

**The economic importance of red deer to Scotland's rural economy and the political threat now facing the country's iconic species**

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## **POLITICAL BACKGROUND**

**By Peter Fraser**

A national scandal is playing out on Scotland's hills. And while our wild red deer are the immediate casualties of the nation's indifference, the price will ultimately be paid by the decline and decay of remote rural communities the length and breadth of this country.

Our society is allowing exceptional animals to be destroyed: mown down like vermin in the night. It is permitting valuable carcasses to be abandoned to waste where they fall and indiscriminate night shooting to infringe animal welfare codes. Is this the way to manage Scotland's iconic animal, the celebrated Monarch of the Glen? We're laying our greatest wildlife assets to waste without considering the consequences. And it may already be too late in some places to prevent the devastation from being permanent.

I believe the threat to the future wellbeing of Scotland's red deer herd has reached a tipping-point. After spending more than half a century spying, stalking, discussing and managing these wild animals I fear that we are on the point of destroying for ever a precious national resource which attracts nature lovers, walkers and sportsmen to our hills, brings employment to the glens, fine food to our tables and revenue to our nation.

Severe weather has had a natural impact on the deer in recent years, with the winter of 2010-11 resulting in severe mortality in many places. But natural events are phenomena the deer have had to cope with for centuries. What is now putting them - and fragile rural economies - at risk are the confused and conflicting aims for the land on which the herds roam.

Overambitious and ill thought through forestry or conservation projects are the longest running culprits and the most notorious crimes at Glenfeshie and Mar Lodge estates will go down in history as animal welfare atrocities. But carnages continue to be carried out in numerous locations in the name of protecting unfenced natural regeneration.

There is also pressure from new types of environmental degradation. One is what's known as 'trampling', the presence of hoof-marks. These natural marks are being used on Sites of Special Scientific Interest (SSSIs) and other protected areas as a reason to bear down on deer numbers. And while most unbiased observers would argue that deer-prints are inevitable on wild land, the habitat conservators at Scottish Natural Heritage (SNH) claim such pressure discriminates against the growth and health of rare plant communities. And in many places SNH has insisted upon "corrections" in deer numbers in unrealistically short time frames, even when they

previously accepted the relevant site conditions. In other words the pressure has been ramped up.

The impact of all these natural, environmental and economic pressures is that deer populations have taken extreme punishment in the last decade. And the omens are that it's far from over because the Scottish Government has signaled its intention to plant trees on vast areas of the country, increasing afforestation from 17% to 25% of Scotland by 2050.

Food security concerns and the power of the farming lobby means the arable and sheep rearing ground won't be easily given up, so what's left? The deer lands, of course. And if the deer have nowhere to summer or winter, they'll have to be culled.

I want to be clear that I don't believe in deer at any price, and nor is my philosophy "the more the better". This is a small country and there are many competing pressures on the land. In a few specific areas there are probably too many deer for the acreage of ground that they now have access to, and the last thing I ever want to see are animals starving because of lack of food.

What I'm worried about is the generally held perception that deer have become a widespread menace which don't need our protection. The general message from conservation groups is the less deer that roam the hills the happier they will be. And such is their lack of respect they see no need on many occasions to bother taking the carcasses back to their larders. Certainly the John Muir Trust has adopted that attitude in Glen Nevis, leaving walkers to stumble across carcasses. And Forestry Commission Scotland left carcasses in the Skelpick Woods in Sutherland when they culled heavily during incursions two winters ago.

### **First hand knowledge**

As a deer stalker all my life I know better than most people just how much a single stag or hind on the hill costs in terms of the number of man-hours spent spying and stalking.

Stalkers also recognise the importance of a balanced age structure within herds both locally and nationally which will guarantee the production of sustainable numbers of mature stags. It's critical to have older hinds in the herds because they play an important role in leading the younger animals to wintering grounds and shelter and it can take years for the young to learn. And sporting clients want to stalk mature stags.

Because I live in a rural community I also know at first hand how the income from red deer stalking, and indeed deer tourism in general, impacts on the most remote and scattered regions of Scotland.

I know the families, businesses and professionals who rely on red deer for their livelihoods. They range from hoteliers and B&B owners, farriers, tweed companies, ATV retailers, vehicle dealerships, wildlife photographers and tour operators, venison processors, cooks and restaurateurs to countless others who have a role in the relatively unknown culture of rural Scotland.

Most folk assume deer stalking is sport confined exclusively to those who are wealthy enough to own large estates or can afford to rent a shooting lodge for a week. They imagine that there's a huge profit to be made from selling a red deer carcass which is pocketed by the landowner and that's the end of the story. Yet that's not what my stalking colleagues and I have witnessed over the years during our work on large and small estates across the country.

I vowed to delve behind the assumptions and prejudices to find out more about the economics of deer stalking.

### **Financial impact**

Some sound work has already been done on the subject. In 2006 the Association of Deer Management Groups commissioned a survey titled *The Contribution of Deer Management to the Scottish Economy*. It was carried out by Public and Corporate Economic Consultants (PACEC) and their key findings were that the total cost of all deer management in Scotland amounted to £105 million in 2005, with two thirds of this spend retained in Scotland. The other key finding was that deer management in Scotland supported the equivalent of 2520 paid full time jobs and the value of this employment to the Scottish economy was £70.4 million.

These are useful and impressive statistics but they didn't succeed in bringing alive the reality of the numerous implications of a sustainable long-term deer management policy.

There are also interesting statistics in *A Highland Deer Herd And Its Habitat*, the book written by the late Paul van Vlissingen, the former owner of Letterewe estate. His income and expenditure figures showed just how much his estate was subsidising deer management.

	1999	2000	2001
Total costs	220,000	231,000	221,000
Total Income	86,000	101,000	91,000
Net Loss*	134,000	130,000	130,000

\* Including the money paid by the van Vlissingen family for their stay and stalking

I was keen to see if these figures were replicated more widely so decided to focus on one area - Sutherland - which many regard as the ultimate destination for deer stalking. The estates here tend to be large, employment opportunities very limited and it is a region where tourism is of fundamental importance to the rural economy.

I wasn't in the position of being able to commission a major consultation but am grateful for the professional support of Inverness Chartered Accountants, Angus and Donald MacKenzie. In tandem with them and with the encouragement and backing of the Association of Deer Management Groups (ADMG) we asked estates throughout Sutherland to release their financial accounts (on a strictly confidential basis) in order that the MacKenzies might analyse the income and expenditure from deer management. Detailed maps showing estate boundaries and deer numbers culled were kindly supplied by SNH.

### **SGA study**

Of the 80 estates which manage deer and stalking in Sutherland, 10 participated in our study. But some of the estates involved are so extensive the sample actually accounts for 20% of the land area and 20% of all the deer culled in the county.

It's important to remember that unlike agriculture or forestry, there is no taxpayer support for deer management which is required to be carried out under the terms of the Deer (Scotland) Act.

The MacKenzies analysis reveals that the deer-related income to estates in Sutherland is in the region of £1.6 million, with expenditure on deer management of £4.7 million. Around 40 % of expenditure is on wages, suggesting nearly £2m is paid to employees, with further expenditure on houses for employees. These figures clearly demonstrate that through deer activities and investment, owners are providing substantial financial support to remote rural economies. Certainly no public sector business could support such year on year losses and such sustained

financial commitment to the sector is extremely significant in an area like Sutherland.

### **Loch Choire Estate**

This 32,000 acre estate lies right in the heart of Sutherland and is typical of a Highland sporting estate. The primary land use and enterprise is red deer stalking. Shooting tenants occupy the estate lodge from mid-August to early December and this income represents half the estate's annual turnover. Deer management also accounts for the employment of two full time stalkers and 3-4 seasonal staff.

However deer numbers are dropping here as a result of two harsh winters, increased culling on neighbouring estates and greater culls by conservation interests. Land agent Tom Chetwynd of Bowlts Chartered Surveyors says the estate owners are not currently too concerned about the contraction because regular tenants are still satisfied with the package on offer.

He adds: "However it can't go on forever and there are no other business alternatives for this estate. The land comprises sensitive peat land and is part of the Peatlands Special Area of Conservation (SAC) and renewables are currently not an option as the estate is 12 miles from the nearest grid connection. We tried letting the lodge for general tourism without any stalking but there was no interest and only limited interest in fishing.

"The owners feel strongly about maintaining employment and it's clear that without deer there would be none."

### **Other businesses**

So what's the downstream impact of red deer and the investment by estates? What do red deer represent to people on the ground? You just need to spend a couple of days travelling around speaking to folk to find out, and while there's only room for a few examples here, they give a flavour of the variety of businesses which depend on red deer for their survival.

### **Ardgay Game**

Managing Director Les Waugh established this venison processing company at Bonar Bridge in 1982 and it now has a staff of 15 at peak season. The family business is currently investing £300,000 in new facilities and aims to increase throughput in line with demand from prestigious customers which include House of Bruar on the A9, Skibo Castle, Gleneagles, top end restaurateurs in London and 900 retail outlets in Scandinavia.

Mr Waugh explained: “We’re bang in the middle of deer stalking country and rely on the throughput from local estates to make the business viable. If significantly more hinds were culled in the short term because of a change in Government policy, it would mean populations would be reduced in the long term and that would have a severe impact on our business and the families we employ.

“Sutherland is sparsely populated and jobs are hard to come by so when a major employer disappears the consequences are dramatic. The town of Brora used to thrive on the back of the woolen mill and since it closed down all you see there are houses for sale. I’d fear a similar scenario across Sutherland if the deer are decimated.”

### **Sutherland Sporting Tweed**

The Offor family who own this enterprise in the centre of Lairg emphasise their business is entirely reliant on stalking and fishing, and when you enter the shop the reasons why are immediately obvious. Row after well-stocked row of plus fours, tweed jackets, traditional deerstalkers and country clothing line the walls in every shape and size and bales of tweed are stacked high in traditional patterns. The Offors have two main strings to their bow; producing estate tweed suits for hundreds of gamekeepers, ghillies and stalkers on 89 Scottish estates (15 of them in Sutherland), and also kitting out the sportsmen and their families who come from around the world to fish the famous Sutherland salmon rivers and stalk red deer.

Ian Offor points out that that of all the tourists who come to enjoy the stark beauty of Sutherland, it is sporting tourism that brings by far the most revenue.

He states: “Sporting tourists spend a lot of money in the area. They stay in hotels, eat out for meals and they buy traditional tweeds and country clothes to wear here and to take back to Germany, Switzerland, Italy, Spain, America and all the other countries which are fanatical about what we have here in Scotland. There’s no way this business would survive without stalking and salmon fishing, and that’s true of many other small family businesses across the county.”

### **Aird Motors, Beaully**

David Tuach is the Managing Director and part-owner of this businesses which specializes in Argocats, the light, amphibious, 8 wheel vehicle which is used to transport culled stags and hinds back from the hills and is ubiquitous on sporting estates across Scotland. The company sells around 30 a year, trade which is equivalent to a third of the turnover of this strong business.

So how does David Tuach evaluate the economic importance of deer in Scotland?

“It’s absolutely vital to our business,” he states. “If stalking were to be reduced or phased out it would be devastating.”

### **Park House Guest House, Lairg**

David (a former chairman of the Lairg Community Council) and Margaret Walker have run the 4 stars Park House Guest House for 20 years. It’s on the shore of Loch Shin so fishermen are regular clients and other guests regularly come to shoot woodcock. Until just six years ago an important element of David’s business was arranging deer stalking packages for guests on Forestry Commission (FC) land. And although the interest and demand from clients is still strong, the opportunities ended abruptly when FC policy changed and all culling was transferred to contract stalkers. The move resulted in a significant dent in David’s income and disappointment that opportunities for many people to enjoy the experience of affordable stalking had been lost.

He argues: “The stalking tended to be repeat business and they were all big-spending people who brought a boost to the local economy. Many of these people have now gone to shoot in Eastern Europe instead and that’s a big loss to the village. But the sporting estates in Sutherland are also crucial to the remote communities and businesses throughout the county and if the deer are lost and staffing levels fall we’ll all feel the impact.”

### **Keith Hedley, Farrier, Lairg**

Between mid July and the end of October Keith Hedley employs seven full time men to cater for the needs of at least 100 stalking ponies. He offers a vital service to estates which require their ponies to be fit and fully shod for the demanding task of bringing the stags back from the hill to the larder in the traditional Highland way. Farriers are on-call to attend to ponies on remote estates where they might have lost a shoe and need urgent attention as deer carcasses can’t be left out to waste.

The peak stalking season brings in 25-30% of Keith’s profit margin for the year and represents a crucial part of his business. Stalkers tell him their concerns about the loss of mature stags after the imposition of severe culls.

He adds: “Guests come to Sutherland to pay good money to shoot mature animals, not babies. There are already a lot less deer than there were 10 years ago but people believe there are just as many because the animals are fenced out of their traditional wintering areas for forestry schemes and are forced down nearer the roads. It’s clearly a concern for everyone involved in any way with this important traditional business.”

## **Venison market**

There is, of course, a great irony in the timing of the relentless drive to slaughter hinds and permanently reduce their numbers on the hills, because venison is now in demand as never before. It is widely promoted on supermarket shelves and lauded by chefs and restaurateurs. And such is the enthusiasm for this lean organic meat we've heard calls for the establishment of more deer farms on the lower ground. Making venison a cheap, intensively produced product instead of a wild, special one risks repeating the mistakes already made in Scotland with salmon.

## **The role of stalkers**

And let's not forget the importance of deer stalkers in rural Scotland. In many places we're the only people left in remote communities and we play a vital role in emergency situations. We know extensive hill ground like no one else because we've spied from every cairn and corrie and can offer expert, first hand knowledge and assistance when someone goes missing or something goes wrong. It's worth remembering too that part of a stalker's contract of employment is his tied house and without deer to manage and a job to do, another family would disappear from the hills.

I'm approaching retirement and soon won't need to worry about walking out every day over miles of empty hills, endlessly spying for the sight of a stag or a hind. But I won't stop caring about the way we're mismanaging and wasting a precious natural resource, or fearing that the dearth of deer will sound the death knell for many communities in the glens.

## **ACCOUNTANTS' REPORT**

By Angus and Donald MacKenzie, Chartered Accountants, Inverness

We concentrated on 10 of the 81 estates in Sutherland and are grateful to the owners and representatives who have readily cooperated with us and given us the facts and figures on their enterprises.

From their financial accounts of the last three years we have collated and summarised the income and expenditure related to their deer enterprises. We believe that these figures are a fair representative sample of all of the estates in the whole area.

We collected figures on numbers of people employed directly on the estates. The full time equivalent of employment in the management and running of the deer enterprises on these estates is 112 with at least 140 households supported by employment in deer enterprises.

These figures include nothing whatsoever for grant aid or subsidies and are entirely exclusive of holiday lets, fishing and other estate income and expenditure.

In brief compass we have accurate financial and employment figures for 20% of the land area in our study area, the whole of which covers 402,000 hectares.

The Deer Commission /SNH total Winter Count figures for 2008 in our Study Area amounted to 33,455 for all classes of red deer, with 6773 on the ten estates for which we have exact figures. Applying our 20% factor (multiplying by 5) to income and expenditure, as shown on the accompanying table suggests that estates require a net contribution annually from all the proprietors of £3.1 million. This is demonstrated in more detail on the accompanying schedules.

These figures cover only revenue income and expenditure and no cognisance has been taken of any capital expenditure incurred by any estate, which can be considerable in some years

Expenditure on the estates substantially exceeds the income generated and this has required a contribution from the proprietors amounting to £3.1million annually in the years under review.



## SGA Study into the economic effect of Red Deer in Sutherland

	size (hectares)	Deer count total	Revenue	Expenditure	Contribution from owners
Our sample of 10 estates	78118	6773	£330,668	£959,521	£628,853
Estates in Sutherland (81 per SNH)	402593	33455	£1.6million	£4.7 million	£3.1 million
sample as a percentage of all estates	19.4%	20.2%			

	Employees (Full Time)	Employees (Part time)	Households supported	employees - Full time equivalent
Our sample of 10 estates	14	17	28	20.5
Estates in Sutherland (81 per SNH)	69	84	140	101

Our sample of ten estates made up close to 20% of the land area covered by the 81 estates listed by SNH in the 2008 count data and had just over 20% of the deer counted in the 2008 count

We have multiplied the financial figures found from analysis of our sample estates by five to give an estimate for the overall figures for all 81 estates

Our sample included some of the smallest and some of the largest estates.

<b>List of Sutherland Estates per SNH</b>	<b>Area (Hect)</b>	<b>stags counted</b>	<b>unclassified counted</b>	<b>total</b>
Achany	2007	2	2	4
Achnabourin	2406	21	29	50
Altnacealgach	339	36		36
Altnaharra	14666	413	487	900
Altnaharra & Vagastie	1292	15	87	102
Ardbhair	1881	118	217	335
Assynt Estate (Achmore)	4392	140	333	473
Assynt Estate (Benmore)	7163	163	674	837
Assynt Estate (Sheep Ground)	3806	370	320	690
Assynt Foundation (Canisp)	15996	393	675	1068
Assynt Foundation (Drumrunie)	5000	112	209	321
Badanloch	6975	92	611	703
Badentarbat	3861	13	23	36
Balnacoil	7424	375	949	1324
Balnakeil	4688	21	92	113
Ben Armie	8362	239	411	650
Ben More	5853	40	203	243
Borrobol	8886	481	772	1253
Brackloch 1	265	2	17	19
Brackloch 2	315	4	14	18
Cape Wrath	4982	72	203	275
Caplich	1437	50	178	228
Clebrig	4688	108	470	578
Coire a Mhaic	441	22	127	149
Crakaig	1514	65	280	345
Culgower	1179	45	165	210
Dalchork	6758	145	97	242
Dalnessie	4983	193	480	673
Dalreavoch	5730	292	704	996
Dunrobin	11813	477	559	1036
Durness	4244	68	8	76
Eisg Brachaidh	2000	91	97	188
Eriboll	7070	99	361	460
FCS Borgie	3158	60	157	217
Fiag	1119	10	21	31
Garttymore	1411	39	103	142
Glen Cassley	4491	94	462	556
Glen Rossal	1034	7	92	99
Gordonbush	5404	170	914	1084
Gualin	2532	63	36	99
Hope & Melness	8545	123	355	478

Invercassley & Duchally	11044	236	550	786
Inverpolly	4885	34	127	161
Keodale	10049	64	140	204
Kildonan	7885	558	1151	1709
Kinloch	7432	241	458	699
Kinsaieil	753	0	0	0
Kintradwell	3200	113	187	300
Kylesku land	198	17	34	51
Lagg and loch Poll	251	11	8	19
Ledmore	391	47	24	71
Loch Assyny Lodge	764	4	19	23
Loch Choire	12664	368	856	1224
Loyal	9324	178	1352	1530
Melness Crofters estate	5068	31	111	142
Merkland	4386	92	412	504
Merkland (north of railway)	5088	194	196	390
Middle Inver Estate	1234	3	4	7
Morvich	1750	75	202	277
North Assynt Estate	8430	242	193	435
North Lochnaver	4708	51	164	215
Oldany	303	30	54	84
Polla	2703	23	86	109
Poole	4997	28	93	121
Quinag	3746	174	215	389
Reay Forest & Kylestromie	17772	566	1504	2070
Reay Forest and Gobernuisgach	20578	466	1024	1490
Rhiconich	7324	26	38	64
Rovie	163	1	0	1
Runie	2925	6	0	6
Sallachy and Creanich	9938	129	299	428
Sandwood	4673	37	29	66
Scourie	7766	5	5	10
Scourie Glebe	144	4		4
Shiness	5914	30	54	84
Strathmore	8383	215	501	716
Sutherland Estates	2164	19	5	24
Syre	2260	63	142	205
Syre	1304	14	83	97
Torrish	1283	63	282	345
Tressady	8639	226	801	1027
Unknown		8	23	31

Summary of Estates	Area (Hect)	stags counted	unclassified counted	total
All Sutherland Estates	402593	10035	23420	33455
Total for our sample estates included above	78118	2109	4664	6773
percentage of total	19.4%	21.0%	19.9%	20.2%
			say	20%

	Revenue	Expenditure
Total for our sample estates included above	£330,668	£959,521
multiply by 5	£1,653,340	£4,797,605

## **CONCLUSIONS**

- **In Sutherland, 112 full-time jobs are supported by deer management, the equivalent of 140 dependent households**
- **There are serious concerns from a broad range of Sutherland businesses that pressure to cull increasing numbers of deer will have a negative effect on income and employment**
- **Heavy culling of Scotland's iconic species to meet conservation and other countryside objectives could have a major impact on the ability of Sutherland sporting estates to continue to operate viably. This, in turn, would have significant consequences for fragile local communities and could increase welfare burdens on the State**
- **The Scottish Government and conservation bodies must carefully consider the consequences of an increasingly aggressive approach to deer culling in fragile economic areas**

**The SGA wishes to thank everyone who has been involved in contributing to this study. Donald and Angus MacKenzie, the estates and individual businesses have given generously and freely of their time and knowledge.**