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Strategy***

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Consulting Planners and Economists

PROGRAM
DEVELOPMENT

NOV 28 1987

November 25, 1987.

Mr. W.H. Graham,
Regional Superintendent,
Economic Development and Tourism,
Keewatin Region,
Government of the Northwest Territories,
RANKIN INLET, Northwest Territories.
X0C 0E0

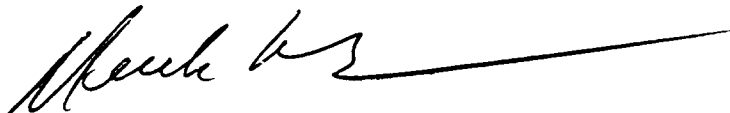
Dear Mr. Graham:

Enclosed is a revised draft of the Keewatin's Product Development Strategy. In addition, I have also enclosed a paper that discusses the NWT's entire industry from a territorial-wide context.

I would like to thank you and Mr. Ian Kinsey for your comments on the previous draft as well as for the information that was provided to our offices.

I would appreciate any comments that you would care to make on these documents.

Yours truly,



Derek Murray.

DM/je
Encl.

cc: Klaus Roth,
Executive Director,
Tourism Industry Association.

Mr. Peter Neugebauer,
Head, Program Development,
Government of the NWT.

KEEWATIN

8.0 KEEWATIN

8.1 Introduction

The Keewatin represents one-half million square kilometres of the land area of the NWT and 10% of the NWT's population. Most of the Keewatin's population are Inuit. The Keewatin is located at the geographical centre of Canada and is above the treeline for the most part. It is accessible by air and water only.

There are only seven communities located in the Keewatin which account for the area's estimated resident population of 5,000 people or approximately half the Baffin's population.

TABLE 36

Keewatin Regional Population

Community	1981 Population	1986 Population
Rankin Inlet	1,109	1,352
Eskimo Point	1,022	1,201
Baker Lake	954	1,034
Coral Harbour	429	469
Repulse Bay	352	415
Chesterfield Inlet	249	265
Whale Cove	<u>188</u>	<u>206</u>
Total	4,303	4,942

8.2 Existing Market Characteristics

Current Vacation/Pleasure Travel Volume to the Keewatin is Low but Growing

The following table indicates that pleasure travel is the largest individual source of non-resident travel to the Keewatin during the June to September period:

TABLE 37

Total Person Trips and Trip Purpose to Keewatin (June to September)

Number of Trips	1982	1984	1986
Total Non-Resident Person Trips	1,160	960	1,910
Trip Purpose *			
. Business	438	292	365
. Pleasure**	674	636	1,505

Source:

* Visitors to the NWT, 1984, 1986.

** Estimates for 1986 pleasure travel are based on Tourism Operator Surveys.

Until recently, pleasure travel to the Keewatin was largely associated with fishing lodge visitation. Most Keewatin fly-in fishing lodges are located in the Western Keewatin below the treeline and are owned by non-Keewatin residents. However, since 1984, largely through the development of packaged tours and the aggressive marketing of a new travel image for the Keewatin, pleasure travel, particularly to the eastern Keewatin has grown significantly.

There is no currently available data on the market origin of pleasure travel to the Keewatin. A study of the Keewatin's lodge industry in 1982 indicated that 76% of visitation was accounted for by Americans and 19% from Canadian provinces. Non-consumptive tourism operators have indicated that approximately 65% of the Keewatin pleasure travel is from the U.S. market.

General Touring has been the Largest Non-Resident Travel Generator

The following table displays the type of travel products that are responsible for Keewatin pleasure travel. General touring has largely been responsible for increased pleasure travel to the Keewatin.

TABLE 38

**Keewatin Pleasure Travel by Product Type
(June - September)**

Product	Number of Person-Trips
Consumptive	
. Fishing	692*
. Hunting	<u>16</u>
	708
Non-Consumptive	
. Adventure	23
. Naturalist	6
. Photography	<u>12</u>
	41
General Touring	
. General Packages	752
. Special Interest Packages	<u>4</u>
	756
Total Visitation	1,505

* Includes 567 visitors to remote non-resident owned Keewatin Fishing Lodges.

Source: Based on Tourism Operator Surveys. 1987

Eskimo Point Accounts for the Largest Portion of Keewatin Pleasure Travel

The following table indicates the principal destination for Keewatin pleasure travel. Eskimo Point accounts for 44.3% of all pleasure travel to the Keewatin. This is largely the result of community day tours of Eskimo Point that gateway from Churchill.

TABLE 39

Keewatin Visitor Destinations

Product	Eskimo Point	Baker Lake	Rankin Inlet	Repulse Bay	Coral Harbour	Wager Bay	Remote Lodges	Total
Outdoor/Adventure								
• Consumptive	6	113		16		6		708
• Non-Consumptive	4		14		17			35
General Touring	656		96					752
Total	666	113	110	16	17	6	567	1,495

Source: Tourism Operator Surveys. 1977

8.3 Market Potential for Keewatin Pleasure Travel Products

8.3.1 -- Introduction

The Keewatin has been historically characterized as a destination for fishing. In some respects it was often thought (by southerners) as an extension of fishing lodges in Northern Saskatchewan and Manitoba. In fact Northern Saskatchewan is the principal gateway to Keewatin fishing lodges. With the exception of two facilities all Keewatin lodges are owned by non-residents. These facilities bring virtually no economic benefit to the Keewatin. They are located in the Western Keewatin, below the treeline.

It really has been within the last two to three years that the Keewatin has begun to develop a pleasure travel industry that is being developed by and for Keewatin residents.

8.3.2 -- Keewatin Pleasure Travel Products

Like the Baffin, the Keewatin has recognized that packaged tours represent the most viable approach to developing community-based touring in the Keewatin. Beginning in 1985 Travel Keewatin initiated market tests for interest and awareness in the Arctic in Ontario and the North Central U.S.A. These tests confirmed a low market awareness but relatively high interest in adventure products, particularly in upscale markets. Since 1985, the Keewatin has been involved in the pilot development of a marketing strategy. The lack of awareness and image for the Keewatin in the marketplace has been addressed through the development of posters, information and travel product opportunities.

While addressing the Keewatin's awareness, Travel Keewatin has been building linkages with southern buyers or wholesalers that would handle Keewatin products. Travel package development has been ongoing since 1985. At present there are 12 individual tour wholesalers handling Keewatin travel packages. Travel Keewatin now feels confident that there is a distribution network in place for its travel products.

8.3.2.1 -- Outdoor/Adventure Travel Products

Fishing/Hunting

Fishing has been a relatively major market for the Keewatin accounting for 692 person trips, while hunting has not.

In the case of fishing, development efforts are focusing on Keewatin resident-operated facilities in the Baker Lake and Ferguson Lake areas. At the present time non-resident operated establishments account for over 80% of all fishing trips to the Keewatin.

Hunting products are concentrated in Repulse Bay (Polar Bear and Caribou) and Coral Harbour (Polar Bear). The number of hunters is very low volume at only 16.

Why development?

1988-89

... ..

Non-Consumptive Adventure Travel

Non-consumptive pleasure products are still relatively new to the Keewatin, having captured only 41 person trips in 1986. There are currently 10 developed or developing packaged products:

Adventure Travel

- . Arctic Spring Adventure Days (6 days)
 - Ski-Doo Expedition (Eskimo Point)
- . Air, Land, Sea Expedition (8 days)
 - includes Boat Tour (Chesterfield Inlet to Baker Lake)
- . Arctic Spring Dog Team Adventure (5 days)
 - Eskimo Point

Naturalist Lodge (6 days)

- . Wager Bay (30 beds)

Photographic Safaris

- . Big Game Wildlife Safaris (8 days)
 - Coral Harbour and Boat Tour of Coats Island and Nature Point (Bird life, Polar Bear, Walrus).

- . Wildlife Arctic River Expedition (10 days)
 - Baker Lake Thelon Game Sanctuary
- . Spring Adventure Tour (6 days)
 - Ski-Doo Trip - Coral Harbour
 - East Bay Bird Sanctuary
- . Maguire River Expedition (7 days)
 - Boat Tour - Maguire River, Eskimo Point
- . Hudson Bay Coastal Tour (7 days)
 - Eskimo Point
- . McConnell Bird Sanctuary
 - 100 species of birds available

8.3.2.2 — General Touring

Touring currently accounts for the largest segment of Baffin travel. For 1985 it was estimated that there were 756 person trips that were associated with general touring trips to the Keewatin. A total of 9 packages are available:

General Touring

- . Touch the North Tour (5 days)
 - Rankin Inlet and Chesterfield Inlet - historic interpretation, scenery, wildlife, arts, crafts.
- . Rediscover the Era (6 days)
 - similar to the Touch the North Tour but with a boat cruise tour of Hudson Bay
- . Unforgettable Day in the Arctic (day tour)
 - Eskimo Point - community tour/cultural experience

- . Discover the Real North (1 day)
 - same as above but with an overnight stay
- . Live a Legend (3 days)
 - Eskimo Point, Boat Trip to Maguire River and Sentry Island and summer camp.
- . Arts/Crafts Discovery Tour (5 days)
 - Specializes in Inuit Arts and Crafts - Eskimo Point, Rankin Inlet, Baker Lake.
- . Early Explorers Tour (6 days)
 - Rankin Inlet, Chesterfield Inlet, Cape Fullerton
- . Lost City of the North (6 days)
 - Nature Point Historic Era
- . The Emerging North (5 days)
 - Northern Development Time Capsule

At the present time Eskimo Point accounts for the vast majority of general touring trips. The day trip tour of Eskimo Point accounts for most of the Keewatin's general touring visitation.

8.3.3 -- Market Potential

The market potential for the Keewatin's pleasure travel industry currently lies principally in the general touring market. The Keewatin has enjoyed success in offering general touring products, particularly in the Eskimo Point area. The Keewatin has a strong cultural product that forms a part of virtually every general tour package.

The Keewatin's sportfishing industry is dominated by non-resident ownership. The development of a truly "Keewatin" product will take time to develop.

The best potential in the non-consumptive outdoor/adventure market is associated with wildlife viewing coupled with unique scenery.

The following table indicates the market potential specifically available to the Keewatin and the Keewatin's current capture rate:

TABLE 40

Market Potential for Keewatin Pleasure Travel Products

	Potential North American Market for NWT	Current Keewatin Pleasure Travel	Penetration Rate
General Touring	15,727	708	4.5%
Non-Consumptive Outdoor/Adventure Travel	46,600	41	0
Consumptive Outdoor/ Adventure Travel (Fishing Only)	17,800	692	3.8%
Total	80,127	1,441	1.8%

Although the Keewatin's market penetration is low it is having its greatest success in the general touring market. At only 41 trips, the Keewatin has had virtually no impact on the consumptive outdoor/adventure travel market. This market holds the greatest overall market potential for the NWT. The following chapter examines the supply side of the Keewatin's industry and its capabilities to deliver pleasure travel products.

8.4 Keewatin Tourism Industry - Supply Side

8.4.1 -- Introduction

In developing a base line of information of Keewatin's current tourism products and infrastructure the following documents were reviewed:

- . Keewatin Destination Zone Tourism Development and Marketing Strategy - Draft Document.
- . Keewatin Economic Base Study
- . Travel Keewatin's EDA Marketing Submission for 1987-88.
- . Interviews with Tourism and Parks, Keewatin Region.

In addition to the above an inventory of the region's tourism infrastructure was also undertaken.

8.4.2 -- Accommodation

8.4.2.1 -- Hotels/Motels

With the exception of Whale Cove, six Keewatin communities have hotel accommodation.

TABLE 41

Keewatin Accommodation

	Hotels			Guest Homes		
	#	Rooms	Beds	#	Rooms	Beds
Rankin Inlet	1	30	60	1	7	16
Baker Lake	1	26	52	1	5	20
Eskimo Point	2	14	34			
Chesterfield Inlet	1	4	8			
Coral Harbour	2	10	22			
Repulse Bay	2	11	23			
	9	90	199	2	12	36

While guest homes are included in the inventory, they are really not that suitable for tourist accommodation.

At present accommodation in the Keewatin is a constraint to tourism development in terms of both quality and quantity. However, this varies from community to community. Rankin Inlet has the largest accommodation base. Accommodation at Rankin Inlet is currently undergoing a \$2.8 million expansion adding 20 rooms and significantly improving the quality of accommodation in the community. The quality of accommodation at Baker Lake is considered to be amongst the best in the Keewatin. In the case of Eskimo Point the community requires additional capacity as well as improvements to the quality of accommodation. Only one of the hotels in the community is considered to be of reasonable quality that it could be offered to tourists.

Chesterfield Inlet should have at least double its accommodation base. In the case of Coral Harbour only one facility is suitable for tourists and expansion is necessary. Lastly in the case of Repulse Bay, the quality of accommodation is poor.

The following table applies a general rating to existing Keewatin accommodation where 1 is not suitable to 5 being excellent. Slightly over 60% of the Keewatin's available bed accommodation would really be considered acceptable for use by tourists. Both the quantity and quality of Keewatin accommodation severely limits the number of tourists that could be served by the industry. Further, given the size of the available accommodation only very small tour groups could be accommodated.

TABLE 42

Existing Keewatin Accommodation

Location	Number of Beds				
	1	2	3	4	5
	Not Poor	Not Suitable	Suitable	Suitable	Excellent
Rankin Inlet (2)	16		60		
Baker Lake	20			52	
Eskimo Point	17			17	
Chesterfield Inlet					8
Coral Harbour (2)	11				11
Repulse Bay (2)	23				
Total	87	0	60	69	19

The total bed capacity for acceptable tourist accommodation over the 122 day peak tourist season is 18,056 bed nights. Assuming that 60% of these bed nights would be required for NWT resident, construction and business travel, approximately 7,222 bed nights would be available for tourists. To put this in perspective, the industry would only be able to accommodate 1,800 tourists per season, based on 5-day packages with an average length of stay of 4 nights. Obviously this is not the case now as pleasure travel to the Keewatin includes day trips as well as overnight trips of varying length and visitation to fishing lodges. The point being made here is that accommodation will be a constraint to greatly increased pleasure travel, where quality overnight accommodation is required.

8.4.2.2 — Lodges and Camps

The Keewatin has a sizable lodge industry. There are 7 lodges and 5 tent camps located in the Keewatin. Tent camps offer fairly primitive accommodation while all 7 lodges are fixed-roof buildings in good to excellent condition. The size of the Keewatin's lodge industry has almost as much bed capacity as does the Keewatin hotel industry.

TABLE 43

Keewatin Lodges and Camps

Lodge	Bed Capacity	
	Tent Camps	Lodges
Dubawnt Outpost Camp	6	
Dubawnt West Sportfishing Camp	4	
Ekaluk Lodge		12
Henik Lake Lodge		12
Kazba Lake Lodge		38
Morbergs Smalltree Camp	4	
Nueltin Narrows Camp	10	
Obre Lake Lodge		14
Sila Lodge*		30
Snowbird Lake Lodge		20
Tukto Lodge		12
Wendy River Camp	10	
Total	34	138

* Naturalist Lodge.

The operating season is short from June 20 to August 24 (64 days). The total bed capacity of the industry is 11,000 bed nights. Assuming that there were 692 fishing trips to the Keewatin in 1987 and an average length of stay of 7 nights, there would have been a bed night demand for 4,844 bed nights. This suggests an industry occupancy level of only 44% for the season. This is low by industry standards and suggests that some lodges would be suffering from poor financial performance. Given the short season, lodges should have an occupancy level of 75% or greater to operate profitably.

Sila Lodge located at Wager Bay is the newest and largest lodge development located in the Keewatin. It is a naturalist lodge. It is a top quality facility that will be targeted to the non-consumptive adventure travel market. A quality lodge facility is also being planned near Rankin Inlet at Ferguson Lake. There are also proposals to establish new tent-camp facilities near Eskimo Point (at Maguire Lake) and Baker Lake (at Aberdeen Lake).

Based on a survey of 11 lodges and camps Table 44 summarizes the principal operating characteristics of the Keewatin lodge/camp industry. Regarding employment, it should be noted that only two facilities (Sila Lodge and Ekaluk Lodge), which are owned by Keewatin residents, really offer any employment opportunity or economic benefit to the Keewatin.

8.4.2.3 — Transportation Services

The Keewatin is recently well serviced by scheduled airlines, Northwest Territorial Airways (primarily through Yellowknife and Rankin Inlet) and Calm Air (northern service through

TABLE 44

Keewatin Lodges - Operating Characteristics

Number Surveyed		11
Seasonality		June 20 - Aug.24
Average Bed Capacity	- Lodges	20
	- Camps	7
Occupancy (Average)		44%
Age of Facility		11 years
Gross Revenue - Average (5 responses)		\$257,820
Total Employment	- Permanent	32.8 persons
	- Temporary	83.2 persons
Air Access Only		11
Dining Facilities:	Capacity	21.8 persons
	Licensed Dining	63.6%
Bar/Lounge Facilities		36.4%
Kitchenettes		18.2%
Credit Cards Accepted		50%
Private Baths		60%
Flush Toilets		63.6%
Hot and Cold Water		81.8%
Showers:	- Private	44.4%
	- Shared	55.6%
Carried out Renovations in the last 5 Years		50%

Churchill). There are nearly 100 air movements per week to this region. Rankin Inlet is the principal air gateway to the Keewatin. The airport has recently been upgraded. Regional travel is constrained somewhat by the lack of airstrips and float planes. Float planes are essential for destination areas that have no airstrips.

The cost of air travel is high but can be reduced for packaged group travel. The major route for touring travel to the Keewatin is through Winnipeg which links the Keewatin to southern markets such as Toronto, Minnesota, Wisconsin, Michigan, Ohio and Illinois.

8.4.2.4 -- Food and Beverage Services

The following table indicates the type, location and capacity of the Keewatin's current restaurant facilities.

TABLE 45

Keewatin Restaurant Facilities

	Hotels					
	Free Standing Fast Foods		Self- Cooking		Dining Rooms	
	#	Seats	#	Seats	#	Seats
Rankin Inlet	1	24			2	76
Eskimo Point	1	20	1	20	1	60
Baker Lake	1	30			2	72
Repulse Bay			1	12	1	24
Coral Harbour	1	5			2	30
Chesterfield Inlet					1	12
Total	4	79	2	32	9	274

Source: Tourism & Parks; Keewatin Region.

Keewatin restaurants employ approximately 40 people or an average of 3 persons per facility.

8.4.2.5 -- Outfitting and Guiding Services

As indicated in the Explorer's Guide there are 14 outfitters and three hunting outfitters serving the Keewatin.

With the exception of four outfitters all other outfitters are resident in the Keewatin. Our survey of Keewatin's outfitting industry is quite representative with 12 of the 14 outfitters responding to the survey. Only the big game outfitters did not respond. Table 46 provides a summary profile of the industry. The product range is diverse involving consumptive products to outfitting adventure travel community tours.

Table 47 displays a profile of operating characteristics for the Keewatin's outfitting industry. The industry is relatively young, the average number of operating years being only 3.3 years. The average number of customers served at 90 is deceiving. This high average is the result of one operator providing day tours of Eskimo Point. This operator received over 600 customers on bus tours of the community. In total, the Keewatin outfitting industry served over 1,000 tourists in 1986.

Outfitting is associated with virtually every one of the Keewatin's travel products. As the industry grows, so does the demand for outfitting and guiding services. As a result the demand for guide training is high in the Keewatin. As in the case of the Baffin, outfitting is an important component of

TABLE 46

Keewatin Outfitters

Resident in Keewatin

Namumiaq Outfitters (Baker Lake)
Sigayamiut Outfitters (Baker Lake)
Kanayok-Sammurtok Outfitting (Chesterfield Inlet)
Northwind Outfitters (Chesterfield Inlet)
Luke Eetuk Outfitters (Coral Harbour)
Joe Netser Outfitters (Coral Harbour)
Ningeocheak & Sons (Coral Harbour)
Northstar Outfitting (Eskimo Point)
Eskimo Point Tours (Eskimo Point)
Kivalliq Outfitting (Rankin Inlet)
R. J. Outfitters (Rankin Inlet)
Arctic Circle Outfitters (Repulse Bay)
Enuapik Outfitting Services (Whale Cove)

Product

Fishing/Community Tours
Fishing/Community Tours
Fishing
Adventure Travel/Dog Sledding
Adventure Travel/Dog Sledding
Polar Bear Hunts
Photo Safaris
N/A
Bus Tours
Bus Tours
Fishing
Community Tours/Hunting/Fishing
Fishing

Resident Outside Keewatin

Scott Lake Outfitters (Saskatoon)

Hunting Outfitters

Aiviit (HTA) Class B (Coral Harbour)
Arvick (HTA) Class B (Repulse Bay)
Canada North Outfitting Class C (Waterdown)

TABLE 47

Keewatin Outfitting Establishment Profile

Number Surveyed	12
Average Number of Years Operating	3.27
Employees:	
. Average Number - Permanent	2.9
. Average Number - Temporary	3.8
Employment by Occupation:	
. Sales and Administration	19%
. Guiding	59%
. Maintenance and Support	23%
Average Number of Customers Served	90.44
Distribution of Type of Outfitter:	
. Big Game Hunting	0
. Fishing	45%
. Nature and Wildlife Services	18%
. Historic Sites	0
. All of the Above	0
. Other	36%
	100%

the Keewatin tourism industry. The outfitter provides the key linkage between tourists and attractions. Outfitting is key to providing the tourist with a truly interpretive experience of Keewatin Travel.

At present, outfitting and in particular guiding, is the single largest tourism employer in the Keewatin. The average employment per outfitter is 6.7 persons of which 2.9 are permanent and 3.8 are temporary. Aggregating this average the industry would employ 34.8 permanent employees and 45.6 temporary employees or 80.4 persons. This is close to a recent employment estimate provided by Economic Development and Tourism of 76.0 persons who are employed in the Keewatin outfitting industry.

8.5 Product Development Strategy

In a relatively short time period the Keewatin has made substantial progress towards the organization and development of the region's tourism potential. The emphasis in the Keewatin has been the development of specific travel products that are being packaged for sale largely in the adventure travel market. Travel Keewatin's strategy has been to establish direct contact in the marketplace for the Keewatin travel products. This strategy has been facilitated through partnership arrangements with travel wholesalers and the establishment of a distribution network for Keewatin travel products. This approach lends itself very well to the development of the Keewatin tourism industry. Packaged tour development allows for the controlled growth of the industry at the community level. Tourist arrivals are known well in advance. This is important as the Keewatin has very limited accommodation and could not handle a major inflow of tourists.

The Keewatin has taken a different approach to marketing than other regions in the NWT. This difference revolves around attempting to have very direct contact with the potential marketplace for Keewatin tourism travel. The approach has considerable merit especially where an area is attempting to establish itself in the marketplace for the first time. For 1988, a major agreement has been reached with Wayfarer Holidays to distribute the Keewatin travel products. A co-operative agreement has also been reached with the following "partners" in development and marketing Keewatin travel products.

- . Travel Arctic
- . Economic Development and Tourism
- . Travel Keewatin
- . Brennan Tours
- . Canadian Air
- . Calm Air
- . Delta Airlines
- . Northwest Airlines

8.5.1 — Market Development

Having established a marketing and sales network and distribution system with travel wholesalers, Travel Keewatin is very optimistic as to projected tourism visitation for the region. The following table displays projected growth for Keewatin travel products to the year 1993.

Within the touring segment it is expected to be the single largest travel market for the Keewatin, accounting for almost 60% of tourist pleasure trips taken to the Keewatin, the

TABLE 48

**Projected Keewatin Pleasure Travel by Product Type
1987 - 1993
(June to September)**

Product	1987	1988	1993
Consumptive			
Fishing			
. Non-Resident Owned Lodges	567	750	957
. Keewatin Lodges/Tent Camps/ Outfitters	125	205	620
Hunting	<u>16</u>	<u>30</u>	<u>75</u>
	708	985	1,652
% Change	39.1%	67.7%	
Non-Consumptive Outdoor/Adventure			
. Adventure	23	50	435
. Naturalist	6	80	280
. Photography	<u>12</u>	<u>86</u>	<u>200</u>
	41	216	915
% Change	426.8%	323.6%	
Touring			
. General Packages	752	1,425	2,860
. Special Interest Packages	<u>4</u>	<u>520</u>	<u>830</u>
	756	1,945	3,690
% Change	157.3%	89.7%	
Total	1,505	3,146	6,257
% Change	109.0%	98.9%	

Source: Economic Development and Tourism.

non-consumptive market segment is projected to have the greatest growth. As shown in the following table, the non-consumptive outdoor/adventure travel market also has a higher tourism expenditure trip impact.

TABLE 49

**Projected Keewatin Pleasure Travel Expenditure
Impact by Product Type
1987 - 1993
(June to September)**

Product	Average Per Trip*	Tourism Expenditure	
		1987	1993
Consumptive			
. Fishing	1,500	1,038,000	2,365,500
. Hunting	7,500	120,000	562,500
Non-Consumptive			
Outdoor Adventure Travel	2,666	109,306	2,439,390
Touring	1,026	<u>775,656</u>	<u>3,785,940</u>
Total		2,042,962	9,153,330

* Source: Travel Keewatin.

8.5.2 — Product Development

The Keewatin is relying heavily on the marketing and sales distribution network that it has established to drive its tourism industry over the next five years. Until as recently

as 1985, the Keewatin, except for non-resident owned fishing lodges located below the treeline, had no travel image. The Keewatin is being marketed as the "Accessible Arctic". Package tour development largely surrounds the Keewatin's principal travel products which consists primarily of wildlife and the region's culture and history. The Keewatin has outstanding wildlife resources such as marine mammals (seals, whales, walrus and polar bear) and abundant birdlife. The best scenic and natural resources in the region are found at the following locations:

- . North Coast of Southampton Island
- . Lyon Inlet
- . Duke of York Bay
- . Wager Bay
- . Cape Fullerton/Daly Bay
- . Chesterfield Inlet
- . Kazan Falls
- . Northeast Coast of Coats Island
- . Thelon Game Sanctuary
- . Marble Island
- . McConnell Bird Sanctuary

The location of the Keewatin's communities, as well as the distribution of potential tourist attractions throughout the Keewatin, provides an excellent basis for the development of community-based tourism. Table 50 indicates present and projected tourist trips to Keewatin communities.

Visitor Reception/Interpretive Centre

In order to realize the projected levels of community tourist visitation there will be a need for the development of and/or expansion of tourist facilities at the community level. There are no visitor reception/orientation facilities in the

Keewatin. Such facilities would be used by tour groups to facilitate package tour orientation sessions to specific destinations. The Keewatin's travel products are principally "learn and observe". A visitor reception centre could allow for guides and interpreters to provide background and information on specific attractions as well as the area's history and culture. It would provide for opportunities for visitors to meet local people, to be taken on walking tours of the community and to experience local culture or to buy crafts.

TABLE 50

**Present and Projected Travel to Keewatin Communities
1987 - 1993**

Community	1987	1993
Eskimo Point	666	1,252
Rankin inlet	110	1,055
Baker Lake	113	1,000
Coral Harbour	17	860
Repulse Bay	16	793
Chesterfield Inlet	0	250
Whale Cove	<u>0</u>	<u>90</u>
Total	922	5,300

Source: Economic Development and Tourism.

At present the Keewatin has no National Parks such as Auyuattug National Park in the Baffin. As a result visitor reception facilities should be developed within the Keewatin's

communities. These do not have to be stand-alone buildings. Further, they should be multi-purpose facilities that are accessible to Keewatin community residents as well as tourists throughout the year. They can also serve as information, training and resource centres for area residents. Accommodation operators who are thinking of either developing new facilities or expanding existing ones could be approached to consider the development of visitor reception/interpretive centres. The following is a list of possible locations for visitor reception centres suggested by the Department of Economic Development and Tourism:

- . Eskimo Point - Inuit Cultural Institute
- . Baker Lake - RCMP House and Campground
- . Rankin Inlet - Rankin Inlet Lodge
- . Chesterfield Inlet - RCMP Home
- . Coral Harbour - Hamlet Office
- . Repulse Bay - as part of a Lodge
- . Whale Cove - with a new hotel

Accommodation

With the projected level of tourist visitation, Keewatin accommodation will have to be upgraded and expanded. At present only Rankin Inlet and Baker Lake can provide bed space for more than 50 people. This assumes that all accommodation would be available for tourists in the peak season. However, in reality this will not be the case as accommodation must also serve the NWT resident travel market such as government, business and construction travellers. Eskimo Point in particular will have to develop either new or expanded facilities. At present there is only bed space for 17 people. Repulse Bay would require entirely new facilities. Existing accommodation is simply not suitable for tourists.

Possibly the development of a naturalist lodge/interpretive centre could be considered for Repulse Bay. Lastly, at present there is no overnight accommodation available at Whale Cove.

Outfitting and Guiding Services

At present the Keewatin's outfitting industry consists of 14 firms employing 80 persons. Virtually all the Keewatin's travel products require outfitting and/or guiding services. In 1986 the Keewatin outfitting industry served over 1,000 tourists. Based on the projected growth in Keewatin tourism travel to 1993, Keewatin outfitting and guiding services will have to serve four times the existing travel volume. Unfortunately, no data currently exists as to the industry's capacity (i.e. how many more tour groups can the industry handle). Based on projected tourism growth, particularly in the non-consumptive outdoor adventure travel market, we would expect that the outfitting industry would have to at least double in size by 1993. We do not expect a linear growth in the demand for outfitting/guiding services in tandem with tourist growth which is expected to grow to four times its current level. Certain guiding services such as bus tours have the capacity to handle reasonably large volumes of tourists over the June to September season.

8.5.3 — Tourism Industry Support

Tourism Awareness Programs

Tourism awareness both within communities and within the Keewatin tourism industry is needed. This type of course should describe the structure of the industry, its economic significance, the expectations of tourists and the community's role in developing tourism.

Standards and Ratings

Consideration is being given to the establishment of a territorial-wide standards and ratings system for NWT tourist products and services. In particular the Keewatin accommodation sector would benefit from the adoption of such a program. It would encourage the industry to upgrade and expand their facilities to standards more acceptable to tour groups.

8.5.4 -- Industry Training

Human resources are a very critical component of Keewatin's tourist industry. In fact, the single largest constraint to the Keewatin in realizing its projected tourism potential may very well be the human resources to deliver the Keewatin's tourism products. Training at virtually all levels of the Keewatin's industry is required.

In essence the Keewatin needs a tourism industry human resource development strategy. Such a strategy would begin with a realistic assessment of current tourism industry employment by occupation. This would require a detailed industry employer survey to determine the number and type/occupation of existing industry employment. The survey would also solicit employers' views as to the future occupational demand. Coupled with existing projections for industry growth the projected demand for industry occupations would be determined.

Our survey of the Keewatin's tourism industry indicated that training and staff development received the highest priority for government program development as indicated in the following table.

TABLE 51

**Keewatin Tourism Industry Operators
Ranking of Government Program Initiatives**

Program Development	% Ranking
Training and Staff Development	78%
Improve Occupancy Levels	73%
Marketing Assistance Programs	69%
Availability of Local Labour	66%
Tourism industry Awareness	66%
Easier Access to Financing	66%
Development of Tourism Attractions	54%
Improvements to Transportation Services	46%

In fact there are three areas that operators have prioritized for training:

- . Training and Staff Development
- . Availability of Local Labour
- . Tourism Industry Awareness Training

Given the importance of guiding to the delivery of Keewatin travel products, guide training programs would be prioritized. Together with the industry, the projected demand for the type and level of guide training for the next five years should be determined. Based largely on projected tourism demand these courses should be offered at Eskimo Point and Rankin Inlet. They should focus on guiding and outfitting services for non-consumptive tourism products.

Program development for the initiation of hospitality training in the Keewatin has been initiated. Specific skills training programs are needed in the Keewatin for food services, hospitality management and waiter/waitress training.

As noted previously in the recommendations concerning tourism product development for the Baffin region, given the importance of the NWT's tourism industry and human resource development, the Government of the NWT may want to consider the establishment of a separate Northern Tourism Training and Hospitality Institute to coordinate the development and delivery of training programs. Such an institute would also establish uniform standards and ratings for training programs.