

ALASKA LEGISLATURE SPECIAL COMMITTEE / SUBJECT FILES 86/2

731 SCOM.22: ALASKA LANDS FILE 1977-78

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#22:76

THE IZAAK WALTON LEAGUE OF AMERICA

Recreational Park



March 29, 1977

Attention Alaska Legislators

As a director of the Anchorage Chapter of the Izaak Walton League of America and Chairman of Alaska fisheries resources committee representing several thousand Sports fishermen, I wish to submit the attached fisheries data, comments and etc. for your evaluation.

Please review these 1976 commercial harvest records for the Central and Northern District of Cook Inlet and note only 7,534% of this new record commercial harvest was allocated to the Northern district commercial fisherman, plus over 1,000 miles of prime spawning beds were almost void of spawning stocks and no Silvers for the recreational fishermen. The only exception was the King Salmon Stocks and there were 380% more Kings in the Northern district than any year since Statehood. The reason being the commercial fishing season was not allowed to open before July 1st in the Northern and June 25th in the Central district.

Take a peek at the Big Lake escapement and note only 14,032 Reds were allowed to escape from a commercial harvest of 1,644,000 and by comparison the 1975 escapement was 29,791 from a commercial harvest of 677,158. Now look at the 306,982 escapement in 1940 and you will realize what a tremendous hatchery Big Lake was and can be if our Salmon fisheries is managed on a professional instead of a political bases.

Our League requests all salmon rehabilitation enhancement funding for these Cook Inlet areas be curtailed by our legislators until a comprehensive investigation of present facilities and management policies can be completed.

Under no circumstances should any nonprofit or state hatcheries be funded in this area until our Board of Fisheries and Alaska Department of Fish and Game are called on the carpet to explain why they allow our Cook Inlet Salmon resources be managed in a nonprofessional manner.

We are building a better outdoor America

Our League requests our Alaska Board of Fisheries be restructured to include three (3) commercial, three (3) recreational and one (1) subsistant fisherman to allow for fair representation of all user groups.

If our legislators will arrange for me to appear before the Senate and House Resources Committee to present additional information with reference to our fisheries, I'm sure our State will be the benefactor!

Your consideration will truly be appreciated.

Sam E. McDowell

Sam E. McDowell
Chairman
Alaska Fisheries Resources Committee

SEM:nr
Enclosure

P.S. We 167,000 licensed sports fishermen will be out like mosquitos in a bag in 1978 if present fisheries management policies continue!



THE IZAAK WALTON LEAGUE OF AMERICA

Recreational Park

IZAAK WALTON RECREATIONAL PARK
BOX 4-316
ANCHORAGE, ALASKA 99509



ATTENTION ALASKA SPORT FISHERMEN!

As a Director of the Anchorage Chapter of the Izaak Walton League of America and Chairman of the Alaska Fisheries Resources Committee representing several thousand Alaskan Sport Fishermen, I wish to submit the attached information showing why an initiative petition is being circulated to close commercial and subsistence fishing in the Northern and Central District of Cook Inlet before July 1st and after August 15th every year to allow for a more fair allocation of the Cook Inlet salmon resources for recreational sport fishermen and spawning stocks.

Based on past harvest records every year since statehood, less than 3% of the annual commercial harvest has been before July 1st or after August 15th.

FOR EXAMPLE:
1976 HARVEST RECORDS

	KINGS	REDS	COHOS	PINKS	CHUMS	TOTAL
CENTRAL DISTRICT BEFORE JULY 1st	1,468	28,369	29	36	292	30,194
NORTHERN DISTRICT BEFORE JULY 1st	-0-	-0-	-0-	-0-	-0-	-0-
CENTRAL DISTRICT AFTER AUGUST 15th	57	493	24,217	24,935	15,409	65,111
NORTHERN DISTRICT AFTER AUGUST 15th	2	21	340	63	71	497
TOTAL BEFORE JULY 1st & AFTER AUGUST 15th	1,527	28,883	24,586	25,034	15,772	95,802
TOTAL HARVEST:						
CENTRAL DISTRICT	10,190	1,573,525	178,576	1,110,092	458,135	3,330,518
NORTHERN DISTRICT	401	69,565	38,523	148,618	14,297	271,404
TOTALS: NORTHERN & CENTRAL	10,591	1,643,090	217,099	1,258,710	472,432	3,601,922

NOTE: $3,601,922 \div 95,802 = 2.659\%$ BEFORE JULY 1st & AFTER AUGUST 15th.
 $3,601,922 \div 271,404 = 7.534\%$ NORTHERN DISTRICT COMMERCIAL HARVEST.

Recreational anglers comprise the single largest wildlife resource users in Alaska. The 1976 calendar license sales were in excess of 167,000, plus sport fishing activities in Alaska generated in excess of \$60.0 million dollars to the total Alaskan economy. Therefore, we truly believe this initiative is reasonable and should be passed.

Your consideration and support will be appreciated.

Very truly yours,

Sam E. McDowell

SAM E. McDOWELL, Chairman
Alaska Fisheries Resources Committee

SEM:mm

Table 1. COOK INLET GILLNET DISTRICTS SALMON CATCH, 1960-1976

<u>Year</u>	<u>King</u>	<u>Sockeye</u>	<u>Coho</u>	<u>Pink</u>	<u>Chum</u>	<u>Total</u>
1960	27,512	933,539	311,502	1,423,699	659,997	3,356,200
1961	19,737*	1,162,303	117,778	34,017	349,628	1,683,463
1962	20,210	1,147,573	350,324	2,711,689	1,007,934	5,237,730
1963	17,536	942,980	197,140	30,436	387,027	1,575,119
1964	4,531	970,055	453,641	3,231,961	1,079,086	5,739,274
1965	9,741**	1,412,187	153,469	23,897	316,313	1,915,607
1966	8,525	1,652,449	289,903	2,006,376	532,821	4,690,074
1967	7,859	1,340,062	177,729	32,229	296,837	1,894,716
1968	4,536	1,104,896	468,760	2,276,993	1,107,903	4,963,038
1969	12,398	682,254	100,952	33,422	269,855	1,108,851
1970	7,947	729,054	271,910	777,526	775,959	2,562,012
1971	19,765	636,303	100,636	35,624	327,029	1,119,357
1972	16,086	879,824	60,933	628,580	630,148	2,235,571
1973 ^{1/}	5,104***	610,625	104,420	326,184	667,573	1,773,396
1974	6,671	504,121	203,135	474,827	399,553	1,628,467
1975	4,300	677,158	224,651	308,235	950,839	2,185,680
1976 ^{2/}	10,200	1,644,000	217,000	1,255,000	474,000	3,604,200
Average all years	6,694	1,021,048	224,935	928,864	580,853	2,754,394
Average even years			294,123	1,643,950	740,600	3,708,415
Average odd years			147,390	105,976	446,445	1,727,553

^{1/} First year of fishing only on late king salmon run. Average last four years only.

^{2/} Preliminary figures.

* Opening date moved from late May to end of first week in June.

** Opening date moved to third week in June.

*** Opening date moved to late June in Central, early July in Northern District.

opened June 5 and 12th } These two so called test fishery
 opened June 4 and 11th } caused a complete disaster to the
 Big LAKE ESCAPEMENT, 29791, Northern district spawning stocks!
 " " " 14032
 1940 " " " 306,982

*Presentation to the
made by Rep. [unclear]
as member of Secretariat*

A SPECIAL REPORT
OUTLINING THE CONCERNS OF RECREATIONAL FISHERMEN
AS THEY MAY BE AFFECTED BY LAND CLASSIFICATIONS
AS PROVIDED UNDER THE (d-2) SECTION OF THE
ALASKA NATIVE CLAIMS SETTLEMENT ACT

The report that follows will emphasize those special concerns of the recreational fishing community; not only resident Alaskans but non-resident visitors as well.

Recreational anglers comprise the single largest wildlife resource users in Alaska. The 1976 calendar license sales were in excess of 167,000.

Add to this figure an estimated 60,000 juveniles under 16 years of age and persons over 60 years of age meeting residency requirements for free angling privileges for a total of some 227,000 persons participating or eligible to participate in sport fishing. Population characteristics indicate that 40 percent of the total estimated Alaskan population will participate in sport fishing in 1977.

Surveys have shown that sport fishing provides many social and economic benefits while substantially contributing to the quality of Alaskan living. It is estimated that during 1976, sport fishing activities in Alaska generated in excess of \$60.0 million dollars to the total Alaskan economy.

Alaska enjoys the unique situation of being able to provide an extraordinary share of the nation's recreational fishing needs. Perhaps, even more significantly, a large part of the state's anadromous and resident species fisheries are on native wild stocks in untouched wilderness environments. The large size of Alaska, coupled with an abundance of fresh water (about 16 percent of the total fresh water contained in the continental United States) enables Alaska to assume

a deserved reputation as an angler's paradise. The Secretary of the Interior and the U. S. Congress have the opportunity under the d-2 section of ANCEA to classify up to 80.0 million acres of land in Alaska in a manner that will shape the use of these lands for recreational fishermen for generations. It is, therefore, important that this classification adequately provide for angler needs for optimum use of the fishery resources.

A foremost concern of anglers is the problem of access to the fishery resources - access in fact, as well as law. All of the proposed classification systems will provide legal access for anglers. The problem is logistical access. In order to best serve angler and people needs, historical and traditional means of access must be considered for each and every classification proposal. This would include amphibious or wheeled aircraft and/or motorized watercraft in many instances. Of course, modes of transportation must conform to the rules and intent of each classification act.

Research, fishery enhancement, and development and rehabilitation projects, particularly as regards anadromous species of fish, should be allowed and encouraged where necessary and where opportunities exist. It is recognized that provisions are included in both the Wilderness Act and the National Wild and Scenic Rivers Act for specifically delineating the responsibilities of the states with respect to fish and wildlife. However, the State of Alaska is embarking on the most ambitious anadromous fishery rehabilitation and enhancement program ever undertaken by a single state. Creation of new or expanded National Parks and Wild and Scenic Rivers will pose special problems and considerations in order to accomplish fishery enhancement

projects including construction of hatchery facilities. Early on, it is recommended that this be included in the language of each of the separate classifications.

Classification of lands under National Park management are of concern to users of fishery resources, in that the National Park Service has no historical tradition of fishery expertise. Park officials have not developed management experience in fisheries and have in fact, demonstrated a lack of flexibility in meeting changing public needs. Proper fishery management requires knowledge of annual fluctuations in fish populations for optimum harvest rates; it also requires an appreciation of community ecology in order to maintain reasonable levels at each step in the food chain.

Proper fishery management also includes that under-utilized species be harvested by more liberal bag limits than fully-utilized species. A case in point are sport fishing regulations for national park areas in Alaska that prohibit the use of bait to take fish. This regulation, while having merit during ice-free months, effectively eliminates historical ice fisheries especially for burbot in an area such as Katmai. Burbot are under-utilized in this area and can only be taken by use of bait fishing methods. In summary, it is recommended that, due to the flexibility and management expertise of the state management agency for fish and game, that fishery harvest rates and methods and means of harvest be established on a cooperative basis.

STATE

Jay S. Hammond, Governor

DEPARTMENT OF FISH & GAME

Division of Commercial Fisheries
November 5, 1975

111 RASPBERRY ROAD -- ANCHORAGE 99501
Box R, Soldotna, Alaska 99569

Mr. Sam E. McDowell, Chairman
Cook Inlet Fisheries Resources Committee
Anchorage Chapter of the Izaak Walton League of America
3635 Arcite Blvd.
Anchorage, Alaska 99503

*Example Submitted 1975
FISHERIES MEETING: DECEMBER
JULIAN, ALASKA*

Dear Sam:

The first part of this letter is in reference to information you requested on the commercial salmon catch in the gill net districts for 1974 and 1975, and the second part pertains to this years' herring-smelt gill net fishery in the Central district.

1974 Salmon Catch Data

Opening dates: Central district-June 28 Northern district-July 1
Catch

District	King	Sockeye	Coho	Pink	Chum	Total
Northern	169	41,563	47,033	42,376	36,422	168,136
Central	6602	482,618	156,897	451,951	363,063	1,460,331
Total	6671	524,181	203,135	494,327	399,553	1,628,467

Salmon caught after August 15, 1974.

District	King	Sockeye	Coho	Pink	Chum	Total
Northern	3	27	1,609	76	793	2,708
Central	74	688	25,305	3,879	4,702	34,648
Total	77	715	27,114	3,955	5,495	37,356

1975 Salmon Catch Data

Opening dates: Central district-June 28 Northern district-July 4
Catch

District	King	Sockeye	Coho	Pink	Chum	Total
Northern	129	65,092	12,554	90,899	30,459	219,133
Central	4660	619,836	194,191	245,578	923,092	1,987,357
Total	4789	684,928	206,745	336,477	953,551	2,206,490

Salmon caught after August 15, 1975

District	King	Sockeye	Coho	Pink	Chum	Total
Northern	1	219	2,049	5	1,110	3,375
Central	117	469	36,415	93	11,255	48,374
Total	118	689	38,464	103	12,365	51,749

*Example: 1974
Before July 1st harvest 6677 salmon
after August 15th harvest 37,356
Total 44,033 ÷ 1628,467 = 2.66%*

ALASKA DEPARTMENT OF FISH AND GAME
PRELIMINARY AND CUMULATIVE CATCH
COOK INLET

PERIOD NUMBER 3 WEEK 27 DATE 6-30-76 AREA H SUBMITTED BY Haye

DISTRICT	NO. DEL.	KINGS		REDS		CONOS		PINKS		CHUMS		TOTAL	
		PER	CUM	PER	CUM	PER	CUM	PER	CUM	PER	CUM	PER	CUM
<u>ENTRAL - Set net</u> East side - 244			876		16485		2		12		3		17.37
East side - 245	23	74	300	2415	5420	5	14	0	7	3	177	2497	591
algin Island East - 246-20			142		3693		8		9		25		3877
algin Island East - 246-10			95		1277		4		1		8		1385
Net TOTALS	23	74	1413	2415	26875	5	28	0	29	3	213	2497	28558
<u>ENTRAL - Drift</u> East side - 244			18		819		0		5		24		861
East side - 245	8	9	37	104	675	1	1	2	2	2	55	118	770
Drift TOTALS	8	9	55	104	1494	1	1	2	7	2	79	118	163
<u>ENTRAL - Seine</u> Unitna-245-10													
ENTRAL TOTALS Total	31	83	1468	2519	28369	6	29	2	36	5	292	2615	30,194

REMARKS: Western Sub-district open only.

ALASKA DEPARTMENT OF FISH AND GAME
PRELIMINARY AND CUMULATIVE CATCH
COOK INLET

B

PERIOD NUMBER 21 WEEK 33 DATE 8/12-11/76 AREA H SUBMITTED BY 2/1/77

DISTRICT	NO. DEL.	KINGS		REDS		COHOS		PINKS		CHUMS		TOTAL	
		PER	CUM	PER	CUM	PER	CUM	PER	CUM	PER	CUM	PER	CUM
ENTRAL - Set net East side - 244	315	102	8192	676	487389	8885	40812	100579	461502	105	5320	110347	1,0
West side - 245	34	2	841	46	41289	1909	21003	604	10599	4815	3661	7379	
Kalgin Island East - 246-20	2		196	15	6890	84	2556	255	3729	14	305	368	
Kalgin Island West - 246-10	5	2	263	15	14174	143	7925	883	11125	58	2062	1101	
Set Net TOTALS	356	106	9492	752	549742	11021	72296	102321	486955	4995	114298	119195	111
ENTRAL - Drift East side - 244	84		177	23	828703	100	71417	6152	550057	3026	330559	9201	170
West side - 245	41		164	16	194586	649	10644	1848	48145	3072	67247	5585	3
Drift TOTALS	125		641	39	1023289	749	82061	8000	598202	6095	397806	14856	210
ENTRAL - Seine Chinitna-245-10	1			1	1	32	32			622	622	655	
ENTRAL TOTALS (Per. 21)	482	106	10133	792	1573032	11802	154359	110321	1085157	11715	1142726	134736	320

COMMENTS:

7/12 33 964 230

2220

19711

233666

28551

211378

**ALASKA DEPARTMENT OF FISH AND GAME
PRELIMINARY AND CUMULATIVE CATCH
COOK INLET**

RIOD NUMBER 21 WEEK 33 DATE 8/13/76 AREA H SUBMITTED BY Haye

DISTRICT	NO. DEL	KINGS		REDS		COHOS		PINKS		CHUMS		TOTAL	
		PER	CUM	PER	CUM	PER	CUM	PER	CUM	PER	CUM	PER	CUM
THERN-Set net st side 47-42/247-90	13	2	106	62	33120	273	9057	213	18883	45	1414	595	62
st side 47-10/247-41	29	2	293	20	36124	411	29126	269	129672	1400	12812	2102	208
THERN TOTALS	42	4	399	82	69544	684	38183	482	148555	1445	14226	2697	270
TRAL TOTALS													
PER COOK INLET TOTALS Per 21													

MENTS:

Wk.33

**ALASKA DEPARTMENT OF FISH AND GAME
PRELIMINARY AND CUMULATIVE C. YCH
COOK INLET**

PERIOD NUMBER 51 WEEK 42 DATE 10-11-76 AREA H SUBMITTED BY Kayel

DISTRICT	NO. DEL.	KINGS		REDS		COHOS		PINKS		CINMS		TOTAL	
		PER	CUM	PER	CUM	PER	CUM	PER	CUM	PER	CUM	PER	CUM
<u>ENTRAL - Set net</u>					487710								
East side - 244	3		8237		~~487710~~	30	54580		483993		5640	30	10410
West side - 245			844		41391		28350		11439		43326		125
Kalgin Island East - 246-20			196		6890		2591		3789		314		12
Kalgin Island West - 246-10			268		14221		8609		11929		2273		37
et Net TOTALS	3		9545		550212	30	94130		511147		51553	30	1216
<u>ENTRAL - Drift</u>													
East side - 244			477		828178		71676		550672		335211		1786
West side - 245			168		194594		12641		48273		70686		526
rift TOTALS	0		645		1023312		84317		598945		405897		2113
<u>ENTRAL - Seine</u>													
Chinitna-245-10	0				1		129				685		
ENTRAL TOTALS	3		10190		1573525	30	178576		1110092		458135	30	3230

COMMENTS: W. h. 42 (3) total hatched 30 982 30 357 207 2092 30 2668

Final limit total

ALASKA DEPARTMENT OF FISH AND GAME
PRELIMINARY AND CUMULATIVE CATCH
COOK INLET

E

PERIOD NUMBER 27 WEEK 35 DATE 8/27/76 AREA H

SUBMITTED BY Shand

Final - closed

DISTRICT	NO. DEL	KINGS		REDS		COHOS		PINKS		CHUMS		TOTAL	
		PER	CUM	PER	CUM	PER	CUM	PER	CUM	PER	CUM	PER	CUM
NORTHERN-Set net East side 247-42/247-90			106		33437		9.229		18929		1418		65
West side 247-10/247-41	1		295		36128	21	29294		196689	27	12879	48	208
<i>Chum</i> NORTHERN TOTALS	1		401		69565	21	38523		148618	27	14297	48	271
ENTRAL TOTALS													
PPER COOK INLET TOTALS <i>Dec. 37</i>													

COMMENTS:

Wk. 35

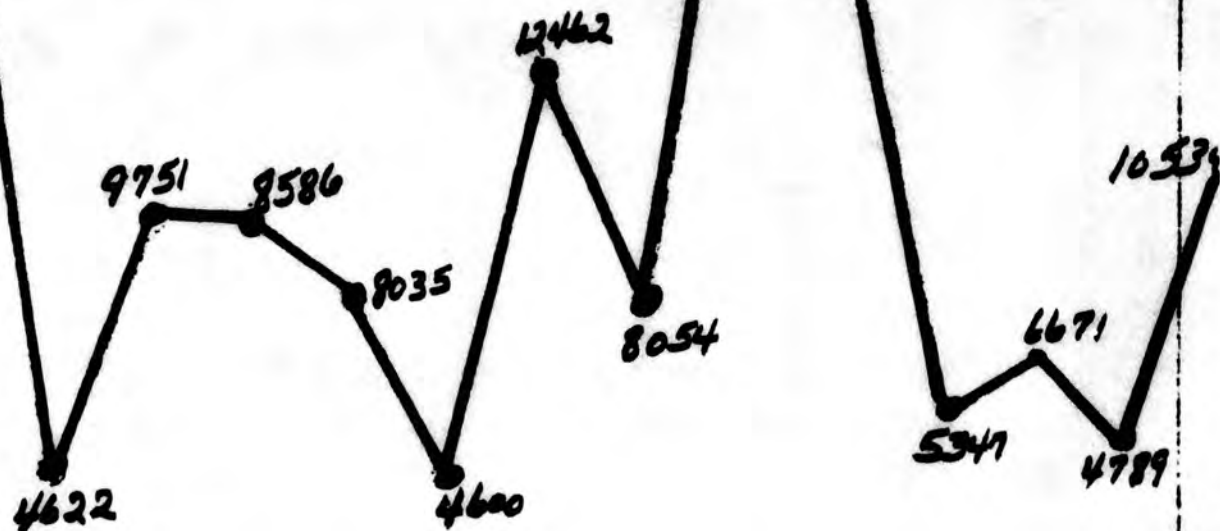
AGE BREAKDOWN OF KING SALMON IN SELECTED STREAMS
OF UPPER COOK INLET - 1976

		1973 Brood (1.1)	1972 Brood (1.2)	1971 Brood (1.3)	1970 Brood (1.4)
TOTAL EAST SIDE STREAMS					
6513	Prairie Creek (sample of 339 carcasses)	1.2%	26.3%	23.0%	49.5%
1660	Willow Creek (sample of 261 carcasses)	-	1.5%	20.3%	78.2%
1445	Montana Creek (sample of 146 carcasses)	-	4.0%	19.9%	76.1%
1237	Chulitna River (Middle Fork) (sample of 82 carcasses)	-	2.0%	41.8%	56.2%
WEST SIDE STREAMS					
21693	Deshka River (sample of 772 carcasses)	1.4%	9.5%	33.8%	55.3%
5412	Alexander Creek (sample of 1166 carcasses)	0.6%	22.4%	63.7%	13.3%
37960			1190	3390	5490

25,000
24,000
23,000
22,000
21,000
20,000
19,000
18,000
17,000
16,000
15,000
14,000
13,000
12,000
11,000
10,000
9,000
8,000
7,000
6,000
5,000
4,000
3,000
2,000
1,000

TOTAL COMMERCIAL KING SALMON CATCH 19838 COOK INLET AREA

SPOT CATCH

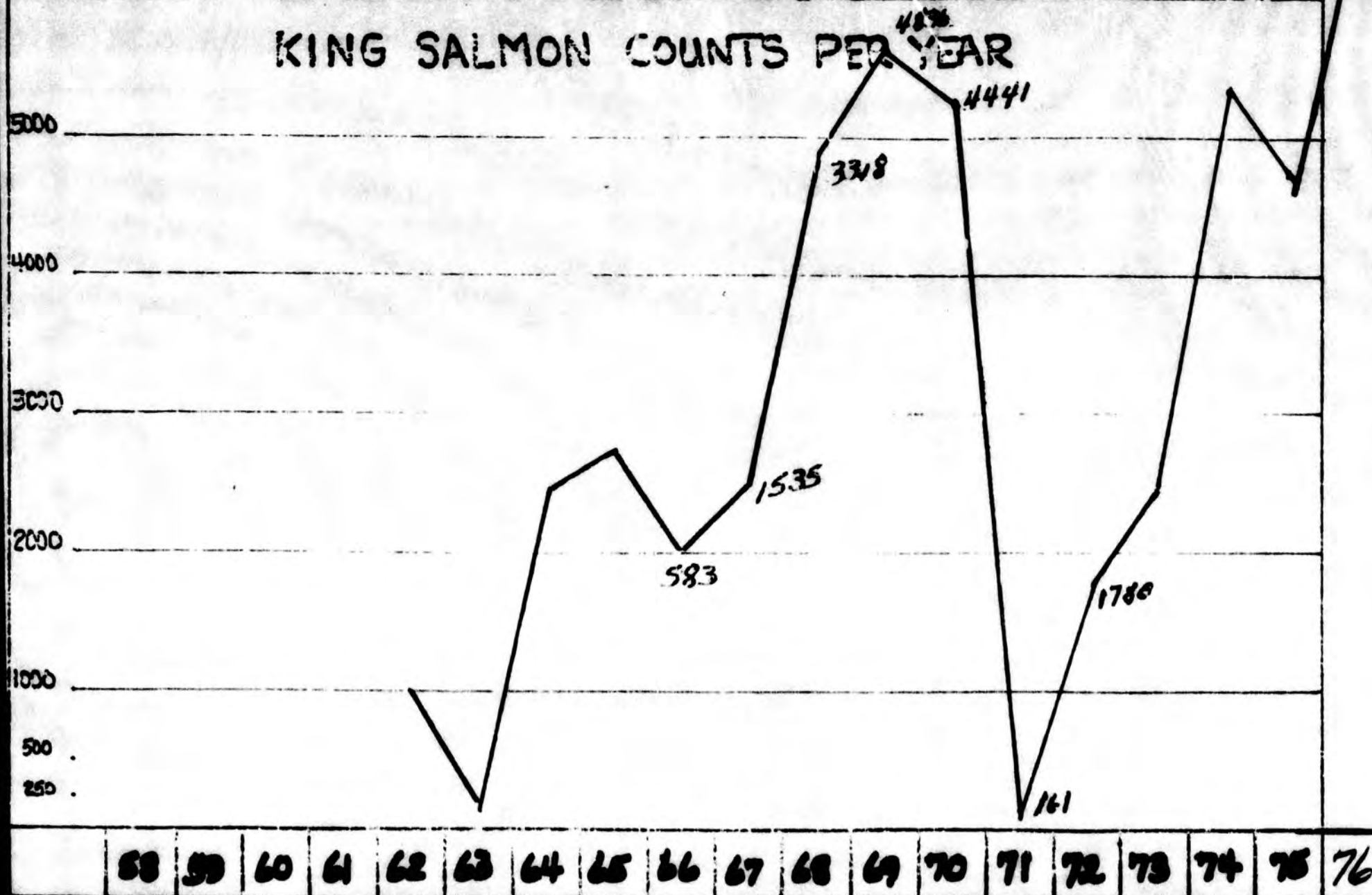


58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76
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NOTE: How the HARVEST INCREASED 1971 + 1972 WHEN THE COOK INLET KING SALMON SEASON OPENED THE FIRST WEEK OF JUNE!

DESHKA RIVER

KING SALMON COUNTS PER YEAR



NOTE: HOW THE ESCAPEMENT DROPPED IN 1971 + 1972 WHEN THE COOK INLET KING SALMON SEASON OPENED THE FIRST WEEK OF JUNE! AND INCREASED AGAIN WHEN THE NORTHERN DISTRICT OPENED JULY 1ST. COMPARE 1971 AND 1976!

Anchorage

Increase Population - 1971 to 1976

FY 1971	102,974
1972	110,456
1973	115,418
1974	126,101
1975	162,499
1976	175,697

$$72703 = 41.3\%$$

Homer

FY 1971	1083
1972	1083
1973	1243
1974	1243
1975	1243
1976	1538

$$455 = 29.5\%$$

Kenai

FY 1971	3533
1972	3533
1973	3560
1974	3533
1975	4028
1976	5161

$$1628 = 31.5\%$$

Palmer

FY 1971	1212
1972	1335
1973	1485
1974	1409
1975	1409
1976	1549

$$337 = 21.7\%$$

Seward

FY 1971	1587
1972	1823
1973	1823
1974	1823
1975	1823
1976	1823

$$236 = 12.9\%$$

Soldotna

FY 1971	1202
1972	1202
1973	1202
1974	1202
1975	1202
1976	1800

$$598 = 33.2\%$$

1976 TOTAL, 187568

75957

NATIONAL MARINE FISHERIES SERVICE STUDIES FOREIGN INVESTMENT

Portions of the Foreign Investment Study which I requested from the National Marine Fisheries Service last April appeared in the interim report to Congress "Foreign Direct Investment In The United States" which was published and submitted to Congress in October.

The section of the report dealing with foreign investment in the Alaska seafood industry points out several interesting facts:

- (1) Of 26 firms in the fishing industry reported to have foreign capital in 1975, 22 were in Alaska.
- (2) As of July 1975, the cumulative total of foreign investment in the Alaska fishing industry was placed at over \$17 million.
- (3) This compares with a total investment in 1971 of \$1.8 million and represents a growth of almost 1000% in under 5 years.
- (4) The largest of the Japanese investments is Whitney-Fidalgo Seafoods, Inc., which has several processing plants in Alaska. It is 98% owned by KYOKUYO and has a reported Japanese investment of \$11 million.
- (5) Investment of Japanese fishing and trading firms is concentrated in Alaska. The largest Japanese investors in our fishing industry are KYOKUYO HOGEL CO., MARUBENI-IHADO and TAIYO GYO-GYO.

The National Marine Fisheries Service intends to continue this significant study as part of its responsibilities under the "Foreign Investment Study Act of 1974." I will be announcing future developments regarding this study as they are reported to me.

To make all this a little easier to understand, I have had the chart on the right prepared which shows the number of fish processing plants in Alaska and the percentage of foreign investment in those firms.

FOREIGN INVESTMENT IN ALASKA FISH PROCESSING PLANTS

U.S. FIRM	LOCATIONS OF FAC.	FOREIGN OWNER,
Whitney-Fidalgo Seafoods, Inc.	Anchorage Ketchikan Kodiak Naknek Petersburg Port Graham Uyak and others	Kyokuyo Hogel, Co. Japan, 98%
Alaska Pacific Seafoods, Inc.	Kodiak	Marubeni-Iida, Japan
Bering Sea Fishers, Inc.	Yukon River	Marubeni-Iida, Japan, 25%
Juneau Cold Storage Co.	Juneau	Marubeni-Iida, Japan, 25%
Kodiak King Crab, Inc.	Kodiak Port Williams	Marubeni-Iida, Japan, 49.9%
Marubeni America Corp.	Bristol Bay	Marubeni-Iida, Japan, 100%
No. Pacific Processors	Kodiak Cordova	Marubeni-Iida, Japan, 50%
St. Elias Ocean Products	Cordova	Marubeni-Iida, Japan
Togiak Fisheries, Inc.	Togiak Quinhagak	Marubeni-Iida, Japan, 49.9%
B & B Fisheries, Inc.	Kodiak Valdez	Taiyo Gyogyo, Japan, 70%
Western Alaska Enterprises, Inc.	Does not operate its own facilities but manages production of salmon and herring roe in plants throughout Alaska.	Taiyo Gyogyo, Japan, 100%
Adak Aleutian Processors, Inc.	Adak	Nichiro Gyogyo, Japan, 30%
Orea Pacific Packing	Cordova	Nichiro Gyogyo and Mitsubishi, Japan, 50%
New Northern Processors, Inc.	Kodiak and others	Hokkyo Suisan & Co. Itoh, Japan, 50%
Morpac, Inc.	Cordova	Nippon Suisan & Mitsui, Japan 37.5%
Harbor Seafoods	Wrangell	Alaska Pulp Co., Japan, 100%
R. Lee Seafoods, Inc.	Soldotna	Kamai Fishing, Japan
Vita Food Products, Inc.	Two floating plants operating in Alaska	British-America Tobacco Co., Ltd. United Kingdom, 100%

* Additional Major Foreign investments in Alaskan fisheries

Form No. 01-001

STATE OF ALASKA
OFFICE OF THE GOVERNOR

TO: Senate #3100
DEPT: Senate
ATTN: Nyke Colletta

- ☐ Return letter with draft
☐ Return letter with comment
☐ Reply direct
☐ Action
☒ Your information

REMARKS:

FROM: Gov. Hammond Date: 3/23

PLEASE NOTE: THE FOLLOWING PAGES WERE TREATED
AS A UNIT IN THE ORIGINAL DOCUMENT.



STATE OF ALASKA

OFFICE OF THE GOVERNOR

JUNEAU

March 9, 1977

Mr. Sam E. McDowell
Chairman
Alaska Fisheries Resources Committee
Director, Izaak Walton League of
America, Anchorage Chapter
3685 Arctic Boulevard
Anchorage, Alaska 99503

Dear Mr. McDowell:

In response to your letter of March 3, I am happy to forward the following information.

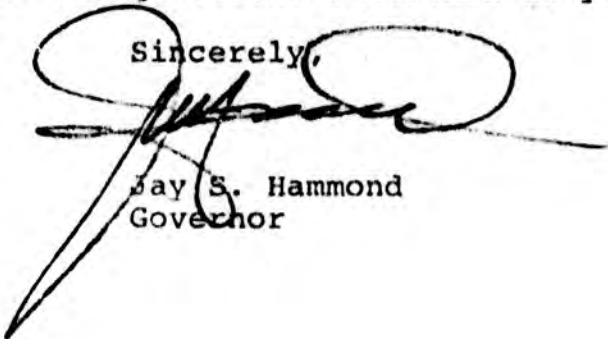
1. Current FY '77 budget: \$133,334, of which \$100,000 is a Federal grant.
2. See enclosures.
3. I am enclosing a list of the membership of the Fisheries Council. You can see that the Council is composed of a widely divergent group of people, including Federal and State scientists, legislators, representatives of my office, economists, members of the sports and commercial fishing community and others.
4. The Fisheries Council program will improve recreational salmon fishing in Alaska by greatly expanding the numbers of salmon available for all user groups.
5. Allocation of the salmon resources is a function of the State Board of Fisheries through the regulatory process. All Alaskans have an opportunity to be heard by that group and have their considerations taken into account by the Board.
6. You are incorrect in your assumption that recreational users will pay the greatest share of the bond issues for hatcheries. Hatchery production in most cases will be concentrated on chum and sockeye salmon because those species at present show the greatest cost benefit ratios. It is expected that the hatcheries will pay for themselves and indeed show a net profit to the State, at least in regard to the chum hatcheries. Therefore, the recreational user groups and other taxpayers will be paying nothing at all. Instead, there will be a net benefit to them. Beyond that, I would invite your attention to the bond issue in which it is specifically stated that at least 20 million

ment of the health of the salmon resource; a restoration of that resource from its recent low levels of 24 to 25 million adult harvest to the former levels that exceeded 100 million adults per year. Again, allocation of that resource is a function of the Board of Fisheries.

14. The answer to this question depends upon biological facts. If the total runs in Cook Inlet are composed of such high percentages of sockeye, chum and pink salmon, that five percent of that total is unreasonable, then it would be too large of an allocation. At any rate, it is a decision to be made by the Board of Fisheries after due consideration of all facts involved.
15. I am sure that representatives of the Fisheries Council are available to meet with area sportsmen's groups when requested, in keeping with the budget restrictions on travel that presently are in effect. I would remind you of the recent action by the Legislature in curtailing travel of Administration officials, and certainly it is our desire that such expenses be held to a reasonable minimum. If the groups involved were willing to pay for the travel and per diem expenses, then the Legislature would look more kindly on such travel.
16. The Fisheries Council reports to the Executive Branch.
17. No, neither the Fisheries Council nor any of its members dictated management or Cook Inlet allocation policy.
18. The Fisheries Council publishes a report of the activities of the Council following each meeting of that Council. These are, of course, available to the public. Expenditures of the Council are primarily for travel and per diem of the Council members to official Council meetings, the day-to-day expenses of the staff of the Council and are covered to a large degree by a Federal grant from the Economic Development Administration. The total budget is not millions of dollars, but in the neighborhood of \$100,000. Again, much of that is a grant from the Federal Government.

I hope these facts answer the questions contained in your letter.

Sincerely,



Jay S. Hammond
Governor

Enclosures

cc: All Legislators

GOALS: The Council's purpose is to develop a long range plan for the restoration of salmon fisheries including the development of a statewide system of private non-profit hatcheries and to recommend alternatives for revitalization of Alaska's depressed salmon industry.

DESCRIPTION: The Alaska Fisheries Council is composed of members of the fishing communities both sports and commercial, fisheries scientists, both State and Federal who are expert in these fields, representatives of the fishing processors, State Legislators, and members of the Governor's staff.

RATIONALE FOR THIS PROGRAM*

The salmon industry in Alaska has experienced a dramatic decline in salmon runs and harvests in recent years. Sound planning, rehabilitation and enhancement programs must be initiated to reverse this sharp downward trend to stabilize that large segment of Alaska's economy dependent on fisheries.

**OBJ.
NO.**

RELATED BUDGET YEAR OBJECTIVE(S):

1. Review and coordinate with all aspects of the State's existing programs and capabilities for salmon fisheries rehabilitation and management.
2. Determine on a regional basis the most cost effective means of maximizing salmon production and establish a reasonable schedule for project completion. Place in perspective production expected from improved management schemes, environmental enhancement and public and private hatcheries.
3. Determine levels of spending necessary to most effectively accomplish each regional production goal. Examine sources of State and Federal funds likely to be available for

BRU Alaska Fisheries Council

BRU CODE 01-47-1-03-00-00

REVISED _____

* LISTED IN ORDER OF DESCENDING IMPORTANCE.

1 DEFINITION STATEMENT

RATIONALE FOR THIS PROGRAM.*

**OBJ.
NO.**

RELATED BUDGET YEAR OBJECTIVE(S):

salmon restoration. Identify those production goals which may not be achieved due to lack of sufficient financing and propose useful alternatives.

4. Seek public and industry support and involvement in a comprehensive program of salmon rehabilitation. Study the social and economic ramifications of ultimately increased salmon production, initially reduced salmon harvest and private hatchery development.
5. Recommend a form of organization for private hatchery development most likely to best serve the public interest. Obtain commitments from industry necessary to support private hatchery development. Insure that future public and private hatching and rearing facilities will complement each other and not adversely affect natural production. Define the part each will play in the attainment of regional production goals.
6. Develop and recommend an economically and socially sound loan program to assist the private sector in non-profit hatchery construction and operation.
7. Expedite the various program elements and projects of the State to insure that all production goals will be met as soon as reasonably possible. Prepare recommendations to encourage implementation on the Federal and regional levels.

BRU Alaska Fisheries Council

BRU CODE 01-47-1-03-00-00

REVISED _____

* LISTED IN ORDER OF DESCENDING
IMPORTANCE.

1a DEFINITION STATEMENT



STATE OF ALASKA

OFFICE OF THE GOVERNOR

JUNEAU

March 9, 1977

Mr. Sam E. McDowell
Chairman
Alaska Fisheries Resources Committee
Director, Izaak Walton League of
America, Anchorage Chapter
3685 Arctic Boulevard
Anchorage, Alaska 99503

Dear Mr. McDowell:

In response to your letter of March 3, I am happy to forward the following information.

1. Current FY '77 budget: \$133,334, of which \$100,000 is a Federal grant.
2. See enclosures.
3. I am enclosing a list of the membership of the Fisheries Council. You can see that the Council is composed of a widely divergent group of people, including Federal and State scientists, legislators, representatives of my office, economists, members of the sports and commercial fishing community and others.
4. The Fisheries Council program will improve recreational salmon fishing in Alaska by greatly expanding the numbers of salmon available for all user groups.
5. Allocation of the salmon resources is a function of the State Board of Fisheries through the regulatory process. All Alaskans have an opportunity to be heard by that group and have their considerations taken into account by the Board.
6. You are incorrect in your assumption that recreational users will pay the greatest share of the bond issues for hatcheries. Hatchery production in most cases will be concentrated on chum and sockeye salmon because those species at present show the greatest cost benefit ratios. It is expected that the hatcheries will pay for themselves and indeed show a net profit to the State, at least in regard to the chum hatcheries. Therefore, the recreational user groups and other taxpayers will be paying nothing at all. Instead, there will be a net benefit to them. Beyond that, I would invite your attention to the bond issue in which it is specifically stated that at least 20 million

chinook and coho fry/smolts will be produced for the Cook Inlet fishery. This should add significant numbers of adults of those species returning to be harvested by all Alaskans and certainly should be a substantial improvement for recreational fishermen, as well as others.

7. As indicated in response to Question No. 6, substantial amounts of coho and chinook production were included in the bond issue. Allocation of those resources is a function of the State Board of Fisheries. The Fisheries Council at this point is spending much of its time devising policy recommendations to implement the 200-mile legislation and assisting in the development of the private, non-profit hatchery system.
8. If the public has not heard as much about the activities of the Fisheries Council as you believe it should, then perhaps the reason is that the press tends to seek out and emphasize the sensational, rather than simply solid, day-to-day hard work. Your question perhaps should be asked to the news media rather than of me.
9. Indeterminate. As long as the need exists for a Fisheries Council to advise me on fisheries matters, they will remain in existence.
10. No.
11. No. The Fisheries Council has made recommendations to me on specific approaches to implementing the rehabilitation efforts, the amount of bond monies to be utilized, the allocation of those bond monies between various areas of the State and recommendations as far as legislation to implement the private, non-profit hatchery law. Those are recommendations to me and that is the function of the Council.
12. The Alaska Salmon Plan has been developed by the Department of Fish and Game. The Plan has been discussed at two meetings of the Alaska Fisheries Council. Some recommendations for amendments have been made by the Council in open session. The Plan will be reviewed by the public and a final draft will result from that public review.
13. There is no allocation to various user groups of fishery bonds in the general fishery budget. All monies collected by the State for recreational fishing licenses go to fund the operation of the Sport Fish Division within the Department of Fish and Game. Our primary purpose is the improve-

First Progress Report
January 30, 1976

This is the first of a series of informal progress reports by the Chairman. These reports present the Chairman's assessment of goals, accomplishments, and unfinished business. Members of the Council are urged to review these reports critically.

Governor Hammond instructed the Council to define production goals for salmon in Alaska and to develop a program to restore salmon fisheries to levels indicated by the defined goals. He further instructed the Council to have Phase I of a restoration plan ready for legislative action no later than April 9, 1976. The Governor stated that his Administration will support the growth of public and private non-profit (PNH) hatcheries. Planning for Phase I of a public hatchery program is to proceed with the development of a bond issue. The PNH program is to be stimulated by legislation for a loan program. The immediate priorities of the Council are (1) to identify projects for a bond issue (maximum of \$40 million) to finance an expanded public hatchery program and (2) develop legislation for a loan program (maximum of \$200 million) for PNH.

Before discussing the program outlined by the Governor, the Council reviewed a proposal for an EDA Technical Assistance Grant to finance activities of the Council. The Council agreed that the Office of the Governor would be listed as recipient of the grant. The tentative budget of the Council for one year is:

\$55,000	Committed by State of Alaska
<u>\$105,300</u>	Requested from EDA
\$160,300	Total

Other procedural matters included:

- (1) The Alaska Department of Fish and Game would administer processing of travel and per diem vouchers for Council members.
- (2) Those members of the Council residing in the Juneau area would voluntarily forego per diem for meetings in Juneau.
- (3) The Office of the Attorney General advises that Council membership does not fall under provisions of the Alaska disclosure law.
- (4) Letters would be mailed to the President of the Senate and Speaker of the House, requesting that legislators serving on the Council continue to receive their authorized legislative per diem while participating in affairs of the Council.

Council for review. A second report on trends of salmon catches and an evaluation of restoration of fisheries through natural and artificial recruitment was summarized by the Chairman, along with statistics on levels of artificial recruitment of salmon in North America and Asia.

Restoration of salmon fisheries to historic high levels is an attractive, long-term goal, but difficulties with marketing and price structure might be encountered, along with limitations in processing capacity.

There is also the question of whether traditional species composition of the catch should be preserved. For example, large-scale releases of coho salmon might lead to further losses of other species, such as pink and chum salmon, through predation. The Council considered the possibility that demand for recreational fisheries might lead to an emphasis on artificial recruitment of coho and chinook salmon in waters adjacent to population centers.

No decisions were made on goals for restoration of fisheries. Members were asked to review the Alaska Fisheries Plan and weigh various alternatives. Establishment of production goals of salmon will be considered at the next meeting.

Motivation for PNH was interwoven throughout much of the discussion of Council members. The notion that fish produced by PNH, as well as public hatcheries, should be for the benefit of common property fisheries prevailed. A conference on January 30, 1976, of a 5-member committee appointed by the Chairman produced a recommendation that the law authorizing PNH should be amended to define more explicitly the motive of benefiting common property fisheries.

A major attraction of the PNH is its ability to recover costs through the sale of surplus fish escaping the common property fishery. It was pointed out that the same opportunity to subsidize artificial recruitment through sale of surplus fish should apply to public hatcheries as well. This would be an appropriate question for the Council to consider after the more immediate questions of production goals for artificial recruitment, planning for a bond issue for public hatcheries, and legislation for a loan program for PNH are resolved.

The rapid proliferation of requests for permits for PNH was described to the Council. Apparently, commercial fishermen are questioning the motives of some applicants, and ADF&G would like to receive more specific guidance on procedures and criteria for evaluating applications. The Council acted promptly by passing a resolution requesting the Commissioner of Fish and Game to postpone further action on pending applications for one month. Purpose of the resolution is to give the Council time to evaluate the problem and possibly recommend legislation to guide future growth of PNH and insure that such growth will not be disruptive to the established commercial fisheries.

for artificial recruitment, lack of definition of priorities for artificial recruitment, and lack of familiarity with the Alaska Fisheries Plan. Attention of the Council was directed to Table 3, p. 179, of the Plan for a summary of a short-term enhancement program as a guide to development of a plan for the bond issue. A major objective of the next meeting of the Council will be to identify projects to be recommended for the bond issue.

A preliminary draft of "An Act creating a fisheries rehabilitation loan program..." was reviewed and briefly discussed. A committee (Gardiner, Daniel, Edenso, Brooks and Hershberger) accepted the responsibility of revising the proposed legislation. The "loan committee" met on January 30, and determined that the organizational structure of PNH had to be clarified and defined before legislation for a loan program could be drafted. The major question to be resolved is how PNH can best be organized to represent all user groups (commercial fishermen, processors, recreational fishermen, subsistence fishermen, etc.) that share a traditional dependence on salmon. The "loan committee" has a second meeting scheduled for February 5, 1976, in Commissioner Brooks' office to develop a format to regionalize PNH and to recommend appropriate changes in the PNH law and the proposed Act for a loan program.

Each member of the Council is reminded to submit suggestions for the agenda of the next meeting, which is scheduled for the Governor's Conference Room, 8:30 a.m. to 2 p.m., February 9, 1976.

William J. McNeil



STATE OF ALASKA
OFFICE OF THE GOVERNOR
ALASKA FISHERIES COUNCIL

ALASKA FISHERIES COUNCIL

Second Progress Report
February 18, 1976

Bond Program

Recommendations for issuance of \$40 million in general obligation bonds for paying costs of capital improvements required for salmon restoration projects have been transmitted from the Council to the Governor. Major facilities for artificial recruitment of salmon, with combined capacities to produce 350 million or more juveniles, are proposed for southern and northern districts of southeastern Alaska, Prince William Sound, Cook Inlet, Kodiak, and south Alaska Peninsula. Other projects appearing on the bond issue include fish passage facilities for salmon entering Anan Creek in southeastern Alaska and the Russian River on the Kenai Peninsula, plus a hatchery to enhance recreational fishing in the interior of Alaska.

Hatcheries proposed for southeastern Alaska will produce pink and chum salmon for commercial fisheries and coho and chinook salmon for recreational and commercial fisheries. The \$14 million allocated to southeastern will construct two or three facilities with a combined production of at least 130 million juvenile salmon. A capability for short-term rearing of fry is included. Pink and chum juveniles will be released into salt water. Coho and chinook juveniles will be stocked in lakes for natural rearing or held in estuarine pens for artificial rearing. ADF&G is presently surveying potential sites for these projects.

The Prince William Sound hatchery (50 million fry) is most likely to be located in close proximity to Whittier to ensure a maximum benefit to recreational fishermen. Emphasis will be placed on coho, which will be stocked in lakes for natural rearing or held in pens for artificial rearing. Substantial numbers of pink and chum will also be produced to benefit commercial fisheries.

Capital improvements for Cook Inlet will expand facilities which are already planned or under construction in order to boost their capacity by at least 100 million fry. Much of the added production (at least 30 million fry) will be dedicated to coho and chinook. ADF&G will continue their program of inventory of lake nursery areas which potentially can be stocked with coho and chinook juveniles for natural rearing.

Karluk Lake will receive a hatchery capable of producing 20 million or more sockeye fry in an effort to rehabilitate the sockeye fishery on Kodiak Island.

A large pink and chum hatchery capable of producing at least 50 million fry annually will be located on the south Alaska Peninsula. If successful, this hatchery will serve not only to restore depleted pink and chum fisheries, but will also potentially provide a substitute fishery for those fishermen who have traditionally fished on sockeye salmon migrating along the south shore of the Alaska Peninsula.

Fish passage facilities for Anan Creek and Russian River will reduce mortality of unspawned adults due to blockage caused by unfavorable stream flow conditions. Anan Creek has historically been one of the largest producers of pink salmon in Alaska. The Russian River supports an important run of sockeye which is intensively exploited by a recreational fishery.

Hatchery and rearing facilities planned for the interior of Alaska will be located in the Fairbanks area to serve recreational and subsistence fisheries. A variety of species will be propagated, including sheefish, grayling, trout and salmon.

Recommendations for artificial recruitment of salmon in the Bristol Bay and AYK regions were not forthcoming from the Council at this time for the following regions:

(1) Successful demonstration of a pink and chum hatchery program on the Alaska Peninsula may serve AYK and Bristol Bay fisheries by relieving fishing pressure on stocks migrating along the Alaska Peninsula but destined for other areas of western Alaska.

(2) Bristol Bay has a developing salmon enhancement project already approved for Lake Nunavaugaluk (Snake Lake) which will provide background experience and knowledge for future enhancement of sockeye fisheries in western Alaska.

(3) AYK fisheries continue to expand on natural stocks, and catch statistics do not suggest at this time that measures for restoration of fisheries are needed.

Private, Non-Profit Hatchery Law

A bill has been drafted at the request of the Council to clarify the Private, Non-Profit Hatchery Law passed by the 1974 legislature. The new Act specifies that the intent of the law is to produce fish for the common property fisheries. The new Act also

identifies a requirement for comprehensive plans for hatcheries to be developed for each major region of the State. The planning is to be a joint function of the ADF&G and user groups. The new Act essentially reserves all streams for natural production until comprehensive regional planning identifies streams which are to be dedicated to artificial recruitment. The Commissioner of Fish and Game is given discretion to issue permits during an interim period preceding the completion of a comprehensive plan if he judges the project to be consistent with comprehensive planning.

Loan Program

At least two major drafts and several revisions of the second draft have been completed by the "Loan Committee" for consideration by members of the Council. The Council will be contacted to determine if major changes will be required. If not, the Act, with minor revisions, will be transmitted to the Governor as quickly as possible.

In its present form, the Act provides mechanisms whereby mandatory and voluntary assessments on sale of salmon can be levied to repay a loan to a regional non-profit corporation. The maximum amount for individual loans has been increased to \$4 million, and no loan may exceed 75 percent of total project cost. Maximum interest is set at 8 percent.

Travel Schedule of Chairman

February 20 - 23:

Town Hall meetings with Phil Daniel in Ketchikan, Wrangell, Petersburg and Sitka

February 26 -
March 1:

Town Hall meetings with Phil Daniel in Prince William Sound, Cook Inlet and Kodiak area

Next Meeting of Council

Not scheduled as yet.

William J. McNeil

ALASKA FISHERIES COUNCIL

Third Progress Report March 26, 1976

Legislation

Legislation recommended by the Council is under review by legislative committees. House Bill 615 (general obligation bonds for public enhancement facilities) received its first hearing in House Resources Committee on March 19. First hearings on Senate Bill 688 (amendment to the private, non-profit hatchery law) and Senate Bill 689 (private, non-profit hatchery loan program) were held in Senate Commerce Committee on March 23. Several amendments were offered to clarify details related to comprehensive planning, loans for planning, establishment of assessments to underwrite loans, and participation of user groups in regional associations. The possibility of adding a performance grant to Senate Bill 689 was also discussed. It is premature to assess the probable outcome of hearings at this time, although there is little evidence of opposition to SB 688 and 689.

Meetings

Public meetings were held in Ketchikan, Wrangell, Petersburg, Sitka, Cordova, Anchorage, Soldotna, Homer, Kodiak and Juneau in late February and early March to explain activities of the Council, particularly as they relate to pending legislation. Phil Daniel and Bill McNeil led the informal discussions, which lasted about three hours in each community. Opposition to the bond issue was voiced by representatives of sportsmen in Anchorage. Cordova fishermen were concerned that the loan program would be of limited value unless the State liberalized conditions of granting and repaying a loan. They expressed a preference for a grant program to support private, non-profit hatcheries. Some doubts were expressed about the feasibility of regional private, non-profit hatchery corporations, although there appeared to be a general consensus that this would be a desirable approach if different factions using the resource could work together.

Objectives of the Alaska Fisheries Council were reviewed for the Association of Pacific Fisheries at their annual members meeting, which was held in Vancouver, British Columbia, in mid-March. Bob Palmer and Bill McNeil participated in a candid exchange which covered a range of questions which are troubling Alaska salmon processors. Council member Bob Thorstenson is a member of the Association and provides an essential link to the processors.

and planners involved in the salmon enhancement program. Almost two hours were spent in conference with Dr. Geen, Director General of Fisheries for western Canada, Mr. MacLeod, head of Canada's salmon enhancement program, Mr. MacKinnon, head of Canada's western fisheries operations, and their planning staff. The Canadians appear to be most willing to maintain open channels of communications between their program and our program. We expect an invitation to participate in a Canadian planning workshop, tentatively scheduled for early May. They even expressed a desire to pay some travel expenses to insure representation from the Alaska Fisheries Council. It is to our advantage to maintain open communications with Canada because they have experience and capabilities in salmon enhancement which Alaska does not possess.

Before leaving Canada, Palmer and McNeil visited the Qualicum River enhancement facility on Vancouver Island. This facility currently produces about 65 million chum fry, 1 million coho smolts, and smaller numbers of chinook and steelhead. It is operated by the Fisheries Service. The Fisheries Research Board is in the process of constructing an experimental station at Qualicum, which is to be operated in cooperation with the Fisheries Service.

Bill McNeil discussed activities of the Fisheries Council with faculty and students at the University of Alaska, Fairbanks, when he visited the campus on March 24. The Water Resources Research Institute of the University is examining possibilities for research on water supply and waste water treatment problems as they relate to salmon hatcheries in Alaska. The Institute of Marine Sciences is expanding efforts to examine the role of marine feeding conditions on survival of salmon. The Sea Grant Program will continue to seek additional support for interdisciplinary studies (social, economic, engineering, biological, etc.) on salmon enhancement.

Activities of the Council

The Fisheries Council was most fortunate to have representatives of the University of Alaska, National Marine Fisheries Service, and Sheldon Jackson College participate in the last scheduled meeting on March 18. Major topics of discussion included research, education, and advisory services related to salmon enhancement. One purpose was to explore means to insure coordination among institutions. Another purpose was to determine if resources are adequate to support a major salmon enhancement program in Alaska.

An interim approach was recommended to insure coordination among agencies. The existing Interagency Fisheries Committee (representation from the University of Alaska, National Marine Fisheries Service, the Alaska Department of Fish and Game, the Governor's Office, and Legislature) will appoint and oversee a standing committee of experts to review research, education, and advisory

programs and proposals. This standing committee would make recommendations concerning allocation of resources (manpower, dollars, facilities) for high priority projects and programs. The committee would also identify areas where duplication of effort is occurring.

Funding levels for research, education, and advisory services appear to be inadequate to provide essential back-up and support for a major salmon enhancement program in Alaska. A spokesman for NMFS pointed out that Federal funds for Alaska salmon research have declined steadily over the past 10 years. It seems unlikely that Federal planning will reverse this trend in the face of high priority problems connected with extended jurisdiction, oil development and other pressing national issues.

A University of Alaska spokesman pointed out that the Alaska Sea Grant Program has not attained favorable status in national planning comparable to other coastal states. Even though Alaska possesses much of the marine resource potential (both renewable and non-renewable) of the United States, even small states such as Hawaii and Rhode Island receive three times greater financial support from NOAA Sea Grant than does Alaska. It was felt that the Governor's Office should express to NOAA that Alaska-based institutions and programs were underfunded in relation to institutions elsewhere in the United States. The disparity in levels of support becomes even more evident when resource potentials and problems were compared with other states.

Sheldon Jackson College has made excellent progress on the development of a salmon aquaculture training program, but they are limited to a total enrollment of 15 students in the technician program and a production of two million juvenile salmon from their hatchery. Support for their program comes mainly from a private foundation. This support will end in 1978. The University of Alaska has agreed to explore with NOAA the possibility of obtaining Sea Grant funding for Sheldon Jackson. The Council strongly supports this initiative.

William J. McNeil



STATE OF ALASKA
OFFICE OF THE GOVERNOR
ALASKA FISHERIES COUNCIL

FOURTH PROGRESS REPORT

May 14, 1976

Legislation

House Bill 615 (general obligation bonds for public salmon enhancement facilities) has been passed by the House. The House version would authorize about \$28 million in bonding authority for hatcheries and fish passage facilities. The bill now goes to the Senate.

Senate Bill 688 (amendment to the private, non-profit hatchery law) and Senate Bill 689 (private, non-profit hatchery loan program) have passed the Senate. There have been some changes in these bills, but the changes are largely technical in nature. Senate Bill 689 still calls for a maximum authorization of \$200 million in loans. Both bills now go to the House.

Council Meeting of May 7, 1976

Primary purpose of the meeting was to consider comprehensive regional planning for artificial recruitment and to discuss means to implement plans. The Alaska Department of Fish and Game was well represented with spokesmen from FRED, Commercial Fish, and Sports Fish Divisions.

Recommendations were offered on zoning areas for artificial recruitment. It was generally agreed that artificial recruitment should be restricted to locations where hatchery and wild stocks would separate in terminal fiords and bays. Any limitations placed on hatchery production should apply equally to public and private, non-profit hatcheries. The primary consideration in locating a hatchery is to insure that artificial recruitment contributes to the common property fishery without introducing unmanageable complications that jeopardize conservation of wild stocks. Overexploitation of wild fish in areas where hatchery and wild stocks intermingle can potentially be avoided by establishing catch quotas to conserve wild stocks. In most situations where information is inadequate to establish catch quotas, limits would be placed on artificial recruitment in order to minimize the danger that low abundance of wild fish would become masked by high abundance of hatchery fish, thus contributing to management decisions which could result in overharvest of wild fish. The Commercial Fish Division is in the process of developing proposed goals for artificial recruitment in fishing districts where management of wild stocks may be affected by the presence of hatchery fish.

Miscellaneous

In late April, Bob Palmer visited with local fishermen on the lower Kuskokwim and Yukon Rivers. Fishermen on these rivers are especially worried about the condition of king salmon stocks, and there is interest in hatcheries to restock natural nursery waters. Mr. Palmer provided information on activities of state government in hatchery development and obtained suggestions on how hatcheries might best be used in the Arctic-Yukon-Kuskokwim area.

The Council has received information about the reorganization of the Southern Southeast Regional Aquaculture Association. The new Association includes seiners, gill netters, and trollers.

Bob Palmer and Bill McNeil attended the Sheldon Jackson College Technical Advisory Committee meeting on May 4. The first year of the SJC hatchery operation was very successful. Approximately 1.7 million salmon fry (mostly pink) were released in spring, 1976, with a total survival of 92 percent from unfertilized egg to emergent fry stages. Interest in the program is increasing steadily, with 21 new applications already received for the class entering in September, 1976. SJC plans to accept 15 new students next autumn.

Bob Lium and Stan Moberly of FRED recently returned from a three-week trip to Japan, where they visited numerous hatcheries. The 1975 run of chum salmon returning to Hokkaido hatcheries numbered 15 million fish and contributed 13.5 million fish (worth more than \$100 million to fishermen) to the coastal harvest. Lium and Moberly have obtained detailed information on the Japanese hatchery program which will be of considerable future value to Alaska programs.

My assignment as technical advisor to the Council formally ends on May 21. I will continue to serve as Chairman, but I will resume my regular duties with NMFS.

William J. McNeil



STATE OF ALASKA
OFFICE OF THE GOVERNOR
ALASKA FISHERIES COUNCIL

FIFTH PROGRESS REPORT
August 25, 1976

Council Meeting of August 23

Governor Hammond participated in a discussion of the role of private, non-profit hatcheries in the restoration of salmon fisheries. Alternatives for integration of regional corporations in the implementation of a state-wide program for artificial recruitment of salmon were considered. The role of state government in the development of non-profit, private hatcheries needs further clarification. It was pointed out that lack of capital and shortage of salmon brood stock are serious obstacles to private hatcheries and to the regional corporations which are now being organized for private hatcheries. To alleviate these constraints, consideration might be given to the State constructing a hatchery and turning it over to a regional non-profit hatchery corporation for operation after it has been phased into full production.

There have been substantial improvements in recent years in technology for producing salmon through artificial means. The application of this technology implies certain risks to natural stocks, such as genetic contamination and overharvesting where wild and hatchery stocks mix. Avoidance of these problems requires careful planning for siting and operating hatcheries. The Alaska Department of Fish and Game is developing a plan to zone southeastern Alaska for natural and artificial recruitment of salmon and will undertake similar initiatives in other regions as soon as possible.

Even though our technical capability to produce salmon is improving steadily, socio-economic considerations are likely to slow progress. The problem of how best to establish assessments on catch to finance regional hatchery corporations is proving to be particularly troublesome at present, and legislation on the hatchery loan program may require modification to facilitate organization and financing of regional corporations.

The second draft of Alaska's Salmon Fisheries Plan was presented to the Council by ADF&G. The plan establishes a short-term (7-year) state-wide goal to harvest 57 million salmon and a long-term (18-year) goal to harvest 117 million salmon. Approximately 17 percent of the short-term and 41 percent of the long-term goal is to be achieved by artificial recruitment. There are four major elements to program development: (1) fisheries management, (2) supplemental production (artificial recruitment), (3) habitat alteration, and (4) habitat protection. Each major element

overall plan is divided into seven regional plans (Southeastern, Prince William Sound, Cook Inlet, Kodiak, Chignik-Alaska Peninsula, Bristol Bay, and Arctic-Yukon-Kuskokwim) and an inter-regional plan.

Possibilities for placing more emphasis on recreational fisheries and protection of habitat were discussed in some detail. The plan does not include private, non-profit hatcheries.

Artificial Recruitment of Salmon in Asia

Bob Palmer and Bill McNeil reviewed hatchery programs on northern Honshu and Hokkaido Islands and in South Korea during their recent trip to the Far East. McNeil also visited the eastern U.S.S.R. as a guest of the Soviet government.

Approximately two billion juvenile pink and chum salmon were produced in Japanese and Soviet hatcheries last spring. Production has been doubling about every 10 years for the past two decades and shows every indication of continuing to grow at a similar rate. Based on initiatives in Japan and the U.S.S.R. and to a lesser extent in the Pacific Northwest, and Canada and Alaska, full utilization of marine pastures for growing salmon should be treated as more than an academic question. For example, it appears that artificial recruitment of chum salmon will soon determine the availability of this species on world markets. Salmon-producing states and nations might someday negotiate for grazing rights of salmon in a finite pasture, called the "North Pacific Ocean", shared in common by all parties.

Miscellaneous

I plan to separate from Federal service, probably in October, 1976, to join the Weyerhaeuser Company. Weyerhaeuser is developing a broad-based salmon aquaculture program in the Pacific Northwest. No final decision has been made about my future participation with the Council.

A preliminary draft of my report entitled "Restoration of Alaska Salmon Fisheries" has been given to members of the Council for their review. If a Council member fails to receive a copy, please notify Julie Hickey, Pouch AN, Juneau 99811.

William J. McNeil

STATE OF ALASKA
OFFICE OF THE GOVERNOR
ALASKA FISHERIES COUNCIL

SIXTH PROGRESS REPORT
December 1, 1976

Council Meeting of November 18

Earlier recommendations from the Council have been incorporated by the Alaska Department of Fish and Game into a third draft of Alaska's Salmon Fisheries Plan which is in the process of being printed. The revised plan should be available for public review before the end of the year.

Regional planning for artificial recruitment is proceeding, but the pace should accelerate with termination of fishing seasons and public endorsement of salmon restoration programs in the November general election. ADF&G is continuing to gather a data base for planning and will soon begin a series of public meetings. Regional planning for hatcheries is most advanced in Prince William Sound and is in the formative stages in southeastern Alaska. Significant future progress is anticipated in Cook Inlet with formation of a regional association of fishermen and other user groups to work with ADF&G in that area.

Implementation of the non-profit private hatchery loan program is being impeded by problems with voluntary and involuntary assessments. An underlying problem is the lack of guidance in the law for organizing regional associations. Without proper organization, it is difficult for regional groups to obtain adequate funding for planning, and the State faces a difficult problem in evaluating qualifications for loans.

It was agreed that the Council would request the Department of Law to outline procedures necessary to organize a regional association. It is believed that regional associations will need the capability to establish involuntary assessments on fishermen. The Department of Law will be asked to draft procedures for regional associations to implement involuntary assessments. The possibility of further legislative action will be considered to clarify guidelines for creation of regional associations.

The desirability of liberalizing interest on loans for non-profit private hatcheries was discussed. The Council will explore the possibility of modifying the present law to forgive interest on loan principal for up to six years.

Earlier approaches to comprehensive planning and zoning for hatcheries have been modified by ADF&G to insure necessary flexibility in implementing public and non-profit private hatchery programs. The most important criteria are now considered to be location and quality of hatchery (enhancement) sites. Management of mixed stock fisheries on natural and artificially recruited fish is now a secondary criterion. Other important criteria include selection of brood stocks for hatcheries and preservation of certain wild stocks. The policy now evolving leans toward a more liberal use of suitable water sources for hatcheries under specified constraints to control development. Certain water sources would be closed to development by exception. Policy statements for non-profit private hatcheries will be modified to reflect changing attitudes within ADF&G.

Criteria on hatchery site selection will apply equally to public and non-profit private hatcheries. Important considerations include location and quality of site, species, timing of runs, numerical relationship between wild and artificially recruited fish, availability of brood stock, and potential for development of a terminal fishery.

Technical support to provide a strong basis for the salmon restoration program was discussed at some length. FRED has been reorganized within ADF&G to include engineering and research and development sections, each headed by an assistant director.

Concern was expressed over the declining capability of the National Marine Fisheries Service to play an effective role in long-range research to assist the restoration of Alaska salmon fisheries. It was suggested that the Governor's Office make a concerted effort to improve the capability of federal research to assist the development of salmon ranching in Alaska. The Carter Administration should be informed of the importance of restoration of salmon to Alaska's economy and of initiatives being taken by the State to invest substantial sums of money in the restoration of salmon fisheries.

Comments on the General Election

Alaskan voters gave a strong endorsement to initiatives for restoration of salmon fisheries by retaining limited entry and by approving the hatchery bond issue. Thus, efforts undertaken by the Council, the Governor's Office, and the legislature to provide the institutional framework for public and private sectors to work together on salmon restoration can continue along the present course. Alaska is making solid progress toward a salmon restoration program that integrates the capabilities of public and private sectors of the economy.

William J. McNeil

STATE OF ALASKA

OFFICE OF THE GOVERNOR
ALASKA FISHERIES COUNCIL

SEVENTH PROGRESS REPORT

March 4, 1977

Council Meeting of February 23-24:

The International North Pacific Fisheries Commission Treaty is to be renegotiated within one year to bring it into conformity with the extended jurisdiction law, which takes effect in March, 1977. This means that important salmon issues will be reconsidered by the U.S., Canada and Japan.

The Alaska Fisheries Council believes that high seas fishing for salmon should be reduced to the lowest possible level in the Bering Sea and that no high seas fishing be allowed in the Gulf of Alaska. It is further recommended that additional research be undertaken by the U.S. to determine when and where satisfactory segregation of North American and Asiatic stocks of salmon occur in the Bering Sea to assist with management of high seas fisheries by foreign fishermen. At the request of the Council, Charles Meacham prepared statements summarizing recommendations of the Council on international fisheries which have already been forwarded to the Governor.

The Council recommends the establishment of an INPFC renegotiation team to consist of:

Chuck Meacham (Chairman);
INPFC Commissioners from Alaska;
Advisors to Alaska INPFC Commissioners;
ADF&G Staff Scientists;
Representatives from NMFS, Alaska Region;
Members of North Pacific Fisheries Management
Council and Appropriate Advisors; and
Members of the Alaska Fisheries Council.

It appears that the Carter Administration intends to stimulate economic growth by creating meaningful job opportunities through federally financed grants to state and local governments. The AFC will coordinate planning for restoration of Alaska salmon fisheries with the Alaska Congressional Delegation to determine if state and/or non-profit, private hatcheries will qualify for federal grants designed to reduce unemployment.

Initiatives are underway to develop national policy and planning for aquaculture. One of the principal activities is the national aquaculture study which is presently being conducted by the National Academy of Sciences for NOAA. A committee was appointed by the Chairman to coordinate Alaska's initiatives in salmon ranching with the Alaska Congressional Delegation to ensure that any future federal legislation concerning aquaculture is favorable for Alaska. The committee members are:

Bob Palmer (Chairman)
Jim Brooks
Ernie Haugen
Jim Edenso
Bob Roys
Wally Noerenberg
Phil Daniel
Mark Kazazeen (Advisor)

The Alaska Salmon Plan will soon become available for distribution among user groups. The AFC will sponsor a series of town hall meetings in cooperation with ADF&G and the Alaska Sea Grant Program to obtain public input into the salmon plan. Local fisheries advisory committees will be invited to host the town hall meetings and to participate in the review process. The meetings will be scheduled for autumn of 1977.

The Alaska Fishery Policy Manual is being revised by ADF&G. The policy statements will be reviewed by the AFC, and plans will be made to offer the Manual for public review next autumn at the time the Alaska Salmon Plan is undergoing review at town hall meetings.

The AFC reviewed legislation which enables the creation of regional associations of user groups for the operation of non-profit, private hatcheries. It is recommended by the Council that the law be revised to allow matching grants from the state to qualified regional associations for organization and planning purposes. Such grants would match dollar-for-dollar assessments on the membership up to a maximum of \$100,000. Their purpose is to assist the regional associations to begin operations. These recommendations will be forwarded to the Governor for submission to the legislature.

The existing non-profit, private hatchery loan law allows the Commissioner of Commerce to defer principal and interest on loans for up to six years. The intent of the law is to defer the principal payments and forgive the interest for up to six years. The Council will forward to the Governor for submission to the legislature the recommendation that wording in the law be changed to read: "The Commissioner shall defer principal for six years and shall forgive interest for a like period."

The non-profit, private hatchery loan law lacks a specific description of a procedure by which a mandatory assessment can be imposed. This deficiency has contributed to difficulties that organizers of regional associations have encountered with obtaining full cooperation from commercial fishermen who will shoulder the burden of guaranteeing repayment of loans from the state. The AFC will ask the Attorney General to provide assistance with re-wording of the existing law to structure into the law an optional procedure by which a mandatory assessment can be imposed.

Development of public and non-profit, private hatchery programs in Alaska requires well-coordinated research and development support. ADF&G will continue to apply its resources to the solution of short-term R & D problems, but continued reduction in salmon R & D in Alaska by the federal government is contributing to a serious vacuum in longer term R & D initiatives. The Council continues to be concerned about this problem, but a solution is not evident at this time. Initiatives with federal aquaculture planning will be followed closely with the hope of influencing decisions to allocate additional funds for salmonid aquaculture research in Alaska. Possibly Sea Grant can be encouraged to develop new initiatives and begin to fill the research vacuum that has emerged in Alaska.

A bill has been introduced to the current session of the legislature to create local governmental authorities for salmon enhancement. The intent of the bill is to enable local groups to qualify for federal grants and to issue bonds. The AFC supports the concept of salmon enhancement authorities with the qualification that the objectives and programs of such authorities integrate with and complement programs of concerned state agencies.

The tax-exempt status of private, non-profit hatchery associations may be in question by the Internal Revenue Service. It may become necessary to convince the IRS that associations are generating a public benefit through the restoration of Alaska salmon. It may be desirable to restate the Act creating private, non-profit hatcheries to read: "The purpose of the program is to restore Alaska's depressed salmon resources."

Provisional state fishery policy limits private, non-profit hatcheries to streams which have no salmon or which have only small or remnant runs. The desirability of liberalizing this constraint is under review by ADF&G.

Legislation authorizing state loans to private, non-profit hatcheries is administered by the Department of Commerce and Economic Development. The Council recommends that the loan program be recognized as a developmental program and that the loan program be administered to encourage development of salmon enhancement facilities by private, non-profit hatcheries and not to maximize direct financial return to the state.

Study of Regional Associations:

The Council is cooperating with the Governor's Office to undertake a study of organizational problems of regional associations. The Southern Southeast Regional Aquaculture Association, Inc., has offered to delineate problems and to provide interim solutions to critical questions about management, financing, technology, membership, inter-governmental relationships, etc. A major product of the study will be a manual which will outline steps essential for the organization and operation of a regional association. A policy committee consisting of:

Bob Palmer (Chairman)
Terry Gardiner
Keith Specking
Bob Roys
Jim Beaton

will work with the Southern Southeast Regional Association on the study.

The study team will also be asked to explore possibilities for regional associations to operate salmon enhancement facilities constructed by the State. Considerable public input is anticipated before policy on transfer of state hatcheries to regional associations can be developed.

New Members:

The Alaska Fisheries Council welcomes three new members:

Representative E. J. Haugen from Petersburg;
Mr. Charles Meacham of the Governor's Office; and
Dr. Frank Orth of the University of Alaska.

These individuals add depth and expertise to the Council and will greatly assist our efforts.

William J. McNeil

Enclosures



STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

Alaska Fisheries Council
Statement of Policy

The Fisheries Conservation and Management Act of 1976, Public Law 94-265, states that United States citizens are granted first preference to the fisheries resources, with some exceptions, within the newly established 200-mile fisheries conservation zone (FCZ) of the United States and that the United States must allocate to foreign nations that share of the determined total allowable catch which will not be utilized by any United States fishery.

It is the sense of the Alaska Fisheries Council (AFC) that, within the 200-mile FCZ off Alaska, developmental fisheries on those fisheries resources which are currently under-utilized or not being utilized by United States citizens should be encouraged by the State of Alaska. Such encouragement should include: (1) Surveys, (2) Catching and processing technology, (3) Marketing, and (4) Other necessary activities which will lead to a responsible, productive, and economically sound Alaskan fishery.

First preference for the catching, processing, and marketing of fisheries resources within the FCZ should go to Alaskan and other United States citizens and firms.

The AFC believes that highest and immediate priority should be given to the development of onshore Alaskan-owned and operated processing facilities; and secondly, to domestic floating facilities such as factory ships, freezer ships, or other floating processing facilities. Finally, if domestic processing and/or marketing facilities are not available onshore or within the FCZ, then on an interim basis the sale of fisheries resources by Alaskan and other United States fishermen to foreign interests may be fostered. The basic philosophy of the AFC is that any fishery carried out off of Alaska should be marketed and processed by domestic corporations within Alaska to maximize the economic benefit to Alaska.

APPROVED:



Jay S. Hammond, Governor

March 8, 1977



GOVERNOR HAMMOND APPOINTS ALASKAN FISHERIES COUNCIL
December 29, 1975
#317

Governor Jay Hammond has announced the appointment of ten Alaskans to an Alaskan Fisheries Council to make recommendations to the Governor and the Legislature on how to revitalize the salmon resources of Alaska.

Fish and Game Department figures indicate dramatic declines in salmon runs and harvest in recent years. For Southeast Alaska pink salmon, the average annual harvest for the highest 30 years was 30 million fish. For the last two years, the average annual harvest has declined to four million.

For Kodiak sockeye salmon, the average annual harvest for the highest 30 years was two million fish. For the last two years, the average annual harvest has declined to 200,000.

For the South Alaska Peninsula pink salmon, the average annual harvest for the highest 30 years was four million fish. For the last two years, the average annual harvest has declined to 100,000.

In the 1930's, the waters off Alaskan shores produced a record high of 126 million salmon. For the last two years, the average state-wide harvest declined to 23 million.

In the early 1950's, the waters of Cook Inlet produced a harvest of 188,000 king salmon. In the past two years, the total annual harvest, sport and commercial, of Cook Inlet king salmon was about 22,000 fish.

Hammond said these figures provide firm evidence that the ocean environment has had the capacity for a considerably higher level of production, a capacity we can expect still exists. Hammond said, "our recent production, however, is but a fraction of those previous levels."

The Governor said, "This sharp downward trend, disastrous for both sports and commercial salmon fishermen, and for that large segment of our State's economy dependent on our fishery, must be reversed."

Three months ago, Hammond directed the Department of Fish and Game to produce a state-wide rehabilitation and enhancement program for the salmon resources.

The program is to utilize the new techniques of salmon incubation and rearing that have been tested in a number of pilot projects across the State over the past few years, as well as other more conventional hatchery, rehabilitation and enhancement techniques and improved research and management efforts.

Hammond said, "The early drafts of that program have now been made available to me. Today, I am announcing the formation of the

Alaska Fisheries Council composed of members of the fishing communities, both sports and commercial, fisheries scientists, both State and federal who are expert in these fields, representatives of the fishing processors, State legislators and members of my staff."

"The task of this Alaskan Fisheries Council," Hammond said, "will be to evaluate the draft proposal now before us, to consider other possible sources of increased production including a state-wide system of private non-profit hatcheries, and to recommend to me a long range program for the revitalization of our salmon resources to be enacted and funded by the Legislature this year."

Hammond said, "A fundamental commitment of my Administration is to use the revenues from non-renewable oil and gas resources to rebuild our on-going fishery resources that can and must provide a healthy stable economy for generations to come. The best evidence available to me at this time indicates that about \$40 million must be allocated from our expected 1976 G.O. Bond monies to fund the initial phase of this program. Most of the groundwork has been completed for this project, and I am convinced that the final plan can be forthcoming on a timely basis."

To accomplish these objectives, Hammond appointed the following to the Alaskan Fisheries Council:

Bob Thorstenson, President of Petersburg Fisheries, Inc., a member of the Governor's Advisory Committee on Law of the Sea and a member of the International North Pacific Fisheries Commission.

Jim Beaton, a commercial fisherman from Juneau and member of Alaska Board of Fisheries.

Jim Brooks, commissioner of the Alaska Department of Fish and Game.

Bob Roys, director of the Division of Fisheries Rehabilitation Enhancement and Development in the Department of Fish and Game.

Dr. William McNeil, chief of fisheries, National Marine Fisheries Service in Auke Bay.

Bill Hurd, National Marine Fisheries Service in Auke Bay.

Phil Daniel, executive secretary of the United Fishermen of Alaska and a commercial fisherman from Juneau.

W. I. "Bob" Palmer, executive assistant to Governor Hammond.

Jim Edenso, deputy commissioner of the Department of Commerce and Economic Development.

Russ Dunn, sports fisherman, involved with Trout Unlimited and an Anchorage attorney.

In addition, Hammond said he would appoint legislative members to the Council in the near future.



GOVERNOR HAMMOND APPOINTS REMAINING MEMBERS OF ALASKA FISHERIES
COUNCIL

January 26, 1976

#11

Governor Jay Hammond has announced the appointment of a chairman and six additional members of his Alaska Fisheries Council.

Included in the latest appointments are four State legislators, a State commissioner and a former commissioner of the Department of Fish and Game.

The 16-member council has been charged by the Governor to review information and make recommendations on the rehabilitation and enhancement of Alaska's salmon resources. Hammond has said earlier, "A fundamental commitment of my Administration is to use the revenues from non-renewable oil and gas resources to rebuild our on-going fishery resources that can and must provide a healthy stable economy for generations to come."

Hammond also said the sharp downward trend of declining salmon stocks must be reversed.

Hammond today announced that Dr. William McNeil, chief of fisheries of the National Marine Fisheries Service in Auke Bay, would serve as chairman of the Council.

January 26, 1976

The Governor appointed the last six members to the Council:

Senator Kay Poland of Kodiak who serves as chairperson of the Senate Resources Committee;

Representative Keith Specking of Hope who is also a master guide and outfitter;

Representative Mike Hershberger of Anchorage who is also a sport fishing guide and journalist;

Representative Terry Gardiner of Ketchikan who is also a commercial fisherman;

Wallace Noerenberg who serves as executive director of the Prince William Sound Aquaculture Corporation and has 26 years' experience in fish and game including serving as commissioner of the Alaska department from 1969 to 1972;

Commissioner of Revenue Sterling Gallagher.

The first meeting of the Council is set for Thursday in Juneau.

Following is a list of the Governor's previous appointees to the Council:

Bob Thorstenson, President of Petersburg Fisheries, Inc., a member of the Governor's Advisory Committee on Law of the Sea and a member of the International North Pacific Fisheries Commission;

January 26, 1976

Jim Beaton, a commercial fisherman from Juneau and member of Alaska Board of Fisheries;

Jim Brooks, Commissioner of the Department of Fish and Game;

Bob Roys, director of the Division of Fisheries Rehabilitation Enhancement and Development in the Department of Fish and Game;

Dr. William McNeil, chief of fisheries, National Marine Fisheries Service in Auke Bay;

Bill Hurd, National Marine Fisheries Service in Auke Bay;

Phil Daniel, executive secretary of the United Fishermen of Alaska and a commercial fisherman from Juneau;

W. I. "Bob" Palmer, chief of staff to Governor Hammond;

Jim Edenso, deputy commissioner of the Department of Commerce and Economic Development;

Russ Dunn, sports fisherman, involved with Trout Unlimited and an Anchorage attorney.

2/23/77: L. J. HAUGEN, PETERSEURG LEGISLATOR;

FRANKLIN D. ORTH, PH.D., UNIVERSITY OF ALASKA ECONOMIST;

CHUCK HEACHAM, DIRECTOR, INTERNATIONAL FISHERIES AND EXTERNAL AFFAIRS OF THE GOVERNOR'S OFFICE.



GOVERNOR HAMMOND ANNOUNCES APPOINTMENT OF BOB PALMER
February 5, 1976
#16

"I am very pleased today to announce the appointment of Bob Palmer to the position of Project Coordinator of the Alaska Fisheries Council.

The Alaska Fisheries Council was charged with the primary responsibility of developing a large-scale, state-wide program of fisheries rehabilitation and enhancement to rebuild our salmon stocks to their formerly high levels.

Since not only the position of Project Coordinator, but also the Council itself was created subsequent to Mr. Palmer's legislative service, his appointment to this position is in complete accord with the Constitution.

Though it may not be widely recognized, Bob was the primary moving force behind Alaska's present salmon rehabilitation program. Without his monumental efforts, this program would not be off the ground.

In 1971, then Senator Palmer co-sponsored establishing the Division of Fisheries Rehabilitation, Enhancement and Development. Also, in 1971, Bob obtained legislative approval for a \$200,000 appropriation, establishing the first three pilot

projects in the Alaska Department of Fish and Game, utilizing the gravel incubator and estuarine rearing concepts.

Since that time, as Chairman of the Senate Resources Committee, Chairman of the Senate Fules Committee, and Chairman of the Senate Finance Subcommittee on the Fish and Game budget, he has been instrumental in the continuation and expansion of the State's salmon rehabilitation efforts.

As the individual most responsible for the development of the State's rehab programs, it is most fitting for Bob to assume the duties of Project Coordinator of the Alaska Fisheries Council and the responsibility of being my personal representative to ensure the success of that program."

OFFICE OF THE GOVERNOR
JUNEAU

JAY S. HAMMOND
GOVERNOR



Public Information Officer
Robert Foster, Press Secretary
Office of the Governor
P.O. Box 1, Juneau, Alaska 99801
OR PHONE: 907-465-3800

LOAN FUND BILL INTRODUCED

March 3, 1976

#44

"Today I have sent to the Legislature a bill that will establish a \$200 million loan fund to encourage commercial fishermen, sports fishermen, other user groups and local municipalities to join with the State government in our determination to restore the salmon runs of Alaska. This loan fund will provide monies, to be repaid with interest, to those qualified groups who wish to construct private, non-profit hatcheries to produce increased numbers of salmon for both the sports and commercial fishery.

"Of course, the ultimate responsibility for the rebuilding of Alaska's salmon stocks must continue to rest on the shoulders of State Government, and we accept that responsibility. Recently, I sent to the Legislature the bond proposal recommended by my Fisheries Council for Phase I of a large-scale, State-wide program of fisheries rehabilitation. That bond proposal will include hatchery facilities as follows:

"For the Anchorage-Cook Inlet basin: hatchery and rearing facilities to produce at least 100 million salmon fry, including 30 million coho and chinook salmon; for the Prince William Sound-Whittier area: hatchery and rearing facilities to produce 50 million salmon fry and added lake and saltwater rearing of coho salmon; for the Kodiak and the Alaska Peninsula: hatchery

fry; for the Fairbanks and the AYK region: hatchery and rearing facilities to produce sheefish, grayling, trout, and salmon; for the Southeastern Alaska region: hatchery and rearing facilities to produce at least 130 million salmon fry, including increased numbers of coho and chinook salmon.

"To Alaskans of the Cook Inlet basin, let me say that I recognize full well that your salmon stocks are under more intense pressure than any other in the State. Tens of thousands of people depend on Cook Inlet stock for sports, commercial and subsistence fishing.

"For this reason, I am including specific directives that coho and king salmon production facilities be increased by at least 30 million fry through the use of these bond funds. I expect to request additional funding for further increases in production in the 1978 bond package. These programs should go a long way toward providing silver and king salmon for all users.

"The State of Alaska is now short 70 million salmon each year. That is the difference between present harvests of 30 million salmon annually and the 100 million salmon harvests of past years.

March 3, 1976

"The technology now exists to restore Alaska's salmon resources to their previous levels of productivity, and I am determined that they shall be. This would mean, in addition to the greatly expanded opportunities for sports fishing, a \$400 million increase in our annual economy and many thousands of jobs for Alaskans.

"For too long, Alaska's salmon stocks have plunged disastrously downhill. With private groups and the State cooperating, we can rebuild this renewable resource--and we shall."

STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

February 25, 1977

The Honorable Cyrus Vance
Secretary of State
U. S. Department of State
Washington, D. C. 20520

Dear Mr. Secretary:

One of the most difficult problems faced by the United States in the implementation of the Fishery Conservation and Management Act of 1976 (Public Law 94-265) has been the negotiation of acceptable fishery agreements with Canada.

These difficulties have been caused in part by the closeness of our social and geographic relationships with Canada, and in part by the fact that many extensive and valuable fishery resources on both the Atlantic and Pacific coasts exist in disregard of the fishery boundaries now being established between our two countries.

Mr. Secretary, we are well aware that the negotiations with Canada for an interim reciprocal agreement for 1977 which would maintain essentially the status quo pending the development of a long-term agreement are now at a crucial stage. The State of Alaska made it clear to Ambassador Ridgway during these negotiations that it fully supports the concept of a status quo interim agreement with Canada for 1977. We are also cognizant of the importance to these negotiations of the March 1, 1977, effective date for implementation of the U. S. 200-mile fishery zone.

Nevertheless, there is one aspect of our relationship with Canada on the Pacific coast that I want to call to your attention at this time. This is the status of the Convention for the Preservation of the Halibut Fishery of the Northern Pacific Ocean and Bering Sea. Under the auspices of the Convention, the International Pacific Halibut Commission has the dual responsibility of conducting biological investigations regarding the status of the halibut stocks in Convention waters and of recommending appropriate regulatory measures to the Governments of Canada and the United States.

In a number of significant aspects the Convention is not in accord with the purposes, policy, and intent of Public Law 94-265 and it seems clear that the renegotiation of the Convention will have to be undertaken by the United States.

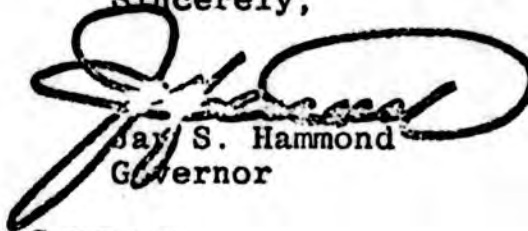
My Administration has recognized and accepted the overall importance to the United States fishery industry (and indeed to U. S. foreign policy) of having an interim fisheries agreement with Canada for 1977. We have also been aware that making a major issue of the renegotiation of the Halibut Convention during the negotiations for an interim agreement had the potential of jeopardizing the attainment of the interim agreement. For these reasons we have thus far refrained from taking an active role in urging the Department of State to notify Canada of the need to renegotiate the Convention. We sincerely hope that by the time this letter reaches you an interim agreement will have been signed and a confrontation averted for 1977.

However, the passage of time introduced other factors into the equation. One such factor is the rapid approach of April 1 and the significance of this date for renegotiation. In recent years the International Pacific Halibut Commission (IPHC) has opened the halibut fishery in Area 4 (Bering Sea) on April 1. Article V (2) of the Convention provides that the Convention will remain in force for two years from the date on which either country has given notice to the other of its desire to terminate it. Thus, if notice is given after April 1, 1977, there may be the possibility of continuation of the status quo (i.e., Canadian fishing for halibut in the U. S. 200-mile zone under IPHC regulations), not only for 1977 and 1978, but also for 1979. Such a circumstance would be intolerable to the State of Alaska and Alaskan halibut fishing and processing interests. We recognize and accept that Canadian fishing under IPHC will continue in Alaskan waters in 1977 and 1978 because of the two-year termination clause previously cited. We are not willing to accept continuation of the status quo for a third year, since clearly the intent of Public Law 94-265 is to bring treaties such as the Halibut Convention into conformity as soon as possible. The indefinite postponement of the notice to Canada is hardly consistent with the purpose of the law.

The fact that a significant percentage of the Canadian catch of halibut does come and continues to come from the Alaskan coastal waters makes the halibut problem a matter of greatest

importance to Alaska and the United States. The United States fishing industry has the capacity to both harvest and market the total allowable catch of halibut within the fisheries conservation zone as defined by Public Law 94-265. The failure on the part of the United States State Department to give timely notice regarding renegotiation or termination to Canada during the interim between the signing of the short-term 1977 agreement and April 1, 1977, can only serve to polarize public opinion in the United States and particularly within Alaska in a negative way towards later Canadian renegotiations. Such polarization, in turn, may effectively remove some renegotiation options for the United States and unnecessarily complicate the overall negotiations.

Sincerely,



Jay S. Hammond
Governor

cc: Alaska Delegation to Congress
President of the State Senate
Speaker of the State House
Secretary of Commerce (The Hon. Juanita Krepps)
Ambassador Rozanne Ridgway
Members, NPFMC
Members, PFMC
Members, Alaska Board of Fisheries
Alaska Department of Fish and Game
National Marine Fisheries Service, Alaska
International Pacific Halibut Commissior

The Hon E. J. Haugen
The Hon Richard Eliason
The Hon Terry Gardiner
The Hon Keith Specking



DEPARTMENT OF STATE

Washington, D.C. 20520

BUREAU OF OCEANS AND INTERNATIONAL
ENVIRONMENTAL AND SCIENTIFIC AFFAIRS

March 2, 1977

Mr. Charles H. Meacham
Director
International Fisheries and
External Affairs
Office of the Governor
State of Alaska
Juneau, Alaska 99811

Dear Mr. Meacham:

This is in reply to your letter of February 25 to Ambassador Ridgway, in which you have asked two questions relating to the possible purchase of fishery products from American fishermen within the U.S. fishery conservation zone.

The Department has no objection to the general type of transaction which you have outlined. Additionally, it is our view that fish caught by U.S. fishermen within the U.S. fishery conservation zone, sold to foreign nationals, and delivered to these nationals within the zone would not be counted against any quotas which may have been allocated by the United States to the government of the foreign nationals involved in the transaction.

We hope that this response will prove helpful.

Sincerely,

Albert L. Zucca
Director
Office of Fisheries Affairs

STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

February 25, 1977

The Honorable Rozanne Ridgway,
Deputy Assistant Secretary for
Oceans and Fisheries Affairs
U.S. Department of State
Washington, D. C. 20520

Dear Ambassador Ridgway:

The State of Alaska has received a number of inquiries from Asian countries as well as from members of the European Economic Community regarding the purchase of fisheries products from American fishermen on the high seas, outside the territorial waters of the United States, but within the Fishery Conservation Zone.

We have been advised informally by the Bureau of Customs that since the American fishermen involved in this transaction would not be entering foreign territorial waters for that purpose, there would be no objection from the standpoint of the Bureau to these arrangements.

The National Marine Fisheries Service has also given us informal advice to the effect that this transaction would not be prohibited under the provisions of the Fishery Conservation and Management Act of 1976, P.L. 94-265, because the foreign involvement would not occur until after the fish had been captured and reduced to personal property.

Notwithstanding these assurances, there are two questions which we would like to address to the State Department. The first of these questions is whether the Department would have any objection to this type of transaction?

The second question was raised in the foreign inquiry to the State of Alaska. This is whether any fish so caught and sold would be counted against the country allocation of the foreign nationals involved in the transaction?

Your early consideration of these questions will be appreciated, since the State of Alaska views this proposal as consistent with one of the basic purposes of the Act, which is to "... encourage the development of fisheries which are currently under-utilized or not utilized by United States fishermen, including bottom fish off Alaska."

If more information is required, please contact the undersigned.

Sincerely,


Charles H. Meacham, Director
International Fisheries and
External Affairs

THE NATIONAL AQUACULTURE ACT OF 1976—A LAW EVOLVING

HON. ROBERT L. LEGGETT, CHAIRMAN OF THE
SUBCOMMITTEE ON FISHERIES AND WILDLIFE
CONSERVATION AND THE ENVIRONMENT

Congressman Robert L. Leggett, Chairman of the House Subcommittee on Fisheries, Wildlife Conservation and the Environment is a 14-year House veteran from Vallejo, California. Congressman Leggett attended the University of California at Berkeley, earning his J.D. from the Boalt Hall School of Law in 1950.

The present House Subcommittee on Fisheries, Wildlife Conservation and the Environment is composed of 28 members: 19 Democrats and 9 Republicans. All but 5 are representatives of coastal states. The Subcommittee has responsibility for all House of Representatives fisheries legislation. Chairman Leggett very generously agreed to prepare the following report as an exclusive feature for FISHERIES. The report not only provides an insight into the legislative process but gives some specific background to developing legislation which will have a profound impact on fisheries science and the nation's aquatic resources. AFS members who wish to study and perhaps comment on Congressman Leggett's aquacultural bill may receive a copy of H.R. 14695 by writing the Congressman's Committee at 1334 Longworth House Office Building, Washington, D.C. *Editor's Note*

from a number of sources. I represent a Congressional District where agricultural food production is extremely important; I am a part of the California Congressional delegation and, hence, involved in that capacity with a number of West Coast fisheries issues. I serve on the House Committee on the Budget, where I have become sensitized to trade deficit problems in fish and fish products as well as to opportunities for strengthening our fisheries-related economic sector. Finally, and probably most significantly, as Chairman of the House Subcommittee on Fisheries and Wildlife Conservation and the Environment, I head the principal Subcommittee with legislative and oversight responsibilities for fisheries matters in the House of Representatives. This Subcommittee's deep immersion in fisheries issues the past few years has been particularly associated with our consideration and passage of the extended fisheries jurisdiction legislation, P.L. 94-265. Those of us who worked on that legislation read studies and reports beyond number, participated in hearings in Washington, D.C., and in coastal states from Maine to Alaska. We considered the impressive and compelling testimony of literally scores of witnesses and received a rather

Robert L. Leggett

Congressional interest in aquaculture is not new—after all, the Federal fish hatchery program is over a hundred years old, and Federal investment in fish nutrition, fish disease, and other research concerning culture of aquatic organisms has been significant and sustained, even if not momentous, over scores of years. The proposed "National Aquaculture Organic Act" (H.R. 14695), which I have introduced this year along with 22 other Members of our Committee on Merchant Marine and Fisheries, is designed to go well beyond past and present Federal efforts promoting aquaculture in order to effect a significant strengthening of private commercial aquacultural production of protein to the benefit of U.S. commerce and U.S. and World food needs. Because this bill is still before our Subcommittee, and has not yet been reported, I can narrate only part of the story of how, hopefully, it will become law. I can, however, give some personal explanation of how we have arrived at the present stage in developing new legislation of this potential import.

Bills that are introduced range from the exceedingly simple to the extremely complex. Some require but a sentence or two to effect their legislative intent; others, such as the omnibus tax reform bill, may be as long as 1,700 pages. Similarly, bills may originate in response to a single event or a simple idea, or they may evolve over time as a result of complex events and factors. In the present case, my personal interest in aquaculture derives



complete education on fisheries problems and opportunities. Aquaculture's potential for greatly increased contribution to protein production was among the topics receiving attention in this way. In covering the Law of the Sea negotiations as our Committee moved forward on the fishery conservation and management legislation, I also viewed a film on aquaculture in Japan—a film that impressed me greatly for its demonstration of aquacultural production capabilities.

All of the above factors were an influence in determining that the U.S. ought to do more to promote commercial aquaculture development. No matter what influences a Member of Congress to introduce a bill, nothing will happen to it until the Committee to which it is assigned decides to actually consider the bill—to hold hearings perhaps, to discuss it, amend it in many cases, and report it out for consideration by the Full House (or Senate, as the case may be). As a practical matter, the initial hurdle is largely the prerogative of the Chairman of the appropriate Subcommittee. For the reasons given, I was predisposed to see action taken on an aquaculture bill with assurance that such a bill would not fail for lack of Committee action. With this background, let me now turn to some specific legislative history in the evolution of H.R. 14695.

Aquaculture development bills had been introduced in the 93rd Congress and again in this, the 94th. An earlier bill, H.R. 370, was introduced by Mr. Chappell of Florida, with hearings held on that and related bills last year. Because of a shared interest in the subject, these hearings were conducted jointly with our sister Subcommittee on Oceanography and were held in Washington, D.C., on May 1 and 2, and December 10, 11, and 12, 1975. The cooperation reflected by a joint approach of two Subcommittees testifies to the interest in the subject of Mr. Murphy, when he chaired the Oceanography Subcommittee and now of Mr. Breaux, who succeeded to that Chairmanship this spring, of Mr. Forsythe and Mr. Mosher, ranking minority members of the two Subcommittees, and of Mrs. Sullivan, Chairman of our Full Committee. Bipartisan interest in this area is typical, I believe, of our approach to fisheries and wildlife issues, and bipartisan support has been important in the development of this aquaculture legislation.

The five days of hearings in 1975 developed testimony from Federal agencies such as the Soil Conservation Service, the U.S. Fish and Wildlife Service, and the National Marine Fisheries Service, among others. Testimony was also received from representatives of private firms now engaged in commercial aquaculture, researchers active at a number of American universities, and spokesmen for trade associations such as the Catfish Farmers of America. Much of the testimony was highly supportive of the concept of increased Federal support to further commercialization of aquaculture. There was disagreement among the witnesses, however, as to just what priorities for Federal action were, whether so many conditions might be attached to Federal aid as to be unpalatable to established industries such as the catfish farming industry, and lack of consensus on what it would cost to effect the results we had contemplated.

Accordingly, following the December 1975 hearings, Mr. Murphy and I instructed the Subcommittee staffs to explore alternative means of developing more information and analysis germane to the issues raised in the hearings. Staffs of the Subcommittees then met in January 1976 with representatives of the Commerce Department's National Aquaculture Program and the Interior Department's U.S. Fish and Wildlife Service, the Office of Technology Assessment, the General Accounting Office, and the Congressional Research Service (the last three named

organizations are agencies of the Congress). The group considered direct interview and mail questionnaire surveys as possible approaches, before concurring in a recommendation that the Congressional Research Service, with consultant help as needed, evaluate the bill, H.R. 370, in light of the hearing record and the current state of U.S. aquaculture.

The Congressional Research Service retained the services of Dr. Robert Shleser, of the University of California's Bodega Bay Marine Laboratory. In March 1976, Dr. Shleser informally briefed Members and staff of the two Subcommittees on his findings concerning the status and potential of commercial American aquaculture, the strengths and weaknesses of pending bills, and his suggestions regarding proposed legislation. Following receipt of a formal, written report from the Congressional Research Service, largely based on Dr. Shleser's work, the two Subcommittees received Dr. Shleser's testimony on the official record on April 9, 1976. Testimony was also taken at that time from representatives of the shellfish industry.

Based on Shleser's report, as well as on discussions and correspondence the Subcommittees had with other interested parties, the staffs of the Subcommittees were instructed to work with the Office of the Legislative Counsel (of the House of Representatives), representatives of the Congressional Research Service, and of the Departments of Commerce and of the Interior, in drafting a new bill.

In March, I joined with the staffs of the Subcommittees and other Members, in a tour of commercial aquaculture facilities in Florida to see first-hand what was being done and what hurdles existed to greater success. Mr. Breaux and I, accompanied by these staff members, attended the International Conference on Aquaculture—convened by the Food and Agriculture Organization of the United Nations—in late May in Kyoto, Japan. While there, we held two lengthy meetings with representatives of our Commerce and Interior Departments, and of national and international aquaculture industry, and of academic communities.

During June, staffs of the Subcommittees and representatives of the U.S. Fish and Wildlife Service, the National Marine Fisheries Service, the Congressional Research Service, and the Legislative Counsel's Office met to draft, discuss, and redraft the new aquaculture bill. Many hours of behind-the-scenes work transpired at this level as over-all philosophy and goals were broken down into specific findings, tasks, and assignments. This stage of legislative drafting is replete with attention to semantics, nuances of phrasing, and legalistic definitions of all kinds. The leadership of the two subcommittees reviewed successive drafts until satisfied we had a new bill that was sound. We consider it adequate to the job needed to be done, yet realistic in that it requires priorities of effort and constant evaluation of results to assure the taxpayer will get meaningful results for his investment.

The new bill, H.R. 14695, was introduced on July 2, 1976. Briefly explained, it would do the following:

1. Make Congressional findings that world production of seafood is declining; that certain stocks of fish and other aquatic organisms of importance to the United States are depleted or declining; that there is an extensive market in the U.S. for seafood, but the U.S. imports more than 50 percent of its fish for human consumption; and that current efforts in the U.S. to develop aquaculture are highly diffuse.

2. Declare the purposes of the Act are to promote commercial aquaculture in the U.S. by establishing a national plan in order to develop programs and to encourage activities which will

3. Require the Secretary of Commerce within one year to establish a National Aquaculture Development Plan.

4. Require the plan to identify each aquatic species which the appropriate Secretary (Commerce or Interior) determines can be cultured on a commercial basis.

5. Require the plan to include a program of aquaculture development for each priority aquatic species identified.

6. Require the appropriate Secretary to review, on an annual basis, each aquatic species not identified as a priority aquatic species. If, as a result of such review, the Secretary finds that any aquatic species that is not included can be cultured on a commercial basis, he shall so identify such species and establish a program for such species. If he finds that a program for an identified species is not being carried out adequately and the culture of such species on a commercial basis is doubtful, he must require the cancellation of such program.

7. Require the appropriate Secretary to implement any plans established under the Act; provide advisory, educational, and technical services to interested public and private organizations; and consult and cooperate with such individuals and organizations regarding the development of aquaculture technology.

8. Authorize the appropriate Secretary, when assessing the economic feasibility of any aquaculture system, to conduct scale tests and, if necessary, construct, operate, and maintain developmental aquaculture facilities in carrying out such tests.

9. Require the Secretary of Commerce to establish and maintain an Aquaculture Information Center, which shall function as a national clearing house for the collection and dissemination of scientific, technical, and economic information relating to aquaculture.

10. Require the establishment of an Interagency Committee on Aquaculture (composed of the heads of various agencies involved in aquaculture) to ensure a continual exchange of information among the various agencies and to ensure the carrying out of their respective functions in compliance with the Act.

11. Authorize the appropriate Secretary to make grants on a 50-50 basis to, or contracts with, any other person in carrying

12. Authorize the appropriate Secretary to guarantee the payment on, and the principal amount of, any obligation issued by an obligor, the proceeds of which are used for financing or refinancing the construction of a facility, refinancing certain existing obligations, or for financing operating expenses. The aggregate unpaid principal amount of all obligations guaranteed and outstanding at any time could not exceed \$100 million.

13. Authorize the appropriate Secretary to make direct loans, to persons who have an obligation guarantee under section 8 of the Act, for the purpose of overcoming a natural disaster and, in some cases, the destruction of stocks of fish being cultured at the facility. There would be authorized to be appropriated \$50 million to carry out this provision of the Act.

14. Authorize the Secretary of Commerce to establish an insurance program to insure individuals, who have a guarantee under section 8, for damage to or loss of facilities covered by the guarantee or for loss of or damage to stocks of fish being cultured at the facility or for any liability on that person resulting from the operation of the facility.

15. Authorize to be appropriated: (1) to the Secretary of Commerce not to exceed \$1.5 million for Fiscal Year 1978 and \$12.5 million for each of Fiscal Years 1979 and 1980; and (2) to the Secretary of the Interior not to exceed \$1 million for Fiscal Year 1978 and \$7.5 million for each of Fiscal Years 1979 and 1980 to carry out their respective responsibilities under the Act.

The Subcommittees scheduled new hearings in Washington, D.C., on July 29 and 30, to get testimony from appropriate witnesses on this new bill. Field hearings on this bill are anticipated later this summer or fall to permit greater public input.

It may be possible for our Committee to mark-up the bill and report it out yet this Congress, but time limitations make that unlikely. I will, however, reintroduce the bill in the 95th Congress, after which our House Committee should be able to take early action. It does not seem useful to try to speculate farther down the legislative road than that, but I do believe we have the makings of desirable and promising new legislation in this most important area.

OIL SPILL RECOVERY

A 24-foot prototype oil spill recovery boat that will use a patented ferromagnetic polyfoam to clean up oil spills is being constructed in Tampa with support from the Florida Sea Grant Program and the Gulf-Tampa Drydock Company.

The recovery unit, designed by University of South Florida physicist Joseph E. Turbeville, is being built at Gulf-Tampa Drydock. The successful conclusion of this project will provide a new oil spill recovery technique that combines a strong, recyclable ferromagnetic foam with a new type of recovery unit.

Turbeville and the University hold a patent for a process that combines plastic materials and iron powder to create a ferromagnetic (capable of attracting magnets) absorbent. This sponge-like material will be chopped into small cubes for distribution from the recovery unit and is a reusable product that will be cycled through a wringer mechanism to take out oil.

In another spill recovery development, a new product called Oil Mop has been announced by Oil Mop INC., Belle Chasse, Louisiana 70037.

Oil Mop consists of two basic components: feather-like strands of a proprietary plastic material fused to a continuous loop of proprietary plastic rope and a dual-roller wringer, much

like what mother and grandmother used to use for clothes washing.

The feather-like strands repel water, but they have a much different attitude toward oil.

Oil Mop takes the oil on its plastic rope to the wringer device, where the rollers squeeze out the stuff, which then is collected in a recovery pan. The system works continuously, with the squeezed-dry section of continuous rope now ready to go back out and grab more oil.

Biggest spill Oil Mop has had to tackle occurred on the Gowanus Canal in New York City's Brooklyn in the beginning of the year. About 42,000 barrels of heating oil spilled into the canal around Bushey Ship Yard after a fire broke out aboard a tanker.

An Oil Mop which the company built for the Coast Guard recovered the oil at the rate of 6,000 gallons per hour. It must be added that the unit did its job while temperatures fell as low as 10 F and wind speed rose as high as 25 knots.

Oil Mop Inc. says its system will work not just with fuel oil, but with animal and vegetable oil as well.

**PLEASE NOTE: THE PRECEDING PAGES WERE TREATED
AS A UNIT IN THE ORIGINAL DOCUMENT.**

**ALASKA SPORT FISHING VALUATION STUDY
ALASKA DEPARTMENT OF FISH AND GAME**

Sport fishing in Alaska is a major recreational activity for residents and tourists alike. The State offers a wide range of fishing opportunities over its extensive coastal zone and inland waters. In many cases, the Alaska fishing experience is unique from any other opportunity in the United States. The variations that can be found in setting, isolation, species, yield and other factors are a strong inducement for fishermen to participate. Their combined activity has a definite and sizable impact on the State's economy and they form a large segment of the population who are interested and affected by decisions regarding use and development of Alaska's resources. These facts are well known, but there does not exist any real economic valuation of Alaska's sport fishery which can be used in consideration with other factors as management policies are developed and decisions for allocation of resources are made. These decisions may be within the Department of Fish and Game, in relation to other state programs or in review of proposed federal or private developments.

This study is proposed as the first step toward a realistic and useful valuation of Alaska's sport fishery. This should be regarded as Phase I in meeting the overall need. It will concentrate on developing a valuation methodology that can be coordinated with user groups and other resource agencies. Further, the methods will be tested by application to selected fisheries in the Cook Inlet area. Achievement of the study would be to provide a valuation method that can be applied in Phase II to the State's total sport fishing program on a basis that has benefited from intensive prior coordination to attain acceptance of the methods among those who may be affected at different times by later valuation expressions. In order to be most easily understood, it is planned that the valuation will be expressed at a first level which is based largely on measures of expenditures or other forms of direct economic exchange, and at a second level which would attempt to assign some reasonable economic worth to the sensory or intangible benefits of the sport fishing experience. With this information, sport fishing can be considered far more realistically in the State's resource planning.

Approach will be to utilize a private economic consulting firm under contract with the Alaska Department of Fish and Game to conduct this study. Initial contract and funding plan is for Phase I only. Part of the consultant's task will be to develop a plan and budget for Phase II based on the methodology developed in Phase I. Budget for the Phase I study is \$25,000.

SUMMARY REPORT OF COOK INLET SALMON STOCKS AND THEIR UTILIZATION

INTRODUCTION

Increasing demand for Cook Inlet salmon by recreational fishermen, combined with a continued high utilization by commercial fishermen, has resulted in intense competition for this resource and a growing antagonism between the two major user groups.

Currently the Department of Fish & Game is faced with a dilemma: How to manage the intermingled Cook Inlet salmon runs so as to commercially harvest large surpluses of pink, chum, and sockeye salmon which are of secondary interest to sport fishermen while still providing acceptable catches of king and silver salmon to sport fishermen.

It is critical that long term management direction be determined for the Cook Inlet salmon resources. This direction must take into account the needs of the major user groups, the ability of the resource base to meet those needs, and the ability of managers to manipulate the fisheries to optimize the harvest and/or meet management goals. It is to address these issues that this report has been prepared.

What this report attempts to describe is the salmon resources available to satisfy user group needs by species and area, the options available to the Board of Fisheries in terms of allocation to different user groups by stock, and the management problems that would be associated with various allocation decisions. It must be emphasized that while next year's even-year run will present certain management problems that the 1977 run did not exhibit, what is needed by the Department is not a short term, one year solution, but rather some long term direction from the Board of Fisheries of how to proceed on the management of various stocks.

Problems exist in the management of all Alaskan salmon fisheries. To some degree all have mixed stock harvest problems, difficulties in forecasting adult returns by species, problems in estimating escapement size or in verifying what the escapement size should be in a given stream or year, competition for use of the salmon producing habitat, and a desire by different individuals or groups to make use of the same resource for either different purposes or to harvest it in different manners. Cook Inlet has all of these problems, but more so than most fisheries.

Based on broad historical catch averages, Cook Inlet natural salmon runs make up about 5% of the statewide production capability. By comparison, the number of commercial fishermen holding entry permits to fish in Cook Inlet is about 14% of the statewide total for salmon net fishing and nearly half of all Alaskan recreational anglers fish in Cook Inlet. The Cook Inlet basin contains about half of the statewide human population, with the

bulk of it in the Anchorage area. The effects of urbanization, while probably still not a major factor in the overall status of Cook Inlet salmon runs, has definitely impacted certain drainages and streams. While many areas in Cook Inlet are still remote, probably more salmon streams in Cook Inlet are accessible by road than any other area in the state, which means that the salmon populations in these streams are accessible to a large number of potential harvesters. The waters of Cook Inlet are turbid and many major rivers are glacial or muddy, making timely assessment of both runs and escapements extremely difficult. All five species of salmon enter Cook Inlet, with considerable overlap in timing and migration routes. Separation by stock component in the commercial fishery is not well defined. Knowledge of the escapement requirements by major stock and drainage is limited and specific forecasts for individual stocks are not available.

The number of participants in the Cook Inlet commercial fishery and the efficiency of this fishery has increased greatly since the 1950's. This number has been now fixed by the limited entry program. Future growth would only be allowed if there were a large increase in the runs due to better natural survival or increased hatchery production. Cook Inlet angling pressure, however, has no such limitation and is currently estimated to be growing at some 8% per year.

In the following pages the Department provides an overview of the Cook Inlet salmon resource, descriptions of both the commercial and recreational user groups and their respective needs, and finally, a closer examination of the various salmon species and stocks which collectively make up the Cook Inlet salmon resource and which must be manipulated in some manner to best meet the needs of the particular user groups. The final section is divided into two parts:

1. A brief review of the three principal commercial species, i.e., sockeye, pinks, and chums, and the role of these species in the sport fishery.
2. An in-depth discussion of 11 particular stocks which can to some degree meet the needs of the sport fishery and around which recreational demand is centered.

Some of these 11 stocks are also fished commercially. Policies and/or regulations adopted by the Board of Fisheries may increase or decrease the harvest of those stocks by either user group. Possible policy directions are included in a series of management options for each stock.

The discussion of the eleven stocks is really the heart of this report. The management of those same stocks is likewise the key to the salmon allocation problem in Cook Inlet.

OVERVIEW OF THE SALMON RESOURCE IN COOK INLET

The scope of this report covers only those Cook Inlet salmon stocks and fisheries north of Anchor Point. The commercial fishery in the Southern, Kamishak, and Outer Districts operates on different stocks of fish with

only minimal interception of stocks bound to the upper Inlet. Only a small part of Cook Inlet commercial fishing gear (77 seine permits) is located in this southern area. While some recreational angling opportunities do exist in this area, the major area of resource competition is for salmon of the upper Inlet. We do not mean to imply that critical management allocation decisions will not be needed in this southern area at some future time.

The northern part of the commercial fishing area is known as the gill net districts. The upper Inlet is a large muddy body of water, with tremendous tidal currents and fluctuations. Salmon pass through this area during the months of May through September to reach their freshwater spawning streams. The major salmon spawning tributaries are shown in Figure 1. The major runs occur in the month of July. There are generally three primary salmon production areas in the upper Inlet: the West side, the Susitna Drainage, and the Kenai Peninsula. Figure 2 depicts the timing of major runs through the Inlet. King salmon are the first species to enter the Inlet and are the least abundant. Recent catches do not adequately reflect total abundance of king salmon because the major run bound to the Susitna River is not being fished at present. The Susitna run begins about the latter part of May, peaks the second week in June, and is usually over by June 25. This is the largest king salmon run in the Inlet. The second largest producer is the Kenai River. Timing of the main, or late, Kenai run overlaps that of other species to a much greater degree, beginning the first week in July, peaking around the 20th of July, and ending the first week in August.

Sockeye salmon are the most consistently abundant species and the mainstay of the commercial fishery. In order of importance, the main sockeye producers in Cook Inlet are the Kenai, Susitna, and Kasilof River systems.

Many minor systems produce sockeye on the west side of Cook Inlet, the upper part of Knik Arm, and on the Kenai Peninsula. Run timing is characterized by two general time periods. The first run partially overlaps the early Susitna and early Kenai king salmon runs, beginning in late May, peaking in mid-June, and over by the latter part of June. This run is insignificant in numbers compared to the later run. The main runs destined for the Susitna/Kenai/Kasilof rivers that pass through Cook Inlet begins in early July, peaks between July 15 and 20, and are over by the first week in August.

Pink salmon are the second most abundant species, with a predominately even-year run. Until recently, the odd-year run has been one of the least abundant species in the commercial fishery. The Susitna is the most important spawning area for pink salmon in Cook Inlet, with the Kenai and Kasilof secondary. The timing of pink salmon runs varies between the Susitna and the Kenai/Kasilof rivers.

The even-year run to the Susitna begins about July 10, peaks around July 20, and is over by August 1. The odd-year run to the Susitna, which has increased significantly since 1971, is about seven days earlier than the even-year run. The even-year run to the Kenai/Kasilof rivers (there is no significant odd-year run) begins about July 15, peaks around August 3, and

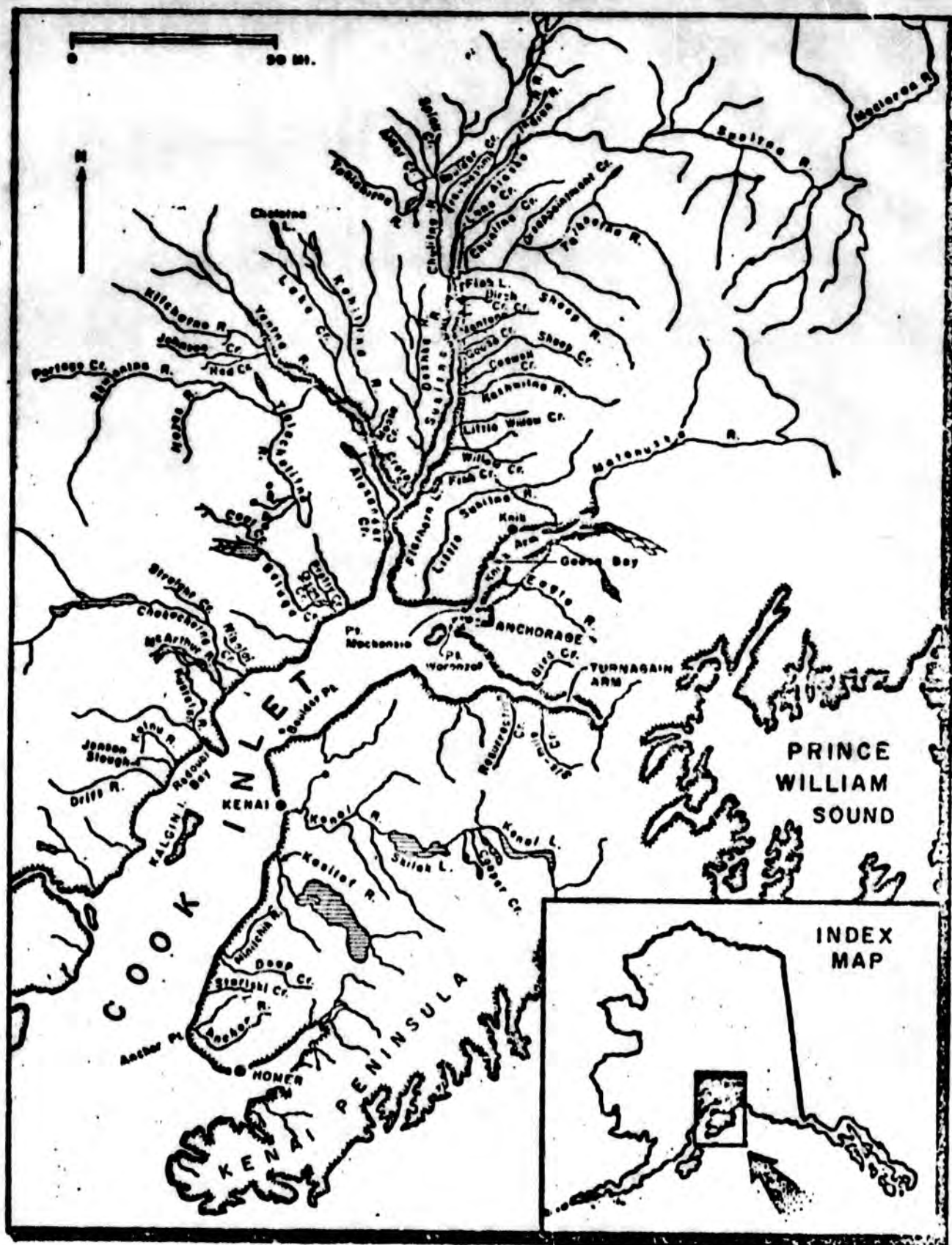
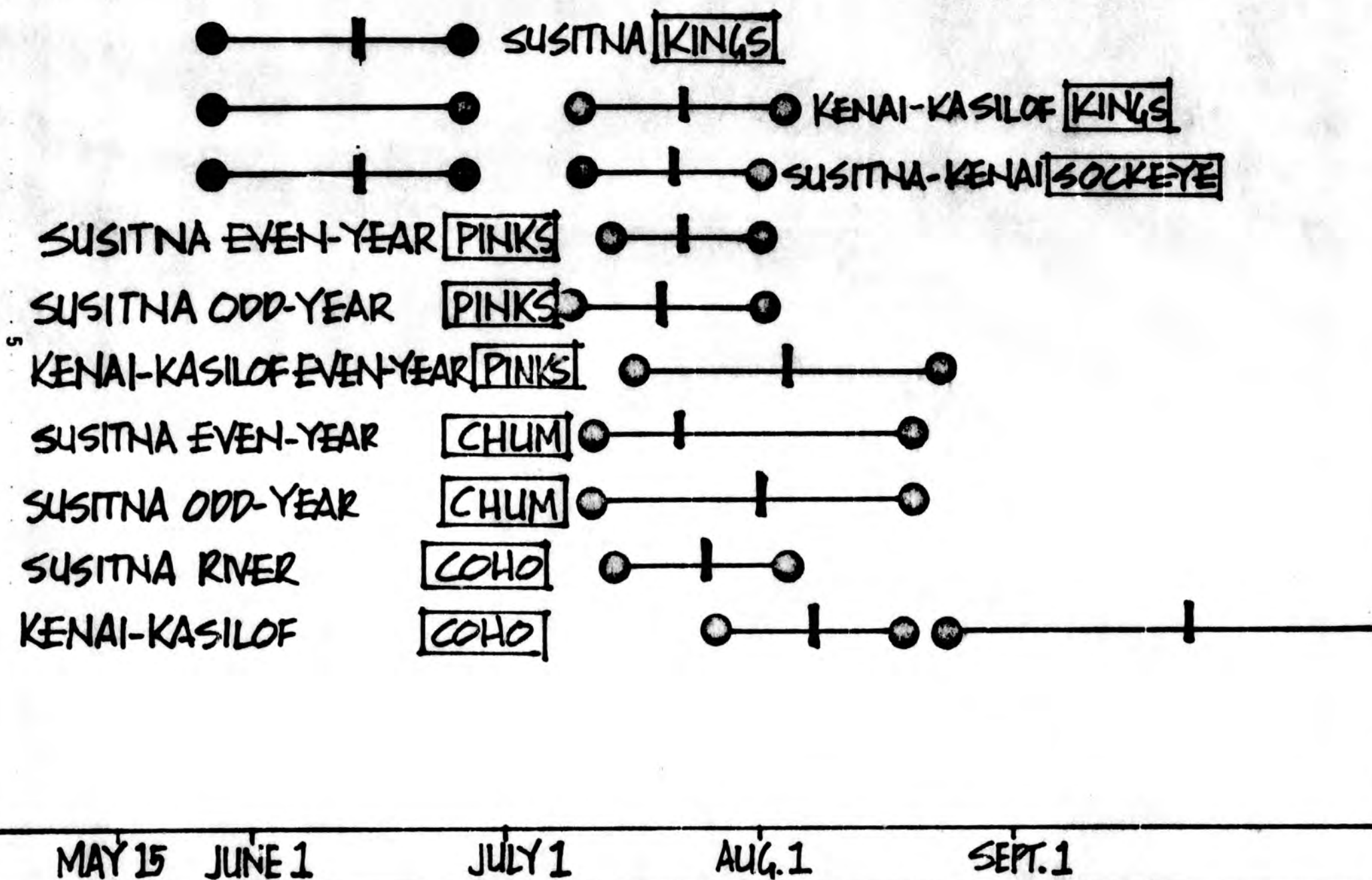


Figure 1.--Cook Inlet, Alaska, showing

streams where major

salmon runs occur.

FIGURE 2. GENERAL COOK INLET SALMON RUN TIMING SCHEMATIC



is essentially over by August 12. It is, therefore, about two weeks later than the even year Susitna run.

Chum salmon are the third most abundant species in the commercial harvest and second to the sockeye salmon in economic importance. The Susitna River system is the primary spawning area for chums, with secondary production coming from the West side and Chinitna Bay. The Susitna run begins about July 8, peaks in mid-July on even years, the end of July on odd years, and is over by August 15.

Coho salmon spawn in many streams around the entire periphery of the gill net districts. The three major spawning areas in order of importance are the Susitna-Little Susitna drainage, the Kenai-Kasilof rivers, and the west side of the Central District. Susitna Basin stocks return the earliest, beginning about July 10 in the gill net district, peaking about July 20, and over by early August. Kenai-Kasilof stocks run in two segments; the first one begins about July 20, peaks during the first week in August and tapers off around mid-August. The second segment begins about the third week in August, peaks during the second week in September, and tapers off into October.

Later in the report a more detailed discussion of the timing of various run segments in the commercial fishery and to the river systems is included in the section dealing with specific stocks. This general overview is designed to illustrate that there is a great deal of overlap between some stocks, but there are certain differences in peak timing, and nearly total segregation of other stocks.

DESCRIPTION OF THE COOK INLET COMMERCIAL FISHERY

Organized commercial fishing began in Cook Inlet in the early 1880's. From its inception through the mid-1940's, traps and set gill nets were the only gear used, with traps accounting for the majority of the catch. However, with the use of synthetic fibers to produce more durable gill nets, the inception of the drift fleet in the late 1940's and the subsequent decrease in fishing time, the influence of traps began to wane. By the time traps were outlawed in 1959 they were accounting for less than 16% of the salmon harvest.

Set and drift gill nets are quite different in their manner of fishing and their effectiveness. The drift gill net fleet can function anywhere within the confines of the Central District. This enhances the manageability of drift nets in that they can be moved on or off concentrations of fish as conditions warrant. Set gill nets on the other hand are stationary gear and can only be fished on stocks which migrate past their specific location.

Set gill nets have been in the commercial fishery since its inception. Prior to the mid-1940's their contribution to the commercial harvest was minimal. The problem was materials used to make the nets and hold them in place did not stand up well in the strong currents and they were difficult to tend. Synthetic materials developed in the late 1930's and early 1940's enabled set gill nets to better fish the area and the development of more

powerful and reliable outboard motors after World War II made tending the nets a much easier task. Consequently, set nets began to take an increasing share of the harvest. By the time traps were outlawed, set gill nets were outfishing them almost 2 to 1. There are currently about 677 set gill net permits for the Upper Cook Inlet area and since 1966 they have taken an average of 43% of the total salmon harvest (Figure 3).

Set gill nets are located along almost the entire periphery of the area and are legal gear in both the Central and Northern districts. However, since migrating salmon are not dispersed equally in all areas of the Inlet, some sites are better for set gillnetting than others and consequently the distribution of gear is uneven.

Prior to 1947, the maximum length for set gill nets was 100 fathoms and most fishermen would fish four 25 fathom units. With the development of better gear, fishermen found they could more efficiently fish longer nets. To allow for this change, the regulations were altered in 1947 to allow a maximum aggregate of 105 fathoms with no single net being longer than 35 fathoms, and this regulation prevails today.

Drift gillnetting was never illegal and drifting was attempted intermittently since the 1920's. However, prior to 1947 drift gear was limited to 100 fathoms, the same as set nets, which apparently wasn't enough to make it worthwhile. In 1947 the regulations were changed to allow drift gill netting with up to 200 fathoms of net. This change apparently made drifting feasible as participation and catch increased from that point onward. In 1949 the amount of gear allowed was reduced to 150 fathoms, which is the legal limit today. Drift gillnetting is allowed only in the Central District.

The success of drift gill net fishing was phenomenal. By 1950, three years after its inception, drift gear accounted for slightly over 50% of the catch and it has never given up its position of prominence. Today there are 545 drift gill net permits for Cook Inlet and since 1966 they have taken an average of 57% of the salmon catch (Figure 3). Also included is Figure 4 which describes catch by species by area for the gill net districts.

The introduction of drift gear into the Upper Cook Inlet fishery necessitated radical management changes. This very efficient gear was introduced into a fishery that was already adequately harvesting the runs. As a result, reductions in fishing time have occurred through the years to offset this increasing catch efficiency and prevent overharvesting of the stocks. Current regulations establish a weekly schedule of two 12-hour periods per week. This amount of time is the minimum necessary to assess strength and timing of various salmon runs. Fishing time is increased if stock abundance warrants, and decreased if necessary. Lack of escapement information in most of Cook Inlet creates a dependence upon catch data for in-season management.

Describing a satisfactory return to the commercial fisherman is an impossible task, since like any other businessman, the commercial fisherman wants to

EFFORT - HUNDREDS

THOUSANDS/FISH



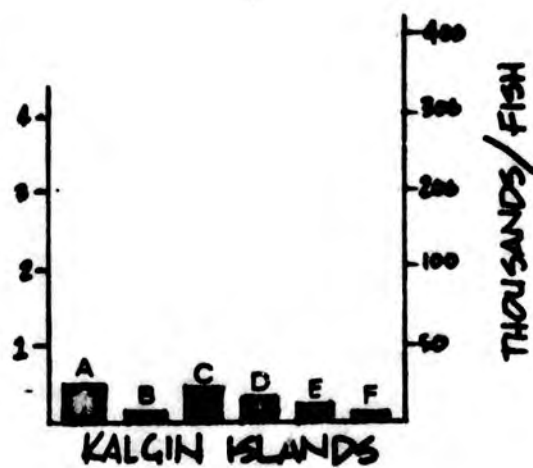
WEST SIDE NORTHERN DISTRICT



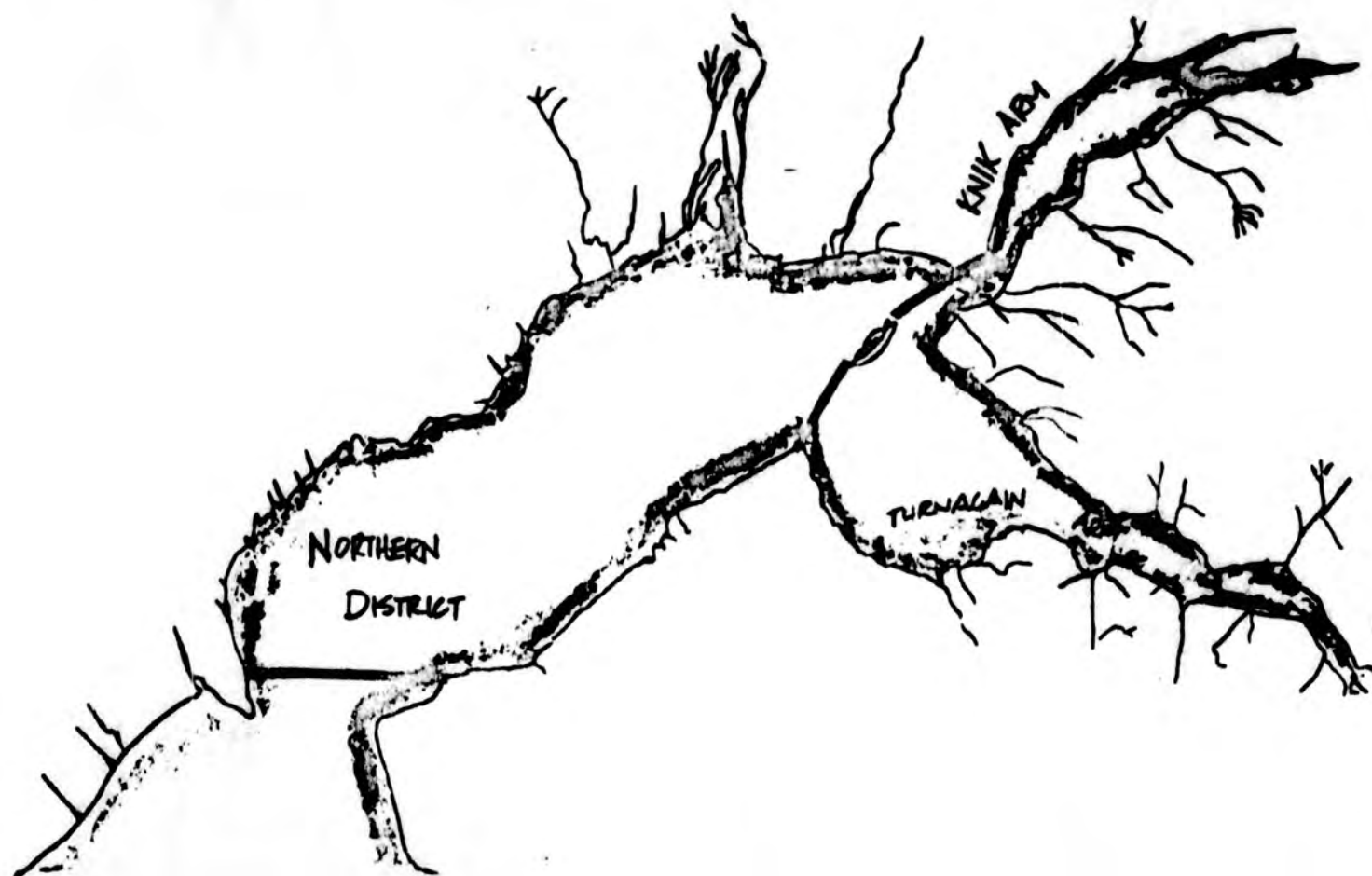
EAST SIDE NORTHERN DISTRICT

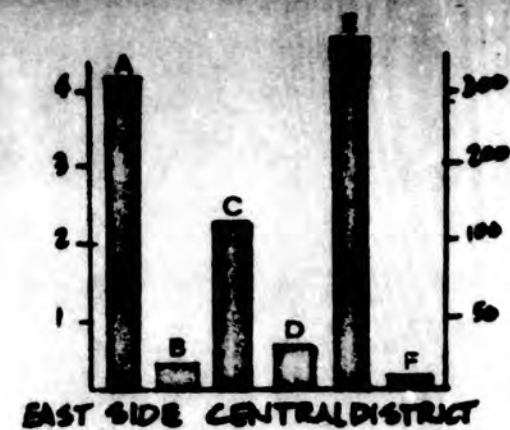
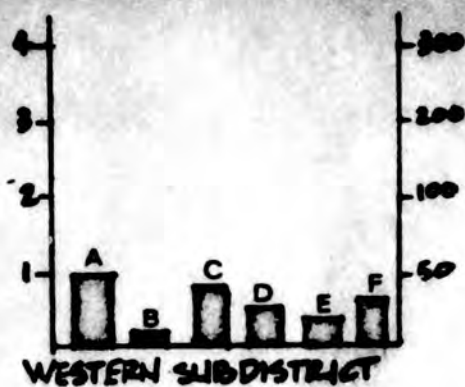
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 RED ——— B
 COHO ——— C
 PINK ——— D
 CHUM ——— E

8



KALGIN ISLANDS





CENTRAL DISTRICT

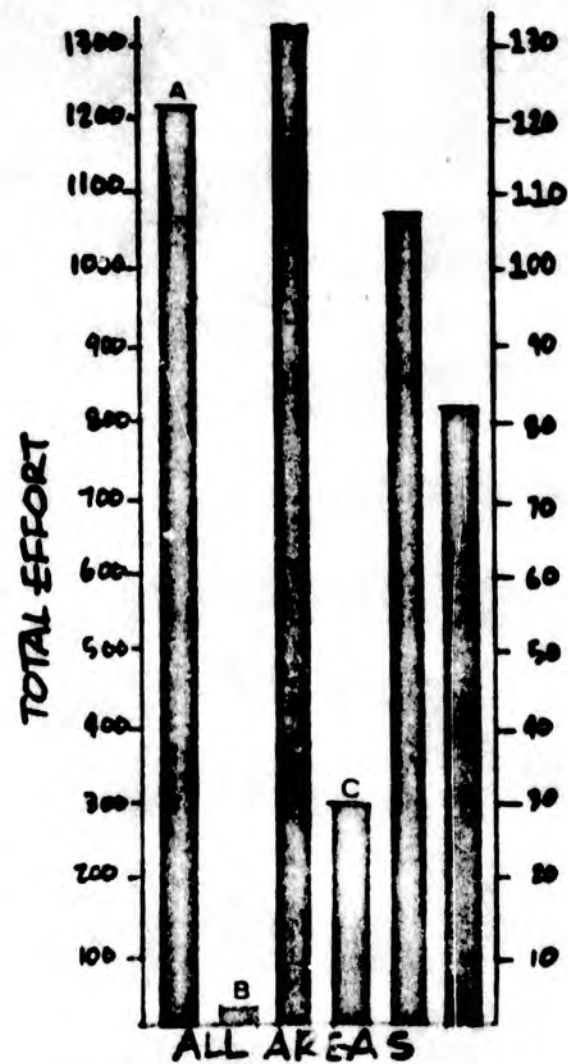
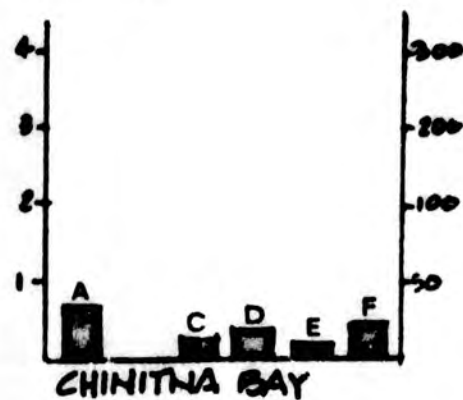
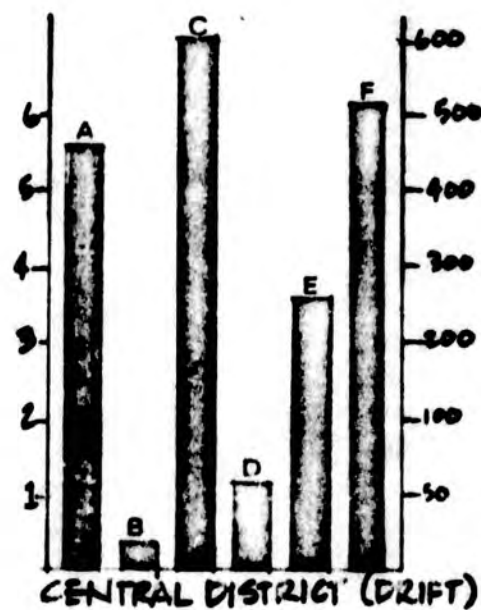
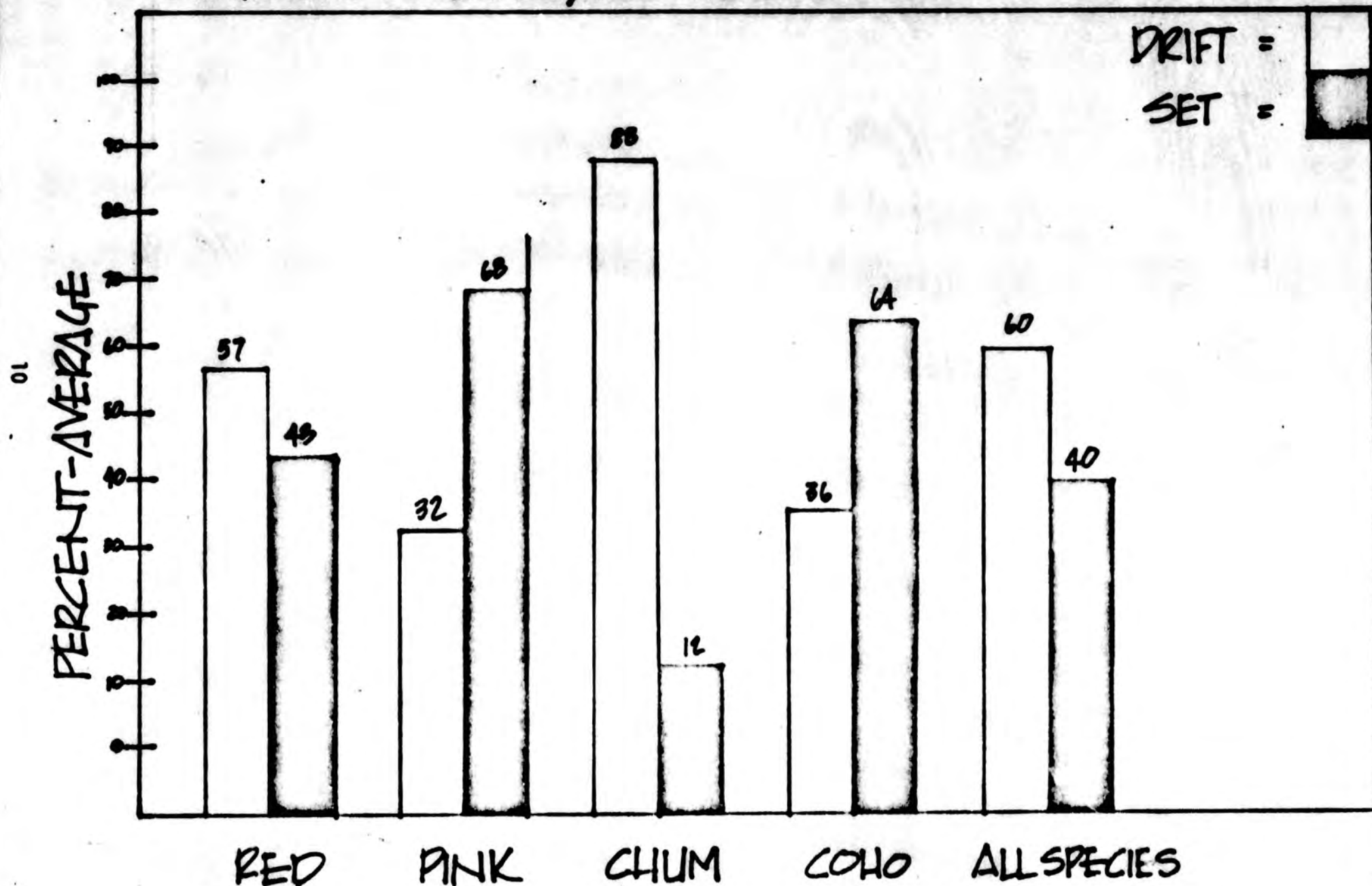


FIGURE 3. 1966-77 UPPER COOR FISH

TWELVE YEAR AVERAGE = PERCENT CATCH
BY GEAR BY SPECIES/ALL SPECIES



maximize his profits. There is probably a minimum level of satisfaction, however, which is one that would allow the average fisherman a reasonable return on his investment of time and money. Determining this minimum level would require a more thorough economic analysis of the commercial fishery than has been accomplished to date.

The commercial fishery can be characterized as being less dependent on any particular species or time of fishing than it is on the total value of the catch and the cost to harvest it. It is also less limited by access to the total resource than is the recreational fishery. This is not completely true of the entire commercial user group, because set nets are limited to the portion of the resource that migrates past their site, whereas the drift fishermen have access to any runs migrating through the Central District unless certain areas are closed by regulation.

DESCRIPTION OF THE COOK INLET RECREATIONAL FISHERY

The recreational fishery is described in somewhat greater detail than is the commercial fishery. More specific description is provided because the recreational fishery is not as easily described or as well understood as the commercial fishery. Also, the current increases in growth and even greater potential for future growth warrant discussion.

Sport fishing effort in Cook Inlet is far more intense than in any other area of the state, due to the State's uneven population distribution. The exact number of anglers using Cook Inlet waters each year is undefined. However, a 1973 contract study by Boeing Computer Services Division indicated 44.4% of all Alaskan angling occurred in Cook Inlet in 1973. It is reasonable to assume the percentage of statewide angling effort occurring in Cook Inlet is increasing due to a faster population increase in the Cook Inlet area than other areas of the state.

Statewide angling effort, based on license sales, has increased 7.6% per year. Sampling indicates that unlicensed juveniles increase the total number of anglers about 35% over license sales. Table 1 describes current angling pressure in Alaska and future projections based on license sale records. Anglers, adult and juvenile combined, have increased on a statewide basis from about 75,000 persons in 1961 to over 225,000 in 1976. If we assume Cook Inlet fisheries constitute 45% of the state's angling effort, the total estimated number of anglers using Cook Inlet waters in 1976 was 102,000. Projections shown in Table 1 also closely parallel population forecasts for the Anchorage municipality.

The effort figures in Table 1 are for all types of angling. It is not known how many Cook Inlet anglers fish entirely for resident species and do not enter salmon fisheries. However, they are believed to constitute a small percentage of the total.

Table 1. Summary of Alaskan Sport Fish Anglers by Year and Future Projections.

<u>Year</u>	<u>Total Licenses Sold</u>	<u>Estimated Total Anglers*</u>	<u>Estimated Total Anglers Fishing in Cook Inlet (45% Statewide Total)</u>
1966	71,543	96,583	43,422
1967	76,951	103,884	46,748
1968	90,565	122,263	55,018
1969	99,323	134,086	60,339
1970	113,394	153,082	68,888
1971	115,495	155,918	70,163
1972	124,435	167,987	75,594
1973	128,002	172,803	77,761
1974	131,886	178,046	80,121
1975	147,721	199,423	89,740
1976	167,873	226,629	101,983
1980	223,474	301,690	135,760
1985	322,320	435,132	195,809
1990	464,888	627,599	282,420
1995	670,577	905,198	407,339