

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

Aussi disponible en français

OCT 6 1975

No. 48, September 1975

QUÉBEC

Résumé of the trade in polar bear hides in Canada, 1973-74

by P.A. Smith¹ and C.J. Jonkel¹

Abstract

A review of the polar bear fur industry and market statistics in Canada for 1973-74 is presented.

The five fur auction companies handled about 74% of all polar bear hides taken during 1973-74, a 37% increase in the number of hides handled over the previous year. However, reduced demand, particularly by Japanese buyers, has resulted in lower prices and the buying back of hides from the auction sales. Although prices received at the world's three main auction houses declined through 1973-74, there was a net increase in prices received between 1972-73 and 1973-74.

The average prices received by the native hunters have increased since 1972-73, much more than the percentage increases received by the auction houses. This is a reflection of the increase in the number of sales by the hunter directly to the fur auction houses or through the NWT Fur Marketing Service.

The higher prices paid for hides probably contributed to reducing the sport-hunt in the NWT and provided more incentive for the native hunters to take polar bears. A summary of the kills and quotas by jurisdiction is given.

Under the terms of the Agreement on the Conservation of Polar Bears and the Convention on the International Trade in Endangered Species of Wild Fauna and Flora, tighter controls on polar bear harvest and more comprehensive records on the movement of tagged hides are called for.

Introduction

Until 1974, the prices paid for polar bear hides climbed steadily. The polar bear fur industry, export regulations, and market statistics in Canada for 1972-73 have been summarized previously by Smith and Jonkel (1975). Throughout 1973 the trade in polar bear hides continued to flourish, reaching a peak late in the year with several hides bringing over \$3,000 each on the fur market. However, the upward trend in prices during 1973 has not continued into 1974; there has been a decrease in the prices paid and in the numbers of hides auctioned. The high prices paid on the Canadian fur market during 1973 appeared to have stemmed from the activities of Japanese dealers who were buying most of the skins passing through the auction houses. Because of the competitive bidding by the Japanese, very few skins were bought by Canadian or European buyers. The US market remained closed.

In early 1974 Japanese interest in polar bear hides declined. The reduced demand has resulted in lower prices (Table 1). Skins are now being bought back from auction sales as bidding is too low. In December 1973, all 58 hides held

in stock by the Hudson's Bay Company (Montreal) were sold in public and private auction sales. However, no polar bear hides were offered at the February and March 1974 sales, and only four of the 51 skins offered at the May sale were sold. In August 1974, 88 skins were offered but only 18 of poor quality were sold. There was a similar trend in Vancouver where Western Canadian Raw Fur Auction Sales sold only 126 of the 204 skins put up for auction in 1974, and in Winnipeg, where Dominion Soudack Fur Auction Sales sold only 30 of 48. The Manitoba Government did not sell any skins. At the end of the season the Hudson's Bay Company, Western Canadian Raw Fur Auction Sales, and Dominion Soudack Fur Auction Sales had inventories of 70, 78, and 18 skins respectively; there was only a 60% turnover of hides in Canada for 1973-74. This is in marked contrast to the previous year when the turnover was 100%. At present the auction houses are storing hides until the demand recovers. The December 1973 sale by the Royal Greenland Trade Dept. in Copenhagen, the largest handlers of polar bear skins outside Canada, is included for comparison (Table 1).

The Hudson's Bay Company obtains polar bear skins from its northern stores, Inuit (Eskimo) co-operatives, and individual hunters. Western Canadian Raw Fur Auction Sales is supplied by individual hunters, Inuit co-operatives, the NWT Fur Marketing Service, and the NWT government from confiscated hides and hides of nuisance animals. Dominion Soudack Fur Auction Sales is supplied by Inuit co-operatives and individual hunters.

The Manitoba Government did not hold its spring auction in 1974 due to the small number of skins (five) in its possession. In Manitoba, skins of nuisance bears killed by game officers and RCMP are Crown property and can be sold only by the Manitoba Government through sealed tender. The proceeds from the auction go into Manitoba General Revenue.

The Ontario Trappers Association in North Bay is the only official marketing outlet for hides taken by Ontario Indians. All hides put up for auction were sold. However, in 1974 two skins taken above the permissible kill allotted to the Indian settlements will be held for a year by the auction house before being auctioned. In 1973, eight skins were held over.

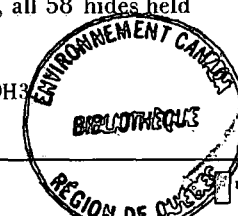
The auction houses handled 37% more skins in 1973-74 (430 skins) than in 1972-73 (314). This increase is a reflection of the increased number of skins harvested (583 skins in 1973-74 game management year² compared to 523 in 1972-73), and an increased interest by the hunters in obtaining a better price. The auction year begins in December or January depending upon the auction house (Table 1) and extends through the following summer.

During 1973-74, the Hudson's Bay Company and Dominion Soudack Fur Auction Sales suffered the greatest declines in average prices (Table 1). However, average prices at the world's three major polar bear auction houses showed a

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

¹CWS Eastern Region, Ottawa, Ontario K1A 0H3

SK
471
C3371
NO. 48



net increase in prices received between 1972-73 and 1973-74 (Table 2).

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 in 1973-74 is given in Table 3 along with comparable data for 1972-73. Information is from CWS report forms for polar bear kills and the NWT Game Management Service.

In 1973-74 as in 1972-73 the hunters selling hides either directly to the fur auction houses (hunters from Sanikiluaq and Tuktoyaktuk), or through the NWT Fur Marketing Service (hunters from Coral Harbour and Spence Bay), received the highest prices for their hides (Table 3). 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, hunters are currently experiencing considerable delays in receiving the full return from skins not yet auctioned due to the failure of buyers to meet reserve bids at the auction sales. If delays become too long and/or the prices at auctions continue to fall the hunters may resort in the future to quick local sales at lower prices.

The hunters who received the lowest prices for hides were those who sold directly to the local store or co-operative (e.g. Koartak, Payne Bay, and Repulse Bay). The poorer quality of hides of polar bears killed in summer was also partly responsible for the low prices at Payne Bay and Fort Severn. Haphazard methods of skinning and preparation, and incomplete drying and stretching are also reflected in the low prices obtained for the Fort Severn skins at the North Bay auction sales.

The average prices received by native hunters have increased since 1972-73 much more than the percentage increases received by the auction houses (Table 3 compared to Table 2). Average prices paid to hunters from the relatively remote settlement of Repulse Bay increased considerably (Table 3), but are still substantially lower than for other less remote settlements like Coral Harbour, which has the advantage of a resident Game Management Officer. The very marked increase in the average prices received by Broughton Island, Clyde, and Pangnirtung Inuit in 1973-74 is partly explained by the increased use of the NWT Fur Marketing Service.

The higher fur prices obtained in 1973-74 probably contributed to reducing the sport-hunt in the NWT. Although each sport-hunt, whether successful or not, brings \$3,500 into the settlement, most native hunters preferred to harvest their quota of bears themselves. Consequently only three settlements offered a sport-hunt and only three bears were taken (Table 4). If the sport-hunt is unsuccessful, the tag allotted to it may not be used later. With lower fur prices the sport-hunt may become more attractive to the native hunter.

The increased monetary return to the hunter during 1973-74 has provided more incentive to take polar bears. Unlike previous years, many settlements in the NWT had filled their quotas within a few weeks of the opening of the hunting season³ and eight settlements exceeded their quotas.

³Polar bear hunting season in the NWT and Yukon extends from 1 October to 31 May the following year.

The total known polar bear kill for Canada for 1973-74 was in excess of the total quota recommended by the Federal-Provincial Polar Bear Committees (Table 5).

The total known kill is determined from the numbers of polar bear tags issued to hunters and from reports by provincial, territorial and federal personnel. After a polar bear hide has been skinned, but before the hide enters the fur market, a self-locking metal seal is attached to it. The seals are consecutively numbered and are labelled with the province or territory of origin. However, no tagging system exists in Manitoba and Newfoundland and there are still problems with the Quebec and Ontario hide-tagging programs.

In the NWT and Yukon, exploitation of the polar bear population is prevented through the administration of the quota systems. The NWT Government increased the total quota for native hunters by 26 for the 1973-74 season (Table 5). Newfoundland, Manitoba, and Ontario have certain safeguards which should prevent over-exploitation of the bear population. From 30 December 1970, Newfoundland closed the season entirely, even for native people. Manitoba allows only native people to hunt polar bear for their own use but prohibits the sale of the hide. Few bears are taken. Nuisance bears in the Churchill area are handled by Conservation Officers. Ontario restricts hunting of polar bears to local Indians, who are discouraged from taking bears in excess of the allotted permissible kill. If an overkill does occur the permissible kill for the following year is not amended, as in the case of the NWT quota system. The only deterrent is the delay in payment for the hides. The main problem lies with jurisdictions having little legislative control over the polar bear harvest. A tentative quota system is being proposed for Quebec, and with the co-operation of federal and provincial government agencies and native groups it could be implemented by the 1975-76 game management year. The native people are now aware of the value of their natural resources. Inuit and Indians are increasingly hunting with the sole purpose of taking polar bear hides.

With the ratification by Canada (16 December 1974) of the Agreement on the Conservation of Polar Bears (1973) the provinces and territories are obligated to amend legislation to meet the terms of the Agreement. The five polar bear nations (Canada, Denmark, Norway, USA, and USSR) agreed to the establishment of sound management practices based on the best available biological data. Canada has now (10 April 1975) ratified the Convention on International Trade in Endangered Species of Wild Fauna and Flora (1973) which will come into effect 1 July 1975. Polar bears are included in Appendix III ('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'). Existing legislation, the Export and Import Permits Act, administered by the Department of Industry, Trade and Commerce required only an additional Order-in-Council to accommodate the terms of the Convention. At present, export permits are required only for the movement of polar bear skins interprovincially and not for transport out of the

country (Smith and Jonkel 1975). The new legislation provides for tighter controls on the polar bear harvest and more comprehensive records to be kept on the movement of tagged hides.

Polar bear hides are unique novelty items purchased mainly for home furnishings or as status symbols, and are not staple fur items. Consequently the demand and the prices paid can fluctuate wildly due to economic conditions. At the moment, the Canadian fur market is vulnerable, being too dependent upon one major buyer (Japan). The Japanese recognize that they have out-bid their competition and have become hard bargainers. If the US should release polar bear hides from the restrictions of the Marine Mammal Protection Act, a large market would become available in the US. However, particularly in North America, the possession of a polar bear skin has become an embarrassment due to the influence of anti-fur organizations. The European market may well improve because of the 1 July 1973 moratorium on killing polar bears by Norway, leaving only the native hunters of Canada and Greenland to supply the world demand.

A more stable market would ensure that the hunters obtain fair prices, and should also help reduce the illegal trade. Until economics become more stable, however, prices may continue to fall, as they have throughout 1974.

Acknowledgements

We wish to thank R.H. Russell, CWS, and numerous fur auction, territorial, provincial, and federal government personnel for being extremely helpful in supplying information and comments.

Reference

Smith, P.A. and C.J. Jonkel. 1975. Résumé of the trade in polar bear hides in Canada, 1972-73. Can. Wildl. Serv. Prog. Note No. 43. 9p.

Table 1
Numbers of polar bear skins offered and sold, and the prices in dollars paid at auctions during 1973-74

Auction house	Date	No. skins sold	Price range	Ave. price
Western Canadian, Vancouver	Jan. 1974	66 (115)*	600-2,450	1,582
	Mar.	10 (87)	1,600-2,300	1,915
	April	14 (87)	1,200-1,900	1,525
	June	18 (90)	500-1,900	1,297
	Sept.	18 (96)	325-2,150	1,243
Total sold		126		1,513
Hudson's Bay Co., Montreal	Dec. 1973	58 (58)	300-3,600	1,882
	Feb. 1974	-		
	Mar.	-		
	May	4 (51)	300-1,500	1,088
	Aug.	18 (88)	200-1,800	671
Total sold		80		1,570
Dominion Soudack, Winnipeg	Jan. 1974	5 (5)	1,025-2,725	1,690
	Mar.	5 (5)	1,000-1,900	1,362
	May	9 (18)	250-1,300	839
	Sept.	11 (29)	350- 700	477
Total sold		30		935
Ontario Trappers Assoc., North Bay	Dec. 1973	1	1,110	1,110
	April 1974	18	200- 525	381
	June	2	415- 480	448
Total sold		21		422
Manitoba Govt., Winnipeg	5 skins - no auction this year			
Royal Greenland Trade Dept., Copenhagen	Dec. 1973	65	375-2,850	1,224

*Values in brackets are the numbers of skins put up for auction at each sale.

Table 2
Comparison of average prices (in dollars) paid for polar bear skins at auctions, 1972-73 and 1973-74

Auction House	1972-1973	1973-1974	% increase
Hudson's Bay Co.	1,172	1,570	34
Western Canadian	1,210	1,513	25
Royal Greenland Trade Dept.	1,011	1,224	21

Table 3
Average known prices (in dollars) paid to hunters for polar bear skins 1972-73 and 1973-74. Numbers of skins are in parentheses

Settlement	1972-73	1973-74	% increase
Broughton Island, NWT	495 (11)	1,193 (15)	141
Cambridge Bay, NWT		691 (4)	
Cape Dorset, NWT		1,083 (6)	
Clyde, NWT	448 (23)	1,147 (37)	156
Coral Harbour, NWT	881 (37)	1,576 (58)	79
Fort Severn, Ont.		419* (12)	
Frobisher Bay, NWT		1,167 (3)	
Igloolik, NWT		600 (4)	
Koartak, Que.		900 (3)	
Pangnirtung, NWT	884 (8)	1,450 (4)	72
Payne Bay, Que.		533 (6)	
Repulse Bay, NWT	553 (16)	885 (13)	60
Sanikiluaq, NWT		1,409 (16)	
Spence Bay, NWT		1,420 (8)	
Tuktoyaktuk, NWT		1,879 (17)	
Ave. (all settlements)	845 (149)	1,267 (206)	50

*After commission, cleaning charges and membership dues to Ontario Trappers Association, 60% goes to the hunter and 40% to the Indian Band.

Table 4
Number of sport-hunters by settlement 1973-74

Settlement	No. tags allotted	Sport-hunters	Successful sport-hunters
Holman	4	3	2
Paulatuk	4	-	-
Pond Inlet	6	1	1
Total	14	4	3

Table 5
Known polar bear kill data in Canada, 1972-74

Jurisdiction	1972-73		1973-74	
	Recommended quota	Kill	Recommended quota	Kill
NWT	451	429	477	475
Ontario	30*	12	30+	26
Manitoba	50	15	35	7
Newfoundland	0	6	0	0
Quebec	20	57	20	71
Yukon	6	4	6	4
Total	557	523	568	583

*Permissible kills.

