

ECONOMIC IMPACT OF SNOWMOBILING IN CANADA



 **CCSO**
Canadian Council of
Snowmobile Organizations



CANDIAN SNOWMOBILE FACTS!

\$9.3 Billion Dollars - the economic engine of snowmobiling.

Over **41,000 jobs** from snowmobile-related activities.

Over **\$1.2 Billion Dollars** paid annually in taxes to all three levels of government.

1.5 million family members involved in snowmobiling/

Over **121,000 kms** of snowmobile trails.

Over **700 volunteer managed snowmobile clubs** providing this winter tourism activity from coast to coast to coast.

EXECUTIVE SUMMARY

This report provides an overview of the economic impact of snowmobiling on Canada in 2019, based on a review of 10 provincial economic impact studies. It uses updated data on snowmobile sales and registration data across Canada to estimate the annual economic impact of snowmobiling in the 2018-2019 snowmobile season. Based on this review, this study estimates **that snowmobiling activity across Canada contributed to an estimated \$9.3 billion in economic activity in 2019, approximately 41,478 full time jobs, and \$1.2 billion in taxes to all levels of government** (See Table 2).

In 2016, the Canadian Council of Snowmobile Organizations (CCSO) commissioned Harry Cummings and Associates (HCA) to conduct a study on the economic impact of snowmobiling in Canada. Previously, HCA had completed an economic impact study on snowmobiling in Ontario for the Ontario Federation of Snowmobile Clubs (OFSC). The OFSC study used the Tourism Regional Economic Impact Model (TREIM) as a basis for estimating total economic activity, GDP, and jobs created by the snowmobiling industry. Then, four years later, HCA completed an updated study for the OFSC on the 2018-2019 snowmobiling season in Ontario. Subsequently, the CCSO again commissioned HCA to complete an update on the national impacts of snowmobiling.

The review found that **snowmobiling is a significant contributor to provincial and territorial economies nation wide, and that the province of Quebec is a leader in economic activity linked to snowmobiling in Canada.** With both an avid population of snowmobile enthusiasts and a well-developed network of trails, tourism sector, and manufacturing sector, snowmobiling in Quebec contributes to approximately \$1.6 billion in direct expenditures (\$1.1 billion from snowmobilers and \$500 million in manufacturing), and makes up approximately 35.7% of total snowmobile expenditures nation wide. Ontario and Alberta make up the second and third most impactful provinces, contributing \$842.8 million and 454.1 million in direct expenditures respectively (See Table 2).

Since the 2016 national report, six provinces have completed updated economic impact studies, with four completing these studies within the last year (See Table 1). However, recent studies and/or comprehensive data in several provinces and the northern territories were not available at the time of this report. These jurisdictions would benefit from an assessment of the current impacts of the snowmobile activity.

Making estimates of the impact of snowmobiling in Canada's territories was challenged by the fact that studies and data on the economic activity from arctic snowmobiling was very limited. However, given the number of sales and registrations in the territories, this study suggests that **snowmobiling contributes approximately \$386.6 million in direct expenditures to the economies in Canada's Arctic** (See Table 2). Given the importance of snowmobiling in the Canadian Arctic this impact warrants more investigation.

The billions of dollars generated by snowmobiling across the country contributed tens of thousands of jobs to the Canadian economy in 2019 (See Table 2). In Quebec and Ontario alone, snowmobiling activity and manufacturing are estimated to generate approximately 17,000 full time jobs. Newfoundland and Labrador's snowmobile activity is also a major contributor to employment in that province, contributing an estimated 1,600 jobs.

The economic activity generated by snowmobiling in Canada generated billions of dollars in Canada's economy. Retail, accommodations/restaurants, trail maintenance, services and manufacturing are all bolstered by snowmobiling activity during Canada's winter months. This review reinforces the strength and the value of the industry in Canada, but also highlights the need for more investigation into a fuller, more detailed assessment of the industry's true impact. In what is traditionally the slowest season of the business year economically in many parts of Canada, especially in rural areas, it shows that Canadians are contributing in a significant way to our winter economy through staying active and investing in snowmobiling activities from coast to coast.

Snowmobiling activity across Canada contributed to an estimated \$9.3 billion in economic activity in 2019.

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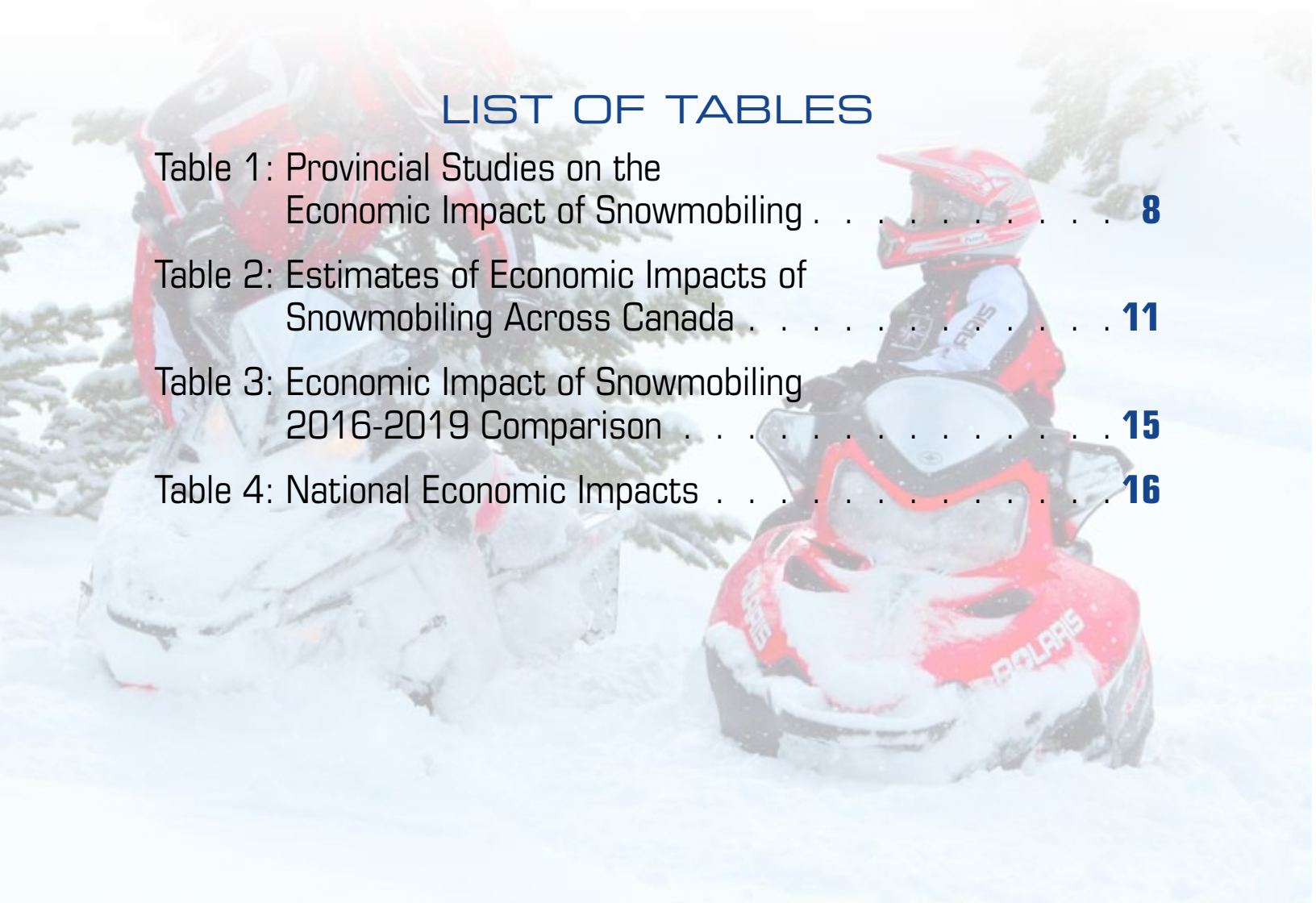


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INTRODUCTION

Snowmobiling is a quintessentially Canadian winter pastime. From the mountains and prairies of the western provinces, to the Canadian Shield lake lands of Central Canada, and the highlands of the Atlantic Provinces, few places on earth can rival the snowmobiling opportunities provided in Canada. In addition to recreational use, the snowmobile remains an essential mode of transportation across many far northern parts of Canada which rely on the snowmobile for utility and daily living activities. In the winter months, snowmobiles continue to be used for essential work across Canada by enforcement agencies and emergency services, by utility, mining and forestry companies, and by prospectors, trappers and commercial ice fishermen.

Although snowmobiling has a myriad of practical uses across Canada, this study focuses on the use and impacts of snowmobiling for recreational purposes, under the auspices of local snowmobile clubs and their provincial and territorial associations, as represented by the Canadian Council of Snowmobile Organizations (CCSO). This “organized snowmobiling” involves snowmobilers buying trail permits or passes to ride marked and maintained snowmobile trails and designated play areas sanctioned by CCSO members, and primarily operated by countless dedicated volunteers, often on property provided at no charge by thousands of generous land owners.

Participating in organized snowmobiling is a favourite winter activity among locals and tourists alike, having steadily grown in popularity since its invention by Quebec native Joseph-Armand Bombardier in 1922. Over the last century, organized snowmobiling has supported a robust manufacturing tradition in Quebec and has contributed to winter tourism across the country. While a minor level of non-organized snowmobiling exists casually in many locales, typically it does not involve tourism activities and impacts. With our long winter season and national passion for our homegrown recreational activity, organized snowmobiling contributes to a wide range of economic activity in Canada.

In 2020, the Canadian Council of Snowmobile Organizations (CCSO) contracted Harry Cummings and Associates (HCA) to conduct a review of past studies and available current data on the economic impact of snowmobiling across the country. This study comes on the heel of a previous economic impact report conducted with HCA in 2016.

The key objectives for this study were as follows:

- Review most recent provincial economic impact studies for snowmobiling
 - the methodologies used to collect data and estimate economic impact
 - the complementary/contrasting natures of jurisdictions and approaches
 - the timing during which data was collected/studies were undertaken
- Review current data available to update and estimate current economic impacts
 - Relevant reports and studies inclusive of snowmobile activity
 - Membership and tracking data from snowmobile organizations across Canada
 - Snowmobile sales data up to 2019
 - Provincial/Territorial consumer price indices applicable to study years



PAST STUDIES AND ECONOMIC IMPACT APPROACHES

This study reviewed the most recent provincial studies available for 10 provinces across Canada. The studies and the years in which they were conducted are presented in Table 1.

TABLE 1: Provincial Studies on the Economic Impact of Snowmobiling

Province	Title	Year
New Brunswick	<i>Snowmobile Economic Impact Study 2019</i> by the New Brunswick Federation of Snowmobile Clubs (NBFSC)	2019
Quebec	<i>Enquête sur les voyages des motoneigistes à l'hiver 2019</i> by Segma Research	2019
Ontario	<i>The Economic Impact of Snowmobiling in Ontario</i> by Harry Cummings and Associates	2019
British Columbia	<i>Economic Impact Study of Snowmobiling in BC</i> by MNP LLP	2019
Saskatchewan	<i>Economic Impact Assessment Report</i> by Stephen Johnson, University of Regina, for the Saskatchewan Snowmobile Association (SSA)	2017
Prince Edward Island	<i>PEI Snowmobile Association Economic Impact Study - Technical Report</i> , by Atlantic Evaluation Group	2016
Newfoundland & Labrador	<i>The Economic Impact of Snowmobiling in Newfoundland</i> by Dr. Leslie Cake on behalf of Sir Wilfred Grenfell College	2015
Nova Scotia	<i>OHV Spending Survey: Study Results Summary</i> by Nova Insights Inc.	2015
Manitoba	<i>Snoman Inc. Economic Impact Study</i> by Probe Research Inc.	2013
Alberta	<i>The Economic Impact of Snowmobiles in Alberta</i> by Econometric Research Ltd.	2013

Since 2016, six provinces have completed updated economic impact studies (four of which were conducted over the 2018-2019 snowmobile season). No major studies have been undertaken to measure the economic impact of snowmobiling in Nunavut, the Northwest Territories, or the Yukon.

These studies were undertaken by a variety of agencies and practitioners, ranging from provincial tourism departments, to universities, to private consulting firms. In all the studies examined, economic measures were the central focus of the report. In all except for Newfoundland and Labrador, each report estimated the economic impact of snowmobiling for the entire province. Meanwhile, the Newfoundland report focused on the economic impact of the island portion of that province only.

Economic assessment data was collected in a variety of fashions, but largely consisted of three approaches:

- Expert insider interviews, including provincial snowmobile organizations, and manufacturing, retail and tourism representatives
- Secondary data review, such as: previous economic studies, demographic data, economic activity in related sectors, snowmobile sales data and snowmobile registration

- Snowmobiler surveys: wide reaching surveys of members of snowmobile organizations, permit holders and households

Economic impact estimates were also derived using different approaches. These can largely be described in two categories:

- Accumulating economic data from various economic actors (i.e. snowmobilers, retailers, service providers) in the province and estimating overall impacts using sales and spending data for the province relative to the number of snowmobilers.
- Estimating expenditures of snowmobilers in the province and running an input-output regional economic impact model to determine various economic measures, including direct impacts, indirect/induced impacts, employment, taxes, and gross domestic product (GDP).

Input-Output Modeling

The provincial studies used for this assessment most commonly used an input-output modeling approach to conduct an economic impact assessment of snowmobiling in their province.

The input-output model generates detailed accounts of economic activities across different industries and commodities based

on economic inputs into a given activity such as snowmobiling. The study authors use the input-output data generated by Statistics Canada.

Having used this model previously to conduct both the 2016 and the 2019 studies on *The Economic Impact of Snowmobiling in Ontario*, HCA has again used this approach as the foundation upon which to estimate the national impacts. Economic impact models using the input-output approach are conducted by running demand-side expenditure data through detailed input-output activity tables to estimate the impacts of those direct expenditures on a variety of economic measures. These measures include: Gross Domestic Product (GDP), indirect and induced spending, number of jobs created, and taxes.

Jurisdictions across Canada have used this model as the basis for the economic measurement of various industries in their province or region. In Ontario, the model used to estimate economic impacts of snowmobiling is the Tourism Regional Economic Impact Model (TRIEM), which is recognized by the conference board of Canada.² In Alberta, the Treasury Board of Alberta updates their input-output model annually, while in Quebec, *Le modèle intersectoriel du Québec* (MISQ) is applied.

Depending on the jurisdiction, a provincial/territorial tool may be made available for use by private and public sector actors (such as the TREIM model in Ontario). Alternatively, Statistics Canada may run a specific model for the jurisdiction, or a consultant/statistical agency will run a model based on Statistics Canada data and adjust the calculations appropriately for the jurisdiction of interest. Additionally, the Conference Board of Canada uses

“The Canadian input-output model is particularly interesting for structural impact analysis. It provides a detailed breakdown of Canadian economic activity among business industries and a detailed breakdown of their inputs and outputs by commodity associated with some arbitrarily fixed exogenous demand. It also provides supply requirements from other sources such as imports and government production of goods and services. The input-output model is a structural model dealing primarily with resource allocation in the economy corresponding to an exogenously given demand.”¹

input-output frameworks for all provinces in their Provincial Medium-Term Forecasting Model (PMTFM).³

This study presents economic measures as they are generated by an input-output model. Definitions of some key terms used in the presentation of the *Economic Impacts of Snowmobiling in Canada* section of this report are as follows:

- **Direct impact** refers to snowmobilers' initial expenditures on equipment, materials and services – that is their direct spending associated with snowmobiling activities.
- **Indirect impact** refers to purchases by suppliers/service providers in the course of providing the goods and services required by snowmobilers.
- **Induced impact** refers to the re-spending of income on consumer goods and services by service providers and workers in the sectors receiving the initial and indirect expenditures.

- **Gross Domestic Product (GDP)** is the total unduplicated value of the goods and services produced in the economic territory of a country or region during a given period. A valuation expressed in terms of the prices actually paid by the purchaser after all applicable taxes and subsidies.

Total economic activity as reported in this study is the sum total of the direct, indirect and induced economic impact figures. With respect to the job numbers, these refer to jobs that have been generated as a result of direct and indirect/induced impacts respectively.



ESTIMATING CURRENT IMPACTS

As mentioned above, this review consisted of 10 provincial studies over a seven-year period. To adjust for inflation, HCA used the Statistics Canada provincial Consumer Price Index (CPI) to bring all dollar figures used in this assessment up to 2019 constant dollars. This process is the same used in the 2016 report and ensures that the weight of the dollar value is equivalent in each jurisdiction.

As with the previous report, there were a number of provinces/territories that had either not conducted recent economic impact assessments, or did not use input-output models, or did not provide all datapoints of the input-output models (e.g. expenditure estimates, indirect/induced impacts, number of jobs, etc.). Using the principles of the input-output economic impact modelling approach, HCA used a combination of comparable jurisdictions and the mean ratios associated with snowmobile expenditures and other economic measures (i.e. GDP and jobs) to update and estimate the economic impacts of snowmobiling in each province and territory.

To fill-in the missing datapoints, HCA calculated the ratio of *direct impact to total economic activity* from the six provincial studies where both these figures were available – resulting in an average ratio (also known as a multiplier) of 1.57 which was then

applied to determine *total economic activity* in the provinces where that data was unavailable. The same approach was used to calculate the ratio of direct impact to GDP (0.63 multiplier) and establish a ratio of *direct jobs* (0.63) and *indirect/induced jobs* (0.37) to *total jobs*. These ratios were used to estimate the appropriate economic measures in provinces and territories where these impacts had not been measured.

As certain provinces and territories had not completed studies (and where study data was incomplete), the total number of snowmobilers in the region/province was calculated based off of the total number of registered snowmobiles for that province/territory. This data was collected via the 2019 *ISMA Snowmobiling Factbook* report⁶ and verified by the CCSO.

Finally, the unique nature of the snowmobile and snow groomer manufacturing sector in the Province of Quebec was noted. Accounting for sales and employment numbers, along with economic spin offs from manufacturing, contributed significantly to the overall national impact estimates.

The rationale and application of these estimates for each jurisdiction are detailed in the following section.



ECONOMIC IMPACTS OF SNOWMOBILING IN CANADA: FINDINGS

Building upon the available provincial level economic impact studies and up to date snowmobile sales and registration figures, HCA has estimated the economic impact of snowmobiling in each province and territory. Additionally, estimates for the manufacturing sector in the province of Quebec and the contribution of special events (such as conferences, races and excursions) across the country were estimated. These estimates are presented in Table 2. A brief summary of how each of these estimates were prepared is provided after the table below.

TABLE 2: Estimates of Economic Impacts of Snowmobiling Across Canada^a

Province/Activity	2019 Constant Dollars \$CDN (millions)			Jobs ^a		
	Direct Impact	Total Economic Activity	GDP	Direct	Indirect/Induced	Total
Quebec	\$1.1 Billion	\$1.9 Billion	\$419.8	4,064	2,508	6,572
Manufacturing Revenue Quebec	\$500.0	\$1.5 Billion	\$335.0	1,111	2,555	3,666
Ontario	\$842.8	\$2.5 Billion ^b	\$403.9	4,325	2,111	6,436
Alberta	\$454.1	\$1,073.7	\$505.2	3,457	3,569	7,026
Saskatchewan ^b	\$242.3	\$395.9	\$269.3	3,115	1,125	4,240
Nunavut	\$212.7	\$347.5	\$236.4	2,734	988	3,722
Manitoba	\$221.5	\$332.2	\$79.7	578	317	895
British Columbia	\$233.9	\$306.2	\$105.2	986	438	1,424
Northwest Territories	\$146.8	\$239.9	\$163.2	1,887	682	2,569
Newfoundland and Labrador	\$244.2	\$228.9	\$83.6	1,212	390	1,602
Nova Scotia	\$65.5	\$111.5	\$44.6	338	95	433
New Brunswick	\$68.7	\$105.0	\$61.1	918	258	1,176
Yukon	\$27.0	\$44.2	\$30.1	348	126	473
Prince Edward Island	\$15.8	\$31.4	\$6.5	91	70	161
Special Events	\$108.4	\$48	610	473	1,083	1,083
Total Canada	\$4.5 Billion	\$9.3 Billion	\$28 Billion	25,773	15,705	41,478

^a Data based on an average between a high vs. low spend/snowmobile season

^b Data based on an average between a high vs. low spend/snowmobile season

Quebec – HCA reviewed *Enquête sur les voyages des motoneigistes à l'hiver* conducted by Sigma Research on behalf of the Fédération des clubs de motoneigistes du Québec (FCMQ) in 2019. As the study was completed in 2019 no CPI ratio was needed to bring data to 2019 constant dollars. Expenditure data was collected from 4,426 permit holders through a combination of online and phone surveys. The study found that snowmobiling in Quebec generated \$1.1 billion in direct expenditures, resulting in \$419.8 million in direct impact on provincial GDP, 6,572 in FTE jobs, and \$131.3 million in provincial taxes. The national average of direct expenditures to total economic activity (1.70)

was applied to estimate this figure. As the study did not provide a breakdown of direct and indirect/induced jobs, provincial ratios of direct jobs to total jobs (0.62) and indirect/induced jobs to total jobs (0.38) were used to estimate these figures.

Manufacturing Revenue (Quebec) – No formal assessment of the economic impact of the snowmobile manufacturing industry in Quebec has been conducted to date. To generate the estimated economic impact of this industry, HCA reviewed global snowmobile sales figures in the Bombardier Recreational Products (BRP) 2019 fiscal year report. Report

data were isolated based on 'seasonal winter vehicles' and for the 'Quebec plant' portions in order to determine an estimate for manufacturing revenues of snowmobiling in Quebec. HCA inputted manufacturing revenue data into a tourism economic impact model to estimate GDP and direct and induced jobs associated with the Quebec manufacturing sector.

Ontario – The figures for the economic impacts of snowmobiling in Ontario came directly from *The Economic Impact of Snowmobiling* study conducted by HCA on behalf of the Ontario Federation of Snowmobile Clubs (OFSC) in 2019. As the study was completed in 2019 no CPI ratio was needed to bring data to 2019 constant dollars. Data on direct expenditures, GDP, and direct, indirect, and induced jobs were based on provincial snowmobiling estimates for the 2018-2019 season. As this season experienced unusually poor snow conditions for many of the districts in Ontario, the report presented two economic impact estimates: \$2.5 Billion in total economic impact for 2019 (a low activity year) and \$3.3 billion in total economic impact for a high activity year (based on trip data in the 2016 report). This study took the average between these two figures (\$2.4 billion) to estimate the economic impact for an average snowmobile season.

Newfoundland and Labrador – The figures for the economic impacts of snowmobiling in Newfoundland and Labrador came from the 2015 study conducted on behalf of the Newfoundland and Labrador Snowmobile Federation (NLSF) by Dr. Leslie Cake of Sir Wilfred Grenfell College. This study used an online survey to generate snowmobile expenditure data for the island portion of Newfoundland, scaling up survey data from 2,861 respondents to gain an estimate for the 11,583 snowmobilers on the island portion of Newfoundland. HCA applied the consumer price index to bring the dollar figures up to 2019 constant dollars and a multiplier of 5.07 to generate an estimate based on the total number of registered snowmobiles in the province (58,700).

Saskatchewan – HCA reviewed the 2017 *Economic Impact Assessment Report* conducted on behalf of the Saskatchewan Snowmobile Association (SSA) by Stephen Johnson of the University of Regina. This study was an update to one conducted in 2009 and used data from the previous report (updated to 2017 constant dollars) to generate their provincial estimates. The study used an input-output model to measure direct, indirect, and induced impacts of snowmobiling in Saskatchewan. HCA applied the consumer price index to bring the dollar figures up to 2019 constant dollars and applied the provincial ratio of

direct expenditure to total economic activity (1.70) to fill in that missing datapoint. Direct, indirect and induced jobs were taken directly from the report.

British Columbia – The figures for the economic impact of snowmobiling in British Columbia came directly from the 2019 *Economic Impact Study of Snowmobiling in BC* report conducted by MNP LLP. Data for this study were collected via a combination of

primary and secondary sources including interviews, surveys, snowmobile club financial statements, and publicly available sources. To generate provincial impacts the study used an input-output methodology based on Statistics Canada economic impact multipliers. As the study was completed in 2019 no CPI ratio was needed to bring data to 2019 constant dollars.

Alberta – The figures for the economic impact of snowmobiling in Alberta came directly from the 2013 *The Economic Impact of Snowmobilers in Alberta* report conducted by Econometric Research Ltd on behalf of the Alberta Snowmobile Association. This study used historical secondary expenditure data from 1995, 2002, and new sales on vehicles and accessories, clothing, and fuel – supplemented by information provided by the International Snowmobile Manufacturers Association (ISMA) and the ASA – to make their provincial estimates. The study also utilized an input-output model (DEIM) and reported on all data points used in this study. HCA applied the consumer price index to bring the dollar figures up to 2019 constant dollars.



Manitoba – The figures for the economic impacts of snowmobiling in Manitoba come directly from the study *Snoman Inc. Economic Impact Study* commissioned by Snoman Inc. in 2013. The study was conducted by the Prairie Research Inc. HCA applied the consumer price index to bring the dollar figures to 2019 constant dollars.

Nunavut – No recent economic assessment of snowmobiling had been completed for Nunavut. HCA determined that the most comparable jurisdiction available for comparison was the Province of Saskatchewan. The ratio of the number of registered snowmobilers to the economic measures of direct impact, total economic impact, GDP, and jobs were calculated. These ratios were then applied to the number of registered snowmobilers in Nunavut to estimate financial economic impacts and number of direct and indirect/induced jobs for the territory.

Yukon – No recent economic assessment of snowmobiling had been completed for the Yukon. HCA used the same approach used in Nunavut to calculate the economic measures of direct impact, total economic impact, GDP, and Jobs based on a ratio of the number of registered snowmobilers compared to Saskatchewan. These ratios were then applied to the number of registered snowmobilers in the Yukon to estimate financial economic impacts and number of direct and indirect/induced jobs for the territory.

New Brunswick – HCA reviewed the 2019 *Snowmobile Economic Impact Study* conducted by the New Brunswick Federation of Snowmobile Clubs (NBFSC). This study collected online survey data from 1,137 snowmobilers across the province, using a multiplier to generate estimates for the 19,100 permit holders across the province. Using a provincial input-output model the study provided data on total direct expenditures, total economic activity, GDP, and direct and indirect/induced jobs. As the study was completed in 2019 no CPI ratio was needed to bring data to 2019 constant dollars.

Nova Scotia – The figures for the economic impact for Nova Scotia were calculated based off of a 2015 off-highway vehicle (OHV) study conducted by Nova Insight Inc. HCA applied a consumer price index to bring direct expenditure figures to 2019 constant dollars. National ratios of direct expenditures to total economic activity (1.70) and direct expenditures to GDP (0.60) were applied to estimate the total economic impact for the province. As the ratio of registered snowmobiles in New Brunswick is approximately three to every one registered snowmobile in Nova Scotia, a ratio of 0.37 was applied to estimate direct and indirect/induced jobs for the province.

Northwest Territories – No recent economic assessment of snowmobiling had been completed for the NWT. HCA used the same approach used in the Yukon and Nunavut to calculate the economic measures of direct impact, total economic impact, GDP, and Jobs based on a ratio of the number of registered snowmobilers compared to Saskatchewan. These ratios were then applied to the number of registered snowmobilers in NWT to estimate financial economic impacts and number of direct and indirect/induced jobs for the territory.

Prince Edward Island – HCA reviewed the 2016 *Economic Impact Study* conducted by the Atlantic Evaluation Group on behalf of the PEI snowmobile association. The study surveyed 344 snowmobilers across the province to collect data on spending habits and snowmobiling activity. The study then used multipliers to calculate direct expenditures, economic impact, GDP, and job estimates for the province. As the study was conducted in 2016 HCA applied the consumer price index to bring the dollar figures up to 2019 constant dollars.



Special Events – Information on the number of special events in a year relating to snowmobiling came from provincial snowmobiling associations, who provided data on single and multi-day events. However, in order to avoid double counting, only data from multi-day events was used to generate this estimate. To arrive at estimated totals, the number of events and event attendance numbers were applied against average tour expenditure data derived through TRIEM in the 2019 *Economic Impact of Snowmobiling in Ontario* study for the OFSC. The results were then applied to the provinces with available event data, and a calculation was completed for a national ratio of registered snowmobiles to annual event expenditures to estimate the national impact. National average ratios were also applied to snowmobile expenditures (direct impacts) to arrive at

as accurate as possible an estimation of **total economic impact of \$108.4 M, GDP of \$48 M, and 1,083 jobs across the country** (See Table 2).

2019 Tax Contribution to Government – Spending and employment resulting from snowmobiling activity is estimated to have contributed to approximately \$1.23 billion dollars in provincial and federal taxes across the country (See Table 2). The average ratio of total taxes generated to direct expenditures, from the full input-output models run in eight out of the 10 provincial reports, was 0.275 in total taxes to one in direct expenditures. When applied to the total national direct expenditures (approximately \$4.5 billion) this produced a total national tax contribution of \$1.23 billion to provincial and federal governments.

Winter Tourism Trends

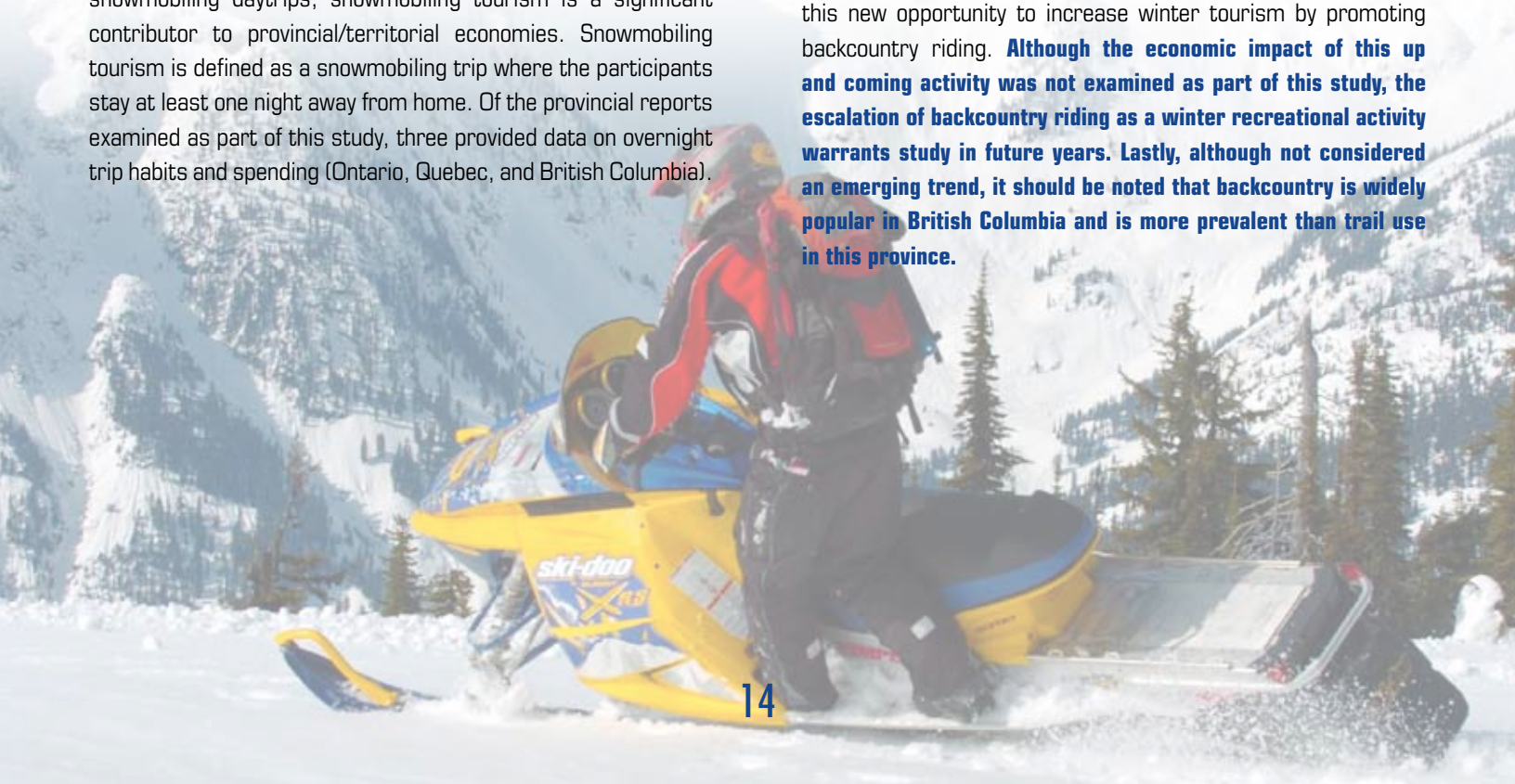
Participation – Snowmobiling is a favourite winter activity among Canadians, with trail riding being prevalent, except for mountain riding throughout British Columbia and a few areas of Alberta. The recent uptake in conducting provincial reports shows a significant interest in determining the economic impact of snowmobiling on our economy (with four provinces completing a new study for the last snowmobiling season). In the 2016, *General Social Survey* conducted by Statistics Canada, it was determined that **approximately 17% of all Canadians participated in snowmobiling** and/or other off-road vehicle use throughout the year.

Snowmobiling Tourism – In addition to recreational snowmobiling daytrips, snowmobiling tourism is a significant contributor to provincial/territorial economies. Snowmobiling tourism is defined as a snowmobiling trip where the participants stay at least one night away from home. Of the provincial reports examined as part of this study, three provided data on overnight trip habits and spending (Ontario, Quebec, and British Columbia).

On average, snowmobilers who went on overnight trips spent 3.9 days away from home and spent an average of \$1,072.33 per trip on fuel, food, and accommodations. Expenditure data was applied to total provincial expenditures to determine a ratio of total expenditures to trip expenditures in order to come up with a national estimate. A ratio of 0.17 was applied to the national expenditure data (minus manufacturing revenue from Quebec) which gives us **a national estimated \$662 million in direct expenditures coming from overnight snowmobiling trips** (See Table 2).

Emerging Trend – Looking forward, backcountry riding is a developing new trend in snowmobiling. In the 2019 *Economic Impact Study of Snowmobiling in Ontario*, snowmobile clubs noted a surge in snowmobiling tourists interested in expanding their riding opportunities beyond established snowmobile trail systems. This growing popularity has already resulted in a significant increase in the Canadian manufacture and sales of purpose-built “crossover” sleds that are also designed for use in deep snow and powder. Meanwhile, backcountry riding has also generated an emergent interest in and sales of a new type of recreational vehicle called “snow-bikes.” Together, these two forms of backcountry riding are gaining in popularity in many parts of Northern Ontario and Quebec, New Brunswick, Manitoba, Saskatchewan, and Alberta, each of whom have prime landscape and weather conditions for backcountry riding. Moreover, backcountry riding also appears to be attracting a new and younger demographic of riders to snowmobiling, one that is bringing both a new generation of participants and generating additional spending during winter in Canada.

Consequently, many of the aforementioned regions are exploring this new opportunity to increase winter tourism by promoting backcountry riding. **Although the economic impact of this up and coming activity was not examined as part of this study, the escalation of backcountry riding as a winter recreational activity warrants study in future years. Lastly, although not considered an emerging trend, it should be noted that backcountry is widely popular in British Columbia and is more prevalent than trail use in this province.**



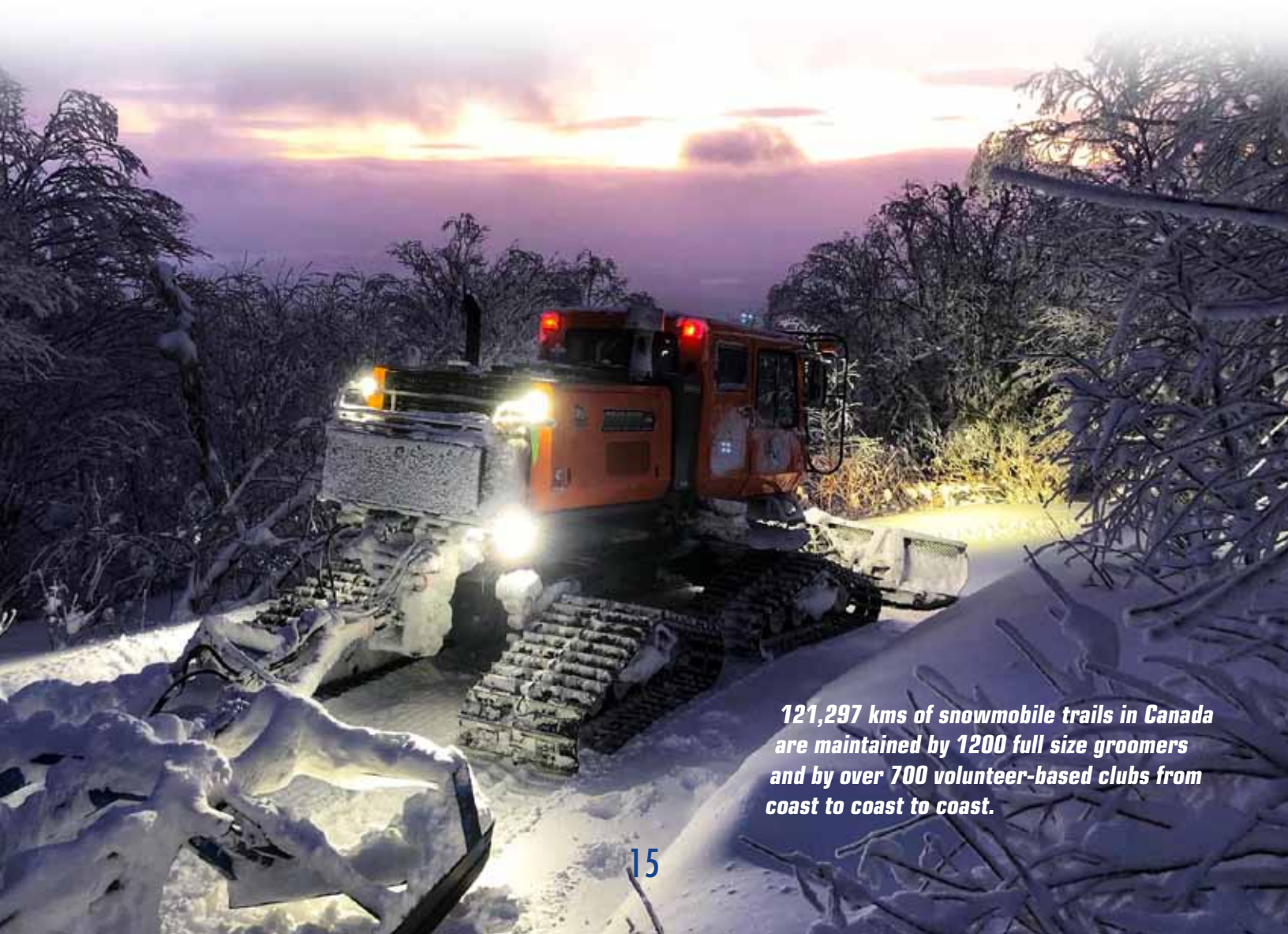
ECONOMIC IMPACT OF SNOWMOBILING IN CANADA: 2016-2019 COMPARISON

Data from the 2016 national study was updated to 2019 constant dollars so that a comparison between the two studies could be made. Looking at changes over the last four years, the data shows that snowmobiling has remained a constant economic force across Canada. **Since 2016, direct expenditures from snowmobiling related activities has increased by \$660.4 million dollars and GDP is up nearly \$1.4 billion** (See Table 3).

Likewise, total economic activity produced by snowmobiling across the country has **increased by \$1.2 billion** since 2016.

TABLE 3: Economic Impact of Snowmobiling 2016-2019 Comparison

Year	All figures adjusted to 2019 constant dollars \$CDN (millions)		
	Direct Expenditures	Total Economic Activity	GDP
2016	\$3,823.5	7,989.2	\$1,621.0
2019	\$4,483.9	\$9,340.7	\$2,791.4



121,297 kms of snowmobile trails in Canada are maintained by 1200 full size groomers and by over 700 volunteer-based clubs from coast to coast to coast.

SUMMARY AND CONCLUSION

On the trails, and in the mountains or backcountry regions, snowmobiling is a vibrant and robust recreational activity from coast to coast in Canada. Snowmobilers are contributing directly to the Canadian economy through a wide variety of material and service purchases, including (but not inclusive of):

- New and used snowmobiles
- Snowmobiling equipment and accessories
- Snowmobile maintenance
- Trip meals and accommodations
- Fuel
- Membership and permit fees

National Impacts

Economic – The direct spending by snowmobilers in Canada was estimated to have contributed to nearly \$4.5 billion in direct economic impact to Canada’s economy in 2019. This translates to approximately \$2.8 billion in gross domestic product (See Table 4). The direct expenditures also contribute to a wider scope of economic activities, contributing to indirect supplier spending and induced employee spending. Direct expenditures serve to generate employment in a variety of sectors (e.g. retail, gas, food services) serving the needs of snowmobilers. Taking into consideration these broader economic impacts, it is estimated that **snowmobiling and snowmobile supported economic activity has contributed to over 41,000 jobs in Canada and generated \$9.3 billion in total economic impacts in 2019. Taxes generated from the economic activity associated with snowmobiling is estimated to have contributed approximately \$1.2 billion** (See Table 4).

Snowmobiling not only impacts the economy on a provincial scale but is **a significant contributor to local and rural economies**

during traditionally dormant winter months through snowmobiling spending at local stores, gas stations, and restaurants. In the 2019 economic impact study in Ontario, key informants noted that many rural restaurants would struggle to stay open in the winter months if not for snowmobiling tourism.

Snowmobiling Events and Activities – Snowmobiling events are also prevalent throughout the country, with local, provincial, and national associations holding hundreds of single- and multi-day events throughout the year. **Snowmobiling events alone generate \$108 million dollars in total economic activity for the country** (See Table 2). In addition to general contributions to local and provincial economies, **the cultural and economic contribution of snowmobile manufacturing in Quebec represents another important economic driver in the snowmobile sector.**

Snowmobiling Impacts Not Included in This Study

In-Kind Contributions – It is essential to note the unquantified value of two in-kind contributions that make organized snowmobiling possible, and thus, the benefits it generates across Canada. First, a dedicated army of volunteers build, maintain, and operate organized snowmobile trails through over 700 local snowmobile clubs. Although not currently measured in this study, the voluntary, year-round labour, efforts, and expertise of club volunteers doubtlessly adds tremendous value to the total economic impact of snowmobiling in Canada. Second and equally important, is the contribution of free land use provided by generous landowners for snowmobile trails. The total value of this annual donation to organized snowmobiling has never been calculated either but would also significantly increase the total

TABLE 4: National Economic Impacts

	Economic Measure	National Impact
2019 Constant Dollars (millions)	Direct impact	\$4,483.9
	Total economic activity	\$9,340.7
	GDP	\$2,791.4
	Taxes	\$1,233.1
Jobs	Direct	25,773
	Indirect/induced	15,705
	Total Jobs	41,478

economic impact of snowmobiling in Canada. The value of these in-kind contributions and volunteer hours warrants further study in order to gain a fuller understanding of the economic impact of snowmobiling related activities in Canada.

Snowmobiles as Essential Use Vehicles – As noted in the introduction, snowmobiles remain essential use vehicles in many parts of Canada. These various uses and their impacts have not been studied or nationally quantified.

Non-organized Uses – This study makes the important distinction between organized and non-organized snowmobiling for recreational purposes. Since tourism-related, organized snowmobiling activities are our area of focus herein, and also the primary generator of measurable economic impacts, non-organized uses have not been evaluated.

Regions Without Studies – As addressed in this report, several provinces/territories have not conducted studies on the

economic impacts of snowmobiling. So, data on current activities in some regions is not available. Given the scale of the activity being undertaken in the snowmobile sector across the country, these understudied regions warrant assessment.

To truly capture the economic and cultural impact of snowmobiling in Canada, we must investigate and recognize all the roles snowmobiles have played both as recreational and essential vehicles across the country. **Snowmobiling impacts hundreds of thousands of Canadians both directly and indirectly every year, and the significant economic activity generated by snowmobiling reflects the important place it holds in the culture and lives of Canadians.**

In addition to general contributions to local and provincial economies, **the cultural and economic contribution of snowmobile manufacturing in Quebec represents another important economic driver in the snowmobile sector.**



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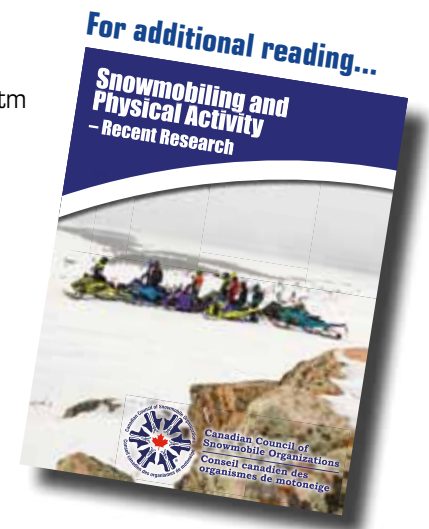


PHOTO CREDITS

Photos provided by CCSO Board Members
& Craig Nicholson - The Intrepid Snowmobiler

ABOUT THE CCSO

The Canadian Council of Snowmobile Organizations (CCSO) is a volunteer led, not-for-profit national organization which through strong leadership provides support to our members and provides the unified voice of organized snowmobiling at the national and international levels. It is a not-for-profit entity formed in 1974 to serve as the umbrella group for organized recreational snowmobile associations in Canada.

The CCSO envisions that across Canada, organized snowmobile trail networks and riding areas provide a lasting legacy of responsible riding experiences that are highly valued, safe, enjoyable, sustainable and environmentally friendly





DID YOU KNOW?

A man hiking exerts 10 times more pressure per square inch than a snowmobile?

Numerous studies have concluded that “there were no detrimental effects” to soil or vegetation from snowmobiling. Snowmobiles utilize state-of-the-art technology to comply with advanced emission standards.

Snowmobile sound levels have been reduced 94% compared to early models.

Studies show wildlife is disturbed less by snowmobiles than by people on foot.



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