1957 Annual Report

THE GOVERNOR OF

Alaska

TO THE SECRETARY OF THE INTERIOR

For the Fiscal Year Ended June 30, 1957

013761
STATE OF ALASKA
Department of Natural Resources
Division of Lands
344 Sixth Avenue
Anchorage, Alaska

June 30, 1961

LETTER TO THE INDUSTRY

ERRATUM

We have found an error in our Mining Regulations. Please note:

Line 2 of Section 607.23 of the Mining Rights Regulations should read "$1.00 per acre ..." rather than $10.00 per acre.

Please correct your copy.

DEPARTMENT OF NATURAL RESOURCES

ROSCE E. BELL, Director
Division of Lands
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Annual Report
of the Governor of Alaska

Mike A. Stepovich, Governor

FOREWORD

Alaska's economic picture continued to brighten in fiscal year 1957. At the close of the year discovery of a promising stratum of oil sand on the Kenai Peninsula gave promise of a new industry getting started in the Territory.

Total production from Alaska's natural resources during the year amounted to approximately $161,346,000, a substantial 18 percent increase over the previous year. Of this total, $92.9 million came from fisheries, $34.3 million from timber, $24.6 million from mineral production, and $1.5 million from the fur industry, excluding the total from the Pribilof seal industry. Alaska does not receive any revenue from the Pribilof seal take which amounted to $5.2 million.

The 1957 fisheries production showed the greatest increase in value as production amounted to 226,357,141 pounds with a wholesale value of $92,960,379.

Alaska's young pulp industry continued its development with construction beginning on a $45,000,000 mill at Sitka, owned by the Alaska Lumber & Pulp Co., Inc. When completed it will employ about 700 persons. The Territory's first pulp mill at Ketchikan was enlarged during the year and, according to the Ketchikan Pulp Co., is now capable of producing up to 480 tons a day of high quality pulp.

Timber sales from Alaska's national forests were up 16.7 percent during the fiscal year. Sales totaled 256 million board-feet, valued at $380,478. In addition there were 140 sales from public lands of 31,462,000, valued at $83,331, representing an increase of 39 percent over the previous year.
The discovery of a promising stratum of oil sand on the Kenai Peninsula brought on a rush for oil leases, bringing back memories of the "Gold Rush" days. Income from mineral leases in 1957 amounted to $926,751.39, double the figure of 1956. Ninety percent of the income came from oil and gas lease rentals, and the remainder from coal lease rentals and royalty. Under a bill passed by the Congress and signed into law by the President, the Territory now receives 90 percent of the income from these leases.

Alaska's growing tourist industry continued to flourish, although it is difficult to measure the exact number of tourists. Traffic figures show 143,600 persons came to Alaska, and 150,171 left the Territory. The migration loss was pretty well balanced by the gain of births over deaths during the year. Population is estimated at 208,000 persons, composed of 157,000 civilians and 51,000 military personnel.

The employment picture in the Territory showed 58,000 persons gainfully employed with 30,952 covered by the Alaska Employment Security Act. This was a 2.3 percent increase over 1956.

Financially, the Territory showed a sound condition as tax revenues increased about 14 percent. Collections during the fiscal year amounted to $21,851,119.52 as compared with $18,342,874.39 in the previous year. Alaska's net cash balance on June 30, 1957, was $13,818,449 which was up $2,145,420 over the previous year's figure. The General Fund balance was $3,763,851.71 compared to $4,069,123.32 in the prior year.

**AGRICULTURE**

*Alaska Department of Agriculture*

Farm production in 1956 was up appreciably over 1955. Commercial sales of $3,619,090 represented a 19 percent increase. Milk production in the rail belt area has shown the most consistent growth and has a value to the farmer of more than $1½ million dollars annually.

Total cropland in Alaska increased to 19,636 acres with about 2,000 acres of new clearing during 1956. In 1953 total cropland was only 12,334 acres with new clearing of 1,038 acres reported.

The long open winter of 1956 caused considerable winterkill of permanent seedings. This was followed by the driest spring on record. Forage production for these reasons will be short and farmers have been put to considerable expense.

Potato and vegetable crops promise to be average or better for 1957 and milk production will show more than a 10 percent increase.
Inspection and marketing work.—Military purchases make up a substantial part of the market for rail belt agricultural products. In 1955 two-thirds of a million dollars worth of potatoes and fresh produce went into military channels. All shipments must be certified as being up to specified grade standards. This work is performed by agricultural inspectors of the department who issued 680 certificates covering more than 3,600 tons of produce in 1956.

Potatoes and eggs are the only two regulated commodities in retail channels. Inspectors check retail outlets for compliance. The inspectors work with growers and grocers in an effort to improve the quality of all products at the consumer level.

Financial assistance in marketing work is obtained through the AMS under a matched fund program aimed at improving quality and increasing the markets for Alaskan grown produce. Federal money spent in fiscal 1957 amounted to $7,000 matched equally by department funds.

A monthly market news bulletin is sent to growers, buyers and other interested parties. Prices of outside and local items are quoted at both wholesale and retail levels for the guidance of the industry. Crop forecasting and acreage reports are included as needed.

Marketing personnel of the department assist grower groups in promotion of their product or developing facilities. Dairy products and potatoes have received particular attention. This year a grain drying and storage facility is being built in Palmer by the Matanuska Valley Farmers Cooperative Association in an effort to stimulate local production of grain, which is now imported in large volume for livestock feeding.

Veterinary program.—Department veterinarians test all dairy cattle at least annually for brucellosis and tuberculosis as a protection to the public and a service to the farmer. In 1956, out of 2,258 animals tested, no TB reactors were found and only 17 brucellosis cases were detected. All reactors have since been slaughtered. Herd health in Alaska is at an all time high.

Fur farmers, beef ranchers, and other stockmen of the Territory are visited annually by the veterinarians. Rabies work among Alaska’s sled dog population is also part of their program. A supply of vaccine for rabies is maintained at Palmer for emergency use.

Pest control.—Selective herbicides sprayed on Canada thistle infestations in the Matanuska Valley the past 2 years have been only partially effective. In 1957 soil sterilants are being used in an effort to achieve complete eradication of this stubborn pest. Trials are being made, in cooperation with the Alaska Agricultural Experiment
Station, of various chemicals and rates of application to ascertain the most effective control methods.

Incoming shipments of seeds and plants are spot checked for the presence of weeds and pests. All livestock entering the Territory must be accompanied by a "clean" health certificate. Shipments from Canada are inspected by the Territorial veterinarian upon arrival.

Farm loan program.—In the year ending June 30, 1957, 53 loans were made totaling $114,600 ($42,900 for farm development, $27,200 for chattels, and $44,500 for short term needs). Interest payments for the year were $16,631.77, principal payments $103,689.37. Expenses of the program were $12,154.02. Total loans outstanding on that date were $340,680.54.

In the 4 years the loan program has been in operation 264 loans have been made, 120 of which have been repaid. The 1957 Legislature appropriated $125,000 more for the loan fund for a total of $475,000.

University of Alaska

The University of Alaska, the Territory's land-grant institution, has a threefold responsibility in the field of agriculture:

1. To present a resident agricultural curriculum at the college level.
2. To conduct research work under the amended Hatch Act and related legislation.
3. To carry the results of research findings in Alaska and extend applicable research findings from other places to the Territory's urban and rural people under the provisions of the amended Smith-Lever Act and related legislation.

Both the research and extension programs are promoting the full agricultural development of the Territory. While it is not expected that agriculture will become a major industry, full utilization of the Territory's food-growing potential in conjunction with other rural resources will help stabilize Alaska's economy and will supplement the development of other segments of business and society.

The University's agricultural research and education programs are coordinated with other agency programs in the Territory to insure wise use of public funds and to avoid duplication or conflict of effort. An advisory committee comprised of the Director of the Experiment Station and Extension Service, Alaska's Regional Forester (U. S. Forest Service), the Territorial Conservationist (Soil Conservation Service), Alaska's representative of the Farmers' Home Administration, Rural Electrification Administration, and the Commodity Stabilization Service assists in guiding these programs into produc-
Close liaison is maintained with Alaska’s Department of Agriculture (regulatory, marketing and financing programs, with the Rural Development Board, and the Rural Rehabilitation Corporation. Working contacts have been developed with the Bureau of Public Roads, the Bureau of Land Management, the Fish and Wildlife Service, and other related offices and agencies.

Research and extension work is also guided by local producer and consumer committees where representatives of rural and urban groups have an opportunity to make their needs known. Prominent among these organizations are the several Homemaker Councils, the Alaska Soil Conservation District and Subdistricts, the Grange, local ACP Committees, dairy breeder’s associations, the Alaska Crop Improvement Association, and other interested groups.

The Alaska Agricultural Experimental Station.—The Experiment Station is maintained as a department of the University pursuant to the Federal Hatch Act and related Territorial enabling laws.

During fiscal 1957 the Experiment Station was granted an appropriation of some $288,400 by the Congress for research on the agricultural problems of Alaska. This fund was supplemented by $202,815 of Federal Hatch funds and $187,500 of Territorial funds appropriated to the University specifically for agricultural research. Support also was contributed by the Rockefeller Foundation ($6,900) and the Matanuska Valley Dairy Breeders’ Association ($6,000). Sales of research byproducts (chiefly milk) and rental of housing to the scientific staff returned about $70,000, as provided by the Hatch Act, to the program.

The research program is concerned with finding ways and means of promoting full agricultural development of the Territory. Management information arising from this work is carried to both urban and rural people by the University’s Agricultural Extension Service.

A major portion of the research effort is directed toward the food producing potential of the Territory, toward defining obstacles to the development of this potential, and toward finding ways and means of overcoming obstacles. It is now estimated that there is sufficient good land in the Territory to supply approximately half the food needs for a population of a million or so.

As in the past, dairying promises the greatest opportunities for a stable farm-family business. The Experiment Station and Extension Service continue to encourage an expansion of existing dairy farms and the development of new farms devoted to milk production. Dairying is well adapted to the Territory’s climate and makes good use of labor. Marketing and distribution systems are relatively well
organized and a large demand exists for the product which can be efficiently grown in Alaska.

The artificial insemination of dairy cows is increasingly popular and its effects are apparent in greater efficiency of milk production. Utilization of frozen semen is being initiated. About 85 percent of the Territory’s cow population is now "artificially" serviced, with conception rates as high as any place in the States.

The potato industry, having adopted improved varieties and better management practices, is now able to supply nearly all military needs and is successfully meeting competition in the civilian markets.

During the past year some 60 specific research projects were under study by the Experiment Station. Ten projects carried over from the preceding year were terminated. Others were revised to bring them into line with current needs. Thirteen new projects were undertaken, bringing the total of active projects at the expiration of the year to 63.

The Alaska Cooperative Extension Service.—The Extension Service, like the Experiment Station, is a department of the University provided by the amended Federal Smith-Lever Act and supplementary Territorial legislation. The Extension Service maintains field offices in Juneau, Homer, Anchorage, Palmer, and Fairbanks. These offices carry to both farmers and consuming populations research findings which contribute to better home and family life. The home demonstration program is especially vital in carrying research results to urban people on whom the farmers ultimately depend for their markets. Lacking traditional "county" support, Alaska’s extension work depends entirely on Territorial and Federal appropriations.

During the reporting period, the Extension Service was allotted some $82,744 from Federal Smith-Lever funds. The Territorial Legislature appropriated $90,000. In addition, about $10,500 of Territorial funds appropriated to the Alaska Rural Development Board were available under contract to provide an agent-at-large who can focus his efforts on isolated villages hitherto not reached.

Staff reports show that the extension program is now reaching at least half of the Territory’s population. Attendance at more than 2,500 meetings held in 1956 totaled more than 40,000 persons. More than 800 children were reached by 4-H activities. Children’s club work involved some 500 homes and twice that many parents. Adult club work reached some 1,300 homes. Radio, TV, newspapers, workshops, and short courses, and individual contacts reached many other people. It is estimated that 95 percent of Alaska’s commercial farmers used the Extension Service. The most difficult group to reach is comprised of the Territory’s homesteaders—less than half of these families are thought to be in contact with Alaska’s extension program.
Rural Electrification Administration

Alaska has eight REA-financed electric systems in operation. Seven of these are cooperatives. In addition, REA approved a loan of $690,000 for the Copper Valley Electric Association on July 31, 1957. This new borrower plans to construct generating and transmission facilities to serve 212 consumers over 48 miles of line. Headquarters for the system, which is not yet in operation, will be at Glenallen. Negotiations and studies are underway with one other Alaskan organization for proposed generation and distribution facilities. Another organization has been negotiating with the REA for financing to develop a hydroelectric power plant and transmission network to serve four member distribution systems.

The electric systems in operation at the close of 1956 were serving approximately 16,260 consumers over 1,390 miles of line. Total consumption was 76,166,491 kilowatt-hours with annual revenues amounting to $3,618,581. The average monthly consumption on REA-financed lines in Alaska was 409 kilowatt-hours per consumer in 1956, compared to 345 kilowatt-hours for all REA borrowers.

Loans during the fiscal year ending June 30, 1957, for electric plant facilities were $1,003,500 and consumer installation loans amounted to $75,000. This brings the total REA electric loans in Alaska to $27,532,500, of which $20,620,586 had been advanced through fiscal year 1957. The first REA loan in Alaska was approved January 15, 1942.

Borrowers have paid $651,749 in interest and repaid $1,383,792 of principal on their Government loans. In addition they have made advance payments of $432,807.

Headquarters for the electric systems now in operation are at Anchorage, Auke Bay, Fairbanks, Homer, Kodiak, Kotzebue, Metlakatla, and Palmer.

Telephone Program in Alaska.—Matanuska Telephone Association, Inc. of Palmer, is the only REA telephone borrower in Alaska. Its first loan was approved July 29, 1954, in the amount of $567,000. On June 30, 1957, a supplemental loan in the amount of $119,000 was made to the cooperative.

The REA loan made possible the construction of 259 miles of line to serve 961 subscribers. Toll service is provided by the Alaska Communication System. Construction of the system has been completed, and the initial cutover took place March 23, 1957.

The main office of the cooperative is in Palmer. Community dial offices are located at Palmer, Wasilla, Chugiak, and Sutton.

Some consideration is being given to telephone developments in Alaska which may include the outlying sections around the city of
Fairbanks and the Kenai Peninsula area. Formal loan applications have not as yet been submitted to REA.

**Farmers' Home Administration**

The Farmers' Home Administration is designed to provide financial assistance and agricultural guidance to farmers who are unable to obtain adequate farm credit from other sources.

Four loan types are available in the Territory:

I. Operating loans are made for the purchase of necessary livestock, farm equipment, seed, feed, fertilizer, and so forth. These loans are based on farm and home plans developed with each individual family to provide for the best use of land, labor, livestock, and equipment.

II. Farm ownership loans, for purchase and/or development of efficient family-type farm, are made from funds advanced by private lenders and insured by the Farmers' Home Administration, and from annual appropriations by Congress. The same standards for farms and farmers' eligibility are followed for both kinds of loans but the amount of an insured loan cannot exceed 90 percent of the value of the farm.

III. Farm housing loan may be used to construct, improve, alter, replace, or repair a house or other building essential to operating the farm. The loan may be used to provide water for farmstead and household use. Loan funds cannot be used to buy land or to refinance debts.

To be eligible, an applicant must:

1. Own a farm which (a) will produce a substantial part of the operator's annual cash income, and (b) is large enough to be considered a farm.

2. Have sufficient farm and other income to pay farm operating and family living expenses, and meet payments on existing debts including the proposed farm housing loan.

3. Be without sufficient resources on his own account and unable to obtain credit needed to finance the construction, repair, or improvements of homes and other farm buildings.

4. Have the ability and experience necessary to carry out planned farming operations and other housing loan requirements.

5. Be a citizen of the United States.

The interest rate is 4 percent per year on the unpaid principal. Loans scheduled for repayment within the shortest time consistent
with the borrowers' ability to repay. In no case will the repayment period exceed 33 years. Each borrower is required to finance the unpaid balance of the loan when able to obtain such refinancing at reasonable rates and terms from other lenders.

Each loan will be adequately secured by a mortgage on the farm, subject to any existing prior liens, and by such additional real estate security as the Farmers' Home Administration deems necessary to reasonably protect the Government's interest.

IV. Soil and water conservation loans for making improvements directly to soil conservation, water development, conservation and use, forestation, drainage of farmland, and so forth. Loans can be made from: (1) Funds advanced by private lenders, such as banks, insurance companies, or any other organization or individual. These loans are insured by FHA. (2) Direct loan funds that are appropriated annually by Congress.

Loans to eligible applicants may be processed only when the applicant's resources, supplemented by an amount which can be loaned, will result in an operation which will produce a volume of business sufficient to pay family living and farm operating expenses, payment of the loan and other debts, and pay for and maintain necessary livestock and farm equipment.

Applications from eligible veterans are given preference in the making of loans. Both veterans and nonveterans must meet the same qualifications and requirements.

A summary of activities of the Farmers' Home Administration during the past year is as follows:

**Loans made during the year:**
- 8 initial operating loans .................................. 46,700
- 18 subsequent operating loans ................................ 46,570
- 1 soil and water conservation loan .................................. 6,990
- 5 farm-ownership loans .............................................. 86,250

**Total** ............................................................. 186,510

**Payments received during year:**
- Active operating loans ............................................ 73,061
- Farm ownership loans .............................................. 3,670
- Collection only ..................................................... 2,697
- Soil and water conservation loan ................................ 883
- Cooperative loans (Matanuska Valley Farmers Cooperative Association) ........................................... 8,175

**Total** ............................................................. 88,886
Soil Conservation Service

The Soil Conservation Service Report of Activities may well be considered as covering the activities of the Alaska Soil Conservation District.

The Service program in Alaska is carried on in the same manner as in the 48 States, i.e., through cooperation with the Alaska Soil Conservation District and the subdistricts created by the District.

The objectives of the Service and the District are the same, to assist landowners through technical planning and advice to develop the agricultural lands of Alaska in such a way as to avoid the destruction of soil which occurred in the 48 States.

The second phase of the Service program being carried on in cooperation with the Alaska Soil Conservation Board and subdistrict supervisors is the planning of farm development and detailed technical assistance to farmers and ranchers.

Accomplishments of the District with technical and other assistance furnished by the Service include 2,224 acres of land cleared for agricultural use; nine irrigation pumping plants installed which are irrigating 600 acres of truck and hay land.

A serious riverbank erosion problem along the Matanuska River was investigated—plans for control developed and 600 feet of revetment installed, which is protecting approximately a half mile of shoreline. This is only a start on this job and much additional work is needed to protect a number of additional farms downstream.

During the year 117 additional farmers and homesteaders requested assistance and signed up to cooperate with the District and the Service in planned development of their farms.

Upon the request of the District, the Service made a soil survey of 307,200 acres on Kodiak Island during the year, and 26,300 acres on the north end of the Kenai Peninsula, for a year total of 333,500 acres. This brings the total of soil surveys and classification to a total of 1,875,000 acres.

The information contained in the reports of these surveys is available to any agency of the Territory of Alaska. The Service is preparing these reports for publication, and when printed will be avail-
able to the public. Until published, the information will be available in the office of the Soil Conservation Service in Palmer.

The Soil Conservation Service's budget for the 1957 fiscal year was $106,000, of which $75,000 was for personnel and $30,000 was for equipment, material, and supplies.

ATTORNEY GENERAL

The past year has been an extremely active one for this office. The workload both in litigable and nonlitigable matters has had a marked increase. In addition to furnishing normal legal advice, both written and oral, preparing legal documents for the Governor; the various Territorial agencies, boards and commissions, the Attorney General is also required by statute to sit as a member of the Board of Administration, Bus Transportation Commission, Board of Examiners, Finance Committee, Industrial Board, Land Board, Board of Liquor Control, Police Commission, Board of Review, and Veterans' Service Council.

In addition to the above, the Attorney General or his assistants have represented the Territory in many important cases in both the District and Appellate Courts.

There follows a brief summary of these legal actions directly involving the Territory.

Supreme Court.—(1) Phillips v. Fidalgo Island Packing Company. The Supreme Court refused to grant certiorari to rehear a decision of the Ninth Circuit Court of Appeals which invalidated Seasonal Regulation No. 10. For all practical purposes, this is the end of this litigation.

(2) Alaska Industrial Board and Carl E. Jenkins v. Chugach Electric Association, Inc., et al. After a recent adverse decision by the Ninth Circuit Court of Appeals, Jenkins' attorney filed a petition for certiorari requesting a review of the Court of Appeals' decision denying his claim for temporary disability compensation for an injury concurrently received with a separate injury that resulted in a lump-sum payment for permanent and total disability.

Ninth Circuit Court of Appeals.—(1) Reynolds v. Wade, et al. This case was argued a few months ago. We are awaiting the Court's decision. Involved is a taxpayer's suit challenging the validity of a 1955 Territorial Statute which for the first time in the Territory's history permits private-school children to ride in a public school bus along its normal route to the premises of the public school that they would normally attend had they not been enrolled in a private school. The District Court granted the Territory's motion to dismiss the
action on the ground that the taxpayer involved could show no special injury to himself as a result of the enforcement of the statute.

2. **Phillips v. Fidalgo Island Packing Company.** The Court denied the Territory’s request for a rehearing of its original decision holding Seasonal Regulation No. 10 to be void. This regulation, if held to have been valid, would have restricted the receipt of unemployment compensation by salmon cannery workers for unemployment occurring only during normal summer operations. The effect of the Court’s ruling permits cannery workers to obtain unemployment compensation not only for summer but also for winter unemployment. As a collateral issue subsequent to the denial of certiorari by the Supreme Court, the Packing Co. raised the issue of obtaining attorneys’ fees and interest from the Employment Security Commission’s administrative fund. The District Court denied this request. The Packing Co. appealed the denial and the case was argued once more in the Circuit Court of Appeals but limited to the above issue. The Court dismissed the appeal holding that the District Court was correct in holding that the Packing Co. had no right to interest and attorneys’ fees from the Territory. If no appeal is taken to the Supreme Court from this decision, it is estimated that in a few months over one-half million dollars from the impounded Employment Security Commission funds will be disbursed.

3. **Territory v. American Can Company, et al.** This case involves the Territory effort to collect taxes under the 1949 General Property Tax Act. The lower Court decision, which held that the 1953 statute not only repealed the General Property Tax but also the tax liability of all persons who did not pay prior to its repeal, was upheld. Because of the harshness of this decision upon those taxpayers who complied with the Property Tax Act when it was in effect, the Territory has asked the Court for a rehearing. If this request is denied, serious consideration will be given to the possibility of an appeal to the Supreme Court.

4. **Alaska Industrial Board and Carl E. Jenkins v. Chugach Electric Association, Inc., et al.** This case was argued twice before the Circuit Court. The second time the Court sat en banc. (On very rare occasions the entire Court of nine judges sits as a body to hear argument due to the very serious nature of the issues involved.) The Court held, with two judges dissenting, that when an Alaskan worker suffers a total and permanent disability he cannot thereafter be awarded temporary disability compensation for a separate injury concurrently sustained and which separate injury had nothing to do with the other injury that was the basis of the total and permanent disability adjudication. The Court did, however, permit the injured
workman to retain all sums of temporary disability paid to him by the insurance carrier prior to the date that the insurance carrier decided Jenkins was permanently totally disabled. Jenkins' attorney has applied for a writ of certiorari to the Supreme Court.

5. *Arctic Maid, et al. v. Territory of Alaska.* All briefs have been filed in this case and notice of oral argument is expected to be received shortly. Involved in this action is the matter of Territorial taxation of floating freezer ships which come into Alaska from Puget Sound and leave the Territory in the fall with salmon taken from Territorial bays and coastal waters. Also involved in this case is a far-reaching issue of international scope. It was raised by the defendants who argued that since freezer ships, while anchored at points more than 3 miles from the mean low-tide mark of Bristol Bay, were in international waters when their salmon were taken aboard, the Territorial taxing statute was not applicable to their operations. However, the Territory successfully argued in the District Court that since the most essential part of the entire operation is the catching of fish, and this occurred well within 3 miles from shore, the Territorial taxing statute applies.

*District Court cases.—1. Schlothan v. Einstoss.* In this case the District Court held that the Territory's raw fish lien under Section 4(h) of Chapter 82, SLA 1949, resulting from an activity connected with Alaska's commercial fisheries, is superior to a prior recorded mortgage.

2. *Ketchikan Spruce Mills v. K. F. Dewey.* The Court held that the plaintiff, Ketchikan Spruce Mills, was entitled to a refund of certain Territorial business license taxes it paid based on certain sales made as a manufacturer. The Court construed the Business License Tax Act, Chapter 43, SLA 1949, as not being applicable to the subject sales made by the Ketchikan Mill in this case.

Certain other receipts derived from sales to the military were included as taxable gross receipts, subject to the Alaska Business License Act, since the legal incidence of the tax was on the vendor and not on the vendee. Therefore, sales to the United States are not excludable from gross receipts because of the Federal immunity from Territorial taxation.

3. *Woo and the Territory of Alaska v. City of Anchorage.* In this case the facts are that the City of Anchorage refused to issue a city liquor license to plaintiff Woo who held a valid Territorial liquor license. The Territory of Alaska intervened as a plaintiff because the case presented a substantial issue relating to the authority of municipalities to legislate in a field preempted by the Territory.
Collections.—Total collections made by this office or in which we were directly involved for the past year amounted to $93,616.65, broken down as follows:

<table>
<thead>
<tr>
<th>Department/Type</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Department of Agriculture</td>
<td>$1,146.30</td>
</tr>
<tr>
<td>Estates, escheated</td>
<td>$10,247.21</td>
</tr>
<tr>
<td>Estates, Federal old-age assistance</td>
<td>$10,070.55</td>
</tr>
<tr>
<td>Estates, Territorial old-age assistance</td>
<td>$12,128.30</td>
</tr>
<tr>
<td>Estates, Pioneers' Home</td>
<td>$7,666.99</td>
</tr>
<tr>
<td>Estates, probated</td>
<td>$2,200.40</td>
</tr>
<tr>
<td>Taxes</td>
<td>$38,491.33</td>
</tr>
<tr>
<td>Uniform reciprocal enforcement of support, attorneys' fees</td>
<td>$541.00</td>
</tr>
<tr>
<td>Veterans' Affairs Commission</td>
<td>$12,124.57</td>
</tr>
</tbody>
</table>

The Attorney General is obligated under the provisions of the Uniform Reciprocal Enforcement of Support Act to initiate cases for Alaskans and to prosecute cases from other jurisdictions. During the preceding year the workload in this area of law has been increased because of the many new cases initiated by Alaskans and responded to by the Attorney General at the request of other states and territories.

AVIATION

Civil Aeronautics Administration

In keeping with the tremendously increasing importance of aviation in the Territory, the Department of Commerce, through its Fifth Region of the Civil Aeronautics Administration is expanding and modernizing the airways facilities throughout the Territory. The Fifth Region of the Civil Aeronautics Administration is composed of the entire Territory of Alaska including the Aleutian Islands. The headquarters office of the Fifth Region is in Anchorage.

This agency has established within the Territory 7,915 miles of civil airways, with 7,400 miles implemented with air traffic control, radio ranges, radio beacons and homing markers, intermediate fields and communications networks linking nearly all of the principal communities of Alaska.

During the fiscal year 1957 the Civil Aeronautics Administration employed on a full-time basis 1,200 people to carry out its complex operations.

Outstanding features of 1957 included:

Air traffic control and communications.—In an effort to keep abreast of the rapidly developing air industry in Alaska, the CAA secured and installed modern air traffic control tools and facilities, and completed plans for continued modernization of the entire civil airway structure within the Territory.
As of June 30, 1957, the CAA operates 33 communications stations, 5 airport traffic control towers, 1 combined station tower, 1 combined air route traffic control center/radar approach control facility, 1 air route traffic control center, 1 approach control facility, and 2 remotely controlled communications stations.

To man the above-mentioned facilities and provide flight assistance service and air traffic control to the flying public, CAA is authorized to employ 413 Airways Operations Specialists. Because the amount of technical skill the specialists must have is considerable, CAA maintains a school located at Merrill Field in Anchorage capable of graduating 10 employees each 7 weeks.

Radar, one of the most modern of air traffic control tools, played a much greater role in the control of air traffic in the Territory during the past year. A second radar scope was installed in the Anchorage Tower so aircraft movements are now controlled by radar both when arriving and departing Anchorage. Some idea as to the amount of use the radar scopes receive may be gained by noting that Anchorage Approach Control is currently number seven in the total number of instrument approaches handled as compared to all CAA operated Approach Control Facilities throughout the United States.

Radar equipment supplied by the Air Force but maintained and operated by CAA is incorporated in the Fairbanks Air Route Traffic Control Center/Radar Approach Control Facility. This is the first facility of this type within the CAA wherein complete center and radar approach control facilities were combined into one operational and administrative unit. CAA assumed maintenance and operation of this facility June 21, 1957.

Planning has been completed for another combined center/RAPCON to be installed on Elmendorf Air Force Base in Anchorage. This is another joint effort of the CAA and the USAF and will be a larger and more modern facility than the one now in operation at Fairbanks. Installation and operation will take place during the latter part of fiscal year 1958.

During the year, a new controlled civil airway was established between McGrath and Galena. This brought the total of controlled airways in Alaska to 7,400 miles.

With the completion of the A. T. & T. submarine cable to the States, the CAA leased one teletypewriter circuit and one voice circuit between Anchorage and Seattle. This is the first time in the 18 years the CAA has been in Alaska that we have had a "land-line" type of communication with the United States. Plans are being made for additional teletypewriter circuits.
Air navigation facilities.—The Plant and Electronic Maintenance program of the Air Navigation and Communication Facilities for the fiscal year 1957 was completed as planned.

The Plant and Electronic Establishment program for fiscal year 1957 was also carried out as planned and includes the following projects:

1. Fiscal year 1957 saw the construction phase of the project known as "White Alice" get well under way. The project was designed to provide an integrated communications system for all Government agencies in Alaska and is known as ICSAL (Integrated Communications System, Alaska). The CAA has been an active member in the planning of this system and will be one of the larger subscribers. First segment between Anchorage and Hinchinbrook Island was completed and services were received during November 1956. The entire system will eventually cover the greater part of the Territory and will provide a communications system comparable to any now in existence. Air Navigation and Communication Facilities are being cut over to White Alice service at all tie-in points as fast as White Alice circuits are completed. Facilities now being serviced through White Alice are Kodiak (Woodley Island), Homer, Kenai, and Middleton Island.

2. Issuance and awarding of contracts for the modernization of the VHF communication system between Hinchinbrook Island (Boswell Bay) and Juneau, thence to Sitka and Annette Island to Duncan Canal (Petersburg) has been accomplished.

3. Funds have been approved for the CAA in Alaska to begin a several-year program of installing VORTAC facilities throughout the Territory. These VORTAC facilities will gradually replace the old type four course radio ranges now being used for navigational guidance.

4. The construction of a VOR air navigational facility on Fire Island was completed and is now being flight checked.

5. Because of the large population growth and subsequent expansion, it was necessary to change the radio navigational aids in the Anchorage area. The Anchorage SRA range, formerly located on Fireweed Lane southeast of Anchorage, had to be moved out to Campbell Point. The new location was very close to a nondirectional facility at Jewel Lake. This proximity negated the usefulness of the Jewel Lake Facility and it was therefore decommissioned. In February, a new high-voltage powerline was constructed along one edge of the Anchorage MRL in the Mountain View area. This caused a very severe course displacement that could not be corrected and it was necessary to decommission this facility. The Anchorage VOR...
was moved to a more efficient site on Fire Island and it is expected that it will be commissioned very shortly.

6. A contract was awarded for the second phase of rehabilitation of the Nome Airport. This work consists of added drainage structures, leveling of runways and parking areas with crushed gravel. Phase I was completed as scheduled.

7. The first half of moving the communication facility from the Weeks Field area to the International Airport Terminal Building at Fairbanks has been completed. The second part, which involves moving the terminating radio equipment, is planned for fiscal year 1958.

8. Approval was also received for a new nondirectional radio beacon west of Fairbanks to increase navigational accuracy and alleviate some of the air traffic control problems in that area. Completion is expected within the next fiscal year.

Airport terminal facilities.—The public airports at Anchorage and Fairbanks, owned and operated by the Federal Government, continue to grow rapidly. Aircraft operations (landings and takeoffs) at both airports during fiscal year 1957 were 254,186 as compared to 210,823 in 1956, an increase of 21 percent. Of these totals the Anchorage operations in 1957 were 193,355, up 28 percent from the 150,935 operations in 1956; Fairbanks 1957 operations were 60,831, up about 2 percent from the 1956 operations of 59,868. The revenue landings of aircraft grossing over 6,000 pounds at Anchorage in 1957 were 9,203; the 1956 figures were 7,088. The Fairbanks totals for the same two years were 6,123 and 5,414 respectively.

A total of 154,838 passengers used the Anchorage terminal in 1957 and 94,210 used the Fairbanks Terminal. At Anchorage 87,724 of these were incoming and 67,115 were departing. 44,385 passengers were incoming at Fairbanks and 49,925 were departing. This represents an overall increase of 14 percent over 1956. Air freight, which will probably always be a major item of traffic at Alaska airports, has shown a substantial increase. The total air freight handled through the Anchorage Airport in 1957 was 48,290,221 pounds, as compared to 36,357,119 pounds in 1956, an increase of 33 percent. Fairbanks freight amounted to 28,772,856 pounds in 1957, which is 3,762,915 pounds over the 1956 activity of 25,009,941.

During the 1957 fiscal year gross revenues realized at Anchorage totaled $769,302, while at Fairbanks the amount was $302,408, an overall increase of 21 percent in revenue. These figures include the value of services rendered to Government agencies using the facilities of the airports.
The Division of Aeronautics of the Department of Aviation continued with its program of airport development and operation in the Territory. Particular emphasis is made of the Federal-Aid Program wherein funds were made available in the amount of $1,225,000 for the fiscal year 1956 and in the amount of $1,350,000 for each of the fiscal years of 1957, 1958, and 1959. During the period of the fiscal year 1957 this Department was engaged in various phases of each of the fiscal programs.

Two projects of the 1955 Federal-Aid Program were completed. These were the amphibious facility at Wrangell, which consisted of a
ANNUAL REPORT OF THE GOVERNOR OF ALASKA

Concrete pullout ramp and a turnaround and Stage I of the construction of an airport on the Bethel side of the Kuskokwim River. The project included rough grading of a landing strip 4,000 feet in length and 200 feet in width, the construction of a 200- by 300-foot parking area, and the development of several borrow areas required for future construction.

Two projects of the 1956 Federal Airport Program were completed. These projects were the construction of a new landing strip at Chitina and the installation of a training jetty to divert the flow of the Chilkat River at Haines, together with the automobile parking area. The landing strip at Chitina is 3,550 feet in length and 150 feet in width. It was placed in operation in June of 1957 and is now part of the scheduled operation of the carrier in that area. The primary purpose for the construction of this landing field was to ease the supply problems of prospectors in the Copper River area. It is also used as a service point for tourists in the Copper River area.

Further construction in the 1956 Federal-Aid Airport Program consisted of projects at Bethel, Homer, Kiana, Meloryuk, Petersburg, and Point Hope.

The work proposed and commenced at the village of Kiana on the Kobuk River was a continuation of a project started in 1954 and 1955 through the cooperation of Wien Alaska Airlines and the Department of Aviation. The work engaged in, designated at Stage I, under the Federal-Aid Airport Program, consisted of the construction of a 4,000-by 150-foot landing strip with a parking area 100 feet wide and 300 feet long, together with an access road to the village. At the end of the fiscal year approximately 85 percent of the work was completed.

Construction was begun on a landing strip at Meloryuk on Nunivak Island which was to be used for transportation of reindeer meat to such points as Bethel, Dillingham, Anchorage, Fairbanks, and Nome in competition with beef or other stateside meat products. The project at this location consisted of a landing strip 3,800 feet in length and 150 feet in width and a 3-mile roadway connecting the village to the landing strip.

A contract was awarded and construction commenced for an amphibious project at the town of Petersburg, which was to consist of a concrete ramp and pullout and parking area. Approximately 90 percent of the work was completed during the period.

Construction started in September of 1956 at Point Hope for a project to include a 4,100-foot landing strip 150 feet wide and a taxiway connecting the landing strip to a 200- by 300-foot parking area. The site for this landing strip is a series of ancient storm beaches. The winter season of 1956 forced a shutdown of this project, which was
resumed early in the summer of 1957. With the completion of this landing strip Point Hope could be serviced by multiengined aircraft on a route between Kotzebue and Point Barrow.

The Department commenced its 1957 Federal-Aid Airport Program when work began on the construction of a landing field at Sand Point. This will result in a landing strip 2,800 feet in length and 150 feet in width. The construction of this field would assist in the development of the year-round fishing industry available at Sand Point.

Plans were made for projects at Homer, Kiana, Kivalina, Seldovia, Hydaburg, Port Alexander, and Port Althorp. Many of the plans have been completed and the projects readied for construction.

In addition to the new construction, development and reconstruction, this Department continued its program of operating and maintaining a system of airports throughout the Territory, which included such items as grading, brush removal, approach protection, snow removal, and airport lighting.

Comparing the activity of the fiscal year 1957 the Division of Aeronautics of the Department of Aviation experienced a 50 percent increase over the prior 2 fiscal year periods. The total activity which included construction, maintenance, and operational costs of this Department in the fiscal year 1955 amounted to approximately $575,000 and for the fiscal year 1956 amounted to approximately $630,000. The total activity in the fiscal year 1957 was approximately $950,000.

CIVIL DEFENSE

Continued Civil Defense survival preparations were emphasized during the year. This was both stockpiling surplus property items in evacuation reception areas for the Anchorage and Fairbanks urban areas, and organization.

The basic movements plan for Fairbanks evacuation was prepared. Buildings for an emergency center were installed and partially equipped, on a site provided by the University of Alaska.

Jamesway hut sections and other surplus items were shipped to Juneau for the emergency Government and evacuation center outlying from Juneau, but delay in development of an access road delayed work on the center.

The Territorial headquarters Operation Alert 1956 exercise in July was an effective demonstration that an emergency Government organization of key Federal and Territorial agencies, with the Governor assuming direct jurisdiction, is feasible and sound.

The combined Greater Anchorage Civil Defense District and Anchorage Region Control Center was activated in July 1958. The
Control Center includes a radio communications center, staff and operations room and supply room. In preparation for Operation Alert 1956, district control centers were also designated for the Greater Seward, Portage, Chugiak, and Palmer Civil Defense Districts.

The Anchorage Region Operation Alert 1956 exercise in July was the most extensive Civil Defense exercise conducted in Alaska. The combined CD-military exercise resulted in rigid control of more than 250 miles of highway for 8 hours. More than 12,000 residents took part in the practice evacuation, some driving 130 miles to Seward and return.

Following the Suez crisis in November 1956, operational directives for assembling key Greater Anchorage district CD personnel and determining whether to evacuate were developed, approved and are now operative. These directives were given three surprise tests during 1956 and demonstrated that the required number of key officials can assemble, evaluate all essential current information and make a decision as to evacuation in 15 to 20 minutes from receipt of the initial warning.

A plan for tactical evacuation of all school students in the Greater Anchorage Civil Defense District was developed and approved. Plans for tactical evacuation of all hospital patients from Providence and the Alaska Native Service Hospital were approved by hospital, medical, and transportation authorities in May 1957, and are in the process of being prepared in final form.

The Alaskan Command Emergency Plan White (Short Title: ALEPW 1-57) dated April 15, 1957, and developed in consultation with the Department of Civil Defense, is a document of great importance to Alaska's civil population. This military plan establishes conditions for activation at Elmendorf AFB of the Alaskan Disaster Center, and outlines rules for its operation. This plan designates Civil Defense as the key Territorial agency in time of disaster.

Flood emergency and ice jam bombing operations were reduced from the extended operations of 1956 due to less precipitation and easier breakup. On May 10 and 11, two Navy P2V2 patrol bombers from Kodiak responded to a request from the Anchorage Region Office for bombing of ice jams below Bethel which endangered Napakiak, Oscarrville, Kwethluk, Napaskiak, and Bethel. The missions were successful, and the flood danger relieved. A B-29 bomber dispatched from Elmendorf AFB blasted ice jams below Fort Yukon on May 13, 14, 15, 1957, and was credited with averting danger of flooding the town.
Destruction of the small village of Piamuit by fire resulted in requesting evacuation of the 17 villagers to Holy Cross. An Air Force helicopter was dispatched to the scene. The villagers decided against evacuation, and were given supplies by the Air Force and from Civil Defense stocks at Bethel.

Development of severe drought conditions in the Matanuska Valley in early summer, 1957, resulted in granting permission to use CD pumps stockpiled in Palmer, for field irrigation. The emergency program was started in June under supervision of the Soil Conservation Service.

A 300-kilowatt Civil Defense standby diesel generator was installed by the Matanuska Valley Farmers Cooperating Association in Palmer, Alaska, in support of emergency plans developed for the Greater Palmer CD District and is available for use when necessary to protect life or property.

In continuing the Alaska Civil Defense policy of increasing the capability of existing public safety and health agencies to meet emergencies, Civil Defense supplies and equipment are used almost daily by fire and police departments and hospitals in saving lives or reducing human pain and suffering. Such normal emergency operations are so numerous that no attempt is made to record the individual incidents.

COAST AND GEODETIC SURVEY

The Coast and Geodetic Survey, which in 1957 celebrated its sesquicentennial of progress, has also had a long history of activity in Alaska. Its work dates back to the time of the purchase in 1867. Since 1882, when the first comprehensive survey was undertaken, the work of the Coast Survey in Alaska has been directed toward facilitating the commercial, industrial, and tourist development of the Territory.

To provide data for the production of maps and charts, the Coast Survey carries on a program of field surveys which includes the establishment of basic horizontal and vertical control points along the coast and in the interior; hydrographic, tide, and current surveys; topographic surveys along the coast; and magnetic and seismologic investigations.

The results of the surveys are made available to the public in the form of nautical and aeronautical charts, tide and current tables, coast pilots, magnetic and seismologic reports, and triangulation and leveling data.

Hydrographic surveys.—During fiscal year 1957, six ships, with a complement of 43 officers and 222 men, were engaged on hydrographic
operations in the Bering Sea, along the north shore of the Alaska Peninsula, in the Aleutian Islands, in Prince William Sound, and in southeastern Alaska. Electronic methods were used to control much of the hydrography. A special survey was completed at the Army dock in Whittier. Deep-sea sounding lines were run across the Gulf of Alaska as part of a continuous program of surveying the Gulf.

**Tide and current surveys.**—The daily rise and fall of the tide in Alaskan waters range from less than 1 foot, along the Arctic Coast, to more than 30 feet, in Cook Inlet. The program of tide and current observations furnishes basic data for surveying activities, for the determination of tidal datum planes required for coastal engineering and construction purposes, and for the prediction of the rise and fall of the tide and the strength and direction of currents. To supply this information, control tide stations were maintained at Ketchikan, Juneau, Skagway, Sitka, Yakutat, Seward, Kodiak, and at Unalaska, Adak, and Attu Islands. In addition, short-period observations were obtained at 17 other places. Observations for temperature and density of sea water were made at the tide stations.

To facilitate navigation of Alaskan waters, tide and current tables are published annually in advance giving the daily predictions of high and low waters for 11 places and the times of slack water and the times and velocities of strengths of flood and ebb for 7 places.

The fifth edition of Special Publication No. 280, Surface Water Temperatures, Pacific Coast, North and South America and Pacific Ocean Islands, was published during the year, giving the monthly and yearly means and extremes of surface water temperatures for each year of observations available through 1955 for 18 places along the Alaskan shores.

**Photogrammetric surveys.**—An aerial photographic mission, in cooperation with the United States Coast Guard, photographed approximately 4,000 square miles in Davidson Inlet, Sumner Strait, Prince William Sound, and the Alaska Peninsula. Office compilation of 79 maps was completed, including 1,700 square miles of shoreline and planimetric mapping in the vicinities of Prince of Wales Island, Anchorage, Clarence Strait, Prince William Sound, and the north shore of the Alaska Peninsula, and 700 square miles of topographic mapping in the Aleutians and Bering Sea areas.

As part of the International Geophysical Year program for the study of glacial movements, and at the request of the American Geographical Society, low-altitude photography was completed of Raven, Worthington, and Byron glaciers.

**Geomagnetism and seismology.**—Since a knowledge of the magnetic declination, or compass variation, is essential to navigators using
nautical and aeronautical charts, measurements of the earth's magnetism have been conducted in Alaska since 1867. A network of widely scattered magnetic stations, at which periodic observations are obtained, have been established at selected points in the interior and along the coasts. In addition, three observatories, at Sitka, College, and Barrow, provide more detailed information of the fluctuations of the magnetic elements.

Earthquake investigations have been continued through the operation of seismographs at College and Sitka. Information from these instruments provides data on earthquake distribution and severity.

_Nautical and aeronautical charts._—There are now 193 nautical charts on various scales covering Alaskan waters. Many of these were brought up to date and reprinted during the year.

**UNITED STATES COAST GUARD**

Responsibility for the administration and coordination of all Coast Guard activities in Alaska is vested in the Commander, 17th Coast Guard District, with headquarters in Juneau, Alaska.

Primary objectives and functions of the Coast Guard in Alaska include search and rescue, the administration and enforcement of navigation and shipping laws, marine inspection and safety, licensing and certification of merchant marine personnel, the port security program for the protection of vessels and waterfront facilities, and operation and maintenance of the more than 1,200 aids to navigation, including light stations, loran stations, radiobeacon stations, lighted and unlighted buoys, minor lights, and daybeacons.

During the fiscal year ending June 30, 1957, Coast Guard ships and aircraft responded to 441 calls of assistance. These cases included assistance to 230 vessels and 9 aircraft, 138 medical evacuations, 35 searches for missing or overdue persons, and 29 other miscellaneous types of assistance. In cooperation with Federal, Territorial, and local Government agencies, the Coast Guard rendered its services in the enforcement of halibut fishing regulations, the patrol of Salmon Derbies and other water sport events, waterfront fire-fighting, the Boy Scout program and Civil Defense.

In addition to performing hull and machinery inspections of 84 vessels during the year, marine inspection officers investigated 147 marine casualties involving the loss of 38 lives and property damage amounting to $1,068,200. A total of 2,025 motorboats were boarded, and 160 violations of the Motorboat Act were processed. Four hundred and seventy-seven new motorboats in the Territory were registered during fiscal year 1957.
It is noteworthy that deaths in the Territory, as a result of marine casualties, occurred last year at a rate approximately 4 times greater than those on the highways. In an effort to reduce this alarming number of marine fatalities, Coast Guard Auxiliary Flotillas have been organized in Juneau, Ketchikan, and Sitka. Composed of civilian boat owners under the sponsorship of the Coast Guard, these Flotillas are now active in conducting courtesy motorboat examinations and courses of public instruction in boating safety.

The annual Bering Sea Patrol was conducted by the Coast Guard cutter Winona during the summer and fall of 1956, in cooperation with the United States Public Health Service, the Alaska Native Service, and the Alaska Department of Health.

**COMMUNICATIONS**

*United States Army Alaska Communication System*

The Alaska Communication System (then entitled “the Washington Alaska Military Cable and Telegraph System”) was established by Congress in 1900 as a part of the Signal Corps, United States Army. Its mission was to provide long-lines telephone and telegraph service to, from, and within Alaska.

As directed in General Orders No. 5 dated 31 January 1957, effective 1 January 1957, the name of the system was changed to United States Army Alaska Communication System.

The total receipts of the United States Army Alaska Communication System received for communication services rendered during the fiscal year 1957 and which were deposited into the Treasury of the United States amounted to $3,251,221.25.

On December 11, 1956, the ACS 36 channel coaxial submarine telephone cable between Skagway and Ketchikan was placed in service simultaneously with the American Telephone & Telegraph Co. cable from Ketchikan to Port Angeles, Wash. These facilities now provide Southeastern Alaska with adequate quality voice channels as well as meeting through circuit requirements from Central Alaska to the United States. Coincident with the coaxial cable activation, four “C” carrier systems providing 16 additional voice circuits were placed in service between Skagway and Tok Junction to extend to Central Alaska new voice channels made available by the cable systems. On May 11, 1957, two “Lynch” type carrier systems were added to this route, further increasing the capacity by 12 voice channels.

Ten switchboard positions were added to the 18 existing toll positions at Anchorage, making a total of 28, and 6 positions were added to the 12 toll positions at Fairbanks.
Two channels of radiotelegraph were added between Fairbanks and Barrow to meet services incident to the construction of the DEW line.

Two additional VHF voice channels were obtained in April between Juneau and Sitka by an overbuild of the present CAA VHF system. These additional channels were required to meet the toll telephone demand in the Sitka area.

Two quality voice channels were established between Cordova and Anchorage through the newly established White Alice system to Middleton Island.

The two voice channels in the ACS VHF system, Anchorage-Kodiak were transferred to the Anchorage-Kodiak White Alice system and, in addition, two circuits were obtained in this system to serve the increased long-distance telephone requirements at Kodiak.

Additional voice frequency telegraph systems installed and placed in operation were one 18-channel system and one 14-channel system between Ketchikan and Juneau and 14 channels between Juneau and Tok Junction which also provided for 4 additional channels between Juneau and Skagway.

In areas where the new coaxial submarine cable, expanded open wire carrier systems or White Alice facilities have been placed in operation, paralleling ACS old submarine cable telegraph and telephone systems and radio-telephone facilities have either been deactivated or placed on a standby basis.

Major repairs were made to 14 buildings at Anchorage, Barrow, Juneau, and Ketchikan; the exteriors of 32 buildings at Bethel, Northway, Craig, Ketchikan, Curry, Fairbanks, Nome, and Juneau were painted; a warehouse and garage building was erected at Barrow and fire extinguishing systems were installed in 3 buildings.

Division of Communications

The Territorial Department of Communications is a Division of the Alaska Aeronautics and Communications Commission, and governed by the five-member Aeronautics and Communications Commission.

The principal functions and duties of the Division of Communications are to engineer, design, purchase, license, install, operate, and maintain radio-telephone and telegraph transmitting and receiving and radio-air navigational stations in those isolated communities approved by the Commission and to coordinate their use with other stations and services in the best public interest. All such stations must be engineered and operated in conformance with existing Federal Communications Commission Rules and Regulations.
The supervisor and all technicians must hold a Federal Communications Commission License of a grade equal to a First Class Operator or Second Class Telegraph Operator, as issued by the Federal Communications Commission after strict examination.

It is the duty of the supervisor as a direct employee of the Commission to provide a complete report of office activities at each Board Meeting, to make recommendations for the installation or relocation of all radio-telephone and air navigational aid stations, act in their behalf in the best interest of the Territory in all matters of Communications, as related to industry, the general public, and the Federal Communications Commission, to aid and assist other Territorial Departments, communities, and individuals in communication matters, and, to enforce all rules and regulations of the Commission relating to safety and use of Communications equipment in Aircraft.

A radio technician completed a new station at Council, Alaska, and was sent to O'Brien Creek to replace the old set with new equipment. From there he was to service Fort Yukon, then proceed to install a complete new set at Wiseman. Groundwork was completed for new installations at McGrath and Galena during the early winter. Medfra, just east of McGrath, will be a new installation. All 21 Southeastern Alaska Stations were serviced prior to June 15, while the majority of the 45 Interior stations were to have normal maintenance work done from June 15, to September 15.

In addition to operating 65 Radio-Telephone Stations, the Department manages the leasing and technical details of 28 Radio-Aid-to-Air-Navigational “H” Markers. It has devoted a great deal of time to engineering the original Civil Defense and Police VHF Communications System. It provides technical and legal assistance to other departments requiring communications facilities and licensing.

Federal Communications Commission

The Field Engineering and Monitoring Bureau of the Federal Communications Commission inspects and monitors all classes of radio stations, including ship radio stations, to determine that they comply with the requirements of the Communications Act of 1934, as amended, the Commission’s rules, and applicable international conventions and treaties. Examinations are conducted at the Anchorage and Juneau offices for radio operator licenses of all classes. By arrangement with the Alaska Communication System, these examinations may be taken at many other points throughout the Territory also.

The Commission now operates monitoring stations at Anchorage and Fairbanks. Each of these stations will eventually be manned
by a minimum of five engineers. The installations operate essentially on a 24-hour basis.

CORPS OF ENGINEERS

The work of the Corps of Engineers in Alaska is divided into two basic parts, the Civil Works Program and the Military Construction Program.

Under the Civil Works Program the following actions were taken:

(a) Completion of small-boat facilities at Metlakatla, Petersburg, Wrangell, and Seward.

(b) Construction of additional protective work for the small-boat harbor at Valdez was essentially completed.

(c) Construction was started of the Gold Creek flood-control project at Juneau.

(d) Contract was let for the construction of small-boat harbors at Craig, Elfin Cove, and Pelican. Work at Craig is under way.

(e) Contracts for small-boat harbor work at Ketchikan and Kodiak were advertised in June.

(f) Annual maintenance dredging of Nome Harbor was continued by Government plant and hired labor.

Studies and investigations under authority of the Flood Control Act of June 30, 1948, were continued with a view to determining the advisability of improvements in the interests of navigation, flood control, hydroelectric power and related water uses.

Interim Report No. 2, Cook Inlet and Tributaries, was submitted to Congress on September 7, 1956; Interim Report No. 6, Northwestern Alaska, was completed and transmitted to higher authority for review, and studies were continued on Interim Report No. 7, Yukon and Kuskokwim River Basins.

The following recommended projects are now before Congress for authorization:

(a) Juneau-Douglas small-boat harbors.

(b) Dillingham small-boat harbor.

(c) Naknek River channel improvement.

(d) Fairbanks flood-control project.

(e) Anchorage Harbor.

(f) Homer small-boat harbor.

(g) Seldovia small-boat harbor.

(h) Ninilchik small-boat harbor.

(i) Talkeetna flood-control project.

The total cost of the Civil Works Program for fiscal year 1957 was $1,054,441.
Military Construction Program.—The value of military construction placement increased slightly in fiscal year 1957 as compared to fiscal year 1956. During fiscal year 1956 the total value of Army and Air Force construction placement was over $94,000,000 as compared to almost $96,000,000 in fiscal year 1957.

To accomplish this amount of military construction placement throughout the Territory, the United States Army Engineer District, Alaska, with headquarters in Anchorage, maintained an average payroll of over 600 employees working within the Territory and administered over 150 active construction contracts.

 Contractor policy of hiring local labor where desired skills are available, rather than importing assistance from the continental United States has continued.

CUSTOMS SERVICE

The United States Customs Service, a Bureau under the Treasury Department, is divided into districts, the Territory of Alaska constituting District No. 31, in charge of a Collector appointed by the President and confirmed by the Senate with headquarters at the capital, Juneau.

There are 22 places in Alaska where customs officers are stationed, and also a full-time office at Prince Rupert, British Columbia, under the Alaska District. The purpose of that office is to supervise and certify the unloading of products of the American fisheries, or other United States goods in transit through Canada, so as to permit their reentry into the United States without duty.

The general duties of the customs service in Alaska are to enforce the Tariff Act relating to imports and the collection of duties; the shipping laws; export-control laws and various laws of other agencies that are concerned with imports from and exports to foreign countries.

In Alaska the customs and immigration services work in especially close cooperation, due to the similarity of work in the matter of processing passengers and crew members of vessels and aircraft from foreign countries. In the interest of economy, and to avoid the necessity at the smaller sites of having both customs and immigration men present, most Alaskan customs officers are designated as Immigrant Inspectors, and likewise the Collector of Customs for Alaska has designated certain immigration officers as Customs Inspectors. In connection with the import and export of certain commodities, Customs officials enforce the regulations of numerous other bureaus under the State, Commerce, Agriculture, and Treasury Departments.
and those of the Maritime Administration. The Customs officials have the responsibility of caring for and extending relief to shipwrecked American seamen in Alaska, to enable them to return to their homeport.

One of the duties of the Collector for Alaska, which does not have a counterpart elsewhere, is to serve with the Governor and Secretary of Alaska as a member of the Territorial Canvassing Board—these three officials being the only Presidential appointees in Alaska with territorywide jurisdiction in their respective fields.

ALASKA RESOURCE DEVELOPMENT BOARD

During 1956 there were at least 58,000 persons gainfully employed in the Territory of Alaska who received wages totaling approximately $313 million. Of these, there was an average of 30,281 persons in regular employment covered by Employment Security laws, plus approximately 15,285 persons on Federal payroll—exclusive of the military. An additional 12,500 persons employed in the salmon industry and related fisheries are not covered under Employment Security laws. Those engaged in private employment received total wages of $216 million and those employed by the Federal Government received approximately $87 million. At the same time these workers, as well as various businesses, paid from Alaska to the Federal Government some $43,544,000 in taxes.

Workers engaged in the production of natural resources produced approximately $161,846,000 worth of products from the resources of Alaska. Alaska's fisheries still constitute its largest single natural resource, and the value of fisheries products as prepared for market was estimated at $92,900,379. Of this total $76,914,415 was accounted for by the value of the canned salmon pack. Emphasizing the growing importance of the timber industry to the Territory is the fact that forest products for 1956 were valued at $34,395,000, making timber Alaska's second largest resource industry. Alaska's mining industry continued to operate at a relatively low level with total production at $24,659,000.

Following the big three, the Pribilof fur seal industry produced $5,262,034 worth of furs in 1956. A part of this substantial increase is undoubtedly due to the fact that the killing of females was permitted last year. Alaska's farmlands continue to increase in area, and the estimated value of farm products for 1956 was $34,935,000, making timber Alaska's second largest resource industry. Alaska's commercial fur industry, exclusive of the Pribilos, holds fifth place with an estimated value of $1,570,000 for the past year. This is a sharp decline from past years and is attributed largely to extremely poor markets.
In 1956 the Corps of Engineers estimated $89,316,000 worth of new construction was in place. The number of persons employed in contract construction ranges from a low of 3,000 in January to a high of 11,000 in August. Most of these workers are employed on defense construction jobs or on projects related to them.

Tourism also played an important role in the economy of the Territory. Although Alaska's population is estimated at 208,000 persons (51,000 military personnel and 157,000 civilians), 143,600 persons came to Alaska in 1956 and 150,171 left the Territory. The migration loss was just about balanced by the gain of births over deaths during the year. While there is no accurate way of measuring the impact of tourism on the economy of Alaska, migration statistics indicate its magnitude.

The emergence of the timber industry as Alaska's number two resource enterprise is considered significant and is already changing the economy of Southeastern Alaska. Ketchikan Pulp Co. affords year-round employment to more than 800 persons, and Alaska Lumber & Pulp Co.'s $45 million plant now under construction at Sitka will supply steady employment for about 700 persons. Pacific Northern Timber Co., with a signed contract for $1.25 billion feet of timber in the Wrangell area is scheduled to have a large sawmill in operation before the end of 1958. The Georgia-Pacific Alaska Corp., holder of a preliminary award of some 7 billion feet of timber, is still planning its operations for the Juneau area.

While the salmon fisheries produced a substantially larger pack in 1956, returns for 1957 were extremely low.

Major petroleum companies continued their explorations in western and northern Alaska, and the discovery of oil on the Kenai Peninsula by Richfield Oil Co. has intensified the activities of all companies. The recent enactment of legislation by Congress giving Alaska its full share of revenues from oil, gas, and coal leases will add materially to the income of the Territory.

Waterpower resources of the Territory remain untapped, and the development of Alaska's power potential is still to be realized. The Federal Power Commission has given a preliminary permit to the Central Alaska Power Association to study the huge Copper River project. The Bureau of Reclamation is conducting field studies on the Susitna, but little information is available on smaller but more easily developed sites.


ALASKA RURAL DEVELOPMENT BOARD

The Alaska Rural Development Board, an official agency of the Territory of Alaska, was created for the purpose of “promoting the improvement of the health, welfare, security, and economic well-being of Alaskans residing in rural and remote areas of the Territory.” This agency was established by the 1955 Legislature and now has interests in many of the outlying parts of Alaska.

The Board itself is made up of various Territorial officials whose agencies have an interest in the development of the rural and remote areas of Alaska. Serving as members of the Board are the following:

The Governor of Alaska, who serves as Chairman, the Commissioner of Education, the Commissioner of Labor, the Commissioner of Health, the Commissioner of Highways and Public Works, the Director of Public Welfare and the Director of Civil Defense. The Board operates through an Executive Director who maintains an office in Juneau and carries out the program outlined by the Board.

The work of the Board is centered in the small rural communities of Alaska, and it is the Board’s philosophy that its aid should be extended to those communities which show some interest in bettering themselves. Consequently, the Board has operated to assist in village self-help projects and has worked to encourage villages and communities to recognize and evaluate their own needs.

Beaver project.—In line with the Board’s idea of helping those communities which want to help themselves is the current project underway at Beaver, Alaska. In October 1956, the village of Beaver which is on the Upper Yukon, appealed to the Board for assistance. The village consists of about 20 families living in old, damp, and unsanitary log houses. These houses are built on the river bank and the river is caving more and more of the bank away each year, threatening to engulf the entire village. The people of Beaver wanted to rehabilitate the village but knew that they would need some help. The villagers approached the Rural Development Board, and after proper investigations, the Board allocated money for the purchase of equipment, including a sawmill and caterpillar tractor. This equipment remains the property of the Board and can be transferred to other villages as the need arises. At the present time the people of Beaver are working with this equipment under the supervision of a man hired by the Board, and Beaver is on its way to being rebuilt.

Gardening program.—Another program initiated by the Board is
that of offering agricultural extension service to residents of the villages along the Upper Yukon. In cooperation with the Federal Extension Service, the Rural Development Board has provided funds for an agent to travel in this area and assist the villagers in establishing gardens. With the help of this agent, more gardens were planted in this area than ever before and a variety of vegetables were produced and added to the local diet. It has been estimated that the average well-cared-for garden produced from $1,000 to $1,500 worth of vegetables. The program was so successful that the Board has provided money for an additional agent to travel and work in the Lower Yukon and Kuskokwin areas.

Well-digging project. — Another phase of the Board's work has been assisting small villages with water supply problems. In cooperation with the Alaska Department of Health, the Rural Development Board has provided materials and equipment for wells, in Chevak, Kwethluk, Hooper Bay, and Akinchak. Formerly these villages had no source of pure water, but now each has a producing well which is cared for by a sanitation aid trained by the Department of Health.

Jewelry project assistance. — As part of its overall program of helping those villages where interest in self-help is highest, the Board made loans available for the building of jewelry workshops at Shungnak and Noorvik. The people of these communities have shown interest in developing commercial skills in craft work with jade, silver, and gold, but have long been in need of decent working quarters. In carrying out this assistance program the Board has worked closely with the Indian Arts and Crafts Board of the Department of the Interior.

Incorporation Manual. — The 1957 Legislature passed a law which for the first time allowed for the incorporation of small villages under Territorial law. The Rural Development Board was directed to work with the Attorney General of Alaska in preparing a manual which would make this law intelligible and workable for the residents of Alaska's smaller communities. This work was completed in June of 1957.

Regional studies. — The Board also engages in research work aimed at achieving better understanding of the social and economic conditions of Alaska's rural areas. To date two such studies have been published, one covering the Bristol Bay area and the other the Kotzebue and the Noatak, Kobuk, region.

In addition to the specific programs of the Rural Development Board, it is often possible for the staff to offer "spot" assistance to communities with particular problems.
EDUCATION

Alaska Historical Library and Museum

The principal collections of the Alaska Historical Library and Museum fall into such categories as Eskimo, Aleut, Coast Indian, Interior Indian, Russian Colonial, American Historical and Natural History. During the past year each of these departments has been enriched by some of the 59 accessions made in that period. Forty-nine of the items were presented by Miss Marjory Major, former Indian Service nurse now retired and residing in the State of Maine. These artifacts and curios, gathered over a period of some 20 years from points as remote from each other as Ketchikan and Barrow, include ivory figurines, wooden dishes, baskets, stone objects, Russian relics, trade beads, and an early American ship's lamp, etc., all extremely rare from a collector's standpoint today.

Other presentations of importance include a nugget-incrusted gold watch which had been given to Judge James Wickersham by the Fairbanks Bar Association in 1907; a block of fossilized moss from Glacier Bay, unique in our experience, a cannonball from old Fort Durham at Taku Harbor, and a fine wood-carving of two Klondikers panning gold, carved and presented by Hallie Carl Heacock, Alaskan pioneer miner, now residing in Oregon. Among the purchases made in the past year were three Russian icons, two strings of early trade beads, one of which is extremely old, an engraved Eskimo snow shovel made from a whale shoulder blade, and a fine soapstone dish.

In the library, 299 items of Alaskaana were accessioned and cataloged.

In the museum the contents of 19 display cases were cataloged, restored where necessary, labeled, and the cases cleaned and repainted. Separate items cataloged totaled 1,619. Two new storage cases were installed beneath the ore tables, making a total of 8 storage cases now in service. The microfilming of newspapers begun last year has temporarily relieved the shortage of shelving space in the library.

Museum registration was 7,533, which is up 1,276 from last year, due in part to adding a fourth Canadian passenger ship for the tourist season.

Territorial Schools

During the fiscal year the Alaska Public School System consisted of 23 school districts and 98 schools outside incorporated school districts, and administered directly by the Office of the Commis-
sioner of Education. Included in the schools administered by the Office of the Commissioner of Education are 8 schools for military dependents situated on military reservations in various localities in the Territory. They are supported entirely by the Federal Government under Public Law 874 of the 81st Congress and its amendments.

The 28 districts included 7 independent school districts. Sitka, the last school district to achieve independent status, concluded its first year of operation as an independent school district this year.

Total enrollment in the 28 districts was 21,080. The total enrollment in the schools outside of incorporated districts and operated by the Commissioner of Education was 8,396. This includes the schools on military bases. Also included within the schools operated by the Commissioner of Education are 22 schools previously operated by the Bureau of Indian Affairs, but now administered as Territorial Schools under a Johnson-O'Malley Act contract. Under this contract the Bureau of Indian Affairs retains title to the property and furnishes the funds necessary for the maintenance and operation of the schools.

During the fiscal year there were 24 other schools under the general supervision of the Commissioner of Education including 21 private or denominational schools with an enrollment of 1,421 pupils, two schools of the Fish and Wildlife Service's Seal Division in the Pribilof Islands, with 157 pupils and a school at Metlakatla with 226 pupils. Arrangements have been made for the Metlakatla School to enjoy the status of a Territorial school for fiscal 1953.

The Territory furnished 187 correspondence courses for elementary pupils living in areas too far from the nearest school to attend, and 506 semester courses for high-school pupils. These were purchased and supervised by the Office of Commissioner of Education. A recapitulation of the schools and the number of children receiving education at the end of the fiscal year as recorded in the Office of the Commissioner of Education is as follows:

<table>
<thead>
<tr>
<th>School Type</th>
<th>Enrollment</th>
</tr>
</thead>
<tbody>
<tr>
<td>23 district schools</td>
<td>21,080</td>
</tr>
<tr>
<td>63 rural schools (including 4 bedside teachers at Seward Sanitarium)</td>
<td>3,040</td>
</tr>
<tr>
<td>8 Alaska on-base schools (15 school units)</td>
<td>5,766</td>
</tr>
<tr>
<td>22 Johnson-O'Malley schools</td>
<td>590</td>
</tr>
<tr>
<td>2 Fish and wildlife schools</td>
<td>157</td>
</tr>
<tr>
<td>Metlakatla</td>
<td>226</td>
</tr>
<tr>
<td>High-school correspondence courses</td>
<td>506</td>
</tr>
<tr>
<td>Elementary correspondence courses</td>
<td>387</td>
</tr>
</tbody>
</table>

A total of 3,348 children with one-fourth or more native extraction was reported as enrolled in district schools; 1,588 in schools outside districts; 536 in private and denominational schools; 221 in Metlakatla; 19 in the Pribilof Islands schools; making a total of 6,213
pupils enrolled with one-fourth or more Alaska native blood attending schools other than those operated by the Bureau of Indian Affairs.

The Northwest Association of Secondary and Higher Schools accredited 17 schools in Alaska as follows: Ketchikan, Juneau, Sitka, Petersburg, Wrangell, Haines, Anchorage, Palmer, Fairbanks, Nome, Skagway, Eielson Air Force Base, Cordova, Mount Edgecumbe, Seward, Sheldon Jackson, and Kodiak.

High Schools which were accredited by the Department of Education were also operated in five district schools, 8 Territorial schools, 7 private and denominational schools, and at St. Paul and Metlakatla.

Transportation contracts totaling an annual cost of $714,569 were in force in 42 communities averaging about 6,134 bus-miles each day and serving an average daily pupil load of 6,792.6 pupils living 1 1/2 miles or more from school.

Through cooperation with the Department of Agriculture, school lunches were served in 24 schools which received a total of $51,907.85 in Federal funds and at a total cost of $260,538.07. No Territorial funds are available for this purpose. The total number of lunches served was 665,502.

Through funds made available by the Legislature for the education of the handicapped children, bedside teachers were employed in the Anchorage and Fairbanks school districts as well as the Seward Sanitarium. A bedside teaching program instituted at the Bureau of Indian Affairs Hospital at Anchorage under the auspices of the Anchorage Independent School District was continued, serving 90 patients throughout the year. Additionally, assistance was given resident Alaska children with physical handicaps attending Stateside institutions for payment of the education portion of their attendance at the special institution.

Representatives of the Commissioner of Education visited all of the district schools, all of the schools operated by the Territory in the unincorporated areas, and on the military bases, and made visits to most of the private or denominational schools.

Tobacco tax receipts amounting to $1,043,009.35 were disbursed during the fiscal year with $913,573.40 going to school districts. Tobacco tax funds may be used only for the construction, repair, and rehabilitation of school buildings.

The Territorial Vocational Education Program was expanded during the fiscal year. The following is a list of vocational programs using Territorial and Federal vocational monies during the fiscal year: Anchorage High School, Vocational Home Economics, Guidance and Auto Mechanics; Anchorage Community College, Police
Officer Training; Juneau High School, Home Economics; Juneau Community College, Police Officer Training; Ketchikan, Home Economics; Ketchikan Community College, Blueprint Reading for Millwrights for Ketchikan Pulp Mill; Haines, Home Economics; Petersburg, Home Economics; and Kodiak Home Economics.

A 3-day inservice training program for vocational home economics teachers was held in Anchorage for the development of home economics curriculum guides. The teacher training program in connection with the University of Alaska was also expanded.

Through the cooperation of the California State Department of Education the services of a vocational consultant were secured for a preliminary vocational survey in the Anchorage School District. The purpose of the vocational survey is to determine the employment patterns, pupil and community vocational interests and needs, and determine the areas of training for which the school district can provide vocational instruction.

Conferences concerning vocational training were also held with representatives of labor to discuss related instruction for the apprenticeable trades. Representatives of the Small Business Administration were also contacted during the fiscal year to discuss possible educational programs in community colleges for operators and individuals of small businesses in such areas of instruction as tax education, inventory control, personnel practices, etc. Discussions were also held with individuals in the fishing industry to consider the possibility of vocational training programs in boat mechanics and repair, radar and radio under the vocational program. The possibility of a program of vocational education in practical nurse training was also explored during the fiscal year and it is hoped that further progress may be made in the near future to inaugurate a program in at least one of the larger school districts. Additionally, tentative arrangements were made with the Palmer School District to begin the first program of Vocational Agriculture to be offered in the Territory.

The Alaska Association of School Boards held its annual meeting in Petersburg during the year and made plans for its first official legislative program. The 1957 Legislature recognized the Alaska School Board Association and passed legislation permitting the expenditure of public funds to provide for the participation of school board members in the activities of the Association.

The Territorial Department of Education participated in the Delegate assembly of the Alaska Education Association held in Anchorage in November. Representatives from the teaching profession from all parts of Alaska assembled to conduct the affairs of the Education Association and to make provisions for its first full-time executive
secretary. Representatives of the Department of Education also participated in the Regional Teacher’s Conference held in the Anchorage School District during March of 1956 and in the Southeastern Alaska Teacher’s Conference held in Juneau during April 1956.

The University of Alaska announced a Federal grant to conduct a research project aimed at the development of a course of study for the Alaska Native. The Territorial Department of Education has a member on an Advisory Committee to the study.

Correspondence courses are purchased by the Territorial Department of Education for (1) elementary and high school pupils living farther than 1 1/2 miles from an appropriate school or from a bus route serving such school, (2) pupils in small high schools who have special needs that cannot be met locally, and (3) physically handicapped pupils.

A total of $43,104 was spent for correspondence courses during the 1955-57 biennium, including $33,706 for Calvert courses, and $9,398 for University of Nebraska courses.

The first testing program for the pupils of all grades in elementary schools in unincorporated areas was begun in the spring of 1956. The Stanford Achievement Tests, published by the World Book Co. were used. The number of pupils tested was 7,002, ranging from 1,133 in the first grade to 490 in the eighth grade.

The second and more nearly complete testing of all pupils in the unincorporated schools was carried out in the fall of 1956. Ninety-five of the ninety-eight schools operated by the Department of Education participated.

Results of the testing program to date show that, as a group, pupils in schools operated by the Department of Education equal or surpass the national norms of the SRA Achievement Series.

A Curriculum Supervisor was added to the staff of the Department of Education during the fiscal year. The new Supervisor will work principally in curriculum development projects in keeping Territorial courses of study up to date.

During the fiscal year just ended, major construction projects were completed in the following school districts: Anchorage, Cordova, Fairbanks, Haines, Ketchikan, Kodiak, Seldovia, and Seward.

Major construction projects were also completed during the fiscal year in the following rural schools: Ruby, Suntrina, Huslia, Yakutat, Cantwell, Hughes, Laren Bay, and Allakaket.

University of Alaska

Enrollment at the University of Alaska surpassed all records during 1956, and the physical plant experienced a substantial growth.
On-campus registration reached 645, and the Board of Regents forecast an almost certain enrollment of 900 by 1959 after studying the increasing enrollment figures in the high schools throughout the Territory. An additional 139 persons attended the 1956 summer session, and 68 enrolled for the postsession Workshop on Alaska. There were 1,206 persons enrolled in the Military Branches program and 1,497 in the University-affiliated Community Colleges, with the breakdown as follows: Anchorage Community College, 1,020; Juneau Community College, 217; Ketchikan Community College, 260.

Mining extension and mining short courses were given to an additional 646 persons at College and at various points throughout the Territory. The annual Military Conservation Officers' Course sponsored by the Cooperative Wildlife Research Unit attracted 48 persons.

The activities of the Extension Service are detailed elsewhere in this report.

Most of the campus paving was completed during 1956; and mercury vapor street lights were installed, as were sidewalks. A new boiler capable of carrying the entire campus heating load was installed; so was a utilidor network.

McIntosh Hall, a new 100-man dormitory, was completed and occupied; and construction began upon a new 100-woman dormitory which should be ready for occupancy by the fall of 1957. Three new faculty houses also were completed. A steel Butler building was erected during the summer to house the carpenter shop, a storage warehouse, and garages. Many of the campus buildings received new coats of paint.

The last session of the Alaska Legislature authorized the Territory to issue bonds for University construction. Scheduled for construction upon receipt of these funds are another 100-man dormitory, another 12-unit married students' apartment building, and several new faculty homes. The Legislature also made available funds to construct a multipurpose building. Construction will begin in 1958 and end in late 1959. This structure will replace the Old Main Building. Housed in the new building will be lecture rooms, administrative offices, and the engineering department. Other portions will house classrooms and the library.

In order to lighten the University President's heavy administrative load, the Board of Regents established the post of Vice President. Other faculty positions also were strengthened; and the Reserve Officers' Training Corps program was broadened, as is indicated elsewhere in this report.

Research was accelerated on campus, especially in the fields of geochemical prospecting and in geophysics. The Geophysical Institute continued to attract scientists from all over the world, and
preparations were made for the Institute to play a leading role in the International Geophysical Year 1957-58.

Further evidence of the increasing importance the University gained as a center for scientific research during 1956 was the establishment on campus by the Stanford Research Institute of one of the two United States 70-foot-high radar disks to make the first major study of ultra-high-frequency communications. The Geophysical Institute also continued to do considerable research for the Air Force, Signal Corps, and other agencies.

Many other research projects were initiated or continued by various organizations at the Arctic Research Laboratory which the University administers for the Office of Naval Research at Barrow, Alaska. A University of Alaska club for Sigma Xi, a national honorary fraternity for the encouragement of scientific research, also was organized on campus.

Many Territorial organizations used the campus as a meeting place. These included the Alaska Department of Health, the Homemakers' Short Course, the 4-H Roundup, the Creative Arts Workshop sponsored by the American Association of University Women, and others.

The Museum continued to receive various gifts, and 26,955 visitors from many parts of the world flocked in to view the exhibits.

With all of this added growth, the University granted a record 51 degrees at the end of the 1956-57 academic year. These degrees included two doctors of philosophy in geophysics, two master of education, one master of arts, and 46 bachelor degrees. The Education Department further closed the gap on the Territory's teacher shortage by granting 32 teacher's certificates.

Vocational Rehabilitation

The Alaska Office of Vocational Rehabilitation, administered by the Board of Vocational Education, is a grant-in-aid program of the Department of Health, Education, and Welfare. Vocational Rehabilitation is an investment in humanity from two points of view: (1) A handicapped individual returned to gainful employment regains his pride of accomplishment and is an asset to his community; (2) For every $1 spent for the rehabilitation of a handicapped person, $10 is returned in taxes during the rehabilitant's working life.

During fiscal year, 1957, 82 handicapped individuals were rehabilitated to employment. Eight of these eight-two individuals were earning a total of $27,900 in wages per year prior to rehabilitation and following rehabilitation; the 82 rehabilitants' income from wages was $375,378 per year. The estimated taxes paid before rehabilitation amounted to; Federal $5,380 and Alaska $809, and following rehabili-
tation, the taxes paid on wages earned were: Federal, $75,075, Alaska, $10,886. The case cost to rehabilitate these 82 persons was $61,488.50 or $827.54 per case.

When accepted for rehabilitation, of the 82 rehabilitants, 7 were working in unsubstantial employment, 1 in regular employment; 33 were hospitalized; 13 were being cared for by their families; 7 were living on insurance benefits; 11 were welfare recipients; and 10 were living on their savings.

Following rehabilitation 79 were regularly employed, 2 were successfully homesteading. One was receiving welfare supplementing his earnings.

There is a backlog of handicapped individuals within the Territory requiring rehabilitation to become taxpaying citizens and participants in their community. Following is a chart indicating referrals and active cases during the 1957 fiscal year.

<table>
<thead>
<tr>
<th>Referrals on hand July 1, 1956</th>
<th>332</th>
</tr>
</thead>
<tbody>
<tr>
<td>Referrals received July 1, 1956 to June 30, 1957</td>
<td>203</td>
</tr>
<tr>
<td>Total</td>
<td>535</td>
</tr>
<tr>
<td>Referrals accepted</td>
<td>160</td>
</tr>
<tr>
<td>Closed from referred</td>
<td>68</td>
</tr>
<tr>
<td>Total processed</td>
<td>237</td>
</tr>
<tr>
<td>Referrals awaiting processing July 1, 1957</td>
<td>418</td>
</tr>
<tr>
<td>Active cases on hand July 1, 1956</td>
<td>145</td>
</tr>
<tr>
<td>Accepted for services July 1, 1956 to June 30, 1957</td>
<td>169</td>
</tr>
<tr>
<td>Total in service</td>
<td>314</td>
</tr>
<tr>
<td>Closed rehabilitated employed</td>
<td>82</td>
</tr>
<tr>
<td>Closed for other reasons</td>
<td>53</td>
</tr>
<tr>
<td>Total cases closed</td>
<td>135</td>
</tr>
<tr>
<td>Total active cases on hand July 1, 1957</td>
<td>180</td>
</tr>
</tbody>
</table>

On May 1, 1957, the Alaska Office of Vocational Rehabilitation was designated as the Licensing Agency for Vending Stands for the Blind in the Territory. Since that time, one stand has been opened in Anchorage with the assistance of the Anchorage Lions Club. Future stands are planned.

During fiscal year 1957 rapid progress was made in the development of rehabilitation services for mentally ill Alaskans in Morningside Hospital. Seventeen patients of Morningside Hospital have been rendered rehabilitation services through the cooperative efforts of the Vocational Rehabilitation staff and the staff of Morningside Hospital.
Department of Finance

The Fiscal Procedures Act of 1955 (Ch. 82, SLA 1955, March 24, 1955) created the Department of Finance, which absorbed the Office of Territorial Auditor and some of the duties of the Board of Administration. The act requires the development, installation, and operation of a modern governmental accounting system with centralized controls; centralized purchasing, the development of a uniform personnel policy and established budget formulation, review, and presentation in the Department.

Chapter 82, SLA 1955, was amended by Chapter 186, SLA 1957, and as amended provides for the elimination of duplicate accounting records in the Territorial agencies after the central accounting system has been completely established in the Department of Finance.

The 1957 session of the Legislature appropriated the necessary funds to implement fully the fiscal procedures acts. The Public Administration Service, Chicago, Ill., has been retained to assist in the development of the central accounting system, purchasing system, and related systems.

The accounting system will be designed for the use of punched card equipment and tabulating machines, from which will be prepared all of the necessary financial statements, reports to the agencies, the Governor and the Legislature.

Financial.—The cash balance in the General Fund of the Treasury July 1, 1956, was $4,069,123.32. The cash balance on July 1, 1957, was $5,763,651.71.

Receipts to the General Fund for the fiscal period were $23,176,575.25.

Expenditures from the General Fund for the fiscal period were $2,482,049.86.

The cash balance in all funds of the Territory July 1, 1956, was $11,173,029.82, and the cash balance on July 1, 1957, was $13,518,449.47.

Receipts to all funds for the fiscal period were $47,122,152.94.

Expenditures from all funds for the fiscal period were $44,076,733.29.

Total number of warrants issued for the fiscal period were 163,658.

The estimated surplus in the General Fund as of June 30, 1957, was $2,729,153.32.
Effective with the 1957-59 biennium beginning July 1, 1957, the fiscal year of the Territory will commence on the 1st day of July of each year and close at midnight on the 30th day of June next succeeding.

Budget.—The budget for the 1957-59 biennium was prepared on a program basis and presented to the Legislature in January 1957. General Fund appropriations for operation of the Territorial government for the 1957-59 fiscal biennium totaled $37,833,960.59.

Corporations.—During the period covered by this report the Alaska Business Corporation Act, Chapter 126, SLA 1957, was passed by the 23rd session of the Legislature. During the period 269 new domestic corporations were formed and 101 foreign corporations qualified to do business in the Territory of Alaska; 29 domestic corporations were dissolved and 17 were reinstated; 12 foreign corporations were withdrawn. New domestic corporations were formed for the following purposes: Building-construction-contracting, 41; canning-processing, 3; claims adjuster, 1; dairy, 1; garage-service station, 3; hobby shop, 1; hotel-restaurant-tavern-bowling alley, 22; insurance, 3; investment-securities-mortgage-loan, 23; laundry, 1; merchandising-wholesale-retail, 22; mining-minerals-oil, 23; miscellaneous, 15; motion picture distributor, 1; nonprofit, 43; power and light, 1; printing-publishing, 1; radio-electronics, 4; real estate, 28; sanitation service, 1; timber-timber products, 5; wharfage-warehouse-transportation, 17; water supply system, 2; manufacturing, 11; second class municipality, 1. Receipts from fees and taxes were transmitted to the Territorial Treasurer in the amount of $58,028.40.

Small Loan Act.—Seven licenses were issued during the fiscal period under the Small Loans Act (Ch. 73, SLA 1955). One office ceased operation during the year. The total number of licenses in effect is 12.

Department of Taxation

The Department of Taxation collects and enforces the payment of various license fees and excise taxes.

During the past fiscal year, the Department collected a gross total of $21,651,199.52. This compares with $18,349,874.39 collected in the previous year, an increase of $3,301,325.13.

A summary of license fees and excise taxes collected during the fiscal year ending June 30, 1957, is as follows:
Office of the Treasurer.—The fiscal year ended June 30, 1957, finds the Territory of Alaska in a sound financial condition, the net cash balance in the Treasury being $13,318,449.47. The General Fund balance at close of business on June 30, 1957, was $5,763,051.71, an increase of $1,694,528.30 over the balance on June 30, 1956. The balance in most of the Federal and Special Funds, which are earmarked, was greater than at the close of the last fiscal year. The overall Federal and Special Funds balance at close of business June 30, 1957, was $7,554,797.76.

Table No. 1, which follows, will reflect where the Territorial moneys are deposited or invested. All funds of the Territory deposited in banks are secured by an equal amount of collateral in the form of United States Government securities or grade A municipal bonds. All excess Territorial funds draw interest, either because they are invested in United States Government securities or are on time-deposit in banks throughout the Territory. During the 12-month period covered by this report $188,636.61 was earned in interest upon these excess moneys and deposited in the General Fund of the Territory. Of this amount $86,810.76 interest was received on time deposits in the banks of the Territory, $102,025.85 was earned on investments in United States Government securities.

Table No. 1.—Condition of the Treasury, June 30, 1957

<table>
<thead>
<tr>
<th>Treasurer’s cash balance</th>
<th>$14,578,204.95</th>
</tr>
</thead>
<tbody>
<tr>
<td>Active accounts deposited in Alaska banks</td>
<td>$2,555,503.47</td>
</tr>
<tr>
<td>Active accounts deposited in banks outside Alaska</td>
<td>$37,120.10</td>
</tr>
<tr>
<td>Time deposits (interest bearing) in Alaska banks</td>
<td>$8,286,586.67</td>
</tr>
<tr>
<td>Excess moneys (surplus) not immediately needed invested in U. S. Government securities (interest bearing)</td>
<td>$2,210,678.30</td>
</tr>
</tbody>
</table>
Table No. 1.—Condition of the Treasury, June 30, 1957—Continued

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Petty cash and cash items held by Treasurer pending</td>
<td>$1,175.86</td>
</tr>
<tr>
<td>Total cash on hand</td>
<td>$12,901,119.46</td>
</tr>
<tr>
<td>Special funds invested in U. S. Government securities</td>
<td></td>
</tr>
<tr>
<td>Fisherman's fund</td>
<td>$363,262.19</td>
</tr>
<tr>
<td>Second injury fund</td>
<td>69,124.07</td>
</tr>
<tr>
<td>University of Alaska permanent fund</td>
<td>10,088.98</td>
</tr>
<tr>
<td>Public school permanent fund</td>
<td>83,234.88</td>
</tr>
<tr>
<td>Teacher's retirement fund</td>
<td>1,405,275.63</td>
</tr>
<tr>
<td>Total invested</td>
<td>1,077,085.58</td>
</tr>
<tr>
<td>Total</td>
<td>14,578,204.95</td>
</tr>
<tr>
<td>Less outstanding warrants</td>
<td>1,259,755.48</td>
</tr>
<tr>
<td>Total Treasurer’s net cash balance</td>
<td>13,318,449.47</td>
</tr>
</tbody>
</table>

The balances in the general fund as well as the Federal and special funds, at the close of business June 30, 1957, are shown in the following table.

Table No. 2.—General condition of the Treasury

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bank balance as of June 30, 1957</td>
<td>$14,578,204.95</td>
</tr>
<tr>
<td>Less outstanding warrants</td>
<td>1,259,755.48</td>
</tr>
<tr>
<td>Net cash balance</td>
<td>13,318,449.47</td>
</tr>
<tr>
<td>Less Federal and special funds</td>
<td>7,554,797.73</td>
</tr>
<tr>
<td>Balance in general fund</td>
<td>5,763,651.72</td>
</tr>
</tbody>
</table>

FISHERIES

Alaska Department of Fisheries

The Alaska Department of Fisheries was created by the 1949 session of the Territorial Legislature to assist in the conservation and the perpetuation of the fisheries of Alaska. At the 1957 Legislative Session, the Department was enlarged and reorganized into the Alaska Department of Fish and Game. The new law sets up a Fish and Game Commission and stipulates that there shall be a Division of Commercial Fisheries, a Division of Sport Fisheries, a Division of Fur and Game and such other divisions as the Commission may authorize. Although the law became effective April 1, 1957, the reorganization program did not get underway until after July 1. Consequently, this report covers only the fisheries phase for the period from July 1, 1956, to June 30, 1957.
Administration.—In addition to routine administrative duties, the Director represented the Territory at four important fishery meetings; viz:

2. Full sessions of the International North Pacific Fisheries Commission held at Seattle, November 5-16, 1956.

The Director also appeared before several Territorial Legislative Committees, both Senate and House, on behalf of fish and game legislation.

The past year’s work of the various divisions in the Department was done in the following fields:

Fisheries research.—Studies on trout, salmon, and king crab continued. The use of a fishwheel as a means of measuring salmon spawning escapement from a fishery was further evaluated on the Taku River. The validity of spawning ground surveys was checked by means of a carcass weir on the upper Taku system.

Outstanding success was achieved in a red salmon experiment at the Kitol Research Station where fry was reared in a small lake from which undesirable fish had been removed. Observations on trout in salmon lakes continued at Kitol.

Silver salmon studies were initiated in Southeastern Alaska. Limitations pertaining to production of silvers in a fresh water environment were studied and certain effects of streamflow were established.

A lake was prepared for silver fry rearing in the Ketchikan area by removing all scrap fish. Silver fry were hatched at the Ketchikan hatchery for this purpose.

King crabs were tagged in large numbers in the Kodiak area to determine growth and movements of these stocks.

Watershed management.—District biologists residing in the Ketchikan, Wrangell, Kodiak, and Bristol Bay districts carried on work pertinent to opening watersheds blocked to salmon. They also made studies of the commercial fisheries of the areas and the escapements of salmon.

Of special interest was the return of red salmon for the second year to the formerly blocked watershed in Paul’s Basin, Afognak Island.
The falls blocking the salmon runs were laddered in 1952. Red salmon eggs have been planted here since 1951.

The first return of red salmon from egg plants was also noted at Frazer Lake, Kodiak Island, where egg plants have been made since 1951. Similar projects in other districts are being checked for like developments.

*Sport fish.*—The rehabilitation and stocking program in lakes adjacent and available to centers of population was continued. Four lakes with a surface acreage of 240 acres were treated for removal of trash fish and later stocked with rainbow trout and other sport fish. To date, a total of 17 rehabilitated lakes (total 1,404 acres) have been put into trout production in various parts of the Territory. In addition to the rehabilitated lakes, several virgin lakes have been planted with rainbow trout.

*Inspection.*—During the past year the work of the Inspection Division was directed primarily at enforcement of the Territorial license law.

Assistance was also rendered to the Divisions of Biological Research, Sport Fish, and Watershed Management.

*Predator investigation and control.*—Research was conducted on belugas, sea lions, and predaceous birds to determine the significance of their predations on commercial fishes.

Hunters controlled harbor seals in the important gill net fisheries of the Sitka, Taku, and Copper River areas.

Both the research and control phases of the work moved forward successfully.

*Engineering.*—A steep channel fishpass was developed by model study techniques. This was designed to be fabricated of light alloys which could be easily transported to sites difficult of access. Contracts have been awarded for manufacture of full scale prototypes for field installation.

Plans were developed for construction work at Kitoi Bay Research Station and the Ketchikan Hatchery. A fish ladder and pond for holding returning adult salmon is nearing completion at the Ketchikan Hatchery.

*Education and information.*—Five 16-mm. sound motion pictures in color, totaling 75 minutes running time, were completed for Territorial distribution. These films depict the Department's work in the Taku Inlet Gill net fishery, Taku River king Salmon studies, Kitoi Bay research, beluga predation investigations and sport fish. The films are proving a helpful medium in furthering the Department's educational work.
Fishery Products Laboratory

The Fishery Products Laboratory at Ketchikan is operated jointly by the United States Fish and Wildlife Service and the Alaska Fisheries Experimental Commission. Technological and marketing investigations of Alaska fisheries are conducted, with emphasis on the development of off-season fisheries, on the improvement of present fishery products and processes, and on the utilization, for both home and commercial purposes, of presently unutilized species of fish and shellfish. Information, advisory, and educational services are maintained to handle the many inquiries from consumers and processors on utilization, processing, and marketing of fishery products.

Development and evaluation of fishery products.—Numerous recipes were screened for a future proposed revision of the publication, “Alaska Seafood Recipes.” Experimental work was conducted to determine the effect of a commercial meat tenderizer on the texture of precooked frozen halibut fillets—previous work indicated that precooked frozen halibut steaks toughened during frozen storage. Based on the results of organoleptic observations, it was concluded that the tenderizer did not improve the texture of precooked frozen halibut fillets and that an undesirable flavor of the dip was imparted to the fish flesh.

In Western Alaska, king crab operators were contacted and samples of king crab meat were prepared for preliminary technological studies.

One of the studies was to determine whether the keeping quality of a dry pack of king crab meat has any advantage over the customary commercial wet pack wherein the crab meat is flooded with fresh water (approximately 10 percent by weight) before freezing. It was determined that the dry pack had no advantage over the wet pack. It was also recommended that frozen king crab meat should not be thawed and stored at 40°F for longer than 8 days.

Fishery byproducts.—Previous work indicated that Alaska shrimp waste meal has commercial possibilities as a component of trout hatchery rations. Since the color of the meal was believed to impart desirable color to the trout, methods for producing a highly pigmented meal from Alaska shrimp processing waste have been investigated.

The data showed that minimum temperature, minimum residence time, high air velocity, and small uniform-sized feed particles favor maximum color retention. Experimental work also indicated modi-
fications to conventional drier design which would improve pigment retention when drying the shrimp waste.

Industry interest in changing from sacked to bulk handled herring meal in Alaska promoted an investigation of the feasibility of bulk handling. Large-scale plant tests using a different anti-oxidant and different methods of application together with controlled oxidation by aging the meal at the plant have been cooperatively developed by the industry and the laboratory and are now being carried out.

Intermittent work was conducted on the utilization of sea lion as a possible reduction plant raw material.

Technology of fish and shellfish proteins.—In an attempt to gain a better understanding of the adverse effects of freezing and cold storage on the quality of fishery products, the cellular structure of fish flesh and the protein systems that make up this structure were investigated with regard to changes in properties that may be attributed to the freezing process.

Market Development.—The fishery marketing specialist was actively engaged during the year on the problems concerned with markets for Alaska fish and shellfish. A worthy accomplishment was the development of a large market for Alaska shrimp in the Chicago, Ill. area. The Alaska shrimp industry is now starting to exploit this area for the first time in its history.

FISH AND WILDLIFE SERVICE

Administration of Alaska Commercial Fisheries

By congressional decree, a national Bureau of Commercial Fisheries was created in the spring of 1957 to administer pertinent duties of the United States Fish and Wildlife Service. These include full responsibility for managing and conserving the commercial fisheries of Alaska as stipulated in the Organic Act for the Territory. Fishing, especially for salmon, constitutes Alaska’s principal sustaining industry and has a major effect on the whole coastal economy.

Management.—The conservation goal of the Bureau is to maintain the maximum sustained production collectively from the many and complicated stocks of commercial fish.

Field operations are carried out under direct charge of 8 District Management Supervisors resident at their respective stations. Six twin-engine amphibious aircraft and two single-engine aircraft were in constant use for patrol, observation, and supply throughout the fishing seasons. Likewise, 8 major vessels and over 20 smaller patrol boats were similarly engaged. A temporary force of nearly 250 seasonal
employees was hired to guard salmon streams against poaching and to aid in securing current data on salmon runs in progress.

Research.—An expanded scientific study program has been inaugurated to know better the characteristics and peculiarities of the commercial fishes in order to manage them more effectively. During the current year emphasis was placed upon developing and staffing the organization and upon commencing a manifold attack upon the many problems in need of solution. Studies fall into two broad categories; fundamentals of life history and ecology, and specifics relating directly to pressing managerial requirements. Three existing field laboratories are being utilized in expanding degree and a fourth is under construction at Kachemak Bay on Cook Inlet. In addition to investigations conducted by Bureau biologists, surveillance is maintained over certain other studies contracted to private and Territorial fishery research organizations. Salmon, herring, and king crab are the prime objects of attention.

Statistics of the fisheries.—Products of the Alaska fishing industry in 1956, including fur seal byproducts, amounted to 226,357,141 pounds, with a wholesale value of $92,960,379. Compared with 1955, this was an increase of 18 percent in volume and 25 percent in value. The commercial catch totaled 425,353,241 round pounds, valued at $40,571,280 to the fishermen.

There were 23,389 persons engaged in the commercial fisheries of Alaska in 1956, which included 15,202 whites, 6,815 natives, and 1,772 of other races. Total reduction in employment was 1,021 persons or 4 percent under 1955.

Salmon.—The catch of salmon totaled 40,384,945 fish, of which 25,537,500 were pinks, 14,605,087 reds, 7,201,125 chums, 1,452,913 cohos, and 455,032 kings. This was 22 percent over 1955, with the red salmon catch of western Alaska—principally Bristol Bay—contributing the greatest increase in the 1956 salmon catch.

Gear used to take salmon commercially consisted of 1,136 purse seines, 256 beach seines, 8,072 gillnets, 8 fish wheels, 22,369 troll hooks, and 238 traps. Except for 35 more traps in operation, mostly due to reopening Prince William Sound after 2 years of closure, the amount of gear used during 1956 remained about the same as 1955. In 1956, 75 shore plants and 4 factory vessels canned salmon; 41 concerns handled fresh and frozen; 18 cured salmon; and 3 produced byproducts.

The output of canned salmon, in standard cases of 48 one-pound cans, totaled 2,962,138 cases, valued at $70,319,415. Compared with 1955, this was an increase of 20 percent in output and 26 percent in value. The pack consisted of 1,116,769 cases of pinks, 1,016,282 reds,
688,876 chums, 25,013 cohos, and 46,353 kings. The contribution of each species to the total pack was: pinks 38 percent, reds 34 percent, chums 23 percent, cohos 3 percent, and kings 2 percent.

Mild-cured salmon produced in 1956 totaled 1,408,088 pounds, a decline of 52 percent from 1955. Pickled salmon, with a total of 213,935 pounds, was also a little below the 1955 production. In addition, 200 pounds of smoked and kippered salmon were produced.

Statistics are not obtainable on the amount of dried or salted salmon used by natives of the Interior for local consumption and dog feed but it exceeds 1 million pounds. The total value of these variously cured products amounted to $352,855, compared with $1,362,346 in 1955.

The output of fresh and frozen salmon totaled 14,940,810 pounds, valued at $4,083,360, a substantial increase in both quantity and value over the preceding year. In addition to the fresh and frozen salmon used for food, 177,881 pounds valued at $22,534 was frozen for bait. In addition, more than 220,000 pounds of salmon eggs, valued at $33,000 were processed for sport-fishing bait. Salmon byproducts approximated 1 million pounds of meal and 44,117 gallons of oil, having a combined wholesale value of $76,470.

Herring, halibut, and miscellaneous fish.—In 1956, six herring reduction plants produced 15,619,147 pounds of meal and 1,594,381 gallons of oil with a combined value of $2,188,755. Ten firms handled 4,391,870 pounds of herring for bait valued at $93,905. There were 821 persons engaged in this industry of which more than half were also employed in salmon processing.

Thirty-two firms handled a total of 25,603,465 pounds of fresh and frozen halibut, cheeks, livers, and viscera with a combined value of $5,246,141. The 1956 fleet was comprised of 310 vessels and boats of various types, employed 941 fishermen, and operated a total of 4,926 skates of line with 418,710 hours.

Other products of the Alaska fishing industry in 1956 consisted of 1,941,366 pounds of sablefish; 21,939 pounds of bottom fish, mostly ling, cod, true cod, and flounder; and 1,500 pounds of Dolly Varden trout. Their combined value was $1,971.

Shellfish.—There were 2,346 persons engaged in the shellfish industry compared with 2,750 the previous year. About three-fourths of this number were also engaged in the salmon and other industries. Gear was comprised of 31 otter trawls, 15 beam trawls, 7,355 crab pots, and 450 clam shovels.

Five firms handled clam products in 1956. Production consisted of 411,488 pounds of razor clams, with practically all being canned. These were valued at $543,210. No butter clams were commercially processed.
Crabs were processed by 17 firms. Total production decreased from 3,197,575 pounds valued at $2,649,689 in 1955 to 2,125,582 pounds valued at $2,010,775. King crab production increased while Dungeness dwindled, largely due to market demand.

Eight concerns produced a total of 715,308 pounds of shrimp, largely marketed as cold-packed, at a value of $500,352. This was an increase of 21 percent in volume and 1 percent in value over the 1955 production. The decline in wholesale unit value was largely attributed to a substantially increased amount of shrimp being marketed whole in the shell instead of as picked meat to cope with competitive stateside supplies and Japanese imports.

Five hundred and thirty pounds of oysters were marketed at a value of $413.

Fur seal industry.—A total of 122,826 fur seal skins were taken at the Pribilof Islands in 1956. This large increase over previous years was due to a recent change of policy to reduce the herd to a level of maximum sustained productivity. The skins were taken from 95,549 males and 27,277 females.

Gross receipts from the two public auction sales of fur seal skins held at St. Louis, Mo., during the fiscal year ending June 30, 1957, amounted to $3,262,034; 26,890 skins were sold for $2,714,842 on October 5, 1956, and 27,810 skins were sold on April 13, 1957, for $2,547,182.

Byproducts of the fur seal industry in 1956 included 88,270 gallons of seal oil and 328,084 pounds of meal. Gross receipts to the Government from the sale of this material amounted to $60,373 for the oil and $44,057 for the meal.

Administration of Wildlife Resources

Alaska’s wildlife resources and wildlife populations, have been maintained at desirable levels of abundance, in spite of many adverse conditions of increased civilian and military populations with expanding facilities, increased highway and road systems, more industrial development and greatly improved and expanded installations for air travel. This has resulted in increased pressure on all species of wildlife and sport fish.

National wildlife refuges.—Fish and Wildlife Service applications for three refuges in Alaska were awaiting action by the Secretary of Interior at the close of fiscal 1957. The Aleutian Island Refuge personnel continued work on the sea otter investigations in cooperation with the Fish and Wildlife Service Branch of Research. Sea otter populations both in the refuge and other Alaska habitats show en-
courageous increases. On the Kodiak Refuge work was continued on the brown bear studies and proposals are now awaiting Secretarial action to improve the cattle grazing and bear conflict. The Kenai Moose Range continues to maintain a large herd with a harvest of over 400 moose. Oil drilling on the refuge has shown encouraging results. The Nunivak Refuge muskox herd has increased to 146 animals.

*Federal aid—sport fish.*—Investigations on grayling in the Fairbanks area, rainbow and steelhead in the Anchorage area, and cutthroat trout in Southeast continue to yield facts necessary for the management of these important fisheries.

Public access areas to fishing sites have been developed through the cooperative help of Fish and Wildlife Service, Bureau of Land Management, and Forest Service.

Minor activities included the experimental stocking of eyed eggs or fry in a few barren waters and the development of restoration facilities at fishing sites.

*Federal aid—wildlife.*—Important contributions in the management of moose, deer, caribou, sheep, polar bear, and waterfowl resulted from continuing studies have made it possible to improve hunting regulations. Range studies in particular have given clues to the proper relationship of the game to the range. Stocking of goat on Chichagof Island was continued and mink were stocked on Strait Island.

*Game law enforcement.*—The game protection program in Alaska was conducted by 21 full-time game management agents operating from offices at Ketchikan, Sitka, Petersburg, Juneau, Seward, Kenai, Anchorage, Dillingham, McGrath, Fairbanks, and Tok Junction. During the most critical periods they were assisted by 10 part-time military conservation officers and 15 temporary patrolmen.

Apprehensions of persons violating wildlife regulations resulted in 264 trials conducted in either United States Commissioner or District Courts. Of this total, 244 were found guilty, 7 acquitted, 11 were dismissed, and the remainder are pending. $18,532 was assessed in fines with $3,576 suspended. Jail sentences totaled 1,160 days with 870 suspended. Another 35 violations of the game regulations were concluded by forfeitures of the weapons, game and/or licenses involved.

The following listed articles were forfeited in cases involving violations of the Alaska Game Law: 87 furs, 36 firearms, 156 licenses, 18 caribou, 20 moose, 1 deer, 8 sheep, 21 game birds (ducks, geese, grouse, and cranes), 4 migratory nongame birds, 1 walrus head, 1 each polar,
brown, and black bear hides, 3 grizzly bear hides, 11 game animal heads, and 1 rod and reel.

Considering the area of Alaska (586,400 square miles) and an estimated population of 210,000 persons, each Alaska agent averages a patrol responsibility of approximately 28,000 square miles and must maintain close watch over the hunting, fishing, and trapping activities resulting from each 10,000 of the residents. The task of protection and assistance in the collection of information relative to the several resident and migratory game species to assure proper management is further complicated by extreme variance in terrain, climate, and the basis of wildlife utilization.

**Predator and rodent control.**—With the exception of the Alaska Peninsula the general increase of wolves throughout Alaska, reported last year, has continued. The coyote population also has remained at a high level and bounty claims have been presented from localities in which coyotes have not been reported in years.

Studies were inaugurated during the year to provide data on predator-prey relationships, particularly those of the wolf and caribou. The upper Susitna River Basin (the range of the Nelchina caribou herd), has been designated a Wolf Management Area and closed to the taking of wolves and coyotes. This unit provides an excellent area for these studies.

By action of the Territorial Legislature the cooperating agency in the Territorial Cooperative Predatory Animal Control Program was switched from the Treasurer's Office to the new Alaska Department of Fish and Game. A new Cooperative Agreement has been signed with ADFG covering control operations and investigations.

Requests have increased for assistance in stopping predation on domestic livestock and poultry. An agent was assigned to Unnack Island for 3 months to reduce foxes on the sheep ranches there and to study predation during the lambing season.

Bounty claims—offered by the Territory—continued at an all-time high and prior to the close of the fiscal year the Regular, Deficiency, and Interim Appropriations had been exhausted. An analysis of the bounty claims of the past 2 years discloses that the bounty has little value as a “welfare measure” as the professional bounty hunters, both resident and nonresident, receive a large part of the appropriated money.

A rather serious rabies epizootic occurred at Point Barrow in November and a lesser one at Wainwright. More than 50 dogs were disposed of at Barrow and a like number of white foxes were trapped.

The control of field rodents and rats has been a limited part of the Alaskan control program the past year even though the demands for
assistance have been greater than at any time since 1948. Technical advice and assistance have been given the Forest Service Research Center in their studies on forest rodents and seeding on cutover lands.

Waterfowl investigations.—The waterfowl investigations program in Alaska has been more closely integrated into the overall national effort as Alaska’s contribution to the continental waterfowl population has become increasingly evident through banding.

In addition to the aerial breeding population census of all major nesting areas, banding stations were operating during the past year at Glacier Bay, Cooper River Delta, Tetlin, Fort Yukon, and Selawik. Returns from ducks and geese banded at these sites and earlier stations on the lower Yukon indicate that Alaska furnishes waterfowl to all four flyways in the continental United States. The program was conducted by one full-time biologist from the regional office supplemented during the summer by eight temporary employees and several permanent members of the Service.

Marine mammals.—Major problems are being encountered with regard to management of polar bears and walrus, both inhabitants of the offshore waters of Alaska. Neither the Walrus Act or Alaska Game Law provides jurisdiction beyond the three-mile limit. In the case of the polar bear, a rapidly expanding hunting pressure is being carried on by use of small aircraft. These planes, both local and from the States, range far out on the sea ice, tracking down the big white bears. The kill has more than doubled and less of the bears range close to land where the Eskimos historically have taken them. Urgently needed is research into life habits, abundance and distribution, coupled with congressional action to extend jurisdiction over United States citizens.

Preliminary studies of the harvest of walrus indicate they are being decimated at an alarming rate. They are being killed primarily for the few pounds of ivory involved and almost no effort is made to utilize the hides and meat. Large numbers are shot in open water, only to sink before the hunter reaches them. Here again, the law is without effect beyond Territorial waters.

NATIONAL FORESTS

The two national forests and the Alaska Forest Research Center experienced an expansion of activities during the year. The timber and recreational resources of the forest lands are being put to work. Timber production has increased and plans for new forest-using industries have been advanced.

Plans for establishing a $45 million pulp mill operation at Sitka
by the Alaska Lumber & Pulp Co., Inc., have advanced at a rapid rate. Much preliminary engineering work has been completed and some actual construction of the pulp mill was expected before the end of calendar 1957. The Ketchikan Pulp Co. mill has been enlarged during the past year and is now capable of producing in excess of 480 tons a day of high-quality pulp.

A combined forest survey and timber inventory for management planning purposes was initiated July 1, 1954. This was planned for a 4-year program on the Tongass National Forest.

Timber management activities.—The Forest Service continues to receive many inquiries from Stateside people who are interested in developing new forest industries in the Alaska Panhandle. Most of these inquiries are stimulated by the fact that Alaska has an unearned reputation as the home of an inexhaustible supply of high-grade timber. The stands actually contain a high proportion of low-quality timber, fine for pulp but not so good for lumber or plywood. The better pockets of high-grade Sitka spruce have been combed over for 50 years and this class of timber is not plentiful. Good silvicultural practice calls for clearcutting, with adequate provision for seed sources.

The volume of timber cut and scaled in the two national forests increased 16.7 percent during fiscal year 1957. Two hundred fifty-six and one-tenth million board-feet of logs, valued at $580,478, were cut. Ninety-two new sales were made for 59.3 million board-feet. The only plywood manufacturing plant in the Territory failed to operate during the year. Efforts are being made to reorganize the company on a sounder financial base.

Engineering.—A new division of engineering was set up in the regional headquarters late in the fiscal year to handle an increased program in fiscal year 1958. Four hundred miles of trails and 60 miles of forest development roads were maintained during the year. Three miles of new roads were constructed on the Chugach National Forest to provide access to additional recreational facilities and summer homesites on Kenai Lake.

Recreation and lands activities.—The recreational use on the national forests of the Alaska region has increased over 800 percent the past decade, the largest percentage increase of any region.

The first phase of the United States Forest Service’s “Operations Outdoors” has been started with rehabilitation of old campgrounds taking first priority, and many new units being constructed to accommodate the increased number of visitors. The largest new project completed was the 40-family unit Williwaw Campground at Portage
Glacier. Intensive planning for expanding facilities at the heavily used Mendenhall Recreation Area is underway.

Detailed land-use plans are nearing completion covering areas near Anchorage, Cordova, Yakutat, Juneau, Sitka, Petersburg, and Ketchikan. These plans are intended to classify lands for the multiple or single use for which they are best suited. They provide for the needed public uses, community expansion where sufficient private land is not available, trade and manufacturing sites, wildlife habitat, and retention of scenic strips.

Consent was given the Bureau of Land Management Land Office to proceed with issuing over 200 oil leases on national-forest lands.

Wildlife.—Limited wildlife-management plans are being prepared on the Kenai Ranger District of the Chugach National Forest and the Ketchikan District of the South Tongass National Forest as a start toward implementing the wildlife phase of "Operations Outdoors."

The important migratory-wildfowl breeding ground on the Copper River Flats was given land-classification protection in order to minimize disturbance during the nesting season.

The Forest Service cooperated with several other agencies and the Alaska Lumber & Pulp Co. on the oceanic studies made at Sitka preliminary to building the pulp mill. The objective is to provide the basic data necessary to design and operate the plant without adversely affecting marine life.

Cooperation with sportsmen's organizations and the Fish and Wildlife Service was maintained in the building and distribution of skiffs and shelters at mountain lakes as a convenience to fishermen and other recreationists.

Mineral claims.—Determination of surface rights under the provisions of the act of July 23, 1955, was initiated on the Tongass National Forest during fiscal year 1957. The object of this project is to clear up the status of all unpatented mining claims located prior to July 23, 1955, on national-forest lands and make it easier for the Forest Service to manage the surface resources. The first work will be concentrated on initial cutting units of major timber-sale areas. It is estimated there are 24,000 unpatented mining claims on the Tongass National Forest.

Under the act, which is also known as the Multiple-Use Mining Law, mineral materials are made available to those who need them; the legitimate miner retains all his mining rights, and the responsible Government agencies are authorized to manage the surface resources in the public interest.
During the year field examinations were made by examination crews to determine who was actually working the claims on six areas totaling 1,146,000 acres. The act provides for publication of notice after the field examination for each unit selected for determination of surface rights. This public notice allows each claimant 150 days after the date of the first publication to file a statement if he desires to contest the right of the Government to manage the surface resources. The notice has been published and 150-day period expired on three units covering 316,000 acres of national-forest land this year.

In the event the right to manage the surface by the Government is contested, a hearing would be held before a Bureau of Land Management hearing officer who would render a decision regarding asserted rights. Since the claimants did not contest the rights of the Forest Service to manage the surface resources on the three completed areas, no hearings will be necessary on those units.

It is planned to continue this project on all national-forest lands in Alaska where public benefits justify such action. About 2,000,000 acres will be examined for evidence of recent work next year.

Improvement construction.—A 10-year program of new construction was started during the fiscal year to provide badly needed housing for district ranger personnel. One new ranger dwelling was built at Sitka and two older dwellings at Craig were renovated. Plans have been completed for construction of two more dwellings in calendar year 1957—one at Craig and a second dwelling at Sitka. New dock facilities and an independent water system are under construction at Craig. The 10-year program provides for additional housing, warehouse and dock facilities at Craig, Ketchikan, Wrangell, Petersburg, Sitka, Juneau, and Kenai Lake. The Forest Service operates a fleet of 13 motor vessels from 38 to 80 feet in length. Improvements of the fleet continue, with one new vessel planned for fiscal year 1958 and at least one new vessel yearly for the next 10 years.

Forest research.—The Alaska Forest Research Center is the Alaska representative of the Research Branch of the United States Forest Service. This office is charged with the responsibility for forest research on all lands, not just on national forest lands. The center carries on long-term basic forestry studies.

During the past fiscal year, field work on the forest inventory of southeastern Alaska was almost finished. It will be completed by fall and final reports will be compiled during the next year. Preliminary work leading to the extension of the forest survey into the Interior is under way. Data are being collected for the construction of aerial photo volume tables for Interior tree species and of amount
of decay in various forest types. Tests are being made of proper film to use and methods for aerial photography in the Interior.

A beginning is being made on forest management research in the Interior of Alaska. Studies of growth rates, timber yields, and methods for regenerating forests in the Interior are being started. One of the greatest problems, of course, will be developing methods for bringing back immense areas of burned forest land to productive forest. How much simpler if this vast resource could remain unburned.

Studies of the effects of pulp timber logging on the physical characteristics of salmon streams, now in their eighth year, were expanded to assist the work of cooperators on fish biology. To date, after 3 years of logging on one test stream, no significant differences in stream-flow sedimentation, or temperature have been found.

Deliberately large cuttings made for research purposes on the Maybees Experimental Forest in Twelve Mile Arm show that seed of spruce and hemlock flies at least a half-mile from the seed source and is regenerating the area. Direct seeding methods for areas threatened by brush invasion are being investigated.

Aerial surveys of forest insect conditions over all of Alaska were continued. No new infestations of importance were found. The widespread outbreak of the black-headed budworm has completely subsided.

**GEOLOGICAL SURVEY**

The Geological Survey is organized into five divisions, each of which actively engages in work in Alaska. Survey activities in Alaska consist largely of field studies and investigations, most of them necessarily carried on during summer months. The Survey maintains field offices at Anchorage, Fairbanks, Juneau, and Palmer.

*Administrative Division.*—Supplies and administrative services are furnished the technical divisions primarily by the Alaskan Service and Supply Section, Administrative Division, headquarters at Fairbanks. Facilities include two warehouses, offices, laboratories, and housing. A supply of base maps, standard topographic quadrangles, and geologic maps are maintained by the Alaskan Distribution Unit under the general supervision of the Alaskan Service and Supply Section.

*Conservation Division.*—A regional mining supervisor in Anchorage is responsible for the enforcement of regulations governing operations under mineral leases and permits on Federal and Territorial lands. At the close of fiscal year 1957, 10 coal leases and 22 coal per-
mits involving 47,578 acres were in effect. Production of coal from 11 mines during the year amounted to 739,421 tons valued at $6,484,460, an increase of 12 percent from the previous year attributable to increased purchases by the military which dominate the Alaska coal markets.

The outlook for fiscal year 1958 is for an increase in military requirements from 531,700 tons in 1957 to 734,000 tons.

In addition, it is estimated that 143,000 tons will be delivered for civilian consumption in the Fairbanks area and 40,000 tons in the Anchorage area for a grand total of approximately 917,000 tons.

During the year, no coal leases or licenses were issued, six permits terminated through expiration and cancellation, one coal permit was issued, and two coal permits were amended.

Oil and gas operations in the Territory, exclusive of Naval Petroleum Reserve No. 4, are under the general supervision of the Regional Oil and Gas Supervisor, United States Geological Survey, Los Angeles, with on-site supervision being exercised by the Anchorage Office of the Mining Branch. As of June 30, 1957, there were 3,385 outstanding oil and gas leases, covering 6,518,746 acres, compared to 1,901 leases covering 2,814,743 acres outstanding on June 30, 1956.

Active operations were being conducted at the close of the fiscal year on three wells on Federal land. Well No. 1 Swanson River Unit, Kenai Peninsula, Sec. 10 T. 8 N., R. 9 W. (Richfield Oil Co., operator, was drilling below 9,900 feet). Operations were resumed about June 1 on Well No. 1, Eureka area on the Glenn Highway (Aledo Oil Co.). The well was suspended at a total depth of 4,818 feet in October, 1956. Casing was being cemented on Well No. 1 Iniskin Unit, Sec. 17, T. 5 S., R. 23 W. (Iniskin Unit Operators, Inc., operator), preparatory to testing. Operations on this well were resumed about June 15 following suspension since October, 1955.

Well No. 2 Sullivan, Sullivan Unit, Gulf of Alaska (Phillips Petroleum Co.), was abandoned as a dry hole at a depth of 12,052 feet. Well No. 1 Yakutat Unit, Icy Bay area (Colorado Oil & Gas Corp.), was suspended at a depth of 9,312 feet. Also, Humble Oil & Refining Co. plans to commence a well in the Bear Creek Unit in the Alaska Peninsula.

To encourage oil and gas exploration in the Territory two unit plans embracing Federal lands were approved during the fiscal year. The Yakutat Unit Agreement, embracing 12,326 acres in the Icy Bay area, was approved April 17, 1957, and the Swanson River Unit Agreement, 71,580 acres, was approved July 31, 1956.

The classification of the Federal lands in the Territory as to whether they are mineral or nonmineral in character, or are potentially valu-
able for waterpower or storage development, is a responsibility of the Geological Survey. Such classification is a necessary aid in the proper administration of the lands, and provides essential assistance to other Federal agencies in determining the most appropriate use of the lands.

Mineral classification activities are carried out through a new office established in Anchorage, Alaska, in January 1957. This is facilitating the classification of Federal lands in the Territory as to mineral or nonmineral character and is speeding up the processing of individual applications for land for various purposes. The greater number of field examinations now possible of crucial areas will be of considerable value to other governmental agencies in determining settlement and farming locations as well as promoting mineral and industrial development through proper disposal.

Field surveys to obtain the basic map data for the evaluation of potential waterpower and storage sites and the determination of the lands to be classified as valuable for those purposes and which should be withdrawn from entry for other purposes, were completed on Baranof Lake and Carbon Lake on Baranof Island, on Chilkoot Lake near Haines, and on the Tanana River at Cathedral Bluffs. A report on "Waterpower Possibilities of Sheep Creek, Carlson Creek, Lake Dorothy and Turner Lake near Juneau, Alaska," was completed and approved for open file release during the year. A report on "Geology of Waterpower Sites on Sheep Creek, Carlson Creek, and Turner Lake near Juneau, Alaska" was released to open file. Maps resulting from previous surveys were completed and transmitted for publication for the following streams: Kenai River from Skilak Lake to Moose River, Kasilof River from mouth to Tustumena Lake, Snow River, Lost Lakes near Seward, and Juneau Creek. Plans were completed and work started on the consolidation of three reports on waterpower resources, which had been previously placed in open file, for formal publication as a single report.

Geologic Division (Alaskan Geology, Military Geology, and Geophysics) and its Geochemical Exploration Section were engaged in Alaskan studies during fiscal year 1957.

The Alaskan Geology Branch continued its study of mineral deposits and mineral fuels, and its engineering geology activities. Much of the effort was directed toward preparation of reports on work previously accomplished.

Long-range studies of mineral deposits were in progress in southeastern Alaska and were facilitated by continuous helicopter support. Systematic geologic mapping continued of the general geology and
of the tungsten deposits in an area north of Nome, and detailed studies were made of the gold-tin placers of the Tofty-Manley Hot Springs district. Compilation of geologic mapping at a scale of 1 mile to the inch was in progress for more than a tenth of the Territory. Field investigations were in progress in the Bokan Mountain area, southern Prince of Wales Island, where a deposit of radioactive material is being developed. Five reports on the results of mineral investigations and three photogeologic maps were published during the year, and several other reports were made available to the public through open-file release.

Petroleum activity consisted principally of report preparation. Limited field studies were carried out in the Nelchina area, and a report is in progress on investigations in the area. Field studies of the structural and stratigraphic characteristics of the Cretaceous rocks of the south-central part of the Koyukuk Basin were completed. Office compilation was completed on a report on the geology of Alaska as related to petroleum possibilities. Much effort continued to be directed toward completion of reports on the technical data derived from field investigations carried on in cooperation with the Navy in Naval Petroleum Reserve No. 4 during the period 1943–53. Publications on Alaskan petroleum included one comprehensive report and two maps; in addition, several reports were released on open file.

Coal investigations in the Knob Creek area of the Wishbone Hill district of the Matanuska field show that the coal-bearing formation underlies a larger area than previously known. Also, shallow drilling has extended the known limits of the coal-bearing anticlinal structure north of Healy. One report was published on Alaskan coal investigations, and several reports were made available on open file.

Engineering geology studies included mapping in the Fairbanks area and in the vicinity of Mount Hayes. Aid and advice on geologic factors relating to construction were furnished several Federal and Territorial agencies. Reports were in preparation on the surficial and engineering geology of the Nenana-Rex area, the Ktalaya, the Susitna-Maclaren area, and two areas near Fairbanks.

The General Geology Branch continued office compilation of the results of reconnaissance mapping in the Aleutian Islands.

The Geophysics Branch continued thermal measurements at Barrow, Glennallen, and Fairbanks pursuant to its study of permafrost and associated problems. Field work was at a reduced level relative to previous years and increased emphasis was given to report preparation. Report writing was in progress on the western, central, and southeastern Alaska aeromagnetic surveys. Reports describing
the aeromagnetic survey of Naval Petroleum Reserve No. 4 and adjacent areas, Alaska, and three dimension heat flow in permafrost beneath heated buildings, were prepared for professional paper and bulletin publication respectively. Three abstracts were published in scientific journals.

The Military Geology Branch had six field parties in Alaska continuing basic permafrost research and terrain investigations in cooperation with the Corps of Engineers, United States Army. Three parties mapped in the Copper River Basin: One in the southeastern, one in the southwestern, and one in the northeastern part of the basin. New projects were initiated in the Tielke River area near the Richardson Highway, and in the Johnson River district near the Alaska Highway. Field work was completed on the terrain study of the Gerstle River area near Big Delta and report preparation was begun. Reports are being prepared for eight other field areas in Alaska, providing basic information on engineering geology for road and airfield foundations, and sources of construction materials, as well as terrain conditions as related to military construction and operations.

The Geochemical Exploration Section carried on geochemical sampling of water and fine sediment from more than 200 streams and hot springs in southeastern and interior Alaska.

Topographic Division.—Topographic mapping at scales of 1:63,360 (1 inch to 1 mile) and 1:250,000 (about one-fourth inch to 1 mile) was continued during fiscal year 1957. The mapping is being done to satisfy both civil and military requirements.

During the year 680 quadrangles at the 1:63,360 scale, covering approximately 146,200 square miles, were in some stage of preparation. These stages included establishment of horizontal and vertical control by field surveys using helicopter transportation and the most modern surveying instruments, and techniques; stereoplotting from aerial photographs of land, water and manmade features; smoothline drafting, checking and editing, and publication of standard multi-color editions. Maps of approximately 27,700 of the 146,200 square miles were carried through the stereoplotting stage. Most of this was in central Alaska from the Canadian border west to longitude 158°.

During the year, 121 new quadrangle maps in the 1:63,360 scale series were published. A total of 618 maps of that series are now available, covering about 22 percent of Alaska. The maps include major segments of central Alaska, Kenai Peninsula, Kodiak Island, Seward Peninsula, most of southeastern Alaska, and the northern part of the Alaska Peninsula.
A map of Juneau and vicinity and of various dam sites are also available at the scale of 1:24,000 or larger.

A provisional series of maps, the Alaska Reconnaissance Topographic Series, at the scale of 1:250,000 covering all of Alaska was completed in 1953. There are 153 quadrangles in that series. Many of the sheets also are published in shaded-relief editions.

An improved second edition of the 1:250,000 scale maps was undertaken in 1954. Preparation of the new series is being accomplished by utilization of the better source material resulting from the new 1:63,360 scale mapping which was not available in time for the provisional series, and by original mapping at scales appropriate for publication at 1:250,000. Nineteen maps published as part of the original provisional series are considered adequate; all other sheets have been authorized for new compilations. Eleven of these new maps have been published and the entire series is scheduled for completion by July 1, 1962.

An outstanding technical operation in Alaska mapping was completed early in the year. This was the accomplishment of all the field control (triangulation and trigonometric leveling) required for the 1:250,000 scale mapping of about 125,000 square miles of the remote Brooks Range area in northern Alaska. Twenty-five parties utilizing six helicopters plus fixed-wing aircraft were engaged in the project. Aerial photography for the Brooks Range area, which was started in 1956, was also completed.

Water Resources Division.—Investigations of the quantity and quality of the surface and ground waters of various parts of the Territory were continued.

Appraising and inventorying the surface-water resources continued with obtaining streamflow data at 60 sites, 22 of them are in south-eastern Alaska, 10 in the Yukon River Basin, and 28 elsewhere in the Territory. In addition, supplemental streamflow discharge measurements were made at sites on numerous other streams. A special project of compilation of all Alaskan streamflow and quality-of-water records through 1950 was completed and a report is in the process of publication. Information concerning surface-water supplies was furnished to Federal and Territorial agencies and to many individuals.

Field work and preparation of reports on ground-water investigations at Anchorage, and in the Matanuska Valley have been completed and the Matanuska Valley report is being reviewed prior to publication. Meanwhile, observations of ground-water development in those areas have continued to provide information on long-term trends of ground-water levels and a basis for appraising potential supplies.
Field investigations continued in the Chugiak and Kenai-Homer areas. Upon completion of that work, memorandum reports defining and evaluating occurrence of the ground water in those areas will be made available to the public. In collaboration with the Alaska Department of Health, ground-water studies were initiated in southeastern (Juneau) Alaska and in western Alaska. The investigations in western Alaska and in southeastern Alaska are of special interest because of their bearing on ground-water conditions in permafrost and in bedrock respectively.

Investigations of the chemical quality of surface and ground waters were continued to determine the suitability of the water resources of Alaska for industrial, agricultural, and domestic uses. Evaluation of the chemical characteristics of rivers and lakes involved the operation of 3 daily and about 10 weekly or monthly sampling stations on streams principally in the Yukon, Copper, and Susitna River Basins. Studies of chemical quality of ground water were conducted in several areas, notably the Fairbanks and Anchorage-Palmer areas. Sedimentation studies were continued during the year with the measurement of sediment transported by streams at 3 locations. Reconnaissance chemical-quality and sediment studies were intensified in south central and interior Alaska.

Public Inquiries Office.—A Public Inquiries Office has been active in Anchorage since the fall of 1953. The Office serves as a contact point where information may be obtained on Geological Survey activities. In the Office is a library of Survey book publications and maps. Geologic and topographic maps of Alaska may be purchased there over the counter. As an agent of the Superintendent of Documents, the Office maintains for sale a small stock of selected Survey book publications. Certain circulars, press releases, mapping-status, and other indexes, and information circulars are available. In addition the Office is a depository for selected open-file reports on Alaska.

HEALTH

Alaska Department of Health

Central Administration Section.—The Alaska Department of Health, created by Legislative Act in 1945, has responsibility for administration of all public health activities in the Territory. The Board of Health, comprised of five members, one from each judicial division and one from the Territory-at-large, appointed by the Governor and confirmed by the Legislature met three times during the fiscal year to review budgets, adopt health regulations, review
requests for health center and hospital renovation and construction, and adopt overall department policy.

One of the more important policies adopted by the Board during the past fiscal year requires local communities to support to a greater degree their own health services. This is in accord with the national trend toward building community responsibility and has met with success in its initial phases.

The Board of Health also adopted a new budget which incorporated an approximate 5 percent salary increase for all Department of Health employees. This was desperately needed from a recruitment standpoint because of recent stateside increases.

During the year, a model health ordinance was completed and satisfactory mental health legislation achieved for the Territory. Existing programs designed to help isolated areas, such as sanitation aid and water pollution control have been strengthened. New programs and demonstration projects have been added and include a mental retardation demonstration project in Anchorage, and also, an eye, ear, nose and throat project around McGrath designed to assist health consciousness of the native peoples as well as to provide direct public health service. In addition, a cardiac center for Alaska is in the planning stage, and an intensive program is being formulated which will benefit the hard of hearing.

Health Education Division.—During the past fiscal year, the division continued serving the Central Office Staff and field personnel by providing consultation and guidance on educational aspects of health programs, and activities and by developing and distributing informational and educational materials as requested or needed.

Major work in the field of education consisted of working with Territorial and Federal agencies on village sanitation, school health, mental health, prevention of complications resulting from upper respiratory diseases, and tuberculosis patient education. In addition to working with individual public health nurses, sanitarians and engineers, physicians, statistical analysts, and other professional and lay health workers, the division participated in two regional teacher conferences, a Mental Retardation Institute, community X-ray surveys, the Basic Sanitation Aid training course for Eskimos conducted at the University of Alaska, quarterly meetings of the Native Village Sanitation Program, and the annual meeting of the Sanitation and Engineering Section. Assistance was given at the planning level and in conducting meetings and classes. A considerable amount of time was spent in preparing for the Ear, Nose, and Throat Demonstration Project headquartered in McGrath which will place heavy emphasis upon preventive health education.
Medical Facilities Division.—This division has been delegated the responsibility of administering the Hospital and Medical Facilities Survey and Planning Program and of integrating it with planning and construction activities connected with the administration of the Federal Hill-Burton matching funds in accordance with the Hill-Burton Act as amended.

In line with the philosophy that the Survey Plan should reflect changing conditions and relative needs for hospital and health facilities in all areas of the Territory, the 1957 revision of the Territory of Alaska Plan for Hospital and Medical Facilities was prepared. A manual is in preparation to assist interested communities in assessing their local needs. It lists the necessary steps and procedures for obtaining Hill-Burton matching funds.

A revision of Regulations for Hospitals was completed and approved by the Board of Health.

During this year, the Public Health Center at Fairbanks and two auxiliary Health Centers at Kake and McGrath were completed with the aid of Hill-Burton funds, and the Seward Hospital completed under the Alaska Public Works program.

Medical Social Services Unit.—These services, which are required to facilitate the public's use of medical care and preventive public health programs, cope with special problems in Alaska.

The special ones receiving most attention this past year were (1) recruiting for an adequate staff; (2) need for general social work rather than special program service; (3) lack of social resources and community supported agencies; (4) lack of facilities for care and treatment of mentally retarded, deaf, and blind, etc. An attempt will be made in future years to develop a well coordinated team approach to the health and welfare of the public by many types of professional and lay persons working in unison.

Sanitation and Engineering Section.—New activities in radiological health, water pollution control, food and drug work, and native village sanitation were initiated during the past year. A general sanitation program has been offered through a total of 34 regional and community field stations.

In cooperation with the United States Public Health Service and the Atomic Energy Commission, considerable effort was made to determine the normal radioactivity background present in parts of Alaska. Plans were made for implementation of a Radiation Protection Act which was adopted by the 1957 Legislature.

In Water Pollution Control, studies were completed at the proposed pulp mill site at Silver Bay near Sitka, Alaska, as a function of the Water Pollution Control Board. A public hearing was held for
classification and for gathering testimony, and at a Water Pollution Control Board meeting on January 7, 1957, a permit was issued. Cooperative efforts in water pollution control were also carried on in highway construction activities with the Bureau of Public Roads, Federal Power projects, the Atomic Energy Commission, the Alaska Department of Fish and Game, and the United States Coast and Geodetic Survey. Assistance was also given to the United States Public Health Service in implementing the provisions of the Sewage Treatment Plant Construction Act, making funds available to Alaska communities. Various reports on pollution problems were issued throughout the year.

Approximately $8 million worth of projects were reviewed for sanitary features that might affect public health.

A seafood certification program was instituted which permits certification of Alaskan seafoods for shipment into markets outside of Alaska. Other food and drug activities included investigations of food manufacturing establishments as well as food processing plants such as bottling plants, dairies, frozen dessert establishments, and similar businesses which produce products within the jurisdiction of the Alaska Food, Drug, and Cosmetic Control Program.

Consultation was provided to numerous communities in the collection, transporting and disposal of garbage and refuse. Consultative service in all phases of general sanitation was offered to communities and groups interested in safe water, food, milk, housing, refuse disposal, schools, industries, resorts, and institutions.

Training schools for Eskimo Sanitation Aids were conducted in cooperation with the University of Alaska. These courses consisted of refresher courses for previously trained aids as well as courses for new aids and village council presidents. Sanitation Aids have been trained and stationed in the following communities: Chevak, Hooper Bay, Tununak, Mekoryuk, Kwethluk, Akiachak, Kasigluk, Kwirillingok, Kwigulk, Mountain Village, Noatak, Shungnak, Kobuk, Noorvik, Point Hope, Deering Kivalina, Selawik, Shishmaref, Wales, Gambell, Koyuk, Shaktolik, Savoonga, St. Michael, Unalakleet, and White Mountain.

Public Health Laboratories Division.—The 30th of June 1957 brought to a close the 20th operational year of the laboratory system of the Alaska Department of Health. The first one-man laboratory was established in September 1936 at Juneau, Alaska, and during the first year completed 1,504 tests. The five laboratories, which now constitute the Division of Public Health Laboratories, completed 85,191 bacteriological, serological, parasitological, chemical tests, and examinations on specimens submitted by physicians, public health
personnel, and citizens of Alaska during the year from July 1, 1956, through June 30, 1957. An increase was noted in the number of tests for tuberculosis, enteric diseases, streptococcal infections, sanitation of water and milk, and chemical analysis for water pollution control activities.

The laboratories issued 2,729 Premarital Certificates to physicians for applicants who requested physical examinations and blood tests for syphilis prior to marriage.

A total of 39,196 mailing containers were distributed for the collection of water, blood, sputum, etc. The stocking and distribution of vaccines and other biologicals were a portion of these activities, and 40,131 packages and vials of these preparations were distributed to the members of the medical profession in Alaska for the control of communicable diseases.

To determine normal radioactivity backgrounds and evaluate changes due to atomic detonations or peaceful uses of radioactive substances and devices, the Division, in joint participation with the Section of Sanitation and Engineering, collected and field-tested high-velocity air samples. Precipitation sampling phases of the monitoring services were also instigated during the year.

Preventive Medical Services Section.—Tuberculosis: The Territorial picture improved in several respects in the field. The hospital load decreased, the number of deaths dropped to 50, and improved methods of treatment became available. It is paradoxical that as such benefits were developed the cost of the TB program did not lessen. This happened because of the increased number of living convalescent cases requiring supervision at home and in hospitals.

There were 595 new active cases reported in 1956, and 152 of these were active spreaders of disease. 48,000 X-rays were made for the tuberculosis program. One-half of these were in search of new cases. 1,148 cases were still hospitalized for tuberculosis at the end of the year and 730 more, classed as active but still at home, required intensive care. Since the great majority of these cases are among natives in sparsely settled areas, the task of following and maintaining adequate treatment is tremendous.

Preventable diseases.—Most notable among the recent successes in this field is the successful use of a vaccine against poliomyelitis. As the vaccine supply has become more plentiful, its use was extended from the age group up to 20, plus pregnant women, into the adult general population.

At the year's end, 12,599 people in the public program had completed full immunization of 3 doses of vaccine, and the vaccination campaign was in full swing. The public program of the Alaska Department
of Health using vaccine supplied by the Federal Government is entirely restricted in use to the age group under 20 and pregnant women.

In the field of water- and food-borne infections, the most outstanding occurrence was a marked increase in infectious jaundice.

No cases of smallpox were reported for the year. Danger of that disease still requires a constant vaccination program for all children.

Venereal disease.—Venereal disease is either at a very low rate or the situation is masked by inadequate case finding and reporting. Military sources reported very few cases during 1956 as did other sources.

Cancer.—Efforts at control were confined to education. Lay education was accomplished through release of health education films, pamphlets, news articles, group talks, and radio talks. In general, American Cancer Society materials were used. Professional education was accomplished through sponsoring doctors' travel to meetings and refresher courses in the States, through bringing lecturers to the Territorial Medical Association, and through sending professional literature to local physicians.

Heart disease.—Heart disease remains a largely untouched subject in public health programs. Congenital conditions and children's rheumatic fever heart disease are well provided for by our Maternal and Child Health and Crippled Children's programs.

Nursing Section.—Public Health nursing services were offered throughout the Territory through 34 different centers, 11 in towns and cities and 23 in itinerant areas. The itinerant service areas are composed of from 2 to 20 villages and in many instances do not have medical coverage readily available.

Among the services offered through public health nursing are well-child conferences, mothers and parents classes, clinics, and immunizations. The most noticeable accomplishment for this year seems to be the almost complete, if not complete, immunization of the population. This includes the Salk vaccine immunization which has received special emphasis.

Two new health centers and living quarters facilities were constructed during the year. Lack of such facilities continues to be a major problem in the Territory. In one area, the number of personnel has been curtailed, as it is impossible to provide housing or working space. In at least two other areas, a public health nurse cannot be assigned until working and living facilities are provided.

Recruitment of suitable personnel has been a greater problem and reflects the stateside pattern. However, all indications are that the nursing service is becoming increasingly closer to the population,
and the general public is becoming more aware of their own health needs as well as accepting more responsibility for meeting these needs.

Maternal and child health and crippled children's services.—The Crippled Children's Services Program and Orthopedic Program, which includes orthopedic and plastic-care cases, involved 2,400 children during the calendar year, who either received one or more clinic services, were hospitalized, or received both clinic services and hospitalization. This figure is more than double the figure of 1,017 children receiving similar services in 1955.

Mental Health Section.—On July 28, 1956, the President signed Public Law 830 giving Alaska the responsibility for the care of its mentally ill and making provisions for financial assistance. The Legislature of the Territory of Alaska passed in March 1957, a modern bill for the diagnosis, care, and treatment of Alaska's mentally ill. The Governor's proclamation placed this bill in effect on July 1, 1957, at which time all Federal laws relating to commitment in Alaska were superseded. In cooperation with the United States Commissioners, commitment forms and procedures are being prepared. The naming of hospitals and examiners for the diagnosis and care of the patient is progressing.

The use of Morningside Hospital in Oregon for mental-patient care will continue for several years, due to the necessity for construction of adequate Alaska facilities. Census of patients at Morningside Hospital shows a range of between 371 and 385, and the average monthly cost of care has been approximately $71,000.

The Section of Mental Health had on its staff as of June 30, 1957, 2 psychologists, 1 psychiatric social worker, 1 social worker assigned to Morningside Hospital, and administrative and clerical assistance. Active recruiting is being conducted for 2 psychiatrists, 1 psychologist, and 2 psychiatric social workers. Success in recruitment will provide clinic teams at Fairbanks, Anchorage, and Juneau. At the present time, teams are assigned only to Anchorage and Juneau. Since February, they have been conducting outpatient services without the benefit of a psychiatrist.

The team at Anchorage held clinics there and at Fairbanks, Barrow, Seward, Cordova, Kodiak, Palmer, Chugiak, Wasilla, Nome, and St. Mary's Mission. The team located at Juneau conducted clinics there and at Haines, Skagway, Sitka, Petersburg, Ketchikan, Metlakatla, Hoona, Hood Bay, Kake, and Annette Island. Approximately 1,226 personal interviews were held and 933 hours (approximately) were devoted to community services.

Eight contracts for short-term care of the mentally ill in general hospitals have been negotiated with 14 patients being cared for under
this program during the year. Plans are being completed to equip
and remodel one to two rooms in each Territorial private hospital for
the care of mentally ill patients, and it is expected that with the actual
assumption of mental health responsibility, this service will continue
to increase.

Bureau of Vital Statistics.—The work of this Bureau while still in-
creasing did so at a slower pace during 1956. This diminishing in-
crease in the demands made on the Bureau reflects a leveling off of
the population increase which rose so rapidly in the early fifties.

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<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total records filed</td>
<td>6,721</td>
<td>7,200</td>
<td>8,026</td>
<td>9,819</td>
<td>11,300</td>
<td>11,471</td>
<td>12,000</td>
<td>12,210</td>
</tr>
<tr>
<td>Total searches for records</td>
<td>962</td>
<td>3,100</td>
<td>5,161</td>
<td>7,111</td>
<td>7,344</td>
<td>7,981</td>
<td>9,421</td>
<td></td>
</tr>
<tr>
<td>Total certifications (9 months)</td>
<td>550</td>
<td>896</td>
<td>1,062</td>
<td>2,781</td>
<td>4,682</td>
<td>4,556</td>
<td>3,571</td>
<td>4,802</td>
</tr>
<tr>
<td>Total fees collected (9 months)</td>
<td>304</td>
<td>1,400</td>
<td>2,450</td>
<td>3,413</td>
<td>4,673</td>
<td>6,072</td>
<td>6,703</td>
<td>11,585</td>
</tr>
<tr>
<td>Substitute birth: Certificates filed</td>
<td>99</td>
<td>129</td>
<td>157</td>
<td>256</td>
<td>251</td>
<td>273</td>
<td>323</td>
<td></td>
</tr>
<tr>
<td>Delayed birth: Certificates filed</td>
<td>188</td>
<td>182</td>
<td>150</td>
<td>240</td>
<td>172</td>
<td>244</td>
<td>312</td>
<td></td>
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</tbody>
</table>

HOUSING

Alaska Housing Authority

The most significant event in the past fiscal year to affect the Alaska
Housing Authority was the passage of an act by the Territorial Legis-
lature designating the Alaska Housing Authority as the official Terri-
torial Planning Agency. As the Territorial Planning Agency, the
Authority is now able to provide much needed planning assistance to
the various communities under Section 701 of the Housing Act of
1954 whereby the Federal Government will provide 50 percent of
the cost.

To date six cities have applied for this planning assistance—Fair-
banks, Juneau, Ketchikan, Douglas, Palmer, and Seward. The Au-
thority's application for an Urban Planning Grant for these cities
has been prepared and is presently in the hands of the Urban Renewal
Administration awaiting their approval. When approval has been
given, the Authority will embark upon a two-year work program of
aiding the cities in the development of their master plans, formulation
of zoning and subdivision regulations, land use surveys, preparation
of public improvements programs, plans for elimination of conditions
likely to lead to slums or blight, and the preparation of general com-

Due to unforeseen developments, the urban renewal programs in
the Territory have not progressed as rapidly as anticipated.
ever, during the past year Parts I and II of the Final Project T. A. R-7, Central Downtown Area, Fairbanks, Alaska, were submitted to the Urban Renewal Administration and approved. A Loan and Grant Contract has been presented to the Alaska Housing Authority by the United States Government for approval and it is expected that acquisition of properties within the area will commence soon. The urban renewal plan encompasses the acquisition and removal of log cabins and other substandard dwellings in a four block area from Third to Seventh Avenues, between Barnette and Cushman Streets.

The Preliminary Project Report covering Project T. A. R-3, Government Hill, Anchorage, was approved during the past year and final planning is now being done.

With regard to Project T. A. R-2, Ketchikan, work has been progressing on the preliminary project report which will be submitted shortly. This project involves the removal of substandard dwellings located in the Ketchikan Creek area.

The Preliminary Project Report on the Sitka urban renewal project involving the Lake Street area has been submitted to the Urban Renewal Administration but approval has not been received. A definite lack of housing for the relocation of people within the urban renewal area will make it impossible for the program to proceed until the rehousing problem can be resolved. It is hoped that this problem can be worked out in the near future so that the program can be continued.

Considerable preliminary planning work has been done in the city of Juneau since the Survey and Planning Application was approved in the fall of 1956.

During the past year the Authority has also made application for Survey and Planning Funds for the Weeks Field area in Fairbanks and the Eastchester and Westchester areas in Anchorage. These applications have not as yet been approved.

The Alaska Housing Authority continues to operate 116 leased war housing units relinquished to them by the Public Housing Administration in 1954 and now under the ownership of the Authority.

During the past year 191 units of permanent Lanham units owned by the Public Housing Administration have been sold by the Authority acting as sales agent for the Public Housing Administration and are now under private ownership. A 40-unit project in Anchorage known as Safehaven was sold to a Veterans' Cooperative and the Pan American Dormitory, also in Anchorage, was sold to the Alaska Crippled Children's Association for use as a medical treatment center. All other units were sold to private individuals. Still under management are the Channel Apartments at Juneau consisting of 31 units.
The 4 low-rent projects owned by the Authority consisting of 50 units in Ketchikan, 50 in Juneau, 75 in Fairbanks, and 150 in Anchorage are in normal operation.

The Authority has continued to service 147 mortgages for the Federal National Mortgage Association on properties developed by the Authority under Public Law 52 and subsequently sold to individual purchasers.

Also, the Authority is continuing to act as Trustee for the street and sewer system serving the Island Homes Project in Fairbanks and the Community water system serving Turnagain Homes in Anchorage.

Federal Housing Administration

The past fiscal year has shown an overall increase in the activities of the Anchorage Insuring Office of three times that of the previous year. The increase was mainly in the single-family dwelling program under Section 203 of the National Housing Act. Under this program, commitments were issued on 323 units of existing construction in the amount of $5,877,850 and 117 units of proposed construction in the amount of $2,555,600. Cases were insured for existing construction covering 174 units in the amount of $2,798,400 and for proposed construction of 41 units in the amount of $776,300.

A program designed to aid in providing home ownership for servicemen on active duty began to show results in the Territory with three cases insured in the amount of $53,600 and with five other commitments issued.

Banks in the Territory, approved by FHA as mortgagees, began to implement and use, or to increase their use of, the Special Assistance Program of the Federal National Mortgage Association which provides funds for purchase of mortgage loans from lending institutions.

A housing and economic survey, made in the previous year, resulted in the acceptance of the Miners and Merchants Bank of Nome as an approved mortgagee during the past fiscal year, opening the way for FHA commitments and insurance in the Nome area.

Home improvement loans under Title I continued to increase as Operation Home Improvement, fostered by the real estate, contractors, and building supply firms, continued into its second year.

FHA, through programs under Sections 220 and 221 of the National Housing Act, will have an active part in the Urban Renewal Program in the final relocation and building stage. Plans are in process for programs in Anchorage, Fairbanks, Ketchikan, Juneau, Douglas and Sitka.
The FHA in Alaska operates with a staff of fourteen with headquarters in Anchorage and a valuation station in Juneau. Service is provided to approved mortgagees on a 1-day delay basis to any point in Alaska requiring a personal call. Changes in procedures, programs, construction requirements, etc., are relayed immediately to approved mortgagees, realtors, construction firms, and building supply firms through circular letters and personal calls.

**IMMIGRATION AND NATURALIZATION SERVICE**

The alien population in Alaska has been steadily increasing. Alien address report filed in January 1957 reflect the following alien residents:

<table>
<thead>
<tr>
<th>Total 1956 registration</th>
<th>Total 1957 registration</th>
</tr>
</thead>
<tbody>
<tr>
<td>1,889</td>
<td>2,263</td>
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</tbody>
</table>

The inauguration of polar routes between European countries and the Orient and more extensive use of the Northern Pacific airlines between North America and the Orient is making Alaska an international crossroads of air traffic. The number of persons entering Alaska from foreign countries during the 1957 fiscal year is shown by ports of entry.

<table>
<thead>
<tr>
<th>City</th>
<th>Aliens</th>
<th>Citizens</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Anchorage</td>
<td>5,304</td>
<td>4,018</td>
<td>9,322</td>
</tr>
<tr>
<td>Fairbanks</td>
<td>231</td>
<td>6,418</td>
<td>6,649</td>
</tr>
<tr>
<td>Juneau (includes Sitka, Pelican, Taiya Inlet)</td>
<td>2,333</td>
<td>5,635</td>
<td>8,688</td>
</tr>
<tr>
<td>Ketchikan (includes Wrangell, Petersburg)</td>
<td>8,397</td>
<td>10,720</td>
<td>19,117</td>
</tr>
<tr>
<td>Haines (includes Skagway)</td>
<td>4,666</td>
<td>9,332</td>
<td>14,188</td>
</tr>
<tr>
<td>Tok Junction</td>
<td>2,143</td>
<td>34,130</td>
<td>36,333</td>
</tr>
</tbody>
</table>

There were 371 aliens applying for citizenship who were examined by Service officers and presented to United States District Courts for naturalization.

**INCORPORATED TOWNS**

The total assessed valuation for 1956 of real and personal property for the 31 incorporated cities and towns of Alaska reached a new all-time high of $287,226,767. This represents an increase of $28,872,987, or 11.9 percent, over the 1955 valuation of $258,354,780. The upward trend in the assessed valuation of Alaska’s incorporated municipalities has been continuing steadily since 1935. The chief factor in the increase from 1955 to 1956 was the revaluation of real property by the city of Ketchikan whereby such property increased in valuation from $14,841,150 in 1955 to $30,173,165 in 1956, an increase of 103 percent.
The assessed valuation for 27 of the 28 reporting cities was $285,751,374. The valuation for Hydaburg, which reported but was in the process of assessing property, was estimated at $586,900.

The 1956 real and personal property valuations of the four leading cities were as follows: (1) Anchorage, $102,594,702; (2) Fairbanks, $43,568,645; (3) Ketchikan, $37,069,615; (4) Juneau, $36,390,177. The valuation of these four cities accounted for 76 percent of Alaska's total property value. The same four cities had 75 percent of the total value in 1954 and 77 percent in 1955.

The total bonded indebtedness for the 18 towns which reported such indebtedness for 1956 was $29,405,343 compared to $27,602,252 for 1955, an increase of 6.5 percent. Revenue bonds accounted for $16,101,092 of the 1956 total while general obligation bonds made up the remaining $13,304,251. General obligation bonded indebtedness increased $1,072,099 (8.7 percent) and revenue bonded indebtedness increased $790,392 (4.7 percent).

The largest increase in bonded indebtedness from 1955 to 1956 occurred at Anchorage where indebtedness increased $2,680,251. Ketchikan enjoyed the largest decrease with indebtedness dropping $1,764,000. Those towns with decreasing bonded indebtedness were Cordova, Craig, Douglas, Fairbanks, Juneau, Ketchikan, Nome, Petersburg, Seldovia, Skagway, and Valdez. Palmer, which had no bonded indebtedness in 1955, subscribed $331,992 in revenue bonds in 1956.

During 1956, 13 communities reported issuing 1,272 building permits valued at $10,035,515. The remaining communities either had no new construction or did not make use of building permits. For the year the average value was $7,890. The total valuation of building permits decreased $696,335 (6.4 percent) from 1955 to 1956.

Anchorage led all other Alaska cities in number and value of building permits with 746 permits valued at $4,360,667. The greatest change in construction occurred at Fairbanks which dropped from first in 1955 with $7,000,000 to second in 1956 with $2,965,175. Juneau was again in third place with $703,149, and Kodiak was fourth.

**INSURANCE DEPARTMENT**

From July 1, 1956, to June 30, 1957, there was a total of $21,905,001 direct premiums written as follows:

- **Life** .......................................................... $4,015,198
- **Fire and casualty** ........................................... 15,301,317
- **Surplus lines** ............................................... 2,677,886

This represents a revenue to Alaska of $473,690.32 covering:
Taxes ........................................ $432,422.37
Fees ........................................... 46,267.95

Thus, insurance business remains one of the principal sources of revenue for the operation of the Government. Incidentally, the cost to the Territory to obtain this revenue is only $49,040 for a period of 2 years.

During this period there were 45 foreign stock and/or mutual life companies, 2 domestic stock life companies, 155 foreign fire and casualty companies, 1 domestic mutual benefit society and 1 foreign fraternal organization. This was a decrease of 21 companies over the previous year. The decreases covered 16 withdrawals partially because of noncompliance with a surety bond requirement; 3 mergers and 2 revocations for financial failure.

Ten nonresident agents and 390 resident agents registered and qualified as well as 77 brokers, 21 brokers for surplus lines, 6 rating bureaus, 9 statistical agents and 13 advisory organizations.

This department cooperates with the Insurance Departments of other States and Territories and with the National Association Commissioners in the examination and supervision of insurance companies domiciled outside of Alaska, as well as those domestic companies of Alaska which are licensed or intend to be licensed in other States or Territories.

Each insurance company licensed to transact business in Alaska is required to submit annually to this department the statement of the company's financial condition and a summary of all business transacted by it during the preceding calendar year.

A Certificate of Authority is renewed only if its financial condition as exhibited in its annual statement, meets the requirements of Alaska insurance laws.

In 1953, the Pacific Fire Rating Bureau, alarmed by the increasing number of fires in Alaska, placed a surcharge of 20 cents on the western area of Alaska. The westward area felt this was discriminatory and notified the Commission to recommend the Insurance Commissioner to study plans whereby the surcharge could be removed. On May 1, 1957, the surcharge was removed and a new plan of fire rating for the Territory went into effect. This is a deficiency rating plan and passes the higher cost of fire insurance owned to risks that are of a hazardous nature. Those risks that can be classified as being in the protected areas and of a better type do not pay any additional charge. This new plan is of a greater benefit to the people of Alaska. It will encourage those individuals having a poor risk in the unprotected areas to remodel and improve their homes or buildings to the extent they, too, can benefit by a lower fire rate.
Effective July 1, 1956, all foreign insurance companies had to place a $20,000 bond on deposit with this office for the protection of Alaska policyholders. This surety bond is earmarked for additional protection to Alaskans in the event of a failure of an insurance company.

The 1957 Legislature increased the premium tax from 2 percent to 3 percent. It is estimated it will increase the revenue received by this Department to a total of $1,500,000 a biennium. This total also includes revenues from new license fees and miscellaneous fees.

LABOR

Employment Security Commission

Commission Organization and Functions.—The Alaska Employment Security Commission is part of the Federal-State employment security system. It is linked with other State employment security agencies and with the Federal Government through the Department of Labor's Bureau of Employment Security. The agency has the basic task of finding jobs for workers, and of providing income to meet the nondeferrable expenses of workers who are unemployed. More positively it uses its resources, knowledge, and skills to promote full employment in the Territory. Proceeding from this fundamental responsibility, functions have been added until the agency now actively participates in planning and operating economic income maintenance, labor market, and defense manpower programs.

At the beginning of the fiscal year the five-man Employment Security Commission was fully constituted and functioning, having last met on June 30, 1956. Three Commission meetings were held during the year, all of them in Juneau. The 1957 Legislature passed legislation abolishing the existing Commission and creating a new five-man Commission.

During fiscal year 1957, the Commission, sitting in the capacity of a Higher Appeal Board of Review, heard evidence and rendered decisions on 23 unemployment insurance appeals to the Commission. Rules and regulations necessary for the administration of the Alaska Employment Security Act were approved by the Commission at its regular meetings. The Commission made recommendations for certain changes and amendments to the Employment Security Act and the recommendations were inculcated in the form of a bill for introduction in the 1957 Territorial Legislature. The Commission at its meeting in June 1956, appointed an Advisory Council and in September this Advisory Council held its first meeting.

The Alaska Employment Security Agency has approximately 125 full-time employees located in the Central Office in Juneau and in
six local offices in Anchorage, Fairbanks, Homer, Juneau, Ketchikan, and Petersburg. The cost of administration is borne 100 percent by the Federal Government while unemployment benefit payments to unemployed workers are financed by a Territorial payroll tax.

**Employment Service.**—The Alaska Territorial Employment Service is under the jurisdiction of the Alaska Employment Security Commission. Local offices are located in Anchorage, Fairbanks, Homer, Ketchikan, Juneau, and Petersburg. The primary purpose of the Employment Service is to find suitable employment for workers and to find qualified workers for employers. Local offices also provide counseling and testing services and gather and disseminate labor market information. The Employment Service provides industrial services to employers as well as special services to handicapped applicants, older workers, veterans, and youths. All offices participate in a nationwide clearance placement service to assist in finding workers not available in Alaska. During the 1957 fiscal year 15,786 job seekers filed new work applications at the six local offices of the employment service and a total of 8,588 persons were placed on jobs. Among these placements were 2,183 veterans, of whom 58 were disabled.

The collection and dissemination of labor market information is an integral part of the Employment Service operation. A thorough analysis of labor demands, trends and proposed or anticipated changes in Alaska are compiled biweekly from all local offices, edited and submitted to newspapers, radio, Department of Labor, and over 50 employing establishments.

**Unemployment insurance.**—During fiscal 1957 an average of 30,952 workers were covered under the Alaska Employment Security Act, an increase of 2.3 percent as compared with an average of 30,881 in 1956. The maximum number of workers covered at any one time was 41,666 in July of 1956. There were 150,210 weeks of compensation paid during fiscal year 1957, of which 111,203 weeks, or 74 percent, were based on claims filed by claimants residing in Alaska, and 39,007 weeks, or 26 percent, were from claimants living in the States. The total number of weeks compensation paid was slightly less than in the previous year. The total amount paid out in benefits was, however, greater than for the previous year due to the fact that the average weekly benefit payment increased from $38 in 1956 to $39.50 in 1957.

The Unemployment Compensation Fund (including $650,000 impounded by Court order) decreased from $1,521,000 as of July 1, 1956, to $787,000 as of June 30, 1957, a decrease of $734,000. Of this amount $370,000 was due to a net decrease in moneys loaned to the Fund by the Federal Government and $364,000 was due to an excess of benefit payments over contributions received. On December 31, 1956, the
$3,000,000 borrowed from the Federal Government July 1, 1955, was repaid in full. On January 3, 1957, a loan of $2,630,000 was again obtained from the Federal Government. Besides a reduction of $370,000 in the amount owed, this transaction had the further effect of extending for 2 full years the date by which the loan must either be repaid or provisions for repayment by reduction of Federal tax credits would become effective. Total contributions received during the year ending June 30, 1957, amounted to $4,935,000, while benefit payments for the same period totaled $3,299,000.

Unemployment insurance payments are limited to those claimants who meet the requirements set out in the Employment Security Law and grounds for disqualification are specified. The total number of disqualifications in fiscal year 1957 was 3,147 as compared with 2,696 in fiscal year 1956.

The 23rd Territorial Legislature enacted several employment security tax provisions which changed or reinstated provisions of the law previously in effect. As of January 1, 1957, the taxable wage base was increased from $3,600 to $4,200; employee contributions of one-half of 1 percent, which expired December 31, 1956, were reinstated; and services performed by nurses, technicians, and other professional employees of nonprofit hospitals were exempt from all tax. One major change in the Employment Security Act was the reconstitution of the Employment Security Commission. Although still retaining a five-member Commission, the method of selection of the members was changed. The minimum qualifying wage amount was increased from $450 to $500 and the earnings allowed before deductions are made from weekly benefit amount was changed to one-half of the basic weekly benefit amount or $10, whichever amount is the greater.

In addition to the program covered by the Territorial Employment Security Law, the Commission administers two other unemployment insurance programs for the Federal Government. All costs of both programs, including benefit payments and administrative costs, are borne by the Federal Government. Since 1950, the Employment Security Commission has been administering the UCV program of unemployment insurance for veterans. There were 2,975 weekly payments totaling $63,000 made to eligible veterans during the past year. Since January 1, 1955, the Commission has been administering the program of payment of unemployment insurance benefits to unemployed Federal workers (known as the UCFE program). In the fiscal year just ended there were 23,573 weekly claims under this program and $714,330 was paid out in benefits.

Benefit claims involved in the Fidalgo Island Packing Co. court case remain unpaid. It having been finally determined that the
Commission was legally obligated to pay the claims, the Fidalgo Island Packing Co. thereafter sought interest and attorney fees through the District Court and appealed to the Circuit Court on this issue after its claim for these charges had been denied. Hearing has been had before the Circuit Court on this issue and a decision of that court is pending.

**Territorial Department of Labor**

The functions of the Department of Labor, directed by an elective Commissioner of Labor, include enforcement of Territorial laws relating to child labor, wage payments, liens, equal pay, fair employment practices, return transportation, and minimum wages and maximum hours. The Department also regulates private employment agencies and conducts safety inspection.

These laws are enforced through a territorywide inspection program to acquaint both employers and employees with their obligations and rights. Compliance with the many statutes is sought first through cooperation. If this fails, then there is resort to the enforcement provisions of the laws.

Inspections of the industries and service establishments are carried on continuously, using as a guide for both management and labor the General Safety Code, Sawmill and Logging Code, Construction Safety Code and the Electrical Code, all compiled, published, and distributed by the Department.

**Workmen's compensation.**—The Workmen's Compensation Act is administered by the Commissioner of Labor under the Alaska Industrial Board which is composed of the Commissioner, the Director of Finance, and the Attorney General. Under amendments adopted by the 1955 Legislature, the Alaska act is compulsory for all employers of the Territory except agriculture, domestic service, and railroads. Benefits for temporary disability are paid at the rate of 65 percent of average daily wages with a maximum of $100 per week. Medical care now extends to 4 years. Liability is insured with a qualified private carrier or, by Board approval, by self-insurance.

**Fishermen's fund.**—The Commissioner of Labor administers the fishermen's fund under a board composed of four commercial fishermen and the Commissioners of Taxation, Health, and Labor. The fund is derived from license fees paid by all commercial fishermen and provides benefits for commercial fishermen who suffer occupational injuries and diseases. Benefits consist of emergency treatment, medical and hospital care, transportation, and other necessary care required as a result of the injury or disease.
United States Department of Labor

The United States Department of Labor maintains offices in the Territory at Juneau and Anchorage. The Wage and Hour and Public Contracts Divisions of the Department have offices in both cities, while the Bureau of Apprenticeship and Training's office is in Anchorage and the Veterans' Employment Service office is in Juneau. While other bureaus of the Department have no Alaska office, the Secretary and those bureaus and offices have local contact through a Departmental Territorial Representative.

Office of International Labor Affairs.—This Office gathers information and develops programs relating to international labor and foreign economic affairs; helps administer United States Foreign Service Labor Attaché program, Trade Agreements Program, and Trade Fair Program; participates in United States activities regarding the United Nations and its Specialized Agencies, particularly the International Labor Organization, to which reports are submitted on labor laws and labor practices in the territory.

Office of Personnel Administration.—This Office is responsible for formulating and administering the Department's personnel program, which includes position classification and pay administration, staffing, employee performance evaluation, employee development, employee relations and services, recognition and incentives, personnel records and reporting, and program evaluation. The Director of Personnel also advises and represents the Secretary on personnel matters.

Office of Information, Publications, and Reports.—This Office prepares and issues news releases, prepares and displays exhibits, prepares radio and television scripts, reviews and clears bureau publications and reports, and prepares and issues departmental publications. It arranges press conferences, maintains relations with representatives of general news agencies, and prepares information for use of labor press.

Office of the Solicitor.—This Office provides legal services and advice on official matters to officials and bureaus of the Department. It conducts litigation, interprets statutes, prepares legal documents, assists in developing legislation, and administers prevailing wage-rate programs under the Davis-Bacon Act and related statutes.

Employees' Compensation Appeals Board.—The Board consists of three members who hear and decide appeals from final decisions of the Bureau of Employees' Compensation in cases arising under the Federal Employees' Compensation Act. New evidence may not be submitted
to the Board. Its decisions are final and not subject to further appellate review.

Bureau of Apprenticeship and Training.—The Bureau promotes and provides technical assistance for the development of an adequate national skilled labor force; brings together representatives of management and labor for the installation, operation and improvement of programs of apprenticeship and journeyman training in industry; and publishes studies of need for training within specific industries, occupations, areas, and the labor force.

An apprenticeship representative stationed in Anchorage works with employers and local unions throughout the Territory in setting up standards of employment and training under which apprentices are employed. This program is entirely voluntary. Seventy young men completed their apprenticeships in the fiscal year ending June 30, 1957. A total of 350 apprentices are now registered in 25 different establishments in Alaska, and an additional 28 are serving probationary periods prior to registration.

There are 25 labor-management committees supervising the apprentices in the Territory.

Bureau of Employees' Compensation.—The Bureau administers Federal workmen's compensation laws applicable in Alaska to civilian employees of the Federal Government; citizens of the United States employed by Government contractors engaged in public works in the Territory; and those privately employed in certain maritime work on the territorial waters.

Bureau of Employment Security.—This is the Federal partner of the Federal-State employment security system providing unemployment insurance protection to insured workers and free employment office services to employers and workers in cooperation with the Alaska Employment Security Commission.

Bureau of Labor Standards.—The Bureau provides State Labor departments and management, labor, and civic groups with information and technical assistance in improving industrial safety and health, labor legislation and administration, child-labor protection and youth employment opportunities.

Bureau of Labor Statistics.—The Bureau acquires and publishes information on subjects connected with labor economics and labor relations. Major areas of specialization include employment, hours of work, labor-market analysis and outlook, earnings, wage rates, productivity, wholesale and retail prices, construction, industrial relations, strikes, labor-management agreements, and consumer price index, work injuries, and foreign labor developments.
Bureau of Veterans' Reemployment Rights.—It assists former members of the Armed Forces, reservists performing training duty, and persons rejected for military service in exercising their reemployment rights under the Universal Military Training and Service Act and related laws. It provides information and assistance to employers, labor organizations and other interested parties affected by the statutes. The field representative with jurisdiction in Alaska is stationed in Seattle.

Veterans' Employment Service.—The Veterans' Employment Service representative in Alaska works with the Alaska Territorial Employment Service in promoting job opportunities for veterans in the Territory. The Territorial Employment Service paid for jobs for 2,900 veterans during fiscal 1957, of whom 72 were disabled.

Wage and Hour and Public Contracts Divisions.—The principal function of this activity is to administer and enforce the Fair Labor Standards Act of 1938, as amended, and the Walsh-Healey Public Contracts Act. In general, these acts provide wage and hour standards, prohibit oppressive child labor, and insure safe and sanitary work places. Also, as requested by the Solicitor of Labor, the agency performs investigation work to enforce the prevailing wage rates established under the provisions of the Davis-Bacon Act, to secure compliance with the overtime provisions of the Eight Hour Law, to control deductions from wages as provided in the Copeland Antikickback Act and such other activities on Federal Wage and Hour Laws as may be assigned.

Two Wage-Hour offices are maintained in Alaska, one in Juneau, the other in Anchorage. The Territorial program is coordinated in the Juneau office and, on field investigation work it serves the southeastern portion of the Territory. It also receives and acts upon inquires concerning any of the Territorial functions and programs of the various Bureaus of the United States Department of Labor. The office in Anchorage is maintained to serve the area to the westward and the Interior. An investigator is stationed in each office and, in addition, the Juneau office is staffed with a full-time secretary-receptionist who attends to information calls and makes appointments with the investigators.

As a result of 48 investigations made for compliance with the provisions of the Fair Labor Standards Act and the Walsh-Healey Public Contracts Act during fiscal year 1957, $90,159 in wage shortages were found due to 342 employees. Several instances of illegal employment of child labor were corrected. Several investigations for compliance with the provisions of the Davis-Bacon Act were also made.
Women’s Bureau.—The Bureau collects, interprets, and publishes facts affecting women workers; plans programs to strengthen the status of women and to create understanding of their contribution to the national economy; and cooperates with National, State, and local groups to improve standards and job opportunities for wage-earning women through legislation.

DEPARTMENT OF LIBRARY SERVICE

The functions of this Department, created by the Territorial Library Service Act, Chapter 16, SLA, 1955, include (a) coordination of Library services of the Territory with the other educational services and agencies so as to increase effectiveness and to avoid waste and duplication.

(b) Provision of library service and administration of Territorial grants-in-aid to libraries, supplement and improvement of their services, and provision of service directly to areas in which there is not sufficient population or local revenue to support independent library units, such grants to be paid from funds appropriated for that purpose, or from other funds that are available for that purpose. The money for the grants-in-aid for the Library Association is included in the total appropriation for this Department. A total of $5,049.70 has been collected during the fiscal period April 1, 1956–June 30, 1957.

Many of these libraries will present paid invoices for this period at a later date as the summer activities result in little or no library services available in the communities. Since each library made a statement as to actual encumbrances we expect the total sum to be paid the Library Associations to be $7,812.50.

Library Associations received Book Exhibit Collections each month or 150 new books have been sent to each library during the fiscal year for the use and examination of these copies to aid in book selection. Or a total of 1,800 new books have been mailed from this Department.

Twenty-five Library Associations and municipal libraries have received financial aid for the purchase of books and periodicals.

Twenty-five isolated individuals and families without previous library services received 3,000 books from the Department of Library Service.

Twenty-six communities without previous library service have received from the Department 3,220 books through monthly service shipments.

Six thousand one hundred and twenty books shipped to individuals and communities which had previously lacked and desired library services. The patron pays the return postage for the use of these
books, which is a special Library Book Rate of 4 cents for the first pound and 1 cent for each additional pound, or a collection costing approximately 15 cents.

Fifty interlibrary loans for individuals in Alaska have been completed. Services have included microfilms, books, periodicals, and photostatic copies of research materials requested. Such services have been possible through the services from the Universities of Alaska, Oregon, and Washington, the Pacific Northwest Bibliographic Center, and the Library of Congress.

Forty radio broadcast programs over KINY have been made and taped for the use of any community in Alaska which wishes to borrow these tapes from the Department. The context of the broadcast led to the use of the Community Public Library. These broadcasts have been of no cost to the Territory as they are considered a service to the public from KINY. The tapes are a personal purchase by the Territorial Librarian.

One thousand six hundred surplus books received by the Department of Library Service in Juneau were redistributed to all libraries of Alaska for permanent additions to their libraries.

Ten thousand books were declared surplus at Anchorage. The Alaska Surplus Property Administration distributed these books at 8 cents each to the 12 libraries which were able to send representatives to select books for them. Eight thousand books were distributed to these 12 libraries. The remaining 2,000 books were sent to this department and redistributed to the 12 libraries which could not send representatives to select books for them.

(c) Issuance of financial aid to municipally owned libraries for their service to surrounding areas under rules and regulations promulgated by the Board.

(d) Service as a clearinghouse and offering of a consultant service on library problems to Territorial libraries and municipal libraries, community libraries, school libraries, and libraries in unincorporated communities.

(e) Making application for, and receiving and expending such Federal, Territorial, or private funds as may be available for these purposes.

Requests for funds were made to more than 50 philanthropic organizations which claim libraries as their interest. To date none of these have replied to letters or requests.

Requests for Federal funds have been made and plans have been accepted for the Aid to Rural Libraries pending the one last requirement that our libraries are acting as free public libraries. The Government funds are line matching funds, any activity in this Depart-
ment (since it takes the complete budget to match the funds) must be paid 34 percent by the Territory and 66 percent by the Federal Government. This includes personnel as well as equipment, administrative costs, and grant-in-aid costs.

(f) Employment of personnel, acquisition, construction, or disposal of real and personal property, as may be necessary to carry out the intent of this act.

Summary.—Extension of all services required by the Library Service Act can be carried out with adequate funds for staff, books, and equipment.

LAND MANAGEMENT

Bureau of Land Management

Further decentralization of the Bureau’s activities in Alaska has been accomplished by the establishment of two additional Operations Offices. These offices at Fairbanks and Juneau are functionally parallel to the Anchorage Operations Office. Each is prepared to deal with the public through its own Land Office in matters of land acquisition. The administrative services of personnel, finance, and property and supply for the entire Territory are now located in the Area Office at Juneau. The new organization is identical to the Bureau’s state-side pattern. It will provide closer local contact for the public, and has the distinct advantage of being readily expandable to meet the requirements of Alaskan development.

After a decline in fiscal 1956, entries on Public Lands increased sharply to an all-time high during 1957. A total of 1,241 homesteads and 1,093 other land claims were acquired by Alaskans. There was significant departure from the usual concentration around settlements, however, in that a large number of recreational sites were taken up in more remote locations.

The grazing picture remains about the same with most of the activity concentrated in Southwestern Alaska. However, two new cattle ventures are underway in the Toklat River area north of Mount McKinley National Park. Progress was made toward settlement of the bear-cattle conflict on Kodiak.

The amount of public land withdrawn during the year for Federal agencies amounted to only 4,703 acres, the lowest since 1946. In addition, 99,768 acres were restored from withdrawals to open public domain status.

Fiscal year 1957 was an extremely active year for mineral leasing on public lands. As an indication, the year’s mineral receipts reached an all-time high of $936,751.39. This is nearly double the figure for
the preceding year, which had been the previous high year. About 90 percent of this money was received as oil and gas lease rentals with the remainder coming from coal lease rentals and royalty payments. This increase is particularly significant to the Territory because of recently enacted legislation which provides that 90 percent of receipts from Federal mineral leasing in Alaska be given to the Territorial government.

At the time of this writing, Richfield Oil Co. had announced that their first exploratory well in the Swanson River area on the Kenai Peninsula has located a very promising stratum of oil sand. Hopes were high that further drilling will delineate a sizable oil structure in the area. The well was drilled on a Federal lease and as could be expected, it was followed by an unprecedented rush of oil and gas filings in the Anchorage Land Office.

Timber disposal during the year reflected a continuing upward trend. There were 140 timber sales made, totaling 31,462,000 board-feet having a value of $88,881. This was a 39 percent increase in value over comparable sales last year. An additional 2,334,000 board-feet having a value of $4,664 were disposed of through 225 free-use permits.

There was sustained activity in the disposal of materials other than timber, mainly gravel, sand, and rock. Sales included 166,506 cubic yards having a value of $27,002. Free-use permits for such materials, mainly to Federal and Territorial agencies, covered 2,773,254 cubic yards having a value of $350,018.

Very satisfactory progress has been made in the initial year on the development of small recreation sites along routes of travel in the Territory. This program was authorized by Congress last year through the passage of Public Law 507.

 Destruction of timber, animal forage, wildlife, watershed protection, and nesting grounds of migratory waterfowl was tremendous during the past year. The number of fires suppressed rose 46 percent to 257, and the area burned amounted to 648,945 acres, which was 360 percent more than last year. An additional 12 fires inaccessible to existing fire suppression facilities burned another 175,594 acres.

The principal reason for the increase in fires and area burned was high incidence of lightning and these fires were responsible for 96 percent of the burn. All 12 of the inaccessible fires were caused by lightning.

Although many of the lightning fires were detected when small, the large number of going fires severely taxed the existing limited fire-control personnel and equipment, thereby dictating suppression action on a priority basis. Lack of smokejumpers, helicopters, and other
needed facilities and equipment precluded early and effective ground action on fires in remote areas.

This program has been handicapped by the shortage of personnel possessing the technical knowledge and the experience to direct field surveys. The rectangular network has been extended by 35,200 acres and 640 acres were resurveyed. In addition, the following special surveys were completed: 1,172 small tracts; 2 homesteads; 36 homesites; 12 trade and manufacturing sites; 2 headquarters sites; 1 Alaska Public Sales Act tract; 4 recreation sites; 242 townsite lots; 7 miscellaneous special surveys.

**Alaska Department of Lands**

The 1957 Legislature repealed Chapter 126 SLA 1953 and Chapter 183 SLA 1955 which created and pertained to the Territorial Department of Lands and passed Chapter 184 SLA 1957 which created the new Alaska Department of Lands. Under the Alaska Department of Lands there is an Alaska Land Board composed of five elected and appointed officials. The chief purpose of the Board is policymaking; but is also has considerable administrative and supervisory duties, and is responsible for appointing the Land Director, who is the administrative head of the Department.

The new law is in more detail than the former law. Land appraisals are required and no lease or sale can be made for less than the appraised value and must have Board approval. All leases and sales above $250 value are awarded by public auction. The Territory reserves mineral rights. Mineral, oil, and gas leasing provisions are similar to Federal laws and regulations. The Board was designated the certifying agency for making selection of land under all grants or entitlement. Under Territorial law, Alaska is required to transfer tide flats lying in front of municipalities to the municipality and the owner of improvement on tidelands is given preference right of title. Congress has passed law conveying tidelands to the Territory.

All land records of the Territory are to be consolidated and maintained in the Alaska Department of Lands. The Department is responsible for administering the Land Registration Act of Chapter 134 SLA 1953 and Chapter 135 SLA 1955.

Selection of the 1,000,000-acre grant under the mental health bill was authorized by the 1957 Legislature and action toward this end is under consideration of the Board. The Department will be much enlarged and several staff positions will be filled shortly after the new Director takes office.

One of the coal mines operating under Federal lease has started...
mining on school-reserved land. The royalty receipts are transferred to the Alaska Permanent School Fund. Sale of gravel from school-reserved land doubled during the past year. Former leases for school-reserved land have expired and new leases are negotiated on much more favorable terms. All in all, receipts to the Permanent School Fund have increased substantially, but the total fund is not what is to be desired. Due to the slow progress being made in the rectangular survey program, our school-reserved lands total only 105,500 acres and further acreage increase is not expected under the present program. Legislation to correct this situation has been introduced in Congress.

The Bureau of Land Management is in charge of the Recreation Program authorized under Public Law 507, 84th Congress. Progress is being made; however, the Land Commissioner has been unable to cooperate to the extent desired. Better results in this program are expected.

The Land Commissioner served as Real Estate Commissioner under the 1955 Real Estate Licensing Law. That law was repealed by the 1957 Legislature and the Territorial Treasurer was designated as the Real Estate Commissioner under a new law. This will relieve the new Land Director of those responsibilities.

LEGISLATURE

Alaska's 23d Legislature convened in Juneau on January 28, 1957, for the 60-day regular session. The Legislature enacted 187 new laws from 378 bills introduced.

A summary of the more important legislation enacted follows:

**Taxes.**—Personal income tax was increased from 12½ percent to 14 percent of Federal returns; school tax went from $7.50 a person to $10; insurance premium taxes rose from 2 to 3 percent; wholesale excise tax on alcoholic beverages was upped, and auto and truck license plate fees were doubled.

**Budget.**—The Legislature appropriated $36,248,818.38 for the general fund and $580,227.95 from the Highway Fund for the Highway and Public Works Department and the Department of Territorial Police. Also approved by the Legislature was a budget of approximately $1.5 million for the 3-month period between March 31, 1957, and June 30, 1957, as Alaska switched to a fiscal year beginning July 1. Approved also was a $1,173,000 general obligation bond issue to finance construction of National Guard armories in 10 cities, the money to be used only if matched by Federal moneys.

**Employment security.**—The makeup of the five-man Employment
Security Commission was completely revised and the taxable wage base was raised to $4,200 a year. The employer's contribution was fixed at 2.7 percent of the base and employees contributions were restored at one-half of 1 percent retroactive to January 1, 1957.

Lands.—The Legislature passed a law creating a new Department of Public Lands to handle transfer of public land from the Federal Government to the Territory and to administer the lands.

Education.—The highest education budget in history was approved, amounting to $18,417,785.00, which included $1.5 million for teachers' salary increases.

Highways.—A new Department of Highways and Public Works was established to be responsible for highway and road construction and maintenance.

Industrial incentives.—The Legislature adopted a broad new tax-incentive plan to invite capital investment in the Territory providing for Territorial tax relief up to 10 years to industrial firms building in Alaska.

Wildlife.—A new Fish and Game Department and Commission was created to prepare for the day it will take over control of wildlife when the Federal Government makes the transfer.

In other action the Legislature abolished the death sentence; approved salary increases for various Territorial officials; provided for salary and per diem for the Alaska-Tennessee plan delegation; enacted an insurance code; outlawed fish traps, to become effective upon statehood; approved mental health commitment procedures; and established a Governor's Committee for Employment of the Physically Handicapped.

MINES

United States Bureau of Mines

The Alaska District of the Bureau of Mines was authorized and established in its present form by Administrative Order 698, effective January 2, 1955. The new Alaska District superseded Region I of the previous nine-region Bureau of Mines organization and, in general, assumed the responsibilities and functions formerly assigned to that region, as a part of the newly created Region I, headquartered at Albany, Oreg.

The district is composed of the Alaska Mining Experiment Station at Juneau where the office of the Assistant Regional Director for Alaska is located; as well as the offices of the Supervising Mining Engineer, Supervising Metallurgist, and Supervising Commodity-Industry Analyst; and the Anchorage Experiment Station where the
district's coal development activities are centered and a coal analysis laboratory is operated. Health and Safety activities in Alaska are administered under the authority of the office of the District Supervisor, District H, Denver, Colo., through a Subdistrict Supervisor stationed at Anchorage.

During fiscal year 1957, Bureau of Mines activities in Alaska continued to be directed toward obtaining, compiling, and disseminating information that will aid and encourage the development and operation of mineral industries in the Territory. Attention was also given to obtaining factual data on mineral deposits of strategic or possible future economic importance. The year's activities in the principal fields of investigation are summarized as follows:

Field investigations of mineral deposits throughout the Territory were continued at about the same scale as in fiscal year 1956. Seven mining engineers were engaged in this work. Preliminary or reconnaissance-type examinations were made where requested and special investigations were conducted on specific deposits or in specific areas selected for additional work on the basis of previous examinations. Many of these special investigations were continuation of projects started the previous year or earlier. Among the latter were: Continued trenching of tin-columbium-tantalum deposits near Tofty in the Hot Springs district, Yukon River region; diamond core drilling of an iron-sulfur-copper deposit at Ellamar, Prince William Sound district, Copper River region; mapping and sampling of mercury-antimony deposits in the Kuskokwim River Valley; and the examination and sampling of tin and other nonferrous metal deposits on the Seward Peninsula. New projects of a continuing nature that were undertaken during the year include: Spot sampling of Alaskan beach sands to determine their valuable mineral content and to indicate possible areas for more detailed sampling; and the investigation of magnetite and/or magnetite-copper deposits on Prince of Wales Island.

As a part of the continuing program for the development of Alaskan coals, diamond drilling was resumed in the Wishbone Hill area of the Matanuska coalfield. This work is designed to give information on the structure and coal reserves in the southwestern part of the Wishbone Hill area. A reconnaissance examination of parts of the Beluga coalfield (located about 50 miles westerly from Anchorage) indicated that exploratory work in this area may be justified.

The laboratory at Juneau performed 4,453 chemical analyses and 506 radiometric determinations on samples submitted from the field and those resulting from metallurgical tests. Such metallurgical tests were made principally on chromite ores from the Red Mountain district, iron-copper ores from Prince of Wales Island, mercury-antimony
ores from the Kuskokwim River Basin and on beach sand concentrates from several beach areas along the Gulf of Alaska. In addition to the above, 70 petrographic and 211 spectrographic analyses were made by the Bureau's Albany, Oreg., laboratory on samples submitted from Alaska. This included 64 samples which were sent in by Alaskan prospectors for mineral identification by petrographic methods; the same sample source was responsible for 33 of the radiometric determinations.

The coal analysis laboratory at Anchorage continued to process all samples submitted by the Army and Air Force bases in connection with the purchase of coal from various producers in the Healy River and Matanuska coalfields. The coal technologist in charge of the Bureau laboratory also took tipple and mine samples, gave advice on coal sampling procedure, trained samplers at the various military bases and performed such other technical services as were necessary to promote the procurement and utilization of Alaskan coal by the military and other governmental agencies. Operation of the laboratory speeded settlement for coal delivered and gave better control over the quality of deliveries.

The Division of Mineral Industries, Alaska District, collected, edited, tabulated, and transmitted to Washington, D. C., statistics pertaining to production and accidents in the mineral industry of the Territory. Manuscripts for the 1954 and 1955 Minerals Yearbook chapter entitled “The Mineral Industry of Alaska” were prepared. Preliminary and final annual statistical reports were released for public distribution during the year. The cooperative agreement for the collection of production statistics between the Territorial Department of Mines and the United States Bureau of Mines was extended for an additional year.

The Anchorage Subdistrict office is concerned with the health and safety of all persons engaged in coal and metal mining and in allied industries throughout the Territory. The office is under the supervision of a Subdistrict Supervisor who inspects coal mines under the provisions of the Federal Coal Mine Inspection Act (Public Law 82) and in accordance with the terms of a cooperative agreement with the Territory of Alaska.

Other Health and Safety activities of the Subdistrict Supervisor included the maintenance of a fully equipped mine rescue coach on the Alaska Railroad. The coach contains mine rescue, first aid, underground fire-fighting and other safety equipment which is maintained in a condition for immediate use. Coal miners in the Matanuska and Healy River coalfields were given periodic training in the use of mine rescue equipment and in rescue and fire-fighting procedures; in-
struction in first aid, accident prevention, and roof control was given to employees of coal and metal mines.

In addition to the regular inspections, special investigations were made of all injuries or fatalities that resulted from accidents occurring in or around coal mines. Recovery operations and investigation as to the cause of a coal mine explosion which took the lives of five men on January 17, 1957, were promptly accomplished with the aid of Bureau personnel and equipment; recommendations for the prevention of similar occurrences were made. The blasting practices in underground coal mines were investigated and a safer method of blasting was recommended. Demonstrations of the explosibility of coal dust and gasses, lectures, motion pictures and illustrations pertinent to the subject were presented at safety meetings conducted throughout the Territory.

A Bureau of Mines-Geological Survey field team based at Juneau continued to administer Alaskan contracts for the Defense Minerals Exploration Administration. Only three new applications for DMEA assistance were received during the year; one of the applicants was granted a contract to explore a deposit containing uranium minerals. Several old contracts were amended to provide for additional work and one contract was terminated to allow additional work on the same deposit under different ownership. Only 5 DMEA projects were active and 1 project was recessed at the end of fiscal year 1957 as compared to 6 active and 2 recessed projects at the end of fiscal year 1956.

The active projects provided for the exploration of deposits of uranium in Southeastern Alaska, and for deposits of copper, antimony, tungsten, and mercury in Interior Alaska; total value of projects in force at the end of June 1957 was about $630,000.

Because of the scarcity of new applications and the reduction in the number of active projects, the functions of the Alaskan DMEA Field Team were transferred to the Spokane office of that agency on July 1, 1957.

**Territorial Department of Mines**

The primary aim of the TDM is to do anything it can to help create new mining production in Alaska. Territorial laws related to mining are administered and assistance given to the industry by the Commissioner of Mines and his staff. The staff consists of 3 mining engineers, 3 assayers, 1 assayer-engineer, 1 coal mine inspector, 1 administrative assistant, 1 mineral analyst, and 1 clerk-stenographer. Assay and field offices are located at Ketchikan, Anchorage, College, and
Nome. Field examinations are performed and technical assistance is given to prospectors and miners upon request.

In 1956, a total of 4,028 assays and mineral identifications were made for prospectors and miners at the four TDM public assay offices located at Anchorage, College, Ketchikan, and Nome. This is a drop of 5.5 percent below the 1955 total and is about equal to the 1954 total. The chief reason for the drop from 1955 to 1956 was the decline of interest in uranium prospecting. Prospecting and exploration for base metals, particularly copper and iron, are increasing. In addition to the laboratory work, the assayers also disseminate information concerning mining and prospecting to interested visiting parties.

The Department continued the publication of its monthly TDM bulletin, which is recognized by the mining industry as an excellent source of information on Alaskan mining matters. Its primary aim is to disseminate information of a helpful nature to Alaskan prospectors and miners. Circulation has now reached nearly 1,200. Information circulars are also published on various subjects as the need arises.

Work is being continued on the TDM's Alaskan mineral deposit inventory and bibliography with good progress being made.

The Central Recording function set up by the 1953 Legislature is continuing, and the claim location and assessment work affidavits are coming in regularly from the various United States Commissioners who are the recorders for their respective recording precincts. At the end of 1956, there were a total of 9,069 documents in the files, 2,553 having been received during 1955, and 2,489 during 1956. These represent ownership and other information on an estimated 12,000 unpatented claims in Alaska, and is the only way in which records on unpatented mining claims can be efficiently filed.

Chapter 129 enacted by the 1955 Legislature put the Department into the prospectors' equipment rental business. Under provisions of this act, there were purchased for rental to prospectors 8 diamond core drills, 16 Geiger counters, and 16 Mineralights, which were divided equally among the 4 judicial divisions. This equipment has been rented out to many prospectors, helping their prospecting ventures greatly.

The TDM was given the task of examining and licensing explosives handlers in the construction industry by the 1955 Legislature. Chapter 130 requires that all men hired for the purpose of detonating explosives must be certified by the TDM as fit and competent, and that the TDM must determine their fitness by examination. At the end of 1956, examinations had been given to 190 applicants, of which 185 were successful and received certificates of fitness.

The Department of Mines, through its field staff, is responsible for
the enforcement of mining safety regulations at all times. The coal mine inspector is based at Anchorage and conducts monthly inspections of all coal mines, which are more hazardous than the other types. The mining engineers make routine safety examinations in the course of their regular field trips, and special examinations when unsafe conditions are reported to exist and when fatalities or serious accidents occur.

The Department of Mines is responsible for the Coal Miners Examining Board. The Commissioner of Mines and the Territorial coal mine inspector are chairman and member, respectively. Two other members are chosen from the industry by the industry; one from the operators and one from the coal miners' union. The purpose of the Board is to examine applicants who wish to obtain supervisory positions in the coal mines.

One fatality occurred in 1956. It was caused by a rock fall at the Red Devil mercury mine near Sleetmute on the Kaskakwim River. A total of 230 reported nonfatal accidents at all mining operations resulted in a loss of 1,926 man-shifts. There were a total of 1,991 men employed in the industry, full or parttime, and a total of approximately 393,390 shifts were worked. This includes prospectors.

Alaska's mineral production for 1956 is presently estimated at $23,408,000. The three chief items are coal, gold, and sand and gravel, the values of which were about equal, running in the vicinity of $7,000,000 each. Including prospecting ventures of all sizes, there was a total of 323 active operations in the Alaskan mineral industry of 1956. These were as follows with regard to the types of deposits concerned: 178 placer, 136 lode, and 10 coal. The total mineral production dropped more than 7.5 percent from 1955 to 1956. In addition to the above-mentioned minerals, Alaska also currently produces platinum, chrome, mercury, and silver. Uranium production has just started in 1957. The number of individual prospectors has decreased since 1955, but there were more companies in the field in 1956 with organized crews prospecting for base metal deposits. Expenditures of mining companies in Alaskan exploration activities amounted to nearly $1,000,000 in 1956, which was about twice that spent in 1955. Claims staked in 1956 numbered about 1,860 as compared to 1,807 staked the year previous.

Nineteen oil companies, ten of them “majors,” were active in Alaska in 1956. Five drill rigs were in operation and several seismic and geological crews were active in exploration work. Nearly $3,000,000 per year was being spent on these activities.
ALASKA NATIONAL GUARD

The Alaska National Guard is federally recognized as part of the National Guard of the United States and its members also constitute the Territorial Militia under the Alaska Military Code. The Governor is Commander in Chief of the Alaska National Guard and he is represented in military affairs by the Adjutant General who serves as commanding officer of both the Army and Air arms of the Guard as well as the head of the Military Department of the Territory from his headquarters at Juneau.

The Alaska National Guard is supported jointly by the Federal and Territorial Governments at an approximate 8 to 1 ratio. It is the responsibility of the Territory to secure the necessary personnel for membership of the Guard, provide suitable armories for training and for the shortage of Federal property, and to administer the National Guard in Alaska through the Office of the Adjutant General. The Department of Defense through the National Guard Bureau assumes the cost of arming, clothing, equipping and training the National Guard. Training consists of 48 paid drills at a minimum of 3 hours each, and 2 weeks of field training each year under the military supervision of the joint staffs of the Alaska National Guard and the Senior Army Adviser and the Air Force Senior Adviser.

The headquarters and headquarters detachment of the Army National Guard is at Juneau. Two Scout battalions composed mostly of Eskimos living on the Arctic and Bering Sea frontiers have their headquarters at Nome and Bethel. The Scouts have a continuing mission of scouting and patrolling in their home areas and the reporting of unusual incidents directly to the headquarters, United States Army, Alaska. In time of war they perform their scouting mission and harass the enemy. The 207th and 208th Infantry Battalions (Sep) have their headquarters at Anchorage in central Alaska and Juneau in southeast Alaska, respectively. They are trained in infantry combat operations and are intended to augment the Regular Army in the defense of Alaska.

The Alaska Air National Guard is composed of a headquarters and the 144th Air Transport Squadron (Light) located at Kulis Air National Guard Base near Anchorage. The squadron was undergoing transition from a Fighter-Interceptor Squadron to an Air Transport Squadron equipped with C-47 aircraft as the fiscal year ended. The redesignation was to become effective July 1, 1957.

The present authorized strength of the Alaska National Guard is 2,186 with an actual strength of 1,608, representing an aggregate loss of 160 since the last report. Although the proposed year and strength
has been set at 2,000, the elimination of nonparticipating members and
the new requirement that nonprior service enlistees take 6 months of
active duty training resulted in a personnel strength decrease.

The full-time personnel of the Alaska National Guard consists of
166 civilian employees, most of them Guardsmen, and 156 of whom
are paid from Federal funds.

During fiscal 1957, an act was passed authorizing the Territory to
issue bonds to the amount of $1,173,000, to match Federal moneys
which can be made available for the construction of armories at eight
locations. The Legislature was also prevailed upon to request the
Congress and the Department of the Army to provide several village
armories in the two Scout Battalion areas with 100 percent Federal
financing because of their special mission and service.

NATIONAL PARK SERVICE

Mount McKinley National Park.—An upsurge of prospecting oc-
curred in the park during the year. The main interest and activity
has centered around the extensive limestone deposits in the Windy
Creek and Foggy Pass areas located in the southeast corner of the
park. These are the large deposits which the United States Bureau
of Mines has located and published reports.

While almost the entire area of limestone deposits is contained in
the area encompassed by Public Land Order No. 697 of February 8,
1951, withdrawing approximately 120,000 acres both within and
adjacent to the park from all forms of mining entry, mining interest
in this area remains high. A move is currently underway to have
the above order revoked and thus open the deposits to entry and
development.

Considerable other prospecting activity for precious metals also
occurred during the year without significant results. The limestone
interest above posing the real threat to park values at this time.

A park wide AM radio system was installed by contract and day
labor, including fixed land stations, mobile, and portable units. Total
cost of this was $46,442 of which $28,367 was by contract.

The McKinley Park Hotel underwent further rehabilitation during
the year. This work consisted of complete exterior painting and con-
siderable interior painting, roof repairs, and numerous other repairs
and improvements. The work was done by contract at a net cost
of $53,400.

The Sanctuary River and Upper Igloo Creek bridges were completed
by contract during the year. A contract was awarded for the Stony
Creek Bridge and construction was well under way at the close of
the season. Major bridges remaining for construction on the park road include Rock Creek, Ghiglione Creek, and lower Igloo Creek.

The contract for the final 37-mile link of the Denali Highway between the Nenana and Susitna Rivers was awarded by the Bureau of Public Roads and work progressed until closed down by winter. This road, scheduled to be open to the public some time in July 1957, will give the park its first access road, connecting with the Richardson Highway at Paxson, Alaska.

Two parties attempted to scale North America's highest mountain without success. One, a Mexican expedition, failed primarily due to a faulty air drop which resulted in their losing a substantial part of their food supplies. The second, an attempt to prove the feasibility of Dr. Cook's claimed first ascent route, also failed without throwing new light on the 50-year-old controversy. There were no injuries to climbers.

A relaxing of policy on air support to the extent that one air drop of supplies would be allowed bona fide mountain climbers was instituted on a trial basis during the year. Formerly an expedition was required to have scientific sponsorship to qualify for air support.

National Park Concessions, Inc., again operated the McKinley Park Hotel under a managerial contract. Gross and net revenues were approximately 10 percent higher than the previous year, total gross income totaling $116,033.71. A small profit accrued for the June 1–September 15 operation.

Katmai National Monument.—An AM radio system was installed consisting of a 100-watt transmitting set and receiver, two portable sets, a 5-kilowatt diesel generator and generator building. Direct radio communication can now be maintained between Katmai and McKinley.

Plans were crystallized for locating Monument headquarters at King Salmon and negotiations are under way to secure two small tracts of land from the Fish and Wildlife Service and Civil Aeronautics Administration for this purpose. If successful these small parcels will comprise approximately 10 acres with frontage on the Naknek River for docking facilities.

The Brooks Lake Fish and Wildlife Station in the Monument is a primary research station for the Bristol Bay fishery. With most of the red salmon (Sockeye) spawning in the Monument, it is the source of a multi-million-dollar fishery. The 1956 season saw the largest sum of red salmon in the Monument since 1946. On August 12 the weir count of red salmon into Brooks Lake was 122,504.

Northern Consolidated Airlines, Inc., continued operation of fishing and sightseeing camps at Brooks River and Colville Lake.
Some improvement was accomplished at Brooks River Camp with the erection of a 20- by 24-foot combination office, store, and quarters for the camp manager. Construction was of a prefabricated, simulated log design.

**Glacier Bay National Monument.**—The road between Gustavus and Bartlett Cove is completed and open from April to November. The presence of a winter staff at the Cove will undoubtedly mean that the road will open during most of the balance of the year as well.

The completion of the pier and small-boat facilities in Bartlett Cove has proven an important reason for the increase in visitor use of the monument. Canadian Steamships included trips into the bay on their tourist itinerary for the first time in several years and the Alaska Steamship Co. freighters will make freight trips into Bartlett Cove during the coming year.

The construction program calls for completion of most of the park facilities during this fiscal year. The establishment of concessioner facilities is planned for the following year.

The visitation to the monument during the 1957 fiscal year proved to be larger than anticipated, making the inauguration of a concessions development in Glacier Bay an essential part of the program for 1958.

**Sitka National Monument.**—The attraction of this monument, containing one of Alaska's finest displays of totem poles, as well as the site of the Battle of 1804, continues to bring increasing numbers of visitors to Sitka. The development plans now include preliminary construction work on the visitor use center as well as an erosion control project for the Indian River during the 1959 fiscal year.

Plans are being formulated for an archeological survey to be made prior to the construction of the museum in order to determine the full extent of the area covered by the original Indian Settlement in 1804.

The development of this area must be tied in with the expansion of Sitka during the next few years in view of the expected increase in air tourist travel, as well as an increase in the general population.

**ALASKA NATIVE SERVICE**

The Alaska Native Service serves a total population of about 33,000 natives in Alaska, approximately 4,000 Aleuts, 16,000 Eskimos, and 15,000 Indians spread over an area estimated at one-fifth the size of the United States. About 650 persons are employed, scattered all over Alaska, from Wrangell in the southeastern part to Atka on the Aleutian Chain to Wales on the westernmost part of the continent, to Point Barrow and Barter Island in the Arctic Ocean, and as far east as Eagle near the Canadian boundary. There are stations on Nunivak,
Education.—The policy of the Alaska Native Service is based upon the point of view that natives, as citizens of the Territory, are entitled to the same educational services and advantages as other citizens of Alaska.

Due to the inadequate educational level of many natives and the inability of the Territory to carry the burden financially, and to meet the natives’ educational needs within the limitations of Territorial policy, it is the policy of the Service to operate schools either directly or through contract, on a boarding and day school basis until such time as these limitations have been removed.

The ultimate goal is educational competency of all native people, so that they may participate fully and equally in the national life with other citizens. To carry on this policy the Service is endeavoring to provide a local school program through the 8th grade. Present plans contemplate regional high schools, through grade 10, in Kotzebue, Barrow, Unalakleet, and Hooper Bay. Natives are moving to large village centers and this plan is also in agreement with the Territorial plan.

During the year the Service operated 80 day schools with a total enrollment of 3,659. Extensive hot lunch and health programs are carried on in the day schools. All schools completed a full term of 180 days, except where extenuating circumstances prevailed. More than 47 percent of the day schools achieved a record of 95 percent attendance. New school construction is in process at Kotzebue, Kwigillingok, Nightmute, and Kwiguk for an increase of eight classrooms. Twenty-two additional day schools were operated by the Territorial Department of Education on a contract basis under provisions of the Johnson-O’Malley Act. Three day schools were operated by local districts under the same provisions. Representatives of the Territorial Department of Education and the Alaska Native Service visited Fort Yukon in March for the purpose of planning for joint operation of the proposed new Territorial school there, to be operated on a contract basis for the school year 1957-58. The Alaska Native Service has contracted to pay 75 percent of the operational costs.

There were 739 students enrolled in the Mount Edgecumbe Boarding School. Mount Edgecumbe offers a fully accredited high-school course or a combination of high school and vocational training, whichever the student elects. One hundred and twenty-five students graduated from the school and 22 from the School of Practical Nursing. There were 125 enrolled in the Hospital Day School.

Pilot programs in adult education are being initiated in nine Alaskan
villages. This program will provide adult education in the field of literacy and vocational competency in communities where a demonstrated need exists. The program got under way in April and approximately 125 adults attended regularly.

Nineteen students were given financial assistance during the year by the Service, to attend schools of higher learning. Native students are eligible for scholarships to the University of Alaska under a law passed by the Territorial Legislature and 10 students were helped by these scholarships the past year. Ninety-four students were continuing their education beyond the high school.

Welfare.—A rather extensive welfare and social services program was carried on during the year. It is the policy of the Alaska Native Service to provide social services and assistance only to needy families and persons who are not eligible for public assistance through programs operated by State and county governments.

The number of families receiving general financial assistance averaged 720 each month, comprising 1,520 individuals. General assistance for the year totaled $569,000. Boarding-home care was provided for a monthly average of 307 children, totaling $203,000. Most of the child-welfare services were given because one or both parents were hospitalized for tuberculosis.

Relocation.—The program of Relocation Services was extended to natives of Alaska during the year. This program has been developed to facilitate settlement and the gainful employment of natives in localities away from their villages. In many Alaskan villages there is a large native population, but opportunities for self-support are inadequate. Land resources are insufficient either in quantity or quality and industrial development is negligible. To help alleviate this situation the Alaska Native Service assists in the voluntary relocation of natives who wish to leave their villages because of poor economic conditions or lack of employment.

During the early part of the year much time was spent in planning and organizing the program for Alaska. Early in February the first relocation office in the Territory was opened in Juneau. The Anchorage office was opened in April, followed by the Fairbanks office in June. Through the cooperative effort of those concerned, permanent jobs for natives were secured at Arctic DEW line installations. Prior to the close of the fiscal year details of employment were completed and 11 applications for this type of work taken, consisting of 5 single applicants and 6 family units. In all 29 people were in the process of relocating to jobs in the Arctic on June 30. In addition, suitable work was found elsewhere in Alaska for one family unit and 3 single
individuals, involving 8 people. Applications were processed for one family unit and one single person interested in relocating in the States.

Realty.—During the year continued emphasis was given to the program of encouraging natives to apply for titles to the land they occupy and use. Fifty-three applications were filed covering approximately 8,000 acres for homesteads and homesites. The villages of Afognak, Barrow, Circle, Gulkana, King Cove, Naknek, Northway, Nulato, Ouzinkie, Tanacross, and Teller filed petitions for the establishment and survey of townsites. Patents were issued by the Townsite Trustee for Fort Yukon, Sitka Indian Village, and Aniak, and most of the native claimants to lots have applied for and been issued deeds. Restricted deeds were issued to natives for 150 lots in Bethel, Fort Yukon, and Sitka. Unrestricted deeds were issued for 113 lots in Bethel, Fort Yukon, Kodiak, Kotzebue, Seldovia, Unalaska, Wrangell, and Sitka. Approximately 1,000 native land claims were investigated during the year. Most of these cases will eventually be settled either through the issuance of deeds by the Townsite Trustee or by granting individual land allotments and making entries for homesteads and homesites.

Economic Resources.—Fiscal year 1957 was another very poor year with respect to salmon fishing. Despite low production, small size of fish, and generally higher production costs, consolidations of operations and good market enabled one native-owned cannery to make a substantial profit. The joint operation of two others will result in a small net profit when all of the pack is sold. One native-owned cannery, operating alone, suffered a substantial loss on its operation. Individual fishermen generally did a little better than in the previous year. The smaller fish, which reduced the case packs of the canneries, increased the income of the fishermen since they were paid on a per fish basis.

Fifty-two native-owned stores received assistance in operations during the year. ANICA had another successful year of purchasing for the stores. Five native communities received loans for store enterprises. At the end of the year there were 53 corporate loans in effect with an outstanding balance of $4,278,151 owing to the United States. There were 205 individual loans in active status on which a balance of $1,056,366 was still due.

The organization of Alaska Native Arts and Crafts Cooperative Association, Inc., commonly called ANAC, was completed. It was incorporated under Territorial law with 18 charter members. Sales of the clearinghouse totaled $181,800 for the year, which compares very favorably with the high of $212,300 in 1945.
Reindeer butchered for sale totaled 1,945 head while 742 reindeer were slaughtered for general native use. Two hundred and seventy-four families received a portion of their income from reindeer, either as operators, herders, or laborers. The value of meat and skins used and sold was $122,000.

Construction—The major force account project of the year was the construction of the eight-classroom grade school at Kotzebue, ready for occupancy the coming school year. Construction on six other schools now in progress will be completed by January 1968 at Belkofski, Copper Center, Kwiguk, Kwigillingok, Nightmute, and Perryville. Plans are also being prepared for five schools, including teachers’ quarters to be constructed next year.

DEPARTMENT OF TERRITORIAL POLICE

General law enforcement and accident prevention activities were continued during the year. Law enforcement in Alaska presents many problems not generally encountered in other States and Territories because of the extensive area of the Territory, the inaccessibility of many communities, and the large transient and military population.

The Department maintains 16 separate Posts and Detachments, and has a total personnel strength of 47 commissioned police officers. The Territorial Police is an executive agency of the Territorial government, dependent wholly upon the budget appropriations of the Territorial Legislature for its operations.

Crime trends—During the past year there were significant increases in several major crime categories and reductions in others. The incidence of criminal homicide was approximately equal to the previous reporting period, but there were reductions in the number of rapes, robberies, and aggravated assaults reported. There were apparent increases in the number of larcenies and auto thefts, but the increase may be due to greater accuracy in reporting procedures, rather than to actual increases in the incidence of these offenses.

The number of arrests recorded for Part I Class Offenses was 30 percent higher than during the previous year, the greatest increases occurring in the categories of burglary, larceny, and auto theft.

Arrests for Part II Class Offenses during the year increased by 18 percent, the most significant increases occurring in traffic enforcement categories.

The total value of property reported stolen during the year was $130,441.73, representing an increase of 21 percent over the preceding reporting period. Of this amount, $31,710.31 was recovered. Of the total number of auto thefts which occurred during the year 87 percent of the vehicles were recovered within Alaska.
Traffic law enforcement.—During the year the Department expanded its "selective enforcement" program directed against accident-causing traffic violations. Enforcement effort was concentrated during the hours of highest accident frequency, at the locations indicating highest accident occurrence, and against the leading accident-causing violations. Selective enforcement and the extensive use made of radar speed-detection instruments and drunkometers for determining the extent of driver intoxication resulted in maintaining a lower fatality accident frequency than has been the experience of other areas of the United States and its possessions.

Although the total number of accidents reported increased by 17 percent there were fewer injuries occurring in motor vehicle traffic accidents and fewer traffic fatalities. The increase in the number of accidents reported is attributable to improved reporting and investigation techniques, and does not necessarily indicate an increase in the total number of accidents.

Driver licensing.—Currently, there are 65,000 licensed motor vehicle operators in the Territory of Alaska with permanent license folders. It is believed that a total of 85,000 permanent records will be established by the end of the year 1957. Copies of traffic citations, records of license suspension, and accident abstracts are filed in the license folder of each licensee. A continuous evaluation of driving records is maintained.

During the current year, a system of license reexaminations and warning letters was introduced. The warning letters are sent to each licensee who has received two or more traffic citations in his case record.

Highway weight control enforcement.—The protection of Alaska's growing highway system from overweight vehicles is administered by means of five permanent scale installations at Seward, Anchorage, Fairbanks, Valdez, and Haines. In addition to these permanent scale installations, two sets of portable scales are operated by the department and are capable of rapid movement on the highways from one area to another. During the year 15,009 trucks, with a gross tonnage of 358,219.40 tons, were weighed and inspected by the Territorial Police.

Weights and measures.—The Deputy Inspector of Weights and Measures is responsible for the inspection of all scales and other commercial measuring and weighing devices to determine their accuracy and conformity with Territorial Laws and Federal Regulations.

Fire marshal.—The fire loss throughout the Territory of Alaska during the past year approximated $5,000,000, of which only
$3,500,000 was covered by insurance. Twenty-five persons perished in these fires and many more were seriously injured.

Fire prevention is the principal task and function of the Territorial Fire Marshal. This task is accomplished through fire safety inspections, the promotion of special training in fire fighting and fire prevention techniques, and by public education. The fire marshal is also responsible for the investigation of arson offenses.

### Number and Disposition of Offenses Known to the Police

**PART I—CLASS OFFENSES**

<table>
<thead>
<tr>
<th>Classification of offense</th>
<th>Reported</th>
<th>Unfounded</th>
<th>Actual offenses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Criminal homicide:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Murder</td>
<td>11</td>
<td>11</td>
<td>11</td>
</tr>
<tr>
<td>Manslaughter</td>
<td>14</td>
<td>11</td>
<td>3</td>
</tr>
<tr>
<td>Rape</td>
<td>29</td>
<td>18</td>
<td>13</td>
</tr>
<tr>
<td>Robbery</td>
<td>31</td>
<td>3</td>
<td>28</td>
</tr>
<tr>
<td>Aggravated assault</td>
<td>50</td>
<td>3</td>
<td>47</td>
</tr>
<tr>
<td>Burglary—breaking and/or entering</td>
<td>189</td>
<td>4</td>
<td>183</td>
</tr>
<tr>
<td>Larceny/theft: $50 and over in value</td>
<td>348</td>
<td>16</td>
<td>330</td>
</tr>
<tr>
<td>Under $50 in value,</td>
<td>227</td>
<td>1</td>
<td>226</td>
</tr>
<tr>
<td>Auto theft</td>
<td>43</td>
<td>55</td>
<td>68</td>
</tr>
<tr>
<td>Total</td>
<td>1,351</td>
<td>109</td>
<td>1,248</td>
</tr>
</tbody>
</table>

**Analysis of Persons Charged by the Police July 1, 1956, to June 30, 1957**

**PART I—CLASS OFFENSES**

<table>
<thead>
<tr>
<th>Classification of offense</th>
<th>Arrested</th>
<th>Classification of offense</th>
<th>Arrested</th>
</tr>
</thead>
<tbody>
<tr>
<td>Criminal homicide:</td>
<td></td>
<td>Larceny—theft:</td>
<td></td>
</tr>
<tr>
<td>Murder</td>
<td>9</td>
<td>$50 and over in value</td>
<td>67</td>
</tr>
<tr>
<td>Manslaughter</td>
<td>1</td>
<td>Under $50 in value</td>
<td>73</td>
</tr>
<tr>
<td>Rape</td>
<td>14</td>
<td>Auto theft</td>
<td>49</td>
</tr>
<tr>
<td>Robbery</td>
<td>14</td>
<td>Total arrests</td>
<td>347</td>
</tr>
<tr>
<td>Aggravated assault</td>
<td>27</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Burglary—breaking and/or entering</td>
<td>71</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**PART II—CLASS OFFENSES**

<table>
<thead>
<tr>
<th>Classification of offense</th>
<th>Arrested</th>
<th>Classification of offense</th>
<th>Arrested</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other assaults</td>
<td>47</td>
<td>Disorderly conduct</td>
<td>682</td>
</tr>
<tr>
<td>Vagrancy and counterfeiting</td>
<td>12</td>
<td>Vagrancy</td>
<td>29</td>
</tr>
<tr>
<td>Embezzlement and fraud</td>
<td>10</td>
<td>Gambling</td>
<td>79</td>
</tr>
<tr>
<td>Stolen property—receiving, buying, possessing, etc</td>
<td>5</td>
<td>Driving while intoxicated</td>
<td>477</td>
</tr>
<tr>
<td>Weapons—carrying, possessing, etc</td>
<td>42</td>
<td>Violation of road and driving laws</td>
<td>1,915</td>
</tr>
<tr>
<td>Prostitution and commercialised vice</td>
<td>77</td>
<td>Parking violations</td>
<td>41</td>
</tr>
<tr>
<td>Sex offenses (other than No. 6 and rape)</td>
<td>13</td>
<td>Traffic and motor vehicle laws</td>
<td>990</td>
</tr>
<tr>
<td>Offense against the family and children</td>
<td>60</td>
<td>All other offenses (gambling, insanity, AWOL, etc.)</td>
<td>107</td>
</tr>
<tr>
<td>Narcotic drug laws</td>
<td>8</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Liquor laws</td>
<td>170</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Drunkenness</td>
<td>169</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total arrests</td>
<td></td>
<td></td>
<td>4,966</td>
</tr>
</tbody>
</table>
BOARD OF JUVENILE INSTITUTIONS

The Board of Juvenile Institutions was created by the 1955 Territorial Legislature as a fiscal and regulatory agency to give help to cities lacking resources for the detention of juvenile offenders. It was also charged with the function of determining the nature and extent of juvenile delinquency in the Territory.

The Board began a delinquency survey and offered the cities 50 percent reimbursement on detention costs for youngsters needing such restraint, as empowered by the 1955 act. Unfortunately only Nome and Anchorage came into the program. The others were unable to set up minimum facilities.

The second phase of the law provided $60,000 for rent, lease, purchase, or construction of juvenile detention homes. The Board attempted to find suitable property, without success, in Anchorage where a critical local need existed, and finally settled on construction of a juvenile detention home at Ketchikan, the first city to apply.

In the meantime, the running survey of juvenile delinquency as reported by Ketchikan, Juneau, Fairbanks, Anchorage, and Nome showed 650 cases contacted by the municipal and territorial police between June 1, 1956, and November 30, 1956, distributed as follows:

<table>
<thead>
<tr>
<th>Crime</th>
<th>Cases</th>
</tr>
</thead>
<tbody>
<tr>
<td>Auto theft</td>
<td>32</td>
</tr>
<tr>
<td>Burglary</td>
<td>22</td>
</tr>
<tr>
<td>Larceny</td>
<td>98</td>
</tr>
<tr>
<td>Acts of mischief</td>
<td>142</td>
</tr>
<tr>
<td>Runaways</td>
<td>57</td>
</tr>
<tr>
<td>Sex offense</td>
<td>16</td>
</tr>
<tr>
<td>Ungovernable</td>
<td>20</td>
</tr>
<tr>
<td>Rape (attempted)</td>
<td>1</td>
</tr>
<tr>
<td>Assault</td>
<td>32</td>
</tr>
<tr>
<td>Use of liquor</td>
<td>111</td>
</tr>
<tr>
<td>Curfew</td>
<td>123</td>
</tr>
<tr>
<td>Truancy</td>
<td>3</td>
</tr>
<tr>
<td>Disorderly conduct</td>
<td>6</td>
</tr>
<tr>
<td>Concealed weapon</td>
<td>4</td>
</tr>
<tr>
<td>Vagrancy</td>
<td>2</td>
</tr>
<tr>
<td>Gang fights</td>
<td>1</td>
</tr>
</tbody>
</table>

The Board of Juvenile Institutions lists the following accomplishments in the 16 months since a Director was employed and the Central Office activated:

1. One family-type detention home is nearing completion at Ketchikan.
2. One hundred thousand dollars was appropriated for a second home to be located at Anchorage. An application has already been submitted to the Alaska Public Works for matching fund support and planning has been initiated.
3. Nome, Fairbanks, and Anchorage are operating minimum standard juvenile detention wards with Territorial financial help.
4. A new juvenile code has been enacted enlarging the authority of Territorial courts and giving care and treatment responsibilities to the Board of Juvenile Institutions.
5. Field offices are being set up at Nome, Fairbanks, Anchorage, Juneau, and Ketchikan, each serving the surrounding area.

Expected benefits of the new program:
1. A net gain of at least four professional child-care workers in the Territory plus several fee agents rendering special services.
2. Increased detention resources.
3. A real attempt to curb long-term detention in jail detention wards.
4. A wider exploration of treatment possibilities in stateside institutions.

POST OFFICE

Alaska is in the Portland Region of the Post Office Department. In addition to Alaska, the Portland Region includes the States of Washington, Oregon, Idaho, and Montana. District Operations and Transportation Offices are maintained in the Territory, both of which have their headquarters at Anchorage.

At the close of the 1957 fiscal year, there were 227 post offices in Alaska. Of these, 6 were of the first class, 18 of the second class, 45 of the third class, and 158 of the fourth class. Approximately 600 employees were employed at the 227 post offices.

Revenues during the fiscal year totaled $2,759,800, showing an increase of 2½ percent over revenues for the preceding fiscal year. Expenses for all purposes, other than the transportation of mail, were $3,082,500, of which $2,873,000 was for salaries and wages.

ALASKA PUBLIC WORKS PROGRAM

In 1949, by Public Law 264, the 81st Congress authorized a $70 million program of public works in Alaska to foster economic and social development through provision of facilities for community life. This five-year act was later extended by Congress to June 30, 1959. Under this program the Federal Government upon application by a public body, such as the Territory, a city, a school or utility district, finances the entire cost of construction of approved projects and, upon their completion, transfers them to the public bodies for whom they are built at prices that will return to the Treasury of the United States not less than 50 percent of the total cost.

The program is administered by the Alaska Public Works, Office of Territories, Department of the Interior. The Alaska Public Works office is located in Juneau, with field offices at Anchorage, Fairbanks, and Ketchikan.

Since the inception of the program 335 applications have been received, totaling approximately $132,500,000. One hundred and thirty-
eight projects have been allotted, totaling approximately $58,500,000. Seventeen projects, which total $6,000,000, are scheduled for allotment in fiscal year 1968, and there are 53 applications, totaling approximately $66,000,000, which are now under study. Ninety-nine of the applications received, totaling approximately $32,000,000, have been suspended, withdrawn, disapproved, or combined.

This has been a popular program in Alaska and Alaskan citizens have been more than willing to authorize the necessary taxes to repay their share of its cost. While there remains to be appropriated only $11,324,000 of the originally authorized $70 million, there are pending at the present time applications for projects estimated to cost $40,860,000.

BUREAU OF RECLAMATION

Present and past activities of the Bureau in Alaska may be summarized as reconnaissance and feasibility studies of streams, lakes, and rivers of Alaska for hydroelectric development, investigation of the feasibility and desirability of irrigation in the Matanuska Valley, provision of funds for establishment of stream gaging programs, preparation of water resource reports and the construction, operation, and maintenance of the Eklutna Project, mile 34, on the Glenn Highway.

As of June 30, 1957, the Eklutna Project ended its second full fiscal year of operation. Gross generation for the year was 136,681,000 kilowatt-hours. Receipts from other systems were 552,950 kilowatt-hours, making a total of 137,233,540 kilowatt-hours available for project use and distribution.

Sales of project energy for the year totaled $1,382,994.56 for firm energy and $28,994 for nonfirm energy. The average rate received for firm energy sales was 10.79 mills and for nonfirm energy sales, 6 mills.

Contracts for sale of nonfirm energy were consummated with the city of Anchorage, Chugach Electric Association, Inc., Elmendorf Air Force Base, and Fort Richardson Army Base. An emergency interchange agreement with Elmendorf was also executed during the fiscal year.

THE ALASKA RAILROAD

Aim of the Alaska Railroad management during the fiscal year ended June 30, 1957, was to reduce operating expenses in line with a drastic curtailment of revenue, but at the same time to continue providing Central Alaska with a modern and efficient transportation service.

The accomplishments of the railroad are reflected in the financial position at the close of the fiscal year. Rail line operations resulted
in a net gain of $922,648.09. Total operations showed a net gain of $180,878.30.

Although owned by the Federal Government and operated by the United States Department of the Interior, the Alaska Railroad is a common carrier providing commercial transportation services. Its operations are integrated with those of the steamship lines, trucking firms, and airlines also serving Central Alaska.

The main line track extends 470 miles from Seward, on Resurrection Bay, north to Fairbanks in the Interior. Branch lines totaling 67 miles extend from Portage to Whittier (12.4 miles), for military traffic; Matanuska to Palmer and Jonesville (22.3 miles), farm and coal traffic; Fairbanks to Eielson Air Force Base (26.5 miles), military traffic; and Healy to Suntrana (4.4 miles), coal traffic.

Daily freight service is provided between Seward and Anchorage, and frequent service to other parts of the system. Daily passenger service is maintained between Anchorage and Whittier and in the summer months between Anchorage and Fairbanks. In the winter, the passenger service is cut to three times weekly between the latter two cities.

Losses in bulk oil revenue continued because of the diversion of traffic to the Haines-Fairbanks military pipeline. Despite this, continued physical improvements were made to increase operational efficiency and to develop new traffic. No congressional appropriations were requested nor are any anticipated for the immediate future.

The general managership of the railroad was changed in August 1956. The National Administration continued a policy of selecting qualified men from the ranks of railroad management in the United States to direct the Alaska Railroad.

During 1957, 65 new unit rail boxes, 25 equipped with temperature control devices, were added to the 9 purchased in fiscal year 1956. The railroad took delivery on fifty 70-foot flatcars for unit rail box and other commodity loading.

To improve its service to the Alaskan coal industry, the railroad placed an order with the General American Transportation Co. for the construction of 50 roller bearing hopper cars. These will replace outmoded equipment.

Outstanding among physical improvements was the completion of the first berth and transit shed of the Marine Terminal at Seward.

To improve railroad communications and assist the Alaska Communication System, an Army Signal Corps Agency, a contract was let to build a microwave system between Anchorage and Portage.
This 50-mile section is an area where snowslides frequently take out wire circuits.

Continued improvements started in previous years on rehabilitation of the roadway, track, and equipment is progressing satisfactorily. Track rehabilitation in the summer of 1957 was centered largely between Anchorage and Wasilla.

In summarizing the railroad’s financial position, it is noted the operating revenues for fiscal year 1957 were $15,294,909.73 compared with $17,905,044.12 for fiscal year 1956. Notwithstanding increased material and wage costs, total expenses were reduced by $783,756.25. Rail line expenses were reduced in excess of $980,000 over fiscal year 1956.

ROADS

Alaska Highway and Public Works Department

The “Alaska Highway and Public Works Act of 1957,” passed by the twenty-third session of the Alaska Territorial Legislature created the Alaska Highway and Public Works Department, and abolished the office of Territorial Highway Engineer.

The Alaska Highway and Public Works Department is composed of the Alaska Highway and Public Works Board, Alaska Highway Commissioner, Director of Highway Division and a Superintendent of Public Works Division.

The Board consists of five members, one from each judicial division, appointed by the Governor, and approved by the Legislature, with the Commissioner acting as member ex-officio. All planning, construction, maintenance, protection, and control of the Alaska Highway System and Public Works is the responsibility of the Board. Road priorities are determined at Board meetings, where requests are reviewed and investigated.

Elected October 1956, the Highway Engineer serves as Commissioner of the Department, Superintendent of Public Works, and Chairman of the Board. The Commissioner is responsible for all administration functions and the execution of the powers and duties as prescribed by law and delegated by the Board.

In compliance with the twofold purpose of the act, the following steps have been taken to establish the Alaska Highway and Public Works Department.

(1) A Highway Division has been organized under the supervision of a Director of Highways, with offices in Anchorage. The Director is coordinating the existing Territorial responsibilities of highway construction and maintenance, with a long-range program for roads.
This Division in cooperation with the United States Bureau of Public Roads has established the Alaska Highway System.

A plan and design engineering branch has been set up as part of this Divisional office for the anticipated expansion. The Commissioner and Director of Highways have held meetings with the road planning boards and committees of the municipalities to determine their needs so that they may be integrated into the Alaska Highway System.

(2) The Public Works Division directed by the Superintendent of Public Works, is under the supervision of a Chief Engineer, with its office located in Juneau. Planning, construction and repair to boat harbors, jetties, dikes, and breakwaters and other public works are performed by this Division for the public welfare.

As part of the Public Works Program, the first step was taken for the proposed ferry system linking southeastern Alaska communities. In June 1957, a new ferry M/V Chilkat began scheduled runs between Tee Harbor (Juneau), Skagway, and Port Chilkoot (Haines) making the Interior of Alaska, Canada, and the United States accessible by road.

Water Facility Projects completed the past construction season are located at Tenakee, Bell Island, Elfin Cover, Hoonah, and Hydaburg. Plans and specifications have been prepared for projects at Seldovia and Cordova, and bids have been called for.

(3) On May 11, 1957, the Alaska Highway and Public Works Department initiated a Right-of-Way Section, the principal function of which is the acquisition of rights-of-way on behalf of the Territory of Alaska. Titles of right-of-way for roads acquired in the past by the Alaska Road Commission are retained by the Federal Government.

The Federal-Aid Highway Act of 1956, provides for the sharing by the Territory of Alaska in funds authorized for expenditures for projects on Federal-Aid Primary and Secondary highway systems and extensions within urban areas, upon the same conditions and terms extended to several of the states.

(1) The Territory of Alaska must contribute funds of not less than ten percent of the Federal funds apportioned to it each fiscal year. The amount of $1,314,159.90 will be paid by the Territory for the timely prosecution of the 1958 highway program.

(2) A suitably organized highway department to take over all engineering, construction, and maintenance of the roads built with Federal-aid funds must be developed by the Territory.

(3) Investigations and studies must be made, and uniform Territorial and local laws and regulations determined to promote safety measures for all highway travel.
Alaska has been participating in the Federal-Aid Highway Act since February 1957.

Farm and nonsystem roads, as requested from all parts of the Territory, are investigated by the Alaska Highway and Public Works Board so that priorities may be determined.

The Water and Harbor Facilities Fund is derived from a net tax of 2 cents a gallon on fuel used by watercraft. Expenditures from this fund are used for the construction, reconstruction, and repair of boat harbors, jetties, dikes, floats, and breakwaters.

The Alaska Highway Commissioner administers the net tax of 5 cents per gallon on fuel used by vehicles and a net 2 cents a gallon on fuel used by stationary and nonhighway engines under the Highway fund.

Seventy-five percent of the receipts collected by the Forest Service for stumpage in the Tongass and Chugach National Forests reverts to the Territory for roads.

BUREAU OF PUBLIC ROADS

Under terms of the Federal-Aid Act of 1956, the Alaska Road Commission was made a part of the Bureau, and Alaska for the first time became eligible for Federal aid. The Bureau of Public Roads Alaska organization and the Alaska Road Commission were merged to form Region 10 with headquarters at Juneau, the Territorial capital. District offices are maintained at Anchorage, Valdez, Fairbanks, Nome, and Juneau. Federal-aid highway systems, designated in accordance with provisions of Section 107 of the Federal-Aid Act of 1956, totaling 5,152 miles, were established. Of the 1,959-mile primary system connecting the Territory's principal interior cities and military bases with one another, with the ice-free, all-weather ports of Haines, Valdez, and Seward, and with the continental United States via the Alaska Highway through Canada, 95 percent is paved.

The 3,193 mile secondary system, except for heavily traveled paved sections in the vicinity of population centers, is gravel surfaced. Approximately one-half of the secondary system is connected to the primary network; the balance connects isolated communities with rail, water, or air transportation facilities. The entire primary system, except for ferry connections, and approximately 1,000 miles of the secondary system, is maintained open the year around.

The fiscal year program totaled approximately $30,000,000, of which $17,800,000 represented Interior Department carryover projects; $1,400,000 Territory-funded farm and industrial road construction; $5,000,000 maintenance; $1,200,000 reimbursable work
performed for other Federal and Territorial agencies, and $4,600,000 Federal-aid projects.

At the end of the fiscal year 115 Federal-aid projects totaling $16,200,000 were programmed, and $5,000,000 of Interior projects remained active. Under terms of the Federal-Aid Highway Act, the Territory received $1,932,588 for fiscal 1957, $13,200,000 for 1958 and will receive $13,500,000 for 1959.

SOCIAL WELFARE

Department of Public Welfare

Administrative.—The Alaska Department of Public Welfare, created by a Legislative Act of 1937, is charged with the duties and responsibilities of administration of all the public welfare activities in the Territory, except the General Relief program of the Bureau of Indian Affairs and the Pioneers' Home.

The Board of Public Welfare consists of four members, one from each Judicial Division, appointed by the Governor with the approval of a majority of all members of the Legislature in joint session. The Board appoints the Director. The Central Office is located in Juneau.

The Territory is divided into six welfare districts with district offices located in Ketchikan, Juneau, Anchorage, Fairbanks, Seward and Nome.

Old-age assistance.—The average number receiving grants each month was 1,609 compared with 1,670 during the previous years. The average grant per month per recipient was $50.50. Territorial funds expended during the year totaled $488,727.50 and Federal funds $661,562.50, for a total of $1,130,290. A more liberal Federal matching formula was put into effect October 1956, which resulted in the Federal Government paying a larger portion of the grants.

Insufficient appropriation for the biennium made it necessary to have in effect a 10 percent reduction in all grants from July 1, 1956, to April 1, 1957.

Aid to the blind.—The Aid to the Blind program experienced a slight increase in both the number of persons receiving assistance and the average payment per month. The average number of persons receiving Aid to the Blind payments each month during the year was 73 compared with 73 during the previous year with an average monthly payment of $70.46. Territorial funds expended for this period totaled $31,533 with Federal funds amounting to $33,672 for a total expenditure of $65,525.

Aid to dependent children.—The Aid to Dependent Children program, for the first time since it was established in 1946, showed an indi-
cation that the caseload was leveling off. The caseload ranged from 1,376 families in July 1956, to a high of 1,426 families in March of 1957, with 1,366 families receiving assistance in June 1957. This fluctuation in caseload resulted in an average caseload of 1,361 families per month for the year. The principal reason for loss of parental support continued to be tuberculosis which accounted for 57.25 percent of all children added to the caseload during the year.

The average payment per family amounted to $94.08 with an average grant per person of $27.14. Territorial funds expended amounted to $512,968.50 with the Federal Government participating to the extent of $1,024,022.50 with a total expenditure of $1,536,991.

General relief.—The average number of cases receiving monthly General Relief (subsistence) was 179 cases representing 319 persons, with an average payment of $32.97 per person for a total expenditure of $129,962.40. The average number of cases certified for medical assistance, hospitalization and nursing home care per month was 90 persons with an average cost per person of $261.17 for a total of $282,059.91 funds expended during the year. The total amount, $406,022.31, expended for the General Relief program for this period was all from Territorial funds.

Child welfare services.—The Child Welfare program provides certain services and assistance for children whose needs or problems may not be met by own families or through other resources of the Department or other agencies.

Juvenile Code.—The intent of the Juvenile Code is to offer to children in the Territory protection and guidance similar to that given children by responsible parents. The authority by which children come under the provisions of the code is vested in the Justice Courts (United States Commissioners), and the law provides that consideration be given to the child, the parent, and society.

Children's receiving homes.—The Department has continued to establish homes for the temporary care of children pending more permanent plans. Receiving homes have been established in Ketchikan, Juneau, Anchorage, and Nome. These homes offer 24-hour care for dependent and neglected children, and have made it possible to keep these children from being housed in jails or from being placed unwisely. These homes are not designed to give protective custody to delinquent children.

Children's institutions and foster homes.—Licensing standards for foster boarding homes were developed in 1956. All such homes caring for children who are in the custody of the Department of Public Welfare will have current licenses by July 31, 1957. Each license will be based on a home study.
Statistics

Children receiving child welfare services: 823
Number of these children under Juvenile Code: 623
Number of children for whom payment was made under Juvenile Code: 454

Expenditures July 1, 1956, to June 30, 1957:

<table>
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<th>Description</th>
<th>Amount</th>
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<tr>
<td>Juvenile Code</td>
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<tr>
<td>Average per child</td>
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<tr>
<td>Receiving homes</td>
<td>$14,707.65</td>
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</tbody>
</table>

Department of Health, Education, and Welfare—Social Security Administration

A district office maintained in Juneau handles matters pertaining to old-age and survivors insurance for all of Alaska. A representative is also stationed at Anchorage, a contact station is maintained in Fairbanks, and representatives from the Juneau office frequently travel to other areas. The functions of the District Office and its representatives include:

1. Assisting individuals in filing claims for old-age, survivors, and disability insurance benefits based on the wage records of individuals insured under the social security program.
2. Assisting social security beneficiaries in sending in necessary reports and understanding benefit payments.
3. Issuing social security account numbers.
4. Investigating social security accounts for individuals to see that proper credits have been given.
5. Giving general information and distributing pamphlets regarding benefits provided.
6. Speaking to groups or organizations who desire information on old-age, survivors, and disability provisions of the Social Security Act.

The Alaska Pioneers Home

In the Alaska Pioneers Home at Sitka, the Territory has provided a fine sanctuary for its elderly citizens. Quarters for both single men and women are now available. Also there are rooms for married couples. This has become possible following the completion of the beautifully furnished new wing in October 1956.

It is interesting to note that there have been three marriages among the guests of the Home since the opening of the new wing.

On August 1, 1957, there were 18 women and 176 men in residence—a total of 194. Full capacity of the Home is now 250 beds. During the calendar year ending December 31, 1956, 42 men and 6 women were admitted. In the same period there were 36 deaths, all among
the men. The average age of those living at the Home is about 80 years.

Admissions to the Pioneers Home are classified into two groups. Group one is composed of those who are over 65 years of age, who have lived at least 5 years in the Territory just prior to admission, and who are without means of support. Applications in this group are given preference. After being admitted those in this group may, on application, receive $5 per month spending money from the Territory. Group two includes those who are over 65, who have lived 10 years in the Territory immediately prior to making application, and who have ability to pay part or all of subsistence costs. Territorial law provides that one in this group may keep $15 per month out of his income for personal spending and pay the balance toward the cost of subsistence. Full hospital rates are $6.50 per day or $195 per month. Rates for guests not requiring hospital care are $5 per day or $150 per month. In July 1957, 11 guests paid the full rates and 91 made partial payments. During the biennium April 1, 1955–March 31, 1957, subsistence payments sent to the Treasurer of Alaska totaled $114,082.58.

SMALL BUSINESS ADMINISTRATION

The Small Business Administration, created by Congress in 1953, is the first peacetime Government Agency ever established for the sole purpose of helping all small business. The main programs of the Small Business Administration cover the broad fields in which Congress and the President believed the executive of a small firm needs assistance. A fair share of Government contracts, assistance in developing a broader knowledge of good business management, and assistance in obtaining long-term credit, is a simplification of these main programs.

Up to the end of the last fiscal year 66 Alaskan loan applications have been processed. Forty-eight percent of these, or 32 loans in the amount of $1,625,000 have been approved for a well-diversified group of businesses.

In order to provide more localized service, both to the banks and their business customers, the SBA established a Branch Office at Anchorage in September 1956. The office is located at 424 Fifth Avenue and is under a Manager, assisted by an experienced Loan Examiner. This office is prepared to furnish management and technical counsel to Alaskan firms and to assist them to participate in Government contracts as well as to render financial assistance.

The SBA also writes a report for Fish and Wildlife in connection with Fisheries Loan applications where the amount is in excess of $5,000 and suggests approval or disapproval, and the terms and con-
ditions under which the loan is to be made, if approved. SBA also handles the disbursement and collection of all such loans for the Bureau of Fish and Wildlife, Department of the Interior. To date, seven fisheries loans have been processed by the Anchorage Office; five of which were approved for a total of $57,800.

VETERANS

Veterans’ Affairs Commission

History.—The Veterans’ Affairs Commission was established during the Special Session of the Territorial Legislature in 1946 by the World War II Veterans’ Act. This act created a five-member Alaska World War II Veterans’ Board whose duties are to carry out the purposes and provisions of the Act and thereby partially discharge the obligations of the Territory of Alaska to its citizens who served in the Armed Forces during World War II.

Loans.—During the past fiscal year a total of 258 loans were made, totaling $1,319,320. The loans added to previous balances indicate a grand total of outstanding loans as $4,846,410.13.

In addition to direct loans, the Veterans’ Affairs Commission has guaranteed 90 percent payment to banks making loans to eligible veterans. As of June 30, 1957, there were 34 of these loans, amounting to $296,880.28.

During the year only 11 bonus payments were made amounting to $2,790. During this same period 31 veterans repaid bonuses in the amount of $10,900 so they would become eligible for loans. No bonus has been authorized for Korean veterans.

Operation.—The operation of the fund was generally satisfactory. Gross income which consists of mainly 4 percent interest on loans amounted to $193,025.42. Total expenses amounted to $139,056.56, giving a net income for the year of $53,968.86. It is to be noted that the expenses included $26,000 paid to the General Fund for interest on our loans and $23,833.41 which was transferred to Provisions for Uncollectible Accounts.

The 1957 Legislature extended the period of the $1,200,000 loan made from the General Fund in 1949 so that repayment would not begin until 1962. The other $1,000,000 loan made in 1953 is scheduled for repayment beginning in July 1960. This Legislature also required payment of 2 percent interest on the $1,200,000 loan which will increase interest cost paid to the General Fund by $24,000 per annum.

Reserve for uncollectibles at the end of the year amounted to $296,637.81, which is 6.12 percent of the outstanding loans.
Veterans' Administration

During the fiscal year 1957, there were an increased number of veterans applying for benefits while World War II applications are decreasing somewhat with the exception of the Loan Guaranty Program. In this program, the applications made by World War II veterans exceeds those of Korean veterans. The applications for pensions by World War I veterans has again increased. During the past year there were 6,420 benefit applications and 21,500 personal contacts with veterans and their dependents in the Territory. During the fiscal year 1957, there was a monthly average of 1,784 veterans in receipt of monetary benefits in the amount of $104,605 per month or an average of $58.65 per veteran throughout the year.

Claims folders in the Juneau Regional Office amounted to 12,406, an increase of approximately 180 over the previous fiscal year.

There were 32,719 pieces of outgoing mail and 476 new claims numbers were assigned.

There were 381 travel authorizations issued for medical treatment and vocational rehabilitation purposes or a total cost of $24,021.

In the Vocational Rehabilitation Program there was an average per month of 230 in training in all categories. As of this date, there are four War Orphans cleared for training under Public Law 634 to begin training in September 1957.

During the period there were 904 disability claims rated and this does not include dependents claims or claims by Spanish-American War veterans. Both types of claims being under the jurisdiction of other offices for this area.

During the fiscal year 1957, there were 887 direct loans outstanding and the amount of $8,074,115 had been allotted to veterans in the Territory for direct loan purposes, supplementing the program administered by the Territorial Veterans' Affairs Commission. At this time the direct loan program is due to terminate June 30, 1958.

Hospitalization for veterans in Alaska is available in almost any community as practically all civilian hospitals and doctors, as well as the Air Force Hospitals at Elmendorf and Ladd Air Force Bases are under contract with the Veterans' Administration. Those veterans requiring specialized treatment unavailable in Alaska, are evacuated by air to VA facilities in the United States. During fiscal year 1957, the VA administered 14,833 hospital-days throughout the Territory. There were 1,424 veterans treated or examined by local doctors on an outpatient basis. A total of 1,054 veterans were hospitalized in the Territory of Alaska with 129 being sent to the continental United States for specialized treatment, most of whom had been previously admitted to hospitals in the Territory.
WEATHER BUREAU

Announcement of plans for United States Weather Bureau participation in the International Geophysical Year focused attention on the world's weather. In Alaska, Weather Bureau participation in IGY includes special cloud and auroral observations, high altitude rawinsonde observations and meteorological observations at two stations on floating ice in the Polar Basin. One of these stations is on Ice Island T-3, frequently referred to as "Fletchers Ice Island," while the other has been established on the icepack midway between Barrow, Alaska, and the North Pole. The stations were established and are being supported logistically by the United States Air Force, and by the close of the fiscal year the IGY Program was underway.

There were no major changes in the Weather Bureau public service program in Alaska during the fiscal year 1957 although at the year's end there were indications that some curtailment would be required in fiscal year 1958 due to limitations of operating funds. During the year, operation of the surface and upper air station at Barter Island, Alaska, was transferred from the Air Force to the Weather Bureau. In February 1957 Scandinavian Airlines System began scheduled over-the-pole air passenger service between northern Europe and Japan with a refueling stop at Anchorage. To provide adequate briefing service for these flights and to improve service to other international carriers, (Northwest Orient Airlines and Canadian Pacific Airlines), the Weather Bureau installed facsimile receivers in the Forecast Center at Anchorage International Airport. This equipment receives facsimile transmissions of analyzed surface and upper air northern hemisphere charts and prognostic charts from the National Weather Analysis Center, Suitland, Md., greatly extending the availability of material at Anchorage for preparation of forecasts.

Under International Civil Aviation Organization Agreement the Weather Bureau Airport Station at Anchorage International Airport continued to serve as the Main Meteorological Office for International air carrier routes, as well as the District and Airway Forecast Center issuing basic aviation, general weather, seasonal fire weather and marine forecasts for Alaska and adjacent waters. Flight advisory, pilot consultation and local forecast services were provided by qualified meteorologists at local Weather Bureau offices at Annette, Fairbanks, Juneau, and Nome to supplement those issued by the District and Airway Forecast Center at Anchorage. Direct radio broadcasts for benefit of the general public were made throughout the year at Anchorage, Cordova, Fairbanks, Juneau, Ketchikan, and Nome with additional outlets at Seward and Sitka through radio station network connections. Weather telecasts were made by TV
stations at Anchorage, Fairbanks, Juneau, and Ketchikan based on data furnished by the Weather Bureau.

At the close of the fiscal year, 16 Weather Bureau Airport Stations were being operated at Anchorage, Annette, Barrow, Barter Island, Bethel, Cold Bay, Cordova, Fairbanks, Juneau, King Salmon, Kotzebue, McGrath, Nome, Northway, St. Paul Island, and Yakutat, where a basic program of hourly weather, 6-hourly synoptic, and 6-hourly winds aloft observations was maintained. In addition, the Regional Administrative Office and a Climatological office were operated in Anchorage. Total full-time employees numbered 150.

Hourly aviation weather observations were available from 25 locations where stations were operated on a part-time basis and from 15 cooperative supplementary weather reporting stations. The Weather Bureau also supervised 24-hour observational programs at 22 CAA Communications Stations and a limited observational program at 11 Coast Guard Lighthouse Stations. Climatological observations were collected from 60 other stations in the Territory where voluntary observers furnished daily temperature readings and precipitation measurements without compensation. Of these cooperative substations, 36 are private individuals and 24 represent such Agencies as the Bureau of Public Roads, Fish and Wildlife Service, Bureau of Reclamation, Post Engineers, United States Coast and Geodetic Survey, etc. Climatological data were also furnished by the Air Weather Service from 13 Air Force Stations and by the United States Navy from 3 Naval weather observing stations.

Rawinsonde observations were made at all the Weather Bureau Airport Stations except Cordova, Juneau, and Northway. New rawin balloon inflation buildings were completed at Bethel, McGrath, and St. Paul Island during the year.

End-of-runway observational equipment, consisting of a rotating beam ceilometer system and transmissometer was being installed at Fairbanks International Airport at the close of the year. The new type ceilometer provides continuous measurement of cloud heights at the approach end of the instrument runway, while the transmissometer measures visibility by electronic means along the runway adjacent to the touchdown point. This type of equipment has been in use for more than a year at Anchorage International Airport. The ceilometer system at Juneau was completed during the year. Solar radiation measurements were made at Annette, Barrow, Bethel, Fairbanks, and the Matanuska Valley Experimental Station. In cooperation with the Corps of Engineers, soil temperature readings were made at Annik, Barrow, Bethel, Big Delta, Fort Yukon, Gulkana,
Kotzebue, McGrath, Northway, Point Lay, Summit, Tanana, Unalakleet, and Wainwright.

Government living quarters for housing Weather Bureau employees were maintained at Annette, Barrow, Bethel, Cold Bay, Cordova, King Salmon, Kotzebue, McGrath, Nome, Northway, St. Paul Island, and Yakutat. Funds were allocated for construction of 10 new family apartment units; 6 at King Salmon, 2 at Kotzebue, and 2 at Barrow. Construction of the new housing is under way and while this will greatly alleviate housing shortages at the three sites, additional housing is urgently needed at other points. New housing will be required at Yakutat within the next 2 or 3 years to replace present temporary housing acquired by conversion of temporary military buildings in 1948.