

Journal of the House
of Representatives
OF THE
Territory of Alaska
TWELFTH SESSION

BEGUN AND HELD AT
JUNEAU, THE TERRITORIAL CAPITAL
JANUARY 14, 1935

Adjourned Sine Die March 14, 1935

J. S. HOFMAN
Speaker

MARGARET OTTESEN
Chief Clerk

ANNOUNCEMENTS OF COMMITTEE MEETINGS.

Mr. Growden, Chairman of the Committee on Labor, Capital and Immigration, announced that there would be a meeting of the committee at 10:00 o'clock A. M., Friday, January 18, 1935.

Mr. Baronovich, Chairman of the Committee on Fisheries, Fish, Game and Agriculture, announced that there would be a meeting of the committee at 10:30 o'clock, A. M., Friday, January 18, 1935.

Upon motion of Mr. Nordale, seconded by Mr. Scott, the House adjourned until 11:00 o'clock, A. M., January 18, 1935.

MARGARET OTTESEN,
Chief Clerk of the House.

Approved, January 18, 1935.

J. S. HOFMAN,
Speaker of the House.

FIFTH DAY.

House of Representatives,
Juneau, Alaska, January 18, 1935.

Pursuant to adjournment the House was called to order at 11:00 o'clock, A. M., by J. S. Hofman, Speaker.

Roll call showed all members present.

Prayer was offered by the Chaplain.

The Journal of proceedings of the Fourth Day was read and approved as corrected.

MESSAGES AND COMMUNICATIONS FROM THE GOVERNOR.

The following Message of the Governor of Alaska to the Twelfth Legislative Assembly was received and read:

To the Twelfth Alaska
Legislative Assembly:

The Organic Act makes it the duty of the Governor to make suggestions to the Legislature, recommending legislation. This message is an attempt to comply with that duty. I shall be brief. You will have reports from the various Territorial officers and boards which constitute the source of most of the detailed information that you will need in your work. These reports have been carefully prepared with intelligent and factual background by the Territorial officers and boards, and I know you will study them thoroughly and through this receive much gainful knowledge relative to the work that has been and is being done for the Territory by officers and boards.

The wise mariner, particularly after a storm, before changing course, takes observation and ascertains the position of his ship. Probably the first thing in the survey of our present situation would be to briefly recount the progress of the last biennium.

Mr. Walstein G. Smith, Territorial Treasurer, has said in his annual report, "It can safely be said that the treasury has materially improved in the last two years."

December 31, 1932, the treasury cash balance was \$239,953.40. On December 31, 1934, the cash balance was \$457,109.90. In addition to that, without selling any part of the \$225,000 bonds in the treasury, \$189,000 has been paid out on the construction of the Pioneers' Home. Therefore,

the surplus now, cash and bonds, amounts to approximately \$685,000. This includes \$178,600 in United States bonds drawing 3 3/8% interest and \$40,000 in Wrangell School Bonds drawing 6% interest. Owing to the increase in the salmon pack in 1934, it is estimated that the taxes from this pack, collectable in 1935, will be \$200,000 greater than they were in 1934.

The income for the last biennium was \$577,030.76 more than the income for the previous biennium.

We have now some \$52,000 in delinquent taxes due the Territory. Of this, payment of about \$19,000 is expected at an early date.

The Commissioner of Fisheries has indicated that seventy-five traps will be eliminated this year which will cut off \$15,000 from the trap license fees. The Commissioner of Fisheries has also indicated the possible closing of the Bristol Bay canneries this year. The estimated loss there will be between \$340,000 and \$400,000. This loss in the salmon tax will not appear until 1936. There will be a deficiency of \$14,500 on bounties on predatory animals and eagles and in the old age allowance of about \$25,000. Of this old age allowance deficiency about \$1,500 has already accrued and about \$23,000 will be needed to pay the allowances for the next quarter.

My attention has been called to the vast number of patented mining claims in the Territory that have been completely abandoned and are at the present time useless to the Territory or individuals and also in many cases are hindering development in numerous ways. Many of these are owned by corporations that have gone out of business and a considerable number of others are owned by individuals who have been dead for many years or have moved away from the Territory permanently. It has been suggested that these properties be escheated to the Territory. If the Territory acquires title to these claims through escheat, many of them undoubtedly could be sold for mining purposes. Through the increased price of gold, no doubt a considerable number of them could now be profitably worked. Further, a considerable number could undoubtedly be sold for settlers' homesites or for agricultural purposes. In other words, through this procedure, much new land would be opened for varied devel-

opment. This would not only offer additional opportunity for people to make homes and a living in Alaska, but through the sale of the claims an additional source of revenue to the Territory would be created.

The policy of the Territory after the beginning of the depression, probably wisely, was to wait out the depression and to hold expenses and governmental activities down so that costs would be as low as possible. Dependence was based upon the theory that prosperity for the general country was in the offing and that Alaska with exhaustless resources, and debtless, had only to wait for its return to begin a new era of development. It would come as a natural consequence.

Under the present Administration, however, the National Government is attempting to encourage the return of prosperity by solving the unemployment problem through getting people on payrolls. In this manner, it is hoped that the demand for materials and products of all kinds will set the wheels of industry in motion. The return of prosperity in one industry will create markets for the products of other industries, and it is hoped by this method that in a short time all the industries will become active. The serious problem for the Territorial Legislature to consider is how great a part will the Territory take in this process. How far will it depart from the policy of waiting for the good times that we all expect to come, or how much will it contribute to increase employment. I think we may expect considerable help from the Federal treasury through Public Works in the future. The President has indicated a desire for large Federal Public Works activities for at least two years longer. He has asked for four billion dollars to bear the cost of such a program throughout the nation. But in order to participate in these Public Works, it is expected that we contribute according to our ability. Already there are intimations that we ought to aid as liberally as possible in developing air transportation, through which new money, activity and general development will accrue.

On the other hand, the Federal Government is planning to retire in a large degree from its direct relief and work relief to the needy, leaving that to the local, State, Territorial and municipal governments. In planning public

expenditures, the Legislature should take this into consideration.

The present Administration has undertaken to see that in the Territory no one shall suffer from hunger or lack for shelter or warm clothing if it can be prevented. We must be prepared to carry on as efficiently as possible that policy even after the Federal Government retires, if it does, from the field.

This situation suggests that the Territory ought, if practicable, to plan for other sources of income in addition to those which we now have. This is a very difficult problem to solve, because we cannot afford to overtax industries that we now have. To do that would be to discourage the investment of capital for the development of our natural resources. We depend upon further development, the establishment of more industries, to produce more employment and to add to the Territory's population, which, of course, is our greatest material need.

The sales tax has been suggested as a desirable source of income. The sales tax is being tried in more States all the time. It presents some very difficult problems, it must be admitted, including its tendency to increase food costs. A sales tax, if adopted, ought to be so designed that it would not encourage mail order buying. In other words, the mail order houses should be reached by it as well as the local trades people. It has been suggested that the sales tax ought to be levied on goods shipped to the Territory, rather than on goods sold at retail. However, there is a question whether that could be legally done. The sales tax is a matter which I urge the Legislature to consider very seriously.

A motor gas tax has been suggested. It has been strongly urged on governmental agencies that a tax should be levied on gas used in airplanes to produce funds to pay for aids to air navigation. Others have suggested in like manner, that proceeds of a tax on gas used by automobiles might be used for road and street development and one on gas used by water craft might be used for development of small boats harbors and other water navigation improvements. I urge that this matter also be considered by the Legislature very carefully.

Considerable sentiment has developed throughout the Territory in favor of an increased tax on mining—particularly gold mining. This is particularly a matter that ought to be carefully considered. Existing mining operations constitute the greatest activity in large areas of the Territory where it is the source of support for the people. I do not believe that we should cripple this industry, nor should we place burdens upon the mines that would result in keeping away capital that might otherwise be invested in opening up mining properties. However, the mines could probably stand more taxation in view of the increased value of gold.

Of course, there is a last resort—a real estate and personal property tax, upon which most States rely for the larger part of their incomes. Various objections have been raised to this for Alaska. Chief among them is the difficulty that could arise in the way of levying and collecting such taxes. The preparation of a fair and equitable assessment roll for the Territory would be a huge and costly task. The property is widely scattered over vast areas. Yet, I believe the Legislature should consider the matter carefully, because while you may be able to adjust appropriations to meet the anticipated revenues for this biennium, the time is fast approaching when there must be a larger Territorial income.

LABOR

I believe the Legislature will and ought to give careful consideration to the welfare of working people in Alaska. All of you have been in direct contact with the workers in your several districts and I am confident that you will protect their best interest. Working men and women constitute the largest element in our population.

We wish to make conditions so working men and women will wish to live in the Territory and rear families here under the most favorable circumstances.

In connection with this, I think it is advisable to point out, what you already know, that the welfare of the workers is closely allied with the welfare of our industries, and that for the steady and assured growth and development of the Territory and for the continued and increased

welfare of labor, industries now here and possible new ones must be encouraged.

Only through fair treatment of both labor and industries can we hope to work out of this depression and insure future economic welfare.

FISHERIES

Acquisition of control of fisheries by the Territory is very importantly desirable. However, the Territory has so much to do that will require money, and time and organized effort that I believe it would be better for it to take over fisheries control piecemeal rather than at one fell swoop. It seems to me that the wished for end could be reached through Federal legislation giving the Territorial Legislature authority to legislate on the fisheries question coequally with Congress through amendments to existing laws or the enactment of new legislation. In this way, the administration of the Department of Commerce, through its Bureau of Fisheries, which costs nearly a quarter of million dollars annually, could be retained until its functions might be absorbed by the Territory as need for action presses. It would give the Territory opportunity to proceed carefully and avoid creating chaotic conditions. It must be remembered that fishing and handling fisheries products are going industries employing vast numbers of people and large investments. It is important that those employed in these industries be able to make a continuous living in their work and that the capital employed continue to earn fair returns, so that employment may be maintained and increased and Territorial revenues provided.

The most serious problem confronting the fisheries industry is that of marketing the fish products. It seems to me essential that there should be an advertising campaign throughout the country to call attention of the people to the desirability of fish as food. We ought to profit by the experience of California, Washington and Oregon in that respect. Markets for many food products have been developed through vigorous and effective national advertising. Our fisheries ought to profit by that experience. Of course, the logical way to meet this situation would be for the canneries and other producers of fish to advertise for markets themselves. However,

there is a growing sentiment among the fisheries that the Territory ought to take charge of this matter and have a special tax to produce revenues to carry it into effect. The fisheries are the source of most of the Territory's revenue and the people are vitally interested in the welfare of the industry.

Recent news reports advise that the canners have imposed a can tax to take care of national advertising.

However, the proposition is still worthy of your study and attention, because through the results of proper advertising, the market value of canned salmon can be increased and sustained and through this, the people in the Territory working in the fisheries industry will be benefited through the resulting increased price for raw fish and the ability of canners to pay better wages.

MINING

Our mining industry, particularly gold mining, ranking second among the industries of the Territory, is worthy of the most serious consideration by the Legislature. I believe something should be done to increase the spread and production of mining. There ought to be many new mines, not only to expand the employment, but to take the places of the older mines when they are worked out. The Territory's mining organization ought to have enough money to function efficiently and effectively to aid in developing mining activities and to provide for replacement of worked out properties. It is probable that a small tax on mining industry would take care of the needed costs for this work. In providing for taxation of mines, as in other industries, it must be borne in mind that we must not overburden any of our industries. Too much taxation could very easily curtail the activity of miners already employed and deter any new investment of capital and the immigration of miners.

The increased price of gold has focused much attention on Alaska from prospective investors and developers. It is of vital importance that the Territory's mining organization have adequate funds to give us full advantage of the reaction from this increased value.

TOURIST TRAVEL

The Territory ought in every way possible to encourage tourist travel in Alaska. It is a constantly growing and profitable industry which is now bringing and can bring much more money into the Territory. Our relatively close neighbors, California, Washington, Oregon and British Columbia have incorporated organizations for the sole purpose of promoting tourist travel to their sections.

Available figures show the splendid results that these organizations have produced, and profitable industries that have been built up in those sections. Some of these organizations receive assistance from State and municipal governments to further travel business.

Alaska is unique and stands out as one of the great tourist areas of the world. Properly developed, the tourist business can become one of our most important industries. In addition to the direct benefits received from increased travel many who come as tourists later invest money in the Territory and build up industries to develop and utilize natural resources, producing employment.

The famous resorts of Europe, Florida, California, Hawaii and numerous sections of the United States and Canada are examples of the importance of the business. While I am not making any specific recommendations on this subject, I wish the Legislature would give it serious attention.

LIQUOR

One of the difficult problems confronting government in Alaska is regulation of the liquor traffic. The last Legislature provided for handling beer and light wines through licenses issued by the District Courts. This legislation was in effect when the Liquor Board, created to make rules and regulations to handle so-called hard liquors whenever Congress would repeal the Alaska prohibition law, came into being. The Liquor Board, a creature of the Legislature, thought it would not be in good taste, even if desirable, for it to attempt to interfere with what the Legislature had done in the premises, so it confined its

efforts to providing rules and regulations for the sale and distribution of hard liquor. It was confronted by the necessity first of all to provide a system that would make liquor accessible to all the people at a reasonable price. One of the first objects to be attained, the Board felt, was to make liquor readily accessible and prices so reasonable that bootlegging would be unprofitable. The Board felt that it was desirable that illicit liquor be eliminated by making it so that people could get legalized liquor easily and inexpensively. For that reason, it made a nominal fee for liquor licenses, enough to provide for revenues for extra police costs in the municipalities, but without large profits either to the Territory or the municipalities. At that time pressure was brought on the Board to provide for public owned liquor stores. The Liquor Board discarded that plan and adopted the license system for two reasons:

One was that the Board did not have in its control funds with which to buy supplies and set up a public control of the business;

The other was for the purpose of keeping the Territory and its municipalities out of the liquor business. The policy of the government is to keep out of business except as a last resort. If it is possible, the liquor business ought to be in the hands of private individuals to the same extent as the grocery, hardware, drug or any other business.

Generally speaking, there have been very few complaints about the handling of liquor in the Territory. Such complaints as have been received have been in connection with the beer parlors, and have to do with the enforcement rather than the regulations. I am still of the opinion that the Territory would make a mistake if it entered the retail liquor business. The license system has made it so that manufacturers, distillers, and brewers are permitted to sell directly to retail dealers. That puts the wholesale business on a competitive basis. It practically places the sale of liquor, the quality, brands of the goods, etc., and the prices charged, in the hands of the trade and its customers. Naturally, the consumer becomes the judge and largely controls the selection of liquors to be distributed.

Territorial stores would throw open the doors for graft in connection with the sale and purchase of liquors. That is something that could be, of course, guarded against through selection of the proper people to handle Government stores. But as certainly as night follows day, it would lead to charges of graft on the part of those who might be unable to get their goods handled through the public dispensaries. I think it is important to avoid as much controversy as possible of a nature that could not fail to embarrass the governmental officials in their work. It is my conviction that the liquor should be handled as nearly on the same basis as groceries and other products as possible. I do not favor monopolies of any kind, public monopolies or otherwise, if they can be avoided. I truly believe that the Legislature ought to provide for some sort of licensing system and that the hard liquor licenses and beer licenses should be handled by the same authority.

Most of the troubles that have arisen in connection with the sale and distribution of liquor, hard and light, have been on account of failure in enforcing the laws and regulations. That is something that is outside of the powers of the authorities who have had to make the rules and regulations. The only law enforcing agencies that we have had are United States Department of Justice officials and municipal governments in the incorporated towns. Those agencies have been gradually working out effective plans and enforcement has been improving. I believe it will continue to improve. The Territory has been functioning on this subject less than a year and it takes time to work out problems such as this one.

The Legislature might with profit consider the advisability of having an investigating and enforcement organization directly responsible to whatever liquor authority it creates. This organization could be small, probably one man to a Division, or a distribution based on population or the number of licenses issued. This organization should in no way relieve the police in the municipalities or the United States Marshal's offices from their duties as prescribed by present laws and regulations or future laws which you may enact for enforcement. However, they could report instances of violation to the local police or Marshal's office and liquor board; also they could investigate alleged violations and complaints by citizens and turn their information over to the police authorities and advise what-

ever liquor authority you may create so that the individual cases could be followed through and satisfactory enforcement carried out. They also could gather information that would be useful to the liquor authority in issuing licenses.

PULP AND PAPER

For a great many years the people of Alaska have struggled to get a pulp and paper manufacturing industry established in Alaska. For years the task was to get the Bureau of Forestry to provide a contract for the purchase of timber for pulp wood that would be acceptable to those with the money to invest in the industry. That object had been attained when the depression came on. Then the demand for paper decreased and the development of the pulp and paper business in Canada had reached such proportions that the supply exceeded the demand and the price of paper was reduced to such a point that the business had become unprofitable. Since then all efforts to interest capital in pulp and paper in Alaska have been futile. This situation suggested the idea, which has been advanced in various parts of the country, that a tariff be placed on imported paper high enough to restore the American markets to American manufacturers. Efforts along that line have been difficult due to the circumstance that users of paper in the United States have been more interested in cheaper paper than they have been in extending American employment. However, there is again a movement under way in favor of a protective tariff for the benefit of American manufacturers and American employment. The Ketchikan Chamber of Commerce recently inaugurated a campaign to bring pressure in favor of such a tariff. Development of the timber resources of Alaska would go a long way in increasing the population of the Territory. The pulp and paper business everywhere it has been established has resulted in general development and increased population of the sections where established. Pulp and paper manufacturers employ very large numbers of people in the mills and in logging. I believe that the Territorial Legislature ought to adopt a memorial urging the President and Congress to impose a tariff tax on importations of both pulp and paper.

COOPERATIVE SCHOOLS AND WELFARE WORK

An Act passed by Congress approved April 16, 1934, authorized the cooperation of the Federal Government and States and Territories in the "education, medical attention and relief of distress and social welfare of Indians." The terms of the law provide:

"That the Secretary of the Interior is hereby authorized, in his discretion, to enter into a contract or contracts with any State or Territory having legal authority so to do, for the education, medical attention, agricultural assistance, and social welfare, including relief of distress, of Indians in such State or Territory, and to expend under such contract or contracts moneys appropriated by Congress for the education, medical attention, agricultural assistance, and social welfare, including relief of distress, of Indians in such State.

"Sec. 2. That the Secretary of the Interior, in making any contract herein authorized with any State or Territory, may permit such State or Territory to utilize for the purposes of this Act, existing school buildings, hospitals and other facilities, and all equipment therein or appertaining thereto, including livestock and other personal property owned by the Government, under such terms and conditions as may be agreed upon their use and maintenance.

"Sec. 3. That the Secretary of the Interior is hereby authorized to perform any and all acts and to make such rules and regulations, including minimum standards of service, as may be necessary and proper for the purpose of carrying the provision of this Act into effect: Provided, That such minimum standards of service are not less than the highest maintained by the States or Territories with which said contract or contracts, as herein provided, are executed."

A committee from the Interior Department, including representatives of the Bureau of Indian Affairs, has been at work on plans to carry this law into effect. I heartily agree with the purpose of this statute. I do not believe it will be possible to get a satisfactory arrangement for schools and welfare work in Alaska until there is con-

solidation of authority for both the white people and the Indian people. Two Bureau of Indian Affairs representatives were scheduled to visit Alaska. Several dates have been set for their probable arrival here to take up with the Governor's Office and other Territorial officials a plan of cooperation under this law. The last report was that they, Mr. Ryan and Mr. Gordon, would be here about December 1. I have waited for a conference with those representatives before attempting to work out a plan of operation.

The failure of the attempts to have a conference makes it difficult to comment upon school and welfare work. I would like to submit a plan to the Legislature, particularly if additional legislation were required, as, no doubt, it will be. It might be feasible for the Legislature to authorize the Governor and the Commissioner of Education to represent the Territory in making arrangements with the Secretary of the Interior for the cooperation indicated in the Federal statute. Perhaps we will know more before the adjournment of the Legislature.

For the same reason that we favor the consolidation of welfare work to include both white people and Indian people, I believe that the various Territorial welfare organizations ought to be handled by the same organization. We have Old Age Allowances, Mother's Pensions, Indigent Fund, the Board of Children's Guardians and Federal Relief and they should be carried out in such a way as to provide cooperation all along the line.

Acting under authority of the last Legislature, the Governor appointed a committee to consider the subject of Child Welfare and the matters relating thereto. This committee consists of J. F. Mullen, Dr. H. C. DeVighne, H. G. Watson, Mrs. Frank A. Metcalf and Frank Booth. You will have a report from it. Its report deserves serious consideration by the Legislature. I agree with it almost wholly. I think the Legislature should consider it but keep the purpose in mind of consolidating all welfare work under one head as much as possible. It should take into consideration that Congress has authorized the transfer of Indian and welfare work to the Territory, with Federal cooperation in the expenses. The purpose to arrange for a cooperative agreement with the Federal Government

should be kept constantly in mind when considering any phase of this subject.

I think probably that there should not be too many important changes in the laws relating to schools and welfare work until after consolidation intended, by the law of Congress, heretofore quoted, is worked out. For instance: I am not in favor at this time of the establishment of Territorial Industrial Schools. We have schools, industrial and otherwise, scattered widely over the Territory with which the Territory might contract for the education and care of children requiring such supervision until the situation becomes more definite and certain.

Both in regards to schools and welfare work, consolidation for efficiency and to eliminate unnecessary duplication is essential. I am working toward this goal and again express the belief that in considering legislation relative to the foregoing, the thought of consolidation and cooperation should be kept in mind.

FEDERAL AID RECEIVED

For information it is well to include in this message, because nothing on the subject will appear in any of the reports of the Territorial officers or boards, some figures relative to Federal aid to the Territory.

In addition to direct Congressional appropriations, the Federal Government since the beginning of the present Administration has allocated through the various branches of the NIRA for expenditure in Alaska, \$4,319,820. Most of this has been expended and all of it allocated. This total does not include moneys expended or allocated to the Lighthouse Service and perhaps other agencies in the Territory. That this vast sum has been a great assistance in maintaining such a degree of prosperity as we have had is obvious. Approximate distribution of these funds granted to the Territory of Alaska by the Federal Government during the last biennium, beginning in 1933, is as follows:

FOR RELIEF (Winter 1933-1934) CWA	\$ 536,629.00
ALASKA ROAD COMMISSION	
For Air Field	\$ 96,000.00
Mt. McKinley Park	150,000.00
Road, bridges, etc.	1,500,000.00
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	\$1,746,000.00
OFFICE OF INDIAN AFFAIRS	
PWA unbroken grant	\$ 100,000.00
For schools	54,000.00
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	\$ 154,000.00
U. S. BUREAU PUBLIC ROADS NIRA	
Roads	\$ 349,991.00
U. S. DEPARTMENT OF AGRICULTURE	
NIRA (trails, etc.)	\$ 85,000.00
ECW (CCC Camps)	619,000.00
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	\$ 704,000.00
ALASKA GAME COMMISSION	
PWA (boats and bldgs.)	\$ 184,700.00
TERRITORIAL BUREAU OF EDUCATION	
PWA Grant for school buildings	\$ 175,500.00
ALASKA RAILROAD PWA	\$ 210,000.00
ALASKA COLLEGE PWA	\$ 45,000.00
NOME RELIEF FERA	\$ 50,000.00
WORK RELIEF (for winter 1934-1935)	
FERA	\$ 107,000.00
PURCHASE COMMODITIES FOR RELIEF	\$ 8,000.00
SURPLUS COMMODITIES GRANTED IN AMOUNT	
DEPARTMENT OF JUSTICE	\$ 7,000.00
PUBLIC SURVEY	\$ 27,000.00
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TOTAL	\$4,319,820.00

Some of this money is still unexpended, but all is allocated.

Alaska has made applications for various specific projects exceeding six million dollars. This sum includes Alaska's part of the International Highway amounting to approximately \$2,000,000.

PROGRESS MADE

The year just closed has been fairly satisfactory from a material standpoint, notwithstanding that we got off to a bad start due to the strike which interrupted shipping beginning about May 10 and continuing for about sixty days.

The increase in the value of gold through the action of President Roosevelt from \$20.67 to \$35 an ounce had a marked effect on prospecting and development work in the gold fields, both quartz and placer. In a lesser degree the increase of 100% in the price of silver contributed aid to the situation. Unfortunately, there has been no improvement in the price affecting mining for copper and other base metals. They are still in the doldrums.

The salmon pack was largest in the history of the Territory, indicating success for the efforts to maintain the fish supply.

The benefits from the advanced prices of gold will become more apparent in the future than they have been in the past. It takes time to make gold discoveries and prosecute development to the point of utilization. People are now searching for opportunities to make mines, to develop prospects into mines and to increase the development of existing mines. Full use of this advantage ought to be furthered in every possible way. Our greatest hope for immediate improvement in Alaska is through the development of gold and silver mining. We are right now on the brink of opportunity so far as this problem is concerned.

ALASKA AGRICULTURAL COLLEGE AND SCHOOL OF MINES

Every year the valuable work being done by the Alaska Agricultural College and School of Mines is becoming more apparent. It is a Territorial institution that deserves well at the hands of the Legislature. It must not be permitted to deteriorate, but must be aided in bringing about further growth and improvement.

PIONEERS' HOME

Another institution in which Alaskans all justly take pride is the Pioneers' Home at Sitka, ancient capital of Alaska. The Territory's Pioneers' Home Building Fund having reached \$225,000, the last Territorial Legislature appointed a building commission which was charged with the erection of the new Home. Mr. William A. Hesse, Territorial Highway Commissioner and Superintendent of Public Works, was named as Chairman of the commission. Associated with him were Mr. Frank A. Boyle, Territorial Auditor; Mr. James S. Truitt, Attorney General for Alaska; Mr. Walstein G. Smith, Territorial Treasurer, and Mr. Anthony E. Karnes, Territorial Commissioner of Education. This building was started in the early summer of last year. The pioneers were moved into temporary quarters, pending the completion of the building. They were moved into the new building January 10, 1935. It is a fine structure, a substantial and economical building, and presents a very attractive architectural appearance. There is some work yet to be done, including the furnishing of the hospital and the building of homes for the nurses and the Superintendent of the Home. The cost will be well within the money the Territory had for that purpose. The Public Works Administration has allocated \$87,900 which will complete the buildings, grounds, etc. This is a matter for congratulation and is a token that the work started by the First Alaska Legislature to provide a home for pioneer residents of the Territory will continue to be a feature of government in Alaska. This larger and more commodious home will add to the cost of maintenance, but I am sure that the Legislators will cheerfully grant that.

TENURE OF TERRITORIAL TREASURER

At the first of the year a perplexing problem arose as to whether or not the Treasurer's tenure of office should cease at the first of the year and his successor take office, or whether it should continue to April 1. Mr. Walstein G. Smith was elected for a four-year term beginning April 1, 1931. The Territorial Legislature advanced the date for the beginning of the Treasurer's term of office to January 1. The perplexing question referred to was whether Mr. Oscar G. Olson should assume the duties of the office January 1, or whether Mr. Smith should continue until April 1. The Attorney-General was consulted and the Administrative Board. They decided that Mr. Olson should take the oath of office immediately at the first of the year and Mr. Smith should continue as Treasurer until April 1 with Mr. Olson in the office with him. The Administrative Board decided to ask the Legislature to make an appropriation covering Mr. Olson's salary from January 1 until April 1 when he will assume the duties of the Territorial Treasurer's office.

The Administrative Board is of the opinion that the terms of all of the Territorial officers should begin April 1 and terminate March 31. This would enable those in charge of the office, while the Legislature is in session, to be familiar with the work and conditions of their office and would be more valuable to the Legislature, than if new people took charge of the various offices practically at the same time the legislative session began.

COOPERATION

It is worth while to make record of the splendid cooperation of the various Territorial and Federal Officers and Boards functioning in the Territory, and the Government at Washington.

I look forward to working with the Legislature for the next sixty days in the interest of Alaska as a privilege, and whatever we do let no one of us forget that Alaska is one Territory and its people one people. Let us not permit sectional ambition or rivalry to divide us and let us eliminate quarreling and bickering and strife.

Respectfully submitted,
JOHN W. TROY,
Governor.

MESSAGES FROM THE SENATE.

A message from the Senate transmitting sixteen copies of the Official Mileage Table was received, read and referred to the Committee on Elections, Election Laws and Mileage.

PRESENTATIONS OF PETITIONS, MEMORIALS AND RESOLUTIONS.

A letter was received from Mr. W. E. Seydel of Juneau, Alaska, regarding closed mines and was referred to the Committee on Mines and Manufacturing.

MESSAGES AND COMMUNICATIONS FROM THE GOVERNOR.

The following communications from Governor John W. Troy were received and read:

Territory of Alaska
Office of the Governor
Juneau

January 17, 1935.

The Speaker of the House of Representatives,
Twelfth Biennial Session Alaska Legislature,
Juneau, Alaska.

My dear Mr. Speaker:

Pursuant to the provisions of Section 1285, Compiled Laws of Alaska, I have reappointed as a member of the Board of Education of the Territory of Alaska, for the term beginning April 1, 1935, subject to confirmation by the Senate and House of Representatives,

MR. MICHAEL J. WALSH, of Nome.

Very truly yours,
JOHN W. TROY,
Governor of Alaska.