

HCR

52

Introduced: 2/13/84
Referred: Labor & Commerce

1 IN THE HOUSE BY HERRMANN AND ZHAROFF
2 HOUSE CONCURRENT RESOLUTION NO. 52
3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 THIRTEENTH LEGISLATURE - SECOND SESSION
5 Relating to the poor economic condition
6 of Alaska coastal communities.
7 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:
8 WHEREAS coastal communities throughout the state are having severe
9 economic problems; and
10 WHEREAS these economic problems are only partially due to fluctuations
11 in the fisheries resource and markets; and
12 [WHEREAS these problems are often accentuated by the state's lack of
13 understanding and involvement in coastal needs; and]
14 WHEREAS many coastal communities continue to lack the infrastructure
15 and financial resources vital to a healthy economy; and
16 WHEREAS the people in these communities are suffering hardship because
17 of lack of income and employment opportunities; and
18 WHEREAS the commercial fisheries income to several coastal communities
19 has decreased dramatically in recent years due to reduced catches and
20 prices; and
21 WHEREAS the requests for deferrals for payments on state fisheries
22 loans have rapidly increased indicating the critical status of the coastal
23 economy; and
24 WHEREAS both large and small seafood processors have gone bankrupt or
25 are not able to operate profitably due to fluctuating production and uncer-
26 tain national and international markets; and
27 WHEREAS the people most effected by this poor economic climate are
28 rural Alaska residents; and
29 WHEREAS the economic viability of the coastal economy is of vital

CS deleted lines 12+13

1 importance to all the people of Alaska;

2 BE IT RESOLVED by the Alaska State Legislature that the Governor is
3 urgently requested to undertake a complete analysis into this economic
4 downturn and the avenues available to the state to improve the economy of
5 coastal communities; and be it

6 FURTHER RESOLVED that the Governor is requested to utilize whatever
7 means or resources identified in the analysis to immediately counter this
8 economic disaster in order to ensure the long-term viability of the economy
9 of Alaska.

HCR 52 - FLOOR SPEECH

THE SENATE LABOR AND COMMERCE COMMITTEE HAS CONSIDERED HCR 52 - RELATING TO THE POOR ECONOMIC CONDITION OF ALASKA COASTAL COMMUNITIES - AND RECOMMENDS PASSAGE.

THIS RESOLUTION RECOGNIZES THE MANY ECONOMIC DISASTERS FACING MANY COASTAL COMMUNITIES AND URGENTLY REQUESTS THE GOVERNOR TO UNDERTAKE A COMPLETE ANALYSIS OF THE PROBLEMS FACING THESE ALASKANS. THE GOVERNOR IS FURTHER REQUESTED TO ASSIST IN ANY POSSIBLE WAY TO ENSURE THE LONG-TERM VIABILITY OF THE ECONOMY OF ALASKA.

THIS RESOLUTION IS SUPPORTED BY MANY CITIZENS RESIDING IN THE COASTAL AREAS OF ALASKA AND HAS BEEN FULLY SUPPORTED BY ALL THE COMMITTEES REVIEWING THIS LEGISLATION. HCR 52 WILL FOCUS ATTENTION ON THE SEVERE ECONOMIC CONDITIONS FACING THESE COASTAL COMMUNITIES AND I STRONGLY URGE PASSAGE OF THIS LEGISLATION.

FURTHER INFORMATION

EVIDENCE OF ECONOMIC HARDSHIP IN COASTAL COMMUNITIES - IN 1981, ONLY 109 FISHERMEN REQUESTED FISH LOAN EXTENSIONS, BUT IN 1983, 235 REQUESTS WERE

RECEIVED. THE NUMBER OF BANKRUPTCIES IN FISH PROCESSING BUSINESSES HAS INCREASED.

THE SLUMP IN THE TIMBER INDUSTRY, AS WELL AS THE CLOSING OF THE WHITE PASS RAILROAD, HAS HAD A SEVERE IMPACT ON COASTAL COMMUNITIES IN SOUTHEASTERN ALASKA

THE COMMITTEE SUBSTITUTE DELETED A "WHEREAS" CLAUSE THAT COULD HAVE BEEN INTERPRETED NEGATIVELY BY THE GOVERNOR. -- WHEREAS THESE PROBLEMS ARE OFTEN ACCENTUATED BY THE STATE'S LACK OF UNDERSTANDING AND INVOLVEMENT IN COASTAL NEEDS --

CR 52 TITLE & SPONSOR SUMMARY

17:21 5/24/84 PAGE 1 OF 3

RENDED TITLE: SOC FOR 521503

RELATING TO THE POOR ECONOMIC CONDITION OF ALASKA COASTAL COMMUNITIES

LINE SPONSOR: HEERMANN.

2-SPONSORS: ZHAROFF.

CURRENT STATUS: 5/10/84 READ BY GOVERNOR

CR 52 HOUSE ACTION

17:21 5/24/84 PAGE 2 OF 3

DATE SEQ PAGE

LEGISLATIVE ACTION

2/13/84	01	2541	FIRST READING - COMMITTEE REPORTS
2/27/84	02	2716	LAC -- 3707
3/01/84	03	2702	SECOND READING
3/01/84	04	2782	PASSED BY DIV 39-00-01
3/16/84	11	3343	CONCURRED IN SENATE AND BY DIV 27-00-03
4/17/84	12	3361	TRANSMITTED TO GOVERNOR
5/10/84	13	3392	READ BY GOVERNOR - SENT TO LT GOVERNOR
5/10/84	14	3325	LEGISLATIVE RESOLVE NO. 46

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CR 52 SENATE ACTION

17:22 5/24/84 PAGE 3 OF 3

DATE SEQ PAGE

LEGISLATIVE ACTION

2/02/84	05	2526	FIRST READING - COMMITTEE REPORTS
2/23/84	06	2547	LAC -- 3604
3/07/84	07	2666	FILE -- LAC CASE, OTHERS TAKEN UP IMMEDIATELY
7/09/84	08	2572	SECOND READING
7/09/84	09	2573	LAC 02 ADOPTED BY UNAN CONSENT
7/09/84	10	2575	PASSED BY DIV 16-00-04

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COMMITTEE REPORT

SENATE

FURTHER:

3/22/79

Date 3/22/79

Mr. President

The Committee on INDUSTRY & COMMERCE considered HR 57

relating to the poor economic condition of Alaska coastal communities.

and (a majority of the committee) (the committee) reports it back with the following recommendations:

- do pass
- do pass with attached amendment(s)
- replace with/or adopt - CS for HR 57 - 2 (Y+G)
- new title
- same title and recommends do pass
- and attached a "LETTER OF INTENT" NEW FISCAL NOTE
- reports it back without recommendation
- recommends referral to _____ Committee

MEMBERS SIGNING
DO PASS

MEMBERS HAVING
OTHER RECOMMENDATIONS

[Handwritten signatures]

[Blank lines for signatures]

[Handwritten signature]
Chairman

[Handwritten signature]
Chairman recommendation

Dan P. Bilderback
P.O. Box 723
Cordova, Ak. 99574
February 25, 1984

Representative
Adelheid Herrmann
Alaska State Legislature
Pouch V (MS 3100)
Juneau, Ak. 99811

Dear Ms. Herrmann,

The following is written testimony in support of House Resolution No. 52. I originally gave this at a teleconference yesterday during a labor and commerce committee meeting. I hope that you can use it as a letter of support.

My name is Dan Bilderback. I was born in the town of Cordova 31 years ago and have commercial fished as my primary source of income since the age of 15.

I feel that this resolution addresses a critical need in Rural Alaska. The Prince William Sound-Copper River area is predominately a commercial fishing area.

Declining fish prices and pressures on the salmon resource are eroding the economic viability of this area.

I feel that it is imperative that the Governor look at his Operational involvement in Alaska's Fisheries.

The following is a current example of the state not seeing the Rural areas needs.

The Fisheries Rehabilitation and Enhancement Development Division of Fish and Game (FRED) has submitted their 1985 Capital Budget to the Governor. The FRED State hatcheries at Main bay, Cannery Creek, and Gulkana have asked for very little capital monies to bring them to design capacity.

These Hatcheries are in place and have enormous potential to increase the salmon resource. Roughly a 2% increase over what has been spent on capital expenditures would increase their rearing capacity by 40 to 50%! This would be primarily due to Purchasing egg incubation boxes!

The Governor has unwittingly struck these monies from his

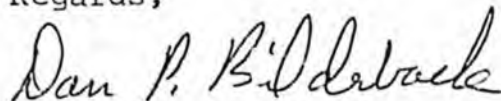
Letters of Support

Capital budget to the legislature. The amount is 300 K on a Hatchery investment of 14 Million dollars! This is like building a car without purchasing a windshield to finish it!

The Governor should assess whether this sort of thing is happening ai other rural areas of Alaska.

I also sincerly hope that the Governor buys a windshield for that car. Thank you.

Regards;



Dan P. Bilderback

PH# 424-3475

cc: Governor Sheffield
Don Collingsworth
Jerry Madden
Dave Daisy
Cordova Times



UNITED FISHERMEN OF ALASKA

319 Seward Street, Suite #10
Juneau, Alaska 99801-1188
(907) 556-2820

Cass M. Parsons
Executive Director

RESOLUTION NO. 1

WHEREAS market value of Alaska salmon is depressed from the high levels achieved during the late 1970's and early 1980's by as much as 40% on some species; and

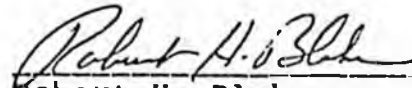
WHEREAS salmon fishermen from all areas of the state in response to the favorable economic conditions of the immediate past made substantial investments in up-grading their vessels and gear; and

WHEREAS many of these fishermen now in the areas of Kodiak and Cordova and tomorrow in other areas of the state are over-capitalized in relationship to the current market value of their products; and

WHEREAS many of these fishermen, who are professionals with years of productive experience, will soon be faced with the dismal prospect of defaulting on their vessel and permit loans.

NOW THEREFORE BE IT RESOLVED that the United Fishermen of Alaska requests Governor Sheffield to take immediate action in determining the magnitude of this problem; and

BE IT FURTHER RESOLVED that a program be created and funded to assist those fishermen who can demonstrate the potential to regain their economic viability in solving their immediate financial problems.



Robert H. Blake
President

Date: 2/2/84

Juneau fish processing plant to close Dec. 31

By CHUCK KLEESCHULTE
Daily News business reporter

12-6-83

The only fish processing plant in Juneau will shut down and be put up for sale at the end of the year, the victim of high Southeast operating costs.

Kodiak King Crab Inc., a subsidiary of Ocean Beauty Seafoods, said it will close Juneau Cold Storage and sell the downtown waterfront property Dec. 31.

Victor Horgan, president of Kodiak King Crab, said in a phone interview from Seattle that the Juneau plant has consistently recorded operating losses. In recent years, it has been processing and freezing 3 million to 4 million pounds of seafood — red, chum, pink

and coho salmon.

While declining to discuss the size of the losses, Horgan said the company had tried new measures during the past two years to stem the red ink.

"It's been a steady decline for the past three or four years. And we're convinced it just can't be turned around," Horgan said.

He said the plant was closing since its older equipment resulted in inefficiency and higher operating costs than newer ones in the state. And he said Juneau's location, a long distance from major Southeast fishing grounds, also hurt its chances for profitability.

The closing will idle seven full-time employees and nine hourly workers. During the

summer, an additional 16 hourly workers were hired. The plant is Juneau's largest non-governmental employer.

Horgan said this summer the plant bought fish from 101 fishermen. The company is trying to help the fishermen find new buyers.

Horgan said the closing likely will not have a major effect on the state's fish processing industry.

The Juneau plant is owned jointly by the Japanese trading company Marubeni Corp. and by Ocean Beauty, a wholly owned subsidiary of the Sealaska Native Regional Corp. based in Juneau.

The closing will not affect Kodiak King Crab's Kodiak processing plant, Horgan said.

Crab stocks decimated; seasons canceled

KLEESCHULTE
business reporter

For the first time since 1954, Alaska officials canceled king crab seasons in Bristol Bay because of how low crab populations are. The state Department of Fish and Game said the two areas that produce the most of the state's

red king crab mean Alaska fishermen may harvest as little as 4 million pounds of red king crab this year, compared to 175 million pounds just three years ago.

Overall, the total harvest of all species of king crab — red, blue and brown — likely will be less than 25 million pounds in the 1983-84 season, officials say. That compares to 193.1 million pounds

hailed in at the peak of modern crab catches in 1980-81.

The economic impact of the closure could be devastating for many Kodiak fishermen, who already are reeling from poor salmon harvests off the Southcentral island this summer.

"I've never seen a season this bad. It will just be a disaster for a lot of fishermen. Hopefully, most will be

able to hang on until tanner crab season opens (in February), but it is going to be tough," said Hank Eaton, a Kodiak commercial fisherman for 44 years.

Marty Eaton, a state regional biologist in Kodiak, said preseason surveys in Bristol Bay estimate there are only 9.6 million female crabs in the bay, down 50 percent from last year. The state esti-

mates that 20 million females are needed to maintain healthy breeding stocks in the bay.

The number of male crabs in those waters was estimated at 1.5 million, the lowest ever recorded.

Last year Bristol Bay produced 3 million pounds of red king crab. The state estimates the bay could have produced only 1 million

pounds this year if the season had opened, but only at the risk of destroying future harvests.

Off Kodiak, where stocks are sampled by a different method, estimates are that there are only 5.5 million pounds of male crab, compared to 70 million pounds just two years ago. Many of

See Back Page, KING

King crab

Continued from Page A-1

the female crabs surveyed off Kodiak were barren of eggs, leaving less than 70 percent capable of reproduction, compared to more than 90 percent two years ago.

Biologist Eaton said that in Uganik Bay off Kodiak, every female crab tested was barren of eggs.

"If this isn't a disaster, I don't know what is. It is precedent setting for us to close entire grounds, but we've never seen such dismal stocks before," Eaton said.

He said the state closed the Kodiak season, which would have opened Sept. 25, and the Bristol Bay season, which would have opened Oct. 1, because stocks are still declining after last year's sharp decline.

Eaton said the main cause of the fall in stocks seems to be the increase in cod and halibut that feed on king crab larva and immature crabs. "Our surveys are sampling record cod and halibut stocks. And we are seeing a decrease in undersized crabs that points a finger at cod as the cause," the biologist said.

The state is still trying to determine the cause for the great increase in barren females over the past two years.

Last year, fishermen netted \$116 million off state crab stocks. With further increase in king crab prices likely to be triggered by the reduced harvest, state officials said it is too early to predict the final value of this year's catch.

The closure means that the total Alaska red king crab catch this year will consist of:

- 200,000 pounds caught off Southeast;
- 300,000 pounds caught in early August in Cook Inlet;
- 750,000 to 1 million pounds that are expected to be caught off the Alaska Peninsula; and,
- About 2.5 million pounds predicted for harvest off Adak.

SEAFOOD'S FUTURE

SALES STILL FLAT

As economists talk healthy retail sales, surprising unemployment drops, and steady economic recovery, seafood dealers are becoming weary of the good news. The recovery has not yet touched seafood sales, which remain depressingly flat.

Holiday sales of specialty and shellfish items did not materialize as expected. Confusion in the shrimp and scallop markets has kept buying at a hand-to-mouth level. Fish inventories are running 13 percent higher and shellfish inventories 16 percent higher than one year ago, mostly due to cod and shrimp.

The strong U.S. dollar has attracted imports from all over the world, intensifying competition for traditional suppliers. In the shrimp and scallop markets, prices have hit resistance levels. The U.S. dollar continues at record-high levels and is expected to remain strong, dampening exports.

With Lent starting almost one month later this year than last (March 7 as opposed to February 16), more time is available for planning promotions and for suppliers and buyers to establish programs.

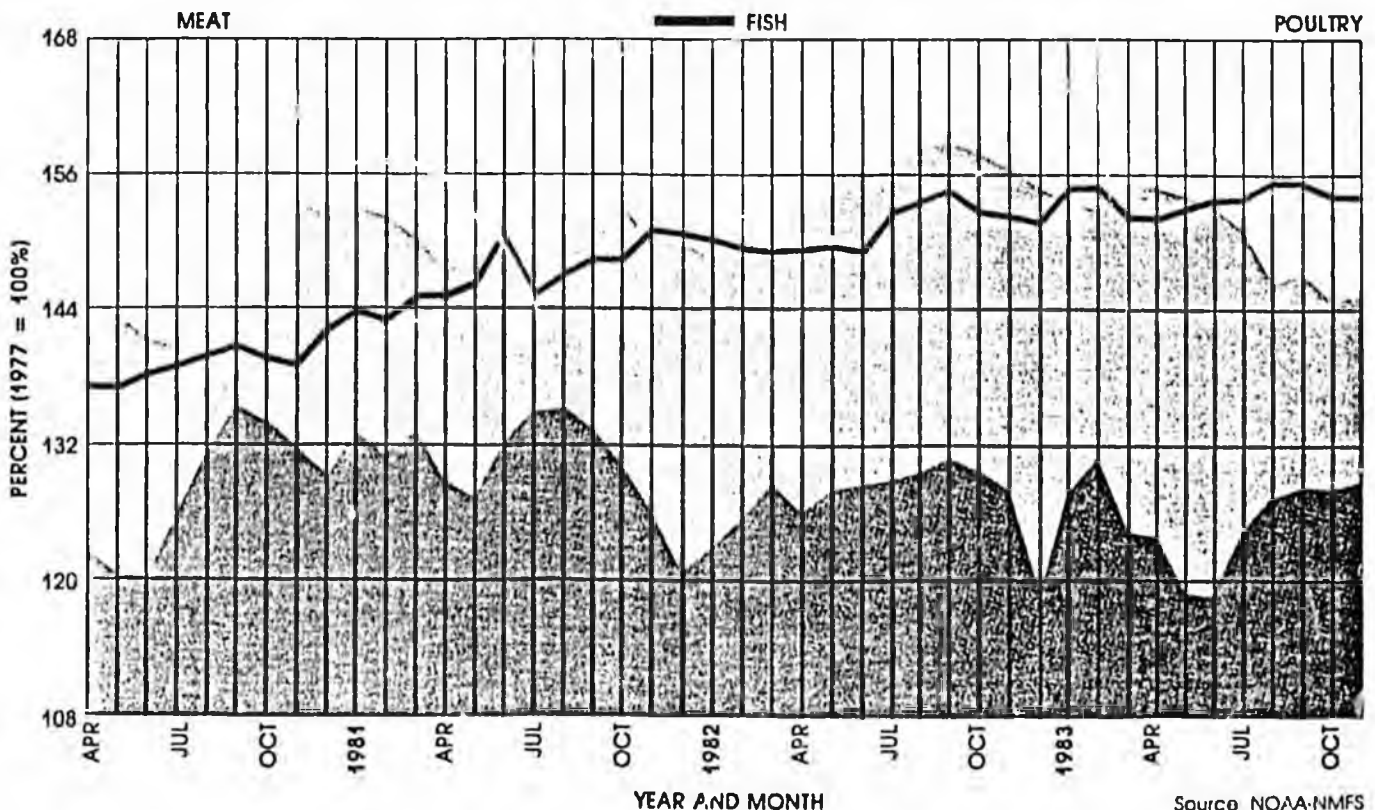
Despite the doldrums, there is good news on the horizon for seafood consumption. Beef, pork,

and broiler prices are expected to rise in the spring, as supplies dwindle. An explanation by David Stroud follows on page 11.

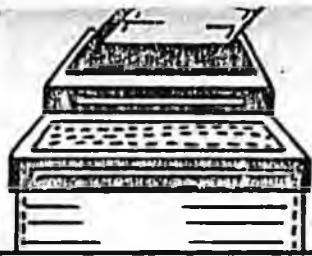
The relationship between higher prices in competing protein sources and increased seafood consumption is made clear by a recent USDA report tying changing incomes and prices to consumption. Data on per capita consumption and prices of red meats, poultry, and fish in the U.S. from 1950 to 1978 showed that for every 1 percent rise in the price of red meats, red meat consumption is reduced 0.68 percent. At the same time, poultry consumption increases 0.56 percent, and fish consumption increases 0.16 percent. Thus, if beef prices rise the 2 percent predicted in the first half of the year, fish consumption should increase a minimum of 0.32 percent. Since the price of broilers is also expected to rise, more consumers should turn to seafood.

As incomes rise, as they are expected to, shellfish consumption should benefit. According to the USDA study, a 1 percent rise in consumer incomes prompts a 0.68 percent increase in dollars spent on shellfish, the category among all meats and poultry with the highest positive reaction. Finfish expenditures increase 0.14 percent with a 1 percent rise in income.

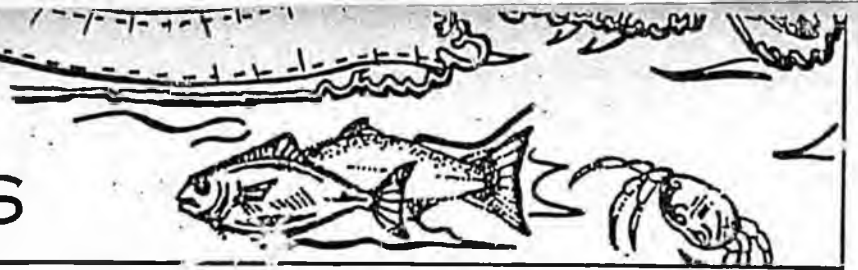
Retail Price Index for Meat, Fish, Poultry



Source NOAA-NMFS



FROM THE GROUNDS



Herring PWS a bust with 2,600 tons

Bad weather and reluctant herring plagued this year's Prince William Sound herring fishery. During the only opening for seiners 2,600 tons of the projected 5,000 ton harvest was taken in the Naked

Island area. The fleet then settled in to wait for the Montague run, but the Montague run never showed.

By the first week in April, marine mammals and birds were congregating in Prince William Sound right along with the seiners and tenders. Biologists estimated that the 20 companies buying herring had fielded "a tender for every seiner."

As 70 knot winds whipped the sound April 3, most of the fleet huddled in Cordova Bay. "It's like a floating city out there," commented

one resident.

On April 11 snow fell in Prince William Sound and some boats reported three inches of the stuff on their decks. Snow and fog kept the spotter planes out of the air and fishermen worried that the herring might spawn before anyone knew the fish were ripe.

On April 14, despite blowing snow and rain, the Naked Island run boiled up. Spotter planes were forced to fly at 200 feet in order to see the fish. In one hour the estimated 70 seiners on the Naked

Island grounds took nearly 2,600 tons of herring.

In Montague Island's Rocky Bay the weather was so bad and the water so stirred up no one could see fish and the boats had to set blind.

"Even so six or seven boats managed to set on herring," said the Cordova Fish and Game management biologist. Total catch from Rocky Bay was 146 tons.

The big surprise was the size of the herring in the Naked Island area. "They're the biggest herring we've ever seen—very comparable

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Low Prices and Short Season Squeezes Trollers to the Limit

by Karl Ohls

In the year when management had apparently stabilized, the Southeast troll fleet suffered an unexpected shock when salmon prices, all species, hit the lowest level in years.

"I hear it over and over again," said Jacqui LaRue, the Elfin Cove fish buyer for Pelican Cold Storage. "A guy bringing in a load of fish will say this is half of what he got last year."

Trollers have gotten used to premium prices for their fish, caught while feeding in saltwater, dressed on board the vessel and destined for the top quality market. From the fishermen's vantage point, the reasons for the price drop weren't clear.

Cal Boord, manager of Pelican Cold Storage, would only say that the prices "are reflective of the market situation worldwide." This means they were driven down by a combination of events, such as a devalued franc, high inventories, and, almost certainly, competition from Norwegian pen-raised salmon.

Whatever the exact cause, fishermen had the same answer when they were asked how their seasons were: "lots of fish, lousy price."

(At the dock in Pelican, the prices were \$1.90 a pound for large red kings, \$1.10 for medium kings, 73¢ for coho, and 35¢ for pinks. The buying stations, because of

transportation costs, paid 5¢ less for each species.)

"I'd be sitting on top of a real nice season, except for the price," said Loren Carter of Tenakee Springs, skipper of the *F/V Relief*. He added that he won't be hurt by the season "because I've got the old slab paid for," but some other guys might not be so lucky.

Juneau resident Rod Pruitt, owner of the *F/V Kipling*, said, "Fishwise, I'm okay. But I don't know if I'm going to make ends meet or not."

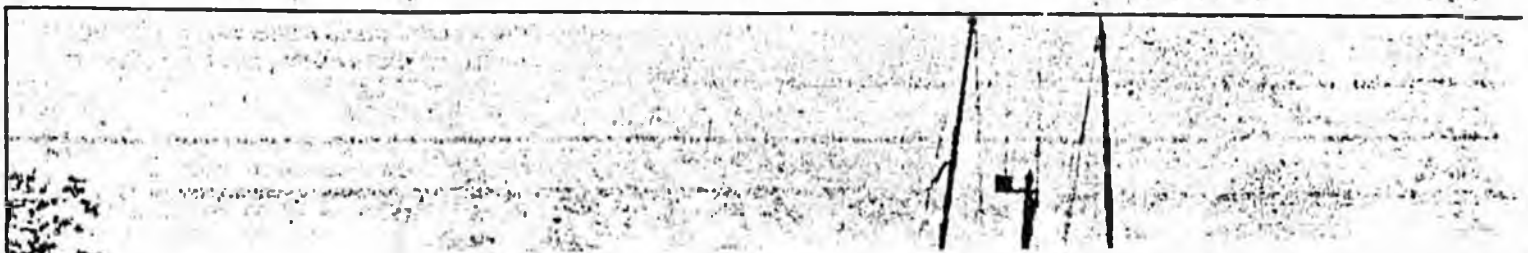
Chuck Piedra (*F/V Mercedes*) of Port Protection described 1983 as, "Financially, the worst season I've had in eight years."

The price for fresh troll-caught, dressed cohos is the real shocker. Jim Wild, an Elfin Cove power troller and handtroller since 1973, said that in a normal year he gets \$10 for each 12 pound coho. "This year it's \$6."

Jacqui LaRue, interviewed shortly before the Aug. 4 coho closure, said some guys had already

Troller Jim Wild: "We need help with the markets." Wild has developed his own markets for winter fish, but in the summer there are too many fish and not enough time.

Heading out from Elfin Cove: For Alaskan trollers, seasons are getting shorter and prices lower.



hung up the season and left. Some get disgusted and come in for most of the day. "Some are out twice as long because they're getting half as much."

Hugh Rietze, who, along with his wife Mary, buys fish in Elfin Cove for the Excursion Inlet Packing Co., said, "Of course nobody is happy with the price. But the fishermen have to realize there are ups and downs. I think most of them are taking it pretty well."

Alternate markets aren't really feasible for the trollers of the isolated north end. Jim Wild has his own markets for winter kings, but said that in the summer he handles too many fish. "It would take too much time to box them up and ship them out."

Wild is a recently elected member of the Alaska Trollers Association board of directors. He said he brought up at a recent meeting the idea of ATA somehow getting involved in the market situation. But the other board members felt there were too many issues upon us—the treaty, the single species fishery—to spend energy on it now. Others felt market problems should be left to the Seafood Producers Cooperative. Wild said there may be more interest in pursuing the matter at the end of the season.

"We need help with the markets," Wild said as he maneuvered his boat, the *Euphoria*, in the waters off Three Hill Island. Occasionally the conversation would be interrupted as he raised the line to bring in a coho or pink. "We can't dump off cohos at 68¢/lb. and expect to make any money."

With the troll seasons unlikely to improve, people in Elfin Cove and Pelican are starting to explore other ways of making a living, such as tourism. But there is uncertainty that people used to the rough and tumble commercial fishery would be able to comfortably cater to the needs of tourists and sportsmen. Also, no one knows if it would really generate enough business.

As for the future of the troll fishery, the fleet is divided into optimists and pessimists.

Jim Wild is an optimist. He points to the chinook quota not taking any further cuts and the unratified Canada-U.S. salmon interception treaty. "The governor is giving us support," he said, as he cleaned a humpy on one particularly slow day of fishing. "The state is starting to stand up for us and admit we exist. There's a heck of a lot more optimism than there was at this time last year."

He admits that there still may be some tough times ahead. "We've still got the treaty threat hanging over our heads."

Alaska trollers were outspoken in their opposition to the draft treaty because they felt the chinook cuts they would have to take were inequitable compared to what the Canadians would do in return.

Fred Howard, on the *Jolene M.*, is also hopeful of better times ahead. He said there may be a light at the end of the tunnel in the governor standing up for the fishermen.

"Washington and Oregon are trying to get Alaska to sign the treaty," he said. "They ought to put their goddamn pressure on Canada and forget about Alaska because Alaska has things under control."

Rod Darnell of Elfin Cove is a pessimist. "As long as they keep a quota, there's no hope," he said. The managers aren't managing on the strength of the run, he added, and if there's a poor run it could be wiped out. Darnell's attitude toward management is that he's fighting a foreign government.

Darnell had spent the last couple

days before the Aug. 4 closure rigging up a new trolling pole for his boat, the *F/V Pinta*. "I've only got one day of fishing left," he said. "Why should I rush out for 60¢ a pound?"

Darnell was optimistic about the fishery until he saw the price reduction. He caught 23 more king salmon than last year, but still isn't ahead. "I don't see how I'm going to make boat payments now," he said. "The state or the bank is going to repossess half the boats. The fishermen will become shoe clerks in town." He added that the only solution is to diversify into rockfish, cod and halibut.

Most of the fishermen on the north end commented on the high availability of king salmon in recent years. This was attributed to foreign trawlers being regulated a couple years ago to the west side of a longitudinal line running south of Yakutat.

The outcry over the presence of

mysterious net-marks on troll-caught salmon also seems to have tapered off. Teresa Moen, the quality control supervisor for Pelican Cold Storage, said she does see quite a lot of them, possibly "more than one out of every hundred" fish. Rarely, though, are the marks bad enough that a troll salmon would be graded number two instead of number one.

Fish buyer Hugh Reitz in Elfin Cove said he's not seeing as many marks as in past years.

Still, almost everyone seems to have samples of nets, floats and other foreign fishing gear that they either found washed up on beaches or caught on their lines and stabilizers. The lack of marine organisms on much of the debris is evidence that it hasn't been in the water very long. This leads to the suspicion that some illegal foreign fishing is taking place close to Southeast.

All of these things add up to the

conclusion that the troll fishery's problems aren't likely to be solved anytime soon.

Despite the preoccupation with the market problems, trollers still have plenty of complaints about the Alaska Department of Fish and Game's management of the fishery. For the last four to five years, trollers have been engaged in an ongoing battle with the state and federal fisheries managers over the optimum yield (OY) figure, or quota for king salmon. Each year, until this year, the trollers saw their allocation and seasons reduced so more chinooks could get back to the fisheries and spawning grounds of British Columbia, Washington and Oregon.

One common complaint was that when this year's quota was figured out, no one realized the prices would be so low.

"We could live with those prices if we could continue to fish," said Ernst Rasmussen, skipper of the

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Even though all kinds of boats are used in the troll fishery, Rasmussen's vessel was one of the more unique sights in the Pelican boat harbor. It looks like a 53-foot pleasure craft. Rasmussen said he saw the trend in the troll fishery when he had it built in 1977. Just remove the trolling polls "and I can sell it as a yacht." No one would be able to buy it as a troller.

Myrl Hancock of Port Townsend, Wash., said his boat, the *F/V Murrelett*, and permit are now up for sale "for the simple reason that they've got me shut-down. I'm not allowed to fish." Hancock expects that his boat will stay tied up next year because no one will want to buy the package.

While Fish and Game catch statistics show that trollers are going to do the same or better than last year, no one in Pelican or Elfin Cove was very pleased with all the closures (Apr. 15 to May 15, most of June, and Aug. 4 to 14; also all federal waters from three to 200 miles shut down July 20).

Cal Board at Pelican Cold Storage said the closure of the fisheries conservation zone certainly reduced his plant's ability to attract landings.

Rasmussen said that except for

'There's going to be more people winter fishing than anybody has seen before.'

July, the closures came just when the fishing was getting good each month. Pulling out a tidebook and pointing to the series of building tides in early August, he said he would "trade all the rest of the year for the days from August 7th to the 17th."

The seasons and the prices are going to "force people to winter fish," said Fred Howard, from Whidbey Island, Wash. "There's going to be more goddamn people winter fishing than anybody has seen before. Half the goddamn quota will be filled" (by spring).

The closures and the prices also have a major impact on the troll fishing communities and on the businesses that service the fleet.

"I have a feeling a lot of people are just making do with what they have to have," Walton said. "If it's not

essential, they're getting it fixed. He added that between prices and the pressure of the season, a lot of fishermen don't want to lose fishing time driving into the cove to get something repaired.

Leslie Dudley manages Swanson General Store in Elfin Cove. She has noticed that fishermen are very cautious with their money; they just buy the basics, "milk, eggs, bread."

Vivian Max, a lifelong Pelican resident and the owner for the last ten years of Vivi's Cafe, said she used to be able to get up in the morning, look at the boat harbor and tell how busy her day was going to be. Now, they "all come in at once and leave at once."

Sitting at a table in her cafe, Max said, "Today (Aug. 5) probably is one of my busiest days all season. You can see the difference between yesterday and today." T

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Strapped gillnetters blame politics

by Andy Ryan
Times Juneau Bureau

Juneau — Despite record runs of sockeye and pink salmon this year, gillnet fishermen in Southeastern Alaska say they are on the brink of financial ruin.

They blame their problems largely on past policies of the state Board of Fisheries, which they say have discriminated against them in favor of purse seine fishermen.

Two weeks ago, gillnetters presented Gov. Bill Sheffield and Fish and Game Commissioner Don Collingsworth with a set of statistics — culled from state records — showing that average Southeastern purse seine catches have jumped by 500 percent since 1975, while gillnet catches have stayed about the same.

The figures, compiled by Jeron Bruce, director of the United Southeast Alaska Gillnetters Association, also show that Alaskans hold about 60 percent of the state's 486 gillnet permits but just 45 percent of the 421 seine permits.

Seiners use a larger, different kind of net than gillnetters use. Also, seiners typically have a six or seven-person crew, compared to gillnetters, who tend to be soloists.

This year will bring the largest salmon harvest in the region since 1949, Bruce said.

But gillnetters' share of the take is expected to be about the same as in the past few years.

In fact, gillnetters' percentage of the total catch may be the lowest since 1969.

"Some people may be able to weather it better than others, but everybody is taking a beating this year," Bruce said.

The plight of the gillnetters, he said, has been caused by mismanagement in the Division of Commercial Fisheries and by "the political nature" of the Board of Fisheries.

Politics, he said, has kept gillnetters

gear. Previous boards had refused to consider the issue of allocation.

Steve Pennoyer, commercial fisheries director, said Sheffield and Collingsworth have agreed to try to bring seiners and gillnetters together before the board meeting to try to iron out their differences. But the state has been careful not to take sides in the matter, he said.

There is no doubt that seine catches have risen while gillnetters have been treading water, Pennoyer said.

But he noted that seine fishing on pink salmon stocks was cut back during the early 1970s for conservation reasons. It has been only recently, he said, that pink salmon — the mainstay of the seine industry — have made such a formidable comeback.

In the past, he said, the Board of Fisheries operated under the general axiom that fish stocks should not be reallocated — that is, dramatically shifted from one gear group to another.

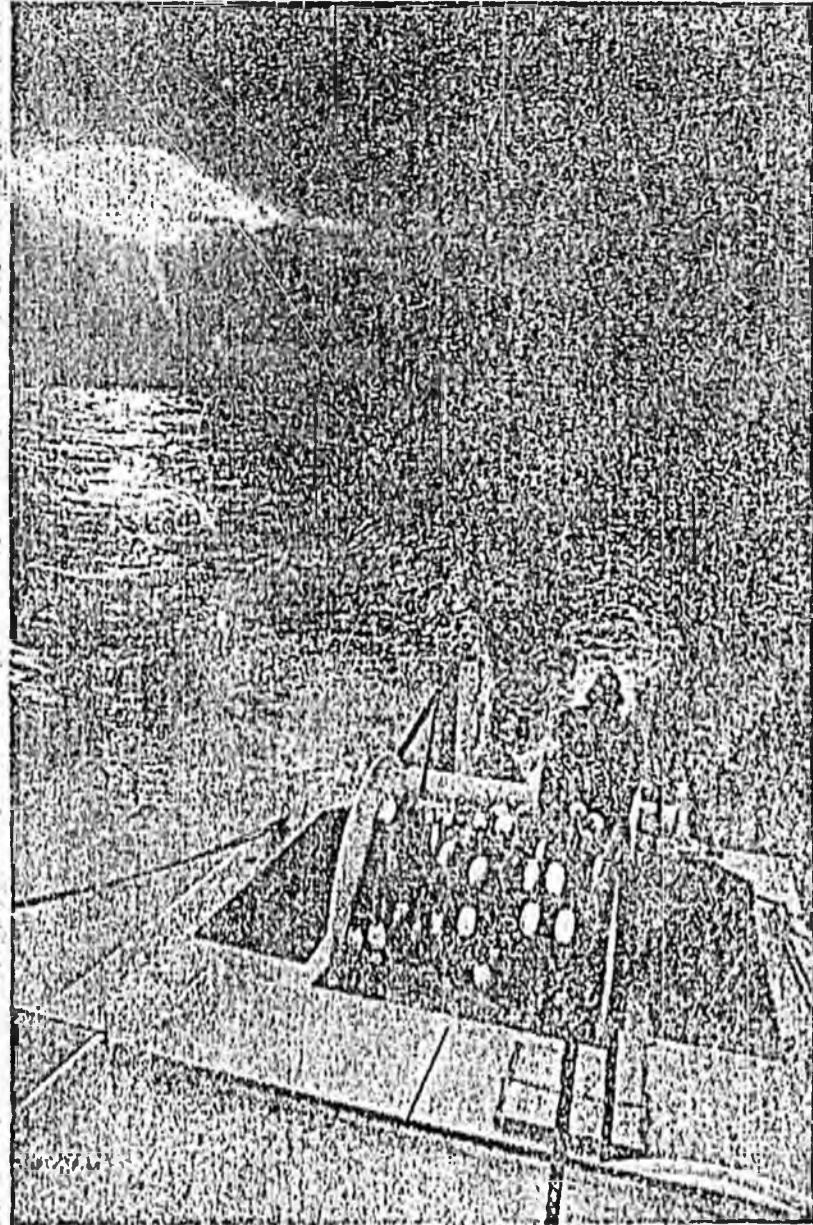
"They thought that you shouldn't simply be able to waltz in and take the fish away from somebody else," Pennoyer said. If board members do decide to reallocate the fish, he said, they will be in for some tough choices.

Terry Gardiner, a former state representative from Ketchikan and a gillnet fisherman for 14 years, hung up his net this year and stayed home to work at his seafood packing business.

Before the number of salmon fishermen was restricted in the early 1970s, he said, there was a 35 percent annual turnover among gillnetters.

Gardiner said figures showing higher catches by seiners are a result of dramatic increases in pink salmon runs. And the areas where gillnetters fish aren't the areas where pinks are being caught.

As to the question of whether the Board of Fisheries has discriminated against



Times file photo

Alaskan gillnetters feel they are being shorted in favor of purse seiners