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***Problems With Tourism Development In
Canada's Eastern Arctic
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Problems with tourism development in Canada's eastern Arctic

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Before attempting to inflict tourism development strategies on peripheral tourist destinations it is important that spatially specific development questions are considered. The strategy must take into account the local culture. This article looks in detail at tourism development in the Baffin Travel Zone of Canada's Northwest Territories (NWT). Following an introduction to tourism in the NWT there is a discussion of the problems and policies associated with tourism development in the Baffin region. The concluding section suggests an approach which attaches greater significance to spatial practicalities and regional autonomy for the Baffin Travel Zone.

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¹R.W. Butler, 'Alternative forms of tourism: pious hope or Trojan horse?' *Journal of Travel Research* Vol 28, No 3, 1990, pp 40-45.

²E.A. Cater, 'Tourism in the less developed countries', *Annals of Tourism Research* continued on page 210

There has been a growing call from researchers and practitioners to consider peripheral tourist destinations within the context of *alternative tourism* where appropriate tourism, small-scale tourism, ecotourism and controlled tourism among others, replace the drive for greater and greater numbers of tourists.¹ For some tourist destinations this may be a legitimate concern but for others the impact of mass tourism seems distant. In any case 'tourism impact' is a relative concept, for what may be too much in one area may be quite manageable in another. Tourism numbers are a poor determinant of tourism impact and the precise delineation of impact is always a culturally based concept.

The fact that impact is culturally based suggests then that it should be the local culture which determines what type and degree of tourism is good for a community. If tourism development comes from within and builds from the local level through the hierarchy to become incorporated at regional and national levels then the assumption is that the extent of tourism can be 'controlled' according to the desires of the local communities.

Central to this understanding is the governance structure around which tourism development proceeds. The success or failure of tourism in a region is inextricably tied to the way in which the governance structure controls development and how tourism is incorporated into broader social and economic objectives. Indeed, as Cater notes, it is essential that tourism planning be integrated within the wider spatial economy of which it is a part.² Although there may be some similarities in development approaches and problems faced by different peripheral tourist destinations it is essential that the spatially specific development questions are brought to light before we attempt to place tourism development strategies on peripheral tourist destinations. No broad development strategy can be successful if it does not accommodate the localized, culturally based governance structure and the spatially specific problems that development may encounter.

This article looks at tourism development and the general and spatially specific problems encountered in the context of a peripheral tourist destination.³ It is argued that while changes have taken place and more tourists now travel to Canada's eastern arctic, the policies used



Figure 1. Travel zones of the Northwest Territories.

and problems presently faced may inhibit future tourism development for the region. The context for the article is the Baffin Travel Zone of Canada's Northwest Territories (NWT) (see Figure 1).

Tourism in Canada's NWT

Little attention is given to the NWT in national tourism strategies even though it represents about one-third of Canada's total land area. For Canada as a whole, the tourism industry is the second largest earner of foreign exchange behind the automobile industry.⁴ In 1988, 15.5 million international visitors came to Canada spending an estimated $\$24 \times 10^9$ (US billion). By 1995 it is forecast that international visitation will increase to over 18.7 million with receipts rising to over $\$36 \times 10^9$.⁵

The federal government of Canada recently conducted nationwide discussions on the challenges facing the nation's tourism industry. From these discussions a federal tourism policy was developed which is based on four key principles:

- recognition of the importance of tourism to Canada's prosperity;
- the international focus of federal involvement;
- coordination of federal activities to enhance international competitiveness;
- continuing cooperation between federal, provincial and territorial governments, and the industry itself.⁶

It is the last of these factors which effects tourism development in the NWT. Indeed, more than \$11 million of federal funds has been invested in the NWT travel sector since 1983 through inter-governmental agreements.⁷

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search, Vol 14, No 2, 1987, pp 202-226

³C.P. Keller, *The Development of Peripheral Tourist Destinations Case Study, Baffin Region*, Unpublished MA Thesis, University of Western Ontario, London, Canada, 1982; and C.P. Keller,

'Stages of peripheral tourism development - Canada's Northwest Territories', *Tourism Management* Vol 8, No 1, 1987, pp 20-32.

⁴IST - Federal Government Department of Industry, Science and Technology *Tourism on the Threshold*, Supply and Services, Ottawa, Canada, 1990

⁵IST - Federal Government Department of Industry, Science and Technology, *Discussion Paper on a National Tourism Strategy*, Supply and Services, Ottawa, Canada 1989.

⁶Op cit, Ref 4.

⁷Government of the Northwest Territories, *Tourism: The Northern Lure*, Yellowknife, Canada, 1990.

⁶Our Future. Newsletter of the new Economic Development Agreement. EDA Secretariat, Yellowknife, Canada, April 1988

⁷Op cit. Ref 7

⁸Government of the Northwest Territories. *The Travel Industry in the NWT 1975*. The Division of Tourism Department of Economic Development, Yellowknife, Canada, 1976 and Statistics Canada. *Travelers Accommodation Statistics*, 1970

⁹GNWT, *ibid.*

¹⁰Government of the Northwest Territories. *Summer Travel. Travel Surveys Report of Findings*. Department of Economic Development and Tourism, Yellowknife, Canada, 1983 and Government of the Northwest Territories. *Visitors to the NWT*. Division of Tourism and Parks, Yellowknife, Canada, 1984

¹¹Government of the Northwest Territories. *Explorers Guide to the NWT 1988*. Travel Arctic, Yellowknife, Canada, 1988

¹²M.P. McConnell. The potential for and impact of tourism in the NWT. in *Proceedings of the Conference on Productivity and Conservation in Northern Circumpolar Lands*. Edmonton, Alberta, 1970, pp 291-296

¹³W.M. Baker. *Overview Study of Tourism and Outdoor Recreation in the Northwest Territories*. Prepared for the Division of Tourism, Department of Industry and Development, Yellowknife (NWT), Canada, 1973

¹⁴Z.T. Mieczkowski. Developing tourism and recreation in the North, in *Research for changing travel patterns Interpretation and Utilization*. Proceedings from the 4th Annual Conference of the Travel Research Association, Idaho, USA, 1973, pp 37-45; Z.T. Mieczkowski, 'Tourism and Recreation in the North: a new challenge', in J. Rogge, ed. *Developing the Subarctic*. Manitoba Geographical Studies 1, University of Manitoba, Winnipeg, Canada, 1973, pp 91-103; and Z.T. Mieczkowski, 'The prospects for tourism development in the Canadian, Soviet and American North', in *Tourism as a factor in National and Regional Development*, Proceedings of the IGU's working group on the geography of Tourism and Recreation, Trent University, Peterborough, Canada, 1974, pp 81-83

¹⁵R.W. Butler. *The Development of Tourism in the Canadian North and Implications for the Inuit*, Inuit Tapirisat, Ottawa, Canada, 1975

¹⁶Balmer, Crapo and Associates. *Tourism Development and Marketing Strategies for the Northwest Territories*. Prepared for the Tourism Steering Committee/Economic Development and Tourism, Government of the NWT, Yellowknife, Canada, 1980.

The 1987 signing of the new Canadian/NWT Economic Development Agreement (EDA) (whereby \$12 million was allocated to tourism development in the NWT, with the federal government providing 70% of the cost is evidence of the federal commitment to provide much needed capital for investment in the northern industry.⁸ The fundamental question, however, is how this funding is distributed - both across the industry and across the different spatial units which comprise the NWT. For the most part then, tourism development strategies are a function of the territorial government assisted by capital provision of the federal government.

There are now about 370 businesses connected to the tourism industry in some way, making it the second largest private sector employer in the NWT. Travel to the NWT has increased substantially during the 1980s. Data for summer travel show that the number of pleasure visits increased from 22 500 in 1979 to 33 000 in 1988, while total 'all purpose' travel over the same period rose from 36 000 to 60 000.⁹

In 1970 the territories had an estimated 20 000 tourists with accommodation for these consisting of just 12 hotels, five motels and 12 campsites.¹⁰ Growth in NWT tourism came during the 1970s with the promotion of package tourism. This growth came predominantly in the west, 12 800 of 100 000 tourists in 1975 were based for locations in the southwest of the NWT, and this can be attributed to the highway system. By 1983 the number of summer visitors to the NWT has risen to 44 000 with a similar number estimated for 1984.¹¹ At present there are 134 hotels and lodges listed for the territories with just 13% of these in the Baffin region.¹²

As early as 1970 the need to adopt a cautious well controlled development process was stressed.¹³ A 'master' plan for the entire NWT was considered inflexible and would lead to local initiative and innovation being inhibited. In contrast, however, Baker felt a master plan was beneficial, following his study which provided a detailed resource inventory and analysed travel trends and existing and potential markets.¹⁴ Mieczkowski considered tourism as an integral part of development programmes in the north which would bring northern communities closer together, both spatially and economically.¹⁵

With tourism increasing in popularity worldwide in the 1970s Butler considered 'the north' as a logical destination for an increasingly affluent and better educated tourist.¹⁶ It was not until the 1980s, however, that serious consideration was given to northern tourism. Balmer, Crapo and Associates were commissioned to produce reports for a *Travel Industry Strategy and Action Plan for the NWT*.¹⁸ As in past studies, facilities in the north were criticized for being of poor quality and high price. Information services were considered non-existent and business practices rarely efficient. These reports initiated the division of the NWT into six travel zones (see Figure 1) and provided a general inventory of tourism resources available in the area. Table 1 provides a breakdown of visitation in each of the six travel zones.

The umbrella organization for the six travel zones is the Tourism Industry Association (TIA) of the NWT. This is a representative body of the private sector which, in addition to lobbying on their behalf, coordinates tourism marketing for the Territories. In 1986 the TIA began a three-year marketing strategy and under the new EDA received \$1 million in funding to carry out its second phase. The regions were allocated money to go towards their tourism marketing activities, eg the

Table 1. Travel data for the six tourism zones of the Northwest Territories.

Tourism zone	Number of travel businesses		Summer pleasure visitors	
	1979	1988	1979	1988
Big River	45	64	6 320	8 250
Northern Slave (northern frontier)	51	90	8 300	11 350
Western Arctic	40	59	6 080	8 250
Arctic Coast	10	23	200	690
Keewatin	21	55	320	1 720
Baffin	27	81	1 280	2 740
All NWT	194	372	22 500	33 000

Source
Government of Northwest Territories, text refer-
ence 7, p 5

Baffin region received \$107 400.¹⁹ The region currently targets marketing of general Baffin information towards Ontario, Quebec, the midwestern states, New York, Chicago, California, Arizona, Baltimore and Dallas.²⁰ It has been suggested by those in the industry in Baffin that the \$107 400 is inadequate to cover necessary costs for promoting the region's tourism products. Much of the funding for marketing is used for the assembly, printing and distribution of information about the region with little going towards marketing the tourism product. The private sector businesses do most of their own marketing.

Baffin Travel Zone

The Arctic Islands of the Baffin travel zone offer some of the most spectacular and dramatic scenery in the world. Rugged coastlines are indented with countless fiords and mountain ranges. Glaciers cover much of the land, rolling tundra glows with delicate arctic flowers and the 'midnight sun' gives unlimited time to explore.²¹

The Baffin Travel Zone is shown in Figure 2. The region has 14 communities with a total population of 9975.²² The largest are Iqaluit (2947) and Pangnirtung (1004). Almost 80% are Inuit while 60% of the population is under 25 years of age. With such a youthful population tourism is looked upon as an important employment generator for a growing labour force. At present, unemployment is high and the Canadian federal government contributes substantially to assist the region. Tourism then, is seen as a way of improving the economic well-being of the communities.²³

The tourist season for the region runs from April to mid-October. It is the period from June to September, however, when temperatures are warmer and the daylight hours are long that tourist travel is the highest. There were an estimated 5086 visitors to the Baffin region in these months in 1987 of which 64% were visiting for business purposes. These figures are double that obtained for the same months in 1982.²⁴

There has been a 33.7% increase in pleasure travel in the Baffin region since 1985. In comparison with other communities in the NWT, however, such as Fort Smith and Inuvik in the west, the growth is relatively low.²⁵

The Baffin tourist experience is characterized as being one of the NWT's higher-valued tourism products. As the GNWT notes, 'Both within the NWT and in North America the Baffin region offers a unique, almost exotic pleasure travel experience. It provides high arctic adventure with a natural and cultural resource base that is distinctive.'²⁶

The following listing indicates the types of activities available in the region. Implicit in this is the realization that certain groups should be

¹⁹Op. cit. Ref 8

²⁰Government of the Northwest Territories, *Baffin Region Tourism Strategy*, Department of Economic Development and Tourism, Iqaluit, Canada, 1987.

²¹Government of the Northwest Territories, *Explorers Guide to the NWT 1985*, Travel Arctic, Yellowknife, Canada, 1985, p 97, and *op cit.* Ref 13

²²Statistics Canada, 1986 *Census of Canada*, 1986 Northwest Territories Census divisions and subdivisions, Population, occupied dwellings, private households, census families in private households.

²³In some respects this assistance could be considered as a method whereby the Canadian federal government can maintain authority so that Canada can be recognized as having sovereignty over the Arctic, thus claiming control, also, of the potential natural resources such as oil and gas.

²⁴Op. cit. Ref 20; and Marshall, Macklin and Monaghan, *Baffin Region Tourism Strategy*, Report prepared for the Department of Economic Development and Tourism, GNWT, Yellowknife, Canada, 1982.

²⁵Ibid.

²⁶Ibid.

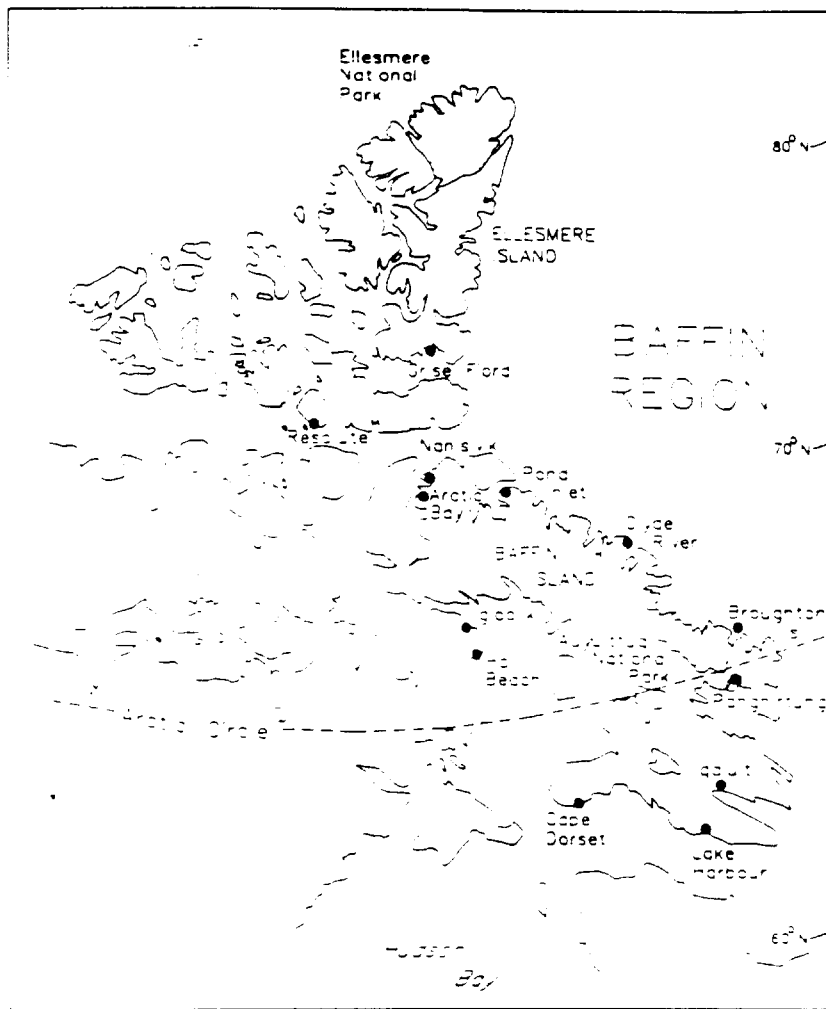


Figure 2. The Baffin Region travel zone

marketed for the Baffin tourist product and at certain periods of the 'tourist season'.

- Physical activities – mountaineering, climbing, canoeing, hiking, hunting, fishing, skiing, white-water rafting, sea-kayaking, dog-sledging, floe edge touring and snow mobile tours;
- Spectator activities – photography and sightseeing (particularly the flora and fauna), purchase and study of arts and crafts, archaeological and historical interests;
- Educational activities – based in both communities and camps to improve the understanding of the region's culture, present commercial activities (eg mining), flora and fauna and historical and archaeological sites.²⁷

We will return to these categories for they provide an important component of a proposed strategy which seeks to utilize the comparative advantage that some communities have over others. The single largest drawcard to the region is Auyuittuq National Park which has had between 400–500 visitors a year during the 1980s.

Package tour offerings increased from 28 in 1982 to 60 in 1987 while the number of wholesalers/operators rose from five to 17 over the same period. Tourists have predominantly higher incomes with college or

²⁷Op cit. Ref 17.

university education and are mainly professionals occupying managerial positions.²⁸ In 1982-83, 74% were Canadian (33% Ontario, 21% Quebec, 9% Alberta and 6% British Columbia), 22% American and 4% overseas. By 1984 the Canadian share had increased to 81% (49% Ontario) with the American market declining to 14.9%.

The average trip expenditure for pleasure travel has been estimated at Can \$2 800 (1989) per person, which does not include discretionary spending on crafts and goods/services.²⁹ Prices for a single night's accommodation (mostly on a shared room basis) range from \$80 in Iqaluit (without meals) to \$160 in Pond Inlet. Transport is the main expense. Although air fares have been greatly reduced over the last few years due to competition it will still cost, eg \$442 return to fly from Ottawa to Iqaluit. From there the return ticket to Pond Inlet will cost an additional \$496.

Tourism research suggests a growing degree of negative attitudes to increased levels of tourism.³⁰ The exotic nature of Baffin's tourist product and relatively low numbers of tourists suggest that the region is in the early stages of this evolution although local outfitters have voiced their concern regarding oversaturation. So a gradualist approach to tourism development is needed such as that advocated by de Kadt.³¹

Problems for tourism development in the Baffin region

Inevitably, the most appropriate form of tourism development becomes a political decision. Two strategies which exemplify this point in the 1980s are the *Baffin Region Tourism Strategy* (BRTS), and the *Community Based Tourism Strategy* (CBTS) introduced by the GNWT. Before we discuss these strategies, however, it is important to note the unique problems associated with tourism development in the Baffin region.

First, the 'arctic image' is often the antithesis of tourist expectations.³² Arctic tourism is concentrated in the summer months when there are relatively warm days, flowers in bloom and relatively ice-free seas (although the season is being extended as mentioned earlier from April to mid-October). Tourists and southern travel agents must be made aware of the seasonal variation. An arctic image which fully indicates the temporal and spatial diversity of the region is vital to a successful tourism planning policy. Little tourist activity, for example, takes place in winter, due to extreme cold temperatures, arctic winds and few hours of daylight.

The eastern arctic environment is fragile and sensitive to the impact of human use. Thus consideration must be given to increasing numbers of tourists, especially in the national parks and wildlife sanctuaries. Indeed, 57% of visitors surveyed in Auyuittuq National Park felt the number of visitors to the park should be limited.³³ Technical and engineering problems associated with construction on permafrost have largely been overcome but at high financial cost. There is also an element of danger with extreme and fluctuating temperatures and the occasional presence around some communities of polar bears.

There is potential conflict between traditional and modern activities. The southern ethic of working specific hours in a day is contrary to the traditional hunting and gathering lifestyle of the Inuit. There is also the commoditization of traditional culture, whereby meanings ascribed to aspects of traditional life are changed even though their use/existence is

²⁸Op cit, Ref 20.

²⁹Government of the Northwest Territories, personal communication, 1990.

³⁰G.V. Doxey, A Causation Theory of Visitor-Resident Irritants: Methodology and research inferences. *Proceedings of the Travel Research Association 6th Annual Conference*, San Diego, California, 1975, pp 195-198. S.C. Plog, Why destination areas rise and fall in popularity. Paper presented to the Southern California Chapter of the Travel Research Association, 1972 and V.L. Smith, ed. *Hosts and Guests: the anthropology of tourism*, University of Pennsylvania, Philadelphia, 1989.

³¹E. De Kadt, *Tourism: Passport to Development? Perspectives on the Social and Cultural Effects of Tourism in Developing countries*, Oxford University Press, New York, USA, 1979.

³²Smith, *op cit*, Ref 30.

³³M. Taylor, *Auyuittuq National Park Reserve Visitor Survey 1982. Report on Findings*, Parks Canada, Winnipeg, Canada, 1983.

continued. With the creation of parks and reserves and the increased involvement of mineral, gas and oil exploration companies, potential land-use conflicts may result as traditional hunting and fishing areas slowly diminish.³⁴ Community involvement in the planning process is essential to minimize the impact of such developments.

In addition to the dependence and high cost of air transport, several questions need to be considered regarding the infrastructural requirements of increased tourism. Would large investments in new infrastructure, for example, increase demand for the tourism product and would new facilities be profitable over the entire year? Also, where would the construction workers come from, how would communities accommodate and accept the change in social life and what would be the short term nature of such a 'boom' period? There is also the danger of an over-supply of facilities which may, in the long run, create an uneven distribution of facilities.

Some tension may arise from an influx of southern construction workers. And even if Inuit are employed in construction work it may only be short term and little would be achieved to improve the extent of structural employment in the area. The seasonal nature of tourism may also undermine the employment generating potential of tourism, and indeed the perception of employment in the industry. Keller notes that the industry is perceived as a 'low status poorly paid unpopular occupation'.³⁵ Tourism also conflicts with traditional summer activities of living on the land away from the communities. Hunting and fishing are popular traditional summer activities for the Inuit and if an employee was expected to forgo this aspect of life for tourism then this also may result in increased resentment towards the industry.

Native peoples of the north are negotiating with the Canadian federal government as to the ownership of land. The Inuit, in particular, have proposed the establishment of a region known as *Nunavut* (essentially the area north and east of the treeline). Inuit would own and administer the land through appropriate organizations.³⁶ Previous writers note some uncertainty towards development in the north on behalf of residents due to these land claims although Marshall, Macklin and Monaghan and the GNWT pay no attention to the issue.³⁷

Finally, the relative geographic isolation of the Baffin region within the political structure of the NWT suggests that the area is disadvantaged compared to regions in the west.³⁸ The capital of the territories is Yellowknife, which, 2248 km from Iqaluit, represents a variety of different groups – Inuit, Indians, non-natives, people of the west and east. The west is also accessible by road, has linkages with the Yukon and has more facilities and services to cater to the traveller. To date, tourism development has been concentrated in the west. There is a common belief among businesses and development officers that the eastern arctic is neglected in tourism policy. Of great importance then is the allocation of finances for tourism development. The nature of this financing is considered in the following section.

Community based tourism strategies

Financing of tourism development has emerged within the context of these two strategies, which, introduced in the early 1980s provided the blueprint for the decade's tourism. The Baffin Region Tourism Strategy (1982) (BRTS) produced by Marshall, Macklin and Monaghan emphasized the later stages of tourism planning.³⁹

³⁴Aboriginal people are permitted though to hunt and fish within national and territorial parks.

³⁵Keller, 1982, *op cit*, Ref 3.

³⁶Inuit Tapirisat of Canada, *Annual Report 1984-85*, 1985.

³⁷Uncertainty is expressed by *op cit*, Ref 18; and Keller, 1982, *op cit*, Ref 3. See also Marshall, Macklin and Monaghan, *op cit*, Ref 24; and Government of the Northwest Territories, *Community Based Tourism. A Strategy for the NWT Tourism Industry*, Department of Economic Development and Tourism, Yellowknife, Canada, 1983.

³⁸The unevenness of western control over eastern arctic tourism is further confounded by the knowledge that most tourists to the Baffin region are from Ontario and Quebec, the eastern seaboard of the USA, and Europe.

³⁹See, eg C.A. Gunn, *Tourism Planning*, Taylor and Francis, Philadelphia, PA, 1988; C. Kaiser and L.E. Helber, *Tourism Planning and Development*, CBI Publishing Company, Boston, 1978; and R.C. Mill and A.M. Morrison, *The Tourism System. An Introductory Text*, Prentice Hall, New Jersey, 1985.

Extensive investment and infrastructural feasibility studies were carried out, eg for Hall Beach (a 'low priority' community) it was estimated that capital costs would amount to somewhere between Can\$610 000 and \$950 000 with airport facility upgrading as an additional cost. Over a 10-year period Hall Beach would require an estimated \$193 000 in operations and maintenance, would employ a total of four to six part-time year round, seven to 10 seasonal and seven to 10 part-time seasonal workers and would generate a projected revenue of \$176 800. All these figures were calculated despite a lack of market studies to even indicate the *type* and *number* of tourists required for these figures to be accurate. Indeed, little insight is given into potential markets and this is the major weakness of the study. Also, the Yukon is considered as the major competitor despite its 'product' differences and distance from the Baffin region.

The report, however, did identify selected geographic areas which contain specific tourism resource opportunities that will appeal to special tourist interests if properly planned and managed. Communities were designated according to their resource potential with values denoting their priority and assigned role. Pangnirtung and Iqaluit were given highest priority while Clyde River and Sanikiluaq were ascribed the lowest. While one may be critical of the priorities given certain communities it is nonetheless an attempt to place planning within a regional framework which reflects perceived potential and the spatial practicalities of tourism development.

The Community Based Tourism Strategy (CBTS) was introduced by the territorial government in 1983 to provide a basis for the budgeting and planning of tourism development. The aim was

to assist communities and their residents across the NWT in achieving their tourism revenue and employment objectives in a manner compatible with their lifestyles and aspirations.⁴⁰

In keeping with their overall tourism development plan they noted about 45 of the 62 NWT communities required an upgrading of their accommodation facilities. But is it practical to expect tourism to reach all communities and even if so, will the number of tourists justify the upgrading of all facilities?⁴¹ The strategy ignores the diversity and isolation of communities in the NWT. Despite noting that transport costs and marketing have been neglected the strategy does nothing to address these issues itself. It is noted that markets need to be defined geographically and demographically but this is vague and ignores the concept of market segmentation.

To further existing instability and uncertainty the strategy states that funding to the regional travel associations would not be committed for more than one year, and even then, funding would only be given to projects that could be accomplished in the same year. Moreover:

To have its full impact community based tourism should be applied to all communities across the NWT, and, programs are required to encourage tourists to visit many communities.⁴²

The statement is misleading (all or many?) and even if it were to mean all communities is that economically feasible? Would residents be anticipating an influx of tourists? Will the tourism product be differentiated enough to create a demand for all 62 communities? Priority is given also to those communities that have few, if any, economic development opportunities available to them but would that result in a viable tourist

⁴⁰Marshall, Macklin, Monaghan, *op cit*, Ref 24, p 9

⁴¹It must be noted, however, that the primary reason for upgrading accommodation facilities was to bring these establishments up to present day fire and safety building codes. There would be, perhaps, considerable further investment required to make these establishments tourist oriented.

⁴²Marshall, Macklin, Monaghan, 1982, *op cit*, Ref 24, p 22.

Table 2. Tourism development subagreement 1987.

Amount ($\times 10^6$)	Designation
\$7.05	Product and Facility development <ul style="list-style-type: none"> • project feasibility (marketing and conceptual design) • business and public infrastructure development
\$3.5	Market development <ul style="list-style-type: none"> • incentives • information support
\$0.85	Administration and Information Program evaluation
\$0.6	Industry support <ul style="list-style-type: none"> • hospitality awareness, standards and ratings

Note:

Other related funding comes with \$9.3 million for small business development, \$5 million for renewable resources and \$3 million for arts and crafts development.

Source:

Tourism Development: The new Canada - NWT Economic Agreement, 1987.

industry being established? The strategy does allow for communities to control the degree of tourism but what is needed are regionally specific strategies that are community oriented not community based.

More recently there has been a change of focus away from the pre-1987 attempts to create 'the appropriate climate for residents to participate and become aware of tourism opportunities' to an emphasis on concentrating resources on increasing visitation and insuring quality products continue to be offered.⁴³ To this end *Economic Development Agreements* (EDA), which were first signed between the Canadian federal and territorial governments in 1983, have been extended and elaborated to provide financial support for tourism projects in the NWT.

For the 1983-86 period \$3.05 million was given for tourism development (\$2.7 million federal and \$305,000 territorial).⁴⁴ In 1987 six subagreements were signed providing \$38.3 million for NWT development.⁴⁵ Twelve million dollars of this is designated for the tourism development subagreement, whose programmes are outlined in Table 2 (\$8.4 million federal and \$3.6 million territorial).

Unfortunately the tourism component of the EDA expired in 1990. Now the GNWT and the Canadian federal government are involved in discussions as to the continued provision of financial assistance to tourism development in the region. For the 1989 fiscal year all Baffin applications for funding through the tourism subagreement were accepted. Market development received \$53,000 (the second highest of the six zones) although product and facility development received only \$12,000 - the lowest of the six zones.⁴⁶

On the face of it, tourism development appears to receive a major boost but unfortunately it will require more than just financial support for a development plan to be effective. The funding is not distributed on a regional basis but rather on a first come first served approach. This does not provide for long-term tourism planning so that any projects that do proceed will be on an *ad hoc* individual project basis. In essence the Baffin region is competing with others for a piece of the EDA pie.

As there are more businesses in the west it can be expected that more applications and funding will be based in that area. The Baffin region is isolated even within the NWT. And if some Baffin businesses receive funding this does not augur well for a regionally based approach to tourism development. Thus despite good intentions to promote tourism from a controlled planning perspective what is emerging is a form of tourism that has the appearances of a competitive free market industry devoid of institutional control or involvement - despite the Canadian government infusion of financial support.

One of the major difficulties is the inability of local people in the Baffin region to raise sufficient capital for tourism related activities. And while it may take a few years to obtain this financing, EDA funding

⁴³*Op cit.* Ref 20.

⁴⁴Economic Development Agreement 1983. Economic Development Agreement Secretariat, Yellowknife, Canada.

⁴⁵*Op cit.* Ref 8.

⁴⁶Government of the Northwest Territories, personal communication, 1989.

Table 3. Priority levels for Baffin region communities.

Subregions	Physical ^a	Spectator	Education
1 Iqaluit Lake Harbour Cape Dorset	2	1	2
2 Pangnirtung Broughton Island Clyde River Pond Inlet	1	1	3
3 Resolute Grise Fiord Arctic Bay Nanisivik Hall Beach Igloodik	3	2	1

Note

^a 1 denotes highest priority be placed on this activity

may well be used by those zones in the west that are further along in their tourism industry evolution.

Emerging then is a sense of regional and community competition, lack of initial capital involvement, potential false expectations of economic returns from tourism and money being spent without consideration of the overall objectives by which tourism development is expected to proceed. A strategy is needed which identifies where and what tourism products should be promoted, thus differentiating the tourism product within the NWT and within the Baffin region itself.

At present tourism development is community based in the Baffin region.²⁷ With little understanding of 'tourism' the communities require assistance in determining their growth strategies for tourism development.²⁸ As the GNWT writes:

The intention of community based tourism is to allow communities to use the tourism industry as a means of self-determination, especially economically. This government's role in community based tourism is that of a consultant in the planning stages, and that of a provider of direct financial support in the developmental stage.²⁹

Such an approach, however, seems haphazard. If some or all communities choose to develop tourism then how does the Canadian government, in a consultative role, determine who should get what financial resources? The communities would again be competing with one another, the end result being a growth in tourism that may be community based but is disruptive at the regional level. It is at the regional level where tourism development can best be directed for the benefit of all communities in the region. A community oriented tourism is needed which emphasizes quality tourism based on consistent numbers of tourists and product differentiation. The final section provides an approach by which this may proceed.

Regionally based tourism development

A form of control which gives the region the power to control its own tourism growth is advocated. Financial assistance would be given according to priorities placed by the regional authority. Within the Baffin region, priorities would be based upon community potential and willingness for tourism. Growth would be based upon a differentiated tourist product among the communities, identified by subregion priority levels and types of activity as discussed earlier.

Each subregion (see Table 3) would have a board comprised of

²⁷ P.E. Murphy, *Tourism: A Community Approach*, Methuen, London, UK, 1985

²⁸ *Op cit.*, Ref 20

²⁹ *Ibid*

community delegates and would be represented at the regional level to put forward the plans and views of the communities. The prime objective of this structure is to provide a framework whereby communities can voice their interests in a manner that enables tourism growth to proceed at a planned coordinated level. Table 3 also reflects the comparative advantage that the subregions have regarding some tourist products over others. Subregion 1, for example, would give highest priority to spectator activities, subregion 2 to physical and spectator activities and subregion 3 to education based activities.

The location of Sanikiluaq (in the southern part of Hudson Bay) suggests a more appropriate zoning would be the Keewatin region or even Quebec. Sanikiluaq is an island community of 422 people and is served by a Quebec airline only. It seems impractical to consider the community within the Baffin region framework.

Once markets for the arctic tourism products have been identified and community interest and infrastructural requirements assessed, emphasis would be placed on ensuring quality tourism. The experience of other peripheral tourist destinations suggests that large numbers may increase the extent of negative effects. Smaller numbers would provide the communities with an opportunity to develop their industry gradually, recognizing also that tourism will be just one element of their economic development.

Funding would be apportioned by the GNWT according to the emphasis and potential placed on tourism by each of the six regional travel zones. It is at the regional level that funding would be allocated for it is on this scale that proposals can best be placed in an overall regional planning context.

At the moment a 'gradual approach' is evident in the Baffin region. The region's GNWT office for Economic Development and Tourism is continually re-evaluating each community's development plans as the office is still wary of the impacts of tourism. Greater control, however, is needed at the regional level to plan a regional tourism strategy that builds upon comparative advantages and the interaction and commitment of the individual Baffin communities.

Conclusion

The Baffin region is still in the early stages of tourism development and has the advantage of learning from other areas' experience with the industry. It is unlikely that large numbers of tourists will continually visit Baffin due to the unique problems outlined earlier in this paper. Decisions must be made as to what type of tourist is desired and to be expected and what the optimum tourist numbers are for communities. The idea that the tourism product varies from community to community should be stressed as also should be the notion that tourism is not the panacea to end the area's economic ills. If funding is to be made available then it should not be from an administrative centre over 2000 km away and should not be in competition with other tourism development projects in the NWT.

It is important that development in the region is controlled by the region. Development should conform to a regionally based plan that recognizes the problems, both unique and general, for Baffin region tourism. Finally, it must be recognized that the region is still a peripheral tourist destination and as such subject to the whims of the

Canadian and international tourist market. It would be unwise to fall into a dependency on tourism. Small-scale community oriented tourism is advocated, with the communities playing the integral role in determining the region's future.

There are many peripheral tourist destinations all over the world, each one having its own unique mix of political, social, cultural, environmental and economic contexts into which must be woven a comprehensive tourism development strategy. Tourism research is replete with studies of tourism impact on host communities but more often than not the spatiality of tourism development is secondary rather than being explicitly addressed. It is time to stress that 'geography matters' - that the geography of tourism unfolds in unique ways which reflect the underlying political structure and processes that serve to shape the institutional control of tourism development.

In the Baffin region context, geography does matter. Not only must we be cognizant of the geographically differentiated tourism product, we must stress to policy-makers the necessity for regions to be able to control their own development process. As researchers, therefore, we must return to the questions of scale. What is the appropriate political scale from which to control tourism development? What scale of tourism development should a region choose to follow? And, finally, what scale of tourism development provides a positive impact on local communities? These are questions that both the Baffin region and tourism research must address in the 1990s.