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EVIDENCE IN RATE HEARING

DURING THE THIRD Commission case in six years dealing with Alaskan steamship rates, much evidence was submitted by various agencies of and for the Territory of Alaska. Of these the Alaska Development Board, the O.P.A., the several major cities, and chambers of commerce submitted the majority of the testimony against increased rates, fares and charges for transportation to and from Alaskan ports and within the Territory.

In 1940, the steamship companies were granted increases in freight rates, giving them a net increase of approximately 15 per cent.

In December 1941, an additional surcharge of 45 per cent was allowed for the three major steamship companies serving Alaska.

Although the rate of the surcharge has been reduced to 16 per cent for all areas of Alaska, the rate is still much too high for the Territorial pocketbook.

David E. Scoll, Attorney for the Alaska Development Board, and Ralph J. Rivers, Attorney General of the Territory of Alaska, filed a brief before the U. S. Maritime Commission. It contained the following summary:

Summary of Testimony

The war and its ending have aggravated all that was wrong with the rates, service and equipment in the Alaskan trade before the war, and have created new problems that cannot be solved by an increase in rates. This is the gist of the testimony offered in Seattle and Washington by the carriers, the War shipping Administration, and the Office of Price Administration, and the Territory's Alaska Development Board. In the 1218 pages of testimony and voluminous exhibits introduced by the parties, increased operating costs and labor troubles were analyzed and discussed at very great length. Though opinions as to the evaluation of these increased costs differ, the record shows that all parties are unanimous upon the point that the Alaskan trade cannot stand another general rate increase.

The issue which faces the U. S. Maritime Commission in this proceeding, therefore, is one which cannot be resolved by a finding of fair value and the fixing of an allowable rate of return against which revenue and expense may be measured. No fair value testimony was introduced by any of the parties. Revenue and expense data were presented by the War Shipping Administration for the Federal government's operation during the calendar year of 1945. The carriers offered their projections of revenue and expenses, based upon their 1939 operations, to which they applied various percentage increases. With such a record, there is nothing upon which the Commission may base a rate order.

The consensus of the parties is that special legislation is required to provide Alaska with adequate water transportation at reasonable rates and charges, in order to secure a permanent solution to this problem. However, before any such program for a permanent solution of Alaskan shipping needs can be really effective, a more careful analysis of the rates applicable to various commodities and classes of traffic must be made than was made at this proceeding. Otherwise, government assistance will merely perpetuate the inequalities and inequities of the existing tariff structure. Similarly, more information is needed on possible economies of operation, and in the matter of suitable designs for and cost of new tonnage.

THE DAM HAS BURST!



WHY NOT LIKE CANADA?

THE CANADIAN government at Ottawa has announced a reduction in personal income taxes, effective January 1, which will free 25 per cent of the present taxpayers from payment of these imposts and cut rates for the majority from 10 to 15 per cent. This news has given fresh hope to American taxpayers, now paying fantastic sums to Washington in the form of income levies.

"What can Ottawa do that Washington can't do?" they ask.

Under the Canadian order, exemptions for single taxpayers are raised to \$750, compared to \$500 in the United States, and married persons without dependents will have exemptions of \$1500. Here is one of the most pressing subjects for congressional action when the members return from their summer vacation. To continue present income tax rates beyond January 1 in the United States is unthinkable.

The bureaucrats who plaintively recommend continuance of present confiscatory federal tax rates in the United States must be rocked back on their heels by direct congressional assault if taxes are ever to be reduced. Only when the money is no longer forthcoming will the federal payroll be reduced and other urgently needed economies be effected. Give a bureaucrat the money and his enthusiasm for expanding his activities knows no bounds.

It is not overlooked by American taxpayers that Canada reduced income taxes an average of 15 per cent on January 1, 1946, compared to the 9 per cent reduction reluctantly agreed to by Truman when a movement was under way in Congress to reduce rates 20 per cent in the United States.

The time for beginning worthwhile tax reductions is here. If Congress postpones this vitally necessary action until the bureaucrats admit they have more money than they can use, taxes will never be reduced.

(The Anchorage Times)



By GEORGE S. BENSON
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DECISIONS

MEN AND NATIONS gain or lose by the quality of decisions they make. Founders of this remarkable republic made a wise

decision long ago, in favor of personal self reliance and individual achievement. America is great today because so many smart people were left free to do as much as they could, as

well as they knew how and gain as much of a reward for themselves they were able.

NOT ALL Americans are models of progress and success but they all have benefitted more or less from the achievements of those who did have the immortal spark. You can pick successful men before they try, but more men of outstanding talent are sure to come to light where everyone is allowed to do his best. A large number of thinkers at work always adds up to more for every body.

Not Luck At All

PEOPLE may orate about America's greatness being from her vast natural resources. The resources exist all right but the redskins had them before Columbus came and didn't know the use of a wheel. Some people boast of this nation's blue-blood heritage. It was good. Our forebears, in large part, came from Europe. That was probably the smartest thing most of them ever did.

AMERICA's economic system is what made America great. It is a system of liberty giving every man the right to pick what he wants and go after it hammer-and-tongs, get it if he can and enjoy it to the extent of his capacity, so long as it does not trespass on the rights of somebody else. It is a sprightly and dynamic economy, quickly adjustable to changing times and conditions.

What Developed?

LIMITLESS opportunity and keen competition have borne a rich harvest. Our farmers live better than the peerage of some foreign lands. Our laborers have more than workers anywhere have ever had at any time. America has seven percent of the world's population and 80 percent of the world's automobiles. We send more children to high school and college than the rest of the world combined.

DURING the last two years of World War II, from a startled start in December 1941, America made more war materials than all her allies and her foes put together. An American carpenter can buy more with his pay for a