



Atlantic Salmon Federation

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FAQs – *Economic Value of Wild Atlantic Salmon*

Q. What is this report?

A. A landmark study providing accurate, up-to-date data for policymakers on the Atlantic salmon, an iconic species and natural resource of major economic importance in Atlantic Canada and Quebec.

Q. Who conducted the study?

A. Halifax-based Gardner Pinfold Consulting has been providing economic analysis for over three decades, with a particular focus on the development and management of natural resources. They have worked extensively on economic analysis for the federal Department of Fisheries and Oceans. Among the 300-plus economic analysis studies completed by the firm, approximately one-third have been dedicated to fisheries issues. The firm's two authors of the study are founding President Michael P. Gardner (M.A., LL.B) and Economist Gregor MacAskill, (MES, BSC).

Q. Who Commissioned the study?

A. The study was commissioned by the Atlantic Salmon Federation (ASF) to fill gaps in our knowledge concerning the value of Atlantic salmon. ASF is the leading non-government organization (NGO) dedicated to the conservation and restoration of wild Atlantic salmon.

The plight of wild Atlantic salmon throughout their traditional North American range has been well-documented by biologists and is distressingly familiar to conservationists, anglers and First Nations. The population has seen a 75% decline in the past few decades, from 1.8 million in 1973 down to 418,000 in 2001. Since then, in part through the efforts of ASF and its affiliated organizations, the population has slowly begun to recover from its 2001 low point. Much work remains to be done.

Q. Why was a study necessary?

A. In an era where government decision-making on spending is influenced by the economic and employment benefit outcomes, ASF believed that there was a gap in terms of quality, independent data on the value of wild Atlantic salmon to eastern Canada.

Q. Why is the total value important?

A. Simply stated, in a challenging economic climate, money talks. Because of competing demands for government resources, Fisheries and Oceans is losing track of its mandate to conserve and restore wild Atlantic Salmon.

Establishing a legitimate socio-economic value for wild Atlantic salmon closes an important gap in the program to make an economic case for investment in the resource by various levels of government. It addresses a current public agenda that is dominated by economic challenges through a fact-based case that offers opportunity for return on investment. Without establishing a current value, the case for investment is too easily dismissed and sidelined as an "expensive cause or recreational pass-time." The Gardner Pinfold Study values the wild Atlantic salmon in 2010 at \$150 million GDP - a value that is more than double DFO's 2005 estimate of \$62 million for the recreational Atlantic salmon fishery. The valuation uses best practice analysis and relevant Statistics Canada modeling.

Q. What is the value for First Nations?

A. The Aboriginal and Food fishery value was derived from ICES data and includes such things as gear, supplies and transportation. The study determined that the Aboriginal and Food fishery had a spending value of \$409,000, with four Full time Equivalent jobs and resulted in an income of \$213,000. The spending,

employment and income value of wild Atlantic salmon does not capture the much greater cultural and ecological value that wild Atlantic salmon has for First Nations.

Q. How was the total value determined?

A. The total socio-economic value of wild Atlantic salmon is the combination of receipted value, or transactions where money is paid related to recreational and First Nations fishing or conservation, combined with a non-use value based on public's willingness to pay new taxes dedicated to restoring the resource. The two types of input are used because, while one clearly involves actively using the resource, the other highlights the public investment potential and level of public support for a long-term conservation program.

Q. Does the study include the value of Atlantic salmon to both users of the resource and to other citizens?

A. Yes. ASF wanted to be certain that the study followed an established practice that is transparent and comprehensive so that policy makers and the public understood clearly what is at risk and more importantly the opportunity that exists. That is why the study clarifies 1) current GDP value based on expenses and 2) "non-use value" potential. The sampling included 1,324 salmon anglers (users), and 995 Canadian citizens (non-users) sampled at random from the general population.

Q. What is non-use value?

A. Non-use value is the attribution of a value for wild Atlantic salmon that is based on the public's stated willingness to invest in new taxes dedicated to restoration of the resource for both intrinsic and existence values. In the case of wild Atlantic salmon, the study determined that a clear majority of the public would invest for this purpose on the condition that it was on a performance basis. While this value is not receipted spending, it does indicate that there is the potential for a significant tax funded increase in the economic value that deserves consideration. The concept of non-use value is well established in economic analysis, and has been used by the Department of Fisheries and Oceans. In addition, the North Atlantic Salmon Conservation Organization (NASCO), an international treaty organization to which Canada is a signatory nation, recognizes and endorses the concept of non-use value.

Q. Why is it important to include the value to both users and non-users?

A. Doing so addresses a current public agenda where a species has a value to both users and to the public at large; and where Canada's government has both policy and treaty obligations to restore Atlantic salmon runs to a state of health. Placing a monetary value on the species from the perspective of both users and other citizens focuses attention as well on the need for performance requirements in the restoration efforts undertaken.

Q. Is there support for investing in the future of wild Atlantic salmon?

A. From both the anglers (users) and general public (non-users) there is strong support for restoring wild Atlantic salmon populations to historic levels. The support is conditional on performance based review of restoration actions. Implementation on a phased basis was considered important.

Q. How might this approach to Atlantic salmon best be implemented?

A. Partnerships between Government and NGOs to undertake specific action on a phased basis provides the best way forward, as the NGOs have valuable expertise in wild Atlantic Salmon conservation. Government funding is needed to support these actions, since Atlantic salmon restoration is a core responsibility of DFO. This study supports at the very least DFO spending an additional \$15M annually amounting to a total of \$27M annually on wild Atlantic salmon. This would provide a significant return on investment. Programs such as the West River acid rain mitigation project, the Cascapedia renewal, and the spectacular development of the Exploits River show success is attainable through investment in salmon rivers.