

**Testimony of Andy Golia**

**Before the**

**U. S. Senate Committee on Indian Affairs**

**Oversight Hearing on Subsistence**

**Washington D. C.**

**April 17, 2002**

**Mr. Chairman and Committee members, thank you for this opportunity to testify. My name is Andy Golia. I m a resident of Dillingham, Alaska, a Native community on the Bering Sea coast about 300 miles southwest of Anchorage. During the winter months, I work as the Program Manager for Economic Development with the Bristol Bay Native Association. In the summer, I am a drift gillnet fisherman in Bristol Bay s commercial salmon fishery. I am here today to present the testimony of Harvey Samuelsen, whom you invited to testify.**

**The Bristol Bay region of Alaska covers about 40,000 square miles and includes 30 villages and 9 major river systems. In also includes the richest and most productive salmon habitat in the world. Our relationship to that fishery and the land and waters that sustain us are defined by subsistence customs and traditions that are essential to our way of life.**

**Approximately 90% of the village residents in the Bristol Bay region are Alaska Natives. Like other Natives across Alaska, we have**

**practiced a subsistence lifestyle for many generations to feed our families and to supplement our cash incomes. Subsistence traditions govern our family, community, and economic systems and define who we are as a people. Subsistence is not a recreational activity. It is a way of life.**

**The commercial salmon industry is the economic base in Bristol Bay. It has provided us with the cash we need to build and heat our homes, to build and maintain our school systems, to feed our families and to practice our subsistence traditions. Nearly two thirds of our households derive more than 80% of their income directly from the fishery. Our sons and daughters grew up in this tradition and want to follow in the footsteps of their elders. But in recent years the commercial fishery has collapsed.**

**The farmed salmon industry has glutted world salmon markets and driven wild salmon prices down. We ve seen our salmon prices drop from a high of \$2.25 a pound back in 1989 to just \$.40 a pound last summer. In 1997 and 1998, our fishery was declared an economic disaster by both the state and federal governments because of failed salmon returns and again by the State in 2001 because of weak salmon prices. We have had economic disasters 3 out of the last 5 years. The long-term outlook for salmon prices looks grim.**

**Our salmon stocks are also experiencing some biological**

problems. In 2000, the Kvichak River, once the world's largest sockeye salmon producer, suffered its first peak-cycle run failure in its 100-year history. In 2000, only 1.8 million sockeye returned out of a forecasted return of 11 million. In 2001, the minimum escapement goal was 2 million. The actual escapement was about 1 million sockeyes. The pre-season forecast for the 2002 commercial fishing seasons in the Kvichak and other river systems of Bristol Bay are just as bleak. With economic hardships facing Bristol Bay, residents are becoming more and more dependent upon the subsistence resources provided by our lands and waters for survival.

The cost of living in the Bristol Bay region ranks among the highest in the State and nation. A University of Alaska's Cooperative Extension Service Cost of Food Study completed for 20 Alaskan communities in December 2001 showed that Dillingham residents pay the highest cost for food in the State of Alaska. It costs an average of about \$190 per week to feed a family of four. This amounts to about \$760 per month. In comparison, Anchorage residents pay \$101 per week, and Portland, Oregon residents pay \$87 per week (less than of what Dillingham residents pay). A gallon of milk in Dillingham costs \$6.48, a head of cabbage \$7.40. We pay \$2.59 for a gallon of gas (Anchorage residents pay about a dollar less). We also pay about \$.23 per kilowatt-hour for electricity (more than twice as much as Anchorage residents pay). Some of our village residents pay as high as \$4.00 a gallon of gasoline, \$3.00 a gallon for home heating fuel, and 45 cents per kilowatt-hour for electricity.

**Mr. Chairman and Committee members, as you can see, we need to subsistence hunt and fish to help offset the extremely high cost of living in our area. Every dollar saved through subsistence harvest means the difference between heat or lights for our homes, moving away or being able to stay in your own village.**

**High fuel costs prohibit many residents from practicing subsistence hunting and fishing because they simply cannot afford to buy fuel. High fuel prices and reduced energy assistance prohibited villages from purchasing sufficient bulk fuel supplies to last the whole winter. For example, New Stuyahok, a village of about 550 residents on the Nushagak River, depleted its winter supply of gasoline about 2 weeks ago. With the Nushagak River still frozen over, and a runway that is too short for cargo planes, fuel cannot be flown or barged in. Residents are forced to get their gas supplies by sled from Dillingham, if they have enough fuel to get to Dillingham.**

**On the Alaska Peninsula, we re seeing villagers move out of their homes and leave their communities for jobs elsewhere because of the crash of salmon prices and the high cost of living. Back in 1990, Chignik Bay had a population of 190 residents - today it has a population of 48. Villagers are moving out of Port Heiden, Pilot Point, Egegik, South Naknek, and Naknek and many of their schools are on the verge of being shut down because they don t have enough**

students.

At the same time, there has been a decline of the Northern Alaska Peninsula Caribou Herd these villages depend upon for food. In 1975 this herd numbered about 25,000. Today the herd is down to about 6,000. In spite of this decline and the dependence of subsistence hunters on the resource, last fall the State awarded 400 statewide permits to hunt this herd, while Federal subsistence management awarded only 40 subsistence permits split between 11 villages.

During the moose-hunting season in the Nushagak River area last fall there were a total of 1,063 hunters, 641 non-local hunters and 422 locals. A total of 363 moose were taken. Of this number, hunters from out of the region took 226 moose. Local hunters from six (6) villages in the Nushagak River area took 138 moose.

As you can see, along with the pressure of our local economic collapse, we must also live with increased competition for our subsistence fish and game. This is largely due to the State Legislature's refusal to protect our subsistence rights and its insistence on opening our subsistence hunting and fishing to all 627,000 Alaska residents (as subsistence users). We honor our subsistence tradition of sharing our resources with those in need. However, this is becoming less tolerable because of the growing number of non-village hunters coming from outside of our region

**seeking antlers and adventure at the cost of our survival.**

**When the Alaska Native Claims Settlement Act was passed in 1971, village councils and Native residents made their land selections largely based upon their traditional subsistence use areas. This guaranteed them continued access to their traditional hunting and fishing sites and to the subsistence resources they depend upon for cultural and nutritional purposes.**

**In recent years, as the Bristol Bay commercial fishing economy continues to falter, we have seen a growing number of Native allotments in the region being sold to outside interests in order for village members to pay their bills. These outside interests do not always share our subsistence traditions, and seek economic gains by building sports hunting and fishing lodges that degrade the subsistence values of adjoining Native-owned parcels. 104 of these allotments are offered for sale today.**

**In Bristol Bay, subsistence hunting and fishing are important parts of our economy. They enable our members to supplement their cash incomes, which is important especially in these economically hard times. Sports hunters and fishers, who compete with us for subsistence resources, threaten our subsistence way of life along with outside interests, who do not share our subsistence values, purchasing Native allotments to turn a profit.**

**In closing, if there are no objections, I d like to submit as Exhibit A, a 2-page document that shows the extremely high cost of living and high cost of electricity and fuel in our region.**

**That concludes my testimony. Thank you.**

### Exhibit A

The following are excerpts taken verbatim from the Bristol Bay Native Association's current draft Comprehensive Economic Development Plan:

#### B. High Cost of Living:

The cost of living in the region is extremely high. The following table shows the cost of living in Dillingham compared to Anchorage, Alaska and Portland, Oregon. The University of Alaska, Fairbanks, Cooperative Extension Service surveyed 20 communities in the state and compiled the data in the table. It shows the cost of items for the month of December 2001. The cost of food is calculated per week for a family of four with two children between the ages 6 to 11 years old.

Category	Dillingham, AK	Anchorage, AK	Portland, Oregon
Food (per week)	\$189.45	\$101.24	\$87.46
Electricity 1,000 kWh	\$180.98*	\$112.38	\$82.29
Heating Oil 55 gallons	\$122.65	\$61.88	\$104.50
Gasoline 55 gallons unleaded	\$138.55	\$77.55	\$65.95
Lumber (2x4x8)	\$5.04	\$3.04	\$2.58
	\$106.09	\$44.52	\$41.30

**Propane Gas  
100# refill**

**\* = Dillingham is eligible for Alaska State's Power Cost Equalization Program.**

**While the above table shows the cost for necessities in Dillingham, the cost of groceries is generally higher in the smaller Bristol Bay communities because grocery items must be "shuttled" through Dillingham, Iliamna, or King Salmon.**

**C. High Cost for Electricity and Fuel:**

**Because of their remoteness, most of the region's residents living in smaller communities generally pay about twice as much than Dillingham consumers and 4 times as much as Anchorage consumers. In some cases, such as in the community of Egegik, residents pay as much as \$.45 per kWh.**

**The Alaska Power Authority indicates that the goal of the Alaska's Power Cost Equalization (PCE) program is to provide economic assistance to customers in rural areas of Alaska where, in many instances, the kilowatt-hour charge for electricity can be three to five times higher than the most urban areas of the state. The program seeks to equalize the power cost per kilowatt-hour statewide. However, even with PCE rural electric costs are 2-3 times higher than urban energy costs.<sup>1</sup>**

**Although Alaska's legislature approved a long-term funding plan for Alaska's PCE program, rising fuel cost will drive rates up because most Bristol Bay communities are solely dependent upon diesel generators for electricity.**

**The cost of gasoline in the region is also very expensive. Back in 2000, area residents in the following communities paid the following amounts for gasoline:**

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<sup>1</sup> Statement of Alaska's Power Cost Equalization program on the Alaska Energy Authority's Internet site at <http://www.aidea.org/pce.htm>.

<b>Bristol Bay Community:</b>	<b>Cost per Gallon of Gasoline:</b>
<b>Dillingham</b>	<b>\$2.60</b>
<b>Portage Creek</b>	<b>\$3.15</b>
<b>New Stuyahok</b>	<b>\$2.75</b>
<b>Koliganek</b>	<b>\$2.75</b>
<b>Newhalen</b>	<b>\$2.98<sup>2</sup></b>
<b>Nondalton</b>	<b>\$4.00<sup>2</sup></b>
<b>Iliamna</b>	<b>\$2.98<sup>2</sup></b>
<b>Kokhanok</b>	<b>\$3.24<sup>2</sup></b>
<b>Iguigig</b>	<b>\$2.98<sup>2</sup></b>
<b>Pilot Point/Ugashik</b>	<b>\$2.39<sup>2</sup></b>

Because the cost of gasoline is so high, a number of communities in the region are beginning to experience depleted fuel supplies during the spring months. The State Division of Energy use to provide \$100,000 bulk fuel loans to area communities, however because of state budget cuts, this program has been cut to \$50,000 per community. With gasoline being very expensive, some of the area communities cannot buy enough fuel to last all winter.

To help offset the high cost of living in the region, most area residents depend upon subsistence hunting and fishing.

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<sup>2</sup> Trip Report on Economic Indicators for Lake and Peninsula Borough completed in Sept. 2000 by Marvin Smith, Community Development Coordinator, Lake and Peninsula Borough, King Salmon.