

NWT tourism dollars drop to \$130.3 million

Number of tourists declines by 6,153

Spending and numbers fall in all sectors

by **Guy Quenneville**
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NWT

After several years of growth in visitors and visitor spending, the numbers declined last year, no doubt due to the global financial crisis.

The number of visitors and the amount they spent was down in every sector measured by the GNWT's Department of Industry, Tourism and Investment (ITI).

In 2008-2009, people visiting the Northwest Territories declined by 7.7 per cent from the previous year.

Of the 73,419 last year, 39,795 travelled for leisure and 33,624 were travelling for business.

That's compared to a total of 79,572 visitors in 2007-2008, including 44,692 for leisure and 34,880 business travellers.

After a slump that followed the September 11, 2001 terrorist attacks on the United States, the number of visitors to the territory increased every year since 2001-2002, when 53,917 people came.

Total estimated tourist spending in the NWT for 2008-2009 topped \$130.3 million, down six per cent from 2007-2008, when \$137.9 million was spent, and down seven per cent from 2006-2007, when \$140.4 million was spent. Even with the

drop, spending was higher than the totals in the fiscal years 2003-2006.

The number of business travellers declined for the second year in a row, from 34,880 to 33,624.

Spending among business travellers also went down, from \$77.4 million in 2007-2008 to \$74.6 million in 2008-2009.

Sport hunting saw the number of sport hunters fall from 984 in 2007-2008 to 942 in 2008-2009. Revenue from that group dropped to \$12.4 million from \$13 million during the same period.

Similarly, the sport fishing market has declined to 7,274 from 7,759 visitors compared to 2003-2004, with spending down to \$17 million compared to \$17.5 million the previous year and \$18.2 million in 2003-2004.

Wayne Witherspoon, owner of Frontier Fishing Lodge near Lutsel K'e, said of 2009, "This is the year that they're going to stay home, especially the Americans."

At Witherspoon's lodge, the percentage of guests from the U.S. plunged from 70 per cent years ago to 30 per cent last summer.

Plummer's Arctic Lodges, which operates three lodges on Great Bear Lake, reported bookings were down by 30 to 35 per cent last summer.

Barry Taylor, owner of



Guy Quenneville/NNSL photo

The number of people visiting the NWT declined by eight per cent during the 2008-2009 fiscal year. Hunting and sport fishing fared fairly well but Aurora lights adventure operators took a major hit.

Arctic Safaris, said he hasn't taken a party of more than 10 people out for a fishing expedition in the barren lands north of Yellowknife since 2005.

The number of Aurora visitors decreased to 5,460 people compared to 7,297 the previous year and visitor spending in the same sector dropped to \$7.2 million from \$9.6 million.

In 2004-2005, 10,245

people visited the NWT to see the Northern Lights, most of them coming from Japan.

Aurora visitors typically comprise a large portion of overseas visitors to the territory.

The number of tourism enquiries received by NWT

Tourism for 2008-2009 was down by 2,295 from the previous year.

ITI noted that in 2008-2009, a new feature on NWT Tourism's website enabled visitors to download guides directly onto their computer, which resulted in a decrease

in total enquiries.

The number of website visits was down by 211,773 hits. However, ITI also noted that the new tourism website was less susceptible to hackers, which screened out Internet bots and accounted for some of the decrease in web visits.

Northwest Territories Visitor Spending (in millions)						
Year	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09
Visiting Friends & Relatives	\$3.1	\$3.2	\$3.8	\$3.8	\$5	\$4
Hunting	\$15.1	\$17.3	\$17.4	\$16.2	\$13	\$12.4
Aurora Viewing	\$12.2	\$12.5	\$13.4	\$9.3	\$9.6	\$7.2
Outdoor Adventure	\$6.0	\$5.6	\$7.1	\$6.8	\$6.9	\$6.8
Fishing	\$18.2	\$17.1	\$16.9	\$18	\$17.5	\$17
General Touring	\$9.1	\$8.7	\$7.5	\$7.5	\$8.5	\$8.3
Total Leisure Visitors	\$63.8	\$64.4	\$66.1	\$61.6	\$60.5	\$55.7
Total Business Travellers	\$46.1	\$50.2	\$54.7	\$78.8	\$77.4	\$74.6
Total spending (millions)	\$109.8	\$114.6	\$120.8	\$140.4	\$137.9	\$130.3

Source: GNWT

Spending by visitors decreased by \$7.6 million in the NWT last fiscal year.

Northwest Territories Visitation						
Year	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09
Visiting Friends & Relatives	7,599	7,780	8,942	9,025	11,693	9,261
Hunting	1,117	1,279	1,308	1,216	984	942
Aurora Viewing	9,990	10,245	10,200	7,000	7,297	5,460
Outdoor Adventure	1,841	1,725	2,171	2,079	2,125	2,098
Fishing	7,759	7,521	7,216	7,726	7,470	7,274
General Touring	15,219	14,199	13,324	13,340	15,123	14,760
Total Leisure Visitors	43,526	42,750	43,161	40,386	44,692	39,795
Total Business Travellers	20,725	22,591	24,642	35,509	34,880	33,624
Total Visitors	64,251	65,340	67,803	75,895	79,572	73,419

Source: GNWT

The annual number of visitors was rising in the NWT for several years until the global financial meltdown put a damper on tourism around the world last year.

Nunavut attracts 33,378 tourists during peak season



photo courtesy of Arctic Coast Visitor Centre

Cruise ships made 47 different stops in Nunavut communities in 2009, exposing passengers to Inuit practices and culture. Global warming is expected to lead to an increase of traffic through the Northwest Passage.

More than half of visitors go to Baffin region

72 per cent of leisure travellers come from Canada

Spending by visitors to Nunavut, by category, from June to October 2008

Entertainment/recreation	\$98,772
Other shopping	\$182,160
Other expenses	\$124,520
Guides/tours	\$461,453
Art/carvings	\$682,609
Restaurants/food and beverage	\$922,434
Pre-trip packages	\$1,194,721
Hotels	\$1,822,219
Cruise	\$9,112,656
Airfare	\$9,411,400

Source: Government of Nunavut

Visitor spending in Nunavut between June to October of 2008 – including the cost of transportation – totalled approximately \$24 million.

Community visits by cruise ship

Community	2008	2009
Iqaluit	15	4
Resolute	15	15
Pond Inlet	11	8
Pangnirtung	9	2
Clyde River	4	0
Cambridge Bay	3	6
Grise Fiord	3	3
Qikiqtarjuaq	3	2
Gjoa Haven	2	4
Cape Dorset	2	1
Kimmitut	1	1
Arctic Bay	1	0
Nanisivik	0	1
Total	69	47

Source: Arctic Coast Visitors Centre

The number of Nunavut communities visited by cruise ships declined last year to 47 from 69.

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Tourism in Nunavut accounts for approximately \$24 million in economic activity.

According to a Nunavut exit study conducted by the Department of Economic Development and Transportation, a total of 33,378 passengers (air and cruise) visited Nunavut between June and October of 2008. That's up from the 28,802 passengers who visited Nunavut between June and October of 2006.

Of the 2008 passengers, 13,889 were visitors (non-residents) to Nunavut, up 27 per cent from 2006.

In 2008, 25 cruise ships carrying 2,096 passengers sailed to Nunavut, down from 27 ships carrying 2,926 people in 2006.

Cruise passengers accounted for 17 per cent of all visitors, while air visitors represented 83 per cent.

The average age of all visitors to Nunavut was 46.

Similar to 2006 findings, the majority of visitors in 2008 were men which, according to the department, is a reflection of the high percentage of business travellers coming to the territory. (The study found 74 per cent of business travellers are male, while 58 per cent of leisure travellers are female.)

Canadians continue to make up the majority of visitors to Nunavut.

Among business travel-

lers, 96 per cent were from Canada.

Among leisure travellers, 72 per cent were from Canada, 20 per cent from the United States and 8 per cent were from other countries.

September and July are the two largest visitor months. Combined they account for over 46 per cent of visitor departure dates.

The study found that 63 per cent of all visitors went to the Qikiqtaaluk (Baffin) region – dominated by travel to Iqaluit. Of the rest, 11 per cent visited the Kivalliq region, seven per cent visited the Kitikmeot region and the remaining 19 per cent took Arctic cruises that included stops at various

Nunavut communities.

The Kivalliq region has the highest percentage of visitors coming for business, 76 per cent.

Vacation is the most frequently reason cited for visiting the Kitikmeot region, while visiting friends and relatives is the most prominent reason for travelling to the Baffin region. This is different from 2006, when Baffin had a more varied mix of reasons for people visiting.

Total spending not including the cost of transportation between June and October of 2008 amounted to \$4.6 million, compared to \$4 million during the same period in 2006.

However, spending by cruise ship passengers declined during the same period to \$95,000 from \$170,000.

Shopping for art, carvings or local products was the top area of spending reported by visitors.

Total visitor spending including transportation costs was approximately \$24 million in 2008.

According to the Arctic Coast Visitors Centre in Cambridge Bay, 21 cruises visited 47 communities in 2009.

Every cruise ship visiting Cambridge Bay spend an average of \$10,000 in the community, according to the centre.

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