



**SOUTHEAST
CONFERENCE**

SOUTHEAST ALASKA

By the Numbers 2022

Updated for MSS
January 2023



Top 8 Stories of the Southeast Alaska Economy





1 The Economy is Up (by a mile)

Jobs +5%

+2,100

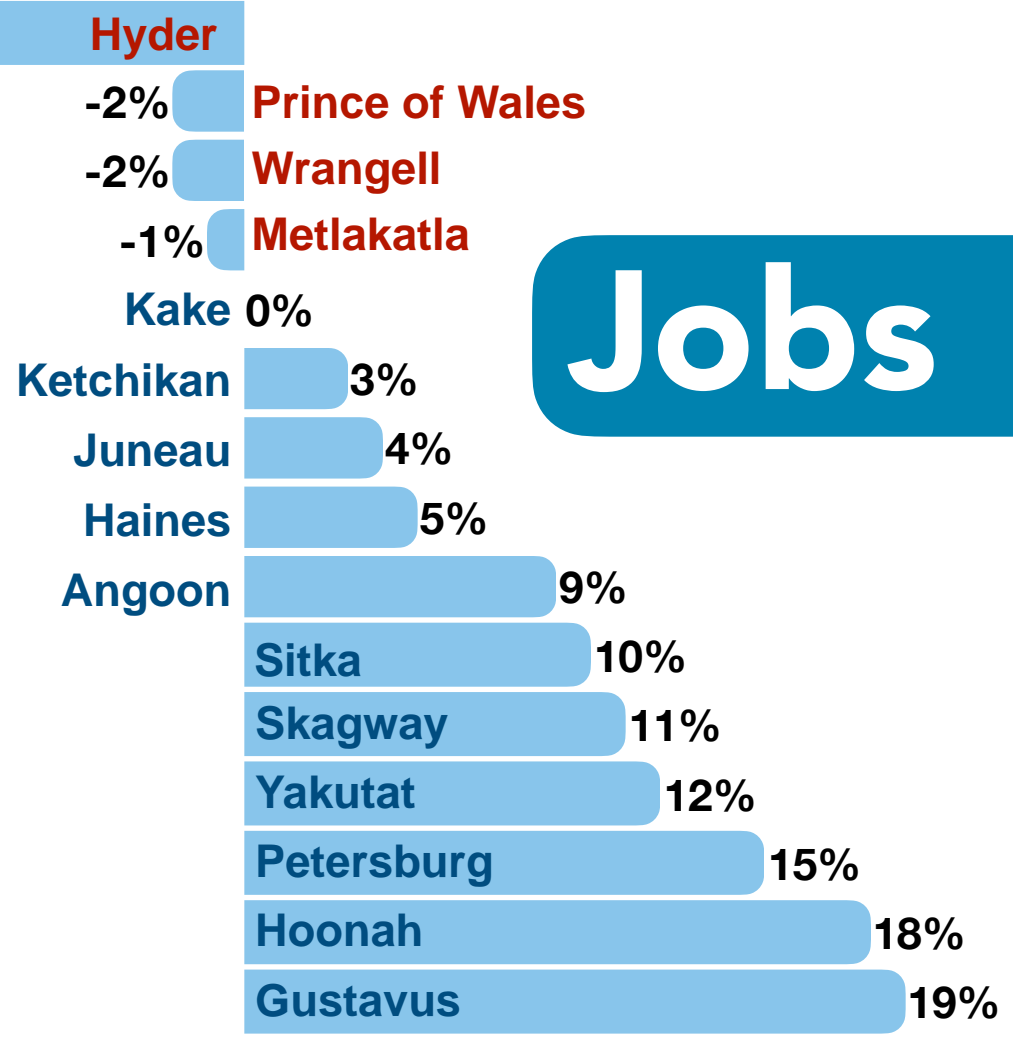
2020-2021

-33%

Southeast Alaska Employment Change 2020 to 2021

Juneau = +600
Sitka = +400
Ketchikan = +180
Petersburg = +180

Thanks to Alaska Department of Labor for data



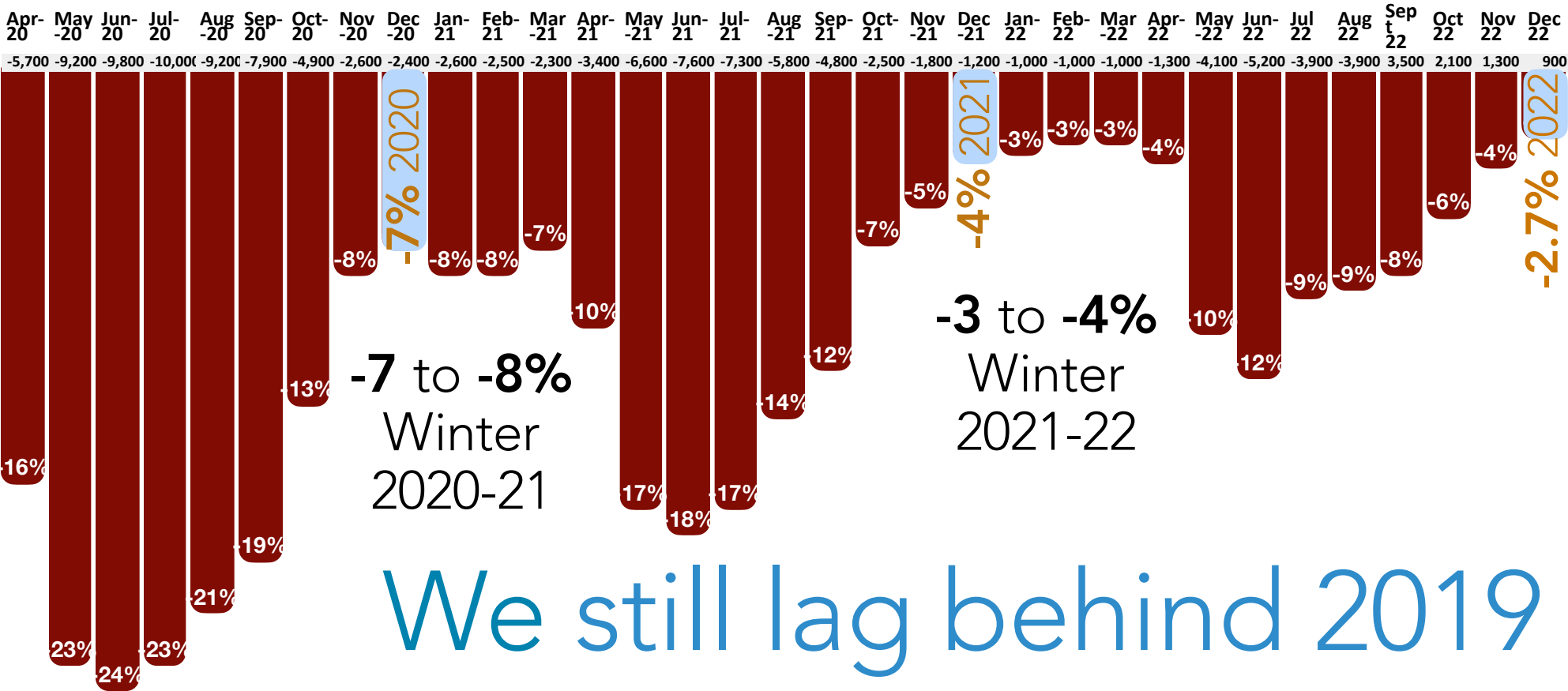
Jobs

Jobs +3%

+1,400

2021-2022

32 Months after COVID-19 Job Losses



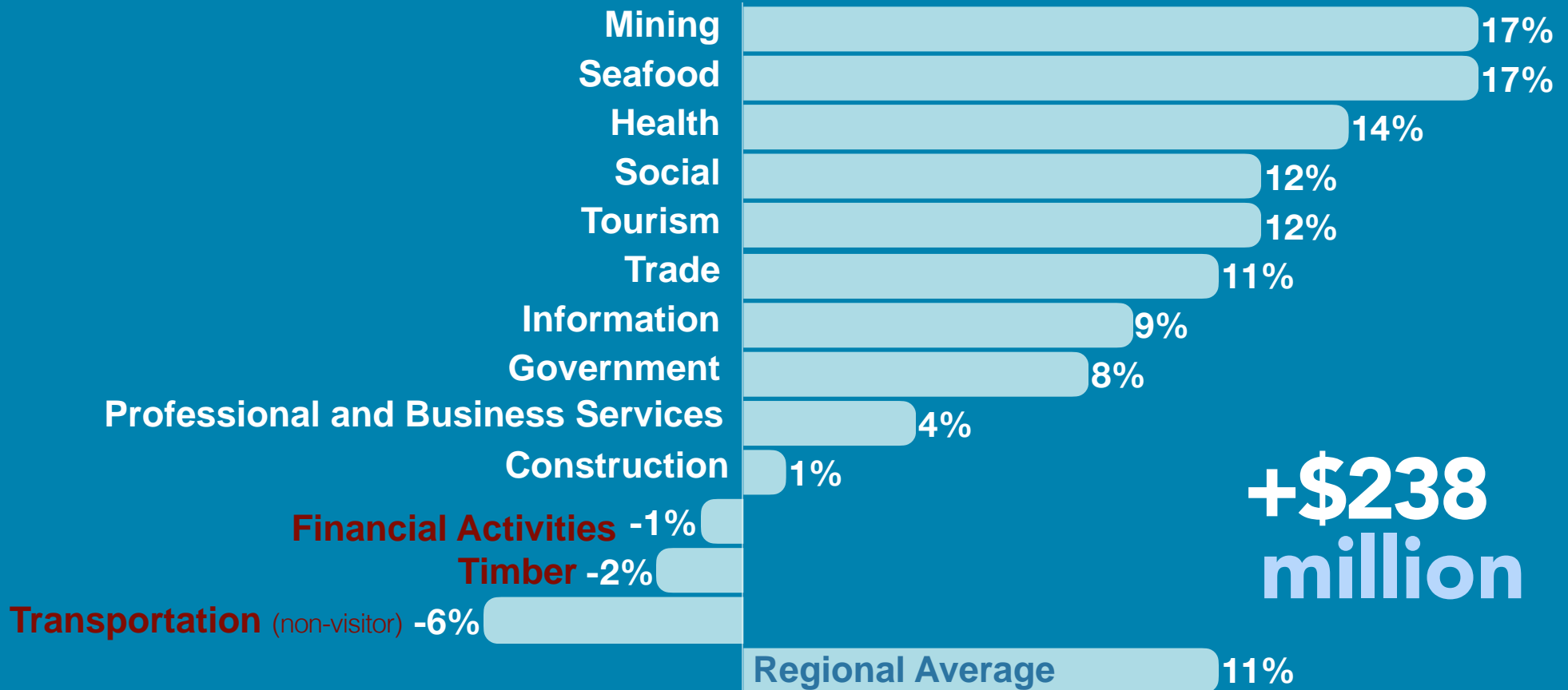
We still lag behind 2019

Compared to the same pre-pandemic month in 2019

2 Wages are Growing



Average Earnings 2019-2021



Inflation 2023

Inflation has softened in Alaska, following the national trends

- Oct - December 2022: CPI decreased by 1.4% in urban AK
- Higher prices prevail in many rural communities
- Average home selling prices surged in 2022, but market is cooling



3 Federal funding
& intervention
has been key

Federal Awards 2022

\$135 million

Southeast Conference: \$49.5 million mariculture

Prince of Wales: \$29.3 million to expand fiber optic network

USFS: \$25 million Southeast Alaska Sustainability Strategy

U.S. Dept. Education: \$12.5 million Alaska Native Education

Sitka: \$7.8 million for Sitka's Marine Service Center

Petersburg: \$6.4 million for harbor work

Ketchikan: \$4 million for Coast Guard facility improvements

Infrastructure Bill

AMHS	\$285,000,000
Juneau	\$24,229,548
Sitka	\$9,106,117
Petersburg	\$7,395,225
Tongass	\$2,009,500
Ketchikan	\$1,995,948
Wrangell	\$1,764,581
Klawock	\$1,277,917
Yakutat	\$1,008,305
Gustavus	\$1,007,217
Haines	\$1,006,493
Metlakatla	\$918,362
Hyder	\$460,002
IFA	\$299,934
Craig	\$264,534
Angeon	\$250,000
Hoonah	\$159,000
Kake	\$159,000
Skaqway	\$159,000
Coffman Cove	\$110,000
Hydaburg	\$110,000
Kasaan	\$110,000
Pelican	\$110,000
Port Protection	\$110,000
Tenakee Springs	\$110,000
Thorne Bay	\$110,000
Whale Pass	\$110,000

\$340 million
Southeast

\$3 billion
Alaska

CONSTRUCTION

A construction site scene. In the foreground, a large green Kenworth truck is parked. To its right, a yellow excavator is positioned on a gravel surface. A worker in a blue shirt and yellow hard hat is kneeling in a hole, working with a tool. Another worker in a blue plaid shirt stands near a set of stairs. A sign on the stairs reads "SIDEWALK CLOSED". The background shows a multi-story building and lush green trees.

2022 JOBS UP BY 7%

2023 JOBS UP BY 7%



4 Our Economy is
Diverse: Checking in
on our **3** top private
sector industries

**Seafood = Top
private sector
industry in 2021**

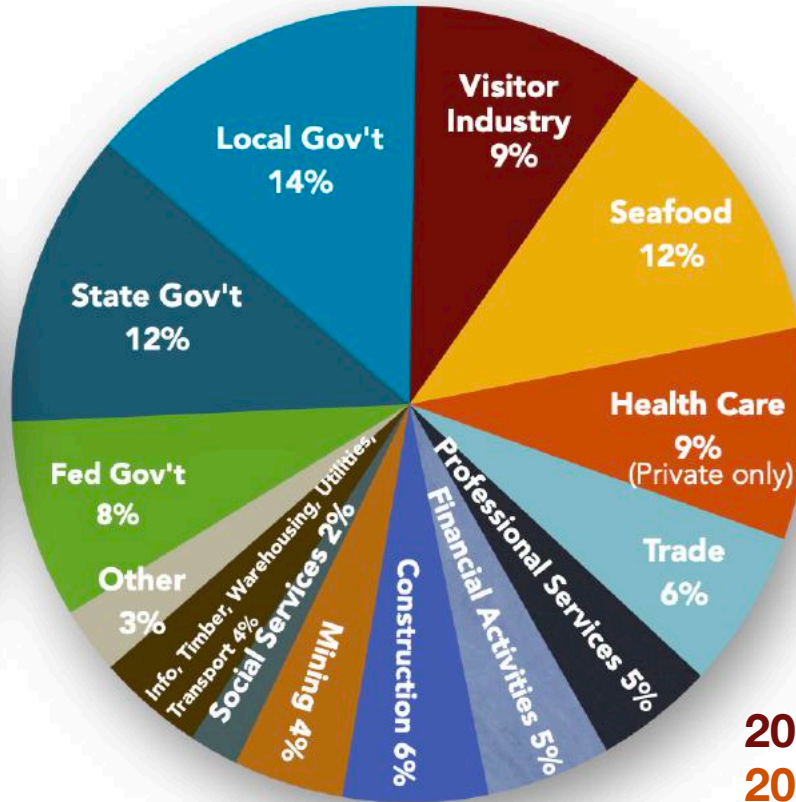
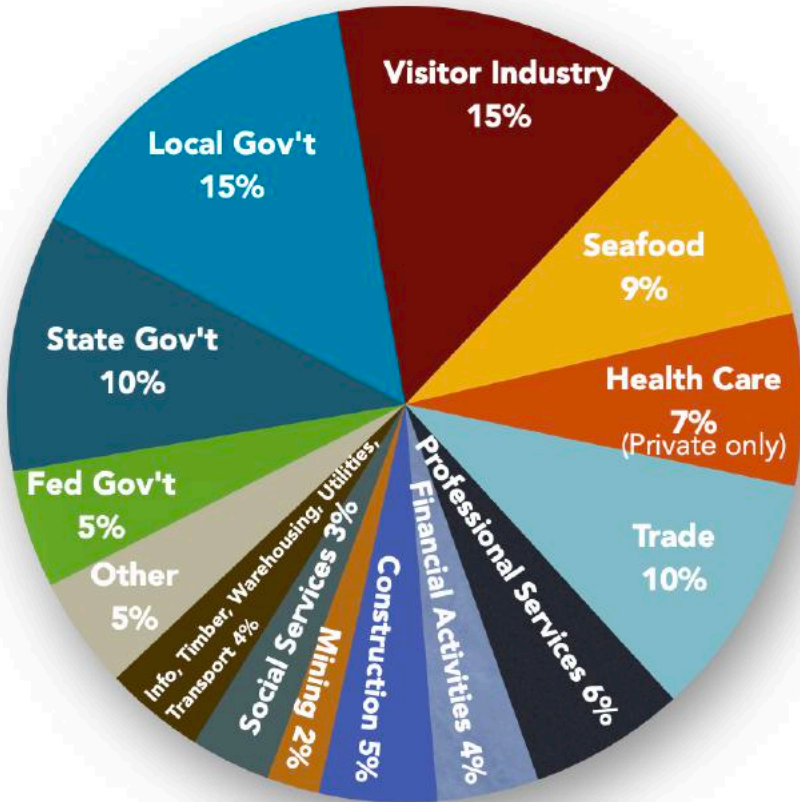
The Whole **Southeast Alaska Economy** 2021

40,187 Jobs

UP 2,100 JOBS IN 2020 +5%

\$2.4 Billion Earnings

UP \$237 MILLION +11%



Seafood was #1 private sector wage provider in the region in 2021 - for the first time since 2015

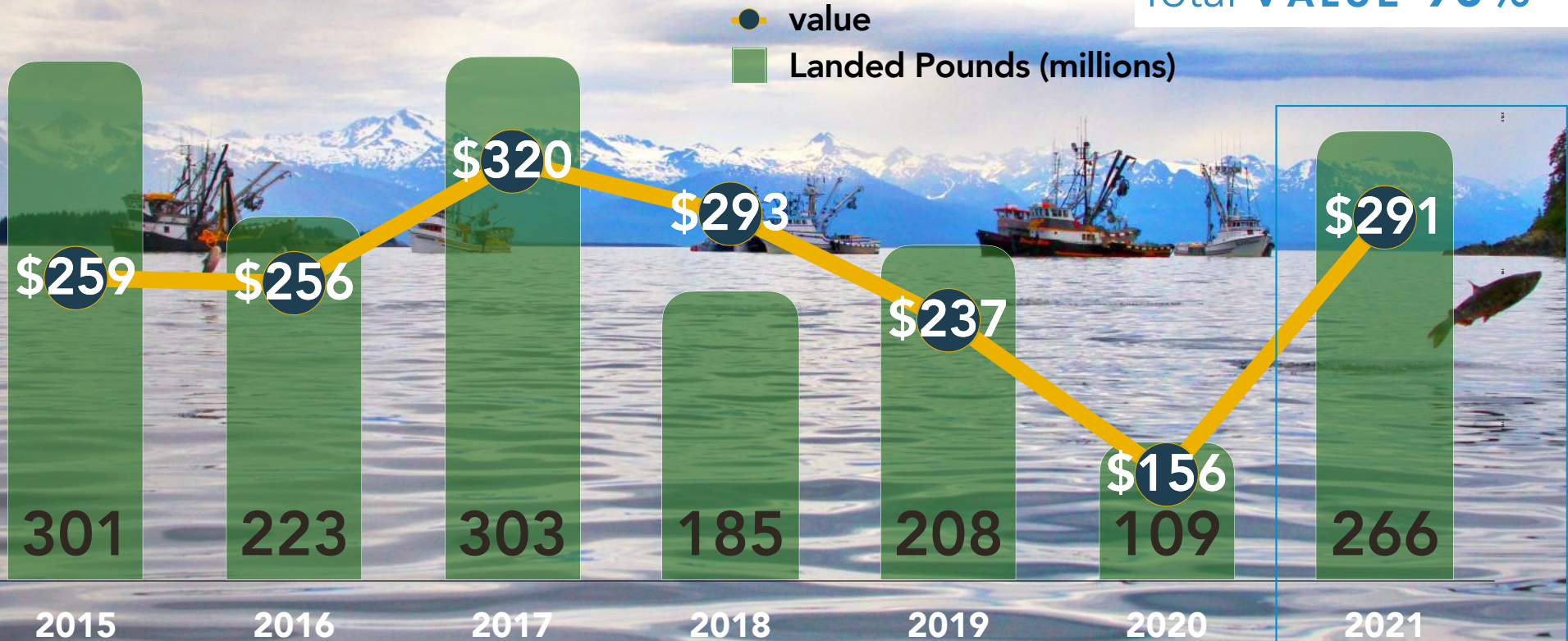
2019 = Tourism
2020 = Health Care

SEAFOOD

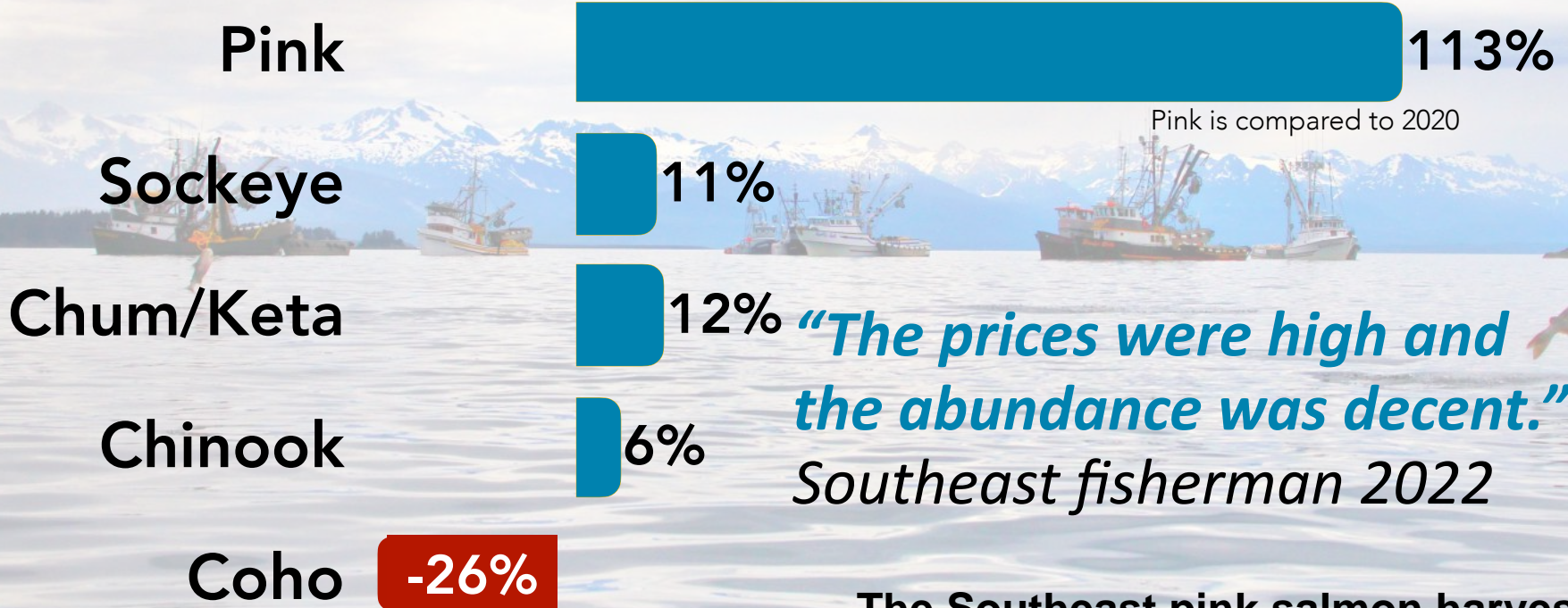
UP 600 JOBS IN 2021

Total **POUNDS** 145%

Total **VALUE** 96%



2022 CATCH COMPARED TO 2021



The Southeast pink salmon harvest in 2023 is predicted to be in the **weak** range.

Tourism is Back and
Thriving

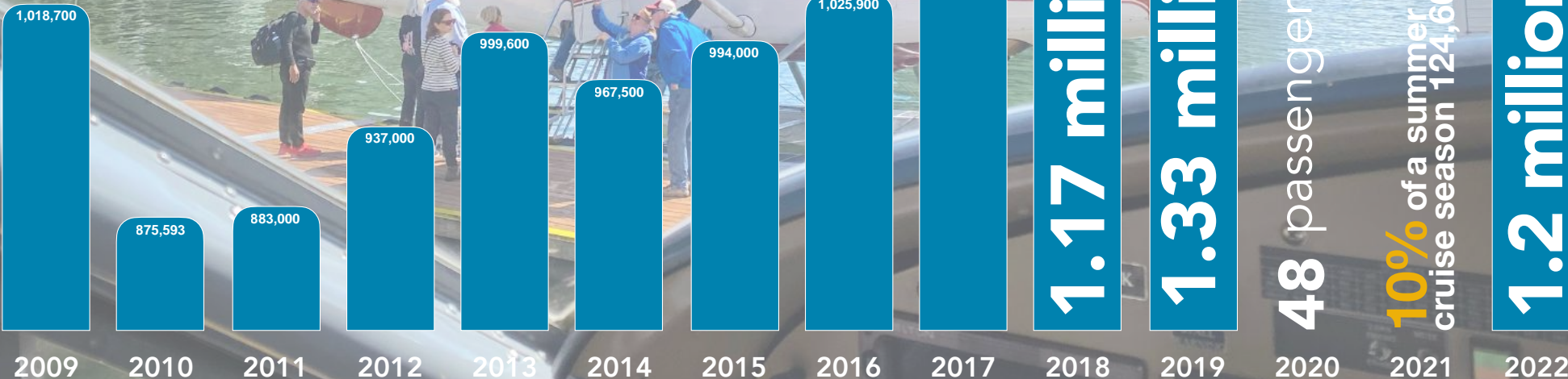
TOURISM

A composite image illustrating tourism. The top left features the word 'TOURISM' in large white letters on a dark grey background. The main scene shows a large white and blue cruise ship docked at a pier. In the foreground, a red and white seaplane with 'N339AK' and 'WINGS AIRWAYS' is on a wooden dock. Several people are gathered around the plane. The bottom right shows a view from the cockpit of the seaplane, with a '2022 JOBS UP BY 20%' text overlay.

2022 JOBS UP BY 20%

CRUISES

2022 = 2ND BEST YEAR EVER



74% Full

1.17 million
1.33 million

48 passengers

10% of a summer cruise season 124,600

1.2 million

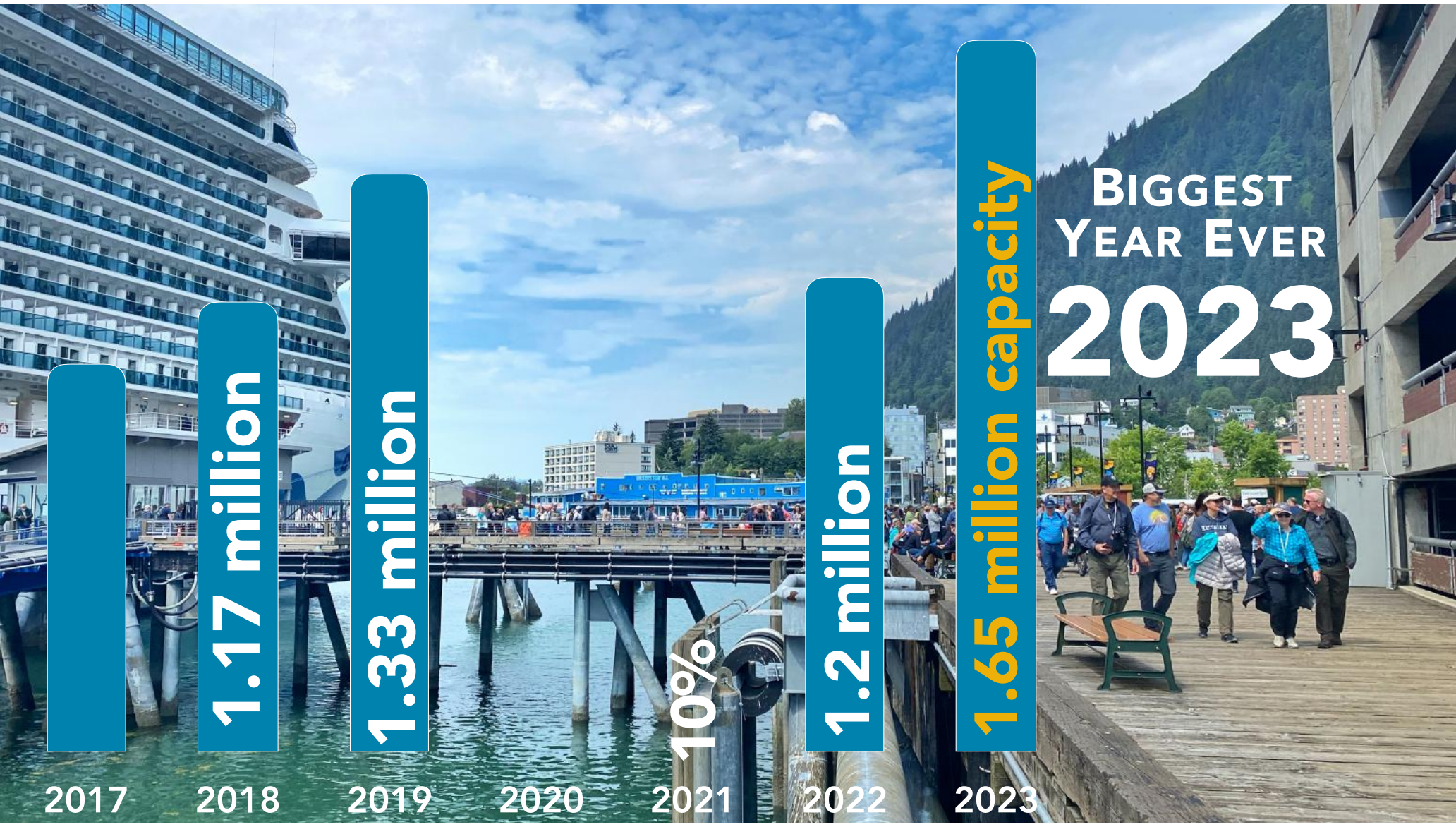
2009 2010 2011 2012 2013 2014 2015 2016 2017 2018 2019 2020 2021 2022



2023

1.65 MILLION

Projected CRUISE Passenger Capacity



**BIGGEST
YEAR EVER
2023**

1.17 million

1.33 million

1.2 million

1.65 million capacity

10%

2017 2018 2019 2020 2021 2022 2023

2023 Cruise Schedule

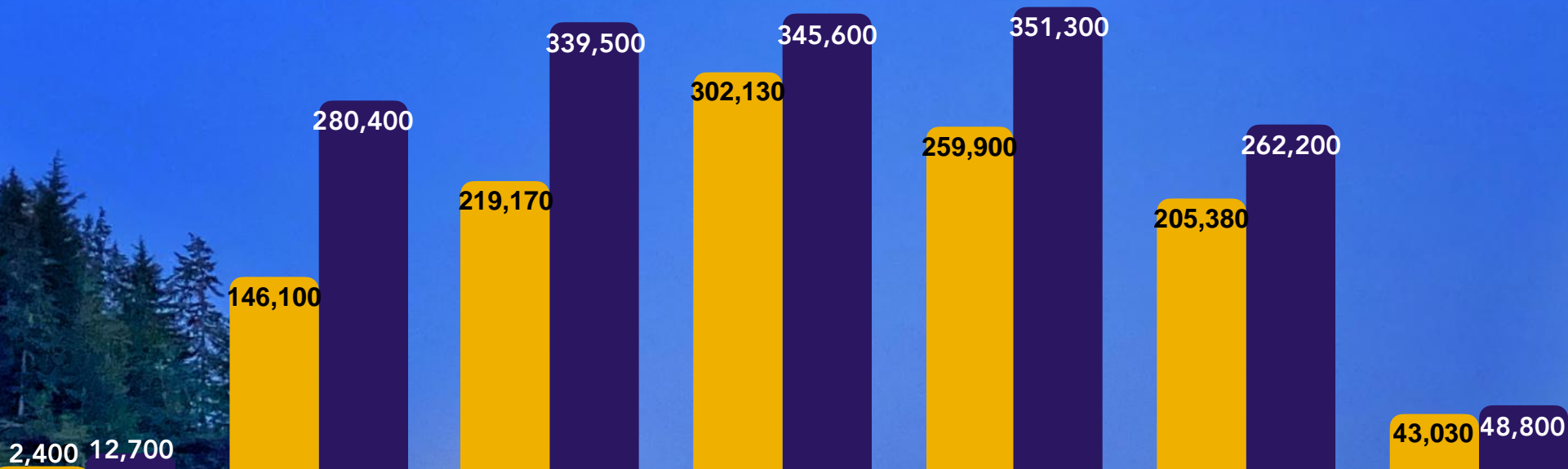


First Ship - April 17th, 2023

Last Ship - October 27th, 2023

Total Voyages = 693 (+16, +2.3%)

Total Ships = 40+



April

May

June

July

Aug

Sept

Oct

2022 Actual

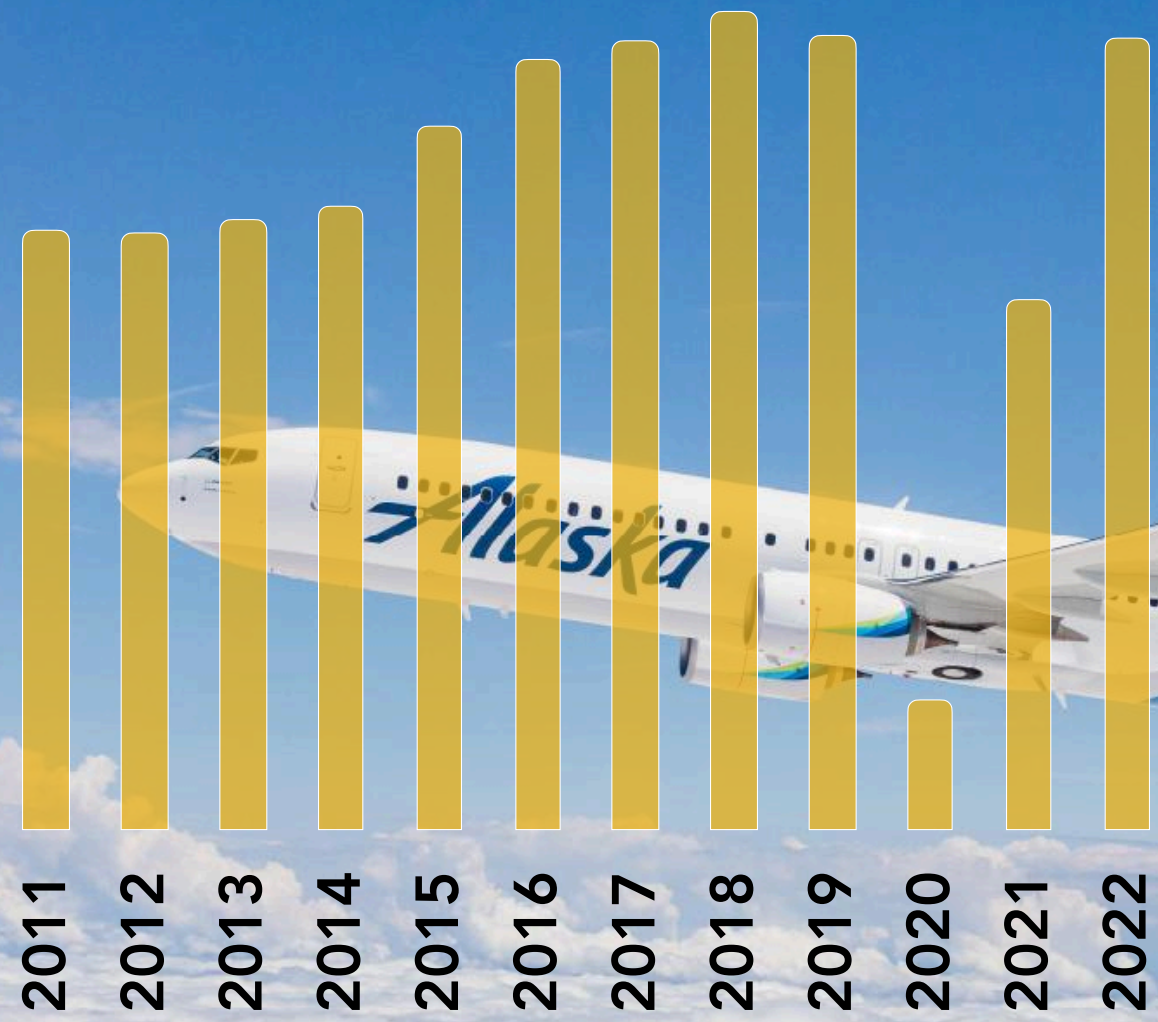
2023 Based on full capacity

CRUISE
SE Passengers

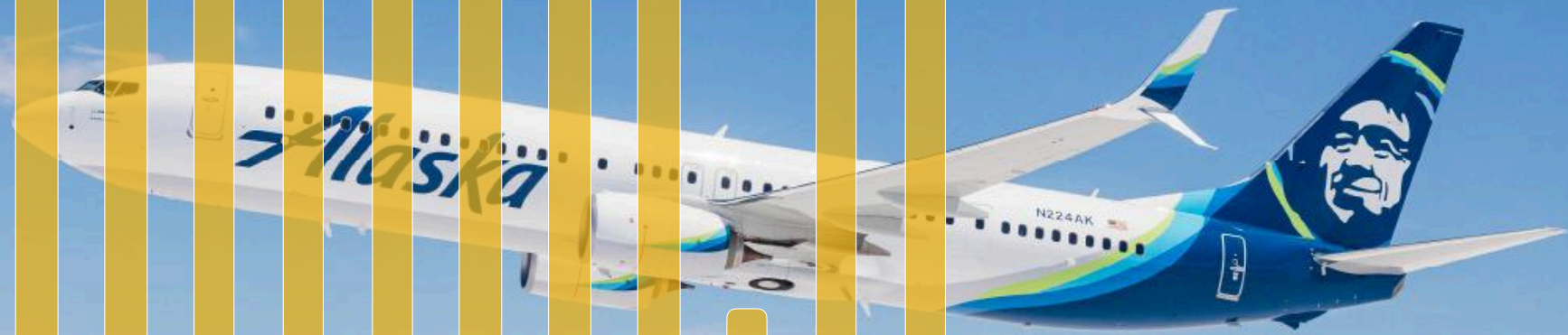
Airplane Traffic

3RD BEST YEAR EVER

Just 0.2% below 2019 levels



Arriving Air Passengers 2022



4TH WORST YEAR EVER



AMHS
SE Passengers

Health Care has
Workforce/Cost
Challenges

HEALTH CARE

A healthcare worker with long brown hair, wearing a white surgical mask and a grey patterned sweater, is using a red stethoscope to examine the back of a patient. The patient is seen from the back, wearing a blue t-shirt and a purple surgical mask. In the background, there is a white wall-mounted medical equipment rack containing a Welch Allyn sphygmomanometer, a reflex hammer, and other tools. The scene is set in a clinical or hospital environment.

DOWN 170 JOBS IN 2021 -5%

WAGES UP BY 0.4%

FLAT IN 2022

FLAT IN 2023

5 Labor Shortages Challenges

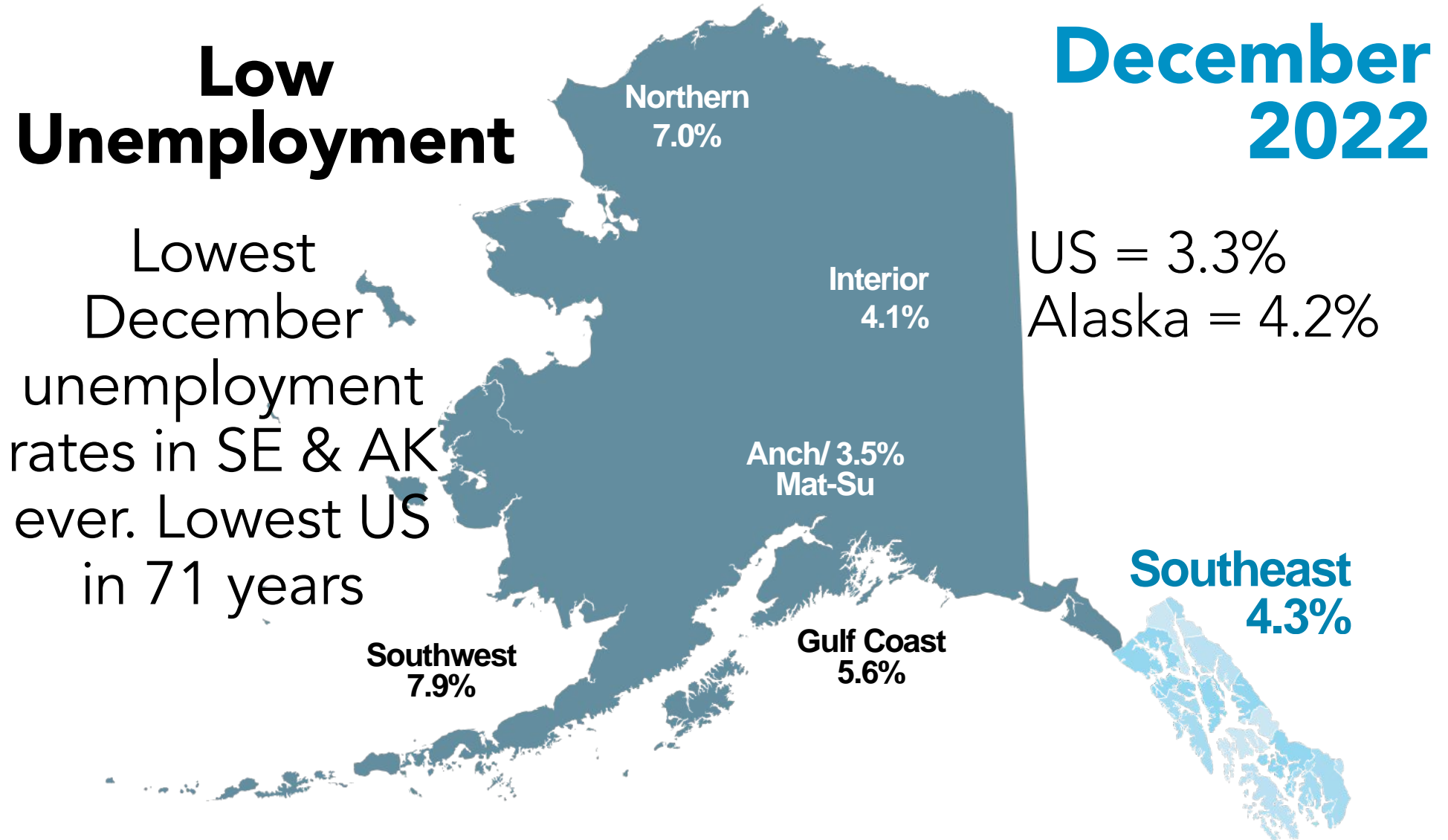


Low Unemployment

December 2022

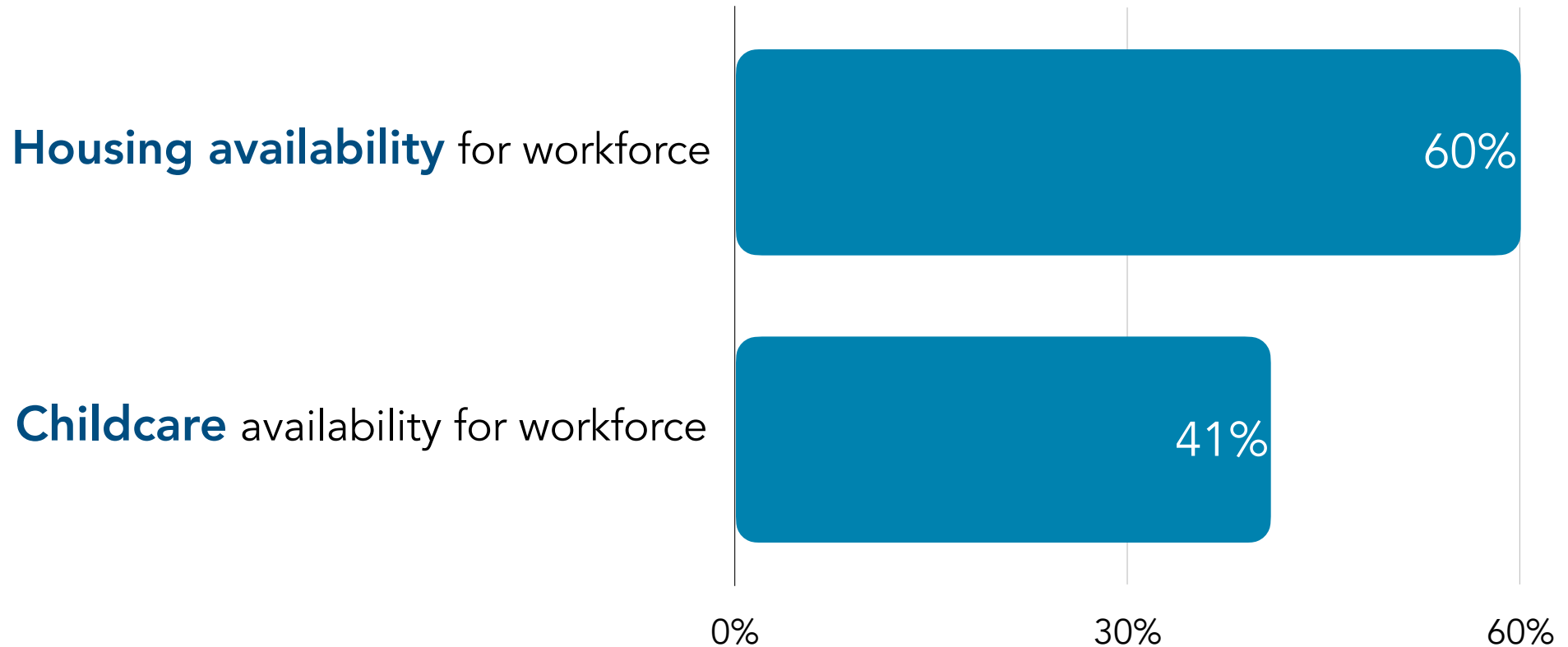
Lowest December unemployment rates in SE & AK ever. Lowest US in 71 years

US = 3.3%
Alaska = 4.2%

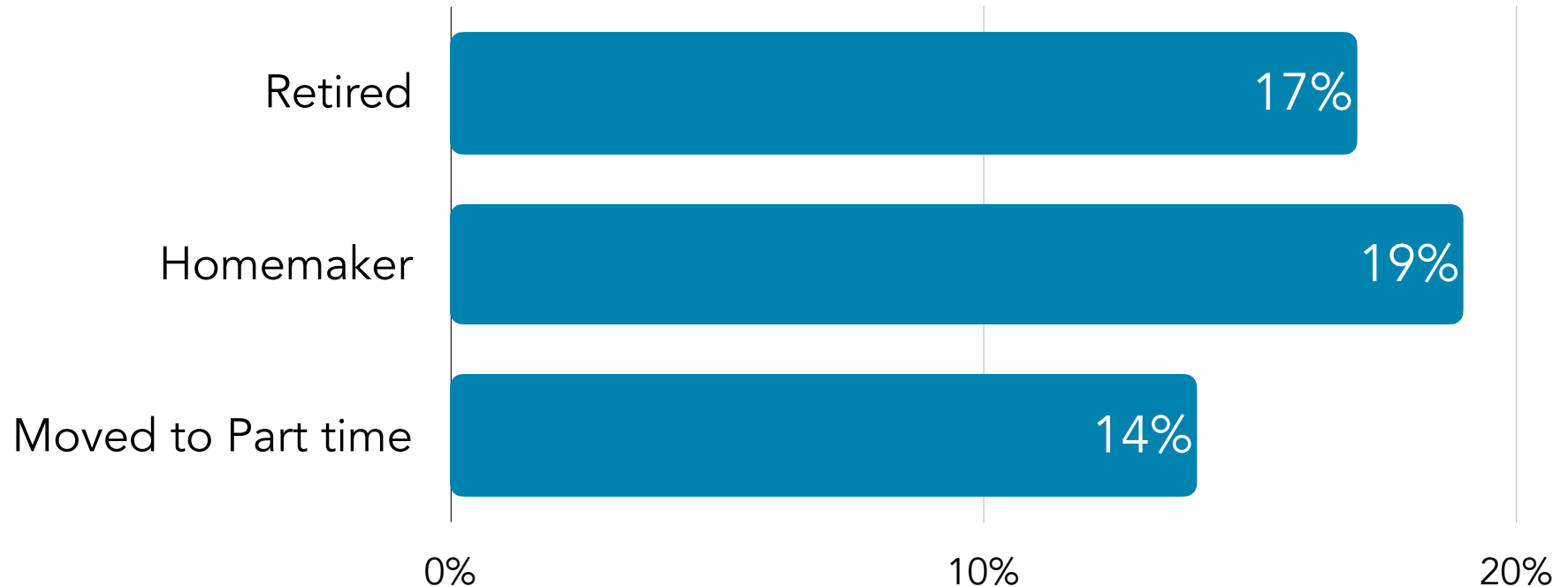


Southeast Alaska: Which of the following services would help **your organization expand**? (Workforce focus)

Services That Would Help Organizations Expand/Hire



Americans who became unemployed during the pandemic

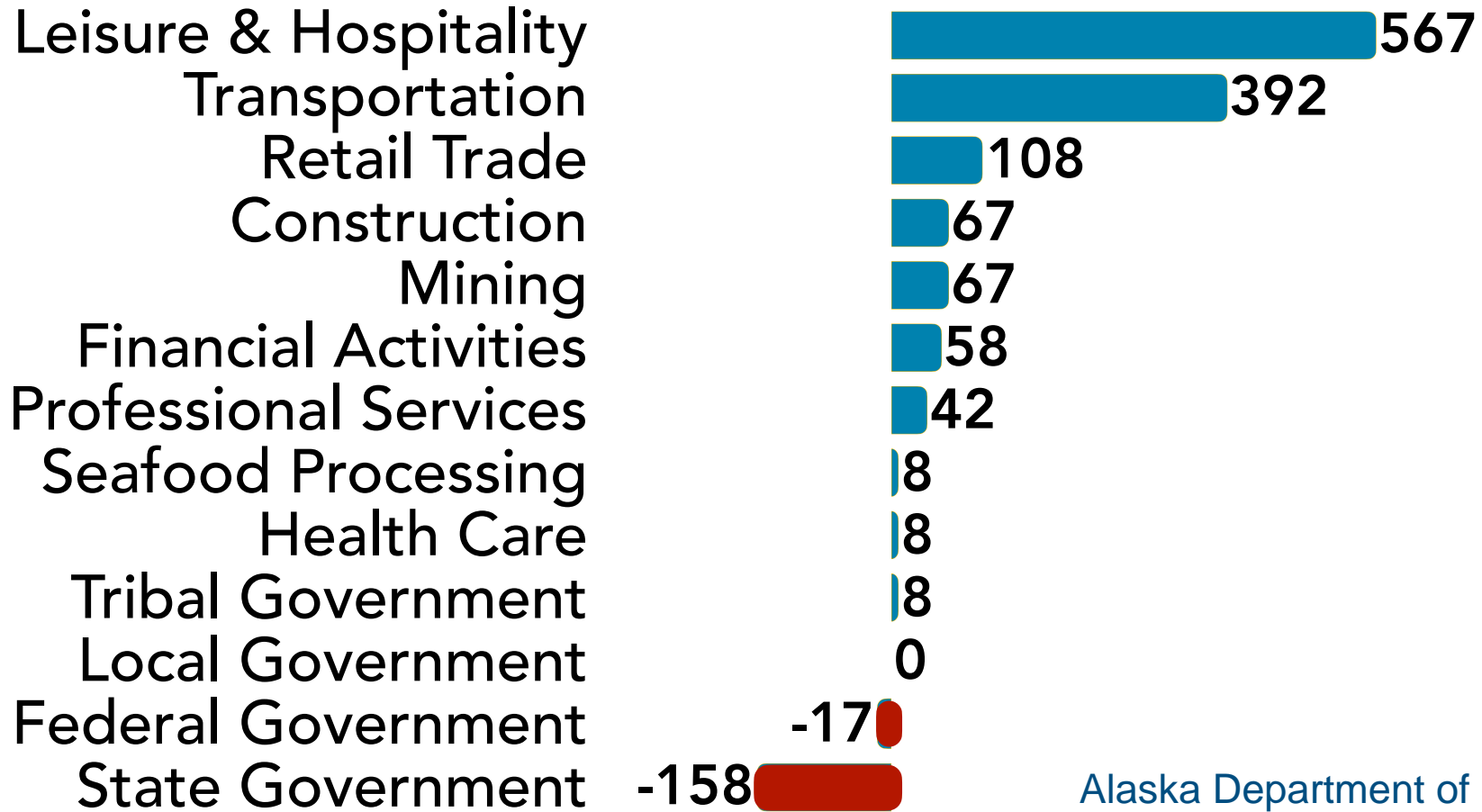


Also reduced immigration

6 State Sector Losses are Intensifying



2022 **JOBS** COMPARED TO 2021



Southeast State Jobs

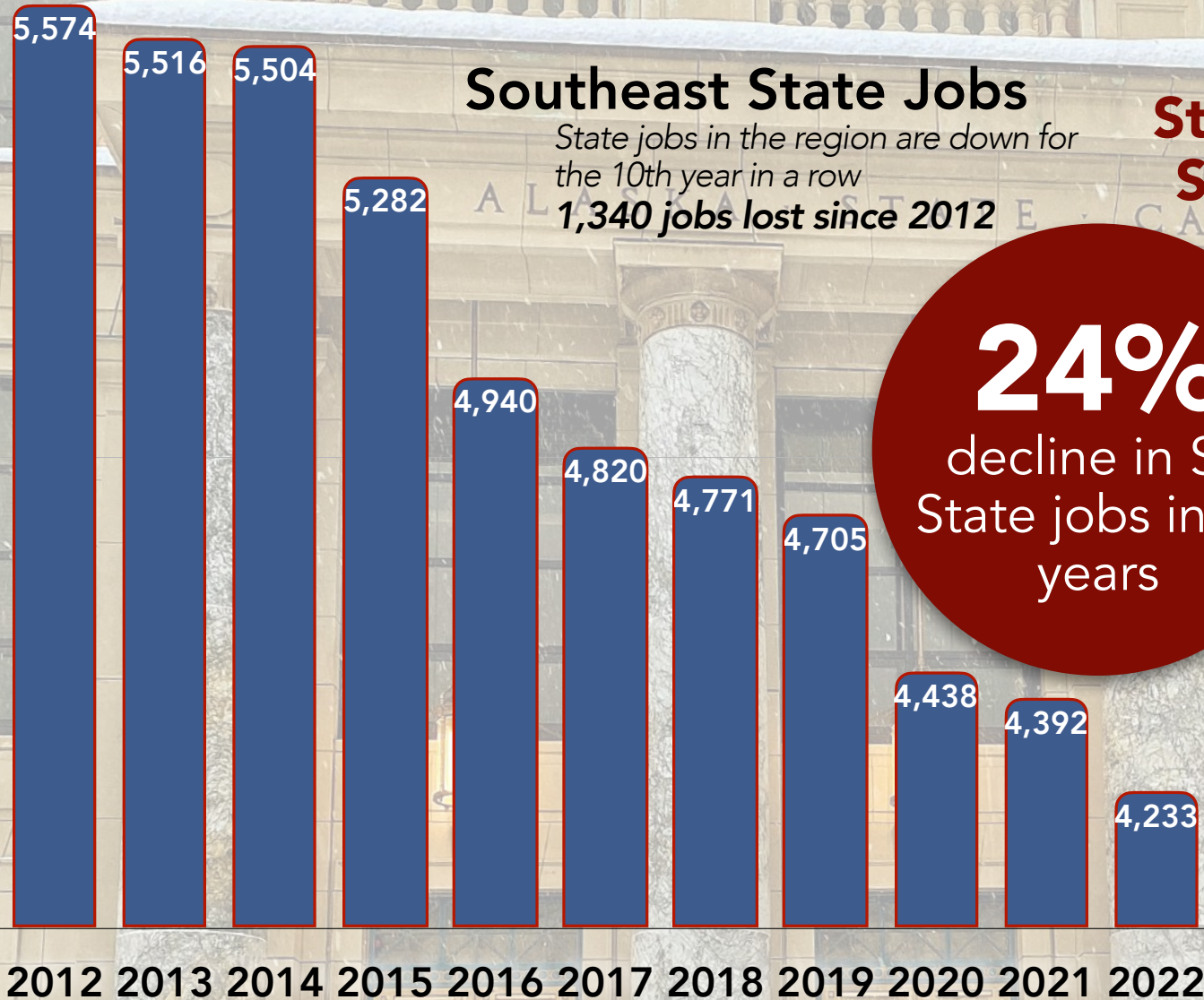
State jobs in the region are down for
the 10th year in a row
1,340 jobs lost since 2012

**State losses threaten
Southeast recovery**

24%
decline in SE
State jobs in 10
years

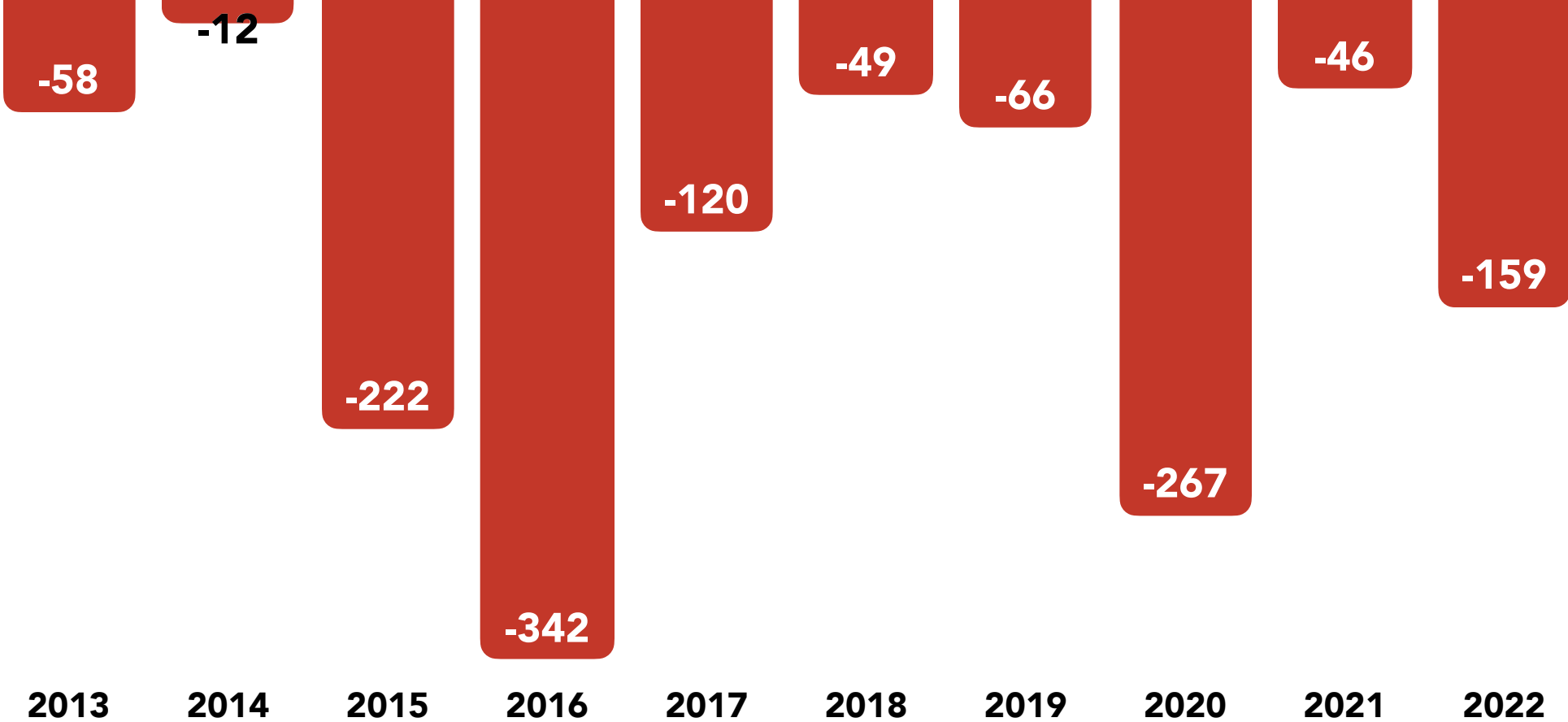
Outside
Southeast
11%
of State jobs
have been cut

500 jobs
lost in **3** years



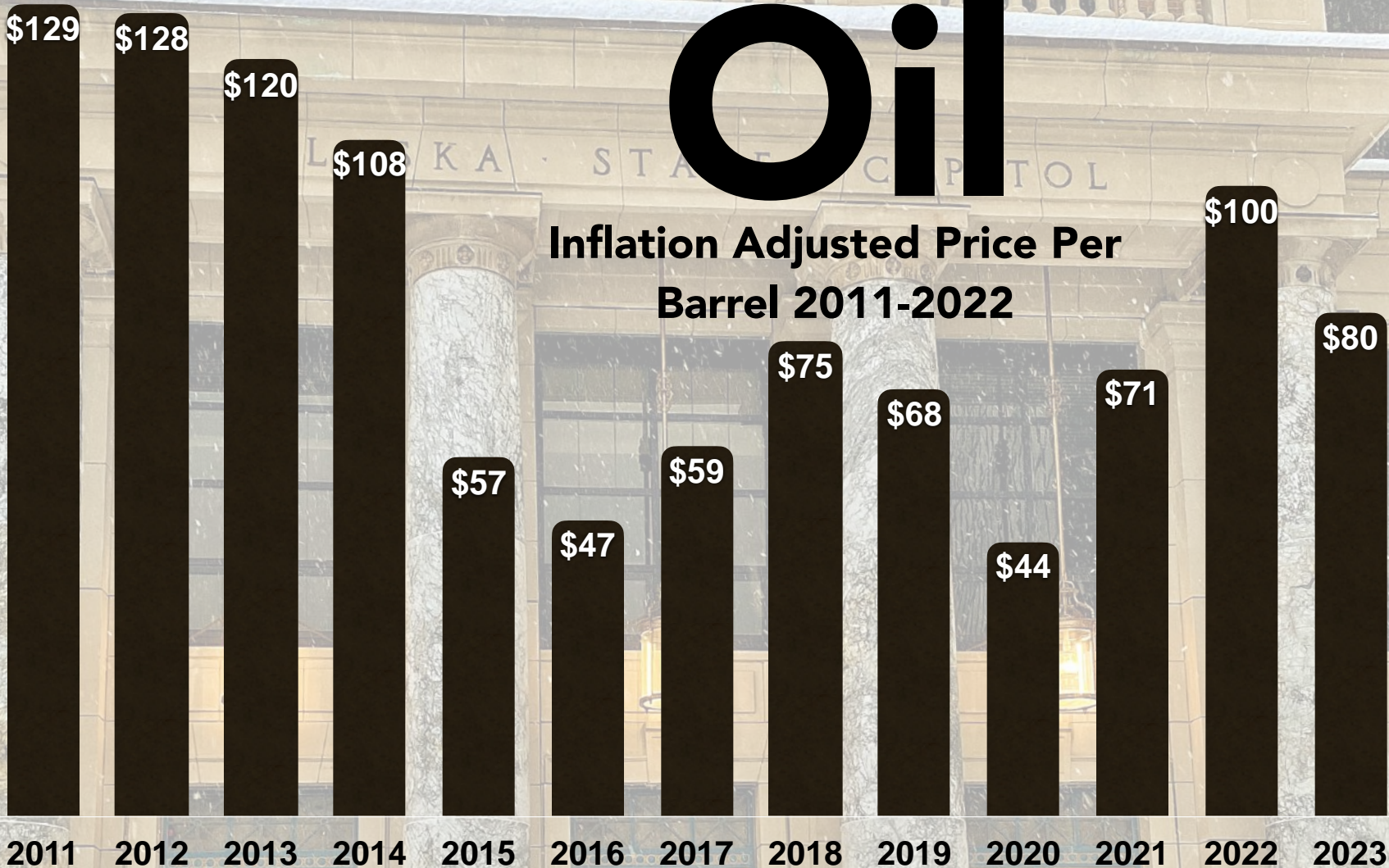
DOWN -1,340 JOBS IN 10 YEARS

-\$90 MILLION IN WAGES



Oil

Inflation Adjusted Price Per
Barrel 2011-2022



7 Population Down in 2022

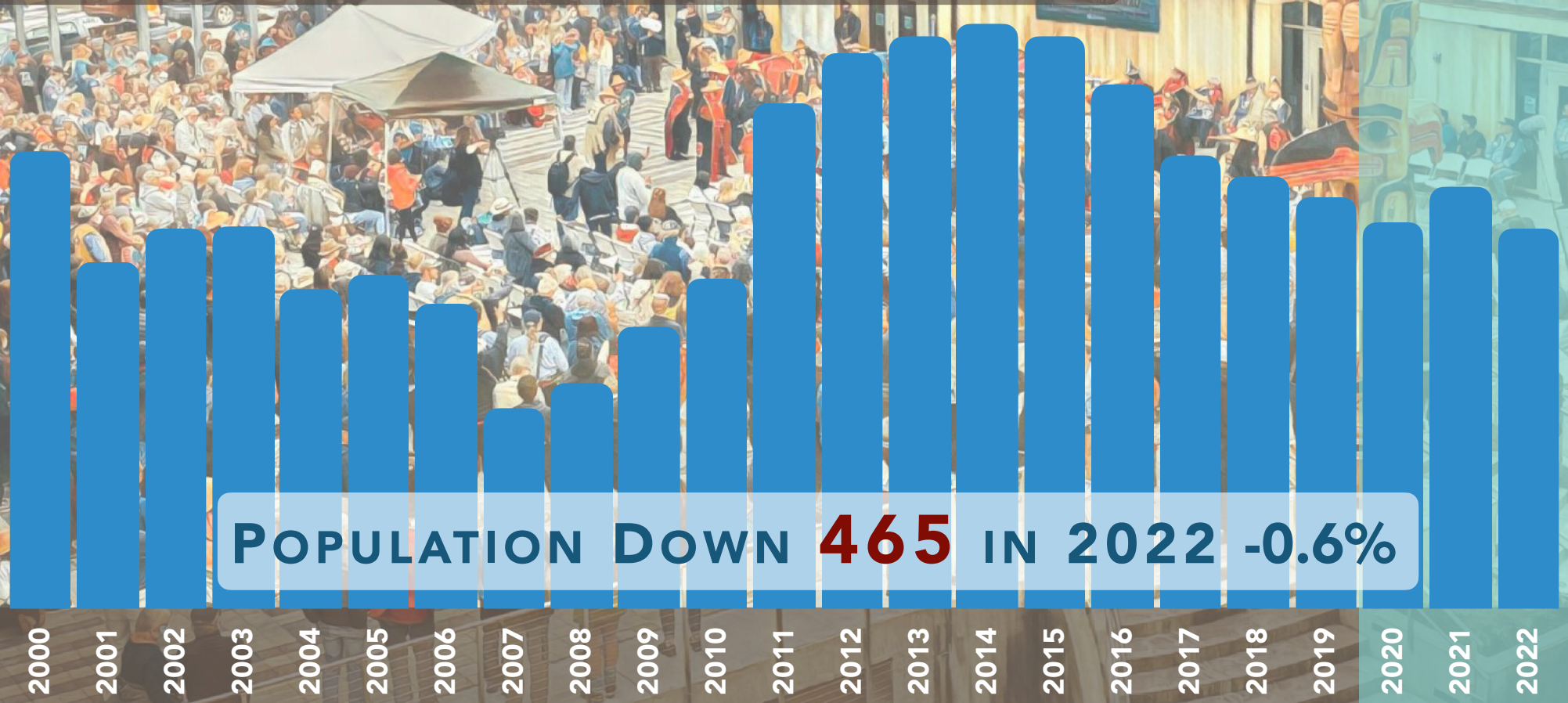


Population

-456

2021-2022

POPULATION



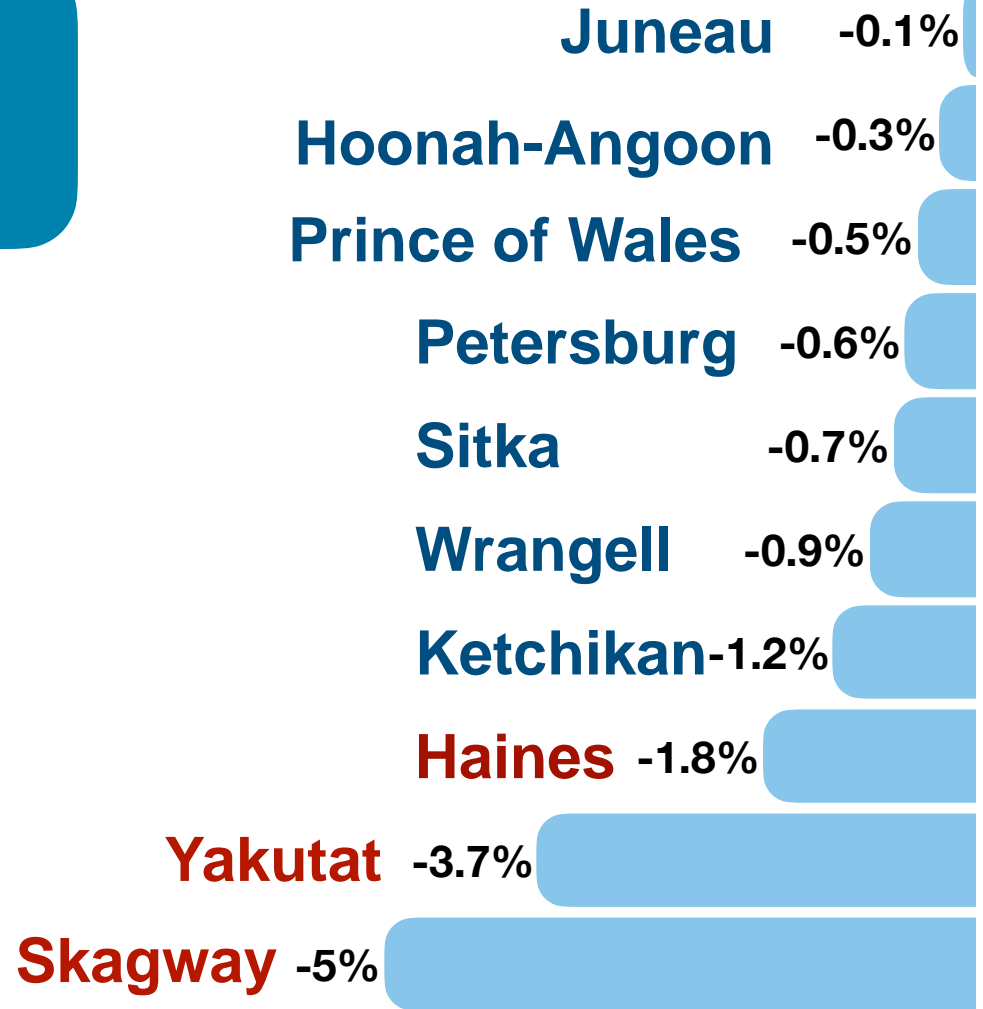
POPULATION DOWN **465** IN 2022 **-0.6%**

2000 2001 2002 2003 2004 2005 2006 2007 2008 2009 2010 2011 2012 2013 2014 2015 2016 2017 2018 2019 2020 2021 2022

Southeast Alaska Population Change 2021 to 2022



Ketchikan	-168
Skagway	-60
Sitka	-58
Haines	-46
Juneau	-35
Prince of Wales	-27
Yakutat	-26
Petersburg	-19
Wrangell	-18
Hoonah-Angoon	-8



Southeast Alaska Growth 2022: 10 Communities



Metlakatla +37

Craig +20

Coffman Cove +14

Hoonah +13

Saxman +9

Elfin Cove +6

Hyder +4

Tenakee Springs +3

Kasaan +3

Edna Bay +2



8 Economic Outlook Remains Strong

BEST BUSINESS CLIMATE SINCE 2017

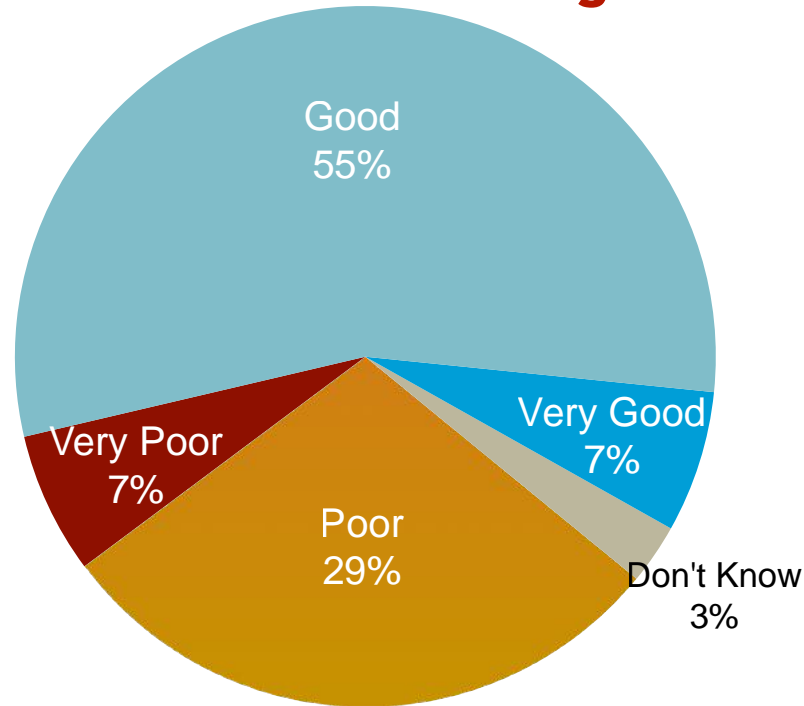
Southeast Alaska: How do you view the overall business climate **right now?**

62% Positive / **36% Negative**

What a difference a year makes!

A year ago, 80% of business leaders called the business climate "poor" or "very poor" (which was an improvement over 2020).

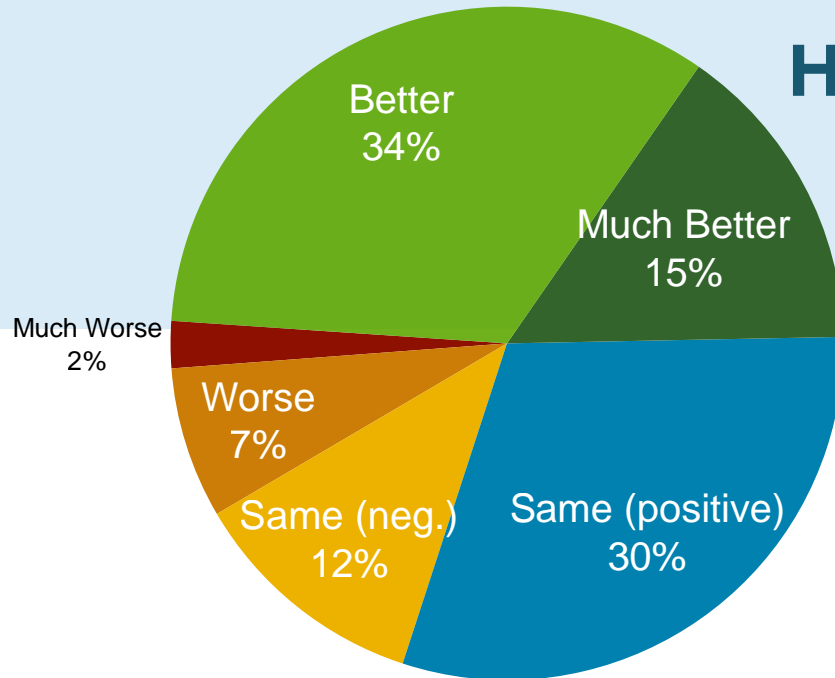
In 2022, nearly two-thirds (62%) have a positive view of the Southeast business climate, making it **the best business climate since 2017.**



440
Business
Leaders

THE OUTLOOK IS EVEN BETTER

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



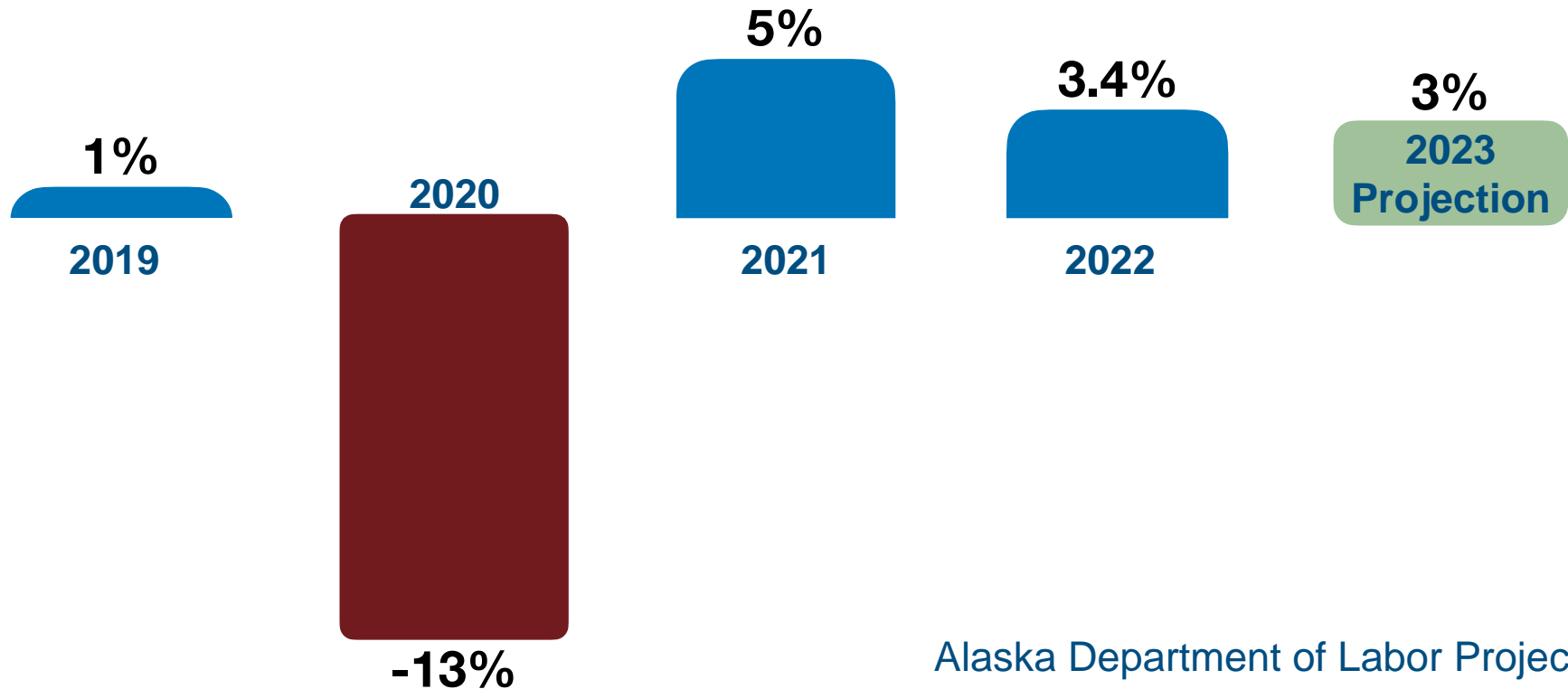
Half say next year will be better

**21%
Negative**

**79%
Positive**

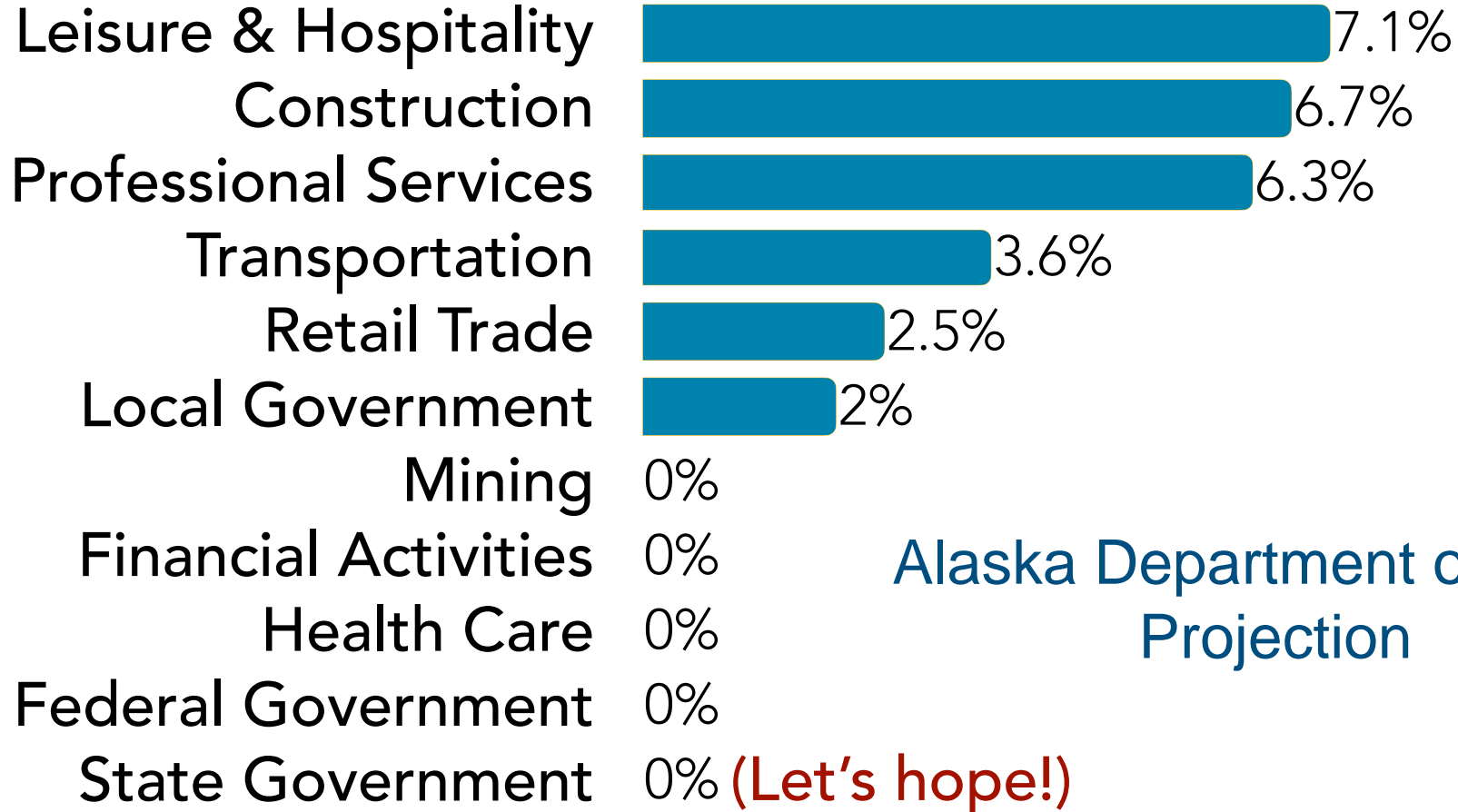
Southeast Alaska **Economics**

Change in Southeast Alaska Jobs 2019-2023



Alaska Department of Labor Projection

2023 JOBS PROJECTIONS



Alaska Department of Labor
Projection

Top 8 Stories of the Southeast Economy

- 1) Economy was up by a mile
- 2) Wages are growing
- 3) Federal funding was key
- 4) Our Economy is Diverse: **Seafood** was #1 in 2021; **Tourism** is back and thriving; **Healthcare** facing workforce obstacles
- 5) Labor & housing shortages
- 6) State government losses intensifying
- 7) Population down (but only slightly)
- 8) **Outlook is strong**



**SOUTHEAST
CONFERENCE**

Thank You

