Southeast Conference

Skagway Alaska

September 19, 2007
Alaska Based Association

- Working with businesses and public leaders to build strong relationships
- Establishing mutually beneficial relationships between Alaskans and the cruise business
Goals

1. Increase economic benefits for Alaskans
2. Address environmental issues
3. Improve community relationships and mitigate negative impacts
Action Steps

1. Community Outreach
2. Listening
3. Making Changes
4. Long Term
   - Improve Communication
   - Expand Association
The Visitor Industry is Good for Alaska

- Travel and Tourism generates
  - 40,000 full-time equivalent jobs
  - 78% Alaskan hire
  - $1.15 billion in wages and benefits
  - 13.7% of all employment in Alaska
Summer 2006
1.63 Million Visitors

- Air: 587,800
- Cruise: 958,900
- Highway/Ferry: 84,800

Source: Alaska Visitor Statistics Program V: Summer 2006, McDowell Group, Inc
Cruise Visitors

• Southeast Alaska hosts an estimated 958,900 cruise visitors
  Top Three Activities:
  – Shopping 71%
  – Wildlife Viewing 56%
  – City/Sight Seeing Tours 44%
Economic Benefits of Visitors
$307 Million Spent on Tours, Activities & Entertainment

- Cruise: $227 million
- Air: $68 million
- Highway/Ferry: $9 million

Source: Alaska Visitor Statistics Program V: Summer 2006, McDowell Group, Inc
$289 Million Spent on Gifts, Souvenirs & Clothing

- Air: $67 million
- Highway/Ferry: $8 million
- Cruise: $208 million

Source: Alaska Visitor Statistics Program V: Summer 2006, McDowell Group, Inc
Water Quality Standards and Treatment
Environmental Issues

• Environmental Standards today and in the past

• The Truth About Current Standards
Untreated Water Sample
Treated Water Sample
The Future

• Home porting is changing world-wide
Worldwide Cruise Market

2007

- 12 new ships
- 22,000 more beds
- 12.6 million passengers world-wide
- 10.6 million passengers in North America

Source: Cruise Lines International Association
Alaska Cruise Visitors

Year | Number of Visitors
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1995 | 200,000
1996 | 300,000
1997 | 400,000
1998 | 500,000
1999 | 600,000
2000 | 700,000
2001 | 800,000
2002 | 900,000
2003 | 1,000,000
2004 | 1,100,000
2005 | 1,200,000
2006 | 1,300,000
2007 | 1,400,000
Market Share is Declining

Worldwide Passengers

[Graph showing the trend of worldwide passengers from 1995 to 2007.]
2007 Legislative Update

- **HB 217 - SB 165 Disclosure provision**
  - Passed Legislature in May - signed by Governor in June 2007
- **HB 147 - SB 144 ATIA Funding 2008**
  - Both bills held in committee
- **HB 165 Ocean Rangers**
  - Failed - program funded $1.2 million
- **SB 121 Alaska Marine Pollution Bill**
  - Passed May 11th - exempts Ferry System/small ships from ballot measure environmental requirements
- **HB 222 - SB 168 Passenger Tax**
  - Held in committee
We Need To Be Partners

To work together on:

– Improving communications
– Reaching out to fellow Alaskans
– Educating elected officials
– Helping set the record straight
– Continuing to grow the visitor industry