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REVIEW OF

BUSINESS AND ECONOMIC
CONDITIONS

UNIVERSITY OF ALASKA, INSTITUTE OF SOCIAL, ECONOMIC AND GOVERNMENT RESEARCH

VOL. VI, NO. 3

ALASKA'S ECONOMY IN 1968

August 1969

The discovery of oil in commercial quantities on the North Slope, an all time high wholesale market value in fisheries products, and a 97.3 per cent increase in Cook Inlet petroleum production dominated Alaska's 1968 economic picture.

The combined value of oil, gas, and mineral production led the list of Alaska's resource industries at \$218.6 million — \$1.1 million more than the second place fisheries industry. Petroleum and natural gas production which stood at \$95.4 million in 1967, almost doubled to \$187.9 million during 1968, an increase of \$92.5 million. All of this increase came from the Cook Inlet region, still the state's only producing area. However, Alaska's North Slope, with estimated recoverable containment ranging from 15 billion barrels to 40 billion barrels, is expected to far outstrip Cook Inlet production.

The 1968 market value of \$217.5 million for fisheries products represented an increase of more than \$90 million over the 1967 figure, when, for the first time in the state's history, fisheries dropped from first place among Alaska's resource industries. The previous high for fisheries occurred in 1966, when wholesale value reached \$197.3 million.

Forest products also showed considerable gain during 1968. The preliminary total value of forest products reached \$92 million, a gain of 18.4 per cent over the 1967 figure of \$77.7. This compared with values of \$73.6 million in 1955 and \$6.1 million in 1950.

Total wholesale product value for major resource production in Alaska increased by 55.2 per cent during 1968 to \$528 million — \$189.1 million more than in 1967. (See Table 1.)

Tourism and recreation showed only a slight gain over 1967. Preliminary calculations by the Department of Economic Development set the revenues from this industry at \$30 million during 1968, compared to \$29 million the previous year.

The state's Department of Revenue recorded gross

receipts in the state at \$1,555.3 million for calendar year 1968. This compared with \$1,506.4 million in 1967, and was more than double the \$730.7 million in 1960. Retail trade rose \$25.1 million between 1967 and 1968 to an all time high of \$514.3 million. Gross receipts from construction, recorded in 1968, totaled \$352.2 million, making it the second greatest income earner in the state. Transportation, communication and utilities, wholesale trade, and manufacturing follow in that order of economic importance. (See Table 2.)

Alaska's annual average civilian workforce rose 3.8 per cent for 1968. The annual monthly average workforce reported by the Alaska Department of Labor, Employment Security Division, was 100,100. The adjusted figure for 1967 was 96,400. Air transportation, particularly in support of North Slope oil activities, but also due to increased international, interstate, and intrastate commercial flying, showed a workforce increase of 25 per cent. Mining, which included oil exploration, also showed a gain of 25 per cent. Both mining and air transportation recorded a monthly average of 2,500 employees during 1968.

TABLE 1
Total Value Major Resource Production
(In thousands of dollars' wholesale values)

Industry	Calendar Year 1960	Calendar Year 1967	Calendar Year 1968
Fisheries	\$ 96,689	\$126,696	\$217,544
Oil and Gas	1,260	95,455	187,900
Minerals	20,602	39,162	30,700
Forest Products	47,290	77,700	92,000
Totals	\$165,841	\$339,014	\$528,144

Source: ISEGR research.

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There was a drop of 500 in the average annual number of federal employees — from 17,400 in 1967 to 16,900 in 1968. Conversely, the number of state employees rose from 8,100 to 8,700 and the number of local government employees increased from 6,300 to 6,600 over the year. Annual average unemployment rose from 8,400 for 1966 and 1967 to 9,100 for 1968. (See Table 3.)

On July 1, 1968 the estimated total population for Alaska stood at 284,880, up from 279,000 the previous year. The bulk of the state's people continue to be congregated in the Cook Inlet and upper Railbelt areas. (See Center Spread.) The next official census will be held in 1970. Personal income in the state from all sources was estimated at \$1,139 million during the year. This compared with an estimated \$1,017 million for calendar year 1967.

TABLE 3
Estimated Civilian Workforce
1966-1968

Industry	Annual Average Cal. Yr. 1966	Annual Average Cal. Yr. 1967	Annual Average Cal. Yr. 1968	Percentage Change 1967-68
Civilian Workforce	94,700	96,400	100,100	+ 3.6
Total Unemployment	8,500	8,400	9,100	+ 8.3
Per Cent of Workforce	9.0	8.7	9.1	—
Total Employment	86,200	88,000	91,000	+ 3.4
Nonagricultural Wage and Salary	73,200	76,800	79,800	+ 3.9
Mining	1,400	2,000	2,500	+25.0
Construction	5,900	6,000	6,000	—
Manufacturing	6,600	6,600	6,900	+ 4.5
Food Processing	3,400	3,100	3,300	+ 6.5
Logging, Lumber, Pulp	2,300	2,600	2,500	— 3.8
Other Manufacturing	900	900	1,100	+22.2
Transp., Comm., & Utilities	7,300	7,500	7,800	+ 4.0
Trucking and Warehousing	900	1,200	1,200	—
Water Transportation	1,200	1,000	900	—10.0
Air Transportation	2,000	2,200	2,500	+13.6
Other Transp., Comm., & Utilities	3,200	3,100	3,200	+ 3.2
Trade	10,800	11,800	12,500	+ 5.9
Wholesale Trade	2,100	2,400	2,400	—
Retail Trade	8,700	9,400	10,100	+ 7.4
Gen. Merchandise & Apparel	2,300	2,800	3,100	+10.7
Food Stores	1,300	1,200	1,300	+ 8.3
Eating & Drinking Places	2,100	2,200	2,300	+ 4.5
Other Retail Trade	3,000	3,100	3,400	+ 9.7
Finance, Insurance, & Real Estate	2,300	2,300	2,500	+ 8.7
Service & Miscellaneous	8,100	8,900	9,400	+ 5.6
Government	30,800	31,800	32,200	+ 1.3
Federal	17,500	17,400	16,900	— 2.9
State	7,600	8,100	8,700	+ 7.4
Local	5,700	6,300	6,600	+ 4.8

Source: Alaska Department of Labor, Employment Security Division and ISEGA research.

Banking continued to grow in the state during the year, according to the Alaska Department of Commerce. Loans and discounts from commercial banks stood at \$85.9 million for calendar year 1959. This figure had grown to \$202.1 million for 1967, and reached \$217.4 million in 1968. The growth in demand and time savings deposits has also been substantial — from \$370.4 million in 1967 to \$394 million in 1968. The State Department of Commerce reported all assets of Alaskan commercial banks at \$432 million. (See Table 4.)

The state's general fund statement, on June 30, 1968, showed \$177.6 million in revenues, opposed to expenditures of \$181.1 million. Federal program augmentation during the year amounted to \$61.7 million to the state, while taxes collected amounted to \$50.9 million.

Individual income taxes amounted to \$22.6 million during fiscal 1968, while corporate income taxes contributed \$3.9 million to the state's treasury. This compared to \$22.7 million individual, and \$3.4 million corporate income tax during fiscal 1967. Total taxes collected during 1968 amounted to \$2.9 million more than in 1967. Total revenues to the state were up \$9.1 million, while expenditures were down \$4.2 million from fiscal 1967. (See Tables 5 and 6.)

The federal government continued to be an important factor in Alaska's economy, with \$757 million in outlays programmed for Alaska in fiscal 1968. The Department of Defense led the federal spending with nearly \$352 million stipulated for Alaska programs. The Department of Transportation allocated more than \$95 million; the Small Business Administration (mostly disaster loans from the 1967 floods) \$63.3 million; the Department of Health, Education and Welfare and the Atomic Energy Commission each allocated approximately \$39 million; the Department of Housing and Urban Development \$37.5 million, and the Department of Interior \$33.4 million. The federal outlays do not indicate that all of the money was spent in Alaska, as some funds went to purchases in other states for projects conducted in Alaska.

TABLE 4
Selected Banking Statistics for State of Alaska¹
1965 - 1968
(In thousands of dollars)

	STATE OF ALASKA			
	1965	1966	1967	1968
Total Assets	362,254	373,398	400,396	432,032
Total Deposits:				
Demand	334,266	345,388	370,405	394,001
Time	177,994	176,012	191,775	197,712
Cash & Due From Banks	156,271	169,375	178,630	196,289
U.S. Government's	40,068	49,689	54,898	50,067
Other Securities	87,895	73,376	88,824	65,762
Loans & Discounts	19,109	37,575	36,101	81,085
	197,235	204,725	202,091	217,387

¹Commercial banks only.

Source: Department of Commerce, State of Alaska.

Conversely, some monies spent in Alaska were credited to other states. An example would be a major federal contractor headquartered in some other area who paid salaries to Alaskans from the home office.

OIL, GAS, AND MINERALS

Since 1880, Alaska has produced nearly 30 million troy ounces of gold, resulting in \$759.8 million in revenues. But gold mining today is of minor importance and

in 1968 the state produced only 21,000 ounces, valued at \$814,000.

Petroleum discoveries have generated new economic excitement, and already oil companies have expended more on exploration and development of Alaska's petroleum resources than the value of all the gold taken from the northland.

Total revenue from petroleum resources over the past ten years is more than one-half the 90-year total revenue

TABLE 5
State of Alaska — General Fund
Comparative Statement of Receipts and Disbursements

	For Fiscal Year Ended		Difference
	June 30, 1968	June 30, 1967	
Beginning Cash with Treasury	\$ 10,923,882.06	\$ 11,796,302.74	\$ (872,420.68)
Revenue:			
Unrestricted Revenue			
Alaska Court System	\$ 970,921.99	\$ 856,544.90	\$ 114,377.09
Taxes	50,922,271.64	48,026,654.72	2,895,616.92
Business Licenses, Permits, Fees	1,831,809.27	1,789,054.99	42,754.28
Non-Business Licenses, Permits, Fees	4,740,953.37	4,450,853.83	290,099.54
Charges, Other Misc. Receipts	45,972,296.71	23,557,329.26	22,414,967.45
Fund Receipts from Federal Government	8,269,135.19	8,289,719.64	(20,584.45)
Total Unrestricted Revenue	<u>\$112,707,388.17</u>	<u>\$ 86,970,157.34</u>	<u>\$ 25,737,230.83</u>
Restricted Revenue			
Federal Program Augmentation	\$ 61,716,634.95	\$ 79,203,730.37	\$ (17,487,095.42)
Other Program Augmentation	3,204,001.01	2,332,973.62	871,027.39
Total Restricted Revenue	<u>\$ 64,920,635.96</u>	<u>\$ 81,536,703.99</u>	<u>\$ (16,616,068.03)</u>
Total Unrestricted and Restricted Revenue	<u>\$177,628,024.13</u>	<u>\$168,506,861.33</u>	<u>\$ 9,121,162.80</u>
Total Funds to Account For	<u>\$188,551,906.19</u>	<u>\$180,303,164.07</u>	<u>\$ 8,248,742.12</u>
Expenditures:			
Personal Services	\$ 60,950,504.66	\$ 42,577,214.58	\$ 18,373,290.08
Travel	3,443,451.64	2,573,356.63	870,095.01
Contractual Services	27,529,067.73	21,995,474.87	5,533,592.86
Commodities	6,597,099.80	6,229,766.02	367,333.78
Equipment	1,168,239.35	1,027,399.06	140,840.29
Capital Expenditures	29,264,488.50	63,892,481.40	(34,627,992.90)
Grants, Claims, Shared Revenue	44,372,444.36	39,477,562.96	4,894,881.40
Interest Service Charges	2,662,470.45	2,389,954.72	272,515.73
State Debt Warrants Reissued	805.08	1,237.85	(432.77)
Bond Principal, Loans, Transfers	5,102,996.83	5,118,822.71	(15,825.88)
Total Expenditures	<u>\$181,091,568.40</u>	<u>\$185,283,270.80</u>	<u>\$ (4,191,702.40)</u>
Balance Before Non-Revenue and Non-Expense	\$ 7,460,337.79	\$ (4,980,106.73)	\$ 12,440,444.52
Add: Non-Revenue Receipts	\$ 83,335,723.11	\$ 83,342,888.43	\$ (7,166.32)
Deduct: Non-Expense Disbursements	87,791,343.66	67,438,899.64	20,352,444.02
Ending Cash with Treasury	<u>\$ 3,004,717.24</u>	<u>\$ 10,923,882.06</u>	<u>\$ (7,919,164.82)</u>

Source: Annual Financial Report, State of Alaska.

TABLE 6
State of Alaska — All Funds
Combined Balance Sheet
June 30, 1968

	Total All Funds	General Funds
Assets		
Cash with Treasury	\$ 21,117,667.02	\$ 3,004,717.24
Imprest Cash and Advances	216,675.40	216,675.40
Accrued Interest Purchased	480.74	
Investments	87,011,879.44	22,162,257.81
Accounts Receivable	18,461,704.97	17,677,546.51
Less Reserve	(17,996,294.97)	(17,677,546.51)
Loans and Contracts Receivable	7,272,314.17	
Loans to Other Governmental Units	4,204,790.33	4,204,790.33
Less Reserve	(4,204,790.33)	(4,204,790.33)
Inventory	2,312,485.13	
Equipment - Depreciated	4,970,077.73	
Repossessed Property	55,939.39	
Construction in Progress and Completed	184,929,948.97	
Appropriated Federal Matching and Other Funding	98,160,028.49	96,128,034.27
Bonds Authorized - Unissued	38,966,000.00	
Total Assets	\$445,478,906.48	\$121,511,684.72
Liabilities, Reserves, and Fund Balances		
Payroll Taxes and Withholdings	\$ 2,702,454.42	\$ 1,581,709.08
Due Other Funds	1,999,581.76	
Retained Percentages on Contracts	1,617,155.44	1,617,155.44
Due Other Governmental Units	2,142.84	
Reserve for Encumbrances	45,693,133.88	32,167,655.32
Reserve for Continuing Programs	92,872,647.89	78,125,873.09
Reserve for Federal Programs	1,235,987.95	1,235,987.95
Reserve for Other Programs	1,120,598.23	1,120,598.23
Reserve for Bond Redemption	977,140.27	
Fund Principal	198,664,000.78	
Reserve for Retirement	36,455,604.67	
Sport Fish Fund Balance	699,233.68	
Game Fund Balance	960,771.84	
Earned Fund Balance	873,935.93	
Available Fund Balance	13,738,516.90	5,662,705.61
Reserve for Authorized & Unissued Bonds	38,966,000.00	
Bond Anticipation Note Payable	6,900,000.00	
Total Liabilities, Reserves and Fund Balances	\$445,478,906.48	\$121,511,684.72

Source: Annual Financial Report, State of Alaska.

from gold. Starting with a value of \$311,000 in 1959, the petroleum industry has increased earnings to \$187.9 million in 1968. (See Tables 8, 9, and 10.) This revenue has been generated from one region — the Cook Inlet area of Southcentral Alaska, which alone may produce \$1 billion in earnings.

However, it is not Cook Inlet that is predicted to be the state's largest resource revenue producing region, but the plains and shallow offshore waters of Alaska's North Slope — a region which until 1968 drew the attention of only a few speculators.

While it has been known for many years that arctic regions held potential oil deposits, it was not until after the January 1968 announcement by Atlantic Richfield Co., stating oil had been found at Prudhoe Bay, that Alaska was considered a major factor in world oil markets.

The development of arctic oil dates from the 1940's and 50's and the exploration program conducted by the U.S. Navy in Petroleum Reserve No. 4, which was first set aside during the 1920's. During the ten years following the Navy exploration work, there was no oil exploration activity on the North Slope. In 1963, Colorado Oil and Gas drilled a well near the boundary of the naval reserve, but it was dry.

The following year, British Petroleum and Sinclair Oil and Gas drilled five more dry holes on the North Slope and attempted another in 1965. Union Oil tried its luck on the Kookpuk No. 1 well during 1966, but, like the others, failed to find oil.

Atlantic Richfield Co. began an exploration program in 1966, and spent \$4.5 million putting down the dry Susie No. 1 well. Atlantic Richfield made another attempt at Prudhoe Bay, 200 miles southeast of Point Barrow. This well was spudded in mid-1967, and in early 1968 the historic announcement was made. Oil and gas had been found in commercial quantities in Arctic Alaska.

Developments have moved quickly since that time. Atlantic Richfield Co. has found other wells capable of producing commercial petroleum. British Petroleum joined the ranks of successful drillers during 1968, and seismic parties, survey crews, and drilling outfits were scattered throughout the 140-mile-wide area lying between Petroleum Reserve No. 4, to the west, and the nine million acre national Arctic Wildlife Reserve to the east.

While it is not yet possible to transport the oil to markets, the drilling on the North Slope is intensifying in an attempt to determine geologic information preparatory to further development of the fields and transportation modes, including ships and pipelines.

TABLE 7
Federal Outlays for Alaska
Fiscal Year 1968

Agency	Expenditure
Dept. of Agriculture	\$ 15,600,901
Dept. of Commerce	7,940,140
Dept. of Defense	351,927,000
Dept. of Health, Education and Welfare	39,724,533
Dept. of the Interior	33,418,001
Dept. of Housing and Urban Development	37,548,770
Dept. of Justice	527,485
Dept. of Labor	7,852,234
Dept. of Transportation	95,317,265
Treasury Department	9,424,264
Agency for International Development	4,476,850
Atomic Energy Commission	39,153,028
Civil Service Commission	3,349,094
Civil Aeronautics Board	4,058,115
Federal Communications Commission	168,470
General Services Administration	3,709,824
National Aeronautics and Space Administration	222,314
National Foundation on Arts and Humanities	45,881
Office of Economic Opportunity	4,963,897
Office of Emergency Planning	8,329,727
Peace Corps	13,949
Railroad Retirement Board	161,950
Small Business Administration	63,308,202
Veterans Administration	4,798,249
Interstate Commerce Commission	26,727
National Science Foundation	2,899,268
Selective Service System	168,311
Tennessee Valley Authority	685
State Total	\$756,958,900

Source: Compiled for the executive office of the president, by the Office of Economic Opportunity.

TABLE 8
Production of Major Commodities From 1950
Dollar Value (Thousands)

Year	Gold	Mercury	Coal	Oil and Gas	Total All Production (Millions)
1950	\$ 9,660		\$ 3,033	\$	\$ 17.9
1951	8,387		3,767		19.5
1952	8,420	6	5,779		26.3
1953	8,882	8	8,452		24.3
1954	8,699	277	6,442		24.4
1955	8,725	12	5,759		25.4
1956	7,325	853	6,374		23.4
1957	7,541	1,349	7,296		30.2
1958	6,525	774	6,931		20.9
1959	6,262	851	6,869	311	20.5
1960	5,887	940	6,318	1,496	21.9
1961	3,998	816	5,868	17,776	34.7
1962	5,784	711	6,409	31,657	54.2
1963	3,485	76	5,910	33,760	67.8
1964	2,045	95	5,008	35,490	66.1
1965	1,479	104	6,095	35,614	83.2
1966	956	101	6,953	50,418	86.3
1967	803	79	7,178	95,455	134.6
1968	814	78	5,034	187,900	218.6
Totals	\$105,677	\$7,130	\$115,475	\$489,877	\$1,000.2

Note: The above statistics were prepared under a cooperative agreement for the collection of mineral data between the Bureau of Mines, United States Department of the Interior, and the Division of Mines and Geology, Department of Natural Resources, State of Alaska. Figures for coal, petroleum, natural gas, and undistributed commodities are presented on authority of the Division of Mines and Geology only.

During 1968, three of the major companies involved on the North Slope (Atlantic Richfield Pipeline Co., British Petroleum Pipeline Co., and Humble Oil Pipeline Co.), combined to form the Trans-Alaska Pipeline Co. They then announced that before 1972 they would construct an 800-mile, \$900-plus million, 48-inch pipeline from the Arctic to Prince William Sound, with an initial capaci-

TABLE 9
Physical Value of Alaska Mineral Production¹

	Quantity	Years
Total gold	troy ounces	29,944,000 1880-1968
Total silver	troy ounces	19,075,000 1906-1968
Copper	short tons	690,011 1880-1967
Coal	short tons	20,631,000 1951-1968
Sand and gravel	short tons	171,530,000 1958-1968
Crude Petroleum	42 gal bbls	159,714,917 ² 1958-1968
Natural gas	million ft ³	266,935 1948-1968
Stone	short tons	10,893,000 ³ 1921-1966
Mercury	760 lb. flasks	34,999 ⁴ 1902-1968
Tin	short tons	2,400 ³ 1902-1966
Chromite (approx. 45% CR ₂ O ₃)	long ton	29,000 1917-1957
Tungsten	short ton units WO ₃	7,000 1916-1958
Antimony (approx. 53% Sb)	short tons	3,443 ¹ 1928-1968
Lead	short tons	25,014 1906-1968

¹Except platinum, uranium, barite, and other commodity figures which are confidential.
²Only other crude petroleum recorded production was from the Kotalla area. From 1901 to 1932, 154,000 barrels of oil were produced there.
³Production data, if any, withheld in 1967 and 1968.
⁴Estimate — no data available 1968.
 Note: The above statistics were prepared under a cooperative agreement for the collection of mineral data between the Bureau of Mines, United States Department of the Interior, and the Division of Mines and Geology, Department of Natural Resources, State of Alaska. Figures for coal, petroleum, natural gas, and undistributed commodities are presented on authority of the Division of Mines and Geology only.

ty of about 500,000 barrels per day.

Completion of the pipeline, and the success of a 1969 attempt to bring a giant tanker ship from the east coast to Alaska via the Northwest Passage through the Arctic Ocean, will put the North Slope in the ranks of producing oil provinces.

When this occurs, it is expected the oil deficit in western North America can be erased. The pipeline alone will be capable of handling one million or more barrels of oil a day. Experts believe North Slope oil can be marketed in Los Angeles at a net profit of 90 cents a barrel.

The economy of Alaska began to undergo a major change during the final months of 1968 because of the discoveries in the Arctic. The future of the transportation

TABLE 10
Mineral Production in Alaska

	1967		1968	
	Quantity	Value (Thousands)	Quantity	Value (Thousands)
Antimony short tons antimony content	10	W		
Coal thousand short tons	930	7,178	812	5,034
Gold troy ounces	22,948	803	21,000	814
Natural Gas million cubic feet	39,927 ²	7,269	49,326 ²	8,400
Petroleum, Crude thousand barrels	28,917 ³	88,187	66,148 ³	179,500
Sand and Gravel thousand short tons	22,370	26,248	17,585	20,729
Silver thousand troy ounces	6	9	3	6
Undistributed ⁴		4,924		4,117
Totals		134,628		218,600

¹Figures for 1968, except petroleum and natural gas, are preliminary and subject to revision.

²Includes only gas sold.

³Includes only oil sold. Additional small amounts were produced during testing of new wells.

⁴Includes barite, gem stones, lead, mercury, peat, platinum group metals, stone, and tin.

W—Withheld and included under "Undistributed" to avoid disclosing individual company confidential data.

Note: The above statistics were prepared under a cooperative agreement for the collection of mineral data between the Bureau of Mines, United States Department of the Interior, and the Division of Mines and Geology, Department of Natural Resources, State of Alaska. Figures for coal, petroleum, natural gas, and undistributed commodities are presented on authority of the Division of Mines and Geology only.

industry in the state began changing rapidly during the year, in physical fact and in planning. Airlines expanded, and more expansion is in the making. A winter road, which may eventually be a highway, was built from Fairbanks to the Arctic. Promotion of a railroad to the Arctic was intensified, and seasonal sea-and-river-borne traffic to the north was increased.

In addition, exploration for other mineral resources was intensified during the year. Geologic crews found a major asbestos deposit near Eagle, in eastern Alaska, and prospecting parties, spurred on by the success of the oil companies, began searching the Brooks Range, Alaska Range, and other areas for metals and other minerals.

COMMERCIAL FISHERIES

Pink (or humpback) salmon proved the redeemer of the state's salmon industry during 1968. From a catch of 29.2 million pounds in 1967, the catch jumped to 160

million pounds, with a wholesale value of \$59 million in 1968. In addition to the pink salmon gains, there was a greater take of chum (or dog) salmon and coho (or silver) salmon during the season. The catch of chums rose from 31.5 million pounds to 55 million pounds, and the coho take increased from 13 million to 23.5 million pounds.

The increase in these three salmon species more than offset the declines in the king (chinook) salmon catch from 11.6 to 11.5 million pounds and the drop in the red (sockeye) salmon harvest from 53.5 million to 51.8 million pounds. The sockeye drop was attributed to a low cycle year in Bristol Bay.

The increased salmon take resulted in wholesale salmon body values of \$123.9 million during 1968. In addition, another \$12 million in salmon roe was sold during the year. These figures compare with a wholesale body value of \$62.4 million and roe value of \$7.4 million during 1967. (See Table 11.)

TABLE 11
Alaska Fisheries Catch and Wholesale Market Value

Species	1967		1968*	
	Catch In Pounds	Market Value	Catch In Pounds	Wholesale Market Value
Salmon:				
King	11,632,342	\$ 5,900,207	11,500,000	\$ 5,800,000
Red	53,521,713	29,710,160	51,800,000	28,200,000
Coho	13,022,238	5,813,532	23,500,000	10,600,000
Pink	28,822,056	10,383,922	160,000,000	59,000,000
Chum	31,518,285	10,603,194	55,000,000	20,300,000
Totals	<u>138,516,634</u>	<u>\$ 62,411,015</u>	<u>301,800,000</u>	<u>\$123,900,000</u>
Salmon Roe	---			
Halibut	25,611,000	\$ 7,388,641	---	\$ 12,000,000
Herring ¹	11,496,562	7,213,757	13,200,000	4,250,000
Herring Eggs on Kelp	399,628	675,098	8,100,000	550,000
Sablefish	1,459,766	698,871	72,000	72,000
Steelhead	26,248	337,536	250,000	65,000
Other Misc. Fish	308,131	7,033	48,000	14,000
Crab:		45,005	100,000	16,000
King	127,715,890	36,948,037	81,600,000	61,500,000
Dungeness	11,597,738	3,050,465	13,300,000	3,800,000
Tanner	118,392	19,530	3,200,000	550,000
Shrimp	41,812,552	7,787,530	42,000,000	8,400,000
Scallops (shucked)	7,788	1,511	1,900,000	2,250,000
Clams	116,992	33,018	82,000	24,000
Other Shellfish	49,238	18,308	1,500	2,700
Misc. By-Products ²	---	60,576	---	150,000
Grand Totals	<u>359,236,559</u>	<u>\$126,695,931</u>	<u>465,653,500</u>	<u>\$217,543,700</u>

*1968 data is preliminary.

Note: Catch figures represent round weight of salmon, shellfish and herring and landed weight of other species (except scallops).

¹Market value includes herring roe and by-products.

²Includes fish heads, tails, and viscera for bait.

Source: Alaska Department of Fish and Game.

TABLE 12
Wholesale Value of Fisheries Production in Alaska: 1960-1968
(In thousands of dollars)

Year	Total	Salmon	Halibut	King Crab	Dungeness Crab	Shrimp	Scallops	Tanner Crab	All Other Seafoods
1960	96,688	83,108	3,736	5,295	1,108	1,129	—	—	2,312
1961	128,726	107,050	7,035	9,626	1,474	1,861	—	1	1,679
1962	131,938	102,419	10,288	11,862	2,642	3,385	—	3	1,339
1963	109,038	75,988	7,929	16,771	3,032	4,163	—	—	1,155
1964	140,921	104,764	8,006	21,262	3,579	1,514	—	4	1,792
1965	166,572	116,806	12,077	31,665	2,614	1,881	—	—	1,529
1966	197,299	131,445	11,108	44,368	1,763	3,340	—	—	5,275
1967	126,696	62,411	7,214	36,948	3,050	7,788	2	20	9,263
1968 ¹	217,544	123,900	4,250	61,500	3,800	8,400	2,250	550	12,894
% Change									
1967-68	71.7	98.5	-41.1	66.4	24.6	7.9	112,400	2,650	39.2

¹Preliminary estimates.

Source: Alaska Department of Fish and Game.

While salmon and salmon by-products continued to dominate Alaska's commercial fishing scene by contributing more than one-half of the 1968 wholesale value, other resources also showed gains, though not always in the total catch. King crab, for instance, showed a wholesale value gain of more than \$24.5 million, while the catch dropped from 127.7 million pounds to 81.6 million pounds. This was attributed to the higher price paid for crab because of the demand for the product on national and world markets.

The tanner crab industry gained considerably during the year because of the decrease in the king crab catch. Vessels and equipment previously used in the king crab harvest concentrated on tanner crab, raising the catch from 118,392 pounds during 1967 to 3.2 million pounds during 1968. The 1967 value for tanner crab was reported as \$19,530, while the 1968 value rose to \$550,000. The Dungeness crab harvest increased to 13.3 million pounds in 1968 (up nearly two million pounds from the previous season), with a value of \$3.8 million.

The first big scallop harvest in the state's history occurred in 1968. Only some 7,700 pounds of shucked scallops were landed during late 1967. But, as predicted, the catch grew rapidly during 1968, resulting in 1.9 million pounds landed, with a wholesale value of \$2.25 million. The shrimp harvest increased slightly — from 41.8 million to 42 million pounds, with a 1968 wholesale value of \$8.4 million.

The 1968 all time high wholesale value of Alaska fisheries products of \$217.5 million was more than \$120 million over 1960, which was the first year that Alaska managed its own fisheries after the granting of statehood. (See Table 12.)

The growth in the value of Alaska's fisheries has been accompanied by a growth in fishing effort. During 1968, the state issued more than 21,000 individual commercial fishing licenses, valued at \$343,330. In addition, 9,926 vessel and 11,248 gear licenses were issued by the Department of Fish and Game.

In 1968, the state instituted a statewide gear limitation program; however, gear licenses still increased 8 per cent, vessel licenses increased 9 per cent, and personal commercial fishing licenses increased 18 per cent over the 1964-67 average.

It is interesting to note that 70 per cent of the personal commercial licenses in 1968 were held by Alaskan residents. The number of non-resident fishermen has remained fairly constant over the past few years, while the

TABLE 13
Volume of Timber Cut
From Government Managed Lands,¹
Alaska, 1950-1968
(Thousands of board feet)

Calendar Year	U.S. Forest Service	U.S. Bureau of Land Management	Alaska Division of Lands	Bureau of Indian Affairs	Total
1950	59,961	12,396	—	—	72,357
1960	351,109	14,913	210	—	366,232
1965	404,444	3,263	24,161	—	431,868
1967	475,842	100	45,816	15,500	537,258
1968	534,000	100 ²	47,974	8,200	590,274

¹Timber volumes cut from private lands in Alaska are negligible in the overall.

²Estimated figure based on BLM timber sales.

Sources: U.S. Forest Service, Regional Office, Juneau, Alaska; State Division of Lands, Annual Report; ISEGR research.

TABLE 14
Estimated Value of Selected Agricultural
Commodities Produced in Alaska

Commodity	1967	1968	Difference
Milk	\$1,931,000	\$1,882,000	-\$ 49,000
Eggs	593,000	503,000	- 9,000
Meat			
Poultry	28,000	21,000	- 7,000
Beef and Veal	393,000	351,000	- 42,000
Pork	64,000	88,000	+ 24,000
Lamb and Mutton	17,000	17,000	—
Reindeer	257,000	324,000	+ 67,000
Grain			
Oats	62,000	78,000	+ 16,000
Barley	144,000	144,000	—
Silage	363,000	351,000	- 12,000
Hay	770,000	588,000	- 182,000
Vegetables			
Potatoes	642,000	631,000	- 11,000
Cabbage	21,000	41,000	+ 20,000
Carrots	60,000	61,000	+ 1,000
Lettuce	103,000	118,000	+ 15,000
Other (including peas)	30,000	63,000	+ 33,000
Totals	\$5,478,000	\$5,261,000	-\$217,000

Source: Statistical Reporting Service, U.S. Department of Agriculture.

number of resident commercial fishermen has grown. It is believed that the growing number of resident commercial fishermen — particularly the so-called “sport-commercial” fishermen who are not full time fishermen — is caused by several factors. Chief among these is the increased pressure on salmon and king crab, which has caused shortening of seasons and gear limitations, making it uneconomical for non-resident fishermen to journey north.

OTHER RESOURCES

The growth of the wood products industry in Alaska continued to accelerate during 1968. The Alaska Division of Lands and the U.S. Forest Service both reported increased cutting of timber within their jurisdictions. (See Table 13.)

The state has control over forest lands lying inside state land selections, while the U.S. Forest Service (a part of the U.S. Department of Agriculture) has jurisdiction only over the Chugach and Tongass National Forests. The latter accounts for the majority of timber cut in Alaska. Of some 590,000 million board feet of timber cut in the state during 1968, approximately 534,000 million board feet was cut from national forest lands, chiefly in the Tongass National Forest in the Alaskan Panhandle.

The Bureau of Land Management, which has jurisdiction over all public domain lands that comprise the bulk of the state, was restricted in timber sales during 1968 by the federally imposed land freeze. The freeze, designed to protect lands claimed by Alaskan natives pending a settlement of ownership, extended to many of the resources found in conjunction with the land, including timber.

Increased utilization of timber under all jurisdictions is expected in the future. Another pulp mill to be built by U.S. Plywood-Champion Paper Company is slated in the near future for Southeastern Alaska. Cutting is expected to increase from state lands, and, following settlement of the native land question, from BLM lands in support of export mills, oil and mineral development, and pipeline construction.

Approximately 130 million of Alaska's 375 million acres is classified as forests. About 45 million acres is considered commercial forest land. Commercial tree species in Alaska consist primarily of Sitka spruce, western hemlock, white spruce, birch, and cottonwood.

Conservative estimates are that the state could support an annual cut of more than two billion board feet from its approximately 300 billion board feet of timber. Based on these figures, the present annual timber harvest is only about one-quarter of its potential.

TABLE 15
Comparison of Alaska and U.S. Per Capita Incomes, 1950-1968

Calendar Year	1950	1951	1952	1953	1954	1955	1956	1957	1958	1959	1960	1961	1962	1963	1964	1965	1966	1967	1968
(1) U.S. Total Personal Income ¹ (millions of dollars)	227,228	254,474	271,126	286,856	289,016	309,742	332,090	350,113	360,180	382,840	398,725	414,411	440,192	463,053	494,913	535,949	583,461	625,068	681,933
(2) Alaska Total Personal Income ¹ (millions of dollars)	322	448	494	511	495	505	548	537	528	562	649	635	666	704	791	858	915	1,017	1,130
(3) U.S. Total Resident Population ² (in thousands)	151,868	153,982	156,393	158,956	161,884	165,069	168,088	171,187	174,149	177,135	179,992	183,057	185,890	188,658	191,372	193,815	195,936	197,863	199,846
(4) Alaska Total Resident Population ² (in thousands)	135	158	189	205	215	222	224	231	224	224	228.2	235.5	242.8	250.0	255.8	264.6	272.0	278.0	284.9
(5) U.S. Per Capita Income ³ (dollars per person per year)	1,496	1,653	1,734	1,805	1,785	1,876	1,976	2,045	2,068	2,161	2,215	2,264	2,368	2,454	2,586	2,765	2,978	3,159	3,412
(6) Alaska Per Capita Income ³ (dollars per person per year)	2,385	2,835	2,614	2,493	2,302	2,275	2,446	2,325	2,357	2,509	2,846	2,696	2,743	2,816	3,092	3,243	3,364	3,658	3,966
(7) Ratio: Alaska to U.S. Per Capita Income (Line 6 ÷ Line 5)	1.59	1.72	1.51	1.38	1.29	1.21	1.24	1.14	1.14	1.16	1.28	1.19	1.16	1.15	1.20	1.17	1.13	1.16	1.16
(8) Ratio: Alaska to U.S. Per Capita Income, using Per Capita Income Data Provided in the U.S. Office of Business Economics Series. (Differences from Line 7 are asterisked.)	1.59	1.72	1.51	1.38	1.29	1.21	1.24	1.14	1.14	1.16	1.28	1.19	1.16	1.14*	1.19*	1.16*	1.16*	1.19*	1.21*

¹Source: Alaska and U.S. personal income data are from the series produced by the Office of Business Economics, U.S. Department of Commerce.

²Source: U.S. Department of Commerce, Bureau of the Census: *Current Population Reports*, Series P-25, Nos. 368, 369, and 384.

³Source: Figures for 1950 and 1960 are from the U.S. Bureau of the Census surveys in those years. Intercensus population totals for 1951-1959 are from the National Office of Vital Statistics' publication, *Vital Statistics of the United States*. All estimates after the 1960 census are by the Office of Statistical Services, Alaska Department of Health and Welfare, and the Alaska Department of Labor.

⁴Source: Computed directly from Lines 1 and 3. These figures do not in any year vary more than one dollar from the per capita income figures published by the Office of Business Economics, U.S. Department of Commerce.

⁵Source: For all years except 1960, computations were made directly from data in Lines 2 and 4. In 1960 the unrounded population total was used. The resulting per capita income figures for 1950-1960 are identical in all cases with the Alaska per capita income figures prepared by the U.S. Office of Business Economics. However, beginning in 1961 the per capita income figures in the two series are not the same because the Office of Business Economics relied on Census Bureau estimates of Alaska's population, while the per capita income figures in Line 7 above are based on population estimates produced by the Office of Statistical Services, Alaska Department of Health and Welfare.

TABLE 16
March 1969 Average Retail Prices of 40 Items
In Thirteen Alaska Cities Compared With Seattle

Food Item	Unit	Seattle ¹	Ketchikan	Petersburg	Sitka	Juneau	Kodiak	Seward	Kenai Soldotna	Valdez	Anchorage	Palmer	Fairbanks	Bethel	Nome
Flour	5 lb.	\$.66	\$.86	\$.86	\$.90	\$.93	\$.95	\$.91	\$.90	\$.84	\$.88	\$.86	\$.92	\$1.16	\$1.10
Rice	lb.	.28	.31	.36	.33	.28	.28	.34	.36	.34	.32	.33	.32	.34	.49
Corn flakes	12 oz.	.32	.42	.42	.39	.43	.40	.39	.40	.46	.40	.39	.42	.62	.56
Bread	1½ lb.	.30	.48	.45	.54	.48	.52	.49	.56	.55	.49	.49	.52	.70	.69
Round steak	lb.	1.16	1.29	1.30	1.42	1.19	1.37	1.49	1.32	1.39	1.26	1.32	1.25	1.88	1.72
Chuck roast	lb.	.61	.82	.92	.82	.88	.81	.89	.86	.91	.88	.82	1.09	1.55	1.14
Hamburger	lb.	.51	.72	.79	.68	.91	.69	.81	.72	.84	.62	.75	.81	1.22	.79
Pork chops	lb.	1.04	1.22	1.11	1.28	1.13	.99	1.16	1.32	1.15	1.08	1.09	1.36	1.32	1.29
Bacon	lb.	.84	.96	1.01	1.04	.89	1.08	1.02	.96	1.07	.96	.97	1.08	1.30	1.27
Frankfurters	lb.	.68	.77	.79	.82	.89	.79	.81	.84	.89	.84	.79	.88	1.12	.98
Frying chicken	lb.	.51	.61	.66	.67	.72	.64	.54	.59	.64	.69	.59	.70	.91	.79
Tuna fish	6½ oz.	.36	.46	.46	.47	.43	.45	.42	.46	.46	.44	.44	.48	.50	.49
Milk, fresh	½ gal.	.53	.79	.83	.84	.77	.92	.96	.96	1.03	.91	.90	1.05	1.49	1.47
Ice cream	½ gal.	.92	1.30	1.50	1.29	1.20	1.45	1.28	1.25	1.55	1.15	1.25	1.32	2.04	1.94
Butter	lb.	.81	.92	.98	.94	.92	.99	1.00	.98	1.10	.99	.92	1.04	1.48	1.19
Milk, evap.	14½ oz.	.17	.22	.24	.23	.22	.25	.24	.22	.24	.22	.22	.24	.28	.28
Eggs, large A	doz.	.58	.62	.65	.62	.62	.71	.70	.76	.94	.63	.61	.68	1.12	.92
Orange juice, frozen	6 oz.	.24	.31	.36	.34	.33	.37	.34	.37	.36	.31	.37	.37	.54	.45
Apples	lb.	.27	.34	.34	.40	.38	.34	.36	.39	.49	.39	.32	.46	.60	.64
Bananas	lb.	.15	.28	.28	.37	.33	.37	.31	.30	.41	.26	.30	.40	.49	.51
Oranges	lb.	.24	.27	.33	.32	.28	.31	.34	.28	.40	.32	.28	.38	.60	.59
Potatoes	lb.	.08	.10	.12	.14	.11	.11	.13	.13	.15	.13	.11	.17	.28	.23
Onions	lb.	.14	.14	.18	.12	.15	.14	.22	.21	.17	.21	.22	.18	.28	.36
Carrots	lb.	.16	.25	.25	.30	.26	.22	.29	.28	.35	.30	.22	.34	.39	.49
Lettuce	lb.	.32	.34	.43	.40	.49	.47	.49	.46	.47	.42	.44	.52	.54	.79
Cabbage	lb.	.18	.20	.26	.28	.26	.25	.26	.29	.38	.28	.26	.29	.38	.54
Tomatoes	lb.	.46	.52	.48	.67	.60	.67	.58	.62	.64	.55	.64	.71	.85	.89
Pineapple-grapefruit drink	46-oz. can	.36	.46	.52	.51	.46	.65	.53	.51	.58	.54	.47	.51	.80	.83
Pears	No. 2½ can	.49	.57	.61	.66	.59	.62	.61	.65	.70	.56	.60	.62	.76	.69
Fruit cocktail	303 can	.26	.36	.38	.36	.34	.36	.34	.38	.40	.36	.30	.40	.50	.44
Peas	303 can	.26	.34	.32	.34	.38	.31	.28	.43	.42	.33	.23	.36	.36	.37
Chicken soup	10½ oz.	.18	.24	.25	.24	.22	.24	.24	.22	.25	.24	.21	.24	.28	.34
Baby foods	4½-5 oz.	.12	.13	.16	.15	.19	.16	.14	.16	.16	.14	.14	.15	.26	.20
Coffee	lb.	.72	.88	.92	.92	.82	.95	.96	.87	.96	.85	.93	.96	1.26	1.14
Salad or cooking oil	24 oz.	.53	.71	.77	.74	.70	.72	.67	.79	.71	.69	.66	.75	.86	.94
Margarine	lb.	.30	.28	.38	.29	.37	.28	.28	.26	.36	.28	.27	.54	.38	.37
Salad dressing, Italian	8 oz.	.38	.51	.46	.53	.47	.47	.48	.50	.52	.50	.50	.54	.52	.56
Cola drink	6-pack, 12 oz.	.74	1.03	1.17	1.20	1.01	1.20	1.03	1.16	1.36	1.09	1.00	1.16	1.50	1.34
Beans, dried	lb.	.23	.33	.31	.32	.32	.28	.32	.34	.33	.32	.27	.32	.34	.34
Sugar	5 lb.	.64	.80	.87	.87	.85	.87	.90	.85	.94	.81	.82	.91	1.27	1.35
Total		<u>\$17.78</u>	<u>\$22.16</u>	<u>\$23.48</u>	<u>\$23.74</u>	<u>\$22.80</u>	<u>\$23.65</u>	<u>\$23.55</u>	<u>\$23.91</u>	<u>\$25.91</u>	<u>\$22.64</u>	<u>\$22.30</u>	<u>\$25.44</u>	<u>\$33.07</u>	<u>\$31.51</u>
% of Seattle		100	124	132	134	128	133	132	134	146	127	125	143	186	177
Total December 1968		17.54	22.18	23.44	23.99	21.83	23.87	23.63	23.75	25.10	22.72	22.20	25.34	32.31	30.99
Total March 1968		17.08	21.14	22.37	22.65	21.24	22.61	22.60	n.a.	n.a.	21.75	21.19	23.89	n.a.	29.46
Total % Change: Mar. 1968-Mar. 1969		<u>+4.1</u>	<u>+4.8</u>	<u>+5.0</u>	<u>+4.8</u>	<u>+7.3</u>	<u>+4.6</u>	<u>+4.2</u>	<u>-</u>	<u>-</u>	<u>+4.1</u>	<u>+5.2</u>	<u>+6.5</u>	<u>-</u>	<u>+7.0</u>

¹Based on January 1969 U.S. Department of Labor, BLS "Retail Food Prices by Cities."

Source: Quarterly Report on Alaska's Food Prices, published by the Alaska Agricultural Experiment Station, cooperating with the Crop Research Division, Agricultural Research Service, U.S. Department of Agriculture.

The value of 16 selected agricultural commodities fell \$217,000 during 1968, compared to the previous year. (See Table 14.) Milk continued to be the most important commodity, with potatoes, hay, eggs, beef, veal, and reindeer following in that order. The reindeer value includes reindeer slaughtered for home use and assigned a going wholesale value.

A highlight of the year was the opening of a government subsidized frozen pea processing plant in the Matanuska Valley. Increased production of peas for the plant raised the wholesale value of peas \$33,000 over the previous year.

EFFECT ON INDIVIDUAL INCOMES

Alaska's per capita income rose to an all time high of \$3,966 during 1968, compared to \$3,412 for the United States as a whole. The previous year, Alaska reported a per capita income of \$3,658, compared to the national figure of \$3,159. The difference in percentage between Alaska and the national figures remained approximately the same during 1968 as it was in 1967. (See Table 15.)

However, though an Alaskan on the average makes more money than the average U.S. citizen, the fact is that the higher costs in the 49th State continue to more than offset the higher income average. Table 16 shows that, as of September 1968, prices for 40 grocery store items in 13 Alaskan communities ranged from 24 per cent higher at Ketchikan and Palmer to 85 per cent higher at Bethel when compared to Seattle prices. Anchorage prices were 28 per cent and Fairbanks prices were 38 per cent higher than those charged in Seattle for the same goods. The average of the 40 items in all cases was higher for 1968 than it was for September 1967. The changes ranged from a 11.1 per cent increase at Anchorage, to an 8 per cent increase at Seward for the selected items.

Similar differences have been documented for other goods and services. For example, 1967 figures of intercity differences (four Alaskan cities and Seattle) show prices for food, housing, apparel and upkeep, and other selected goods ranging from 18 per cent higher at Ketchikan to 32 per cent at Fairbanks. Figures for outlying areas would be much higher. In all cases, the Alaskan indexes stand above the Alaska - U.S. spread in per capita income. (See Table 17.)

The all items indexes stayed fairly constant between 1964 and 1967, with the largest drops recorded in Anchorage (from 123 to 121) and Fairbanks (from 134 to 132). Conversely, Juneau's index rose from 124 to 127 over the same period. When fully compiled, 1968 figures may show a rise in Fairbanks as a result of rapid price increases partially caused by oil boom influences. Rentals took dramatic leaps in Fairbanks toward the end of 1968, increasing further in early 1969.

The intercity indexes take into consideration infla-

TABLE 17
Indexes of Intercity Differences
in the Cost of Equivalent Goods and Services
Anchorage, Fairbanks, Juneau and Ketchikan, Alaska,
compared with Seattle, Washington¹
Autumn 1964, 1965, 1966, and 1967 (Costs in Seattle = 100)

City and Year	All Items	Food ²	HOUSING		Apparel and Upkeep	Other Goods and Services ³	All Items Less Housing
			Total ³	Rental ⁴			
Anchorage							
1964	123	121	132	162	110	120	119
1965	122	123	130	157	110	117	118
1966	122	123	130	152	112	116	118
1967	121	122	130	146	108	116	117
Fairbanks							
1964	134	138	143	188	124	127	130
1965	133	140	141	187	124	123	129
1966	132	139	141	180	122	122	127
1967	132	142	140	179	120	121	127
Juneau							
1964	124	123	133	150	118	119	120
1965	124	126	134	151	116	116	119
1966	125	127	135	147	115	117	120
1967	127	132	137	147	115	119	122
Ketchikan							
1964	119	118	121	126	117	117	117
1965	117	119	121	127	116	113	116
1966	118	122	122	127	114	113	116
1967	118	123	122	126	117	113	117

¹Based on the average pattern of expenditures of Alaskan wage and clerical-worker families of two or more persons who were full-year residents in the State during 1959 or 1960. (Average expenditures of families living in Anchorage, Fairbanks, Juneau, or Ketchikan were combined with a system of weights based on the estimated number of consumer units in each city as derived from the 1960 Census of Population.)

²Includes food at home and away from home.

³Includes rent, hotel and motel rates, home ownership costs (mortgage principal and interest payments, taxes, insurance, maintenance and repairs), fuel and utilities, household furnishings and operation. (Intercity indexes measure difference in the costs of maintaining a home as reflected in principal payments and mortgage interest charges. These indexes cannot be used to measure changes in acquisition costs; i.e., interest rates and the prices of owned homes purchases in current markets.)

⁴Average contract rent for tenant-occupied, 2, 3, 4, and 5 room dwellings meeting defined standards, plus cost of heating fuel, utilities, and specified equipment when the cost of these items is not included in the monthly rent.

⁵Includes transportation, medical care, personal care, recreation, reading and education, tobacco, beverages, and miscellaneous expenses.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

tion in the United States as a whole, and only show percentage spreads between Seattle (always rated at 100 per cent) and the Alaskan communities.

The problem of higher costs continue to be compounded in the rural areas where the per capita income is much below the Alaskan and United States averages. Though incomes have risen in the outlying census districts, they have not begun to overcome the deficits. An example (see Table 18) is the Bethel census district. Although per capita income rose from \$562 in 1961 to \$624 in 1968, the price of selected grocery items in Bethel is 185 per cent that of Seattle. As previously pointed out, Seattle's per capita income figure rates above the U.S. average of \$3,412. (Readers interested in pursuing this topic are referred to "Personal Income Patterns in Alaska," Vol VI, No. 1, February 1969, Alaska Review of Business and Economic Conditions, ISEGR, University of Alaska.)

While the above quoted figures are all in averages and do not take into direct consideration the extremes (high salaries and other earnings of some citizens and very low incomes of others), they do show the trend of the economy's effect on individuals. Nationally, the Gross National Product has continued to rise, as has per capita income. Economic gains have also been apparent in Alaska, on the regional level. However, the national pattern of inflation has negated, as far as the individual is concerned, much of the gain made in the regional economy, which

TABLE 18
Annual Wage Totals Per Capita
(Civilians Only)

Census District	Calendar Year 1961	Calendar Year 1968	Per Cent Change
Kobuk	\$ 636	\$ 797	+25.3
Nome	830	1,325	+59.6
Wade-Hampton	301	384	+27.6
Baird	562	624	+11.0
Kuskokwim	525	585	+11.4
Weighted Average of Above Districts (Area A)	\$ 613	\$ 771	+25.8
Juneau	\$3,067	\$4,072	+32.8
Ketchikan	1,925	2,879	+49.6
Anchorage	2,459	3,368	+37.0
Fairbanks	2,058	3,130	+46.2
Weighted average of 4 Above Districts (Area B)	\$2,362	\$3,335	+40.9
Ratio	Calendar Year 1961	Calendar Year 1968	
Area B Wages Per Capita to Area A Wages Per Capita	3.9	4.3	

Source: Computed directly from wage and population data prepared by the Employment Security Division, Alaska Department of Labor.

while rising, has only barely kept pace with national growth figures. For the average Alaskan, it means facing the economic problems of the nation as a whole (inflation, tight money, high interest rates, etc.) while continuing to do battle with the unique economic problems of Alaska, such as high transportation costs, remoteness from markets, and low total consumption of goods and services, all of which tend to push unit costs higher.

This means that while 1968 was a year of growth for the state, the economic increases had little, if any, direct effect on the average Alaskan. Breakthroughs in resource production, lowering of the staggering cost of living as compared to other areas of the nation, and increased job opportunities are predicted for the future. If all these occur simultaneously, there will be increasingly wide-spread benefits to resident Alaskans.



20TH ALASKA SCIENCE CONFERENCE
August 24-27, 1969

Over 300 prominent scientists and government officials from Russia, Germany, Italy, Japan, and Sweden, as well as from the United States and Canada, will attend the 20th Alaska Science Conference to be held on the University of Alaska's Fairbanks' campus, August 24th-27th. Top officials from the world's major oil companies are participating in the meeting, as are the leading conservationists.

The overall theme of the conference, "Change in the North: People, Petroleum, and Environment," covers the scientific, technological, economic, and political changes which are taking place in the world's Arctic regions. Of particular interest is the question of the impact on northern peoples and their environment of the recent oil discovery on Alaska's North Slope.

Sponsored by the Alaska Division of the American Association for the Advancement of Science, the conference will bring together some of the best Arctic scholars to examine three separate but related subjects: petroleum development in the North, changes affecting the native peoples of the North, and the possible impact of development on the northern environment.

Key issues to be discussed include the technological, engineering, and geological aspects of development, the kinds of development that might occur and their relationship to conservation practices, the economic and political basis for decisions about resources development, and the integration of northern peoples into social and economic structures and institutions.

Purpose of the conference is to evaluate existing knowledge, identify priorities and needs, and open the way toward more effective research and policy development in the future.

The conference focus is interdisciplinary. The changes taking place in the North cannot be understood or dealt with by any one science or discipline; most issues require the interaction of the social, physical, and biological sciences.

The conference is organized to achieve the maximum possible exchange of knowledge among those working in the fields of economics, biology, anthropology, physics, geology, public health, political science, education, engineering, and all other areas concerned with the problems to which the conference program is directed.

The proceedings of the conference will be published in book form this fall.

Conference chairman is Victor Fischer, director of the Institute of Social, Economic and Government Research.

Registration fee for the conference is \$15. Those interested in attending should contact:

Susan Foster
Executive Secretary
20th Alaska Science Conference
University of Alaska
College, Alaska 99701