

FISHER BAY PARK RESERVE ECONOMIC IMPACT STUDY



Background

In 1999, the Fisher Bay Park Reserve (FBPR) was created to provide interim protection to an area of boreal forest along the shores of Lake Winnipeg, approximately 200 kilometers north of Winnipeg. The boundaries included in this initial phase delineate an area of approximately 89,200 hectares in size, roughly 70 percent (70%) of which is the water of Fisher Bay. The remaining 28,200 hectares include a number of islands (Moose, Little Moose, Tamarack, and others), shoals, reefs, and the adjacent mainland.

The interim protected status was designed to allow for a period of public consultation of various aspects of this park reserve. Throughout this process, Fisher River Cree Nation (FRCN) and the Manitoba chapter of Canadian Parks and Wilderness Society (CPAWS) have been active in pursuing expanded boundaries and a permanent designation as a provincial park for the area. An economic impact study is one critical piece of this consultative process. This study was commissioned by FRCN, in partnership with CPAWS, with the intent of providing all stakeholders with a thorough and unbiased analysis of the potential economic impacts (both costs and benefits) of establishing the Fisher Bay provincial park (FBPP) with the boundaries requested by FRCN.

Costs & Benefits

This study has identified the economic costs and benefits of the establishment of the proposed FBPP. Three potential costs were identified:

- The cost due to a decrease in logging activity;
- The cost due to a decrease in mining activity; and
- The cost due to a decrease in guided hunting activity.

The total direct costs of the loss of logging and hunting are equal to \$2.2 million. Costs associated with the loss of mining activities are negligible.

The five main economic benefits focused on in this study are the increase in:

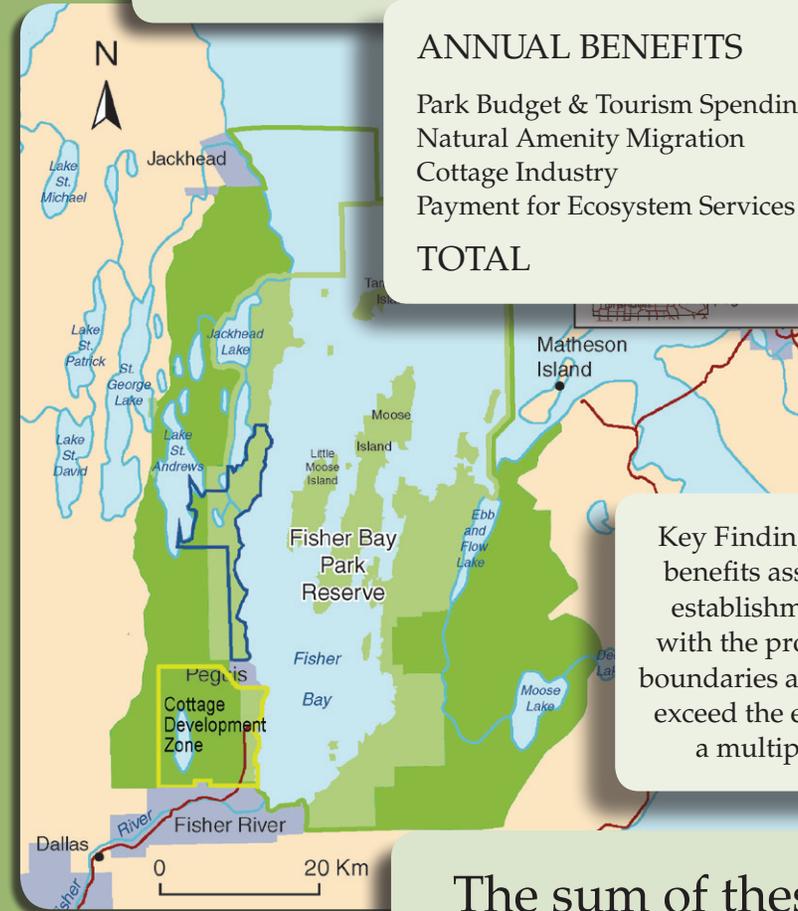
- Economic activity due to park spending on capital and annual operations and maintenance;
- Economic activity due to tourist spending;
- Economic activity due to an increase in natural amenity migration in the area;
- Cottage development revenues due to an increase in value from proximity to natural amenities;
- Non-market natural capital through ecosystem services.

ANNUAL COSTS

Logging	\$1,070,700
Hunting	\$1,088,676
Mining	\$ -
TOTAL	\$2,159,376

ANNUAL BENEFITS

Park Budget & Tourism Spending	\$14,600,020
Natural Amenity Migration	\$57,000
Cottage Industry	\$580,000
Payment for Ecosystem Services	\$24,645,000
TOTAL	\$39,882,020



Key Findings: The economic benefits associated with the establishment of the FBPR with the proposed expanded boundaries as a provincial park exceed the economic costs by a multiple of eighteen.

The sum of these direct benefits totals \$40 million. This results in a total net gain of \$38 million.

Please see the full economic impact study at www.cier.ca for more details about the economic impacts of the development of Fisher Bay Provincial Park.