THE SALMON INDUSTRY

Toward a Brighter Future

The following article was written by Jane Byers Maynard, Labor Market Analyst for the Alaska Department of Labor.

The 70's have seen a continual decline in the number of commercially harvested salmon in Alaska. A predicted 1974 harvest of 15.6 million salmon spelled disaster for fishermen and cannery workers and while the actual catch totaled 21.9 million, it was still one of the lowest on record. The 1973 catch faired only slightly better with 22.3 million, compared to 68.5 million in 1970, 47.5 million in 1971, and 32.0 million in 1972. This decline is generally attributed to the severe winters of 1970–71 and 1971–72, which caused abnormally high mortality rates among salmon stocks. Salmon spawned in 1970 and 1971 would normally comprise a large percentage of the 1975 return, and therefore, expectations for this year's season were not high.

But preliminary figures for the 1975 harvest are in, and they are at least higher than last year's figures. The total for the State is 25.5 million so far and late season catches will up this figure. The Central Alaskan catch is almost double that of last year with a figure of 13.7 million, compared to a poor 1974 showing of 7.6 million. Western Alaska, including the Arctic – Yukon – Kuskokwim region, has a preliminary total of 6.7 million, compared with 5.4 million last year. The 1975 Yukon district catch was the highest on record. The Bristol Bay harvest, after a disastrous 1974 season, was the best since 1971, but the 1975 catch fell far short of the 25--30 million catch level of what should have been a peak year. Southeastern Alaska was particularly hard-hit this season with a preliminary total of 5.1 million, the lowest catch since the turn of the century. Even the 1974 Southeast catch of 8.9 million was considered marginal compared to previous years.

Prices paid to fishermen in 1975 are lower after the record high inflated prices of 1973 and 1974, so much of what was gained in numbers of salmon was offset by lower dollar values. In addition, considerable unemployment resulted again this season from the still relatively low runs. Industry restrictions persisted throughout the season with fisheries closing early in low run areas and limitations imposed on catches in certain districts.

Despite negative factors which continue to plague the industry, there are indications of an eventual recovery of Alaska's salmon runs, starting with stronger than predicted return on several major stocks as adult returns move further from the adverse survival conditions of the early '70's. Basic productive potential remains high and, given average survival conditions, the 1976 harvest can be expected to exceed that of 1975, with much higher levels expected by 1979 and 1980. To insure that a brighter future lies ahead for the salmon industry, both private and State efforts are underway to bolster the supply by artificially producing salmon. Legislation has enabled private hatcheries to develop facilities which will eventually increase stocks by several million. The Alaska Department of Fish and Game intends to foster such non-profit hatcheries, while monitoring operations through a permit system. The Department is also conducting its own "aquaculture" projects to rehabilitate and enhance salmon fisheries through its Fisheries Rehabilitation, Enhancement, and Development Division (FRED). Such an enhancement program exists to counteract effects of some adverse environmental factors with programs such as habitat improvement, disease prevention, and new incubation and rearing concepts. In the next four years, FRED efforts in salmon husbandry technology should begin to register significant gains in production, and the long-term salmon run is expected to improve considerably through such efforts. This will be a welcome relief for the industry, but positive effects will not be experienced overnight by those fishermen and cannery workers who have felt the economic repercussions of the last four years. Certain measures are being taken, however, to try to secure a better immediate future for those persons who are dependent solely upon the salmon industry for their livelihood and thus were hardest hit by the decline. Many of these people are Alaskan natives, living in villages where salmon fishing is the traditional source of income.

The diversification of the seafood industry in recent years away from salmon has brought some economic stability to many employed in the industry. But for natives dependent upon their skills as salmon fishermen, and living in areas which preclude reliance upon, for example, the shellfish industry, there have to be other sources of income. In 1974 it was expected that there would be large-scale urban migrations by natives in search of construction skills and pipeline jobs. Undeniably, training in new skills would be an asset for the unemployed fishermen, but pipeline recruitment is currently low and the chance of ending up on welfare is high. The natives have been discouraged from moves and encouraged instead by financial assistance in the form of grants which will allow them to remain in their villages and which help them to help themselves. These grants are for public works projects such as the construction of roads and buildings, which will improve the native communities while supplying the inhabitants with an additional source of income. Assistance is still desperately needed in areas such as Bristol Bay, Alaska Peninsula, and Southeastern which were hardest hit in the 1974 and 1975 seasons. For example, a 1975 survey of Southeast villages conducted by the Tlingit—Haida Manpower Division, shows gross average earnings of about $1,100 from a sampling of 331 fishermen from Angoon, Hoonah, and Kake. Cannery workers, whose numbers have been cut sharply, are usually grossing only the season guarantee; for example, in Hoonah this amounts to only $750. Efforts are being made to secure money for more labor intensive work projects for Alaska's natives through the Tlingit—Haida Division, the Rural Development Assistance Program, CETA and other programs.

The State of Alaska, through the efforts of the Fish and Game Department and through other programs, is attempting to insure the future of the salmon industry. The past four years have proved to be extremely disappointing and the effects are still being studied. The impact on manpower in Alaska has been serious, but the various programs initiated by the State have helped to alleviate the potentially disastrous consequences. Many have suffered from the last few years; many more will feel adverse consequences during the period that the salmon industry needs to recover. Careful planning by the State can significantly ease the burdens of the future; but unlike the past few years, there is now an end in sight.

ALASKA'S LABOR MARKET IN AUGUST

Employment — Unemployment: A substantial decrease of 1,300 individuals in August unemployment figure combined with a stable employment figure of 175,500 resulted in a drop of .6 of one percentage point in the unemployment rate, from 7.8% in July to 7.2% in August. The total civilian labor force of 189,400 increased sixteen percent over August 1974 but represented a 1,500 month-to-month decrease.

Mining: The mining industry maintained a constant level at 3,700 as it has since June. This represents an 8.8 percent increase over August of 1974. Increased activity is expected in the near future with the reopening of the old Bartholomae gold mine near Fairbanks.

Construction: A stabilization of activity in the construction industry is indicated by a .3% increase in employment from July to August as compared to a fourteen percent increase from June to July. The 32,200 August figure represents a 12,900 increase over August of 1974.

Manufacturing: The reopening of the Ketchikan pulp mill after its July shutdown was largely responsible for an increase of 300 workers in the lumber employment figure. This increase was partially offset by a decrease of 200 in the food processing section bringing total employment to 10,800 in the manufacturing industry, an increase of 100 over July. This, however, represents a 21% decrease from the year ago figure.

Transportation, Communication and Utilities: Employment fell from 15,400 in July to 15,300 in August due to a 200 decrease in water transportation and a 100 increase in trucking and warehousing. Industry employment rose nearly seventeen precent from August 1974.

Trade: The total industry employment figure remained at July's level of 23,100 although there were some internal variations. The increase of 100 in eating and drinking establishments was balanced by a decrease of 100 in the general merchandise and apparel sector. An 11.6 percent increase over August 1974's figure is indicative of the State's continued business expansion.