

The Time is Right: A Vision and Strategy for Tourism Development in Nunavut



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WHY TOURISM NOW?

Canada’s newest Territory of Nunavut is at a crossroads. The government, Inuit organizations, communities and people of Nunavut begin to look for opportunities to **develop sustainable and viable economies**. Choosing a course for Nunavut’s economy and socio-economic development has been, and will continue to be **influenced by the values held by its citizens**¹.

Tourism is widely viewed as a sector that will form one of the key ‘building blocks’ of our future economy. It has been singled out as one of the ‘three pillars’ of economic growth, along with fisheries and mining development. A recent report by the *Conference Board of Canada* projects that **tourism “will become Nunavut’s greatest export after raw materials”**².

Several areas have been identified where **tourism should be targeted for public investment**. Nunavut’s infrastructural needs include visitor/heritage/cultural centers and gateway/airport exhibits.

The recent *“Societal and Economic Benefit Report”*³ developed by Nunavut Tourism and the Department of Sustainable Development outlines how various tourism activities are an integral part of Inuit life and fit well into the northern lifestyle. **Tourism has considerable ability to promote, strengthen and support Inuit culture, land conservation, cultural**

¹ Conference Board of Canada, “Nunavut Economic Outlook: An Examination of the Nunavut Economy”. Ottawa, May 2001.

² Ibid, p. 77



facilities, improve quality of life, and develop positive role models. Tourism supports the aims of the Bathurst Mandate, particularly as it relates to continued learning and self-reliance.

The arguments for “why tourism in Nunavut” have been articulated in many documents and are summarized here:

- Nunavut has authentic natural and cultural resources that are in high demand by today’s elite tourist;
- Nunavut’s products have substantial market growth potential;
- A dollar spent on tourism yields a high return on investment. The current \$4 million investment may be generating an estimated \$60 million in tourism;
- Tourism tends to be labour-intensive, with an estimated **500 people employed in hospitality** and an estimated 3000 artisans and carvers;
- Tourism has the potential to **stimulate pursuit of traditional activities** and maintenance of Inuit Qaujimagatuqangit (IQ) through the production, promotion and purchase of arts and crafts, traditional foods, clothing, performances and much more.

Tourism may well be one of the only industries available in Nunavut that can offer opportunities for **employment creation at the community level**. We need to act quickly, focus our efforts and apply considerable energy with regard to how we can most effectively tap into this growing sector. If developed in a **sustainable and equitable way** it will accrue benefits for present and future generations.



WHAT ARE WE DOING TO GROW THE TOURISM INDUSTRY IN NUNAVUT?

In order to set the stage for tourism growth in Nunavut, the Government of Nunavut's Department of Sustainable Development (DSD) and Nunavut Tourism have begun the preparation of "A Strategic Plan for Tourism Development in Nunavut". The strategic plan will act as a **guide for tourism development over the next five years**. While providing us with strong and clear direction, it is also important to note that the plan should be viewed as a living document that is flexible and can accommodate changes in the future.

The strategic planning process was designed with a number of objectives in mind, namely:

- To determine why the many tourism plans and analyses of the past have resulted in so little action on the ground;;
- To identify bottlenecks that are impeding and affecting tourism growth and determine their causes and identify solutions;
- To build on the best opportunities that will result in action and benefits

The strategic planning exercise has to date included consultations with 150 key tourism partners in government, Inuit organizations, private sector, local communities, and outside tour operators. Consultation meetings were held in Iqaluit, Cambridge Bay and Rankin Inlet. A draft plan will be distributed to all partners for further input and obtain support required for implementation of action items. The strategic action plan will be highly reflective of, and responsive to, the needs expressed by a majority of participants in the planning process.



WHAT ARE THE INTERNATIONAL TRENDS WE NEED TO BE AWARE OF AS WE DEVELOP OUR INDUSTRY?

Travel and tourism is now widely acknowledged as the largest industry in the world, and it is projected to continue to rapidly grow over the next decade. The industry has changed over the past two decades, necessitating radical changes in the way destinations need to position and sell themselves to compete for the global markets. Some of these changes include the following:

- **Demographics:** The aging baby boomer group is now reaching middle-age, ushering in the era of the 'new elite tourist' with higher disposable income, well educated, longevity with good health, and a desire for new, varied and rewarding travel experiences;
- **Market fragmentation and evolution of a market-driven industry:** The international marketplace for tourism has changed to meet the *specialized demands* of the consumer. Nunavut must be well-prepared to compete in this multi-fragmented marketplace.
- **Increasing need for smart marketing to sell our tourism product:** Nunavut's competitors are not so much Alaska, Yukon and NWT, but destinations like the Galapagos, the Amazon Basin and the game parks of Africa. This requires sufficient resources for focus marketing, which includes establishing partnerships with tour operators and advertising in niche magazines.
- **Continuing growth of "alternative" tourism markets:** Demand for alternative tourism (non-mass

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In 2001, Nunavut can be seen to possess both strengths and weaknesses with respect to tourism development. The strategic planning process focused primarily on those issues.

experiences) such as education/learning tours, aboriginal cultural tourism, bird watching, flora and fauna, whale watching and much more. These are precisely the types of experiences that Nunavut can offer in greater volume, with good planning, responsive product development and increased training of our people in hospitality services.

- **Increasing need for government to play a strong facilitator role:** The private sector should play a strong role in leading tourism development. The complexity of today's tourism industry necessitates that government play a strong facilitation role, supporting and encouraging additional investments, providing infrastructure, providing policy guidance, building and housing databank and statistics.
- **Urgent need to invest in human capital and training of people in tourism industry:** In today's highly competitive environment, development of a successful tourism industry requires a significant increased investment in training and awareness. The quality of tour packages is a key decision-making variable used by nature tour operators.

WHERE DOES NUNAVUT FIT IN IN TERMS OF ITS EXISTING TOURISM INDUSTRY?

The strategic planning process will focus primarily on the issues - those barriers and bottlenecks that need to be broken down. It will identify ways to break down those barriers, while linking them to the many opportunities that exist. Five "issue areas" will be addressed in the plan, as summarized below:



Structural Issues and Opportunities...

“Structural” issues refer to those that are a reality and cannot be easily changed.

These factors have been reported by a large number of stakeholders as being some of the most serious impediments to tourism, when analyzed, they can be seen in a different light.

- Remoteness and high travel costs, for example, while impeding the mass market, are in fact helping to attract the high-end, “elite” traveler who is not price sensitive and does not want a trip that can be accessed by large numbers of people.
- Seasonality, which results in a short season for spring (winter) and summer activities has been a problem providing full-time, year round employment in the industry. It should be noted that there has been a significant increase in the demand and consumption of winter tourism products in Canada. Nunavut is well positioned in offering an extended winter season and unique winter products, such as dog sledding and floe edge trips.

The off-season is the period for evaluating, planning, marketing, bookkeeping, training and repairing or replacing equipment.

Institutional Issues and Opportunities...

The issues pertaining to the current institutional setting for tourism will be addressed in some detail in the Strategic Plan, and can be summarized as follows:



- **Lack of capacity with many tourism partners:** Almost all tourism partners, including Nunavut Tourism, Government departments, Inuit organizations and private sector faced challenges related to lack of adequate resources, lack of a highly experienced and qualified people within the territory from which to hire staff and high staff turn-over as the primary reasons for not being able to offer consistent qualified support or service to the communities and tourism businesses.
- **Large numbers of 'players' in Nunavut with existing and potential links to tourism and lack of strong commitment towards the industry:** Tourism, because of its interfaces with most other sectors, such as transportation; communications; food and beverage services; parks and recreation; education and much more, requires a high level of inter-sectoral cooperation to be successful. At present, there are few strong links between tourism partners, whether they are governmental departments, Inuit organizations, tourism industry members or other stakeholders.

The following positive elements and opportunities related to the institutional setting for tourism in Nunavut are of note:

- Despite the problems reportedly related to Nunavut Tourism, most stakeholders recognize the fact that the industry is driven by the private sector, and feel that an agency outside of government is needed to properly represent the needs of tourism business.
- As such, they would like to see Nunavut Tourism continue to lead the sector, with some significant strengthening and additional funding put in place;



- In today's complex environment, government is also required to play a strong role in supporting tourism. The Plan recommends that DSD and other government agencies take on a strengthened role in development of the sector, to complement Nunavut Tourism
- Consultations held during the course of the strategic planning process indicate growing awareness and interest in the tourism sector by a wide variety of stakeholders, such as the Inuit organizations.

Nunavut presently has many funding agencies that are potential providers for human resource development.

People Issues ...

The need to build human resource capital for tourism is the number one need expressed by the stakeholders along with the lack of awareness; the lack of training; high turnover of staff; poor attitudes of many employers and employees, just to name a few. There is often a lack of awareness and interest for tourism development in many communities and at the higher levels of government and Inuit organizations.

Nunavut presently has many funding agencies that are potential providers of funding for human resource development. Better coordination, cooperation, easier and user-friendly processes in licensing and funding must be accomplished to facilitate tourism business development.

Our Tourism Product ...

In terms of opportunities, Nunavut is very fortunate to possess rich natural and cultural resources. One that includes a vast array of wildlife, natural features, mountains, lakes, glaciers, sea coasts, a living culture that is unique in the world, and many manifestations of a rich historical past. All of this can



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attract and serve the new elite tourist, one of the few market niches that can afford to travel to, and within, Nunavut.

While we do have the raw resources that give us an edge in attracting the elite tourist, we are presently lacking in well-developed products and attractions that are required to meet the needs of this demanding group, such as high-end lodges; well-packaged tours; cultural and heritage attractions and sales outlets for local products.

We need to address issues that are impeding tourism product development, such as 'market disruption policies'. Under this policy, which was enacted many years ago but has now outlived its usefulness, new businesses are being refused licenses because they may be competitive to another that may exist.

Tourism, like other businesses, thrives best in an environment of healthy competition, especially in today's free market economy. While new business applications should include feasibility assessments, including competition considerations, they need to be realistically and fairly evaluated on their own merits. Competition stimulates the development of improved products and better service delivery, creates the mix of services and "critical mass" of facilities and services that are required for tourism, provides more choices for local residents, and creates employment. Most importantly, it is the only way the industry will flourish. Without competition, no new development will be able to occur.

Base Information and Tools for Decision-Making...

Nunavut lacks detailed, up-to-date statistics about tourism visitation, revenues, visitor characteristics and other information about the specific nature of the tourism industry in Nunavut



to make educated decisions. We need a strong tourism policy to guide tourism development, streamlined approvals and review processes, best management practices that will establish standards for the industry.

What Do We Need to Do to Grow Our Tourism Industry?

Based on all of the analysis and consultations that are being carried out during the strategic planning process, a five-part strategy will be developed, including specific programs and activities, timelines, responsibilities of partners, cost estimates and potential funding agencies. Key elements of the Strategic Plan are summarized below. As a first step, it is proposed that a tourism policy be developed and adopted by the Government of Nunavut and Nunavut Tunngavik Incorporated.

Experience has shown that it is extremely important for the success of the plan that it is formally and visibly recognized and supported by the highest levels of authority. The plan must have credibility and be able to attract the investment levels that it will require to be implemented.

Action Package #1: Institutional Strengthening

The highest priority of the strategy is aimed at strengthening institutional capacity to be able to implement the strategic plan and deliver tourism effectively over the next five years. Without excellent leadership, defined roles and responsibilities and development of a clear framework for decision-making, the other elements of the plan cannot succeed. Specific tasks have been defined to strengthen tourism in Nunavut, increase government investment in tourism, build the critical strategic

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alliances that are needed between tourism interests, increase awareness and build capacity with all players.

Action Package #2: Human Resource Development

After institutional strengthening, the most urgent need is to improve training and awareness-building activities related to tourism throughout Nunavut. Specific activities include:

- A comprehensive training needs assessment and action plan;
- Determine the feasibility of establishing a “Tourism Training Fund”, whereby the many potential funding agencies would contribute, allowing for a more streamlined, more accessible, and sustained approach to training;
- Development and delivery of awareness-building programs and workshops, for communities, government agencies, Inuit organizations and others
- Development of programming for strengthening tourism delivery at the local level (e.g., CEDO training; Nunavut based trainers, relevant training materials; etc.).

Action Package #3: Product Development

It needs to be recognized that tourism is a business. Ultimately it is entrepreneurs that are required to deliver services to the tourist. It is recommended that efforts be focused where there is already a good level of interest in contributing to development of the tourism sector. Other product development activities that will be included in the plan include:

- Review and revise licensing processes to ensure consistent businesses meet standards and funding processes



- Development of improved tourism access, infrastructure, accommodation, interpretive centers and attractions, such as air access study for the Kivalliq Region; feasibility study for high-end nature lodges
- Cruise ship needs assessment and management plan;
- Arts and crafts co-operative feasibility study and action plan;
- Cultural industries needs assessment and strategy;
- Consumptive tourism needs assessment and strategy;
- Heritage/cultural centres development in Rankin and Kugluktuk;
- Tourism gateway development in Iqaluit, Rankin Inlet and Cambridge Bay.
- Capitalizing on the high number of business travelers, especially to Iqaluit.

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Action Package #4: Market Research and Marketing

As noted above, today's fragmented marketplace necessitates concerted, very educated and target marketing aimed at the specific niches ensuring product/market match. While the product is developing, and the human resource capacity is building, efforts will be made to build direct alliances with selected tour operators, develop a detailed marketing strategy, including regional thrusts, branding and design niche marketing packages. Consolidate marketing plans and funds to maximize impact that is likely to generate the greatest return on investment.



Action Package #5: Development of Database and Tools for Decision-Making

Procedures will be delineated to collect the detailed statistical information that we need to make informed decisions regarding market and product. Other specific tasks will include:

- A management information system
- Digital mapping for tourism;
- Streamlined licensing and approvals processes;
- Communication protocols;
- Review of Land Claim Agreement with respect to its tourism implications;
- Review processes for tourism proposals; best management practices; manual for small tourism business development



HOW WE WILL IMPLEMENT THE STRATEGIC PLAN FOR TOURISM...

The successful implementation of our Strategic Plan for Tourism Development in Nunavut will require close communications, on-going inputs and co-operation from the various tourism partners. Nunavut Tourism will lead the efforts, along with DSD, will facilitate working relationships with territorial government departments (Transportation, Statistics; etc.), Inuit organisations, Government of Canada departments (DIAND; CTC; Canadian Heritage, Parks Canada; etc.), Institutes of Public Government, and others. Specific suggestions as to who will take responsibility and who may be able to provide funds for each activity under the plan will be identified, and each element will be discussed with each player as the implementation process proceeds.

Nunavut Tourism and the Department of Sustainable Development welcome on-going communications from all tourism partners as we work to achieve our goals in developing a healthy tourism industry characterized by professional delivery, in harmony with Inuit culture and tradition, environmentally responsible, that is self-sustaining and economically viable.

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