



## City of Kalamunda – Economic Impact of Events Summary

### 1. Introduction

- a) Events and festivals are one of the fastest growing forms of tourism.
- b) It is becoming increasingly popular as a means to revitalise local economies.
- c) Events can range from a one-or two-day sporting event to a month-long arts/music festival.
- d) Events include fairs, markets, festivals (e.g. musical or arts/cultural), sporting, agricultural.
- e) Business events are defined as any public or private activity of a minimum of 15 people with a common interest of vocation, held in a specific venue(s) and hosted by an organisation(s).
- f) Business events covers meetings, incentives, conventions and exhibitions (MICE).
- g) Events create reasons for people to travel and engage in leisure and hospitality activities

### 2. Social and community benefits of events

A summary of claimed social and community benefits of events includes, but is not limited to:

- a. catalyst for participation and engagement
- b. raising the profile of an area (putting it on the map)
- c. strengthens relationships within a community bringing it closer together
- d. fosters pride in a community
- e. enhances existing community resources
- f. enhances a city's liveability

### 3. Economic benefits of events

The two main economic consequences of events are impact on expenditure generated within a specific area and impact on the workforce.

A summary of claimed economic benefits of events includes, but is not limited to:

- a. stimulates a local area
- b. increases visitor yield
- c. brings a cash injection from out of town visitors
- d. encourages ongoing investment in infrastructure
- e. contributes to employment

### 4. Benefits of Business events

The Business Events Council of Australia (BECA) claims that in addition to generating employment and revenue, business events foster trade, export, investment, diplomacy, education, knowledge transfer and stimulate the visitor economy.



## 5. Measuring Economic Impacts of Events

- a) The inputs required to determine economic impacts of events are:
  - i. Number of attendees
  - ii. Duration of event
  - iii. Estimated expenditure per attendee
- b) It may be useful to classify events in order against criteria (timing of the event, location of event or event theme) to assess economic performance.
- c) The City of Kalamunda has at its' disposal, online economic calculators for estimating the economic impact of events in terms of contribution to Gross Regional Product (GRP) and jobs. These are available on the public facing City website and assistance can be sought from the Economic Development specialist.

## 6. City of Kalamunda Event Impact Case Studies

- a) A number of actual City of Kalamunda Events have been used as the basis for economic impact scenarios and are summarised in below with more detail presented in Appendix One.
- b) **Corymbia Festival.** Based on an estimated attendance of 5000:
  - i. Using a daily rate of \$95 per attendee, it is calculated as an increase in the economic output for the City of Kalamunda of \$645,000 with the addition of 8.8 annual local jobs.
  - ii. Using a daily rate of \$50 per attendee it is calculated as an increase in the economic output for the City of Kalamunda of \$340,000 with the addition of 4.6 annual local jobs.
- c) **Summer Series Movies.** The economic impact of one movie with an attendance of 500 and an estimated daily expenditure of \$50 per attendee is calculated as an increase in the economic output for the City of Kalamunda of \$34,000 with the addition of 0.5 annual local jobs. Multiplied by the showing of five films would create a total economic impact of \$170,000 with the addition of 2.5 annual local jobs.

## 7. Other factors for consideration

- a) Factors that can influence the success of an event include when it is held, where it is held and what type of event it is.
- b) The scale of an event has a direct relationship with the scale of the impacts.
- c) Research suggests participant-based events (e.g. fun runs, markets) may yield greater expenditure per person than spectator-based events.
- d) A well-planned, vibrant and appealing annual events calendar can more evenly distribute major events throughout the year and create demand for accommodation and visitor services outside seasonal peak periods.



## Appendix One

<b>Scenario 1: (average daily spend of \$95 per attendee)</b>				
<b>City of Kalamunda - Corymbia Festival - Modelling the effect of \$475,000 (5000 x \$95) from an Arts and Heritage event with Local significance.</b>				
	<b>Output (\$)</b>	<b>Value-added (\$)</b>	<b>Local Jobs (annual jobs)</b>	<b>Resident Jobs (annual jobs)</b>
Direct impact	432,250	229,880	8.0	
Industrial impact	142,786	72,226	0.6	
Consumption impact	70,373	30,301	0.2	
<b>Total impact on City of Kalamunda economy</b>	<b>\$645,409</b>	<b>332,407</b>	<b>8.8</b>	

### Scenario 1 Summary

The economic impact of the Corymbia Festival with an attendance of 5,000 and an estimated daily expenditure of \$95 per attendee is calculated as an increase in the economic output for the City of Kalamunda of \$645,409 with the addition of 8.8 annual local jobs.

<b>Scenario 2: (average daily spend of \$50 per attendee)</b>				
<b>City of Kalamunda - Corymbia Festival - Modelling the effect of \$250,000 from an Arts and Heritage event with Local significance</b>				
	<b>Output (\$)</b>	<b>Value-added (\$)</b>	<b>Local Jobs (annual jobs)</b>	<b>Resident Jobs (annual jobs)</b>
Direct impact	227,500	120,989	4.2	
Industrial impact	75,150	38,014	0.3	
Consumption impact	37,038	15,948	0.1	
<b>Total impact on City of Kalamunda economy</b>	<b>\$339,689</b>	<b>174,951</b>	<b>4.6</b>	

### Scenario 2 Summary

The economic impact of the Corymbia Festival with an attendance of 5,000 and an estimated daily expenditure of \$50 per attendee is calculated as an increase in the economic output for the City of Kalamunda of \$339,689 with the addition of 4.6 annual local jobs.

<b>Scenario 3 (average daily spend of \$50 per attendee)</b>				
<b>City of Kalamunda - Summer Movie Series One Movie - Modelling the effect of \$25,000 from an Arts and Heritage event with Local significance</b>				
	<b>Output (\$)</b>	<b>Value-added (\$)</b>	<b>Local Jobs (annual jobs)</b>	<b>Resident Jobs (annual jobs)</b>
Direct impact	22,750	12,099	0.4	
Industrial impact	7,515	3,801	0.0	
Consumption impact	3,704	1,595	0.0	
<b>Total impact on City of Kalamunda economy</b>	<b>33,969</b>	<b>17,495</b>	<b>0.5</b>	



### Scenario 3 Summary

The economic impact of one Summer Series Movie with an attendance of 500 and an estimated daily expenditure of \$50 per attendee is calculated as an increase in the economic output for the City of Kalamunda of \$33,969 with the addition of 0.5 annual local jobs. Multiply by the number of films shown to ascertain the total impact of the series.

<b>Scenario 4 (average daily spend of \$20 per attendee)</b>				
<b>City of Kalamunda - Summer Movie Series One Movie - Modelling the effect of \$10,000 from an Arts and Heritage event with Local significance</b>				
	<b>Output (\$)</b>	<b>Value-added (\$)</b>	<b>Local Jobs (annual jobs)</b>	<b>Resident Jobs (annual jobs)</b>
Direct impact	9,100	4,840	0.2	
Industrial impact	3,006	1,521	0.0	
Consumption impact	1,482	638	0.0	
<b>Total impact on City of Kalamunda economy</b>	<b>13,588</b>	<b>6,998</b>	<b>0.2</b>	

### Scenario 4 Summary

The economic impact of one Summer Series Movie with an attendance of 500 and an estimated daily expenditure of \$20 per attendee is calculated as an increase in the economic output for the City of Kalamunda of \$13,588 with the addition of 0.2 annual local jobs. Multiply by the number of films shown to ascertain the total impact of the series.

Source: [National Institute of Economic and Industry Research \(NIEIR\)](#) ©2019. Compiled and presented in economy.id by [.id](#), the population experts.

Note: All \$ values are expressed in 2016/17 base year dollar terms.