

**SOUTHEAST CONFERENCE'S**  
**Annual Economic Report to the Region**

# **Southeast Alaska by the Numbers 2016**





# Southeast Alaska

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

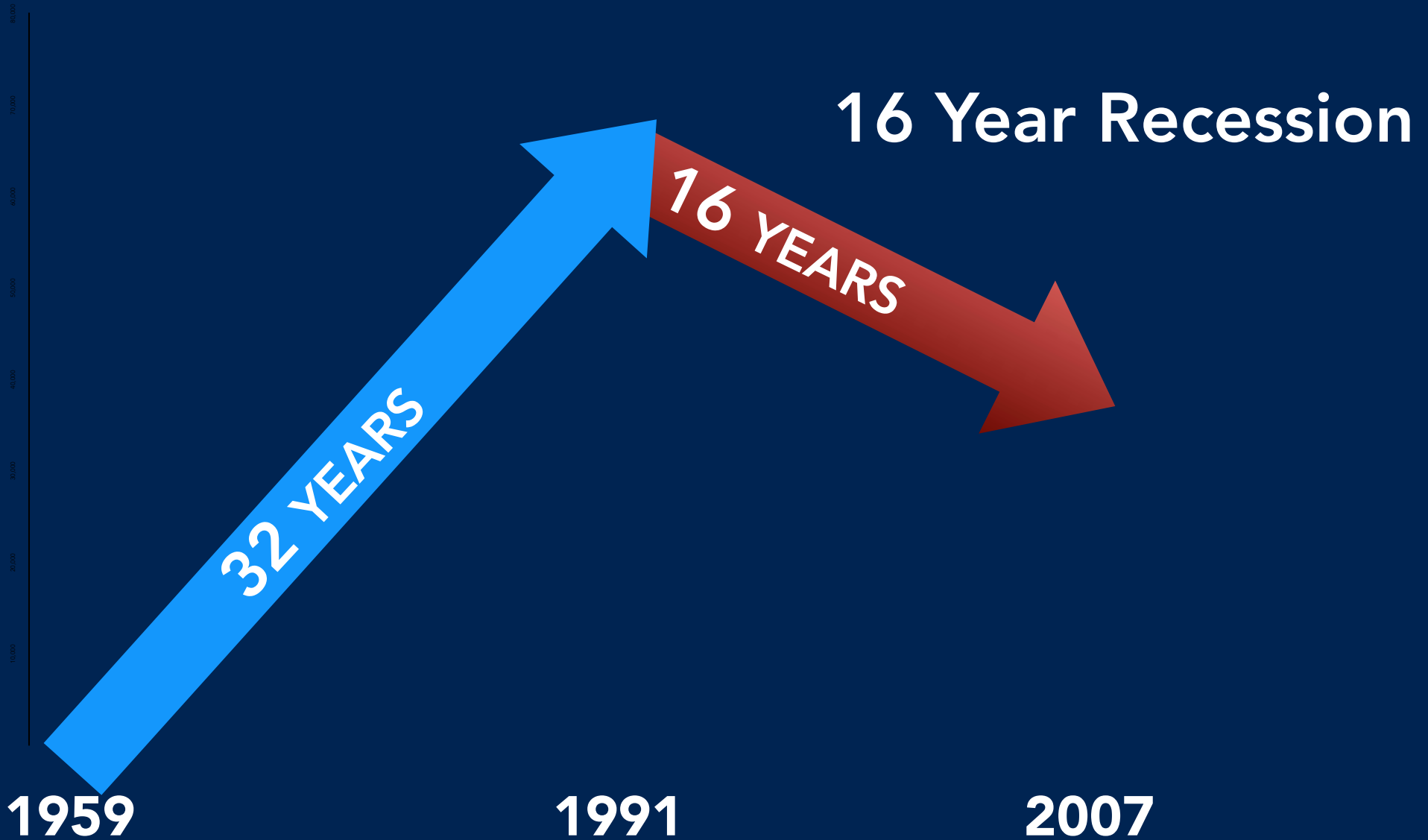


# Southeast Alaska

## MAP OF SOUTHEAST ALASKA & AMHS FERRY ROUTE

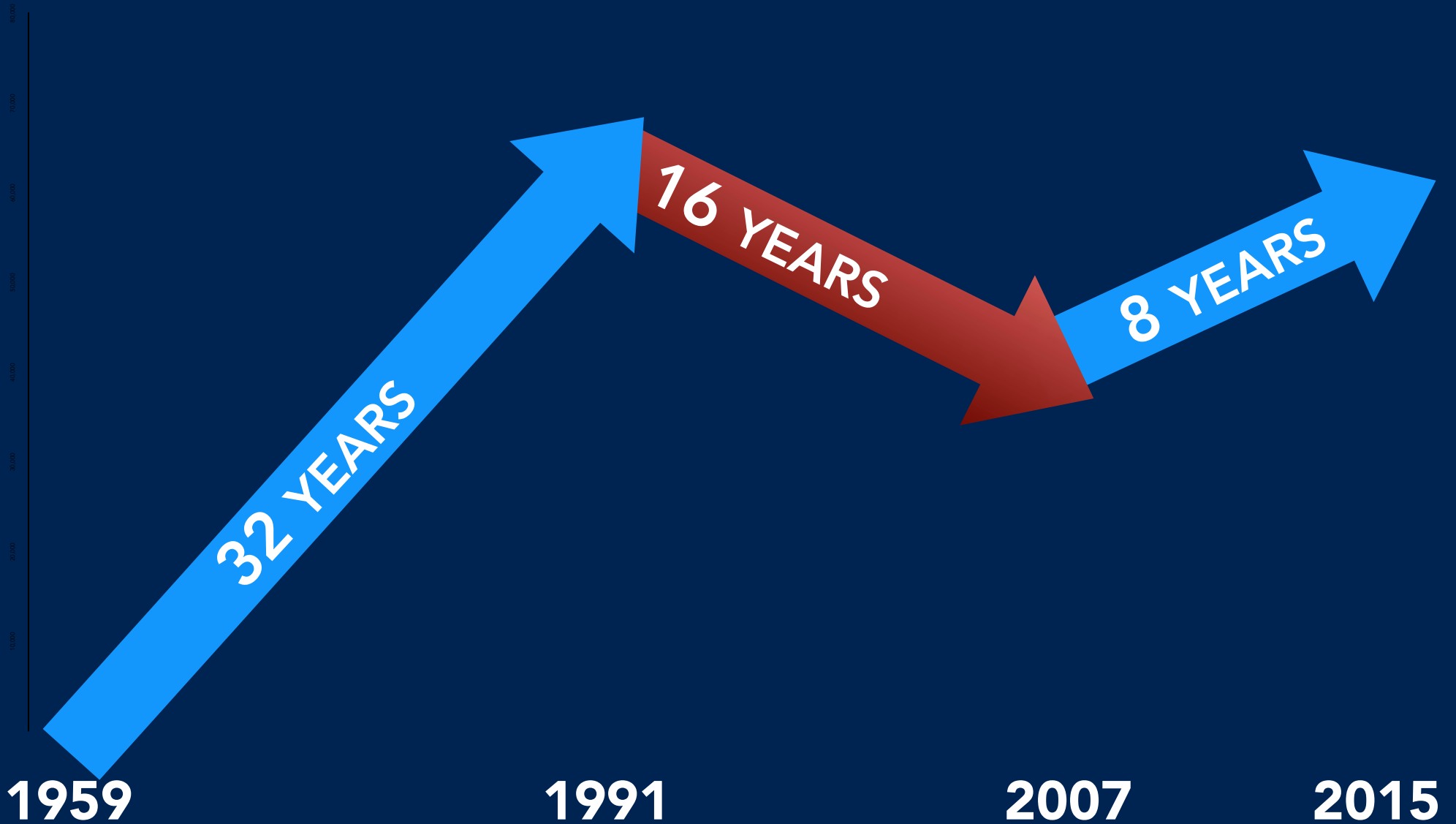


# Changes in Southeast Alaska: 1960 to 2007





# Changes in Southeast Alaska: 1960 to 2015



# Changes in Southeast Alaska: The Last 5 Years



Population  
**+2,700 +4%**



Labor force  
**+1,950 +4%**



Job Earnings  
**+ \$308 million (+16%)**

# Changes in Alaska: The Last 5 Years



Alaska Population  
**+4%** (SE 4%)



Labor force  
**+4.5%** (SE 4%)



Job Earnings  
**+19%** (SE 16%)



# Changes in Southeast Alaska: The Last Year



Population

**-165 people -0.2%**



Labor force

**+450 jobs +1%**



Job Earnings

**+ \$33 million (+1.5%)**

# Changes in Alaska: The Last Year



Population

+0.04% (SE -0.2%)



Workforce

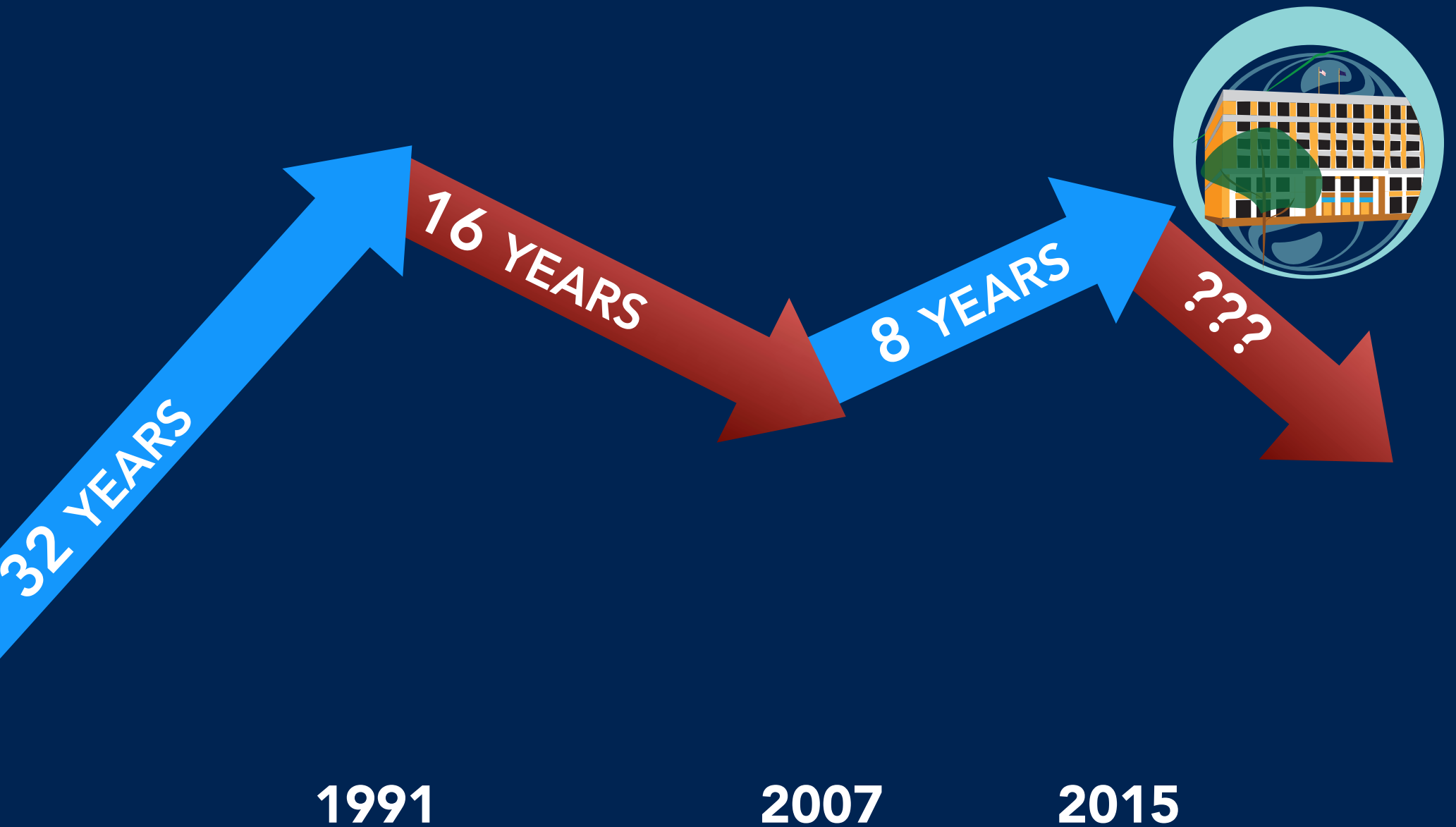
+0.4% (SE +1%)



Job Earnings

+3% (SE +1.5%)

# Impact of State Fiscal Crisis

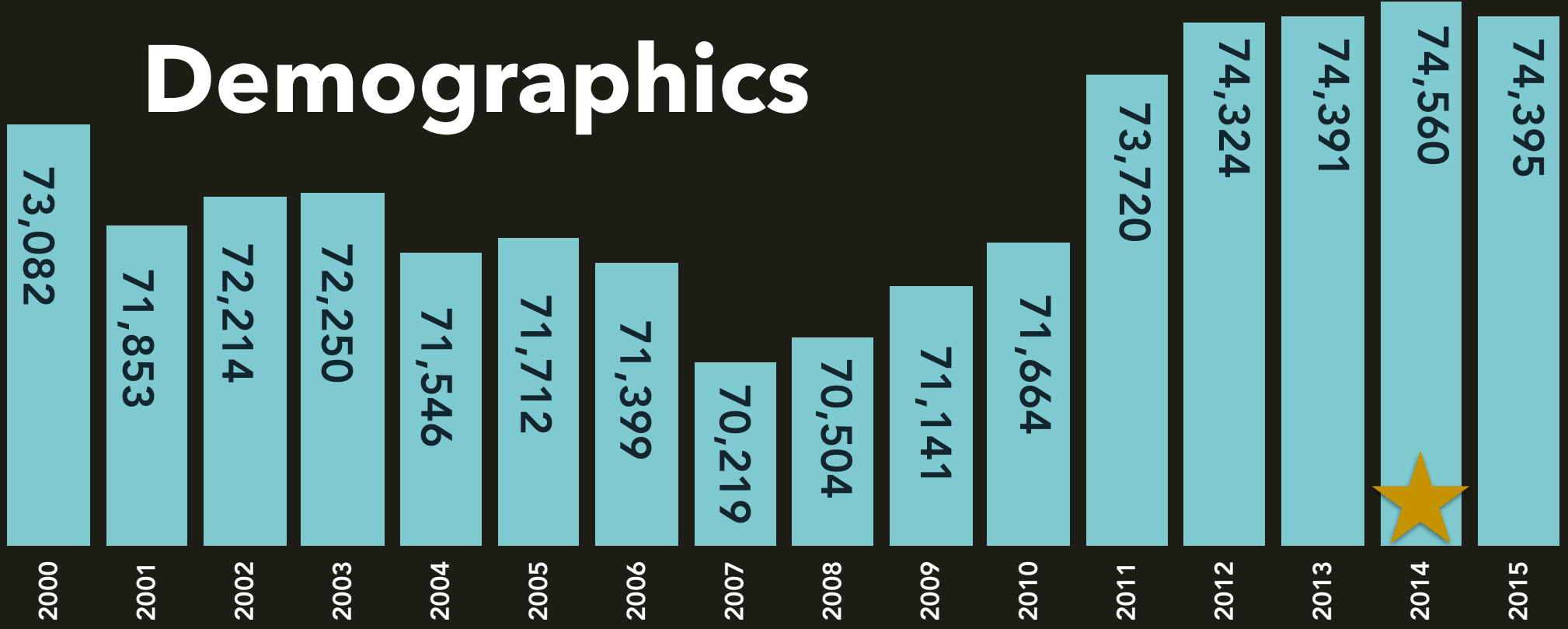






**74,395 People  
-165**

# Demographics



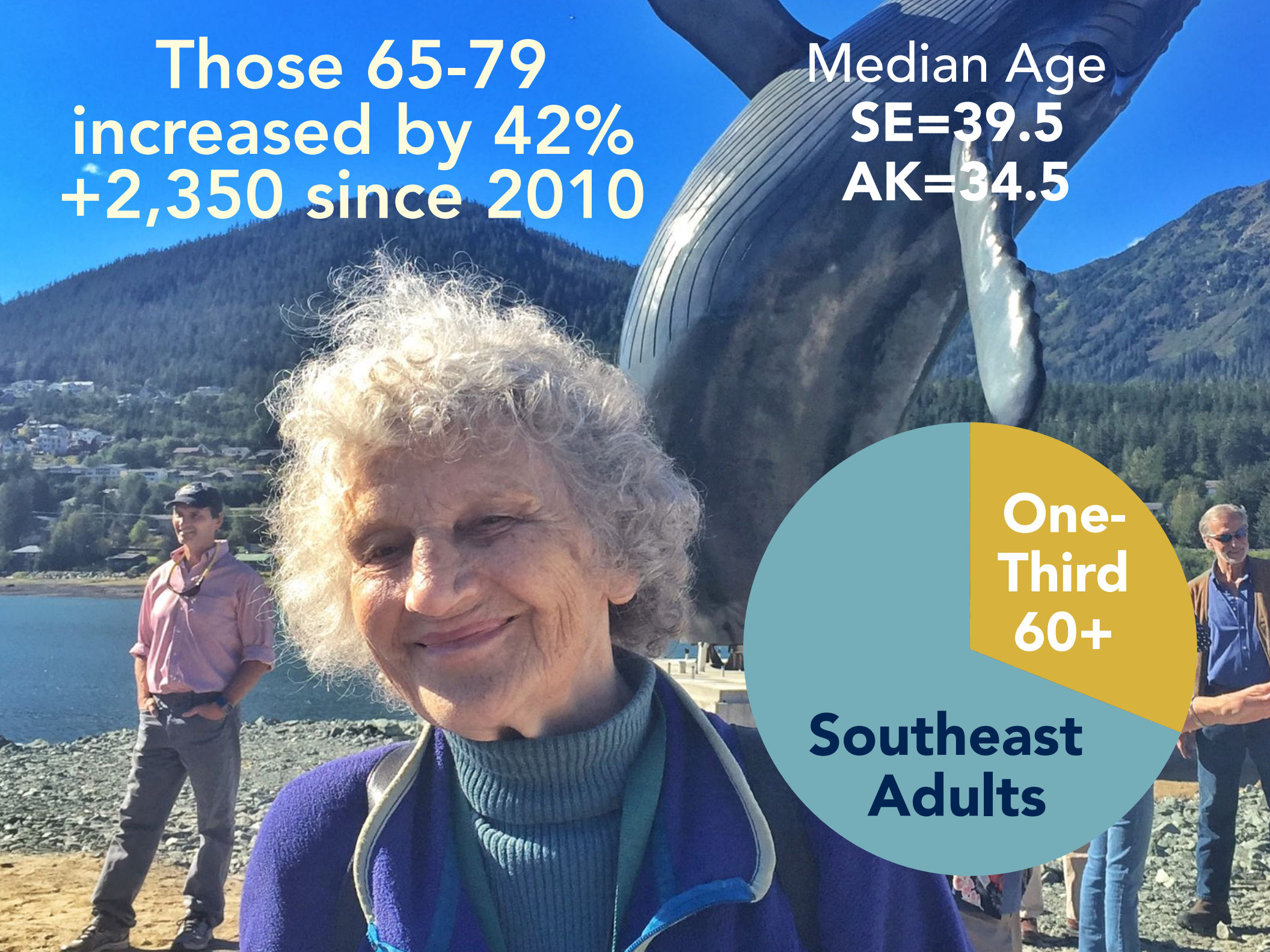
Those 65-79  
increased by 42%  
+2,350 since 2010

Median Age  
SE=39.5  
AK=34.5

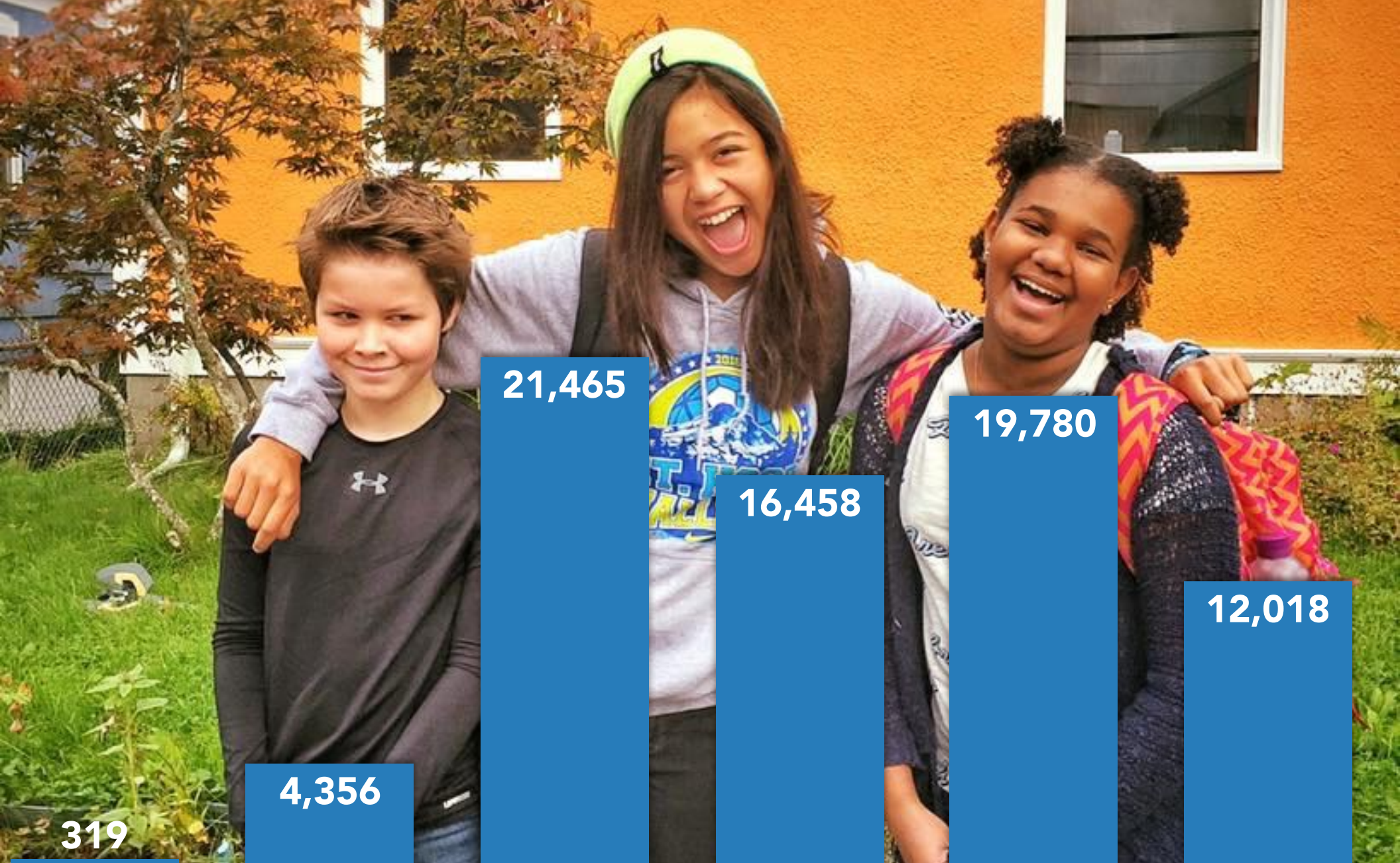


One-  
Third  
60+

**Southeast  
Adults**







319

4,356

21,465

16,458

19,780

12,018

Greatest  
Generation  
1901 - 1924

Silent  
Generation  
1925 - 1943

Baby  
Boomers  
1944 - 1964

Generation  
X  
1965 - 1981

Millennial  
Gen Y  
1982 - 2002

Generation  
Z  
2003 - now

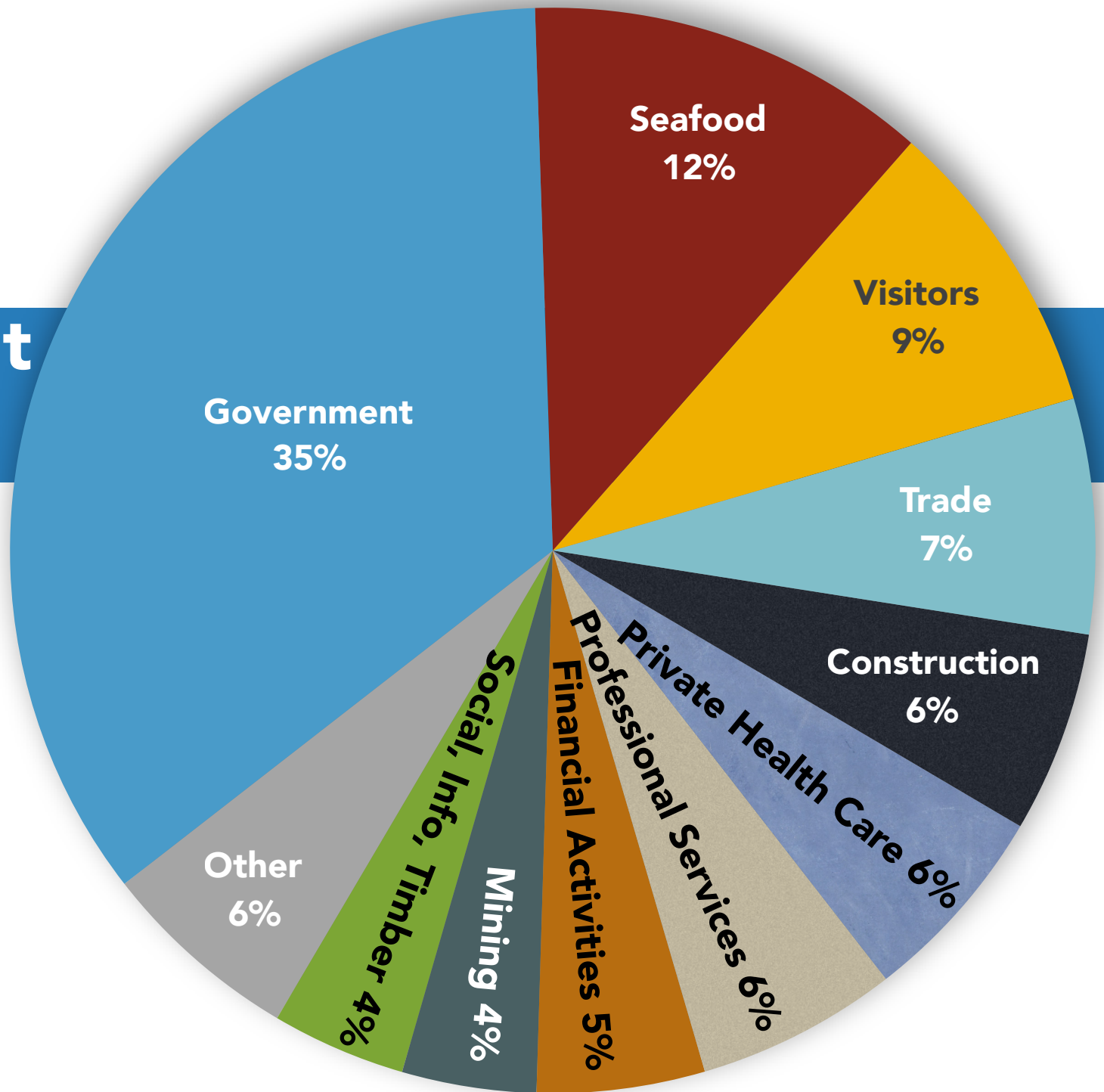


# 2015 Southeast Alaska

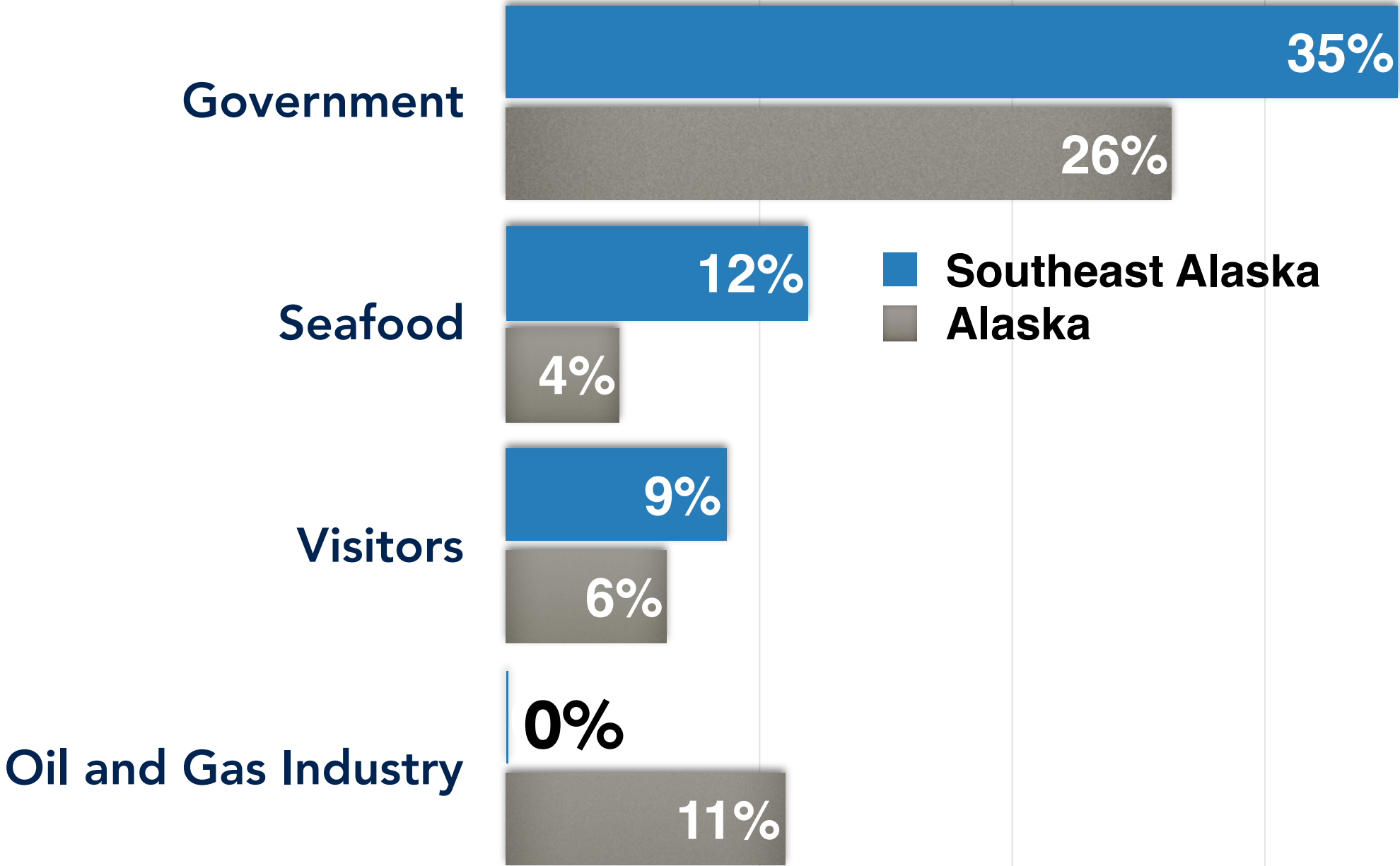
## Employment Earnings

\$2.2 billion

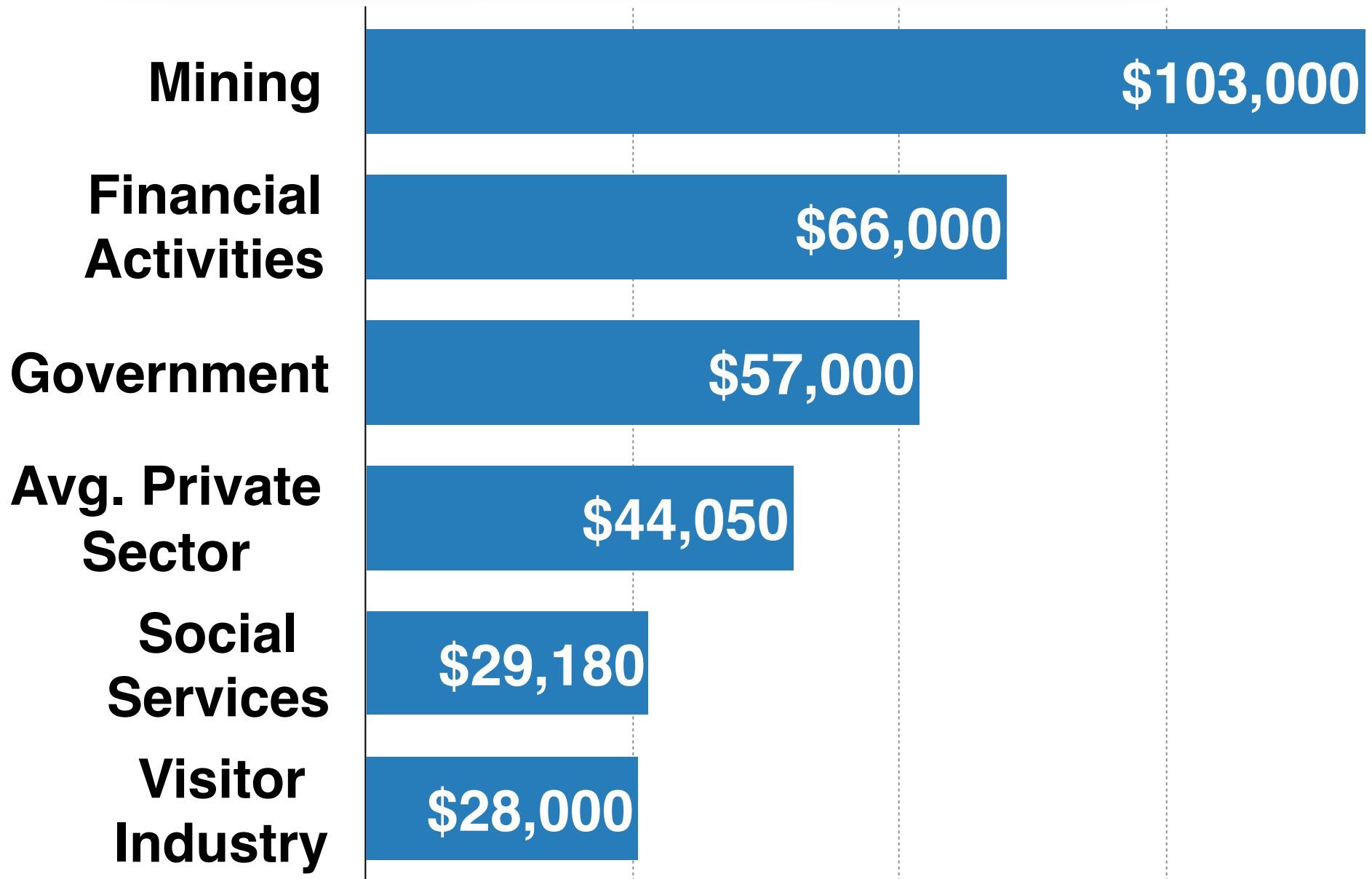
46,150 Jobs



# Southeast Alaska Employment as a % of All Earnings, Compared to AK



# Southeast Workforce Earnings

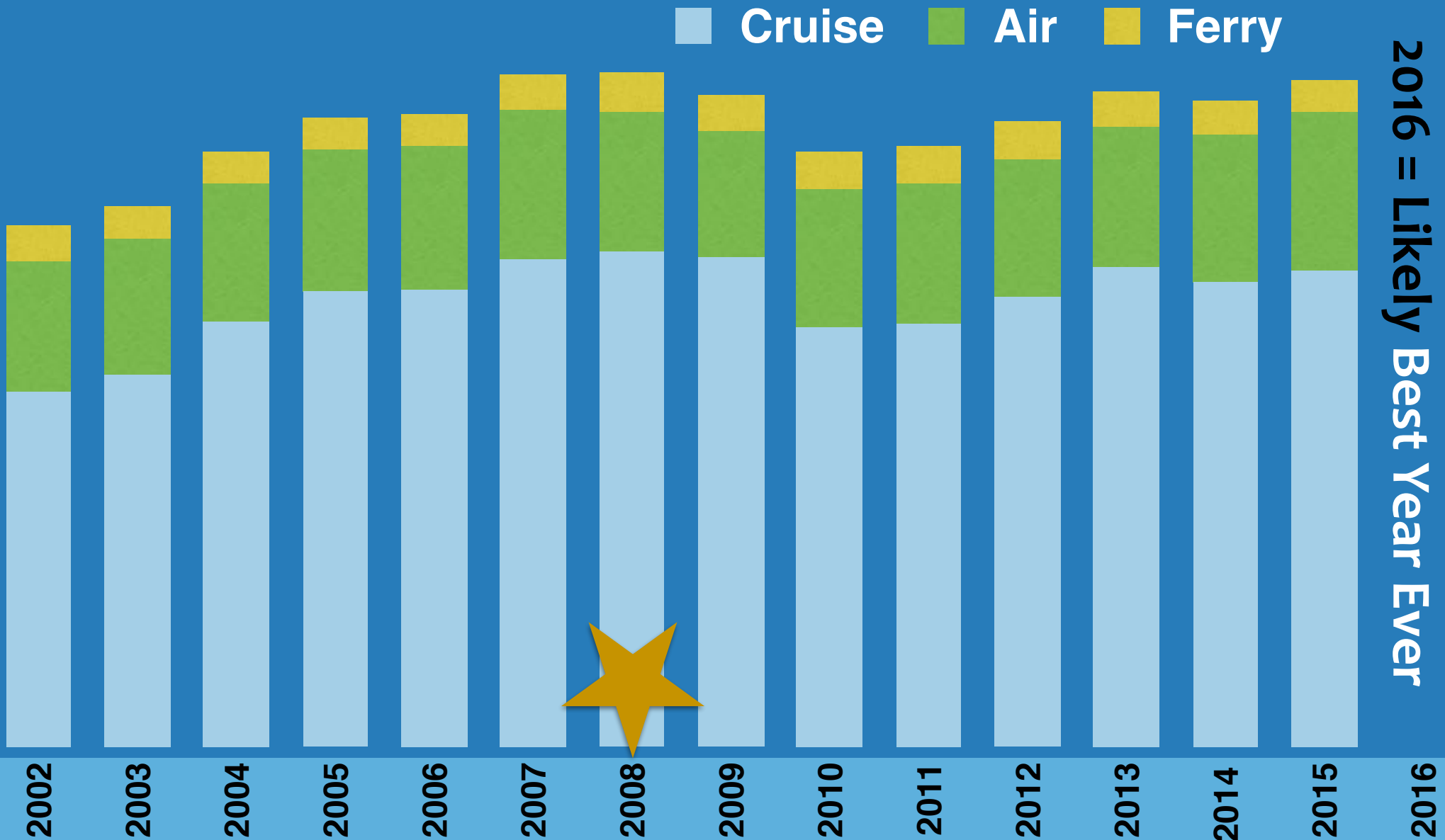


**Visitor  
Industry 7,400  
Jobs  
UP 480 JOBS  
IN 2015 +7%**



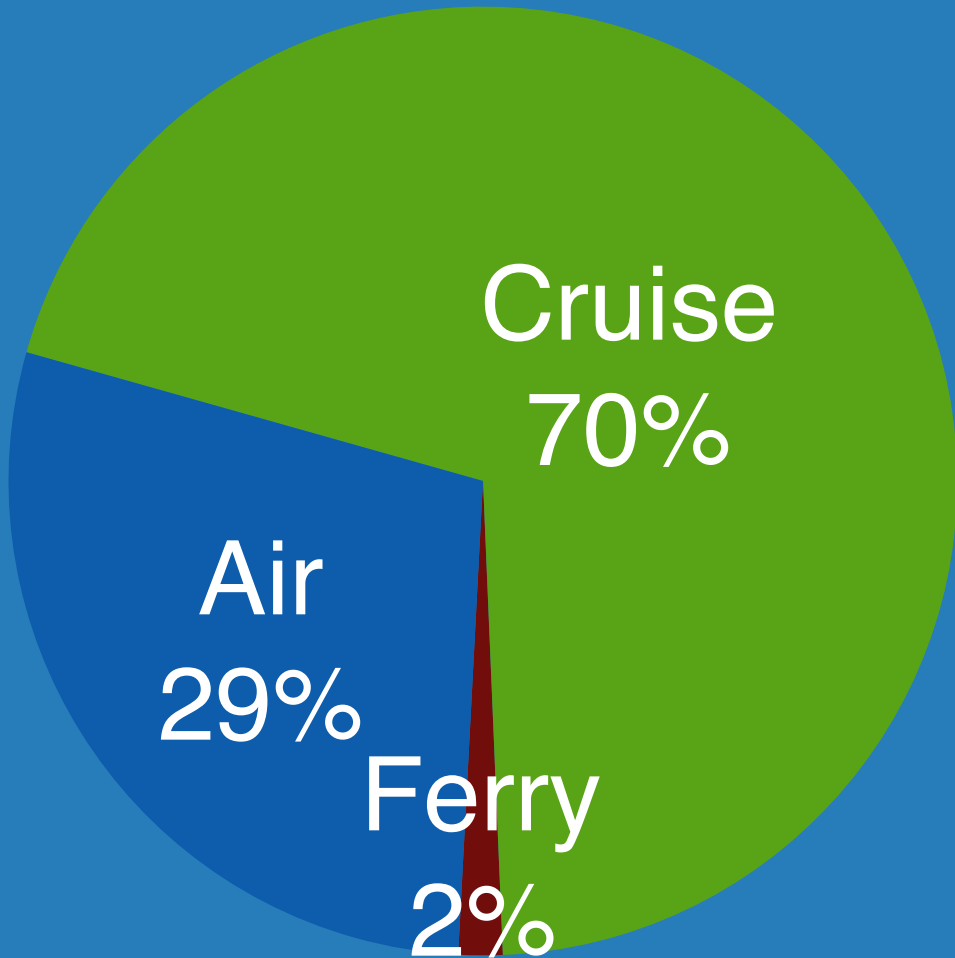


# Total Arriving Passengers 1.4 million

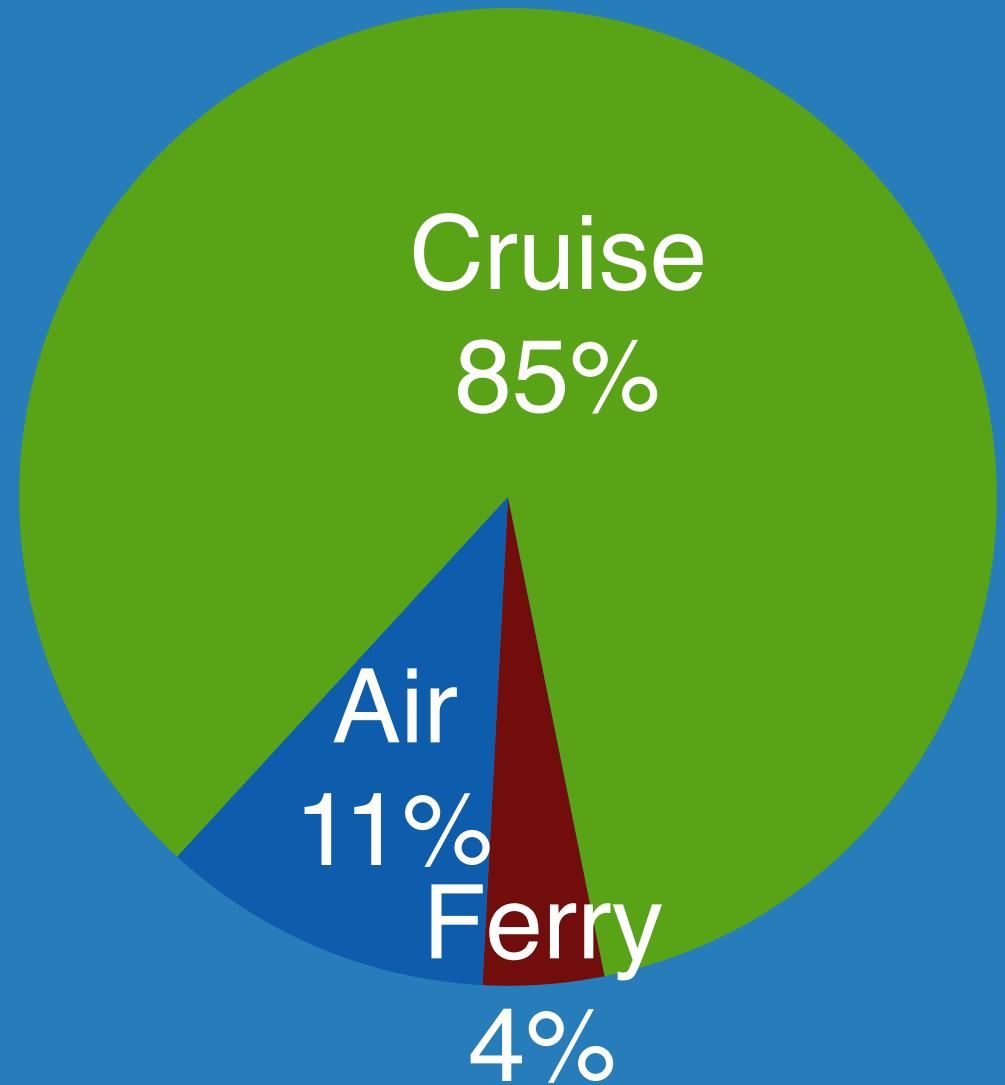


# Southeast Alaska Arriving Passengers 2015

## All



## Tourists





# Trends:



2015 = top year ever



**2015**

**994,000 passengers**

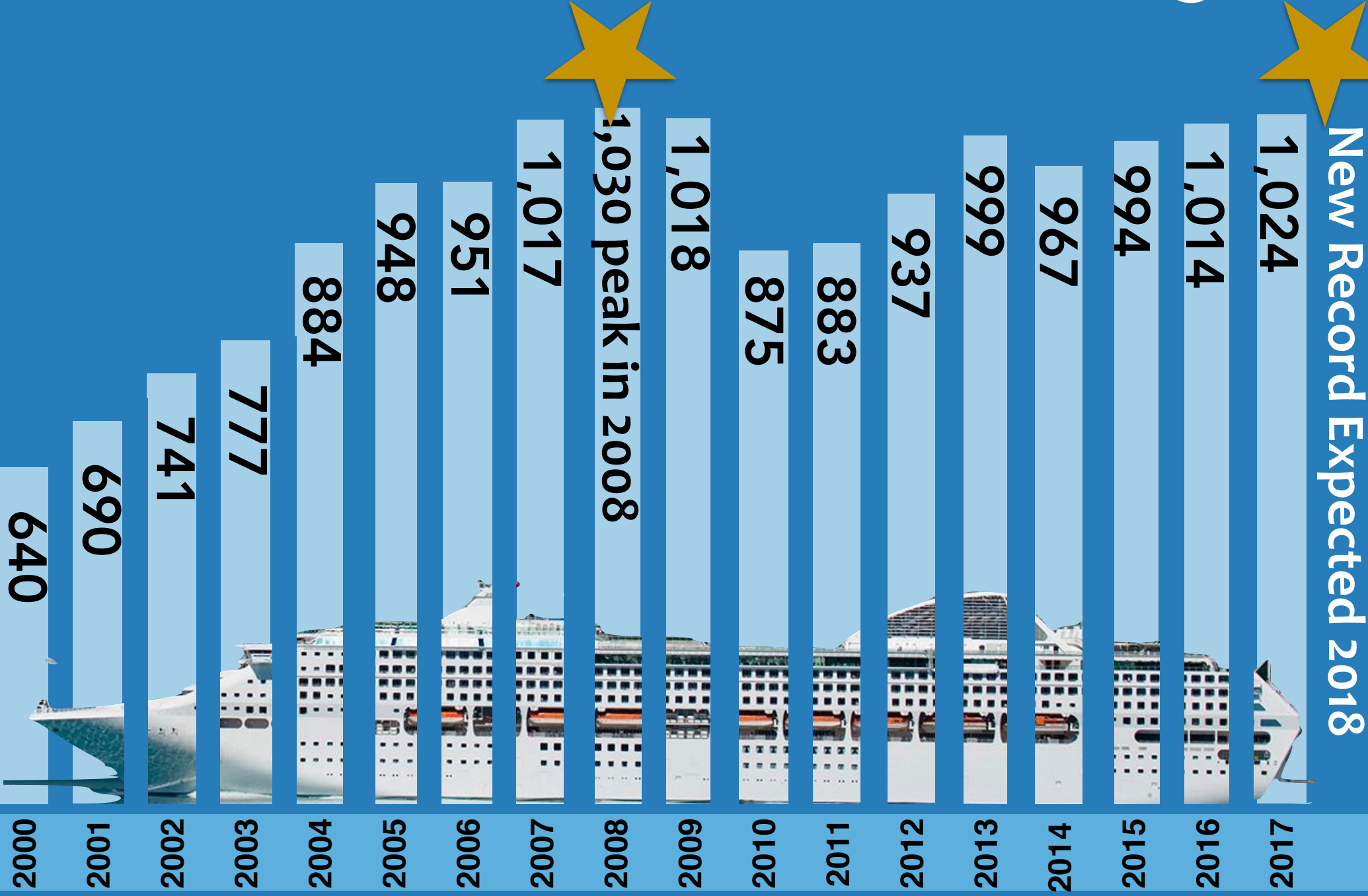
**Cruise**

**85% of all Tourists**





# Southeast Alaska Cruise Passengers



# Trends:

2016 = 480 voyages 31 cruise ships

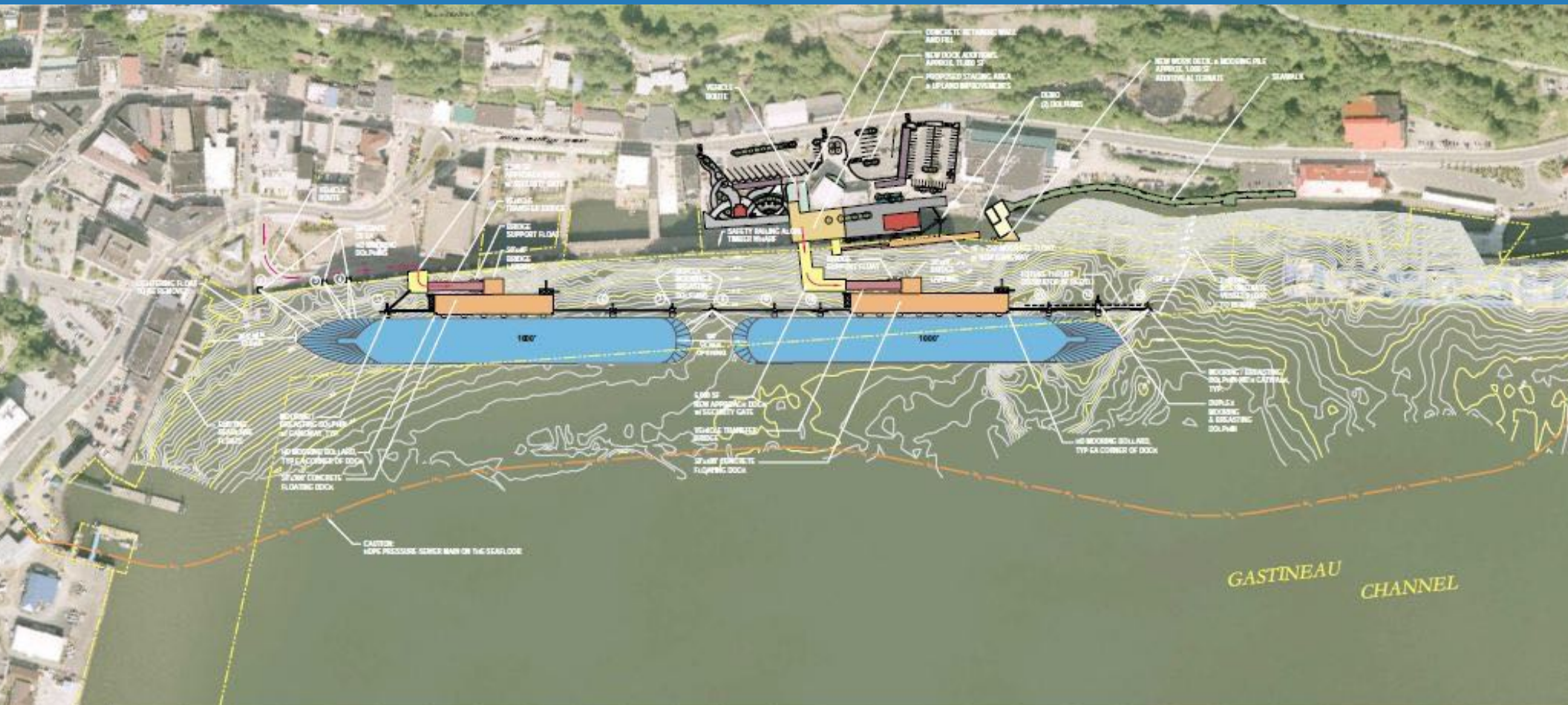


larger ships replacing smaller vessels

ex: Island Princess 1,992

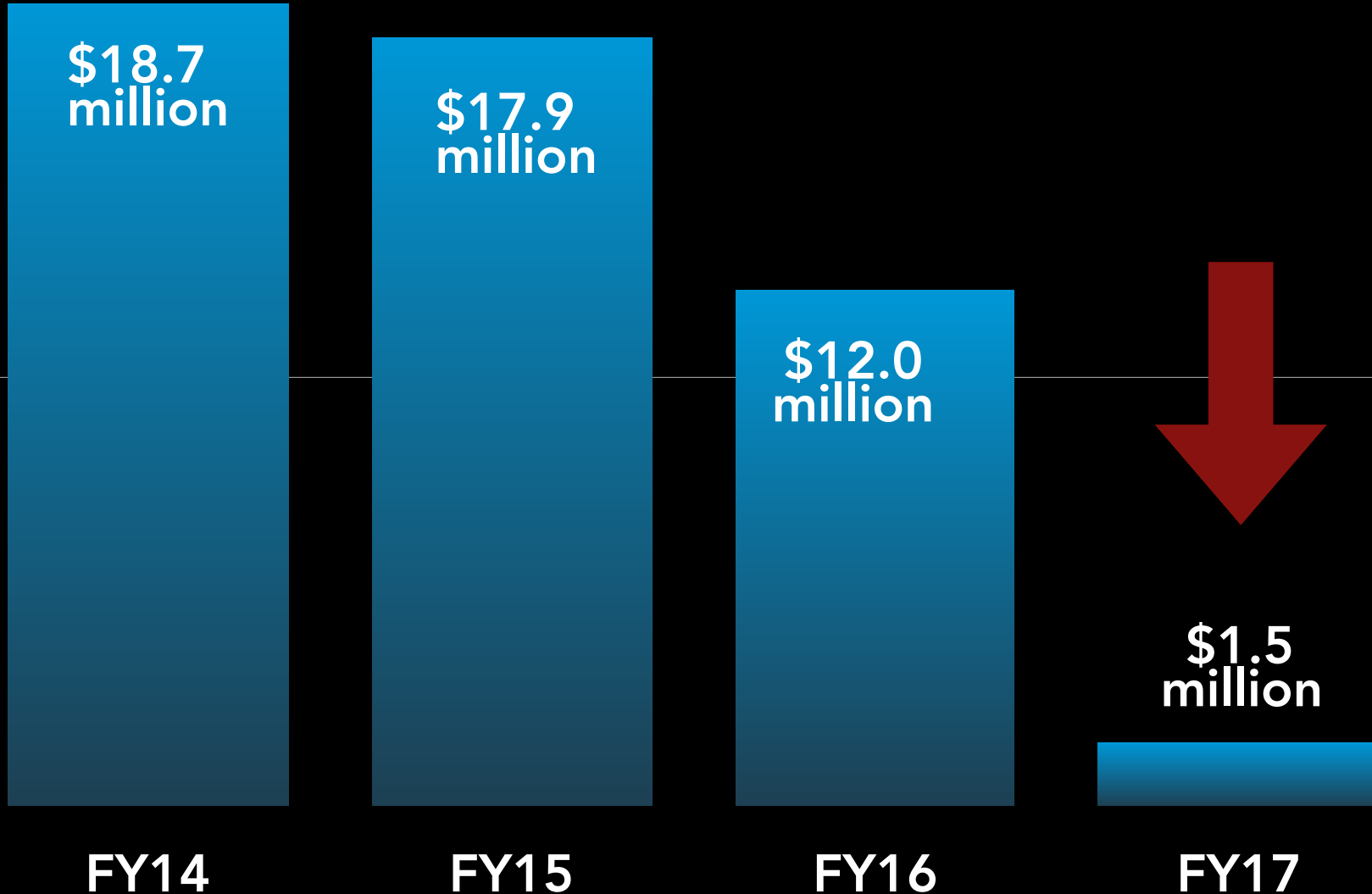
Ruby Princess 3,082 in 2015

# Panamax+ Docks:



Juneau will have the capacity to host four 1,000-foot vessels at a time

# Alaska Tourism Marketing Budget

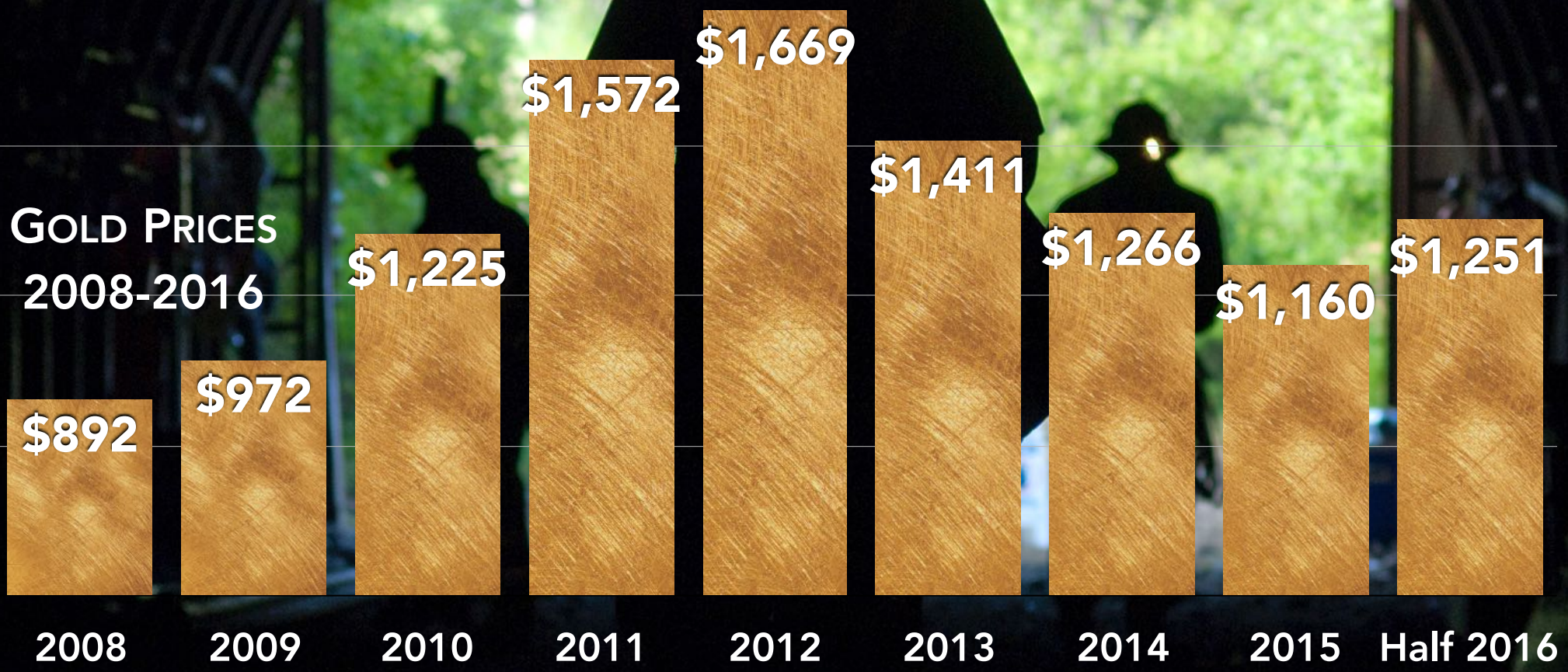




# Mining Industry 800 Jobs UP 12 JOBS IN 2015 +2%



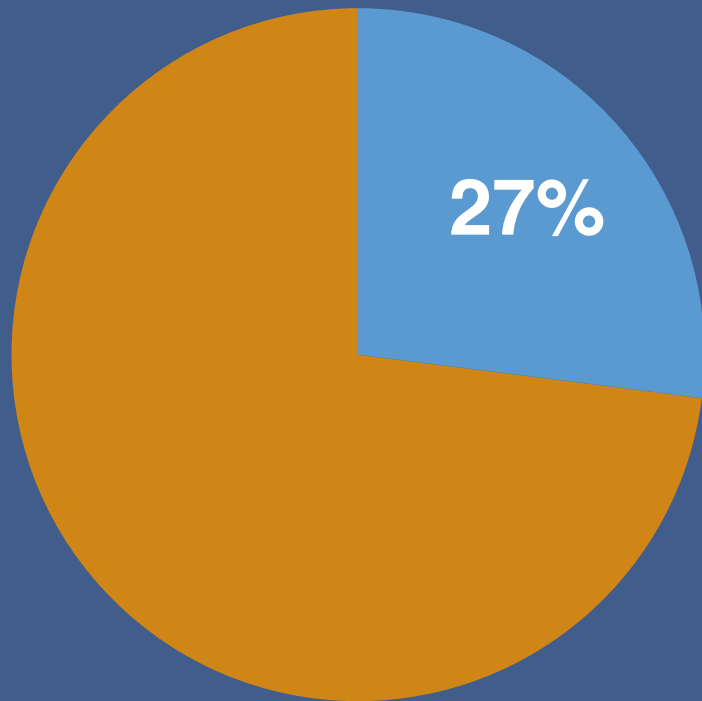
GOLD PRICES  
2008-2016



# The Blue Economy

## Southeast Maritime

6,850 Jobs

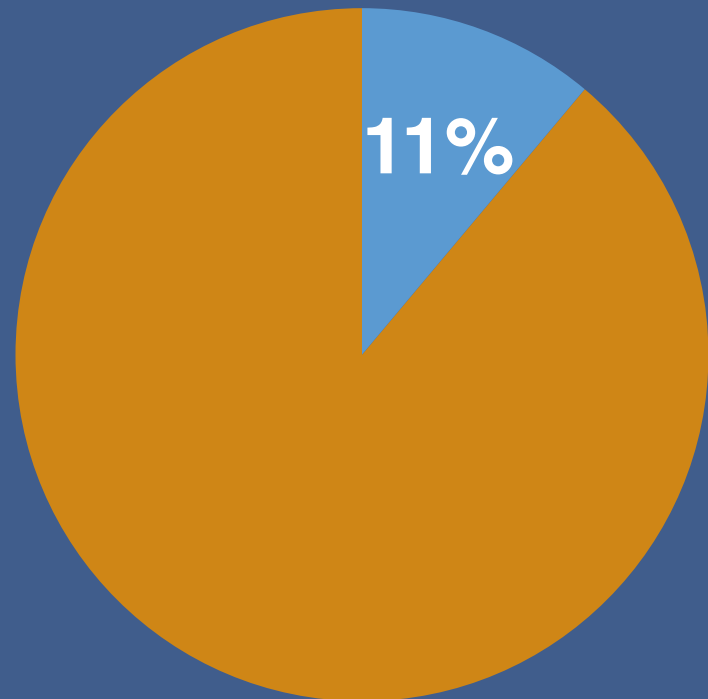


Maritime as a % of all private sector earnings

Total Wages: \$400 Million

## Alaska Maritime

29,000 Jobs



Total Wages: \$1.6 Billion



# SOUTHEAST MARITIME: 6,850 Jobs



Fishing & Seafood Processing

Jobs: **4,370**



Marine Tourism

Jobs: **900**



Marine Transportation

Jobs: **410**



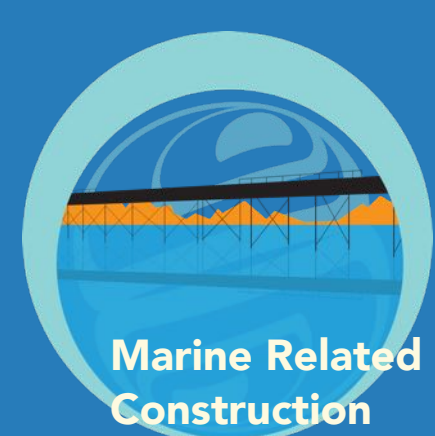
US Coast Guard

Jobs: **830**



Ship Building, Repair, Marinas

Jobs: **280**



Marine Related Construction

Jobs: **30**

**UP 80 JOBS IN 2015 +1%**



A fisherman with a beard, wearing a grey hoodie, a blue cap, and bright orange overalls, stands on the wooden deck of a fishing boat. He is looking down at his hands, which are wearing orange gloves. A large, energetic splash of white water is erupting from the right side of the frame, partially obscuring the fisherman. The sky is a vibrant blue, filled with dozens of seagulls in flight. In the background, the ocean stretches to the horizon under a clear sky, with snow-capped mountains visible in the distance. The overall scene is dynamic and captures the intensity of a day at sea.

**Seafood Industry 4,365 Jobs**

**DOWN 7 JOBS  
IN 2015 0%**

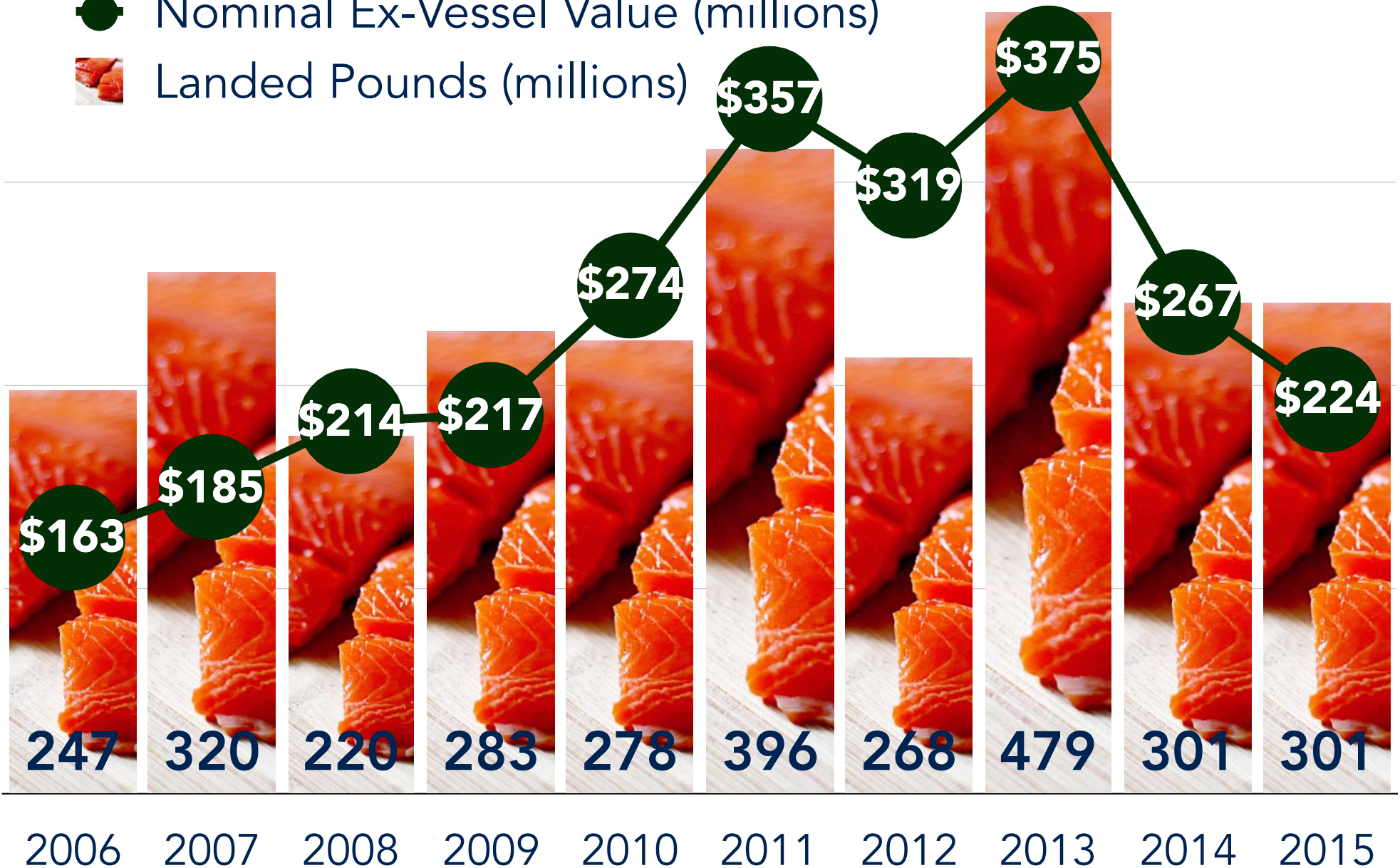


# VALUE & POUNDS OF SEAFOOD LANDED IN SOUTHEAST ALASKA TEN YEARS

● Nominal Ex-Vessel Value (millions)

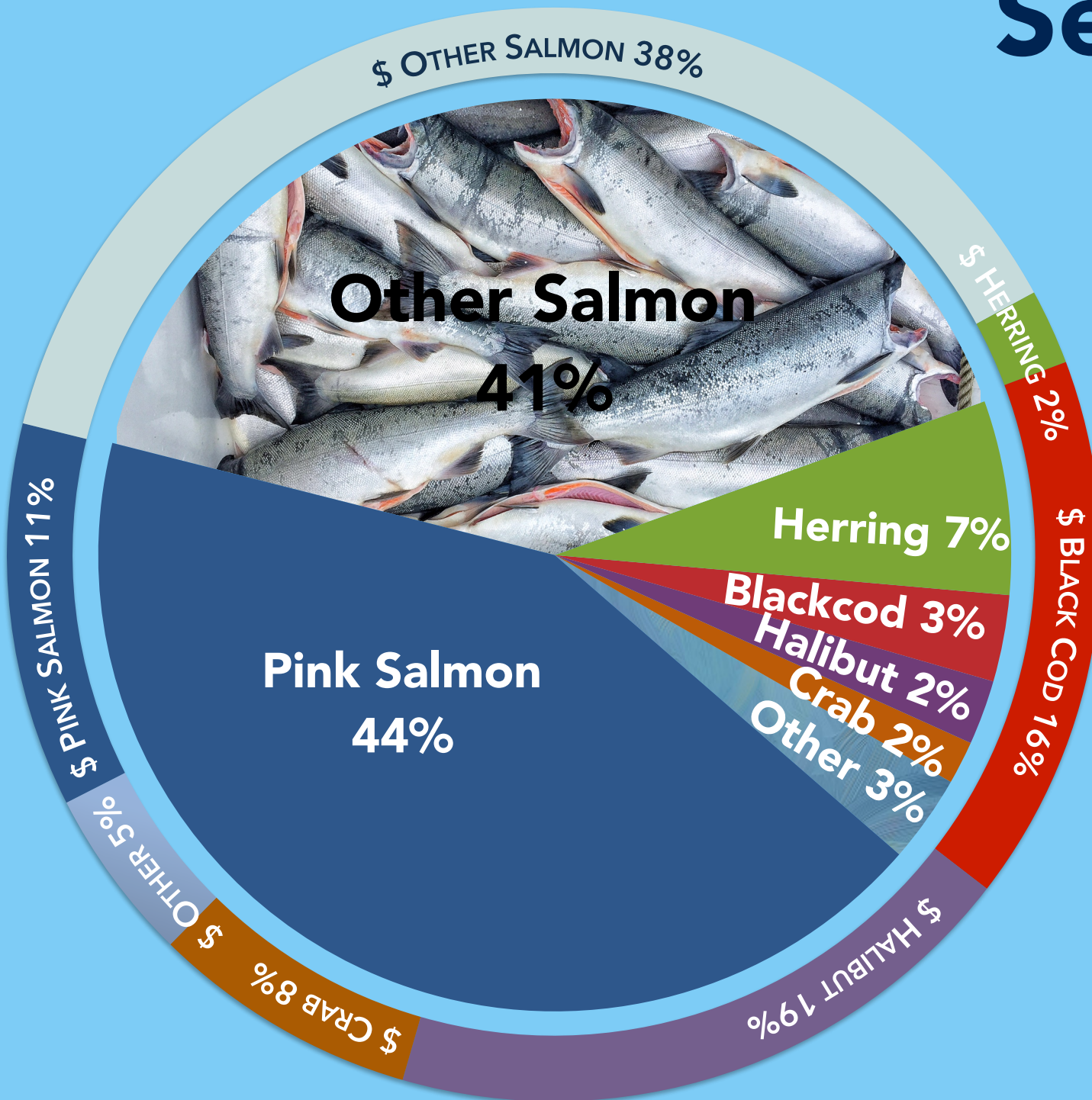


Landed Pounds (millions)



# Seafood

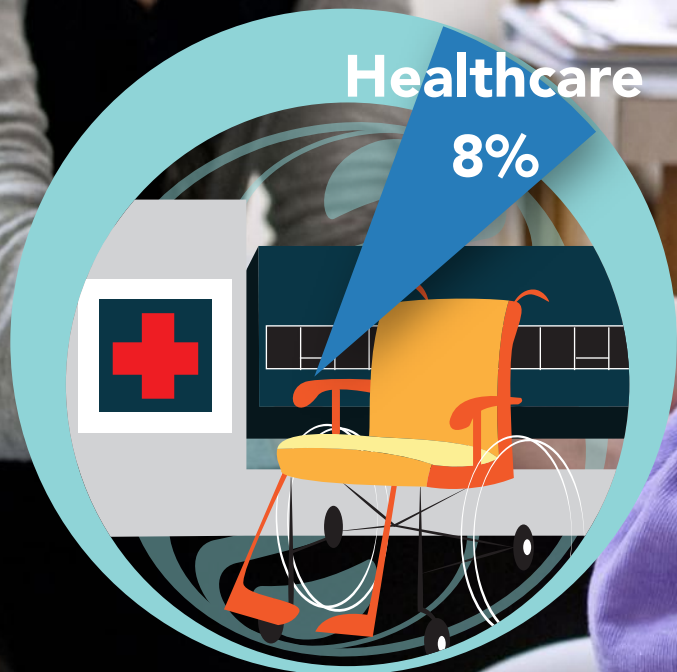
301 Million  
Pounds of  
Seafood Landed  
in Southeast by  
Species, 2015





# Healthcare 3,300 Jobs

**DOWN 30 JOBS IN 2015 -1%**





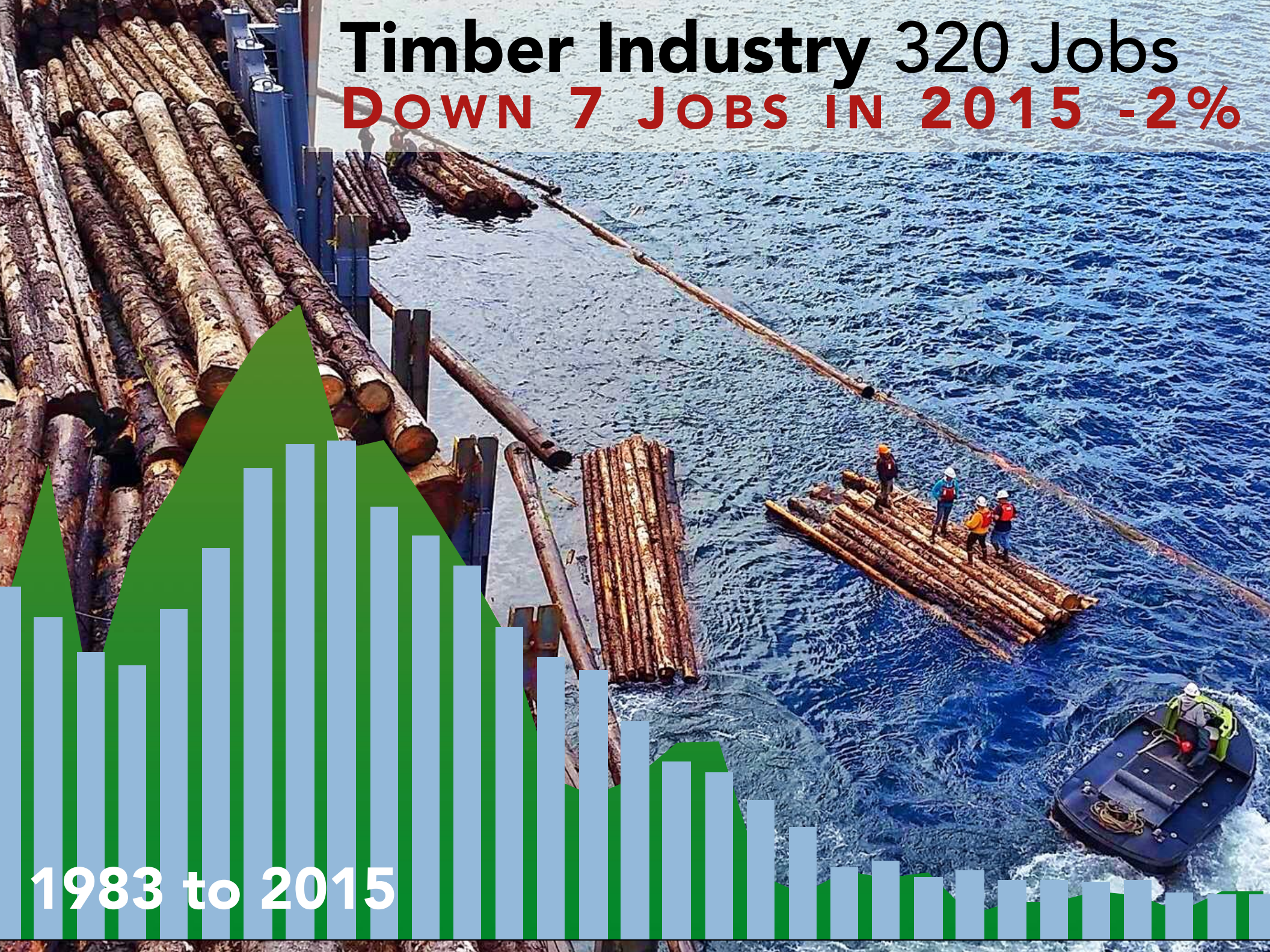
# Construction Industry 2,120 Jobs

## DOWN 50 JOBS IN 2015 -2%





# Timber Industry 320 Jobs DOWN 7 JOBS IN 2015 -2%



1983 to 2015





**Timber**

**12%**

**Prince of Wales  
Island  
Employment  
Earnings**



# Government 13,500 Jobs

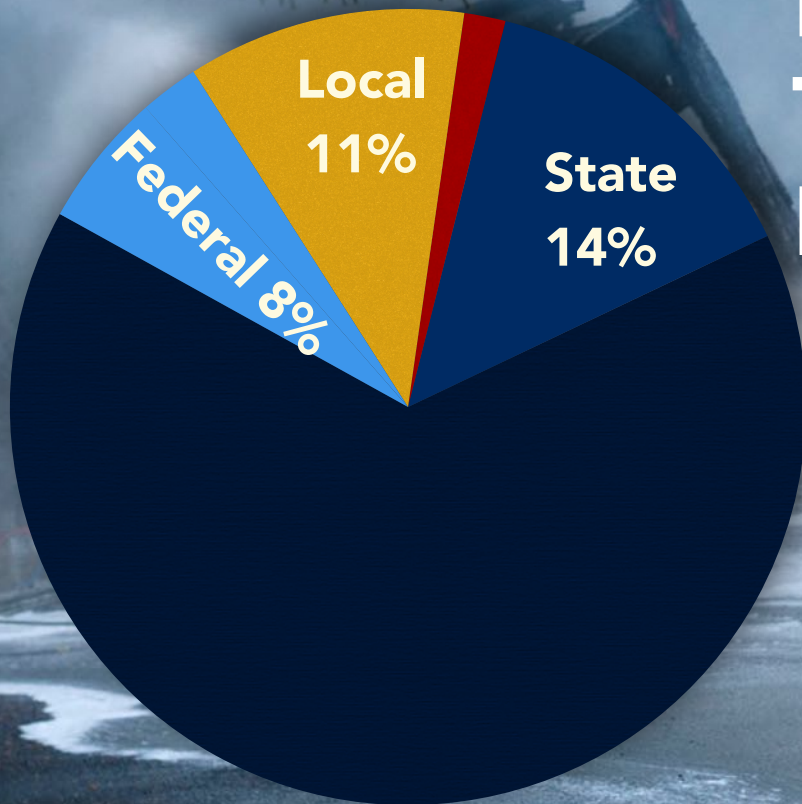
**DOWN 100 JOBS IN 2015 -1%**

State 5,280 Jobs

Local 5,190 Jobs

Tribal 900 Jobs

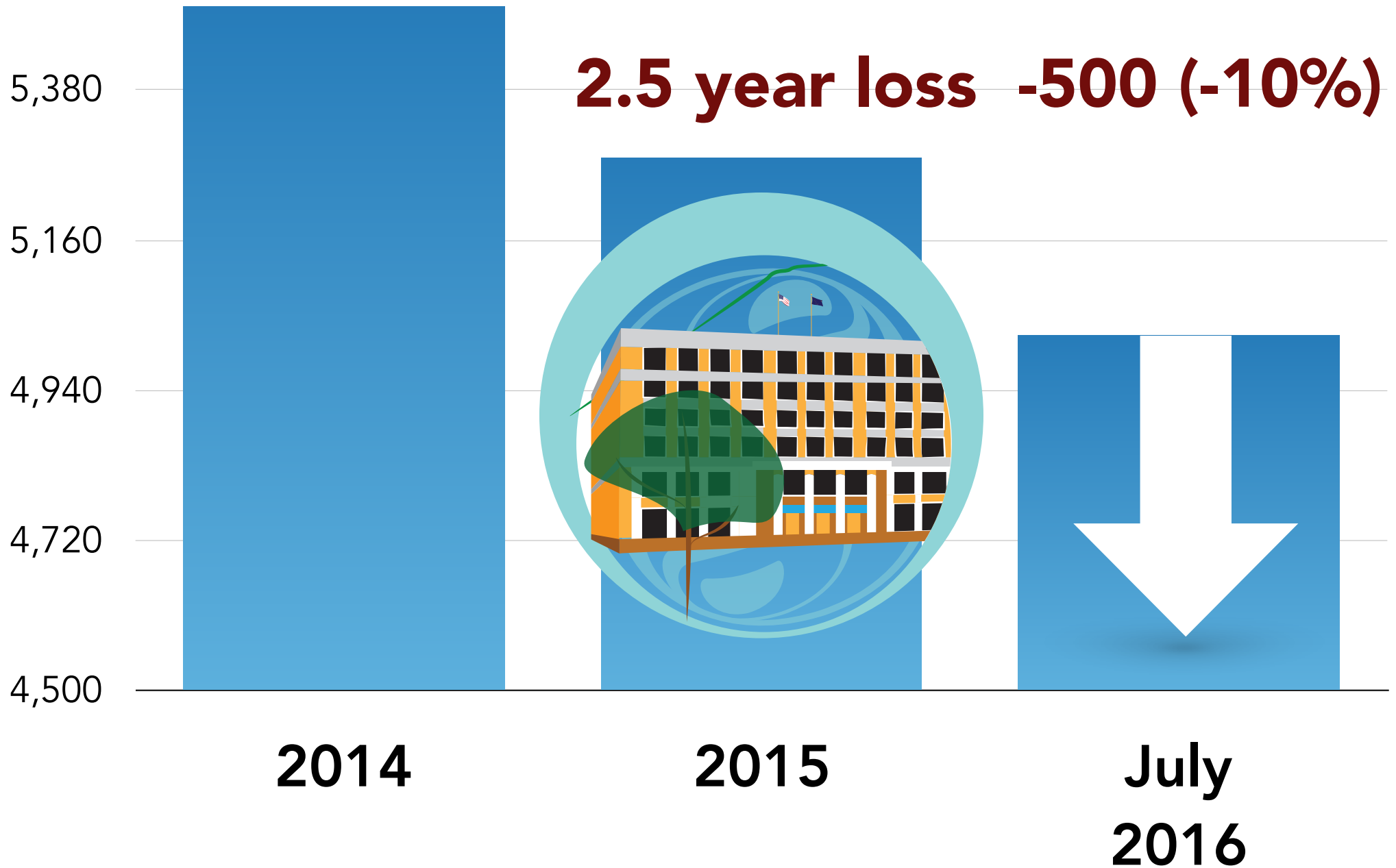
Federal 2,130 Jobs



Government wages =  
35% of all  
employment



# State Government Job Losses

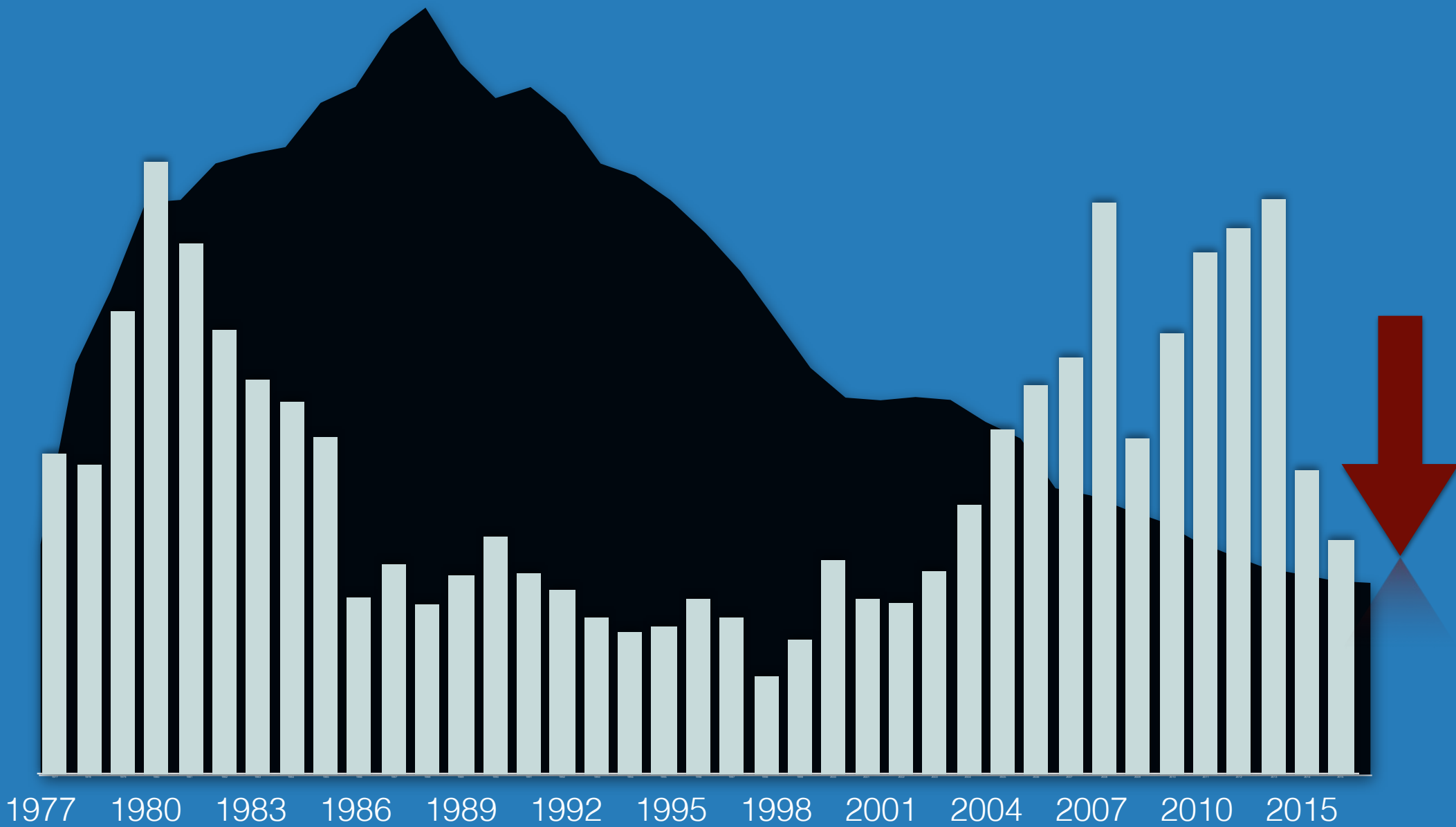


# Avg. Inflation Adjusted Price Per Barrel, 1977-2015

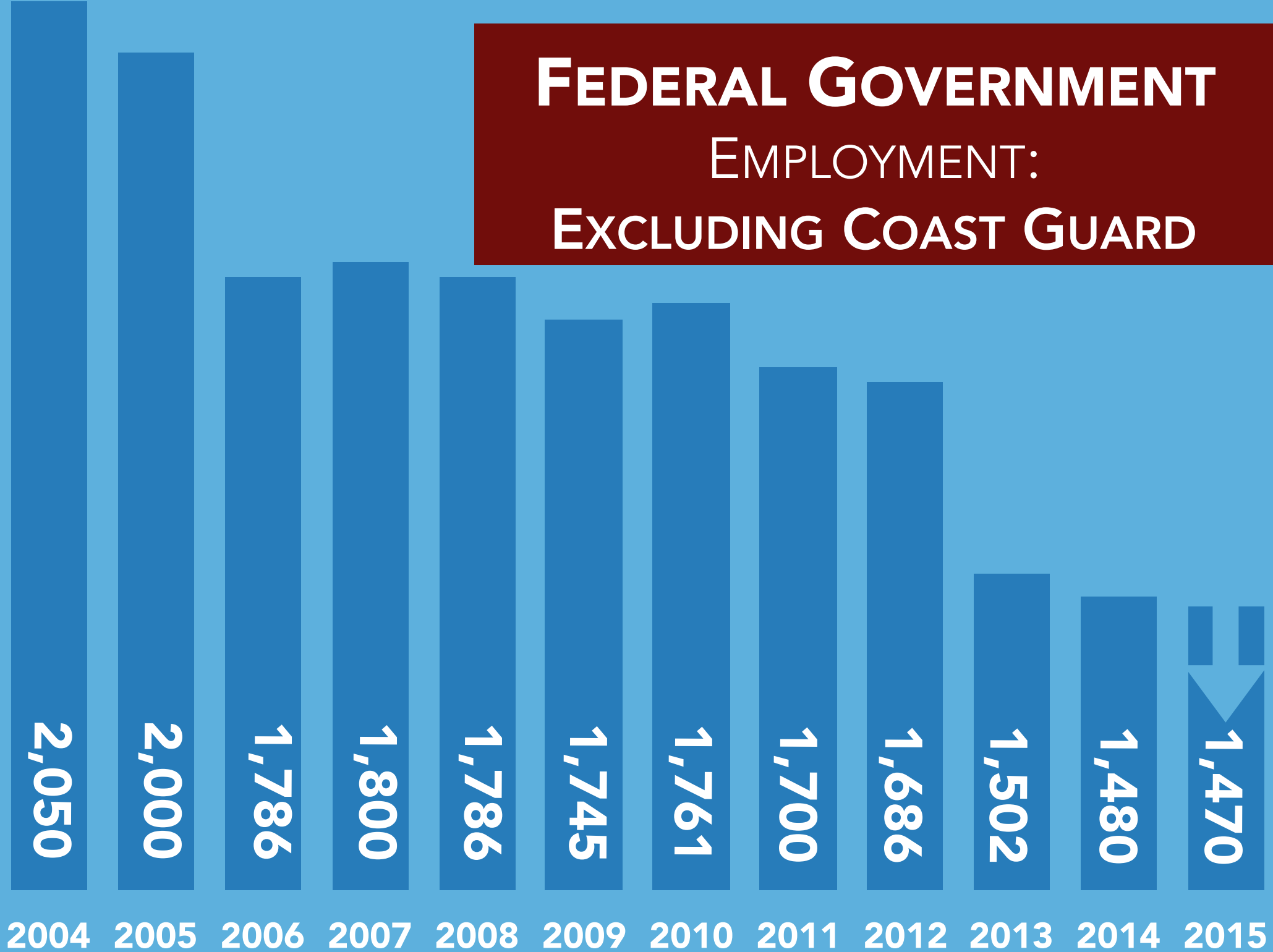




# Avg. Daily Volume of the Trans Alaska Pipeline System and Inflation Adjusted Price Per Barrel, 1977-2015



**FEDERAL GOVERNMENT**  
EMPLOYMENT:  
EXCLUDING COAST GUARD



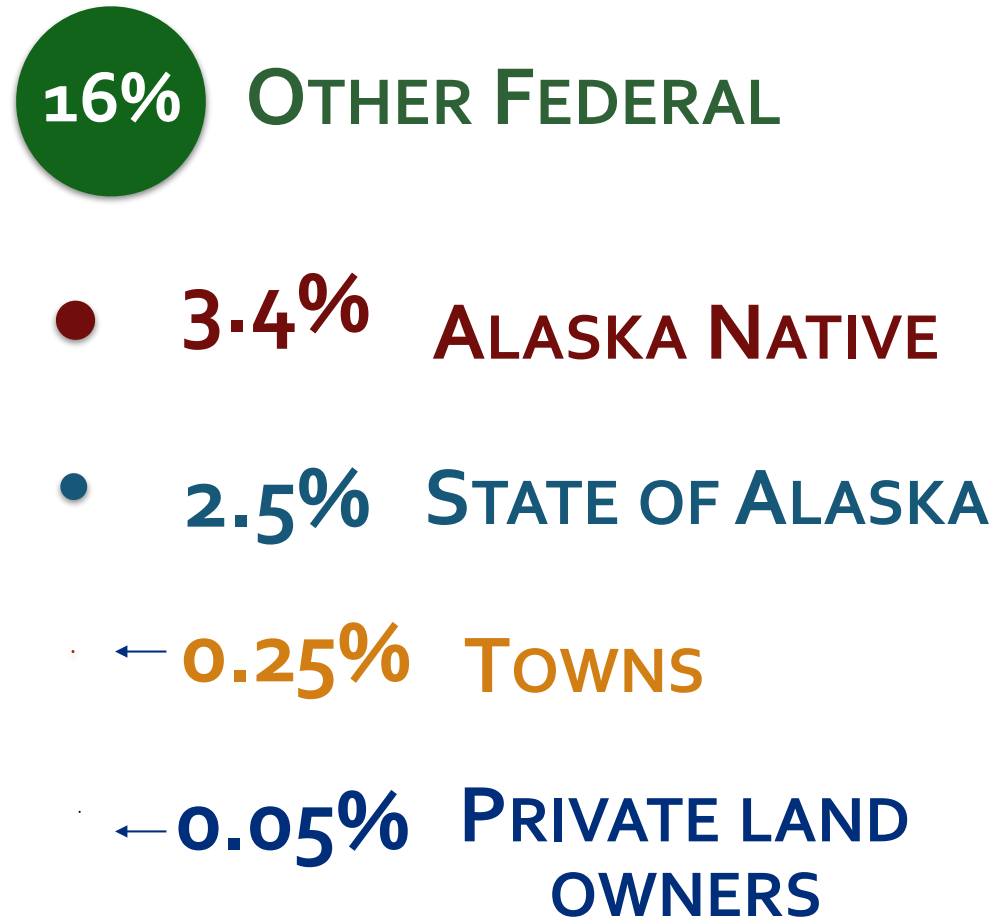


# Southeast Alaska Land Ownership

Circle size = Number of Acres

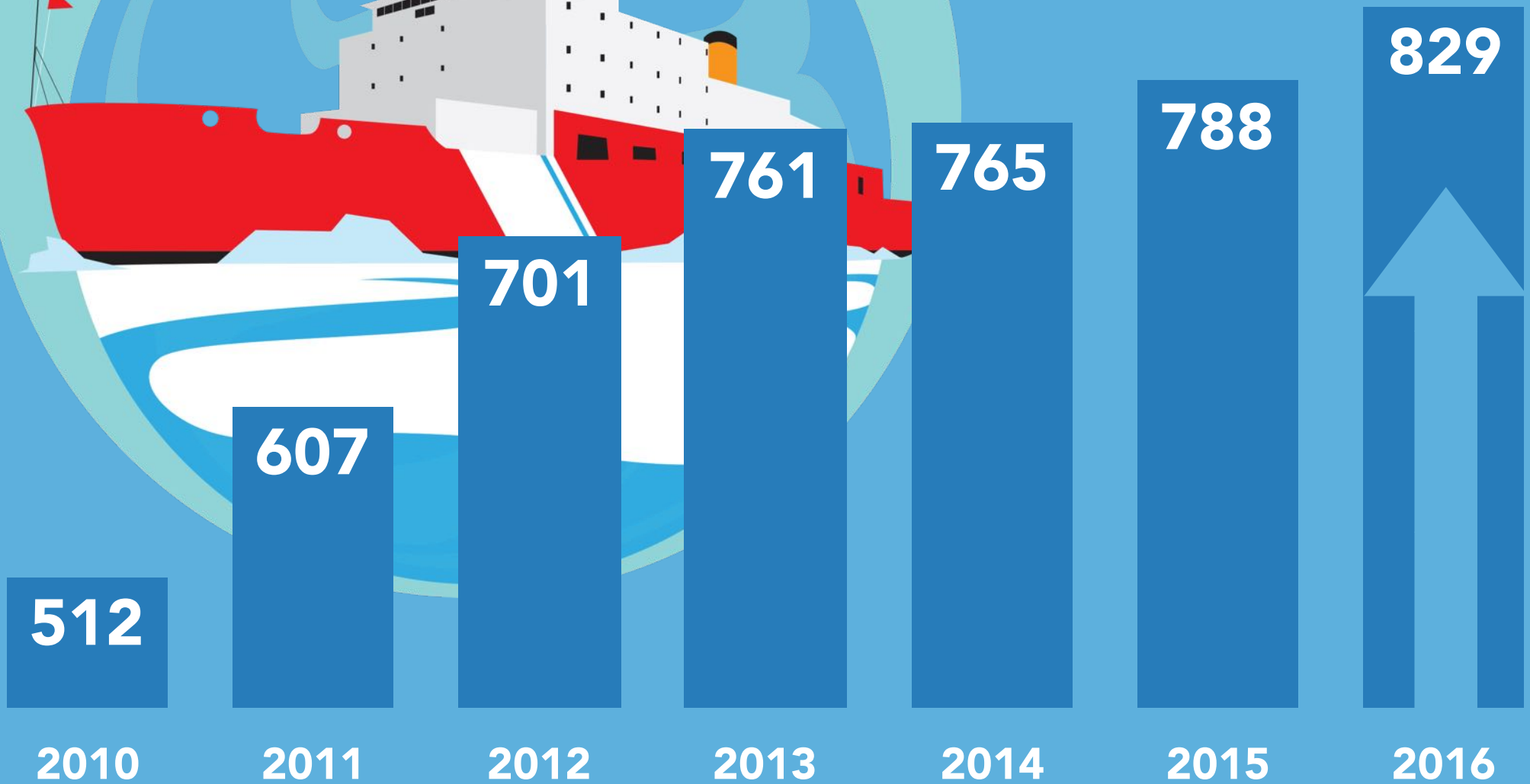


THE FEDERALLY-MANAGED  
TONGASS MAKES UP NEARLY  
4/5TH OF ALL SOUTHEAST



# US COAST GUARD

EMPLOYMENT:  
2010 TO 2016



# GUIDE TO READING THE PLAN

- **Summary of economic conditions**
- **SWOT Analysis**
- **Economic Resilience map**
- **Strategic Direction Action Plan**
- **Priority Objective Descriptions and Evaluation Framework**

# Southeast Alaska 2020 Economic Plan

Southeast Conference's Comprehensive  
Economic Development Strategy  
2016-2020



May 2016

Prepared by  
Rain Coast Data





# Strengths Weaknesses Opportunities Threats

## *Top Opportunities*



# What will Southeast Alaskans Do?

- 1 Reduce business costs**
- 2 Increase economic development**
- 3 Reduce government spending/services**
- 4 Increase Taxes**
- 5 Maintain ferry services

**What will Southeast Alaskans Do?**

# Southeast Alaska 5 Year Plan


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

## Transportation



**Priority** 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



**Priority** Work with Federal and State Government to Promote Regional Energy Projects.  
**Priority** 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



**Priority** 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



**Priority** Mariculture Development.  
**Priority** 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



**Priority** 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



**Priority** 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.





## **2020 Plan Priority Objective #1:**

**Minimize Impacts of Budget Cuts to AMHS and Develop Sustainable Operational Model**

### **STEP I: The "AMHS Reform Project"**

**Phase I: Mission, goals and governance recommendations.**

Completion expected by December 2016

**Phase II: Twenty-five Year Ferry System Operating Plan.**

January 2017 through December 2017

### **STEP II: AMHS Value Outreach, STEP III: Address Decreased State Funding Impacts**

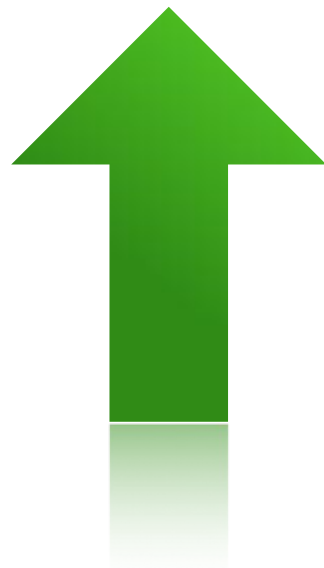
Ongoing through 2020





# Southeast Projections: Up 2017

**Visitor Industry**  
**Retail Sector**  
**Mining Industry**  
**Seafood**

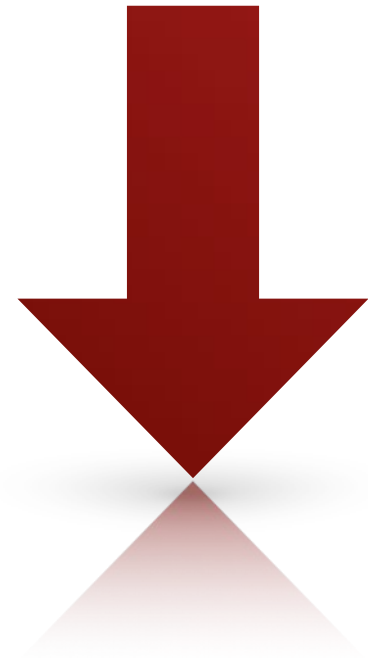




# Southeast Projections Down 2017



**State Government**  
**City Governments**  
**Construction**  
**Healthcare**  
**Timber**  
**Population**





# Thank You



**SOUTHEAST  
CONFERENCE**

