NOVA SCOTIA TOURISM INDUSTRY SNAPSHOT

TOURISM INDUSTRY GOAL

$4 billion in tourism revenues by 2024

Goal #14 of the Ivany Report

2016 PERFORMANCE

Best tourism year on record and third consecutive year of tourism growth:
- 2.2 million (estimated) non-resident overnight visitors
- $2.6 billion (estimated) in tourism revenues
- $125 million more than 2015
- 5% increase compared to 2015
- 28% increase compared to 2010

TOURISM SECTOR IMPACTS

<table>
<thead>
<tr>
<th></th>
<th>2010 ESTIMATE</th>
<th>2016 ESTIMATE</th>
<th>CHANGE</th>
<th>2024 ESTIMATE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tourism revenues</td>
<td>$2.0 billion</td>
<td>$2.6 billion</td>
<td>+$575 million</td>
<td>$4 billion</td>
</tr>
<tr>
<td>Provincial taxes</td>
<td>$131 million</td>
<td>$168 million</td>
<td>+$37 million</td>
<td>$260 million</td>
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<tr>
<td>(direct + spin-off)</td>
<td></td>
<td></td>
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<tr>
<td>Provincial GDP</td>
<td>$722 million</td>
<td>$928 million</td>
<td>+$206 million</td>
<td>$1.4 billion</td>
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</tbody>
</table>

TOURISM SECTOR IMPACTS

TOURISM REVENUES BY REGION

Cape Breton 12.3%
Fundy Shore & Annapolis Valley 14.5%
Northumberland Shore 8.3%
Eastern Shore 1.3%
Halifax Metro 53.5%
South Shore 8.0%
Yarmouth & Acadian Shores 2.2%

TOURISM REVENUES BY SECTOR

Restaurants 18%
Vehicle operation 17%
Transportation 16%
Accommodations 15%
Shopping 14%
Groceries 8%
Sports, culture & entertainment 7%
Rental & local transportation 4%
AN EXPORT INDUSTRY

Tourism is an EXPORT industry worth $1.5 billion in 2016:

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<thead>
<tr>
<th></th>
<th>DIRECT</th>
<th>SPINOFF</th>
<th>TOTAL</th>
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</thead>
<tbody>
<tr>
<td>Employment</td>
<td>122 years</td>
<td>102 years</td>
<td>223 years</td>
</tr>
<tr>
<td>Household income ($000s)</td>
<td>$4,338</td>
<td>$5,068</td>
<td>$9,405</td>
</tr>
<tr>
<td>Provincial government revenue ($000s)</td>
<td>$450</td>
<td>$522</td>
<td>$1,002</td>
</tr>
<tr>
<td>HST on overseas visitor purchases ($000s)</td>
<td>$561</td>
<td>—</td>
<td>$561</td>
</tr>
</tbody>
</table>

Tourism GDP is larger than 3 of Nova Scotia’s primary industries combined:
- Tourism: $823 million
- Mining: $356 million
- Agriculture: $297 million
- Forestry: $55 million

Based on 2013

FACT

An incremental 10,000 overseas visitors to Nova Scotia would generate $16 million in tourism revenues, and have the following economic impacts:

AN IMPORTANT INDUSTRY

SURVEY SAYS...

61% of Nova Scotia residents feel tourism is critically important to Nova Scotia’s Economy.

Source: CRA Atlantic Quarterly Survey, February 2016

AN ENABLING INDUSTRY

Urban and rural job creation

Approximately 5% of Nova Scotians are employed in the tourism industry.

Tourism is an enabler:
- Industry growth: beverage and alcohol, construction, retail, restaurants.
- Government programming (through taxation).
- Air access and transportation.
- New business investment.
- Entrepreneurship.
- Innovation and diversification.
- Pride of place.