

League of Women Voters of Minnesota Records

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UPPER GREAT LAKES REGIONAL COMMISSION

OFFICE OF THE FEDERAL COCHAIRMAN

WISCONSIN

Governor Warren P. Knowles State Cochairman State Capitol Madison, Wisconsin Alternates

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Associate Director
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635 Extension Building
432 North Lake Street
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MICHIGAN

Governor George Romney State Capitol Lansing, Michigan Robert J. McIntosh 333 Pine Street Port Huron, Michigan

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MINNESOTA

Governor Harold LeVander State Capitol St. Paul, Minnesota William O'Brien Commissioner of Business Development 107 State Capitol St. Paul, Minnesota

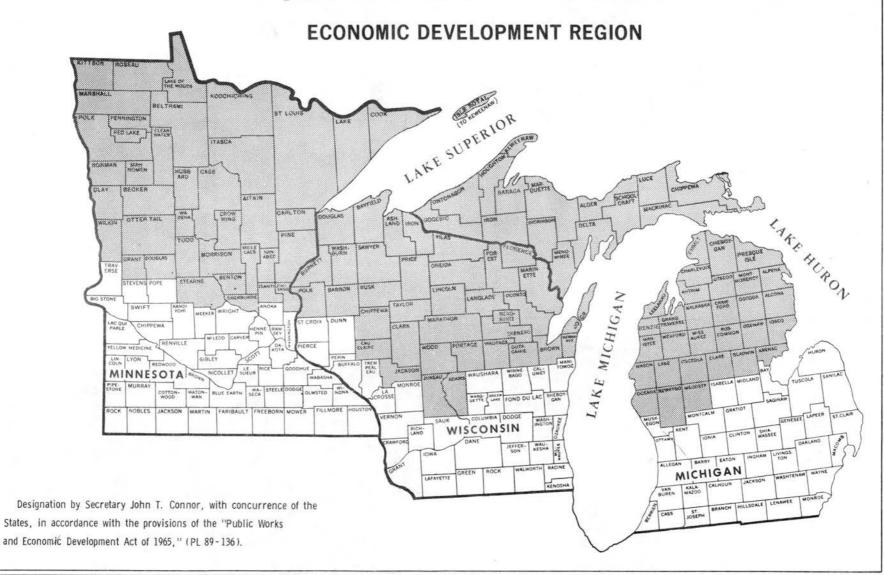
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FEDERAL

Thomas S. Francis Federal Cochairman 2001 Wisconsin Avenue, N. W. Washington, D. C. 20235

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UPPER GREAT LAKES



U. S. DEPARTMENT OF COMMERCE

The following counties and adjacent waters comprise the Upper Great Lakes Economic Development Region as designated by the Secretary of Commerce:

In Michigan	In Wisconsin	In Minnesota
Alcona	Adams	Aitkin
Alger	Ashland	Becker
Alpena	Barron	Beltrami
Antrim	Bayfield	Benton
Arenac	Brown	Carlton
Baraga	Burnett	Cass
Benzie	Chippewa	Chisago
Charlevoix	Clark	Clay
Cheboygan	Door	Clearwater
Chippewa	Douglas	Cook
Clare	Eau Claire	Crow Wing
Crawford	Florence	Douglas
Delta	Forest	Grant
Dickinson	Iron	Hubbard
Emmet	Jackson	Isanti
Gladwin	Juneau	Itasca
Gogebic	Kewgunee	Kanabec
Grand Traverse	Langlade	Kittson
Houghton	Lincoln	Koochiching
Iosco	Marathon	Lake
Iron	Marinette	Lake of the Woods
Kalkaska	Menominee	Mahnomen
Keweenaw	Oconto	Marshall
Lake	Oneida	Mille Lacs
Leelanau	Outagamie	Morrison
Luce	Polk	Norman
Mackinac	Portage	Otter Tail
Manistee	Price	Pennington
Marquette	Rusk	Pine
Mason	Sawyer	Polk
Mecosta	Shawano	Red Lake
Menominee	Taylor	Roseau
Missaukee	Vilas	St. Louis
Montmorency	Washburn	Sherburne
Newaygo	Waupaca	Stearns
Oceana	Wood	Todd
Ogemaw		Wadena
Ontonagon		Wilkin
Osceola		
Oscoda		
Otsego		
Presque Isle		
Roscommon		
Schoolcraft		
Wexford		

And in addition, those Michigan, Wisconsin and Minnesota waters of Lake Superior, Lake Huron, and Lake Michigan which are adjacent to the designated counties.

Senator Philip A. Hart today urged President Johnson to appoint a federal co-chairman so that the Upper Great Lakes Regional Development Commission can swing into action.

The Redevelopment Region was established in March but no federal representative has been picked to fill the fourth Commission seat. The other three members will be the governors of Michigan, Minnesota and Wisconsin.

Hart wrote President Johnson:

"Some weeks ago the establishment of the Upper Great Lakes Region was announced but no further actions have been taken. We in Michigan believe that very real benefits will be gained if the Upper Great Lakes region can proceed and are hopeful that a federal co-chairman will be appointed at an early moment."

The Region consists of 119 northern counties, 45 of them in Michigan.

In releasing the letter, Hart said:

"The North country has a lot of problems and we want to get moving on them.

"The Commission, for example, could be an effective tool in the battle to restore the Great Lakes as a productive source of commercial and sports fish.

"It's also time to actively begin improving mining, forestry, recreation and industrial development. The sconer we get started, the better."

THE LEAGUE OF WOMEN VOTERS

OF MICHIGAN



4612 WOODWARD AVENUE • ROOM 317 • DETROIT, MICHIGAN 48201 • TEmple 3-7133

June 1, 1966

Mrs. Earl Colborn 5309 Girard Street, South Minneapolis, Minnesota 55419

Dear Mrs. Colborn,

Margaret Foerch, state President of the League of Women Voters of Michigan, tells me that after discussing what action might be possible under the League position on problems of economically depressed areas which cut across state lines with you and Mrs. Mote at the National Convention, it was agreed that representatives from Leagues in Minnesota, Wisconsin, and Michigan should form a committee to support the development of the Upper Great Lakes Region (formerly called "Conemico"). This, of course, was subject to the approval of the state Boards involved, and at its last meeting the Michigan state Board formally approved the plan.

The enclosed news release from Senator Hart's office includes the most recent information I have on this project. As far as I know, no federal co-chairman has yet been appointed, and, aside from the fact that I have been watching the Detroit papers rather closely for some announcement, I believe that I should have been notified through Senator Hart's office had anything new transpired. Therefore, I feel that all we can do at this point is to write letters to the governors and senators from our respective states urging them to do whatever they can to hurry along with appointment so that the commission can get underway.

If you have any suggestions for other steps we might take or knowledge of any moves that have been made toward organizing this area, I shall be most interested to hear them. By the way, Mrs. Foerch reports that she has volunteered my services as chairman pro tem for the proposed committee. Although GUIDELINES FOR LOCAL AND STATE ACTION UNDER THE NATIONAL DEVELOPMENT OF HUMAN RESOURCES POSITION, April, 1966, states that permission must be obtained from the National Board in cases of inter-state regional development, it seems to me that it is not yet necessary to request permission to act since we have no definite objectives in mind. However, if it is your pleasure that I request such permission so that when the stage is set for action we can organize more formally and proceed as a regional committee, I shall be happy to write the National Board.

Interstate regional development is so new a concept that I believe the League can perform a real service in promoting cooperation between existing state agencies and preventing the creation of new and unnecessary ones. Let's incorporate all of Appalachia's successes and avoid all their errors. What a challenge! I am looking forward to hearing from you and working with you.

Gordially, Findence M. Lentley

Mrs. Harry R. Bentley State Human Resources Chairman

PMB: gah

LWV of Minnesota, State Organization Service, U. of M., Minneapolis, Minn. 55455 September 1966

MEMO TO: All Leagues in the Upper Great Lakes Region of Minnesota

FROM: Mrs. Earl Colborn, State Program Coordinator

SUBJECT: The Upper Great Lakes Region

The purpose of this memo is to find out whether Minnesota Leagues are interested in forming an interstate committee with the Michigan and Wisconsin Leagues to support the development of the Upper Great Lakes Region.

League Background:

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Part of the statement of position announced by the national Board on the Development of Human Resources was:

(the League supports) "a regional approach to problems of economically depressed areas which cut across state lines. This approach can be handled administratively by such means as interstate cooperation, more formal interstate compacts or commissions made up of representatives of state and federal governments. Development programs should reflect the needs of the particular area and can include such measures as provision of education and training; for available jobs, encouragement of new industry in the area, development and conservation of natural resources, and the building of public facilities."

At the 1966 National League Convention the national Board announced that local and state Leagues may take action on local and state programs and policies that relate to the national DHR position. At this time the national Board also stated that action might be possible on an interstate basis, but that this would require the permission of the national Board, which we have. Such action also requires the formation of an interstate committee.

The state Boards of Minnesota, Michigan and Wisconsin have been engaged in informal discussion on the possibilities for such a committee in our 3-state area. It is the feeling of the state Boards and Mrs. Benson of the national Board that the committee should be composed of representatives of the Leagues in the areas involved in the proposed regional development. This sort of committee is quite new in the League so it would be a "learn as we go" venture with no prescribed procedures for organization.

Governmental Background

The Public Works and Economic Development Act became law in August of 1965. Title V of this Act permits the establishment of regional development commissions similar to the present Appalachian Regional Commission.

The aim of this legislation is to provide new industry and permanent jobs in areas where there has been chronic unemployment and low family income. Its main emphasis is on long-range planning. It requires the cooperation of public officials at all levels and private enterprise. There is strong emphasis on local initiative to design and implement community redevelopment.

On March 3, 1966 Governors Rolvagg, Knowles of Wisconsin and Romney of Michigan signed a compact establishing the Upper Great Lakes Economic Development Region and an Upper Great Lakes Regional Commission.

The following counties in Minnesota are included in the region: Aitkin, Becker, Beltrami, Benton, Carlton, Cass, Chisago, Clay, Clearwater, Cook, Crow Wing, Douglas, Grant, Hubbard, Isanti, Itasca, Kanabec, Kittson, Koochiching, Lake, Lake of the Woods, Mahnomen, Marshall, Mille Lacs, Morrison, Norman, Otter Tail, Pennington, Pine, Polk, Red Lake, Roseau, St. Louis, Sherburne, Stearns, Todd, Wadena and Wilkin.

The Commission consists of the governors of each state, or their alternates, and a federal co-chairman, appointed by the President. Thomas Francis of Pennsylvania was appointed federal co-chairman on August 30. He has not yet established an office or hired staff.

Meetings between officials of the three states have established some tentative goals:
1) a comprehensive study and improvement of transportation facilities including highways and waterways, 2) an education and training program that would involve the educational institutions in the region as well as state agencies, and 3) local community planning programs.

Long-range goals include: natural resource usage, agricultural development, tourist and recreation expansion, development of mining resources, adequate financing - both governmental and private - for community development, and climate control.

Rudy Esala, in the Department of Business Development, is Governor Rolvagg's alternate on the Commission. His staff has been furnishing statistical and technical information to Washington, D.C. He is also concerned with setting up Economic Development Districts. Northern Minnesota is presently divided into five regions. In each district the county commissioners and local governmental officials will appoint a coordinator to develop plans for the district. Planning grants have now been approved for the northern three districts and organization will begin there shortly.

Committee Organization and Functions

All our plans are tentative; we feel the final decisions should be made by you, the local Leagues.

Committees could be organized on the basis of the five districts, set up by the state with a single state coordinator, or the committee could be organized by subject matter with subcommittees doing research on highways, education or whatever seems most appropriate.

Most of the business of the committees could probably be handled by correspondence. With a federal coordinator just appointed the League could be in on the ground floor of planning and development. There will be a series of public hearings (not yet scheduled) explaining the philosophy of regional development and tapping local sentiment as to what should be done. Leagues will be able to send representatives to these meetings and exchange information.

Committees could work towards the publication of resource material or a workshop. There could be a study in depth of some phase of regional development with members reaching a consensus, or material could be kept general on a "for your information" basis.

Action might eventually be possible on either the state or the national level, or Leagues might prefer a Voters Service approach, informing their local communities of just what is being done or could be done under the federal legislation.

We will reserve a small block of time at the State Action Workshops to discuss your ideas on this subject and to answer any questions you may have.

HENRY M. JACKSON, WASH., CHAIRMAN CLINTON P. ANDERSON, N. MEX. THOMAS H. KUCHEL, CALIF.
ALAN BIBLE, NEV. GORDON ALLOTT, COLO. CLINTON P. ANDERSON, N. MEX ALAN BIBLE, NEV. FRANK CHURCH, IDAHO ERNEST GRUENING, ALASKA FRANK E. MOSS, UTAH QUENTIN N. BURDICK, N. DAK. CARL HAYDEN, ARIZ. GEORGE MC GOVERN, S. DAK. GAYLORD NELSON, WIS, LEE METCALF, MONT, JERRY T. VERKLER, STAFF DIRECTOR

Minited States Senate

COMMITTEE ON
INTERIOR AND INSULAR AFFAIRS

And Insular Affairs

October 7, 1966

Mrs. Donald Clusen 820 Allouez Terrace Green Bay, Wisconsin

Dear Mrs. Clusen:

At long last, the Upper Great Lakes Regional Commission on economic development is about to become active, to tackle the economic problems of northern Wisconsin, Minnesota and Michigan. You may recall that the effort to create such a commission dates back to the fall of 1963 when we persuaded former President Kennedy to come to Duluth to keynote a three-state conference on the Northland.

I introduced legislation to establish such a commission as an amendment to the Appalachia bill. The Administration suggested, instead, that we enact such legislation separately as part of the Economic Development Act of This was accomplished and the President signed the bill into law late last year.

Now a federal co-chairman has been appointed, to join the Governors of the three states on the new Upper Great Lakes Commission. Its first meeting will be held shortly.

The commission comes into being at a critical time. ago the entire nation was looking for ways to stimulate a sluggish economy. Today, all the emphasis is directed at "cooling off" an overheated economy. Yet our underdeveloped Northland still faces the same deep-seated economic problems which it faced three years ago when this commission was first proposed.

In an effort to re-emphasize the original goals of this commission, I have written the enclosed letter to the new federal co-chairman. to call it to your attention. It is going to take a united effort on the part of all persons interested in a better future for northern Wisconsin if we are going to accomplish the fine things we had in mind when this commission was first proposed. Your interest and your suggestions will be most valuable.

U.S. Senator

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Mr. Thomas Francis
Federal Cochairman
Upper Great Lakes Regional Commission
Department of Commerce
Washington, D.C.

October 4, 1966

Dear Mr. Francis:

At a conference in my office on Monday, October 3rd, I told you of my desire to suggest several items to be placed on the agenda of the Upper Great Lakes Regional Commission at its first meeting, expected to be held next month.

My suggestions are as follows:

- 1. Headquarters site: If at all possible I believe that the Commission should establish a headquarters in the region to be served by the Commission. Sites are available in northern Wisconsin, for instance, which would be perfectly suited both because they epitomize the problems of the northern cutover region and because they are within easy driving distance of this entire three state region.
- 2. Recreational development: In every step taken to strengthen the economic development of the north we must remember that its greatest single economic opportunity at the moment lies in its wise and tasteful development as an outstanding recreation center for the nation. Nothing which would produce short or long term economic growth must damage the almost unparalleled recreational resources of this region. Two specific projects have been carefully planned and are ready to be put into effect immediately to begin the development of this area as a national recreation center. They are:
 - (a) The Apostle Islands Lakeshore proposal -This bill, now pending in both the Senate and
 House Interior Committees would create a 57,000
 acre national recreation area comprised of 30
 miles of beautiful shoreline, 21 wild off-shore
 islands, and a 10,000 acre wild rice marsh
 which is one of the nation's best hunting,
 fishing and wildlife areas. An expert economist
 has estimated that it would generate \$7.5 million
 a year in spending in this area and create many
 badly needed new jobs.
 - (b) The St. Croix National Scenic Riverway -- This project already has passed the Senate and

Mr. Thomas Francis, COPY October 4, 1966

is pending in the House. Once cleared by the House Interior Committee it should pass quickly. This bill would set up a carefully developed plan to protect 152 miles of the St. Croix River and 90 miles of the Namekagon River, a Wisconsin tributary. This would preserve the best features of an outstanding

of the region your Commission is seeking to assist and within easy driving distance of the Minneapolis-St.Paul metropolitan area.

recreational resource squarely in the middle

3. Review of existing programs: One of the functions of the new Commission will be to guarantee that existing governmental programs are being used in a most advantageous way to help this region. It seems inconsistent that, at the very time this Commission is being convened, many of our northern counties are being declared ineligible for Economic Development Administration grants, the number one form of aid which we presently have available for this vast distressed area. I hope that the Commission will consider the advisability of recommending a change in this eligibility formula as it reviews all existing programs which have an impact on this region.

I believe that prompt action on proposals such as these would get the Upper Great Lakes Commission off to an excellent I am aware that the Commission will begin its work at start. a time when federal funds are severely strained. However, it should be remembered that, despite the talk about inflation which is now so common, the economic problems of northern Wisconsin, Michigan and Minnesota have not been solved and the Upper Great Lakes Commission is just as desperately needed today as it was in the Fall of 1963 when we first suggested it. Furthermore, none of the projects which I have mentioned are so expensive as to create any serious impact on our federal budget. fully developed, promptly enacted action program to rejuvenate this northern region -- even if financed with only a fraction of the money invested in the similar Appalachia project -- could have a tremendous effect on this region and could enable it to make a valuable contribution to the economic strengthening of our entire nation.

Sincerely yours,

GAYLORD NELSON

U.S. Senator

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REGIONAL DEVELOPMENT -- A COLLABORATION PROCESS

Remarks by Thomas S. Francis, Federal Cochairman, Upper Great Lakes Regional Commission, before meeting of the Northern Great Lakes Resource Development Committee Green Bay, Wisconsin, December 13, 1966

Progress in economic development is easy for a region, area or city to come by once you have the necessary momentum. Then success not only breeds success, but attracts success. Once a city has attained a critical size, once a region has developed an appropriate diversity and a solid base for development—including not only the economic services such as trans—portation and utilities, but the social services such as education and health—then that city and region seems to roll along and doesn't need any intervention or substantial assistance from the outside. It generates its own ideas, it produces its own entrepreneurs, and capital is everywhere available to kindle further growth and prosperity.

It is when this momentum has never been fully developed or when it has stalled that constitutes the real problem of economic development. Then for a city or for a region, it usually takes many years for its leadership to organize successfully the economic thrusts that will get the economic machine back on the road and in high gear.

The job of economic overhaul for these dislocated areas is fundamental and difficult even when the country as a whole is in robust economic health. Growth is occurring in other areas of the country, and the area that is lagging behind finds it increasingly difficult to be competitive. Just as success breeds success, so does distress and abnormally low levels of activity make even greater the problems of adversity. The future entrepreneurs who can fuel the economic machine leave for other regions; and in the face of declining levels of activity and revenues, services and facilities deteriorate.

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This tends to repel rather than attract the new investments and new forms of activity that are needed to reinstitute growth. The regions out of the national mainstream then become dependent on more than individual efforts to do the fundamental rebuilding job that is necessary. The spark and the drive of a single entrepreneur are not enough, the efforts of a single group—even those affecting an important segment of the regional economy such as highway transportation or education—are not enough. These efforts are all needed to bring about the fundamental rebuilding job, but they must be concerted to have the necessary impact.

Even more than that, however, is required. New ideas, new approaches, new organizational forms are necessary to bring the various different efforts into one harness and to point out the new directions that will lead to general regional resurgence. In this kind of effort, the traditional pre-occupations with single functions and with one's own immediate interests, one's own profession, one's own type of business or program, must give way to a broader concern. This broader concern should be with the inter-relations between functions and programs, with the relations of private and public investment, with reinforcing effects when several interests are combined in the interests of a single goal--that goal being economic development. Similarly, the traditional political boundaries such as county and state lines must be expanded to a regional basis in many instances to provide an appropriate arena in which purposeful and concerted economic development efforts can be conducted.

Now, I am fully aware that what I have just said is not new or novel to you. Indeed, I am aware that over three years ago this group met in a memorable "Land and People" Conference, the feature of which was an address

by the President of the United States. President Kennedy apparently was deeply impressed by your breadth and sincerity of interest and by your commitment to a cooperative approach to problems cutting "across Federal jurisdictions and State boundaries." Two years later the Congress of the United States, at the bidding of President Johnson, formally took into account the need for a broad approach and one involving the various levels of government when it passed the Public Works and Economic Development Act of 1965 (P.L. 89-136). Under Title V of that legislation, certain bodies called "Regional Commissions" are created.

These Regional Commissions are a new institution on the American scene and are a reflection of the kind of thinking that your organization has been doing over the past three years. In a phrase, they are a legally constituted, joint Federal-State organization charged with taking action to advance the economic well-being of large geographic regions of the United States-regions that have long lagged behind the nation's economic growth. The Commissions are made up of the Governors of the participating states-here in the Upper Great Lakes, the Governors of Minnesota, Wisconsin and Michigan. In addition to the Governors, there is a representative of the Federal Government appointed by the President with the advice and consent of the Senate. The Federal representative carries the title of Federal Cochairman. The Governors select a State Cochairman from their members, and for the Upper Great Lakes

Under the Title V Program, three regions have already been designated and two more are contemplated. These are in addition to Appalachia, which was the subject of earlier and separate legislation. Indeed, when the Appalachian Bill was up for legislative consideration, Congressional delegations from other regions whose growth has lagged behind the national economy expressed

Page 4

support for the multi-state approach. At the same time, they expressed concern that it be made available to other sections of the country as well as to Appalachia. Interest was most keen among the Congressmen and Senators of the Upper Great Lakes Region, who no doubt were reflecting the trend to regional thinking as expressed by your program. Title V of the Economic Development Act was a direct outcome of this Congressional interest and concern.

It is interesting to note that the Appalachian Regional Development Act, to which Title V was patterned, represented the culmination of nearly four years of study of the problems and needs of that region by the Governors of the Appalachian States. Thus the Appalachian Act was able to include specific fund allocations for the specific program areas which had been the object of inter-state study over the years. This important programming task necessarily lies ahead for the other Regional Commissions.

In this programming job, however, we--at least the Upper Great

Lakes Regional Commission--are not starting from scratch. We can immediately

begin to build on the thinking and work of many responsible groups like the

Northern Great Lakes Resource Development Committee. Let me just mention

some of these having inter-state interests:

Upper Midwest Research and Development Council -- this organization whose area of interest parallels that of the ninth Federal Reserve District has exerted a strong influence on regional thinking and on identifying policy and planning issues.

Great Lakes Commission -- this 8-state organization is concerned with the commerce, port facilities, pollution, shore-line development, and other aspects of the development of the five Great Lakes.

Northern Great Lakes Area Council -- this organization, which devotes its attention to the tourist industry, not only includes Minnesota, Wisconsin, and Michigan, but Ontario as well and hence is international in character.

CIC Council on Economic Growth, Technology and Public Policy -this organization consists of all the Big Ten schools and
the University of Chicago. The considerable research brain
power of this group is to be directed to assist the growth
of the midwest including, I hope, the region of our concern.

International Joint Commission -- a body with extensive interests in boundary water problems.

Great Lakes Industrial Development Council -- an organization which includes two of the three states with which we are primarily concerned.

And, of course, there is your own organization -- the Northern Great Lakes Resource Development Committee.

Besides the inter-state regional groups and besides the many state groups which I shall not try to enumerate, there are a number of sub-state regional groups, such as:

Upper Peninsula Committee on Area Progress (UPCAP)
Northern Michigan Community Action Program
Operation Action -- U.P.
Upper Michigan Tourist Association
Northern Michigan Development Council
Gogebic Organization, Inc.
Northeastern Minnesota Development Association
Northern Wisconsin Development Center
Northwestern Wisconsin Regional Planning Commission
Wisconsin Indianhead Country, Inc.
Arrowhead Regional Planning Council for Health Facilities & Services
Minnesota Arrowhead Association

and, I could go on.

Now each of these organizations that I have mentioned has either a piece of geography and/or a special subject matter interest that gives it integrity and uniqueness. Each is in business and each is thinking about some part of our three-state region or about one or more activities in it.

Now if the Commission can get the benefit of the experience and the views and ideas of these various organizations, then the action program we will ultimately develop will be much sounder and much more imaginative and effective than it would be without the benefit of all this collaboration.

In all this array of organized activity, no organization is more important in its potential contribution to what will develop as the Upper Great Lakes program than is your organization. I have looked over the minutes of your previous meetings and have talked to people who are knowledgeable about you and your activities. In short, I am impressed! I am sure I can include the other members of the Commission in this statement—we will rely heavily on the benefit of your good studies, advice, suggestions and—I say this sincerely—your constructive criticisms.

At the other end of the line, I have also talked at length with Secretary Freeman about the whole regional endeavor. I feel I am not divulging any confidence when I say that he is giving top priority to this kind of activity. He has not only pledged cooperation, but has already taken definite steps to assure that his Department's talent and resources will contribute in a real way to help the Commission in its tasks.

Now it is evident that the organizations concerned with economic development in the Upper Great Lakes Region have been working hard. In studies alone, a great deal of effort and intelligence have been applied.

This book (Upper Great Lakes Region Survey of Existing Research) for example, is 157 pages long. Yet it is merely a bibliography of the studies that have been made in the area. It lists 153 studies in agriculture and forestry; 16 in fuel and power; 98 studies on minerals other than fuel sources; 47 studies in the field of water resources; 131 for recreation, tourism and beautification; 75 studies on human resources and their environment; 61 studies on industrial mix and location; 38 transportation and trade studies; 65 public community facilities and services; and 77 studies on government planning and development. The grand total adds up to 761 studies.

Speaking as an individual Commission member, this suggests several things. It suggests that a great deal of thought has been given to area problems and a good many ideas are available for implementation. It suggests also that planning unrelated to action would be a sterile undertaking for the Commission. Surely, we will want to occupy a more important niche in the history of this region other than that which we might be accorded simply because we increased the total number of regional studies from 761 to 762!

But this book of study titles also raises questions. One question that suggests itself is this: although some progress has obviously been made, what keeps these many good ideas from getting off the ground? Is it because only one state may have turned its attention to this when the idea needed the action of all three states to make it really work? Perhaps the idea required coordination between separate Federal programs. Perhaps they needed to supplement one another's efforts, or to bunch their shots in the areas having the most promise of growth. Or maybe the idea called for collaboration between a Federal program, a State program, and private enterprise. Maybe potential private investment was thwarted for lack of an access road or some public service facility.

These questions, I think, point up the kind of role that the Commission idea is designed to serve. Part of our job could well be to advance the programs of your group and of the other major groups in the region whose programs may have been blocked because of the lack of cooperative actions between states, between Federal programs, or between all these and the private sector.

Let's take a specific example. Coordinated transportation policy

should make sense not only to the three state governments but it should make sense as well to the separate demands of agriculture, industry, and tourism. The challenge is clear: can each of these demands be fitted into a transportation policy that would provide a new economic takeoff for the region? In the absence of this coordination, we are apt to provide merely partial solutions and actions which by themselves do not have the necessary impact or strength to redress regional inadequacies or imbalances.

In concluding this talk, I would like to address myself to the question of the future relationships of the NGL Resource Development Committee, the Regional Technical Panel, and the Upper Great Lakes Commission. Since the Commission as a whole has not been formally organized, I can indicate only my own thoughts at this time. I might note here that Governor Knowles, the State Cochairman, is very interested in getting the Commission established and in full operation. I fully share this feeling and it is our hope that the Commission may get under way in the early part of the New Year.

As I indicated earlier, the Commission needs all the help it can get. The problem is not one of duplicating or conflicting efforts; rather it is the positive one of mobilizing the best ideas, tested by citizen review and discussion, into a cohesive program. We expect these ideas and suggestions to come from many sources. Insofar as these suggestions come from organized groups, the Commission can be confident that they merit most earnest consideration. I know that the program suggestions emanating from such a broad-based organization as the Northern Great Lakes Resource Development Committee will be technically sound in the fields of soil and water conservation, forestry, rural recreation, and agricultural development. I know also that they will have the benefit of having been subjected to

extensive citizen scrutiny and discussion. Although I know your primary interests lie in the resources field, we want any thoughts you may have as to how these resources may relate to other areas of interest, such as transportation, human resources, and urban development. We want these thoughts because the Commission is concerned with such relationships. It wants to know how one program or project can be made to reinforce another desirable program or project, so that the total impact of these separate programs on regional economic development is greater than the sum of the various parts.

Accordingly, I want to tell you again that it is most encouraging to me, as Federal Cochairman of the Upper Great Lakes Regional Commission, that your organization not only exists, but is actively working on ways in which to improve this region. I want to extend to you every encouragement to continue to do so. I am sure the Commission will look to you for a most substantial contribution to the development program we hope to put together, and which we hope will eventually serve to help this region get back into the mainstream of the nation's economy.

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DEC 2 1966

September 1966
This <u>IS</u> going out on DPM
FILE UNDER: NATIONAL C.A. I

TO:

Local League Presidents and Chairmen of National C.A. I - Development of

Human Resources

FROM:

Clara Penniman, State Chairman, Development of Human Resources

RE: Local action and cooperation with Michigan and Minnesota

Local Action. In this vital field of both state and national League consensus, a local chairman and her committee can achieve significant progress by systematically studying one or more areas of community activities and testing their findings against the standards set forth in National C.A. I and State C.R. X. (See also the question-naire going out on this CR from the State CR Chairman in this mailing.) Is there a need for local legislation that the local League should support within the state and national consensus? Are there problems that require better administration of established programs? What kind of a bill of health can you give your community?

For example, State Superintendent of Public Instruction William C. Kahl recently told a <u>Milwuakee Journal</u> reporter that <u>de facto</u> segregation and educational inequality are major problems that come to his office. Is there such a problem in your community? Or what about the establishment and success of pre-school classes, neighborhood youth corps, vocational or manpower programs, and other such attempts to help remove the inequalities suffered by the economically, racially, or culturally disadvantaged?

Don't define your "community" too narrowly. League members after all do not tend to live among the truly deprived individuals and families. In metropolitan areas especially, it may be best for several Leagues to work together to avoid glaring omission in the examination of educational or employment opportunities.

Please let me know your plans for the year. I will do my best to help with question and problems.

Interstate Cooperation. The local Leagues in Appleton, Ashland, Eau Claire, Green Bay-De Pere Area, Rice Lake, Stevens Point, Sturgeon Bay and Wausau are in the Upper Great Lakes Economic Development Region in Wisconsin. We shall probably be calling o these Leagues to furnish a member each to work on the state regional development committee and to cooperate with similar committees in Michigan and Minnesota. These Leagues will be sent a further memo later, but you might be thinking of what name you wish to submit to the state Board for approval. It could be the local League chairman of the Development of Human Resources item or one of her committee.

The chairman of this item in Michigan has suggested these titles as a beginning bibliography for the committee - or for any one interested in this subject:

Review material on Appalachia, including "Misdeal in Appalachia".

Read "An Evaluation of the Area Redevelopment Administration," by
Sar Levitan, and
"Problems and Potentials of a Lagging Economy," by Bowman and Haynes.



UGL 67-2

For release in p.m papers Tuesday, March 28, 1967

Worth 7-5113

UPPER GREAT LAKES REGIONAL COMMISSION MEETS APRIL 11 IN MADISON, WISCONSIN

The Upper Great Lakes Regional Commission, which will chart a course for the economic development of a 119-county region in northern Michigan, Minnesota and Wisconsin, will hold its formal organization meeting at 11 a.m. Tuesday, April 11, in Madison, Wisconsin.

Announcement of the formal session for the Commission, which is being established under Title V of the Public Works and Economic Development Act of 1965, was made by Governor Warren P. Knowles of Wisconsin, State Co-chairman, and Thomas S. Francis, Federal Co-chairman.

Members of the Commission in addition to Co-chairman Francis and Governor Knowles are Governor George Romney of Michigan and Governor Harold LeVander of Minnesota.

All members of the Commission plan to attend the Madison session.

Also, several members of the Congressional delegations from the three

States are expected to attend the ceremonies.

The Commission will adopt a charter and by-laws at the meeting and take action to coordinate functions of the planning offices of the three States for the Region.

At a pre-organizational meeting in Washington, D. C. on March 1, the Commission announced that it will coordinate plans developed by State, local and private planners rather than establish a new "super planning agency" to duplicate the planning work already accomplished.

The Commission will discuss ways which it may work with private and local organizations already active in economic planning and development at the meeting to be held in Wisconsin's State Capitol Building.

Formal organization will make the Commission eligible for Federal funds for planning and technical assistance. Some \$400,000 will be available to the Commission for these purposes this year.

In addition, administrative costs of the Commission will be paid by the Federal government for this and the next two fiscal years. After that the 1965 law provides that the State and Federal governments share these costs on an equal basis.

The Commission will identify the barriers to economic development of the Region and recommend methods of removing these barriers, based on the Region's resources and potential for growth. The Commission expects to have an economic development plan for the multiple-state Region by November 1.

The plan is expected to list priorities for specific programs for greater utilization of the Region's human and physical resources.

Programs recommended by the Commission may be financed from private capital sources, or through existing local, State and Federal programs. In some cases the Commission may recommend additional State or Federal legislative action and financing.

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CHARTER AND BYLAWS OF THE UPPER GREAT LAKES REGIONAL COMMISSION

CHARTER

Declaring its Establishment and Stating its Purposes pursuant to Title V of the Public Works and Economic Development Act of 1965 (P.L. 89-136).

WE, the undersigned, strongly endorse the concept of a cooperative partnership of the Upper Great Lakes States and the Federal Government and hereby seek to establish a multistate regional action planning commission for the purposes hereinafter stated with continuing emphasis on developing the most effective economic development plans and programs possible, do hereby certify and declare as follows:

FIRST. That the Secretary of Commerce, with the concurrence of the three participating States, has designated the Upper Great Lakes an "economic development region", and the Governors of the three States comprising the Upper Great Lakes Economic Development Region have manifested their intent and desire to establish a multistate regional action planning commission to be known as the Upper Great Lakes Regional Commission.

SECOND. That the President by and with the advice and consent of the Senate has appointed a Federal Cochairman to serve the Upper Great Lakes Regional Commission.

THIRD. That the duly appointed Federal Cochairman and the Governors of the three participating States have met together for the purpose of establishing the Upper Great Lakes Regional Commission.

2. FOURTH. That the Upper Great Lakes Regional Commission is therefore now created and established for the following purposes: 1. To advise and assist the Secretary of Commerce in identification of optimum boundaries for the Upper Great Lakes Economic Development Region; 2. To initiate and coordinate the preparation of long-range overall economic development programs for the Upper Great Lakes Economic Development Region; 3. To foster surveys and studies to provide data required for the preparation of specific plans and programs for the development of the Upper Great Lakes Economic Development Region; 4. To advise and assist the Secretary of Commerce and the member States in the initiation and coordination of economic development districts, in order to promote maximum benefits from the expenditures of Federal, State and local funds; 5. To promote increased private investment in the Upper Great Lakes Economic Development Region; 6. To prepare legislative and other recommendations with respect to short-range and long-range programs and projects for Federal, State, and local agencies; 7. To develop, on a continuing basis, comprehensive and coordinated plans and programs and establish priorities thereunder, giving due consideration to other Federal and local planning in the Upper Great Lakes Economic Development Region; 8. To conduct and sponsor investigations, research, and studies, including an inventory and analysis of the resources of the Upper Great Lakes Economic Development Region and in cooperation with Federal, State, and local agencies, sponsor demonstration projects designed to foster

regional productivity and growth;

- 9. To review and study, in cooperation with the agency involved, Federal, State, and local public and private programs, and, where appropriate, recommend modifications or additions which will increase their effectiveness in the Upper Great Lakes Economic Development Region;
- 10. To formulate and recommend, where appropriate, interstate compacts and other forms of interstate cooperation, and work with Federal, State and local agencies in developing appropriate model legislation;
- 11. To provide a forum for consideration of problems of the Upper Great Lakes Economic Development Region and proposed solutions and establish and utilize, as appropriate, citizens and special advisory councils and public conferences;
- 12. To make additional recommendations from time to time to the Secretary of Commerce and to the State Governors and appropriate local officials, with respect to--
- (a) the expenditure of funds by Federal, State, and local departments and agencies in the Upper Great Lakes Economic Development Region in the fields of natural resources, agriculture, education, training, health and welfare, transportation and other fields related to the purposes of the Public Works and Economic Development Act of 1965; and
- (b) such additional Federal, State, and local legislation or administrative actions as the Commission deems necessary to further the purposes of the Public Works and Economic Development Act of 1965.

In order to accomplish the foregoing purposes, the Upper

Great Lakes Regional Commission is empowered to do any and all things

hereafter set forth suitable or proper for the accomplishment of any of

the purposes, the attainment of the objects or the furtherance of any of the powers hereinbefore set forth, either separately or in connection with other Commissions, corporations, firms, institutions (public, private, municipal, profit or nonprofit), agencies of State, local, or Federal governing bodies, or any body politic thereof, or representatives of any of them; and to do every other act or acts, incidental to or growing out of or connected with the aforesaid objects, purposes or powers, or any of them.

In order to carry out its duties under Title V of the Public Works and Economic Development Administration of 1965, the Upper Great Lakes Regional Commission is hereby authorized to--

- adopt, amend, and repeal bylaws, rules, and regulations
 governing the conduct of its business and the performance of its functions;
- 2. appoint and fix the compensation of an executive director and such other personnel as may be necessary to enable the Commission to carry out its functions, except that such compensation shall not exceed the salary of the alternate to the Federal Cochairman on the Commission and no member, alternate, officer or employee of such Commission, other than the Federal Cochairman on the Commission and his staff and his alternate, and Federal employees detailed to the Commission under clause (3), shall be deemed a Federal employee for any purpose;
- 3. request the head of any Federal department or agency (who is hereby so authorized) to detail to temporary duty with the Commission such personnel within his administrative jurisdiction as the Commission may need for carrying out its functions, each such detail to be without loss of seniority, pay, or other employee status;

- 4. arrange for the services of personnel from any State or local government or any subdivision or agency thereof, or any intergovernmental agency;
- 5. make arrangements, including contracts, with any participating State government for inclusion in a suitable retirement and employee benefit system of such of its personnel as may not be eligible for, or continue in, another governmental retirement or employee benefit system, or otherwise provide for such coverage of its personnel, and the Civil Service Commission of the United States is authorized to contract with such Commission for continued coverage of Commission employees, who at date of Commission employment are Federal employees, in the retirement program and other employee benefit programs of the Federal Government;
- 6. accept, use, and dispose of gifts of donations of services or property, real, personal, or mixed, tangible or intangible;
- 7. enter into and perform such contracts, leases, cooperative agreements, or other transactions as may be necessary in carrying out its functions and on such terms as it may deem appropriate, with any department, agency, or instrumentality of the United States or with any State, or any political subdivision, agency, or instrumentality thereof, or with any person, firm, association, or corporation;
- 8. maintain an office in the District of Columbia and establish field offices at such other places as it may deem appropriate; and
- 9. take such other actions and incur such other expenses as may be necessary or appropriate.

The Upper Great Lakes Regional Commission, in order to obtain information needed to carry out its duties, is hereby authorized to--

- 1. hold such hearings, sit and act at such times and places, take such testimony, receive such evidence, and print or otherwise reproduce and distribute its proceedings and reports as it may deem advisable—a Cochairman of such Commission, or any member of the Commission designated by the Commission for the purpose, being hereby authorized to administer oaths when it is determined by the Commission that testimony shall be taken or evidence received under oath;
- 2. arrange for the head of any Federal, State, or local department or agency (who is hereby so authorized, to the extent not otherwise prohibited by law) to furnish to such Commission such information as may be available to or procurable by such department or agency; and
- keep accurate and complete records of its doings and transactions which shall be made available for public inspection.

The foregoing enumeration of specific powers shall not be deemed to limit or restrict in any manner whatsoever the general powers of the Commission and the enjoyment and exercise thereof, as conferred by the Provisions of the Public Works and Economic Development Act of 1965.

In Witness Whereof, the undersigned, duly authorized, do sign this Charter of the Upper Great Lakes Regional Commission this 11th day

April, 1967.

State Cocherman and Governor of Wisconsin

Federal Cochairman

State Member and Governor of Michigan

State Member and Governor of Minnesota

UPPER GREAT LAKES REGIONAL COMMISSION RESOLUTION NUMBER 1

A RESOLUTION to Adopt Rules and Regulations
Governing The
Upper Great Lakes Regional Commission

WHEREAS Section 506 (1) of the Public Works and Economic Development Act of 1965 authorizes the Upper Great Lakes Regional Commission to adopt, amend and repeal bylaws, rules and regulations governing the conduct of its business and the performance of its functions, Now Therefore

BE IT RESOLVED by the Upper Great Lakes Regional Commission
CHAPTER 1

DEFINITIONS AND SCOPE

Section 1-1 Short Title. This resolution shall be known and may be cited as the "Bylaws."

Section 1-2 <u>Definitions</u>. For the purposes of these Bylaws, except as may be otherwise required by the context:

- 1. "Commission" shall mean Upper Great Lakes Regional Commission.
- 2. "Federal Cochairman" shall mean the Federal member of the Commission.
- 3. "Plan" shall mean a set of flexible guidelines for the coordination of programs for development.
- 4. "Program" shall mean an integrated set of projects and activities to bring about an objective of the Commission.
 - 5. "Project" shall mean a single activity for development.
- 6. "Guidelines" shall mean the policy indicia of the Commission for the coordination of development programs.

8.

- 7. "Act" shall mean the Public Works and Economic Development Act of 1965.
- 8. "Person" shall mean any corporation, firm, partnership association, organization, or other entity, as well as an individual.
- 9. "Month" shall mean a calendar month, unless otherwise specifically provided.
- 10. "Year" shall mean a calendar year, unless otherwise specifically provided.
- 11. "State Member" shall mean the Governor of a State designated by the Secretary of Commerce as being within the Upper Great Lakes Region.
- 12. "Alternate" shall mean the State Member's designated representative to the Commission.

Section 1-3 <u>Construction</u>. For the purposes of this resolution and any other resolutions hereafter adopted, except as the context may otherwise require:

- 1. The present tense includes the past and future tenses, and the future the present.
 - 2. The masculine gender includes the femine and neuter.
- 3. The singular number includes the plural, and the plural the singular.
- 4. The time within which an act is to be done shall be computed by excluding the first and including the last day, and if the last day be a Sunday or a legal holiday, that day shall be excluded.
- 5. "Writing" and "written" includes printing, typewriting, and any other mode of communication using paper or similar material which is in general use, as well as legible handwriting.

Section 1-4 <u>Principal Office</u>. The location of the Commission's principal office shall be in the District of Columbia although the Commission may establish other offices at such locations as it may from time to time deem appropriate.

Section 1-5 <u>Effective Date Generally</u>. A rule or regulation which deals solely with the internal management of the Commission shall take effect upon its adoption unless otherwise provided therein.

CHAPTER 2

THE COMMISSION

Section 2-1 <u>Powers and Duties Generally</u>. Pursuant to the Act, the Commission will:

- 1. Serve as the governing body of the Commission, and exercise and discharge its powers and duties except as otherwise provided by or pursuant to the Act.
- 2. Determine the character of and the necessity for its obligations and expenditures and the manner in which they shall be incurred, allowed, and paid subject to any provisions of law.
- 3. Provide for the internal organization and administration of the Commission including the establishment of committees and special advisory groups as it may from time to time deem appropriate.
- 4. Appoint the principal administrative and executive officers of the Commission, and delegate to and allocate among them administrative functions, powers, and duties.
- 5. Create and abolish offices, employments, and positions as it deems necessary for the purposes of the Commission, and subject to the provisions of the Act, fix and provide for the qualifications, appointment, removal, term, tenure, compensation, pension, and retirement rights of its officers and employees.

 Let and execute contracts to carry out the powers of the Commission.

Section 2-2 State Members and Alternates. The Governor of each Upper Great Lakes State shall file with the Commission the name of the person designated as his Alternate. In the event of any change regarding the Governor or his Alternate, the Governor shall furnish written notice thereof to the Commission and such notice shall take effect upon or after such filing in accordance with its terms.

Section 2-3 Organization of the Commission. The Federal Cochairman shall be one of the two Cochairmen of the Commission. The Governors of the Upper Great Lakes states shall elect a State Cochairman from among their number. A Governor must receive the affirmative votes of a majority of the State Members in order to be elected State Cochairman. The term of a State Cochairman shall be one year. In the temporary absence of a State Cochairman, the Governors shall appoint one of their number to serve as Acting State Cochairman until the next regular or special meeting. In the event of the permanent absence, death, disability, removal, or resignation of a State Cochairman, the Governors shall then elect from among their number a new State Cochairman to serve out the remainder of the unexpired term. Such election shall take place at the next regularly scheduled Commission meeting unless a special meeting is called pursuant to Section 2-5 (2) of these Bylaws in order to accomplish this purpose.

Section 2-4 <u>Presiding Officer</u>. The Federal Cochairman and State Cochairman shall rotate the duties of Presiding Officer at meetings of the Commission. The rotations shall start April 11, 1967 at the organizational meeting with the Federal Cochairman presiding.

The duties of the Presiding Officer shall be:

- Preside at all meetings and conferences of the Commission.
- Rule on all questions of order subject to appeal to the Commission.
- 3. Sign, jointly with the other Cochairman, all resolutions adopted by the Commission.
- 4. Have such other functions, powers, and duties as the Commission may from time to time prescribe.

In the absence of the Presiding Cochairman, the other Cochairman at any meeting shall have, exercise, and discharge, the functions, powers and duties of the Presiding Officer.

Section 2-5 <u>Meetings</u>. All Regular Meetings and Special Meetings of the Commission shall be open, public meetings.

- 1. Regular Meetings. Regular meetings of the Commission shall be held at such place or places as the Commission may from time to time designate. Such meetings shall be held quarterly.
- 2. Special Meetings. Either Cochairman may, or upon request of any two members, call a special meeting of the Commission upon at least three days' notice to each member of the date, time, place and purposes of the meeting. Any such notice not in writing shall be confirmed in writing. The business of the special meeting shall be limited to the stated purposes. By unanimous consent of all members of the Commission, the requirement of notice can be waived. A telegraphic waiver shall be accepted.

- 3. Recessed Meetings. A recessed meeting shall be considered a continuation of the preceding meeting and the business of the Commission shall be resumed where it was left at the last recess.
- 4. Conferences. The Commission may confer informally for the planning of its work. However, no decision binding on the Commission shall be made at a conference.

Section 2-6 Agenda. An agenda for each meeting of the Commission shall be prepared by the Executive Director with the approval of the Federal and State Cochairmen. The adoption of an agenda shall be the first order of business at Regular Meetings after the minutes of previous meetings have been read and approved. Copies of the agenda for each Regular Meeting shall be mailed to the Commission members at least eight days before the meeting, and any matter not on an agenda so distributed will not be considered except by consent of the Federal Cochairman and two-thirds of the State Members.

Section 2-7 Quorum. A majority of State Members, or their respective Alternates, as the case may be, and the Federal Cochairman, or his Alternate, shall constitute a quorum of the Commission.

Section 2-8 Order of Business. The order of business at each meeting of the Commission shall be as follows:

- 1. Roll call by the Chair.
- 2. Review and approval of minutes of previous meetings.
- 3. Adoption of agenda.
- 4. Consideration of proposed public hearings.
- 5. Reading of petitions and communications.
- 6. Staff reports.
- 7. Old business.

- 8. New business.
- 9. Adjournment.

Section 2-9 Voting by the Commission. The vote upon every motion, resolution, or action at a meeting of the Commission shall be entered upon the minutes. The usual procedure will be to record the consensus of a majority of State Members or their alternates and the Federal Cochairman or his alternate. Any voting member can demand a recorded roll call on any vote. A member or an alternate who is present and does not answer to a roll call when his name is called shall be counted as "present, not voting". Affirmative votes from a majority of the State Members or their alternates constituting the Commission and the affirmative vote of the Federal Cochairman or his alternate are required for the Commission to take any action. However, the Federal Cochairman may announce his intention to abstain in situations of State interest only; e.g., when States are determining the share to be paid by each State toward the administrative expenses of the Commission. In any case where the Federal Cochairman abstains, affirmative votes from a majority of the State Members or their alternates constituting the Commission is necessary to pass a resolution.

Section 2-10 Minutes. The Executive Director shall prepare and distribute to the Commission members and their alternates the minutes of each meeting promptly after the meeting. The minutes of any meeting may be approved without reading if they have been distributed prior to the time of approval or by unanimous consent if they were not so distributed. The minutes of each meeting and any corrections thereof duly adopted shall be signed by the Presiding Officer and by the Executive Director.

Section 2-11 Rules of Proceedings.

- 1. The Presiding Officer at any meeting may move, second, and debate from the chair, and he shall not be deprived of any right to vote or of any other right, power, or duty of a Commission member by virtue of occupying the chair.
- 2. The Commission member who has made a motion shall be entitled to the privilege of closing debate. This privilege can be exercised when members no longer desire recognition to speak on the question, or when a motion for the previous question has passed, or upon reaching the limit of debate, if such rule is adopted at the start of the session.
- 3. A motion to reconsider may be made by a Commission member on the prevailing side, and such a motion may be made only at the same meeting at which the action was taken, or at the next succeeding meeting of the Commission.
- 4. Except as otherwise specifically provided by this Chapter, or the Act, the proceedings of the Commission shall be governed by Roberts' Rules of Order.

Section 2-12 <u>Committees</u>. Standing committees shall be established by the Commission pursuant to its functions. The rules of the Commission shall govern meetings of these committees so far as applicable. Special committees shall be established pursuant to motion or resolution and appointed by both Cochairmen.

Section 2-13 <u>Resolutions and Motions</u>. The Commission will act on matters of general policy, as contrasted with specific actions, by resolutions. Resolutions may be prepared by the Commission staff at the request of any member of the Commission or of the Executive Director.

At least one copy of each resolution in written, typewritten, printed, or stencil duplicated form shall be provided for each member of the Commission prior to consideration at any meeting. Other matters may be acted upon by motion. The above requirements for resolutions may be waived, by the vote of a two-thirds majority, where the need for a resolution arises during a meeting.

Section 2-14. <u>Public Hearings</u>. The Commission shall when it deems it advisable, conduct public hearings. No public hearings shall be held in a State without the consent of the Governor of that State. The following procedure for public hearings shall be followed:

 Hearings may cover more than one topic or subject under consideration by the Commission.

2. Notification.

- hearings. These notifications shall state the date, time, place and business of the hearings.
- b. Notifications shall be posted and distributed by the Commission at least ten days before the hearing.
- c. Notifications shall be mailed by the Commission to:

all persons who have made written requests to the Commission for notices of all hearings or of particular hearings, for which purposes the Commission shall maintain a regular mailing list;

members of Congress from the Region;

The Secretary of Commerce;

the daily press and its wire services;

the Governor of each member State of the Commission;

the Director of the Federal Register, for publication pursuant to the Federal Register Act; and

any other person, groups, organizations, public bodies or agencies which the Executive Director or a member of the Commission deems appropriate.

- 3. The Commission may invite particular persons, organizations, agencies, or other bodies to appear and testify at such hearings.
- 4. At least seven days prior to such hearings there shall be available to the public at the Commission offices such budgets, plans, summaries, maps, findings, statements, orders, or other documents which explain, detail, amplify, describe, or otherwise indicate the action which the Commission is considering and with respect to which the hearing is being held.
- 5. Any Commission member is authorized to administer oaths for the purpose of conducting Commission hearings.
- 6. Commission members and alternates shall question speakers under policies and guidelines established by the Commission.

Section 2-15 Advisory Committees. The Commission will from time to time provide for the creation, appointment, and functions of advisory committees in accordance with the Act.

Section 2-16 Reports.

- A. Quarterly Reports. Once each quarter, at the first regular meeting in October, January, April, and July, the Executive Director shall make a report to the Commission on all activities of the Commission under his supervision.
- B. Annual Reports. The Executive Director shall, by November 1, submit the annual report to the Commission for approval prior to transmission to the Congress. Such report shall cover the Commission's activities for the previous fiscal year. The first such report shall be made for the first fiscal year in which the Commission has been in existence for more than three months. Such report shall be printed and transmitted to Congress no later than January 31 of the calendar year following the fiscal year with respect to which the report is made.

CHAPTER 3

ORGANIZATION AND STAFF

Section 3-1 <u>Personnel</u>. The Commission shall establish an Executive Committee as a standing and permanent committee. This committee shall be composed of two members: one voting member shall be the Federal Cochairman and one voting member shall be the State Cochairman. The Executive Committee shall:

Recommend to the Commission what personnel shall be appointed by the Commission itself. If the Commission approves such a recommendation, it may delegate to the Executive Committee power to recruit and employ such personnel.

Section 3-2 Executive Director. The Commission shall appoint an Executive Director in a manner subject to the provisions of Section 3-1 of these Bylaws. The Executive Director shall be qualified by training and experience for the duties of his office. He is the chief executive and administrative officer of the Commission.

Section 3-3 Commission Special Employees. In order to insure maximum access to talent in both the public and private sectors, to stimulate interest among distinguished and scholarly persons in regional economic development, and to promote the establishment of a reserve of talented persons experienced with the problems of regional economic development, the Commission may hire non-Federal temporary employees (not to exceed four at any one time), who are possessed of knowledge and expertise in economic development and related fields.

The length of employment of these persons normally shall be from three to twelve months, although shorter or longer periods may be approved by the Executive Committee if in the interest of the Commission.

Each of the member States of the Commission may nominate one of these employees, who shall be a resident of such State. The fourth employee shall be nominated by the Federal Cochairman and may be appointed at large.

The employees shall be selected by procedures similar to those established by Section 3-1 and 3-2 of the Bylaws and by Section 5 of Resolution 6 with respect to the selection process for the position of the Executive Director.

The salary of each of these Commission appointees will be commensurate with his assigned duties and responsibilities, taking into account his experience, present occupation, and salary, as well as any added cost of living adjustment required by his removal to the Washington, D.C. area.

Specific procedures concerning the implementation of this section shall be determined by the Executive Committee.

Section 3-4 Official Surety Bonds. Each officer or employee of the Commission who is entrusted with the receipt, custody, or disbursement of Commission moneys shall, before entering upon the duties of his office, execute and deliver an official surety bond in such amount as may be approved by the Commission, to secure the true and faithful performance of his duties. Such bond shall be secured by a corporate surety authorized to do business in the District of Columbia, and the premium therefore shall be paid by the Commission. All surety bonds shall be filed with the Commission.

CHAPTER 4

BUDGETS AND FINANCIAL PROCEDURES

Section 4-1. <u>Fiscal Year</u>. The fiscal year of the Commission shall begin on July 1 and end on June 30.

Section 4-2. <u>Budgets and Disbursements</u>. The Commission shall establish a Committee on Budgets and Disbursements as a standing committee. This committee shall be comprised of the Federal Cochairman and the State Cochairman. Within thirty days of its formation, the committee shall:

- Designate the official depositories of funds of the Commission; and thereafter all funds, revenues, and receipts of the Commission shall be deposited in an official depository.
- 2. Designate the signatures to be required on all Commission checks, drafts, notes, receipts, or other instruments or orders of the Commission, specifying the level or type of disbursement for which two signatures shall be required and below which only one signature shall be required.
- 3. Establish a procedure for audit and examination of all bills and claims against the Commission.
- 4. Recommend budget estimates and execute financial support agreements as outlined in Section 4-3.

Section 4-3. Budget Estimates.

1. Budget for the initial year. The Committee on Budgets and Disbursements is authorized to enter into an agreement with the Department of Commerce for the provision of administrative expense funds to support the operations of the Commission. The Committee

shall recommend to the Commission an operating budget estimate for the balance of the fiscal year in which the Commission is initially established. Such a budget estimate shall be in the format and detail required by approval by the Department of Commerce. This budget estimate, as approved by the Commission, shall be transmitted to the Department of Commerce. The Committee is authorized to execute a final agreement with the Department of Commerce for the payment of administrative expenses.

- 2. Budget for the next two full fiscal years following the establishment of the Commission. A similar procedure shall be followed by the Committee on Budgets and Disbursements for the expenses of the Commission for each of the next two full fiscal years following the establishment of the Commission. Such budget estimates shall be transmitted to the Department of Commerce at the times required by the Department.
- 3. Budget for periods beyond the next two full fiscal years following the establishment of the Commission. Such periods entail a reduction of Federal support for administrative expenses to a sum not to exceed 50 per centum of such expenses as outlined in Section 505 (b) of the Act. The Committee on Budgetsand Disbursements will recommend to the Commission appropriate budgetary and financial procedures for such periods. These recommendations shall be submitted to the Commission not later than one full fiscal year following the initial establishment of the Commission.
- 4. The Commission may, by resolution, delegate its responsibilities under this Section to the Committee on Budgets and Disbursements.

Section 4-4 Budget Operation.

- 1. The Executive Director shall install and maintain an encumbrance system of budget operation. No expenditure of commitment shall be authorized or incurred at any time in excess of the unencumbered balance of appropriations available therefor.
- 2. The Budgets and Disbursements Committee may authorize the transfer of funds included in an approved budget from one major purpose classification to another provided that the total amounts transferred to or from a classification shall not exceed \$25,000.

Section 4-5 <u>Purchasing</u>. The Executive Committee shall install and maintain a purchasing system. Until such time as a separate purchasing agent may be authorized and appointed, the Executive Committee shall serve as purchasing agent. The following procedures shall be used for all purchases, except research and expert or consultant services:

- 1. For purchases of more than \$2500, the purchasing agent shall obtain at least three competitive bids, open them simultaneously, and award the contract to the responsible bidder whose bid is most advantageous to the Commission, price and other factors considered.
- 2. For purchases ranging in value of less than \$2500, but of \$100 or more, the purchasing agent shall obtain quotations from at least two vendors.
- 3. Purchases of less than \$100 in value may be made directly by the purchasing agent without letters or bids.
- 4. The Executive Committee is authorized to appoint all experts and consultants providing technical assistance services to the Commission provided such services do not exceed \$10,000 under any single contractual arrangement.

For technical assistance services exceeding \$10,000 under a single contractual arrangement, the Executive Committee shall obtain at least three competitive bids, open them simultaneously, and award the contract to the responsible bidder whose bid is most advantageous to the Commission, price and other factors considered.

Section 4-6 Payrolls. The Executive Committee may provide the treasurer with a single warrant for each payroll. The warrant shall cover gross compensation less all deductions required by law, and payments shall be made at such frequency as the Budgets and Disbursements Committee shall determine but not less often than once each month.

CHAPTER 5

EFFECTIVE DATE, TRANSITION, PROCEDURE FOR AMENDMENTS

Section 5-1 $\underline{\text{Effective Date}}$. This resolution shall take effect immediately upon its adoption.

Section 5-2 <u>Transition</u>. Whenever any act or procedure is required by this resolution to be taken or followed within a prescribed time, such time shall be deemed to be directory and not mandatory until the Commission shall otherwise prescribe, it being the intention of this provision to allow time for the appointment and organization of a staff required to conform with the resolution.

Section 5-3 <u>Procedures for Amending Bylaws</u>. The Commission may amend these Bylaws by resolution at any of its meetings, in accordance ith the provisions of Section 2-9 and Section 2-13 of these Bylaws.

doption certified by the Commission:

State Cochairman and

Date Opril 11, 1967

Federal Cochairman

Date april 11, 1967

UPPER GREAT LAKES REGIONAL COMMISSION RESOLUTION NUMBER 2

A RESOLUTION of the Upper Great Lakes Regional Commission
To Authorize a Temporary
Procedure for the Conduct of
Administrative Matters

WHEREAS, the Commission recognized the requirement for conducting business relative to setting up and housing the Commission immediately;

Now Therefore

BE IT RESOLVED by the Upper Great Lakes Regional Commission

Section 1. Authority to Acquire Equipment and Services. The

Executive Committee, as described in Section 3-1 of the Bylaws of the

Upper Great Lakes Regional Commission, is authorized to contract for the

purchase of furniture, equipment, books and supplies, and for telephone,

electricity and other services required for the operation of the

Commission.

Section 2. <u>Delegation</u>. This authority can be delegated to the Federal Cochairman by unanimous consent of the State Cochairman and the State members. Such delegation shall remain in effect until rescinded by action of the Commission. The Federal Cochairman shall not vote in the decision to rescind the delegation of authority.

Section 3. Effective Date. This resolution is effective immediately.

option certified by the Commission:

State Cochairman and Governor of Wisconsin

Date april 11, 1967

Date april 11, 1967

UPPER GREAT LAKES REGIONAL COMMISSION RESOLUTION NUMBER 3

A RESOLUTION of the Upper Great Lakes Regional Commission
To Authorize the
Acquisition of Office Space
For the Commission

WHEREAS the Commission recognized the need to negotiate for and lease office space immediately; Now Therefore

BE IT RESOLVED by the Upper Great Lakes Regional Commission Section 1. Authority to Negotiate for Office Space. The Executive Committee, as described in Section 3-1 of the Bylaws of the Upper Great Lakes Regional Commission, is authorized to negotiate for the acquisition of office space for the Commission and to lease such space.

Section 2. <u>Delegation</u>. This authority can be delegated to the Federal Cochairman by unanimous consent of the State Cochairman and the State members. Such delegation shall remain in effect until rescinded by action of the Commission. The Federal Cochairman shall not vote in the decision to rescind the delegation of authority.

Section 3. <u>Effective Date</u>. This resolution is effective mmediately.

Adoption certified by the Commission:

State Cochairman and

Governor of Wisconsin

967

Federal Cochairman

Date april 11 1967

UPPER GREAT LAKES REGIONAL COMMISSION RESOLUTION NUMBER 4

A RESOLUTION of the Upper Great Lakes Regional Commission
To Permit Withdrawals from
Its Official Depositories to be Made
On a Temporary Basis

WHEREAS the Commission recognized the need to draw upon its fiscal accounts immediately; Now Therefore

BE IT RESOLVED by the Upper Great Lakes Regional Commission

Section 1. Authority to Sign Checks. The Executive Committee

as described in Section 3-1 of the Bylaws of the Upper Great Lakes

Regional Commission, is authorized to sign checks drawn on the Commission's account.

Section 2. <u>Delegation</u>. This authority can be delegated to the Federal Cochairman by unanimous consent of the State Cochairman and the State members. Such delegation shall remain in effect until rescinded by action of the Commission. The Federal Cochairman shall not vote in the decision to rescind the delegation of authority.

Section 3. Effective Date. This resolution is effective

mmediately.

doption certified by the Commission:

State Cochairman and Governor of Wisconsip

Date april #1967

Federal Cochairman

Date april 11, 1967

UPPER GREAT LAKES REGIONAL COMMISSION RESOLUTION NUMBER 5

A RESOLUTION of the Upper Great Lakes Regional Commission
To Empower the Executive Committee
To Make Certain Decisions

WHEREAS, the Upper Great Lakes Regional Commission recognized the need to acquire a small staff of personnel quickly; and

WHEREAS, the Commission will require executive and administrative decisions immediately; and

WHEREAS, an Executive Director has not yet been selected by the Commission, Now Therefore

BE IT RESOLVED by the Upper Great Lakes Regional Commission

Section 1. Authority to make certain decisions. Pending the appointment of an Executive Director, the Executive Committee, as described in Section 3-1 of the Bylaws of the Upper Great Lakes Regional Commission is hereby authorized to employ for the Commission the small staff referred to above and to make certain decisions which are necessary for conducting the initial business of the Commission.

Each person on the staff so employed by the Executive Committee shall be compensated by the Commission at the rates of pay stipulated in the attached schedule of personnel and salaries. (See Exhibit "A", Page 34)

Such employment shall be accomplished consistent with the provisions of Section 3-1 of the Bylaws of the Upper Great Lakes Regional Commission.

Section 2. <u>Delegation</u>. This authority can be delegated to the Executive Director by the unanimous written consent of the Executive Committee and the State members.

Section 3. Effective Date. This resolution is effective

doption certified by the Commission:

State Cochairman and Governor of Wisconsin

Date April // 1967

Date April // 1967

UPPER GREAT LAKES REGIONAL COMMISSION RESOLUTION NUMBER 6

A RESOLUTION of the Upper Great Lakes Regional Commission To Adopt Rules and Regulations Governing the Hiring of Certain Personnel

WHEREAS procedures are required to make possible the orderly hiring of the principal staff personnel of the Upper Great Lakes Regional Commission, and the Commission accepts the recommendations of its Executive Committee in this matter; Now Therefore

BE IT RESOLVED by the Upper Great Lakes Regional Commission

Section 1. Authority to Hire Special Employees. The Commission is authorized to hire Special Employees pursuant to Section 3-3 of the Bylaws.

Section 2. Authority to Employ and Discharge Commission Staff

Personnel. The Executive Committee, as described in Section 3-1 of the

Bylaws of the Upper Great Lakes Regional Commission, is authorized to

employ and discharge Commission personnel in accordance with Section 3-1

of the Bylaws.

Section 3. <u>Promotions</u>. The Executive Committee is also authorized to award merit promotions and salary increases pursuant to applicable provisions of the Bylaws.

Section 4. <u>Discipline</u>. The Executive Committee is further authorized to take appropriate disciplinary action as prescribed in pertinent provisions of the Bylaws.

Section 5. <u>Selection of the Executive Director</u>. The candidates for the position of Executive Director of the Commission shall be submitted to and screened by the Executive Committee which will then give a priority

ranking to such candidates. The applicants' resumes and the rankings will be submitted by the Executive Committee by certified mail to the full Commission membership. After a reasonable period of time, the Committee will poll the Commission members and seek to hire as Executive Director a candidate in order of selection by the majority of the State members and the affirmative vote of the Federal Cochairman.

Section 6. Effective Date. This resolution is effective immediately.

Adoption certified by the Commission:

State Cochairman and Governor of Wisconsin

Date

Federal

Cochairman

april 11 1967

UPPER GREAT LAKES REGIONAL COMMISSION RESOLUTION NUMBER 7

A RESOLUTION of the Upper Great Lakes Regional Commission
On Salary and Wage Administration For
Commission Employees

whereas the Commission, in providing a Compensation System and Benefit Program for Commission employees, desires to establish the policy that employees of the Commission shall be compensated in accordance with a compensation schedule identical to that followed by the Federal Government, and

WHEREAS the Commission further desires that employees coming
to the Commission from the Federal Service shall receive benefits essentially
the same as they enjoyed in Federal Service, and

WHEREAS the Commission desires to provide substantially similar benefits to other employees; Now Therefore

BE IT RESOLVED by the Upper Great Lakes Regional Commission Section 1. Authority. This Resolution is made pursuant to Commission Resolution Number 1, the Bylaws.

Section 2. Establishment of an UGLRC Compensation System.

In determing the basic rates of compensation which a Commission officer or employee shall receive (A) the principle of equal pay for substantially equal work shall be followed, and (B) variations in basic rates of compensation paid shall be in proportion to substantial differences in the difficulty and responsibility of the work performed.

- The Upper Great Lakes Regional Commission's basic compensation schedule symbol shall be "RC".
- 2. The RC schedule shall be divided into eighteen grades of difficulty and responsibility of work, RC grade 1 being the least difficult and responsible level and RC grade 18 being the most difficult and responsible level.
- 3. All RC positions shall be assigned an RC grade. There shall also be a written description for each position, briefly stating the position's major duties and responsibilities.
- 4. Within Grade Steps
 - a. There shall be 10 steps within RC grades 1 through 15.
 - b. There shall be 9 steps within RC grade 16.
 - c. There shall be 5 steps within RC grade 17.
 - d. There shall be 1 step within RC grade 18.
- 5. The compensation schedule for the Commission listing per annum rates (Exhibit A) shall be effective immediately.

The pay schedule shall be adjusted by substituting a revised Exhibit "A" from time to time as necessary to conform to the compensation schedule then applicable to Federal classified personnel.

Section 3. Entrance Level Steps. All UGLRC employees will normally enter on duty at the beginning step of their assigned grade level

unless a higher step is deemed advisable and is authorized by the Commission hiring authority.

Section 4. Step Increases. Commission employees in the first three steps of any grade shall receive one within-grade step increase at the end of each 52 calendar weeks of creditable service; Commission employees in the second three steps (steps 4, 5 and 6) shall receive one within-grade step increase at the end of each 104 calendar weeks of creditable service. Provided, that the Executive Committee shall have the authority to approve a step increase before the expiration of any of the above stated periods, where it is determined to be in the best interests of the Commission.

Provided further, that the Executive Committee shall also have authority to approve more than one step increase in recognition of superior performance or where the good of the Commission so requires.

Section 5. <u>Promotions</u>. All promotions to a higher RC grade level shall be effected on the basis of an increase in the duties and responsibilities assigned to the position.

- The Executive Committee shall be empowered to approve or deny requests for promotions in all RC grades.
- 2. The Executive Committee shall review all RC positions at least once annually to insure that every position is properly graded and compensated.

Section 6. <u>Premium Compensation</u>. Payment of premium compensation such as overtime, night differential, holiday pay and meritorious awards shall be determined and approved by the Executive Committee.

Section 7. <u>Discharges and Demotions</u>. Actions to discharge Commission employees and actions for reduction in grade of RC positions for any reason shall be referred to the Executive Committee for final determination and action.

Section 8. <u>Implementation</u>. The Executive Committee shall provide appropriate rules and procedures necessary to implement this Resolution.

Section 9. <u>Effective Date</u>. This Resolution is effective immediately.

Adoption certified by the Commission:

State Cochairman and Governor of Wishonorn

Date April // 1967

Date April // 1967

SCHEDULE OF ANNUAL SALARY RATES BY GRADE

GENERAL SCHEDULE

GRADE	52 WEEKS			104 WEEKS			156 WEEKS			
	1	2	3	4	5	6	7	8	9	10
1	\$3,609	\$3,731	\$3,853	\$3,975	\$4,097	\$4,219	\$4,341	\$4,463	\$4,585	\$4,707
2	3,925	4,058	4,191	4,324	4,457	4,590	4,723	4,856	4,989	5,12
3	4,269	4,413	4,557	4,701	4,845	4,989	5,133	5,277	5,421	5,56
4	4,776	4,936	5,096	5,256	5,416	5,576	5,736	5,896	6,056	6,21
5	5,331	5,507	5,683	5,859	6,035	6,211	6,387	6,563	6,739	6,91
6	5,867	6,065	6,263	6,461	6,659	6,857	7,055	7,253	7,451	7,64
7	6,451	6,664	6,877	7,090	7,303	7,516	7,729	7,942	8,155	8,36
8	7,068	7,303	7,538	7,773	8,008	8,243	8,478	8,713	8,948	9,18
9	7,696	7,957	8,218	8,479	8,740	9,001	9,262	9,523	9,784	10,04
10	8,421	8,709	8,997	9,285	9,573	9,861	10,149	10,437	10,725	1,1,01
11	9,221	9,536	9,851	10,166	10,481	10,796	11,111	11,426	11,741	12,05
12	10,927	11,306	11,685	12,064	12,443	12,822	13,201	13,580	13,959	14,33
13	12,873	13,321	13,769	14,217	14,665	15,113	15,561	16,009	16,457	16,90
14	15,106	15,629	16,152	16,675	17,198	17,721	18,244	18,767	19,290	19,81
15	17,550	18,157	18,764	19,371	19,978	20,585	21,192	21,799	22,406	23,01
16	20,075	20,745	21,415	22,085	22,755	23,425	24,095	24,765	25,435	
17	22,760	23,520	24,280	25,040	25,800					
18	25,890		77 - 141 - 1110							

UPPER GREAT LAKES REGIONAL COMMISSION RESOLUTION NUMBER 8

A RESOLUTION of the Upper Great Lakes Regional Commission To Provide Benefits for the Employees Of the Upper Great Lakes Regional Commission

WHEREAS, it is necessary to delineate the benefits which should accrue to the present and future employees of the Upper Great Lakes Regional Commission; and

WHEREAS, it is the sense of Public Law 89-136 that persons leaving Federal service directly for employment by the Upper Great Lakes Regional Commission shall not, by reason of employment by the Upper Great Lakes Regional Commission, lose any of the employee benefits which accrued to them in Federal service; Now Therefore

BE IT RESOLVED by the Upper Great Lakes Regional Commission
Section 1. Holidays. The Commission shall grant to all employees the following holidays: New Year's Day, Washington's Birthday,
Memorial Day, Independence Day, Labor Day, Veterans' Day, Thanksgiving Day,
Christmas Day, Inauguration Day, and any other day designated a Federal
holiday. Further, when one of the holidays falls upon a Saturday the preceding Friday shall be declared a holiday and when one of the holidays
falls upon a Sunday the following Monday shall be declared a holiday.

Section 2. Annual Leave. The Commission shall grant annual leave to all employees based on the following schedule: employees with less than three years of service shall be granted thirteen days of annual leave; employees with more than three but less than fifteen years of service shall be granted twenty days of annual leave; and employees

with more than fifteen years of service shall be granted twenty-six days of annual leave. The prior service which shall determine an employee's position in the accrual schedule shall be limited to service with government. For the purposes of this determination government service shall be defined as employment by any agency, branch or instrumentality of the Federal government or any State or local government, including active military service. Also, employees leaving the service of the Commission shall be paid for unused annual leave in a manner similar to the Federal scheme. Furthermore, the Executive Director, may grant advanced annual leave. Finally, personnel who have taken advanced annual leave and who depart Commission service prior to accumulating enough annual leave to defray the advanced annual leave shall make cash payment to the Commission for the amount of non-repaid annual leave which remains.

Section 3. Sick Leave. The Commission shall grant thirteen days of sick leave per annum to all employees. Employees whose immediate prior employment was with any agency, branch or instrumentality of the Federal government or any State or local government shall have credited with the Commission an accumulation of sick leave equal to the accumulated sick leave being left behind in prior governmental service. This credited leave may be used as if it had been accumulated in Commission service. There shall be no limit to the sick leave which an employee may accumulate with the Commission; however, sick leave accrued during service with the Commission which remains to the credit of an employee at the time of departure from Commission service shall be lost. The Executive Director may grant advanced sick leave. However, personnel who have taken advanced sick leave and who depart Commission service prior

make payment to the Commission, either in unused annual leave or in cash payment, for the amount of non-repaid sick leave which remains.

Section 4. Leave Without Pay. The Executive Director may grant leave without pay. Granting of leave without pay shall be based upon the finding by the Executive Director that such leave is in the interest of the Commission. Also, re-employment of personnel who have taken leave without pay shall be subject to the existence of a suitable position at the time of expiration of leave. Furthermore, normal leave without pay status should not extend beyond twelve months. The cost of group medical and group life insurance shall be defrayed in a manner similar to the Federal program during the first twelve months of the employee's absence; should approved leave without pay extend beyond twelve months, the employee shall assume all costs for these programs. And furthermore, should it become obvious that employee could not, did not or will not return to duty at the termination of leave without pay, the Executive Director shall be authorized to terminate leave without pay. An employee on leave without pay status shall earn neither annual leave nor sick leave, nor shall he be eligible for Commission jury duty pay, holidays, military leave benefits, unemployment compensation, injury compensation or any other Commission employee benefits.

Section 5. Maternity Leave. Absence from duty due to incapacitation growing out of pregnancy and confinement shall be an approved absence. Fourteen weeks shall be deemed a normal period of maternity leave. The employee may use any combination of sick leave, annual leave and leave without pay to account for the period of absence. Also, the Executive

Director may authorize advanced sick leave.

Section 6. Military Leave. A Commission employee who is a member of the National Guard of the Army or Air Force or of the reserve components of the Army, Navy, Air Force, Coast Guard or Marine Corps shall be granted a maximum of fifteen calendar days of paid leave in order to engage in service or training with the military unit to which he belongs. Non-working days which fall within a period of absence shall be chargeable days. Annual leave or leave without pay shall be used for periods of service or training in excess of fifteen calendar days.

Section 7. Jury Duty. Members of the Commission staff shall be granted paid leave while serving as jurors in Federal, State or municipal courts. Also, Commission employees shall be granted paid leave when serving as official witnesses for any State of the United States or the District of Columbia. Furthermore, members of the Commission staff who act as unofficial witnesses for persons or agencies other than a State, the United States or the District of Columbia shall be required to utilize annual leave or leave without pay while so engaged.

Section 8. <u>Unemployment Compensation</u>. In the event that the Solicitor of the Department of Labor decides that Commission employees may be considered Federal employees for the purpose of granting them Federal unemployment compensation insurance, the Executive Director shall petition and negotiate for such insurance coverage. In the event that the Solicitor of the Department of Labor decides that Commission employees may not be considered Federal employees for the purpose of granting them Federal unemployment compensation insurance, the Executive Director, operating within

policies established by the Executive Committee, shall secure unemployment compensation insurance from the District of Columbia Unemployment Compensation Board.

Section 9. Group Medical Insurance. For former Federal employees who elect to retain the group medical insurance coverage program in which they participated as Federal employees, the Commission shall pay that portion of the cost of the insurance which is currently paid by the Federal government. For Commission staff personnel who are not former Federal employees or who are former Federal employees but do not wish to continue to participate in the Federal group medical insurance program, the Commission shall provide an opportunity for participation in a group medical insurance program. The medical insurance benefits shall be substantially equal to those benefits accruing to former Federal employees who are participating in the Federal employee program. In the same proportion shared with former Federal employees, the Commission shall share with the non-Federally participating employee the cost of a minimum coverage equal to the minimum Federal coverage. The employee shall be given the opportunity to obtain greater coverage (equal to the highest Federal coverage) on the basis that there will be no additional cost to the Commission.

Section 10. <u>Life Insurance</u>. For former Federal employees who elect to continue Federal coverage, the Commission shall reimburse the Federal government for the cost of continued coverage of former Federal employees in the Federal employee life insurance program.

Former Federal employees who elect to continue in the Federal employee life insurance program shall be covered to the amount of their annual salaries, rounded to the nearest thousand dollars and to the maximum

permitted Federal employees in like circumstances. For nonformer Federal employees and former Federal employees who do not
elect to continue their participation in the Federal employee life
insurance program the Commission shall provide a voluntary group
life insurance program with coverage equal to the Federal employee
life insurance program including accidental death and dismemberment
equal to the value of the policy. Employees who elect to participate shall be covered to the amount of their annual salaries,
rounded to the nearest thousand dollars to the maximum permitted
Federal employees in like circumstances. The Commission shall pay
the same portion of the cost of such coverage as is paid by the
Federal government. The insurance policy shall be written to provide
for conversion, at no cost to the Commission, to a private policy
at the time of the employee's departure from Commission service.

Section 11. Retirement and Disability Retirement. For former Federal employees who elect to continue participation in the Federal retirement program the Commission shall reimburse the Federal government for the cost of continued participation of these employees, with the employees continuing to pay their portion of the cost. For non-former Federal employees and former Federal employees who do not elect to continue their participation in the Federal retirement program the Commission shall provide a retirement and disability program which, as closely as possible within the constraints of cost, matches the Federal program. These employees shall pay a portion of the cost equal to that paid by former Federal employees participating in the Federal plan, the Commission shall

pay whatever amount is required to provide a reasonable plan, as determined by the Executive Committee, for the non-participants in the Federal program.

Section 12. Injury Compensation. In the event that the Solicitor of the Department of Labor decides that Commission employees may be considered Federal employees for the purpose of granting them Federal injury compensation insurance, the Executive Director shall petition and negotiate for such insurance coverage. In the event that the Solicitor of the Department of Labor decides that Commission employees may not be considered Federal employees for the purpose of granting them Federal injury compensation insurance, the Executive Director, operating within policies established by the Executive Committee, shall secure injury compensation insurance for employees of the Commission from a private insurance carrier within the District of Columbia. Furthermore, the Executive Director shall insure that the coverage secured is not limited to the standard coverage of the District of Columbia, but rather is equal to the coverage which accrues to employees of the Federal government.

Section 13. Effective Date. This Resolution is effective immediately.

fied by the Commission:

tate Cochairman and Governor

of Wisconsin

UPPER GREAT LAKES REGIONAL COMMISSION RESOLUTION NUMBER 9

A RESOLUTION of the Upper Great Lakes Regional Commission To Authorize a Request of Funds for State Planning Public Investments

WHEREAS, the Commission recognizes the need to further state planning of public investments immediately in order to develop regional plans subsequently; and

WHEREAS, the amount of \$141,500 has been announced by the U. S. Department of Commerce as being available to the Upper Great Lakes Regional Commission for entering into contracts or agreements with the member states of the Upper Great Lakes Regional Commission for the purpose of providing the Commission with reports and plans which will constitute the elements of a comprehensive state plan of public investment; Now Therefore

BE IT RESOLVED by the Upper Great Lakes Regional Commission

Section 1 Authority to Make Request for Public Investment Planning

Funds. The Executive Committee, as described in Section 3-1 of the Bylaws

of the Upper Great Lakes Regional Commission, is authorized to submit a

request for the funds described above to the Secretary of the U. S. Department

of Commerce and to set forth and negotiate the terms of the contracts or

agreements with the member states for the provision of reports and plans

which will constitute the foundation materials for a comprehensive state

plan of public investment as described below.

Section 2 <u>Description of Comprehensive State Plan of Public</u>

<u>Investment</u>. This plan, as requested by the Regional Commission, will include but is not limited to:

- A statement setting forth the state's goals and objectives for regional development of that portion of the state within the region, consistent with overall state planning.
- 2. The identification of potentials for economic and social development, and problems impeding growth in each of the state's regional areas. Also the identification of specific public investment programs which could help to develop potentials and to resolve problems in order to achieve the specified goals and objectives.
- 3. The identification of areas which, in the state's judgment, are most likely to be the location of significant future employment opportunities; i.e., those areas where there is a significant potential for future growth, and other centers from which the population must be served in order to promote the overall development of the region.
- 4. a. The determination of priorities among investments, in order to achieve the maximum overall return for the public dollars invested in terms of improved opportunities for permanent employment and increased average levels of income on a continuing rather than temporary basis.
 - an inventory of those projects for which the state intends
 to request Commission assistance during the fiscal year
 in which the plan is effective.

5. A statement summarizing the state's intention for improving the effectiveness of its program for regional development during the fiscal year including a discussion of planning studies, analyses, and program development.

Section 3. Effective Date. This Resolution is effective

Adoption certified by the Commission:

State Cochairman and Governor of Wisconsin

Date April 11, 1967

Capril 11, 1967

UPPER GREAT LAKES REGIONAL COMMISSION RESOLUTION NUMBER 10

A RESOLUTION of the Upper Great Lakes Regional Commission To Authorize a Request of Funds for Formulating Plans for Regional Economic Development

WHEREAS, the Commission recognizes the need to initiate the formulation of plans and programs for development of the potentialities for economic growth in the Upper Great Lakes Region; and

WHEREAS, the amount of \$400,000 has been announced by the U. S.

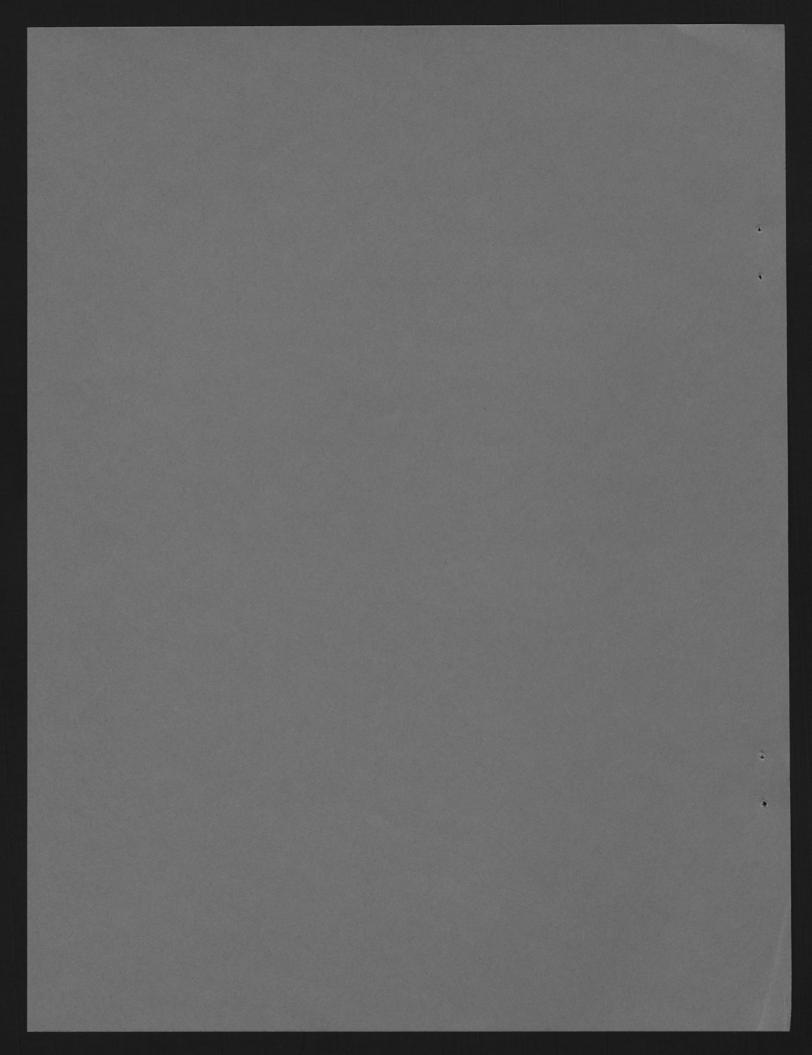
Department of Commerce as being available to the Upper Great Lakes Regional
Commission for entering into contracts, cooperative agreements, and other
transactions with Departments, Agencies, or instrumentalities of the Federal
Government or the governments of the member states of the Commission or any
political subdivision thereof, or with persons, firms, organizations,
associations, or corporations for the purpose of securing studies and plans
evaluating the needs of, and developing potentialities for, economic growth
of the Region, and research on improving the conservation and utilization
of human and natural resources of the Region; Now Therefore

BE IT RESOLVED by the Upper Great Lakes Regional Commission

Plans of Economic Development. The Executive Committee, as described in Section 3-1 of the Bylaws of the Upper Great Lakes Regional Commission, is authorized to submit a request to the Secretary of the U. S. Department of Commerce for the funds described above and to enter into such contracts, agreements, and other transactions for securing studies, research and plans which are contained in a program of studies, research and plans approved by the Commission as a whole.

Section 2. Effective Date. This Resolution is effective immediately.

Adoption certified by the Commissi	on:
ramon I how	federal Cochairman
State Cochairman and Governor of Wisconsin	,
Date april 11,1967	Date April 11, 1967



OFFICE OF THE GOVERNOR State Capitol Madison, Wisconsin

Statement by Governor Warren P. Knowles at the signing of the Upper Great Lakes Regional Commission charter and bylaws.

It is a great pleasure for me to welcome Governor Romney,

Governor LeVander, and Thomas Francis from Washington for the purpose of

formalizing the Upper Great Lakes Commission.

This is an historic occasion and a truly important day for the 119 counties of northern Michigan, Minnesota, and Wisconsin. It marks the formal beginning of what can become a dynamic force behind the economic development and prosperity of the region.

The Upper Great Lakes Regional Commission was born as a result of enabling legislation passed by the 89th Congress in August of 1965.

The implementation of the program has seemed, to many of us, frustratingly slow. Yet, a great deal of the necessary preliminary work has been quietly accomplished.

After more than a year's delay, Tom Francis was appointed federal Co-Chairman and was confirmed by the U. S. Senate in September, 1966.

Since that time, the Commission office has been established in Washington, a staff has been assembled, meetings have been held with the members of Congress, the bylaws have been drafted and are ready for adoption and a statement of intent and purpose has been developed.

During the same period, the governors of the states have taken positive steps to meet their responsibilities and explore the opportunities for development under the Commission. Each has created task forces to study the needs of the area within the boundaries of his state.

Our State Highway Commission, the Conservation Commission and the Extension Division of the University of Wisconsin are completing extensive reviews of the economic problems of our northern counties. From their efforts, I am certain we will be able to develop an aggressive, action-oriented program which will be coordinated and integrated with the efforts of Michigan and Minnesota.

This coming November, this Commission expects to have a multi-state economic development plan ready for presentation to Congress.

The State of Wisconsin is most anxious to assist in the development of the Commission and we look forward to the implementation of programs to develop the economies of our northern regions in cooperation with Michigan, Minnesota and the federal government.

The regional commission approach to the economic problems of this area is a true partnership between the states and the federal government. Each unit has recognized its responsibilities to the region and also has recognized that the problems and the potentials of this vast area are inter-related.

With the continued cooperation of our congressional delegations,

I believe we can develop and implement a dynamic and dramatic program.

In meetings with the members of Congress from Wisconsin last month, I

was assured of their desire to receive the Commission's proposal so that

it might be considered during the present session of Congress and receive

adequate financing from the federal government.

Our joint participation in this meeting today is but the formation of the Commission. From here on, it will be up to our three states to make it work.

In behalf of the State of Wisconsin, I pledge my cooperation to Governor LeVander, Governor Romney and Co-Chairman Francis, in their resolve to ensure the success of the Commission.

Madison, Wisconsin

Today we are <u>igniting</u> what we hope will be a chain reaction for progress in our three states of the Upper Great Lakes Area.

We hope this chain reaction can help bring new prosperity to the people of this great but relatively undeveloped northern area.

We also hope that we are starting a new chain reaction in Federal-state relationships.

Our goal is to build a coalition of concerned states which will work together with the Federal Government in true partnership to help solve serious regional economic problems.

As I said 13 months ago, at the ceremoney in Washington designating this development region, we want to build a structure in which Washington can sit in a regional organization without sitting on it."

We have a big job ahead of us. We confront a multitude of economic problems -- and we have studies coming out our ears to tell us what they are -- transportation, communications, finance, education, recreation, resource utilization, development of business and industry.

These are regional problems -- they overlap the boundaries of our states and reappear all over the Upper Great Lakes Area.

For example, we have a document before us now, prepared jointly by the highway officials of our three states, that not only points up our common problems but shows how a joint approach can help

point the way to their solution. And that's only the beginning of what this three-state team, with federal partnership, can do.

Because we three Governors are close to the action in our states, we can know what our people want and need -- and if we don't, we'll soon find out.

It is my intention to direct the appropriate state agencies in Michigan to get together with their counterparts in Wisconsin and Minnesota to identify regional problems and recommend action.

Interested citizen groups will also be invited to submit their proposals.

Through the commission staff, we can sort through these recommendations to come up with the real key to our progress as a region will not be what we do as a commission. Regional action is a supplement but not a substitute for local action. Governmental action is no substitute for private action.

For if this chain reaction for progress is going to work, it
has to start at the right end of the chain. And as far as I'm concerned,
economic progress begins with the people and their private organizations. It grows from the bottom up. Government can help or
hinder progress; and we me an to help it -- but government can never
supply the drive, energy, and creativity of the people themselves.

And if this commission, by forging a true partnership among our states and the federal government, can tap that drive, that energy, and that creativity, our chain reaction will light new paths to progress not only for the people of the Upper Great Lakes Area but for all the people, all three states and the Country itself.

Statement by

GOVERNOR HAROLD LEVANDER

April 11, 1967 Madison, Wisconsin

WE HAVE BEFORE US TODAY A UNIQUE OPPORTUNITY TO WELD YET

ANOTHER LINK IN THE CHAIN OF STATE AND FEDERAL COOPERATION WHICH IS

SO VITAL TO OUR CONTINUED DEVELOPMENT.

IT IS A PERSONAL PLEASURE FOR ME TO REPRESENT THE PEOPLE OF MINNESOTA IN THE CONSUMMATION OF THIS BOLD, NEW COMPACT FOR REGIONAL ADVANCEMENT.

I AM CONFIDENT THAT THE UPPER GREAT LAKES REGIONAL COMMISSION
WHICH WE ARE FORMALLY CREATING TODAY CAN SERVE AS A VEHICLE FOR
ACCELERATED SOCIAL AND ECONOMIC PROGRESS IN THOSE AREAS OF OUR THREE
STATES WEIGH ARE IN THE GREATEST NEED OF OUR ATTENTION WHILE AT THE
SAME TIME BROADENING OUR ABILITIES TO WORK TOGETHER WITH OUR NEIGHBORING
STATES AND THE FEDERAL GOVERNMENT FOR THE MUTUAL BENEFIT OF OUR CITIZENS.

OUR TASK HERE IS TO PROVIDE THE IMPETUS FOR ACTION.

OUR OBJECTIVE IS TO CREATE A CATALYST FOR COOPERATION.

OUR RESULT WILL BE PROGRESS.

IT GIVES ME A GREAT DEAL OF PRIDE TO PLEDGE THE STATE OF
MINNESOTA'S WHOLEHEARTED COOPERATION IN THE UPPER GREAT LAKES REGIONAL
COMMISSION.

UPPER GREAT LAKES REGIONAL COMMISSION ORGANIZATIONAL MEETING APRIL 11, 1967

STATEMENT BY THOMAS S. FRANCIS, FEDERAL COCHAIRMAN

Today can mark the formal beginning of a new era of economic growth for our region. The Upper Great Lakes Regional Commission is a new venture in Federal-State relations -- an equal partnership of the State governments and the Federal government with a mandate to take a fresh, new approach and formulate a plan to develop our region to its full potential. As the President has said, our Commission and its sister institutions are "the truest example of creative federalism."

Our mandate calls for making more effective use of existing Federal, State and local programs through better coordination and finding new ways to cope with problems that heretofore have defied solution. And to do this, not alone, but rather working in partnership with others.

Much thoughtful work has been done and is under way by private groups as well as by State and local government groups. The universities and colleges of our region also are actively engaged in planning and development.

The Commission does not replace these efforts, nor does it duplicate them; instead, it is intended to strengthen them. In the last analysis, the job of developing our region will depend upon private effort and enterprise. The Commission task is to determine, by working with and through these groups, how public investment may most effectively assist private investment in the sound economic development of the region. In a very important way, building the economy of our region is everybody's job.

We are fortunate here in the Upper Great Lakes because already we have a momentum of enlightened interest and effort focused on building our region. This capability and vitality of our private and public groups is one reason to expect success.

Given this strength, it is particularly heartening to have received important statements of support from the members of the U. S. Senate and House of Representatives who represent the Upper Great Lakes Region.

Many of the Congressional Delegation have made specific program recommendations in their statements, covering a range of ideas and suggestions that will be most helpful in the formulation of Commission policy and programs.

We are grateful for this support and contribution of ideas, and look

forward to working closely with the delegation, for this support is crucial.

With the approval of the members of the Commission, I suggest that the statements of the Senators and Congressmen be printed in full as part of the record.

For the convenience of the Press, these statements are individually available in special kits that also include background materials concerning the Commission and the law creating it.

In conclusion, I feel privileged as Federal Cochairman to work with three distinguished Governors in a region of such outstanding human and natural resources.

As the Federal Cochairman in this partnership, I am firmly committed to the policy established by the President and the Congress to make this region a full and active participant in the national economy.

HENRY M. JACKSON, WASH., CHAIRMAN

CLINTON P. ANDERSON, N. MEX.
ALAN BIBLE, NEV.
FRANK CHUÑCK, IDAHO
ERNEST GRUENING, ALASKA
FRANK E. MOSS, UTAH
QUENTIN N. BURDICK, N. DAK.
CARL HAYDEN, ARIZ.
GEORGE MC GOVERN, S. DAK,
GAYLORD NELBON, WIS.

THOMAS H. KUCHEL. CALIF. GORDON ALLOTT, COLO. LEN B. JORDAN, IDAHO MILWARD L. SIMPSON, WYO. PAUL J. FANNIN. ARIZ.

JERRY T. VERKLER, STAFF DIRECTOR

United States Senate

INTERIOR AND INSULAR AFFAIRS

April 7, 1967

Mr. Thomas Francis
Federal Co-Chairman
Upper Great Lakes Regional
Commission
Department of Commerce
Washington, D. C.

Dear Tom:

On the occasion of the convening of the Upper Great Lakes Regional Commission on Economic Development, I am writing to make some suggestions for your consideration and to assure you in behalf of the upper Great Lakes Senators that we are prepared to work and counsel with you. When agreement is reached on a program for Congressional action, we will carry the ball.

1 am attaching to this letter some specific recommendations for consideration of the commission along with the Members of Congress of these three states.

As you will notice, I am urging that the commission give special consideration to several projects which are already before the Congress and ready for final action. Among these is the Apostle Islands National Lakeshore bill, which has been endorsed by President Johnson and will be discussed at public hearings in May and June by the Senate Interior Committee.

I hope these suggestions prove helpful. Let me know whenever I can be of service to you in the important task you are undertaking.

Sincerely :

GAYLORD NELSON U. S. Senator

GN:bbj

Letter from Senator Nelson to the Upper Great Lakes Regional Commission on Economic Development at Convening Session, April 11, Madison, Wisconsin

"Dear Commission Members:

The convening of the Upper Great Lakes Regional Commission on Economic Development is a historic occasion for the states of Wisconsin, Minnesota and Michigan. It offers new hope for a life of progress and opportunity for the residents of the northern sections of our three states.

Plans for an Upper Great Lakes Commission to bring all the resources of our three states and the federal government to bear on the special problems of the north date from the highly successful "Land and People Conference" which was held in Duluth in September, 1963. I was fortunate in being able to persuade the late President Kennedy to keynote that conference.

After the delegates to the Duluth conference suggested the idea of a permanent commission, we returned to Washington and prepared the necessary legislation. First, I offered this concept as an amendment to the Appalachia bill. We finally succeeded in enacting it as an amendment to the Public Works and Economic Development Act of 1965. Since then, the President has appointed a Federal co-chairman, the necessary organizational work has been done, and the commission at long last is ready to begin work.

I think it is helpful to review the goals we had in mind in enacting this legislation. They were lofty goals. We wanted to correct the historic economic problems which have plagued our northern areas; to develop the northland as a land of opportunity for those who live there and as a treasured place to visit for millions more, and to enable this vast section to become a full partner in the economic progress of our states and our nation.

Now the commission must decide precisely how to work toward those lofty goals.

It would seem to me that the commission would want to:

- (a) Define the principal problems and opportunities which confront the north.
- (b) Determine the best way to meet these challenges.
- (c) Mobilize all existing local, state and Federal programs and agencies which are available to work on these problems.
- (d) Recommend new legislation, both at the state and Federal level, to accomplish what cannot be done under existing law.

Most of all, I feel I should emphasize that the program of the Upper Great Lakes commission should be an action program, not a study program. The north has been studied to death. Its residents, who have faced a host of special economic problems ever since the turn of the century, have a pretty good idea what needs to be done.

"Action should never be taken, of course, without careful deliberation. But the wealth of available material should enable the commission to make this preliminary study period quite brief.

For instance, our state has spent the last six years or so developing a comprehensive state-wide plan, with a special section on recreational development. The Northwestern Wisconsin Regional Planning Commission and the Wolf River Planning Commission have done considerable planning and could be of major assistance.

It would seem that what the north now needs, rather than prolonged study and extensive research, is a review of the great amount of excellent data and planning recommendations already completed, and then a bold action program designed to show results.

Because of my life-long involvement in northern Wisconsin and because of my role in preparing and enacting the legislation to establish the Upper Great Lakes Commission, I feel a special responsibility to spell out my own views on what the problems are and what solutions are available.

Problems Are Apparent

The surface problems of the north are quite obvious. In much of the region, population is declining. Expressed in its simplest terms, this means that the north spends a great deal of time and money educating its children, only to lose them to the larger cities farther south.

Unemployment, while not critical in some parts of the region, is nevertheless a much more serious problem in the north than elsewhere.

Even more serious is underemployment -- capable people working at jobs beneath their abilities, others working at wage scales well below what they might earn for comparable work elsewhere.

Small businesses face many similar problems -- low business volumes and low profit margins.

Beneath these surface problems lie deep-seated, long term economic problems.

The north's original resource was timber. It was virtually destroyed through reckless misuse early in this century. We learned a great deal from this tragic experience, and the land is now largely reforested, but the economic problems caused by that squandering of a basic resource and the destruction of the economy which resulted still trouble us today.

Next, we naively thought that "the plow would follow the axe," and we turned whole sections of the deforested north over to farming. Much of the land was unsuited for this purpose, and we still face a tremendous number of problems related to agriculture in the north.

Another great resource was iron ore. With this resource, the north has made a mighty contribution to the industrial growth of our nation and has helped to win two world wars. But the old iron ore resource is dwindling. Wisconsin's mines have closed, causing substantial unemployment and dislocation. New technologies offer new hope, but it is doubtful if iron ore mining will ever again play the dominant role in the economy of the north which it has played in some years past. This has a great effect on the closely related railroad industry.

"Another important resource for the north is its fish. Here again, major economic problems have been experienced, largely because of the destruction of the lake trout fishery by the sea lamprey.

Hope for the Future

This brief review of the problems of the north (which is spelled out in full detail in the plans and studies I referred to earlier) points to fairly obvious steps which must be taken to make this region a full partner in our general economic progress.

The hope for the north rests in carefully planned development in three areas:

- * Recreation
- * Agriculture
- * Private Industry

The task of this commission is not only to help organize and promote such development but to make certain that this time it is coordinated, so that we do not accomplish one form of development at the expense of others. No one form of development will accomplish what we hope to accomplish for the north. We need all three, and they must be carefully balanced.

Considering the nation-wide economic trend, I think that recreation offers tremendous potential advantages to the north. Tourism and recreation already is big business in Wisconsin. It puts from three-quarters of a billion to a billion dollars a year into our state economy.

We are fortunate to have a number of excellent projects all designed and ready to go to provide a tremendous assist to our northern recreational economy.

The enactment of the Apostle Islands National Lakeshore bill would give northern Wisconsin one truly outstanding, nationally known park which would attract many hundreds of thousands of tourists and generate millions of dollars a year in new income. It is stratigically located within easy driving distance of our three states. This bill is at the decisive stage. I hope the Upper Great Lakes Commission will endorse it and work for its prompt enactment.

The creation of a St. Croix National Scenic Riverway, and the inclusion of the Wolf River in a new national wild rivers system, would give northern Wisconsin two more outstanding recreational attractions. These three bills could pass yet this year, with the enthusiastic support of the Upper Great Lakes Commission, and I urge you to give these projects high priority in your consideration.

Also ready for final action by the Congress this year is the National Hiking Trail bill, which includes (for study purposes) a North Country Trail crossing all three of our states. This bill also would seem to merit priority action by the commission.

The three individual states should also develop their own hiking trail systems, to provide at very low cost the kind of recreational opportunity which is becoming increasingly popular with the American public.

The Wisconsin Department of Resource Development, in 1964 and 1965, prepared comprehensive plans for development of small craft harbors of refuge on Lake Superior, Lake Michigan, Green Bay and the Mississippi River. It was contemplated that Federal funds "would pay half the cost, state motor fuel taxes one-fourth, and local government one-fourth. These harbors would provide a great assist to the development of recreational boating in the north, and would give a number of our communities a facility around which to base expanded tourist development. I hope the commission will review these detailed plans and make recommendations relating to them.

Sport fishing offers tremendous potential for expansion in northern Wisconsin. The return of the lake trout in Lake Superior, and the stocking of cohoe salmon, give us an opportunity to stimulate a vigorous sport fishery in Lakes Michigan and Superior. I hope the commission will explore ways to take advantage of this new opportunity.

Needless to say, we will never win the economic dividents of recreational development if we destroy the water resources on which so much of our tourist industry is based. Therefore, I hope the Upper Great Lakes Commission will give serious attention to joint, interstate action to meet the water pollution problem.

The Nelson Amendment

Wherever possible, I think the commission would be wise to take advantage of existing programs which can be expanded or used more effectively to help this area.

For example, the program which is called the Nelson amendment to the Economic Opportunity Act provides federal funds to hire chronically unemployed adults on conservation and beautification projects. Last year, two projects totaling nearly \$1 million were carried out in Wisconsin under this program. Imaginatively used, it offers the prospect of immediate employment for northern Wisconsin residents plus valuable work in improving the recreational facilities to attract more tourists.

Nelson amendment workers could carry out some of the programs of stream improvement, for instance, which have been requested by a number of town boards in the area. This could protect a basic resource, improve fishing and stimulate the tourist industry.

The need for coordinated action is shown by the fact that a number of projects affect both recreational and industrial development.

For instance, before many of the small communities in this region can be properly developed for either recreation or industry, they should install suitable water and sewer facilities. Zoning ordinances also are vital. Comprehensive community planning is needed.

At a state-wide conference which I organized in Ashland last June, it was agreed that such basic planning and community involvement projects must be carefully considered well in advance of any sudden burst of recreational or industrial development. If this is not done, some of our most scenic rural areas and most charming small communities could be spoiled and their potential for further growth seriously damaged. The Upper Great Lakes Commission can be

"very helpful in guiding our communities in this kind of planning, and advise them in obtaining the basic facilities needed for a better future.

Another matter which affects both recreational and industrial development is the matter of capital and credit. We need imaginative new sources of financing if we are to carry out the recreational and industrial expansion which is anticipated. I am preparing legislation to provide new sources of long-term Federal loans for the resort industry. The commission might want to review the financial assistance now available from the Farmers Home Administration, the Economic Development Administration, and other state and Federal programs to see how these programs could be of even greater benefit to the north and what new programs are needed.

Assets of the North

Our hopes for industrial development in the north seem to rest on recruiting or developing those industries which need abundant quantities of the resources we have there -- fresh water, land, and forest products.

The United States Forest Products Laboratory at Madison, our No. 1 national research center, should be a valuable ally to the commission in probing this new frontier.

The commission might want to consider setting up a special committee on the forest products industry, to seek ways to bring about quick economic expansion in this industry which spreads all across the northern sections of the three states and which involves a large number of workers.

This is an industry where special training programs, assistance in obtaining capital, or suggestions for new products could have an immediate stimulating effect.

Finally, we must give major attention to agriculture, which is still one of the basic elements of the economy and always will be.

In an area with special soil and climate problems, expert technical assistance such as can be provided by state and Federal agencies is especially valuable. Soil surveys, pasture improvement projects, assistance in setting up marketing procedures, and similar projects offer special hope to the marginal farmer of the north.

Plant Materials Center

I would also strongly urge that a Plant Materials Center be established in the upper Great Lakes region. These centers, under the direction of the Department of Agriculture, develop plants which are adapted to the climatic and soil conditions of a particular area. These plants, in turn, are used for stabilizing sand dunes, roadbanks and stream banks as well as for a wide variety of conservation measures. Research activity at these centers involves both adapting existing plants to the climatic and soil conditions of the area and developing and breeding new species of plants which can survive in a given environment.

A plant material center would work in close cooperation with State Experiment Stations and State Conservation Departments. At the present time, there is not a plant materials center producing plants for the climate and soil conditions encountered in the upper Great Lakes states. The development of such a center is consistent with the development of the recreational and outdoor resources of the region.

In order to complete the necessary resource inventory of the upper Great Lakes region, I urge that the Commission give strong support to increased soil survey activity in the area. Soil surveys provide valuable information regarding uses of soils for urban development, for zoning, for taxation, for agriculture, for forestry and for handling sewage from household septic tanks.

In Wisconsin, a strong program of cooperation between the Soil Conservation Service and the Soil Survey Division of the Wisconsin Geological and Natural History Survey is evolving. In Washburn County, for example, the S.C.S. is doing the bulk of the survey while the state survey is concentrating on detailed surveying and research around lakes to determine the effects of development and use. Such a cooperative program will undoubtedly produce a complete inventory of the soil resources of that particular county.

A Wise Investment

Finally, let me say something about the possible cost of these and other proposals which will come before the commission.

Our states and our nation suffer if vast areas are allowed to remain in an economic state where they perform far below their potential. Some sections of our northland must now be subsidized in one way or another by other sections of the state. The continued drain of talented young people from these vast rural areas to our already crowded cities is not good for anyone.

We must quickly take the steps necessary to preserve and develop our rural areas as a pleasant and rewarding place to live, to work and to play. These areas represent the future of our state and nation, because they are the areas where the greatest growth of the future must occur. We must see to it that that growth and development is carefully planned and creatively channeled -- for the sake of the people who now live in those areas, for the greater number who will live there in the future, and for all our citizens.

I want to emphasize that I make these recommendations personally and not in my capacity as chairman of the Subcommittee on Great Lakes problems of the Great Lakes Conference of Senators.

Sincerely yours,

/s/GAYLORD NELSON U. S. Senator"

THE UPPER GREAT LAKES REGIONAL DEVELOPMENT COMMISSION, TUESDAY, APRIL 11, 1967

With the formal establishment of the Upper Great Lakes Regional Commission we have taken a giant step in finding a solution to the economic blight that has affected the Upper Great Lakes Region. Although rich in natural beauty and human resources this area is in deep economic trouble. Now, finally, we have a framework within which to coordinate the efforts of Federal, State and local governments to meet the area's problems -- the Regional Commission.

The experiment in enlightened federalism which we are launching today gives us a new opportunity and a novel method of promoting the well being of the Upper Great Lakes through the combined efforts of the Federal government and the states of Wisconsin, Michigan and Minnesota.

The Upper Great Lakes Commission should stimulate multi-state planning.

bringing new answers to the economic woes of this area -- answers which will not depend on state lines or other artificial boundaries. I hope that over the long pull this commission will be able to give direction and untity to the surfait of plans now being developed independently by City, County, District, State and Federal governmental units and develop a comprehensive plan for the whole region which can be seen as a unit rather than in the fragments that now exist.

It is necessary that we exploit the resources of this area to the fullest extent. We must build highways, develop waterways and capitalize on the natural value of the region for recreational purposes. But we must also develop the greatest of the area's resources -- the human resource. This commission should provide an opportunity for expanding vocational training programs and medical centers and clinics to a regional basis. By encouraging greater cooperation among institutions of higher learning

located in the Upper Great Lakes, the commission may be able to give greater direction to in-depth studies of the problems faced by the people and the industries located there.

The future of the Upper Great Lakes depends largely on the responsible leadership and programs which can result from the expertise and experience of Federal and Local officials working together in this cooperative project. While we are acting in the present we must keep a constant view toward the future. The cornerstone of prosperity for this region will not be found in temporary improvements but rather in a concerted effort on the part of all the members of this commission to implement the imaginative ideas and proposals which should be brought forth by this joint effort.

TO THE UPPER GREAT LAKES REGIONAL COMMISSION
State Capitol
Madison, Wisconsin
April 11, 1967

Congratulations and best wishes on the occasion of the formal establishment of the Upper Great Lakes Regional Commission. The creation of this Commission heralds a new opportunity for a broad region which needs economic strength to complement its rich scenery. We anticipate that your efforts will pave an historic highway of progress for the Upper Great Lakes area. Be assured of my keen interest and continued cooperation.

ROBERT P. GRIFFIN U. S. SENATOR FROM MICHIGAN CLASS OF SERVICE
This is a fast message
unless its deferred character is indicated by the

proper symbol.

WESTERN UNION

W. P. MARSHALL CHAIRMAN OF THE BOARD TELEGRAM

R. W. McFALL PRESIDENT SYMBOLS

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WK079 WW SNB008 GOVT PD DL SN WASHINGTON DC 10 1126A EST THOMAS S PRANCIS, FEDERAL CO-CHAIRMAN UPPER GREAT LAKES REGIONAL COMMISSION, C/O HAROLD JORD AL DEPT OF INTERIOR

PLEASED TO LEARN THAT WITH APRIL 11 MEETING, PRELIMINARY ORGANIZATIONA

L PHASE WILL BE COMPLETED FOR UPPER GREAT LAKES REGIONAL COMMISSION.

URGENT THAT GEAR UP COMMISSION FOR IMMEDIATE NEEDED COORDINATION

OF FEDERAL AND STATE PROGRAMS FOR AREA. NUMEROUS STUDIES OF

NORTHERN MICHIGAN HAVE BEEN MADE. NOW IS THE TIME FOR ACTION.

PHILIP A HART U S SENATOR (41).

SF1201(R2-65)

TO: THE UPPER GREAT LAKES REGIONAL COMMISSION ORGANIZATIONAL MEETING Tuesday, April 11, 1967 Madison, Wisconsin

The formal establishment of the Upper Great Lakes
Regional Commission today can mark the beginning of a new
period of economic growth for Minnesota, Wisconsin and
Michigan.

The demands of this task are great and complex. It is my hope that the Commission will prove equal to the task. Toward this end I offer you, the members of the Commission, my support and best wishes for your success in helping our region realize its great potential.

Eugene J. McCarthy
U. S. Senator from Minnesota

STATEMENT BY SENATOR MONDALE for

The Convening Session, Upper Great Lakes Regional Commission Madison, Wisconsin, April 11, 1967

This is an important day in Minnesota, Wisconsin, and Michigan. I am proud to be a part of the Congressional delegation which worked under the leadership of Senator Gaylord Nelson to bring the Upper Great Lakes Regional Commission into being.

I am also proud that we have been able to carry into law an idea which belongs in an important way to Vice President Hubert Humphrey. In the earliest days of the debate over regional development, the then Senator Humphrey was a major force in developing the conception of a separate Upper Great Lakes Regional Commission, devoted to the solution of the particular economic problems of the region and to the development of the recreational potentiality of an area which contained at the same time the most beautiful natural resources of the northern United States and some of the most critical problems of poverty and economic progress.

Now we have the legislation, and the administrative machinery is developing. The first planning funds have been announced, and this Commission has the responsibility of carrying forward the enormous task which remains.

It is imperative, I believe, that the Commission proceed with the hope tempered by realism that has marked this program from the beginning. Real progress for the region will depend on a critical combination of efforts. The citizens, industries, and institutions of the region must be actively involved. So must state governments. And federal support will require the efforts of the Congressional delegation.

I look forward to participating in this federal-regionalstate-local effort to bring northern Minnesota and the rest of the Upper Great Lakes region into full participation in the economic life of the nation.

Walter F. Mondale

U.S. Senator from Minnesota

Congress of the United States House of Representatives

Mashington, D.C. April 7, 1967

Mr. Thomas S. Francis Federal Cochairman Upper Great Lakes REgional Commission 2001 Wisconsin Avenue, N. W. Washington, D. C. 20007

Dear Tom:

I am delighted to know of the meeting on April 11 to formally establish the Upper Great Lakes Regional Commission. Please convey my warmest regards to Governors Romney, Knowles, and LeVander on this auspicious occasion.

While I realize that this program is in its embryonic stages, I do have a project in mind which would be of considerable value and lends itself well to your objectives. It relates to a fishery's program in which the Michigan Conservation Department has a great interest. It is a program which will have tremendous long term economic impact on the Upper Great Lakes Region. I refer to the introduction of Salmon into Lakes Michigan and Superior and the development of this "anadromous!" fishery.

Because this new program has a potential economic impact of \$60 to \$80 million per year when fully developed I have sponsored a bill in the Congress, H. R. 7947, which would direct the Secretary of the Interior to make available \$15,000,000 over a 10 year period in matching funds for the hatcheries, egg collecting stations, weirs, etc., necessary for proper operation of this program. A copy of my bill and accompanying press release are attached.

I would be delighted to appear before your committee at any convenient opportunity to further discuss this proposal.

My best wishes to you as this much needed and optimistically anticipated program gets under way.

Best personal regards.

Sincerely,

GVJ:m

Guy Vander Jagt, M. C.

From the Office of:
Congressman Guy Vander Jagt,
1133 Longworth Cffice Building
Area Code 202 225-3511
Contact: David W. Potts

Release on or about 12:00 noon April 4, 1967

WASHINGTON, D. C. - Congressman Guy Vander Jagt (R-Mich) announced the introduction of a bill in the House of Representatives designed to add 1 billion dollars to the economy of the Great Lakes Region within the next 10 to 15 years.

The bill : to assist efforts made by the State of Michigan to conserve, develop and enhance anadromous fishery resources would also combat one of the most serious problems on the Great Lakes since the lamprey eel: the alewife which has become a pollution problem particularly on the Eastern shores of Lake Michigan.

Congressman Vander Jagt said, "The alewife population has virtually exploded since their natural predators, the lake trout, were destroyed by the lamprey eel during the 1950's and early '60's. While the alewife has some limited commercial value (approx. 1 or 2 cents per lbs.) its value as a food for predator fish like the Coho Salmon and King Salmon is much greater."

Congressman Vander Jagt went on to state that the potential value of salmon as a sport fish as well as a control over the alewife problem was limitless. As an example he cited figures from a recent report by Commissioner Clarence F. Pautzke of the U. S. Fish and Wildlife Service (Report #792 (calendar #778) to the U. S. Senate 1965 during testimony on the National Wild Rivers Bill.) which showed a base 100 million lbs. of alewife producing 2 million salmon (average weight 5 lbs.) each worth about \$30-\$40 per fish when the money spent on fishing tackle, license bait, charter boats, lodging and travel that fisherman spend is considered. The report also said employment is created for the tourist and recreational industries to handle the expected influx of sportsmen possibly numbering as high as 500,000 anglers.

In addition to littering the beaches, the dead alewife also block water intakes at municipal pumping facilities. The Congressman pointed out that while he recognized those problems, he felt that converting the alewife into valuable forage for the salmon was a better long term solution economically and practically than destroying them by poison or other means.

The Congressman carefully pointed out that it is through the visonary efforts of people like Dr. Ralph MacMullen, Director of the Michigan Conservation Department that this program is being developed.

Congressman Vander Jagt said in closing, "My bill will provide for an investment by the federal government of \$15,000,000 (million) to be matched by \$15,000,000 (million) of Michigan funds, \$30,000,000 (million) in all to be spent over 10 years creating an economic impact of one billion \$1,000,000,000 in the next 10 to 15 years. It seems to me a pretty sound investment with that kind of potential return."

* * * * *

90th Congress 1st Session

In the House of Representatives April 4, 1967

Mr. Vander Jagt of Michigan

ABILL

To authorize the Secretary of the Interior to make grants to the State of Michigan to assist such State to carry out projects relating to the Conservation of anadromous fish, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That in order to assist efforts being made by the State of Michigan to conserve, develop, and enhance anadromous fishery resources, the Secretary of the Interior is authorized to make grants to such State to assist it in carrying out projects for the planning, construction, and alteration of hatchery facilities, evaluation and egg-taking weirs, and stations for open water investigations; the improvement of habitats; and the acquisition of land and equipment associated with such hatchery facilities, weirs, stations, and habitats; except that no grant may be made under this Act unless the Secretary of the Interior is satisfied that the project for which financial assistance is sought will benefit the Great Lakes anadromous fishery.

- Sec. 2. A grant made under this Act shall equal 50 percent of the cost of the project being undertaken, which cost may include the compensation of personnel who will operate such projects after the construction or alteration is completed.
- Sec. 3. There are authorized to be appropriated, for grants made under this Act, \$3,750,000 for the fiscal year ending June 30, 1968; \$3,750,000 for the fiscal year ending June 30, 1969, and \$7,500,000 for the period beginning July 1, 1969 and ending June 30, 1977.
- Sec. 4. The Secretary of the Interior is authorized to issue such rules and regulations as he determines are necessary to carry out the provisions of this Act.
- Sec. 5. Grants received by the State of Michigan under this Act shall be in addition to any funds or other assistance which such State is authorized to receive under the Act entitled "An Act to authorize the Secretary of the Interior to initiate with the several States a cooperative program for the conservation, development, and enhancement of the Nation's anadromous fish, and for other purposes", approved October 30, 1965 (16 U.S.C. 757a-757f).

STATEMENT SUBMITTED BY CONGRESSMAN PHILIP E. RUPPE, 11th CONGRESSIONAL DISTRICT OF MICHIGAN, TO THE UPPER GREAT LAKES REGIONAL COMMISSION

TUESDAY, APRIL 11, 1967

With proper planning and foresight, the Upper Great Lakes Regional Commission can, and will, play a tremendous role in the future of our Northern tri-State area.

The Commission is just now getting off the ground, and I am not, at this point going to tie it up with specific recommendations and proposals. Rather, with broad strokes, I am going to outline something of the future of the Commission as I see it.

In the last several decades this Nation has undergone a tremendous technological revolution. One aspect has been the great migration to urban centers. This migration has created an economic imbalance within the United States. Cities, unable to meet the growing pains in an orderly fashion, are festering and seething. Non-urban areas have seen population drain away, poverty-level incomes become common place, industries fold, and generally marginal economic conditions prevail.

Another aspect of the technological revolution has been tremendous breakthroughs in the fieldsof communication and transportation. As our nation was converted from an agricultural to an industrial society, the industries and activity centers of our people were forced into urban areas for technical reasons. Now, quick communication and speedy transportation give industry and activity centers a wider selection of site location. Nevertheless, the economic imbalance of our nation continues.

This, then, is the challenge of the Upper Great Lakes Regional Commission. In my opinion, the mandate of the Commission is to do all in its power to correct the problems of economic imbalance that exist in the Northern tier of Michigan, Wisconsin and Minnesota.

I have high hopes for the future. Governors Romney, LeVander and Knowles, and Presidential appointee Thomas S. Francis, working together, are in themselves a powerful force for future progress. We, in the Congress, from both sides of the aisle, and both Houses of Congress, will be working hand in hand with those men for the future.

I am hopeful that the Commission will eventually engage itself in a great variety of activities in this new Federal-State endeavor. With more and

more leisure time in America obviously a major effort will have to be made to bolster the tourist industry. Our highways must be improved and extended. The tolls on the Mackinac Bridge must be removed. In this respect, I am hopeful the Commission will early undertake a comprehensive study on the effect of high Mackinac Bridge tolls on the entire northern tier, and suggest various ways and means of removing those tolls. New attractions for tourists and seasonal residents must be encouraged. New personnel must be trained to keep up with, bolster, and expand the tourist industry.

With all the advantages of our northern area, there is no reason why brand new industries cannot be induced to move up and join us. There is no reason why old mines cannot be expanded or reactivated, and why related industries cannot spring up. There is no reason why the woods and paper industries cannot flourish in an unprecedented manner. There is no reason why we cannot enjoy a new era of prosperity equal to that in any section of the United States.

All of this is just a glimpse at the potential for new unlimited horizons in the economic life of Northern Michigan, Wisconsin and Minnesota. The Upper Great Lakes Economic Development Commission must be a major force in converting that potential to reality. I am pleased to pledge my own best efforts to the goal of making the Commission a great success.

Philip E. Ruppe Member of Congress

WESTERN UNION

1055A CST APR 11 67 MATEL CTB155

W3062 WW BXA019 GOVT PO 3 EXTRA BX WASHINGTON OC 11 1108AEST THOMAS & FRANCIS FED CO-CHAIRMAN, UPPER GREAT LAKES REGIONAL COMMISSION

DARE OFFICE OF GOVERNOR WARRE KNOWLES STATE CAPITOL MACISON

BEST WISHES FOR A SUCCESSFUL PROGRAM AS YOU ESTABLISH AND CHARTER THE CONMISSION TODAY. THIS MARKS THE BEGINNING OF A SIGNIFICANT FEDERAL-STATE AGREEMENT THAT COULD ADD STABILITY AND GROWTH POTENTIAL TO OUR SEVERAL STATES

CONGRESSMAN JOHN M ZWACH 6TH DISTRICT MINNESOTA 12914



1270 (1-91)

STATEMENT BY THE HONORABLE ODIN LANGEN, UNITED STATES REPRESENTATIVE FROM MINNESOTA'S SEVENTH CONGRESSIONAL DISTRICT, TO THE UPPER GREAT LAKES REGIONAL COMMISSION, APRIL 11, 1967

It is with pleasure that I extend greetings to the distinguished gentlemen who comprise the Upper Great Lakes Regional Commission. This is indeed a momentous occasion as you meet formally for the first time to adopt a charter and by-laws.

Permit me to wish you well as you lay the groundwork for the economic development of this great section of our country. And permit me to pledge my full cooperation and encouragement.

As the United States Representative from Minnesota's Seventh Congressional District, I have a great interest in the Upper Great Lakes Regional Commission. Twenty-one of the 119 counties that comprise this region are in my District, and our economic future is certainly closely linked with the other counties of Minnesota, Wisconsin and Michigan.

Our area consists mainly of rich and rolling farm land, dotted with small towns and rural communities. But we also have some of the most beautiful resort areas of the nation, which gives us an additional economic tie with the rest of the Upper Great Lakes Region.

Agriculture is, of course, our main industry, an industry that is currently threatened. One of the prime concerns should be to strengthen this agricultural economy as a benefit to the entire nation and our future food supply. Whatever recommendations are made relative to the Upper Great Lakes Region, they should encompass the importance of developing a healthy agricultural economy.

While a strong and prosperous agriculture must be a prime goal for areas such as ours, it is also true that our agricultural economy is moving further into the era of mechanization and fewer farm people. Therefore, we naturally are looking for diversification of our economy. We have great natural resources, not least among them the pure air and open space that so many Americans find at a premium these days. It is hoped that the Commission will assist us in developing these resources, which will be needed in the future, and will help to identify and promote the positive assets of the area.

I note that one of the purposes of Commissions such as this is to promote increased private investment as a tool to reach the full potential for growth. Northern Minnesota is ideally suited to such a promotional activity, and it is hoped that private industry will

further learn of the potential of our area through your endeavors.

There is a great potential for those industries related to the processing and packaging of foods. We have the labor potential and the advantages of a healthful atmosphere in an area of natural recreational beauty. Not only would such industries find the area a good place to work and play, but it makes sense to process and pack foods near the source of supply. And our strategic location enables us to utilize all forms of shipping, via the railroads, trucks, barges on the Mississippi and ocean-going ships on the Great Lakes.

I am firmly convinced that the Upper Great Lakes Region has as great if not greater potential than any region in the nation. As the major metropolitan areas continue to grow, the nation will indeed look to areas such as ours, rich in resources and vast in space. By working together through the Upper Great Lakes Regional Commission, we can realize our goals.

ROOM 2449
RAYBURN HOUSE OFFICE BLDG.

Congress of the United States

House of Representatives

Washington, D.C.

April 7, 1967

Dr. Thomas S. Francis
Federal Cochairman
Upper Great Lakes Regional Commission
2001 Wisconsin Avenue, N. W.
Washington, D. C. 20007

Dear Dr. Francis:

Please express my warmest personal greetings to all those gathered for the formal organization ceremonies of the Upper Great Lakes Regional Commission, as well as my regrets that the pressures of our legislative schedule make it impossible for me to join you.

The task of uniting the talents, coupling the energies, and harnessing the resources of this entire three-state region is a gigantic, yet promising one. For upon the trust which our three states and the federal government solemnly assume today, and the programs which the Commission is to develop in the future, hinge the aspirations of the area's people for a better life and an opportunity to share in the general progress and prosperity of the Nation.

Regional economic development is of necessity a joint effort combining private initiative, local, state, and federal government to accomplish an objective which would be impossible for any of them acting alone. We on the federal level commend and congratulate the state governments for their active role in this vital partnership.

I know all of us will carefully watch the progress of the Commission, in the eager hope that the various Task Forces will soon be able to submit to the Congress a legislative proposal for our early consideration.

With all best wishes.

Sincerely yours,

John A. Blatnik, M. C.

HOME OFFICE:
POST OFFICE BUILDING
MARSHFIELD, WISCONSIN
ZIP CODE 54449

Congress of the United States House of Representatives Washington, D.C. 20515

April 6, 1967

APR 10 RECO

COMMITTEES:

APPROPRIATIONS DEFENSE

LABOR

HEALTH

EDUCATION

WELFARE

Mr. Thomas S. Francis Upper Great Lakes Regional Commission 2001 Wisconsin Avenue, N. W. Washington, D. C. 20007

Dear Tom:

I am pleased to hear that the Upper Great Lakes Regional Commission will hold its organization meeting on April 11th in Madison.

Now that the Commission is established it would be well if you could move ahead with some dispatch inasmuch as there are many, many matters facing the 119 counties in Northern Wisconsin, Michigan and Minnesota which need attention.

Some \$400,000 will be available to the Commission this year in federal funds for planning and technical assistance. It has come to my attention that there are now some 700 organizations in existence in these three states who are involved in some phase of planning. I would hope that through the Upper Great Lakes Regional Commission that these activities might be coordinated so that each knows what the other is doing and the officials and general public of the communities concerned might know where they might turn for needed assistance without being shunted from one agency to another.

The Commission has a great opportunity to bring together the best minds of the people of these three states to solve the problems which are unique to these particular areas in the Northern sectors.

I wish you and the Commission and your staff well on this new undertaking and trust that you will give the people in these areas outstanding leadership so that they might enjoy more of the better things of life.

With best wishes and kindest personal regards, I am

Sincerely yours,

Melvin R. Laird Member of Congress TENTH DISTRICT WISCONSIN

ASHLAND IRON
BARRON ONEIDA
BAYFIELD POLK
BURNETT PRICE
CHIPPEWA RUSK
DOUGLAS ST. CROIX
DUNN SAWYER
EAU CLAIRE VILAS
WASHBURN

April 5, 1967

TELEPHONES: RHINELANDER, WISCONSIN (715) 362-7800

WASHINGTON, D. C. (202) 225-3361

Mr. Thomas S. Francis, Co-Chairman Upper Great Lakes Regional Commission 2001 Wisconsin Avenue, N. W. Washington, D. C. 20007

My dear Mr. Francis:

I appreciate very much your giving me the opportunity to submit preliminary recommendations on the economic needs of the Tenth District of Wisconsin. As you know almost all of the District is included in the Upper Great Lakes Regional Commission area.

My recommendations fall into ten categories. I will list them below, then elaborate on them:

- Better loan program for investors in the tourist-recreation industry.
- 2. A study to seek solutions to the high property tax problem.
- An evaluation to see if a better tax return can be made to towns and counties affected by Federal and state owned land.
- An investigation into the possibility of a South Shore Drive.
- 5. Improvements to highways leading north in the State of Wisconsin, and those in the north which run from east to west, such as Highway #2.
- Joint effort by the Upper Great Lakes Regional Commission and the Economic Development Administration to attract new industry to the area.
- 7. Water pollution.
- 8. Sound implementation of Federal and state programs to assist the small family-type farmer to receive an adequate return for his labor and investment. Enclosed is a copy of a letter to Agriculture Secretary Freeman which elaborates on this point.
- 9. Miscellaneous projects for consideration.
- 10. The Commission staff.

Because of my deep and whole-hearted interest in assisting the Commission, I will want to restudy my proposals from time to time and make additional recommendations.

ALVIN E. O'KONSKI

Mr. Thomas S. Francis April 5, 1967 Page 2

1. BETTER LOAN PROGRAM FOR INVESTORS IN THE TOURIST-RECREATION INDUSTRY. One of the most important industries to our area is the tourist-recreation industry. Capital investments in this industry are usually sizeable and return on investment is slow. Present loan programs available to entrepreneurs are short-term and those interested in new construction, expansion or improvement of existing facilities, find it extremely difficult to meet loan obligations because of the seasonal nature of the business.

In this respect a new long-term, low-interest loan program by the Federal Government for owners of resorts, motels and other businesses directly related to the tourist-recreation industry is of paramount importance if the industry is to expand in the Upper Great Lakes area.

The present Small Business Administration, although very helpful in many respects to this area, does not offer this type of loan at the present time. As a former official of SBA, Mr. Francis, I know that you are quite familiar with this problem. Mr. Mike Brunner of the First National Bank, Rhinelander, Wisconsin, has suggested that long-term loans such as those offered by the Farmers Home Administration would more adequately meet the needs of the industry. Because of his long experience in this field and his interest in the promotion and improvement of the industry, I think you would do well to call upon him for his recommendations along this line.

Along this same line is the need for FHA mortgage insurance on second or "vacation" homes. Legislation to this effect has been introduced in this Session of Congress.

- 2. A STUDY TO SEEK SOLUTIONS TO THE HIGH PROPERTY TAX PROBLEM. Individuals interested in constructing new year-round or summer homes in the area are often discouraged by the high property taxes. Many have built fine homes but have been forced to put them up for sale because of property taxes. Others, thinking in terms of a second "vacation" home, immediately look to other lower tax areas. We also suggest that the Commission investigate the possibility of an even lower tax for retired persons as an inducement for them to enjoy their years of retirement in the north. While we recognize this as being primarily a state matter, we feel that, since the Commission is both state and Federal, this is an important point to be studied.
- 3. AN EVALUATION TO SEE IF A BETTER TAX RETURN CAN BE MADE TO TOWNS AND COUNTIES AFFECTED BY FEDERAL AND STATE OWNED LAND.
- 4. AN INVESTIGATION INTO THE POSSIBILITY OF Λ SOUTH SHORE DRIVE. At an organizational meeting of the Commission, emphasis was placed on the need

ALVIN E. O'KONSKI DEAN OF WISCONSIN DELEGATION

Mr. Thomas S. Francis April 5, 1967 Page 3

for additional tourist attractions. The Canadian government has completed a North Shore Drive of Lake Superior which has proven quite successful for the tourist industry. I think the Commission should investigate the possibility of a South Shore Drive to stimulate private recreational and resort developments, emphasizing those points where many streams enter the lake along the shoreline.

- 5. IMPROVEMENT OF HIGHWAYS LEADING NORTH IN THE STATE OF WISCONSIN AND THOSE RUNNING ACROSS THE STATE. If the Commission is to concentrate a part of its effort on encouraging tourists to the Upper Great Lakes area, it is imperative that serious attention be given the matter of highways. Highways leading north in the State (#45, 51, 13, 53, and 35) are all a poor invitation for a tourist to drive north. The highways going across the upper part of the State such as 2, 77, 70, and 8 all need much improving. I earnestly encourage the Commission to investigate every possible means to improve this most necessary aspect of tourism.
- 6. JOINT EFFORT BY THE UPPER GREAT LAKES REGIONAL COMMISSION AND THE ECONOMIC DEVELOPMENT ADMINISTRATION TO ATTRACT NEW INDUSTRY TO THE AREA. A close working relationship between the UGLRC and EDA is necessary to improve the economic base of the Great Lakes area through the creation of new jobs and increased payrolls. Specific research is needed to learn more about the types of industries that can operate profitably in this area. The UGLRC must work with established state, regional and local economic development groups and provide technical assistance, primarily in the area of research, if new industries are to be attracted to the Great Lakes area.

Recently the Small Business Administration, under its 502 Program, lowered the percentage of participation by local development groups from 20 per cent to 10 per cent for communities of under 2,500 population. It is my feeling that the Commission should investigate the merits of this reduction, based on my feeling that it should be increased to affect cities of 5,000, because there are very few communities of lesser population that have an organized economic development group.

- 7. WATER POLLUTION. Water pollution is of vital concern to nearly everyone. Some of our lakes have become so polluted that they are useless. The algae growth has destroyed the recreational value of others. The Upper Great Lakes Regional Commission can inaugurate programs to clean up these lakes and restore their natural beauty and recreational aspects.
- 9. MISCELLANEOUS PROJECTS FOR CONSIDERATION. Other items which I feel the UGLRC should be concerned with are: improvement of streams flowing into Lake

ALVIN E. O'KONSKI

Mr. Thomas S. Francis April 5, 1967 Page 4

Superior, and development of better parks and roads leading to the seven beautiful harbors in Wisconsin's 10th District; study the possibility of making Madeline Island an historic area commemorating the Capitol of the Chippewa Nation which met on the island for gatherings of the tribes; improvements to the Indian Reservations, and concentrate on solutions to the problem of soil erosion along the shores of Lake Superior; saving of the Flambeau River at Ladysmith and hundreds of other specific projects.

10. THE COMMISSION STAFF. Finally, it is my belief that the UGLRC staff should become a recognized source of technical assistance, and should coordinate work by other Federal Agencies for the betterment of this region.

I want you to know that I recognize the fact that assistance programs are presently available for some of the projects outlined herein. Those which do not meet existing requirements should be studied, and if necessary, new Federal legislation should be proposed. I am sure that, based upon conscientious study and evaluation, the recommendations of the Upper Great Lakes Regional Commission to improve this, one of the most beautiful parts of our country, will be looked upon favorably by the Congress.

Sincerely,

Alvin E. O'Konski, Congressman 10th District of Wisconsin

Enclosure

Note: Recommendation No. 8 is fully explained on Page 1 of this letter and is therefore not repeated.

REGIONAL COMMISSIONS: TOWARD FEDERAL-STATE ACTION IN ECONOMIC DEVELOPMENT

by

Thomas S. Francis, Federal Cochairman, Upper Great Lakes Regional Commission

Address before the 1967 ASPO National Planning Conference, Shamrock Hilton Hotel, Houston, Texas April 5, 1967

In August of 1965, the Congress passed a law authorizing the designation of large multi-state sections of the country as "economic development regions" and the establishment of joint Federal-State "regional commissions" to accelerate the economic growth of such regions. Today, five such regions have been designated, and by the middle of the month, three regional commissions will have been formally organized and established.

This paper discusses the background and status of the multi-state regional development program, presents several major problems confronting the commissions, and indicates the preliminary steps we are taking to develop an action program for the Upper Great Lakes Region.

Background and Status of the Regional Program

Two of the most important pieces of legislation in the area development in this decade were the Area Redevelopment Act of May, 1961, and its successor legislation, the Public Works and Economic Development Act of 1965. The 1965 Act spelled out our new program to assist the economically lagging areas and regions of the nation.

The Area Redevelopment Act was designed for planning and implementation in terms of labor commuting areas which were often called, "labor market areas". In the majority of cases, these labor commuting areas were reasonably synonymous with the boundaries of a single county. Those labor market areas which had a history of substantial unemployment or which suffered from

abnormally low family incomes (a reflection of under-employment) were designated as eligible for benefits under the ARA program--loans, grants, and technical assistance. This emphasis on a small area was not surprising, since traditionally most physical or land use planning and economic planning in the United States has been conducted on a local area basis--i.e., town, city, or county. Citizen interest, participation, and financial support have been more responsive to a program geared to the local area.

ARA was strongly criticized for its focus on small areas. Critics charged that ARA redevelopment areas were often too small, for two reasons: first, they lacked the variety and volume of resources to be development—worthy and, second, they were too small to contain a growth center, or other nucleus to which private investment and economic development could be reasonably attracted.

The Public Works and Economic Development Act of 1965 which replaced

ARA added two new economic development area units: one is the sub-state multi-county

"economic development district", larger than the labor commuting or redevelop
ment area.

These regions are designated by the Secretary of Commerce with the concurrence of the affected states, and must (1) be bound by geographic, cultural, historic, and economic ties; (2) be within contiguous states (except for Alaska and Hawaii); and (3) be lagging behind the Nation in economic development as indicated by various criteria. These criteria of lag include unemployment, family income, outmigration, slow growth, industrial readjustment, and the level of public facilities.

multi-state region

The concept of the 7 was largely patterned after the Appalachia legislation signed by President Johnson on March 9, 1965.

Not counting Appalachia, five multi-state regions have thus far been designated by the Secretary of Commerce: New England, the Upper Great Lakes, the Ozarks, the Four Corners, and the Coastal Plains.

The step after designation is forming a regional commission.

- New England consists of the entire states of traditional New England--Maine, Vermont, New Hampshire, Massachusetts, Connecticut, and Rhode Island.
- Upper Great Lakes consists of the upper two-thirds of the states of Minnesota, Wisconsin, and Michigan.
- 3. Ozarks consists of about a third of southwestern Missouri, northwestern Arkansas, and eastern Oklahoma.
- 4. Four Corners consists of
 the bulk of the states of Utah, Colorado, New Mexico,
 and Arizona.
- 5. <u>Coastal Plains</u> consists of the eastern part of the states of North Carolina, South Carolina, and Georgia from the Piedmont plateau to the coastline.

These regional commissions are a new American institution. They are a legally constituted, joint Federal-State organization for actions to advance the economic well-being of specific large geographic regions of the United States. The commissions consist of the Governors of the participating states and a representative of the Federal Government -- the latter is the Federal Cochairman

Appointed by the President with the advice and consent of the Senate. The

Governors select a State Cochairman from their members.

The recommendations of the Commission are ultimately presented to the President, although the commission may also address proposals to State and local governments for action.

Development Act was the culmination of four years of study of the problems and needs of that region by the Governors of the Appalachian States. Thus it was possible to include in the Appalachian Act specific fund authorizations for those programs studied over the years—development highways and other transportation improvements, water and other natural resource programs, and, importantly, various investments in human resources. This important programming task necessarily lies ahead for the other regions.

An insight into the potential significance of these programs, once they are formulated, is that the Appalachian Act alone authorized Federal expenditures of about one billion dollars. These authorizations, of course, are over and above the normal expenditures for ongoing programs in the regions.

The Federal government pays for a commission professional staff in the early years.

Funds are also given for research and technical assistance contacts to formulate a sound regional economic development program.

Regional Development Issues

In my brief experience as a Federal Cochairman of one commission, a number of problems have become evident. I should like to share these with you, not to suggest that we know the proper solutions to them, but rather to indicate the type of planning approach that must be evolved.

FIRST, the regional commission must find its role within the region where each state already has a planning program underway, where sub-regional groups such as development districts are already established and and engaged in development planning, where scores of cities, towns and counties, not to mention private development planning groups and universities, are engaged in development activities ranging from purely industrial development to comprehensive planning.

Just what this role will be may likely differ for each commission.

However, sound planning suggests certain guidelines. Certainly the commission is not to be a super planning organization designed to replace or duplicate the efforts of responsible and established planning agencies and organizations. In the case of the Upper Great Lakes Regional Commission, my colleagues

Governors Knowles, Romney, LeVander and I have stressed this principle and made ita part of the basic charter of the commission.

Another guideline is that the commission must concern itself with coordinating the on going planning and development efforts. However, such coordination must involve more than just the function of collating; it must provide the leadership that a larger geographic perspective provides; and it must be prepared to make the hard decisions of priority that its prime responsibility for public investment calls for.

SECOND, the ability of the commission effectively to coordinate public investment or make important innovations in this field is a major challenge. If the commissions adopt public investment programming as a major strategy of development, there are considerable administrative and bureaucratic

problems. The commissions must work with Federal and State agencies to build commission priorities, strategies, and goals into the decision-making processes of the agencies themselves. Thus, when the State Highway Department, or the State Bureau of Hospitals, or the Federal Aviation Agency, contemplates a particular program or facility within the region, it would explicitly consider the regional commission's goals, strategy, and program for the affected part of the region. This attractive theory presents many administrative problems in carrying it out. Beyond this approach we see as a principal activity the formulation of a program of public investments to include all significant projects which are related to economic development and which are funded by Federal, State and local agencies within the region.

THIRD, the role of the regional commission itself requires definition. In addition to finding a place in the galaxy of planning activity within the region, the commission must decide where its major contribution lies. The commission could conceivably be an organization whose main function would be to lobby projects from the region through the Washington decision structure. Or it might be a research-information agency engaged in a continuing series of studies on regional problems, producing information and recommendations for others to act upon. Or it might be a public investment coordinating agency, always mindful of the effects of public investment in stimulating further private investment. We believe the latter to be the preferred emphasis, supplemented by demonstrations, recommendations for new legislation, and other actions leading to sound regional growth.

FOURTH, the role of the Federal Cochairman is not yet fully clear. There is little precedent to guide him. I believe he should be an effective voice of and to the entire Federal Government on the economic problems and programs for the designated region. In any case, the Federal Cochairman is primarily a representative of the Federal Government rather than a representative of the region. His Federal role is reinforced by his authority under the Act to

exercise a veto to prevent any particular commission action. Like most vetoes, the effectiveness of the tool does not come through its use, but it does exist as evidence of the "Federal interest" in the program of these regional commissions.

Early Approach to Planning

In the Upper Great Lakes Commission which is just being formally organized next week in Madison, Wisconsin, our approach to planning may be of interest. We are supporting the establishment of full-time Task Forces in each State--appointed by the Governors--to assist the commission in the formulation of comprehensive plans for future public investments. These task forces will identify economic development obstacles, needs, and opportunities; they will obtain citizen and expert advice, evaluate suggested solutions, set alternative priorities, package related needs, develop project statements, and schedule preliminary investment programs. This is a continuing activity which will be punctuated by reports and alternative proposals to the commission for their review, suggestions, and action.

We also plan to take a careful look at where and to what extent future population and urban growth is apt to take place, and what, if anything, the commissions could and should do to modify these trends. Which centers and areas of growth should be given further stimulus for growth, including new transportation facilities and selected public investments to encourage greater private development? This is really a study of the alternatives for future population and economic growth, regional and subregional urban centers, and transportation links. This will be the base for commission evaluation of the most effective distribution of vocational centers, medical facilities, and other investments.

In conclusion, I should like to emphasize that these regional commissions, as joint Federal-State institutions, are not instrumentalities

of the Federal Government. Commission decisions require the favorable vote of (1) the Federal Cochairman and (2) at least half the States. The commissions, thus, are an exciting experiment to link the Federal and State Governments in a full and meaningful partnership. They bear watching both as a new instrument of economic development and as a new institution in intergovernmental relationships.

UPPER GREAT LAKES REGIONAL COMMISSION

Summary Report on Organizational Meeting

Tuesday, April 11, 1967 State Capitol Madison, Wisconsin

Opening Statements

Governor Warren P. Knowles called the meeting to order at 11:10 a.m. with the following Commission members present:

Governor Warren P. Knowles
Governor George Romney
Governor Harold LeVander
Federal Cochairman Thomas S. Francis

The meeting was opened by statements from each member of the Commission. Governor Knowles, after welcoming the Commission to Wisconsin, gave the first statement followed by Governor Romney, Governor LeVander and Federal Cochairman Francis (see attached statements).

Accomplishments of the Commission to Date

The several statements indicated that, although the Commission's formal establishment was just taking place, the actual work of the Commission was well under way with a record of substantial progress. Some of the achievements to date include:

- 1. The Commission has already developed and launched its procedure for planning which features task forces in each State appointed by the Governors and charged with the responsibility of canvassing the considered judgments of State agencies and private groups with respect to the major economic development problems facing the region and suggested solutions to these problems. (The Wisconsin task force already has submitted a preliminary report, and all reports are due by August 1.)
- 2. In line with the Commission's emphasis on working with private planning groups, a citizen's organization -- the Northern Great Lakes Resource Development Committee -- at the suggestion of the Commission, has submitted a preliminary report summarizing its recommendations for action in the Upper Great Lakes Region.
- 3. A report cataloguing and evaluating all existing studies and research reports in the region (numbering 761) was prepared and printed for the Commission under contract, and this has been circulated to key organizations in the region.
- 4. A directory of major private and public planning organizations was prepared for the Commission at its request in order to help assure that the Commission will make full utilization of their contributions.

- 5. A report on the future highway pattern for the region has been completed. This is the first product of the interstate cooperative approach that the Commission is applying to other problems. The report is a combined effort by the three State Highway Departments of Michigan, Minnesota and Wisconsin, with special emphasis on the economic development aspects of future highway construction.
- 6. A preliminary plan of technical assistance projects has been drafted and is under review by the respective States with reference to desirable priorities, modifications, and changes.
- 7. Formal working relations with the Department of Agriculture have been established by the Federal Cochairman through Secretary Orville Freeman, and units of that Department are reviewing their programs with respect to possible contributions to the objectives of the Commission.
- 8. Arrangements have also been effected through Secretary Stewart Udall with the Department of the Interior, who has designated Mr. Harold Jordahl as the Department's coordination point in the Region (Mr. Jordahl is already working on a special program request of the State Cochairman).

Congressional Delegation Support and Program Suggestions

Attention was called to statements of the Senators and the Congressmen from the Upper Great Lakes Region expressing their support to the Commission on the occasion of the meeting. It was noted that many of these statements included specific program recommendations covering a wide range of ideas that will be most helpful to the Commission in formulating its regional plans.

The importance of this Congressional support to the Commission was reflected by Governor Knowles who said:

"With the continued cooperation of our Congressional delegations, I believe we can develop and implement a dynamic and dramatic program. In meetings with the Members of Congress from Wisconsin last month, I was assured of their desire to receive the Commission's proposal so that it might be considered during the present session of Congress...."

Mr. Francis called attention to the statements and certain other materials which were made available to the press in a special kit. At his suggestion, the Commission directed that the statements be included as part of the permanent record of the meeting (see attached Congressional statements).

Adoption of Charter and Bylaws

The principal purpose of the meeting was to establish formally the Upper Great Lakes Regional Commission. The Charter, Bylaws and certain Resolutions and Motions related thereto were unanimously adopted.

Election of State Cochairman

Governor Knowles was elected State Cochairman, and it was decided that this office would rotate annually with election at the meeting nearest the July 1 date.

Request for Planning and Technical Assistance Funds

The Commission agreed to request from the Secretary of Commerce the following funds:

- 1. \$141,500 for the purpose of entering into agreements with each of the three member States for the formulation of preliminary State plans for public investment (the funds, if granted, to be allocated to each State in the amount of \$47,166).
- 2. \$400,000 for the purpose of financing technical assistance projects in the Upper Great Lakes Region, leading to the formulation of regional development programs (the specific projects for which these funds are to be employed to be determined following study and recommendations by staff representatives of Commission members).

Work Timetable

The following timetable was adopted:

- 1. For completion of review and revision of the program of technical assistance by staff members of the Commission by June 15, 1967.
- 2. For the completion of preliminary State reports by the task forces concerning problems, solutions, and early action projects by August 1, 1967.
- 3. First draft of preliminary regional report November 1, 1967.
- 4. Final draft of preliminary report to Congress January 1, 1968.

* * * *

Calharin

Memo: Upper Great Lakes Regional Development Commission

To: Mesdames Fourth, Mote, Benson

From: Mrs. Earl Colborn

Date: May 18, 1967

I have been asking some questions about prospects for the Commission in Minnesota and thought you might be interested in what I have learned, or perhaps not learned.

First, the Upper Great Lekes Commission has not had high priority in anyone's thinking.

Responsibility for the Commission in Minnesota is lodged in our Department of Business Development. Governor LeVander has given top priority to a general reorganization of that department. Mr. O'Brien, the new Commissioner, has been concerned with organization, appropriations, hiring staff. He will, however, be Governor LeVander's official alternate on the Commission. No one within the department presently has specific responsibility for the Commission other than Mr. O'Brien, who obviously will not be doing leg work.

Rudy Esala, Former Governor Relivang's representative on the Commission, is now working out of the Duluth EDA Area Office. Mr. Esala had been concerned with setting up multi-county planning units, combining the designated counties in Minnesota into five large districts. By last summer it had been decided that they would only attempt to organize the three northern units, and now they are down to one, the Arrowhead district, involving counties around Duluth in north-eastern Minnesota. The Arrowhead district is being funded by EDA with matching funds from the Iron Ore/Resources and Rehabilitation Commission, not as an Upper Great Lakes Regional Development Commission project.

The Arrochead area is actually not as depressed as central Minnesota, has greater resources in terms of present economic base, more leadership, and greater potential for future development. If multi-county planning is successful in this area, the other units will be organized.

Mr. Thorsen, director, HDA office, Duluth, sees the function of the Upper Great Lakes Commission as long-range planning with actual projects being handled through HDA.

Ray Olsen, director of the Minnesota State Planning Agency, does not visualize the Commission as playing a major role in planning; rather he sees it in terms of an action group. In his opinion they will be concerned primarily with getting legislation from Congress.

Clearly, thinking on the function of the commission has not crystalized here in Minnesota. I hope to find out more specifies in the next month or so, after our legislature has completed its session and state officials have more time to devote to long-range projects.

League of Women Voters of Michigan 4612 Woodward Avenue, Room 317 Detroit, Michigan 48201 - TE 3-7133

June 9, 1967

TO: Mrs. Janski, LWV of Minnesota (copy enclosed for Human Resources Chairman)

Mrs. Mote, LWV of Wisconsin (copy enclosed for Human Resources Chairman)

Mrs. Heuman, Human Resources Chairman, LWV of Michigan

Mrs. Pryxell, LWV of Hancock-Houghton, Michigan; LWV of Michigan representative to proposed Upper Great Lakes Regional Committee

FROM: Nargaret Foerch, President, LWV of Michigan

RE: DRAFT OF LETTER TO HATIONAL BOARD REQUESTING PERMISSION TO PORM THE LWV UPPER GREAT LAKES REGIONAL COMMITTEE

Below is the draft of the letter we discussed at National Council. Some blanks and questions pertaining to Minnesota and Wisconsin need to be cheeked and/or filled in as you will see. I will also be very grateful for any additional information you think should be added, any suggestions, and corrections.

If it is possible, will you please return this to me with corrections etc. no later than June 307 I will then incorporate all suggestions and get it in to the national Board.

Please use my home address: Mrs. Robert Foerch, 212 Mash Avenue, Dearborn, Michigan 48124

Incidentally, how were the Minnesota and Wisconsin State Conventions? Ours was a blast. We adopted a not-recommended item! First time in memory in Michigan! Very exciting!

Thank you very much for your help. Best wishes for a pleasant summer and a successful League year.

We'll be in touch.

PROPOSED DRAFT

Mrs. Robert J. Stuart League of Women Voters of the United States 1200 - 17th Street, N.W. Washington, D. C. 20036

Dear Mrs. Stuart,

Although this letter is on LWV of Michigan letterhead, it represents a joint request from the Leagues of Women Voters of Minnesota and Wisconsin as well as Michigan.

We three state Leagues request permission from the national Board to form an Upper Great Lakes Regional Committee to study, evaluate, and not with the permission of the national Board upon proposals formulated for development in the Upper Great Lakes Begion.

The region includes the northern parts of Michigan, Minnesota, and Wisconsin. A Development Commission was incorporated in April, 1967. It consists of the three Governors and Fr. Thomas Francis, the federal Co-chairman. In each state there will be advisory tank forces to assist the Commission members. Federal funds for planning have been allocated to the Commission.

Page 2

The Commission has announced its plans to use the many existing studies of the region to formulate development proposals. The Commission feels that new studies are not necessary as so many have been done in the past few years.

The Commission's time-table is based on presenting to Congress on January 1, 1968 a coordinated plan and request for funds. Whether or not this time-table will be followed, is open to conjecture. Things have moved rather slowly thus far.

Since Commission proposals are likely to include aspects affecting equality of opportunity in education and employment, formation of an inter-atate League committee seems indicated. Hopefully, such a committee would enable League members to make a significant contribution to the development of their region.

The inter-League co	ommittee we	propose	is as	follows:
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- I. PORMATION OF THE COMMITTEE IS SUBJECT TO:
 - A. Participation in the committee by 60% of the local Leagues in the region.

B. Approval of the coemittee formation and structure by local and state Leagues in the region.

The state and local Leagues in Michigan, Minnesota, and Wisconsin so approve. (Am I correct in this about Minnesota and Wisconsin?)

- C. Approval of the committee formation and structure by the national Board.
- II. STRUCTURE OF THE LWV UPPER GREAT LAKES REGIONAL COMMITTEE:
 - A. Authorization-the scope of the national item on Human Resources.
 - B. Objective—to study, evaluate, and act upon proposals made by the Upper Great Lakes Regional Development Commission.
 - C. Action-to be taken only with the permission of the national Board.
 - D. Organization of the committee:
 - State Committees—each state League involved (Michigan, Minnesota, and Wisconsin) would have a state committee composed of representatives of local Leagues within the region and a representative of the state Board. The state committees would carry out the work of the inter-state committee within each state.
 - Tri-state Committee—composed of two representatives from each state committee: one, the state Board representative; and the other chosen by the committee from the local League representatives. All state committee members would be welcome to attend tri-state committee meetings if they so desired.

This tri-state committee would be responsible for the general direction of the study of problems and needs of the region, preparing and issuing resource material and guidance, and keeping all Leagues in the region and the national Board informed.

Plans and decisions of the tri-state committee would be subject to the approval of the three state Boards involved.

During Mational Council, we three state delegations conferred with Mr. Francis, the federal Co-Chairman at length. He was very gracious and helpful and is enthusiastic about League interest in the Commission and its proposals. The Governors of our states have assured us of their approval of League concern in the Commission. (I have this in writing from Governor Rommey. How about your Governors? Is it skay to say this?)

If the national Board approves formation of the committee, the organizational meeting of the tri-state committee would be held early this fall probably in Duluth. We feel that the Human Resources Chairman from each state Board should attend this first meeting in addition to the local and state representatives.

At this organizational meeting, a permanent chairman and such other officers as are necessary will be chosen by the tri-state committee. Plans will be made for getting comminications and guidance to the local and state Leagues. The Michigan state representative to the proposed committee, Mrs. Burton Fryxell, LMV of Hancock-Houghton, is willing to serve as temporary chairman for the organizational meeting.

Each participating state and local League will need to contribute a modest amount to cover the cost of communications and materials prepared by the tri-state committee. They will also need to cover travel expenses for their representatives at state and tri-state committee meetings. We do not anticipate needing more than a few such meetings in each year.

Mineographing and mailing of materials etc. will be headled centrally by one of our state League offices. Michigan is willing to take this on to start with; perhaps this function can be rotated if the proposed committee continues in operation over a long period.

Undoubtedly, there are many details still to be resolved. However, we have every confidence that this inter-state League committee can work and be effective. We would at least like to give it a try. We are fortunate in that we have the organizational experience of the various inter-state League river and lake basin committees to guide us.

Mrs. Benson has been most generous with her help and advice in how to go about all of this. We appreciate it.

We also appreciate the national Board's consideration of this request. Please let us know if you need further information or have questions.

Respectfully submitted,

Mrs. Robert Foerch, President with the concurrence of:

Mrs. O. J. Janski, President, LMV of Minnesota Mrs. F. A. Mote, President, LMV of Wisconsin Honorable Harold LeVander Governor of the State of Minnesota St. Paul, Minnesota

Dear Governor LeVander:

We have noticed in recent news items that you will be meeting on July 26 at Mackinac Teland with Governors Knowles and Rommey to discuss priorities for programs under the 3-state Upper Great Lakes Regional Development Commission. We thought you would be interested to know that the Leagues of Women Voters in Minnesota, Wisconsin and Michigan are engaged in establishing an Upper Great Lakes Regional Committee to study, evaluate and act on proposals made by the Commission.

Ammng the several interests of the League of Wemen Voters of Minnesota in this large area is our concern for equality of opportunity in education and employment. Also, a long-time concern has been the optimum use of water.

We would appreciate receiving any reports on Minnesota's activities relating to the Commission if any are made available. League members throughout the state will be following with interest the work of the Commission. If the League can be of any service as the Commission proceeds with its work, please feel free to call on us.

Best wishes for a successful meeting in Michigan.

Sincerely,

Mrs. O. J. Janski President Mrs. Robert Foerch, President League of Women Votors of Michigan 212 Nash Avenue Dearborn, Michigan

Dear Margaret,

I'm sorry to be so late in responding to your letter. Our key League in the Upper Great Lakes area, Duluth, was late in their response to us — new president, vacations, and so on. I have reached the president by phone, and she assured me of their active participation.

We should, as tentatively planned, be able to have the initial meeting of the committee in Duluth at their office. Mrs. Remeth Brown, our new state DHR chairman, suggests either the third or seventh of October.

Your letter is very good. I have made notes on the original which I'm enclosing. We are delighted that Mrs. Frysell will serve as temporary chainman for the organization meeting.

I enjoyed our conversation this morning and look forward to hearing from you soon.

Sincerely,

Mrs. O. J. Janski. President

Enclosure

July 20, 1967 Hrs. Robert Foerch, President League of Women Votors of Michigan 212 Nash Avenue Dearborn, Michigan Dear Margaret, I'm sorry to be so late in responding to your letter. Cur key League in the Upper Great Lakes area, Duluth, was late in their response to us - new president, vacations, and so on. I have reached the president by phone, and she assured me of their active participation. We should, as tentatively planned, be able to have the initial meeting of the committee in Duluth at their office. Mrs. Kenneth Brown, our new state DER chairman, suggests either the third or seventh of October. Your letter is very good. I have made notes on the original which I'm enclosing. We are delighted that Mrs. Fryxell will serve as temporary chairman for the organization meeting. I enjoyed our conversation this morning and look forward to hearing from you soon. Sincerely, Mrs. O. J. Janski President Englosure

The format was similar to the one used in August at Hudson. Mrs. Alexander of the Daluth LWV also covered the meeting.

Wm. Walton reviewed agencies having to do with managing Great Lakes Resources. He had not prepared and simply read a list which we should ask him for if we don't have it. The focus of this meeting was the Great Lakes and the question of whether the BAC should condern itself with Superior problems or whether there were other agencies already equipped to do this. They also maked agency people and legislators in that area from both states whether they would like to see the BAC involved. Small groups were formed to discuss these questions.

In my group we were lucky to have Bergerud who monopSlized a good share of the time with a matter of 'private interest'; namely, his own cabin on the Namakagan which he wants for himself and his children. He did raise some interesting questions about remuneration for the cabin-they can either use it for 25 years or be paid for the bebin. My group was more on the side of private ownership ("when it gets to the point that the government can condemn or acquire land for scenie purposes...")
Problems generally realted to:

- 1. The fact that Lake Superior is bounded by Canada, Minnesota, Wisconsin, and Mickigan, making tri-state and international cooperation necessary. The offenders new are not typ in the US where the largest ports and cities are. This is a knotty problem because this has also become an international vaterway in the sense of being an ocean port. The pollution from sea going vessels was mentioned frequently as seriously affecting Dulutha harbor already. The dumping systems on the ships are made for the ocean, and there is no way for us to regulate them. As Superior narrows, there is no way to carry off pollutnats as there would be at sen. They talked about wanting more bottoms under US flags in the Great Lakes to ship more military cargo, etc. All of these questions involve the agreements between governments which at present seem not to be possible. I wondered whether we dould be uneful with some 'How did it havene to Rrief' information.
- 2. Water pollution from Reserve Mining, the St. Louis River, ships, etc. is very real.

3. Need for standard interstate hunting, fishing and boating regulations.

h. Conflicts of interest in land use, e.g., timber versus parks. In my group, at least, there was great reluctance to allowing the federal government to make decisions. Also, they locked upon federal ownership of land as a wad, bed, thing. This made it look dreary for Kabetogama. We heard the same old tired arguments about how you can't let a little ugliness and pollution stand in the way of local tax revenue and prosperity. Anticipated industrialization all along the North Shore will increase pollution, it was said.

5. Pollution of the St. Louis River.

- 6. Cohe (spf) selmon. This breed was introduced near the Straits of Mackinaw. It is larger and breeds earlier and them feeds on other native fish and reportedly is destroying natural varieties and stream fish.
- 7. Commercial versus fecreational fishing interests and differences in regulations in various states.

The posple in the areasaid, yes, the BAC should be involved in this area, especially as an information dispensing agency. Odegaard himself said later he thinks the BAC should keep its activity narrow, acting on such matters as the legislature requests it todeel with. I found the whole thing discouraging. It doesn't seem as though the machinery is adequate to regulate matters, and everyone seemed to feel that Superior is going to have a let of stuff poured into it. The optomists took the view that we can never pollute it because it is 600 feet deep.

M TO: Marya Hage - Duluth
E FROM: Irene Janaki

UGLR Committee

SUBJECT

LEAGUE OF WOMEN VOTERS OF MINNESS

Transmin

STATE ORGANIZATION SERVICE UNIVERSITY OF MINNESOTA MINNEAPOLIS, MINNESOTA 55455 PHONE: 373-2959

DATE

10/18/67

November 7 has been selected as the date for the meeting of the Upper Great Lakes Regional Development committee. The time will be 10:00 or 10:30. I'll let you know for sure which later.

SOME IMPORTANT CONSIDERATIONS IN REGIONAL ECONOMIC DEVELOPMENT

Presented at:

Minnesota Economic Association Meetings University of Minnesota, Duluth October 14, 1967

by

Raymond D. Vlasin
Professor, Department of Agricultural Economics
Program Leader for Community and Resource Development
Institute of Agriculture
University of Minnesota

Some Important Considerations In Regional Economic Development 1/

Raymond D. Vlasin 2/

In this brief presentation, I will discuss six things with you:

First, the lack of clarity of objectives and the limited technical
information with which many domestic economic development efforts are
approached;

Second, the narrowness of the framework within which decisions are made about many economic enterprises for rural and urban areas;

Third, the limited awareness of the economic interdependence of groups of local communities and groups of counties, and the resulting limitations and possibilities for economic development;

Fourth, the lack of understanding of economic and other effects of rural to urban migration on individuals, families, and communities involved;

Fifth, the difficulty of providing adequate governmental and public and private services in small cities, sparsely settled counties, and areas of declining population;

Sixth, the growth in Federal and federally-assisted programs, and some of the fears and problems accompanying their use.

These six points are very interrelated. I will attempt to point out some of the interrelationships as I proceed. Further, I will attempt to point out some of the major implications and challenges that these have for economists and others within Minnesota and the Upper Great Lakes Region.

Unclear Objectives and Limited Technical Information

The term, "economic development," is very common. It is widely used to justify various social programs and public and private actions. It serves as a goal for legislation and for agency action at the Federal, state and local levels. It is the banner for Chambers of Commerce, development commissions, citizen development committees, Rural Area Development groups, Technical Action Panels, Resource Conservation and Development Districts, Economic Development Districts, regional commissions and committees, a number of state and Federal agencies and other public and private associations and groups.

Despite this widespread use of the term, "economic development," there is a surprising lack of clarity as to what is meant or what objectives are sought. $\frac{4}{}$ In short, the target or targets often are ill defined or obscure. At a time when we have such an impressive arsenal of economic development weapons, $\frac{5}{}$ it is indeed disturbing to find such a shortage of clear economic development targets at the local community, county, multicounty, state and regional levels.

The lack of clarity of objectives is in large part the result of widespread failure to carefully evaluate realistic development possibilities. As I review the recent "economic development" efforts, I find an impressive array of legislation and programs, and a multitude of organizations for fostering "economic development." These are in great supply. However, there is a very short supply of technical evaluations needed by organizations, agencies and groups to help them decide what is best to do.

The comprehensive research conducted by the Upper Midwest Economic Study, a joint undertaking of the Upper Midwest Research and Development Council and the University of Minnesota, certainly was a step in the right direction. $\frac{6}{}$ My chief regret about it is that the resulting research findings have not been more widely used by decision makers.

There is in fact considerable need for more evaluations of what economic development efforts are possible, including consequences of alternative courses of action. The reason I wish to emphasize this point is that I have observed an attitude by some that we have all the studies we need for the Upper Great Lakes region. Evidence used to support this attitude is an annotated bibliography of studies prepared for the Office of Regional Economic Development of the U.S. Department of Commerce listing over 700 articles and studies. 7/

Most of these 700 plus articles and studies appear to be more in the nature of descriptions of what exists. Probably the best way to describe them is that they comprise useful data inputs for more penetrating analyses of economic development possibilities. Some of the studies that go beyond description and focus on what is possible are at best only partial analyses. For example, they may provide insights about enterprises that are physically or biologically feasible, but show little about whether those enterprises are economically feasible. Or they may show enterprises having economic potential at X location but give no help in determining whether X or Y or Z is the most favorable location for the enterprises within the region or state.

I am pleased that we have a wealth of information about the Upper Great Lakes Region. However, there are monumental gaps in our knowledge

of likely economic development possibilities for the U.G.L. Region, the states, and particularly for subregions within the states.

What kinds of studies of possibilities are needed? I observe several kinds. One kind pertains to the possibilities for the individual or family. Another pertains to the possibilities for a city, county, group of cities or counties, or larger area. The individual and family are mobile. The geographic area is not. The best possibilities for each are not identical. We know they differ but have little information on how much they differ. We do know that it is incorrect for a community development group to assume that what is good for the community is always good for all of its residents.

We also need studies about how improvements might be achieved. The gaps of knowledge about possible improvements through private actions and investments are great. However, I suspect we are even worse off when it comes to our knowledge about the possible improvements through public actions or investments and the possible complementarities between public and private actions and investments.

Unfortunately, it is quite common to find that the drive to make the community "better off" by bringing new business or industrial firms to town has ignored these important distinctions between the individual or family possibilities and the community or area possibilities. It also may have ignored the possible complementarities between public and private investments and actions in achieving these possibilities.

It is unrealistic to think any public or citizen organization, however ambitious and well-intentioned, can make much progress unless it has some valid technical analyses about what is possible. Unless it

has these, it likely will have difficulty defining its objectives, or the objectives that it chooses will turn out to be inappropriate.

Economists have an obligation to help public and private groups and others to identify and clarify the specific objectives they seek in economic development. To help them make more enlightened decisions about specific objectives, we must take a more active part in research and in extension education on possibilities for economic development.

Narrowness of Framework for Decisions about Economic Development Ventures

Large metropolises and small cities alike actively pursue businesses and industrial firms to locate in their areas. They desire to create more jobs for the unemployed and underemployed. They desire to increase personal and business income. They desire to increase the income and tax revenue of the community. These are laudable objectives. However, the framework within which decisions are made about a new community enterprise, such as a business firm or industry, often is too narrow.

Economists are in part to blame for this condition, as a result of our heavy emphasis on income measures of economic development. Most often we have used income measures, deflated or indexed to some standard base year, to show the extent of economic development. While I view these as necessary measures of economic development, they are by no means sufficient. This is true for economic development decisions at the national and regional level as well as at the state, multicounty, county, and local community level. The case for broadening the framework for decisions can be made at any level, although it probably becomes

clearest for decisions about new or expanded economic enterprises at the town or city level.

A more appropriate framework for decisions at the local level would include (1) the complementary, supplementary and competitive relationships between the economic venture in question and others; (2) the likely effects of the economic venture on the quality of the environment, (3) the likely stability of the economic venture over time, and (4) the income distribution effects of the venture. It is not uncommon for a development group or committee to overlook or scarcely consider one or more of these in its zeal to secure a new business or industrial establishment. Examples can be found of a new firm overloading waste treatment facilities or contributing to local air and water pollution; or of a firm leaving a community to struggle alone with its empty plant and its bonded indebtedness; or of a community in which some people have benefited from a new industry and others have been significantly disadvantaged.

There would be little quarrel within our Association over the importance of these added dimensions in decisions about economic ventures by cities or counties. However, this broader framework will not come into use automatically. Those involved in the decision making must see the merit of it -- which implies research and educational assistance from our economics profession. Without such assistance, cities and counties must learn the "hard way", through some major community problem or economic failure. Again, it seems to me the bee is on the profession.

There is another important way in which the decision framework may be too narrow. The community may fail to consider possibilities for cooperative efforts with the other communities or groups with which it is interdependent.

<u>Limited Recognition of Economic</u> Interdependence

I have observed limited recognition of economic interdependencies among cities and among various counties. Too often, I find two or more small cities treating each other as economic enemies in the same way their football teams treat each other once a year. They may compete bitterly to claim the economic development spoils, when in fact there will be no spoils at all unless they work together and closely with other larger and smaller cities.

I have not found the same kind of rivalry between different counties. More often, I find the county groups tend to "go-it-alone" unless there is clearly some administrative, agency or association program that provides an obvious incentive for effective cooperation.

There are many examples of how cities or counties miss opportunities by not recognizing and building upon their economic interdependence. For example, you can find a number of small cities that prepare an expensive brochure for their city to foster new industry. They send it out in shotgun fashion for any and all to consider, and then are dismayed when it does not bring in the results they hoped. Also, you can find two or more cities in the same county that are operating independently

as they seek new industry. You will have little difficulty in finding adjacent counties operating separately as they seek new industry.

Consider the economic magnetism that any single small city has-its labor supply and characteristics; its purchasing power; its social,
cultural and recreation amenities; its public and private services.

Contrast this with the economic magnetism of a number of small cities
working together and possibly with a major city to which they relate
economically, socially, and culturally.

Together, the group of cities can represent a larger and more diverse labor supply; a larger combined purchasing power, a greater array of social, cultural, and recreation amenities; more capabilities in managing their land and open space resources; and a broader range of available public and private services. In addition, the larger group can draw on more talent and more resources. It may be able to fund a staff.

It may in fact be in a position to make or obtain analyses that will indicate which group or groups of business, industrial or service firms it should pursue with something closer to rifle-shot accuracy.

Some of the same opportunities hold when several counties join forces.

One should not be to hasty in blaming local communities or counties for failing to work cooperatively in economic development efforts. If they do not see possibilities and benefits from joining forces, they will not do so. Without persuasive evidence of possibilities and benefit, the customs and habits of working alone, the press of daily work, and

the legal framework of government $\frac{9}{}$ will keep cooperation among cities and counties to a minimum.

I believe we are making good progress on evaluating what kind of economic interdependence exists between urban centers and outlying areas and among various counties. Notable are efforts by Professors Fox $\frac{10}{}$ and Maki $\frac{11}{}$ of Iowa, and Professors Adams, $\frac{12}{}$ Borchert, $\frac{13}{}$ Bryant, $\frac{14}{}$ Hoyt, $\frac{15}{}$ and Martin $\frac{16}{}$ of Minnesota and others. $\frac{17}{}$ Minnesota's State Planning Agency is displaying a keen interest in the possibilities for multicounty development.

Multicounty action programs stimulated by Federal programs have been instituted in Minnesota and elsewhere in the immediate past.

Notable multicounty efforts include the Community Action Councils under the OEO programs; the Resource Conservation and Development projects under the U.S.D.A. programs; the Economics Development Districts under the E.D.A. programs; and the Concerted Services project under an interdepartmental program. In addition, many state agencies in Minnesota plan and administer their programs on a multicounty basis. As you might guess, the boundaries of these many multicounty efforts do not coincide with boundaries for multicounty delineations based on economic interrelationships.

A dialogue has developed between researchers and a number of state and Federal agency personnel concerned with multicounty economic development. This dialogue needs to be strengthened; but, this in itself is not sufficient. Again, we are short of factual data. Many data on the interdependence of Minnesota cities and counties are now in hand or soon will be, thanks to the efforts of Professors Borchert, Bryant, Hoyt, Martin and others. However, we are still short of sociometric data showing the extent and nature of social interdependence between various cities and counties. Social interdependence is important to the success of multicounty development efforts.

We are short of both economic and sociometric data for cities and counties that have interdependencies that cross state boundaries. I am sure Professor Murray could relate some of the problems and possibilities involved here based on his work in the Fargo-Moorhead area.

Closely related to the question of interdependence among cities and among counties are two other factors. They are rural to urban migration and our lack of understanding about it, and the increased difficulty of providing adequate public services in sparsely populated and depopulating areas.

The migration of families and individuals from farms and rural towns to urban centers is well documented in Minnesota, $\frac{19}{}$ the Upper Great Lakes Region, $\frac{20}{}$ and the Upper Midwest. The selectivity of the migration, i.e., outmigration of many in the age groups between 16 and 30, also is well documented. $\frac{22}{}$

However, we know little about the economic impacts on migrating families and individuals. We know little of the expenditures and

sacrifices in moving from a rural area to an urban center or the rewards they experience in moving there. We know little about the level of their economic well-being in the urban center. We know little about the sacrifices and losses of those who migrate back to their old location and of their economic well-being there. We know little about the costs of migration that can be minimized or the benefits of migration that can be enhanced.

Likewise, we know very little about the economic effects of migration on the sending communities and on the receiving communities. We hear of the dehumanizing ills of urban concentrations -- traffic jams, packed subways and buses, crowded airports, noise, distraction and discomfort, losses in efficiency, wasted time, increased crime and delinquency, educational problems, increased property damage, concentrations of air and water pollutants, large amounts of trash, junk and dirt and other problems. 23/ However, we have little valid information on the costs and benefits associated with such urban concentrations. Further, we are hearing with increasing frequency and force the need for policies to establish population concentrations at present growth points or at entirely new locations in rural areas. Again, the proposals lack analyses of costs and benefits that would be associated with such possible actions.

The growth of the Twin Cities Metropolitan Area, and the existence of Duluth, Rochester, St. Cloud, Mankato and other cities as smaller growth centers, and the proposed experimental city present some interesting analytical possibilities. Analyses of the relative costs of

employing and accommodating an additional 50,000 or 100,000 at these various locations would be most interesting and would be very important for Minnesota's development policies.

I sense some urgency in trying to develop such information, to help guide urbanization, particularly for Minnesota. On one hand, we see the likelihood of continued off-farm migration. Professors Thomas and Hawkins of Minnesota indicate that Minnesota farm numbers may decrease by as much as 40,000 between 1964 and 1980. On the other hand, we see the Twin Cities Metropolitan Area growing at a fairly rapid rate. $\frac{24}{}$

The Twin Cities Metropolitan Area contains a larger percent of the State's total population each year, reaching 43.4 percent in 1960. The Department of Employment Security estimates that by 1975, the Twin Cities Metropolitan Area will account for over 50 percent of the population. Further, it expects that between 1960 and 1975, 91.0 percent of the total state population growth will occur in the Twin Cities Metropolitan Area. The Department expects also that some 64 percent of the employment gains in nonagricultural industries between 1960 and 1975 will be centered there. My colleague Professor Hoyt estimates that 87 percent of the employment gains in the nonagricultural industries between 1960 and 1980 will be centered there.

If the above expectations are even close, and I have reason to believe they are, we should explore what cooperative linkages can be developed between Minneapolis-St. Paul and the other urban centers of the state for guiding economic expansion and human settlement. It is

quite possible that the state and the new Metropolitan Council could harness the industrial and commercial magnetism of Minneapolis-St. Paul and use it to help bring orderly economic growth and population expansion to Rochester, Mankato, St. Cloud, Duluth and other Minnesota cities. 27/ I recognize that this implies a level of cooperation that is difficult to achieve. But I find a posture of economic rivalry among these cities as an inadequate framework for decisions about economic growth and settlement. Rivalry alone can only result in a sub-optimal if not unsatisfactory settlement pattern for the state. Complementarities between cities cannot be achieved through rivalry alone.

Again, we need to know the potential costs and benefits from alternative economic location and settlement patterns. Once again, we need to use this information in education efforts with state, city and other leaders and citizens. The challenge is great, but the potential payoffs appear great too. $\frac{28}{}$

Difficulty of Providing Services in Sparsely Settled or Declining Areas

Within Minnesota, the pattern of organization and structure of local government is much as it was in earlier times when farms were smaller and limited transportation and communication necessitated many small localized units of government. Over the years, the problems facing these units and the services demanded of them have changed radically. The strain on patterns of organization, structure, and financing that results in areas of declining population is particularly acute.

According to Professor Yoho of Minnesota, maintenance of adequate service levels in the basic fields of education, highways, and welfare is a serious problem in areas of declining population and in small cities and sparsely settled areas. The initiation or expansion of such services as health, recreation, land-use planning, and economic development are added burdens. The dilemma for these areas stems from the fact the population is dispersed or shrinking or both and a large portion of that remaining is in the "dependent" age groups. Of course, I do not mean to imply areas of increasing population are without problems. They too have problems, but they differ from those discussed above. 29/

A common recommendation for remedying some of the economic ills of sparsely settled or declining areas is to abolish or consolidate some of the local governmental units. However, I am skeptical that a frontal attack on existing governmental units is going to be very effective. My observations indicate that where existing governmental units went out of existence, it was because some other organizational unit was found to be more appropriate or more efficient in providing a particular service or group of services, or some new organizational unit was created which took on the responsibility.

One way to sow seeds of governmental change for economic betterment is to provide objective evaluations about what is possible in organizing for and providing governmental services. To do this, we need several different types of analyses.

The first concerns the economies of size in providing particular services or groups of services. The second concerns the level of

government which is most responsive to the needs and at which the service or group of services can be administered most effectively--whether at the Federal, state, regional, multicounty, county, township or city levels. The third concerns the alternatives for financing the particular service or group of services. The fourth involves ways to make an orderly transition from the less appropriate arrangements for providing services to more appropriate ones. The challenge here extends beyond research. It involves education of leaders and the public about the above conditions. It is unlikely that the leaders or citizens will act unless they see and understand what is possible and what adjustments can be made without jeopardizing their well-being.

Growth in Federal and Federally-Assisted Programs and Related Fears and Problems

Although the Federal government has been instrumental in stimulating economic development since Colonial times, it has been in recent years that the assistance has grown rapidly. The recent "Catalog of Federal Assistance Programs" published by the Office of Economic Opportunity presents a brief resume of the many domestic programs of the Federal government for assisting American people in their economic and social progress. 30/

The catalog provides a program index and program descriptions.

Some of these are direct Federal programs: the Federal agency administers the program. Others are federally-assisted programs: the Federal agency provides funds and technical assistance to states, counties, and local communities which administer the programs and expend the funds.

The funds received under these Federally-assisted programs are called "Federal aid" or "grants-in-aid".

Federal aid to state and local governments has risen sharply in recent years. It rose from \$2.3 billion in 1950 to \$10.9 billion in 1965. During the last few years we have had an increase in the number of Federal programs as well as in federal-aid funds. The growth of new programs for combating poverty, improving education, renovating our cities, and developing our natural and human resources has been phenomenal. The Council of Economic Advisors estimates that in 1968 the Federal aid alone to state and local governments will reach \$17.4 billion. The Council expects the greatest increases to occur in health, labor, and welfare; education; and housing and community development. 31/

Accompanying the growth of direct Federal and federally-assisted programs is a fear of Federal domination. This fear is particularly evident at the local level. $\frac{32}{}$ There also is substantial concern for ways of coordinating the many programs.

The fear of Federal domination results in part from the fact that Federal agencies have indeed been making decisions about those programs that only they are equipped or authorized to handle. Those most fearful of Federal domination have argued for more local decision-making and local control but have not understood fully what is required to achieve it.

It is clear that decision-making on economic development programs or other Federal programs will not be decentralized and vested locally until lower units of government are willing and able to hire competent technical staff. Staffing at the state level will not be easy. As you go below the state level, staffing will become even more difficult.

We hear much discussion of the need to coordinate the many direct Federal programs and the federally-assisted programs. I'm very skeptical that a "universal coordinator" is politically or administratively operational. In fact, coordination in the abstract, i.e., without specific development plans, is likely to be both frustrating and fruitless.

If regional or state economic development plans exist, then Federal programs that apply can be requested and their use coordinated. Likewise, if multicounty development plans exist, Federal and state programs that apply can be requested and their use coordinated. Of course, the existence of a development plan also permits local agencies and groups to do a better job of allocating their own resources to the effort.

For a growing number of federally-assisted programs, the allocation of funds is conditioned upon the existence of a comprehensive plan at the state or local level or both. The development of these plans also requires technical staff--staff that is in extremely short supply. One can hardly overemphasize the technical staff vacuums at the state and local levels, particularly the latter. One possible remedy, and only a partial one, is to do a great deal more staffing at the multicounty level to allow counties to share the costs and the limited number of available technical personnel.

Unfortunately, more staff is not all that is needed during this era of increased planning requirements. Additional necessary parts of the complicated picture are research on what is possible, and educational

efforts with leaders and citizens on what they desire and what is possible. All too often, these two parts have been omitted from the planning process and from the plans developed. As a result, many of these have been rejected by those for whom the plans were developed. Ergo, technicians are necessary but not sufficient.

Now that I have presented these observations, I would like to extend my first challenge to the Minnesota Economic Association. I would like to see the Association explore the possibility of a cooperative program or center or institute for research and education on economic development possibilities. Such a program, center or institute could have sufficient identity to encourage members of our profession and the public and private institutions and firms they represent to pool some of their time and talents for a concentrated effort on economic development possibilities. It could be closely associated with the research and extension efforts of the University of Minnesota in this area. It could be a service having a unique mission, namely to help local communities, counties, multicounty groups, and others make improved judgments about what is possible.

But, you don't have to rely upon the Association. Many of you can do a great deal on one or more of these problems through your individual research, teaching and extension or community service efforts. I hope that many of you and others will seriously consider in your future work the possible areas I have enumerated. The problems and issues discussed are by no means all the major ones important to economic development. They are, in my judgment, some of the key problems and issues of importance.

The efforts I've encouraged you to consider cannot be achieved without some funding. There are good possibilities here. For example, the
cooperative research and education program on economic development
possibilities might be funded cooperatively from traditional sources.
However, such a program might well be considered as appropriate for
funding from new sources, such as the Upper Great Lakes Regional Commission.

I have a seond and final challenge to the individual members of the Association. Do not overlook the policy implications in determining what research you will undertake and in designing your research. Find out beforehand what decisions are being made by public and private groups. Find out beforehand what key questions are being decided with little or no technical information. Find out beforehand how the likely results of your research might be made available to decision makers and the general public. Find out beforehand how our university and college extension or community service programs can make use of the likely research product. Then conduct your research keeping in touch with these groups as you proceed.

I am very concerned about the problems and opportunities of the Upper Great Lakes Region and its people. They need help. They particularly need insights as to what is possible and how to achieve it.

Many of you can help. For their sake, I hope you do.

Footnotes

- 1/ Presented at The Minnesota Economic Association Meeting, University of Minnesota, Duluth, October 14, 1967.
- 2/ Professor of Agricultural Economics and Program Leader for Community and Resource Development, Institute of Agriculture, University of Minnesota.
- $\underline{3}$ / The term "community resource development" is also widely used and seldom defined.
- 4/ This lack of clarity extends not only to those outside the economics profession, but to the profession as well. A next section of the paper refers to some of the inadequacies of defining economic growth only in terms of improved income or improved per capital real income.
- 5/ For a description of the Federal government's domestic programs to assist the American people in furthering their social and economic progress, see Catalog of Federal Assistance Programs, Office of Economic Opportunity, Washington, D.C., June 1967.
- 6/ For a general report of the Upper Midwest Economic Study, see James H. Henderson and Anne O. Krueger, <u>National Growth and Economic Change in the Upper Midwest</u>, University of Minnesota Press, Minneapolis, 1965.
- 7/ See <u>Upper Great Lakes Region Survey of Existing Research</u>, Prepared by Upper Midwest Research and Development Council, For Office of Regional Economic Development, U.S. Department of Commerce, Washington, D.C., October 1966.
- 8/ Charles D. Kindleberger, Economic Development, Economic Handbook Series, McGraw-Hill, New York, 1965.
- 9/ For example, see discussions in Modernizing Local Government to Secure a Balanced Federalism, A statement on National Policy by the Research and Policy Committee of the Committee for Economic Development, July 1966.
- 10/ For a brief overview of the work by Professor Fox on functional economic areas see, Karl A. Fox, "The Functional Economic Area," Farm Policy Forum, Iowa State University Press, Ames, Vol. 18, No. 4, 1965-66, pp. 2-11; See also Karl A. Fox and T. Krishna Kumar, "The Functional Economic Area: Delineation and Implications for Economic Analyses," Regional Science Association, Ann Arbor, November 1964; and Karl A. Fox, "The Study of Interaction Between Agriculture and the Nonfarm Economy-Local, Regional and National," Journal of Farm Economics, Vol. 44, No. 1, February 1962, pp. 1-34.

- 11/ For a delineation of economic regions for 10 states in the mid-continent region, see Wilbur R. Maki, "A Synthesis of Input-Output Analysis in the Mid-Continent Region," to be published in Proceedings of Annual Conference of the Mid-Continent Research and Development Council, September 1967. See also Wilbur R. Maki and Richard E. Suttor, "Analyses for Area Development Planning," Research and Education for Regional and Area Development, Iowa State University Press, Ames, 1966.
- 12/ John R. Borchert and Russell B. Adams, <u>Trade Centers and Trade Areas of the Upper Midwest</u>, Upper Midwest Economic Study, Urban Report No. 3, September 1963.

13/ Ibid.

- 14/ W. Keith Bryant, "Industrial-Urbanization and the Spatial Distribution of Income in Agriculture", Income Distribution Analysis, Agricultural Policy Institute Series 23, December 1966, pp. 139-152; W. Keith Bryant, 'Causes of Inter-County Variations in Farmer's Earnings," Journal of Farm Economics, Vol. 48, August 1966, No. 3, Part 1. pp. 557-577.
- 15/ See John S. Hoyt, Jr., "Economic Growth in Minnesota--The Record and Its Meaning," Proceedings of Resource Development Workshop for State

 Leaders. May 1967; John S. Hoyt, Jr., Regional Economic Data for Minnesota,
 Institute of Agriculture, University of Minnesota, September 1967;
 See also the series, Minnesota Economic Data, Counties and Regions,
 University of Minnesota, October 1966 to present, prepared under the leadership of Professor Hoyt.
- $\underline{16}/$ Professor Lee R. Martin is in the process of delineating urban nuclei for a full set of economic areas and regions for the United States.
- 17/ Many others could be cited. Notable are (1) O. D. Duncan, et. al., Metropolis and Region, John Hopkins University Press, Baltimore, 1960; (2) Edgar S. Dunn, Jr., The Transition and Stability Characteristics of U.S. Regions, Southern Economic Association Meeting, November 1965; (3) Functional Economic Areas and Consolidated Urban Regions of the United States. Final report of the Social Science Research Council Study of Principles of Metropolitan Area Classification, directed by Brian J. L. Berry at the University of Chicago and sponsored by the Bureau of the Census, U.S. Department of Commerce, May 1967.
 - 18/ See footnotes 11-17.
- 19/ John S. Hoyt, Jr., Minnesota Economic Data, Counties and Regions, University of Minnesota, No. 1, October 1966.

- 20/ An Economic Survey of the Northern Lake States Region, Agricultural Economics Report No. 108, Economic Research Service, U.S. Department of Agriculture, February 1967.
- 21/ Larry A. Sjaastad, <u>Migration and Population Growth in the Upper Midwest</u>: 1930-1960, Upper Midwest Economic Study, Study Paper No. 4, July 1962, pp. 40.
 - 22/ Ibid. pp. 9 and 24.
- 23/ Economic Report of the President, U.S. Government Printing Office, Washington, D.C., 1967, pp. 153-154.
- $\frac{24}{\text{For example}}$, the 7-county metropolitan area grew from a population of 1,000,500 in 1940 to 1,185,700 in 1950 and to 1,525,300 in 1960. Minnesota Economic Data, Counties and Regions, University of Minnesota, No. 1, October 1966, p. 4.
- 25/ Minnesota Manpower -- 1960 to 1975, Minnesota Department of Employment Security, October 1966. p. 10.
 - 26/ Ibid. p. 27.
- 27/ The Twin Cities provides a wide range of cultural, recreational, financial and governmental services for the entire state and for a broader region. By combining the offerings of the Twin Cities, plus the unique offerings of some of the smaller growth centers, private businesses and firms could be offered a wider range of choices and alternatives from which to choose.
- 28/ Research on the economies of size of different urban centers suggests that per capita service costs are minimized at sizes well below that of the Twin Cities Metropolitan Area, and that increases in size above that level likely further increase the per capita cost. See for example, Advisory Commission on Intergovernal Relations, Performance of Urban Functions: Local and Areawide, Government Printing Office, Washington, D.C., September 1963.
- 29/ The resource base may be larger and incomes higher, but the demands for more services of a higher quality also appear greater. Further, industrial wealth and tax-paying capacity are not spread evenly through urban and urbanizing areas, creating additional problems. In addition, the service provided in urbanizing areas may be costly on a per capita basis, if there was not adequate advanced planning of the development.
- 30/ Catalog of Federal Assistance Programs. Office of Economic Opportunity, Washington, D.C., June 1967.
 - 31/ Economic Report of the President. January 1967, p. 163.

more, The rest of use get less. Make no mistale, This is he basis of heavy resistance to anti-foresty programs.

The minds of many proposing proleting-expecially more advocating negative minutes, present in assured minutes of this type of pricey frankly state Their belief that, with successing automatem our semmy caused used.

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- 32/ See for example P. J. Tichenor, C. N. Olien, and G. A. Donohue, Editors and Extension Agents: How They View Rural Issues in Minnesota. Minnesota Agricultural Experiment Station Misc. Report. 74, September, 1966.
- / Of course, state and local governments and leaders must be willing to accept the responsibilities and political consequences as well as the problems of funding and staffing.

Redistribution approach Traditionally accepted - only so much - If for are to have sure, formerse else must have less. Ben's for Wast and avarchests and economic uphearals in Europe and US which proched a climax in riots, fombrigs, Everyone knew it to the so. Some reductivation occurred. lugher togos, fever mellinumes - Change relation siges of prices y pie But The 1920's brought some new ideas -Bagger gre - weake The worker pune production - by better education and training and by using fetter pedenday, then pay the norther enough so hat are come try These products to land legaer plandard Arded remarkably well - Little Change in distribution pallers 1947-1964 - Feet little unplusies on prienty a ducanes were mooned rip. Then he descreed That a large group were left out of Aleaning in our hoger free - remonthy groups yrongers) and some residents in "depressed" areas -Mydall Our basic purblem is a theat is The fetter Lugut approach - Cut Them a begger slice of our present sized file in willede Them in helping produce (Borleung) a figur pre? Dusted Sur bufaturately, many american can Of Delum Thenks only of recutting The pie - Which Rut N 20 H means that if fruity gamps get Oller america

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UPPER GREAT LAKES REGIONAL COMMISSION

OFFICE OF THE FEDERAL COCHAIRMAN 2001 WISCONSIN AVENUE, N.W. WASHINGTON, D.C. 20235

NEWS RELEASE

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UPPER GREAT LAKES
COMMISSION ISSUES
PROGRESS REPORT

Tourism is expected to play a major role in improving the economic profile of a 119-county area of northern Michigan, Minnesota and Wisconsin, according to a progress report released today by the Upper Great Lakes Regional Commission.

The Commission was organized last April to map long-range plans and carry out programs to create new jobs and boost income in the Upper Great Lakes Region.

The 40-page progress report describes the formative work of the Commission, outlines the Commission's strategy to bolster the lagging economy of the Region and presents findings of studies conducted by the Federal-State agency.

The Commission's strategy will be keyed to the development of a program of public investments that will stimulate maximum activity by private enterprise.

The Tourism Industry in the Upper Great Lakes Region is one of the new studies published for the first time in the progress report. It outlines the present scope of the industry in the Region and discusses tourism's potential for improving the life of the people in the Region.

The report said that currently about 5 million persons a year visit the Upper Great Lakes area.

By 1977, the report said, "a purposeful program of tourism development" could attract 12 million tourists annually who would spend almost \$2 billion a year in the region.

Another new study in the booklet presents a contemporary Statistical Profile of the Upper Great Lakes Region.

The report also reviews the history of economic development planning in the three-State area.

The free booklet may be obtained by writing the Commission at 2001 Wisconsin Avenue, N. W., Washington, D. C., 20235.

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A Progress Report

UPPER GREAT LAKES
REGIONAL COMMISSION

"The increasing prosperity of any region of this country increases the prosperity of the nation."

President Lyndon B. Johnson

THE UPPER GREAT LAKES REGIONAL COMMISSION

A PROGRESS REPORT

COMMISSION MEMBERS

Gov. Warren P. Knowles State of Wisconsin State Cochairman Thomas S. Francis Federal Cochairman

Gov. George Romney State of Michigan

Gov. Harold LeVander State of Minnesota

Washington Office 2001 Wisconsin Ave. N. W. Washington, D. C. 20325

October, 1967

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region enveloped by the Great Lakes which once made a mighty contribution to America's industrial development. For 50 years the rich natural resources of the region helped fuel the nation's industrial engine and went into the building of America's growing cities. But as the region's mineral and timber resources were depleted, the region's economic health declined. Today the Upper Great Lakes Region has been bypassed by the prosperity which the rest of the nation enjoys. In 1966 the Secretary of Commerce designated a 119-county area in the upper parts of Michigan, Minnesota and Wisconsin as The Upper Great Lakes Economic

Development Region. This paved the way for the formal organization of the Upper Great Lakes Regional Commission in 1967. The mission of the Commission is to stimulate economic development in the 116,000 square miles of the region and thus to bring a more prosperous life to the 2,700,000 people of the region.

INTRODUCTION

STATEMENTS BY COMMISSION MEMBERS

By Thomas S. Francis Federal Co-Chairman

The mission of the Upper Great Lakes Regional Commission is to help revitalize a region which has been bypassed by the prosperity which the rest of the Nation enjoys. The goal is to create more jobs and a higher income for the people of the region. This is a formidable mission and a challenging goal.

I am pleased to report that the Commission has been able to make a start toward reaching this goal during its initial months of operation. It has been able to do this because of the leadership supplied by our Congressional Delegation, because of the many contributions made by private organizations in the region, and because of the close partnership established with the State governments of Michigan, Minnesota and Wisconsin.

The office of the Federal Cochairman, with a small staff in Washington, has provided the coordination necessary to maximize the effectiveness of these three groups--Congress, the private sector, and the State governments--as they work toward the common goal of bringing a more prosperous life to the people of the region.

When the Commission was organized, the Congressional Delegation and the State members emphasized the necessity for action because of the region's impelling needs and because of the substantial amount of previous planning which had been done on economic problems within the region. Accordingly, the Commission determined to build on that past planning as it formulated a future program of economic development for the region. A work plan and timetable was established which permitted planning to proceed concurrently with action.

The Commission has adhered to this work plan and timetable and is precisely on schedule. Members of the Congressional Delegation, private organizations and the States have submitted a variety of thoughtful proposals for economic development action projects based on past planning. These proposals, which are now under extensive study and review, will provide the basis for the formulation of the first economic development program for the region.

This booklet provides a brief report on the progress of the Upper Great Lakes Regional Commission to date. The work is well under way, but we have a long way to go to reach our goal of making the Upper Great Lakes Region a full partner in America's prosperity.

* * * * *

By Warren P. Knowles Governor of Wisconsin State Cochairman

When the Upper Great Lakes Regional Commission was inaugurated, we were mindful that the regional commission concept was a new experiment in State-Federal relations. Accordingly, it was essential to lay down certain fundamental principles to govern the approach the Commission would take in its vitally important task to revitalize the economy of our three-State, 119-county region.

First it was agreed that if this new institution was to work it had to be a true partnership of the States and the Federal government. It is encouraging to note that this spirit has prevailed on the part of both the State and Federal members of the Commission.

The second principle adopted was that this Commission was not to be a new layer of government or a super agency that would replace the existing public and private planning groups in our three-State area. Instead, the Commission's role was to coordinate the private, local, State and Federal efforts to revitalize the economy of our region.

Thirdly, we felt it important to emphasize that the ultimate success of any effort to revitalize our region's economy depended on the imagination, initiative and resources of private enterprise. The role of the Commission, therefore, is to direct public investment to those projects or efforts which will trigger maximum private investment and initiative.

Lastly, as the title of our enabling legislation states, our Commission is an action organization as well as a planning one. Planning is an extremely important and necessary part of our function but so is action. Our Congressional Delegation, at the time of the Commission's establishment, spoke with a loud and clear voice on this point. The success of the Commission's efforts requires that action go hand in hand with planning.

With these guiding principles in mind, we planned our work. Each Governor appointed a task force to determine what each State saw as its problems in the region and what, if any, solutions had been suggested. We all were well aware that much planning had been done already. This approach permitted each State to review the research and planning that had been done by State agencies as well as by other public and private groups.

The work of the State Task Forces is encouraging. Our three States have completed their Task Force reports ahead of schedule. This speaks for the interest and enthusiasm as well as the diligence of the three State groups.

Our approach has been logical and realistic. We first surveyed the problems and came up with what we have termed "A Preliminary Inventory of Needs" which totaled about \$1 billion for all three States. This is not a request for funds. It is, rather, one indicator of the extent of project planning that already has been done in our region. It was the raw material for further deliberation. It led to a preliminary identification of these areas having development potentials for the region:

- 1) Industrial Development
- 2) Tourist and Recreational Development
- 3) Agricultural Development
 - 4) Transportation Development

Priorities applied within these areas resulted in the formulation of our "Early Program Priorities." The projects so classified report basic actions that must be undertaken to get a development program going. The "Early Program Priorities" were listed in a "Combined State Report."

The next step is the formation of our first preliminary regional report.

I am pleased at our progress to date. It is my hope that the same momentum of progress may be maintained in formulating the preliminary regional report, and thus clear the way for early action. Our program will have special appeal if the Congressional Delegation, which created this Federal-State structure, insures that it is adequately financed.

By Harold LeVander Governor of Minnesota

Our common desire is to improve the economic climate of the Great Lakes area of our respective states and with it, the daily lives of our citizens.

We in Minnesota are fortunate to have three basic resources which hold forth great economic benefits and even greater potentials. These are lands abundant in natural resources; one of the world's greatest recreational playgrounds; and a highly skilled and educated labor force. We are indeed proud of these assets. But we must continue in all areas of our state, as the government of Michigan and Wisconsin must, to raise the economic level of those areas which have not kept pace.

Through the preliminary study done by the Minnesota task force of the Upper Great Lakes Commission, we have become appreciative of some extreme needs and have developed some preliminary proposals for improvement. Undeveloped lands in the State of Minnesota are in abundance, but development of these lands on an industrial basis and a recreational basis has been extremely hindered due to the basic lack of a complete inventory analysis. We are in a position to trade and sell lands for industrial development and recreational purposes, but we must first be able to place a proper value on these lands and present a good title to prospective purchasers. These lands are not only in attractive and important mineral locations, but are also in farm lands and undeveloped wilderness recreational areas. If we can correct these basic land problems we will be able to increase substantially the economic growth in some of our most depressed areas.

Minnesota has another great economic potential with its vast forest areas. But again we must inventory these lands and assist in the development of new products and their uses for the lower grade timber. Peat, which in Minnesota is abundant as in Wisconsin and Michigan, has potentially the greatest source of undeveloped uses. With continued research of this fascinating product, we should be able to develop not just 1 or 2 uses, but a whole host ranging from the purification of water to the fertilization of arid lands.

We have also included in our proposals park development, lake renewal projects, and fish management programs. These are essential parts of a continuation and expansion of the State's third largest industry-tourism.

Of course, few of these projects can fully materialize without proper transportation facilities available to develop them to their fullest extent. This not only includes industrial highways, tourist and

recreational roads, but also air transportation. In today's modern era of business development, the airplane is the corporate tool for continued expansion. Air facilities developed to take advantage of this can also be used to develop additional recreational potentials.

To prepare our preliminary rough draft of the economic needs for Minnesota's portion of the Upper Great Lakes region we are bringing into direct involvement not only the immediate state family, but citizen groups, public and private organizations, chambers of commerce and individuals who have an interest or a thought in improving the basic economy of the region.

Along this line we have also traveled to Washington to talk with our state delegation; our two senators and the three congressmen from the portion of the state involved and have asked their guidance, suggestions and help in building a package which will not only be a credit to the state, but will have an overall accomplishment of which we can all be proud.

With three states containing the outstanding governmental manpower available to us on both a federal and state level, and with the individual creativity of our citizens, the future of Minnesota and our two sister states, Michigan and Wisconsin, is unlimited.

* * * * *

By George Romney Governor of Michigan

When the Upper Lakes Regional Commission was organized, we ignited what we hoped would be a chain reaction for progress in our three states of the Upper Great Lakes Region.

We hope this chain reaction can help bring new opportunity to the people of this great but relatively undeveloped northern area. We also hope that we are starting a new chain reaction in Federal-state relationships. Our goal is to build a coalition of concerned states which will work together with the Federal Government in true partnership to help solve serious regional economic problems.

At this point, much of the Commission's work still is to be done.

We have a big job. We confront a multitude of economic problems --

and we have many studies to tell us what they are -- transportation, communication, finance, education, recreation, resource utilization, development of business and industry. These are regional problems -- they overlap the boundaries of our states and reappear all over the Great Lakes Area.

Regional action is a supplement but not a substitute for local action. Governmental action is no substitute for private action. For if this chain reaction for progress is going to work, it has to start at the right end of the chain. Therefore, I have appointed a task force of leading citizens to communicate and cooperate with the Commission in Michigan. Economic progress begins with the people and their private organizations. It grows from the bottom up. Government can help or hinder progress; and we mean to help it -- but government can never supply the drive, energy, and creativity of the people themselves.

And if this Commission, by forging a true partnership among our states and the Federal Government, can tap that drive, that energy, and that creativity, our chain reaction will light new paths to progress not only for the people of the Upper Great Lakes Area but for all the people, all three states and the country itself.

* * * * *

THE COMMISSION IS FORMED

We have come to recognize that economic problems assume many sizes and shapes. Some are purely local, some are state-wide, some are regional and some are national in scope. Each kind of economic problem presents a different challenge and each demands a different approach.

Of recent origin has been the recognition that certain economic problems transcend state and local boundaries and require a regional approach. This recognition was translated into legislation in the Public Works and Economic Development Act of 1965 which provided for the creation of Regional Commissions which could mount a multi-state assault on economic problems.

These Commissions were designed to help regions of America which have common cultural and geographic ties and whose economies were lagging behind the rest of the nation. The Upper Great Lakes Region is precisely such an area. It has a common geographic, cultural, historic and economic relationship. States in the Region are linked by the Greak Lakes. The Region shared an economic boom during the first third of the Twentieth Century. It has shared an economic decline in more recent years.

1

Acting in response to requests from the governors of Michigan, Minnesota and Wisconsin, the Secretary of Commerce designated the Upper Great Lakes Economic Development Region on March 3, 1965. This paved the way for the formal organization of the Upper Great Lakes Regional Commission on April 11, 1967. The Region consists of a 119-county area, covering 116,000 square miles, with a population of 2,700,000 persons. The economy of the region has followed the classic "boom and bust" tradition. For nearly 50 years the Region's economy had boomed during a time when its rich natural resources were being exploited to satisfy the nation's industrial needs. Little thought was given to the future. By mid-century, the mineral and timber resources of the Region were seriously depleted. Economic stagnation set in. The statistics told a bleak story.

The Statistics

Between 1950 and 1960 the Region's population grew only 4.8 percent while the nation's population grew 18.5 percent.

More than 250,000 people migrated from the Region between 1950 and 1960, most of them young and vigorous persons who sought economic opportunities elsewhere.

Unemployment in the Region was nearly double the national average.

Median family income in the Region was \$4735 in 1960, nearly \$1000 below the national median family income level.

Local and state efforts had previously been made to do something about the unhealthy economic situation in the Region. Creation of the Upper Great Lakes Regional Commission provided the first opportunity to make a multi-state approach to the problem and to seek regional solutions instead of local pallatives. The Commission was a new kind of instrument which enabled the Federal Government to work in close partnership with the States in this economic effort. Membership of the Commission reflects the Federal-State partnership. State members are Governor George Romney of Michigan, Governor Harold LeVander of Minnesota, and Governor Warren P. Knowles of Wisconsin who is also State Cochairman. Thomas S. Francis, a Presidential appointee, is Federal Cochairman.

When it was organized, the Commission was given the task of identifying the economic problems and potentials of the Region and of recommending public investment programs to stimulate the lagging economy of the Region. Thus, the Commission had a dual mission, involving both planning and action. It was to utilize the best elements of the planning process in order to formulate an action program designed to bring a better life to the people of the Region.

The Timetable

This was an important and urgent mandate. To fulfill the mandate, the Commission adopted the following timetable during its organizational meeting held April 11, 1967:

Task Force groups already established by each Governor were to make an inventory of economic needs based on past planning and to submit reports by August 1, 1967.

A preliminary regional report was to be completed by November 1, 1967.

The Commission's first report and recommendations were to be completed by January 1968.

With the formal organization of the Commission completed, and a timetable established, the States and the Commission set to work.

CHAPTER II

THE WORK STARTS

As it began its work, the Upper Great Lakes Regional Commission was guided by its dual mandate which demanded both planning and action. In working toward its goal of bringing a more prosperous life to the people of the Region, the Commission determined that action would go hand in hand with planning.

The Commission was able to adopt this approach because of the unique characteristics of the Upper Great Lakes Region. Public and private agencies within the Region had been in the forefront of the American planning movement. A wealth of economic planning and research had already been done on regional problems.

Accordingly, the Commission adopted an approach which would take into account the previous economic planning in the Region and which would build on that past work to rapidly develop an action program for the future.

1 1 1

This approach would fulfill the dual planning and action mandate of the Commission.

The Planning

On the planning front, the first step was to make a determination of the extent of previous planning which had been done on economic problems in the Region. The Upper Midwest Research and Development Council, of Minneapolis, Minnesota was commissioned to make a survey of economic research studies which had been performed in the Region since the end of World War II. The survey disclosed that a total of 761 studies of local, State and regional economic problems had been done by public and private groups during the period. This finding demonstrated that the Upper Great Lakes Regional Commission could start from an advanced planning base as it began the task of formulating a comprehensive economic development plan. The survey also disclosed that most previous economic planning had dealt with local or State problems. There had been little economic thinking done on a regional basis.

It became clear then, that one mission of the Upper Great Lakes Regional Commission would be to stimulate and generate economic studies for the Region as a whole. Several steps were taken to accomplish the desired regional planning approach.

Through its coordinating function, the Commission helped establish working relationships between officials of the three state governments so that they could develop regional plans in specific subject areas. For example, highway department officials from the three states began work on a regional road plan.

To obtain a contemporary statistical profile of the entire region, which was an essential element in the planning process, the Commission called on the resources of the Office of Regional Development Planning in the U.S. Department of Commerce. ORDP specialists traveled to the states to gather new data and utilized the most modern computer techniques to start developing a statistical picture of the Region as it is today.

To involve private organizations in the planning effort, liaison was established with existing groups which had been active in the field of economic development, particularly those which dealt with the region as a whole. Typical of such groups was the Northern Great Lakes Resource Development Committee which began work on a special study for the Commission.

To enlist the planning resources of the Region's great universities, a conference was held attended by academicians from the three states who contributed their economic thinking to the Commission.

The Action

On the action front, the first step was the establishment of Task Force groups by the governors of each state. A top state government official was appointed by the governors to head each Task Force which was composed of various state government department heads. The Task Force groups were directed to identify the major economic needs in their portions of the Region on the basis of past planning and to submit proposals for action projects which would help meet these needs.

In Washington, the Federal Cochairman established working relationships with various Federal agencies. Appropriate Federal agencies were invited to submit proposals for action projects which would stimulate economic development in the Region.

A similar invitation was extended to members of the Congressional Delegation representing the Region, who were asked to suggest action projects which would benefit the regional economy.

Previous studies had strongly indicated that development of the tourism industry represented a major potential for improving the Region's economy. To determine the tourism potential of the Region, and to provide guidelines for launching action projects, the commission launched a tourism project designed to give a more accurate picture of the present and future of tourism.

Thus the work got underway. The wheels were put in motion for the creation of an economic development program for the Upper Great Lakes Region. Planning and action were coordinated as the Commission moved toward its goal.

Chapter III

THE FIRST RESULTS

During its first six months, the Upper Great Lakes Regional Commission has moved closer toward its goal of formulating an economic development program for the Region. Working in partnership, and impelled by the urgency of the Region's economic problems, the State and Federal officials associated with the Commission have cooperated to achieve these first results:

State Task Force groups have completed their inventory of economic needs in the Region.

A "Combined States Report" was submitted to the Commission listing the most immediate needs of the Region.

The first regional highway plan has been completed.

A new statistical profile of the Region was completed, providing contemporary data on the regional economy.

A study was completed which identified the tourism potential of the region and provided guidelines for future tourism development.

Work is well advanced on the Commission's preliminary regional report and recommendations.

Each State Task Force completed its Inventory of Needs ahead of schedule and submitted reports to the Commission during a meeting held July 26, 1967 on Mackinac Island, Michigan. The inventory was based largely on past economic planning which had been done in each State. The three Task Force groups translated the long-range economic needs of the Region into projects which would help meet these needs.

The Task Forces also produced a "Combined States Report" which was a joint effort. This "Combined States Report" utilized economic development criteria to identify more immediate needs and listed high priority action projects. This report was also submitted to the Commission on July 26, 1967 and is now undergoing extensive review by the States, by the Federal Cochairman, by private groups in the Region, and by various Federal interests. It will be an important element in the formulation of the Commission's first program of action projects.

Work performed jointly by the highway departments of Michigan, Minnesota, and Wisconsin resulted in the completion of a plan for accelerating construction of a "Backbone" system of new highways needed to improve the Region's transportation base. The highway group also identified specific road projects which they recommended should be given priority in any new road construction program for the Region. These recommendations will also help in formulation of the Commission's first program of action projects.

New Statistics

To proceed intelligently with the formulation of an economic development program, it was necessary for the Commission to obtain the latest available economic statistics for the Region. Statistical material provided by the 1960 Census was compiled prior to the organization of the Commission to demonstrate the need for an economic development program in the Region. These statistics showed that the regional economy was lagging behind the rest of the nation in 1960 and helped identify economic problems as of that date. New data was needed to determine whether the region's economic situation had changed, and if so, whether such changes would require a different approach to the Region's economic difficulties. Skilled statisticians and modern computers assembled the latest available economic data for the Region. The new statistical profile, and its various economic indices, are outlined in detail in Chapter V of this report. They showed that the Region's economy was still lagging far behind that of the nation, that the labor force was stagnant, and that outmigration was still a serious problem. The new data will enable the Commission to proceed in the formulation of its action program on the basis of the most up to date economic data.

The completion of a Tourism Study also provided the Commission with vital new data on which to base an important element of its program. Previous studies had indicated that the tourist industry held great potential for the economic health of the Region. Data collected in the course of the new study gave for the first

time, a clearer picture of what tourism contributes to the Region today. More importantly, it showed how a proper tourism development program could energize the regional economy. Details of the Tourism Development Study are contained in Chapter VI of this report.

With this new material in hand--the Task Force reports, the highway plan, the statistical profile and the Tourism Study--the Commission proceeded toward its main task. It began the job of pulling the material together and formulating a plan and a program aimed at generating more jobs and a higher income for the people of the Region.

TOWARD AN ACTION PROGRAM

Having identified the major problems and potentials of the Upper Great Lakes Region, the Commission is now engaged in formulating a plan and an early program of action which will seek to solve some of the problems and exploit the potentials.

The strategy for doing this is to develop a public investment program which will trigger maximum private investment and thus stimulate healthy economic growth.

New statistical data compiled by the Commission graphically portray the Region's problems. The labor force is stagnant, unemployment is high, income is low, and vigorous young workers are leaving the Region in search of economic opportunities elsewhere. Some of the rich natural resources which once contributed to the Region's economic vitality are depleted.

Despite these problems, the Upper Great Lakes Region has great potential. Its enterprising and resourceful people are a major asset. Its lakes and woods are a natural recreation playground which can play a major role in the development of tourism. Many natural, including timber and minerals, resources are still present and can contribute to economic development if properly identified.

State Task Forces, various Federal agencies, private groups and members of the Region's Congressional Delegation have submitted recommendations to the Commission for an early action program which will help unlock the Region's potential.

These project proposals in the early plan fall into the general categories of industrial development, tourism development, agricultural development and transportation development.

The Commission is examining these proposals, to determine how they would meet the needs of the Region and help exploit its potentials. Much prosaic work and fact-finding is involved in this examination process. A major element is to determine how these proposals could be meshed with ongoing Federal and State programs and how the Commission can play a coordinating role in formulating an economic development program for the Region.

As stated previously, the Commission is involved in preparing both an early program for the short range while it proceeds with the long-range task of formulating a comprehensive long-range economic development plan for the Region.

Technical Assistance

To make a start on action projects, the Commission is considering technical assistance projects of two types which can be financed with funds already appropriated by Congress. They are:

- 1. Projects involving basic work which must be done to unlock the Region's economic development potentials and pave the way for private investment.
- 2. Projects which will carry past research findings into an experimental-demonstration phase.

Examples of the first type of basic project are programs of minerals mapping in areas of promise. Such geologic mapping would help make a determination of areas where it would be profitable for private enterprise to launch new mining ventures to exploit the mineral resources of the Region. Another example is forest mapping. Detailed timber inventories and type maps do not exist in large areas of the Region, and the completion of such maps would stimulate development of new forestry enterprises.

Examples of the second type of technical assistance projects are proposals to establish a lake renewal demonstration project in the State of Wisconsin. Many of the once sparkling inland lakes in the Region have become badly polluted and are deteriorating. Under this project, methods would be sought to curb lake pollution and restore the purity of the inland lakes in order to enhance their recreational use. A similar experimental-demonstration project, concerned with timber harvesting, is being prepared by the State of Michigan. The project would seek more efficient methods of cutting, grading, sorting and marketing the timber resources of the Region.

The knowledge gained by the Commission in launching these initial technical assistance projects will be invaluable as the Commission proceeds to develop its short and long range economic development program for the Region. At the same time, the existence of these first technical assistance projects will be tangible evidence of the benefits which can be derived from the Commission's Federal-State Partnership Program.

A significant coordinating role is also being carried out at this time by the Commission. The proposed Early Action Program contained in the Combined States Report has been submitted to various Federal agencies for comment and review. A major purpose of this review will be to determine how some of the economic needs identified by the States can be met under existing Federal programs. On the state level, working groups composed of specialists in such fields as natural resources, education, conservation and tourism have been established under the Commission's coordinating function. They are examining the Early Action Program to refine the project proposals and to make a determination of their regional impact.

The preliminary regional report of the Commission, scheduled for completion this year, will contain initial findings about the problems and potentials of the Region. It will develop technical assistance projects and discuss the Early Action Program.

The Commission itself will prepare its first report and recommendations by January, 1968. This initial Commission report will pave the way for the action vitally needed to reverse the economic downtrend in the Region and to make a start toward the goal of providing more jobs and higher income for the people of the Upper Great Lakes.

Chapter V

THE REGION TODAY

A new statistical profile of the Upper Great Lakes Region as it exists today has been assembled by the Upper Great Lakes Regional Commission.

The data provides striking new evidence that the economy of the Upper Great Lakes Region is lagging behind the rest of the nation. It also provides the Commission with solid information on which to build a program designed to stimulate the Region's economy.

Statistical evidence provided by the 1960 Census was used as a basis for the designation of the Upper Great Lakes Economic Development Region. That data showed that the Region had a slow growth rate, a high rate of outmigration, a static labor force and a high rate of unemployment. Before starting to devise a program to attack these serious economic problems, the Commission sought more recent data to guide its work. It was important to know if there had been any substantial economic changes in the Region between 1960 and today.

Skilled statisticians in the Commerce Department Office of Regional Development Planning went to work gathering up-to-date facts in the Region and with the use of modern computer techniques helped assemble the new statistical profile. The new information showed that there had been no improvement in the Regional economy. On the contrary, the long-term economic decline had continued. Here are highlights from the new statistical profile, showing the economic condition of the Region today:

The labor force is stagnant in the Region, showing no growth in the face of a rapidly rising national labor force.

The precipitous decline in agricultural employment continued. This decline was only partially offset by increases in employment in services.

Unemployment remained at a high level, nearly twice as great as unemployment for the nation as a whole.

Outmigration is a serious problem as young people continue to leave the Region and seek economic opportunities elsewhere.

The Region has an unfavorable industrial mix, with a preponderance of slow-growth industries.

The new material gathered by the ORDP statisticians, when assembled with other material available to the Commission, allows us to gain an accurate picture of the Upper Great Lakes Region as it exists today.

Outmigration Continues

The Region consists of 119 counties, spread over 116,000 square miles in the upper portions of Michigan, Minnesota and Wisconsin and linked by the Great Lakes. The population, estimated at 2,700,000, consists of resourceful, hard-working people who have been buffeted by economic circumstances. They love the water and woodlands of the Region, yet 300,000 of them have been forced to abandon the region in the past 17 years. A quarter of a million persons migrated from the Region during the 1950-60 decade. New data shows that another 50,000 migrated between 1960 and today. Most of those who left were vigorous young people who could not find jobs at home.

Life is difficult for many of those who have remained in the Region. New data showed that unemployment in the Region was 7.3 percent in March of 1966, compared to a national unemployment rate of 3.9 percent. Preliminary data for 1967 indicates that the unemployment picture has worsened somewhat. During temporary recession periods the people of the Region are especially hard hit. Unemployment rose to 10 percent in the Region during the 1962 recession, while it increased only to 6.2 percent in the nation.

The employment picture is brighter, of course, in some specific parts of the Region. This is especially true in the more urbanized growth centers. But in other sections of the Region, jobs are very scarce. For example, preliminary statistics for March of 1967 showed that unemployment was 10.9 percent in the Upper Peninsula of Michigan.

The high rate of unemployment in the Upper Great Lakes Region-nearly twice the national average--is a reflection of the stagnant labor market of the Region. There was virtually no change in total jobs in the Region between 1960 and 1966. In 1960 there were 881,602 persons at work in the Region, while the new data shows 883,474 persons

working in 1966. This means that there were only 1872 net new jobs created in the Region during the six year period. During an earlier period, the decade between 1950 and 1960, jobs in the Region grew only by 1.7 percent while national job growth was 14.8 percent.

Because of the stagnant labor market in the Region, the labor participation rate (percentage of population in the labor force) is low. The labor participation rate for the Region is 50.6 percent today, compared to the national rate of 54.7 percent.

A closer look at the Region's employment patterns revealed some significant trends. There has been a sharp decline in farm employment, somewhat exceeding the national decline. This agricultural job loss has only partly been offset by growth in manufacturing and service industry jobs. Farming employment dropped from 256,813 in 1950 to 121,294 in 1966. Today farming accounts for only 13.7 percent of the jobs in the Region, as opposed to 17 percent in 1960 and 28 percent in 1950.

Mining Declines

Mining, another basic industry in the Region, is also providing fewer jobs today. Mining employment dropped from 29,698 in 1960 to 21,425 in 1966. It is significant to note that there were some 30,000 mining jobs in the Upper Peninsula of Michigan alone during the peak years prior to World War II. Today mining accounts for only 2.4 percent of the jobs in the entire Region. The mining employment picture would be darker, except for taconite development which has slowed the mining job decline but which holds no great job creation promise for the long-run.

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Total employment in the Region has remained steady in recent years only because of the growth of jobs in services. Employment in services grew from 244,518 in 1950 to 391,597 in 1966. During this same period manufacturing employment remained constant.

Because of these factors, the Region's labor force has remained virtually unchanged. It was stagnant between 1962 and 1966, in sharp contrast to the United States as a whole which increased its labor force by 6.2 percent during the four year period. Demographic factors indicate that the Upper Great Lakes Region experienced an out-migration of labor during this period, perhaps in the range of 40,000 workers over the past five years.

Compared to the United States and to its neighboring subregions, the economy of the Upper Great Lakes Region shows a lack of dynamism, resulting in an outflow of manpower to more prosperous geographical areas outside the Region. This has the serious drawback of reducing the Region's most important asset, its human resources. The negative impact on the Region is compounded by a disproportionate outflow of young and skilled manpower, thus contributing to a further downward drift of an already depressed area.

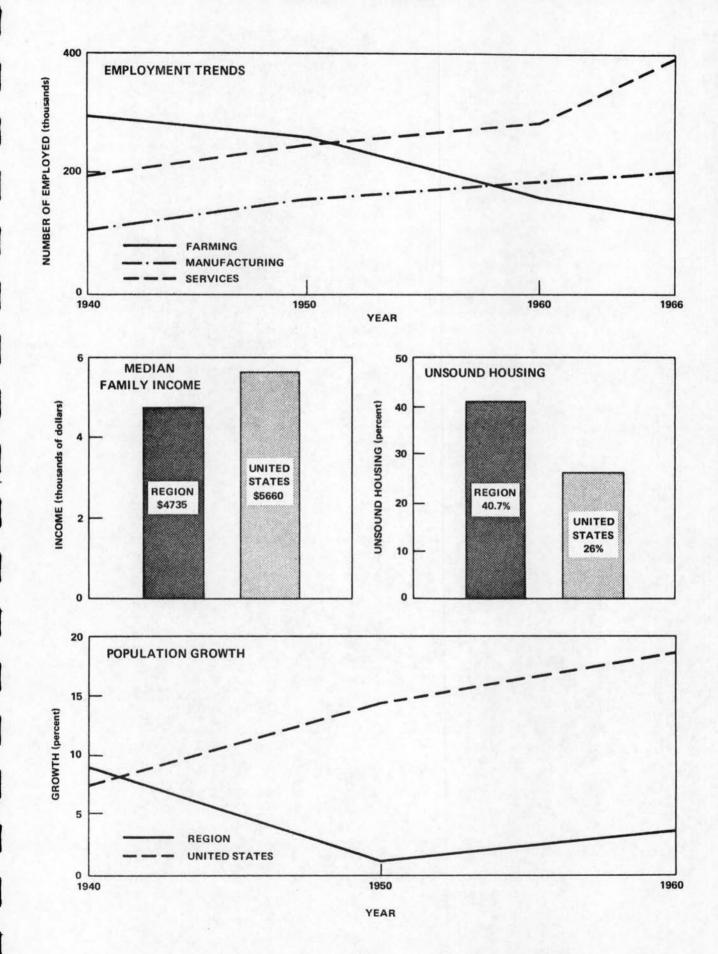
An unfavorable industrial mix is evident when the Region is compared to the United States and to the remaining portions of the three states. The preponderance of slow growth industries—such as agriculture, mining, fisheries and lumber—which is prevalent in the Region reflects this unfavorable economic situation. Compared to the nation, the absence of growth industries is a significant characteristic of the Upper Great Lakes Region.

The Personal Meaning

The stagnant labor market and the lack of new jobs has a deep personal meaning to the residents of the Region. It means that 26.8 percent of them have annual family incomes below the poverty level of \$3000. It means that median family income in the Region is \$4735, nearly \$1000 below the national level. It means that more than 40 percent of the housing in which they live is unsound. It means that the median number of school years completed by residents of the Region is 9.7 compared to 10.6 for the nation.

This new statistical profile assembled by the Upper Great Lakes Regional Commission pictures a Region troubled by high unemployment, low income, and no job growth. It is a Region whose vitality is being sapped by a steady hemorrhage of skilled young workers.

The challenge is to revitalize the Region by creating new jobs and higher incomes and thus bring to a halt the manpower exodus.



EMPLOYMENT PROFILE: UPPER GREAT LAKES REGION - 1940-1966

Number of Workers

	1966	1960	1950	1940
Agriculture, Forestry, Fisheries	121,294	153,079	256,813	289,160
Mining	21,425	26,689	28,479	19,431
Contract Construction	26,300	49,151	45,027	27,188
Manufacturing	156,819	183,248	157,133	107,153
Food and Kindred Products Textiles and Apparel	24,839 7,081	29,881 7,397	23,128 6,887	16,491 3,739
Lumber, Wood Products, Furn. Chemicals and Allied Products	22,037 3,148	28,191 4,527	36,435 3,776	21,271 2,778
Machinery Transportation Equipment	18,382 8,724	21,517 9,857	11,963 7,009	4,347 3,353
Other Manufacturing	72,608	81,878	67,935	45,174
Other non-Manufacturing	557,636	466,435	409,758	322,453
Trade Finance, Insurance, Real	144,417	161,343	149,865	111,604
Estate Service and other non-Mfg.	21,622 391,597	21,419 283,673	15,375 244,518	11,298 199,551
Total Employment	883,474	881,602	897,210	765,385
Unemployment	68,662	64,590	46,258	TO A THE

Note: 1940-1960 data are based on the Decennial Censuses of Population; those for 1966 are from the Bureau of Employment Security of the Department of Labor and affiliated State Employment Security Offices.

EMPLOYMENT PROFILE: UPPER GREAT LAKES REGION 1940-1966

Percent of Labor Force

	1966	1960	1950	1940
	%	%	%	%
Agriculture, Forestry, Fisheries	13.7	17.3	28.6	37.8
Mining	2.4	3.4	3.2	2.5
Contract Construction	3.0	5.6	5.0	3.6
Manufacturing	17.8	20.8	17.5	14.0
Food and Kindred Products	2.8	3.4	2.6	2.1
Textiles and Apparel	0.8	0.8	0.8	0.5
Lumber, Wood Products, Furn.	2.5	3.2	4.0	4.1
Chemicals and Allied Products	0.4	0.5	0.4	0.4
Machinery	2.1	2.4	1.3	0.6
Transportation Equipment	1.0	1.1	0.8	0.4
Other Manufacturing	8.2	9.2	7.6	5.9
Other non-Manufacturing	63.1	52.9	45.7	42.1
Trade	16.4	18.3	16.7	14.6
Finance, Insurance,				
Real Estate	2.4	2.4	1.7	1.5
Service and other non-Mfg.	44.3	32.2	27.3	26.0
Total Employment	100.0	100.0	100.0	100.0

Note: 1940-1960 data are based on the Decennial Censuses of Population; those for 1966 are from the Bureau of Employment Security of the Department of Labor and affiliated State Employment Security Offices.

A NEW LOOK AT TOURISM

Commercial tourism is already a healthy and growing industry in the Upper Great Lakes Region. But its potential has hardly been tapped. Tourism can become a major force in energizing the economy of the Region.

The foregoing paragraph summarizes the findings of an important new tourism study undertaken for the Upper Great Lakes Regional Commission. There is general agreement that tourism holds great potential for the Region. But before developing action projects to tap this potential, the Commission needed the best available data on which to base its programs. Information was needed on exactly what tourism means to the Region today, and what it could mean in the future if properly developed.

To obtain this information, tourism experts gathered new information in the Region, consulted existing studies and applied sophisticated statistical tools in order to make projections about the future of tourism. The resulting data represents the first attempt to establish the size, scope, and potential of commercial tourism in the 119 counties of Michigan, Minnesota, and Wisconsin which make up the Upper Great Lakes Region. The study dealt only with commercial tourism, and did not cover the considerable economic impact of tourists who come to the Region and stay in non-commercial facilities, such as trailers and tents.

The project uncovered these significant facts:

Tourism in the Region already exceeds \$300 million a year.

This year alone five million tourists will visit the Region and stay in Commercial establishments.

Commercial tourism is growing at the rate of eight percent annually in the Region.

A purposeful program of tourism development could sharply increase commercial tourism in the Region. By 1977, the Region could attract 12 million tourists annually who would spend almost \$2 billion a year in the Region.

Tourism is already of great economic importance to the Upper Great Lakes because the Region contains specific and definite attractions for both tourists and recreationists. These attractions include the opportunity to get away from it all--woods, lakes, fishing, winter sports, among others. The Region does not have to start from scratch in the tourist business. It already has in existence a "plant" or a combination of facilities that it can build upon. Its existing facilities and attractions appeal to, and draw upon, the travel hungry and recreation hungry markets of the United States.

At the present time there are approximately 169,000 accommodation units for tourists in the Region. These accommodations are typically in small motels, small hotels, and small resorts. The average size is ten rooms or cabins per establishment. Many of the existing accommodations are underfinanced and obsolescence is prevalent.

Low Spending

At present, the Region is generally attracting a low spending tourist. The average expenditure is estimated to be only about nine dollars a day per tourist, including between two dollars and three dollars a day for accommodations. These low spending tourists tend to hold down the wages which labor is paid.

Another problem is seasonality. This is an especially grave problem in the Upper Great Lakes Region, and one which dwarfs all the others. The average occupancy rate of tourist facilities in the Region is estimated to be only about 25 percent on an annual basis. This is because the vast majority of the tourist business is done during the warm weather months.

Because of low wage rates, and because most accommodations are shut down during the winter, there is little incentive for local workers to take jobs in the tourist businesses of the Region. As a result, tourist accommodations are heavily staffed with summer employed college students who typically do not spend their wages in the Region.

Despite these difficulties, our studies show that with a proper development program, the tourism business in the Region can be increased by over 500 percent during the next decade.

Tourism in the Region is not static and in recent years it has been growing at an estimated rate of approximately eight percent a year. With a carefully designed, adequately financed, and well promoted development program, this rate of increase could be accelerated to 12 percent a year in a decade.

This projected rate of increase is not theoretical. In the tourist business, regions are usually regarded as growing "rapidly" if expenditures increase between 10 and 15 percent a year. Even without a cohesive and effective regional tourism development program, the Upper Great Lakes Region has been getting a creditable tourist business growth rate. Considering the Region's attractions, the growth rate could be stepped up. This will not happen automatically, and will probably require a major overhaul and expansion of tourist facilities. As mentioned earlier, an increase in the growth rate of tourism could mean that by 1977 a total of 12 million tourists would visit the Region every year. These tourists would spend almost \$2 billion a year. This additional tourist spending would have great impact on the economy by 1977. For instance, tourist spending in this magnitude would result in a direct increase in the Region's payrolls of approximately \$400 million a year.

Impact on Economy

The precise effect on the Region's total income cannot be made at this point without further detailed studies. However, a rise in tourist spending to about \$2 billion a year would generate close to \$5 billion in additional economic activity. Such an increase in new business, pro-rated among the Region's population, would be the equivalent of putting more than \$1,500 a year in the pocket of every inhabitant of the Region.

In order to accommodate such an influx of additional tourists, the Region would have to overhaul much of its existing accommodations, and would have to build new ones at a rapidly increasing rate. For example, it is estimated that about two-thirds of the existing 169,000 rooms in the Region would have to be renovated and improved so as to make it possible to extend the tourist season. Approximately 65,000 new rooms would have to be built.

An expansion of rooms, by itself will not do the job. There is a real need to expand and improve hotels, motels, resorts, and other forms of accommodations. At the same time, a so-called "infrastructure would have to be developed to serve the existing and additional tourist facilities. By "infrastructure" is meant access roads, sewer and water systems, and installations of power and phone lines.

The cost of renovating and winterizing existing tourist facilities would be about \$225 million. This upgrading, combined with an effective tourism development program, should make it possible to increase the average annual occupancy rate in existing tourist establishments to about 40 to 50 percent.

The cost of building needed new rooms will be about \$650 million. The cost of infrastructure needed to support the improved existing tourist facilities would be about \$45 million. It will cost about \$130 million in infrastructure for the proposed new accommodations.

Capital Requirements

In other words, it will be quite costly to mount a major tourism development program in the region. The total capital requirements could be summarized as follows:

Capital required to improve existing facilities and develop new facilities -- \$875 million.

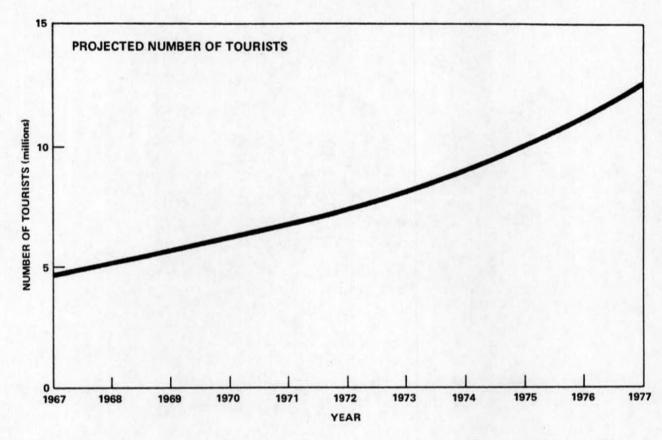
Capital required for infrastructure -- \$175 million.

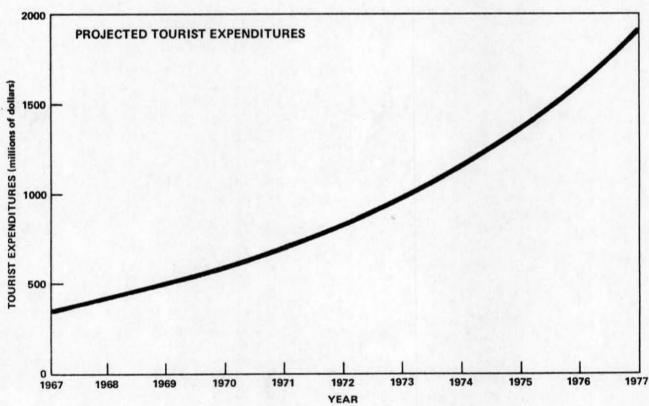
Total \$1,050,000,000.

Mobilizing this amount of capital presents major problems. On the other hand, the goal is well worth the investment. Such an investment program, it is estimated, would help the tourism business reach a level of 12 million tourists annually by 1977, who would spend \$2 billion a year in the Region.

It was not the intent of this study to formulate a regional tourism development program. The study was designed to show what tourism means to the Region today and what it can mean to the Region in the future.

With this study as a starting point, the Commission intends to launch a series of discussions aimed at helping develop a program which would help the Upper Great Lakes Region realize its tourist potential.





SUMMARY -- PROJECTED COMMERCIAL TOURIST BUSINESS UPPER GREAT LAKES REGION

UPPER GREAT LAKE COUNTIES	TOUR	MBER OF ISTS 11ions	,	ACCC	MBER OMMODAT	ION	TOU	OTAL RIST OITURES	
	1964	1967	1977	1964	1967	1977	1964	1967	1977
	1904	1907	1911	1704	1,0,	2711			
Michigan (45 counties)	1.38	1.73	4.6	48.5	61.1	84.7	\$ 88.3	\$124.4	\$686.8
Wisconsin (36 Counties)	1.42	1.78	4.6	49.8	62.7	87.0	\$ 91.0	\$128.2	\$707.7
Minnestoa (38 Counties)	1.01	1.27	3.3	35.6	44.9	62.2	\$ 65.0	\$ 91.6	\$505.5
Total - Region (119 Counties)	3.81	4.78	12.5	133.9	168.7	233.9	\$244.3	\$344.2	\$1,900.0

Michigan

The Commercial Tourist Business in 45 Counties 1964

	Total	Number	Total
COUNTIES IN UPPER	Accommodation	of	Tourist
GREAT LAKES REGION	Units	Tourists	Expenditures
Oldstr. Inadio 101011011	011200	10011000	napenareares
Alcona	371	10,578	\$ 675,795
Alger	681	19,412	1,240,177
Alpena	1,055	30,085	1,922,014
Antrim	2,224	63,428	4,052,226
Arenac	218	6,227	397,845
Baraga	177	5,045	322,367
Benzie	887	25,281	1,615,124
Charlevoix	2,343	66,800	4,267,633
Cheboygan	3,111	88,721	5,668,092
Chippewa	2,998	85,485	5,461,378
Clare	769		
Crawford	681	21,942	1,401,837
		19,407	1,239,859
Delta	1,153	32,867	2,099,788
Dickinson	606	17,287	1,104,382
Emmet	3,045	86,817	5,546,502
Gladwin	68	1,941	124,028
Gogebic	989	28,191	1,801,060
Grand Traverse	3,159	90,091	5,755,654
Houghton	643	18,340	1,171,696
Iosco	1,544	44,029	2,812,898
Iron	500	14,260	911,025
Kalkaska	223	6,367	406,749
Keweenaw	162	4,621	295,230
Lake	253	7,205	460,283
Leelanau	1,172	33,425	2,135,406
Luce	491	13,999	894,382
Mackinac	3,315	94,538	6,039,753
Manistee	1,360	38,784	2,477,809
Marquette	1,642	46,809	2,990,459
Mason	1,260	35,930	2,295,477
Mecosta	406	11,587	740,247
Menominee	290	8,282	529,081
Missaukee	159	4,543	290,247
Montmorency	291	8,290	529,611
Newaygo	218	6,207	396,572
Oceana	348	9,918	633,604
Ogemaw	603	17,192	1,098,339
Ontonagon	827	23,579	1,506,360
Osceola	153	4,367	279,011
Oscoda	275	7,835	500,565
Otsego	1,740	49,611	3,169,505
Presque Isle	568	16,190	1,034,311
Roscommon	2,548	72,670	4,642,686
Schoolcraft	1,073	30,591	1,954,346
Wexford	1,853	52,840	The state of the s
	The state of the s	· · · · · · · · · · · · · · · · · · ·	3,375,795
TOTAL 45 Counties	48,451	1,381,614	\$88,267,208

Minnesota

The Commercial Tourist Business in 38 Counties

1964

	Total	Number	Total
COUNTIES IN UPPER	Accommodation	of	Tourist
GREAT LAKES REGION	Units	Tourists	Expenditures
Aitkin	1,490	42,488	\$ 2,719,248
Becker	1,530	43,629	2,792,248
Beltrami Beltrami	1,800	51,328	3,285,000
Benton	60	1,711	109,504
Carlton	310	8,840	565,752
Cass	4,500	128,320	8,212,504
Chisago	290	8,270	529,248
Clay	60	1,711	109,504
Clearwater	130	3,707	237,248
Cook	1,220	34,789	2,226,504
Crow Wing	4,170	118,910	7,610,248
Douglas	1,800	51,328	3,285,000
Grant	110	3,136	200,752
Hubbard	2,320	66,156	4,234,000
Isanti	80	2,281	146,000
Itasca	2,890	82,410	5,274,248
Kanabec	170	4,848	310,248
Kittson	120	3,422	219,000
Koochiching	810	23,098	1,478,248
Lake	760	21,672	1,387,000
Lake of the Woods	350	9,980	638,752
Mahnomen	280	7,984	511,000
Marshall	70	1,996	127,752
Mille Lacs	720	20,531	1,314,000
Morrison	430	12,262	784,752
Norman	50	1,426	91,248
Otter Tail	2,550	72,715	4,653,752
Pennington	80	2,281	146,000
Pine	300	8,555	547,504
Polk	340	9,694	620,504
Red Lake	20	570	36,504
Roseau	110	3,137	200,752
St. Louis	4,100	116,914	7,482,504
Sherburne	120	3,422	219,000
Stearns	1,000	28,516	1,825,000
Todd	230	6,559	419,752
Wadena	180	5,133	328,504
Wilkin	60	1,711	109,504
TOTAL 38 Counties	35,610	1,015,441	\$64,988,288

Wisconsin

The Commercial Tourist Business in 35 Counties

1964

	Total	Number	Total
COUNTIES IN UPPER	Accommodation	of	Tourist
GREAT LAKES REGION	Units	Tourists	Expenditures
Adams	237	6,758	\$ 432,528
Ashland	876	24,980	1,598,704
Barron	1,556	44,370	2,839,704
Bayfield	1,340	38,211	2,445,504
Brown	828	23,611	1,511,104
Burnett	1,675	47,764	3,056,872
Chippewa	1,014	28,915	1,850,552
Clark	184	5,247	335,800
Door	3,452	98,436	6,299,904
Douglas	1,402	39,979	2,558,648
Eau Claire	541	15,427	987,328
Florence	322	9,182	587,648
Forest	876	24,980	1,598,704
Iron	947	27,004	1,728,272
Jackson	362	10,323	660,648
Juneau	624	17,794	1,138,800
Kewaunee	113	3,222	206,224
Langlade	1,146	32,679	2,091,448
Lincoln	1,706	48,648	3,113,448
Marathon	730	20,816	1,332,248
Marinette	1,394	39,751	2,544,048
Oconto	965	27,518	1,761,128
Oneida	6,810	194,191	12,428,248
Outagamie	366	10,437	667,952
Polk	798	22,755	1,456,352
Portage	321	9,154	585,824
Price	1,249	35,616	2,279,424
Rusk	407	11,606	742,776
Sawyer	4,103	117,000	7,487,976
Shawano	938	26,748	1,711,848
Taylor	227	6,473	414,272
Vilas	8,095	230,834	14,773,376
Washburn	2,471	70,462	4,509,576
Waupaca	1,153	32,879	2,104,224
Wood	621	17,708	1,133,328
TOTAL - 35 Counties	49,849	1,421,478	\$90,974,440

Note: Menominee County excluded from table because it has no tourist units

THE PLANNING HERITAGE

To be fully effective, economic development projects cannot be done on an ad hoc basis. They must be done in relation to an overall plan which is carefully designed to make maximum use of each project to generate new jobs and higher income.

The sophisticated new public investment programs which have emerged in the past decade have recognized the importance of planning. These new programs on the Federal and State level have required that an underdeveloped area devise an overall development plan before specific project proposals are then measured against the overall plan, and given a go-ahead only if the projects mesh with the economic development plan.

Legislation authorizing creation of Regional Commissions followed this pattern. Public investment projects must be integrated with an overall regional plan. The law requires that each Commission "...initiate and coordinate the preparation of long-range overall economic development programs..." for its region. The aim is to insure that each public investment project would address itself to a basic problem of the region, and that the various projects would build upon one another to create a new economic climate which would encourage private investment and thus contribute to the economic development of the entire region.

The planning process was not to take place in a vacuum, however. Planning was the necessary underpinning for the important action mission of the Regional Commissions. Thus, these regional bodies have come to be known as "Planning and Action Commissions", a name which aptly summarizes their dual role.

The Upper Great Lakes Regional Commission was fortunate as it approached its work because its region had a rich tradition and history of thoughtful planning. The three State Governments in the Region were in the forefront of the American planning movement, giving recognition and status to planning long before most other parts of the nation.

The Region itself was the subject of one of the first regional planning studies done under Federal auspices during the period before World War II. And in more recent years, specific problems within the Region had been the subject of many economic planning studies.

The genesis of regional planning in the Upper Great Lakes Region can be traced back to the 1930's. In 1935, shortly after its establishment, the National Resources Committee made an extensive study of Regional Factors in National Planning. This study mentioned the "Northern Lakes States Cut-over Area" as an example of an economic problem region where the coordination of Federal, State, and local programs and planning was essential. In 1938, President Franklin D. Roosevelt asked the National Resources Committee to set up a special regional planning agency, the Northern Lakes States Regional Committee. The Committee consisted of representatives of State Departments, State planning boards, and of Federal agencies; the area covered was almost identical to the present Upper Great Lakes Economic Development Region.

In 1939 the Northern Lakes States Regional Committee submitted its regional planning report to President Roosevelt. The report conveyed a list of objectives which should be attained to restore the economic vitality of the region, and suggested "policies for land use and resettlement, for the protection, reforestation, and extension of markets for the timber areas, for stabilization and rational progress in the mining industries, for regulation to conserve the fishing resource, and for public policy to increase the tourist trade resource." The Regional Committee also recommended the reorganization of local government and the creation of a permanent regional coordinating board for the Northern Lakes States. To quote the Committee's report, "The region is worth rehabilitating. It goes without saying that local people should help themselves, but the States and the Nation have enough of a stake in the Region to make it worthwhile to lend a hand ... an adjustment of many present programs is needed so as to fit them more closely to local situations, and the plans of action of all public agencies -- Federal, State, and local -- need to be brought into harmony."

Thus the Committee's intensive research into the problems of this area back in the mid 1930's led it to conclude that specific regional solutions were necessary and to propose a program of action to restore the economy of the Northern Lakes States.

State-level planning was also quite active during the 1930's in the three Upper Great Lakes States. As early as 1929, Wisconsin established a Director of Regional Planning in the State Highway Department. In 1931 the Wisconsin Legislature created the State

Regional Planning Committee, the first statutory State planning commission in the United States. In 1935 the Committee was redesignated the State Planning Board and given additional planning functions. Its duties included the assembly and interpretation of data relating to resource use and economic development, and coordination with Federal agencies in the economical use of land and natural resources and the local administration of Federal programs. Wisconsin's State planning budget in 1939 was \$65,000, one of the highest in the nation.

Minnesota and Michigan also established planning bodies in the 1930's under the impetus of the National Resources Committee. State Planning Boards were created by executive order in both these States in 1934. The Michigan board was involved in public investment planning and in the application of Federal programs. Minnesota's planning board was primarily concerned with social, economic and natural resources studies.

The war years saw a decline in regional and State economic planning. But a tradition of regional and State planning had taken root, and a body of knowledge amassed which would prove valuable in later years as the nation and the States turned once again to the problem of regional development in the Upper Great Lakes area.

After World War II the State planning function was at a low ebb throughout the nation, including the States of the Upper Great Lakes. A partial revitalization of State planning occurred following the enactment in 1954 of the Federal Housing Act. Section 701 of the Act made available Federal grants to States to aid planning programs in small communities. In 1955 the Planning Division of the Wisconsin Bureau of Engineering was authorized to receive Federal funds for this purpose. In 1957 Minnesota established a Planning Division in the Department of Business Development; and in 1960 Michigan's Department of Administration applied for Federal "701" funds for local planning.

Further innovation and change in the State planning function followed the 1959 amendment to the Federal Housing Act, which extended Federal "701" planning assistance to comprehensive State planning. Wisconsin responded in 1959 by creating a Department of Resource Development, whose legislative mandate gave it responsibility for all activities affecting growth and development, including Statewide planning. The new planning function was given direction by the Advisory Committee on State Resource Planning set up in 1960, and in

1961 the Department of Resource Development submitted an application for Federal funds to support a comprehensive State planning program.

Michigan responded to the 1959 amendment to the Federal Housing Act by applying in 1962 for a State planning grant to be employed by the Department of Administration. In 1965 the planning function was reorganized and revitalized when it was placed in the Office of Economic Expansion of the Michigan Department of Commerce.

In Minnesota, Federal "701" grants for State planning were administered by the Planning Division of the Department of Business Development. However, in 1965 the State legislature created a State Planning Agency within the Office of the Governor. The Governor now acts as the State Planning Officer, and the Agency is administered by a Director of Planning.

In recent years the three State Planning agencies have prepared or encouraged the preparation of an impressive collection of studies pertaining to the economic development of their respective States. Wisconsin's planning agencies have published more than thirty planning and economic development studies; covering the areas of population, land use, transportation, recreation and many others, as well as regional economic studies. Michigan's State Resource Planning Division has conducted similar research, the results of which are being used for policy recommendations. Michigan studies include an econometric model of the State, program designs for water resources and forest management, and research into Michigan's future transportation and manpower requirements. Minnesota's Department of Business Development has also sponsored extensive research, primarily in business and natural resource surveys. The new State Planning Agency intends to continue and to expand the work of the Department of Business Development.

In addition to planning at the State level, all three of the Upper Great Lakes States have undertaken planning and programs at the level of multi-county regions within each State. Minnesota's Iron Range Resources and Rehabilitation Commission (IRRC) was originated in 1942 and since then has planned and promoted economic activity in northeastern Minnesota, with particular emphasis on mining, agriculture, forestry, and vocational education. The IRRC represents 87 local governmental units, and is composed of State legislators from the area and of a Commissioner appointed by the Governor. Its programs are financed by a tax on iron ore sales.

Another example of multi-county regional planning in north-eastern Minnesota is the newly-established Range Regional Planning

Board, (RRPB), which consists of elected local officials in the Iron Range area. Having realized that effective planning in the Iron Range area required a stronger local planning board, the State Planning Agency submitted legislation designating the RRPB in 1967 as part of the overall State plan. The creation of the RRPB was accompanied by a series of comprehensive reports on economic development needs of the area.

Wisconsin has designated five multi-county regional planning commissions, three of which lie within the Upper Great Lakes Economic Development Region. These commissions are designated by executive order of the Governor and operate separately from the State planning agency. Thus far the multi-county planning process has consisted mainly of the preparation of studies and plans. The three regional planning commissions in the Upper Great Lakes Region are the Northwestern Wisconsin Regional Planning Commission, the Wolf River Regional Planning Commission, and the Brown County Regional Planning Commission.

The oldest and most important multi-county planning body in Michigan is the Upper Peninsula Committee for Area Progress (UPCAP). UPCAP was founded in 1961 by the local governments of the Upper Peninsula, and its representation today includes fourteen of the fifteen Upper Peninsula counties, the four universities active in the region, the six community action agencies created under the Economic Opportunity Act, and representatives from the Economic Development Administration (EDA). UPCAP's program seeks to mobilize the resources of the Upper Peninsula toward economic and social development. It assists local areas with their economic planning and development efforts, and administers a number of Federal and State action programs operating in the area.

Fully aware of this impressive planning history the Upper Great Lakes Regional Commission determined at the outset not to duplicate what had been done before in the planning field. To avoid duplication, the Commission ordered a survey of previous economic studies which had been performed in the Region since the end of World War II. The survey identified a total of 761 previous economic research studies done by public and private groups on problems within the region. This previous work gave the Commission an advanced planning base from which to begin its own planning work. The survey of previous studies uncovered another important fact; namely that the vast majority of the past planning had been done on local and state problems. Little past planning had been done on a regional basis. Thus

a major planning goal of the Commission was clear. It would provide the catalist for regional planning studies needed to develop a comprehensive economic development program, building on the abundance of State and local planning which had already been done.

In addition to the public planning bodies operating in the Upper Great Lakes region, there are a number of private and semi-private groups employed in planning.

The Upper Midwest Research and Development Council, a group affiliated with the University of Minnesota and the Federal Reserve Bank of Minneapolis, has conducted valuable research into the economic problems of the region, most notable their Upper Midwest Economic Study series. The Northern Great Lakes Resource Development Committee, a tri-state citizens' committee under the sponsorship of the Department of Agriculture, has also been concerned with identifying regional economic problems and pointing the way to solution. Many other citizens' and promotional groups could be mentioned, all of which have served a role in upgrading the region's economy.

The Upper Great Lakes Regional Commission, in formulating an economic development program for the region, is fortunate to be able to draw upon the economic planning that has been carried out for the past 35 years in these three States. The tradition of multi-state regional planning as it developed during the 1930's, and the tradition of statewide and multi-county regional planning as it has developed during the past decade, make the Commission's job less one of breaking new ground than one of building upon a strong foundation which has already been laid.

AN ECONOMIC DEVELOPMENT STRATEGY

Many other areas in the United States have suffered severe dislocations to their economies due to failing industries, resource depletion, or the adverse impact of technological change. Some of these areas have eventually been able to readjust to a new economic base and to become a productive part of the national economy again. A number of former textile centers in New England have staged such dramatic readjustments. Failing manufacturing enterprises were replaced by different types of industries in a more diversified pattern. Even in New England -- where both private supporting services and public services were already tuned to an industrial economy -the process of complete adjustment took several decades. In regions where emphasis must be shifted from a resource exploitation economy to wholly new economic activities, the readjustment process must necessarily be even longer and more agonizing, if it takes place at all. Meanwhile, people and resources remain unemployed and wasted, and the nation is deprived of the valuable productive contribution that the region is capable of making.

The challenge in these regions is to shorten the long adjustment period. In the Upper Great Lakes Region, this means that a declining mining economy must be buttressed through new mineral discoveries and improved technology for utilizing low grade ores. Even more importantly, the growth potentials of the manufacturing and tourist-serving segments of the economy must be accelerated.

The strategy for doing this in general is simple. Through a scheme of purposeful and strategic public investment, conditions must be created which will be favorable to, and stimulate, an even greater amount of private investment in productive, growth-generating industries. It is not sufficient to have resources of scenery, of climate, of water, forests, minerals, and soil, and of people if the scenery is not accessible, and the facilities to enjoy it not at hand, if the location and extent of the minerals is unknown, if the costs of transportation to outside markets discourage new enterprise, if the technology for profitably using the wood is not being applied, and if the available manpower does not have the necessary skills.

Public investment is needed on a wide front and must be purposefully applied if the conditions inhibiting private investment are to be overcome. Only in this way can the period of adjustment be shortened for the Upper Great Lakes Region.

The natural resources, such as minerals, must be explored, identified and characterized to a degree of detail that will satisfy investors and money lenders. Certain key resources -- such as fish, which is important to expansion of the tourist industries as well as in the commercial aspects -- must be deliberately built up. Tourist investment potentials must be identified, planned and made accessible to the motorist or vacationer. Existing commercial and industrial development should be encouraged to expand through responsive financing, through application of beneficial technology, and through favorable public policies and law. Transportation time between the region's centers and from them to markets outside the region must be cut by more direct and faster routes. Labor should be trained for jobs in the region rather than largely for export to other regions.

Such a public investment plan synchronized to the developmental potentials of the region has not existed. The Commission is now attempting to formulate such a plan. The general outlines of the plan are reasonably clear at this time, and some of the component parts can be spelled out in project form.

This is possible because the Region's economy -- its problems and potentials -- has been the subject of extensive study and of much discussion. As a result, some needs are not only well known, but there is general agreement on the specific measures which ought to be taken with respect to those needs. Certain action projects and technical assistance programs are of strategic importance to any larger program for stimulating economic growth. Hence it is important to initiate action, even before all of the constituent elements of a comprehensive program for economic development of the Region are spelled out in their entirety.

CHRONOLOGY

March 3, 1966	Secretary of Commerce designated the Upper Great Lakes Economic Development Region.
September 21, 1966	Thomas S. Francis sworn in as Federal Cochairman of the Upper Great Lakes Regional Commission.
October 15, 1966	Upper Midwest Research and Economic Development Council completed "Survey of Existing Economic Research in the Region" which discloses existence of 762 previous studies.
January, 1967	State Government Task Forces began work in Michigan, Minnesota and Wisconsin.
April 11, 1967	Formal organization of Upper Great Lakes Regional Commission in Madison, Wisconsin.
April 15, 1967	Highway Task Force completed report on "Highway Planning Considerations for the Upper Great Lakes Economic Development Region" which outlines "backbone" road system.
June 9-11, 1967	Commission sponsors conference on economic development at Bailey's Harbor for State Government officials and representatives of the major universities in the Region.
June 15, 1967	Highway Task Force completed Supplementary Report listing high priority highway construction projects.
July 19, 1967	New Statistical Profile of the Region is completed.
July 19, 1967	Commission Alternates met in Chicago to formulate Combined States' Report.
July 26, 1967	Commission held Quarterly Meeting on Mackinac Island, Michigan, received State Task Force reports and Combined States' Report listing high priority action project proposals.
August 28, 1967	Commission met at Lake of Ozarks, Missouri to develop guidelines and establish priorities for development of preliminary regional report.
September 8, 1967	Tourism Development Project is completed.
September 18, 1967	Harold C. Jordahl sworn in as Alternate Federal Cochairman.





State Members:

Governor Warren P. Knowles Governor Harold LeVander Governor George Romney

Federal Cochairman: Thomas S. Francis UPPER GREAT LAKES
REGIONAL COMMISSION

NEWSLETTER

2001 Wisconsin Avenue, N.W., Washington, D.C., 20235

OCTOBER, 1968

DEVELOPMENT PLAN FOR CONGRESS NOW IN FINAL STAGES THE COMMISSION IS IN THE FINAL stages of the regional development plan that it will present to the Secretary of Commerce and then to Congress. The plan is due for completion by November 15, when it will be turned over to the Secretary preparatory to submission to Congress in January of 1969. The plan is based on the Early Action Program which has been under review by Federal and State agencies, the Region's Congressional delegation and local public and private organizations.

THE FIRST ISSUE OF THE NEWSLETTER

This is the first issue of the Upper Great Lakes Commission Newsletter. Its role is to keep the Region up to date on the work of this unique Federal-State partnership for regional development.

The Commission has been concerned as sponsor and participant with a number of projects designed to help bring the Region's economic development into phase with that of the rest of the country. Some of the Commission's projects are described on these pages.

However, I believe that our contribution ought not to be measured in terms of grant dollars of supplemental or technical assistance to deserving projects, though each grant is something we believe in and each is important in the establishment of a better economic base in the Region.

Our contribution should be measured, instead, in terms of the effectiveness of getting the local, State and Federal officials concerned to understand the values of the regional approach to development which the Commission has fostered.

The Commission continues to call on State and local officials and development organizations to work on their common problems. Direction and funding come from many sources. Commitment comes from all parties. The Governors and their Alternates provide the essential leadership. The upshot has been an important boost for effective inter-governmental relations.

As Federal Cochairman, I have worked closely with the other Commission members — the Governors of the Region's states and their chosen Alternates. This has proved a worthwhile and exciting experience because these are dedicated and capable men. They are anxious to get on with the job of uplifting the economy of the Region, and they are ready to employ imaginative new approaches to achieve that goal.

Thomas S. Francis

Teams from the three states, including experts from the universities, are at work on the plan. Action projects contemplated include industrial expansion, tourism and recreational development, improved transportation, preservation of natural resources - including continued resistance to pollution of the streams and abuse of the forests — and a program to cope with manpower and education needs in the Region.

An important related project is now under way to develop better criteria for the selection of individual projects in keeping with the planning strategy.

A team from the University of Michigan's Bureau of Business Research is developing for the Commission a standard scoring procedure to evaluate the relative importance and effects of various classes of public investment. By employing such procedures, the Commission will be better able to look at the comparative effects of investments, transportation, resource development and other activities. This will help Commissioners and staff members to select the projects best calculated to accelerate the Region's development.

MEETING PROBES LONGER SHIPPING SEASON ON LAKES

THE PROSPECTS FOR LENGTHENING the Great Lakes shipping season and the values of containerization on the Lakes were two major agenda items at a Commission-sponsored meeting with port directors in Chicago.

The economic potentials of a longer season, the feasibility of attaining it and the prospects for widespread adoption of packaged freight will be studied further by a subcommittee established at the meeting.

Representing the Commission at the meeting were Thomas S. Francis, Federal Cochairman; John Arnold III, Minnesota Project Director; Jack Kavanagh, Michigan Project Director; and Rodgers Stewart, Commission Transportation Board Coordinator.

Others who attended were: David Oberlin, Duluth's Port Director; James Sauter, Superior Port Director; Capt. Joseph Cook, Michigan Port Development Coordinator; Francis Flori, Buffalo's Trade Development Manager; Benjamin Chaney, Chairman of the Board of the Toledo Port Authority; Col. Earle Butler, Cleveland's Commissioner and General Manager, Division of Harbors; Louis Purdey, Executive Director, Toledo Port Authority; and Robert Barkley, Director of Detroit's Port Authority.

COHO HATCHERY SPARKS SPORTS FISHING REVIVAL SPORTS FISHING IN THE REGION got a lift when the Michigan and Minnesota coho salmon hatchery projects were assisted by Commission grants totaling \$214,000. Another \$1.1 million in grants and loans came from the Economic Development Administration of the U.S. Department of Commerce. These projects

are expected to accelerate the increase of the sport fish population and substantially increase tourism.

At one time, the lakes had abundant stocks of sports fish such as trout and burbot. In the mid 1930's, sea lamprey invaded the upper lakes, virtually wiping out the game fish and setting the stage for invasions of other smaller fish. One, the alewife, a "trash fish" of the herring family, came in from the Atlantic Ocean by way of the Welland Canal and eventually comprised 90 percent or more of the total fish population by weight in Lake Michigan alone.

The alewife, in addition to being a pest in life, tended to die off by the millions and piled up on western Michigan beaches by the dominant west wind, causing a stench that crippled tourism

A program initiated by the Great Lakes Fishery Commission called for selective poisoning of sea lamprey larvae and met with excellent results.

At the height of the 1967 season, only three years after the introduction of the coho, enthusiasts were launching a boat every 30 seconds in Manistee, Michigan. Some 2,500 sports fishing boats were seeking coho at one time during the season, and about 150,000 fishermen participated during the year exceeding all expectations by several times.

The project's impact has been felt throughout the region. It has caused a resurgence in sports fishing, an upturn in tourism and a long step towards restoration of commercial fish farming in the Great Lakes.

SEA LAMPREY, AIDS COMMERCIAL FISHING

NEW GRANT ATTACKS THE COMMERCIAL AND SPORTS fishing industry in the Upper Great Lakes Region won a new lease on life when the Commission made a technical assistance grant to the Great Lakes Fishery Commission. Its object was to step up efforts to control the sea lamprey which had nearly destroyed the Region's \$7.5 million annual commercial fishing industry. The grant attracted this additional assistance: \$22,464 from Canada: \$15,000 from the Michigan State Association of Supervisors and a \$1,000 gift from the Lake Huron Coho Salmon Committee.

Governor Warren P. Knowles said that the grant and its results to date show how the Commission's action in identifying and attacking a problem in the region can act as a catalyst that activates additional private support.

TIMBER PROJECT NAMES MANAGER. ATTACKS PROBLEMS

UPPER GREAT LAKES TIMBER, INC., the new non-profit corporation created by the Commission, will be managed by Edward Locke, professional forester and businessman of Marquette, Michigan. Frank Hoholik, president of Manistique Pulp and Paper Co., announced Locke's recent appointment.

The corporation is a demonstration project to help the Upper Great Lakes timber industry cope with some of its nagging problems. These include instability of employment, low profitability, high operating costs and disproportionate workman's compensation costs of over \$27 per \$100 of loggers payroll.

Associated with the Commission in the new venture are the U.S. Department of Commerce and the Michigan State Department of Commerce. The Commission's grant of \$107,000 established the corporation.

Mr. Locke has extensive experience in marketing Upper Peninsula wood and is known in the industry as a creative innovator.

Gov. George Romney lauded the project as a practical demonstration by business leaders of how costs may be reduced, profits increased and employment stabilized in the industry. Benefits of the pilot project, a three to five year plan, will be made available throughout the Region.

The influential newspaper of the area, the Iron Mountain News, commented editorially on the project that "here is not one more study of a perplexing, persistent regional economic problem, but a determined, practical assault on it, uniting the good will and full talents of industry and government."

REGIONAL APPROACH TO VOCATIONAL SCHOOLS PROBED

THE REGIONAL APPROACH to common problems is being extended to vocational education in the Upper Great Lakes area. Representatives of vocational education departments in the three states are working with the Commission to prepare a program for vocational and technical education facilities.

Each of the states already has a partially completed program based on the area school idea. This is intended to provide high quality vocational services to multi-district or county areas. An expanded building program to provide adequate vocational educational facilities in the Region is in prospect and could be undertaken if adequate funding becomes available. While the Commission has supported the building of vocational schools through its supplemental grant program, an expanded long-range plan is needed to bring such schools to more of the region. This approach has been encouraged by Mr. Jean Worth of Escanaba, a member of the Governors Advisory Task Force in Michigan and chairman of its Education Subcommittee.

APPALACHIA GROUP

TRI-STATE EDUCATION EDUCATION OFFICIALS FROM Michigan, Wisconsin and OFFICIALS MEET WITH Minnesota met with their counterparts of the Appalachian Region in Washington recently to discuss present education programs in the Appalachian Region and to assess possible priorities for the future.

The education program of the Appalachian Commission that was reviewed included early childhood programs, teacher preparation programs and improvement of vocational training. It was noted that the Appalachian Commission had helped to construct and equip 166 vocational schools in its region.

Attending the September 23 and 24 meeting were: Ray Rothermel, Michigan Department of Education; Art Vadnais, Minnesota Department of Education and Ken Lehman, University of Wisconsin Extension.

U.S. ACTION SOUGHT ON APOSTLE ISLANDS, SLEEPING BEAR DUNES

AN IMPORTANT PART OF THE Commission's program is the development and growth of tourism and recreation in the Region, particularly through the establishment of "star attractions." The region-wide approach to tourism development and conservation is evidenced by the Commission's stepped-up efforts to win Congressional approval for the designation of two National Lakeshores.

The Commission is urgently seeking establishment of the Apostle Islands National Lakeshore to prevent the possible sale of the islands to other than conservationist interests, a development that would hamper the long-range project. The Sleeping Bear Dunes area would also become a National Lakeshore under the similar legislation.

The Apostle Islands and the magnificent white sand beaches and vast sloughs and marshes of Lake Superior's South Shore comprise an unspoiled backyard for millions of Midwesterners. Sleeping Bear Dunes, in Benzie and Leelanau Counties in Michigan, was described by the Commission as "a rare and priceless resource of natural beauty." The National Park Service has proposed establishment of a national recreation area consisting of approximately 60,000 acres for the National Lakeshore extending from Good Harbor Bay in Leelanau County irregularly southwestward to Platte Bay in Benzie County.

The Commission has twice passed resolutions encouraging approval of legislation to establish these areas as National Lakeshores. However, the House committee did not consider the legislation during its recent session. The Commission also voiced its strong support for a related bill, just passed, which provides more funds for immediate acquisition of land included in national park areas. In the past, long delays between park establishment and actual acquisition of property have caused undue hardship on private property owners. Rep. Wayne Aspinall of Colorado, Chairman of the House Committee on Interior and Insular Affairs, was also a strong supporter of this measure.

FEDERAL COCHAIRMAN TOURS REGION, CITES

THE COMMISSION'S PROGRAMS have made a major impact on the Region, but much needs to be done to keep them going GAINS, DESCRIBES NEEDS and to get needed new development projects under way.

These were the conclusions of Federal Cochairman Thomas S. Francis after an extended tour of the region.

Mr. Francis inspected the Alpena Community College addition in Michigan which was built with Commission support to handle new vocational programs.

He also visited the site of the Copper Peak Ski Flying Hill near Ironwood, Michigan, the Voyageurs Park area in Minnesota and the Apostle Islands of Wisconsin. Mr. Francis expressed hopes that these areas, when more fully developed, would foster a major tourism growth in the Region.

The Federal Cochairman also attended a meeting of the State Governors' Alternates at Isle Royale, Michigan. The Alternates and their staff members who participated in the meeting included Dr. Henry Ahlgren and Robert Forbess of Wisconsin, Kimball Whitney and John Arnold of Minnesota, and Herbert DeJonge, Jack Kavanagh and Roger Rehberg from Michigan.

FINANCIAL TASK FORCE EXPLORES CAPITAL NEEDS IN REGION

A GROUP OF EXPERTS in business and finance gathered in the Commission's Washington Office to address themselves to the question of how the Commission can assist in increasing the availability of development capital in the Region.

Among the possibilities proposed for consideration was the establishment of a Regional Development Bank and the further utilization of State Development Corporations, both of which would be owned and controlled by the existing banking community.

This exploratory meeting was attended by William B. Dale, Board of Executive Directors, International Monetary Fund; Mrs. Sara H. Knight, Assistant General Counsel for Economic Development, Small Business Administration; Richard E. Kelly, Vice President, First National Bank of Chicago; Dr. Ernest Fisher, formerly Professor of Economics, Columbia University; Roth S. Schleck, President, First National Bank of Eau Claire; Norman Brown, Attorney at Law; and Robert J. McIntosh, Attorney at Law.

MULTI-COUNTY AREAS WILL PROVIDE MORE EFFECTIVE PLANNING

A UNIQUE SYSTEM of 17 multi-county planning districts is being devised to provide more logical and more effective implementation of economic development plans in the Upper Great Lakes Region.

The boundaries will enclose areas with similar economic and social conditions, problems and potentials. The new districts are designed to make for more efficient implementation of the many Federal, State and local programs in area planning and economic development. The system will encourage better coordination among these programs.

The system is the product of a planning task force from each of the three states working with Commission staff members. It is based on years of study in the respective states. A map will be released shortly.

KNOWLES OUTLINES HOPES, FEARS ON COMMISSION'S WORK

GOV. WARREN KNOWLES of Wisconsin, Commission Cochairman, outlined his hopes and fears about the Commission's approach and its program in a message to the Governor's Council on Economic Development in Madison on September 27.

He was enthusiastic about work done and under way, but he wondered if the Federal Government would provide the level of funding needed to fulfill its program.

Gov. Knowles said that the Commission represented a new and worthwhile experiment in State-Federal relations. "a true partnership of the States and the Federal Government." Its role, he explained, was to coordinate the private, local, State and Federal efforts to revitalize the economy of the region. The Commission would not, however, replace existing planning groups in the three-state area. The efforts of private enterprise are paramount in implementing the action program of the Commission, he emphasized.

Gov. Knowles reported that the \$2.7 million invested last year triggered another \$30 million in public investments which were selected on the basis of their contributions to the growth of the total economy in the region. He said that regional airports, hospitals, marinas, highways and water facilities for industry were funded and that these developments contributed to sales and extended market areas for existing industry in the region. New enterprises have been attracted as well and continue to be drawn to the Upper Great Lakes areas, he said.

The Governor described some of the successful programs undertaken by the Commission - the sea lamprey control program, the coho salmon hatchery, efforts to halt the depletion of thousands of lakes in the region, the pending study of containerization in Upper Great Lakes freight shipments, development of new technology to lengthen the Great Lakes shipping season.

He described the work of the new three-state Task Force for industrial development, in which Palmer McConnell represents Wisconsin and is assisted by Lou Schlimgen. He described, too, the work of the financial task force, in which Wisconsin is represented by Roth Schleck.

The Governor's enthusiasm about the Commission's progress was tempered by his doubts about its future. He is uncertain, he said, about the intentions of the Federal Government and its ability to provide the level of funding required to meet the Region's special needs.

Unless such assistance is provided, Gov. Knowles said, the Commission "becomes just another planning program and, hence, an exercise in futility. The resolution of these doubts will occur when Congress acts upon the Early Action Program we are preparing for submission in November."

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Federal Cochairman (Acting): Harold C. Jordahl, Jr. UPPER GREAT LAKES REGIONAL COMMISSION

NEWSLETTER

2001 Wisconsin Avenue, N.W., Washington, D.C., 20235

MAY, 1969

COMMISSION PRESENTS ACTION PROGRAM TO HOUSE COMMITTEE On April 17, 1969, Acting Federal Cochairman Jordahl presented an initial economic development plan for the Region to the House Committee on Public Works.

The plan is the first stage in a 5-year development program. It has been under review by the Federal Advisory Council on Regional Economic Development, the Department of Commerce, and the Bureau of the Budget.

The plan consists of two strategies, one based on lake and scenic resources and the other on business and industrial development potentials. A significant resource development opportunity exists in the Great Lakes of Superior, Michigan, and Huron, and also in the 17,000 fresh water lakes and thousands of miles of rivers.

The lake and scenic resource strategy consists of the following:

- 1. Acceleration of land acquisition and development for authorized national recreation areas and wild rivers such as the Pictured Rocks National Lakeshore, Sylvania Recreation Area, Wolf and St. Croix Wild Rivers, and the Grand Portage National Monument.
- Planning and construction of scenic highways in relation to the regional network.

- Acceleration of the Coho salmon and lake trout restoration programs and the lamprey control program.
- 4. Participation in the construction of harbors of refuge on the Great Lakes with the Corps of Engineers, States, and local communities.
- 5. A program utilizing unemployed people to improve scenic resources and forest lands around the regional network.

The business and industrial development strategy consists of the following:

- 1. An industrial development fund to encourage new industries to locate in the Region.
- An acceleration in the construction of vocational education facilities and specialized training for individuals.
- 3. Continuation of the Commission's strategy of improving airports in the Region and a transportation development study.
- 4. Investments are also recommended for forest, water, and geologic investigations, improved timber utilization, agricultural development research, and an environmental resources analysis.

This first-year effort will provide a visible start on the Commission's larger mission of meeting problems in the Region. It provides for sharing of costs with Federal, State, and local interests.

NEW FEDERAL

COCHAIRMAN NAMED

NEW SUPPLEMENTAL GRANTS OF \$2.7 MILLION AWARDED The Commission plans to publish a detailed report of this initial first-year effort in the immediate future.

Alfred E. France, a State Legislator of Duluth, Minnesota, has been named by President Nixon to be the Federal Cochairman of the Upper Great Lakes Regional Commission.

Mr. France was confirmed by the Senate on May 20. He will assume the official duties of his new position after the Minnesota Legislature adjourns on May 26.

Mr. Jordahl, the Acting Federal Cochairman, has resigned to join the faculty of the University of Wisconsin.

The Commission sponsored over \$2.7 million of investments in its fiscal 1969 supplemental grant-in-aid program, which consisted of forty-four separate projects. The purpose of the program is to enable the States and other entities within the Region to take maximum advantage of Federal grants for which they are eligible, but for which, because of their economic situation, they cannot supply their required matching share. At the same time, the program provides a limited opportunity for the Commission to implement its strategies for economic development. Potential projects are inventoried at the State level, evaluated in terms of economic merit through an allocation model, and recommended to the Commission for consideration.

This year's supplemental program devoted over one-third of its resources to industrial development projects such as industrial park construction and one-third for human resource projects, especially in vocational education facilities and equipment. Twenty percent of the supplemental program was expended in tourist development activities, including marinas and fishery facilities. Transportation development received the remaining

twenty percent of the Commission's funds, particularly for airport improvements to provide adequate air access to the Region.

The total cost of the projects supplemented by the Commission this year reached \$28 million, including local, State and Federal participation, so that each Commission dollar assisted in attracting \$10.46 in other funding to the Region. This represents only the immediate impact of the projects and does not include the public benefits which will accrue throughout the life of the investment.

REPORTS FOCUS ON THE POTENTIALS FOR INDUSTRIAL GROWTH The Commission is publishing for early release two technical reports: Industrial Development Potentials of the Upper Great Lakes Region and Growth Centers and Their Potentials. Both reports were prepared for the Commission under contract.

The report on industrial development is part of the Commission's program planning process which, as a first step, has been concerned with the identification of economic activities having potential for expansion.

Industrial activity in the Upper Great Lakes, as pointed out by authors Walsh and Hamman, has been dependent in the past largely on resource-based industries-notably paper, food, mining, and lumber and wood products. Since 1960, however, the five fastest growing industries have been non-electrical machinery, electrical machinery, fabricated metals, textile and apparel products, and transportation equipment. The change in the Region's industrial mix, in combination with other factors, has resulted in faster growth rates in the past seven years compared with the previous decade. Also contributing to the faster recent growth rates are the following factors: higher levels of national economic activity, a trainable and under-utilized

labor force in the Region, and a national trend toward industrial location in rural areas.

Although the industrial development prospects of the Region are improving, growth elements are not evenly distributed throughout the Region. The southern parts of the Region are developing high-growth manufacturing industries, but the authors conclude that the northern parts of the Region "...must continue to utilize their resources as the basis for job creation."

The report on growth centers was written by Professor Brian J. L. Berry of the University of Chicago, an authority in this field. The report discusses the bases of regional growth, describes presently defined growth areas in the Region, analyzes the urban hierarchy, measures the spread of urban influence, and indicates the urban areas of potential growth.

The Commission has adopted a policy that public investments should be concentrated in areas where the effect on job and income generation for the economically distressed will be greatest. While this will require the Commission to favor some areas over others, many areas of need may be revitalized through public investments changing one factor of production, e.g.; low cost power in the Tennessee Valley, beneficiation of taconite ore in Minnesota. Hence, the Commission will approach this strategy for growth from several points of view.

To follow-up its considerations of potential industrial growth in the Region, the Commission is undertaking a study of industrial location incentives, both tax and non-tax oriented, as a possible basis for future legislative recommendations as well as an intensive analysis of specific growth industries which will identify the

resources required by such industries, particularly their manpower needs.

BILL INTRODUCED FOR VOYAGEURS NATIONAL PARK A bill to authorize the establishment of the Voyageurs National Park in northern Minnesota was introduced in the House of Representatives on April 23 by Congressman John A. Blatnik. This legislation has the bipartisan support of the other seven Congressmen from the State.

The proposal, as outlined in H.R. 10482, is designed to preserve a unique and magnificent natural resource as an outstanding park of national significance. The bill, to the greatest extent possible, minimizes any adverse effects that the park would have upon cabin owners, resorts, and business establishments in the area.

The Commission is particularly interested in this proposal because of the economic stimulus that the park would have on the area. At the May 1 meeting of the Commission a resolution was passed endorsing Mr. Blatnik's bill.

COMMISSION SPONSORS AVIATION CONFERENCE

A Commission-sponsored Aviation Conference, hosted by Northern Michigan University in Marguette, completed its three-day discussion on April 30. The purpose of the Conference was to identify the potential contribution of aviation education to the economic growth of the Region and to recommend an action plan to the Commission and appropriate State agencies. The eighty participants from the Region consisted of representatives from education, economic development, and private industry. Working session discussions centered on the role of air transportation in economic development, programs of aviation and their relevance to the Region and revitalization of the tourist industry through increased air accessibility, as well as other issues related to aviation and aviation education. A final report of

the recommendations from the Conference is expected to be completed within a month.

PROGRESS MADE ON VOCATIONAL EDUCATION

Two projects aimed at improving vocational education in the Region were recently approved by the Commission.

The Cooperative Educational Service Agency, Number 9, serving the Green Bay, Wisconsin area, will develop a series of video tapes and films to be used by local schools explaining various careers open to residents of the Region. The film series will be accompanied by an instructional package for teachers and students on vocational guidance and will be developed with the advice of a regional committee representing education officials from all three States. The program will be geared primarily for use through present educational and commercial television stations, but will also be available in 16 mm movie form. The project is aimed at making career guidance materials available to local schools and districts not able to support such services individually.

The Northwestern Michigan College at Traverse City has completed curriculum planning for a Great Lakes Maritime Academy and, under a grant from the Commission, will proceed on the design of appropriate facilities which center around their training vessel, the USS Allegheny. The ship arrived in Traverse City on April 15 after a trip through the St. Lawrence Seaway from Philadelphia, manned by a crew of Traverse City citizens.

TRANSPORTATION PLANS DEVELOPED

The transportation strategy of the Commission focuses on the improvement of the Region's transport network with a goal of increasing accessibility. To attain this goal, the Commission has and is instigating studies of the Region's sea, air and highway systems.

A study nearing completion concerns a research and development action program for the Region's portion of the St. Lawrence Seaway system. This report, undertaken by Professor John Hazard of Michigan State University, will include recommendations concerning regional demand analysis, vessel technological improvements, and port and waterway development, as well as suggestions for improving the inland carrier-shipping system. This action study, which provides a major input into the Commission's overall development program, will be published and made available in the immediate future.

The Commission considers adequate air access essential to the growth of the Region. In this regard, a study of the contribution of and potential markets for third level air carriers is presently being designed. It is hoped that this study will assist private industry in expanding its service in the Region, thus providing an important element in the regional transport network.

A number of studies concerning highway transportation have recently been authorized by the Commission. An inventory and analysis of highway "bottlenecks" within the three-State region which restrict both commercial and tourist expansion will provide some immediate recommendations for Commission action. Long-range, major highway corridor investigations comprise another element of the Commission's interest in improving the transportation systems of the Region. High speed access, both north-south and east-west, is necessary to encourage the expansion of business and industry, and to enable greater utilization of the Region's tourist resource base. For example, a major east-west highway from Sault St. Marie, Michigan to Moorhead, Minnesota could reduce travel time by 6% hours over present routes.

WILD RICE PROJECT MOVES FORWARD

Working through the sponsorship of the Minnesota Department of Iron Range Resources and Rehabilitation, the Reservation Business Committee of the Nett Lake Band of Chippewa Indians will soon be able to establish 50 acres of wild rice paddies through assistance from the Commission. A technical assistance grant of \$112,240 is in process which will help to establish paddies upon heretofore unproductive land by demonstrations, improved methods of water control, fertilization, cultivation, seeding, and mechanical harvesting. This will be a two-year demonstration project which, it is hoped, will prepare the Nett Lake Indians to extend their efforts to a much larger acreage.

The project will take advantage of the data provided in a recently completed study on wild rice prepared by F. Robert Edman and Associates under a joint grant from the Commission and the Minnesota Outdoor Recreation Resources Commission. The study points to a vastly increasing demand for wild rice that will occur as major food producing companies enter the gourmet food market. A final report will be produced at an early date.

AGRICULTURAL TASK FORCE REPORT PREPARED The Agricultural Task Force of the Upper Great Lakes Regional Commission has prepared a resource action program for improving rural areas through the use of technical and financial assistance. The program is designed to develop soil, water, forest, forage and related resources in rural areas of the Region for sustaining and improving the economy. This will be done primarily by providing additional cost shares, credit, technical assistance, and management guidance to the owners of natural resources. The proposal is now under review by the Commission.

Mr. W. W. Russell, State Conservationist for the Soil Conservation Service, Madison, Wisconsin, is chairman of the Task Force.

In a related development, the Commission has authorized a reconnaissance study to examine the potentials for increased vegetable production in the Region with particular attention to the need for processing.

DEJONGE ACCEPTS NEW POSITION Herbert C. DeJonge, Governor Milliken's Alternate on the Commission, has accepted a career position as Deputy Director of the Michigan Department of Administration. His new duties will begin on June 2, 1969.

NEW NATURAL RESOURCE DEVELOPMENT PROJECTS AUTHORIZED Recent actions by the Commission have authorized several new projects aimed at developing the Region's natural resources.

The Minnesota Department of Iron Range Resources and Rehabilitation will investigate the economic feasibility and resource adequacy of a custom pelletizing plant utilizing low grade ores and having a capacity of 1,000,000 tons of iron pellets per year under a technical assistance grant from the Commission. The one year project will be completed by June 1970.

The Commission has also authorized a preliminary survey of the major factors influencing the pulp and paper industry so that potentials for expansion may be revealed. The analysis will include consumption trends, transport costs, wage rates, forest inventories and marketing procedures.

An analysis of the energy resources of the Region will be undertaken under a technical assistance grant from the Commission. The study will examine the relative energy costs in the Region as compared with other regions and the production and supply factors which affect such costs. The study will put special emphasis on the role of nuclear energy and will make specific recommendations as to how the overall energy situation can be improved to aid industrial development in the Region.