

FACTS About Tourism in Prince Edward Island

Tourism is an Economic Driver

In 2005,

- Year-round total tourism visitation was 1,600,000.
- Tourism generated \$324 million in direct revenues and \$660 million in total tourism related revenue (direct, indirect and induced).
- Tourism brings new money into the economy, accounting for 13% of PEI's total export earnings.
- Tourism accounted for 7,000 full time equivalent jobs in a variety of sectors - 11% of all jobs in PEI.
- Total tax revenue attributable to tourism is \$111 million. Of this, \$36 million is returned to the Provincial Government, this is money that can be invested in PEI's essential services.
- Tourism accounted for 7% of the total GDP in PEI, meaning the value of tourism to the economy was approximately \$286 million.

Source: Econometric Research Limited 2007

Tourism Is Growing

Tourism is the World's largest industry, growing at a rate of 4.6% per year. Canadians spend \$58 billion on travel and \$40 billion of it is spent domestically. There is tremendous potential for PEI to realize the economic benefits of this growing industry.

Five-Year Tourism Strategy

In 2005, the Tourism Advisory Council (TAC) developed a Five-Year Strategy for Tourism - "The New Product Culture." This strategy focuses on the need to develop and enhance tourism product. The Provincial Government, Federal Government and Industry have adopted this strategy.



TAC's Vision for Tourism

TAC's Vision for Tourism in 2012 is:

- Direct tourism revenue amounts to **\$500 million**.
- Total tourism related revenue (direct, indirect and induced) amounts to **\$1 billion**.
- Tourism is worth \$440 million in GDP to the provincial economy and returns \$56 million in provincial taxes.
- Tourism activity generates 10,700 jobs on the Island.

Source: Econometric Research Limited 2007

Tourism in PEI is at a Crossroads

Currently, the occupancy rate for tourism accommodations on the Island is 38%, this is 18% below the national average. Our competitors continue to invest more in marketing and product development and as a result PEI has lost almost 10% of market share to New Brunswick and Nova Scotia.

The tourism industry in PEI is at a crossroads.

- If the investment in tourism remains at status quo, tourism revenue and visitation will continue to decline and a key economic driver of our economy will flounder.
- If the investment in marketing and product development doubles, PEI will re-gain market share and tourism will prosper.



Tourism Needs Additional Investment

Industry is requesting that the Province double the investment in marketing and product development. This additional \$6 million investment is necessary to deliver on priorities in the Five-Year Tourism Strategy. Industry will contribute an additional \$1 million and a case will be made federally to match the new Provincial investment dollar for dollar.

The investment is needed **NOW** to deliver on the initiatives detailed in the 2007 Tourism Plan. Additional investment is needed for the following tourism priorities.

Marketing:

- Additional media buy in Ontario, Quebec and Maritimes
- Create more awareness for PEI in New England and Western Canada
- Marketing support to grow air access
- Upgrade technology - on-line booking on gentleisland.com

Product Development:

- Implement the PEI Beaches Strategy
- Support for regional / rural tourism initiatives
- Support for new major events - target one a month.
- Further develop the Confederation Trail as a World Class outdoor recreational attraction
- Further develop PEI's cultural tourism assets - Implement the PEI Cultural Corridor Study

See 'A Case for Increased Investment in Tourism' and the 2007 Tourism Plan for detailed information.