Government revenue attributable to tourism, 2011

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Tourism generated $21.4 billion in tax and other revenue for governments in Canada in 2011, up 6.6% from 2010.

Most of the gain was the result of a 7.4% increase in government revenue directly related to tourism spending in Canada by Canadians. Revenues resulting from spending by international visitors increased 3.8%.

International visitors accounted for 22% of total government revenue from tourism in 2011, while Canadians accounted for 78%.

Every $100 of tourism spending by international visitors generated $30.85 in government revenue, while every $100 spent by Canadians in Canada generated $26.30.

The gap reflects differences in spending patterns (that is, international visitors spend more than Canadians on more highly taxed items like recreation and entertainment, including casinos) as well as tax credits on travel expenses for Canadian business travellers.

Over half of the government revenue from tourism, or $11.2 billion, came from taxes on products such as the Goods and Services Tax and provincial sales taxes in 2011. Taxes on income from employment and business profits generated $4.7 billion.

Another $2.8 billion was raised through other taxes on production and intermediate inputs, while contributions to social insurance plans amounted to $2.3 billion. Government sales of goods and services to tourists added $483 million.

Table 1
Government revenue attributable to tourism

	2010	2011	2010 to 2011
	millions of dollars		% change
Level of government	**20,054**	**21,372**	**6.6**
Federal	9,017	9,623	6.7
Provincial and territorial	9,821	10,454	6.4
Municipal	1,216	1,295	6.5
Source of revenue	**20,054**	**21,372**	**6.6**
Income taxes	4,427	4,671	5.5
Other taxes on production[1]	2,556	2,796	9.4
Taxes on products (final sales)	10,506	11,171	6.3
Contributions to social insurance	2,095	2,250	7.4
Sales of goods and services	470	483	2.6

1. Including taxes on intermediate inputs.

Note to readers

Estimates of the government revenue directly attributable to tourism have been updated for 2010 and 2011 and revised for 2008 to 2009. Revenue is net of input tax credits to businesses, in particular for the Goods and Services Tax (GST) paid on business travel, and net of rebates of the GST to visitors from other countries, when applicable. These estimates are based on data available prior to the historical revision of the System of National Accounts.

This report was funded by the Canadian Tourism Commission and is part of a suite of products relating to tourism including the National Tourism Indicators and the Tourism Satellite Account.

Definitions, data sources and methods: survey number 1910.

The paper "Government Revenue Attributable to Tourism, 2011" is now available as part of the *Income and Expenditure Accounts Technical Series* (13-604-M) from the *Browse by key resource* module of our website under *Publications*.

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