

ANDERSON LEGISLATIVE COMMITTEE FILES, 2005-2006 86/2

11695 HOUSE STATE AFFAIRS

Salmon canning and packing constitute by far the most important part of Alaskan fisheries, although halibut, herring, and cod contribute in some measure to their total output, and if properly fostered would undoubtedly prove another fruitful source of wealth. The first attempt at salmon canning in that district was made by the Cutting Packing Company, with an establishment near Sitka, in 1878. This beginning has been followed by numerous other ventures until 1902 found 77 plants—canneries and salteries—in active operation. The annual output has grown from 14,854 cases in 1878, valued at \$59,416, to 2,631,320 cases and 25,384 barrels in 1902, valued at \$8,667,673. The total value of the salmon fisheries alone from 1878 to 1902, inclusive, amounted to \$58,307,792. The magnitude of this business can be more fully appreciated when it is remembered that the output of the salmon plants in 1902 exceeded by \$1,563,273 the estimated output of all the Alaskan gold mines for 1901, and that their output since 1878 is nearly \$20,000,000 greater than the output of gold for the twenty-one years preceding 1902.

The companies operating in Alaska in 1902 were capitalized at \$25,799,500, and the plants themselves, with their equipments, were valued at \$6,406,750. This excess of the capitalization over the amount actually invested is an unfortunate feature in the enterprise, and this overcapitalization, with other causes, has had its effect, as we shall see further on. The growth in this industry since it began in 1877 can be seen from the following table:

*Amount and value of salmon packed in Alaska from 1878 to 1902, inclusive.*

YEAR	Canned salmon	Salted salmon	Combined value of canned and salted salmon
	Cases	Barrels	
1878	14,854		\$59,416
1879	17,560		50,240
1880	13,198	2,079	72,407
1881	16,719	1,760	82,716
1882	24,652	3,890	151,618
1883	12,056	7,251	130,481
1884	66,840	6,106	322,314
1885	69,100	3,291	301,470
1886	126,765	4,861	550,669
1887	175,664	3,978	728,458
1888	350,000	9,500	1,484,856
1889	696,737	6,457	2,845,912
1890	682,322	7,300	2,808,000
1891	789,384	9,000	3,238,000
1892	685,345	12,000	2,760,000
1893	616,345	21,000	2,560,000
1894	673,641	22,011	2,640,000
1895	619,339	18,000	2,375,600
1896	849,600	10,000	2,383,757
1897	909,528	18,808	2,977,019
1898	1,028,317	20,000	3,704,000
1899	1,115,378	23,582	3,843,734
1900	1,602,990	19,999	6,380,000
1901	2,076,661	18,867	7,075,000
1902	2,588,297	25,384	8,667,673
Total	15,948,419	247,073	\$6,307,792

The business is present under the control of two large companies—the Alaska Packers' Association, of San Francisco, and the Pacific Packing and Navigation Company, with headquarters at Seattle. These two companies in 1902 packed more than two-thirds of the entire output. The Alaska Packers' Association has been in the field with well-equipped plants for a number of years, and was without competition, except from the smaller establishments, until 1901, when the Pacific Packing and Navigation Company was organized under the laws of New Jersey, for the announced purpose "to consolidate into one corporation the properties and privileges of those companies and firms, thereby controlling about four-fifths of the canned salmon product of the world." This company entered the field with a capitalization of \$12,500,000 and attempted to absorb all of the Alaskan plants, but failed to secure the properties of the Alaska Packers' Association and of a number of the smaller establishments. There were 77 in operation, and it operated but 14 plants in 1902, valued at \$1,243,000. It failed to acquire the property of the 21 plants owned and operated in that year by the Alaska Packers' Association, valued at \$3,000,000. The Alaska Packers' Association demanded a cash payment for its property at its own valuation, and while the new company was willing to promise payment of the amount demanded, it refused to make that payment in cash, offering only to pledge a part of the proceeds of the season's pack, to mortgage the property purchased, and transfer stock to the old company. It is said that many of the smaller plants absorbed were paid for in this manner, much to the detriment of the original owners, for the new company soon became involved and some of the persons who accepted its obligations in payment for their property have been ruined financially by its subsequent embarrassment. As soon as the new company entered the field strong competition sprang up between it and the Alaska Packers' Association. The larger part of the Packers' Association's products was packed in southwestern Alaska, where Red and King salmon, the more valuable species, are abundant. It was already in the field, fully equipped, with an established business and a thorough organization when its new competitor appeared, embarrassed by heavy indebtedness, to operate plants many of which were situated in southeastern Alaska and other localities where the more valuable species were scarce. The conflict was an unequal one, with conditions largely in favor of the Alaska Packers' Association, and it is not strange that, under the circumstances, the new company became embarrassed, and that we found its affairs in the hands of a receiver last summer.

Some of the causes which affected the business of the new company and also embarrassed the smaller packers in southeastern Alaska, where Pink and Humpback salmon abound, and where the more valuable species are scarce, may be seen from the following:

## Number of salmon taken from Alaskan waters in 1902.

Name of company.	King.	Red.	Silver.	Pink and Humpback.	Total.
Alaska Packers' Association .....	83,976	13,528,290	310,444	2,758,992	16,680,691
Pacific Packing and Navigation Co .....	61,476	4,326,501	111,887	4,116,772	8,616,636
Forty-three smaller companies .....	52,225	5,070,581	198,920	5,628,603	10,949,329
Total .....	197,677	22,925,362	620,251	12,504,367	36,765,056

It has been urged that the Alaska Packers' Association has been able, by the facts shown in this statement, to manipulate the market and force the price of the Pinks and Humpbacks so low as to discourage their output. Mr. J. A. Kerr, receiver for the Pacific Packing and Navigation Company, says:

Red Alaska salmon opened this year at \$1.30 a dozen, and the Alaska Pinks are quoted at 50 cents per dozen. This difference in price has never been known, and it is possibly the result of the attempt of the Alaska Packers' Association to break down the canneries in southeastern Alaska.

I am not sufficiently informed on the subject to assert that this is a fact, but an analysis of the foregoing tabulated statement will tend in some measure to show that it was possible for the Packers' Association to accomplish this result. From that statement it will be seen that of the 22,925,362 Red salmon taken the Alaska Packers' Association took over 13,500,000, while of the 12,504,367 Pinks and Humpbacks it took less than 3,000,000 at its 21 plants, while the 43 plants owned and operated by smaller companies took 5,070,581 Reds, or less than one-fourth, and, on the contrary, took 5,628,602, or nearly one-half the entire catch of Pinks and Humpbacks. In connection with these figures it is well to remember that more than 88 per cent of the Reds and Kings were taken outside of southeastern Alaska. It will be observed that the Alaska Packers' Association took 2,758,992 Pinks and Humpbacks, which, with their excessive holdings of Reds and Kings, would seem to enable them in some measure to control the market.

Whatever may have caused this unprecedented decline in the price of the lower grades of salmon, it is safe to say that it is greatly injuring the smaller individual packers, who are forced to fish for these cheaper grades. This was evidenced from the fact that some of the plants in southeastern Alaska were not operated at all last summer.

It is urged that the ability and disposition of the larger companies to monopolize the patented labor-saving devices serve to injure the individual operative, and it is plainly apparent that the present system of taxation places a heavier burden upon the packers of the cheaper varieties than upon the large companies, who pack most of the valuable salmon, since there is a fixed tariff of 4 cents a can and 10 cents per

case

barrel, regardless of the value of the fish. This would also give an advantage to the larger establishments over the smaller ones.

Mr. George E. King, whose testimony is attached hereto, suggests another reason for the present embarrassment of the plants engaged in the salting business. He says:

The trust or syndicate which has imposed the heaviest burden upon the salters for the present and past two seasons is the so-called salt trust, properly named, we understand, The Federal Salt Company. The price of salt in Seattle for 1901, 1902, and 1903 has been nearly three times that of 1900.

As far as the effect of the fisheries of Alaska upon the natives is concerned, I find a diversity of opinion. There is some complaint to the effect that the canneries, particularly in certain localities, tend to lessen the food supply of the natives, while this is denied by others. My opportunities for personal observation were not sufficient to justify the expression of an opinion on this subject. It is undeniable that the employment which the canneries have opened to the native is greatly to his benefit and affords him a new source of income. I am impressed with the idea that all well-disposed and industrious natives have no difficulty whatever in securing employment during the fishing season. This is plainly apparent from the fact that the scarcity of laborers in that locality creates a great demand and has recently caused an increase in the price of wages. There is no reason why the operatives would not employ native labor whenever it is reliable and can be depended upon. It must be remembered that the fishing season is short; that the canneries, particularly the larger ones, must have reliable employees, especially for the operation of the cannery itself. This fact and the well known industry and fidelity of the Chinese laborer have resulted in filling most of the canneries with Chinamen. During the season of 1902 13,882 hands were employed. Of these 5,576 were Chinamen, 5,767 were whites, and 2,679 were natives of Alaska. That well-disposed natives can always secure employment is shown by the fact that some of the larger companies operating in different sections employ a great many natives at some of their establishments and none at others. For instance, we find the Pacific Packing and Navigation Company at Orca, Chignik Bay, Kenai, Uyak Bay, and Nushagak River plants employing 1,262 hands, not a single one of whom is reported to have been a native, while at their Hunters Bay cannery 150 out of 250 hands employed were natives, and at Metlakatla of the 151 people employed 150 were natives. No other conclusion can be reached but that the Aleuts, who inhabit the regions of the canneries first named, are not as reliable as the Hidahs, who are employed at the Hunters Bay cannery, or the Tsimsbeans of Metlakatla. Nearly all the companies and operators claim that they offer all possible encouragement and inducement in the way of instructions and otherwise to induce the natives to enter their employment.

## GOVERNMENT HATCHERIES

As has already been said, so fruitful a source of wealth as the Alaska fisheries should receive all possible encouragement, and this fact lends to the inquiry as to whether or not the Government should make an active effort to continue the supply of fish in Alaskan waters. The fact that more than 36,000,000 of one species, salmon, are taken in the short space of a few weeks shows that nature has given a bountiful supply, and the Government should certainly not stand by and see that supply exhausted.

Under the present regulations, it is incumbent upon the persons operating canneries and fish-packing establishments in Alaska to plant each year in the waters of that district ten red salmon fry for every fish taken by them during the season. This requirement is made to prevent the extermination of this the most valuable fish of the Alaskan waters.

In order to do this under present conditions, hatcheries must be maintained by individual operators, and past experience has shown that this plan has not proved satisfactorily successful.

The Alaska Packers' Association conducted two hatcheries in 1902—one at Karluk, Kodiak Island, and one at Naba Stream, near Loring, on Revillagigedo Island. From these hatcheries it planted 52,500,000 fry, or 114,380,910 less than it was required, its catch having been 26,688,091 fish.

The Pacific Packing and Navigation Company maintained three hatcheries—one at Freshwater Bay, one at Lake Hetta, and one at Quadra Bay—from which it planted only about 8,000,000 fry, when it should have planted 86,166,350—having taken 8,616,635 fish.

Not only did these large companies thus signally fail to meet the demands upon them, but many smaller operators made no attempt whatever to do so, because of lack of means and lack of natural facilities arising from the unfavorable location of their packing plants. On this subject Mr. Howard M. Kutchin, special agent of the Treasury Department, who has had long experience and has an intimate knowledge of these matters, says:

There has been pointed out in these reports (his reports to the Treasury Department) from time to time that local, climatic, and pecuniary conditions must fatally interfere with anything like a universal enforcement of the departmental regulations requiring each packer and salter to restore to the streams fished a given ratio of salmon taken. What these difficulties are may be realized when it is stated that fish culture is a scientific field of effort requiring special training and practical knowledge on the part of the hatchery operator, and that few or none of the persons engaged in the business of packing salmon are competent to pursue it, and that trained men are not to be easily procured, the local situation of many of the packing plants does not offer the necessary hatchery sites, with suitable grounds for buildings, pure water, and other essential adjuncts; that in some portions of the district, notably in southeastern Alaska, at least ten to one of the streams fished do not flow from fresh-

water lakes and are consequently useless for the planting of Red Salmon fry; that several of the canneries and nearly all of the salters do so small a volume of business that the meager profits absolutely preclude the greatly disproportionate expense of maintaining propagating plants.

The fear that the Red salmon, the most valuable of all Alaskan fishes, will eventually fail from its waters creates an urgent demand for artificial propagation, and so far as I was able to learn while recently in Alaska there is a strong necessity for governmental action in the matter. The forthcoming reports of the Fish Commissioner and of the Treasury Department on this subject, as I am informed, show a falling off of this season's catch from that of last. The total catch of last year was 36,265,056, and of this 23,925,362 were Red salmon. On this subject I again quote from Mr. Kutchin's last report of last year, as follows:

It has been my constant plea, reiterated so often that I hesitate to repeat it, that the intervention of the Government in salmon culture in Alaska is imperatively required to save these great fisheries from ultimate extinction.

As far as I was able to learn while in Alaska the operators there are apparently unanimous in the desire that the Government should assume control of and operate these hatcheries.

#### TESTIMONY TOUCHING CONDITIONS AND NEEDS OF ALASKAN SALMON FISHERIES.

I hereto attach testimony given by a number of the principal operatives, which will show present conditions and needs and give some idea of the relations existing between the packers and the natives. The same questions were propounded to each of them, but these questions are here omitted from all the statements except the first.

O. P. BROWN, special agent, Tonka, Alaska, Pacific Coast and Norway Packing Company:

1. Q. Please state your name, post-office address, and the name of your company.—  
A. O. P. Brown; Tonka, Alaska; Pacific Coast and Norway Packing Company.

2. Q. Please state the nature of the business in which your company is engaged, the length of time it has been in business, the number and kind of establishments operated by your company in Alaska, the location and average annual output of each of them.—A. Canning and salting business. We have been in operation three years and are now in our fourth year. We have just the one location, at Tonka, Alaska. Our output for 1900 was about 600 barrels of herring; for 1901, 1,000 barrels of herring and 20,000 cases of salmon; for 1902, 1,150 barrels of herring and 35,231 cases of salmon.

3. Q. Do you consider the present tax imposed by law equitable and just; and if not, why not? Suggest some needed change.—A. We consider the present tax imposed by law as being all right in regard to Red salmon, but think that there should be a reduction of one-half of this tax on the cheaper grades of fish, as it works a hardship on the canneries in southeastern Alaska, who can and salt a larger per cent of cheap salmon, while the canneries to the westward have all Red salmon, which brings a higher price in the market, and at the present time pay the same tax as the canneries that put up cheap fish, which sells for one-half the price of Red salmon.

4. Q. Would it be advisable for the Government to require all persons engaging in either the business of catching, canning, or salting fish from Alaskan waters for the market to be either natives of Alaska, citizens of the United States, or persons who have declared their intentions to become citizens?—A. We think it would be a good plan.

5. Q. Would it be advisable for the Government to limit the annual catch of fish in Alaskan waters? If not, why not?—A. We think it would not be a good plan for this reason: Some years there is an extra heavy run of fish, and in such years there is a great number get up in the streams to spawn; and take it in a year such as 1902, when there were heavy rains and a great number of the fish got up in the streams before they got a chance at them with the seines.

6. Q. Would it be advisable for the Government to maintain hatcheries in Alaska for the purpose of selling fry to persons engaged in the business at the cost of production for restocking the waters?—A. We think that if the Government would maintain hatcheries in Alaska and sell fry to the canneries and packing plants at the cost of production that there never would be a shortage of fish in Alaskan waters. We also think that the Government should not only maintain hatcheries but should place the fry in the streams and not leave it to men who never had any experience whatever in such work.

7. Q. What per cent of the labor in and about your establishment is performed by natives of Alaska?—A. About 50 per cent.

8. Q. What per cent of the fish consumed by it are caught by them?—A. Seventy-five per cent.

9. Q. Please state why a larger number of natives are not employed?—A. We could not get them this year.

10. Q. Do you find the natives sober, industrious, and trustworthy?—A. The majority of them are so.

11. Q. What methods do the natives use in catching fish?—A. Beach seines, purse seines, and gill nets.

12. Q. Does your company furnish them with nets and give them instructions in modern and improved methods of taking fish?—A. We do.

13. Q. Do you pay them stated wages for fishing, or do you buy their catch?—A. We buy their catch.

14. Q. Have the natives in your community had any controversies with the white men over fishing streams or other property claimed by them? If so, please state fully the names of both the natives and the white men and give the circumstances in detail.—A. None whatever.

15. Q. Would it be advisable for the Government to set aside and reserve certain fishing streams for the sole use of the natives; and if not, why not?—A. No; for this reason: The natives are a peculiar people. If they had the control of a stream and it was overrun with fish and they took a notion that they did not want to fish or that they wanted to go hunting for two or three weeks, those fish would all go to waste. Another reason would be that it would give a chance for one or two canneries to buy up these natives and get sole control of the streams, and as there has never been any controversies in this section that we know of, we think it advisable to leave all streams open for anyone to fish.

The cannery men in general in southeastern Alaska prefer the Indian fishermen to the white fishermen, and any Indian who wishes to work, either in the cannery or fishing, does not need to be idle in the summer time. We understand this year that there are a number of canneries that are short of natives for their work. We could have used 20 to 30 more Indians at this place if we could have got them. In reference to what effects the formation of large companies has had on the business of the small canneries and the natives employed in fishing, would say that we do not think they have been injurious at all here in southeastern Alaska. If anything the

larger companies have been a benefit to the natives, as it has given them plenty of work to do, whereas the smaller companies do not use any native labor, but do the salting and fishing themselves.

16. Q. Please suggest any law or regulation which would in your judgment tend to advance the fishery interest or better the condition of the natives.—A. We think that there should be several changes in the present law regarding salmon fishing.

First. The season should open June 20 instead of July 1, as there is a very light run of spring salmon after June 15, and we understand from the people living near the streams where the Sockeye run that there was an early run of Sockeye this year, and we know that on Stikine River our first day's fishing was about the heaviest we had, and we think it was a mistake in having the season closed till July 1.

Second. We should have a closed day on Sunday instead of Saturday, as the Indians think it strange that we send missionaries here to teach them to keep the Sabbath and to Christianize them and then, when they come to fish for the white people, the white people say that the Indians must fish on Sundays or they will not give them boats or seines. The writer knows of instances here where the Indians have returned to work on Sunday.

Respectfully,

PACIFIC COAST AND NORWAY Pkg. Co.,  
By O. P. BROWN, *Special Agent.*

WILLIAM DUNCAN, missionary in charge of the Metlakatla native settlement:

1. Q. Do you consider the present tax imposed by law upon fish products equitable and just?—A. As the canning of salmon is the only fish industry we undertake at Metlakatla, I confine my answer to the tax on canned salmon only.

The tax is 4 cents on every case packed. Now, while it does not become me to question the justice of the tax, yet as to its being equitable I have my doubts, inasmuch as the tax does not discriminate between the high and low grades of the salmon packed. For instance, a case of salmon which sells for \$1.50, or even less, is taxed the same as a case selling for \$4. This anomaly will appear more clearly in comparing a pack of 20,000 cases of high-grade salmon, worth \$80,000 (and fairly remunerative), and the same quantity of inferior grade selling for \$30,000 (yielding little or no profit), yet each taxed the same amount, viz, \$800. For the tax to be equitable, I think it should be levied on the market value of each grade.

2. Q. As to whether none should be permitted to engage in the fishery business of Alaska other than natives and citizens, I would leave for those to decide who are versed in diplomacy.

3. Q. "Would it be advisable for the Government to limit the annual catch of fish for the market in Alaskan waters? If not, why not?"

This question suggesting legislation for preventing the depletion of salmon life in Alaskan waters is a very good one, and one with which I entirely agree. I would recommend the limit to be 30,000 cases (cases rather than salmon, as the latter vary so much in size in different streams) to a cannery, and also that no more canneries be allowed in southeastern Alaska than those already in operation. As further protection to the salmon, I would suggest a limit for the size of the nets used, and that every fisherman should have a license, to obtain which he should take oath to fish only in accordance with the law. The close season each week, I sincerely hope, will be changed from Saturday noon to midnight Sunday, to promote Sabbath observance.

4. Q. "Would it be advisable for the Government to maintain hatcheries in Alaska for the purpose of selling fry at the cost of production to persons engaged in the business of furnishing fish for the market?"

I fully indorse this suggestion. To me it appears the only satisfactory solution of the hatchery question, and the best guaranty for success.

Questions 5 and 6 ask what per cent of our labor is performed by natives, and what per cent of the fish we use are caught by the natives. My answer to both of these questions is, 100 per cent.

So that question 7, which asks why a larger number of natives are not employed, does not, therefore, apply to us.

Question 8 is, "Do you find the natives sober, industrious, and trustworthy?" To this question I hope to reply fully in another letter, which I purpose writing you on the present condition and prospects of the natives.

Questions 9 and 10 ask what methods the natives use in catching fish, and whether we furnish them with nets.

In answer to these questions I have to say that for many years past our people have been experts both in making and using the nets we supply them.

Question 11 is, "Do you pay them stated wages for fishing, or do you buy their catch?" Answer: Both these methods are used; the natives fish in companies, and nearly all prefer selling their fish, but when a company is doubtful of success they prefer to work for wages, and get \$2.50 a day.

Question 12 asks if our natives have any controversy with white men over fishing streams. My answer is, not at the present time. The trouble one frequently hears of is between native and native, the one arrogantly asserting his exclusive right to a certain stream, which the other native denies. This is partly due to the change which the law of the whites has made upon the Indian's mind in regard to inheriting property. An Indian's heir is his nephew. The whites' heirs are sons.

H. BELL-IRVING & Co. (Limited), Vancouver, British Columbia:

1. H. Bell-Irving & Co. (Limited), Vancouver, British Columbia, agents for Fidalgo Island Canning Company, of Anacortes, Wash., the owners of Ketchikan Cannery, Ketchikan, Alaska.

2. Our business is that of agents and managers for salmon canneries. We have been engaged in this business in British Columbia since 1890 and connected with it on Puget Sound since 1896, and in Alaska since 1900, where the Fidalgo Company has one cannery only. The average pack in Washington is about 80,000 cases; Ketchikan, 50,000 cases; and in all, including British Columbia, 250,000 cases.

3. We consider the present tax of 4 cents per case most unjust, as Ketchikan cannery packs almost exclusively Humpbacks, which sell at a loss, while the pack of Red fish in Bering Sea are taxed an equal amount and produce a profit of over \$1 per case.

4. Being British citizens, we do not care to express an opinion.

5. We do not think a limitation of the catch of fish by the Government is desirable unless there is fear of depletion of the fish supply.

6. We think suitable hatcheries should be maintained and operated by the Government only, the cost of maintenance being paid for by proceeds of taxes upon output of canned salmon. These taxes should bear some relation to the profits made on different grades of fish. Low grades, we believe should, for some time at least, be exempt from taxation.

7. Seventy-five per cent.

8. One hundred per cent.

9. Is answered by our answer to question 4.

10. Yes, pretty well.

11. Purse seines.

12. Yes.

13. Most fishermen are paid so much per fish; a very few are paid by the month.

14. No word of any trouble in our vicinity.

15. We should think it wise for Government to make such reservations.

16. Government hatcheries. Alterations of method of taxation, as already stated. Reservations for Indians.

In reply to the latter portion of your letter, the formation of large combines has, in our opinion, acted in many ways injuriously to the smaller concerns; for instance, they buy up the sole right of any new labor-saving canning machine which is brought out, to the exclusion of others; they send men to fish the streams adjoining the cannery of any small concern and try to hamper them in many ways by competing with fish traps and seines, and by interfering in every conceivable way, and generally, by lawsuits and otherwise, making life as uncomfortable as possible.

Trusting this information is what you desire, we are

Yours, truly,

H. BELL-INGHO & Co. (Ltd.)

M. HERRICK, Lake Bay, Alaska:

1. Canning of salmon. This is the third year at Lake Bay, Alaska. One establishment. For the two seasons it run the pack was about 20,000 cases each year.
2. The tax is just and right, as large fortunes have been made, and in my opinion they do not pay enough.
3. They should be citizens of the United States.
4. It is advisable to limit the catch, as I can see fish going up this Lake Bay now to the lakes beyond, and as no one is molesting them, of course it must be of a great help to their increase.
5. Make the canneries maintain their own hatcheries. They get all the benefit; what benefit does the Government get?
6. A very small per cent, as the canning is all contracted to Chinamen; but as they are getting scarce, perhaps more natives might be used; but they are poor to depend on, never having any idea of time or discipline.
7. Can not say, but think very small, as all the companies have to bring their own men to fish.
8. Unreliable.
9. In a very few cases.
10. Modern gear furnished by the canneries in most all cases.
11. Yes.
12. Generally give so much a fish; take out per cent for net or seine.
13. I have never known of any.
14. Don't think so, as Indians always have all the fish they want when fishing for the cannery.
15. I hardly know of any suggestion to make. As the pack of red salmon is limited, there is not enough of them to run all the canneries, and the cheap grade of fish there is no demand for at a price that there is a profit in; therefore they can not run the canneries at a profit, as a small pack will not pay to bother with. That is the reason quite a number will not run, this one with the rest, and it looks like the big ones were going to have it all their own way; therefore let them breed their own salmon if they are going to monopolize the business, which looks mighty like it now. Don't know of any remedy I can suggest.

Yours, very truly,

M. HERRICK.

W. F. Brown, president and manager Seattle Scandinavian Fish Company, Tenakee, Alaska:

1. William F. Brown; president and manager of the Seattle Scandinavian Fish Company; Tenakee post-office, Chicagof Island, Alaska.
2. Salting and curing fish. This is the second season. Have only one establishment, and that is at Snug Harbor (7 miles from Tenakee). Output last season, 1,145 barrels; probable output this season may reach 2,500 or 3,000 barrels.
3. I do not consider the present tax unjust or exorbitant.
4. I do not think it advisable to exclude aliens, although I do not employ any yet; but labor unions might drive me to do so or shut down. My natives have struck

once already this season, and then returned to work only when I stated to them that such actions would force me to employ Chinese labor, as larger concerns had done.

5. I do not think it necessary to limit the catch of salmon if hatcheries are established and maintained (by the Government) and stringent measures taken to protect the salmon from their natural enemies, such as the herds of trout (that have no market value here and destroy many times more salmon than the Lehermen do). In June of this year I saw trout by the million come into June River (that empties into Snug Harbor), ready to waylay the female salmon and rob her deposit of eggs (as she lays them on the riffles), and catching some of these trout I found their stomachs filled with salmon eggs, and later they will waylay the young salmon; and it is only a small proportion that it seems possible can run the gantlet of all these pirates. It is astonishing that any get back to salt water. If certain streams were set aside for trout reserves (if they must be cherished) and the Government offer a premium to fishermen to sweep the other streams of trout in June, that, to my mind, would settle the supply of salmon.

6. I think it would be advisable for the Government to establish hatcheries and sell young fry to such as have no hatcheries or to all. For instance, I have no red fish in any of the waters that I fish in; therefore I have to get my supply from some station away from here or establish an eying station of my own at great expense and inconvenience.

7. About two-fifths is performed by the natives. They give good satisfaction, except that there is an old chief, named "Jake," who insists that I must pay tribute to him, for he owns all this part of Alaska. He has a son, wife, and daughter in my employ, and insists on them and all the rest of the natives quitting until his demands for tribute are settled; but I talked them out of it every time so far. Now he has gone to setting stakes on shore to insist that I can not fish without his consent. The native crew return to work under the threat that if they will not work I shall have to employ other labor next year, and if I did not have the Chinese or Japanese labor as a threat to hold over their heads I would have to close down.

8. All my fish so far this season have been caught by native laborers.

9. I think in time I could get natives broken in to handle fish in all the different branches, but they were not accustomed to work before I came here and can only do the common labor. However, I have one I am trying to break in to general work. Have him in the tanks, but it is difficult to impress on his mind that if he expects a white man's wages he must be reliable and do the work as a white man does.

10. I find those I employ sober and industrious. I am trying to teach them that they must endeavor to do right and deal honestly with me so that I can employ them every year. They are very religious and have approached me on the question of assisting me to build a church here. I have reserved my answer until I see how we get along, for I tell them that if we keep having this old tribal claim to the country flung up every few weeks by their chief I do not think they will want a church here, as I shall not employ any natives next year that continue to make me trouble this year; but by present indications I think we will probably help them out on the church.

11. They use my boats and shore seines.

12. I show them all that is possible in the manner of catching fish for their benefit and improvement.

13. I hire them by the day.

14. The chief, "Jake," I referred to has some houses near the hot springs, and the whites have been crowding them, beyond doubt. It seems to me it should be looked after. There is no controversy concerning fishing streams, only this same chief has staked all the bays, whether he had improvements or not, and if he had his way there would not be a single settler in Tenakee Inlet, which is 35 miles long and has about a dozen bays, every one of which he stakes and claims.

15. If the natives are to take their places in the future as citizens, the more they come in contact with the whites the better they will be qualified to do so. The natives in my employ are, of all the Indians I have ever come in contact with (and I have had a good deal of experience in dealing with them in Wisconsin, Minnesota, and twenty-seven years on Puget Sound), the best physically, mentally, and morally. To illustrate, will mention one case: I sent two natives to get a deer, giving them particular instructions to shoot only a buck. Near evening we heard a call from the opposite side of the bay, and I sent a white man across to get them. As he neared shore all he could see was two Indians behind rocks aiming guns at him. Calling to them, he received no reply, and started to pull away, when they came forward and said they were only joking. He brought them across, but reported the case to me. I took the natives to task about it and gave them a good lecture, and explained I could not have such work and could not employ them if they played such jokes. I had them apologize to the young man, first instructing him what to say, and since then they have looked on that class of joking altogether differently.

16. I think my residence of only one year and limited range of observation tend to disqualify me to pass an intelligent opinion, but I have an opinion that the limit of July 1 for the beginning of the season is unfair, as there is no chance given to catch king salmon unless they never cease fishing; then they would not have to begin; and the discrimination in favor of Cook Inlet and Bristol Bay is unjust, giving them a great advantage over southeastern Alaska. It seems to me what Alaska needs is actual settlers, not big corporations who come here with an outfit of dissipated and dissolute labor, who are only here for a season and do not care what becomes of the natives or of the fish. But, first, reserves like the Alexandrian do not encourage settlers and only assist to maintain present conditions. I am a sufferer from the Alexandrian reserve, for there is room here for twenty actual settlers, who could raise stock and vegetables and engage in fishing; good range for cattle and sheep. I have three head of cattle; cows give plenty of milk; two hogs that are fat on the rice grass. I could run a number on the bottom lands here, and red-top grass would cut 3 tons to the acre. It does seem that these conditions could not have been known and understood. The natives only need assistance here; they are good workers. I talk to them about learning English, so they can fill positions of some responsibility, and they seem to agree with me. I have finally got them taught to be punctual, in order to get in a good day's work.

CARL SPURS, president of the Alaska Oil and Guano Company:

1. Killisnoo, Alaska; president of the Alaska Oil and Guano Company, of Portland, Oreg.

2. The Alaska Oil and Guano Company, incorporated in 1899, is located in Killisnoo, Alaska, and is engaged in the manufacture of oil and guano and salt fish; output in 1902, 2,345 barrels of oil, 814 tons guano, 412 barrels salmon, and salmon bellies, 300 barrels and 500 half barrels.

3. Taxes on fish products are: Salmon canneries, 4 cents per case; salmon salteries, 10 cents per barrel; fish oil, 10 cents per barrel; fertilizer, 20 cents per ton—or, say, about 1 per cent on the gross value of the products. Taxes on fisheries are based on the output—i. e., the income—which is not the case with other enterprises. For instance, quartz mills pay \$3 per stamp per year, which is a mere trifle compared with the tax on fisheries. Placer mining companies are not taxed at all. The tax paid by us goes into the General Treasury and our settlement derives no benefit from it.

4. A law requiring all persons engaged in fishing to be either natives of Alaska, citizens of the United States, or persons who have declared their intention to become citizens, would exclude Japanese and Chinese, whose services are most valuable, in fact indispensable, to salmon canneries. Such laws do not prevail in any State of the Union, and why make them for Alaska?

5 and 6. Unless hatcheries are established the sockeye salmon in southeastern Alaska, with the exception of such rivers as the Chilkat, Tekon, Stikine, etc., will soon be fished out. Government hatcheries, managed scientifically, are the only and proper solution of this problem. Few, if any, private hatcheries would and could be properly handled so as to give satisfactory results. No restriction as to catching and hatching should be placed on dog and humpback salmon. This grade of fish is very abundant in southeastern Alaska, and the greater part of them die in ascending the small rivers and creeks, before and after spawning, and unless made use of would all go to waste.

7. We employ from 30 to 40 natives out of a total of 110 employees.

8. This question refers to salmon fishing, in which we are not engaged. We fish for herring in deep water. Of the three gangs we run, there are 11 natives and 45 white men.

9. We would like to have a larger proportion of natives, but during the fishing season good native labor is scarce and poor native labor is not worth having.

10. As a rule the natives are unreliable and not industrious; a great part of them is addicted to drink.

11 and 12. Herring are caught by purse seines in deep water. It requires steamers and steamer appliances. No gang of natives without the assistance of white men could do such fishing. I understand that salmon canneries have small native gangs at the different creeks and supply them with boats and nets.

13. We pay stated wages—some by the month, some by the day.

14. Do not know of any controversy between natives and whites as to salmon streams in our vicinity.

15. The different streams are under the tribal regulations, the property of entire families, who alone are allowed to fish them. If any one particular stream was set aside for the Indians, it would benefit the owners of the stream, but no other Indians.

16. I consider the natives of southeastern Alaska well provided for. All who care to work earn good wages; there is plenty of food and fuel at their very door for the taking.

I consider the discrimination made between southeastern Alaska and western Alaska unjust. To the westward fishing is allowed everywhere and at all times, while the restrictions in southeastern Alaska are most severe. If the Government is to divide Alaska into different fishing districts, do not stop at two as at present. Fishing conditions vary in every locality with every little creek and stream. I consider Alaska's fishing laws should not differ much from those in other States of the Union, and, above all, no laws should be passed without first giving the people an interest an opportunity to present their side of the case. No taxation without representation.

J. A. KERR, receiver Pacific Packing and Navigation Company:

1. The Pacific Packing and Navigation Company is engaged, among other business, in canning salmon in Alaska. During the season of 1903 the company operated salmon canneries at Nushagak, Uyak, Chignik, Kenai, Orca, Dundas, Sitka Bay, Hunters Bay, Chilkoot, Taku, and Yes Bay, Alaska, and canned at said canneries about 280,000 cases of salmon, of which 275,000 were Alaska Red fish, the balance medium Reds and Pinks.

2. We have no complaint to make as to the present tax imposed by law upon the canneries. We think, however, that the tax should be used by the Government for the protection of fishing interests in Alaska and in the propagation of salmon.

3. In western Alaska the salmon are taken largely with purse seines or gill nets. The men engaged in that business are, for the most part, Italians and Norwegians. None of the canneries have ever been able to utilize the natives to any extent in handling these nets. We do not believe that a law requiring fishermen in Alaska to

be citizens of the United States, or persons who have declared their intention to become such, or natives, would be wise. The fishermen in western Alaska have recently organized a union, and during the last season succeeded, by combining, in increasing the cost of raw fish to the canneries about 50 per cent, and such legislation enabled them to make still further exactions from the packer. The fact that these fisheries are located at such a remote point from all courts, and the fact that the packer must invest a very large sum of money in his business to be conducted in the Bering Sea, which investment would prove a very serious loss in case of a strike during the packing season, affords the best reason, in the judgment of the writer, for leaving the packer unrestricted by legislation as to the source from which he shall draw his labor supply.

4. We believe it would be advisable for the Government to limit the annual catch of fish in Alaska, provided some equitable and fair basis of limitation could be reached—a basis that would operate equitably upon all interests in that section.

5. Yes; the Government should maintain hatcheries in Alaska by all means. In our judgment the whole matter of propagation should be taken from the packers and handled by the Government itself, placing the burden of maintaining the hatcheries upon the canneries themselves. The suggestion that the Government sell fry to the canneries is proper enough, but when it comes to embodying the idea in legislation it should be put in such a way that unless the purchase was made promptly a tax equal to the amount of fry to be purchased should be imposed upon the packer and made a lien upon the packer.

6. We employ in our canneries in Alaska all of the native help we are able to get; the percentage, however, of natives employed is very small, but is increasing from year to year.

7. At some of our canneries the natives catch from 25 to 60 per cent of the salmon manufactured by us; at others they catch very few. Of this year's pack, the natives probably took, approximately, 10 per cent of the fish manufactured.

8. A larger number of natives would be employed if we could procure them.

9. We find the natives sober, industrious, and for the most part trustworthy. They have certain customs which they do not allow their labor to interfere with, and are not wholly reliable as fishermen for that reason. For example, should a death of a native occur at one of the canneries, they celebrate the event with a "pollatch" lasting from two to four days, during which time they will perform no work.

10. The natives at two of our canneries use purse nets and at Chilkoot take the salmon with spears and gaffs.

11. We furnish the natives with nets and give them instructions in modern methods of taking the fish wherever they are willing to use them.

12. We buy the fish caught from the natives, paying them the same price as white fishermen.

13. There have been no conflicts between the natives and the white men at any of our canneries.

14. It would not be advisable for the Government to reserve fishing streams for the sole use of the natives. The growth of the cannery business in Alaska has been a source of great benefit to the natives of Alaska. We do not believe that there is a cannery in Alaska at which the natives can not find employment if they are disposed to engage in fishing operations. There is an abundant supply of fish for food purposes anywhere in Alaska for the natives, as they use for the most part the hump-back salmon. The streams into which that species of salmon run are not utilized by the canneries.

15. In the judgment of the writer the most pressing subject for legislation in connection with the fisheries in Alaska is that of Government maintenance and control of hatcheries and the staking of the mouths of streams. We have no sug-

gestion to make as to legislation touching the condition of the natives. The writer has no personal recollection of any legislation attempted on behalf of the natives in Alaska or elsewhere, aside from that of securing their land titles, that has been of any benefit to them. Under the present laws of Alaska the native has the same rights as the white man, nor do we know of any instance in Alaska where those rights are denied or the native is not afforded the same opportunity as the white man to get along and acquire a competence.

16. In answering your sixteenth inquiry it would involve us in a very considerable amount of labor. I inclose you herewith a clipping from one of the trade journals, showing the prices at which the different grades of salmon have been opened for several years last past, which affords you a fair criterion of the prices at which disposition was made during each of our seasons. The entering into a discussion of the reasons for the variation in prices would involve us in a very long discussion. For example: This year Columbia River tall Chinooks sold at \$1.35 per dozen, whereas Puget Sound sockeyes sold for \$1.50 per dozen. This year is the first time in the history of packing business when the Columbia River Chinooks sold for less than the Puget Sound sockeyes, as the markets of the world have always regarded the Chinook as the choice salmon. It is probable that the reason for this was the short pack of sockeyes from Puget Sound and the Fraser. Again, red Alaska salmon opened this year at \$1.30 a dozen and Alaska pinks are quoted at 50 cents per dozen. This disparity of price has never been known, and is probably the result of an attempt of the Alaska Packers' Association to break down the canneries in southeast Alaska heretofore manufacturing the cheaper grades of fish. There have been variations in the prices from year to year, due to first one cause and then another.

Yours, very truly,

J. A. KERR, Receiver.

ALASKA PACKERS' ASSOCIATION.

1. Business, canning salmon; length of time in business, since 1893; canneries operated, output, etc., as follows:

Number cases packed.

Location	1893.	1894.	1895.	1896.	1897.	1898.	1899.	1900.	1901.	1902.	Total.
Aniak	25,777	27,720	15,336	23,155	37,401	34,168	28,794	32,342	41,614	45,145	310,952
Chignik	37,553	55,352	69,962	48,360	38,159	60,418	34,871	40,395	40,641	60,158	490,710
Cook Inle	31,665	34,037	36,188	34,804	32,532	39,566	29,815	33,781	31,082	41,459	343,925
Prince William Sound	29,909	28,378	21,453	39,874	25,301	32,158	31,931	39,410	40,673	45,446	333,661
Egegus								21,662	31,740	31,375	84,777
Fort Wrangel	22,728	25,281	27,465	44,236	45,918	49,372	50,201	58,518	69,027	64,202	446,914
Karluk	149,317	160,674	111,203	161,642	156,375	99,394	91,548	165,900	192,426	204,190	1,482,669
Katliung			29,741	56,508	83,963	116,651	147,092	107,410	192,921	743,286	
Loruit	25,153	26,869	32,554	61,440	62,040	56,342	63,390	67,156	88,864	96,787	583,798
Nekook			22,739	27,201	34,676	34,870	43,799	62,334	74,801	125,744	426,156
Neshagak	107,746	91,450	101,405	112,345	107,856	123,279	135,724	187,379	178,853	209,810	1,365,837
Pyramid Harbor	13,672	38,791	35,353	47,461	37,656	39,689	53,237	55,601	30,709	32,211	384,190
Ugashik				19,761	38,272	38,301	44,984	54,682	40,837	73,909	310,646
Total	662,650	685,582	473,684	650,070	671,494	641,661	723,239	966,185	958,807	1,223,200	7,302,506

## Canneries operated.

Location.	1893	1894	1895	1896	1897	1898	1899	1900	1901	1902
Allak.....	1	1	1	1	1	1	1	1	1	1
Chignik.....	1	1	1	1	1	1	1	1	1	1
Cook Inlet.....	1	1	1	1	1	1	1	1	1	1
Prince William Sound.....	1	1	1	1	1	1	1	1	1	1
Egegak.....								1	1	1
Fort Wrangell.....	1	1	1	1	1	1	1	1	1	1
Karluk.....	2	2	2	2	4	4	3	2	2	2
Koglung.....				1	1	1	1	2	2	2
Loring.....	1	1	1	1	1	1	1	1	1	1
Naknek.....			1	1	1	1	1	1	2	2
Nushagak.....	3	3	3	3	3	3	3	3	3	4
Pyramid Harbor.....	1	1	1	1	1	1	1	1	1	1
Ugashik.....				1	1	1	1	1	2	2
Total.....	13	12	14	16	17	17	17	18	19	20

2. The present tax of 4 cents per case on canned salmon is manifestly unjust.

First. Because it is a fixed charge of about one and one-half per cent of the average total value of the output in Alaska, and of which there is included material taken to Alaska each season and used in the process of canning to the extent of about one-half the total value of the completed product;

Second. The canners are compelled by law to maintain salmon hatcheries at their own expense, and reproduce young salmon for all fish caught at the rate of ten to one, therefore the tax is oppressive;

Third. The United States Government imposes this four cents license tax only on salmon packed in the Territory of Alaska. There is no United States tax on salmon packed in Washington, Oregon, California, or elsewhere.

3. Emphatically no. There should be no naturalization restrictions upon the people employed in the business.

With reference to the natives of Alaska, there are neither enough available nor are they skilled and qualified to carry on one-hundredth part of the business.

This company employs all available native labor at its different stations each season, pays them good wages, feeds them, gives them free medical attention, and in various ways improves their condition, but they do only a trifle of the aggregate work, and none of the skilled labor. To be compelled to depend solely upon them would result in being forced to instantly abandon the business.

Chinese and Japanese (especially the former) constitute an important and necessary element of the cannery labor, particularly the skilled work, and of course can never become citizens. The fishing is done by all classes (except Asiatics, who do not fish), and it is now quite difficult to secure enough competent and industrious fishermen.

4. No; because there is no diminution in the supply of salmon in Alaska. Not one-tenth of the salmon-producing streams have ever been fished for commercial purposes, and salmon can be reproduced infinitely by artificial propagation.

5. It would be advisable for the Government to maintain hatcheries and plant salmon fry free of cost, as it does in other localities and with other species of fish.

6. Probably 1 per cent of the whole.

7. Probably 1 or 2 per cent.

8. Because they are not available and don't care to work. All applying are employed who are competent and will work.

9. Partially.

10. Various methods. Whenever they desire we furnish them with the most approved modern fishing gear.

11. Yes; and takes special pains to encourage them in their work.

12. The fish are purchased at the same rates paid to other fishermen. Where the natives work on shore they are paid stated wages fully equal to the wages paid to the whites for similar labor. In many instances they receive as much as \$3 per day and board.

13. Nothing of any consequence.

14. No. The Indians do not care to do much fishing, and they now have abundant opportunities to catch all the fish they desire, either to sell or for their own food supply.

15. A repeal of the license law would be a benefit to the industry. The establishment of salmon hatcheries by the Government would also be of advantage.

Do not think of any changes in connection with fishing business that would tend to improve the condition of the natives. The industry is of great benefit to them, as it gives them employment, food, and medical attention.

16. Opening market prices for salmon f. o. b. San Francisco, from which selling commissions and expenses are paid, so the net price should be figured, say, 10 per cent less. The variation in price in varieties is the natural difference in the market values.

*Canned salmon per dozen 1-pound tall cans.*

Kind.	1898	1899	1900	1901	1902
King .....	\$0.974	\$0.974	\$1.10	\$1.00	\$1.00
Alaska Red .....	1.00	1.00	1.10	.95	.96
Silver .....	.90	.90	1.06	.85	.85
Pink .....	.70	.70	.90	.70	.65

*Salt salmon per barrel.*

1898 .....	\$8.50
1899 .....	7.00
1900 .....	7.00
1901 .....	7.00
1902 .....	7.00

**CURTIS P. COE, Wood Island, near Kodiak, Alaska:**

1. I am in charge of the Woman's American Baptist Home Mission Society (Kodiak Baptist Orphanage).

2. The mission society has for ten years conducted an orphanage for destitute children, and with it have developed an industrial school, one branch of which has been employed for two years in salting salmon. There has been but one salting station, and 200 barrels annually has been the average output. Salting station on Wood Island.

3. The present tax is much in excess of tax on merchandising. For instance, the lowest tax imposed for merchandising, \$10, permits a business less than \$4,000. Ten dollars tax for salting fish would pay for but 100 barrels, the gross returns for which, in Seattle, would be less than \$600. Furthermore, I do not see why there should be any tax on the fish when none is levied on gold mining (except stamp mills), farm produce, etc. Fishing is developing native resources the same as lumbering, mining, farming, etc.

5. I doubt if there is any necessity for limiting the catch, providing the hatchery system is perfected. Karluk is an illustration of this matter. If reports are to be credited, even the weekly close season did not prevent them from catching practically all the fish, but now, with the hatchery output returning, they have fish as plentiful as ever.

4. I think not. There is no such law, so far as I know, with regard to other businesses. I know there is that stipulation concerning the homesteading of land, but that is different. That would shut out the Chinese, who are supposed to be the only reliable inside help at canneries, but of that I have no personal knowledge or experience.

6. Yea. That is the only equitable plan if the hatchery law is to be enforced. Otherwise the requirement of a hatchery would shut out all small concerns that use native help almost entirely.

7. Practically 100 per cent.

8. One hundred per cent.

9. All natives.

10. Moderately so only. If provisions only were issued during the fishing season little trouble would result from drunkenness.

11. They use seines almost exclusively.

12. We do.

13. We have paid for the fish by the thousand.

14. No difficulties.

15. I see no reason for such a course in this vicinity at present, for there are fish for all for the taking.

16. My opinion is that it is a question of enforcement of the laws and regulations already existing that will improve the fisheries and the natives. A police officer with special powers in the matter of fish laws should be stationed at each cannery, to be a conservator of the peace and to see that the regulations for fishing are properly observed. It is not to be supposed that a revenue cutter touching at a cannery once or twice a year can learn of all the infringements of the law. The number of fry called for could be planted in the presence of this officer, and the fry should be furnished by the Government, which could charge the actual cost of production and supply them much cheaper than any, except the large concerns, could raise them. If a private individual or company desires to establish a hatchery, I believe he or it should be protected, and given full rights for a reasonable distance on both sides the stream on which the hatchery is situated, except that natives might be allowed to catch fish for food.

The matter of land titles, of which I wrote recently, might come here properly.

Almost every native and many white men have dwellings in which they live or which they maintain, and none have titles, nor is there any way in which the majority can ever secure titles, unless they use for a small lot or at most a few acres their homestead right. A law allowing all, whether native or white, who have at the present time dwelling houses or other improvements on small lots the privilege of purchasing the land at a reasonable price would give them titles and would result in lessening the probability of many land suits in years to come.

A law defining the status of the natives should be passed.

Are the people here citizens? They were not "uncivilized" at the time of the transfer from Russia. Are they entitled to the right of homesteading? They should be. Is it a crime to sell them liquor? It should be, but if they are citizens it probably is not.

Respectfully submitted.

CERTIN P. COE.

## ALASKAN COAL PROSPECTS AND DEVELOPMENT.

## FUEL NEEDS AND RESOURCES.

The long, cold winters of interior and northern Alaska call for a large amount of fuel for domestic uses, and the thawing of the frozen placer grounds adds to this demand.

During the year ending June 30, 1903, coal imports amounted to 110,176 tons, of which 56,104 tons, valued at \$256,117, came from the United States, and 54,072 tons, valued at \$216,089, from British Columbian mines. To this amount may possibly be added some of the coal brought in by the transportation and cannery companies for their own use and 3,000 to 5,000 tons from local Alaskan mines. This coal sold from \$8 to \$30 a ton, but since June 30 last a very large shipment of Australian coal has reached Nome, which will give that locality cheaper fuel than it has yet had.

*Wood.*—The forests furnish all of Alaska except the western and northern portions with an abundance of fuel, yet many of the white people in the southeastern portion use coal instead of wood. Take the 400 whites of the town of Ketchikan, for instance, who used last year 2,981 tons of soft coal, at \$10.50 per ton, and those of Juneau, who used 9,300 tons, notwithstanding there is an abundance of wood on all sides. This is due to the lack of wagon roads, which makes local transportation expensive, wood costing from \$7 to \$15 per cord, and an excessive rainfall in that section keeps it so soggy as to make coal more desirable.

Wood is very generally used along the Yukon River and other interior points, where it is more easily seasoned and where coal costs from \$12 to \$20 a ton. Heretofore nearly all the boats engaged in river transportation used wood for fuel, one company alone having consumed 48,438 cords in five years, but during the last season one of the largest companies, the North American Trading and Transportation Company, equipped its boats with oil burners and erected supply tanks along the river. It is altogether probable that oil will hereafter displace both wood and coal on all Yukon River boats.

The wood used by these boats is cut from public lands along the river banks by natives and stranded miners and sold to the boats at from \$8 to \$12 a cord, and some of the steamers consume from one and a quarter to four or five cords an hour. The loss of time in loading and the shipping space occupied by the loaded wood are serious matters, to say nothing of the fact that \$15,000 or more were sometimes paid for wood on a single round trip between St. Michael and Dawson.

The army post at Eagle uses about 1,000 cords of wood annually at a cost of about \$12,000, while the other posts use coal at a cost ranging above \$20,000 annually.

The law authorizes each settler, resident, miner, and prospector to take annually, free of charge, \$100 worth of timber from public lands for firewood, fencing, buildings, mining, prospecting, and domestic purposes, but requires all timber cut for other purposes to be paid for at not less than its appraised value.

Driftwood has heretofore been used in the treeless regions, but the coming of the white man and the cuttings along the river banks have made that so scarce that the natives on the coasts are many times driven to the use of whale and other oils to warm their homes and cook their food.

**Peat.**—The heavy growth of ground moss—the tundra—in places forms a kind of peat which may possibly furnish fuel in the future, but I am not aware that any practical tests have been made. This moss is said to burn readily in the dry season.

**Coal oil.**—Surface indications of petroleum deposits are found in many places in Alaska, and active development has been carried on during the present season. Wells were being sunk at Cold Bay, opposite Kadiak Island, on the west side of Cook Inlet, and near Kayak Island, where one strong "gusher" was said to have been opened.

Details on this subject will not be given here, however, as the oil prospects of Alaska will be made the subject of a report by Dr. George C. Martin, of the United States Geological Survey, who has lately made careful and intelligent investigation of those fields.

Oil lands may be entered under the placer-mining laws of the United States, and claims are initiated by location.

There has been great activity by locators, and thousands of acres in the localities mentioned have been recently appropriated in that manner.

#### DISCOVERIES OF COAL.

The first discoveries of coal were made in the Cook Inlet country, where its outcroppings are plainly seen from passing boats, and tons of it lie exposed along the beach. The Russian American Company opened a vein in Coal Bay, about 20 miles southwest from Chugachik Bay, at an early day and for a number of years mined all the coal needed. About 1851 a company was formed in San Francisco under the name of the American-Russian Company, but it soon found the shipment of ice more profitable, and its coal mining stopped.

In 1888 the Alaska Coal Company began operations in Kachemak Bay, an arm of Cook Inlet, but afterwards abandoned the enterprise. In 1894 the North Pacific Mining and Transportation Company opened a mine in Eastland Canyon, about 10 miles northeast of Homer, in Kachemak Bay, and some 300 tons were shipped to San Francisco, but this mine has also been abandoned. The Cook Inlet Coal Fields Com-

pany has opened at Homer the most extensive mine yet developed in Alaska. The development of the coal fields in that locality has been embarrassed by the shoal waters fronting them, and to overcome this that company has built a wharf of 350 feet and a railroad 8 miles long from the mines out over a low, narrow sand spit to deep water. They began operations in 1899 and have opened a 6-foot vein, with an investment, in development work, buildings, railroad, and equipment, of about \$200,000. About 2,000 tons have been taken from this mine, 300 of which have been sold to passing steamers at \$6 per ton.

This coal, like that of other mines in this region, is a light lignite, too bulky to find favor with steamers and requiring too much storage room for profitable shipment, although tests show it has 71 per cent of the heating quality of the Nanaimo, British Columbia, coal, one of the best and most generally used coals on the Pacific coast. The Homer mine was not operated during the past season, as there is no local demand for the product, and a lack of cheap transportation prevents it from competing elsewhere with Washington and British Columbian mines.

Coal is known to exist on Kadiak Island and in the vicinity of Chignik and Anchorage Bay.

In 1893 the Alaska Mining and Development Company opened a mine at Chignik River, from which the Alaska Packers' Association have taken about 500 tons annually for a number of years, the most of which was used by their own steamers and canneries. The coal is said to be a bituminous of good quality.

C. J. Brown and others have recently opened a 6-foot vein in the same locality, and also two veins, 5 and 6 feet thick, in Hook Bay, 12 miles from Anchorage Bay, but have done but little development work on either of these mines.

A project is on foot to open a mine at Herendeen Bay, at the southern extremity of Bering Sea, and to build a railroad 20 miles long to connect the mine with the town of Unga. A mine is now being opened at Coal Harbor, on Unga Island. The coal at both of these mines is said to be of good quality.

The most promising fields yet discovered in Alaska are in the vicinity of Controller Bay, not far from the mouth of Copper River, where outcroppings show parallel seams ranging from 4 to 40 feet in thickness, aggregating about 80 feet. These deposits are found in a rough, broken country and cover an area of 2½ miles by about 20 or 25 miles. Extensive prospecting and development work was going on there last summer. The Alaska Development Company, backed by English capital, were operating with 40 or 50 men, the Alaska Petroleum and Coal Company with 5 or 6 men, and Mr. Clarence Cunningham, representing an unincorporated syndicate, with about 20 or 25 men.

The analysis of this coal indicates that it is the best yet discovered west of the Rocky Mountains, being a semianthracite, coking, very rich in fixed carbon, but some fears are felt that it may "slake" badly when long exposed to the open air and that it will not bear transportation.

The successful development and operation of these mines will be hindered by the fact that they are located more than 20 miles from the coast, and by the further fact that there is no deep water in their vicinity to afford harbor privileges.

At Yakutat Bay Jack Dalton opened a mine a number of years ago, but it was located too far from deep water to encourage extensive development. Numerous discoveries of coal have been made at the Southeastern Archipelago, principally on Admiralty Island, and much desultory development work has been done. But little, if any, coal is now being mined for commercial purposes in that locality. This coal is a lignite of low grade, and its mining has met with slight encouragement.

About \$5,000 have been spent in developing the Firestone mine, originally claimed by James McClosky and others, but said to now be claimed by George Harkrader, of Juneau.

On May 23, 1898, F. Datewell and others filed location notices under a local custom, claiming 640 acres 1½ miles from Murder Cove, near Point Gardner, on Admiralty Island, and the Admiralty Coal and Fuel Company have spent \$1,800 in its development. They have put in a lateral tunnel and are still at work, but have sold no coal. Coal is said to exist in Kasaan Bay, Prince of Wales Island, but no development work has been done. A company now putting in a large smelter on that island is said to have done extensive but fruitless prospecting there during the last season.

A number of mines have been opened on the Yukon River, and two of them in the Yukon territory near the Alaska line: the Cliff Creek mine, owned by the North American Trading and Transportation Company, and the Alaska Exportation Company's mine on Coal Creek have been operated during the last season. The last-named company opened a mine on the river about 65 miles above Circle City in 1900. There are two mines near Rampart, Drews mine and the Pioneer mine, and there are located farther down the river in the vicinity of Nulato the Blatchford and Pickart mines and the Thein mine and the Williams mines. A considerable amount of money has been spent in development, and more or less coal has been taken for local and steamer consumption from all these mines, but neither of them was being extensively operated last summer, and all were closed when this section was visited in July.

The Northern Commercial Company consumed 2,399 tons of Yukon coal during the season of 1902, at a cost of \$28,284.

The coals are lignites, found in comparatively thin seams, and the introduction of oil will, perhaps, lessen the demand for them. It is not believed that present local conditions will greatly stimulate their further development.

Coal has been discovered on Norton Sound, about 9 miles south of Uualakleet, and a number of location notices were filed in 1900 and 1901, but the claims are said to have been abandoned prior to any extensive development.

Claims have also been asserted further to the north, about 80 miles from the mouth of the Kobuk River, which empties into Kotzebue Sound.

Coal has long been known to exist on the Arctic coasts east of Cape Lisburne, where a mine known as the Corwin mine was opened a number of years ago, and has furnished coal to passing steamers and whalers. Two years ago coal from that section was offered for sale in Nome, but it was not satisfactory, and failed to create a demand there.

The development of Alaskan coal mines will be hindered by a lack of cheap transportation, an embarrassment from which all Alaskan development suffers at present. The present centers of population find freight rates cheaper from the British Columbian and Washington mines than from Alaskan mines, and so long as this condition exists the lack of markets either at home or abroad will keep the lighter and inferior Alaskan coals unmined.

#### COAL-LAND LAWS.

Congress, by its act of June 8, 1900, extended the coal-land laws of the United States to Alaska. Under these laws (secs. 2347-2352, Rev. Stats.) coal land entries can only be made upon lands which have been regularly surveyed or upon lands within the range of existing standard base and meridian lines; and since no lands have been sectionized in Alaska, and as no base and meridian lines have been established, no entries can be made.

The only law which at present gives security to the holder of Alaskan coal land is found in section 2348, Revised Statutes, which provides that qualified persons who open and improve mines "and shall be in actual possession" shall have a preferred right of entry when the lands become subject to entry. In view of the fact that neither standard lines nor rectangular surveys are likely soon to be made in the locality of some of the coal fields, it is believed that Congress should authorize entries and surveys in a manner similar to those now authorized under the homestead and mining laws. The proper opening of these mines will require large investments of capital, not only in development work, but also in transportation facilities, and without some means of securing title in fee capital will hesitate to seek such an investment.

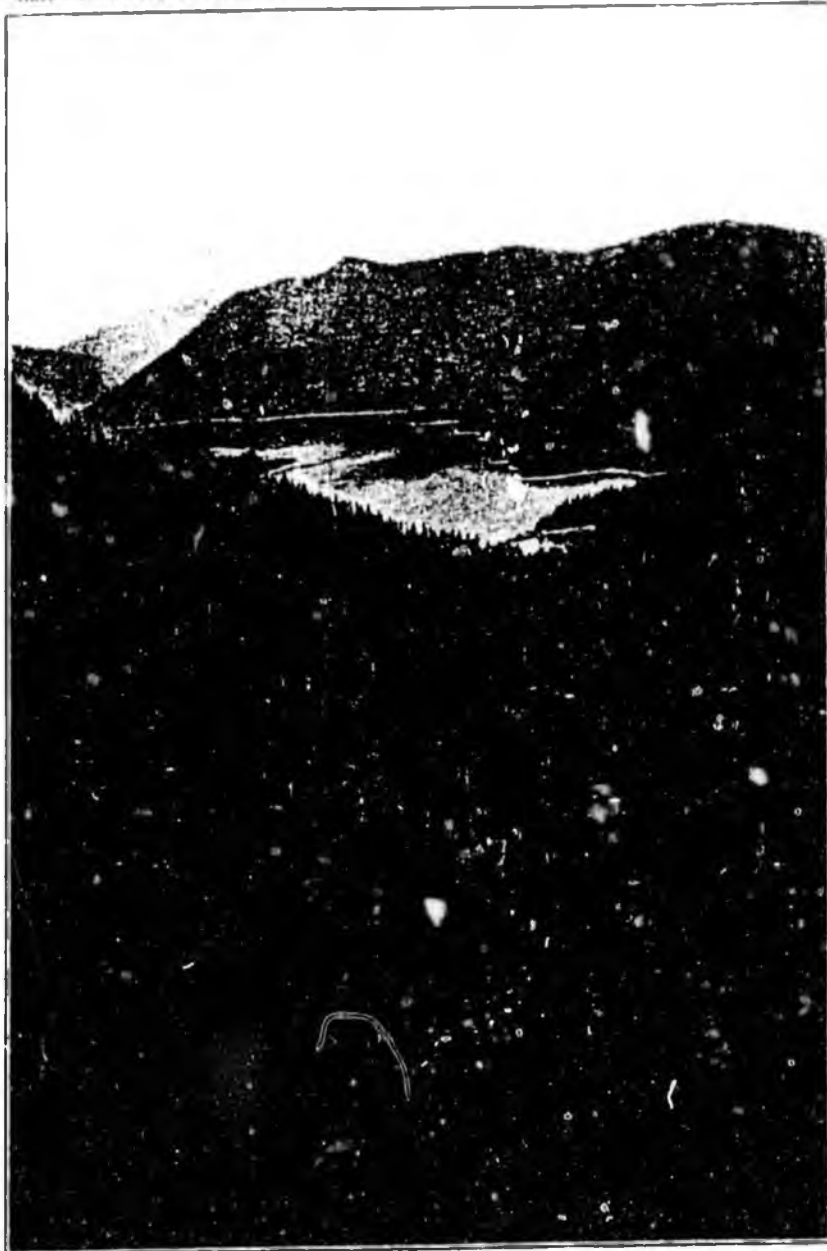
✓ A law of this kind has been enacted since this report was written.

A more detailed statement of the coal resources of Alaska was published by Prof. Alfred Hulse Brooks in the United States Geological Survey's Twenty-second Annual Report for 1900-1901, to which I am indebted for some of the facts recited herein and from which the following table is taken.

*Analysis of Alaskan coals.*

Locality.	Moisture.	Volatile matter.	Fixed carbon.	Ash.	Sulphur.	Character of coal.	Recalculated.		
							Fuel elements		Fuel ratio
							Volatile matter.	Fixed carbon.	
McCluskey seam, Kootnahoo, Admiralty Island.	2.44	44.75	47.93	4.88	0.67	Lignite (coking) .....	48.28	51.72	1.07
Seppagen seam, Kootnahoo, Admiralty Island.	1.68	35.40	31.80	31.14	.32	do .....	32.68	47.32	.90
Sullivan seam, Kootnahoo, Admiralty Island.	.82	21.84	31.52	41.80	.51	do .....	38.10	61.90	1.62
Mitchell seam, Kootnahoo, Admiralty Island.	2.37	31.77	30.89	35.01	.17	Lignite .....	50.67	49.33	.97
De Groff seam, Kootnahoo, Admiralty Island.	2.57	35.44	29.75	12.24	.39	Lignite (coking) .....	65.08	34.92	.53
Chilkat River, near Controller Bay.	.77	13.79	82.36	3.08	.....	Semianthracite (coking) .....	14.34	85.66	5.97
Controller Bay .....	.75	13.25	82.40	3.60	.....	do .....	13.85	86.15	6.22
Jay Bay .....	.78	13.22	80.30	5.70	.....	Semianthracite .....	14.13	85.87	6.07
Tyonek, Cook Inlet .....	9.07	49.41	30.84	10.68	.....	Brown lignite (coking) .....	61.57	38.43	.62
Bradley seam, Cook Inlet ..	12.64	43.36	37.14	8.86	.48	Lignite (coking) .....	53.94	46.06	.85
Eastland seam, Cook Inlet ..	11.72	46.50	34.64	7.14	.60	do .....	57.31	42.69	.74
Eastland .....	10.35	52.23	34.56	2.85	.17	do .....	60.16	39.84	.66
Do .....	11.59	50.70	30.84	6.87	.22	do .....	62.18	37.82	.61
Curtis seam, Cook Inlet .....	11.67	52.37	21.01	14.96	.46	do .....	71.37	28.63	.40
Fort Graham, Cook Inlet .....	1.25	39.87	49.89	7.82	1.28	Lignite .....	44.42	55.58	1.25
Red River, Kodiak .....	12.31	51.48	33.80	2.41	.17	Lignite (coking) .....	60.37	39.63	.65
Amalik Harbor, Alaska Peninsula.	1.62	36.56	52.92	8.90	.75	Semibituminous (coking) .....	40.86	59.14	1.44
Chignik River, Alaska Peninsula.	1.89	41.47	48.46	8.18	1.71	do .....	46.11	53.89	1.17
Unga, upper seam, Shumagin Islands.	11.26	40.61	41.24	6.99	2.17	Bright lignite (coking) .....	49.55	50.45	1.02
Unga, lower seam, Shumagin Islands.	10.88	66.21	15.26	7.95	.56	Dark lignite .....	81.27	18.73	.23
Herendeen Bay, Alaska Peninsula.	3.43	39.00	47.40	10.17	.44	Bituminous (noncoking) .....	45.74	54.26	1.21
Lewis River, 54 miles above Pink Rapid.	6.03	36.92	49.03	8.02	.....	Lignite .....	42.96	57.04	1.33
Cliff Creek, upper working, Yukon River.	8.57	47.04	45.77	3.62	.....	Lignite (coking) .....	47.87	52.13	1.06
Cliff Creek, lower working, Yukon River.	10.38	40.10	46.74	2.58	.....	do .....	46.17	53.83	1.16
West of Dugdale on White Pass Railway.	2.31	5.59	67.39	24.90	.....	Anthracite (coking) .....	7.67	92.33	12.03
Coal Creek, upper seam, Yukon River.	18.31	34.96	40.88	5.85	.....	Lignite (coking) .....	46.09	53.91	1.17
Coal Creek, lower seam, Yukon River.	19.37	33.85	37.45	9.33	.....	do .....	47.47	52.53	1.11
Cliff Creek, Yukon River .....	18.00	44.30	33.60	3.10	.82	Lignite .....	56.87	43.13	.75
Do .....	16.00	35.50	38.50	10.00	Trace	do .....	47.97	52.03	1.08
Do .....	16.60	42.90	25.50	15.00	.....	do .....	62.71	37.29	.59
Do .....	12.50	37.60	34.60	15.40	.....	do .....	52.01	47.99	.92
Do .....	9.94	44.08	40.99	4.95	2.37	do .....	51.82	48.18	.93
American Creek, Yukon River.	6.75	39.13	37.59	16.53	3.40	Lignite (noncoking) .....	61.01	38.99	.66
Left bank of Yukon, 60 miles above Circle City.	7.70	29.80	51.80	9.40	1.00	do .....	36.52	63.48	1.73
Small creek emptying into Yukon below Coal Creek.	6.24	43.94	47.74	2.08	.....	Hard lignite .....	47.93	52.07	1.08
Miller's mine, nearly opposite mouth of Hess Creek, Yukon River.	7.29	37.35	36.91	18.42	.....	do .....	50.32	49.68	.98
Upper Koyukuk .....	4.47	34.32	48.26	12.98	.....	Brown lignite (noncoking) .....	41.55	58.45	1.40
Twelve miles above Nulato on the Yukon.	.86	25.75	66.61	6.88	.....	Semibituminous (coking) .....	27.92	72.08	2.22
Cape Lisburne .....	3.75	43.75	47.39	5.11	.36	Semibituminous (noncoking) .....	48.00	52.00	1.06

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A BIRD'S-EYE VIEW.

White spikes indicate overripe and dead timber.

## ALASKAN TIMBER AND LUMBER INTERESTS.

## CHARACTER OF FORESTS.

A large portion of Alaska, except the western and northern parts, is covered with timber ranging from hemlock and spruce, 3 to 4 feet in diameter and 100 feet tall, to alders and willows, which border the treeless region.

The best timber is to be found in southeastern Alaska, and it reaches westward, with diminishing size, as far as the center of Kodiak Island. The interior generally is wooded, but all of western Alaska as far north as Norton's Sound, for a distance of 100 to 150 miles from the coast line, is treeless. On Norton's Sound the timber comes down to the coast in the neighborhood of Cape Denbigh, but north of that point there is no timber on the coast whatever. West of the one hundred and forty-first meridian but little timber grows at an altitude above 1,000 feet.

The Alaskan forests consist of white or Sitka spruce, hemlock, fir, red and yellow cedar, scrub pine, red and white or paper birch, cottonwood, willows, and occasionally a kind of larch and dwarf juniper. The spruce and hemlock are found throughout all the wooded districts and constitute by far the larger part of the Alaskan forests. The cedars are found in southeastern Alaska. Many of them are large and valuable trees, but they are not nearly so extensive a growth, even in that locality, as the spruce and hemlock. The red cedar grows principally below the latitude of Wrangell, while the yellow cedar grows principally on Baranof and Chickagof islands. In the interior are found birches, cottonwood, larches, junipers, and willows.

It is a peculiar characteristic of Alaskan forests that trees of large size do not generally grow in compact bodies as elsewhere, but are mingled here and there with others of various sizes, and another peculiar characteristic is that from lack of soil, and perhaps from the effects of the climate, many of the larger trees have ripened and are dying or are already dead. In an annual report Governor Brady called attention to this fact, with the suggestion that the timber interests of Alaska would be advanced by the harvesting of these ripe trees.

Another peculiar characteristic of Alaskan forests is the fact that the fallen trees decay very slowly, which is shown by the further fact that comparatively large trees are sometimes found growing upon the trunks of others that have fallen years before. As soon as the tree falls it becomes covered with a thick moss, particularly in southeastern Alaska, where there is an excessive rainfall. This moss gathers leaves and seeds falling from other trees. Young shoots start up and eventually throw their roots from the supporting log to the ground below through the moss which covers it. It is no unusual sight to see half a dozen of these, ranging in size from mere shoots to others 8 to 12 inches in diameter, growing on the same log.

The timber along the Yukon River is smaller and shorter, very much of it not being over 8 or 10 inches in diameter at the butt. About three years ago the Government was in need of about 600,000 feet of lumber for the purpose of erecting buildings at Fort Gibbon, near Nulato, and after examination of the timbers along the Yukon in that vicinity it was found necessary to bring the logs from a distance of about 80 miles above the mouth of the Tanana River in order to secure such as would measure not less than 12 inches at the butt and 12 feet long.

#### FOREST FIRES.

In the interior forest fires are of very frequent occurrence during the summer months. The weather conditions are such as to give them better opportunity, and they originate largely through camp fires, as has been suggested, possibly from a desire on the part of prospectors and others to drive away mosquitoes, which are such a pest throughout all of the river regions of Alaska. In other portions of Alaska forest fires are of seldom occurrence and must of necessity be very limited in their range. The heavy rainfall and the thick mantle of ground moss, which is constantly wet, as well as a very heavy growth of green vegetation and underbrush, would both prevent and retard fires, and it is safe to say that southern Alaska forests can never suffer very much from them.

#### LUMBER AND FUEL.

There are a number of sawmills in Alaska, usually of small capacity. The principal mill on the Yukon is owned by Carl M. Johanson, of Eagle. Most of the logs, however, used by him are floated down the river from the Yukon territory and cost at his yards about \$30 a thousand, including labor, and the \$6 a thousand charged by the Canadian government. He pays wages from \$6 to \$10 a day for employees who operate the mill, and sells his lumber at from \$65 to \$100 per thousand. The output, however, is not large. There is also a sawmill at Rampart and one at the Episcopal mission at Anvik and another at the Catholic mission at Holy Cross, but the last two cut but little lumber, which is used principally by the natives, who are now learning to build their houses of lumber. Mills have also been operated by the military posts at Eagle (Fort Egbert) and at Tanana (Fort Gibbon) in sawing lumber for the use of the posts.

There is not much demand for lumber on the Yukon River. The transportation rates between Yukon points and St. Michael and Nome exceed those from Seattle and other Puget Sound points, and the cost of manufacturing lumber in the State of Washington is much less than that on the Yukon, consequently lumber can not be shipped from

the river points to St. Michael, Nome, and other Bering Sea localities in competition with Puget Sound mills. There is not much lumber used along the Yukon River, since the size of the trees and the cost of labor make logs much less expensive than frame houses, and consequently we find nearly all of the buildings along the river are cabins.

Very much of the timber along the banks of the Yukon has been used for fuel within the last few years. Coal from local mines has not proven a satisfactory fuel, and the boats on the river as well as the military posts and other local consumption have created considerable demand for wood as a fuel. More than fifty vessels, including tugs, were operated on the river in 1900, and all or nearly all of the fuel used by them consisted of cord wood taken from the banks. Some idea of the amount of wood thus consumed can be had when it is remembered that the steamers each consumed from 30 to 75 cords of wood a day, and in some instances more. One company, the Northern Commercial Company, states that it and its constituent companies used 48,438 cords from 1897 to 1902.

Some of the larger companies maintain their own wood yards and hire the wood cut, but many other yards are maintained along the river by private individuals, who sell to the steamers. The wood is cut principally by natives and by stranded prospectors, who in this way accumulate a "grubstake" in winter, which enables them to continue their hunt for gold in the summer. Wood costs on the banks of the river where cut from \$8 to \$10 per cord, and it is said that the consumption by some steamers is so great that the wood consumed in one trip from St. Michael to Dawson and return costs them \$15,000, and in some instances much more.

In southwestern Alaska there has been a small saw mill operated at Wood Island, near Kodiak, and two very small sawmills have been operated by water power in Prince William Sound—one on Pond Island, about 70 miles southwest of Valdez, which is owned by A. W. Lind, of Ellamar, Alaska, and the other on Gage Island, 100 miles southwest of Valdez, which is owned by George Fleming, also of Ellamar. There is a mill of considerable size operated by the Valdez Lumber Company in Valdez, at the head of Prince William Sound, which is now supplying the local demand. It has a capacity of about 20,000 feet a day and makes its lumber from logs cut principally by the natives in Prince William Sound at considerable distance from Valdez. There is also a very small sawmill situated in the interior at some distance from Valdez, which cuts a very small amount of lumber.

A new mill has just been established at Yakutat Bay under the management of Stimson Brothers, of Seattle, Wash. It is the purpose of this company to establish a cannery some miles distant

from this mill, which will be reached by a railroad. The mill is at present engaged in sawing lumber for construction purposes, and will be enlarged to do a commercial business at the beginning of next season. There is a very fine body of timber lying immediately south of this mill. There are perhaps other small mills in the localities mentioned, some of which are immediately connected with mines and canning establishments, but the foregoing constitute all of the mills in Alaska doing a commercial business except those in southeastern Alaska. In order to give an idea as to the output of these mills, I herewith submit a tabulated statement made up from the returns made by the mills themselves for the purposes of taxation during the years 1900, 1901, and 1902, and from other sources.

In addition to the mills enumerated in that statement, there have been three mills operating in other localities with greater or less output, and it is safe to say that the figures showing the amount of lumber actually sawed in the district would be largely in excess of those shown by the statements.

#### LOGGING.

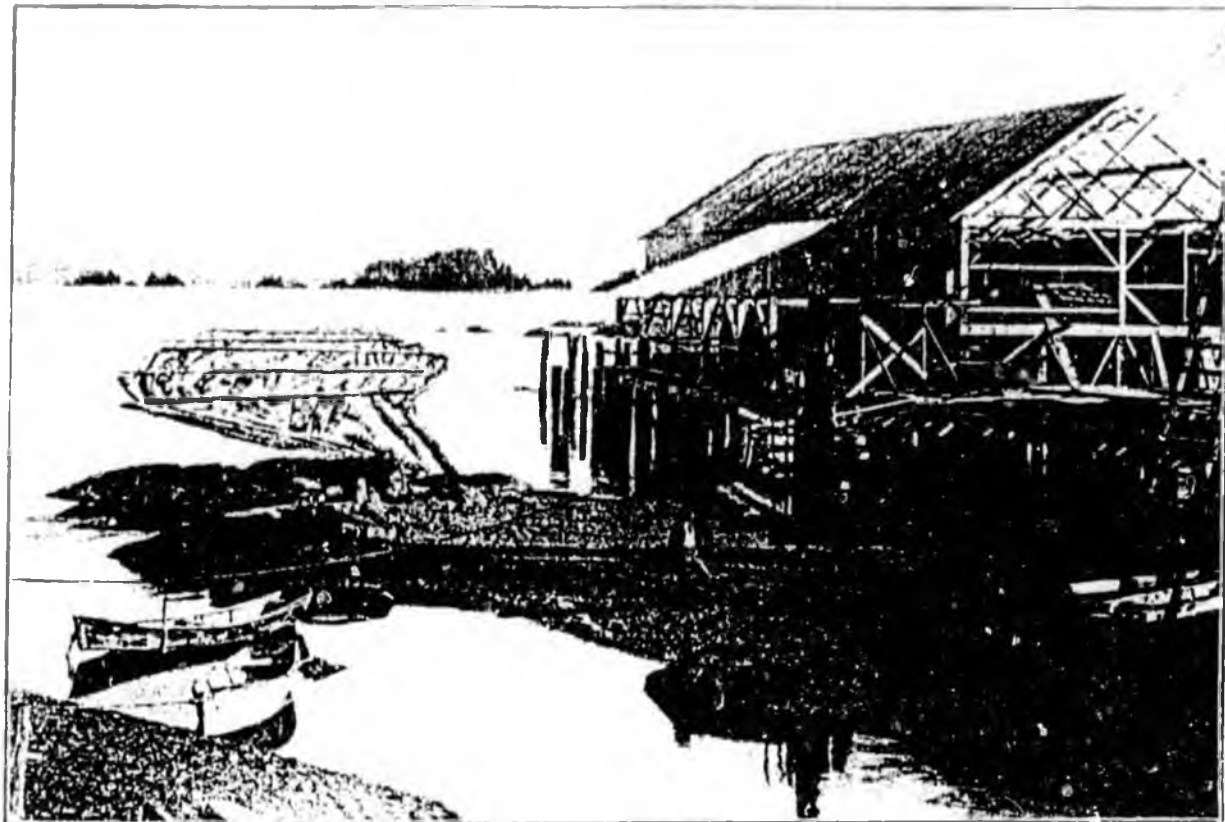
The difficulty of removing the logs from the forests can hardly be appreciated by one not acquainted with the conditions and topography of the country. The ground moss and the rough character of the forest-covered surfaces of Alaska can not be fully appreciated by one who has not seen them. Very much the larger part of the timber grows on the sides of steep and rugged mountains and gorges, and as logs suitable for lumber must be selected here and there from among the smaller trees, their removal is much obstructed not only by huge stones, passing streams, and standing timber, but by fallen logs and a thick growth of dense copse of underbrush. The difficulty of supplying these logs will be realized from the fact that the labor necessary in furnishing them costs from \$1 to \$24 per thousand, and often at that figure it is not sufficiently remunerative to induce other than native laborers to engage in it.

At present the mills in southeastern Alaska are supplied with logs selected here and there along the water front of the numerous islands and are cut principally by the natives, who work them into the ocean, where they are afterwards collected into booms and towed, sometimes as far as 200 miles or more, before they reach the mill yard.

#### LUMBER DEMAND AND SUPPLY.

It will be seen from the tabulated statements herewith, showing the output reported by the mills of southeastern Alaska for the purposes of taxation, and the suggestions above made, that more than 10,835,000 feet of lumber was, in 1901, produced in Alaska, all of which was consumed in that district.

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A BOOM OF LOGS AT A SITKA MILL.

It should be noted that all the returns for 1902 taxes were not in when these data were gathered, and for that reason this statement does not show the whole amount of lumber cut in 1902.

In addition to the mills already mentioned, there is a mill at Hunter's Bay operated by the Pacific Packing and Navigation Company, which saws lumber for its own use, and a small amount for purely local demands. There are small water mills, one on Dall Island and another at Copper Mountain, which also furnish a small amount of lumber for local use.

#### LAWS AUTHORIZING THE CUTTING OF TIMBER.

The only law which authorizes the cutting of timber for commercial purposes is found in section 11 of the act of May 14, 1898. It directs that the Secretary of the Interior may sell timber in Alaska whenever, in his judgment, he may deem it proper to do so to meet the actual necessities for consumption in that district. Persons desiring to purchase timber under this act are required to present petitions therefor describing the land upon which the timber stands as definitely as possible by natural landmarks, etc. Before sale is authorized the timber will be examined and appraised, and notice of the time and place of filing bids will be published. The timber is to be sold to the highest bidder.

The law also provides that actual settlers, residents, individual miners, and prospectors for minerals may take free of charge, from unoccupied, unreserved lands in Alaska for firewood, fencing, building, mining, prospecting, and for domestic purposes so much timber as may be actually needed by such person for individual use, not to exceed in any one year a stumpage value of \$100. Timber may be taken in this manner without first obtaining permission from the Government.

Nearly, if not quite all, of the timber consumed by these mills in Alaska is cut from public lands, and of course the persons who cut it are trespassers, unless it is taken for individual use. This has time out of mind been the custom, the people of Alaska having felt that their isolated condition and the demands made upon them in the development of the country justified them in doing so, since any of the methods heretofore provided for the sale of Alaskan timber have been considered by the Alaskans to be extensive and tedious.

I am informed by the register and receiver that not a single application to purchase has ever been presented under the act of May 14, 1898.

## Southeastern Alaskan sawmills, 1900, 1901, and 1902.

Name of owner.	Location.	Amount.
1900.		<i>M. feet.</i>
J. F. Malony.....	Porcupine.....	100
Quadra Packing Co.....	Petersburg.....	200
Finn & Young.....	Shakan.....	1,099
C. Green.....	Juneau.....	100
Hamilton & Simpson.....	Gravina.....	1,276
W. P. Mills.....	Sitka.....	200
Porcupine Trading Co.....	Porcupine.....	100
Wilson & Sylvester.....	Wrangell.....	3,225
Icy Straits Packing Co.....	Petersburg.....	340
George E. James.....	Sheep Creek.....	693
Do.....	Douglas.....	115
Metlakahla Industrial Co.....	Metlakahla.....	72
Verney Bros.....	North Saxman.....	400
Idill, W. T.....	Skagway.....	305
Total.....		8,115
1901.		
John G. Brady.....	Sitka.....	120
Stanley Bushoprick.....	Skagway.....	500
George E. James.....	Douglas.....	2,016
J. F. Malony.....	Porcupine.....	150
Wilson & Sylvester.....	Wrangell.....	4,221
Dolomi Lumber Co.....	Dolomi.....	287
Green & Slater.....	Douglas.....	180
Hamilton & Simpson.....	Gravina.....	1,050
Kasaan Bay Mining Co.....	Kasaan.....	1,225
Metlakahla Industrial Co.....	Metlakahla.....	286
Verney Bros.....	North Saxman.....	700
Total.....		10,835
1902.		
Alaska Coast Fish and Packing Co.....	Holbrock Inlet.....	72
Green & Slater.....	Douglas.....	334
George E. James & Co.....	do.....	1,858
Wilson & Sylvester.....	Wrangell.....	3,866
Alaskan Fish and Lumber Co.....	Shakan.....	500
Dolomi Lumber Co.....	Dolomi.....	338
Metlakahla Industrial Co.....	Metlakahla.....	120
J. P. Jorgenson Co.....	Juneau.....	500
Total.....		9,268

It is claimed that the conditions in Alaska call for laws different from those enforced in other localities, and the facts recited in the foregoing report convinced me that it would be wise to devise some scheme under which persons interested in the manufacture of lumber could secure the right to take logs at random from the public lands wherever they might be found in the most favorable localities, and that they should not for the present be required to confine themselves to any given tract of a limited size. The overripe timber should be harvested at once.

## FOREST RESERVES.

There are two forest reserves in Alaska—the Afognak, which is composed of Afognak Island, and the Alexandria Archipelago Forest Reserve, embracing a number of the islands situated in southeastern Alaska. There is no settlement upon the Afognak Reserve except that of the native village, to which reference is more particularly made in my report on the natives of Alaska.

There are several small towns or villages, principally inhabited by natives, situated in the Alexandria Archipelago Reserve, and there are also several sawmills situated there, which had been established prior to the creation of the reserve. It is impossible for me to state the extent to which these mills have trespassed, if at all, upon the timber of these reserves, other than to suggest that 290,000 feet of logs had been taken from one of the islands and sold to the firm of W. P. Mills & Co., sawmill operators at Sitka, and a bond has been taken from this firm conditioned upon their payment to the Government for such logs at the price hereafter to be ascertained.

There does not seem to be any necessity for either of these reserves so far as the conservation of the water supply and the protection of the timber from fire are concerned, since the excessive rainfall in that region and the thick growth of ground moss make a fire almost impossible, and these conditions will surely prevent, and have heretofore prevented, fires from destroying this timber to any large extent.

No lumber has yet been shipped from Alaska, since the law forbids its exportation, and as all vessels must clear from Alaskan ports the same as from foreign ports, one loaded with lumber would be detected by customs officials either in Alaska or elsewhere, but the simple fact that the demand for lumber in that District during last year alone caused 12,176,000 feet of boards, deals, etc., and 8,688,000 shingles to be imported, shows that the Alaskan mills were far from supplying the local demand. The total value of the imported lumber and wood products last year was \$692,514, and these figures do not, perhaps, include much of the lumber consumed by the canning companies in making the 2,631,320 cases used for their fish output.

In conclusion, I would suggest that a representative of the Interior Department be provided to look after the forestry interests and the natives of Alaska, and that he be empowered to appoint assistants to act in such localities as he might deem proper.

#### PROSPECTIVE WOOD-PULP INDUSTRIES IN ALASKA.

On this subject I take pleasure in making the following quotation from a carefully prepared report by Mr. F. J. Parke, an experienced and very efficient special agent of the General Land Office. Mr. Parke says:

In order to present the importance of this question fully, I desire to call your attention to the following carefully prepared statistics of the year 1900, and the number of mills and the amount of material used have vastly increased since that date.

There were in operation in the United States, during the year 1900, 763 paper-making plants, all in active operation and representing a total capital of \$167,507,713 and giving employment to 64,186 persons. The total cost of the material used during the year was \$70,530,236; the total value of the products was \$127,326,162, and the total power required for running these plants was 764,457 horsepower.

A large paper mill will make 250 tons of paper a day, and at the rate of 500 feet of finished paper a minute.

These 763 mills, even at an average of 200 tons per day, will turn out each working day of the year 153,600 tons of finished paper, and in order to give an idea of the immense forests that are required to meet this necessity, I will quote from a recent article published in the Scientific American, and which bears directly on the question of "supply and demand":

"It has been estimated that 9 recent novels had a total sale of 1,600,000 copies. This means 2,000,000 pounds of paper. We are assured by a manufacturer of paper that an average pulp-wood tree averages a little less than 1 cord of wood, which is equivalent to 500 pounds of paper. In other words, these 9 novels swept away 4,000 trees. Is it any wonder that those who are interested in forestry look with anxiety upon the paper mills?"

When I was directed, under your instructions, to proceed to Alaska and make investigations and report as to timber conditions in that territory, I did not confine my observations to the mere illegal use of timber taken from Government land, but I endeavored to acquaint myself with the different classes of timber, the regrowth of same, and the best uses to which it could be adapted, so as to intelligently lay before you conditions that would assist you to recommend such legislation relative thereto as the necessities and conditions might require.

I ascertained from observation and from frequent conversation with lumbermen and others who had knowledge of the timber conditions of Alaska that less than 2 per cent of the timber growing there becomes suitable for manufacture into lumber, and I was impressed with the fact that only a small proportion of the other 98 per cent will be required for mining and other purposes, and that this class of timber could be more profitably and beneficially used in the manufacture of pulp and paper than for any other purpose.

The larger timber, suitable for lumber, only grows in the lowlands and the valleys, while nearly all of the mountains in southeast Alaska are thickly covered with a smaller growth of spruce and hemlock, which is accessible to the water and can be handled more readily and with much less expense than timber in any other part of the United States; and there is, I believe, a larger quantity of timber in Alaska suitable for this purpose than there is in all of the United States west of the Mississippi River. The water power which is necessary for the manufacture of pulp and paper is unlimited, and there is one other very important fact which should be taken into consideration, as the same conditions do not exist in any other part of the United States, and that is that the forests of Alaska will never be depleted or exhausted, as they reproduce themselves; which is, I believe, due to the Japan Current, the salt air, and the continual moisture, so that when the timber is removed there will always be a new and natural growth coming up to take its place.

It appeared to me very strange that while the mineral resources, the fur trade, and the fisheries of Alaska have been exploited in every possible manner by writers of books, by newspaper correspondents, Government officials, and through Government publications, not one mention has ever appeared in the reports of the governor of Alaska relative to this important industry and the immense value that must come to Alaska as a future pulp and paper section.

If proper laws are enacted that will encourage this industry, I believe that within a very short time there will be more people employed in southeastern Alaska in this one industry alone than there are now bona fide citizens in the entire Territory. This will not appear as an exaggeration when the fact is considered that there is not at present, exclusive of Russians and Indians, a bona fide population in the Territory of more than 20,000, while during the year 1900 there were employed in the United States in this industry alone 64,180 persons, and during the year 1903 there were more than 75,000 persons employed.

I believe that the day is fast approaching when Alaska will not only supply the greater part of the pulp and paper for the United States, but it will furnish a large part of the lumber used.

I believe that special legislation should be enacted looking to the protection of the forests of Alaska and laws passed that will have in view the encouragement and upbuilding of paper and pulp mills.

At no distant day the hemlock of Alaska will attract the attention of the tannery interests, as they will furnish an abundance of bark long after the supply has been exhausted elsewhere.

*Wood and lumber imported into Alaska for year ending June 30, 1903.*

Wood and manufactures of, timber and manufactured wood.....	\$82, 013
Lumber:	
Boards, deals, etc., 12,176 M feet.....	146, 922
Shingles, 8,688 M.....	16, 372
All other.....	220, 658
Manufactures of—	
Doors, sash, and blinds.....	19, 304
Furniture, not elsewhere specified.....	74, 345
All other.....	153, 200
Total.....	692, 814

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ALLOTMENT OF HOMESTEADS TO NATIVES OF ALASKA.

APRIL 16, 1906.—Committed to the Committee of the Whole House on the state of the Union and ordered to be printed.

Mr. BRAD, from the Committee on the Public Lands, submitted the following

REPORT.

[To accompany S. 5537.]

The Committee on the Public Lands, to whom was referred the bill (S. 5537) relating to allotment of homesteads to natives of Alaska, having had the same under consideration, respectfully submit the following report and recommend that said bill do pass without amendment:

It will be observed that the lands to be allotted under the provisions of this bill are to be nonmineral in character, which necessarily implies that they are to be agricultural lands.

The necessity for this legislation arises from the fact that Indians in Alaska are not confined to reservations as they are in the several States and Territories of the United States, but they live in villages and small settlements along the streams where they have their little homes upon land to which they have no title, nor can they obtain a title under existing laws. It does not signify that because an Alaska Indian has lived for many years in the same hut and reared a family there that he is to continue in peaceable possession of what he has always regarded his home. Some one who regards that particular spot as a desirable location for a home can file upon it for a homestead, and the Indian or Eskimo, as the case may be, is forced to move and give way to his white brother.

This has in some instances already worked severe hardship upon these friendly and inoffensive natives to the shame of our own race, due more to a lack of needed legislation than to a wanton disposition on the part of those who have thus dispossessed them than it has been to deprive the natives of what must be conceded to be their rights.

AMENDING SECTION 5501, REVISED STATUTES.

APRIL 16, 1906.—Ordered to be printed.

Mr. JENKINS, from the committee of conference, submitted the following

CONFERENCE REPORT:

[To accompany H. R. 10129.]

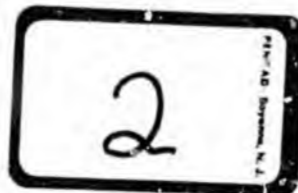
The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 10129) to amend section 5501 of the Revised Statutes of the United States, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 1, 6, 9, and 10.  
That the House recede from its disagreement to the amendments of the Senate numbered 2, 3, 4, 5, 7, 8, 11, and 12, and agree to the same.

Amendment numbered 8:  
That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment as follows:

On page 2, line 14, after the word "thereof," insert: *and every Member of Congress;* and the Senate agree to the same.

JOHN J. JENKINS,  
C. E. LITTLEFIELD,  
H. D. CLAYTON,  
*Managers on the part of the House.*  
C. D. CLARK,  
KNUTE NELSON,  
C. A. CULBERSON,  
*Managers on the part of the Senate.*



CONDITION AND NEEDS OF THE NATIVES OF ALASKA.

MESSAGE

FROM THE

PRESIDENT OF THE UNITED STATES,

TRANSMITTING

A REPORT ON THE CONDITION AND NEEDS OF THE NATIVES OF ALASKA, MADE BY LIEUT. G. T. EMMONS, U. S. NAVY, RETIRED.

JANUARY 19, 1905.—Read; referred to the Committee on Territories and ordered to be printed.

*To the Senate and House of Representatives:*

I transmit herewith a report on the condition and needs of the natives of Alaska, made by Lieut. G. T. Emmons, U. S. Navy, retired. Lieutenant Emmons had for many years peculiar facilities for ascertaining the facts about the natives of Alaska, and has recently concluded an investigation made on the ground by my special direction. I very earnestly ask the attention of the Congress to the facts set forth in this report as to the needs of the native people of Alaska. It seems to me that our honor as a nation is involved in seeing that these needs are met. I earnestly hope that legislation along the general lines advocated by Lieutenant Emmons can be enacted.

THEODORE ROOSEVELT.

WHITE HOUSE, January 19, 1905.

WASHINGTON, D. C., January, 1905.

MR. PRESIDENT:

I have the honor to submit herewith a report on the condition and needs of the native people of Alaska.  
Very respectfully,

G. T. EMMONS,  
*Lieutenant, U. S. Navy.*

THE PRESIDENT,  
Washington, D. C.

The native people of Alaska, comprising four ethnic stocks, living under varied conditions of country, climate, pursuits, and food supply, differ essentially from one another, and consequently demand somewhat different treatment, according to their several needs.

Those who have come in contact with civilization for a longer period have gradually absorbed its elements, and have so changed their manner of life that our system of living, food, and clothing have become acceptable to their well-being. In short, they have passed through that most trying period of contact, the initial stage, and under a wise supervision, with a little care, there is no reason why their future should not be assured, and an intelligent, working, acclimated population preserved to the country.

Others, farther removed, whose intercourse with our own race has been much more restricted, who heretofore have lived undisturbed in primitive simplicity, are being rudely awakened by the inrush of strangers. Their country is being overrun; their natural food supply, never overabundant in this north land, is being taken from them; the large game is being slaughtered and driven to a distance, and the waters depleted of fish, the woodlands burnt over, and fatal diseases hitherto unknown brought to their midst, to spread distress and death far and wide. All of these conditions they are of themselves helpless to meet. Grownup children, in their ignorance and simplicity they look with wonder on the coming of the white man, and his methods of business and means of living they are wholly unable to comprehend.

Again, there are those who still lead an aboriginal existence, simple hunters and fisher folk, whose life is a continual struggle with nature, and nature in this arctic land, where the mercury falls to 70° below zero and the earth is hidden by the snow through eight or nine months of the year, is extremely niggardly with her gifts. Under favorable circumstances these people live by a mere margin, but exceptional seasons occur—extreme cold kills the game, usual migrations are interrupted, continual storms and off-shore ice prevent pelagic hunting, the fish run fails or excessive wet destroys the catch, and with these abnormal conditions famine and destitution result in sickness and death. Indeed, in some sections the scarcity of food has resulted in the voluntary death of those too old to provide for their own wants.

For all practical purposes of governmental aid the native population of Alaska may be separated into two classes, viz: Those who are self-sustaining and need only supervision, education, and moral support, and those who have been deprived of their natural means of living by the opening up of the country, and, in addition to the above, need material assistance to bridge them over this period of transition and to teach them to provide for themselves under the new conditions of life that surround them.

The first class includes the Tlingits, Haidas, and Tsimshians, who occupy the narrow continental shore and adjacent islands, reaching from the international boundary, latitude 54° 40' north, to the one hundred and forty-first meridian, comprising what is generally known as southeastern Alaska. They number some 6,000 souls, and live in comparative comfort, in large, well-built villages along the coast and channel ways, under very favorable conditions. Here the climate is mild and healthful, wood and water are on every hand, fish life is abundant and game is found more than sufficient for their wants. They are intelligent, honest, and good workers; an accumulative,

thrifty people, quick to learn and anxious to improve their condition. The establishment of salmon canneries, lumber mills, and mines within the past twenty years, and the now gradual settling of this region by a permanent population, has given them ample opportunity to earn a good wage, while competition in trade and cheap water rates have placed the products of civilization within their reach at a minimum cost. So to-day, wholly through their own exertions and industry, without any material assistance from the General Government, they have established themselves as an independent, self-supporting population, fully capable of rendering such labor as the conditions of the country demand. Still these people have their limitations, and the fact that their improvement has come from within instead of from without, and that they have advanced their own interests unaided, does not mean that they have no needs, nor that the Government can through persistent neglect gain immunity from the fulfillment of its moral obligations.

Anything looking toward land indemnity or money payment or tribal reservation would be the greatest mistake here, and would but check the material advance already made. Tribal ties are very light and with education will wholly disappear. The tribe was purely a geographic grouping of families for mutual protection and social obligation. The totem or family was the unit of life among these people. The whole country was portioned off among the families as hunting reserves, berry grounds, or fishing sites, and their laws of property and rights were very clearly defined and strictly observed. Of course the coming of the white man, the establishment of canneries and lumber mills at first worked a hardship to many and produced much confusion, but when these industries gave them work and the opportunity to improve their means of living the question of ownership adjusted itself in what was the greater good to the greater number. In outlying districts the question of possession of fishing sites is still the cause of some friction, but this is more personal than tribal, and with the passing away of the older generation and the increased labor markets for the development of the country's resources these people will be as free and independent in the exercise of their civic rights as any settlers in Alaska.

Under the present code of laws the status of the native has never been decided. He is amenable to all of the statutes thereof, but is debarred from the privileges extended to strangers who come to the country for self-gain, without any thought of permanent settlement, and who take up land and mining claims or fishing rights and dispose of them to the first comer and leave the country the next day. While the native, to the manor born, a permanent fixture in the country, who knows no other home, and who must of necessity remain, has practically no legal rights that the stranger has to respect; he can not locate a mineral claim with any assurance of holding it, and while he may have considerable property, yet franchise is denied him and he may be taxed without any representation.

Just laws should be extended to these people; they should be protected in their living, and the same rights of citizenship that are given to all who are able to pass the necessary examination should be equally theirs.

Educational facilities should be extended. The matter of speaking English is very important in the life of the workman, as his employ-

ment and increased wage may depend upon it, and a more intimate knowledge of our methods and improved appliances of labor increase his usefulness. Industrial training schools should be established at one or two central points where those trades best suited to the necessities of the country could be taught, and where the children from scattered and distant settlements, and orphans, who might otherwise suffer neglect, could be housed and educated.

But the greatest need of these people is the establishment of hospitals and dispensaries, where free treatment could be received. Tuberculosis is all-prevalent, and ignorance and want of sanitation in their villages and homes so increases its spread that it is a menace to the lives of all of the inhabitants of the district. The other diseases most commonly found seem to be directly traceable to contact with our race, and their alleviation or suppression would only seem to be an act of justice on the part of the Government.

Summed up in a few words, the natives of southeastern Alaska ask for simple justice in the execution of the law—the same educational advantages that are given to all others in the land, protection in their rights to hold property and to locate mineral lands, citizenship when qualified, and the establishment of hospitals at central points. In short, they ask only the rights that are accorded to every stranger who comes to this country to make a home, while they, the children of the soil, can know no other.

The second class—those whose needs are more material and who require supervision and, in certain localities, Government assistance, includes the Aleuts, the Athapascans, and the Eskimo—the bulk of the native population of Alaska—occupying the vast interior and the extended coast line of the Pacific Ocean west of the one hundred and forty-first meridian. These people are wholly different from the southeastern Alaskans just considered; they are neither aggressive nor progressive, of a simple, milder character, sometimes indolent, often improvident. The opportunity to learn the methods of civilization has been denied them until our life has been thrust upon them in a day, and of course they can not understand its complexities. This first contact has proved very fatal, and already thousands have succumbed, and aside from all considerations of humanity, their relief, supervision, and education, looking to self-support and independence, is a question of Territorial importance, which asks, shall they become a burden on the white settlers in this new country, or shall they be transformed into a working force, assisting in the advancement and the development of the country?

The Aleutian Islands, together with the population of the continental coast and the adjacent islands, extending eastward to Mount St. Elias, although comprising three native stocks and a strong admixture of Russian blood may, for all practical purposes, be considered together, like environment, pursuits, and food having largely tended to reconcile racial differences.

The Aleuts were the first to come under Russian domination—a century and a half ago. A mild, peace-loving, harmless race of sea hunters and fishermen, living under a patriarchal system on exposed beaches in a treeless country, they were easily subdued and practically enslaved. The women were appropriated, and the men were carried off and forced to hunt for their captors in distant waters. Whole villages were depopulated and colonies were planted among strange

people to keep up the chain of communication with the Alexander Archipelago.

The Eskimo of the peninsula and Kodiak Islands, and the Chugash of Prince William Sound made more strenuous resistance, but in the end they were conquered or decimated, and during the century and a half of Russian rule through association and continual intermarriage these people lost their originality, became members of the orthodox Russian Church, adopted the language and customs of their masters, and became Russified. Such conditions were found upon the transfer of the territory to the United States.

The American Fur Company, that supplanted the Russian Fur Company, continued the paternal system already established, employing the native hunters and fishermen, looking after the general welfare of all and tiding them over bad seasons, and while caring for their physical needs at the same time keeping them thoroughly dependent. Under this administration a living was assured to all, but the people made little progress. Their inherent weakness of character, indifference, and want of initiative was rather increased. They were little encouraged to think for themselves, for without competition they could only receive what the company chose to give them, and, naturally improvident, they squandered all that they made over and above what was required for their mere living. Circumstances and characteristics combined to their disadvantage. This life of sufficiency—ideal, in a sense, as long as it might last—continually worked to their further harm; for now, with the almost total extinction of the sea otter and the protection of the fur seal, the fur trade has so decreased in importance that the company has abandoned its posts and the natives are thrown upon their own resources, and that, too, in a country that through a century and a half of constant hunting has been despoiled of its natural wealth.

Sea hunters through necessity of life and training, accustomed from childhood to the cramped skin boat, they have little knowledge of the land and no aptitude for work other than hunting. Indeed, the older people consider any other occupation as humiliating, although the younger generations are seeking employment in the canneries and elsewhere, and are proving intelligent workers. But the opportunity for labor is limited. The salmon canneries are centered about Kodiak Island and Cook Inlet beyond Chignik for over 1,200 miles. Except for two small settlements, there is no field for work. And in the salmon district the season lasts but a couple of months; so the mass of the people are reduced to seal and offshore codfish, which for a steady diet is not at all sustaining, and our clothing and the necessities of life they have grown accustomed to, they find difficulty in procuring for want of means. Then, to add to their troubles, this coast line has been cursed with a floating population of irresponsible whites, the off-casts of society, who, fleeing from the restraints of law, have imposed themselves upon these helpless people, degraded and debauched them, and spread disease broadcast among them, which is sadly attested to by the well-filled graveyards which alone remain to mark once populous villages.

These people need moral support and guidance even more than national aid. They represent to a large degree a Russified type of civilization—for the orthodox church represented throughout this area has ever since the transfer of the territory continued its usual dis-

bursement for the benefit of its members and the support of its schools, which has resulted in the spread of the Russian tongue and the denationalizing of the people as far as tribal customs and traditions are concerned. But under our Government and the settling of the country, this character of education is of little practical value as far as self-support is concerned. What they need is the knowledge of our language, and the training in our ways of labor, so that they may work understandingly in the new fields of industry which are developing the particular resources of this region. To this end elementary day schools in the large settlements are necessary, and owing to the scattered smaller settlements, the great extent of coast, and the meager facilities for travel, boarding schools at central points are equally needed, and in addition one or more training schools where practical trades may be taught.

Hospitals are much needed, as medical treatment can only be obtained at the few larger white settlements, and the great distances, limited and expensive means of transportation, and widespread poverty make this a luxury beyond their reach.

Much benefit would accrue to these people through Government supervision—an officer to protect them from imposition and to require the just enforcement of law, to teach them better sanitary condition in their homes, to encourage them in the cultivation of gardens, to provide them with seed, and to advise them regarding so many points that would add to their comfort and advancement. As it is they have no one to look to. They fear the officers of the law, for in too many instances they have betrayed their trust and have willfully robbed and grossly imposed upon them.

Protective game laws and restriction upon hunting and fishing have in many instances worked a great hardship upon these coast tribes, while white hunters with modern arms have almost exterminated the sea otter, their principal means of support. The forbidding of the taking of fur seal in the Aleutian Islands, the protection afforded to big game on the Kenai Peninsula, and the closing of the salmon stream on Afognak Island have all contributed their share to the present state of poverty and destitution.

The Eskimo, who forms the bulk of the native population of Alaska, inhabit a broad belt of coast line bordering on Bering Sea and the Arctic Ocean, besides the more southern settlements along the Pacific shores, previously mentioned. They are particularly interesting for their natural intelligence, ingenuity, and their extreme docility. History is replete with their hospitality and kindness to our people. Hardly a season passes but that some whaler is crushed in the ice, abandoned, or stranded, and the crew escaping to the shore are succored, fed, and clothed from their scanty stores through the long Arctic winter—the season of least abundance—when actual living is a problem difficult to solve for themselves.

The several conditions that exist along the thousands of miles of coast are very different, but it is very certain that those farther removed from the influences of the fishing and mining communities are much better off.

About Bristol Bay, where great salmon canneries are established, a considerable population exists, and here during the very short working season they can make a considerable wage, but unfortunately this does

not always work to their benefit. Ignorant and improvident and brought into contact with the lowest type of white fishermen and contract Chinese, who teach them all of the vices and debauch them with liquor. Instead of applying their earnings to the necessities, they are wasted on luxuries, and before the winter is fairly begun the proceeds of the summer's work have disappeared; with nothing in hand, then follows a season of want, when they subsist on the half decayed refuse fish thrown away by the canneries, and enfeebled physically they readily fall victims to disease. Tuberculosis is rife among these people. Such unfavorable conditions are not so much their fault as the result of circumstances thrust upon them. Their ignorance can be overcome by teaching and their improvidence by guidance and advice; liquor can be kept from them by the strict enforcement of the law, and with the opportunity to earn a living in a mark close at hand their future should be assured.

To the northward of Bristol Bay, between the Yukon and the Kuskokwim rivers, and reaching inland 150 miles or more the country is low and swampy, consisting of a flat tundra intercepted by many sluggish streams and shallow lakes, abounding in fish life, but devoid of large game. Here is found a considerable population depending entirely upon fish and seal. The climate is cold and raw, with excessive moisture, subject to heavy storms, and it is much less favorable than the drier and greater cold of the interior. So far the prospector, the miner, and the trader have passed this section by as being too poor and unprofitable, but still these natives have suffered terribly from disease brought to them from a distance. In 1900 an epidemic of menses and gripe devastated this coast, and out of a total population of 3,000 about the mouth of the Kuskokwim River, fully 1,500 died without succor or treatment, within a few months. The life of this district has always been hard—food, never overabundant, has often failed, and from time immemorial the forced or voluntary death of those too old to provide for themselves has existed. Life or death is determined by a physical test of strength, and those who can not successfully qualify, accept the result without murmur, and with a few days food go out on the tundra and give up their lives, that the children may live. (As late as 1901 this system was in vogue and it probably is still observed.) While the lot of these people is always a challenge to charity, yet in times of sickness it is pitiable. They seem to be without the pale of government assistance, neither schools nor teachers exist for them. They live in small communities at many points, and might be said to be semi-nomadic, as they have to change their homes to keep pace with the movements of their food supply. Their pressing needs are education, supervision, boarding schools for the children from scattered settlements, hospitals, and medical treatment, and at times material assistance in food and clothing.

The natives of Seward Peninsula in contact with the mining population have suffered greatly from disease, and the changed conditions which have destroyed their primitive manner of living with no compensating advantages. Game has been killed or driven away, wild fowl are protected practically throughout the year as they spend only the short summer season in the North, so their slight profit from this source is shut off and their ignorance of our methods of work and appliances—from their limited contact with civilization—renders their

employment unprofitable. They are very intelligent and anxious to be taught, and could, with a little care, be made self-supporting and a valuable adjunct in the development of this inhospitable region.

Through Kotzebue Sound and coastwise along the Arctic shore to the Mackenzie River, and scattered through the almost unknown interior, the native people have yet been spared the coming of the white man, except at meeting places along the coast, where they have suffered greatly from contact with whalers who have debauched them and cultivated a taste for liquor difficult to overcome. Otherwise the the natural conditions under which they live have suffered less change, and with the excellent work of the missionaries they are making rapid progress, so really they are better off than heretofore. But there is no assurance that this undisturbed state will continue. Any discovery of mineral will bring an army of prospectors to overrun the country and take from them what little they have, and in the event of such a contingency they should be prepared in advance.

The salvation of the far Northern people would seem to be the domestic reindeer, but as yet the insufficiency in number and the necessity for instruction in their care and use have not permitted a general distribution of deer to individuals, and the older people have received little benefit from this source of support. While the increase of the deer to over 8,000 from the small nucleus imported from Siberia within so few years has been most satisfactory, yet the whole number is inappreciable for a population of 20,000 people, and the propagation of the deer must necessarily engage the attention of the Bureau until the number is greatly augmented.

The requirements of the Eskimos are really more pressing and more immediate than those of most of the other native Alaskans. Their country is so barren and the food conditions are so meager and this sudden influx of whites has been so disastrous to them that they are very needy in many localities, and their inability to help themselves is more the result of circumstances than their own fault. Schools and hospitals are first necessities. Rigid enforcement against the selling of liquor should engage the attention of the civil officials; the most liberal game laws; but more necessary than all else is a system of careful supervision, instruction, and advice to lead them toward self support, and material aid in cases of extreme poverty and destitution. To-day they hang around the mining camps in abject poverty, a burden to the whites and a misery to themselves, and there is no one who takes any interest in their well-being or who has any authority over them as long as they live within the law. They are a docile people and recognize authority without question and could be easily led to a more useful life.

The vast interior of Alaska, exceeding 400,000 square miles, with its diversified topography of lofty ice-clad mountains, broken, barren hills, and far-reaching moss-covered tundra, frozen to an unknown depth and snow-covered during the greater part of the year, combined with a forbidding temperature of extreme cold, offers few advantages of life. The scant population of several thousand Athapascans, of the true Indian stock, find life only possible along the rivers and lakes, where fish can be procured. They live in small permanent settlements on the larger rivers, necessarily scattered and generally limited in numbers, owing to the scarcity of food. In the districts of more abundant game, such as caribou and moose, which are the only large

animals throughout Alaska that can be considered to form a permanent food supply, they are nomadic in habit. The country is divided among the families, and it is their custom to make a great kill in the fall and early winter, which is cached under a covering of tree trunks, and throughout the season of least abundance they move from cache to cache, subsisting on the contents.

Along the great river systems of the Yukon and Kuskokwim the natives are more settled in character, from the dependence upon the water for their food, although hunting must supply its share of the larder and the clothing. Those nearer the seaboard, under ordinary circumstances, count on a sufficiency of fish, but with the ascent of the stream, and the many tributaries attracting the fish, the run becomes very limited, until those far inland, with every effort, find it difficult to procure enough to carry them through the winter, and when bad seasons occur or sickness prevents work, famine and suffering follow. Existence in the north land has always been a struggle with nature, which is emphasized by the limited population. With the discovery of the gold fields of the Klondike, the Yukon River became the great highway of travel. Steamboats ply its waters, the shores have been traversed by an army of prospectors, who have driven away the game. The demand for dog food has so increased that white men, with more improved appliances, have already drawn upon the limited supply of salmon, and in some instances have, through force, appropriated the fishing grounds of the natives and driven them away. Of course, permanent white settlements are of benefit to the natives. The opportunity for work is increased, and they are enabled to purchase many of the necessities hitherto denied them.

Education is the first necessity; schools to teach them our language and training to fit them for work. The distribution of seed and instruction in simple gardening would add greatly to their food supply; for throughout this whole country, even under the Arctic Circle, during the short, warm summer season, where the ground can be drained, hardy vegetables can be successfully raised. Government supervision and material aid in extreme cases of destitution and upon the occurrence of epidemics, and the establishment of hospitals are needed until they can care for themselves, when they should be given property rights and franchise and encouraged to become good citizens.

The condition of the Copper River Indians is exceptionally miserable, and of all of the native people, either coastal or interior, they are most needy and in want of immediate assistance. Reduced in number to hardly more than 250 souls, scattered in small communities along the river valleys, amidst the loftiest mountains of the continent, under severe climatic conditions, their natural living has been taken from them by the white man without the establishment of any labor market for their self-support.

Prior to 1898 they lived in a very primitive state, and were just able to maintain themselves on the not overabundant game life in the valley, together with the salmon coming in from the sea for spawning purposes. But the mining excitement of that year brought a rush of fully 4,000 prospectors who literally swept the country clean, denuding it of life, burning over great tracts of forest, and often destroying what they could not use; when at the same time the salmon canneries in Prince William Sound, having exhausted the home streams, extended their operations to the Copper River delta, thereby decreasing the

salmon catch which had always been their main dependence for the winter supply of food. And so by a combination of circumstances they have been reduced to a pitiable condition of destitution and semi-starvation, which are fast sapping their vitality and increasing the annual mortality.

They are a simple, kindly race, who have ever held out the hand of friendship to our people, and in return they have been deceived and imposed upon to the limit of endurance.

Their honesty is proverbial; during the mining rush boats were overturned in the rivers, and the goods drifting down stream were recovered or cared for or returned, without compensation in many instances. In their life of want and travel over a barren country, the cache has of necessity been sacred, its violation meant death to the owner, as he depended upon it absolutely to carry him to his journey's end, when no other food was to be had, but even this law has been broken by the white man, and instances are recorded when supplies of food and furs have been robbed and destroyed.

The scarcity or extinction of the big game has not only taken away the food most strengthening and desirable to their life of exposure in an arctic climate, but the peltries which furnish clothing equally necessary to their use. To-day their greatest dependence is the rabbit, and through a peculiar dispensation of nature these increase and decrease through every seven years.

The diminished salmon run in the Copper River, caused by the greed of the canneries fishing at the mouth, is aggravated by the perverse natural conditions of the river. Its swift current and the great mass of drift carried seaward on the summer rise militate against the use of nets and traps, and force upon the fishermen the most primitive, tedious method of the dip net, which in glacial water, where the fish are visible, is productive of indifferent result, and often renders it impossible to procure a sufficient supply to carry them through the winter and spring until other food can be obtained.

The wants of these people, so few in number, can be easily supplied by the Government at a limited expenditure. But it is imperative that they be taken in hand immediately, for each season drags them down, decreasing their resistance to disease and decimating their ranks, and when this great area of mineral wealth is exploited, and guides, packers, and trackers are needed, this population, replete with local knowledge, acclimated, and trained to hardship, will have passed away and their loss will be keenly felt, when by a little care they can be made a strong factor in the opening up of a little-known and a valuable country. To this end the scattered population should be gathered together at some favorable point, say near Copper Center, from which a military road leads to the coast, and where they would be in touch with the outside world; here a sanitary village should be built and a sawmill established, which, aside from furnishing the lumber required for use, could be made self-supporting by supplying the outside market, and after a little instruction could be managed by the natives themselves.

An industrial training school of moderate size is a first necessity, and an elementary day school where the children may be taught to read and write. A resident physician in connection with the training school with the necessary menus to meet all possible contingencies. Agricultural possibilities are favorable in this locality, as has been demonstrated by the Government experimental station here situated,

and the attention of the natives should be turned to gardening on a scale sufficient to meet their own needs, and in time, with the settlement of the district, this industry might grow to a means of permanent self-support and profit. More practical methods for the taking of salmon—possibly by the use of fish-wheels—would be a great saving of time and labor with better results, and the construction of suitable drying frames whereby the catch might be preserved is equally essential. So many things could be accomplished with a small saw-mill. The whole life of the people should be regenerated.

This year an Executive order has required the War Department to place rations in store at Copper Center, which may be purchased at Government cost with an addition of 33 1/3 per cent by those who have any means, and to be distributed only to those who are in absolute need. But this is only a temporary measure until some permanent relief can be afforded. Such assistance may be necessary for one or two seasons more until a cheap food supply can be self-produced, for to-day flour costs over \$24 per hundredweight, and other provisions in proportion, while clothing is equally excessive in price, and when labor can be obtained in packing or tracking, the wage is simply the daily food for the individual or an equivalent necessary to procure the same, which leaves nothing for the support of the family. Then the cultivation of the soil is a problem that requires time, the germ of fruitfulness is not in the virgin soil, and two or more seasons of working it over are required to produce results.

*Better educational facilities in the increase of the present school system adequate to the needs of the native population, and the establishment of industrial training schools.*

Alaska, with an approximate area of 600,000 square miles, and an estimated native and creole population of 25,000, acquired from Russia thirty-eight years ago, has to-day, only 32 Government schools—supported by a portion of the license moneys levied on the industries of the country—and a corps of 35 poorly paid teachers.

For the first nineteen years of our occupation no slightest thought was given to the civilization or the education of the inhabitants, either white or native; military jurisdiction was exercised over a limited extent of sea board for the benefit of the few scattered white settlers.

But if the natives were not benefited by this systematic neglect, they were at least not disturbed; the natural wealth of the country was theirs and they followed the ways of their forefathers, and were probably happier and better off, both physically and materially, as a race, than they will ever be again, until they shall have successfully passed through the civilizing process and become as ourselves.

In 1885 the first feeble attempt at education was inaugurated by the Government in the establishment of a few elementary schools in southeastern Alaska, since which time the annual appropriation for this work has been less than \$30,000 for a population of twenty-five to thirty odd thousand people, widely scattered over an immense area of country three-quarters as great as all of the States east of the Mississippi River.

The problem that now confronts the Government in the rapid development of this country, the appropriation of its resources by strangers, and the cutting off of the natural food supply, is, What is to be the future of the natives? Shall they be fed, clothed, and pauperized, like the plains

Indians, and made a burden to themselves and the state, or shall they be educated and assisted only as far as it may be necessary to place them on a self-supporting basis, to be a working factor in the growth of the Territory? Between these two possibilities there can be no choice, from either an economic or a common-sense standpoint, aside from the question of moral right and government obligation.

These people, intelligent and quick to learn, living under severe climatic conditions, with never more than a slender margin of food at hand, and often suffering from dire want, have learned of necessity to work in their own way, and while civilization will open new fields and require different methods, yet the desire and the will to work make it reasonably certain that with education and training they can become self-sustaining and independent.

Their craving for education is almost pitiable: go where you will, inland or coastwise, and ask them what they need and the answer is the same—"Schools for the children so that they may become smart like the white man." They are a very affectionate people to their children; every benefit is for the child. The older people fully realize the fact that they represent the past, the conservatism of native life is slow to change, but at the same time they are a supple and active race, and their readiness to adopt our methods is characteristic of forethought and intelligence, and their ambition to have their children educated in our ways is a proof of their belief that they can work out their own salvation if but given the opportunity. They have always been producers, and their faith in themselves is out of the struggle that lies before them. To this end they should be provided with day schools in all of the villages of a hundred or more adults, and I believe that in many instances where scattered communities now exist the planting of a school would tend to civilization, and for more reasons than the simple benefit of the school this would be very desirable, for in the building of new villages better sanitary conditions could be carried out, and the teaching of the child would to a degree react on the older members of the family and tend toward an extension of civilization. In some sections, where through scarcity of food the families are distributed over a great area of country, and in the case of the children of sick or aged parents unable to provide for their support, and again where orphans may be enslaved by distant relatives, boarding schools or homes are equally necessary. Here the greater benefit would accrue, for taken young when most receptive, trained and supervised and taught, their advantages would be doubled.

The learning of the language is the first necessity and this would be acquired in the elementary day and boarding schools. Then should follow the manual training in industries dependent upon the natural resources of the territory, looking to future self-support.

Such industrial training schools should be established and maintained at central points of greater population with due regard for natural advantages of climate, soil, and accessibility, with a Government reservation of sufficient land for practical purposes of support and instruction and the exclusion of whites from within reasonable limits.

Each institution, besides the instructors, should have a resident physician whose services would be a charity to the whole native population of the district, as the few larger settlements, when medical advice can be had, are hundreds of miles apart with no improved means of travel and the smaller scattered camps are too limited to have such advantages.

so in sickness and wounds nature is alone responsible and life is sacrificed and bodily deformities result from minor causes when treatment would prevail.

The several Government agricultural stations at widely distant points have demonstrated the feasibility of growing many vegetables and maturing some hardy cereals and grasses, and even beyond the Arctic Circle, on the Koyukuk, flourishing gardens of hardy vegetables are to be found. Instructions in these branches would mean a great deal, for not only would a healthful and much-needed source of food be made available, but the sale of vegetables and fodder to the miners and resident whites, who have neither time nor inclination to engage in such work, would be a means of some profit.

Fishing is the natural industry of the whole country, and by far the principal wage is derived from that source, but so far they have not gotten far beyond the catching of fish. There is every reason to believe that with instruction and opportunity they will work into the class of skilled labor now so largely filled by the Chinese, for each year with the enforcement of the exclusion act this source of labor is being exhausted, and it is to the advantage of the canners to utilize all the workmen to be found in the Territory, instead of bearing the expense of transportation to and from distant points.

In arctic and central Alaska dried salmon is in great demand for dog food and brings a fair equivalent, but from ignorance, want of care, and want of proper drying frames the native product is often unmarketable. Net making could be taught and employed to great advantage, as the primitive methods of fishing in vogue and the want of suitable nets handicap the native greatly in competition with the white fishermen.

The introduction of domestic reindeer through the initiative and forethought of Dr. Sheldon Jackson has proved a great benefit even in its infancy. This animal is the life of eastern Siberia, and when the same natural conditions are found in Alaska its permanence may be equally assured. Besides serving as food and clothing, as a means of winter travel and transportation, it is so much quicker and more convenient in point of food, as it lives on the country, while the usefulness of the only other means of transportation—the dog—is limited to the carriage of its food. The possession of a small herd of deer by the training schools, when available, would familiarize the children with its use and save them many years of instruction that are necessary before individual distribution of the deer can be made.

Saw-mills, when possible, in connection with the schools, would not only be a prime necessity of instruction in an industry that the natives take to so readily, but would be an economy in the construction of the necessary school buildings, and undoubtedly they could be worked to an advantage to the country about and made self-supporting, and cheap lumber would be an inducement to build more comfortable houses.

Besides the many home industries to be taught, the continuance of native arts with improved tools and appliances would prove very advantageous from an economic standpoint. The Thlingits, Haidas, Simpsheans, Aleuts, and Eskimos excel in carving, painting, and the textile art, and the amount accruing annually from the sale of these objects support many who are disqualified from following the more active pursuits through age, sickness, or family circumstances.

All of these and many more industries would result from the training schools, and the problem of the future of these people would be

solved at a comparatively limited expenditure, while the country would be given an educated, intelligent, self-supporting population.

Since the writing of this report the Nelson bill has been passed, which withdraws all of the license money from the support of native schools, and requires a special appropriation for their support, and the least reasonable amount to carry on this work effectively would be not less than \$100,000.

*That the duties of the office of the governor of Alaska be extended to include the supervision of Indian affairs, with the necessary assistants in different districts.*

*That he be provided with the means to extend material aid in cases of destitution and during periods of famine, and to furnish medical treatment in times of epidemics, and he shall advise the natives as to their best interests and protect them from imposition.*

The necessity for government supervision over the natives of Alaska and the need of material assistance in cases of destitution resulting from famine, disease, and abnormal conditions is made evident by the greatly increased mortality during the past five years.

To this end the power and authority of the governor of the Territory should be increased, so that he may exercise control and supervision over the native people, to be assisted by five district agents, equipped with the means of travel, who should acquaint themselves with the conditions and needs of the people under their care, so that they may direct their energies toward self-improvement in their manner of living, protect them from imposition, advise them as to their legal rights, and in extreme cases of destitution and sickness—which come suddenly in this Northern country—to provide them with such material necessities as the occasion demands.

The native Alaskans have ever been allowed to shift for themselves. Indeed, up to the period of the discovery of gold in their country, their existence was ignored. They have received no concessions or payments from the Government and so they have not been pauperized. Their confinement to reservations and support would be the greatest curse that could be visited upon them. They have always been independent and self-sustaining, and what little assistance they require should look to the continuance of this state under the new conditions forced upon them by the development of the Territory.

The coming of the miner and the exploiting of the country have bewildered them completely. Our methods of life and of business are beyond their simple minds. The decrease or driving to a distance of the large game and protective laws have abridged their food supply and taken from them their principal source of revenue. Salmon in the interior, from the increased efforts of the canners on the coast, have become more difficult to procure. Their lack of knowledge of our industries and the limited opportunity to work even during the short northern summer combine to their disadvantage. To meet these changed conditions they must be guided and taught to work. Education will in time remove these difficulties and provide for the coming generations; but it is the adult of to-day, steeped in his old life and traditions, who must be assisted on the road to self-support.

The southeastern Alaskans, who have made such material progress in civilization, and those who are in a position to work, require only

advice to improve their manner of living in the comfort and healthfulness of their dwellings and the sanitation of their villages, protection in their rights, and the just enforcement of the law.

But the more distant people of the Aleutian Islands, the interior, and the Eskimo, naturally more dependent in character, living in a severe climate, under unfavorable food conditions, deluged by miserable whites and the introduction of liquor, and the victims of disease brought to them constantly, need not only advice and supervision, but oftentimes food, clothing, and medical treatment to keep them alive and bridge them over seasons and dire want.

No department under the present system of government has any care of the people at large, or any funds to meet necessities however pressing. His ignorance of our laws often makes the native the subject of outrageous impositions by unprincipled officials or grasping strangers, and he suffers in silence because he knows no redress nor appeal. The native is no one's business, and his greatest credit is that with all the disadvantages that beset his path, the want of encouragement and the impositions he suffers, that he remains kindly and law-abiding and still struggles to improve his condition.

Some one interested in him would readily gain his confidence, for he is simply a grown-up child, his nature is sympathetic and kindly, but imposition has made him suspicious, and he is learning from unfortunate experience that avoidance of the white man is rather to be desired, and this is not best. A fuller knowledge of our life would be to his advantage, and this can only come about through intercourse with and instruction from some one in whom he can place full trust and confidence.

*The right to acquire, hold, and dispose of all real and personal property upon the same terms and conditions as is given to other inhabitants. And the privilege of citizenship to those who have no tribal ties and who are qualified to perform the functions thereof.*

Whether or not the natives of Alaska are citizens of the United States, and have the right to acquire, by location or otherwise, mineral claims and other real property in the district, has never been judicially determined. Their position is anomalous. They have never come under the reservation act, neither have they received any gratuity from the Government. Before the law they are the same as the white man with the slight exception that intoxicating liquors are denied them, and why they should be discriminated against in their just rights is neither reasonable nor calculated to encourage them in self-improvement.

Throughout the Territory they have been discoverers of, or have aided in the discovery of, many of the most valuable mineral deposits, from which they have realized little or nothing, and recognizing this fact, there are those to-day who have found what they believe to be rich claims, the knowledge of which will probably die with them, as their location would result in their loss.

The granting of property rights would not only be an act of justice, but it would be an incentive to discovery, and would open up a field of labor to a body of hardy prospectors well equipped in local knowledge, who, while advancing their own interests, would contribute to the development of the Territory at large.

In the matter of other property their rights are often disregarded, and their ignorance of the law and what really belongs to them make imposition the more easy.

Generally these people are willing to work and desirous of self-improvement, and, as in southeastern Alaska, they are accumulative, living in well-built villages, with garden patches, and fishing streams that their forefathers carried through generations, but they feel that the possession of these rights is more through consent than assurance.

In the privilege of citizenship, why should those who are sufficiently educated to pass the examination and have no tribal ties be disqualified or discriminated against? Any foreigner can come to Alaska and, as elsewhere, can become a citizen when qualified; so why should these people, who know no other home and are equally intelligent, be legislated against? Of course it would be but a limited number that would seek this privilege to-day, but it would be the greatest inducement to self-improvement. The older people, from their want of education, would necessarily be excluded from full franchise, which would work a hardship on many of the most worthy; but the old life must pass away, and every advantage should be accorded to those growing up under the changed condition, so that they may become active and useful members of society.

The receptiveness and intelligence of those who have had the advantages of education is shown in the many positions they successfully fill in business and labor, as superintendents and managers of saw mills and fisheries, engineers, and pilots, masters of small crafts, traders, and storekeepers, carpenters, and mechanics, and workmen in every branch of industry known to the country.

In Wrangel, a corporate town in southeastern Alaska, a native has been twice elected and has served as a member of the council, and still his status as a citizen is undecided. It is simply a case where the resident whites who live with and know the natives accord him rights that the General Government denies.

*Recommending the amending of the present liquor law, prohibiting the sale of intoxicating liquors to the natives of Alaska by increasing the maximum penalty for such sale to imprisonment in the penitentiary for five years.*

Perhaps no infringement of the law works greater moral and physical harm to the natives than the illicit traffic in intoxicating liquors. This taste, seemingly natural to primitive races, was here early cultivated by Europeans. Both the Russian and Hudson Bay fur companies a century back recognized liquor as a legitimate and lucrative article of barter, and not until their lives were menaced and their property jeopardized was its sale prohibited. In later years smugglers and whalers have kept the natives well supplied, particularly the latter, who have impoverished and demoralized the Eskimo to that extent that legitimate trade has languished.

During the winter of 1878 a general debauch carried off half of the population of St. Lawrence Island, who, failing to lay in their necessary winter provisions, miserably starved to death. Homicides resulting in long and bitter family feuds, in which many lives are sacrificed through generations, can invariably be traced to liquor. Under normal conditions these people are gentle, self-restrained, and dignified,

living to themselves in perfect contentment, and it is not that they seek liquor so much as that it is forced upon them by a small, vicious, floating population of outcasts, fugitives from justice, who, too lazy to work, find this the easiest means of support.

The maximum penalty of the law for selling liquor to a native is only six months in the county jail, which is wholly inadequate to the seriousness of the offense and the misery that it often causes.

Any sentence of less than a year is carried out in the Territory and leaves the offender on the ground to resume his trade as soon as he is liberated.

A maximum sentence of five years would not be excessive for this crime. All sentences of over one year require the deportation of the prisoner to California, and it is hardly probable that upon liberation he would have either the inclination or the means to return to Alaska.

*The establishment of Government hospitals and dispensaries at central points for the benefit of the natives.*

One of the most apparent and pressing needs of all of the people of Alaska is the establishment of Government hospitals at central points, where treatment may be given and medicine dispensed; sanitary supervision exercised and quarantine observed.

In their primitive life they were rigorous and healthy, contagious diseases were practically unknown, their food and clothing were best suited to their manner of living and the climate, and what sickness they suffered came from abnormal conditions or self-abuse.

To-day, with the passing of the wild animals and the less abundant fish supply, they are of necessity driven to our less strengthening food, which in this extreme temperature does no more replace the meat and oil diet than does the cheap cotton print prove a substitute for clothing of fur. Then the small air-tight cabin, with a large stove and no ventilation, takes the place of the large old communal house, with its central, open fire, greatly to the detriment of health and the increase of tuberculosis.

This period of transition is the most trying ordeal through which aboriginal people have to pass on their way to civilization, and at this period relief is more necessary than at any other time.

Every season contagious diseases are brought by incoming whites, who show little regard for the natural susceptibility of the natives. Hardly a year passes that epidemics do not desolate whole districts. In 1900 the grippe and measles were carried to Nome, and they spread along hundreds of miles of the Bering Sea coast and far inland, carrying off a quarter of the inhabitants of this the most thickly settled portion of the Territory. Nor is it the mortality alone, but the distressing conditions and years of suffering that follow to the widows and orphans left to struggle with the scant food supply and bitter cold of the Far North.

This year diphtheria has ravaged two widely separated points on the Yukon River, and at Anvik, where this disease has prevailed, a census taken in the summer shows a loss of 213 out of a total of 687 in four years.

The Eskimo has suffered the most in the past few years, and the total extinction of this most interesting, kindly people must speedily follow the Government's continued indifference and neglect.

Eight-tenths of the constitutional diseases of the Alaskans can be traced directly to contact with our race, while ignorance of and indifference to the commonest sanitary conditions in their lives and dwellings tend to increase the death rate proportionally. Tuberculosis in every form is seen everywhere, and no attempt has ever been made to check its progress. These people recognize its fatality, and they would gladly aid in its suppression and lead healthier lives if there were anyone to give them advice and assistance. At Anvik the natives have offered to build a hospital without assistance if a physician could be given to them. Hospitals and treatment would be the greatest boon to all the natives of this country; as it is they often die from sheer neglect, where so little would give them life; and as their ailments are directly the result of contact with our race, it would seem but the fulfillment of an obligation on our part to give them the opportunity to live.

*That the present game law be modified.*

The regulations for the protection of game in Alaska read: "The primary object of the Alaska game law is the preservation of the game for the use of the people of Alaska, native and white," presumably meaning the resident population, but in its restrictions and practical operation it works decidedly to the disadvantage of both of these classes, as it deprives the native of his self-support, and limits the white in his fresh-food supply, while it permits the unrestricted killing at all seasons by the army of prospectors, explorers, and travelers who overrun the territory for self gain or pleasure during the close summer season. In short, it discriminates against the resident in favor of the stranger, and the sentiment throughout the country is, that it is unnecessarily severe, and that with a better appreciation of the conditions existing in Alaska, it could be so modified that it would give the protection required, and not work a hard ship on the people.

A primary consideration is the extent of Alaska with its limited and scattered population, and the difficulty of procuring fresh meat in a severe climate, that makes increased demands on the vitality. With the development of the country will follow improved facilities for travel and transportation, and the cheapening of food when game laws can be made more stringent with less hardship.

The present game law grew out of the excessive killing of deer, moose, and caribou for commercial purposes and for trophies, and with the prohibition of the exportation of hides and heads it served an excellent purpose, and practically solved the question of game preservation as far as man is concerned. But the deer has a far greater enemy than man, and a more practical means looking to its protection would be a bounty on wolves. Southeastern Alaska, including the Alexander Archipelago, is the home of the deer. North of Cross Sound and Icy Straits it does not exist. Within the past twenty years wolf life has increased excessively, and the deer have correspondingly diminished. This is most noticeable on the mainland and the near-by islands. Indeed, islands that abounded in deer ten years back have to-day only the well-beaten trails to tell of their abundance, and at night the woods resound with the howl of the wolf. Other islands that have escaped this scourge, and even those that have been hunted constantly through a century, are still prolific in deer life, although

hide hunting was carried on to excess just prior to the passage of a restrictive regulation. The black timber wolf is the most merciless and insistent enemy the deer has, and the almost tropical growth of timber and thicket covering southeastern Alaska is well suited to his operations. He is an untiring, powerful animal and very prolific, and his ability to cross broad channels is rapidly destroying the deer on the islands, and this can only be stopped by making his killing profitable, as the pelt is not of sufficient value to induce systematic hunting.

The brown bear is another enemy of the deer in this locality, and in the dense woodlands he takes a fair proportion of life as does the eagle, and these two are both protected.

This protection of the brown bear has never been understood in Alaska. Of all the useless members of the animal circle there he comes next to the wolf. He is a menace to life and property. A certain number of human lives are sacrificed to him annually, and until he is exterminated or driven to a distance domestic cattle can not be raised with safety. He serves no purpose in the economy of nature and is of little value as an asset to the hunter.

*Recommending the establishment of hatcheries for the propagation of salmon in Alaska, under Government control, and the supervision of this industry for its best interests.*

*Prohibiting the establishment of salmon canneries, or the fishing for the same, in the waters of Bering Sea and the Arctic Ocean north of and including the mouth of the Kuskokwim River.*

*Prohibiting the establishment of salmon canneries, fisheries, or salteries, or the fishing for the same in the waters of Dry Bay and the Alacch River in Alaska.*

Salmon is the life of the native people of Alaska, and until they have advanced beyond the hunter and fisher stage and have become self-supporting in modern industries they could not exist without this source of supply.

It gives them their food, their wage, and the only available subsistence for their dogs, and Government supervision of this industry in the establishment of hatcheries for the propagation of the salmon, the strict enforcement of the law, and regulations against the useless destruction of fish life and over production is as important to the natives as it is to the best interests of the canneries and the Territory itself.

The absolute neglect of the protection of this great industry, that represented last year a capital stock of over \$25,000,000, a valuation of plants at \$5,452,600, an annual catch of 34,613,813 salmon, with an estimated market value of \$10,289,635, seems remarkable. Each season commissions or commissioners report on the necessity of Government control and the establishment of hatcheries, and the canneries themselves acknowledge their inability to comply with the existing laws, but time passes, the streams are depleted, and no result is forthcoming.

This industry gives employment to 2,371 natives and furnishes them with at least three-quarters of their total earnings, and while contact with imported white and Chinese labor has been demoralizing to a degree, yet they have to learn the bad with the good, and the possibility

to earn a good living in work they are perfectly accustomed to and naturally fitted for has been a great factor in their advancement and has done more than all else to place the southeastern Alaskans on a self-supporting basis.

Now, while the benefit of the cannery has been undoubted to the majority of the coast people, yet it has worked to the disadvantage of others in more out of the way localities, where excessive fishing and a disregard of the law have exhausted the stream and traps have been used to the exclusion of labor, and in every instance when fishing has been carried on at the mouths of the large rivers that have their sources far inland, and to whose bounty the resident population looks for food, the growing scarcity of the annual run is keenly felt and must of necessity fail them altogether, even when the coast people still have a sufficiency, unless artificial propagation is not speedily inaugurated to supply the steady annual decrease.

But while the benefit of the canning industry to the coast natives as far north as Bristol Bay is an acknowledged fact, yet its extension beyond this limit would seem to be an absolute detriment.

From the mouth of the Kuskokwim River north along the Bering Sea shores, through Kotzebue Sound, and inland along the many rivers for a distance of 150 miles is found the most numerous native population of the Territory. Salmon has always constituted their principal food supply, and should this be interfered with by the establishment of canneries in these waters and the wholesale fishing for commercial purposes, they would suffer grievously. Even the opportunity for labor, which has been so beneficial to others, would not compensate them for the loss of food, for here the season is so very short that the wage would be proportionately small. Even the desultory fishing for dog food by individual whites hereabouts and the commercial activity and use of oil on the river boats seem to have interfered somewhat with the run of late years.

But the coast and the near-by inland people are not alone to be considered in this contingency. The majority of the interior population living on the Yukon, the Kuskokwim, and the more northern rivers flowing into Bering Sea and the Arctic Ocean—the great life arteries of an area of fully 400,000 square miles—are almost wholly fed by the salmon catch of the summer, and while unlimited boats run into these waters, yet in the hundreds of miles of ascent through rapids and shallows they become discouraged and worn-out and but proportionally few reach the upper waters, where the supply never fulfills the demand.

Any diminution in the already limited food supply of these people would bring them to the verge of starvation and make them beneficiaries of the Government, for now that their game has been scattered or protected, they have only fish to depend upon for themselves and their dogs. So the effect of canneries on the seaboard can be readily understood.

The prohibition of fishing for salmon in Dry Bay and the Alsek River would not work a hardship on any established canning interest, as this source of supply has never yet been exploited. This river, breaking through the coast mountains, drains a considerable area of country back of the Mount St. Elias range, and with its numerous tributaries flowing from the many lakes which serve as spawning grounds for the king salmon, the largest and most valuable of the species, its value is inestimable as a natural source of propagation,

besides the fact that it furnishes food to all of the inhabitants of this basin. Should these waters be thrown open to cannery fishing the inland people would suffer grievously, and the already limited number of fish that succeed in the passage of the swift current would be proportionally decreased without a great gain to the market, as the annual run of this river is comparatively limited.

The closing of the waters herein specified against commercial fishing would be but temporary—until the settlement of the interior of Alaska should have so far progressed and the native should have so advanced that he would no more be dependent upon this primitive source of supply for his actual existence; but the benefit arising from this action would be far-reaching, as the salmon supply, which is being so greedily absorbed in the more southern waters, would here remain under natural conditions of propagation, as the proportion taken by individuals—native and white—for food supply would be inappreciable, and in years to come, as the steady drain of the canneries makes itself felt more and more, this natural supply would continue as a great reserve for future generations in a country of limited fish-food products.

#### THE FEE SYSTEM.

*That the fee system as regards all the United States commissioners and deputy marshals in Alaska be abolished, and in lieu thereof that the said officers be placed upon salaries, and that all of the fees collected be by them turned into the United States Treasury; that the salaries of United States commissioners be fixed by the judges of the respective districts in which said commissioners are appointed, subject, however, to the approval of the Attorney-General; that the minimum salary of any of the said commissioners be not less than \$500, and that the maximum salary be not more than \$2,500.*

For the administration of justice Alaska is divided into three judicial districts, and throughout these districts in the settlements are commissioners, appointed by the several judges; likewise there are deputy marshals appointed by the marshals to cooperate with the commissioners. The commissioners receive no salary, but are wholly dependent upon fees for their maintenance. The deputy marshals receive in some cases a nominal salary, in other cases no salary, but in both cases they look to the fee for their living. These two officers have most to do with the native, and it is to them that he must look for protection and justice. The native speaks but little English. In southeastern Alaska and the Aleutian Islands he has been longer in contact with civilization, but even here his knowledge of our language is limited. His knowledge of our laws is even less, and his dread of coming before the court is great. He is, in fact, a grown-up child, willing to do what he is told, but with few to tell him.

Under these conditions it would be reasonable to suppose that these two court officers would be his advisors, and in some cases they are, and if their position was that of wholly disinterested parties, it is fair to assume that they generally would be. But, unfortunately, the self-interest of these men can not make them unprejudiced. Their actual living depends upon the business they do and the fees that are received. Take them generally, they average as well as men occupying like positions elsewhere, but they have a personal interest in every case that

comes before them, and if they can not make the office pay them it is not worth holding. They are simply human. I have seen excellent men take these offices and act wholly for the interest of others at first. They would advise the natives out of court and arbitrate their differences, but this did not pay. And then clearly within their legal rights more of this business was brought into court. In all of this it is the system that is at fault that permits a bad man to extort money or induces a weak man to take into court such cases as could be satisfactorily settled by a few words of advice. I know personally of one commissioner who holds the office for the protection of large business interests.

The fee is of no consideration to him; he simply desires order and the exclusion of liquor from the community. He interferes not at all with the social life of the people; minor differences settle themselves; he is always ready to advise them as to their best interests, but he is very loath to open court except in extreme cases, and consequently these people live a natural life, and the court calendar is almost a blank. But in other communities business is made. The native is spied upon, the most trivial offenses are carried into court, and so miserable is his life made that he will leave his comfortable village house and go off and live away from the law. This making of business is the worst feature of the fee system, and it always has existed. Of course when the conditions become better known the officers have to go, but in the meantime so much harm can be worked and the confidence of a whole community can be destroyed. In a large native community some years back, when the business of the court was at an ebb, a native boy employed as a policeman, but used as a tool of the court, and given a certain amount for every case he brought in, went around among the old people who had been living together as man and wife for a lifetime, and who had children and grandchildren around them, and told them that they would have to go to the commissioner and get married legally, and for this ceremony they were charged five or ten dollars. Then, too, it was a custom when a party appeared in court and after the case was disposed of to go to the losing side and induce them to reappear in court and prefer a countcharge, when the case would be again taken up, and two sets of fees were made out of each case.

Several years ago a native was slightly under the influence of liquor asleep in his house; his wife also had been drinking, but was also in the house perfectly orderly, when a native boy employed by the court as an interpreter or policeman arrested both, brought them before the commissioner, who fined the man \$100 and the woman \$50. This man is an intelligent, well-to-do native. He told me of this case himself, and it should appear upon the records of the commissic ner.

Another case that occurred in Wrangell. An old native woman married to a white man had accumulated over \$200. She drank too much one day, when she was arrested and brought before the commissioner, and she gladly gave up all this money to keep from going to jail.

These cases are only possible under the present fee system. There is nothing the native fears so much as imprisonment. It not only hurts his pride, but the loss of his independence is felt keenly. When he is arrested for any offense, be he innocent or guilty, his idea is not the establishment of his innocence, but the payment of what money the

court may demand, so that he will escape imprisonment. When he is arrested he immediately resigns himself. He may protest as to his innocence, but arrest and conviction are one and the same thing to him. He does not understand the working of the law; he knows nothing about his rights before the court. I have yet to hear of a native asking for a jury trial, and as to a lawyer, he looks upon his employment as a double expense, for he has already made up his mind that he will have to pay the court, so why pay both?

Now, it is the native population that supports the commissioners and deputy marshals, except in a few larger communities. The white man is law abiding and well equipped to take care of himself, except the very few dregs of society, and they are impecunious and of no profit to the court.

But in one instance in the mining sections of Alaska the fee system may cause untold suffering to the white man. The false report of a rich strike in a northern country will empty an established camp and send everybody to the supposed gold fields. Then, after the expense and labor of the journey, regardless of what is found, every one will locate, and all of the notices have to be paid to the commissioner, who is the recorder of the district; and so a dishonest commissioner, causing the circulation of such reports, may reap a rich harvest from the untold sufferings of many in a long and expensive travel to absolutely barren fields.

G. T. EMMONS,  
Lieutenant, U. S. Navy.

## **EXAMPLES OF VETERAN ALLOTMENT CASES THAT ILLUSTRATE THE PROBLEMS WITH THE EXISTING VETERANS ALLOTMENT ACT**

The case of Gilbert Ketzler, Jr. illustrates the problem of lack of land available under the Veterans Allotment Act. Gilbert volunteered and bravely served as an Army medic in Vietnam. Gilbert volunteered to go to Vietnam so that his three younger brothers would not have to. Gilbert was killed in action on October 10, 1969.

On behalf of Gilbert's heirs, Mr. Ketzler's father applied for an allotment under the Veterans Allotment Act on land that he knew his son used and occupied in a manner that would meet the requirements of the Alaska Native Allotment Act of 1906. The application was denied because the land Gilbert used was not available under the Veterans Allotment Act; it had been selected by Native Corporations. Mr. Ketzler's heirs would receive an allotment under an amended Act that allows Native Corporations to voluntarily relinquish land for veteran allotments. Further, even if the Corporation did not want to relinquish, an amended Act that included legislative approval provisions would allow Mr. Ketzler's heirs to apply for other land that Gilbert may not have used.

The case of Ronald Paul illustrates the problem of the restrictive military service dates now required. Mr. Paul, like approximately 1,700 other Alaska Native Vietnam veterans, excluded from veteran allotments simply because they bravely served his country a little too early or a little too late. After serving in the National Guard for over five years, Ronald went in the U.S. Army in 1967 and served with the 101<sup>st</sup> Airborne Division. In 1968, he fought in Vietnam for eleven months and was critically wounded on December 11, 1968. He survived but required so many surgeries he lost count. Ronald was hospitalized until February 1969 and today is a disabled veteran. Ronald is not eligible for an allotment under current law because after he was wounded in 1968, he had to agree to be discharged in order to get proper medical treatment in a VA hospital where he spent several years. Ronald did receive a Purple Heart. Ronald would also receive an allotment under an amended Act that expands the military service dates to include the entire Vietnam era.

3

Alaska Native Veterans Allotment Act

THE SEVENTH JEFFERSON CONGRESS  
of the  
United States of America

AT THE SECOND SESSION

*Began and held at the City of Washington on Tuesday,  
the twenty-seventh day of January, one thousand nine hundred and ninety-eight*

An Act

Making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 1999, and for other purposes.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 1999, and for other purposes, namely:*

"OPEN SEASON FOR CERTAIN ALASKA NATIVE VETERANS FOR  
ALLOTMENTS

"SEC. 41. (a) IN GENERAL.—(1) During the eighteen month period following promulgation of implementing rules pursuant to subsection (e), a person described in subsection (b) shall be eligible for an allotment of not more than two parcels of federal land totaling 160 acres or less under the Act of May 17, 1906 (chapter 2469; 34 Stat. 197), as such Act was in effect before December 18, 1971.

"(2) Allotments may be selected only from lands that were vacant, unappropriated, and unreserved on the date when the person eligible for the allotment first used and occupied those lands.

"(3) The Secretary may not convey allotments containing any of the following—

"(A) lands upon which a native or non-native campsite is located, except for a campsite used primarily by the person selecting the allotment;

"(B) lands selected by, but not conveyed to, the State of Alaska pursuant to the Alaska Statehood Act or any other provision of law,

"(C) lands selected by, but not conveyed to, a Village or Regional Corporation;

"(D) lands designated as wilderness by statute;

"(E) acquired lands;

"(F) lands containing a building, permanent structure, or other development owned or controlled by the United States, another unit of government, or a person other than the person selecting the allotment;

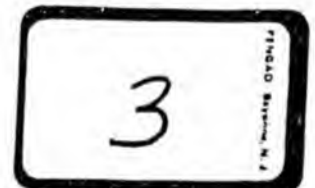
"(G) lands withdrawn or reserved for national defense purposes other than National Petroleum Reserve-Alaska;

"(H) National Forest Lands; and

"(I) lands selected or claimed, but not conveyed, under a public land law, including but not limited to the following:

"(1) Lands within a recorded mining claim.

"(2) Home sites.



"(3) Trade and Manufacturing sites.

"(4) Reindeer sites and Reindeer headquarters sites.

"(5) Cemetery sites.

"(4) A person who qualifies for an allotment on lands prohibited from conveyance by a provision of subsection (a)(3) may select an alternative allotment from the following lands located within the geographic boundaries of the same Regional Corporation as the excluded allotment—

"(A) lands withdrawn pursuant to section 11(a)(1) of this Act which were not selected, or were relinquished after selection;

"(B) lands contiguous to the outer boundary of lands withdrawn pursuant to section 11(a)(1)(C) of this Act, except lands excluded from selection by a provision of subsection (a)(3) and lands within a National Park; and

"(C) vacant, unappropriated and unreserved lands.

"(5) After consultation with a person entitled to an allotment within a Conservation System Unit, the Secretary may convey alternative lands of equal acreage, including lands within a Conservation System Unit, to that person if the Secretary determines that the allotment would be incompatible with a purpose for which the Conservation System Unit was established.

"(6) All conveyances under this section shall—

"(A) be subject to valid existing rights, including any right of the United States to income derived, directly or indirectly, from a lease, license, permit, right-of-way or easement; and

"(B) reserve to the United States deposits of oil, gas and coal, together with the right to explore, mine, and remove these minerals, on lands which the Secretary determines to be prospectively valuable for development.

"(b) ELIGIBLE PERSON.—(1) A person is eligible to select an allotment under this section if that person—

"(A) would have been eligible for an allotment under the Act of May 17, 1906 (chapter 2469; 34 Stat. 197), as that Act was in effect before December 18, 1971; and

"(B) is a veteran who served during the period between January 1, 1969 and December 31, 1971 and—

"(i) served at least 6 months between January 1, 1969 and June 2, 1971; or

"(ii) enlisted or was drafted into military service after June 2, 1971 but before December 3, 1971.

"(2) The personal representative of the estate of a decedent who was eligible under subsection (b)(1) may, for the benefit of the heirs, select an allotment if, during the period specified in subsection (b)(1)(B), the decedent—

"(A) was killed in action.

"(B) was wounded in action and subsequently died as a direct consequence of that wound, as determined by the Department of Veterans Affairs; or

"(C) died while a prisoner of war.

"(3) No person who received an allotment or has a pending allotment under the Act of May 17, 1906 may receive an allotment under this section.

"(c) STUDY AND REPORT.—(1) The Secretary of the Interior shall conduct a study to identify and assess the circumstances of veterans of the Vietnam era who—

"(A) served during a period other than that specified in subsection (b)(1)(B);

"(B) were eligible for an allotment under the Act of May 17, 1906; and

"(C) did not apply for an allotment under that Act.

"(2) The Secretary shall, within one year of the enactment of this section, issue a written report on the study, including findings and recommendations, to the Committee on Appropriations and the Committee on Energy and Natural Resources in the Senate and the Committee on Appropriations and the Committee on Resources in the House of Representatives.

"(d) DEFINITIONS.—For the purposes of this section, the terms 'veteran' and 'Vietnam era' have the meanings given those terms by paragraphs (2) and (29), respectively, of section 101 of title 38, United States Code.

"(e) REGULATIONS.—No later than 18 months after enactment of this section, the Secretary of the Interior shall promulgate, after consultation with Alaska Natives groups, rules to carry out this section."

SEC. 433. The Administrator of the National Aeronautics and Space Administration shall develop and deliver to the House and Senate Committees on Appropriations, no later than 60 days after the date of the enactment of this Act, a study of alternative approaches whereby NASA could contract with a Russian entity or entities for goods and services related to the International Space Station. The study shall evaluate, at a minimum, government-to-government, government-to-industry, and industry-to-industry arrangements. The study shall evaluate the pros and cons of each possible approach, addressing the following requirements: (1) ensure that NASA receives value for each dollar spent; (2) ensure that the funds provided can be audited; (3) define appropriate milestones; and, (4) adhere to all relevant technology transfer and export control laws.

SEC. 434. The National Aeronautics and Space Administration Lewis Research Center in Cleveland, Ohio, shall be redesignated as the "National Aeronautics and Space Administration John H. Glenn Research Center at Lewis Field". Any reference in a law, map, regulation, document, paper, or other record of the United States to the National Aeronautics and Space Administration Lewis Research Center in Ohio shall be deemed to be a reference to the "National Aeronautics and Space Administration John H. Glenn Research Center at Lewis Field".

SEC. 435. The proposed Amendments to Accounting for Property, Plant, and Equipment (February 1998) (Amending Statements of Federal Financial Accounting Standards Nos. 6 and 8, "Accounting for Property, Plant, and Equipment" and "Supplementary Stewardship Reporting") may be adopted without the prior notification and waiting period required by section 307 of the Chief Financial Officers Act of 1990 (Public Law 101-576).

Public Law 106-559  
December 21, 2000

## Indian Tribal Justice Technical and Legal Assistance Act of 2000

### TITLE III-- TECHNICAL AMENDMENTS TO ALASKA NATIVE CLAIMS SETTLEMENT ACT

#### SEC. 301. ALASKA NATIVE VETERANS.

Section 41 of the Alaska Native Claims Settlement Act (43 U.S.C. 1629g) is amended as follows:

- (1) Subsection (a)(3)(I)(4) is amended by striking 'and Reindeer' and inserting 'or'.
- (2) Subsection (a)(4)(B) is amended by striking '; and' and inserting '; or'.
- (3) Subsection (b)(1)(B)(i) is amended by striking 'June 2, 1971' and inserting 'December 31, 1971'.
- (4) Subsection (b)(2) is amended by striking the matter preceding subparagraph (A) and inserting the following:
  - (2) The personal representative or special administrator, appointed in an Alaska State court proceeding of the estate of a decedent who was eligible under subsection (b)(1)(A) may, for the benefit of the heirs, select an allotment if the decedent was a veteran who served in South East Asia at any time during the period beginning August 5, 1964, and ending December 31, 1971, and during that period the decedent--'

under section 906(f)(1) of the Alaska National Interest Lands Conservation Act (43 U.S.C. 1635(f)(1)).

**(B) RELINQUISHMENT.—**

(i) **IN GENERAL.**—The State shall relinquish any selections that exceed the 125 percent limitation.

(ii) **FAILURE TO RELINQUISH.**—If the State fails to relinquish a selection under clause (i), the Secretary shall reject the selection.

(5) **LOWER-PRIORITY SELECTIONS.**—Notwithstanding the prioritization of selection applications under paragraph (1), if the Secretary reserves sufficient entitlements for the top-filed selections, the Secretary may continue to convey lower-priority selections.

**(b) DEADLINE FOR PRIORITIZATION.—**

(1) **IN GENERAL.**—The State shall irrevocably prioritize sufficient selections to allow the Secretary to complete transfer of 101,000,000 acres by September 30, 2009.

(2) **REPRIORITIZATION.**—Any selections remaining after September 30, 2009, may be reprioritized.

(c) **FINANCIAL ASSISTANCE.**—The Secretary may, using amounts made available to carry out this Act, provide financial assistance to other Federal agencies, the State, and Native Corporations and entities to assist in completing the transfer of land by September 30, 2009.

## TITLE V—ALASKA LAND CLAIMS HEARINGS AND APPEALS

### SEC. 501. ALASKA LAND CLAIMS HEARINGS AND APPEALS.

(a) **ESTABLISHMENT.**—The Secretary may establish a field office of the Office of Hearings and Appeals in the State to decide matters within the jurisdiction of the Department of the Interior involving hearings and appeals, and other review functions of the Secretary regarding land transfer decisions and Indian probates in the State.

(b) **APPOINTMENTS.**—For purposes of carrying out subsection (a), the Secretary shall appoint administrative law judges selected in accordance with section 3105 of title 5, United States Code, and members of the Interior Board of Land Appeals.

## TITLE VI—REPORT AND AUTHORIZATION OF APPROPRIATIONS

### SEC. 601. REPORT.

(a) **IN GENERAL.**—Not later than 3 years after the date of enactment of this Act, the Secretary shall submit to Congress a report on the status of the implementation of this Act.

(b) **CONTENTS.**—The report shall—

(1) describe the status of conveyances to Alaska Natives, Native Corporations, and the State; and

(2) include recommendations for completing the conveyances required by this Act.

(C) provide to the Native Corporation a plan of conveyance based on the priorities developed under subparagraph (B).

(2) **FINALIZED SELECTIONS.**—Not later than 180 days after the date on which the Secretary provide a plan of conveyance to the affected Village, Group, or Urban Corporation and the Regional Corporation, the Regional Corporation shall finalize any Regional selections that are in conflict with land selected by the Village, Group, or Urban Corporation that has not been prioritized by the deadline under subsection (a)(1). Deadline.

(g) **DISSOLVED OR LAPSED CORPORATIONS.**—

(1)(A) If a Native Corporation is lapsed or dissolved at the time final priorities are required to be filed under this section and does not have priorities on file with the Secretary, the Secretary shall establish a deadline for the filing of priorities that shall be one year from the provisions of notice of the deadline. Deadline.

(B) To fulfill the notice requirement under paragraph (1), the Secretary shall— Notification.

(i) publish notice of the deadline to a lapsed or dissolved Native Corporation in a newspaper of general circulation nearest the locality where the affected land is located; and Publication.

(ii) seek to notify in writing the last known shareholders of the lapsed or dissolved corporation.

(C) If a Native Corporation does not file priorities with the Secretary before the deadline set pursuant to subparagraph (A), the Secretary shall notify Congress. Notification.

(2) If a Native Corporation with final priorities on file with the Bureau of Land Management is lapsed or dissolved, the United States—

(A) shall continue to administer the prioritized selected land under applicable law; but

(B) may reject any selections not needed to fulfill the lapsed or dissolved Native Corporation's entitlement.

**SEC. 404. FINAL PRIORITIZATION OF STATE SELECTIONS.**

43 USC 1635  
note.

(a) **FILING OF FINAL PRIORITIES.**—

(1) **IN GENERAL.**—The State shall, not later than the date that is 4 years after the date of enactment of this Act, in accordance with section 906(f)(1) of the Alaska National Interest Lands Conservation Act (43 U.S.C. 1635(f)(1)), file final priorities with the Secretary for all land grant entitlements to the State which remain unsatisfied on the date of the filing. Deadline.

(2) **RANKING.**—All selection applications on file with the Secretary on the date specified in paragraph (1) shall—

(A) be ranked on a Statewide basis in order of priority; and

(B) include an estimate of the acreage included in each selection.

(3) **INCLUSIONS.**—The State shall include in the prioritized list land which has been top-filed under section 906(e) of the Alaska National Interest Lands Conservation Act (43 U.S.C. 1635(e)).

(4) **ACREAGE LIMITATION.**—

(A) **IN GENERAL.**—Acreage for top-filings shall not be counted against the 125 percent limitation established

## (c) CORRECTIONS.—

(1) IN GENERAL.—Except as provided in paragraph (2), the priorities submitted under subsection (a) may not be revoked, rescinded, or modified by the Native Corporation.

Deadline.

(2) TECHNICAL CORRECTIONS.—Not later than 90 days after the date of receipt of a notification by the Secretary that there appears to be a technical error in the priorities, the Native Corporation may correct the technical error in accordance with any recommendations of, and in a manner prescribed by or acceptable to, the Secretary.

## (d) RELINQUISHMENT.—

(1) IN GENERAL.—As of the date on which the Native Corporation submits its final priorities under subsection (a)—

(A) any unprioritized, remaining selections of the Native Corporation—

(i) are relinquished, but any part of the selections may be reinstated for the purpose of correcting a technical error; and

(ii) have no further segregative effect; and

(B) all withdrawals under sections 11 and 16 of the Alaska Native Claims Settlement Act (43 U.S.C. 1610, 1615) under the relinquished selections are terminated.

(2) RECORDS.—All relinquishments under paragraph (1) shall be included in Bureau of Land Management land records.

(e) FAILURE TO SUBMIT PRIORITIES.—If a Native Corporation fails to submit priorities by the deadline specified in subsection (a)—

(1) with respect to a Native Corporation that has priorities on file with the Secretary, the Secretary—

(A) shall convey to the Native Corporation the remaining entitlement of the Native Corporation, as determined based on the most recent priorities of the Native Corporation on file with the Secretary and in accordance with the Alaska Native Claims Settlement Act (43 U.S.C. 1601 et seq.); and

(B) may reject any selections not needed to fulfill the entitlement; or

(2) with respect to a Native Corporation that does not have priorities on file with the Secretary, the Secretary shall satisfy the entitlement by conveying land selected by the Secretary, in consultation with the appropriate Native Corporation, the Federal land managing agency with administrative jurisdiction over the land to be conveyed, and the State, that, to the maximum extent practicable, is—

(A) compact;

(B) contiguous to land previously conveyed to the Native Corporation; and

(C) consistent with the applicable preliminary Regional Conveyance and Survey Plan referred to in section 401.

## (f) PLAN OF CONVEYANCE.—

(1) IN GENERAL.—The Secretary shall—

(A) identify any Native Corporation that does not have sufficient priorities on file;

(B) develop priorities for the Native Corporation in accordance with subsection (e), and

"(B)(i) If the Secretary requests that the Secretary of Veterans Affairs make a determination whether a veteran died as a direct consequence of a wound received in action, the Secretary of Veterans Affairs shall, within 60 days of receipt of the request—

Deadline  
Records.

"(I) provide a determination to the Secretary if the records of the Department of Veterans Affairs contain sufficient information to support such a determination, or

"(II) notify the Secretary that the records of the Department of Veterans Affairs do not contain sufficient information to support a determination and that further investigation will be necessary.

Notification.

"(ii) Not later than 1 year after notification to the Secretary that further investigation is necessary, the Department of Veterans Affairs shall complete the investigation and provide a determination to the Secretary."

Deadline.

## TITLE IV—FINAL PRIORITIES; CONVEYANCE AND SURVEY PLANS

### SEC. 401. DEADLINE FOR ESTABLISHMENT OF REGIONAL PLANS.

43 USC 1611  
note.

(a) IN GENERAL.—Not later than 18 months after the date of enactment of this Act, the Secretary, in coordination and consultation with Native Corporations, other Federal land management agencies, and the State, shall update and revise the 12 preliminary Regional Conveyance and Survey Plans.

(b) INCLUSIONS.—The updated and revised plans under subsection (a) shall identify any conflicts to be resolved and recommend any actions that should be taken to facilitate the finalization of land conveyances in a region by 2009.

### SEC. 402. DEADLINE FOR ESTABLISHMENT OF VILLAGE PLANS.

43 USC 1611  
note.

Not later than 30 months after the date of enactment of this Act, the Secretary, in coordination with affected Federal land management agencies, the State, and Village Corporations, shall complete a final closure plan with respect to the entitlements for each Village Corporation under the Alaska Native Claims Settlement Act (43 U.S.C. 1601 et seq.).

### SEC. 403. FINAL PRIORITIZATION OF ANCSA SELECTIONS.

43 USC 1611  
note  
Deadlines.

(a) IN GENERAL.—Any Native Corporation that has not received its full entitlement or entered into a voluntary, negotiated settlement of final entitlement shall submit the final, irrevocable priorities of the Native Corporation—

(1) in the case of a Village, Group, or Urban Corporation entitlement, not later than 36 months after the date of enactment of this Act, and

(2) in the case of a Regional Corporation entitlement, not later than 42 months after the date of enactment of this Act.

(b) ACREAGE LIMITATIONS.—The priorities submitted under subsection (a) shall not exceed land that is the greater of—

(1) not more than 125 percent of the remaining entitlement;

or

(2) not more than 640 acres in excess of the remaining entitlement.

HJR

34

## Sponsor Statement

### HJR 34

**“ An Act proposing amendments to the Constitution of the State of Alaska limiting appropriations from certain mineral revenue, relating to the balanced budget account, and relating to an appropriation limit.”**

The largest contributor to our state's unrestricted revenue is also the most volatile component of the state's revenue. 85 percent of unrestricted revenues through FY '08 and 75 percent of unrestricted revenues through FY '11 will come from oil. Since 1988 Alaska North Slope crude oil production has declined and is expected to continue to decline by 0.75 percent per year from FY '06 to FY '16. HJR 34 provides an appropriation smoothing and limiting mechanism applicable to the wildly fluctuating portion of the budget that is oil revenue.

Recognizing the difficulty in building and balancing our budget in a responsible manner when the price of oil fluctuates as it does on a year-to-year basis, HJR 34 forces the legislature to incorporate its oil revenues into the budget in any given fiscal year on a five-year rolling average, (4 years back and 1 year forward). This averaging would act as a “dampener” to prevent spending sprees when oil prices are high and spending crashes when oil prices are low.

HJR 34 also establishes a “Balanced Budget Account” in the State Treasury. Any oil and other mineral revenue received by the state in excess of the 5-year average amount referenced above will be deposited into the Balanced Budget Account. This account would not be subject to the Constitutional Budget Reserve sweep, but would be limited to a maximum amount that is equal to the oil and other mineral revenue appropriations for the current fiscal year, plus the immediate preceding fiscal year. Any excess amount would be transferred to the Constitutional Budget Reserve.

This resolution would also provide for transfer of funds from the Balanced Budget Account into appropriations during years when actual revenue from oil and other minerals falls below the 5-year average. In lean years, the legislature may with a majority vote transfer funds from the Balanced Budget Account necessary to fill the “gap” between the revenue available and the 5-year average. If the legislature requires appropriations above what the 5-year average permits, it may choose to live within its means or seek funds from other sources of revenue.

HJR 34 will end the constant search by the legislature for rat holes in which to stash excess revenues so they can get their hands on those funds to balance the budget in the following years without having to buy the ¾ vote to get funds from the Constitutional Budget Reserve to balance the budget. The resolution also avoids all the “sacred cows” by having no effect on the permanent fund corpus or the earnings of the Permanent Fund, the Amerada Hess Account or the Permanent Fund Dividend.

Feb 14, 9:09 PM EST

Alaska's boom spending could mean a hard crash later

By MATT VOLZ

Associated Press Writer

JUNEAU, Alaska (AP) -- If America is addicted to oil, as President Bush put it in his State of the Union Address, then Alaska may be the nation's top junkie.

Since crude prices started their dizzying climb two years ago, state officials have celebrated the boom with spending increases of about 15 percent a year. As next year's state budget talks get underway, legislators will have to deal with an anticipated \$1.2 billion surplus and a plan by Gov. Frank Murkowski to spend \$500 million above what the Legislature approved for this year.

The Alaska Legislature's financial advisers warn that volatile crude prices won't be able to keep pace with the state's ballooning budget. If spending grows over the next eight years as it has since 2003, oil prices will need to rise to \$93 dollars per barrel for the state to break even, they say.

And a dip in oil prices could put the state in the red a lot sooner. Senate Finance Co-Chairman Gary Wilken, R-Fairbanks, told his committee colleagues on Tuesday the pace of state spending "ought to scare the hell out of you."

"We're dancing on a pin and we're praying to the oil gods that we're going to be living up here for years to come," Wilken said of high crude prices.

North Slope crude closed at \$57.27 per barrel Tuesday.

Cheryl Frasca, Murkowski's budget director, said state budgets over the past 20 years have been based on spending levels that the price of oil could not support. Basic services such as education and transportation must be delivered regardless of such a volatile revenue source.

"Over the past 20 years we've been dancing on the head of a pin and that's the nature of the budgeting because of our revenue source," Frasca said.

Money pumps into Alaska's treasury from the royalties and taxes on North Slope oil fields, accounting for 85 cents of every dollar the state takes in. The economy can

rise or fall at the turn of a price of a barrel, and Alaska has seen both ends of boom and bust cycles over the past eight years - from \$9.39 per barrel oil in December 1998 to \$67.06 at the end of last August.

Alaska's 664,000 residents have been the beneficiaries of the state's oil wealth. They pay no state income tax, no state sales tax and even receive an annual cut of the wealth as a dividend check from the Alaska Permanent Fund.

Last year more than 603,000 men, women and children got a check for \$845.76. Since the program began in 1982, residents have received \$13.6 billion in dividends.

This year, the Legislature could set a new spending record. Between his budget proposal for next year and supplemental spending requests for this year, Murkowski is asking the Legislature to approve \$4.3 billion in spending.

State agencies would see major operating increases under the plan, including a 54 percent jump in the Department of Labor and Workforce Development's budget above this year. The Department of Commerce, Community and Economic Development's budget would rise nearly 38 percent. The Department of Fish and Game's operating budget would rise 30 percent. Five other agencies would see increases of more than 20 percent.

Frasca said almost 46 percent of the budget is made up of the formula-driven costs of Medicaid, public education and the University of Alaska.

Murkowski's budget proposal for next year has a break-even point of \$55 per barrel average oil price.

That would fall in line with a forecast \$57.30 per barrel North Slope crude price average for this year, but the state Department of Revenue predicts prices will drop to \$49.20 next year and \$40.95 the year after that.

That means if spending increases again next year and the price of oil falls, the state will have a deficit by fiscal year 2008. And that caused Wilken to ask whether the state's spending habits could be sustained over the long haul.

"The answer is yes, all we need is oil to grow about \$5 per year," said Legislative Finance Director David Teal.

Wilken's estimate doesn't take into account the state's dropping production, which shrinks the tax money coming into the state. North Slope production is forecast to fall from an average 917,000 barrels a day last year to 865,000 barrels a day this year, according to the Department of Revenue.

That drop is expected to continue through 2016, with a few spikes as new fields are developed.

There are several things that could keep Alaska's economy from going over the cliff. First is a proposed restructuring of the state's oil production tax that could mean \$1.1 billion to \$2.5 billion in additional revenue per year, depending on the rate that is set.

Murkowski plans to introduce a bill on Thursday that would tax the net profits of oil companies doing business in Alaska. House and Senate Democrats have already filed their own bill.

The state also has the \$2.2 billion Constitutional Budget Reserve, which has been used in 10 of the past 14 years to plug deficits.

Then there is the \$33 billion cushion in the Alaska Permanent Fund, the state's oil wealth saving account created as a rainy-day fund, but which causes a political uproar at the mention of using that money for state spending.

Further in the future, if the Arctic National Wildlife Refuge is opened to oil and gas drilling, that could boost Alaska's declining oil production within 10 years. But opening ANWR has been defeated year after year in Washington amid concerns of damaging the environment and the North Slope's wildlife.

Another possible future revenue boost is a North Slope natural gas pipeline. Negotiations between the state and three major oil producers have been going on for well over a year on fiscal terms to build the pipeline, which could cost between \$20 billion and \$25 billion to build.

The pipeline would tap into 35 trillion cubic feet of natural gas reserves on the North Slope, with possibly hundreds of trillions of undiscovered reserves waiting to be found.

But simply adding money to the revenue stream won't fix Alaska's spending problem, said Sen. Con Bunde, R-Anchorage. The appetite to spend will just grow with the treasury, he said.

"Numbers don't matter so much as how out of balance we are. You can add a billion or two to that and we could still be out of balance," he said.

Wilken said the Legislature's immediate task will be to make hard decisions about the spending requests in this year's budget. That means sorting through the new programs and expansions of existing programs and making cuts where they are needed.

"I would hope that the mantra floating around this building ... is that we're going to end up saving something," Wilken said.

Frasca said the concern should be about Alaska's future and not about a happy ending on a spread sheet.

"I welcome their concerns, but for the last three years, the Legislature has added millions to the governor's proposed operating budgets," she said.

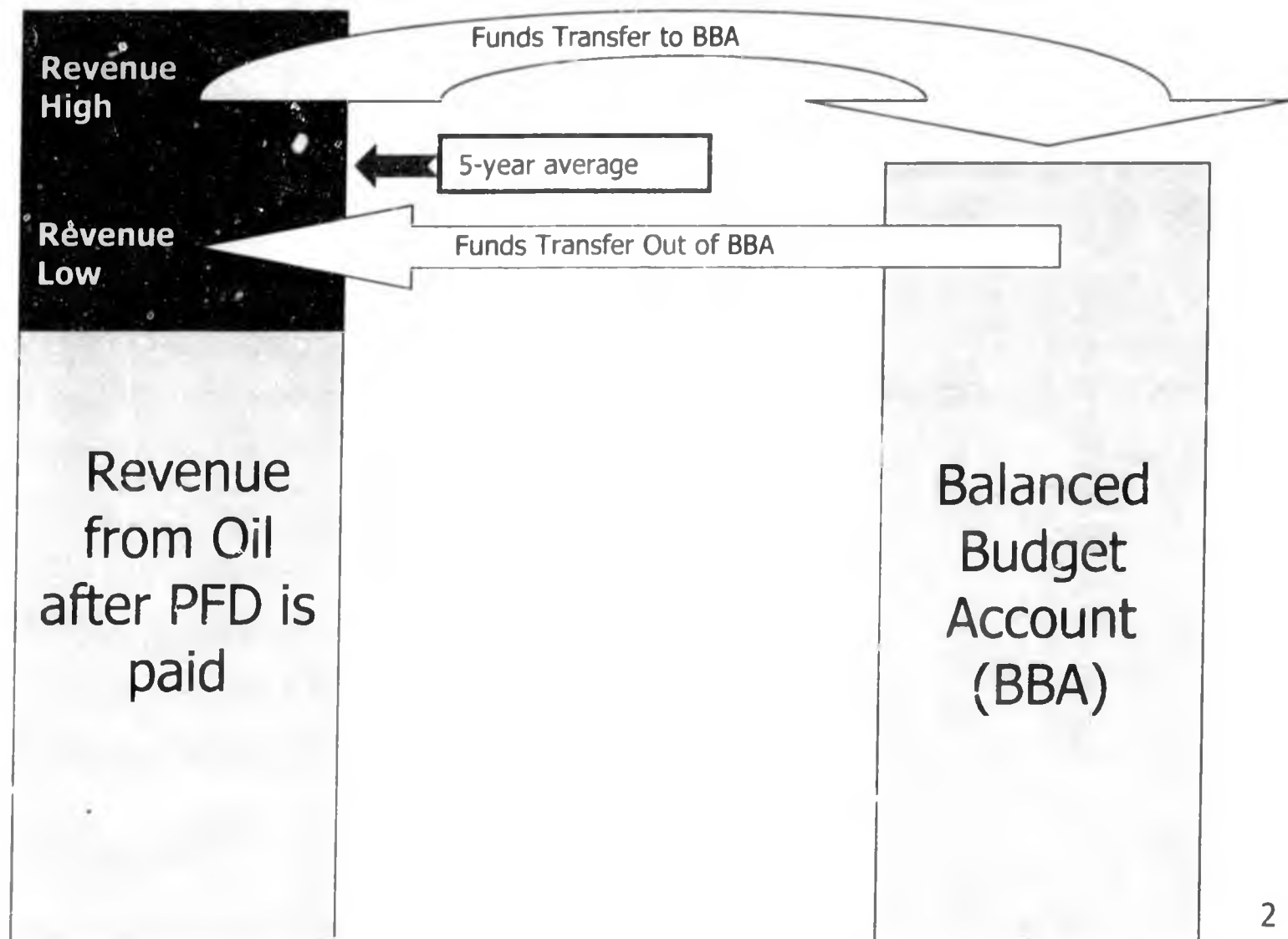
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# HJR 34

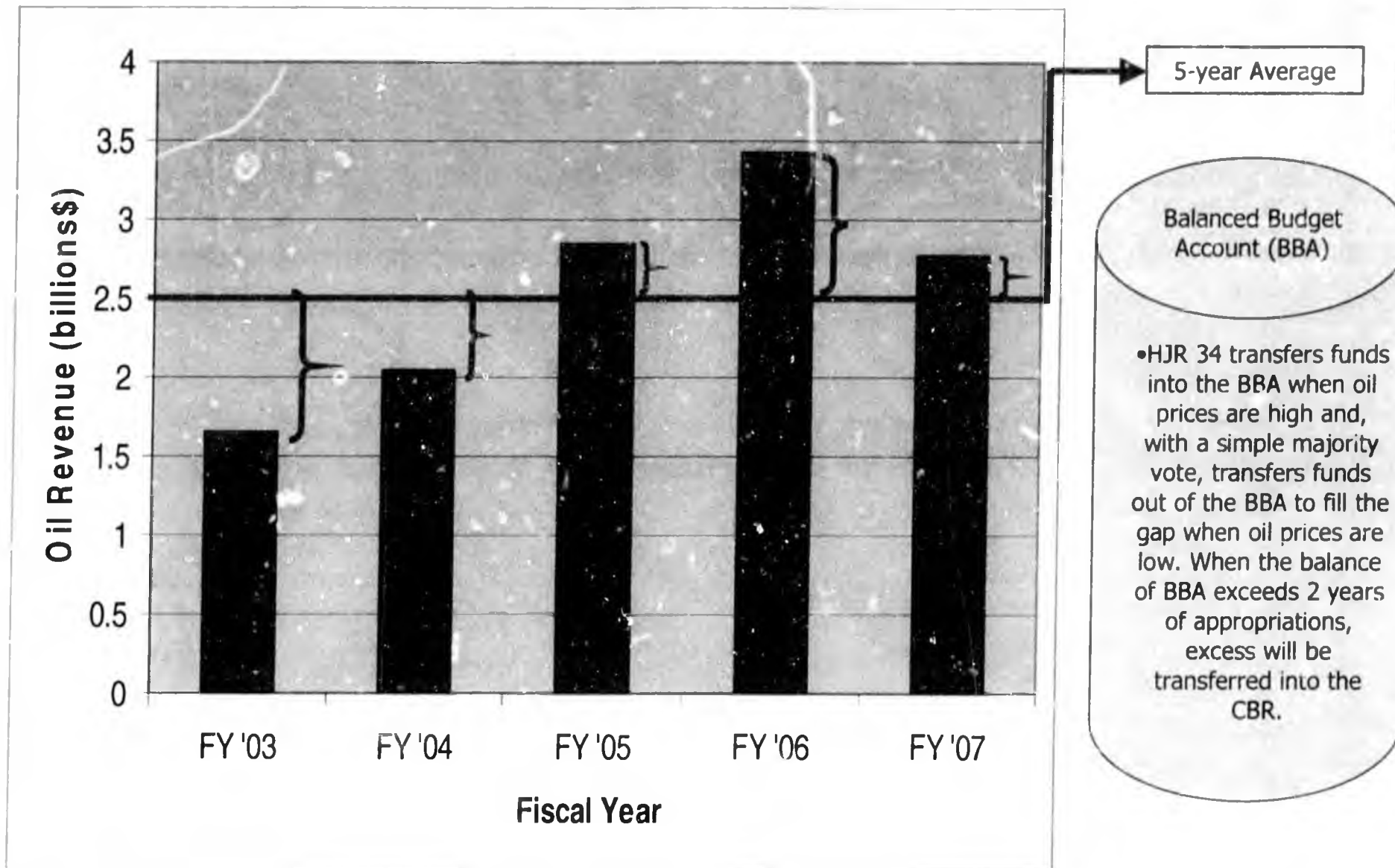
The Balanced Budget Resolution

Rep. Mike Kelly

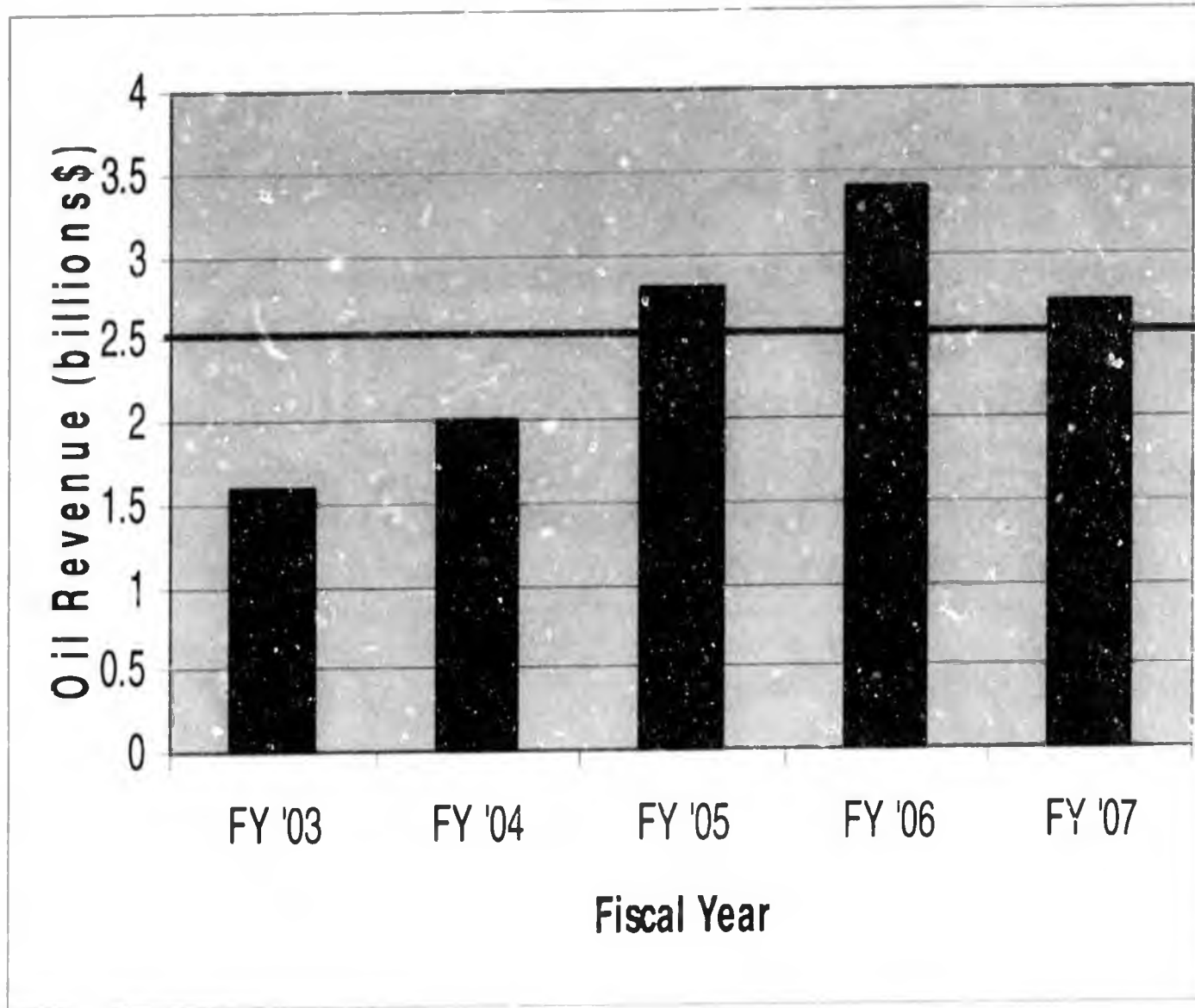
# Basic Concept of Balanced Budget Resolution



# HJR 34



# 5-year Average



## 5-year Average Calculation:

Take the Petroleum Revenue for the past 4 years, plus the Dept. of Revenue's current fiscal year projection and divide by 5.

### Example:

\$ (Billions)

'03 \$ 1.6

'04 \$ 2.0

'05 \$ 2.8

'06 \$ 3.4

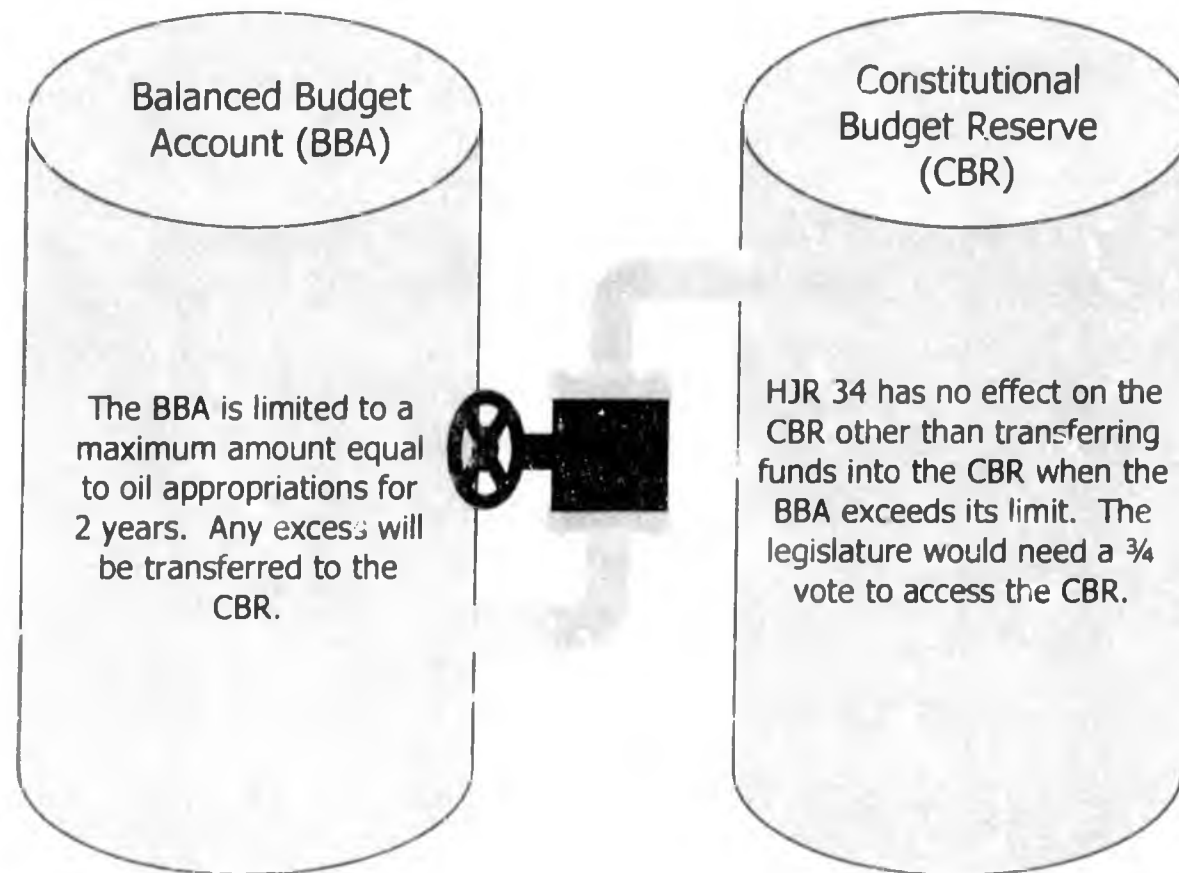
'07 \$ 2.7

Total \$12.5

Divided by 5 =

\$ 2.5

# The BBA and CBR



# The Sacred Cows

HJR 34 Does not touch:

- ◆ Permanent Fund Dividend
- ◆ Permanent Fund Corpus
- ◆ Permanent Fund Earnings
- ◆ Amerada Hess

# CBR Sweep

- ◆ The Balanced Budget Account is NOT subject to the Constitutional Budget Reserve sweep.

# Fiscal Responsibility

- ◆ Encourages a better budgeting system than “when you have it, spend it – when you don’t, cut.”
- ◆ Provides a simple but effective mechanism to help save budget surpluses and avoid deficits while encouraging government to live within its means.