

TOURISM INDUSTRY

The World Tourism Organization defines tourism as “the activities of persons traveling to and staying in places outside their usual environment for not more than one consecutive year for leisure, business and other purposes”. Goods or services that are provided to visitors directly are classified as comprising the tourism industry. In essence, the network of businesses, organizations and agencies that provide transportation, products, food and beverage services, accommodation, recreation, entertainment and programs to meet the needs of tourists encompass the tourism industry. Tourism is impacted by exchange rates, real disposable income, economic outlook of the home country, as well as non-economic factors such as wars and disease.

Canadian Tourism

Canada’s tourism is fuelled by the country’s people, culture, landscapes and geography. The country and its people provide tourists with a variety of experiences, ranging from trail hikes and trekking, lobster feasts and wine festivals, shopping and spa experiences, to beaches and skiing. Canada offers cities, beaches, rural getaways, nature, food and wine, indigenous culture, sport, art and nightlife.

Tourists in Canada consist of residents who travel within and explore Canada as well as international residents who experience the wonders of Canada and its people. Top tourist activities include shopping, sightseeing, participating in sports/outdoor activities, visiting friends or relatives, visiting a historical site, visiting a national or provincial nature park, visiting a museum or art gallery, attending cultural events and visiting a zoo, aquarium or botanical garden.

In 2005, tourism spending in Canada totaled \$62.7 billion, an increase of 7.2 percent over 2004. Canadians accounted for \$45.2 billion or 72.1 percent of the spending, while foreigners spent the remainder at \$17.5 billion. In the same year, total tourism Gross Domestic Product (GDP) was \$26.1 billion, accounting for 2.0 percent of the country’s GDP. About 625,800 people were employed in Canada’s tourism sector, an increase of 1.6 percent over 2004. In total, 18.6 million overnight trips were made in 2005 by international tourists.

Alberta Attracts

The safety, security, magnificent scenery, and diverse tourism opportunities in Alberta, along with its hospitality and service-related businesses attract provincial, national and international tourists. In fact, tourism is one of the leading industries in the province, directly employing over 80,000 Albertans. This industry generated more than \$4.96 billion in annual revenue in 2004 (an 8.4 percent increase over 2003), with over half of this amount attributed to out of province visitors. Key international markets include Australia, Germany, Austria, Japan, New Zealand, Switzerland, Taiwan, United Kingdom and the United States.

Alberta is home to five of Canada’s 13 UNESCO World Heritage Sites:

- Canadian Rocky Mountain Parks
- Waterton Glacier International Peace Park
- Head Smashed-In Buffalo Jump
- Wood Buffalo National Park
- Dinosaur Provincial Park

The Tourism Industry is comprised of five components:

1. **Tourism Attractions** (reasons people to visit the region):

- Adventure Travel and Recreation
- Attractions
- Festivals and Events
- Meetings, Conventions and Incentive Travel

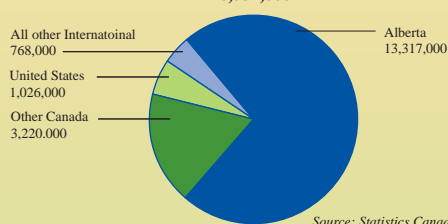
2. **Tourism Services** (accommodations and hospitality services that service visitors.

3. **Tourism Infrastructure** (basic amenities that visitors require when visiting, including signage, and transportation components).

4. **Tourism Hospitality** (service that is received by visitors that determines satisfaction with the experience).

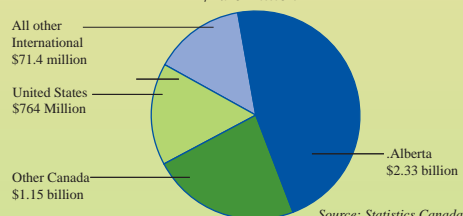
5. **Tourism Promotion** (how the region is marketed to the visitors and includes websites, brochures, tradeshow, etc.)

Number of Visitors to Alberta (2004)
18,331,000



Source: Statistics Canada

Tourism Spending In Alberta (2004)
\$4.96 Billion



Source: Statistics Canada

Cost of Doing Business in SouthGrow

According to the 2006 KPMG Competitive Alternatives Guide to International Business Costs, Lethbridge, part of the SouthGrow region, has an overall cost advantage of 8.7 percent relative to the United States:

| | |
|-----------------|-------|
| Lethbridge, AB | 91.3 |
| Edmonton, AB | 93.3 |
| Calgary, AB | 94.7 |
| Saskatoon, SK | 92.8 |
| Kelowna, BC | 93.3 |
| Brandon, MB | 91.1 |
| Boise, ID | 99.2 |
| Dallas, TX | 101.2 |
| Chicago, IL | 100.8 |
| Minneapolis, MN | 103.8 |
| Chicago, IL | 100.8 |
| Minneapolis, MN | 103.8 |

NOTE: US=100

SouthGrow Region

Tourism is strong in the region given the varied natural landscapes and exceptional natural attractions. The SouthGrow region attracts an average of 550,000 visitors annually. Seventy percent of those visitors are Albertans.

In 2004, Alberta South received 14 percent of the total person visits to Alberta. Almost one-fifth of the province's American person visits and 14 percent of Alberta resident visits were to locations in the Alberta South Region. About 7 percent of the province's visitors who were overseas residents visited the region. Tourism in the Alberta South region in 2004 generated \$330 million in consumer spending, an increase of nearly 15 percent over 2003.

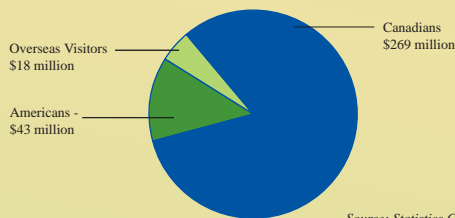
Average Wages

Average wages for selected positions in the sector are:

| NOC | Occupational Title | Average Wage/Hour |
|------|---|-------------------|
| 0631 | Restaurant and Food Service Manager | \$14.00 |
| 0632 | Accommodation Services Manager | \$14.63 |
| 5124 | Professional Occupations in Public Relations & Communications | \$23.41 |
| 6421 | Retail Salesperson & Sales Clerk | \$12.63 |
| 6435 | Hotel Front Desk Clerk | \$8.96 |
| 6453 | Food and Beverage Servers | \$7.18 |
| 6611 | Cashier | \$10.23 |
| 6672 | Guest Services Attendant | \$12.52 |

Source: 2005 Alberta Wage & Salary Survey – Lethbridge-Medicine Hat Region

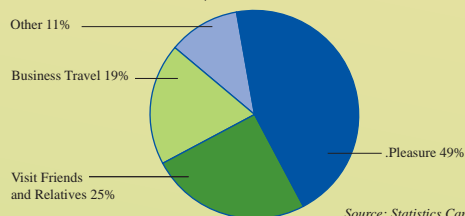
Tourism Spending in Alberta South (2004)
\$330 million



Source: Statistics Canada

Pleasure trips accounted for 45% of all overnight trip expenditures in the region, followed by trips to visit friends and relatives (25%) and business travel (19%)

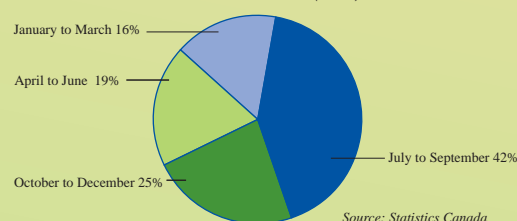
Overnight Spending In Alberta South (2004)
\$283 million



Source: Statistics Canada

Visitors to the region enjoy Alberta South year-round. The most overnight visits took place between July and September, followed by October to December.

Visits to Alberta South (2004)



Source: Statistics Canada



SouthGrowN Successes

The SouthGrow's spectacular scenery includes the foothills, Rocky Mountains, valleys, rolling prairies, lakes, and historic and cultural sites. The region offers hiking, skiing, fishing, boating, swimming and authentic western Canadian traditions like ranch get-a-ways. Attractions in the region include:

- Alberta Birds of Prey Centre (Coaldale)
- Alberta Temple (Cardston)
- Appaloosa Horse Museum (Claresholm)
- Claresholm Museum
- Devil's Coulee Dinosaur & Heritage Museum (Warner)
- Fort Whoop-Up Interpretive Centre (Lethbridge)
- Galt Museum & Archives (Lethbridge)
- Helen Schuler Coulee Centre (Lethbridge)
- Museum of Miniatures (Cardston)
- Nikka Yuko Japanese Gardens (Lethbridge)
- Prairie Acres Museum (Picture Butte)
- The Remington Carriage Museum (Cardston)
- Vulcan Tourism & Trek Station
- Writing-On-Stone Provincial Park (County of Warner)

Industry Supports

- Canadian Tourism Commission - www.canadatourism.com
- Travel Alberta - www.travelalberta.com
- Alberta Bed & Breakfast Association - www.bbalberta.com
- Alberta Country Vacations Association - <http://albertacountryvacation.com/>
- Alberta Golf Association - <http://www.golfaga.org>
- Alberta Hotel & Lodging Association - <http://www.albertahotels.ab.ca/>
- Alberta Outfitters Association - <http://www.albertaoutfitters.com/>
- Alberta Professional Outfitters Association - <http://www.apos.ab.ca>
- Alberta Recreation and Parks Association - <http://www.sport.ab.ca>
- Alberta Restaurant and Foodservices Association - <http://www.arfa.net/>
- Alberta Snowmobile Association - <http://www.altasnowmobile.ab.ca>
- Alberta Whitewater Association - <http://www.albertawhitewater.ca/>
- Association of Canadian Mountain Guides <http://www.acmg.ca>
- Association of Canadian Travel Agents - / www.acta.ca
- Alberta Museums Association - www.museumsalberta.ab.ca/
- Alberta Off-Highway Vehicle Association - www.aohva.com/
- Alberta Employment, Immigration, and Industry - www.alberta-canada.com
- Chinook Country Tourism - www.chinookcountry.com

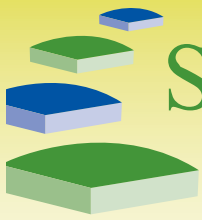
The SouthGrowN Advantage

- **Climate** – SouthGrow is characterized by warm summers and mild winters, with close to 2,400 hours of sunshine.
- **Location** – SouthGrow is located on the major Canadian transportation routes for both east/west and north/south highway routes. It is located on the CanaMEX corridor with close proximity to the United States border, allowing for easy connection to the interstate system to all major US cities. Four of Alberta's six Ports of Entry are in the Southgrow region.
- **Supports** – The region is home to two quality post-secondary educational institutions: Lethbridge College and University of Lethbridge.
- **Abundance of Tourism Assets** – The area is rich in aboriginal and other cultural as well as recreational assets.
- **Low Cost** – Real estate costs in the region are less than those in other major centres in Western Canada, and the province has a competitive corporate tax rate for manufacturers and processors. There are no capital or payroll taxes, and no provincial sales tax. Albertans also benefit from the lowest overall taxes in Canada.
- **Experience and Diversity** – The region's natural resources, clean environment and scenic beauty along with rich cultural heritage has resulted in many successful tourism ventures.
- **Population** – There is an increasing population growth with a young and ready supply of trained labour (over 50% have some level of post-secondary education). In addition, growth due to in migration from both domestic and international sources is expected to continue.

Opportunities

There are many opportunities in the SouthGrow region:

- Aboriginal Tourism
- Adventure Tourism
- Bed & Breakfast
- Campgrounds
- Conference Services
- Cultural Heritage Tourism
- Cycle Tourism
- EcoTourism
- Country Vacations Guest Ranches
- Cuisine Tourism
- Festival Tourism
- Resort Tourism
- Ski and Snow Board Tourism
- Snowmobile and Off-Highway Vehicle Tourism
- Spa
- Sports Tourism



SouthGrow

Regional Initiative

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 Website: www.southgrow.com

SouthGrow Regional Initiative is about creating opportunities ... for and with the twenty-six member communities in south-central Alberta. The region includes the City of Lethbridge, a regional hub and a key centre on the north/south corridor with air, rail and highway service. In addition to three major highways (3, 4 and 5) that run through the region, the Alberta portion of the CanaMEX corridor which is a twinned highway system that starts in Mexico City and will eventually end in Anchorage, Alaska also runs through the region. Most communities are within an hour of the U.S. border and major 24 hour port of entry Sweetgrass/Coutts, allowing access to all markets. Calgary and Edmonton are 235 km and 514 km, respectively from the centre of the SouthGrow region.

SouthGrow Regional Alliance has unique characteristics that provide the people that live, work and do business in the region with many advantages. We have:

- A strong education and research cluster.
- An entrepreneurial orientation with many successful established companies.
- A varied landscape providing opportunities in agriculture, manufacturing, tourism and other industries.
- A strong economic base that allows businesses, employees, residents and investors to grow and flourish in the region.
- Varied cultural assets providing a quality of life and opportunity to be enriched through diversity second to none.
- A young population and high quality of life creating opportunities for investors in a variety of industries.
- Trust, respect, and a spirit of collaboration and partnership amongst our members that contributes to the success and sustainability in the region.



SouthGrow Specifics

- Population: 136,300 in 2005 (an increase of 11.08% over 2001).
- Time Zone: Mountain Standard Time Zone
- Climate: Mild winters and warm summers, with close to 2,400 hours of sunshine per year; 140 crop days annually.
- Commercial Airport: Lethbridge County Airport
- U.S. Border Crossings: Coutts/SweetGrass (24 hour, 7-day, Commercial), Carway/Peigan, Del Bonita, Chief Mountain.
- Rail Access: Canadian Pacific Railway with main line and trackage in all four directions at Lethbridge.
- Major Highways: #'s 2, 3, 4, and 5
- Major Source of Water: Oldman River Sub Basin
- Air Quality: Air Quality Index was rated "Good" over 96% of the time (2006).
- Waste Management: Five waste management commissions/authorities in the region.
- Primary/Secondary Education: Numerous school divisions providing public, private, and separate (francophone, catholic and alternative) education.
- Post-Secondary Education: Lethbridge College and University of Lethbridge.
- Health Care: Chinook Health and Calgary Health Region oversees the health care needs of the region's residents.

We Are

- | | |
|-----------------------|----------------------|
| City of Lethbridge | Village of Carmangay |
| Town of Cardston | Village of Coutts |
| Town of Clareholm | Village of Champion |
| Town of Coaldale | Village of Milo |
| Town of Coalhurst | Village of Nobleford |
| Town of Magrath | Village of Stirling |
| Town of Milk River | Village of Warner |
| Town of Picture Butte | Cardston County |
| Town of Raymond | County of Lethbridge |
| Town of Taber | MD of Taber |
| Town of Vauxhall | Vulcan County |
| Town of Vulcan | County of Warner |
| Village of Barons | Blood Tribe |

SouthGrowN
People, Products, Pride

