



BC Ministry of Transportation and Infrastructure

E&N Railway Corridor Study: Analysis of Tourist Train Potential

REPORT



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Executive Summary

This Report presents an Assessment of Tourist Train Potential, undertaken as part of the Evaluation of the E & N Railway¹ Corridor on Vancouver Island. The assessment was carried out to determine the characteristics of tourist travel on Vancouver Island, review the existing services, and test service concepts through market research.

There is already an existing tourist train operation based in Port Alberni that connects to MacLean's Mill and also serves a local winery. Riders on this train either make their own way to Port Alberni or are bused in, usually from Nanaimo. The operator has a concept for service expansion to Parksville that would require additional rolling stock and facilities, and is contingent upon repairs and upgrades to the unused part of the Port Alberni line.

Surveys of tourists and residents (see Appendix A) asked about travel on Vancouver Island and interest in a train excursion concept; the sample excursion was modeled on successful practices elsewhere on the West Coast. Excursions might require a bus connection to an attraction or event (e.g. Duncan, Chemainus) where passengers are taken from the train to the ultimate destination.

The survey found that the average party size was 2.4 people, with a majority of groups of 2-3 travellers, with the next most common party size being single travellers. The most popular length of stay was 4-7 days. Most travellers were in the over 45 age groups, and were well-educated.

The most likely possibility for a new tourist train excursion would be a day trip and/or half-day trip based out of Victoria, to take advantage of the large tourism market, estimated at 3.5 million visits annually. There is some market potential for a new Victoria-based tourist train excursion on the E & N Railway line, but this potential is estimated to be low to moderate, based on surveys of visitors and residents. The percentage of people indicating they would "definitely purchase" the excursion was relatively small at about 15%. Furthermore most would be willing to pay only \$60 or less for a half-day excursion and no more than \$120 for a full-day excursion.

Interviews with tour operators indicated low to moderate potential, depending on type of operator. Major group tour operators often did not view the Victoria-based tourist train as a high-profile enough rail excursion to include in their itineraries. Price points for those interested in the tour were low at \$50-\$60 for half a day and \$100-\$150 for a full day.

Interviews with cruise line officials showed that there is limited interest at best in the possibility of including a Victoria-based tourist train excursion in their offerings. This is related to timing of cruise ship visits to Victoria and already established train excursions elsewhere on many of the cruises.

The most effective positioning of a service would be as the "E & N Heritage Railway". The heritage theme would need to be extended to every aspect of the tourist train excursion including the look of the train, period uniforms/costumes worn by staff, and information provided in commentary and handouts. The current VIA Rail service is used and considered adequate by some tour operators, so continuation of this or a similar service would provide direct competition to any new tourist train service, making it much more difficult to achieve a viable operation. Expanded VIA service that allows faster round-trip returns to Victoria or Nanaimo might be the best way to serve train excursions.

¹ Esquimalt and Nanaimo Railway.

As indicated in **Table E.1**, the upper end passenger potential of a new train is estimated at 8,000-13,200 passengers for a 100 day operating season per year (assuming there is no competing train service such as the VIA rail). This translates to revenue of \$533,000 - \$847,000 per year from operating mostly half day excursions along with some full day excursions.

Table E.1 - Estimated Market Potential for Victoria-Based Excursion Trains

Market Segment	No. of Passengers per Season	Average Fare Revenue per Person	Total Revenue
Individual Visitors to Vancouver Island	4,000-5,000	\$75	\$300,000 - \$375,000
Vancouver Island Residents	1,000-1,500	\$65	\$65,000 - \$97,500
Group Tour Operators	1,200-1,500	\$55	\$66,000 - \$82,500
FIT Tour Programs	600-1,200	\$60	\$36,000 - \$72,000
Cruise Ship Shore Excursions	1,200-4,000	\$55	\$66,000 - \$220,000
Total	8,000-13,200	n/a	\$533,000 - \$847,000

Another promising prospect for a tourist train may be expansion of the Alberni Pacific Railway, because the operator is already in place and there are several supporting factors that could feed the tourist market. While the current excursion is fairly short involving a 40-minute train ride in each direction, there is a five-year plan to expand this tourist train operation to include a much longer 4-5 hour excursion between Port Alberni and Parksville/Qualicum Beach via Nanaimo. This would significantly expand the customer base for the Alberni Pacific Railway as it would be possible to base itineraries out of three of Central Vancouver Island's most popular tourist destinations – the Port City of Nanaimo with its intensive flow of BC Ferries' passenger traffic, and the beach resort cities of Parksville and Qualicum. In addition, it would be possible to cater to cruise ship traffic, which is likely to increase at Nanaimo, based on development of the new cruise ship terminal for which funding has been recently announced.

If tourists are broadly defined as any leisure traveller, they likely account for 50% or more of all use of the existing VIA rail service, particularly given that the train travels slowly and the current service and schedule is not well-suited for business travel or commuter use. During the school year between September and June, many school groups take train trips and this can legitimately be considered a tourism use of the service. If tourism and leisure use accounts for 50% of current overall ridership (17,500 passengers), then the tourism economic impacts of this passenger rail service could easily be in the range of \$1.5 million annually.



1. INTRODUCTION

This Report presents an Assessment of Tourist Train Potential, undertaken as part of the Evaluation of the E & N Railway² Corridor on Vancouver Island. This is one of a series of reports covering the freight, passenger, and tourism markets, the feasibility of commuter rail, and an update of railway corridor conditions and potential improvement costs. **Exhibit 1.1** is a map of the study corridor.

The assessment was carried out to determine the characteristics of tourist travel on Vancouver Island, review the existing services, and test service concepts through market research.

2. VANCOUVER ISLAND TOURIST TRAIN CONTEXT

Vancouver Island has a history of passenger rail travel that dates back to the 1880s when the Esquimalt and Nanaimo Railway was first established. Passenger rail service has operated along the main Island railway corridor between Victoria and Courtenay/Comox on a continuous basis since that time, making it one of the longest established passenger rail services still operating on the continent. At present the service is a one- or two-car dayliner operated by VIA Rail Canada Inc., offering one round trip daily between Victoria and Courtenay/Comox.

This report is a component of an overall comprehensive evaluation of potential opportunities for the E & N Railway Corridor on Vancouver Island. The overall project is examining opportunities related to inter-city passenger rail, commuter rail within the Victoria commutershed, rail freight transportation on the Island, and the potential for designated tourist train excursions. The current report is focused on an analysis of the potential for dedicated tourist train excursions, recognizing that there is ongoing use of the VIA Rail inter-city train service by tourists and tour operators.

2.1 Objectives of Tourist Train Analysis

The overall purpose is to gauge the realistic potential for establishing one or more tourist train excursions along appropriate sections of the E & N Railway corridor. To fully address this overall purpose, this tourist train analysis has the following specific objectives:

1. To review existing and previous tourist train excursions and tourism use of passenger rail on Vancouver Island.
2. To understand the current Vancouver Island and Victoria tourism market context as a backdrop for examining the potential for new tourist train excursion opportunities.
3. To examine comparable tourist train excursions in Canada (primarily in BC) where these have been successful and have been sustained for many years.
4. To examine the potential of new tourist train excursions with major tour operators and cruise lines that bring visitors to Vancouver Island, to determine the extent to which new tourist train excursions could penetrate these markets.
5. To test possible tour train excursion concepts in the consumer marketplace by surveying visitors to Vancouver Island and residents of Vancouver Island, to determine their likelihood of purchasing such excursions if they are developed.

Each of these objectives constitutes a specific area of analysis in this study and is reported on in the following sections and chapters of this document.

² Esquimalt and Nanaimo Railway.

Exhibit 1.1 - E & N Railway Corridor, Vancouver Island



2.2 Existing and Previous Vancouver Island Tourist Trains

Currently there are two passenger railway operations that cater to tourists on Vancouver Island. The Alberni Pacific Railway, based in Port Alberni, operates a steam train excursion from the historic railway station near the waterfront in Port Alberni to the McLean Mill National Historic Site. VIA Rail's inter-city passenger service operates between Victoria and Courtenay/Comox and is used by individual tourists and tour operators.

Alberni Pacific Railway

The Alberni Pacific Railway first established its steam-powered tourist train excursion in 1984 and since then has carried some 194,000 passengers and travelled more than 35,000 km. The Alberni Pacific Railway is a division of the Western Vancouver Island Industrial Heritage Society, which is a registered non-profit Society, first established in 1983.

This tourist train excursion operates two roundtrips daily from June 27 to September 7 in 2009, departing from the downtown railway station at 10:00 am and 2:00 pm, and departing from McLean Mill at 1:00 pm and 5:15 pm. The train trip takes 35 minutes each way with short stops at the Best Western Barclay Hotel and the Chase and Warren Estate Winery, both of which are located along the railway route. The train excursion is packaged with visits to McLean Mill National Historic Site and the cost is \$29.95 for adults, \$22.50 for seniors/youths, and \$14.95 for children. The steam train also operates on five weekend days during June, four weekend days during September, as well as special Santa Claus' excursions on a Saturday in early December.



The Alberni Pacific Railway has recently been developing a five-year plan to establish a more ambitious passenger rail service operating between Port Alberni and Parksville / Qualicum Beach. This initiative will ultimately require upgrading of the track and railbed between Port Alberni and Nanaimo, as well as acquisition of additional rolling stock.

The Alberni Pacific Railway has two locomotives owned by the City of Port Alberni. These include a 1929 Baldwin steam engine as well as a back-up diesel locomotive from the 1950s. The railway currently has five passenger coaches which are re-built CN transfer cabooses, reconstituted as historic-looking passenger coaches, three of which are open-air and two with windows. The expanded service to Parksville and Qualicum will ultimately require an additional locomotive, as well as additional passenger coaches better suited to the longer railway trip (e.g. with washrooms, more comfortable seating).

VIA Rail Dayliner Service

The VIA Rail dayliner service consists of one or two 1950s era Budd cars, which have been refurbished somewhat over the years. These provide comfortable passenger seating and a washroom in each coach, but no food service or other amenities. The dayliner departs from downtown Victoria each day at 8:00am and arrives at its destination in Courtenay by 12:45 pm, then departs Courtenay at 1:15 pm, arriving back in Victoria by 6:00 pm. The dayliner makes numerous stops along the way.

As part of the research for this study, the consultant from Economic Growth Solutions Inc. rode the dayliner from downtown Victoria to Chemainus, which is the section of the route that we believe has

the best potential for a tourist train excursion. From a tourism point of view we concluded the following:

- The two-hour run is a pleasant train trip that would appeal to rail enthusiasts
- While there is some variety of scenery and points of interest along the route, including some good views of the Esquimalt Military Base, some views of lakes and rivers, and pastoral agricultural landscapes in the Cowichan Valley, there is little in the way of memorable scenery.
- It would not be possible to market this as a scenic rail excursion, although there may be potential for a heritage theme, given the long history of the railway and the heritage tourism attractions that could be included as part of the excursion at Chemainus and Duncan.
- The proliferation of level crossings at times seemed to result in incessant tooting of the train's whistle, which could detract from the experience somewhat.

In discussions with the train conductor and our interviews with tour operators, it is clear that there are many tourists and a number of tour operators that regularly use this passenger service. In the case of individual tourists, while there is a larger concentration during the summer months, visitors use the service on a year-round basis. For both individual tourists and tour operators who offer FIT (fully independent travel) packages, the scheduled inter-city passenger service has the advantage of being able to create any type of itinerary using various segments of the overall route. Also, having daily service provides the best flexibility for tour operators and individual tourists as well.

Pacific Wilderness Railway

This rail excursion was established by American railroader, Ross Rowland, in 2000 and operated from June 17, 2000 to July 18, 2001. A full summer season of rail excursions was offered during 2000 and only a partial season was operated in 2001, when the whole operation terminated.

Pacific Wilderness Railway was marketed aggressively and during its inaugural season in 2000

carried approximately 8,000 passengers, although this was significantly below expectations. The train trip operated three times a day in 2000 and twice a day in 2001, but apparently the overall quality of the trip did not meet expectations. The train used three ex-Ohio Central diesel engines, as well as eleven passenger coaches including a lounge car. The coaches we understand were in various states of refurbishment with one dating to 1924 and others from the 1950s. The train made the run from downtown Victoria to the summit of the Malahat in approximately one hour and then disembarked passengers at the Malahat summit, but there was no proper train station – essentially just a siding in the middle of the forest. It was possible to de-train here and lunch and dinner packages were offered at *The Aerie*, a high-end resort nearby.



Principal reasons for the failure of this excursion include the following:

- The overall product was not properly conceived, the excursion did not have a suitable destination and a much better choice would have been Duncan or Chemainus where the train travellers could take in other relevant heritage attractions.

- It is not a particularly scenic run and there are no great vistas of mountains and ocean to any degree, so passengers anticipating great scenery were generally disappointed.
- The actual rolling stock, while refurbished to varying degrees probably did not live up to the expectations of many passengers who may have been on more comfortable and attractive passenger rail coaches elsewhere.
- While significant marketing and promotion was undertaken and the excursion was supported by key tourism partners such as Tourism Victoria, the tour operators and cruise lines provided only some support for the operation. Some of the cruise lines that featured the White Pass and Yukon Railway did not want another rail excursion to compete with that one, since it is very popular and a big money maker for the cruise lines. Also, in its first season, tour operators and cruise lines can be slow to add new attractions and features to their itineraries, preferring to let them operate for a period of time to see how successful they are. They are unlikely to try out a new excursion like this in its first season, unless there is a lack of other sightseeing alternatives – not the case for Victoria.
- When the Pacific Wilderness Railway was established, there was talk of operating it as a steam train excursion, but the steam engines never materialized. Apparently the trestles and bridges between Victoria and Duncan may not be adequate to support the weight of a steam engine, so this may have been the reason.

2.3 Possible Tourist Train Concepts for Corridor

As part of the analysis we wanted to be able to test one or more potential new tourist train concepts in the market, via a series of interviews with tour operators and shore excursion planners for cruise lines, as well as by surveying a sample of Vancouver Island visitors and residents. In order to capture a reasonable share of the Victoria day-trip market, it is important that there is an attractive half-day package that fits within a 4-hour time frame that includes the train ride and some key attractions at the destination, starting and ending in Victoria.

Given the large volume of tourists who visit Victoria (over 3.5 million visitors annually) it seems reasonable that there would be some potential for a unique tourist-oriented rail excursion. Learning from the mistakes of the Pacific Wilderness Railway, any such excursion designed to appeal to the day trip market out of Victoria should probably travel to Duncan or Chemainus, where there are interesting heritage attractions that would complement a potential heritage rail excursion and the train stations are located within walking distance of some of these attractions, including local heritage museums.

- In order to be able to do a half-day round trip excursion originating in Victoria, it would not be viable to travel beyond Duncan or Chemainus as it would be important to include additional attractions and features along with the train trip, as well as bus transportation back to Victoria.
- To avoid deadheads of the train and buses, two itineraries could be offered – one starting in Victoria by train and returning by bus and the other starting in Victoria by bus and returning by train.
 - The two itineraries could be packaged differently and feature different stops and points of interest on the bus portion of the itinerary.
 - The concept would be to have a two-hour train ride, at least an hour visiting one or two heritage attractions and the one-hour bus ride to or from Victoria.

Longer itineraries could also be contemplated to provide a full day tour of six to eight hours in length. This could be achieved by packaging additional attractions and features beyond the train ride component, or perhaps by running two trains a day and the full-day passengers would depart Victoria on the early train and then take the second train back to Victoria in the late afternoon. There would still be a need for a bus component to handle the visits to heritage attractions and/or wineries that could occur during the four hours or so in between the trains.

The Duncan and Chemainus areas boast a number of heritage-oriented attractions that would be well-suited to packaging with a heritage railway excursion. These include:

- Quw'utsun' First Nation Cultural Centre in Duncan
- BC Forest Discovery Centre in Duncan
- Cowichan Valley Museum, housed in the restored historic railway station in Duncan
- Duncan's 80 totem poles which have given rise to the branding of Duncan as "City of Totems"
- The unique historic murals of Chemainus
- Chemainus Festival Theatre featuring excellent summer theatre evening and matinee performances
- Waterwheel Park and Chemainus Museum
- Chemainus downtown shops, boutiques, cafes and restaurants
- Various wineries in the Cowichan Valley including: Averill Creek Vineyard, Blue Grouse Estate Winery, Cherry Point Vineyards, Echo Valley Vineyards, Glenterra Vineyards, Merridale Cider Works, Rocky Creek Winery, Silver Side Farm and Winery, Venturi-Schulze Vineyards, and Zanatta Winery.

This concentration of heritage attractions and wineries in the Cowichan Valley makes Duncan and Chemainus the ideal destination points for rail excursions out of Victoria and provides a variety of packaging opportunities. Several of the wineries have restaurants which would make them ideal for a lunch or dinner stop, and the Chemainus Festival Theatre would enable possible packaging of matinee theatre performances with the train excursion.

3. ANALYSIS OF VANCOUVER ISLAND TOURISM MARKET

The study team reviewed several recent studies pertaining to the tourism market on Vancouver Island in order to prepare an overall summary profile of the market. The most relevant studies were the 2008 Exit Surveys done by Tourism Victoria and Tourism Vancouver Island. Both exit surveys collected some comparable data such as visitor origins, demographics and expenditures, although the focus of each study was somewhat different.

The most pertinent findings of relevance to the current study are summarized in a number of tables which follow in this chapter. Where there are variations in the questions, separate tables are used for Victoria versus the general Vancouver Island travel market.

3.1 Visitor Origins and Trip Purpose

As shown in Table 3.1, BC is the predominant visitor origin for visitors to Victoria (43.1%) and to Vancouver Island overall (45%). The next most important visitor origin for Victoria is Washington State at 13.6% followed by Alberta at 7.2%; while for Vancouver Island overall it is virtually the reverse with 13.5% from Alberta and 7% from Washington State. This would be explained in part by the strong connectivity between Victoria and Washington State via two direct ferry services (to Port Angeles and Seattle).

Table 3.1: Origins of Visitors to Victoria and Vancouver Island

Origin	Victoria %	Vancouver Island %
BC	43.1%	45.0%
Alberta	7.2%	13.5%
Ontario	5.5%	7.0%
Other Canada	6.0%	5.5%
Total Canada	61.8%	71.0%
Washington	13.6%	7.0%
California	4.7%	3.4%
Other US	13.5%	8.6%
Total US	31.8%	19.0%
Total International	6.4%	10.0%

Source: *Tourism Victoria 2008 Exit Survey; Tourism Vancouver Island 2008 Exit Survey*

International visitation is relatively small for Victoria overall at 6.4% in 2008 and somewhat higher for Vancouver Island at 10%. For Vancouver Island the U.K. and Germany are the most prevalent international visitor origins, accounting for 39% and 24% of the international visitors on the Island.

The main trip purpose for visitors to Victoria is summarized in the table of Table 3.2. As shown, the largest segment are those on vacation or pleasure trips at 41.4%, followed by those visiting friends and relatives at 26.4%. Those on business only trips accounted for 12.5%, while 11.3% indicated they were travelling for business and pleasure.

Table 3.2: Main Trip Purpose for Visitors to Victoria

Main trip Purpose	Victoria %
Vacation / Pleasure	41.4%
Visiting Friends / Relatives	26.4%
Business	12.5%
Mix of Business and Pleasure	11.3%
Convention / Conference	1.8%
Attend /Participate in Sports	3.1%
Other	3.5%
Total	100.0%

Source: *Tourism Victoria 2008 Exit Survey*

The Vancouver Island Exit Survey simply asked visitors whether their primary purpose was business or leisure and 80% indicated they were travelling to Vancouver Island for leisure, while 20% were on business. The Vancouver Island Survey also asked what the primary trip motivation was and 32% indicated friends and family while 28% indicated their primary trip motivation was related to the scenic beauty of Vancouver Island.

3.2 Trip Characteristics

Both studies recorded some information on party size, length of visit, and key activities of visitors.

The distribution of party size for visitors to Vancouver Island is shown in Table 3.3, which indicates that half of the visiting parties are two to three adults in size, while an additional 22% are adults travelling individually and 14% are groups of 4 or more adults. In this survey, families with children accounted for 14% of the total.

Table 3.3: Party Size of Visitors to Vancouver Island

Party Size	% of Visitors
1 Adult	22%
2-3 Adults	50%
4+ Adults	14%
Families with Children	14%

Source: *Tourism Vancouver Island 2008 Exit Survey*

Party size was also tracked in the Tourism Victoria Exit Survey. They measured average party size, which was 2.4 people, reasonably consistent with the distribution shown for Vancouver Island overall. Approximately 12% were children or youths in the Tourism Victoria Survey.

Length of stay was also tracked for the Tourism Vancouver Island Survey and is shown in Table 3.4. As indicated, the vast majority stayed anywhere from two days to a week with 28.7% staying two to three days and an additional 43.7 staying four to seven days. Approximately 18% stayed for more than a week, up to a month, and 3.4% were on extended vacations on the Island of 31 days or more. Day trips accounted for less than 6% of visits to Vancouver Island.

Table 3.4: Length of Stay on Vancouver Island

Length of Stay	% of Visitors
1 day or less	5.8%
2-3 days	28.7%
4-7 days	43.7%
8-30 days	18.4%
31+ days	3.4%
Total	100.0%

Source: *Tourism Vancouver Island 2008 Exit Survey*

For Victoria, the length of stay was not recorded except to distinguish between day trips and overnight trips which indicated that 86% stayed one or more nights in Victoria or on Vancouver Island with 14% making day trips, which is a larger proportion than for Vancouver Island.

The top activities recorded for visitors to Victoria or Vancouver Island are shown in Tables 2.5 and 2.6. For Victoria it is notable that visiting historical sites and the Royal BC Museum are rated highly, suggesting that heritage theming for a tourist train excursion may have an appeal in the marketplace.

Table 3.5: Top Attractions/Activities of Visitors to Victoria (excl. shopping)

Attractions/Activities while in Victoria Area	% of Visitors
Walking/hiking	67.9%
Visiting parks	42.7%
Touring beyond downtown Victoria	34.5%
Visiting historical sites	31.4%
Beaches	30.0%
Butchart Gardens	28.4%
Royal BC Museum	22.7%
Guided tours	15.2%
Festivals/events	11.2%
Galleries/exhibits	10.8%

Source: *Tourism Victoria 2008 Exit Survey*

The primary trip activities noted by some respondents to the Vancouver Island Survey are shown in Table 3.6, which indicates the importance of sightseeing, dining/entertainment and shopping, which are features that could be incorporated effectively into a tourist train excursion.

Table 3.6: Top Activities of Visitors to Vancouver Island

Activities	% of Visitors
Sightseeing	11%
Dining/entertainment/spas	11%
Walking	8%
Shopping	7%
Visiting friends/relatives	7%
Fishing	6%
Beach activities (incl. surfing)	6%
Attractions	5%
Wildlife viewing	4%
Touring	4%

Source: *Tourism Vancouver Island 2008 Exit Survey*

3.3 Demographics of Visitors

The age profile for visitors to Victoria is shown in Table 3.7, which indicates that the prevalent age of visitors is in the 35 - 54 and 55 years and older age brackets, accounting for approximately two-thirds of male and female visitors to Victoria.

Table 3.7: Age Profile of Visitors to Victoria

Age Category	% of Male Visitors	% of Female Visitors
18 and under	12.4%	12.3%
19 - 34 years	18.9%	20.6%
35 - 54 years	36.0%	38.1%
55 years or older	30.2%	29.3%
Total	100.0%	100.0%

Source: *Tourism Victoria 2008 Exit Survey*

For Vancouver Island overall the age skew appears to be even more pronounced (see Table 3.8) with two-thirds in the 45-55, 56-64 and 65 years and older age brackets.

Table 3.8: Age Profile of Visitors to Vancouver Island

Age Category	% of Visitors
24 and under	7%
25 - 34 years	12%
35 - 44 years	15%
45 - 55 years	22%
56 - 64 years	24%
65 years or older	20%
Total	100%

Source: *Tourism Vancouver Island 2008 Exit Survey*

The Vancouver Island Survey also included education levels of visitors, as shown in Table 3.9. This indicates that the vast majority of visitors have college or university educations in the case of two-thirds of visitors.

Table 3.9: Education Levels of Visitors to Vancouver Island

Highest Level of Education Attained	% of Visitors
Less than high school	3%
High school	18%
Some post secondary	11%
College/technical diploma	21%
University degree	32%
Masters/PhD	14%
Total	100%

Source: *Tourism Vancouver Island 2008 Exit Survey*

3.4 Visitor Expenditure Data

In Tables 2.10 and 2.11 we have summarized visitor expenditures for visitors to Victoria and Vancouver Island. As indicated, while the majority of visitors to Victoria spent \$100 or less per day (54.9%), there was a relatively large segment that spent \$101 to \$200 per day (28.5%) and almost 17% spent over \$200 per day. This significant per diem spending (averaging \$126 per person) indicates the potential for more expensive activities and features such as a tourist train excursion.

Table 3.10: Per Person Daily Expenditures of Visitors to Victoria

Daily Expenditures per Person	% of Visitors
\$0-100	54.9%
\$101-200	28.5%
\$201-500	16.3%
> \$500	0.3%
Total	100.0%
Avg. Daily Expenditure	\$126

Source: *Tourism Victoria 2008 Exit Survey*

The Tourism Vancouver Island Study recorded expenditures for the day previous to the survey as a way of gauging average per diem spending and, as shown, more than one quarter spent over \$300 per day while an additional 29% spent \$101 to \$300 per day. It should be noted that these expenditures are per party, so they would be somewhat less than half per individual person.

Table 3.11: Previous Day's Expenditures per Party of Visitors to Vancouver Island

Previous Day's Expenditures per Party	% of Visitors
\$0	12%
\$1-50	16%
\$51-100	17%
\$101-300	29%
\$301-500	16%
\$501+	11%
Total	100%

Source: *Tourism Vancouver Island 2008 Exit Survey*

3.5 Conclusions Regarding Southern Vancouver Island Tourism Market

Several conclusions emerge from this review of Victoria's and Vancouver Island's tourism markets.

- Victoria has a very large tourism market with approximately 3.5 million visits annually
- The majority of visitors stay one or more nights in Victoria and on Vancouver Island, indicating the potential for visitors to participate in a number of activities.
- Sightseeing, visits to museums and heritage sites, shopping, dining and entertainment are all activities visitors to Victoria and Vancouver Island are interested in and all these can potentially be part of a tourist train package.

- The extent of diversity of activities that visitors participate in, indicate significant competition for any new attraction such as a tourist train excursion. It should also be noted that some of the larger-scale signature attractions such as Butchart Gardens and the Royal BC Museum can be enjoyed at lower costs, per person, than what a tourist train excursion would likely cost.
- Demographic data on visitors indicates a large proportion of middle-aged and retired travellers with higher than average educational levels which usually correlates to higher than average income levels. This would tend to be favourable for a tourist train excursion, which will most likely appeal to middle-aged and older travellers who are fairly affluent.

4. REVIEW OF COMPARABLE TOURIST TRAIN EXCURSIONS

To better understand the characteristics of successful tourist train excursions in Canada, we have examined several tourist train operations including the *Whistler Mountaineer*TM, Kettle Valley Steam Railway, and Kamloops Heritage Railway in BC, the White Pass and Yukon Railway, and two longstanding tourist train excursions in Northern Ontario – the *Agawa Canyon Tour Train* and the *Polar Bear Express*.

- Two of these excursions are successful and profitable private sector ventures – *Whistler Mountaineer*TM and White Pass and Yukon Railway.
- Two others are run largely by volunteer organizations and depend on a combination of operating revenues, volunteer labour and some government grants to sustain their operations.
- The two Ontario excursions have required various levels of government subsidy over the years, although generate significant revenues during the summer tourist season.

4.1 Tourist Train Day Excursions in BC

The *Whistler Mountaineer*TM is a high-end private sector venture, modelled after the Rocky Mountaineer and operated by the same company. The steam train excursions operated by Kettle Valley Railway and Kamloops Heritage Railway are much smaller scale operations run by heritage railways' societies in the BC Interior.

***Whistler Mountaineer*TM – North Vancouver to Whistler**

This a three-hour train trip between North Vancouver and Whistler, travelling on the old BC Rail route with spectacular views of Howe Sound and scenic mountain vistas throughout the entire journey. It was first launched in 2006 and has over the past few years generally exceeded expectations, although 2009 will likely be challenging because of the economic downturn.

The train operates daily from May 15 through September 19. It is possible to purchase the train trip on a one-way or return basis and there are a number of package options including the following:

- One night two days Peak of Whistler excursion which includes one night accommodation, some meals, a guided walking tour of Whistler and sightseeing on the Whistler Gondola and Peak to Peak Gondola
- Whistler Overnight Adventure which is one night and two days and includes one night accommodation at a luxury hotel
- Whistler Zipline Adventure, one night and two days including a Ziptrek excursion
- Various two night/three days and three night/four day packages ideal for pre-and post cruises.



The train journey itself uses refurbished 1950s passenger rail coaches for Coast Classic, as well as new custom made Glacier Dome cars for the upgraded Glacier Dome service. There is also a refurbished open-air Heritage Observation car that dates from 1914. On the morning run up to Whistler breakfast is provided and on the afternoon run from Whistler back to Vancouver afternoon tea is provided on the train. A commentary is provided en route. Quality and service are hallmarks of this high-end operation.

The rates for 2009 are as follows:

- Coast Classic Service – one-way \$119, round-trip \$199
- Glacier Dome Service – one-way \$199, round-trip \$299.

During the first few years of operation the excursion's passenger volumes exceeded expectations and were in the 52,000 to 56,000 range per season. The excursion is offered in connection with many of the cruise ships that originate in or stop in Vancouver.

Kettle Valley Steam Railway – Okanagan Valley

The Kettle Valley Steam Railway is operated by the Kettle Valley Railway Society, a non-profit charitable organization dedicated to preserving this unique component of Canada's heritage. It is located near Summerland, BC and operates on a remaining 16 km section of track on the historic Kettle Valley Railway, which was constructed from 1910 to 1915. The 90-minute excursion travels through orchards and vineyards and includes a great view from the Trout Creek Trestle Bridge 238 ft. above the canyon floor. The train is pulled by a restored 1912 steam locomotive and has enclosed and open-air historic cars. Onboard activities include an observation game for kids, anecdotes and lively musical entertainment, so the excursion is oriented to the family market.



During the summer of 2009 this tourist tour train excursion operates twice daily five days a week (Thursday through Monday) from July 2nd to August 31st.

During the spring it operates Saturday/Sunday/Monday from May 16th to June 29th and in the fall from September 5th to October 12th. Various special excursions are also offered such as the "Great Train Robbery and BBQ", and Mother's Day, Father's Day and Christmas train excursions.

The Prairie Valley Station where passengers embark and disembark has a small snack bar and gift shop. All facilities are wheelchair accessible. Rates for the regular tours in 2009 are: adults \$20.95, seniors \$20, teenagers \$17 and children \$13. The rates for special excursions and packages are somewhat higher and the train can also be chartered by groups.

The Kettle Valley Railway typically operates with only a handful of full-time paid employees including a General Manager, Marketing Director, Station Manager, Operations Manager/Engineer, and Apprentice Engineer. There are also some part-time employees (a conductor and 2 brakemen) and a few students hired in the summer. The Society has done its own restoration of its two steam engines and rolling stock, using employees and volunteers.

On an overall basis the KVR operates at approximately 50% capacity. As of 2007 they are installing washrooms in the passenger coaches. The train typically runs with up to five cars including 3 enclosed coaches and 2 open-air cars in the summer, enabling them to accommodate up to 270 people on the summer excursions (about 160 in the off-season). We estimate that annual passenger volumes are in the 12,000 to 14,000 range.

Kamloops Heritage Railway – Kamloops, BC

This is also run by a non-profit heritage railway society based in Kamloops. The railway operates from the end of April to the end of October, primarily on weekends and also offers several “The Spirit of Christmas” rail tour excursions during the two weekends prior to Christmas.

The principal excursion offered is the *Spirit of Kamloops* Rail Tour, which operates on Mondays, Fridays and Saturdays from July 3rd until August 31st in 2009. The rail tour takes 1 hour and 10 minutes and is a short 11 km round-trip on the CN Okanagan subdivision. Passengers travel in a 1930s heritage coach or custom-designed open-air cars and the train is washroom equipped, has a PA system, and some commentary is provided. The tourist train excursion departs from the restored 1927 CN station near downtown Kamloops and even includes a re-enactment of the famous 1906 Train Robbery by the Bill Miner gang that actually did take place in the area. The excursion is economically priced at \$17 for adults, \$15 for seniors, \$13 for youths and \$9.50 for children. The railway also offers *Ghost Train* rail tours during late October and the *Spirit of Christmas* Rail Tours on the two weekends prior to Christmas.



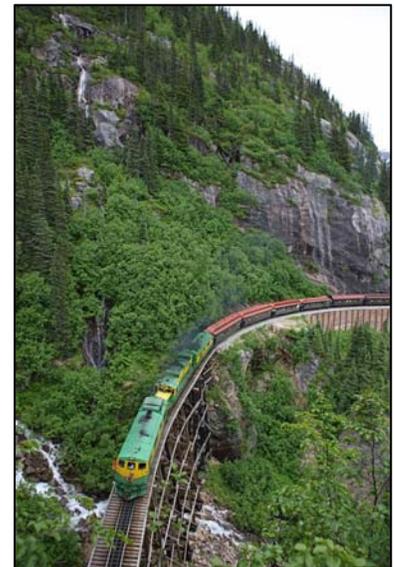
The train has a capacity of 220 passengers and load factors are in the 70-80% range. This means that in the range of 5,500 passengers per season are carried on the *Spirit of Kamloops* excursion. Approximately 2,000 or more additional passengers are carried on the four *Ghost Train* excursions operated in October and nine *Spirit of Christmas* excursions operated in December.

The railway has very few full-time employees and relies primarily on its many members to volunteer their services for ongoing maintenance and operations – the volunteers donate an estimated 12,000 hours annually. The tourist train operation has been sustained, since it started in 2002, by this high level of volunteerism along with some government grants and private donations.

4.2 White Pass and Yukon Railway

This historic railway started construction in 1898 during the Klondike Gold Rush and was initially used to transport prospectors and miners to the Klondike gold fields. It travels on a spectacularly scenic route through the St. Elias Mountains, North America’s highest, where peaks can be 18,000 feet or more – much higher than the Canadian Rockies. The tourist train excursions offered by the railway from Skagway, Alaska, combine spectacular scenery with the history of the Gold Rush.

The railroad is based in Skagway, Alaska, but it is a wholly-owned subsidiary of a Toronto-based company, Tri-White Corporation, which is traded on the Toronto Stock Exchange. The White Pass Railway operation is highly profitable and provides substantial cash flow to Tri-White Corporation.



Tourist Train Excursions Operated

The WPYR tourist train excursions operate from May 4th to September 23rd in 2009. The operating characteristics vary for each excursion:

- **White Pass Summit Excursion.** This 3-hour round-trip operates twice a day departing at 8:15 am and 12:45 pm, from May 4th to September 23rd. A third daily trip is offered at 4:30 pm Monday through Thursday during that same time period. The adult fare for this excursion is \$103 U.S. It is a fully narrated sightseeing excursion featuring two tunnels, spectacular trestles, historic sites and outstanding scenery throughout.
- **Lake Bennett Excursion.** This longer all-day trip is operated on Fridays and Saturdays only, from June 4th to August 28th, using a diesel locomotive on Fridays and a historic steam locomotive on Saturdays. The adult fare is \$135 U.S. on Fridays and \$160 U.S. on Saturdays. It has a duration of 8.5 hours and includes a two-hour stop at Lake Bennett, for a walking tour of this historic site. The fare also includes a box lunch.
- **Skagway to Whitehorse.** This is operated as a one-way excursion and includes the narrated train trip from Skagway to Fraser, BC (or vice-versa) plus a motorcoach trip between Fraser and Whitehorse. The total excursion time is 5 hours. The adult fare is \$95 U.S. for a one-way trip.
- **Chilkoot Trail Hikers Service.** This operates from Lake Bennett to Fraser or Skagway by train, or to Whitehorse by bus. It is really a shuttle service for hikers who have climbed the Historic Chilkoot Trail, following the route of the gold stampede of 1898. This service is offered June 1 to September 10th and fares range from \$35-\$80 U.S. one-way, depending on which destination and day of the week.

Rolling Stock and Locomotives

The WPYR currently has a total fleet of 69 cars, many of which are historic and built as early as 1883. More recent years in which several cars were built to add to the fleet included 1969, 1976, 1993, 1998, 2001 and 2004. The older cars have been refurbished and the newer cars built in the traditional turn-of-the-century style so they look similar to the originals. There are an average of 40 seats in each car.

There is no meal service offered onboard, so there are no dining cars. The railway also has a fleet of 20 diesel-electric locomotives plus two steam engines. Depending on train length, three or four engines can be required for a single train as the ascent to the White Pass Summit is considered steep by rail standards. The diesels date mainly from the 1950's and 1960's with a few built in the 1970's and the newest one in 1982.

Ridership and Revenue

Since 1988 the WPYR has been run strictly as a tourist attraction and has become phenomenally successful by catering to the extensive cruise ship traffic that docks in Skagway. The Railway runs the port operation there and has expanded the docks to handle larger ships. At times three or four large cruise ships are docked simultaneously at Skagway, which increases the local population several-fold.

Up to four excursion trains are operated per day, and the record number of daily passengers is well over 6,000. Total ridership for the 2008 tourist season (May-Sept.) was 438,000 passengers, indicating how successful this operation is. Total revenue for 2008 was \$29.8 million and the railway is a highly profitable tourist train service.

4.3 Tourist Trains Sustained for Decades in Ontario

In Northern Ontario there are two well-known tourist train operations that have been in operation since the 1960s and 1970s – the *Agawa Canyon Tour Train*, based in Sault Ste. Marie, and the *Polar Bear Express*, based in Cochrane.

Agawa Canyon Tour Train – Sault Ste. Marie, Ontario

This all-day (8 hours+) tourist train excursion on the Algoma Central Railway (now owned by CN) is legitimately marketed as a “wilderness train trip”. The excursion generally lives up to this expectation as the trip provides continuing opportunities throughout the day to view the natural beauty of Northern Ontario, as well as various sights of historic and cultural significance. The *Agawa Canyon Tour Train* combines the appeal of “riding the rails” with an opportunity to sightsee in a scenic part of Northern Ontario (north of Lake Superior) in a relaxing way.

This authentic railway experience is further enhanced by the on-board commentary and information handouts, along with the opportunity to have breakfast and lunch in the dining car. The two-hour sightseeing/hiking stop at the Agawa Canyon (in a Provincial Park) offers a scenic destination with plenty of opportunity to experience a bit of Northern Ontario’s attractive natural environment first-hand. There is an observation deck with a panoramic view of the Canyon for those who climb the 300 steps. Other activities at the Canyon include:



- **Walking trails.** Several other trails offer scenic walks through the Boreal Forest to attractive waterfalls and other viewpoints with interpretive signage provided.
- **Gift shop.** This is provided in a converted railway car at the Canyon and is popular with passengers, offering a range of souvenir items.
- **Snack bar/canteen.** This offers beverages and light snacks during the stay at the Canyon.
- **Picnic tables.** Many visitors bring a box lunch often provided by the hotel or motel they are staying at (or purchases on the train), and can sit at the picnic tables scattered throughout the park in the Canyon.

Rolling Stock

The rolling stock currently used by the *Agawa Canyon Tour Train* are 1953 vintage standard rail coaches, which would have originally been used by CN or CP Rail when they were in the passenger business. The current fleet of passenger cars consists of 24 coaches, 2 dome cars, 2 dining cars, and 8 baggage cars. A number of the cars have fallen into disrepair and have been cannibalized for parts, so only 16 of the coaches are being actively used, along with the dome cars and the dining cars.

Through a partnership with the Ontario Government CN (owner of the ACR) is spending \$10 million on newly refurbished equipment to be introduced in 2009 and 2010. This includes 8 coaches, 3 locomotives, 2 café/ lounge cars, 3 club cars and 1 presentation coach.

The size of the train varies significantly depending on the level of demand, with much larger trains operating during the 6-week fall foliage season in September and October. The train's consist typically includes:

- 1 or 2 locomotives, depending on length of train
- 6 - 20 regular passenger coaches, depending on demand and coach availability
- 1 or 2 dining cars depending on the size of the train
- 1 or 2 dome cars, offering premium seating at a higher price

Ridership and Rates

Annual Tour Train ridership peaked in 1981 at more than 106,000 passengers. The last time ridership exceeded 100,000 was in 1987 and during the 1990s it ranged from 70,000 to 90,000 annually. Since 2000 ridership has been in significant decline and in recent years has ranged from 50,000 to 60,000 passengers annually. The ACR is hoping to reverse this ongoing ridership decline by introducing the new rolling stock in 2009 and 2010.

For 2009 the adult prices for the Tour Train are: \$70 (Jun 9 to Sep 11) or \$90 (Sep 12 to Oct 12). The higher prices are for the popular fall colour season.

Polar Bear Express – Cochrane, Ontario

The Ontario Northland Railway's *Polar Bear Express* made its inaugural run from Cochrane to Moosonee in 1964. Since then it has been carrying many thousands of travellers on this excursion train each summer.

This is an all-day roundtrip excursion travelling north almost 300 kilometres to the sub-Arctic community of Moosonee, located on James Bay. The total duration of this all-day trip is thirteen and-a-half hours, including a 5-hour stop at Moosonee, where passengers can wander on their own or take guided tours of Moosonee and nearby Moose Factory Island, home to the Moose Cree and Mocrebec First Nations. The train follows a very historic route and features relatively low key Northern Ontario wilderness scenery including sub-Arctic landscapes, along with the Aboriginal experience in Moose Factory.



Rolling Stock

Like the *Agawa Canyon Tour Train*, the core rolling stock is 1950s vintage standard rail passenger coaches that were once used by CN. In addition to these coaches, the train normally operates with four additional specialty cars, which include a Dining car, a snack car, a souvenir car and an entertainment car.

In 2004 Ontario Northland purchased additional, more upscale rolling stock to be integrated with the *Polar Bear Express* fleet. This consisted of ten cars from BC Rail's former *Pacific Starlight Dinner Train*, which was discontinued in 2002. These cars consisted of 1 full dome car, 2 half-dome cars, 6 dining cars, 1 kitchen car and a power unit. Some of the dining cars were converted to passenger coaches.

Operational Characteristics

The *Polar Bear Express* tourist train has a much shorter operating season than the Agawa Canyon Tour Train, operating for just two months from June 29th to August 28th in 2009. It departs from Cochrane at 8:30 am and arrives Moosonee at 12:50 pm for a 5-hour stay, departing at 6:00 pm and arriving back in Cochrane by 10:05 pm.

For 2009 the adult round-trip fare is \$101.80, seniors are \$95.60, youths (12-18) are \$86.50 and children (2-11) are \$50.90.

The total annual ridership for the *Polar Bear Express* peaked at about 30,000 many years ago, but from the early 1990s to 2004 was primarily in the 11,000-13,000 range each summer. It has declined further since then. It should be noted that these *Polar Bear Express* tourist train passenger volumes are in addition to the regular scheduled passenger transportation service on the same route, which operates one-day north and the next day south, on a year-round basis. Tourists take this train during the spring and fall shoulder seasons when the *Polar Bear Express* round-trip tourist train excursion is not operating.

5. RESULTS OF INTERVIEWS WITH TOUR OPERATORS / CRUISE LINES

An important part of the primary research of this study was a series of telephone interviews with tour operators and cruise lines. Group tour and FIT (fully independent travel) operators would be a major potential source of business for any proposed tourist train excursion. Many tour operators include tourist trains or even regular scheduled inter-city train services in their itineraries, so it is likely that a significant number of group tours and FIT travellers could be booked by a successful tourist train excursion. The Pacific Wilderness Railway had started to penetrate this market when it operated.

Victoria has also become a major cruise ship port of call and for 2008 there are well over 200 stops being made by cruise ships in Victoria. The majority of the stops are at least for 6 to 8 hours, meaning that in most cases there is sufficient time to operate a tourist train excursion as one of the shore excursion options for cruise ship passengers.

5.1 Assessing Market Potential among Tour Operators

Our objective was to have discussions with a cross-section of at least 15 tour operators regarding their interest level in a potential new tourist train excursion on Vancouver Island, in order to gauge the market potential.

We contacted close to 30 tour operators during the interviewing process and were able to have discussions with a representative cross-section of 18 different tour operators of varying sizes and types including the following:

- Canadian-based group tour operators
- Canadian-based FIT operators
- U.S. based group tour operators
- U.S. based FIT operators
- Specialty rail excursion-oriented tour operators
- Canadian in-bound or receptive tour operators, primarily bringing visitors from overseas.

Characteristics of the Tour Operators Surveyed

The tour operators can be characterized by the types of tours they operate, quality/price market segments they cater to, the tour programs they offer, and how they promote their tours and packages.

- **Types of tours operated.** Approximately one-half of the tour companies interviewed specialize in group tours, while five primarily offer what are known as FIT tour packages – fully independent tours that are pre-packaged, but individuals travel on their own rather than with an organized group. The other tour operators interviewed offer both group tours and FIT packages.
- **Quality/price segments catered to.** Two of the tour operators interviewed offer deluxe packages and several others offer moderately priced packages. Approximately one-half of the tour operators we interviewed cater to several market segments ranging from budget/economy to deluxe, depending on the client's needs – this works well with FIT

packages where hotel accommodations can be offered at various price points and quality levels on any given itinerary.

- **Principal tour programs and destinations.** The Canadian Rocky Mountains appear to be the most prevalent destination in Western Canada offered by these tour operators, including places like Banff, Lake Louise, Calgary, and Jasper. In BC the most prevalent destinations include, Vancouver, Victoria and Whistler. Other popular BC destinations include Vancouver Island, the Inside Passage, Tofino, Nanaimo, Campbell River, Parksville, and Port Hardy. All of the tour operators interviewed include Victoria in one or more of their itineraries. Seven of the tour operators interviewed include rail travel with VIA Rail and/or *Rocky Mountaineer*TM in their itineraries.
- **Marketing of tours and packages.** The most prevalent means of marketing the tours and packages used by the tour operators interviewed are, in order: website, brochures/catalogues (electronic and print), travel shows, e-mail lists/mailings, newsletters, local and word of mouth promotion. Specific marketing to the travel trade is also done by distributing wholesale tariffs to through travel agents, tour wholesalers and incentive travel agencies. The majority of the tour operators interviewed tended not to do consumer advertising, relying more on the Internet and direct contact with prospective customers.

Characteristics of the Tour Operators' Customers

In the interviews we gathered information about the principal origins of the tour operators' customers, their demographics and the types of attractions and activities they are interested in. These findings are summarized below:

- **Origins of tour passengers.** Half of the tour operators interviewed indicated they had a major customer base in the United States. The next most prevalent customer origin region was Europe overall, followed by Australia/New Zealand (mainly Australia), Canada and the United Kingdom, in that order.
- **Demographics of tour passengers.** The vast majority of customers for most of the tour operators are seniors and mature travellers (50 or 55 years of age and older). Four of the tour operators interviewed indicated they catered to people 35 years and older and three mentioned that they were also catering to the student market.
- **Types of attractions and activities of interest to clientele.** The principal attractions and activities identified in this line of questioning included soft adventure activities, whale watching, culinary and educational experiences, historical sites and museums, (e.g. Royal BC Museum), train excursions, nature and scenery, wildlife viewing, and Butchart Gardens.

Extent to which Tour Operators Already Include Tourist Train Excursions

Approximately one-half of the tour operators interviewed currently include tourist train excursions in their tour itineraries and one operator includes scheduled inter-city passenger rail travel. The other tour operators do not usually include rail excursions or rail transportation components. Of the tour operators that do already include rail excursions, seven operators have included VIA Rail trains and/or the *Rocky Mountaineer*TM in their itineraries. Two operators had in the past included the Pacific Wilderness Railway excursion that used to go up to the Malahat in 2000-2001. Their criticisms of the former Pacific Wilderness Railway train excursion primarily related to the lack of scenery – passengers could not see the water and mountains because of all the bushes and trees along the right-of-way.

Likelihood of Including Victoria-based Tourist Train in Itineraries

Eleven of the tour operators interviewed indicated that they would consider including the proposed E & N Tour Train excursion in their itineraries, provided that it met their specifications in terms of quality, price and features (It is important to note that having good scenery along the route would likely be a key factor here, so the apparent interest level may be significantly overstated.) A few of these tour operators further qualified that it would be essential for the tour to be operated on a frequent or daily basis, in order to best synchronize with their itineraries. Three of the operators indicated they would “probably include” the proposed excursion, while some were not interested at all. One FIT operator indicated they would suggest it as an option and it would be up to their clients to make the decision.

The tour operators were split on the question of whether a steam train would enhance their interest in this excursion – about half felt it was important while the other half indicated it did not matter. Some of the tour operators that preferred the steam train option cater to railway enthusiasts, but they realize steam engines are expensive to operate and not always reliable.

Potential for Including a Courtenay/Comox Tourist Train Excursion

In general, the tour operators felt that this destination was not as well known, so there was significantly less interest in including it. Two operators said they would consider it, especially if it was linked to the ferry in Nanaimo. One other suggested they may use it for school groups and one said they definitely would not include it. Four tour operators said they definitely would include it (one already includes the fossil museum in Courtenay) and two said they would prefer a train to Qualicum Beach. Some of the operators wondered if it would be possible to take the train to Campbell River, which is a better-known destination or Port Hardy (to connect with the ferry to Prince Rupert).

Tour Operators’ Product, Service and Price Expectations

The tour operators interviewed were asked what types of attractions and services should be included, how long the tour train excursion should be, and how much they would be willing to pay as a net rate per person for a half-day or full-day tour. The results are reported in the following paragraphs:

- **Key onboard features to be included.** Nearly all of the tour operators interviewed thought it was important to include meals onboard, (one mentioned breakfast), a commentary on the passing scenery and information on the history of the railway.
 - Menus should feature locally-grown foods, healthy meals with a West Coast flavour and even Nanaimo bars were mentioned.
 - Entertainment was not considered a necessity, especially if it increased the price, and there was a feeling that some of the non-English speaking clientele might not understand what was going on. The playing of background music was suggested by one tour operator.
 - Handouts of the commentary (perhaps have a German version available as well) and knowledgeable people on board, (even local high school students as ambassadors) were more important.
- **Attractions/activities to include.** Suggestions made include the following:
 - Almost three-quarters of the operators felt that a visit to a winery should be included although a few said no and one thought it would depend on the group. Tourists visiting

the wineries may have problems taking wine back in their luggage if their trip involves air travel, and this would need to be addressed.

- Several tour operators also indicated that some type of shopping opportunity or chance to buy souvenirs or train memorabilia could be available as part of the excursion. The others felt that shopping would best be done in Victoria and did not think it was a crucial component.
- Transfers from downtown Victoria hotels to the station and from Duncan hotels should be included.
- **Other onboard amenities and features.** The tour operators felt there should be a choice of seating with comfortable seats that recline and accessibility for boarding seniors was important. Passengers want to enjoy the scenery and take pictures, so large viewing windows by each seat are an important feature – dome cars and open air viewing cars are an added bonus.
- **Length of tourist train excursion.** There was a slight preference for an all day tourist train excursion of 6-8 hours in length, although the tour operators interviewed were essentially split in their preference for a full-day versus half-day excursion. This suggests that both half-day and full-day excursions would need to be offered to effectively tap into the tour operators market segment.
- **Amount willing to pay for a half-day or full-day tour train excursion.** For a half-day tour train excursion, tour operators indicated they would be willing to pay a net rate in the \$50 - \$100 range per person. For the full-day tour a net rate per person in the \$100 to \$150 range or higher may be possible, especially if an overnight in a hotel was included. Most admitted they were dealing with a price-sensitive clientele with many preferring to travel in September when hotel rates are not as high.

Regarding how far in advance they plan their itineraries, most tour operators indicated at least a year, because of producing brochures or catalogues, and only two had a quicker turn-around time of a month to 90 days for FIT clients.

Other Observations Regarding Tour Operator Requirements

It appears there is some potential to tap into market demand from a significant cross-section of tour operators, of which there are hundreds that visit Vancouver Island at least once every few years. The tour operators have a preference for a high-quality, full-service tour train excursion that would include a visit to a winery and offer first class amenities, meals and service, although the exceptionally high standard and cost of the *Rocky Mountaineer™* excursion is not expected. In fact, the market among tour operators, similar to consumers, is for a much more moderately priced excursion, and the tour operators seemed realistic in terms of the more modest on-board amenities and services that could be offered. However, the equipment cannot be run-down looking or poorly maintained and everything must operate to schedule.

- There was some concern that sufficient passenger volume may not be there to make a tourist train financially viable, in part because Americans are not travelling as much.
- Some tour operators noted that FIT clients with rental cars may not be interested in the train excursion, as they are already paying for their cars.
 - Approximately 75% of FIT clients use campers and cars and, because they are travelling independently they do not pre-book a lot of activities, except specialized whale watching and wildlife viewing excursions.

- The FIT clients are more independent and it is difficult for the tour operators to do more than suggest or put train excursion on an “options list” and then it is up to the individual(s) to purchase or not.
- Some tour operators that were interviewed indicated that they were only interested in a train going from Victoria to well-known destinations such as Campbell River or Tofino (not on the railway line) and one similar to the domed train that travels between Anchorage and Fairbanks, Alaska.
- The current VIA Rail dayliner service is used by and is considered adequate by some tour operators, so continuation of this or a similar service would provide direct competition to any new tourist train service, making it much more difficult to achieve a viable operation.

5.2 Market Potential for Cruise Line Shore Excursions

The purpose of the cruise line interviews component of the study was to assess the market potential for an E & N tourist train as a shore excursion for the various cruise lines that already bring passengers to Victoria.

We contacted and had discussions with officials responsible for planning shore excursion programs at the following cruise lines:

- Celebrity Cruises and Royal Caribbean Cruise Line – Miami, Florida
- Cruise West – Seattle
- Holland America Cruises – Seattle
- Norwegian Cruise Line – Miami, Florida
- Princess Cruises – San Francisco

These six major cruise lines are based in the U.S. and handle clients from all across the U.S. and Canada. They account for the vast majority of cruise ship activity in Victoria during 2009, as is evident in the following table in Table 5.1. Some of the cruise lines have a few or several ships operating on the Alaska Cruise run and, as shown, sometimes the same ship operates a number of different itineraries, so the timing in port varies by specific sailing.

Table 5.1: Summary of Cruise Ship Activity at Victoria’s Cruise Ship Terminal

Cruise Line	Name of Ship	Passenger Capacity	No. of Calls	Victoria Arrival/Departure	Hours in Port
Carnival Cruise Lines	Carnival Splendour	3000	1	12:00 / 22:00	10
			1	08:00 / 23:59	16
			5	12:00 / 23:59	12
Celebrity Cruise Line	Celebrity Mercury	1870	1	17:00 / 1870	6
	Celebrity Infinity	2000	1	11:00 / 20:00	9
			1	15:00 / 21:00	6
			17	14:00 / 22:00	8
	Celebrity Mercury	1870	2	10:30 / 18:00	7.5
			6	08:00 / 18:00	10
			1	08:00 / 17:00	9
Celebrity Millennium	2034	1	10:00 / 18:00	8	
		1	08:00 / 17:00	9	
Cruise West	The Spirit of Endeavour	102	5	08:00 / 04:00	20
Crystal Cruises	Crystal Serenity	1080	1	07:00 / 17:00	10

Cruise Line	Name of Ship	Passenger Capacity	No. of Calls	Victoria Arrival/Departure	Hours in Port
Hapag-Lloyd Line	Hanseatic	184	2	08:00 / 23: 59	16
Holland America	Amsterdam	1380	2	08:00 / 23:00	15
			20	18:00 / 23:59	6
	Ryndam	1250	1	12:00 / 23:30	11.5
			1	07:00 / 14:00	7
	Westerdam	1916	20	18:00 / 23:59	6
	Statendam	1270	1	07:00 / 22:00	15
			1	07:00 / 14:00	7
Holland America	Veendam	1250	1	07:00 / 16:00	9
	Zaandam	1440	21	19:00 / 23:59	4
Princess Cruise Lines	Island Princess	1950	1	08:00 / 23:59	16
			19	18:00 / 23:59	06
	Golden Princess	2600	1	06:00 / 16:00	10
	Sapphire Princess	2600	1	08:00 / 23:59	16
	Star Princess	2600	18	17:00 / 23:59	7
	Pacific Princess	688	9	17:00 / 23:59	7
	Sea Princess	1950	1	05:00 / 11:00	6
Norwegian Cruise Line	Norwegian Pearl	2400	19	18:00 / 23:59	6
			10	06:00 / 14:00	8
Norwegian Cruise Line	Norwegian Star	2200	1	08:00 / 17:00	9
Residensea Inc.	The World	1090	1	08:00 / 13:00	5
Royal Caribbean	Mariner of The Seas	3114	1	12:00 / 22:00	10
			1	07:00 / 17:00	10
			1	11:00 / 22:00	11
			4	12:00 / 23:59	12
	Serenade of The Seas	2500	1	08:00 / 17:00	9
	Rhapsody of The Seas	2000	18	09:00 / 18:00	9
	Radiance of The Seas	2500	1	08:00 / 15:00	7
Silversea Cruises	Silver Shadow	350	3	10:00 / 17:00	7
			2	12:00 / 23:59	12
			1	13:00 / 23:59	11
			1	09:00 / 15:00	6
			1	09:00 / 23:59	15
			1	08:00 / 14:00	6

Source: Compiled from Port of Victoria's Cruise Ship Schedule for 2009

All of these cruise lines are operating Alaska Cruise itineraries and Victoria is one of several ports of call in each case. The ships are in port at varying times of the day and night, as shown. Most of them are in port for 6 to 8 hours or more, and the majority stay at least 9 hours in port, so there is plenty of time for a potential 4-hour tourist train excursion.

The reality is that the majority of ships make their stops in Victoria near the end of their itineraries when passengers have already participated in a number of shore excursions at other ports, including the White Pass and Yukon Railway excursion at Skagway. This significantly reduces the potential for participating in such excursions at Victoria. Also, unless the cruise passengers have

visited Victoria previously, their primary interest is in seeing the city itself, along with one or two of its most famous nearby attractions such as Butchart gardens.

Level of Interest and Requirements of Cruise Lines

While at least one cruise line expressed some enthusiasm for developing a Victoria-based tourist train to offer as a shore excursion, the majority indicated very limited or no interest in this. Among the reasons given for the limited interest include:

- Some cruise lines indicated that the majority of their passengers do not want to spend time and money on these types of excursions, preferring to enjoy the onboard services, especially on shorter cruises.
- Limited time in port was another reason given, as some shore excursion planners felt that a 4-hour excursion works only when the ship is in port for eight hours or more, as two hours are used up just with disembarkation and re-embarkation of the passengers, given the large numbers involved.
- Some shore excursion planners indicated a strong preference for shore excursions that feature marquee attractions like Butchart Gardens, the Inner Harbour and Empress Hotel, as well as downtown shopping.

In terms of product and service expectations of the tourist train by the cruise line shore excursion planners that had at least some interest, the following points were made:

- The route must be scenic in order to be popular with the passengers.
- A good commentary must be provided, detailing the historical significance of the railway and the passing points of interest, and a route map should be handed out to passengers.
- Availability of onboard meals is not considered important (White Pass Yukon Railway does not offer meals onboard), especially considering the endless meals offered onboard the ships. However, the availability of snacks for purchase (or complimentary) is important.
- The tourist train excursion does not have to be a steam train.
- Including a visit to an appropriate attraction such as a winery would be beneficial.

The cruise lines all work at least 1 year in advance for planning their shore excursions. Rigid product specification guidelines need to be met including availability of adequate washrooms, wheelchair accessibility, insurance and other safety requirements.

6. CONSUMER TESTING OF TOURIST TRAIN CONCEPT

In addition to understanding the potential of a tourist train excursion from the points of view of tour operators and cruise lines, the concept was also tested directly with two groups of potential consumers – residents of Vancouver Island and visitors to the Island. Given the relatively low to moderate interest among tour operators and cruise lines, any potential tourist train excursion would need to appeal broadly to local residents and visitors to have any prospect of success.

6.1 Survey Process

A statistically valid random sample of at least 100 residents of Vancouver Island, as well as at least 100 visitors to the Island, was targeted in order to ensure reliable results that provide an indication of overall market potential. The original quotas were significantly exceeded with 156 survey completions from visitors to the Vancouver Island and 135 survey completions from Vancouver Island residents.

The overall approach was to intercept residents and visitors at convenient locations where the surveyor could administer the questionnaire. The surveys were administered in-person by third and fourth-year university students from University of Victoria at two locations: the downtown Victoria waterfront (near Tourism Victoria's Visitor Information Centre) and at Victoria International Airport.

The distribution of survey completion for both visitors and residents is shown in Table 6.1.

Table 6.1: Location of Surveys

Location	Visitors %	Residents %	Total %
Downtown Victoria Waterfront	56.4%	46.7%	51.9%
Victoria Airport	43.6%	53.3%	48.1%
Total	100.0%	100.0%	100.0%

Source: Survey of Vancouver Island Visitors and Residents, June 2009

This indicates that Victoria Airport was the best location to intercept residents (usually while waiting for incoming passengers) and the downtown waterfront was a more effective location for intercepting visitors.

6.2 Visitor Origins / Place of Residence

Both visitors and residents were asked for their permanent place of residence and the results are shown in the tables of Table 6.2.

Table 6.2: Place of Residence of Respondents

Visitors to Vancouver Island

Place of Residence	%
Lower Mainland	14.1%
Other BC	16.0%
Alberta	21.8%
Other Provinces	19.2%
U.S.	16.0%
Europe	8.3%
Other Countries	4.5%
Total	100.0%

Vancouver Island Residents

Place of Residence	%
Victoria	73.3%
Other Communities on Island	26.7%
Total	100.0%

Source: Survey of Vancouver Island Visitors and Residents, June 2009

BC was the largest source of visitors, accounting for a total of 30.1% of those surveyed, followed by Alberta (21.8%). Other provinces accounted for almost one-fifth (19.2%) of those surveyed, followed by 16% from the U.S., 8.3% from Europe and 4.5% from other countries. As this distribution pattern is reasonably similar to the overall tourism market for the Victoria area, we are comfortable that a representative cross-section of visitors was surveyed.

As shown, the majority of the residents surveyed (73.3%) live in Victoria itself, while the remainder (26.7%) reside in various communities throughout the Island.

6.3 Visitor Travel Party Size and Composition

This question was only applicable to visitors and the results are shown in Tables 6.3 and 6.4. The most predominant travel party size was one person (41.9%), followed by parties of two people (35.5%). Smaller proportions were travelling in groups of three or four people (totalling 21.3%), with only 1.3% in travel parties of five or more.

Table 6.3: Travel Party Size for Visitors

No. in Travel Party	%
1	41.9%
2	35.5%
3	17.4%
4	3.9%
5 or more	1.3%
Total	100.0%

Source: Survey of Vancouver Island Visitors and Residents, June 2009

Table 6.4: Travel Party Composition for Visitors

Type of Travel Party	%
Adults only	91.7%
Adults with Children	8.3%
Total	100.0%

Source: Survey of Vancouver Island Visitors and Residents, June 2009

Travel party composition, shown in Table 6.4, indicates that almost 92% of the travel parties were adults only and only 8.3% were adults travelling with children. This is indicative of a strong adult couples and singles market during the spring shoulder season when the survey was done. During July and August the family market is typically a much larger component of overall visitation.

6.4 Trip Characteristics of Visitors

Four of the questions asked of visitors were designed to better understand their trip characteristics such as trip purpose, trip length, and the attractions/ activities they are most interested in.

The main trip purpose for the visitors surveyed is shown Table 6.5, which indicates that a significant proportion (43.2%) were on vacation, followed by those whose main purpose was visiting friends and relatives (25.8%). Business travellers accounted for 16.1% of those surveyed, while those travelling to/from a seasonal home or on shopping/personal business trips accounted for less than 6% in each case.

Table 6.5: Trip Purpose for Visitors

Main Trip Purpose	%
Vacation/Recreation	43.2%
Business	16.1%
Visiting Friends/Relatives	25.8%
Travelling to/from Seasonal Home	5.8%
Shopping/Personal business	5.2%
Other	3.9%
Total	100.0%

Visitors were also asked about the length of the trip they were taking overall and how many days of that trip are actually spent on Vancouver Island. These results are shown in Tables 6.6 and 6.7. Approximately 45% of all trips were in the 4-7 days range, while about one-fifth (19.6%) were 1-3 days in total length. Another 17% were on trips of 8-14 days in length.

Table 6.6: Total Trip Length for Visitors

Total Trip Length	%
1 day	2.0%
2-3 days	17.6%
4-7 days	45.1%
8-14 days	17.0%
15-30 days	9.2%
31-90 days	5.2%
Over 90 days	3.9%
Total	100.0%

Source: Survey of Vancouver Island Visitors and Residents, June 2009

In terms of the time spent on Vancouver Island on these trips by visitors the pattern is fairly similar with 48% indicating they spent 4-7 days on the Island, followed by 28.9% spending 1-3 days (see Table 6.7).

Table 6.7: No. of Days Spent on Vancouver Island by Visitors

No. of Days on Vancouver Island	%
1 day	3.9%
2-3 days	25.0%
4-7 days	48.0%
8-14 days	11.2%
15-30 days	6.6%
Over 30 days	5.3%
Total	100.0%

Source: Survey of Vancouver Island Visitors and Residents, June 2009

The table in Table 6.8 shows the top fifteen attractions and features on Vancouver Island that the visitors surveyed are interested in. Hiking, beaches and Butchart Gardens were the three most mentioned attractions and features, indicating a strong outdoor orientation. Urban activities such as bars, restaurants and shopping were also mentioned by many.

Table 6.8: Top 15 Attractions/Activities Identified by Visitors

Attraction/Activity	%
1. Hiking	28.3%
2. Beaches	26.3%
3. Butchart Gardens	21.1%
4. Ocean	16.4%
5. Inner harbour/waterfront	16.4%
6. Restaurants/bars	15.8%
7. Shopping	15.1%
8. Sailing/cruises/yacht club	14.5%
9. Scenery/greenery/natural environment	13.2%
10. Museums and art galleries	13.2%
11. Water sports (e.g.- surfing, kayaking, scuba)	11.8%
12. Whale-watching	10.5%
13. Heritage buildings	9.9%
14. Wineries	8.6%
15. Tofino/Long Beach/west coast	7.9%

Source: Survey of Vancouver Island Visitors and Residents, June 2009

6.5 Previous Tour Train Experience

As shown in Table 6.9, only 13.6% of visitors and 22% of residents indicated they had previously taken a tourist train excursion.

Table 6.9: % of Visitors and Residents Who Have Been on a Tour Train

Response	Visitors %	Residents %
Yes	13.6%	22.0%
No	86.4%	78.0%
Total	100.0%	100.0%

Source: Survey of Vancouver Island Visitors and Residents, June 2009

The reason the proportion is higher for residents than visitors is likely because of the presence of several existing and previous tourist train excursions in BC. Currently the Alberni Pacific Railway, Whistler Mountaineer (and previously the Royal Hudson Steam Train), Rocky Mountaineer, Kettle Valley Railway, and Kamloops Heritage Railway are all operating in the province.

Approximately one-third of the residents and non-residents overall who have taken tour train excursions previously had done so in BC, while approximately 26% had taken train excursions in other provinces or the U.S., and an additional 41% of the excursions referred to were in overseas countries (mainly Europe and, to a lesser extent, Australia).

6.6 Likelihood of Purchase and Desired Characteristics of Tourist Train Excursion

Visitors and residents were asked questions about how likely they would be to purchase a tourist train excursion on southern Vancouver Island, if it were available, the types of services, amenities and features they would like to see on this type of excursion, as well as the preferred length in hours. The results are shown in Tables 6.10, 6.11, 6.12 and 6.13.

As shown in Table 6.10, there appears to be a moderate level of interest in purchasing a southern Vancouver Island tour train excursion from both visitors and residents. Only 16.8% of the visitors surveyed indicated they “definitely would” purchase a tourist train excursion if it were available. For residents this interest level was even lower at only 15% of those surveyed.

Table 6.10: Likelihood of Purchasing a Victoria to Duncan/Chemainus Tourist Train Excursion

Likelihood of Purchase	Visitors %	Residents %
Definitely would purchase	16.8%	15.0%
Probably would purchase	41.3%	33.1%
May or may not purchase	25.8%	25.6%
Probably would not purchase	11.6%	12.8%
Definitely would not purchase	4.5%	13.5%
Total	100.0%	100.0%

Source: Survey of Vancouver Island Visitors and Residents, June 2009

The interest at the “probably would purchase” level was much more significant at 41.3% for visitors and 33.1% for residents. However, in this type of consumer survey question, respondents typically overstate their real intentions to purchase, so we recommend downgrading the responses by one category for a more realistic interpretation of the results. In other words, those who say they “definitely would purchase” in reality are more likely to fit into the “probably would purchase” category and those who say they “probably would purchase” are more likely to fit into the “may or may not” purchase category. Similarly, those who say they “may or may not purchase” in reality “probably would not purchase”.

Interpreting Table 5.10 in this manner means that the proposed tourist train excursion is by no means a sure thing in this market, which mirrors the findings of the interviews with tour operators and cruise lines. There is clearly some potential, but it may not be substantial enough to justify a large-scale investment. If the “definitely would purchase” percentages had been 50% or higher, then we believe the marketplace potential would likely be significant.

Our interviews with operators of other tourist train excursions have indicated that the excursions using steam engines rather than diesel tend to be more popular. We decided to test this assertion in the consumer survey and the results are shown in Table 5.11. More than 57% of visitors and residents indicated they would be more likely to purchase if it was a steam train excursion.

Table 6.11: % of Visitors and Residents More Likely to Purchase if a Steam Train Excursion

Response	Visitors %	Residents %
Yes	57.3%	57.1%
No	42.7%	42.9%
Total	100.0%	100.0%

Source: Survey of Vancouver Island Visitors and Residents, June 2009

The top three services, amenities and features that were strongly desired by both visitors and residents are shown in Table 6.12:

- Meals on board (73.8% of visitors and 81.0% of residents)
- Visit to winery (65.5% of visitors and 62.9% for residents)
- Commentary (45.5% of visitors and 61.0% of residents).

The patterns are fairly similar for visitors and residents, as shown.

Table 6.12: Types of Services/Amenities/Features Desired

Service/Amenity/Feature	Visitors %	Residents %
Meals on Board	73.8%	81.0%
First Class Seats	13.1%	8.6%
Entertainment	13.1%	18.1%
Commentary	45.5%	61.0%
Visit to Winery(s)	65.5%	62.9%
Shopping	22.8%	26.7%
Visit to First Nation cultural centre	26.9%	25.7%
Visit to Chemainus heritage sites	25.5%	33.3%
Other	9.0%	6.7%

Source: Survey of Vancouver Island Visitors and Residents, June 2009

Regarding the preferred length of trip, the survey results clearly indicate that a half-day trip (3-4 hours) is by far the preferred trip length (49.6% of visitors and 60% of residents surveyed), as shown in Table 6.13.

Table 6.13: Desired Length of Excursion

Length of Excursion	Visitors %	Residents %
1-2 hours	8.2%	6.1%
3-4 hours	49.6%	60.0%
All day (6-8 hrs+)	36.1%	33.0%
Other	6.1%	0.9%
Total	100.0%	100.0%

Source: Survey of Vancouver Island Visitors and Residents, June 2009

More than one-third (36.1%) of visitors and 33% of residents indicated a preference for an all-day excursion of 6-8 hours or longer, indicating there is market potential for this trip length as well, although less than for the half-day excursion.

6.7 Potential for Nanaimo-Based Tourist Train

As shown in Table 6.14, there appears to be a relatively low level of interest in purchasing a tourist train excursion on the Nanaimo to Courtenay/Comox route. Only 6.4% of the visitors surveyed indicated they “definitely would” purchase a tourist train excursion along this route, if it were available. For residents the interest level was similarly low at only 6% of those surveyed.

Table 6.14: Likelihood of Purchasing a Nanaimo to Courtenay/Comox Tourist Train Excursion

Likelihood of Purchase	Visitors %	Residents %
Definitely would purchase	6.4%	6.0%
Probably would purchase	16.1%	17.1%
May or may not purchase	29.7%	27.6%
Probably would not purchase	25.2%	25.4%
Definitely would not purchase	22.6%	23.9%
Total	100.0%	100.0%

Source: Survey of Vancouver Island Visitors and Residents, June 2009

While it is possible that interest levels among visitors and residents may have been higher had the survey sample been based primarily in Nanaimo and further north on the Island, the size of the tourism market and population base is orders-of-magnitude smaller on this part of Vancouver Island, which would limit potential viability.

6.8 Tourist Train Fares Consumers are Willing to Pay

As a further market test of the tourist train concept visitors and residents were asked how much they would be willing to pay for a half-day or full-day tourist train excursion. The results are shown in Tables 6.15 and 6.16. As indicated, the most preferred price level for both visitors and residents for the half-day excursion is the \$30-\$60 range. Almost half of visitors surveyed and 72% of residents indicated \$30-\$60 or less. This implies that at a price level of more than \$50-\$60 per adult, large portions of the market would be eliminated.

Table 6.15: Amount Willing to Pay for Half-Day Excursion

Amount Willing to Pay	Visitors %	Residents %
Under \$30	10.1%	21.7%
\$30-60	38.1%	50.0%
\$61-80	25.9%	15.1%
\$81-100	17.3%	6.6%
Over \$100	8.6%	6.6%
Total	100.0%	100.0%

Source: Survey of Vancouver Island Visitors and Residents, June 2009

For the full-day excursion (see Table 6.16) the majority of those surveyed indicated the \$60-\$85 or \$86-\$120 range, implying that an all-day excursion of more than \$100 to \$120 would have the effect of eliminating large components of the market.

Table 6.16: Amount Willing to Pay for Full-Day Excursion

Amount Willing to Pay	Visitors %	Residents %
Under \$60	2.9%	12.0%
\$60-85	22.6%	29.6%
\$86-120	29.9%	31.5%
\$121-140	13.9%	11.1%
\$141-180	11.7%	4.6%
Over \$180	19.0%	11.1%
Total	100.0%	100.0%

Source: Survey of Vancouver Island Visitors and Residents, June 2009

From the results shown in Tables 6.15 and 6.16, it is also clear that visitors are willing to pay more than residents, which is consistent with marketplace realities.

6.9 Demographics of Respondents

To ensure that we surveyed reasonably representative cross-sections of the visitors' market and resident population, we recorded some demographic information. The results are shown in Tables 6.17, 6.18, 6.19 and 6.20 and indicate that the survey results are based on fairly representative samples of the southern Vancouver Island visitors' market and population base.

The highest level of education attained by the survey respondents is shown in Table 5.17, indicating that college and university graduates accounted for the majority of those surveyed (64.4% of visitors and 53.1% of residents).

Table 6.17: Highest Level of Education Attained by Respondents

Level of Education	Visitors %	Residents %
Some High School	0.0%	4.5%
High School Grad	5.9%	9.9%
Some College	7.2%	8.3%
College Grad	15.1%	16.7%
Technical Training	7.9%	4.5%
Some University	14.5%	19.7%
University Grad	32.2%	27.3%
University Post Grad	17.1%	9.1%
Total	100.0%	100.0%

Source: Survey of Vancouver Island Visitors and Residents, June 2009

The age group profile of the respondents is shown in Table 5.18. From this it is evident that the largest groupings were in the 35-44 and 45-54 age brackets (51.9% for visitors and 46.2% for residents). The proportion of respondents in the 55-64 and 65 and over age groups was notably higher for the residents (22.0%) than for visitors (14.3%), no doubt a reflection of Victoria's well-known attribute as a popular retirement city.

Table 6.18: Age of Respondents

Age Group	Visitors %	Residents %
18-24	13.6%	11.4%
25-34	20.1%	20.4%
35-44	29.2%	25.0%
45-54	22.7%	21.2%
55-64	10.4%	11.4%
65 and over	3.9%	10.6%
Total	100.0%	100.0%

Source: Survey of Vancouver Island Visitors and Residents, June 2009

As shown in Table 6.19, 43% of visitors and residents were employed full-time with the second largest category for visitors being self-employed (17%) Retired people were the second largest category for residents (almost 16%).

Table 6.19: Employment Status of Respondents

Employment Status	Visitors %	Residents %
Employed F/T	43.1%	43.6%
Employed P/T	11.1%	9.8%
Self-Employed F/T	17.0%	11.3%
Self-Employed P/T	3.9%	6.0%
Homemaker	3.3%	0.8%
Retired	9.2%	15.8%
Student	11.8%	11.3%
Unemployed	0.6%	1.5%
Total	100.0%	100.0%

Source: Survey of Vancouver Island Visitors and Residents, June 2009

Table 6.20 shows the income distribution of respondents. This indicates the visitors surveyed were somewhat more affluent than the residents surveyed, with almost one-quarter having incomes of over \$100,000 in the case of visitors, compared to only 5.7% for residents. This likely partly explains why the visitors indicate they are willing to pay more than did the residents.

Table 6.20: Income Levels of Respondents

Income Bracket	Visitors %	Residents %
Under \$25,000	14.5%	14.6%
\$25,000-50,000	17.8%	16.3%
\$50,001-75,000	16.4%	34.1%
\$75,001-100,000	27.0%	29.3%
Over \$100,000	24.3%	5.7%
Total	100.0%	100.0%

Source: Survey of Vancouver Island Visitors and Residents, June 2009

7. POTENTIAL FOR A NEW TOURIST TRAIN EXCURSION

The primary and secondary research reported on in the preceding chapters have provided an indication of the potential for one or more new tourist train excursions along the E & N Railway Corridor on Vancouver Island. As discussed, the most likely possibility for a new tourist train excursion would be a day trip and/or half-day trip based out of Victoria, to take advantage of the large tourism market, estimated at 3.5 million visits annually.

7.1 Assessment of Market Potential

The market research and analysis of this Study has provided evidence that there is some market potential for a new Victoria-based tourist train excursion on the E & N Railway line, but this potential is considered to be low to moderate. As a result, it may be difficult for a fully private sector profit-making venture to succeed, particularly if there is competition from the existing VIA Rail dayliner service or any future possible commuter rail or inter-city rail service.

The research results that support our overall conclusion are as follows:

- **Survey of visitors to Vancouver Island and residents indicated moderate potential.** The percentage of each group who indicated they would “definitely purchase” the excursion was relatively small at 17% and 15%, respectively. Furthermore the price points they would be willing to pay were relatively low with almost half of visitors and over 70% of residents only willing to pay \$60 or less for a half-day excursion and over half of visitors and almost three-quarters of residents willing to pay no more than \$120 for a full-day excursion. These are low price points relative to what the successful private sector tourist train excursions (e.g.- *Whistler Mountaineer*TM, White Pass & Yukon Railway) charge for half-day or full-day excursions.
- **Interviews with tour operators indicated low to moderate potential, depending on type of operator.** For major group tour operators this was often not viewed as a high-profile enough rail excursion to include in their itineraries, compared with the better-known and much more scenic *Rocky Mountaineer*TM and *Whistler Mountaineer*TM tourist trains. In general, the FIT operators were receptive to including a potential new Vancouver Island tourist train excursion as one of their many offerings to independent travellers, but this typically would not generate much volume for the railway.
 - Price points were again relatively modest and approximately \$50 to \$60 net rate for half day tour train excursion and \$100 to \$150 for a full day excursion.
 - It would be necessary to sell the tour train excursion to a large number of tour operators, which may be difficult given the numerous competitive attractions in Victoria and on Southern Vancouver Island.
 - Group tour operators would not be attracted if significant components of the excursion were handled by bus, as is being proposed, since they could arrange these components directly themselves using their own buses.
- **Potential to tap into cruise line shore excursion business is limited.** Most of the cruise lines we contacted expressed either no interest or only limited interest in the possibility of including a Victoria-based tourist train excursion in their offerings. As many of the cruises include the White Pass & Yukon Railway, it would be difficult to develop a product that would be comparable in terms of the overall visitor experience offered. Also, many of the

cruise ships are only in Victoria for the evening, from 6:00 pm to midnight, which is very awkward timing for this type of tourist train excursion.

While it would be possible to package a more effective itinerary than that which was offered by the Pacific Wilderness Railway in 2000-2001, it is likely that any new tourist train excursion developed would take a minimum of three to five years to significantly penetrate the market. Therefore, investors in a new tourist train operation would require sufficient operating capital to survive during this start-up period. Many major tourist attraction investments fail because of insufficient operating capital to fund the upfront marketing and promotion and the initial years of operating losses before the operation penetrates the market sufficiently to become profitable.

Preliminary Projection of Market Potential

We have developed preliminary overall estimates of market potential for a Victoria-based tourist train excursion, as shown in Table 7.1. The passenger volumes shown are based on being able to deliver a high-quality tourist train excursion for the price points that appear to be acceptable in the marketplace – \$50 to \$60 per person for half-day excursion and \$100 to \$120 per person for a full-day excursion.

The season for such an excursion would be May to October, the primary tourist season for Victoria and Vancouver Island. July, August and September would likely be the busiest months. Based on the experience of some comparable operations, it appears that approximately a 100-day operating season would be realistic – likely daily during July and August and only weekends or three days a week in May-June and September-October.

Table 7.1: Preliminary Estimates of Market Potential by Segment

Market Segment	No. of Passengers per Season	Basis for Estimate
Individual Visitors to Vancouver Island	4,000-5,000	• 40-50 per 100 operating days per season
Vancouver Island Residents	1,000-1,500	• 10-15 per 100 operating days per season
Group Tour Operators	1,200-1,500	• 40-50 group tours, averaging 30 per group
FIT Tour Programs	600-1,200	• 30-40 FIT tour operators booking average of 20-30 clients per season
Cruise Ship Shore Excursions	1,200-4,000	• 1-2 cruise lines booking shore excursions for 15-20 port visits, with 80-100 passengers purchasing per visit
Total	8,000-13,200	• Sum of the above

Source: Preliminary order-of-magnitude estimates by consultants

The estimates shown reflect the levels of interest that were apparent from the survey of visitors and residents, as well as the interviews with tour operators and cruise lines.

Assumptions behind Preliminary Projection

The preliminary projections noted in Table 7.1 re based on the following overall assumptions:

- A high-quality, four-hour tourist train excursion could be delivered for a price point in the \$50 to \$60 range per adult, including a light snack.

- The excursion would consist of a two-hour train ride, at least one hour of additional sightseeing features such as Quw'utsun' First Nation Cultural Centre, BC Forest Discovery Centre, visit to a winery, etc., plus a one-hour bus ride back to downtown Victoria.
- Variations on the main itinerary would be offered and schedules would be geared to market demand, with the highest volume of activity on weekends, holidays and during July and August.
- An aggressive multi-faceted marketing and promotional campaign should be implemented starting at least a year in advance and continuing on an ongoing basis.
- While the excursion may rely on a certain amount of volunteer labour to survive, there would be a core professional staff with good expertise in management, marketing and operations, to ensure product quality.
- The overall tourist train excursion product would be well-conceived, based on the product requirements listed in the following section.

7.2 Tourist Train Product Requirements

To achieve success in a very competitive marketplace, the new Victoria-based tourist train excursion would need to meet several key product specifications such as the following:

- Effective positioning as the "E & N Heritage Railway". The heritage theme would need to be extended to every aspect of the tourist train excursion including the look of the train inside and out, period uniforms/costumes worn by staff, and information provided in commentary and handouts.
- To enhance the likelihood of success a restored steam engine should be used to pull the train.
- Passenger coaches should be refurbished coaches from a suitable earlier time period (e.g. 1920s to 1950s) and should be painted outside to reflect the appropriate era, along with suitable interior design reflecting the heritage theme, which could be enhanced with period pictures and posters.
- Any on-board catering, such as a light snack or meal, should be high quality with a menu reflecting the heritage theming.
- A variety of packaging options and alternative itineraries would need to be offered. Much of the success of operations like the *Whistler MountaineerTM* and White Pass & Yukon Railway relate to the variety of ways in which the basic excursion is packaged with other tourism products and services. It may be appropriate to offer different schedules and itineraries on different days in order to cater to a wide range of markets.
- The overall cost structure must be modest and affordable. Labour costs can be significant, so it may be necessary to operate as a non-profit charitable society making use of extensive volunteer labour as is the case with the Alberni Heritage Railway, Kettle Valley Steam Railway, and the Kamloops Heritage Railway.

7.3 Revenue Potential

We have also prepared preliminary estimates of revenue potential for a new Victoria-based tourist train excursion. This is summarized in Table 7.2. As shown, based on passenger volume of 8,000 to 13,200 per season, as estimated in Table 7.1, annual fare revenues in the range of \$530,000 to \$850,000 may be possible, based on primarily operating half-day excursions, although with some full-day excursions available to cater to some markets.

Table 7.2: Preliminary Estimates of Revenue Potential by Market Segment

Market Segment	No. of Passengers per Season	Average Fare Revenue per Person	Total Revenue
Individual Visitors to Vancouver Island	4,000-5,000	\$75	\$300,000 - \$375,000
Vancouver Island Residents	1,000-1,500	\$65	\$65,000 - \$97,500
Group Tour Operators	1,200-1,500	\$55	\$66,000 - \$82,500
FIT Tour Programs	600-1,200	\$60	\$36,000 - \$72,000
Cruise Ship Shore Excursions	1,200-4,000	\$55	\$66,000 - \$220,000
Total	8,000-13,200	n/a	\$533,000 - \$847,000

Source: Preliminary order-of-magnitude estimates by consultants

Clearly a good tourist train operator could generate an extra \$100,000 to \$200,000 or more annually from additional food and beverage, gift shop and other merchandising revenue, which would help to further enhance viability.

This revenue base, however, is modest given the extensive marketing and operational costs that would be required to achieve these revenues. Assuming a 100-day operating season, the fare revenues noted above amount to only \$5,330 to \$8,470 per day to cover all marketing, administrative, staffing, operational, fuel and other costs.

The ability to achieve much higher price points is probably limited by the lack of great scenery and views along the railway right-of-way, which appears to be the key selling feature for the successful private sector tourist train ventures.

Continuation of the existing VIA Rail passenger service along the same rail route as proposed for the tourist train excursion would further reduce the potential viability of the tourist train. The successful and profitable private sector tourist train excursions essentially have a passenger rail monopoly on the routes they serve.

Therefore, we recommend that the following approach to integrating the tourist rail service with the regular inter-city passenger rail service be considered:

- The tourist train could be 2-4 cars added to the E+N VIA Rail service, as an upgrade, providing a unique experience onboard, such as a narrated commentary, 1 or 2 dome cars, food and beverage services, and upgraded/themed interior design.
- The wine tour connections and heritage attractions at key destinations could also be promoted.
- The 4-hour VIA Rail trip fare now is about \$50 per person. Based on the preceding analysis, there is up to \$25/person incremental revenue available for the use of upgraded tourist oriented railcars, plus further incremental revenue potential from meals, which are normally considered extras. Therefore, potential tourist revenue could be \$50+ per person on top of the base transportation fare currently collected.
- This tourist rail service could be coordinated with more frequent intercity E+N passenger service to provide rail return service for short turn trips.
- It may also be possible to promote a ferry connection in Nanaimo to provide a tourist rail service north of Nanaimo in a similar manner.

7.4 Potential of Other Alternatives

As part of our overall analysis we considered a number of other alternatives for providing tourism oriented rail services on Vancouver Island. This includes improving the existing passenger railway schedule to increase its tourism potential, the possibility of dedicated excursion trains such as a ski train to Mount Washington or theatre train to Chemainus or Victoria out of Nanaimo, and expansion of the existing tourist train operations of the Alberni Pacific Railway.

Improved Passenger Schedule

Recommendations have already been made in the preceding section on how to make improvements to the existing VIA Rail passenger service that would better cater to the needs of tourists and tour operators. In addition to these enhancements it is recommended that consideration be given to augmenting the existing passenger service schedule with additional passenger runs in order to increase schedule frequency and provide a greater variety of options. This would better cater to individual travellers, as well as those on group tours or fully independent travel (FIT) packages. Options to consider include the following:

- Offering an additional roundtrip daily train service based out of Courtenay, which would enable a second daily roundtrip option for travellers along the corridor.
- Another option for two train trips daily would be to have two trains originate in Nanaimo, one travelling southbound, one northbound and doing one or two roundtrips daily on those runs. It would be important under this scenario to ensure good connections in Nanaimo to enable daily trips along the entire corridor in either direction.

Clearly the potential of such schedule enhancements will be dependent upon the passenger traffic that can be generated. However, ridership has been increasing in recent years on the VIA Rail passenger service, in spite of the slow train speed, numerous level crossings, and lack of marketing/promotion and packaging. Therefore, we believe there is incremental potential for inter-city rail travel, and particularly for the tourism component.

Interviews conducted by Economic Growth Solutions Inc. with a cross-section of tour operators indicated clearly that tour operators are already using the existing VIA Rail service for group tours and FIT packages and would be able to expand upon this, with more frequently scheduled train trips. Operators familiar with the existing service indicated that the one train per day schedule is very restrictive when it comes to itinerary planning.

In addition to increasing the potential for group tours and FIT packages, improved passenger train schedules would equally benefit individual travellers, tourists and many Vancouver Island residents wishing to take day trips along the entire corridor or portions of it. If the schedule improvements led to an overall annual increase in ridership of even 20% (approximately 7,000 passengers annually), this would likely result in enhanced tourism economic impacts of \$1 million or more annually.

Ski Train to Mount Washington

The concept of a Ski Train from Victoria to Courtenay, catering to skiers who wish to access nearby Mount Washington has been examined previously. While the idea may appear to have merit at least superficially, the consulting team contacted the President and CEO of Mount Washington Alpine Resort, Mr. Peter Gibson, for input. Mr. Gibson noted that he had been involved in various meetings and movements to enhance train service for skiers and boarders over the past three decades. He noted the following:

- *“The same conclusion has been reached each time. Our winter customers are always in a hurry. The train just does not go fast enough, the schedule does not work and once passengers arrive in Courtenay, they then need connecting transportation to get to the Resort. Those not wanting to drive find it much easier and faster connecting with a bus in Victoria, which is a growing business especially after the Inland Highway was completed. Ski trains were very successful in the 1930s and 1940s in eastern Canada and the US. These trains left large urban centres on Friday nights and parked for the weekend next to snow fields and the party continued until their return on Sunday. Ski trains died out in the 1950s as ski resorts moved higher into the mountains and accommodation was provided on site.”³*

As a further verification of the conviction that this concept will not work, the consultants note that many similar discussions and proposals over the years have been made with reference to rail travel between Vancouver and Whistler. The idea of a faster train service along the Sea To Sky corridor to Whistler (if that were even physically possible) has been contemplated, but upon more detailed scrutiny has always been considered a non-viable proposition as most skiers have access to much faster and more convenient travel by bus or car (their own vehicles or rental cars).

The primary potential for rail travel on Vancouver Island in connection with skiing at Mount Washington is to develop packages that dovetail with the existing (or future enhanced) passenger rail schedule. These packages should include rail travel to and from Courtenay, connecting transportation to Mount Washington, accommodations and lift tickets. This type of package could be put together by tour operators, accommodation operators in Courtenay or at Mount Washington, by VIA Rail, and by the Mount Washington Alpine Resort.

Theatre Train to Chemainus or Victoria

Travel by the existing VIA Rail service to Chemainus or Victoria to take-in live theatre performances already occurs. This is offered by some tour operators and there are individual travellers (primarily Island residents) who take the train on a day trip or overnight basis to travel to and from live theatre performances. The Chemainus Theatre Festival has been built-up over the past decade into a very successful live theatre program, attracting residents from throughout Vancouver Island and many other travellers and tourists from off-island. In Victoria there are a number of successful live theatre operations offering performances year-round, such as the Royal Theatre, the MacPherson Playhouse, the Belfry Theatre, and the Langham Court Theatre, so there is a strong draw of theatre-goers from throughout the Island and beyond.

Similar to the Ski Train concept, there are existing tour operators and individual travellers that take advantage of the VIA Rail train service to travel to and from theatre performances. While there may be incremental potential for tour operators and other travel packagers to book individuals and groups on the existing passenger rail service, or even occasionally charter one or two dayliner cars, it would be difficult to generate enough traffic for a regularly scheduled Theatre Train service.

- Very much like the skiers, the vast majority of theatre goers require a faster and more frequent schedule than is possible to offer by train.
- Therefore, the best potential to enhance use of the passenger rail service by theatre goers is working with the theatre companies themselves and tourism packagers to put together day trips and overnight trips that include train travel, theatre tickets, meals and/or accommodation.

³ Peter Gibson, President & CEO, Mount Washington Alpine resort, June 2009.

- Tourism destination marketing organizations such as Tourism Vancouver Island and Tourism Victoria could potentially provide further promotional support for such initiatives.

Expansion of Alberni Pacific Railway

The Alberni Pacific Railway is an existing tourist train service that has been sustained over a 25-year period and operated out of Port Alberni by the Western Vancouver Island Industrial Heritage Society. A description of this excursion, which is operated in conjunction with the McLean Mill National Historic Site, is provided in Chapter 1 of this report. In addition to having been sustained over a long period of time, this tourist train excursion attracts a significant number of riders each season. For example, during 2008 approximately two-thirds or 11,000 of the McLean Mill's 16,500 visitors arrived at the Mill by train.

While the current excursion is fairly short involving a 40-minute train ride in each direction, there is a five-year plan to expand this tourist train operation to include a much longer 4-5 hour excursion between Port Alberni and Parksville/Qualicum Beach via Nanaimo. This would significantly expand the customer base for the Alberni Pacific Railway as it would be possible to base itineraries out of three of Central Vancouver Island's most popular tourist destinations – the Port City of Nanaimo with its intensive flow of BC Ferries' passenger traffic, and the beach resort cities of Parksville and Qualicum. In addition, it would be possible to cater to cruise ship traffic, which is likely to increase at Nanaimo, based on development of the new cruise ship terminal for which funding has been recently announced.

The proposed 5-hour journey of the *Arrowsmith Explorer* would include many scenic highlights such as old growth forest, numerous rock cuts and deep gorges, seascapes, mountain views and travel along lakes and rivers. The excursion itinerary would include the following features:⁴

- Travel through the Alberni Valley, climbing the Beaufort Range with its many viewpoints
- Travel along Summit and Loon Lakes and over "The Hump", with an elevation of 1,245 ft. (379 metres) enjoying views of Mount Arrowsmith rising almost 5,700 ft. (1,817 metres)
- Travel through MacMillan Park and along the north shore of Cameron Lake with numerous rock cuts and spectacular timber trestles
- A one-hour stop at Coombs with its heritage buildings, gifts and craft shops, antique stores, and the Old Country Market with its "goats on the roof"
- Travel via Nanaimo, with a station stop at Parksville and terminating at the Qualicum Beach train station.

This whole itinerary would operate in reverse as well and would feature car hosts in each rail car, providing information and commentary, and food and beverage service with snacks and meals prepared by local catering companies. It is anticipated that entertainment will also be provided, as appropriate. Successful operation of this excursion will require upgrading of the railway track between Port Alberni and Nanaimo, as well as clearing brush and trees in various locations to enhance scenic viewpoints along the route. Purchase and refurbishment of additional heritage rolling stock will also be required. Alberni Pacific Railway has prepared a comprehensive proposal and applied for funding assistance to initiate this new project.

⁴ *Arrowsmith Explorer – Business Concept*, prepared by Alberni Pacific Railway, December 2008.

The consultants recommend that this expanded tourist train initiative be further examined and supported because of the following important attributes of the proposal:

- A strong record of delivering a quality tourist train experience over a period of 25 years
- A very enthusiastic and committed management team, board of directors and volunteer base at the Alberni Pacific Railway and its parent organization, the Western Vancouver Island Industrial Heritage Society
- The ability of the proposed tourist train excursion to tap into the very large volume of tourist traffic flowing through Nanaimo, Port Alberni (en route to/from Tofino), Qualicum Beach and Parksville.
- The potential of combining the railway's heritage theme with great scenic vistas on the route between Port Alberni and Nanaimo
- The strength of partnerships already in place with accommodation establishments, tour operators, tourism marketing organizations, the Island Corridor Foundation and local communities.

It should also be possible to develop tourism packages that could feature both the *Arrowsmith Explorer* excursion train and VIA Rail's passenger service along the main corridor between Victoria and Courtenay. Preliminary discussions have already been held with VIA Rail.

Currently the economic benefits of the Alberni Heritage Railway, McLean Mill and the associated excursions they offer provide an economic benefit to the region that is likely in the range of \$1.4 million annually, based on previous surveys that indicate average daily expenditures of tourists in the region of \$70 to \$100 per person. This impact would be greatly enhanced by developing the new and expanded *Arrowsmith Explorer* tourist train excursion between Port Alberni, Nanaimo, Parksville and Qualicum.

7.5 Tourism Impacts of Discontinuing Passenger Rail Service

As has already been discussed in this report, there is considerable use by tourists of the existing passenger rail service along the E & N Corridor operated by VIA Rail. While the extent of actual tourism use of this passenger rail service has not been documented in a quantitative survey, anecdotal evidence from discussions with the onboard conductor suggests that tourist use is significant – particularly in the summer months, although there is a flow of tourists using the service on a year-round basis.

If tourists are broadly defined as any leisure traveller, they likely account for 50% or more of all use of the existing rail service, particularly given that the train travels slowly and the current service and schedule is not well-suited for business travel or commuter use. During the school year between September and June, many school groups take train trips and this can legitimately be considered a tourism use of the service. If tourism and leisure use accounts for 50% of current overall ridership (17,500 passengers), then the tourism economic impacts of this passenger rail service could easily be in the range of \$1.5 million annually, based on similar assumptions to those used in the Alberni Pacific Railway/McLean Mill impact analysis noted above.

Discontinuation of the service would clearly have a negative impact on some tourist attractions and destinations located along the route (e.g.- Chemainus, Duncan, Parksville and Qualicum) and would negatively impact tour operators that incorporate the passenger rail service into their group tours and FIT packages. These tour operators feature the rail travel as a highlight of specific itineraries, so dropping this feature could result in a decline in their business.

Currently the passenger rail service provides an added tourism attraction feature for Vancouver Island as a tourism destination overall. This fits well with the trend toward greater interest in passenger rail travel and tourist train excursions that has been experienced throughout North America and internationally over the past two decades.

APPENDIX

QUESTIONNAIRE FOR SURVEY OF VISITORS / RESIDENTS

E & N RAILWAY CORRIDOR STUDY – VISITORS/RESIDENTS SURVEY RE TOURIST TRAIN

Hello, my name is _____ and I am working on an evaluation of the E&N Railway Corridor. This study is evaluating a number of things including freight, passenger, and commuter movements along the line. Today’s survey of residents and visitors is designed to provide the study with information on the tourism potential of the railway line. Therefore, we would like to ask you some questions about your current trip and to what extent a new tourist train excursion on Vancouver Island would interest you. The information you provide will be kept strictly confidential and will be used for statistical purposes only.

RECORD LOCATION _____ RECORD INTERVIEWER’S NAME _____

RECORD DAY OF WEEK _____ RECORD TIME (NEAREST HOUR) _____ a.m. p.m.

1. Where is your permanent **place of residence**?

City/Town _____

Prov./State/Country _____

If on Vancouver Island go to Question 8

2. TOTAL PARTY SIZE _____ PERSONS

3. COMPOSITION OF TRAVEL PARTY

- Adults only
- Adults with children
- Traveling on a group tour

4. What is the main purpose of your trip to Vancouver Island? CHECK ONLY ONE BOX.

- Vacation/Recreation
- Business
- Visiting friends/relatives
- Traveling to/from seasonal home
- Shopping/personal business
- Other, please specify _____

5. What is the total length of the current trip you are on? _____ days

6. How many days of your trip are you spending on Vancouver Island? _____ days

7. List your 3 favourite attractions (name them) and/or activities on Vancouver Island that you have experienced so far on this trip, or on a previous trip, or are planning to do on this trip (e.g.- shopping, major attractions, museums, provincial parks, beaches, wineries, hiking, biking, camping, etc.):

1 _____ 2 _____ 3 _____

8. Have you ever taken a tourist train excursion before? Yes No

If yes, please specify (location, name of excursion) _____

9. A new tour train excursion (e.g.- possibly a “Heritage Train” or “Wine Train”) is being considered for a portion of the Vancouver Island railway corridor in the southern part of the island. It would likely originate in Victoria and travel northbound over the Malahat to Duncan or Chemainus (distance of 65-80 km or 40-50 miles) and then return to Victoria by train or bus. Visits to one or two heritage attractions (e.g.- Quw’utsun’ First Nation Cultural Centre, historic murals at Chemainus) and/or a winery would be included. Please indicate to what extent you would be likely to purchase such an excursion if it were available? **(read the choices below)**

- Definitely would purchase
- Probably would purchase
- May or may not purchase
- Probably would not purchase
- Definitely would not purchase **(go to Q10 then Q15)**

10. Would you be more likely to purchase this if it was a steam train excursion? Yes No

11. Of the following, what are the three most important types of attractions, services and amenities that should be included as part of the tour train excursion? **(read list and then choose three or two plus ‘other’)**

- Meals on board
- First class seats
- Entertainment
- Commentary
- Visit to winery(s)
- Shopping
- Visit to First Nation cultural centre
- Visit to Chemainus heritage sites
- Other, please specify _____

12. How long should the tour train excursion be? **(read them the list and then check one)**

- 1-2 hours All day (6-8 hrs+)
 3-4 hours Other, please specify _____

13. How much would you be willing to pay as an adult fare for a half-day (3-4 hrs) tour train excursion (includes all tour features and a snack)? **(read them the list and then check one)**

- under \$30 \$30-60 \$61-80 \$81-100 over \$100

14. How much would you be willing to pay as an adult fare for a full-day (6-8 hrs) tour train excursion (includes all tour features and a lunch)? **(read them the list and then check one)**

- under \$60 \$60-85 \$86-120 \$121-140 \$141-180 over \$180

15. Another possibility we are considering is a similar tour train excursion, likely originating in Nanaimo and traveling northbound to Courtenay/Comox and returning by train or bus. Visits to one or more heritage attractions in the Courtenay/Comox area, along with one or more other area attractions (e.g.- a winery, Mount Washington) may be included in the package. Please indicate to what extent you would be likely to purchase such an excursion if it were available: **(read them the list and then check one)**

- Definitely would purchase Probably would purchase May or may not purchase
 Probably would not purchase Definitely would not purchase

16. For coding purposes we need to record some demographic information

a) What is the highest level of education you have attained?

- Some high school High school grad Some college College grad
 Technical training Some university University grad University post grad

b) What is your age group?

- 18-24 25-34 35-44 45-54 55-64 65 and over

c) What is your employment status?

- Employed F/T Employed P/T Self-employed F/T Self-employed P/T
 Homemaker Retired Student Unemployed

d) In what range is your total household income?

- under \$25,000 25,001-50,000 50,001-75,000 75,001-100,000
 over \$100,000

Thank you for your responses.

USE BOX TO RECORD ANY ADDITIONAL COMMENTS