

STATEWIDE IN ALASKA

Highlights: As a result of oil development work on the NORTH SLOPE there has been an increased demand for Central Alaska timber. No figures are yet available on the market; however, large quantities of materials, especially piles and sawn timbers have passed through FAIRBANKS destined for the Slope. Local operators in the FAIRBANKS area have been receiving large orders and, in addition, Alaskan timber products have passed through the community from as far away as ANCHORAGE and SEWARD. As a result, the possibility of a widespread forest products industry in the interior is currently under study.

According to figures released by the U. S. Department of Commerce, Alaska is third highest in per capita income in the nation. Alaska's per capita income increased from \$3,452 in 1966 to \$4,124 in 1968 placing Alaska behind Connecticut and New York.

Alaska Hotel Properties, Inc. has purchased real estate in downtown FAIRBANKS to construct a new hotel, shopping center and indoor parking complex. Architectural plans are now being drawn up with the project expected to go to bid next spring. Construction is expected to take from 18 months to two years.

A multi-million dollar program to improve processing facilities was announced by the Ketchikan Pulp Company. The program is expected to extend over a two-year period and include installation of a new saw mill log deck, additional barking and chipping equipment, and an extended power plant. The new saw mill plant is to be built at WARD COVE.

Atlantic Richfield has announced plans to build a 5,000 barrel to 10,000 barrel daily capacity refinery near FAIRBANKS. The refinery will utilize crude oil pumped south through the projected pipeline from PRUDHOE BAY to VALDEZ. The refinery will be in operation when the pipeline job is completed either in late 1971 or early 1972.

The Chilkat Indian Village of KLUKWAN has signed a ten year lease with the Marcona Corporation of San Francisco for prospecting and mining of iron ore deposits on village property. The agreement, subject to approval by the Department of Interior, covers 700 acres and will provide substantial rental and royalty payments for the village. Included in the lease are provisions that members of the village will be given employment preference in the operation and that any mill constructed for ore reduction is to be located in the KLUKWAN area.

The sale of the Alaska Communications System by the Federal Government to RCA Global Communications, Inc. for in excess of 28.4 million dollars was announced this month. As part of the agreement, RCA will spend an additional 27.7 million dollars on improvements to the system. These will include direct distant dialing throughout the state by 1971 and telephone service to 124 small communities now without service. The sale should result in substantially reduced toll charges over the next few years.

Employment:

Employment in June continued its seasonal upswing increasing from 96,100 to 102,600.