

From: [Peter Thoma](#)
To: [Executive Committee](#)
Subject: RE: EX [26.3] Proposed Regulations for Short-term Rentals for Consultation
Date: Tuesday, June 13, 2017 2:37:41 PM
Attachments: [image001.png](#)
[2017-06-13 - urbanMetrics - Executive Committee - Short-term Rentals - Released.pdf](#)

Jennifer Forkes
Secretariat, Executive Committee
10th floor, West Tower, City Hall
100 Queen Street West
Toronto, ON M5H 2N2

To the members of the Executive Committee of City of Toronto Council,

urbanMetrics is pleased to offer the attached submission to the City of Toronto Executive Committee in regards to the above referenced item. As a resident and business owner in the City of Toronto, and as a frequent traveller, I understand the important role that on-line home-sharing platforms have in terms of creating dynamic, inclusive and engaging destinations. In its upcoming deliberations on the issue, Council must give measured and thoughtful consideration to the role that Airbnb, VBRO, et.al play in providing flexible options, not only to visitors, but to local area residents who may need short-term housing solutions from time-to-time. The attached report provides our assessment of how Airbnb fits the Toronto market and the specific Economic Impacts that would be realized if home-sharing options were eliminated from the local market.

I look forward to addressing the Executive Committee meeting at its forthcoming meeting on June 19th, 2017.

Kind Regards,

pt



Peter Thoma, MCIP, RPP, PLE | Partner

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Submission

To: **Jennifer Forkes, Administrator**
Executive Committee, City of Toronto
exc@toronto.ca

Attn: **All Members**
Executive Committee, City of Toronto
exc@toronto.ca

From: **Peter Thoma, Partner**
urbanMetrics inc.
pthoma@urbanMetrics.ca

Date: 2017-06-13

Re: **EX 26.3 Proposed Regulations for Short-Term Rentals for Consultation**

urbanMetrics is a Toronto-based consulting firm that specializes in urban land economics, real estate market research and econometric modeling. Over the past thirty-five years, our team has provided strategic insights to government and private-sector clients, large and small, on a range of issues that impact the day-to-day lives of regular Canadians.

We are pleased to make this submission to the City of Toronto Executive Committee regarding the above referenced matter. We understand that your Committee has been tasked with developing a new policy framework that would provide new regulations and municipal oversight with respect to the delivery of short-term accommodation in the City of Toronto. This new set of regulations has the potential to dictate how, when, where and what type of properties in Toronto could be leveraged to support a growing market interest in short-term accommodation.

Background

Earlier this year, urbanMetrics was asked to provide an independent, third-party analysis of the economic impacts that Airbnb—the world’s largest home-sharing platform—has on the economy of the City of Toronto.

Using actual Airbnb visitation data for 2016 combined with tourism expenditure data compiled by Regional Tourism Organization 5 (RTO5), urbanMetrics prepared an Economic Impact Statement using the Ontario Ministry of Tourism Regional Economic Impact Model (TREIM).

In 2016, Airbnb guests visiting Toronto spent a total of \$417M in the local economy, 70% of which was captured directly by hosts and business located in the City of Toronto. In turn, this spending activity helped to support nearly 6,000 full-time, full-year jobs in Ontario; 82% of which are jobs located in the actual City of Toronto.

While we appreciate that much of this visitor expenditure would have happened regardless of Airbnb, there is a highly visible and rapidly growing segment of visitors to Toronto that no longer want to stay in conventional hotels. While price certainly plays a role in this decision, families and individual are specifically seeking out options that will deliver a more authentic, more personal experience. Increasingly, this means selecting accommodations that are customized and tailored to individualized needs and expectations. As a global destination, and as a city that fundamentally believes in the underlying strength and appeal of its neighbourhoods, we firmly believe that Toronto should support and embrace home-sharing platforms such as Airbnb as a means to grow and expand the City's tourism base in accordance with changing travel patterns.

How Short-Term Accommodations Fit the Market

- GEOGRAPHY:** Toronto is known internationally as a city that outwardly celebrates cultural diversity. Toronto's diversity is reflected throughout its 140 distinct neighbourhoods stretching from the Etobicoke Creek to the Rouge River Valley. While the City encompasses a vast geographic area, the range of accommodation options available through conventional hotel/motel offerings actually provide visitors with a rather narrow lens through which to view the breadth of this City. According to Airbnb travel research, 73% of people choose short-term accommodations (private dwellings) simply because it provides a more convenient location that is better suited to the end-users' needs. Interestingly 61% of Airbnb guests turned to the booking platform to help the traveler to better understand what it actually feels like to live-like-a-local.
- AFFORDABILITY:** Approximately 90% of Airbnb guests in Toronto reported that their accommodations were "more affordable" than conventional hotel offerings. Moreover, research shows that one-third of guests took advantage of these savings in one of two ways: (a) they stayed longer, and/or (b) they spent their savings elsewhere in the City (particularly shops, restaurants, cultural events and attractions). In essence, more Toronto businesses in more Toronto neighbourhoods are seeing the direct benefits of travel and tourism.
- SCALABILITY:** While Toronto is currently undergoing a period of unprecedented growth and development, the City's hotel sector has not kept pace with change. Over the past 15 years,

the supply of hotel rooms in Toronto has remained essentially unchanged at 25,000 rooms. While several luxury-oriented hotels have recently opened in Toronto, more than a dozen other mid-range hotels in Toronto have been knocked down or replaced with new housing units. At the same time, all indicators suggest that Toronto will continue to experience increased visitation. Pearson International Airport, for example is actively planning for an additional 25 million passengers over the next 20 years, reaching 65 million passengers by 2035. The capacity of the hotel industry to single-handedly fulfill this level of growth remains highly uncertain, especially in the context of prevailing real estate conditions that overwhelmingly favour the economics of residential construction. Home-sharing platforms such as Airbnb have the potential to alleviate future bottlenecks in the supply of accommodations within a rapidly growing City like Toronto.

- **FLEXIBILITY:** Airbnb provides a simple, yet powerful platform for people in transition. Each year tens of thousands of people come to Toronto temporarily for reasons other than vacation. Each and every week, more than 1,000 people move to Toronto from somewhere else. Not every move however is permanent. Many people come to Toronto to support family members in need. They come to look for work. They come to learn English. They come to build and nurture new relationships. Furnished, short-term accommodations—such as those available through Airbnb—provide the flexibility that many people need to navigate certain transitional stages of their life. Simply put, a cosmopolitan and growing City like Toronto needs short-term accommodation options to give people an opportunity to experience what this City has to offer.

Economic Benefits of Airbnb

- **PROVIDING SUPPLEMENTARY INCOME:** Airbnb provides supplementary income for homeowners, providing a safe and reliable platform for helping to monetizing *high-value*, yet often *under-utilized* assets, such as spare bedrooms and furnished basements. Home-sharing provides a flexible approach for utilizing excess space, in ways and means that were not previously available. The introduction of Airbnb in the Toronto market has coincided with an unprecedented increase in property prices. According to the Toronto Real Estate Board, the median home prices in Toronto have increased by a staggering 28% over the past year. The total cost of home ownership, including land transfer tax, property tax, insurance, heat and hydro continues to increase beyond the reach of many hard-working Torontonians. With only nominal gains in income, many home-owners depend upon supplementary income sources to help defray the high costs of living in this City. In 2016 the average Airbnb host in Toronto earned a total of \$5,330 using the service. This translates into roughly \$450/month, which is approximately 7% of median household income in Toronto at present levels.

- **SUPPORTING DEBT RELIEF:** The Bank of Canada has routinely warned that the Canadian economy is deeply vulnerable to the impacts of high mortgage-to-income ratios. In cities like Toronto and Vancouver, where growing mortgage obligations are stretching household incomes, many homeowners need supplementary income to support their debt commitments. According to a survey of hosts in Toronto, nearly 40% of income earned through the Airbnb platform was used directly to pay down mortgage debt.
- **LOCALIZED SPENDING:** Unlike conventional hotel accommodations, which see business expenditures and profits redistributed across a larger geography (including corporate shareholders), the proceeds earned by local hosts through platforms such as Airbnb tend to be more locally concentrated. Airbnb hosts keep 97% of their earnings. In turn, a portion of these proceeds are used to purchase food, cleaning supplies and other guest-related items. Unlike large hotels, these purchases are more local in nature, supporting local shops and services. Research also shows that hosts are better positioned to make more discretionary purchases such as meals in local restaurants or gifts for family members. In many cases, these purchases in the local economy would not have been possible without the supplementary income earned from hosting.
- **600 JOBS + \$25M LABOUR INCOME:** Our research indicates that the *net benefit*¹ of Airbnb-supported travel to Toronto represents a significant boost for Torontonians. As it stands today, we estimate that Airbnb accounts for somewhere in the order of 600 additional full-time/full-year jobs, with approximately 85% of jobs held by working Torontonians. These jobs would stimulate approximately \$25 million in labour income, approximately \$20 million of which would be earned by workers in this City.

For Your Consideration

- urbanMetrics would ask that the City of Toronto's Executive Committee give careful consideration to the important and growing role that short-term accommodations play in the housing and labour market.
- We would ask that the Committee recognize home-sharing platforms such as Airbnb as a positive contributor to Toronto's vital travel and tourism landscape, without which the global brand positioning of Toronto as a *must-see destination* would be vastly diminished.

¹ For the purposes of this analysis, net benefit is defined as the expenditures attributed to (a) trips to Toronto that were attributed entirely to the presence of Airbnb options, and/or (b) expenditures made by virtue of additional time added to the itinerary because of savings in accommodations.

- We would ask that your Committee recognize that home-sharing platforms such as Airbnb provide an important alternative for people who require extended, albeit temporary stays in the City of Toronto for reasons related to health, personal well-being, family or contract employment.
- A full copy of our ***Economic Impact Statement*** is attached for your review.
- We would welcome the opportunity to make a formal deputation at City Hall when this item is up for discussion on June 19th, 2017.

If you have any questions or comments about this submission, please do not hesitate to contact the undersigned.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read 'P. Thoma', with a long horizontal stroke extending to the right.

Peter Thoma, MCIP, RPP, PLE
Partner
urbanMetrics inc.
pthoma@urbanMetrics.ca | 416-351-8585 x227

Attachments:

- Airbnb, Toronto Economic Impact Statement (February 8th 2017) prepared by urbanMetrics inc.

Toronto



ECONOMIC IMPACT STATEMENT

ABSTRACT: This study was prepared by urbanMetrics inc on behalf of its Client, Airbnb. The study provides a third-party assessment of the economic impacts associated with the Airbnb home-sharing platform in the context of Canada's largest municipality, the **City of Toronto**. This report concludes that Airbnb guests spent \$417 million while visiting Toronto in 2016, contributing \$292 million to the local Toronto economy. Provincially, this economic activity contributes \$377 million to the Ontario economy and supports nearly 5,900 full-time employment positions. The loss of Airbnb in the Toronto market would eliminate approximately \$40M in spending, and trim approximately 600 full time positions from the local economy.

The information contained in this report is based on a variety of published sources which have been deemed by the authors as both reliable and accurate for the purposes of this study. The urbanMetrics study leverages survey data gathered by Airbnb related to guest and host expenditure in the local market in 2016. The study relies upon the [Ontario Tourism Regional Economic Impact Model \(TREIMS\)](#), which was developed on behalf of the Ministry of Tourism, Culture and Sport for the expressed purpose of measuring expenditure impacts with the Ontario tourism, hospitality and events sector.

FEBRUARY 8TH, 2017



CITY OF TORONTO

ECONOMIC IMPACT STATEMENT

Airbnb guests to Toronto in 2016 spent \$417 million in the city, generating an economic impact of \$292 million locally. Within the province, Airbnb guests generated \$377 million in economic impact, supporting nearly 5,900 full-time employment positions. The loss of Airbnb in the Toronto market would effectively eliminate approximately \$40M in spending, and trim approximately 600 full time positions from the local economy.

TORONTO:

POPULATION: **2,800,000** (City) ↗ | **6,600,000** (Region) ↗
VISITATION: **40,000,000** (total) ↗ | **14,000,000** (overnights) ↗
TOURIST SPENDING: **\$4.3B** (total) ↗ | **\$1.5B** (accommodations) ↗
AVERAGE LENGTH OF OVERNIGHT STAY: **4.1 NIGHTS** ↗

1: INTERNATIONAL GATEWAY

The City of Toronto is widely recognized as one of the most cosmopolitan and diverse cities in the world. Over 180 languages are spoken, and more than half (51%) of the City's population was born outside of Canada. Toronto is a major global destination for international immigration. Each week over 1000 people move to Toronto. New Torontonians maintain strong international ties with family, friends and associates around the globe. For those relocating to Toronto, Airbnb can act as an important short-term housing option.

2: VIBRANT CULTURAL HUB

Toronto is a city teeming with creativity and talent. According to the City of Toronto, 1 out of every 4 jobs in Canada's creative industries is based in Toronto. Artists, performers, musicians, athletes, and of course, audiences are drawn from all corners of the globe to celebrate Toronto's rich and diverse cultural assets. Each and every night Toronto's theatres, concert halls, arenas and restaurants directly benefit from the presence of out-of-town guests enjoying all the best Toronto has to offer.

3: INNOVATION & ENTERPRISE

The City of Toronto is a hot-bed for innovation and enterprise. The City is home to a deep pool of well-educated, highly-skilled workers that lend their talents to best-in-class employers with international footprints in software, finance, aviation, healthcare and professional services. Young professionals and seasoned industry thought-leaders are drawn to Toronto because of its reputation for delivering a high quality of life supported by an exceptional talent pool.

4: HEALTH & HEALING

The City of Toronto is home to many of Ontario's leading hospitals and medical experts. Each day 1000s of patients and families travel into Toronto from elsewhere in the province to receive advanced medical services that are simply not available outside of the Toronto area. Quite often patients and families require comfortable, and affordable short term accommodations while undergoing treatment or supporting a loved one.

5: DIVERSITY & CELEBRATION LGBTQ

Toronto is a city that celebrates its diversity. Toronto's annual Pride Toronto event in July has emerged as one of the biggest LGBTQ events on the planet. Toronto's profile as a safe, open and inclusive city has served as an important calling card which draws thousands of people each year to not only visit, but begin a new life in City where people can celebrate who they are.

MARKET SNAPSHOT



ANNUAL PASSENGER VOLUMES:

- Pearson International Airport – 41.0M ↗
- Billy Bishop Airport – 4.3M ↗
- Union Station (Via Rail) – 2.5M ↗

TOURISM-BASED JOBS: 329,000 ↗

TOURISM-BASED BUSINESSES: 19,000 ↗

HOTELS: 108 (City) →

ROOMS: 25,000 (City) →

OCCUPANCY RATES: 71% ↗

ROOM NIGHTS SOLD: 6.7M ↗

AVERAGE DAILY RATES: \$157 →

HOTEL REVPAR: \$116 →

AIRBNB LISTINGS: 15,000 (City) ↗

AIRBNB GUEST ARRIVALS: 440,000 (City) ↗

AIRBNB AVG BOOKING: 4.2 Nights (City) ↗

Toronto was the **4th** most popular North American destination in 2016



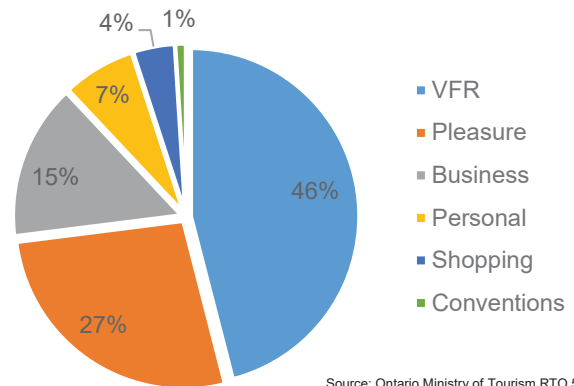
WHY PEOPLE VISIT TORONTO

Toronto's reputation and profile as a must-see City has grown steadily over the past several years. Toronto routinely ranks among the top-10 cities in the world for commerce, livability and diversity.

According to Tourism Toronto, visitor growth has shown seven consecutive years of growth. Although final data for 2016 is not yet available, this year appears to be on track to beat the previous record set in 2015 with 14 million overnight visits. This means that on any given night there are more than 38,000 visitors in Toronto looking for somewhere to lay their heads down.

People visit Toronto for a myriad of reasons. Based on Ontario tourism data, the single most important reason is to visit friends and relatives (VFR). Similarly, the bulk of people using Airbnb in Toronto were in the city for vacation. However, Airbnb is also important for those coming to the city to visit family and friends, attend a convention or go for a job interview.

Purpose of Trip (Toronto)



Source: Ontario Ministry of Tourism RTO 5 (Toronto, Peel), 2015

HOW AIRBNB FITS THE MARKET

GEOGRAPHY

While the City of Toronto has a very dense developed downtown core, the City (and the surrounding region) actually occupies a vast geographic area. The City is comprised of hundreds of neighborhoods, dozens of business parks and several prominent office clusters. Despite its size, the current supply of hotel rooms in Toronto is heavily concentrated in the downtown core. The conventional hotel market does not fully, or adequately, reflect the fact that there is a sizeable segment of the travel market that does not need to, or *want to*, stay downtown. According to Airbnb survey data, 73% of Airbnb guests turn to the platform to find more convenient locations compared to conventional hotel offerings. Interestingly 61% of Toronto's Airbnb guests cited "living like a local" as a primary motivator behind their decision to seek out accommodations in a private home.



AFFORDABILITY

The conventional hotel market does not fully - or adequately - address the fact that there will always be a sizeable segment of travelers that cannot afford typical rate premiums attached to central area hotels. It is also true that a large segment of people visiting Toronto are not necessarily inclined to stay in a conventional hotel offering.

Approximately 90% of Airbnb guests in Toronto relied on the platform as a means of saving money compared to hotels. Moreover, one-third of Airbnb guests indicated that lower rates enabled them to stay in Toronto longer compared to conventional hotel offerings. It is also important to point out that affordable overnight options in neighbourhoods across the City provides visitors with an opportunity to explore Toronto in new and interesting ways. It also provides local businesses outside of the downtown with an opportunity to capture visitor expenditures that might otherwise not be available. Interestingly, guests who indicated that they had saved money by using Airbnb actually ended up spending the money they saved elsewhere in the local economy, particularly restaurants, shops and other services.

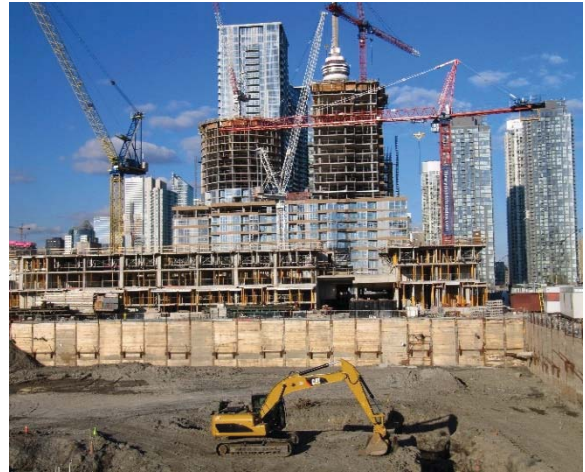


SCALABILITY

The City of Toronto is experiencing tremendous growth. Population growth combined with soaring housing prices are having profound impacts on new development in virtually all areas of the City. Despite Toronto's unprecedented growth, the number of hotel rooms in the City of Toronto over the past 15 years has fundamentally remained unchanged at 25,000 suites¹. This circumstance has much less to do with the entry of new services such as Airbnb and more with people's desire to live in downtown Toronto, which has contributed to rising property values.

This increase in property values in downtown Toronto have, in many respects, resulted in new hotel construction shifting towards the more luxury-end of the market. At the same time, Toronto has also seen the conversion of a number of older mid-market hotel properties and hostels, which have been more accessible to the everyday traveler. Simply put, the underlying property value assigned to sites in Toronto that permit new high-rise construction clearly break in favour of residential and office construction, and not – at least for the time being – new mid-market hotel construction.

That said, Toronto's tourism industry continues to be on-track for solid growth over the next 20 years. Passenger volumes at Pearson International Airport for example are forecast to grow from 41M passengers in 2015 to 65M by 2035. Planning and investment are already well underway to ensure transportation systems are capable of supporting anticipated passenger volumes. The capacity of the hotel industry to fulfil projected growth on the other hand remains unclear given prevailing real estate patterns in Toronto. Short term accommodation options such as Airbnb help alleviate the bottleneck by providing an elastic supply of accommodations that can temporarily respond to large and significant events that bring tourists to the City, such as the Pan American Games, the Grey Cup and the World Cup of Hockey that all occurred in Toronto in 2016.



FLEXIBILITY

Airbnb provides a simple and powerful platform for people in transition. Sometimes this can be as simple as a place to stay for a few days while visiting family or loved ones who happen to live in a small 1-bedroom condo in south Etobicoke. Other times it might be as long as a few weeks. Perhaps enough time to adjust to life in a new and unfamiliar city; or to carve out a new career path; or to help a loved one through medical care. Airbnb provides flexibility that conventional accommodations can't provide.



¹ Based on Greater Toronto Hotel Association, Economic Impact Study and Comparative Cities Research, December 2015 and September 2016 Reports, prepared by CBRE Hotels.

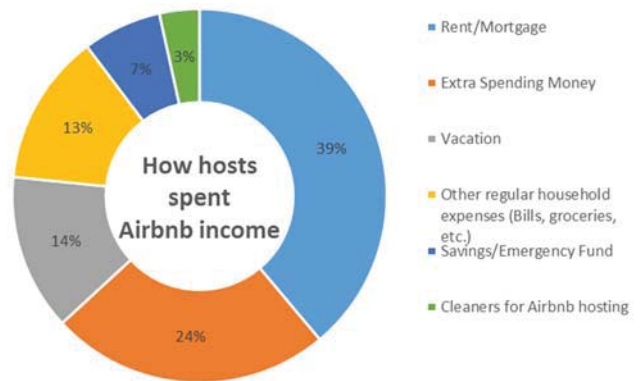
BENEFITS OF SHORT-TERM ACCOMMODATIONS OPTIONS

HOST INCOME

Airbnb is not only an important resource for travelers, Airbnb has become a necessity for many people who want to maintain a foothold in one of North America's most expensive property markets.

There were more than 15,000 unique Airbnb listings in the City of Toronto in 2016. According to Airbnb, the typical annual income for a host in Toronto was \$5,330, which translates to approximately \$450 per month. Roughly 40% of hosts rely on this income to make ends meet in an increasingly expensive city.

Based on a 2016 survey of nearly 300 Toronto-based Airbnb hosts conducted, nearly 40% of income that hosts earn go towards paying monthly mortgage/rent payments. A large share of spending also stayed within the local economy, as hosts spent Airbnb income on items such as groceries, restaurants and household supplies.

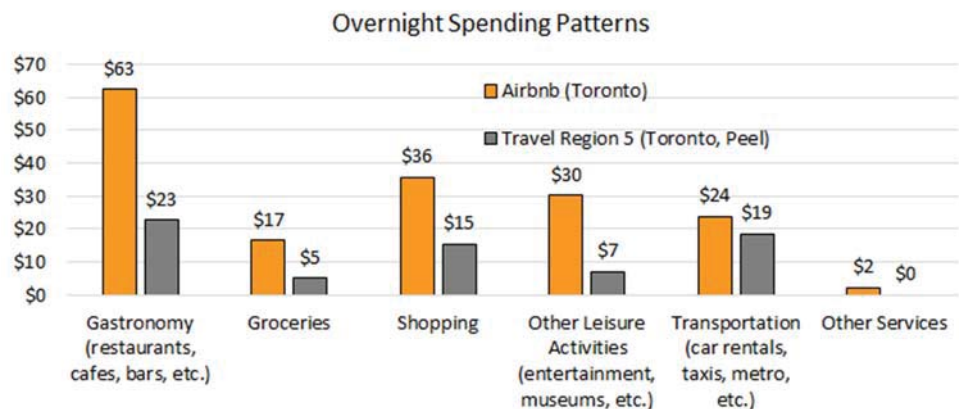


GUEST SPENDING

Information from Airbnb indicates during 2016 a total of approximately 198,000 reservations were booked through Airbnb in the City of Toronto, equating to nearly 1.8 million guest nights². Also, Airbnb guests tend to stay longer and travel in larger groups compared to traditional overnight visitors to the Toronto Travel Region³.

On average, Airbnb guests spend approximately \$100 more per day on non-accommodation expenditures than traditional overnight guests to the Toronto Travel Region. This expenditure is higher across several key categories, including restaurants, groceries, retail shopping and transportation. This additional spending provides a significant lift to tourism related businesses in Toronto.

Airbnb also attracts visitors and spending to local neighbourhoods where traditional hotel accommodations are simply not available. Approximately 53% of guest's spending was concentrated within the neighbourhood in which they stayed. Furthermore, 51% of respondents who indicated that they saved money by using Airbnb subsequently spent those savings on food and shopping in the local economy.



² Data is for the period from December 1, 2015 to December 1, 2016. Average of 2.13 guest per reservation and an average of 4.24 nights per reservation.

³ Data is based on Ontario Ministry of Tourism, Culture and Sport Travel Region 5, which includes Toronto, Mississauga and Brampton

ECONOMIC IMPACT OF AIRBNB

The Airbnb platform has a significant positive economic benefit on the City of Toronto. Spending by Airbnb hosts and guests supports jobs, generates labour income and increases tax revenue for all levels of government. These benefits are broadly defined as the 'economic impact' on the local economy. Economic impact is one of the best methods to measure the contribution of Airbnb to the Toronto economy.

To estimate the economic impact of Airbnb host and guest spending on the City of Toronto, we have used the Ontario Tourism Regional Economic Impact Model (TREIM) that is made available through the Ontario Ministry of Tourism, Culture and Sport. The purpose of this model is to determine the economic impact of visitors' and businesses' spending on the local and provincial economies⁴. The TREIM allows for the calculation of the economic impact of direct spending by Airbnb guests, as well as the indirect and induced impact from subsequent rounds of spending.

In calculating the economic impact of Airbnb, we have relied upon records of listings and bookings provided by Airbnb during 2016 and a host and guest survey also conducted in 2016. During 2016 there were a total of nearly 422,600 guest arrivals in the City of Toronto. Data from Airbnb also indicates that average spending per guest was approximately \$233 per day, with the largest portion of spending going towards gastronomy and the Airbnb accommodation. This results in total guest expenditures of approximately \$417 million, the majority of which stays within the Toronto economy.

Based on the TREIM, the \$417 million in expenditures related to Airbnb guest spending supports 5,900 jobs, generates \$258 million in labour income and results in \$168 million in taxes to the various levels of government, including the City of Toronto.

We have also calculated the 'net Airbnb impact' based on data provided to urbanMetrics by Airbnb and the results of the Airbnb Guest Survey⁵, conducted in 2016. The intent of this Airbnb specific impact is to measure the unique value of Airbnb to the Toronto economy. In our analysis, we have calculated the specific impact of Airbnb in two ways:

1. **Fewer People Traveling to Toronto** - In the Airbnb Guest Survey, 2.3% of respondents indicated that they would not have visited Toronto if Airbnb was not available. Based on average guests per reservation, average nights per guest and average guest spending, this represents \$9 million in lost visitor spending.
2. **Shorter Trips to Toronto** - A comparison of Airbnb data with for overnight travelers to the Toronto Travel Region indicates that Airbnb guests travel in larger group sizes and tend to stay in the location slightly longer. This is also supported by the Airbnb Guest Survey, where 32% of guests indicated that they would not have stayed in Toronto as long if Airbnb wasn't available. Therefore, we have assumed that for those that still travel to Toronto, 32% would stay one night less. Overall, this results in approximately \$31 million in lost visitor spending.

Based on these two impacts, if Airbnb was not available, it would result in \$40 million in lost visitor spending. Based on the TREIM, the Airbnb specific impact supports approximately 600 jobs province-wide, generates \$25 million in labour income and results in \$16 million in taxes to the various levels of government. It is important to note that this impact excludes the approximately \$6 million in lost host revenue, a portion of which would be recirculated back into the local economy to support jobs, labour income and taxes.

Economic Impact of Airbnb	Impact of Airbnb Guest Spending	Net Airbnb Impact
Expenditure	\$417 Million	\$40 Million
Gross Domestic Product (GDP)	\$377 Million	\$36 Million
Jobs (Full-Time, Full-Year)	5,900 Jobs	600 Jobs
Labour Income	\$258 Million	\$25 Million
Tax Revenue	\$168 Million	\$16 Million

⁴ For further information on the TREIM, please visit <http://www.mtc.gov.on.ca/en/research/treim/treim.shtml>

⁵ The Airbnb Guest Survey was a survey of 184 guests who made reservation in the City of Toronto in 2016.

DETAILED ECONOMIC IMPACT AIRBNB GUEST SPENDING (TORONTO, ONTARIO 2016)

	Impact of Airbnb Guest		Net Airbnb Impact	
	Toronto	Ontario	Toronto	Ontario
Total Visitor Spending	\$416,900,000	\$416,900,000	\$40,400,000	\$40,400,000
Gross Domestic Product				
Direct	\$194,100,000	\$194,100,000	\$18,800,000	\$18,800,000
Indirect & Induced	\$97,500,000	\$183,000,000	\$9,400,000	\$17,700,000
Total	\$291,600,000	\$377,100,000	\$28,200,000	\$36,500,000
Multiplier	1.50	1.94	1.50	1.94
Labour Income				
Direct	\$131,300,000	\$131,300,000	\$12,700,000	\$12,700,000
Indirect & Induced	\$65,900,000	\$126,900,000	\$6,400,000	\$12,300,000
Total	\$197,200,000	\$258,200,000	\$19,100,000	\$25,000,000
Multiplier	1.50	1.97	1.50	1.97
Employment (Full-Time, Full-Year)				
Direct	3,820	3,820	370	370
Indirect & Induced	1,020	2,050	100	200
Total	4,840	5,870	470	570
Multiplier	1.27	1.54	1.27	1.54
Direct Taxes				
Federal	\$45,700,000	\$45,700,000	\$4,400,000	\$4,400,000
Provincial	\$45,500,000	\$45,500,000	\$4,400,000	\$4,400,000
Municipal	\$300,000	\$300,000	\$0	\$0
Total	\$91,500,000	\$91,500,000	\$8,800,000	\$8,800,000
Total Taxes				
Federal	\$77,300,000	\$93,900,000	\$7,500,000	\$9,100,000
Provincial	\$60,800,000	\$73,600,000	\$5,900,000	\$7,100,000
Municipal	\$600,000	\$900,000	\$100,000	\$100,000
Total	\$138,700,000	\$168,400,000	\$13,500,000	\$16,300,000

Note: Visitor spending and economic impact rounded to nearest \$100,000. Jobs rounded to nearest 10 jobs.

Source: urbanMetrics inc. based on Airbnb 2016 data, leveraging the Tourism Regional Economic Impact Model.



CONTACT:



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