

# SOUTHEAST ALASKA

## by the Numbers 2018



SOUTHEAST  
CONFERENCE



Rain Coast  
Data

Ketchikan Alaska  
September 12th, 2018

# About Southeast Alaska

- 34 Communities
- 1,000+ Islands
- 500 Miles
- 18,500 shoreline
- 10% of AK Economy
- 1/4 Alaska Native

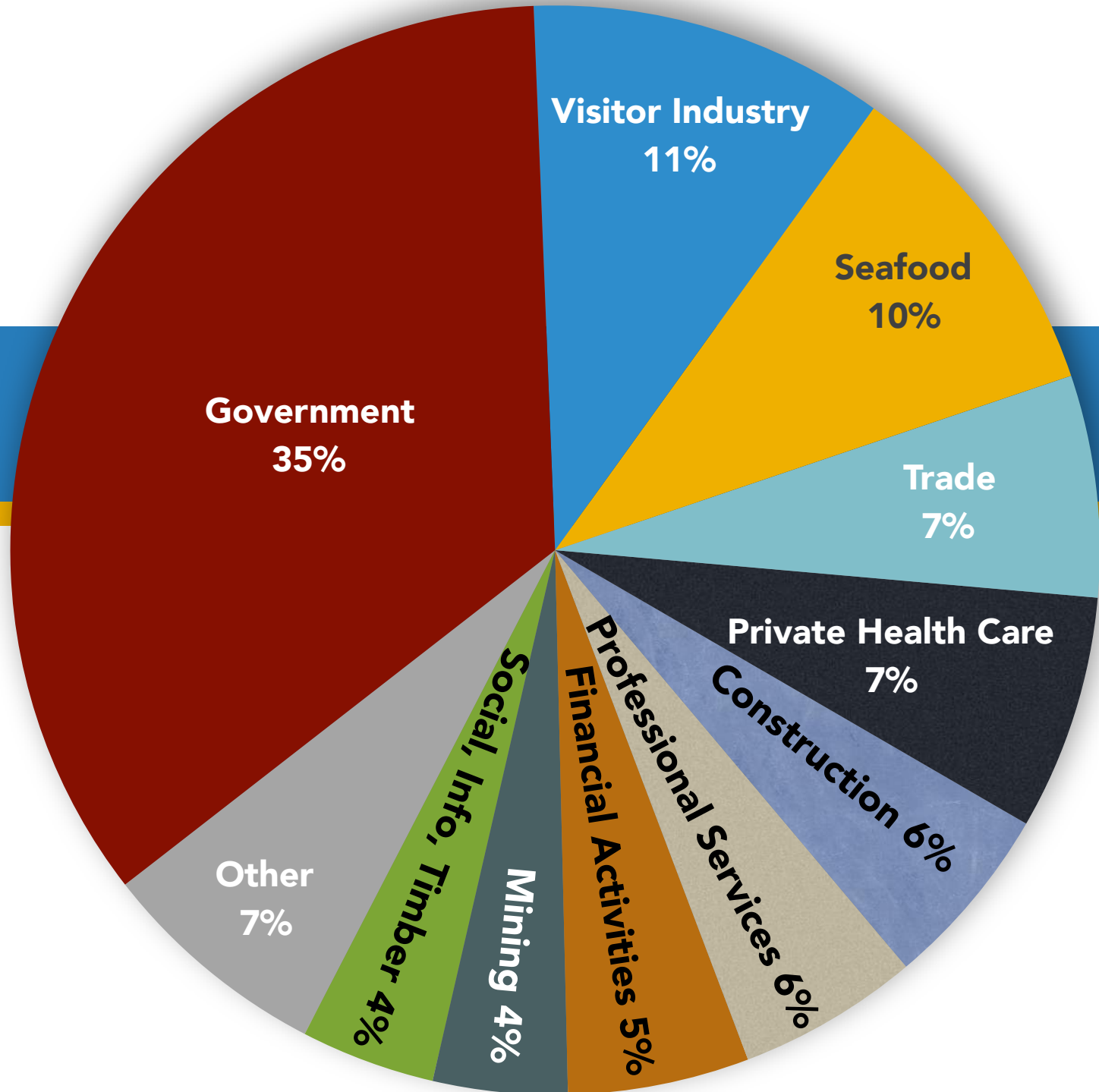


# Southeast Alaska

## Employment Earnings

\$2.2 billion

45,640 Jobs



# *Southeast Alaska's Report Card 2016*

***Increasing Jobs***

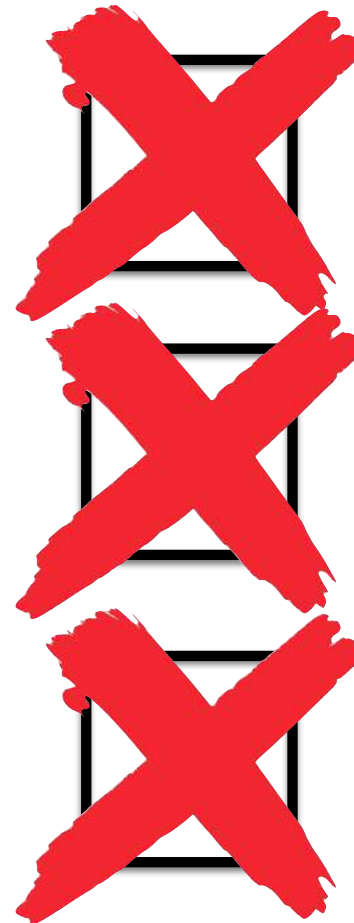
**DOWN 1,000 JOBS -2%**

***Increasing Earnings***

**DOWN \$29 MILLION -1%**

***Increasing Population***

**DOWN 500 -1%**



# *Southeast Alaska's Report Card 2016*

***Increasing Jobs***

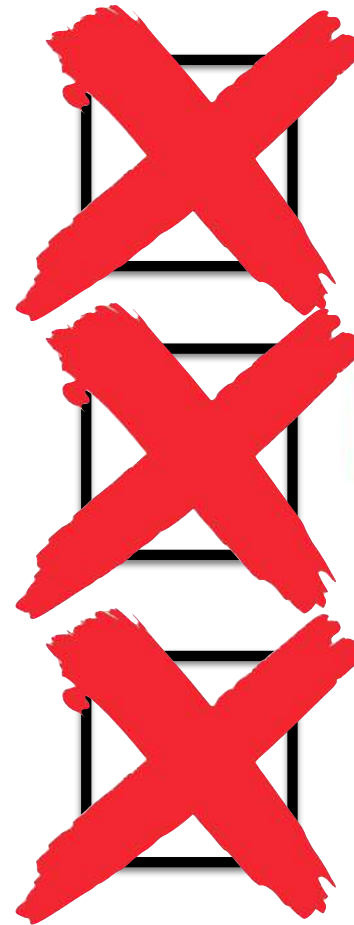
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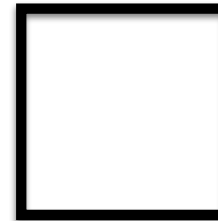
# *Southeast Alaska's Report Card 2017*

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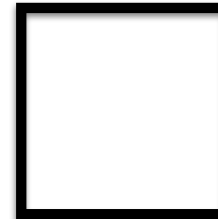
**UP 380 JOBS 0.8%**



***Earnings***



***Population***



# *Southeast Alaska's Report Card 2017*

## *Increasing Jobs*

UP 380 JOBS 0.8%

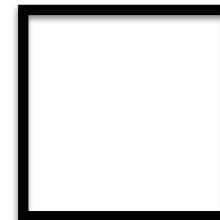


## *Increasing Earnings*

UP \$17 MILLION 0.8%



## *Population*



# *Southeast Alaska's Report Card 2017*

## *Increasing Jobs*

UP 380 JOBS 0.8%



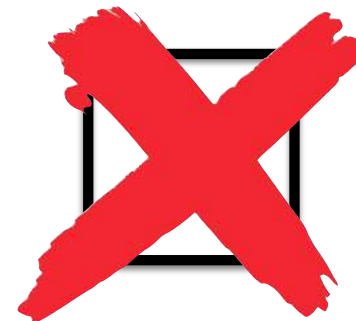
## *Increasing Earnings*

UP \$17 MILLION 0.8%



## *Decreasing Population*

DOWN 900 PEOPLE -1.2%



# *Southeast Alaska's Report Card 2017*

## *Increasing Jobs*

**UP 380 JOBS 0.8%**

## *Decreasing Population*

**DOWN 900 PEOPLE -1.2%**

# *Southeast Alaska's Report Card 2017*

***Increasing Jobs***

**UP 380 JOBS 0.8%**

***Decreasing Population***

**DOWN 900 PEOPLE -1.2%**

***Increasing Number of Jobs Held by  
Non Residents***

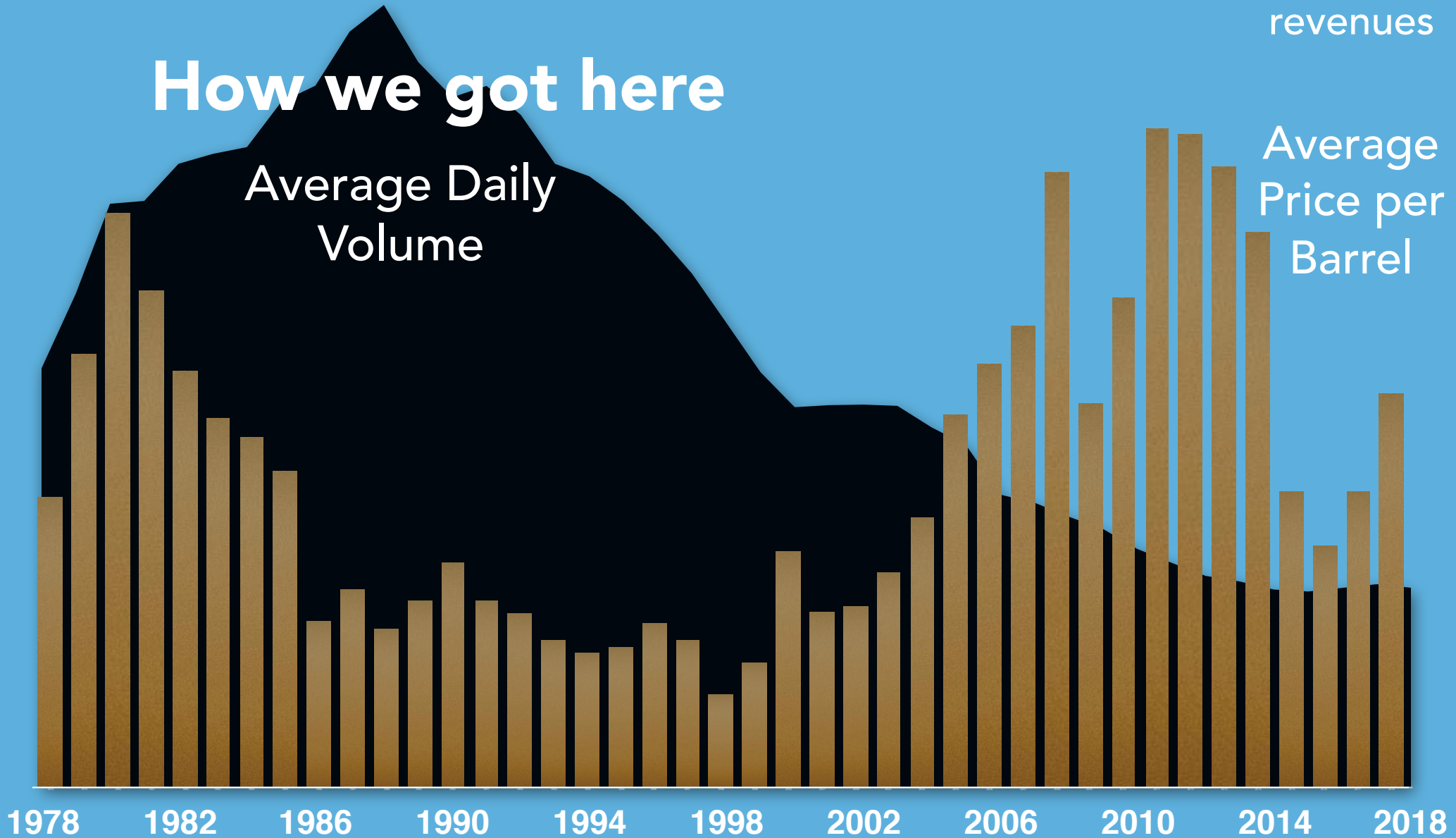
# Avg. Daily Volume of the Trans Alaska Pipeline System and Inflation Adjusted Price Per Barrel, 1978-2018

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

## How we got here

Average Daily Volume

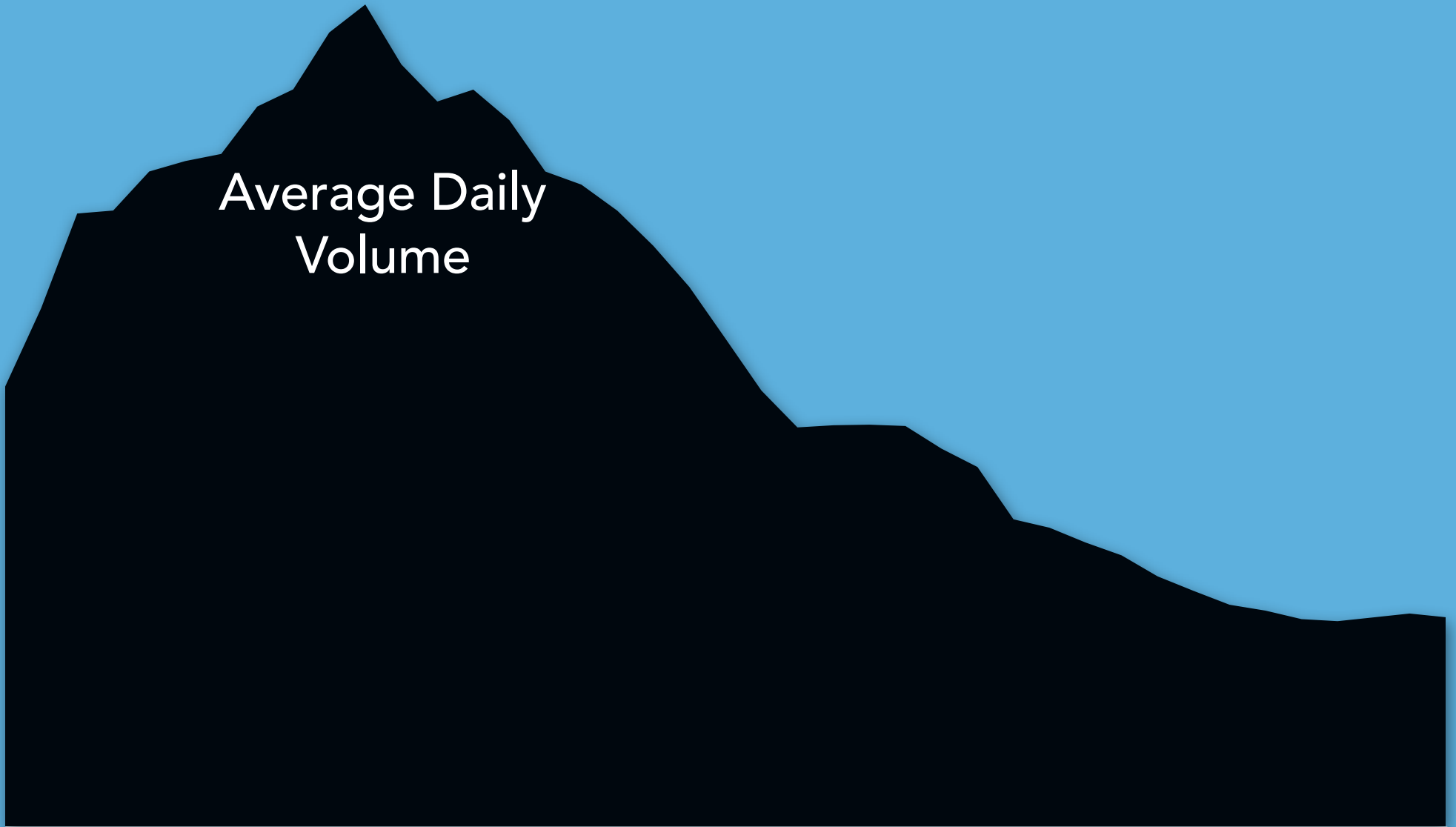
Average Price per Barrel



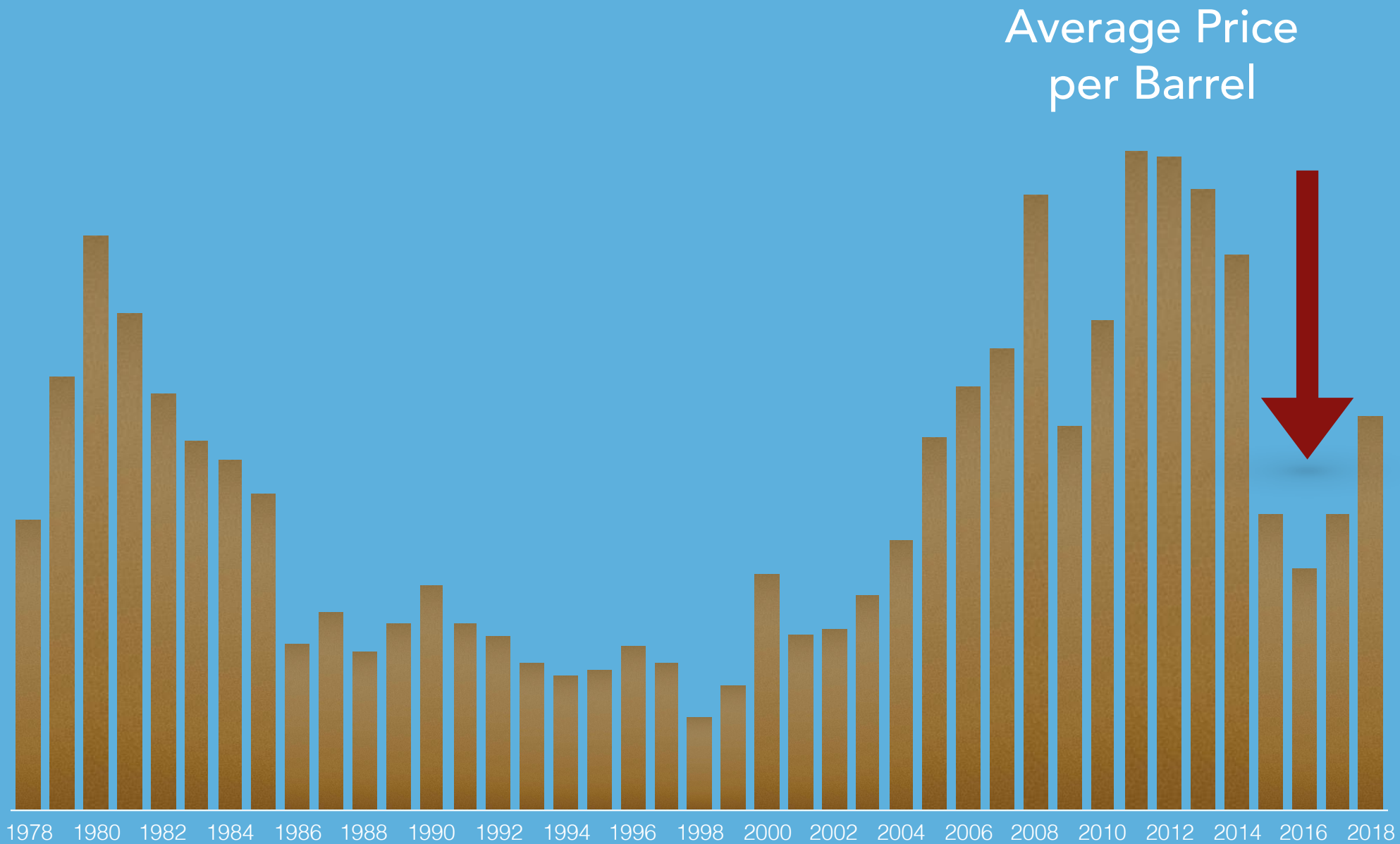
# Avg. Daily Volume of the Trans Alaska Pipeline System and Inflation Adjusted Price Per Barrel, 1978-2018

Average Daily  
Volume

1978 1982 1986 1990 1994 1998 2002 2006 2010 2014 2018



# Avg. Daily Volume of the Trans Alaska Pipeline System and Inflation Adjusted Price Per Barrel, 1978-2018

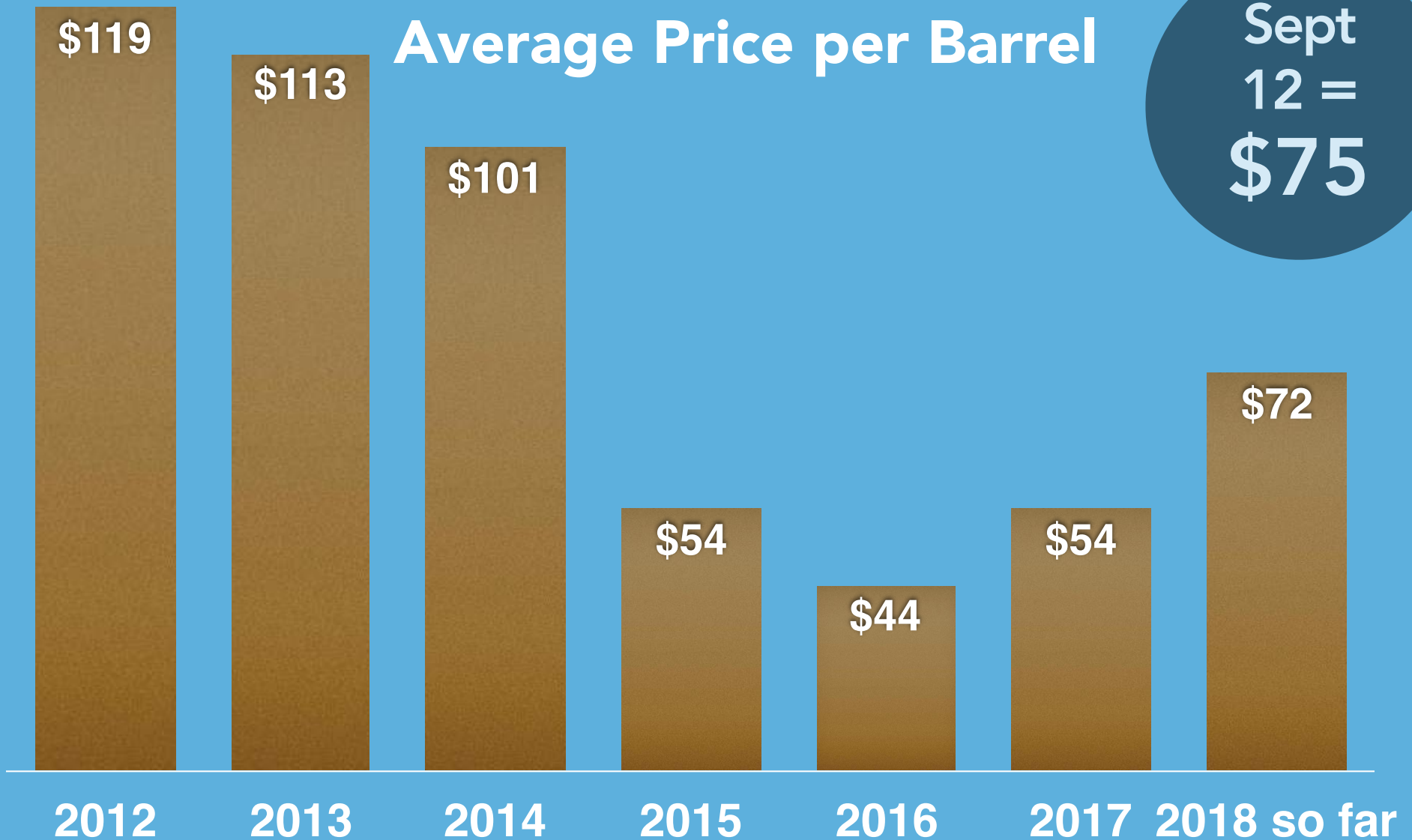


# Avg. Daily Volume of the Trans Alaska Pipeline System and Inflation Adjusted Price Per Barrel, 2012-2018

## Where are we going?

### Average Price per Barrel

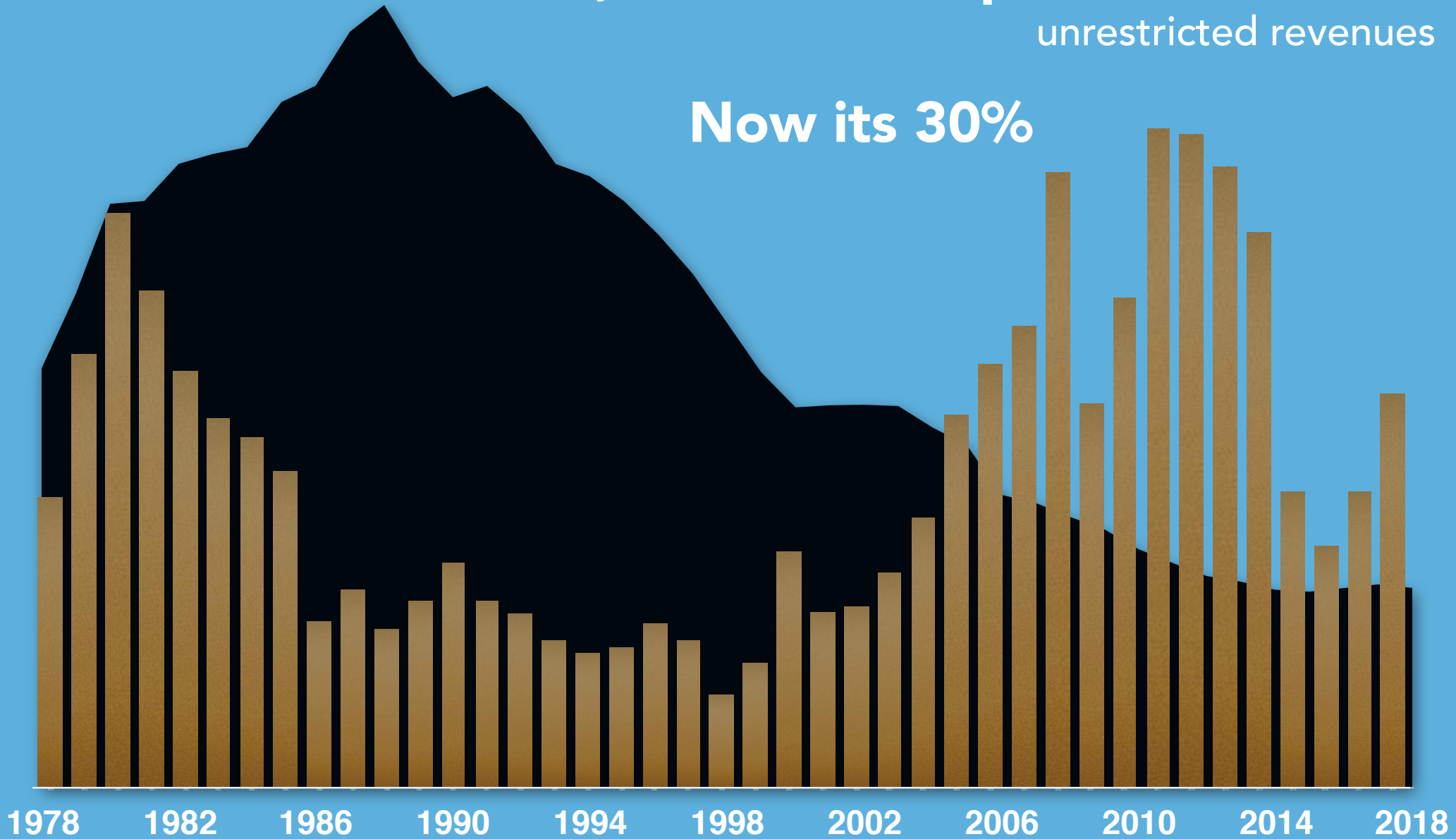
Sept  
12 =  
\$75



# Avg. Daily Volume of the Trans Alaska Pipeline System and Inflation Adjusted Price Per Barrel, 1978-2018

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

**Now its 30%**



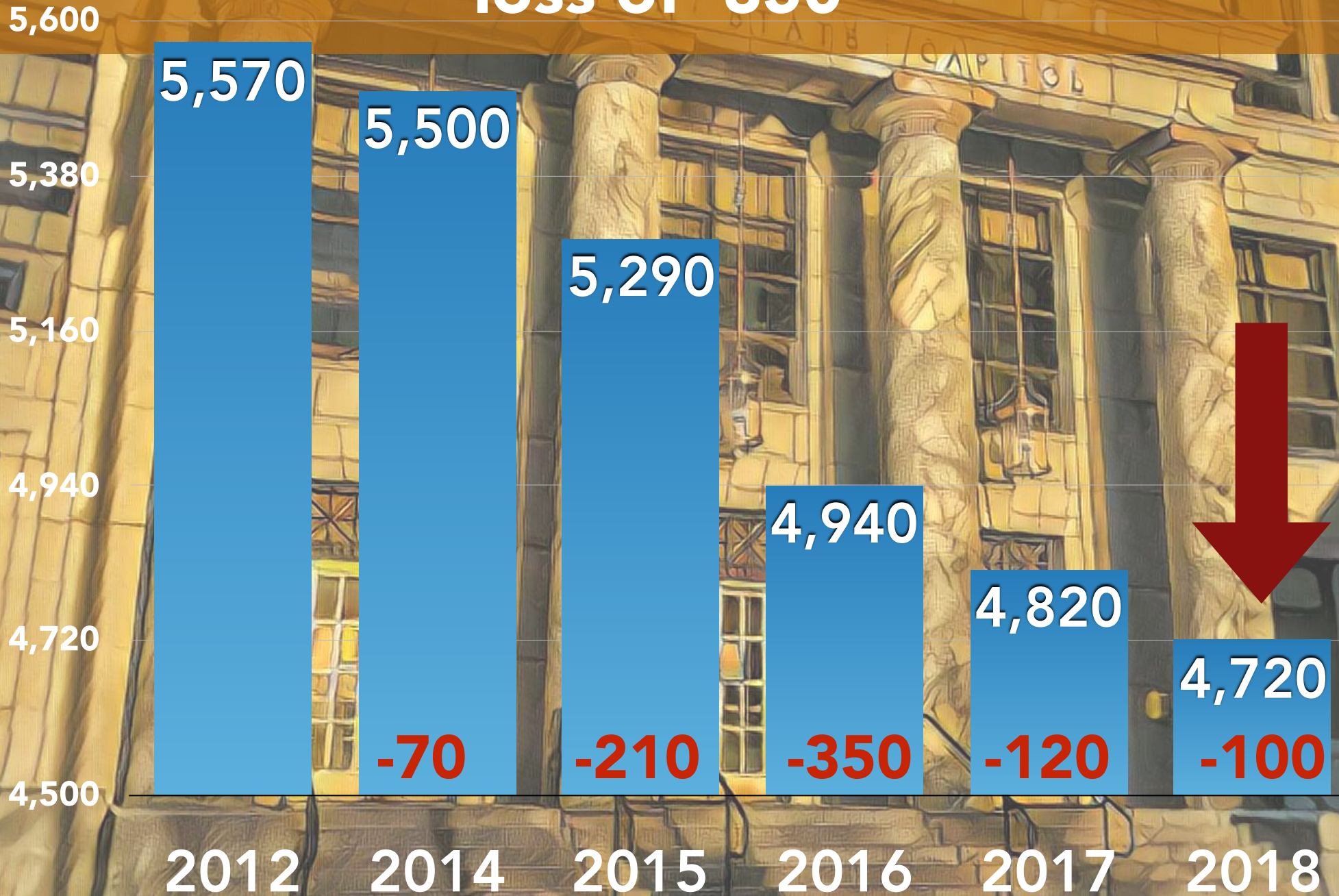
# State Savings Used

**\$14 Billion**

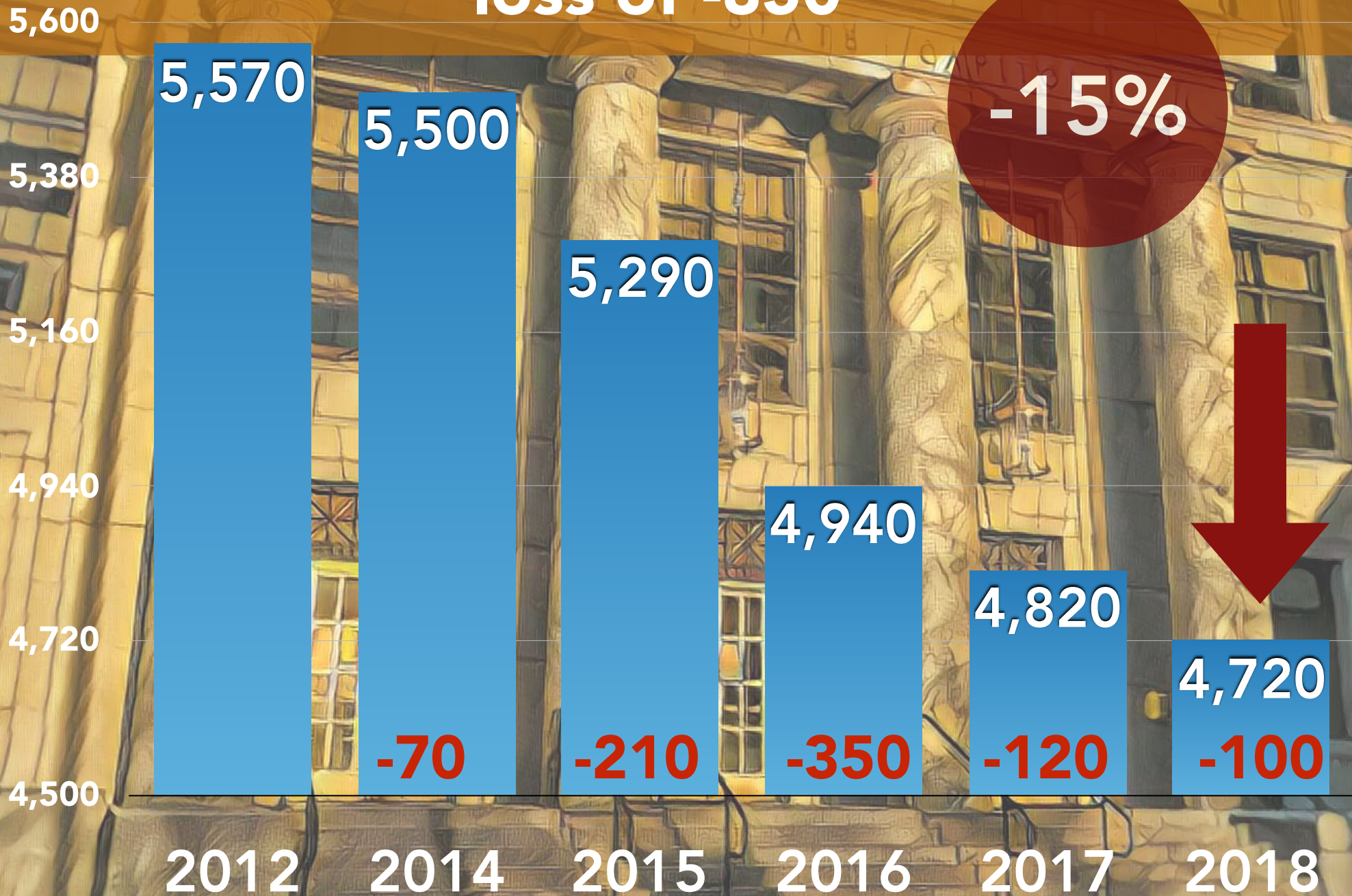
The background of the image is a photograph of the Alaska State Capitol building, featuring classical architecture with large columns and a pediment. The text is overlaid on a semi-transparent blue rectangular area in the center of the image.

State jobs  
outside of  
Southeast Alaska  
fell by  
**7.5%**

# State Government Job Losses loss of -850



# State Government Job Losses loss of -850



# *State Job Losses*

**A loss of**  
**850 State jobs**  
**= a loss of**  
**\$50 million**  
**in annual wages**

# *Federal Job Losses*

**A loss of**  
**600 Federal jobs**  
**= a loss of**  
**\$50 million**  
**in annual wages**

# *Government Job Losses*

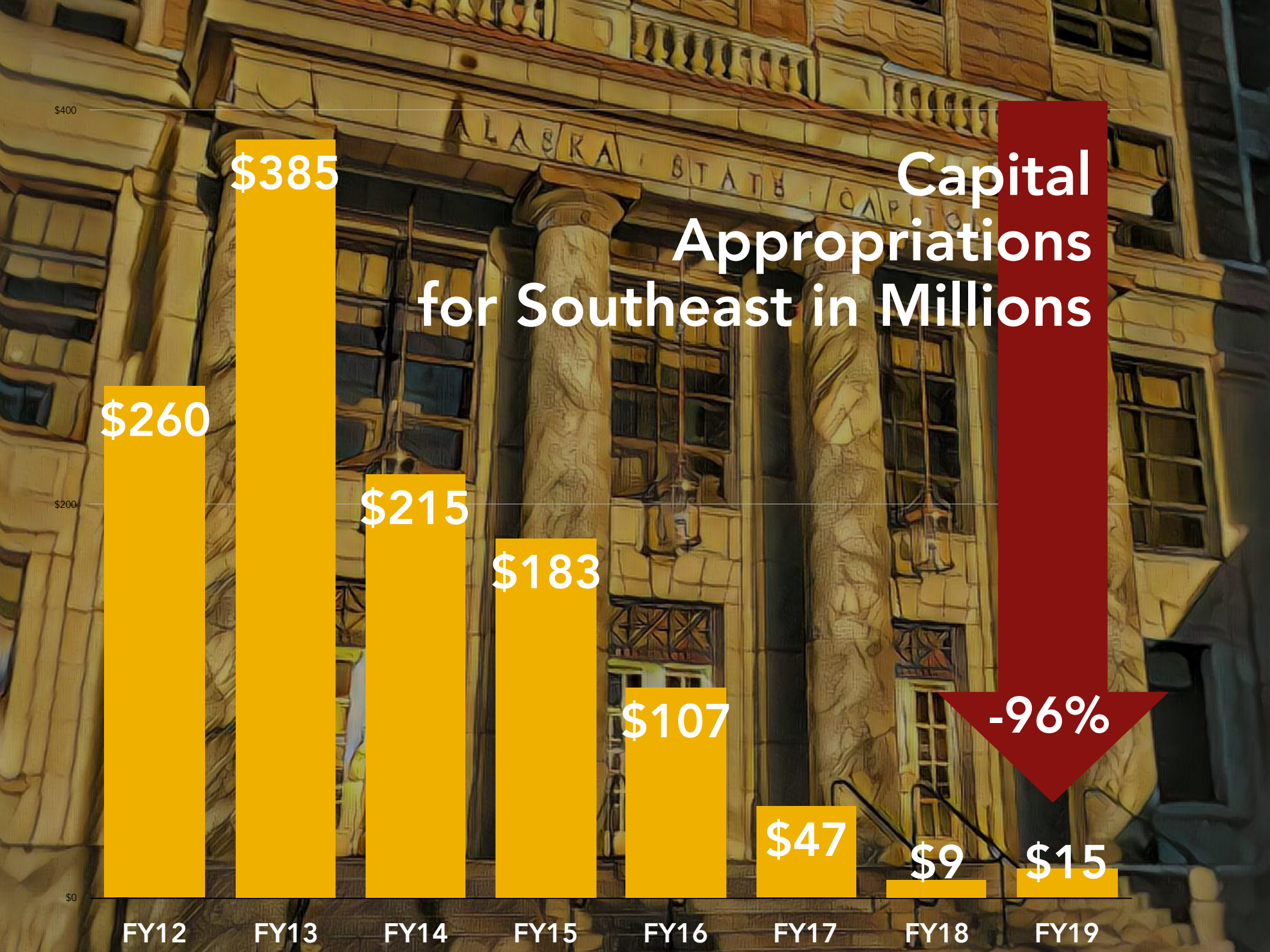
**A loss of**

**1,500 Government  
jobs**

**= a loss of**

**\$100 million**

**in annual wages**

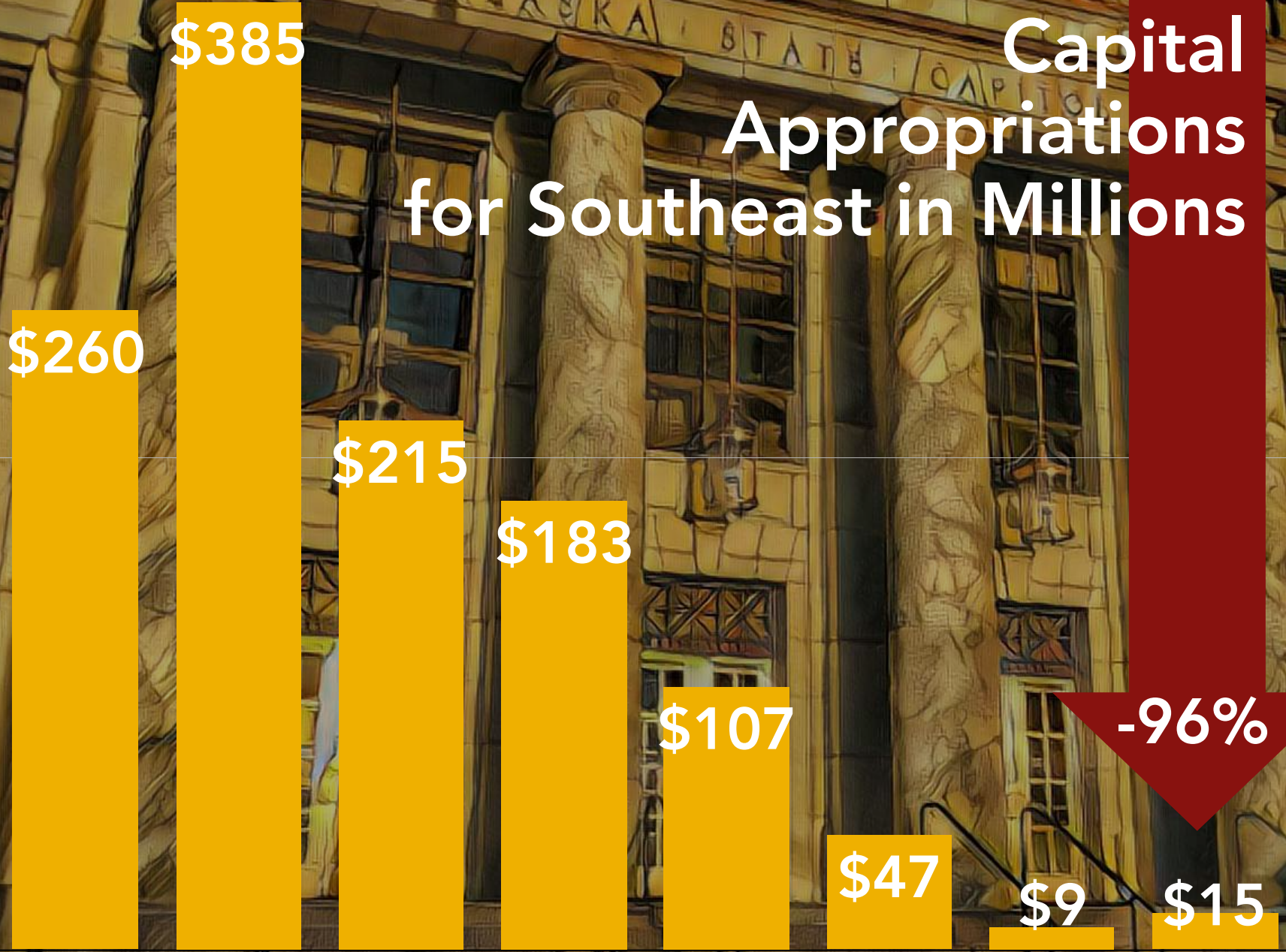


# Capital Appropriations for Southeast in Millions

\$400

\$200

\$0



-96%

FY12

FY13

FY14

FY15

FY16

FY17

FY18

FY19

**Construction Industry 1,900 Jobs  
DOWN 100 JOBS IN 2017 -5%**



# Construction Industry



**-400 Construction jobs**  
**\$27 Million**

SIDEWALK  
CLOSED

# Losses

**A loss of**

**1,900 Gov &  
Construction jobs**

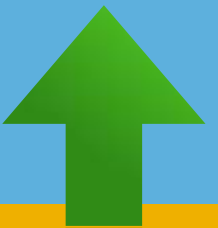
**= a loss of**

**\$127 million**

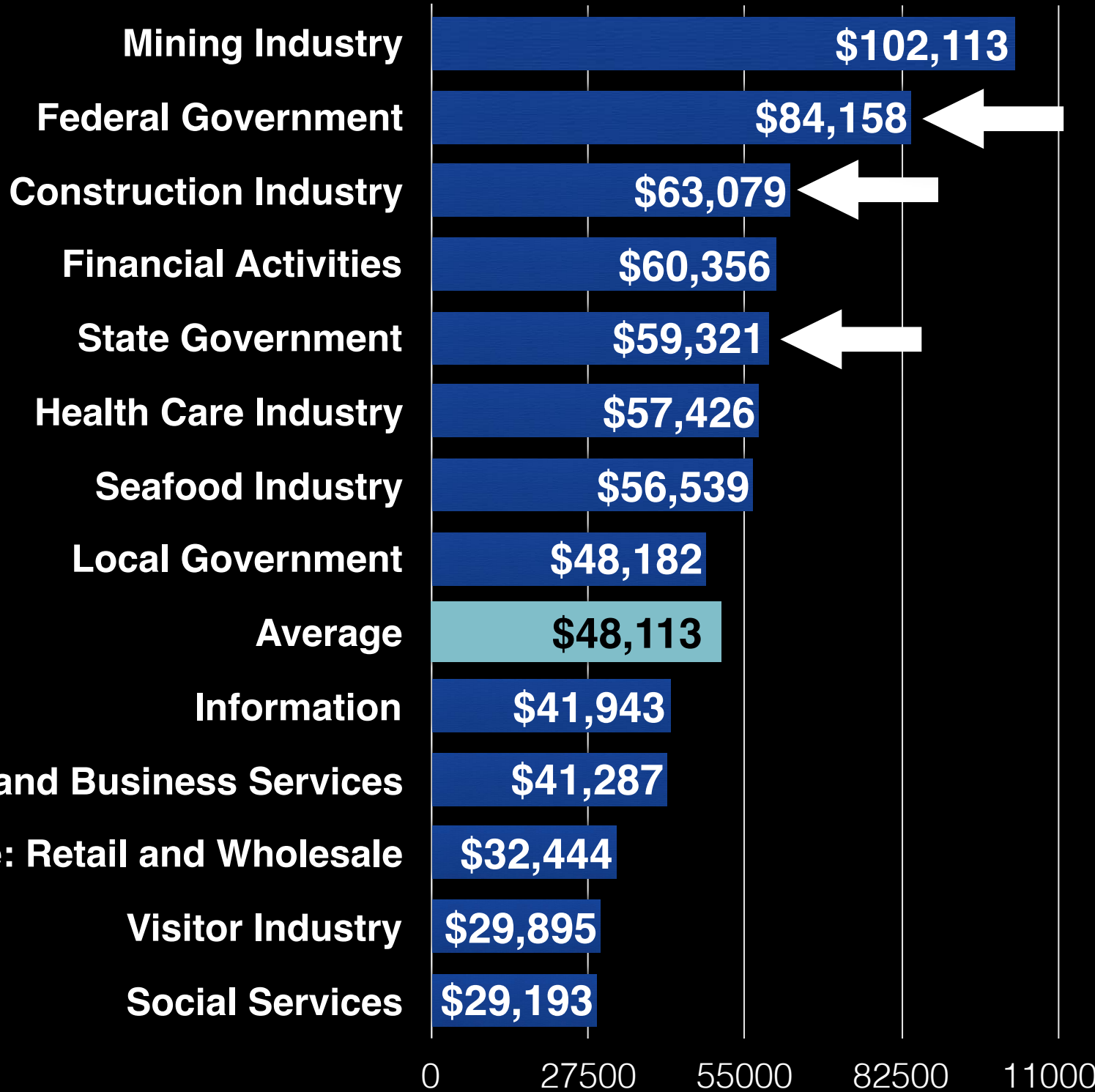
**in annual wages (+\$370 M in Appropriations)**

# Visitor Industry 7,740 Jobs

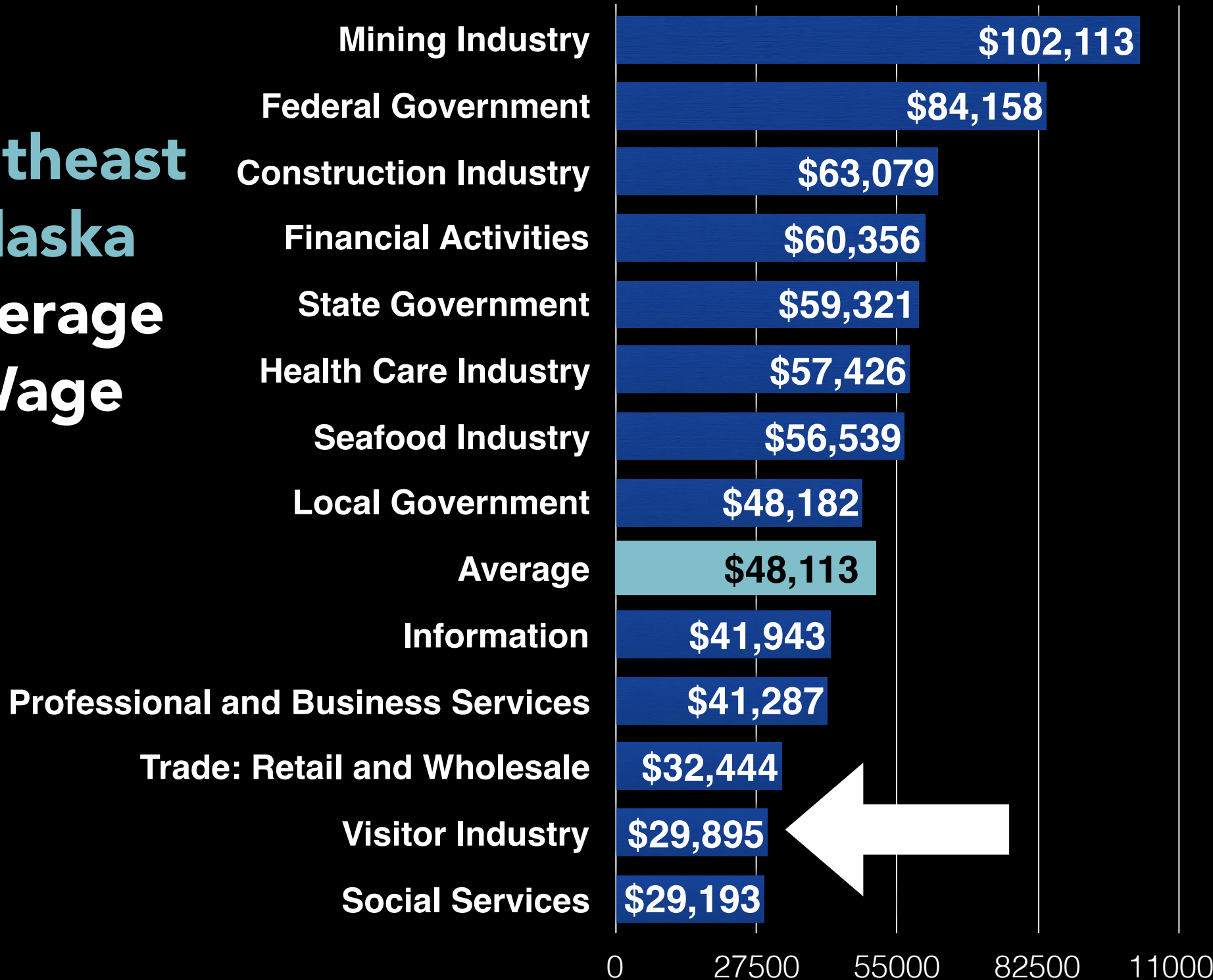
**UP 1,900 JOBS +32% SINCE 2010  
+\$58 MILLION**



# Southeast Alaska Average Wage



# Southeast Alaska Average Wage



# *Tourist Spending in Southeast*

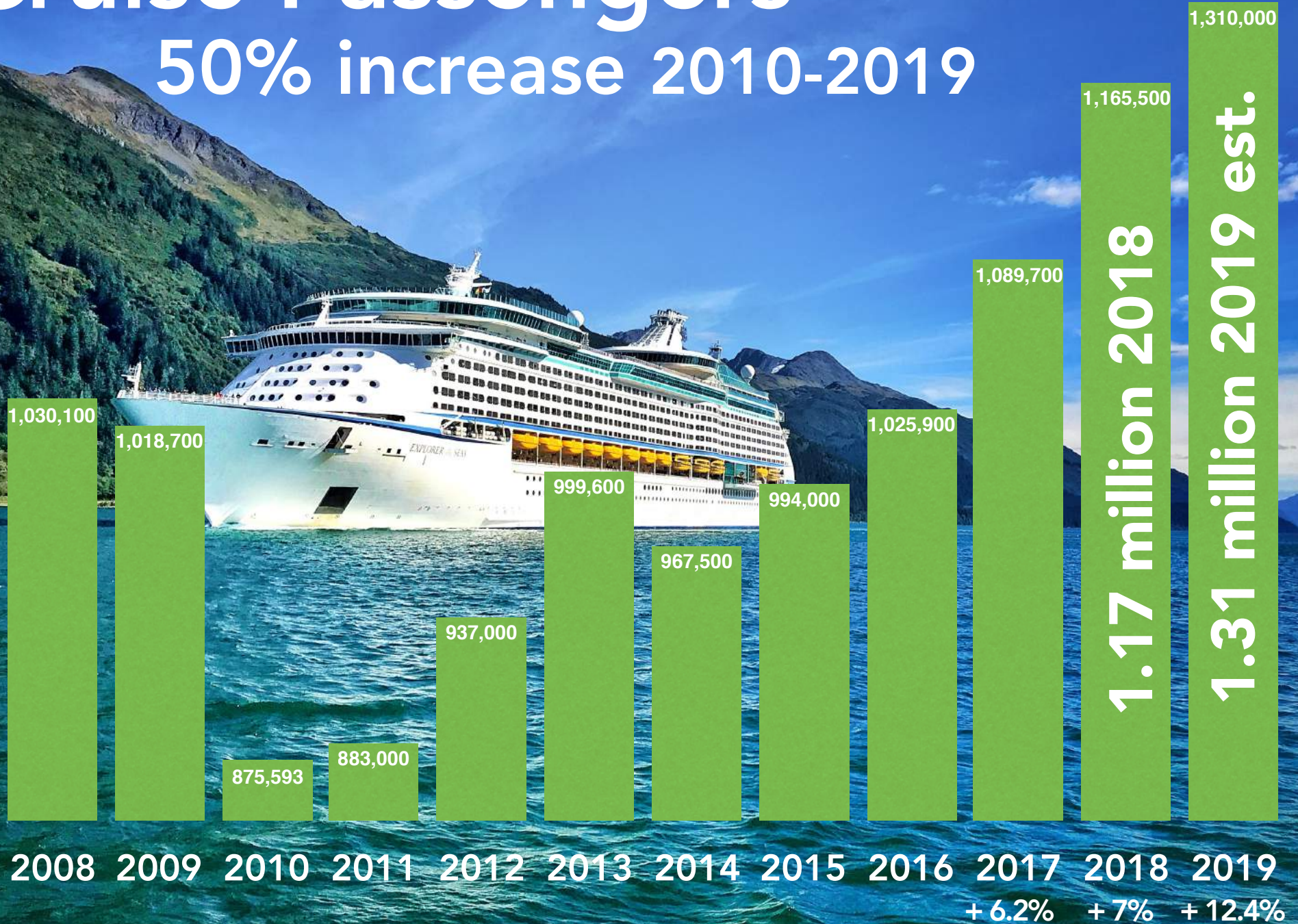
**\$657 Million**

**\$487 per SE visitor**



# Cruise Passengers

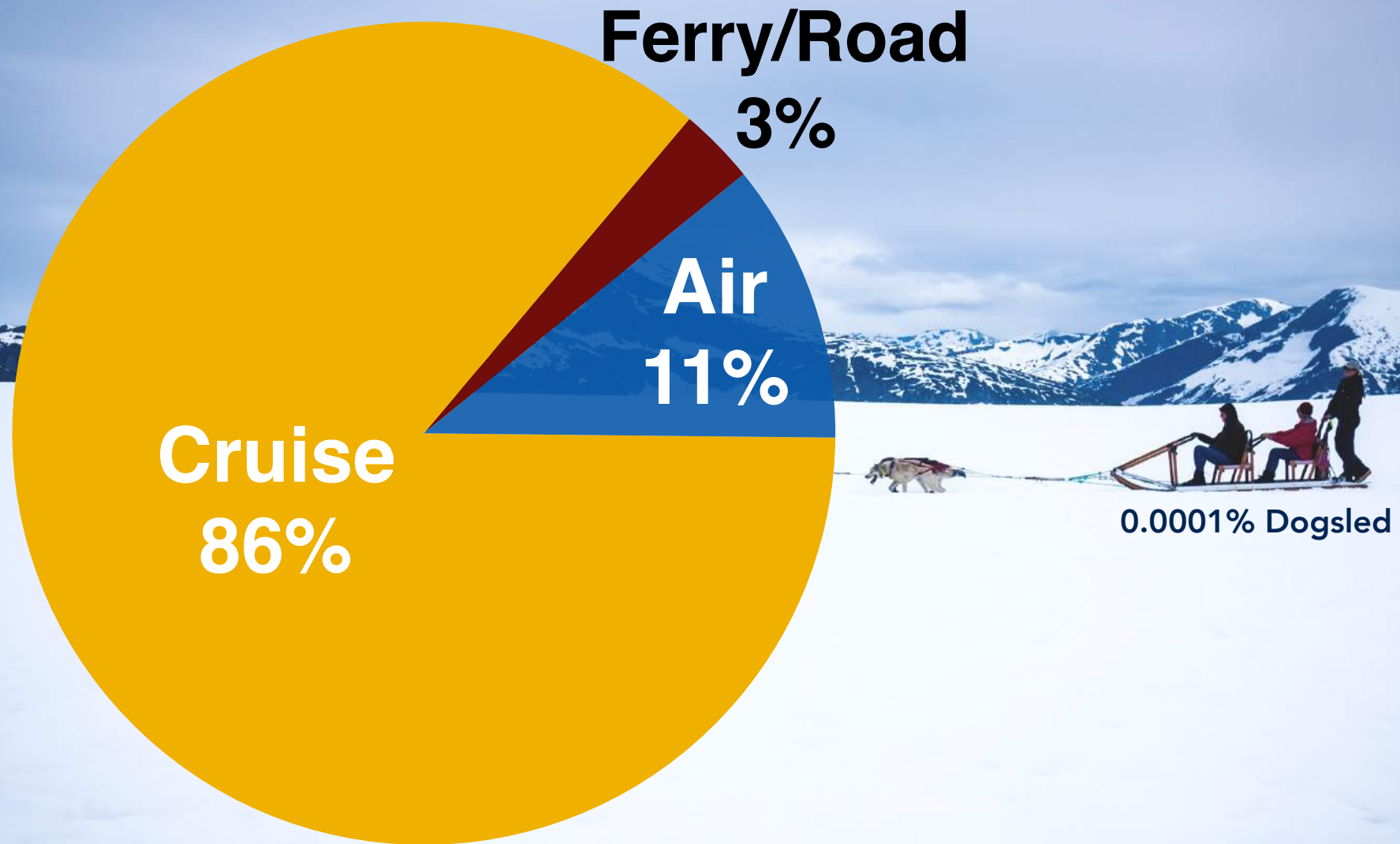
## 50% increase 2010-2019



# Arrivals into Southeast by Mode



# Tourists into Southeast by Mode





Glacier Bay was the **highest-rated** cruise destination in the world in 2018. *Cruise Critic*

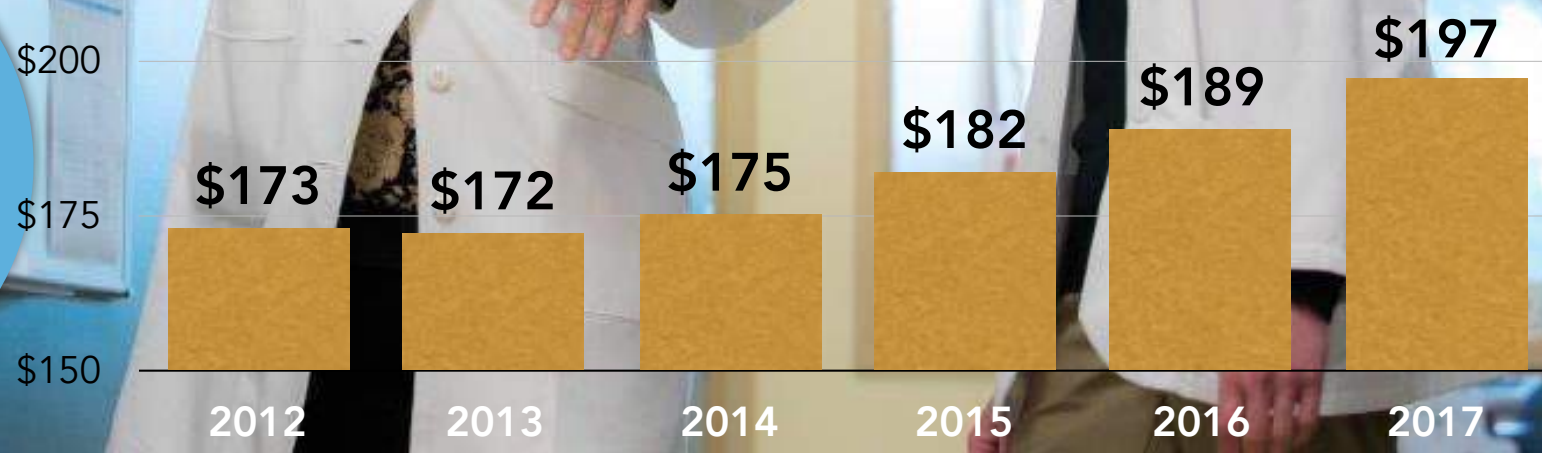
# Airline Trends:



2018 = top year ever

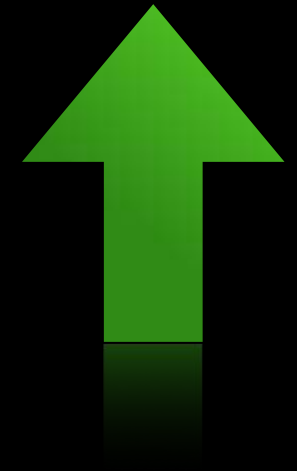
# Healthcare 3,426 Jobs

# UP 80 JOBS IN 2017 +3%



# Mining Industry

886 Jobs  
UP 90 JOBS IN 2017



GOLD PRICES





**POPULATION CHANGE 2014 TO 2017**

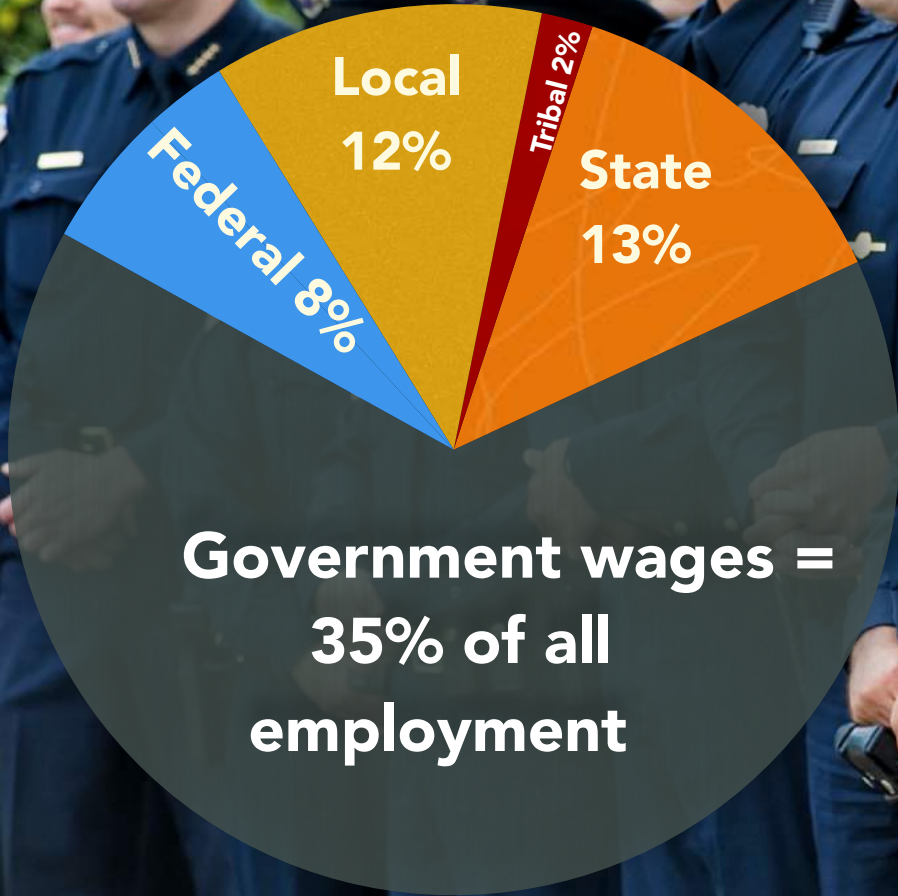
	2017	CHANGE
Juneau Borough	32,269	-2%
Ketchikan Borough	13,754	-1%
Sitka Borough	8,748	-4%
Petersburg Borough	3,147	-2%
Haines Borough	2,459	-4%
Wrangell Borough	2,387	-1%
Metlakatla	1,422	-2%
Craig	1,089	-10%
Skagway Borough	1,034	6%
Klawock	833	3%
Hoonah	773	-2%
Kake	604	-4%
Yakutat Borough	552	-13%
Gustavus	544	5%
Thorne Bay	533	0%
Angoon	404	-4%
Hydaburg	374	-8%
Coffman Cove	199	13%
Tenakee Springs	135	6%
<b>Hollis</b>	<b>128</b>	<b>38%</b>
Naukati Bay	119	-1%
Klukwan	93	11%
Hyder	90	-3%
Kasaan	80	10%
Pelican	67	-13%
Port Alexander	55	22%
Edna Bay	43	-9%
Whale Pass	43	8%
Port Protection	34	-38%
Game Creek	18	0%
Elfin Cove	14	-13%
Point Baker	13	0%
Remainder	858	-8%
<b>Total</b>	<b>72,915</b>	<b>-2%</b>

# Hollis: Dawson Mine Project



# Government 13,250 Jobs

## UP 200 JOBS IN 2017 -3%



**Government wages =  
35% of all  
employment**

# State jobs down 120



State  
13%

# Federal Jobs = Flat



Federal 8%

# Local jobs = +200



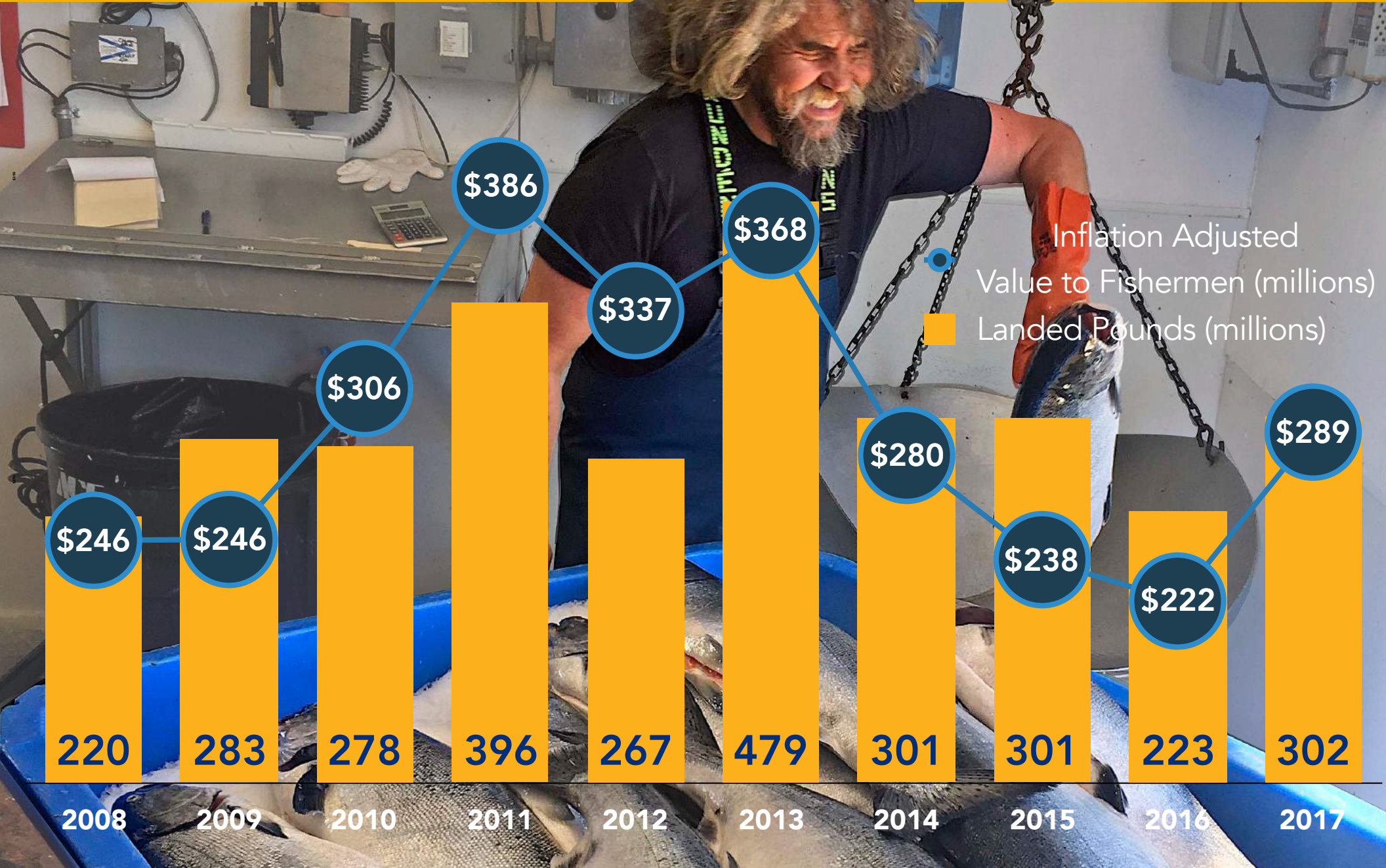
Local  
12%



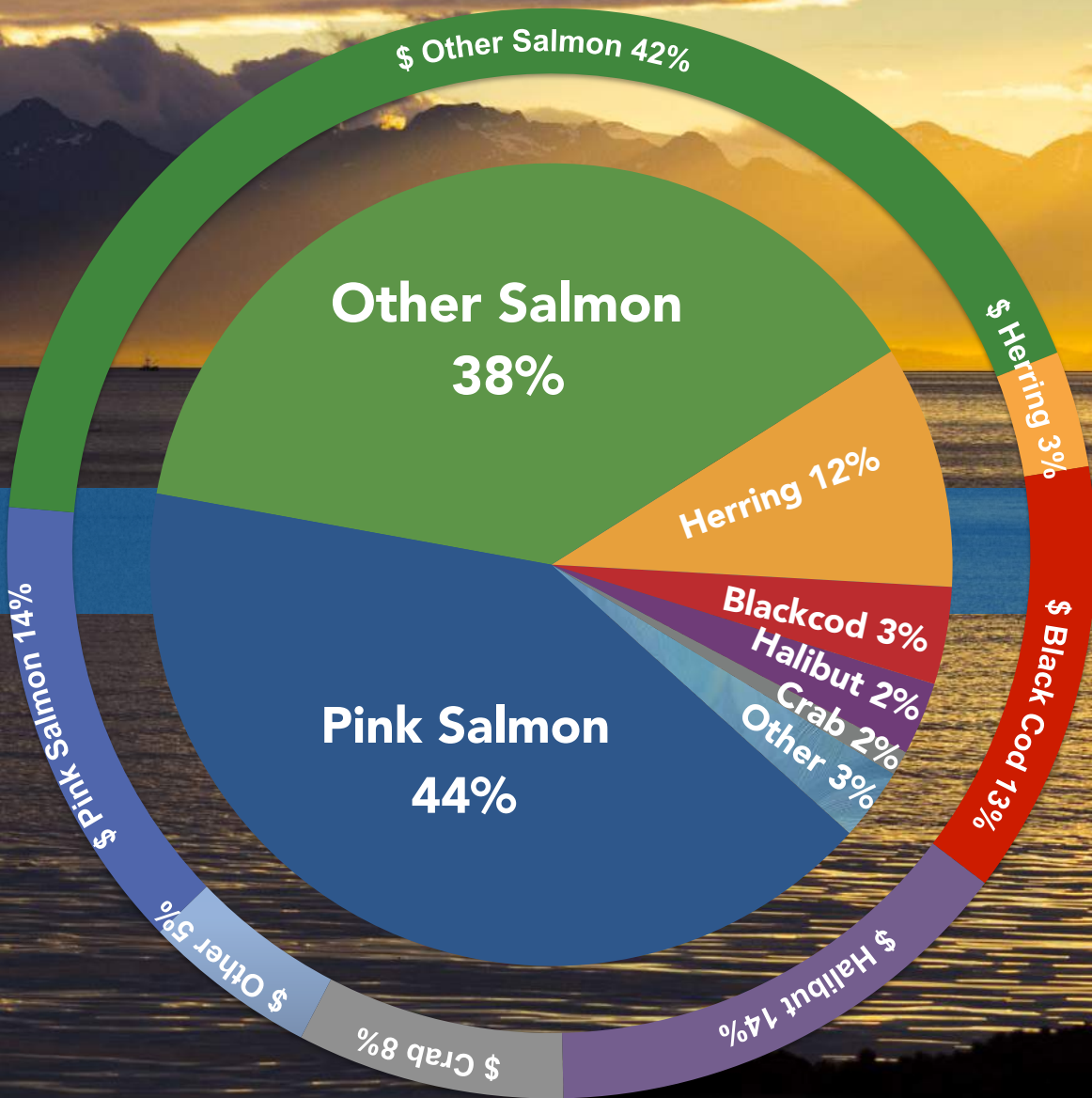
# Tribal Jobs = +100



# VALUE & POUNDS OF SEAFOOD LANDED IN SOUTHEAST ALASKA TEN YEARS



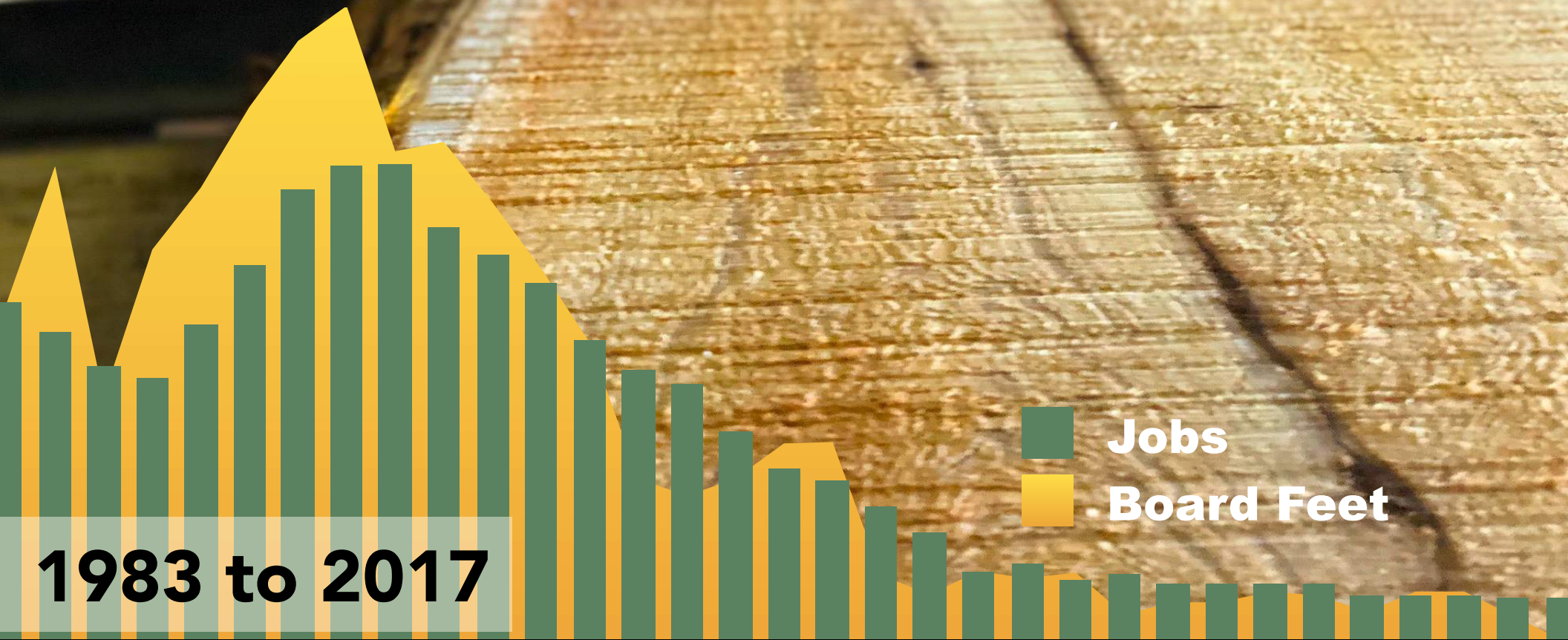
# Seafood Industry



3,854 Jobs



**Timber Industry**  
**354 Jobs**  
**DOWN -3%**

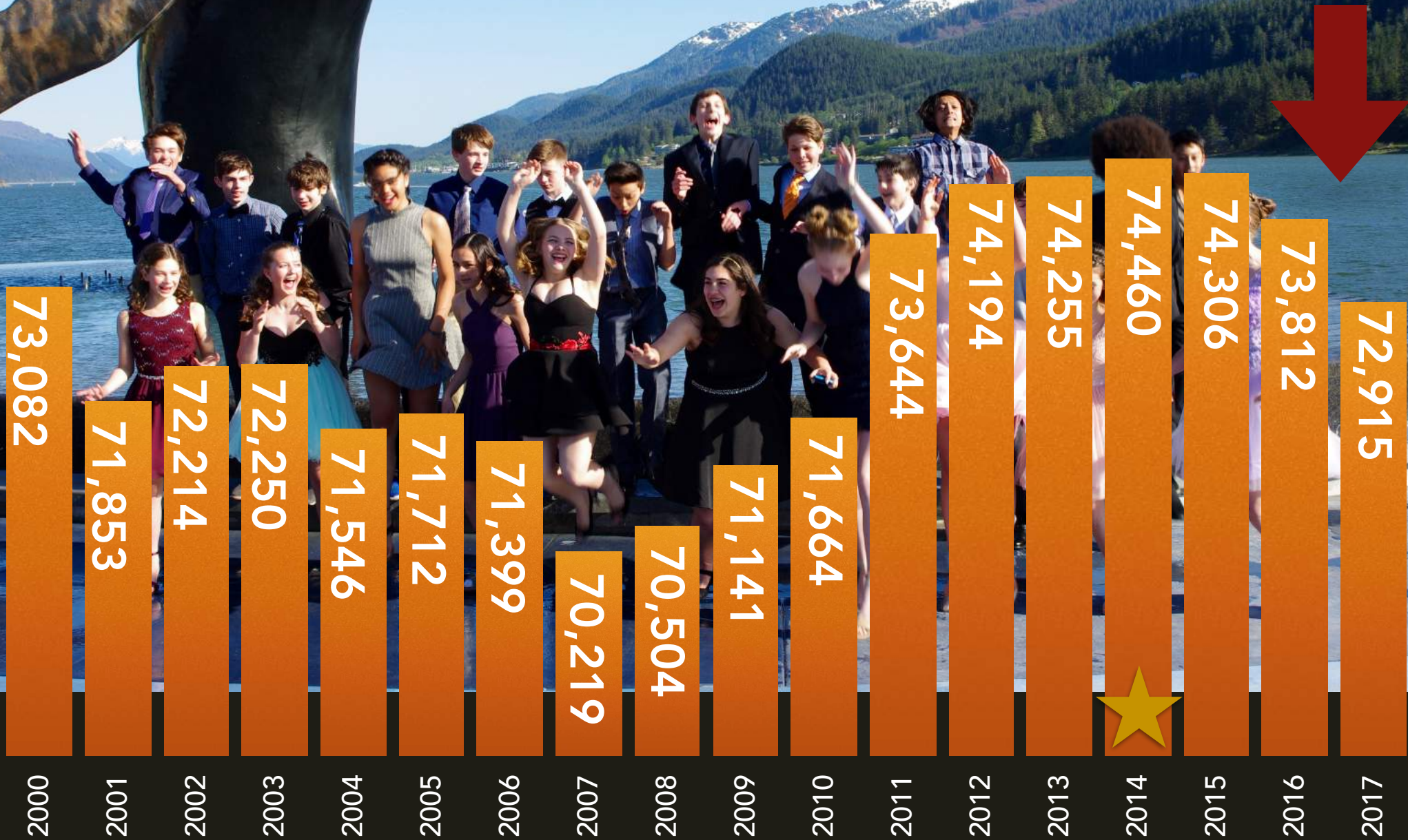


**1983 to 2017**

**Jobs**  
**Board Feet**

# Demographics 73,915 People

-900 people -1%



# Alaska Non Residency

## NON ALASKA RESIDENTS BY AREA AND INDUSTRY

Southeast Industries	Non Alaskan workers	% Non Alaskan	
Seafood Processing	2,801	74%	74%
Arts, Entertainment, and Recreation	779	51%	51%
Mining	490	47%	47%
Accommodation and Food Services	1,929	41%	41%
Retail Trade	1,362	25%	25%
Local Governments	627	8%	8%
State of Alaska Government	327	6%	6%
<b>Southeast Alaska</b>	<b>12,568</b>	<b>26%</b>	<b>26%</b>
<b>Total Alaska</b>	<b>89,411</b>	<b>22%</b>	

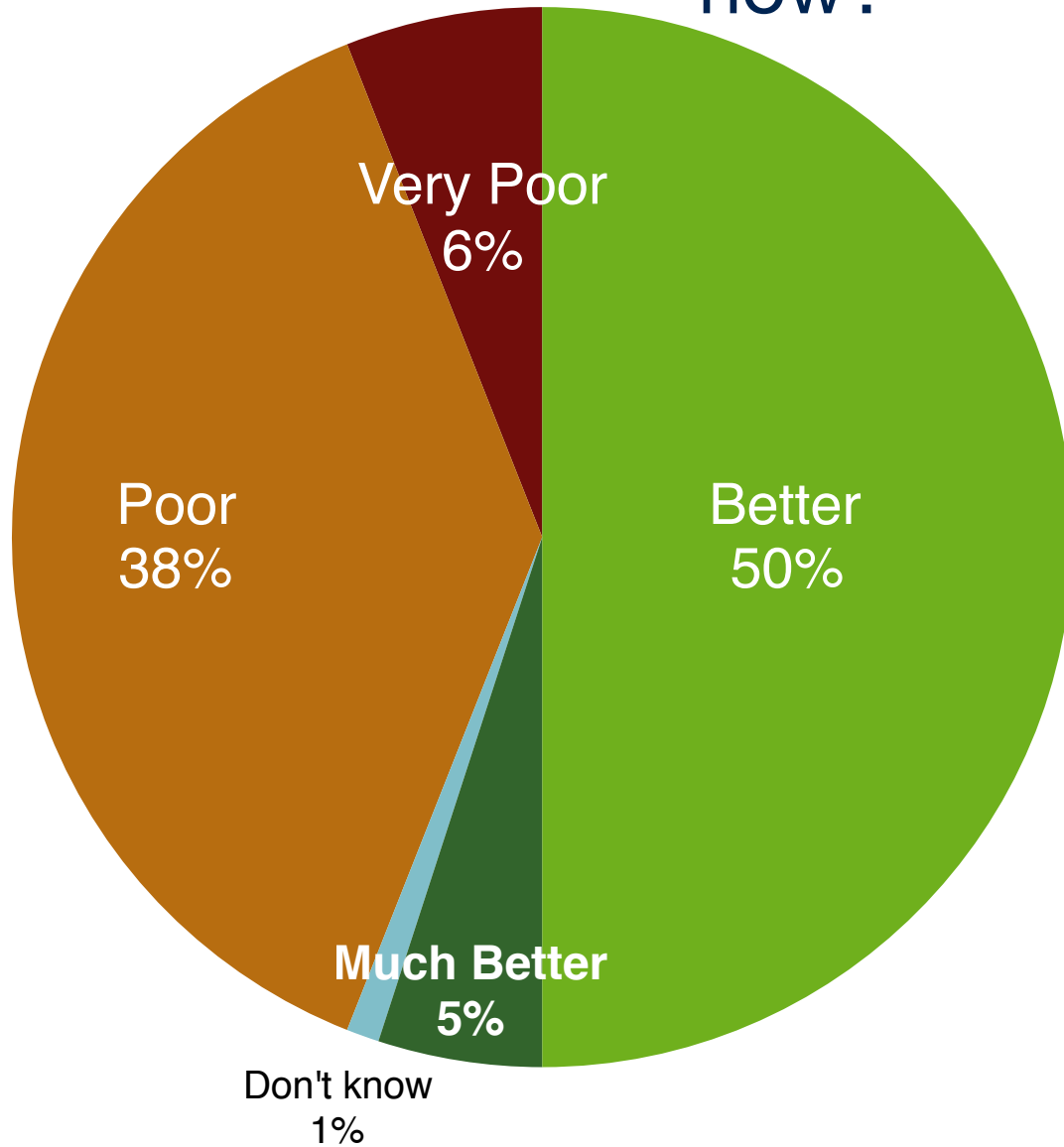
# Alaska Non Residency

## NON ALASKA RESIDENTS BY AREA AND INDUSTRY

Borough or Area	Non Alaskan workers	% Non Alaskan
Skagway	1,095	65%
Petersburg	839	40%
Haines	595	39%
Sitka	1,888	32%
Ketchikan	2,633	28%
Hoonah-Angoon	322	28%
Yakutat	109	26%
Wrangell	316	26%
Prince of Wales-Hyder	830	25%
Juneau	3,941	19%
<b>Total Southeast Alaska</b>	<b>12,568</b>	<b>26%</b>
<b>Total Alaska</b>	<b>89,411</b>	<b>22%</b>

# Annual Business Confidence 2018

How do you view the regional business climate right now?



# Voices of 140 SE Business Leaders

## How has the economy impacted your business? Excerpts of survey responses by industry:

### **Visitor Industry:**

- "Business is up about 15% so far this year with hopes of breaking through 17% by season's end."
- "Local, business and government travel were all down this winter. However, summer business is strong."

### **Seafood:**

"I am a young fisherman. There is no feasible way that I can afford to diversify my fishing business by buying halibut quota. It is prohibitively expensive and I can't afford to buy into it (or other fisheries)."

**Information Technology:** "Lack of fiscal certainty and general uncertainty in the market causes us to be more conservative, especially in hiring."

**Mining:** "We will be looking for skilled and non-skilled labor to grow our business. Our concern is that labor is moving out of the area due to lack of

jobs, making it difficult for us to fill the positions required to grow our business."

**Retail Trade:** "Overall business is down close to 15%. The good news is the rate of decline has slowed and seems to be bottoming out."

**Construction:** "Our company is in year 4+ of a 20% decrease in hours per employee to maintain cash flow."

**Energy:** "Energy (kWh) sales are down for at least the fifth year in a row, even though we grew by about 50 customers over the same period. We believe this is due to investments in more efficient lighting and appliances."

**Financial Activities:** "We are continuing to grow in total asset size, income has increased, and we are looking at adding additional locations in the next few years."

**Food/Beverage Industry:** "We are down 23% in 2017. 2016 was down 12%. Much more and we will be out of business. The State budget crisis is affecting how people are spending money now."

**Professional & Business Services:** "I've had to travel more for business and also had to cultivate clients out of region. Money is tighter here in SE."

**Real Estate:** "Our residential properties enjoy 100% occupancy. Lack of good land for development and the high price of buying and converting existing properties to moderate priced housing units are our biggest challenges."

**Arts:** "We have reduced staff, which means we have to reduce services which reduces revenue."

# Voices of 140 SE Business Leaders

**How has the economy impacted your business? Excerpts of survey responses by industry:**

## ***Visitor Industry:***

- *“Business is up about 15% so far this year with hopes of breaking through 17% by season’s end.”*
- *“Local, business and government travel were all down this winter. However, summer business is strong.”*

# Voices of **140 SE Business Leaders**

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## ***Construction:***

*"Our company is in year 4+ of a 20% decrease in hours per employee to maintain cash flow."*

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## ***Information Technology:***

*“Lack of fiscal certainty and general uncertainty in the market causes us to be more conservative, especially in hiring.”*

# Voices of **140 SE Business Leaders**

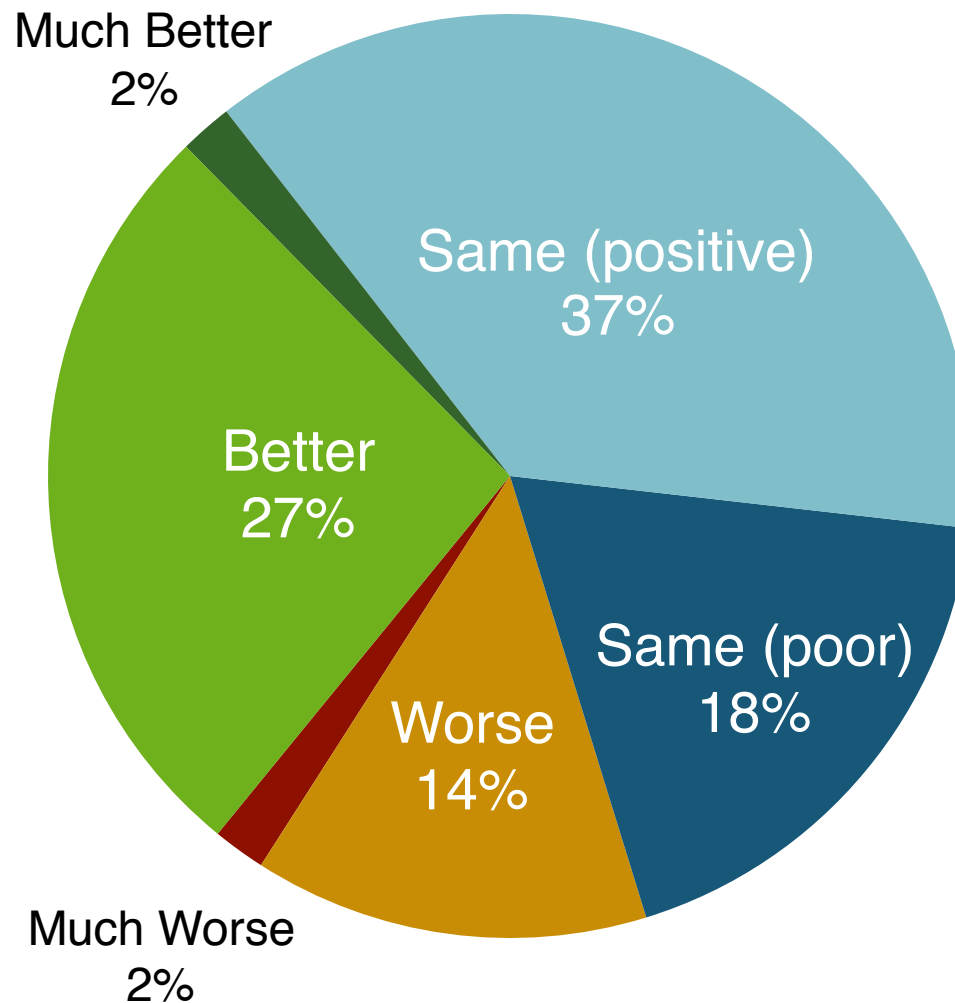
**How has the economy impacted your business? Excerpts of survey responses by industry:**

## ***Financial Activities:***

*“We are continuing to grow in total asset size, income has increased, and we are looking at adding additional locations in the next few years.”*

# Annual Business Confidence

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



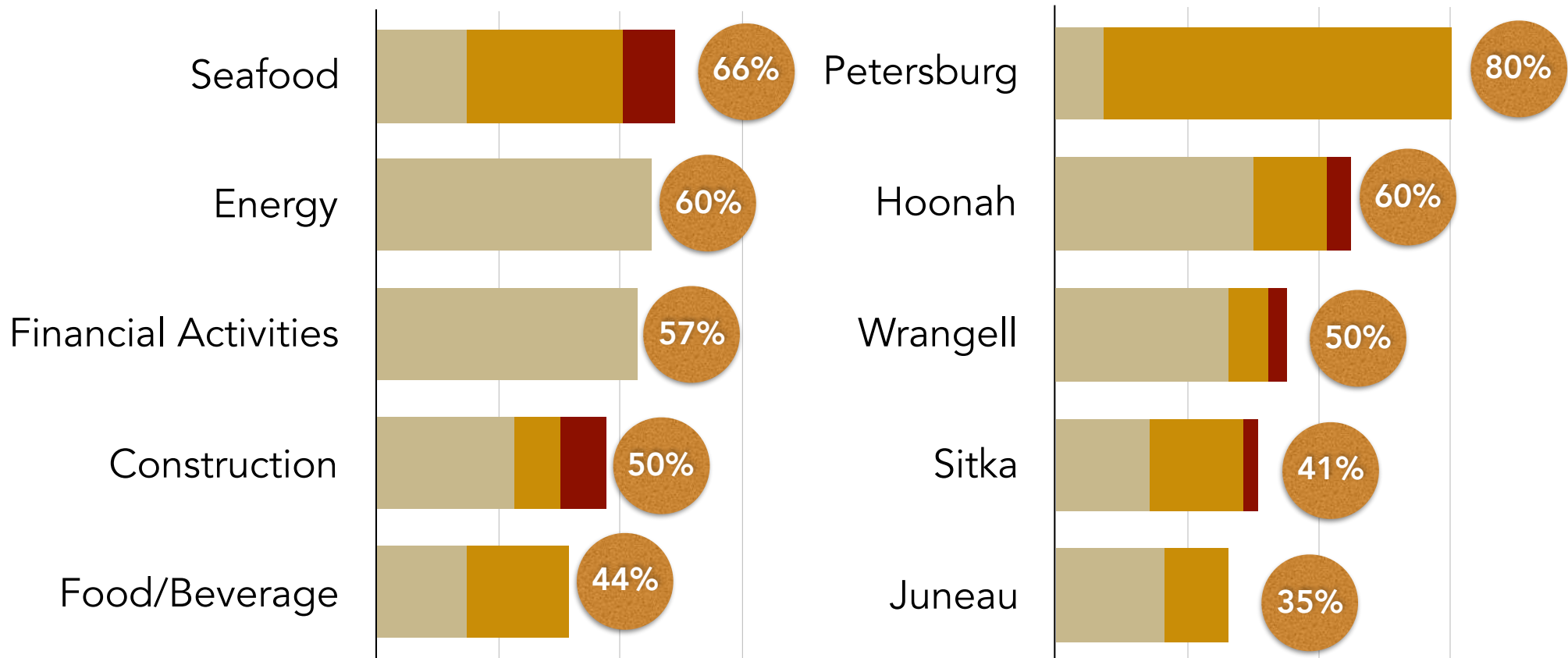
# Annual Business Confidence

What is the economic outlook for your business or industry compared to last year?

By Industry

By Community

Same (poor)    Worse    Much Worse



# Annual Business Confidence

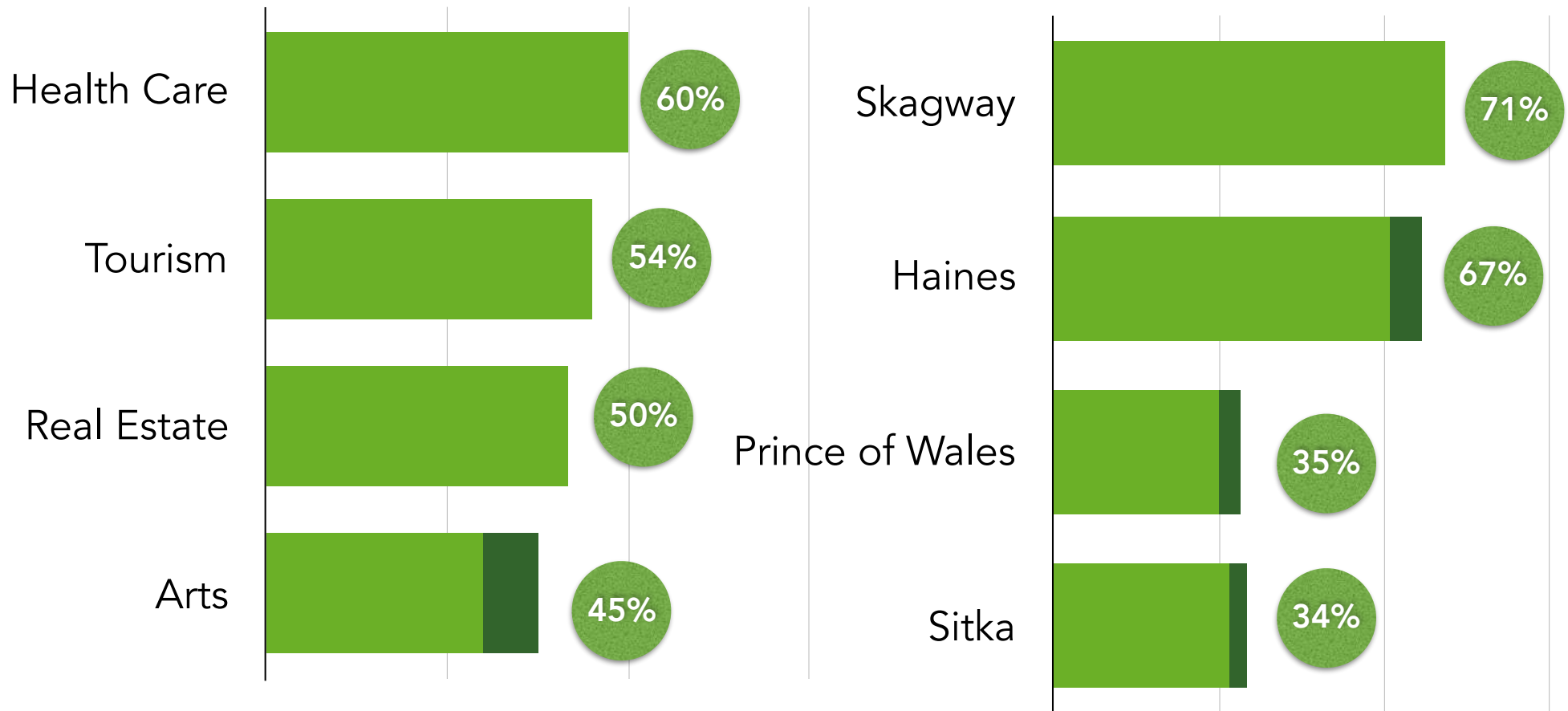
What is the economic outlook for your business or industry compared to last year?

## By Industry

## By Community

■ Better

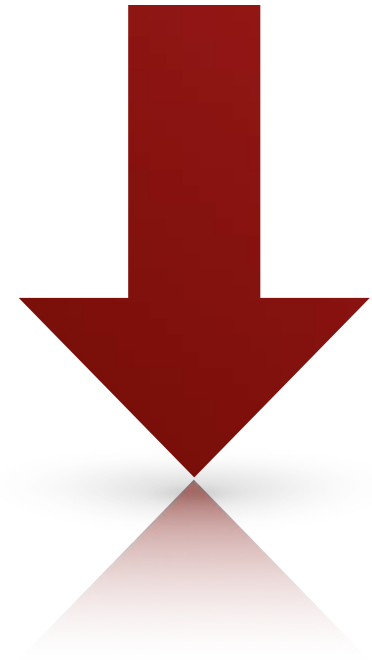
■ Much Better



# Southeast Projections Down 2018

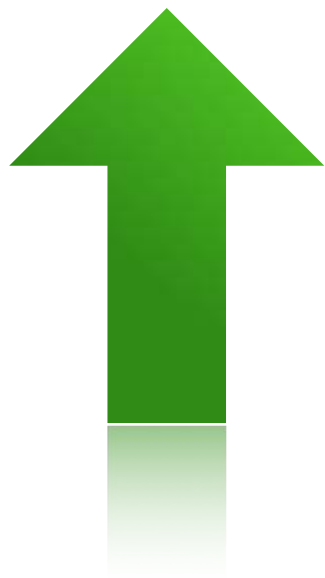


**Seafood**  
**State Government**  
**Construction**  
**Retail**  
**Population**



# Southeast Projections: Up 2018

**Visitor Industry**  
**Healthcare**  
**Mining Industry**  
**Tribal Jobs**



NATIONAL ASSOCIATION OF  
DEVELOPMENT ORGANIZATIONS

- Plan is winner of the 2018 NADO **Innovation Award**
- “The region’s current CEDS Southeast Alaska 2020 is **one of the best examples in the country...**”

# Southeast Alaska 2020 Economic Plan

Southeast Conference’s Comprehensive  
Economic Development Strategy  
2016-2020



May 2016



Prepared by  
Rain Coast Data



# SOUTHEAST ALASKA

## by the Numbers 2018



SOUTHEAST  
CONFERENCE

Thank You



Rain Coast  
Data