

BY SENATORS PERATROVICH,  
ELLIS, BELTZ, McNEES,  
OWEN, AND COOPER

1 IN THE SENATE

2 SENATE MEMORIAL NO. 3

3 IN THE LEGISLATURE OF THE TERRITORY OF ALASKA

4 TWENTY-THIRD SESSION

5 TO THE HONORABLE FRED A. SEATON, SECRETARY OF THE INTERIOR;  
6 HONORABLE HENRY M. JACKSON, UNITED STATES SENATOR; HONORABLE  
7 WARREN G. MAGNUSON, UNITED STATES SENATOR; HONORABLE WAYNE MORSE,  
8 UNITED STATES SENATOR; HONORABLE RICHARD NEUBERGER, UNITED STATES  
9 SENATOR; HONORABLE JOHN L. MCCLELLAN, CHAIRMAN, SENATE COMMITTEE  
10 ON GOVERNMENT OPERATIONS; HONORABLE JAMES E. MURRAY, CHAIRMAN,  
11 SENATE COMMITTEE ON INTERIOR AND INSULAR AFFAIRS; HONORABLE CLARE  
12 E. HOFFMAN, CHAIRMAN, HOUSE COMMITTEE ON GOVERNMENT OPERATIONS;  
13 HONORABLE CLAIR ENGLE, CHAIRMAN, HOUSE COMMITTEE ON INTERIOR AND  
14 INSULAR AFFAIRS; HONORABLE E. L. BARTLETT, DELEGATE TO CONGRESS;  
15 HONORABLE GLENN L. EMMONS, COMMISSIONER OF INDIAN AFFAIRS; HON-  
16 ORABLE WILLIAM OLSON, DIRECTOR, ALASKA NATIVE SERVICE.

17 Your Memorialist, the Senate of the Territory of Alaska,  
18 in Twenty-Third Session assembled, respectfully represents:

19 WHEREAS, the Congress enacted the Wheeler-Howard Act (25  
20 U.S.C. 468 et seq.) with the purpose manifested therein "of  
21 promoting the economic development" of American Indians; and

22 WHEREAS, the Congress recognized the desirability of speci-  
23 fically applying the Wheeler-Howard Act to Alaska (25 U.S.C. 473a)  
24 to encourage the Indians and Eskimos to engage in business enter-  
25 prises, thus allowing them the opportunity of becoming self-  
26 sufficient and improving their standard of living; and

27 WHEREAS, numerous small business operations have been com-  
28 menced and are presently operated by Indians and Eskimos through-  
29 out Alaska who have negotiated business loans under this Act in

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1 an attempt to secure fair and proper returns for their labors; and

2 WHEREAS, certain questionable purchasing practices have been  
3 forced and imposed on the various Indian small businessmen by the  
4 Alaska Native Service, a Department of the Interior agency, as a  
5 condition to their receiving any loans with which to make neces-  
6 sary merchandise purchases; and

7 WHEREAS, the various Indian small businessmen have been  
8 economically pressed, limited and required to make all such  
9 merchandise purchases through the Alaska Native Industries Coopera-  
10 tive, which organization imposes a 10% "service charge" over  
11 retail and freight costs; and

12 WHEREAS, in addition to the above, certain monies have also  
13 been borrowed by the Indians under the Wheeler-Howard Act, parti-  
14 cularly in Southeastern Alaska, to purchase fishing boats and to  
15 operate canneries; and

16 WHEREAS, this industry employs all the adult population of  
17 many communities throughout Southeastern Alaska, and thousands of  
18 Indians earn their livelihood in this undertaking and depend  
19 entirely on fishing; and

20 WHEREAS, the fishermen and cannery operators have been  
21 subject to tremendous and devastating declines in the salmon runs  
22 in Alaska, notwithstanding conservation measures imposed by the  
23 United States Fish and Wildlife Service, a United States Depart-  
24 ment of the Interior agency, limiting the permissible catch,  
25 which measures have caused the libel of many fishing boats and  
26 the failure of numerous canneries operated by persons other than  
27 Indians; and

28 WHEREAS, the salmon runs appear to be increasing and sub-  
29 stantially improving, and the permissible catch would appear to

1 be subject to increase thus easing the existing financial crisis,  
2 and lending strong encouragement to the economy in the immediate  
3 future; and

4 WHEREAS, the Alaska Native Service, although aware of the  
5 above prospects and of the known hardships suffered by the In-  
6 dians heretofore because of reasons beyond their control, now are  
7 in the process of (1) repossessing numerous fishing boats, (2)  
8 modifying, limiting and restricting leases of canneries to  
9 Indians and, (3) are indicating a disposition to negotiate the  
10 leasing of such canneries, without bid or competition, to persons  
11 other than Indians; and

12 WHEREAS, such fishing boats will be sold at public sale at  
13 a fraction of their value because of the great number of boats  
14 subject to legal action and the canneries are subject to being  
15 negotiated under private sale, all of which will cause ruinous  
16 consequences to many Indian Communities and greatly endanger and  
17 impair the public interest.

18 NOW THEREFORE, it is respectfully requested that a Congres-  
19 sional investigation be made immediately into the Alaska Native  
20 Service's handling and administration of the Wheeler-Howard Act  
21 program in Alaska and that necessary steps be taken to (1) correct  
22 the mandatory purchasing practices which have attached to the  
23 borrowing of money by Indians engaged in small business, and  
24 (2) prevent the present wholesale foreclosure of fishing boats  
25 and repossessing or leasing of canneries so that this very bene-  
26 ficial program may be allowed to continue and achieve its primary  
27 purpose of assisting the Indians and Eskimos to attain economic  
28 independence and improved living conditions.

29 AND YOUR MEMORIALIST WILL EVER PRAY.