

~~CONFIDENTIAL~~
~~CONFIDENTIAL~~
#1

G
155
378
E3
C2

Economic Research Associates

OVERVIEW ANALYSIS OF
THE TOURISM ECONOMIC SECTOR
IN ATLANTIC CANADA

Prepared For
Department of Regional Economic Expansion



INTRODUCTION

The Department of Regional Economic Expansion (DREE) has undertaken a series of overview analyses of the Atlantic Provinces' major income/employment generating economic sectors. The purpose of these evaluations is to ascertain growth areas, development potentials, implementation policies and strategies and the environmental and economic impacts for each Province and the region as a whole. From this overview, DREE policies and programs can be evaluated and formulated in order to optimize economic development in terms of employment generation, private and public capital expenditures, income, and general economic improvement.

A large and growing sector of Atlantic Canada's economic base is tourism. Economics Research Associates was retained to evaluate tourism/recreation development potentials and related land use requirements. Specifically, the objectives of this study are:

1. to assess regional and provincial tourism development potentials,
2. to suggest the most effective means of coordinating public and private development efforts,
3. to estimate potential economic benefits (and detriments) in order to establish priorities among the development opportunities.

In order to carry out this scope of services, ERA visited each capital city in the Atlantic Provinces in order to gain statistical data as well as policy and planning information pertaining to tourist facility and industry development. This report describes the results of these efforts and makes recommendations regarding the necessary assistance required by the region in order to fulfill its economic potentials.

For Economics Research Associates, Daryl J. Butcher, Vice President of Eastern Operations, provided supervision and served as project manager. Timothy E. Aho, Senior Associate, conducted the field research and assisted in the preparation of this memorandum report.

OVERVIEW

Atlantic Canada has been endowed with an abundance of natural, environmental resources making it a prime attraction for the leisure time/vacation seeking household. Natural features include virtually miles of undeveloped ocean frontage, an extensive water and ocean orientation, scenic inland and coastal areas including the rugged mountains and cliffs prevalent in western Cape Breton, northern New Brunswick and central Labrador. Tourists drawn to these areas have numbered well into the millions annually but despite this, capital investment in tourist facilities and attractions has lagged considerably. The motel/hotel industry, for example, consists of a myriad of small operations, highly fragmented and of lesser quality in terms of service and investment levels than other primary tourist destinations. This lack of an accommodation and commercial attraction base is attributable directly to the very short in season period which has seriously restricted the flow of private capital into major tourist serving facilities. Despite this, visitation volumes continue to increase, especially in terms of the number of recreation vehicles ^{1/} entering the region. Lower prices and proximity to mass population concentrations no doubt aid the natural resource base in contributing to this growth.

Besides seasonality, another major drawback to tourist sector development has been and still is the widely held view that tourism does not constitute a primary economic activity of any major significance. This too relates to seasonality in that employment in tourist serving fields is thought to be restricted to a few months of the year and in the low paying wage scales. What is not realized here is the pervasiveness of tourist expenditures on the regional economy and the fact that tourist industry wage rates are indeed equal to or higher than many other economic sectors.

Because of the recent emergence, or realization, of tourism as a legitimate economic sector, the data base is scant and not complete. This makes difficult the diagnosis of trends and characteristics of the

^{1/} Recreation vehicles (RV's) are defined as camper trucks and caps, tent trailers, trailer homes and motor homes.

travel industry. Auto exit surveys conducted in 1966, 1968 and 1971 have contributed to vastly improving the data base. Auto visitors account for the greatest percentage of total visitation, but data and surveys of air passengers, train, bus and tour bus passengers as well as resident vacation patterns and characteristics is in need of more complete information.

The data base is just beginning to be useful for provincial policy formulation. Formal policy statements and programs are available for each Maritime Province and Newfoundland is currently preparing one. The gap is the lack of definitive market analyses utilizing the data base and relating it to recreation land use plans.

Specific suggestions and criticisms mentioned to ERA during its visitation to provincial capitals include the following:

1. Seasonality must be effectively dealt with if the base of tourist facilities is to be developed beyond small, scattered operations.
2. Manpower training and development programs especially for management personnel must be initiated in order to more fully service the tourist sector.
3. Facility development is needed to improve existing, marginal conditions at many attractions and accommodations as well as to stimulate greater expenditures and longer lengths of stay from the tourist.
4. Investment and loan sources must have definitive lending policies and work on the local level of the tourist industry. This evolved out of a criticism of DREE and other federal programs which deal at high levels within the political structure and do not have complete specification of requirements for grants, loans and assistance. Essentially it is necessary to de-politicize the tourism development programs.
5. Larger resort complexes with a variety of recreation land uses are thought to have outstanding potential for fuller development of the industry. In the Maritime

Provinces, provincial parks are to be developed with the Province providing the infrastructure and base attraction and then selling or leasing sites to private developers for development of hotels, commercial facilities and the like. In ERA's opinion, this method deals effectively with the lack of major scale investment in the tourist sector since infrastructure costs to the private developer are minimal and close cooperation between public and private capital is necessary.

6. The lack of measurement of market potentials attainable for a region was noted in each Province as a major problem. Tourism development planning was being accomplished without quantifying the market and economic parameters and has thus contributed to the fact that major investments are primarily financed or fully undertaken by the Province or another governmental agency. Private lending sources will not make loans to private developers without well defined market and financial analyses.
7. Transportation is another key problem area. Road systems capable of high speed travel are now emerging and serving more areas within Atlantic Canada. Air transport is difficult at best, and terrible during peak tourist seasons. Transport by ferry to Prince Edward Island and Newfoundland is mandatory (except for air passengers) but aids rather than deters tourism (the tourist sees the ferry ride as an attraction itself). Newfoundland suffers the most from the lack of access and circulation within the province, and, coupled with its more remote location, will require a longer travel span to realize full economic potential.

RECOMMENDATIONS

From this overview of problems and based on the brief analytic background presented subsequently, ERA makes the following recommendations:

Seasonality

Seasonality will never effectively be combatted by mere expansion of the current tourism facility base. Added tourist markets are necessary. Several programs are possible. For example, tuna fishing off the northern coast of Prince Edward Island promises to bring significant volumes of fishermen to the island during September and October. The "Fall Colors" program in Nova Scotia may do the same. In Labrador, where rugged mountains exist with excellent ski development potential, winter sports attractions may be feasible provided access becomes available and promotion is extensive. A park in central New Brunswick (Mt. Carleton) is already under development and hopes to capture both summer and winter trade.

So both program and facilities must be expanded to generate new sources of market support. Market support is potentially strong because of the region's location in close proximity to a massive population. Convention business and business conferences of small to moderate size represent a market into which the region may wish to move. Halifax has several national and regional conventions even though facilities are not competitive with those in Ottawa, Montreal, Toronto and elsewhere.

Despite penetration of new markets, the broadest base for tourism development will remain the family vacation market and the sportsmen who already arrive in great numbers in the region. Seasonality will remain with these markets because of school vacations and the defined hunting or fishing seasons. Developments must thus be oriented more toward new markets rather than trying to draw family vacationers during the fall, winter and spring months.

Data Base

ERA urges continuance of statistical data gathering and surveys and sampling of tourists in order to define magnitude and characteristics

of tourists. It is also necessary to move from auto exit surveys to a broader based survey including airline passengers, and the like. Moreover, efforts should be made to improve record keeping at tourist attractions and accommodations in order to pinpoint room night or camper night supply-demand relationships. Such reporting systems are established, but reliability of response by operators is in question. An accurate, detailed and comprehensive data base will make policy and planning functions more reliable and should foster greater private participation in tourism development since risk/return ratio will be more readily and reliably determinable.

Access

The roads and highways networks emerging throughout Atlantic Canada must continue if the region wishes to enjoy expanded tourist volumes. Further, air access is in dire need of review especially during summer peaks. Extra air service to major tourist areas should substantially aid their development. The possibility of subsidies to carriers for adding extra service to specific areas should not be overlooked.

Multi-Use Park Development

Multi-land use park development will significantly alter the accommodation and recreation base offered in Atlantic Canada. Instead of small facilities offering a limited variety of recreation pursuits, an integrated park can offer golf, swimming, boating, hiking, camping, hotel/motel accommodations, shopping, tennis and other activities and amenities in one complex. Mactaquac Provincial Park in New Brunswick and Brudenell on Prince Edward Island are such complexes and more of this type of park will increase length of stays and expenditures. A chain of such developments throughout Atlantic Canada would encourage travel from park to park thereby allowing tourism to be developed in areas in most need of investment and employment opportunities. Hence, such a mode of development serves not only to enhance tourism in general, but can be directed to improve economic conditions within specific areas.

The mode of development is crucial too. Public/private co-operation in park complex development is very possible as noted earlier.

Public capital could purchase land and provide basic infrastructure and broad amenities whereas private capital could operate publicly developed facilities (such as golf courses and marinas) or develop ancillary facilities (such as campgrounds and motels).

Such development mode will also increase repeat visitation and enhance word-of-mouth advertising if effectively carried out. Strict guidelines and policies for development of each park must be set forth, and equally as important, the total number and location of multi-use parks throughout the region should be predefined. These master planning efforts will greatly improve development efficiency as well as pace development supply to demand potentials.

Other specialized attractions and facilities will still be possible even though small vacation complexes may be scattered throughout the region. Vacation home sites near beaches, prime fishing and hunting areas, recreational and cultural facilities and the like with drawing power to attract visitation should benefit from a regional network of recreation/accommodation complexes.

The drawback here is that existing operations, especially those marginal operators in more remote locations will lose business. The relocation of resources from a long term economic view is well worth the temporary dislocation. To aid in nullifying this relocation, ERA recommends that publicly sponsored parks (in whole or part) re-examine pricing policies. As it stands now, for example, Provincial campgrounds offer more amenities and better quality facilities than private campgrounds -- and charge less than the private facilities. Hence, the private developer obtains only the overflow demand. If greater prices were charged by Provincial operations, the price relations would in the aggregate improve revenue potentials for private operators who in turn would be able to improve their operation and become even more competitive.

The concept of charging higher prices goes back to seasonality. In seasonal resort areas, resort prices of 2 to 3 times that of off season rates are charged in order to recoup adequate returns on investment. This by and large is not true in Atlantic Canada. In new, complete

multi-use parks, such a pricing system can be initiated over a period of time. This would raise price levels in general and make private capital investment more attractive. The timing here should be over several years so that Atlantic Canada does not become noted as a high priced resort area and thus lose patronage. The argument that campers don't have money to spend is fallacious because campers have never been provided areas in which to spend money. Integrated land use parks should provide such opportunities while improving the revenue potentials of tourism facilities in general.

Inter Province Cooperation

The provinces of Atlantic Canada must work together in tourism resource development. This spirit of cooperation exists to a great extent already especially in the Maritimes and should be enlarged to include Newfoundland. Joint promotion of the region should work to the advantage of each province, since each has its own special identity and appeal. The friendly competition among the Provinces for tourists does not appear in ERA's opinion to have jeopardized regional tourist appeal. Even more cooperation will enhance tourism appeal over all tourist levels.

Federal Development Assistance Programs

If federal assistance is to be provided to a region, province or area within a Province, it must be so done on clear-cut criteria. To accomplish this it is necessary to first establish policies, then programs, then administration and implementation procedures. In this vein, ERA recommends that a single federal agency be charged with the responsibility of tourism development. The recommended policy is to provide financial, administrative and technical assistance on a project level to tourist related developments within the region. Programs could take the form of cost sharing with provincial governments, grants for infrastructure development, loan guarantees and the like. Similar programs exist today, but without well defined criteria and on too high a level to encourage private entrepreneurs. Further, financial assistance should be handled through one central source within a province for tourist development. For example, there are both federal and provincial loan resources boards -- the

overlap is not necessary. Financing should be available from public funds via a single source for all manner, types and sizes of tourist facilities.

Administration of these policies and programs requires close federal-provincial cooperation. Federal officials should (and do) rely on provincial staff personnel and further decentralization is called for. That is, federal assistance should be provided to provinces who in turn provide direct assistance to projects. Federal approval of specific projects need not be solely an endorsement of provincial officials' recommendations, however. A provincial policy in the area of tourism development citing specific types of programs to be undertaken should be made mandatory as should feasibility and master planning studies of individual projects seeking assistance. Additional incentives to encourage private development can be built into federal programs as well as provincial programs. Summarily, federal programs should work through provincial departments rather than directly on specific projects and the provinces should be given wide ranging control and authority over the federal assistance they receive.

As envisioned by ERA, each province would have more or less complete control over public funds for tourism development. With this responsibility, provincial officials should allocate the resources for the optimal benefit of the province as a whole and in conjunction with neighboring provinces in the Atlantic region. The Province must have well defined policies and programs backed with analytic and planning studies. The provinces would bear responsibility for implementation of development programs and thereby the resource allocation. The rationale here is that provincial officials are--or should be--more aware of local needs and potentials than federal officials in Ottawa. Federal offices should be located in the provinces for review of plans and implementation assistance purposes.

TOURISM POTENTIALS

This section presents briefly the statistical data gathered during field research efforts and suggests what future potentials might be and the resulting priorities. Each province is discussed separately.

Nova Scotia

During 1971 an estimated 1.34 million persons visited Nova Scotia between May 15 and October 31 and stayed at least one night. These data were compiled from the auto exit survey and exclude intra-province tourism. Similar surveys in 1966 and 1968 showed visitation volumes of 975,000 and 1.11 million persons respectively. This is a large and growing volume of tourism and its economic impact on Nova Scotia is profound.

Detailed estimates of tourism and tourist characteristics have recently been compiled from the 1971 exit survey. Tables 1 through 4 relate visitation volumes, origins of visitors and visitor characteristics and destinations. As indicated, tourism has increased in magnitude by 35 percent over the 1966-1971 interval. The automobile is the primary mode of transportation and recreation vehicles amount to about one-sixth of the total vehicle count. The primary origin of visitors is Ontario, followed by New Brunswick and then Quebec and Massachusetts. The average party size is 3.0 persons who stay an average of 5.0 days even though there is a wide range in these parameters by type of accommodation. The daily per capita expenditure averages just under \$13.00. The province is divided into six regions and as shown, Cape Breton and Northern Nova Scotia represent the areas where the greatest percentage of tourists stay.

Judging from past trends, a review of the resource base and emerging tourist development policies, FRA feels that tourist volumes can be increased to perhaps a level of around 2.0 million by 1980. This will require development of many more and better quality accommodations. This projection is conservative in that it accounts for only expansion of existing tourist markets and not expansion into new markets. Physical improvements necessary are mainly in the area of accommodation and commercial facilities required to service the tourist. Toward this end, resort/recreation centers are proposed along the lines of the multi-use parks discussed earlier. Since greatest magnitudes of visitors go to Cape Breton and Northern Nova Scotia, it would appear that these areas should receive development efforts first before establishing a chain of complexes throughout the region. Once established, other areas,

especially the depressed economic conditions, can be evaluated for development. Size and scope of these complexes must be pre-defined as well as the relative proportions of on and off site private development.

With a market magnitude of this size as well as a large resident population, indications are that over a 10 to 15 year period several recreational complexes or centers can become viable. Existing operations can be improved in terms of reinvestment and staff development to be able to maintain or increase penetration of tourist flows.

Small, isolated accommodations should be discouraged since the industry would benefit from centralization. Marginal operations in a market economy may incur losses if they do not make improvements. Note, however, that many small and relatively isolated operations are highly successful and constitute a sizeable portion of the attraction of Nova Scotia. These operations should not be severely hindered by increased competition from a recreation complex/multi-use park development.

New Brunswick

A brief profile of tourism to New Brunswick for 1971 is presented in Tables 5 through 8. Total overnight vehicles in the Province amounted to 580,000 which converts an overnight tourist count of 1,575,000. Length of stay is estimated at 3.3 party nights per overnight vehicle. Ontario and Quebec are the primary origins of visitors. Table 6 shows the distribution of accommodations with motels accounting for nearly 40 percent of the total, followed by friends and relatives at 26.7 percent. Trailer parks, public and private, accounted for 21.8 percent of the total overnight accommodation mode. The distribution of travel throughout the province indicates that only three of eight areas (Miramichi Grand Lake and Albert County) do not receive proportional visitation -- largely due no doubt to access conditions. The estimated economic impact of tourism on New Brunswick is \$44.8 million for overnight visitation and \$53.1 million when drive-through tourists are included.

Overnight tourism volumes should expand to 2.0 to 2.5 million by 1980 (in line with the projection for Nova Scotia). Planning and policy studies undertaken by the Province show a great deal of public investment

in tourism facilities mainly in provincial parks. The Tourism and Recreation Plan published last year sets forth the programs and projects the Province wishes to undertake, the potential costs and benefits. Although time does not permit detailed evaluation (in terms of market and economic viability) the program is detailed and comprehensive considering both tourist and resident needs. The Mactaquac Provincial Park is a prime example of what can be accomplished under provincial auspices. Extension of this concept should vastly improve the accommodation base from which to derive maximum economic benefit.

Priorities appear to be centered around infrastructure, especially roads, for the emerging park in central New Brunswick (Mt. Carleton). This park is winter and summer oriented and when completed will give good definition to feasibility of developing in remote areas. Subsequent developments will be ascertainable only after more detailed market analyses.

Prince Edward Island

At this writing, auto tourist survey data were not fully compiled for Prince Edward Island. Statistical data available indicate that approximately 377,000 people visited Prince Edward Island during 1971 compared to 247,000 in 1965 (date of the Acres Report on tourism -- PEI was not included in the 1966 auto exit survey). Table 9 shows the distribution of visitor origins and indicates Ontario as the primary source in 1971. Table 10 shows preliminary estimates of tourist expenditures amounting to \$12.7 million during the 1971 season. Additional data will be forthcoming according to the Department of Environment and Tourism.

PEI has a policy and program study for recreation and tourism completed in December 1971. This document, similar to that of New Brunswick's, sets forth the policy goals and objectives and the general planning guidelines issued by the Province. What is needed are again overall and specific market analyses and planning studies defining the scope of provincial investment in the tourism sector. Efforts are under way to accomplish this.

The Brudenell resort and another considered for the Alberton area are in the multi-use park classification recommended by ERA.

The policy of directing tourists throughout the island rather than to one or two specific areas can be effectively carried out here because of the relative small size of the Province. Improved circulation systems around the island are, however, necessary and represent a prime priority. Also, air access must be improved although ferry access as noted earlier, does not necessarily discourage tourism (except perhaps for the day visitor). With the two complexes being established, further complex development would require careful analysis. The so called "shoulder" seasons can be effectively penetrated by PEI since sport fishing has recently received a boost from tuna found off the north shore. As throughout Atlantic Canada, hunting and fishing represent a specialized but lucrative market segment of the tourist industry.

Newfoundland

Newfoundland-Labrador represents the least developed and most remote Province of Atlantic Canada in terms of tourism development. The province has tourism statistics related in terms of expenditures only -- not visitor volumes. They did not participate in auto exit surveys previously undertaken in the Maritimes -- and should be included in future surveys and studies. Table 11 presents expenditure estimates for 1970 and 1971 as compiled by the Tourist Development Division of the Department of Economic Development. Note that the 1971 results are estimates that were not published because of discrepancies and problems with the data. They are presented here for general information purposes only and should not be misconstrued. Moreover, the statistical methodologies in compiling the data are different than those in the Maritimes. Judging from reports, each Province presents data differently rather than in standard format. Despite all this, tourism in Newfoundland is estimated to generate a value \$77.4 million in 1971.

The obvious priorities for tourist development in Newfoundland are the establishment of a data base, policy programs and basic infrastructure. Now underway are such complete planning efforts. Preliminary indications are that provincial parks will be an integral component of these plans. Winter sports and recreation complexes are considered

appropriate for the interior of Labrador, which has good skiing conditions from November through April. There is here, a reverse seasonality from the Maritimes, since summer recreation in interior Labrador does not seem to appeal to a broad market.

TOURISM ECONOMIC IMPACTS

Specific impact analysis of tourism can not be formulated without specific plans. In an overview such as this, the impact must be relegated to a narrative. First, tourist dollars brought into the economy from outside sources represent injections of new dollars and are hence subject to multiplier effects. That is, tourist expenditures become pervasive since money they spend is respent in other economic sectors. The value of the multiplier is a function of the self sufficiency of the economic base and generally varies from 1.5 to 3.0 times the initial injection for tourist oriented areas. Thus, an expenditure of \$50 million by tourists could generate \$75 to \$150 million of gross local product. The expenditures thus not only support employment directly but indirectly in other economic activities. Based on the scant tourist expenditure information available for the entire Atlantic Canada, ERA calculates tourist expenditures are currently around \$150 million. This should grow to \$300 million or more by 1980 given adequate investment in the tourist sector. Thus, 1980 expenditures could easily account for better than half a billion dollars in impact annually in Atlantic Canada.

Currently there are probably about 25,000 to 30,000 persons engaged directly in tourist oriented employment. This number should double by 1980 given the increased expenditures of tourists and the increased development of tourist facilities (construction and related jobs). This magnitude of new employment can not be overlooked. Arguments that tourist sector employees work 6 months and collect unemployment for 6 months can be countered by giving or requiring annual contracts paid over a 12-month period (much the way teachers are paid). Extended visitor seasons will help combat seasonal employment, though not eliminate it.

The public/private sector issue resolves solely around investment. If seasons are lengthened, and federal and provincial assistance with infrastructure provided, private sector investment in tourism will increase because of greater feasibility of so doing. Similarly, private sources of capital financing will become more active in non-urban areas creating a highly desirable economic effect. Here, care must be taken to restrain supply within the bounds of demand.

SUMMARY

There is little doubt that tourism represents an outstanding growth sector for economic development in Atlantic Canada. What must be done to ensure success is to establish statistical and market analysis guidelines, create effective assistance programs in the public sector, undertake tourist programs and investments designed to lengthen the total season, increase employment skills, and heighten average tourist expenditures and length of stay, and finally, allow a free flow of private capital into the sector and, indeed, encourage it.

Table 1

VOLUME OF VISITATION TO NOVA SCOTIA
BY MODE OF TRANSPORTATION

1966 - 1971

<u>Mode</u>	<u>1966</u>	<u>1968</u>	<u>1971</u>	<u>% Change 1966-1971</u>
Automobile	847,700	960,500	1,138,900	+31.0%
Air	80,900	96,700	130,300	++61.1
Train	37,400	38,600	48,400	+29.4
Bus	3,500	2,700	3,300	- 8.3
Tour Bus	<u>5,500</u>	<u>11,300</u>	<u>19,100</u>	<u>+247.3</u>
Total	975,000	1,109,800	1,340,000	+34.9%

Source: Nova Scotia Department of Tourism, 1971 Automobile Exit Survey.

Table 2

ORIGINS OF NOVA SCOTIA VISITORS

<u>Canadian</u>	
<u>Origin</u>	<u>Percent of Parties</u>
Ontario	51.7%
New Brunswick	26.0
Quebec	12.9
Newfoundland	3.9
Prince Edward Island	2.4
British Columbia	1.0
Alberta	0.9
Manitoba	0.7
Saskatchewan	0.4
<u>American</u>	
<u>Origin</u>	<u>Percent of Parties</u>
Massachusetts	19.8%
New York	16.9
Connecticut	8.9
New Hampshire	8.3
New Jersey	6.9
Maine	5.2
Pennsylvania	4.3
Ohio	4.0
Rhode Island	3.3
Maryland	3.2
Michigan	2.5
South Carolina	1.7
Virginia	1.8
South Carolina	1.7
Florida	1.4
District of Columbia	1.2
Wisconsin	1.2
North Carolina	1.1
Missouri	1.0
<u>Total</u>	
<u>Origins</u>	<u>Percent of Total Parties</u>
Ontario	31.8
New Brunswick	16.0
Quebec	8.0
Massachusetts	7.6
New York	6.5
Connecticut	3.4
New Hampshire	3.2
New Jersey	2.6
Newfoundland	2.4
Maine	2.0
Pennsylvania	1.7
Prince Edward Island	1.5
Other	

Source: Nova Scotia Department of Tourism, 1971 Automobile Exit Survey

Table 3
CHARACTERISTICS OF TOURISTS TO NOVA SCOTIA, 1971
BY ACCOMMODATION USED 1/

<u>Type of Accommodation</u>	<u>Percent of Parties</u> ^{2/}	<u>Number of Parties</u>	<u>Percent of Party Nights</u>	<u>Party Nights</u>	<u>People Per Party</u>	<u>Length of Stay</u>	<u>Daily Expenditure Per Person</u>
Hotel	7.8	19225	6.3	76167.5	1.9	3.96	\$25.73
Motel	35.1	86619	18.8	230446.3	2.7	2.66	\$19.94
Cabin	5.6	13936	3.1	36934.2	2.4	2.65	\$16.21
Housekeeping Cabin	1.1	2675	0.5	6917.4	3.0	2.58	\$15.80
Tourist Guest Home	3.5	8682	1.5	18108.9	2.3	2.08	\$23.22
Rented Cottage or Vacation Home	0.5	1186	1.2	14177.04	2.6	11.95	\$ 9.75
Owned or Borrowed Cottage or Vacation Home	1.9	4583	5.3	66562.7	3.2	14.52	\$ 5.49
Friends or Relatives	24.6	60772	30.4	370321.1	3.0	6.09	\$ 6.51
Federal Government Campgrounds or Trailer Parks	8.5	20935	6.8	83959.1	3.9	4.01	\$ 6.76
Provincial Government Campgrounds and Trailer Parks	11.8	29204	6.6	79652.4	3.2	2.72	\$ 7.82
Commercial Campgrounds and Trailer Parks	24.8	61151	16.5	199718.2	3.5	3.26	\$ 7.86
Hunting and Fishing Lodges	0.2	546	0.1	1091.5	2.0	2.00	\$ 6.41
Other	4.9	12111	2.9	35952.0	2.8	2.96	\$13.03
Total/Average				1220008.3	3.0	5.0	\$12.89

1/ This table represents total non-resident tourists travelling by automobile for the period from June 15 to September 15 and is comparable to results from previous years. It does not include overnight visitors travelling by train, plane, bus or tour bus.

2/ Percent of parties does not equal one hundred percent as one party may have stayed in more than one type of accommodation.

3/ Uneven distribution of the population prevents multiplication of the means to achieve total revenue figures.

Source: Nova Scotia Department of Tourism, 1971 Auto Exit Survey.

Table 5

DISTRIBUTION OVERNIGHT VISITORS TO NOVA SCOTIA BY AREA
(PERCENT OF PARTY NIGHTS)

<u>1963</u>	<u>Halifax- Dartmouth</u>	<u>Cape Breton</u>	<u>Annapolis Valley</u>	<u>Southern N. S.</u>	<u>Northern N. S.</u>	<u>Eastern N. S.</u>
Canadian	17.8%	27.2%	11.2%	10.0%	31.7%	2.0%
American	12.5%	29.9%	14.4%	15.4%	25.0%	2.9%
Total	15.5%	28.4%	12.5%	12.3%	28.9%	2.4%
<u>1971</u>	<u>Halifax- Dartmouth</u>	<u>Cape Breton</u>	<u>Annapolis Valley</u>	<u>Southern N. S.</u>	<u>Northern N. S.</u>	<u>Eastern N. S.</u>
Canadian	18.9%	25.7%	12.6%	7.5%	29.2%	6.1%
American	18.4%	32.0%	14.4%	12.3%	21.2%	1.7%
Total	18.7%	28.1%	13.3%	9.4%	26.1%	4.4%

Note: This information not available for 1966.

Source: Nova Scotia Department of Tourism, 1971 Automobile Exit Survey.

Table 5

NUMBER OF VEHICLES ENTERING NEW BRUNSWICK BY STATE,
OR PROVINCE OF ORIGIN, MAY THROUGH OCTOBER 1971
(In Thousands)

Origin	Total Vehicles	Percent	Overnight Vehicles	Percent
Ontario	216 ✓	15.5	151	26.0
Quebec	214 ✓	15.3	84	14.0
Nova Scotia	193 ✓	13.8	61	10.5
Massachusetts	96	6.9	59	10.1
Maine	326 ✓	23.4	36	6.2
New York	52	3.7	32	5.5
Connecticut	49	3.5	23	4.0
New Jersey	26	1.9	15	2.7
P. E. I.	32	2.3	10	1.8
Pennsylvania	19	1.4	10	1.7
New Hampshire	20	1.4	10	1.7
Rest of Canada	30	2.2	20	3.4
Rest of U. S.	120	8.6	69	11.9
Overseas	<u>1</u>	----- <u>1/</u>	<u>1</u>	----- <u>1/</u>
Total ^{2/}	1,394	100.0%	580	100.0%

^{1/} Less than 1,000 vehicles or 1 percent.

^{2/} May not exactly add to 100 percent due to rounding.

Source: Department of Tourism, New Brunswick, 1971 Auto Exit Survey.

DISTRIBUTION OF VEHICLES STAYING OVERNIGHT
BY TYPE OF ACCOMMODATIONS, MAY THROUGH OCTOBER 1971
(In Thousands)

	Canada Number of Vehicles	Percent	United States Number of Vehicles	Percent	Total Number of Vehicles	Percent
Hotel	9	2.6%	7	2.6%	15	2.6%
Motel	115	35.4	115	45.5	231	39.8
Cabin	9	2.7	10	3.9	19	3.3
Housekeeping cabin	1	*	1	*	2	*
Tourist/Guest Home	2	.8	2	.9	5	.9
Rented Cottage/Vacation Home	4	1.2	2	.8	6	1.0
Owned/Borrowed Cottage	8	2.5	6	2.5	15	2.6
Friends and/or Relatives	103	31.8	51	20.2	155	26.7
Federal Campground/Trailer Park	13	4.1	8	3.3	22	3.8
Provincial Campground/Trailer Park	34	10.6	21	8.4	56	9.7
Private Campground/Trailer Park	30	9.0	19	7.3	48	8.3
Hunting/Fishing Lodge	* <u>1/</u>	* <u>1/</u>	1	* <u>1/</u>	1	* <u>1/</u>
Other	14	<u>4.3</u>	8	<u>3.0</u>	22	<u>3.8</u>
Total <u>2/</u>		100.0%		100.0%		100.0%

1/ Less than .5 percent or 1,000 vehicles.

2/ Due to multiple mentions, the totals may exceed 100 percent.

Source: Department of Tourism, New Brunswick, 1971 Auto Exit Survey.

Table 7

TRAFFIC THROUGH NEW BRUNSWICK BY REGION,
MAY THROUGH OCTOBER 1971
(In Thousands)

Region	Total Vehicles Traveling in Region		Overnight Visitors Who Traveled in Region				Overnight Visitors Who Stayed Overnight In Region					
			Canada	%	U.S.	%	Canada	%	U.S.	%	Total	%
North Shore	175 ✓	12.6	87 ✓	26.8	36 ✓	14.1	58 ✓	17.9	21 ✓	8.3	79 ✓	13.6
West Coast	479	32.4	188	57.7	113	44.4	98	30.1	49	19.2	147	25.4
Miramichi	96	6.9	63	19.2	30	1.8	19	5.8	8	3.2	27	4.7
Mactaquac	327	23.5	153	47.1	91	35.7	51	15.6	34	13.3	85	14.7
Grand Lake	290	20.8	138	42.5	73	28.6	8.8	2.7	7	2.8	16	2.8
East New Brunswick	596	42.7	228	70.1	148	58.3	99	30.6	53	20.8	153	26.4
Fundy Coast	531	38.1	179	55.0	180	71.1	61	18.7	103	40.7	164	28.3
Albert County	46	3.3	21	6.3	48	9.5	15	4.7	16	6.2	31	5.3

Source: Department of Tourism, New Brunswick, 1971 Auto Exit Survey.

EXPENDITURES BY VISITORS TO NEW BRUNSWICK,
MAY THROUGH OCTOBER 1971
(In Thousands of Dollars)

Category	Total Visitors		Overnight Visitors				
	Average Per Party	Total	United States		Canada		Total
			Average Per Party	Total	Average Per Party	Total	
Gas & Oil	\$ 7.54	\$10,551	\$ 12.90	\$ 3,276	\$17.20	\$ 5,999	\$ 8,875
Auto Maintenance	.91	1,270	1.40	356	2.03	661	1,016
Food & Beverage	3.91	5,448	6.45	1,637	9.48	3,088	4,725
Food & Beverage In Restaurants	7.57	10,559	13.85	3,517	16.18	5,266	8,783
Accommodation	6.86	9,558	16.51	4,191	16.48	5,365	9,557
Recreation/Entertainment	2.28	3,181	3.32	843	6.52	2,213	2,967
Handcrafts/Merchandise	2.95	4,116	4.99	1,267	6.57	2,140	3,406
C	1.21	1,683	.86	218	1.44	469	687
M	4.84	6,754	3.87	982	11.68	3,801	4,784
Total ^{1/}	\$38.03	\$53,050	\$ 64.15	\$16,288	\$87.58	\$ 28,512	\$44,800

^{1/} Columns may not exactly add to totals due to rounding.

Source: Department of Tourism, New Brunswick, 1971 Auto Exit Survey.

Table 9

ORIGIN OF TOURISTS VISITING
PRINCE EDWARD ISLAND

<u>Region of Origin</u>	<u>Percent</u>	<u>Parties</u>	<u>Percent Change</u>
	<u>of Visitors</u>		
	<u>1965</u>	<u>1971</u>	
CANADA	69.5	71.2	+1.7
Newfoundland	1.0	1.5	+0.5
New Brunswick	17.4	11.4	-6.0
Nova Scotia	21.9	17.4	-4.5
Quebec	9.3	12.2	+2.9
Ontario	18.4	26.4	+8.0
Prairies, British Columbia & Territories	1.5	2.3	+0.8
UNITED STATES	30.5	28.8	-1.7
New England States ^{1/}	14.1	14.6	+0.5
Rest of the United States	16.4	14.2	-2.2

1/ Maine, New Hampshire, Vermont, Massachusetts, Connecticut, Rhode Island.

Sources: Acres Report - Recreation Tourism - 1965 conducted from June 4, 1965 through September 2, 1965.

Tourist Exit Survey by the Department of the Environment and Tourism conducted from June 15, 1971 through September 15, 1971.

Table 10

ESTIMATED EXPENDITURES BY PRINCE EDWARD ISLAND
TOURIST PARTIES TRAVELLING BY CAR

Category	1965		1971		Percent of Change
	Expenditure ^{1/}	Percent of Total	Expenditures ^{1/}	Percent of Total	
Accommodations	1,598,100.	27.9%	3,344,500.	26.4%	-1.5%
Transportation	921,200.	16.1	1,873,500.	14.8	-1.3
Restaurant	928,600.	16.2	2,398,000.	18.9	+2.7
Food & Beverage	1,129,600.	19.7	2,108,400.	16.7	-3.0
Handicrafts & Other Merchandise	381,400.	6.7	972,700.	7.7	1.0
Amusements & Sports, Recreation & Entertainment	387,800.	6.8	1,174,200.	9.3	2.5
Other	378,400.	6.6	790,200.	6.2	-0.4
TOTAL	5,725,100.	100.0%	12,661,500.	100.0%	

^{1/} Round to nearest hundred dollars.

Sources: Acres Report - Recreation Tourism - 1965 conducted from June 4, 1965 through September 2, 1975.

Tourist Exit Survey by the Department of the Environment and Tourism conducted from June 15, 1971 through September 15, 1971.

Table II

ESTIMATED NEWFOUNDLAND TRAVEL INDUSTRY
REVENUES 1970 AND 1971

<u>Category</u>	<u>1970</u>	<u>1971</u>	<u>Percent Change</u>
Accommodation	\$18,147,778	\$20,947,042	+15.4%
Hunting	4,886,790	4,621,000	- 5.4
Fishing	3,582,216	4,399,259	+22.8
Transportation	18,827,201	22,347,827	+18.7
Gasoline sales and Garage services	2,598,277	3,055,534	+17.6
Parks and Camp Sites	2,157,715	2,909,102	+34.8
Miscellaneous	<u>18,209,310</u>	<u>19,110,105</u>	<u>+ 4.9</u>
Total	\$68,409,287	\$77,389,919	+13.12

Source: Tourist Development Division of the Newfoundland Department of Economic Development.