

3.1.1 Economics and Characteristics

Tourism is an important source of revenue and employment in British Columbia. In 2000, tourism activity injected \$9.5 billion into the provincial economy, and generated 11,890 direct jobs. Until the events of September 2001, global tourism activity was growing at a rapid annual rate, making it the world's largest export earner.¹ In British Columbia, however, tourism activity has shown steady, but not necessarily rapid, growth during the past five years. Between 1994 and 2000, the tourism component of provincial GDP (in \$1992) increased at an annual rate of 2.3 percent. The tourism share of total provincial GDP has remained at approximately 4.7 percent during this time.

	1994	1995	1996	1997	1998	1999	2000
BC Total GDP	82.6	84.9	87.0	89.0	90.0	92.0	n/a
Tourism GDP	4.0	4.1	4.2	4.3	4.4	4.4	4.5

Recent statistics indicate that 30 percent of overnight visitors to BC are from "short haul" regional Canada and the US. Another 15 percent are "long haul" visitors from North America (other provinces, US and Mexico). Altogether, non-resident visitors to British Columbia comprise approximately 52 percent of overnight visitors here, with resident British Columbians making up the rest. In contrast, non-residents accounted for 39 percent of overnight visitors to BC in 1995/96. This points to the growing importance of visitors from outside our province.

In 2000, approximately 22.5 million visitors came to British Columbia, generating revenue of \$9.5 billion.² Prosperity in Alberta and Ontario (BC's two largest out-of-province markets), buoyant economies, and a depreciating Canadian dollar, drove Canadian and foreign tourism demand in British Columbia in 2000 and the early part of 2001.

The US remains the dominant non-resident market for the BC tourism sector. While the US market is approximately five times larger than the overseas market, the latter has seen more rapid growth since the early 1990s. Much of this growth in overseas visits to British Columbia occurred in the Asia Pacific market.

	1994	1995	1996	1997	1998	1999	2000
USA - Total	5,036	5,369	5,494	5,893	6,549	6,862	7,006
Overnight	2,631	2,880	2,883	3,094	3,425	3,492	3,574
Overseas - Total	963	1,209	1,412	1,430	1,296	1,408	1,476

¹ Source: World Tourism Organization.

² Source: BC Statistics, *Tourism Indicators, Tourism Industry Monitor*, Annual 2000.

As a world-recognized hub of transportation and economic activity, Vancouver already has the infrastructure and the profile to attract North American and international visitors. However, world tourism statistics support the view that Canada gets only a small share of all international travellers, and BC an even smaller share of that. Those that do come to BC are often inclined to stay within the Golden Triangle (Vancouver-Victoria-Whistler), or avail themselves of tourism products that can be accessed relatively easily -- for example, the Rocky Mountaineer from Vancouver to Jasper, the Trans-Canada Highway to Alberta, or features in and around the Lower Mainland or South Vancouver Island. This presents a significant challenge to tourism operators outside Southwest BC who are trying to enlarge their market and attract international visitors.