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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 schematically the orientation for **tourism** development **in** the Western **Arctic**. It **is** the result of more than two years of **study** including extensive discussions with most of those **already** involved **in** the regional tourism industry or are planning to establish a tourism venture.

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

- 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.

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

The Regional Tourism Strategy assumes that the communities want to establish a long term, **profit based** 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/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: Resource Inventory/Analysis/Community Visits;
- Step 2: Identification of Individuals Interested in Tourism;
- Step 3:** Market Research/Analysis;
- Step **4:** Opportunity Identification and **Selection/Prioritization;**
- Step 5: Presentation at a Region-wide Tourism Conference in **Inuvik** and at Economic Development Conferences;
- Step 6: Presentation to Community and Industry Leaders;

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- Step 7: Technical Assistance to Existing and Potential Operators including **Prefeasibility** Studies;
- Step 8: Preparation of Strategy and **Summary**;
- Step 9: Final Presentation to Western Arctic Visitors **Association** AGM; and
- Step 10: Submission of **Final** Strategy.

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 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.

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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.

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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 **Inuit**, Dene and **Metis**.

Table 2.1 (at end of section) 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
 - Mackenzie River
 - Mackenzie Mountains
 - Great Bear Lake
 - **Canol** Heritage Trail
 - Dene Culture;
- o Mackenzie Delta
 - **Dene/Inuit/Metis/Caucasian** Culture
 - Delta **birds/mammals**
 - fish camps
 - history of northern development including Mad Trapper, **Dempster** Patrol
administration/services at **Inuvik**;

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- 0 Arctic Ocean
- natural/cultural resources of Banks Island and Herschel Island
 - 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

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Fort McPherson

- Dempster Highway, Locheau culture, arts and crafts, historic churches

Arctic Ocean Area

Tuktoyaktuk

- Arctic Ocean, **Inuit** culture, oil and gas, **Pingos**, Eskimo Lakes

Paul atuk

- **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** was identified.

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TOURISM RESOURCES/DEVELOPMENT OPPORTUNITY

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

RESOURCES

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

ARCTIC OCEAN

- Coastline
- Banks Island
- Herschel Island

MACKENZIE DELTA

MOUNTAINS

- Mackenzie
- Richardson
- Ogilvie

RIVERS

- Mackenzie
- Firth
- Anderson
- Hornaday/Brock
- Bear
- Redstone/Keele
- 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

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0 HIGH DEVELOPMENT OPPORTUNITY
 ● MODERATE DEVELOPMENT OPPORTUNITY
 ○ SLIGHT 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

RESOURCES

CULTURAL RESOURCES

INUIT

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

DENE/METIS

- Arts and Crafts
- Fish Camps/Trapping
- Lifestyle
- Entertainment
- Locheau 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	○	○	○	○	○	○				○		○	○		
○ Locheau 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	○	○	*○	○		*○	○	○	○	*○	○	○	*○			

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

RESOURCES

EXISTING* Cent'd

ATTRACTION

- Museum
- ◐ Historic Site
- Special Event
- Community Tours

OUTFITTER

- Fishing
- Hunting

	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
● Museum			○	○		●	●	●		*		●		●
◐ Historic Site	*○	*●	*●	*●	*○	*●	*○	*●	*●	*●	*○	*○	*○	*●
○ Special Event		*○	*○	*●		*●		*●	*○	*○	*○	*○	*○	*●
● Community Tours			*●	●		*●		●	*○		○	*●		*●
○ Fishing	*●	*●	*●	○	*●	*●		*●	*●		*●	*●	*●	*●
● Hunting	●	●	●	●	○			●	*●	*●	*●	*●		*●

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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
 - **R.V.'s**
 - 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;
- (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

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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 good 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 entrance 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 which will assist the Western Arctic.

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 26,260 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).

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- historically **high** growth rates in new northern destinations
 - recent discovery of the **Dempster** Highway which resulted in - at least a 40% growth in 1987
 - 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.

Market projections by market segment are outlined in Table 3.1.

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TABLE 3.1
MARKET PROJECTIONS FOR THE WESTERN ARCTIC

MARKETS	ACTUAL						
	<u>1987</u>	<u>1988</u>	<u>1989</u>	<u>1990</u>	<u>1991</u>	<u>1992</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		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>							
Hiking		30	60	120	240	360	420
Canoe/Kayak/ Zodiac	57	100	130	170	220	286	352
Boat Cruise		20	72	888	106	140	160-
Wildlife/Photo/ Herschel Is.	18	60	120	180	270	351	456
Culture/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>

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40 DEVELOPMENT THEMES AND CONCEPTS

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 **Inuit**, 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

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

This theme also reflects the 1 atest **N.W.T.** slogan by suggesting "the unbelievable Canadian Arctic is really within reach" to tens of thousands of travelers.

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 MAC-KENZIE.** 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.**

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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	Loucheau Culture Sport Hunting Dempster Patrol Peel River Interpreta- tion
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

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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 Areas, Activity Areas, Staging Areas, 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

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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 area 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 (Locheau)** 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**.

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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

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

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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.

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DEVELOPMENT CONCEPT

	REGIONAL	AREA	COMMUNITY
SERVICE AREAS	Inuvik	<ul style="list-style-type: none"> o Norman Wells (Mackenzie River) o Fort McPherson (Dempster Highway) 	All Other Communities
ACTIVITY AREAS	Inuvik	<ul style="list-style-type: none"> o Norman Wells o Tuktoyaktuk o Fort McPherson 	All Other Communities
STAGING AREAS	Inuvik	<ul style="list-style-type: none"> o Norman Wells 	All Other Communities
CORRIDORS/LINKAGES 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

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WESTERN ARCTIC

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Western Arctic Visitors Association
Economic Development and Tourism
Government of the Northwest Territories

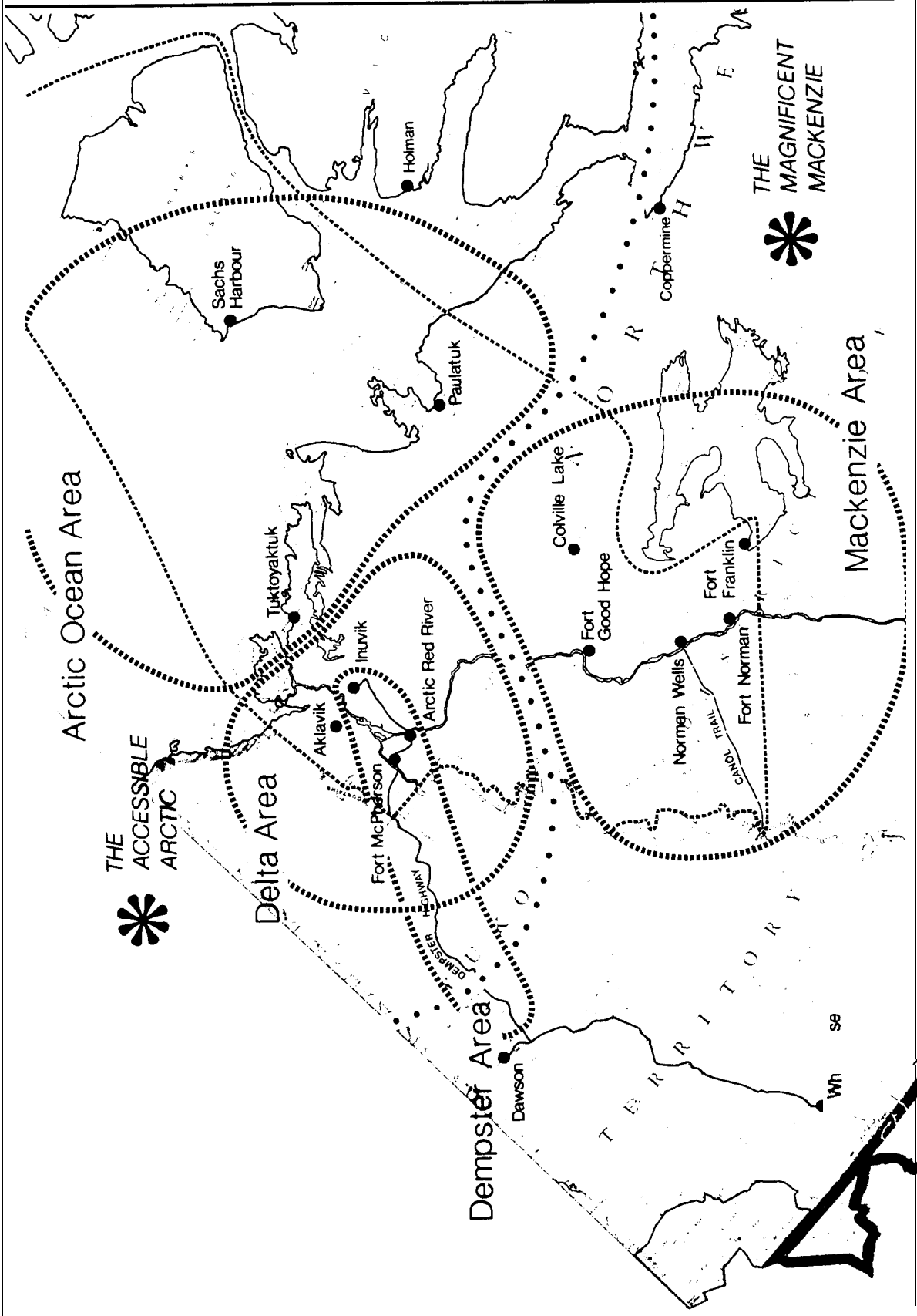
LEGEND

- Regional Boundary
- Sub-Region
- Theme
- Area/Corridor Boundary

Attraction Concept

McLAREN PLANS ARCH-PELMAN ASSOCIATES ARCHITECTS
ATKINSON TRAVEL MARKETING

Lavalin





WESTERN ARCTIC

Tourism Strategy

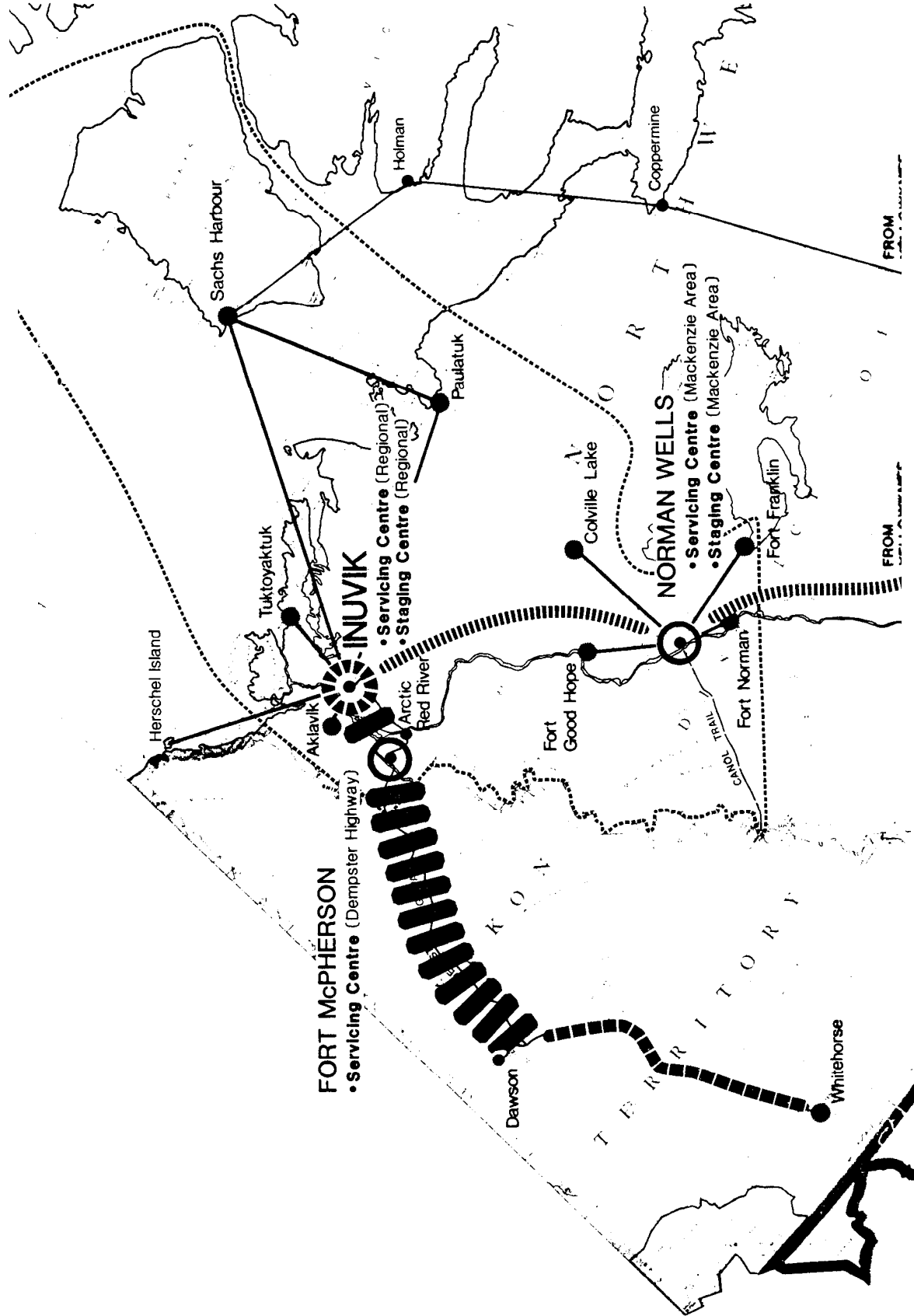
Western Arctic Visitors Association
Economic Development and Tourism
Government of the Northwest Territories

LEGEND

- Regional Boundary
- Rubber Tire Access Route 
- Air Access Route 

Development Concept

McLAREN PLANS&ARCH
PELHAM ASSOCIATES ARCHITECTS
ARCTIC TRAVEL MARKETING
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60 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;

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- 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-**

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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, Richardsons,** 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 **communi**ty training.

The WAVA Manager and Regional Tourism **Officer** 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 **lifestyl**e 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.**

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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.

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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, outfitters have been proposed for most **communities**. As well, information/-reception centres are proposed 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. This was done in consultation with various community group and local operators and was used as a working tool to develop 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;

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Impact on **Economy**

- job creation, general income, **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 **Canol** 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

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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, water-front 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 also serve to 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.

o **Aklavik**

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

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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 AREA

o **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**.

o **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.

o **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 Iceberg Inn to develop, market and deliver Banks **Island packages**.

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7.4 **DEMPSTER HIGHWAY AREA**

The **Dempster** Highway is 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 interest in participating in the development. The following projects are essential to establishing the reputation of the Dempster Highway as a reputable 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.

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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.

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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 bad 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.

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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	90,000	*		
Interpretive Exhibit, Visitor Ctr., Museum	475,000			*
Canoe Trip/Canoe Trail Outfitter	125,000		*	
	<u>\$1,555,000</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	*		

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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 Tour	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			*
	\$3,835,000			
<u>Fort McPherson</u>				
Visitor Service Area	\$ 620,000	*		
Museum Attraction	380,000		*	
Midway Lake	785,000		*	
Nutui Lake Campground	1,100,000	*		
River Tours		*		
Arts and Crafts	50,000		*	
Community Tours/Host	50,000		*	
Sport Hunting Outfitter	90,000		*	
	\$2,175,000			
<u>Arctic Red River</u>				
Roadside Development	\$ 520,000	*		
River Tours	65,000		*	
Community Activities	20,000		*	
Arts and Crafts	58,000	*		
	\$ 663,000			
<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	150,000		*	
Dock Area	50,000			
	\$ 845,000			
<u>Regional Development Projects</u>				
Western Arctic Visitor Centre	\$2,075,000	*		
Regional Cultural Heritage Centre Attraction	1,055,000		*	
	\$3,130,000			

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TABLE 7.3
ARCTIC OCEAN AREA DEVELOPMENT OPPORTUNITIES

<u>Development Opportunities</u>	<u>Estimated cost</u>	<u>Priority</u>		
		1	2	3
<u>Tuktoyaktuk</u>				
Ocean Going Tour Boat	\$ 225,000		*	
Community Hosts	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>Sacks 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

<u>Development Opportunities</u>	<u>Estimated cost</u>	<u>Priority</u>		
		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>			

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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 complements 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% over the next three years.
- o **Within** Canada, focus on Ontario, especially the high population areas.
- 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.

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8.2 MAJOR MARKETING EFFORTS

- 0 Appeal heavily to Recreational Vehicle Operators especially through the use of appropriate consumer magazines.
- 0 Promote adventure packages to hikers, canoeists, wildlife and native culture enthusiasts, by working with southern wholesalers (Black Feather, **Ecosummer, Victor Emanuel**).
- 0 Emphasize the use of literature **including** product **specific** brochures and a **Western Arctic** Directory.
- 0 Use higher-end target specific magazines such as BirdWatcher, Backpacker, **Ohe-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 U.S. and Canadian markets will be made of the following markets:

<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.

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TABLE
MARKET PROJECTIONS FOR

<u>MARKETS</u>	<u>ACTUAL</u> <u>1987</u>	<u>1988</u>
<u>Rubber Tire</u>		
R.V.	4,815	5,906
Auto	850	1,027
Coach	649	690
Small Vans	47	83
<u>Hunting</u>		
Beaufort Area	86	95
Bear Area	180	204
Aklavik/McPherson		5
<u>Fishing</u>		
Trophy	260	300
Wilderness	92	100
<u>Adventure Travel</u>		
Hiking		30
Canoe/Kayak/Zodiac	57	100
Boat Cruise (Package Only)		20
Wildlife/Photo/Herschel	18	60
Culture/Arts and Crafts Workshops		20
<u>Air</u>	<u>750</u>	<u>790</u>
TOTAL:	7,804	9,430

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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 **Speci** " ARDA
- o NEDP
- 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.

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The **following** are proposed cost breakdowns for each participant:

Public Funding

o	Economic Development and Tourism	\$ 4,793,000
o	EDA	6,850,000
o	Special ARDA	610,000
o	NEDP (or equivalent)	1,835,000
o	Community/Town Council	1,167,000
o	Northern Heritage Centre	775,000

Private Capital

o	Native Development Corporation	1,790,000
o	Lending Institutions/Small Business Loan	580,000
o	Private Equity	1,685,000
o	Regional Development Corporation	350,000
o	Eskimo Loan Fund	470,000
Other		
o	Yukon Government	285,000
		<hr/>
		\$21,190,000

9.2 WESTERN ARCTIC VISITORS ASSOCIATION

The Western Arctic Visitors Association role is to:

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

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

- o a full time Director by 1989; and
- o a name change to Tourism - Western Arctic.

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9.3 TRAINING REQUIREMENTS

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.

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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 today.

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 an 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**.

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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.

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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

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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.

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1. BACKGROUND/RATIONALE

- o several hundred travelers pass through Norman Wells on **their** way to **fishing and hunting** camps. Norman Wells is presently not a **destination, however** that will change with further improvements to **the Canol Trail** and enough attractions to keep some of the hunters for a day;
- o river tours are one of the more obvious ways of encouraging more travelers to stay as well as pull in some destination visitors from **Yellowknife** and the south; and
- o it is immediately necessary to establish an operator who can transport hikers across Mackenzie River to the **Canol Trail**.

2. DESCRIPTION

- o several tours have been developed by **Mountain** River Outfitters including:
 - Bear Rock Tour (3 days);
 - Norman Wells/Fort Good Hope (4 and 6 days);
 - Arctic Circle Tour (6 days);
 - Mountain River/Fossil Lake (5 days); and
- o capital investment is required for onshore facilities including a camp at Arctic Circle and Fossil Lake.

3. OBJECTIVES

- o increase overnight stay in Norman Wells;
- o develop a destination product; and
- o maximize location on attractive stretch of the Mackenzie River.

4. TARGET MARKETS

- o produce a brochure;
- o press release to trade publication (Travel Arctic and 1-800 Hot Line);
- o advertising in selected publications (i.e. Up Here, Explore, Outside Sunset); and
- o attend Consumer Shows such as Edmonton Sportsman Show, London Free Press Travel Show.

5. RESPONSIBILITY AND IMPLEMENTATION

o there is an interested private individual.

6. PERFORMANCE INDICATORS AND ECONOMIC IMPACT

o increased overnight stay in Norman Wells;

o generate equivalent of two jobs; and

o goal of 100 tourists by 1992.

7. OPPORTUNITIES AND CONSTRAINTS

o travelers already pass through Norman Wells;

o river tours will attract them to stay;

o provides a destination attraction to Norman Wells;

o Mountain River Outfitters have several tours in place that can be coordinated with Norman Wells destination tours and Fort Good Hope; and

o outfitter could service southern wholesalers providing tour on local rivers e.g. Black Feather.

8. IMPLEMENTATION STEPS

o develop a destination product in cooperation with Mountain River Outfitters/southern adventure travel wholesalers;

o plan camps at Arctic Circle and Fossil Lake;

o select local outfitters and secure funding;

o seek funding assistance from EDA; and

o construct camps at Arctic Circle and Fossil Lake.

9. COSTS

Capital: \$95,000

Start-up: \$45,000

Total Costs: \$140,000

PRIORITY II

CANOL TRAIL OUTFITTER
NORMAN **WELLS**1. BACKGROUND/RATIONALE

- o there are two emerging products that are not being serviced by outfitters:
 - access to and travel **along** the **Canol** Trail;
 - access to the major canoe routes as well as guiding along these routes; and
- o it is necessary to establish a recognized outfitter, especially to deal with southern wholesalers.

2. DESCRIPTION

- o it is anticipated that the proposed outfitter will have the necessary boats and access to aircraft. Expenditures will be for onshore/on trail camping equipment and 4 wheelers to serve the camps along the **Canol** Trail.

3. OBJECTIVES

- o promote canoeing and **Canol** Trail hiking through a local outfitter increasing employment and overnight stay in Norman **Wells**; and
- o providing **local** knowledge and character for canoeing and hiking groups.

4. TARGET MARKETS

- o produce a brochure;
- o press release to travel trade, Travel Arctic, Tourism Yukon and **T.A.** N.W.T., Yukon; and
- o selected consumer magazines, such as Up Here, Backpacker, Explore, Real Travel, etc.

5. RESPONSIBILITY AND IMPLEMENTATION

- o local private operator; and
- o local Band or Native Development Corporation.

6. ECONOMIC IMPACT

- o two seasonal jobs;
- o extra 150 bed nights of occupancy in Norman Wells during staging for canoe trips and hikes; and
- o 150 clients by 1993.

7. OPPORTUNITIES AND CONSTRAINTS

- o excellent opportunity to provide canoe/hiking outfitting service at Norman Wells;
- o with **Chilcot** becoming crowded, other adventure hikes will be more and more attractive;
- o hikers and canoeists will purchase supplies and arts and crafts; and
- o excellent employment opportunity for local guides.

8. IMPLEMENTATION STEPS

- o identify local operator and guide;
- o draw up equipment lists and trip plans;
- o apply to EDA for funding; and
- o make up brochures for distribution to wholesalers, canoe clubs, etc.

9. COSTS

Equipment: \$90,000

Start-up: \$35,000

Total Costs: \$125,000

10. FINANCIAL ANALYSIS

Revenue in 1993

Potential Clients

a) Mackenzie area will attract 1/3 of wilderness canoeists i.e. 116, 50% will use local tour operator, i.e. 58 58 x \$200.00/day x 5	\$ 58,000.00
b) Canol Trail will attract 200 and 20% will use guide, i.e. 40 40 x 5 x \$250.00	50,000.00
c) Trips to head of Canol Trail 50 x \$100.00	<u>5,000.00</u>
TOTAL :	\$103,000.00

costs

Salaries - Operator/Head Guide	\$22,000.00
Assistant/Cook	15,000.00
Fuel	5,000.00
Charter	9,000.00
Administration/Maintenance	2,000.00
Marketing	5,000.00
Commissions	4,000.00
Food and Supplies	<u>30,000.00</u>
TOTAL :	\$92,000.00

PRIORITY I

FISHING LODGE
FORT FRANKLIN**1. BACKGROUND/RATIONALE**

- 0 Great Bear Lake is one of the most desirable and recognized trophy fishing spots in the World and existing lodges are close to **fully** booked;
- 0 Fort Franklin has the opportunity to develop an internationally recognized **sportfishing** lodge that would generate in excess of \$350,000 in the next 5-7 years. It would be both accessible from the south via Yellowknife or Norman Wells;
- 0 it would be native owned and operated offering the angler the additional **option** of spending **time** in the community of Fort Franklin; and
- 0 the Fort Franklin Band hold the last available **licence** on the lake.

2. DESCRIPTION

- 0 the lodge would initially be built to accommodate 12 to 14 guests and then it would grow to **20 to 24** as the **guides** and managers become more experienced;
- 0 the lodge **would** include a **maindining** area/lounge, kitchen, storage, cook and manager accommodation. The lodge would be laid out so that it can continually expand to meet requirements; and
- 0 the lodge would be located outside of the community.

3. OBJECTIVES

- 0 develop the extraordinary sportfishing resources of Great Bear Lake;
- 0 establish a permanent, revenue and employment generating facility;
- 0 create a facility that is locally operated and managed and provides the opportunity for local skill development; and
- 0 generate revenue from use of HTA boats.

4. MARKETING STRATEGY

- 0 product brochure;
- 0 press release to Travel Trade, consumer fishing magazines;
- 0 consumer advertising - field and stream, Western Fishing Magazine, Globe and Mail Travel Section, selected American Fishing Magazines, as identified by camp and association; and
- 0 Consumer Shows - all Canadian Fishing Shows (Chicago, Boston).

5. RESPONSIBILITY AND IMPLEMENTATION

- 0 Fort Franklin Band Council;
- 0 **Sahtu** Regional Council;
- 0 **WAVA**;
- 0 private operator joint venture; and
- 0 HTA.

6. ECONOMIC IMPACT

- 0 provides 1 full time and 8 part time jobs; and
- 0 \$50,000.00 - \$60,000.00 **additional** revenue to **SahtuAirby** 1993.

7. OPPORTUNITIES AND CONSTRAINTS

- 0 Great Bear Lake is one of the most attractive trophy fishing areas in the world;
- 0 HTA boats and knowledgeable **guides** are available. Guides will need **additional training** to serve this high end market;
- 0 increasing demand for an upscale wilderness **fishing** experience ensures high occupancy;
- 0 fishing lodge **will** act as a major revenue generator for the community; and
- 0 must only begin when the Hamlet is already.

8. IMPLEMENTATION STEPS

- 0 identify level of commitment by Fort Franklin Council and Development Corporation;
- 0 prepare full feasibility analysis and development/construction plans;
- 0 prepare financial package which may include a private sector equity;
- 0 commence construction; and
- 0 commence marketing.

9. COSTS

Planning: \$60,000
 Construction: \$650,000
 Start-up: \$100,000
 Total Costs: \$810,000

10. FINANCIAL ANALYSIS**Revenue in 1993**

o Package Sales	\$427,500.00
o Outcamp Trip Sales	25,800.00
o Beverage Sales	<u>11,970.00</u>
TOTAL :	\$465,270.00

costs

Salaries - Lodge Staff	\$135,100.00
Guides	102,600.00
Administration	5,000.00
Food Purchases	53,900.00
Marketing	10,000.00
Commissions	11,000.00
Utilities	10,800.00
Insurance	6,500.00
Miscellaneous	15,000.00
Air Transportation	<u>60,000.00</u>
TOTAL :	\$409,900.00

1. BACKGROUND/RATIONALE

- 0 because of the excellent fishing on Great Bear Lake, the Fort Franklin Restoration and opportunity for hiking, Fort Franklin **will** become increasingly well known thus generating additional tourist volume. This will necessitate hotel expansion within 3 to 4 years; and
- 0 excellent opportunity to sell fishing packages directly out of Yellowknife or Norman Wells.

2. DESCRIPTION

- 0 4 additional units will be attached to the existing facility using the existing kitchen.

3. OBJECTIVES

- 0 provide additional capacity to meet demands which would include 2 to 3 fishing packages out of Yellowknife;
- 0 additional facilities in summer for pleasure travelers; and
- 0 provide additional volume for Sahtu Air.

4. MARKET STRATEGY

- 0 produce a brochure;
- 0 press release to the Trade and Travel Arctic, **Arctic Hotline** and Government departments **in Yellowknife and Inuvik;**
- 0 advertise in newspapers - News North, **Edmonton;**
- 0 magazine advertising - Up Here; and
- 0 present package to inbound operator **in Yellowknife.**

5. RESPONSIBILITIES AND IMPLEMENTATION

- 0 Great Bear Motel and Restaurant; and
- 0 Fort Franklin Development Corporation.

6. ECONOMIC IMPACT

- 0 4 additional units required in 3-4 years;
- 0 2 extra seasonal jobs; and
- 0 additional revenue for Sahtu **Air.**

ARCTIC OCEAN AREA

(Scale 1-5)

SACHS HARBOUR	BANKS ISLAND OUTFITTERS	MUSEUM/ ATTRACTION	COMMUNITY HOST	COMMUNITY ACTIVITIES
1. IMPACT ON STRATEGY				
● Increase Visitor Volume	2		1	2
● Increase Visitor Expenditure	3			1
● Increase Length of Stay	1	1	1	1
● Extend Shoulder Season	1			
o Response to Existing Markets	2	1	2	2
2. IMPACT ON ECONOMY				
● Job Creation (Overall) (10)	7		4	4
● "Diversify Economy"	3		1	1
o Generate Local Income/Payroll	4		1	2
● Training/Skill Development	3	-	2	2
3. IMPACT ON REGIONAL TOURISM				
● Integration with Existing Plant	2	1	2	2
o Impact on Competition	5	5	5	5
● Development of New Markets (10)	8	1	3	3
● Clustering Benefits	3	1		2
● Funding Potential	4	1	3	3
● Relationship: Other Communities	2	-	2	2
● Urgency	5	1	2	2
4. ENVIRONMENTAL AWARENESS				
5. Cultural	3	4	4	5
5. COMMUNITY IMPACT				
o Protection of Lifestyle	4	1	2	4
● Resident Recreation Opportunity	1		-	3
● Local Revenues	4		2	2
6. PROJECT POTENTIAL				
● Development Costs	4	5	5	5
● Expected Viability	5		2	2
● Local Investment Opportunities	5	-		1
● Infrastructure Costs to Community	1			1
7. RELATIONSHIP : COMMUNITY THEMES				
	5	1	3	3
TOTAL:	92	24	50	62

TUKTOYAKTUK	OCEAN GOING BOAT	COMMUNITY HOSTS	TOURIST VISITOR CENTRE	ARTS AND CRAFTS	TOUR OUTFITTER(S)	ESKIMO/MUSKY LAKES FISHING LODGES
1. IMPACT ON STRATEGY						
● Increase Visitor Volume	5	2	2	2	3	2
● Increase Visitor Expenditure	5	2	5	3	4	1
● Increase Length of Stay	5	2	4	3	4	1
● Extend Shoulder Season	4	1	3	5	4	2
● Response to Existing Markets	5	4	4	1	5	3
2. IMPACT ON ECONOMY						
● Job Creation (Overall) (10)	3	4	4	3	7	6
● Diversify Economy	4	2	4	3	3	3
● Generate Local Income/Payroll	4	2	3	3	3	2
● Training/Skill Development	5	3	3	4	4	2
3. IMPACT ON REGIONAL TOURISM						
● Integration with Existing Plant	4	3	5	4	4	1
● Impact on Competition	5	2	5	1	2	1
● Development of New Markets (10)	8	5	4	8	8	7
● Clustering Benefits	4	2	5	2	2	1
● Funding Potential	2	4	5	2	4	3
● Relationship: Other Communities	5	3	3	4	4	4
● Urgency	5	3	4	3	4	3
4. ENVIRONMENTAL AWARENESS						
● Cultural	2	4	4	5	3	3
5. COMMUNITY IMPACT						
● Protection of Lifestyle	2	4	4	5	4	2
● Resident Recreation Opportunity	2			2		
● Local Revenues	4	2	3	3	3	3
6. PROJECT POTENTIAL						
● Development Costs	2	5	1	4	4	1
● Expected Viability	4	2	1	3	3	2
● Local Investment Opportunities	5		2	4	5	4
o Infrastructure Costs to Community	3	2	3	1	1	
7. RELATIONSHIP: COMMUNITY THEMES						
	5	4	5	4	4	1
TOTAL:	106	70	90	83	95	60

PAULATUK	WILDERNESS/SPORT HUNTS OUTFITTER	ARTS AND CRAFTS	WILDERNESS LODGES
1. IMPACT ON STRATEGY			
● Increase Visitor Volume	2	4	5
● Increase Visitor Expenditure	2	3	5
● Increase Length of Stay	2	4	4
● Extend Shoulder Season	1	5	5
● Response to Existing Markets	3	2	2
2. IMPACT ON ECONOMY			
● Job Creation (Overall) (10)	6	4	5
● Diversify Economy	4	3	4
o Generate Local Income/Payroll	3	4	4
● Training/Skill Development	3	5	5
3. IMPACT ON REGIONAL TOURISM			
● Integration with Existing Plant	4	5	2
● Impact on Competition	5	5	5
o Development of New Markets (10)	9	7	10
● Clustering Benefits	2	2	2
● Funding Potential	3	4	2
● Relationship: Other Communities	3	2	2
● Urgency	3	3	3
4. ENVIRONMENTAL AWARENESS			
● Cultural	3	3	5
● Cultural	4	5	5
5. COMMUNITY IMPACT			
● Protection of Lifestyle	4	5	5
● Resident Recreation Opportunity		2	2
● Local Revenues	3	3	4
6. PROJECT POTENTIAL			
● Development Costs	4	5	1
● Expected Viability	3	3	2
● Local Investment Opportunities	5	4	3
● Infrastructure Costs to Community	4	4	2
7. RELATIONSHIP : COMMUNITY THEMES			
	5	4	5
TOTAL :	90	100	99