

Oil Companies Oppose Arctic Slope Borough

BARROW—"In terms of services," stated F. Harlan Flint, Administrative and Legal Manager for BP Alaska, "a one mill tax rate in the proposed North Slope Borough would buy 50 library books for every one that could be bought with a one mill rate in adjacent remote areas."

Flint, along with representatives of Atlantic Richfield, Humble Oil and Mobil Oil, appeared at the State Local Boundary Commission hearing Thursday night in Barrow to deliver testimony against the proposed North Slope borough.

The result, they claimed would be to inequibly distribute

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the oil wealth. Also, they claimed the proposed borough did not satisfy "the letter or the spirit of the state constitution."

The Alaska Oil and Gas Association already has filed an opinion with the State Local Affairs Agency flatly opposing creation of the North Slope Borough.

In the crowded multipurpose room of the Barrow BIA school the oil men stuck out as the only obvious opposition.

In the paper he delivered before Local Boundary Commissioners John Hedland of Anchorage, Bob Korn of Cordova, Gary Ackerman of Fairbanks and Al Shontz of Barrow, BP's F. Harlan Flint held that the formation of the North Slope Borough would deliver oil reve-

nues to the five specified native villages to the exclusion of other equally poor rural areas.

"The tax inequity created by a North Slope Borough would be so great that by one means or another the State would ultimately be obliged to correct the situation. Such a course would be painful and disruptive of itself and would be likely to take the form of additional taxes to correct the inequity."

"They (the oil companies) are getting around to telling us they'll accept a state property tax in exchange for having no viable local governments," one Local Affairs Agency official commented on the oil company testimony.

"It's easier for them to deal with Juneau than with a strong local government."

Other hearing observers suggested that the oil companies do not want to have to deal with a local Eskimo government with strong powers.

In their testimony they claimed the Prudhoe Bay facilities have no contract with the other slope communities. Twenty five men, however, are flown from Barrow to Prudhoe Bay on a permanent basis to work on the oil fields. Local officials are trying to push the companies into more local hire.

According to city manager Jack Chenoweth, much of the economy of Barrow is based on cash, though there is extensive subsistence hunting. The city boasts an Arctic Research Institute, employment on the DEW line, Barrow utilities and other local industry.

The record of the North Slope Borough hearings will be kept open for 20 days after last Thursday. After that, the Local Boundary Commission will decide whether or not to approve the petition. If their decision is favorable, the Lt. Governor must set an election date within 30 days after he receives their support. If the people of the area vote to approve the borough will become an entity on the day the election results are certified.