

ALASKA LEGISLATURE COMMITTEE FILES 1981-1982 8072

1655 SJ BRISTOL BAY HEARINGS

# STATE OF ALASKA

JAY S. HAMMOND, GOVERNOR

**DEPARTMENT OF PUBLIC SAFETY**  
**OFFICE OF THE COMMISSIONER**

POUCH N - JUNEAU 99811

February 25, 1981

465-4322

The Honorable Joseph Chuckwuk  
House of Representatives  
Pouch V  
Juneau, AK 99811

Dear Representative Chuckwuk:

In response to your letter of concern on the past and future of this Department's position related to the Bristol Bay salmon season, at the outset, the Department will continue to follow its mandate, as it has in the past, of taking such action as necessary to preserve law and order and to protect the lives and property of all Alaskans.

As I am sure you are aware, confrontation begets violence. If confrontation does exist and a deterrent to violence is present during that time to prevent or reduce its capability of occurring, the results are less severe than stopping the violence once it occurs.

The Department's action as related to Bristol Bay was primarily that of detering the violence that was ever present during the confrontation that existed between fishermen and processors as well as fishermen and fishermen at the time of salmon price negotiations in that area.

The information you requested as related to actual cases in the Bristol Bay area is as follows:

Criminal

Data covers Bristol Bay area for April through July of each year.

	1978		1979		1980	
	Off./Arrest	Off./Arrest	Off./Arrest	Off./Arrest	Off./Arrest	Off./Arrest
Homicide/Manslaughter	1	1	1	1	Ø	Ø
Rape	1	1	Ø	Ø	Ø	Ø
Aggravated Assault	Ø	Ø	5	3	8	5
Burglary	5	1	6	1	12	1

Representative Chuckwuk

-2-

February 25, 1981

Larceny	27	2	5	2	17	1
Other Assaults	9	5	5	2	4	1
Vandalism	9	1	6	4	12	2
Weapons	1	1	2	2	1	0
Disorderly Conduct	3	2	2	2	17	6
Arson	0	0	1	1	0	0
All Other Offenses	35	8	20	6	39	7
Total	91	22	53	24	110	23

Fishing Citations Issued

Commercial	60	91	26
Sport Fishing	3	9	2
Total	63	100	28*

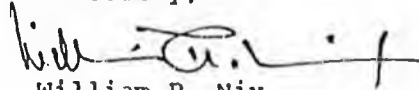
\*Note: 1. In 1980 there were no closed water restrictions.

2. In 1980 Fish & Wildlife Officers assigned to land, boat, and aircraft in the Bristol Bay area concentrated on necessary peace keeping activities.

The Department's enforcement intelligence indicated that the prospect of violence in the Bristol Bay area during the 1980 salmon price negotiations was real, and covert and overt acts were committed to substantiate that information. As a result, the Department in its role of crime prevention elected proaction rather than reaction. The outcome related to our presence to reduce the possibility of violence in Bristol Bay was obviously effective.

The position this Department will take in the upcoming 1981 Bristol Bay salmon price negotiation will be a reflection of conditions that prevail during that time and will be solely based on a level necessary for peace keeping and the protection of life and property.

Sincerely,



William R. Nix  
Commissioner

cc: Governor Hammond  
Senator Pat Rodey  
Senator George Hohman  
Mr. Avrum Gross

25 Feb 81  
5:25 PM  
Phone conversation w/ Commissioner Nix / says he will not provide information! Jac



# Alaska State Legislature

## House of Representatives

Pouch V  
State Capitol  
Juneau, Alaska 99811

Official Business

February 20, 1981

Mr. Steve Pernoyer, Director  
Department of Fish & Game  
Division of Commercial Fisheries  
Support Building  
Juneau, Alaska 99801

Dear Mr. Pernoyer:

I reviewed the following legislative status reports you recently sent me: Kuskokwim Coho Research, Kuskokwim Bay Management Expansion, Bristol Bay Sockeye Smolt Studies, Bristol Bay Salmon Test Fishery, and the Bering Sea Herring Management Expansion.

I am concerned that the herring fishery in the Bering Sea has grown to be the largest herring fishery in Alaska in the short time that it has at the expense of threatening the resource itself. Little substantive research has been completed pertaining to the management of these stocks on a sustained yield level, and little has been done to determine what effects heavy harvests of Bering Sea herring have on other marine life. There are different stocks of herring in the Bering Sea: what are the sustained yield levels of these different stocks, i.e., what level of harvest is Kulukak Bay capable of sustaining?

There must be a basis upon which the past management decisions governing the Bering Sea herring stocks have been based to allow the tremendous harvest and "waste" of these stocks. Upon what basis did the Department of Fish and Game make their decision to permit the seiners to participate in the Bering Sea herring fishery? What level of harvest, in tonnage, is the department expecting for the different herring stocks in the Bering Sea this next season? In addition, what effects may an over-harvest of these different stocks have on other marine life?

I would appreciate a prompt reply.

Sincerely,

A handwritten signature in cursive script, appearing to read "Joseph Chuckwuk".

Representative Joseph Chuckwuk

cc: Commissioner Ron Skoog

JC/ah



Official Business

# Alaska State Legislature

## Senate

### Committee on Judiciary

Pouch V  
State Capitol  
Juneau, Alaska 99811

#### MEMORANDUM

TO: Senator Sturgulewski, Senator Hohman  
FROM: Kevin K. Bruce  
DATE: February 20, 1981  
SUBJECT: BRISTOL BAY HEARINGS  
February 28-March 1, 1981

The following individuals have been confirmed as witnesses before the hearing committee in Bristol Bay:

#### Dillingham

Truman Emberg - Western Alaska Cooperative Marketing Association  
Harvey Samuleson - Western Alaska Cooperative Marketing Association  
William Nicholson - Individual  
Val Angasen - Bristol Bay Native Association  
Andy Golla - Individual  
Jack McBride - Imapik Aquaculture Association  
Representative from City of Dillingham

#### Naknek

Stuart Bowdoin - Bristol Bay Borough  
George Gottchalk - Individual  
RALPH ANGESEN - AIFMA  
JOHN LUNDGREN - AIFMA  
MITCH KINK - AIFMA

Senator Sturgulewski

2.

February 20, 1981

Some difficulty exists in determining the actual number of individuals who wish to testify in both Dillingham and in Naknek. Many of the persons listed are securing additional individuals to appear before the Committee, and the list should not be considered anywhere complete. The local radio station is playing public service announcements regarding the hearings and plans to broadcast portions of the hearings on Saturday night. This should also increase the participation in the Sunday meeting in Naknek.

Additionally, I have been informed that the presence of Commissioners Nix and Skoog will greatly increase the local participation.

I have been informed by Representative Chuckwuk's office that several individuals will be present who are bilingual, in the event a translator is needed.

For your information, I have attached newspaper articles, chronicling the events in Bristol Bay.

KKB/ods  
Attachment



Official Business

# Alaska State Legislature

## Senate

### Committee on Judiciary

Pouch V  
State Capitol  
Juneau, Alaska 99811

#### MEMORANDUM

TO: Senator Hohman  
Senator ~~Mulcahy~~ STURGOLEWSKI

FROM: Kevin Bruce  
Committee Aide

SUBJECT: Status of Bristol Bay Hearings

DATE: February 16, 1981

On January 28, Senator Kerttula requested that the Senate Judiciary Committee examine the public safety problems which surfaced in Bristol Bay during the 1980 salmon season.

After some examination, two aspects became clear:

- 1) Public safety concerns could not be divorced from the negotiating process since the former is a function of the latter; and
- 2) Since State Resources played a vital role, a representative from that Senate Committee should also be involved in the hearing process.

Senator Rodey was contacted by Avrum Gross, the Governor's personal representative on the Bristol Bay Task Force, about working together on the problem. Senator Rodey agreed to do so, in order to eliminate unnecessary duplication of effort.

Several House members have also expressed an interest in participating in the hearings, including Rep. Chuckwuk, Rep. Vaska, and Rep. Zharoff.

In conversations with Rep. Chuckwuk's staff, we have tentatively agreed that the Legislative Committee should be comprised of:

Senator Hohman	Representative Chuckwuk
Senator <del>Mulcahy</del> STURGOLEWSKI	Representative Zharoff

In addition, Avrum Gross would participate as the representative of the Task Force, and myself as staff to the committee.

Senator Hohman, Senator Mulcahy

February 16, 1981

The Senate Resources Representative is not yet firm, and Chairman Fahrenkamp may select a different senator based on scheduling conflicts.

The Bristol Bay hearings will be primarily a fact-finding and needs-assessment hearing. Three primary concerns have already surfaced in discussions with fishermen:

- 1) The Administration's repeated plans to revoke limited entry permits for individuals convicted of violent acts on the fishing grounds; and
- 2) The expressed need for reliable information source on salmon market conditions, processing capabilities, run size, etc., for a base from which to negotiate; and
- 3) The perception that public safety officers kept the peace largely at fishermen's expense during the 1980 season.

Undoubtedly, other concerns will also be voiced by residents of Bristol Bay.

The dates for which we are shooting are February 21, for Dillingham, and February 22 for Naknek (see attached schedule). Additional hearings will be scheduled in Juneau in the following weeks to hear testimony from the Administration, marketing associations not represented in Bristol Bay, and for processors.

At this point, hearing facilities are being arranged by Rep. Chuckwuk's office. I will make the travel arrangements and generally coordinate the affair.

If you have any questions, suggestions, or requirements concerning this, please let me know.



Official Business

# Alaska State Legislature

## Senate

### Committee on Judiciary

Pouch V  
State Capitol  
Juneau, Alaska 99811

#### MEMORANDUM

TO: Senator Sturgulewski

FROM: Kevin K. Bruce 

DATE: February 27, 1981

SUBJECT: BRISTOL BAY HEARINGS

You have asked that I prepare a memorandum of the hearings, and specifically your role in the hearing process.

As Chair, I suggest you stress that:

- 1) The Legislature is conducting the hearings at the request of Senate President Kerttula;
- 2) The Administration's representatives are there as a courtesy to the Governor, not as members of the hearing authority;
- 3) The Legislature is on a fact-finding mission to secure the input from the residents of Bristol Bay as to what they see as:
  - a) The State's role in the negotiating process in Bristol Bay; and
  - b) The public safety concerns they may have in relation to price disputes.
- 4) That further hearings will be conducted in Juneau on the same questions, with outside processors, fishermen not represented in Bristol Bay, and the Administration;
- 5) That a report with recommendations to the Task Force and to the Legislature will be prepared at the conclusion.

I do see a potential problem that has surfaced prior to the hearings. Senator Hohman has informed me that he will not

Senator Sturgulewski

2.

February 27, 1981

participate in the process. It would seem that in order to do this, he would have to explain to his constituents why he is not participating, necessitating unfavorable comments toward the hearings and its objectives. You might wish to discuss this further with him.

If, in fact, an appropriation from the Legislature is needed to fund a marketing study, the fastest approach might be to ask the Legislative Council to do so, by concurrent resolution. Directly appropriating the necessary funds could cause some delay, and as you know time is of the essence.

KKB/ods

To: Senator Kerttula  
From: David Gottstein  
RE: Violence in Bristol Bay  
Date: 4/9/81

Over several years there has developed practically an adversary relationship between the fishermen and the processors, primarily because the fishermen don't think they get a fair price for their fish. I heard several comments concerning the processors misconduct; from price fixing, to pressures being brought to bare on fishermen with outstanding loans to the processors. The symptoms might manifest themselves in several different ways. I believe the real problems are generated by the lack of a fair balance of bargaining position, and some faulty preordained market mechanisms at play. The complete story of the fishing industry in Bristol Bay is far from my immediate grasp, but I believe I did pick up enough information to describe some of the main factors that lead to the violence, what form the violence took, and what were some of the suggestions made by the people I talked to to reduce the chance of violence this coming season.

There are some bigger issues to be discussed perhaps at a later date among more informed individuals concerning the balancing of counterveiling powers at play in the region, but I will just address the issues concerning the eruption of violence last season.

There are two main faulty market mechanisms at play here, beyond the broader power discrepancies I hinted at earlier. One is that the fishermen require the processors to commit themselves to one price for the fish for the entire season. This puts the entire risk of market fluctuations onto the processors. As a result they are forced to be

extremely conservative in their pricing. If the fishermen aren't willing to take on any risk, they deserve less of a return. This in effect puts the processors in a commodities futures market that doesn't allow price fluctuations for the fish in response to supply and demand characteristics. If the entire Bristol Bay catch is unusually high, or the demand soft due to surpluses or other market conditions, the selling price per case will drop, leaving the processors vulnerable. As a result the processors must play the market very conservatively. A contributing factor this past year was that the prior year's losses made it difficult for the processors to commit to high prices.

The second market problem is that the fishermen in Bristol Bay demand one price for fish to be canned and fish to be frozen. This creates a natural conflict since the two have distinct selling markets. Only by chance will they wind up in harmony. This is a new problem since the frozen market is a relatively new market. The fishermen fishing for canning processors tried to force an old formula to a new market condition. What precipitated the conflict last year between the can market fishermen and the frozen market fishermen was that the frozen market was soft, and if the frozen market fishermen held out for what the can market fishermen wanted, they could never have sold their fish, since the frozen fish processors couldn't have made any money at the canned fish price. The violence ensued because the frozen fish fishermen wanted to fish for a lower price than what was acceptable to the other fishermen. The thought being that the frozen market price would set the price for the canned fish market. The canned fish fishermen refused to recognize the two distinct markets. As a result, the frozen fish fishermen were considered scab fishermen by the other fishermen, since their actions were considered not in the best interest of all the fishermen, even though the can fishermen wouldn't recognize a secondary market.

The feeling I got from the people I talked to is that most of the fishermen, both canned and frozen, stayed on the beach not out of complete sympathy for the strike, but out of fear. There were enough fishermen engaged in mob rule that the whole scene became a travesty. They made personal threats to fishermen and their families, dumped fish overboard at gunpoint, damaged property, intimidated voters during marketing association meetings, blockaded harbors, brandished and fired semi-automatic weapons, and created hazardous boating situations. The feeling I got was that most of the really bad apples were from outside and belonged to a so-called fishermen's "mafia," as they call themselves. There was also some limited native participation hinted. It wasn't until after a particularly rough boating incident when public safety officials put out a strong statement that things seemed to cool down.

Phil Daniels believes that because the state protects the fishing industry with limited entry and primary processing, of which the latter may be knocked down in the courts, that the industry owes a reasonable effort to the state to make sure the resource is harvested. Anything short of a reasonable effort should perhaps result in the governor having the authority to lift these protectionist barriers for a season.

Several recommendations were made with respect to reducing the threat of violence.

1. Make it known and insure that the state will significantly increase its profile in the region with experienced officers, and that the state won't tolerate any violence. Only one person last year was brave enough to file a formal complaint, and his case was thrown out. ←
2. Threaten to suspend or revoke limited entry permits from anybody caught participating in violent conduct. ←

- 4
3. Investigate the use of a sliding scale pricing formula for each market, like the one in use in the Cordova region. This would spread the risk of price fluctuations and loosen the conservative nature.
  4. Have the state participate in acquiring good market data before the season begins so that the fishermen have a better idea of what is actually a fair price to be paid for their fish.

All of these are good long term solutions, but probably the best action to be taken this season is a greater presence by public safety officials, with a carefully thought out enforcement and punishment program to reduce or eliminate the climate of violence and fear this year. I would like to reiterate that there are other complex issues concerning the fishing industry, such as the current control and ownership structure of the processing plants. My immediate concern and attention was to give some background information and recommendations on which to go with in preventing a repeat of last years experience. It might be noted that none of the people I talked to had any faith that the governors task force would be of any help.



Official Business

# Alaska State Legislature

## Senate

### Committee on Judiciary

Pouch V  
State Capitol  
Juneau, Alaska 99811

#### MEMORANDUM

TO: Senator Kerttula  
FROM: Kevin K. Bruce  
DATE: March 12, 1981  
SUBJECT: BRISTOL BAY VIOLENCE

I have reviewed the memo from David Gottstein and have several comments:

The situation in 1981 is totally different from 1980 in Bristol Bay and, in fact, resembles 1979 more closely. The projected harvest is 21.2 million fish. Total processing capability in the Bay area is about 23-25 million fish; therefore, processors and fishermen have a tremendous incentive to settle early and maximize the harvest.

Additionally, the market situation is also slightly different. The latest inventory information indicates that frozen markets continue to be somewhat slow, but improve from last year. The outlook for the canned pack is deemed positive. The current Japanese wholesale prices for U.S. pack have continued to rise to a current level of about \$3.37 a pound.

What all this indicates is that prices at the dock should be up from 1980 as well as demand; therefore, a logical reason for extended price negotiations does not exist.

Admittedly, logic has not always prevailed in Bristol Bay negotiations, but early indicators suggest that most parties wish to avoid a repetition of last year.

The actual presence of violence last year is being presented in conflicting views. Residents of Bristol Bay claim that events were distorted in the media. Commissioner Nix of Public Safety has also indicated that the potential by far exceeded the actual instances of violent acts. Some Icicle fishermen, notably Phil Daniels, maintain the violence was very real. (Daniels is expected to testify before the Committee on March 16).

STUART H. BOWDOIN  
BOROUGH MANAGER



Senator Pat Rodey  
For your information  
FM! Rep. Chuckwak

TELEPHONE  
(907) 268-4224

## Bristol Bay Borough

Box 189 • NAKNEK, ALASKA 99633

February 11, 1981

RECEIVED

Governor Jay S. Hammond  
Pouch A  
Juneau, Alaska 99811

FEB 17 1981

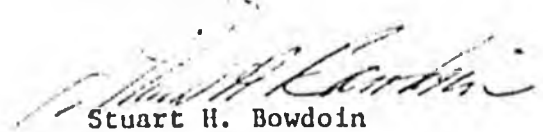
Dear Governor Hammond:

It is our understanding that a Task Force for the Bristol Bay Fisheries will hold public hearings in Dillingham.

More than 70% of the Bristol Bay salmon catch is harvested and processed in the Naknek area. It is our opinion that the task force should also hold a meeting in Naknek.

The Bristol Bay Borough request your assistance in this matter.

Sincerely,

  
Stuart H. Bowdoin  
Borough Manager

SHB:bjt

bcc: Representative Joe Chuckwak



# UNITED FISHERMEN OF ALASKA

MAILING ADDRESS:  
P.O. BOX 1352  
JUNEAU, ALASKA 99802

OFFICE  
197 S FRANKLIN ST  
907 586-2820

## UFA MEMBER ORGANIZATIONS

- ✓ ALASKA INDEPENDENT FISHERMEN'S MARKETING ASSOCIATION  
6333 Sugar Maple Street S.E.  
Olympia, Washington 98503
- ✓ CHIGNIK BOAT OWNER'S ASSOCIATION  
Phyllis Carlson  
c/o 603 East 4th Street  
Juneau, Alaska 99801
- ✓ COMMERCIAL FISHERMEN OF COOK'S INLET  
Box 2641  
Kenai, Alaska 99611
- ✓ COOK INLET FISHERMEN'S FUND  
Box 3  
Ninilchik, Alaska 99639
- ✓ HALIBUT PRODUCERS COOPERATIVE  
P.O. Box 1235  
Bellingham, Alaska 98225
- ✓ NORTH PACIFIC FISHERIES ASSOCIATION  
Box 796  
Homer, Alaska 99603
- ✓ PENINSULA MARKETING ASSOCIATION  
Box 32  
Sand Point, Alaska 99661
- ✓ SOUTHEAST GILLNET FEDERATION  
Box 1186  
Juneau, Alaska 99802
- ✓ ALASKA TROLLERS ASSOCIATION  
P.O. Box 5825  
Ketchikan, Alaska 99901
- ✓ COMMERCIAL FISHERMEN'S CO-OP ASSOCIATION  
c/o 702 Water Street  
Ketchikan, Alaska 99901
- ✓ COOK INLET FISHERMEN'S ASSOCIATION  
SRA Box 48T  
Anchorage, Alaska 99507
- ✓ CORDOVA DISTRICT FISHERIES UNION  
P.O. Box 939  
Cordova, Alaska 99574
- ✓ KENAI PENINSULA FISHERMEN'S COOPERATIVE ASSOCIATION  
Route 2, Box 752  
Soldotna, Alaska 99669
- ✓ PETERSBURG VESSEL OWNER'S ASSOCIATION  
P.O. Box 232  
Petersburg, Alaska 99833
- ✓ SOUTHEAST ALASKA SEINE BOAT OWNERS AND OPERATORS ASSOCIATION  
728 Water Street  
Ketchikan, Alaska 99901

Dillingham

Artist - not a fisherman

Joe McGill

- state was worst enemy
- to loans to processors gave them support
- 20. Use of State Troopers

Andy Galia

BBNA - Economic Planner

Board of WACMA

Fisherman

but representing himself

1. calls for state market study -  
to be done by well-known marketing firm  
and, <sup>consultant selection</sup> accepted by fishermen + processors
  1. world market + market conditions
  2. for Bristol Bay Salmon in US, Japan + Europe

Joe Clarke - Clarke's Point

1. Personal example of dealings with troopers -  
troopers protected processors + threatened fishermen

Fred Ougasson

Exec Dir - BBKilling Assoc + Fisherman

1. Strikes are usual, and non-violent
2. There are laws, courts + process to handle violence as it occurs

2/

Mitch Krink - Fishing since 1946, in bay since 1952

AIFMA representatives 700 members 33% from  
the Bay

General manager, AIFMA, charged with  
negotiating next years agreement

1. PR on fish surplus done by processors was  
misleading - especially burden on  
processors finances = most financial  
problems (NEFCO) were due to industry  
overextension in other areas

2. ~~It~~ Talk that 21 million more fish could  
have been caught is misleading -  
the canneries could not have handled

3. F+G moved up emergency period from  
June 23 to June 9 - aids processors  
and prevented fishermen from open  
fishing prior to emergency period  
(AIFMA allows fishermen to fish on their  
own until emergency period - by moving  
up emergency period, support for AIFMA  
negotiations could have been hurt)  
(F+G opened because run started. AIFMA's  
own rules prevented fishermen from fishing)

### Value of study -

1. In 1975, fishermen were bound by a sliding price scale based on numbers given by processors

2. Philosophical approach = the value of the fisherman in the final wholesale cost of the product = What percentage of cost is fisherman worth?

Does fisherman contribute to 50% of the final product? 35%? - need outside study to show figures -

This would allow market price to fluctuate, negate price setting problem, if fishermen are guaranteed a % of fish.

NIX-

asks several questions on what role of troopers is.

MITCH - willing to ~~ask~~ for arbitration/mediation but both sides have to agree to follow up on the findings of arbitration

Key lesson - BBNA

Point - wholesale prices appear to fluctuate to the processor's own ends - low during settlement + year-end reports to the state, and raise dramatically one pressure is off. State response may be to change use of timing of industry reports.

- 1) Most local fishermen have no other source of income
- 2) Prices must reflect fishermen's cost of living
- 3) Low Price/High volume doesn't work because processors haven't geared up to increase pack sizes.
- 4) Many people use CETA, BIA general assistance for pure survival - cuts in these programs will place more reliance on fishery - 2 million in CETA + BIA gen. assist
- ~~5) Fishermen support~~ 5) Fishermen sacrifices aid processors
- 6) Need for infrastructure improvements to encourage increases in marketing, processor capacity, etc = docks, airport, loans to new or expanding processors

Robin Samuelson

Independent Fishermen, Fresh Frogon

- 1.) Major market problems in 1977 pack lead to 1980 problems - <sup>being no score, quality</sup> year dropping
- 2.) 1977 quality problems blamed on processors
- 3.) Iceless low price due to signing pre-season contract w/ Japanese, as state didn't get timely pack loans - Japanese pack financing limited iceless to paying fishermen 40%

Recommendations -

1. State study market
2. State set base price
3. State loan on pack financing with stipulation that <sup>(a)</sup> fishermen get kick-back of percentage of what final actual price for previous year was above base price set for last year for <sup>(b)</sup> processor agrees to a base price for next year as stipulation of pack loan

Requires

- 1) price base not low, no cornering not hurt by selling below base
- 2) base adjusted base as pack sales upward
- 3) B.C. - occur to increase <sup>to</sup> necessary to make figures work. <sup>Especially if interest rate to processor is subsidized by public funds.</sup>

Jack McBride

Ematipik Regional Aquaculture Assoc.

- 1.) Referenced newspaper article in ~~news~~ from "The Journal" - Alaska Fisherman's journal from issue that went out during time of 1980 strike.
- 2.) Contrary to popular wisdom - shows need for study
- 3.) "Audant" that gave several recommendations
- 4.) One recommendation was on state assistance in infrastructure - Arlin's question on how infrastructure should be developed
- 5.) Question from Rep. Chacekwick - was threatening posture by Gov's office the wrong approach - Rep. Chacekwick continues = fish is a proven renewable resource = lets provide the infrastructure here on a priority at least equal to the unproven renewable or non-renewable resources.

AV is mountaintop = talk about the waste of a state resource, but sees funneling of study by State as intervention into a private market process.

# Val Luger representing self -

- 1.) Comment on previous studies done
  - Tape on BB
  - Roger Pointe's report
 } both had misleading information + misleading implications
- 2.) Recommend Gov's task force to set parameters on price negotiation
- 3.) State involvement - two edged sword, but history of price disputes may demand state involvement
- 4.) Marketing study - better idea of Fairness of prices, point is value gained by use of state funds for study is gained by all of Alaska
- 5.) Recommendation - If legislature is interested in settling price disputes, should see villages + dependence on fisheries.
- 6.) Use of State Funds to support processors that gave unfairly low prices - tie pack loans to price settlements loans should give first lien to fisherman
- 7.) Dillingham airport needs lengthening to support Air Fresh Program mkt
- 8.) go ahead + fund other fisheries studies

Val gave dig at limited entry limiting ability to get into fishery.

Follow up after mtg →

Lynnan Smith

Former Fisherman, now on planning commission of city.

- 1) Has been a steady stream of evolution in industry - one reason for price disputes is lack of direction in present evolution of industry
- 2) ~~Price~~ Price equity - one problem is risk factors
  - a) Traditionally pack loans were US risk capital
  - b) now, pack loans come from outside, and may allow some market manipulation
  - c) Recommends = shared risk situation - processor / fisherman (floating price) / state <sub>low interest</sub>
- 3) Market ~~to~~ mix - canned, fresh and fresh frozen
  - a) Fresh goes to US market, but is weakest link. High potential mass market with high income.
  - b) Supports market promotion
- 4) Airport improvements
  - a) parallel taxiway would increase # flights - get airports off runway so others can use - also safety factor
  - b) increased support area - ramps and facilities.
- 5) Federal involvement in permitting = need changes in wetlands = need

af

- need local industry development. What adjustments/replacement must be made if conveyer jobs dry up. Need substitutes

Q - Comm. Weber - what is 1985

Smith - industry as a unit has to promote markets - can't be left to individual components

Q - Weber = quality of BB Fish

A - Problem is educational + upgrading of handling of fish.

Whitehead - European market - BB can not compete on quality basis with fish from European market

Smith - Industry should regulate itself - let state work on education, funding, new techniques, but don't mandate those techniques.

Q - Av = has there been large scale coop attempt

10/

Don M. Clune - Levelock - phone-in

Joe Chuchurik = House CRA is looking at an alternative to CZM program.

Mike Whitehead = There has been no formal word from Interior/BLM on a Federal accelerated lease schedule.

Arlin - People can request teleconference from Resource Chairman on CZM Bill.

Jim Beaman - Fisherman/processor

General comments

1) Price of Fish

Pre-season contract prices to broker, Elsie Pt  
125/16 fish 450/16 eggs

This year at Clou's Point for processed fish

<sup>1.50</sup>  
225 = Seattle processed fish price

2) Higher price possible if processor can freezer van  
Fish of Sea Land = takes dock and storage/  
handling facilities to do this.

Sealand costs 254/16 to Seattle.

3) Supports risk sharing concept - but - fisherman must accept low price with bonus at later time.

4) Supports state loans for payment of base price by processors

5) Base Price -

5) Q from Joe - would it be better  
to sell directly to Japanese?

Answer = lots of difficulties -  
it might be more profitable  
to fishermen immediately, but  
maybe not to overall local  
economy; and maybe not to  
fishermen if those markets  
dry up + locals don't have  
other market structures to turn to.

Carl — sec. Nishogak Fish Coop  
trying to put pack agreements together  
(had one contract that was rejected  
by the council)

Follow up  
on that →

Mitch - BE price settlement does serve as  
the base for many other regional  
contracts, so gives more support  
to a state study

McBride - quality = must depend on eventual  
customer's evaluation of quality

level harvest =  
constant market

Henry Spew (sp?) Fisherman -

one help = stabilization of the run -  
don't discontinue hatchery penhouse and  
programs because of peak years - lean to con

Mark Seegars -

BBWA Econ Dev. Specialist

- Should be relationship of US Fed Gov to Japanese Gov = international treaties may be used as lever to get some market structure changes

Thomas Crandall - Fisherman

Promotion of US markets - how will it work if Japanese control the marketing structure.

Comm. Weber = Seafood Marketing Institute = hope to develop new market structure as well as demand.

Ronny Houser - Fisherman

Fish is too high priced in market - price must come down if market is too expanded.

Jerry

- UFA

Why was Commission formed - When are they going to come up with price recommendations

Leon Braswell - questions on use of troopers

Recommend low saying no scabs

Hyman Smith - speaks to Sweetheart clauses (sets price setting burden of many over Con. B. Bay)

- wholesale market reports - state could require negotiation on % of wholesale price

13

Carl Louren - question on pulling of permits for violence.

~~Robert Samuelson~~

Monney Samuelson - \$100 million distribution of pack boat - state own Salamontof

City Manager -

Infrastructure Problem

- 1) Against selling of permits
- 2) Dock + boat harbor - need major improvements all available beachfront taken by existing processors - no room for new people / processors (even if structure is gone land is still in processor ownership)
- 3) Need alternative to services provided by processors to enable fishermen to actually go independent - boat storage, repair, parts, boat harbor (100 boat design of 500 users)
- 4) Boat harbor expansion - needs dredging, expansion, fire protection
- 5) 160' Dock - can't be used when cargo barges are in
- 6) Need for water + power, account cold storage facilities at city dock to service independents + new processors.

All kinds of infrastructure problems faced by local fishermen that are not faced by outside fishermen who use private docks + facilities

14/14

Fred Samuelson - Q from Joe on the marketing quality contract through legislative council

- 1) education program on fish quality methods
- 2) Interpret market info to British Bay Region
- 3) Fishing Business advice to small fisherman
- 4) Loans + financing sources
- 5) initial OCS impact assessments
- 6) Program plan for Fisheries diversification - herring + bottomfish
- 7) BB regional Fisheries program plan

Kathy Larsen -

Husband is member of Nushagak Coop -

US interest in buying fish, but buyers are scared off by lack of infrastructure.

Stan Small - processor w/ 25% interest in city docks only paid 20¢/lb.

Naknek Mtg

March 1, 1981

- Rep Joe Chuchuck opening remarks
- Aulin - overview
- Ans - Trade Force role

- Aulin - question of pricing study -  
what should it be, how should it be funded.

John Eckert - Fisherman  
representing self -

1. Processors can only handle 25 million fish -  
they won't open early because they  
can't handle more fish. (Takes pressure  
off negotiation / settlement at beginning)

Comm. Skoog -

Board of Fisheries have set out ground rules  
for allowing floating processors into Bay.

Ans - question of cannery employment dropping  
if foreign processors are brought in.

John = Fisherman knows that they must work  
with canneries, and floating processors so  
have limits placed on them, to ensure that  
canneries get their fish.

## Herring Fishery

- 1) IF tender does not buy fish, the Fishermen has to throw back, and is liable for that waste of fish, even though processors make decision
- 2) Problem with restrictions on herring taken by tender - reduces market

## Mitch Kinik

### AIFMA

1. state should not do anything while price negotiations are going on - but have standby plans to implement if required - public safety; resource waste (coll processors in); etc
2. Set Deadlines for specific stages - start of negotiation; initial price offer; vote; etc
3. Do away with the one-company for a boat system. If one company settles, all boats should be allowed to sell to that company. If processor can't handle volume, should be made to wait until other price settlements are made.

who prevents them now?  
their own arrangements  
with a company/credit line

3  
~~4. Don't open sea~~

4. IF price is not settled in Bay,  
don't let anyone fish - don't issue  
year licenses until price is settled

5. Create a climate for negotiations through  
profile of the prices, pack, ~~to~~ market, etc  
historical overview of trends of settlement,  
dates, prices, catch size, run sizes.

6. Comprehensive study of world markets  
for BB Salmon - to be done by an independent.  
Must be completed by mid-April so all  
sides can look at it  
price, market, effect of pack size on  
market, wholesale vs Retail price, % of  
value of catch fisherman receives,

QA who can gain enough trust from both sides  
to have study accepted or recognized.

Mitch - don't know - have to try = state is  
more likely to be accepted by both sides  
as objective than if one or other side  
sponsored alone.

Should be funded by State <sup>to</sup> avoid appearance  
of

To idea has two benefits - Both Fisherman + processor have stake in getting maximum profits = Maximizing profits depend in part on quality of products

Anthony Belachi -

Study needs to be continuous; problem with ALMA study was that it was only current to February.

Point - how to develop ongoing capability to monitor market

Mitch - study should be used to establish base price; sliding scale used to come up with adjustment or bonus.

Kevin - what if base price is too high = do processors lose out?

Mitch - no - not setting a price, but, by using the current price negotiate the Fisherman's share of the cost = idea is to turn

Joe - interest in how other areas do their price settlement

George Pottschalk SR

Representing self.

- 1.) state doesn't provide information
- 2.) ARRC ownership of Salamontof - state conflict of interest = what type of operation will state allow Salamontof to run this year = strike breakers last year.

5/-  
81

- 3) Question of whether the State represents public interest or - to support processors line of argument.
- 4) Recommend state should not back processors in a manner that influences price negotiations.
- 5) Troopers are pro-processor - need to look at operation.
- 6) AK Constitution - need to get back.
- 7) Togiak fisherman were unable to sell herring to processors that receive state backing.
- 8) Bush is ~~at~~ under-represented in consideration of fisheries management.
- 9) Need licensing office in Wainwright, so all fishermen + convey workers don't have to drive to King Salmon.

Monty Handy - Air Taxi Officer, Former FFW officer.  
~~Fisheries~~

- 1) Local Fisheries really are controlled by foreign interests.
- 2) State lease of tidelands for fish transportation seems to be influenced by big money companies. Example of his own <sup>DOT flight</sup> ~~lease~~ lease cancellation.
- 3) State programs make it harder for small, local

6/   
 New - need audit on lease programs -  
 Are they oriented toward big interests  
 DOTPP ramp space, tideland leases

interests - benefits go to big companies  
 4) State is financing Foreign interests

John Asplund

- 1) Problems with lack of uniformity in gear  
 reqs throughout Alaska - esp. Set Net  
 Set Net 50 Fathom limit is antiquated
- 2) State of Washington 'Pink Sheet' which gives packers  
 size of pack, price to wholesalers, value, remaining  
 in storage, etc.
- 3) Supports sliding scale method -  
 establish a base year as initial  
 negotiating point.

Harvey Samuelson

1. Recommend State set a minimum price on  
 salmon as a State resource (they have  
 set minimum prices on other ~~state-owned~~  
 or use of state-owned resources = gravel,  
 timber, etc.  
 Ar = anti-trust. To be legal, state would have to  
 buy all the fish from fishermen and  
 resell to processors.

7/  
John Lundgren -

UP - AIFMA

- 1.) No pressure on commercial to see the early.
- 2.) In order for state to have any role, they must be ready put pressure on parties

Q - Joe = what about foreign processors in -  
Real problem is ability of existing processors to adjust size of pack on their own

Mike Makkala = representing his own views

Naknek Advisory Committee

- 1.) Fishermen not getting enough for fish
- 2.) Most processors bought for ~~87¢~~ 87¢
- 3.) Support sliding scale
- 4.) Processors can not handle fish, no matter what they say
- 5.) Salomantuf = state needs more in-depth review of loan application
- 6.) Market development - state needs to do it as the processors have steady Japanese market and don't want to develop any domestic US market.

Big problem of sliding scale or % price = where do you take the price in a tight market integrated processing and marketing structures and financing.

Kawaji = Rodley will be looking at ANRC, CPAB & and post loan issues

George Gattshak Jr  
representing self

- 1) Japanese control - need laws on % of Foreign ownership of "US" corporations
- 2) Japanese depression of catch where can be used to argue for larger Japanese allocation of catch within 200 nautical miles limit.
- 3) Need regional management boards.
- 4) Call in foreign processors in big years
- 5) No competition in Fishery - Permanent Fund should be used for more development financing.
- 6) Policy on ANRC + STAB - don't use to subsidize foreign corporations
- 7) Recommend Federal arbitration, not State. Settlement by March, as market conditions are known by then. Federal arbitration because doesn't trust state.

Richard Johnson - Fishermen

- 1) Toyiak - completely arbitrary in purchasing very hard on local gillnet boats, as opposed to outside country-linked boats who could sell their fish.
- 2) Complete Japanese domination = sell Fishermen their gear (nets, etc) as well as control of market
- 3) Must be other buyers = state must help set up market alternatives.

9/

Comm. Weber = market development progressing  
on a couple of fronts - money fish and  
volume bottomfish.

~~mitch~~  
John Eckert - Comm. Planning Commission

1) Question of state lease of property  
Does state have zoning control over  
~~the~~ private use of property once leased  
out from state.

A - a) need change in state law to let  
local ordinances apply to state law

b) Problem with state land disposal adhering  
to local plot requirements

2) Sanitation problem in King Salmon.  
~~septic waste~~ waste disposal at  
airport ramp - people are starting to  
live on leased land without authorization  
by lease

3) Question on limited entry

4) BB Advisory Council - designation of  
regional areas = BB takes into area  
from Piteloff's, Toziak, Rheguik, Rodick's  
Boundaries should be changed to reflect  
extreme difference between Rodick's/Abentia  
Fishes and BB Fishes

10/

5) Gov's Office = Nahuch + Dillingham people had  
be asked to be notified of BoF F+G  
vacancies and tentative appointments

6) Foreign processors = look for a way to  
exclude the Japanese, as they are  
here already.

2) Need higher agency budgets - Fire, Pub Safety  
~~Ralph Duggan~~

McBride - make Turk Force effort more permanent.

# Report: beef up Bristol Bay police

Associated Press

**Juneau** — Hoping to avoid a repeat of last summer's tense strike by Bristol Bay salmon fishermen, a special task force has proposed the state spend \$320,000 to beef up police patrols in the bay this year to thwart violence if another strike occurs.

The task force also has recommended the state fund a \$50,000 marketing survey for Bristol Bay salmon.

Fishermen's marketing associations in the bay have lobbied for the survey, which they say would provide needed information during price negotiations between fishermen and processors.

The task force appointed by Gov. Jay Hammond issued its report Monday, and Hammond endorsed the group's recommendations.

Hammond said he will seek funding from lawmakers for increased police patrols, to include five additional surveillance boats and added helicopter patrol time. He also pledged \$50,000 from his contingency fund for a marketing survey to be completed by May 15.

"Coming on the heels of strikes in 1979 and 1980 this year's fishing season is important," Hammond said.

"Given our international commitments, there is a serious question as to how long other nations which are currently forbidden to take Bristol Bay salmon will remain quiet while millions of fish are wasted during domestic price disputes."

Last summer, an estimated 21 million red salmon swam upstream while striking fishermen were locked in a price dispute with processors.

"The two major concerns we have are a desire to safeguard an adequate harvest of Bristol Bay reds as required under terms of international law and a curtailment of possible violence and other illegal activities in the bay," Hammond said.

The task force named by Hammond to investigate the Bristol Bay fishery includes former attorney general Avrum Gross and six top state officials, including the commissioners of Public Safety, Fish and Game, and Labor.

In its report, the task force said fishermen historically have relied on violence and intimidation during price negotiations. Over the years, a wedge of animosity has separated fishermen and processors, dating from the time when fishermen were

employees of the canneries.

"Whatever the cause, the bargaining process by which prices are set in Bristol Bay is primitive in nature," the report states. "Communications are poor, the element of threat is constantly present, distrust is high."

"...the state must make a clear statement to the effect that intimidation cannot be a regular part of settling prices..."

The task force said the "whole thrust of the state's effort should be to create a climate within which the parties can work out their own dispute."

While the state has a "clear interest" in helping find a better way to negotiate price settlements, the task force warned that every opportunity should be given to fishermen and processors to develop a system of settling salmon prices without risking strikes.

Members of the task force said more drastic government action — such as opening the bay to foreign processors and fishermen without limited entry permits — was considered, but rejected.

However, the task force plans to monitor what happens in the bay this

year and make a second report to the governor after the season.

In addition to economic losses to fishermen and processors and the threat of violence created by a strike, the task force said the situation is complicated because the salmon are a resource that belongs to the people of Alaska — not the fishermen or processors.

That means a strike can result in waste of the public's resource, the task force said.

An attachment to the report details the Department of Public Safety's "contingency plan" for guarding the bay in the event of a strike this summer. In addition to increased boat and helicopter patrols, the plan outlines procedures for handling prisoners in the event of arrests.

The plan is outlined by Col. T.R. Anderson, director of State Troopers. Anderson states that last summer's strike "resulted in numerous threats of violence, some alleged assaults, and some instances of boat ramming, including one incident in which the Department of Public Safety vessel, Vigilant, was rammed by a fishing boat."

# 1981 rerun of Bristol Bay woes unwanted

The Associated Press

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# Bristol

# Bay

# blues

May  
1980  
Alaska  
fisherman

## Situation deteriorates as record runs approach

by Rodger Painter

Someone with a sense of black humor might find delicious irony in the situation taking shape in Bristol Bay.

Seven years ago the bay was declared a disaster area when salmon harvests hit all-time lows. Fishermen, processors and shoreworkers were told bells would have to be tightened in order to build future runs.

Political wheels were set in motion, eventually resulting in a new treaty with the Japanese to pull devastatingly effective high seas gillnet fleets off Bristol Bay salmon. The disastrous years in the Bay also provided a major impetus to the move to impose limited entry on Alaska's salmon fisheries as a way of protecting residents dependent upon fishing.

Now that the runs have been rebuilt to record levels, the seafood industry is faced with an economic crisis of a different sort—too many fish. A gloomy economic outlook is compounded by the politically explosive prospect of scores of permit-holding resident fishermen sitting on the beach while non-residents fish salmon runs unparalleled in Alaska's history.

Even the treaty with the Japanese could be threatened by the growing certainty millions of salmon will be going to over-escapement or dumped for lack of buyers.

The Japanese could gain considerable strength in a move to relocate the "salmon abstention line" if 1980 proves to be the third consecutive year of underutilization of Bristol Bay salmon, according to Chuck Meacham, the state's director of international fisheries. Domestic processors were unable to keep up with 1978 and 1979 salmon catches in the bay, escapement goals were greatly exceeded in some systems and millions of pounds of salmon reportedly were dumped by fishermen.

The situation was deteriorating rapidly as the fishing season approached, and the specter of blood being spilled on the fishing grounds was being felt from Western Alaska to Juneau.

By mid-May there had been no serious negotiations between fishermen and processors over fish prices, and the prospect of a settlement by the June 8 sockeye salmon opening date was growing dim. Some buyers, most notably Whitney Fidalgo Seafoods, had made 40-cents-a-pound offers for sockeyes, well below what most fishermen were willing to accept and less than half the average 1979 price.

Doubt was beginning to mount that a strike could be effective, primarily because of the estimated 400 fishermen who could find no major buyer willing to take them on. Processors also issued warnings that striking fishermen would be replaced.

News from other fronts was similarly dismal:

- New England Fish Co. went broke (see page 18), increasing the estimated processing capacity gap by up to 1.5 million salmon.

- Supplementing domestic production with foreign processing was all but ruled out.

- Markets for frozen sockeyes had shown no notable signs of improvement.

- Some processors were having difficulty locating sufficient front-end money to put up the summer's salmon pack.

Everything seemed to add up to a potential economic disaster for the seafood industry in Bristol Bay this summer. Although no one would escape unscathed, at the head of the bankruptcy lines would be fishermen who had invested up to a quarter of a million dollars to fish in a bay in which they had never dipped a net.

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State and federal authorities have spent a great deal of time trying to figure out how to handle the bonanza harvests expected in Bristol Bay. So far, however, nothing concrete has come as a direct result.

Gov. Jay Hammond appointed a panel

of state officials in November, 1979 to deal with Bristol Bay. Hammond and task force chairman Charles Meacham met initially with fishermen and processors in separate December meetings, at which time the state set two deadlines: Feb. 1 for a processing capacity assessment and March 1 for a price settlement.

A preliminary capacity report by the task force was circulated at a second round of meetings with the industry in February, but processors were unhappy with the figures and it was sent back to the drawing board. The final report released in March set the production gap at 3.2 million of the state's forecast of 37.1 million sockeyes. Notably absent was any mention of the projected pink salmon catch of 14 million fish.

The capacity report came under immediate fire when it was presented to a March 5 legislative hearing on Bristol Bay.

House Majority Leader Nels Anderson said he had to "hold suspect" the figures claimed in the report. Others were more blunt in their criticism.

"They're giving us a line of bull on that," said fisherman Harvey Samuelson over a telephone connection from

Dillingham to a committee hearing room in Juneau.

Other critics were quick to point out the estimated capacity to handle 35.4 million sockeyes was 50 percent higher than the amount packed in 1979 when large amounts of fish were dumped overboard.

Skepticism over the capacity figures wasn't the only problem the task force faced. Consider these events:

- The North Pacific Fishery Management Council rejected 6-5 a task force recommendation to allow foreign factory ships to handle surplus Bristol Bay salmon in federal waters under joint venture operations with domestic plants.

- Spain, Germany, Norway, Poland, Russia, Korea and Canada all were willing to send factory ships to Bristol Bay, according to Meacham.

- The joint venture proposal met with heavy opposition from members of the Alaska Board of Fisheries at a task force meeting in April.

- Fisheries board chairman Nick Szabo cited the lack of guarantees Japanese buyers would be kept out if the joint ventures were approved. Szabo said board

members were unalterably opposed to any arrangements potentially leading to displacement of established markets for Alaska salmon.

To win the board's support for the joint ventures, Hammond promised not to allow foreign factory ships into Bristol Bay, unless the board supported the move. When Fish and Game Commissioner Ron Skoog polled board members by telephone in early May over whether to let in foreigners, the tally was six to one against.

- Staunch opposition from national labor leaders killed a request for a waiver of federal laws blocking the use of foreign tenders to haul surplus Bristol Bay salmon to other Alaska ports.

- A cloud was cast over one of the task force's biggest accomplishments—the use of foreign tenders to haul fish outside state waters—when New England Fish Co. declared bankruptcy. Nearly all of the fish expected to be hauled to British Columbia under the plan was to be supplied by Nefco.

The only apparent direct achievement of the task force was the successful lobbying effort gaining temporary waiver of federal pollution laws closing processing plants in Anchorage, Petersburg and Ketchikan.

# bristol bay

(Continued from page 1)

Meacham said the reopened canneries were expected to handle relatively small amounts of Bristol Bay sockeyes.

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There's one thing in which all sides of the Bristol Bay effort are in wholehearted agreement—an early price settlement between fishermen and processors is crucial.

The ability of domestic processors to handle the projected catches is tied closely to even distribution of fishing effort. The fish going by in the early part of the runs, if fishermen tie up their vessels in a price dispute, would be harvests lost.

As of May 13, said Truman Emberg, director of the Bristol Bay fishermen's group Western Alaska Cooperative Marketing Association, there had been "no serious negotiations" over sockeye and pink prices. Emberg accused cash buyers offering 40 cents a pound for sockeyes of trying to exploit the fishermen with no markets.

Fishermen recognize the problems processors are having with depressed markets for frozen salmon, but that "doesn't justify fishing for one-third of last year's price," Emberg said.

Officers of the Alaska Independent Fishermen Marketing Association (AIFMA) also were distressed at the lack of price talks. Other than an "ultimatum" from Whitney Fidalgo Seafoods, AIFMA has been unable to get a firm offer from

processors, said Mel Olsen, secretary-treasurer of the Bay's largest fishermen's association.

At first, Whitney sent its fishermen a proposal for a sliding sockeye price geared to the amount of salmon harvested in Bristol Bay. If catches topped 33 million sockeyes, the price would be 40 cents a pound, under the formula. For a sockeye harvest of less than 8 million, Whitney offered to match AIFMA's 72 cents a pound request.

That offer was withdrawn later in favor of a proposal for 30 cents a pound up front and the rest, if any, to be determined by Whitney Fidalgo," Olsen said.

Neither offer was sent to AIFMA as agreed to in the 1979 contract with Whitney, Olsen said, adding a lawsuit was under consideration.

Olsen said he thought most processors eventually would attempt to bargain in good faith, although he expressed concern about the lack of talks to that point.

Significantly, by mid-May there had been no formal request for the state to step in to mediate the price negotiations.

Processors, meanwhile, were attempting to closely examine the markets for sockeyes before setting fish prices. Many of the processors were burned badly in 1979 when they agreed to pay fishermen up to \$1.25 a pound for sockeye only to have the market collapse.

Scott Jacobsen, a vice president with Icel Seafoods, said processors were attempting to deal with a market situation where retail prices for sockeyes in Japan are "lower than what we paid to fishermen in Bristol Bay" during 1979. "It's a question of whether we can sell (inventories of frozen sockeyes), not what price we can get."

Rick Lauber, lobbyist for the Pacific Seafood Processors Association, (which represents nearly all of the bay's processing capacity), labeled as "asinine" assertions by fishermen that canneries were attempting to exploit the weak market situation.

"Every processor I know is doing everything they can to pack as much fish as possible," Lauber said. Among other things, he added, efforts to fly fish out of

Alaska fishermen, May 1980, page forty

the bay will make the major airstrip at King Salmon "one of the busiest airports in the state this summer."

Still, many fishermen felt, as one put it, "Processors are going to try to get well in one year at the expense of the fishermen."

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The legislature's part in the Bristol Bay planning effort was to put together a \$75 million loan program to aid resident-owned processing plants having trouble locating "pack financing."

Written by key lawmakers in both houses, the loan package put \$15 million into the Alaska Renewable Resources Corporation and \$12 million into the Alaska Commercial Fishing and Agriculture Bank (CFAB). Through its participation in the federal farm credit system bonding program, CFAB is able to use the \$12 million to "leverage" \$60 million.

To make money available in time to finance front-end expenses for summer operations, the state initially set aside \$40 million to cover loan guarantees until CFAB's "leveraged" money comes in.

The complex financing arrangement initially created a great deal of confusion, which — when coupled with unrelated political maneuvering — sent the proposal back to committee for more work the first time it appeared on the House floor.

After finally passing the House by wide margins, the loan bills were stalled in the Senate along with other fisheries legislation "held hostage" to put pressure on the two legislators most interested in them — House Speaker Terry Gardiner and Senate President Clem Tillion. On May 13, the Senate sent, by an 18-0 vote, the \$75 million loan package to Hammond for signature into law.

Supporters argued the loan money was desperately needed to aid small resident-owned processing companies who don't have ties to easy sources of financing from Japanese buyers. The intent of the program is not to bail out faltering non-resident companies like Nefco, but to give a boost to financially sound resident-owned processors, backers said.

Just how much the loans will help in

(Continued on next page)

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Bristol Bay is going to be difficult to judge, although the apparent impact will be minimal.

For instance, processor lobbyist Lauber said the state loans probably "would not reach a significant portion of the industry." Others confirmed that opinion, including CFAB president Gary Anderson, who admitted he was "really surprised" the bank hadn't been contacted by interested processors as a result of the publicity the \$75 million loan program had generated.

All of the money is likely to be spoken for, however, as most companies cannot afford to pass up money available at two percent under going interest rates. Ocean Beauty Seafoods spokesman Byron Mallot said the resident-owned processing chain probably would apply for the money, despite previously having enough front-end capital put together, strictly from a competitive standpoint.

Bristol Bay fishermen representative Hamberg had a somewhat different view of the loan program, saying he was afraid the subsidized money would go toward bankrolling cash buyers trying to drive prices down to unreasonable levels."

\* \* \* \*

When it comes to the question of foreign processing, Hammond is in a "damned-if-you-do, damned-if-you-don't" situation.

If the governor lets foreign factory ships into state waters, there's no legal way to block out the Japanese, who are the most likely buyers to show up on the fishing grounds. Since Japan purchases virtually all of the sockeyes frozen in Bristol Bay (about half the total 1979 pack), every unprocessed salmon Japanese buyers get is one less fish domestic processors will be able to sell.

Thus, a "yes" decision could mean bankruptcy for domestic processors unable to move large inventories of salmon for the second consecutive season, causing a chain reaction in other fisheries in which bay processors play major roles. It also would make enemies of shore workers losing processing jobs to crews on foreign factory ships.

If no additional capacity is brought in,

however, the governor could be looking at the wastage of millions of harvestable salmon and an estimated 400 permit-carrying fishermen sitting on the beach during the biggest runs in history. The situation would strike home with Hammond, a former Bristol Bay gillnetter who relied heavily on support from fishermen in both of his gubernatorial elections.

As time began to run out and options disappeared, it was becoming clear to nearly everyone involved that domestic processors would be swamped with fish, provided runs come in as expected. Reliable sources confirmed Hammond was considering reneging on his promise to the Board of Fisheries not to unilaterally bring in foreign factory ships.

An eleventh hour invitation isn't likely to attract much interest, however, as similar last-minute decisions in 1978 and 1979 were abysmal failures. Indeed, the purpose of the six months of planning was to avoid this very position.

In trying to figure out what went wrong, Hammond will find a lot of fingers pointed in the direction of task force chairman Meacham.

Source-after-source in the Hammond Administration, as well as legislators, processors and fishermen following the task force, were highly critical of Meacham's handling of the planning effort. None of the critics, however, were willing to voice the strong denunciations on the record.

Meacham has come under heavy fire for ignoring suggestions for alternatives to foreign processing, botching the political strategy and planning for only a 3.2 million salmon shortfall in processing capacity when, realistically, the gap appeared to be much larger.

Meacham discounts much of the criticism as a misconception of the task force's role.

The task force was a "fact-finding group, not a regulating group," Meacham said. "Everyone is trying to escalate it to the governor's office...there shouldn't be anything laid at my doorstep."

His role as chairman of the task force was only to coordinate work done by

(Continued on page 13)

## Bristol Bay

(Continued from page 41)

various state agencies, Meacham said. Specific criticism would be more appropriately directed at whatever department or individual responsible for the particular piece of work, he said.

Meacham defended the capacity figures as the "best possible." The charge of the task force was not to conduct a lengthy analysis of the information supplied by processors, but merely to collect facts, he said.

The biggest reason for the political failures was the "lack of groundswell support" from the seafood industry, Meacham said. "I felt very naked without the support" of fishermen, processors and shore workers in the effort to win approval of the joint ventures.

Overall, Meacham said, he is satisfied with the job of the task force, although there were "some disappointments."

\* \* \* \*

Senate President Tillion, also chairman of the North Pacific Fishery Management Council, is more philosophical than most observers about the situation taking shape in Bristol Bay.

"Bankruptcies are the Epsom salts of the free enterprise system," Tillion said. "You got to have them every now and then to flush things clean."

Orbeck mediates dispute

6/12/80

# Fish price standoff looms

Anchorage Daily News

By JEANNE ABBOTT  
Daily News reporter

A standoff loomed large Wednesday as mediation between Bristol Bay fish packers and fishermen entered its second day here.

"We're trying to get them together, but it isn't easy, and we're not near any stage of agreement," said Ed Orbeck, the state's commissioner of labor and official mediator between the opposing groups.

"They have a good attitude — the fishermen want to fish and the processors want to can. But I don't think the issue will be resolved this week."

Orbeck entered the dispute Monday at the request of commercial fishermen belonging to the 778-member Alaska Independent Fisherman's Marketing Association. Also involved is the Western Alaska Fisherman's Marketing Association, with another 350 fishermen as members. The groups represent about half of the registered fishermen in the bay who will be involved in the sockeye salmon harvest.

Orbeck has been meeting separately with association leaders and various processors including Nelbro Packers, Alaska Packers Association Inc., Bumble Bee Seafoods, Columbia Ward Fisheries, Diamond-E Fisheries and Peter Pan Seafoods.

The commissioner is being assisted by his deputy Glenn Lundell, and by the state's acting director of commercial fisheries, Steve Pennoyer.

With a record harvest of 37 million sockeyes forecast for Bristol Bay this season, and the run predicted to strengthen by June 23, pressure appears to be mounting for a settlement.

One snag that still must be resolved is the absence of two major processors, Whitney-Fidalgo and Icicle Seafoods, in

the negotiations. One reportedly told Orbeck that they found no impasse, and the other informed the commissioner that contract talks between fishing groups had already been dismissed.

Although there is a hush around any mention of price difference, the spread seems to fall somewhere between 40 and 70 cents per pound for reds.

"I don't think fishermen understand the deep problems we face," said one processor who asked not to be identified. "If we can't market this product at a profit, we're not going to process it. This is an enormous gamble."

He listed a series of troubles, including:

- a domestic recession, particularly on the East Coast, which will make canned salmon unappealing if it is priced too high;

- a surplus of frozen salmon in Japan, caught by their own fishermen off neighboring islands and Russia, which restricts the market for American-caught salmon, and

- the relationship between the dollar and the yen which "makes it hard for the Japanese to pay the prices they used to pay."

Said the processor: "The only way to move the salmon is to significantly reduce the price ... Remember, the market may have to absorb a substantial run this year."

But commercial fishermen say their figures on wholesale canned salmon prices show "the market is good and processors can pay the asking price."

Dave Milholland and Mel Olsen of the Alaska Independent Fisherman's Marketing Association said Thursday, "We admit we'll have to bite the bullet this year, but we're not asking 80 cents or \$1.25. Our people are reasonable."

The figures he quoted were prices paid last year.

The fishermen also said the current impasse was not un-

usual. "Since 1969 we've never settled in any other month except June, except once, and that was in July," said Milholland.

"We hope it will be settled by the middle of next week so fishermen won't lose valuable fishing time. But we're trying to protect fishermen against the possibility of a small run rather than settling for a low price and assuming a large run. Before you catch a million fish, you have to catch one," Milholland said.

# editorial

If the Bristol Bay salmon fishery follows early indications, someone in Alaska's seafood industry stands to get burned. Right now, the most likely fall guys are the fishermen.

When it comes time to sort through the aftermath, the role of state government in the situation ought to be examined closely. Politicians often are the scapegoats for the economic problems of the increasingly regulated seafood industry, but this time a strong case could be made for pointing a finger of blame toward the governor's office.

Last fall, Gov. Jay Hammond had the foresight to recognize the seriousness of the problem involved in handling the 50 million salmon catch forecast for Bristol Bay in 1980. Hammond appointed a task force of officials to throw the state government's weight behind the push to find a solution.

By assembling representatives of the seafood industry and saying, essentially, "We want to help. Here's what we want done," the Hammond Administration assumed a leadership role. With leadership should come responsibility for what was or was not accomplished.

Under the most wildly optimistic prediction, Bristol Bay processors will fall 3 million salmon short of handling the available harvest. Other assessments have millions of fish added to that gap, including massive dumpings of catches no one will buy. The gloomiest soothsayers paint a picture of blood on the fishing grounds with fisherman pitted against fisherman.

While processors aren't going to escape a disaster unscathed, events are shaping up more to their advantage.

The condition of world markets for frozen salmon hasn't improved significantly and moving massive volumes of Bristol Bay sockeyes isn't going to be easy. With foreign processing of excess sockeyes only the remotest of possibilities, the prospect of competition in the world marketplace for cheap salmon should be greatly diminished. And, if predictions by fishermen of pared-down fleets strapped with low individual catch limits materialize, there may be no glut.

Locating front-end money to finance summer operations now appears to be a non-problem with apparent approval of a \$75 million state loan program to aid the smaller resident-owned companies.

The outlook for fishermen provides little room for optimism. Most fishermen have gone heavily into hock to gear up for the bonanza runs of 1980, and avoiding going broke will mean demanding decent fish prices or locating a buyer willing to take unlimited catches.

Caught in the biggest bind are those fishermen who have been cut loose by the canneries. Price disputes aside, indications are that most of the estimated 400 fishermen without buyers will be long-time residents of Bristol Bay. Yes, those are the same fishermen who suffered through many hard times in the Seventies in sacrifice for the health of future

runs. If the record harvests come about and local fishermen end up sitting on the beach while non-residents fish, there's bound to be a political backlash.

Unfortunately, there doesn't appear to be much that anyone can do to change the situation at this point. Six months ago, who knows?.

The special task force appointed by Hammond put more than six months of effort into trying to figure out how to best handle the 50 million salmon. What the task force produced was a processing capacity estimate that flew in the face of the reality of the marketplace and a political strategy that failed at the slightest challenge.

When assessing what went wrong, Hammond should start right at the top with special task force chairman Charles Meacham, the governor's director of international fisheries. So far, however, Meacham is unwilling to accept any responsibility for the end state of affairs in Bristol Bay.

As the situation deteriorates, Meacham has taken to pointing fingers at people to whom he parceled out specific assignments and counted on for support. It's very clear, however, who was in charge of the task force, who shaped its direction, and ultimately who was responsible.

The task force failed to analyze the production figures fed by processors, as, in Meacham's opinion, the charge was only to report what processors gave as estimates. Never mind that the 50 percent increase in projected capacity in one year came at a time when the industry was reeling from a disastrous market collapse and that many companies were saying they were at the verge of bankruptcy.

According to source-after-source, Meacham doggedly pursued one—and only one—method of dealing with the processing capacity gap: foreign processing and/or markets. This came despite strong opposition from most quarters to bringing in the foreigners.

Another plan Meacham chose to pursue was a waiver of federal laws prohibiting the use of foreign tenders from carrying Bristol Bay fish to other Alaska ports. This, too, was doomed to inevitable failure because of staunch opposition from national labor leaders.

Board of Fisheries officials were perplexed at Meacham's absence at the spring meeting of the regulatory body to present, explain and defend the task force proposals. The eleventh hour attempt to gain an endorsement by the North Pacific Fishery Management Council of joint ventures in the 200-mile zone to handle Bristol Bay salmon also failed.

Some of the task force's work may prove valuable, particularly the lobbying of Washington, D.C. for temporary waivers of federal pollution standards that would have closed down at least three canneries this summer. The plants, located in Anchorage, Petersburg and Ketchikan, are expected to handle some Bristol Bay fish.

When everything shakes down, however, it appears Hammond will get a hefty dose of blame for any disaster that occurs in Bristol Bay. That blame would be more appropriately directed at Meacham.

# 1,500 jobs rest on Bristol fishing, city report says

*- Anchorage Times 6/24/80*

by Karen Ranspot  
Times Writer

Striking Bristol Bay fishermen may hold the jobs of as many as 1,500 Anchorage residents in their hands. And there's a chance Anchorage could take Bristol Bay salmon marketing away from Seattle.

These are two of the surprising items in a new city report on the fishing industry in Anchorage. The information was compiled over the past three weeks and the report was released Monday.

"Nobody had really gone out and found out what (fishing industry) was here," said James Hemming of Dames & Moore, the consulting firm that prepared the report for the city.

When the municipality asked Hemming to do the report, he had no idea what he'd find.

What he found was 1,500 Anchorage jobs dependent on salmon fishing and most of these dependent on the Bristol Bay fishery.

He also found a fish processing capacity of 33 million to 43.5 million pounds, a capacity that is more than double last year's. That is something even the state didn't know.

And with a peak 1980 harvest, this increased capacity of 12.5 million to 16.5 million pounds could almost offset the 18.3 million-pound processing deficit reported in by the state in March. The increase in Anchorage processing capacity wasn't included in the state report.

It's too early to know what effect the Bristol Bay strike will have on Anchorage, Hemming said, since the peak harvests are in July. If the strike is settled quickly, there would be little effect. If the strike drags on, the effect could be serious.

According to Hemming's report, most of the 1,500 jobs are in fish processing and fish transportation. The majority of these jobs are seasonal. Most of the people haven't started working yet, Hemming said, and they won't if the strike continues.

There are six processing plants in Anchorage: Whitney-Fidalgo, Seapro, Martin Seafood, Alaska Salmon Co., Al-Aska and Alaska Gourmet. In addition, three trucking firms — Sea-Land, Totem Ocean Trailer Express (Tote) and Air Land Transport — are involved in the Anchorage fisheries industry.

One of these firms, Sea-Land, may end its local trucking operation when their current contract with the Teamsters expires on July 1, according to the report.

Moving fish from Bristol Bay to market presents another problem. Transportation of fresh and frozen fish must run smoothly and efficiently to minimize spoilage, and the disorganization of the industry makes the logistics of rapid transportation difficult.

"It's not an organized effort (delivery of fish)," Hemming said. "A large cooperative or marketing group would help. There's also the shortage of cold storage in both Bristol Bay and Anchorage."

With so many transfer points between the fishing boat and the market, there's the potential for delay at several points. And a delay can result in spoiled fish. A more organized effort could cut down on the potential for delay, Hemming said.

Anchorage processors can hold about 4.3 million pounds of fish, but the bulk of the fish must move rapidly out of Anchorage to market or to storage facilities in Seattle, the report said.

The need for rapid transfer to Seattle could be eliminated if cold storage facilities in Anchorage were increased. And although the report recommends a detailed study on de-

(See REPORT, Page A-3)

(Continued from Page A-1)  
veloping greater cold storage capacity in Anchorage, it cautions the linkage between Anchorage and markets must first be perfected.

If Anchorage can help develop the emerging markets in the Lower 48 and work out a transportation system, Anchorage could replace Seattle as the storehouse of Alaska fish, the report said.

"Alaskans catch the fish; however, Seattle firms control the economic destiny of Alaska fisheries participants," the report said. It recommends a re-ordering of the industry.

As a natural center for marketing and brokerage activities of fish, Anchorage must be able to handle inventory control for a year's supply of fish, the report said.

And despite a better developed transportation infrastructure in Seattle, Anchorage's location gives it a marketing advantage over Seattle. "It saves time and money to go direct from Anchorage to the Lower 48 and bypass Seattle," the report said.

■ ■

Anchorage Daily News

## Tension

# grows in Bristol Bay

6/24/80

By JEANNE ABBOTT  
Daily News reporter

Settlement of a price dispute between fishermen and Bristol Bay packers took on "growing urgency" Monday as the sockeye salmon run began to build.

Fish already are streaming into the nets of fishing crews west of Bristol Bay in the False Pass area of the Aleutians, a site that hosts the sockeyes a week or two before the larger Bristol Bay fishery. Catches of 400,000 reds were reported Tuesday and Saturday last week in the False Pass district.

But for the hottest fishing areas in Bristol Bay proper, officials reported Monday no agreement on a per-pound price for red salmon was yet in sight.

"Someone's got to make a move, but no one has yet," said Truman Emberg of the 350-member Western Alaska Fisherman's Marketing Association. He said the range was still between the association's asking price of 80 cents per pound and an offer of 45 cents.

"Anything is possible," Emberg said about the chances of settlement this week. "But no one is panicking yet. Fishermen are waiting it out. It's still early."

The run in Bristol Bay is expected to build to a peak on July 4 and result in a record harvest if the two sides can come together.

The 778 members of The

See Back Page, FISH

## Fish

Alaska Independent Fishermen's Marketing Association also are sitting out the beginning of the run and, Emberg said, most other unaffiliated fishermen were following suit.

"It's a tough situation. So far I haven't seen a whole lot of agreement," said Steve Pennoyer, acting director of the Division of Commercial Fisheries. "By Thursday or Friday it's going to get pretty uncomfortable."

Quoting figures from a similar run in 1965, Pennoyer said the harvest was 1.6 million fish in the Naknek-Kvichak District by June 26.

"At that point we start talking about hours, not days," he said.

In a 24-hour period on June 27 and 28, 2.7 million sockeyes were caught in 1965. Millions

Continued from page A-1

more were caught in the following two weeks: 1.6 million on June 30, 1.6 million on July 1, 1.9 million July 4 and 5, 1.7 million June 6 and 7, and 2.3 million July 8 and 9. Another million were harvested July 10 and 11, and in the 194 hours from July 11 to July 19, another 4.2 million reds were taken.

Pennoyer also said the history of labor disputes in Bristol Bay was not always related to peak years in a salmon cycle, such as this one is.

And Emberg said his fisherman sat on the beach until July 9 one year awaiting a contract.

Last year, fish packers paid 80 cents for fish to be canned and \$1.25 for fish to be frozen.

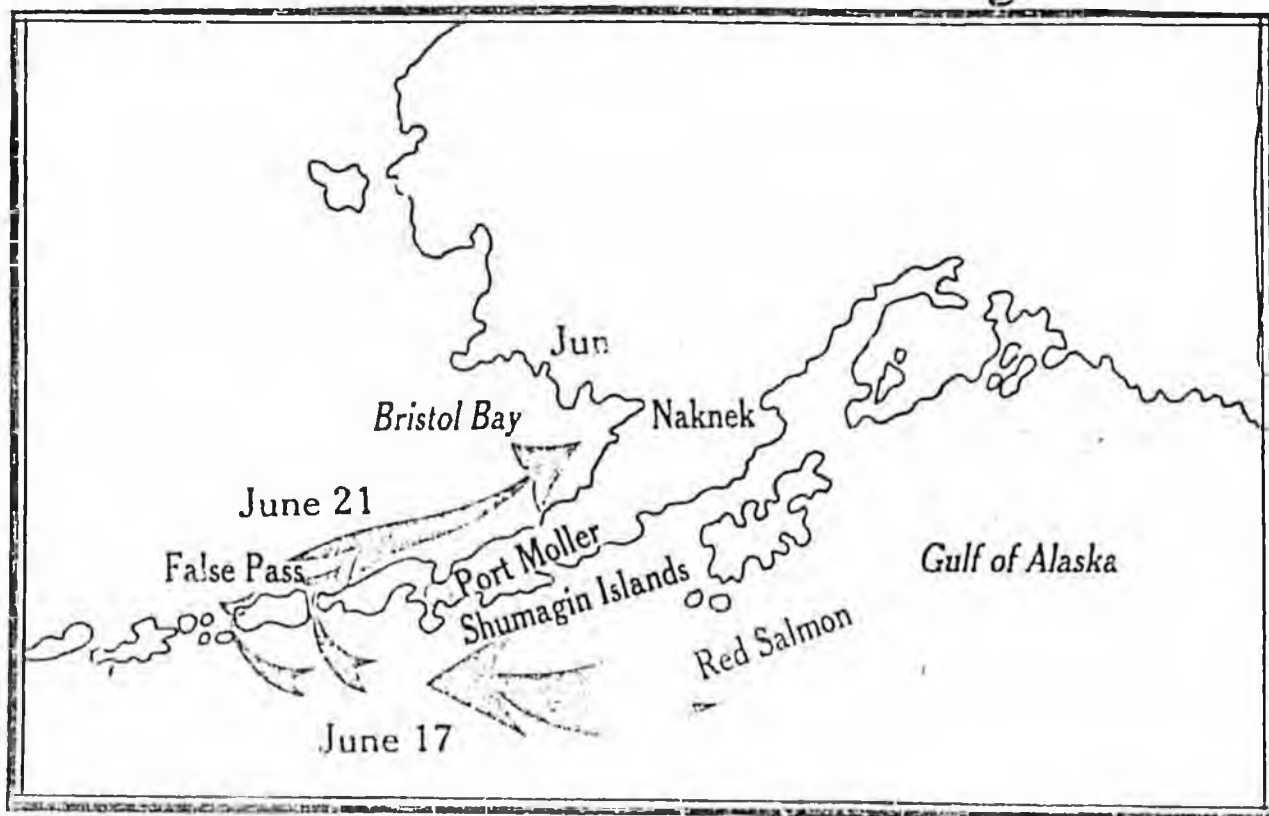
International marketing problems in the face of a glut of fish in Japan are affecting price considerations.

Anchorage Daily News

6/24/80

# Strike goes on; huge fish run

Anchorage Times 6/25/80  
enters Bristol Bay



Arrows show migration of Bristol Bay red salmon

by Bill Blessington  
Times Outdoor Editor

As tens of millions of red salmon began arriving today in Bristol Bay, the entire 1,700-boat fishing fleet remained on strike for higher fish prices.

"We heard on the radio yesterday that both unions were going out this morning," said one independent fisherman. "They said they would be sitting on the beach and that if we were smart we'd do the same thing."

"I'm not going to fish."

The governing board of the 788-member Alaska Independent Fishermen's Marketing Association met Monday in Naknek and voted to reject the 40 cent per pound price offered for red salmon by the major Bristol Bay packers.

In Dillingham, the board of the 350-member Western Alaska Cooperative Marketing Association did likewise and told members not to fish for king salmon today because of the possibility that large numbers of red salmon would be caught in king gear.

The only fleet presently operating is near False Pass and Unimak. Catches there have been heavy, according to the Alaska Department of Fish and Game, confirming predictions that the Bristol Bay salmon run

will be the largest in recorded history.

If fishermen and processors can agree on a price by this weekend, they should be able to start their season with a catch of almost 1 million fish a day, according to the Department of Fish and Game.

But if there's no price agreement, those million fish per day, worth \$2.5 million to fishermen and three times that to processors, will be lost.

The majority of the returning adult salmon are coming from ocean rearing areas in the Gulf of Alaska, said Ken Parker, deputy director of the commercial fisheries division of the Department of Fish and Game.

The fish move through the Shumagin Island area, up through the lower part of the Alaska Peninsula by Unimak Pass and then on up into Bristol Bay, he said. The bulk of the fish passed through the Shumagins June 17.

On June 21, the main portion of the run was off Port Moller on the north side of the Alaska Peninsula. By Friday, the bulk of the run will have entered Bristol Bay and will be preparing to move into the spawning stream areas where fishermen are waiting for them.

Fishermen at Shumagin Pass and

South Unimak have taken a total of 2.2 million fish since settling a strike against canneries on June 15.

"And there are indications that a lot more fish are still passing through the area," Parker said.

A year ago, Bristol Bay fishermen ended a strike on June 26. On June 27, they caught 800,000 red salmon in the Naknek-Kvichak districts of Bristol Bay. Even though it's open to commercial fishing, no one is fishing in that area today because of the strike.

Parker said daily catches increase rapidly until the traditional peak on the Fourth of July. By the evening of the Fourth, he said, fishermen in the Naknek-Kvichak district had caught 6.9 million fish.

This year's expected run of 37 million harvestable fish in Bristol Bay is twice as large as last year's run, when 18.7 million fish were taken.

Hardest hit by the fishermen's strikes so far has been the community of Kodiak.

Fishermen there turned down an offer for a 12 percent premium on top of the Bristol Bay price.

Without fish, the town's several thousand cannery workers remained  
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# Strike . . .

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idle. Kodiak fishermen, however, depend more upon the run of pink salmon for their livelihood. That run will begin in several weeks.

"Kodiak is just a little bit different than the outlying canneries," said Chuck Knapp, superintendent of the Pan Alaska cannery there.

"It's local hire here. And there are just a lot of local people who are not working as a result of the strike."

Knapp, contacted aboard his floating cannery Tuesday afternoon, said he was about to move his entire operation to Unalaska because he has been unable to purchase fish in Kodiak.

Statewide, the fisheries employment picture is bleak at this time, according to Hal Hanes, the state seafood industry placement coordinator for Job Service.

"They're all waiting for something to happen," Hanes said from

his Anchorage office. "We've had requests for some local job placements but nothing at all from Bristol Bay per se."

Last year, the state Job Service program put 2,237 persons into seasonal jobs packing fish. Although there has been an increase in the number of Alaskans requested for work by processors, Hanes said the uncertainty over fish prices is keeping daily employment figures at two or three jobs a day statewide.

Even so, most of the canneries in Bristol Bay are staffed with at least skeleton crews this week, according to industry sources.

"We're still waiting for negotiations to begin but a crew is on the way up (today)," said Pat Johnson from Alaska Packer's main office in Seattle.

The Nelbro plant in Naknek has a partial crew on hand today, according to the firm's Seattle office.

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# Fishermen blockade Dillingham harbor

Anch. Daily News  
6/26/80

The Associated Press

**DILLINGHAM** — Several Bristol Bay fishermen blockaded the entrance to Dillingham's harbor early Wednesday, but by noon boats were being allowed to enter and leave, officials said.

The protest involved an estimated 25 boats lined up in two rows across the entrance to the harbor, in what the fishermen acknowledged was an attempt to discourage other fishermen from putting their nets in the water.

Fishermen and processors are locked in a tense dispute over this year's price for sockeye salmon.

The state Department of Fish and Game has predicted one of the largest red salmon runs in history for Bristol Bay.

See Back Page, BLOCKADE

## Blockade

Continued from page A-1

Biologists said Wednesday that large numbers of fish are starting to show up. The run usually peaks around July 4.

The harbor blockade came as the Western Alaska Cooperative Marketing Association asked its 350 members not to fish in the Nushagak District when it opened on Wednesday.

Several hundred boats were reported tied up at Dillingham Wednesday, and Fish and Game Department officials said "only a very few" boats were fishing in the area.

"By noon there were still some people parked there (in the entrance to the harbor), but they were letting boats go through, people that said they weren't going to fish," said one Dillingham resident who asked not to be identified. "Mostly everybody's just kind of waiting to see what happens."

Truman Emberg, business manager of the Alaska Cooperative Marketing Association, said fishermen and processors were still "miles apart" in price negotiations.

And he said there was some resentment among fishermen over a shipment of fish caught in the False Pass area that arrived in Dillingham Wednesday for processing at a Peter Pan Seafoods cannery.

# Cannery:

Anch. Times 6/26/80

## break strike

## or get out

Bill Blessington

Times Outdoor Editor

A major Naknek cannery has told fishermen to break their strike by 9 a.m. Friday or get out.

At Dillingham, meanwhile, the packing fishermen today resumed a partial blockade of the shipping channel. Boats leaving the harbor were warned not to break the strike.

And in Juneau top state officials are renewing efforts at mediating the strike that has Bristol Bay fishermen and the salmon packing industry still "miles apart" in tense price negotiations.

Whitney Fidalgo Seafoods, one of the major Bristol Bay salmon packers in Naknek, began making good threats to punish strikers by giving them an ultimatum: Fish by 9 a.m. Friday or get fired.

"Those fishermen not fishing by 9 a.m. Friday for the company are hereby demanded to leave Whitney Fidalgo premises," company president Denton Sherry said Wednesday afternoon.

"These fishermen should no longer rely on us for a market for their fish, to provide room and board accommodations, or to store their boats and gear."

Sherry's firm, which is 99 percent owned by Japanese interests, offered fishermen 40 cents a pound for red salmon in late February. No increase in price has been forthcoming from the salmon canners since.

The fishermen are holding out for this year's price of 80 cents a pound.

In Dillingham this morning, Alaska State Troopers reported that a small boat harbor was quiet despite attempted blockades today and Wednesday.

"Nobody is fishing that we know of," said Trooper John Olson. "There's a lot of fishermen who would like to fish because fishing is okay, but they're just not doing it."

About 25 boats lined up in two rows at the mouth of the harbor Wednesday, almost blocking it.

It was an apparent show of strength by members of the Western Alaska Cooperative Marketing Association, the local fishermen's union.

The partial blockage of the harbor resumed this morning with 30 boats tied side-by-side almost all the way across the entrance.

Despite the partial blockade, traffic was moving freely in and out of the harbor. But fishermen leaving the scene were being warned by those on the tied-up boats that they had better not be going out fishing.

A large percentage of the fleet in Dillingham left that port last night after Wednesday's attempted blockade broke up.

"A lot of them were going over to Naknek, possibly because it has better camping facilities and because the harbor here is real small. A lot of them were glad to get out of the (close mooring conditions) here," Olson said.

The attempted blockade came after the association's leadership asked members not to fish Wednesday during an open period for king salmon. Although the group has been selling kings for \$1.05 per pound, it was feared that large catches of red salmon would be made incidental to the king catches. The fishermen are refusing to deliver the reds until the price is acceptable to them.

Millions of red salmon have begun arriving in Bristol Bay as the vanguard of what is expected to be the largest run of fish there in recorded history.

State Commissioner of Labor Ed Orbeck, Deputy Commissioner Glenn Lundell and Steve Pennoyer of the Alaska Department of Fish and Game are expected to arrive in King Salmon at noon Friday to

resume their efforts at mediating the strike, which began in Kodiak three weeks ago and spread along the red salmon migration routes into Bristol Bay.

Efforts by the state mediation team to resolve the price dispute during talks here two weeks ago failed when fish packers refused to budge from the 40 cent per pound offer. An estimated 1,600 boats in Kodiak stayed in port rather than fish for 40 cents a pound.

In Bristol Bay 1,700 boats and beach fishermen have been idled by the strike, along with thousands of cannery workers in ports from Cordova to Dillingham.

The only area actively fishing for red salmon at this time is False Pass at the tip of the Alaska Peninsula and southern edge of Bristol Bay.

Fishermen in False Pass ended their strike June 15 by agreeing to accept a red salmon price 6 percent higher than that eventually paid in Bristol Bay.

# Western Alaska economy grinds to a halt; Bristol Bay fishermen blockade Dillingham

*Kodiak Mirror 6/26/80*

## Need for fish market illustrated

By CHRIS BLACKBURN  
Mirror Staff Writer

The continuing dispute over red salmon prices has brought Dillingham's economy "pretty much to a standstill," the area's legislative representative Nels Anderson said in a telephone interview with *The Mirror* this morning, adding that the current price dispute illustrates the necessity for Alaska to develop U.S. and European markets for fish products.

The Bristol Bay red salmon run is not expected to peak until around the 4th of July, Anderson said, which gives fishermen and processors another five days to settle their price dispute.

Right now the people are "really tense," Anderson said. "The fishermen are anxious to get out. The processors are anxious to get product, and I think the fish are anxious to get caught."

The "Bay" has turned away from the "pay after fishing," method of doing business, Anderson said, and with no fish going onto the market there has been a definite drop in economic activity, though the extent of the drop is difficult to determine.

The charter plane service business has definitely dropped off, Anderson said. As long as there is no fishing there is no need for charter planes to fly supplies out to fish camps.

(Continued on Page 3)

Some fishermen have requested that the Bristol Bay red salmon season not be allowed to open, Anderson said, adding that the State of Alaska is required to harvest the fish to the optimum level.

Anderson said he didn't know if biological harm could be caused by not fishing the 1980 run, but under international agreements and the 200 mile limit, fish not harvested by domestic fishermen would have to be harvested by foreign fleets.

The "company store" concept which developed 100 years ago—in which a fisherman's credit, source of gear, food and the market for his fish belongs to one company—has forced fishermen to "toe the line" or risk losing their positions with the cannery.

The "company store" concept is partially responsible for the current price problem as well as the dependency of Alaska on one major market, "which happens to be the Japanese," Anderson said.

"I don't think the Japanese can be blamed entirely," Anderson said, explaining that the problem lay with Alaska's reliance on one major market—"the situation would be equally bad whether the market

were Japanese, German or one major company"—and failure to develop several markets.

"My feeling has always been that Alaska has to take a more aggressive role in providing our fishermen with markets. We have to convince McDonald's to sell salmon burgers and Burger King to sell salmon sandwiches. We have to sell to the Lower 48 and to Europe," Anderson said.

"We have a magnificent product in Alaska," Anderson said, "and we have to get out there and develop new markets."

# Bristol Bay dilemma

By rights it would be an occasion for celebration, but the developing salmon season in Bristol Bay nudges instead at the edge of tragedy both personal and economic. Even as great rivers of sockeye move through the cold waters of the big bay toward the warmer spawning grounds upstream, fishermen and processors are poised for confrontation, locked in a struggle over prices that threatens the annual harvest and perhaps even the safety of individuals.

The greatest run of red salmon in history is expected to pass through the bay this week, a circumstance that ordinarily would have promised record paydays for fishermen, cannery workers and processing companies alike. This year, however, international market conditions combined to set the stage for a bitter dispute over prices that has led the two largest fishermen's associations to call a strike.

Despite mediation by the state Department of Labor and extensive talks between the two sides, the price dispute has not been broken. Striking fishermen have warned their fellows not to venture out to fish until a settlement is reached; a partial blockade of the river in Dillingham underscored the seriousness of the possible strike. Boats sailing beyond the floating pickets were warned not to fish.

Rumors of violence — reports that may themselves help stoke the fires of tension — have been plentiful, indeed. Fishermen headed out to Bristol Bay are abuzz with reports of arms caches, airplane surveillance and more. Some plants have threatened to evict from bunkhouses and boat storage yards any fishermen participating in the strike.

It would be ironic if this projected record run produced not wealth but poverty for the fishermen and fish processors; it would be worse still if a hungry world is forced to watch millions of protein-rich fish go to waste. Surely there is a compromise available that would allow all parties to take mutual advantage of the harvest.

Only good faith and reason can find one. Greed, bitterness and rumor will never lead to settlement, and we hope all the parties will remember that simple fact as time runs out on the record season of 1980.

*Anchorage Daily News 6/30/80*

# Tension builds

*Anchorage Times 6/30/80*

## as fish talks resume

by Karen Ranspot  
Times Writer

Naknek — Leaders of the striking Bristol Bay salmon fishermen met this morning to consider another price offer from packers after a weekend of tension and scattered reports of gunfire and rainmings.

Meanwhile, the state has turned down requests that the fishery be closed until a price settlement is reached. The Department of Public Safety sent an additional 15 Alaska State Troopers to Bristol Bay, and the commissioner of public safety warned striking fishermen that their boats could be confiscated if violence erupts.

Members of the Alaska Independent Fishermen's Marketing Association voted 500-32 over the weekend to reject the packers' latest offer, a 20 percent increase over the 40 cents a pound processors had stuck with for months. That offer is less than half of last year's price.

The rejected offer was 40 cents a pound for frozen salmon and 55 cents a pound for canned, with a guaranteed average price of 50.5 cents. Offers being considered this morning were not disclosed.

Early today a cannery-owned tender made it through a weakened fishermen's blockade and began unloading fish caught by non-strikers.

The fishermen in South Naknek took to their boats Saturday night but they didn't head for the sea and the salmon waiting to be harvested. They remained in the river — the blockade of the Whitney-Fidalgo cannery was to continue.

And at dawn Sunday, the Whitney-Fidalgo blockade had held. But the fishermen's victory was empty. The Saucy Bell, another tender, got through to a barge downriver. Soon 40,000 pounds of salmon would be unloaded.

And early this morning the Wide Bay docked at Whitney-Fidalgo and began unloading. Exhausted after two nights without sleep and apprehensive about the state's warning that boats would be confiscated if trouble started, most of the fishermen slept through the night.

The Saturday night blockade by 200 gillnetters was the second night fishermen had kept tenders from reaching the Whitney-Fidalgo dock, but there weren't enough gillnetters

to blockade every cannery.

Without firing on the fish-loaded scow, the fishermen couldn't stop the Saucy Bell from reaching the barge downriver.

Shots were heard, and fishermen say the Saucy Bell fired on their boats. No injuries were reported.

The gillnetters giving chase to the Saucy Bell heard the voices of their friends and fellow fishermen on Channel 88 of their radios. Some told them to blast the Saucy Bell out of the water, others told them to keep their guns in their bunks.

One of the captains in a boat in front of the Saucy Bell yelled he was going to be rammed. Sunday morning fishermen said boats trying to move between the barge and the dock were hit by the onrushing scow. Damage was apparently light.

And while about 30 gillnetters tried to outrun the Saucy Bell, the fishermen anchored in front of the canneries stood on their decks watching the lights of the gillnetters and the Saucy Bell and watching for another tender to make a run during the confusion.

While they watched, they listened to the radio. One fishermen, a friend of the Saucy Bell's captain, told him to give it up, to stop or turn back.

But the Saucy Bell moved on and as she docked the fisherman shook his head in disbelief. "I don't understand. He was a fisherman. He knows what this is about. Why didn't he stop? He didn't have to go on."

The trooper vessel Vigilant stood by until the talk of guns began. The captain's voice came over the radio. As the Vigilant moved toward the racing Saucy Bell, he warned the fishermen against violence. As the anger built the captain asked to blockade leaders on another channel, and soon fishermen heard the captain would recommend Gov. Jay Hammond close the fisheries until a price settlement is reached.

Finally the captain's voice came through on the radio.

"I will recommend the fisheries be closed before there is violence," he said. Warning that it wasn't his decision, the captain said he would do all he could.

Fishermen echoed their approval but doubted Hammond would act. "If there is bloodshed, it will be on the governor's hands," said one fisherman over the radio.

From Juneau, Commissioner of Public Safety Bill Nix announced the increase in trooper forces in the area "due to rapidly escalating reports of violence, intimidation and destruction of property."

"While we have made every effort to avoid igniting an already volatile situation, it has reached the point where law-abiding citizens are being prevented from pursuing their livelihood."

He said fishermen using violence would be prosecuted.

If a boat is used "as an instrument of a crime (ramming another boat) or it is evidence of that crime, the boat will be impounded until the charges have been resolved," he said.

The Department of Public Safety now has 36 officers, seven aircraft and five boats in the bay.

Nix explained the state's decision not to close the fishery: "If the state were to close the season for any short period of time, the striking fishermen could conclude that they could enlist the aid of the state in getting a good price simply by committing enough acts of violence."

He said closure would invite violence in future seasons.

Despite Nix's public order, fishermen at Clark's Point, a village of about 150 on Nushagak Bay, announced they will continue their blockade around an Icicle Seafood processor there after high tide today.

The fishermen say Nix's handling of the situation has been biased toward processors.

The blockade at Clark's Point was temporarily interrupted this weekend by an outbreak that culminated with an investigation by four troopers Sunday.

Striking village fishermen, angered when Icicle Seafood tenders brought in salmon from other areas for processing, had tied up their around the processors to stop tenders from coming in, but terms were generally peaceful, a fisherman reported.

The start of the outbreak is unclear, but at some point a couple of fishermen reportedly devised a rubber slingshot catapult and began bombarding the processor with eggs, mayonnaise and water bombs. Fishermen said Icicle personnel began cutting mooring lines and ramming the fishing boats with tenders and tugs.

# Bristol Bay

## situation tense

By JEANNE ABBOTT 6/30  
Daily News reporter

NAKNEK — Commercial fishermen flatly turned down their latest price offer for red salmon Saturday night and went to war on the Naknek River — where open hostilities led to an exchange of obscenities across boats and scattered reports of gunfire.

At dawn Sunday, nearly 100 fishing boats were blockading the river for the second time in 24 hours to stop fish deliveries at Naknek canneries. State troopers confirmed that gunshots were fired into the air, but said fishermen were not firing at each other.

"I'd almost call this a 'holy war,'" said one fisherman.

Commissioner of Public Safety William Nix ordered a contingent of 15 additional troopers into Bristol Bay Sunday, saying, "Repeated reports of violence, intimidation and destruction of property prompt the state to take strong steps to preserve peace during the strike."

He said there would be arrests and boat impoundings if the actions continued. A trooper helicopter was due to arrive Sunday night to document any illegal activity with photographs and video tapes, Nix said from Juneau.

That would mean a team of 25 troopers plus the public safety vessel "Vigilant" and Fish and Wildlife Protection officers would be on hand to quell any disturbances. No arrests have been made to date.

The main confrontation occurred after 3 a.m. Sunday, when a loaded tender from Bristol Bay fishing grounds tried to break a line of boats to unload. Fishermen who have refused to drop their nets until the price of fish is settled circled the tender and shouting erupted. Harrassment on both sides led to obscene language and threats, and later there were reports of boat rammings, although the tender finally got through.

Then, at 7:30 a.m., a fisherman defying the almost universal fishing boycott found himself surrounded by strikers and feared swamping in their wake.

"He radioed for help and said he thought he might sink," said public safety officer Steve Reynolds in King Salmon.

"We sent a Grumman goose and a skiff, warned them and they backed off. The guy took refuge with us and bailed out his boat."

Because of the incidents, the Alaska Independent Fishermen's Marketing Association (AIFMA) in Naknek, telephoned Gov. Jay S. Hammond Sunday morning and asked that the fishery be closed until the price is settled.

"We want to make it clear that this is being done by a fringe element," said AIFMA board member Karl Hellberg. The association represents nearly 800 fishermen.

"We do not condone any demonstrations or violence. We are asking our members to act with restraint and avoid confrontation."

But Nix announced Sunday afternoon a decision to keep the fishing grounds open and said,

"We are reluctant to take that step because striking fishermen might conclude that they could get the state to respond by committing enough acts of violence. We'd have to close the entire season to keep fishermen from using violence as leverage to get a price settlement."

Reaction from association executives was swift. "It's a mistake. Someone is going to get killed," said Mel Olsen, who heads the AIFMA.

Tension among fishermen increases daily as the predicted surge of red salmon moves into Bristol Bay. At a rally Saturday many fishermen spoke harshly about the Japanese who own or finance major canneries in the Bay.

One, Whitney Fidalgo, and its president Benton Sherry, are particular targets since they have refused to negotiate prices and threatened to kick fishermen off their dock.

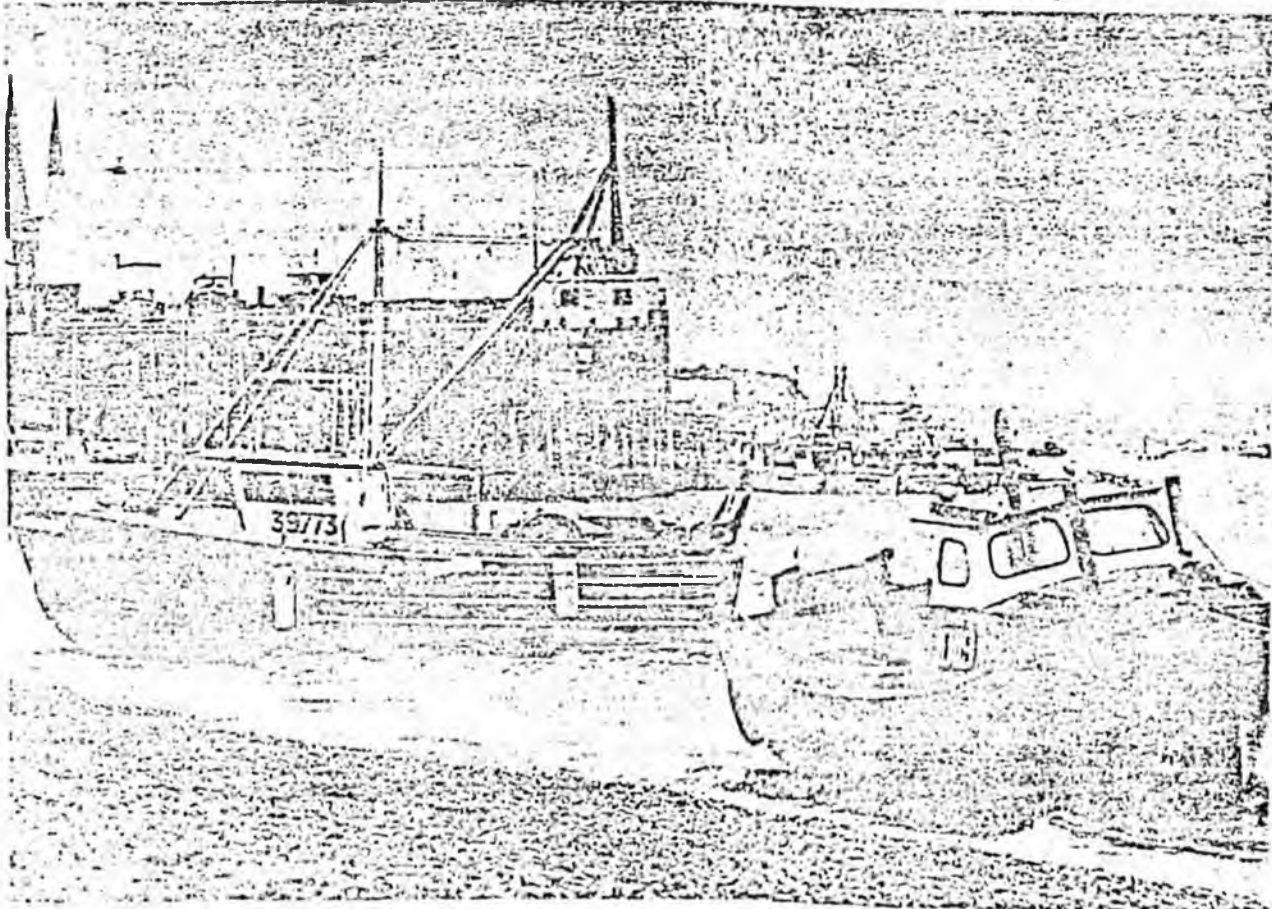
Sherry has kept his price offer at 40 cents a pound, or less than half of last year's price. He refuses to talk with reporters.

"They're all so mad at Sherry it's affecting negotiations," says state labor commissioner and mediator Ed Orbeck, who remained in Bristol Bay this weekend to arrange talks between packers and fishermen.

The latest offer made was 55 cents a pound for canned fish and 40 cents for fish to be frozen. The offer was made by Alaska Packers and was rejected by fishermen Saturday, 5/22-30.

Talks continued Sunday but

See Back Page, BRISTOL BAY



Anchorage Daily News/Marc Olson

Idle boats and angry weather make conditions less than ideal at King Salmon.

## Bristol Bay

no new offer was forthcoming. Olsen said he thought it would be at least three more days before an agreement came.

"I don't see it before then," he said.

"Fishermen are very upset about the Japanese," said Hellberg of AIFMA. "They think the Japanese are deliberately keeping prices low to make big profits at their (fishermen's) expense. My personal feeling is if I'm going to go broke they are, too."

Hellberg and others say investments in boat and gear mean fishermen would need to catch at least 120,000 pounds of fish — if the price were 50 cents — just to break even.

Last year the average fisherman made \$100,000 during the season but claimed the federal government and banks took most of their profits. Hellberg

said fishermen weren't likely to settle for less than 60 cents a pound.

But the politics of the stand-off aren't keeping the fish away. Steve Penoyer, director of the Division of Commercial Fisheries, said Sunday almost 4 million red salmon already were in the Kvichak River — one-third of the season's escapement. Some 500,000 fish had reached the Naknek River, where the escapement figure is set at 850,000 fish.

"We're into a substantial bunch of fish, but the main body is still to come, perhaps starting to peak on Tuesday," Penoyer said.

A record harvest of 37 million salmon had been forecast for this year, but so far the price dispute has turned a bonanza into a bust.

# Fishing against the flow

Anchorage Daily News 7/3/80

NAKNEK — Rare was the fisherman who ventured out into Bristol Bay in defiance of a widespread boycott this week.

Jim Beaton was one who did.

The outspoken Beaton has turned the other cheek to striking fishermen who use the word "scab" freely. He has fished Bristol Bay for 20 years and doesn't think it should be any different this year.

So he goes out in his 32-foot aluminum boat and drops his nets for salmon in the face of threats, unprintable language and intimidation.

Beaton won't say whether he carries a gun.

"But I will say there are a lot of terrorists out there," says Beaton. "These fishermen are on an emotional high, a power trip. They're trying to hit an elephant with a flyswatter," he says of the season's price dispute over red salmon.

Beaton waited to fish while the strike moved along at the first of the season, then made a decision to move this week.

Tuesday night he slipped out into the bay and pulled up 9,000 pounds of fish. He claims another non-striking fisherman already has sold 95,000 pounds of fish at 40 cents a pound — or \$38,000 so far.



Jim Beaton

Anchorage Daily News/Marc Olson

Beaton says he was trailed and questioned by several boat owners but the night passed without violent incident.

"I waited for a long time for the fishermen's association to do something. I sat and watched while the rank and file voted and decided they didn't understand the market. It's going to be hard this year for anyone to break even."

A member of the state Board of Fisheries who helped set official policy, Beaton apparently saw the shadows of the struggle early. He and two other fishermen invested \$1 million in their own floating processor.

He catches the fish, then dumps them onto his own packing machine. No money changes hands, but he still has to balance his books and find his own markets.

"I've got \$500,000 in fixed costs. I don't even know if I can break even."

The operation hopes to process one million pounds of fish during the season and he figures his own salmon is worth 40 cents a pound.

"The public is not being served by this situation and there's already a big loss of fish. I've never seen anything like it in 20 years."

# Bristol Bay

(Continued from Page 1)

said Fish and Game biologist Don B. of King Salmon.

He added, however, that the huge escapement would make up for any loss in productivity per spawner.

Fishermen received about 57 cents a pound for Bristol Bay reds this year, with the value of the total catch some \$75 million.

Biologists are predicting a record run of pink salmon as well, some 17 million fish, with a catch of 11.6 million.

That run is expected to peak next week, but the price to be paid for pinks has not been settled by all fishermen and processors.

The 350 members of the Western Alaska Cooperative Marketing Association started fishing for pinks in the Nushagak River last week after agreeing with Peter Pan Seafoods on a price of 25 cents a pound.

The 760-member Alaska Independent Fishermen's Marketing Association, however, was still without a price agreement after three of its top officers resigned.

President Dave Milholland, Vice President for Alaska John Lundgren and Secretary-Treasurer Mel Olsen quit their posts after what was described only as a "mix up in procedures for prices." Association spokesmen would not elaborate.

Sources said, however, that the resignations apparently stemmed from an incident last week.

The AIFMA board of directors reported then it had signed contracts with Nelbro Packing Co. and Alaska Packers for 25 cents a pound for pinks.

Nelbro subsequently announced the contracts had been invalidated because the board had neglected to ratify the price offer with a vote of the general membership.

## Bristol Bay turns attention to pink run

7/22/80

ANCHORAGE (AP) — With the red salmon run just about over, Bristol Bay fishermen are turning their attention to what state biologists predict will be a record run of pink salmon as well.

Biologists had forecast a record run of 54 million red salmon, but that figure was exceeded by 4.5 million.

While fishermen had been expected to take 37 million reds, a price dispute kept most nets

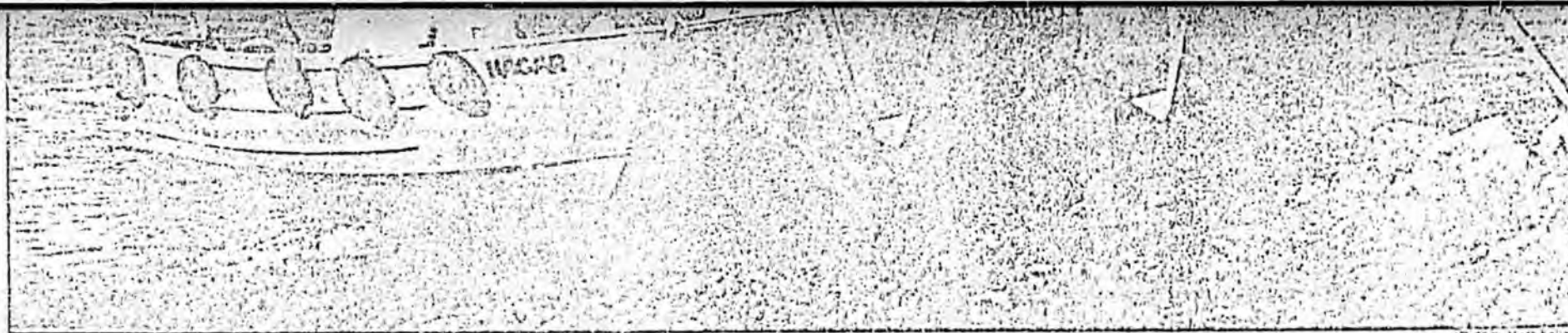
out of the water until the run was well under way and limited the take to only 22.5 million fish.

A daily limit imposed on fishermen and processors also helped cut the expected catch.

The escapement of 36 million fish was double what state Department of Fish and Game biologists were hoping for.

"The overescapement won't kill future runs, but we will lose some productivity per spawner."

(Continued on Page 3)



FISHING LINE — Fishing boats line up to unload their catches at Naknek last week during the Bristol Bay fishing season. Though a price dispute between fishermen and processors cut into the take, a near-record salmon run aided them. For more on the fishing, see below and Page 3 of today's Empire.

(*Journal Empire*) 7/22/80

# Dispute cuts Bristol Bay net profits

**Editor's Note:** Last week Empire Staff Reporter Karin Davies and Photographer Mark Kelley traveled to Bristol Bay to report on fishing developments in that area. Today starts a three-part series on what they found.

By **KARIN DAVIES**  
Empire Staff Reporter

**NAKNEK** — Glinting in the brilliant sunshine, a net-entangled sockeye salmon flopped over the roller of Little Star, a Juneau-based gillnetter, onto the peeling gray deck. Pushing a filthy NEFCO cap above his tan line, Dick Gregg surveyed his work of two plus hours — just over 30 fish.

He shook his head in disgust.

Scanning the Bristol Bay horizon Wednesday, the 39-year-old Juneau resident noted the dwindling number of tenders and scattered gillnetters. Despite state Department of Fish and Game statistics saying this was the biggest run in history — 57.8 million fish with a harvest of 22.3 million — Gregg said, "It ain't like last year. There's one hell of a lot less fish. Somebody must be dreaming."

Still, Chuck Meacham Jr., the department's Bristol Bay research project leader, said the fish were there, but they

eluded snares while the seasonal battle over price raged between processors and fishermen. Escapement, the number of salmon escaping nets barring their path to spawning grounds, was put at 35.5 million, about double the projected figure, he said.

Each year, processors and fishermen plan to settle prices early, and usually they settle late — pressured by a bay thick with milling salmon and thoughts of lost profits.

As the salmon moved upriver this year, uneasiness became open hostility, finally erupting in violence.

At Naknek processors threatened to evict fishermen from company bunkhouses, and striking fishermen blockaded Naknek River to prevent tenders from delivering fish. Those who crossed the line faced threats, taunts of "scab" and burning trash dumped on decks. Reportedly, gunshots were exchanged more than once, and fist fights easily broke out among idle fishermen.

As negotiations dragged, frustrations mounted. Because processors and fishermen are independent businessmen trying to agree on a price, and not employers and employees, federal anti-trust laws forbid collective action, forcing

processors and fishermen to meet individually, slowing the bargaining process.

Money talks have been further restrained by lawsuits filed by fishermen in 1974 and 1975, charging Bristol Bay processors with price-fixing. Due in federal court this October, the suit should help define issues that have confused negotiations.

Many blame an unstable international salmon market for hampering negotiations. Last season the yen was strong, and the Japanese could afford to pay high market prices. When high seas and domestic Japanese salmon fisheries showed unexpectedly good returns of less expensive salmon, though, some Japanese marketers contend they got stuck with a lot of expensive Bristol Bay salmon no one wanted.

Facing an apparent world salmon glut, Japanese salmon brokers, the long-standing, economic linchpin of the Bristol Bay sockeye fishery, announced early they would not pay high salmon prices — all of which raised the hackles of fishermen who contend the Japanese are manipulating world markets to drive sockeye prices down from a high of \$1.25 per pound in 1979.

Not only is there resentment for Japanese processors, but also for out-of-state fishermen who hold 740 of 1,717 limited entry permits. Some complain the Alaska fishery is being controlled by outside interests. Karl Hellberg, new secretary-treasurer of the Alaska Independent Fishermen's Marketing Association, disagrees.

"Who is an Alaskan," he asked. We're all citizens of the United States. I happen to live in Oregon in the winter, but I've been fishing in Alaska since 1962. Does that make me an 'Outsider'?"

Going into the season, everyone knew fishermen who got a high of \$1.25 a pound last year would face processors whose surplus salmon were stacked up in cold storages as far away as Denver, Colo. Trouble was anticipated from the start, and Gov. Jay Hammond urged price negotiations nearly six months ago.

The two sides met in January, but could not agree on a price until July 3, ten days and four votes after the run began. Fishermen demanding 80 cents a pound got 57 cents, up 17 cents from what the processors originally offered.

No one was happy, but the sockeyes refused to wait.

# Fear and loathing on Bay

By KARL OHLS

*Sep 17/76 Fishermen*

and "Go can a pickle, Icicle!"

One aftereffect of the long price dispute in Bristol Bay probably will be bitter feelings between the fishermen that went fishing and those that voluntarily sat on the beach until a settlement was reached.

Though few in number, the strike-breakers included various set-net sites on the east side of the bay and scattered independent fishermen who had no affiliation with the two big marketing associations.

Much animosity was directed at them by the striking fishermen, whose attitudes can be summed up in a list of strike slogans sent to KDLG, Dillingham's radio station.

They included: "Better dead than 40 cents a red;" "Don't take their price, let them eat ice;"

The main organized fishing effort came from drift gillnetters that had a market with Icicle Seafoods. A number of Icicle fishermen formed their own marketing association, the Bristol Bay Fishermen's Association, and went fishing June 24, nine days before the strike was settled.

Some of the fishermen complained of harassment as tension heated up on the fishing grounds.

"Neither AIFMA (Alaska Independent Fishermen's Marketing Association) or WACMA (Western Alaska Cooperative Marketing Association) has the right to tell us not to fish or to prevent us from fishing," said John Garner, an Icicle fisherman who participated in the formation of the new association.

He said they organized their own group because

*See ICICLE page 18*

# Salmon season gluts the bay with fishermen, boats, planes

by Helen Gillette  
Times Writer

Now that the fish are gone for the season, what some have referred to as the Great Bristol Bay Fishing and Air Carnival of 1980 is over and done with.

It was hectic over there, with Dillingham and, to a lesser degree, King Salmon and Naknek overrun with people, planes, helicopters and boats of every kind.

Adding to the confusion were:

— Hundreds of fishermen, with and without boats, from states including Alaska, Washington, Oregon, and California.

— Prospective crewmen, and penniless youths waiting for cannery jobs.

— Fuel suppliers and other local businessmen besieged for credit.

— Pilots in all kinds of flyable planes waiting to either spot fish or haul it out.

— Fifty to 60 boats, docked in the harbor, engaged in buying, selling, processing and taking fish away.

Complicating factors included the late arrival of herring at Togiak. A heavy mid-run Togiak storm swamped or lost many boats, leaving the rest scurrying for shelter. Also, once fishing started and the need developed to get the fish to market immediately, airplane traffic grew heavy, both on and off the beaches and from air strips.

Adding to the confusion was the crowded harbor at Dillingham, with at least 400 boats, sometimes lined up 15 to 20 abreast. The fishermen's strike against processors and pressure by the two fishermen's unions made a hectic situation worse.

And, climaxing it all, a disastrous pink salmon run canceled out a good forecast and crushed fishermen who hadn't made it at Togiak or with the reds.

Also, consider the fact that both fishermen and processors were hungry economically. New England Fish Co. had just gone bankrupt, supposedly from last year's season of high prices paid fisherman plus a softening Japanese market. There were other bankruptcies and perhaps other firms in trouble. As for fishermen, many of them backed by processors, they faced huge payments on their boats.

On the surface, it was a volatile situation, with all the ingredients present for big confrontations. But, in spite of all the unsatisfied, milling, hungry, unwashed bodies present, and the frustrating and frightening conditions, there really weren't any incidents of import.

Besides the non-violence, there were other positive things in the bay.

The fish got off easy. In fact, about 20 million reds destined for harvest got away up the creeks while fishermen and processors were talking price. The peak of the run was on before the strike was settled.

The red, or sockeye, return to Bristol Bay was 60.8 million fish, well above the 54.5 million forecast. The catch was 23 million. The escapement, 37.8 million, was about 20 million above the 17.4 million escapement goal set by fish and game biologists.

Ken Middleton, central region director for the Alaska Department of Fish and Game, said one good thing

this year is that the fish were well taken care of. Last year a lot of fish was dumped for lack of markets. Also, quite a lot of substandard, held-too-long fish got to market in 1979, helping erode the Japanese demand.

In spite of appearances, everything was better organized this year, Middleton said. Also, it helped that the fish arrived in a sort of smooth procession, never in a big glut. Then, too, the weather stayed cool, cloudy and rainy, so that fish kept better while waiting either on-shore processing or air or boat-lift out.

Middleton stayed at the bay three weeks this summer, the first time he'd done that in three years.

"I couldn't believe the changes that had taken place," he said.

For the first time, he saw helicopters being used to take salmon from tenders at sea to waiting trucks on land. The fish were then trucked to the airport where they were flown to Anchorage, Cordova, Homer, Seward, Kenai, Vancouver, British Columbia, "and all over the country."

Meanwhile, little planes were either spotting schools of fish for the boat crews or picking up fish on every beach and getting them out, mostly to Anchorage. Estimates of planes in use range as high as 100.

There were a lot of airplane mishaps, with estimates running from 25 to 40.

Meanwhile, it was busy out on the water, too. Besides fishing boat traffic, there were 50 to 60 freighters, tenders, floating processors and independent cash buyers out there in

boats.

The cash buyers included several foreign buyers, who under state law were able to buy fish secondhand from a domestic dealer. What happened was that the American fisherman sold his fish to the middleman who immediately transferred them to the foreigner, who put them in freezing brine on his boat and boated them to Vancouver, B.C.

At first the state made these parties load and unload the fish twice, first onto the domestic buyer's boat and thence onto the foreign transport.

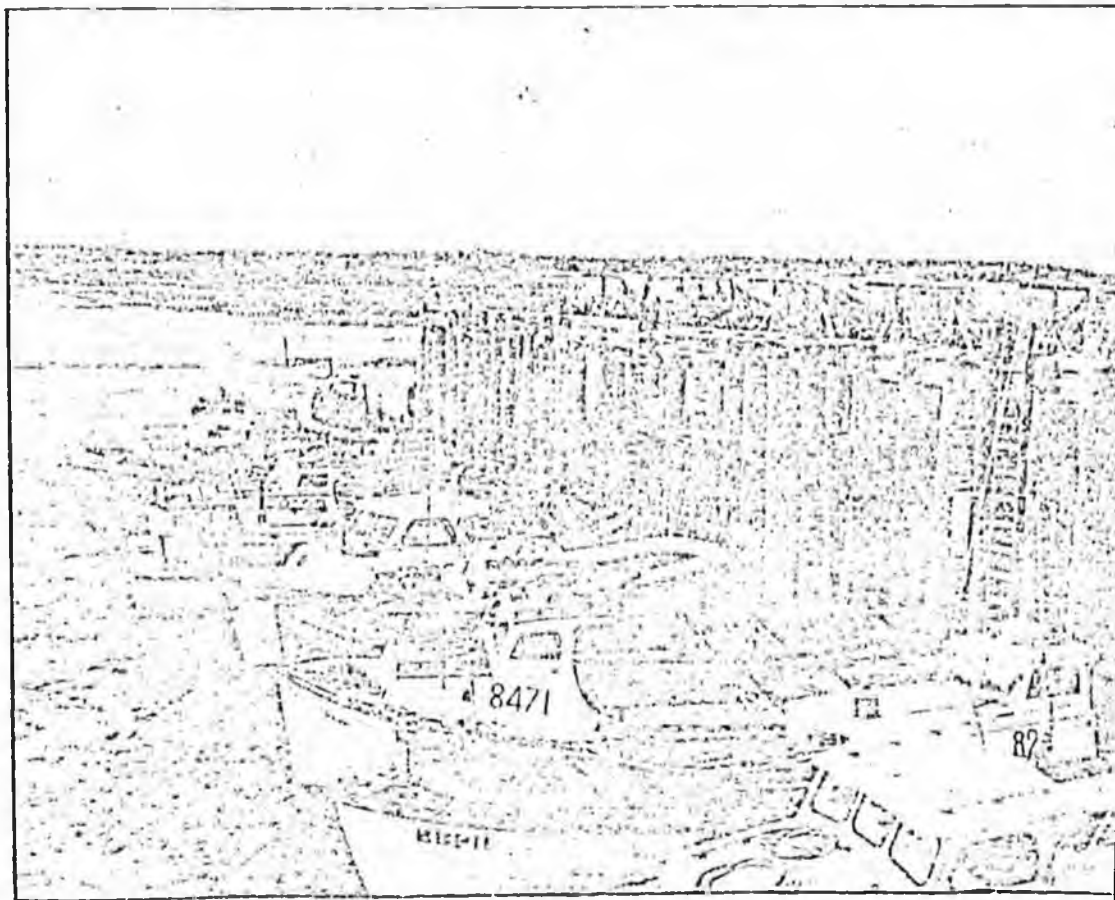
"But this was just holding up traffic and not improving the fish, so midway through the season we waived this technicality," Middleton said. However, the domestic buyer was required to be on board the foreign ship at time of transfer.

The foreign buying situation was okayed when it became apparent that on-shore processors weren't going to be able to handle the catch.

Another good thing, Middleton said, was the market situation. Despite the soft Japanese market, there seemed to be markets for all the fish, particularly ones in Europe.

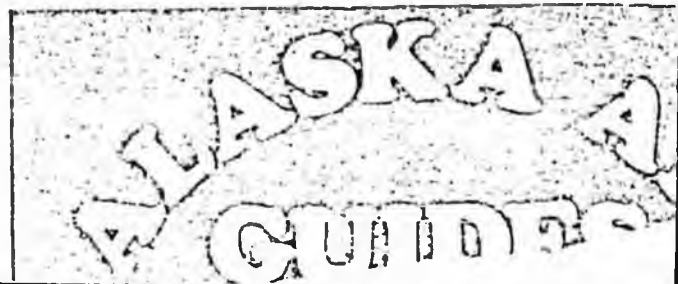
Before the season, there had been general gloom over prospective markets for Alaskan fish. But it all went and a lot more would have sold.

In fact, a Boeing 707 chartered from Vancouver, Wash., by a prospective buyer had to turn around and go home empty. He couldn't find any fish to buy.



## TIDE'S OUT

Fishing vessels sit idle and dry at low tide at a Bristol Bay dock.



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## BRISTOL BAY '81

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*'It all hinges on giving fishermen and processors an offer no reasonable person can refuse.'*

# Bristol Bay Task Force to be chaired by Gross

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by Brad Matsen

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Alaska's former attorney general Avrum Gross will chair a Bristol Bay task force to come up with a plan for an orderly salmon harvest in 1981. Governor Jay Hammond announced his selection to a combined session of the Alaska Fish and Game Boards on December 4 in Anchorage.

"It all hinges on giving the processors and fishermen an offer that no reasonable person can refuse," Hammond said. "And therein lies the problem. We have to determine exactly what market conditions will prevail and what a fair price is. They've been dealing with those issues out there since the last century and have still come no closer to finding an adequate means for resolving the price dispute

before the beginning of the season."

In 1980, the price dispute between fishermen and processors lasted until July 3 when the peak of the run arrived and an estimated 20 million harvestable salmon had escaped into the rivers.

Hammond has been meeting for several months with fishermen, processors and his staff to determine the role of the State in the 1981 negotiations.

"Our primary obligation is to provide for the harvest, and we have national and international responsibilities to use that fishery to its fullest potential. We'll be hard pressed to explain why we fail to do so year in and year out. I haven't resolved precisely what we're going to do except on one or two issues," Hammond said.

"First, I am having the Department of Law draft legislation which would place in jeopardy a fisherman's limited entry permit on certain conditions if violations or violent acts are proven. Last year, just the suggestion of such action cooled things off enormously."

Hammond said he was not singling fishermen out in seeking a solution to the price dispute tangle. "I'm not going to impose sanctions that would give one side or the other the advantage. We will concern ourselves with stopping illegal criminal activity and with creating conditions which will smooth the negotiation process. But if the processors aren't willing to buy fish, then we'll find someone who will," Hammond said.

"One of the problems in the past has been the inability to know with assurance what the market conditions are, whether or not fishermen are being offered a fair price. Are they being ripped off, or are they in fact demanding a price that is unreasonable? Everybody's all over the landscape on that," Hammond said. "I think there is a need to provide better marketing data that is accepted on both sides of the aisle, and we'll try to do that."

"It seems to me that we have to reach a position where we say, 'look, we want to harvest X million fish and here are reasonable conditions. Those of you who are willing to process fish under these terms shall be accommodated with a permit to process fish. Similarly, those who wish to fish under these reasonable terms shall be permitted to do so under the current limited entry program'," Hammond said.

"If there is inadequate processing

capability, then we're going to open up to other processors who will provide that capability," Hammond said.

"The whole gamut of private enterprise transactions that normally tend to activities in the private sector are absent on the Bay. You have large numbers of small businessmen who are bargaining with large entities over the sale of a product. They normally wouldn't engage in strike activities or threats to their competition if they were selling groceries in a community where somebody else was selling groceries at a lesser price," Hammond said.

"The individual I think who can pull this thing together is my former attorney general Avrum Gross. He is as familiar with this situation as anyone, and has no undue biases, perceived or otherwise. I'm not looking for the lowest bidder to run this thing, either. It is such a sensitive situation that it would be like asking the lowest bidder to do brain surgery," Hammond said.

Gross' task force will consist of representatives from the several state agencies, including Fish and Game, Labor and Public Safety.

Board of Fisheries member Jim Beaton urged Hammond to put Gross to work immediately. "I'd like him to meet with the Board of Fisheries in January, because I think we're running out of time on Bristol Bay right now," Beaton said.

Gross has been teaching at Stanford University Law School since leaving the administration last summer.

"He's the best talent I know of," Hammond said. "If anyone else has a better idea, let me know." □

# ICICLE...

From page 18

boat harbor and all fishing stopped on the west side.

"I'm an Icicle fisherman and an AIFMA member and my boat is not going in the water until we get a contract," Mitchell said when asked what he was going to do.

There were about five other AIFMA members with an Icicle market. Mitchell later found another company to fish for.

Garner said many other Icicle fishermen didn't go out either because they also didn't believe the price was fair or "because they were afraid."

Garner said he was appalled at the intimidation used to keep fishermen from fishing.

"I think it's outrageous, the threats and kinds of incidents that were taking place against people that were not even members of the associations (AIFMA and WACMA)," Garner said.

At Egegik, he said, a small plane flew over them virtually every day. He presumes it was to check if they were fishing. He knew of incidents in the Naknek-Kvichak area during the strike where three shots were fired at a fisherman's boat and an anchor was thrown in another fisherman's net to drag it away.

The situation got so tense that William Nix, commissioner of the Department of Public Safety, issued a strongly-worded statement June 29 saying illegal acts committed in the strike would be prosecuted and law enforcement personnel in the area substantially reinforced.

In a telephone interview, Nix said the statement was motivated by what "seemed to be an escalation in the threats of violence and the reports of violence."

"Fishermen, he added, "were telling us about it

**'I think it's outrageous the threats and kinds of incidents that were taking place'**

—John Garner

(violent incidents) but obviously they didn't want to sign complaints."

Nix said things considerably calmed down as state trooper patrols were increased. Also, many striking fishermen felt they had proved their point.

The harassment, though not sanctioned by AIFMA or WACMA, was a way for striking fishermen to vent their frustration at not being able to fish. They were angry at the strike-breakers, whom they called scabs, because they felt that they undercut their efforts to put pressure on the processors to settle.

Icicle and its fishermen argued that they were in a separate market and that their activities would not affect the outcome of the price dispute one way or another.

"There was no indication that any settlement would be of any benefit to us," Garner said. He said he saw no reason to participate in the boycott "unless there was a reasonable purpose for it."

His other point was, "It's not in our best interest at this time to break Icicle," which he believed was possible if they hadn't gone fishing.

Such arguments largely fell on deaf ears. Icicle became a major target of the strikers during several particularly tense days between June 27 and June 30.

As blockades were being put up in front of the Whitney-Fidalgo Seafoods dock in Naknek, the Icicle processing ships off Clarks Point were being surrounded by fishing boats intent on preventing the

# ICICLE...

From page 1

neither AIFMA nor WACMA was representing their interests.

"Icicle fishermen fish for a company that puts 90 percent or more of its product on the frozen market, which is weaker than the canned market," he said.

He also noted that "the negotiating process was really stalemated in mid-June—they (the associations and the processors) were miles apart."

Scott Jacobsen, president of Icicle's floating-processor division, said, "We had a meeting with our fishermen and told them we could only pay 40 cents (per pound) regardless of what the settlement was."

Last year frozen sockeyes encountered tremendous competition in the primary market from Japan. After Bristol Bay processors made a special effort to supply large quantities, the glut was reflected in the price the Japanese were willing to offer for this season's product.

With the frozen market in such bad shape, many Icicle fishermen were prepared to accept 40 cents plus a promised share of any profits. With three floating processors in the bay and a transportation system to its plants around the state, Icicle also was offering to buy as many fish as its 65 fishermen could deliver.

"Volume was the only way to make it," Garner said.

Jake Jacobsen, Icicle's Bristol Bay operations manager, said toward the end of the season that some boats had passed the 200,000-pound mark in deliveries, which amounted to a gross more than \$80,000.

The organization of the Bristol Bay Fishermen's Association (BBFA) "occurred very spontaneously," Garner said.

"We were put in a position where we had to act as a group," he said. "The association provided a

method to get Icicle to pay us to fish for what we considered a fair price."

"We were dealing with circumstances where things were happening very rapidly."

Icicle fishermen voted to form the association at a June 22 meeting in Dillingham chaired—because no one else wanted to—by Phil Daniel, boat puller and former UFA lobbyist.

But John Mitchell, an Icicle fisherman and an AIFMA member, asked the group to hold off so he could explain their position to the AIFMA board of directors in Naknek and see if they could work out some way to keep all the fishermen united in the price dispute.

Garner said the new association's conditions were that it be allowed to get a separate price for frozen—the AIFMA board previously had voted to accept only one across-the-board price for frozen and canned—a sliding price and that the frozen price not be held hostage until the canned price was negotiated.

Mitchell was given "48 hours from noon that day," Garner said. "We promised there would be no fishing of reds during that period of time."

The afternoon of June 24, Mitchell and AIFMA president Dave Milholland, both feeling betrayed, were sitting in a Dillingham restaurant. After a harrowing ride across the bay in an oil fume-filled airplane in miserable weather, they arrived to find the association members getting ready to leave for the fishing grounds. Mitchell said he had assurances from the board that it gladly would work with the Icicle fishermen and "develop a price structure that

In a telephone interview, Nix said the statement was motivated by what "seemed to be an escalation in the threats of violence and the reports of violence."

"Fishermen, he added, "were telling us about it

**'I think it's outrageous in threats and kinds of incidents that were taking place'**

—John Garner

(violent incidents) but obviously they didn't want to sign complaints."

Nix said things considerably calmed down as state trooper patrols were increased. Also, many striking fishermen felt they had proved their point.

The harassment, though not sanctioned by AIFMA or WACMA, was a way for striking fishermen to vent their frustration at not being able to fish. They were angry at the strike-breakers, whom they called scabs, because they felt that they undercut their efforts to put pressure on the processors to settle.

Icicle and its fishermen argued that they were in a separate market and that their activities would not affect the outcome of the price dispute one way or another.

"There was no indication that any settlement would be of any benefit to us," Garner said. He said he saw no reason to participate in the boycott "unless there was a reasonable purpose for it."

His other point was, "It's not in our best interest at this time to break Icicle," which he believed was possible if they hadn't gone fishing.

Such arguments largely fell on deaf ears. Icicle became a major target of the strikers during several particularly tense days between June 27 and June 30.

As blockades were being put up in front of the Whitney-Fidalgo Seafoods dock in Naknek, the Icicle processing ships off Clarks Point were being surrounded by fishing boats intent on preventing the Egegik tenders from making deliveries.

One boat got crunched between a tender and a processing ship with the fishermen calling it a deliberate ramming and Icicle calling it an accident.

The tenders later backed off and went back to Egegik.

On "Black Sunday," June 29, the fishermen pelted the Icicle processors with water balloons, eggs and mayonnaise.

Later, in defiance of Nix's statement, the Clarks Point fishermen said they would surround the Icicle ships again Monday afternoon.

Icicle, however, pulled its processors out overnight.

Scott Jacobsen said the majority of the company's fishermen stayed tied up during the dispute. Garner estimated that close to half went fishing, though most of them during the last day or two before the settlement.

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"I honestly can't believe I stretched my neck that far," Mitchell added.

"I know he risked his life flying back there," Garner said, but 48 hours had passed without his return. He added they tried calling Mitchell in Naknek but couldn't get hold of him so the group left.

He said 14 boats pulled out for Egegik on that afternoon's high tide. That night a boat blockade was thrown up in the channel to the Dillingham

See ICICLE page 20

## Senate approves bill for Bristol Bay beefup

By The Associated Press

Enforcement of fish and wildlife protection laws at Bristol Bay would be beefed up, under a bill unanimously approved by the Senate Monday.

Originally, the legislation (CSSB323 State Affairs) called for increased law enforcement at the fishery as a hedge against a repeat of the violence which broke out at Bristol Bay last summer during a price dispute between fishermen and processors.

Rather than increasing the law enforcement effort at Bristol Bay as recommended by a task force appointed by Gov. Jay Hammond, the Senate opted to spend \$211,100 to enforce fish and wildlife protection laws in Western Alaska.

Under the bill, the Department of Public Safety would buy one boat and lease a second to patrol the Bristol Bay, Togiak and Sand Point fisheries.

## Fisheries

### antitrust

### probe on

SEATTLE (AP)—The federal government is conducting a massive antitrust probe of the rich and competitive Alaskan seafood industry, court records indicate.

According to court records, Joel E. Leising, an antitrust lawyer, was appointed June 24, 1980, to conduct a grand jury investigation in Western Washington to discover "whether certain violation of the federal antitrust laws have occurred and are still occurring in the Alaskan seafood industry."

Evidence of the extent of the government inquiry appears in the records of a civil antitrust case set for trial August 17 in federal court here.

That case, consolidating several suits, dates back to 1974. Individual fishermen accused several fish processing firms of violating antitrust laws. The processors, in return, accused fishermen and their marketing associations of antitrust violations.

The dispute has generated more than 185,000 documents and 24,000 pages of depositions, according to memorandums filed in the case.

Federal investigators last fall maneuvered to gain access to the documents, many of which were sealed by court order.

Rangley L. Wallace, a lawyer in the Justice Department foreign commerce section, declined to discuss the probe, except to say it encompasses the entire Alaska seafood industry.

The probe could have deep effects on Western Washington business. More than 85 fish processing firms have headquarters or offices in Seattle and thousands of Puget Sound fishermen fish in Alaskan waters.

The head of one Seattle processing firm, who asked not to be identified, said it cost his company about \$50,000 for attorneys' fees and copying costs to answer a government subpoena for information.

Meanwhile, a special task force appointed by Alaska Gov. Jay Hammond concluded that commercial fishermen in Alaska's Bristol Bay operate under constant threat of violence and intimidation.

The report said the changing nature of the fishing industry was a basic cause for much of the violence. The report noted the industry has shifted from a cannery-operated fleet—in which fishermen were employed by processing companies—to a fleet of independent fishermen.

The fishermen, in turn, formed marketing associations, which bargain for the price of fish.

"There is no doubt that members of the associations apply substantial pressure to ensure that no fishing will occur in the absence of an association contract," the report said.

"In the absence of any legal power to accomplish this end, association members have adopted less sophisticated but equally effective techniques—specifically, those of intimidation," the report said.

The processing industry faces equally difficult problems, the report said. Since processors aren't dealing with unions, there can be no industry-wide bargaining.

"Any discussion or concerted activity between processors to reach a price settlement is a combination to set prices within the terms of the antitrust laws," the report said.

"Since the processors have already been sued under these acts for collusion and are presently the subject of a federal investigation, they are particularly sensitive toward avoiding even basic communication between themselves," the report said.

"The result is confusion—the marketing associations deal with one processor, then another in an attempt to set a price of the whole bay, but the processors have no real way of knowing what has been offered or the status of negotiations elsewhere," the report said.

# Fishermen call for early talks

Associated Press

Juneau — The director of the state's largest fishermen's organization criticized state officials Monday for doing little to prevent another strike by fishermen this summer at Bristol Bay.

Rodger Painter, executive director of United Fishermen of Alaska, told administrators and lawmakers they are wasting time that could be used to resolve long-standing differences between fishermen and processors at Bristol Bay.

Painter outlined possible solu-

tions to the dispute at a hearing Monday before a joint House-Senate panel and a Cabinet-level task force investigating conflicts at Bristol Bay.

He urged state officials to spur negotiations between fishermen and packers so a price for salmon is set before fish runs start early this summer.

The key to price talks is adequate information, Painter said. He asked for an immediate state-funded study of salmon markets to give fishermen and processors "something to talk

about."

Sen. Arliss Sturgulewski, R-Anchorage, who heads the panel, agreed that the state "is under a time crunch" if a marketing study is to be undertaken.

Last year, fishermen and packers could not settle on a price for salmon. A strike resulted, and instead of the predicted largest salmon catches in history, millions of harvestable salmon escaped upstream. The estimated loss was \$46 million to \$65 million to fishermen alone.

Painter said this season there is "the distinct possibility of violence in the bay if there is another long strike." Sturgulewski said the Legislature's primary concern at Bristol Bay is protecting public safety.

John Garner, lobbyist for the Bristol Bay Fishermen's Association, said many fishermen stayed on the beach during the strike last summer out of fear. He said he avoided the controversial fishing grounds until after a price was set — "I was chicken."

Roy Smith, a Petersburg gillnetter who fished at Bristol Bay last season, said a fisherman who broke the strike was threatened one night while anchored next to him on the

Naknek River. Oil was poured on the man's boat, and an angry fisherman threatened to set it on fire, Smith said.

Others argued that there is a gray area between violence and scare tactics. Rep. Joseph Chuckwuk, D-Dillingham, who is a member of the panel, said he has not seen any documented evidence of violence at Bristol Bay.

Jim Beaton, a fisherman for 23 years and member of the state Board of Fisheries, said in addition to undertaking a marketing study, the state should help fishermen develop alternative markets, including their own cooperatives.

Alternative markets could be developed through investments and loans by the Alaska Renewable Resources Corp. and the Commercial Fishing and Agriculture Bank, Sturgulewski said. Both are state-funded agencies.

Mitch Kink, general manager of the Alaska Independent Fishermen's Marketing Association, said the state should require binding arbitration between fishermen and processors. Currently, the state can enter price disputes only if asked, and even then the state is simply a referee.

# Senate panel calls for Bristol marketing study

By The Associated Press

To avoid another strike by salmon fishermen at Bristol Bay, the state should undertake a marketing study of the troubled fishery, and beef-up the police patrol in the bay, a special Senate panel recommended today.

Rodger Painter, executive director of the United Fishermen of Alaska, said the report offers some good long-term solutions, but added that the state should apply more political pressure on processors immediately to negotiate in good faith.

"We can't do it alone. We've got to have processors sitting down with us" to reach agreements, he said.

But Sen. Arliss Sturgulewski, R-Republican, who is on the special panel, said a marketing study public safety provisions are the best efforts the state can make to smooth negotiations without interfering with the private market.

The report by the special Senate Judiciary Hearing Committee appointed by Senate President Jalmar Kerttula, D-Palmer, said that "much of the stress occurring in Bristol Bay is

due to the changing nature of the fishery and the marketing structure. Because the end result of the evolution in the fishing industry is not unknown, state policy toward the Bristol Bay fishery should neither artificially restrict that change, nor force the adoption of any new system."

Fishermen lobbied heavily for a marketing survey, which is scheduled to be completed by the Department of Commerce and Economic Development by May 15. The report said the study would "allow fishermen to negotiate on a more equal footing with the processors."

A report issued last week by a Bristol Bay task force appointed by the governor also recommended that a marketing study be done, and that the public safety effort at the bay be strengthened.

The committee said the study should at a minimum analyze the market for salmon, wholesale prices and trends, effect of pack sizes on prices, and changes in the costs to fishermen and processors in producing their products.

# Sales of fish to foreign processors OKed by judge

By JULIE ANNE GOLD and DON HUNTER  
Daily News reporters

A federal judge Friday issued a preliminary injunction against the Alaska Department of Fish and Game that will clear the way for Bristol Bay fishermen to sell at least part of their catch this season directly to foreign processors.

State law and Fish and Game regulations require primary processing of salmon and herring taken in Alaska waters to occur here, before the catch leaves the state.

It is that requirement that U.S. District Court Judge James Fitzgerald apparently has barred the state from enforcing — at least temporarily.

Fitzgerald scheduled a conference with attorneys Monday morning to discuss the "terms and form" of the injunction. An attorney for one of the fishermen's associations Friday night said the extent of the order won't be known until then.

The suit was filed Feb. 17 by the Bristol Bay Herring Marketing Cooperative and the Western Alaska Cooperative Marketing Association, rep-

resenting salmon fishermen, and four individuals.

The fishermen claim they were "forced to waste and destroy" 15,000 metric tons of salmon and herring during the 1980 fishing season because local processors couldn't handle the entire catch.

As a result, the fishermen's associations negotiated a contract with the North Pacific Longline-Gillnet Association, a Japanese group, to sell their herring and salmon directly to the Japanese. The longliners would freeze the fish aboard 10 vessels and ship it to Japan for processing.

Adhering to the state rules and heeding the objections of Bristol Bay processors who claimed they would be able to process the entire 1981 season catch, the Alaska Board of Fisheries rejected the Bristol Bay fishermen's request to enter the direct sale agreement with the Japanese.

The fishermen claim the state's refusal to allow them to sell raw fish to foreign processors violates the federal constitution.

# Panel offers fish strike precautions

Associated Press

Juneau — To avoid another strike by salmon fishermen at Bristol Bay, the state should undertake a marketing study of the troubled fishery, and beef-up the police patrol in the bay, a Senate committee recommended Monday.

Rodger Painter, executive director of the United Fishermen of Alaska, said the report offers some good long-term solutions, but added that the state should apply more political pressure on processors immediately to negotiate in good faith.

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The committee said the study should at a minimum analyze the market for salmon, wholesale prices and trends, effect of pack sizes on prices, and changes in the costs to fishermen and processors in producing their products. The report said a range of prices for salmon — fresh, frozen or canned — should be recommended.

However, Rick Lauber, lobbyist for the Pacific Seafood Processors Association, said much of the information the study will provide is already available from other sources.

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Alaska Dept of Commerce

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# Saying that Bristol reds will run early may cause havoc

By ANN CONY  
Daily News reporter

The prediction of an early run of red salmon in Bristol Bay this year is expected to send commercial fishermen and processors scrambling to get ready for the fish.

Robert Burgner, a biologist with the Fisheries Research Institute at the University of Washington, said Friday that data he received Thursday indicate the salmon season will peak about June 30 or July 1 — four or five days earlier than usual.

"That makes quite a bit of

difference in the way they gear up for operations out there," he said.

Burgner, who studied Bristol Bay salmon runs for his doctorate degree, said his forecast is based on a correlation between salmon runs and air and water temperatures.

In addition to creating technical havoc in industry preparations for the harvest, the early-run prediction is expected to put more intense pressure on price negotiations between processors and fishermen. It also should put more pressure on lawmakers in Juneau to move



on a pack loan appropriation needed to help processors meet operating costs this season.

Rodger Painter, executive director of United Fishermen of Alaska, said Friday that if the run peaks early, fishermen will want to be in the bay by next week.

"That means people are going to have to start scrambling to get there sooner. It may cause some logistical problems," he said. Some fishermen do not have their boats ready yet and processors will have to try to push forward scheduled deliveries of equipment and the like, he said.

The anticipation of an early run will almost certainly have an effect on price negotiations between fishermen and processors, Painter said. "It probably means that efforts to hold out are going to have a much harder time this year," he said.

The Western Alaska Cooper-

ative Marketing Association, which represents some 330 fishermen, has settled with numerous processors on the price to be paid fishermen. The Alaska Independent Fishermen's Marketing Association, representing some 700 fishermen, has rejected offers to fish for the prices accepted by the cooperative.

Fishermen in the area of False Pass, Unimak Island, have settled salmon prices with Peter Pan Seafoods and were on the water Friday. Fishermen in the Chignik area have also settled.

The state Department of

Fish and Game had predicted the red salmon catch in the Chignik area would be roughly 1 million fish, but biologists have reported a stronger run than was anticipated. One biologist said the Chignik run was "going bananas."

Fish and Game has predicted a total run of about 26.7 million reds through Bristol Bay this year.

Last year, some 40 million red salmon slipped through the Bristol Bay fishing grounds during a costly, tension-filled strike by fishermen.

# More Bristol patrols asked to avoid rerun of '80

By The Associated Press

Hoping to avoid a repeat of last summer's tense strike by Bristol Bay salmon fisherman, a special task force has proposed the state spend \$320,000 to beef-up police patrols in the bay this year to thwart violence if another strike occurs.

The task force also has recommended the state fund a \$50,000 marketing survey for Bristol Bay salmon.

Fishermen's marketing associations in the bay have lobbied for the survey, which they say would provide needed information during price negotiations between fishermen and processors.

The task force appointed by Gov. Jay Hammond issued its report Monday, and Hammond endorsed the group's recommendations.

Hammond said he will seek funding from lawmakers for increased police patrols, to include five additional surveillance boats and added helicopter patrol time. He also pledged \$50,000 from his contingency fund for a marketing survey to be completed by May 15.

"Coming on the heels of strikes in 1979 and 1980 this year's fishing season is important," Hammond said. "Given our inter-

national commitments, there is a serious question as to how long other nations which are currently forbidden to take Bristol Bay salmon will remain quiet while millions of fish are wasted during domestic price disputes."

Last summer, an estimated 21 million red salmon swam upstream while striking fishermen were locked in a price dispute with processors.

"The two major concerns we have are a desire to safeguard an adequate harvest of Bristol Bay reds as required under terms of international law and a curtailment of possible violence and other illegal activities in the bay," Hammond said.

The task force named by Hammond to investigate the Bristol Bay fishery includes Gross and six top state officials, including the commissioners of Public Safety, Fish and Game, and Labor.

In its report, the task force said fishermen historically have relied on violence and intimidation during price negotiations. Over the years, a wedge of animosity has separated fishermen and processors, dating from the time when fishermen were employees of the canneries.

"Whatever the cause, the bargaining process by which prices are set in Bristol Bay is primitive in nature," the report states. "Communications are poor, the element of threat is constantly present, distrust is high."

"...the state must make a clear statement to the effect that intimidation cannot be a regular part of settling prices..."

The task force said the "whole thrust of the state's effort should be to create a climate within which the parties can work out their own dispute."

While the state has a "clear interest" in helping find a better way to negotiate price settlements, the task force warned that every opportunity should be given to fishermen and processors to develop a system of settling salmon prices without risking strikes.

Members of the task force said more drastic government action, such as opening the bay to foreign processors and fishermen without limited entry permits, was considered, but rejected.

However, the task force plans to monitor what happens in the bay this year and make a second report to the governor after the

season.

In addition to economic losses to fishermen and processors and the threat of violence created by a strike, the task force said the situation is complicated because the salmon are a resource that belongs to the people of Alaska — not the fishermen or processors.

That means a strike can result in waste of the public's resource, the task force said.

An attachment to the report details the Department of Public Safety's "contingency plan" for guarding the bay in the event of a strike this summer. In addition to increased boat and helicopter patrols, the plan outlines procedures for handling prisoners in the event of arrests.

The plan is outlined by Col. T.R. Anderson, director of State Troopers. Anderson states that last summer's strike "resulted in numerous threats of violence, some alleged assaults, and some instances of boat ramming, including one incident in which the Department of Public Safety vessel, Vigilant, was rammed by a fishing boat."

# Bristol fishing problems remain

By The Associated Press

The director of the state's largest fishermen's organization criticized state officials Monday for doing little to prevent another strike by fishermen this summer at Bristol Bay.

United Fishermen of Alaska Executive Director Rodger Painter told administrators and lawmakers they are wasting time which could be used to resolve long-standing differences between fishermen and processors at Bristol Bay.

Painter outlined possible solutions to the dispute at a hearing Monday before a joint House-Senate panel and a cabinet-level task force investigating conflicts at Bristol Bay.

He urged state officials to spur negotiations between fishermen and packers so a price for salmon is set before fish runs start early this summer.

Key to price talks is adequate information, Painter said. He asked for an immediate state-funded study of salmon markets to give fishermen and processors "something to talk about."

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Alternative markets could be developed through investments and loans by the Alaska Renewable Resources Corp. and the Commercial Fishing and Agriculture Bank, Mrs. Sturgulewski said. Both are state-funded agencies.

## Salmon ranch bill may pass

**BELLINGHAM, Wash. (AP)** — A salmon ranching bill that commercial fishermen fear could ruin their industry probably will pass the state Senate within days, says state Fisheries Director Rolland Schmitt.

Schmitt visited Bellingham Thursday and spent much of his time inspecting salmonrearing programs run by local fishermen who volunteer their time. He said the salmon ranch bill could doom such programs.

Big corporations such as Weyerhaeuser, Charter Oil and Campbell Soup Co. want to bring the ranching method of salmon production to Washington.

Salmon ranches already operating in Oregon lease young fish into the sea. When the fish are grown, their homing instinct brings them back to the ranch to spawn and they can be easily captured for market.

Old Washington state laws against fish trapping make

salmon ranching illegal.

Many fishermen believe the salmon ranch movement will make them obsolete. They worry that salmon ranching corporations will use political muscle to force fishermen from the sea to allow more salmon to return to the ranches.

If the fears are founded, the trend could have a sharp impact on coastal communities such as Bellingham, where an estimated 3,000 people earn their livings.

ALASKA DEPARTMENT OF FISH AND GAME  
DIVISION OF COMMERCIAL FISHERIES  
BRISTOL BAY AREA

Preliminary Review of the  
Bristol Bay Salmon Fishery  
-1980-

Annual Salmon Management Report  
to the Board of Fisheries

Anchorage, Alaska  
December, 1980

Senior Area Management Biologist . . . . . Michael L. Nelson  
Naknek-Kvichak Area Management Biologist . . . . . (Vacant)  
Egegik-Ugashik Area Management Biologist . . . . . Donald L. Bill, Jr.  
Togiak Area Management Biologist . . . . . Jeffrey R. Skrade  
Assistant Area Management Biologist. . . . . Wesley A. Bucher

Area Offices: P. O. Box 199, Dillingham, Alaska 99576  
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The exceptional inshore returns in 1980 (as well as 1978 and '79) are a function of (1) insuring adequate parental escapements through strict harvest management control during the middle 1970's, (2) improved freshwater and marine survival conditions, and (3) significantly reduced interception by the Japanese high seas gill net mothership fishery.

Average or above average harvests were also realized for the other species of salmon, and were highlighted by record or near record catches of chum and coho salmon (Table 2).

#### SALMON FISHERY

The pre-season outlook indicated a potential total species harvest of over 53 million fish, with sockeye and pink salmon expected to contribute over 96% of the total:

<u>Species</u>	<u>Potential Harvest</u>
Sockeye	37,126,000
King	200,000
Chum	1,500,000
Pink	14,700,000
Coho	175,000
Total	<u>53,701,000</u>

The actual total species harvest amounted to only 28.2 million fish. The potential harvest was not reached due to a price dispute which delayed fishing activities well into the sockeye run, and the failure of the pink salmon run to return in the numbers anticipated. Other species returned in strength close to that expected.

#### Sockeye Salmon

The large expected sockeye run destined for Bristol Bay in 1980 was forecast at 54.5 million fish, with a probable harvest of 37.1 million after escapement requirements. This potentially large harvest required special management considerations to provide for an orderly and maximum harvest. The following management options were implemented on June 9 by emergency order:

(1) a General district was established seaward of existing fishing boundaries

## INTRODUCTION

The Bristol Bay area, which includes all coastal waters and inland drainages east of a line from Cape Newenham to Cape Menshikof, is the largest sockeye salmon producing region in the world (Figure 1). In addition to substantial returns of other salmon species, a new and developing herring and herring spawn-on-kelp fishery has evolved in recent years.

Prospects of a record return of sockeye and pink salmon to Bristol Bay in 1980 prompted a liberal approach to the management of the fishery. Both fishing boundary restrictions and district re-registration requirements were relaxed, and in addition, unlimited fishing time was allowed to promote an orderly and maximum harvest (Figure 2).

Salmon returns to Bristol Bay in 1980 broke all existing records. The return of all species exceeded 72 million fish, with the commercial catch totaling over 28 million, and accounting for 26% of the entire state-wide catch. The total catch of all species was the largest in the history of recorded catches dating back to 1884.

The highlight of the 1980 salmon run was the return of 62.4 million sockeye salmon, the largest in the history of the fishery (Table 1). Due to a fishermen-industry price dispute the sockeye commercial fishery was delayed and did not get underway until July 3, mid-way into the run. The sockeye harvest of 23.7 million was the fifth largest ever achieved and was worth nearly \$76 million to the fishermen. The entire all specie salmon harvest in 1980 was valued at \$84 million to participating fishermen, while the herring fishery contributed an additional \$3 million.

Sockeye salmon escapement goals were achieved for the seventh consecutive year, and the total escapement of 38.7 million was the largest ever recorded, and over 21 million fish above the desired escapement level. Historic record escapements were achieved in 5 of the 10 major component river systems.

Estimated peak fishing effort in all five districts combined took place on July 4, after settlement of the price dispute, and involved over 1,600 units of drift gill net and approximately 660 set gill net units.

The record sockeye run was highlighted by a number of significant developments:

- (1) Despite the early-season uncertainty as how to interpret the Port Moller test fish data, the actual run fell within 15% of the pre-season forecast.
- (2) A major price dispute between fishermen and processors delayed fishing activities until July 3, by which time the run was into its peak, and escapements were already assured in most major river systems. Establishment of the General district to crop off fish early was not effective due to the lack of early fishing activities.
- (3) As a result of the late season start-up of fishing activities and the strong return, processing capacity was quickly exceeded once the price dispute was resolved. Frequent suspensions and limitations of buying by processors was the rule between July 3-13.
- (4) Six (6) foreign tendering permits were issued under amended foreign processing regulations adopted by the Board of Fisheries. Although 12 foreign tenders transported over 760,000 fish (4.1 million lbs.) out of Bristol Bay for processing, the actual number of permits/tenders was much less than anticipated.
- (5) Although numerous all-time catch and escapement records were set in 1980, none was more remarkable than the return of 12.7 million sockeye to Nushagak district. This district has a long history of total fish production which has averaged about 2½ million fish. The return of 12.7 million was the second largest ever recorded.

in the Naknek-Kvichak, Egegik and Ugashik districts; and the Nushagak district outer boundary was extended out to the "king salmon boundary line" effective June 25 (Figure 2); (2) unrestricted fishing time was allowed beginning on June 9 in the Naknek-Kvichak, Egegik, Ugashik and General districts, and from June 25 in the Nushagak district; and (3) all re-registration processes were waived to allow unrestricted movement between all districts of Bristol Bay without the usual 48-hour waiting period.

The total sockeye salmon return in 1980 of 62.4 million was the largest ever recorded. The eventual season harvest of 23.7 million was many million less than what potentially could have been caught. The fishermen-industry price dispute effectively eliminated any significant harvest prior to July 3. As sockeye escapements began to build in late June, it was quickly evident that escapement trends were developing well above the normal rate.

The Department's Port Moller test boat fishery, which provides information on timing, magnitude and age composition of the run one week in advance of the inshore fishery, was inconclusive in terms of magnitude, but time and age composition were exactly as expected. However, the price dispute extended so far into the season, that by the time a price settlement was reached, there was little doubt as to the strength and magnitude of the run.

Daily catches immediately exceeded 2 million fish per day once the price dispute was settled on July 3, and for the next nine (9) days exceeded 1.4 million fish per day, peaking on July 5-6 with 2.5 and 2.4 million fish, respectively (Table 5). Approximately 21 million sockeye passed through the fishing grounds prior to the commencement of commercial activities, and escapement requirements were assured in most major river systems. Continuous fishing was permitted throughout the entire sockeye season, as run magnitude evaluation procedures indicated exceptional strength to all districts.