

SOUTHEAST ALASKA

2022 Economic Update

Rain Coast
Data

Southeast Conference

Part I: **The Hard Numbers**

-48% **Skagway**

-25% **Haines**

-25% **Klukwan**

-24% **Hoonah**

-15% **Ketchikan**

-14% **Angoon**

-13% **Sitka**

-13% **Gustavus**

-12% **Juneau**

-12% **Wrangell**

-6% **Prince of Wales**

-4% **Petersburg**

-4% **Kake**

-2% **Metlakatla**

-2% **Hyder**

Yakutat 6%

2020

**SOUTHEAST ALASKA
EMPLOYMENT CHANGE
2019 TO 2020**

Jobs -13%

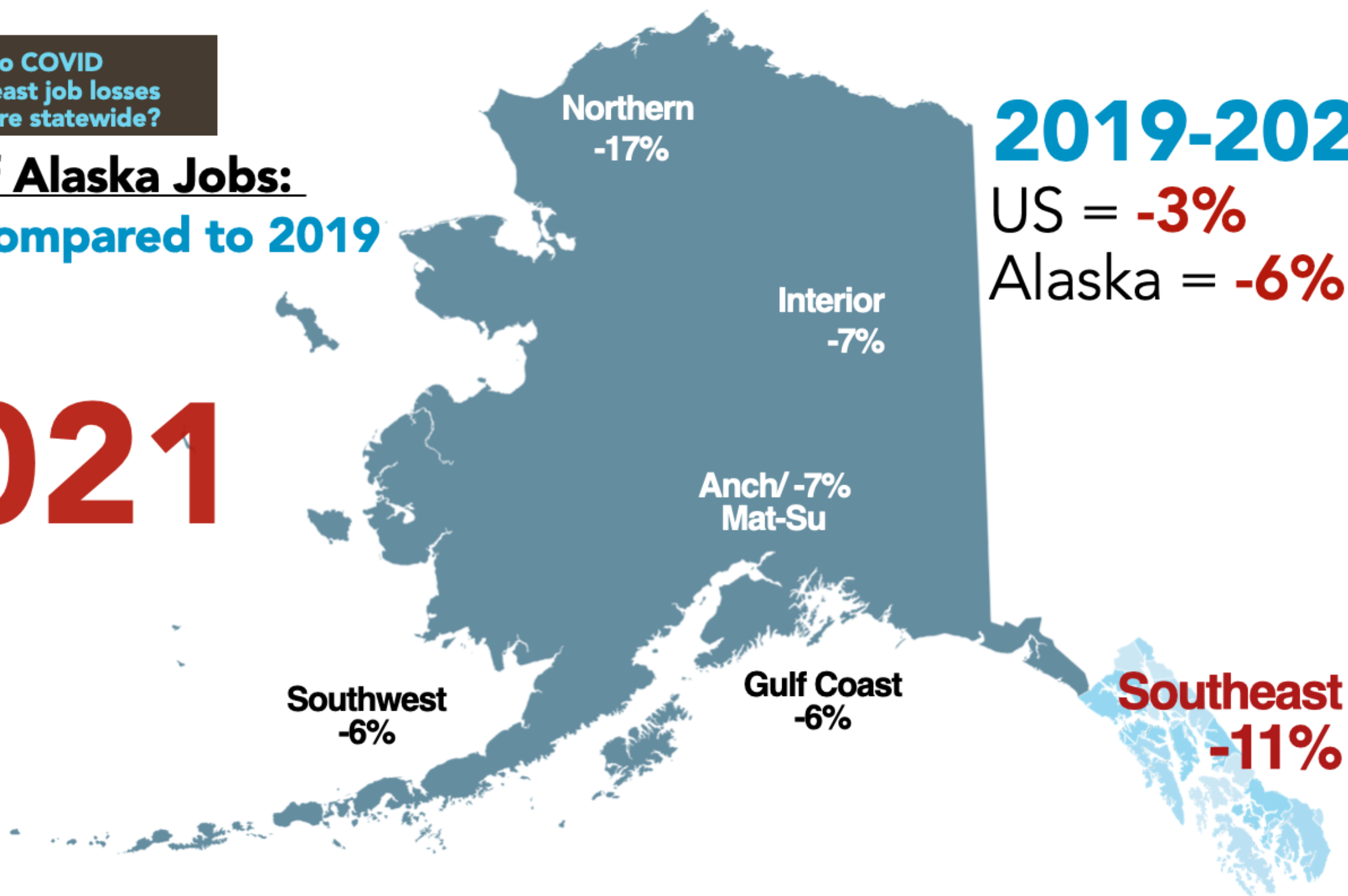
-6,000

Source: Alaska Department of Labor

How do COVID
Southeast job losses
compare statewide?

Loss of Alaska Jobs:
2021 compared to 2019

2021



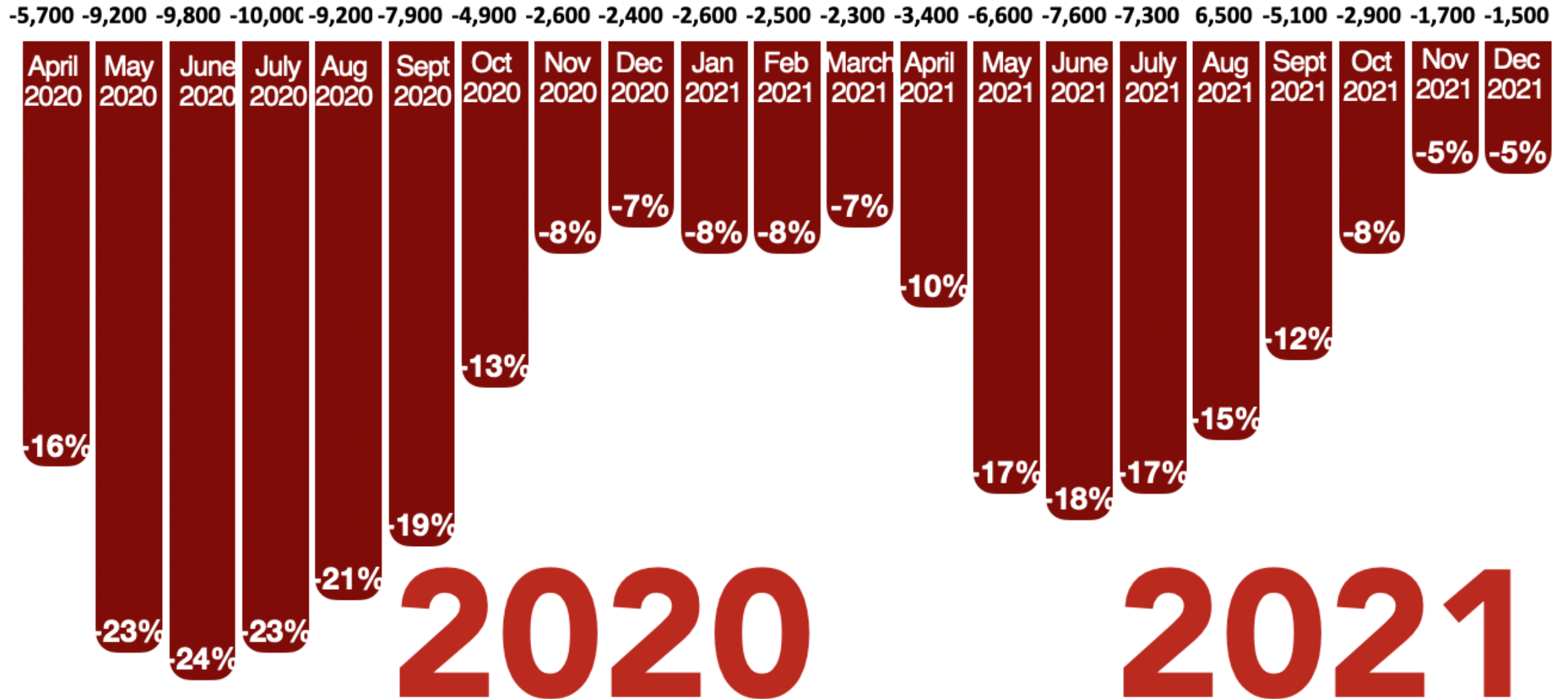
2019-2021

US = **-3%**

Alaska = **-6%**

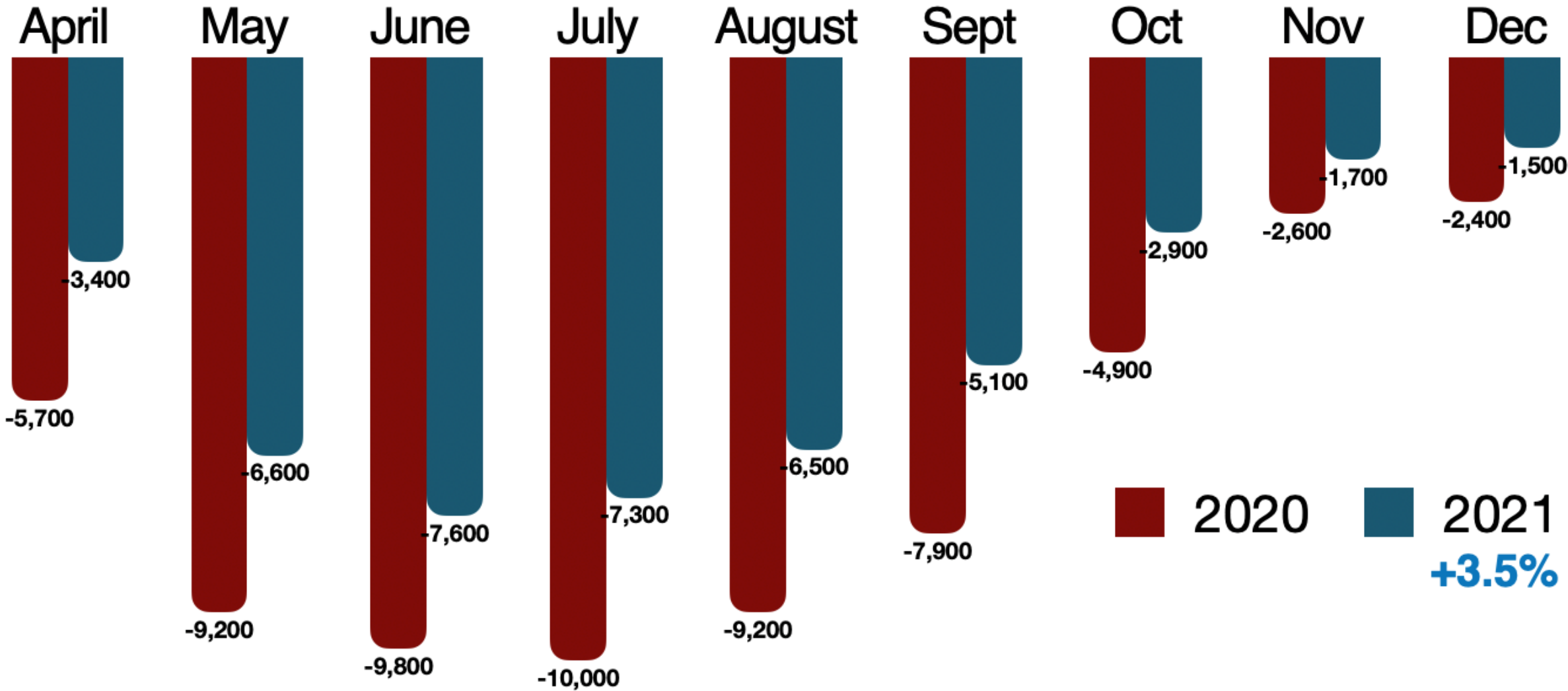
21 Months of COVID-19 Job Losses

Compared to the same pre-pandemic month in 2019



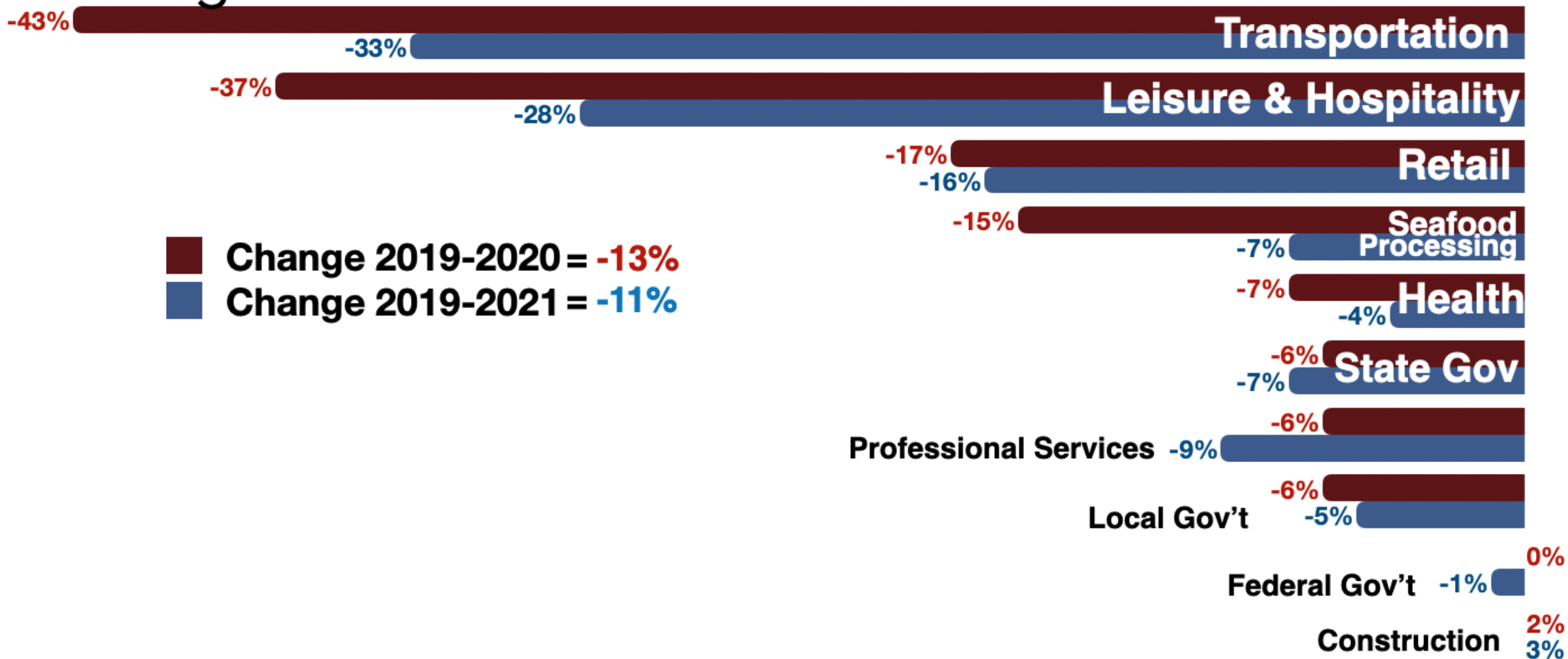
Comparing 2020 & 2021 Jobs

to the same pre-pandemic month in 2019



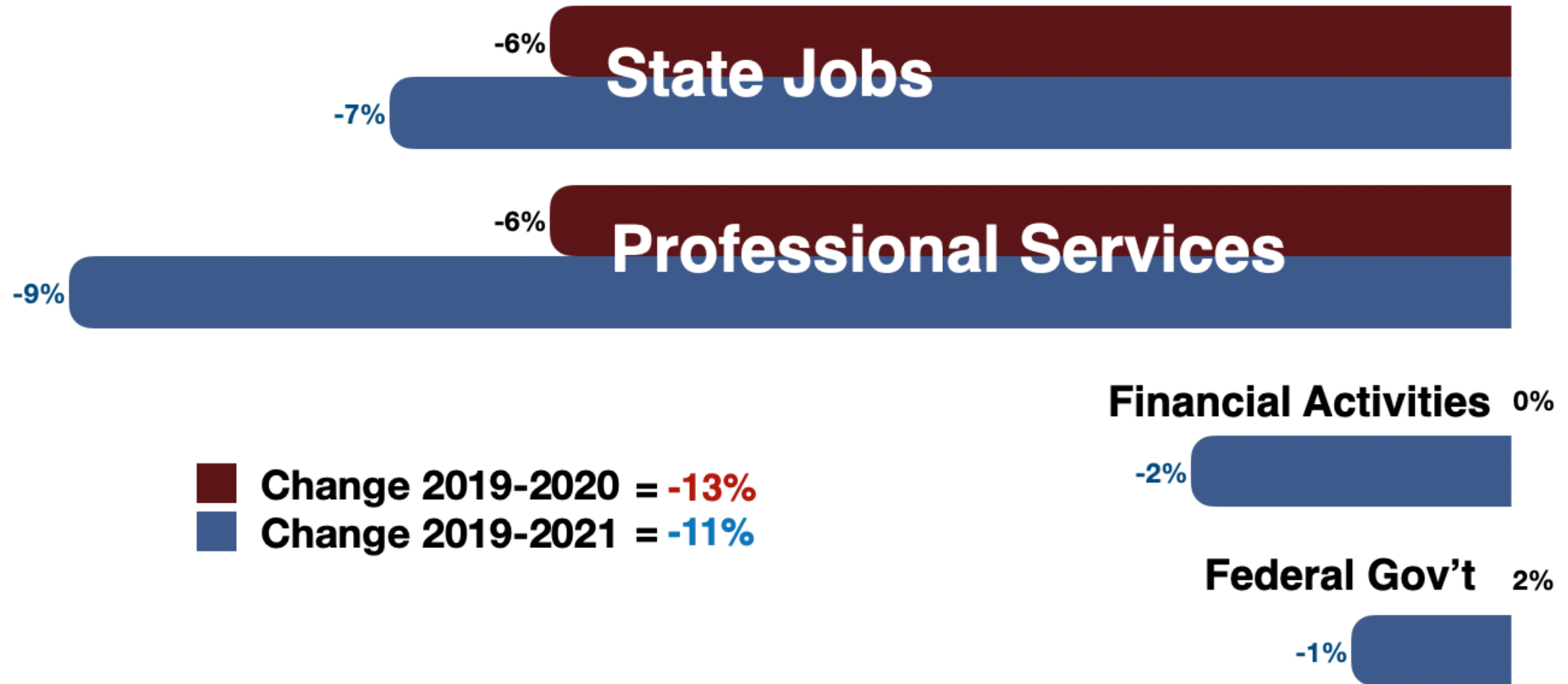
Southeast Alaska Pandemic **Economics**

Change in Southeast Jobs: **First 2 Years of COVID-19**



Southeast Alaska Pandemic **Economics**

Sectors that performed even worse in 2021 than 2020



The background of the image is a stylized, high-contrast illustration of the Alaska State Capitol building's facade. It features several large, fluted columns and windows. The text is overlaid on this background. At the top, a blue horizontal bar contains the text 'SPENDING DOWN SAVINGS'. Below this, the words 'STATE FISCAL' and 'CRISIS' are written in large white letters. A large red number '\$19.4 billion' is centered in the middle. At the bottom, the words 'IN SAVINGS IN' and '9 YEARS' are written in large white letters.

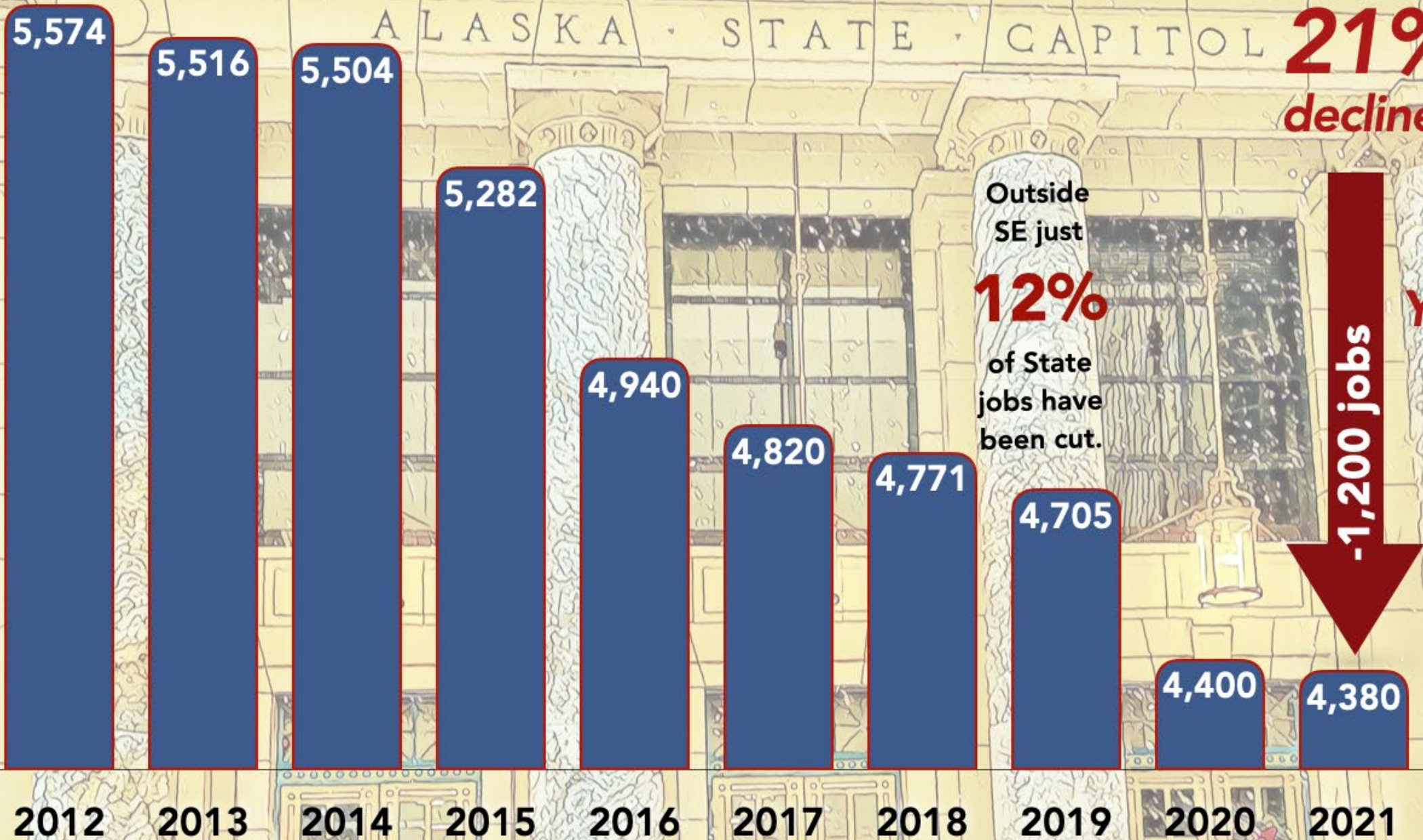
SPENDING DOWN SAVINGS

STATE FISCAL
CRISIS

\$19.4 billion

IN SAVINGS IN
9 YEARS

Southeast State Jobs in the region are down for the 9th year in a row



Southeast State Jobs Losses: 9 Years

In Southeast Alaska

21%

of State jobs have
been cut

Outside Southeast

12%

of State jobs have
been cut

262,931

254,437

242,648

223,000

186,892

193,121

179,312

135,388

38,596

76,947

71% Decline
Since 2012

2012

2013

2014

2015

2016

2017

2018

2019

2020

2021

AMHS

SE Passengers



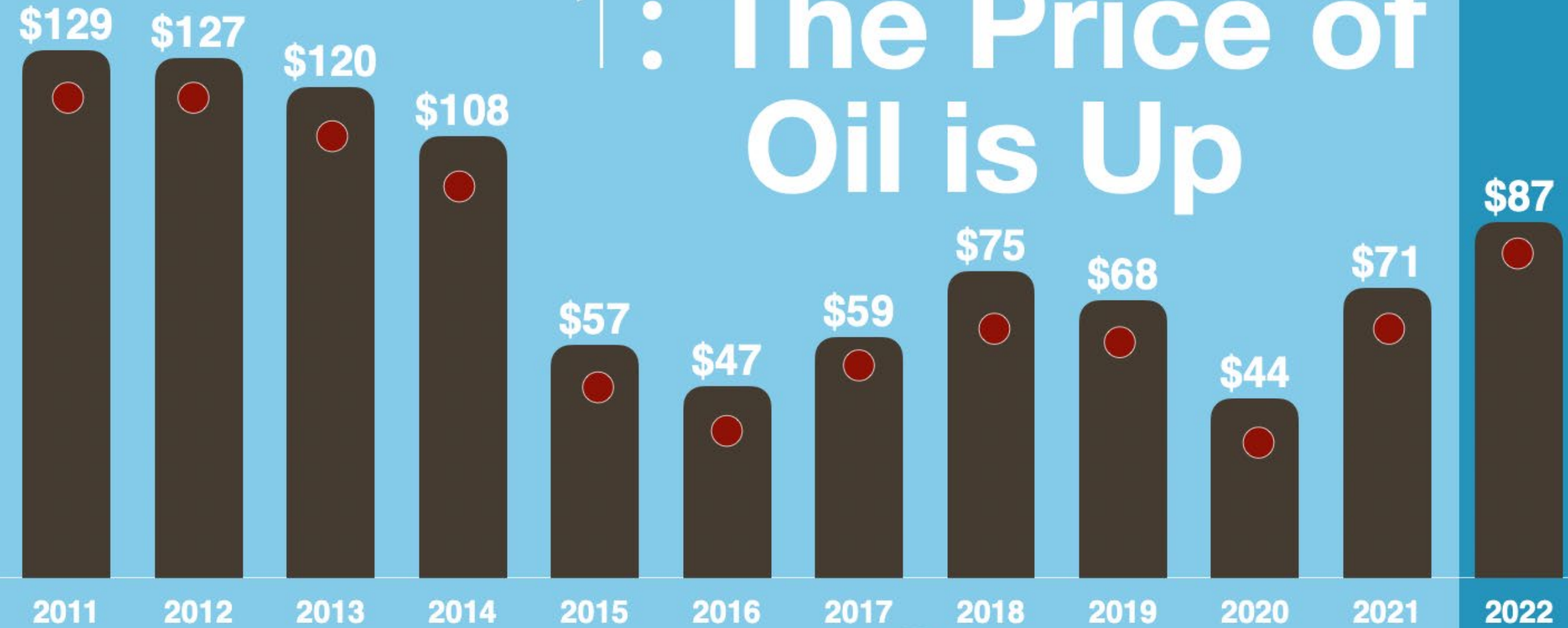
Part II: **The Good News**

10 Good Stories about the
Regional Economy

**1 : Price of Oil
Rising**

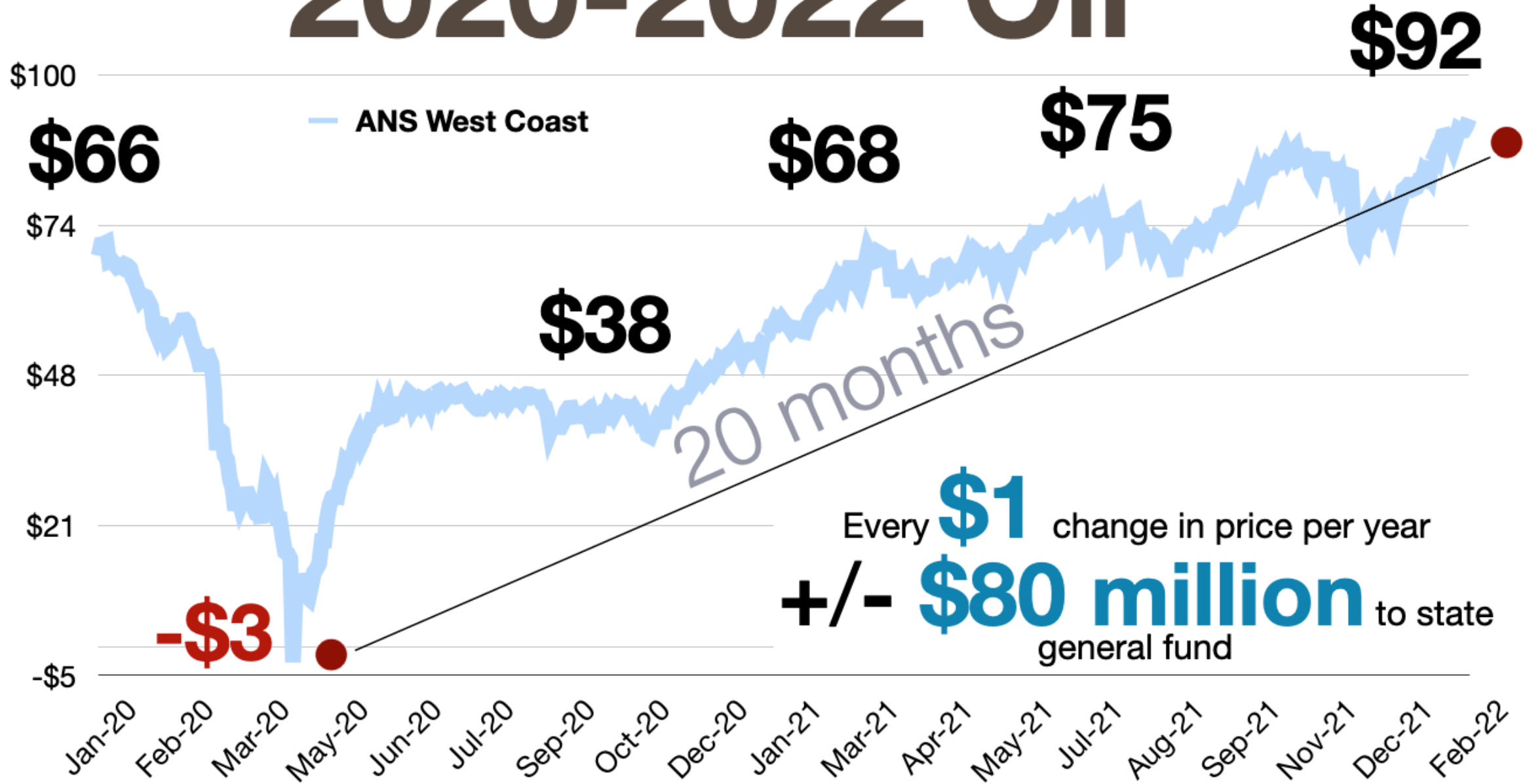
Average Inflation Adjusted Price Per Barrel

1: The Price of Oil is Up



HIGHEST IN 8 YEARS

2020-2022 Oil





(High fuel prices make it harder too...)



2: Population Growth

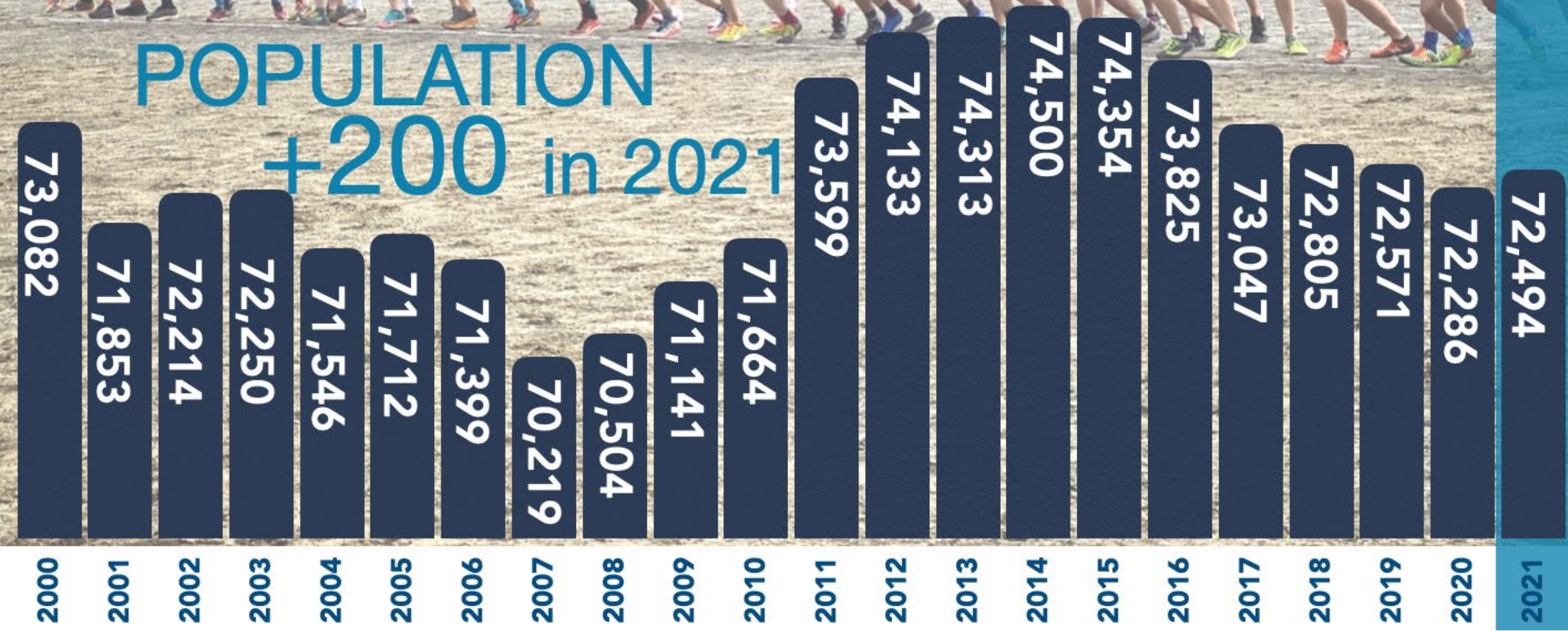
2: Our Population is Up



FOR THE FIRST TIME IN 7 YEARS

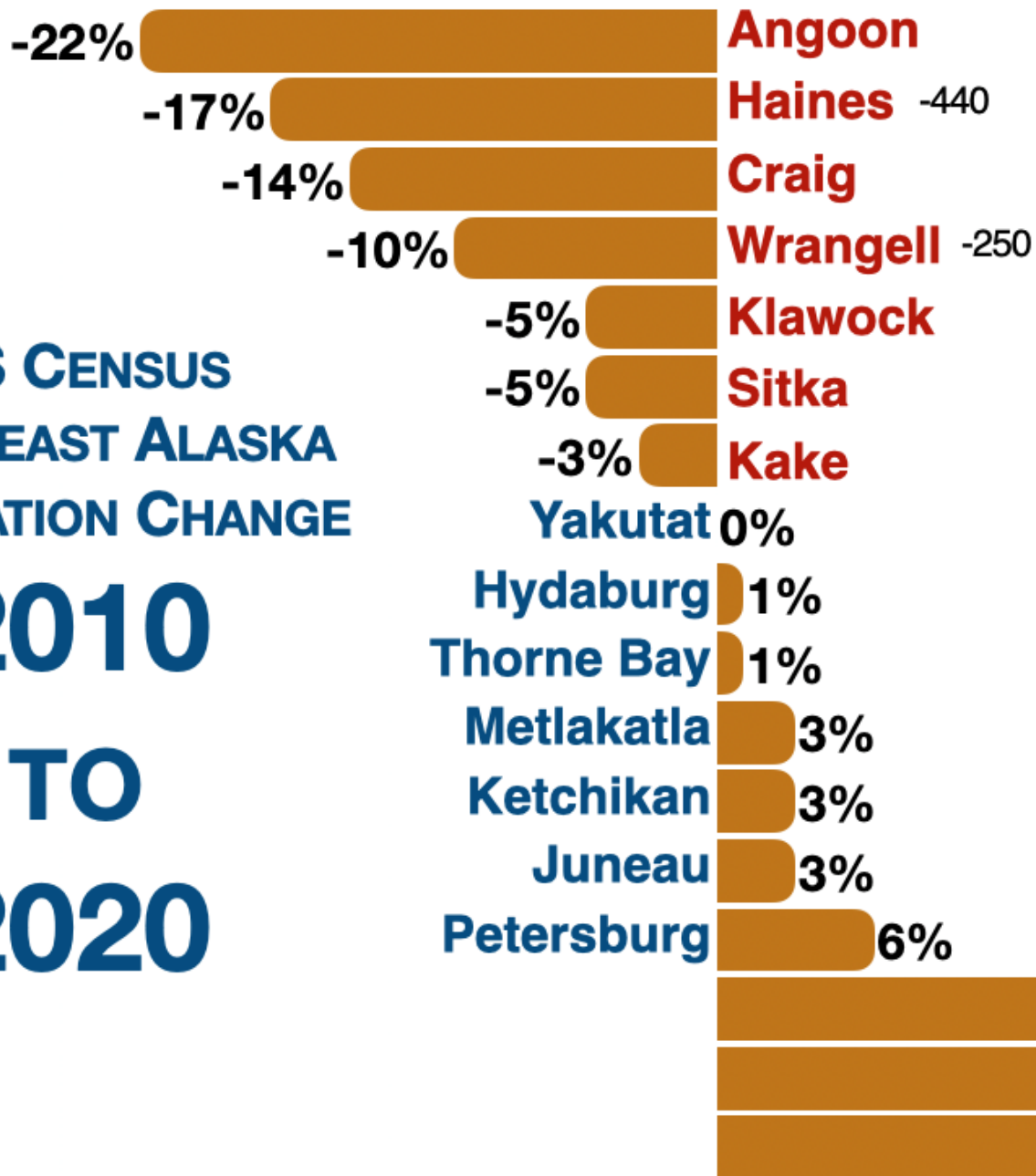


POPULATION +200 in 2021

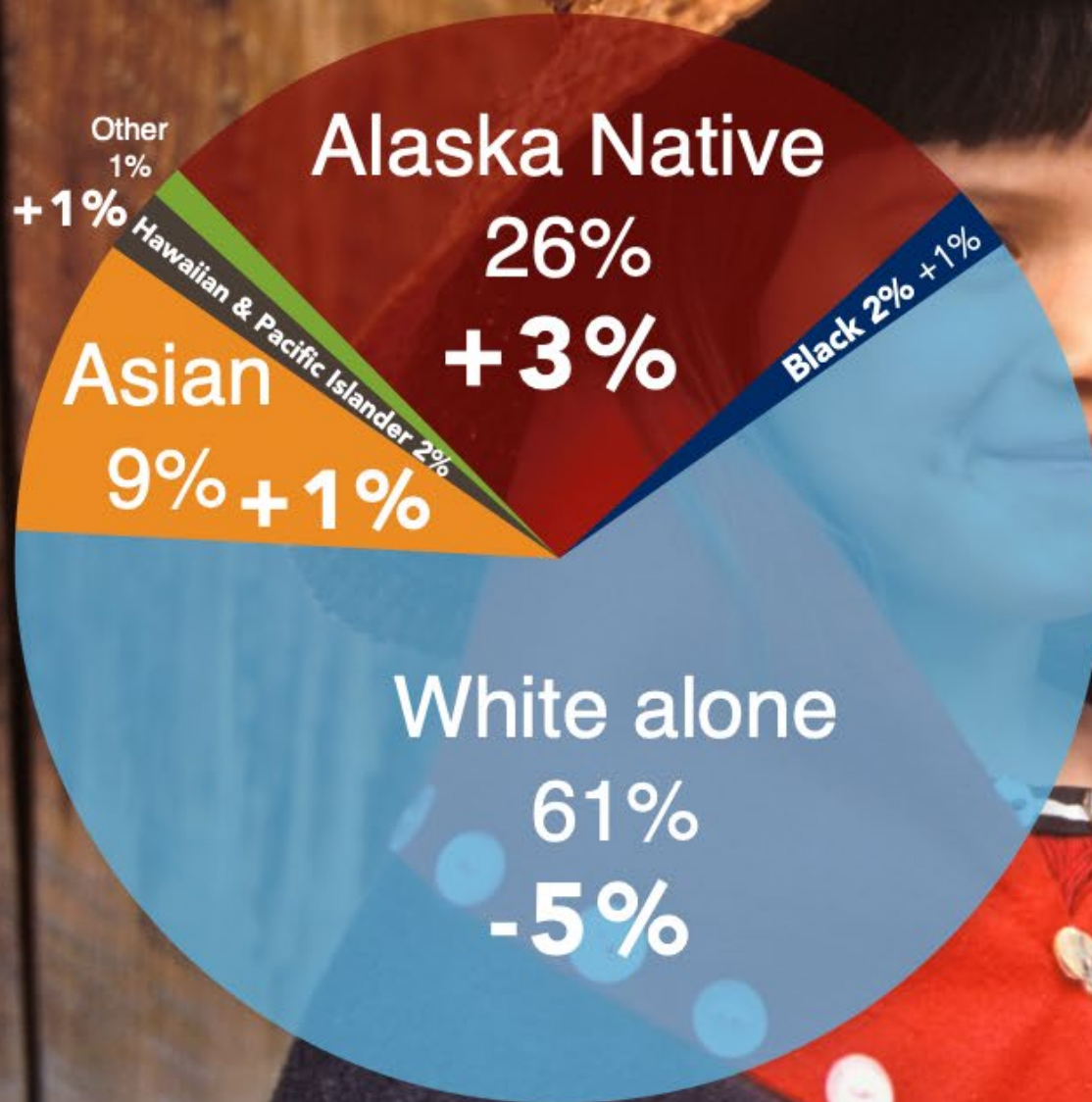


US CENSUS
SOUTHEAST ALASKA
POPULATION CHANGE

2010
TO
2020



POPULATION
UP +1%
+600 PEOPLE



**+1,100
ALASKA NATIVES**

K-12 Enrollment Up by 1%

Southeast
-6% 2020
+1% 2021

Juneau
-12% 2020
+5% 2021

Wrangell
-41% 2020
+42% 2021

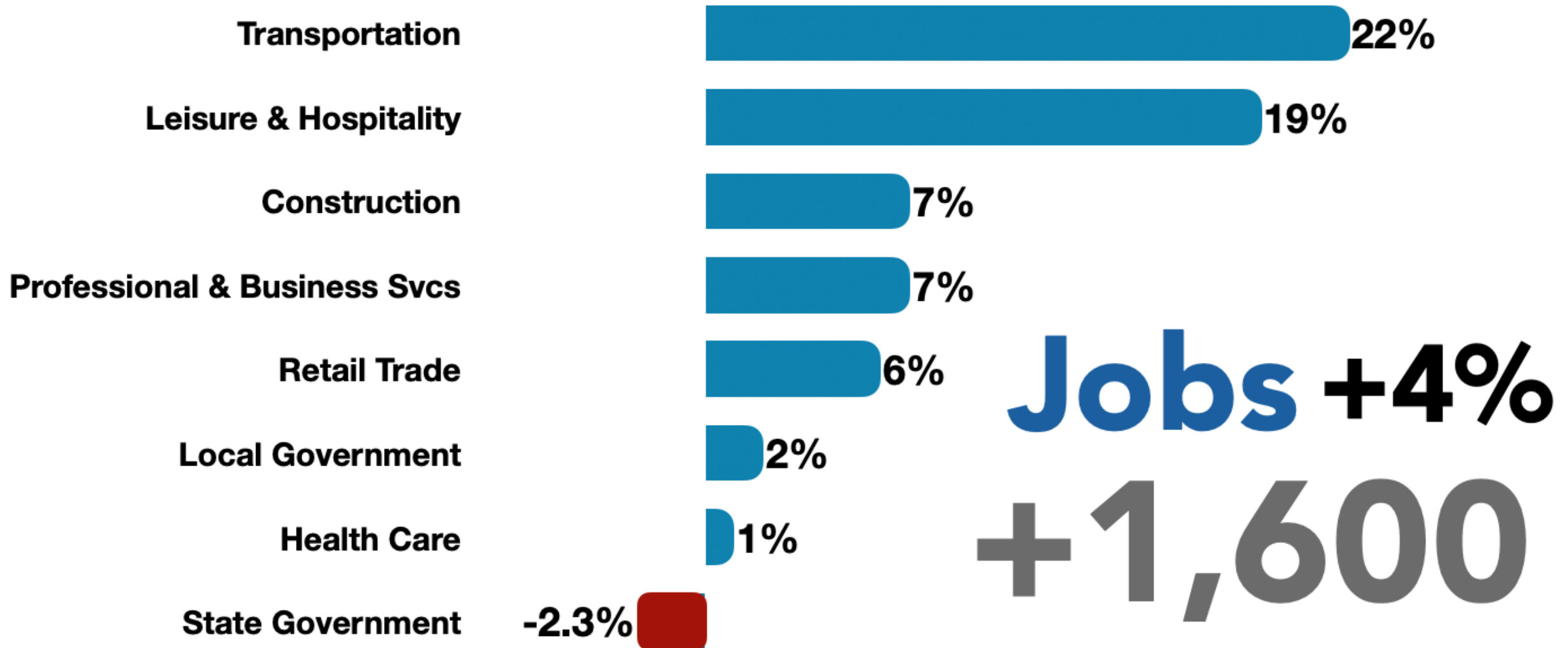


FOR THE **4TH** TIME IN **25** YEARS

3: Job Growth Projected

Southeast Alaska Pandemic **Economics**

Projected Change in **2022**



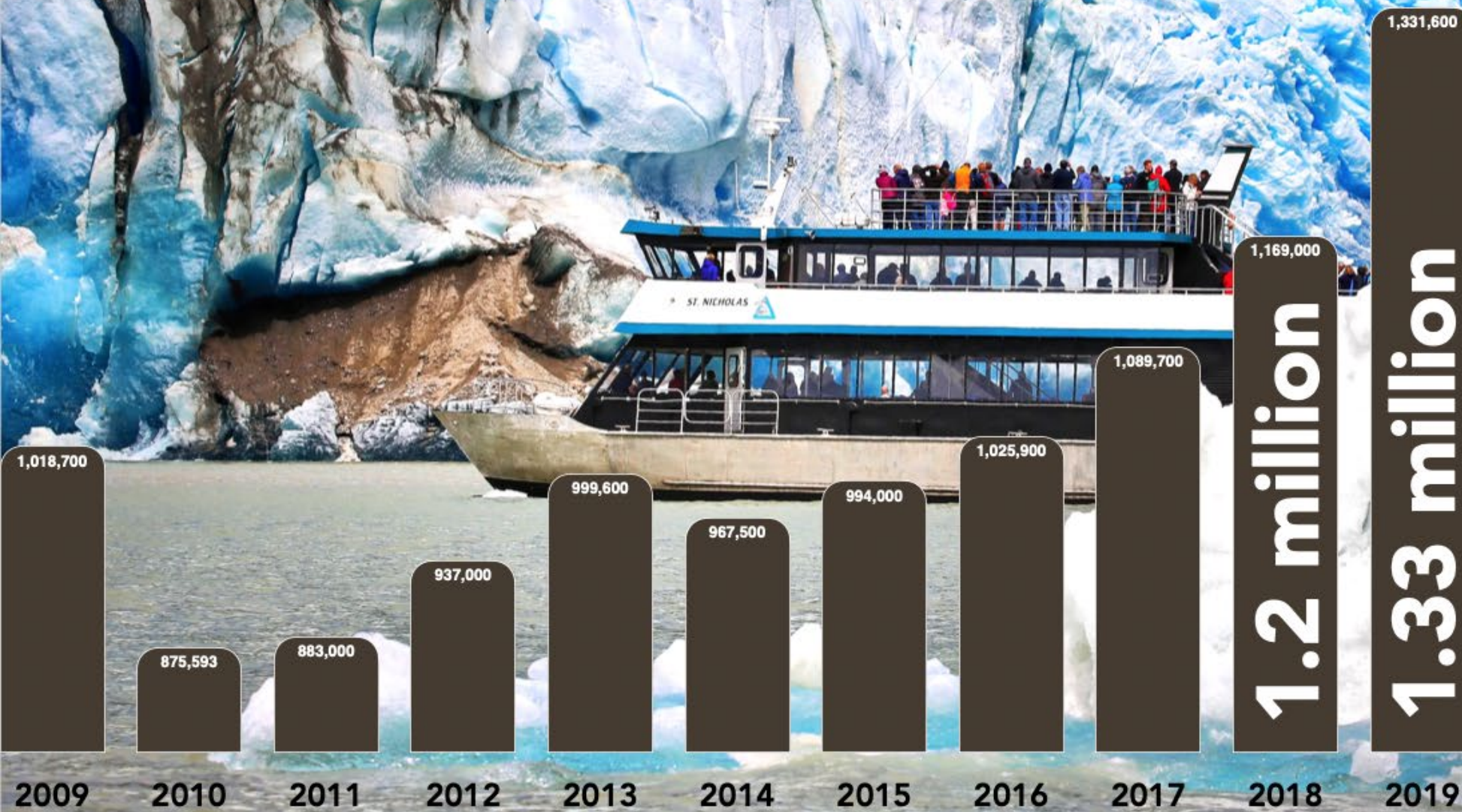
4: Tourism

Rebounding

Visitors are Coming Back



Cruise Passengers



1.2 million

1.33 million

48 passengers

9-10% of a summer cruise season, 125,000

1.57 million projected

1,570,602

2009 2010 2011 2012 2013 2014 2015 2016 2017 2018 2019 2020 2021 2022

Source: CLIA Alaska &
Cruise Line Agencies of Alaska

Juneau

671
Voyages

1.57

Ketchikan

616
Voyages

1.40

Skagway

473
Voyages

1.20

Sitka

0.47

**Millions of
Visitors**

Hoonah

0.45

**Projections based on current
schedule at normal capacity.**

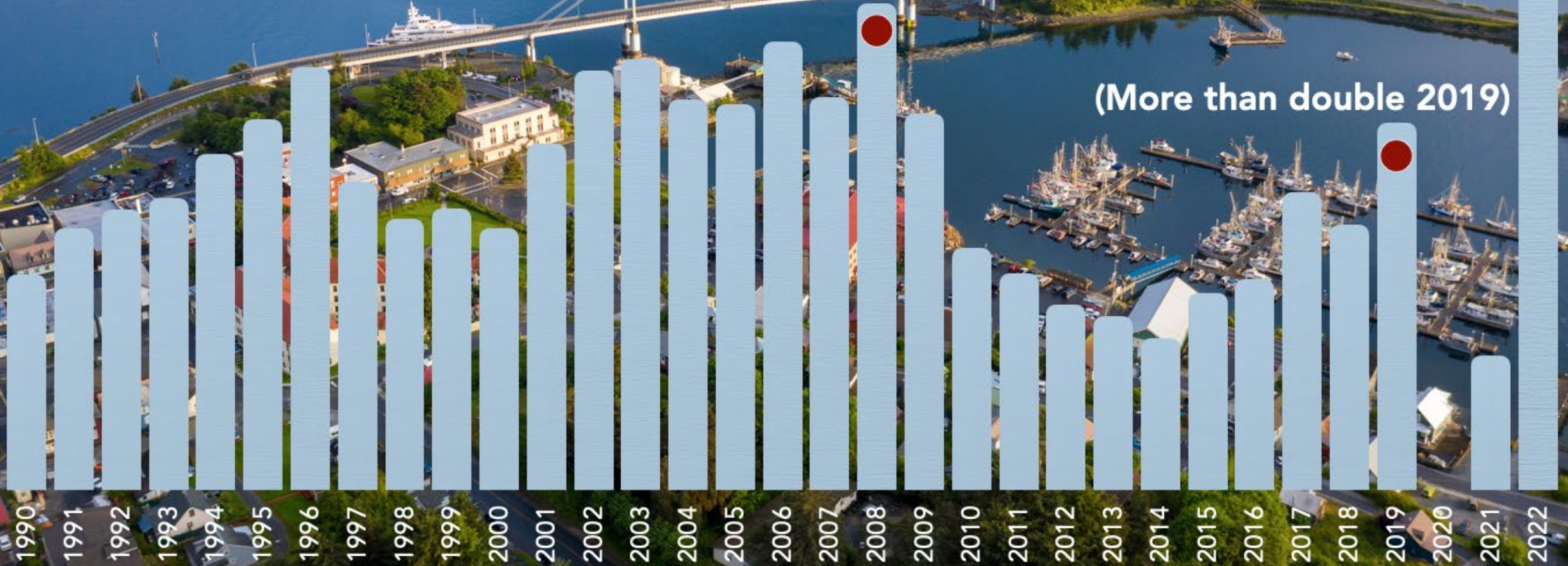
Sitka Cruise Visitors

Arriving Passengers from Large Cruise Ships
Sitka 1990-2020

Potentially up to
471,000

Peak year = **289,753** in 2008

(More than double 2019)



Potential Economic Impact

Southeast Alaska

\$530

Per passenger
spending

X

Estimated

1.57

Million
passengers

= \$832 million in spending Normal capacity
by cruise passengers

Air Passengers are Back Too

-58% 2020

+58% 2021



5: Construction Boom



FOR THE **2ND** TIME IN **8** YEARS

Construction Jobs are Up



100

MORE JOBS EXPECTED IN 2022

+7%

Infrastructure Bill: Alaska

**\$5
Billion**

\$3.5 billion for highways

\$1 billion for the ferry system +

\$73 million for new ferries

\$225 million for bridges

\$180 million for water, wastewater projects

Highest spending per cap. benefit

5 YEARS

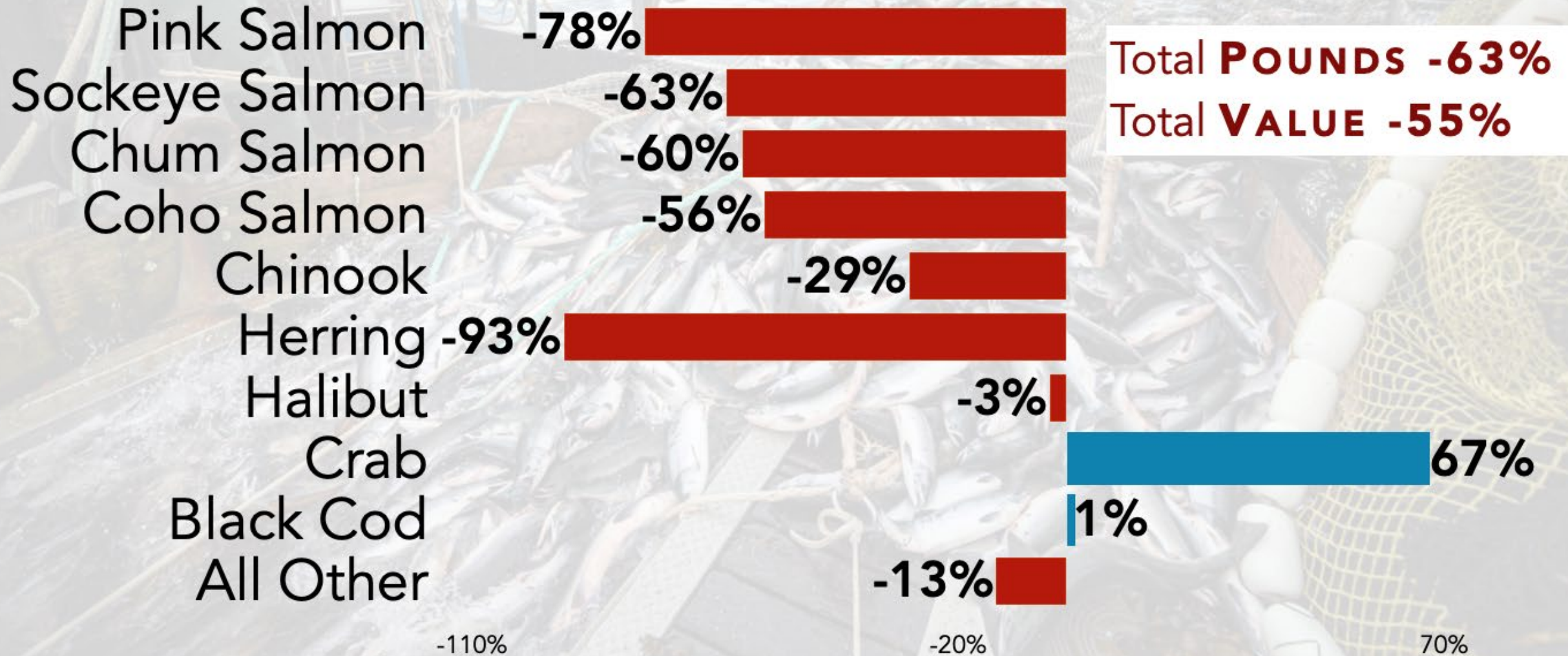
6: **Salmon
Returned**



JOBS, WAGES, CATCH, AND VALUE ALL UP

SEAFOOD

2020 CATCH COMPARED TO 10 YEAR AVERAGE



2021 SALMON CATCH

COMPARED TO 2020

+44 million fish X 4

+124 million pounds X 2.7

+\$82 million value X 2.6

The Southeast Alaska pink salmon harvest in 2022 is predicted to be weak

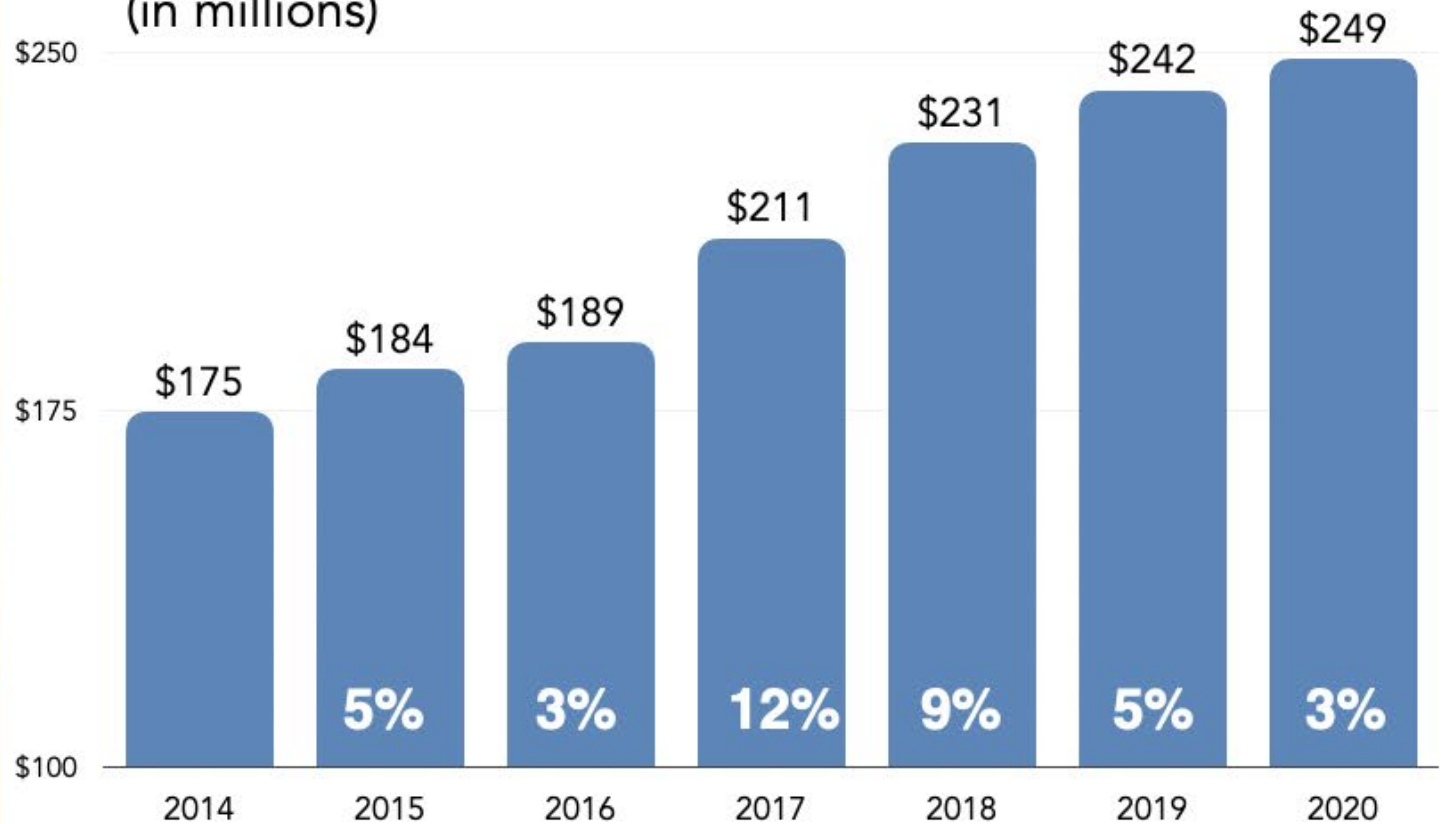
7: Health Care Strong



HIGHEST WAGE GROWTH

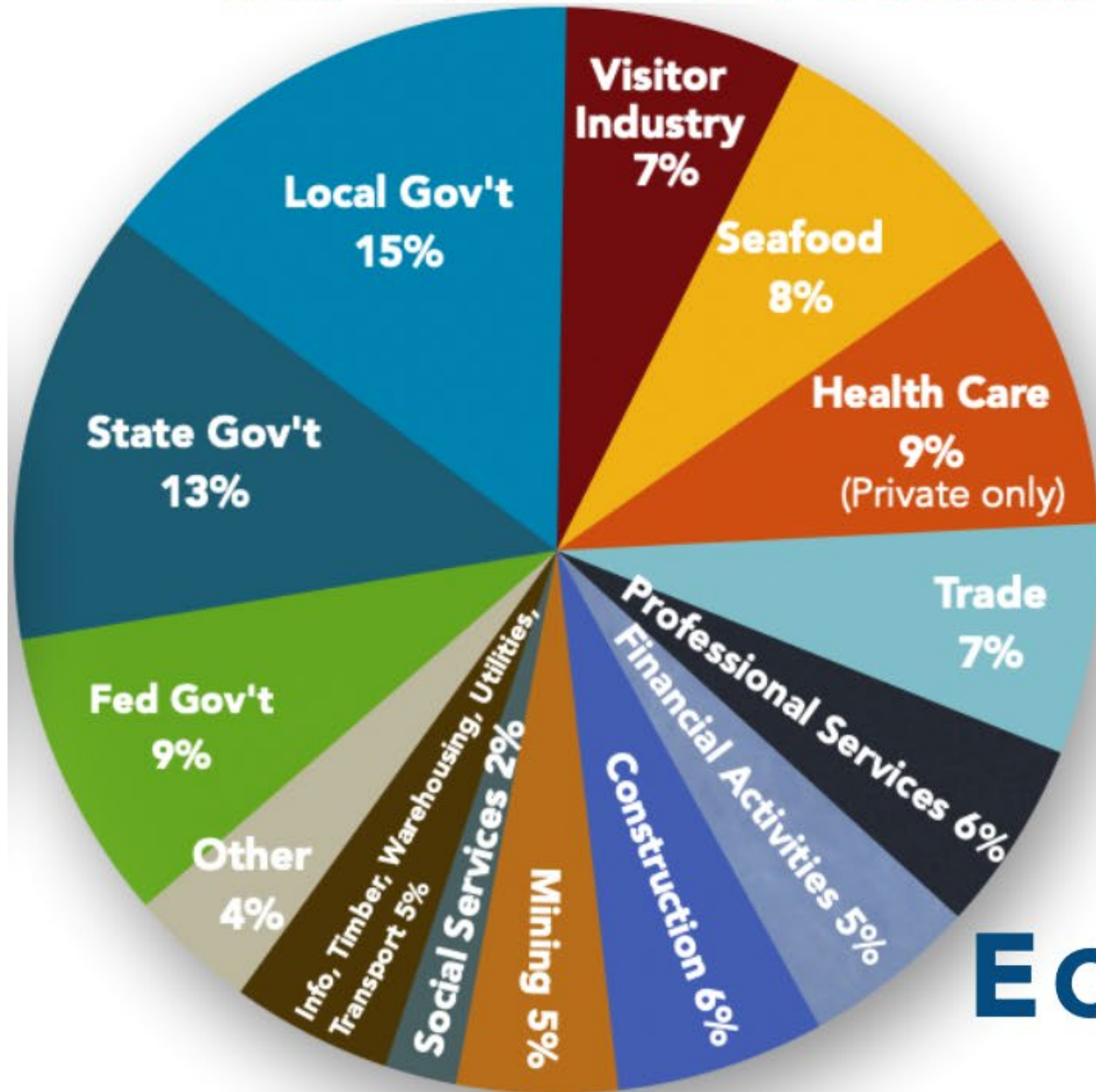
Average **6%** Annual

Southeast Alaska Health Care Employment Wages
(in millions)



The Whole Southeast Alaska Economy

2020 Earnings



Health Care = 12%
with gov't health
care wages

**#1 PRIVATE
ECONOMIC SECTOR**

8: Engaged

Business &

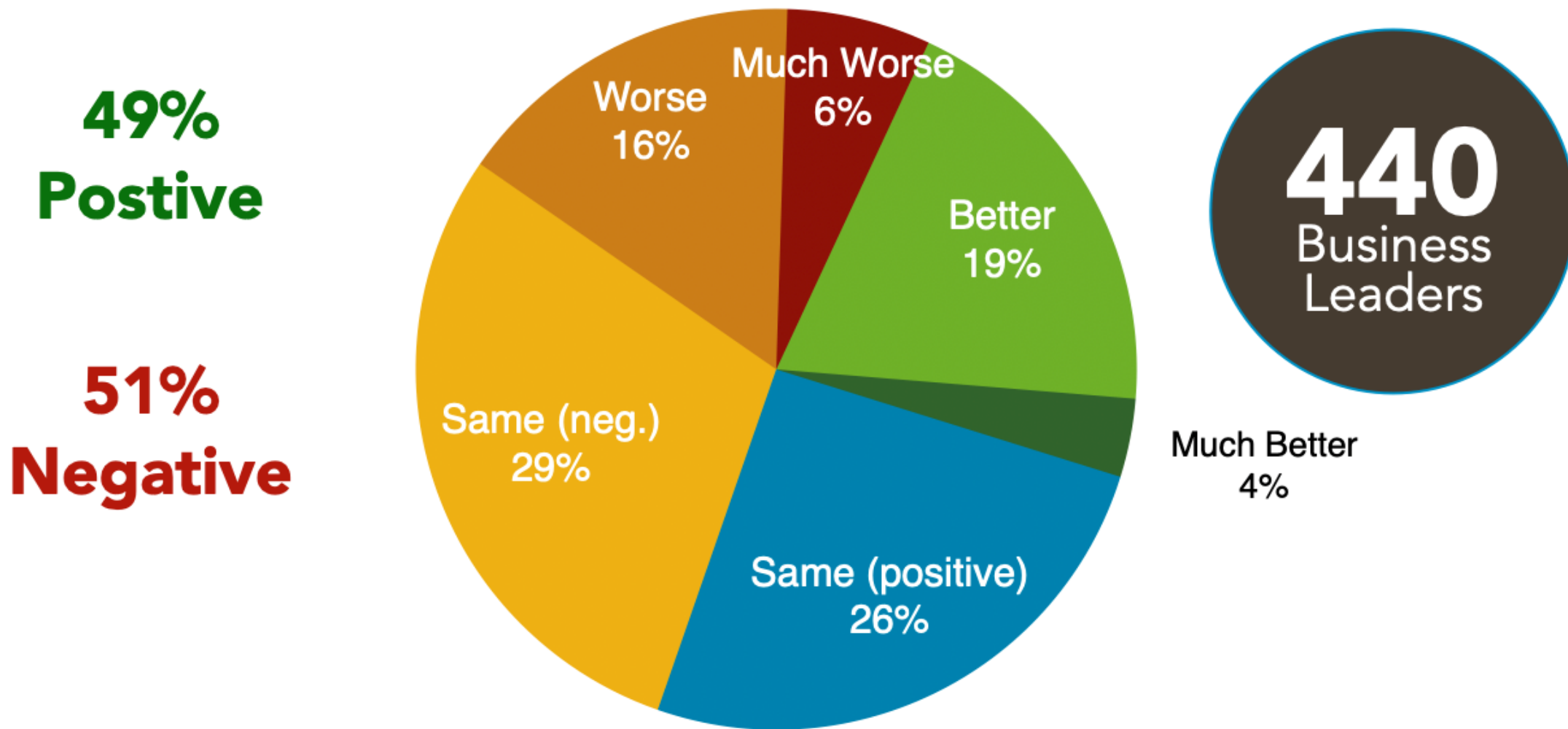
Public Leaders



LOCAL GOVERNMENT

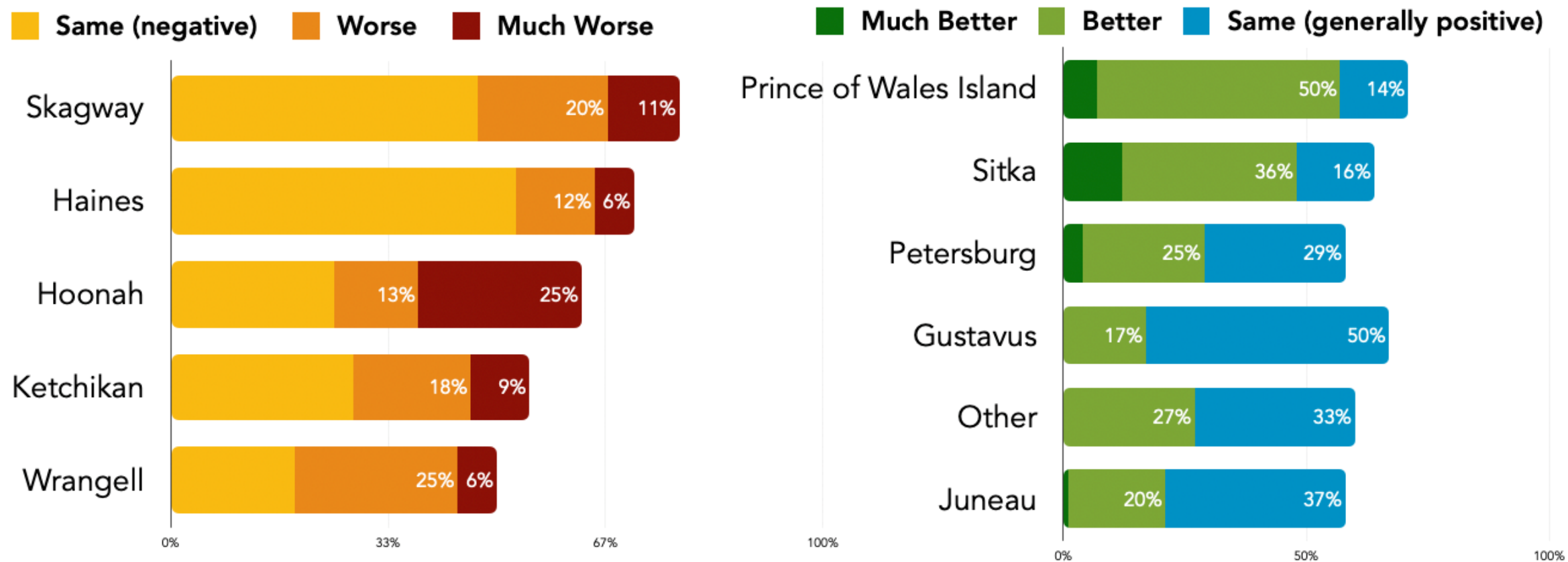
Southeast Economic Outlook

Southeast: What is the economic outlook for your business or industry over the next 12 months? (May 2021 through May 2022)



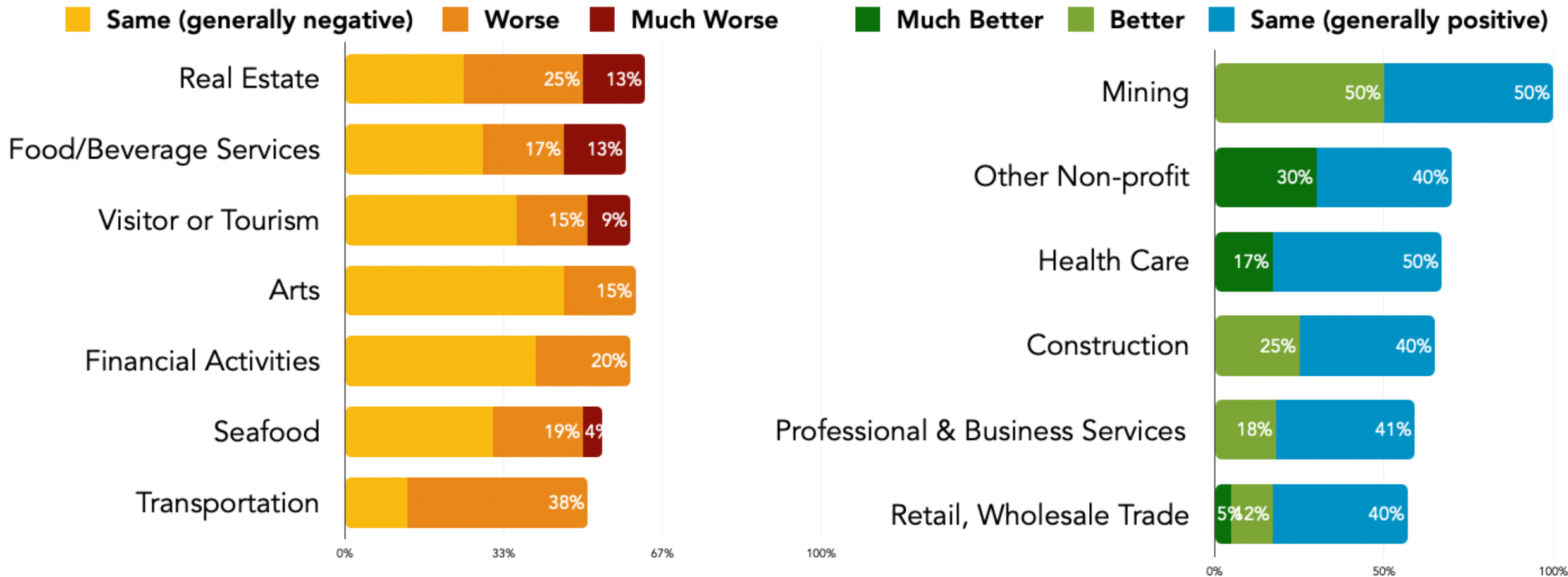
Southeast Economic Outlook: by Community

2021: What is the economic outlook for your business or industry?



Southeast Economic Outlook: by Industry

2021: What is the economic outlook for your business or industry?



9: **Effective**

Economic Plan

Southeast Alaska 2025 Economic Plan



Priority #1
**Sustain and support the Alaska
Marine Highway System**

\$1 billion for the ferry system +
\$73 million for new ferries

Priority #2
Mariculture development

\$500,000 build back better maritime grant
\$500,000 mariculture processing facility POW

Priority #3
**Market Southeast Alaska
to attract more visitor spending
and visitor opportunities**

Priority #4
**Promote beneficial
electrification**

10: **High
Vaccination
Rates**

SOUTHEAST ALASKA VACCINATION RATES 2022

As of February 1: Fully Vaccinated

Southeast Community	% 2 Shots	% 3 Shots
Juneau	80%	39%
Skagway	79%	37%
Sitka	78%	41%
Yakutat, Hoonah, Angoon	76%	40%
Haines	70%	34%
Ketchikan	68%	28%
Prince of Wales	66%	27%
Petersburg	66%	32%
Wrangell	63%	32%
Total Southeast	74%	35%
Alaska Total	60%	23%
US Total	64%	27%

"Whether booster or vaccination shots...

Think of it as economic development."

Wrangell Sentinel

2022 Summary

- 1: **Oil Prices** Rising
- 2: **Population** Increasing
- 3: **Jobs** Growing
- 4: **Tourism** Rebounding
- 5: **Construction** Booming + Infrastructure Bill
- 6: **Salmon** Returned
- 7: Robust **Health Care Sector**
- 8: Engaged **Business & Public Leaders**
- 9: Effective **Economic Planning**
- 10: High **Vaccination Rates**

**#Southeast
Strong**

THANK YOU!



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