Southeast Alaska Economic Plan

2025

SWOT Analysis Tourism
Timeline: Where are we in process?

- SWOT & Committee
- Economic Analysis
- Goals & Objectives
- Action Plan Review
- Resiliency
- Priority Objectives
- Draft Plan

You Are Here

April 2020

March 2021
Tourism SWOT Analysis
The Southeast Alaska Tourism SWOT analysis was conducted by the Southeast Conference Tourism Committee on February 4th, 2020.
Southeast Alaska SWOT Tourism

**Strengths**

- Natural Beauty: 92%
- Culture and history: 64%
- Wildlife: 52%
- Recreational opportunities: 52%

**Weaknesses**

- Seasonality of industry: 60%
- High costs: 40%
- Not communicating Alaska: 38%
- Native story well: 37%
- Seasonal housing: 37%
- Lack of or Aging Infrastructure: 36%

**Opportunities**

- Cultural Tourism/ Collaborate with Alaska Native Entities: 72%
- Independent/niche tourism development: 56%
- Eco-Tourism: 44%
- Community Planning, Collaboration: 36%
- Workforce housing development: 34%

**Threats**

- COVID-19/Illness: 88%
- Anti-tourism sentiment: 60%
- Over-crowding/ overtourism: 40%
- Housing shortages: 32%
- Competition with non-AK destinations: 32%
Tourism Strengths

- Natural Beauty: 92%
- Culture and history: 64%
- Wildlife: 52%
- Recreational opportunities: 52%
- Unique Destination: 32%
- Jobs: 32%
- Friendly locals/communities: 24%
- Pristine environment: 20%
- Growth potential: 16%
Tourism Weaknesses

- Seasonality of industry: 60%
- High costs: 40%
- Not communicating the Alaska Native story well: 38%
- Seasonal housing: 37%
- Lack of or Aging Infrastructure: 36%
- Non local owners: 32%
- Community relationships/communication: 28%
- Workforce: 28%
- Balance between cruise/independent: 24%
- Lack of marketing: 20%
- Permitting process: 12%
- Crowds: 12%
- Pollution: 4%
- Weather: 4%
Tourism Opportunities

- Cultural Tourism/Collaborate with Alaska Native Entities: 72%
- Independent/niche tourism development: 56%
- Eco-Tourism: 44%
- Community Planning and Municipal Collaboration: 36%
- Workforce housing development: 34%
- Winter tourism: 32%
- Growing Sector: 28%
- Better Tourism Marketing: 20%
- More shoreside excursions/products to buy: 16%
- Technical assistance to tourism businesses: 12%
The Southeast Alaska Strengths, Weaknesses, Opportunities, Threats (SWOT) analysis was developed by more than 200 Southeast Conference members, including business, municipal, and tribal leaders from across the region in February 2020.
Summary of Southeast Alaska SWOT: Top responses

**Strengths**
- Beauty and Recreation Opportunities (50%)
- Tourism Sector (41%)
- Seafood Industry (38%)
- Rich Alaska Native Culture and Heritage (37%)
- People and Southeast Alaskan Spirit (36%)
- Great place to raise kids/families (34%)

**Weaknesses**
- Ferry transportation decline (59%)
- Cost of living and doing business (42%)
- Transportation Costs (34%)
- Housing: Not enough/Too Expensive (32%)
- Aging or lack of infrastructure (26%)
- Dependence on State oil economy (22%)

**Opportunities**
- Strengthen ferry connectivity (50%)
- Mariculture development (43%)
- Seafood products development (31%)
- Cultural tourism development (28%)
- Renewable energy (23%)
- Improve infrastructure (22%)

**Threats**
- Reduction/loss of Ferry Service (54%)
- Fisheries decline (34%)
- Poor leadership/decision making (34%)
- Cost of living (33%)
- Climate Change/Global Warming (29%)
- Capitol move/capital creep (28%)
**Southeast Strengths**

1. Beauty and Recreation Opportunities: 50%
2. Tourism Sector: 41%
3. Seafood Industry: 38%
4. Rich Alaska Native Culture and Heritage: 37%
5. People and Southeast Alaskan Spirit: 36%
6. Great place to raise kids/families: 34%
7. Wildlife: 30%
8. Clean Water: 28%
9. Access to Natural Resources: 22%
10. Mining: 20%
Southeast Weaknesses

- Ferry transportation decline: 59%
- Cost of living and doing business: 42%
- Transportation Costs: 34%
- Housing: Not enough/Too Expensive: 32%
- Aging or lack of infrastructure: 26%
- Dependence on State oil economy: 22%
- Energy Costs: 20%
- Lack of road connectivity: 20%
- Lack of jobs that can support household: 18%
- Seasonal jobs instead of year-round: 17%
- Lack of childcare: 15%
Southeast Opportunities

- Ferry connectivity strengthened: 50%
- Mariculture development: 43%
- Seafood products development: 31%
- Cultural tourism development: 28%
- Renewable energy: 23%
- Improve infrastructure: 22%
- Housing development: 21%
- Maritime industry growth: 21%
- Diversify the Economy: 21%
- Grow food & harvest plants: 20%
- Mining industry: 18%
Southeast Threats

- Loss/Further Reduction of Ferry Service: 54%
- Fisheries decline: 34%
- Poor leadership/decision making: 34%
- Cost of living: 33%
- Climate Change/Global Warming: 29%
- Capitol move/capital creep: 28%
- State jobs/budget cuts: 23%
- Declining/aging population/loss of youth: 18%
- Radical outside groups/lawsuits: 18%
- Housing related: 15%
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- Priority Objectives
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You Are Here

May 2020

March 2021
Between April of 2019 and April of 2020, Southeast Alaska lost (at least temporarily) 13% of all jobs, a reduction representing 4,600 lost workers due to the COVID-19 crisis. The hardest hit were the leisure & hospitality and transportation sectors. These saw a combined decline of 2,000 jobs. Federal jobs increased by 100 (mostly part-time, temporary Census workers). The mining, logging, and information sectors experienced no changes in workforce levels during April.

Source: Alaska Department of Labor Monthly Employment Statistics
Southeast Alaska April Unemployment 2020

Between April of 2019 and April of 2020 the Southeast Alaska unemployment rate jumped 7.6% from 6.2% to 13.8%. Skagway and Haines saw the greatest increases, while the POW Census Area and Yakutat experienced the smallest.

Change in SE Unemployment: **April 2019 to April 2020 = +7.6%**

<table>
<thead>
<tr>
<th>Location</th>
<th>Unemployment Rate April 2020</th>
<th>Increase since April 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>United States</td>
<td>14.4%</td>
<td>+11.1%</td>
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<tr>
<td>Alaska</td>
<td>13.7%</td>
<td>+7.4%</td>
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<tr>
<td>Southeast Alaska</td>
<td>13.8%</td>
<td>+7.6%</td>
</tr>
<tr>
<td>Skagway</td>
<td>31.4%</td>
<td>+19.7%</td>
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<tr>
<td>Haines</td>
<td>27.3%</td>
<td>+18.7%</td>
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<tr>
<td>Hoonah-Angoon CA</td>
<td>18%</td>
<td>+4.5%</td>
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<tr>
<td>Ketchikan</td>
<td>17.3%</td>
<td>+10.5%</td>
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<tr>
<td>Petersburg</td>
<td>15.5%</td>
<td>+6.7%</td>
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<tr>
<td>Wrangell</td>
<td>14.7%</td>
<td>+7.1%</td>
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<tr>
<td>Prince of Wales-Hyder Census Area</td>
<td>13.6%</td>
<td>+2.7%</td>
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<tr>
<td>Sitka</td>
<td>12.8%</td>
<td>+8.7%</td>
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<tr>
<td>Juneau</td>
<td>10.8%</td>
<td>+6.2%</td>
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<tr>
<td>Yakutat</td>
<td>9%</td>
<td>+3.0%</td>
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</table>

Source: Alaska Department of Labor April 2020 Preliminary Unemployment Rates


The Whole **Southeast Alaska Economy**

In 2018, Southeast Alaska gained 380 year-round equivalent jobs and $17 million in workforce earnings over 2017. Approximately a quarter (26.1%) of regional workers are non-residents.

**Annual Average Jobs**
45,642 Jobs

**Up 2 Jobs in 2018 +0%**

**Employment Earnings**
$2.3 Billion Workforce Earnings

**Up $86 Million +4%**

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**Pie Chart Breakdown:**
- **Government**: 29%
- **Visitor Industry**: 18%
- **Seafood**: 8%
- **Non-Gov’t Health Care**: 6%
- **Trade**: 10%
- **Financial Services**: 6%
- **Professional Services**: 5%
- **Construction Activities**: 4%
- **Mining**: 4%
- **Social Services**: 3%
- **Info, Timber, Warehousing**: 3%
- **Transport**: 2%
- **Other**: 6%

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**Pie Chart Breakdown:**
- **Government**: 34%
- **Visitor Industry**: 11%
- **Seafood**: 10%
- **Non-Gov’t Health Care**: 7%
- **Trade**: 6%
- **Professional Services**: 5%
- **Construction Activities**: 5%
- **Mining**: 5%
- **Social Services**: 5%
- **Info, Timber, Warehousing**: 4%
- **Transport**: 2%
- **Other**: 4%
Tourism was to be the top regional wage provider.

Original projection for 2020 (from 2019)

1. Visitor Industry
   - $75,000,000

2. Local Government
   - $125,000,000

3. Health Care
   - $175,000,000

4. State Government
   - $225,000,000

5. Seafood
   - $275,000,000

6. Federal Government
   - $75,000,000
Southeast Tourism Projections 2020

Estimated Regional Visitor Industry Projections for 2020

- **43** Cruise Ships in Southeast
- **606** Cruise Ship Voyages
- **1.44** Million Cruise Passengers
- **$793** Million in Tourist Spending

**2020**

- **65%** Increase in cruise passengers from 2010

Tourist Arrivals in Southeast by Mode
- **8%** Cruise
- **90%** Air
- **2%** Ferry/Road
## Southeast Alaska Comprehensive Economic Development Strategy Meeting Schedule

<table>
<thead>
<tr>
<th>Month</th>
<th>Transportation</th>
<th>Energy</th>
<th>Timber</th>
<th>Seafood</th>
<th>Health Care</th>
<th>Tourism</th>
<th>Mining</th>
<th>Econ Devel.</th>
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<tbody>
<tr>
<td>Feb 2020 (or earlier)</td>
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<td>April/May 2020</td>
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<td>June/July/Aug 2020</td>
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<tr>
<td>September 2020</td>
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<tr>
<td>Oct/Nov/Dec 2020</td>
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<tr>
<td>February 2021</td>
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</tbody>
</table>
Southeast Alaska 2020 Plan: 46 initiatives

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.

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.

Energy
Work with Federal and State Government to Promote Regional Energy Projects.
Diesel Displacement.
Complete Regional Hydrosite Evaluation for Southeast Alaska.

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.

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.

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.

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.
7 Priority Objectives

- Maritime Workforce Development
- Alaska Mariculture Initiative
- Full Seafood Resource Utilization
- Market Southeast Alaska to Visitors
- AMHS Reform Project
- ENERGY Diesel Displacement
- TIMBER Secure Adequate Timber Supply
- TRANSPORTATION
- SEAFOOD
- SEAFood
- MARITIME
Priority Objectives

Key Project Champion
Who will be the project champion moving this project forward?

Outline of steps required for project to be completed.
List steps and dates

People/Organizations responsible for completing these steps
Who will be working on this?

Cost Estimates
How much will this cost, and who will pay these costs?

Evaluation Measures
What are the indicators we can track that will measure project success?
Southeast Alaska Business Climate & COVID-19 Impacts Survey

www.surveymonkey.com/r/SEbussSurvey

The survey tracks the Southeast Alaska business climate as well as COVID-19 impacts to your business. The survey takes up to 10 minutes to complete, but even if you have only a few minutes to respond quickly, that would be incredibly valuable. The survey data will be used to focus COVID-19 relief efforts moving forward.

This survey is brought to you by a partnership between Southeast Conference, Spruce Root, the City and Borough of Wrangell, the Petersburg Borough, the Haines Chamber of Commerce, and the Skagway Development Corporation, among others. It is open to all regional businesses, including the self-employed.
Tourism Southeast Alaska Economic Plan

Questions?