

ECONOMICS OF CANADA'S COMMERCIAL SEAL HUNT

The landed value Canada's commercial seal hunt was about \$7 million in 2008.

No one makes a living from sealing. Commercial sealing may provide a few days to weeks of employment each year. In many years, the allowable catches are reached in less than a week. Money earned from seal pelts is used as an income supplement - not as a primary income-deriving activity - for the estimated 5,000 individuals involved in Canada's commercial seal hunt.

Even in 2006 - a year of exceptionally high prices being offered for seal pelts - the vast majority (about 75%) of sealing communities in Newfoundland reported less than 5% of their employment income was derived from sealing, with over half of the sealing communities reporting less than 2% income from sealing.

Canada's commercial seal hunt is not a "full-utilization" industry and is extremely wasteful. The main target of this hunt is the fur of harp seal pups aged 3 weeks to 3 months, which is used to make luxury fashion garments and trinkets.

The profit from the fur of these seal pups now represents some 99% of the landed value of the commercial seal hunt. Finding a market for seal meat continues to present a major challenge for the industry, and the majority of seal meat is left on the ice. Despite considerable government subsidies to develop products from seal oil, a recent report from Memorial University of Newfoundland states that about 80% of the seal blubber is discarded.

Without significant financial and governmental support, including the costs of management and research, costs of promoting the hunt, ice breaking services and tax breaks to sealers, the Canadian seal hunt could not exist as a self-sustaining industry.

From 1995-2000, both the Canadian government and the government of Newfoundland and Labrador provided \$20 million of direct subsidies to the sealing industry.

Subsidies continue today. In 2007, \$3.4 million was spent bailing out sealers who ventured into bad ice conditions. An "Advocacy Plan for Europe on Canada's Seal Hunt" cost Canadian taxpayers \$362,000. And hundreds of thousands of dollars worth of publicly funded support continues to be given to those involved in the sealing industry, and to send political delegations.

Sealing is a dying industry. Prices offered for pelts in 2007 dropped by almost 50% from the preceding year. Prices in 2008 dropped another 50%, with sealers earning about \$30 for a top-grade seal pelt.

Norway and Greenland - two countries that also hunt harp seals but in lesser numbers - must also heavily subsidize their hunts. In 2006, Norway subsidized the killing of seals, then provided an additional subsidy to burn their pelts, for which there were no markets.

Instead of propping up and promoting a wasteful, brief and seasonal hunt, the Canadian government should invest in meaningful and sustainable alternatives for those earning income from sealing.

For more information:

- *An Overview of the Economic Importance of Canada's Commercial Seal Hunt. (2007)*
http://www.ifaw.org/ifaw/dimages/custom/2_Publications/Seals/Economics%20of%20Sealing%202007.pdf

