

What others say...

Fish mean jobs

To Rep. Don Young:

Fish mean jobs, profits and economic survival in Southwest Alaska.

Anyone with a job in coastal Alaska, in most cases, can directly or indirectly relate that job to one commodity — FISH.

Whether we are talking about cannery jobs, selling insurance, retailing jobs of any kind, transportation jobs or government jobs, we are talking about FISH.

Reflagging of foreign fish processing vessels sells out the Alaskan people's jobs in Western and Southwestern Alaska.

Our communities must have fish for our harvesters and our processors in order to survive economically.

Special interests should not be given advantages or special favors over the rest of us in this crucial battle for fish — the mainstay of our economic future in coastal Alaska.

It is curious then that our representative in Congress, Don Young, in his

summer letter to constituents, does not mention the effective date on reflagging legislation — Jan. 1, 1987. That date would truly protect our jobs and our fish.

If, indeed, the Jan. 1, 1987, effective date is not part of the reflagging legislation, then our jobs, our profits, our futures will be sold out in the bottomfish battles in Congress.

We the undersigned, urge you to write Rep. Don Young and our senators, Ted Stevens and Frank Murkowski, to stop this ruin and run of our jobs, profits and future. Demand a Jan. 1, 1987, effective date on reflagging legislation of foreign fish processing vessels.

Mayor Jack Stepeten, Akutan

Mayor Frank Battishill, Chignik

Mayor Alex Samuelson, King Cove

Mayor Jack Foster Sr., Sand Point

Mayor Paul Fuhs, Unalaska

Mayor Jerome Selby, Kodiak Is. Bor.

Mayor Leon Braswell, Dillingham

Rep. Cliff Davidson, Dist. 27

Rep. Adelheid Herrmann, Dist. 26

Workers' compensation costs

To the editor:

Alaskan jobs and businesses will be threatened more than ever this winter by skyrocketing costs for workers' compensation insurance, and that's a very real threat to every employer and employee in this state.

The workers' compensation system began in the United States in the early 1900s. It was based on a belief that an employee should be entitled to wage compensation and hospital-medical cost coverage for injuries which occurred on the job.

Workers' compensation insurance coverage is now mandatory for every employer in the United States, and Alaska has one of the most generous benefit and compensation packages in the country.

In 1987, Alaskan workers' compensation rates increased an average of 14.3 percent with some industries shouldering increases as high as 40 percent. That increase added an additional \$20 million to the \$155 million statewide that employers were paying annually for coverage. It's expected that a 25 percent average increase will take effect in 1988.

The potential results are obvious. Businesses already hard hit by a faltering economy will be dealt a death blow by higher premiums. Jobs will be lost by the hundreds.

The problem is not that the system is being abused in large part, but rather that the system has gone far beyond what it was ever intended to accomplish. The goal of workers' compensation should be to help an injured worker recover and to return to gainful employment. During the times of disability, the worker should be fairly compensated at a level comparable

to the income which would be generated if the worker were on the job at which the injury occurred.

However, the basic premise of workers' compensation has been altered in Alaska. Under our system there is little or no incentive to return to work.

Why is Alaska's system so expensive? There are numerous reasons. Alaska is one of only two states which provide that benefits paid to an injured worker will be based on 200 percent of the statewide average weekly wage. This can result in a weekly compensation wage of more than \$1,100, tax free, while the salary an employee may have been earning while on the job was significantly less.

To make matters worse, a worker injured in Alaska may choose to move to another state with a substantially lower cost of living, yet be compensated at the rate determined in Alaska.

Compensation is based on a worker's income for the past two years. Under Alaska law a person can work on the North Slope earning \$40,000, then switch to a job paying half that, become injured on the new job and be compensated at a rate based almost totally on the prior job. As a result, that person would earn more from workers' compensation than from working.

Unlike many states, Alaska has no provision for periodic reviews of standards for treatment of injured workers by medical or rehabilitation providers, nor any guidelines for fees.

Many other factors have driven up the cost of coverage including runaway medical costs, the failure of occupational rehabilitation legislation

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Legislation would create new boroughs

To the editor:

During this past legislative session, I introduced House Bill No. 1, legislation that would convert the unorganized areas of Alaska into third class boroughs. The legislation allows areas to organize on their own as first or second class boroughs or as home rule boroughs if they do so before July 1, 1989. No doubt, the legislation will receive much public debate over the next several months.

I would like to share with your readers my reasons for introducing the legislation, my thoughts as to the advantages borough government would offer the citizens of the unorganized borough and my hopes and aspirations for the state if this legislation were to be passed.

I believe it is long past time that we come together as one people and one state. It is time that we rid ourselves of the "we versus they" thinking that has too long permeated the rural and urban areas of the state. It is time that people from all areas of the state join as partners to make this state the best that it can be.

It is time that we join not only in maximizing local control but also in sharing local responsibility for programs and services.

The Alaska State Constitution, ratified by the people of Alaska in 1956 and implemented in 1959, called for "maximum local self-government with a minimum of local government units" and states, "All local governments shall be vested in boroughs and cities."

Almost 30 years later, we have yet to complete the process leading to what I believe the Convention delegates had in mind when they wrote Article X.

Instead, we have an area covering two-thirds of the state operating under a complex and oftentimes confusing system of local governments, quasi-governments, tribal governments and service areas lacking consistency and congruity. We have citizens lacking many of the basic services provided in the organized boroughs, citizens highly dependent on the federal government, citizens who view themselves as separate from mainstream Alaska.

I believe it is time to improve that situation. I believe it is time to join in partnership to develop the human and natural resources that we have, to provide more equitable services across the state, and to move toward economic development of the state as a whole.

I believe borough government throughout the state, in cooperation with state and federal governments, can benefit all Alaskans and most importantly those of future generations.

The advantages of organizing borough government, I believe are many — some are very practical and immediate and some are not quite so tangible. Most directly, over a period of three years each newly organized borough would receive \$600,000 in state assistance to defray the cost of transition to borough government. (It would be \$300,000 in the first year, \$200,000 in the second, and \$100,000 in the third. Also, under municipal land entitlements, an area becoming a borough would be entitled to up to 10 percent of the total acreage of vacant unappropriated, unreserved state land within its boundaries with a limit of 20 acres per citizen.)

The organization of borough government would result in eligibility for state municipal assistance and revenue sharing monies to newly organized boroughs, both of which allow a good deal of flexibility in spending. These funds can be used to finance local service delivery and to reduce local taxes and to "assure that no municipality suffers impoverishment of necessary public services, relative to other municipalities, because of the chance location of taxable wealth in the state." (Chapter 155, SLA 1980) In other words, organization would result in a broader range of services — including but not limited to legal, health, public safety, police and social services.

Also borough organization would provide the opportunity for area-wide bonding power and therefore area-wide economic areas — *the number and kind to be decided by the citizens of the borough.*

I add the emphasis in the last sentence, because in many ways organization would allow for the assumption of a *greater* degree of self-government, rather than less self-government as argued by opponents of organization. Under provisions of the Alaska Constitution, the state Legislature exercises "any power or function in an unorganized borough which the assembly may exercise in an organized borough." In other words, by organizing borough government, the people would take for themselves many of the powers and functions now in the hands of the Legislature.

At the same time, it would enhance greater accountability upon decision-makers affecting their lives. No longer would so many of the important decisions be made in faraway Juneau by legislators unfamiliar with local circumstances; rather, those decisions



would be made by local leaders elected in local elections.

Let me add but two more advantages: First, borough government would enhance coastal management and protection authority. Finally, with organization, each borough could function as a corporate entity to hire employees, acquire and sell property and collect taxes (most importantly, from gas and oil, timber and fisheries industries and development, from which taxes now flow into the state coffers).

In short, organization would provide rural Alaska the umbrella of powers and services that organized boroughs now have. In doing so, it would lessen many of the inequities between rural and urban areas and within the rural areas themselves. As for the latter, resources within each newly organized borough would benefit all the people of the borough, not just a few who happen to live in the area where those resources are developed.

From the Legislature's viewpoint, organization would allow state government to more efficiently and effectively deal with its people — under the authority of the Alaska Constitution and Title 29 of the Alaska Statutes. It would provide the state a legal entity with which to deal; it would lessen the confusion surrounding funding to various entities within the unorganized borough; and it would eliminate much of the overlap, duplication and lack of services in rural Alaska (and therefore with it the confusion among

rural residents as to which agency is responsible for delivering a particular service).

I will end by pointing out two things: first, I think it is very important to understand that borough organization is *not* an attempt to eliminate tribal government in the rural areas. Rather, as I see it, tribal and borough governments would work compatibly with the state and the federal governments, village and regional corporations and nonprofit organizations to provide a level of service not now available to rural citizens.

In fact, I would guess that in many areas current tribal leaders would be elected as leaders of the borough. Those leaders, with the strength of local government at their sides, would have the opportunity to enhance a cultural bridge between present and future generations of Native Alaskans.

Secondly, as I stated in the beginning, HB 1 allows (in fact, it encourages) each area to incorporate as it wishes — as a first or second class borough or under a home rule charter — before the 1989 deadline.

I am sure that there will be many with questions about and objections to organizing the rest of the state. I welcome those questions and objections, for it is time to begin the debate and it is time to complete the process begun more than three decades ago.

Sincerely
Ronald L. Larson
Palmer

• Workers' compensation panel

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passed in 1982, a lack of limits on benefits and a lack of fraud investigation.

Alaskan employees are being excluded from Alaskan jobs because Outside companies can bid on those jobs using an all-states endorsement which allows payment of workers' compensation based on the home-state rate, even though the job is in Alaska. As a result, Alaskan companies paying premiums based on Alaskan experience cannot compete for those jobs.

To remedy these and dozens of

other faults with the system, the Workers' Compensation Committee of Alaska, a statewide organization, is reviewing every aspect of the law. WCCA hopes to present a legislative package negotiated by labor and management to the Legislature in 1988.

While employers are the only group which pay premiums, this is both a management and labor issue. As premiums rise, businesses will fold, taking needed jobs with them. It is in everyone's interest to make the system work as it was originally intended.

WCCA encourages the input of both employers and employees to help make our system affordable and truly beneficial to the injured worker who deserves legitimate compensation and assistance getting back to work.

Those who want more information on WCCA may call 344-1577. Only by working together can we help to ensure that Alaskan jobs and businesses remain viable for our future.

Thanks,
Steve Haag
President, WCCA
Anchorage

Thanks to all

To the editor:

I would like to thank everyone at Galena for their hospitality last July 1987 when the Evans family members were there for the funeral of Uncle Charlie Evans.

He will be missed by all.

Thanks,
Millie Evans Gray
Anchorage

Alaska's Oldest
Statewide Newspaper