



THE GOVERNOR'S MESSAGE TO THE  
FOURTEENTH ALASKA LEGISLATIVE  
ASSEMBLY

Submitted January 13, 1939

To the Fourteenth Alaska

Legislative Assembly:

Our Enabling Act provides that the Governor shall make suggestions to the Legislature as to legislation which he deems advisable for the welfare and advancement of the Territory. With this in mind I submit the following matters for your attention and consideration.

The Territory is in good shape financially. Business, generally, is good. The Territory has \$977,112.82 in its Treasury.

Notwithstanding this rosy condition, one of the things we always have with us is need of economy. No matter how much is in the Territorial treasury, the Territory must be operated on a business basis. This, in the interests of economy, your Territorial officers are doing. We are endeavoring to reduce the Territorial government to the practice of a rigid economy, to avoid burdening the people with excessive taxation.

ROADS AND AIRFIELDS

The outstanding needs of Alaska are conceded to be roads and airplane landing fields and I believe you should give serious consideration to the proposition of providing generous appropriations for these items, as well as generous provisions of administration in order that the Territorial Highway Commission might have some funds as may become available for these uses from time to time.

The study of this idea might also be extended to public works in the Territory.

Mention should be made too, of the assistance provided by the Territorial Highway Commissioner in the nature of relief work for unemployed in connection with the Forestry Bureau.

AVIATION

The development of aviation and its attending aids is of prime importance. The last Legislature provided for aeronautics, weather and airplane communication stations under Chapter 75, Session Laws 1937. Rapid strides have been made (within the past few months) toward completing the stations provided for, and you now have in operation a station at Anchorage, a station at Fairbanks, a station in Juneau, and within a short time installation will be completed at Nome. These installations have been made possible by using equipment which has been given to us by the Federal Government and is of high quality. The buildings and aerals have been constructed from Territorial funds. With stations now in operation and those to be completed under the present plan, we are now confronted with the matter of maintenance costs of this system until such time as the Federal Government through the Civil Aeronautics Authority shall take it over. Careful consideration should be given to future plans of development.

LIQUOR PROBLEM

One of the most vexatious problems with which we are faced is the matter of sale of liquor to Indians. There is a demand all over the Territory and from the Bureau of Indian Affairs in the Department of the Interior that an effort be made to reduce the quantity of liquor consumed by Indians. Experience has taught us that too

much liquor is a bad thing for anyone and an especially bad influence upon Indians. It excites primitive natures, fills our courts with natives who without liquor would not be criminals.

It seems to me that a permit system would afford the territory the best method of handling the liquor situation. With statutory requirements that liquor could not be sold to persons unless they have a permit allowing them to purchase liquor, regulations could be made to take care of the Indian situation, by preventing the issuance of permits to them. It is not my desire to foster a paternalism in attitude toward the Indians or to discriminate in any way against them but necessity is demanding a certain paternalism insofar as the liquor question is concerned.

An idea that would be workable might be the establishment of a liquor administration or board, with an administrator as its head, to control the issuance of permits and the enforcement of such laws as you may make.

In favor of the permit system is then this: If properly worked out, it should be effective with or without Territorial liquor stores. Either system of handling the retail of hard liquor could be used.

I suggest that you read carefully the study of liquor taxation and revenues contained in the report of the Alaska Planning Council.

#### GOLD TAX

One of the principal matters to come up before this session of the Legislature will be that of taxation, particularly the gold production tax. I shall communicate to you further on that subject as quickly as possible.

#### COMMISSIONER OF MINES

The Commissioner of Mines is doing excellent and ex-

tensive work. The Legislature will study carefully any reports from that office and I suggest that members, particularly the mining committee, confer with Mr. Stewart frequently and extensively and give careful attention to his recommendations. The mining industry is one of the two great industries of Alaska and legislators can not well give too much time and consideration to it and means for its proper growth and expansion.

#### LABOR

One of the serious problems to be considered by the legislature is the stabilization of labor conditions in the Territory.

A study should be made into the conditions that create strikes which hurt the laborer and industry alike, and in turn have an ill effect upon business and trade and consequently upon the Territorial revenue.

If it is possible to create a condition that would guarantee to the resident laborers of Alaska a greater share in the Territory's industry, this should be borne in mind in forming a labor policy.

This is especially true in the fishing industries of the Territory, the largest employers of labor in Alaska, and largest contributors to the Territory's revenue. A stabilization of labor conditions in this industry should aim to provide for the Alaska laborer a greater share of the employment in the industry. If this were done, if more Alaskans were employed, and if Alaskan employees had more to say about the question, it is my belief that strikes, such as that which seriously threatened the fishing industry last season, would be less likely to occur. To guard against similar situations in the future, the legislature should devote its efforts to finding some method that would enable resident laborers to obtain a greater share of employment in this industry.

### COPPER RIVER

It has been announced that operation of the Copper River and Northwestern Railroad has ceased and will not be resumed. Inasmuch as the cessation of the activities of this line may be of vital concern to the people of Alaska, it is suggested that study be made of possible interests of the Territory in the premises before consent is given to the abandonment of that property.

### PUBLIC WELFARE

With the most careful administration and handling of welfare funds, it has been found that the appropriation for this past biennium has been inadequate, and I suggest requested by the Director of Public Welfare.

In the interest of economy and efficient service every effort should be made by the Legislature to centralize welfare activities.

Special attention and careful study should be given to all measures relating to child welfare.

### PIONEERS' HOME

During the past year the Pioneers' Home has been overcrowded and there has been a constant waiting list of between 20 and 30 men. I believe this condition can be overcome, or at least materially alleviated, by supplying the Board of Trustees with sufficient money to take care of some of the chronic bed patients in private hospitals, and to pay certain men qualified for the Home, but ineligible for a pension, a temporary allowance not to exceed \$30.00 per month. The estimated cost of caring for the Home waiting list, and transportation of men to the Home is \$50,000.00. This is not, in effect, asking for a new appropriation be provided to meet the relief needs as re-

propriation, but transferring an activity formerly handled by the Department of Public Welfare to the proper agency.

If, upon investigation, the Legislature finds that more housing space should be provided, I recommend the building of a new and separate home, large enough to care for both present and anticipated future needs.

### EDUCATION

It is hardly necessary for me to comment on the need for continued support for our institutions of learning, both in our grade schools, high schools and in the University of Alaska. I request that you give your usual careful consideration to the appropriations needed to carry on these activities.

### UNEMPLOYMENT COMPENSATION COMMISSION

The Unemployment Compensation Commission is now functioning and is about to begin payments of benefits. I refer you to my previous message on this subject.

### THE ALASKA PLANNING COUNCIL

The Alaska Planning Council has prepared reports containing statistical information on many matters pertaining to the Territory and I suggest that careful attention be given to these findings.

### REPRESENTATION AT FAIRS

Alaska should have appropriate representation at both the San Francisco Exposition and New York World's Fair and if the Territory is to have participation in these important events, legislative action should be taken at once.

There is a demand from the people of the Territory that we participate, in the interest of development of industry and tourist travel.

The last Legislature made no appropriation for the fairs, and the Territory has had no funds with which to work. Because of this situation, the governor has taken no preliminary steps toward participation in the fairs that would commit the Territory to expenditures of money. What Alaska does about representation at San Francisco and New York is a matter for this Legislature to determine.

#### NATIONAL GUARD IN ALASKA

I have received many requests for the organization of a National Guard in Alaska. Various Army officers have discussed this subject with me and urged favorable action by the Legislature and I urge that you take up the question at your earliest convenience. The Army will cooperate in the establishment if your desire is to have a National Guard. Lt. Col. Lee, U. S. Army Engineer, is now in the interior of Alaska and will be pleased to discuss the matter with a legislative committee when he returns to Juneau, which will be in about ten days.

#### WOLF BOUNTIES

The matter of Territorial bounties on predatory animals has become of major importance. After you have had sufficient time to study the treasurer's report you will see that within the past biennium there has been expended approximately \$125,000 and it is my understanding that there are on hand unpaid bounty affidavits in the neighborhood of \$60,000 with three months left to run in this biennium. It is probable that the expenditure during the biennium will total upwards of \$200,000. This is, of course, taking into account a deficiency appropriation

of \$45,000 which was made by the last Legislature for payment of bounties in the 1935-37 biennium.

While it is believed we must carry on our warfare against wolves and coyotes it has been suggested that our present system is not entirely satisfactory and that the present law should be amended to meet existing conditions. I am not prepared to say whether or not paid hunters would be more effective than the paying of bounties and you may find that a change in a schedule of bounty payments can be amended so that the pelts from these animals may become the property of the Territory of Alaska upon payment of bounty. I am sure that all members appreciate the importance of predatory animal destruction and I hope that you may develop some plan that will be more suitable in the premises.

#### DEFICIENCIES

The matter of making deficiency appropriations to cover expenditures during the biennium 1937-39 will be brought to your attention in the near future. The offices of the Attorney General, Territorial Auditor, Territorial Treasurer and Commissioner of Mines have each found that its appropriation for the past biennium was insufficient, and in order to carry out the duties of the respective offices it was found necessary to create deficiencies.

I am confident that you will make appropriations to cover these items upon the showings of these officers.

You will also be called upon to make a deficiency appropriation to cover obligations of the Department of Public Welfare and I urge you to attend to this at an early date to alleviate suffering among the needy.

#### COOPERATION

Most of the territorial officials have presented re-

ports of their affairs and the others are ready and willing to furnish details in connection with their administrations. We hope you will not hesitate to call for any information required in your study.

Other matters may be presented to you from time to time in separate communications as occasions may suggest.

I stand ready to cooperate with you at all times during the Session, and to render whatever aid I have within my power to give you. My one aim is the advancement of Alaska and the welfare of her people.

Respectfully submitted,

JOHN W. TROY,

Governor.

Upon motion by Mr. Coffey, seconded by Mr. Rogge, the House adjourned until 10:30 A. M., January 14, 1939.

MARGARET O. GRISHAM,

Chief Clerk of the House.

Approved January 14, 1939.

HOWARD LYNG,

Speaker of the House.

## SIXTH DAY

House of Representatives.

Juneau, Alaska, January 14, 1939.

Pursuant to adjournment the House was called to order at 10:30 o'clock A. M., by Howard Lyng, Speaker.

Roll call showed all members present.

Prayer was offered by the Chaplain.

The Journal of the Proceedings of the Fifth day was read and approved.

### REPORTS FROM TERRITORIAL OFFICIALS.

A communication from the Alaska Game Commission extending the use of the patrol vessel, "Seal", to the members of the Legislature for their biennial trip to inspect the Pioneers' Home at Sitka, was read.

A communication from the Alaska Game Commission stating that the Alaska Game Commissioners would be in session in Room 432 of the Federal Building until the 17th of this month and stating that they would like to meet with the House Committee on Fisheries, Fish, Game and Agriculture, for the betterment of Alaskan wildlife resources, was read.

### PRESENTATION OF PETITIONS, MEMORIALS AND RESOLUTIONS.

House Joint Memorial No. 1 by Mr. McCutcheon memorializing the Congress of the United States to amend section 27 of chapter 250 of the Act of June 5, 1920, so