

This information concerning the development of Alaska's resources is relevant at this hearing today because it involves a basic philosophy strictly adhered to by our State requiring primary manufacture of our resources. Without such a policy Alaska could quickly be stripped of her vast resources and be left a naked country.

Alaska is a vast land of some 586,000 square miles, about one-fifth the size of the rest of the United States. On an overlay map of the Continental United States our land mass would reach from the Atlantic to the Pacific and from Canada to Mexico. Our coastline alone is in excess of 32,000 miles.

Yet in this, the largest of all our United States, Alaska's population is only 278,000 up from 99,000 in 1946, 212,000 in 1953 and 228,000 in 1957.

Since Alaska does not have a sufficient population to market her resources within the State, Alaska must look to other areas. In addition, Alaska does not have the capital wealth within the State to develop these resources. This capital must come from outside the State, from our neighboring States and friendly foreign allies.

It is only by the orderly development of her resources that Alaska can build an economic base sufficient to support and develop her population.

Alaska welcomes all comers to develop her resources but on our terms.

Alaska, with her abundance of resources, is situated strategically on the Pacific rim adjacent to the vast markets of the Far East and Japan. These countries with their vast populations are developing rapidly and as their standard of living increases, they will require more and more consumer goods. Alaska is in a position to supply many of the resources that will be needed. But Alaska will not allow the exploitation of her resources without first, primary manufacturing taking place in Alaska. It is only by the expenditure of these funds to construct the necessary plants which primary manufacture requires that will enable Alaska to build a sound economic base to speed her development.

Japan has developed as Alaska's best customer. Japan has been willing to invest in Alaska on our terms. Contracts have been made to supply Japan with liquefied natural gas. A \$100 million liquefied gas plant is now under construction owned by Phillips and Marathon Oil Co.

In all cases the Japanese investment in Alaska has adhered to our primary manufacturing policy. The Japanese investment in Alaska makes full utilization of the Alaska labor force and I believe all of the American labor unions are represented in Alaska. Such investment means jobs for Alaska loggers, pulpmill workers, sawmill employees, longshoremen, construction workers, oil and gas employees and every segment of Alaska's labor force. Alaska is aware that the export of round logs is the export of jobs, which has been so forcibly illustrated during this hearing.

We believe Alaska's policy requiring primary manufacturing is a sound and proven approach to the development of our State.

The industry people have provided you with information on the present utilization of the Tongass National Forest.