



June 10, 2020

MS. JULIE GREEN
MLA, YELLOWKNIFE CENTRE

Oral Question 75-19(2):
Impact of Coronavirus on Northwest Territories Tourism

This letter is in follow up to the Oral Question you raised on February 13, 2020, regarding the impact of COVID-19 on the Northwest Territories (NWT) tourism sector. In my response to your question, I committed that:

- The Department of Industry, Tourism and Investment (ITI) would perform a robust data collection on the impact of COVID-19 on the NWT tourism sector;
- I would share the data with you; and
- I would keep you updated as ITI performs its analysis of the data.

ITI has been working with partners such as NWT Tourism, Destination Canada, Statistics Canada, and other provinces and territories to collect, analyze, and report key data indicators to assess the impact to the tourism industry. We have also undertaken several surveys ourselves, including one of tourism operators performed in late March and a general business survey that recently closed. Given that this is a dynamic situation, we and our partners plan to continue robust data collection to monitor the on-going impact of COVID-19 on the NWT tourism industry.

As you know, collecting and processing data takes time, which always creates some lag between when events happen and when high quality data about them is available. That's especially challenging with circumstances evolving as quickly as they have in the past two to three months. However, this is what I can tell you today:

- At the major Canadian airports equipped with primary inspection kiosks, the number of overseas residents arriving during the month of April fell 97.7 percent, from 257,000 in 2019 to 6,000 arrivals in 2020.
- According to DiiO, a leading provider of airline market intelligence tools which provides flight passenger volumes data, the number of passenger arrivals to the Yellowknife Airport with five carriers in March 2020 fell 57 percent versus March 2019.

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- Hotel occupancy in Yellowknife as reported by STR, a leading provider of hotel intelligence data, was 48 percent in March 2020 (-36 percent versus March 2019) and 29 percent in April 2020 (-38 percent versus April 2019).
- The Visitor Information Centre in Yellowknife closed on March 14, 2020. In March 2020, there were only 1,385 visitors, a 66 percent drop versus the prior month (February 2020) and a 69 percent decrease versus March 2019.
- The receipts for food services and drinking places in the NWT for March 2020 totaled \$4.7 million and represented a 33 percent decrease versus March 2019.
- In a survey completed by 88 NWT tourism businesses in March 2020:
 - 92 percent stated that they had been impacted by COVID-19;
 - 75 percent reported a significant decrease in revenues for January-March 2020;
 - 94 percent reported a decrease in bookings for 2020 versus year ago;
 - 88 percent reported significant numbers of cancellations in 2020 especially from those coming from other parts of Canada, the United States and China;
 - 51 businesses reported that they had closed temporarily; and
 - 325 employees were reported as being laid off or terminated.

ITI is now in the process of modelling the economic impact to the NWT. We are looking at a variety of scenarios to estimate impact to visitation, spending, gross domestic product and jobs. I will share that analysis with members when it becomes available.



Katrina Nokleby, P.Eng.
Minister of Industry, Tourism and Investment

c. Mr. Tim Mercer
Clerk of the Legislative Assembly

Mr. David Hastings
Legislative Coordinator