

Alaska Gov. Asks Feds to Buy 1M Cases of Canned Salmon

BECKY BOHRER, Associated Press

JUNEAU, Alaska (AP) — Gov. Sean Parnell has asked a federal agency to buy about 1 million cases of canned pink salmon to ease a glut that has weighed down prices for Alaska fishermen this year.

Parnell made the request in a letter to U.S. Agriculture Secretary Tom Vilsack this week. He wants the USDA to purchase \$37 million worth of canned pink salmon under a federal law that allows for buying surplus food from farmers and donating it to food banks or other programs.

USDA purchased \$20 million worth of salmon earlier this year, which Parnell called an important first step in reducing inventories to help slow a price decline that he said threatened the 2014 fishing season.

He said remaining unsold inventories are driving prices to levels that threaten harvest activity this year and next, with the price of canned pink salmon 23 percent lower than a year ago and the advance price paid to fishermen down about 33 percent.

USDA said a decision has not yet been made on Parnell's request.

The Alaska Seafood Marketing Institute has committed about \$1.5 million in emergency funds to market pink salmon.

Fishermen, like farmers, have boom and bust years. One year a harvest can be great, the next, not so much.

In Alaska, 2013 was a huge year for pink salmon. The 219 million pink salmon harvested dwarfed the previous record of 161 million in 2005, Parnell said. But it also resulted in a glut of canned salmon, with an unsold inventory of over 6.1 million cases or two years' worth of fish at current demand, Parnell said.

The Department of Fish and Game said the 219 million was a preliminary estimate. The pink harvest wound up at 226 million fish.

Bruce Schactler, food aid program coordinator for the Alaska Seafood Marketing Institute, said there was enough canned product at the end of the year to last three years, he said.

"Fortunately, it's a great product," he said, with a shelf-life of six years.

The state has estimated a catch of about 75 million pinks this year. The five-year

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average, according to state Fish and Game is about 123 million.

Pinks follow a two-year cycle of abundance, with 2014 considered a weaker year, according to the marketing institute. The fear is that prices could tank if there's a lot of canned inventory still on the market next year, and there is another huge fish harvest.

Parnell said the oversupply is greater than what was experienced by the salmon industry between 1999 and 2004, when he said more than 2,000 fishermen went out of business and many processors sold or closed their facilities.

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