



PROPOSED EXPANSION OF NAHANNI NATIONAL PARK RESERVE

Socio-Economic Research

Parks Canada and the Nahanni Expansion Working Group have sponsored research studies related to the proposed expansion of Nahanni National Park Reserve (NNPR). In the Dehcho region, these studies will help provide the information needed to guide decisions for a new boundary for the park reserve. Additional studies may be required in the Sahtu Settlement Area.

WHY STUDY NAHANNI'S SOCIO-ECONOMIC IMPACTS?

Nahanni NPR is an integral and key part of the Northwest Territories tourism industry. In addition, the park produces social and economic benefits that are enjoyed by many different people: within the Dehcho region, the territory, the country and the world. The proposed park expansion will have an effect on the benefits produced by the park as well as on current land uses in the areas being considered for park expansion. It is important to understand what these effects might be and to understand who might be affected.

WHAT DID WE WANT TO LEARN?

- What has been the economic impact of Nahanni NPR since it was established in 1976?
- What types and approximate levels of economic benefits does Nahanni NPR produce annually?
- What is the likely economic impact of Nahanni NPR in the first ten (10) years of expansion?
- How will people and businesses using the area being considered for expansion be affected?

HOW WAS THE RESEARCH DONE?

- Records on park spending were used to estimate the total spending since 1976, and this information was used to calculate the economic impact on the economy of the NWT of spending by the park since 1976;

- Park visitor spending within the territory was estimated from the few visitor studies done since 1976 and these estimates were used to calculate the economic impact of visitor spending on the economy of the NWT;
- When an estimate of these combined economic impacts was completed, a meeting was held in Fort Simpson to discuss these results and obtain feedback from park staff and community members from the Dehcho region;
- Preliminary forecasts of Parks Canada spending on an expanded park were used to estimate the associated economic impacts;
- Forecast new visitor spending due to an expanded park was used to calculate the economic impacts associated with this spending;
- The impact of an expanded park on other land uses (mining, outfitting, mineral exploration, tourism, trapping, and other uses) was described;
- The economic (personal, commercial and societal) benefits produced annually by Nahanni NPR were described and the expected change in these benefits with park expansion was forecast.

WHO DID THE WORK?

- Peter Whiting is a Resource Economist with The Outspan Group Inc. He prepared the economic analysis of the expected socio-economic impacts associated with park expansion with the help of park staff and community members from the Dehcho region.

WHAT ARE THE MOST IMPORTANT THINGS WE HAVE LEARNED SO FAR?

A. Period 1976 – 2005 (Current Park Reserve Boundary)

1. The number of visitors varies from year to year but is now about 1,000 visitors per year.



2. It is estimated that direct spending by the park has totalled \$33.8 million. If we make the value of a dollar in 1976, and the following 30 years, the same as a dollar today, this is the equivalent of \$48.5 million.
3. It is estimated that direct spending in the NWT by visitors to the park has totalled \$12.6 million. If we make the value of a dollar in 1976, and the following 30 years, the same as a dollar today, this is the equivalent of \$16.9 million.
4. The cumulative direct and indirect economic impact in the NWT associated with the park's spending is estimated at over \$23 million in new value being added to the NWT economy (GDP) or over \$783,000 per year on average. This amount includes over \$18.5 million as labour income or over \$623,000 per year on average.
5. The cumulative direct and indirect economic impact in NWT associated with park visitors' spending is estimated at over \$5 million in value-added to the NWT economy (GDP) or over \$169,000 per year on average. This amount includes over \$3.4 million as labour income or over \$113,000 per year on average.
6. The combined annual economic impact on the NWT economy from park and visitor spending is estimated to be over \$950,000 in value-added and over \$735,000 in labour income.

B. Period 2006 – 2016 (Expanded Park Reserve Boundary)

For the purposes of the analysis, it was assumed that the expansion would occur in 2006, but the results would apply to the first ten years after expansion takes place, no matter when that occurs.

1. Forecast new spending by Parks Canada at Nahanni NPR is estimated at \$10 million over 10 years.
2. Forecast new spending by visitors to Nahanni NPR is estimated at \$1.5 million over 10 years.
3. Forecast economic impacts associated with this combined new spending by region of impact are estimated as follows:

Area of Impact	Nahanni Region	Territory	Rest of Canada
Value-Added (GDP)	\$5.0 million	\$7.9 million	\$2.6 million
Labour Income	\$4.6 million	\$6.5 million	\$1.7 million
Employment (FTE)	24	59	48

GDP = gross domestic product; FTE = full-time equivalent

4. Expansion of the park will affect certain land uses in the expansion area, in particular, mining and mineral exploration and big game outfitting. Tourism in the NWT is expected to increase due to park expansion. Most importantly, park expansion would protect lands used for traditional hunting and sites of cultural and spiritual significance to Dehcho First Nations.

CONCLUSIONS

1. Nahanni NPR has had a significant positive cumulative economic impact upon the local area and territory over the past 30 years.
2. The combined new spending of Parks Canada and new visitors to Nahanni NPR will have a positive effect upon the economy in the region of the park as well as the territory.
3. Proposals for expansion must take into account existing big game outfitting and mineral exploration and development.

DO YOU HAVE QUESTIONS?

Please contact us! Your questions, views and opinions are very important. Your voice will be heard.

For more information, please contact:

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