This survey examines the impact of reduced timber harvests and mill closures by the U.S. Forest Service on timber-dependent schools and communities in the Tongass National Forest in southeast Alaska. One purpose was to recommend educational programs and services that are necessary to remediate these impacts on children. Between 1990 and 1995, southeast Alaska lost 45 percent of its logging and mill jobs due to cutbacks implemented by the U.S. Forest Service. On-site visits to 10 communities and schools in areas affected by the cutbacks included meetings with local school administrators and other school staff as well as community officials and social service personnel. Information obtained from state agencies indicates that unemployment due to cutbacks resulted in increases in social services caseloads and in the number of children who qualified for free and reduced price lunches. The social and economic consequences of cutbacks in logging and mill closures must be fully recognized, particularly how these changes affect children. It is likely that children in deteriorating communities will experience such social problems as drug and alcohol problems, delinquency, teen pregnancy, and school withdrawal. Recommendations include: (1) initiating programs to help children and their families in timber-impacted communities cope with stress, poor nutrition and health, and other problems associated with unemployment or fear of job loss; (2) requiring the U.S. Forest Service to implement a financial hold-harmless policy that covers the fiscal impact of U.S. Forest Service decisions on local schools in the Tongass National Forest; (3) strengthening vocational education and training programs for timber-impacted communities in southeast Alaska; and (4) increasing the funding for programs serving unemployed adults and school dropouts in southeast Alaska. Includes figures illustrating regional statistics for timber-related jobs lost, increases in welfare, and increases in free and reduced price lunch costs. (LP)
A Survey of Timber Impacted Schools and Communities in Southeast Alaska

Prepared by the South East Regional Resource Center
A Survey of Timber Impacted Schools and Communities in Southeast Alaska

Schools and Communities

Chatham Schools
Craig City Schools
Haines Borough School District
Hoonah City Schools
Hydaburg City Schools
Kake City Schools
Klawock City Schools
Sitka School District
Southeast Island Schools
Wrangell City Schools

Background

The objectives of the survey are: 1) to determine the impact of reduced timber harvests and mill closures by the U.S. Forest Service in the Tongass National Forest on children in timber dependent schools and communities in Southeast Alaska; and 2) to recommend educational programs and services that are necessary to remediate these impacts on children.

Typically, when an economic dislocation within a region, such as Southeast Alaska, occurs, it is accompanied by increased adult unemployment and adult fear of job loss, both of which place increased stress on family situations. These stresses can range from increased domestic violence and abuse, to the lack of food, clothing, dental and medical care for all family members including children.

Adult job loss or fear of job loss has a direct psychological affect on children. This psychological affect is often reflected in the children’s behavior in school. They can become fearful and depressed which can result in reduced classroom attention and performance.

Without remediation, over a longer term, these conditions can lead to loss of self esteem, truancy, teen pregnancy, homelessness, arrests, drug and alcohol abuse. In economically
impacted communities these problems typically become serious among increasingly younger children.

The primary economic drivers in most Southeast Alaska communities are logging and mill products, fishing and to a lesser extent tourism. Government, medicine, and educational employment provide stable employment in some Southeast communities. It should be noted that, over a longer term, government, medical care and educational employment are also indirectly impacted along with retail sales and other community employment when the primary economic drivers of logging, fishing and tourism are impacted.

The cut back in logging by the U.S. Forest Service and the corresponding mill closures in the Tongass National Forest has had a direct economic impact on local communities in Southeast Alaska. Communities such as Haines, Sitka and Wrangell have suffered mill closures. Mill work is however only part of the lost logging related employment. Forest logging road construction workers, timber cutters and haulers, sort and scale yard workers, barge and tug operators, stevedores, payroll clerks, secretarial, clerical and administrative workers have all lost jobs as a result of the cut back in timber harvests in the Tongass National Forest.

Between the early 1990’s and 1995, Southeast Alaska lost 45 percent of its logging and mill jobs. It is also important to note that logging and mill workers generally have higher earnings than other workers, and contribute to the local economy at a higher level than other forms of employment. For example, in Sitka, while the mill accounted for 10 percent of the city’s employment, the mill payroll accounted for 17.5 percent of the wage and salary earnings in the city.

The employment of out-of-state workers in the logging industry in Southeast Alaska and their subsequent unemployment and relocation to other states has tended to obscure the full economic impact of the cut back in timber harvests in the Tongass. Out-of-state workers and their families provide some short term economic benefits to local merchants. The other economic side of out-of-state workers is that they create long term economic obligations which must be met long after these workers have left the community. For example, local school agencies impacted by the influx of new out-of-state children are forced to construct and operate new school facilities. In some cases the new school facilities are financed with
long term debt. This long term debt remains after the out-of-state workers have left and becomes a heavier burden on the remaining residents of the community. In other cases the cost of constructing and operating new schools is financed through local and state funds available to the school system and results in less funding being available for the educational needs of resident children.

Communities are impacted in other ways by the cut back in timber harvests in the Tongass. For example, the City and Borough of Sitka spent over $50.0 million dollars in long term debt on the Green Lake Hydroelectric project to meet the electricity needs of the community and the Alaska Pulp Corporation mill. With the closure of the mill, Sitka no longer receives revenue for electrical services to the mill, consequently electrical rates paid by people in the community have been greatly increased to cover the loss of revenue from the mill.

Survey Methodology

On-site visits were made to Southeast communities and schools. Meetings were held with local school administrators and other school personnel to discuss the impacts on school children from adult unemployment and fear of job loss specifically related to mill closures and the cut backs in logging on U.S. Forest Service managed lands in the Tongass. Additional meetings were held with such local officials in each community as the chief of police, city planner, social workers, probation workers, mayor, transition center staff, staff of local voluntary social service agencies including those concerned with domestic violence, drug and alcohol abuse and family counseling.

In each meeting with local community officials, the purpose of the survey was described and interviewee's were asked to focus their observations and comments specifically to the affects on children resulting from adult job loss or fear of job loss related to mill closures or cut backs in logging on U.S. Forest Service lands in the Tongass.

In addition to these meetings, additional information was obtained from state agencies related to employment/unemployment in Southeast communities as well as the increased usage of Aid to Families with Dependent Children, which is the primary source of public assistance available to unemployed workers and their families.

A word of caution should be noted about the use of fixed statistical measures available from state data systems. For example, unemployment percentages reported for most Southeast
communities tend to understate actual levels of unemployment. This is because in the logging industry there are many self-employed workers who cut or haul timber or provide other timber related services. Typically these self-employed workers do not pay into the state's unemployment compensation program. Consequently, when they become unemployed, they do not draw unemployment compensation and are therefore excluded in unemployment percentage statistical reports.

Other workers in the timber industry who are covered by unemployment compensation, but who exhaust their benefits (typically 26 weeks unless it is extended), are also not counted in unemployment percentage statistical reports. There is simply no easy way to gauge the total impact of unemployment and compiling accurate statistical reports without conducting time consuming and costly community employment surveys.

The second state statistical reference point commonly used to measure the affects of an economic dislocation is the rate of increase in the number of people in local communities who are receiving Aid to Families with Dependent Children. Again, several cautionary notes need to be added about this measure of economic decline. The first cautionary note is that timber workers are by nature very self reliant. Typically, they are hard working and unwilling to accept any sort of public assistance or handouts. Secondly, it is extremely difficult for middle income timber workers who earn $40,000 to $80,000 a year to qualify for public assistance.

Specifically, for unemployed timber workers to qualify for public assistance, they have to have less than $1,000 in cash, securities or assets besides the family home. All such assets as a boat, a second car or truck, a vacation home, fishing and hunting equipment or any other assets worth $1,000 or more disqualifies them from receiving public assistance. This federally established $1,000 asset barrier works a dual hardship on unemployed Alaska timber workers. First, the $1,000 amount is quite a small sum given the relative cost of living in Alaska in comparison with many states. Secondly, unemployed timber workers in Southeast Alaska have too many assets such as a boat, or a pickup truck to qualify for Public Assistance. If they sell these assets for cash to meet living expenses, then they again do not qualify since they have too much cash.
There is a third statistical measure used by local schools which gives a somewhat better measure of the economic impact of unemployment. This measure is the percentage of students in kindergarten through high school, who because of low parental income, qualify for free or reduced price school lunches. The Free and Reduced Lunch cost measure is focused on current earnings and is a more immediate indicator of economic impact from unemployment. Again, two cautionary notes need to be reflected on the Free and Reduced Lunch cost measure. First many students and their parents, because of personal pride are unwilling to fill out the Free and Reduced Lunch application forms. Secondly, not all schools in Southeast Alaska have a lunch program.

The Free and Reduced Lunch cost measure can also be used to measure the underlying economic strength of a community. In some communities which experience job loss, there may be some level of alternative employment. In larger Southeast communities such as Sitka and Ketchikan, increases in the usage of Free and Reduced lunches tends to increase more slowly than in smaller Southeast communities (Hydaburg, Hoonah, Kake) which have little available alternative employment.
The Southeast regional statistics for timber related jobs lost, increases in Aid to Families with Dependent Children and increases in Free and Reduced Lunch costs are shown as follows:

**FIGURE 1**
**SOUTHEAST REGIONAL ANALYSIS**
**TIMBER RELATED JOB LOSS**

<table>
<thead>
<tr>
<th>Job Category</th>
<th>1989-90 Employment Level</th>
<th>1994-95 Employment Level</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pulp Mills</td>
<td>980</td>
<td>540</td>
<td>-45%</td>
</tr>
<tr>
<td>Logging</td>
<td>2,710</td>
<td>1,500</td>
<td>-45%</td>
</tr>
<tr>
<td>Saw Mills &amp; Other</td>
<td>600</td>
<td>300</td>
<td>-50%</td>
</tr>
<tr>
<td>Wood Products</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>TOTALS</strong></td>
<td>4,280</td>
<td>2,340</td>
<td><strong>-45.3%</strong></td>
</tr>
</tbody>
</table>

*Source State of Alaska, Department of Labor Statistical Reports.*

**FIGURE 2**
**PERCENTAGE OF STUDENTS RECEIVING FREE OR REDUCED LUNCHES**

**SITKA**

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>18.1</td>
<td>20.2</td>
<td>16.5</td>
<td>16.1</td>
<td>18.5</td>
<td>21.9</td>
</tr>
</tbody>
</table>

*Source: Sitka public schools.*
Figure 3

Percentage of Students Receiving Free and Reduced Lunches
Southeast Communities - 1993-1995

<table>
<thead>
<tr>
<th>City</th>
<th>School Year 93</th>
<th></th>
<th></th>
<th>School Year 94</th>
<th></th>
<th></th>
<th>School Year 95 (est.)</th>
<th></th>
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</thead>
<tbody>
<tr>
<td></td>
<td>F</td>
<td>R</td>
<td></td>
<td>F</td>
<td>R</td>
<td></td>
<td>F</td>
<td>R</td>
</tr>
<tr>
<td>Hoonah</td>
<td>33.0</td>
<td>8.5</td>
<td></td>
<td>39.2</td>
<td>5.7</td>
<td></td>
<td>39.2</td>
<td>5.7</td>
</tr>
<tr>
<td>Hydaburg</td>
<td>47.2</td>
<td>23.6</td>
<td></td>
<td>53.6</td>
<td>26.8</td>
<td></td>
<td>53.6</td>
<td>26.8</td>
</tr>
<tr>
<td>Juneau</td>
<td>9.3</td>
<td>1.9</td>
<td></td>
<td>9.2</td>
<td>1.8</td>
<td></td>
<td>7.8</td>
<td>1.4</td>
</tr>
<tr>
<td>Juneau Youth Services</td>
<td>70.6</td>
<td>-0-</td>
<td></td>
<td>100.0</td>
<td>-0-</td>
<td></td>
<td>100.0</td>
<td>-0-</td>
</tr>
<tr>
<td>Kake</td>
<td>37.9</td>
<td>5.6</td>
<td></td>
<td>54.3</td>
<td>16.6</td>
<td></td>
<td>54.3</td>
<td>16.6</td>
</tr>
<tr>
<td>Ketchikan</td>
<td>9.0</td>
<td>3.4</td>
<td></td>
<td>10.2</td>
<td>2.7</td>
<td></td>
<td>10.8</td>
<td>3.1</td>
</tr>
<tr>
<td>Klawock</td>
<td>29.9</td>
<td>7.8</td>
<td></td>
<td>34.6</td>
<td>3.7</td>
<td></td>
<td>34.6</td>
<td>3.7</td>
</tr>
<tr>
<td>Mt. Edgecumbe High</td>
<td>28.1</td>
<td>5.2</td>
<td></td>
<td>20.5</td>
<td>7.7</td>
<td></td>
<td>38.6</td>
<td>14.3</td>
</tr>
<tr>
<td>Petersburg</td>
<td>9.2</td>
<td>2.5</td>
<td></td>
<td>8.4</td>
<td>4.9</td>
<td></td>
<td>10.4</td>
<td>2.1</td>
</tr>
<tr>
<td>Sitka</td>
<td>10.8</td>
<td>5.3</td>
<td></td>
<td>12.3</td>
<td>6.4</td>
<td></td>
<td>14.4</td>
<td>7.5</td>
</tr>
<tr>
<td>Sitka Youth Home</td>
<td>50.0</td>
<td>50.0</td>
<td></td>
<td>100.0</td>
<td>-0-</td>
<td></td>
<td>100.0</td>
<td>-0-</td>
</tr>
<tr>
<td>Yakutat</td>
<td>36.6</td>
<td>26.1</td>
<td></td>
<td>25.2</td>
<td>24.5</td>
<td></td>
<td>42.2</td>
<td>28.9</td>
</tr>
<tr>
<td>Annette Island</td>
<td>-0-</td>
<td>-0-</td>
<td></td>
<td>19.4</td>
<td>6.2</td>
<td></td>
<td>54.5</td>
<td>-0-</td>
</tr>
<tr>
<td>Craig</td>
<td>-0-</td>
<td>-0-</td>
<td></td>
<td>25.8</td>
<td>4.1</td>
<td></td>
<td>25.4</td>
<td>4.6</td>
</tr>
<tr>
<td>Angoon</td>
<td>-0-</td>
<td>-0-</td>
<td></td>
<td>71.5</td>
<td>7.3</td>
<td></td>
<td>71.5</td>
<td>7.3</td>
</tr>
<tr>
<td>State-wide Average</td>
<td>-0-</td>
<td>-0-</td>
<td></td>
<td>26.3</td>
<td>8.4</td>
<td></td>
<td>22.9</td>
<td>6.0</td>
</tr>
<tr>
<td>Anchorage</td>
<td>18.0</td>
<td>6.3</td>
<td></td>
<td>19.4</td>
<td>6.2</td>
<td></td>
<td>15.8</td>
<td>4.5</td>
</tr>
<tr>
<td>Fairbanks</td>
<td>16.3</td>
<td>7.8</td>
<td></td>
<td>15.7</td>
<td>22.2</td>
<td></td>
<td>17.7</td>
<td>8.9</td>
</tr>
</tbody>
</table>

Source: Alaska State Department of Education.
FIGURE 4
AFDC CASES BY COMMUNITY
MARCH 1993, MARCH 1994, MARCH 1995

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Angoon</td>
<td>23</td>
<td>23</td>
<td>19</td>
<td>+ 21%</td>
</tr>
<tr>
<td>Craig</td>
<td>32</td>
<td>17</td>
<td>31</td>
<td>+ 3%</td>
</tr>
<tr>
<td>Haines</td>
<td>55</td>
<td>50</td>
<td>55</td>
<td>0%</td>
</tr>
<tr>
<td>Hoonah</td>
<td>33</td>
<td>33</td>
<td>31</td>
<td>+ 6%</td>
</tr>
<tr>
<td>Hydaburg</td>
<td>12</td>
<td>16</td>
<td>14</td>
<td>- 14%</td>
</tr>
<tr>
<td>Kasaan</td>
<td>3</td>
<td>2</td>
<td>1</td>
<td>+200%</td>
</tr>
<tr>
<td>Klawock</td>
<td>14</td>
<td>25</td>
<td>13</td>
<td>+ 8%</td>
</tr>
<tr>
<td>Ketchikan</td>
<td>249</td>
<td>270</td>
<td>244</td>
<td>+ 2%</td>
</tr>
<tr>
<td>Metlakatla</td>
<td>66</td>
<td>56</td>
<td>72</td>
<td>- 8%</td>
</tr>
<tr>
<td>Sitka</td>
<td>163</td>
<td>146</td>
<td>115</td>
<td>+ 42%</td>
</tr>
<tr>
<td></td>
<td>650</td>
<td>638</td>
<td>595</td>
<td>+9.2%</td>
</tr>
</tbody>
</table>

Community Survey Analysis

1. Southeast Island Schools

Southeast Island School District is headquartered in Ketchikan. The District is comprised of schools in the following communities and logging camps.

Craik
Edna Bay
Hollis
H. Valentine
Gildersleeve
Meyers Chuck
Naukati
Polk Inlet
Port Alexander
Port Protection
Smith Cove*
Thorne Bay
Whale Pass
Port Alice*
Labouchere Bay*
Rowan Bay*

* = closed

Most of the schools in Southeast Island School District were started as a result of logging in the Tongass. The U.S. Forest Service or its prime contractors let logging contracts, the logging contractor sets up family camps, and the Southeast School District, in turn, is obligated to provide school facilities and instructional personnel for the children. Because the logging camps are located in the National Forest, the Southeast School District must receive permission from the U.S. Forest Service to place school facilities on federal land. When logging is completed in the area surrounding the camp, the camp is either closed or moved and the U.S. Forest Service requires the District to remove the school facilities and restore the school site to its original condition.
Four logging camp schools have been closed since 1994, Port Alice, Labouchere Bay, Smith Cove, and Rowan Bay in Southeast Island School District. No financial support has been provided by the U.S. Forest Service in either initially establishing the schools, or in the removal of the schools.

The total estimated cost to the District for removing the schools at Port Alice, Labouchere Bay and Rowan Bay is $425,000. Since the District operates on a fixed budget, funds for the removal of the schools comes at the expense of students, teachers and other school personnel, school facilities and student textbooks and supplies.

Additional school closures are anticipated over the next few years as more camps are closed or converted to bunkhouse camps rather than family camps. Current U.S. Forest Service policies to have smaller timber sales make it uneconomical to set up family camps.

Over the next five years, the Southeast Island District estimates the financial impact of camp closures and the requirement to remove school buildings could cost an additional $500,000.

Prince of Wales Schools

The Hydaburg, Craig and Klawock city schools have been directly impacted by the curtailment of logging on U.S. Forest Service lands. At present, high prices for logs has resulted in increased logging on Native Alaska regional and village corporation lands which has helped offset the loss resulting from reduced harvesting on U.S. Forest Service lands.

Logging accounts for approximately 45 percent of Island employment. Fishing, a seasonal industry, accounts for an additional 25 percent of Island employment.

One measure of the impact of the decline in logging industry income is reflected by the increase in the number of families who qualify for free or reduced charges for school
lunches. Over 80 percent of the school children in Hydaburg come from low income families who qualify for free or reduced price lunches. Sixty-seven percent qualify for free lunches. In Klawock, the number of school children who qualify for free or reduced charges for lunch has increased each year since 1993. Currently 39 percent of the school children qualify for free or reduced lunches in Klawock. In Craig, over 30 percent of the students qualify for free or reduced lunches.

Wrangell City Schools

In November, 1994 the Alaska Pulp Corporation mill closed resulting in a direct job loss of 200 mill employees. An estimated 100 additional logging jobs were lost by timber cutters, log truck drivers and others who provided logs to the mill. The result is a loss of 35 percent of jobs available for the work force in Wrangell. The affect of the mill closure on Wrangell City Schools has been a 10 percent reduction (60 students) in the number of students attending Wrangell schools. The drop in the number of students is accompanied by a loss of state educational funds (approximately $320,000) which will result in heavy cuts in educational services for remaining students. Since 80 percent of the school budget goes for teacher salaries, a revenue loss of $320,000 will result in teacher lay-offs and cut backs in such educational programs as music, math, science, social studies and English language classes.

Wrangell City Schools does not provide a lunch program, so no information is available about the increase in numbers of children who qualify for free or reduced price lunches. The mill closure is having a direct affect on school children. Teachers are seeing more children who are hungry and poorly clothed. The fear and depression in children even in the
primary grades is apparent to teachers. Older students, whose parents are unemployed, are more frequently absent from school and are losing their self esteem, and they have lost their vision of their future.

A pattern typical to the social conditions found in depressed logging communities in Washington State is beginning to show up in Wrangell which includes domestic violence, abuse, alcohol and drug abuse among unemployed adults and homelessness, domestic abuse, neglect, lack of food, clothing, dental and medical problems are evident among the children.

Sitka City and Borough Schools

The Alaska Pulp Corporation mill in Sitka closed in the Fall, 1993 creating a mill job loss of 400 jobs (10 percent of the workforce) and the loss of an $18 million dollar payroll (17.5 percent of the payroll dollars) for the City. Prompt action by the City reduced any immediate or severe social impact from the job losses. School enrollment has maintained at a reasonable level, and only an estimated 150 students have left school, typically because their parents left Sitka. City officials, local volunteer social agencies and state agencies have worked very hard to reduce the social consequences of the mill closure. None-the-less, as the months go by since the mill closure, workers who had unemployment benefits are exhausting their benefit claims. Workers with children who have assets, other than a home, whose value is in excess of $1,000 cannot qualify for Aid to Families with Dependent Children. However, unemployed workers who were not covered by unemployment, and workers who have exhausted benefits are spending down their assets and are qualifying for AFDC public assistance in increasing numbers.
Sitka, like most timber impacted communities in Southeast Alaska is primarily dependent upon timber, fishing and tourism for employment. Unlike other Southeast Alaska communities, Sitka has a well developed and extensive educational system including the Sitka City K-12 system, the University of Alaska Southeast Branch, Sheldon Jackson College and the Mt. Edgecumbe school. Sitka is also the site of regional training centers for local law enforcement personnel and marine safety training. Sitka has the SEARHC native health medical care complex which provides services to patients throughout the Southeast region, and among Sitka’s strengths is its well managed local government. These government, educational, medical facilities and training programs have helped buffer the community impact from the mill closure.

Hoonah, Angoon and Kake Schools

The Cities of Hoonah, Angoon and Kake are largely isolated Alaskan Native communities located on Chichagof, Admiralty and Kupreanof Islands. Primary employment in all three communities is logging related and fishing.

Hoonah, has a population of approximately 968 residents. U.S. Forest Service timber sales in the area have been greatly reduced and local logging camps have either been closed or greatly reduced in size. Most of the logs harvested in the Hoonah area are shipped out by boat which provides log loading and related work for approximately 150 stevedores who reside in Hoonah. Hoonah has lost 27 students from logging camp reductions and closures which has reduced state educational funds available for the school. The reduction in funding has resulted in the elimination of the GED program which had 10 students enrolled. The
number of students participating in the free and reduced price lunch program has increased to 45 percent of the students with 40 percent of the students qualifying for free lunches.

The City of Angoon which has a population of 725 is located on Admiralty Island. The Island is almost entirely a federally created National Monument/Wilderness and no logging is allowed in the Monument/Wilderness area. Some logging is centered on Shee Atika, an ANSCA Corp., land holdings on Admiralty Island which are relatively small. Some mining - mineral exploration is allowed outside the National Monument/Wilderness area at the North end of the Island. Some residents on the Island are involved with logging on Native Corporation land, while the predominate source of employment is seasonal fishing.

Unemployment is high in Angoon. The Chatham School District is responsible for providing educational services in Angoon, Elfin Cove, Kluckwan, Gustavus, Tenakee Springs and logging camps, Hobart Bay and Cube Cove. Over 70 percent of the school children in Chatham Schools qualify for free lunches. An additional 7 percent qualify for reduced price lunches.

Kake is located on the Northeast side of Kupreanof Island and has a population of 712, approximately the same size and demographic characteristics as Angoon. The creation by the federal government of the Petersburg Creek - Duncan Salt Chuck Wilderness area eliminated all logging on U.S. Forest Service lands. Logging continues on Alaskan Native Corporation lands. Seasonal fishing is the predominate source of employment. Like Angoon, unemployment is high in Kake.

More than 70 percent of school children in Kake qualify for free or reduced price lunches.
Haines Borough School District

The City of Haines, population 1,377 experienced two forest product mill closures within the past five years. The city experienced the devastating unemployment and social problems which accompany such a major economic upheaval. Since the mills closed in the early 1990’s the City is in a recovery process. Educational services for children, like other municipal services, were gutted after the mills closed and only some of the basic educational services normally found in Southeast Alaska communities has been restored in Haines schools.

The economy of the Haines Borough is shifting from one based upon logging to one based on seasonal fishing and tourism. Since Haines is only one of two communities in Southeast Alaska connected to the State road network it has road based tourism not found in other Southeast cities.

Haines does not provide a school lunch program.
REPORT FINDINGS

Based upon the statistical analysis of timber related jobs lost in Southeast Alaska, the increase in AFDC caseloads, the increase in children using free and reduced lunches, and based upon the interviews with local school and community officials, the following Findings are made for Southeast Alaska timber impacted communities.

Finding #1 - It is important that the full extent of the social and economic consequences of the cut back in logging, and mill closures in the Tongass National Forest be understood.

It is not possible to separate the economic impact on families, schools, children, adults and communities resulting from a cut back in timber harvests and mill closures. Job loss and fear of a job loss impacts workers and their families. The impacts show up in many forms. Domestic violence, loss of self esteem, increased drug and alcohol usage by adults and young people are typical impacts, while truancy, lack of attention and lower performance in school are symptomatic for children. It is also important to note that the full affect of an economic depression on a family may not show up in affected children for several years and may create more serious emotional problems than the initial impact.

Finding #2 - Children who live in deteriorating communities, where residents perceive little hope for the future are more likely to develop problems with drug and alcohol usage, delinquency, teen pregnancy and drop out of school. Younger children who live in these areas are more likely to have behavior and adjustment problems early in life and are more likely to have problems with drugs later on.
Deteriorating economic conditions in Southeast Alaska timber communities are creating a "pay now or pay later" situation with regard to the children. The prevention costs now are only a small fraction of the "pay later" social costs which will be borne in the future. The time to act is now.

Finding #3 - The main contributing factor to the deteriorating local economies in Southeast Alaska communities is the logging curtailment by the U.S. Forest Service, and federal policy on logging in U.S. Forest Service managed lands in the Tongass National Forest.

Most Southeast Alaska communities are dependent upon logging (and mills), fishing and some tourism as their economic main stay. Logging and mill work have, in past years, provided more stable and higher paying jobs than fishing and tourism.

The fishing industry, particularly on Prince of Wales Island and Sitka is highly dependent upon Federal policies (The Endangered Species Act) and U.S./Canada Treaty negotiations regarding prior interceptions. The fishing industry in Southeast Alaska had a good year in 1994. It would however, be foolhardy to rely in future years on the fishing industry to carry a larger share of the economic base in Southeast timber impacted communities. In the short run, the same reasoning applies to tourism that apply to fishing. Tourism in Southeast Alaska is not currently robust enough to pick up the slack caused by the loss of timber jobs.

Finding #4 - To assist timber impacted communities in Washington, Oregon, and Northern California, the President of the United States proposed and the federal government has implemented a $1.2 billion dollar, five year program to help these
communities recover from the economic upheaval caused by the curtailment of logging in the National Forests in these States.

The number one priority of the $1.2 billion federal program is workers and their families in these states. Approximately $300,000, or less than .025 percent, was allocated by the federal government to assist timber impacted communities in Southeast Alaska. Such minuscule financial assistance to Southeast Alaska timber impacted communities utterly fails to conform to any sense of fair treatment of Southeast Alaska communities on the part of the federal government. The minuscule amount of assistance to timber impacted communities in Southeast Alaska, becomes even more ludicrous given the fact that the Tongass National Forest in Southeast Alaska produces as much timber and wood products as all of the National Forests in Washington, Oregon and Northern California combined.

Finding #5 - Given the adverse affects on children in timber impacted communities in Southeast Alaska, it is incumbent upon the federal government and the U.S. Forest Service to provide commensurate financial assistance, over a five year period, to assist children overcome the affects of the economic devastation created by the curtailment of logging in the Tongass National Forest.

This survey and report is focused on the problems and needs of children in timber impacted communities in Southeast Alaska. It does not focus on the needs of workers or on the economic development needs of impacted communities.
RECOMMENDATIONS

Based upon the communities surveyed, the statistical evidence has been compiled and the findings are set forth in this report. The following actions are recommended to assist school children in Southeast Alaska overcome the affects of the economic and social dislocation created by the curtailment of logging by the U.S. Forest Service and federal policy on U.S. Forest Service managed lands in the Tongass National Forest:

Recommendation #1 - Help children and their families in timber impacted communities cope with the stress, lack of nutrition, poor health and related problems of unemployment or the fear of job loss.

There are several ways this help can be provided. For example, the Parents as Teachers Program is a nationally recognized program that has demonstrated strong positive outcomes in similar situations. The Parents as Teachers Program is a home-school-community partnership designed to provide parents the information and support needed to provide a healthy, caring environment for their children.

The key elements of a School-Home Liaison Program include regularly scheduled home visits; periodic screening of the children for early detection of health, psychological, nutrition and other problems; parent counseling; referrals by the home visitor to social and other public agencies; and may include group meetings of parents to aid in communication and understanding the needs of children. This effort should include both pre-school and school age children.

There are several important advantages to the School-Home Liaison Program. First, it provides support to pre-school children, whose parents often need the most help. Secondly,
the program can be implemented in each of the communities in Southeast Alaska where schools are located. Third, School-Home Liaison Programs are in operation in many other states, including Alaska and training is readily available for Southeast Alaska school personnel.

The estimated cost for 12 School-Home Liaison positions (2 for Sitka, one each in the other communities) is shown as follows.

1. Program Startup and Training for 12 staff  
   @ $8,000.00 each ........................................ $ 96,000

2. Annual Salaries, Benefits, Travel and related costs @ $50,000 per staff  
   ......................................................... $ 600,000

Total Recommendation #1 ........................................ $ 696,000

Recommendation #2 - Require the U.S. Forest Service to implement a financial hold harmless policy which covers the fiscal impact of U.S. Forest Service decisions on local schools in the Tongass National Forest.

Southeast Island School District has been seriously financially impacted by the U.S. Forest Service decisions which result in logging camp closures. The District is required by state and federal law to provide educational service for school children in logging camps. In response to the U.S. Forest Service mandate to remove schools and restore the school sites, Southeast Island School District has incurred unanticipated costs which have resulted in teacher layoffs and other educational program cut backs in Southeast Island schools. The District simply needs to be held harmless from U.S. Forest Service decisions over which the School District has no input or control.
U.S. Forest Service Mandated School Removals and Site Restoration.

1. School Removal and Site Restoration Port Alice .................. $ 80,000
2. School Removal at Labouchere Bay ................................. $ 100,000
3. School Removal at Rowan Bay ...................................... $ 245,000

Total School Removal and Site Restoration .......................... $ 425,000

The Wrangell City Schools has been directly impacted by the sudden drop in enrollments resulting from the mill closure. Wrangell City Schools will lose $320,000 in state funds because of the enrollment decline. Wrangell, like all schools, contracts with teachers in the Spring of each year for the following year. The closure of the mill in the middle of the school year, results in lost state revenues while the contracted costs go on through the entire school year. To make up for the revenue loss, Wrangell Schools will have to make major cuts in their educational programs in the 1996-97 school year and beyond, because of the unanticipated closure of the mill. The estimated hold harmless cost impact on Wrangell City Schools ................................................................. $ 320,000

Total Recommendation #2 .................................................. $ 745,000

Recommendation #3 - Implement a strengthened vocational education and training program for timber impacted communities in Southeast Alaska.

Logging and mill work has been a way of life for decades in timber communities in Southeast Alaska. Sons followed fathers into the same occupations, and their sons in turn followed them. Daughters followed their mothers into homemaking or jobs in the community supported by the wages and other income from logging and mill work.
Federal government policy changes have unalterably changed this lock-step process. The jobs in the mills, in the woods, homemaking and in the retail sector of the economy supported by timber are gone, perhaps never to return. Children in schools today have no vision of their future, they require a new sense of direction and purpose to become productive residents of Southeast Alaska.

Students need to be aware of career alternatives. They need in-class exposure to a wide range of occupational choices, and they need training in the occupations of their choice. The geography of Southeast Alaska, the mountain ranges, few roads and the number of remote communities make it difficult to implement one single vocational education and training program. However, an evaluation of alternative strategies for providing a vocational education and training program indicates that two programs, combined, can reach the majority of affected students in a cost effective manner.

The first program is a Community Skill Center Program, adopted by the State of Washington for providing vocational training in its timber depressed communities. The Community Skill Center concept is based on employing students and high school drop outs in jobs in businesses in their local community. A vehicle repair facility, a hair salon, nursing home, home building and a fish processing plant are typical examples of businesses in communities in Southeast Alaska. These businesses become the training center and use their employee time and their equipment in training students in the occupations related to their business. Community Skill Centers are cost effective in that they avoid the need to construct and equip vocational training facilities. They make use of local business facilities. Another important
advantage to community skills centers is that they can be started quickly, shut down if necessary and change to another business all within a few weeks.

Detailed plans are available for implementing a Community Based Skill Center Program. The implementation of 15 Community Skill Centers including instructors, facility and equipment rental, instructional supplies and program administrators is proposed for communities in Southeast Alaska. $ 750,000

The second element of the vocational education and training program is to utilize and strengthen the University of Alaska Southeast Outreach educational program which provides work force training and continuing education services throughout Southeast Alaska. The start up funds are necessary to develop new courses and provide receive site equipment at schools that are not currently receiving programming. The estimated cost of this part of the recommendation is $500,000 startup and $500,000 in annual operating costs.

Total Recommendation #3 $1,750,000

Recommendation #4 - Strengthen the funding for programs serving unemployed adults and school dropouts.

A major limiting factor in adult and dropout reemployment is the lack of education and training. The Southeast Regional Resource Center has a nationally recognized adult education program now operating in the small and larger communities in Southeast Alaska. The educational programs provided through this network include adult basic education, literacy, GED, older worker training, career interest and assessment and job search assistance. Some of these educational services are available through the transition centers in Sitka and Wrangell. None of these services have been provided by the federal government.
as part of a timber impact program in the rural communities which have suffered job losses
as a result of the timber cut backs and mill closures.

The recommended funding for this program will directly address the needs of the
unemployed adults and dropouts in rural communities in Southeast Alaska. . . . . . . $ 500,000

Financial Summary of Recommendations

<table>
<thead>
<tr>
<th>Recommendation</th>
<th>One Time Costs</th>
<th>Annual Costs for Five Years</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. School-Home Liaison Program</td>
<td>$ 96,000</td>
<td>$ 600,000</td>
</tr>
<tr>
<td>2. Hold Harmless</td>
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<td>3. Vocational Education</td>
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<td>a. Community Skill Centers</td>
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<tr>
<td>b. Computer Based</td>
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<tr>
<td>Vocational Ed. System</td>
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<td>500,000</td>
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<td>4. Unemployed Adults and Dropouts</td>
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<tr>
<td><strong>TOTALS</strong></td>
<td><strong>$1,341,000</strong></td>
<td><strong>$2,350,000</strong></td>
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SUMMARY OF RECOMMENDATIONS

These recommendations when implemented will provide the critically necessary strengthening of the relationship between schools and parents and help ensure that children receive the proper care, nutrition and support provided by the Home-School Liaison Program. The hold harmless recommendation requires the U.S. Forest Service to take financial responsibility for their actions as a responsible member of Southeast Alaska communities.

The historic Southeast Alaska economic drivers of logging, fishing and tourism are changing, and Southeast Alaska students need to actively search out new careers and begin training for new occupations. The recommendation for a strengthened vocational education program is a essential element in facilitating the economic change and equipping children in Southeast Alaska with the skills they will need for the future. The recommended Unemployed Adult and Dropout Program places added emphasis to an exemplary program already in operation.
SIGNATURES

Superintendent, Hoonah City Schools

Mayor, City of Hoonah

Superintendent, Chatham Schools

Executive Director, South East Regional Resource Center

Superintendent, Craig Schools

Mayor, City of Craig

Superintendent, Haines Borough

Mayor, Haines Borough

School District

Mayor, City of Hydaburg

Superintendent, Hydaburg City Schools

Mayor, City of Hydaburg

Superintendent, Kake City Schools

Mayor, City of Kake

Superintendent, Klawock City Schools

Mayor, City of Klawock

Superintendent, Sitka Schools

Mayor, City of Sitka

Superintendent, Southeast Island Schools

Mayor, Ketchikan Borough

Superintendent, Wrangell City Schools

Mayor, City of Wrangell
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