

TRADEX

2019 Economic Impact EXECUTIVE SUMMARY

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FRASER VALLEY TRADE & EXHIBITION CENTRE

EXECUTIVE SUMMARY

The principal aim of this report is to determine the economic importance that the Fraser Valley Trade & Exhibition Centre (TRADEX) has on the municipality of Abbotsford and on BC as a whole based on 2019 performance. It measures the contributions to Gross Domestic Product (GDP), Labour Income, Employment, and Taxes. This analysis measures spending impacts from three categories:

1. TRADEX OPERATION - Direct TRADEX spending activities pertaining to each of three event groupings – “consumer” events, “trade” events, and “other” events (this latter group comprising community events and sport-related activities);
2. ORGANIZERS & EXHIBITORS - Activities (spending) related to Organizers and Exhibitors (O&E) of each TRADEX group; and
3. ATTENDEES - Activities (spending) related to attendees of each TRADEX group.

Financial data for 2019 from TRADEX identifying detailed revenues and expenses allocated to each group was mapped to their appropriate I/O categories, the various taxes identified, and the wholesale, retail and transportation margins re-allocated. These estimates were then run through the latest BC Regional Input-Output Model to determine the direct, indirect, and induced impacts on Abbotsford and, separately, on the rest of BC and include data on domestic output, GDP, labour incomes, employment (jobs and FTEs) and detail taxes.

Findings

Total direct spending impacts in Abbotsford from all TRADEX related activities in 2019 is estimated at **\$19.3 million**. The following tables shows the impacts from the three categories mentioned above.

Table 1.1

	TRADEX OPERATION	ORGANIZERS EXHIBITORS	ATTENDEES	TOTAL
Direct Spending Impacts	\$3,498,437	\$5,627,803	\$10,193,102	\$19,319,341

After taking into account all direct, indirect and induced impacts, TRADEX activities provided **\$22.3 million** of economic activity in Abbotsford in 2019:

Table 1.2

	TRADEX OPERATION	ORGANIZERS EXHIBITORS	ATTENDEES	TOTAL
Direct, Indirect, & Induced Impacts	\$3,969,481	\$6,590,082	\$11,743,729	\$22,304,529

Indirect Impacts: the impacts resulting from the expenses (goods and services) of a firm or industry used in the production process. The purchase of goods or services increases the economic activity of the supplying firms and, in turn, the supplying firms themselves must purchase their own goods and services which generates further economic activity in those supplying firms.

Induced Impacts: the impacts resulting from the wages and salaries paid by a firm or industry. When the wages and salaries are spent (less taxes and savings), the economic activity of the firms supplying those goods and services increases. As well, the supplying firms themselves will pay additional wages and salaries to their own employees which, when spent, generates more economic activity.

As shown in Table 1.3 below, Income, Employment and Taxes in Abbotsford are significant, contributing in total almost \$9.0 million in GDP, \$6.3 million in wages and generating 422 jobs and \$355,465 million in taxes. For the BC economy as a whole, the province gained over \$12.7 million in GDP due to Tradex activities, almost \$8.8 million in Labour Income with 464 jobs created, and governments were \$4.3 million better off because of Tradex.

Table 1.3

	DIRECT IMPACTS	TOTAL IMPACTS IN ABBOSTFORD	TOTAL IMPACTS IN BC
Spending Impacts	\$19,319,341	\$22,304,529	\$32,262,610
GDP	\$8,042,172	\$8,907,380	\$12,793,300
Labour Income	\$5,789,417	\$6,348,094	\$8,736,340
Employment (jobs)	410	422	464
Employment (FTE's)	138	147	180
Total Taxes	\$3,252,207	\$3,522,257	\$4,373,988
<i>Federal</i>	<i>1,508,021</i>	<i>1,624,215</i>	<i>2,025,55</i>
<i>Provincial</i>	<i>1,435,584</i>	<i>1,494,416</i>	<i>1,859,965</i>
<i>Municipal</i>	<i>308,602</i>	<i>355,465</i>	<i>488,472</i>

Summary Impacts by Event Types

Besides examining the economic impacts of all TRADEX activities and their constituent parts (Trade operations, Organizers and Exhibitors, and Attendees), the analysis also assessed the total impacts by Event type: consumer events; trade events; and other events (which includes meetings/banquets, conferences and sporting events). These impacts on the City of Abbotsford are summarized below:

Table 1.4

	CONSUMER EVENTS	TRADESHOW EVENTS	OTHER EVENTS	TOTAL
Direct, Indirect, & Induced Impacts	\$16,791,055	\$2,895,342	\$2,616,895	\$22,304,529

Given the current mix of events, Consumer Events represent the greatest impacts as compared to Tradeshow Events and Other Events generating approximately 75% of all spending.

Comparison to 2016 Performance

A previous TRADEX Economic Impact Analysis was conducted by Pacific Analytics in 2017 that was based on 2016 performance. In summary, the following changes are noted from 2016 to 2019:

- Total Impacts grew by nearly 30% locally (\$5,084,564) and 30% provincially (\$7,251,793)
- GDP grew by 45% locally (\$2,768,794) and 41% provincially (\$3,750,267)
- Labour incomes grew by ~45% in Abbotsford as did taxes going to Abbotsford municipal government
- Jobs did not grow as fast, but this was partly due to more of the jobs being longer-term.