

Cost of hatchery salmon careens from \$14 to \$530 per fish

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State salmon hatcheries -- championed by fishermen and tribes, derided as genetic threats by wild-fish advocates -- just got a new report card. And while no letter grade is assigned, it is clear that inconsistency across hatcheries rules.

The secretary of state's audits division, in calculating the price of producing various runs of salmon, has found that costs veer to the extremes depending on the hatchery in question. At the Salmon River Hatchery, for example, the price for each returning adult fall chinook is \$14, while an adult coho returning to the Bandon Hatchery cost a whopping \$530.

Much depends on the success of each year's outgoing smolts, the thousands of juveniles that must swim to the ocean, roam thousands of miles and return as fit adults. Relatively few make it. But some hatcheries have more success than others and at costs that may not correlate with that success, though why that is so is not evident from the report.

But the disparities are, and that will be plenty to inform debate in a Legislature strapped for cash. The eight-page audit will be presented Wednesday to the Legislature at its interim audit committee meeting.

Hatcheries have been on the front lines in the salmon recovery effort for years. Conservationists say they produce salmon that threaten wild runs by interbreeding with them or outcompeting them or food or habitat. Others, including Northwest tribes and farm groups, say they should be used more to buttress declining salmon runs.

Gov. John Kitzhaber early this year proposed closing three coastal hatcheries -- Trask near Tillamook, Cedar Creek near Hebo and Salmon River near Otis -- when the size of the state budget deficit became clear. That plan was reversed, however, after a public outcry.

Those three hatcheries were among the 13 examined by state auditors. They calculated the total cost of running each hatchery, including salaries, capital costs and administrative costs, and determined the costs of producing smolts at each. Then they used a measure of how many smolts returned as adults to determine the cost of each adult. The findings:

* The average cost to produce an adult fall chinook was \$39. The lowest-cost fall chinook, \$14, came from the Salmon River Hatchery, the highest, \$176, came from the Rock Creek Hatchery.

* The average cost to produce an adult spring chinook was \$175. The lowest-cost spring chinook, \$90, came from the Cedar Creek Hatchery; the highest, \$254, came from the McKenzie Hatchery.

* The average cost to produce an adult coho was \$97. The lowest-cost coho, \$67, came from the North Nehalem Hatchery; the highest, \$530, came from the Bandon Hatchery.

No attempt was made to discuss economic benefits of hatcheries, which produce the vast majority of salmon and steelhead caught by anglers. Neither was any attempt made at assessing potential peril to wild stocks or collateral costs of managing smolt migration in drought years, when dams must release extra water.

Cathy Pollino, director of the audits division, said the division has not taken a position on whether any hatchery costs are too high. She said the division, which was not asked to do the audit, simply gathered information for legislators to consider.

"During the last session there was a lot of discussion of 'Should we keep hatcheries open? Do we shut them, and if we do, which ones?' "

Hatchery critics Monday said the analysis illustrates that Oregon's management of its 34 hatcheries is lax.

"Hatchery costs are all over the map, and hatcheries aren't being managed as effectively as they should be," said Jim Myron, conservation director of Oregon Trout. "Somebody needs to take a closer look at what the lower-cost hatcheries are doing right."

But officials of the Oregon Department of Fish and Wildlife, which operates state hatcheries, welcomed the audit. Department Director Lindsay Ball, in a letter that will be submitted with the report to the legislative committee, called the analysis "a reliable guide for improving state hatchery programs."

George Nandor, the state's hatchery manager, said the Bandon coho costs were deceptively high because that hatchery produces coho eggs for distribution to other hatcheries. The number of coho returning to Bandon was thus low, inflating the price assigned to individual returning adult fish, Nandor said.

State Sen. Joan Dukes, D-Svensen, said closing any hatcheries would be difficult because they are enormously popular with anglers. "Every time hatcheries have been put on the chopping block there's an enormous outcry," she said.

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