Environment and Climate Change Canada

Public Consultation Document

From February 22 to March 21, 2018

Canadian Wildlife Service

PROPOSED SERVICE FEES FOR THE MIGRATORY GAME BIRD HUNTING PERMIT AND CANADIAN WILDLIFE HABITAT CONSERVATION STAMP
We want to hear from you

AS AN INDIVIDUAL OR ORGANIZATION WITH AN INTEREST IN THE MIGRATORY GAME BIRD HUNTING PERMIT AND/OR THE CANADIAN WILDLIFE HABITAT CONSERVATION STAMP, YOUR COMMENTS ARE REQUESTED ON PROPOSED SERVICE FEES OUTLINED IN THIS DOCUMENT. WE VALUE YOUR FEEDBACK AND WOULD APPRECIATE HEARING FROM YOU.

Overview

The Canadian Wildlife Service of Environment and Climate Change Canada is responsible for the management of migratory bird hunting in Canada. The *Migratory Birds Regulations* (the Regulations) require both a Migratory Game Bird Hunting Permit and an affixed Conservation Stamp for the hunting of any listed migratory bird.

The Canadian Wildlife Service is proposing to increase the price of the Conservation Stamp and Permit. This will help support greater habitat conservation efforts and cost recovery for the program. For example, Wildlife Habitat Canada uses proceeds raised by Conservation Stamp purchases to conserve, enhance and restore wildlife habitat across Canada. Current information on Migratory Game Bird Hunting can be found at: [https://www.canada.ca/en/environment-climate-change/services/migratory-game-bird-hunting.html](https://www.canada.ca/en/environment-climate-change/services/migratory-game-bird-hunting.html).

Purpose

The purpose of this document is to seek your feedback on the proposed fee increases.

Objectives / Context

Legislative Authority

The 2014 *Migratory Bird Regulations* under the 1994 *Migratory Birds Convention Act* authorize the Minister of the Environment and Climate Change Canada to issue permits for the hunting of migratory game birds. Hunters applying for permits must pay a fee as stipulated in Schedule II of the Regulations, and must also purchase a habitat conservation stamp affixed to the permit.

Current service fees and use of revenue

The current fee for the Migratory Game Bird Hunting permit is $8.50, while the Conservation Stamp is also priced at $8.50. Approximately 200,000 Permits and Stamps are sold annually. Stamp revenues support conservation activities for migratory bird habitat through a contribution agreement with Wildlife Habitat Canada. Wildlife Habitat Canada uses these funds contributed by waterfowl hunters to conserve, enhance and restore wildlife habitat across Canada. Permit revenues support efforts by the Government of Canada to manage the take of migratory game birds while ensuring healthy populations of these species.
Drivers for Service Fee Increases

Fees and fee revenue have not kept pace with increasing costs

Fees associated with the Conservation Stamp have not increased since 1991; as such, their contribution to the conservation of wetlands and migratory bird habitat has diminished over time. It is estimated that the real value of the Stamp has decreased over 50% since 1991, reducing conservation benefits.

Fees associated with the Migratory Game Bird Hunting Permit have not increased since 1998. Current revenue from the Permit covers only about 27% of the cost of Canadian Wildlife Service activities associated with administering the migratory bird hunting program. It also fails to recover costs associated with recent measures to improve services and provide additional benefits for hunters, such as efforts to enable online permit and stamp sales.

If the fees had kept pace with inflation, the total cost of the Stamp and Permit since the last increases in these fees would be the equivalent of $27.66 in 2021. This is calculated using the Bank of Canada Inflation Calculator and using a forecast of 2.1% from the Conference Board of Canada:


Hunting and Angling Advisory Panel recommended fee increases

Proposed increases to the price of the Conservation Stamp are consistent with the recommendations of the former Minister of the Environment’s Hunting and Angling Advisory Panel, which recognized the benefits associated with generating more resources to conserve wetlands and waterfowl populations. In December 2014, this Panel (which included representatives from provincial and territorial hunting and angling associations, as well as conservation and related industry associations), proposed a price increase for the Conservation Stamp, with proceeds going to Wildlife Habitat Canada. The proposed increase was $2.00 in the first year and $2.00 in the second year (from $8.50 to $12.50 in total), with annual price increases thereafter based on the Consumer Price Index.

Fees should be comparable to other countries

Although comparisons across jurisdictions can be challenging given differing land ownership patterns, permit regimes, and overlapping permit requirements between different levels of government, the current fees for the Permit and Stamp are lower than in other jurisdictions. An increase in fees for the Conservation Stamp would be comparable to what other countries are doing; for example, the United States recently increased the cost of its federal Duck Stamp to $25.00 US dollars. Existing Permit fees are also lower than other federal permits where they exist (such as in New Zealand) and also lower than many similar migratory bird permit fees at the U.S. state or Canadian provincial and territories levels. As such, an increase in fees would bring permitting fees for Migratory Game Bird Hunting in line with fees in other similar jurisdictions.
Fees should support program cost recovery

The Migratory Game Bird Hunting Permit program provides unique services to a select group of individuals. Buying a Migratory Game Bird Hunting Permit and an affixed Conservation Stamp provides these individuals the benefit of a sustainable hunt of listed migratory birds and conserves migratory bird habitat to sustain hunting activities. As such, program costs should be covered by those who benefit directly from the services (i.e., hunters), and not the general taxpayer, in line with the intent of the new Service Fees Act.

Departmental costs for administering the Migratory Game Bird Hunting Permit program are detailed in the table below. As the department moves more towards e-permitting, costs are expected to be reduced for activities associated with providing hunting regulation summaries and delivery of the permit itself. Both core program costs and total program costs are provided in Table 1 below, with core costs excluding all enforcement costs and excluding 25% of the cost of conducting waterfowl surveys (which serves other program needs).

Table 1: Projected Program Costs Reflecting Gradual Increase in the Use of E-permits

<table>
<thead>
<tr>
<th>Program Activities</th>
<th>Costs ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Physical Permits and E-permits</td>
</tr>
<tr>
<td><strong>CORE PROGRAM ACTIVITIES</strong></td>
<td></td>
</tr>
<tr>
<td>Regulatory Revisions</td>
<td>323,754</td>
</tr>
<tr>
<td>Hunting Summaries</td>
<td>95,425</td>
</tr>
<tr>
<td>Permitting</td>
<td>1,399,633</td>
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<tr>
<td>Wildlife Habitat Canada Oversight and Partnership</td>
<td>41,980</td>
</tr>
<tr>
<td>Harvest Survey</td>
<td>467,231</td>
</tr>
<tr>
<td>Crop Damage Prevention Program</td>
<td>186,043</td>
</tr>
<tr>
<td>Waterfowl Surveys (75%)</td>
<td>2,199,045</td>
</tr>
<tr>
<td><strong>Core Costs</strong></td>
<td>4,713,111</td>
</tr>
<tr>
<td><strong>BROADER PROGRAM ACTIVITIES</strong></td>
<td></td>
</tr>
<tr>
<td>Enforcement</td>
<td>853,820</td>
</tr>
<tr>
<td>Waterfowl Surveys (25%)</td>
<td>733,015</td>
</tr>
<tr>
<td><strong>Sub-total</strong></td>
<td>1,586,835</td>
</tr>
<tr>
<td><strong>Total Costs</strong></td>
<td>6,299,946</td>
</tr>
</tbody>
</table>
Proposal to Increase Service Fees

Environment and Climate Change Canada is proposing to increase the services fees to both the Conservation Stamp and Permit at the same rate. This would build on the proposal from the Hunting and Angling Advisory Panel ($2.00 in Year 1, $2.00 in Year 2), and include an additional increase in the third year of $1.50. This would result in a combined Stamp and Permit cost of $28.00 by 2021.

In addition, new fees would be introduced to cover the costs of producing and/or mailing physical products to customers, including:

a) Fee of $5.00 for obtaining a physical permit at a vendor, rather than buying the permit online, (to cover administrative costs for printing and shipping, and for commissions paid to vendors which vary from $2.00 to over $4.00).

b) Fee of $2.00 for requesting a physical stamp be sent by mail after purchasing an electronic permit online (to cover costs for administering this process and shipping).

By 2021, these fees would generate estimated increased annual revenue of $960,000 for Wildlife Habitat Canada and $1,653,500 for Environment and Climate Change Canada.

Note that future increases in the fees would be tied to the Consumer Price Index and take place on a four-year interval basis. The Department would re-examine its expenditures every 4 years to ensure that fees collected do not total more than internal program costs, as costs may decrease with increased e-permitting.

Table 2: Proposed Service Fee Increases

<table>
<thead>
<tr>
<th></th>
<th>Stamp Fee</th>
<th>Permit Fee</th>
<th>Total Fee</th>
<th>Total Estimated Revenue</th>
<th>% of Government Program Cost Recovery Achieved</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Wildlife Habitat Canada</td>
<td>Environmen t and Climate Change Canada</td>
</tr>
<tr>
<td>Current</td>
<td>$8.50</td>
<td>$8.50</td>
<td>$17.00</td>
<td>$1.700 M</td>
<td>$1.700 M</td>
</tr>
<tr>
<td>Aug 2019 – June 2020</td>
<td>$10.50</td>
<td>$10.50</td>
<td>$21.00</td>
<td>$2.100 M</td>
<td>$2.816 M</td>
</tr>
<tr>
<td>Aug 2020 – June 2021</td>
<td>$12.50</td>
<td>$12.50</td>
<td>$25.00</td>
<td>$2.500 M</td>
<td>$3.149 M</td>
</tr>
<tr>
<td>Aug 2021 – June 2022</td>
<td>$14.00</td>
<td>$14.00</td>
<td>$28.00</td>
<td>$2.660 M</td>
<td>$3.354 M</td>
</tr>
</tbody>
</table>

1 1% decrease in permit purchases estimated.
Rationale for Fee Increases

Service fee increases are recommended for the following reasons:

- Fee increases build on the proposal generated and supported by the user community (i.e., hunting, trapping and angling organizations and conservation organizations across Canada) to ensure additional funds are provided for conservation activities by Wildlife Habitat Canada. The Canadian Wildlife Service continues to receive letters in support of this increase from hunting groups. Fee increase to the Canadian Wildlife Habitat Conservation Stamp would generate more resources to conserve wetlands that support healthy populations of waterfowl and other wetland-dependent species across Canada.

- Increased service fees ensure that the benefits provided to those who wish to hunt migratory birds are paid for by those benefiting, in line with the intent of the new Service Fees Act.

- Increased revenues from permit sales will be used to provide additional support to maintain or enhance current programs that annually monitor and assess the impact of hunting on migratory game bird populations. This information allows the Canadian Wildlife Service to continue to offer hunting opportunities while ensuring sustainability of the harvest. In addition, program cost recovery supports program modernization that aims to improve access to permitting services through initiatives such as e-permitting.

- Fee increases are in line with what the equivalent value of the Stamp and Permit fee combined would be in 2021 ($27.66), if it kept pace with inflation/cost forecasts since 1991 and 1998.

- A recent survey of waterfowl hunters found that 83% would still be willing to buy a permit and stamp if the new combined fee was $25.4

- The total fee is comparable with that charged in other countries – for example, the federal Duck Stamp fee in the US has recently been increased to $25.00 US dollars.

- According to the 2012 Canadian Nature Survey, participants spend about $600 per year hunting waterfowl and, therefore, the proposed increased cost of the Stamp and Permit represents only a small portion (less than 5%) of the overall hunting costs.

Performance

Performance standards

Current service standards for Migratory Game Bird Hunting Permits are as follows:

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2 Based on recent averages, it is estimated that 200,000 permits are sold each year. In 2017, it is estimated that 152,000 physical permits will be bought from vendors and 48,000 will be bought online (e-permits). Is it estimated that the number of physical permits bought over time from vendors will decrease by 15,000 each year, as e-permitting increases.

3 In 2017, 70% of e-permits buyers also requested a physical stamp (30,100). It is estimated that this percentage will decrease to 25% if a fee is instated.

Migratory Game Bird Hunting Permits will be available for sale at designated Canada Post outlets and select independent vendors, during normal business hours, in sufficient numbers for those persons who wish to purchase Migratory Game Bird Hunting Permits in person; and

Those persons who wish to purchase an Migratory Game Bird Hunting Permit online will be able to access the online Migratory Game Bird Hunting e-Permitting system, 24 hours a day and 7 days a week, complete the online purchase process and receive a printable electronic copy of their Migratory Game Bird Hunting Permit and related Canadian Wildlife Habitat Conservation Stamp immediately following completion of the application process.

These standards are measured by tracking the number of complaints received against the total number of Migratory Game Bird Hunting Permits sold in a given fiscal year. The target is set at 99%. Applicants are encouraged to contact Canadian Wildlife Service in the event that they encounter any difficulties when attempting to purchase an Migratory Game Bird Hunting Permit (whether in person or online).

Remission provisions

If a customer is not provided with a permit within 2 days (or 48 hours from the time of application) during hunting season, then the customer may apply by email for a refund. The refund will be on the permit component only (which represents 50% of the total fee [the total fee includes both the permit and the conservation stamp fees]). Applications will be assessed as eligible for a refund as follows:

<table>
<thead>
<tr>
<th>Delay in receiving permit during hunting season</th>
<th>% of permit fee</th>
<th>% of total fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>2 to 5 days (48 to 120 hours)</td>
<td>50%</td>
<td>25%</td>
</tr>
<tr>
<td>More than 5 days (121 hours or more)</td>
<td>100%</td>
<td>50%</td>
</tr>
</tbody>
</table>

Customers will not be eligible for a refund on the Permit fee if:

- Permit is obtained within 48 hours of application.
- Designated postal outlets or temporary vendors are closed for reasons other than normal operating hours.
- Delays to applications take place outside of hunting season.

No refund will be provided on the Stamp fee as the revenue goes to a not-for-profit organization outside of government which will deliver the service for which the revenue has been collected.

Next Steps

All comments received on this proposal to increase service fees will be reviewed and considered in determining future service fees increases for the Migratory Game Bird Hunting Permit and affixed Conservation Stamp.

Any changes to service fees will require an amendment to the Migratory Birds Regulations. If service fees are to be increased, the following process will be followed and this process allows for further public input:
TASK:
- Regulatory Proposal Development
- Canada Gazette I Publication and 30-day Comment Period
- Final Regulatory Proposal Development
- Canada Gazette II Publication

TIMING:
- March – June 2018
- October 2018
- October 2018 – April 2019
- Spring 2019

WE WANT TO HEAR FROM YOU

Request for Feedback

The Canadian Wildlife Service wishes to solicit feedback on this proposal to ensure that all viewpoints have been considered before final proposals are drafted.

As you read through this document, we ask that you consider:

- Do you agree that fees for the Stamp and/or Permit should be increased to further support the goals of the program?
- Do you agree with the amount of fee increases?
- Do you feel the performance standards are appropriate?
- Do you think the remission provisions are appropriate?

These questions are by no means exhaustive and are not intended to limit the amount, depth or focus of your feedback. They are simply suggestions to help guide your thinking, and to support us in achieving uniformity and alignment in implementing the feedback we receive.

Please note: Environment and Climate Change Canada will not be able to respond directly to those who submit comments, but please be assured that your input will be carefully considered in the decisions that will be made.

We value your feedback on the options and would appreciate hearing from you

Please ensure that Environment and Climate Change Canada receives your comments no later than March 21, 2018:

- By email to: ec.ReglementsFaune-WildlifeRegulations.ec@canada.ca or
- By mail to:
  Director
  Wildlife Management and Regulatory Affairs
  Canadian Wildlife Service
  Environment and Climate Change Canada
  Gatineau, Quebec, K1A OH3