

# ECONOMIC IMPACT OF CRUISE TOURISM IN ATLANTIC CANADA

**Department of Economics  
Visiting Speaker: Burc Kayahan**

**March 15, 2019 3:00-4:30 P.M.  
Arts & Admin Bldg. Rm A1043**

Cruise tourism is the fastest growing segment of leisure tourism since 1990 and is becoming an increasingly important source of revenue in Atlantic Canada. Cruise associations report impact estimates in the millions of dollars. However, there is a substantial body of literature that point out deficiencies of such self-reported statistics by cruise associations.

The primary objective of the proposed research is estimating the economic impact of cruise tourism in Atlantic Canada by taking indirect and external factors that are associated with costs and benefits of this type of tourism. The proposed study covers the four main ports in Atlantic Canada: Saint John, Halifax, Charlottetown and St. John's. Visitor surveys were conducted in the summer of 2016 and 2017 to collect information on demographics, visitation and spending patterns of cruise passengers.

Preliminary results, calculated using the survey information from for both survey years, suggest that average cruise passenger spending per person (2016 constant dollars) is approximately \$60 in Halifax and Charlottetown, \$53 in Saint John and \$40 in St. John's. Similarly, average cruise ship crew expenditures per person is roughly \$20 less than the average cruise passenger expenditures.

The economic impact of the cruise industry in Atlantic Canada will be estimated using Statistics Canada's input-output (IO) model that takes provincial interlinkages into account. Preliminary results show that the total value-added created by operation of the cruise industry in Atlantic Canada was estimated to be \$33 million in Atlantic Canada and \$23 million in the rest of Canada.

The relative contribution of the cruise industry to the tourism sector in a given province can also be calculated using the results of the IO model. For example, using the Tourism Nova Scotia data, the relative contribution of the cruise industry to the provincial tourism sector is estimated to be 2-3% in 2016. Preliminary results indicate that although cruise industry plays an essential role in the regional economy of Atlantic Canada, its relative contribution to the tourism sector is modest.



Burc Kayahan graduated from the PhD program in the Department of Economics at the University of Guelph in 2007. Currently, he is an Associate Professor at the Department of Economics in Acadia University. His research interests are in applied econometrics, tourism economics and environmental economics. His current research agenda is focused on estimating the economic impact of cruise tourism in the Maritimes and environmental justice literature in Canada. He has been the president of the Atlantic Canadian Economics Association during the 2013 – 2017 period and he is a member of the Canadian Economics Association

**This event is open to the public**  
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