COUNCIL URGES MORE WORK ON FISHERIES SEVERANCE TAX

The Resource Development Council, in Executive Committee action on April 13, urged that the Eleventh Legislature take no action this session on the proposed 6% severance tax on fish caught and processed in Alaska.

After intense study of the issue the Council concluded that the Department of Revenue had not produced adequate information on total tax revenues from the fishing industry, critical to an accurate analysis of its "fair share":

(1) A long-range analysis of the impact of the severance tax on the infant bottomfish industry has not been completed;

(2) A flat rate of tax would unfairly burden certain segments of the industry;

(3) No analysis has been done of the effect of lost revenues to the state and communities resulting from fish processors moving from shore-based operations to floating processing or operations or potential revenue losses from direct deliveries to ports outside Alaska's taxing jurisdiction.

The Council expressed deep concern that imposition of the tax could have severe impact on the long-range stability and development of Alaska's fisheries industry and urged that the issue be given full public review throughout the state before any action is taken.

Your legislators need to hear from you TODAY. Urge them to take no action until the facts are in.

SYMPOSIUM SPEAKERS DISCUSS DEVELOPMENT STRATEGIES

Drop us a line and we'll send you copies of presentations made at the Council's symposium "Strategy for a Stable Economy." For a taste of what was said, read on.

* Many regulations have helped to improve the environment or have aided in making plants safer. Others have triggered confusion, indiciation and repeated governmental delays which have slowed innovation, postponed or prevent ed plant construction and caused the expenditure of millions of dollars. These have not improved the environment nor made plants safer, nor benefitted mankind in any way. (JOE BEVIRT, DOW CHEMICAL COMPANY)

* The special reserves tax which again only applies to the oil industry and the corporate income tax, computed by a special method for the oil industry, added to the aforementioned taxes, results in Alaska taxing the oil industry at rates 100% higher than Texas, 140% higher than Louisiana, 147% higher than New Mexico and 130% higher than California.

The State of Alaska should remove the limitation on investment tax credit imposed as an obvious anti-business, anti-oil company piece of legislation. Such action would be a true indicator of a pro-business attitude. It would obviously benefit those involved in construction of the gas pipeline. It would be a tremendous incentive to development of our embryonic bottomfishing industry. The present limitation of $500,000 doesn't begin to relate to the present-day cost of fishing vessels, cannery equipment or large pieces of construction equipment. (LEE E. FISHER, COOPERS & LYBRAND)

Lower tax rates increase incentives and will increase tax revenues as well. It may not be good POLITICS but it sure is good ECONOMICS for our governments as well as our businesses. When our businesses flourish, our economy flourishes. Our employment goes up and the miracle of free enterprise works. There are those who disagree. Many of them are in government.

Today's state legislators want better things for Alaska too, and they are indicating a real concern and determination and a commitment to make it happen. Stability is the key. There is a need for consistency and credibility so that those who come now will feel confident that...
The RESOURCE DEVELOPMENT COUNCIL has elected new executive officers. At its annual meeting on March 31, the COUNCIL elected James G. "Bud" Dye of Lee Houston & Associates as President. Frank Chapados of H & W Warehouse in Fairbanks and Andy Piekarski of Local 341 were elected Vice President. Robert Swetnam of Phillips Petroleum was elected Secretary and Lee E. Fisher of Cooper's & Lybrand was elected Treasurer. The executive officers and the new board of directors serve a one-year term. Some members have remained on the statewide board since 1976.

Also serving on the Executive Committee are Terry Brady, Homer; Burrell, Paul Dunham, Bob Fleming, Cary Gibbreth and Jodi Holley of Anchorage, John Kelsey of Valdez, Marc Langland of Fairbanks and Hazel Heath, Homer.

The Executive Committee meets weekly to guide the organization's activities.

CONFUCIOUS SAYS...

Men do not stumble over mountains, but molehills.

AH, SPRING FEVER!

There's no time for Spring Fever at the Resource Development Council offices. A busy agenda includes, among others, these activities:

- Supporting the State of Alaska's efforts to eliminate unnecessary permits and regulations; Council members are assisting in the effort.
- Urging the State of Alaska to refrain from classifying land to management systems which foreclose exploration and utilization of natural resources and prohibit multiple uses of land.
- Asking members of Congress to recognize the unemployment and inflationary impacts of massive forest land withdrawals and to allow the nation's forest lands to be managed for multiple-traditional-use purposes.
- Opposing transfer of the U. S. Forest Service to a new Department of Natural Resources.
- Supporting extension of the Alaska Railroad eastward through Canada.
- Urging legislative funding of design and cost analyses of a royalty gas line from Prudhoe Bay.
- Opposing exports of round logs from State of Alaska lands without prior promulgation of regulations governing round log exports.
- Urging the State of Alaska to hold the Beaufort lease sale on schedule and to "stick to proven competitive sale methods that will protect the citizens of Alaska from carrying the risk of failure to find oil or gas.
- Continuing its efforts to oppose administration policies which, if not corrected, will result in the certain death of Haines, Alaska.

TRANS-ALASKA OIL PIPELINE
COLLECTORS' ITEMS

Commemorative plaques and desk weights certified to contain oil from the FIRST BARREL OF OIL received at Valdez, Alaska, from Prudhoe Bay, July 28, 1977:

- WALNUT PLAQUES Distinctive and elegantly designed, each plaque is numbered for one of 799 pipeline miles. The map of Alaska is engraved in bas relief, set off by inset brass corners and inscribed plate, raised lettering and miniature pipeline containing Prudhoe Bay oil. Size: 12" x 14". Cost: $200

DESK WEIGHTS Clear lucite desk weight measures 4½ x 3½ x 1½ inches with red base. Tube of oil, pipeline mile and inscription in center. Cost: $30

True collectors' items, only 799 of each were manufactured. Register of owners maintained at Resource Development Council. Send check or money order to Resource Development Council, Box 516, Anchorage, Alaska 99510.
from 1965 to 1973 and barely 1% from 1973 to 1977." Although Hempstone concedes tax cuts on capital gains and corporate profits un-questionably would help as would more gener-
ous tax credits for research and capital invest-
ment, and faster write-offs of new plant and
equipment, he also believes massive re-evalu-
ation of worker attitudes is in the offering. "Put-
ting it right will require a change in worker
attitudes, more imaginative management pro-
grams and government taxing and regulatory
policies that stimulate rather than stifle the sort
of entrepreneurship that made this the richest
and most productive economy — for all its
people — the world has ever known."

SOUTHCENTRAL
WATER RESOURCES STUDY

Although the year 2000 is a long way off, a
group of state and federal agencies is looking
at that horizon to assess how much growth-re-
lated demand will be placed on the resources
of Southcentral Alaska. This effort, the South-
central Water Resources Study, is being overseen
by the Alaska Water Study Committee (AWSC).
The AWSC is examining the growth poten-
tial and resource usage of Southcentral Alaska.
The end result hopefully will be a regional ap-
proach to resource use and conservation backed
by state, federal and local agencies, Southcen-
tral communities and private interests.
As public input to the study is urged, in-
terested organizations or individuals are advised
to call the AWSC office headed by Frank Ura-
back and Dan Willkerson, at 271-4313.

ADMINISTRATIVE
REGULATION
REVIEW
COMMITTEE
FUNDING CHALLENGED

"Operatives in the Governor's office in
Juneau have quietly launched an effort to sabo-
tage the funding that Fairbanks Senator Don
Bennett has asked the legislative leadership
to provide for the Administrative Regulation
Review Committee which he chairs.
"Bennett has asked for $86,000 for fiscal
year '80. But Hammond administration aides,
feared that Bennett's committee will aggres-
sively challenge existing or prospective agency
regulations, are trying to get their friends in
the legislature to cut his funding down to
$25,000. "That would effectively cut his
committee's operations. But Bennett has
launched a behind-the-scenes counter-attack
and is expected to beat the administration at
its own game." So says the All Alaska Weekly.

ANCHORAGE QUARTERLY • ISSUE NUMBER 2
AVAILABLE NOW

The Anchorage Quarterly, introduced three months
ago, is a collection of vital statistical data updated on
a quarterly basis to provide you with the latest facts
and figures on the Anchorage community.
Using a combination of tables, charts and graphs
the Anchorage Quarterly lets the "numbers speak for them-
sele" on such topics as: COST OF LIVING - POPUL-
ATION & VITAL STATISTICS - CULTURE AND RE-
CREATION - RESIDENTIAL & COMMERCIAL REAL
ESTATE - GOVERNMENT BUDGET & TAXES - AND
MANY MORE TOPICS.
To order your copy or for additional information,
contact: Resource Development Council for Alaska, Inc.,
Box 516, Anchorage, Alaska 99510
PHONE 278-9615

ENVIRONMENTAL
ENHANCEMENT
AWARD GIVEN TO
USIBELLI COAL
MINE

The RESOURCE DEVELOPMENT COUN-
CIL gave its first Environmental Enhancement
Award to the Usibelli Coal Mine at the March
31 Symposium, "Strategy for a Stable Econo-
y." E J Bullock, "Alaskan of the Year," was
presented to him to express his award.
Bullock noted that the Usibelli Coal Mine has done in revegetating the
mining spoil piles, Bullock noted that the
Usibelli Coal Mine was presently growing crops
where mining was once being conduct-
ed. And, the revegetation has been so complete
that Dal Sheep "now browse where once huge
loaders and trucks rumbled." In
accepting the award Boddy thanked the RESOURCE DEVELOPMENT COUN-
CIL and noted that much of the revegetation had been
done before it was required. Now, Boddy
stated, he expected to spend more time filling
out paperwork than in the field supervising the
revegetation process.
Later, in an interview with Council staff,
Boddy noted that many of the new require-
ments put forth by the US Office of Surface
Mining were too narrow for us. One item of
interest was the fact that blasting could not
take place at night. If this is the case, Boddy
noted, Usibelli mines would literally have
to close down all winter. Then, during the sum-
mer, they could legally blast at all hours of the
day and night. Another regulation which will
not work well in Alaska is the revegetation re-
quirement. Boddy said revegetation with plants
they have been using brings up greenery faster
than with natural vegetation. Usibelli's method
holds the soil together and allows the natural
vegetation to come in later.
To force the Usibelli Coal Mine to change
revegetation procedures would be expensive
and negate ten years of research, he said.

AGRICULTURE SYMPOSIUM

On March 22-23, the State of Alaska and
the University of Alaska sponsored an Agricul-
ture Symposium in Fairbanks. Representatives
of the state, federal and local governments
were present as were farmers, support industries
and professors from various fields at the University.
The Symposium keyed around the potential in-
vestment of time and money into what is
known as the "Delta Project."
From the beginning of the conference it was clear to farmers and observers that
although there was potential for agricultural de-
velopment in Alaska, this did not guarantee there would be buyers standing in line. Speaker
after speaker made it clear that the small acre-
age involved in the Delta Project, 60,000 acres,
would not attract buyers into Alaska. Agricul-
tural advisors suggested creating an economic
system of vertical integration where an Alaskan
grains would fatten Alaskan cattle which in
turn would be sold in Alaskan grocery stores.
Jerry Zevt, port director for the City of
Valdez, which just passed a 848 million bond
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The Alaska Geological Society will hold a symposium entitled "Alaska’s Mineral and Energy Resources" on March 14. The symposium will cover topics such as metallogeny, sedimentary basins, and economic development. The symposium will be held at the Anchorage Marriott Hotel.

Senator Steve Brice, Secretary of Agriculture, March 14, 1979

12th Annual Arctic Gas, Oil, and Construction Industry Show

September 13-14, 1978

Sharon Anchor Hotel

INCREASING PRODUCTIVITY

Regulation is Big Business

Regulation is Big Business in 1979. According to the President, the federal government spends over $50 billion on regulatory programs. The cost of regulation is estimated to be over $100 billion per year.

The statistic shows that the average productivity increase for the private sector from 1946 to 1979 was 1.3%. From 1955 to 1979, it was 1.2%.