Arctic Development Library

Product Development Plan Data Base Report - Tourism Industry
Type of Study: Statistics/surveys
Catalogue Number: 11-34-2

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Financial assistance provided by the NWT EDA, Indian and Inuit Services.

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Attached is a data base report that is based on 292 completed survey questionnnaires for the following sectors of the NWT's tourism industry:

. Accommodation
. Food Services Sector
. Air Services
. Boat and Vehicle Rental Operators

This is part of the information and data that will be analyzed in the preparation of a Product Development Plan. We will also be developing regional reports for each of the zones. This will greatly assist us in priorizing program development in support of a Product Development Plan.

We are continuing to work on a Product Development Plan draft report for presentation to you in the week of March 31. We thought that you would be anxious to see some of the results of the industry survey questionnaires.

1.0 INTRODUCTION

To provide a base from which to formulate a Product Development Plan for the Northwest Territories Tourism Industry an extensive interview program was undertaken.

In total, 292 interviews with the five most important industry sectors were carried out. Namely, these sectors included the operators of accommodation facilities; tour operators and outfitters; the operators of lounges, restaurants or other food services; those providing air service, whether chartered or schedule; and, lastly, those renting land vehicles and boats.

Basically, interviews with each of the sectors consisted of the same basic structure which can be broken down, for conceptual purposes, into three sections.

The first section attempted to quantify existing tourism plant, providing locations and dates as well as an inventory of data on the various facilities, suppliers of equipment or fleets of vehicles relevant to each sector.

The second section was slightly more subjective, attempting to classify demand for various activities for which it is possible to undertake while visiting the Northwest Territories, ranging from travelling for business reasons to travelling to experience life in a northern community. Both current, as well as latent or untapped demand as seen through the eyes of the various sectors was analyzed in this section. Further, interviewees were presented with a list of natural attractions which are characteristic of the NWT. Key candidates for development were identified in this section as respondents were asked to indicate those attractions which had the potential to increase tourism activity in their areas. As well, descriptions of these attractions, in terms of name and location, were catalogued.

Based on the responses to the various questionnaires, a database was built, permitting analysis from a number of different perspectives. The results of the analysis, beginning with an examination of the Northwest Territories accommodation sector follows.

2.0 ACCOMMODATION

Data Has Been Collected on 106 Accommodation Facilities Thus Far

At this point in the inventory process, data has been compiled on 106 accommodation facilities. The types of facilities included to date break down as follows:

Number of Lodges	-	41
Hotels	-	29
Motels	-	15
Cabins	-	12
Tent Camps	-	4
Outpost Camps	-	3
Other Accommodation	-	2

Hotels in the NWT are a Relatively Small Size and are Quite Expensive

The hotels included in the inventory thus far are of a relatively small size. The average capacities, and prices for single accommodation, in the various types of facilities are as follows:

Private-Basis Accommodation

	Average Capacity	Average Price
Lodges	19 people	$ 125.89/person
Hotels	33 people	85.48/person
Motels	21 people	60.04/person
Cabins	11 people	57.50/person
Tent Camps	N/A	N/A
Outpost Camps	N/A	N/A
Other Accommodation	5 people	35.00/person

Of course, accommodation is also offered on a shared basis in the various facilities located in the NWT. The capacities and costs relative to this basis of accommodation are as follows:

Shared-Basis Accommodation

	Average Capacity	Average Price
Lodges	20 people	$ 159.20/person
Hotels	55 people	82.36/person
Motels	54 people	70.42/person
Cabins	19 people	105.00/person
Tent Camps	10 people	N/A
Outpost Camps	8 people	150.00/person
Other Accommodation	14 people	48.75/person

Lodges are the Most Expensive Form of Accommodation

It is evident from the previous tables that lodges are the most expensive form of accommodation in the Territories. The observation must be tempered by the fact, however, that daily rates for lodges often include a charge for food as well as for the room.

The NWT Can Accommodate Just Over 3,500 People with Shared Accommodation

Based on the previous averages, then, the various forms of accommodation facilities offer the following with respect to total capacity by type of accommodation.

Total NWT Accommodation Capacity

	Private Basis Total Capacity	Shared Basis Total Capacity
Lodges	795 people	812 people
Hotels	960 people	1,583 people
Motels	321 people	810 people
Cabins	137 people	221 people
Tent Camps	N/A	40 people
Outpost Camps	N/A	25 people
Other Accommodation	10 people	28 people
Total	**2,223 people**	**3,519 people**

Cabin-Type Operations Experience the Highest Occupancy Levels

Operators of cabin-type accommodation facilities report the best average occupancy level, at 88.8% of total yearly capacity. Occupancy rates for all types of facilities are as follows:

Average Occupancy
(as a Percentage of Total Yearly Capacity)

Lodges	-	61.2%
Hotels	-	50.0%
Motels	-	63.7%
Cabins	-	88.8%
Tent Camps	-	N/A
Outpost Camps	-	N/A
Other Accommodation	-	15.0%

Although these occupancy rates were tabulated using actual data received through the interview program, each of the rates is likely overstated somewhat -- therefore, the information should be used with some degree of caution. The reason for the over-estimation results from the fact that not all respondents were aware of their occupancy rates. Experience dictates that those operators who are not aware of such aspects of their operations are likely failing in other tasks related to their facility as well. The result is that a relatively low-occupancy component of the accommodation sector may not be integrated into these averages.

Most Facilities Interviewed Offer Dining Facilities

Many of the accommodation facilities interviewed to this point offer some type of dining facilities within their establishments. The percentage of the various types of facilities offering this service, as well as the average capacities of the dining rooms of these facilities are as follows:

Total NWT Accommodation Capacity

	Percentage of Facilities Provided	**Average Capacity**
Lodges	91%	26 people
Hotels	97%	39 people
Motels	21%	35 people
Cabins	50%	39 people
Tent Camps	100%	10 people
Outpost Camps	100%	12 people
Other Accommodation	100%	12 people

Many Facilities Are Not Licenced to Serve Alcohol

Many of the NWT's accommodation facilities are not licenced to serve alcohol. An even smaller percentage offer a bar or lounge within their establishments.

Licenced Facilities

	Percentage of Facilities Licenced to Serve Alcohol	Percentage of Facilities Offering a Bar or Lounge
Lodges	56%	33%
Hotels	46%	43%
Motels	17%	17%
Cabins	30%	30%
Tent Camps	0%	0%
Outpost Camps	0%	0%
Other Accommodation	0%	0%

Motels Have the Highest Percentage of Self-Contained Units in Terms of Cooking Facilities

Motels in the Northwest Territories are the most likely type of accommodation to offer kitchenette-type facilities. Of these establishments, 71% are so equipped. A fairly high percentage of these facilities are located nearby a store; an important attribute in determining the usefulness of convenience such as a kitchenette.

Cooking Facilities

	Percentage of Facilities Offering Kitchenettes	Percentage of Facilities With a Store Nearby
Lodges	16%	39%
Hotels	11%	93%
Motels	71%	92%
Cabins	50%	20%
Tent Camps	0%	0%
Outpost Camps	0%	0%
Other Accommodation	0%	0%

Credit card acceptance varies with the type of facility with lodges and cabins having the lowest acceptance rates for credit cards.

Acceptance of Credit Cards

	Percentage of NWT Facilities Accepting Credit Cards
Lodges	29%
Hotels	83%
Motels	73%
Cabins	17%
Tent Camps	0%
Outpost Camps	33%
Other Accommodation	50%

NWT Facilities Demonstrate Varying Degrees of Development in Terms of Washroom Facilities and Plumbing

Hotels and motels in the Northwest Territories demonstrate a relatively high degree of development with respect to private bathrooms, flush toilets and hot/cold running water. Lodges, tent camps, cabins and outpost camps are not exceptionally well developed in this respect due likely to the remote nature of these forms of accommodation:

Percentage of Facilities Offering:

				If Showers Provided	
	Private Bathrooms	Flush Toilets	Hot/Cold Running Water	Private Showers	Shared Showers
Lodges	52%	63%	84%	48%	52%
Hotels	64%	86%	100%	59%	41%
Motels	93%	100%	100%	100%	0%
Cabins	38%	33%	44%	43%	57%
Tent Camps	0%	0%	0%	N/A	N/A
Outpost Camps	0%	0%	100%	0%	100%
Other Accommodation	0%	100%	100%	0%	100%

Very Few Facilities Offer Saunas

Only a very small portion of the NWT's accommodation facilities offer saunas. Only a handful of lodges and cabins offered this amenity while no hotel or motel had a sauna.

Percentage of Facilities Offering Saunas

Lodges	-	6%
Hotels	-	0%
Motels	-	0%
Cabins	-	13%
Tent Camps	-	0%
Outpost Camps	-	0%
Other Accommodation	-	0%

Most of the accommodations surveyed provided a maid service or some sort of light housekeeping. The results of the survey with respect to this convenience are as follows:

Percentage of Facilities Offering Maid/Housekeeping Service

Lodges	-	81%
Hotels	-	100%
Motels	-	100%
Cabins	-	44%
Tent Camps	-	100%
Outpost Camps	-	50%
Other Accommodation	-	100%

Lodges are Most Likely to Offer Meeting Room Facilities

Meeting Rooms

	Percentage of Facilities Offering Meeting Rooms	**Average One-Time Meeting Capacity**
Lodges	64%	24 people
Hotels	48%	151 people
Motels	31%	36 people
Cabins	33%	54 people
Tent Camps	0%	0
Outpost Camps	0%	0
Other Accommodation	N/A	N/A

Lodge operations demonstrate the highest incidence of in-facility meeting rooms with 64% of the operators interviewed specifying that they possessed conference or meeting facilities. Most establishments had only one meeting room while the occasional facility had two or three rooms available for business gatherings.

Hotels had the largest meeting capacity, as the average operation could accommodate 151 people in meetings at one time.

Only 6% of Lodges are Open All Year

Lodge and cabin operations were shown to be extremely seasonal concerns, with only 6% and 22% open all year, respectively. Hotels and motels offered somewhat more stability to the accommodation sector, however.

Percentage of Facilities Open All Year

Lodges	-	6%
Hotels	-	100%
Motels	-	86%
Cabins	-	22%
Tent Camps	-	0%
Outpost Camps	-	0%
Other Accommodation	-	100%

Only 3% of Lodges are Accessible by Road

The remote nature of lodge operations in the Northwest Territories is again reflected by the fact that only 3% of them are accessible by road. The remaining 97% of the lodges must be reached by air, making infrastructure associated with this mode of transportation a concern for these operators.

	Percentage of Facilities Accessible by Road	**Percentage of Facilities Accessible by Air Only**
Lodges	3%	97%
Hotels	67%	56%*
Motels	92%	8%
Cabins	11%	89%
Tent Camps	0%	100%
Outpost Camps	0%	100%
Other Accommodation	50%	50%

* Theoretically, if 56% of hotels are accessible by air only, then only 44% of hotels should be designated as being accessible by road. This discrepancy here likely results from the fact that some respondents probably included accessibility by ice road in their description of the fact that their facility could be reached by road.

Most fixed-roof accommodation facilities in the Northwest Territories are more than ten years old. The average age of each type of accommodation is as follows

Average Age of Facilities

Lodges	-	13 years
Hotels	-	13 years
Motels	-	10 years
Cabins	-	12 years
Tent Camps	-	3 years
Outpost Camps	-	4 years
Other Accommodation	-	22 years

Many Operators have Renovated Their Facilities in the Past 5 Years

A high percentage of operators have carried out what they consider 'major' renovations in the past five years. These renovations could include, among more unique improvements, adding or upgrading rooms, dining/food services, washrooms or meeting rooms.

Percentage of Facilities Carrying Out Major Renovations in the Past 5 Years

Lodges	-	68%
Hotels	-	33%
Motels	-	77%
Cabins	-	67%
Tent Camps	-	100%
Outpost Camps	-	100%
Other Accommodation	-	100%

The following table illustrates the degree to which each form of renovation was carried out for the various types of accommodation. The '% carrying out' designation refers to the percentage of those carrying out any major renovations whatsoever in the past five years undertaking the specific activity referred to in the chart. For example, from the previous table, we see that 68% of lodges carried out renovations in the past five years. With respect to our sample,this means that 28 lodges renovated. Then, from the following table we find that 14% of this group added rooms. In sum, then, we know that fourteen percent of twenty-eight, or 4 lodges have added rooms in the past five years. The average expenditure for each facility carrying out a specific activity is also included in the table.

Hotels Have the Highest Average Gross Revenues

Average Gross Revenue for the Various Facility Types

Lodges	-	$ 271,508.33
Hotels	-	$ 1,113,571.43
Motels	-	$ 425,800.00
Cabins	-	$ 303,000.00
Tent Camps	-	N/A
Outpost Camps	-	N/A
Other Accommodation	-	N/A

Although hotels have the highest yearly revenues, this observation must be tempered by the fact that only 6% of lodges are open year round, while 100% of the hotels interviewed were all year operations. Thus, much of the lodge gross revenue figure may be earned over two or three months.

Percentage of Renovations being Carried Out and Average Expenditure

	Rooms Added	Existing Rooms Upgraded	Dining/Food Services Added	Dining/Food Services Upgraded	Washrooms Added	Existing Washrooms Upgraded	Meeting Rooms Added	Existing Meeting Rooms Upgraded	Other
Lodges									
. % Carrying Out	14%	29%	24%	24%	24%	5%	10%	0%	48%
. Average Expenditure	$ 25,000	$ 28,000	$ 25,000	$ 16,500	$ 14,375	N/A	$ 17,50	--	$ 28,333
Hotels									
. % Carrying Out	41%	65%	6%	59%	12%	35%	29%	12%	41%
. Average Expenditure	$128,000	$ 83,500	$ 50,000	$ 58,267	N/A	$ 71,000	$255,00	$ 47,500	$162,167
Motels									
. % Carrying Out	30%	30%	10%	0%	10%	0%	10%	0%	40%
. Average Expenditure	$200,000	$ 34,667	N/A	--	$300	--	N/A	--	$ 38,250
Cabins									
. % Carrying Out	33%	33%	0%	0%	0%	0%	0%	0%	33%
. Average Expenditure	$150,000	N/A	--	--	--	--	--	--	$200,000
Tent Camps									
. % Carrying Out	0%	0%	0%	0%	0%	0%	0%	0%	100%
. Average Expenditure	--	--	--	--	--	--	--	--	N/A
Outpost Camps									
. % Carrying Out	0%	0%	0%	0%	0%	0%	0%	0%	0%
. Average Expenditure	--	--	--	--	--	--	--	--	--
Other Accommodation									
. % Carrying Out	50%	50%	0%	0%	0%	50%	0%	0%	100%
. Average Expenditure	$ 50,000	N/A	--	--	--	N/A	--	--	$ 40,000

The average gross revenue may also be looked at on a per room basis. The following table does not include information on tent camps, outpost camps, or other accommodation as no original revenue information was available for them.

Average Gross Revenue on a Per Room Basis

Lodges	-	$ 24,683/room
Hotels	-	$ 39,770/room
Motels	-	$ 21,290/room
Cabins	-	$ 37,875/room

Hotels are again the leader using this measure of revenue. Cabin-type accommodations look much more impressive from a revenue standpoint when compared on a per-room basis.

Hotels Employ the Highest Average Number of Permanent Employees

Hotels are seen as employing by far the highest number of permanent employees which is indicative of the stability of their operations. Lodges and cabins, however, employ the greatest number of temporary employees. This reflects both that these operations are seasonal in nature as well as the fact that many of these facilities employ guides on a demand or 'as needed' basis.

Permanent and Temporary Employment in the Various Facilities

	Average Number of Permanent Employees	Average Number of Temporary Employees
Lodges	3	16
Hotels	14	6
Motels	4	2
Cabins	3	24
Tent Camps	2	2
Outpost Camps	2	N/A
Other Accommodation	2	2

The relatively high percentage of employment assumed by guides in the lodge and cabin-type operations is reflected in the following table. We can also see that hotels and motels assign a relatively greater percentage of their personnel to sales and administrative-type functions.

After supplying the previous data, interviewees were asked to assume the role of local experts. As part of the interview, they were asked to assess a list of activities of which it is possible to engage in while visiting the Territories. The following table is broken into three parts:

1. A percentage indicating the number of operators having customers who currently pursue the activity, but for which no potential for increasing tourism in the area exists;

2. A percentage indicating the number of operators who do not have customers currently pursuing the activity but for which potential is seen for increasing tourism in the area;

3. A percentage indicating the number of operators who both currently have customers pursuing the specified activity and see the potential for an increase in tourism surrounding this activity.

Clearly, the largest current demand for accommodation surrounds the activities of coming for sport fishing, business reasons and for personal/family reasons. However, it is likely that some of the other activities listed are pursued when visiting the Territories under the business or visiting family motivation and thus, some spillover may exist. Other notable high demand activities include viewing outstanding scenery as well as viewing nature and marine life.

Allocation of Employees by Function Within the Various Types of Facilities

	Sales/ Administration	Maintenance/ Housekeeping	Food/Beverage	Guides	Other	
Lodges	11%	38%	12%	39%	---	100%
Hotels	17%	25%	54%	1%	3%	100%
Motels	37%	55%	6%	2%	---	100%
Cabins	10%	18%	15%	54%	3%	100%
Tent Camps	50%	---	---	50%	---	100%
Outpost Camps	N/A	N/A	N/A	N/A	N/A	100%
Other Accommodation	50%	50%	---	---	---	100%

Current and Potential Demand
(As Indicated by Accommodation Operators)

Activity	Percentage Indicating Activity Is Currently Pursued	Percentage Indicating Activity Not Currently Pursued But Potential to Increase Tourism	Percentage Indicating Both Currently Pursued and Potential to Increase Tourism
. Camping - Drive/Boating to Campsites	15%	4%	23%
. Camping - Hiking, Trekking, Backpacking to Sites	23%	9%	22%
. Visiting National or Territorial Parks	15%	4%	26%
. Canoeing, Kayaking, Rafting	19%	6%	31%
. Mountain Climbing/Ski Mountaineering	4%	4%	5%
. Viewing Nature and Wildlife/Marinelife	35%	12%	36%
. Going on Winter Adventures	4%	22%	15%
. Cross Country Skiing and Ski Touring	2%	20%	11%
. Expeditions to North Pole	1%	0%	1%
. Viewing Outstanding Scenery	36%	2%	27%
. Sport Fishing at Drive-in Lodges	12%	4%	5%
. Sport Fishing at Fly-in Lodges	48%	2%	31%
. Big Game Hunting	9%	20%	14%
. Experiencing Life in Northern Community	16%	11%	26%
. Going on Bus Tours and General Sightseeing	9%	7%	27%
. Visiting Historical or Archeological Sites	21%	16%	20%
. Shopping for Arts and Handicrafts	26%	2%	28%
. Going on Boat Cruises	12%	16%	22%
. Going on Photographic Tours	19%	16%	31%
. Going on Air Tours	15%	11%	21%
. Visiting Museums	16%	7%	4%
. Going on Skidoo Tours	4%	17%	11%
. Coming for Business Reasons	43%	1%	23%
. Coming for Personal/Family Reasons	38%	4%	7%
. Educational Tours	12%	16%	14%
. Sporting Activities	4%	0%	5%
. Mine Tours	0%	0%	15%

Obviously, after examining the second column of this table, considerable untapped demand exists in the Territories as identified by operators of accommodation facilities. The most notable of these 'untapped' activities are going on winter adventures, cross country ski touring, and big game hunting. Other identified activities include going on skidoo tours, educational tours, photographic tours, boat cruises, and visiting historical or archeological sites.

When activities are examined that are both currently pursued and are thought of as having potential for increasing tourism, the activities rated the highest are:

- Viewing Nature and Wildlife/Marinelife
- Canoeing/Kayaking/Rafting
- Going on Photographic Tours
- Sport Fishing at Fly-in Lodges
- Shopping for Arts and Handicrafts

Also fairly high on the list are going on bus tours and general sightseeing, viewing outstanding scenery, and experiencing life in a northern community.

Fishing; Lakes, Streams and Rivers Offer the Most Potential For Increased Tourism of All Natural Attractions

Accommodation operators were read a list of natural attractions and asked to comment on the potential each has to increase tourist travel to their community. The Northwest Territories' natural attractions of good fishing and lakes, streams and rivers, were rated as having the greatest potential. Also rated highly were the NWT's wildlife, birds and marinelife, historic areas and wilderness areas. Many of the other unmentioned attractions are as seen below, rated quite highly, reflecting further the untapped potential of the Territories.

	Percentage Feeling the Attraction Could Increase Tourism in their Area
Wilderness Areas	55%
Mountains	9%
Oceanside	17%
Lakes, Streams, Rivers	70%
National, Territorial Parks	38%
Historic Areas	56%
Waterfalls	38%
Hot Springs	5%
Wildlife, Birds, Marinelife	58%
Good Fishing	72%
Good Hunting	48%
Spectacular Scenery	44%
Community/Special Events	45%
Forested Areas	11%
Unique Flowers, Plant Life	39%
NWT Culture, Art, Lifestyles	52%

Naturally if even a small portion of all of this untapped potential was realized, significant modifications would have to be made to existing accommodation establishments. The following table addresses this possible future need by looking at the number of operators who would upgrade, add to, or upgrade and add to their existing rooms, cooking and dining facilities and washroom facilities.

Lastly, accommodation operators were asked to priorize a series of government programs according to how important they would be in aiding and further developing both the tourism industry as a whole, as well as their own operations.

If Potential Realized - Necessary Improvements

Type of Accomodation	Rooms			Cooking and Dining			Washrooms		
	Upgrade	Add More	Both	Upgrade	Add More	Both	Upgrade	Add More	Both
Lodges	9%	12%	6%	6%	6%	0%	6%	12%	3%
Hotels	15%	30%	26%	26%	15%	11%	26%	11%	4%
Motels	7%	50%	7%	7%	14%	0%	7%	14%	0%
Cabins	0%	0%	0%	0%	0%	0%	0%	0%	0%
Tent Camps	25%	0%	0%	0%	0%	0%	0%	0%	0%
Outpost Camps	0%	0%	0%	0%	0%	0%	0%	0%	0%
Other Accommodation	50%	0%	0%	0%	0%	0%	0%	0%	0%

Two highly priorized programs are those aimed at improving industry awareness and those providing marketing assistance to operators. It would appear then, that the accommodation sector believes that the potential of the NWT tourism industry would be better realized if the market were better informed of the fact that an industry does exist. Naturally, programs aimed at improving occupancy were also highly priorized as those have a direct impact on the sector.

Priorization of Government Program Assistance

	Low Priority	High Priority
Improve Occupancy	22.9%	71.1%
Training and Staff Development Programs	45%	55%
Improved Access to Financing	53%	47%
Greater Availability of Local, Skilled Labour	63%	37%
Marketing Assistance	34%	66%
Transportation	38%	62%
Industry Awareness Improvement	15%	85%
Central Reservation System	86%	14%
Development of Tourist Attractions	23%	77%

3.0 OUTFITTERS

A total of 73 outfitters were identified during the process of inventorying existing tourism plant in the NWT.

Many outfitters tend to specialize in one activity or another while others cater more to the customer's needs. The breakdown in specialization occurred as follows:

Big Game Hunting	- 15%
Fishing	- 24%
Nature and Wildlife Viewing	- 17%
Historic Site Touring	- 0%
Other	- 30%
All Categories	- 13%

The 'other' category consisted of outfitters undertaking such activities as general sightseeing, trail riding, rafting and canoe trips, or photographic tours.

The Average Outfitter has been in Business for Seven Years

The average age of the outfitting firms surveyed was seven years. Further, the average outfitting firm serves ninety-three customers per year. This figure may be distorted somewhat, as not every outfitter's season extends for actually one year.

Employment in Outfitting Firms is Primarily Temporary

. Average Number of Permanent Employees per Firm	2
. Percentage of Permanent Employees Who are Natives of the NWT	74%
. Average Number of Temporary Employees per Firm	7
. Percentage of Temporary Employees Who are Natives of the NWT	64%

The high number of temporary relative to permanent employees per firm reflects the seasonality of these operations. Further, the fact that guides are employed on an 'on demand' basis implies the temporary nature of employment.

Guides Make up the Greatest Percentage of Outfitting Employment

When we pool both permanent and temporary employees together, we may examine how employment breaks down functionally within the average outfitting firm.

Percentage Employed

Sales/Administration	-	23%
Guiding	-	59%
Maintenance/Support	-	18%

It is evident that guides make up the majority of employees in the outfitting industry.

It was then undertaken, in the interview, to assess the existing inventory of supplies and equipment of each outfitter. It is evident, from the following table, that outfitters are best equipped when it comes to camping equipment, food/groceries, short-wave radios, boat motors, canoes and sleeping bags.

Existing Inventory of Outfitting Equipment and Supplies

Equipment	Percentage of Firms Providing	Average Number of Units Provided
Canoes	68%	4
Kayaks	19%	4
Whitewater Rafts	8%	2
Boats for Four People	62%	4
Boats for Eight People	54%	2
Boat Motors	76%	6
Guides - Type A	30%	5
Guides - Type B	19%	4
Guides - Type C	14%	9
Camping Equipment	100%	11
Fishing Equipment	43%	8
Hunting Equipment	27%	11
Vans	38%	1
Jeeps/4-Wheel Drives	19%	2
All Terrain Vehicles	27%	2
Rain Gear	32%	10
Dog Sleds	22%	7
Snowmobiles	35%	3
Sleeping Bags	68%	13
Winter Clothing	35%	9
Food/Groceries	86%	24
Arctic Survival Equipment	32%	10
Short Wave Radio	84%	2
Horses	16%	24

The outfitting industry was then asked the same questions regarding tourism potential as the accommodation sector. The following table has previously been explained in the section on the accommodation sector. This table, however, reflects the perspective of the outfitting industry.

Current and Potential Demand
(As Indicated by Outfitters)

Activity	Percentage Indicating Activity is Currently Pursued	Percentage Indicating Activity Not Currently Pursued But Potential to Increase Tourism	Percentage Indicating Both Currently Pursued and Potential to Increase Tourism
. Camping - Drive/Boating to Campsites	30%	12%	23%
. Camping - Hiking, Trekking, Backpacking to Sites	19%	16%	26%
. Visiting National or Territorial Parks	30%	9%	28%
. Canoeing, Kayaking, Rafting	21%	23%	23%
. Mountain Climbing/Ski Mountaineering	0%	12%	0%
. Viewing Nature and Wildlife/Marinelife	35%	7%	47%
. Going on Winter Adventures	9%	30%	16%
. Cross Country Skiing and Ski Touring	9%	23%	7%
. Expeditions to North Pole	5%	5%	0%
. Viewing Outstanding Scenery	37%	7%	40%
. Sport Fishing at Drive-In Lodges	9%	19%	2%
. Sport Fishing at Fly-In Lodges	16%	23%	28%
. Big Game Hunting	18%	12%	33%
. Experiencing Life in Northern Community	26%	12%	26%
. Going on Bus Tours and General Sightseeing	16%	9%	35%
. Visiting Historical or Archeological Sites	28%	12%	28%
. Shopping for Arts and Handicrafts	33%	16%	35%
. Going on Boat Cruises	30%	21%	16%
. Going on Photographic Tours	28%	7%	53%
. Going on Air Tours	9%	7%	28%
. Visiting Museums	14%	2%	21%
. Going on Skidoo Tours	16%	23%	5%
. Coming for Business Reasons	21%	5%	16%
. Coming for Personal/Family Reasons	14%	5%	14%
. Educational Tours	5%	23%	23%

The activities for which the greatest current demand exists are viewing outstanding scenery, viewing nature and wildlife/marine life, shopping for arts and handicrafts, going on boat cruises, camping, and visiting national or territorial parks.

When the second column is examined, we see that the greatest untapped potential lies in the activities of going on winter adventures, educational tours, skidoo tours, sport fishing to fly-in lodges, cross country skiing and ski touring, and canoeing/kayaking/rafting.

The rightmost column again points out the percentage of outfitters expressing the fact that the activity is both currently pursued and possesses potential for increasing tourism to the area. The highest percentages here occurred against the activities of viewing nature and marine life, going on photographic tours, and viewing outstanding scenery.

Similar to the accommodation sector, the outfitting industry was then asked to comment on the potential that various natural attractions in their area have to increase tourism. The results are as follows:

	Percentage Feeling the Attraction Could Increase Tourism in their Area
Wilderness Areas	54%
Mountains	14%
Oceanside	16%
Lakes, Streams, Rivers	76%
National, Territorial Parks	43%
Historic Areas	68%
Waterfalls	43%
Hot Springs	14%
Wildlife, Birds, Marinelife	76%
Good Fishing	70%
Good Hunting	54%
Spectacular Scenery	68%
Community/Special Events	49%
Forested Areas	14%
Unique Flowers, Plant Life	34%
NWT Culture, Art, Lifestyles	41%

It is interesting to note the particular attractions here with high percentages appearing against them. The outfitting industry, normally thought of as catering mainly to the hunting and fishing clientele, are singling out attractions which characteristically have non-consumptive activities surrounding them. These attractions are, namely, lakes, streams, rivers, wildlife, birds, marinelife, and historic areas.

Like the accommodation sector, the outfitters were also asked to think about necessary actions if part of this increased tourism potential was actually realized. In the case of outfitters, these actions would include adding to, upgrading, or upgrading and adding to various elements of their inventory.

Existing Inventory of Outfitting Equipment and Supplies

Equipment	Adding To	Upgrading	Both Actions
Canoes	3%	46%	14%
Kayaks	3%	11%	3%
Whitewater Rafts	3%	16%	0%
Boats for Four People	3%	32%	5%
Boats for Eight People	8%	24%	5%
Boat Motors	3%	35%	11%
Guides - Type A	3%	11%	5%
Guides - Type B	8%	5%	3%
Guides - Type C	3%	3%	3%
Camping Equipment	14%	41%	11%
Fishing Equipment	3%	19%	8%
Hunting Equipment	0%	16%	8%
Vans	0%	16%	3%
Jeeps/4-Wheel Drives	0%	5%	3%
All Terrain Vehicles	0%	22%	5%
Rain Gear	3%	22%	3%
Dog Sleds	3%	14%	3%
Snowmobiles	0%	16%	5%
Sleeping Bags	3%	41%	5%
Winter Clothing	5%	24%	5%
Food/Groceries	0%	38%	3%
Arctic Survival Equipment	0%	49%	3%
Short Wave Radio	3%	54%	3%
Horses	0%	8%	0%

The most likely item of equipment to be added to is, apparently, camping equipment. A considerably greater percentage of operators would rather upgrade their equipment rather than add to it in the event of an increase in customer load. The most likely candidates for upgrading are short wave radios, arctic survival equipment, camping equipment and canoes. Likely items of inventory to be both added to and upgraded include, again, canoes and camping equipment, as well as boat motors.

Marketing Assistance and Promotion of Industry Awareness Are Again Important

Outfitters were also asked to priorize various government programs. Again, programs aimed at promoting industry awareness and those providing marketing assistance were given a high priority by a high percentage of respondents. A definite need for marketing assistance exists as 89% of outfitters gave this type of program a high priority.

Priorization of Government Program Assistance

	Low Priority	High Priority
Improve Customer Level	32%	68%
Training Programs	26%	74%
Access to Financing	47%	53%
Skilled Labour	41%	59%
Marketing Assistance	11%	89%
Transportation	28%	72%
Industry Awareness	27%	73%
Central Reservation System	83%	17%
Development of Attractions	34%	66%

4.0 LOUNGE, RESTAURANT AND FOOD SERVICES SECTOR

A total of 54 lounge, restaurant and food service operators were interviewed in order to compile the data on this sector of the tourism industry. This is how the operators broke down into not necessarily independent categories:

Full Menu Table Service	-	39%
Fast Food	-	44%
Licenced Dining Room	-	44%
Lounge	-	36%
Beverage Room	-	14%
Other	-	7%

Only Slightly Over One-Quarter of the Operators Serve Northern Specialties

Only 27% of the lounge, restaurant, and food service operators in the Northwest Territories offer northern specialties such as Arctic Char or caribou on their menus. Some further observations follow:

. Percentage of Facilities Offering Banquet or Large Group Dining Facilities	48%
. Percentage of Facilities that are Licenced	55%
. Percentage of Facilities Offering Northern Specialties	27%
. Percentage of Facilities Offering Live Entertainment	22%
. Percentage of Facilities Accepting Credit Cards	69%
. Percentage of Facilities Providing a Wine List	53%

Dining in the NWT is Relatively Inexpensive

Eating at restaurants in the Northwest Territories is a relatively inexpensive outing. The average most expensive menu item is $15.24 while the average least expensive menu item is $3.69.

Most Dining Facilities are Open All Year

Ninety-six per cent of the eating establishments interviewed are open year round. The average facility seats 68 persons and experiences two nights per week where facilities are over 80% full and two nights per week where the establishment is under 30% full.

The Average NWT Food Service Operation Is 13 Years Old

The average age of dining facilities in the Northwest Territories is thirteen years. In spite of the fact then that half of the interviewed facilities were built after 1974, 73% of the food services sector has undertaken major renovations in the past five years. Various types of renovations, the percentage of renovations undertaken, and the average cost of these renovations is outlined in the following table:

Renovation	Percentage of Renovations Undertaken	Average Cost of Renovation
Adding Seating Capacity	14%	$ 7,167
Upgrading Seating	26%	N/A
Adding Kitchen Facilities	0%	N/A
Upgrading Kitchen Facilities	38%	$ 14,036
Adding Washrooms	8%	$ 3,000
Upgrading Washrooms	22%	$ 1,217
Adding Banquet Facilities	0%	N/A
Upgrading Banquet Facilities	0%	N/A
'Other Renovations'	36%	$ 22,150

The Average Gross Revenue Approximates $300,000

The average firm in the food services sector of the NWT's tourism industry brings in $299,100 in gross revenues per year.

The Food Services Industry Accounts for the Employment of 339 People in the NWT

The average food services firm in the Northwest Territories employs six people -- four of whom have a permanent status and two who are regarded as being employed temporarily.

Ninety-three percent of the pool of permanent food service employees are of NWT origin while only 25% of the temporary group are employed locally. In sum, 339 people are employed in the NWT food service sector, 71% of whom are of Northwest Territories origin.

32% of Food Services Employment Is Assumed by Waiters and Waitresses

The largest concentration of food services employment is in the roles of waiter and waitress. The next largest segment consists of chefs and cooks. Employment in the sector breaks down functionally as follows:

Job Type	Percentage of Food Services Employment Assuming this Position
Management	17%
Bartenders	15%
Waiters/Waitresses	32%
Chefs/Cooks	23%
Other	13%

Like the accommodation operators and outfitters, food service operators were asked to rate the various activities which are possible to pursue while visiting the Northwest Territories. The results are as follows:

As indicated by food service operators, coming for business reasons and coming for personal/family reasons are the activities for which there is the greatest current demand, with 70% of operators indicating that people involved in these activities eat or drink at their establishments. Not-so-closely following these activities in terms of current demand are the pursuits of shopping for art and handicrafts and visiting national or territorial parks.

Going on winter adventures resumes its place as the top-ranked activity in terms of untapped tourism potential. This activity was similarly ranked by both operators of accommodation facilities and outfitters. The second and third most 'under-pursued' activities are going on skidoo tours and going on boat cruises, respectively.

The third aspect of the following table, the ranking of activities both currently pursued and possessing untapped tourism potential, places canoeing, kayaking and rafting in the foreground. This activity was closely followed by going on bus tours/general sightseeing and camping, both indicated by 45% of operators as being currently pursued by their patrons and possessing untapped potential for increasing tourism to their region.

The food service operators were also asked to respond to whether or not various attractions possessed the potential to increase tourism activity in their respective area or community.

Current and Potential Demand
(As Indicated by Lounge, Restaurant and Food Services Sector)

Activity	Percentage Indicating Activity is Currently Pursued	Percentage Indicating Activity Not Currently Pursued But Potential to Increase Tourism	Percentage Indicating Both Currently Pursued and Potential to Increase Tourism
. Camping - Drive/Boating to Campsites	33%	10%	45%
. Camping - Hiking, Trekking, Backpacking to Sites	28%	20%	25%
. Visiting National or Territorial Parks	40%	7%	33%
. Canoeing, Kayaking, Rafting	30%	5%	47%
. Mountain Climbing/Ski Mountaineering	5%	5%	5%
. Viewing Nature and Wildlife/Marinelife	40%	12%	33%
. Going on Winter Adventures	7%	60%	10%
. Cross Country Skiing and Ski Touring	17%	40%	23%
. Expeditions to North Pole	7%	5%	7%
. Viewing Outstanding Scenery	25%	15%	25%
. Sport Fishing at Drive-in Lodges	20%	5%	12%
. Sport Fishing at Fly-in Lodges	38%	3%	28%
. Big Game Hunting	23%	15%	5%
. Experiencing Life in Northern Community	28%	36%	33%
. Going on Bus Tours and General Sightseeing	28%	12%	45%
. Visiting Historical or Archeological Sites	15%	17%	25%
. Shopping for Arts and Handicrafts	50%	5%	25%
. Going on Boat Cruises	12%	42%	12%
. Going on Photographic Tours	20%	20%	30%
. Going on Air Tours	30%	7%	15%
. Visiting Museums	25%	23%	0%
. Going on Skidoo Tours	10%	45%	12%
. Coming for Business Reasons	70%	0%	23%
. Coming for Personal/Family Reasons	70%	5%	12%
. Educational Tours	15%	15%	35%

The top ranked attractions were good fishing, and lakes, streams and rivers. Following this item were wildlife, birds and marine life. Lastly, tied for third place in this ranking were wilderness areas, historic areas, community/special events, and Northwest Territories culture, art, and lifestyles. The non-consumptive nature of the high-potential attractions again leaps out of the analysis.

	Percentage Feeling the Attraction Could Increase Tourism in their Area
Wilderness Areas	54%
Mountains	3%
Oceanside	3%
Lakes, Streams, Rivers	66%
National, Territorial Parks	49%
Historic Areas	54%
Waterfalls	40%
Hot Springs	9%
Wildlife, Birds, Marinelife	57%
Good Fishing	66%
Good Hunting	43%
Spectacular Scenery	49%
Community/Special Events	54%
Forested Areas	11%
Unique Flowers, Plant Life	26%
NWT Culture, Art, Lifestyles	54%

Again, like the accommodation operators and outfitters, the food services sector was asked about the type of modifications to their operations which would be necessary in the event that all or even some of the tourism potential, which they indicated existed, was realized.

Necessary Modifications if Indicated Potential Realized

Equipment	Upgrade Existing	Add More	Both
Seating Capacity	13%	22%	4%
Cooking Facilities	18%	16%	2%
Washrooms	20%	13%	2%
Other	11%	9%	0%

Apparently, both upgrading existing facilities, as well as adding to the operation would be popular responses to an increase in tourism activity.

Lastly, food service operators were asked to priorize a number of government assistance programs:

Priorization of Government Program Assistance

	Low Priority	High Priority
Improve Customer Level	21%	79%
Training and Staff Development Programs	47%	53%
Easier Access to Financing	58%	42%
Local Skilled Labour Availability	39%	61%
Marketing Assistance	58%	42%
Improvements to Transportation	26%	74%
Industry Awareness	24%	76%
Central Reservation System	71%	29%
Development of Attractions	13%	87%

The concerns expressed by the two previous sectors were echoed to some extent by the food service industry. A high priority was given to programs aimed at developing tourism attractions in the area, increasing customer levels and increasing tourism industry awareness. The core of any tourist area, its transportation infrastructure, obviously is in need of attention.

5.0 SCHEDULED AND CHARTERED AIR OPERATIONS

Thirteen scheduled air operators and twenty-six chartered air operators were interviewed in order to compile data on the air transportation sector. Following are some fleet statistics for both types of operators:

	Charters	Scheduled
Average Number of Aircraft in Fleet	6	7
Average Number of Craft Equipped With:		
. Skis	2	2
. Wheels	5	7
. Pontoons	3	4
Average Number of:		
. Small Single Engine Craft in Fleet	3	2
. Small Twin Engine Craft in Fleet	1	3
. Large Twin Engine Craft in Fleet	2	4
. Jet Aircraft in Fleet	0	1
. Helicopters in Fleet	6	0

Northwest Territories Natives are not Exceptionally Well-Represented in Terms of Employment in this Sector

Companies providing scheduled air service in the NWT are typically larger firms, in terms of number of employees, than firms providing chartered air service. As well, a large percentage of non-Northwest Territories employees are involved with these firms. Statistics on the various firms' personnel are as follows:

	Charter		Scheduled	
	Average Number	% NWT	Average Number	% NWT
Pilots	8	57%	13	59%
Maintenance Crew	6	58%	12	57%
Administrative	6	60%	10	63%
Passenger Service	6	43%	15	60%

The Average Chartered Air Service Is Fourteen Years Old

The average chartered air service began in 1973 while the average scheduled air service had its beginnings in 1970. Thus, air service is fairly well established in the NWT. As well, attempts are obviously made to keep fleets and other equipment current. Since 1982, 87% of chartered air firms, and 100% of scheduled air firms have made some improvements to their fleets or services.

By observing the following table, we can see that the main activity undertaken is adding aircraft rather than upgrading existing equipment in terms of improving the fleet. The following percentages refer to the group who are, in fact, improving their fleet or services in some manner.

	Charters	**Scheduled**
Percentage Adding More Aircraft	61%	64%
Average Cost of Additions	$130,385	$100,000
Percentage Upgrading their Aircraft	0%	0%
Average Cost to Upgrade	N/A	N/A
Percentage Adding to their Services	13%	55%

Passenger Service Contributes Largest Percentage to Revenues

Revenues obtained by providing passenger service make up 72.5% of charter air firms' revenues and 65% of scheduled air service firms' revenues. The breakdown occurs as follows:

	Charter	Scheduled
Average Percentage of Revenue Earned from:		
. Freight Service	27.5%	35%
. Passenger Service	72.5%	65%

Average Total Seating Capacity for Chartered Airlines Is 57 People

The average total seating capacity for all planes in a particular chartered airline is 57 people. For scheduled air service, the average total seating capacity is 65 people.

Chartered air service firms hire out their aircraft by the hour. The average hourly rates, by type of planes, are as follows:

Type of Aircraft	Hourly Rate
Small Single Engine Craft	$ 258.95
Small Twin Engine Craft	$ 411.08
Large Twin Engine Craft	$ 618.23
Helicopters	N/A
Jets	N/A

Scheduled airlines, of course, have a fixed ticket price for travelling to a particular destination. The average ticket price, for all airlines providing scheduled air service within the NWT is $177.40.

Chartered Air Services Are Most Heavily Utilized in the Summer

On average, in the summer months, 58% of a chartered air service fleet is actually utilized. The next highest period of utilization is the spring, at 465 use.

Chartered Air
Average Utilization by Season

	Percentage of Fleet Utilized
Summer	58%
Fall	46%
Winter	42%
Spring	46%

Fleet utilization follows a different pattern for firms providing scheduled air service, however, Spring is the busiest month with 57% of seats full. The other three seasons of the year are fairly close in utilization levels, but winter emerges as the next busiest at 48%.

Scheduled Air
Average Utilization By Season

	Percentage of Seats Full
Summer	47%
Fall	48%
Winter	49%
Spring	57%

Current demand for various activities, as well as the untapped potential seen as existing for these activities was outlined by the operators of various air services. As with the other three sectors examined, travelling for personal/family reasons and for business reasons were the two activities for which air service operators served the most customers. The next three highest demand areas were viewing nature and wildlife/marinelife, viewing outstanding scenery and going on air tours.

In terms of untapped potential demand, non-consumptive activities were highlighted. The three most highly rated areas here were experiencing life in a northern community, cross country skiing and ski touring, and going on winter adventures. The latter activity was the most highly rated activity using this criteria by the previous three sectors and, again, is included in the top three for the air sector.

Current and Potential Demand
(As Indicated by Scheduled and Air Charter Operations)

Activity	Percentage Indicating Activity Is Currently Pursued	Percentage Indicating Activity Not Currently Pursued But Potential to Increase Tourism	Percentage Indicating Both Currently Pursued and Potential to Increase Tourism
. Camping - Drive/Boating to Campsites	18%	9%	18%
. Camping - Hiking, Trekking, Backpacking to Sites	9%	12%	26%
. Visiting National or Territorial Parks	18%	6%	35%
. Canoeing, Kayaking, Rafting	29%	9%	41%
. Mountain Climbing/Ski Mountaineering	6%	9%	9%
. Viewing Nature and Wildlife/Marinelife	38%	12%	26%
. Going on Winter Adventures	6%	24%	12%
. Cross Country Skiing and Ski Touring	9%	26%	9%
. Expeditions to North Pole	0%	6%	0%
. Viewing Outstanding Scenery	38%	6%	26%
. Sport Fishing at Drive-In Lodges	12%	6%	0%
. Sport Fishing at Fly-In Lodges	24%	21%	41%
. Big Game Hunting	18%	9%	26%
. Experiencing Life in Northern Community	32%	26%	21%
. Going on Bus Tours and General Sightseeing	15%	9%	21%
. Visiting Historical or Archeological Sites	24%	18%	21%
. Shopping for Arts and Handicrafts	34%	9%	21%
. Going on Boat Cruises	0%	15%	21%
. Going on Photographic Tours	15%	15%	38%
. Going on Air Tours	35%	9%	44%
. Visiting Museums	9%	6%	6%
. Going on Skidoo Tours	0%	18%	9%
. Coming for Business Reasons	68%	0%	24%
. Coming for Personal/Family Reasons	71%	6%	12%
. Educational Tours	32%	6%	26%

Finally, the most highly rated activities for which current demand exists and which also possess untapped potential for future development are going on air tours, canoeing/kayaking/rafting, sport fishing at fly-in lodges, and photographic tours.

Potential for non-consumptive activities again becomes apparent when we examine the percentage of operators of air services feeling that various attractions had the potential to increase tourism in the areas served by their airlines. The most highly ranked attractions in the NWT by this sector were: wilderness areas; historic areas; lakes, streams and rivers; and wildlife, birds and marine life. The breakdown for these and other attractions occurs as follows:

Attraction	**Percentage of Air Feeling That the Attraction Could Increase Tourism to the Area Served by Their Airline**
Wilderness Areas	82%
Mountains	39%
Oceanside	25%
Lakes, Streams, Rivers	82%
National, Territorial Parks	57%
Historic Areas	82%
Waterfalls	64%
Hot Springs	21%
Wildlife, Birds, Marinelife	75%
Good Fishing	68%
Good Hunting	71%
Spectacular Scenery	50%
Community/Special Events	68%
Forested Areas	11%
Unique Flowers, Plant Life	50%
NWT Culture, Art, Lifestyles	43%

Chartered air service operators were apparently more ready to upgrade or add to their existing fleet or services in the event of increased tourism than were scheduled air operators. Responses of the various firms interviewed, with respect to this topic, are as follows:

Percentage of Operators Adding to or Upgrading Their Fleet in Response to Increased Tourism Activity

	Upgrade Existing	Add More	Both
Scheduled Air Operators			
Aircraft	6%	6%	0%
Pilots and Other Staff	0%	14%	0%
Buildings/Equipment	3%	3%	0%
Other	0%	0%	0%
Chartered Air Operators			
Aircraft	14%	14%	3%
Pilots and Other Staff	6%	20%	3%
Buildings/Equipment	14%	6%	6%
Other	3%	0%	0%

Lastly, the air operators were asked to priorize the list of various government assistance programs which had been presented to the other three sectors of the industry.

Priorization of Government Program Assistance

	Low Priority	High Priority
Improve Customer Level	30%	70%
Training and Staff Development Programs	61%	29%
Easier Access to Financing	21%	79%
Local Skilled Labour Availability	53%	47%
Marketing Assistance	40%	60%
Improvements to Transportation	56%	44%
Industry Awareness	15%	85%
Central Reservation System	46%	54%
Development of Attractions	29%	71%

Increased awareness of the NWT tourism industry and further development of tourist attractions are important focal points to this industry sector. Also appearing in this analysis is a high priorization of programs providing easier access to financing. This is likely a product of the fact that providing air service is a highly capital-intensive concern. Further, several comments from this sector were related to the fact that bank financing was extremely hard to obtain for northern concerns as a rule. The air service sector's problem is compounded by the fact that their operations are of a higher risk, low return nature.

6.0 BOAT AND VEHICLE RENTAL OPERATORS

A total of twenty land-vehicle and ten boat rental operators were interviewed. Although the ten boat rental interviews should have provided a more than adequate description of the sector, the data on these operators proved to be inferior relative to that received for the land-vehicle rental operators.

The Greatest Percentage of Operators Rent Trucks

First, examining vehicle-rental operators, the greatest percentage of operators rent trucks of both the two-wheel and four-wheel drive varieties. The percentage of firms renting each type of vehicle, the average number in their fleets, and the average daily charges are as follows:

	Percentage of Firms Renting	Average Number in Fleet	Average Daily Charge
Cars	52.9%	13	$ 44.33
Trucks (2-Wheel Drive)	82.4%	6	$ 53.34
Trucks (4-Wheel Drive)	58.8%	5	$ 64.50
All-Terrain Vehicles	17.6%	4	$ 45.00
Snowmobiles	17.6%	4	$ 50.00
Boats (Motorized)	23.5%	3	$ 40.00
Boats (Canoes or Paddle)	11.8%	6	$ 25.00

It is evident that a small percentage of firms classifying themselves as vehicle renters also rent boats. However, when firms referring to themselves as solely boat renters are interviewed, the following data results:

	Average Number In Inventory	Average Daily Charge
Canoes	2	$ 30.00
Kayaks	N/A	N/A
Motor Boats	2	$ 15.00
Fishing Equipment	N/A	N/A
Sailboats	N/A	N/A
Rowboats	N/A	N/A

Judging from the small number of boats available from those boat renters participating in the interview program, it is likely that these crafts are rented from a private home rather than a business concern.

100% of Vehicle Renters Accept Credit Cards

All of the vehicle rental operations which participated in the interview program accepted credit cards as a form of payment. Fifty percent of those renting boats accepted credit cards, but the low level of response may prove this to be an unrealistic figure. Further, all vehicle rental operations are operated over the entire year, while only 50% of the boat operations operated over this period.

71% of Vehicle Rental Operations Have Upgraded Their Fleets In the Past Five Years

While none of the boat rental agencies reported upgrading their fleets, 71% of vehicle agencies reported upgrading their fleets, 71% of vehicle renters have upgraded their inventory of equipment since 1982. The percentages of this group upgrading the various types of vehicles, and the average cost of this upgrading are outlined as follows:

	Percentage Upgrading	Average Cost
Cars	50.0%	$ 165,500
Trucks (2-Wheel Drive)	50.0%	$ 107,400
Trucks (4-Wheel Drive)	41.7%	$ 53,500
All-Terrain Vehicles	0%	N/A
Snowmobiles	0%	N/A
Boats (Motorized)	0%	N/A
Boats (Canoes or Paddle)	0%	N/A

The Average Gross Revenue for Vehicle Rental Firms is Greater than $200,000

None of those boat renters responding to the survey specified their average annual gross revenues. However, from data gained from the interviews of the vehicle renters points to an annual average gross revenue of $220,555.67 for these firms.

Poor data was obtained on boat rental operators. However, from the vehicle rental firms, we learned that the average number of permanent employees is four and those regarded as temporary amount to an additional two people. In total, our interview program identified eighty-five people employed in this sector.

The employment in the vehicle rental sector breaks down as follows

Function	Percentage Employed
Desk People	46.3%
Maintenance	43.9%
Other	9.8%

As expected, cars are the most heavily utilized type of vehicle, with 56% of the average fleet being used at any given time. The breakdowns of utilization for the other types of vehicles appear as follows:

	Average Utilization
Cars	55%
Trucks (2-Wheel Drive)	45%
Trucks (4-Wheel Drive)	36%
All-Terrain Vehicles	30%
Snowmobiles	22%
Boats (Motorized)	18%
Boats (Canoes or Paddle)	5%

All of these utilizations are likely considerably higher in the summer months. The fact that these operations operate over the entire year and that the above percentages refer to annual utilization means that these figures are likely understated when applied to the summer months alone.

The boat and vehicle rental operators were the last sector of the tourism industry presented with the list of activities undertaken while visiting the Northwest Territories. Highest current demand, as seen by the rental operators, resides in the activities of travelling for business reasons, shopping for arts and handicrafts, viewing outstanding scenery, and viewing nature and wildlife/marine life.

A striking observation is that, according to the second column, there is no untapped potential existing for activities which are not already currently pursued.

Current and Potential Demand
(As Indicated by Outfitters)

Activity	Percentage Indicating Activity is Currently Pursued	Percentage Indicating Activity Not Currently Pursued But Potential to Increase Tourism	Percentage Indicating Both Currently Pursued and Potential to Increase Tourism
. Camping - Drive/Boating to Campsites	27.8%	0%	0%
. Camping - Hiking, Trekking, Backpacking to Sites	38.9%	0%	22.2%
. Visiting National or Territorial Parks	38.9%	0%	16.7%
. Canoeing, Kayaking, Rafting	27.8%	0%	16.7%
. Mountain Climbing/Ski Mountaineering	11.1%	0%	0%
. Viewing Nature and Wildlife/Marinelife	44.4%	0%	33.3%
. Going on Winter Adventures	22.2%	0%	5.6%
. Cross Country Skiing and Ski Touring	22.0%	0%	5.6%
. Expeditions to North Pole	0%	0%	0%
. Viewing Outstanding Scenery	44.4%	0%	38.9%
. Sport Fishing at Drive-In Lodges	11.1%	0%	5.6%
. Sport Fishing at Fly-In Lodges	22.2%	0%	55.6%
. Big Game Hunting	22.2%	0%	33.3%
. Experiencing Life in Northern Community	22.2%	0%	5.6%
. Going on Bus Tours and General Sightseeing	16.7%	0%	0%
. Visiting Historical or Archeological Sites	27.8%	0%	5.6%
. Shopping for Arts and Handicrafts	44.4%	0%	22.2%
. Going on Boat Cruises	27.8%	0%	16.7%
. Going on Photographic Tours	27.8%	0%	33.3%
. Going on Air Tours	27.8%	0%	11.1%
. Visiting Museums	16.7%	5.6%	0%
. Going on Skidoo Tours	38.9%	0%	22.2%
. Coming for Business Reasons	61.1%	0%	22.2%
. Coming for Personal/Family Reasons	33.3%	0%	0%
. Educational Tours	16.7%	0%	22.2%

Finally, viewing the third column, we can see that the most highly ranked activities which are both currently pursued and possess untapped tourism potential are of a more consumptive nature than those identified by any other sector. These are, specifically, sport fishing at fly-in lodges, big game hunting, going on photographic tours, and viewing nature and wildlife/marine life.

When consulted about the potential that various attractions located in their area had for increasing tourism activity in the NWT, a consumptive activity again headed the list. The most highly ranked attractions were good fishing, wildlife, birds and marine life; wilderness areas; lakes, streams, and rivers; and NWT culture, art and lifestyles.

The rankings broke down quantitatively as follows:

	Percentage Feeling the Attraction Could Increase Tourism in their Area
Wilderness Areas	52.6%
Mountains	26.3%
Oceanside	10.5%
Lakes, Streams, Rivers	52.6%
National, Territorial Parks	42.1%
Historic Areas	47.4%
Waterfalls	26.3%
Hot Springs	0%
Wildlife, Birds, Marinelife	68.4%
Good Fishing	68.4%
Good Hunting	42.1%
Spectacular Scenery	47.4%
Community/Special Events	26.3%
Forested Areas	10.5%
Unique Flowers, Plant Life	36.8%
NWT Culture, Art, Lifestyles	52.6%

As opposed to the experience in analyzing the previous sectors, some problem occurred in quantifying the percentage of operators who would add to or upgrade their fleets in light of increased tourism potential. The most frequent response to this section of the interview program was that they would key their upgrading response to the level of demand to which they were subjected.

The operators were considerably more cooperative with respect to priorizing government assistance programs. The operators clearly demonstrated the need for an identification of the Northwest Territories tourism product and, having done this, marketing with the appropriate instruments through the proper channels. Programs increasing tourism industry awareness were highly priorized by 93% of the operators, those aimed at developing tourism attractions by 83% of operators, and those providing marketing assistance by 74% of the sector.

Priorization of Government Program Assistance

	Low Priority	High Priority
Improve Training Programs	38%	63%
Access to Financing	38%	63%
Skilled Labour	60%	40%
Marketing Assistance	27%	74%
Industry Awareness	7%	93%
Development of Attractions	17%	83%