

Resumé of the trade in polar bear hides in Canada, 1972-73

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Abstract

A review of the polar bear fur industry, export regulations, and market statistics in Canada for 1972-73 is presented.

Polar bears in Canada are found in Manitoba, Ontario, Quebec, Newfoundland, Yukon Territory and the Northwest Territories. Hunting regulations vary by jurisdiction but in general polar bears can be hunted only by native peoples. During 1972-73, 523 known polar bears were harvested. Before hides enter the fur market a self-locking metal seal is attached. In some cases export permits are required in addition before the hides can be transported out of the province or territory of origin.

Hides are disposed of in several ways by hunters. Most hides are sold either directly or through the NWT Fur Marketing Service to the five fur auction companies, or to the local Hudson's Bay Store or Eskimo Co-operative. Unknown numbers are sold directly to private individuals, private fur dealers, or are retained by the hunters. A small number is sold to sport-hunters. Hides of nuisance bears are government property.

The five fur auction companies handled about 60% of all polar bear hides taken during 1972-73. The Japanese were the main buyers at the auctions.

Market values for polar bear hides have climbed very rapidly in recent years. In general, 1973 prices were 30-100% higher than 1972 prices. At the end of the 1972-73 season, the average price of a hide was \$1800. The final value is dependent upon the quality, in terms of size, time of year killed, and care in skinning and storage.

The lack of national and international co-ordination of data on sealed hides and report-back systems when a hide changes hands, allows considerable opportunity for re-using or changing seals and export permits. This will have to be corrected following ratification of the Agreement on the Conservation of Polar Bears and the Convention on the International Trade in Endangered Species of Wild Fauna and Flora.

Although the data are incomplete, there appear to be disparities in prices paid for hides in the different regions, as well as in the different ways hides are sold. Possible solutions are to sell to the auction houses, either directly or through the NWT Fur Marketing Service.

Introduction

In recent years the prices paid for polar bear hides have risen rapidly. During 1973 several hides brought over \$3000

each on the fur market. With the increased value of the hides, problems such as increased poaching, illegal trading, and greater hunting pressure on some groups of bears may occur. Also there are regional disparities in the methods of marketing hides and in the prices paid for them. These facts, as well as the US Marine Mammal Act (1972) which bans the import of hides into the US, will continue to affect the Canadian market and the management of polar bears in Canada. Finally, Canadian jurisdictions will have to tighten export and import regulations in order to ensure that Canada meets the terms of the Agreement on the Conservation of Polar Bears (1973) and the Convention on the International Trade in Endangered Species of Wild Fauna and Flora (1973). A review of the fur industry, export regulations, and market statistics therefore seems appropriate.

Management

Polar bears in Canada are found in Manitoba, Ontario, Quebec, Newfoundland, Yukon Territory, and the Northwest Territories. Hunting regulations vary by jurisdiction, but in general polar bears in Canada can be hunted only by native peoples. Federal-Provincial Technical and Administrative Committees for Polar Bear Conservation review research and management progress annually, and recommend regional seasons and quotas.

In the NWT, polar bears were declared an endangered species by an Order-in-Council (1960) so that they could be placed under a game management plan restricting hunting to certain seasons, areas, sex, and age groups. A quota system was established in the NWT and Yukon to safeguard the polar bear populations until further data became available. Under the Game Ordinance (1968), the NWT have permitted, since the management year 1969-70², a limited (and guided) sport-hunt at the request of particular settlements, and the bears killed must be allotted from the settlement quotas.

Ontario has a "permissible kill", a less stringent control than quotas, restricted to local Indians. Manitoba and Quebec both restrict the hunting of polar bears to native peoples, but with vastly different results. In Manitoba almost no bears are hunted by native peoples and the sale of hides by them is prohibited; the killing of problem bears, particularly around Churchill, is done by Conservation Officers. In Quebec, polar bear hunting by Indian and Inuit peoples has increased considerably. Newfoundland has closed the season entirely.

Under the terms of the Agreement on the Conservation of Polar Bears signed in Oslo, Norway, by the five polar bear nations (Canada, Denmark, Norway, USSR, and USA), bears can also be killed for bona fide scientific purposes, conservation purposes, self-protection, and to protect equipment or a resource necessary for survival. However, the hides become the property of the government of the province or territory

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²The game management year extends from July 1 to June 30 the following year.

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where the bear was killed. All hides taken legally for any other reason can be traded by the hunter unless prohibited by national legislation. Because of a disagreement at the Oslo Conference over the use of the term "management", Canada must interpret killing for "scientific purposes" to include "scientific management purposes", in order to provide for the sale of hides by governments from bears killed for control purposes.

Kill data

The numbers of polar bears killed in Canada from 1921 to 1971 have been summarized by Harington (1961), Macpherson and Jonkel (1970), and Stirling and Macpherson (1972). The numbers of polar bears killed in Canada since the 1971-72 game management year are summarized in Table 1.

Sealing (tagging) of polar bear hides

After a polar bear has been skinned, but before the hide enters the fur market, a self-locking metal seal is attached to the hide. These seals are consecutively numbered and are labelled with the province or territory of origin. In some cases, export permits are required in addition before the hide can be transported out of the province or territory of origin. Each province and territory applies its own conditions for issuing seals and export permits and these are summarized below.

In the NWT the number of seals allotted corresponds to the quota of bears permitted to be killed by each settlement. A few extra seals are kept in Regional Game Offices for confiscated hides, scientific specimens, etc. A Fur Export Permit costing \$1.00 is required for the transport of each shipment of hides out of the Territories.

In Ontario a limited number of seals are issued to Indian hunters by Ministry of Natural Resources personnel in settlements. Since 1970 a Fur Bearing Animal Export Permit (no cost) is required.

In Manitoba no seals are issued at present.

In Newfoundland illegally taken hides are confiscated and sealed by game authorities. A Fur Export Permit (no cost) is required for the transport of a hide out of the Province.

In Quebec all hides taken must carry a seal issued by the Ministère du Tourisme, de la Chasse et de la pêche. A Fur Export Permit (no cost) is required for the transport of a hide out of Quebec. There is a royalty fee of \$5.00 per hide.

In the Yukon seals are issued to hunters before bears are taken, and must be attached to a hide before processing or export from the territory. A maximum of six seals are issued each year, and an export permit of \$5.00 per hide is required to transport it out of the Yukon.

Disposition of hides by hunters

After being sealed, the hides can be disposed of in several ways (Table 2). In Manitoba, hides of nuisance bears killed by Game Officers and RCMP are Crown property and are sold by the Manitoba government by sealed tender. Prices received vary widely, apparently dependent on how well the sale is advertised. Proceeds from sales go to the Manitoba general revenue. In the NWT hides of nuisance bears become government property and are sold through Western Canadian Raw Fur Auction Sales Ltd.

Hides bought from hunters by Eskimo co-operatives are usually re-sold through a fur auction house and the profit returned to the local co-operative.

Fur auction companies handled some 59% (306) of all polar bear hides (523) taken in Canada during 1972-73. The Western Canadian Raw Fur Auction Sales Ltd. takes 6% commission, Hudson's Bay Company and Dominion Soudack take 7%, and Ontario Trappers Association takes 5%. After an auction by the Ontario Trappers Association, handling charges and the 5% commission are deducted and the proceeds are divided, 60% going to the Indian hunter and 40% to the Indian Band.

Hides of polar bears taken in excess of the permissible kill in Ontario are held in storage for a year before being sold, causing a delay in payment to the hunter. This serves as a deterrent to an overkill. Unlike the quota system, however, the Indian settlement's permissible kill in the following year is not reduced.

By implication the NWT government values a bear hide at \$750. This is the difference between the cost of a successful sport-hunt package and an unsuccessful one, \$2500 and \$1750 respectively. These costs can be changed by the outfitters in the settlements; the proposed cost of a successful sport-hunt in 1973-74 is \$3500. If the sport-hunt is unsuccessful, the seal cannot be used later by an Inuit. The kill by sport-hunters in the NWT in 1972-73 is shown in Table 3.

Disposition of hides after sale by hunter

Skins initially sold to the Eskimo Co-operatives are normally resold to individuals (see Table 4) or through the fur auction companies. The prices paid for the hides at the sales of fur auction companies are shown in Table 5. The hunter receives a percentage of the price paid: the actual percentage received depends upon the method used by the fur auction company to acquire the hide, that is, directly from the hunter, or through the NWT Fur Marketing Service, or through other sources (see Table 6).

In general, 1973 prices were 30-100% higher than in 1972. During 1973 the increase in average prices was 253% at the Western Canadian auction sales and 74% at the Hudson's Bay Company sales. These increases may reflect differences in the quality of the hides traded at various times.

Most skins are sold to brokers for foreign firms, mainly in Europe, Japan, and Hong Kong. Very few skins are bought at auctions by Canadians for Canadians. A small number are available in gift shops, but their sources vary. No skins may be imported into US under the US Marine Mammal Protection Act (Oct. 21, 1972; effective Dec. 21, 1972).

There are a great many licensed taxidermists in Canada, but only a few of them process polar bear hides. The taxidermists who accept most polar bear hides are in Winnipeg, Montreal, Vancouver, and cities in Ontario. Licensing of, or reporting by, taxidermists who handle these skins is governed by the provincial wildlife legislation.

Discussion

In addition to the metal seal fastened to a hide, a game export permit is needed to transport hides between most jurisdictions,

but at present there is no cross-checking of these exports. Furthermore, there is no national or international co-ordination of the data on sealed hides, and no report-back system when a hide changes hands. There remains, therefore, considerable opportunity for re-using or changing seals and export permits. Also, illegal hides can be tanned privately, enter the retail trade and be mixed with legal hides which have been tanned legally and have had the seal removed. Upon ratifying the Agreement on the Conservation of Polar Bears and the Convention on Endangered Species, Canada will have to correct these discrepancies. A national agency could administer the trade, or a committee could co-ordinate efforts of the provinces and territories through existing enforcement agencies and a better, standardized export system. The Canadian Management Authority on the Convention on Endangered Species has consultations underway whereby an international export permit issued by a provincial or territorial authority will be required for the export from this country of any polar bear part or product. The Management Authority could act as a clearing house for export permits, which could contain such information as seal number and country of destination.

It is difficult to obtain adequate data on marketing because dealers understandably do not want to divulge information on their profits. Nonetheless, there appear to be obvious disparities in the prices paid for polar bear hides in the different regions of Canada, as well as in the ways hides are sold. It appears that the system most profitable to the hunter is through the NWT Fur Marketing Service. This service was established by the NWT Government to help the hunter in marketing furs directly through southern auction houses. The hunter is advanced government funds up to 75% of the estimated value of a hide as soon as it is properly dressed for shipping (that is, fleshed, scraped, dried and stretched). When the hide is sold at the auction, the government is reimbursed for its advance, and the hunter receives the balance. This service was designed to reduce quick local sales for small sums by the hunters, to present the hunter with an alternative means for marketing the skins, and to encourage him to upgrade the quality of skins traded. Too often the skinning has been done in a haphazard way, resulting in numerous cuts in the leather; the hair roots are exposed by careless scraping, so that the hair falls out when the hide is dressed. The trading centres are all southern (see Table 6) and without government aid hunters are in a poor position to obtain maximum prices.

Regional disparities in the amounts of money received by individual hunters are further illustrated in Table 7. It will be noted that Pangnirtung, where a Game Management Officer was available to advise hunters about the use of the Fur Marketing Service, was able to profit quickly from the rapid rise in prices between 1972 and 1973. By contrast, Clyde River settlement, which is situated in an isolated area and is without the help of a Game Management Officer, was selling hides far below market prices during 1973. A plan is currently under consideration by the Northwest Territories to expand the Fur Marketing Service aid to the hunters in order to help them obtain the best auction price at the lowest commission rates.

Fur auctions market 60% of the polar bear hides in Canada, and an unknown number of the remaining hides are sold directly to private individuals. In some settlements, this latter

type of sale appears to be substantial. A hunter confronted by a transient with cash is understandably tempted to sell and have his money immediately. A considerable number of hides are still sold to local trading posts, and the advancing of credit by traders helps maintain this type of marketing. Private sales, sales to trading posts, and sales by tender as used in Manitoba, usually result in a low gain to the hunter, so that the NWT Fur Marketing Service, and selling directly to the auction houses appear to be increasingly preferred alternatives for marketing polar bear hides.

Market values for polar bear hides have climbed very rapidly in recent years, particularly during 1973. The quality of hides in terms of size, time of year killed, and the care in skinning and storage, determines the final value of each skin. Because of the various ways hides are sold, however, there is a great variation in the prices obtained by an Inuit or Indian hunter or a government agency.

Buyers, especially those from Japan, have become very competitive at the large fur auctions in recent years. One reason for this trend appears to be the increasing affluence among the ultimate consumers. Polar bear rugs have long been a status symbol and a valued trophy in western nations, but only recently have they become fashionable in Asia. The hair is also much valued by private and commercial producers of dry flies for sport-fishing. Much of that demand is no doubt filled from remnants, trimmings, and spoiled hides, but the hunter, having already sold the hides, receives no further financial benefit. The taxidermist or furrier probably makes the most profit from this trade.

We can predict that the demand for fur will continue to rise as affluence and human numbers increase. The supply of polar bear hides on a world scale, however, will probably slowly decline, or perhaps remain constant. Hunting has been banned in the USSR since 1956 and in Norway since mid-1973. In Alaska, Canada, and Greenland, hunting is now restricted to native peoples, except for the limited sport-hunt in Canada, and in most places strict quotas are enforced. Inevitably, therefore, prices of polar bear hides will rise. Research and management will become increasingly important, both to obtain a maximum gain, as well as to preserve the species. Better law enforcement and tighter controls on hunting, processing, trade, and export will be required if poaching and illegal trade are not to increase in parallel with the increase in economic value. Seals on the hides and export permits provide a mechanism for such controls. The recent Polar Bear Agreement and the Convention on International Trade in Endangered Species provide the basis for national and international control co-ordination.

Canada, as the largest producer of polar bear hides, may find it necessary to develop a comprehensive reporting system from hunter to final consumer, in order to prevent extensive abuses. In the international conservation community, Canada already has a reputation as a "country of convenience" for the trans-shipment of furs of endangered species such as the spotted cats. With the closure of the US market in polar bear hides by the US Marine Mammal Protection Act, there could be a greater incentive for illegal movement of hides, and an increase in the black market, already rumoured to be as high as \$10,000 a hide.

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Table 1
Polar bear kill data in Canada, 1971-73

	1971-72		1972-73	
	Recommended quota	Kill	Recommended quota	Kill
NWT	422	409	450	429
Ontario	30*	20	30*	12
Manitoba	50	9	50	15
Newfoundland	0	2	0	6
Quebec	20	55	20	57
Yukon	6	6	6	4
Total	528	501	556	523

*Ontario has a permissible kill instead of a quota system.

Table 2
Disposition of hides by hunter

Disposition	Yr.	No. hides	Price	Location
To museums as specimens (Scientific Collectors Permit necessary)	Each yr.	5 approx.	—	
By sealed tender	1972-73	15	\$35-705	Manitoba only
Retained by hunter	Each yr.	20 approx.	—	
To Eskimo Co-op	1972	2	\$190 (av.)	Povungnituk, P.Q.
	1972-73	2	\$565 "	Katudgvik Co-op, Coral Harbour, NWT
	1972-73	8	\$400 "	Naujat Co-op Repulse Bay, NWT
	1973		\$45/ft winter \$55/ft early spring \$80/ft late spring	Resolute, NWT
	1973		\$40/ft	Grise Fiord, NWT
To Hudson's Bay Co.	1972	3	\$250 (av.)	
	1973	16	\$520 "	
	1973	5	\$700 "	
	1973	6	\$700 "	
	1973	1	\$200 "	
		HBC average	\$547	
To fur auction companies	1973	10	\$1260 (av.)	*Coral Harbour, NWT
	1973	2	\$1225 "	*Pangnirtung, NWT
To private fur dealers	1973		\$75/ft	Aklavik
To private individuals	1971-72	2	\$300 (av.)	Koartak, P.Q.
	1973	1 (9 ft)	\$700	Yukon
	1973	1 (10 ft)	\$1100	Resolute, NWT
	1973	3 (6-7 ft)	\$450 (av.)	Resolute, NWT
	1973	1 (8½ ft)	\$450	Great Whale River, P.Q.
	1973	2	\$540 (av.)	Coral Harbour, NWT
	1973	2	\$725 "	Repulse Bay, NWT
	1973	1	\$700	Pangnirtung, NWT
		Average price	\$571	
To Ontario Trappers Assoc. via Ontario Gov't at North Bay Fur Auction	Dec. 1972† May 1973†		\$86-377‡ \$565-660‡	

*These figures were obtained from the NWT Fur Marketing Service.

†The Ontario Indian hunter receives 60%, and the Indian band 40% of these prices, after deduction of 5% commission and handling charges.

Table 3
Kill by sport-hunters in the NWT in 1972-73

Settlement	No. skins taken
Coral Harbour	1
Sachs Harbour	2
Holman Island	1
Paulatuk	2
Pond Inlet	3
Total	9*

*2.1% of all skins taken in the NWT or 1.8% of the bears taken in Canada during the management year July 1, 1972 to June 30, 1973.

Table 4
Prices charged to individuals on resale of hides by Eskimo Co-op

Year	Settlement	Size	Price
1972	Great Whale River, P.Q.	6 ft	\$500
1973	Grise Fiord, NWT		\$55/ft until 30 Apr. 1973
			\$70/ft after 30 Apr. 1973
	Resolute, NWT		\$75/ft
1972-73	Port Burwell, NWT		\$55/ft

Table 5
Prices paid at auctions during 1972-73

Auction house	Date	No. skins	Condition of hide	Size	Price range (in dollars)	Average price (in dollars)					
Western Canadian	Jan. 1973	42*(50)†	Heavy	8½-10½ft	840-1030	—					
			Flatter	8½-10½ft	550-650	—					
			Flat	Mixed	260-450	571					
	Feb. 1973	24 (24)	Good quality	—	90-110/ft	—					
				6-10ft	520-1100	—					
			Flatter, stained	6-10ft	70-80/ft	—					
	April 1973	19 (20)	Poorer	—	420-1100	—					
					<70/ft	710					
			Ordinary	>8ft	1600-1800	—					
	June 1973	30 (31)		<8ft	1100-1500	1221					
Heavy			9-10ft	1925-1995	—						
Heavy			8-9ft	1800-1900	—						
Hudson's Bay Co.	Sept. 1973	42 (43)	Heavy	—	1500-1775	—					
							Flatter	(2nds all sizes)	600-900	1367	
							Badly stained	—			
	Total	157									
	Dec. 1972	0 (0)									
			March 1973	7 (10)	Heavy	—	325-3400	2017			
									XXXL	1210-1550	1456
									XXL	70-1610	955
									XL	460-1160	794
L									360	360	
M			63	63							
Total	47 (55)				947						
May 1973	7 (7)	—	—	—	—	—					
							XXXL	1160-1930	1673		
							XXL	510-1500	922		
							XL	550-1000	806		
							L	—	—		
							LM	—	—		
Total	33 (40)										
				1100	1100						
					1059						
Aug. 1973	8 (9)	—	—	—	—	—					
							XXXL	900-3050	2270		
							XXL	400-2800	1658		
							XL	675-2150	1775		
							L	700	700		
							6 (7) dressed hide		1182		
Total	30 (32)				1650						
Grand total	110										

Table 5 (cont'd)
Prices paid at auctions during 1972-73

Auction house	Date	No. skins	Condition of hide	Size	Price range (in dollars)	Average price (in dollars)
Manitoba Gov.	1973	15‡	Poor	—	35-705	306
Dominion Soudack	1973	12§	—	—	560-1520	—
Ontario Trappers	Dec. 1972	—	—	XXL	290-400	—
	May 1973	—	—	Med.	95-400	—
		12§	—	—	600-700	—
Royal Greenland Trade Dept., Copenhagen	Nov. 1972	111	—	—	256-3952	1011

* Number of skins actually auctioned.

‡ Values in parentheses are the numbers of skins put up for auction.

‡ Sold by sealed tender.

§ Average annual total.

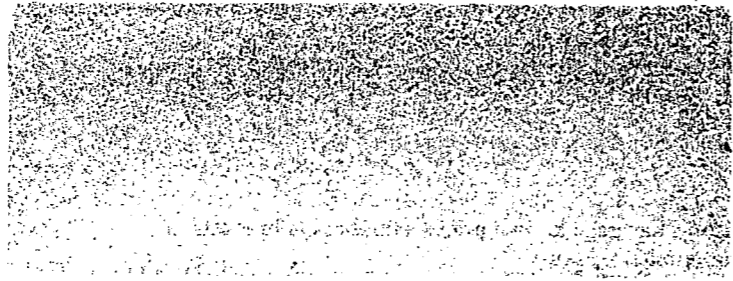
|| Size, length plus width: XXXL, >160 in.; XXL, 135-160 in.; XL, 115-135 in.; L, 100-115 in.; LM, 85-100 in.; M, <85 in.

Table 7
Comparison of average known prices. Numbers in brackets indicate the number of skins

Settlement	1971-72	1972-73	% increase
Broughton Island, NWT	317 (16)	495 (11)	56
Clyde River, NWT	432 (40)	448 (23)	4
Pangnirtung, NWT	413 (8)	844 (8)	105
Averages	\$401	\$536	34

Table 6
Trading centres and sources of supply of polar bear hides in Canada

Auction house	Location	Main source of hides
Dominion Soudack	Winnipeg	Eskimo Co-ops, Individual Hunters
Hudson's Bay Company	Montreal	H.B. Co. Posts, Eskimo Co-ops, Individual Hunters
Manitoba Government	Winnipeg	Manitoba Game Officers (nuisance bears and confiscated hides)
Ontario Trappers Association	North Bay	Ontario Indians
Western Canadian Fur Auction Sales Ltd.	Vancouver	Individual Hunters, Eskimo Co-ops, NWT Government (confiscated hides, nuisance animals)



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