

Caring for caribou and commerce

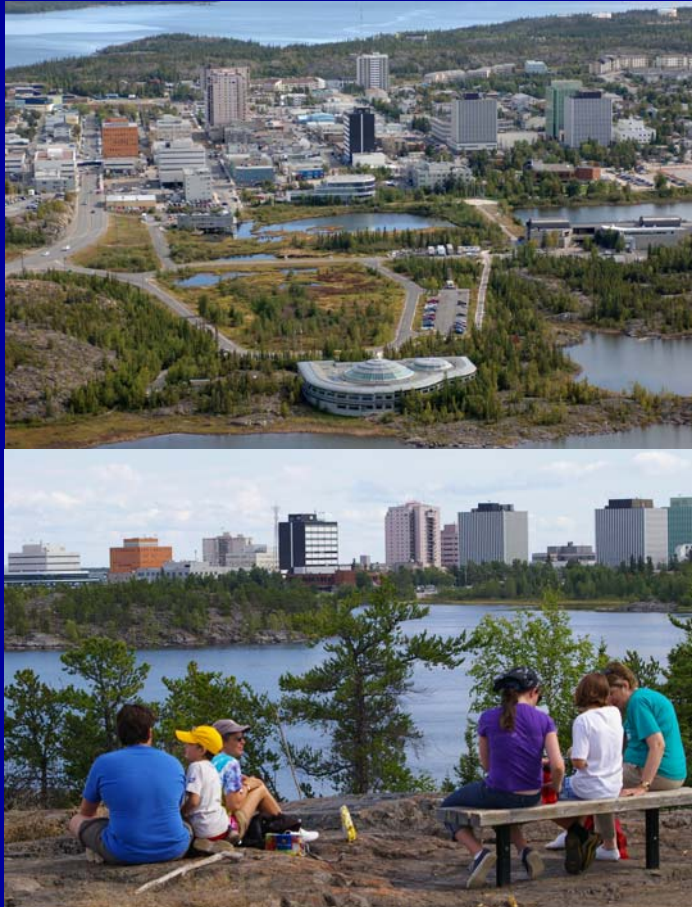


Yellowknife Mayor Gordon Van Tighem
Wek 'ezzhi Renewable Resources Board
March 2010

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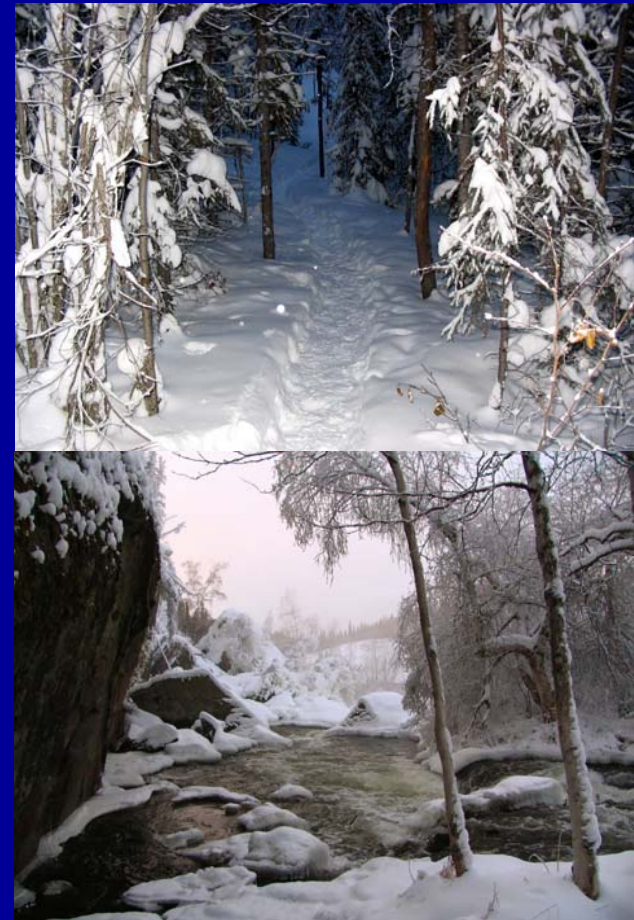
Economic overview - city



- NWT centre of government, transportation and communications, with extensive support services.
- Gateway to vast resources in the NWT and Kitikmeot region in Nunavut.
- Northern cultural and arts headquarters, with superior recreational and sport options.
- Home to several businesses with close links to sport hunting industry.

GNWT-ENR says...

- ENR data - Bathurst herd total estimated at 31,900 (+/- 10,900) in 2009 compared to 128,047 (+/- 27,343) in 2006.
- Bluenose East Herd and Ahiak Herd also appear to be declining.



Joint proposal recommendations for recovery

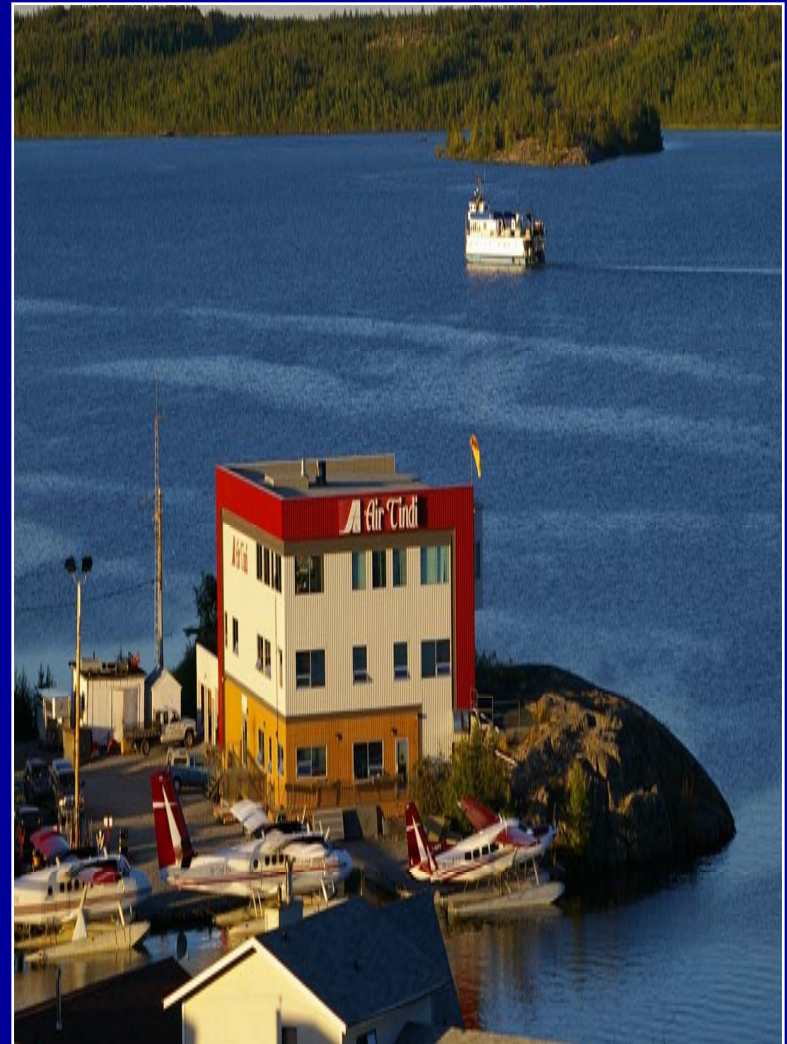
- Eliminate all commercial meat tags.
- Eliminate outfitter industry.
- Eliminate resident hunting.
- Eliminate female harvest within Bathurst herd.
- Restricted bull harvest only and hunt among other herds.



Economic impact: barren-ground caribou outfitters

2006 study by Ellis Consulting Services outlined the economic impact of the NWT Barren-Ground Caribou Outfitters:

- From 1999-2005, outfitter revenues were \$27.8 million. Expenditures in the same period totalled \$20.7 million.
- From 1999-2005, non-resident hunters spent \$8 million on purchasing goods and services in the NWT.
- The outfitting industry contributed \$28.2 million to the NWT GDP from 1999-2005.



Economic impact: barren-ground caribou outfitters



- From 1999-2005, outfitting industry contributed \$10.9 million in labour income – NWT.
- 2.2 thousand seasonal jobs in the NWT were generated by outfitter industry from 1999-2005.
- During 1999-2005, outfitter industry generated \$648,000 in taxes for local governments; \$1.7million in taxes for GNWT; \$3 million for federal government.

Bottom line for business

- Wolverine Guns and Tackle closes after 22 years in business. Sport hunters provided major revenue.
- Weaver and Devore losing business as supply line to caribou outfitters cut off.
- Layoffs in taxidermy business.
- Less revenue for charter aircraft, service and accommodation sectors.
- Loss of discretionary spending by caribou sport hunters will negatively impact the incomes of aboriginal and local artisans.



Biggest losers... besides the caribou

- NWT barrendground outfitting industry faces uncertain future, regardless of the final caribou management plans.
- Hunting restrictions recommended for the next few years will adversely affect traditional lifestyles and labour supply and retention.
- Caribou outfitters cannot afford to wait to know if their business will be viable in three to five years. Other jurisdictions have provided extensive support to industries facing hardship (ie: 70 per cent tax reduction for forestry).

Outfitting the future

- GNWT announced the Caribou Outfitter Marketing Program at the end of 2009 to help outfitters develop/market new product.
- GNWT needs to seriously consider allocating more financial resources to help established outfitters diversify their businesses and market or develop new product.
- Demise of caribou outfitting industry will not only have financial implications for Yellowknife and NWT businesses, it will mean tremendous loss of expertise in the tourism industry.
- Outfitters have spent decades developing their product and building their client base – neither of which can be easily replaced.

Recommendations

- GNWT report outlining immediate and future impacts caribou management/recovery plans will have on herds, hunters, residents, outfitters, business/mining industry would benefit everyone.
- A stronger and earlier commitment to annual census programs and review of possible quotas.
- Detailed analysis of product diversification options for existing caribou outfitters and available financial assistance to develop/market product.
- Consultation with impacted populations – including City of Yellowknife.

