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Arctic Coast Destination Zone - Tourism Development & Marketing Strategy - Volume Ii - Development Strategy & Implementation Plan
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Arctic Coast Destination Zone

Tourism Development and Marketing Strategy

Volume Is

Background Report

Arctic Coast Tourist Association

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OKIOKTAKTOMI AKOIKATAKVIGIYAONIKUT KATOYIKATIGIN

OUTCROP LTD.
DPA CONSULTANTS
MacLAREN PLANSEARCH

FINAL REPORT

ACKNOWLEDGEMENT

The Outcrop Consortium wishes to acknowledge the cooperation and interest of the many people who made the study possible. Particular thanks are due to the Arctic Coast residents, industry representatives and public servants who actively participated in the community meetings and responded openly and frankly to our questions during the telephone and personal interviews. We would also like to thank the members of the Study Steering Committee for their direction and support in carrying out this assignment.

Although the development strategy and implementation plan reflects the contributions of these groups, the ultimate responsibility for the study findings and proposals remains with the consultants.

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1.0 INTRODUCTION

1.1 A Regional Overview

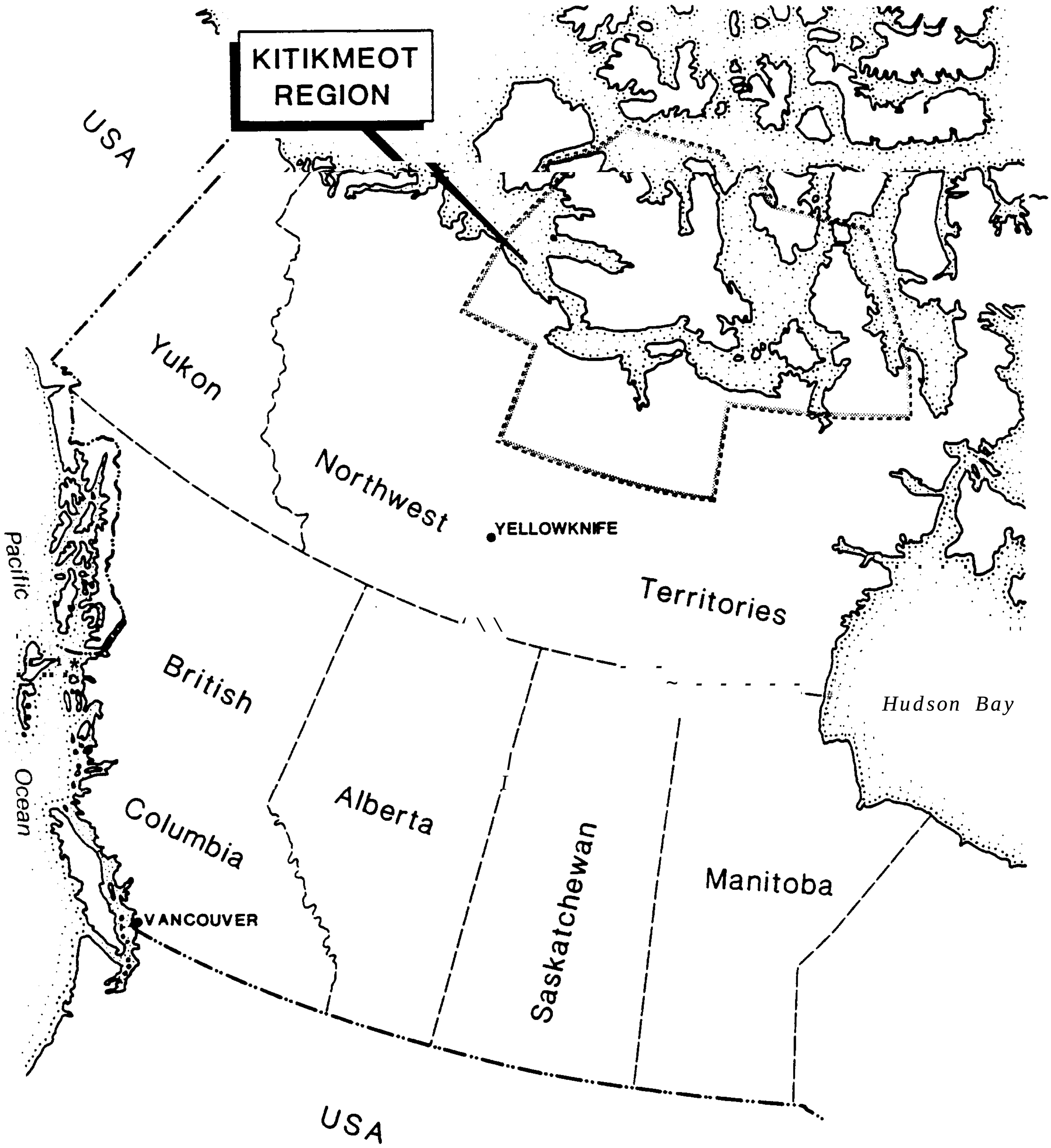
The Northwest Territories Arctic Coast Region provides one of the most distinctive and memorable landscapes in the world. Its 50(3,000 sq. kms rival any area of the globe for wilderness, beauty and provide an exotic destination to those tourists seeking an exclusive and original travel experience.

While the natural resources reveal a mosaic of massive rockscapes, tundra, and countless lakes, the communities provide a traditional Inuit lifestyle that is responsive to a northern environment and internationally famous for its arts, craft and culture.

Typical travelers to the Arctic Coast include anglers and hunters, naturalists history enthusiasts, government officials, and business people. Their activities may be as varied as their interests in the Arctic environment. For the visitor, community tours, fishing and hunting expeditions, hiking, canoeing and browsing for crafts can frequently provide several days of activity in each community. Package tours may include the exploration of historic resources by boat, dog sled, or snow machine. As well, char fishing, visits to the co-op craft outlets, and entertainment by local musicians and athletes are available and will become an increasingly important component in future community-based tourism.

1.2 Community-Based Strategy

The Government of the Northwest Territories has made a bold and unique attempt to establish community-based tourism. "Our new products and programs center on community package tours and their components, such as community trails and visits to residents homes, with continuing efforts in



Regional Context

planning and community beautification." The communities can therefore be considered a source of attractions and events as well as a service focus for activities taking place beyond the community area. For example, although individual and even multi-community package tours may be organized into isolated natural and archeological sites, visitors would pass through communities for their basic services (guides, transportation, food). It is evident that the communities have "the basic plant and resources to cater to tourists, and the potential attraction[2]" that could hold tourists in the community for longer periods of time. The emphasis must, therefore, be on developing the communities' natural, historic, and human resources for the social and economic benefit of the Arctic Coast Region.

A number of government funding programs are available to assist in the implementation of a community-based approach in the Arctic Coast. The major funding sources and programs are as follows:

Source of Funds	Program
GNWT Economic Development and Tourism	GNWT Business Loans and Guarantees Fund Eskimo Loan Fund (E.L.F.) and Eskimo Economic Development Contributions (EEDC)
	Financial Assistance Program
	Financial Assistance to Business
	Priority Initiatives
Department of Regional Industrial Expansion and GNWT Economic Development	Special ARDA

Government of Canada and GNWT	Economic Development Agreement and its agreements and programs: Human Resource Development. Natural Resource Development, Domestic Market Development
Department of Regional Industrial Expansion	Native Economic Development Program

1.3 The Regional Tourism Strategy

"Tourism provides employment and entrepreneurial opportunities -- and when compared to other existing and potential industries (fishing, mining, oil/gas) tourism offers the greatest growth factor in the long term[3]." The Arctic Coast Tourist Association recognizes the tourism development opportunities in their region and their potential impact on the level of jobs and revenue. The Association has identified the need to protect and preserve local native culture while simultaneously developing management and hospitality skills and establishing a marketing strategy for the region.

The development strategy consists of three documents; this Background Report (Volume I), the Development Strategy and Implementation Plan (Volume II) and Project Descriptions and Community Plans (Volume III). This Background Report provides the inventory and analysis of the region's tourism resources and potential travel markets, the results of the extensive interviews with many leaders (see appendix) within the various communities, a synthesis of all the collected data, and a review of potential development opportunities and constraints .

The analysis of the natural and cultural resources and the existing and potential markets has enabled the identification of a series of development issues and trends. This report concludes with the presentation of alternative development concepts and a preliminary selection of potential development opportunities.

1.4 Existing Tourism Development

It is important to realize before preparing a master plan for the Arctic Coast, that tourism is relatively unknown to the region's people. There are only a few individuals who have an understanding of the basics of the travel industry. For the most part, this understanding has been gained through job related experience. With very few exceptions, neither government officials nor the handful of individuals who have started the few operations have had much contact with other components of the travel trade. Only one supplier, Bathurst Inlet Lodge, has a reputation for on-going marketing, continual quality service, and imaginative product development. For the most part, the present operators are new to the industry, relatively inexperienced, are working with a tourism product that is almost completely nature-based (i.e., very few man-made attractions), and are involved with an Inuit population that has had little exposure to southern tourists.

"The essential ingredient of tourism is its exoticism, what the French call depaysement. The tourist seeks an experience that cannot be duplicated in his ordinary place of residence[4]." Travel amongst the Inuit cultures is both exotic and authentic allowing northern tourists to truly leave their customary environment and cross the boundaries of their social world. This type of "ethnic" tourism creates special issues for both guests and hosts. Not only must hosts preserve their authenticity, but guests must interact with the local people in such a way as to avoid what is called "the Heisenberg effect" which suggests that the search for the exotic is self-defeating because of the overwhelming influence of the observer on the observed. Therefore, while northern tourists may want to see the "unspoiled native", their very presence transforms the authenticity of the experience.

The development of the travel industry and the emergence of a continuous host (northern) - guest (southern) interaction, then, is in its formative stages in the Arctic Coast Region. The Tourism Strategy must reflect these realities and provide an orientation that is positive and constructive for both.

During the first series of visits to each community, the key actors -- including members of the local tourism committees, community leaders, politicians, and travel-related businesses -- were interviewed[5]. The purpose of this dialogue was to identify their attitudes toward the existing travel industry, as well as to determine their perceptions of the future of tourism in the region. As well, available market data were assessed and in-depth interviews were held with all relevant suppliers of northern tour packages. Although many of the physical resource data were collected during the spring season of 1984, they were continually upgraded by subsequent visits in the summer and winter, thus providing a year-round perspective on the region.

FOOTNOTES

1. Community Based Tourism - Summary Report. Government of the Northwest Territories. June, 1983.

2. Ibid.

3. Tourism Development and Marketing Strategies for the Northwest Territories - Vol. 1. The Tourism Steering Committee. Yellowknife. May, 1980.

4. "Tourism and Re-created Ethnicity." Annals of Tourism Research. Vanden Berghe, Peter and Keyes, Charles. Pergammon Press: New York. 1984.

5. See Appendix for lists of people interviewed.

2.0 GOALS AND OBJECTIVES

The following broad goals and objectives for tourism development have been noted during the first phases of the planning process. They are economic, cultural, and environmental in nature. They will be followed by more detailed goals and objectives at the Development Strategy level.

Economic Goals

- To increase the economic potential and employment opportunities for citizens by creating added income and additional jobs.
- To diversify the economic base of the region's industry which is largely dependent upon government related jobs and programs as well as trapping, fishing, and hunting.
- To provide opportunities for the private sector to contribute to the travel industry.
- To extend the length and impact of the tourist season.
- To identify and locate community-based attractions and services that support the tourism development of the region.
- To identify tourism development opportunities that could strengthen and diversify the economic base of the various communities .
- To create a spirit of collaboration and coordination among various communities and their tour operators to establish a strong, integrated regional tourism product.
- To identify possible areas for government financial assistance.

Cultural Goals

- To protect, enhance, and restore the cultural heritage of the Inuit people.
- To ensure that development is in keeping with the aspirations of the residents of the Arctic Coast.

- To develop a greater awareness of local history and heritage.
- To increase recreational facilities and opportunities for residents.

Environmental Goals

- To create an awareness of the unique character and natural attractions of the Arctic environment.
- To identify areas that are especially environmentally sensitive and recommend legislation to protect and preserve them.
- To recognize environmental features of the Arctic that are of particular interest to the naturalist and assure their protection from overuse as well as preserve them for future travelers.

3.0 NATURAL RESOURCES

Natural resources are presently the most important attraction in the Arctic Coast Region. Tourists are drawn by the abundance of Arctic char and trout, seals, caribou and muskox, approximately 90 birds[1] species including the impressive gyrfalcon, whistling swan, and golden falcons, as well as dozens of seabirds. Hunters, anglers, and nature enthusiasts come to this region to experience its unique resources .

The Arctic landscape is also the setting for a mosaic of natural features. Nationally famous rivers such as the Coppermine, Burnside, Back, and Tree attract both anglers and canoeists . For naturalists and photographers, the tundra provides an abundance of wildlife and colour. The tundra also interests rockhounds with its variety of minerals such as copper, and develops awareness of the region's existing mineral potential as well as its history.

Finally, the Arctic Ocean itself is a haunting and appealing water system consisting of tens of thousands of kilometers of indented coastline and hundreds of islands, some larger than certain countries. As one of the three oceans making up the Canadian Coast, the Arctic Ocean has unquestionable appeal and can draw tourists for its mere existence as well as the natural resources it provides.

Most animal and bird species are available for viewing in the summer months from June to August. Availability varies, however, depending on the community, species, migration patterns, and the year (e.g. , lateness of the spring). Not all animals and birds can be seen at all times and places during the summer.

3.1 Physiology and Geology

Much of the study region is made up of the very old Canadian Precambrian shield. Major elevations in topography have been created by scarp formations, particularly noticeable around Coppermine .

The Coppermine area, particularly around the Tree River, consists of contoured sedimentary rock. Between there and Bathurst Inlet the bedrock is granite. The highland cliffs at Bathurst Inlet also form part of this scarpland topography. Beyond Umingmaktok (Bay Chime) the land is low and poorly drained.

Much of Victoria Island, including the Cambridge Bay Area, is flatlying lower Paleozoic rock. This low, slightly undulating, yet rather monotonous landscape extends to the east as far as Gjoa Haven.

The only major variation in the Victoria Island landscape is in the vicinity of Holman as a result of the Holman Island Syncline where a number of scarps developed on what are primarily diabased intrusives.

Generally, rock and rock formations dominate the Arctic landscape either as rock uplands or as plains on Pleistocene glacial deposits.

3.2 Vegetation

Almost the entire region is above treeline and all major gradations of tundra occur in the region. Although only the southern part of the region is covered in boreal forest, consisting mostly of white spruce, the tree cover does move north along the Coppermine River Valley to within 40 km of the community of Coppermine. Sheltered areas in the southern part of the region may produce dwarf willow stands of at least 1 meter (3' - 4') high. They can be found at the mouth of the Richardson and Rae Rivers, just west of Coppermine. Tall willow stands have also been located at the head of Minto Inlet, north of Holman.

The tundra is an area of continuous permafrost supporting grasses, lichens, mosses, and shrub willows, interspersed with numerous bogs.

In the area of glacial plains, grasses and flowers such as Arctic Poppy and Arctic dandelion can be found among the rocks. In the rocky uplands, ground birch and Labrador tea can be found and Arctic ferns and lichens grow where there is little soil.

For the most part, the region is an arid wasteland with little vegetation and is dominated by the rock formations around Holman, Coppermine, Pelly Bay, and the Boothia Peninsula.

3.3 Wildlife (Terrestrial, Aquatic)

3.3.1 Fur-Bearers

The role of the furbearers as an attraction to the arctic regions is a controversial issue for local natives, conservationists, and non-hunters. This is largely as a result of the impact of human activity, as well as the loss of many of the game reserves that existed before World War II.

The Barren Ground Caribou, for instance, numbered an estimated 2.4 million animals (prior to 1700), but have been diminished to approximately 500,000. McTaggart Cowan noted in 1981 that "each herd has been experiencing a human kill exceeding its renewal rate in addition to a substantial loss to wolves[2]". Although there have been similar declines in the Muskox population, it has more than doubled between 1965 and 1977. Gray suggests that "for certain populations (of furbearers), survival may be precarious".

Sport hunting must be put into the perspective of the sensitivity of these populations. Only through successful wildlife education and resource management will there be adequate levels of stock for local natives, naturalists, photographers, and hunters.

Polar Bear

The magnificent Polar Bear is the largest of the land mammals and is sought as much by photographers and naturalists as by big game hunters and locals. Polar bears roam most of the region in the winter, but can only be found in the northern parts of the high arctic islands during the summer where they frequent the edge of the arctic ice pack in search of seals, walrus, and fish. Although their pelts fetch as much as $1,500, their major economic value is as a big game trophy.

Polar Bear hunts, costing as much as $20,000, are available in Holman. Pelly Bay and Gjoa Haven are considering using their tags for sports hunting, although only the latter has the necessary number of dog teams. Hunting of these animals is strictly controlled and population is stable if not slightly increasing. Because the bear is a marine mammal its hide cannot legally be shipped to the United States, which has a certain impact on its desirability as a trophy.

Muskox

One of the most curious animals in the NWT, and the entire North American continent, is the muskox. As a relic of the ice age these shaggy prehistoric-looking beasts are popular with photographers and hunters. They are found throughout the tundra region and can frequently be seen close to such communities as Cambridge Bay, Bathurst Inlet, Holman, Coppermine and Gjoa Haven.

Recent observations suggest that the population is rapidly rising (from 8,900 in 1965 to 19,000 in 19 77). The number of tags for Holman has recently doubled (from 20 to 40).

Caribou

Caribou are a primitive deer found throughout the arctic in large herds usually migrating between summer tundra ranges and the forested winter feeding areas. A number of herds migrate within the region including the Bathurst Barren-Ground caribou herd, the largest in Canada, estimated by McTaggart Cowan to be 100,000 in 1981. The herd can be seen at Bathurst Inlet where they pass in late May or early June on their way to the calving grounds east of the Inlet. This is one of the largest of the five herds of Barren Ground Caribou and it is sometimes mixed with Woodland Caribou and the Bluenose herd.

Like the Polar Bear and Muskox, caribou are a popular natural resource attraction for naturalists and photographers.

Coppermine and Bathurst Inlet are the best places to observe the caribou. They cannot be hunted by southern tourists, although there have been discussions about changing this policy.

Birds

Most birds can only be found in the region during the spring and summer. The mature gyrfalcon is one of the few major bird species that permanently resides in the NWT. A number of birds are of particular interest to naturalists, including golden eagles, falcons, and hawks.

Gyrfalcons do not nest, but lay and incubate three eggs on narrow cliff ledges frequently near water, such as along the Coast on the Arctic Islands. A gyrfalcon has always been one of the birds most highly prized by falconers and today it has much status in the world of falconry. Nevertheless the $5,000 export fee has depressed the sales to the Middle East.

Peregrine falcons, which are on the endangered species list, are also popular with birdwatchers and their populations seem to be slowly rising. Nevertheless their hunting skills which make them desirable by hunters and poachers threaten their population.

The rough-legged hawk is one of the most abundant hawks in the region and its population is stable.

Other northern birds include the land-based snowy owl and rock ptarmigan, as well as a variety of ducks, geese, loons, and swans.

Fish

Arctic char, lake trout and, to a lesser degree, whitefish are a basic food of the people of the region and excellent fishing sites can be found along the coast. Rivers contain an abundance of sport fish, particularly the Back River, as it enters into Chantrey Inlet. The Back River is considered by a sports writer (for the international magazine, "Field and Stream") to be one of the best fishing sites in the world[4]. Lake trout of outstanding size are found on the Back River and the Tree River. The lakes near Cambridge Bay are known for excellent Arctic char fishing.

Landlocked char and Arctic char are favourite game fish of the northern angler. Char is fished at many of the rivers leading to the Arctic Ocean, as well as on certain lakes.

Marine Mammals

The Arctic Ocean contains one of the world's largest concentrations of marine mammals. As a food, fuel, and clothing source, these mammals have been closely tied to the survival of the Inuit people. The cold waters of the ocean contain many seals, and occasionally whales. The latter fascinate nature enthusiasts and the former are hunted regularly by local people. The ringed seal is found frequently along the arctic coast and on occasion narwhale have been sighted. Creswell Bay, on Somerset Island, is an important area as a beluge calving ground offering opportunity for fly-in interpretation tours.

3.4 Natural Features and Attractions

3.4.1 Rivers

Rivers and coastline create some of the most dramatic features in the region. The most important rivers in the region are the Coppermine, Burnside, Back, and Tree. Other important rivers are the Ellice, Hays and Kuujjua rivers. The Coppermine and Burnside are being considered for Heritage River status.

Copper'mine River

The Coppermine River is the most popular river in the region and each year several dozen canoeists take the 640 km trip from Lac de Gras to the Arctic Ocean. The trip combines flat water canoeing, rapids, and white water. The river takes travelers past tundra, across tree-line, through the Coppermine Mountains, around the historic Bloody Falls, and finally to the important Arctic community of Coppermine. The trip takes approximately three weeks and must be undertaken by experienced paddlers. In some narrow sections, the river boils. Some rapids and all the falls require portaging. Rafting on the Coppermine River also offers potential.

The history of the Coppermine River is also an important attraction. The Inuit often travelled the headwaters to hunt caribou, and in 1771 Samuel Hearne was the first European to travel to its mouth. John Franklin made two trips down the river, the first with the namesakes of other Arctic Coast Rivers - Back, Richardson, and Hood.

Flora and fauna are the most interesting features of the river. The tundra is the home of caribou, wolf, fox, hawks, and falcons; fishing for trout, grayling, and Arctic char is excellent . Along the shore, canoeists can photograph barren-ground grizzly, caribou, muskox, geese, and swans. The forest cover is continually in transition for the paddler, as the spruce groves are gradually replaced by a variety of tundra vegetation including grasses, flowers, shrub willows, and lichen.

Back River

Although much of the Back River is outside the study area it provides important access into Chantry Inlet and possibly Gjoa Haven. This “awesome” Arctic river offers a challenging artic experience, as well as a chance to trace the route of George Back who first explored the area in 1833-34.

Similar to other Arctic rivers, the Back River is a demanding, swift flowing adventure stretching 800 km (500 miles) across the NWT and flowing into the Arctic Ocean. Boiling rapids and swirling waters combine with the serenity of peaceful lakes. The landscape is alive with spectacular flora, hundreds of caribou, Arctic wolves and muskox. In the air there are huge flocks of geese and the occasional pair of whistling swans.

The Back River also includes the larger bodies of fresh water in the area, Pelly Lake, where frequent winds can be both challenging and frustrating.

Hood , Rae, Burnside, and Tree Rivers

These four rivers offer similar experiences to the Coppermine and Back Rivers. Although shorter than the Coppermine and Back, they all pass through endless expanses of isolated and desolate tundra, punctuated only by the exciting opportunity of seeing Arctic wildlife in its most pristine environment.

3.5 Special Areas

There are no national parks in the Arctic Coast Region. The only officialy designated ecological area is the Queen Maud Gulf Bird Sanctuary. Possible candidates for park status in the Arctic Coast are: a marine park at Fort Ross on Bellot Strait and Brentford Bay; the Queen Maud Gulf Bird Sanctuary; a marine park at Minto Inlet; an historic park at Bernard Harbour; and Bathurst Inlet.

Bathurst Inlet

In 1978 Bathurst Inlet was considered one of the "6 north of 60" areas representing the northern landscape and natural features. It has been proposed by Parks Canada as "A Natural Area of Canadian Significance"[6]. There has been little public support for the proposal and "it will have to be reconsidered in view of the recently completed assessment of potential non-renewable resources by the Geological Survey of Canada"[7].

The Bathurst Inlet ecosystem, as outlined by the Canadian Committee for the International Biological program, covers 24,200 sq. km.

The Bathurst Inlet region possesses a range of landscapes from flat, gently rolling, drift-covered uplands in the southwest, to steep rocky hills south of James River, and flat silt-covered lowlands, broken by scarps within the inlet. Two physiographic areas are recognized: the Mackenzie Uplands on either side of the inlet, penetrated by the Coronation Gulf lowlands to produce Bathurst Inlet. Eskers are both numerous and continuous throughout the region.

The scene variation within so small an area is uncommon on the Canadian Shield. The vegetation, although relatively rich, is representative of a mainland low arctic site. Shrub willow up to 2m (7 ft.) high is found in sheltered valleys and on lower slopes of the inlet. Dwarf-shrub heath dominates the better drained lowlands, while sedge tussocks are common in the poorly drained areas. A rock desert prevails in upland areas and at low elevations on the coast.

Part of the calving grounds of the Bathurst caribou is within this area. The main calving area is located between the Ellice River and the eastern side of Bathurst Inlet. Some small caribou herds over-winter in the area. Muskoxen, wolves, and barren-ground grizzly bears are relatively common.

The area is also the site of the internationally acclaimed Bathurst Inlet Lodge which offers a variety of nature and cultural programs including birdwatching, sightseeing, guided nature tours, fishing, and native entertainment.

Parks Canada have identified a 13,000 km area for possible designation as a "Natural Area of Canadian Signifance" which would "be protected as part of the heritage of all Canadians, now and in the future."

The designation would create national/international recognition for the area and an important exposure for the region in the market place.

Any change in status, however, should be done in close collaboration with all people living and working in the area.

The existing lodge operation could provide excellent service to new travel markets attracted to this national site.

The resources of the proposed "Natural Area of Canadian Significance" include:

- magnificent scenery;
- the largest herd of barren-ground Caribou in Canada;

EXHIBIT 3.1: CLIMATE IN THE ARCTIC COAST, BY COMMUNITY

	Average Annual Precipitation (cm)			July Means (C)		Jan Means (C)		Winds
	Rainfall	Snowfall	Total	High	Low	High	Low	
Coppermine	10.3	100.7	20.2	12.8	5.6	-26.4	-33.8	SW at 16.6 km/h
Holman	7.4	91.0	17.8	11.4	3.3	-25.7	-32.7	E at 18.2 km/h
Cambridge Bay	6.8	76.8	13.6	11.9	3.9	-30.0	NA	NW at 21.8 km/h
Spence Bay	6.5	103.0	18.1	11.5	3.2	-29.7	-39.3	NA
Gjoa Haven	5.1	25.4	8.4	13.9	7.2	-23.3	-39.4	Light winds
Pelly Bay	10.3	127.0	23.0	9.7	2.9	-29.7	-35.6	NA
Bathurst Inlet	12.2	112.5	23.4	13.3	5.2	-22.6	-32.6	West at 18.5 km/h

Source: NWT Data Book 1984/85; Outcrop Ltd.

a traditional Inuit culture;

innumerable lakes and streams;

upland plateaus and striking rock outcropping:

Wilberforce Falls, the highest in the world above the Arctic Circle;

Window Falls;

a large population of tundra animals and approximately 90[8] species of birds; and

critical wildlife zones including peregrine falcons' nesting area, staging grounds for migrating waterfowl, and muskox calving areas.

3.6 Climate

The Artic climate is cold and dry with the average daily temperature rarely exceeding 10C in the warmest months. Coppermine, which is the warmest community in the region, has a mean average high in January of -29c. Spence Bay is slightly colder at -33C. Precipitation is low throughout the region and generally averages around 10cm of rain and 100cm of snow per year. These desert conditions make the region one of the driest in the world. Spring comes late, but suddenly. Because the Arctic is covered in snow for eight months, the spring can be an excellent time for tourists because of the opportunity to travel on snow and ice and still enjoy relatively milder temperatures. Exhibit 3.1 provides information on the Arctic Coast climate by community.

FOOTNOTES

1. Bathurst Inlet Lodge Promotional Literature.

2. Wildlife Conservation Issues in Northern Canada. McTaggart Cowan, Ian. Science Advisory Board of the Northwest Territories, GNWT. Yellowknife. 1981.

3. "The status of the Muskox and Peary Caribou on Canada's Arctic Islands, " Gray, D.R. Canada's Threatened Species and Habitats (T. Mosquin and C. Suchal, eds.). Canadian

Nature Federation, Special Publication No. 6. Ottawa. 57-62. 1977.

4. "Hooked on Chantry". Schultz, Ken. Field and Stream, 1982.

5. **No** written documentation can be found on this reserve.

6. Bathurst Inlet - A Natural Area of Canadian Significance. Parks Canada, Indian and Northern Affairs. Ottawa. **1978.**

7. "Prospective National Parks in the North". Kovacs, Tom. Park News. Toronto. **1983.**

8. Interview with naturalist in Coppermine.

4.0 CULTURAL HISTORIC AND HUMAN RESOURCES

4.1 Overview

Artifacts and ways of life in the region incorporate aspects of the Pre-Dorset, Dorset, and Thule cultures. Within the region, three sub-groups of Inuit, the Copper Inuit, the Netsilik Inuit from the South Baffin area, and the Ukkusiksalingmiut from the Chantrey Inlet area, form the basis of the current population.

First contact in the area was in the late 18th century with the arrival of the Hudson Bay Company employee, Samuel Hearne, via the Coppermine River. In the early part of the 19th century, the search for the Northwest Passage led to a great deal of exploration activity in the area. The disappearance and subsequent search for the Franklin expedition led to even more activity. The English names of the many islands, inlets, peninsulas, and straits in the region are representative of the many people involved in this early exploration. The Inuktitut names date back to the traditional uses of various geographic areas.

Because this region contains a prominent portion of the history of Canada and the exploration activities continue today, current “explorers” are strongly attracted to the region, as evident in the successful attempt by the Lindblad Explorer in the summer of 1984 to navigate the sometimes treacherous Northwest Passage.

The more modern history of the area from the arrival of traders, missionaries, RCMP, government services, and finally the development of permanent communities is also a major part of the historic resources of the region, with its related collection of picturesque stone churches, abandoned trading posts, and isolated communities with modern “southern” amenities .

Some archaeological activity has been underway in the area over the years as academics attempt to learn more about the lifestyle and progress of man in this harsh environment.

4.2 Cultural Resources

4.2.1 Pre-Contact Period

The current Inuit lifestyle has evolved from three periods. Evidence of each period is available in some form in today's communities of the Arctic Coast region.

The Pre-Dorset period of some **4-5,000** years ago was a migration of people from the west. They moved quickly across the entire Arctic and originally lived in more northerly areas than are currently populated. About **3,500** years ago they moved south into the area of this study along the Arctic Coast . Their lifestyle, known as the "small tool tradition", involved the use. of tiny blades of flint to cut tools for other uses. Many of the tools they made and used in their daily activities can still be found in today's Arctic Coast communities . One of the more common tools, the ulu, dates back to this very early culture and is still regularly used in Inuit camps or kitchens.

Although there are few authentic pre-Dorset culture artifacts on display in the Arctic Coast, many modern variations of these artifacts are available to view or purchase in communities .

The Dorset period, starting some **2,500** years ago and extending for some 1,500 years, saw the introduction of such things as the snowhouse, the bone snowknife, and oilburning lamps to the culture of the Inuit. These items continue to be part of the lifestyle of the Inuit of this area.

The Thule culture developed about 1,000 years ago in the Bering Sea and spread across the North to Greenland. The

Thule culture involved whale hunters, and when the whales moved east, the people followed. Items such as harpoons, kayaks and umiaks, as well as the use of dogs for transportation were developed through this period and again there is evidence of these items in the present lifestyle of the Inuit of the Arctic Coast. The Thule culture absorbed or eliminated the Dorset people, and the Thule people are the direct ancestors of modern Inuit.

Within the Arctic Coast, there is visible evidence of all the previous cultures of the Inuit. In a few communities such as Holman and Spence Bay, some effort has been made to display this culture in small museums, for the benefit of both residents and visitors. Old sod house sites and tent rings have been located in many parts of the region.

4.2.2 Modern Inuit

Today's Inuit population in the Arctic Coast descended from two major Inuit sub groups: the Copper Inuit in the western communities and the Netsilik Inuit in the eastern Communities. The eastern communities also include some Baffin Inuit who were relocated to Somerset Island then moved to Spence Bay, and some Ukkusiksalingmiut from Chantry Inlet who moved to the Arctic Coast region.

The Copper Inuit lived on Victoria Island and around Coronation 'Gulf as far east as Bathurst Inlet. These Inuit fashioned the copper found in the area into implements which they bartered to neighboring groups. They were dependent on both land and water -- expert in sealing and hunting muskox and caribou.

The Netsilik Inuit live in the eastern section of the Arctic coast region. The root of their name means "jar seal" in Inuktitut, reflecting their major food source. The channels and bays of their territory were ice bound most of the time, and the Netsilik became possibly the most adept of all Inuit at seal hunting on winter and spring ice.

Although there are some differences between the groups in such things as traditional dress and language, this difference is not obvious to the casual visitor, and little exists to inform the visitor of the background of a specific group of Inuit.

4.2.3 Traditions, Folklore

Traditional activities and events have been maintained to varying degrees in Arctic Coast communities. Traditional games continue to be played. Traditional sports such as the high kick and arm reach continue to be popular in many communities and traditional gatherings for special events continue in some communities.

Drum dancing, story telling, sewing and using traditional clothing such as caribou parkas and pants, making komatiks, carving, and drying fish are obvious parts of the Inuit culture and are very evident in the communities today.

Shamans are part of the Inuit tradition, and the folklore follows the land in some areas (the naming of Mount Pelly, Baby Pelly and related stories). The presence of the "little men" along the Arctic Coast mainland continues as part of the ongoing folklore of the Arctic Coast people.

4.3 Historic Resources

For the purpose of this outline we have classified historic resources as post contact. Earlier history has been included in the cultural area. The history of the area is mainly tied to early and current exploration and more recent development (e.g., community development, the Dew Line) in the Arctic Coast. Little work has been done to explain and develop stories around the recent and ongoing development of the Arctic Coast. This type of work will allow residents and participants to be part of the "living" history of the area.

Exploration History

The exploration history of the area is filled with tales of adventure and hardship, and is known by people around the world. The exploration history includes the search for the Northwest Passage, the subsequent search for the lost Franklin expedition, scientific and resource research, and modern research and development.

The Northwest Passage

Coming overland and by water, explorers attempted to find the elusive route to the Pacific Ocean. In the early 19th century the British Naval Service was the main player in the search for the Northwest Passage. Following the disappearance of the Franklin Expedition in 1845, activity in the area increased, as many expeditions went out in search of Franklin's ship and any possible survivors.

Since much of this period also involved mapping, the entire Arctic Coast bears the names of many of the explorers, their crew members, and their sponsors.

Although McLure was credited with discovering the Northwest Passage in the mid 19th century, it was not until the early 20th century that Amundsen was the first person to navigate the passage from east to west. It was not until more than three decades later that the first Canadian ship, under Captain Henry Larsen, successfully navigated the passage from both east to west and west to east. The story of the Northwest Passage continues to the present day with the successful navigation of the Northwest Passage of the Lindblad Explorer in the summer of 1984, the first passenger ship to navigate the passage.

Although the history of the area is quite exciting, there is limited evidence in the Arctic Coast of the search for the

Northwest Passage. Only a remote marker or cairn notes the achievements of these explorers, and the history is not well explained or displayed in the area. Amundsen's ship the Maud sits in the Cambridge Bay harbour after an extended life with the Bay, but few people know the significance of this explorer, or the fact that this ship carried planes to the Arctic in the early 1920s when Amundsen attempted to stage a pioneering polar flight.

Some artifacts discovered in the King William Island area provide evidence of camps related to the fateful overland trek of Franklin's crew. The discovery of Kellett's warehouse is another known site, but most of the history of the area is preserved far from the region.

Traders

After explorers, the next group to move into the area were the traders. They included independent traders, the Hudson's Bay Company, and several other companies including the Canalaska Company. Traders started moving into the area in the early 1920s and by the mid 1920s posts were opening in specific locations across the region. There was also much relocation of posts, closing of posts and finally the establishment of trading posts in permanent communities.

There are a number of abondoned posts left in the region, and local comment indicates that some are in relatively good condition, specifically the old Bay Post at Fort Ross.

The trading history makes up a significant portion of the history of the North, but is currently not displayed or highlighted within the region.

Missions

The missionaries generally followed the traders, since the trading post attracted the people to a central location.

The first missionaries arrived in the late 19th century, but it was not until the 1920s and 1930s that the missions became established in the Arctic Coast, with both the Anglican and Roman Catholic churches establishing facilities.

The early mission history is most evident in the stone churches at Pelly Bay (established in 1939), Cambridge Bay, and Spence Bay. Additional work is required on these buildings if they are to serve as tourism attractions.

Scientific and Modern Exploration

In addition to the search for the Northwest Passage, early explorers were looking for mineral and natural resources. Hearne's trip down the Coppermine was connected with the search for copper. Other expeditions were looking for gold or non-precious metals. As far back as the 1920s, mining and exploration work was being carried out around Bathurst Inlet. Today a number of abandoned sites, specifically one in the centre of Victoria Island, dot the region.

The many mapping and research expeditions of the Government of Canada added to the knowledge of the area, but it was not until the mid 1950s that the area was completely mapped. Establishment of Canadian sovereignty also brought many expeditions into the area over the years. Scientific and exploration work continues in the area, usually in the summertime, with an influx of biologists, geologists, and archaeologists .

DEW Line Sites

Following the second world war, a series of Distant Early Warning (DEW) sites was established across the north at 50 mile intervals. There are a number of operational sites in the Arctic Coast region, as well as a number of abandoned sites (following the policy to have a site every 100 miles rather than every 50 miles). Equipment from the construction of these sites is evident in many areas of the north and particularly in Pelly Bay. DEW line sites do not generally encourage tourist visits, but small trips have been arranged to selected parts of the operation when enough advance notice is given.

Aviation

The history of Arctic aviation is also tied to the Arctic Coast area. Although a number of attempts were made to fly to the pole, and to fly across the Arctic, it was not until the late 1920s that the first successful flight was made to the Arctic Coast, landing at Cambridge Bay. Today Cambridge Bay is a main check-in point for trans-polar flights, and the region is regularly crossed by many major airlines.

Closer to home, the local aviation service, with its historical DC-3s is part of the aviation experience of the modern visitor.

Communities

The most recent part of the history of the area involves the development of communities. Fifty years ago the Arctic coast was mainly a collection of nomadic people. With the development of trading posts and missions, a type of community focus started.

Coppermine is likely the oldest community, although the nursing station was not established until 1948 and the school was built in 1950. The construction of the Loran Navigational Beacon at Cambridge Bay in 1947 and the DewLine site in the 1950s hastened the development of a community there . Other communities such as Pelly Bay were not really established as communities with permanent housing until the early 1960s.

From focal centres with a trading post and mission, communities evolved in a very short time to places with modern schools, community centres, municipal offices, Bay department stores, and modern housing.

4.4 Detailed Maps

The Government of Canada's mapping group is currently completing detailed "land use" maps for the Arctic Coast region. The maps will identify marked historic sites, cultural sites, abandoned buildings, etc. When these maps are available, we will forward a set to the Arctic coast tourism office.

4.5 Human Resources

Exhibits 4.1 and 4.2 presents information on the socioeconomic circumstances of the Arctic Coast and its seven communities. The Arctic Coast is the most sparsely populated region in the Northwest Territories. Approximately 3,500 people (roughly 8% of the total NWT population) live in the seven far-flung communities. The two most important population centres in the region are Cambridge Bay and Coppermine, with Cambridge Bay serving as the administrative centre for the region. The populations of both these centres are approaching 1,000.

More than 90% of the region's residents are Inuit, with non natives mainly working as teachers, nurses, in the RCMP, or in other civil service jobs. In-migration from other regions of the NWT has been limited due to the location of the Arctic Coast communities and the transportation links to them. One relocation program saw the Hudson Bay Company move some eastern Inuit into the region some 40 years ago. The development of regional government in Cambridge Bay increased the population of that community by over 25% in only five years, mainly through the addition of government employees and the creation of new positions in the community.

EXHIBIT 4.1: **COMPARISON** OF SOCIOECONOMIC CIRCUMSTANCES : ARCTIC COAST AND TOTAL **NWT;** 1981

	Arctic coast	**Total NWT**
Total Population	3,245	45,740
Population by Mother Tongue (%)		
- Inuktitut	63.7	28.9
- Other Native		10.7
- English	35.7	54.1
- Other	0.6	6.3
Labour Force Status		
- Working Age Population (15 plus)	1,925	29,665
- Labour Force	945	19,180
- Participation Rate (%)	49.1	64.7
- Employed	850	17,615
- Unemployed	90	1,565
- Unemployment Rate (%)	9.5	8.2
- Employment Rate (%)[1]	44.2	59.4
- Not in the Labour Force	980	10,490
LabOur Force by Industry[2]		
- Agriculture	- (-)	25 (0.1)
- Forestry	- (-)	70 (0.4)
- Fishing and Trapping	55 (5.8)	235 (1.2)
- Mining	35 (3.7)	2,145 (11.1)
- Manufacturing	- (-)	420 (2.2)
- Construction	35 (3.7)	980 (5.1)
- Transportation	90 (9.5)	2,085 (10.8)
- Trade	125 (13.2)	2,095 (10.9)
- Finance	40 (4.2)	690 (3.6)
- Community, Businness and Personal Service	290 (30.7)	4,725 (24.5)
- Public Admin. & Defense	210 (22.2)	4,970 (25.8)
- Other	20 (2.1)	825 (4.3)
Total	945 (100.0)	19,270 (100.0)
% of Population 15 and over who worked in 1980 and worked mostly in full-time jobs	47.8	61.8
Average Employment Income ($)[3]		
- Male	11,609	16,165
- Female	6,796	9,564
Number Who Worked in 1980		
- Male	735	13,170
- Female	480	9,025
- Total	1,215	22,195
% of population 15 and over with less than Grade 9 education	63.9	35.8
% of population 15 and over with some post-secondary education	20.5	35.4

Notes:
1. Employment as % of working age population.
2. % of total in brackets.
3. For the population 15 and over who worked in 1980.

Source: Statistics Canada Census

EXHIBIT 4.2: SOCIOECONOMIC CIRCUMSTANCES OF THE SEVEN ARCTIC COAST COMMUNITIES : 1981

	Bay Chimo[1]	Cambridge Bay	Coppermine	Holman	Pelly Bay	Spence Bay	Gjo Hav
Total Population	60	815	810	300	260	430	52
Population by Mother by Mother Tongue (%)							
- Inuktitut	67	35	40	83	91	92	9
- English	33	64	58	17	6	8	
- Other		1	2		3		
Labour Force Status							
Working Age Population	35	520	510	185	130	250	26
Labour Force	10	345	190	105	100	90	9
Part. Rate (%)	28.6	66.3	37.3	56.8	76.9	36.0	36.
Employed	10	315	150	95	95	90	8
Unemployed	0	35	40	5	5	0	
Unemployment Rate (%)	0	10.1	21.1	4.8	5.0	0.0	5.
Employment Rate (%)[2]	26'.6	60.6	29.4	51.3	73.1	36.0	32."
Not in Labour Force	25	175	325	85	30	165	16
Income Per Capita: 1981 ($)	NA	10,681	4,440	3,213	3,362	4,153	3,03

Notes:

1. Another 20 people were reported as residing in Bathurst Inlet in the 198 Census .
2. Employed labour force as a % of the working age population.

In contrast to the reported unemployment rate of less than 10% (Exhibit 4.1), the actual unemployment rate in the region is very high, and the limited economic base and relatively low education and skills levels keep employment potential low. Combining an above-average birth rate with a decrease in the hunting and trapping economy, the future economic prospects for the area are not bright, unless there is increased renewable and non renewable resource development, including growth in the tourism sector.

4.5.1 Population

The 1981 census listed a total population for the region of 3,215. In the past four years, this has likely increased by close to 10% for a 1985 population of approximately 3,500. Cambridge Bay and Gjoa Haven are the fastest growing communities in the region; only Spence Bay decreased in size from the 1976 to 1981 census tabulations. This area, like much of the NWT has a birth rate above the Canadian average.

The population is fairly evenly divided on a male/female basis. Approximately 57% of the population is of labour force age (15-64) and another 27% is in the 5-14 age category. A very small proportion of the population is over 65.

4.5.2 Labour Force

Currently 57% of the population is of labour force age (15-64). Assuming that approximately 30% of this group is not actively seeking work (still in school, disabled, small children to look after, could be too old at the upper end of the age range) we are left with a work force of about 1300 which far exceeds the number of full time jobs in the region (see Exhibit 4.1).

Seasonal jobs such as construction, fishing, tourism (although limited now), and barge unloading add to the job and income situation in the region, but do not meet the growing demand for wage income. Hunting and trapping activities have also decreased due to the low return on furs and the high cost of supplies and gasoline for this activity.

Assessing the standard jobs available in each community and the level of training among community residents, we estimate that the actual unemployment rate could be as high as 35% in the region. With a large number of young people expected to enter the labour force in the next 10 years, and with the knowledge that the people of the region are unwilling to move to larger centres such as Yellowknife, on a long term basis, this region will possess a relatively large supply of available workers who over a ten year period could be trained for a range of jobs.

Job Opportunities - Existing

Job opportunities are fairly standard in all communities, with the municipal government (hamlet), the Co-op, federal and territorial government, the Bay, housing associations and native organizations providing most of the jobs. The private sector is almost non-existent in most communities, apart from Cambridge Bay, and any jobs in private businesses are usually filled by owner managers. Jobs such as nurses, RCMP, NCPC operators, are usually filled by non-natives as are many GNWT jobs. In the past few years, specific training programs, including teacher training, renewable resource training, and airport observers training have moved a few native people into standard community based jobs.

Education/Skill Levels

The education and skill levels among the native people of the region are quite low. Considering that schools have only been in place in the region for the past 25-30 years and there is no high school in the region, it could take some time to increase the education levels. Most communities provide kindergarten to Grade 9 level education. As well, most have a resident adult educator to assist with upgrading and training programs.

We estimate that the number of high school graduates is quite low (less than 25% of the working age population) and that a very small number of Inuit residents have completed post secondary education. More residents are enrolling in courses at Thebacha College in Fort Smith, but to date the college does not offer a full time tourism course or tourism training program.

Skills are also limited because many of the residents do not have the educational requirements to enter apprenticeship programs. Standard skills related to community operation (heavy equipment operators) exist in most communities, but more specialized skills such as electricians or journeymen carpenters are limited.

Business related and management skills are also limited. In general the reason for this low skill level appears to be that there has been no demand for these skills.

To develop tourism in the area, a strong training program and a knowledgeable tourism co-ordinator in each community are required. Training must include a basic understanding of tourism, a general grasp of promotion, planning, and hospitality, and an ability to lead the way in tourism development for the other people in the community. Greatest emphasis should be given to on-the-job training tailored to the specific needs of Arctic Coast operators. As well, the hospitality courses given at Thebacha college should be expanded.

According to visitor data, the number of tourists to this region has been low in the past decade. Only in the past five years has a hospitality industry (in the form of a number of co-op hotels and several outfitters) been put in place. In general the communities have had very little forms of economic development. There is some commercial fishing in the area, mainly at Cambridge Bay, and some tourism, mainly at Holman and Bathurst Inlet. There is also some small involvement with the two operating fishing lodges in the region, but this provides only a small income benefit to residents.

4.5.5 Future Job Prospects

Census statistics from 1981 can be used as benchmark data to develop order-of-magnitude estimates of the working age population, employment and job requirements in 1991 and 1996. Even with some out-migration from the region, the population of labour force age (15-64) can be expected to expand at the rate of 2% per year over the projection period. The population of labour force age, therefore, is projected to advance from 1850 in 1981 to 2260 in 1991 and 2490 in 1996. Because of the region’s limited ecomonic base and the anticipated lower growth in government expenditures and employment throughout the NWT, employment in the Arctic Coast can be expected to expand at a much lower rate in the absense of a tourism development strategy and other economic development initiatives. Average annual job growth of one percent would imply an increase in reported employment from 850 in 1981 to 940 in 1991 and 990 in 1996.

Assuming that 30% of the labour force age group is not actively seeking work, these projections indicate that the actual unemployment rate in the Arctic Coast will rise from 35% in 1981 to 40% in 1991 and 43% in 1996. In terms of absolute numbers, the number of people without regular employment who are available for work would expand from 450 in 1981 to 640 in 1991 and 750 in 1996, an increase of 67% over the fifteen year period. Major development initiatives are clearly needed to fill this large and growing gap between the number of jobs and the available labour force.

FOOTNOTE

[1] Because of their small size, proximity and close links, Bathurst Inlet and Bay Chimo are considered as one community and tourism destination for purposes of plan development.

5.0 INFRASTRUCTURE

5.1 Housing

Although housing is continually being built or rehabilitated, there is still a shortage of houses in the Arctic. Due to the high costs of construction and utilities, very few homes are owner-occupied. This creates a particular barrier to developing bed and breakfast as an alternative accommodation. It is important, therefore, to change legislation that presently prohibits charging a fee for lodging in a government house. Using government houses for alternative accommodation would limit the investment needed for new accommodation, and would provide an incentive to tenants to better maintain their homes.

5.2 Transportation

5.2.1 By Air

The airports in the Arctic Coast adequately serve existing air travel requirements and there are no anticipate improvements projected to the six facilities in the near future. The community airstrips are between 1100 and 1500 meters in length.

The region is served by:

- scheduled Northwest Territorial Air service to each community, other than Bay Chime, from Yellowknife, Winnipeg and Hall Beach;
- Pacific Western Airlines from Edmonton and other cities in Western Canada to Cambridge Bay;
- once a week scheduled service from the Western Arctic (Inuvik) into Holman and Coppermine by Kenn Borek Air, and once a week from the Baffin Region (Hall Beach) to Pelly Bay by First Air;
- charter service throughout the region by Adlair

Aviation, Bathurst Inlet Air Service, and Kenn Borek Air;
- scheduled Keewatin Air service from Rankin Inlet to Pelly Bay and Gjoa Haven once a week.

There is a jet service from Edmonton through Yellowknife to Cambridge Bay, and the remainder of scheduled air travel is by Electra and DC-3, one of the oldest commercial aircraft still being used. Given the present low volume of tourist travel and the high operation costs, air service to the communities can be considered as acceptable. In fact, travel on a plane built in the mid 1930s can be considered a unique "historic" experience.

On the other hand, older equipment is unreliable and when this factor is combined with unpredictable weather it makes northern flying unreliable. This situation becomes a significant issue when there are higher tourist volumes and tour operators attempting to schedule packages - many of which may be tied to southern, inflexible economy fares.

Although charter aircraft could alleviate some of these problems, they cannot provide the low fares available from advance booking on the scheduled carriers.

The cost of flying in the north is of concern to both residents and potential travelers. Costs can only decrease if there is a concerted effort on behalf of the airlines to package tours and promote them.

Pacific Western Airlines has already started promoting northern tours with "Great Canadian Adventures". Nordair is also becoming more aggressive and is working with ground operators in the Baffin Region.

Although NWT Air has been very bold in reducing its advance booking costs, it has made no attempt to put together comprehensive packages and promote them through southern wholesalers.

5.2.2 By Road

Roads exist only in and around the communities and provide access to lakes and sites such as Mount Pelly. There has been discussion about extending existing winter roads to Coppermine. This could significantly reduce costs.

5.3 Water Supply and Distribution

For the most part water is trucked to the various tourism related facilities as well as many of the houses in the region. It is generally taken from a nearby lake or stream by a suction hose and transported by a 5683 litre (1200 Imperial gal) water truck. In all communities there is an abundant water supply and increased tourism would not have an impact (e.g., Cambridge Bay's water comes from Water Supply Lake which has a summer volume of 1.7 million cubic meters). The water is stored in 2273 litre (500 Imperial gal) to 45,500 litre (10,000 Imperial gal) tanks which are adequate to respond to increased tourism demand.

In Cambridge Bay, Coppermine, Gjoa Haven and Bathurst Inlet, water is chlorinated at their storage tanks. In other communities it is left untreated. Although hardness and turbidity tend to vary with the season, the water in all communities is suitable for consumption.

Certain facilities, such as the nursing station in Coppermine and Spence Bay are hooked to a utilidor system. Delivery service is usually six days a week and depending on need, tanks are filled at the hotels every two to three days. Increased demand created by tourists would only necessitate a more frequent delivery schedule. This would not lead to additional vehicle requirements since residential demand is low during the summer months. Conversely, when residential demand is the highest (winter), tourists demands are the lowest.

Bay Chimo has no water supply system.

In summary, the existing water distribution system is flexible enough to respond to immediate and long term increased demand created by additional tourists. By either increasing frequency of delivery or installation of more or larger tanks, additional demand is easily accommodated.

5.4 Sewage Collection

Sewage is collected by a sewage pumpout system or, to a lesser degree, by bagged sewage.

Most of the buildings in the Arctic Coast have a holding tank for toilet wastes and sink and wash water. Collection is carried out several times a week by 454L (1,000 I gal) to 5675L (1,200 I gal) sewage tanker trucks.

In all cases, sewage is discharged on land outside the hamlet and usually in close proximity to the garbage dump. Only one dump, at Coppermine, seriously affects the experience of the residents and tourists but that is scheduled for relocation.

Within a few months, the only hotel using the “honey bucket” system will be the Paleajook Hotel in Spence Bay. As of the Spring of 1984, there were no plans to upgrade the system to limited flush toilets (as the Coppermine Inn is doing).

As with the water system, it is only necessary to increase the frequency of sewage collection to respond to increased tourism.

6.0 TOURISM PLANNING UNITS

6.1 Overview

Tourism planning for the Northwest Territories' Arctic Coast Region is unlike planning for any other tourism region in North America. Its vast, arid barren-grounds and thousands of miles of coastline present some of the most visually distinctive scenery in the world, yet it is dotted by a mere seven communities spread across a 1,300 km long coastal corridor. Connected only by DC-3 scheduled air routes and charter aircraft, each community has developed unique characteristics - frequently as a function of its surrounding landscape (natural resources) and its cultural differences (heritage resources).

Due to the diversity associated with each community and its surrounding hinterland, it is possible to define distinguishable units or zones that individually express the uniqueness of each hamlet and collectively express the complete character of the Arctic Coast.

For the purpose of simplifying the planning process, each community and its surrounding landscape will be defined as a planning unit. The unit has been designated as a function of the available natural and heritage resources that can realistically be affiliated with a given hamlet as well as the overall area considered important to various leaders in each community. The latter was defined by having selected people, in each hamlet, locate associated tourism related features.

The planning units are a function of available resources and community definition, and are based on the following guidelines.

The units reflect, in surface area, what is generally considered to be the limits of the territory used by each community including their natural and heritage features.
The units focus on areas that are presently developed, i.e., they include one community and its associated services and infrastructure.
Each unit serves as a destination area within itself due to the costs of travel between units.
Each unit responds to the demands of at least one or two of the target markets, yet respects the basic natural and cultural integrity of the destination area.
- Each unit projects uniqueness, vis-a-vis other units, and consequently creates a balance throughout the Arctic Coast region.
Development opportunities must be concentrated for maximum impact and efficiency.
Service should be community-based and supported by the training of individuals within each planning unit.

Seven planning units have been selected (see Destination Regions - Plan 1). Each unit focuses on a community or lodge (Bathurst Inlet) and encompasses areas of between 20,000 and 30,000 sq. km of land and water.

Each planning unit will:

be considered and called “a destination area”:
combine and develop both land and water based facilities and activities;
as much as possible respond to the potential travel interest in each of the seasons and extend the length of the existing summer season;
- provide enough variety in the long term to allow continued market expansion within each target market; and
be developed in co-ordination with the other planning units to improve or create opportunities for travel betweeen the various communities.

The planning units are called:

Unit 1	Holman Destination Area
Unit 2	Coppermine Destination Area
Unit 3	Cambridge Bay Destination Area
Unit 4	Bathurst Inlet Destination Area
Unit 5	Gjoa Haven Destination Area
Unit 6	Spence Bay Destination Area
Unit 7	Pelly Bay Destination Area

6.2 Holman Destination Area

This destination area on the Northwest corner of Victoria Island encompasses the eastern half of the Diamond Jenness Peninsula and the Albert Islands and the waters of Minto Inlet and Prince Albert Sound.

The area centers on the community of Holman, famous for its silk screening and print making. The name of the late resident artist," Helen Kalvak, is known throughout the world by collectors of Inuit art and her vivid creations can be found in craft shops across Canada.

Holman has recently become known to big game hunters as a departure point for Polar bear hunts extending from the Prince Albert Peninsula to Melville Island.

Holman is respected by those who have visited the community for its hospitality and the friendliness of its people. It is the most northerly community in the Arctic Coast Region being located almost 500 km above the Arctic Circle and 925 air km above Yellowknife. It is also accessible from the west via Inuvik (670 air km).

Its access to excellent Arctic char and trout fishing are shared by other units in the region as is the availability of traditional Inuit lifestyle and Arctic wilderness experiences.

6.3 Coppermine Destination Area

The Coppermine Unit extends from the Richardson River on the west to the Tree River on the east, and includes the 640 km (400 mi) long Coppermine River Canoe Route.

The destination area's uniqueness results from the very popular canoe river - the Coppermine, which is known throughout North America as a "classic" wilderness river attracting dozens of outdoor enthusiasts each year[1].

Coppermine, located at the mouth of this mighty winding river, has a distinctive history as the point of origin of two great Inuit cultures (the Denbigh and the Thule-Inuit). In *1927* the Hudsons Eay Company established a trading post and the population has since grown to more than 800, the second largest in the Arctic Coast Region.

Coppermine holds particular interest to tourists wishing a true arctic experience since it is the closest, and one of the least expensive, scheduled air-route from Yellowknife. Located in Coronation Gulf above tree line, it provides access to the Arctic Ocean and Tundra yet has a favorable summer climate that regularly reaches 14 - 16C.

Although the traditional lifestyle may not be obvious in this large community, there is an excellent selection of soapstone and caribou bone carving and native copper artifacts. Char fishing is available along the coast line and trout fishing is excellent on the major water bodies in the destination area.

6.4 Cambridge Bay

This planning unit encompasses the southeast tip of Victoria Island, and includes the coast of the north west end of Queen Maud Gulf, as well as the fresh water resources of Ferguson, Greiner and Kitiga Lakes.

Cambridge Bay is "the most urban" community of the region and serves as the transportation, communications, and administrative hub. It is the territories "secondary gateway" to Gjoa Haven, Spence Bay, Pelly Bay and, to a lesser extent, Bathurst Inlet-Bay Chime, as well as sites within the area such as High Arctic Lodge, Char Lake, and the outpost camp at Hadley Bay. Historically its waters sheltered most of the explorers who have sailed the Arctic and the remains of Amundsen's ship the "Maud" waits its "rebirth" as a historic attraction in the waters of Cambridge Bay Harbour.

The landscape, although very flat, is not without its distinctive character created by three small mountains on the horizon outside Cambridge Bay. The largest, Mount Pelly, is accessible by vehicle and allows visitors an easy opportunity to view the Arctic landscape as well excellent areas for viewing wildlife and birds.

As in other arctic destination areas, fishing, hiking, camping, and shopping for arts and crafts are available.

6.5 Gjoa Haven Destination Area

This large planning unit includes the historic King William Island on the north and extends south to the arctic char and trout filled waters of Chantry Inlet. The area combines a number of potential tourism activities including excellent fishing, opportunities for nature interpretation, and most importantly the historic interpretation of the dramatic events surrounding the search for and discovery of the elusive Northwest Passage.

The western shoreline of the island is the graveyard for the disastrous Franklin Expedition and place names such as Victory Point, Erebus Bay, Terror Bay, Douglas Bay, and Starvation Cove indicate the final resting place of some of the crew members. "If there is any place in the north that

is haunted by ghosts it is certainly King William Island"z·
Gjoa Haven was for two and half years the home of the Northwest Passage discoverer Captain Roald Amundsen, who established a scientific station there.

The island is surrounded on the east by the James Ross and Rae Straits which were undetected during four hundred years of European exploration. Finally, the distinguished Arctic explorer, Admiral Sir Leopold McClintock, unlocked their secret and with it the passage to the pacific Ocean.

The community of Gjoa Haven is culturally interesting because, unlike the hamlets on the western side of the region, it has been populated by the Netsilik Inuit whose traditional territory was King William Island. They have been joined by the Ukkusiksalingmuit from Chantry Inlet.

The Chantry Inlet Lodge on the Back River could be linked to the community of Gjoa Haven as it seems the owners of this property have indicated a willingness to sell a share of the facility to local Inuit. The Chantry Inlet fishing area has recently been described by a journalist for the international magazine <u>Field and Stream</u> as "one of the best fishing areas in the world"[3].

Inuit involvement in this type of facility would provide a promotional advantage and would possibly gain international exposure for the Gjoa Haven Destination Area and the Arctic Coast Region.

There are also ample opportunities for nature interpretation. The areas around Swan Lake are frequented by Sandhill Cranes, Trumpeter Swans, Canada Geese, and Eider Ducks.

Gjoa Haven has more dogsled teams than any other community, providing opportunity for spring trips to parts of the islands as well as for traditional polar bear hunts.

6.6 Spence Bay Destination Area

This planning unit includes the area and coastline around Spence Bay and encompasses the lower section of the Boothia Peninsula extending to Fort Ross on Brentford Bay. The landscape around Spence Bay is essentially rugged and the community's focus is toward the ocean for seal hunting and fishing. By contrast, the area around Fort Ross has developed along a fault-line in the Precambrian rock. The remains of the Hudson's Bay Company post at Fort Ross are still intact as it was only abandoned in 1947. As well, several Inuit Stone houses can still be found to the north on the shore of Hazard Inlet.

Inuit from old Fort Ross were eventually brought to Spence Bay. The link between the two sites still seems to be strong as many of the community's residents visit the southern tip of Somerset Island each year. Spence Bay is the only community where there has been contact between the Inuit of the Netsilik and Cape Dorset cultures.

The northern part of this destination area is also accessible from Resolute which is approximately 300 km from Fort Ross.

Spence Bay, which is the northern most community on the North American continent, has gained an international reputation for its renowned Spence Bay Parkas produced by the talented women at the Taloyoak Shop. They also make the popular packing dolls that have gained an international reputation.

6.7 Pelly Bay Destination Area

The Pelly Bay Unit is remote and at 1,312 air km from Yellowknife it is the most expensive community to visit with the highest cost of living in the North. This economic isolation has its hidden benefits, for "Pelly" is still the most traditional expression of the Inuit of the NWT. Efforts are being made to maintain "the old ways" and tapes are being produced to preserve the words of the older generation.

The planning unit includes the entire Simpson Peninsula with future tourism activities potentially taking place on either side of Pelly Bay. Attractions could include visiting the old stone houses on Harrison Island and possibly Laga Point, as well as the many fish traps, old stone caches and tent rings around the bay. Char fishing is also excellent.

The community of Pelly Bay has the most attractive setting in the eastern side of the region. Arriving by air, it is intimately placed on the shores of St. Peters Bay at the mouth of the Kugajuk River. One of the reasons for the preservation of the traditional lifestyles in Pelly Bay has been the relatively late arrival of “government programs”, in 1961.

The community’s stone church is one of the most beautiful examples of architecture in the coastal arctic. Built in 1935 by Father Henry, this building is a photographer’s delight as well as a stunning visual example of the long time influence of the′ "R.C Missions” in the development of the north. Pelly Bay offers one of the best environments to get a full sense of the traditions, history, and development of the north. Storytelling, fishing and sealing in the midst of a modern hamlet office and DEW Line Station express how two worlds have met; yet the integrity of the area’s indigenous peoples has remained intact.

Pelly Bay is also accessible from the east via Repulse Bay and Hall Beach enabling same day connections, once a week with Montreal. This new link may eventually reduce the cost of living in this community.

6.8 Bathurst Inlet/Bay Chimo Destination Area

The Bathurst Inlet planning unit extends from the north, at the mouth of the inlet (Jameson Island), to the south of Bathurst Lake and the mouth of the Western River and approximately 50 km on either side of the inlet. The area has been recognized by the Canadian Committee for the International Biological Programme (IBP)[4] as an area of high biological and historic importance in the North that requires special protection[5].

As well, Parks Canada has selected it as one of the six "Natural Areas of Canadian Significance" which are areas which have been identified for preservation in a natural state and are representative of the major natural environments of Canada.

The area has been selected by the two agencies because of the variation in landscape and scenic values rarely found on the Canadian Shield. It possesses a great diversity of landscapes from the flat, gently rolling, drift covered uplands of the southwest to the steep rocky hills south of the James River.

The planning unit also includes the majestic Wilberforce Falls where the turbulent waters of the Hood River fall in a double channel over a 50 meter precipice in the Wilberforce Hills. The falls, which were named by Sir John Franklin, are as high as Niagara Falls and presented an insurmountable obstacle to Franklin on one of his many herculean geographic expeditions to map the Arctic coastline.

The destination area is serviced by the internationally famous Bathurst Inlet Lodge which the owners claim has a 25% repeat visitation.

"Bird watchers, botanists, artists and history buffs find beauty and knowledge here at the edge of the polar region. Some guests return again and again. . ."[6]. Visitors are afforded a great array of wildlife including over 90[7] species of birds, barren-ground grizzley, Arctic fox, muskox, and at times the presence of the 100,000 population Bathurst Caribou Herd. Guests may also encounter the traditional ways of the people of the area either at the lodge or at Bay Chimo

(Umingmakatok) at the north end of the inlet. The planning unit is not served by scheduled aircraft, which accounts for part of its special quality, but is accessible from both Yellowknife and Cambridge Bay by charter.

FOOTNOTES

1. Neither exact numbers nor visitor origins are available, yet interviews with the RCMP detachment would suggest approximately 100 users in 1983.

2. "The Curse of Neovitcheak". Learmonth, L.A. The Beaver. September, 1946.

3. Field and Stream, October, 1982.

4. Ecological Sites in Northern Canada. Canadian Committee for I.B.P., Conservation Terrestrial - Panel 9. Ottawa. 1975.

5. Bathurst Inlet - A Natural Area of Canadian Significance. Parks Canada, Department of Indian and Northern Affairs. Ottawa. 1978.

6. "Barrens' Vast Sweep Abbound with Wildlife", Richard Barrington . The Globe and Mail. June 23, 1984.

7. Bathurst Inlet Lodge promotional literature.

7.0 EXISTING TOURISM RESOURCES AND FACILITIES

Tourism resources include features that attract people to a region and facilities that provide services once they have arrived. The latter usually emerge because certain natural or cultural resources create a draw.

The lifestyle of the Inuit people and the unique Arctic resources are the main features that attract pleasure travelers to the Arctic Coast region and there are a number of services that complete the visitor experience. It is apparent that many of the services, however, have been established in response to government and business traffic demands rather than to demands of pleasure travelers. The tourism plant is, therefore, very small, and includes a hotel and one or two outfitters or tour operators per community, as well as a half-dozen camps, lodges, and outfitters throughout the region.

Reasons for the small number of tourist facilities are as follows:

- There is a very low tourist volume, most of which is concentrated in the short summer months and affects only a few communities (e.g., Coppermine, Cambridge Bay) .

- There has been a lack of interest in tourism in several communities (e.g., Spence Bay) . .

- There is only a relatively recent awareness of tourism as an economic generator and creator of jobs.

- There is a general lack of tourism organization and marketing.

In spite of these shortcomings, the vast Arctic landscape, the fascinating cultural heritage of the Inuit people, the history of the early explorers, and the exceptional fishing resources have consistently brought between 500 and 1,000 travelers to the region each year. For the most part, they have been well serviced by the existing infrastructure and tourism facilities, and there has been a growing understanding of tourists' needs by the native people.

The following subsections outline existing resources and facilities in each community, and indicates their ability to meet the requirements of existing and potential travelers. Facilities are discussed according to the seven planning units or destination areas. This will enable the document to be useful to industry operators, local residents, and politicians in each community.

Resources and facilities are discussed for each community under the following headings:

- Accommodation/Food Services
- Attractions
- Tour Operators
- Recreation Facilities
- Events and Festivals
- Retail and Arts and Craft Services
- Native Skills
- Tourism-Related Organizations.

Exhibit 7.1 at the end of the chapter presents an inventory of resources and facilities by community.

7.1 Holman Destination Area

Accommodation/Food Services

The Arctic Char Inn is an attractive eight room co-op hotel (accommodating 20 people) that provides adequate meals in an attractive eating area overlooking the bay. Although the eight rooms satisfy the existing demand, increased tourism in the summer season, when the hotel lodges construction workers, would require additional units. The hotel has been used by about six groups per year for conferences.

Accommodation for visiting friends and relatives is provided in individual homes.

Tent shelter is provided for big game hunters outside the community.

Food service is typical of Arctic communities. Interviews with frequent users suggest it is adequate and meets the existing demand. Increased tourism to the region will require more imaginative food preparation -- especially of local foods. The food preparation course provided by the CO-OP throughout the region has been successful in greatly improving overall quality, diversity, and presentation, but pleasure and business travelers will want more diversity, more use of char and caribou, higher quality preparation, and fresher vegetables.

Attractions

The Holman Destination Area has a variety of natural and cultural attractions not found in communities.

a) **Holman Historical Society Museum**

The collection of museum artifacts adjacent to the printshop is the most complete in the region. It includes antique clothing, spears, knives, bowls, and lamps. The collection has been cataloged, but it lacks display facilities. The storage area adjacent to the printshop could be established as a temporary museum. The future construction of either the new multi-purpose hall (to be built this year) or the proposed hamlet office (1986) could include a museum facility if an independent facility cannot be constructed.

b) **Holman Eskimo Co-op Printshop**

The prints created in this printshop over the past 15 years have an international reputation, largely due to the works of artists such as Helen Kalvak. The vivid lithographs of Arctic life have brought the legends and the life of the Inuit people to southerners eager to understand the northern cultures. The skills were brought to the community by Father Henri Tardi in 1939. Watching the artist at work provides a fascinating attraction to visitors.

Sales are also made at the printshop where tourists have the unique opportunity to purchase a work of art on the same premises as the artist. Here, as in other co-op facilities throughout the Arctic, prices are not significantly cheaper than in the south (approximately 15%). Establishing a pricing policy for tourists to the community could have a positive impact on increased sales and visitation.

c) **Holman Eskimo Co-op Craft Shop**

Unlike the printshop, mass production is more obvious in the craft shop. Thousands of silkscreen products, with the famous forms of Kalvak, are produced annually. Delicate sculptures, parkas, and inlaid sealskin cushions can also be purchased. The pricing policy should be more competitive with southern markets and Yellowknife .

d) **Polar Bear Hunts**

Twenty polar bear tags are shared with Sachs Harbour every two years, and this has made these communities the most popular for hunters in the NWT. 100% success rates are very frequent. This hunting potential is augmented by the 40 muskox tags and the Perry Caribou quota.

The Hunters and Trappers Association is responsible for organizing the hunts which contribute a substantial income to individuals in the community (approximately $2,500 per guide per bear). The $15,000 to $20,000 hunts appeal, in general, to American big game trophy hunters who in the future will book through the local wholesaler -- COPE'S Guided Arctic Expeditions. Hunters tend to spend approximately two nights in the community, depending on the flights. Although some spend several hundred dollars on crafts, others spend nothing.

Tour Operators

Kingalik Tours is the only private outfitter in the community. The operator owns a small boat, and plans to acquire six three-wheelers to respond to immediate and short term demand. Although previously licenced, this operation was not licenced in the summer of 1985.

There are many privately owned boats, as well as approximately 20 dog teams that can be used for a variety of tour packages and small guided tours that could include such activities as:

- fishing
- seal viewing and hunting
- muskox viewing and hunting
- tours of the town
- visits to historic sites and points of interest, e.g., old inukshuks at Walker Bay
- sightseeing and birdwatching.

There are a number of interesting sites in and around Diamond Jubilee Peninsula that could readily be included in a tour. They include:

- Okpilik and Airforce Lakes -- Both features are within a short three-wheeler drive or a reasonable hike from Holman. The area can be used for fishing, picnicking, hiking, and camping.

- Outpost Camps -- The Kuuk River, the lake system of the Kuujjua River, and Minto Inlet all provide opportunities for the development of fishing and naturalists outposts for such activities as char and trout fishing.

- Nowyat Camp Archaeological Site -- Until summer 1984, research was conducted by the French Government on this former Thule camp. Virtually all the accumulated research was destroyed by fire, and future exploration is uncertain. Nevertheless, it is within a one day boat trip and offers opportunity for interpretation of a Thule Village.

- Minto Inlet -- This inlet is accessible by both water and land. Attractions include tent rings, fishing and birdwatching areas, and the only willow grove to be found at this latitude.

Recreation Facilities

Holman has an old but functional community hall that can be used for large gatherings. Uluhaktok Elihavick School has four classrooms that can be used for community activities.

Events and Festivals

The Kingalik Jamboree is a three-day local festival in June. It features seal skinning, bannock-making, and other native games. The festival is held during an ideal season to attract pleasure travelers. If it were to include an event such as a National Inuit Craft Show, it could appeal to southern arts and craft markets.

Retail and Arts and Craft Services

The Bay is the major retail outlet, but arts and crafts are sold only at the Co-op printshop and craftshop.

Native Skills

Holman receives relatively few tourists on an annual basis, yet a number of individuals possess the skills to take visitors out on land or water. The involvement of the Hunters and Trappers Association has assured a certain growth in the skills of polar bear guides. As well, Kingalik tours is associated with a number of capable individuals with boats and dog teams. More skill development is required in the areas of tour organization, interpretation, and food preparation .

Tourism-Related Organizations.

Although there is no official tourism association, tourism services are provided by the Hunters and Trappers Association and the Holman Recreation Committee. A tourism committee was formed, but as of June, 1984, it was no longer functioning.

7.2 **Coppermine** Destination Area

Accommodation/Food Services

The Coppermine Inn is under new management and ownership and offers excellent service, hospitality, and homecooking. This private sector facility accommodates 40 in 11 rooms and 5 A-frames. An expansion and upgrading program is underway, including the addition of flush toilets which will bring the property to the level of the new CO-OP hotels. The facility is ideally located close to the shores of the Arctic Ocean and the mouth of the Coppermine River.

Tourists represent only 5% of clients. Occupancy rates for 1984 were 90% (due to construction workers) during the summer and were expected to stay high during the fall. Like most northern hotels, however, rates were anticipated to fall below 30% during the winter, including many nights of no occupancy.

Attractions

Natural attractions are very important features in the Coppermine area. The nationally known Copper'mine River attracts many people to this region.

a) **Coppermine River**

The river provides exciting and challenging canoeing and rafting for those seeking a true wilderness experience. Many canoeists select Redrock Lake or Point Lake to start their 400 km journey to the Arctic Ocean. Their trip provides the rare opportunity of slowly passing through Canada's treeline and crossing the Arctic Circle.

Excursionists are treated to the sight of muskox, arctic fox, caribou, and barren-ground grizzly in the months of June and July. Birdlife is abundant during the entire summer.

About 20 km (12 mi) before reaching the mouth of the river, the traveller passes the historic Bloody Falls. This site is also accessible by motorboat from Coppermine . During the period from mid-August to freeze-up, the last kilometer is shallow and fast flowing, requiring a guide to reach the falls. Nevertheless, it is an easy hike along the shoreline to the base of the falls. The visitor is treated to an exceptional experience in early September when the Arctic char are making their way up the falls.

b) **Tree, Kendall, and Rae Rivers**

Coppermine is the staging area for these mighty rivers which offer abundant fishing and canoeing opportunities.

c) Arctic Ocean and coastline

Coppermine is the closest point to Yellowknife where the northern visitor can visit the high north above treeline. It is only 600 km from Yellowknife, and offers a rare opportunity to visually and physically experience the Arctic Ocean and the coastline. Sand beaches, offshore islands, rock formations, deltas, and hunting camps combine to provide variety to any inshore boat tour -- especially if combined with a trip to Bloody Falls and excursions on the tundra.

d) Mouth of Coppermine Viewpoint

The rock promontory directly to the east of Coppermine, overlooking the mouth of the Coppermine River offers an excellent site for a small, interpretive theme attraction. Views are available to the cemetary, former airstrip, Coppermine River mouth and valley, the hamlet and surrounding landscape.

e) Peterhead Boats or Longliners

Although not presently an attraction, the availability of at least one of these boats for local tours represents a unique potential attraction. The restoration of the boats would provide a welcome addition to Coppermine's water-based tourism opportunities . Unfortunately, existing government policy does not allow government boats to be used for tours.

Tour Operators

There are no tour operators in Coppermine, although interest has been shown by individuals in the community. The available natural resources suggest that four types of tours could be developed:

- Arctic coastline tour, including Bloody Falls (l-2 days)
- trips to Tree or Richardson River (l-2 days)
- tours of Coppermine and surrounding landscape including wildflower sites and hiking trails (1 day)
- Hudson's Bay Company tour, including Bernard Harbour (1-2 days).

Combinations and variations of the tours are also possible, suggesting a three to seven day stay in the Coppermine area.

Boats , snow-machines , and three dog sled teams are available, as well as white water rafting through Arctic Waterways.

Tours could be sold to four markets: tourists coming from Yellowknife for a taste of the Arctic, anglers coming in from fishing trips on Great Bear Lake, canoeists from the Coppermine River, and travelers up the Dempster to Inuvik (using the air link with Inuvik through Kenn Borek Air from Holman) .

Recreation Facilities

The Coppermine Recreation Centre and Arena is one of the largest facilities of its kind in the region. It can be used for large gatherings and special events. There is also a large community space in the Kugluktuk School gym.

Events and Festivals

The community spirit, so evident in the volunteer labour that built the Recreation Centre, is also displayed in the three special events held by the community:

- Easter Games
- Christmas Games
- Natik Frolic (in May).

The Easter and Christmas Games have been responsible for Coppermine producing some of the finest athletes in the Arctic . Their skills could be of interest to tourists, beyond the period of competition, as entertainment and examples of typical Arctic games.

Natik Frolics feature ice jigging, traditional games, and snowmobiling.

Retail and Arts and Craft Services

Similar to many communities, Coppermine produces fine soapstone carvings from material found nearby on the Rae River. The community is even better known for its native COpper artifacts, using local materials, and “Mother Hubbard” parkas . These are available at the recently renovated Coppermine Eskimo Co-op. Other retail services are available at the Bay.

Native Skills

Although Coppermine receives a proportionally larger number of tourists than other communities, tourists have not had a significant impact on developing native hospitality skills. Canoeists from the River rarely stay long because of lack of available activities. If accommodation/events packages were prepared for southern wholesalers, canoeists might stay longer. Charter flights from Great Bear only stay long enough to visit the Co-op. Although there has been little opportunity to develop tourism related skills, the Adult Education program has shown interest in developing these skills in Coppermine. Positive action could result in the establishment of a hospitality centre in this community.

Tourism-Related Organizations.

There is no organization responsible for tourism. There has been discussion of the formation of a Chamber of Commerce, which could initiate a tourism organization, but there have been no recent meetings.

7.3 Cambridge Bay Destination Area

Accommodation/Food Services

The Ikaluktutiak Hotel is the largest CO-OP hotel in the region, offering 20 rooms for 40 people, as well as a large meeting/convention room. Meals are of high quality.

Attractions

a) Cambridge Bay Community

The largest community in the Central Arctic, Cambridge Bay is an attraction itself. Remnants of the old town, massive fuel reservoirs, a nursing station, the DEW line site, the upper air station that is part of the Atmospheric Air Service of the federal government, variety in housing styles, a sea-lift, and the water supply and disposal systems combine to demonstrate the unique requirements of surviving in the north. Cambridge Bay also has the only commercial fish processing plant in the Kitikmeot Region, and it has already proven popular with business and pleasure travelers . The community also demonstrates contact between the Inuit and non-native cultures.

b) RC Mission Church

Across the harbour is located one of the few stone buildings in the Central Arctic. As a result of the actions of the Arctic Coast Tourist Association and the Hamlet Council, it was being considered as a museum. The attractive site, the variety of available local artifacts, and its impressive structure could make this building the first museum of its kind along the Arctic Coast. The remains of the "Maud" are locked in the icy harbour waters nearby and an old longliner, "Eagle" rests on the beach. The addition of a semiauthentic restored "Maud" and "Eagle" would greatly add to this historic attraction. The National Historic Site and Momument Board is looking throughout the territories to install plaques -- specifically to commemorate "white man's deeds."

c) High Arctic Lodge

Located 138 km northwest of Cambridge Bay, this is **one of** the most respected fishing camps in the Central Arctic. It is open for July and August and can accommodate up to 12 people. The lodge attracts between 60 and 80 visitors per season, most of whom come from the USA and Ontario. Although visitors pass through Cambridge Bay on their **way to the camp, the facility has little** economic impact on the community.

d) **Char Lake Lodge**

Char Lodge is located on Char Lake about 75 miles (120 km) north of Cambridge Bay, but it has not operated since 1981 due to litigation. It is not currently licensed.

e) Mount Pelly

This 210 m high mountain is very significant by Coastal Arctic standards, and constitutes an important natural attraction. Access to the site is by truck, 4x4, or three-wheeler. The climb to the top features excellent views over the lakes and tundra of Victoria Island; Arctic flora and fauna are abundant.

Tour Operators

Kitikmeot Arctic Tours offers tours throughout the Cambridge Bay Destination Area, including fishing, hunting, photography, and bird watching activities. Guides are available. Business is sporadic due to fluctuations in tourist flow. The company was able to adequately respond to the influx of visitors during the recent visit of the Linblad Explorer in Cambridge Bay.

Ikaluktutiak Co-op Hotel Expeditions in the past has organized tours in the destination area. As part of the co-op system, it could sell these tours in Yellowknife.

Sites of interest for tours include the mission church, the meteorological station, the DEW line, Mount Pelly, the Japanese monument, Spring Camps, many excellent char fishing spots along the coast, the wind generator, the NCPC waste heat use system, and the upper air station.

Recreation Facilities

The community hall is one of the smallest in the region, accommodating only 200, and is in need of renovation. The school gym and the arena are also available for recreation use.

Events and Festivals

The major event in Cambridge Bay is the Umingmuk Frolics held in May. Snowmobile races are held in the bay. Broomball and a variety of Inuit games are held around the community.

Retail and Arts and Craft Services

Two outlets are available, the Bay and the Co-op store. The Co-op, Northern Images, has one of the largest and most diversified arts and crafts collections in the Arctic Coast. It specializes in northern prints, hangings, large soapstone carvings, and a collection of traditional clothing.

Native Skills

A number of businesses such as the Ikaluktutiak Co-op and Kitikmeot Arctic Tours, as well as guide training courses, have enabled a few local people to develop hospitality skills. More training is necessary.

Various local contracting firms employ unskilled labour, but there are very few native journeymen.

Tourism-Related Organizations.

Similar to other communities, the Eskimo Co-op and the Hunters and Trappers Association are involved in developing certain aspects of tourism. There is a need, however, to identify a group that would be responsible for all aspects of the Cambridge Bay travel product. One possibility is that if a Chamber of Commerce develops, this could become their responsibility. The Arctic Coast Tourist Association presently assumes this responsibility. As regional demands increase, the Association will have to place more emphasis on its (region wide) mandate, leaving the promotion of Cambridge Bay to a local organization.

Cambridge Bay is the centre of the Arctic Coast Tourist Association as well as the base for the Regional Tourism Officer. Consequently, tourism expertise is higher in this community than in other locations. If Cambridge Bay were to become an important staging area for the region, this travel expertise would be advantageous.

7.4 Gjoa Haven Destination Area

Accommodation/Food Services

Visitors to Gjoa Haven stay in the new and tastefully furnished six-room Amundsen Hotel. There is an attractive dining area overlooking the bay, and meals are prepared by a cook who was trained at the DEW line station.

Attractions

- **The Community**

  In 19.94, the Linblad Explorer visited what Amundsen called "the finest little harbour in the world" as part of the passengers' interest in the Northwest Passage Expedition and cultural lifestyle of the Inuit people. Discussions with passengers indicate that contact with native people was an important part of their cruise experience . Society Expeditions will be contacted to assess their interest in returning. Carving, native games, local fishing, and storytelling add life and vitality to the austere landscape that surrounds the hamlet .

- **Chantry Inlet**

  The inlet is a large indentation in the Arctic coastline, just south of the Adelaide Peninsula. Unlike the flat landscape of the Gjoa Haven area, the inlet is surrounded by rolling hills and rock outcropping.

  The inlet's extraordinary fishing resources gained international exposure recently (19.92) when the popular sporting magazine, Field and Stream, published an article on Chantry Inlet Lodge. Writer Ken Schultz called it, "the experience of a lifetime . . . in one of the hemisphere's most remote spots."

- **The Chantry Inlet Lodge**

The lodge is located on the Back River, near Whirlpool Falls. The site is about 175 km from Gjoa Haven and can also be reached from Baker Lake (325 km). Anglers can fish char and trout at the same time. Trout reaching an incredible 30-40 pounds (14-18 kg) have been caught. Fly-in fishing to Franklin Lake is also available. The owners of the lodge have expressed an interest in selling a portion of the facility to the residents of Gjoa Haven. The advantages of such an arrangement could be numerous since the facility has proven to be financially viable during the two month fishing season.

Opportunity for local employment seems possible, and many Gjoa Haven residents have already gained experience as guides.

Tour Operators

Potential tours with or without guides include: birdwatching, igloo construction, skidoo and dog sled races, fishing at Chantry Inlet or Richardson Point, seal hunting, and entertainment such as drum dancing.

Because 40 muskox and 12 polar bear tags are available, big game hunting is possible, especially with the high quality and availability of dog teams.

Recreation Facilities

The community centre will soon be replaced by a spacious modern facility that will accommodate large groups. The school also has meeting rooms.

Events and Festivals

There is no recognized festival in Gjoa Haven, although Inuit games are held in May and there is much dog sledding activity in April with the 20 dog teams in the community. This large number of teams could be the focus for a future festival, as well as tourism travel between Gjoa Haven and Spence Bay.

Retail and Arts and Craft Services

The Bay and a small Co-op store provide retail services. Crafts are available at the Kekertak Cooperative and Kakivak Crafts in the hotel.

Native Skills

Lack of tourists to this community has made it difficult to develop specific hospitality skills. A number of residents have gained valuable experience working as guides at the Chantry Inlet Lodge and two guide training workshops have been held. The area has also proven to have one of the highest levels of enthusiasm for tourism. The local Tourism Association provides opportunities for tourism related discussions and information transfer.

Tourism-Related Organizations

Gjoa Haven was the first community to establish a local tourism association. They have been active in identifying development opportunities and are capable of putting together the necessary manpower and equipment (boats and sleds) to respond to tour requests.

7.5 Spence Bay Destination Area

Accommodation/Food Services

The Paleajook Hotel lacks the quality of accommodation and service found in other facilities in the region. There are four rooms, lodging ten people, and meals are serviced in a small area adjacent to the kitchen. The property requires extensive upgrading of sanitary, lounge, and kitchen facilities. The hotel is, however, essential to the tourism industry as it is the only available accommodation.

Attractions

The Spence Bay Destination Area is one of the largest in the region. It includes the entire southern part of the Boothia Peninsula, which is the northernmost tip of the North American continent. The 32,000 square km Boothia Peninsula is the dividing line between the Eastern and Western Arctic, and provides the most visually dramatic landscape outside of Bathurst Inlet. The landscape of this zone is remarkably diverse, ranging from the relatively flat topography around Spence Bay to the very rugged uplands terrain of the Bellot Strait. The northern part of the peninsula is an area for marine mammals and a feeding site for seabirds because open water pools remain throughout the winter.

Fort Ross is the secondary cultural attraction in the destination area. Overland or water trips can be made to Fort Ross from Spence Bay.

Spence Bay and area have a number of attractions, including:

- combined Netsilik and Cape Dorset culture
- a small museum in the school
- attractive Hudson's Bay Company buildings
- old stone RC Mission church
- Taloyoak Craft shop and sewing centre
- excellent opportunities for fishing, birdwatching, hiking, and snowmobiling
- contact with John Ross and Franklin Expedition route
- local caribou blinds and tent rings
- Whale watching in the Bellot Strait and Creswell Bay.

Tour Operators

There are no local tour operators or experienced tour guides. Nevertheless, there are some exciting tourism opportunities, including:

- tracing the Franklin Expedition
- tours to Old Fort Ross, Thorn Bay, and old Mission.

There are also ample opportunities for fishing on the local lakes such Nitsilik, Middle, and Lady Melville, as well as excellent char fishing in Willersted Inlet.

Recreation Facilities

There is a community hall and the school facilities are available for demonstrations, entertainment, and char dinners.

Events and Festivals

There are two major social/cultural events:

- Christmas to New Years
- Spring Carnival (1 week).

Christmas to New Years centres on all night indoor games, drum dancing, and feasts. The Spring Carnival is outdoors, with fishing and sealing contests, food races, and igloo making contests.

Retail and Arts and Craft Services

There is a Bay store. Arts and crafts can be purchased at the Paleajook Eskimo Cooperative outlet.

Native Skills

Some residents have been trained as guides, but there is a need for more intensive training. The Hunters and Trappers Association has shown interest in getting involved and young people could be used as guides within the community.

Tourism-Related Organizations

A newly formed tourism committee includes local residents, as well as representatives from the Hunters and Trappers Association.

7.6 Pelly Bay Destination Area

Accommodation/Food Servi ces

The Inukshuk Inn is a modern facility on an excellent site overlooking the bay and islands. It accommodates 18 in 6 properly furnished rooms. It is operated by the Koomiut Co-op Association.

Attractions

a) RC Mission Church

The stone church, made from locally quarried stone, is one of the finest cultural attractions in the region. Its architectural form contrasts sharply with the surrounding landscape and the homes in the adjacent community. The facility was built by Father Henry, an oblate missionary, and it is a historic feature in itself. The church is presently used to store Inuit artifacts made as part of a Cultural Inclusion course. Discussions have al ready taken place to turn the facility into a museum. The missionaries also built an impressive cross with discarded oil drums, that sits overlooking the community.

b) Pelly Bay and the Community

The bay holds attractive opportunities for nature, culture, fishing, and hunting expeditions. Many seals can be seen and char fishing is excellent. As well, there are numerous historic or archaeological sites. The new nursing station and hamlet office are particularly noticeable because they contrast with the rest of the hamlet.

Tour Operators

Due to Pelly Bay's high scenic value, tours in and around the community can be very interesting. Walks to the nearby inukshuks , the surrounding hills, and even the debris and scrapped airplane fuselage left by the US Air Force are of interest .

Arctic Paradise Tours is the only outfitter in the area, and low visitation levels have made the operation difficult.

Tour opportunities are plentiful and include:

- community and environs
- Pelly Bay to Harrison Island
- DEW line site
- archeological sites around Pelly Bay shoreline
- Big Flood site for tent rings and old stone caches
- char fishing in Pelly Bay.

Pelly Bay has 15 polar bear tags, some of which could be used for sport hunting.

Despite the high cost of getting to Pelly Bay from Yellowknife , it is now accessible from both the east and west. First Air has a scheduled flight, one day a week from Hall Beach, which connects to the southern routes of Eastern Canada . NWT Air has also started a one day a week flight that provides same day travel to Montreal via Nordair. Calm Air has applied for service.

Recreation Facilities

The new Hamlet Office and community hall is one of the finest in the Arctic Coast. A new school is scheduled for construction in 1986.

Events and Festivals

A festival is held on Canada Day. It is highlighted by harpoon throwing contests, traditional games, and a large outdoor banquet.

Retail and Arts and Craft Services

Pelly Bay is famous for wall hangings and miniature ivory carvings, both of which are available at the well stocked Kramanarquq Arts and Craft Shop. There is no Bay store -- all retail items are available through the Koomuit Co-op which satisifes the basic needs of the community.

Native Skills

Low visitation has not allowed local residents to develop expertise in tourism. There are, however, a few individuals who are aware of its development potential and are interested to see it evolve. The Hamlet Council is particularly enthusiastic about tourism growth.

Tourism-Related Organizations

There are no tourism related organizations.

7.7 Bathurst Inlet/Bay Chimo Destination Area

Accommodation/Food Services

Bathurst Inlet Lodge is a well known naturalist facility that has gained an international reputation over the past decade. Using the buildings of a former Hudson's Bay outpost, a private operator has established facilities for 18 people close to the Burnside River. The operation is well respected for its hospitality and home cooking. The only accommodation in Bay Chimo is two bedrooms in the store.

Attractions

a) **Bathurst Inlet Landscape**

The terrain around the Inlet consists of flat tundra, rolling hills, and rugged uplands. The inlet itself is bordered by steep sea cliffs and many islands, including the dramatic Quadyuk Islands. Approximately 13,000 sq km have been identified by Parks Canada as an area of national significance. There are also numerous lakes in the surrounding landscape.

b) **Wilberforce Falls**

The falls are the highest in the world, north of the Arctic Circle. They are a short flight or a major hike from Bathurst Inlet Lodge.

c) **Bay Chimo**

The community of Bay Chimo has adopted few of the southern services of other Arctic communities; consequently, it is still a very authentic expression of Inuit culture. The community's 70 residents have maintained their traditional ways and are committed to preserving their values.

d) **Flora/Fauna**

Bathurst Inlet has frequently been described as a naturalist's paradise. Lichens, dwarf willow, and many flowers colour the tundra in spring, and virtually every major Arctic mammal species roams the area in great numbers. The most impressive feature is the 100,000 strong Bathurst Caribou herd.

Tour Operators

The Bathurst Inlet Lodge offers its 100 guests (per year) a variety of tours to attractions including:

- boating on the inlet
- air excursions to Wilberforce Falls
- naturalist guided hikes on the tundra
- trips to Bay Chimo
- rafting and canoeing on Mara and Burnside Rivers.

Recreation Facilities

There is no community hall in Bay Chime, but the school room is used for meetings.

Events and Festivals

There are no official events. Regular demonstrations of Inuit entertainment are available at the Lodge.

Retail and Arts and Craft Services

Bay Chimo has a retail store and arts and crafts may be purchased from local craftspeople enabling buyers to negotiate prices that can be as much as 50% cheaper than the co-op .

Native Skills

Despite its isolation, many tourism related skills have been developed due to the presence of the Bathurst Inlet Lodge.

Tourism-Related Organizations

There is no tourism-related organization.

TABLE 7.1: TOURISM RESOURCE INVENTORY

Component	Name	Facilities	Rating
Holman Destination Area			
Accommodation	Arctic Char Inn ($80/day	8 rooms, 20 guests, dining area	•***
Attractions	Historic Museum		•
	Co-op Print Shop		•**
	Co-op Craft Shop		•**
	Sport Hunts		*****
	Kingalick Jamboree		•**
Services	Kingalick Tours	boats, 3-wheelers, rentals	
	The Bay		
	Holman Eskimo Co-op		
	Community School		
	Community Centre		
Coppermine Destination Area			
Accommodation	Coppermine Inn ($95/day)	20 rooms, 40 guests, 5 A-frames, dining room	•***
Attractions	Coppermine River	boats (no rentals)	•****
	River/Coastal Tours		•**
	Tree River		•*
	Co-op Craft Shop		•*
	Natik Frolics		•**
	Christmas Games		
	Easter Games		
Services	The Bay		
	Eskimo Co-operative		
	Recreation Centre & Arena		•****
Cambridge Bay Destination Area			
Accommodation	Ikaluktutiak Hotel ($80/day)	20 rooms, 40 guests, dining room, meeting room	•****
	High Arctic Lodge	12 guests	•****
Attractions	RC Mission Church	future museum	•***
	Mount Pelly		•**
	DEW Theme Site	no public access	*
	Meteorological Station		•*
	Fuel Farm		•*
	Japanese Monument		•
	Umingmak Frolics		•***
Services	The Bay		
	Ikaluktiak Co-op		
	Community Hall		
	Thunderbird AC		
	Centennial Library		
	Community School & Playground		
	Community Centre		
Information	Arctic Coast Tourist Association		

... continued

TABLE 7.1: TOURISM RESOURCE INVENTORY continued

Component	Name	Facilities	Rating
Gjoa Seven Destination Area			
Accommodation	Amundsen Hotel ($125/day)	6 rooms, 12 guests	•☞☞☞
	Chantrey Inlet Lodge	12 guests	•☞☞☞☞
Attraction	Back River Fishing		•☞☞☞☞
	Dog Teams	(no rentals)	•☞
Services	The Bay		
	Kebertak Co-op		
	Community Hall (under construction)		
	Community School & Playground		
Spence Say Destination Area			
Accommodation	Paleajook Hotel ($125/day)	4 rooms, 7 guests	•
Attractions	Old Fort Rosa	(no rentals)	****
	Boothia Peninsula		***
	Stone Church		**
	Taloyoak Craft		****
Services	The Bay		
	Paleajook Co-op		
	Community School & Playground		
	Taloyoak Coffee Shop		
Pelly Say Destination Area			
Accommodation	Pelly Bay Hotel ($125/day)	6 rooms, 12 guests	•***
Attractions	RC Mission Church		*****
	Ivory Carvings		•**
	Wall Hangings		*****
	Traditional Lifestyle		•****
	Nursing Station		•
	Hamlet Office		**
Services	Koomuit Co-op		
	Kramanarquq Crafts		
	Arctic Paradise Tours		
	Community School & Playground		
Bathurst Inlet/Bay Chimo Destination Area			
Accommodation	Bathurst Inlet Lodge ($150/day)	20 guests	•****
Attraction	Wilberforce Falls		•****
	Flora/Fauna		•****
	Inuit Lifestyle		•****
	Burneide River		•**
	Bay Chimo Community		•***
Services	Retail Store		
	Community School		

• Acceptable
•* Good
•** Quality
•*** Good Quality
•**** High Quality

Note: These are comparative ratings and only apply within the Region. They are based on the judgement of the consultant and take into consideration such factors as general ambiance, distinctiveness, quality of food, cleanliness, and the facility's design relative to its ❑etting.

8.0 POTENTIAL ACTIVITIES AND OPPORTUNITIES

Tourists are drawn to a region for more than just scenic beauty and natural and cultural attractions. They also want to participate in activities and have certain types of experiences . In fact, it is the unique and exciting experiences that are most frequently remembered by travelers.

A well balanced northern tourism development would combine a comprehensive, integrated selection of

- land-based activities,
- water-based activities,
- ice-based activities, and
- community-based activities.

Because the Arctic Coast Region is coastal and laced with numerous rivers, there is ample opportunity for a balanced activity system. Also, because much of the area (land and water) lies in a frozen silence for most of the year, there are many opportunities for movement by snowmobile and dog sled.

Market opportunities related to the various activities in each destination area are presented at the end of this chapter in Exhibit 8.1.

8.1 Land-Based Activities

Sightseeing

This is usually the most popular activity in natural areas such as the Canadian Arctic. Although the image of the Arctic, for many southerners, is of a frozen, flat wasteland devoid of visual appeal, the spring, summer, and fall are quite the opposite. The tundra is a dynamic, colourful ecosystem supporting hundreds of bird species, mammals, and such abnormal creatures as the prehistoric looking muskox. The landscape forms are equally dramatic with Bathurst Inlet in the middle of the region and Holman and Pelly Bay at either end being the most visually exciting.

Hiking, all-terrain vehicle, and fixed wing aircraft are the most popular ways of seeing the Arctic. Although there are very few designated trails, hiking on the rock can be relatively easy in many areas.

Hiking, Backpacking, and Camping

These are unquestionably the best ways to experience the Arctic environment, and there is no limit to the length or challenge of possibilities. Hiking is particularly interesting outside the communities of Holman, Coppermine, and Pelly Bay. Backpacking and camping can be done in the Bathurst Inlet Destination Area, the Boothia Peninsula, and around Minto Inlet.

Hunting and Trapping

Hunting for muskox and polar bear is controlled by the number of tags available in each community. For instance, Holman has 10 tags and shares 20 with Sachs Harbour every two years; Pelly Bay has 15 polar bear tags that are used entirely by locals. There is a trend to use the tags more frequently for sport hunting because of the greater amount of money left in the community. More tags will soon be available for muskox because of the increasing population.

Trapping with an Inuit is a popular activity with some of the government people who visit the communities.

Archeological Investigation

The coastline has a wealth of archeological and historic sites that make interesting visits for history and Inuit culture enthusiasts. Until a recent fire, the French government carried out archeological digs close to Holman. The Creswell Bay Area has a wealth of cultural heritage sites. King William Island also has many sites relating to the Franklin Expedition.

Typical features of archeological interest are Thule houses and villages, tent rings, stone caches, fish traps, and caribou blinds.

Nature Tours

Opportunities for Arctic nature interpretation are abundant. Bathurst Lodge has capitalized on the outstanding resources of the Eathurst Inlet Destination Area. In fact, all destination areas have a wide spectrum of flora and fauna. With training, each community could have local residents conducting guided nature tours. Highlights of the tours could include opportunities to observe Arctic mammals (caribou, muskox, Arctic fox), birds, and flora. Rockhounds could also find a variety of rocks containing samples of minerals. Tours could take place in locally owned boats which would require insurance and licensing.

Photography

The unique appeal of the Arctic landscape, its vegetation and wildlife, midnight sun, and cultural activities all provide a great variety of photographic opportunities for professionals and amateurs.

8.2 Water-Based Activities

Canoeing

Canoeing on an Arctic river is a challenging experience. The rivers are usually swift running, winding, and pass through a variety of landscapes. For rugged adventurers seeking a pristine environment or the chance to follow the paths of explorers, Canada's Arctic river systems offer an exhilarating experience.

Rivers providing this experience include:

- Coppermine
- Hood
- Richardson
- Burnside
- Back
- Tree.

Rafting

Rafting in Canada is becoming a popular activity on rivers that were once exclusively used by canoes. Rafts provide a relatively relaxed, group activity which is popular with several age groups. According to interviews, the Coppermine River now has almost as many people descending in rafts as in canoes . This trend is expected to increase and spread to other rivers.

Coastal Boating

Each community has a variety of boats that can be used for traveling the bays, inlets, and rivers adjacent to the community. Coastal boating may include overnight trips to archeological sites, camping, and seal hunting.

Private boats can be rented for small groups. Larger boats will eventually be required for package tours.

Boats lack both insurance and fire protection. This issue must be resolved before tours can be promoted.

Fishing

There are unlimited fishing opportunities close to each community. Even the best spots are rarely more than a few hours away by boat. The Arctic has some of the finest trout fishing rivers in the country. The Burnside, Back, and Tree Rivers, for example, constantly yield 20 pounders.

As the market study suggests, fishing is one of the most popular activities in the Northwest Territories. It is an activity that should be promoted in each community.

Kayaking

Kayaking, particularly in protected coastal waters around Coppermine, Bathurst Inlet, and Pelly Bay, can be an exciting way to visit certain sites as an individual or small guided group. Package tours of 4-5 days, for instance, along the 150 km coastline of Pelly Bay not only introduce travelers to various archeological sites, but respect the integrity of former Inuit travel modes.

8.3 Ice-Based Activities

For certain target markets and the steady flow of government and business travelers through the region during the winter, there are a variety of ice-based activities. These activities must be promoted to extend the tourist season with particular emphasis on the months of April and May when the waters are still frozen and the temperatures can be relatively mild and enjoyable for travel.

Spring Skiing

Although cross-country skiing in mid-winter may be difficult to promote because of cold temperatures and hard snow, it can be an agreeable activity in the early spring months. This is a definite community-based activity since many of the features of each destination area are within a day's ski from the hamlet. For instance, one could ski from Coppermine to Bloody Falls or to Mount Pelly from Cambridge Bay and back in a day. As well, it is possible to overnight to such sites as Minto Inlet or to various historic sites along the shore of King William Island.

Snowmobiling

The snowmachine is the most appropriate ground transportation in the Arctic and each hamlet has many available machines. Again, the spring months are best and the opportunities for small group package tours are extensive. A few typical snowmobile tours include:

5 day tour	Spence Bay to Old Fort Ross
2 day tour	Pelly Bay to Harrison Island
7 day tour	from Gjoa Haven around King William Island
2 day tour	Coppermine to Bernard Harbour
4 day tour	Gjoa Haven to Spence Bay return.

Snowmobiles, when equipped with Komatik, are an important link between many communities.

Dog Sledding

This activity offers many of the same experiences as snowmobiling. The distance travelled, however, is not as great. Nevertheless, it is an exciting way to visit such sites as Minto Inlet, Bloody Falls, the east coast of the Boothia Peninsula, and traveling between Gjoa Haven and Spence Bay. It is especially interesting when combined with seal hunting and igloo construction.

Igloo Construction and Winter Survival

The Inuit's ability to endure and evolve a sophisticated culture in one of the harshest climates on the planet is a central theme to the interpretation of this indigenous peoples' cultural heritage. Travelers can gain insight into the complex and ingeneous survival skills and shelter construction practices by visiting the region. Day and overnight trips by individuals or small groups can introduce the participants to hunting, fishing, trapping, traveling, cooking, and igloo construction as practiced for the past 5,000 years.

8.4 Community-Based Activities

The Northwest Territories government has stated they support community-based tourism. The current study focusses on a community-based approach. Activities such as canoeing, hiking, and snowmobiling only use the community as a staging area and although they have an important economic impact on the community (equipment rental, hiring guides, purchasing supplies, and short-term accommodation) , they may not be as cost-effective as activities that keep travelers, particualrly those on business, in the community for a longer period of time. A comprehensive strategy requires a balance between community-based tourism and community-centred tourism. The following activities, combined with the previous inventory of land, water, and ice-based activities, provide a comprehensive mix.

Traditional Entertainment

Inuit entertainment is gaining wider recognition south of 600. Music, singing, and dancing, as they are still practiced in the community, provide excellent opportunities for evening entertainment, festivals, frolics, or staged attractions. Native games, drum dancing, throat singing, and storytelling can fill tourists' evenings instead of television and make guests feel a part of the community.

Traditional Eating

The Arctic is a storehouse of meat, fish, fowl, and berries, most of which are palatable to southern tastes. Even foods that are not agreeable provide excellent opportunity for interpretation of the diet that has played an important part in the Inuit adaptation to the Arctic. Curing and drying techniques are also impressive. Preparation of traditional meals both in the hotels and on tours can be an important part of the Arctic experience.

Native Arts and Craft Production

Visitors to the Arctic Coast are fortunate to have a first hand opportunity to observe various types of craft production. Although artists in some hamlets such as Holman and Spence Bay are more organized than others, there are carvers and artists in each community and they can frequently be observed working outside their homes.

If short workshops were available, tourists could have the opportunity to take part in the production of craft items such as prints and carvings.

Shopping

The ability to purchase crafts where they are produced -- and, ideally, from the artist -- is an exciting and important part of a travel experience. Although prices in the co-ops are not significantly lower than in southern retail outlets, the desire of government and pleasure travelers to purchase is high, and a tour to the craft shop is part of each community visit.

If prices were known to be more competitive, more people might consider a trip to the Arctic Coast.

Historic Interpretation

Because many communities have been in the same location for many years, they have an inventory of features that can be used for historic interpretation. For example,

Pelly Bay - RC Church
Cambridge Bay - RC Church, "Maud"

Gjoa Haven - Hudson's Bay Company plaque
Spence Bay - Parks Canada plaque

The communities are also potentially important historic interpretation centres for activities that took place in the surrounding area. Gjoa Haven, for instance, is an appropriate place to interpret the Franklin Expedition and Coppermine is important in the history of the Hudson's Bay Company.

Northern Technology

Each community has the resources to present contemporary northern technology such as electricity generation, housing construction, and water and sewage. Cambridge Bay offers the most opportunity for this activity.

Activity Market Opportunities

EXHIBIT 8.1

	HOLMAN AREA	COPPERMINE AREA	CAMBRIDGE BAY AREA	GJOA HAVEN AREA	SPENCE BAY AREA	PELLY BAY AREA	BATHURST INLET AREA
LAND BASED							
- Sightseeing	O	●	O	O	O	●	●
- Hiking/Backpacking	●	●	O	O	O	O	●
- Camping	●	●	●	O	O	O	●
- Hunting/Trapping	●	●	●	O	●	O	O
- Archeological/Historic	O	●	O	●	O	O	O
- Nature Tours	●	●	O	O	●	O	O
- Photography	●	●	O	O	●	O	●
WATER-BASED							
- Canoeing		●	O		O	O	●
- Rafting		●					O
- Coastal Boating	O	●	●	O	O	O	●
- Fishing	O	●	●	●	O	O	O
- Kayaking	O	●	●	O	●	●	●
ICE-BASED ACTIVITIES							
- Spring Skiing	O	●	O	O	O	O	O
- Snowmobiling	●	●	●	●	O	●	●
- Dog Sledding	O	O	O	●	O	O	O
Igloo Construction/Survival	●	●	●	●	O	●	O
COMMUNITY-BASED							
- Traditional Entertainment	●	●	●	●	●	●	O
- Traditional Eating	O	O	O	O	O	O	O
- Craft Production	O	O	O	O	O	O	●
- Shopping	●	●	●	O	O	O	O
- Historic Interpretation	O	●	●	●	●	●	O
- Northern Technology	O	●	●	O	O	O	

● High Market Opportunity

O Moderate Market Opportunity

No Market Opportunity

9.0 THE MARKET FOR ARCTIC COAST TOURISM

The purpose of this chapter is to describe the market available to the Arctic Coast tourism sector and the marketing strategies that should be pursued as part of the implementation plan. Overall tourism trends are discussed, along with their implications for the Arctic Coast. Northern destinations competitive with the Arctic Coast, current and projected tourism activity in the Arctic Coast, and marketing strategies for the region are also discussed. Our assessment is based on a review of previous documents, including those completed by members of the Study Team, plus personal and telephone interviews with government officials, tour package wholesalers and retailers (including the air lines), and other people involved in the travel industry.

9.1 Travel Industry - Characteristics and Trends

Many of the same trends that influence the travel industry in the rest of Canada and world-wide also affect tourism development in the Arctic Coast region. This section highlights the major trends, and offers the Study Team's views of their implications for tourism planning and development in the region. Data sources used in the analysis were relevant travel research and personal and telephone interviews. Discussion of our findings is presented on the following pages, divided between these two sources. The regional implications of each travel industry characteristic are also discussed.

The people interviewed generally confirmed the broader trends described in travel research. Interviews often added a northern perspective to the broad trends and details on recent travel industry developments. More information about results from the interviews is provided in Appendix A of this document.

Industry Trend/Characteristics	Implications for Arctic Coast
I. From Travel Research	
a. Demographic/Economic	
Compared with the average resident, the typical traveller from NWT°s and Canada"s major tourism markets has a higher income and educational level, and is often in a professional, technical, or managerial occupation. The typical family traveling to the Territories has a family income of more than $40,000 (Can).	Although an Arctic Coast vacation will be expensive, the cost will not be viewed as prohibitive or as a deterrent for some travelers, as long as attractive travel products are available.
The baby boom generation has matured and moved into the key family formation years. The 25-44 age group will be the dominant age group in North America over the next ten to twenty years. These are the peak earning years -- especially 35-44. This age group has traditionally been viewed as the population segment with the highest propensity to travel.	The Arctic Coast must develop tourism products that appeal to the dominant age group, which has a relatively strong interest in cultural/educational experiences.
Although family groups will continue to be important to the travel industry, later marriages, fewer children, single parent households, and other societal trends are taking on added importance. Two income families, single people, and early retirees represent important new markets to the travel industry. The older adult market (people 55+) in particular is becoming important. The trend toward early retirement is accelerating. Many retirees travel, often in the offseason, which helps to mitigate the seasonality problems of many tourist destinations.	This trend is favorable to the Arctic Coast. The cost of an Arctic Coast vacation is more manageable for a party of one or two than for a large family. Early retirees and *'empty nesters'" could be emphasized in off-season (April to June) market promotion.
Expo °86 in Vancouver will result in a large inflow of tourists into Western Canada in 1986. The GNWT recognizes the significant opportunities offered by Expo °86 as evidenced by the decision to construct and operate a major pavillion.	Expo °86 offers a unique opportunity to expose the Arctic Coast to a large market. Marketing plans must be developed well before 1986, and attractive tourism products must be available from 1986 on.
Competition among travel package retailers and wholesalers is intensifying. Travel experts expect that travel agents will play a more active role in total travel planning	The marketing plan for the Arctic Coast could involve selecting a few wholesalers retailers in Canada"s major centers to become specialists in marketing the region°s tourism products.

... continued

Industry Trend/Characteristics	Implications for Arctic Coast
and that expanded profits will arise through increased specialization, segmenting markets, and expanding the range of services offered to clients. Wholesalers will also become more specialized.	
Pressure on Canada"s balance of payments is expected to continue for the foreseeable future, and the value of the Canadian dollar will remain low compared to the USA dollar. At the same time, the Canadian dollar has increased sharply in value compared to the Japanese yen and many European currencies.	Canadian vacations could remain competitive with American vacations, but Canadian operators will need to hold the line on prices and provide good value for money. Different currency values suggest Arctic Coast marketing should emphasize Canadian and USA markets.
In the years ahead, tourism will have a high profile as one of Canada"s major industries, and will be the target of major government programs to bolster the economy, create jobs, and reduce the balance of payments deficit. (Continuing high unemployment and the labour intensive nature of tourism will enhance tourism's role in the economic development strategies of government.) Virtually all provinces, the two Territories, many-major-cities, " and many sub-provincial regions will be formulating and implementing tourism development plans in the coming years. Many plans will be directing their marketing efforts to the same geographic and activity markets, and to expanding tourism during the shoulder and off-season.	Financial incentives, technical assistance, and marketing assistance from the federal and territorial governments should be available to Arctic Coast operators for many years into the future. The Arctic Coast should utilize this assistance to the greatest extent possible. At the same time, competition from other Canadian destinations will be growing, pointing out the need for the Arctic Coast to specialize in products and markets.
Deregulation of the Canadian airline industry will be phased in over the next few years.	Deregulation will not take place in the north. If the American experience is any guide, deregulation in southern Canada will mean more competition, lower fares, and perhaps more flights. It might be cheaper for Ontario and Quebec residents to travel to Winnipeg or Edmonton, resulting in a lower total cost for vacation trips to the Arctic Coast.

b. Psychographics (i.e., Attitudes of Travelers)

With the increase in education levels and the growing concern for the quality of life, many travelers are looking for	Opportunities for cultural and educational activities and to increase awareness of native culture and lifestyles should be

... continued

Industry Trend/Characteristics	Implications for Arctic Coast
more meaningful and sophisticated vacation experiences, which include cultural and educational activities and opportunities to become familiar with the lifestyles of other people.	highlighted in developing and promoting tourism products.
Given the feelings of alienation and depersonalization brought about by modern technology, people have responded by giving greater weight to human values, and demanding highly personalized services and distinctive products.	The community based approach is designed to satisfy these demands. Travel products should provide opportunities for visitors to participate in northern community life.
Environmental awareness is increasing, and concern for possible environmental degradation and over-crowding of facilities is growing. Interest is growing in non-consumptive wilderness experiences, and in travel destinations that are off the beaten track. However, even when they are off the beaten track, many travelers expect accommodation and other services to be roughly on a par with those in a more urban setting.	These are potential selling points for an Arctic Coast vacation. However, some of the region's communities may need to be cleared of litter, and facilities may need to be upgraded and expanded through time.
Energy prices and fuel shortages are expected to continue to influence People"s travel plans. The magnitude and the long-term effects of these factors, however, are difficult to predict. One view is that people will continue to travel--many people regard their annual vacation as a right--but they will travel shorter distances and will favour single destination trips and packaged tours over touring vacations using automobiles. Air, bus, boat, train and fly/drive travel will increase in popularity over the automobile. Rubber tire trips will still be made, but higher gas prices and smaller cars will likely shorten their duration. For Canada, these developments could mean reduced visitations from the United States - with the border states accounting for a rising proportion of USA travel to Canada—but this could be offset by increasing travel within Canada by Canadians.	These trends argue for the development of packaged tours for the Arctic Coast, the promotion of the Arctic Coast - or one of its communities - as a single destination, and greater marketing focus on Canadian and border U.S. markets.

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Industry Trend/Characteristics	**Implications for Arctic Coast**
The experience of the early 1980s has convinced some travel experts that people's desire to take a holiday is recession proof. Economic downturns, however result in more national and less international travel. The economic recovery in the United States has meant more travel overseas but not to Canada.	The emphasis placed on marketing efforts in different geographic areas should be sensitive to changes in the ecomomic cycle. Marketing efforts in the USA should take account of the growing Indifference of Americans to Canadian travel destinations.
Travel by recreational vehicle has continued to increase through the recession years. An RV represents a major capital investment, but it reduces ongoing travel costs. The current expectation is that RV use will continue to rise, especially as more fuel efficient engines are developed.	Tourists traveling by RV up the Macknezie and Dempster Highways could represent important markets for the travel products of the Arctic Coast, especially for one to three day packages to see the "real" Arctic. Packages must be attractive, price competitive, and well promoted, however, to encourage visitors to leave their vehicles for a few days.
As a result of the slowdown in growth in discretionary income and the development of more travel destinations, the travel industry is becoming increasingly competitive and travelers are becoming more demanding. Future travelers will require complete and accurate information on the itinerary and costs for trips, will be less tolerant of poor service and facilities, and will not want any surprises. This helps to explain the growing popularity of pre-planned tour packages over random touring by car. When a traveller is using a package, he/she will expect all aspects of the package to be honoured and will not tolerate unplanned major expenditures. The greater the time and expense to a destination, the more demanding a traveller can be expected to be.	Arctic Coast travel products and services must be competitive. An Arctic Coast vacation will be expensive, and tourists will expect value for money. Local people must be trained in: the development, promotion, and delivery of tour packages; how to cater to the needs and whims of tourists; operation of food, beverage, and accommodation facilities; preparation of high quality meals (especially northern foods) .
c. Geographic	
Most of Canada"s major tourism markets will display lower growth in population and per capita income over the next twenty years than they did in the post-war decades. For most markets, the annual average growth in population will be between 0% and 2%, and gross national product (in constant values) will increase by between 2% and 4% per annum. Because of the reduced growth in discretionary income, international	Competition for travel dollars will be strong and travelers will be price-sensitive and value conscious. The Arctic Coast must provide a unique vacation experience which is strongly differentiated from alternative destinations and which offers good value for money.

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Industry Trend/Characteristics	Implications for Arctic Coast
and domestic travel is expected to grow by 3-6% per year through the 1980s, compared to the double digit growth of the 1960s and early 1970s.	
Travel from overseas (e.g., Japan and Western Germany) is expected to increase more than travel from the United States. Overseas visitors tend to stay longer and spend more money than other travel groups. Toronto, Montreal, and Vancouver are the major entry points for international travelers to Canada. Residents of British Columbia and Alberta display a greater propensity to travel than residents of other Canadian provinces.	This trend appears to argue for strong overseas promotion. However, this must be weighted against the high cost of international marketing. An alternative approach would be to focus international promotion on wholesalers and retailers at the major entry points. Alberta and BC are already major markets for NWT tourism, and should be given important weight in Arctic Coast marketing.
Various sources suggest that, with the exception of Quebec residents, residents of Canada are displaying a growing interest in traveling to other parts of Canada, including the Northwest Territories. (The strong American dollar is one reason for this.) As discussed in a Maclean's article in the summer of 1983, interest in a northern vacation appears to have increased in recent years (as concluded by the writer of the article) .	Arctic Coast promotion should meet with a receptive market. The region, however, is only one of many northern destinations being promoted-to Canadian tourists. The Arctic Coast product must be competitive and have special appeal.
In most parts of Canada and other countries, visiting relatives and friends is a major reason for travel. Because of the NWT'S small population, this travel market is probably less relevant to NWT and Arctic Coast tourism.	The "visiting friends and relatives" market will likely play a smaller role in the Arctic Coast tourism industry compared to most other parts of Canada
In Canada, the United States and many overseas markets, specialty travel markets are expanding at a more sustained pace than the traditional travel markets. River rafting, photography tours, and wilderness/ adventure travel are all growing in popularity.	The Arctic Coast can provide travel products that will appeal to specialty markets, but the products must be attractively packaaed, well promoted, and competitively priced.
II. From Interviews	
a. Markets and Promotion	
Typical visitors to the Yukon and Alaska have a university education,	The typical visitor to the Arctic Coast will likely have the same characteristics.

... continued

Industry Trend/Characteristics	Implications for Arctic Coast
are between 25 and 50 years of age, and have a household income of more than $30,000 per year. Average income is probably higher when the rubber tire segment of the market is removed from the total.	It should be recognized that virtually all northern destinations are competing for the same socioeconomic groups.
Other northern jurisdictions (e.g., Alaska, Yukon) have approached the European market, but the European volume represents a very small portion of total visitors. The West German market seems to offer the most potential. Europeans are typically attracted by the outdoor and wilderness appeal of the north.	European marketing should be done selectively because of the high cost and possible low payoff. Maximum use should be made of "piggy-backing" on the marketing programs of government and major tour operators and travel agents.
Where accommodation facilities are limited, large-scale promotion is not practical. Marketing should focus on travel groups of less than 20 people.	Accommodation will be in short supply in the Arctic Coast well into the future. Market promotion should focus on small travel groups.
b. Package Tours	
Package tours play a role in northern tourism and could take on added importance in the future. If tour group members are satisfied by the experience, repeat visits occur.	Package tours will likely play a major role in Arctic Coast tourism development. A successful tour requires a lot of effort from the community, as well as outsiders. Poor performance by local operators means that wholesalers will not sell the package In the future.
Although some tour operators offer northern packages that start in a specific town, most wholesalers believe all-inclusive, escorted tours that start and end at a major airport are the easiest to sell. This type of package also allows the operator to control the quality of the visitor's experience. Trips vary from a 24-hour circler (above the Arctic Circle) to a two-week major wilderness trek. For European travelers, a 10 to 14 day range is best. A longer period creates problems maintaining a high level of interest. A shorter period creates problems selling an expensive holiday.	This type of tour package could play a major role in Arctic Coast tourism, especially for European and perhaps American travelers. The cost, however, will be high, especially when the expense of an escort is added to the cost of a 10-20 member tour group. Arctic Coast residents could be trained to take on this responsibility after the airplane arrives in the region.

Industry Trend/Characteristics	Implications for Arctic Coast
Party size for northerm tours is generally 5-14 . Ten is a common and apparently profitable number. Problems with accommodation and transportation occur with groups larger than 20.	This situation is consistent with the Arctic Coast"s capabilities, since the region's accommodation facilities cannot accommodate a tour group of more than 20.
Food is an important element of these tours. When the tour involves camping, the accommodation may be cramped, but good food and service can provide an important sense of quality.	Good preparation of northern food could provide this sense of quality in the Arctic Coast, but training is required to improve standards of preparation and service.
Most tour operators concentrate their promotional efforts on: specialized magazines, specialized agents, inviting travel writers working for major magazines to visit regions of interest, attending major marketing (trade) shows, and four-colour brochures.	Discussions with tour operators are needed to ensure that the Arctic Coast"s products play a role in these promotional efforts.
An intermediary is needed between the southern Canadian wholesalers, who know how to promote a product and understand the market place, and the local outfitter or expediter who will be the primary contact during the tourist's visit but often has a limited understanding of the tourist's needs and the market place.	These skills are virtually non-existent in the Arctic Coast. Development of this expertise should play an important role in training initiatives.
c. **Northern Travel Products**	
Hunting and sport fishing products and markets in the north are well established and quite lucrative. They are, however, consumptive and are generally conducted away from local communities. This is not consistent with a community based tourism approach. Some operators are giving attention to wilderness experience and cultural awareness tours that are non-consumptive and can involve activities that take place within a community.	The wilderness experience and cultural awareness will likely play important roles in Arctic Coast product development. These products have already gained some acceptance in the market place, but promotion will be needed to differentiate the Arctic Coast products from the products of competitors.
Other activity products/markets have not been actively promoted except for the one day (24 hour) curiosity tour which largely appeals to retirees over 55•	Short-term stay, curiosity tours could offer potential for the Arctic Coast, but additional products are needed to extend the stay to a minimum of two nights. Otherwise, the community benefits are negligible.

Industry Trend/Characteristics	Implications for Arctic Coast
Wildlife and scenery are important components of the northern travel product. Several operators believe the real attraction is the mystique, remoteness, and image of a virgin, unexplored (and undeveloped) land. The history of expeditions and the desire to recreate these experiences adds to the appeal. These products appeal to very different markets than hunting and fishing, and require a different and separate approach.	The Arctic Coast offers these products in abundance, but the products must be effectively packaged and promoted to special interest groups.
d. Transpiration	
Because of the high cost of air transportation, travel to the north is beyond the means of most lower to middle income groups. High air fares to and within the NWT are perceived as a significant constraint to tourism development in the Territories.	Deregulation could lower fares to northern entry points (Edmonton and Winnipeg). Major carriers to the north should be approached as well to consider mechanisms for lowering fares for special group travel to the Arctic Coast. As major beneficiaries, the airlines should be heavily involved in tourism plan development and implementation for the Arctic Coast.

Many of the travel industry trends described in this section are favorable to the development of the Arctic Coast travel industry. Favorable trends include: the growing importance of a wilderness vacation which encompasses a significant educational/cultural component: the popularity of destinations off the beaten track, uncrowded, and environmentally untouched; the increasing emphasis on pre-planned tour packages; and the preference for air travel over other modes. Less encouraging trends include:

- Growing competition. The Arctic Coast is one of many destinations that can offer a wilderness experience. The Arctic Coast tourism product must be packaged and promoted in a manner that makes it distinct from the products of other destinations.

- Emphasis on high quality facilities and services. For the most part, the Arctic Coast's facilities are below the standard to which most tourist are accustomed and its workforce has very little experience with tourism and tourists.

- Need for complete, accurate, up-to-date information on travel destinations. The Arctic Coast's distance from major markets makes it difficult to transmit information, control its distribution, and ensure its accuracy.

- Emphasis on increasing visitation during shoulder and off-season months. A winter trip (October to March) to the Arctic Coast would not be viewed as an attractive experience by the typical traveller.

9.2 Competing Destinations

All northern destinations in North America are competitors to some degree with the Arctic Coast. Many are marketing travel products that appear to be similar to those the Arctic Coast could offer. The following summary of travel products and strategies from competing destinations is based on personal and telephone interviews.

Alaska. According to respondents, the underlying reason tourists come to Alaska is to get away from the developed city areas and to experience a totally different type of holiday. Although wildlife photography and the outdoor adventure experience are becoming popular, hunting and fishing are still important attractions. The most important travel products include: fishing, native culture, scenery, and history. The emphasis has shifted from remote, lodge-based activities to community-based activities -- communities are the hub for a holiday and taking day trips to attractions . Tour packages are important, and repeat visitations are quite common.

Although rubber tire access is important, 60% of visitors arrive by plane. Cruise ships are also an important travel mode. Visitors by ship tend to have high incomes ($60,000 plus) and be between 55 and 65 years old. Visitors arriving by plane and motor vehicle tend to be younger, and have lower incomes than cruise visitors. Tourist volume has grown by 7-10% a year for the past 20 years, with the West Coast USA being the largest geographic market.

Many of the Alaskan package tours are built around cruise ships. Atlas Tours offers cruise tours and package tours ranging from $600 to $3,000 per person, depending on the length, itinerary, and starting point of the tour. Atlas also offers a 12-day air/motorcoach tour from Vancouver through Whitehorse to Anchorage for $2,400 to $3,000 per person. Another tour operator offers a combined cruise and adventure holiday from Vancouver to Alaska and return with stops for adventure activities (e.g. , short backpacking trips, white water rafting, van safari, short canoe trip, and wildlife observation) . The concept was sold to a number of cruise ship lines and has been well subscribed. One 7-day package is sold for about $1,800 (Can.) from Vancouver. The operator found that these combined holiday packages appeal to a much broader audience than packages designed for special interest groups, and can be sold effectively by travel agents . The primary market is the 30-55 age group on cruise ships who want more than simple cruising with little or no activity.

An article in the September, 1984 edition of the Alaska magazine discusses the per day price of different types of big game hunts in Alaska. The price per day of 7-10 day hunts ranges from $300/day to $700/day (in American dollars) depending on the species and the guide. Translated to Canadian dollars and including air fare from the south, the typical 10-day hunt in Alaska would cost between $5,000 to $10,000.

Yukon. Most visitors to the Yukon are campers and sightseers . Fishing and hunting are less important activities . Most visitors arrive by motor vehicle and many are on their way to/from Alaska. Wilderness scenery is the Yukon's number one product. Sixty-one percent of visitors are from Alaska, Washington, Oregon, and California. Thirty percent are from western Canada and 5% from Germany and Austria. Package tours are important, constituting 13% of total visitations. "Empty nesters" (over 50) with incomes above $30,000 **are** an important market, and the 25-40 age group is growing in importance.

Some of the Yukon tours involve a fly-drive package. Atlas Tours offers an 8-day air/motorcoach tour from Vancouver to Whitehorse and Inuvik for between $1,900 to $2,300 per person. Shorter tours are priced out of Whitehorse. These included a 4-day guided motorcoach tour to Inuvik for $450 to $575 per person and a 3-day motorcoach tour to Dawson City and Fairbanks, Alaska for $330 to $410 per person. (The visitor arranges his own return trip from the destination.) One day fly-in fishing trips from Whitehorse can cost $220 and up depending on the number in the party.

Northern British Columbia. Tourism promotion in northern BC largely focusses on hunting and fishing. Most tourists arrive by motor vehicle. There has been little development of tour packages. Europeans are attracted by the outdoor appeal, but also like to feel close to a metropolitan area. (This could be a disadvantage for the Arctic Coast in promoting the European market.)

Northern Alberta. Most visitors to northern Alberta are interested in wilderness adventure (canoeing and hiking), fishing, and visiting friends and relatives. Visitors to fishing camps come mostly from southern Alberta and the western United States, and repeat visits are important. California and Arizona are important markets for retirees traveling by motor coach.

Northern Saskatchewan. Most visitors to northern Saskatchewan are traveling to fishing camps, and 50% arrive by plane. Major markets (in order of tourist volume) are North Dakota, North Central United States, and the Southwestern American states. The Saskatchewan respondent noted that higher air fares are forcing tourism operators to become more price competitive, and that visitors are becoming more sensitive to both price and quality. He also noted the need for training for local people in basic business skills and on outfitter and guide certification reouirements.

Northern Manitoba. Tourism promotion in northern Manitoba largely focusses on hunting and fishing activities. White water rafting and nature observation are secondary activities of tourists. Visitors are becoming more aware of the need for resource management. Forty percent of visitors arrive by plane and 65% of northern visitors represent repeat business. Most people on package tours are from the midwest United States and West Germany. Problems faced by tourism operators include the short season (90 days) before freeze-up, and the high costs of transportation and construction.

Northern Ontario. Seventy-five to eighty percent of visitors are involved in hunting or fishing. Most arrive by motor vehicle. Package tours are important in penetrating the European market. West Germans like the wilderness appeal and the opportunity to visit a major city (generally Toronto) before and after the northern trip. The Ontario respondent emphasized the tough competition for the tourism dollar.

Other Regions of the Northwest Territories. Other areas of the NWT have similar travel products to those of the Arctic Coast. Most areas offer hunting and fishing, and virtually all areas offer wilderness adventure. There is some product differentiation between regions, and different markets must be promoted if regional tourism coordination is to be achieved and tourism benefits to the total NWT are to be maximized . The Arctic Coast offers wilderness and cultural opportunities that are available only in selected parts of the north. The experience offered by the Coppermine River and Bathurst Inlet are distinct from the opportunities offered by other regions.

Tourist promotion in other NWT regions has largely been directed toward hunting and fishing. The community-based approach, geared toward “special interest” tourists, has only been adopted in the last few years. This approach is expected to be the focus of future tourist promotion, especially by the regional tourism zones .

Summary

Hunting and fishing are major attractions in all of the northern destinations surveyed by the Study Team, except possibly for the Yukon, which has a great deal of pass-through traffic. Although some destinations are marketing travel products which include wilderness, cultural and historic components, these travel products are not being actively promoted. Respondents indicated there is a market for educational, cultural, and related products and that the Arctic Coast could serve these markets if the Arctic Coast's products are strongly differentiated from those of competing destinations .

9.2 Tourism in the NWT and the Arctic Coast: 1984 Estimates, Market Projections, and Economic Impacts

Current Situation

Over the past seven years, a number of surveys have been conducted using different techniques and time frames to collect information on the NWT tourism industry. These are reviewed and compared, together with other secondary information, in Appendix B. The documents provide information which, at times, is confusing and contradictory. In addition, the results from the GNWT'S 1984 travel survey were not available at the time this document was completed (May, 1985). Therefore, the Study Team decided to prepare its own set of estimates of NWT tourism for 1984.

Based on selective use of previous NWT surveys and the survey results from other jurisdictions, we prepared tourism estimates for the Arctic Coast and tourism projections for both the NWT and the Arctic Coast to the year 1994. Both sets of projections assume that a major tourism strategy and plan for the Arctic Coast is not implemented over the next decade. Projections illustrating the kinds of effects an Arctic Coast tourism plan could have are presented later in this sub-section.

The 1984 estimates for the NWT are based on the following hypotheses:

- Summer visitors (June to September) to the NWT totalled 50,000 person trips, divided 35/65 beteween business and pleasure travel. The average length of stay was about

10 days, 14 days for business travelers and eight days for pleasure travelers. The average party size was 2.8 for pleasure travelers and 1.8 for business travelers, providing an average of 2.3 people per visiter party.

- The number of off-season or winter visitors (October to May inclusive) totalled 28,000 (about 55% of summer visitation) divided 75/25 between business and pleasure travel. The average length of stay and average party size for business and pleasure travelers are the same as for summer visitors.

- Business travelers spend an average $120 per day, and pleasure travelers spend an average of $70 per day. Business travelers are more likely to stay in hotels and perhaps to spend more on air travel while in the Territories .

- **The mode of entry is 55% air and 45% motor vehicle in the summer, and 80%/20% in the winter. The type of accommodation** used by visitors is distributed as follows:

	Summer (%)	**Winter (%)**
Hotels, Motels, Lodges	30	55
Campgrounds	30	
Friends & Relatives	20	35
Camps etc.	20	10

- The origins of visitors are:

	Summer	**Winter**
Alberta	35	40
British Columbia	12	15
Ontario	15	18
Other Canada	14	16
United States	20	10
Offshore	4	1

- About 50% of visitors hold managerial and professional positions, and approximately 15% are retired. Average household income of visitors is in excess of $40,000 per year. The major leisure activities of summer visitors are expected to be broadly consistent with the distributions displayed in Exhibit B.1 of Appendix B. Shopping for crafts, fishing, visits to historic sites and museums, camping and other forms of land recreation, and visits to relatives and friends are the most popular activities with the typical summer tourist to the NWT. About 3% of visitor parties were on package tours during the summer.

- Residents traveling within the NWT made 80,000 person trips in 1984. (This amounts to a little less than two trips per capita.) Seventy-five percent of trips were for government and business travel, and 25% were for pleasure. Average length of stay was four days for both groups, and the average party size was 3.0 for pleasure travelers and 1.8 for business travelers. Business travelers spent on average $100 per day, compared to $60 per day for pleasure travelers. The lower figures when compared to visitor expenditures reflect the probability that a larger portion of residents stay with friends and relatives. The type of accommodation utilized by resident travelers is assumed to be as follows over the course of the year:

Hotels, Motels, Lodges	40%
Campgrounds	10%
Friends and Relatives	45%
Camps etc.	5%

The Study Team's estimates of NWT tourism in 1984 are provided in Exhibit 9.1.

Under these hypotheses, the origins of visitors by season and for the full year are estimated as follows:

EXHIBIT 9.1: ESTIMATES OF VISITATIONS AND EXPENDITURES IN NWT TOURISM: 1984

	Visitors		Resident Travel in NWT	Total
	Summer	Winter		
Parties ('000)				
Business	9.7	11.7	33.3	54.7
Pleasure	11.6	2.5	6.7	20.8
Total	21.3	14.2	40.0	75.5
Party Size				
Business	1.8	1.8	1.8	1.8
Pleasure	2.8	2.8	3.0	2.9
Total	2.3	2.0	2.0	2.1
Total Person-Trips ('000)				
Business	17.5	21.0	60.0	98.5
Pleasure	32.5	7.0	20.0	59.5
Total	59.0	28.0	80.0	158.0
Average Length of Stay				
Business	14	14	4	7.9
Pleasure	8	8	4	6.7
Total	10	12	4	7.4
Total Person Nights ('000)				
Business	245	294	240	779
Pleasure	260	56	80	396
Total	505	350	320	1,175
Per Diem Expenditures ($/Person)				
Business	120	120	100	114
Pleasure	70	70	60	68
Total	94	112	90	98
Total Expenditures ($ Million)				
Business	29.4	35.3	24.0	88.7
Pleasure	18.2	3.9	4.8	26.9
Total	47.6	39.2	28.8	115.6
Mode of Entry ('000 Person-Trips)				
Plane	27.5	22.4		49.9
Motor Vehicle	22.5	5.6		28.1
No. Parties on Package Tours	640			640
Person-Nights in Hotels/Motels/Lodges ('000)	151.5	192.5	128.0	472.0
Room-Night Demand ('000)[1]	75.8	128.3	85.3	289.4

[1] Based on 2.0 people per room in the summer (for visitors), and 1.5 people per room for the other two categories.

	Summer		Winter		Total	
	No.	%	No.	%	No.	%
Alberta	17,500	35	11,200	40	28,700	37
British Columbia	6,000	12	4,200	15	10,200	13
Ontario	7,500	15	5,000	18	12,500	16
Other Canada	7,000	14	4,500	16	11,500	15
United States	10,000	20	2,800	10	12,800	16
Offshore	2,000	4	300	1	2,300	3
Total	**50,000**	**100**	28,000	**100**	78,000	**100**

The estimates indicate that visitors and residents generated 158,000 person-trips and expenditures totalled $116 million in 1984. Business travel accounted for 62% of person-trips and 77% of total tourism expenditures. Daily expenditures by a typical traveller are close to $100 -- well above the average daily figures for British Columbia and Alberta (see Exhibit B.2). Compared to the British Columbia figure reported in the Visitors '79 survey, , the NWT figure is higher by four times. This difference can be explained by several factors:

- inflation (close to 60% from 1979 to 1984)
- higher cost of living in the NWT (perhaps 50% higher)
- greater importance of business travel in the NWT
- more use of the airplane for travel.

The final two rows of Exhibit 9.1 indicate the person-night and room-night demand for accommodation. One consistency check is to establish occupancy rates by comparing accommodation demand with accommodation supply. Occupancy rates can then be compared with actual experience to see if demand estimates (and other parameters used to derive accommodation demand) are realistic. These comparisons are provided below for the full year and for summer and winter separately. Person-night and room-night supply are divided between year-round accommodation and seasonal accommodation (assumed to operate an average of 80 days per year). The supply figures are taken from the Explorers Guide for 1984.

	Year-Round	Summer[1] (June-Sep)	Winter (Ott-May)
Person-Night Demand	472,000	202,700	269,000
Person-Night Supply			
- Year-Round Capacity	2,872	2,872	2,872
- Year-Round Person-Nights	1,048,000	350,000	698,000
- Seasonal Capacity	897	897	
- Seasonal Person-Nights	72,000	72,000	
Total Supply	1,120,000	422,000	698,000
Demand as % of Supply	42%	48%	39%
Room-Night Demand	289,400	109,900	179, 500
Room-Night Supply			
- Year-Round Units	1,327	1,327	1,327
- Year-Round Room-Nights	484,400	161,900	322,500
- Seasonal Units	299	299	
- Seasonal Room-Nights	23,900	23,900	
Total Supply	508,300	185,800	322,500
Occupancy Rates	57%	59%	55%

[1] Resident demand is divided 40/60 between summer and **winter.**

Although precise estimates of occupancy rates are not available from published sources, the rates indicated above are consistent with "hearsay" evidence on occupancy in hotels, motels, and lodges operating in the NWT.

Data from other studies have been supplemented by data collected by the Study Team in field interviews to develop estimates of tourism visitations and expenditures in the Arctic Coast tourism sector. Estimates provided in Exhibit 9.2 are based on the following assumptions:

(1) As stated elsewhere in this document, the total number of pleasure visitors to the region is 1,000. This constitutes 50% of the total number of person-trips by visitors to the Arctic Coast. Reflecting the region's higher cost of living, average per diem expenditures are 25% to 30% above the NWT average. Daily expenditures for business travelers are $150 and for pleasure travelers $90. Average length of stay is 16 days for

EXHIBIT 9.2: ESTIMATES OF VISITATIONS AND EXPENDITURES IN ARCTIC COAST TOURISM: 1984

	Visitors			NUT Residents			Both Groups		
	B	P	T	B	P	T	B	P	T
Parties	560	360	920	670	100	770	1,230	460	1,690
Party Size	1.8	2.8	2.2	1.8	3.0	1.9	1.8	2.8	2.1
Total Person-Trips	1,000	1,000	2,000	1,200	300	1,500	2,200	1,300	3,500
Average Length of Stay	16	10	13	7	7	7	11	9	10
Total Person-Nights	16,000	10,000	26,000	8,400	2,100	10,500	24,400	12,100	36,500
Per Diem Expenditures ($)	150	90	125	130	80	120	140	90	130
Total Expenditures ($ Million)	2.4	0.9	3.3	1.1	0.2	1.3	3.5	1.1	4.6
Person-Nights in Hotels, Lodges, etc.	9,600	6,000	15,600	4,200	1,000	5,200	13,800	7,000	20,800
Room-Night Demand[1]	4,800	3,000	7,800	2,100	500	2,600	6,900	3,500	10,400

B = Business P = Pleasure T = Total

[1] Average of 2.0 people per room.

business visitors and 10 days for pleasure visitors. (Because of the time and expense involved in getting to the Arctic Coast, visitors are likely to stay longer. The average length of stay for business travelers also reflects the influence of construction crews.) Average party size is the same as for the NWT as a whole. 60% of visitors stay at sheltered accommodation, and 40% stay with friends and relatives **or at camps.**

(2) NWT residents visiting the Arctic Coast total 1,500, divided 80/20 between business and pleasure. Daily expenditures are $130 and $80 for business and pleasure travelers . Average party size is 3 for pleasure travelers and 1.8 for business travelers. Both groups stay an average of 7 days in the Arctic Coast. Accommodation is divided 50/50 between sheltered accommodation and other forms of accommodation.

(3) Except for visitors going down the Coppermine River, the mode of entry is by air for all travelers.

The estimates highlight the small role played by the Arctic Coast in the NWT tourism sector. When visitors and residents are combined, the region accounts for 2.2% of total person-trips in the NWT. The region's share is the same for both business and pleasure visitors. The Arctic Coast's share for NWT tourism expenditures, at 4.2%, is somewhat higher, but is still well below the Arctic Coast's 7% share of the total NWT population.

The estimates suggest the following for accommodation occupancy in the Arctic Coast:

	Person-Nights	**Room-Nights**
Demand	**20,800**	**10,400**
supply		
- Year-Round Capacity/Units	172	71
- Year-Round Nights	62,800	25,900
- Seasonal Capacity/Units	56	20
- Seasonal Nights	3,700	1,300
Total Supply	66,500	27,200
Demand as % of Supply	31%	38%

The occupancy rates are consistent with actual experience in the Arctic Coast, although the regional averages indicated here may be above the rates experienced by facilities in small settlements in the region.

No data are available that would allow us to distribute tourist visitations among the seven communities in the Arctic Coast region. Data collected in the field interviews, however, can be used as a guide.

About 100 pleasure visitors are accommodated each year at the Bathhurst Inlet Lodge. The Chantrey Inlet Lodge and High Arctic Lodge together accommodate another 100 to 150. (Visitors to the latter pass through Cambridge Bay.) In recent years, up to 100 visitors travel led down the Coppermine River, landing at Coppermine. Another 50 visitors travel down other rivers in the Arctic Coast region. **up to 200 tourists visit Cambridge Bay each summer as part of informal tours sponsored by industry groups and service clubs (often out of Edmonton) . Up** to 50 big game hunters are reported each year on Holman Island. Few other tourists come to Holman. (Two "real" tourists were reported this year.) The same group of 8 tourists visited Gjoa Haven and Spence Bay last summer, and virtually no tourists visited Pelly Bay. In the past, one-day tours -- usually out of Toronto-- visited Pelly Bay and Holman. No tours visited these communities in the past year.

Other pleasure tourists visit friends and relatives, largely concentrated in Cambridge Bay and Coppermine. Cambridge Bay, with its growing government sector now posseses a fairly large non-native population and accommodates the largest portion of government and business travel.

Another source of tourism dollars in 1984 was the trip of the Swedish cruise ship, the Lindblad Explorer, through the Northwest Passage. The 92 passengers aboard paid an average of $12,000 each to travel across the Arctic Archipelago on the specially designed cruise ship. The 42-day cruise began in St. John's on August 20 and ended in Yokohama, Japan on September 29, 1984. Within the Arctic Coast, the ship anchored at Fort Ross, passed through the James Ross Strait, and landed at Cambridge Bay, Gjoa Haven and Spence Bay. Sales of handicrafts were reported to be very high wherever the ship landed.

To summarize, Cambridge Bay accounts for up to 40% of the tourist visitations indicated in Exhibit 9.2. Coppermine accommodates about 20% to 25%, and the remainder is distributed among the five other communities, depending on population and proximity to attractions.

Projections

Projections of tourist visitations and expenditures are provided in Exhibit 9.3 for the total NWT and the Arctic Coast Tourism Region. The projections are provided in detail for 1994. The major indicators are displayed in Exhibit 9.4. All dollar figures are based on constant 1984 values. The 1993 NWT projections are based on the following assumptions:

- Business travel into the NWT and by NWT residents will expand in line with the growth in employment and territorial. product. Gross territorial product is expected to expand by 3-6% per year over the ten year period, with the actual value depending on whether the Beaufort, Polar Gas, and other proposed projects proceed as planned. For this analysis, we have assumed that business travel will expand by 4.5% per year through 1994. Pleasure travel by NWT residents will expand by a somewhat higher rate, 5%, reflecting the tendency for expenditures on travel to increase faster than total personal income.

- Growth in pleasure visitors is strongly linked to the expected growth in gross product and personal incomes in

EXHIBIT 9.3: PROJECTIONS OF TOURISM VISITATIONS AND EXPENDITURES IN THE NUT AND ARCTIC COAST : 1994

	NWT			Arctic Coast		
	Visitors[1]	Residents	Total	Visitors[1]	Residents	Total
Parties[2]						
- Business	**33,200**	51,800	**85,000**	**670**	**830**	1500
- Pleasure	**22,500**	13,000	**35,500**	**400**	**120**	520
- Total	**55,700**	64,800	**120,500**	**1070**	**950**	2020
Party Size						
- Business	**1.8**	1.8	**1.8**	**1.8**	1.8	1.8
- Pleasure	**2.5**	2.5	**2.5**	**2.5**	2.5	2.5
- Total	**2.1**	1.9	**2.0**	**2.1**	1.9	2.0
Person Trips						
- Business	**59,800**	93,200	**153,000**	1200	1500	2700
- Pleasure	**56,300**	32,600	**88,900**	1000	300	1300
- Total	**116,100**	125,800	**241,900**	2200	1800	4000
Person Nights						
- Business	**837,200**	372,800	**1210,000**	19,200	10,500	29,700
- Pleasure	**450,400**	130,400	**580,800**	10,000	2100	12,100
- Total	**1287,600**	503,200	**1790,800**	29,200	12,600	41,800
Total Expenditures ($ Million)						
- Business	**100.5**	37.3	**137.8**	2.9	1.4	4.3
- Pleasure	**31.5**	7.8	**39.3**	0.9	.2	1.1
- Total	**132.0**	45.1	**177.1**	3.8	1.6	5.4
Number of Parties on Package Tours	**1670**		**1670**			
Room Nights in Hotels/Motels/Lodges	**518,100**	201,300	**719,400**	17,500	**6300**	**23,800**
Room Night Demand	**304,800**	134,200	**439,000**	8800	**3100**	**11,900**

[1] For the full year.
[2] 1.7 people per room for visitors and 1.5 people per room for residents for NWT; 2.0 per room for Arctic Coast.

EXHIBIT 9.4: YEAR TO YEAR CHANGES IN THE MAJOR TOURISM INDICATORS: NUT AND ARCTIC COAST

	NWT			Arctic Coast		
	Parties	Person Trips	Expenditures ($ Million)	Parties	Person Trips	Expenditures ($ Million)
1984	75,500	158,000	115.6	1690	3500	4.6
1985	79,100	164,900	120.6	1720	3550	4.7
1986	82,900	172,000	125.9	1750	3600	4.8
1987	86,900	179,500	131.4	1780	3640	4.8
1988	91,000	187,300	137.1	1810	3690	4.9
1989	95,400	195,500	143.1	1850	3740	5.0
1990	100,000	204,000	149.3	1880	3790	5.1
1991	104,800	212,900	155.8	1910	3840	5.1
1992	109,800	222,100	162.6	1950	3890	5.2
1993	115,000	231,800	169.7	1980	3950	5.3
1994	120,500	241,900	177.1	2020	4000	5.4

N.B. All figures are for the full year

the NWT's major markets. Many of these markets, especially those in Western Canada, are not expected to display more than 3% annual growth in gross product and income for the foreseeable future. Sluggish growth in major markets could dampen NWT tourism gains, but other developments are more encouraging:

- the high income elasticity of demand for travel products;
- the NWT's increasing recognition in the marketplace;
- the demographic shifts discussed earlier;
- growing penetration of rapidly expanding offshore markets.

For these reasons, we have projected that pleasure visitors into the NWT will expand by 3.6% per annum through 1994.

- Average party size for pleasure tourists is expected to fall to 2.5, the result of smaller family sizes and the growing number of retired people and "empty nesters" who travel. The percentage of summer visitor parties on package tours will grow from 3% to 5%, in line with industry trends. Other parameters are assumed to remain constant at 1984 levels. The Study Team recognizes that GNWT program initiatives could influence the per diem expenditures and length of stay of visitors, but studies completed to date have not identified the magnitude of these program impacts.

For the total NWT, person trips by residents and visitors are projected to increase by 4.3% per year over the ten year period. Resident travel displays annual gains of 4.6%, and visitor travel increases by about 4% per annum. Average annual growth rates for the major indicators are as follows:

		%
Expenditures:	Visitors	4.3
	Residents	4.6
	Total	4.4
Person nights in hotels, etc.		4.3
Room nights demand		4.3

The growth in room night demand could suggest the need for considerable investment in accommodation facilities over the ten year period. At 60% occupancy, the projection suggests an additional 680 rooms could be needed by 1994. This would represent a 50% advance over current capacity. Finally, the projections suggest the number of parties on tour packages entering the NWT could nearly triple from 640 to close to 1700.

For the Arctic Coast, business travel is expected to display slow growth of 2% per annum. Smaller gains compared to the total Territories result from the weakness of the region's economic base. No gains are anticipated for pleasure tourists, the result of the lack of tourism facilities, services, and products in the region, and the probability that no development will occur in the absense of a tourism plan.

The projections suggest much slower growth for the Arctic Coast tourism sector compared to the NWT in total. Projected average annual increases in the major indicators are:

		%
Person Trips:	Visitors	1.0
	Residents	1.8
	Total	1.3
Expenditures :	Visitors	1.4
	Residents	2.1
	Tota 1	1.6
Person nights in hotels, etc.		1.4
Room night demand		1.4

In the absense of an Arctic Coast tourism plan, the travel sector would make a very modest contribution to the development of the regional economy, and the Arctic Coast's share of NWT tourist activity would fall even further. The percentage of total person-trips (visitors and residents) accommodated by the region would fall from 2.2% in 1984 to 1.7% in 1994, and the region's share of tourism expenditures would decrease from 4.2 to 3.0%. In light of the low occupancy rates in many accommodation facilities in the region, the increase in room night demand can probably be absorbed with little or no investment in the region's accommodation sector.

Economic Impacts

The employment and income effects of tourism in a region are dependent upon:

- direct effects: the value added and jobs generated by the economic sectors directly affected by tourism expenditures

- indirect or supplier related effects: the value added and jobs generated by the economic activities which supply goods and services to the sectors directly affected by tourism expenditures

- induced effects: the incomes and jobs resulting from the consumer spending of people employed as a direct and indirect result of tourism expenditures.

Value added is defined as the value of gross output minus purchased commodity inputs used and contract work by others. Value added includes wages and salaries, business profits, rents, interest charges, and returns to other factors of production. The ratio of value added to sales varies greatly between economic activities. Many Statistics Canada publications provide statistics that can be used to compute the ratio of value added to sales for different economic sectors. The publication mainly used here is Corporation Financial Statistics, 1980 (Statistics Canada 61-207).

Tourism expenditures are distributed among a number of economic sectors. The following indicates the NWT distribution (based on previous surveys), the estimated ratio of value added to sales for each, the ratio for total tourism expenditures (a weighted average of the sector ratios), and similar data for wages and salaries as a % of value added.

	% of Tourism Expenditures	Value Added as % of Total Sales	Wages and Salaries as % of Value Added
Accommodation	25	44.8	62.1
Meals	15	40.5	46.2
Groceries	5	15.5	67.7
Auto	15	18.2	64.2
Other Transportation	15	44.1	60.0
Recreation	10	40.5	46.2
Gifts and Souvenirs	10	22.4	60.8
Other	5	20.9	58.3
Total: Tourism	**100%**	34.7%	**58.1%**

Because no information is available on the sectoral distribution of tourism expenditures in the Arctic Coast, the NWT distribution is also applied to the region. The Canada Employment Commission reported to the Study Team that average wages in the hospitality sector are about $6.00/hour, or about $12,000 per year. Because some sectors that are influenced by tourism, such as transportation, pay much higher wages, an annual average wage of $16,000 is used in this analysis. Wages as a proportion of value added are estimated (above) at 58.1%. Therefore, value added per employee in the tourism sector is estimated at $27,500. The regional figure is assumed to be the same as the total NWT parameter.

Because of the high import leakages from the NWT economy and the Territories limited manufacturing base, the indirect or supplier related effects from tourism expenditures are limited. Indirect effects are generally related to the markups of wholesalers. In the wholesale sector, the ratio of value added to total sales is low, 13.0%. The only exceptions would be expenditures on repairs and maintenance and some purchases from the (relatively few) printers and food and beverage processors in the Territories. Taking these activities into account, the ratio of value added to sales for industries supplying to the tourism sector is estimated to be 17.5%. Annual average wages are $26,600 (comparable to wages in the wholesale transportation and distribution sectors) and value added per employee is estimated to be $45,800.

The supplier related effects would be even lower in the Arctic Coast. It can be anticipated that a fairly significant portion of supplies would not go through the hands of a wholesaler, and the supplier related effects would be negligible. For the Arctic Coast, the assumption is that the value added that accrues to the community amounts to only 10% of the value of purchased commodities. Wages and value added per employee are assumed comparable to the NWT figures.

The Study Team estimated the induced income multiplier for the NWT using simulation results from NWTMODO, the GNWT's computer simulation model of the NWT economy. These results were developed in previous assignments. The induced income multiplier was estimated to be 1.18, implying that for each dollar earned by tourism sector employees and employees of industries that supply goods and services to tourist operations, a further 18 cents is generated as income to the owners and employees of retail and other service enterprises in the NWT. Annual average wages in these service sectors are estimated at $15,000 and, with wages and salaries accounting for 58% of value added, value added per employee amounts to $26,000.

The induced income multiplier would be lower in the Arctic Coast, reflecting the even higher import leakages out of the region. It is estimated that the induced income effects would be 30% lower in the region compared to the total Territories. This provides an induced income multiplier of 1.13. Wage and value added figures are postulated to be the same as for the total NWT.

These parameters allow us to estimate the income and employment effects of $100,000 in tourism expenditures in the NWT and the Arctic Coast.

	NWT	Arctic Coast
Tourism Expenditures	$100,000	$100,000
Direct Effects		
- Income	34,700	34,700
- Jobs*	1.26	1.26
Indirect Effects		
- Income	11,400	6,500
- Jobs*	0.25	0.14
Induced Effects		
- Income	8,300	5,400
- Jobs*	0.32	0.21
Total Impacts		
- Income	54,400	46,600
- Jobs*	1.83	1.61

* on a person-year equivalent basis.

These parameters indicate that $100,000 of tourism expenditures in the NWT generate territorial income (largely wages and salaries and business profits) of $54,400, and 1.83 jobs (on a person year equivalent basis). The same tourism expenditures in the Arctic Coast provide regional income of $46,600 and 1.61 jobs. These impact parameters can be used to estimate the incomes and jobs generated by current and future tourism expenditures in the NWT and the Arctic Coast.

For example, suppose that an Arctic Coast Tourism plan were to increase the number of person-trips by pleasure tourists to the Arctic Coast by five times over the next ten years, from 1,300 at present (see Exhibit 9.4) to 6,500 in 1994. (Without a tourism plan, the number of pleasure tourists is expected to remain constant over this period.) Given current averages (e.g., for per capita daily expenditures), the effect of this increase on tourism expenditures, income, and employment would be as follows :

	Total Tourism Expenditures ($000)	Income Impact ($000)	Employment Impact (No.)
NWT			
1984	115,600	62,890	2120
1994	177,100	96,340	3240
Arctic Coast			
1984	4,600	2,140	74
1994			
W/O Plan	5,400	2,520	87
With Plan (One Hypothesis)	9,800	4,570	158

W/O = Without

The impact results suggest that at the present time tourism accounts, either directly or indirectly, for about 11% of the 19,000 or so jobs in the NWT. In the Arctic Coast, tourism contributes about 9% to the employment base of about 900. The hypothetical plan would add 71 jobs to the employment base of the region. The unofficial unemployment rate in the region is perhaps 40% or more. Under these assumptions the plan impact would lower the unemployment rate from 40% to below 30%. The hypothetical plan impact is displayed here only for purposes of illustration and to demonstrate how the impact parameters could be utilized. More refined estimates of plan impacts are developed in Volumes II and III of this documentation.

9.3 Potential Markets for Arctic Coast Tourism

The literature review and industry interviews indicated that a number of markets would be attracted to the products offered by the Arctic Coast. These are divided below between primary and secondary markets. There is some overlap between market segments.

Primary Markets

1. Naturalists and conservation groups have shown an interest in the wilderness experiences offered in some areas of the NWT. These groups can be attracted to properly packaged products offered by the Arctic Coast. Some of these potential visitors have participated in outdoor experience oriented trips to exotic locations (e.g., hiking in the Andes) and are looking for a totally different experience. Others are attracted by the opportunity to observe unique species of plants and wildlife in their natural environment.

   Previous research and the Team's interviews with industry representatives indicate that the adventure travel market has the following characteristics:

   - An important target for market promotion in Canada and the United States could be the non-profit societies and associations that focus on conservation issues, wildlife preservation, and nature observation. Combined membership in Canadian associations identified by the Study Team is a minimum of 500,000. The American market would be at least ten times larger. Members of zoological societies further expand this market.

   - The adventure travel market focusses on the 25-40 age group, but all age groups provide participants to this type of travel.

   - Trips of long duration to remote locations are most frequently taken by people with above average income, possessing post-secondary education, and in professional or managerial positions.

   - Clients do not expect deluxe accommodation, but do expect a quality travel experience from their vacation.

- Many adventure travel clients return to the same wholesaler to arrange subsegment trips to other destinations . Existing adventure travel wholesalers and operators, therefore, represent a good mechanism for accessing the adventure travel market. Given the importance of repeat business, however, product quality will be very important to these wholesalers.

- The adventure travel market is growing rapidly. Competition is intense, and clients are very quality conscious .

2. The mystique of the North, the Franklin Expedition, the Inuit culture, and other related products available in the Arctic Coast can be packaged to attract visitors with historical, cultural, or anthropological interests. Possible targets for these types of products include:

   - The Learned Societies. The size of the Learned Societies membership in groups with a potential interest in the north is estimated at 6,000. The American figure would be at least ten times larger.

   - Groups with a special interest in the Arctic, e.g., "Inuit Art Enthusiasts" and "Arts and Culture in the North", based in New York City.

   - Memberships of major museums in the United States and Canada.

   Members of these types of groups tend to be white-collar workers with above average incomes. Previous studies suggest this specialty market will display slow growth in the next decade or so. The key point is that this market has never been successfully tapped by the Arctic Coast or other NWT destinations. The market with a strong commitment to Inuit culture, history, and art is small, but the interest of these people is intense and many have the purchasing power required to pay for a trip to the remote north.

3. As described in an earlier section, the number of parties and visitors traveling to the NWT through commercial travel packages could more than double over the next decade. Further expansion could occur through the tourism promotion efforts of Tourism Canada, the GNWT, and regional tourism associations. By the early 1990s, package tours could generate 2000 tourist parties and 5000 person trips.

4. Canoeists on the Coppermine River and visitors to the Bathurst Inlet Lodge and other lodges could be encouraged to extend their stay and experience the community-based products offered by the Arctic Coast hamlets.

5. Business and government travelers to Yellowknife and other major NWT centers could be encouraged to stay a few extra days to visit a different part of the Northwest Territories, such as the Arctic Coast. Business travel to the NWT is estimated to total 39,300 person trips for the full year of 1984, and is estimated to increase to nearly 60,000 person trips by 1994.

6. Non-NWT residents visiting friends and relatives in Yellowknife, Inuvik or other major NWT centers could be encouraged to stay a few extra days and add a side-trip to the Arctic Coast. Pleasure tourists staying with friends and relatives total 10,000 people at the present time. This number will increase in line with overall pleasure tourism growth to exceed 14,000 by the early 1990s.

7. Travelers by car, RV and bus up the Mackenzie could be encouraged to leave their vehicles and fly to a more remote part of the north (this would involve a drive-fly

package). This market segment is expected to grow from about 7,000 person trips at the present time to more than 10,000 person trips by the early 1990s.

8. Residents of Yellowknife, Whitehorse, Inuvik, and other large northern centers -- typically with professional jobs and above average incomes -- may wish to experience another part of northern Canada, especially above the tree-line and on the Arctic Ocean. Exhibit 9.5 indicates that in 1980, 4,390 households in the NWT and Yukon had household incomes of more than $40,000; 2600 or 60% of these households were concentrated in two centers, Whitehorse and Yellowknife. These two figures could approach 6,000 and 3,600 by the early 1990s.

The primary markets include specialized market segments that already have a strong interest in the travel products offered by the Arctic Coast (markets #1 through #3 above) and people who are already traveling to the north or are residents of the north (markets #4 through #8 above). Both sets of markets are easy to identify and should be relatively easy to cultivate. The secondary markets described below are more diffuse geographically, more difficult and expensive to promote, and are not yet fully developed.

Secondary Markets

9. Some upper-middle and upper income Canadian families (often with two incomes and 0-2 children) may be interested in a "trip of a lifetime" to the true Canadian north. Exhibit 9.5 indicates that in 1980 1.2 million Canadian households had a household income of $40,000 or more. Close to 50% of these households were concentrated in six metropolitan areas: Vancouver, Calgary, Edmonton, Winnipeg, Toronto, and Montreal.

Some higher income people may be interested in general

EXHIBIT 9.5: PRIVATE HOUSEHOLD INCOME, BY INCOME RANGE, 1980

	All Households (Wm.)								Average
	Under $5000	$5000 9999	$10,000 14,999	$15,000 19,999	$20,000 24,999	$25,000 29,999	$30,000 39,999	$40,000 plus	Income ($)
Total Canada	629,500	1,116,830	1,051,125	1,041,275	1,060,535	910,505	1,259,300	1,212,460	24,460
% of all households	7.6	13.5	12.7	12.6	12.8	9.8	15.2	14.6	
Vancouver CMA	30,555	60,410	53,370	51,085	54,625	49,985	79,705	97,015	27,688
% of all households	6.4	12.7	11.2	10.7	11.5	10.5	16.7	20.3	
Calagary CMA	10,175	19,285	24,185	22,775	23,415	23,050	39,610	51,015	30,597
% of all households	4.8	9.1	11.5	10.8	11.1	10.9	18.8	24.2	
Edmonton CMA	11,855	21,145	22,710	22,515	22,755	20,395	34,470	40,660	27,830
% of all households	5.6	10.0	10.8	10.7	10.8	9.7	16.4	19.3	
Winnipeg CMA	19,110	27,835	28,505	27,660	27,690	24,060	30,825	25,555	23,115
% of all households	9.0	13.2	13.5	13.1	13.1	11.4	14.6	12.1	
Toronto CMA	58,105	103,555	111,730	117,830	124,925	120,095	187,195	216,910	28,765
% of all households	5.6	10.0	10.7	11.3	12.0	11.5	18.0	20.8	
Montreal CMA	98,890	132,195	126,735	132,480	129,685	109,505	148,875	148,530	24,038
% of all households	9.6	12.9	12.3	12.9	12.6	10.7	14.5	14.5	
NWT	985	1,265	1,170	1,300	1,310	1,220	1,975	2,305	26,359
% of all households	8.5	11.0	10.1	11.3	11.4	10.6	17.1	20.0	
Baffin	145	220	240	225	205	180	215	265	23,376
% of all households	8.5	12.9	14.1	13.2	12.1	10.6	12.6	15.6	
Central Arctic	90	145	115	90	60	45	65	70	18,467
% of all households	13.3	21.5	17.0	13.3	8.9	6.7	9.6	10.4	
Fort Smith	455	545	510	665	695	705	1265	1585	29,257
% of all households	7.1	8.5	7.9	10.3	10.8	11.0	19.7	24.6	
Inuvik	190	215	190	195	245	205	320	295	24,651
% of all households	10.2	11.6	10.2	10.5	13.2	11.1	17.3	15.9	
Keewatin	100	145	115	125	105	85	100	95	20,540
% of all households	11.5	16.7	13.2	14.4	12.1	9.8	11.5	10.9	
Yellowknife	155	155	190	325	330	3-45	680	1020	33,133
% of all households	7.0	8.2	8.7	10.0	10.0	10.4	18.3	27.5	
Yukon	530	625	660	760	755	790	1385	2085	29,807
% of all households	7.0	8.2	6.7	10.0	10.0	10.4	18.3	27.5	
Whitehorse	280	315	390	510	490	520	900	1565	31,758
% of all households	5.6	6.3	7.8	10.2	9.8	10.4	18.1	31.4	

Source: Statistics Canada Census, 1981; No. 95-942 and 95-943 interest package tours, either short fly-in tours or extended trips of 7-10 days. The general interest package concept could appeal to seniors and early retirees as well as professional people such as teachers and doctors. These types of package tours are probably best marketed through tour wholesalers and therefore visitor origin will be dependent on the wholesaler's clientele . This market is expected to display some growth over the next five to ten years. However, the Arctic Coast's ability to tap this market will depend on product quality and the extent to which the region's tour packages can be made distinct from those of competing destinations.

10. A growing number of major corporations are offering free vacation trips as incentives to employees to enhance sales or productivity. Two aspects of the incentive travel market could be of interest to the Arctic Coast:

i) Major corporations with some involvement in the Arctic Coast could provide incentives to travel within the region as part of the wage and benefit package paid to executives, professionals, and senior technical staff.

ii) Major resource developers often employ workers from southern Canada on a rotation basis. This generally involves free flights back to the home community once every two to four weeks. As an alternative, these companies could be encouraged to bring workers' families north once a year for a vacation the compensation package for about one-half of these workers, this market segment could generate perhaps 5000 person trips into the NWT by 1990.

11. Specialized segments of the offshore market could be promoted by the Arctic Coast. Attention could be given to West Germany (because of interest in wilderness and related experiences) and to Japan (highest income growth of any offshore market and growing propensity to travel).

12. The hardy traveller could be encouraged to visit the Arctic Coast during the shoulder and winter seasons to experience the north as it really is through most of the year. The April to June period offers the greatest potential in this regard.

Estimating market penetration factors for the Arctic Coast for these market segments must be done with great care. Market penetration will depend on the travel products actually developed, the training and skills of tourist operators, and the market promotion programs of Arctic Coast operators, the GNWT, and Tourism Canada (among many other factors). Speculation can be made, however, on what a 1% market share of certain markets might mean for pleasure travel to the Arctic Coast by the early 1990s. This hypothesis can be applied to the following markets.

Markets	Person-Trips From One Percent Share
3. Package tour groups	50
5. Business and government travel	600
6. Visiting friends and relatives	140
7. Travelers by truck, campers, RV etc.	100
8. High income families in NWT and Yukon	100
10. Incentive travel	50
	1040

A 1% share of these market segments would result in a doubling of the number of pleasure travelers entering the Arctic Coast by the early 1990s. This speculation could be extended to add another one to two thousand visitors from other market segments described above. Because tourism in the Arctic Coast is starting from such a low base, the potential exists to achieve strong year-over-year gains in tourist visitations and expenditures. This growth, however, will not come about automatically, and the "no-growth" scenario described in sub-section 9.3 remains the most likely outcome without a comprehensive tourism implementation plan. Travel products need to be developed, training needs to be provided to local people, and marketing programs need to be prepared and implemented.

The primary and secondary markets described above do not include the three traditional tourism markets for the Arctic Coast and the NWT in general: the sport fishing market, big game hunting, and the remote naturalist lodge market. These markets are already well known to operators in the region and to government tourism officials. Other reason for giving these markets less emphasis are:

- Two of the three markets, sport fishing and big game hunting, are expected to show little or no growth in the foreseeable future.

- Other regions of the NWT and the northern parts of the western provinces, Ontario, and Quebec offer strong competition to the sport fishing lodges in the Arctic Coast.

- As currently structured, these three activity markets provide very little economic benefit to the region's communities and residents, and therefore are not consistent with the community-based approach to tourism advocated by the GNWT.

One possibility for becoming involved in these markets would be to identify ways to restructure these activities to provide more economic opportunities for local residents and to expand market scope, visitor interest, and length of stay.

10. SYNTHESIS OF RESOURCE AND MARKET ANALYSIS

The preceding chapters have assessed the Arctic Coast's natural, cultural, historic, and human resources, physical infrastructure, existing tourism resources and facilities, activity market opportunities, and market trends and segments. This chapter and the final one attempt to bring together the resource and market analysis to identify key issues, trends, opportunities, and constraints important in the future development of the Arctic Coast tourism sector. These, in turn, become key elements in the formulation of regional and community plans and specific development projects presented in Volumes II and III.

Issues are factors that surface as the most important items to be dealt with in the tourism strategy. For the most part, they have been defined through the interview process and given priority based on their importance to the economic viability and long term growth potential of the Arctic Coast's tourism industry. The strategy for tourism development in the Arctic must respond to these issues.

Trends involve projections of tourism growth and demand. There are no available statistical data to make accurate or empirical statements about regional trends. Trends are based on information gathered from interviews, as well as the consultant's experience and knowledge about overall shifts in the industry. International, national, and territorial travel documents also provide information.

Opportunities refer to development options that would respond to the issues. As such, they become the basis of the tourism strategy. At this stage of the planning process, they can be divided into three categories:

- development options that are actively being considered;
- options that are about to be developed;
- development options that would respond to needs in the

Arctic Coast tourism industry.

Development opportunities are presented in this background document because they have surfaced as part of the inventory, analysis, and synthesis process. Final selection will take place during the master planning process.

Constraints are factors that inhibit tourism development. Although specific constraints may be dealt with at the master planning stage, the overall barriers to successful tourism development are presented here.

Broad regional factors are assessed in Section 10.1. Specific elements important to strategy formulation are identified in Section 10.2.

10.1 Arctic Coast as a Whole

Issues and Trends

- The Arctic Coast receives a proportionally small segment (2%) of the travelers to the NWT.
- Wilderness and traditional native cultures are becoming popular travel attractions.
- Travelers visiting other regions of the territories want a complete Arctic experience.

Opportunities

- There is a wide selection of land and water-based activities.
- Increased marketing of the NWT will increase southern market appreciation of the Arctic environment and Inuit people.

- The Arctic Coast Region has a number of valid themes and resources that can be promoted to several specialty groups, including:
  - Inuit Heritage: archeological sites, Thule houses, tent rings, entertainment
  - European Heritage: explorer routes, Franklin expedition, RC missionaries, Hudson's Bay Company
  - Wilderness: Coppermine canoe route, Boothia Peninsula, Bathurst Inlet
  - Arctic Environment: each destination area, marine life (whales), flora and fauna, tundra
  - Traditional Inuit Lifestyle: each community, games, crafts, storytelling? survival.

- The essential infrastructure (e.g., airports, water) are in place and can accommodate tourism growth.

- Communities have shown varying degrees of enthusiasm for tourism and leaders can identify tourism opportunities. Gjoa Haven, Spence Bay, Pelly Bay, and Coppermine are very enthusiastic. Holman is moderately enthusiastic, but it is more difficult to detect an interest in the travel industry (other than in a few individuals) in Cambridge Bay.

- Package tours represent cost savings for travel in the north and there are usually enough boats, snowmobiles, and sleds in each community to satisfy the requirements of small groups.

- Grant and loan funds are potentially available through the Economic Development Agreement and other programs to stimulate tourism development.

- Business and government travel represents a market that can be immediately tapped.

Constraints

- There has been relatively little promotion of the region.

- There are virtually no developed attractions in the region.

- Although many people are willing to work in the tourism industry, very few have experience or training.

- Because there is no substantial tourism industry, it will be necessary to develop skills in tour organization, facility management, product development and promotion.

- Due to the high risks associated with traveling in the north, most activities require guides.

- The harsh winters mean there is little opportunity for tourism during a four month period.

- Deregulation will affect the price of air travel to northern gateways such as Winnipeg and Edmonton, but will not affect prices north of 600.

10.2 Regional Tourism Components

The issues, trends, opportunities, and constraints are classified *below according to the following components:

- attractions and events
- accommodation and food services
- transportation
  information services
- entertainment and traditional activities
- tourism organization
- human resources.

143.2.1 Attractions and Events

Issues and Trends

- Travelers are drawn to the region because of its pristine wilderness environment and the authentic native culture. There are very few man-made attractions.

- Through proper tourism management, the region will be able to maintain its wilderness character.

- Continued wildlife management can maintain a stable population of animals such as caribou, polar bear, whales, and muskox.

- The Northwest Passage exploration and other explorer themes are well known to special interest European and Canadian markets.

- Attraction development can preserve existing traditional values and restore historic features and sites.

Opportunities

- Each destination area has a mix of natural and cultural attractions that could be developed in the short and mid-term.

- There are many archeological sites, some of which could be restored, e.g., Thule Village, stone houses, tent groups .

- Increased demand for comprehensive nature and cultural interpretation programs will create pressure for tourism attraction development.

- Northwest Passage Exploration sites (Franklin, Amundsen) offer numerous development opportunities.

Constraints

- Many of the artifacts associated with European and Inuit history are in private collections or museums outside the region.

- Many of the potential attractions will require significant capital expenditures for restoration and development.

10.2.2 Accommodation and Food Services

Issues and Trends

- Most communities have satisfactory accommodation. only Spence Bay requires upgrading and immediate replacement of the honey buckets.

- Co-op training courses for hotel staff seem to be enjoying reasonable success and should be continued. (There is still the problem of continuous service in Spence Bay.)

Opportunities

- Peak season demand could be met with quality seasonal accommodation units (e. g. , tent frames) to be used in the summer season at campgrounds such as in Coppermine.

- More use could be made of well prepared local foods, especially during seasons when they are most available.

- Hotels could be more involved in tourist reception and package tours.

Constraints

- Many tourists object to sharing rooms.

- Accommodate on demand is very seasonal. Although some properties may be closed for several weeks in winter, it is sometimes difficult for travelers to find accommodation during the peak season (espe ci ally when construction crews are in town) .

- Although food preparation has improved over the past few years, it is still characterized by a limited menu and uninspiring dishes, despite relatively high costs.

- The **capital** cost of permanent year-round accommodation **facilities is very high.**

10.2.3 **Transportation**

Issues and Trends

- Despite old **equipment,** NWT Air provides a level of service which the Study Team views as adequate given current traffic. However, Regional Councils and others have expressed concerns regarding reliability and improvements will need to be considered as traffic expands.

- Air links to the Baffin and Inuvik Regions are now available.

Opportunities

- Small package tours will become more popular, allowing each community to develop its own tour product, and sell it collectively as part of the Arctic Coast Region.

- Airlines could become more involved in the **development** of the product.

- NWT Ai r could work more closely with the major southern carriers to develop j oint packages and co-operative promotion.

Constraints

- High travel costs will continue to restrict visitations to select specialty groups.
- Weather can disrupt itineraries.
- Equipment will need to be upgraded with increases in package tours and other tourist visitation.

10.2.4 Information Services

Issues and Trends

- Tourists are demanding informative and honest travel information before making trip decisions and embarking on a maj or vacation.
- Distribution of travel information on the Arctic Coast Region has been focussed on one attractive brochure. For the most part, it is a region unknown to many of the influencers in the travel industry.

Opportunities

- As the products and markets become better defined, it will be possible to more effectively distribute quality information.
- More information on each community could be distributed at each of the hotels via a travelers bulletin board.
- Larger haml ets such as Cambridge Bay and Coppermine could have a central information service for both the community and the enti re region.

Constraints

- Many of the potential target markets are relatively uninformed about the characteristics and features of the Arctic environment and the Arctic Coast Region.

- Specialty markets are small and are distributed virtually throughout the world.

10.2.5 Entertainment and Traditional Activities

Issues and Trends

- The Inuit culture is one of the last remaining traditional cultures in the northern hemisphere.

- Most travelers to the Arctic are traveling without children and are looking for evening entertainment, including short tours (local boats, fishing, or a lounge).

- The Arctic's native population is collectively interested in preserving the traditional ways.

- New concerns for heritage values are bringing back many traditional entertainment activities.

- The more educated and sophisticated population in the western world is increasingly interested in indigenous cultures.

- Inuit people are increasingly concerned with the protection of their heritage. Tourism development offers one means of reaffirming and relearning their cultural values.

Opportunities

- Each community has maintained certain traditional activities and could readily produce an entertainment or games package for small tourist groups.

- Festivals, games, and frolics could be more frequent during the tourist season.

Constraints

- No community has the accommodation facilities to house a large volume of tourists for a short (one to three-day) event.

- Residents of some communities may prefer that their traditional events be used as an opportunity to get together with friends and relatives from other communities rather than as a major tourist event.

- The "Heisenberg effect" suggests the danger that traditional entertainments may lose their authenticity through time because of the influence of the observer (the tourist) on the observed (the Inuit and their traditional lifestyle) .

10.2.6 Tourism Organization

Issues and Trends

- Regional tourism development is based on collaboration and communication between the various communities.

- The region is fortunate to have an Arctic Coast Tourist Association and a Regional Tourism Development Officer.

- Regions that "are organized compete more successfully for tourists than those that are unorganized.

- Tourists are looking for a cohesive, balanced travel package when choosing a particular region.

- It is important to define the distinct roles of the Regional Tourism Development Office and the Arctic Coast Tourist Association.

Opportunities

- The implementation of a regional development strategy will be facilitated by a strong regional tourism office and the Arctic Coast Tourist Association.

Constraints

- The great distances between communities make communications difficult for the Arctic Coast Tourist Association.

- The communities are not accustomed to collaborating with a coordinating regional agency.

10.2.7 Human Resources

Issues and Trends

- The people of the region are extremely hospitable and increasingly interested in receiving tourists to their community.

- There is definite eagerness among some individuals to increase tourism in the region, especially to provide employment for young members of the community.

Opportunities

- Increased visitation will require qualified staff to respond to tourist demand for a high quality product.

- All efforts should be made to overcome the lack of tourism related skills by immediately introducing a responsive training program to put the product in place to attract tourists.

- Training funds could come from the EDA or Special ARDA.

Courses should emphasize tourism marketing, package tour development, facility management, marketing, and visitor needs.

Constraints

- Because there have been so few tourists to the region, tourism expertise in the Arctic Coast is largely limited to a few lodge operations.

- There is little appreciation of the mechanisms of the travel industry and how a northern product should be packaged and sold to southern markets.

11.1 DEVELOPMENT CONCEPT

This chapter presents the Study Team's views on the development concepts that should be employed in preparing the tourism strategy and plan. These concepts include:

- the images that should be presented in the marketplace,
- alternative themes that would provide the focus for all product and market development for the total region and each destination area,
- alternative regional concepts for packaging the seven destination areas, and
- potential development opportunities in each destination area.

The development concepts were tested and refined through meetings with the Steering Committee and the communities, and are presented in greater detail in a planning context in Volume II.

11.1 Image

Canada's Arctic. is already characterized in southern markets by a series of abstract images that, taken collectively, produce an overall theme for the region. These images are best expressed by the following labels or words:

Arctic Coast
Arctic Ocean
Barrenlands
Arctic Circle
Treeline
Arctic Archipelago
Inuit Lifestyle
Northwest Passage
Dorset/Thule Culture
Native Crafts
Kitikmeot

The Arctic Coast Region has all the resources necessary to support these images, and can respond to existing and potential visitations by providing:

- an Arctic coastline and a variety of coastal resources that are only available in the Central Arctic, involving a combination of land, ice, community, and water-based activities that cannot be found in other competitive Arctic regions

- a fascinating social, cultural, and natural environment including features and lifestyles that appeal to special interest groups and individuals interested in an Arctic experience

- ample opportunity to observe and interpret the relationship between the Inuit people and the Arctic resources

- a variety of arts and crafts.

11.2 Alternative Themes

The theme of a region should reflect the most important images, as well as respond to the perceived target market expectations.

TWO themes are proposed:

Arctic Coast

Inuit Culture

Theme 1: Arctic Coast

"Arctic Coast" reflects the existing name and tourism image promoted by the study region, and it would be wise to continue with a theme that is already recognized. The "Arctic" image has a distinctive, competitive, internationally recognized connotation. "Coast" suggests exclusive images associated with Canada's Atlantic and pacific coastline, including beaches, cliffs, islands, and marine life. It also suggests a return to the sea and the northern edge of the North American continent. The coastline of the mainland and islands ties the region together and provides a link between all the hamlets.

The combination of the words "arctic" and "coast" suggests one of the strongest images in the Northwest Territories and Canada.

"Arctic Coast" implies abundant natural resources (marine and terrestrial), exploration, nomadic movement, and the establishment of communities.

"Arctic Coast" also suggests several sub-themes, including the Northwest Passage exploration, the Franklin Expedition, the Hudson's Bay development, and the Roman Catholic Mission movement.

Theme 2: Inuit Culture

As southern travel markets become more experienced, sophisticated, and culturally aware, they will develop more interest in nonconsumptive native tourism activities.

Inuit culture has become known to Canadians and the international markets through the sale of northern arts and crafts. Although craft production is not exclusive to the Arctic Coast, communities such as Spence Bay have received much attention in the south.

Inuit culture and lifestyle, unlike other indigenous cultures of North America, are still strongly rooted in the Inuit past and provide unlimited interpretation opportunities.

The Inuit people, however, are not exclusive to the Arctic Coast region and many of the potential cultural/native tourism products will also be used by other regions including Baffin and the Western Arctic. Therefore, although "Inuit Culture" is a strong theme, it is not exclusive and could be in competition with other regions.

The overall theme is strongly linked to the orientation of the overall regional development concept. Emphasis will be on locations, attractions, and services that correspond to the resources, images, and needs of visitors. The concept will outline the functional relationship between destination areas in terms of

- services
- attractions
- staging areas
- linkages.

Destination areas are zones possessing opportunities to attract and hold tourists because of their features and facilities. They are usually centred on a particular hamlet, but may include a large area around the community. Exhibit 11.1 shows possible themes and sub-themes around which each destination area could be developed.

11.3 Alternative Regional Concepts

Two regional development concepts are proposed. Each includes seven destination areas, six of which focus on a particular community and one on the unique resources of Bathurst Inlet. Both concepts concentrate development along a 1,300 km coastal corridor of the Arctic Ocean.

Each development concept promotes the idea of community-based tourism using the features of the hamlet to embark on such activities as:

- developing tours for fishing, hunting, cultural and nature interpretation, and archeological exploration
- establishing expeditions to unique areas such as Bathurst Inlet, Minto Inlet, Boothia Peninsula
- creating opportunities for non-natives to appreciate and learn about the Inuit lifestyle.

The major difference between the two concept relates to how people access the region and, consequently, how each

EXHIBIT 11.1: THEMES AND SUB-THEMES FOR DESTINATION AREAS

HOLMAN DESTINATION AREA

Theme: Big Game Hunting

Continuous promotion of trophy hunting for polar bear, muskox, caribou. Growth in caribou and muskox hunting.

Sub-Theme: Inuit Arts and Crafts Production

Expansion and marketing of existing and new products as well as the interpretation of techniques.

COPPERMINE DESTINATION AREA

Theme: Coppermine River and Arctic Coastline

Continuous promotion of canoeing/rafting on the Coppermine River as well as group tours out of Coppermine to Bloody Falls and/or along the coast (e.g., to Rae and Richardson Rivers).

Sub-Theme: Hudson's Bay Company and Hearne Overland Expedition

General history of the trading and expeditions in the Central Arctic with an emphasis on the Hudson's Bay Company; specifically, the trading post (1914) and Anglican Mission (1915) at Bernard Harbour and posts at the mouth of Coppermine River (1925).

CAMBRIDGE BAY DESTINATION AREA

Theme: Arctic Char Fishing

Expanding existing lodges and providing (through receptive tour operators) community-based fishing and touring opportunities.

Sub-Theme: Central Arctic Administrative Centre

Interpretation of the various functions and facilities as well as the interaction of the modern and traditional lifestyles.

GJOA HAVEN DESTINATION AREA

Theme: Northwest Passage and Scientific Expedition

King William Island provides the basis for a number of historical themes, including the search for the Northwest Passage, the Franklin Expedition, the search for the Franklin Expedition, the first successful crossing of the Passage by Amundsen, and. scientific exploration including locating the magnetic pole.

Sub-Theme: Chantry Inlet Fishing

This high quality fishing lodge may be serviced and partially operated by Gjoa Haven.

SPENCE BAY DESTINATION AREA

The-e: Quality Arts and Crafte

Using the reputation of the crafts produced by Taloyoak Craft Shop and Sewing Centre, shopping and the interpretation of craft production (e.g., wool dying) would be available.

Sub-Theme: Boothia Peninsula Historic/Nature Tours

Interpretation of the coastline of the peninsula offers abundant opportunity for tours based on Franklin/James Ross/McLintock Expeditions, the Hudson's Bay at Fort Rose, marine and wildlife of the Bellot Strait, the archeological sitea of Creswell Bay and Hazard Inlet.

EXHIBIT 11.1: THEMES AND SUB-THEMES FOR DESTINATION AREAS continued

PELLY BAY DESTINATION AREA

Theme : **Inuit Culture and Lifestyle**

Because of the remoteness and aspirations of its people, Pelly Bay provides a relatively authentic exposure to Inuit lifestyle including fishing, hunting, games, entertainment. Local archeological sites also contribute to cultural interpretation opportunities.

Sub-Theme: **Roman Catholic Missions**

Centred on the existing stone church museum, the role of the Catholic Church in both the north and Pelly Bay could be presented.

BATHURST INLET DESTINATION AREA

Theme : **Nature Interpretation and Wilderness Experience**

Based on the existing promotion of the area as well as recognition of national ecological importance of the site, the present orientation would be maintained. National designation should be investigated to assess socioeconomic impact.

Sub-Theme: **History and Inuit Lifestyle**

Interpretation of the role of the Burnside River in exploration, the Franklin Expedition, the lifestyle of the Inuit people at Bay Chime, and the year-round outpost camps such as Brown Sound can be ueed as attractions.

destination area functions as a staging or service area. The two concepts are presented schematically in Exhibit 11.2.

Concept 1

Cambridge Bay is both a service centre for and a gateway to half the communities in the Central Arctic. Consequently, this hamlet could be considered the central "service" and "staging area" for the Arctic Coast region. In other words, most visitor traffic would pass through Cambridge Bay.

This concept would have the following components: .

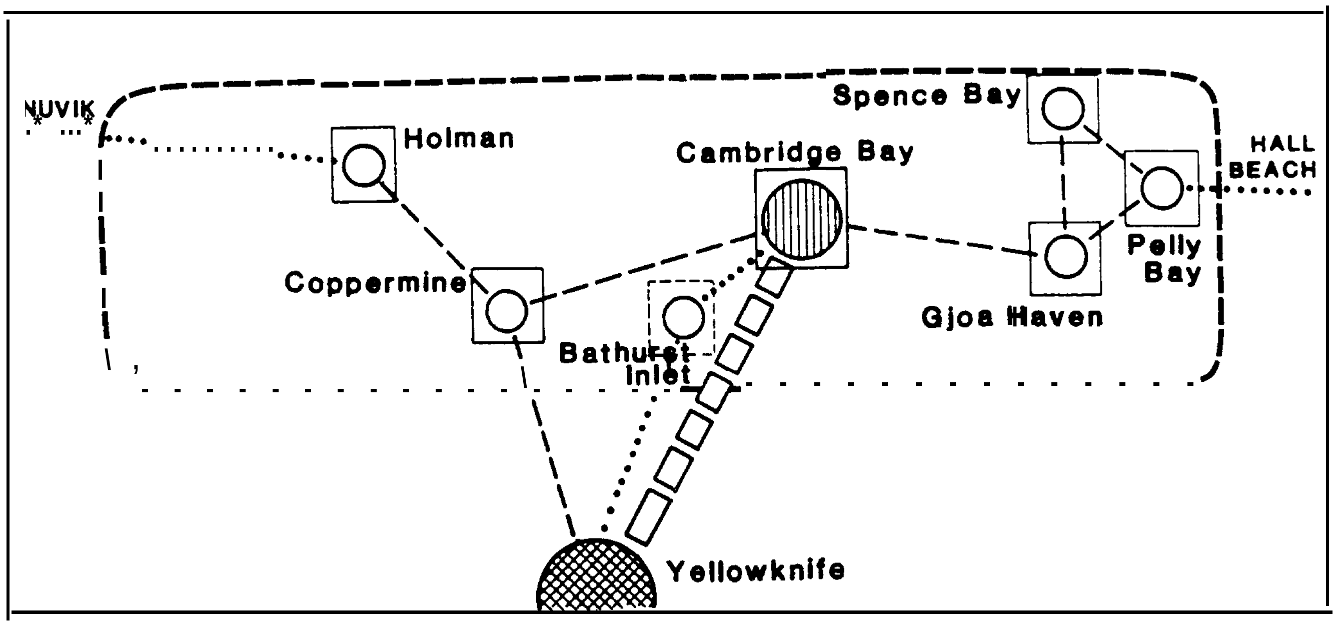
Service Nodes	Primary :	Cambridge Bay
	Secondary:	Holman, Coppermine, Pelly Bay, Spence Bay, Gjoa Haven
	Tertiary :	Bay Chimo/Bathurst Inlet
Attraction Nodes	Primary :	Cambridge Bay
	Secondary:	Holman, Coppermine, Pelly Bay, Spence Bay, Gjoa Haven, Bathurst Inlet
Staging Area	Primary :	Cambridge Bay
	Secondary:	Holman, Coppermine, Pelly Bay, Spence Bay, Gjoa Haven
	Tertiary :	Bathurst Inlet Lodge, Bay Chimo
Linkages	Primary :	Yellowknife/Cambridge Bay
	Secondary:	Yellowknife/Coppermine and all lateral connections
	Tertiary :	Hall Beach/Pelly Bay Cambridge Bay/Bathurst Inlet/Bay Chimo Inuvik/Holman/Coppermine

Concept 2

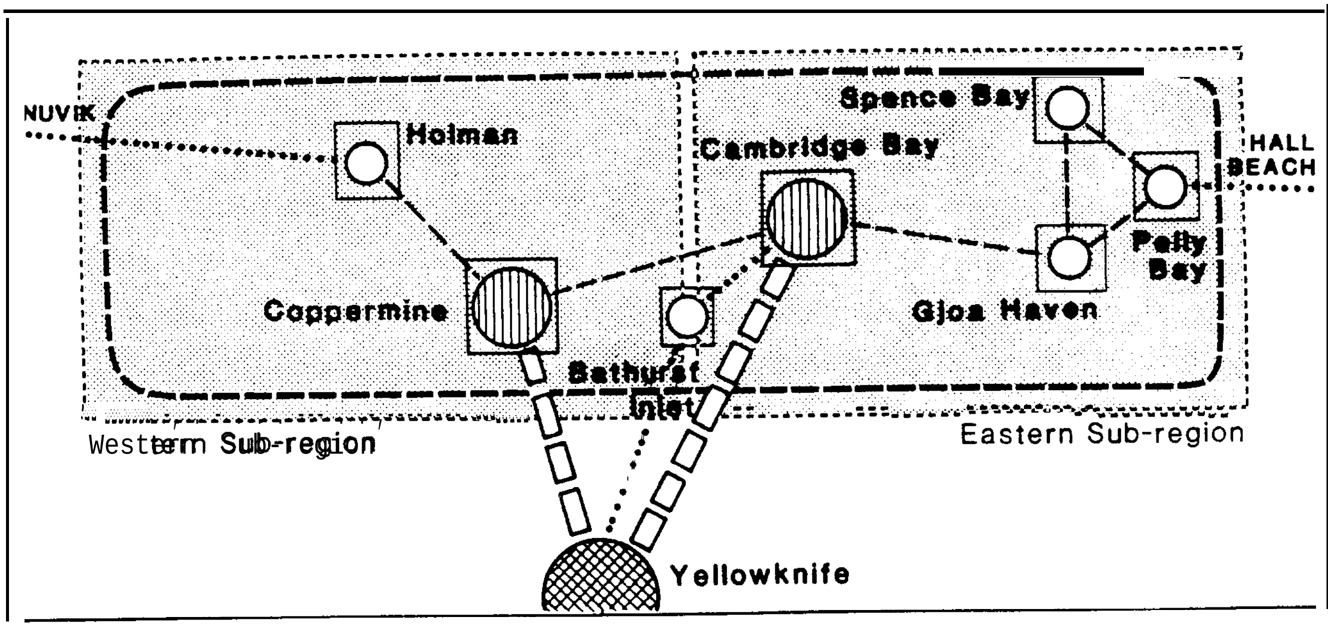
This concept reflects existing conditions and recognizes two significant, yet distinct, links between Yellowknife and the Arctic Coast region. They are: Yellowknife/Cambridge Bay and Yellowknife/Coppermine.

Under this concept, the region is divided into two sub-regions: the Western Sub-region, including the hamlets of Coppermine and Holman; and the Eastern Sub-region including Cambridge Bay, Spence Bay, Gjoa Haven, and Pelly Bay. Bathurst Inlet is equidistant from Coppermine and Cambridge Bay and is considered part of both sub-regions.

This concept has the following components:



CONCEPT 1



CONCEPT 2

LEGEND

- Primary service, attraction staging area
- Secondary Development Areas

- Linkage
  - Primary
  - Secondary
  - Tertiary

Exhibit 11.2

Optional Concepts

Service Nodes	**Primary :**	Cambridge Bay, Coppermine
	Secondary:	Holman, Gjoa Haven, Pelly Bay, Spence Bay
	Tertiary :	Bay Chimo/Bathurst Inlet
Attraction Nodes	Primary :	Cambridge Bay, Coppermine
	Secondary:	Holman, Pelly Bay, Spence Bay, Gjoa Haven, Bathurst Inlet
Staging Area	Primary :	Cambridge Bay, Coppermine
	Secondary:	Holman, Pelly Bay, Spence Bay, Gjoa Haven
	Tertiary :	Bathurst Inlet/Bay Chimo
Linkages	Primary :	Yellowknife/Cambridge Bay Yellowknife/Coppermine
	Secondary:	Coppermine/Holman Cambridge Bay/Gjoa Haven, Spence Bay, Pelly Bay
	Tertiary :	Hall Beach/Pelly Bay Coppermine/Cambridge Bay/Bathurst Inlet/Bay Chimo Inuvik/Holman/Coppermine

11.4 Evaluation of Alternative Regional Concepts

Both concepts were presented to and discussed with the Steering Committee. Concepts were compared on six parameters (see Exhibit 11.3 for evaluation matrix).

Concept 2 was the preferred concept for three reasons:

- **its impact** on visitation,
- **its impact** on the economy, and
- **its impact** on tourist development.

Each reason is discussed in detail below.

Impact on Visitation

Promoting two primary destination areas instead of one allows more opportunity to increase total visitation to the region. Travelers to Yellowknife have the choice of more than one flight route to the Arctic. This is important for package tours for small groups **on regular scheduled flights,** especially in the summer when there are fewer available seats.

Concept Evaluation Matrix

EXHIBIT 11.3

	CONCEPT 1	CONCEPT 2
1. IMPACT ON STRATEGY		
Extend Shoulder Season		●
Increase Expenditure		O
- Increase Volume		●
- Access to Yellowknife		●
2. IMPACT ON ECONOMY		
- Job Creation		●
- Youth Employment		●
- Diversify Economy		O
- Generate Income		O
- Generate Local Taxes		O
- Job Training		●
3. IMPACT ON REGIONAL TOURISM		
Responds to Available Facilities	O	O
- Impact on Competition		●
Response to Markets		●
- Clustering Benefits	O	O
Funding Potential		●
4. ENVIRONMENTAL IMPACTS	●	
5. COMMUNITY IMPACTS		
- Impact on Lifestyle	O	O
- Resident Recreation Opportunities		●
- Cultural Development		●
6. DEVELOPMENT POTENTIAL		
Linkage to Adjacent Regions		●
Local Investment Opportunities		●
- Infrastructure Costs to Communities		●

● = Greater comparative impact
O = Similar degree of impact

Separating the region into two sub-regions makes it easier to promote combined tourism packages with the two adjacent tourist regions (Western Arctic Region and Baffin Region). For example, this regional concept makes it possible to promote an Inuvik/Holman/Coppermine/ Yellowknife corridor through the Western Sub-region, which would be linked to the southern gateways of Edmonton or British Columbia. This also allows the rubber tire trade (tour buses, recreation vehicles, automobiles) indirect access to the Arctic Coast.

The Eastern Sub-region can also be linked to the Baffin Region via Hall Beach, providing access for the Toronto and Montreal markets.

In summary, two sub-regions increase access, and consequently total visitation, to the Arctic Coast. Two primary destinations and two sub-regions also imply diversity in the travel product; consequently, more opportunity for shoulder season and repeat visitation. For example, this concept enables Coppermine to expand its role from that of a service area for summer visitors canoeing the Coppermine River. Cambridge Bay, as well, could become more than a summer staging area for the lodges and communities in the Eastern sub-region.

Impact on the Economy

Concept 2 promotes the development of both Coppermine and Cambridge Bay. The formation of two development areas would have a greater impact on the economy of the region than the establishment of one major tourism staging and service area.

Two primary areas would:

- provide more job creation opportunities
- increase the diversification of the economy in both Coppermine and Cambridge Bay
- generate increased income for both communities
- provide additional job training opportunities.

Impact on Tourism Development

Concept 2 promotes balanced development in the region. Because of the vastness of the Arctic Coast region, it is reasonable to divide it into sub-regions that correspond to cultural differences, the social/political context, the resource base, and the existing access corridors.

Two sub-regions may also be more responsive to the various specialty markets. For instance, history buffs interested in the Franklin Expedition may only want to visit the Eastern sub-region.

There are competitive advantages to having two primary development areas. Not only will they potentially generate more promotion and development, they would also allow Coppermine and Cambridge Bay to collabroate with their respective adjacent tourism regions (eg. , western Arctic and Baffin) .

Many regions have developed on the basis of one community providing the draw created by clustering services and attractions in one place. Due to the geographic structure of the Arctic Coast, the same advantages can be more or less doubled by having two primary development areas within the same region.

Two focal areas for development also increase funding opportunities for the entire region.

11.5 Development Opportunities

The "Arctic Coast" theme and the Arctic coastline's associated resources (communities, marine and wildlife, scenery) combine to suggest many development opportunities.

By matching resources with the existing and potential markets, a list of opportunities for development can be compiled. The list should respond to the aims of the development strategy and maximize the utilization of the available resources.

The most pertinent strategic aims that the proposed development opportunities (listed below) meet include:

- increasing overall visitation to the Arctic Coast region;
- increasing average tourist expenditure by offering more activities and experiences;
- appealing to specific target markets;
- attracting more tourists in the shoulder season;
- providing a balanced level of development throughout the region;
- encouraging movement across the entire region by providing anchors at each end (e.g., Holman, Pelly Bay);
- appealing to visitors from adjacent tourism regions, Western Arctic and Baffin;
- developing attractions and services that are particularly appealing to small, specialty package tours;
- providing attractions that will gain national and international recognition for the Arctic Coast Region;
- developing opportunities that complement the resources and facilities of other regions in the NWT.

The resources that have been most frequently capitalized upon include:

- the pristine natural Arctic environment, particularly features that are close to the communities;
- the existing services of the communities, including accommodation, boats, craft shops, and schools:
- the Inuit culture, including its rich heritage of craft production, attitudes and beliefs, games and storytelling;
- the native knowledge of the north, including its natural resources and how to survive in the Arctic environment;

- the impact of European culture, starting with early exploration and the search for the Northwest Passage to the present day administration of the north.

The following list outlines some potential development opportunities. They will be fully expanded at both the community and regional level in the development plan and implementation strategy. Exhibits 11.4 through 11.10 present the development opportunities in greater detail.

Proposed Development Opportunities

Area	**Opportunities**
Holman Destination Area	(a) Arts & Crafts Studio/Workshop (b) Inuit Cultural Museum and Northern Lifestyle or "Learner Centre" (c) Nature/Fishing Tours to Minto Inlet (d) Thule Village Reconstruction (e) Expanded Big Game Hunts
Coppermine Destination Area	(a) Coppermine Area Interpretive Exhibit (b) Arctic Coastal Tours (c) Coppermine River and Community Tours (d) Excursions to Tree/Richardson Rivers (e) Hudson's Bay Interpretive Exhibit and Tours to Bernard Harbour (f) Upgrading of Coppermine Inn plus Seasonal Accommodation
Cambridge Bay Destination Area	(a) Re-opening Unused Char Lake Lodge (b) Community-based Fishing Excursions (c) Restoration of Stone Church and "Maud" (d) Community Interpretive Displays and Tours (e) Tours to Mount Pelly
Gjoa Haven Destination Area	(a) Northwest Passage Exhibit and Tours on King William Island (b) Amundsen Memorial and Replica of the "Gjoa" (c) Gradual Acquisition of the Chantry Inlet Lodge (d) Community Tours and Entertainment
Spence Bay Destination Area	(a) Arts & Craft Studio and Workshop (b) Boothia Peninsula Nature & Archeological Tours (c) Fishing & Hunting Trips

Area	opportunities
	(d) Old Fort Ross and Thule Village Restoration (e) Christmas Arctic Festival
Pelly Bay Destination Area	(a) Restoration of Stone Church and Museum (b) Inuit Cultural Centre and Workshops (c) Community Tours and Entertainment (d) Inuit Cultural Centre
Bathurst Inlet Destination Area	(a) Bathurst Inlet Lodge Expansion (b) Bathurst Inlet National Investigation

EXHIBIT 11.4 DEVELOPMENT OPPORTUNITIES

HOLMAN DESTINATION AREA

MARKETS	RESOURCES	ACTIVITIES	STRATEGY
1. INUIT CULTURAL AND NORTHERN LIFESTYLES OR "LEARNER CENTRE"			
- Inuit culture enthusiasts - community visitors international tours - Government/business - northern educators	existing building artifact collection community authentic community structure	demonstrations A/V presentations survival techniques arctic habitat study	introduction of native cultural lifestyle - draw from Inuvik - western regional anchor
2. THULE CAMP RECONSTRUCTION			
- Inuit culture enthusiasts - archaeological students international tours	existing archaeological digs several site locations boat access	guided tours archaeological and historical description	attraction of national interest
3. NATURE/FISHING TOURS TO MINTO INLET			
outdoor enthusiasts - naturalists anglers - photographers	- wildlife, char and trout - lodge facilities - vegetation - boats and three-wheelers	fishing hiking/camping photography extended stay in lodge	increase length of stay in area expose unique features
4. ART AND CRAFT STUDIO/WORKSHOP			
- Inuit and southern artists - shoppers	- production area studio - homes of artists	workshops demonstrations production of personnel i tems	expand Holmans existing arts/craft reputation
5. EXPAND BIG GAME HUNTS			
international trophy hunters polar bear/muskox hunters	- polar bear - muskox - seal	- hunting - photography	increase expenditure and volume

EXHIBIT 11.5 DEVELOPMENT OPPORTUNITIES

COPPERMINE DESTINATION AREA

MARKETS	RESOURCES	ACTIVITIES	STRATEGY
1. COPPERMINE AREA INTERPRETIVE EXHIBIT			
- arctic coast visitors - naturalists - local residents	- excellent site at mouth of Coppermine River - views of River, cemetary	- static display - guided tours	expose diversity of Arctic Coast history of Coppermine River, Hudson's Bay Company and Herne Expedition
2. ARCTIC COASTAL TOURS			
- all visitors - canoeists	- Petershead boat - coastline/islands	- sightseeing - marine interpretation	increase length of stay - appeal to Yellowknife visitors
3. EXCURSIONS TO TREE/RICHARDSON RIVERS			
- anglers - naturalists - wilderness enthusiasts	- river systems - tour guides	- fishing - nature interpretation	Arctic River promotion
4. UPGRADE COPPERMINE INN AND SEASONAL ACCOMMODATION			
- all visitors	excellent site - competent management - relatively higher visitation	- accommodation - food services - local hospitality	recognized affordable arctic accommodation
5. COPPERMINE COMMUNITY AND RIVER TOURS			
- canoeists - history enthusiasts - upper income adults	- Coppermine River - Bloody Falls - arctic coastline sightseeing	- canoe river plus guided coastline tour, together with festivals	- increase length of stay comprehensive package
6. HUDSON'S BAY COMPANY HISTORIC TOUR			
- history enthusiasts	- Bernard Harbour - Coppermine River	- nature interpretation	- increase length of stay special interest package

EXHIBIT 11.6 DEVELOPMENT OPPORTUNITIES

CAMBRIDGE BAY DESTINATION AREA

MARKETS	RESOURCES	ACTIVITIES	STRATEGY
1. STONE CHURCH MUSEUM			
- history enthusiasts - R.C. Missionaries all visitors to area -	- existing church - artifacts concerned citizens	exhibits and demonstrations	- promote R.C. mission theme
2. RESTORATION OF MAUD			
- history enthusiasts - all visitors	- existing remains excellent site interest by Parks Canada	- exhibition - static display	- promote early explorer themes
3. FISHING AND NATURE TOURS			
anglers Government employees naturalists	- fishing lodges - lakes - arctic environment - local fishing	- fishing - hiking - interpretation	increase expenditure - increase length of stay
4. MOUNT PELLY TOURS			
- sightseers naturalists all visitors	road to site available three-wheelers - trails - interesting trip	- sightseeing - geology interpretation - picnicking - hand gliding wildlife interpretation	explore arctic environment - increase length of stay one day
5. COMMUNITY ADMINISTRATION TOURS			
all visitors - Government employees - arctic students	- generators - windmill - weather station - fish processing	- demonstration projects cultural interpretation	- understanding of Arctic conditions - increase stay and expenditures - four season appeal

EXHIBIT 11.7 DEVELOPMENT OPPORTUNITIES

GJOA HAVEN DESTINATION AREA

MARKETS	RESOURCES	ACTIVITIES	STRATEGY
1. CHANTRY INLET LODGE ACQUISITION			
- anglers naturalists upper income families	existing lodge - reputation excellent fishing - dramatic landscape - local Inuit staff	- fishing - hiking - guided nature tours	- train Inuit people - profit to community
2. NORTHWEST PASSAGE MUSEUM			
- history enthusiasts - all tourists - Europeans	- Franklin Expedition - Amundsen exploration expedition artifacts reconstructed Gjoa	- historic interpretation - exploration - magnetic pole interpretation tours of King William Island	- increase visitation increase shoulder season - international awareness
3. COASTAL FRANKLIN EXPEDITION TOURS			
- history enthusiasts naturalists	- Franklin Expedition artifacts - boats	- exploration - sightseeing	increase international awareness of Gjoa Haven augment interest in Franklin Expedition
4. COMMUNITY TOURS AND ENTERTAINMENT			
- all visitors	- craft shop surrounding landscape - dog team - storytellers	- hiking - observation - participation	increase awareness of native culture - provide complete tour package (i.e. evening)

EXHIBIT 11.8 DEVELOPMENT OPPORTUNITIES **SPENCE BAY DESTINATION AREA**

MARKETS	RESOURCES	ACTIVITIES	STRATEGY
1. NATIVE CRAFT WORKSHOP			
- international artists - Government employees - special students	talented craftspeople facilities traditional/contemporary techniques	- doll making parka design - dyeing	- off season opportunities - specialty markets - increase length of stay
2. OLD FORT ROSS RESTORATION			
history enthusiasts naturalists photographers	former buidings striking scenery water access archeological site snow machines	history interpretation boat tours sightseeing photography	- extended stay in destination area
3. BOOTHIA PENINSULA TOUR			
naturalists - photographers - rockhounds	dramatic landscape water access archaeological sites marine life flora/fauna	sightseeing guided marine and land nature tours	- extended stay in destination area - supplies at Spence Bay
4. FISHING/HUNTING TRIPS			
- anglers - sightseers	excellent fishing water access lakes and coastal features	- fishing - overnight camping - sightseeing	extended stay in region access through Spence Bay
5. CHRISTMAS ARCTIC FESTIVAL			
upper income families national travelers - Inuit cultural enthusiasts	traditional games and activities community hospitality native homes community hall	- entertainment participation in games cultural appreciation	- winter season tourism use of community resources

EXHIBIT 11.9 DEVELOPMENT OPPORTUNITIES

PELLY BAY DESTINATION AREA

MARKETS	RESOURCES	ACTIVITIES	STRATEGY
1. RESTORATION OF STONE CHURCH			
- R.C. Missionary students - Inuit history enthusiasts all visitors	- existing church - community interest	exhibits and demonstrations - participation	- identity and attraction for Pelly Bay
2. INUIT STONE HOUSE RESTORATION			
all visitors - Inuit History enthusiasts - archaeological students	existing archaeological sites - boat access - stone caches, etc.	- historic interpretation - sightseeing - photography - guided tours	- extended stay in area - unique attraction
3. COMMUNITY TOURS AND ENTERTAINMENT (TOUR BY BOAT)			
cultural enthusiasts all visitors	authentic/traditional lifestyle hospitality scenic surroundings craft shop	- dialogue - observation - participation - photography	- extended stay in community - activity for community artists
4. INUIT CULTURAL CENTRE			
students of Inuit culture artists/archaeologists - Government/business - northern indigenous people - northern educators	- authentic lifestyle - interest in cultural preservation - hospitality - scenic beauty archaeological features elders	- cultural values/beliefs - survival techniques - arts/craft/games - language - habitat study - indigenous knowledge	- major international attraction for north encourage flow from eastern and western markets - eastern anchor for region

EXHIBIT **11.10** DEVELOPMENT OPPORTUNITIES **BATHURST INLET DESTINATION AREA**

MARKETS	RESOURCES	ACTIVITIES	STRATEGY
1. BATHURST INLET LODGE EXPANSION			
- outdoor enthusiasts - sightseers/photographers - naturalists - anglers - photographers ‘. - international tours special arctic tours	- Bathurst Inlet - Burnside River - Welberforce Falls - outpost camps - quality accommodation established international reputation - access to Bay Chimo	- Arctic nature study - photography - hiking - flightseeing - backpacking - canoeing cultural interpretation in Bay Chimo	- gain additional international recognition - increase volume and expenditure - encourage repeat visitation - promote Arctic environment preservat· on
2. BATHURST INLET NATIONAL DESIGNATION INVESTIGATION			
- outdoor enthusiasts - environmentalists international tours - arctic environment specialists	- Bathurst Inlet Lodge - marine life - Wilberforce Falls wildlife/vegetation	- camping/canoeing - hiking - backpacking - nature interpretation	- gain national nd international recognition for the Arctic Coast - increase destination draw - national publicity

APPENDIX A

RESULTS FROM INTERVIEWS

RESULTS FROM INTERVIEWS

1.0 SUMMARIES OF INDUSTRY INTERVIEWS

Over the course of developing the Arctic Coast Tourism Plan, the Study Team held interviews with companies involved in wholesaling and retailing package tours. In many cases, two interviews were held: the first when the Background Report was being prepared and the second when the Development Strategy and Plan were being formulated. At the second interview, the respondent was shown possible package tours and asked to comment on them.

Seven wholesalers and retailers contacted during the study indicated little or no knowledge of NWT tourism and/or little interest in tourism development in the Arctic Coast. These companies include:

Company	Location
P. Lawson Travel	Vancouver, BC
Sears Travel	Vancouver, BC
Hagens Travel	Vancouver, BC
Gateway Travel	Toronto, Ont
Adventures Tours	Toronto, Ont
Music Mann Tours	Toronto, Ont
Blythe and Company	Toronto, Ont

A total of 26 companies wholesaling and retailing tour packages were contacted through the course of the study. The following summarizes the results of the interviews with the 19 companies that displayed an interested in northern tourism.

Company Name: Evergreen Tours
Location : Vancouver, BC

Current Products and Markets

Evergreen puts together tours for destinations throughout the world. The client group is based mainly in the Vancouver Lower Mainland, and is mostly composed of retired people (age 50 plus). The company specializes in 3-5 week bus tours for groups of about 40, and markets directly through brochures (four brochures a year), rather than through travel agents. The company puts all elements of the tour together, from airfare to accommodation to activities. The company receives a lot of repeat business and books tours six months in advance. Promotion is through ads in the "Elder Statesman" and by word of mouth.

Comments on Northern Tourism

The company generally takes one tour group a year by bus to Yellowknife up the Liard Highway. (The respondent personally took the first bus tour up the Liard Highway and into Yellowknife.)

Evergreen Tours has not offered anything to the Arctic Coast, but could be interested if the package was attractive. They have taken a bus load of people to Yellowknife, then travelled by air to Nahanni Park for the morning. A similar extension to, for example, Coppermine offers potential. The extension would include: a flight from Yellowknife to Coppermine; lunch/dinner (e.g. Arctic char dinner): cultural activity with an opportunity to purchase a souvenir; tour of the town; talk on the community's history; and return the same day. Longer trips of three days/two nights to a single community also offer potential, but would be harder to fit in. European groups or people traveling from Alberta might be interested in a 3-day tour.

A group of forty would require three Twin Otters for the day's excursion. The cost would be $180 for airfare and $20 for a meal. A person in Yellowknife (e.g., Raven Tours) could put the Arctic Coast tour together. A local escort from the area would also be needed.

The respondent believed there were two broad market segments who could be interested in Arctic Coast products:
- people between the ages of 30 and 45 interested in a

Speaking more generally, the respondent expressed the view that the north should be promoted through all-inclusive tours that include airfare, accommodation, meals, activities, guides, and so on. "The northern area is too remote to simply drop people off." All-inclusive tours increase the apparent package price, but will provide the best approach.

The package should be structured to include specific communities, specific cultural activities (e.g., carving), historic presentations, and other activities (nature observation, dog sled trips, fishing). One person on-site in the NWT (Yellowknife or, better still, in the communities) should coordinate all the suppliers who are involved; this person should have a good knowledge of tourism and take responsibility for the reliability of suppliers. Promotion could be handled by sending small 4-colour brochures to major tour companies.

The major constraints to marketing the north are the expense of travel and the small size of outfitters and local operators. Outfitters are very small businessmen who have neither the time, money, or expertise to promote their services to a system of travel agents.

Company Name: Tuullik Wilderness Adventures
Location : Ottawa

Current Products and Markets

The company has three functions:
- to provide wilderness skill training to schools
- to take wilderness tours (canoe trips, whitewater rafting) to Southern Canadian destinations
- to take wilderness tours to the Eastern Arctic.

Current tours include:

(1) Week at Top of the World. $3,100 from Montreal (10 days/9 nights). Includes Resolute Bay to Grise Fjord by snowmobile.

(2) Magnetic North Pole. $3,750 from Montreal (10 days/ 9 nights). Resolute Bay to North Pole by snowmobile.

(3) Whitewater Rafting. Two weeks in the Eastern Arctic.

(4) Whitewater Rafting/Hiking. One week whitewater rafting, one week hiking in Aiyuittug National Park.

The company also offers a whitewater rafting trip for local residents in Baffin Island. In 1983, they took 40 people to the NWT in four groups (10 per trip is a good party size). The company has not sent any tour groups to the Arctic Coast.

Tuullik tours are organized around a size of 12 (maximum), with a ratio of one guide to 4 patrons. The main guide/host organizes and leads the whole tour. He picks up the group in Montreal, provides an introduction on the plans, organizes and leads on-site tour activities, ensures a quality experience, and returns to Montreal with the group. The Tour picks up two assistants (locals, outfitters, etc.) in the North. The major host provides needed adjustments to Canada for Europeans and the local assistants provide an introduction to and liaison with local (Northern) culture and environment.

Interpretive or learning experiences are an important part of the package. Tuullik provides an interpretive guidebook for patrons to use on tour and to refer to at home. The book provides information about trip activities and background on such things as caribou and dog sledding.

Adventure packages must be unique to sell them in the expensive holiday market. (Airfares alone place these trips in the high price range.) The lure is experiencing and exploring the North. “Anyone can go cross-country skiing (it is not native to the north), but the interesting part is getting out into Arctic wilderness on skiis and experiencing the natural beauty.”

Packages are priced from Montreal and include all expenses

(70% of the cost is airfare). The all-inclusive approch is the easiest to market. The company is currently selling packages in Northern Europe (West Germany, the UK, France, and Holland) and in the southwestern USA (Texas, California, and Arizona) .

The marketing method is to participate in all major show promotions (e.g., Rendezvous Canada) and to use sales agents (in West Germany and Minnesota). Tuullik clients are interested in wilderness adventure and are typically university educated professionals who form the middle to upper income groups ($30,000 plus annually). A vacation for these people is a major status item.

Tuullik is currently staging "Interlude" in Ottawa. It will be a $35,000 trade show effort which will provide much needed exposure for the Eastern Arctic (and Baffin Island). To date Canada has not been a major focus as a market, but there has not been much effort either. (It may be an untapped market, but it is also an unaware market.) "Interlude" has already generated a lot of publicity and interest -- it has already stimulated commitment from 16 people interested in tours that have not been advertised yet.

Comments on Northern Tourism

The respondent offered the following comments on tourism in the NWT.

- Ten days to two weeks is the ideal package length for tourists from Europe. It is difficult to maintain their interest on longer package tours, and a shorter tour cannot absorb the high cost of airfare.

- Scenery and meeting the Inuit people are the most important attractions in the Arctic.

- Food must be of good quality. If good accommodation cannot be provided, the atmosphere of quality can be created by preparing food properly and treating visitors to one good meal a day.

- The Arctic should not be billed as a luxury experience because it is not. Proper preparation of visitors is important to avoid disappointment.

- As long as overheads are kept to a minimum, there can be sufficient profit in taking 40 tourists per year to the Arctic. The key is to make good use of local services and outfitters.

- A significant constraint in promoting tour packages is the lack of intermediaries between southern wholesalers (who must understand and promote the product) and local outfitters (who have limited knowledge of tourists, promotion, and service). Government groups have tried to assist development, but they often do not appreciate the small details that can break a small tour operator.

Local operators often do not know how to appeal to tourists (particularly from other countries) and are not geared for sales.

- **One** approach would be to establish an association of representatives of each town. Each representative would identify products and work with local operators to develop package ideas and activities. The representatives would meet, review product ideas amongst themselves, and then review the ideas with southern wholesalers. The association would develop a brochure to cover the packages with the most potential. These packages would then be promoted jointly by GNWT tourism and southern wholesalers. The association would also set standards that all members would be expected to meet .

- Packages for foreigners must be controlled from the southern airport through the entire itinerary in the north. If people spend a few unorganized days in Yellowknife or Frobisher Bay, anything can happen. The experience must be controlled to the fullest extent possible.

The respondent made the following comments about adventure tours (the company's market interest).

- Adventure tours must focus on a single theme. A wide list of activities is possible, but not easily sellable as a mixed bag.

- Each market has its own expectations and interests. Some mixes of activities work and some don't.

- Suggestions for a tour include:

  It should focus on a natural theme (cross-country skiing, dog sledding, igloo building, nature observation) . Note: snowmobiling does not mix with cross-country skiing or dog sledding.

  - It should have intrepretive experiences built in.

  - If the tour is directed to the adventure market in Europe, it must be of high quality, delivered flawlessly, packed with activities, and the patrons must be pampered. Europeans demand quality because these vacations are major (much like a trip to Europe is for us) and word of mouth is a big factor in continued sales.

Pricing for tours depends on the activities offered, equipment required, number of days, and fixed costs. For one 2-week trip, Tuullik charges $3,500 in 1985. An Arctic Coast package might be less because cross-country skiing would require less equipment. For a two week tour, including flight costs from a major entry point, an Arctic Coast package could cost about $3,000.

It is best to price trips so that each trip covers its costs. Packages should be all-inclusive so that once visitors arrive at the pick-up point, they have nothing more to worry about. Equipment used should be first-class (not worn-out looking sleeping bags often used by local outfitters).

It is absolutely necessary to have a link with southern promoters. Packages developed in the North cannot be sold from there. Coordinators between north and south must have high profiles and work regularly with southern promoters. This is not a part-time job. Tuullik acts as an intermediary between north and south. They develop tour packages and have a local outfitters license, but the key is PR effort in the south.

The Travel Industry Association could be a good way to push development packages and sales to southern agents. However, the NWT Association is currently located in Yellowknife and they are out of touch with the Eastern Arctic (i.e., encouraging government seminars on how to run a hunting or fishing camp has little application for Eastern Arctic.) Similarly, they are not likely to relate well to tourism development opportunities in Arctic Coast.

Company Name: High Arctic International Explorer Services Ltd
Location : Resolute Bay

Current Products and Markets

The company operates out of Resolute Bay and has no affiliation with the airlines. Packages start and end at Resolute Bay. The company works with local guides and outfitters; its on-site location means better control over timeliness, etc.

The company operates the following tours in the Eastern Arctic from March through August :

North Magnetic Pole:	10 days ($2,280/person). From Resolute Bay to the North Pole + wildlife
Beechey Island :	4 days ($500/person). From Resolute Eay. History of NW Passage.
Fishing Tour :	7 days ($1,790/person). From Resolute Bay. Sightseeing and fishing.
Resolute Vacation :	10 days ($850/person). Resolute. Sightseeing and culture.
Top of the World :	$1,800/person. Resolute Bay to Grise Fiord. Live in tents and igloos .
Ellesmere Island :	10 days ($1,970/person). Resolute Bay to Lake Hazen. Camping.

In 1983 the company took about 100 people in groups of 4-12 to the NWT. The best group size is 10 for chartering, etc.

Clients are drawn from the USA, Japan, and Europe (W. Germany, Scandinavia). The market seems to vary with a country's economy: the better the economy, the more interest from the country. Reasons to visit the NWT vary -- holidays, nature watchers, adventurers, "even people who want to plant a tree in the NWT and then climb it!"

Most visitors seem to want a wilderness experience, some history, a nature experience (glaciers, polar bears, whales, seals, caribou, muskox), and a cultural experience (igloo living, ice fishing, soapstone carving) .

Comments on Northern Tourism

The respondent believes that visitors to the NWT want some comfort in their accommodation, but are expecting to rough it. An NWT tourist does not want to pay expensive hotel and restaurant rates. "Despite the high costs, the service is not that good."

High airfares are a problem. A Japanese tourist can fly from Tokyo to Edmonton return for $1,000, but then has to spend another $1,000 to fly from Edmonton to Resolute Bay return. Problems with reliability of service also arise from time to time.

It is necessary to have many local contacts and to know the Inuit culture. Local people need training in what to expect and how to treat tourists. Non-local wholesalers also need to understand the problems and the best way to avoid them.

The remoteness and mystique of the NWT as one of the "last frontiers" have a special drawing power. It is important for tourists to feel the land is virgin and still undeveloped.

Company Name: Qaivvik Limited
Location : Yellowknife

Current Products and Markets

The respondent noted there is movement away from consumptive activities toward photographic, hunting, and other tourist oriented activities.

A recent study completed for the company suggested they become involved with photo tours. Significant problems were encountered with their first product offering. The company took visitors to Holman Island for a photographic and cultural spring arctic experience. The cost of air fare increased and not enough people signed up to make the tour profitable.

New tours are offered for September: 4 days @ $875; 6 days @ $1,275; 2 days @ $499. The cost does not include airfare to Yellowknife. The purpose of the trip is to watch the migration of caribou. The location is Courageous Lake. People signing up for the latest tours are 50 plus in age, semi-retired and/or well-off, and have a strong interest in caribou and the northern experience. A caribou expert is participating in the trips.

The company also offers sport hunting tours for polar bear, muskox, and caribou. These are not lodge-based, but use tents for accommodation. Community outfitting services are used in most cases. The tags are arranged through the Hunting and Trapping Association.

Comments on Northern Tourism

Marketing these products has been difficult. The company does not have the client contacts or agent contacts to promote their products. Qaivvik currently uses some national agents, but is skeptical about how much they will sell. To acquire exposure, the company has offered special discounts to travel writers for several major publications.

The main problems in attracting visitors to the NWT are: the cost of airfare, accessibility (most access is by aircraft), and the reliability of local operators (this varies greatly by community).

The respondent offered the following comments on package tours:

- **One** way to broaden the approach is to look for ways to expand the experience. The idea of spending 3-4 days on a course learning to carve stone with native artists has possibilities. The balance of time could include visiting other cultural aspects plus a day of nature observation. This makes a maximum of one week.

- Tour packages are easier to market if they are tailored to a specific interest market (rather than geographic area). There is likely to be limited appeal for a purely cultural package. Promotion should be directed to clubs or societies (art enthusiasts, etc.) or agents who tap the special interest market.

- Packages could be advertised in a specialist magazine such as National Geographic. (Qaivvik currently uses specialist clubs and magazines as a focus for ads. They also have a few speciality agents who carry their packages.)

- **One** package we discussed could sell for $3,000 out of Yellowknife, but it would be better to go to $4,000 and sell it from a major point of entry (e.g., Toronto, Montreal), depending on what the major market is.

- Overseas markets like all-inclusive packages best. All-inclusive packages also make it easier to control the quality of the whole experience. Groups can be brought together at the Canadian point of entry and prices would include all airfares from that point on.

- Although expensive, it is a good idea to send the host to the starting point for the tour. The main host should work for the wholesaler. If s/he is a local Inuit, s/he had better:
  - understand the tourism business
  - be totally prepared
  - understand the company and its priorities well.

- The main host is a key element of a tour, since s/he controls the on-site experience. Hosts should be well versed in interpretive information, colourful stories, and how and when to get the most out of encounters with the local people.

- When involving local Inuit traditions or culture in packages (e.g., dinner in a private home), it is best to involve older Inuit. Their contributions of stories, character, and colour are very valuable. Younger Inuit are helpful as guides.

  Good packages have a high quality image (and product), are well planned, and stick to a tight schedule of events .

- **There is** a lack of understanding about what makes a good package tour in the NWT. Few people seem to have been on a good one. Operators and new wholesalers should should go on an established packaged tour to learn first hand how the patron's needs are catered to. Part of the success in tourism is being able to put yourself in the shoes of a tourist (particularly one from a distant, different culture). Only then can you understand how the NWT must cater to its visitors.

- Groups of more than 10 people are difficult to control and tend to swamp the communities.

- Tourism in the north is new, and developing a good image is important. It be better to go for an expensive, highly controlled, high quality tour than take a chance on a low budget one.

Company Name: Goliger Tours Ltd.
Location : Toronto

Current Products and Markets

Goligers offers five types of products.

(1) Independent Tours. Goligers puts together towns, accommodation (including food in most cases), and airfares. Tours are for 4-8 days and involve visits to several arctic communities. Activities are optional and cost extra. Activities are arranged on a custom basis on-site or in advance through local contacts. These are not package tours and do not involve chartered airlines. They are not group tours and are not escorted. July-August is the primary period of operation. The following tours are listed in the Explorer's Guide.

Name	$/Person	From:	Length	stops
Polar Bear	2,116	Toronto	6 dy/5 nite	Pond Inlet, Pangnirtung, Frobisher Bay
Baffin Island	1,294	Toronto	4 dy/3 nite	Frobisher Bay, Pangnirtung
Best of NWest	1,782	Vane.	8 dy/7 nite	Whitehorse, Inuvik, Dawson City, Tuktoyaktuk
White Fox	1,809	Toronto	6 dy/5 nite	Frobisher Bay, Cape Dorset, Pangnirtung
Arctic Char	1,494	Toronto	4 dy/3 nite	Frobisher Bay, Pangnirtung, fishing with guide.

(2) Arctic Circler . A one-day return trip to satisfy the curious, done on a very cheap basis. The tour is basically a 24-hr trip which includes: stopping in a major community (e.g., Inuvik or Frobisher Bay), arctic char dinner at site, view of northern lights (and midnight sun) , tour of village, and shopping trip.

(3) Custom Tours for Individuals. An extension of Independent Tours.

(4) **Custom Group Tours. These are put together around a** theme for a special interest group. The flights are chartered and activities organized.

(5) **Total Package Tours. These are available through agents across Canada. Tours are theme-oriented and are only**

operational if a minimum number of subscriptions are sold .

Goligers took about 2,000 people on tours to the NWT in 1983; most were on the 24-hour Arctic Circler.

Goligers offers only one escorted tour each year -- a 16-day trip to Greenland. The tour involves 10-20 people.

The over 55 age group makes up a significant portion of the Circler tour and some of the individual tours. Most of Goligers' clientele are Canadian (from Toronto, Vancouver, Edmonton, and Montreal) . The company does not get a lot of business from the United States and has not actively pursued the specialty group markets. "Goligers is well known for its experience in the Arctic and interested groups come in for a custom designed group tour."

The company does not currently fly tours to the Arctic Coast, but would be interested in hearing of any organized approach. The respondent emphasized the need for product development. "It's not just the physical aspects, but nobody has done a creative job on the potential products and organized an attractive , reliable product. If the product isn't there, I can't put together a package and sell it."

Goligers' brochure is prepared from August to September and is ready for mailing in February. Therefore, if some project were to be organized in the Arctic Coast, speed is necessary if the 1985 brochure is to feature it.

Comments on Northern Tourism

Goligers has worked with Travel Arctic and tour operators in the north for ten years, and the problems are generally the same throughout the NWT.. (A few places, however, such as the Baffin, have done some positive work and created a worthwhile attraction.)

The major problems in NWT tourism development are as follows:

- Travel Arctic wants to encourage more business for lodges and outfitters, but they have a very limited budget and are limited by many political pressures (such as land claim issues).

- The idea that the NWT has great fishing is old hat and has little appeal to anyone but fishermen. "Why should someone go to Kitikmeot to fish when he can fish in other NWT areas where airfares are cheaper?"

- Less developed areas such as the Arctic Coast are unique and could be attractive, but the towns have a transient nature to them (part of the culture) , accommodation is limited, airport facilities are poor, and outfitters are not professional. This leads to a cheap appearance for an expensive trip. European visitors and US visitors are willing to pay reasonable amounts if the product is high quality.

- In today's market (with deregulation and so on) the trend is toward lower priced holidays. Airfares alone restrict this approach in the northern reaches of the NWT ; therefore, the product must be high quality. While many southern tourist operations are becoming more price competitive in their local and international markets, the NWT is not. Food is high priced and accommodation is often over-priced (because it's the only place in town) . Services from outfitters and guides are unrealible . All these factors limit the appeal to a sophisticated traveller.

- Operators do not have a lot of experience with tourists and there is a serious lack of understanding on the part of both native and non-native residents regarding
  - what a tourist is
  - what will attract tourists to fly all the way to the NWT
  - how tourists should be treated
  - what tourists want to see and experience.

- Tourism must be taken out of the realm of "how can we make more money" to "how can we become attractive."

Goligers would be receptive to an organized approach with the following characteristics:
- coordinated some activities and accommodation,
- was run in a professional manner,
- was consistent, reliable, and had a sense of longevity, and
- was packaged in a creative way.

The respondent offered the following comments on possible products.

People are curious about:
- the mystique of the north (expeditions, native culture, and history). -
- the flowers, animals, tundra, and landscape of the north
- the native background (religion and lifestyle).

Many of these aspects can be packaged in an experience -oriented tour. The following experiences could be incorporated.
- **cooking demonstrations**
- **seal skin tanning demonstrations**
- **special cultural dances or games**
- **watching carvers at work and talking with them**
- **viewing arctic tundra and discussing the unique flowers and difficult growing cycle**
- **discussing how the lives of NWT residents differ from those of the visitors.**

The biggest obstacle to northern tourism development is getting northern operators organized to continue to provide a good product.

Company Name: Special Odysseys
Location : Medina, Washington

Current Products and Markets

Special Odysseys is run by the owner and his wife who have lived in NWT communities and cultivated many local contacts. The company has been taking people to the NWT more than ten years. All tours are personally directed by the owner and his wife. Each party is well prepared for the experience and is instructed on how to deal with local cultural differences. This approach minimizes clashes and feelings of intrusion.

Special Odysseys takes people to the Canadian Arctic, Greenland, and the South Pacific.

Special Odysseys offers four tours to the NWT, all involving the High Arctic. They used to take tours to Kitikmeot (Holman and Coppermine), but stopped about two years ago. The tours were very well received and tourists enjoyed going there, but the airfares became too expensive. Airfares are close to pricing the NWT out of the market today. The trips to Holman and Coppermine were one per year.

Current Trips	**$/Person**	**Details**	
North Pole	6,690 (US)	April	Resolute Bay/N Pole/Grise Fiord
Discover the High Arctic	2,985 (US)	July	Yellowknife/Grise Fiord
Arctic Mammals	4,950 (US)	June	Edmonton/Resolute Bay/ Grise Fiord/Ellesmere Island (11 days)
Wildlife of the High Arctic	1,180 (US)	Aug	Pond Inlet/Baffin Island

They do only four trips to the NWT per year, and each is fully subscribed for 14 people (56 people total). They do not want to "kill the goose that lays the golden egg" by taking too many people and causing disruption in the communities or making the trips appear mass-produced (to clients).

The length of the trip is important, "No one wants to spend a month in one community and spend 3 of 4 weeks staring at the same sea/shore, ice flow, or mountain." One consultant recommended longer trips to keep more dollars in the community.

The US has been Special Odysseys' major source of clients. Their market covers Washington, DC to Boston and west to the Mississippi. The California market has not been profitable because Alaska's PR efforts swamp any NWT efforts. They participate in Rendez-vous with PWA in hitting the European market, but they have very few European buyers.

The company mainly sells to affinity groups (e.g., birdwatchers). The company designs special packages for societies and the societies sell the packages. Their clients are not necessarily wealthy, but they are definitely savers with outdoor interests and/or are people attracted by the mystique of the north.

Comments on Northern Tourism

The major attractions of the NWT are wildlife, scenery, and Inuit culture. These attractions offer very different appeal to interest groups, and groups must be separated for marketing purposes. (Wildlife watchers can be alienated if they perceive an association with hunters).

Operators of tour packages need a professional approach. For example, "they can't try to service two groups with one chartered aircraft, constantly keeping one group waiting." Guides must be reliable and services competitively priced.

Pricing is a problem. For example, the hotel in Ponds Inlet costs $35/night more than similar accommodation in Grise Fiord. This appears to be simply a matter of charging what the market will bear.

The biggest problem is the high cost of air travel which pushes up the price of the whole package. Special Odysseys uses agents, but many are unaware of the NWT and take some selling due to the high profile of Alaska.

The respondent offered the following comments on package tours .

- A number of package tours have not worked. Marketing is important -- design problems with a brochure can be a real problem. The best approach is a four-colour brochure (minimizes cost). Psychographic research is also important. The company test-markets a product for two years, then drops it if it is not successful.
- A ten-day package should be kept below $3,000 US (about $4,000 Can). The typical wholesale markup is 15%.
- Group size is restricted to the capacity of a Twin Otter (maximum of 15).
- Packages can be sold through travel agents, but they make more profit on other products (e.g. , Caribbean tours) . Direct sale is better. This involves sales to affinity groups. The wholesaler identifies groups that may be interested in, for example, wildlife photography, and sells directly to them.
- Airlines can assist with promotion, e.g., distribute brochures, provide free passes to tour guides.
- Wholesalers should be brought to the region and the packages outlined to them. They will then sell to

travel agents and affinity groups. Wholesalers need first hand experience with the region.

- Training and standards are needed. Local enforcement (through the Tourist Association) is preferable to government enforcement.

- Research should focus on **psychographics,** not demographics (assume the numbers of people are available -- the issue is how to attract them).

Company Name: Faber Travel
Location : Brantford, Ontario

Current Products and Markets

Faber Travel is a wholesaler of package tours to the Baffin. They sell six tour packages (four basic ones listed in Explorer's Guide and two that combine fishing with sightseeing) . Over the six tours, the company takes 200 **people per year.**

The four trips listed in the Explorer's Guide are:

Arctic Holiday*:	From: Toronto, New York, Pittsburgh, Chicago Destination: Baffin , Peyton Lodge $/Person: $1,879 (Montreal) Details: 6 days
Arctic Char Fishing :	From: Toronto, New York, Pittsburgh, Chicago, Montreal Destination: Baffin, Fish Camp $/Person: $2,429 (Montreal) Details: 8 days
Backpacking in Auyuittuq Nat'l Park* :	From: Montreal Destination: Baffin National Park $/Person: $1,195 (Montreal) Details: 2 night accom only
Trophy Trout Fishing :	From: Toronto, New York, Pittsburgh, Chicago Destination: Great Bear Lake $/Person: $2,269 (Edmonton) Details: 9 days

* Sightseeing tours.

The season is July and August only. Ice can be a problem at other times. Some specialized tours may go earlier (e.g., a group wanted to camp using igloos).

The local communities cannot provide adequate food and accommodation on a consistent basis. Peyton Lodge provides the base, but the community supplies the services and the sights . The lodge employs Inuit workers and uses local guides for its tours. The same people operate Peyton Lodge in Pangnirtung (Baffin Island), although it deals with other wholesalers.

Faber Travel offers no tours to the Arctic Coast. The company is very careful that serices offered in Toronto actually exist. The guides must be reliable and staff well trained. Clients are interested in a specialized holiday and are willing to pay big dollars.

A typical problem that arises:

Problem: Iced in (in July) at Baffin, so client group can't be accommodated as planned

Solution: Took group to Great Bear Lake for fishing, but cost an extra $1,000/person (on top of $2,000 already paid). Clients say, "that's fine, the extra cost is not a problem."

Faber Travel is familiar with the Arctic Coast Region, but is satsifed with the services currently in their packages. They are very careful who they deal with and what products they offer.

Faber Travel's tours are designed for 10-20 people, working on the airfare standard: 10 bodies + 11th (guide) fly at half fare; 15 bodies + 16th (guide) fly for free. These deals are much more formal with southern air operators, but similar arrangements are possible in the north. The key is that these are not regular tours and each has to be examined on its own merits and each tour is negotiated separately.

For Peyton Lodge, an important market is the Meeting and Incentive Travel market. The Lodge is actively promoting unique holidays (fishing or other) to corporations (e.g. , business meetings outside the USA, trips as sales incentives) . To date, Faber Travel has not specifically gone after the nature watcher societies.

Comments on Northern Tourism

The respondent noted the following problems in attracting people to the north:

- the cost of travel is a factor, particularly with alternatives available
- people don't know anything about Baffin Island and other parts of the NWT
- markets are limited by level of income

In general, few people know enough about how to run a lodge, how to promote a package, and how to provide reliable service.

Another small problem is that local people require more supervision than is usually required for a hospitality operation. Their sense of time and urgency is different.

The respondent made the following comments about the market:

- it is geographically dispersed; clients come from many countries
- the fishing market is very different from the tourist/wilderness adventure market
- different advertising media and agents should be used for different market segments (agents tend to specialize)
- the tourism market is attracted by sightseeing, culture (e.g., Inuit art), and northern history (e.g., the history of whaling stations).

The respondent had no clear ideas on geographic market targets. He commented, "we are clearly talking about an expensive (and hopefully unique) quality experience," which indicates a target market including high income groups. Other comments are as follows:

- Packages should be costed individually and designed for a purpose.

- It often takes two years to assess the potential of a tour. A tour is a large expense and patrons need about 6 months to plan for it.

- **Packages are expensive and best if they are all-inclusive (including airfare from southern point of entry) .**

Marketing package tours should be as down to earth as possible. "Beautiful descriptions of peace and tranquility or scenic landscapes don't sell . . there are lots of places for this experience." The tour must be unique. Naturalists must be enticed with real details. E.g., mention that caribou and geofalcons (endangered species) are visible on the Coppermine River tour. "Somehow the experience must be made tangible, real, attractive, and unique. He [the patron] is buying something he cannot see or touch until he gets there."

Pricing tour packages is difficult without itineraries. A package could cost $3,000-$4,000 for 7-10 days. You can count on $130/day for meals and accommodation. Airfare is about $1,300 (more than normal because of flights between communities on top of flights from the south).

The basic price is probably about $2,600 before guides, suppliers , and expenses. It would be very difficult to keep the price below $3,000.

The respondent suggested "three keys to success":

- Trips should be built around a specific activity or special interest.

- **There are** three elements to an educational package:

  (1) Prior to the trip, build the correct level of expectations . E.g., "This is a great place, but not a sophisticated holiday." Patrons will not be disappointed .

  (2) Build excitement with an introduction on the plane. Discuss in general what patrons can expect to see.

  (3) Exposure to the Inuit culture and personalities makes the holiday unique -- but, local people are unpredictable -- expect the unexpected. E.g., While bringing a boatload of visitors to the lodge, the guides may want to stop to hunt a seal. You

can't change their tradition so accept it and build it in as a feature.

The respondent noted that Faber Travel may be interested in Kitikmeot packages in the future. His clientele, however, expect high quality, and it is easy to have poor delivery. He would have to experience the tour himself and have input on the quality of delivery. He would also want a say in the presentation or composition of marketing copy.

Company Name: Canada North Outfitters Inc.
Location : Waterdown, Ontario

Current Products and Markets

The company offers several tours to the NWT, but nothing to Kitikmeot. There are five tours listed in the Explorer's Guide, but they offer nine different packages. Tours vary from specially designed packages for individual clients to standard tours for small groups. In 1983, they took 140-150 people to the NWT.

In the past they had the market to themselves, but now there are many more packages available, making it tougher to attract the clients.

In addition to the hunting and fishing, the five tours listed in the Explorer's Guide are:

Arctic Cruise:	Starts: Montreal Destination: Baffin Island $/Person: $2,500 Details: 4 wk cruise; August 1 to September 1; view sea mammals and birds
Dog Sled Trip:	Starts : Montreal Destination: Foxe Basin $/Person: $2,265 Details: 10 day trip; May; accommodation igloos
Wildlife Cruise :	Starts: Pangnirtung Destination: Ellesmere Island $/Person: $2,500 Details: 10-14 day cruise; visit Inuit communities; view wildlife
Inuit Camping:	Starts: Montreal Destination: Cape Dorset $/Person: $2,465 Details: 10 day: travel with Inuit families on fishing and hunting expeditions
Inuit Art :	Starts: Montreal Destination: Cape Doreset $/Person: $1,465 Details: 5 day; lectures on Inuit art, meet artists

The respondent noted it is easier to attract/sell the hunting **and fishing trips, but the marketing emphasis is clearly to special interest groups. The concept of community-based tourism packages is very similar to the packages they are offering. They use local outfitters and guides and emphasize the local cultural experience (art, hunting, dog sledding). The respondent feels that the product opportunities are** plentiful in the NWT, including the Arctic Coast, but the clientele is limited.

The season for Canada North Outfitters is April to September.

The company has no particular target markets. Clients are drawn from Europe (Germany), USA, and Canada. The respondent feels that Japan may be a good market, but has not gone after it. Australia is too far away to be worth pursuing.

Their current clients are:
- $40,000+ income earners
- special interest groups -- often associated with wildlife, conservation, or cultural interests
- outdoors oriented
- the hunting and fishing activities appeal to the male market, but the other tours are a 50/50 split between males and females.

The company's client group tends to be wealthy and somewhat insulated from the effects of a recessionary economy.

The respondent does not use agents to promote or sell his packages. Agents do not specialize to the degree needed, and their knowledge of the NWT is inadequate. Sales from agents represent less than 20% of the clients. (He continues to offer a commission to agents, but also sells the packages himself.) He advertises the tours and uses an extensive list of contacts. Many clients are repeats. He specially designs tours for clubs and also designs packages to sell to special interest groups.

Comments on Northern Tourism

The type of products required are:
- Inuit art
  outdoor interests
- adventure experiences.

The dog sled, wildlife observation, cultural observation, and historic elements available in the Arctic Coast are similar to those in packages in the Baffin. These products have already gained some acceptance in the market place.

Inexpensive packages are needed. Canada North has tried to keep prices as low as possible. The problems are:
- the high cost of transportation to Canada
- the high cost of transportation to the region
- accommodation, food service, and general tourist services are not high quality, but prices are high.

Problems for northern tourism are:
- high cost (particularly transportation)
- low level of infrastructure
- accommodation and food are getting better, but still need work
- the major item is the lack of adequately trained personnel who cater to tourists.

The respondent expressed interest in the general interest tourist market. Currently his clients are fishermen and active outdoor types, but the "curious, less experienced tourist is an untapped market who could be targetted." He is interested in expanding the scope of packages to target this market in the future. Packages would include "community shopping", general interest topics, and a northern Arctic experience. Hurdles to the development of these packages are:

- Airfares between communities are high (need to negotiate a complete route deal with extra money to allow for stopovers).
- These clients are less adaptable to outdoors and require amenities -- the quality of service may have to be re-thought.
- Costs must be low to attract general interest tourists.

The respondent believes the all-inclusive price of a 7-10 day tour could approach $3,000/person (including airfare from the south). Ten is a good group size. The staff requirements would be one group leader or host, one local host (who speaks English) in each community, and one or more local equipment operator in each community. Their roles would be as follows:

Leader - picks up group at southern take-off point
- represents wholesaler (ensures quality)
- escorts and coordinates tour

Local Host - meets group at plane in each community
- provides translation between Inuit and English
- coordinates local operators and local services

Local Operator - provides additional Inuit contact and culture exposure
- provides equipment.

The number of tours per year would vary with demand. Between July and August, they might plan on five tours (fishing camp tours can be sold with high frequency).

Special interest tours are easier to sell because they can focus on a small audience. The operator can advertise in specialist magazines. Travel agents are not much help with these tours because they lack the expertise and the specialist image needed to attract buyers. These packages are usually booked directly.

Although activities should be participation oriented, "there are degrees of participation, and it is difficult to get a high level of involvement . . . not likely to have a tourist partake in skinning a seal!" The learning experience is important to build into the tour. This is partly accomplished by providing detailed itineraries, literature, and a well prepared host.

The respondent believes three-day event packages are too expensive to sell in the south. They would have to be combined with another experience such as a five-day dog sled trip.

Company Name: DeWest Tours Ltd.
Location : Vancouver, BC

Current Products and Markets

The company is a travel wholesaler -- they put packages together and agents throughout the world sell them. The company doesn't necessarily know where the best market is or where business comes from. They offer tours to the NWT, but not to Kitikmeot. In 1983, 50-100 tourists were taken on trips to the NWT by DeWest Tours.

Trips offered:

North Pole:
Begins: Edmonton
stops : Resolute Bay, Grise Fiord
Destination: Lake Hazen
$/Person: $6,973 all-inclusive
Ends: Edmonton
Max No/Party: 14
Frequency: Limited

High Arctic #1:
Begins : Edmonton
Stops: Ft. Smith, Yellowknife, Inuvik, Dawson City
Destination: Tuktoyaktuk
$/Person: $2,705 all-inclusive
Ends: Vancouver
Max No/Party: 20
Frequency: once/week June-Aug

High Arctic #2:
Begins : Edmonton
stops : Nahanni National Park, same as above
Destination: Virginia Falls
$/Person: $2,705 all-inclusive
Ends: Vancouver
Max No/Party: 10
Frequency: same

High Arctic #3:
Begins : Edmonton
stops : Yellowknife, same as #1
Destination: Tuktoyaktuk
$/Person: $2,461 all-inclusive
Ends: Vancouver
Max No/Party: 20
Frequency: same

Each trip lasts about a week. These are sightseeing, camping, and educational holidays.

DeWest is not promoting these trips any more. If there are groups who want to go, fine, but otherwise they are not going to happen.

Problems encountered were as follows:

- The trips were started in 1980/81 and have not been fully subscribed.

- With such small interest shown to date, it is too costly to put on the tour (planes must be close to full if the tour is to make money).
- The recession seriously affected interest in this type of holiday -- it is too expensive for what is offered.
- Even with a cheap Canadian dollar, the food, accommodation, and transportation costs are very high compared to other holiday alternatives.
- The market is very limited to special interest groups in Canada , US, W Germany, and Australia/New Zealand.

Comments on Northern Tourism

The respondent noted the following markets for Arctic Coast tourism:

Geographically: All over the world, although transport costs to get to Canada restrict appeal. Best target is Canada and USA. W. German and Australia market significantly dropped off in 1983/84. Prices are just too high and economy in Germany is having problems.

Special Interest Groups: Birdwatcher societies, whale watchers , seal watchers. Australia and New Zealand are particularly good markets for special interest groups.

Income Level: $3Ø,ØØØ+ household income is the lowest who can afford the transport costs alone (both overseas and North American).

He suggested that tourism products must have the following characteristics to attract people:
- uniqueness (wilderness is not enough)
- proper packaging and promotion
- reliable services (food and accommodation, guides)
- competitive pricing.

Attracting people to the North encounters the following problems:
- transportation costs to Canada are high
- reputation of service is poor
- hotel and restaurant accommodation in towns is limited
- hitting the special interest groups who can afford this type of trip is difficult
- promotion is poor.

There is a need for government support for promotion efforts for wholesalers to new areas. Cost of advertisements and brochures is very high if only a few visitors are attracted.

Company Name: Kitikmeot Arctic Tours
Location : Cambridge Bay

Current Products and Markets

This company is a tour wholesaler -- puts trips together from airfares to accommodation to activities. They will design a trip to client's needs. The company also works with southern wholesalers such as Goligers and Lanier in Toronto and Great West Tours in Winnipeg. Most products are hunting and fishing-related -- few native observers as yet.

The respondent has received inquiries from naturalist societies and others with interest in non-consumptive tours (e.g., social clubs of large corporations) and has booked one naturalist tour. The tour is for 7 days for 7 people at a total cost per person of $1,700 (one-half of this is airfare from Winnipeg). Sites and activities include the Arctic Ocean, the old sealing stations, Mount Pelly, viewing a wide variety of birds and wildlife.

The respondent expected to bring about 160 people to the NWT in 1984. The normal group size is 5-10 but the Arctic Circler of Goligers involves 119 people (24 hour trip). Important markets include Calgary, Saskatoon, and the Northern and mid-Western United States.

The cultural side of the experience is something he often builds into his tours. He gives visitors a chance to observe actual hunting or commercial fishing techniques. Usually the Inuit "invite the visitors for tea and they have a one-on-one experience . . but this must occur as a response to an Inuit invitation not as a tourist intrusion."

Most trips are 7 days in length, include a visit to traditional sealing or commercial fishing camp, and include native food (e.g., arctic char). The tour price does not include the cost of airfare.

The respondent has a man in Yellowknife who meets the plane, sets the group up in the hotel, and provides a quick tour of Yellowknife . This is all included in the price and the man's expenses are accounted for. The respondent meets the group in Cambridge Bay and introduces his local assistants.

To date, the respondent has not used agents. His fishing trips are sold through direct sales, sport show visibility, and word of mouth.

Promotion activities include ads in the Explorer's Guide and the Ontario Outdoor Magazine, the Sportsman Show in Toronto and Calgary, Rendez-Vous Canada, and the Wholesaler Show in Alberta.

Comments on Northern Tourism

The attraction of the NWT is a specific activity in conjunction with the wilderness. Most tourists rave about the people and are impressed by how friendly and helpful they are.

Problems include:

- high airfares
- scheduling activities (weather can affect flights).

Flexibility and preparedness of ground operator is the key to success. Weather can change unpredictably, making birdwatching or fishing less desirable. Therefore, operators need to have alternative activities ready to go.

The respondent offered the following comments on tour packages:

- Most lodges in the Kitikmeot are not interested in supporting community development.
- Community-based fishing tours for seven days could have an all-inclusive price of $2,600 (including NWT Air out of Winnipeg).
- A possibility for an outdoor enthusiast tour: dog sled trip from Cambridge Bay to Gjoa Javen and return (tracing part of Franklin Expedition); group of 10 people: 6-7 days in length; estimated price of $1,600 to $2,000 per person before airfare from south.

It is important to prepare the group for the experience, but it is not essential to have a tight itinerary (e.g., by hour).

Company Name: Kingalik Tours
Location : Holman, NWT

Current Products and Markets

This company provides outfitting services, including food, accommodation (tent), equipment, and supplies to groups on land. The company takes naturalists, fishermen, and hunters on tours for $125-150/day. Activities include observing seal, muskox, flowers, some fishing for Arctic char, and some hunting (polar bear and seal). These are not package tours -- visitors handle their own airfares and accommodation in Holman.

The company advertises only in the Explorer's Guide -- people reserve directly. The company handles individuals and small groups. Tours are flexible to meet specific client interests -- there is no specific length of trip and destination. Visitors are taken by boat in Summer (June-August) and by dog sled in Spring (March-May). The product has been marketed only in Canada. The typical client is between 40 and 50.

Fifteen people in total were accommodated in 1983.

Company Name: Canadian Nature Tours
Location : Don Mills, Ontario

Current Products and Markets

This non-profit tour group is co-sponsored by the Federation of Ontario Naturalists and the Canadian Nature Federation. The group puts together tours (wholesaler sells only to members). 1985 if their 11th year in business.

The tours are nature oriented. Clients come from across Canada, USA, and Europe. The tours focus on Canada, but some go outside Canada (e.g., Iceland, Arizona, Trinidad). Tours focus on wildlife of all types, but birds are of particular interest.

Their cheapest tour is a novice level canoe trip at the top of the James Bay watershed north of Sudbury (7 days July-August for $395). Their most expensive is to observe the culture and lifestyle of Inuit in the Broughton area of Baffin Island (8 days (August 16-24) for $2,725 all-inclusive from Montreal). Tour activities include visiting an Inuit summer camp (where they fish for char), visiting native carvers, viewing seals and whales.

Proposed tours to the north in 1985 include:

Old Squaw Lodge	$1,495	Wildlife observation north of Whitehorse. Costs include everything from Whitehorse on. 8 days (July).
Iceland	$2,695	Mainly bird observation. All inclusive from Toronto. 10 days (July).
True North	$2,725	Baffin, as above.
Polar Bears	$1,075	5 day polar bear watching at Churchill. All inclusive from Winnipeg.

Most tours are 6-10 people in size. Smaller groups are not economical; larger ones make it hard to control the experience.

All tours have an expert leader who meets the group at the plane (at the starting point). The leader coordinates the guides, accommodation, food and transportation. The leaders are often volunteers and take their vacation at this time. They are remunerated, but generally this is donated to the organization. They provide the expert knowledge of the wildlife, etc.

Comments on Northern Tourism

The respondent is interested in new destinations. She would like to develop new tours for the membership -- not package tours that are sold several times a year, rather once each year .

In discussing the specific package ideas developed by the study team, the respondent could not make comments on our tours (except that the general interest ones were not of interest to her group). She prices each tour by going to the local operator and putting pieces together or deals with local operator who puts local pieces together.

All pricing is exact and without knowing the details of a package there is no way she can price it. The membership will buy 7-day trips at $1,600 to $2,600, including airfare from Winnipeg or some other southern point. The $2,700 Baffin trip is expensive because of the risks involving weather and the necessary alternatives.

Tours should focus on bird watching, wildlife observation, a little history, and short visits to art shops. Her membership would be interested in outdoor themes, such as cross-country skiing or dog sledding.

Packages should be all-inclusive -- i.e., include meals, accommodation, activities, guides.

A good package includes free time. Cultural activities are best scheduled for evenings, after the primary activity concludes.

Education is a key element in building expectations and on-site presentation of wildlife characteristics. The group usually sends basic tour information to clients (including information about leader, background on wildlife, etc.) prior to departure.

Company Name: Adventures International
Location : Toronto

Current Products and Markets

The company is a tour wholesaler providing a 27 day camping tour from Vancouver. The all-inclusive price is $1,369. The tour group travels in a 14-passenger van and camps along the entire trip. The tour goes from Vancouver to Banff to Prince George and up the Dempster Highway. The return trip is from Alaska via the inside passage cruise to Vancouver.

The usual group size is 13 and about 8 trips are sold each year. It's billed as an adventure experience and has the appeal of the outdoors (camping) , plus the north, and visits to famous sites.

The tour is very successful and is sold across Canada and world-wide .

This company has no experience with fly-in northern holidays and is not considering northern packages at this time.

Company Name: Horizon Holiday Tours
Location : Toronto

Current Products and Markets

This company is in the business of taking people to the NWT. Their market is 55 years old (+). Group-size-is 15-30 and "they are catered to and transported with care."

Fully escorted tours:

Across the Arctic:	Western Arctic Visits via air, cruise ship, rail, bus. Yellowknife, Inuvik, Dawson City. 14 days. Departs Edmonton, terminates Vancouver.
Arctic Adventures:	Same Departs Vancouver, terminates Edmonton.
Hudson Bay Explorer:	9 days. Through Churchill and Hudson Bay (Rankin Inlet).
Baffin* :	14 days. Like Arctic Circler, but stay 2 weeks. Basically experiencing north, but still dealing with older market. This is not the outdoor active set.

* Dropped because couldn't get numbers to make it worthwhile.

Comments on Northern Tourism

Horizon is in a specific market, but not in the market generally addressed by Kitikmeot packages. The only packages that are interesting to Horizon are the general interest packages. However, these will not work for the same reasons the Baffin tour didn't work for Horizon. Therefore, Horizon is not interested in the Kitikmeot packages or in development in Kitikmeot in the foreseeable future.

There are problems with the circler idea. It is too short. The best idea is extending the package to a week or longer.

The major problem with Kitikmeot is transportation costs. In particular, the flights between communities are expensive. Also retired tourers want comforts that are hard to find in the north unless they have a luxury motor coach. To put 30 people into a small community is not appropriate by large numbers (more than 10) are needed to make profits in Horizon's market mix.

Horizon suggests focussing on special interest, small group tours with money to spend and give them a quality experience.

The respondent believes dollars should be spent on tourism projects that are working now (some adventure, some nature observation, some hunting and fishing) . It is very difficult to get new (quality) projects started in the north. Opportunities can be exciting from the developer's point of view, but realistically few projects last or even get off the ground .

The respondent has little experience with the Kitikmeot region .

Company Name: Great Expeditions
Location : Vancouver

Current Products and Markets

This company is the tour division of Ventra Travel Services which is owned by the Teachers' Co-op. The company is a wholesaler that both sells directly and sells through travel agents . They cater to special interest groups and their strongest markets are Europe (attracted by the "last frontier") and the United States (weak Canadian dollar).

Comments on Northern Tourism

After reviewing possible tour ideas, the respondent offered the following comments:

- There is a limited audience for Inuit culture and historical packages. Cross-country skiing and wilderness adventure have more appeal (e.g., Canadian Nature Tours, Ontario Federation of Naturalists). Special events are difficult to sell on their own -- they should be part of a package with a wider appeal. General interest packages could also sell, but 14 days is too long (7-10 days should be the target).

- Great Expeditions could be interested in a natural history tour in the Arctic Coast for 1986. He would appreciate receiving material upon completion of the report.

- Packages should be marketed through special interest tour suppliers who sell similar packages. Societies should be identified and asked to identify travel agents . He believes 80% of the marketing effort should be in the US, starting with tour operators selling Alaskan tours from the mainland US (these operators already know the relevant clubs).

Company Name: Pioneer Travel
Location : Vancouver

Current Products and Markets

Pioneer is both a wholesaler and retailer, and is linked to Travelway Tours of Toronto which busses European tour groups across Canada. Pioneer is not active in the wholesale market at this time.

Comments on Northern Tourism

The respondent offered the following comments on the package tour ideas:

- The **one** or three day packages could be added to the bus tours across Canada for West German and Japanese tourists. The group would fly from Edmonton and would include 5-10 people.

- **Other packages should be priced from Vancouver and Toronto (the two major gateways to Canada). Advance purchase airfares from Vancouver are $525 to Inuvik and $356 to Yellowknife.**

- Promotion could be by brochure (good production is important) . The brochures would be sent to travel agents and groups overseas; wholesalers would handle production and distribution, but local operators would bear the cost. Wholesalers with Watts lines and telex would handle bookings from travel agents and overseas.

- The wholesaler is often a tourist operator as well. For example, an accommodation operator could take the lead role in the Arctic Coast.

- Pricing should include markups for retailers (10-15%) and wholesalers (about 15%).

Company Name: UTL Holiday Tours
Location : Toronto

Current Products and Markets

UTL used to do tours to Alaska and back through NWT (Inuvik). These were bus and ferry trips. The ground operator on these tours was Atlas Travel. UTL acted as a wholesaler of sorts (they put the air travel and extra hotel etc. together with a basic Atlas Tour).

Major competitor in the market is Horizon Tours. UTL's performance did not warrant continuing in the market. They cannot rule out going back, but for the foreseeable future, UTL is not interested in NWT trips.

Company Name: Pacific Western Airlines
Location : Calgary, Alberta

Current Products and Market

PWA operates as a tour wholesaler. The company meets with local operators to help them put together packages and to encourage development of saleable products.

Local **operators put together the accommodation, food, and activities and package them in a small brochure.** PWA incorporates these into an all-inclusive package which may include airfare and an NWT trip or airfare and several NWT (short) trips using several operators. The package is promoted in the PWA brochure and through PWA agents (and specialized agents in Europe). PWA will also help distribute local brochures if they are well produced.

Comments on Northern Tourism

The respondent noted the following problems:

- There are very few local representatives capable of putting together all the pieces, coordinating individual sellers of services, managing the tour when it arrives, and promoting the package. As a result, there are some good basic products available, but very little in a saleable form. "No wholesaler (like PWA) has time to put together all the pieces for the individuals involved . . . There is a strong need for a central packaging, promoting, and reservation service in the NWT ... There is a need for a good ground operator."

- The total package cost is high -- not simply airfare, but food and accommodation as well ($2,000 for 7 days) so the perceived value must be good and the market is limited.

- It is difficult to encourage locals to spend the needed time on a year round basis to organize and promote a package. Their season is short and they have difficulty understanding or justifying a full-time person. Howevr, a full-time person is needed for consistency (of contacts and services) and for the promotional efforts involved .

- Operators' sales efforts to agents and at shows are poor. Often brochures are not distributed widely, and presentations are not polished. An organized approach is needed. "You can't sell what you don't know about."

- Facilities are lacking in the north. An operator cannot bring in large groups -- they would inundate the town and there would be no room at the inn.

- When dealing with international travelers, operators must explain what to expect. Visitors must be prepared so they are not lost or disoriented before they arrive at their destinations.

- There is not much incentive for the airlines and other large wholesalers to promote the NWT because accommodation is limited. "These groups only take 10-14 people, not 20-40. One group using a community accommodation may fill it completely."

- Few locals understand the role of a wholesaler. Individual operators have a tendency to cut corners and try marketing themselves, but the results are usually disastrous. They simply don't see the need for proper promotion.

The respondent offered the following comments on markets, promotion, and industry organization.

- The tour must start when the plane lands. It may be at the point of entry or in the major airport of the Arctic, but it must start there and not stop until the visitor is delivered back to the airport. Many individual operators are not coordinated with other services . Often the product is ready to go in some remote community, but there is no provision for getting the visitors from the airplane (in one town) to the tour (in another town).

- For the Central and High Arctic, the market seems to be an international one. In Europe, the West Germans are particularly interested. Clients earn $30,000+ per year and are 30-45 years old (or a very fit 50+). They are looking for adventure and are willing to rough it.

- Promotion must be based on target marketing using a direct approach, pursuing special interest groups. The onus is not on the wholesaler, however. Local operators must get out and sell the products too. This is a major shortfall in the NWT. They don't understand the need for promotion and the cost is high for the efforts.

- There is an opportunity to tie NWT products in the Central Arctic to sightseeing tours. The concept is to provide a one-day trip return from Yellowknife to Cambridge Bay. The problem could be getting a local operator in Yellowknife to organize a package. The package could be sold to bus companies (Evergreen).

- The government could sponsor some seminars on how to promote, manage, and handle tourists. Government could also sponsor seminars for operators to promote their products to southern Canadian agents.

- There is a need for local organization of individual operators. The package must be put together before the airlines will consider it.

- The best approach is to use agents who specialize and have a ready market sector. Often, however, you have to deal with many agents if you want good service. Each one will have a very restricted area where he heavily promotes. Many of these agents are not knowledgeable about the north.

Company Name: Nordair
Location : Montreal

Current Products and Markets

Nordair has scheduled flights to Frobisher Bay, Resolute, and Hall Beach in the Baffin Region. Most of their dealings have involved the Eastern Arctic.

The hunting and fishing camps are well known. The activity is well established, some of their business is repeat, and the target market is readily identifiable.

Comments on Northern Tourism

The market for hunting and fishing camps is readily identifiable. The market for people interested in arts, culture, and adventure/wildlife is less well-defined and less accessible. Cultural and arts products are not publicized. The general tourist is not aware of these products.

"The NWT has made an effort, but the government has a long way to go in this area. It's a long, slow process and can't be done by individuals alone."

In discussing tour packages, the respondent expressed the view that three-day packages are too short to sell because of the high cost of airfare -- seven days is a better length. Packages built around regular holidays (e.g., Christmas festivals) are also difficult to sell, and no packages can be sold from November 1 to February 28. A seven-day package would likely cost between $2,000 and $2,500. Packages should be all-inclusive -- all meals, accommodation, guides, activities, transportation, and airfare included. Tours should be well organized, professionally run, shepherded by a host, and include a local host/translator/guide .

Groups should include no more than 10-12 people -- twin otters cannot handle more. Tourists should be well prepared as to what to expect on the trip.

Company Name: Northwest Territorial Airways
Location : Yellowknife

Current Products and Markets:

NWT Air, based in Yellowknife, offers both scheduled and chartered flights, and flies to: Winnipeg, Holman Island, Cambridge Bay, Gjoa Haven, Spence Bay, Pelly Bay, Coppermine.

NWT Air is involved in the following tours:

(1) Whitewater Rafting (in Ontario): NWT Air does 3 trips per year up the Coppermine River and flies back from Coppermine. They are looking for something else to do to extend time in the NWT. NWT Air flies visitors in and out and provides passes for the raft guides.

(2) North American Expeditions (Birmingham, Alabama): This is a 9-day tour departing from Winnipeg with overnight in Rankin Inlet, flight to Yellowknife, and sightseeing on Great Slave Lake . This company puts together tours, wholesales them, and retails them through a subsidiary company. While the current trip only covers the Keewatin area, it is expected to create interest in the NWT and encourage development of packages to the Central Arctic.

In 1984, there were only two trips of 5 people and 12-15 people . This tour operator caters to the Zoological Society, Autobahn Society, National Geographic Society.

The operator is involved with NWT Air to bring a familiarization tour up this year. The tour includes the heads of several major naturalist groups. For 1985, they plan to bring in 5-6 tours of up to 20 people each.

NWT Air provides information on fares and puts the air package together, local contacts to help set up the trip, and free passes for tour guides.

Comments on Northern Tourism

The following deterrents and problems were noted by the respondent .

- Most of the market place has little or no knowledge of the NWT and what is there. A major education/promotion effort is needed before general tourists will consider such an expensive trip.

- Airfares are high, but to operators putting a package together, NWT Air will offer lower rates if a guaranteed volume is agreed to. Although no minimums were defined, they recognize that it takes time to develop business.

- Hotel accommodation is also expensive. Many facilities have a limited number of rooms. For example, Cambridge Bay charges $100 a night and has only 20 rooms. The rooms are expensive because the construction costs are high and the cost of heating is high (and is required 8 months of the year) .

Other problems include:
- a basic lack of services in communities
- a lack of people offering packaged tourism products in communities (many don't recognize what assets they have)
- a lack of understanding of what a tourist is and what he needs
  a concern over tourists (a little scared about effects of tourism)
- a lack of understanding of what the value of tourism is to a community
- difficulty selling NWT products to southern tour operators and wholesalers
- a lack of understanding of how to put a package together and how to approach a major wholesaler or of how to promote the package.

Regarding markets, the respondent stated that for distant markets it is best to sell the trip with everything finalized and included. Airfare is included in the price to the client . The extra cost is not a deterent to potential buyers.

The key markets should be Europe, Japan, and USA. The Canadian market is closer, but Canadians seem less interested in going all the way to the Arctic Coast. They seem to be interested in going to Yellowknife, but no further.

The total package cost definitely limits the market to those earning $30,000 or more. The main market is the cultural interest and the natural interest groups. (The NWT is a virgin area which is unexplored and offers unique flora and fauna.) The hunting market is a significant draw. Holman Island brings in hunters for $3,000-$5,000 to hunt polar bear and there are no guarantees of a kill.

The best approach is to identify a market, get together with tour operators and wholesalers, put together a familiarization trip, and invite travel writers and key people from the target market. Also trade and tour shows should be visited to promote the packages there.

2.0 MAJOR FINDINGS FROM PHASE I INTERVIEWS

This section provides highlights from the Phase I interviews with different respondent groups. The section closes with a list of contacts and the questions administered to different respondent groups.

2.1 Interviews with Canadian and Provincial Officials

Information on market trends obtained from the provincial contacts is not all applicable to trends in the Central Arctic. British Columbia, Alberta, Saskatchewan, Manitoba, and Ontario visitors are primarily hunters and sports fishermen, a market that differs from the wilderness enthusiasts and cultural observers that constitute the potential Arctic Coast market. British Columbia, Alberta, Ontario, and the Yukon draw most of their visitors from the rubber tire traffic, a market not available to the Arctic Coast. To compare experiences among provinces, we focus on comparing experiences of visitors entering by plane who are not interested in consumptive activities. Alaska, Manitoba, and Saskatchewan draw heavily from the plane market, and Alaska and the Yukon offer products similar to the Arctic Coast, e.g., scenery, wilderness adventures, and native culture.

Demographics

According to interviews with government officials, visitors to Alaska and the Yukon have the following general characteristics :

- a university education;
- household income of $30,000 or more;
- an age range of 25-50 years.

Comments on Markets

Interviewees noted that tours are an important segment of the market. Tours tend to be for special interest groups, and, if the groups are satisfied by the experience, repeat vists are possible.

Most of the North American visitors to Alaska tend to be along north-south lines (as opposed to east-west lines). A major promotion campaign in Alaska, however, has attracted visitors from other major population areas such as Florida and New York.

The European market has been approached, but constitutes a very small portion of total visitors. The West German market appears to be an important source for visitors when considering promotion to Europe.

Northern areas (especially Alaska) have an image problem that restricts their appeal to tourists. Many people believe it is cold year round in the north. There is a lack of understanding of the level of accommodation available, and a concern about how to travel around. These information deficiencies or inaccuracies are likely applicable to the Central Arctic.

There is strong competition for tourist dollars from dissimilar areas and products. The high cost of plane transportation raises the cost of an NWT holiday beyond the reach of many potential visitors.

Promotion

Interviewees suggested that a northern tourism product should be unique so as to compete effectively in the world market, and allow concentration of promotion efforts on high potential market segments.

Lack of accommodation facilities in the Arctic Coast reduces the incentive to promote on a large scale. Promotion, however, is a very important factor because of the general lack of information available and the level of knowledge of the NWT's products. The role of the province or state appears to be to make potential visitors aware of the products, climate, and general services available.

Business Skills

Interviewees expressed concern over the low level of business sophistication of by most local operators. This factor will become more significant as the level of competition rises and as more emphasis is placed on marketing, pricing, and quality. There is a need for:

a) basic business skill traininq at the local level;
b) standards for outfitters covering quality, consistency and general operations; and
c) standards for guides covering quality, consistency and general operations.

2.2 Interviews with Private Sector Operators

There is a formal structure to the tourism industry. The main participant roles are:

a) **on site**
- guide and outfitter
  accommodation (and food) vendor
- souvenir shop
- Inuit residents - commercial hunters and fishermen
  - art producers: carvers/painters

b) package organizer/wholesaler
- on site or off site but with strong local connections

c) air line
- **scheduled**
- **charter**
  (may also be wholesaler)

d) tour wholesaler
- in major market (normally major Canadian population centre)

e) travel agent
- retailer located in target market areas or specializing in promotions to specific interest groups .

The following standard definitions are helpful to keep in mind :

- wholesaler:
  - specializes in planning and operating prepaid, preplanned vacations
  - generally these tours are sold through agents
- travel agent:
  - makes travel arrangements for clients on a commission basis
  - provides the liaison between client and wholesaler
  - is major promoter to general public
  - is selective in the products (tour packages) he sells and may specialize in a specific type of tour.

Interviewees indicated that a variety of operators exist from wholesalers who do not use agents (deal with a captive market or sell enough on their own) to wholesalers who are also outfitters with local contacts and a degree of local participation. The overwhelming comment was that there is a serious lack of parties in role (b). This comment relates to the m, not simply the Arctic Coast.

Interviewees reported there is a need for an intermediary between southern (Canadian) wholesalers (who know how to promote a product and who understand the marketplace) and local outfitters (who have a low understanding of tourists' needs and business promotion). A successful intermediary would have a good knowledge of the North; an actual presence in communities would be particularly appropriate. The intermediary must be capable of putting together saleable packages and promoting them to wholesalers, and coordinating the efforts of the local parties so that tours move smoothly and a quality image is presented. (Note: Wholesalers often do not have time to put together all the local details, and they are reluctant to adopt and promote a local product unless it meets their standards for reliability and quality.)

Products

Although the hunting and sport fishing markets are well defined, well established, and lucrative, theyare consumptive by nature and their activities usually take place away from local communities. This is not in accord with the community-based tourism concept. Hunting and fishing are offered by some of the operators contacted, but most focus on the "wilderness experience" tour. Wilderness experiences are non-consumptive (although they may include a short fishing trip) and may focus around activites a short distance from community. The emphasis is on using local services to help keep tourist dollars in local hands. (Note: Many of the operators contacted organize a very small number of tours to the NWT each year [e.g., 3-5] and can apparently make a profit on this low volume of business.)

According to operators, the appeals of the Arctic are:

wildlife - muskox, caribou, seals, whales, polar bear
scenery - tundra, glaciers, flowers, ocean
culture - Inuit lifestyle, commercial fishermen, carvers, igloos, dog sledding.

Wildlife and scenery are the obvious components of the Northern product appeal. Several operators feel that the real draw of the north is the mystery and remoteness of a virgin, unexplored (undeveloped) land. The history of expeditions and a desire to recreate these experiences add to the appeal. Several operators were quick to point out, however, that it is the friendiness of the Inuit and his unique culture that is most impressive to visitors. Certainly the market these products appeal to is very different from the hunting and fishing market, and requires a different approach.

Market

The Canadian level of interest in visiting the north has been low to date. The only success in addressing the Canadian population has been a one day curiosity tour. It is inexpensive, $200-300, and involves scheduled flights. It allows participants to visit a town above the Arctic Circle, view the northern lights or the midnight sun, and get a brief exposure to Arctic culture. The tour appeals mainly to retirees aged 55+ who are also significant sightseeing bus tour buyers. This group tends to require more creature comforts than most northern towns provide.

Visitors participating in a wilderness experience have the following general characterisitcs:

- they are aged 35-45;
- they are conservationists or naturalists
- they have a university education
- they are professionals
- they earn $30,000 or more per year.

Each contact indicated he had his own market which he pursued. Some concentrate on special interest groups (e.g. , whale or bird watchers), others focus on geographic regions such as Japan, southern American states, or Europe.

Packaging

Tour packages vary widely. Although some operators offer packages starting in a specific NWT town, most wholesalers felt an all inclusive, escorted tour that starts and ends at a major airport is the easiest to sell. It is also the easiest system under which to control the quallity of the visitor's experience. (All inclusive means that air fare, meals, accommodation, supplies, guides, and planned activities are included in the package price.)

Trips vary in length from the 24 hour "circler" to a 2 week major wilderness trek. The planned activities dictate the trip length, but the following was suggested:

> "For European travelers a 10-day to 2-week range is best. Longer creates problems of maintaining a high level of interest. Shorter creates problems of selling an expensive vacation holiday (is the price worthwhile on a short trip when other vacation alternatives are considered.)"

Experience indicates that 7-day trips are common, and may involve 3 days in 2 communities.

Party size is generally 5-14, but 10 is a common and apparently economic number. Problems of accommodation and transportation occur with numbers larger than 20. (Small charter planes don't have much extra space once the supplies and 10 passengers are on board).

Food is an important element of these tours. If the tour involves camping, the accommodation may be cramped, but if the food is good there is still a sense of quality. Some operators are very careful to cater to the tour groups needs and to maximize their enjoyment. For example, one operator indicated that when dealing with Europeans (West Germans specifically) it is important to make sure they carry a large stock of quality liquor.

Promotion

Most operations concentrate their promotional efforts through:

a) specialized magazines
b) specialized agents
c) inviting travel writers working for major magazines
d) attending all major marketing shows (trade)
e) 4-colour brochures

As mentioned earlier, promotion by operators must address both the consumer market and the trade if wholesalers are going to buy and promote the package.

Ideas for New Products (No consideration of whether economically feasible)

1. A 24 hour circular type of trip from Yellowknife to Coppermine or some other Central Arctic town. Offer a coordinated approach which tour (bus) companies and the general tourist can buy. Provide air fare, escort, a lunch , opportunity to buy a souvenir.

2. Package a cultural and wilderness experience oriented tour, e.g., demonstrate: Inuit cooking
seal skin tanning

- perform cultural dances or events
- visit art carvers at work
- visit historical areas along with a well prepared show
- visit Tundra and explain the unique flowers and short growing cycle
- outline the aspects of Inuit life that are different that those experienced in southern regions.

Miscellaneous

a) Problems:
High air fares limit the market appeal. For some packages, air fares represent 70% of the cost. The cost of food and accommodation in many of the towns is also high, and the quality of service is not worthy of the price.

Outfitters are not sophisticated businessmen. They don't have sufficient money and expertise to conduct extensive promotion and they don't understand the need to promote their service to travel agents. They are not well organized and are generally not capable of putting together colour brochures, family trips or slick packages. They lack an understanding of how to appeal to the tourist and are not oriented to sales. Most also don't comprehend the value of promotion and the need for wholesalers or agents. High priced vacations draw sophisticate U.S. and European visitors who are also more critical of the product offered. It is therefore, important to develop a professional approach at the outfitter level which will ensure reliability and an understanding of how to treat visitors (e.g., don't shoot caribou in front of group bird-watchers.)

b) Remarks:
Vancouver agents do not seem to sell NWT holidays. This is partly because Canadians have not shown much interest in these trips. Although the sample was small, Evergreen Tours said that few, if any, agents in Vancouver were active in the NWT market.

ARCTIC COAST TOURISM CONTACTS

Telephone Interviews

Organization	Contact	Lot/Phone	Quest.	Market Role
Tourism Canada	Frank Stock	Ottawa 613 995-8426	A	Some overseas P.R.
BC Tourism	David Henderson	Vancouver	B	Promotes to Tra Trade not Commu
Alberta Tourism	Richard Bamfield	Edmonton 403-427-4336	B	
Sask. Tourism	Lawrence Gilmour	Regina 306-565-2187	B	Sponsors/Coordi some shows in major non-domes markets
Manitoba Tourism	Bob Bridge	Winnipeg 204-945-4204	B	
Ontario Tourism	Karen McMillan	Toronto 416-965-5764	B	
Yukon Tourism	George Singfield	Whitehorse 403-667-5340	B	
Alaska Tourism	Don Dickui	Juneau 907-465-2010	B	Major national adv. campaign
Evergreen Tours	George Shaw Jr.	Vancouver 604-687-5690	C	Wholesaler/ retailer
Tuullik Wilderness	Bruce Rigby	Ottawa 613-234-5267	C	Wholesaler/ Outfitter
High Arctic International Explorer Services Ltd.	Bezal Jesudason	Resolute 819-252-3875	C	Wholesaler
Qaivvik Limited	May Orr	Yellowknife 403-873-2074	C	Wholesaler
Goliger's Tours Ltd.	Dan Goliger	Toronto 416-926-0877	C	Wholesaler
Special Odysseys	Skip Voorhees	Medina, Wash. 206-455-1960	C	Wholesaler
Peyton Enterprises	John Faber	Brantford 519-759-0880	C	Wholesaler/Lodge Operator

Organization	Contact	Lot/Phone	Quest.	Market Role
Canadian North Outfitters Inc.	Mr. Knapp	Toronto 416-689-7925	C	Wholesaler/ Retailer
De West Tours Ltd.	Veronica Thebault	Vancouver 604-684-5155	C	Wholesaler
Kitikmeot Arctic Tours	Syd Glawson	Cambridge Bay 403-983-2206	F	Outfitter/ wholesaler
Kingalik Tours	Bill Goose	Holman 403-396-4411	F	Outfitter
P.Lawson Travel	____	Vancouver 604-682-4555	E	Agent
Sears Travel	____	Vancouver 604-689-8215	E	Agent
Hagen's Travel	____	Vancouver 604-263-0944	E	Agent
Pacific West Air	Maureen Griffin	Calgary 403-235-8100	D	Airline/ wholesaler
Nordair	Tins Difruscia	Montreal 514-340-8141	D	Airline/ wholesaler
Northwest Territories Airways	"Gary Plexman	Yellowknife 403-920-2500	D	Airline

Questions for - A -

1. **Which markets are expected to be important for the central Arctic and north as well?**

2. Which products will appeal to these markets?

3. Does Tourism Canada have any marketing plans that are relevant to our work in NWT?

4. Aware of any changes or developments that could be important to the development of Kitikmeot Tourism?

5. Do you have any relevant market information on tourism trends as they pertain to northern Canada and to wilderness experiences.

6. Can you suggest other contacts.

Questions for - B -

Provincial Government Contacts

1. Is tourism a significant contributor to the northern provincial economy?

   If no - What are the main hurdles restricting tourism development?

2. What has been the primary approach used to stimulate tourism development?

3. What are the main reasons for tourists visiting the area

   a) visiting friends/relatives
   b) passing through on way to another destination
   c) business/pleasure
   d) site-seeing in wilderness
   e) hunting and fishing
   f) other

   When is the main season (summer, fall, winter, spring)?

4. What are the primary tourism products being offered?

5. How do most tourist arrive - car
   - train
   - plane?

   If **plane is significant . . . is transportation cost a deterrent or a market restriction**
   ... **who are the major air carriers**

Questions for - C -

6. Is there much group (or package tour) tourism occurring or are the visitors mostly individuals, families or/independent parties?

   If group tours are significant:
   a) does it tend to be remote lodge based or community based experiences?
   b) is accommodation or food quality a problem?

7. Where are the primary markets from which you draw tourists?
   What type of theme are you promoting for the north?

8. Describe the characteristics of typical northern tourist in terms of:
   - sex
   - age
   - income
   - occupation
   - special interest

9. Is there much repeat visitation?

10. Are you **aware of any changes on the horizon that could be important for northern tourism.**

11. Do you have any printed material that might be helpful to us, e.g., General Tourism trends (especially in north).

12. Can you suggest any industry or association contacts that we should talk to.

Questions for - D -

Tour Wholesalers

1. Do you offer tours to NWT?

   Which **areas - Kitikmeot?**

2. How many people do you take up/year?

   How many tours/year?

   What packages do you offer?

   - price
   - length
   - activity *
   - time of year *
   - location
   - who buys *

3. To date Kitikmeot has hunting, fishing and nature observation camps based in remote lodge locations. The present concept is to develop a community based tourism that uses services already in existance within the community and builds tour packages around activities that are easily accessible from the community.

   E.g., - cultural observation/learninq activities
   - historical tours - tent rings, Franklin Expedition.
     - wilderness huts.
     - fishing for Arctic char
     - wildlife observation - birds
       - caribou
       - muskox
     - dog sled trips

4. Which markets appear to offer good potential for the Central Arctic?

   ‘Geographically

   Special interest

   INC level

   Occupations

   Age /Sex

   Life style

5. What kind of tourism products are required to attract visitors?

6. What type of tour packages or promotions are needed to increase tourism in NWT?

7. What are the main problems in attracting tourists to the North?

(8. **What** are competing destinations offering/doing.)

9. Are there any trends in tourist interests, spending or travel patterns or any general changes which will likely effect Northern tourism?

Questions for - D -

Airlines

Currently Service NWT - Where fly to + from.
- scheduled flights
- charters

W.R.T. Tourists - Have you been involved with any tour packages for the NWT?

How are most **operating** **- price includes air fare**
- price is based on after arrival costs

What are some of problems attracting tourists
- high cost of air fare (a factor?)

Who and where is the best market for tourism packages in Central Arctic?
- Where
- INC
- interests

How can package/promote products to this group.

APPENDIX B

TOURISM IN THE NWT AND ARCTIC COAST: RESULTS FROM PREVIOUS STUDIES

APPENDIX B

TOURISM IN THE NWT AND ARCTIC COAST: RESULTS FROM PREVIOUS STUDIES

Over the past seven years a number of surveys have been conducted using different techniques and time frames to collect information on the NWT tourism industry. Before developing a set of market projections for the NWT and Arctic Coast tourism industry, it is necessary to review the results of these surveys.

The Northern Travel Survey 1978, conducted by Deloitte, Haskins and Sells Associates, explores the characteristics of tourist parties exiting the Northwest Territories by motor vehicle. Only non-resident motor vehicle visitors were included in the report. The report does not provide estimates of the total number of non-resident tourists visiting the Territories. The major characteristics of non-resident motor vehicle travelers are as follows:

- 78% were from Canada and 21% from the United States (the number from other countries was negligible). Alberta accounted for 49% of total visitors, followed by British Columbia (19%), Ontario (9%), and Saskatchewan (7%). The study suggested the Canadian provinces may be accounting for a growing proportion of automobile travelers to the NWT. (A 1969 automobile survey conducted along the Mackenzie Highway found that 60% of visitors were Canadians.)

- Professionals and skilled labour were the dominant occupational categories, and most visitors had household incomes of better than $30,000 (1978 dollars).

- Average party size was 2.8, and 78% of visitors were adult (over the age of 18).

- 60% of travelers had been on at least one extended trip (more than 4800 km one-way from home) in the previous two years.

- 53% indicated their trip included a visit to other areas; of these, 90% said they had visited or intended to visit Alberta; comparable figures for British Columbia were 40% and 32%.

- 35% of travelers came to visit friends and relatives, 11% came to fish and boat, 8% gave business as their major trip purpose; the remainder can be classified as sightseers . 47% of visitors came in self-contained vehicles that provided both accommodation and transportation.

- On **average, visitors to the NWT planned to stay away from** home a total of 24 nights. The average length of stay in the NWT was nine nights (or 38% of the total length of trip of 24 nights). The average expenditure per party-night was $96.80 and the average expenditure per person-night was $34.60. The distribution by expenditure category was as follows: meals - 12%; groceries - 8%; accommodation - 13%; auto costs - 9%; other transportation 38%; recreation/entertainment - 9%: gifts and souvenirs - 11%. The report noted that some of these expenditures, e.g. , on other transportation, may not have been incurred in the NWT.

- Major activities engaged in by visitors included fishing (57% of total visitors), water recreation (42%), photography (23%), visit to historic sites and museums (21%), land recreation (20%).

- The highest proportion of nights were spent in Yellowknife (28%) and Hay River (27%). Most visitors stayed in government operated campgrounds. A significant portion stayed some nights with friends and relatives.

Because it is based on an auto exit survey, the report provides no information on travel to the Arctic Coast. The results, however, may be relevant to a tourism strategy for the Arctic Coast to the extent that motor vehicle travelers to the NWT are viewed as a potential market for the region's tourism operators.

The Northwest Territories Travel Surveys 1981-82, prepared by Deloitte, Haskins and Sells, was published in June, 1982. Its purpose was to provide a comprehensive and practical database for NWT tourism. The project encompassed surveys of visitors to the NWT, NWT residents, and NWT Park users.

Its **major value to the current assignment is that this report represents the only attempt at developing full-year estimates of tourist visitation and expenditures in the Northwest Territories .**

Annual estimates relevant to the current assignment include the following:

1. Over the June, 1981 - May, 1982 survey period, about 106,000 person-trips were made to the NWT; 65% (69,000) occurred in the summer (June - September inclusive) . Average length of stay for the full year was 14 nights. With per diem expenditures of $39.00, total tourism expenditures were estimated at $57.0 million; $39 million occurred in the four summer months.

2. Residents were estimated to undertake 75,000 person-trips within the NWT. The average length of stay was estimated at five nights and per diem expenditures at $29.00. Total expenditues by resident travelers were calculated at $11.0 million; $3.8 million occured in the four summer months.

3. Residents took 106,000 person-trips outside the NWT. The length of stay outside the Territories averaged 12

nights and per diem expenditures were $35. Tota 1 expenditures by resident travelers outside the Territories were $44 million, distributed as follows through the year: June to Sept - $16 million; Ott to Feb - $17.7 million; March to May - $10.3 million.

4. Over the full year, travel by visitors and residents across NWT borders amounted to 212,000 person-trips. Of these trips 86,500 (41%) were by air, 2,500 (l%) were by bus, 123,000 (58%) were by motor vehicle.

5. The seasonal distribution of tourist travel was estimated as follows:

	Person Trips ('000)			
	Jun-Sep (4 mo.)	**Feb-Ott (5 me.)**	**Mar-May (3 me.)**	**Full Year**
Visitors to NWT				
Number	**69**	**23**	**14**	**06**
% of full year	**60.1**	**21.7**	**13.2**	**100.0**
Residents within NWT				
Number	**32**	**28**	**15**	**75**
% of full year	**42.7**	**37.3**	**2Ø.Ø**	**100.0**

6. Visitor expenditures were distributed as follows by purpose of trip and season. (Summer is June through September and Winter is Ott - May.)

	Parties	**Party Size**	**Persons**	**Nights Per Person**	**$/ Diem**	**Total $ Million**
Business						
Summer	**5500**	**2.0**	**11,000**	**50**	**36**	**20**
Winter	**9500**	**1.6**	**15,000**	**15**	**36**	**8**
Tota 1	15,000	1.7	26,000	30	36	28

... continued

	Parties	Part y Size	Persons	Nights Per Person	$/ Diem	Total $ Million
Pleasure						
Summer	17,000	3.4	58,000	8.5	43	21
Winter	11,500	2.0	22,000	8.5	43	8
Tota 1	28,500	2.8	80,000	8.5	36	29
All Visitors						
Summer	22,500	3.1	69,000	13	43	39
Winter	21,000	1.8	37,000	15	33	18
Tota 1	43,500	2.4	106,000	14	39	57

Over the full year, about 25% of visitors were on business. Because business travelers stay longer than pleasure travelers, full-year expenditures by the two groups are approximately equal.

7. The June, 1982 report offered order of magnitude estimates by regions. Regional distributions of the key indicators were as follows:

	Parties (%)	Persons (%)	Expenditures (%)
1. Eastern Arctic	10.3	8.5	10.5
2. Keewatin Arctic	4.6	4.7	8.8
3. Coastal Arctic (Arctic Coast)	3.4	4.2	8.8
4. High Arctic	2.3	1.9	4.4
5. Southern Arctic	60.9	66.0	52.6
6. Western Arctic	26.4	21.7	15.8

As anticipated, the Southern and Westen Arctic regions (centered on Yellowknife and Inuvik) accounted for the lion's share of tourism activity in the NWT.

The actual figures for the Arctic Coast (defined as Coastal Arctic in this report) and the total are as follows:

	Visitors		Residents		Both Groups	
	Arctic Coast	Total NWT	Arctic Coast	Total NWT	Arctic Coast	Total NWT
Parties	1,500	43,500	700	23,500	2,200	67,000
Party-Size	2.9	2.4	2.1	3.2	2.7	2.7
Persons	4,500	106,000	1,500	75,000	6,000	181,000
Nights/ Person	16	14	15	5	16	10
$/Diem	70	39	23	29	58	37
Total ($million)	5.0	57.0	0.5	11.0	5.5	68.0

The figures suggest the Arctic Coast plays a very small role in the NWT's travel industry. The region accounts for less than 4% of the person-trips made by visitors and residents, and only 8% of total tourism expenditures. The Arctic Coast's higher share of expenditures reflects the extended stays of many tourists (many "tourists" go to the Arctic Coast for employment) and higher daily expenditures (the result of the region's high cost of accommodation and meals).

This report and others do not provide any further information on tourism in the Arctic Coast. However, some important differences from the rest of the NWT are indicated by other information sources.

Business travelers probably account for a much higher proportion of tourism in the Arctic Coast than in the total m . This situation reflects the lack of tourism facilities and attractions in the region, and the limited travel to visit family and friends. Business travel probably accounts for a maximum of 70% of person-trips to the region, compared to 25% in the NWT as a whole (as indicated in the June 1982 report) . Because of the greater importance of business travel , travel to the region is likely more evenly distributed throughout the year. Because virtually all travel to the Arctic Coast is by air, preferred accommodation and recreation activities, as well as the origins of visitors probably differs a great deal from the NWT as a whole.

The June, 1982 report included detailed information on summer visitors to the NWT in 1981. The origins of visitors were distributed as follows:

Alberta	27%	
Other Western Canada	18%	
Ontario	14%	
Quebec	3%	
Other Eastern Canada	2%	
Sub Total : Canada		65%
U.S. West Coast	6%	
Other Western U.S.	8%	
Eastern U.S.A.	11%	
Southern U.S.A.	2%	
Sub Total: U.S.A.		27%
Germany	5%	
Other Offshore	3%	
Sub Total: Offshore		0%

The average party size was 3.1, and most travelers were on fairly extended trips. The typical summer visitor spent 13 days in the NWT out of a total trip of 28 days. Campgrounds accounted for 25% of visitor bed nights, followed by friends and relatives (15%), other camping (14%), hotels and motels (13%), and lodges (8%). The remainder (25% of visitor bed nights) included work crews in construction, mining and exploration camps.

The mode of transport was distributed as follows:

Standard Car	12%
4 - Wheel Drive	5%
Van, Pick-up Truck	16%
Truck Camper	14%
Other RV	9%
Bus	2%
Air - Scheduled	35%
Air - Private or Charter	5%
Other	2%

Three percent of visitors were on a package tour, which cost them an average of $1,400 per person. Activities most frequently mentioned by visitors were shopping for crafts, camping, fishing, and visiting museums and historic sites. Forty percent or more of visitors participated in these activities .

Only one of five visitor parties had children with them, and 27% of parties were composed of adults 55 years and older.

The majority of summer visitors (57%) reported they were employed in professional, administrative, and other skilled occupations . Retired people accounted for another 18% of total visitors. Average household income was reported to be $31,000.

Visitors to the Northwest Territories - 1982, conducted largely by Underwood McLellan Ltd., reports tourist visitations to the NWT during the summer of 1982. Although the surveys cover much of the same ground as the 1981 survey reported above, the results are quite different. The 1982 surveys suggested that about 44,000 people visited the NWT during the summer of 1982, and spent about $40 million in the Territories . Given an average trip length of about 9 days, averge per diem expenditure was estimated to be approximately $100 per person. For automobile travelers the average per diem expenditures appeared to be between $20 and $30. The figure used for air travelers was about $135.00 per person per day. Two-thirds of visitors entered by air, and the remainder by road. Visitors to Kitikmeot totalled only 400 (0.9% of the total) and tourist expenditures in the region came to $440,000 (1.1% of the total). In every respect these figures differ markedly from the numbers developed from the 1981 summer surveys.

Other aspects of NWT tourism as indicated in the 1982 surveys are as follows:

1. Visitor place of residence was distributed as follows:

Alberta	42%
British Columbia	13%
Other Western Canada	9%
Ontario	13%
Quebec	3%
Other Eastern Canada	3%
Sub Total: Canada	84%
United States	13%
Offshore	4%

2. 68% of visitors entered by air and 30% of visitors were on business. The most important trip activities were sightseeing, visiting friends and relatives, and fishing. 51% of visitors were in professional and managerial occupations and 12% were retired; 21% were 55 years of age and older and 56% were between the ages of 25 and 54 inclusive. Average household income was reported to be $34,500.

The document, **GNWT Summer Travel Surveys 1983, Report of Findings, was prepared by Canadian Facts, based on surveys covering the months of June to September inclusive. The report estimates that 44,000 tourists visited the NWT in the summer of 1983. The** mode of entry was distributed as follows:

	No.	%
Scheduled Aircraft	15,000	34
Charter and Private Aircraft	11,300	26
Road	17,500	40
Total	**44,000**	**100**

Total visitor expenditures were estimated at $65 million. Given an average length of stay of 10 **days, per** diem expenditures are computed to be $150 per person. (Expenditures were estimated by assuming that each visitor spent $1,500 during his stay in the Territories.)

In this report, visitor characteristics were described in terms of categories of visitors (e.g., visitors to hotels, motels, and lodges) . No effort was made to describe the characteristics of all visitors combined. Some of the more important characteristics of the sub-group who stayed at hotels, motels or lodges are as follows:

. Guests at NWT hotels, motels, and lodges generally came from five locations: the NWT (39%), Alberta (24%), the United States (21%), British Columbia (6%), and Ontario (5%).

- Another survey indicated that non-resident visiters to sheltered accommodation were distributed as follows: Alberta (28%); the United States (26%); Ontario (16%); British Columbia (8%); Manitoba (6%).

- 55% of non-resident respondents were visiting the NWT primarily for vacations: 37% were traveling on business or commuting to work. Business travelers stayed an average of 14 nights compared to seven nights for pleasure travelers. The weighted average for both groups was 10 nights. On a daily basis, the business traveller staying in sheltered accommodation on average appears to spend about 30% more than the pleasure traveller.

- On a regional basis, the vast majority of visitors to the NWT travel to the Fort Smith region (67% of guests surveyed in hotels, motels, and lodges visited the Fort Smith region). Trips to the Inuvik region are made by about one-third of summer travelers. Journeys to the Arctic Coast, Baffin, and Keewatin regions are made far less often in the summer period.

- The most popular activities of non-resident travelers are shopping for crafts (52%) fishing (40%), visiting museums and historic sites (40%), business (39%), and nature study (32%).

- 60% were in managerial and professional occupations; 10% were retired.

- 37% of non-resident respondents came from households with combined total annual income of $50,000 or more.

- Another 30% were from households with incomes from $30,000 to $50,000.

- 60% of travel parties were one or two people.

The 1983 report includes results from a telephone survey of NWT residents living in Yellowknife, Hay River, Fort Smith, and Fort Simpson. Some of the results are relevant to this assignment.

1. Most resident trips within the NWT are for two or three day excursions. More than 50% of these trips are for business purposes. 85% of all resident travel within the Territories (from the four surveyed communities) is to the Fort Smith region. The average party size is about 3 people and the typical mode of travel is plane (42% of person trips).

2. On average, an NWT resident living in one of the four communities can expect to have guests visit twice in the summer period. The average number of persons per guest party is 2.2 and the average number of nights guests stayed per occasion was 11. Fifty-four percent of guests of NWT residents use air travel. 80% are on vacation (or traveling for personal reasons) and 20% are on business. The most important places of origin for this type of visitor are: Alberta (41%), Ontario (18%), British Columbia (13%), Other Canada (20%), Other Countries (8%).

The four documents summarized here provide data which, in many cases, are confusing and contradictory. Exhibit B.1 compares the surveys of summer travel for a number of major indicators . The differences highlighted by the exhibit make it difficult to develop visitor profiles for the NWT and Central Arctic travel industries.

Differences are particularly striking in per diem expenditures, average length of stay and mode of entry. Inconsistencies and gaps in the data make it impossible to identify trends over time, and they jeopardize the reliability of estimates of the overall size and composition of the NWT's tourism industry.

EXHIBIT B.1: COMPARISON OF SURVEYS OF SUMMER VISITORS

	1978[1]	1981	1982	1983
No. of Visitors	n/a	69,000	44,000	44,000
Expenditures ($Million)	n/a	38.7	40.0	65.0
Party Size	2.8	3.1	n/a	about 2.
Length of Stay (nights)	9	13	9.0	10.0
Per Diem Expenditure ($)	34.60	43.00	100.00	150.00
Mode of Entry (%)				
- Air	n/a	40	68	60
- Personal Motor Vehicle	n/a	56		
- Bus	n/a	2	32	40
- Other	n/a	2		
Origins (%)				
- Alta	49	27	42	30
- BC	10	n/a	13	12
- Ont	9	14	13	16
- Other Canada	11	23	14	12[e]
- Us.	21	27	13	26
- Offshore		8	4	4e
Occupations (%)				
- Professional Management	Most	44	51	60
- Skilled Labour	Most	21	8	8
- Retired	n/a	18	12	10
- Other	n/a	17	29	22
Average Household Income ($)	30,000 (plus)	31,000	34,500	40,000
Average Age	n/a	n/a	37	n/a
Purpose %				
- Business	a	25	27	37
- Visit friends and relatives	35	9	28	63
- Leisure, etc	57	66	45	
Expenditure by Category (%)				
Accommodation	13	n/a	n/a	40[2]
Meals	12	n/a	n/a	6
Groceries	8	n/a	n/a	2
Auto	9	n/a	n/a	11
Other transportation	38	n/a	n/a	16
Recreation	9	n/a	n/a	12
Gifts & Souvenirs	11	n/a	n/a	6
Other				7

1 Auto exit survey only.
2 From survey of people who stayed at hotels, etc.
e = estimated by Study Team

EXHIBIT B.1: COMPARISON OF SURVEYS OF SUMMER VISITORS continued

	1978	1981	1982	1983
Major Leisure Activities (%)				
Fishing	57	51	37	40
Water Recreation	42	34	13	12
Photography	23	n/a	n/a	n/a
Visits to Historic sites & museums	21	41	15	40
Land recreation camping, etc.	20	51	26	32
visits to relatives/ friends	n/a	27	44	19
shopping for crafts	n/a	53	n/a	52
% of person trips to Central Arctic	n/a	4.2	0.9	n/a
% of parties m package tours	n/a	3.0	n/a	n/a
Average length of tour	n/a	n/a	n/a	n/a
Dollar value of package per person	n/a	1400	n/a	n/a
Type of Accommodation				
- Hotels, motels, lodges	n/a	21	n/a	n/a
- Campgrounds etc.	n/a	39	n/a	n/a
- Friends & relatives	n/a	15	n/a	n/a
- Other (camps, etc)	n/a	25	n/a	n/a

In addition to the Territorial wide surveys, one community specific survey is relevant to this assignment. In the early 1980s, the Pangnirtung Visitor survey was conducted to define perceived issues and concerns of existing travelers to Pangnirtung and the surrounding areas in the Baffin. The most relevant findings are as follows:

. Visitor origins were Ontario (25%), other parts of NWT (22%), United States (20%), Quebec and Europe (12% each), and Western Canada (9%).

• 27% of visitors were with a special interest group or club, but only 6% were part of a commercial tour package.

. 38% of travelers were visiting Pangnirtung and area, 32% were visiting Auyuittug National Park, and 22% were on business.

. 38% of visitor nights were spent in a hotel and 32% in a tent. Outfitters camps, hostels, and friends/relatives accounted for the remainder.

. Major activities were photography, sightseeing, hiking/backpacking, buying handicrafts, and visiting Aiyuittug National Park.

. Most respondents were satisfied with the trip; 96% of respondents said the trip met their expectations. The major dislikes were bad weather; litter in the community and honey bags; and expensive services/inadequate food the quality of guiding, and hotel facilities taken together.

. 60% of visitors were between 21 and 40 years of age; 22% were over 50. 40% had family incomes of over $35,000; 36% were between $20,000 and $35,000.

A final information source is inquiries to Travel Arctic (in Yellowknife) for information on NWT tourist attractions. Inquiries, both solicited and unsolicited, totalled 52,200 to the end of September, 1984. This exceeds the full year 7,390 unsolicited inquiries (which provides some measure of the geographic distribution of market interest) was as follows:

	%	
Canada		
Ontario	15	
Alberta	9	
Quebec	8	
Maritimes	3	
Saskatchewan	3	
Manitoba	3	
NWT	8	
British Columbia	5	
Sub Total Canada		54%

	%	
United States		
California	8	
New York	2	
Illinois	2	
Michigan	2	
Other	25	
Sub Total U.S.		39%

	%	
Overseas		
West Germany	2	
Other	5	
Sub Total Overseas		7%

To provide other benchmarks for estimating the size and character of the NWT tourism industry, the Study Team reviewed the results from the most recent non-resident visitors surveys of Alberta and British Columbia. The BC survey called "Visitors '79" was conducted between May 18 and October 31, 1979 and was published in June, 1980.

The Alberta study, called "1982 Alberta Travel Survey", was based on a survey conducted from May 15 to October 31, 1982. Exhibit B.2 provides the major tourism indicators for the two provinces plus two northern regions in each province (four regions which could be viewed as competitive with the NWT.)

Visitors '79 also provided information on different types of visitors . The key indicators are as follows:

EXHIBIT B.2: TOURISM INDICATORS FOR BRITISH COLUMBIA AND ALBERTA

	B.C. Visitors '79			1982 Alberta Travel Survey		
	Total Province	Yellowhead '16	Peace River Liard	Total Province	Lakeland	Land of the Mighty Peace
Parties ('000)	1660	106	69	2102	109	49
Party Size	2.70	3.10	2.5	1.86	1.83	2.06
Total Person - Trips ('000)	4482	329	173	3909	199	101
Average Length of Stay	6.10	4.00	3.40	6.11	4.92	5.28
Total Person Nights ('000)	27,340	1314	587	23,883	997	533
Expenditures ($million)	541.0	26.70	12.02	660.4	25.0	14.0
Per diem Expenditure ($) (Per person)	23.0	20.32	20.48	27.73	25.68	25.72
Mode of Exit (%)						
- Private vehicle	74	76	97	65	69	85
- Plane	19	20	2	27	24	10
- Bus	2	4	1	7	6	4
- Train (& other)	5			1	1	
Origins (%)						
B.C.				31	28	34
Al ta	33	34	45			
Sask	5	NA	NA	18	20	5
Man	2	NA	NA	8	11	2
OrIt	6	NA	NA	10	11	4
Rest of Canada	2	16	24	6	12	241
U.S.A.	47	36	19	23	14	30
Offshore	6	14	2	6	4	2
Occupations (%)						
- Professional, Man.	NA	NA	NA	34	NA	NA
- Skilled Worker	NA	NA	NA	15	NA	NA
- Retired '	NA	NA	NA	15	14	32
- Other						
NA	NA	NA	36	NA	NA	
Average Income ($)	26,400	NA	NA	30,000	NA	NA
Purpose of Trip (%)						
Business[2]	16	16	36	17	20	12
-Visit Friends and relatives	82	84	64	31	38	29
- Vacation				42	40	47
Personal[3] and other	2			9	3	12

EXHIBIT 9.2: TOURISM INDICATORS FOR BRITISH COLUMBIA AND ALBERTA continued

	B.C. Visitors '79			1982 Alberta Travel Survey		
	Total Province	Yellowhead '16"	Peace River Liard	Total Province	Lakeland	Land of the Mighty Peace
Expenditures by Category (%)						
- Accommodation	23	18	19	19	18	6
- Meals	25	20	27	24	22	22
- Souvenirs	8	12	11	9	10	13
- Auto	13	23	28	21	25	33
- Other Trans.	5	10	2	3	6	3
- Recreation & Entertainment	7	4	4	8	8	9
- Shopping for Souvinirs	12	11	7	16	11	15
- Other expenditures	8	2	2			
Major Leisure[4] Activities						
- Fishing	4	9	1	6	21	19
- Water Recreation	5	1	1	12	14	20
- Photography	NA	NA	NA	28	24	36
- Visits to Historic Sites etc.	NA	NA	NA	25	27	30
- Land Recreation (camping)	4	3	2	26	39	40
- Visits to Friends and Relatives	28	32	21	53	57	64
- Shopping	4	3	1	30	35	46
- Sightseeing	26	25	17	59	64	67
% of Parties on Package Tours	4.8	NA	NA	3.3	3.0	0
Average Length of Tour[5]	4	NA	NA	4.5	NA	NA
Dollar Value of Package per person5	440	NA	NA	310	NA	NA
Type of Accommodation (%)						
- Hotels, Motels, Lodges	46	40	38	38	36	22
- Campgrounds, etc.	29	40	44	15	17	17
- Friends & relatives	22	18	14	37	36	36
- Other	3	2	4	10	11	25

N.B. Regional figure based on visitors who stayed overnight in the region.
1 Includes 21% frOm NWT
2 Includes people on both business and pleasure
3 Includes "Passing Through"
4 Primary activity for B.C. Primary or Secondary for Alberta
5 Portion in B.C. or Alberta

	Business Travelers	Pleasure Travelers	Tour Travelers	Visitors Traveling By Auto	RV	Plane
Average Party Size	1.8	2.8	6.1	2.6	3.2	2.5
Length of Stay	6.0	6.0	4.0	5.3	6.7	8.1
Mode of Exit (%)						
- Auto	47	61	4	100	0	0
- RV	2	17	1	0	100	0
- Plane	49	15	60	0	0	100
- Other	2	7	35	0	0	0
Type of Accommodation						
- Hotel/Motel	73	43	91	54	5	61
- Friends & Relatives	16	21	4	23	9	32
- Camping	6	33	3	20	85	3
- Other	5	3	2	3	1	4
Origin (%)						
- Alta	42	31	3	37	40	21
- Other Canada	17	14	15	12	9	24
- Us.	35	49	61	49	49	37
- International	6	6	21	2	2	18
Average Family Income ($000)	33	25	26	26	25	30
Per Diem Expenditure (per person) ($)	34.59	21.09	21.28	22.23	14.68	35.81

The different per diem expenditures for different types of travelers could be particularly useful to this assignment. The business traveller in 1979 spent an average of about 70% more than the pleasure traveller. The typical business traveller spent more time in hotels/motels and on planes.

APPENDIX C

COMMUNITY CONTACTS

APPENDIX C

The following lists the contacts made and meetings held during the trips to the Arctic Coast communities.

HOLMAN

1. Meeting with Hamlet Council (mayor at time was Isaac Aleekuk)
2. Brief discussion with new mayor
3. Secretary manager Agnes Egotak
4. New hotel manager/co-op manager Emma Balog
5. Manager print shop - John Rose/Marcel Magnan (changed thru year)
6. Manager, craft shop - Mrs. Magnan
7. Acting co-op manager - Simon Kataogak
8. Wallace Goose, outfitter
9. Patsy Ekpakohak - taxi driver
10. HTA - member of board
11. Alan Sims, GNWT field services officer, HTA secretary
12. Talked to five big game hunters who had just completed hunt
13. Bill Goose
14. NWT Air Agent
15. Publlic meeting (about 15 people present)

COPPERMINE

1. Larry Whittaker, businessman, potential boat operator
2. Irene Home, hotel operator
3. Red Peterson, MLA
4. Gerry Haghagiak, taxi owner
5. Co-op manager (Bessie)
6. Jack Meckling, tourism man for Co-op
7. Fred Elias (then Fish and Wildlife officer)
8. Joanne Irons - teacher/amateur naturalist
9. Two public meetings

CAMBRIDGE

1. Syd Glawson, outfitter, businessman
2. Marion Glawson, hotel manager
3. Don McGillivray and partner, potential outfitters
4. Public meetings - about 12 people in attendance first time, approximately same number for second meeting
5. Joe Ohokannoak, mayor
6. Charlie Evalik, businessman
7. Upper Air station staff
8. Co-op (no manager available when in town - talked to Bill Lyall briefly)

GJOA HAVEN

1. Meeting with tourism committee
2. Public meeting in conjunction with a meeting held by Tagak Curley. About 60-70 people in attendance
3. Peter A. outfitter (dog team tour)
4. Francis LeBlanc, co-op manager
5. Tommy A, hotel manager/cook
6. Randy Bergen, secretary manager
7. Public meeting - about 9 in attendance, including new mayor Ralph Porter
8. Public health nurse
9. Colin Dickie, field services operator

SPENCE BAY

1. Craft Association manager A. Alookee
2. Alex Buchan, manager, The Bay and long time resident
3. Tourism committee (two meetings)
4. Jame Eetoolook, secretary manager
5. Public meeting (about 60-75 attending)
6. Pat Lyall, taxi service, outfitter
7. Ernie Lyall, founder, long time resident
8. Pamela Chase, AEDO

9. George Sutherland, field services officer, GNWT
10. Public Health Nurse
11. Kelly Childs - Co-op supervisor re hotel in Spence Bay

PELLY BAY

1. Two meetings with hamlet council (two different mayors)
2. John Ningark, outfitter and secretary manager
3. Celine Ningark, craft shop
4. Romanie Iqquqaqtuq, hotel manager/cook
5. Co-op manager
6. Jean Burke, co-op supervisor, from Yellowknife
7. Public meeting (nine in attendance, including co-op board member Inuk Charlie).

APPENDIX D

GLOSSARY OF TOURISM TERMS AND DEFINITIONS

APPENDIX D

GLOSSARY OF TOURISM TERMS AND DEFINITIONS

Glossary

The following words are used throughout the text. The terms are in general use and apply to varying degrees to specific regions such as the Arctic Coast.

1. **Tourism**

   The travel, activities and services used by any NWT resident **beyond a 40** km (25 miles) radius from home for the purpose of personal enjoyment. **Also, the** travel, activities and services used by non-residents who enter the Territories for any reason other than work. It is recognized that elements of tourism are often involved when people travel for business purposes.

2. **Tourist**

   Individuals from outside the Arctic Coast Region traveling in the region for the purpose of touring, business or personal reasons.

3. **Excursionist**

   Day-use or same-day visitors who enter the region and leave the same day.

4* **Tourism Destination Area**

   A distinct geographic area containing one or more tourism destination resorts integrated into a network of supporting facilities, attractions and events reflecting, through developments and programs, one or more of the area's dominant historic or natural themes.

The developments and programs may be oriented to one or more major seasons and may attract a broad range of market segments depending upon the quality and quantity of tourism amenities available.

5. **Regional Destination Area**

This is a distinct geographic area which offers a sufficiently wide range of facilities, attractions, activities and events during one or two main tourism seasons that will attract provincial and regional market segments who spend the major part or all of their vacation trip within this particular area. British Columbia examples of established regional destination areas are the Okanagan Valley, the Columbia/Windermere Lakes area and Fernie/Crowsnest Pass Area. The areas surrounding the three national parks are possible examples in the NWT.

6. **Four Season Tourism Destination Area**

A distinct geographic area containing an integrated network of tourism destination resorts and supporting tourism developments offering a wide range of facilities, attractions, activities and events on a year round basis, reflecting through either the developments or programs, the area's dominant historic and natural themes. Accessible by major transportation modes along several travel corridors, the area attracts a broad range of international, provincial and/or regional market segments.

In a four-season tourism destination area, the tourism industry is the primary employer and the major source of income for the residents of the area, and there is a strong commitment by the local residents and the relevant municipal governments to stimulate the growth and development of the tourism industry.

7. **Regional Tourism Service Centre**

A community offering many services to the tourist but with a somewhat limited variety of types and qualities of accommodation facilities, food, beverage and night entertainment facilities, grocery and other retail facilities, gasoline and automobile service facilities, banking facilities, a regional tourism information centre and other related facilities.

8. **Local Service Centre**

A community offering a limited range of essential services to the tourist including accommodation facilities, food and beverage facilities, grocery and other retail facilities, gasoline and automobile service facilities, banking facilities, a local information centre and other related facilities.

9. **Regional Travel Corridor**

A paved or unpaved route linking destination areas and natural or historic attractions with local or regional service centres and areas that are of regional significance.

10. **Tourism Destination Resorts**

An establishment offering in one complex under single management, a reasonable range of man-made and/or natural recreational amenities and support facilities including accommodation, food and beverage services.

a) **Summer Resorts**

Water or land-oriented facility complexes providing natural and/or man-made recreational amenities and activities for overnight or long-stay visitors during the summer, with possible extensions into spring and fall shoulder seasons.

b) Winter Resorts

Mainly a land-oriented facility complex offering a variety of natural or man-made recreational amenities and activities for overnight and long-stay visitors during the entire year.

c) Campground Resorts

A campground that appeals to the complete camping market and is associated with an attraction such as a theme park, a water park, a slide, etc.

d) Upscale Accommodation

Lodging facilities that appeal to the more affluent visitors. A destination resort that includes a fine restaurant as well as a variety of recreation facilities popular with the middle to upper income groups.

11. Tourism Attraction

A physical feature of outstanding interest which can be either natural or man-made. There may or may not be facilities constructed to enable fuller enjoyment by visitors. The attraction may be of international, national, provincial, regional or local significance depending on its ability to attract tourists from those market segments.

12. Tourism Event/Festival

A transitory man-made occurance, celebration or activity of considerable interest and notability that is usually

(but not always) held on an annual basis, for example, theatre events, folk festivals, dog shows. They can be of international, national, provincial, regional or local significance depending on the markets that are attracted (competitors/spectators).

13. Tourism Facility

An establishment whose primary purpose is to offer a particular service or recreation activity opportunity to the tourist. Services may include accommodation, food, beverage or automotive services, while recreation activity opportunities can range from ski developments to tennis courts, from a marine to an information centre.

14. **National Park**

Part of a system of outstanding and representative natural areas of Canadian significance administered by Parks Canada. The purpose is to provide opportunities for public understanding, appreciation and enjoyment of the natural heritage so as to leave it unimpaired for future generations. There are three national parks in the NWT at the present time.

15. **Provincial Park**

Part of a system of outstanding and representative natural areas with a high recreational capability of national, provincial and regional significance administered by the Tourism and Parks **Division of the GNWT Department of Economic Development and Tourism.**

16. **Markets**

a) **International Market**

Residents of an overseas country having a propensity

to travel to the NWT (partially or entirely for personal enjoyment).

b) US Market

Residents of the United States of America having a propensity to travel to the NWT.

c) Canadian Market

Residents of the Canadian provinces and territories other than the NWT having a propensity to travel to the Territories.

d) Territorial Market/Resident Market

Residents of the NWT having a propensity to travel in the Territories.

e) Regional Market

Residents of regions within the NWT having a propensity to travel within the confines of that region for the purpose of personal enjoyment.

f) Local Market

Local residents having a propensity to use nearby tourism and recreation developments for the purpose of personal enjoyment.

17. Receptive Tour Operators

Those members of the travel industry who organize comprehensive tour packages (lodging, attractions, transportation, entertainment and food services) that appeal to mass and specialized tour groups of varying size.

to travel to the NWT (partially or entirely for personal enjoyment).

b) US Market

Residents of the United States of America having a propensity to travel to the NWT.

c) Canadian Market

Residents of the Canadian provinces and territories other than the NWT having a propensity to travel to the Territories.

d) Territorial Market/Resident Market

Residents of the NWT having a propensity to travel in the Territories.

e) Regional Market

Residents of regions within the NWT having a propensity to travel within the confines of that region for the purpose of personal enjoyment.

f) Local Market

Local residents having a propensity to use nearby tourism and recreation developments for the purpose of personal enjoyment.

17. Receptive Tour Operators

Those members of the travel industry who organize comprehensive tour packages (lodging, attractions, transportation, entertainment and food services) that appeal to mass and specialized tour groups of varying size.

18. Tourism Product Categories

Sporting/Adventure: An outdoor product, found primarily in sparsely populated areas catering to extended visits and characterized by outdoor activities like hunting, fishing, camping and canoeing, e.g., the types of products found in Northern Minnesota, Northern Manitoba and salmon fishing in Scotland.

Wilderness/Expedition: The true wilderness product, characterized by trophy hunting, fishing, safaris, rugged and unforgiving terrain, e.g., Canada's Arctic, Northern Alaska and the Amazon Jungle. Very inaccessible, visitors generally require specialized equipment and qualified guides.

Leisure/Recreation: A leisure oriented recreational product, easily accessed by local populations and suitable for day trips. These areas are characterized by numerous small scale recreational and cultural products designed to cater to local populations, e.g., Northern Michigan and Southern Ontario.

Beach/Recreation: Recreational product built on beach resources. Similar to leisure/recreation but with a more significant destination area character to encourage extended visits, e.g., South Carolina beaches, Prince Edward Island and the French Riviera.

Heritage/Culture: Primary features of tourism region are based on either heritage or cultural travel generators and themes, e.g., Dawson City, New Orleans, Athens.

Urban: Significant urban experience. Cities evaluated as local urban product were not classified as tourist destinations.

Resort: Tourism product characterized by numerous activities and considerable accommodation plant, either contained in a central or major resort product or in groupings of more numerous, smaller products, e.g., the Laurentians, the Poconos, Majorca. For analysis of the Canadian product this category distinguishes between Four Season and Seasonal Resorts.

Scenic: An area characterized by an amalgam of small scenic, heritage and cultural resources, without a destination, travel generator, e.g., the Gaspe Peninsula and the Lake District.