

SECTORAL
REPORT

YUKON DEVELOPMENT STRATEGY

HUNTING, TRAPPING, GUIDING

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HUNTING, TRAPPING, GUIDING
(Commercial Use of Wildlife)

Background Discussion Paper

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Policy and Planning Branch
Department of Renewable Resources

HUNTING, TRAPPING, GUIDING
(Commercial Use of Wildlife)

1. INTRODUCTION

Hunting, guiding, trapping as well as non-consumptive and subsistence uses of wildlife have played a consistently important role in the Yukon economy; providing a stabilizing influence when other economic sectors have changed dramatically through boom and bust cycles. Outside of Whitehorse, wildlife-based commercial activities have provided a cash income for a larger number of Yukoners than any other sector. A small cash income from trapping or guiding, in combination with subsistence uses of wildlife continues to be a common combination providing a livelihood for rural Yukoners. In addition, resident hunting and non-consumptive uses of wildlife are the basis for much of the recreational activity in the territory. They provide additional economic benefits through equipment sales and other spin-off effects.

Harvest data suggest that there is a slow increase in the utilization of our wildlife. The wildlife resources that form the basis for these economic activities are generally in good condition, however our understanding of the distributions, habitats and concentrations of each species is incomplete. In light of these two factors it remains critical that we carefully manage each species if the economic benefits are to be sustained. It is therefore often suggested that we need to consider innovative ways to increase the utilization and value of the wildlife that is already harvested, rather than attempt to expand the total size of the commercial sector.

The following paper describe the existing economic uses of wildlife followed by an outline of some of the constraints and opportunities that are available in each sector. The contents of the paper were discussed and modified on the basis of two Sectoral Workshops prior to the November 1-2 conference.

2. THE YUKON'S WILDLIFE

The big game species present in the Yukon are some of the most significant in North America and their importance to Yukoners is well established. Sport hunting and guided hunts of moose, caribou, sheep, goats, black bear, and grizzly bear are permitted, while cougar, bison, elk, muskoxen, mule deer, and polar bears (controlled harvest allowed) are protected species. These species are managed to meet the needs of subsistence, sport, commercial, and non-consumptive users, under the terms of the territorial Wildlife Act.

Small game species include the furbearers valuable to trappers (wolves, marten, lynx, muskrat, wolverine etc.) as well as birds of prey and upland and migratory game birds which are important as subsistence foods. Management of furbearers is also mandated under the Wildlife Act (Trapping Regulations). Migratory birds are jointly managed by Y.T.G. and the federal Canada Wildlife Service.

3. PRESENT USES OF WILDLIFE

Wildlife resources in the Yukon have economic value, whether they are hunted, trapped, captured live for sale, bred in captivity or simply viewed or photographed. A complete valuation of these various uses is not yet available, however some estimates have been made. The following sections outline some of these estimates and point out where more work would be worthwhile.

3.1 Commercial Outfitting (Non-Resident Hunting)

The outfitting industry provides big game hunting guide services to non-resident hunters, regulated under the Wildlife Act. The industry is estimated to provide

approximately \$4.0 million in direct and indirect benefits to the Yukon economy. It is a labour intensive business and most expenditures on labour, equipment and food occur in rural areas.

Guiding of non-residents (primarily U.S. and European) is a limited entry business with outfitting areas being allocated in rigidly defined geographic areas. This means there are constraints on any expansion on the size of the industry. There are also biological limitations on the number of trophy animals that can be produced in any one area so this also constrains the potential for expansion.

3.2 Trapping

Approximately 750 Yukoners trap 15 different species of furbearers on 380 registered traplines and in four group areas provided to aboriginal peoples. Harvested fur has averaged between \$1.0 and \$1.5 million in value in recent years.

The income provided by the fur harvest is often the only cash income available to residents in rural areas. In combination with subsistence hunting, trapping has a significance which is much larger than is suggested by the actual amount of money involved. The indirect benefits of the fur industry are therefore acknowledged to be largely unquantifiable.

Although no species of furbearers are considered to be endangered (in fact some areas of the Yukon are probably underutilized) special management and research projects on pine marten, wolverine and muskrat are underway; to maintain or rebuild their numbers.

3.3 Resident Hunting

Resident hunting has importance to the economy of the Yukon in several different ways. Expenditures on recreational equipment and supplies have direct and indirect benefits in the wholesale, retail and service sectors (value is not yet known). The value of the meat taken during the hunt is estimated to have a substitution value of \$0.5 million dollars. The recreational value to Yukoners is very significant, and in combination with sport fishing and wilderness travel forms an important part of the Yukon lifestyle.

Resident hunting pressure is having an effect on species such as moose in the southwest Yukon and there are difficult management problems associated with such a decline. Solutions include controlling other predators, limiting resident hunting, and re-distributing the hunt to other areas.

Resident hunting fluctuates with changes in the Yukon's population, economic conditions and the availability of game.

3.4 Non-Consumptive Uses of Wildlife

Non-consumptive uses of wildlife include wildlife viewing, photography by residents and non-residents, uses associated with the activities of Wilderness (adventure travel) guides, and scientific uses. Popular locations such as Sheep Mountain in Kluane National Park Reserve are well known to most Yukoners, and visitors come to the Yukon for many other wildlife viewing opportunities. The Dempster Highway is now becoming widely recognized for its wildlife values, but the list of visitors extends to diverse, generally unknown groups like bird watchers and butterfly collectors. All of these activities have a role in the growing tourism economy

(travel expenditures, equipment purchases, guide fees etc.).

It is extremely difficult to place a dollar value on such diverse activities, with such strong links to the tourism sector. However, examples from other areas such as the brown bear observatory at McNeil River Falls in Alaska demonstrate that a specific wildlife viewing opportunity, if properly developed, can become a major economic activity, recognized worldwide; it becomes the reason people travel to a particular destination. Properly integrated with other tourism opportunities, wildlife attractions could significantly increase the number of outside visitors to the Yukon.

[Note: An EDA sponsored project is studying economic aspects of the non-consumptive use of wildlife.]

3.5 Subsistence Uses of Wildlife

Subsistence uses of wildlife (non-commercial) are the subject of a separate Yukon 2000 sectoral discussion on the non-wage economy. However, it is useful to note that the value of this sector of the economy is estimated to be worth somewhere between \$1.0 and \$10.0 million dollars depending on one's assumptions. These estimates are based on studies in three Yukon communities (Ross River, Teslin and Old Crow) and the methods used are imprecise and fraught with difficulty. Nevertheless, the estimates serve to point out that subsistence uses are very significant and cannot be overlooked when we analyze the Yukon economy.

[Note: A new EDA project has been recently approved to study the value of the total subsistence economy in the Yukon for the first time.]

4. CONSTRAINTS AND OPPORTUNITIES : THE GROWTH AND DEVELOPMENT OF THE COMMERCIAL USE OF WILDLIFE IN THE YUKON ECONOMY

Each of the commercial uses of wildlife face a number of constraints on their growth and development; some are biological constraints; some relate to human resources; still others result from limited financial and other business resources available to trappers, outfitters and others. With most of these constraints however, there is a potential opportunity to identify actions that could serve to improve the economic circumstances of the individuals involved. The following lists identify a selection of the constraints, and complementary actions which can be undertaken by government and the private sector to aid in the overall development of this economic sector.

4.1 Outfitting (Non-Resident Hunting)

- a. Well-trained assistant guides are often difficult to find and employ. There has been an increasing need for assistants who are competent both in the field providing competent, safe services to the client, and in the "office" ensuring that the business is well and efficiently run.
- b. There is a trend emerging in which clients of guide outfitters are demanding more services and better facilities either in a base camp or in the bush. This type of demand places financial pressure on any small business, which is difficult to meet when there are a limited number of clients that can be taken into an area in any one year for a hunt.
- c. One often discussed method to increase the number of clients utilizing an outfitting area is to diversify the activities that are available, particularly outside of hunting season. To do so, requires a different type

of marketing and often different assistants with different types of skills.

- d. Finding new alternative markets for an outfitting business can be expensive, with no guarantees for a positive result. Some outfitting areas are better suited to trail and river trips, photography etc. than others and there is the potential for competition with other big game outfitters as well as adventure travel guides that do not operate from fixed facilities or in a fixed location.
- e. There are many expensive, fixed costs in a guiding business: and facilities construction and maintenance costs are often high. Yet the areas in which an outfitter operates are not guaranteed to remain in a wilderness state. These factors make it difficult to finance any improvements or expansion.
- f. It is necessary to attempt to manage a wildlife population in a manner which ensures that populations remain healthy and don't decline. In many areas however it is difficult to be certain about the exact size or status of a particular population. This means that wildlife regulations often seem rigid and restrictive, and may appear to limit the economic opportunity available to an outfitter.
- g. In certain geographic areas there is a need to separate different types of visitors to an area. Hunting parties, and non-hunting photographers do not often mix well.

4.2 Trapping

- a. Start-up costs and the cost of access to the trapline are often prohibitively high. Money is needed early in

the season and there is no guarantee that fur harvest will be adequate to pay back an investment later in the year. Better access to loans or grubstakes would improve the ability of trappers to fully utilize trapping areas.

- b. Many traplines are underutilized but it is difficult to reassign these to other individuals who are interested in starting in the business. Similarly, many assistant trappers already in the business have difficulty obtaining the rights to an area for their exclusive use no matter how well trained or enthusiastic.
- c. Training for first time trappers and assistants is important if a trapping concession is to be successfully used and if the fur is to be properly handled. There are a wide variety of skills needed, and field conditions are often difficult.
- d. Proper fur management is essential if premium prices are to be paid to the trapper. Prices drop dramatically if the pieces in question cannot be used in the best quality and most fashionable garments.
- e. Fur is normally exported from the Yukon with little processing. Local tanning could likely be expanded and greater use of fur in locally produced products would significantly add to the value of the fur industry in the Yukon economy. New innovative uses for fur would similarly increase the value-added economic benefits which remain in the Yukon.
- f. Some trappers face growing competition for the land in their trapping area, from a diverse set of other developments such as farming, forestry and recreation. Having the trapping rights in an area does not provide exclusive use of the land and as other economic sectors

expand there is increasing pressure on traplines, particularly in areas close to major settlements.

- g. It has been suggested that the use of trapline facilities could be expanded in innovative ways; providing adventure travel opportunities to non-residents; assisting in scientific research; and providing educational opportunities for school and university programmes.
- h. The anti-fur movement in southern Canada and elsewhere could have a significant negative effect on the fur industry, if not counteracted. The experience in the eastern Arctic shows the severe social impact that can result from a collapse in fur prices. The Yukon is vulnerable however there is optimism now that the industry is better organized and fighting back.
- i. Fur prices fluctuate sharply with little overall consistency from year to year. This is caused by changes in fashion and other volatile factors as diverse as public opinion and the supply of fur from other regions. It is not clear if there is an effective way to moderate these fluctuations in the fur prices paid to Yukon trappers, however a role for the Yukon Trappers Association providing a marketing board has been suggested.
- j. Fur harvest fluctuates from year to year, based in part on biological factors and in part on changes in effort by trappers. There is a need to improve an understanding of the cyclical fluctuations in the availability of furbearers and the logical upper limits of fur production.
- k. Live trapping of furbearers for use in fur farms, zoos or for government use is lucrative, but remains

controversial among trappers. It is feared that export of live furbearers to fur ranches eventually leads to increased competition for a limited market and is not in the long term interests of the industry.

[Note: A Renewable Resources study is underway, examining the extent and severity of the competition for land among trappers, agriculture, forestry and others.]

4.3 Resident Hunting

The economic benefits of resident hunting activity are normally considered to be indirect, with fluctuating, often unpredictable changes in hunter effort from year to year. Therefore it is unlikely that any directed "expansion" of what is essentially an unorganized activity would be possible. Most of the recreational and subsistence benefits are experienced by individuals who hunt for personal reasons rather than for a clearly defined economic reason. It has been suggested however that changes in government regulation could help to foster additional businesses providing indirect services for resident hunters.

- a. By allowing the sale of edible and non-edible portions of game taken by resident hunters, less game would be left in the bush following a hunt. Sales of hides, horns, and meat etc. could conceivably increase the size of the fledgling tanning business and provide other products for new innovative businesses (eg. artistic uses of moose hides and hair).
- b. By permitting expediting operations to be established to service the resident hunter (not based in a particular geographic area) government would increase the opportunities available to people with backcountry experience who are presently limited to guiding

non-consumptive users of wildlife.

Both ideas are controversial because of the concern that increased hunting pressure would result from the increased incentives provided by the new businesses. This could potentially increase the harvest in areas where hunter success rates have already been dropping.

4.4 Non-Consumptive Uses

A number of constraints have been identified which limit the realization of the economic benefits from non-consumptive use of wildlife.

Resident and Non-Resident Viewing and Photographic Opportunities

- a. There is a general lack of acknowledgement of the economic values of resident and non-resident non-consumptive uses of wildlife. There is a need to study and quantify the size and importance of this activity.
- b. There is a need to provide specific wildlife viewing opportunities for non-residents in particular. This would mean providing better advertising, better access, and better interpretation of wildlife for visitors to the Yukon.
- c. Similarly, it is suggested there is a need to ensure that wildlife can be observed close to well travelled routes. This would be most effectively accomplished by providing game sanctuaries (no-hunting) in selected areas. Captive viewing opportunities could also be provided.

- d. Better wildlife interpretation is needed, as is basic information about where to see wildlife in natural settings.
- e. There are well acknowledged potential and real conflicts between consumptive and non-consumptive users of wildlife. Government should better acknowledge this and manage land and other resources to provide for a wider range of uses, often separated from one another. The concept of allowing all uses, everhwere, does not in reality provide for the needs of the non-consumptive user. Wildlife are not available for viewing and photography.

Wilderness Guiding

- a. There is a need for government to acknowledge the size and significance of the non-consumptive guiding sector and ensure that land is managed in a manner that allows the opportunities provided by the Yukon's wilderness to be retained (Wilderness is a resource in its own right that could potentially be acknowledged through a Wilderness Act).
- b. The industry believes that there are opportunities for growth through better marketing, increasing the range of services, better cooperation among guides, and improving the quality of the services offered. (Deciding on a fair and effective level of government involvement and assistance in these activities has yet to occur and is somewhat controversial).
- c. There is a need for some form of regulatory framework that will ensure proper safety conditions and a high quality experience for clients (Again, the split between industry and government responsibility for these concerns remains to be decided).

- d. There is a need for research on the biological and social carrying capacity of different areas of the Yukon to ensure that they are not overused. There is a consistent need for a broader understanding of the economic benefit of the non-consumptive use of wildlife and wilderness resources.
- e. An improved mechanism to resolve conflicts about access to resources, land use and related problems is needed.

4.5 Captive Breeding of Wildlife

Captive breeding projects have been suggested for furbearers, big game animals and birds of prey.

a. Captive Breeding of Furbearers

Captive breeding for live export and for local fur production is economically uncertain and somewhat controversial. Nevertheless some Yukoners believe that it is one of the best ways to increase the economic return from fur processing, based on historical evidence and examples in southern Canada. Others fear that exporting live animals will increase southern competition and that fur farming will reduce the viability of wild fur trapping which is largely community-based. Fur farms are also less able to adjust rapidly to changes in market conditions and tastes, and they have relatively rigid fixed costs that makes them very vulnerable to changes in markets.

b. Big Game Ranching

There has been growing interest in big game ranching in recent years, and a new elk ranching project is now underway. Reindeer and other species have been successfully ranched in other areas and projects

involving caribou, muskox and others have been suggested here. With the considerable experience in other areas already demonstrates success, it is felt that Canada is missing a significant economic opportunity.

With "wild" species raised in captivity, there is an assured supply of animals, producing meat, hides and other products. It seems to be a reasonable assumption to believe that there would be a relatively stable market for these products, (particularly the meat) however there is very little local experience in game ranching and it is moderately expensive to initiate. In addition, there are limited slaughtering, packing, veterinarian and meat inspection services available.

Additional problems in establishing big game ranching operations include: the expense of fencing large areas of land; problems with wild predators; dedicating wild habitat for domestic purposes; conflicts with other land users; and problems with the genetics and general health of animals.

Notwithstanding these issues, those who express enthusiasm about the industry potential believe that it is general bureaucratic negativism that is the largest barrier to overcome. If a market were allowed to exist for the products of game ranching, and if there was an acknowledgement of the many secondary products of such an industry, they argue that the economic benefits would become obvious.

The general conclusion is cautiously optimistic and it is suggested that it is now appropriate to proceed with a demonstration project.

c. Birds of Prey

It has been suggested that there are significant economic benefits to be achieved from the captive breeding of birds of prey. However there are significant public relations problems posed because of the perception that all these species are endangered and that economic use of the species should be prohibited. Nevertheless captive breeding has proven successful in other areas and in the Yukon in the past.

d. Zoos and Game Farms

The economic benefits of providing captive viewing opportunities for tourists as well as spin-off activities such as trophy museums and souvenir sales are well established outside of the Yukon. The existing Yukon Game Farm has had periods of moderate success, however the overall economic viability of a fully developed zoo has not been tested.

Problems in establishing a well integrated operation include: demonstrating the financial feasibility; obtaining and maintaining animals; obtaining adequate land; providing vet services; and achieving government regulatory flexibility. One possible method to overcome these problems is to provide a mixed operation which incorporates a game farm, game ranching, and an educational/research function.

4.6 Scientific Uses of Wildlife

Although it is difficult to estimate the economic value of the activities of scientists in the Yukon it is felt to be quite significant with growth potential. To attract more researchers however, there is a need for improved support service. These could include: expediting services; a

trained labour supply; library services; and general institutional support. These could logically be provided (in part) by Yukon College, or by a Science Institute if such an enterprise is developed.

Involving Yukoners in the scientific programme of outside researchers is another way to expand the range of opportunities available to trappers and outfitters whom already have facilities and experience in the field. In combination with better communications and public relations efforts by the scientific community, an effort to involve local residents in research activities would do much to improve the relationship between Y.T.G. scientists, university scientists and the communities in the areas where the work is undertaken.

4.7 Government Management

A number of suggestions has been forthcoming to improve government management activities:

- a. In many areas of the Yukon, government has insufficient information about game species and the ability of the environment to produce game. Obviously, this makes it difficult to identify a harvestable surplus.
- b. Several wildlife populations have declined from historic levels and the reasons for such decline are not always obvious. Attempts to allow such species to recover become controversial because it means limiting the harvest by various groups or predator control programmes.
- c. When a wildlife resource is limited, the allocation of the harvestable surplus becomes difficult. Decisions about allocations for subsistence, sport, or commercial hunts often lead to controversial debates, which are

hampered by the lack of a precise understanding of the numbers of animals in the population.

- d. There is a continuing need to better educate all Yukoners and southern Canada about the Yukon's wildlife species, their health, and the legitimate uses of wildlife. The populations of animals are generally healthy yet there is a southern perception that wildlife in the north are fragile and/or endangered.
- e. There is a need to improve the methods we use to allocate land to specific uses and to develop better ways to resolve conflicts when they arise. When trade-offs about land and resource uses are made, there is a need for a consistent and fair compensation policy for the loss of livelihood suffered by a trapper or outfitter.
- f. Government involvement in business activities is often considered controversial but there may be ways for government to encourage the development of new economic activities in cooperation with user groups like the trappers, outfitters and wilderness guides. The Renewable Resource Sub-Agreement to the Canada Yukon Economic Development Agreement provides opportunities for both start up funding for experimental projects as well as for background research in new areas. There may be other ways that government could help.
- g. Government involvement in fighting the anti-fur movement is generally well known, and it will likely be necessary for it to continue. The past years efforts should be evaluated to determine if new strategies would be worthwhile.

5. CONCLUSION

Estimates of overall economic value of this sector vary widely from a low of \$5.0 million to a high of \$10.0 million (or higher) depending on the method of valuing the resource, what is actually included, and the particular year in question. It is clear we need better data before a more precise estimate is possible. It is also important to stress that the wildlife activities have value to the Yukon which goes well beyond the dollar value assigned to the activity in question.

There are a number of ways in which the hunting, guiding, and trapping sectors of the Yukon economy can be improved or made more efficient. Some of these are outlined above, described either as constraints or opportunities, for discussion during the Yukon 2000 economic strategy development project. No doubt there are other ideas which can be contributed and developed into the strategy.