

C219552
26 April 1946

MEMORANDUM FOR THE CANADIAN SECTION, PJBD:

SUBJECT: Alaska Landline System

1. At the last meeting of the Board, the matter of the United States leasing certain circuits on the Alaska Landline System was informally discussed, and Air Vice Marshal Curtis presented a proposed cost which was based on \$4.00 per month, per mile, per circuit. He stated that this seemed to be the commercial rate. That is the rate which the United States has heretofore paid the Alberta Telephone Company for circuits leased between Edmonton and the U.S. Border.

2. Since the last meeting of the Board, a group of officers has been studying certain matters within Alaska and has made a tentative recommendation that the Landline System be maintained and that the United States lease one or more circuits between Edmonton and the Alaskan Border. This recommendation has been returned to this group of officers for further study in comparing this matter with the maintenance of the present cable between the United States and Alaska and present radio facilities between the same. The matter of cost is, of course, involved. At the present rates it would cost the United States approximately \$300,000 a year to lease three circuits from the Alaskan Border. In addition thereto, to complete the entire system, additional circuits would have to be leased within the United States.

3. It is recommended that the Canadian Government give consideration to the minimum rate that they would feel justified in leasing to the United States one or more circuits over the Landline System from the Alaskan Border to Edmonton, and be prepared to discuss this subject with Signal Corps representatives at a proper time. The Alberta Telephone Company has already been approached and has reduced their rate from \$4.00 to \$3.50. It is possible that they would be willing to still reduce it provided certain financial arrangements can be made for the United States leasing circuits on the Alaska Landline proper.

4. It is known that talks have taken place between local United States and R.C.A.F. officers on duty with the Alaska Landline, but it is not known whether or not these talks have reached any high level among Canadian officials.

5. This memorandum is submitted in order to present the case for consideration, both from a financial and a defense viewpoint, and it is believed by the undersigned that the defense viewpoint will be enhanced if satisfactory financial arrangements can be made for the United States leasing of one or more circuits over this system.

GUY V. HENRY,
Major General, U.S. Army
Senior U.S. Army Member.