motel	52	100				20' x 70'	140	100	Heated Swimming Pool	P/A System, Lectern, Microphones, Screen, etc.
						20' x 10'	20	-		
					Coffee Shop			40		
					Restaurant			110		
					Bar/Lounge			60		
Linkletter Motel	54	83				33' x 15'	30			
						21' x 15'	15			
					Coffee Shop			34		
					Restaurant			60		
					Bar/Lounge			50		

MEETING FACILITIES IN THE GREATER CHARLOTTETOWN URBAN AREA

Facility	Dimensions	Capacity Meet-ing	Ban-quet	Seat-ing	Features and Equipment
Basilica Recreation Centre:			600-		Full Convention Equipment
Gymnasium	80' x 120'	1,000	700		
Banquet Room	30' x 28'	200	160		
Coffee Shop	60' x 40'		70		
K. C. Bar/Lounge			150		
The Charlottetown Forum				2,000	
Ice Surface	85' x 190'				
Charlottetown Driving Park and Exhibition Association:				3,000-	40' x 60' Stage. Full Services including
Convention Room - Coliseum				5,000	dressing rooms, tickets and sales.
Confederation Centre:					
Lower Foyer	7,200 sq. ft.	500	400		Full convention facilities available. P/A system,
Salons (4)	2,000 sq. ft.	150	100		Telephones, Screens, Projectors, etc.
Lecture Theatre	1,800 sq. ft.	200	150		Art Gallery, Public Library, Live Theatre.
Memorial Hall	3,600 sq. ft.	300	175		
Theatre-Stage		1,000			
Coffee Shop			50		
Concourse	10,000 sq. ft.				
Holland College of Applied Arts and Science:					Full convention and seminar equipment,
Gymnasium	4,700 sq. ft.	400			including modern visual aids.
Lecture Theatre	2,950 sq. ft.	130			
Conference Rooms (12)	35' x 30'	25			
Coffee Shop			120		
Provincial Vocational Institute:		700-			
Auditorium		1,200			
Montgomery Hall		200			
Royal Canadian Legion Clover Club:	5,000 sq. ft.	700	250		
Royal Canadian Legion - V. C. Branch:					
Banquet Area with Bar	45' x 90'	500	450		
Auxiliary Room	20' x 20'	35			
Lounge/Bar		200			
Science Auditorium		200			
University of Prince Edward Island:					Accommodations:
Duffy Amphitheatre (Audio-Visual Aids equipped)		250			Marian Hall 9 singles, 29 doubles
Gymnasium		500			Memorial Hall 3 singles, 51 doubles
Classrooms (3) -- Each		150			Montgomery Hall 52 doubles
Common Room		125			Bernardine Hall 15 singles, 68 doubles.
Library (Montgomery)		100			

MEETING FACILITIES IN NOVA SCOTIA

Location	Facility	CAPACITY Rooms	Convention (Persons)	Exhibition Space	Booths
Amherst	Fort Cumberland Hotel	78	130		
	Letchers Motel	32	N/A		
	Wandlyn Motor Inn	60	N/A		
Antigonish	Wandlyn Motor Inn	35	67		
	Antigonish Arena		1,000		
	Oland Centre		600		
	Parish Centre		500		
Cape Breton	Keltic Lodge	91	186		
Colebrook	Wandlyn Inn	76	150		
Dartmouth	Holiday Inn	120	150		
	Wandlyn Motor Inn	95	200		
Digby	Pines Hotel	90	300		
Halifax			1,500 (City)		
	Citadel Motor Inn	182	200		
	Dresden Arms	93	190		
	Hotel Nova Scotia	316	600		
	Lord Nelson	175	250		
	Wandlyn Motor Inn	62	150		
	Under Construction:				
	CP Hotel				
	Holiday Inn				
	Saint Mary's University	372 (beds)			
New Glasgow	Norfolk Motor Hotel	30	60		
	Peter Pan Motel	54	100		
	New Glasgow Stadium		150		
	Stellerton Stadium		1,500		
Port Hawksbury	Wandlyn Motor Inn	73			
Rockingham	Mount St. Vincent	260 (beds)			
Stellarton	Heather Motor Hotel	76			
Sydney	Holiday Inn	122	200		
	Isle Royale Hotel	265	500		
	Wandlyn Motor Inn	107			
Truro	Glengarry Motel	47	90		
	N.S. Provincial Exhibition			10,368 Sq. Ft.	18 at 16'x20' 24 at 12'x16'
	N.S. Agricultural College	450 (beds)			
Yarmouth	Royal Canadian Legion		340	75'x40' 26'x12'	
	Grand Hotel	92	194		
	Braemar Lodge	92	175		
Wolfville	Acadia University	1,585 (beds)			

MEETING FACILITIES IN NEW BRUNSWICK AND NEWFOUNDLAND

LOCATION	FACILITY	CAPACITY				
		Rooms	Convention	Meeting	Exhibit Sq. Ft.	Booths
New Brunswick						
Bathurst	Danny's Motel	50	60			
Campbellton	Wandlyn Motor Inn	60	96			
Edmundston	Wandlyn Motor Inn	76	180	500 (City)		
Fredericton	Diplomat Motor Hotel	80	120			
	Eden Rock Motor Hotel	80	180			
	Lord Beaverbrook Hotel	150	250			
	Wandlyn Motor Inn	76	116	1,000 (City)		
	St. Thomas University:[1]	480[2]				
	Auditorium			278		
	Classrooms (13)			30-110		
	Seminar Rooms			12- 40		
	University of New Bruns:	1,163[2]				
	Theatres (9)			130-400		
	Dining Rooms (5)			80-450		
	Classrooms (35)			30-115		
Moncton	Beausjour Hotel	216	300			
	Brunswick Hotel	116	250			
	Downtowner Motor Hotel	57	118			
	Howard Johnson's	96	150			
	Wandlyn Motor Inn	75	120	1,000 (City)		
	Dieppe Centennial			25	13,125	
	Moncton Stadium		27,600		27,600	109
	University Of Moncton:	595[2]				
	Arena			1,800		
	Meeting Rooms (10)			125-350		
	Smaller Rooms					
Newcastle		71	106			
Oromoto	Oromocto Hotel	46	60			
Saint John	Admiral Beatty Hotel	230	300	350		
	Holiday Inn	129	225			
	Wandlyn Motor Inn	98	159	350 (City)		
	Lancaster Centennial Arena			600	16,000	
Sackville	Mount Allison Univer:	1,000[2]				
	Meeting Room			1,500		
	Meeting Rooms (6)			100-350		
	Meeting Rooms (12)			36- 90		
	Meeting Rooms (16)			35 and under		
St. Andrews	Algonquin Hotel	200	300			
St. Stephen	Wandlyn Motor Inn	45	45			
Woodstock	Wandlyn Motor Inn	50	80			
Newfoundland						
Clarenville	Holiday Inn	64	100			
Corner Brook	Glynmill	66	100			
	Holiday Inn	107	350			
Gander	Albatross Motel	48	100			
	Holiday Inn	64	110			
	Hotel Gander	115	300			
Grand Falls		79	125			
	Simwestco Hotel	42	80			
St. Johns	Battery Motel	81	60			
	Holiday Inn	200	500			
	Hotel Newfoundland	136	230			
	Nfld Arts & Culture Centre				2,000	25 - 10'x10'
	Theatre			1,017		
	Five Smaller Rms			30-100		

STEVENSON & KELLOGG, LTD.

1. Available during summer vacation period only.
2. Number of beds.

APPENDIX D

QUESTIONNAIRE AND MAILING LIST

APPENDIX D

LAVENTHOL KREKSTEIN HORWATH & HORWATH

MANAGEMENT CONSULTANTS
120 ADELAIDE STREET WEST
TORONTO, ONTARIO M5H 1T6
TELEPHONE: 416-864-3200
MEMBER CANADIAN ASSOCIATION
OF MANAGEMENT CONSULTANTS

April 16, 1973.

Dear Sirs:

A consortium of firms has been retained by a Joint Federal, Provincial and Municipal Government Committee to carry out a comprehensive study of the Greater Charlottetown Urban Area in Prince Edward Island. Our element of the study is to look into the role of the Greater Charlottetown Urban Area as part of a Provincial Conference, Seminar and Continuing Education Centre.

Charlottetown, the capital of Prince Edward Island, is quiet, pastoral and in many ways unique. Its population is 24,400, making it one of the smallest capitals in the world. The population of the Province is 111,600. Additional facts about the City are reported on the back page of this letter.

We would greatly appreciate your help in this survey and would ask you to kindly fill in the Questionnaire on the inside pages of this letter and return it in the enclosed self-addressed, stamped envelope, as promptly as possible.

Your answers will help us make a more accurate judgement of potential users of Charlottetown as a City for meetings.

Yours very truly,

Laventhol Krekstein Horwath & Horwath

LAVENTHOL KREKSTEIN HORWATH & HORWATH

QUESTIONNAIRE

1. Name of Organization ____________ Address ____________ Type of Organization ____________

2.

Year	Month	City	Meeting Place: Headquarter Hotel	Name of Hall or Auditorium	Number of days in session	Maximum number of meeting rooms used	Average number of persons per meeting room	Number of hotel bedrooms used	Net square feet of exhibit space	Type of meeting	Attendance: Approximate attendance	Number of official delegates	Number of spouses	Number of children
1971														
1972														
1973														

Major criticisms of the above:

3. (a) Hotel facilities ____________

(b) Meeting facilities ____________

(c) Eating facilities ____________

(d) Transportation ____________

(e) Entertainment ____________

(f) Places of interest ____________

(g) Shopping ____________

(h) Quality of City ____________

(i) Ease of coordination ____________

(j) Other ____________

4. Do you have branch operations or affiliates in the Atlantic Provinces ______ If yes, please give details ______

5. In selecting a city as a meeting place, how do you rate the following considerations:

	IMPORTANT	DESIRABLE	UNIMPORTANT	COMMENTS
1. Location of city				
2. Special character of city (e.g. quaintness, historical importance, architecture, etc.)				
3. Climate				
4. Transportation				
5. Quality of hotel facilities				
6. Quality of meeting facilities				
7. All delegates housed in same hotel				
8. Meetings and lodgings in same establishment				
9. Meeting place close to hotel				
10. Entertainment and recreation				
11. Places of interest				
12. Shopping				
13. Exhibit area				
14. Other				

6. Indicate preferred seasons or months for holding meetings ______

______

7. Please rank the following places in order of preference as a meeting place: Victoria, Vancouver, Calgary, Banff, Edmonton, Regina, Winnipeg, Toronto, Ottawa, Quebec City, Montreal, Fredericton, Halifax, Charlottetown, St. John's, other Canadian or U.S. locations.

1. ______ 2. ______ 3. ______ 4. ______ 5. ______

Within the Atlantic Provinces, please rank meeting places in order of preference:

1. ______ 2. ______ 3. ______ 4. ______ 5. ______

Have you held a meeting in the Atlantic Provinces. If so, when ______ where ______ comments

______

Would your organization hold future meetings in the Atlantic Provinces ______ How often ______ comments ______

______

8. We would appreciate any recommendations or comments on meeting requirements that you wish to offer. We would like to have the benefits of your experience and knowledge in making recommendations for Charlottetown, Prince Edward Island.

______

______

______

If you so desire, kindly indicate name and position

CHARLOTTETOWN

PRINCE EDWARD ISLAND

The City of Charlottetown, capital of Canada's smallest province, is historically important as the place where the Fathers of Confederation met in 1864 to conceive the plan for the formation of the Dominion of Canada.

Attractions include the Confederation Centre, Fort Edward, Government House and harness racing at the Driving Park and Exhibition Grounds. Confederation Centre features live theatre, an art gallery, library, meeting rooms and memorial hall. Each summer, its theatre is the home of the Charlottetown Festival which presents musical shows in repertory. These later are taken on tour through United States and Canada. Province House, with the Chamber in which the Fathers of Confederation first met in 1864, is the meeting place of the Provincial Legislature.

Convention Hotels and Motels

There are 550 first class rooms contained in eight hotels and motels which range in size from 40 to 110 rooms.

Auditoriums Meeting and Exhibit Halls

There are meeting facilities capable of comfortably accomo-dating one thousand or more persons. In addition, the Forum and the Coliseum can accomodate 2,000 and 5,000 persons respectively.

CLIMATE

ANNUAL AVERAGE	1970	Max. Temp.	Min. Temp.	Mean Temp.
Av. Rain Fall 31.51"	January	38	-7	18.7
Av. Snow Fall 108.7"	February	52	-4	29.4
Precipitation 42.07"	March	45	4	33.4
Sunshine 1,836 hrs.	April	58	22	42.9
	May	73	27	57.0
	June	79	38	67.8
	July	86	40	75.6
	August	86	44	73.5
	September	75	37	60.9
	October	72	29	56.5
	November	59	21	44.5
	December	44	-7	26.3

TRANSPORTATION

Prince Edward Island is served by air, highway, rail and water transportation.

Eastern Provincial Airways (EPA) provides direct flights from Charlottetown to the major eastern Canadian cities, i.e. Halifax, Moncton and Montreal.

QUESTIONNAIRE MAILING LIST

ASSOCIATIONS

Agricultural Institute of Canada
Airlines Electronic Engineering Committee
American Agricultural Economic Association
American Association Cereal Chemists
American Association History Medicine
American Association State Compensation Insurance Funds
American Bankers Association International Banking Conference
American Board Endodontics
American Concrete Institute Fall Meeting
American Fishing Tackle Manufacturers Association
American Hot Dip Galvanizers Association
American Leather Chemists Association
American Life Convention
American Metal Stamping Association
American Newspaper Guild
American Physiological Society
American Psychoanalytic Association
American Public Works Association
American Railway Development Association
American Society Civil Engineers Transportation Engineering
American Society Heating Refrigerating Air Conditioning Engineers Annual Meeting
American Society Insurance Management
American Society Maxillofacial Surgeons
American Society Mechanical Engineers Joint Lubrication Conference (ASME-ASLE)
American Society Pharmacology Experimental Therapeutics
American Society Testing and Materials Committee E-15 Analysis Testing Industrial Chemicals
American Theological Library Association
American Water Works Association P.Q. Branch
Ancient Accepted Scottish Rite Masons Canada Supreme Council
Armenian General Benevolent Union America
Army Navy and Airforce Veterans Canada
Asphalt Institute - International Conference Structural Design Asphalt Pavements
Association American Railroads Accounting Division
Association American Railroads General Claims Division
Association Canadian Fire Marshals Fire Commissioners
Association Canadian Orthopedique
Association Church Press
Association Data Processing Service Organizations
Association Superintendent Insurance Provincial Canada
Atlantic Dermatological Conference
Atlantic Provincial Library Association
Audit Bureau Circulations Board Meetings
Automotive Parts Manufacturers Association Canada
Automotive Industries Association
Ayrshire Breeders Association Canada

Biscuit Cracker Manufacturers
Brewers Association Canada

Canada Jaycees
Canadian Academy Endodontics
Canadian Advertising Sales Association
Canadian Aeronautics Space Institute Annual General Meeting
Canadian Agricultural Chemicals Association
Canadian Association Broadcasters
Canadian Association Equipment Distributors
Canadian Association Exhibits
Canadian Association Medical Record Librarians
Canadian Association School Superintendents Inspectors
Canadian Automobile Association
Canadian Automotive Electronics Association National Conference
Canadian Broadcasting Corporation
Canadian Business Press Association
Canadian Cable Television Association
Canadian Ceramic Society
Canadian Chamber Commerce
Canadian Circulation Managers Association
Canadian Construction Association
Canadian Council Resource Ministers Seminar
Canadian Dental Association
Canadian Electronics Association
Canadian Electronics Manufacturers Association
Canadian Electronics Wholesalers Association
Canadian Feb Chefs Cuisine National Convention
Canadian Feed Manufacturers Association
Canadian Figure Skating Association
Canadian Fruit Wholesalers Association
Canadian Gas Association
Canadian Grocery Distributors Institution
Canadian Heart Foundation
Canadian Home School Parent Teachers Federation
Canadian Horticultural Council
Canadian Industrial Traffic League
Canadian Institution Actuaries
Canadian Institution Management
Canadian Institution Plumbing Heating
Canadian Institution on Pollution Control
Canadian Institution Public Health Inspectors
Canadian Institution Quantity Surveyors
Canadian Manufacturers Chemical Specialists
Canadian Nuclear Association
Canadian Pharmaceutical Association
Canadian Plumbing Mechanical Contractors Association
Canadian Political Science Association
Canadian Postmasters Association Maritime Branch
Canadian Potato Chip Association
Canadian Press
Canadian Progress Club
Canadian Red Cross Society
Canadian School Trustees Association
Canadian Society Immunology
Canadian Society Microbiologists
Canadian Society Radiological Technicians
Canadian Standards Association
Canadian Teachers Federation
Canadian Technical Asphalt Association
Canadian Telecommunications Carriers Association
Canadian Transit Association
Canadian Underwriters Association
Canadian Warehousing Association
Canadian Wood Chemistry Symposium
Central Experimental Farm
Chemical Institution Canada-Organic Chemistry
Community Planning Association Canada
Computer Accountants Association
Credit Granters Association Canada

Dale Carnegie Association
Dominion Life Assurance Company

East Association Car Service Officers
Econometric Society
Economic Security Employees National Association Canada

Farm Equipment Manufacturers Association
Federated Automobile Dealers Association Canada
Federated Council Sales Finance Companies
Federation of Association on the Canadian Environment
First Spec Service Force Association
Fisheries Council Canada
Forging Industry Association
Fraternal Order Orioles

Girls Club America
Graphic Arts Industries Association
Graphic Communications Computer Association Printing Industries America
Gray Ductile Iron Founders Society
Grocery Distributor's Institute
Guide International
Gyro International Convention

Holstein Friesian Association Canada Convention
Home Beneficial Life Insurance Company
Honorable Order Blue Goose International

Questionnaire Mailing List - cont'd.

Illuminating Engineering Society Canada
Imperial Order Daughters Empire National Chapter Canada
Industrial Management of Canada
Industrial Relations Research Association
Institution Newspaper Controllers Finance Officers
International Association Electronic Inspectors Canadian Section
International Association Electronic Leagues
International Association Industrial Accident Boards Commissions
International Brotherhood Pottery Allied Workers
International North Pacific Fisheries Commission
International Typographic Composition Annual Convention Exhibition

Junior Achievement Canada

Ladies Auxiliaries to Order of Scottish Houses
Laurentian Hormone Conference
Laurentian Mutual Insurance
Lead Industries Association
Loyal Orange Young Briton Association

Masonic
Mayonnaise Salad Dressing Institute
Meat Packers Council Canada
Monumental Life Insurance Company
Mutual Life Assurance Company Canada

National American Wholesale Lumber Association
National Building Material Distributors Association
National Electronic Sign Association Annual Clinical Sessions
National Food Brokers Association
National Hockey League
National Jewish Centre Workers
National Silo Association
National Tax Association
National Theatre Arts Conference
Navy League Canada National Council
Newspaper Personnel Relations Association
Ninety Nines International Organization Women Pilots
North American Heating Air Conditioning Wholesalers Association
Northwest Scientific Association

Order Golden Rule
Order Scottish Clans Grand Lodge Ladies Auxiliary
Outdoor Advertising Association Canada
Paul Reserve Life Insurance Company
Phi Delta Fraternity
Pioneer Mutual Life Insurance Company
Prudential Insurance Company America North Central Reg
Prudential Insurance Company America Northeast Reg
Public Personnel Association International Conference

Quota International

Rathkamp Matchcover Society
Reader's Digest Association
Rice Millers Association
Royal Architectural Institute of Canada
Rural Sociological Society

Sales Marketing Executives International Board Meeting
Sertoma International Canada and North Central Reg
Shoe Manufacturers Association Canada Management Seminar
Sigma Alpha Rho Fraternity America
Sigma Delta Tau Sorority
Society Architectural Historians
Society Automotive Engineers National Automobile Meeting
Society College University Planning
Society Industrial Realtors
Society Management Information Systems
Society Obstetricians Gynecologists Canada
Society Pediatric Radiology
Society Photographic Scientists Engineers Symposium
Society Plastics Industry Cellular Plastics
Society Vascular Surgery
Sons Norway
Soroptimists Federated Americas East Canada Reg
Sun Life Assurance Company Canada

Technical Association Pulp Paper Industry Corrugated Containers Division
Telephone Association Canada
Transportation Communication Employees Union Afl-Cio
Travel Industry Association Canada
Travellers Aid Association America

Union Canadian Transport Employees
United Commercial Travellers
Univac Users Association
Urban Land Institute

Victorian Order Nurses Canada

World Congress Direct Selling Association

YMCA Canada National Council

Zonta International Distributor No. 4

GOVERNMENT DEPARTMENTS

Canadian Department of Labour

Department of Agriculture
Department of Communications
Department of Consumer and Corporate Affairs
Department of Energy, Mines, and Resources
Department of the Environment
Department of External Affairs
Department of Finance
Department of Indian Affairs and Northern Development
Department of Industry, Trade and Commerce
Department of Justice
Department of Manpower and Immigration
Department of National Defence
Department of National Health and Welfare
Department of National Revenue
Department of Public Works
Department of Regional Economic Expansion
Department of the Secretary of State
Department of Solicitor General
Department of Supply and Services
Department of Veterans Affairs

Information Canada

Ministry of State for Science and Technology
Ministry of State for Urban Affairs
Ministry of Transport

Post Office Department
Privy Council

Treasury Board

CORPORATIONS

Air Canada
Airscrew-Weyroc Canada Limited
Anglo-Canadian Pulp and Paper Mills Limited
Anglo-Canadian Telephone Company
Atlantic Wholesalers Limited
Avis Transport of Canada Limited

Bank of Montreal
Bank of Nova Scotia
Banque Canadienne Nationale
Banque de Montreal
Banque Provinciale du Canada
Bell Canada
Bell Telephone
Ben's Holdings Limited

Questionnaire Mailing List - Cont'd.

Blue Bonnets Raceway Incorporated
Bombardier Limited
Bowaters Mersey Paper Company Limited

Canada Cement Lafarge Limited
Canada Packers Limited
Canadian Broadcasting Corporation
Canadian Corporate Management Company Limited
Canadian National Railways
Canadian Overseas Telecommunications Corporation
Canadian Salt Company Limited
Canadian Vickers Limited
Canadian Wallpaper Manufacturers Limited
Cape Breton Development Corporation
Central Trust Company of Canada
Chrysler Canada Limited
Consumers Gas Company Limited
Consumers Glass Company Limited
Crown Life Insurance Company

Dineen Construction Limited
Dominion Bridge Company Limited
Domtar Limited
Dryden Paper Company Limited
DuPont of Canada Limited

Eastern Canada Savings and Loan Company
Eastern Provincial Airlines
Eastern Provincial Airways (1963) Limited
Eddy Match Company Limited

Forano Limited
Four Seasons Hotels Limited
Fraser Companies Limited
Fundy Forest Industries Limited

General Motors
General Motors Acceptance Corporation
George Weston Limited
Glengair Group Limited

Halifax Developments Limited
Halliday Craftsmen Limited
Hawker Siddeley Canada Limited
Hermes Electronic Limited

IAC Limited
Imperial Oil Limited
Island Telephone Company, Limited
Ivaco Industries Limited

John Labatt Limited

Lacroix Incorporated
Laiteries Leclerc Incorporated
Levy Industries Limited
Logistec Corporation

MacMillan Rothesay Limited
Marine Industries Limited
Maritime Electric Company Limited
Maritime Telegraph and Telephone
Massey-Ferguson Limited
McCain Foods Limited
Mercantile Bank of Canada
MLW-Worthington Limited
Molson Industries Limited
Monenco Limited

National
National Arts Centre Corporation
National Drug and Chemical Company of Canada Limited
National Harbours Board
National Museums of Canada
National Research Council
National Sea Products
Newfoundland Telephone Company Limited
Northern Electric
Nova Scotia Light and Power Company Limited

Ogilvie Flour Mills Company Limited
Oshawa Group Limited

Perron Enterprises Incorporated
Petroles Irving Incorporated
Power Corporation of Canada Limited
Price Company Limited
Provigo Incorporated

QSP Limited
Quebec-Telephone

Reitman's Canada Limited
Rio Algon Mines Limited
Robert Morse Corporation Limited
Rolland Paper Company Limited
Ronalds-Federated Limited
Rothmans of Pall Mall Canada Limited
Royal Bank of Canada
MoyMor Limited

Schneider, J.M., Limited
Seaway Multi-Corporation Limited
Shaw, L.E. Limited
Sheraton Limited
Silverwood Industries Limited
Sobeys Stores Limited
Societe Generale de Financement du Quebec
St. Lawrence Cement Company
Standard Brands Limited
Steel Company of Canada Limited

Toromont Industrial Holdings Limited
Trizec Corporation Limited

APPENDIX E

EXISTING MUNICIPAL SERVICES

EXISTING MUNICIPAL SERVICES

1. WATER SERVICES

The City of Charlottetown obtains water from shallow well sources located outside the City limits on the Lower Malpeque, Malpeque, Brackley Point and Union Roads. The supplies are chlorinated and fluoridated before use. It is expected that a new transmission main will be constructed from the Brackley well field within two years. Beyond this, the collection and transmission facilities related to the current water sources may be expanded to meet the demands of the immediate future.

The Village of Parkdale obtains water from deep well sources located in the immediate vicinity of the Village; the water is chlorinated before use. A new reservoir is under construction and it is anticipated that another well may be required next year. Thereafter, it is expected that the current sources will meet the immediate future needs.

There are no public water supply systems in Sherwood, East Royalty, West Royalty, Southport, and Bunbury. Home owners and business establishments in these communities rely on individual well systems. There are no plans for extending public systems to these areas in the near future.

2. SEWER SERVICES

The older section of Charlottetown, about two thirds of the developed area, is served by separate storm water and sanitary sewers. The more newly developed north westerly third of the City is served by a sewer system wherein the storm and sanitary flows are combined. The Royalties, Southport, and Bunbury have no public systems; they relay for the most part on individual septic tanks.

The trunk sewers of Charlottetown, Parkdale, and Sherwood flow in a general southerly direction towards the North and Hillsborough Rivers where they join a newly constructed series of interceptor sewers. A central sewage treatment plant is under construction just to the north of the Hillsborough causeway - bridge. Eventually most of the sewage will be pumped from the interceptor system to this treatment plant. It is expected that this sewage collection and treatment system will be adequate for the Charlottetown/Parkdale/Sherwood area for the immediate future.

Several studies have been conducted with a view to extending sewerage services to the Royalties, Southport, and Bunbury; however, it is not expected that facilities will be extended to these areas in the near future.