

Progress Notes contain *interim* data and conclusions and are presented as a service to other wildlife biologists and agencies.

Aussi disponible en français

No. 66, August 1976

Résumé of the trade in polar bear hides in Canada, 1974-75

by Pauline Smith¹ and Ian Stirling²

Abstract

In 1974-75, the six auction houses dealing in Canadian polar bear hides handled similar numbers of hides as in the past two years. There was a 46% decrease in the number of new hides shipped to the auction sales in 1974-75 because of the large number of unsold hides remaining from the previous season. The Japanese were still the principal buyers. The average price received by the auction houses showed a 60% decrease from 1973-74 levels.

The average prices received by the native hunters did not decrease to the same extent which may be a reflection of the increase in local sales. Only two settlements offered a sport-hunt and only two of a possible four bears were taken. A summary of the polar bear kills and quotas by jurisdiction is presented.

Introduction

This paper summarizes the trade in polar bear hides, regulations, and market statistics in Canada during 1974-75. Annual summaries of these data for 1972-73 and 1973-74 were published by Smith and Jonkel (1975a, b).

The number of polar bear hides handled and sold by the fur auction companies in Canada in 1974-75 was approximately the same as during 1973-74. A downward trend in the prices paid for polar bear hides, which began in early 1974, continued through the year and into 1975.

The supply

Western Canadian Raw Fur Auction Sales in Vancouver is supplied by individual hunters, Inuit (Eskimo) co-operatives and the NWT Fur Marketing Service. In addition the NWT government markets confiscated hides and the hides of the nuisance animals there. The Hudson's Bay Company in Montreal obtains polar bear skins from its Northern Stores, Inuit co-operatives, and individual hunters. Hudson's Bay and Annings in London, England is supplied through the Hudson's Bay Company in Montreal and for the past four years the shipments of hides have been as follows: 1972, 2 hides; 1973, 55; 1974, 26; and 1975, 21. Dominion Soudack Fur Auction Sales in Winnipeg is supplied by Inuit co-operatives and individual hunters. The Royal Greenland Trade Department in Copenhagen, Denmark is supplied with hides taken by native hunters in Greenland.

In Manitoba, skins of nuisance bears killed by game officers and RCMP are Crown property and can only be sold

by the Manitoba government through sealed tender. The proceeds from the auction go into the Manitoba General Revenue. Usually the sales are held annually. However, due to the small number of hides available no auction was held in spring 1974. Thus, the hides were held over and auctioned in spring 1975 along with the hides taken during 1974-75.

The Ontario Trappers Association in North Bay is the only official marketing outlet for hides taken by Ontario Indians.

Western Canadian Raw Fur Auction Sales takes a 6% commission, the Hudson's Bay Company and Dominion Soudack take 7%, and the Ontario Trappers Association takes 5%. After an auction by the Ontario Trappers Association, handling charges and the 5% commission are deducted and the balance is divided, 60% going to the Indian hunter and 40% to the Indian Band.

The market

Japanese interest in polar bear hides reached a peak in late 1973, when the maximum price paid was \$3600 (Smith and Jonkel, 1975b). Although their interest is declining, they are still the principal buyers of the better quality hides, either directly from the fur auction companies as raw hides, or through Canadian dealers who have already prepared the hides into rugs. The poorer quality and smaller-sized hides were mainly bought at lower prices by Canadian buyers for domestic use. The US market remained closed.

The lowered foreign demand has apparently significantly lowered prices paid for polar bear hides at the auction sales (Table 1) and, as a result, interest on the domestic market has been renewed. However, even though the prices were much reduced, hides were still being bought back from the auction sales following lack of interest and very low bidding. The market was extremely slow at the beginning of the year. In January 1975 only 13 hides (10%) were sold of the 136 hides put up for auction by the Western Canadian Raw Fur Auction Sales. By September, the market had improved, apparently due to the increased domestic sales and 66 (54%) of the 123 hides put up for auction were sold (Table 1). A similar situation existed in Montreal where only 77 (52%) of the 148 hides offered by the Hudson's Bay Company were sold during 1975. The lack of foreign interest was particularly obvious at these sales. At the Hudson's Bay and Annings Limited only 26 (29%) of the 91 hides offered during 1975 were sold. At their June sale, all of the 83 hides offered were withdrawn. All hides handled at the London sales are from Canada. At the end of the season, Western Canadian Raw Fur Auction Sales, Hudson's Bay Company and Hudson's Bay and Annings Limited, had inventories of 57, 71 and 65 unsold skins respectively. Although the turnover of hides for 1974-75 (291, i.e. 60%, of the 484 hides handled were sold) was

¹CWS, Ottawa, Ontario K1A 0H3.

²CWS, Edmonton, Alberta T5J 1S6.



low, it was up slightly from the previous year (52%). These figures include hides handled and sold by Hudson's Bay and Annings. During 1974, no hides were sold by the London company although 44 hides were held over from 1973 and an additional 26 hides were received. The fur auction season begins in December or January depending on the auction house (Table 1). The December 1974 sale by the Greenland Trade Department, the largest handlers of polar bear skins outside Canada, is included for comparison (Table 1). In contrast to the previous 2 years, not all hides offered were sold: only 79 (76%) of the 104 offered were sold, for prices slightly lower than those gained on the Canadian market.

Although the auction houses handled a similar quantity of hides in 1974-75 (484 hides) as in 1973-74 (498 hides), 241 of those handled in 1974-75 and 44 in 1973-74 had been stored, unsold from the previous season. Consequently, only 243 new hides were sent to the fur auction sales during 1974-75 compared to 454 hides during 1973-74. This represented a 46% decrease from the previous year. The decrease in this method of marketing cannot be explained by a reduction in the availability of hides, as similar numbers of polar bears were harvested in 1974-75 and 1973-74 (Table 2). A more likely explanation is a change of preference in the marketing methods of the hunters. During 1973-74 many hunters had experienced considerable delays in payment for hides sent to auction houses, because so many hides remained unsold. Full remittance is not made until the hide is sold by the auction house. Because of increasing delays in payment and decreasing prices, many hunters have reacted by resorting to quicker, local sales.

The average prices paid for hides during 1974-75 showed no marked upward or downward trend as in 1973-74 and 1972-73. Only minor fluctuations in the average prices in the \$400-700 range were recorded compared to a range of \$400-1900 in 1973-74 (Table 1). The highest (\$1500) and lowest (\$50) prices were recorded by the Hudson's Bay Company and according to the fur buyers were clearly a reflection of the wide range in the quality of the hides handled. The hides which were in prime condition and had been carefully skinned and prepared still brought the highest prices. Some of the poorer quality hides were only suitable for making fish flies and consequently brought the lowest prices. A comparison of the mean prices paid for hides at the three main auction houses between 1973-74 and 1974-75 showed that they all experienced decreases of about 60%, with the Hudson's Bay Company showing the greatest reduction (Table 3). The trend was in marked contrast to the previous year, when increases of 25-30% were recorded.

The state of the fur market has a direct but delayed effect on the prices paid to the native hunters. A list of known average prices paid to the native hunters in 1974-75 is given in Table 4 along with comparable data for 1973-74. The information is from CWS polar bear kill forms filled out by NWT Fish and Wildlife Service Officers, settlement managers, RCMP, and others.

The effect of the marketing method on the average prices received by the hunters in 1974-75 is not clear. In 1973-74, the lowest prices (\$500-900) were received by hunters who sold directly to the local store or co-operative. Hunters sell-

ing directly to the fur auction houses or indirectly through the NWT Fur Marketing Service received the highest average prices for the hides (\$1400-1880). The NWT Government advances up to 75% of the estimated value of the hide to the hunter and the balance is paid when the hide is auctioned. However, only 36 polar bear hides were shipped through this service during 1974-75: a 73% reduction from 1973-74 when 131 polar bear hides were sent. This method of selling hides to auction houses was probably at least partly responsible for the comparatively high average price (\$959) gained by the hunters at Arctic Bay. There, eight of the 11 hides harvested were sold through the NWT Fur Marketing Service. However, in contrast, Gjoa Haven sent eight of the nine hides harvested through the Fur Marketing Service to the auction houses. The average price paid for the nine hides plus one hide that was unsold from the previous season was only \$333—one of the lowest known averages for 1974-75; this may be a reflection of poorer quality. Hunters have reverted to local sales in some settlements (e.g. Tuktoyaktuk, Sachs Harbour, Sanikiluaq).

The range of average prices paid to the hunters was much reduced from the previous year (cf. >\$1000 in 1973-74 to \$600 in 1974-75). The greatest changes were shown in the highest average prices which decreased by almost \$1000 between 1973-74 and 1974-75. Although reduced, the lowest prices did not show the same degree of change.

The average price received by the native hunters has decreased since 1973-74 but not to the same degree as the auction houses (cf. Tables 3 and 4). The fact that the prices paid to the hunters in the settlements did not decrease as markedly as in the auction houses may reflect increased local sales to private individuals who were not fully aware of the present low market value of a polar bear hide or of the variation in quality. This situation is likely transitory and the prices paid to hunters by this method will likely decrease as well. However, no real pattern is apparent yet due to lack of data.

The reduced monetary return to the hunters during 1974-75 does not, to date, appear to have had much effect on the hunters' incentive to take polar bears. All but four settlements in the NWT filled their allotted quotas. Five settlements in the NWT had reduced quotas in 1974-75 as a result of overkills in 1973-74. Some settlements (Coral Harbour, Eskimo Point, Spence Bay, and Pelly Bay) had almost filled their quotas within a few weeks of the opening of the season on October 1.¹ However, hunting by other settlements (Sachs Harbour, Cambridge Bay, Pangnirtung, and Grise Fiord) did not take place until the spring when polar bear hides were in prime condition and therefore more valuable. Unlike the previous year, no settlements took bears over their allotted quotas. The lack of overkills and the adjusted quotas in 1974-75 resulted in a slightly lower total harvest than in 1973-74. If prices stabilize at the present level, or continue to decline, the native hunters may become increasingly more selective as to the time of year

¹Polar bear hunting season in the NWT and Yukon Territory extends from 1 October to 31 May the following year.

hunting occurs, and the size and condition of the animal hunted so as to ensure the maximum financial return for hunting effort. Summer harvesting of polar bears and harvesting of cubs (mainly by Quebec Inuit and Quebec and Ontario Indians), produces hides of little value and therefore should be discouraged. In general the larger the hide the more valuable it is (Table 5). According to the fur buyers, the value of the hide is often reduced by haphazard skinning, which results in numerous cuts in the leather; careless and too close scraping which exposes the root hairs so that the hair falls out when the hides are dressed; and by incomplete drying, stretching, and the presence of stains.

The Inuit-guided sport-hunt

During 1973-74 only two settlements in the NWT, Paulatuk and Pond Inlet, offered a sport-hunt. Two of the possible four bears were taken. Two sport-hunters were unsuccessful (Table 6). Under the NWT Game Ordinance (1968), a limited sport-hunt at the request of particular settlements has been permitted since January 1970. The tags used for sport-hunts must be allotted from the settlement quotas. The tags allotted to sport-hunts that are unsuccessful cannot be used later. A number of factors may have contributed to the reduced number of hunts during 1974-75. The cost of \$3500 per hunter at Paulatuk and \$4500 at Pond Inlet may have been prohibitive in the present economic situation. In 1973-74 the hunt may have been more attractive to the sport-hunter since the trophy (the hide) was that much more valuable even though the cost of the hunt was \$3500. However, the hunt has little attraction at present to Americans (who probably form the largest portion of the sport-hunting fraternity) because the importation of a polar bear hide into the US is still barred through the Marine Mammal Protection Act of 1972. To many Inuit hunters the effort involved in servicing a sport-hunt and the consequent reduction of individual freedom while out on the sport-hunt did not justify the financial gain. With the much reduced prices received for polar bear hides the hunt may become more attractive to the native hunters. However, the cost may also have to be adjusted to attract more prospective hunters.

Legislation affecting the trade in polar bear hides

With Canada's ratification (December 1974) of the Agreement on the Conservation of Polar Bears (1973), the Provinces and Territories were obligated to amend legislation to meet the terms of the Agreement. Of the five countries involved, three (Canada, Norway, and the USSR) have now ratified the Agreement and it came into effect on 26 May 1976. The US and Denmark are expected to ratify fairly soon. The terms of the Agreement specify that management practices should be based on the best available biological data. The main problem is now the implementation of management practices in jurisdictions where enforcement is still difficult. The implementation of the proposed quota system for Quebec may be aided at this time by the decline in the value of the hides, providing a lower incentive to take polar bears. The regulations controlling the numbers of polar

bears harvested in Canada were summarized briefly by Smith and Jonkel (1975a, b) and Stirling and Smith (1976).

With Canada's ratification (April 1975) of the Convention on International Trade in Endangered Species of Wild Fauna and Flora (1973) which came into effect 1 July 1975, a closer check is now required for the export of polar bears, the hides and any other products thereof. Polar bears fall within Appendix III of the Convention ('subject to regulation within its jurisdiction for the purpose of preventing or restricting exploitation and as needing the co-operation of other parties in the control of trade'). The existing Export and Import Permits Act, administered by the Department of Industry, Trade and Commerce, required only minor modification to accommodate the terms of the Convention. Export permits are now required for the export out of the country of any polar bear or parts thereof. Previously permits were required only for movement of hides interprovincially. Export permits, which record the date of export, exporting province/territory, country of import, buyer, and information on the hides themselves including tag numbers and size, are issued by the exporting province/territory. Therefore permits for hides sold at the fur auction house in Vancouver are issued by the Province of British Columbia even though the skins originated outside the province. All polar bears harvested in Canada, except in Manitoba, are tagged with a self-locking metal tag. Each tag is consecutively numbered and is labelled with the province or territory of origin. Under the terms of the Convention a permanent record of all polar bear hides legally exported is maintained by the federal government. The problem of illicit trade remains, but is probably not very extensive.

Summary

The present state of the fur market is likely to remain unchanged for some time. Prices appear to be stabilizing at the present level, slightly higher than the 1972 prices before the development of the Japanese market (Table 7). During 1973, the increased demand for polar bear hides outstripped the supply and consequently prices rose rapidly. Now the situation appears to be reversed with the auction houses facing large backlogs of hides and a steady supply of new ones. It is possible that with a gradually improving economic situation the demand for novelty furs, such as polar bear, may increase. However, until the backlog of hides can be removed or the supply reduced (possibly through reduced hunting if the volume of sales does not increase) the prospects for an improved market are poor. The situation is world-wide. The auction sales in London and in Copenhagen were unable to sell all the hides offered. The potentially large market in the US remains closed because of the regulations in the Marine Mammal Protection Act (1972).

Acknowledgements

We wish to thank A. Clevin, Hudson's Bay Company, and T. Pappas, Western Canadian Raw Fur Auction Sales Ltd. for their useful comments and data on the polar bear fur trade, and also Russ Hall, NWT Fish and Wildlife Service,

M. Soudack, Dominion Soudack Fur Auction Sales Ltd., and the numerous other fur auction, territorial, provincial, and federal personnel for being extremely helpful in supplying much of the information. We also wish to thank J.E. Bryant, Canadian Wildlife Service, for technical support during the writing of this report.

References

- Smith, P.A. and C.J. Jonkel. 1975a. Résumé of the trade in polar bear hides in Canada, 1972-73. Can. Wildl. Serv. Prog. Note No. 43. 9p.
- Smith, P.A. and C.J. Jonkel. 1975b. Résumé of the trade in polar bear hides in Canada, 1973-74. Can. Wildl. Serv. Prog. Note No. 48. 5p.
- Stirling, Ian and Pauline Smith. 1976. Polar bear management changes in Canada. IUCN New Series Publication (8p. t.w.) (in press).

Table 1

Numbers of polar bear skins offered and sold, and the prices in dollars paid at the auctions during 1974-75. Numbers of skins put up for auction are in parentheses

Auction house	Date	No. skins sold	Price range	Ave. price
Western Canadian, Vancouver	Jan. 1975	13 (136)	250-1000	594
	Feb.	29 (138)	550-1200	713
	April	24 (105)	225- 875	638
	June	11 (84)	400- 575	520
	Sept.	66 (123)	400- 950	631
Total		143 (200)	225-1200	637
Hudson's Bay Co., Montreal	Mar. 1975	31 (148)	50-1500	418
Total		77 (148)	50-1500	534
Dominion Soudack, Winnipeg	Jan. 1975	2	420- 600	510
	Feb.	5	400- 800	580
	Mar.	9	400-1000	606
	May	1	500	500
	Oct.	1	700	700
Total		18	400-1000	587
Ontario Trappers Assoc., North Bay		15		304
Manitoba Govt., Winnipeg	April 1975	12 (12)	52- 850	402
Hudson's Bay and Annings, London, England	Mar./Dec. 1975	26 (91)	497- 904	698
Royal Greenland, Copenhagen	Dec. 1974	79 (104)	? -1544	466
Total no. Can. hides sold	1974-75	291 (484)	50-1500	585

Table 2

Known polar bear kill data in Canada 1973-75

Jurisdiction	1973-74		1974-75	
	Recommended quota	Kill	Recommended quota	Kill
NWT	477	475	475*	464
Ont.	30	26	30	18
Man.	35	7	35	11
Nfld.	0	0	0	0
Que.	20	71	42	66
Yukon	6	4	6	0
Total	568	583	588	559

*Adjusted quota as a result of overkills in 1973-74.

Table 3
Comparison of average prices (in dollars) paid for polar bear hides at auctions 1973-74 and 1974-75

Auction house	1973-74	1974-75	% decrease
Western Canadian	1513	637	58
Hudson's Bay Co.	1570	534	66
Royal Greenland Trade Dept.	1224	466	62
Ave. (all auction houses handling Canadian hides)	1374	585	57

Table 4
Average known prices (in dollars) paid to hunters for polar bear hides 1973-74 and 1974-75. Numbers of skins are in parentheses

Settlement	1973-74	1974-75	% decrease
Arctic Bay, NWT	1686 (10)	959 (11)	43
Broughton Island, NWT	1193 (15)	607 (14)	49
Cambridge Bay, NWT	691 (4)	500 (14)	28
Cape Dorset, NWT	1083 (6)	675 (4)	38
Chesterfield Inlet, NWT		325 (2)	
Clyde River, NWT	1147 (37)	738 (37)	36
Coppermine, NWT		65 (1)	
Coral Harbour, NWT	1576 (58)	809 (64)	49
Eskimo Point, NWT		953 (8)	
Frobisher Bay, NWT	1167 (3)	250 (1)	79
Gjoa Haven, NWT		333 (10)	
Grise Fiord, NWT		579 (7)	
Igloodik, NWT	600 (4)	451 (8)	25
Lake Harbour, NWT		700 (1)	
Pangnirtung, NWT	1450 (4)	357 (7)	75
Pelly Bay, NWT		200 (6)	
Pond Inlet, NWT	1590 (5)	566 (11)	64
Port Harrison, Que.		550 (1)	
Rankin Inlet, NWT		475 (2)	
Repulse Bay, NWT	885 (13)	388 (12)	56
Resolute, NWT		573 (8)	
Sachs Harbour, NWT		690 (15)	
Sanikiluaq, NWT	1409 (16)	373 (7)	74
Spence Bay, NWT	1420 (8)	620 (11)	56
Tuktoyaktuk, NWT	1880 (17)	735 (10)	61
Ave. (all settlements)	1293 (221)	613 (272)	53

Table 5
Prices in dollars paid for various-sized hides at Hudson's Bay Company Fur Sales during 1974-75

Size*	No. hides	Price range	Ave. price
XXXL (>405 cm)	18	350-1500	807
XXL (345-405 cm)	18	330-1300	682
XL (290-345 cm)	29	150-800	418
L (255-290 cm)	9	75-400	208
LM (215-255 cm)	3	50-200	108
All hides	77	50-1500	534

*Size of hide = length + width.

Table 6
Numbers of sport-hunters by settlements 1974-75

Settlement	No. tags allotted	Sport-hunters	Successful sport-hunters
Paulatuk	3	3	2
Pond Inlet	1	1	0
Total	4	4	2

Table 7
Average known prices (in dollars) paid to hunters for polar bear hides 1971-75. Numbers of skins are in parentheses

Settlement	1971-72	1972-73	1973-74	1974-75
Broughton Island	317 (16)	495 (11)	1193 (15)	607 (14)
Clyde River	432 (40)	448 (23)	1147 (37)	738 (37)
Pangnirtung	413 (8)	844 (8)	1450 (4)	357 (7)
Tuktoyaktuk	585 (17)	666 (17)	1880 (17)	735 (10)
Ave.	440 (81)	574 (59)	1344 (73)	672 (68)

