

Red Dog Land Exchange

Legislation was introduced in the U.S. Senate earlier this month by Alaska Senator Frank Murkowski which would confirm a land exchange agreement between the federal government and the NANA Regional Corporation to allow the construction of an access road for the proposed Red Dog mine.

Murkowski is the prime sponsor of the bill and Senator Ted Stevens is a co-sponsor. Representative Don Young also introduced similar legislation earlier this month.

Murkowski said he introduced the legislation because the existing land exchange between the Department of Interior and NANA is contingent upon Congressional approval. "Approval of this land exchange will allow the construction of an access road to the Red Dog mineral deposit which NANA hopes to develop," Murkowski said. "And I would

like to stress one very important point - the proposed access road would be built along the environmentally preferred route. While the exchange will allow the access road to be built through what is now Cape Krusenstern National Monument, the route has been determined to be the most environmentally and economically preferred route."

"Other alternatives have been studied, a complete environmental impact statement has been prepared, and a consensus exists that a land exchange is necessary to allow the construction of this needed access road," Murkowski added.

Stevens said he co-sponsored the legislation because of its importance to the state and federal government. "The Red Dog-Cape Krusenstern exchange is a good deal not only for NANA and Alaska, but also for the federal government and the Cape

Krusenstern National Monument," Stevens said.

"One major conservation group, The National Audubon Society, has already come out in support of the exchange. It is my hope that other environmental and wilderness organizations will do the same," Stevens added. "This bill is a test of the willingness of those groups to support balanced, environmentally sound development of Alaska's resources and thus improve the human environment of Northwest Alaska."

Murkowski said the exchange will accomplish three major objectives: "First, it will enhance the opportunities for NANA to fulfill the economic purposes of the Alaska Native Claims Settlement Act by the development of the Red Dog mine, a major lead and zinc deposit, and thus provide for the social and economic needs of NANA's shareholders. "Se-

cond, the exchange will benefit the Krusenstern National Monument by reducing private in-holdings and providing for the consolidation of land ownership patterns and more rational management within the monument. Therefore, the interest of the public in the ownership and management of our public lands is served by the exchange. "Finally, the exchange will benefit the United States by enhancing our mineral security and improving our balance of trade," Murkowski added.

Murkowski said, "The development of the Red Dog mine will increase our recoverable resources of zinc by more than 33 percent, from almost 25 million tons to almost 40 million tons of metal. "When in full production, the Red Dog will produce 300,000 tons of zinc a year, almost doubling the nation's annual production. Making

this more important is the fact that our domestic mines now produce less than one-third of our nation's annual zinc requirements. After Red Dog comes on line, we will increase our annual production to two-thirds of our requirements.

Murkowski added that exports from the Red Dog mine are expected to total about \$250 million annually, about a third which will go to Japan.

"Therefore, this project will be particularly helpful in reducing our staggering trade deficit with that nations," Murkowski said.