



Report: Southeast economy booming

Posted: September 18, 2013 - 4:32pm | Updated: September 19, 2013 - 12:07am

By MATT WOOLBRIGHT

JUNEAU EMPIRE

More people live in Southeast Alaska now than ever before, and the economy is booming, according to a report from the annual Southeast Conference.

The report uses 2010 as a benchmark while evaluating the region's economic and demographic standing as of last year. It was presented at the annual conference of local leaders happening in Sitka this week.

More than 74,400 people now live in Southeast Alaska — an increase of about 2,800 over two years. That figure surpasses the record set in 1997, and population isn't the only rising figure.

There are more employees than ever, and they are enjoying the highest total payroll after adjusting for inflation. Job earnings have increased about 10 percent since 2010.

In the private sector, seafood and tourism industries are leading the way for the region with total earnings near \$246 million and \$174 million, respectively. The two sectors employ more than 10,000 of the region's 45,996 employees.

The single biggest driving employer in Southeast Alaska, however, is the government which employs nearly 14,000 Alaskans and boasts total earnings over \$745 million.

Combined, the three sectors make up 56 percent of the region's employment earnings.

A possible downturn is feared because the cost of metals has begun to drop in 2013 after rising from 2010 to 2012. Should that trend continue, the report said it could prove severely detrimental to the region's mining sector, which employs more than 800 people and accounts for about 4 percent of the region's employment earnings.

Job losses were reported in the retail, timber, information and Juneau local government sectors over the two years, but, regardless, locals are enjoying "one of the strongest economies the region has experienced," the report said.

Development in the region faces a unique challenge because the federal government manages 95 percent of the approximately 35,000 square miles that make up Southeast Alaska. A mere 0.05 percent of that land — about 11,000 acres — is privately owned.

The report projects in future years that tourism will grow while mining stays stagnant. The timber industry and government sector are expected to shrink. The seafood industry's fate will likely be heavily dictated by government decisions looming next year.

- Contact reporter Matt Woolbright at 523-2243 or at matthew.woolbright@juneauempire.com. Follow him on Twitter at <https://twitter.com/reportermatt>.