'Hunting for Habitat': the Private Production of EGS

Rainer Knopff Cormack Gates

University of Calgary

'Hunting for Habitat'

Open Spaces Alberta

RAMP

Hunting for Habitat

Killed by Critics

'Hunting for Habitat': the Private Production of EGS

ECOLOGICAL GOODS AND SERVICES

- Clean air
- Clean water
- Carbon sinks
- Recreation
- Scenery
- Wildlife Ecological "utilitarian" species

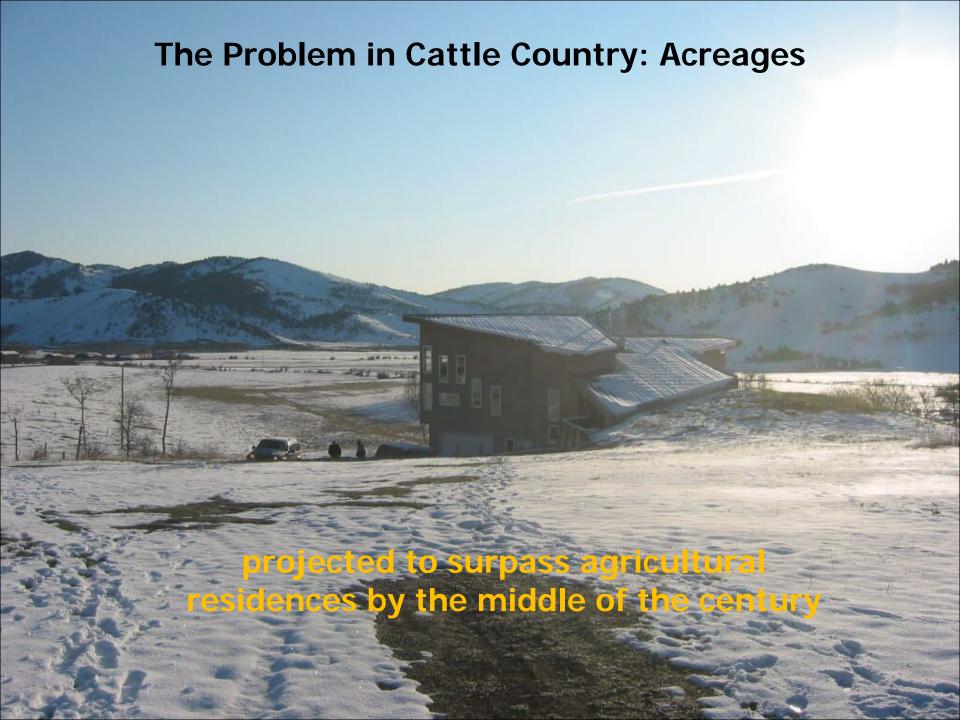
The Problem: Urban-Rural Interaction





Cities threaten the open spaces on which they depend for EGS





The Problem in Southern Alberta Cattle Country

- Open spaces (EGS) traditionally sustained by cattle ranching
- But the cattle industry is stressed
 - BSE (mad cow)
 - High grain (feed) prices
 - High Canadian dollar
- Land prices skyrocketing
- Cash-poor, land-rich ranchers under pressure to "cash out."

Solutions: How to Protect & Maintain Open Spaces / EGS

Regulation

Zoning & Don't work restrictions

Incentives

- Transferable development credits
- Biodiversity offsets
- •EGS subsidies
- Market diversification opportunities

Hunting for Habitat: A Market Diversification Opportunity

Regulation

Incentives

HFH = *private*diversification
opportunity based on *public* resource.

Diversification: Public Resources & Private Lands

Mineral Exploration

Wildlife (hunting)

- Access can be compelled
- Access <u>cannot</u> be compelled

- Landowner is financially compensated for access
- It is <u>illegal</u> for landowner to be compensated.

i.e. asymmetric access & compensation rights

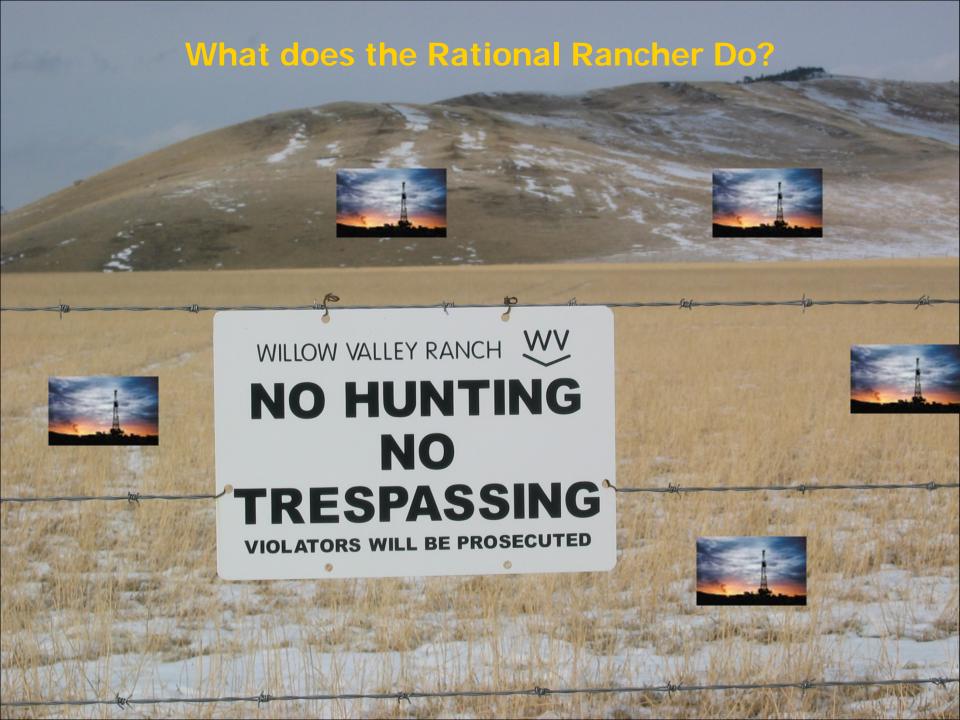
RESULT: landowners "internalize" benefits of energy exploration but not the lost opportunities of the hunting economy.



<u>EUB</u>: directional drilling from a single site is "good land use" and "highly encouraged."

 Energy Company CEO: "landowners will get snarky with us if we say we want to drill directionally."









"conservation will ultimately boil down to rewarding the private landowner who conserves the public interest"

Aldo Leopold



- "buy them out and become the landowner
- compensate them directly or indirectly for producing a wildlife crop and for the privilege of harvesting it [including access fees]
- cede them title to wildlife so they will own it and can buy and sell it just as they own, buy and sell poultry"

Leopold's Balance of Private Interest and Public Good

- Leopold preferred a middle ground between completely public and completely private.
- He sought to balance private interest and public good, harnessing the former to the latter.
- So did 'Hunting for Habitat'.

HFH: Balancing Private Interest and Public Good

- Wildlife remains a public resource and a public trust.
- HFH units can market only a small share of the public resource (15%-25% of available hunting tags). The vast majority of tags go to "public hunters."
- HFH units must provide comparable opportunities to free "public hunters."

Benefits of Similar Programs Elsewhere

- Increased/enhanced wildlife habitat
- Increased public access and opportunity
- Significant revenue diversification for ranchers (25%-30% of ranch revenues)
- Land stabilization



LEOPOLD'S LANDOWNER REWARD OPTIONS

 compensate them directly or indirectly for producing a wildlife crop and for the privilege of harvesting it (including access fees)

HFH Intention

 cede them title to wildlife so they will own it and can buy and sell it just as they own, buy and sell poultry
 Critics' Prediction

Debate remarkably reminiscent of healthcare debate