

EMPLOYMENT
OF
ARIZONA
INDIANS

AND
WHAT THE
STATE,
U. S. GOVERNMENT,
PRIVATE INDUSTRY
AND
RESERVATIONS
ARE DOING

1962

ARIZONA COMMISSION OF INDIAN AFFAIRS
1623 West Adams - Phoenix

ADVISORY REPLY FORM

NUMBER: THREE

DATE: _____

SUBJECT: EMPLOYMENT REPORT

QUESTIONS:

1 - Do you find the report helpful?

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Agency, Business, Tribe

Address

Paul Jones

PAUL JONES
Chairman

NOTE: Your cooperation in returning this form will be a BIG help and greatly appreciated.

Charles F. Gritzner

Charles F. Gritzner
Executive Secretary

CFG/dd
8262

Arizona Commission on Indian Affairs

FOREWORD

At this time the Tribal Leaders Advisory Committee to the Commission indicated that employment was the most important problem to be discussed at this, our second joint meeting with the Inter-Tribal Council of Arizona.

To give the best possible coverage to the subject so we could find what is being done to expand industry and business and to create additional jobs, we called on agency representatives of both state and federal governments, reservations and private industry.

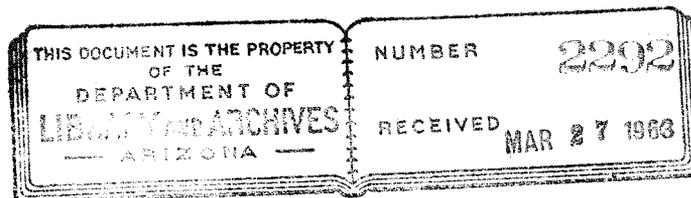
This report of the Commission section of the joint meeting is our effort to give those interested factual reference material that may be helpful in solving some of their employment problems.

Sincerely,



Paul Jones
Chairman

7-11-62



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SECRETARY EVELYN COOPER

ARIZONA COMMISSION OF INDIAN AFFAIRS
1611½ West Adams
Phoenix 7, Arizona
Phone - 271-4288

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Mr. John Herbert - First National Bank

Mr. M. H. Lininger - Arizona Bank

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Mr. Henry Shipley - Salt River Project

A G E N D A

THE ARIZONA COMMISSION OF INDIAN AFFAIRS

Friday, March 2, 1962 Meeting Phoenix College Club Room

Afternoon Session - Theme: E M P L O Y M E N T

WHAT IS BEING DONE TO CREATE INDUSTRY AND BUSINESS - JOBS?

Opening Remarks - Chairman, Paul Jones

WHAT THE FEDERAL GOVERNMENT IS DOING:

Mr. O. E. Whelan, Industrial Development Specialist, B.I.A.-A.R.A.
Mr. Victor J. Swaziek, Vocational Guidance Officer, B.I.A.
Mr. Louis E. Lougee, Manager, Railroad Retirement Board

WHAT THE STATE IS DOING:

Mr. Boyd H. Gibbons, Jr., Economic Assistant to the Governor
Mr. James Rork, Administrator, State Employment Service

WHAT ARE THE RESERVATIONS DOING:

Mr. Vernon Smith, Chairman - Salt River Reservation
Mr. Pete Homer, Chairman - Colorado River Reservation
Mr. Paul Jones, Chairman - Navajo Reservation
Mr. Lester Oliver, Chairman - Fort Apache Reservation

WHAT PRIVATE INDUSTRY IS DOING:

Mr. A. V. K. Babcock, Area Development, Arizona Public Service
Mr. M. H. Lininger, Business Development, Arizona Bank

QUESTION AND ANSWER PERIOD

ADJOURNMENT.

EMPLOYMENT

The afternoon session of the March 2nd joint meeting of the Arizona Commission of Indian Affairs and the Inter-Tribal Council of Arizona was opened by our Chairman, Mr. Paul Jones.

Chairman Jones:

The tribal leaders of this state as Advisory Committee members to the Commission have selected employment as the subject of importance to be discussed at this joint meeting of the Commission and the Inter-Tribal Council.

Today we have federal, state, tribal and private industry representatives to tell us what is being done to help create industry and business which will enable the Indian people to have more employment and better job opportunities.

To enable us to adequately cover the subject, each of our panelists will talk twenty minutes.

A question and answer period will follow.

We will begin with the panel that will tell us what the federal government is doing. Our first speaker will be the Chief of the Industrial Development Branch, Phoenix Area Office, Bureau of Indian Affairs, Mr. O. E. Whelan.

Mr. Whelan:

THE QUESTION

What the Federal Government is doing to promote jobs for Indian people.

I will talk briefly of two of many Federal activities which aid Indian employment and economic development.

First - the Industrial Development Program of the Bureau of Indian Affairs, and

Secondly - the Area Redevelopment Act - PL 87-27.

I am sure that we all realize these programs ALONE aren't intended to be a panacea for all economic ills. They are intended only to supplement - NOT supplant the work that must be accomplished through individual and local initiative. Economic Development is a creative process which requires local interest and support.

In 1958, after a brief experimental period, the Bureau of Indian Affairs established its Branch of Industrial Development. The purpose of this Branch is to encourage and assist Indian industrial development efforts; to provide planning assistance to tribal groups; to find industrial prospects for Indian areas, and to act as liaison between several parties concerned with Indian economic development, tribal organizations, management of industry, and other Federal, State, and local agencies.

Specialists are attached to each Area Director's staff to provide local planning assistance and to work with tribal groups in developing industrial prospects. Specialists attached to the Commissioner's staff work through the Washington Office; the Los Angeles and Chicago Field Office to solicit suitable industrial prospects and to provide other overall coordination and assistance for Indian economic development.

This activity has produced approximately 420 direct jobs for Indian people during the past 5 years, and with the opening of the Harry Winston Diamond plant in Chandler in May, and the Son-Nel Products plant in Noxapater, Mississippi, this spring, an additional 340 more jobs will be created, for a total of 760 direct jobs developed for Indians in reservation areas throughout the nation.

Much more could be said about this program and the results of the joint Bureau-Tribal efforts with respect to promoting economic development in the vicinity of reservations. Before leaving the subject, I want to point out, it takes a lot of planning, local initiative and money to successfully promote industrial development. What the tribes lack in money and planning assistance, the Bureau can make up. For example, there is money in the Bureau's revolving credit fund that can be made available to tribes who want to erect a factory building to rent to a suitable industrial prospect. Planning and research assistance is available from our expanding staff and outside consultants can be hired when necessary.

The Area Redevelopment Act provides another tool to aid Indian economic development. This Law (PL 87-27) was approved May 1, 1961. The Area Redevelopment Act provides the means by which the Federal Government, in cooperation with State, local governments, and private enterprise, can help in taking effective steps to plan and finance their economic redevelopment. It brings together all the facilities of the various Federal Departments such as the Departments of Labor, Commerce, Interior, Agriculture, Health, Education and Welfare, and others, to assist the redevelopment area in planning, research and other phases of preparing for economic development. The basic process by which the Act will operate places great responsibility on local initiative. After a local community is designated as a redevelopment area, local leaders must develop an overall economic development plan for the area which must be submitted to the Area Redevelopment Administration. When this Overall Program (OEDP) is approved by the (ARA) Administrator, the local community is eligible for financial assistance. Eight Indian Reservations and three counties have been designated redevelopment.

areas in Arizona. The counties of Apache, Navajo and Mohave, and the following reservations have been designated: Colorado River, Fort Apache, Gila River, Hopi, Navajo, Papago, San Carlos and Salt River. An OEDP has been approved by the ARA for the Colorado River area. The Salt River OEDP has been approved by the State Agency and is in the hands of the Area Redevelopment Administration. The Fort Apache OEDP was received by the Arizona Development Board yesterday for approval, and the OEDP's for the other designated reservation redevelopment areas are in the process of formulation.

The most commonly known form of ARA assistance is the ability to loan money to help in the establishment of new industrial or commercial enterprises, or for the expansion of existing facilities to create new employment opportunities. For this, two million dollars in federal funds has been authorized for a period of 4 years -- but it should be emphasized that ARA goes into projects like this on a contributing basis, depending on local and private initiative to shoulder a portion of the burden. In other words, ARA funds augment local, private and public investment that the redevelopment efforts of the community generate. ARA steps into the picture only after the locality has reached the limit of its ability to raise funds for the task to broaden the economic base and putting people back to work. Other types of assistance available through ARA includes loans and grants for public facilities, technical assistance, occupational training and retraining subsistence payments.

This briefly describes two of many Federal activities which can aid Indian employment and economic development.

Mr. Victor J. Swaziek - Vocational Guidance Officer, B. I. A.

WHAT THE FEDERAL GOVERNMENT IS DOING:

Ladies and gentlemen: members of the Commission:

The Branch of Relocation Services of the Bureau of Indian Affairs is concerned with the following programs which lead to employment of Indians: relocation for employment; adult vocational training; and our newest, which we actually haven't used in this area but hope to in the near future, which is training under the Area Redevelopment Act.

As far as relocation for employment is concerned, this program has been in operation since 1952, and approximately 4,200 persons have relocated to various field relocation offices throughout the United States. At present time we have eight field relocation offices in operation, and they are located in Los Angeles, San Jose, San Francisco, Oakland, Denver, Dallas, Chicago, and Cleveland. This is a voluntary program which helps the Indian people in the following manner: We can provide transportation to the field office, subsistence en route, help the people get housing, and help them with subsistence until they receive their first pay check from their first job. We can also help with their medical care through Blue Cross and Blue Shield.

Since this program was developed in 1952, according to our annual returnee studies, about two-thirds of the Indian people remain at field offices.

The next program I would like to talk about is institutional training, and this has been in operation now since April 1958. Approximately 450 units have received training from this area. Of the 450 units about one-half received their training in Phoenix and Tucson, and the other half received their training at field relocation offices. Under this program we can help the Indians in the following manner: We can pay their transportation to the place of training and give them subsistence en route, and we pay their tuition and furnish funds for related costs. We can help them with personal appearance and houseware funds, and we can give one additional month's subsistence after graduation to help in placement. Of the 225 units who received their training here in the Phoenix area, about 105 units have graduated, and these people are presently employed with the Bureau of Indian Affairs, U. S. Public Health, tribal government and tribal enterprises, state and city government, and local businesses, and some have relocated to field relocation offices for employment.

As far as the courses are concerned, field relocation offices have almost an unlimited number. Here in the area, we have a limited number--there are barber training, beauty operator training, practical nurse training, general clerical, bookkeeping, stenography, radio and television technician work, and welding, and we have a 2-year registered nurse course here at Phoenix College and I am sorry to say that we haven't had anyone interested in that course.

The Federal government has been spending \$3½ million per year on the P. L. 959 program, but just recently the ceiling has been raised to \$7½ million. For Fiscal Year 1963 we have asked for \$5 million, and we hope by getting these additional funds we won't have any applications of Indian people waiting on registers for a long time. We hope that we can get them into training quickly.

One of the newer programs we are entering into in the Phoenix area is on-the-job training, and we hope to have a contract with the Harry Winston Company very soon. Mr. Abraham Bogdanov, Vice President of that company, says they are going to hire 500 Indian people, and the target start date is May 1. The firm is primarily a diamond cutting-polishing company. Some of the types of jobs the Indian people are going to be trained for are how to cut a diamond, sawyers, girdlers, and six different types of polishers.

We also hope that in the very near future we will have a contract with Trans-Arizona Resource Company, which has an office at Casa Grande. They are operating the Lake Shore Mine, which is approximately 30 miles south of Casa Grande. This will not be a large contract, but they hope to train about 12 men. Training will be for such jobs as dumpster truck driver, semi-automatic air track operator, and ball-mill operator.

Under the newest program, Area Redevelopment Act training, we hope that very soon we will be able to train 15 all-around farm machinery operators at Parker, Arizona. There are a few minor administrative and technical difficulties holding this up, I understand, and if you have any technical questions you would like to ask about this, I would like you to direct them to Mr. John Curtain. He said that he would be glad to answer any questions you might have about it.

From time to time we hope that we will have more on-the-job training contracts which will provide more training opportunities for Indian people, and of course the main purpose of training is for employment, and by having these training programs we hope that more and more Indian people will be able to get good-paying jobs.

Thank you.

Mr. Louis E. Lougee, Manager, Railroad Retirement Board

Mr. Chairman, friends, guests of the Arizona Commission of Indian Affairs. You know everytime I get called on to address a group, the night before I write a big long speech, then I tear it up before I start and talk off the cuff. I don't consider myself a very good public speaker but I have a few things I would like to say as far as the Railroad Retirement Board is concerned.

First, many of you may not know what the Railroad Retirement Board is and what their functions are. It is a federal agency administering programs for railroad workers. 1. Retirement and survivor benefits, similar to social security; 2. Operate an employment service for unemployed railroad workers; 3. Pay unemployment insurance benefits to unemployed railroad people; and 4. Pay sickness benefits when they are unable to work because of sickness, or injury. These are the principal functions of the R.R.B.

Now, under the Railroad Unemployment Insurance Act, this employment service is primarily to furnish labor for the railroad industry. The railroads use a great many Indians from Northern Arizona, Northern New Mexico, Utah and Colorado, in their maintenance way of work. The Santa Fe is one of the, I think, largest carrier using Indian labor in their maintenance of track work. The Union Pacific is also very active in this endeavor, as well as The Denver Rio Grande Western, and the small Apache railway. During the last few years though, there has been a definite decline in the number of people needed to work in these track jobs due to automation and the necessity for doing a better job with a lesser number of people. However, in 1961 there were 404 Arizona Indians placed in railroad labor; not necessarily in Arizona but residents of Arizona. We placed a total of a little over a 1,000 Indians which included New Mexico, lower Utah and Colorado. In money this represents, including salaries and unemployment insurance benefits, about 3/4 million dollars to the Indians of Northern Arizona. To all of the Indians in the areas that I described, this amounted to about 2 1/2 million dollars.

The stability of the Indian worker through an educational program has vastly improved. In 1950 we were hiring Indians for these track jobs, but in three or four weeks they would be back home; they had had enough. Now the average time that the Indian will stay on the job is four or five months, and in many instances they have stayed two or three years and worked long enough to earn a paid vacation which takes a considerable amount of time worked in order to qualify for such payments.

The Santa Fe, particularly, I can't speak too freely about the others, have taken a definite interest in moving the Indian into a more skilled occupation and training them for this work, rather than in the unskilled type of work of the track laborer. This has been increasing year by year but it has not reached the proportion that we hope it will at some time in the future.

That was 1961 - now in looking forward to 1962, our estimates are that it will be at least as good, if not better, than it was in 1961. The first two months of the year compared very favorably with the same months in 1961, and in fact, the Union Pacific, because of some special projects, had boosted their use of Indian labor considerably.

I would like to go back just one step, and explain that under the railroad retirement system, these individuals that work on the railroad are acquiring credits toward their retirement. After an individual has put in at least 120 months of railroad work, he is going to get an annuity, or pension as a lot of them refer to it. We refer to them as annuities because the workers pay partly for them. These people are going to have an income for the rest of their life. It is protecting them also in case they become totally and permanently disabled, and unable to work at all, and may qualify for an annuity at that time. I am digressing a little bit from employment, but I believe in the stability and the need for taking care of these people is a very important factor.

This afternoon Mr. Parker, who is the Assistant Employment Supervisor, if I have his title correct, is with me. I asked him to come with me because I thought possibly there would be some questions that he might be able to answer, that I could not because we have to operate on the basis of what the company wants. If the railroad wants the men, we are going to get them for them, but we have no way of developing the jobs with the railroad unless they actually need the people to do the job. Mr. Parker will, if time permits, be very happy, I am sure, to answer any questions along that particular line. We believe that this program of trying to move the Indian into the more skilled occupations will pay off. We feel they can develop, through educational processes, the skills to do these jobs which actually are of a higher pay and are more of a stable nature than the track work which is controlled a great deal by the weather in the northern part of the state. The railroads can't do all that they want to do because of this factor.

That is about all that I have to say as far as furnishing the information that I would like you to know. Thank you very much.

Chairman Jones:

At this time I would like to recognize Hubbel Parker, the former supervisor of the Santa Fe Railroad System from Albuquerque. Mr. Parker has worked with our Indians in getting them jobs on the railroad. It is a known fact that Mr. Parker carries out the things Mr. Lougee has been talking about. We are very happy and pleased with the service rendered to our Indians by the railroads, particularly, the Santa Fe.

At this time, to explain what the state is doing, we have with us two panelists, Mr. James A. Rork and Mr. Boyd Gibbons.

Mr. James A. Rork, Administrator-Director, Arizona State Employment Service

Let me say, in starting, that it is indeed a pleasure to have been invited to serve on a panel -- especially one with such distinguished members -- and I appreciate the invitation of this Commission to participate in their deliberations.

I feel sure that there is very little I can contribute to a group as well informed as you, that has not been said before. However, if you will bear with me, I would like to relate, with pardonable pride, the highlights of the Arizona agency's expanded services to Arizona Reservation Indians.

The Indian population on the 19 reservations in Arizona totals approximately 84,000 and represents about 1/4 of all reservation Indians in the United States.

Employment services have been provided Arizona Indians since the earliest days of the Employment Service operation in the State. However, it was not until July 25, 1950 that an agreement was executed between the Bureau of Indian Affairs and the Bureau of Employment Security, to transfer placement responsibility to the Arizona State Employment Service for all types of employment services, exclusive of railroad employment. This agreement was followed by a Memorandum of Agreement signed between the Bureau of Indian Affairs and the United States Department of Labor on July 1, 1955. The new agreement emphasized the primary objectives of permanent voluntary relocation and the provisions of full employment service to reservation Indians -- including counseling, the administration of aptitude and proficiency tests to prospective Indian workers, and full consideration of the qualifications of Indian applicants in the filling of job orders.

The Arizona State Employment Service maintains four branch offices on the Navajo reservation -- at Ganado, Chinle, Kayenta, and Tuba City; one branch office on the Hopi reservation at Oraibi; one branch office on the Fort Apache reservation at White River; and one branch office on the San Carlos reservation at San Carlos.

The Navajo and Hopi reservations are served by 13 itinerant locations on the reservations, in addition to the services rendered at the branch offices.

Itinerant service is rendered to the Papago reservation from the Tucson local offices at 13 separate locations on the reservation.

During periods of peak agricultural activity, daily placement service is provided to the Gila River reservation at Sacaton.

All reservation branch offices are staffed with Indian Interviewer-interpretters recruited in accordance with the rules and regulations of the Arizona State Merit System.

One of the purposes of placing offices on the reservations was to overcome much of the travel performed daily from the Flagstaff and Winslow local offices to the reservations and the lack of housing accommodations on the reservations when the interviewers were required to remain overnight.

Placement, counseling, and testing services are provided high school seniors entering the labor market from the Phoenix Indian School and the high schools on the Navajo Indian reservation.

Lack of proper communication facilities between the local offices at Flagstaff and Winslow and the branch offices located on the reservations has, for many years, been one of our greatest problems in providing services to Indians living on the Navajo-Hopi reservation as well as on the Fort Apache reservation.

To maintain efficient Employment Service operations in these areas, including the recruitment of seasonal agricultural workers and firefighters, funds were approved in mid-1955 for installation of a ground radio communications system.

Transceivers are mounted on State-owned vehicles operated on the reservation, with a stationary transmitter and receiver with antenna at Flagstaff and a transceiver located in the Winslow local office.

By the use of this equipment, it is possible to contact interviewers in the branch offices on the reservations, in vehicles when traveling during the recruitment of workers, and when at home after closing hours. In addition, all of the vehicles provided the interviewers are equipped with a public address system. This is very valuable not only in the recruitment of firefighters but also in the recruitment of other workers.

The acquisition of the radio communications system for the Winslow and Flagstaff offices increases the effectiveness and economy of operations relating to Employment Service activities on the reservations. The great value of this radio communications network has

been shown during the forest fire season when crews of firefighters are recruited and dispatched within minutes of the order having been received at Winslow and Flagstaff. Without radio communications, it is doubtful whether such effective operations could have been conducted.

The Arizona State Employment Service is heavily indebted to Arizona and out-of-state employers, to Indian tribal leaders, the Bureau of Indian Affairs, the Arizona Commission of Indian Affairs, and all other cooperating and supporting groups who have participated over the years in breaking down discriminatory barriers and nonperformance requirements in the placement of Indian citizens in suitable employment for which they are qualified.

During calendar year 1961, the Arizona State Employment Service placed a total of 15,275 Indians in nonfarm employment, of which over 4,000 such placements were firefighters. This is a gain of 29 percent over the 11,830 such placements made during 1960.

Also during calendar year 1961, there were 18,158 Indians placed in agricultural work, of which 2,025 were placements made in other states. This is an increase of 43 percent over the 12,687 such placements made in 1960.

Most of the nonagricultural placements were made in Government (5,288), followed closely by Private Household (4,698). By major occupational group, Service led with 7,746 placements. Over 1,000 placements were made in the professional, clerical, and skilled occupations, in such jobs as nursing, engineering, drafting, secretarial, machinists, electrical workers, printers, carpenters, and welders.

During 1961, almost 700 counseling interviews were given to Indians having special problems in locating employment. The average number of active applications on file during the year was almost 2,000. New applications were taken on all Indians who visited the local Employment Service Offices for the first time in recent months. In this way the Interviewer can properly select and refer to an employer an Indian worker or group of workers who meet the employer's specific requirements.

Due to lack of educational and industrial background, most applicants require special effort in order to develop job opportunities. There is great need for more industry, education, and training programs. Job opportunities are greatly limited by the shortage of these facilities.

In making this presentation, because of the limited time available, it has been necessary to limit my remarks to highlights of the program. As questions are posed from the floor, perhaps we can go into greater detail.

Thank you.

INDIAN PLACEMENTS -- ARIZONA
Calendar Year 1961

<u>By Major Occupational Group</u>	<u>1961</u>
Professional and Managerial	179
Clerical and Sales	136
Service	7,746
Skilled	760
Semiskilled	1,136
Unskilled	<u>5,318</u>
TOTAL	15,275

<u>By Industry</u>	<u>1961</u>	<u>1960</u>
Mining	163	205
Contract Construction	807	789
Manufacturing	604	713
Other Public Utilities	86	89
Trade	1,388	1,260
Service exc. Private Household	2,125	1,076
Private Household	4,698	3,929
Government	5,288	3,672
All Other (finance, insurance, & real estate; interstate railroad; etc.)	<u>116</u>	<u>97</u>
TOTAL	15,275	11,830

<u>Agricultural Placements</u>	<u>1961</u>	<u>1960</u>
January	346	524
February	568	1,126
March	333	366
April	351	698
May	1,735	1,086
June	2,226	1,076
July	2,242	799
August	1,017	708
September	1,791	1,231
October	2,643	793
November	1,736	1,193
December	1,145	841
Out-of-State Placements (Clearance Acceptances)	<u>2,025</u>	<u>2,246</u>
TOTAL	18,158	12,687

<u>Firefighters</u>	<u>1961</u>	<u>1960</u>	<u>1959</u>	<u>1958</u>	<u>1957</u>
	4,046	3,162	3,527	1,618	330

LOCAL OFFICE INDIAN ACTIVITIES BY TRIBE
Calendar Year 1961

Tribe	Nonag. Place-ments	Nonag. AHOA <u>1/</u>	Agricul-tural Plac.	Agricul-tural AHOA <u>2/</u>	New Appli-cations	Average Active File	Coun-seling	Testing
Navajo	3,877	777	2,297 <u>3/</u>	2,234	2,182	1,130	285	365
Apache	2,472	137	111	--	569	299	196	114
Papago	704	3	13,409	35	425	168	49	61
Hopi	3,466	2,250	65	--	281	128	32	56
Pima	2,394	--	564	--	315	76	20	210
Maricopa	1,566	--	403	--	225	54	14	150
Unidentified*	796	--	1,309	--	503	140	100	138
TOTAL All Tribes	15,275	3,167	18,158	2,269	4,500	1,995	696	1,094

(Estimated)

* Tribal affiliation not available.

1/ All Nonagricultural Acceptances within Arizona.

2/ Includes Applicant-holding Acceptances by other Arizona offices as well as by adjacent states. These represent job opportunities in areas other than the home area of the applicant.

3/ Includes 2,025 Navajos placed in other states through clearance.

Mr. Boyd Gibbons, Jr., Assistant to the Governor for Industrial Development

The Governor has pledged himself to not only support the activities of the Arizona Development Board directly from his office, but to assist them by augmenting the activities of the Board with salesmen for Arizona. In late February of 1960, we created an organization known as the Governor's Committee for Industrial Arizona, and this committee is made up of a great number of industrialists, both retired and semi-retired and active, who are selling Arizona as a wonderful place to live; because of its many tax advantages; and for its good business climate. I would like to read the names of the people on this committee to give you an idea not only of the caliber of the men, but the diversification of the economic areas that they could represent. The co-chairmen are Roland D. Feltman, former chairman of the board of the Feltman-Curne Shoe Company of Chicago, who lives in Scottsdale; and D. Edwin "Ted" Gamble, retired and living in Tucson and the former chairman of the board of Borg and Beck, and a director of Borg-Warner Corporation; Tom Freeman, a director of Wilson and Company, living in Tucson; Edward J. Demson, a lawyer and a publisher and now Acting Director of Special Services at ASU; Fred Michaels, a former director of Sears & Roebuck; Maurice Sunderland, a former manager of sales for U. S. Steel; Ernest R. Breech, a former chairman of the board of Ford Motor Company, and now chairman of the board of TWA. People like Sam Campbell, the former chairman of the board of Kable News Company, he lives part-time in Tucson and Illinois; Thorne Donnelley, former publisher and head of Rueben H. Donnelley Corporation; Roy Drachman, an officer of Del Webb Corporation operating out of Tucson; H. V. Emblen, the former president of Builder Control Services from the west coast; Roy Johnson, the present chairman of the board of Controls Company of America; Wayne King, the famous national musician, and head of an organization called Allied Enterprises; Gray Madison; very well known Arizonian, an automobile dealer and a golfer; Dr. Daniel Noble, Executive Vice-President of Motorola, etc.

There are 44 of these men, all "special assistants to the Governor" and all working in behalf of Arizona from an industrial development standpoint. The main objective of using these people was to be able to open doors to important industries that we might not be able to do through normal channels. For example, we get a rumor that a certain industry is planning on moving to the west coast with a new operation. We have a dossier on each one of the 44 "special assistants" telling us their affiliations and close connections within industry. By sending out a confidential letter on the inquiry, we usually find one of the 44 who knows the president or the top management person of that company. We have used this to a very effective degree on several occasions already. Frequently, we hear of a company that is considering a move to somewhere in the west, but they have not yet seen fit to select Arizona because it is a little far away from the west coast volume market; so, we call upon one of these men whom we have found knows one of the key people and take him to this company to sit down and see if we can't do a direct selling job. Another organization that is very effective is the Governor's Manufacturers Advisory Committee. This is made up of the Chairman, Bill Green, whom I think most of you people know as Assistant General Manager of Goodyear Aircraft Corporation.

He has a very able group with him; Keith Orr, the purchasing agent for Goodyear; Motorola's purchasing agent, Paul Stancik; and the purchasing agent at AiResearch, Herb Bjornberg. This committee has just completed a survey of the total amount of purchases made out of state, by Arizona manufacturers, and while this is an exceedingly confidential report and it is only to be used on a confidential basis, the people that are involved in active prospecting, such as some of those I have mentioned, would have access to this list. It is hoped that some of these suppliers may see fit to open a plant in Arizona, if our volume and the west coast volume justifies it. We made this analysis last November, it took several months to put it together and it was just presented the middle of last month to not only the Governor's Committee for Industrial Arizona, but also to what we call ACDAC-Arizona Community Development Advisory Committee. Mr. Babcock here is a member of that group. ACDAC members are specialists from railroads and the utilities operating statewide and specializing specifically in industrial development. Arizona Public Service is typical and such other organizations as the Arizona Water Company, Mountain States Telephone Company, etc. This is another group of Arizona salesmen and another method of prospecting and of trying to attract industry. Now the other organizations that are working for the state are numerous and probably too many to mention in the brief allotted time, but they are private engineering firms engaged in market surveys for clients and surveys for raw material sources.

The two universities, including even the college at Flagstaff have very effective individuals and departments that are working on industrial development in many ways. I think that the combination of the efforts of these various groups cooperating with the Arizona Development Board, and the two Governor's Committees will resolve in a most effective long-range program for industrial development. There is no more competitive field than industrial development prospecting and there are really no experts in this field, in my humble opinion. Industrial Development is a word that describes a good many combinations of circumstances. Trying to attract industry might be trying to attract tourist business. This is an industry surely for those that are engaged in it. As a result, you should not select any one particular activity or program as being the most effective. Many programs have been tried by various states. One is where a team led by the Governor visits various states where there are large industries. The appeal is for a branch plant for the state involved in the prospecting. A reception for the industry leaders is held and the team then gives out literature. Others have seen fit to put on a big advertising campaign, in newspapers and such magazines as Wall Street Journal, etc. Others have seen fit to pass legislation offering new industry free taxes for a certain period of time or they have special low cost financing plan, etc. All of these various things combined and conglomerated perhaps can be partially effective. In our case we have gone at it more from the rifle shot approach rather than the shotgun approach. We have one deal that we have been working on for about two years now, and it hasn't been buttoned-up yet. If it does materialize and it looks very good, it will be thru the efforts of a good many of the people who I have mentioned. It has been done very quietly,

without fanfare, and confidentially, usually at the request of the people involved. In the case I just mentioned the company will be moving a plant from another state into this state. The new diamond processing company, The Harry Winston Minerals Co., Inc., that just went into Chandler; is a case history of obtaining a new plant by the Governor's Committee for Industrial Arizona cooperating with the Bureau of Indian Affairs specialist, Mr. O. E. Whelan. We worked on this prospect almost a year before closing the deal. A major part of our effort was with the community in order to arrange the financing for building the plant because the company wanted a turn-key lease deal. You must realize that in order to get an industrial prospect to a community, to an area, to a reservation, you have to first of all, not only have a very positive thinking group of people to receive those prospects when they come, but you also have to be in a position to show them that you are ready for industry. This probably is the greatest challenge we have for our small communities. Not too many have got long range research and master plans on their own community services; not all of them have sewers, not all of them have good schools and paving, and the things that most industries demand or want. I honestly feel that we are making progress slowly, certainly, and I think in time the results of these efforts are going to pay off magnificently. There is no crash program that can be used -- this thing just doesn't happen overnight. Industry just doesn't pick up and leave and go to another state on a moments notice. Anybody that thinks so just doesn't know the magnitude of considerations involved. I want to point to the remark I made about there being no "experts" in this field. Industrial development requires engineering, research, economics and a vast knowledge of many factors. It requires infinite patience, a wealth of material and information and the ability of a master salesman. "Flexibility" is a good requirement - "patience" should be a watchword - "diplomacy" a must.

Mr. Chairman, I know my time is up but I would like to add this brief statement for the benefit of those of you who might not be familiar with the "Arizona Story" meetings. Last September the GCFIA and the ADB were invited to gain Governor Fannin and Senator Goldwater to tell the Arizona Story in Chicago at a luncheon hosted by the Kemper Insurance Company. 200 top industrialists from the Chicago area attended a reception and lunch to meet and hear both our Governor and junior Senator describe how our state is attracting new industry. We were guests - not hosts - and this gave us a non-commercial advantage. It is what we call a "soft sell".

And what is the Arizona Story? "The Arizona Story" is a story of a state that guarantees industry against discriminatory state taxes. It is one of the few states in the nation that has seen fit to repeal a manufacturer's inventory tax, and by constitutional amendment there is none. This is an open port state. Inventories can be stored without tax if used in manufacturing in interstate commerce. It has allowed for a special type permissible legislation, wherein the county tax assessor can grant a manufacturer the right, under certain conditions, to depreciate machinery and equipment at an accelerated rate of up to 20% per year down to

a floor of only 10%, at 50% of original cost. A right to work law is considered a very effective law for industries in the space age who have yet to develop a production program. Family corporation have an advantage in Arizona as we have repealed both the gift tax and the inheritance tax. Another advantage is a very low income tax with a maximum of $4\frac{1}{2}\%$ on sole proprietorships and 5% on corporation, but you do not compute your tax until you have taken your federal tax credits. This is part of The Arizona Story, we presented it in Chicago. We also told about our weather and why people have come here to invest in their future. We pointed out that this is a frontier state with a fine growth record and yet we still had no where to go but up. We pointed out that it attracts people with pioneering attitudes of self service and who are able and willing to accept challenges, take risks, and promote the industrial wealth of the community starting with the basic ingredients to a finished product. If all the states in this nation would see fit to pass a similar legislation they would encourage private capital and venture to have faith in our nation as a business nation. They would invest in new plants and enterprises creating new jobs and prosperity. We believe this is a good story for business men to hear. We have had a very effective start in this direction, we are invited to go into other states. We just returned from New York where we had 300 leading industrialists in a meeting sponsored by American & Foreign Power Company. We had a wonderful opportunity to sell Arizona. We think this also is a rifle shot approach, at least we hope so. In regard to the Indian Reservations, your opportunities are almost unlimited, but we would like to urge you to give us an opportunity to engage in industrial development, to cooperate with you in your programs as you begin to evaluate them and develop them locally. I think you have an advantage working through the local communities, because usually industry wants to locate near a community that has services such as I mentioned - schools, sewer, water, etc. This isn't always the case, but it most frequently is. Also they want good transportation, airports, railways and things of that nature, and not in all cases do reservations offer them. But reservations in all cases are located near communities, and I think your advantages of working with small communities would be tremendously important as you try to develop your own program of industrial development activities. The state, the Governor's office, The Arizona Development Board, the Governor's Committee for industrial Arizona, the Governor's Manufacturers' Advisory Committee are all available to the Indians of this state, and will be glad to help them. I work continuously with Ed Whelan, or the Phoenix Area Office, with Ed Kerley up on the Navajo Reservation, and Barney Mergen, Merl Smith and others that you have met here today, so I urge you to take advantage of the services of these men and give us an opportunity to work cooperatively with you. I assure you that it will be beneficial to all concerned.

Thank you very much.

Chairman Jones:

With the statements that have been made by Mr. Gibbons, Mr. Rork and others, we Indians can testify to one point -- that we have dedicated men in these particular jobs where no discrimination is thought of. Their concern is to help the population of this state and we appreciate the service they are rendering.

When Mr. Rork says 15,000 Indians were placed on non-farm jobs, that's a tremendous number. The feeling that the Indian people desperately needed jobs has motivated them. This has been greatly appreciated by all of us, I'm sure.

To work with the Indians to help them get acquainted with the modern life as we have it in our state and other states, is helping them to grow, they are beginning to see the effort that is being made by so many. We don't see it in great amounts but the fact that their efforts are directed in the interest of our people certainly is appreciated.

Next on our program we will hear what the reservations are doing about employment.

Mr. Pete Homer, Sr., Chairman, Colorado River Reservation

Mr. Chairman, and friends. Prior to the enactment of the Indian Reorganization Act on June 18, 1934 and the acceptance of the Colorado River Indians Act on August 13, 1937, the majority of the Indians of the Colorado River Reservation at Parker existed mostly on what they could raise on their limited irrigated allotments. Jobs were provided for Indians as far back as 1867 when an irrigation project was started by hand excavation of an irrigation canal. The irrigation project is still in existence today and employees approximately 38 Indians as ditch riders, maintenance men and other related irrigation jobs. The power project also employees 14 Indians. The total number of Indians employed by the B.I.A. are approximately 52. However, this is only a small segment of the Indian population of this reservation. A total number of 34,000 acres under cultivation - this provides employment for about 150 families. Another channel through which many of our Indians are employed are the various placements provided by the Indian Bureau's relocation program. There were many pros and cons raised against the relocation program when it first started but for our part at Colorado River, we found it feasible to support the program. In other words this program was a godsend to many of our Indian farmers who found themselves in dire circumstances when the farm economy dropped in 1954 and 1955. This program was also tremendous help in providing jobs and training for many of our unemployed Indians.

Although the Council has made some effort to bring industry into the area, this has not materialized and for the present we do not know when this will come about. It seems that one of our major problems is the lack of a large population for manpower requirements.

Another potential which we are working on which will provide employment is recreation development program. We have tremendous possibilities for this type of development and we believe it will be only a matter of time when this will start providing jobs for many of our people. Many times we got so desperate with our unemployment problem that we suggested to the Indian Bureau and the Department of Interior to reinstate the force account system at Colorado River. In 1952 when Eisenhower became President and the Republican administration took over, it instigated a policy on free enterprise system which closed many job openings, especially at Colorado River. This policy required that all jobs such as repairs to agency equipment and operations of shops be referred to outside enterprises. This caused considerable hardships for many of our Indians because they were laid off. Now, my personal feeling on this matter, especially with the above instance is that no matter what we believe in or whether we are a bunch of so-so Republicans or Democrats, it still stands to reason that some consideration should be given to localities where such policies might cause hardships. That is my personal opinion and not the opinion of the Tribal Council. In most extreme hard cases, we have a program where the Tribal Council of Colorado River has given employment to many Indians for 10 day periods. This is not much but you will be surprised how much this help is to many of the Indians who are unemployed. In some of every endeavor that we have at Colorado River, such as the opening of lands for agriculture, industrial and recreational and other developments, it is with you to initiate and create employment for our people.

This, confirmed by the fact that we have made numerous contacts with various people in industry and in other fields of enterprises to whom we might interest for some type of development at the Colorado River. Earlier I stated that we have recommended to the Indian Bureau and Department that the force account system be reinstated. I doubt that this will ever take place. The reason we stress this was because of an instance in 1956 when the Government contracted a canal lining job on the reservation. Because of Union affiliations the contractor told us that the company couldn't use non-union members, so not even one Indian worked on this job.

We felt that something would have to be done. Instead of taking the militant view and attitude on the matter, we contacted the heads of the unions here in Phoenix, and at Yuma. As a result of these contacts and discussions many of our Indians got jobs both as laborers and semi-skilled workers on a similar job about a year and a half ago. The conditions were that when jobs last under three months on this reservation, the Indians can work without membership in Unions and will not be required to pay dues. This may not be satisfactory on some reservations where there is continuous work, where Union workers are required. We know this presents a very complex situation to the Tribal Council and other leaders. We hope this phase can be worked out by the cooperation of all concerned.

The hiring of employees of the agency at Parker, although it may have been done in accordance with Civil Service Statutes, has never been

satisfactory to the tribe. In some cases, it appears that preference is shown to non-Indians even though it seems as though many of the Indians are qualified as far as filling the jobs are concerned and being able to do the work. It is our hope that we will get something started at Colorado River so that we won't have to snap at Unions or the B. I. A. so much. Our participation in the OEDF was with a view to employment also. This is our biggest problem because of our isolation at Parker and we want you to know that we are doing all we can to create more jobs for our Indians. Thank you.

Mr. Lester Oliver, Chairman, Fort Apache Reservation

Population and Principal Economic Activities

Estimates for 1960 place the total population of the Area at 6,587 with 4,047 on the official rolls of the White Mountain Apache Tribe. The population other than White Mountain Apaches are employed by forest industries, Bureau of Indian Affairs, U. S. Public Health Service, public schools, missions and traders. Unemployment is not a serious problem for non-Indians as they tend to migrate elsewhere when unemployment occurs. The primary source of income for approximately 50% of the 1,000 Indian families is from livestock. Farmland consists of small subsistence gardens, 1 to 3 acres in size. The three tribal enterprises, forest industries, trading posts, governmental agencies, mining and missions provide the other major source of income. Recreational activities and related retail services have provided most recent rises in employment opportunities. During the summer months, Recreation activities and fire fighting provide a major source of seasonal employment. Christmas tree sales have recently provided some winter income.

Estimates provided by the Arizona State Employment Service in November, 1961 show a total labor force of 1,300 Indians with 720 men and 145 women presently employed on wage or salaried jobs and 120 men self-employed. No distinction was made for full or part time employment by the Arizona State Employment Service, but 30% full time and 70% part time is considered a conservative estimate, in other words 1,000 workers need full time jobs.

Accomplishments:

To provide these present jobs we have established three tribal enterprises.

1. Tribal Business Enterprises

A. White Mountain Recreation Enterprise - organized December 1954.

1. Stores and Service Stations

- (a) Carrizo Junction
- (b) Whiteriver
- (c) Indian Pine
- (d) Hon-dah
- (e) Smith Park
- (f) TontonLake

2. Motels and Trailer Rentals
 - (a) Hon-dah (15 units)
 - (b) Indian Pine (19 units)
 - (c) Hawley Lake (9 units)
 - (d) Tonto Lake (3 units)
3. Smith Park Recreation Area
 - (a) Homesites (500 leases)
4. Boat Docks and Boat Rentals
 - (a) Hawley Lake (60 boats)
 - (b) Tonto Lake (12 boats)

This enterprise employs from 35 to 75 employees, reaching the maximum during the summer months.

- B. White Mountain Tribal Herd Enterprise - organized December 1957. The White Mountain Apache Tribe owns and operates the White Mountain Tribal Herd Enterprise which manages a herd of 2,000 head of purebred and grade cattle. It produces and sells high quality Hereford cattle to the Indians and open market. Eight to ten employees, three full time.
- C. Fort Apache Timber Company. (Predecessor Apache Mercantile organized September 1948).
The Tribe owns and operates a planing mill, employing 25 Indians and 6 non-Indians.
Approximately 28 Indians are employed by the logging and sawing operations connected with the planing mill. Plans are in progress to build a sawmill with employment estimated at 80 persons.
- D. Tribal Maintenance & Construction Enterprise
This enterprise is in the process of organization, planned to construct and maintain tribal buildings and construct homes for tribal members. Presently 5 to 10 Indians and 4 to 5 non-Indians operating in conjunction with the White Mountain Recreation Enterprise.

2. Cooperatives

- A. Eight Indian owned livestock associations are chartered by the White Mountain Apache Tribal Council. These associations were organized in 1950. They are operated under a Manager-Board of Directors system and manage approximately 16,000 head of Indian owned Hereford cattle.
- B. Farm Improvement Associations
The Cibecue Farm Improvement Association was organized in 1957 and the White Mountain Farm Improvement Association was organized in 1958. The purpose is to own and rent farm equipment to Indian farmers.

3. Community Development Associations

The White Mountain Apache Tribal Council has chartered five Community Development Clubs since 1956. The Tribe has provided community

buildings and sponsor these organizations to develop leadership and further general community development in the Indian Communities.

4. Training Program

A. Southwest Forest Industries, Inc.

1. Three trainees
one terminated
one now in training
one completed (employed by Southwest Forest Industries, Inc.)

B. Bureau of Indian Affairs Relocation Program.

Adult Vocational Training Program, Public Law 959. Twenty-one units involving thirty people have completed training, includes Practical Nursing, Commercial Training, Auto Mechanics, Diesel Mechanics, Power Sewing Machine Operator, Cosmetology, Dry Cleaning, Welding and others. Seven units are now in training, involving 19 people. Four units are now employed on the Reservation in their field of training. Less than 20% have returned prior to completion of training.

C. Scholarships

Ten college students on scholarships---range from \$100 to \$1,000.

1. Eight - White Mountain Apache Tribe

2. Two - Southwest Forest Industries, Inc.

Eleven in post high school vocational training on White Mountain Apache Tribal scholarships.

5. The White Mountain Apache Tribal Council financed the recently completed forest inventory, maps, aerial photography and a feasibility report for expansion of the tribally-owned and operated Lumber Enterprise.

6. Range Rehabilitation Program

The White Mountain Apache Tribe has financed and carried on an intensive range rehabilitation program on the Reservation. Work to date includes removal of 190,000 acres of brush, reseeding of rangelands and construction of 425 stock tanks and 19 wells for stock water. Sixteen tractor operators trained, one Engineering Aide, one Soil Conservation Aide.

7. The White Mountain Apache Tribe has financed the rehabilitation of 31 diversions and 25 miles of irrigation ditches.

8. Preliminary plans and surveys have been financed by the White Mountain Apache Tribe for 20 recreation areas and 2 future summer homesite developments.

Mr. Paul Jones, Chairman, Navajo Reservation

The subject here on what the Reservations are doing, certainly the special privileges that we enjoy are dwindling everyday. In a comical way expressed in the Navajo Times, if you have a copy, on the second page, a Navajo says to his son, "I believe the chance of acquiring back our land is in sight now that the white poeple are planning to go on the moon -- wishful thinking." Another man says to his son, "We used to own this land, we ought to have the privilege of going fishing and hunting without buying a license."

Those are some of the things that are gone and we have to get busy as Mr. Rork has so ably and plainly put before this, to get these Indians educated in order to put them in a class with other people, at least on a competitive basis. That is certainly a need for our Indians to a great extent in our country and the state of Arizona.

I have been appearing before various groups of my people in the educational field and I always explain to them, if you don't go to college, go to high school and get a vocational training so that you will have some work to give you an income, if you have to go to work when you get out of high school. Those are some of the things I am sure we are all aware of and certainly when we don't have that chance, we don't have the means at our disposal to compete with the people in our part of the country.

We have done very little in the way of putting up industry on our Reservation to get employment for our Indians. However, we have done some and I am sure that most of you are familiar with it as other men have recited the activities of their tribe and surely we are doing the same thing. We have several recreation centers going here and there and they have employed quite a number of our own people. The establishment of a new and larger sawmill, where we will have about 300 to 400 people employed when that plant gets going, we hope that will be open sometime the latter part of this month.

I am thinking of the present predicament my people are in, in connection with the railroad jobs on the Santa Fe railroad. They go there to work and they have been working for several years without anybody molesting them and they like to work, and here comes the union. The union says you can't hold that job unless you belong to our organization. These are some of the things that our Indian people are not fully aware of how to take care of them. Surely Mr. Parker might be asked that question. If no one does I will certainly ask that question of how to overcome it. We have the right to work law in Arizona, and on the Reservation. How an Indian may remain on the job as long as he is not a member of a labor organization is a problem. That is one of the things we still have to overcome, how to take care of them and how to get with them so that industry when it is later available or a job made available in these industries, that we will be able to compete with the rest of the people to keep those jobs. That, at the present, is one of the things that is being discussed on our Navajo Reservation. Of course, we do have a program

where through education we will be able to compete with the rest of the people in our part of the country as far as holding a job and having industry in our country is concerned. We have a scholarship, as has been mentioned, to train our young people and further their education to take care of themselves better than they have in the past. Our way of life and depending on the resources of our land as it was before the white man came is something that we do not have anymore. We have only small resources now that are available without other developments that may be employed by the outside world, and various industrial institutions to develop these resources for us. That is being done to some extent on our reservation. For instance, we haven't been able to mine the coal because for a long time the coal was not in demand. But our old people begin to realize that the gas and oil was supposed to be available for quite sometime but now we are using the gas in our communities. Gas and oil and other resources are dwindling fast so probably that is the reason there are some people, some organizations and large companies coming to the reservation to develop resources on our reservation. We are not able to have the machinery or the funds at our disposal to develop that and that is something that we are grateful for so that a good deal of that will be by machinery. We will also have a certain number of our people employed.

A development on the northeast over there by Arizona Public Service, has given employment to a large number of our people. Then we are engaged in developing the distribution of power and gas, over our reservation. Other utilities such as water, etc. in establishing sanitary conditions in these areas has been of tremendous assistance to our people. Along those lines, of course, it is done with the purpose to employ our own people as well as to get compensation. We are in business in the distribution of gas and light and power, etc., so that when that has been accomplished we will feel that if we have that power available that there will be more of a chance for more industries to come in when it is available. We have been hard pressed to make that available for quite some time but I think we are getting there now with the help of the REA. The REA is coming to us in a larger measure now than they have in the past. That, and with the establishment of the Arizona Public Service, the power that we will be getting from the Glen Canyon Dam, we have great hopes that industry will be coming to our part of the country. I am sure that we are grateful for the help that is offered by both Arizona and New Mexico from the Industrial Development program which was explained to us by Mr. Gibbons and he has told us we should make better use of it. We have not had the know-how as to how to go about it. Of course, we have it from the Bureau of Indian Affairs, represented here by Mr. Whelan and others. In that business, we find they are doing their best to try and get us something, but so far we have very little success aside from what we have tried. We have one plant that is going, but the effort along the lines of employing our own people with industry is going right along, not with the pace that others tried, but we are doing our best along with the relocation service. Quite a number of people are now employed, but as I say, due to lack of education many of our people are unemployed.

What we need for which the Congress has set up money, is right now not tomorrow or sometime in the future, but those are some of the things the tribes would like to know now, and the people are not too much in a hurry to help us along those lines. However, with progress like this, with the people talking about how to get it and how they could help us, surely we will be able to forge ahead and to accomplish those things that other people have in various areas, particularly at this time when there are many areas of Indian country designated as depressed areas. Let's give them some help and let's get that help going as soon as possible. I have been saying but so far, as I say, as far as our Navajo Tribes are concerned, we haven't got much accomplished that actually is going. Of course, I don't know why the Government or other groups do put up programs along and limit it with endless red tape. That seems to be the case with this area redevelopment program and I hope that the help of various organizations such as your and others in our country will assist me so that we can readily get these things going.

Sure the money is there, but you have to be qualified and that is where we fall short. They put the requirements on these things so hard, that with the lack of education we are just not eligible and that is the thing I think that is hindering us more than anything else.

But I think the program we have, and with what help we can get from the Bureau, from the states and state organizations to help us along, we can solve many problems. I am probably too impatient and wishing it was done now instead of just talking about it, but aside from that we are trying our best to establish utilities of our own. We are just beginning to get into line for that type of work by moving into communities rather than being scattered all over as we have been heretofore. Of course, that is giving up some of the things we have been depending on for a livelihood and we have to stop those, they have to be reduced. We have overpopulated the reservation so that the areas we used for raising livestock is a reduced area and can be depended on only for a subsistence basis. But all in all we are trying our best to get industry on the Navajo Reservation to a point where we will employ many of our Navajo people. We are not successful as yet but we are gaining ground slowly and I hope surely. Thank you very much.

Chairman Jones:

We will now hear from Mr. M. H. Lininger, in charge of Business Development for The Arizona Bank, and Mr. A. V. K. Babcock, Manager, Area Development Department, Arizona Public Service Company, who will tell us what private industry is doing to create jobs.

Mr. Lininger:

Ladies and Gentlemen. It is a distinct pleasure to be here with you this afternoon. The topic is, What is Private Industry Doing? One of my main jobs is to travel around the United States and to persuade new business and new industry to locate in Arizona.

The Reservations of course are competing with the rest of the state in this regard. It is sometimes a choice between locating on a reservation or close to a reservation and business always wonders, how complicated would it be to arrange a lease with one of the tribes. In some cases this is rather discouraging as you know business is not willing to engage in prolonged negotiations to situate on a reservation if terms can be arrived at much more quickly off a reservation. Now this is a problem which I am sure in time to come will be made much easier.

The banks here in the state are willing to loan money to our tribes. We have committed a large sum of money to assist in the projects of our reservations, with the tribe doing its own development. We are willing to continue to do this. However, one of the problems which we encounter in this connection is that it takes quite a bit of time because many Indians do not thoroughly understand what we are trying to do in assisting industrial growth on reservations. We exhibit great patience and the Indians exhibit great patience and I think we are making some excellent headway.

We are also willing to finance private industry which would like to situate on a reservation. In this regard we must be certain that they have a lease which they can live with, which is reasonable and fair to all parties. Sometimes we can negotiate these loans to private businesses, and sometimes we cannot. Sometimes we will be able to help the tribes and sometimes we will not.

The main point that I am trying to bring out here is that the tribes and reservations are in competition with the land which is not reservation land with Arizona. If industry is desired on the reservation it must be convinced that terms which are competitive are available to it. Mr. Gibbons over here, as you know has been very instrumental in bringing an industry to Arizona along with Mr. Whelan. This will employ several hundred Indians and I can tell you from travelling around the country that this is being watched with a great deal of interest. This is about the first project of this type that has been tried. I spoke with the officers of this firm which is going to situate in Chandler, and they were very encouraged about their prospects; and although New York is a big city, this word gets around very rapidly, and if the results here are good (and we should know this within a year or two), I think you can look for considerable more of an interest in the reservations.

I would like to tell you that with all the banks in Arizona, the utilities and others active in industrial development, there is probably not a state in the Union that has a greater percentage of its people dedicated to attracting industry than has Arizona. And a good bit of this in the years to come will situate on the reservations (if wanted and invited) and be a tremendous help in employing Indians in substantial gainful occupations. Thank you very much.

Mr. Babcock:

From the topics discussed by previous speakers, you can understand how major growth in Arizona has been related to the continual expansion of new industries, commercial establishments, shopping centers, etc.

All of these enterprises have made an important contribution to the economy of the state by providing additional employment for our growing population.

Although a large percentage of the industrial expansion has taken place in our metropolitan areas it is now extending in all directions.

We in Public Service are confident that business and industry will continue its spread to all sections of the state, wherever resources are available.

We are so thoroughly convinced that we have built and are building more electric generating plants at strategic locations to keep in step with increasing service requirements. A net-work of transmission lines connect these plants with other utilities. Together we can provide adequate electric power with a reserve to foster future growth.

Now let us examine some of the other things private industry is doing to bring about full employment and raise our standard of living.

Speaking for my company, we have a specialized department.....the Area Development Department, consisting of four people, of which I am the Director. It is our responsibility to analyze business potential and work in that direction. We work in close cooperation with all agencies. To mention some, they include the Arizona Development Board, Chambers of Commerce, banks, real estate people, land and building owners, representatives of other utilities, railroads, motor freight lines, and the Arizona Commission of Indian Affairs.

Each group may have its own development plans but we are all working together as a unit to plan and build a finer Arizona.

In the broadest sense these development programs anticipate and promote the economic vitality of the individual areas by stimulating trade and industrial growth and encouraging maximum utilization of natural and human resources.

In our case emphasis is placed on Community development. We encourage local leadership to be aggressive and take advantage of the unparalleled opportunities for growth. We not only assist them in planning but, with our local management, take part in programs to achieve a healthy climate which will attract new business and stimulate existing business to grow and prosper. For surely no prudent industrialist will risk his capital and his economic future in any community where churches, schools, and civic enterprise have not first been able to succeed. Progressive,

well planned communities are the ones which will draw attention.

Today the fast growing markets of the West Coast, Southwest and Mountain States are themselves a magnet for additional industrial growth and development.

We can see a definite pattern of diversification and growing self-sufficiency.

Arizona's economic growth already reflects a blend of the old resource-based industries.....copper, cement, building materials, pulp and paper. Next may be cotton into finished cloth, iron ore into steel, or hides into belts and shoes.

In connection with processing raw materials, I would like to give you an example. I previously referred to additional new power plants. We now have under construction a plant at Joseph City, and another one near Farmington, New Mexico. Both of these plants will be fired by coal, thus developing another natural resource on the Navajo Reservation.

The opening of these coal deposits, for power generation, will produce increased revenues for the Navajo through leases and royalties, thus contributing to a firm economy.

During the construction of the plants and transmission lines over 200 Navajo have been employed. True, this is temporary employment but these men have received training and gained experience in many skills and will be better qualified to obtain other positions.

When the construction is completed there will still be job opportunities for operational labor. I want to emphasize, because it is important, that my company has found the Navajo to be an excellent and willing worker.

Not to be overlooked is the fact that private industry has seen fit to invest millions of dollars in plant and equipment on the Reservation. This should create interest and encourage other business enterprises to do the same.

The further development of these coal deposits, along with oil and gas, plus our ability to meet the growing demands for economical electric power offer tremendous possibilities to attract diversified industry to Northern Arizona.

The example I have given is by no means limited to one section of Arizona. It is simply typical of what can be accomplished when the Butcher, the Baker, and the Candle-stick Maker work together to develop the resources of their area.

The meeting was opened to questions and answers.

Chairman Jones to Mr. Parker:

Mr. Parker, how do we get around the question in regard to labor unions?

Mr. Parker:

The railroad industry has no control of labor. It is interstate commerce, consequently the Taft-Hartley Act makes grievances of that kind permissible. Now, regardless of my feelings, I'm opposed to any compulsory or monopolistic practices. However, it is a fact that there is an agreement between the sixteen non-operating organizations and the railway which provides for them to sign. I understand that the Santa Fe was the last one to sign. The railroads are in no position to oppose this. Organizations, however, might by combining nationally. Most all of our employees pay union dues.

I might say in regard to the Navajo Indians that it is not so much what we have done for them but what they have done for themselves that counts. They are excellent workers and, along with the Hopis and Lagunas and others, comprise our Indian force. I might add, too, that about three years ago we had an Indian who retired from his job.

Chairman Jones:

Mr. Parker, is there any possibility of getting around that with the Right to Work Law we have in Arizona?

Mr. Parker:

No, frankly not, because of the railway companies operating inter-state and intra-state. They are governed by federal law in that respect.

Mr. Colton to Mr. Rork:

Mr. Colton:

Do Indians have priority for jobs on reservations?

Mr. Rork:

The State Employment Service gives priority treatment to Indians on all jobs.

Chairman Jones:

I would like to ask the relocation people here what percent of the people relocated have stayed with their jobs? Are you sending uneducated Indians to far off places from the reservation?

Mr. Swaziek:

I think I can answer the first part of your question, Mr. Jones. About 2/3 have remained. I think that the experience these people get while they are on relocation enables them to use it on the reservation later on. It is not experience that is lost completely. Many of the people return a second time; some on federal aid and many at their own expense.

Now to the last part of your question: I suppose there are some people asking to go to field offices that have not had more than an eighth grade education. This is up to the Agency Superintendent or the relocation officer who takes the application if the individual has a chance of success when an opportunity is presented. I don't think the people are held back because there are many opportunities in larger cities for people with little education.

Chairman Jones:

I would like to comment on that because I have visited the relocated people in Tulsa, San Jose and San Francisco and it was brought to my attention that the uneducated Navajos had a tougher time. Because of the lack of understanding, they are sometimes considered incapable of taking care of the work assigned to them. Then too, in regard to their families, the women had no opportunity to converse with their neighbors. They became discouraged and moved back. Have you anything along that line?

Mr. Swaziek:

There are problems like that coming up all the time. When these people want to make an effort to have a better way of life, I think we ought to give them the opportunity. I think that the employers can be educated so they can give better assistance to the employees. Those people who work with these families in their homes can maybe try to get them closer together where the ladies might be able to visit back and forth. This would help.

Mr. Harry Stevens, Assistant Director, Phoenix Area Office, B.I.A.:

We find that the job isn't responsible for returnees. They seem to do pretty well at this. The big problem is the making of social adjustments. This is pretty tough for them; for instance, trying to use a telephone; trying to get a child in school; shopping at a super-market; catching the right street-car or bus; to assume a recreational opportunity so they can have beneficial activity away from the part of town where they might otherwise find themselves at a bar--those are some of the things the Bureau is concerned about.

I don't know if you know Ben Rifle or not. He is now congressman from South Dakota. He, too, was concerned with this very program. He was wondering if we shouldn't have a training program where we would bring them into Phoenix, for example, to teach them these things right here such as I mentioned.

We've been criticized also for not offering services off the reservation such as social workers and field workers and so on, as we have on the reservation. Those are things we can't do because the services we offer are restricted to reservation Indians and our funds are for those living thereon.

Mr. Rork:

There is also a need to train the community to respect and work with the Indian.

Mr. Ed Hinckley, Health Educator, U.S.P.H.S. Service, Papago Reservation:

I understand that the Bureau included, under certain circumstances, training programs for off-reservation Indians where a lack of training presents a hardship to them. I was wondering if this is right, and if so, is anything being done about it in Arizona?

Mr. Stevens:

Recent legislation makes it possible for us to take adult vocational training applications from Indians living off the reservation in such cases. As you know, Public Law 959 authorizes us to offer vocational training to Indians between the ages of 18 and 35, and it has proven to be one of the most popular programs ever offered by the Indian Bureau. Under this authorization, any number of courses may be taken with the government footing the bill for all expenses. We have far more applications in this area than we have funds.

Mr. Clarence Wesley, Chairman, San Carlos Tribal Council:

Insofar as we have been discussing communications and training of Indians who go to Phoenix, Los Angeles and other areas, I think that time and again we have stressed the need for adult education. I understand that adult education is going on on quite a few reservations in Arizona and we have a need of this on most of Arizona's reservations. Education should be stressed and made a reality.

Some of our girls go to Haskill for commercial training and then, when they return to the reservations, they are shipped out to Los Angeles, San Francisco and other areas when we should have opportunities for them at home.

Then we have the problem about contract work on the reservation. These complexities are evident in building the hospital on the San Carlos Reservation. That is contract work. Right now we have the road going through the reservation. That is contract work also. We appreciate these things, we really do, but when we have so many unemployed, we are all concerned about our Indian worker who is not qualified and, because he is not a member of the union, they have to get someone else from off the reservation to replace the Indian that desperately needs the job. I don't think that is quite fair, either.

Then we have been talking about force account. When we had it and any kind of construction went on, the Indians were at work. There were all kinds of jobs they were given to do. When the Republican Administration came in, force account work was done away with. Possibly the continued need for this should be brought to the attention of the Secretary of the Interior. Those are my remarks, Mr. Jones.

Mr. Stevens:

I will first say to my Apache friend that we are going to have an adult education class for you soon. I think you are one of the first ones to be next. We think this is one of the most important things that can be done on the reservations.

It is time also that the Indian preference law is something that we all have been working for. The Indian shall be given preference in civil service jobs and the Secretary was directed to comply with that. Quite a good many have already been employed on this. We would like to have even more. There are around 65% employees of the Bureau who are Indian.

In regard to force account, this is one thing we have been very strong on. As yet we have not been able to come up with it because of the fact there is road construction now going on that requires heavy equipment. For us to put a clause to the contract that says the Indians, per se, will be hired would be discrimination in reverse. It takes taxpayers' money to do that kind of thing. This is something we are not allowed to do. I know they should be hired as much as possible.

Chairman Jones:

In regard to one of the questions, Mr. Whelan spoke on, out of 250 trainees only 105 graduated. Now what happened to the rest of them?

Mr. Stevens:

Some of these people don't take advantage of the opportunity they have of two years of training some place. Some of the problems are in not being able to adopt a schedule, to attend class regularly, to make adjustments. These are generally the ones who don't make it. We try to council with and guide them as much as possible.

Mr. Parker:

Concerning relocation, we have been in that business for quite sometime. I think it started about 1885. One thing we found was that you could not send an Indian out by himself with his wife and children and expect him to stay very long. He got homesick. So we have been sending them out quite a number at a time in Indian colonies along the railroad, so, regardless of how isolated the place might be, we had a three times better job record where two or more men on the job were able to visit and also their ladies. A lone Indian man who would go on a job was completely lost out there. He would complain, she would complain, so

it didn't take much encouragement for them to pack up their things and go home. Where we had two or more family units, we had much less trouble.

Chairman Jones:

Thank you, Mr. Parker. I'm sure that all of us are thinking about the transition period we are going through in regard to adopting the method that has not been ours for many years. This creates a hardship on us to a certain extent, some in a large way and some in a small way. The transition is here. While the young people appreciate and understand these things, the old people think it is a hardship on them because they lack understanding of what it is all about.

Mr. Gibbons:

Mr. Chairman, I hope you will excuse me because I have to leave for another meeting. Before leaving I would like to offer the services of any of the committees I have mentioned.

In meetings that any of the tribes or tribal chairmen may hold on their reservation or in communities where they are trying to attract an industry or form a committee, you can depend on me to help in whatever way I can.

We also have a great deal of literature which might be worthy of your looking at and having in your tribal headquarters concerning industrial development. These are things to aid you in public affairs and are available in limited quantities. We would like to see them go to industrial prospects because most of them go out of the state.

You have an Economic Advisory Committee to the Arizona Commission of Indian Affairs with members such as Mr. Lininger and Mr. Babcock, who can work with you.

I deem it a definite privilege to be with you today. I think little by little all of us are developing continuity in a cooperative effort. I don't think we will ever accomplish anything without cooperation in all fields of endeavor so I hope you will call on us and I am sure we will go along with you in bringing prospects to your area. I don't think we are too far away from realizing this now.

Chairman Jones:

Thank you, Mr. Gibbons. Our mutual cooperation is definitely needed to carry out these objectives.

The joint meeting adjourned at 5:00 and was to continue the following morning in Room A-101, Liberal Arts Building, Phoenix College, President, Mrs. Eva Northrup of the Inter-Tribal Council of Arizona presiding.

ATTENDANCE LIST

C. J. Manuel, Papago
Edward C. Hinckley, United States Public Health Service
Eva Turner, Camp Verde Yavapai
Harrington Turner, Camp Verde Yavapai
Curtis Blackwater, Pima
Pete Homer, Sr., Mohave
Paul Weinzer, Arizona State Employment Service
Nelson Jose, Pima-Maricopa
Mrs. Loren Cress, Arizona Federation of Women's Clubs, Indian Affairs Div.
Eva Northrup, Hopi
Edison Evans, Pima
Henry Schurz, Pima
Mark Schurz, Pima
Edison Jones, Pima
C. Lawrence Huerta, Assistant Attorney General
Harry Chaca, Hopi
Louis E. Lougee, Railroad Retirement Board, Tucson, Arizona
L. Hubbell Parker, Santa Fe Railroad, Albuquerque, New Mexico
Victor J. Swaziek, Bureau of Indian Affairs
Lester Oliver, Apache
O. E. Whelan, Bureau of Indian Affairs
Lyle Brown, U. S. Department of Labor, San Francisco, California
John S. Curtain, Arizona State Employment Service
James A. Rork, Arizona State Employment Service
Harry Stevens, Bureau of Indian Affairs
Emmett McNulty, Arizona State Employment Service
James D. Walkup, Veterans Employment Service

ATTENDANCE RECORD (Continued)

George Colburn, Employment Security Commission, Unemployment Compensation
Division

Royal D. Marks, Attorney

Henry J. Keneally, United States Public Health Service

Murrell Smith, Arizona Development Board

Mr. Boyd Gibbons, Jr., Assistant to the Governor for Industrial Development

J. Morago, Jr., Pima-Maricopa

A. V. K. Babcock, Arizona Public Service Company

Tom Fitzwater, Central Arizona Indian Committee

Mrs. Paul Jones, Navajo, Window Rock

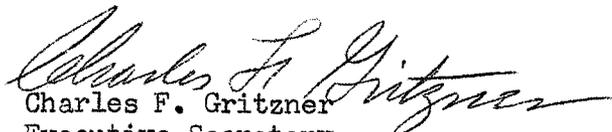
NOTE

Because of having part time office help due to lack of funds, it was not possible to prepare this report sooner.

The report has been edited from tapes. It is regrettable that parts of the question and answer period are perforce omitted if the speaker's voice was not strong enough for the microphone to pick it up.

Each person who attended added to the success of the meeting.

Respectfully Submitted,


Charles F. Gritzner
Executive Secretary

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