

LEGISLATIVE ASSEMBLY OF THE
NORTHWEST TERRITORIES
5TH COUNCIL, 27TH SESSION

REFERENCE FOR ADVICE
NO. 16-27

TABLED ON JUNE 2, 1964



NORTHWEST TERRITORIES

REFERENCE FOR ADVICE

N.W.T. TOURIST DEVELOPMENT PROGRAM

The Commissioner requests the advice of Council regarding a Tourist Development Program for the N.W.T.

Statement for Council of
the Northwest Territories

on

N.W.T. Tourist Development Program

This paper has been prepared in response to a request by Council of the Northwest Territories that a statement on staff and operating costs for an adequate tourist development program be presented at the current (June, 1964) Session of Council.

Principles of Government Action

1. Government should take a dynamic rather than a passive role towards tourist development as a major step towards building a self-sufficient economy in the Northwest Territories. Its role embraces planning, development, promotion and, where necessary, regulation.
2. Development programs must be aimed at creation of a stable, long-term industry with maximum benefits accruing to residents of the Territories through employment, business opportunities, increased commerce, etc.
3. The emphasis to be placed on tourism must be determined on the basis of the present and potential value of the industry to the N.W.T., not in relation to the emphasis placed on tourism by administrations in other parts of Canada. For example, it would be more accurate to compare the tourist industry in the N.W.T. to agriculture, rather than to tourism, in Saskatchewan because tourism is potentially as important to the Territories as agriculture is to Saskatchewan.
4. Government action must be taken in co-operation with private and co-operative enterprise at all levels. For example, a great deal of promotional work is carried out by private camp operators. This should be meshed with Government promotional campaigns. Policy discussions affecting the use of fish resources by the industry should be made in consultation with it.

5. Because of the Federal Government's responsibility for Eskimos and because of the economic need in many parts of the Arctic, Government-sponsored tourist operations may be undertaken on an experimental basis to stimulate development.

Progress to Date

The Department of Northern Affairs and National Resources hired a tourist development officer in January of 1960. The Northwest Territories Tourist Office was established as part of the Industrial Division later that year, and partial financing by the Government of the Northwest Territories, was provided starting in 1961. A clerk was added to the staff in 1961. The following summary is not intended to infer that all credit for progress should go to Government, but Government has played a vital role in stimulating development.

<u>Year</u>	<u>No. of Tourists</u>	<u>Expenditure</u>	<u>No. of Tourist Camps</u>
1959	600	\$ 350,000	4
1960	1,000	450,000	8
1961	1,300	600,000	10
1962	2,200	850,000	14
1963	3,500	1,000,000 plus	10*

The following conservative estimates are based on present trends and advance knowledge of planned developments:

1964	4,200	\$1,250,000	12
1965	5,500	\$1,700,000	17

Combined expenditures by both levels of Government during the 1960-63 period ranged between \$30,000 and \$40,000 not including staff salaries and travel expenses. While there were only two full-time staff, much valuable assistance was being provided by other staff of the Industrial Division and the Department of Northern Affairs and National Resources as a whole.

* Decrease in tourist camps due to closing of buffalo hunt and cancellation of two government-sponsored projects in the Arctic.

The above estimates of expenditure by tourists are conservative.

Lodge operators on Great Bear Lake estimate that this year, their guests alone will spend 3750,000.

Level of Program

To adequately meet the needs and problems of a rapidly growing industry; to encourage and guide greater participation by residents; to start an organized development program in the Eastern Arctic; and to undertake long range planning as a guide to future development and as a means of avoiding increased problems, the following level of activity would be required in 1965.

The financial estimates given cover operating costs only. There is no allowance specified for office space, telephone, express, etc. Capital and maintenance costs for increased public facilities such as highway reception centres, parks, campgrounds, etc. are not included. The latter would probably require the largest increase in funds of any portion of the tourist development program.

In the detailed breakdown, 1964-65 combined expenditures by Federal and Territorial Governments are given in brackets.

1. General Services

Staff: 1 Supervisor		
1 Travel Counsellor		
1 Clerk (proposed new position)		
Salaries and travel expenses (\$15,000)		\$18,850.
Office supplies	(\$500.00)	500.

General planning and supervision of all phases of tourist development program; answering of tourist enquiries, bulk literature mailings, etc.

Comments:

Addition of one clerk to assist new officers required for surveys and development.

Future increase in costs for machine

processing of routine enquiries and for

additional travel counsellor at Fort Smith.

Total 1964	315,500.00	
Suggested 1965		319,350.00
2. <u>Surveys and Planning</u>		
Staff: 1 survey officer (proposed new position)		
salary and travel expenses	(nil)	\$ 9,000.00
Area or regional surveys to assess in detail the tourist potential and to draft development plans. Surveys will affect road planning, airstrip location, etc., and will provide a basis for planned development of tourist facilities.		
Contract staff	\$ 2,000.00	\$ 8,000.00
Specific use surveys, e.g. boating and canoeing routes, preparation of reports for publication and plans for improvements.		
Contract staff	\$ 4,500.00	\$ 4,500.00
Preparation of recommendations for ordinances and regulations based partly on the above surveys and on studies of acts and regulations in other areas.		
	\$ 4,500.00	
Annual survey of travel patterns, preferences, volume and expenditure.		
Printing & contractual work	(nil)	\$ 1,500.00

Comments:

Angling and boating surveys have been undertaken. Regional surveys were proposed this year for the first time. Survey officer position would be new.

Total 1964	311,000.00	
Suggested 1965		323,000.00

3. Development

Staff: 1 Tourist Development Officer in		
Fort Smith for Mackenzie District (proposed new position)		
Salary and travel	(nil)	\$ 9,500.00

1 Tourist Development Officer in

Ottawa for Arctic District (proposed new position)

Salary and Travel	(nil)	\$ 8,500.00
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Liaison with tourist operators, transportation companies and other agencies and businesses engaged in the tourist industry. Assistance in preparing package tours, etc.

Technical advice to operators on design, construction and location of facilities, and operation and management. Plan and assist with training courses for potential camp or resort operators, and for guides.	\$ 1,000.00	\$ 2,000.00
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Encourage, advise and assist tourist activities by community organizations including pamphlets and information booths, and administer a program of grants to assist these projects.	\$ 1,500.00	\$ 3,000.00
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Encourage activity by regional or Territorial organizations, such as the Northwest Territories Tourist Association, and provide secretarial and administrative services, grants, etc.	\$ 1,000.00	\$ 1,000.00
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Administer rating systems and regulations affecting the tourist industry.

In remote settlements or areas of economic stress, plan and supervise operation of experimental Government-sponsored tourist projects; and provide technical advice and assistance to Eskimo and Indian co-operatives.

Operating costs including contractual assistance

(Revenue producing)	\$ 7,600.00	\$15,000.00
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Comments:

Both positions would be new. While the two district officers would be engaged in mainly development work, they would also be involved in all aspects of tourist development in their districts including surveys and promotion.

Total 1964	\$11,600.00	
Suggested 1965		\$39,000.00

4. Promotion

Staff: Part time service of promotional officer (position already established)

Salary plus travel expenses	\$ 4,000.00	\$ 4,000.00
Preparation and distribution of tourist literature: pamphlets, posters, maps, etc.	\$18,500.00	\$22,000.00
Still photography: purchase of negatives, prints and distribution; hire of photographers	\$ 1,200.00	\$ 2,000.00
Movies: production, purchase of prints and distribution.	\$ 3,000.00	\$15,000.00
Publicity: liaison with writers, magazines, newspapers, radio and TV; sponsored tours for writers; special contract press service.	\$ 3,000.00	\$ 3,000.00
Paid advertising: in selected publications aimed at special interest groups (nil)		\$ 8,000.00
Exhibits: exhibits at travel and sportsmen's shows in Canada and in one U.S. city	\$ 2,000.00	\$ 4,000.00

Comments:

The position for the promotional officer has been vacant for two and a half years. It will be filled shortly and the officer will devote part of his time to tourism. A promotional specialist in tourism will be required within two years.

Total 1964	\$31,700.00	
Suggested 1965		\$58,000.00

Summary

1964 Estimates

Suggested 1965

	<u>Federal</u>	<u>Territorial</u>	<u>Federal</u>	<u>Territorial</u>
1. General services	\$15,000.00	\$ 500.00		
Addition of one clerk			\$18,850.00	\$ 500.00
2. Surveys and Planning		\$10,500.00		
Addition of one survey officer. Increased expenditure on travel surveys and long range regional plans.			\$ 9,000.00	\$14,000.00
3. Development	\$ 9,100.00	\$ 2,500.00		
Two district tourist officers - one for Mackenzie and one for Arctic. Increased work with communities and on Arctic development.			\$35,500.00	\$ 4,000.00
4. Promotion	\$ 9,500.00	\$22,200.00		
Major increases in tourist literature, movie production, paid advertising and exhibits.			\$13,000.00	\$45,000.00
Sub-Totals	<u>\$33,600.00</u>	<u>\$35,700.00</u>	<u>\$76,350.00</u>	<u>\$63,500.00</u>
Annual Totals				
1964		<u>\$69,300.00</u>		
1965			<u>\$139,850.00</u>	

On the basis of the above summary, the larger increase would be in Federal funds. This increase is mainly due to additional staff (salaries and travel expenses). The level of a tourist development program can be raised considerably simply by the addition of staff.

The division between Federal and Territorial funds is relatively arbitrary. In general, tourist development has been classified as a Territorial responsibility with the Federal Government providing the staff, and a portion of the operating funds because of the special Federal responsibility for Eskimos.

One alternative open to Council is hiring of staff on a contract basis. This is very useful for short-term specialized needs but is not entirely satisfactory and is more expensive when permanent general development officers are required.

LEGISLATIVE ASSEMBLY OF THE NORTHWEST TERRITORIES

5TH COUNCIL, 28TH SESSION

REFERENCE FOR ADVICE INDEX

- | | |
|-------|---|
| 1-28 | Inoculation of Dogs in the Northwest Territories |
| 2-28 | Possibility of Establishing a Pulp Mill at Great Slave Lake |
| 3-28 | Northwest Territories Centennial Project |
| 4-28 | Anthrax Control Program Northwest Territories, 1963-1964 |
| 5-28 | Predator Control and Caribou Conservation Northwest Territories, 1963-1964 |
| 6-28 | Interest Rate on Loans Under Low Cost Housing Ordinance |
| 7-28 | Broadening of Employment Opportunities for Semi-Skilled and Unskilled Workers Resident in the Northwest Territories |
| 8-28 | Financing of Education in the Northwest Territories |
| 9-28 | Proposed Northwest Territories Trust Fund for the Education of Young Territorial Residents |
| 10-28 | Accommodation of Students at Grandin College Student Residences Fort Smith |
| 11-28 | Tourist Development |