

## ALASKA - A GOOD CREDIT RISK

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port in the Nation is Kodiak, Alaska, with Boston running fourth; yet the actual potential afforded by the fishing banks off the coast of Alaska is virtually untapped.

"By comparison, the rest of the United States is bounded by two oceans and one sea. Alaska is bounded by two oceans and three seas. This vast fishery, when properly harvested, has the capacity to feed the world's protein-hungry peoples. Lack of adequate knowledge of Alaska's vast continental shelf has been detrimental to the development of its potentials. Establishment of a marine research and education center at Kodiak is one of our major goals.

"The recent announcement by the Secretary of Interior of a proposal for creation of a \$26 million Alaska institute for fisheries development is encouraging. It coincides with this recommendation. It indicates that the Federal establishment is becoming aware of the pressing need for making an inventory of the rich resources there is every indication exist in great abundance in our North Pacific continental shelf, an area greater in size than the land area of the state of Alaska itself.

"We are seeking the establishment of a joint State-Federal effort to proceed with our program for creation of a comprehensive complex of marine research and education facilities, a center capable of tackling the task of the resources of our continental shelf. The limited knowledge available today, though meager, does enable me to cite a few figures just to show you the magnitude of but a few of the fishery resources.

"With proper gear and plants, we will be able to realize annual ocean harvests that include:

- five to six million cases of salmon
- 200 million pounds of king crab
- 500 million pounds of shrimp
- and ocean perch and bottom fish such as

flounder and cod totaling a staggering two billion pounds.

"In addition, there are many other stocks including tanner crab, dungeness crab, scallops, and razor and hard shell clams, though we know less about them as yet. We have watched huge fleets of foreign fishing vessels that have traveled a third of the distance around the planet come to harvest these riches of our continental shelf for years. With industry and government as partners in progress, we will be able to harvest these seas for the benefit of our own State and Nation and the underdeveloped nations of the world.

"Industry that has long been an important aspect of Alaska's economy and is now making some giant strides forward is the timber industry. The volume of useful timber in Alaska is equivalent to the timber stands in the combined New England, Middle Atlantic, East North Central and East South Central States.

"Already in production are two big pulp mills in Southeastern Alaska which have a total value of \$120 million. Each mill employs about 1,000 men in logging and production. Also, in Southeastern Alaska a number of sawmills process high grade timber into finished lumber and cants for export.

"In late March we created a special Task Force whose purpose was to extend the economic development of the State's commercial grade timber forests. We gave them 90 days to get something going, and these men made things happen. As a direct result of this Task Force, plans are now being made for construction of a multi-million dollar timber mill on Afognak Island in Southcentral Alaska.

"Plans have also been announced for construction of a five million dollar timber processing plant near Seward. Production capacity will be 200,000 board feet of cants per day and an annual output of 192,000 tons of wood chips.

"In addition, a smaller lumber operation is being planned now for the Bethel area. We are determined to find a way to utilize the huge stands of timber in Southcentral, Interior and Western Alaska, and our Timber Task Force showed the way. Again, it was men who made things happen. Our policy from the very beginning has been one of direct action to make whatever policies we must so that all of our great State can enjoy the benefits of economic development.

"Now another activity which will lead to a tremendous economic development is the NORTH Commission created by this administration. It is composed of five leading businessmen from the South 49 and five from Alaska. These are men of action who will make things happen. Its first meeting will be held at the University of Alaska on the 27th and 28th of this month. The purpose of this Commission is to open up the Arctic North and forever dispel the fears that it is a land locked in ice and snow.

"We are 70 years behind the Russians and their opening up of the Asiatic Arctic. We intend to telescope time and to open up our Arctic within the next ten years. We know there are vast copper and other mineral deposits awaiting to be taken out of the ground and put into the marketplace.

"One of our first objectives is for this Commission to come up with a method to build and extend the Alaska Railroad through the highly mineralized area of the Kobuk country. With the development of these mineralized areas we will develop composite cities, create employment, and bring in royalties for the State.

"As for our newest and fastest growing industry, it was



THAT DASTARDLY ALASKA 67 VILLAIN-J.W. "Eviction" McGuire, is about to do away with pretty dance hall queen Judy Sekerak (who hath fainted from fright). The engineer of the Crooked Creek and Whiskey Island Railroad (who is in on the plot) will inch his engine closer until....it's really just a part of the show at the Alaska 67

exactly ten years ago today that oil was discovered at Swanson River. A few days later, on July 23, 1957, the Anchorage Times banner headlines read: 'Richfield Hits Oil.' I am very pleased to have this opportunity to salute the Alaska petroleum industry on the tenth anniversary of the discovery of oil of commercial value, the real beginning of our oil industry.

"In 1959 the large Kenai Gas Field was discovered. Exploration continued resulting in more gas discoveries. But it was not until 1963 that the second oil field was discovered. In the last four years the industry's success ratio has been much higher than the national average.

"Now, for the benefit of the financiers, let me tell you what we have today. There are eight oil fields, four of which are rated as 'giants'-that is having over one hundred million barrels recoverable reserves and only one fully developed. We have 16 gas fields, a compact, but expandable refinery built with the special needs of the Alaska market in mind, a marine tanker terminal, over 200 miles of oil or gas pipelines, 11 permanent platforms in Cook Inlet, and when all are completed there will be a total of 19 rigs on these platforms. New plants are under construction as well as new pipelines and a new terminal.

"Alaska started out on the bottom rung of the ladder among the oil producing states, but by the end of 1966 we ranked 18th in production and due to the present rapid development we would today rank 15th in daily production. I am told we can expect to start out 1968 in 11th place, 1969 possibly in eighth place and by 1970 we should be reaching for the fifth rung.

"In estimated, proved, recoverable reserves of crude we already rank seventh, and we rank eight in estimated natural gas reserves. Only two weeks ago we had a new oil discovery in the Trading Bay area which will change these figures upward. I say that this is industrial progress for ten short years, and the future is bright for Alaska and for the oil industry as it begins to realize more of a return on its investment.

"If you think I sound optimistic, let me say that the oil industry is also optimistic; otherwise, they would not have invested a billion dollars to make this progress possible when the gross value of all the crude oil and natural gas sold amounts only to about \$225 million. We have several companies that cannot yet see any production; however, they are still actively exploring several of our basins and I feel confident there will be many other successful discoveries.

"As I mentioned earlier, it is the policy of my administration to offer every encouragement for all developments. Alaska has benefited materially from the oil industry, having received a direct income of about 150 million dollars, which is about 25.44 percent of the cumulative annual budgets.

"We should not overlook many other important indirect benefits such as year-round employment, new service industries, all-purpose roads, bridges and trails that open up the country for other developments, as well as the industry's cooperation in many public service areas. It is estimated that by the end of 1968 our oil production will approach 200,000 barrels per day.

"Add natural gas production and then convert this into royalty income to the State and we should start out 1969

Centennial Exposition, in daily operation on a 40-acre site in Fairbanks, Alaska. Judy still dances in A-67's Palace Saloon, McGuire shows silent movies, and the CC&WI Railroad carries passengers on a mile-long tour of the site.

-Alaska 67 Photo

## Kasigluk Supports

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from us, the Eskimoes, instead of the Russians. We have lived here long before the Russians discovered Alaska. We feel Alaska belongs to us, rather than Alaska belonging to the Federal Government.

We therefore support bill H.R. 11164; the bill that was introduced by Mr. Pollock in Congress and endorsed by the Alaska Federation of Native Associations.

We also feel that things found under the ground also belong to us, such as oil, minerals, etc., and that this should be included in the bill.

We also feel that we have the right to hunt, fish, and trap here in Alaska. We and our people have lived on this land so long that we feel that we have the right to do what ever we want to do on our land. The only way that we can keep on living is by living in Alaska. We mostly live on hunting, fishing, and trapping, and if a government should take some land away and claim it and stop us from doing such things as hunting, fishing, and trapping on that land we would face a lack of food and maybe starvation. Fish and animals move and we can not say that one place will always be a hunting ground, or one place always a fish camp. We need all our land to live on, not just a small part. And as we move into modern times we need also what is under the land in order to live in this world. This is why we had to write you this letter.

Sincerely yours,  
Kasigluk Village Council  
Alaska

Irvin Brink

Copies to:  
President Johnson  
Howard Pollock  
Ernest Gruening  
Raymond Christiesen  
George Kohman  
Tundra Times

The great pleasure in life is doing what people say you cannot do.  
Walter Bagehot

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