

THE ECONOMIC VALUE OF RESIDENT AK HUNTERS

To help guide you in your management and allocation decisions, by the dollar.

Douglas Malone testimony to the Alaska Board of Game, February 2017

ALASKA CONSTITUTION ARTICLE 8 (Natural Resources)

Section 1: Statement of Policy

It is the policy of the State to encourage the settlement of its land and the development of its resources by making them available for **maximum use** consistent with the public interest.

Section 2: General Authority

The legislature shall provide for the utilization, development, and conservation of all natural resources belonging to the state, including land and waters, for the **maximum benefit** of its people.

Section 3: Common Use

Wherever occurring in their natural state, fish, wildlife, and waters are **reserved to the people for common use**.

Section 4: Sustained Yield

Fish, forests, wildlife, grasslands, and all other replenishable resources belonging to the State shall be utilized, developed, and **maintained on the sustained yield principle**, subject to preferences among beneficial uses.

Alaska Statute 16.05.020 (2) Commissioner's Duties

"Manage, protect, maintain, improve, and extend the fish, game, and aquatic plant resources of the state in the interest of **the economy and general well-being** of the state."

ADFG Agency Mission Statement

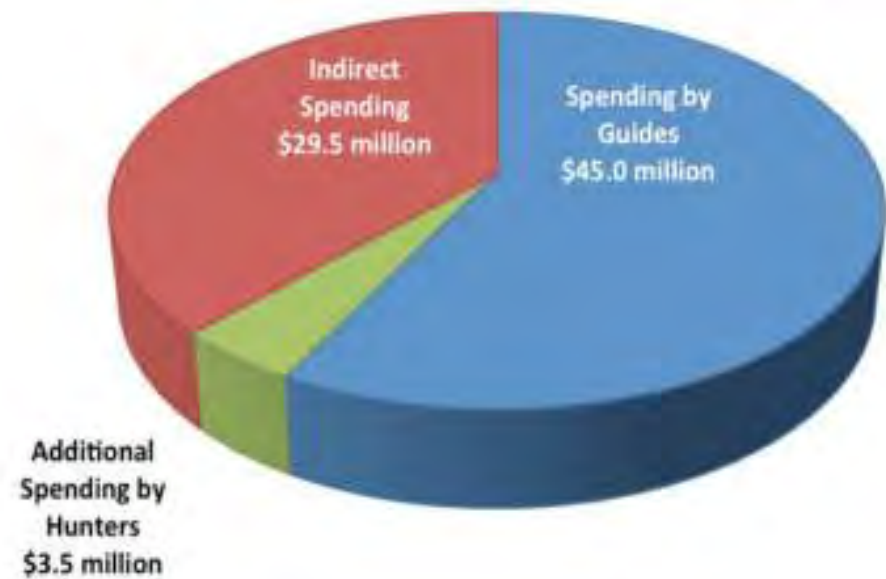
To protect, maintain, and improve the fish, game, and aquatic plant resources of the state, and manage their use and development **in the interest of the economy and the well-being of the people of the state**, consistent with the sustained yield principle.

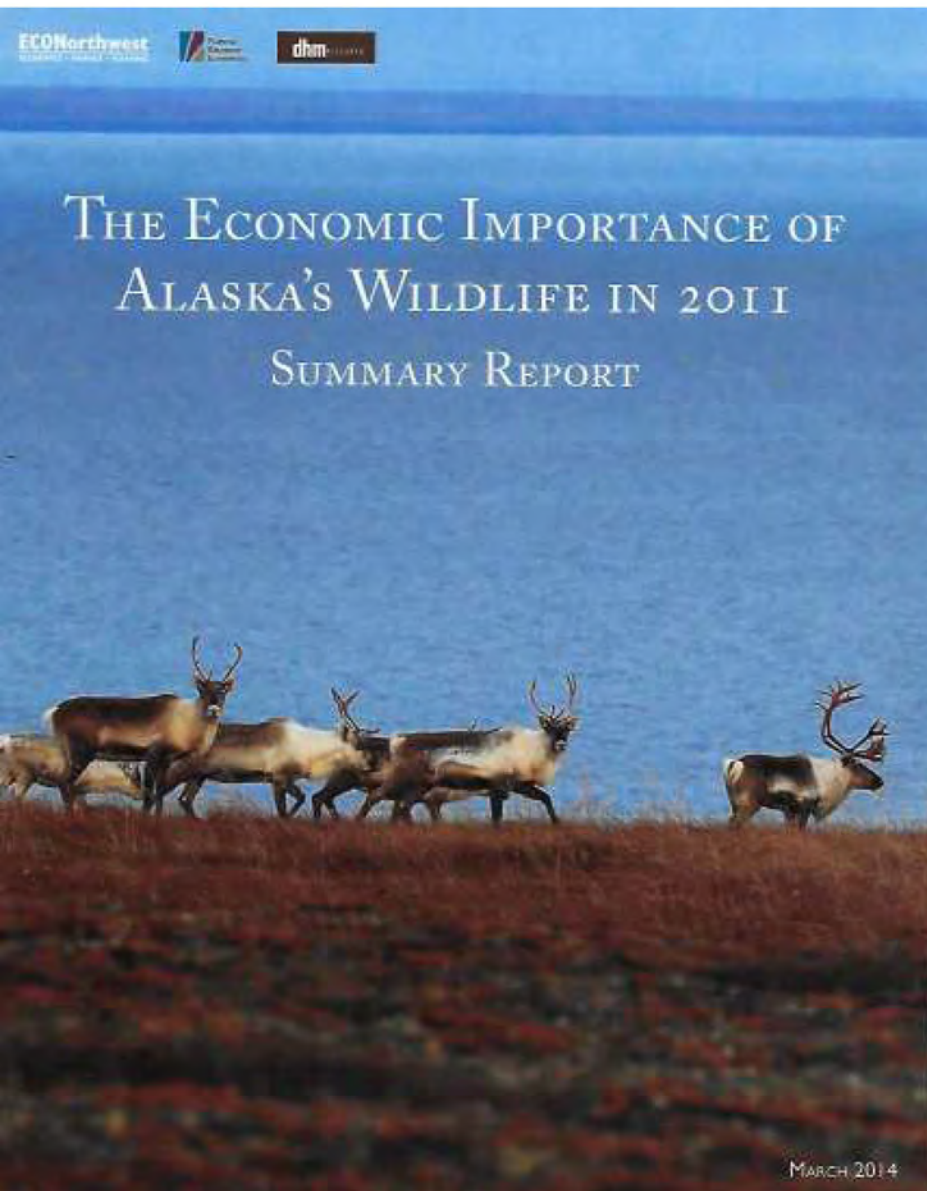
Highlights from the 2014 McDowell/ APHA Survey

This studied only guided hunters' economic impact.

- Paid for by the Professional Hunter Association, who also designed the survey questions
- Sample based primarily on 111 guides' response to online survey (75 actually contracted during the survey year 2012), to determine total spending.
- Borrowed AVSP data for pre/post hunt in state spending by tourists
- Total economic value \$78million (direct, indirect, and induced) for 3055 guided NR hunters
- BGCSB records and ADFG provided license and tag sales data (\$1.9 million)
- This study was for RY 2012, and was published in 2014

Notable that of 15,278 total NonResident hunters, just 3055 (19%) were guided; these by a total of 299 contracting guides.





There was another study published in 2014, for RY 2012

This one was paid for by the Alaska Department of Fish and Game, who assisted in designing the questions.

Data is conveniently and explicitly separated between Res/NonRes/Hunt/View

Used 3 distinct yet interlocking surveys and ADFG data

Sample size of Non-resident hunters was 1558

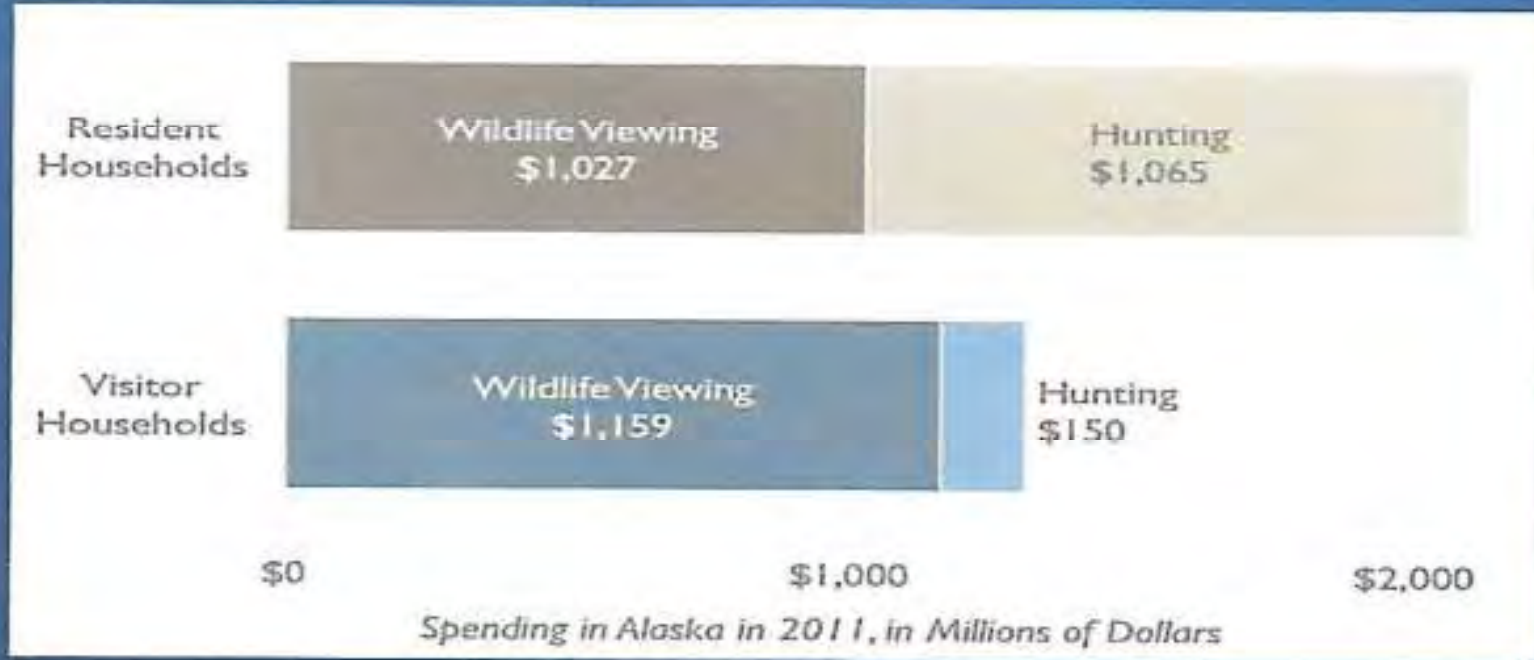
Sample size of AK resident hunters was 4970

Gives NR Total Impact at \$150 million, with additional "multiplier effects"

Gives Resident Impact at \$1.065 BILLION dollars under the same lens.

[http://www.adfg.alaska.gov/index.cfm?
adfg=ongoingissues.economicstudy](http://www.adfg.alaska.gov/index.cfm?adfg=ongoingissues.economicstudy)

Wildlife-Related Spending in Alaska



\$1.215 billion total spending on all Hunting

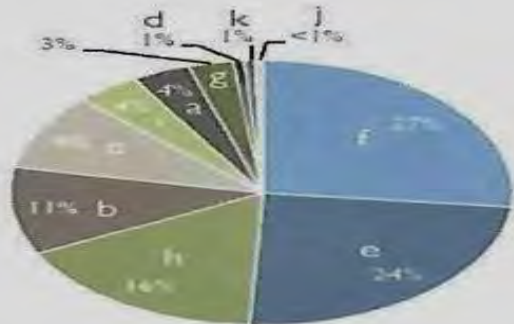
Residents spent 88 % of this, Nonresidents spent 12%

table 16, page 47, The Economic Importance of AK Wildlife in 2011

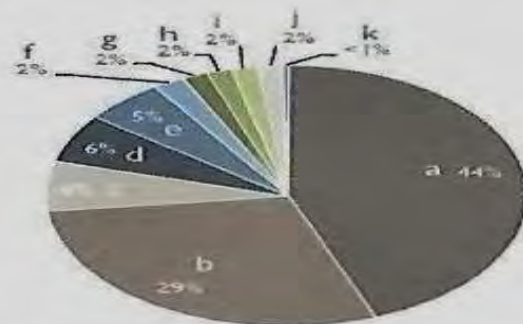
CATEGORIES OF SPENDING

Hunting-Related Spending, by Category

RESIDENTS



VISITORS



- a** Trip-Package Spending
- b** Guide, Outfitter, Charter, and Transporter Fees
- c** Transportation Fees or Tickets
- d** Licenses, Tags, and Fees
- e** Gear and Equipment Purchases

- f** Fuel for Vehicles
- g** Lodging
- h** Groceries, Food, Liquor Purchased at Stores
- i** Meals Purchased at Restaurants and Bars
- j** Souvenirs and Gifts
- k** Equipment Rental

EMPLOYMENT created by hunting

	TOTAL JOBS	DIRECT	INDIRECT	INDUCED	INCOME \$\$	INCOME%
RESIDENT HUNTING	7216	5052	1053	1111	\$396m	87%
NONRESIDENT HUNTING	1188	780	243	164	\$61m	13%

Direct= pilot, guide, ATV dealer/ rental, taxidermist, butcher etc.

Indirect= grocers, sporting goods stores, fuel merchants etcetera

Induced= above spending their paychecks in Alaska.

Source: EcoNorthwest "Economic importance of Alaska's Wildlife", 2014

Guiding jobs are generally seasonal, average 7-10 weeks per year

Guide daily wage approx \$400 x 3055 hunts x 10 days = \$12.2m (20% of total NR)

Last line derived from author's experience

Comparison between surveys, NR only

	McDowell/ APHA (guided NR only)	ECONorthwest/ ADFG (nonresident only)
Number in sample	111	1558nr, 4970r
Tag/License Revenue	1.9m	9m (all NR)
Wages	35m	43m
Total Economic Impact	78m	150m(all NR)
Year surveyed	2012	2011

Nonresident *Non*-guided hunters provided 79% of lic/tag sales, and 48% of spending.

Consider this scenario:

Without MBG law, 12000 NR non-guided hunters would probably now buy a bear tag.

12,000 x \$1000 = \$12m add'l revenue to state. = **\$48 million additional NR revenue to the state**
after P/R funding match. \$9million versus \$57million license and tag revenue

PERCENTAGE IMPACTS BY USER GROUP

	TOTAL SPENDING	EMPLOYMENT TOTAL JOBS	LICENSED HUNTERS
RESIDENT	88%	87%	87%
NONRESIDENT	12%	13%	13%

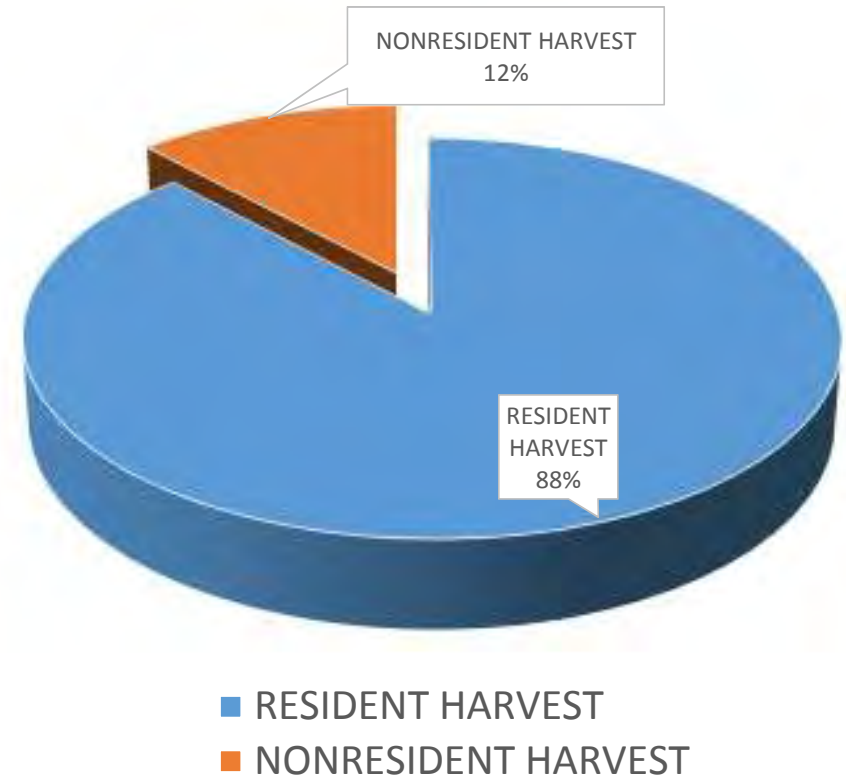
Source: "The Economic Importance of Alaska's Wildlife", ADFG

<http://www.adfg.alaska.gov/index.cfm?adfg=ongoingissues.economicstudy>

ALLOCATION PROPOSAL: BY MAXIMUM ECONOMIC VALUE, BY USER GROUP

Non-Resident Hunters spent:
\$ 150,000,000
12 percent

Resident Hunters spent:
\$ 1,065,000,000
88 percent



Thank you....Questions?

- I appreciate your service to this Board and Process.



ECONOMIC VALUE OF MEAT GIFTED TO LOCAL VILLAGES

RY 2012	# SUCCESSFUL GUIDED HUNTS	LBS MEAT EACH ANIMAL	TOTAL WEIGHT OF MEAT	ECONOMIC VALUE MEAT
SHEEP	253	79	19,987	
GOAT	116	96	11,136	
MOOSE	333	564	187,812	
CARIBOU	209	171	35,379	
BISON	2	684	1,368	
DEER	100	68	6800	
ELK	0	462	0	
MUSKOX	28	274	7,672	
BLACK BEAR	311	120	18,660 *	
BROWN BEAR	816			
TOTALS	2168		288,814	\$710,482

- From BGCSB and ADFG data
- Assumes **ALL** hunters donate **ALL** of the meat
- 1196 total successful guided meat hunts
- \$Value= Weight x (hanging price {1.76} + freight {.70})
- 45% are clients w/o mandating

Total Value added is less than ½ % of total NR economic impact.

Hardly significant economic benefit, even in this best case scenario, to legitimize allocation decisions based on maximum value

Providing food security for needy hunters is noble, however
The expense of a lost culture and heritage of hunting is priceless