

Positive economic impact

Study charts Sealaska benefits

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for the Tundra Times

A study recently prepared by consultants for Sealaska Corp. charts the positive economic impact of Southeast Alaska's Native corporations on the regional and state economies.

Significant findings came out of this study, and they are reported in five major areas: Employment and payroll, investments, exports, the forest products industry and the fisheries industry, according to Byron I. Mallott, Sealaska's chief executive officer.

"Southeast Alaska's future economic development will most certainly be positively influenced by the ANCSA corporations," Mallott predicted. "Southeast Alaska's Native

corporations already play an important role in the region's economy, particularly in natural resource industries."

The report, *The Sealaska Economy*, documents that in 1985, Sealaska and its subsidiaries directly employed 622 people and were responsible for another 809 related jobs in Alaska.

Ocean Beauty Seafoods Inc., a Sealaska subsidiary, employed 266 workers in operations around the state.

As for Sealaska's other subsidiaries:
•Sealaska Timber Corp. employed 243 workers in Southeast.

•Alaska Brick Co. employed 54 workers in the Anchorage and the Matanuska Valley areas.

•Fairbanks Sand & Gravel

employed 15 people in Fairbanks.

•Sealaska corporate headquarters in Juneau employed 42 people.

The report estimates that Sealaska was responsible for \$38.9 million in wages to be paid to 1,431 employees in Alaska in 1985.

Ocean Beauty Seafood employees alone earned \$6.36 million in 1985, and Sealaska Timber Corp. employees earned \$8.3 million in wages.

In forest products, the report says that with hundreds of thousands of acres of timberlands, the Native corporations will continue to play an important role in the industry. Factors that will affect the timber industry

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employment include:

- Continuing growth in Alaska's primary timber customers, the Far East Pacific Rim countries.

- Strength of the U.S. dollars against the Japanese yen.

- Federal forest management policies in Alaska.

The outlook for seafood processing and fishing appear promising, the report says. Increased marketing efforts and fisheries enhancement projects by the state will help the industry grow. Given Ocean Beauty's size in the state, it will continue to pay a key role in long-term growth.

Sealaska's largest single resource is its subsurface mineral rights. The report says that developments in the Green's Creek area on Admiralty Island, affected by land-exchange legislation now before the U.S. Congress, could move Sealaska into the minerals industry quickly.

The Green's Creek drainage is a richly mineralized area that lies within the boundary of the Admiralty Island National Monument and is, therefore, closed to mining.

The proposed land exchange would remove the Green's Creek area from the national monument, freeing it up for mineral development, and it would

place the Lake Florence-Cube Cove areas of Admiralty Island within the national monument boundaries, closing it to timber harvests or any other development and pleasing environmentalists interested in the area's wilderness qualities.

A second area of future development suggested by the report is Alaska's growing visitor industry. Sealaska is considering a variety of investment projects, including Native performing arts in a long-house setting. Other Native corporations of the region already have invested in the industry, with interests in hotels and lodges.

For the present, the timber and seafood industries will be Sealaska's mainstay. Sealaska's Ocean Beauty Seafoods is called a "primary component" of the Alaska seafood processing industry by the report, accounting for 5 percent of Alaska's total seafood exports in 1985.

In 1985, Native corporation timber harvest equalled the timber harvest from all other sources in the region.

The report listed Sealaska's total assets in 1986 to be valued at \$170 million, and this figure did not include the value of timber and timberlands. Other Native corporations in the region have total assets of \$135 million, not including the value of timberlands.