

Status of the Tongass National Forest (ANILCA 706(b) Report) 1997 Report

Introduction

This is the seventh biennial report prepared to keep Congress informed about the status of the Tongass National Forest. The report is required by Section 706(b) of the Alaska National Interest Lands Conservation Act of 1980 (ANILCA), as amended. The Act specifies the following reporting requirements:

- (1) the timber harvest levels in the forest since the enactment of this Act;
- (2) the impact of wilderness designation on the timber, fishing, and tourism industry in southeast Alaska;
- (3) measures instituted by the Forest Service to protect the fish and wildlife resources in the forest;
- (4) the status of the small business set aside program in the Tongass Forest; and
- (5) the impact of timber management on subsistence resources, wildlife, and fisheries habitats.

Previous "Status of the Tongass National Forest" reports have summarized information presented in earlier reports, and focused on the events of the preceding two years. The present report continues this approach, emphasizing fiscal years 1996 and 1997.

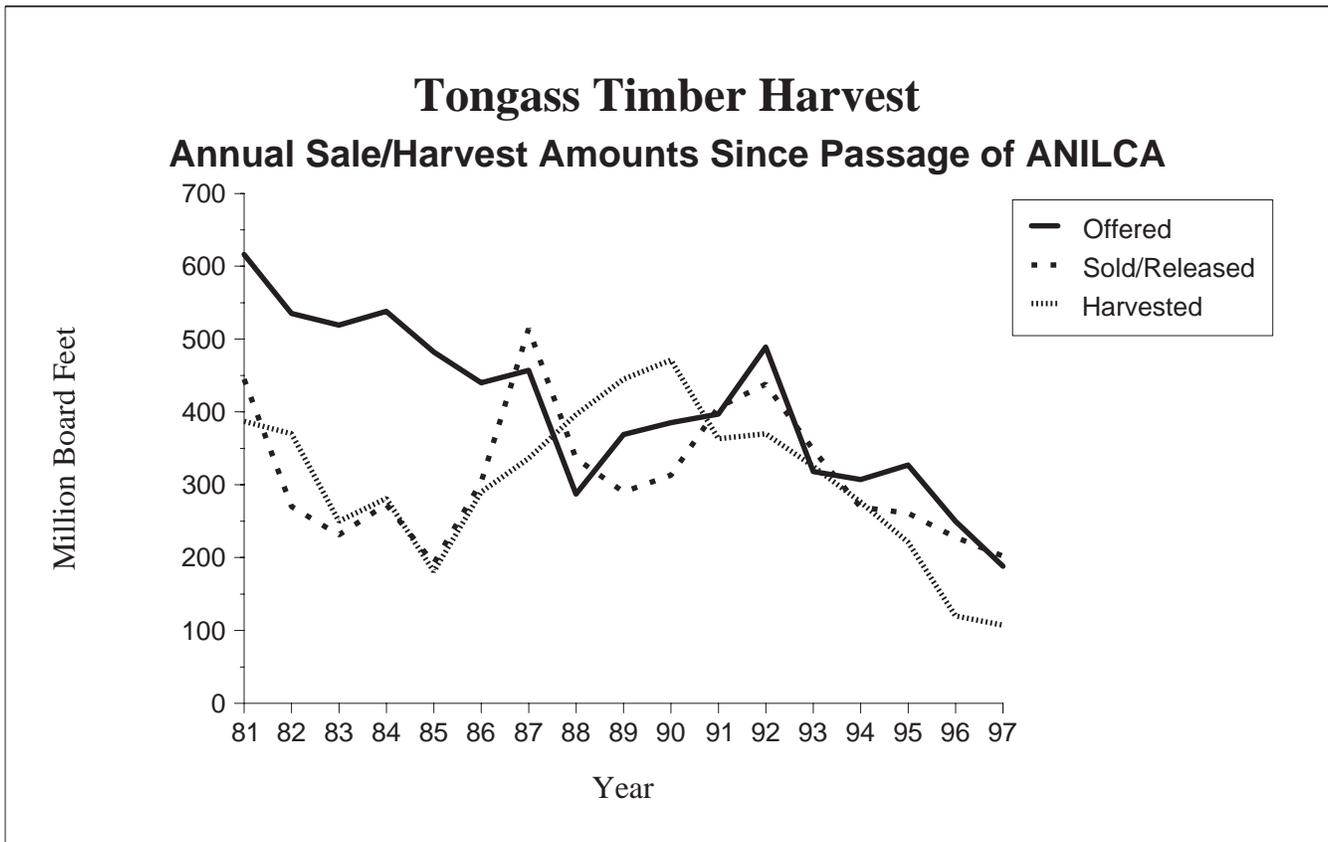
Fiscal year 1997 witnessed a significant milestone in Tongass National Forest management, the completion and approval of a revised land and resource management plan (forest plan). The 1997 Tongass Forest Plan replaces the 1979 forest plan with new forestwide goals and objectives, management area prescriptions and allocations, and standards and guidelines to apply when implementing projects. Thus the source of current direction for managing the Tongass used in previous reports, the 1979 (as amended) Forest Plan, is no longer applicable, and the present report will focus on the direction in the new 1997 Forest Plan.

The trend in recent reports towards streamlining and referencing continues in this report. The six previous "Status of the Tongass National Forest" reports (for 1985, 1987, 1989, 1991, 1993 and 1995) include more detailed information on the events of those time periods, most of which is not repeated here. The annual "Timber Supply and Demand" reports (required by Section 706(a) of ANILCA) provide additional detail on above items (1) and (4). Overall, the *Tongass Land and Resource Management Plan Revision Final Environmental Impact Statement (1997)* (including the revised Forest Plan and Record of Decision) is the most up-to-date source of information for most of the topics summarized in this report.

This status report has been prepared in cooperation and consultation with the State of Alaska, affected Native Corporations, the Southeast Alaska timber industry, the Southeast Alaska Conservation Council, and the Southeast Alaska commercial fishing industry, in accordance with Section 706(c) of ANILCA. (One other cooperator listed in ANILCA, the Alaska Land Use Council, is no longer in existence.) No comments were received on this year's report.

Tongass Timber Program Since Passage of ANILCA

Information on the levels of timber harvest within the Tongass National Forest since the passage of ANILCA (December 1980) is shown graphically, and in tabular form for the 1990's, below. Three figures are displayed for each year: the amount offered for sale by the Forest Service; the amount actually sold or released (in the case of the long-term contracts) to purchasers; and the amount actually harvested during that year. On average for the entire period, 405 million board feet was offered for sale annually, but only 305 million board feet was actually purchased and then harvested annually (all figures are sawlog plus utility volume).



Tongass National Forest Annual Timber Program, 1990-1997*
 (all figures are in million board feet, sawlog plus utility volume)

	<u>1990</u>	<u>1991</u>	<u>1992</u>	<u>1993</u>	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>
Offered	385	397	489	318	307	327	250	188
Sold/Released	313	406	438	348	269	261	228	202
Harvested	471	363	370	325	276	221	120	107

*The amount sold or released can exceed the amount offered in a given year if an offering near the end of a year is not actually sold or released until the following year.

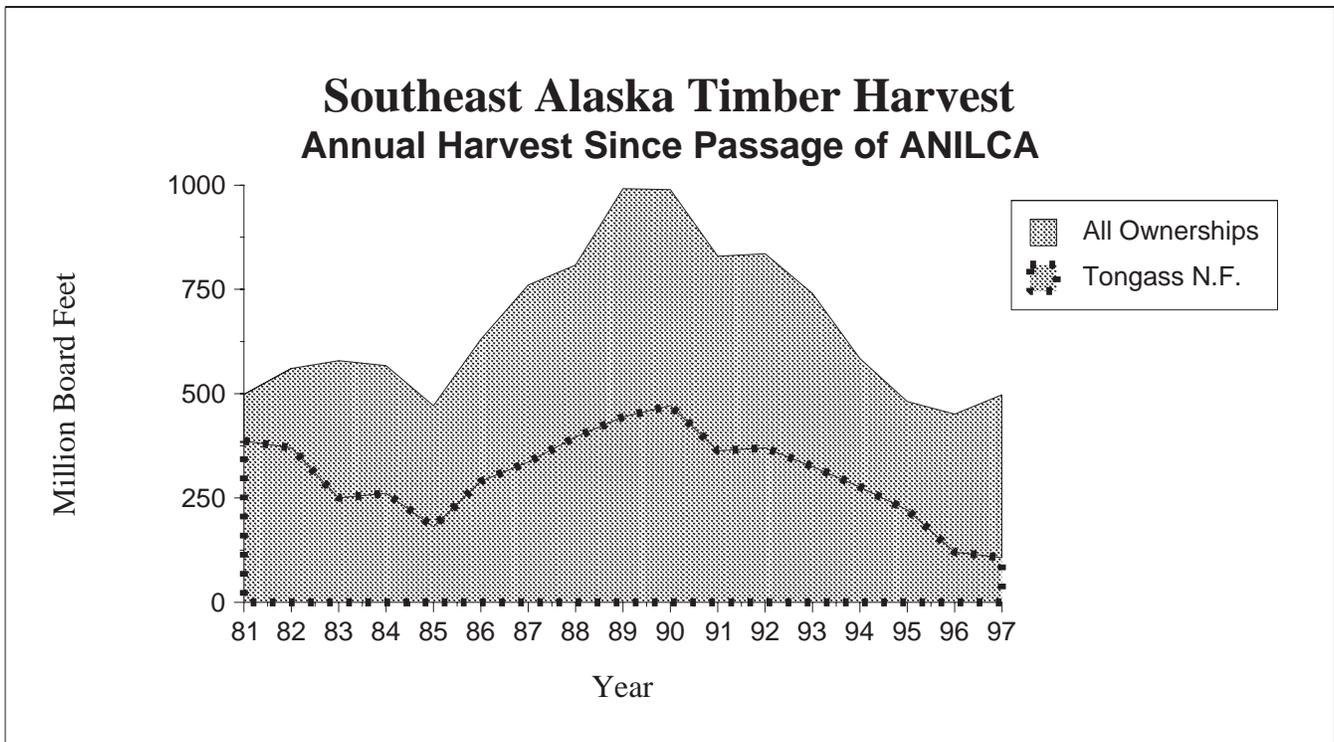
As the graph indicates, there was a considerable disparity between timber offered for sale, and timber purchased or harvested, between the passage of ANILCA and 1986. This was the result of a very poor market for timber during that period. Since 1987, the amount offered for sale and the amount purchased run closely together, as the timber market rebounded (in the late 1980's and early 1990's) and Tongass National Forest offerings were adjusted to more closely respond to actual timber markets. Harvest also rebounded, though with a time lag behind sales. Since about 1992 all three categories have steadily declined, with harvest again lagging somewhat behind offerings and sales.

Beginning in 1994, significant changes occurred to the timber industry in Southeast Alaska. In 1994 the long-term contract with Alaska Pulp Corporation was terminated, due to Alaska Pulp's permanent closure of their pulp mill in Sitka. One year later Alaska Pulp closed their Wrangell saw mill. Then in 1997 the long-term contract with Ketchikan Pulp Company was renegotiated, following the announced closure of their pulp mill in Ketchikan, for a termination of the contract on December 31, 1999. With the closure of both of Southeast Alaska's pulp mills, a substantial portion of the market for timber from the Tongass disappeared. Timber previously reserved for Alaska Pulp Corporation could now be offered to independent contractors in smaller sale quantities. The Wrangell mill is now under new ownership and is scheduled to reopen and begin production later this year (1998).

Other factors have affected the supply and/or harvest of timber from the Tongass National Forest in recent years. Additional environmental measures applied during project planning, such as the stream buffer requirements of the Tongass Timber Reform Act of 1990, tend to reduce the amount of available timber. Appeals and litigation can delay or reduce the amount of timber that can be offered (but which has already been planned for) in a given year. Since 1991, over 1.6 billion board feet has been affected in this way. The annual Forest Service budget, and increasing timber planning costs, are other factors.

Over the entire period since ANILCA (1981-1997), approximately 5.2 billion board feet of timber were harvested from the Tongass National Forest. This harvest occurred on approximately 144,100 acres (an average of 8,475 acres per year) and was accomplished almost entirely by use of the clearcut harvest method. For all years for which subsequent timber stand examinations have been conducted, essentially all harvested acres are regrowing healthy young-growth timber.

The graph below, "Southeast Alaska Timber Harvest," presents a general picture of all timber harvesting in Southeast Alaska since passage of ANILCA. (Non-National Forest harvest comes primarily from private land managed by Alaska Native corporations; State and other federal lands also contribute.) On average, the Southeast Alaska timber industry harvested about 660 million board feet annually during this period, from a low of around 500 million board feet to a high of almost 1 billion board feet. Harvest from the Tongass National Forest closely parallels total Southeast Alaska harvest, averaging about 46 percent of total harvest annually. This percentage was somewhat higher at the beginning of the period, and somewhat lower towards the end. This paralleling of Tongass harvest with total Southeast Alaska harvest activity indicates that Tongass timber harvest is closely tied to the economic conditions of the Southeast Alaska timber industry.



The Impact of ANILCA Wilderness Designations

Under ANILCA, Congress designated 5.4 million acres of the Tongass National Forest as Wilderness. In 1990 the Tongass Timber Reform Act added additional Wilderness, bringing the total to about 5.7 million acres. In passing ANILCA, Congress was concerned about potential impacts of the Wilderness designations on the timber, fishing, and tourism industries in Southeast Alaska.

In general, for all three industries, it is not possible to fully or clearly distinguish the possible effects of Wilderness designations from the many other forces affecting these industries. Changes in levels of production and employment appear to be primarily linked to changes in market demands for industry products and services, to institutional factors, and in some cases to short-term resource availabilities. Some possible effects of Wilderness designations can be discussed, however.

The Timber Industry. Wilderness designations do affect the available timber land base, and from a long-term perspective this reduces the acreage on which timber management can be practiced. The 5.7 million acres of Tongass Wilderness contain about 1.7 million acres of timber lands (or "productive" old-growth forest). The Tongass, however, has roughly twice this amount of timber lands outside Wilderness. Analysis in the *Tongass Land and Resource Management Plan Revision Final Environmental Impact Statement (1997)* shows that if management were to continue under the 1979 Forest Plan (Alternative 9), 549 million board feet would be available for harvest annually (in "net sawlog" amount this would be 450 million board feet, the level originally specified under ANILCA), and the alternative with the greatest emphasis on timber production (Alternative 7) would have 640 million board feet available annually. As was seen above, with an average offering of 405 million board feet annually for the last 17 years, an average of just 305

million board feet per year was purchased and harvested. Thus the Wilderness designations have not in themselves constrained the supply of timber from the Tongass to the timber industry to meet timber demand.

The Fishing Industry. Wilderness areas are generally protective of fish habitat, and in Alaska, usually allow fish habitat enhancement projects. The kinds of land-altering activities that can degrade fish habitats, such as logging close to streams, are not allowed within Wilderness, and to this extent the designation of Wilderness in 1980 has resulted in greater protection to stream habitat within those areas designated Wilderness than would have been the case if portions of those areas had been managed for timber harvest projects. However, the extent of positive effect cannot be measured because variations in at-sea environmental conditions, and commercial mixed-stock fish harvests, mask population changes caused by freshwater habitat conditions. In the long-term, the continued habitat protection afforded by Wilderness would be expected to benefit the fishing industry, assuming a lack of protection otherwise. However, the protections afforded under the 1997 Forest Plan to areas outside Wilderness are also expected to result in long-term benefits (see discussion of fish habitat protection measures below).

The Tourism Industry. By maintaining the pristine scenery of several million acres of the Tongass, Wilderness designations have likely contributed to the growth of tourism since the passage of ANILCA, but again it is difficult to separate out these effects from other factors contributing to the rapid and continuing rise of tourism demand and use in Southeast Alaska. Wilderness within the Tongass National Forest accounts for 48 percent of the total Forest acreage identified as tourism recreation places. The 5.7 million acres of Wilderness also contribute to maintaining the forest scenery for those visitors using cruise ships and ferries. On the other hand, some tourism activities may be limited or excluded from designated Wilderness (such as some helicopter uses), and tourism-related developments such as lodges or docking facilities are not allowed. Thus potential effects by industry segment can differ, and the overall long-term effect (positive or negative) is unclear. The growth of tourism in Southeast Alaska since ANILCA is most noticeable in the steady rise of cruise ship and ferry passengers, whose primary attraction is scenery, and thus the effect of Wilderness up to the present time has probably been positive.

Fish and Wildlife Resource Protection

Previous "Status of the Tongass" reports have focused on the fish and wildlife measures of the 1979 Forest Plan, as amended, the stream habitat measures of the Tongass Timber Reform Act of 1990 (TTRA), and the inclusion of fish and wildlife protection measures at the project level. While there was a trend since the passage of ANILCA towards enhanced protection for fish and wildlife habitats, the environmental analysis done for the revision of the Tongass Forest Plan (*Tongass Land and Resource Management Plan Revision Final Environmental Impact Statement, 1997*) showed the need for stronger measures.

The 1997 Tongass Forest Plan includes the stream buffer requirements of TTRA, and provides additional stream habitat protection measures. Riparian area standards and guidelines apply in all watersheds wherever land-altering activities are allowed, and provide protection for intermittent and headwater streams as well as anadromous and resident fish streams. A watershed analysis process is required for any site-specific adjustments to buffer guidelines. This riparian area direction incorporates all the recommendations of the *Anadromous Fish Habitat Assessment (1995)*.

Overall, the measures for protecting fish resources in the 1997 Forest Plan offer a high level of long-term protection for fish habitats.

One of the primary goals of the 1997 Tongass Forest Plan is to maintain the abundance and distribution of habitats, especially old-growth forests, to sustain viable populations and provide for continued commercial, sport and subsistence use of fish and wildlife species. Key to this goal is the old-growth habitat strategy, a forestwide system of old-growth forest reserves that maintain the integrity of the old-growth ecosystem. This system of old-growth reserves includes all "non-development" land use designations (areas such as Wilderness and Remote Recreation within which land-altering activities are not allowed) plus a system of habitat conservation areas (HCAs, represented in part by the Old-growth Habitat land use designation) of specific sizes and distances apart. Outside other non-development designations there are 1.1 million acres allocated to Old-growth Habitat; each large watershed within the Tongass has at least one small HCA, and large and medium HCAs are distributed evenly across the Tongass (again, outside other non-development areas).

The riparian area standards and guidelines complement this system of reserves, providing additional old-growth habitat and helping to connect habitat reserves within watersheds. Beach and estuary standards and guidelines also apply within all areas where timber management is allowed, providing a 1,000-foot habitat corridor adjacent to all marine beaches and estuaries. These help to connect habitat reserves between watersheds, and protect important habitats such as deer winter range and bald eagle nesting areas. Additional measures are provided for several species of concern, including brown bear, Alexander Archipelago wolf, northern (Queen Charlotte) goshawk, American marten, and other endemic mammals. Overall, the wildlife habitat protection measures of the 1997 Forest Plan offer a significant improvement over previous measures, and provide a moderately high likelihood of maintaining viable well-distributed populations of old-growth associated species across the Tongass National Forest.

Small Business Timber Set-aside Program

The Forest Service and the Small Business Administration (SBA) have carried on a small-business timber "set-aside" program for the Tongass National Forest since before ANILCA was passed. Under this program, qualified small-businesses (firms with no more than 500 employees) are given a preferential right to bid on short-term sale offerings (sales requiring that harvest be completed within 10 years). If no qualified businesses bid on an SBA offering, it can be opened to non-qualified bidders. The original goal of the program was to offer 80-100 million board feet annually to small business. The Tongass Timber Reform Act (Sec. 105) reiterated the commitment to supply timber to small businesses, and in 1995 the Forest Service and SBA agreed to an approximate 100-million-board-foot annual goal for the program for Fiscal Years 1996 through 2000 (subject to adjustment for timber market reasons). This goal was updated in 1997 to one-half the total timber offered for sale.

The table below shows the average annual Tongass SBA program for the 17-year period following the passage of ANILCA, and the actual figures for the past two years. With the cancellation of the Alaska Pulp Company long-term contract, the termination in 1999 of the Ketchikan Pulp Corporation contract, and new ownership of the Wrangell saw mill, it is likely that most offerings over the next decade will be short-term sales to independent operators. The allowable sale quantity of the

1997 Tongass Forest Plan, 267 million board feet annually, provides considerable flexibility for meeting the SBA goal.

Tongass National Forest Small Business Set-aside Program, 1981-1997
(all figures are in million board feet, sawlog plus utility volume)

	<u>17-year Avg.</u>	<u>1996</u>	<u>1997</u>
Offered	114	89	144
Sold	89	69	152
Harvested	82	27	37

Impacts of Timber Management on Subsistence Resources, Wildlife, and Fisheries Habitats

The analyses of fish and wildlife effects in the *Tongass Land and Resource Management Plan Revision Final Environmental Impact Statement (1997)*, including the results of the *Anadromous Fish Habitat Assessment (1995)*, several wildlife species assessments, and two sets of science panel assessment meetings, found that continuing management as it has been done in the past (Alternative 9 - the 1979 Forest Plan, as amended) or with a continued emphasis on intensive timber management (Alternative 7) would pose relatively high long-term risks to fish habitats and wildlife species viability. Many of the changes in management direction adopted by the 1997 Forest Plan resulted from this analysis. As noted above, management under the 1997 Forest Plan poses relatively low risks to fish habitats and wildlife species viability.

Subsistence resources are in many ways synonymous with fish and wildlife resources, since the use of fish and wildlife for food forms the basis of the subsistence lifestyle. The goal for fish and wildlife resources includes sustaining subsistence use of those resources. In general, the conclusions about the protection of fish and wildlife resources presented above apply equally to subsistence uses of those resources: these uses will be sustained over time. With one exception, the abundance and distribution of all plant and animal species important for subsistence users, including salmon and other finfish, marine and terrestrial mammals, waterfowl and seabirds, edible plants, and firewood, will not be restricted. The exception is the deer resource, for which a significant restriction may occur.

The analysis in the *Tongass Land and Resource Management Plan Revision Final Environmental Impact Statement (1997)*, assuming full implementation of all scheduled projects, found that there may be a future restriction on subsistence uses of deer in some areas, due to project effects on deer habitat and competition among hunters. The 1997 Forest Plan includes measures to help keep such a restriction from occurring, including the requirement that all projects identify and consider important deer winter range during project planning and environmental analysis. The 1,000-foot beach and estuary fringe, and the riparian buffers and habitat conservation areas at lower elevations, all protect important deer wintering habitat. Overall, the 1997 Forest Plan protects 86 percent of high-value deer winter range, and 83 percent of deer habitat capability.