GOOD MANAGEMENT IN THE SALMON CANNING INDUSTRY.

Generally any man is considered a good business man when his efforts are crowned with financial success, and the longer his success continues, and the farther his sphere of influence extends, the more his accomplishments are lauded; the louder his praises are sung. But should adversity dog his footsteps, should competitors secure his trade, or should a shortage of raw materials curtail his output, then the commercial world takes an unfavourable view of his business ability. His past successes are weighed in the balance against his present misfortunes, and are found wanting. His misfortunes are put down to poor judgement. The inroads of competitors seem evidence of his slackened energy. Shortage of raw material is ascribed to lack of foresight. If in business on his own account he may carry on until the tide turns and Success once more becomes his hand maid. If he is managing a business for others it is more than likely a change will be demanded and his services dispensed with before he can profit sufficiently from adversity to re-establish himself in the confidence of his associates.

But whether acting for himself or others it often happens that a true realization of existing conditions is not fully grasped by a business man until it is too late to rectify the situation. It is not enough to be able to see the road to Success: to travel it we must possess a means of conveyance. And until we employ the means of conveyance on the very road we have to travel it is a useless implement for our purposes.

In the salmon canning industry to-day the operators are facing this very situation. For many years past the business has been a profitable one, and due to the combination of good packs and a ready market, most of those who followed this branch of commercial life have been successful. Their success has convinced themselves, their shareholders, and the general public that they were astute business men, fit to be intrusted with the management of large affairs. From the standpoint of past performances this confidence may appear fully justifiable, but if past successes were obtained at the cost of future operations can we truthfully consider their management has been businesslike ?

The pack of Red Alaska in 1919 was but 1,204,343 cases, and that of 1920 is probably no larger. Not since 1899 has the output been as small. The packs for the five years 1914 to 1918 inclusive averaged 2,269,350 cases, or nearly 100% more than either 1919 or 1920 produced. Pink salmon are two years old when they are caught on their return as mature fish to their spawning streams, and the depletion in Alaska in this species is even more marked. In 1917 the pack was 2,298,466 cases; the corresponding year of 1919 but 1,657,434 cases were produced. In 1918, 2,418,212 cases were packed, while from the progeny of that run only about 1,300,000 cases were put up this year.

But more serious still is the fact that from the spawning streams of Alaska comes warning that in 1921 and 1922 more pronounced decreases may be expected. With fewer fish to catch, fishing

operations have become more extensive and more intense. The results have been that hardly any humpbacks arrived at the spawning beds, and in many areas there were practically no eggs deposited. To such localities it is out of the question to expect good runs in the two next seasons, or in any future seasons, unless these sections have their runs restored by artificial propagation.

A like condition prevails in the Fraser river fishery. The sockeye runs of to-day are but shadows of their former size. The "upper" Fraser watershed has been without any runs to speak of in three out of every four years since 1899, while the rock slides in the Fraser canyon in 1913 placed the fourth year; the "big" year; in the same category. The decrease in this sockeye fishery is notorious. It is so noted indeed that in contemplating it we overlook the fact that the humpback fishery is following the same downward path, and soon this species too will be as scarce as sockeyes are to-day. The pack of 1919 was far smaller than that of 1917, and that of 1921 bids fair to show a still greater falling off.

Good management would make some provision to prevent the extirmination of the sockeye and humpback fisheries of both Alaska and Fraser river, but what steps are the cannery interests taking in either district to ward off disaster ? I think we can truthfully say; absolutely none. Each operator still devotes all his time and energy to secure as large a portion as possible from the remnants of the runs that are left, knowing full well that if he does not do so his competitor will; that staying his own hand will not result in his neighbour doing likewise. All squabble and fight to eliminate the other fellow's form of fishing appliance; each pretends to believe - although in his heart he knows otherwise - that if only his method of fishing was permitted no depletion would occur. They all waste money in political wire pulling to achieve their individual objects, while no attempt is made to bury their separate grievances and by working harmoniously and in concert, to build up the fisheries so that all forms of gear could be employed with impunity, and fish in plenty would be available for all.

In the early days of the Columbia river fishery every canner worked for and by himself. Fish were plentiful, yet rivalry was keen, and the last thing a canner dreamt of was co-operating with a competitor. But by and by the industry fell upon evil days; fish became scarce; and packers became alarmed. Still they made no concerted attempt to prevent extirmination; they left this to the government to do for them. The government tried, and by their efforts produced sufficient salmon by artificial propagation to maintain the run at some semblance of its former greatness. But they did not bring it back to anything like its prime. It was only when new management; new ideas; and new methods were applied that such success was secured as promises to make the Columbia fishery exceed the best records of its past. And to the credit of the Columbia river operators they laid aside their squabbles over traps, seines, gill nets, and fish wheels, and financially and otherwise, co-operated to supplement the government's action in producing through artificial propagation sufficient salmon for all their appliances, and still provide an ample run of fish to the natural spawning beds and for hatchery requirements.

What Columbia river canners have done and are doing, should spur operators in other localities to take like concerted action. Never mind the government; let the government do what it can, in its own way, to maintain the supply; but let the canners supplement government action by co-operating themselves in propagation work in districts where the government is not operating, and with methods which promise greater success than is expected from the methods which the government employs. Take the money which to-day is being squandered in fighting each other, and apply it to fish cultural purposes, and there would be ample funds available for operating a dozen hatcheries on the rearing pond system.

If a farmer owned a farm of 66 acres and made $100. per acre profit each year, he would be doing well. He would receive a net return of $6,600. per annum. If he possessed such a farm and made no effort to plant crops and cultivate them so he could reap the profitable harvest, we would rightly say he was a poor manager and deserved to have his farm taken away from him. If he was not the owner, but managed the property for someone else, there would no doubt be a speedy change in management.

The case of the salmon canner is,very similar. Rearing ponds of 66 acre area are of sufficient size to accomodate 132,000,000 young sockeyes or humpbacks until they attain the fingerling size. From 50,000 adult salmon, equal to about 4,000 cases of canned fish, the necessary eggs could be obtained. At Bonnieville hatchery young sockeyes have been successfully retained until they were 5 or 6 inches long; were marked before released; and matured fish, possessing such markings, returned in due course to the river waters. The Oregon authorities estimate that fully 10% of the marked fish were accounted for, and that with their present day knowledge of how to feed and take care of the fish while in the rearing ponds, a return of 25% to 50% can confidently be looked for.

But even on a 10% basis the 132 million fish a 66 acre propagation farm took care of would produce sufficient mature sockeyes to fill ONE MILLION CASES. Bonnieville hatchery officials estimate the cost per 1,000 at about 50¢, and at this rate it would take $60,000 to $70,000. to pay production costs. If a million cases were secured the market value at t-day's prices would be $12,500,000. for Alaska Red, or$20,000,000. for Fraser sockeye. Surely a satisfactory return for foregoing the packing of 4,000 cases, and on an initial expenditure of $70,000. for seed, planting, and cultivation.

And if the farmer-manager would be deemed censurable for neglecting his obvious opportunities why should we look any differently on the cannery operator who with still greater prospects of profit yet makes no effort to obtain it. It is all very well to decry past artificial propagation accomplishments, but if initial failures in medical, engineering, or other scientific research work, had deterred men from continuing their efforts, where would mankind be to-day ? All signs of our present civilization would be lacking, and in mode of living, and in understanding, we would be as are the beasts of the field.

It is not to be expected that at the start off anything like rearing ponds for 132 million fish would be installed. But if operators in various sections would examine streams adjacent to their canning establishments they doubtless would find localities where rearing ponds of an acre, or half an acre, could be installed; where cannery employees could do the work of caring for the young fish; and where food for their use could be processed right at hand. In this way the work could be accomplished with the minimum of expense, and the resultant matured fish returning to their native stream would give the cannery operator the best chance of reaping his reward. Should no returns be secured he could at least claim judgement and foresight for attempting to provide for the future, while if he built up the fishery the resultant profit would shrink the cost to insignificant proportions, and would establish him forever as a successful business man.

Through many years of effort, and vast expenditure of money, we have built up brands, selling connections, and an established trade for canned salmon. Is it good business management to jeopardize, perhaps lose all this, by extirminating the natural supply while waiting for the government to provide us with artificially prppagated raw material ? The farmer does not expect the government to furnish the seed, plow and cultivate the soil, and permit him to reap the harvest free of all production expenditure. Why should those engaged in the fishing industry be less self reliant ? The returns they can look for from their 66 acre fish farming are a thousand times greater than a land farmer could possibly secure from his efforts, and yet we are facing the extirmination of the industry without even an attempt on our part to prevent it. "God helps those who help themselves" apparently is not part of the creed of Pacific Coast salmon operators.

Years ago Columbia river salmon under Columbia river brands supplied the trade of Great Britain. As time passed and this fish was not available for that market, Sockeyes and Red Alaska supplanted it. But the John West brand, the various Hume brands, and other well established Columbia river labels are still leaders in the English markets, although to-day they are used on Sockeye and Red Alaska salmon. If Puget Sound, British Columbia and Alaska fail to furnish salmon in sufficient quantities to keep well known brands before the public what will be the consequences ? The canners of Siberia and Japan, with their practically unimpaired fisheries will step into the breech; the well known brands will be used on their products; and should our fisheries eventually become restored we will have to break a fresh lance against a competitor armed with cheap cost of production, and possessed of all the advantages we enjoy to-day.

The rearing pond system of Oregon may not be perfect: it may perhaps fall far short of what the authorities claim for it. But at least it has proven better than the methods employed elsewhere, and if these other methods continue to be used by the government in their propagation work, why should the canners sit supinely by, and let Oregon alone demonstrate the workings of its system. Surely the canners of Alaska, Puget Sound and British Columbia have enough at stake to warrant their spending money to demonstrate the

effectiveness of any and all systems that give promise of maintaining their supply of raw materials. They spend thousands yearly for fire insurance protection and consider it money well spent. What is artificial propagation but an insurance of raw material supplies ? If one is beneficial, why not the other ? To-day the packers are getting together through amalgamations, through voluntary agreements for pack curtailments, and through other means to preserve their selling markets and eliminate destructive competition in securing fish supplies. Why not use the same means and same organizations in an effort to restore the fisheries to their old time strength ? Success may not come at once, but come it eventually will. Woe betide us if we await that attainment until our brands have disappeared, and our trade has passed into the hands of Asiatic competitors.