

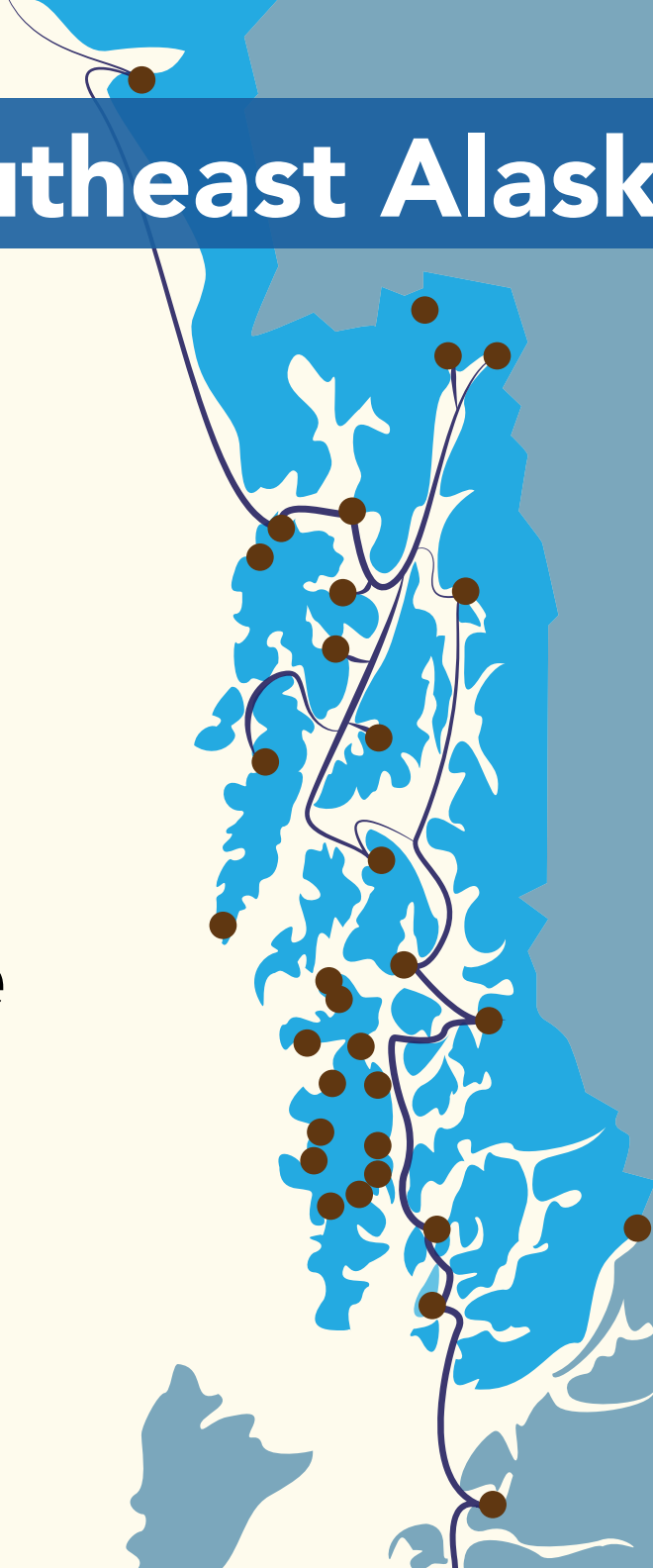
SOUTHEAST ALASKA BY THE NUMBERS

2017



About Southeast Alaska

- **34 Communities**
- **1,000+ Islands**
- **500 Miles**
- **18,500 shoreline**
- **10% of AK Economy**



Key elements of a growing economy

Increasing Jobs



Increasing Earnings

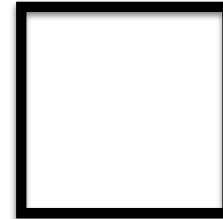


Increasing Population

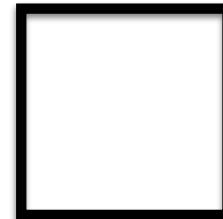


Southeast Alaska's Economy 2016

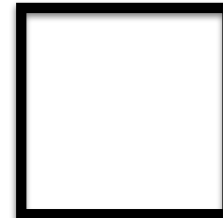
Increasing Jobs



Increasing Earnings



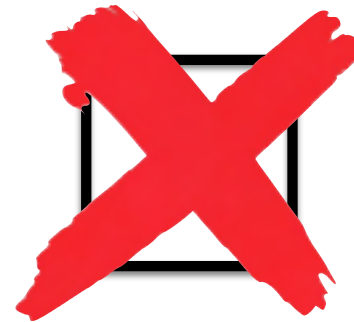
Increasing Population



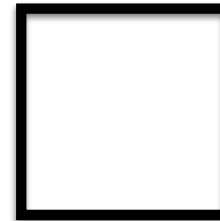
Southeast Alaska's Economy 2016

Increasing Jobs

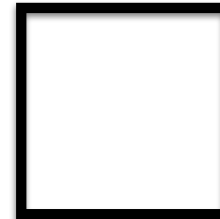
DOWN 885 JOBS IN 2016 -2%



Increasing Earnings



Increasing Population



Southeast Alaska's Economy 2016

Increasing Jobs

DOWN 885 JOBS IN 2016 -2%

Increasing Earnings

DOWN \$29 MILLION -1%

Increasing Population



Southeast Alaska's Economy 2016

Increasing Jobs

DOWN 885 JOBS IN 2016 -2%

Increasing Earnings

DOWN \$29 MILLION -1%

Increasing Population

DOWN 500 PEOPLE IN 2016 -1%



Other Economic Indicators

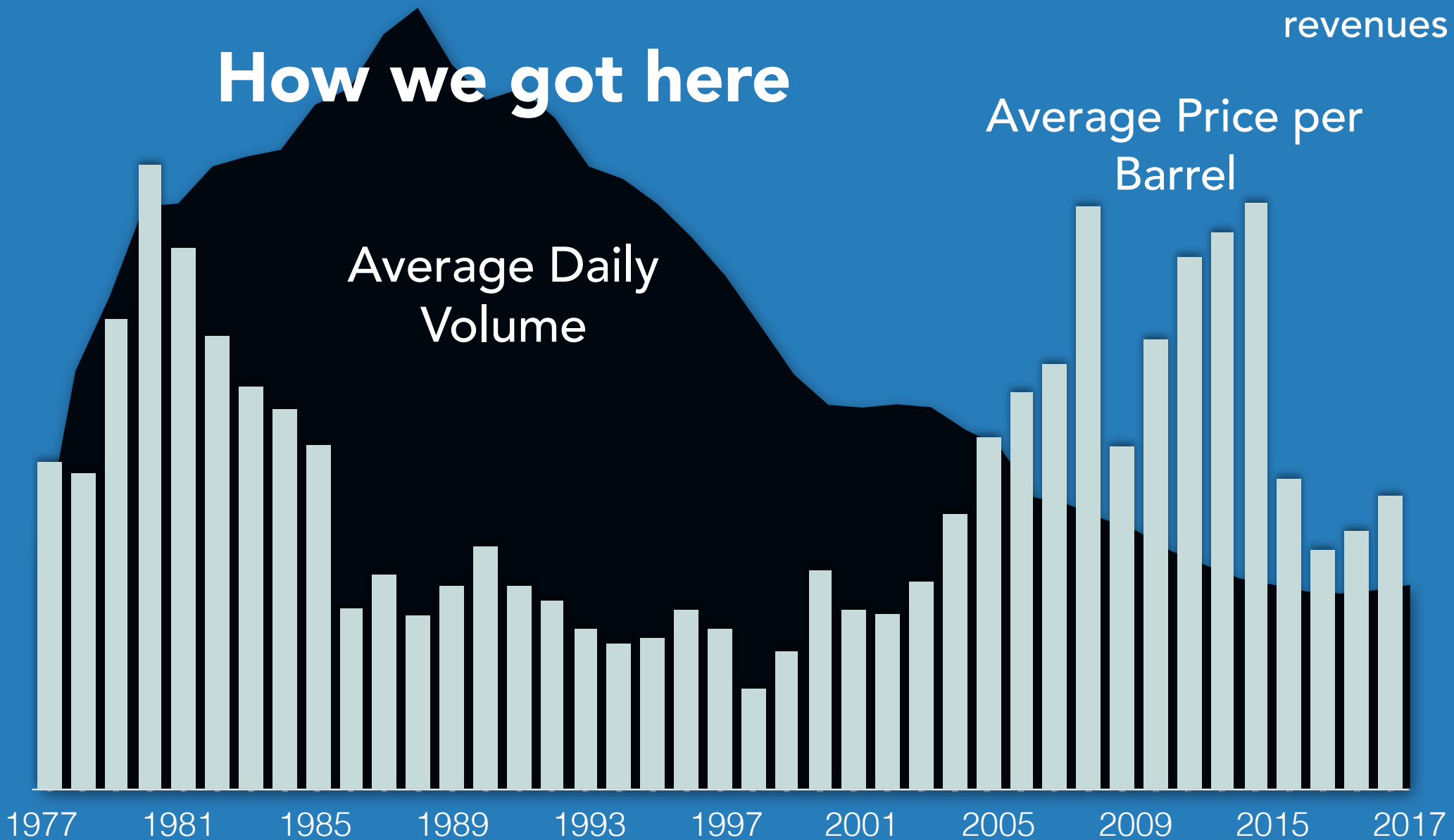
DEMOGRAPHICS	2014	2016	% CHANGE 2014-2016	CHANGE 2014-2016
Population ¹	74,460	73,812	-1%	-648
Under Age Five ²	4,622	4,368	-5%	-254
Twenty somethings ²	9,398	8,866	-6%	-532
K-12 School District Enrollment ³	11,804	11,571	-2%	-233
GENERAL ECONOMIC CONDITIONS				
Total Labor Force (jobs, includes self-employed & contract)	45,694	45,260	-1%	-434
Total Private Sector Payroll ^{1,6}	\$1.408 billion	\$1.407 billion	-0.1%	-1,140,735
Average Annual Wage ¹	\$47,593	\$48,673	2.3%	1,080
Annual Unemployment Rate ¹	7.10%	6.10%	-1%	-1%
TOP ECONOMIC SECTORS				
GOVERNMENT				
PUBLIC SECTOR: 35% OF ALL EMPLOYMENT EARNINGS				
Total Government Employment ^{1,5}	13,602	13,052	-4%	-550
Federal Employment ^{1,5} (8% of all employment)	2,110	2,108	-0.1%	-2
State Employment ¹ (14% of all job earnings)	5,504	4,939	-10%	-565
City and Tribal Employment ¹ (14% of all job earnings)	5,988	6,005	0.3%	17
Total Government Payroll (includes USCG) ^{1,5}	\$765.8 million	\$771.0 million	1%	\$5.2 million
Total State of Alaska Payroll	\$311.3 million	\$301.6 million	-3%	-\$9.7 million
VISITOR INDUSTRY				
KEY INDUSTRY: 11% OF ALL EMPLOYMENT EARNINGS				
Total Visitor Industry Employment ^{1,6}	6,923	7,752	12%	829
Total Visitor Industry Wages/Earnings ^{1,6}	\$188.5 million	\$229.4 million	22%	\$40.9 million
Total Southeast Alaska Passenger Arrivals	1,362,737	1,473,162	8%	110,425
Cruise Passengers ¹⁰	967,500	1,025,900	6%	58,400
Total AMHS Passengers from Outside SE ¹²	23,040	21,323	-7%	-1,717
COMMERCIAL FISHING & SEAFOOD INDUSTRY				
KEY INDUSTRY: 10% OF ALL EMPLOYMENT EARNINGS				
Total Seafood Employment (includes fishermen) ^{1,6}	4,372	3,854	-12%	-518
Total Seafood Employment Earnings ^{1,6}	\$259.0 million	\$209.7 million	-19%	-\$49.3 million
Pounds of Seafood Processed ⁷	232.9 million	168.4 million	-28%	-64.5 million
Pounds Landed (commercial seafood pounds by SE)	300.9 million	223.4 million	-26%	-77.5 million
Estimated Gross Earnings (ex-vessel value of pounds)	\$275.7 million	\$221.0 million	-20%	-\$54.7 million
Shared Fish Taxes ¹³	\$5.8 million	\$2.7 million	-53%	-\$3.1 million
HEALTH CARE INDUSTRY (PUBLIC & PRIVATE HEALTH)				
KEY INDUSTRY: 9% OF ALL EMPLOYMENT EARNINGS				
Health Care Employment ^{1,6}	3,323	3,344	1%	21
Health Care Wages ^{1,6}	\$174.5 million	\$189.3 million	8%	\$14.8 million
MARITIME ECONOMY (Includes employment from all sectors)				
TOP SECTOR: 27% OF PRIVATE SECTOR EMPLOYMENT EARNINGS				
Private Maritime plus USCG Employment ^{1,5,6}	6,768	6,386	-6%	-382
Private Maritime plus USCG Wages ^{1,5,6}	\$395.5 million	\$354.3 million	-10%	-\$41.2 million
OTHER SELECTED STATISTICS				
2014				
2016				
% CHANGE				
CHANGE				
Construction Employment ^{1,6} (6% all employment)	2,168	2,033	-6%	-135
Mining Employment ¹ (4% of all employment)	783	798	2%	15
Price of Gold ¹⁵	\$1,266	\$1,251	-1%	-15
Cost of Living: Consumer Price Index ¹	215.805	217.83	1%	2
Housing Starts: Housing Permitted /Completed ^{4,1}	321	369	15%	48
Annual Avg. Domestic Crude WTI Oil Prices (in \$/barrel)	\$52.08	\$43.34	-17%	-\$9

Red
Is Bad

Avg. Daily Volume of the Trans Alaska Pipeline System and Inflation Adjusted Price Per Barrel, 1977-2017

Oil revenues historically accounted for 90 percent of the state's unrestricted revenues

How we got here



Government 13,000 Jobs

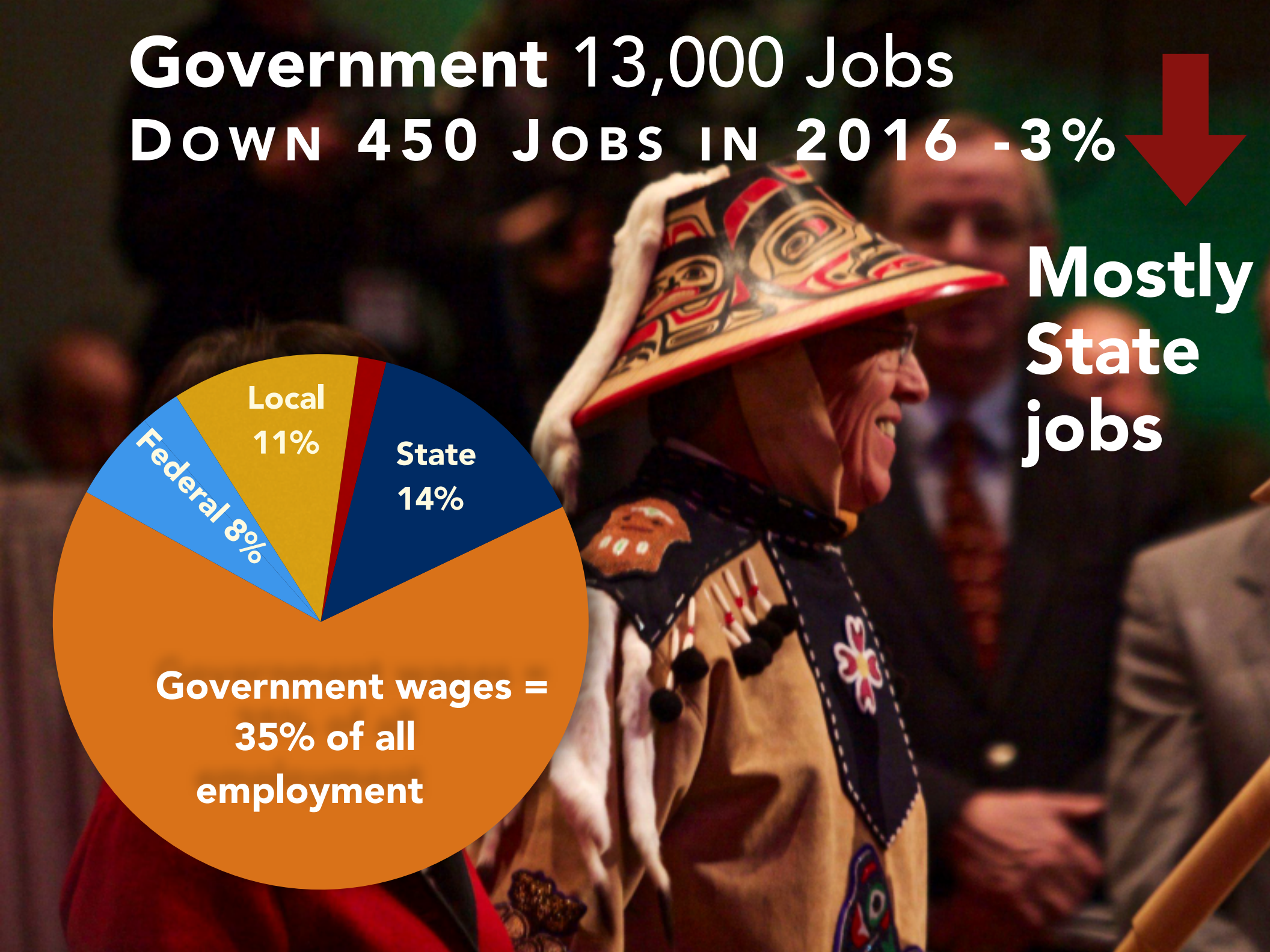
DOWN 450 JOBS IN 2016 -3%



Mostly State jobs

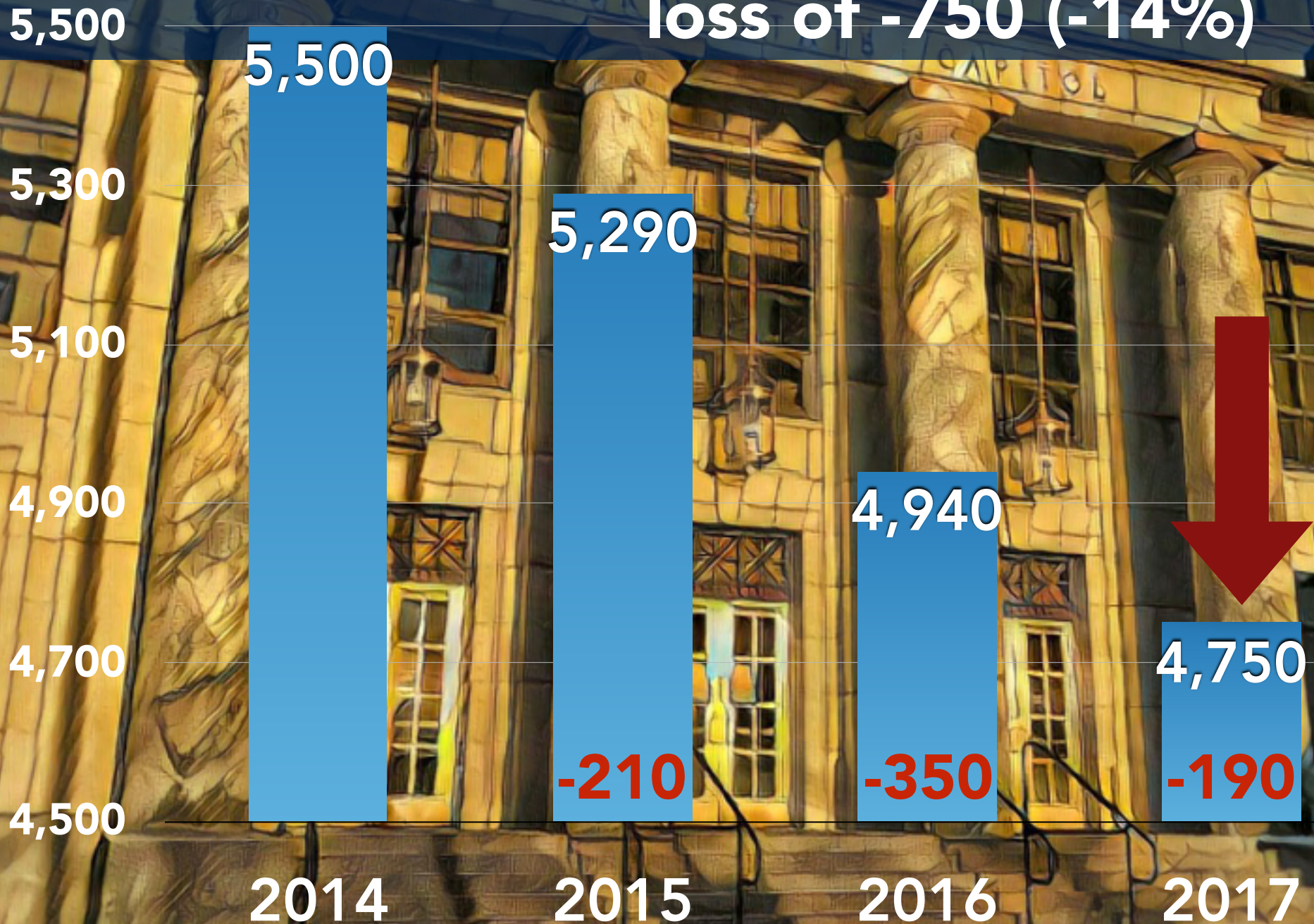


Government wages =
35% of all
employment



State Government Job Losses

loss of -750 (-14%)



Southeast Alaska's Economy 2016

A loss of
750 State jobs
= a loss of
\$46 million
in annual wages

Southeast Alaska's Economy 2016

A loss of
750 State jobs
= a loss of
\$46 million
in annual wages
= 1 large mine

Construction Industry 2,030 Jobs DOWN 90 JOBS IN 2016 -4%



\$400

\$300

\$0

\$385

\$215

\$183

\$107

\$47

FY13

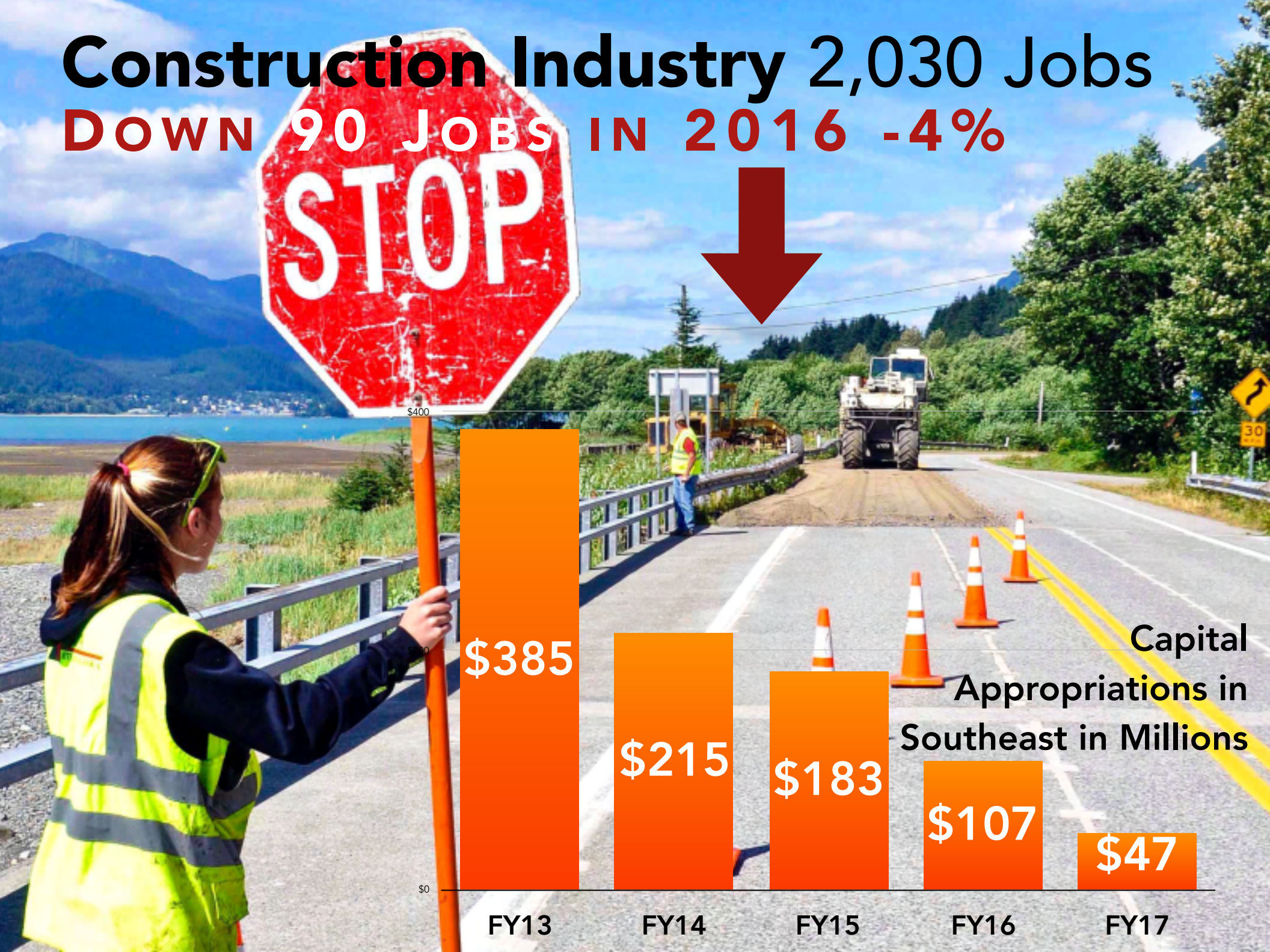
FY14

FY15

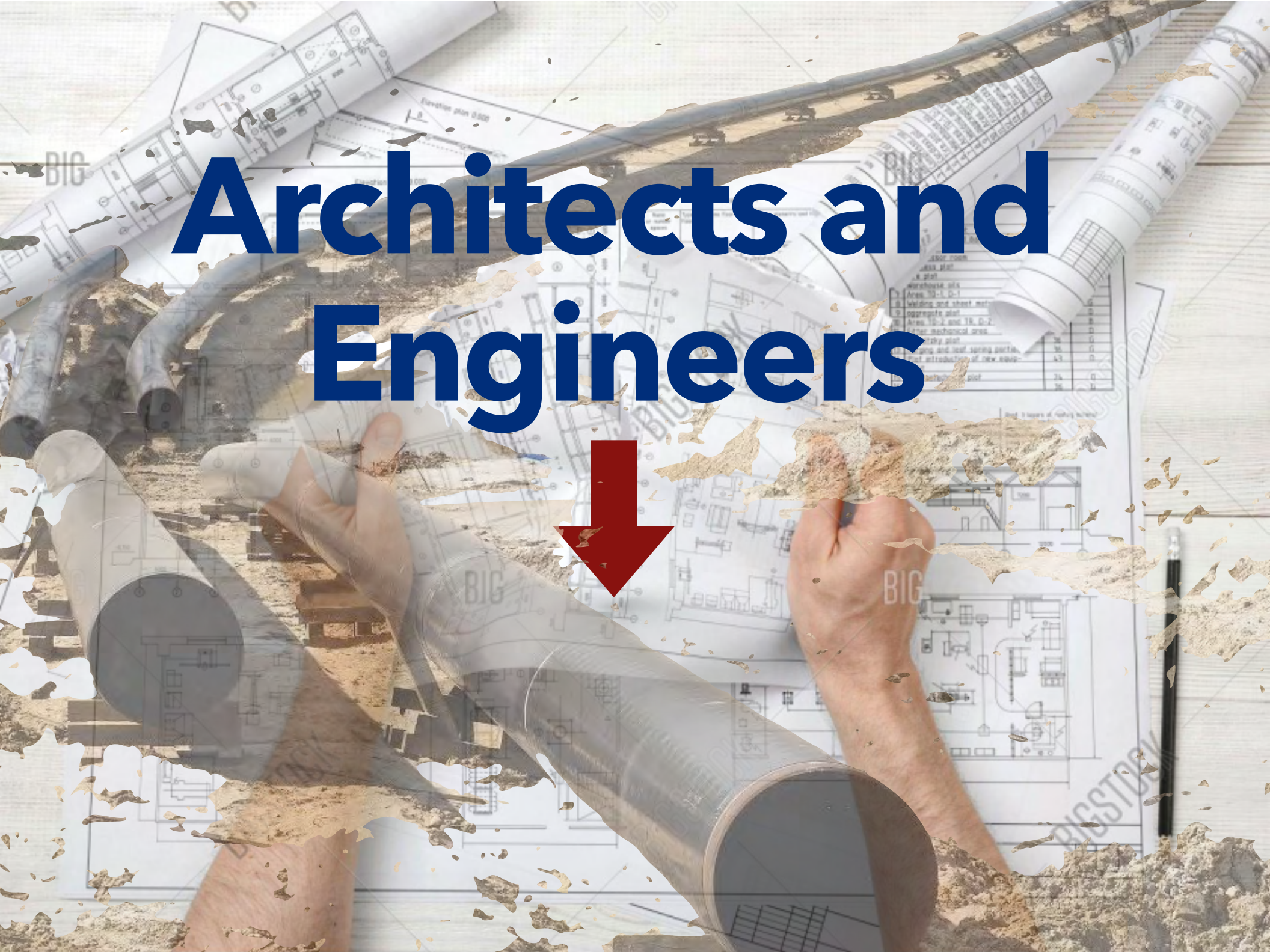
FY16

FY17

Capital Appropriations in Southeast in Millions



Architects and Engineers





Seafood Industry

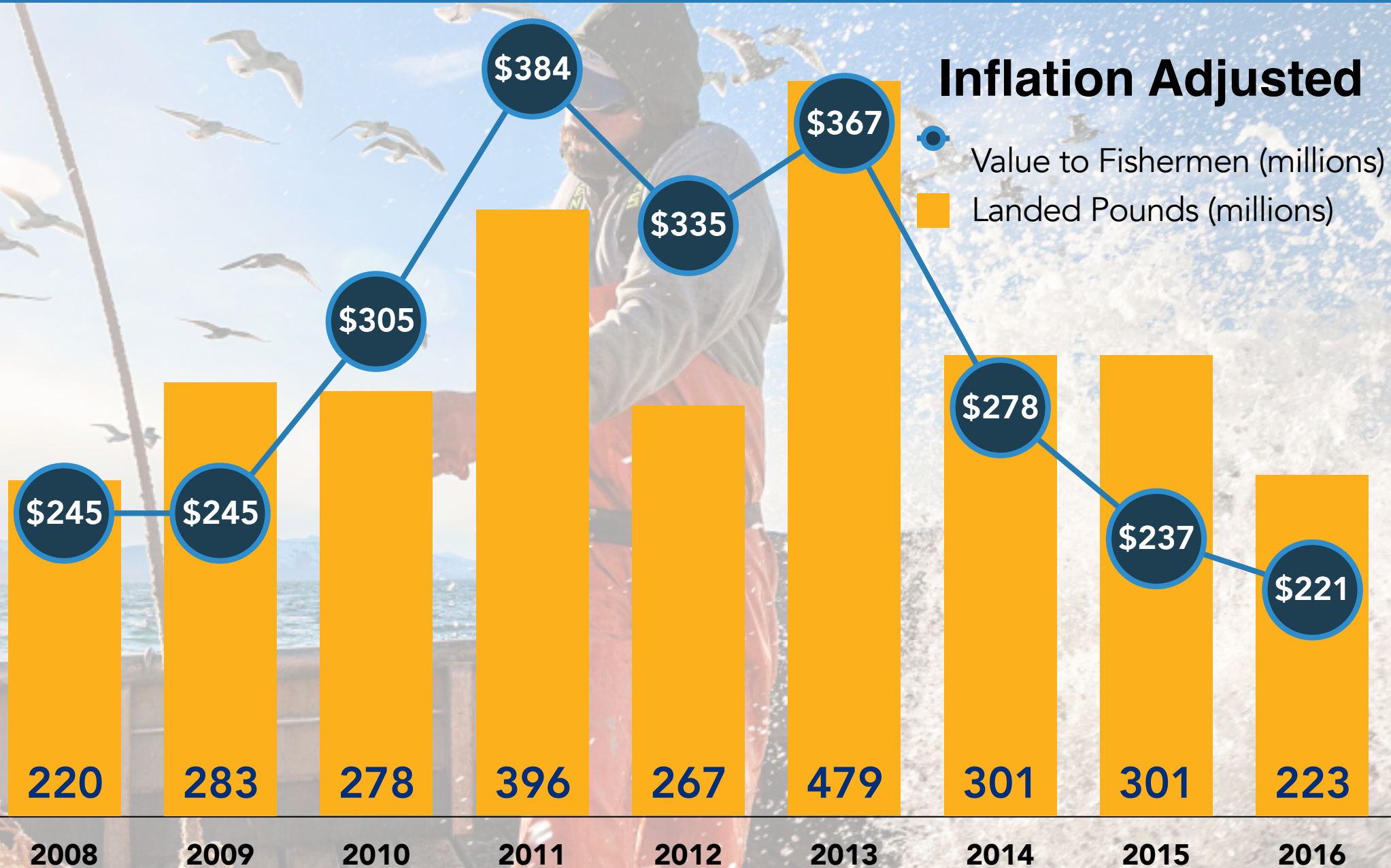
3,854 Jobs

DOWN 500

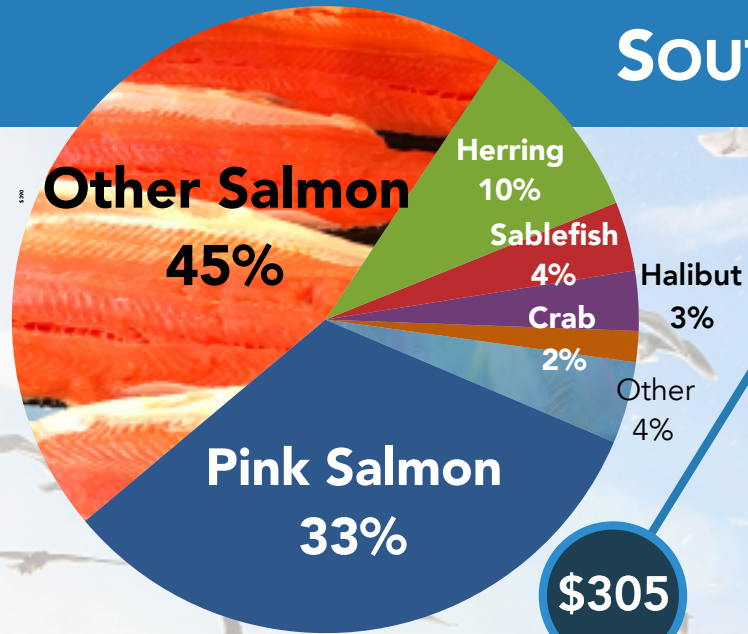
JOBS



VALUE & POUNDS OF SEAFOOD LANDED IN SOUTHEAST ALASKA TEN YEARS

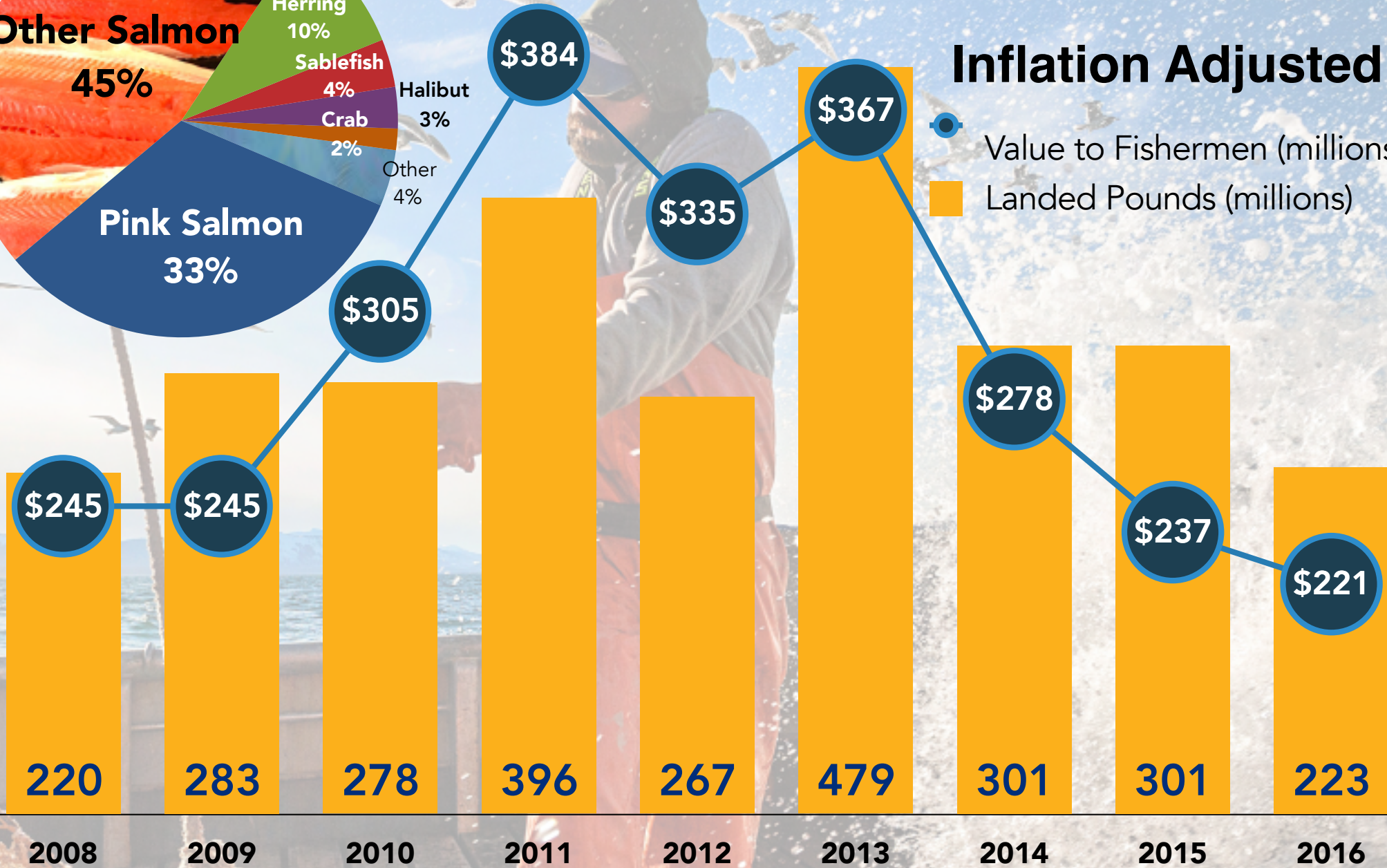


VALUE & POUNDS OF SEAFOOD LANDED IN SOUTHEAST ALASKA TEN YEARS



Inflation Adjusted

- Value to Fishermen (millions)
- Landed Pounds (millions)



SOUTHEAST MARITIME: 6,386 Jobs -5%



Fishing & Seafood
Jobs: -19%



Marine Tourism
Jobs: +13%



Marine Transportation
Jobs: -7%



US Coast Guard
Jobs: +2%



Ship Building, Repairs
Jobs: +39%



Marine Construction
Jobs: -45%



SOUTHEAST MARITIME



**Ship Building, Repairs
Jobs: +39%**

Timber Industry

315 Jobs

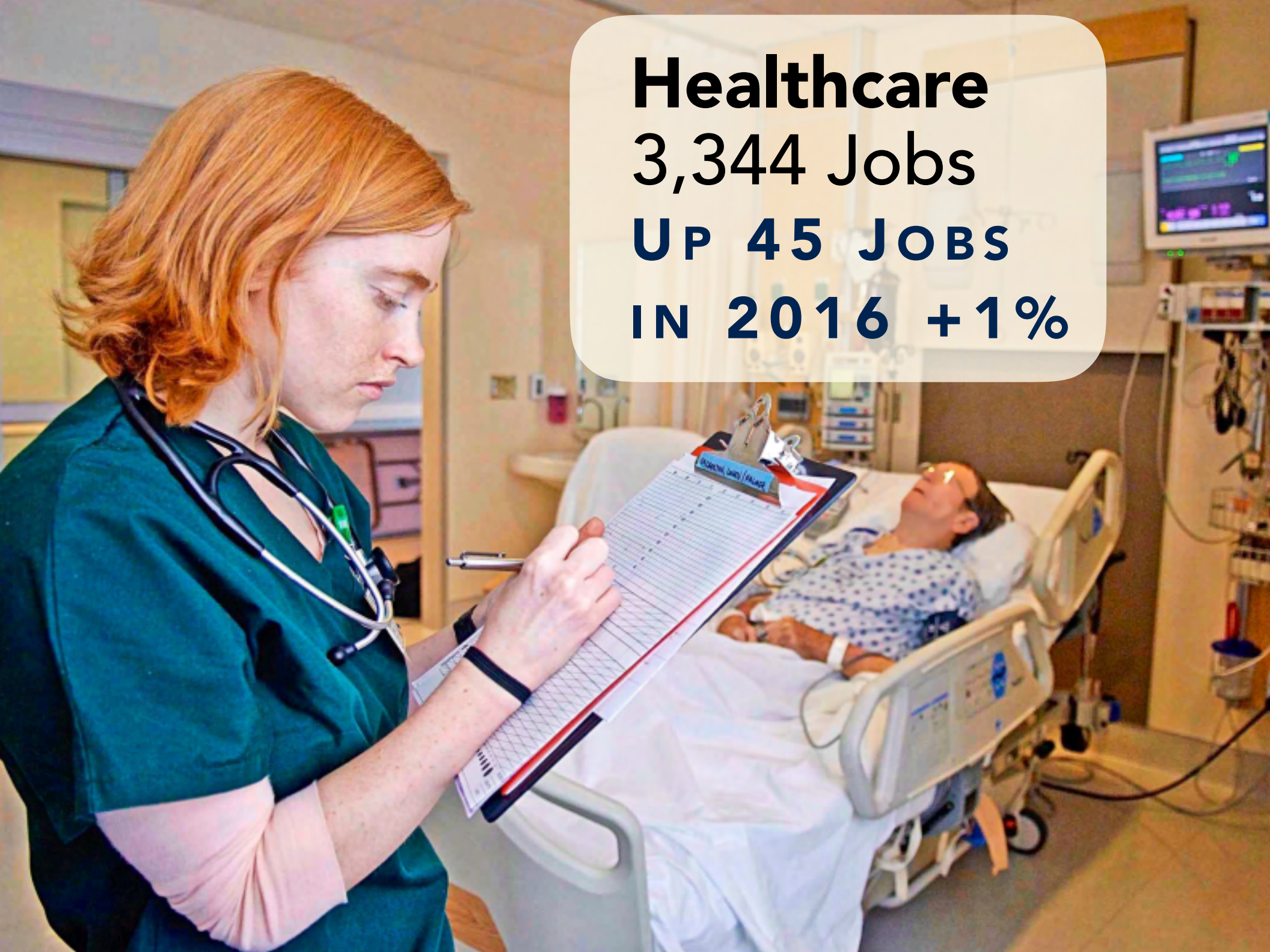
DOWN -2%



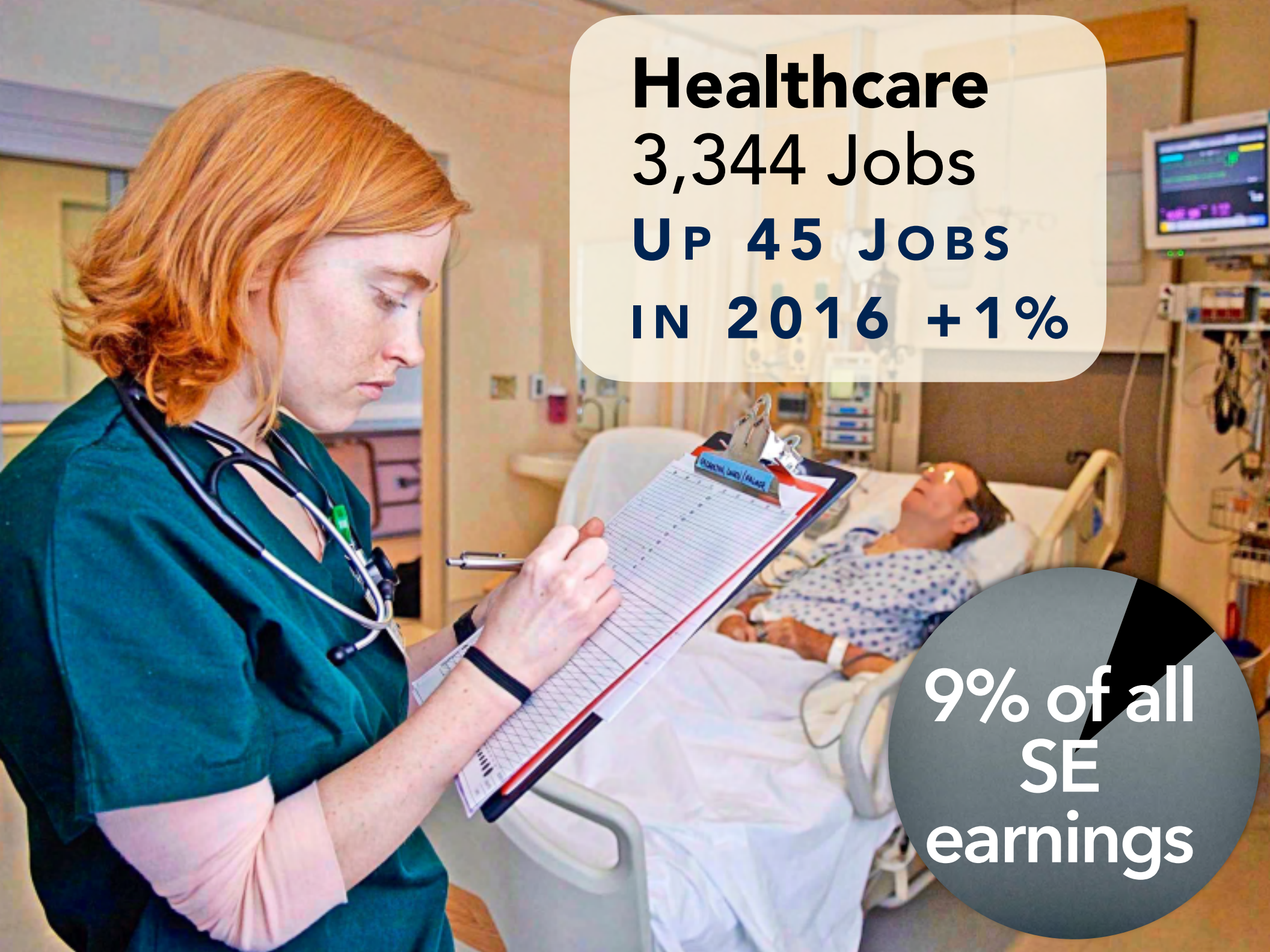
■ Jobs
■ Board Feet



1983 to 2017



Healthcare
3,344 Jobs
UP 45 JOBS
IN 2016 +1%



Healthcare
3,344 Jobs
UP 45 JOBS
IN 2016 +1%

**9% of all
SE
earnings**

Mining Industry

800 Jobs

UP 3 JOBS IN 2016

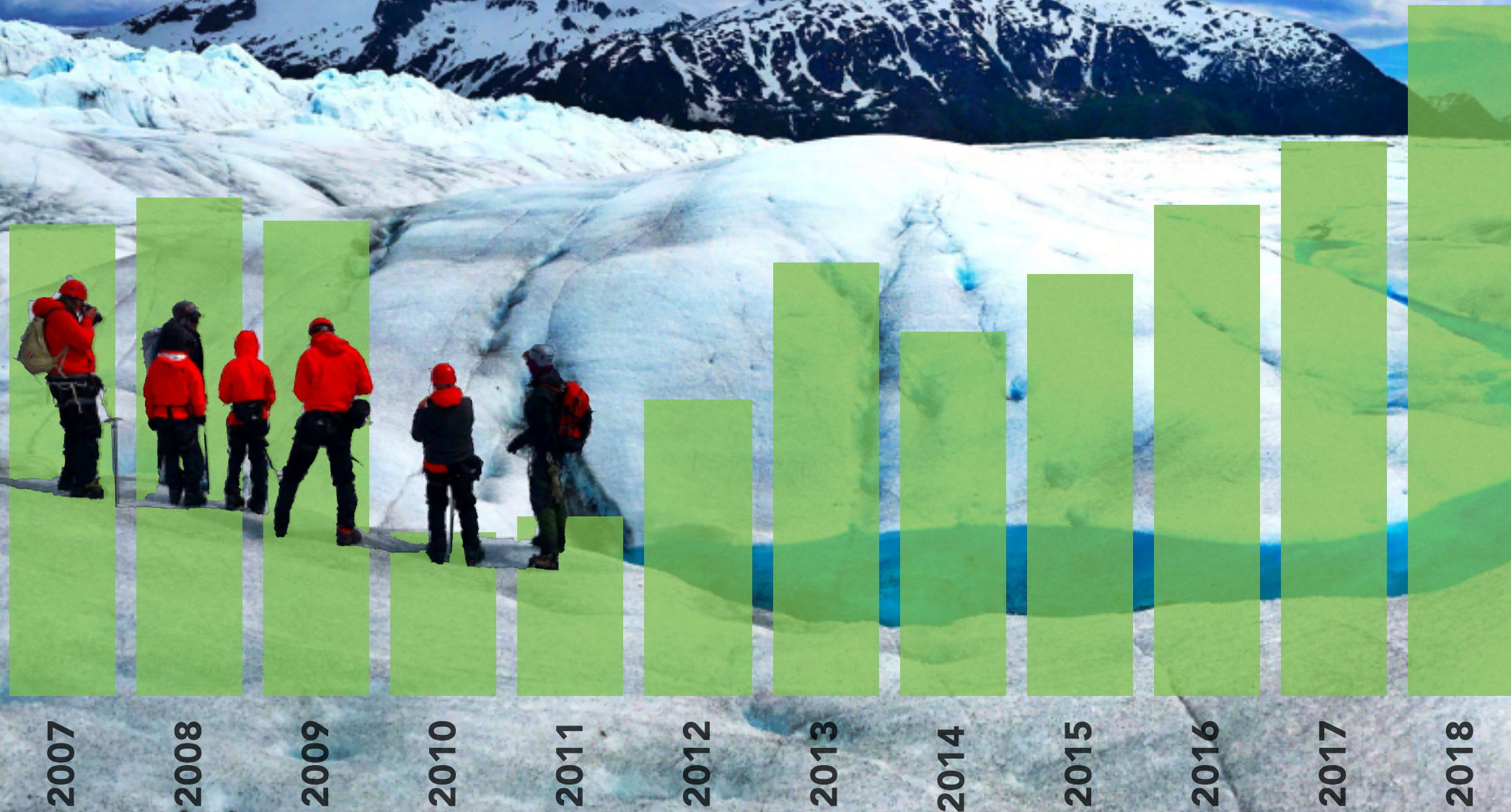
GOLD PRICES
2008-2017



Visitor Industry

7,400 Jobs

UP 350 JOBS +6%

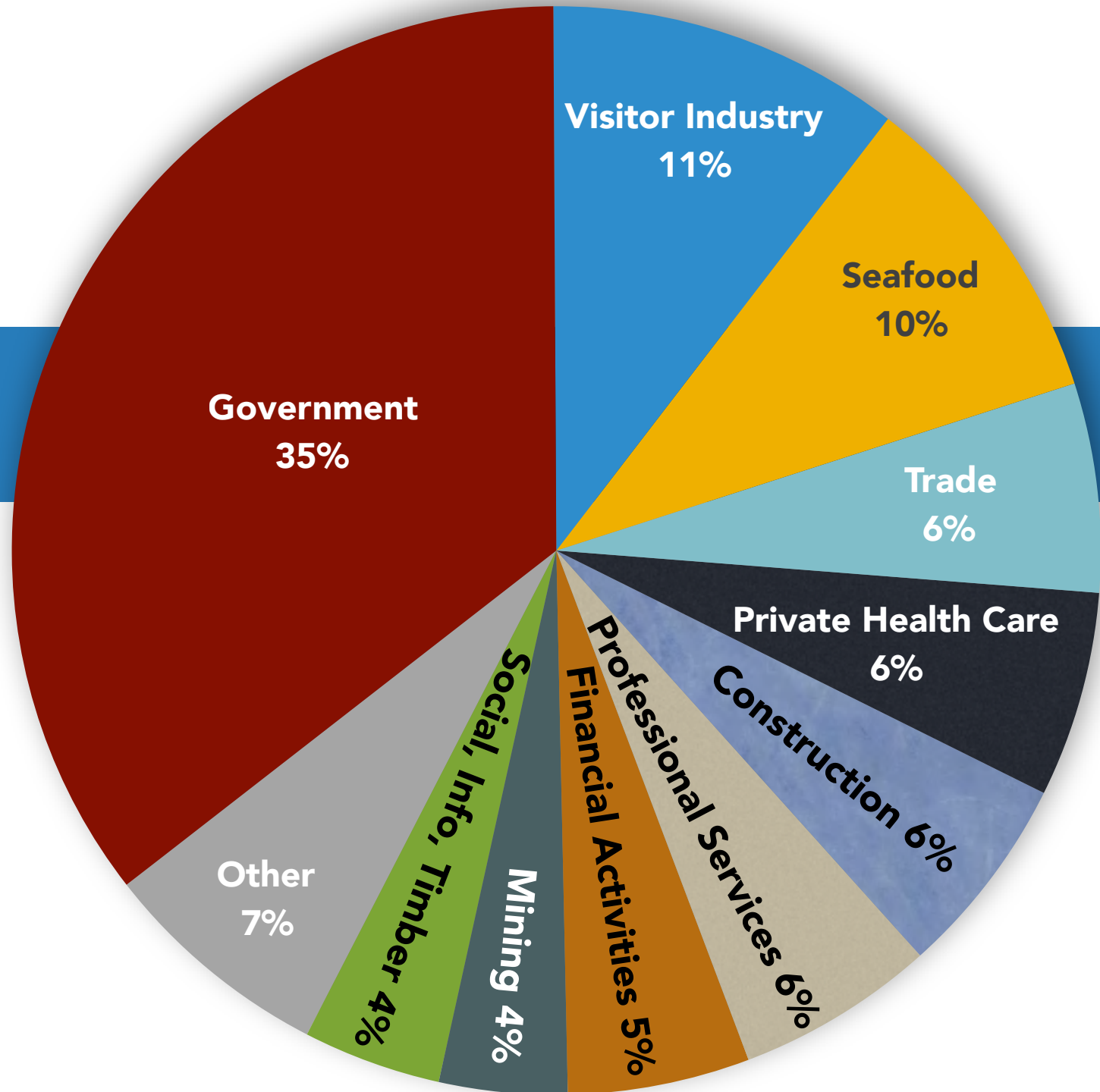


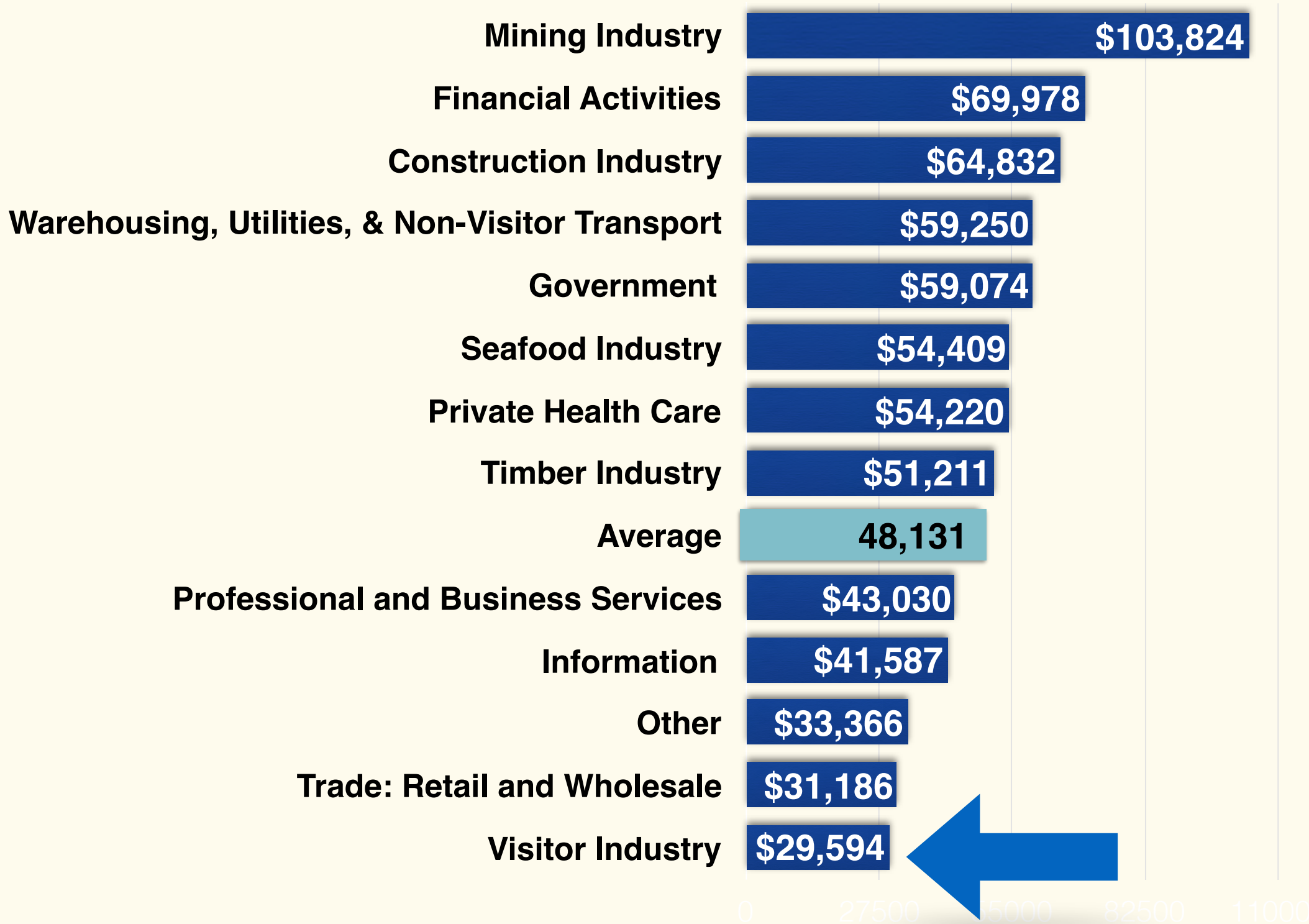
Southeast Alaska

Employment Earnings

\$2.2 billion

44,763 Jobs





Southeast Alaska

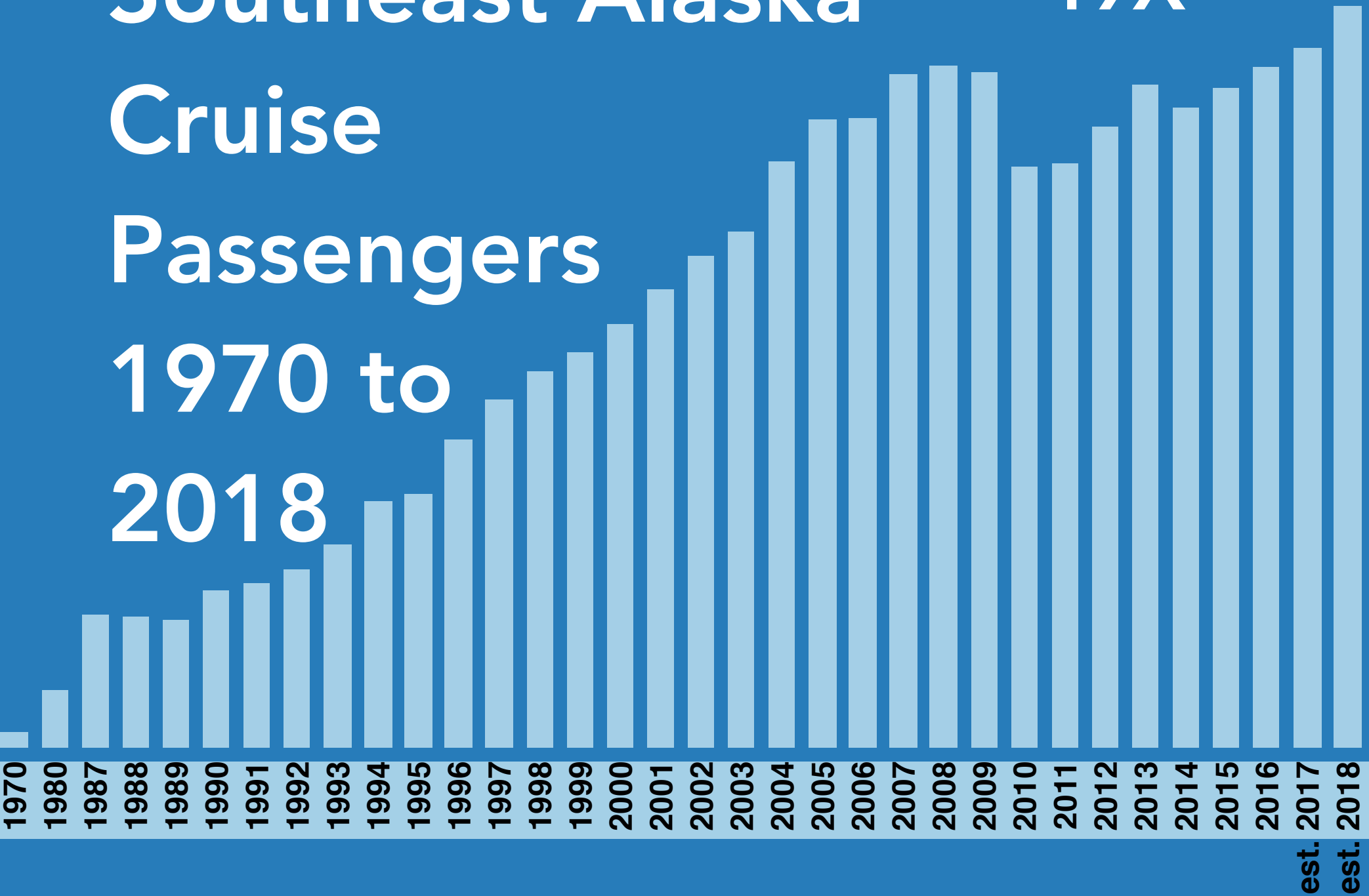
49X

Cruise

Passengers

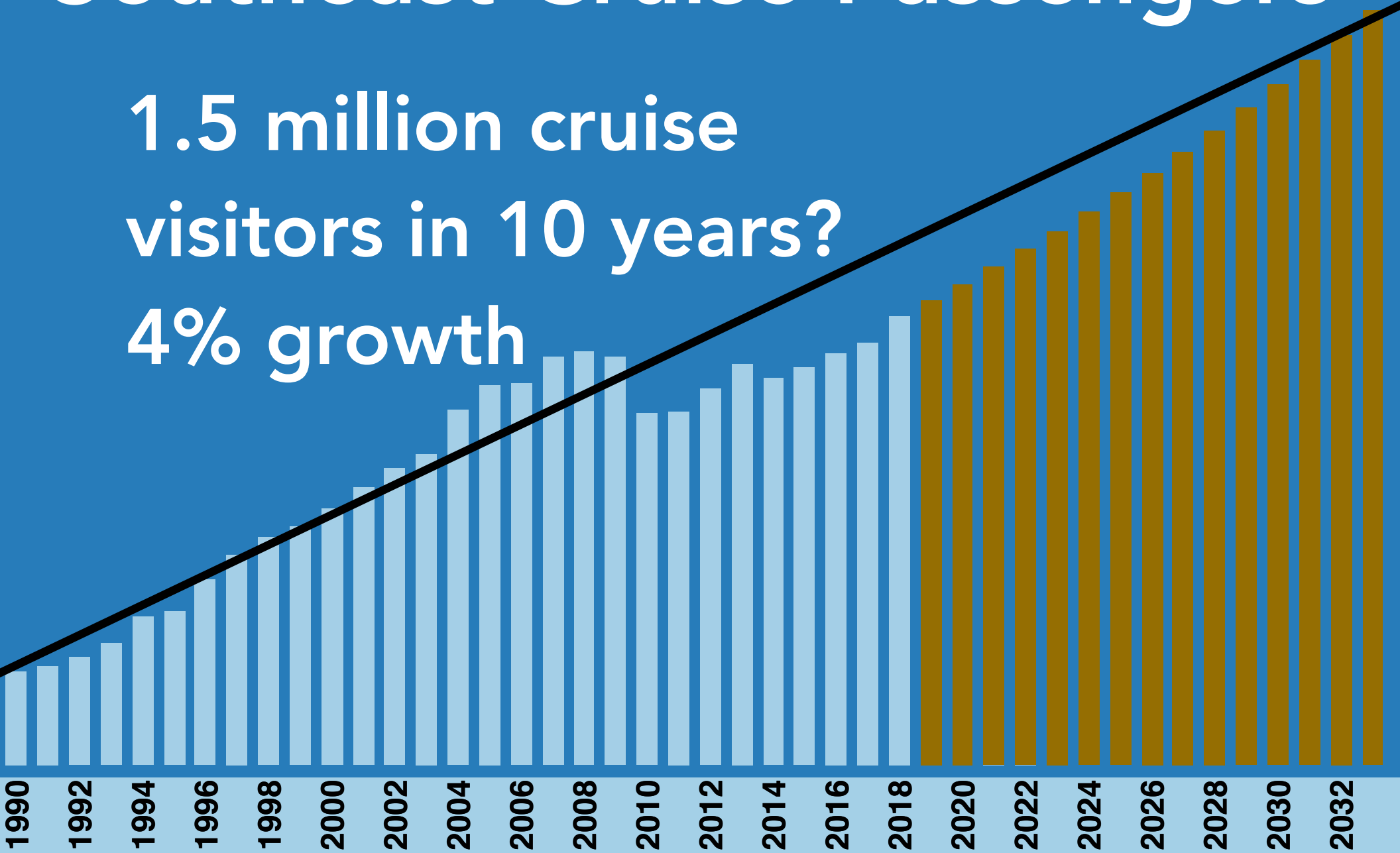
1970 to

2018

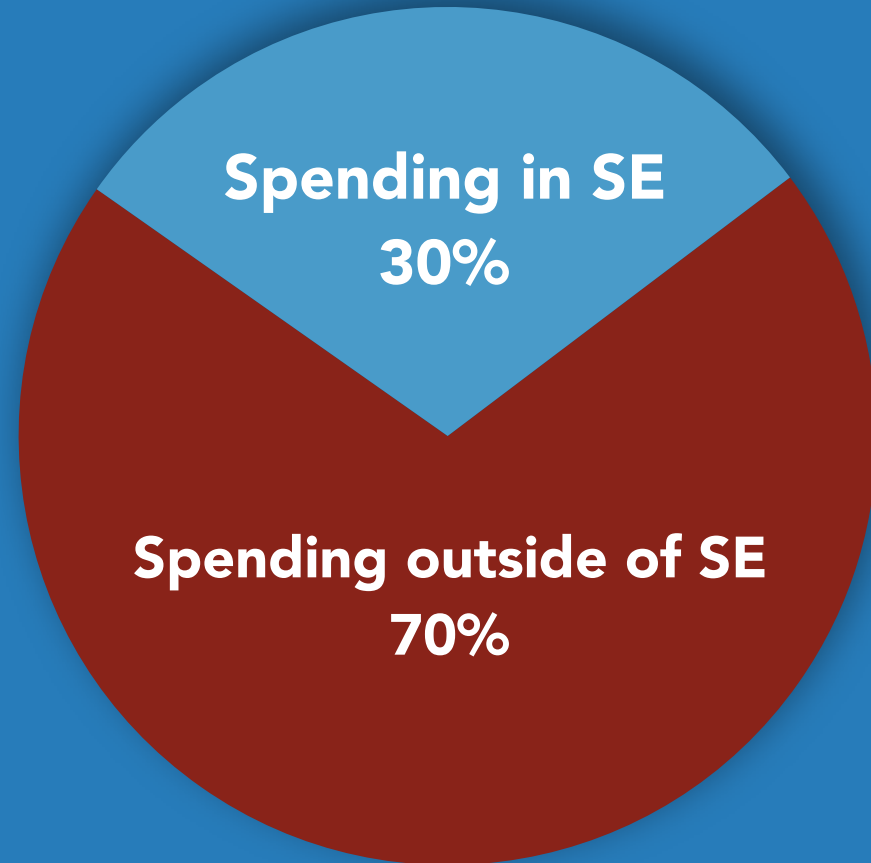
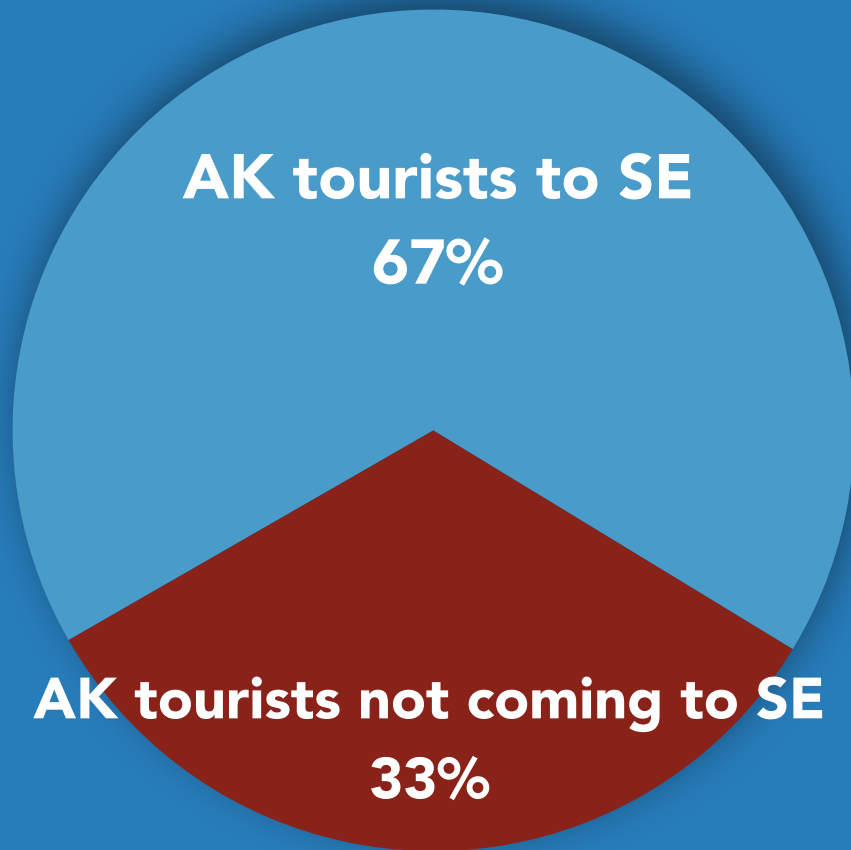


Southeast Cruise Passengers

1.5 million cruise
visitors in 10 years?
4% growth



Tourist Spending in SE 2016



\$487 per SE visitor

Trends:

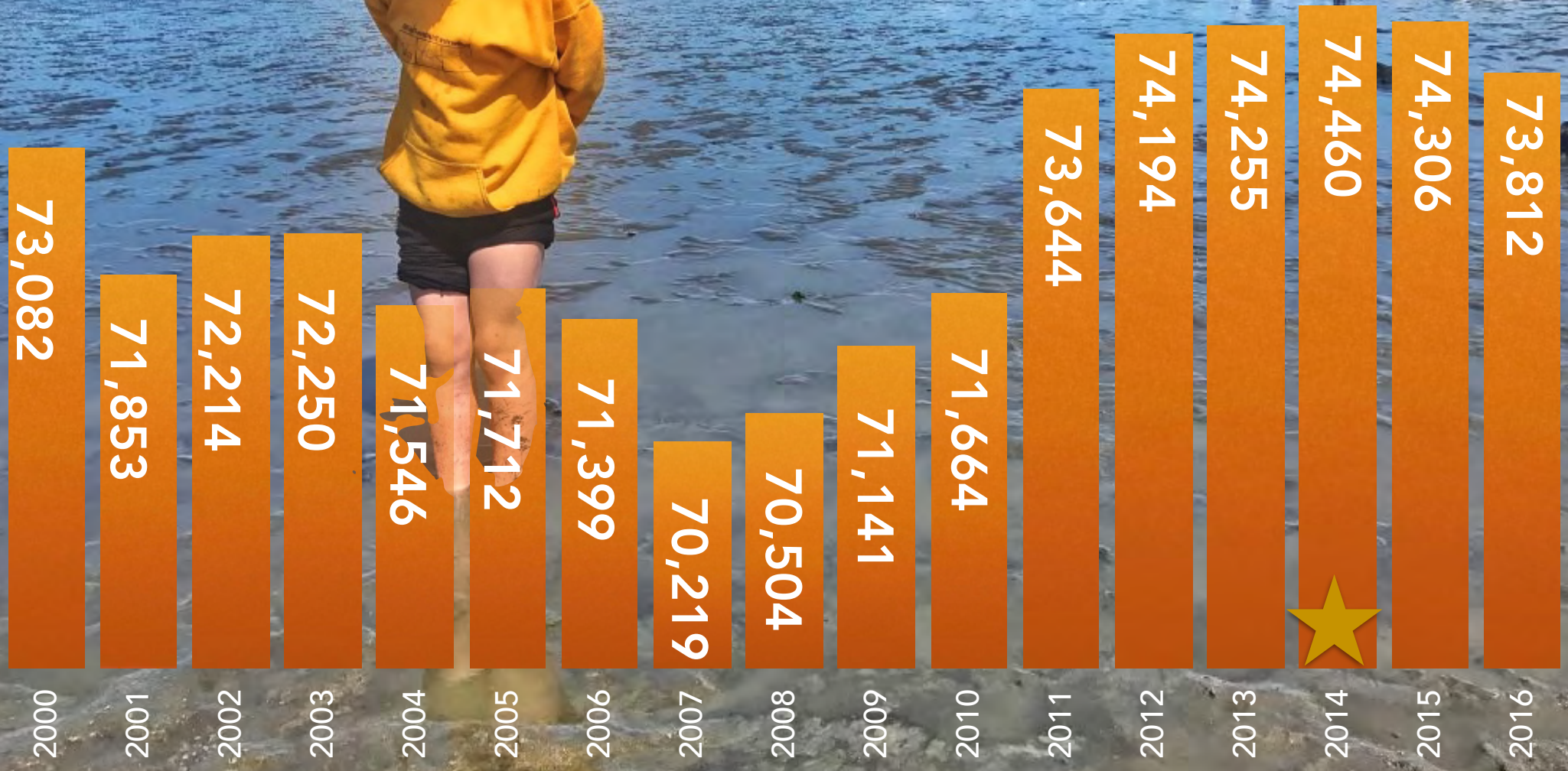


2016 = top year ever

Demographics 73,812 People

-500 people -0.7%

(AK up 2,650 0.4%)



School District Enrollment

-3,250 kids in 20 years



11,571 -22%

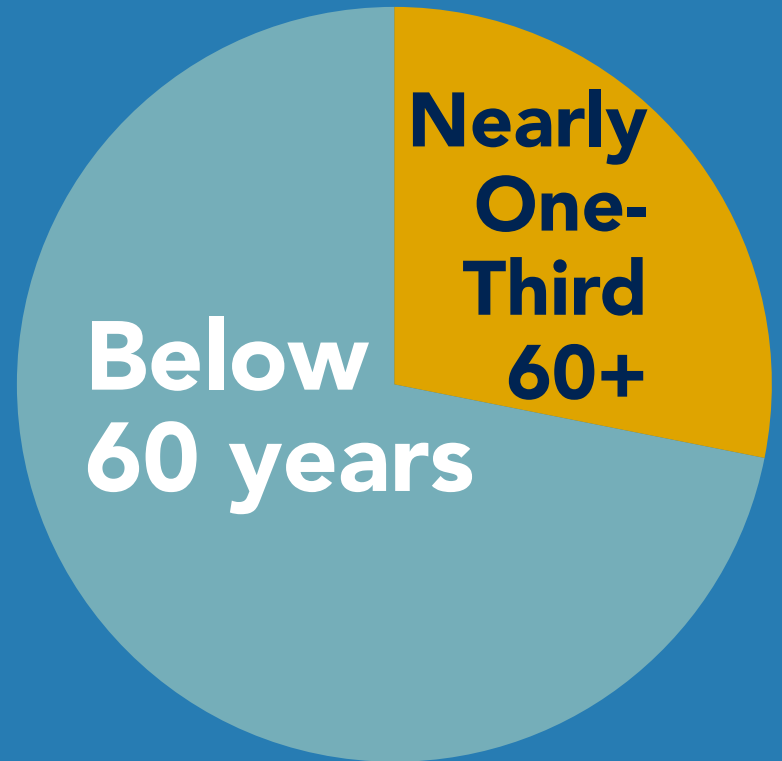
We are aging





We are aging

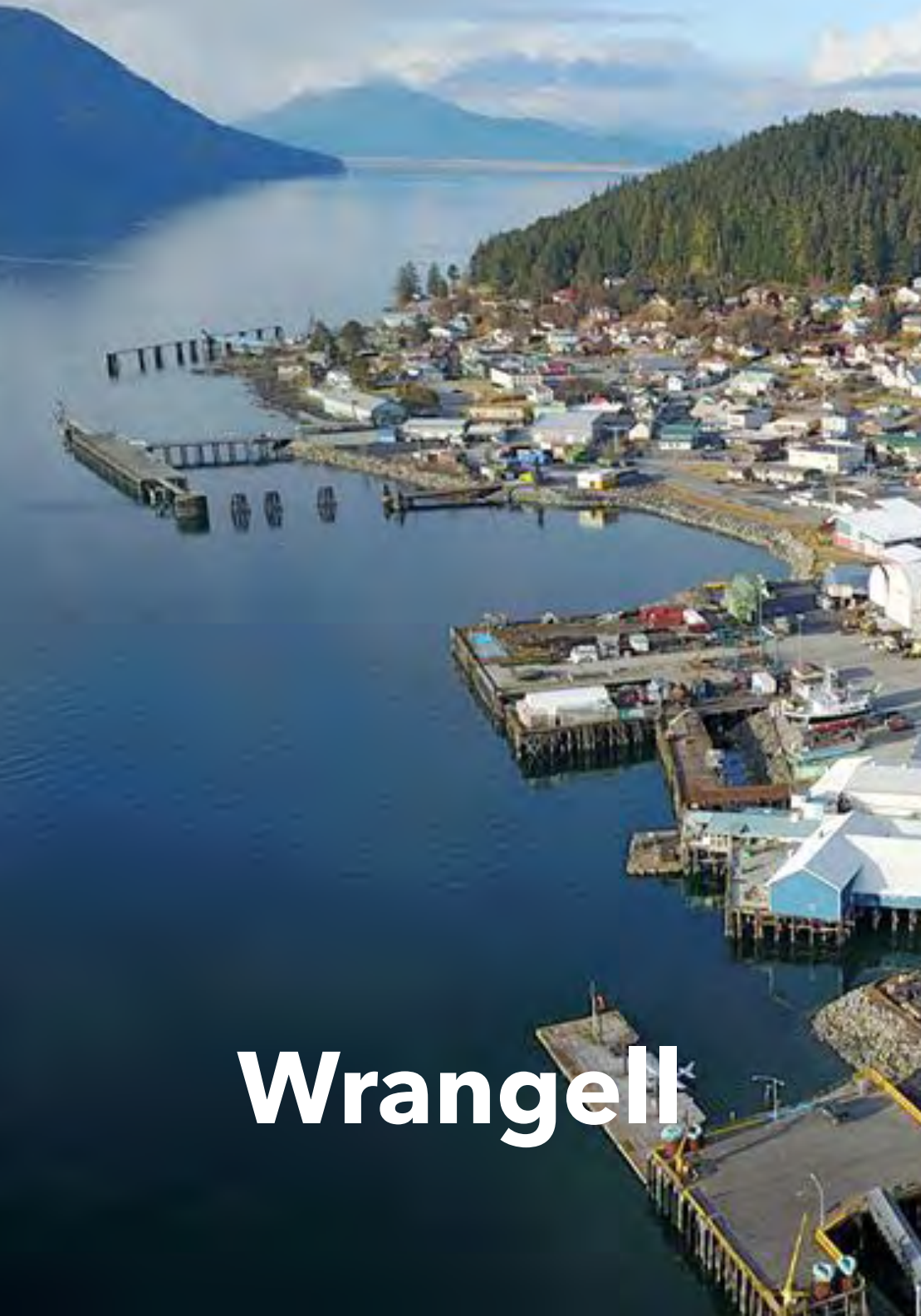
SE Adults



Below
60 years

Nearly
One-
Third
60+

Those 65+
increased by
10% in last
two years



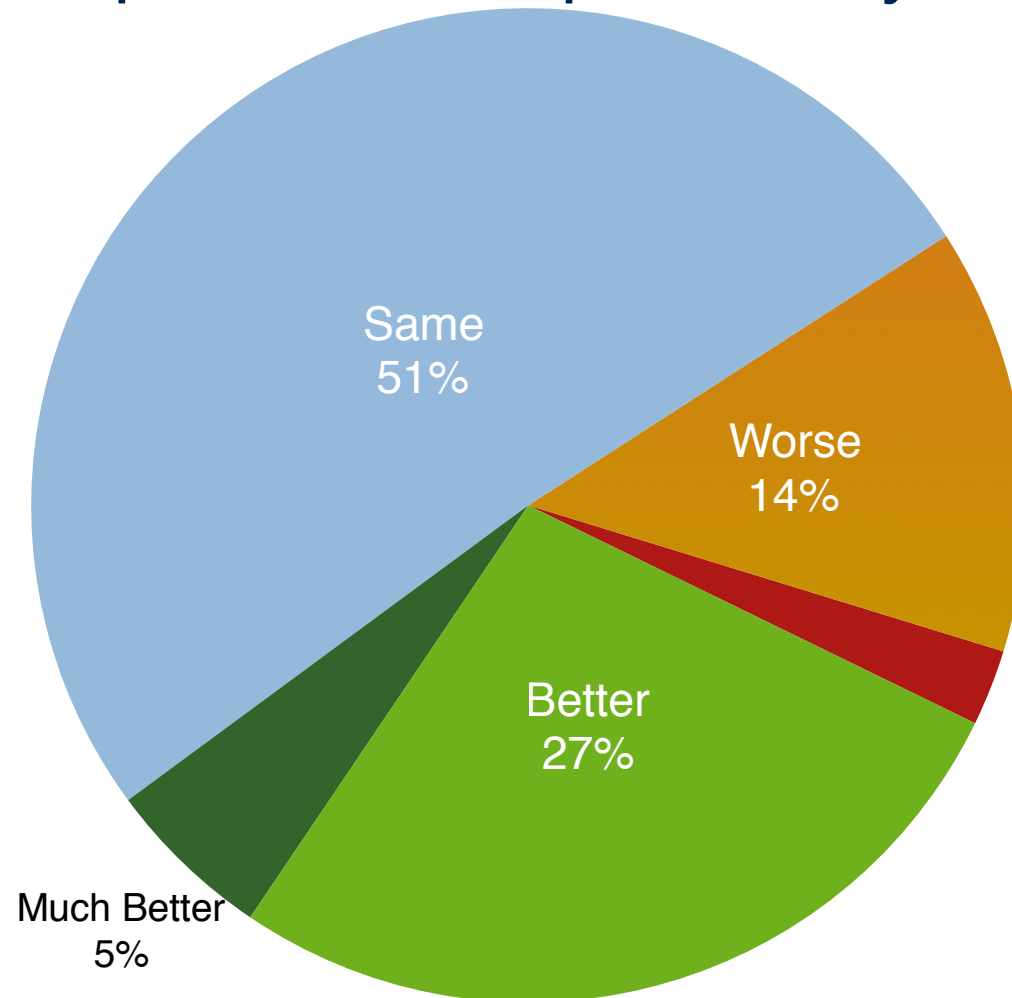
Wrangell



Gustavus

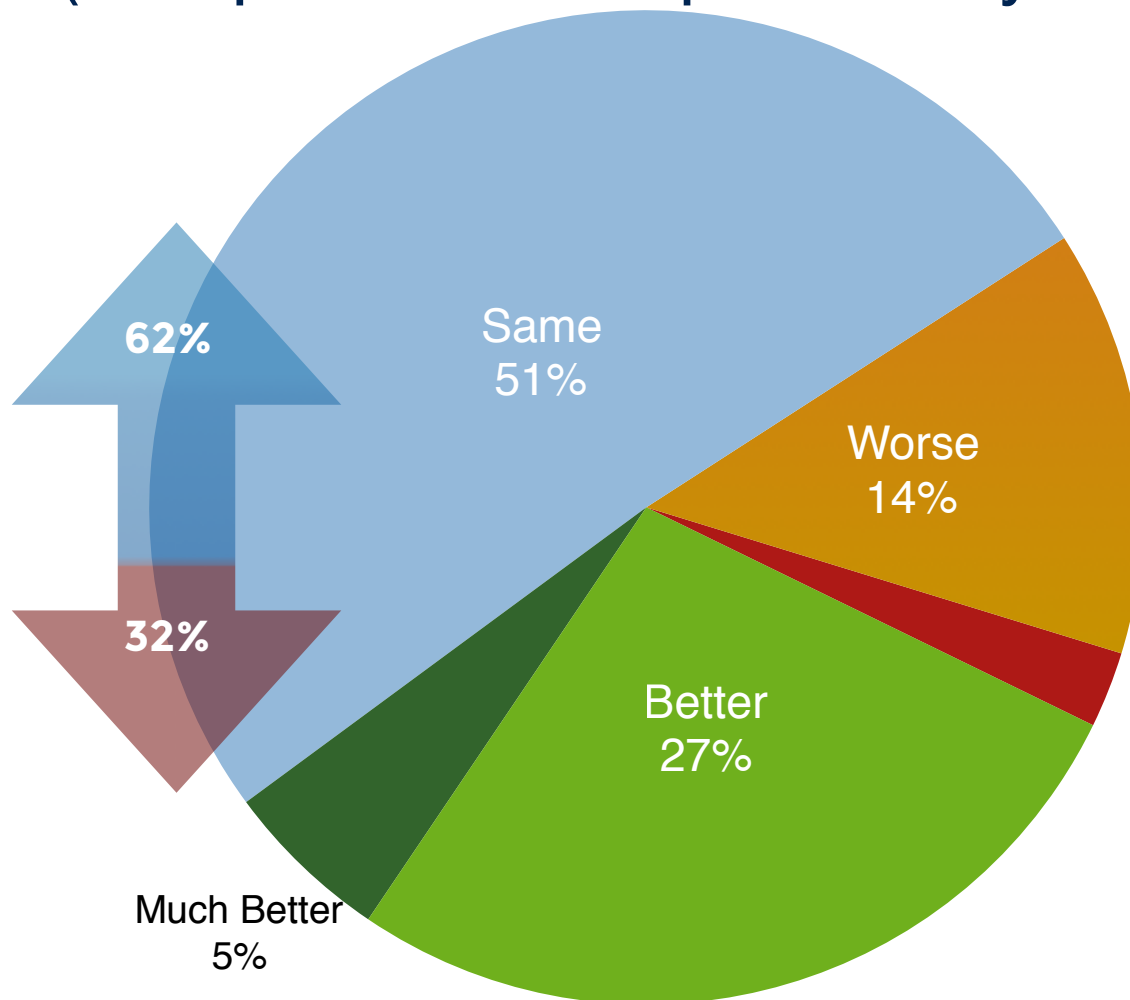
Annual Business Confidence

“What is the economic outlook for your business or industry over the next year (compared to the previous year)?”



Annual Business Confidence

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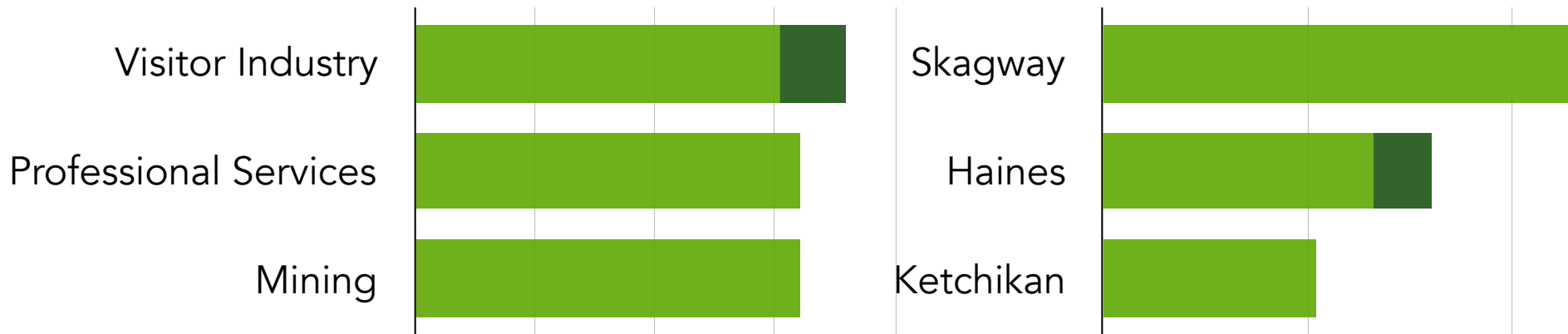
Annual Business Confidence

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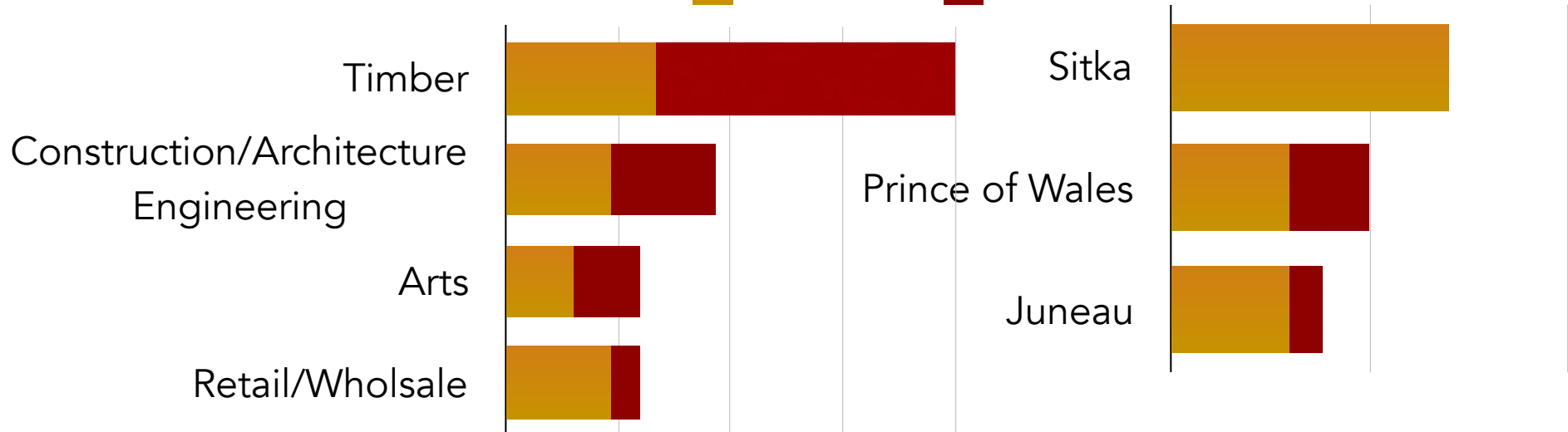
By Industry

■ Better
 ■ Much Better

By Community



■ Worse
 ■ Much Worse



PLANNING PROCESS

- **EDA Driven Process**
- **One year**
- **27 workshops and strategic planning meetings**
- **400+ participants**
- **Economic Resiliency Mapping**
- **100s of ideas for economic initiatives**

Southeast Alaska 2020 Economic Plan

Southeast Conference's Comprehensive
Economic Development Strategy
2016-2020



May 2016

Prepared by
Rain Coast Data



Southeast Alaska 5 Year Plan

Promote strong economies, healthy communities, and a quality environment in Southeast Alaska.

Transportation



Minimize Impacts of Budget Cuts to AMHS and Develop Sustainable Operational Model.
Road Development.
Move Freight to and from Markets More Efficiently.
Ensure the Stability of Regional Transportation Services Outside of AMHS.

Energy



Work with Federal and State Government to Promote Regional Energy Projects.
Diesel Displacement.
Support Community Efforts to Create Sustainable Power Systems That Provide Affordable/Renewable Energy.
Complete Regional Hydrosite Evaluation for Southeast Alaska.

Maritime Maritime Industrial Support



Maritime Industrial Support Sector Talent Pipeline: Maritime Workforce Development Plan.
Increase Access to Capital for the Regional Maritime Industrial Support Sector.
Harbor Improvements.
Examine Arctic Exploration Opportunities That the Region as a Whole Can Provide.

Seafood Industry



Mariculture Development.
Full Utilization and Ocean Product Development.
Increase Energy Efficiency and Reduce Energy Costs.
Regional Seafood Processing.
Seafood Markets.
Sea Otter Utilization and Sustainable Shellfish.
Maintain Stable Regulatory Regime.

Visitor Industry



Market Southeast Alaska to Attract More Visitors.
Improve Access to Public Lands.
Increase Flexibility in Terms of Permit Use.
Increase Yacht and Small Cruise Ship Visitations.
Improve Communications Infrastructure.
Advocate for Adequate Funding to Maintain Existing Recreational Infrastructure.

Timber Industry



Provide an Adequate, Economic and Dependable Supply of Timber from the Tongass National Forest to Regional Timber Operators.
Stabilize the Regional Timber Industry.
Work With USFS to Direct Federal Contracts Toward Locally-Owned Businesses.
Support Small Scale Manufacturing of Wood Products in Southeast Alaska.
Continue Old Growth Harvests Until Young Growth Supply is Adequate.
Community-Based Workforce Development.
Update Young Growth Inventory.

Other Objectives



Housing: Support Housing Development.
Food Security: Increase Production, Accessibility, and Demand of Local Foods.
Communications: Improved Access to Telemedicine in Southeast Alaska.
Marketing: Market Southeast Alaska as a Region.
Solid Waste: Regional Solid Waste Disposal.
Arts: Increase Recognition of Southeast Alaska's Thriving Arts Economy.
Mining: Minerals & Mining Workforce Development.
Attract Research Jobs.
Research: Attract Science and Research Jobs to Southeast Alaska.
Cultural Wellness: Support Development of Activities and Infrastructure That Promote Cultural Wellness.



Marine Highway Reform Project

Maritime Workforce Development

Diesel Displacement

7

Priority Objectives

Alaska Mariculture Initiative

Secure Adequate Timber Supply

Full Seafood Resource Utilization

Market Southeast Alaska to Visitors

AMHS Reform Project

Wednesday morning



An aerial photograph of a dam construction site in a mountainous region. A large yellow crane is prominent on the left side of the image. The dam structure is visible in the lower center, surrounded by a construction area with various vehicles and equipment. The background features dense green forests and snow-capped mountains under a clear blue sky.

Promote Regional Energy Projects Thursday morning



**Maritime Workforce
Development Implementation
Wednesday afternoon**



Wednesday
afternoon

**Full Resource Utilization &
Ocean Product
Development**

Mariculture Development

Wednesday
afternoon





Market Southeast Alaska Visitor Opportunities

Tuesday
morning

Secure an Adequate, Economic Timber Supply

Tuesday afternoon





TRANSPORTATION



MARITIME



ENERGY



VISITORS



MINING



TIMBER



SEAFOOD

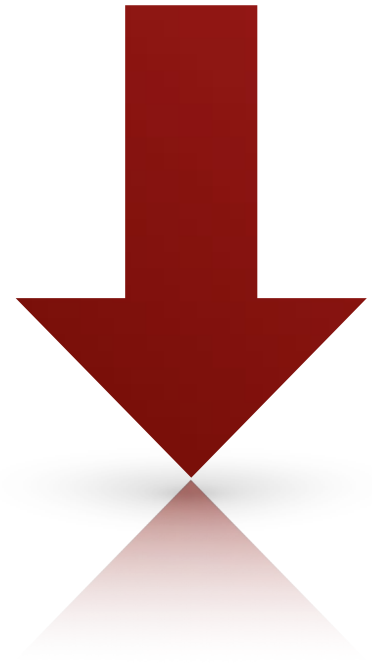
ECONOMIC DEVELOPMENT

*Sign up to participate in
Southeast Conference
committees*

Southeast Projections Down 2018



State Government
City Governments
Construction
Architect/Engineer
Retail
Timber
Population
Jobs
Wages



Southeast Projections: Up 2018

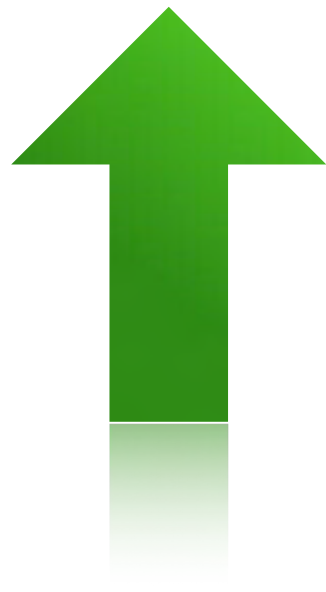
Visitor Industry

Healthcare

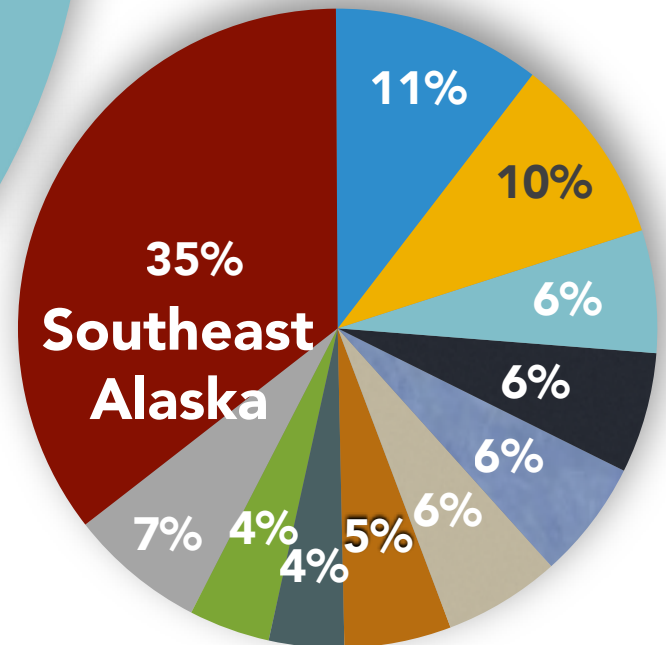
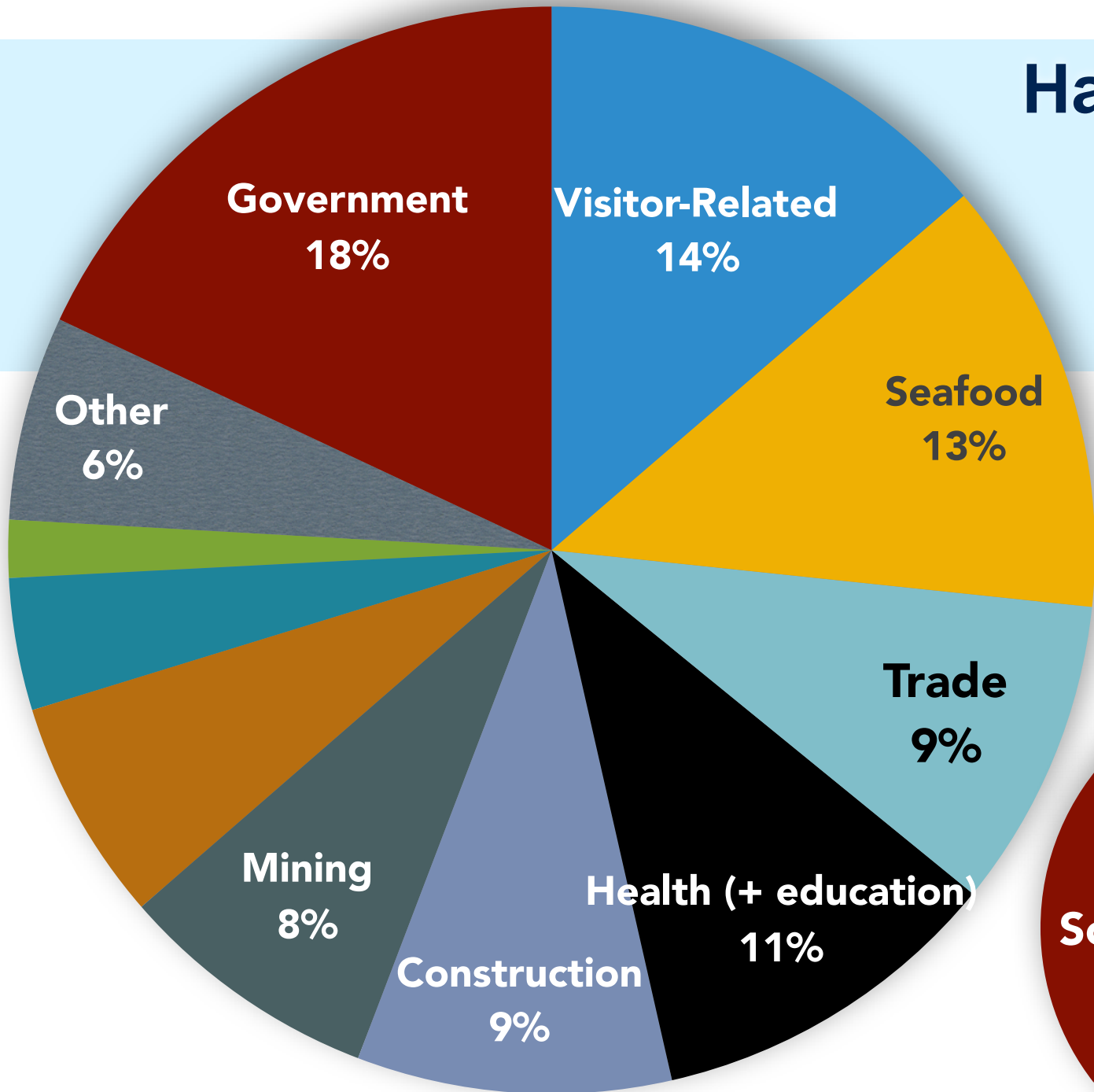
Mining Industry

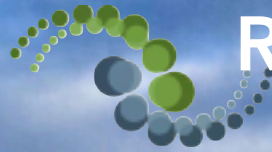
Seafood

Maritime Industrial



Haines Borough Workforce Earnings by Industry





Rain Coast
Data

SOUTHEAST
CONFERENCE

THANK YOU

