



SUBCOMMITTEE HEARINGS - Three members of the Senate Subcommittee on Economic Development in Alaska with an opening session in Fairbanks last Friday. Shown are Senators

Howard Baker (R-Tennessee), Lt. Col. Maupin of the Department of the Army, Joseph Montoya (D-New Mexico) and Mike Gravel (D-Alaska).

--Photo by Madelyn Shulman

Subcommittee on Economic Development Hearings

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Three members of the Subcommittee on Economic Development of the U.S. Senate Committee on Public Works were in Alaska last week to hold hearings in Alaskan cities and villages on economic problems.

The subcommittee members - Senator Joseph Montoya (D-New Mexico), Howard Baker (R-Tennessee) and Mike Gravel (D-Alaska) reached Alaska at the end of two months of hearings in six states and Washington, D.C. Among the cities included in the hearings were Seattle, Washington and Los Angeles, Calif.

Governor William A. Egan led off testimony at the opening day of the Alaskan hearings - which began in Fairbanks on Friday - with information on Alaska's severe need for water and air transportation.

After a day of hearings in Fairbanks, the subcommittee members and their staff headed for Anchorage and from there to Bethel and Nome for further hearings.

Governor Egan also touched on some of Alaska's needs for federal aid in creating employment opportunities and social and education programs.

He was accompanied to Fairbanks by three members of his cabinet - Commissioner of Economic Development Irene Ryan,

Director of State Planning and Research Robert Pavitt and Commissioner of Revenue Eric E. Wolforth.

Senator Montoya directed de-

tailed questions to Mr. Pavitt on the problems of water supply and sewage disposal in Alaskan rural areas. Mr. Pavitt explained

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the severe difficulties of building conventional sewage collection and treatment facilities in permafrost areas.

Alaskan officials also concentrated attention on various definitions of "Indian communities or reservations", many inappropriate to Alaska, which are used to qualify communities for Indian desk funds set aside by many federal agencies.

Mr. Pavitt presented detailed testimony on the semantic and jurisdictional provisions of many federal laws which act to exclude. Alaskan rural villages from various federal economic development funds, allocated for Indians in Alaska.

One problem in Alaska cited Alaskan Commissioner of Economic Development Irene Ryan, is the inclusion of military base employment, (which mainly consists of cut-of-state resident soldiers) in employment figures for small communities near military bases. This, she says inflates employment figures for the entire community and may exclude them from aid for depressed areas. Economic development provisions require average percentages of employment for any area requesting project funds.

Various officers from Fairbanks and the North Star Borough testified before the committee on the programs which were developed through Economic Development Administration grants, and how a new economic development act could better serve Alaskans.

The Economic Development Act of 1965, which established the Economic Development Administration and funds for planning, research and economic de-

velopment projects, expires this year.

With the information gained from two months of cross country subcommittee hearings, Senators hope to have a basis for analyzing the results of the former legislation and writing new major legislation.

"These hearings are the outgrowth of our awareness that a situation exists in the United States today which we can no longer tolerate. While this country has generally prospered over the past 25 years, there continue to be unhealed sores of economic stagnation and unemployment.

Despite our past efforts many, many Americans continue to live in or near poverty with little hope of improving their conditions," said Senator Montoya as he opened the Alaskan hearings.

Senator Mike Gravel, introduced the other members of the subcommittee to Fairbanks press at a breakfast meeting on the morning of the opening day of the hearings. The senators brought over 20 of their top aides whom they admit do most of the work in drawing up legislation, with them to Alaska.

According to Senator Baker, ranking Republican member of the subcommittee, Alaska's problems are peculiar because Alaska has "not only a depressed economy but a frontier economy."

Bills for extension of the 1965 economic development act are presently pending in the House, and a bill providing for a one year extension has been passed by the Senate.