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THE TRAVEL INDUSTRY IN THE NORTHWEST TERRITORIES



1974

DEPARTMENT OF ECONOMIC DEVELOPMENT
DIVISION OF TOURISM
GOVERNMENT OF THE NORTHWEST TERRITORIES
YELLOWKNIFE, N.W.T.
XOE 1HO

THE TRAVEL INDUSTRY IN THE NORTHWEST TERRITORIES

1974

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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 25 lodge owners, 13 outfitters, 19 hotel and motel managers, 5 airlines, 6 travel agencies, one campground operator, two cruise ship operators 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 seventh 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 statistics enclosed in this report.

In the past, the report has been a valuable source of information for a wide variety of users including agencies of governments, educational institutes, 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 (eg: vacation, sight-seeing, 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 102°W longitude).

The highlights of the 1974 travel year are presented in the following section, with more detailed analysis 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, 1974

This report is the seventh of its kind. The main thrust of the report, however, is changing from gathering information only on non-resident, leisure travellers to gathering information about all aspects of the Northwest Territorial travel trade - demand, supply and impact. This change is necessary because it is recognized that it is the aggregate demand from residents and non-residents, from persons travelling on business and on pleasure, that determines the overall level of tourism, travel and outdoor recreation facilities in the Northwest Territories.

The Northwest Territorial travel statistics remain inadequate in many areas, both in respect to coverage and accuracy. Steps are being taken to improve them, but we still do not have accurate information about the number of persons entering the Northwest Territories, their modes of travel, reasons for visiting or expenditures. Coverage is very incomplete in determining how well the demands of visitors are being met with the current supply of facilities nor do we really understand the impact of people's visits on community economies. Caution is necessary, too, when reading the following statistics since the Northwest Territorial visitor is frequently counted several times, for example, by mode of arrival, by type of accommodation and by activity in the Northwest Territories.

Highway Travel

Traffic counts on the Mackenzie Highway system and ferry counts on the Mackenzie and Liard ferries point to a decline in road usage on several major routes, rather than to a continuance of the growth trend of recent years. In respect of that segment of road users classified as non-resident leisure travellers or tourists, it is estimated that their number declined from

12,800 in 1973 to 12,300 in 1974. The reasons for this stall in the growth trend are unclear although the so-called fuel crisis, general nervousness about the state of the economy and sub-average summer weather must be attributable factors.

A profile of some of the users of the Mackenzie Highway was derived from an analysis of visitor book registrations at the 60th Parallel Information Centre. The Centre was open from May 15 to September 15 in 1974. Residents and non-residents, business and leisure travellers signed the books. The comments below, however, pertain only to non-resident travellers:

- The visitor books contained 4,284 signatures and comments in 1974, compared to 3,890 in 1973.
- 74% of the visitors to the Information Centre were Canadian residents, 23% United States residents and the balance came from overseas. Canadian registrations increased both absolutely and relatively compared to 1973, but the United States and overseas registrations declined slightly.
- Alberta continues to provide half of the Canadian road travellers to the Northwest Territories, but British Columbian registrations showed the largest provincial gain with an increase of 44% over 1973.
- Interesting shifts occurred in the origins of United States visitors. Fewer visitors were received from states traditionally supplying visitors (eg: Pacific, West-North Central and Mountain states) while proportionately more visitors were received from East-North Central states and states in the southern United States.
- Visitors from Europe constituted 88% of the overseas travellers, but visitors from as far away as Australia and New Zealand were also noted.

- Yellowknife and Hay River were the principal destinations for most road travellers in 1974, although plans to visit other highway and off-highway locations were frequently mentioned.
- 74% of the Information Centre visitors stated they were travelling for pleasure, 9% for business and 17% were combining business and pleasure.
- Almost half of the travellers used TravelArctic literature to plan their trip to the Northwest Territories.
- Comments by travellers leaving the Northwest Territories highlighted pleasant scenery and unfavourable road conditions as things to remember about their trip to the Territories.

Air Travel

Most persons entering the Northwest Territories arrive by air. The major commercial airlines serving the Northwest Territories from southern Canada and the Yukon reported carrying 76,784 passengers to the Northwest Territories in 1974, a 1.4% decline compared to 1973. This decline may be attributed to a slowing down in the search for oil and gas in the Mackenzie Delta and High Arctic; also to economic uncertainties that had depressant effects upon travel and tourism across the nation and around the world.

Edmonton, Calgary, Winnipeg and Montreal were the principal air-gateways to the Northwest Territories in 1974, of which Edmonton was by far the single most important counting passenger originations, inter- and intra-airline transfers. Edmonton alone dispatched nearly 80% of the Northwest Territories-bound air travellers in 1974.

Territorial residents travelling on business and pleasure constituted 46% of the airline passengers, non-residents travelling on business 45%, and non-residents travelling for leisure 9%.

Accommodation Surveys

LODGES:

It is estimated that the sport fishing and hunting lodges accommodated some 4,500 guests in 1974 who paid \$3.06 million for accommodation, food and other services.

Based on a sampling of lodges providing 38% of the bed capacity of this sector in 1974, registered guests rose by 11% in 1974, gross revenues increased 5%, employment of Territorial residents increased 5%, salaries paid to Territorial residents increased 62%, and expenditures by lodge operators on food, liquor, aircraft charters and fishing/hunting equipment in the Northwest Territories increased 13%. Approximately 30% of lodge guests were Canadian, one-third of which were Territorial residents, and the balance were United States or overseas residents.

HOTELS AND MOTELS:

It is estimated that Territorial hotels and motels accommodated 180,000 guests in 1974 who paid \$11.7 million for accommodation, food and other services.

Based on a sampling of ten hotels and motels providing 47% of the bed capacity of this sector in 1974, registered guests rose by 7% in 1974, gross revenues increased 18%, employment of Territorial residents increased 542% (high staff turnover is the principal reason) and salaries to Territorial residents increased 37%.

96% of hotel and motel guests in 1974 were Canadian, and approximately one-third of these were Territorial residents. Most of the other guests were United States residents. Hotel operators classified 15% of their guests as tourists, the majority (85%) being persons on business.

OUTFITTERS:

Survey responses were received from only nine of twenty-nine sport fishing and big game outfitters. The nine respondents reported, however, that they had accommodated 814 guests - 74% of whom were Canadian residents, 25% United States residents and 1% overseas residents.

PARKS AND CAMPGROUNDS:

The Territorial Government, through the Division of Tourism, operated 20 Parks with camping and picnic facilities in 1974. Most of these facilities were open from May 15 to September 30 in 1974. 820 park permits were sold at a charge of \$5 per party. In addition, there are two privately operated campgrounds in the Territories - one near Hay River, the other on Broughton Island.

Traffic counter surveys were conducted at two Parks, namely Yellowknife and Prelude Lake. The average, daily number of vehicles entering Yellowknife Park over a three month period was 168 and at Prelude Lake 76. The peak weekend at Yellowknife Park was July 5-8 when 594 vehicles entered per day; the peak weekend at Prelude Lake was August 3-5 when 328 vehicles entered daily. All counts include visits paid by overnight and casual visitors. Over the course of the next few years, it is hoped to develop statistical trends for these Parks.

Park supervisors also conducted campsite surveys in 1974 collecting information about the number of parties staying overnight, average length of stay, origins of parties, type of camping equipment and campsite utilization. Summaries of their information are presented in Tables 5.5 and 5.6.

Only one of the two private campground operators responded to the survey and, therefore, we are unable to discuss that operator's information for reasons of confidentiality of data.

CRUISE SHIP SURVEY:

Two cruise lines operated North of 60°N in 1974, Arctic Cruise Lines of Hay River operating the Norweta on the Mackenzie River and Swedish America Line operating the Linblad Explorer in the Eastern Arctic. Together, the two ships carried 584 passengers, 78% of whom were United States residents, 19% Canadian residents, with the balance from overseas.

Based on Arctic Cruise Lines experiences, the demand for Arctic cruises is growing each year; but the shortness of the season plus the high costs of operating in the north make it difficult for a northern-based cruise ship operator to earn a profit and return on investment.

Handicraft Sales

It is estimated that the volume of handicraft sales to resident and non-resident travellers in the Northwest Territories in 1974 exceeded \$1.75 million. Such sales obviously have an important impact on community economies, especially if the handicraft is made and sold in the same community.

Travel Enquiries

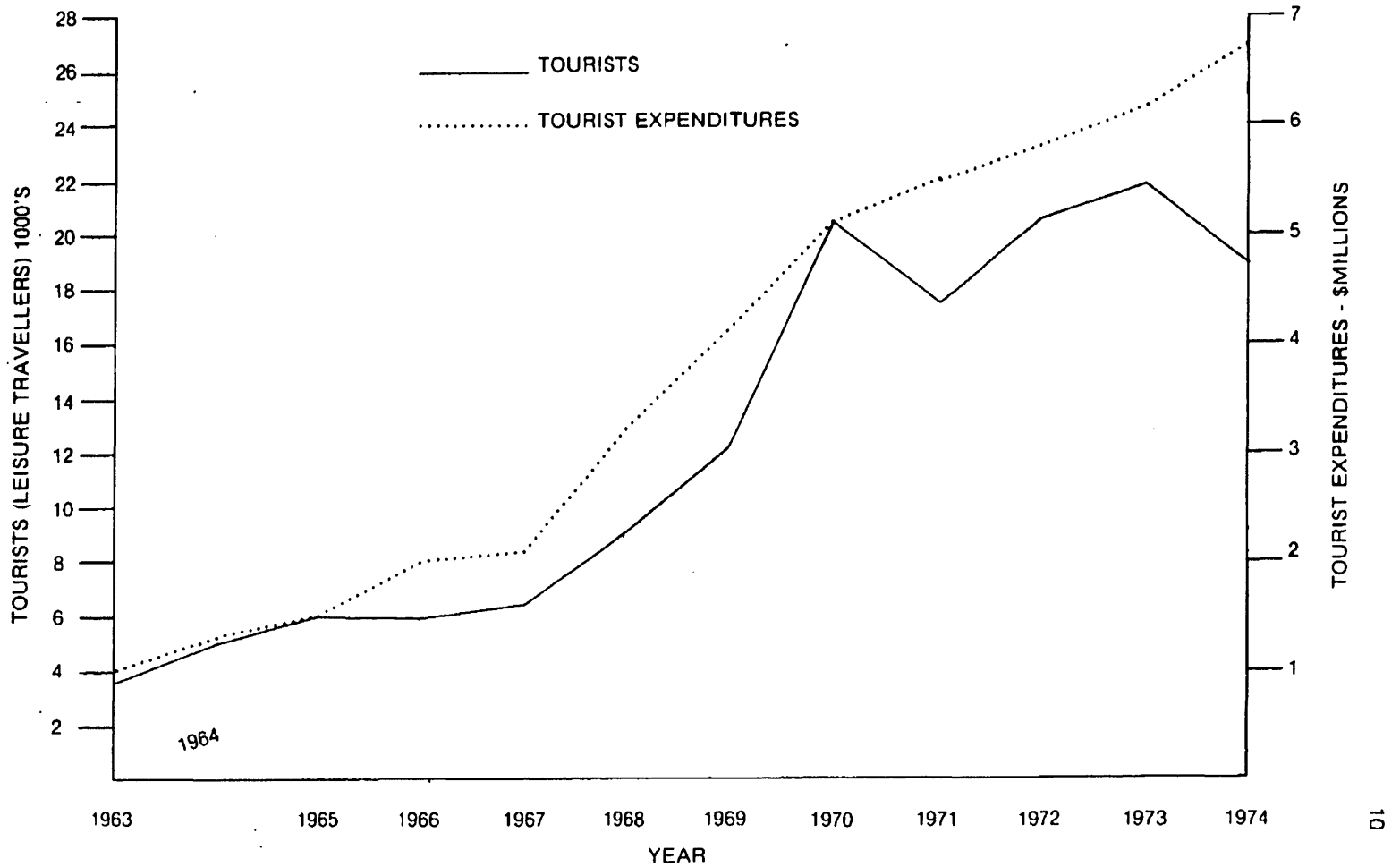
TravelArctic answered a record 27,000 enquiries in 1974, an increase of 15% over 1973. There seems to be a shifting of interest away from only sports fishing and hunting to more general interests such as natural attractions, wilderness travel, canoeing routes and highway facilities. A greater proportion of enquiries are now coming from Eastern Canada, and overseas.

Figure 2.1

Figure 2.1 illustrates the long term growth of that segment of the travel market defined as non-resident, leisure travellers or tourists. The general trend has been toward a growing number of tourists spending an increasing amount of money in the Northwest Territories. This trend seemed to stall in 1974. According to estimates derived in Sections 3 and 4, tourists arriving by road declined 2% in 1974 and those arriving by commercial airline declined 15%. These are only estimates but, taken at face value, they indicate that the number of tourists fell from 22,000 in 1973 to 19,000 in 1974.

On the other hand, the average expenditure of tourists appeared to increase in 1974, probably in accordance with the cost of living and inflation rates. It is estimated therefore, that 19,000 tourists spent approximately \$6.4 million on transport, food and accommodation services in the Northwest Territories. To this amount should be added perhaps another \$250,000 to \$500,000 spent by tourists on handicrafts in the Northwest Territories (this item has not been included in past records), for a grand total of \$6.75 million.

FIGURE 2.1
GROWTH OF TOURISTS AND TOURIST EXPENDITURES
1963 - 1974



3. HIGHWAY TRAVEL

The Mackenzie Highway provided the only road means of access to the Northwest Territories in 1974. Mile 0 of the highway is at 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 constructed.

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 to December) and break-up (April to 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 1974. Table 3.1 shows average, daily, one-way traffic flows at nine locations. The busiest traffic sector was clearly the section of road between Yellowknife Airport and the City. This section is paved. The Ingraham Trail also registers a high count because of the volume of commuting traffic between Dettah Village, Giant Yellowknife Mines and the City of Yellowknife; and because the Trail provides Yellowknifers with ready access to nearby camping, fishing and sight-seeing locations.

New types of traffic counters were utilized for the first time in 1974 with the result that the counts shown in Table 3.1 cannot be directly compared with previous year's counts. However, there are some indications N.W.T. road traffic decreased slightly in 1974 rather than continuing the steady growth rate of recent years. Table 3.2 tends to confirm this point.

Table 3.2 provides a detailed summary of the Mackenzie and Liard ferry operations for the 1971-74 period. All classes of vehicles showed gains between 1971 and 1973 on both ferries. This trend reversed in 1974 and the only classes showing gains were commercial vehicles on the Mackenzie ferry and private vehicles* on the Liard ferry.

3.2 Visitor Registrations at the 60th Parallel Information Centre

A traffic counter positioned at the entrance to the 60th Parallel Information Centre registered a count of 3,735 vehicles for the period July 12 to September 13. Vehicles travelling northbound or southbound would only register once, but it is not known how many vehicles stopped at the

* This category probably includes campers in 1974.

TABLE 3.1

13.

VEHICULAR TRAFFIC COUNTS IN THE N.W.T.
1974

<u>LOCATION</u>	<u>MONTH</u>	<u>TRAFFIC COUNT (VEHICLES/DAY)</u>
<u>Route 1</u>		
<u>Mackenzie Highway:</u>		
Mile 53.0 - West Enterprise	May 14-June 28	153
	June 28-July 29	168
	July 29-Aug 30	166
	Aug 30-Sept 20	131
<u>Route 2</u>		
<u>Hay River Highway:</u>		
Mile 19.5 - South of Junction with Route 5	June 28-July 30	537
	July 30-Aug 30	537
Mile 20.0 - North of Junction with Route 5	May 14-June 28	716
	June 28-July 29	747
	July 29-Aug 30	702
	Aug 30-Sept 5	732
<u>Route 3</u>		
<u>Yellowknife Highway:</u>		
Mile 211.0 - South of Golf Course	June 18-June 28	212
	June 28-July 29	232
	July 29-Aug 5	183
Mile 213.0 - Between Golf Course and Airport	June 18-June 28	525
	June 28-July 29	463
	July 29-Aug 23*	376
Mile 213.5 - Between Airport and City	June 18-June 28	1930
	June 28-July 29	2081
	July 29-Aug 5	1935
Mile 215.0 - West of Junction with Route 4	June 18-June 28	1764
	June 28-July 29	1761
	July 29-Aug 5	2030
<u>Route 4</u>		
<u>Ingraham Trail:</u>		
Mile 0.5 - East of Junction with Route 3	June 18-June 28	1135
	June 28-July 29	1654
	July 29-Aug 23*	1204

TABLE 3.1 (CONTINUED)

<u>LOCATION</u>	<u>MONTH</u>	<u>TRAFFIC COUNT (VEHICLES/DAY)</u>
Route 5 Fort Smith Highway:		
Mile 161.0 - West	June 18-June 28	127
Fort Smith	June 28-July 12	113
	July 19-July 29	220
	July 29-Aug 30	184
	Aug 30-Sept 2	193
	Sept 4-Sept 30	187

Notes: These counts are not directly comparable with traffic flows shown in the 1973 Annual Report because different types of traffic counters were used. An approximate comparison can be obtained by increasing 1974 counts by 30% (except for Route 4) and dividing by two for the one-way traffic flow.

* Batteries on counters may have failed prior to this date which would account for the lower count during a peak month.

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

TABLE 3.2

N.W.T. FERRY OPERATIONS
1971-74

	<u>MACKENZIE FERRY</u>				<u>LIARD FERRY</u>			
	<u>1971</u>	<u>1972</u>	<u>1973</u>	<u>1974</u>	<u>1971</u>	<u>1972</u>	<u>1973</u>	<u>1974</u>
Start of Service	May 11	May 29	May 12	May 18	May 22	May 29	May 11	May 17
Termination of Service	Dec 04	Nov 17	Nov 08	Dec 10	Nov 01	Oct 26	Oct 31	Nov 06
Season (days)	208	173	181	207	164	150	174	174
Ferry Trips	N/A	10,961	12,816	12,673	N/A	N/A	6,710	8,867
Vehicles Carried:								
Private	12,979	13,129	14,789	13,099	719	2,860	2,292	4,741
Commercial	5,036	4,998	5,802	6,389	483	2,252	5,619	4,997
Buses	193	210	207	205	4	NIL	NIL	NIL
Others (Incl. Campers)	908	1,013	1,245	1,036	46	320	1,807	NIL
	<u>19,116</u>	<u>19,350</u>	<u>22,043</u>	<u>20,729</u>	<u>1,252</u> ⁽²⁾	<u>5,432</u>	<u>9,718</u>	<u>9,738</u>
Passengers Carried (1)	57,348	58,050	66,129	62,187	3,756	16,296	29,154	29,214
				(55,161) ⁽³⁾				(22,306) ⁽³⁾

- Note:(1): Average of three passengers per vehicle.
 (2): For period June 25 to August 18 only.
 (3): Revised estimates based on actual surveys.

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

Information Centre both north and southbound. 55% of the registrations occurred in the first month (July 12 to August 12), 45% in the second month (August 12 to September 13).

Road travellers, either inbound to or outbound from the Northwest Territories, are invited to sign a visitors book at the Information Centre. The Centre was open from May 15 to September 15 in 1974. 5,103 visitors were registered, which represents a 13.9% increase over 1973. 819 of these registrations were by Northwest Territorial residents. Although these statistics cannot be directly related to the traffic counter data, if vehicles stopped only once at the Centre and all passengers signed the books, the average number of persons per vehicle would be 1.36.

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

Table 3.3

The visitor books at the 60th Parallel Information Centre were signed by all types of travellers; Northwest Territorial residents and non-residents, business travellers and tourists. The signatures in the book, however, represent only a small proportion of the total travellers using the Mackenzie Highway.

Total registrations increased by 13.9% in 1974. Of particular note, however, is the increase in non-resident registrations (10.9%) which reverses the previous year's trend. 77% of these non-residents indicated that this was their first visit

TABLE 3.3

REGISTRATIONS AT THE 60TH
PARALLEL INFORMATION CENTRE
1972-74

YEAR (MAY- SEPT)	REGISTRATIONS INCLUDING N.W.T. RESIDENTS		REGISTRATIONS EXCLUDING N.W.T. RESIDENTS	
	Number	% Variation	Number	% Variation
1972	Not Avail	-	3,965	-
1973	4,479	-	3,890 ⁽¹⁾	(1.9)
1974	5,103	13.9	4,284 ⁽¹⁾	10.1

Note: (1) Non-Resident Registrations constituted 87% of the total in 1973 and 84% of the total in 1974.

Source: Visitor Books,
60th Parallel Information Centre.

to the Northwest Territories. The 1974 increases may be due to an increase in visitors or to the fact that a higher proportion of visitors in 1974 signed the book. The preferred reason is the former!

Table 3.4

Registrations by visitors from Southern Canada increased both in absolute and relative numbers in 1974. The relative increase, for example, was from 69.7% of visitor registrations in 1973 to 73.8% in 1974. This substantial increase can be attributed to a number of factors. The trend for Canadians to "see Canada first" is undoubtedly an important one. The Northwest Territories has also been receiving nation-wide publicity from the search for oil, gas and other non-renewable resources in Canada's far North. This publicity has re-kindled Canadian interest in "that other one-third of the country".

United States and overseas registrations, on the other hand, declined in 1974. The United States share of registrations declined from 26.5% in 1973 to 23.4% in 1974. This decline is probably attributable to the so-called "fuel crisis" in 1974, and it is hoped that the downturn is only temporary.

The number of overseas visitors fluctuates from year to year. Since these registrations constitute less than 5% of the total, it is difficult to define trends.

Table 3.5

Alberta continues to provide at least one-half of the road travellers to the Northwest Territories. This, of course, is not surprising since the only road access to the Northwest Territories, the Mackenzie Highway, originates at Grimshaw, Alberta. Driving times and distances from places

TABLE 3.4

ORIGINS OF NON-RESIDENT
ROAD TRAVELLERS
1972-74

	<u>REGISTRATIONS</u>			<u>% TOTAL</u>		
	<u>1972</u>	<u>1973</u>	<u>1974</u>	<u>1972</u>	<u>1973</u>	<u>1974</u>
Canadian	2,594	2,710	3,162	65.4	69.7	73.8
U.S.A.	1,297	1,029	1,001	32.7	26.5	23.4
Overseas	74	151	121	1.9	3.8	2.8
	<u>3,965</u>	<u>3,890</u>	<u>4,284</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>

Source: Visitor Books,
60th Parallel Information Centre.

TABLE 3.5

ORIGINS OF SOUTHERN CANADIAN
ROAD TRAVELLERS
1973 AND 1974

<u>PROVINCE</u>	<u>REGISTRATIONS</u>		<u>% TOTAL</u>		<u>% VARIATION</u>
	<u>1973</u>	<u>1974</u>	<u>1973</u>	<u>1974</u>	<u>1973-74⁽¹⁾</u>
Alberta	1,405	1,597	51.9	50.5	13.7
Ontario	401	456	14.8	14.4	13.7
British Columbia	306	439	11.3	13.9	43.5
Saskatchewan	301	280	11.1	8.8	(7.0)
Manitoba	114	163	4.2	5.2	43.0
Maritimes	50	81	1.8	2.6	62.0
Quebec	51	72	1.9	2.3	41.1
Yukon	8 ⁽²⁾	10	0.3	0.3	25.0
Unidentified	74	64	2.7	2.0	(13.5)
	<u>2,710</u>	<u>3,162</u>	<u>100.0</u>	<u>100.0</u>	<u>16.7</u>
 <u>REGION</u>					
Prairies (3)	1,820	2,040	67.2	64.5	12.1
Ontario & Quebec	452	528	16.7	16.7	16.8
British Columbia	306	439	11.3	13.9	43.5
Maritimes (4)	50	81	1.8	2.6	62.0
Yukon	8	10	0.3	0.3	25.0
Unidentified	74	64	2.7	2.0	(13.5)
	<u>2,710</u>	<u>3,162</u>	<u>100.0</u>	<u>100.0</u>	<u>16.7</u>

- Notes: (1) The variation is positive (ie: an increase) unless the figure is in brackets (decrease).
 (2) Estimate.
 (3) Alberta, Saskatchewan, Manitoba.
 (4) New Brunswick, Prince Edward Island, Newfoundland.

Source: Visitor Books,
60th Parallel Information Centre.

in Alberta are much less than for most other provinces or the Yukon Territory.

Together, the Prairie Provinces provided 64.5% of the 1974 Canadian registrations (down slightly from 67.2% in 1973, although the absolute increase was 12.1%). British Columbian registrations showed the largest, individual provincial gain, with an increase of 43.5%. Reasons for such a large gain are generally attributed to increased promotional efforts directed towards the residents of that province.

Table 3.6

U.S.A. TRAVELLERS:

The trend of the past few years has been for increasing numbers of United States tourists to visit the Northwest Territories. This trend seemed to stall in 1974, at least according to the number of signatures in the visitor books at the 60th Parallel Information Centre. Registrations in 1973 numbered 1,029 and, in 1974, 1,001 (a 2.7% decline between 1973 and 1974).

Traditional origins of visitors such as the Pacific, West-North Central and Mountain States all provided fewer visitors in 1974. However, major increases in visitors from the East-North Central States (74.8%) and states not bordering on Canada almost helped to balance the decline from traditional origins.

The stall is largely attributed to uncertainties surrounding the supply and pricing of gasoline in the United States. Many people, too, withheld from taking a vacation in 1974 in the face of inflationary and unemployment pressures in the economy.

TABLE 3.6

ORIGINS OF ROAD TRAVELLERS FROM
THE U.S.A. AND OVERSEAS
1973 AND 1974

<u>U.S.A. REGIONS</u>	<u>REGISTRATIONS</u>		<u>% TOTAL</u>		<u>% VARIATION</u> ⁽⁷⁾
	<u>1973</u>	<u>1974</u>	<u>1973</u>	<u>1974</u>	<u>1973-74</u>
Pacific (1)	359	318	34.9	31.8	(11.4)
E-N Central (2)	111	194	10.8	19.4	74.8
W-N Central (3)	194	153	18.9	15.3	(21.1)
Mountain (4)	163	89	15.8	8.9	(45.4)
Mid-Atlantic (5)	70	67	6.8	6.7	(4.3)
All Other States	132	180	12.8	17.9	36.4
	<u>1,029</u>	<u>1,001</u>	<u>100.0</u>	<u>100.0</u>	<u>2.7</u>
 <u>OVERSEAS</u> <u>REGIONS</u>					
Western Europe	96	107 ⁽⁶⁾	63.6	88.4	11.5
Australia & New Zealand	30	8	19.9	6.6	(73.3)
Other Places	<u>25</u>	<u>6</u>	<u>16.5</u>	<u>5.0</u>	<u>(76.0)</u>
	<u>151</u>	<u>121</u>	<u>100.0</u>	<u>100.0</u>	<u>(19.9)</u>

- Notes:
- (1) California, Washington, Oregon.
 - (2) Iowa, Kansas, Minnesota, Missouri, Nebraska, North and South Dakota.
 - (3) Arizona, Colorado, Idaho, Montana, New Mexico, Nevada, Utah, Wyoming.
 - (4) Illinois, Indiana, Michigan, Ohio, Wisconsin.
 - (5) New Jersey, New York, Pennsylvania.
 - (6) West Germany (60), Great Britain (18), Switzerland (8), France (8), Sweden (6), Norway (4), Austria (3).
 - (7) The variation is positive (ie: an increase) unless the figure is in brackets (decrease).

Source: Visitor Books,
60th Parallel Information Centre.

OVERSEAS TRAVELLERS:

The overseas travellers registering at the Information Centre either rented cars on arrival in Canada or were travelling with North American friends or relatives. These registrations usually constitute a small percentage of the total and so the 20% decrease in 1974 cannot be regarded as significant in the overall total.

European registrations rose from 63.6% of the total in 1973 to 88.4% of the total in 1974. For the second successive year, West German residents constituted the single largest national group, with 49.6% of the 1974 total, followed by the British (14.8%). Visitors from as far away as Australia and New Zealand, however, were also registered.

Table 3.7

More than 40% of the 1974 road travellers stopping at the Information Centre were planning to see Yellowknife during their visit to the Northwest Territories, and 20% were planning to see Hay River*. The Yellowknife responses are down slightly from 1973, and the Hay River responses are up significantly from 1973, as the table illustrates. Some visitors were reluctant to drive to Yellowknife because of the extensive and disrupting road repairs underway between Stagg River and Yellowknife throughout the summer.

Other highway destinations such as Fort Smith, Fort Simpson and Pine Point were increasingly popular destinations in 1974. A smaller percentage of the 1974 visitor book signers, however, were bound for off-highway destinations (eg: by aircraft charters or canoe from road termini).

* The question was answered in such a way that the Yellowknife and Hay River visitors may be the same persons.

TABLE 3.7

N.W.T. DESTINATIONS FOR
ROAD TRAVELLERS
1973 AND 1974

<u>DESTINATION</u>	<u>RESPONSES</u>		<u>% OF TOTAL</u>	
	<u>1973</u>	<u>1974</u>	<u>1973</u>	<u>1974</u>
Yellowknife	1,464	1,423	46.8	43.7
Hay River	482	653	15.4	20.0
Fort Smith	170	194	5.4	5.9
Fort Simpson	120	169	3.9	5.2
Pine Point	88	169	2.8	5.2
Other highway destinations	494	487	15.8	15.0
Outside highway system	311	164	9.9	5.0
	<u>3,129⁽¹⁾</u>	<u>3,259⁽¹⁾</u>	<u>100.0</u>	<u>100.0</u>

Note: (1) The response rate to this question in 1973 was 80.4% and in 1974 76.6%.

Source: Visitor Books,
60th Parallel Information Centre.

Table 3.8

As might be expected, most of the visitor book signers (74%) indicated they were travelling for pleasure, rather than business reasons (10%) or were combining business with pleasure (16%). The breakdown of responses in 1974 is very similar to that in 1973, although the 1974 response rate was lower. Comparing responses in the 1973 and 1974 pleasure categories, fewer people stated they were coming to the Northwest Territories primarily for sightseeing, fishing, camping and canoeing, and proportionately more said they were on vacation and/or visiting friends and relatives. (Note: Visitor book signers often stated more than one purpose for visiting the Northwest Territories.)

Table 3.9

Visitors to the Information Centre were asked whether they used TravelArctic literature to plan their visit to the Northwest Territories. 48.7% of the visitors stated they did. The 1974 response rate was much higher than in the previous year, consequently, the 1974 statistic can be regarded as more reliable.

Visitors were also encouraged to stop at the Information Centre on their outbound journey to discuss their experiences. Exit comments have been tabulated in Section B of Table 3.9. 1974 response rates are again higher than those in 1973, though unlike Section A statistics, the 1974 exit comments were very similar to those in 1973. Two-thirds of the comments were complimentary to the Northwest Territories (pleasant scenery, good camping and friendly people). A small group of persons (1.2%) experienced bad camping facilities; however, a very significant percentage (33.6) commented on unfavourable road conditions. Many complaints were

TABLE 3.8

N.W.T. ROAD TRAVELLERS
REASONS FOR VISITING THE N.W.T.
1973 AND 1974

<u>REASON FOR VISIT</u>	<u>RESPONSES</u>		<u>% OF TOTAL</u>	
	<u>1973</u>	<u>1974</u>	<u>1973</u>	<u>1974</u>
Pleasure:				
a) Vacation	1,468	1,539	41.7	47.3
b) Friends/Relations	391	425	11.1	13.1
c) Sightseeing	371	209	10.6	6.4
d) Fishing	213	148	6.1	4.5
e) Camping	89	73	2.5	2.2
f) Canoeing	57	23	1.6	0.7
Sub Total	2,589	2,417	73.6	74.2
Business	386 ⁽¹⁾	299 ⁽¹⁾	11.0	9.2
Combination of Business & Pleasure	542	539	15.4	16.6
TOTAL	3,517 ⁽²⁾	3,255 ⁽²⁾	100.0	100.0

- Notes: (1) Includes persons entering the N.W.T. to take up residency.
(2) These totals represent 90.4% (1973) and 76.0% (1974) responses to the question.

Source: Visitor Books,
60th Parallel Information Centre.

TABLE 3.9

N.W.T. ROAD TRAVELLERS
USE OF TRAVELARCTIC LITERATURE
AND
EXIT COMMENTS
1973 AND 1974

	<u>RESPONSES</u>		<u>% OF TOTAL</u>	
	<u>1973</u>	<u>1974</u>	<u>1973</u>	<u>1974</u>
A. Use of TravelArctic Literature to plan N.W.T. trip				
YES	762	1,302	87.9	48.7
NO	105	1,371	12.1	51.3
	<u>867⁽¹⁾</u>	<u>2,673⁽¹⁾</u>	<u>100.0</u>	<u>100.0</u>
B. Exit Comments About Trip:				
Pleasant Scenery	411	835	54.0	58.3
Unfavourable Road Conditions	299	482	39.3	33.6
Good Camping	31	54	4.1	3.8
Friendly People	20	45	2.6	3.1
Bad Camping (3)	-	17	-	1.2
	<u>761⁽²⁾</u>	<u>1,433⁽²⁾</u>	<u>100.0</u>	<u>100.0</u>

- Notes: (1) The response rates to the question in 1973 and 1974 were 22.3% and 62.4% respectively.
 (2) The response rates to the question in 1973 and 1974 were 19.6% and 33.5% respectively.
 (3) Comment not categorized in 1973.

Source: Visitor Books,
60th Parallel Information Centre.

directed at insufficient use of dust controls; many more were registered in regard to hazardous driving conditions between Stagg River and Yellowknife. This section of Route 3 was being widened and straightened throughout the summer. Heavy rains sometimes compounded repair problems.

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 variations on the Mackenzie and Liard ferries since more than half of the visitor book signers indicated they were planning to visit Fort Simpson and/or communities on Route 3 (Fort Providence, Rae and/or Yellowknife).

Non-resident, leisure, road travellers entering the Northwest Territories in 1973 were estimated to number 12,800. In 1974, passengers carried on the Mackenzie and Liard ferries fell by 4%*. Applying this 4% reduction to 12,800 yields an estimated 12,300 non-resident road travellers entering the Northwest Territories in 1974.

* See Note 3 in Table 3.2

Surveys conducted in 1971 ascertained that the average expenditure of each non-resident road traveller in the Northwest Territories was \$55.55. This figure has been updated with an inflation factor so that the average expenditure in 1974 is assumed to be \$85.00/person. Total expenditures for non-resident, leisure, road travellers entering the Northwest Territories are estimated to be, therefore, \$1.05 million.

4. AIR TRAVEL

The number of travellers entering the Northwest Territories by air in 1974 declined by 1.4% compared to 1973. The major commercial airlines serving the Northwest Territories from southern Canada and the Yukon reported carrying 76,784 passengers to the Northwest Territories in 1974.

Oil and gas rig crews and other corporate personnel carried on company-owned aircraft are not included in the above total since their movements are regarded as confidential by the respective companies. However, since these crews were provided with free transportation and frequently resided in company-owned facilities, they do not materially 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 more than one regional carrier in 1974.

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 1974 were charter operations. Their sizes varied from one aircraft company 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 1974. 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. For a period of time, International Jet Air also provided service between Fort Nelson and Inuvik. In the fall of 1974, however, Jet Air withdrew regular services from both the Whitehorse-Inuvik and Fort Nelson-Inuvik routes. Northward replaced Jet Air on the Whitehorse-Inuvik route, providing four non-stop flights and one multi-stop flight per week with an F27 aircraft.

Responses to the 1974 questionnaire were received from the three regional carriers and two airlines in the second tier. Generally, the 1974 replies were less comprehensive than those in 1973. Consequently the 1974 statistics, shown in the following table, contain more estimates than 1973.

Table 4.1 shows the aggregate traffic totals for air travellers entering the Northwest Territories in 1973 and 1974. It can be noted that a slight decline (1.4%) occurred in 1974. This decline may be attributed to a slowing down in the search for oil and gas in the Mackenzie Delta and High Arctic in 1974; also to economic uncertainties that had depressant effects upon travel and tourism across the nation and around the world.

Alberta is the principal gateway for air travellers bound for the Northwest Territories and Edmonton is the single most important traffic originating centre in Alberta (ie: counting passengers actually originating in the City plus airline transfers at Edmonton). In 1974, 77.7% of the Northwest Territories bound travellers passed through the Alberta gateway.

TABLE 4.1AIR TRAFFIC TO THE N.W.T.
1973 AND 1974

<u>GATEWAY</u>	<u>PASSENGERS</u>		<u>VARIATION %</u>	<u>% TOTAL</u>	
	<u>1973</u>	<u>1974</u>	<u>1973-74</u>	<u>1973</u>	<u>1974</u>
Alberta (1)	57,334	59,697	4.1	73.6	77.7
Manitoba (2)	10,271	7,567	(26.3)	13.2	9.9
Quebec (3)	6,888	7,100	3.1	8.8	9.3
Yukon/B.C. (4)	3,388	2,420	(28.6)	4.4	3.1
	<u>77,881</u>	<u>76,784</u>	<u>(1.4)</u>	<u>100.0</u>	<u>100.0</u>

Notes: Principal Traffic Origins:
 (1) Calgary and Edmonton.
 (2) Winnipeg and Churchill.
 (3) Montreal.
 (4) Whitehorse and Fort Nelson.

Source: Statistics from five airlines, and estimates by the Research and Evaluation Division.

4.1% more than in 1973. Pacific Western Airlines carried more than 90% of this traffic to destinations such as Fort Smith, Hay River, Yellowknife, Fort Simpson, Norman Wells, Inuvik, Cambridge Bay and Resolute.

The performance of the other gateways is also shown in Table 4.1. Traffic from Winnipeg and Churchill to Keewatin communities and Yellowknife declined by 26% in 1974, and from Whitehorse and Fort Nelson to Inuvik by 2%. On the other hand, Montreal originating traffic bound for Frobisher Bay and communities in the eastern Arctic increased by 3%. The specific reasons for these traffic variations are not known at this time.

Northwest Territorial residents, travelling on business and pleasure, constituted 46.4% of the 76,784 air travellers. The majority of non-resident air travellers (34,560) came to the Northwest Territories principally for business reasons. However, the balance of 6,600 air travellers came for a vacation, to visit friends and relatives, participate in sports tournaments or other leisure activities. This latter total for leisure travellers represents an 18.3% decline from 1973. An actual decrease in leisure travellers may have occurred. The lower total may also reflect inaccuracies in the estimation process for leisure travellers.

The 76,784 travellers entering the Northwest Territories by air in 1974 probably generated 50 million passenger miles of air travel in the Northwest Territories, and paid \$6.5 million to the airlines for the Northwest Territories segment of their journey. 8.6% of these air travellers were tourists and they probably paid more than half a million dollars for their travel in the Northwest Territories.

5. ACCOMMODATION SURVEYS

Survey forms have been sent to sport fishing lodges, sport fishing outfitters and big game outfitters for the past eight years. The survey results have been compiled in previous annual reports. The first hotel and motel survey was conducted in 1972, and, in 1973, a separate campground section was included in the annual report for the first time. This year the results of a cruise ship survey are included for the first time.

5.1 Lodges

Survey forms were sent to thirty-seven lodge, outpost and tent camp operators in 1974. Twenty-five replies were received which represents a 67.6% response rate. The twenty-five respondents form a good cross-section of this industry sector since all sizes of operations, from locations across the Northwest Territories are represented in the returns. The respondents also constituted the majority of operators in respect of the fact they provided 83% of the bed capacity of this sector in 1974.

Table 5.1 summarizes the data received from the twenty-five respondents. 68.9% of their 3,748 guests came from the United States which contrasts sharply with the low percentage of United States residents accommodated in hotels and motels in the Northwest Territories (see Table 5.2). The 1974 percentage for United States visitors is eight percentage points higher than in 1973. Canadians constituted 29.8% of lodge guests, of which more than one-third were Northwest Territorial residents. The balance of guests (1.3%) were from overseas. All these guests can be classified as bona fide tourists.

TABLE 5.1

N.W.T. LODGES SURVEY
1974

	<u>NUMBER OF RESPONSES</u>	<u>TOTAL</u>	<u>% TOTAL</u>
Number and Origin of Guests:			
N.W.T.	25	467	12.5
Other Locations in Canada	25	649	17.3
U.S.A.	25	2,584	68.9
Overseas	25	48	1.3
Total		<u>3,748</u>	<u>100.0</u>
Average Length of Stay per Guest at Lodge (outpost or tent camp)			
	25	One Week	-
Revenues from Accommodation, Food and Equipment.			
	24	\$2,454,000	-
Employees:			
Permanent N.W.T. Residents	25	205	52.0
Non-N.W.T. Residents	25	189	48.0
Total		<u>394</u>	<u>100.0</u>
Wages and Salaries Paid to Permanent N.W.T. Residents			
	25	\$207,300	-
Value of Goods and Services Purchased in the N.W.T.:			
Food	24	\$ 75,400	14.1
Liquor	24	40,400	7.5
Aircraft Charters	24	366,750	68.5
Fishing/Hunting Equipment	24	53,250	9.9
Total		<u>\$535,800</u>	<u>100.0</u>
Length of Operating Season			
	2	1 Month	8.0
	7	2 Months	28.0
	10	3 Months	40.0
	6	4 Months	24.0
	<u>25</u>		<u>100.0</u>

Twenty-four respondents earned some \$2.45 million from the provision of accommodation, food and equipment. This represents an average revenue per guest of \$678. Employment opportunities were generated for 205 Northerners who earned \$207,300 in salaries and wages. The respondents also contributed to the Territorial economy by purchasing more than \$500,000 worth of goods and services in the Northwest Territories. Length of operating seasons, shown in the last section of the table, are very similar to 1973. Some lodges that only had a one month operating season in 1973 did, however, elect to remain open longer in 1974. Generally, operating seasons were shorter the further one travelled north and east from the Great Slave Lake area.

Based on a sampling of fourteen lodges, providing 38% of lodge-nights, that responded in both 1973 and 1974, registered guests rose by 10.5% in 1974; gross revenues increased 5.1%; employment of Northwest Territorial residents increased 5.3%; salaries to Northwest Territorial residents increased 62.1%; and expenditures by lodge operators on food, liquor, aircraft charters and fishing/hunting equipment in the Northwest Territories increased by 13.0%.

As indicated earlier, the overall importance of this sector has not been fully represented by the data provided so far. Therefore, estimates of the number of guests accommodated by all 37 lodges, with their revenues, have been projected.

The returns indicated that 3,748 guests were accommodated in 83% of the bed capacity offered by this industry sector. The remaining 17%, therefore, could have accommodated a further 767 guests, for a grand total of 4,515 guests.

Applying the previously calculated average revenue of \$678 per person, gross revenues to the lodge operators in 1974 are estimated to be \$3.06 millions.

5.2 Hotels and Motels

The bed capacity of Northwest Territories hotels and motels increased by 15% between 1973 and 1974. During the peak summer months occupancy rates frequently exceeded 95%, but throughout the remainder of the year there was a surfeit of space.

The distribution of this capacity remains concentrated in the District of Mackenzie. This District possessed 87.5% of the capacity in 1974, followed by the Keewatin/High Arctic (6.7%) and the Baffin (5.8%). On a community basis, Yellowknife possessed nearly 34% of this capacity, Hay River 16%, Inuvik 15%, Frobisher Bay 5% and the balance of eighteen communities 30%.

Survey forms were sent to 38 hotels and motels in 1974. Eighteen completed forms were returned plus one that stated the motel was only used as a staff house in 1974, and was no longer open to the general public, plus another that stated statistics could not be provided until a much later date.

The 18 respondents constitute a fair cross-section of this industry sector since most sizes of hotels and motels, from large and small communities across the Northwest Territories, are represented in the returns. Together, the 18 respondents provided 59% of the bed capacity of this sector in 1974.

Table 5.2 summarizes the data received from the 18 respondents. 95.6% of their 106,354 guests were Canadians, and approximately one-third of these were Northwest Territorial residents. Only 4.4% of the guests were from the United

TABLE 5.2

N.W.T. HOTELS AND MOTELS SURVEY
1974

	<u>NUMBER OF RESPONSES</u>	<u>TOTAL</u>	<u>% TOTAL</u>
Number and Origin of Guests:			
Northwest Territories	18	30,531	28.7
Other Locations in Canada	18	71,190	66.9
U.S.A.	18	3,688	3.5
Overseas	18	945	0.9
Total		<u>106,354</u>	<u>100.0</u>
Types of Guests:			
Tourists	18	15,785	14.8
Business and Government	18	90,569	85.2
Total		<u>106,354</u>	<u>100.0</u>
Average Length of Stay per Guest (days)	18	3.5	-
Revenues:			
Accommodations	16	\$2,653,950	41.0
Food and Other Services	16	3,818,250	59.0
Total		<u>\$6,472,200</u>	<u>100.0</u>
Employees:			
Permanent N.W.T. Residents	16	1,246	71.5
Non-N.W.T. Residents	16	496	28.5
Total		<u>1,742</u>	<u>100.0</u>
Wages and Salaries Paid to Permanent N.W.T. Residents	18	\$1,824,300	-
Value of Food, Liquor and Other Goods Purchased in the N.W.T.	16	\$1,917,300	-

States or overseas. Tourists or leisure travellers constituted 14.8% of the guests which represents a four percentage point increase over 1973. The majority of guests, however, were travelling for business reasons.

Sixteen respondents earned \$6.5 millions from the provision of accommodation, food and other services which represents an average revenue of \$65 per guest, an increase of \$4 per guest over 1973. Turnover of employees was high in this sector and sixteen respondents employed 1,742 persons; 71.5% of whom were permanent Northwest Territorial residents. These Northwest Territorial residents received nearly \$1.8 million in salaries and wages. Hotels and motels also contributed to the Territorial economy by purchasing \$1.9 million (sixteen respondents only) of food, liquor and other goods in the Northwest Territories.

Based on a sampling of ten hotels and motels responding in both 1973 and 1974, registered guests increased 7.1% in 1974; gross revenues (accommodation, food and other) 17.8%; employment of Northwest Territorial residents 542% (high turnover is the principal reason); and salaries to Northwest Territories residents 37%. On the other hand, there was a slight decrease (0.03%) in the value of food, liquor and other goods purchased by hotels and motels in the Northwest Territories. These ten hotels and motels provided 47% of the 1974 bed capacity.

Annual estimates of guests, and their expenditures, for all thirty-eight hotels and motels have been produced in a similar way to the total sector estimates in section 5.1. The returns indicated that 106,354 guests were accommodated in 59% of the bed capacity offered by this industry sector. The remaining 41%, therefore, could have accommodated a further 74,000 guests, for a grand total of 180,000 guests.

Applying the previously calculated average revenue of \$65 per guest, gross revenues to the hotel and motel operators in 1974 are estimated to be \$11.7 million.

One statistic that is not known, however, is how many individual persons are represented in these totals since visitors and residents travelling in the Northwest Territories generally stayed at more than one hotel on their trips.

5.3 Outfitters

Survey forms were sent to 29 sport fishing and big game outfitters in 1974. The big game outfitters are located in the Mackenzie Mountains. Most of the sport fishing outfitters are located in the Great Slave Lake area or the Mackenzie Valley (and tributaries); three however were located above the treeline - namely at Eskimo Point, Spence Bay and Frobisher Bay. Thirteen outfitters replied, four of whom stated they did not operate in 1974 or had no guests.

Table 5.3 summarizes the data received from nine respondents. 73.5% of the 814 guests were Canadian, 25.2% United States and 1.3% came from overseas. The majority of guests (58%) rented outfitter services for only one or two days. These persons participated in fishing and sight-seeing cruises on the Great Slave Lake. The balance of guests, however, required outfitter services for much longer, sometimes for one or two weeks.

Eight outfitters employed 42 persons, 26 of whom were permanent Northwest Territorial residents. These residents received \$23,341 in wages or nearly \$900 per person. The outfitters purchased \$21,000 of food liquor and fishing or hunting

TABLE 5.3

N.W.T. OUTFITTERS SURVEY
1974

	<u>NUMBER OF</u> <u>RESPONSES</u>	<u>TOTAL</u>	<u>% TOTAL</u>
Number and origin of guests:			
Northwest Territories	9	98	12.0
Other locations in Canada	9	501	61.5
U. S. A.	9	205	25.2
Overseas	9	10	1.3
Total		<u>814</u>	<u>100.0</u>
Average length of stay per guest (days)	-	Majority = 1 day Rest = 1 to 2 weeks	
Revenues from accommodation, food and equipment	6	\$87,459	-
Employees:			
Permanent N.W.T. residents	8	26	61.9
Non-N.W.T. residents	8	16	38.9
Total		<u>42</u>	<u>100.0</u>
Wages and salaries paid to permanent N.W.T. residents	8	\$23,341	-
Value of goods and services purchased in the N.W.T.:			
Food	8	\$14,942	40.0
Liquor	7	700	1.9
Aircraft charters	7	16,000	42.8
Fishing/hunting equipment	7	5,700	15.3
Total		<u>\$37,342</u>	<u>100.0</u>
Length of operating season:			
	1	1 Month	11.1
	0	2 Months	-
	3	3 Months	33.3
	5	4 Months	55.6
	<u>9</u>		<u>100.0</u>

equipment and also spent \$16,000 on aircraft charters. More than half the outfitters remained open four months or more.

Five of the outfitters responded in both 1973 and 1974. The sample is small but a comparison of their 1973 and 1974 replies indicated that guests increased 52%, gross revenues increased 30%, employees increased 18%, wages to permanent Territorial residents increased 71%, and the value of goods and services purchased in the Northwest Territories nearly doubled.

There is insufficient data to project estimates of total guests accommodated by this sector and the gross revenues of outfitters that can be considered reasonably accurate. It is apparent, however, that outfitter services will be in increasing demand as more and more Northwest Territorial residents and non-residents want to explore "off the beaten track" locations.

5.4 Parks and Campgrounds

The Territorial Government, through the Division of Tourism, operated twenty Territorial Parks with camping and picnic facilities in 1974. Most of these facilities are located on the Mackenzie Highway system. These parks were open from May 15 to September 30 in 1974, and a \$5 fee was levied for their use. 820 permits were sold in 1974 for total revenues of \$4,100. In addition to the Territorial Government Parks, two privately operated campgrounds were open in 1974 - one south of Hay River on Highway 2; the other at Broughton Island in the eastern Arctic.

5.4.1 Territorial Parks

User surveys were conducted at three major parks in 1974, namely Yellowknife, Prelude Lake and Hay River. Statistics were collected either by Park Supervisors directly or with the aid of traffic counters.

Two traffic counters were available to the Division of Tourism last summer and these were positioned at the entrances to Yellowknife and Prelude Parks. The intention was to conduct a continuous count of vehicles entering these parks between the time of the counter installation and the closing date of the park. Unfortunately, the traffic counters and hoses were the object of such damage - from both normal wear and tear on gravel roads and malicious damage by vandals - that only partial results were obtained.

The park counts, shown in Table 5.4, 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 part of the Park provided a shortcut to an outdoor swimming area. Prelude Park, located some 20 miles east of Yellowknife, is a favourite destination for Yellowknifers on warm summer weekends and for visitors who enjoy canoeing and camping away from City environs.

The average daily and peak weekend traffic counts for Yellowknife and Prelude Parks were both lower in 1974. The reason for these declines may have been the generally inclement weather conditions throughout the summer or because of poor driving conditions between Stagg River and Yellowknife which deterred some tourists from driving to Yellowknife. This section of Route 3 was being widened and straightened throughout the summer and heavy rains further compounded maintenance problems.

TABLE 5.4

VEHICLE ENTRANCE COUNTS
TERRITORIAL GOVERNMENT PARKS
1974

	<u>YELLOWKNIFE</u>	<u>PRELUDE</u>
Total Vehicles ⁽¹⁾	20,155	9,132
Period of Count (days)	120 ⁽²⁾	120 ⁽²⁾
Ave. Daily Vehicles	168	76
Peak Weekend	July 5-8	Aug 3-5
Vehicles Per Day on Peak Weekend	594	328

- Notes: (1) The counters registered vehicles in and out, the counts shown are "in" only.
- (2) May 31 to August 22: The total includes days when the counter was inoperative. Park Supervisors were not able to check the counters daily.

However, Yellowknife's loss was probably Fort Smith's and Fort Simpson's gain since increased activity was noted at these parks in 1974.

Part of the decline may also be explained in other terms. Traditional users of the Yellowknife and Prelude Parks may have elected to visit other locations and use other facilities in the Yellowknife area in 1974. It should also be noted that the 1974 counts were taken over a much longer period than the 1973 counts (eleven days during one month) and, therefore, probably reflect the summer's trend more accurately.

Statistics collecting was one of many jobs for Park Supervisors but they were pressed into service because information was required about the campers themselves - origins, average stay, equipment utilized and favourite site locations. Such statistics had not been collected previously. They are essential for the good management of Northwest Territories Park facilities, and also to compare progress between Northwest Territories Parks and Provincial or National Parks.

Table 5.5 presents a profile of campers in the Yellowknife Campground. 568 parties and 1,747 party-nights were registered between May 15 and September 30. July was the peak month for both number of parties (193) and party-nights (608). Average stay throughout the summer was 3.1 days. 64% of the Park users were Canadian (Northwest Territorial residents and southern Canadian residents). Tents accounted for more than half of the equipment noted by Park Supervisors, and recreational vehicles also registered highly (31%).

Expansion of facilities at the Yellowknife campground are not scheduled for the near future as sufficient sites are now

TABLE 5.5

YELLOWKNIFE PARK
PROFILE OF CAMPERS
1974

	<u>MAY</u>	<u>JUNE</u>	<u>JULY</u>	<u>AUG</u>	<u>SEPT</u>	<u>TOTAL</u>
No. of parties: ⁽¹⁾	47	171	193	137	20	568
Ave. stay (days):	2.6	2.9	3.2	3.5	2.0	3.1
Party-nights:						
Number ⁽²⁾	122	503	608	474	40	1747
% of total	7	29	35	27	2	100
Campground occupancy factors (% recorded party-nights of potential):	41	75	87	61	13	63
Origin of parties (%):						
N.W.T.	34	17	23	20	38	20
Southern Canada	36	32	43	46	45	44
U.S.A. & overseas	20	10	34	17	17	19
Unidentified	10	41	-	17	-	17
	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>
Equipment (%): ⁽³⁾						
Tents	100	73	41	42	50	52
Tent trailers	-	-	9	9	-	6
Travel trailers	-	-	23	11	15	11
Recreational trailers	-	27	27	38	35	31
	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

- Notes: (1) Average party size is not known.
 (2) Party x days on site.
 (3) Days that type of equipment is on site shown as percentage of potential party-nights.

available. Only on one or two weekends during the peak of the summer does the occupancy approach 100% and in these cases campers are directed to overflow areas within the park.

Table 5.6 presents the profiles of campers at the Prelude Lake and Hay River Parks. The survey periods at both Parks were shorter, and the surveys themselves less comprehensive, than at Yellowknife. Northwest Territorial residents constituted a very high percentage of campers at Prelude Lake (71.8% in June; 53.8% in August), as might be expected in close proximity of the park to Yellowknife. Southern Canadian residents constituted a high percentage (71%) of the campers at Hay River in July. Recreational vehicles were most popular at Prelude Lake while tents and recreational vehicles were equally in use at Hay River. Tenters on average are found to stay longer than persons in recreational vehicles.

5.4.2 Private Campgrounds

The form shown as Table 5.7 was sent to two private campground operators in 1974, one near Hay River; the other on Broughton Island. Only one operator replied. For reasons of confidentiality of data, therefore, we are unable to discuss that operator's information.

5.5 Cruise Ships

Survey forms were sent to two cruise ship operators in 1974, Arctic Cruise Lines of Hay River operating the "Norweta" and Swedish America Line operating the "Linblad Explorer". The Norweta has cruised the Mackenzie River for several years, whereas the visit of the Linblad Explorer north of 60°N was a rather unique occasion.

TABLE 5.6

PRELUDE LAKE AND HAY RIVER PARKS
PROFILE OF CAMPERS
1974

	<u>PRELUDE LAKE</u>		<u>HAY RIVER</u>	
	<u>JUNE</u> ⁽¹⁾	<u>AUGUST</u> ⁽¹⁾	<u>JUNE</u> ⁽²⁾	<u>JULY</u> ⁽²⁾
Number of parties:	384	295	N/A	N/A
Party-nights:	604	N/A	199	144
Origins of Parties (%):				
N.W.T.	71.8	53.8	N/A	13.0
Southern Canada	14.8	11.8	N/A	71.0
U.S.A. & overseas	8.2	15.9	N/A	7.0
Unidentified	5.2	18.5	N/A	9.0
	<u>100.0</u>	<u>100.0</u>		<u>100.0</u>
Equipment (%):				
Tents	28.5	32.7	47.0	58.0
Recreational vehicles ⁽³⁾	71.5	67.3	53.0	42.0
	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>

- Notes: (1) Based on 20 day record in June and 23 day record in August.
(2) Based on 16 day record in June and unknown number of days in July.
(3) Includes tent trailers and travel trailers.

N.W.T. PRIVATE CAMPGROUND SURVEY
1974

**The responses are treated as ~~CONFIDENTIAL~~ information.

1. Number of registered ~~guests or vehicles~~ in 1974
(Please specify guests or vehicles) _____
2. Number of guests or vehicles who were:
(Please specify guests or vehicles)
 - Canadian - N.W.T. residents _____
 - non-N.W.T. residents _____
 - U.S.A. _____
 - Other _____
3. Gross revenues from provision of accommodation,
food and equipment _____
4. Number of employees who were:
 - N.W.T. residents _____
 - Non-N.W.T. residents _____
5. Estimated value of wages and salaries paid to
N.W.T. resident employees _____
6. Estimated value of goods and services purchased
in the N.W.T. by Campground Operator for:
 - a) the maintenance of the Campground _____
 - b) the enjoyment of registered campers _____
7. What were your opening and closing dates _____

**Thank you for this information.

Please return to:

Mr. Peter Lofthouse
Research and Evaluation Division
Department of Economic Development
Government of the N.W.T.
Yellowknife, N.W.T.
XOE 1H0

Table 5.8 summarizes the data provided by the two operators. The Norweta made eight northbound trips from Fort Providence and eight southbound trips from Inuvik in 1974. Passengers were bussed between Hay River and Fort Providence. The Linblad Explorer made four cruises north of 60°N to locations and communities along the west coast of Greenland, Lancaster Sound, eastern coast of Baffin Island, Hudson Strait and Hudson Bay. The average length of the Mackenzie River cruises was one week, and for the Linblad Explorer two weeks.

Together, the ships carried 584 passengers, employed nine Northwest Territorial residents and paid them nearly \$90,000 in wages and salaries. 77.7% of the passengers were United States residents, 19.2% Canadian residents with the balance from Overseas. Only one operator replied to Questions 6, 7 and 8 and, therefore, we are unable to discuss that operator's data.

CRUISE SHIP SURVEY 1974

	<u>Arctic Cruise Lines</u>	<u>Swedish America Lines</u>
1. Number of cruises North of 60°: Sixteen-8 North -8 South		Four
2. Itinerary for each cruise:		
Origin	Hay River	Frobisher Bay (and other ports)
En Route stopping places	Fort Providence Fort Simpson Wrigley Fort Norman Fort Good Hope Arctic Red River Aklavik Tuktoyaktuk	Locations and Communities along the west coast of Greenland, Lancaster Sound, Eastern Coast of Baffin Island, Hudson Strait and Hudson Bay.
Destination	Inuvik (or vice-versa)	Frobisher Bay (and other ports)
3. Average length of each cruise North of 60° (in days)	one week	two weeks
4. Origins of passengers (both operators)	<u>Number</u>	<u>Percent</u>
Canadian - N.W.T. residents	4	0.7
- non-N.W.T. residents	108	18.5
U.S.A.	454	77.7
Other	18	3.1
	<u>584</u>	<u>100.0</u>
5. Number of employees (both operators), full or part time who were N.W.T. residents		Nine
6. Estimated value of wages and salaries paid to N.W.T. resident employees (both operators)		\$89,867
7. Gross revenues (both operators) from provision of transportation, accommodation, food and other services)) Only one operator replied. Figures are not for disclosure.
8. Estimated value of food, liquor and aircraft charters purchased by Cruise Ship Operators in N.W.T. in 1974))

6. 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. Persons on such tours have already been counted once in Section 4 and perhaps again in Section 5. Statistics provided by cruise lines are especially difficult to classify. Arctic Cruise Lines, for example, have acted as both ship and tour operator for many years. As the cruise market in the Northwest Territories expands, however, it is expected that cruise lines will tend to specialize in their function as ship operators and will rely increasingly on southern Canadian and United States tour operators to provide passengers. For this reason cruise ship statistics are presented separately in Section 5.5 and not as part of this section, as in the 1973 report.

Information was gathered from ten tour operators. Major omissions include tours organized by an airline and company tours designed to show businessmen industrial and exploration sites in combination with a day or two fishing, hunting or general sight-seeing. Information about company organized tours is difficult to obtain and is often company confidential. The airline referred to above contributed statistics to Section 4 but was unable to handle a later, additional request for information on its tour operations because of time constraints (no fault of the airline).

Respondents to the 1974 survey indicated that 1,368 persons were accommodated on 38 tours (see Table 6.1). The majority of the tours (89.5%) and tourists (83.9%) were bound for locations in the District of Mackenzie - usually communities on the highway, Inuvik and/or Tuktoyaktuk. Arctic Cruise Line passengers, of course, saw most of the communities located on the Mackenzie River. The attractions of the

TABLE 6.1INCLUSIVE TOURS - 1974

<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	34	1,148	5.29	360	766	22
Eastern Arctic	<u>4</u>	<u>220</u>	<u>.213</u>	<u>218</u>	<u>2</u>	<u>-</u>
TOTAL	38	1,368	4.78	578	768	22

Source: Ten tour operators.

District include beautiful landscapes and water scenery, a high level of accommodation, transportation and other facilities that are associated with a relatively dense population zone, and the convenience of linking a visit to the Northwest Territories with one to the Yukon.

The balance of the tours and tourists visited the Eastern Arctic. Two tours were specifically in connection with the cruises of the "Linblad Explorer" which visited many places in the Eastern Arctic. Two other tours were composed of persons from Eastern Canada interested in seeing the Midnight Sun. These persons stayed over one day in Frobisher Bay after seeing the Midnight Sun from their charter flight.

The average length of stay for tours in the District of Mackenzie was 5.29 days, and for those in the Eastern Arctic 2.13 days. Some 42% of the total participants were Canadian (compared to 76% in 1973), 56% were United States residents and the balance came from overseas. 92% of these tours were open to the public, 8% were privately organized. Sightseeing, Arctic cruising, wildlife viewing and educational reasons were given by tour operators as the principal purposes for visiting the Northwest Territories. In addition, four tours to the Northwest Territories were organized by square dance clubs and one by the organizers of the tenth Commonwealth Mining and Metallurgist Conference, held in Edmonton, as a post conference tour.

It is apparent from these partial survey results, from the cruise line statistics in Section 5.5 and from general discussions that the Package Tour sector of the travel industry is continuing to expand in the Northwest Territories. Certainly such tours enable persons with modest to medium financial resources to visit this exciting part of Canada.

7. HANDICRAFTS

This item has not been included in previous tourism reports, for lack of data. Recent statistics indicate, however, that sales of handicrafts to resident and non-resident travellers in the Northwest Territories is becoming an important element of gross Northwest Territorial tourist expenditures. It is estimated that the sales of carvings, coats, wall hangings, bead work and other Territorial crafts topped \$1.75 million in 1974. The principal sales outlets were private and Government craft shops, and co-operatives. The proportion of sales revenues returned to the producer vis a vis the retail outlet varied according to the craft item. On some items the producer received up to 70% of the sale amount. A more usual percentage is between 50% and 70%.

8. TRENDS IN TRAVEL ENQUIRIES

The Division of Tourism, operating under its trade name of TravelArctic, answered a record 27,006 enquiries in 1974, more than double the figure of five years ago, and up 15.4% from 1973.

The 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.

A greater proportion of enquiries are now coming from eastern Canada. There has been a noticeable upswing in the level of French enquiries from Quebec, resulting in the 1974 publication of a French brochure. United States enquiries seem to be shifting from the sports fishing field to one of general interest. Both Canadian and American enquiries have reached new peaks in requests for information on canoeing, backpacking and enjoyment of the natural environment.

Overseas interest in the Northwest Territories is greatest in Germany, where a combination of several books, some good travel features and familiarization tours for writers and tour operators out of the Frankfurt area have resulted in an increasing level of enquiries.

The TravelArctic logo is becoming familiar around the world and enquiries have been received from almost every country. By far the greatest percentage of all enquiries are now

directed to TravelArctic, with only a few enquiries being sent from the Canadian Government Office of Tourism. A smaller percentage of enquiries are getting the Northwest Territories mixed up with other Northern areas though we still find people confusing the Alaska and Mackenzie Highways.

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)
