STATEWIDE IN ALASKA

<u>Highlights</u>: Alaska's 1969 crude oil production exceeded 74 million barrels, according to figures released by the Department of Natural Resources. The figure maintains the State's position as the Nation's eighth ranking oil producer. Average daily oil production was nearly 204,000 barrels. Natural gas production rose by 48 percent with a large portion of the increase being liquified and shipped to Japan. Virtually all of the oil and gas came from fields in the Kenai Peninsula-Cook Inlet area of Southcentral Alaska. The highly publicized North Slope oil discoveries will not begin to figure in the State's total oil and gas production until after the Trans Alaska Pipeline comes on line.

When North Slope oil does begin flowing to market, it will make Alaska the Nation's leading oil producer, unless other huge reserves of oil are discovered within the continental United States. Furthermore, most of Alaska's offshore lands appear to have considerable oil potential. The Gulf of Alaska has been receiving oil industry scrutiny for some time. In addition, recent surveys by the Federal government indicate that offshore areas of the Bering and Chukchi Seas are replete with potential hydrocarbon bearing subsurface geological structures. If these areas fulfill their potential for petroleum production, Alaska could become a major worldwide supplier of oil and gas by the end of the twentieth century.

<u>New Firm to Cope with Oil Spills</u>: A new company has been formed to deal with the potential dangers to Alaska's environment posed by the development of the State's vast oil reserves. The company, Alaska Pollution Control, will provide services for the containment and elimination of oil spills on State lands and waters. Facilities of the firm will be located at major oil producing and handling areas including: Valdez, Kenai, Drift River, Anchorage and on the North Slope. All five locations will have stockpiles of physical and chemical additives as well as equipment for dealing with oil spills. The firm's aim is to be already on the scene in potential oil spill areas so that spills can be dealt with before they have a chance to get out of hand.

Rural Alaskans Hired on North Slope: Forty-Five Kotzebue residents have been placed in oil industry related jobs on Alaska's North Slope. The placements came as a result of a manpower resource survey conducted under the Alaska Department of Labor's Smaller Communities Program. In addition, thirty-seven others were referred to various Federal and State skill training programs. The survey is the third to be conducted by the Smaller Communities Program team. Other skill inventories were conducted in the Barrow-Wainwright area and along the route of the proposed Trans Alaska Pipeline, from Tok to Valdez.

March, 1970

Shipper to Triple Alaska Service: As a result of vast increases in the volume and tonnage of goods being shipped to the State, Alaska Trainship Corporation will triple its service to Alaska in 1972. The rise in service will come as a result of the addition of a new vessel to the company's fleet. The new train-

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result of the addition of a new vessel to the company's fleet. The new trainship, which will be longer than two football fields, will be capable of carrying 108 railroad cars of sixty foot length. When in operation, the vessel will serve the booming Southcentral area of Alaska.

<u>Cold Storage Slated for Yakutat</u>: A major new freezing and cold storage plant is to be built in the southern Gulf of Alaska in the community of Yakutat. The facility is to be financed by a grant from the Economic Development Administration to the City of Yakutat and will be operated by Whitney-Fidalgo Seafoods Incorporated under a forty year lease. The plant will have a daily quick freezing capacity of 100,000 pounds and a cold storage capacity of 500 tons, making it the largest facility of its type in Alaska. In addition to salmon and halibut, the cold storage will process crab, shrimp, scallops. clams, black cod, ocean perch, and various industrial species. Plans call for the plant to be in operation by year's end. When completed, it will provide fifty year around jobs for Yakutat residents plus additional temporary employment during periods of peak activity.

Alaska Razor Clams to be Harvested Commercially: As a result of razor clam toxicity studies in the Copper River flats near Cordova, a number of selected beaches have been opened for the commercial harvest of razor clams. The opening of these beaches is the first step in obtaining Federal approval for the interstate shipment of Alaska razor clams. If Federal permission can be obtained, razor clam canning would tend to have a deseasonalizing effect on the area's seafood processing industry since the mollusks can be harvested, and hence processed the year around.

Market Outlook Good for Alaska Salmon: According to figures released by the U.S. Bureau of Commercial Fisheries, market conditions for Alaska's 1970 salmon catch look extremely bright. The Bureau reports that as of March 1, 1970 stocks of canned salmon totaled approximately 1.1 million standard cases compared with 1.8 million in March of 1969. This represents a decline of almost 40 percent from the year-ago figure. Furthermore, the per case prices of Alaska salmon were generally above March of a year ago. The decline in stocks and rising prices probably result from an increasing demand for canned salmon combined with last year's worse than average salmon season in Alaska. This plus forecasts of Alaska's best salmon season in recent years during 1970 should help to spur employment among both fishermen and processors this coming summer.

Total Employment: Total estimated employment rose by 1,300 from February to March as winter relaxed its grip on much of the State. Largest over the month gains were noted in manufacturing, trade, and services. Over the year employment rose by 5,000 with many industries registering employment advances.