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# THE TRAVEL INDUSTRY IN THE NORTHWEST TERRITORIES



# 1973

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*Tabled on June 17, 1974*

DEPARTMENT OF ECONOMIC DEVELOPMENT  
DIVISION OF TOURISM  
GOVERNMENT OF THE NORTHWEST TERRITORIES  
YELLOWKNIFE, N.W.T.  
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THE TRAVEL INDUSTRY IN THE NORTHWEST TERRITORIES

1973

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The Research and Tourism Divisions of the Department of Economic Development, Government of the Northwest Territories, would like to thank all those individuals, organizations and companies who contributed data to this annual report. Among the respondents to surveys were 43 lodge owners and outfitters, 19 hotel and motel managers, 7 airlines, 4 travel agencies, one campground operator, one cruise ship operator and several government departments.

This report serves to chart the course of the travel industry in the Northwest Territories and acts as a planning tool for its future development. In this sense it is hoped that the respondents themselves will obtain benefits from the report which could not have been produced without their voluntary co-operation.

## 1. INTRODUCTION

This report is the sixth of its kind published by the Division of Tourism, Department of Economic Development. The primary purpose of the report is to provide a data bank for Northwest Territories travel information; secondly, to serve as a basic planning document. Each year an attempt is made to improve the comprehensiveness of the Northwest Territories travel statistics. Care is also taken to ensure that only those statistics are collected for which there are proven user demands.

In the past, the report has been a valuable source of information for a wide variety of users including agencies of governments, educational institutions, consultants, private industrial firms active in the north and the Northwest Territories travel industry personnel themselves.

In this report, the term traveller denotes any person journeying to the Northwest Territories, for any reason (business and non-business). A tourist is considered to be a particular type of traveller, namely one travelling for pleasure (e.g., vacation, sightseeing, visiting friends and relatives).

The report focuses upon the non-resident segment of the travel market, although one must bear in mind that it is the aggregate demand from both residents and non-residents that determines the overall level of tourism, travel and outdoor recreation facilities in the Northwest Territories. Sometimes it has proven impossible to differentiate between the demand of residents and non-residents. In such cases Northwest Territorial residents may be included in data counts with non-residents. This particularly applies to the highway survey results presented in Section 3.



With the possible exception of inclusive tours, it has not proven feasible to reconstruct the itineraries of travellers during their stay in the Northwest Territories. However, the principal travel/tourist region, as defined in the broadest terms, is undoubtedly the District of Mackenzie (the Northwest Territories mainland area west of 105° W. longitude).

The highlights of the 1973 travel year are presented in the following section, with more detailed analyses thereafter. It should be emphasized that many of the surveys overlap and that double counting will occur unless the statistics are used in the context of their presentation.

## 2. N.W.T. TRAVEL INDUSTRY HIGHLIGHTS, 1973

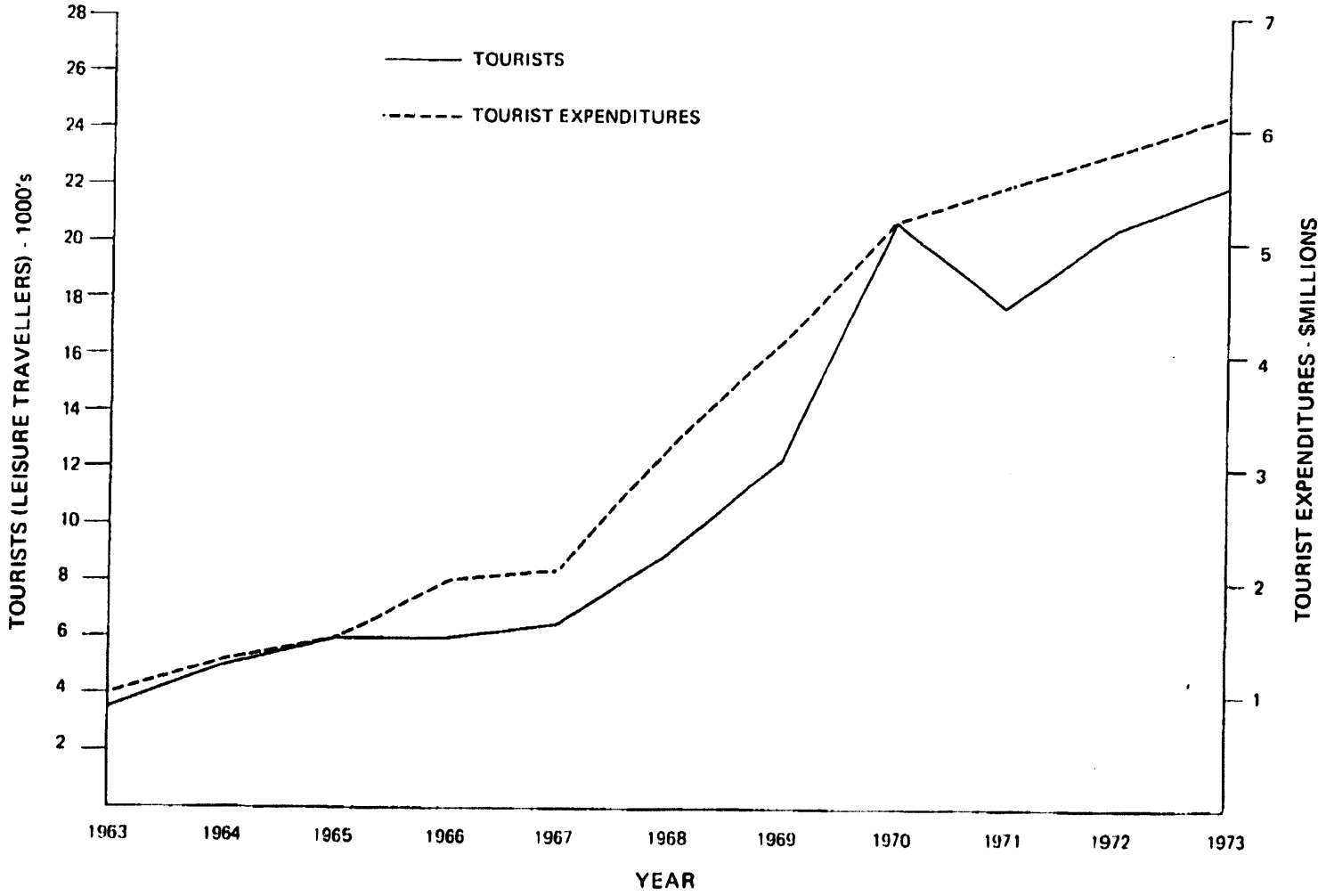
Some 22,000 tourists visited the Northwest Territories in 1973 and spent in excess of \$6 million on transportation, food and accommodation. The long term growth trend of both tourists and tourist expenditures is therefore continuing. Figure 2.1 illustrates this growth trend during the 1963-73 period. The 1970 increase was unusually large and can be attributed to the Northwest Territories Centennial celebrations.

Tourists or non-resident leisure travellers are the principal subjects of this report. However, information about resident leisure travellers and non-resident business travellers has been included in the report whenever possible. The purpose of the report is to provide a data bank of travel information; and it is the aggregate demands from all these types of travellers that interact to determine the overall level of tourism and outdoor recreation facilities in the Northwest Territories.

An estimated 66% of the 22,000 non-resident leisure travellers arrived by road in 1973. Their main purpose was to take a relaxing vacation and to fish, camp and canoe. 11% of these road travellers also came to visit friends or relatives and 46% stated that they were planning to visit Yellowknife during their stay in the Northwest Territories.

The other 40% non-resident leisure travellers arrived by air. Approximately 4000 were bound for week long holidays at fishing lodges or for extended fishing and hunting trips. A further 1,800 air travellers visited the Northwest Territories on inclusive tours. Most of these air travellers arrived on scheduled flights and were bound for places in the District

FIGURE 2.1  
GROWTH OF TOURISTS AND TOURIST EXPENDITURES  
1963 - 1973



of Mackenzie. However, Baffin Island and the central Arctic are beginning to attract increasing numbers of tourists.

Nearly 80% of the 22,000 non-resident leisure travellers were Canadian in 1973, 20% came from the United States and one percent from overseas. The recent emphasis by Canada's travel industry to "see Canada first" must be regarded as an important factor in explaining the high percentage of Canadian visitors.

The Division of Tourism and its publicity arm TravelArctic processed a record 23,400 enquiries in 1973. Enquiries have nearly doubled in fact since 1969, and TravelArctic is becoming better known as the government source of travel information on the Northwest Territories.

The travel industry is a major industry in the Northwest Territories. Visitors to the Northwest Territories spend large amounts of money and help generate many investment and employment opportunities for northerners. It is apparent from the statistical trends shown in this report, and from comparisons with the Yukon and Alaska, that the Northwest Territories can attract larger and larger shares of the North American and overseas travel markets in the years to come. Two basic requirements are more accommodation facilities of high standard and a more extensive promotion of the Northwest Territories, involving all sectors of the travel industry.

### 3. HIGHWAY TRAVEL

The Mackenzie Highway provided the only road means of access to the Northwest Territories in 1973. Mile 0 of the highway is in Grimshaw, Alberta, and the present terminus is Fort Simpson, Northwest Territories. A winter road has sometimes been opened north of Fort Simpson to serve communities in the Mackenzie Valley. However, an all weather road is now under construction to link Fort Simpson to the Arctic Ocean. The completion date is still some years away, although sections are in use.

There are several major arms from the Mackenzie Highway in the Northwest Territories. Highway 2 serves Hay River, Highway 3 serves Yellowknife, Highway 5 serves Fort Smith and Highway 6 serves Fort Resolution. There are also two major river crossings. The Mackenzie Highway crosses the Liard River near Fort Simpson and Highway 3 crosses the Mackenzie River near Fort Providence. Consequently traffic flows are interrupted on these routes during annual freeze-up (November - December) and break-up (April - May). Ferry services operate across the rivers during summer months, and ice bridges are prepared during winter months.

#### 3.1 Vehicular Traffic Counts

Vehicular traffic counts have been conducted at various locations, for various periods of time, in recent years. However, there is still not a consolidated count by which the total vehicular traffic, and persons entering the Northwest Territories by road, can be measured.

The following tables illustrate the type of statistics collected in 1973. Table 3.1 shows average, daily one way traffic flows at four locations. Location 1 was immediately north of the junction of Highways 2 and 5 and measured the traffic destined for Hay River. Location 2 was immediately east of the junction of Highways 2 and 5 and measured the traffic flow to Fort Resolution and Fort Smith. Location 3 was immediately south of the junction of Highways 2 and 5 and measured the traffic from Hay River, Fort Smith and Fort Resolution to the south and west. Location 4 was immediately west of the junction of Highways 1 and 2, beyond the influence of local traffic at Enterprise, and measured the traffic enroute to Fort Simpson and Yellowknife.

The busiest traffic sector was clearly the final 20 miles of Highway 2, entering Hay River. One way traffic movements on this section averaged 498 per day between June 26 and October 15, the period when the traffic counters were installed. Traffic flows at locations 2, 3, and 4 constituted 33%, 76% and 21% respectively of the traffic flow at location 1, on a seasonal average basis. Monthly variations at all locations were not as large as might be expected, especially between the peak and lowest survey months.

Table 3.2 provides a detailed summary of the Mackenzie and Liard ferry operations for the period 1971-73. The major point so far as this report is concerned is that traffic on both ferries increased substantially in 1973, over 1972. Assuming three passengers per vehicle, vehicles and passengers increased by 14% on the Mackenzie ferry and 79% on the Liard ferry.

TABLE 3.1

VEHICULAR TRAFFIC COUNTS  
IN THE N.W.T. IN 1973

<u>Location</u>	<u>Month</u>	<u>Average daily one way traffic flow</u>
1. Highway 2 Mile 20.5	June	505
	July	499
	August	558
	September	451
	October	483
2. Highway 5 Mile 0.2	June	221
	July	195
	August	171
	September	107
	October	103
3. Highway 6 Mile 19.6	June	421
	July	375
	August	446
	September	381
	October	207
4. Highway 1 Mile 52.5	June	113
	July	117
	August	104
	September	102
	October	89

Source: Department of Public Works, Government of the Northwest Territories.

TABLE 3.2

N.W.T. FERRY OPERATIONS  
1971-73

	<u>Mackenzie</u>			<u>Liard</u>		
	<u>1971</u>	<u>1972</u>	<u>1973</u>	<u>1971</u>	<u>1972</u>	<u>1973</u>
Start of service	May 11	May 29	May 12	May 22	May 29	May 11
Termination of service	Dec. 4	Nov 17	Nov. 8	Nov. 1	Oct 26	Oct 31
Season (days)	208	173	181	164	150	174
Ferry trips	N/A	10,961	12,816	N/A	N/A	6,710
Vehicles Carried:						
Private	12,979	13,129	14,789	719	2,860	2,292
Commercial	5,036	4,998	5,802	483	2,252	5,619
Buses	193	210	207	4	nil	nil
Others (incl. campers)	908	1,013	1,245	46	320	1,807
	<u>19,116</u>	<u>19,350</u>	<u>22,043</u>	<u>1,252(2)</u>	<u>5,432</u>	<u>9,718</u>
Passengers Carried (1)	57,348	58,050	66,129	3,756	16,296	29,154

Note (1): average of three passengers per vehicle.

Note (2): for period June 25 to August 18 only.

Source: Department of Public Works, Government of the Northwest Territories.



All classes of vehicles showed gains on the Mackenzie ferry where as commercial vehicles and campers exhibited very large relative and absolute gains on the Liard ferry. These gains on the Liard ferry can probably be attributed to the road construction activities based on Fort Simpson and to increases in tourists using Fort Simpson as a jumping off point for canoe trips and other outdoors adventures. Off road travel by tourists is showing as a new trend, and Table 3.7 confirms this fact.

### 3.2 Visitor Registrations at the 60th Parallel Information Centre

Road travellers, either inbound to or outbound from the Northwest Territories, are invited to sign a visitors book at the 60th Parallel Information Centre. The centre was open from May 15 to September 15, in 1973, and 3,890 visitors were registered. This is almost the exact same total as in 1972.

The format of the visitors book was changed in 1973 to derive more information about signees and the purposes of their visits. The new format definitely achieved this aim but it is not known how many unrecorded travellers were deterred from signing the book because of the number of questions asked in the headings.

The following tables provide a statistical summary of data derived from the visitors book. The response rate to page headings and questions in the book varied extensively and so the response rates have been noted at the bottom of each table.

Some of the principal points to note in the tables are as follows:

Table 3.3: The percentage of Canadian and overseas visitors increased in 1973, at the expense of visitors from the United States. The national trend to "see Canada first" is one explanation for the rise in Canadian visitors. First time visitors to the Northwest Territories formed a very high percentage (76.4%) of the total signers.

Table 3.4: Canadian travellers from the prairie provinces declined relatively while the percentage of visitors from Ontario and British Columbia increased. TravelArctic's attendance at travel shows in Ontario and British Columbia may have contributed to such increases.

Table 3.5: Visitors from the Pacific, West-North-Central and Mountain census regions of the United States increased proportionally over previous years while visitors from the East-North-Central census region declined. The reasons for these particular variations are not fully understood. One trend in evidence is that the states closest to the Northwest Territories exhibited the largest percentage gains.

Table 3.6: Two-thirds of the overseas visitors came from Western Europe, and particularly from West Germany and the United Kingdom. This group of visitors is still small in numbers but the trend seems to be upwards.

TABLE 3.3

ORIGINS OF ROAD TRAVELLERS  
IN THE N.W.T. IN 1972 AND 1973

	<u>Visitors</u>		<u>% Total</u>	
	<u>1972</u>	<u>1973</u>	<u>1972</u>	<u>1973</u>
Canadian (1)	2,594	2,710	65.4	69.7
U. S. A.	1,297	1,029	32.7	26.5
Overseas	<u>74</u>	<u>151</u>	<u>1.9</u>	<u>3.8</u>
	<u>3,965</u>	<u>3,890 (1)</u>	<u>100.0</u>	<u>100.0</u>

Note (1): total excludes 589 N.W.T. residents.

Source: Visitor Books, 60th Parallel Information Centre (open May 15 to September 15, 1973).

TABLE 3.4

ORIGINS OF CANADIAN ROAD TRAVELLERS  
IN THE N.W.T. IN 1973

<u>Province</u>	<u>Visitors</u>	<u>% Total</u>
Alberta	1,405	51.9
Ontario	401	14.8
British Columbia	306	11.3
Saskatchewan	301	11.1
Manitoba	114	4.2
Quebec	51	1.9
Maritimes	50	1.8
Other	<u>82</u>	<u>3.0</u>
	<u>2,710</u>	<u>100.0</u>
<u>Region</u>		
Prairies (1)	1,820	67.2
Ontario & Quebec	452	16.7
British Columbia	306	11.3
Atlantic (2)	50	1.8
Other	<u>82</u>	<u>3.0</u>
	<u>2,710</u>	<u>100.0</u>

Note (1): Alberta, Saskatchewan & Manitoba.

Note (2): New Brunswick, Prince Edward Island, Newfoundland.

Source: Visitor Books, 60th Parallel Information Centre.

TABLE 3.5

ORIGINS OF ROAD TRAVELLERS FROM THE U.S.A.  
IN THE N.W.T. IN 1973

<u>State</u>	<u>Visitors</u>	<u>% Total</u>
California	199	19.4
Minnesota	97	9.4
Washington	90	8.8
Oregon	70	6.8
Illinois	40	3.9
New York	34	3.3
Colorado	28	2.7
Michigan	21	2.0
All Other States	<u>450</u>	<u>43.7</u>
	<u>1,029</u>	<u>100.0</u>
<u>Region</u>		
Pacific (1)	359	34.9
W. N. Central (2)	194	18.9
Mountain (3)	163	15.8
E. N. Central (4)	111	10.8
Mid-Atlantic (5)	70	6.8
All Other States	<u>132</u>	<u>12.8</u>
	<u>1,029</u>	<u>100.0</u>

Note (1): California, Washington and Oregon.

Note (2): Iowa, Kansas, Minnesota, Missouri, Nebraska, North and South Dakota.

Note (3): Arizona, Colorado, Idaho, Montana, New Mexico, Nevada, Utah and Wyoming.

Note (4) Illinois, Indiana, Michigan, Ohio and Wisconsin.

Note (5): New Jersey, New York and Pennsylvania.

Source: Visitor Books, 60th Parallel Information Centre.

TABLE 3.6

ORIGINS OF ROAD TRAVELLERS FROM OVERSEAS  
IN THE N.W.T. IN 1973

<u>Country</u>	<u>Visitors</u>	<u>% Total</u>
Germany	38	25.2
England	24	15.9
Australia	15	9.9
New Zealand	15	9.9
Switzerland	14	9.3
Holland	11	7.3
France	9	6.0
West Indies	6	4.0
Other	<u>19</u>	<u>12.5</u>
	<u>151</u>	<u>100.0</u>

Source: Visitor Books, 60th Parallel Information Centre.

Table 3.7: Nearly half of the 1973 road travellers were planning to visit Yellowknife during their visit to the Northwest Territories. A significant percentage of the signers (9.9%) were bound for off-highway destinations. Many in this latter group were canoeists and wildlife enthusiasts.

Table 3.8: Business travellers constituted a small percentage of the visitors to the centre (7.8%). Most visitors were travelling for pleasure or planning to combine business with pleasure activities. The single most important reason given for the trip to the Northwest Territories was for a vacation (41.7%). However, some travellers did indicate very specific purposes such as visiting friends and relatives (11.1%), fishing (6.1%), camping (2.5%), and canoeing (1.6%). General sightseers constituted the balance.

Table 3.9: Rather surprisingly, most of the advance planning for the trip into the Northwest Territories was of a short or medium term nature rather than long term. 78% of the signers stated that they planned the trip in less than six months, and the majority of these said that they took less than one month. 88% of the visitors stated that they used Travel Arctic literature to plan their trip, although it must be noted that this was one of the poorly answered questions. Pleasant scenery and unfavourable driving conditions (dust and/or mud) figured prominently in comments written by road travellers leaving the Northwest Territories.

TABLE 3.7  
 DESTINATIONS OF ROAD TRAVELLERS  
IN THE N.W.T. IN 1973

<u>Destinations</u>	<u>Number of Responses</u>	<u>% of Responses</u>
Yellowknife	1,464	46.8
Other Highway	494	15.8
Hay River	482	15.4
Outside Highway System	311	9.9
Fort Smith	170	5.4
Fort Simpson	120	3.9
Pine Point	<u>88</u>	<u>2.8</u>
	<u>3,129 (1)</u>	<u>100.0</u>

Note (1): this total represents an 80.4% response to the question.

Source: Visitor Books, 60th Parallel Information Centre.



TABLE 3.8

REASON FOR ROAD TRAVELLING  
IN THE N.W.T. IN 1973

<u>Purpose</u>	<u>Number of Responses</u>	<u>% of Responses</u>	<u>Number of Responses</u>	<u>% of Responses</u>
<b>Pleasure:</b>				
a) Vacation	1,468	41.7		
b) Friends/Relations	391	11.1		
c) Sightseeing	371	10.6		
d) Fishing	213	6.1		
e) Camping	89	2.5		
f) Canoeing	<u>57</u>	<u>1.6</u>		
			2,589	73.6
Business			275	7.8
Combination of Business/Pleasure and Different Types of Pleasure			542	15.4
Moving into Territories			<u>111</u>	<u>3.2</u>
			<u>3,517 (1)</u>	<u>100.0</u>

Note (1): this total represents a 90.4% response to the question.

Source: Visitor Books, 60th Parallel Information Centre.

TABLE 3.9

## ROAD TRAVELLERS IN THE N.W.T.

1973

	<u>Number of Responses</u>	<u>% of Responses</u>
Advance Planning for Trip		
1 - 6 days	380	17.1
7 - 30 days	846	38.1
1 mth. - 6 mths.	513	23.1
6 mths plus	<u>483</u>	<u>21.7</u>
	<u>2,222 (1)</u>	<u>100.0</u>
Use of TravelArctic Literature		
Yes	762	87.9
No	<u>105</u>	<u>12.1</u>
	<u>867 (2)</u>	<u>100.0</u>
Exit Comments About Trip		
Pleasant Scenery	411	54.0
Unfavourable road conditions	299	39.3
Good Camping	31	4.1
Friendly People	<u>20</u>	<u>2.6</u>
	<u>761 (3)</u>	<u>100.0</u>

Note (1): this total represents a 57.1% response to the question.

Note (2): this total represents a 22.3% response to the question.

Note (3): this total represents a 19.6% response to the question.

Source: Visitor Books, 60th Parallel Information Centre.

### 3.3 Highway Travellers and Expenditures

The current, factual information about travellers on the Mackenzie Highway is not sufficient to consolidate the data presented in Sections 3.1 and 3.2; to determine the total number of resident and non-resident, business and leisure travellers entering the Northwest Territories throughout the year.

This section of the report, therefore, attempts only to provide estimates of the number and expenditures of non-resident leisure travellers. A conservative estimate of the trend for such travel is indicated by the traffic increases on the Mackenzie ferry in 1973 since nearly half of the visitor book signers indicated that they planned to visit Yellowknife.

Non-resident, leisure, road travellers entering the Northwest Territories were estimated to number 11,200 in 1972 with corresponding expenditures of \$622,000. Applying the assumed 14% increase would yield 12,800 travellers, with corresponding expenditures of \$710,000. in 1973.

However, this expenditure estimate does not make allowances for inflation or increases in personal expenditures. The average expenditure of \$55.55 per person used in the 1972 report was originally derived in 1971, and is very probably a low estimate. Actual expenditures by non-resident leisure road travellers could easily have exceeded \$1 million in the Northwest Territories in 1973.

#### 4. AIR TRAVEL

The number of travellers entering the Northwest Territories by air in 1973 jumped by over 30%, compared to 1972. The six major commercial airlines serving the Northwest Territories from southern Canada and the Yukon reported carrying 77,800 passengers to the Northwest Territories in 1973.

Oil and gas rig crews and other corporate personnel carried on company owned or leased aircraft were not included in the above total since their movements were regarded as confidential by the respective companies. However, these crews frequently resided in company owned facilities, in addition to being provided with free transportation; and therefore it has been assumed that they did not contribute to the growth of tourism in the Northwest Territories.

There are various tiers of commercial airlines serving the general public in the Northwest Territories. The primary tier is composed of three official regional carriers namely Nordair, Transair and Pacific Western Airlines. Nordair serves the eastern Arctic through Montreal; Transair serves the central Arctic through Winnipeg and Churchill while Pacific Western Airlines serves the western Arctic through Edmonton. Certain communities such as Resolute and Yellowknife were served by two regional carriers in 1973.

The second tier is composed of some two dozen airlines which offer a wide variety of inter and intra territorial services. Most of their operations in 1973 were charter operations. Their sizes varied from one aircraft companies to companies with multi-aircraft fleets.

Of particular concern to this report are those companies in the second tier that provided scheduled inter-territorial/provincial services in 1973. They included Arctic Air, International Jet Air and Northward Aviation. Arctic Air served the Fort Nelson - Fort Simpson market while International Jet Air and Northward provided direct and multi-stop services respectively between Whitehorse and Inuvik. International Jet Air also initiated a direct service between Fort Nelson and Inuvik in 1973.

Responses were received from all the companies named above plus Gateway Aviation and Mackenzie Air. The latter two companies carried many tourists to the Northwest Territories on charter flights. The comprehensiveness of data provided by the carriers, however, varied quite significantly.

The first table in this section shows the aggregate and monthly traffic totals for travellers entering the Territories on six of the reporting airlines, through all gateways. The total of 77,881 represents a 44% increase over the figure shown in the 1972 Report on the Travel Industry in the Northwest Territories; but it must be noted that more airlines were included in the 1973 survey than the 1972 survey.

Pacific Western Airlines carried a major share of this traffic and they reported that their scheduled traffic to the Northwest Territories increased by 31% in 1973 over 1972. In respect to the aggregate total, much of the increase can be attributed to the resource exploration activities north of 60° in 1973, government business travel, more frequent personnel trips by the Northwest Territorial residents and to an increase in tourists arriving by air.(1)

Note (1): the increase in air tourists is 66% over 1972 but it must be emphasised that more airlines were surveyed in 1973 than in 1972.

TABLE 4.1

AIR TRAFFIC TO THE N.W.T. IN 1973  
MONTHLY FLOW

<u>Month</u>	<u>Passengers</u>	<u>% Total</u>
January	5,705	7.3
February	4,987	6.4
March	6,169	7.9
April	6,046	7.8
May	6,967	9.0
June	7,998	10.3
July	8,673	11.1
August	9,448	12.1
September	6,974	9.0
October	5,732	7.4
November	4,718	6.1
December	<u>4,464</u>	<u>5.6</u>
	<u>77,881</u>	<u>100.0</u>

Source: Six airlines (scheduled and charter traffic)

Table 4.1 also illustrates the seasonal fluctuations in traffic flows. The summer season was the peak traffic season. For example, 51.5% of the air travellers entered the Northwest Territories between May 1st and September 30th. August was the peak month and registered 12.1% of the annual traffic. However, traffic peaks do vary between airlines, and also between scheduled and charter services.

The reasons for travel to the Northwest Territories in 1973 are summarized in Table 4.2. Non-residents constituted 57% of the total air travellers and the majority of these came on business. However, 7,823 persons did come to the Northwest Territories for reasons of leisure and pleasure (vacation, sightseeing, sports tournaments, visiting friends and relatives) and this group constituted 10% of all air arrivals.

Table 4.3 shows the principal traffic gateways to the Northwest Territories in 1973 and first community destinations (as opposed to final destination) in the Northwest Territories. Edmonton was by far the most important gateway, originating and transiting 73.6% of the Northwest Territorial bound passengers, followed by Churchill (13.2%), Montreal (8.8%), and Fort Nelson/Yukon (several communities - 4.4%). Churchill showed a significant gain in importance over 1972 which may be accounted to both actual traffic increases and an improvement in the comprehensiveness of the survey data.

Yellowknife was the chief destination in the Northwest Territories in 1973, registering 28% of the air arrivals, followed by Inuvik (19.5%), Hay River (12.3%), Frobisher Bay (7.2%) and the other communities. Inuvik suffered a relative decline compared to 1972 which may be attributable to a decrease in oil and gas exploration activities, based on Inuvik.

TABLE 4.2

## AIR TRAFFIC TO THE N.W.T. IN 1973

PURPOSE OF VISIT

<u>Purpose</u>	<u>Passengers</u>	<u>% Total</u>
Business	36,846	47.3
Returning Resident	33,212	42.7
Tourist	<u>7,823</u>	<u>10.0</u>
	<u>77,881</u>	<u>100.0</u>

Source: Six airlines (scheduled and charter traffic)



TABLE 4.3

AIR TRAFFIC TO THE N.W.T. IN 1973  
ORIGINS AND DESTINATIONS

<u>Gateway to the N.W.T.</u>	<u>N.W.T. Destinations</u>	<u>Passengers</u>	<u>% Total</u>
Yukon/Ft. Nelson (1)	Inuvik	2,953	
	Others	<u>435</u>	
		<u>3,388</u>	4.4
Edmonton	Fort Smith	4,237	
	Hay River	9,552	
	Yellowknife	20,936	
	Fort Simpson	2,167	
	Norman Wells	3,020	
	Inuvik	12,226	
	Cambridge Bay	1,125	
	Resolute	2,070	
	Others	<u>2,001</u>	
		<u>57,334</u>	73.6
Churchill	Yellowknife	799	
	Keewatin		
	Communities (2)	6,743	
	Others	<u>2,729</u>	
		<u>10,271</u>	13.2
Montreal	Frobisher Bay	5,633	
	Resolute	<u>1,255</u>	
		<u>6,888</u>	8.8
	Grand Total	<u>77,881</u>	<u>100.0</u>

Note (1): this gateway includes Fort Nelson, Whitehorse, Mayo, Dawson, Clinton and Old Crow.

Note (2): those communities served by Transair or Lambair on behalf of Transair.

Source: Six airlines (scheduled and charter traffic).

The 78,000 travellers entering the Northwest Territories by air in 1973 probably generated 50 million passenger miles of air travel in the Northwest Territories, and paid \$6 million to the airlines for the Northwest Territorial segments of their journeys. Ten percent of these air travellers were tourists and they probably paid more than half a million dollars for their travel in the Northwest Territories.

## 5. INCLUSIVE TOURS

The tours referred to in this section are those which offered group transportation rates and other services, including lodging, meals and entertainment, to tourists. Excluded from consideration were those tours designed to show businessmen industrial and exploration sites since such data were usually company confidential.

Inclusive tours for leisure travellers continue to expand at an encouraging rate. Some 1,800 persons were accommodated on inclusive tours in 1973 compared to an estimated 1,500 in 1972. The annual increase between 1972 and 1973 is thus 20%.

Most of the inclusive tours entered the Northwest Territories by air and, therefore, the persons have already been counted in the analyses in Section 4; either as travellers on scheduled flights or travellers on charter flights.

Table 5.1 shows some of the principal characteristics of this inclusive tour market. The majority of the tours (91%) and tourists (94%) were bound for locations in the District of Mackenzie. The attractions of this District include beautiful landscapes and water scenery, a high level of accommodation, transportation and other facilities associated with a relatively dense population zone, and the convenience of linking a visit to the Northwest Territories with one to the Yukon.

The operators of tours to the Mackenzie District in 1973 included Mack Travel of Inuvik, Horizon Holidays of Toronto and Clare Burt Travel of Brampton. Arctic Cruise Lines of Hay River offered 18 cruises with their cruise ship Norweta between Fort Providence and Tuktoyaktuk (or vice versa) and

TABLE 5.1

INCLUSIVE TOURS - 1973

<u>District</u>	<u>Tours</u>	<u>Persons</u>	<u>Ave. length of stay in N.W.T. (Days)</u>	<u>Origin of Tourists</u>		
				<u>Can.</u>	<u>USA</u>	<u>Other</u>
Mackenzie	49	1,721	5.8	1,320	395	6
Keewatin	1	26	1.0	20(1)	6	-
Baffin	<u>4</u>	<u>85</u>	<u>6.0</u> (1)	<u>57</u>	<u>28</u>	<u>-</u>
	<u>54</u>	<u>1,832</u>	<u>5.8</u>	<u>1,397</u>	<u>429</u>	<u>6</u>

Note (1): Research and Evaluation Division estimates.

Source: Six tour operators.

carried 182 passengers - an increase of 25% over 1972.

The principal operator of tours to the eastern Arctic was U.T.L. Holiday Tours of Montreal. The tours included visits to Frobisher Bay, Pangnirtung and Clearwater Fiord. The feature attractions were mountaineering, fishing and general sightseeing.

Canadian National Railways and Transair co-operated to offer a rail-air tour to Churchill and Rankin Inlet for people interested in sightseeing. Further tours were planned but were curtailed by a national rail strike.

Most of the tours scheduled a six day stay in the Northwest Territories 85% of these tours were open to the public; 15% were private. Some 76% of the participants were Canadian; the balance came mostly from the United States. A conservative estimate of direct expenditures (hotels, food and transportation) indicates that such tourists spent some \$700,000. in the Northwest Territories or \$382 per person. Further expenditures for handicrafts and entertainments could well raise the figure of \$382 per person to \$500 and more.

## 6. ACCOMMODATION SURVEYS

Information about the operations of sport fishing lodges, sport fishing outfitters and big game outfitters has been gathered and compiled into reports for several years. The first hotel and motel survey was conducted in 1972 and, for the first time in some years, a camping survey is included in this edition of the report.

### 6.1 Lodges and Outfitters Survey

Survey forms were sent to thirty-seven lodges, outposts and tent camps, twenty-eight fish and big game outfitters, a private campground operator and a cruise ship operator. Forty-five responses were received. Seven of the respondents, however, indicated that their operation was closed in 1973 or failed to attract visitors and two indicated that information could not be provided in time for this report.

Table 6.1 summarizes the data received from the thirty-six respondents. Sixty-one percent of the 3,485 guests came from the United States which contrasts sharply with the low percentage of United States residents accommodated in Northwest Territorial hotels and motels (see Table 6.2). Canadians constituted 37% of the guests of which one third came from the Northwest Territories. The balance of guests (2%) were from overseas.

All these guests can be classified as tourists. Their average lengths of stay in the territories varied extensively. Guests at lodges usually stayed a week but the pattern for visitors

TABLE 6.1

N.W.T. LODGES AND OUTFITTERS SURVEY  
1973

	<u>Number of Responses</u>	<u>Total</u>	<u>% Total</u>
<b>Number and Origin of Guests:</b>			
N.W.T.	36	418	12.0
Other locations in Canada	36	861	24.7
U.S.A.	36	2,140	61.4
Overseas	36	<u>66</u>	<u>1.9</u>
Total number of Guests		<u>3,485</u>	<u>100.0</u>
<b>Average length of stay per guest at Lodges, Outposts and Tent Camps</b>			
		One week	
<b>Revenues from Accommodation, Food and Equipment</b>			
	32	\$1,866,300	-
<b>Employees:</b>			
Permanent N.W.T. Residents	34	181	48.4
Non - N.W.T. Residents	34	<u>193</u>	<u>51.6</u>
		<u>374</u>	<u>100.0</u>
<b>Wages &amp; Salaries paid to permanent N.W.T. Residents</b>			
	36	\$185,500	-
<b>Value of Goods &amp; Services purchased in the N.W.T.:</b>			
Food	33	\$ 94,082	20.0
Liquor	34	41,704	8.9
Aircraft Charters	35	313,266	66.6
Fishing/Hunting Equipment	32	<u>21,578</u>	<u>4.5</u>
		<u>\$470,630</u>	<u>100.0</u>
<b>Length of Operating Season</b>			
	5	1 Month	14.0
	8	2 Months	22.2
	12	3 Months	33.3
	8	4 Months	22.2
	<u>3</u>	4 Months Plus	<u>8.3</u>
	<u>36</u>		<u>100.0</u>

leasing equipment from outfitters could not be discerned.

Thirty-two respondents earned some \$2 million from the provision of accommodation, food and equipment. This represents an average expenditure per guest of \$535.

Employment opportunities were generated for 180 northerners who earned \$185,500 in salaries and wages. The respondents also contributed to the territorial economy by purchasing nearly \$500,000 worth of goods and services in the Northwest Territories.

The distributions of lodges according to length of operating seasons, shown in the last section of the table, is very similar to 1972. Generally, operating seasons were shorter the further north one travelled.

It must be emphasized that the information in Table 6.1 provides only a partial account of the business activities of this sector in 1973 since twenty-four operators did not supply any data. However, the thirty-six respondents formed a very good cross section of lodge and outfitter operations since all sizes of operations, from locations all across the territories were represented in the returns. These respondents also constituted the majority of operators in respect of the fact they provided 75% of the bed capacity of this sector in 1973.

Two interesting trends were apparent in this sector in 1973. The supply of accommodation fell and the demand for accommodation rose. Beds and bed nights fell by 9% and 17% respectively between 1972 and 1973. Registered guests rose by 2.7%, based on a sampling of seventeen lodges, seven outfitters and one cruise ship operator providing data in both 1972 and 1973.



Equivalent information for revenues could not be generated since the formats of the 1972 and 1973 questionnaires varied. A corresponding or even higher increase could be projected though because both accommodation rates and registered guests increased in 1973.

As mentioned earlier, the overall importance of this sector of the industry has not been fully represented by the data provided so far. Therefore, estimates of the number of guests accommodated by all sixty-seven lodges and outfitters, along with their expenditures, have been projected.

The returns indicated that 3,485 guests were accommodated in 75% of the bed capacity offered by this industry sector. The remaining 25%, therefore, could have accommodated a further 1,200 guests, for a grand total of approximately 4,700 guests. Applying the previously calculated average expenditure of \$535 per person, 4,700 guests are estimated to have spent \$2.5 million in the Northwest Territories in 1973.

## 6.2 Hotels and Motels Survey

Survey forms were sent to thirty-three hotels and motels in 1973. Eighteen completed forms were returned plus one (a small operator) that stated no records were kept of guests in 1973.

Table 6.2 summarizes the information received from the eighteen respondents who, together, provided 59% of the bed capacity offered by this sector of the industry in 1973. The statistics shown in the table are quite revealing: 96,000 guests (95% Canadian); gross revenues of \$5.8 millions which represent average expenditures per guest of \$61.; salaries and wages

TABLE 6.2

## N.W.T. HOTELS AND MOTELS SURVEY

1973

	<u>Number of Responses</u>	<u>Total</u>	<u>% Total</u>
<b>Number and Origin of Guests:</b>			
Northwest Territories	18	23,525	24.5
Other locations in Canada	18	67,147	70.0
U. S. A.	18	4,222	4.4
Overseas	18	1,088	1.1
		<u>95,982</u>	<u>100.0</u>
<b>Types of Guests:</b>			
Tourists	18	10,121	10.5
Business and Government	18	85,861	89.5
		<u>95,982</u>	<u>100.0</u>
Average length of stay per guest	14	2.2 days	-
<b>Revenues:</b>			
Accommodations	16	\$2,172,700	37.3
Food and Other Services	17	3,660,700	62.7
		<u>\$5,833,400</u>	<u>100.0</u>
<b>Employees:</b>			
Permanent N.W.T. Residents	13	223	65.6
Non - N.W.T. Residents	13	117	34.4
		<u>340</u>	<u>100.0</u>
Wages & Salaries paid to permanent N.W.T. Residents	15	\$1,162,656	-
Value of Food, Liquor and other goods purchased in the N.W.T.	15	\$1,858,926	-

paid to permanent Northwest Territorial residents in excess of \$1.1 million; and the eighteen respondents paid approximately \$2. million for food, liquor and other goods purchased in the Northwest Territories.

Tourists or leisure travellers constituted 10.5% of the registered guests but the vast majority were business and government travellers. The annual average rate of occupancy in the hotels and motels of the eighteen respondents was calculated to be 45% (based on bed capacity, rather than room occupancy). During the peak summer months, however, occupancy rates frequently exceeded 90%.

The respondents operated all sizes of hotels and motels, across the territories. One rather disappointing feature of the survey, however, was the absence of responses from several of the large hotels in the commercial centres of Hay River, Fort Simpson and Inuvik. The bed capacity of all hotels and motels increased by 24% between 1972 and 1973 but the distribution of this capacity remained concentrated in the District of Mackenzie. This District possessed 85% of the capacity in 1973, followed by the Baffin (8%) and the Keewatin/High Arctic (7%). On a community basis, Yellowknife possessed nearly 25% of this capacity, Hay River 18%, Inuvik 17%, Frobisher Bay 7% and the balance of fifteen communities 33%.

Annual estimates of guests and their expenditures for all thirty-three hotels and motels have been produced in a similar way to the estimates in Section 6.1 to indicate the overall importance of this industry sector. The projections indicate that 163,000 guests were accommodated in Northwest Territorial hotels and motels in 1973, of which 17,000 were tourists. One statistic that is not known is how many individual persons are

represented in these totals since visitors and residents travelling in the Northwest Territories generally stay at more than one hotel on their trip.

The 1972-73 increase in guests is believed to be in the order of five to ten percent. A corresponding or even higher increase in expenditures could be expected because both guests and accommodation rates increased in 1973. Applying the previously calculated average expenditure of \$61. per person, 163,000 hotel and motel guests are estimated to have spent nearly \$10 million on accommodation, food and other services in the Northwest Territories in 1973.

### 6.3 Camping Survey

There were nine campgrounds and eleven separate picnic sites located on the Mackenzie Highway system in 1973 (1). These were open from May 15th to September 15th. For the first time last year, a \$5.00 camping fee was levied resulting in 564 permits being sold, for total revenues of \$2,820.

Traffic counters were laid at the entrances to Hay River, Yellowknife and Prelude campgrounds last summer, and the results are shown in Table 6.3. The intention was to conduct a continuous count of vehicles entering these campgrounds between the time of the counter installation and the closing date of the campground. Unfortunately, the traffic counters/hoses were the objects of such damage (both from normal wear and tear on the gravel roads, and malicious damage by visitors) that only partial results were obtained.

Note (1): These totals are for Government of the Northwest Territories campgrounds only and exclude a private operation near Hay River.

TABLE 6.3

N.W.T. CAMPGROUNDS 1973  
VEHICLE ENTRANCE COUNT

<u>Vehicles/Campgrounds</u>	<u>Hay River</u>	<u>Yellowknife</u>	<u>Prelude</u>
Total vehicles	420 (July 6-13)	4,207 (June 22 - July 3)	4,395 (June 21 - July 27)
Average daily number of vehicles	60	383	122
Number of vehicles on peak weekends	288 (July 6 - 9)	2,064 (June 22-25)	825 (June 22-25)

Source: Division of Tourism

The campground counts in the table include visits paid by both overnight campers and casual visitors. Casual visitors in fact formed a very high percentage of the total at Yellowknife since the campground entrance provided an alternative route to an outdoor swimming area. Prelude campground, located some 20 miles east of Yellowknife is a favorite destination for Yellowknifers on warm summer weekends.

Profile information on campers staying at the Yellowknife camp and picnic grounds has been collected periodically. In 1972 for example, during the months of July, August and September, 24% of the visitors were territorial residents, 55% came from other parts of Canada, 15% came from the United States and overseas (mostly the United States) and the balance were of unknown origin.

By comparison, a two month sample at the same camp and picnic grounds in June and July 1973 revealed that 31% of the visitors were territorial residents, 33% came from other parts of Canada, 20% came from the United States and overseas (mostly from the United States) while the balance of the visitors were of unknown origin.

The average length of stay for campers in the Yellowknife campground in 1973 was three days. Average party sizes are not known. Approximately 60% of the accommodation units were tents; the balance included all forms of campers, trailers and other equipment.

## 7. TRENDS IN TRAVEL ENQUIRIES

The Division of Tourism and its publicity arm, TravelArctic, handled a record 23,400 enquiries in 1973 - an increase of 28% over 1972. Enquiries have nearly doubled in fact since 1969 although growth has not followed a smooth trend line. Enquiries jumped from 12,000 in 1969 to 18,700 in 1970 to 23,200 in 1971, then fell sharply to 18,300 in 1972, before rising to the current level in 1973.

The overall increase in enquiries can be related to a number of factors. Probably the most important is the fact that national and international attention is focused upon the issues of northern development and native land claims. Travel promotion by private industry and TravelArctic is also reaching a wide segment of an interested public. Natural attractions, open spaces and a clean environment all appear to be popular vacation requirements with urbanized populations in the south and overseas.

Some of these fluctuations can also be related to specific events and attractions, such as the Centennial celebrations in 1970. The reason for the abrupt decline in enquiries in 1972, however, is not known.

Over the past six years a marked change has been noted in origin of travel enquiries and individual interests. Most of the enquiries in the 1960's appeared to originate in the United States and particularly California. The interest of Californians may have been related to the fact that great numbers of retired people with the time and money for unusual travel lived in California. Other forces would be the

exposure of the Northwest Territories at major travel shows in California during that period, and the publicity given to the spectacular fishing in the Northwest Territories.

This pattern continued until 1970, Centennial year in the Northwest Territories. Canadians were made increasingly aware of the travel potential in northern Canada through the publicity program conducted by the Centennial Committee, and also the visit of the Royal Family to the Northwest Territories that year. Visitors from Alberta, British Columbia and Ontario were among the highest numbers crossing the 60th Parallel.

Promotional efforts were redirected to capitalize on the new Canadian interest in the Northwest Territories and in 1971, 1972 and 1973 TravelArctic displays appeared at travel shows in Toronto and Vancouver. Enquiries from eastern Canada, particularly Ontario and Quebec, have continued upward since 1971. The Toronto travel show, coupled with the C.G.O.T. (1) "see Canada first" program, have undoubtedly been major contributing factors to the growth of tourism in the Northwest Territories. On the other hand, the Vancouver travel show has not caused any noticeable change in enquiries from British Columbia although there are many visitors from that province.

Enquiries from the United States have increased steadily over the years. Some Northwest Territories fishing lodges make regular appearances at travel shows across the United States which is one form of direct promotion. Such increases may also be explained by the public's revived interest in the outdoors, canoeing, wilderness travel and camping and in meeting new cultures. TravelArctic, however, has not

Note (1): Canadian Government Office of Tourism



conducted any recent promotional campaigns in the United States to foster such growth.

Enquiries from the United States have traditionally originated in the Pacific States, the Central States bordering Canada and the East North Central States. In 1973 an increased interest from all Northwestern States was noted, but the reasons for this particular growth in interest are not known.

Overseas enquiries are difficult to assess since there is no record of direct promotion to this specialized market. However, such enquiries are increasing quite rapidly. In 1973 73% of these enquiries originated in Western Europe, particularly Germany, France and the United Kingdom. The balance of the enquiries were distributed around the globe, from all continents.

TravelArctic is becoming better known as the source of travel information on the Northwest Territories. An indication of this fact is that referrals from the Canadian Government Travel Bureau declined from 60% of total enquiries in 1969 to 20% of total enquiries in 1973, during the period when enquiries almost doubled.

PUBLICATIONS OF THE DIVISION OF TOURISM

• Explore Canada's Arctic (Pictorial Guide)

• Explorers Guide, Canada's Arctic, 1974

Official Travel Map, Canada's Arctic, Northwest Territories

Overview Study of Tourism and Outdoor Recreation in the  
Northwest Territories (two volumes; price \$40.00)

Report on the Travel Industry in the Northwest Territories  
(The annual statistical report of the Division of Tourism)

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