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***Tourism Strategy Draft Executive Summary,
Western Arctic Visitors Association,
Economic Development & Tourism
Catalogue Number: 11-25-10***

11-25-10

Western Arctic

Tourism Strategy

Draft Executive Summary

Western Arctic Visitors Association
Economic Development and Tourism

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1. INTRODUCTION

1.1 STUDY HIGHLIGHTS AND FACTS

The executive summary outlines the general orientation for tourism development in the Western Arctic. It is the result of more than two years of study including extensive discussions with travel influencers, government and of course those already involved in the regional tourism industry or those planning a tourism business.

More than 150 individuals have been interviewed and in many cases ongoing technical assistance has been provided. Projects have included:

- architectural design for a Western Arctic Visitor **Centre**
- development plan for the Dempster Highway
- the establishment of a cruise boat in **Inuvik**;
- brochure production for a river boat operation in Norman Wells;
- NEDP applications for Banks Island;
establishment of an inbound operator in **Inuvik**;

as well as **prefeasibility** studies for;

- big game outfitters; and
- fishing lodge in Fort Franklin.

These activities have resulted in;

- heightened interest in tourism including greater participation by potential operators.
- identification of tourism development opportunities that not only respond to the natural/cultural resource base but also respond to the interests of local operators;

clear appreciation of the development potential of the Western Arctic and in particular the opportunity to significantly increase visitation by upgrading and promoting the Dempster Highway.

The results of this extensive investigation of tourism development opportunities has indicated the real opportunity to establish a solid and successful long term industry.

The strategy outlines the implementation steps, priorities and extent/costs of development.

While the Region's relationship with the oil and gas industry has been one of boom and bust, tourism **will** continue to grow in the short term and the focus of this study is to establish a long term viable industry.

The process activities and development opportunities necessary to realize this potential are outlined in this report.

1.2 STUDY METHODOLOGY

The study took place over an extended time frame which allowed for maximum interaction with potential operators and all those involved and interested in tourism development. This approach was defined as "action research" where the consultants provided direct input into product development, marketing, packaging, brochure production and **prefeasibility** analysis of certain projects. The principals steps of the project were as follows:

- Step 1: Development of Community Awareness;
- Step 2: Inventory and Analysis of Resources;
- Step 3: Analysis of Markets;
- Step 4: Assessment of Community Carrying Capacity and Product/Market Matching;

- Step 5: Selection of Alternative Development Themes/Concepts;
- Step 6: Tourism Conference;
- Step 7: Formulation of Development Strategy;
- Step 8: Product Development and Marketing;
- Step 9: Formulation of Implementation Plan;
- Step 10: Evaluation of Economic Impacts.

1.3 OBJECTIVES OF TOURISM DEVELOPMENT IN THE WESTERN ARCTIC

The main objectives of tourism development are to (1) diversify the economic base of the Western Arctic and (2) to create a strong employment generator. Despite its **seasonality**, tourism is nevertheless extremely labour intensive, especially for many of the potential products offered by this region.

The objectives of the Western Arctic tourism development then are to:

- o improve the economic climate of the region by increasing tourism expenditures and stimulating associated development activity;
- o increase job opportunities especially in those areas that **accommodate** native lifestyles and values;
- o generate more income and profits for local business and provide investment opportunities;
- o respond to the rapidly increasing visitor volumes, arriving in the Region due to growth in Dempster Highway traffic;
- o create job entry/training opportunities for locals;
- o create increased community and regional pride and **inter-community** communication; and
- o enhance cultural and natural resource awareness by locals.

1.4 AIMS OF THE STRATEGY

The strategy is based on the following aims:

- o to increase the volume of visitors especially via the Dempster Highway;
- o to increase overall length of stay and expenditure;
- o to establish new market driven product, especially in the area of adventure/wilderness package tours; and
- o to expand the shoulder season.

2. TOURISM RESOURCES AND DEVELOPMENT OPPORTUNITIES

2.1 REGIONAL RESOURCES

The Western Arctic is characterized by a spectrum of Arctic natural and cultural resources. It has concurrently been referred to as "the true north" and "the complete Arctic". As well, many of these resources already enjoy an international reputation. Natural features such as Banks Island, Herschel Island, Arctic Ocean, Mackenzie River and Mountains, and Great Bear Lake combine with the widely recognized cultures of the **Inuvialuit, Dene** and Metis.

Table 2.1 identifies the numerous resources and indicates which communities might turn their respective resources into development opportunities. It is also interesting to note that these opportunities appear to be more or less equally distributed across the Region. For instance, the balanced dispersion of **natural/-cultural** resources becomes evident when the Western Arctic is divided into three identifiable and recognizable areas; the **Mackenzie River Area**, the Mackenzie Delta Area and the Arctic Ocean. Each one has its own particular unique features which may be defined as:

- o Mackenzie River Area
 - **Dene** Culture
 - **Mackenzie** River
 - Mackenzie Mountains
 - Great Bear Lake
 - **Canol** Heritage Trail;
- o Mackenzie Delta Area
 - **Dene/Inuvialuit/Metis/Caucasian** Cultural Mix
 - Delta birds/mammals
 - fish camps
 - history of northern development including Mad Trapper, Dempster Patrol
 - administration/services at **Inuvik**;

- 0 Arctic Ocean
 - **Inuvialuit** Area Culture
 - natural /cultural resources of Banks Island and Herschel Island and
 - typical coastal communities such as **Paulatuk** oil and gas exploration at Tuktoyaktuk.

2.2 COMMUNITY-BASED RESOURCES

In keeping with the community-based approach to tourism development of Travel Arctic, resources have been identified in terms of their relationship to the 12 communities in the Western Arctic. In all cases the resources and development opportunities vary with each community. This quality enables each community to establish its own products and identity as well as their development theme and focus. These specific resources are:

Mackenzie River Area

Norman Wells	Mackenzie River, Canol Trail, Mackenzie Mountains, staging area
Fort Franklin	Great Bear Lake
Fort Norman	Mackenzie Mountains, Bear/Redstone Rivers
Fort Good Hope	Mackenzie River, Arctic Circle, Ramparts, Dene culture, historic church
Colville Lake	Colville Lake.

Mackenzie Delta Area

Inuvik	Mackenzie Delta, terminus of Dempster Highway, full tourist services, staging area
Aklavik	Richardson Mountains, Mad Trapper, Delta, arts and crafts
Arctic Red River	- Dempster Highway, Mackenzie River

Fort McPherson	- Dempster Highway, Locheux culture, arts and crafts, historic churches
Arctic Ocean Area	
Tuktoyaktuk	- Arctic Ocean, Inuvialuit culture, oil and gas, Pingos , Eskimo Lakes
Paulatuk	- Hornaday/Brock Rivers, Smoking Hills, Inuit culture, arts and crafts
Sachs Harbour	- Banks Island wildlife (muskox, nesting bird species), Thompson River, Nelson Head.

By matching these resources with the market segments the final theme, sub-themes and development opportunities for each community were identified,

TABLE 2.1
TOURISM RESOURCES/DEVELOPMENT OPPORTUNITY

RESOURCES	DEVELOPMENT OPPORTUNITY													
	FORT NORMAN	FORT FRANKLIN	NORMAN WELLS	FORT GOOD HOPE	COLVILLE LAKE	INUVIK	ARCTIC RED RIVER	FORT MCPHERSON	AKLAVIK	SACHS HARBOUR	PAULATUK	TUKTOYAKTUK	DEMPSTER HIGHWAY	HERSCHEL YT
NATURAL RESOURCES FEATURES														
ARCTIC OCEAN														
● Coastline										●	●	●		○
● Banks Island										○				
● Herschel Island						○								
MACKENZIE DELTA														
						●			●					
MOUNTAINS														
○ Mackenzie	○		○											
○ Richardson						○		●	●				●	
○ Ogilvie													○	
RIVERS														
● Mackenzie	○		●	●			●							●
● Firth						○			e					
○ Anderson											●			
● Hornaday/Brock											●			
○ Bear	○													
● Redstone/Keel e	○		●											
● Arctic Red							●							●
○ Peel								●					●	●
LAKES														
○ Great Bear		○	○											
● Wrigley	○		●											
○ Colville			○		●									
● Midway								●					●	
WILDLIFE (OBSERVATION)														
● Muskox										○	○			
● Beluga												○		
● Birdlife (general)										●				○
○ Peregrine Falcons				●		●				○				
○ Caribou								○	●	●	●	●	○	
FISHING														
● Arctic Char											●			
● Trophy Trout		●												
● Sportfish	●	●	●	○	●	○			○	○	○	○		
HUNTING SPECIES														
● Polar Bear										○	○	○		
● Muskox								○	○	○	○	○		
○ Dan Sheep	○		○	○				○	○					
● Mix Species	●	●	●	●				○	○	○	○	○		

- HIGH DEVELOPMENT OPPORTUNITY
- MODERATE DEVELOPMENT OPPORTUNITY
- SLIGHT DEVELOPMENT OPPORTUNITY

RESOURCES

	FORT NORMAN	FORT FRANKLIN	NORMAN WELLS	FORT GOOD HOPE	COLVILLE LAKE	INUVIK	ARCTIC RED RIVER	FORT MCPHERSON	AKLAVIK	SACHS HARBOUR	PAULATUK	TUKTOYAKTUK	DEMPSTER HIGHWAY	HERSCHEL YT
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CULTURAL RESOURCES

INUIT

- Arts and Crafts
- Fish Camps/Trapping
- Lifestyle
- Entertainment
- Whaling

DENE/METIS

- Arts and Crafts
- Fish Camps/Trapping
- Lifestyle
- Entertainment
- Loucheux History

NON-NATIVE

- Administration
- Oil and Gas
- Northern Development
- Catholic Church
- Gold Rush
- Dempster Patrol
- Mad Trapper

Arts and Crafts						●				○	●	●		
Fish Camps/Trapping						○				●	●	●		
Lifestyle						○				●	●	●		
Entertainment						○				●	●	●		
Whaling												●		
Arts and Crafts	○	○	○	○		○	●	●	●					
Fish Camps/Trapping	○	○	○	○		●	●	●	●					●
Lifestyle	○	●		○	○						●	●		
Entertainment	○	○	○	○	○	○		○		○	●	●		
Loucheux History								○						
Administration						●		○		●				
Oil and Gas												●		
Northern Development			●										○	
Catholic Church				●		○	○	○	●		●			
Gold Rush								○						
Dempster Patrol								●						
Mad Trapper								○	●					

EXISTING*

TOURISM INFRASTRUCTURE

- Roads (Summer)

ACCOMMODATION

- Hotel/Lodge
- R.V. Campground
- Transient Centre

FOOD SERVICES

- Groceries/Supplies
- Restaurant/Kitchen

AIRLINES

- Scheduled
- Charter

TOUR OPERATOR

Roads (Summer)						*●	*○	*●						●
Hotel/Lodge	*○	*●	*	*●	*●	*●	○		*○	*●	*●	*●		●
R.V. Campground						*●	○	*●						●
Transient Centre							*●	*●						
Groceries/Supplies	*	*	*○*	*	*	*●	*●	*●	*	*	*	*	*	*
Restaurant/Kitchen	*	*	*	*	*	*	*	*	*	*	*	*	*	*
Scheduled	*	*	*○	*	*	*	*	*	*●	*●	*○	*●		
Charter			○							*	○	○	○	
Tour Operator	○	○	*●	○		*●	○	●	●	*●	●	*●		

- HIGH DEVELOPMENT OPPORTUNITY
- ◐ MODERATE DEVELOPMENT OPPORTUNITY
- SLIGHT DEVELOPMENT OPPORTUNITY

RESOURCES

	FORT NORMAN	FORT FRANKLIN	NORMAN WELLS	FORT GOOD HOPE	COLVILLE LAKE	INUVIK	ARCTIC RED RIVER	FORT MCPHERSON	AKLAVIK	SACHS HARBOUR	PAULATUK	TUKTOYAKTUK	DEMPSTER HIGHWAY	HERSCHEL YT
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EXISTING* Cent'd

ATTRACTION

- Museum
- Historic Site
- Special Event
- Community Tours

			○	○		●	*(-J)	●	●	*	○	○		
● Museum	*○	*●	*○	*○	*○	*●	*●	*●	*●	*●	*○	*●	*●	*●
● Historic Site	*○	*○	*●	*○	*	*●	*●	*○	*○	*(-J)	*●	*●	*●	*●
● Special Event			*○	*○		*●		*○	*○			○	*●	
● Community Tours			*○	○		*●		○	*○		○	*●	*●	

OUTFITTER

- Fishing
- Hunting

● Fishing	*●	*●	*●	○	*●	*●		*●	*●		*●	*●	*●	*●
● Hunting	○	○	○	○	○			○	○	*○	*○	*○	*○	*○

3. TOURISM MARKETS

3.1 ACTUAL MARKET CONDITIONS

Tourism markets are shared primarily by the Dempster Highway which delivers more than 70% of the visitors to the region. Nevertheless there are 6 distinct market segments that contribute to the mix of travelers to the Western Arctic. They include:

- (a) Rubber **Tire**
 - Recreation Vehi cl es
 - automobile
 - motorcoach
 - small van;
- (b) Hunters
 - polar bear, Dan sheep, **muskox/caribou**, mixed bag;
- (c) Anglers
 - Arctic char, trophy trout;
- (d) Adventure Travelers
 - **birdwatchers**, hikers, **canoeists**, nature enthusiasts, nature photographers;
- (e) **Native** Cultural Enthusiasts
 - arts and crafts, **heritage sites**;
- (f) Air Pleasure Travelers.

Rubber tire, essentially **R.V.'s** represent the largest (75%) and the fastest growing segment (70% growth in 1987). Visitation to **Inuvik** (Information Centre registration) indicates the origin as Canada (45%), U.S. (34%), and Europe (19%) with the largest single markets being from British Columbia and Alberta. Visitors are typically older with 50% having incomes greater than \$40,000. Surveys in **Inuvik** indicate travelers are interested in such activities as shopping for crafts, camping, visiting historic/cultural sites, nature interpretation, meeting native people, sportfishing, etc. Sport hunters and anglers have very high level

of expenditures, spending between \$300 and \$1,500/day. Adventure travel packages, which are **growing** at 15% to 20% in Canada are gradually becoming available in the Western Arctic and attracting **birdwatchers** (Banks Island), canoeists (**Firth** River), etc.

3.2 OTHER SIMILAR NORTHERN DESTINATIONS ARE EXPERIENCING RAPID GROWTH

- o Growth has been excellent in most northern destinations averaging approximately 10% in the Yukon over the past five years, 12% in Alaska last year, 8% in the **N.W.T.** and 33% in **Dawson City** and 28% in Northern B.C. in 1987.
- o The Yukon, which is the primary gateway to the Western Arctic, has visitor profiles and market segments that are similar to the Western Arctic.
- o The Yukon will continue to aggressively pursue the recreational vehicle market and this will greatly contribute to Western Arctic tourism development. As well, **Dawson** City is expected to grow at 25% per annum for the next five years.

3*3 MARKET OPPORTUNITY

3.3.1 Market Growth

Market growth could take place in two categories - rubber tire and adventure travel packages:

- o **Rubber tire (largely recreational vehicle)** is projected to grow at 30% over the next three years then drops to 15% in the early 1990's. As a result, tourism volume will triple in the next seven years to 26,263 by **1993¹**. This estimate is based on

¹ **N.W.T.** Product Market Development projects an n-fold growth in 10 to 12 years (i.e. 46,000 tourists).

- historically high growth rates in new northern destinations
 - recent discovery of the **Dempster** Highway which resulted in approximately 70% growth in R.V. and automobile travelers in 1987 over 1986
 - consistent quality of **Dempster** Highway and added enroute services
 - aggressive marketing in **Dawson** including the Visitor Information Centre
 - promotion of the **Dempster** Highway as the last frontier highway to the Arctic;
- o Wilderness/Adventure **Package** Tours can be expected to grow from the existing base of a few dozen to approximately 1,500 in 1993 if the products are developed. Interviews with wilderness wholesalers suggest that they could presently supply approximately half that volume if the product were available. Doubling this potential volume by 1993 would reflect current adventure travel growth of 20% per year.

Other packages in hunting and fishing will basically reflect new lodge development and increased use of tags for sport hunting.

TABLE 3.1
MARKET PROJECTIONS FOR THE WESTERN ARCTIC

<u>MARKETS</u>	ACTUAL						
	<u>1987</u>	<u>1988</u>	<u>1989</u>	<u>1990</u>	<u>1991</u>	<u>1 9 9 2</u>	<u>1993</u>
<u>Rubber Tire</u>							
R.V.	4,815	5,906	7,677	9,980	12,475	15,594	17,933
Auto	850	1,027	1,335	1,735	2,168	2,710	3,116
Coach	649	690	750	810	870	930	990
Small Vans	47	83	113	143	173	193	230
<u>Hunting</u>							
Beaufort Area	86	95	100	104	112	120	125
Bear Area	180	204	228	252	276	300	320
Aklavik/McPherson	-	5	10	20	30	40	45
<u>Fishing</u>							
Trophy	260	30	360	440	520	560	600
Wilderness	92	100	120	200	260	300	320
<u>Adventure Travel</u>							
Hi ki ng		30	60	120	240	360	420
Canoe/Kayak/ Zodi ac	57	100	130	170	220	286	352
Boat Crui se		20	72	888	106	140	160
Wi l d l i fe/Photo/ Herschel I s.	18	60	120	180	270	351	456
Cul ture/Arts Workshops		20	40	60	80	120	140
<u>Air</u>	750	790	830	870	915	960	1,056
TOTAL:	<u>7,804</u>	<u>9,430</u>	<u>11,845</u>	<u>15,172</u>	<u>18,715</u>	<u>22,964</u>	<u>26,263</u>

4. DEVELOPMENT THEMES

4.1 THEMES

Development themes are a result of matching the available natural /**cultural/heritage** resources with the demands of the existing and potential markets. The synthesis of these data results in:

- o an overall image and a development and marketing orientation for the Region; and
- o a **list** of development opportunities.

There are a number of world-class features and qualities that shape the themes of this Region including the Dempster Highway, Mackenzie **River/Delta, Arctic Ocean**, Banks Island, **Great Bear Lake**, and of course **Inuvialuit**, Dene and Metis culture. **It** is also known that the markets are looking for access to the natural and cultural resources for hiking, nature interpretation, **cultural** entertainment, and arts and crafts.

In the matching of resources and markets, however, it became quite clear that **the majority of visitors** are coming to see the Arctic landscape and Ocean and native culture, and for the most part are coming because they can drive the only public highway in the world that goes above the Arctic Circle.

This suggests an incredible opportunity for the Western Arctic - the ability to drive a safe and comfortable yet adventurous highway to the Arctic.

A powerful, luring theme would be - **THE ACCESSIBLE ARCTIC** . While this is sometimes used by the Keewatin Region it is much more appropriate to the Western Arctic which will, over the next

ten years, attract many thousands more travelers to the **N.W.T.** than the **Keewatin**.

This theme also reflects the latest **N.W.T.** slogan by suggesting "the unbelievable Canadian Arctic is really within reach" to potentially tens of thousands of travelers each year.

This theme does not, however, accommodate the resources of the southern part of the region, i.e. the Mackenzie River Area. This area is characterized by Mackenzie - the River and the Mountains. The Mackenzie River is one of Canada's most magnificent rivers and its adjacent mountains have a northern majesty all their own. While Great Bear Lake has an influence on the Region it does not provide (it with) the focus, the backbone so to speak, that the Mackenzie River does.

The second theme is proposed to be - THE MAGNIFICENT MACKENZIE. Most developments in this area would then focus on the River and the Mountains.

Table 4.1 outlines the themes and sub-themes for each community,

TABLE 4.1
COMMUNITY THEMES

COMMUNITY	THEME	SUBTHEME
<u>A. MACKENZIE RIVER AREA</u>		
a) Norman Wells	Mackenzie River Canol Trail	Oil and Gas Industry Interpretation
b) Fort Franklin	Trophy Sportfishing	Native Lifestyle
c) Fort Norman	Sport Hunting	Wilderness Tours
d) Fort Good Hope	Mackenzie River Arctic Circle	Sport Hunting/Fishing Dene Culture
e) Colville Lake	Sportfishing	Native Lifestyle
<u>B. MACKENZIE DELTA AREA</u>		
a) Inuvik	Regional Staging Area Mackenzie Delta	Destination Attractions Information Services
b) Aklavik	Richardson Mountains History	Herschel Island Sport Hunting Arts and Crafts Mackenzie Delta
c) Fort McPherson	Dempster Highway Visitor Services	Loucheux Culture Sport Hunting Dempster Patrol Peel River Interpretation
d) Arctic Red River	Dempster Highway Services	Native Culture Fish Camp
<u>C. ARCTIC OCEAN AREA</u>		
a) Paulatuk	Nature/Ocean Tours Wilderness Lodge	Sport Hunting/Fishing Inuit Culture Arts and Crafts
b) Sachs Harbour	Banks Island Nature Interpretation	Sport Hunting
c) Tuktoyaktuk	Arctic Ocean Touring Inuit Culture	Pingos Oil and Gas Sport Hunting

5. DEVELOPMENT CONCEPT

5.1 REGIONAL UNITS

The concept is the foundation of the strategy and sets the framework for selecting final development opportunities and establishing the orientation of the marketing and development plan.

The proposed concept is community-based with each town or community fitting into the plan in such a way that it builds upon the individual strengths and protects its unique resources.

The concept is comprised of Service **Centres**, Activity **Centres**, Staging **Centres**, and Access Corridors or Linkages for each of the development areas or planning units:

- o the Mackenzie River Area;
- o the Mackenzie Delta Area;
- o The Arctic Ocean Area; and
- o the **Dempster** Highway area.

While the region has traditionally been divided into the three areas, a fourth, the **Dempster** Highway is added to this strategy because of its important impact on visitor volume. Each area may then be considered as a specific planning unit with the following development opportunities:

Mackenzie **River** Area

The area's hunting (Mackenzie Mountains) and fishing (Great Bear Lake) resources provide opportunity for increasing trophy fishing with a lodge at Fort Franklin and increasing hunts in the Mackenzie Mountains. The impact of hunting on the regional economy could improve with local outfitters acquiring existing operations. The **Canol** Trail offers the opportunity for a world class northern hiking trail upon

completion of existing developments. Finally, adventure packages could be available on the Mackenzie River as well as the Mountain, Redstone and **Keele** Rivers. Norman Wells could be the main staging and servicing point for the area.

Mackenzie Delta Area

Inuvik, the terminus of the **Dempster** Highway, is the focal staging/service centre of the Mackenzie Delta. The vast majority of travelers to the region (80%) arrive at **Inuvik** by the **Dempster** Highway. Efforts must be made to hold and encourage them to visit **communities** in the other areas. The Delta offers opportunities to increase their length of stay with boat cruises and boat trips to **Aklavik** and Tuktoyaktuk.

Aklavik offers an accessible destination from **Inuvik** with additional trips to the Richardson Mountains, fish camps and Herschel Island.

Arctic Red River and Fort McPherson are important service communities on the **Dempster** Highway. Fort McPherson could provide major visitor services (information/reception, gas, camping, arts and crafts, supplies) as well as history (**Dempster** Patrol) and cultural (**Locheux**) interpretive programs.

Arctic Red River could develop its strategic location at the Mackenzie River ferry crossing to provide visitor services, arts and crafts **sales** and camping (including Dene fish camp style tent frames).

Arctic Ocean Area

The three communities of this area, while offering **Inuit** culture, are different in their potential product development.

Tuktoyaktuk has become extremely popular (1,600 visits in 1987) with its community tours because of its **proximity** to **Inuvik** and, of course, the promotion of the local airlines. Greater economic impact will only be realized if the length of stay can be extended by offering more visitor interpretation, **harbour/coastal** cruises, Pingo trips, overnight packages (tent frames, hotels), cultural inclusion trips and eventually, whale watching.

Paulatuk could increase the use of its hotel and Hunters and Trappers Association (HTA) boat by offering packages (fishing, wilderness) to the **Hornaday** and **Brock** Rivers. This would eventually require the development of lodges/tent frames on each river.

Dempster Highway Area

The **Dempster** Highway, possibly one of the most scenic and adventurous travel corridors in North America, is the Western Arctic's connection to the southern markets. At its entrance is **Dawson** City which is emerging as an extremely popular northern attraction/destination that in 1987 attracted 50,000 visitors, an increase of **35%¹** over the previous year. At the highway's terminus is **Inuvik**, on the famous Mackenzie Delta and within an easy flight to the Arctic Ocean. En route the **traveller** is treated to the spectacular beauties of the **Ogilvie** and **Richardson** Mountains, two Territories, the Mackenzie River and the Arctic Circle. There are many ways to both improve the visitors' overall experience on the route (interpretation signs and kiosks) as well as the overall level of service. This could be accomplished by establishing a Visitor Service/Reception **Centre** at the only community along the 450 mile route - Fort McPherson. Fort McPherson is the first community encountered by travelers arriving in the **Western**

¹Discussions with Mr. Don Wiesbeck, Director of Development, Tourism, Yukon.

Arctic and is the unofficial "entry point" for 70% of the visitors to the region. As such it is the principal **centre** of this area with the potential to provide supplies, information, community tours, etc.

The only other community is Arctic Red River which while not on the highway, has the opportunity to benefit from the ferry crossing by selling and providing camping services and interpretation of the Mackenzie River.

Although the **Dempster** Area is a powerful unit within itself, it does need a strong hook at its entrance (Klondike/Dempster Junction). Ideally this should take the **form** of a visitor information **centre** or kiosk. The **Dempster** is the catalyst to high volume and growth in the Western Arctic. It must be aggressively promoted to the northern rubber tire market as both an attraction and an access corridor to the Arctic.

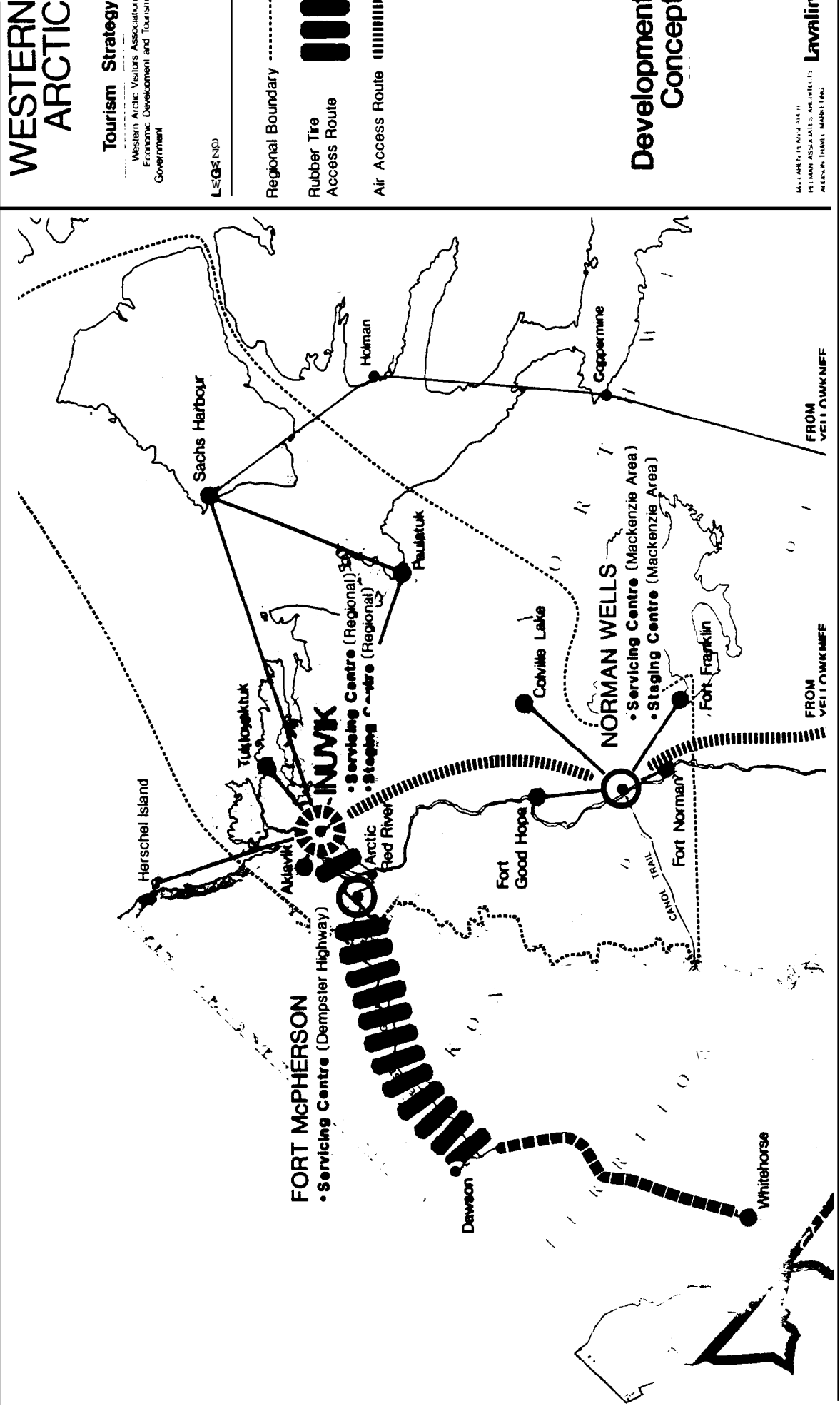
5.2 COMMUNITY-BASED THEMES AND CONCEPTS

As well as providing an overall concept for the Region and its four areas it is also necessary to establish a framework for each of the communities. The purpose is to comprehensively integrate and balance each community within the overall structure of the strategy. This also promotes inter-community collaboration through the sharing of common resources and the mixing of diverse opportunities with each product offering. The proposed development concept is presented in Table 5.1, Figure 5.1 and Figure 5.2.

TABLE 5.1
DEVELOPMENT CONCEPT

	REGIONAL	AREA	COMMUNITY
SERVICE CENTRES	Inuvik	<ul style="list-style-type: none"> o Norman Wells (Mackenzie River) o Fort McPherson (Dempster Highway) 	All Other Communities
ACTIVITY CENTRES	Inuvik	<ul style="list-style-type: none"> o Norman Wells o Tuktoyaktuk o Fort McPherson 	All Other Communities
STAGING CENTRES	Inuvik	<ul style="list-style-type: none"> o Norman Wells 	All Other Communities
ACCESS CORRIDORS	Dempster Highway Yellowknife/ Norman Wells Inuvik	<ul style="list-style-type: none"> o Yellowknife/ Norman Wells o Inuvik/Tuktoyaktuk o Inuvik/Norman Wells 	e.g. Norman Wells/ Fort Franklin Norman Wells/ Fort Good Hope Yellowknife/ Fort Franklin Sachs Harbour/ Holman

FIGURE 5.1



6. DEVELOPMENT PRINCIPLES

The final selection of development opportunities and the steps toward implementation are based on a number of development principles that specifically apply to the Western Arctic.

Minimize Development/Financial Risk

Because of the high capital cost, short season and absolute distance from major markets it is essential to consider all the factors that would minimize risk to the development opportunities. This can be accomplished by:

- o implementing major capital projects in latter years, when tourist volumes are higher and confidence in the industry is greater;
- o emphasizing lower cost expansions, and non-capital intensive ventures such as outfitting services, bed and breakfast and tent frames in the initial years;
- o spreading development throughout the communities;
- o starting small and allowing the business to grow slowly; and
- o using government support to cover start-up costs and marketing.

A **Community** Based Approach to Development

In order that communities might emerge as the generators of tourism development it is necessary to:

- o **provide** adequate training (guides, management) at the community level;
- o develop services in the community to serve tourist flow to the surrounding tourist resources;

- o emphasize the creation of local tour operators;
- o concentrate the economic and social benefits in the community; and
- o establish strong service/staging areas throughout the Region at Norman Wells, Fort McPherson, **Inuvik** and Tuktoyaktuk to encourage visitor movement to all communities.

Maintain an Appropriate Rate of Development

The rate of development for each community should reflect:

- o community absorption capacity;
- o native lifestyle and time perspective; and
- o a gradual, phased and sequential development.

Emphasize an Action Orientation to the Plan

Tourism development should include:

- o co-ordination between the tourism association and **local** outfitters regarding package tour and overall product development;
- o provide immediate training program; and
- o **generate** initial support for developments that require modest funding (e.g. purchase of boats, tent frames, and establishing community hosts).

Emphasize and Establish Package Tours

Create a variety of one to seven day packages for both rubber tire traffic as well as all inclusive adventure wilderness tours for air travelers. Initially develop tours that are relatively easy to deliver and undertake such as boat tours on the Delta, **over-**

night tours on the Arctic Coast or to Herschel Island, three day trips to Richardson, etc. They should be relatively short (2 to 5 days) and easily identifiable (i.e. 2 days to Tuktoyaktuk) to the casual adventure recreational vehicle tourist. This will provide revenue to operators who can then establish more extensive 5 to 7 day packages on Banks Island, **Canol** Trail, Richardson, etc.

Promote Greater Shoulder and Off Season Activities, Especially in the Spring

This will gain additional revenue for operators, disperse tourism over a greater period, and increase overall arrivals. While there are extreme limitations to winter tourism traffic, April, May and October travel could be developed in the long term.

Encourage private sector and Native Development Corporations to become actively involved in tourism investment.

Develop stronger inter-regional and **inter-community** linkages for combined product and packaging, co-operative advertising, and joint **community** training.

The new WAVA Manager and Regional Tourism Officers must act as a facilitator in bringing the product development and marketing efforts of the various communities together in a co-ordinated, functional manner.

Respect traditional lifestyle by enhancing tourist awareness of native customs and protecting native values, heritage and cultural sites.

Improve market research and establish a more market specific approach to marketing.

It will be necessary to conduct ongoing market research at the operator level , in the Visitor Centres, at the airport and on the **Dempster** Highway. Operator data (hotels, tour outfitters, campgrounds, etc.) should be forwarded to WAVA (and Travel Arctic) for an overall composite of regional tourism.

The public should continue to be involved in tourism development at the **community** level.

The formation of community tourism associations (i.e. Tuktoyaktuk, Norman Wells) should be continued and supported.

The **tourism** strategy and future **tourism** plans should be integrated into all other physical and **economic** development plans for the **Region**.

7. TOURISM DEVELOPMENT PROJECTS

The final Western Arctic development plan proposes 71 different projects ranging from the establishment of tour outfitters to the development of a \$2 million Western Arctic Visitor **Centre**. Total development will cost approximately **\$21** million, spread over seven years, including planning and start up costs. Approximately \$1.0 to \$1.5 million will be spent in each community. Expenditures vary depending upon:

- o availability and demand for natural resources;
- o interests of the local community and local operators;
- o experience of existing operators; and
- o access to higher visitor volumes.

Because of the emphasis on package tour development, outfitting operations have been proposed for most communities. As well, information/reception **centres** are identified for each staging area and arts and craft production and workshops would exist in most communities. Each project, its development costs and priority are listed on Tables 7.1 through to 7.4 found at the end of the section.

Opportunity Selection and Priorization

There were in excess of 100 proposed potential development opportunities which had to be evaluated. This was done by subjecting each project to a value rated matrix. It was also prepared in consultation with various community group and local operators and was used as a working tool to develop the relevance of the project and order of priority.

Projects were rated on a scale of 1 to 5 (except for "job creation" and "attract new markets" which were rated 1-10) for 20 different criteria. Typical evaluation criteria were: *

Impact on the Strategy

increase volume, extend shoulder season;

Impact on Economy

- job creation, general revenue, training;

Impact on Regional Tourism

- integration with existing plant
- response to rubber tire traffic
- funding potential;

Environmental Impact;

Community Impact;

Project Viability

- local investment opportunity.

While it is not possible to discuss all the projects in this summary the most relevant ones are outlined here by area.

7.1 MACKENZIE RIVER AREA

o Norman Wells

Establish the community as a staging area with the development of the **Canoe** Trail, an Interpretation **Centre** and the creation of a River Tour Outfitter.

o Fort Franklin

Capitalize on world class trophy fishing with the development of a major fishing lodge.

o Fort Norman/Fort Good Hope

Provide opportunity for these communities to take advantage of the excellent sport hunting resources through the acquisition of two local hunting operators.

7.2 MACKENZIE DELTA AREA

o **Inuvik**

Establish **Inuvik** as a true destination and staging area with a mix of activities and attractions that increase the length of stay, use of existing resources and capitalize on the high projected visitor volumes anticipated by 1995.

Developments would include cruise boat and tour boats, waterfront development, a major heritage attraction and a full service resort campground for recreational vehicles. Its staging area function will be strengthened by the creation of an inbound operator.

o **Fort McPherson**

This community will maximize its location on the **Dempster** Highway with the construction of a:

- Visitor Service and Reception **Centre** and Western Arctic Reception Area; and
- **R.V.** Resort Campground (Midway Lake).

The former facility will welcome tourists to the Region and encourage them then to visit the community, experience **Locheau** culture at the proposed museum, purchase supplies and eat at the restaurant. The Midway Lake Campground will be established once the **R.V.** volume has increased to support its operation.

o **Arctic Red River**

Its location on the **Dempster** Highway and at the Mackenzie River crossing suggests an opportunity for a roadside stop, including a small retail outlet and eventually a small campground and tent frame rentals. The outlet would also sell local arts and crafts.

0 Aklavi k

This community would take advantage of its proximity to **Inuvik** (for community tours and a Mad Trapper Exhibit/Museum), the Richardson Mountains (for hiking, photo and wildlife safaris and hunting packages) and Herschel Island for overnight accommodation packages. Major projects include the establishment of an outfitter(s) to deliver these packages and a lodge to serve the Richardson Mountains.

7.3 ARCTIC OCEAN AREA0 **Tuktoyaktuk**

This community is already a major destination for one day and packaged trips from **Inuvik** and requires the necessary facilities and attractions to hold this rapidly growing market (**1,600 in 1987**). An ocean tour boat operation is proposed for coastal trips, tours to **Inuvik** and **harbour** tours. This will fully develop **Tuktoyaktuk** as a destination and staging area and will increase the length of stay. It should also include a Visitor Service Centre to be located adjacent to the sod house. Emphasis will also be placed on establishing an adequately equipped tour outfitter who will market heavily in **Inuvik**.

0 **Paulatuk**

Paulatuk will develop its fishing, hiking and photography potential on the Hornaday and Brock Rivers through the creation of two major camps on each river. This will respond to opportunities in the wilderness/adventure market. The arts and crafts industry will also be revitalized and sport hunts expanded.

0 **Sachs Harbour**

Internationally renowned Banks Island will be made available through quality package tours for wildlife and photo safaris, **birdwatching**, hiking, etc. This will require an established tour outfitter working in collaboration with the **Icicle Inn** to develop, market and deliver Banks Island packages.

7.4 **DEMPSTER HIGHWAY AREA**

The **Dempster** Highway is both a national tourist attraction as well as the main access to the Western Arctic and the key to the Region's long term success as a major northern destination. Consequently, substantial capital investment is required to upgrade the level of visitor services, road security and attractions along the highway. Development proposals are outlined for both the **N.W.T.** and Yukon, and discussions with Yukon Tourism indicate a definite interest in participating in the development. The following projects are essential to establishing the reputation of the **Dempster** Highway as a reputable, safe yet frontier tourist corridor and primary access route to the Western Arctic.

o **Klondike Highway Dempster Information Centre** (Yukon)

This facility is the most important development along the highway. Its purpose is to promote, direct and inform visitors along the **Klondike** Highway of the **features/attractions/services** of the Western Arctic and **Dempster** Highway.

Three alternatives have been explored to direct traffic up the **Dempster**:

- 1) Locating a Western Arctic Information Officer in the **Dawson City Information Centre**;
- 2) Locating a WAVA Information **Centre** in **Dawson City**; and
- 3) establishing a Visitor Information **Centre** at the junction of the **Klondike** and **Dempster** Highways.

Alternative 3 is recommended because:

- an Information Officer in the **Dawson City Centre** or a **Dawson** facility does not have the impact due to the competition with other **Dawson/Yukon** attractions; and
- the Yukon has expressed interest in financial participation *in* the project.
- a concerted effort is required to convince the 25% of **Dempster** Highway travelers who do not go to **Inuvik** that it is worth the additional time.

Although costs of this option may be slightly higher its influence on **Dempster** Highway traffic and eventually visitor volume to the Western Arctic would be higher.

Phase 1 of the development would be an open kiosk to be eventually followed by closing in the facility and staffing it. This facility would also be supported in the Yukon by an information kiosk at Km 30 and at the Eagle Plains Lodge and Tombstone Lookout.

o Midway Lake Campground

The construction of a significant **R.V.** oriented campground would provide an essential accommodation service to the growing **R.V.** traffic on the **N.W.T.** portion of the **Dempster** Highway. The development will also include an amphitheatre to be used by the people of Fort McPherson for their summer festivals.

- o Additional developments to serve the **traveller** would be interpretation signs and kiosks (e.g. **Blackstone** Village), lookouts at Peel River and Campbell Hills and a boat ramp at Deep Water Lake.

7.5 REGIONAL DEVELOPMENT PROJECTS

o Western **Arctic** Regional Visitor **Centre**

The **WAVA Centre** is possibly the most important proposed development for the region. It will be the principal facility to distribute information on the region including community attractions, available package tours, charter flights, etc.

Its display area, lounge and **theatre** will be an attraction and a focal point for visitors to **Inuvik** and the region.

It will be built by the private sector and the space will be rented out to government, **WAVA**, Arctic College and private industry. For instance, Parks Canada has expressed interest in taking all available offices/storage space on a year round basis and a local inbound operator would also find the facility convenient. Arctic College needs space and has expressed interest in renting during the winter months (i.e. display area, **theatre**). The college would like to run a four-classroom hospitality training facility in the winter. The larger open space has also been designed to serve for community receptions and special events. Finally the major tenant will be **WAVA** who will require two offices and a resource library.

o Regional Cultural Heritage **Centre**

This very important project **would** be the prime attraction in the Region and strategically located at the end of the Dempster Highway. It would act as a magnet to encourage people up the highway to **Inuvik**.

It would focus on presenting native culture in a themed environment and could present native traditional housing,

Lifestyles, tools and equipment and arts and crafts. There could also be a strong emphasis on native beliefs, customs and values in traditional and contemporary terms. The attraction would also be supported by a display of local wildlife of the region.

TABLE 7.1
MACKENZIE RIVER AREA DEVELOPMENT OPPORTUNITIES

Development Opportunities	Estimated cost	Priority		
		1	2	3
<u>Norman Wells</u>				
Mackenzie River Tours	\$ 140,000	*		
Canoe Trail Development	725,000	*		
Regional/Community Hosts	95,000	*		
Interpretive Exhibit, Visitor Ctr., Museum	475,000			*
Canoe Trail Outfitter	125,000		*	
	<u>\$1,560,000</u>			
<u>Fort Franklin</u>				
Fishing Lodge	\$ 810,000	*		
Hotel Expansion	150,000	*		
Fort Franklin Restoration	155,000		*	
Arts and Crafts	40,000			*
Wilderness/Hunting Outfitting	130,000			*
	<u>\$1,285,000</u>			
<u>Fort Norman</u>				
Big Game Outfitting	\$ 860,000	*		
Canoe Trip Outfitter	110,000	*		
	<u>\$ 970,000</u>			
<u>Fort Good Hope</u>				
River Tours	\$ 100,000	*		
Community Activities	65,000		*	
Arctic Red Outfitters	590,000		*	
Dene Cultural Centre	535,000			*
	<u>\$1,290,000</u>			
<u>Colville Lake</u>				
Lodge Development	\$ 545,000	*		

TABLE 7.2
MACKENZIE DELTA AREA DEVELOPMENT OPPORTUNITIES

Development Opportunities	Estimated cost	Priority		
		1	2	3
<u>Inuvik</u>				
Tour Cruise Boat Acquisition	\$ 260,000	*		
Delta Boat Tours	40,000	*		
R.V. Resort Campground	1,550,000		*	
Seasonal Units (Happy Valley)	110,000		*	
Downtown Revitalization	1,100,000			*
Waterfront Development	300,000		*	
Tourism Activities	75,000	*		
Inbound Tour Operator	130,000	*		
Campbell Hills Park	270,000			
	<u>\$3,835,000</u>			
<u>Fort McPherson</u>				
Visitor Service Area	\$ 620,000	*		
Museum Attraction	380,000		*	
Midway Lake	785,000		*	
Nutuiluie Campground	150,000	*		
River Tours	50,000	*		
Arts and Crafts	50,000		*	
Community Tours/Host	50,000		*	
Sport Hunting Outfitter	30,000		*	
	<u>\$2,175,000</u>			
<u>Arctic Red River</u>				
Roadside Development	\$ 495,000	*		
River Tours	65,000		*	
Community Activities	20,000		*	
Arts and Crafts	58,000	*		
	<u>\$ 638,000</u>			
<u>Aklavik</u>				
Richardson Mountains Naturalist Lodge	\$ 140,000	*		
Wilderness Tour Outfitter	75,000	*		
Herschel Island Accommodation	110,000		*	
Arts and Crafts Production	70,000			*
Museum/Mad Trapper Exhibit	250,000		*	
Sport Hunts	1,000,000		*	
Dock Area	0,000			
	<u>\$ 845,000</u>			
<u>Regional Development Projects</u>				
Western Arctic Visitor Centre	\$2,075,000	*		
Regional Cultural Heritage Centre Attraction	1,055,000		*	
	<u>\$3,130,000</u>			

TABLE 7.3
ARCTIC OCEAN AREA DEVELOPMENT OPPORTUNITIES

Development Opportunities	Estimated cost	Priority		
		1	2	3
<u>Tuktoyaktuk</u>				
Ocean Going Tour Boat	\$ 225,000		*	
Community Host/Tours	90,000	*		
Tourist Visitor Centre	490,000	*		
Arts and Crafts	215,000		*	
Tour Outfitter(s)	135,000	*		
Eskimo/Husky Lakes Fishing Lodges	510,000		*	
	<u>\$1,665,000</u>			
<u>Paulatuk</u>				
Wilderness/Sport Hunts Outfitter	\$ 120,000	*		
Arts and Crafts	90,000			*
Wilderness Camps	775,000		*	
	<u>\$ 985,000</u>			
<u>Sachs Harbour</u>				
Banks Island Outfitters	\$ 485,000	*		
Museum/Attraction	45,000		*	
Community Host	55,000		*	
Community Activities	25,000		*	
	<u>\$ 610,000</u>			

TABLE 7.4
DEMPSTER CORRIDOR DEVELOPMENT OPPORTUNITIES

Development Opportunities	Estimated cost	Priority		
		1	2	3
<u>Dempster Highway</u>				
Yukon/N.W.T. Border	\$ 115,000		*	
Peel River Lookout (Km 64)	70,000	*		
Deep Water Lake Boat Ramp	75,000		*	
Arctic Red River Lookout	45,000	*		
Campbell Hills Interpretive Stop Planning	80,000		*	
Outdoor Kitchens	150,000		*	
Interpretive Signage	140,000	*		
Klondike Hwy. Information Centre (Yukon)	430,000	*		
Eagle Plains Information Centre	40,000	*		
Km 30 (Yukon) Information Kiosk	70,000	*		
Tombstone Lookout	40,000	*		
	<u>\$1,255,000</u>			

8. MARKETING STRATEGY

The marketing strategy outlines the specific, year by year expenditures for **WAVA** as well as the individual Western Arctic suppliers (existing and potential). All aspects of a marketing strategy have been addressed including:

- o consumer magazine advertising
- o brochures/flat sheets
- o familiarization tours/travel shows
- o inquiry fulfillment and mailing lists
- o travel writers and videos
- o **WAVA** special promotion and media events
- o in-house promotion/giveaways
- o marketing support/research.

The marketing strategy compliments the more general Awareness Campaign of Travel Arctic and is very target specific and focused on the particular markets to the Western Arctic.

8.1 MARKETING OBJECTIVES

- o Reflect the American focus of the Camp Media efforts and increase American visitation to 55% of total.
- o Aggressively promote the Dempster Highway and increase annual visitation by 30% annually over the next three years.
- o Within Canada, focus on Ontario, especially the high population areas of Southern Ontario.
- o Increase tourism threefold over the next seven years.
- o Aggressively promote the rapidly expanding adventure travel market.
- o Work closely with **TIA-NWT** and Travel Arctic.

8.2 MAJOR MARKETING EFFORTS

- o Appeal heavily to Recreational Vehicle Operators especially through the use of appropriate consumer magazines.
- o Promote adventure packages to hikers, canoeists, wildlife and native culture enthusiasts, by working with southern wholesalers (Black Feather, Ecosummer, Victor Emmanuel).
- o Emphasize the use of literature including product specific brochures and a Western Arctic Directory.
- o Use higher-end target specific magazines such as Birdwatcher, Backpacker, **Che-Mun**, etc.

8.3 PROPOSED MARKETS

A shift is proposed from the present 60% Canadian/40% U.S.A. ratio to U.S.A. (55%), Canada (35%) and Foreign (10%).

The proposed U.S. and Canadian markets are as follows:

<u>U. S. A.</u>		<u>CANADA</u>	
California	30%	Southern Ontario	40%
Washington	15%	British Columbia	25%
Alaska	15%	Alberta	25%
Southwest	10%	Other (Yukon)	10%
South Central	10%		
Other	10%		

8.4 MARKETING COSTS

It is proposed that the Western Arctic (private and public funds) spend approximately \$2.33 million on marketing over the next five years (i.e. \$450,000/year). The largest area of expenditure will be for brochures and the WAVA directory, costing 22% of the total. The next highest expenditures will be for consumer magazines, which at 8% is slightly higher than consumer travel shows at 7%. Costs are outlined in Table 8.1.

TABLE 8.1
MARKETING STRATEGY SUMMARY

	1989	1990	1991	1992	1993	1994/95
CONSUMER MAGAZINES	40,670	42,330	41,110	38,220	37,110	66,400
BROCHURES, OPERATOR AND GENERAL WAVA	165,500	30,000	130,500	38,500	143,800	146,000
COMMUNITY FLYERS	22,000	8,700	23,500	22,400	27,500	58,800
TOUR OPERATOR, FAMILIARIZATION TOURS	12,800	8,150	8,100	2,900	5,050	—
CONSUMER TRAVEL SHOWS	33,900	37,000	40,220	31,950	27,550	40,900
TRAVEL WRITERS	8,500	11,900	10,200	10,400	3,500	8,800
YUKON CO-OP WITH WRITERS	9,000	9,900	10,900	7,100	7,800	18,200
VIDEOS	50,000	77,000	64,000	75,000	77,000	100,000
INQUIRY FULFILLMENT	12,500	16,100	23,100	30,300	36,300	85,000
MAILING LISTS	35,250	42,500	51,500	62,000	76,000	173,000
WAVA SPECIAL PROMOTIONS MEDIA EVENTS	20,000	8,000	8,000	0,000	5,000	30,000
IN-HOUSE PROMO/GIVE AWAYS	9,700	11,200	14,200	18,500	23,000	22,000
MARKETING SUPPORT	17,000	11,500	12,500	2,500	2,000	19,000
MARKETING RESEARCH	91,500	15,000	18,000	58,500	37,000	18,000
GRAND TOTAL:	528,320	339,280	515,890	416,270	528,610	785,840

9. IMPLEMENTATION

9.1 FUNDING

The Western Arctic Visitors Association will be responsible for implementing the strategy. However the only funding to this agency will be for marketing. All capital funds must come from other sources, including:

- o Economic Development and Tourism
- o the Economic Development Agreement
- o Special **ARDA**
- o **NEDP** (or future native economic development programs)
- o various Native Development Corporations
- o Eskimo Loan Fund
- o the individual communities or towns
- o Regional Development Corporations.

As well, the plan provides ample opportunity for private investment including private equity and/or banks, Small Business and FBDB loans.

Generally the responsibility for capital and start up project costs is divided amongst the following groups:

- o 50% - Economic Development and Tourism and EDA;
- o 20% - Private and Borrowed Capital including Native Development Corporations; and
- o 30% - Others (**NEDP, Special ARDA**).

In many cases the proposed project will require the participation of several agencies.

The following are proposed cost breakdowns for each participant:

Public Funding

0	Economic Development and Tourism	\$ 4,773,000
0	EDA	6,840,000
0	Special ARDA	585,000
0	NEDP (or equivalent)	1,510,000
0	Community/Town Council	1,140,000
0	Northern Heritage Centre	775,000

Private Capital

0	Native Development Corporation	1,865,000
0	Lending Institutions/Small Business Loan	580,000
0	Private Equity	1,685,000
0	Regional Development Corporation	350,000
0	Eskimo Loan Fund	420,000

Other

0	Yukon Government	285,000
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\$20,783,000

9.2 WESTERN ARCTIC VISITORS ASSOCIATION

The Western Arctic Visitors Association role is to:

- 0 ensure commitment to objectives and **recommendations** of the strategy;
- 0 monitor strategy development;
- 0 ensure that funding sources are available; and
- 0 assist in **co-ordinating** all groups, communities and supplies.

The proposed structure of the Association to achieve its role requires the following:

- 0 a full time Director by 1988; and
- 0 consider a name change to Tourism - Western Arctic.

9.3 TRAINING REQUIREMENTS

The necessary training to meet the needs of the Western Arctic travel industry over the next decade will take place at 3 levels:

- o Hospitality Training
- o Operator Training
- o Professional Training

9.3.1 Hospitality Training

In order to provide staff for the proposed development opportunities detailed tourism training is required. The Tourism Strategy (Volume 2) identifies on a project-by-project basis the requirements for the following positions:

- o Management
- o Maintenance
- o Guides, Cooks, Maids, Waiters, Waitresses
- o Marketing
- o Bookkeeping/Accounting/Computer Skills
- o Host/Hostess
- o Craft Instruction.

The courses could be delivered by Arctic College, Continuing Education and Renewable Resources. The core of a management program could come from YETP (Youth Entrepreneurial Training Program) operated by the Mackenzie Delta Regional Council. Where possible, courses will be delivered in the community and the Western Arctic Visitor Centre will serve as a focus for Arctic College.

Curriculum Development

It will be necessary to develop the full curriculum in three stages:

- o Needs assessment
- o Curriculum design/material preparation
- o Evaluation.

Training Costs

A total of 840 student-weeks of training are proposed for the next five years at an approximate cost of \$250,000.

9.3.2 Operator Training

Annual operator training courses would be set up to provide opportunity for 6 to 8 operators (inbound/receptive, wilderness, hotel, package tour, etc.). The courses will be delivered through Arctic College at an annual cost of \$70,000.

9.3.3 Professional Training

There are a number of individuals throughout the NWT who, although not part of the travel industry are involved with its growth.

A tourism foundation management course consisting of modules on marketing, policy, planning, management, economics, would be established and delivered by Arctic College. Annual costs would be \$100,000.

9.4 STAFF REQUIREMENTS

The implementation of the strategy will take a major effort on behalf of government, WAVA and the operators. It will therefore

take a full time WAVA manager as well as at least two additional Regional Tourism Officers. A full time **RTO** would be located at Norman Wells (serving the Mackenzie River area) and two part time **RTO's** at Fort McPherson (Dempster Corridor) and Tuktoyaktuk (Arctic Ocean area).

10. ECONOMIC IMPACT

Two development options have been considered. The first considers what would happen if no development takes place and the second option evaluates the impact of a \$20 million development.

No Development

Existing growth rates indicate that even if no development takes place the momentum exists to increase tourism over the next few years. However this growth would not be maintained for more than 2 to 3 years before experiencing negative growth and then returning to similar visitation levels of a few years ago.

Nonetheless, tourism expenditures under a no development scenario will be approximately \$130 million between 1987 and 1998.

Proposed Development

The impact of the proposed development over the next 11 years is more than twice a 'no development scenario' or \$289 million. Although the additional \$160 million in benefits resulting from a \$20 million expenditure return an 8 fold payback, there are other benefits that must also be considered:

- providing 50 additional full time jobs;
- expanding into additional travel market segments;
- maximizing on economic development opportunities by investing in the travel industry;
- assuming a long term, growth oriented and successful tourism industry for the permanent residents of the Western Arctic;
- and
- providing realistic job opportunities for the native population that respects lifestyle and protects cultural heritage.

Development then is necessary to fully respond to the economic opportunity created by the potential for a well established Western Arctic Travel Industry.

Economic Impact

The proposed \$20 million will result in the following impact over the next 11 years:

1987 Economic Value - \$12.3 million including \$8.9 million of direct expenditure and \$3.3 million of spin-off;
by 1998 total impact will be \$119.2 million;
at 8% Net Present Value the total spending between 1989 and 1998 will be \$289.6 million, more than half the expected expenditure if no development takes place;
at 8% Net Present Value the proposed \$20 million will have a payout of approximately 8 times the initial capital expenditure;
creation of approximately 50 full time equivalent jobs with a \$2.1 million payroll; and
creation of \$4.8 million in Federal **Income** Tax and \$4.9 million in Federal Sales Tax by 1998.

Clearly the impacts of planned development are more significant than a no development scenario.

11. CONCLUSION

The Western Arctic clearly has valuable and marketable tourism cultural and natural resources. It is also in the enviable position of being connected to the southern markets by the Dempster Highway one of the last great frontier roads and the only **public** road above the Arctic Circle. These factors have already accounted for outstanding growth rates, especially in the past year.

However, the Western Arctic travel industry is, at best, only in its infancy. There are virtually no organized travel products in the areas of:

- o package tours
- o destination attractions
- o quality recreational vehicle accommodation
- o water-based transportation
- o information services
- o native **cultural** activities
- o nature interpretation opportunities
- o wilderness adventure camps.

As well, very few individuals are familiar with tourism as a service industry, and skill development in all positions from management and marketing to guides and waiter/waitressing are required on a yearly basis.

While WAVA marketing efforts have become increasingly targeted, the proposed marketing strategy is very specific and new market segments must be aggressively pursued.

Product development, marketing and hospitality training are all expensive and will cost in excess of \$22 million over the next seven years. As well, available private capital is extremely

limited and, consequently, significant public sector funding is required. However, from a government perspective the injection of monies will have an extremely positive economic impact. **If the** cost/benefit is considered over the next 11 years of the plan the payout to the economy will be 2.7 times. This is a major contribution to an economy where there are very few long term and stable economic options. Even with the construction of a pipeline or a highway to Tuktoyaktuk there are virtually no other industries that will have the same long term economic impact as that of tourism.

Responsible, successful, growth-oriented and sensitive development will require the collaboration of many groups, including:

- o Travel Arctic, **TIA-NWT** and **WAVA**
- o Economic Development and Tourism in Yellowknife and **Inuvik**
- o the individual communities
- o **WAVA** and Tourism Yukon
- o participants in the three sub regions (areas) of **WAVA**.

Tourism development can be a great co-operative venture. This tourism development strategy can only outline the steps and activities for the Western Arctic. The combination of co-operation and concentrated efforts to implement the plan **will** surely enable this world class destination Region to achieve its full tourism development potential.