

STRIKE HURTING BUSH AREAS

Some of Construction Halted, Food Prices May Rise at Later Time

By LAEL MORGAN
Staff Writer

Materials to build a new school house at Allakaket are stranded in Seattle.

"They can't even get them off the boat," reports Buel A. "Tex" Taggart, office manager for the Associated General Contractors in Fairbanks. The Northland is

"definitely hurting" from the West coast longshoremen's strike that has tied up shipping in 24 ports since July 1.

"At present our food supply is in pretty good shape. If that strike continues, however, it could get tough," worries Ken Jernstrom Co., wholesale grocers "We've rerouted some of our groceries via Canadian Pacific up through Prince Rupert and by barge but there may be a problem of orders backing up. In talking to Seattle they seem to be afraid if there's a rail strike everything could come to a complete halt."

Rerouting of groceries is costing an additional one to two

cents per pound but to date Jernstrom said his firm has been able to absorb the costs.

"If the freight bills aren't too much more we can probably continue to," he said, "But we just don't know how much longer it's going to last."

Jack Shuttleworth, manager of Sea-Land which has been a major shipper of freight to Alaska, said he usually hires from 45 to 50 people but is currently using only a dozen.

"With the load we're normally able to handle building up on a dock, we won't be able to handle it with ordinary means

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when the strike ends," he said. He estimated it would take his firm more than a week to recuperate from the mammoth backlog after settlement.

Lyndon Transport Inc. is handling a major portion of rerouted materials. Manager Dan Kosoff estimates his company has tripled its business since July 2 and is hauling everything from building materials to meat. Utilizing Canadian railroad links between Vancouver, B.C. and Beaver Creek, Y.T. they have so far managed to keep abreast of the traffic increase.

Alaska Hydro-Train is also moving increased tonnage.

"If grocery prices are going up in Fairbanks, the people are getting a raw deal," charges a Hydro-Train employee who asked to remain unnamed. "Sealand has Fairbanks brainwashed that they're bringing in all the freight. It's about time people knew they don't have everything tied up."

Since the strike Hydro-Train's business is reported doubled.

"We're running 80 rail cars out of Seattle by barge every other day. I don't know how we're avoiding the strike but we're doing it. And starting August 1 we're running an extra 400 footer."

Retail grocers, for the most part, are optimistic. College Inn Grocery, which puts up a lot of bush orders, reports they can hold out for a year. C.R. Lindberg of Lindy's Groceries, says he has a good stock.

"There'll be no price rise as long as I have the stock on hand," he promised.

Wholesaler Jernstrom said he has had some panic calls from retailers but encourages them to remain calm.

"I tell them if they push the panic button and short me, someone else will be shorted and push the panic button then everyone will push the panic button."

It is too early, for the most part, to assess the damage the strike has done on bush construction, according to George E. Smith, manager of the Alaska State Chapter of the Associated General Contractors.

"It's going to take us a couple of weeks to figure out from the lading bills what's tied up where—what's in Seward and Anchorage and Seattle."

Luckily one of the biggest

construction jobs in the Bush this summer—a \$12 million school complex in Bethel—got a head start.

"They had about 90% of their building materials landed in June," Smith said. "Of course when you're building a \$12 million structure you overlook some things but they're in fairly good shape."

Not so lucky are contractors working to repair flood damage in Galena. Tex Taggart reports work on a \$1 million extension of the power plant has been seriously curtailed by the strike.

"No one's been laid off but they're not working as fast as they would if they could get materials. Barrow has some big construction plans too. They're building an extension on the power plant. The pilings are all in. But the water doesn't open up there until August anyway. I don't know how the strike will affect their barge."

"Road jobs have not been curtailed but builders are reporting shortages of insulation, plywood and dimension lumber." Taggart added.

Ed Perkowski, Carpenters Union Local No. 1243, which covers everything north of the 63rd parallel, claims that his jobs have yet to be effected by the strike but that it wasn't a very good year anyway.

"Only about 65% of our people are working," he estimated.

All local airlines report business as usual. Wien had a freight pile-up that caused them to put an embargo on Anchorage-Nome-Kotzebue flights but this is to be lifted July 31 according to Morgan Richardson, sales department.

We had a backlog in both Anchorage and Fairbanks and we had to give Fairbanks priority because Anchorage has another carrier," he explained. "Why did the freight back up? We'd like to know too. But we're getting it cleared away."

Alaska Airlines station manager, Jack Nott, said his company had run two chartered "Hercs" from Seattle to Kodiak and could run more if there was a demand.

It all depends on strike negotiations, and as we go to press mediators are still deadlocked.