



TOURISM IN CANADA'S NORTHWEST TERRITORIES:  
ASPECTS AND TRENDS

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More than one-third of the total area of Canada is covered by the Northwest Territories (NWT), one of the more remote portions of North America. In spite of, or perhaps because of this remoteness, a growing number of tourists have made this region their vacation goal in the past decade. The Territorial government has encouraged development of the tourist industry by establishing an official agency, Travel-Arctic, to stimulate and promote interest in the Northwest Territories. One of the charges of this agency is to collect information on the tourist industry and publish an annual report, The Travel Industry in the Northwest Territories.<sup>1</sup> Statistical information for ten years is available through this publication.

This paper will identify the various aspects of the Northwest Territories' tourist industry and examine some of the developing trends.

Presently, travel and tourism in the Northwest Territories are centered in the Mackenzie District, primarily in the area surrounding Great Slave Lake. In this area several communities, notably Yellowknife and Hay River (the

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two largest towns in the Territories), offer accommodations, boat and air charters, and guided hunting, fishing, and sight-seeing trips.

The greatest proportion of tourists (56 percent) comes to the Territories by private automobile; the remainder arrive by air. There is no passenger rail service into the area.

Tourism has shown a steady increase from less than 4,000 in 1963 to over 20,000 in 1970. Based upon the growth trend, approximately 26,000 tourists were anticipated in the Northwest Territories by 1975. In 1975, an estimated 21,000 tourists visited the Territories, a slight increase over 1974 but not the expected, or hoped for, number. Since 1970 the number has fluctuated somewhat, but generally remained between 20,000 and 22,000 annually (Figure 1). Whether this is a temporary lull or a topping-out of tourism cannot be established yet, although several rainy summers, the energy crisis

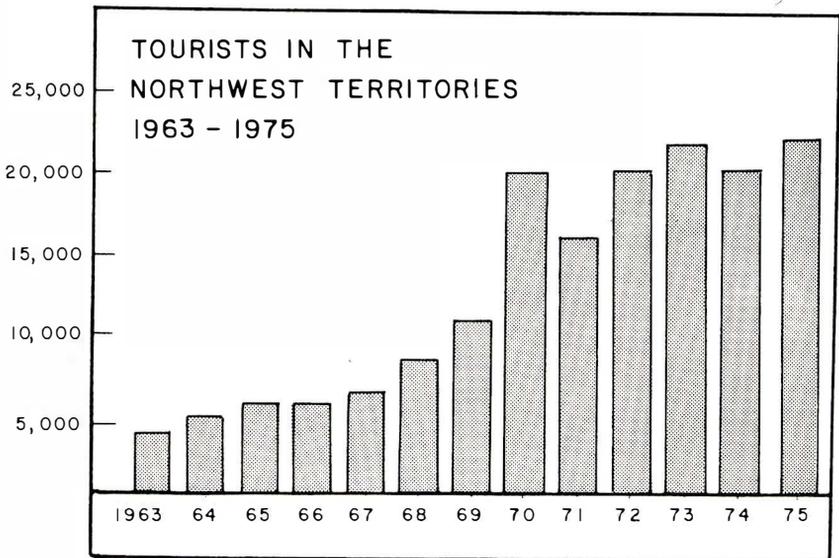


Figure 1. Tourists in the Northwest Territories 1963-1975.

in the early 1970's, and a continued general concern about the economy (in both Canada and the United States) may indicate the former.

### Road Travelers

Prior to 1960 few roads existed north of the 60th parallel, and even now only one road leads from the southern provinces into the Northwest Territories. This is the Mackenzie Highway, an all-weather gravel road system totaling nearly 1,500 miles which is concentrated in the area of the Great Slave Lake and the upper Mackenzie River Valley (Figure 2).

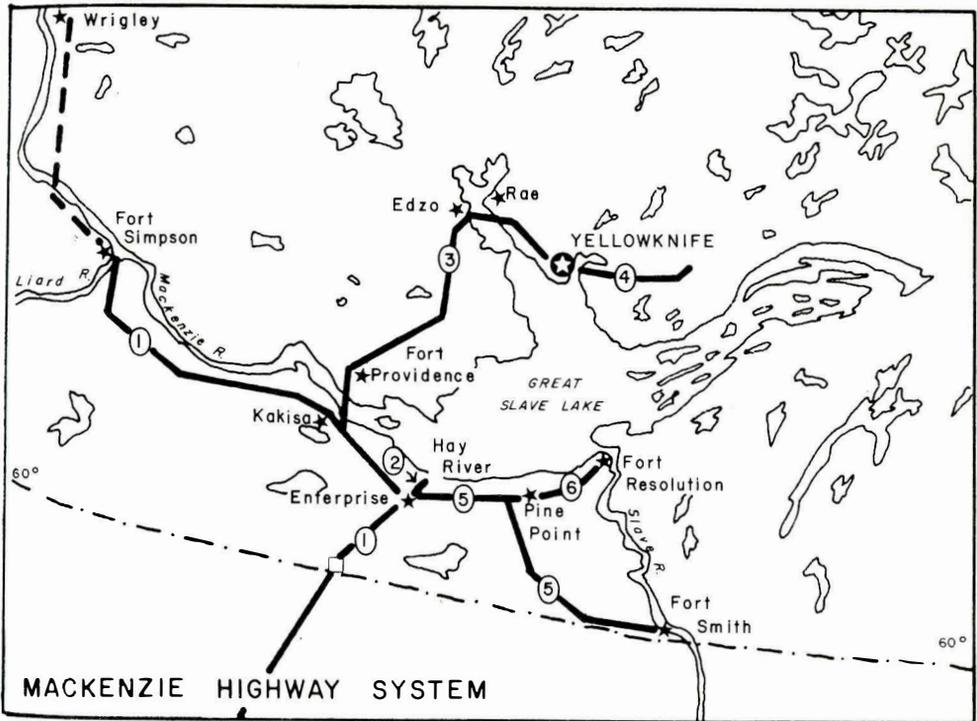


Figure 2. The Mackenzie Highway System.  
(Dashed line represents uncompleted sections.)

The completion of the road to Yellowknife in 1960 led to expansion of tourist facilities. Field investigation by the authors in the summers of 1974 and 1975 showed a considerable increase of and improvement in restaurants, hotels, motels, and camping areas.

An information station is maintained at the Alberta and Northwest Territories border to service travelers. The staff there provides road and weather information; hunting, fishing, and camping permits; and also collect data on road travelers. Although visitors are not required to stop and register, most do because of the services available and thus a fairly complete record of numbers, destinations, points of origin, and reasons for travel is provided to the Division of Tourism in the Territories.

The 1975 records indicated that 72 percent (3,166) of the registered road travelers were Canadian (Figure 3) and 23 percent (1,038) were from the United States (Figure 4). Overseas road travelers nearly doubled from the previous year to almost 5 percent (212). They were principally from Western Europe, with West Germany alone providing half of the total.<sup>2</sup>

Seventy-six percent of the registrants were vacationing; sightseeing, fishing, and camping were the leading activities listed by this group. About 13 percent were visiting friends or relatives, and the remainder were on combination business and pleasure trips. The destination for nearly half of the road travelers was Yellowknife, followed by Hay River, Pine Point, Fort Smith, and Fort Simpson (Figure 5).

#### *Air Travelers*

Nearly 90 percent of all air traffic is centered on the Great Slave Lake-Mackenzie Valley regions. Of the 74,500 passengers in 1975, the majority were traveling for business reasons or were returning residents; however, 12.4 percent (9,238) were classed as tourists. Although there has been a

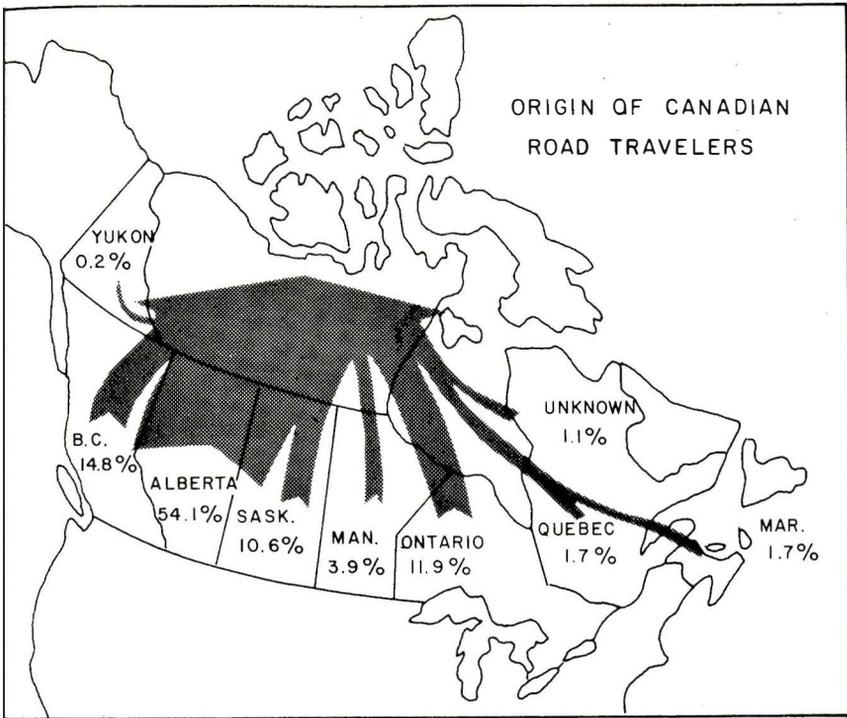


Figure 3. Origin of Canadian Road Travelers.

gradual decline in total number of air passengers into the Northwest Territories since a peak of 77,900 in 1973, the number of tourists has shown a steady increase in both absolute numbers and as a percentage of total air traffic. The decline in total air passengers is attributed to reduced oil and gas exploration and development in the Mackenzie Delta and in the High Arctic Islands.<sup>3</sup>

Two general levels of commercial air service operate in the Northwest Territories. One includes three regional carriers: Nordair, which serves the eastern Arctic through Montreal; Transair, serving the central Arctic from Winnipeg and Churchill; and Pacific Western Airline, which serves the

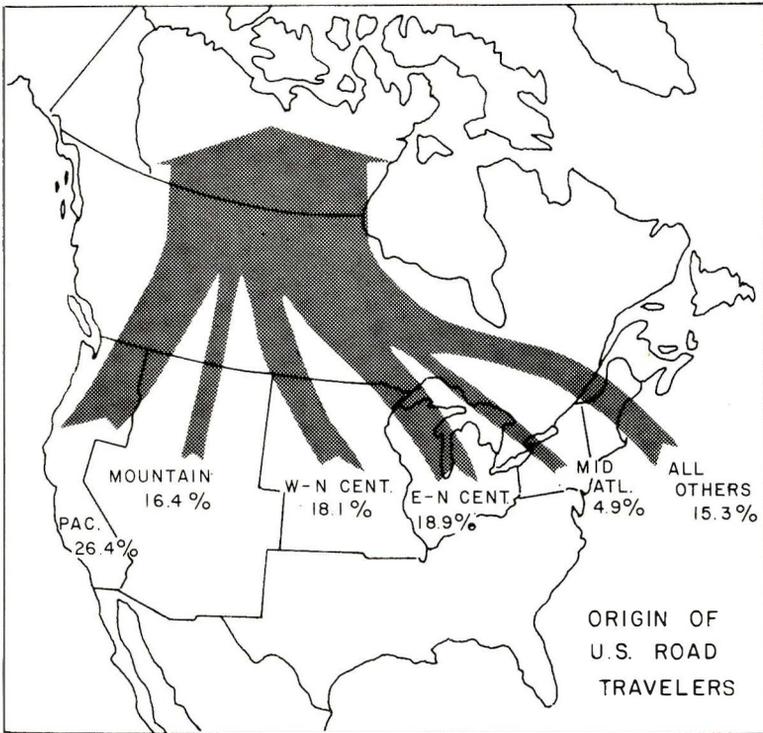


Figure 4. Origin of U.S. Road Travelers.

western Arctic through Edmonton and Calgary. These carriers provide service primarily to Yellowknife and Hay River, which have modern airport facilities designed to accommodate commercial jet aircraft.<sup>4</sup>

The second level of service consists of some two dozen intra-Territorial airlines. Most are charter companies which vary in type and number of aircraft, although one company offers scheduled services to locations outside the Northwest Territories.<sup>5</sup>

The charter services are particularly important to tourism since they offer the only quick, easy access to many

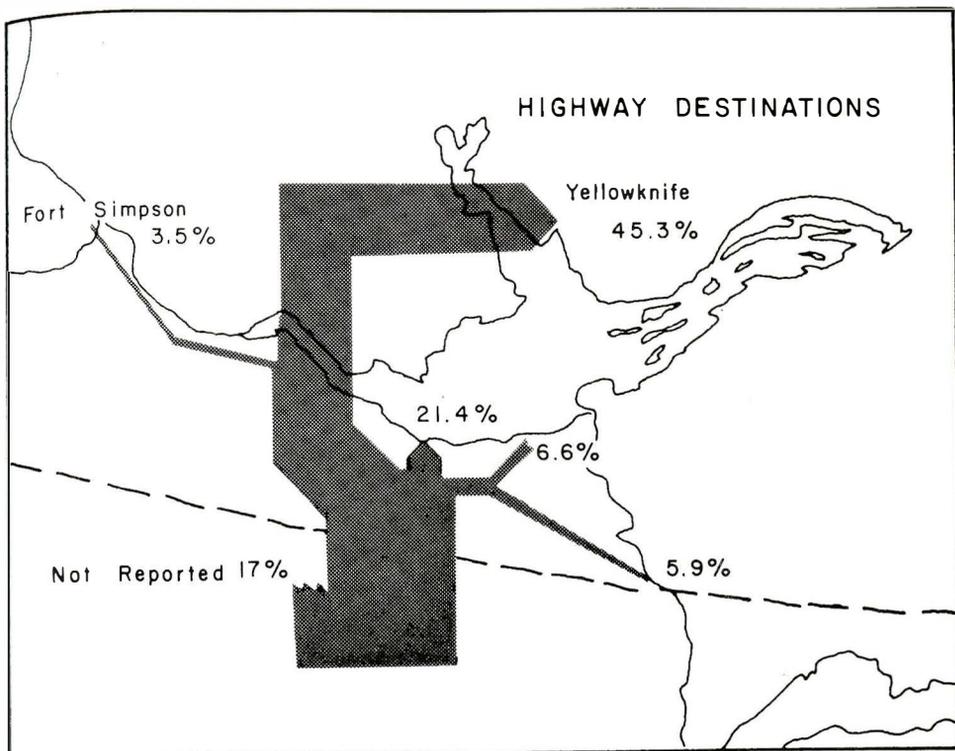


Figure 5. Highway Destinations.

remote lakes and mountain hunting regions, isolated settlements, and historically famous Arctic areas.

#### *Cruise Ships*

Although the Northwest Territories is not the stereotyped setting for a cruise, cruise ships are becoming increasingly popular in the Great Slave Lake-Mackenzie Valley area. Four companies currently provide scheduled services. Arctic Cruise Lines of Hay River operates the *Norweta* on the Mackenzie River between Fort Providence and Tuktoyaktuk on the delta. These eight-day cruises allow the tourist to

penetrate deeper into the Arctic than is possible by road, and include stops at several isolated settlements. The other three companies operate from Yellowknife and offer shorter cruises--averaging about three hours--on the Great Slave Lake.

In 1975 over 600 passengers took cruises. Of this number, 14 percent were United States residents, which represented a drop from the 78 percent (450) in 1974. Indications are that while the market potential is promising for cruises, it is somewhat slow in developing. However, an expected increase in services at various locations in the Northwest Territories may stimulate additional interest.<sup>6</sup>

#### *Organized Tours*

Organized tours offer group transportation rates plus lodging, meals, sports equipment, and other entertainment. Advertising brochures for these tours extoll the region's scenery, high-quality accommodations, and the advantages of combining a visit to the Northwest Territories with one to the Yukon Territory.

In 1975, tours in the Territories were provided by 18 companies, the majority of which were concentrated in the Mackenzie District. The itineraries normally include towns and villages along the Mackenzie Highway as well as Inuvik and Tuktoyaktuk on the Mackenzie River delta. Tours often include visits to gold, lead, and zinc mines. Organized tours average about five days in the Mackenzie District and two days in the eastern Arctic.

There has been an increase in the number of tours even though the number of participating tourists in the last three years has declined. However, because the overall number of tourists is small, the data can be misleading. In 1973, 1,800 people participated in 54 tours; in 1974 only 38 tours accommodated 1,386 persons; while in 1975, 1,512 people participated in 106 tours. Of the 1975 tourists, 32 percent were

United States residents, a decrease from 55 percent in 1974, and 59 percent were Canadian, an increase from 45 percent in 1974.

The Northwest Territories Research and Tourist Division has predicted that this sector of the tourist industry will continue to expand and will be attractive to those persons "... with modest to medium financial resources..."<sup>7</sup> This may be somewhat optimistic since the cost of a typical package tour is \$800 to \$1,200 per person per week. However, organized tours should continue to increase, especially in those areas where accommodations and tourist attractions are added or developed.

#### *Outfitters*

In 1975, approximately 22 major sport fishing and nine big game outfitters were operating in the Northwest Territories. All nine big game outfitters were located in the Mackenzie Mountains, and all but three sport fishing outfitters were located in the Great Slave Lake area or the Mackenzie Valley and its tributaries.

In addition to these, many full- and part-time hunting and fishing guides not affiliated with the major outfitters operate in the region. Statistical data are generally limited for this phase of the tourist industry. Only 14 outfitters returned survey information to the Research and Tourism Division in 1975, reporting 230 guests (compared to 814 reported guests in 1974).

The majority of tourists are Canadian (56 percent), including a high percentage of Northwest Territories residents. In 1975, about 43 percent were United States citizens. This was an increase from the 25 percent of the 1974 reported total. However, this percentage difference may simply reflect the smaller reported number of guests in 1975. The majority of guests rent outfitter services for one to two days; about 40 percent use the services for a week or longer.

*H●otels, Motels, and L●odges*

Based upon reports from 26 of 45 hotels and motels contacted, which collectively represented 70 percent of the Northwest Territories bed capacity, an estimated 225,000 guests were served in 1975--an increase of 7 percent over the previous year. While these services account for a considerable revenue, most usage is concentrated in the summer months, with many hotels and motels closing during the winter period. Over 83 percent of the bed capacity is in the District of Mackenzie.

In the Great Slave Lake area, while most guests were on government or other business activities, 17 percent (26,751) indicated some tourist-related interests. This represented an 8 percent increase over 1974. The great majority of hotel and motel users were Canadian citizens, of which about one-third were listed as Northwest Territories residents.

Since the opening of the Mackenzie Highway to Yellowknife (1960) and its establishment as the Territorial capital in 1967, the number of hotels and motels there has increased significantly. In 1975, Yellowknife alone accounted for 31 percent of the total bed capacity in the Northwest Territories. The quality of accommodation has also improved. The older, one room, cabin-type motel is being replaced rapidly with modern multi-storied facilities. This trend has extended to many of the smaller, more isolated communities as well. Such improvements will undoubtedly act to spur tourism among those who want to visit Canada's Arctic but prefer not to camp.

Lodges, outposts, and tent camps provide a more rustic and primitive type of accommodation. In 1975 reports from 26 of 42 operators contacted catered to 3,479 guests. Aside from offering fewer amenities than the hotels and motels, the lodges, outposts, and tent camps are generally

located in more remote areas, frequently accessible only during the summer period. A high percentage of United States citizens appear to prefer these accommodations, representing 79 percent of the 1975 guests. This number contrasted sharply with the 7.5 percent of U.S. citizens staying in hotels and motels.

Perhaps the greatest drawback to this phase of the industry is its short season, averaging between two and four months during the summer.

#### *Campgrounds*

In 1975 a total of 31 park, campground, and picnic areas were operated by the Territorial government with most located on the Mackenzie Highway system. Annual permits are required for non-resident users of the campgrounds and are available for a nominal fee. In 1975, 670 permits were sold.

The government campgrounds are generally new and well equipped with basic necessities. The camp sites are suitable for recreational vehicles, tents, or trailers. Most provide screened community cooking facilities, fire pits, firewood, and water. In general, these campgrounds can accommodate 10 to 25 parties each.

In the Northwest Territories, as of 1975, there were only two private campgrounds: one at Paradise Gardens near Hay River, and one on Broughton Island near Baffin Island National Park. No data are available for these operations. It seems likely, if tourism continues to increase, that additional privately-operated campgrounds will be built, especially if they can offer some particular advantage or point of interest not available at the government facilities.

#### *Conclusion*

Continued growth of the tourist industry is thought by the government to be dependent upon two basic requirements:

a greater number of modern accommodations, and increased promotion of tourism.<sup>8</sup> In this way the Territories could attract a greater share of the North American and overseas travel markets.

Much of the responsibility for promotion is the mission of TravelArctic. The publicity efforts of the agency are beginning to show results. In 1974, TravelArctic answered over 27,000 inquiries, an increase of more than 15 percent over 1973, and a doubling of the inquiries received in 1969. In 1975, even though only one promotional effort was made and no advertising was placed in the media, 24,000 inquiries were received.

A major problem affecting the growth of the tourist industry concerns an identity problem: many people confuse the Northwest Territories with the Yukon; there is a lack of awareness of the highway system--it is not as well known as the Alaskan Highway; and the range of services and facilities available is not generally known.

Overall, however, there are a small but growing interests in the Northwest Territories which can be attributed to national and international attention focused on northern development, native cultures, open spaces, clean environment, and scenic attractions.

Most indications are that the tourist industry will continue to grow. Although 1974 showed a slight decline because of world-wide economic recession, a feared fuel shortage, and adverse summer weather, 1975 recorded a modest increase of about 3 percent.

Additional inducement to tourism will be the eventual extension of the Mackenzie Highway system northward from Fort Simpson to the Mackenzie River delta, and the completion of a connecting road between the Yukon Territory and the Mackenzie River valley. The latter will provide easy access to the Yukon and Alaska and should draw a number of visitors from among those normally using the Alaskan Highway.

Projecting the growth pattern, another decade may well find 35,000 to 40,000 tourists visiting the Northwest Territories annually. While changes must and will occur, it is hoped that the attraction and appeal of this extensive, fragile region will remain relatively unspoiled to provide tourists the opportunity to visit and appreciate America's far northern frontier.

#### NOTES

<sup>1</sup>*The Travel Industry in the Northwest Territories 1975*, Department of Economic Development, Division of Tourism, Government of the Northwest Territories, Yellowknife, N.W.T., May 1976. This is the eighth annual report published by the Division of Tourism and unless otherwise noted is the source of all statistical data for this paper.

<sup>2</sup>*Visitor Books 1974*, Department of Economic Development, Division of Tourism, Government of the Northwest Territories, Yellowknife N.W.T., 1975. These are registration books maintained at the border information station.

<sup>3</sup>Data provided during interviews with personnel at the Department of Economic Development, Yellowknife, Northwest Territories, August 1975.

<sup>4</sup>*Explorers Guide: Canada's Arctic 1975*, TravelArctic, Commissioner of the Northwest Territories, Yellowknife, N.W.T., March 1975, p. 30.

<sup>5</sup>*Ibid.*, pp. 32-33.

<sup>6</sup>See footnote 3.

<sup>7</sup>*The Travel Industry in the Northwest Territories 1974*, Department of Economic Development, Division of Tourism, Government of the Northwest Territories, Yellowknife, N.W.T., June 1975, p. 5.

<sup>8</sup>See footnote 3.

