

**ALASKA CANADA RAIL LINK PROJECT
FEASIBILITY STUDY REPORT**

**TRAFFIC DATA DEVELOPMENT FOR
TOURISM/PASSENGER TRAVEL**

WORK PACKAGE A3(c)

Prepared For:

University of Alaska Fairbanks

Prepared By:

Klugherz & Associates
P.O. Box 15911
Seattle, WA 98115
206.522.2111
May 2006

Table of Contents

1.0	Introduction.....	1
2.0	Alaska/Yukon Border Crossings	2
3.0	Alaska Tourism Market	3
3.1	Entry Mode	4
3.2	Trip Purpose.....	4
3.3	Origin	5
3.4	Intended Length of Stay.....	5
3.5	Spending (\$USD).....	6
4.0	Yukon Tourism Market	7
4.1	Exit Mode.....	7
4.2	Trip Purpose.....	8
4.3	Origin	8
4.4	Length of Stay.....	9
4.5	Spending (\$CAD)	9
5.0	Northern British Columbia Summer Highway Travelers	10
5.1	Origin	10
5.2	Trip Purpose.....	10
5.3	Trip Length	11
5.4	Main Destination.....	11
5.5	Multi-Modal Trips	11
5.4	Daily Spending (\$CAD)	12
6.0	General Tourism/Visitor Flows	13
6.1	Regional Tourism/Visitor Volumes.....	13
6.2	Regional Tourism/Visitor Flows.....	14
7.0	Tourism/Visitor Revenue Estimates.....	17
7.1	Tourism Revenues	17
7.2	Economic Impact of Tourism	18
8.0	Travel Trends	19
9.0	Appendix.....	20
9.1	References.....	20
9.2	Border Crossing Tables.....	22

1.0 Introduction

The purpose of this work package was to assess relevant data sources to develop estimates of the tourism travel in the proposed Alaska Canada Rail Link corridor. The tourism market area analyzed included Alaska, Yukon, and Northern British Columbia.

This document provides a review of tourist volumes, routes, and estimated tourism revenue in the defined market area. Various secondary data sources were consulted to develop estimates of the volume of tourists traveling to and within the defined market area. Among these secondary sources was border crossing statistics, various visitor studies, and economic studies. The completeness of the relevant data found in the secondary sources was mixed. There are limitations in much of the data and assumptions were made to estimate tourist volumes for the market area. Data limitations are noted in the text of this document.

In addition to the secondary data collection, interviews were conducted with a cross-section of tourism providers, including cruise lines, tour companies, motorcoach and rail operators, and tourism agencies and organizations involved in the promotion and development of tourism in the region.

2.0 Alaska/Yukon Border Crossings

Border crossing data between Alaska and the Yukon provide an overview of the land-based traffic in the market region. In 2005, a total of 377,062 travelers entered Alaska from the Yukon by either personal vehicle or bus. A total of 328,148 entered the Yukon from Alaska. These figures include both residents of the region and visitors to the region. (It also includes local traffic, that is, traffic that transits the border regularly). The large number of bus passengers entering both Alaska and the Yukon reflect the high volume of cruise passengers using the White Pass & Yukon Rail excursion during their one day visit to Skagway. (Detailed border crossing tables are found in the Appendix).

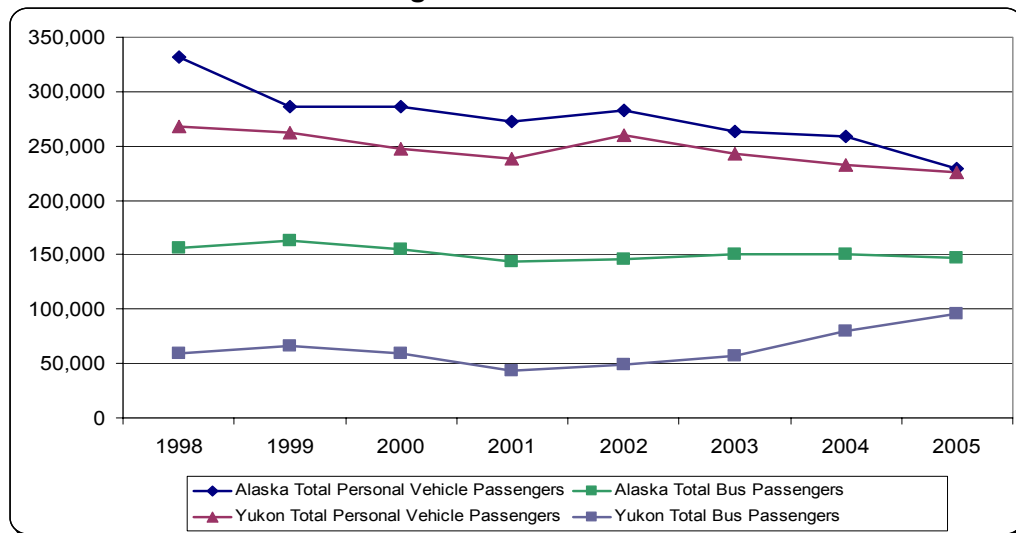
Border crossings between Alaska and the Yukon have declined steadily for the past several years, with the exception of bus passengers entering the Yukon.

Table 2.1
Alaska/Yukon Inbound Passenger and Vehicle Entries

	1998	1999	2000	2001	2002	2003	2004	2005
ALASKA INBOUND ENTRIES								
Passengers – Personal Vehicles	331,238	286,603	286,280	272,013	282,657	263,374	259,241	229,464
Passengers - Busses	156,036	162,796	155,278	143,803	145,580	151,021	150,331	147,598
Vehicles – Personal Vehicles	136,350	131,404	128,133	125,451	124,564	124,109	121,165	101,917
Vehicles - Busses	9,925	10,399	9,845	9,281	9,592	10,224	10,426	11,027
YUKON INBOUND ENTRIES								
Passengers – Personal Vehicles	267,623	262,748	247,618	238,239	259,482	243,356	232,466	225,567
Passengers - Busses	58,714	65,574	59,269	43,838	49,540	56,802	80,150	95,936
Vehicles – Personal Vehicles	117,612	118,807	111,393	108,751	115,964	109,267	104,829	102,591
Vehicles - Busses	2,788	2,986	2,740	2,229	2,062	3,610	4,372	4,467

Source: Alaska Customs and Border Protection; Yukon Bureau of Statistics

Figure 2.1
Alaska/Yukon Border Crossing Trends
Passenger and Vehicle Entries



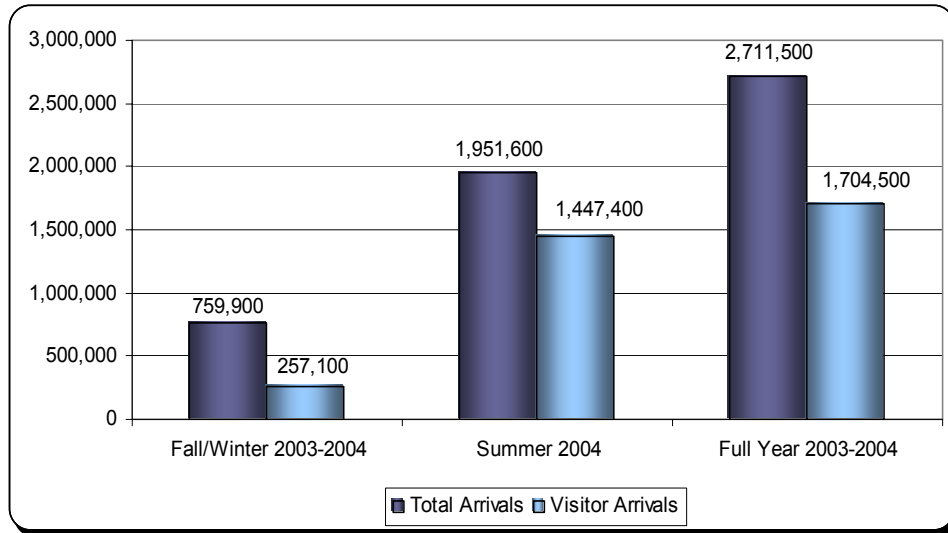
Source: Alaska Customs and Border Protection; Yukon Bureau of Statistics

3.0 Alaska Tourism Market

Alaska has studied its tourism market extensively for the past 30 years. The *Alaska Visitor Statistics Program (AVSP)* has benchmarked visitor volume, spending, travel patterns and opinions four times between 1985 and 2001 through extensive visitor surveys. During the years between visitor surveys, the AVSP estimates visitor volumes to Alaska.

A total of 2.7 million people arrived in Alaska in the 12-month period from October 2003 through September 2004. Of these arrivals, 1.7 million were visitors to Alaska.

Figure 3.2
Arrivals in Alaska – Residents and Visitors
Oct. 2003 – Sept. 2004



Source: Alaska Visitor Statistics Program

Visitor arrivals to Alaska have increased steadily for many years. Total growth for the five year period from 1999 to 2004 was 20.4%. Average annual growth was 3.8%. Visitor arrivals during the summer months increased at a slightly faster rate.

Table 3.1
Visitor Arrival Trends
Oct. 2003 – Sept. 2004

	1999	2004	Total Change (%)	Average Annual Change (%)
Total Visitor Arrivals	1,415,300	1,704,500	20.4%	3.8%
Fall/Winter	216,300	257,100	18.9%	3.5%
Summer	1,199,000	1,447,400	20.7%	3.8%

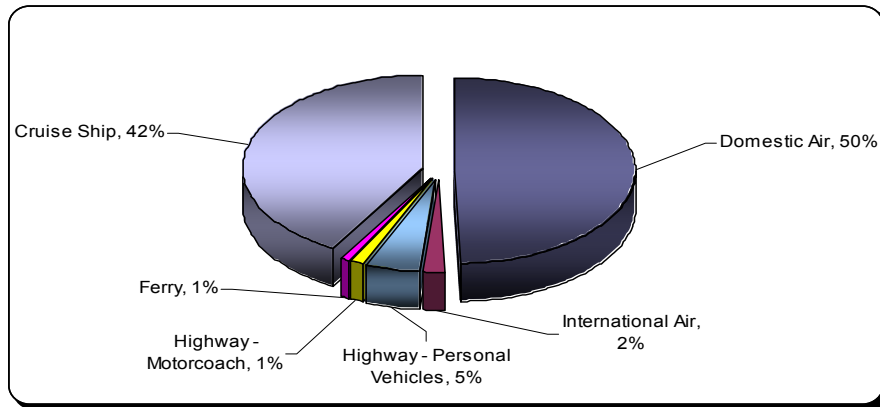
Source: Alaska Visitor Statistics Program

3.1 Entry Mode

Most visitors to Alaska arrive by domestic airlines (50%) or cruise ship (42%). A small percentage of visitors arrive by Highway in personal vehicles (5%) or in motorcoaches (1%). International air and ferry arrivals also represent small portions of the overall market.

There is some overlap among the modes of travel. For example, many domestic air arrivals are cruise ship passengers who will be boarding their cruise ship in Alaska and sailing south. Many cruise ship arrivals will travel to Alaska by cruise ship and leave Alaska by air. A small number of highway and ferry visitors overlap, with some highway visitors arriving in Alaska by highway and leaving by ferry and vice-versa.

Figure 3.3
Alaska Visitor Arrivals by Entry Mode – Oct. 2003 – Sept. 2004

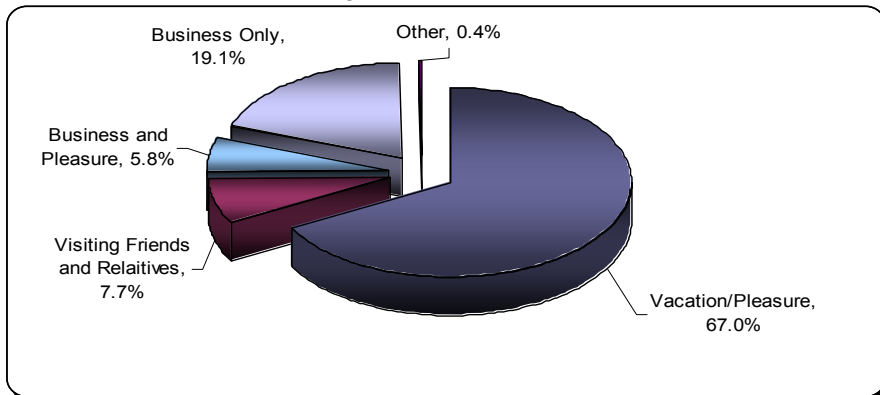


Source: Alaska Visitor Statistics Program

3.2 Trip Purpose

Nearly eight in ten visitors to Alaska are visiting for pleasure purposes, either vacationing, visiting friends and relatives, or combining business and pleasure. About two in ten visit Alaska for purely business purposes.

Figure 3.4
Alaska Visitor Arrivals by Trip Purpose – Oct. 2003 – Sept. 2004

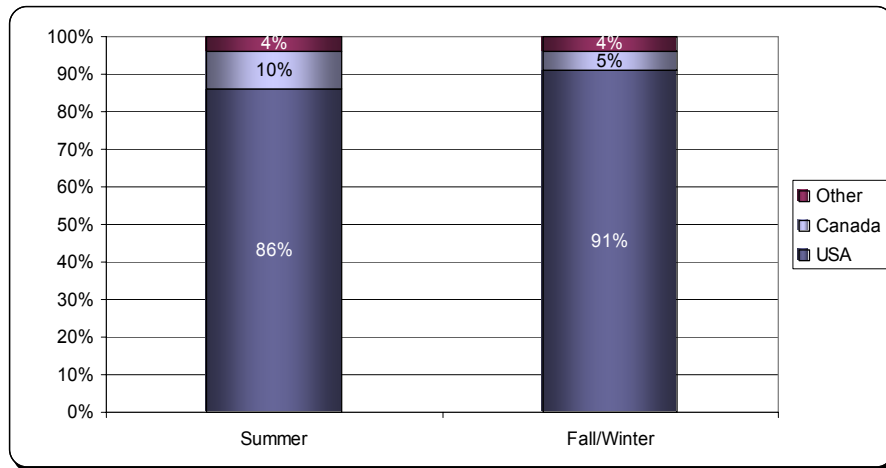


Source: Alaska Visitor Statistics Program

3.3 Origin

During both summer and fall/winter, nine out of ten visitors are from the United States. One in ten visitors during the summer months is from Canada, while a smaller proportion of visitors is from Canada during the remainder of the year. Visitors from overseas make up a small proportion of total visitors year round.

Figure 3.5
Alaska Visitor Arrivals by Origin
Oct. 2000 – Sept. 2001



Source: Alaska Visitor Statistics Program

3.4 Intended Length of Stay

Most visitors to Alaska intend to stay seven days or less, which reflects the trend towards shorter vacations. During the summer months four out of ten stay eight days or more, with only one in ten staying longer than two weeks. A slightly higher percentage of fall/winter visitors intend to stay eight days or longer.

Table 3.2
Alaska Visitor Intended Length of Stay
Oct. 2000 – Sept. 2001

	Summer	Fall/Winter
7 days or less	59%	53%
8 to 14 days	29%	25%
15 days or more	12%	22%

Source: Alaska Visitor Statistics Program

3.5 Spending (\$USD)

Visitor spending in Alaska during the summer 2001 totaled \$1.5 billion, with the average per visitor at \$1,258. For the fall/winter season 2000-2001, average visitor spending was similar to the summer average. Total spending for the fall/winter season was \$328 million. Full year spending totaled \$1.8 billion. These figures are based on the most recent AVSP expenditure data collection. The reports of total visitor arrivals prepared more recently do not estimate visitor spending. However, assuming similar levels of per person spending, total spending is likely to have increased since 2000-2001 because total visitors have increased during this time.

Table 3.3
Alaska Visitor Spending (\$USD)
Oct. 2000 – Sept. 2001

	Total Spending (\$000)	Average Per Person Per Trip
Summer	\$1,512,600.0	\$1,258
Fall/Winter	\$327,800.0	\$1,284

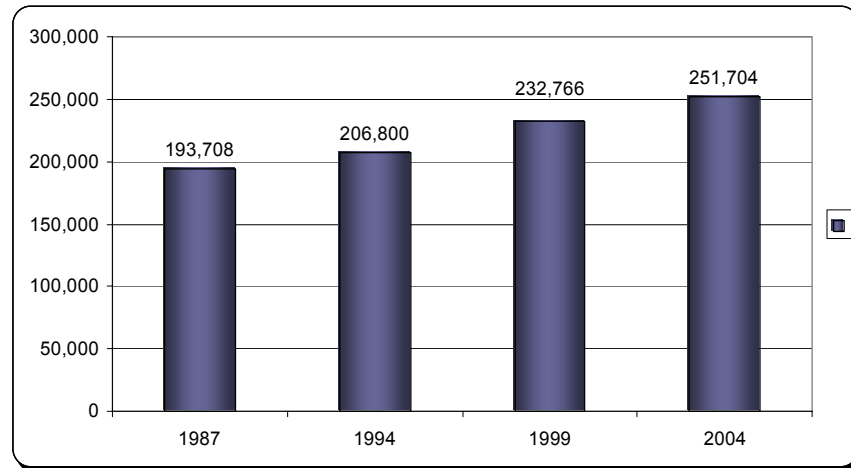
Source: Alaska Visitor Statistics Program

4.0 Yukon Tourism Market

The Yukon has conducted visitor studies during four summers from 1987 to 2004. The data collection occurred from June through September. Exit surveys were conducted at airport and highway locations, which measured visitor volume and spending.

Since 1987, the Yukon has experienced an increase in summer visitors of approximately 30%, for an average annual growth rate of slightly more than 1.5%.

Table 4.1
Yukon Summer Visitors 1987 to 2004

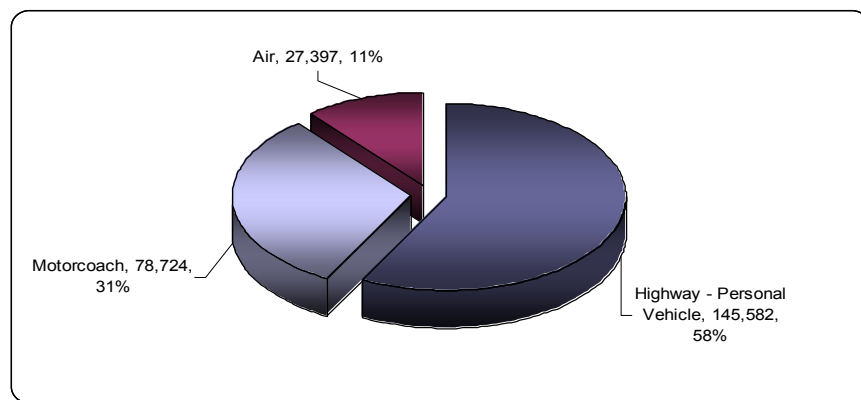


Source: Yukon Visitor Exit Survey 2004

4.1 Exit Mode

During the most recent survey Yukon Visitor Survey (2004), six in ten visitors (58%) exited the region via the highway, primarily using a personal vehicle. Another three in ten exited by motorcoach. The majority of the motorcoach visitors were cruise passengers returning to Skagway after taking the White Pass & Yukon Rail Excursion.

Table 4.2
Yukon Summer Visitors Exit Mode 2004

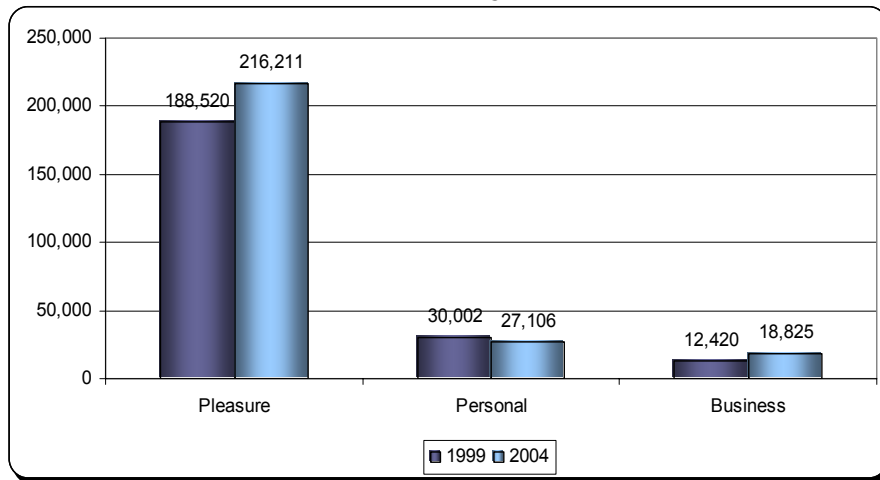


Source: Yukon Visitor Exit Survey 2004

4.2 Trip Purpose

Similar to Alaska visitors, Yukon visitors are primarily traveling for pleasure purposes. Visitors traveling for pleasure have increased more rapidly than visitors traveling for any other purposes.

Table 4.3
Yukon Summer Visitors by Trip Purpose 2004

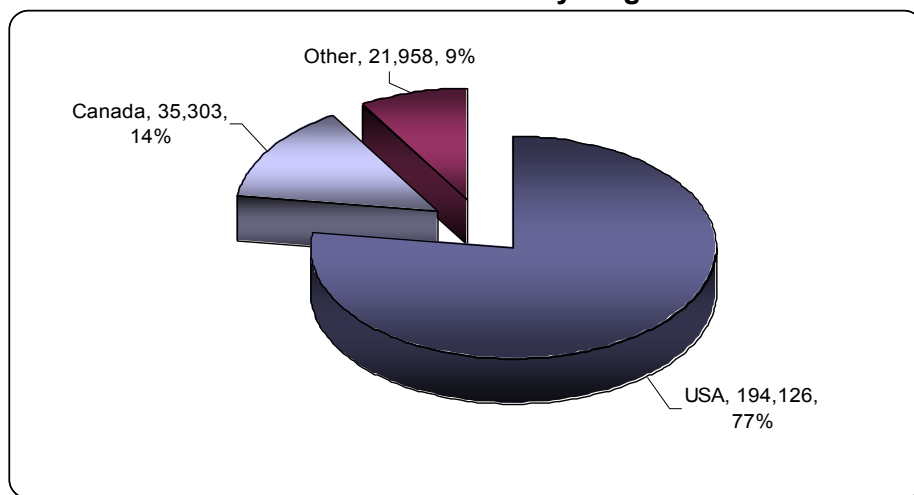


Source: Yukon Visitor Exit Survey 2004

4.3 Origin

Most visitors to the Yukon are from the US (77%). Visitors from Canada comprise 14% of the Yukon's visitor population, while visitors from overseas are 9% of the total.

Table 4.4
Yukon Summer Visitors by Origin 2004



Source: Yukon Visitor Exit Survey 2004

4.4 Length of Stay

Length of stay in the Yukon varies considerably by the origin of the visitor. Visitors from the US stay the shortest amount of time, three nights on average, most likely as part of a larger tour of the region that includes Alaska or Northern BC. Visitors from Canada and Overseas spend eight nights on average in the Yukon.

Table 4.1
**Yukon Visitor Length of Stay
 Summer 2004**

Origin	Average Number of Nights
USA	3 nights
Canada	8 nights
Other	8 nights

Source: Yukon Visitor Exit Survey 2004

4.5 Spending (\$CAD)

Visitor spending from June through September 2004 in the Yukon totaled \$77 million. Highway visitors spend, on average, \$262 during their stay in the Yukon, while Air visitors spend \$901 per person.

Table 4.2
**Yukon Visitor Spending (\$CAD)
 Summer 2004**

Exit Mode	Total Spending	Average Per Person Per Trip
Highway – Personal Vehicle	\$38,153,000	\$262
Motor Coach	\$24,940,000	\$162
Air	\$12,761,000	\$901
TOTAL SPENDING	\$76,854,000	

Source: Yukon Visitor Exit Survey 2004

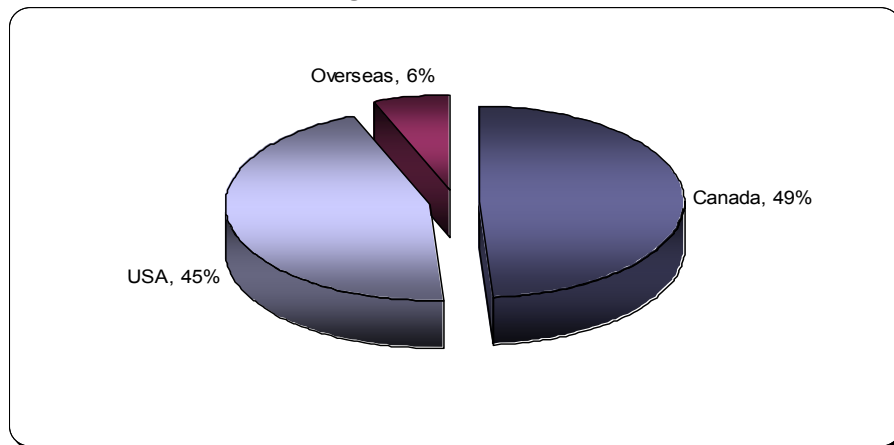
5.0 Northern British Columbia Summer Highway Travelers

Northern British Columbia is the region north of Prince George. It comprises a large section of British Columbia and includes the highways that venture north to the Yukon, the Cassiar Highway and the Alaska Highway. Tourism British Columbia conducted a survey of highway visitors to the region during the summer of 2003 (between May 15 and September 25) to provide data on the volume of highway travelers and their characteristics. The study estimated that during summer 2003 a total of **320,400 travelers in 120,600 vehicles** visited Northern BC.

5.1 Origin

Canadians comprise nearly half of the summer highway travelers to Northern BC. US travelers total 45% and overseas travelers total 6%.

Figure 5.1
Northern BC Summer Highway Travelers
Origin – Summer 2003



Source: Northern Rockies – Alaska Highway Visitor Research

5.2 Trip Purpose

Northern BC summer highway travelers are similar to travelers to Alaska and the Yukon. Most (83%) are traveling for vacation or pleasure purposes, while the remaining are traveling to visit friends and relatives, for business, or for other purposes.

Table 5.1
Northern BC Summer Highway Travelers
Trip Purpose – Summer 2003

Trip Purpose	Overall	Canada	USA	Overseas
Vacation/Pleasure	83%	82%	82%	96%
Visit Friends and Relatives	9%	11%	6%	3%
Business	5%	5%	6%	1%
Other	3%	1%	5%	<1%

Source: Northern Rockies – Alaska Highway Visitor Research

5.3 Trip Length

This Northern BC highway research measured total trip length rather than nights spent in Northern BC. The total trip length for travelers averaged 39 nights, with travelers from overseas averaging the most nights on their trip. The median number of nights overall was 29.

Table 5.2
**Northern BC Summer Highway Travelers
 Trip Length – Summer 2003**

Total Trip Length	Overall	Canada	USA	Overseas
Average Nights	39	26	51	62
Median Nights	29	19	42	40

Source: Northern Rockies – Alaska Highway Visitor Research

5.4 Main Destination

Nearly half of all highway travelers were destined for Alaska, and 13% for the Yukon. Among visitors from the US, Alaska was the main destination for 75%.

Table 5.3
**Northern BC Summer Highway Travelers
 Main Destination – Summer 2003**

Main Destination	Overall	Canada	USA	Overseas
Alaska	46%	20%	75%	40%
Northeast BC	15%	27%	2%	8%
The Yukon	13%	24%	1%	11%
Circle Tour	13%	17%	6%	31%
Other BC	3%	5%	0%	6%
Alberta	2%	3%	1%	1%
Other	8%	4%	14%	3%

Source: Northern Rockies – Alaska Highway Visitor Research

5.5 Multi-Modal Trips

Most highway travelers in Northern BC were driving both ways on their trip. A small percentage (13%) were combining flying with driving, most likely flying into a major urban center such as Vancouver or Calgary, and then renting a vehicle (car or RV). A small percentage also combined a cruise with driving. The cruise portion of the cruise-drive group was most likely a driving tour combined with a trip north or south on either BC Ferries or the Alaska Marine Highway System.

Table 5.4
**Northern BC Summer Highway Travelers
 Multi-Modal Trips – Summer 2003**

Main Destination	Drive both ways	Fly-Drive	Cruise Drive
Overall	78%	13%	8%
Alaska	78%	12%	11%
Northeast BC	90%	10%	0%
The Yukon	83%	11%	6%
Circle Tour	66%	17%	18%
Alberta	78%	16%	7%

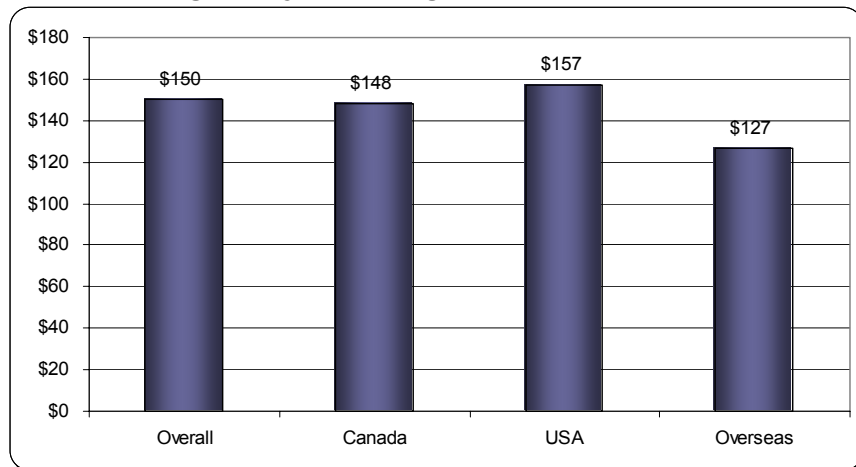
Source: Northern Rockies – Alaska Highway Visitor Research

5.4 Daily Spending (\$CAD)

Average daily spending by Northern BC highway travelers overall was \$150 (\$CAD). Travelers from the US spend slightly more, on average, than travelers from Canada or Overseas.

The average daily spending was calculated based on the spending for the entire trip, which included areas outside of Northern BC. Data were not available on the number of nights travelers spent in Northern BC. Without the number of days in Northern BC, it is not possible to estimate the total spending for travelers *while in* Northern BC.

Figure 5.2
**Northern BC Summer Highway Travelers
 Average Daily Spending (\$CAD) – Summer 2003**



Source: Northern Rockies – Alaska Highway Visitor Research

6.0 General Tourism/Visitor Flows

This section estimates general tourism/visitor flows through the Northern BC, Yukon, and Alaska market area considered in this analysis. The estimates are based on available research from Alaska for 2003-2004, from the Yukon for June through September 2004, and from Northern BC from May 15 through September 25, 2003. The data from these three studies have been combined to provide an estimate of the total volume of tourism/visitor traffic through the region. The three data sets cover slightly different timeframes. In addition, different methodologies were used for the three studies for data collection. Therefore, the overall estimates of tourism/visitor flow through the market area should be viewed as general indicators of volumes rather than actual visitor volume figures. These estimates are also likely to be lower than actual volumes, because data collection during the full month of May was not included in the Yukon study and part of May in the Northern BC study.

Further, there is a significant overlap of highway visitors between the regions. For example, a large number of highway travelers in Northern BC and the Yukon are on their way to Alaska. A small number of cruise passengers will visit Alaska, then the Yukon, and then again Alaska. An estimate of this overlap has been developed to better understand the size of both the total market to the region and the highway market. This estimate was made using results of the research studies and other assumptions applied to the existing data.

6.1 Regional Tourism/Visitor Volumes

6.1.1 Total and Highway Tourism/Visitor Volumes - Summer

The summer season of May/June through September is the busiest time for travel to and through the Northern BC, Yukon, and Alaska market area. Based on available research the volume of visitor traffic in this region is estimated at over two million people. The highway market is estimated at 670,000 travelers. However, after considering the overlap of visitors between the three areas and the number of Alaskans transiting Northwest Canada to and from the contiguous 48 states, it is more likely that the estimate of total tourism/visitor volume to the region is slightly lower, at approximately 1.7 million. The estimate of highway tourism/visitor volume is 320,000 to 370,000.

Table 6.1
**Summary of Estimated Tourism Volumes
 Summer (May/June through September)**

Destination	Total Volume	Highway
Alaska	1,447,000	124,000
Yukon	251,700	224,300
Northern BC (Highway only)	320,400	320,400
TOTAL	2,019,500	668,700
Less estimated overlap and Alaskans	-300,000 to -350,000	-300,000 to -350,000
Estimated Market Size	1,719,500 – 1,669,000	368,700 – 318,700

6.1.2 Total and Highway Tourism/Visitor Volumes – Fall/Winter

Data are available for visitor volumes to Alaska during the months of October through April. However, there are no data available for the Yukon or Northern BC. During fall/winter 2003-2004, the most recent year for which data are available, total visitors to Alaska were estimated at 257,100. Of those, a small number, 11,600 crossed the Alaska/Yukon border to enter Alaska.

Table 6.2
**Summary of Estimated Tourism Volumes
 Fall/Winter (October through April 2003-2004)**

Destination	Total Volume	Highway
Alaska	257,100	11,600
Yukon	N/A	N/A
Northern BC (Highway only)	N/A	N/A
TOTAL	257,100	11,600

6.2 Regional Tourism/Visitor Flows

6.2.1 Tourism/Visitor Flows – Summer

Table 6.3 presents estimates of tourism flows through the study area by transportation mode. In the absence of primary research specifically designed to develop estimates of tourism flows through the region, estimates have been developed based on a variety of data sets. Therefore, these estimates should be viewed with caution and are only intended as general indicators of volume, rather than actual volume figures.

Alaska captures the bulk of the visitors (approximately 85%) to the northern region (Northern BC, Yukon, and Alaska) during the summer months. Most visitors to Alaska during these months take a cruise for all or part of their trip. Most cruisers take a round-trip cruise and visit Southeast Alaska only. Many take a one-way cruise, which travels between Vancouver, BC and Southcentral, Alaska, visiting Southeast Alaska along the way. A smaller number take a cruise and add a land tour to their trip. These cruise/tour visitors flow through Southeast, Southcentral and Interior Alaska on their trips (Cruise Tour 1). A small portion of cruise/tour visitors to Alaska flow through the Yukon (Cruise Tour 2). All cruise patterns listed in Table 6.4 flow both directions, northbound and southbound. The figures listed are total figures for both directions.

The highway visitor flow follows the highway system from Northern BC northward to Alaska. The Alaska Marine Highway System (AMHS) carries visitors into Southeast Alaska and a portion into the Yukon and possibly Northern BC. Little or no data exists on the flow of visitors arriving in the region by air. However, it can be assumed that a small percentage of air visitor flows includes portions of Alaska and the Yukon

Table 6.4

**General Tourism/Visitor Flows
Summer (May/June through September)**

Travel Mode	Visitor Flow	Estimated Volume
Cruise		
Round-Trip Cruise	Southeast AK only	485,000
One-Way Cruise	Southeast AK to Southcentral AK	195,000
Cruise Tour 1	Southeast AK to Southcentral AK to Interior AK	161,000
Cruise Tour 2	Southeast AK to Yukon to Interior AK to Southcentral AK	9,000
Highway		
	Northern BC Only	173,000
	Northern BC to Yukon	190,000
	Northern BC to Yukon to Alaska	90,000
Alaska Marine Highway System		
	Southeast Alaska only	20,000
	Southeast Alaska to Yukon	10,000
Air		
	Alaska – Anchorage, Fairbanks, Juneau, Ketchikan total	608,000
	Yukon – Whitehorse	27,000
	Northern BC	Not Available

Notes:

Cruise data based on estimates developed through study of cruise itineraries and discussions with cruise line executives.

Highway data based on estimates developed from the Northern Rockies-Alaska Highway Research project.

Ferry estimates developed based on data provided in the AVSP reports.

Air data taken from AVSP and Yukon Visitor Study. The air data available does not provide indications of the travel patterns of these visitors.

6.2.2 Tourism/Visitor Flows – Fall/Winter

The only study available that measures visitor volume during the non-summer months is the Alaska Visitor Statistics Program (AVSP). Tourism/visitor data for the Yukon and Northern BC during the fall/winter months do not exist. It can be assumed that the tourism/visitor flow through the region is small during the fall/winter months, as the region is not well-developed as a winter travel destination. Based on the AVSP research, just over 250,000 visitors came to Alaska during the fall/winter season 2003-2004. The majority of fall/winter visitors arrive by air, primarily at Anchorage. An estimated 11,600 visitors arrived in Alaska by highway, suggesting that they visited at least the Yukon and possibly Northern BC. A very small number of visitors flow through Alaska on the Alaska Marine Highway System during the fall/winter months.

Table 6.4

**General Tourism/Visitor Flows
Fall/Winter (October through April)**

Travel Mode	Visitor Flow	Estimated Volume
Cruise	None	0
Highway	Northern BC Only	Not Available
	Northern BC/Yukon	Not Available
	Northern BC > Yukon > Alaska	11,600
Alaska Marine Highway System	Alaska only	1,700
	Alaska/Yukon	Not Available
Air	Alaska	241,500
	Yukon	Not Available
	Northern BC	Not Available

7.0 Tourism/Visitor Revenue Estimates

7.1 Tourism Revenues

The visitor industry plays a significant role in generating new revenue in the Alaska, Yukon, and Northern BC region and, as a result, creates employment and income for thousands. Visitor spending data are available for Alaska for the full year and the Yukon for the months of June through September. The Northern BC spending data is recorded for the traveler's entire trip, including travel outside of BC. The data do not include the number of days spent in Northern BC or the average spending for Northern BC only. Therefore, it is not possible to develop estimates of spending data in Northern BC.

Based on the data that are available, the summer tourism revenues for the region are estimated to be at least \$1.9 billion and fall/winter revenues are \$327 million, for a total of \$2.2 billion. Because of the data missing from Northern BC and the Yukon, this figure is lower than the actual revenues.

Table 7.1
Summary of Estimated Tourism Revenues - Summer

	Average Per Person	Number of Visitors	Total Spending (000s)
Alaska*	\$1,258	1,447,400	\$1,820,000.0
Yukon**	\$302	251,700	\$76,000.0
Northern BC	Not Available	Not Available	Not Available

*Alaska spending from Alaska Visitor Statistics Program Summer 2001.

**Yukon spending from Yukon Visitor Study Summer 2004.

Table 7.2
**Summary of Estimated Tourism Revenues
 Fall/Winter 2003 – 2004**

	Average Per Person	Number of Visitors	Total Spending (000s)
Alaska	\$1,284	257,100	\$326,800.0
Yukon	Not Available	Not Available	Not Available
Northern BC	Not Available	Not Available	Not Available

*Alaska spending from Alaska Visitor Statistics Program Fall/Winter 2000-2001.

7.2 *Economic Impact of Tourism*

The economic impact of the tourism industry is available for Alaska and the Yukon. These data are reported for 2002 for Alaska and 1999 for the Yukon. According to these data:

Alaska

- In Alaska, the core tourism industry contributed \$856 million to the economy, creating an economic contribution of \$1.6 billion. The induced impact of tourism increased the economic contribution to \$2.0 billion.
- Tourism accounts for 26,158 core industry full time equivalent jobs, 9.1% of Alaska's total employment in 2002.
- Total employment generated by travel and tourism, including the induced effects, was 46,935, resulting in \$1.36 billion in labor income.
- The core employment of 26,158 makes travel and tourism the third largest private sector employer in Alaska.

Yukon

- Total revenue from the Yukon's tourism industry in 1999 was estimated at \$160 million.
- Total jobs directly dependent on travel and tourism were 2,000, representing 12% of all employment in the Yukon.
- The largest private sector employer in the Yukon is travel and tourism..

8.0 Travel Trends

The United States and Canada are the primary markets for travel to Northern BC, the Yukon, and Alaska. A number of travel trends affect how this market thinks about travel, how they make their travel destination decisions and how they make their travel arrangements. The following is a summary of the top trends in travel.

- The highest volume of travel is generated by Baby Boomers. For the next 20 years the Baby Boomer population will increase the 55 to 75 age cohort significantly. There will be increased demand for vacation options that are structured to match this market, which is healthy, has disposable income, and is retiring or semi-retiring earlier.
- Travelers today are interested in a diversity of experiences. Demand is growing for nature, adventure, cultural, eco-tourism, historical and educational experiences. Niche markets for various special interests are expanding.
- Demand for more frequent, shorter vacations continues to grow. These trips tend to be more spontaneous and closer to home, although there is growing evidence that longer-haul destinations are becoming part of the short “getaway” market.
- Tour operators are developing more flexibility in their travel options, allowing for travelers to design their own packages.
- Decisions about long-haul trips are made several months in advance of the trip. More than half of Alaska summer visitors decided to visit Alaska more than six months prior to their trip. More than half then make their travel arrangements five months or more prior to traveling.
- The Internet has changed the way travelers learn about and book their travel. In 2004, 63.8 million travelers in the U.S. used the Internet to make travel plans and 44.6 million actually made travel reservations on the Internet.
- Travel agents are adapting to changing distribution systems where travelers can research and book their travel easily on the Internet.
- Travelers are heavy users of the travel media, including magazines, newspaper travel sections, newsletters, television travel shows, and Internet websites.

9.0 Appendix

9.1 References

BREA, *The Contribution of the International Cruise Industry to the Alaska Economy in 2001*, International Council of Cruise Lines, September 2002.

BREA, *The Contribution of the International Cruise Industry to the Canadian Economy in 2003*, Northwest Cruise Ship Association, October 2004.

Global Insight, *The Alaskan Tourism Satellite Account*, Alaska Department of Commerce, Community and Economic Development, October 2004.

GMA Research Corporation, *Alaska Highway Travel 2003*, Alaska Travel Industry Association, March 2004.

Government of Yukon, *Yukon Visitor Exit Survey 2004*, Yukon Department of Tourism & Culture, Yukon Bureau of Statistics, April 2005.

Government of Yukon, *Economic Value of Yukon's Tourism Industry 1999*, October 2004.

McDowell Group, *Fairbanks Visitor Profiles*, Fairbanks Convention and Visitors Bureau, March 2006.

McDowell Group, *Anchorage Visitor Profiles*, Anchorage Convention and Visitors Bureau, February 2006.

McDowell Group, *Juneau Visitor Profiles*, Fairbanks Convention and Visitors Bureau, 2003.

Northern Economics, *Alaska Visitor Arrivals: Fall/Winter 2003-2004*, Alaska Department of Commerce, Community and Economic Development, November 2004.

Northern Economics, *Alaska Visitor Arrivals: Summer 2004*, Alaska Department of Commerce, Community and Economic Development, December 2004.

Northern Economics, *Alaska Visitor Arrivals and Profile: Fall/Winter 2000-20001*, Alaska Department of Commerce, Community and Economic Development, November 2002.

Northern Economics, *Alaska Visitor Arrivals and Profile: Summer 2001*, Alaska Department of Commerce, Community and Economic Development, November 2002.

Northern Economics, *Alaska Visitor Expenditures and Opinions: Fall/Winter 2000-2001*, Alaska Department of Commerce, Community and Economic Development, November 2002.

Northern Economics, *Alaska Visitor Expenditures and Opinions: Summer 2001*, Alaska Department of Commerce, Community and Economic Development, November 2002.

Travel Industry Association of America, Travel Statistics & Trends, www.tia.org/Travel/TravelTrends.asp.

Tourism British Columbia, *Northern Rockies – Alaska Highway Visitor Research Project*, January 2005.

US Customs and Border Protection, Alaska Border Crossing Data, 1996 to 2005.

Yukon Bureau of Statistics, Border Crossings into Canada through Yukon Border Crossings, 1996 to 2005.

Yukon Department of Tourism & Culture, *Yukon Visitor Statistics Year-End Report 2004*.

Executive Interviews:

Alaska Railroad

Fairbanks Convention and Visitors Bureau

Holland America Line

Northern British Columbia Tourism Association

Princess Cruises

Princess Tours

Royal Celebrity Tours

Rocky Mountaineer Vacations/Armstrong Hospitality Group

Tourism Yukon

Westours

White Pass & Yukon Railroad

9.2 Border Crossing Tables

Table 9.0

Alaska/Yukon Border Crossings Passengers	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	% Chg	Avg. Annual. Chg – 1998 to 2005
	ALASKA INBOUND PASSENGER ENTRIES											
Personal Vehicles												
Alcan(Beaver Creek)	122,310	118,480	160,621	137,795	127,350	118,831	124,385	114,347	111,013	93,585	-41.7%	
Poker Creek(Little Gold)	N/A	N/A	27,817	26,300	21,852	20,430	26,551	21,409	18,487	19,232	-30.9%	
Skagway(Fraser)	90,963	93,889	98,140	35,555	93,840	86,831	85,829	85,023	88,095	80,055	-18.4%	
Dalton Cache(Pleasant Camp)	45,978	44,161	44,660	86,953	43,238	45,921	45,892	42,595	41,646	36,592	-18.1%	
TOTAL PASSENGERS	259,251	256,530	331,238	286,603	286,280	272,013	282,657	263,374	259,241	229,464	-30.7%	-5.1%
Busses												
Alcan(Beaver Creek)	22,066	20,451	23,231	16,430	16,201	11,998	10,231	9,104	11,103	7,263	-68.7%	
Poker Creek(Little Gold)	N/A	N/A	6,098	6,562	6,150	4,870	4,130	3,454	4,463	4,844	-20.6%	
Skagway(Fraser)	81,521	109,123	122,633	137,717	130,851	125,170	130,213	137,359	133,904	134,204	9.4%	
Dalton Cache(Pleasant Camp)	3,171	3,489	4,074	2,087	2,076	1,765	1,006	1,104	861	1,287	-68.4%	
TOTAL PASSENGERS	106,758	133,063	156,036	162,796	155,278	143,803	145,580	151,021	150,331	147,598	-5.4%	-0.8%
YUKON INBOUND PASSENGER ENTRIES												
Personal Vehicles												
Beaver Creek(Alcan)	94,877	94,944	108,255	109,490	102,679	99,340	100,440	95,538	91,394	87,148	-19.5%	
Little Gold(Poker Creek)	22,928	18,729	21,801	19,360	19,155	20,353	19,113	16,086	12,118	13,748	-36.9%	
Fraser(Skagway)	90,725	92,051	95,512	93,105	85,772	78,765	94,632	89,214	86,588	82,666	-13.4%	
Pleasant Camp(Dalton Cache)	41,873	39,682	42,055	40,793	40,012	39,781	45,297	42,518	42,366	42,005	-0.1%	
TOTAL PASSENGERS	250,403	245,406	267,623	262,748	247,618	238,239	259,482	243,356	232,466	225,567	-15.7%	-2.4%
Busses												
Beaver Creek(Alcan)	13,424	11,557	11,984	9,687	10,270	9,337	5,663	6,604	7,250	7,398	-38.3%	
Little Gold(Poker Creek)	3,101	2,873	2,098	3,206	2,062	1,518	1,377	721	1,747	1,083	-48.4%	
Fraser(Skagway)	33,157	37,583	42,383	50,804	46,310	32,365	42,164	49,000	70,738	86,829	104.9%	
Pleasant Camp(Dalton Cache)	1,848	2,286	2,249	1,877	627	618	336	477	415	626	-72.2%	
TOTAL PASSENGERS	51,530	54,299	58,714	65,574	59,269	43,838	49,540	56,802	80,150	95,936	63.4%	7.3%

Source: Alaska Customs and Border Protection; Yukon Bureau of Statistics

Table 9.1

Alaska/Yukon Border Crossings Vehicles	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	% Chg	Avg. Annual. Chg – 1998 to 2005
ALASKA INBOUND VEHICLE ENTRIES												
Personal Vehicles												
Alcan(Beaver Creek)	57,036	55,335	63,499	65,446	59,009	58,108	55,427	57,523	54,934	42,619	-32.9%	
Poker Creek(Little Gold)	N/A	N/A	11,954	11,742	10,208	9,892	9,070	9,722	8,839	8,891	-25.6%	
Skagway(Fraser)	38,317	39,158	40,384	37,359	39,061	37,373	39,198	37,104	38,061	33,901	-16.1%	
Dalton Cache(Pleasant Camp)	21,201	20,069	20,513	16,857	19,855	20,078	20,869	19,760	19,331	16,506	-19.5%	
TOTAL PERSONAL VEHICLES	116,554	114,562	136,350	131,404	128,133	125,451	124,564	124,109	121,165	101,917	-25.3%	-4.1%
Busses												
Alcan(Beaver Creek)	840	867	1,018	837	739	627	541	468	518	315	-69.1%	
Poker Creek(Little Gold)	N/A	N/A	259	265	242	237	201	174	226	177	-31.7%	
Skagway(Fraser)	6,306	7,646	8,254	8,996	8,579	8,145	8,709	9,447	9,515	10,257	24.3%	
Dalton Cache(Pleasant Camp)	721	602	394	301	285	272	141	135	167	278	-29.4%	
TOTAL BUSSES	7,867	9,115	9,925	10,399	9,845	9,281	9,592	10,224	10,426	11,027	11.1%	1.5%
YUKON INBOUND VEHICLE ENTRIES												
Personal Vehicles												
Beaver Creek (Alcan)	42,776	43,486	49,558	51,467	48,522	48,058	47,613	45,664	43,969	42,826	-13.6%	
Little Gold (Poker Creek)	9,573	7,843	9,526	8,994	8,554	9,004	8,452	7,046	5,123	6,094	-36.0%	
Fraser (Skagway)	37,468	38,188	40,369	40,070	36,303	33,473	39,527	37,314	36,234	34,308	-15.0%	
Pleasant Camp (Dalton Cache)	17,965	17,331	18,159	18,276	18,014	18,216	20,372	19,243	19,503	19,363	6.6%	
TOTAL PERSONAL VEHICLES	107,782	106,848	117,612	118,807	111,393	108,751	115,964	109,267	104,829	102,591	-12.8%	-1.9%
Busses												
Beaver Creek (Alcan)	500	498	573	463	574	463	320	311	390	361	-37.0%	
Little Gold (Poker Creek)	143	156	69	339	141	84	91	86	115	74	7.2%	
Fraser (Skagway)	1,576	1,838	1,767	1,896	1,822	1,512	1,578	3,164	3,768	3,767	113.2%	
Pleasant Camp (Dalton Cache)	740	587	379	288	203	170	73	49	99	265	-30.1%	
TOTAL BUSSES	2,959	3,079	2,788	2,986	2,740	2,229	2,062	3,610	4,372	4,467	60.2%	7.0%

Source: Alaska Customs and Border Protection; Yukon Bureau of Statistics