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SUSTAINABLE HUNTING TOURISM IN NORTHERN EUROPE

BUSINESS OPPORTUNITY IN NORTHERN EUROPE
SOCIAL ° ECONOMIC ° ECOLOGICAL

THE ECONOMICS OF HUNTING TOURISM IN FINLAND

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Northern Periphery Programme 2007–2013

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BACKGROUND

- Hunting has long tradition in Finland, more as a leisure activity than a business opportunity.
- On average 6-8% of all Finns are hunters (300 000 hunting cards).
- The hunting rights are connected to landowning, on State land Metsähallitus governs.
- On State land in northern and eastern Finland the locals have free hunting rights.

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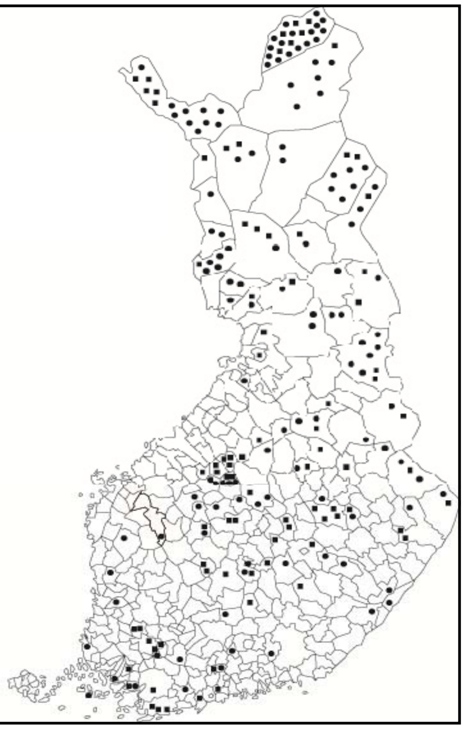
There are ~200 ”hunting tourism” companies in Finland.

In northern and eastern Finland 30-50 hunting clubs offer hunting possibilities.



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THE MAIN ”HUNTING TOURIST TYPES”

- Independent hunting tourists, so called permit hunters (lupametsästäjät)
  - annually 35 000 - 38 000 independent tourists buy a license for small game hunting on State land.
- The hunting tourists organising their trip via a company or a sales agent
  - typically foreign or business customers
  - not very big group (in 2007 2000 foreign hunters)

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THE AIM OF THE STUDY

- To take the first steps in evaluating the regional economic effect of hunting tourism
- To estimate:
  I) the direct spending
  II) the regional economic role of hunting tourism in Northern Finland, especially in East Lapland sub-region.

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MATERIAL AND METHODS

- The spending of the permit hunters
  - e-mail to 658 small game hunters (hunted in the 9 most competed hunting grounds within the two first week of the hunting season)
    - n=314 kpl (90 visited Eastern Lapland)
  - 50 transcribed phone interviews

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MATERIAL AND METHODS

- Post questionnaire to hunting tourism enterprises (n=33 kpl)
- ”High” and ”low” company-types and cost structures created → used in the REGFIN-model
- The amounts, length and prices of the licenses: Metsähallitus database

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The high and low added value companies

High	Low
•**Size of the group:** 2-6 persons •**Programme:** •**Day 1:** •Arrival & welcoming coffee •Accommodation in double rooms. •Preparing to the hunt: regulations and testing guns •Evening hunt •Dinner •Sauna, evening snack •**Day 2** •Morning hunt starting 05.30 •Breakfast 09.30 •Free time, voluntary fishing trip •Lunch 13.00 •Preparing to the evening hunt •Coffee break •Evening hunt •Dinner at 21.00 •Sauna, evening hunt •**Day 3** •Morning hunt starting 05.30 •Breakfast 9.00 •Departure 10.30 •**Price:** 410 eur/ person (inc. VAT)	•Good hunting opportunities

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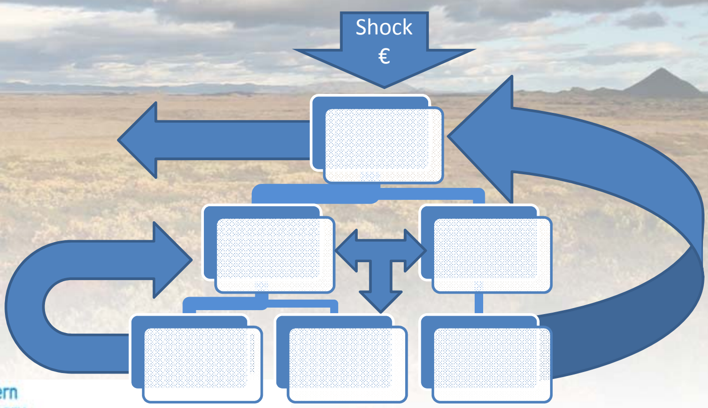
REGFIN-MODEL

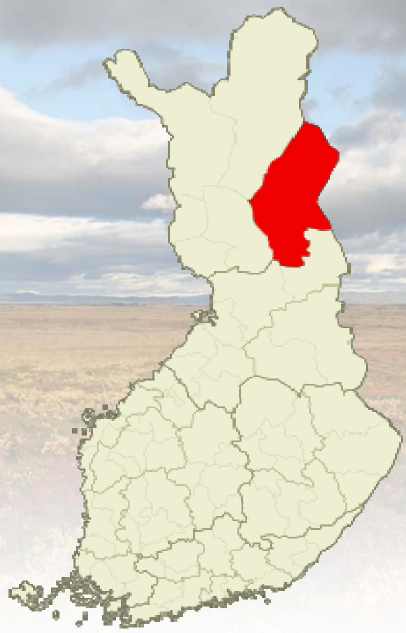
= CGE (Computable General Equilibrum) simulation model

- A recognised way to evaluate the short and long term regional economic effects of different activities
- Describes extensively the relationships and linkages in regional economy
- Basic principle: everything effects on everything → takes in consideration the direct, indirect and induced effects

REGFIN-MODEL

Possibility to simulate the influence of different kind of ”shocks” to the regional economy.





The case: East Lapland sub-region

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THE SPENDING OF THE PERMIT HUNTERS/HUNTING TRIP (N=90)

- Accommodation: 219,96 €/person
- Transportation: 140,24 € /person
- Food and daily consumer goods: 150 €/person
- Restaurants, cafeterias, bars: 50 €/person
- Hunting services: 60 €/person
- Other programme services: 10€/person
- Other purchases and souveniers: 50 €/person

Average stay: 5 days
Size of the group, (mean) 3,26 persons:
Average distance to the hunting ground 710 km (120-1200 km)

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Spending of the customers of the "low added value"-companies/hunting trip

- Price paid to the company 225 €/person (inc. accommodation and part of the catering costs, in total 50 €/day)
- Transportation: 126 € /person
- Food and daily consumer goods: 67,5 €/person
- Restaurants, cafeterias, bars: 45 €/person
- Hunting services: 54 €/person
- Other programme services: 9 €/person
- Other purchases and souveniers: 45 €/person

Average stay: 4,5 days

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The spending of the customers of the "High added value "-companies/hunting trip

- The price paid to the company 870 €/person (inc. accommodation, catering services, transportation to the hunting ground, guiding and other hunting services, other programme services, in total 290 €/day)
- Transportation: 84,14 € /person
- Restaurants, cafeterias, bars: 30 €/person
- Other purchases and souveniers: 30 €/hlö

Average stay: 3 days

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Regional economic role: direct influence

- The permit hunters spent 680 €/hunting trip-> 138 €/day
- The customers of ”Low added value”-companies spent 570 €/hunting trip → 127 €/day
- The customers of the ”High added value”-companies spent 1015 €/hunting trip → 338 €/day

In 2008: 3490 permit hunters and 12 companies (8 ”low” and 4 ”high”) in the East Lapland sub-region

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The regional economic role (2008):

- The permit hunters spent 2,4 milj € (direct influence) → total influence 4,97 M €
- The customers of the ”Low”-companies spent 177 000 € (direct influence) → total influence 424 000 €
- The customers of the ”High”-companies spent 169 000 € (direct influence) → total influence 472 000 €
- In total 5,86 M €

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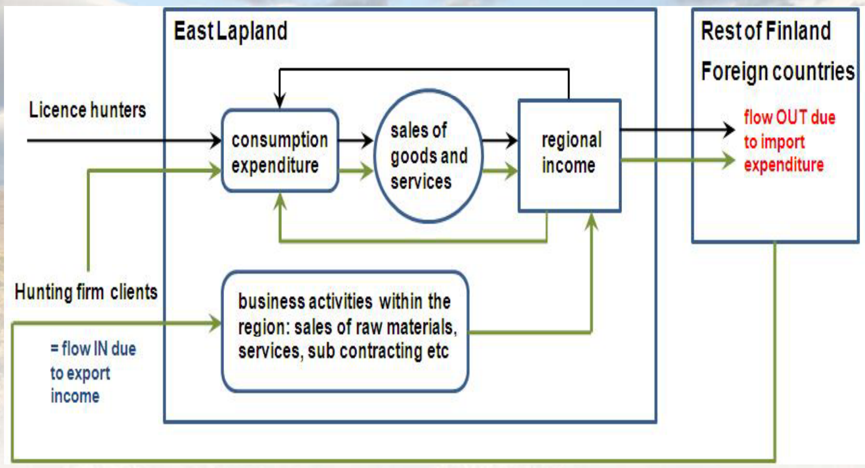
THE REGIONAL ECONOMIC ROLE (2008):



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THE REGIONAL ECONOMIC ROLE (2008):

- The economic effect without the influence of the scale
- Assumption: 1 M € increase in spending/turn over in each hunting tourism models
  - →**Influence to the GDP of the region**
    - 0,9 M € for the ”permit hunter -model”
    - 1,4 M € for the ”low added value companies – model”
    - 1,6 M € for the ”high added value companies – model”

→ High added value companies are ~73% more effective in generating the regional income than permit hunters.

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THE REGIONAL ECONOMIC ROLE (2008):

- How much euros one sold small game hunting brings to the regional economy depending on the hunting tourism model
- The value of small game licence, general influence
  - 1 424 €/licence for the ”permit hunter -model”
  - 2 360 €/licence for the ”high added value companies – model”

→ High added value model increases the influence of one small game licence to the regional economics ~66 % compared to permit hunters.

NOTE: The effect of scale not considered

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CONCLUSIONS (1/2)

- The results are indicative rather than absolute figures!
- The economic influence of hunting tourism is relatively significant already now, due to the big amount of the permit hunters.
- The income from the customers of ”high added value”-companies multiblies more effectively in the regional economic that the income from the permit hunters.

→ From regional economic point of view the development of hunting tourisim should be targeted to ”high added value” products.

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Conclusions (2/2)

HOWEVER,

- The current hunting tourism models are relatively ”low added value company” –models
- The current hunting legislation especially on State land does not support the development of high added value products
- Balancing the interests between local hunters and entrepreneurs becomes vital both on private and State land concerning the social sustainability
- A possibility for a compromise?

Thank you!

Further information:

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