

| <b>Juneau By the Numbers</b>  | <b>2010</b>      | <b>2009</b>      | <b>% Change from 2009</b> |
|---|------------------|------------------|---------------------------|
| <b>Juneau Employment and Wages<sup>1</sup></b>                                      |                  |                  |                           |
| <b>Total Employment</b>   | <b>17,932</b>    | <b>17,528</b>    | <b>↑ 2.3%</b>             |
| Total Government Employment*  | 7,436            | 7,284            | ↑ 2.1%                    |
| Total Private Sector Employment   | 10,496           | 10,244           | ↑ 2.5%                    |
| <b>Total Payroll (\$000)</b>  | <b>\$790,329</b> | <b>\$754,402</b> | <b>↑ 4.8%</b>             |
| <b>Average Wage</b>   | <b>\$44,074</b>  | <b>\$43,039</b>  | <b>↑ 2.4%</b>             |
| <b>Unemployment</b>   | <b>5.8%</b>      | <b>6.1%</b>      | <b>↓ 0.3% pts</b>         |
| <b>Juneau Demographics<sup>11</sup></b>   |                  |                  |                           |
| <b>Population</b>   | <b>31,275</b>    | <b>30,946</b>    | <b>↑ 1.1%</b>             |
| <b>Median Age</b>   | <b>38.1</b>      | <b>38</b>        | <b>↑ 0.3%</b>             |
| <b>Juneau Schools</b>   |                  |                  |                           |
| <b>K-12 School District Enrollment<sup>2</sup></b>                                  | <b>4,968</b>     | <b>4,953</b>     | <b>↑ 0.3%</b>             |
| <b>Spring University of Alaska Southeast<sup>3</sup> Enrollment (Juneau campus)</b> | <b>3,067</b>     | <b>2,724</b>     | <b>↑ 12.6%</b>            |
| <b>Child Care Capacity<sup>4</sup></b>  | <b>575</b>       | <b>583</b>       | <b>↓ -1.4%</b>            |
| <b>Juneau Sector Employment<sup>1</sup></b>   |                  |                  |                           |
| <b>Mining<sup>1</sup></b>   | <b>510</b>       | <b>404</b>       | <b>↑ 26.2%</b>            |
| <b>Fishermen and Crew (Juneau Residents)<sup>5</sup></b>                            | <b>689</b>       | <b>697</b>       | <b>↓ -1.1%</b>            |
| <b>Health Care<sup>1</sup></b>  | <b>1,391</b>     | <b>1,327</b>     | <b>↑ 4.8%</b>             |
| <b>Tourism<sup>1</sup> (see definition)</b>   | <b>2,162</b>     | <b>2,156</b>     | <b>↑ 0.3%</b>             |
| <b>Largest Employer: State of Alaska<sup>1</sup></b>                                | <b>4,276</b>     | <b>4,221</b>     | <b>↑ 1.3%</b>             |
| <b>Juneau Housing</b>   |                  |                  |                           |
| <b>Average Rent in Juneau<sup>1</sup></b>   | <b>\$1,149</b>   | <b>\$1,131</b>   | <b>↑ 6.6%</b>             |
| <b>Average Rental Vacancy Rate<sup>1</sup></b>                                      | <b>3.2%</b>      | <b>4.1%</b>      | <b>↓ -0.9% pts</b>        |
| <b>Average Homeowner Vacancy Rate<sup>11</sup></b>                                  | <b>1.4%</b>      | <b>2.5%</b>      | <b>↓ -1.1% pts</b>        |
| <b>Average Cost of Single Family Home<sup>5</sup></b>                               | <b>\$313,144</b> | <b>\$307,955</b> | <b>↑ 3.9%</b>             |
| <b>Starts: New Housing Units Permitted<sup>6</sup></b>                              | <b>55</b>        | <b>38</b>        | <b>↑ 44.7%</b>            |
| <b>Juneau Transportation</b>  |                  |                  |                           |
| <b>Total Passenger Arrivals</b>   | <b>1,257,470</b> | <b>1,380,359</b> | <b>↓ -8.9%</b>            |
| Cruise Passenger Arrivals <sup>9</sup>  | 875,593          | 1,018,700        | ↓ -14.0%                  |
| Alaska Airlines Passenger Arrivals <sup>8</sup>                                     | 267,765          | 257,719          | ↑ 3.9%                    |
| Ferry Passenger Arrivals <sup>7</sup>   | 77,991           | 73,189           | ↑ 6.6%                    |
| Small Air Passenger Arrivals <sup>10</sup>  | 36,121           | 30,751           | ↑ 17.5%                   |
| <b>Capital City Transit (Bus) Ridership<sup>6</sup></b>                             | <b>1,226,286</b> | <b>1,212,419</b> | <b>↑ 1.1%</b>             |

Sources: <sup>1</sup> Alaska Department of Labor; <sup>2</sup> Alaska Department of Education and Early Development; <sup>3</sup> University of Alaska; <sup>4</sup> Association for the Education of Young Children – Southeast Alaska; <sup>5</sup> Southeast Alaska Multiple Listing Service; <sup>6</sup> City and Borough of Juneau; <sup>7</sup> Alaska Marine Highway System; <sup>8</sup> Juneau International Airport; <sup>9</sup> McDowell Group and Cruise Line Agencies of Alaska; <sup>10</sup> Bureau of Transportation Statistics; <sup>11</sup> US Census 2010. "Tourism" includes air, scenic, and sightseeing transportation; travel agencies; and Leisure and Hospitality. \*Excludes 284 Coast Guard jobs

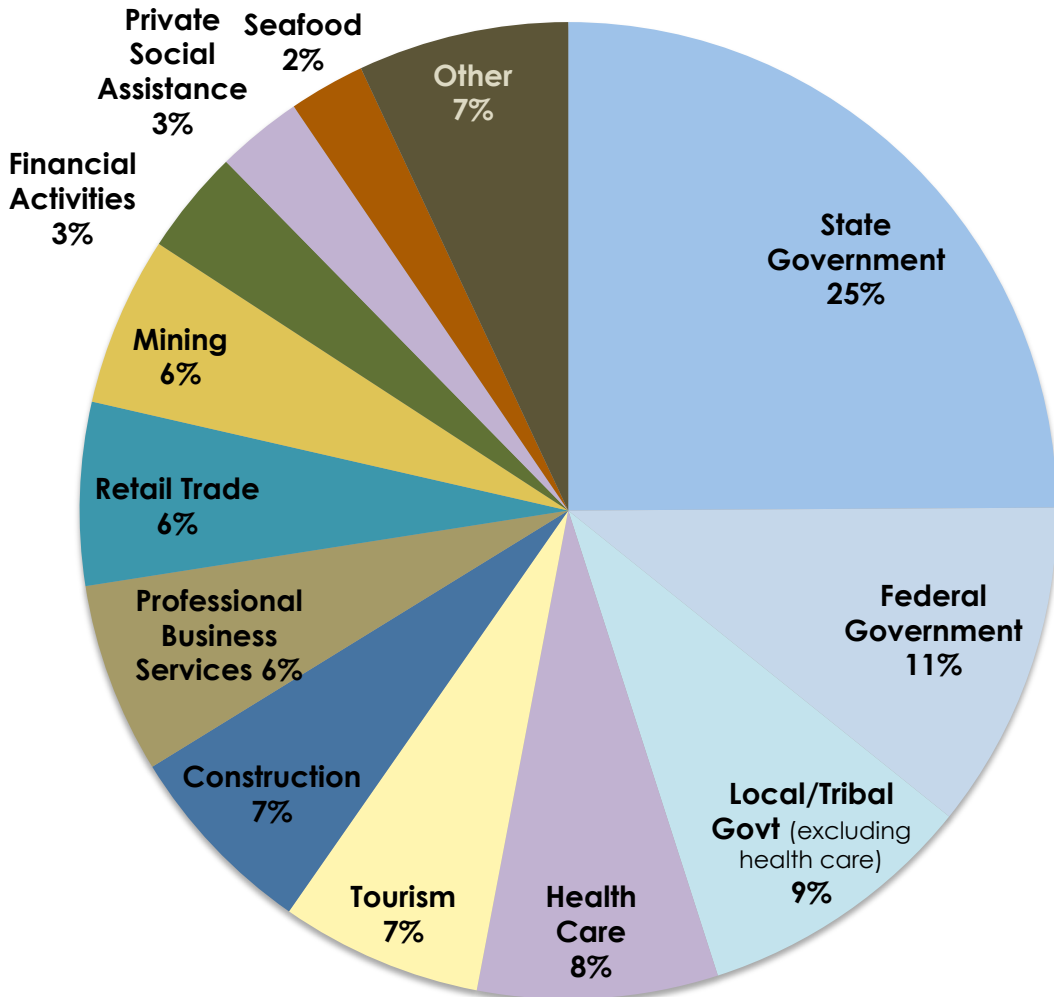
| <b>Southeast By the Numbers</b>   | <b>2010</b>            | <b>2009</b>            | <b>% Change from 2009</b> |
|---|------------------------|------------------------|---------------------------|
| <b>SE Employment and Wages<sup>1</sup></b>                                  |                        |                        |                           |
| <b>Total Employment</b>   | 36,586                 | <b>36,209</b>          | <b>↑ 1.0%</b>             |
| Total Government Employment   | 13,489                 | 13,295                 | <b>↑ 1.5%</b>             |
| Total Private Sector Employment   | 23,097                 | 22,914                 | <b>↑ 0.8%</b>             |
| <b>Total Payroll</b>  | <b>\$1.495 billion</b> | <b>\$1.437 billion</b> | <b>↑ 4.0%</b>             |
| Total Private Sector Payroll  | \$824.0 million        | \$795.4 million        | <b>↑ 3.6%</b>             |
| <b>Average Wage</b>   | <b>\$40,857</b>        | <b>\$39,698</b>        | <b>↑ 2.9%</b>             |
| <b>Unemployment</b>   | <b>7.9%</b>            | <b>8.4%</b>            | <b>↓ -0.5 pts</b>         |
| <b>SE Demographics<sup>8</sup></b>  |                        |                        |                           |
| <b>Population</b>   | 71,664                 | 71,141                 | <b>↑ 0.7%</b>             |
| Non Juneau SE Population  | 40,389                 | 40,195                 | <b>↑ 0.5%</b>             |
| <b>Median Age</b>   | <b>39.5</b>            | <b>39.3</b>            | <b>↑ 0.5%</b>             |
| <b>Southeast Schools</b>  |                        |                        |                           |
| <b>K-12 School District Enrollment<sup>2</sup></b>                          | <b>11,388</b>          | <b>11,367</b>          | <b>↑ 0.2%</b>             |
| <b>University of Alaska Southeast<sup>3</sup> Enrollment (all campuses)</b> | <b>3,963</b>           | <b>3,834</b>           | <b>↑ 3.4%</b>             |
| <b>SE Commercial Seafood Industry</b>                                       |                        |                        |                           |
| <b>SE Pounds Landed (all commercial pounds)<sup>4</sup></b>                 | <b>279,864,836</b>     | <b>282,908,521</b>     | <b>↓ -1.1%</b>            |
| Total Salmon  | 209,278,632            | 217,704,265            | <b>↓ -3.9%</b>            |
| <b>Ex-Vessel Value<sup>4</sup></b>  | <b>\$291,748,083</b>   | <b>\$234,098,894</b>   | <b>↑ 24.6%</b>            |
| <b>Fishermen and Crew (SE Residents)<sup>5</sup></b>                        | <b>4,645</b>           | <b>4,674</b>           | <b>↓ -0.6%</b>            |
| <b>SE Industry Employment<sup>1</sup></b>                                   |                        |                        |                           |
| <b>Mining</b>   | <b>536</b>             | <b>413</b>             | <b>↑ 29.8%</b>            |
| <b>Logging and Wood Manufacturing</b>                                       | <b>272</b>             | <b>238</b>             | <b>↑ 14.3%</b>            |
| <b>Health Care</b>  | <b>3,094</b>           | <b>2,986</b>           | <b>↑ 3.6%</b>             |
| <b>Tourism (see definition)</b>   | <b>5,095</b>           | <b>5,223</b>           | <b>↓ -2.5%</b>            |
| <b>State of Alaska</b>  | <b>5,563</b>           | <b>5,483</b>           | <b>↑ 1.5%</b>             |
| <b>Southeast Transportation</b>   |                        |                        |                           |
| <b>Airline Passenger Arrivals (from outside SE)<sup>6</sup></b>             | 333,095                | 327,124                | <b>↑ 1.8%</b>             |
| <b>Air Freight Arrival (from outside SE)<sup>6</sup></b>                    | 12,326,953             | 16,065,235             | <b>↓ -23.3%</b>           |
| <b>Cruise Passenger Arrivals<sup>7</sup></b>                                | 875,593                | 1,018,700              | <b>↓ -14.0%</b>           |

Sources: <sup>1</sup> Alaska Department of Labor; <sup>2</sup> Alaska Department of Education and Early Development; <sup>3</sup> University of Alaska; <sup>4</sup> Alaska Department of Fish and Game; <sup>5</sup> Bureau of Transportation Statistics; <sup>6</sup> McDowell Group and Cruise Line Agencies of Alaska; "Tourism" includes air, scenic, and sightseeing transportation; travel agencies; and Leisure and Hospitality; <sup>8</sup> US Census 2010. \*Excludes Coast Guard jobs

# Juneau Economy Overview

The following is a primer on the Juneau economy. Juneau's key industries include government, tourism, mining, health care, and seafood.

Total Juneau 2010 Wages, by percent



The heart of Juneau's economy is **government**. In Juneau, 42 percent of all jobs (7,436) are with the government, including state, federal, local and tribal employment. Juneau's government workers earned \$399 million in 2010—nearly half of all Juneau wages.

The **State of Alaska** remains the most important source of Juneau jobs and income, accounting for a quarter of all direct local employment (4,276 annual average jobs) and 25% of total payroll. Within state government, the Department of Transportation and Public Facilities is the largest employer, with 652 employees.

The Juneau School District is the largest city employer, with over 700 employees. The Coast Guard, with 363 employees, is the largest local federal employer. Central Council Tlingit & Haida is the largest tribal government employer with more than 250 employees.

**Tourism**, as a whole, is Juneau's largest private-sector employer, with 2,400 annual average employees. In 2010, 1.26 million passengers disembarked in Juneau by airplane, cruise ship, or ferry. In 2010, 875,600 passengers arrived by cruise ship, 78,000 passengers arrived in Juneau via ferry, and 304,000 arrived in Juneau via plane.

**Juneau's two mines** have 510 employees and a payroll of \$49 million annually. In August of 2011 the price of gold approached \$2,000 per ounce (up from \$271 per ounce a decade earlier).

Juneau's largest private employer is the Hecla Greens Creek Mining Company, whose mine on Admiralty Island is the second largest silver producer in North America and the sixth largest in the world. The Kensington began operations in June of 2010, and is expected to produce 125,000 ounces of gold annually.

Jobs in the **health care industry** account for 1,400 local jobs with a payroll of \$65.6 million annually. **Construction** work contributed 730 jobs and \$44 million to the local economy in 2010. In 2010, the Juneau **retail trade sector** employed 2,000 with a payroll of \$51 million.

The **seafood industry** (commercial fishing, fish processing and hatchery production) constitutes another important sector of the local economy. Juneau's commercial fishing fleet harvests a wide variety of seafood including salmon, halibut, black cod, rockfish, shrimp, crab, herring and groundfish. Nearly 700 Juneau residents fish commercially (as crew or fishermen) and they earned \$21.5 million in 2010. In 2010 there were nine shorebased seafood processing facilities in Juneau that collectively processed 14.5 million pounds of product, with a wholesale value of \$43 million.

The combined economic importance of Juneau-based **Alaska Native organizations** and their activities is clearly significant to the local economy. Two of Alaska's larger Alaska Native Corporations, Sealaska Corporation and Goldbelt, Inc., are headquartered in Juneau, along with smaller village corporations such as Huna Totem Inc. and Kootznoowoo, Inc. Sealaska Corporation has for-profit businesses, 20,000 shareholders and has established Haa Aani LLC, an economic development corporation.

# Executive Summary

Compared to a year prior, 2010 was a good year for Alaska's capital city. While 2009 was a difficult year for Juneau and the nation, Juneau's 2010 indicators are mostly positive, with the exception of cruise ship passenger arrivals, which was down 14%. However, the gains made in 2010 were not sufficient to offset 2009's losses.

## Employment and Wages

### **Employment and payroll were both up in 2010**

In 2010, annual average employment in Juneau grew by 2.3 percent, not quite erasing last year's loss of 3.5 percent. A summary of the most significant changes is below:



### **Mining**

- +106 Jobs (Average Annual Employment)
- +\$11.9 million in wages



### **Health Care** (public and private)

- +64 (Average Annual Employment)
- +\$3.2 million in wages



### **Government = +128**

- +55 Jobs State Govt; +8 Fed Govt; +64 Local/Tribal Govt (excluding Health Care)
- +\$17.1 million in wages



### **Fishing (Southeast)**

- +\$57 million/+25% Ex-Vessel Value



### **Biggest Losses Juneau**

- Retail Job = -49 Jobs (-136 in 2009)
- Sightseeing Transportation = -20 Jobs (-113 in 2009)
- Arts, Entertainment, Recreation = -33 Jobs (-20 in 2009)

## Government Jobs

For the first time since 2003, there was no loss of state **or** federal jobs. In 2010 state jobs grew by 55 (annual average employment) and federal jobs grew by eight. Local government and tribal government jobs also grew by 89 jobs (64 of which were in health care).

## Unemployment

Juneau's average 2010 unemployment rate was 5.8 percent, significantly lower than the state and national averages for that same year of 8.0 percent and 9.6 percent, respectively.

## Demographics

### ***The populations of both Juneau and Southeast were up in 2010***

In 2010 the population of Juneau increased by 1.1 percent (329 people) to 31,275. The population of the region also increased by 0.7 percent (523 people) to 71,664. However, the non-Juneau Southeast population was 4.7 percent below its 2000 population levels (73,082). Between 2000 and 2010, 25 of the regions communities lost population.

### ***Huge regional population losses are predicted by ADOL***

According to the Alaska Department of Labor, Southeast is on track to have a population of 59,472 by 2034 if future trends mimic past trends. As the Juneau population is expected to remain flat during this time period, this would represent a 28% population drop in the non-Juneau Southeast areas compared to 2010 levels.

### ***Juneau has a growing senior population***

Between 2000 and 2010, the number of Juneau residents in their sixties nearly doubled (an increase of 1,419 residents in their 60's). According to the ADOL, by the year 2024, nearly one out of five Juneau residents will be seniors (aged 65 and older), up from one out of twenty in 1990. Juneau's shifting demographics require a rethinking of Juneau housing, transportation, and tax structure.



The only age group under 50 to grow in the last decade was 20-somethings. Between 2000 and 2010, the number of Juneau residents aged 20-29 grew by 17% (627 people).

### ***Juneau's Alaska Native Population Increased***

In 2010, 19.2 percent of Juneau's residents identified themselves as Alaska Native (or American Indian), up from 16.5 percent in the 2000 US Census (+938). Alaska Natives comprise 19% of the State population, and 22% of the Southeast population.

### ***Juneau is the healthiest community in Alaska***

Juneau ranked first among Alaska communities for positive health factors in 2010. In addition to ranking first overall, Juneau also ranked first in the following categories: health behavior, clinical care, and social & economic factors.

### ***Juneau men earn more than Juneau women***

Nationally, men earned 29% more than their female counterparts between 2007 and 2009. Statewide, men earned 37% more for full-time, year-round employment. In Juneau, men earned 42% more than women.

### ***Enrollment in grade school and University increased***



Photo Credit: Michael Penn/Juneau Empire

In the 2010-2011 school year, the number of K-12 students enrolled in the Juneau School District increased for the second year in a row (albeit slightly).

On October 1, 2010, 4,968 students were enrolled in Juneau schools, a 0.3% (15 student) increase from the previous year. While grade school and high school student populations were still down incrementally, middle school enrollment was up by 3.2 percent, or 34 students, from the October 2009 count.

In the fall of 2010, 2,898 students attended the University of Alaska Southeast at its Juneau campus. This represents an increase of three percent from fall 2009.

## Cost of Living

### ***It costs 39% more to live in Juneau than the average US city***

Based on 2011 data collected by JEDC and provided to the Council for Community and Economic Research, combined Juneau living costs are 39% more expensive than the average US city. Juneau housing costs are 66 percent more expensive.

### ***Despite dropping prices nationally, Juneau housing prices are up***

As of the first half of 2011, Juneau is back to the peak housing prices of 2007. The average price of a single-family residence in the first half of 2011 was \$321,391—a three percent increase over the first half of 2010 and similar to the 2007 average cost of \$322,779. Nationally in the first half of 2011, housing prices fell by seven percent.

### ***Housing vacancy rates are incredibly low, 360 more units are needed***

Juneau's housing vacancy rates are considerably lower than the region, state and nation. A five percent vacancy rate is considered to reflect a balanced and healthy market. In 2010, **Juneau's homeowner vacancy rate was 1.4 percent** (down from 2.5 percent in 2008). In 2010 and 2011, **rental vacancy rates for one, three & four bedroom single-family homes ranged from zero to 1.9 percent**; two and three-bedroom apartments had vacancy rates that ranged between 2.8 percent and 3.1 percent.

In order to obtain a healthy housing market vacancy rate of five percent, Juneau needs 360 more housing units.

## Transportation (Ships, Planes, Buses)

In 2010, 123,000 fewer people arrived in Juneau. This represents a 8.9 percent decrease in total passenger disembarkations over 2009. These declines are solely due to a reduction of cruise passengers. In 2009, the following number of passengers arrived:

- **875,593 cruise ship tourists**—a 14 percent decline in cruise passenger traffic over 2009. An additional decrease of less than one percent is expected for 2011 as well.
- **77,991 ferry passengers**—a one-year increase of 6.6 percent from 2009.
- **267,765 deplaning Alaska Airlines passengers**—up 3.9 percent from 2009 figures.
- **36,121 passengers from other airlines**—up 17.5 percent from 2009.

### ***Passenger numbers will continue to improve in 2011 and 2012***

In the first seven months of 2011, Alaska Airlines passenger deplanements were up 3 percent (5,266 more passengers) compared to the first seven months of 2011. The Juneau Convention and Visitors Bureau is projecting a five percent increase in cruise passengers in 2012.

## **Key Southeast Alaska Industry Statistics**

### ***Mining is booming in Southeast***

With the 2010 opening of the Kensington Gold Mine in Juneau and the skyrocketing price of gold and other metals, the Southeast mining industry has been booming. In 2010, there were 536 mining jobs in Southeast Alaska and a payroll of more than \$50 million.

This represents a 30 percent increase in employment from 2009, and an 84 percent increase from 2003, when there were just 291 mining jobs in the region. By 2012, JEDC expects the Southeast mining industry to have 600 employees in total and a combined payroll of \$57 million annually.

### ***Fishing and Seafood***

The seafood industry is the largest private sector employer in Southeast Alaska **in terms of wages**, accounting for 13% of all regional wages, and 10% of all employment.

- In 2010, 4,645 **Southeast residents** (as crew or fishermen) fished commercially.
- Including **non-residents**, there were more than 10,000 participants in the Southeast Alaska fishery in 2010.
- In 2010, the **ex-vessel value** (or money paid to fishermen) of the Southeast Alaska fisheries was \$291 million.
- In 2010, 51 **shorebased seafood processing facilities** collectively processed 209 million pounds of product, with a wholesale value of \$468 million.



Photo Credit: Michael Penn/Juneau Empire

Due to a significant increase in seafood prices—especially for Coho, Chum and Chinook—fishermen in the Southeast fishery earned 25 percent more for their seafood in 2010 over 2009, despite a similar amount of pounds landed.