

Exhibition Place Economic Impact Study

Date: August 30, 2024
To: The Board of Governors of Exhibition Place
From: Don Boyle, Chief Executive Officer
Wards: Ward 10 - Spadina-Fort York

SUMMARY

Exhibition Place is a thriving hub for Canada's most significant conventions and exhibitions, entertainment, sporting events, and cultural attractions. Visitors to the many venues and events across Exhibition Place contribute to the local and regional economy. The events, conferences, tradeshow, and other activities at Exhibition Place attract guests who are critical sources of spending and economic activity for local businesses, airlines, hotels, retail, restaurants, transportation services, and the entire supply chain affected by the goods and services they provide.

Appendix A contains an economic impact report prepared by HLT Advisory ("HLT") using the Economic Impact Calculator ("EIC"), developed by Tourism Economics, an Oxford Economics Company, and used by over 300 destinations worldwide, this study measures the direct and indirect economic impacts generated by events at Exhibition Place. Additionally, Exhibition Place manages and coordinates ancillary business activities that do not meet the modelling criteria for the EIC study. Financials from these enterprises are included in this study.

In 2023, the study indicated that Exhibition Place generated an economic impact of \$594.5 million. This independent study proves that trade and consumer show and other events are a major piece of the tourism industry which supports hotels, restaurants, and hundreds of businesses and jobs. These recurring positive impacts easily exceed amortized public capital costs and the benefits of events to the overall local, provincial, and federal economies.

Staff from HLT will present a summary of the key findings from their report to the Board.

RECOMMENDATIONS

The Chief Executive Officer recommends that:

1. The Board receive this report for information.

FINANCIAL IMPACT

There are no negative financial implications to this report.

DECISION HISTORY

Exhibition Place's Strategic Plan 2022-2026 includes goals to Solidify Position as a Leading Convention and Event Space and Enhance Brand Identity and Promotion. These goals will be achieved through an evidence-based methodology that demonstrates Exhibition Place's impact.

In June 2006, the Board engaged the University of Guelph to conduct a Tourism Economic Impact of Trade and Consumer Shows on behalf of Tourism Toronto (now Destination Toronto) in partnership with International Centre and Metro Toronto Convention Centre.

In October 1999, the Board engaged C.H. Johnson Consulting Inc. from Chicago, USA to conduct an Economic and Fiscal Impact Analysis for Exhibition Place and the Canadian National Exhibition.

COMMENTS

As Canada's largest convention, exhibition, and event complex, Exhibition Place hosts approximately 5.50 million visitors annually with 1,761 events. The capability to accommodate international events, industry-leading exhibitions, and conferences at scale, draws attendees from throughout Canada and globally. The visitor economy creates jobs, generates tax revenue, and drives growth for the overall financial health of the city, the region, and the province. Additionally, visitor spending on dining, retail, lodging, transportation, and recreational activities creates positive economic spin-off effects across numerous sectors.

A key priority in the Strategic Plan is measuring the economic impact of business activities throughout the grounds. The previous economic impact study conducted was limited and solely based on data from key anchor events directly supported by Exhibition Place. Calculations for this study used Destination International's Event Impact Calculator, developed by Tourism Economics. The new study uses the same EIC model while broadening its scope to include all of Exhibition Place's tenants and ancillary business activities.

The EIC, used by over 300 destinations worldwide, is regarded as the industry standard for measuring the economic impact of events and venues. One advantage of the EIC model is its adaptability to local markets. The model incorporates regional data from sources such as Statistics Canada when analyzing the effects of an event on businesses, employment, income, and taxes.

HLT was contracted to conduct this study due to its familiarity with the Canadian events and meetings industry, and experience with applying the EIC. Recently, they have performed economic impact studies for major event venues, including the RBC Convention Centre in Winnipeg and the BMO Centre in Calgary.

As part of the study's methodology, HLT collaborated with Exhibition Place staff, show clients, and tenants to gather event, financial, and attendance data. Of the 1,761 events hosted, 1,098 met the EIC model criteria. The remaining 663 events were related to ancillary businesses unique to Exhibition Place, including film shoots, community programming, and other tenant activities.

In 2023, Exhibition Place generated an economic impact of \$594.5 million. Based on the EIC, the event-based business supported 3,726 jobs and generated \$80.6 million in tax revenue for federal, provincial, and municipal governments. Visitor spending played a vital role, contributing \$174.66 million, with the majority spent on lodging (\$69.52 million), transportation (\$28.27 million), and food & beverage (\$29.71 million).

HLT will deliver a presentation to the Board summarizing the study and highlighting key findings.

CONTACT

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SIGNATURE

Don Boyle
Chief Executive Officer

ATTACHMENTS

Appendix A - HLT Advisory Report - Exhibition Place Economic Impact Report