

NICHOLLS REPUDIATES STATE

Denies Land Claims Hindering Economic Progress of State

Hugh Nicholls, executive director of the Arctic Slope Native Association with headquarters at Barrow, makes a strong denial this

week that the state's growth is being halted "by the native people seeking their just rights. . ."

State officials, as well as some state legislators, have been emphatic in saying that the native land claims and the resulting "land freeze" imposed by the Department of the Interior, were stopping the development of the state.

Nicholls emphatically denied this saying that this ". . . is entirely without foundation and a political propaganda more on the level of the late Herr Goebbels."

Hugh Nicholls has been researching for sometime to back up his statements and he came up with the following report:

"I quote the 'Alaska Construction and Oil Report,' a magazine put out eight times a year and trade magazine of the above groups in Alaska. The publisher is Alaska Construction News, Inc., 2913 First Avenue, Seattle Washington.

"May, 1967 issue, on page 13, it quotes Dennis Cook, Alaska 67 manager, as saying, 'Our gross business (the state) volume is up 18.12 per cent over last year. And today our business is booming as never before.'

"On page 44, it has an article headlined, 'Standard Oil Confident About Future,' and Robert C. Guinness, president of S.O. Co., is quoted as expecting a five-fold increase in oil production by 1970, and according to Chairman Swearingen and President Guinness, 'These

(Continued on page 6)

Hugh Nicholls Repudiates . . .

(Continued from page 1)

outlays (expenditures, 1966) were the largest in our history. Because of the many opportunities for continuing profitable growth, we are budgeting even larger capital and exploration expenditures in 1967."

"On page 45, an article entitled, Oil, Gas: 850 Million Invested Since Statehood stated, 'The Alaska Division of the Western Oil and Gas Association recently published a report on the impact of the oil industry of the 49th State.'

"(Here I extract the statistics):

"\$850 million invested since statehood; \$239 million invested in 1966; oil revenue, \$140 million direct income to state since statehood; \$18 million direct income to state in 1966;

"\$54 million royalty refund from U.S. to State since statehood. In 1966, eight per cent increase over 1965 state income from oil royalties.

"64,646,287 barrels of oil produced in 1966 in Alaska; 81,151,396 cubic feet of gas produced in 1966 in Alaska. (the article continues):

" 'In Alaska the majority of lands are either State or Federal. The WOGA report points out that this fact enhances Alaska's income position because the State is also refunded 90% of the royalty from federal lands.

Since 1958, the State has received over \$54 million in refund from rental and royalty fees from federal lands.

" 'These monies go into the State's general fund whereas in the majority of other states, royalties are paid to individuals who own the mineral rights.

" 'Other effects of the oil and gas industry on the State's economy were listed as a substantial increase in year around employment as well as increased industrial potential.

" 'This latter refers to new plants, either under construction or proposed, which will provide more basic manufacturing in Alaska plus a market for natural gas products.' End quote."

Summarizing, Hugh Nicholls continued, "From these facts and figures put out by state officials, the oil and gas industry itself, it would appear that the false cry that the state growth is being halted by the native people seeking their just rights is entirely without foundation and a political propaganda more on the level of the late Herr Goebbels.

"What is more apparent is that the present administration is not satisfied with a piece of the economic cake but covets not only the whole cake but the table, the plate and the serving fork as well."