Economic Benefits of Ports and Harbors in Alaska

A presentation by
Michelle Humphrey & Mike Fisher

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Northern Economics

Agenda

- The Role of Ports and Harbors in Alaska
  - Movement of Freight
  - Commercial Fishing
  - Tourism
- Economic Impact of Port and Harbor Facilities
  - Employment
  - Revenues and Expenses
  - Spending
  - Activity and Uses

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The Role of Ports and Harbors in Alaska

Provide infrastructure and services that support critical economic activities

- Movement of Freight
- Fishing Industry
- Tourism

Movement of Freight

Movement of Freight by Mode

Mode	Within State	Outbound	Inbound	Within State	Outbound	Inbound
	Millions $			Thousand Tons		
Air*	867.5	12,786.3	13,333.8	119.0	67.2	171.9
Multimodal	540.5	2,261.6	9,889.1	154.9	388.8	1,263.7
Other	18.3	370.6	22.6	1.2	23.9	0.5
Rail	1,598.1	7.1	6.9	3,139.3	3.5	18.5
Truck	14,585.5	882.8	640.2	22,930.3	273.7	196.3
Water	3,482.2	28,119.4	4,798.1	3,663.2	40,890.5	3,392.6

*Transshipments make up almost three-quarters of the total air freight that moves through the Anchorage Airport
Note: Pipeline volumes omitted from table due to errors in the dataset.
Source: U.S. Department of Transportation, 2015.

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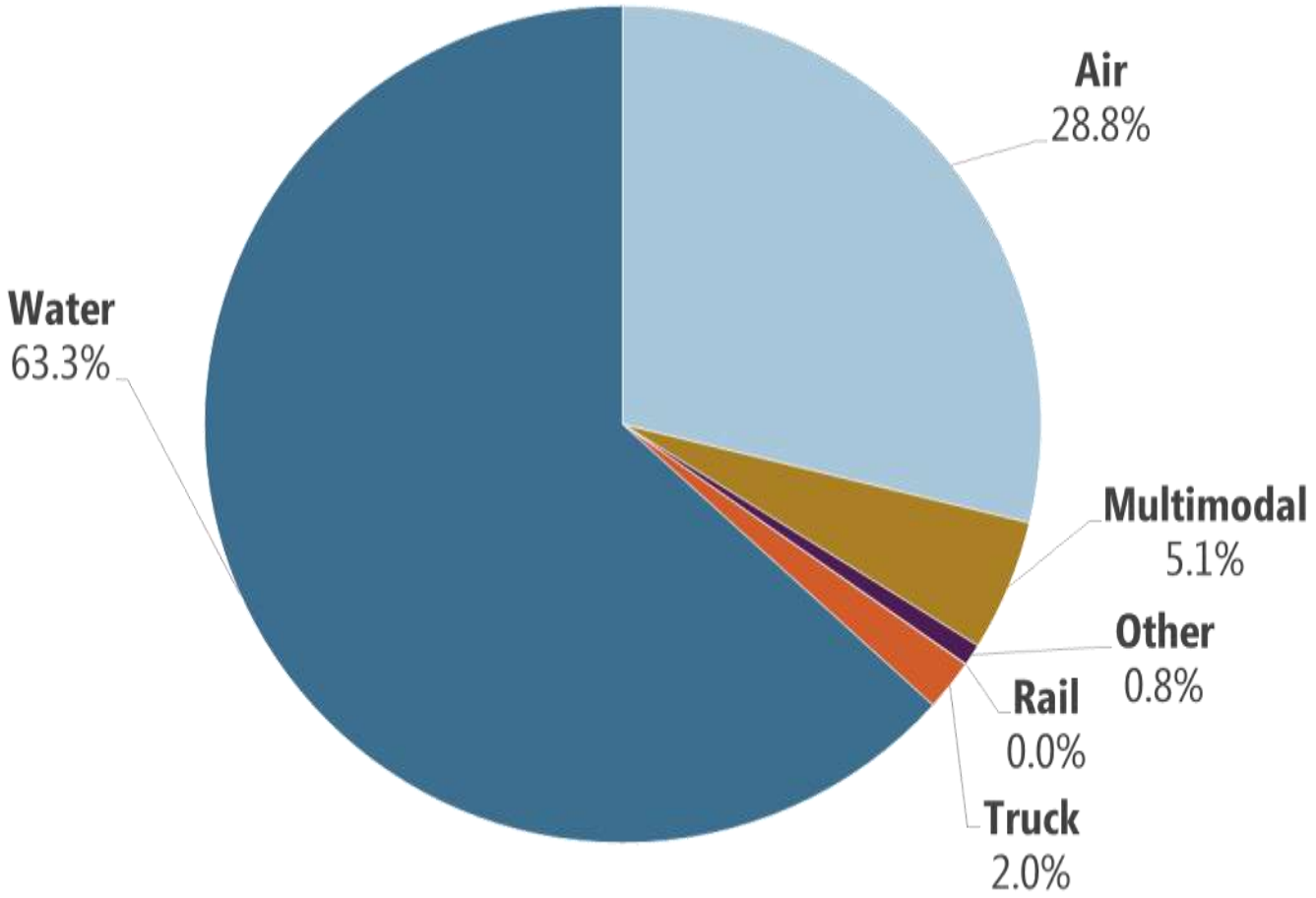
Percentage of Value of Outbound Freight by Mode



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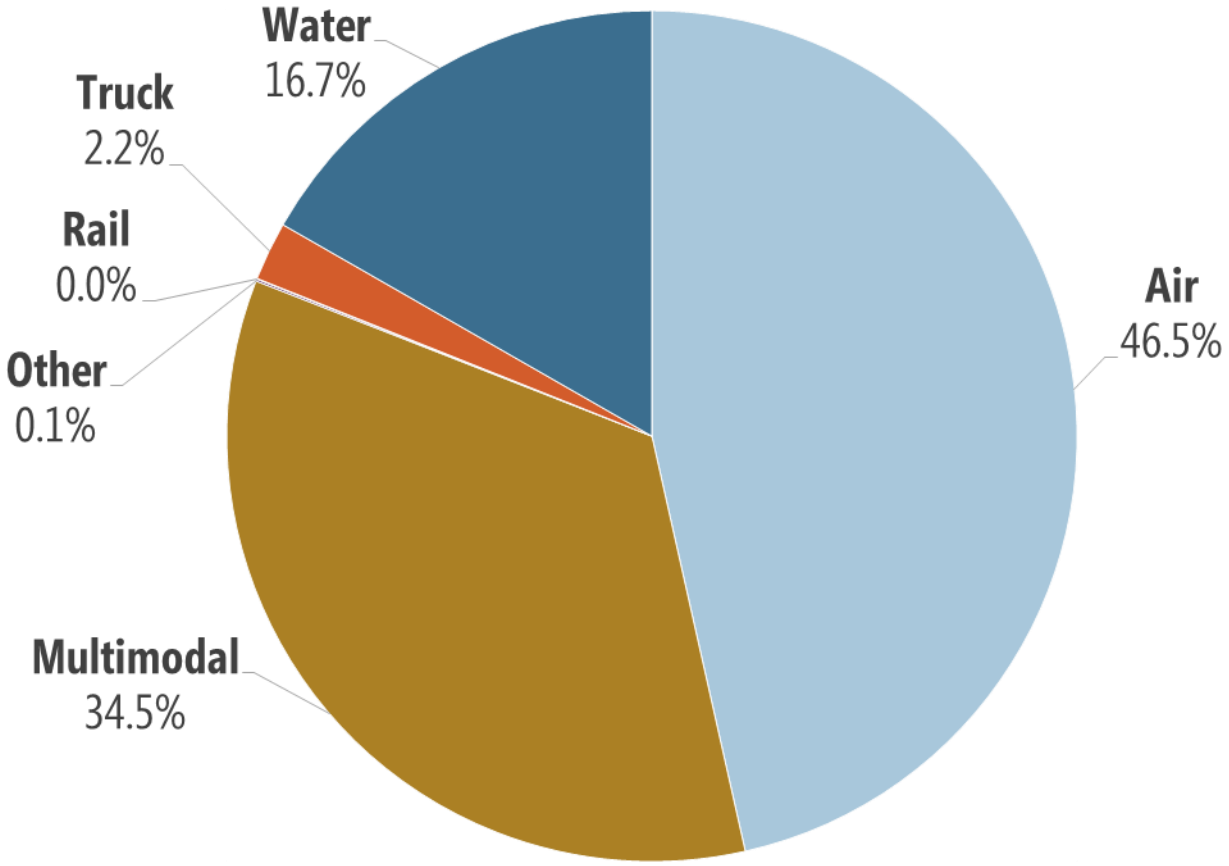

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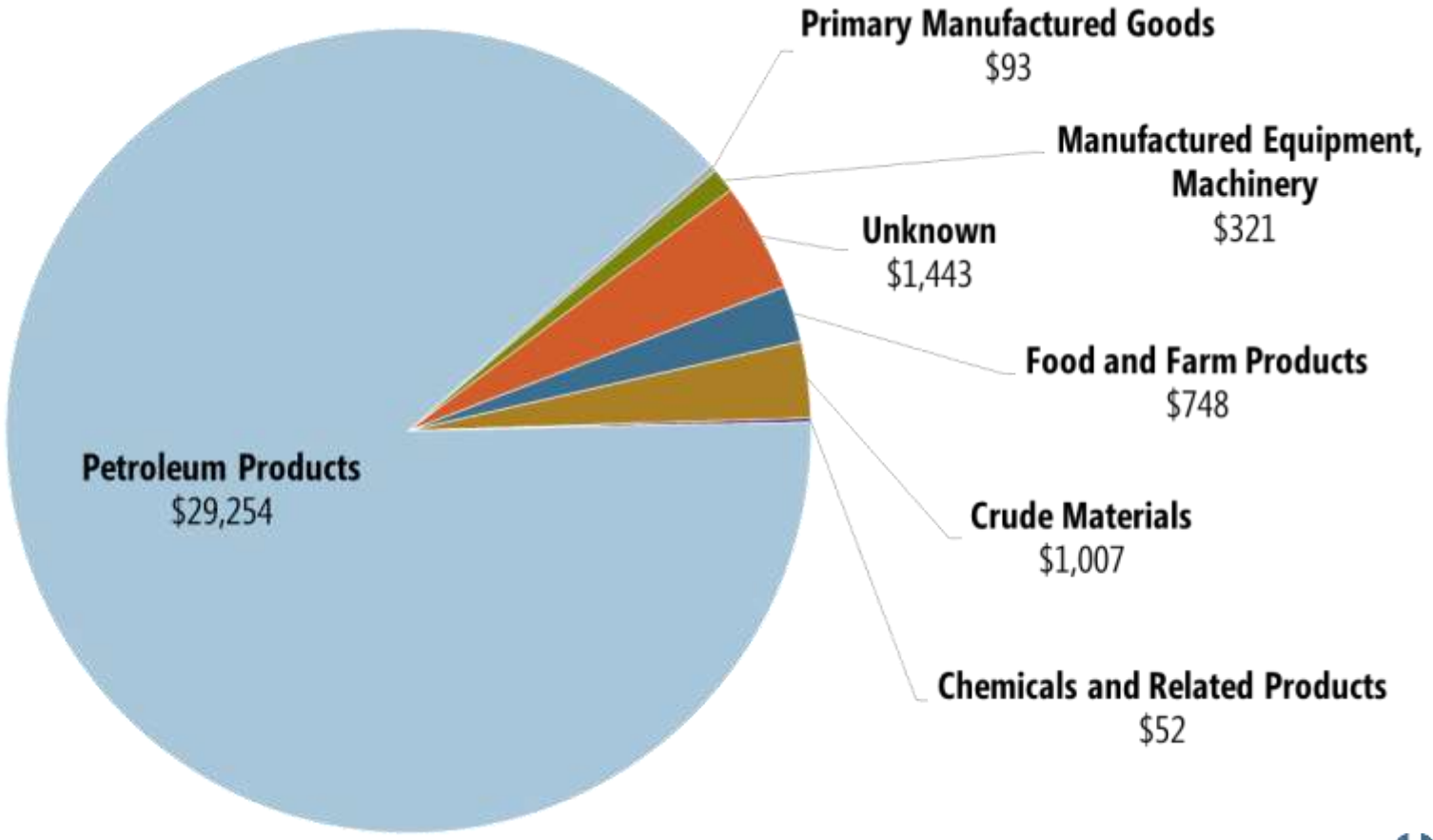
Value of Alaska Waterborne Freight by Commodity ($ Millions)



Source: U.S. Department of Transportation, 2015.

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Volume of Waterborne Freight by Port
(Short Tons)

Port	Volume	Excl. Petroleum
Anchorage	2,949,456	2,028,287
Atka	5,560	5,560
Bethel	154,434	10,851
Cordova	117,468	54,354
Craig	59,661	–
Dillingham	19,174	8,424
Egegik	792	–
Homer	219,082	144
Hoonah	9,823	6,763
Humboldt	16,057	7,708
Juneau	708,955	555,541
Kake	36,396	21,976
Ketchikan	1,058,312	704,192
King Cove	57,555	10,219
Kivalina	2,498,398	**2,359,460**
Kodiak	344,773	187,914
Metlakatla	8,375	6,589
Nikiski	4,484,225	1,788
Nome	168,752	25,607
Old Harbor	33,791	–
Pelican	248	–
Petersburg	510,751	473,833
Seldovia	5,546	–
Seward	718,541	712,995
Sitka	172,251	144,893
Skagway	327,684	223,120
Unalaska	1,814,229	1,247,139
Valdez	**28,165,948**	13,403
Whittier	292,418	283,988
Wrangell	80,024	73,411

Source: U.S. Army Corps of Engineers, 2013.

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Volume of Waterborne Freight Per Capita by Port (Short Tons)

Port	Volume	Excl. Petroleum
Anchorage	10	7
Atka	82	82
Bethel	25	2
Cordova	51	23
Craig	51	0
Dillingham	8	4
Egegik	8	0
Homer	43	0
Hoonah	13	9
Humboldt	19	9
Juneau	21	17
Kake	59	35
Ketchikan	128	85
King Cove	64	11
Kivalina	6,064	**5,727**
Kodiak	55	30
Metlakatla	6	4
Nikiski	985	0
Nome	44	7
Old Harbor	148	0
Pelican	3	0
Petersburg	174	161
Seldovia	25	0
Seward	262	260
Sitka	19	16
Skagway	333	227
Unalaska	394	271
Valdez	**7,022**	3
Whittier	1,156	1,122
Wrangell	33	30

Source: U.S. Army Corps of Engineers, 2013; ADOLWD, 2013.

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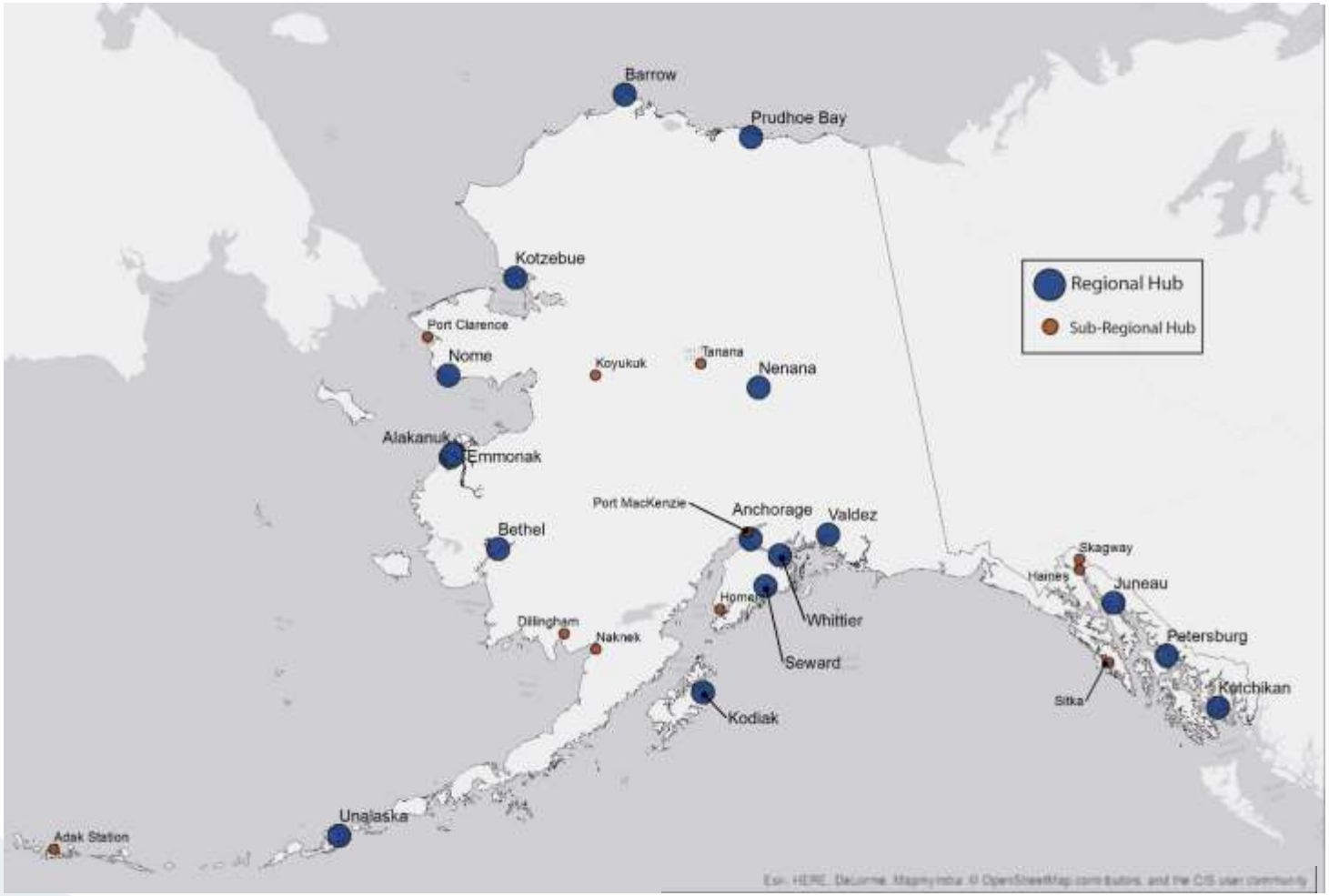
Regional and Subregional Hubs



Source: Northern Economics, Inc., 2011.

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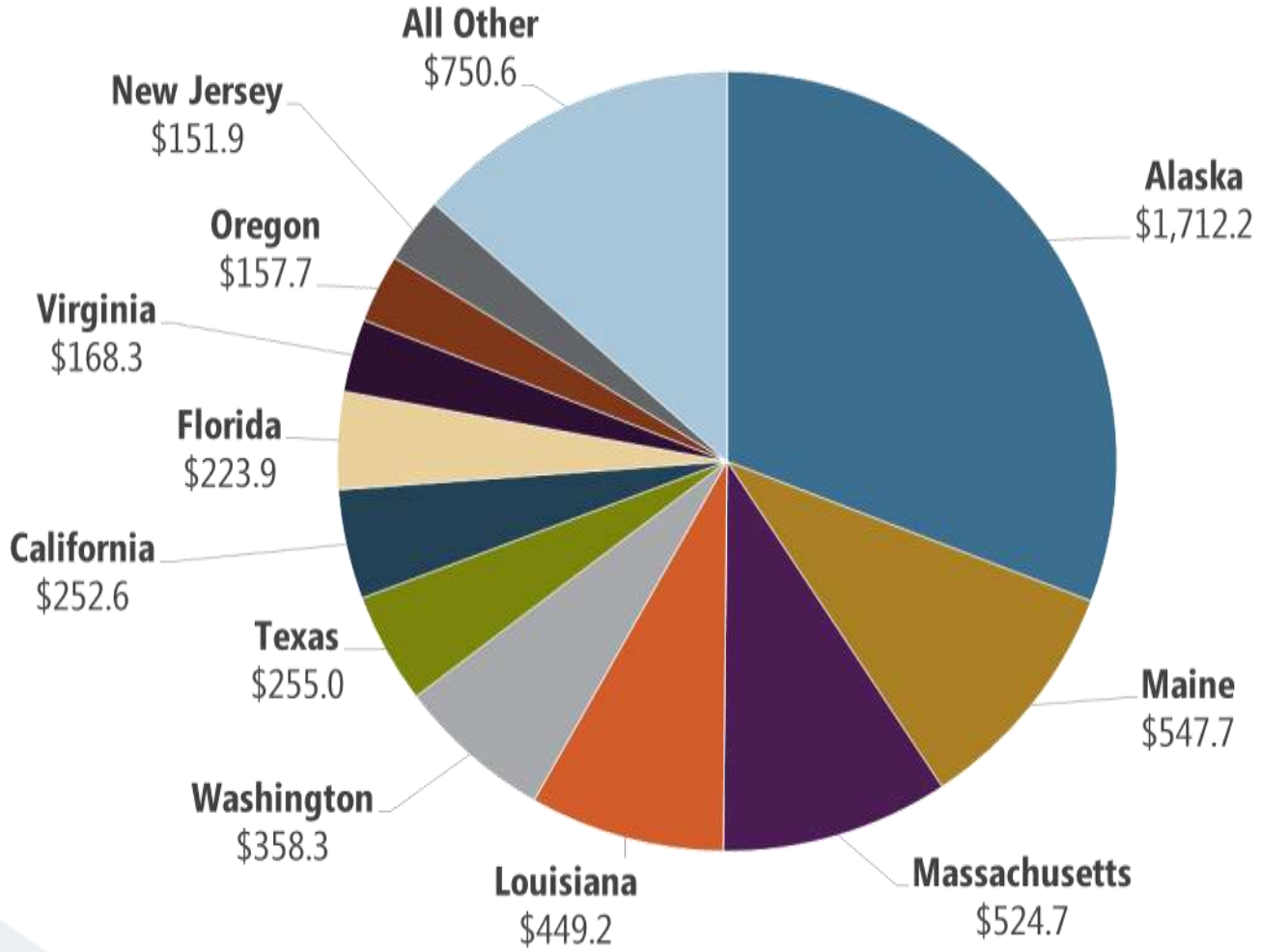
Commercial Fishing

Value of Commercial Fishery Landings by State ($ Millions)



Source: NOAA Office of Science and Technology, 2014.

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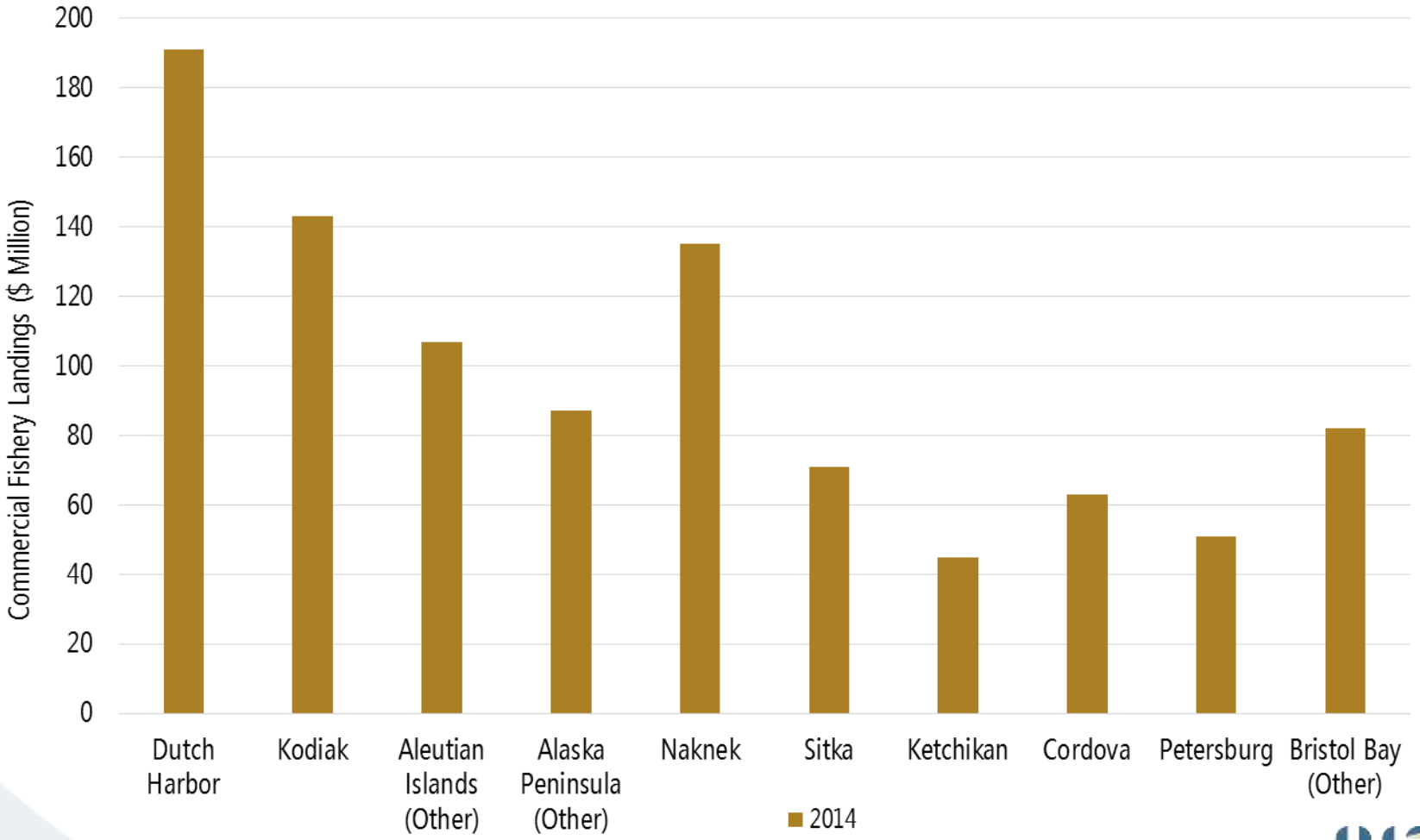
Value of Commercial Fishery Landings in Top 10 Alaskan Ports ($ Millions)



Source: NOAA Office of Science and Technology, 2014.
Note: Some Alaskan ports are grouped together to protect confidential information.

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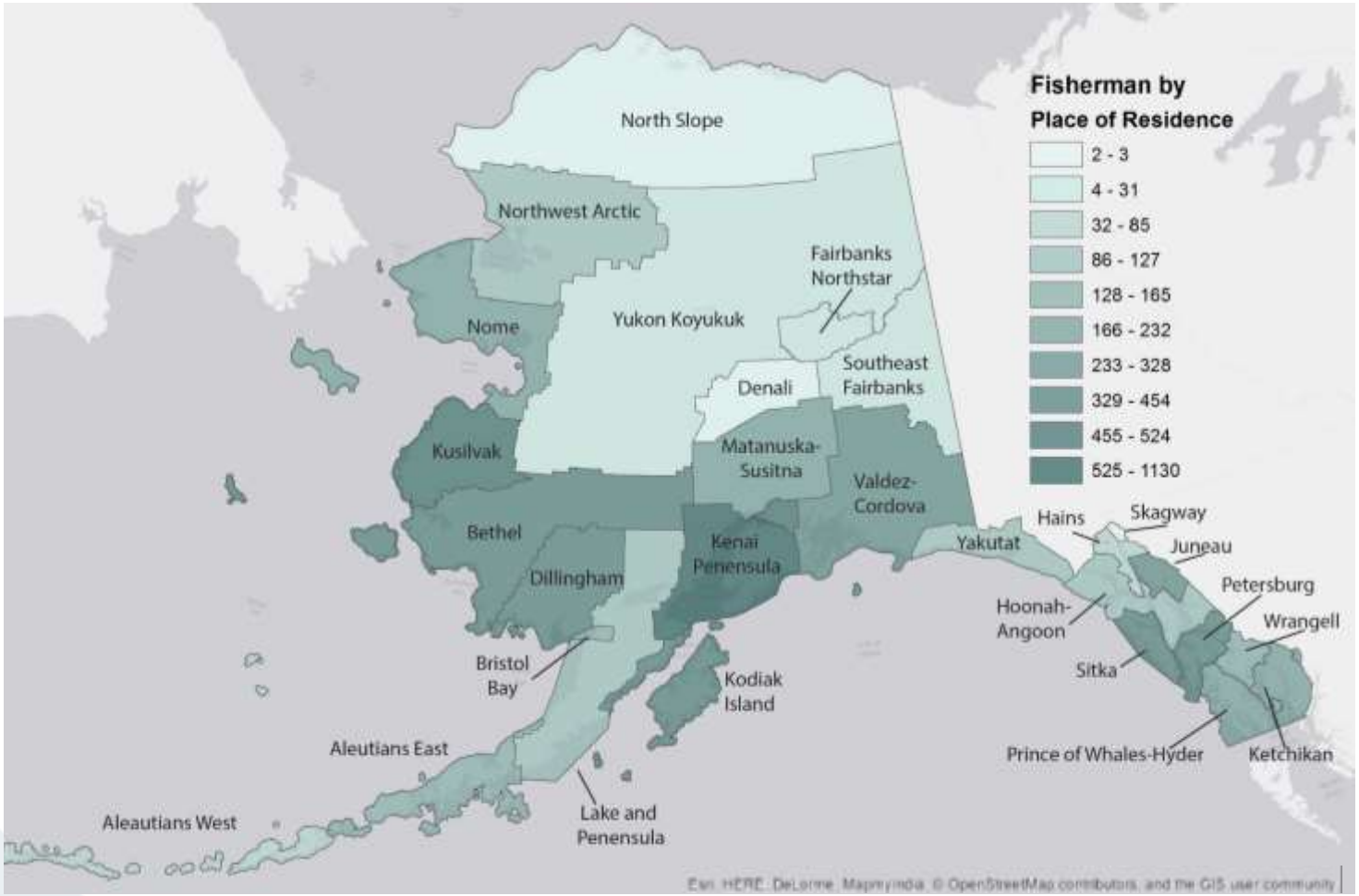
Number of Fishermen Who Fished by Borough and Census Area



Note: Only includes fishermen who fished during the 2015 season.
Source: CFEC, 2015.

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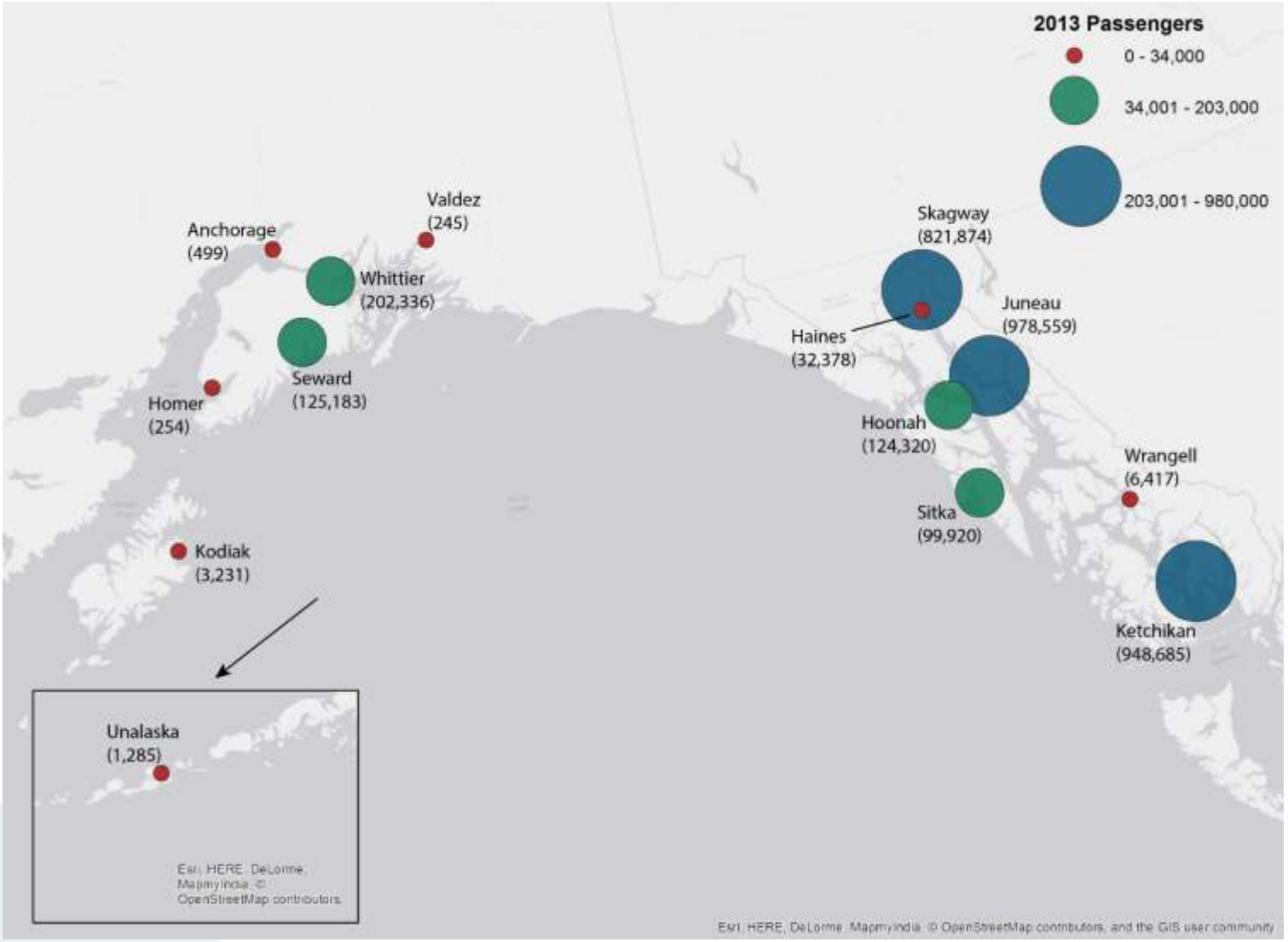
Tourism

Cruise Passenger Volumes by Community



Source: DCCED, 2015.

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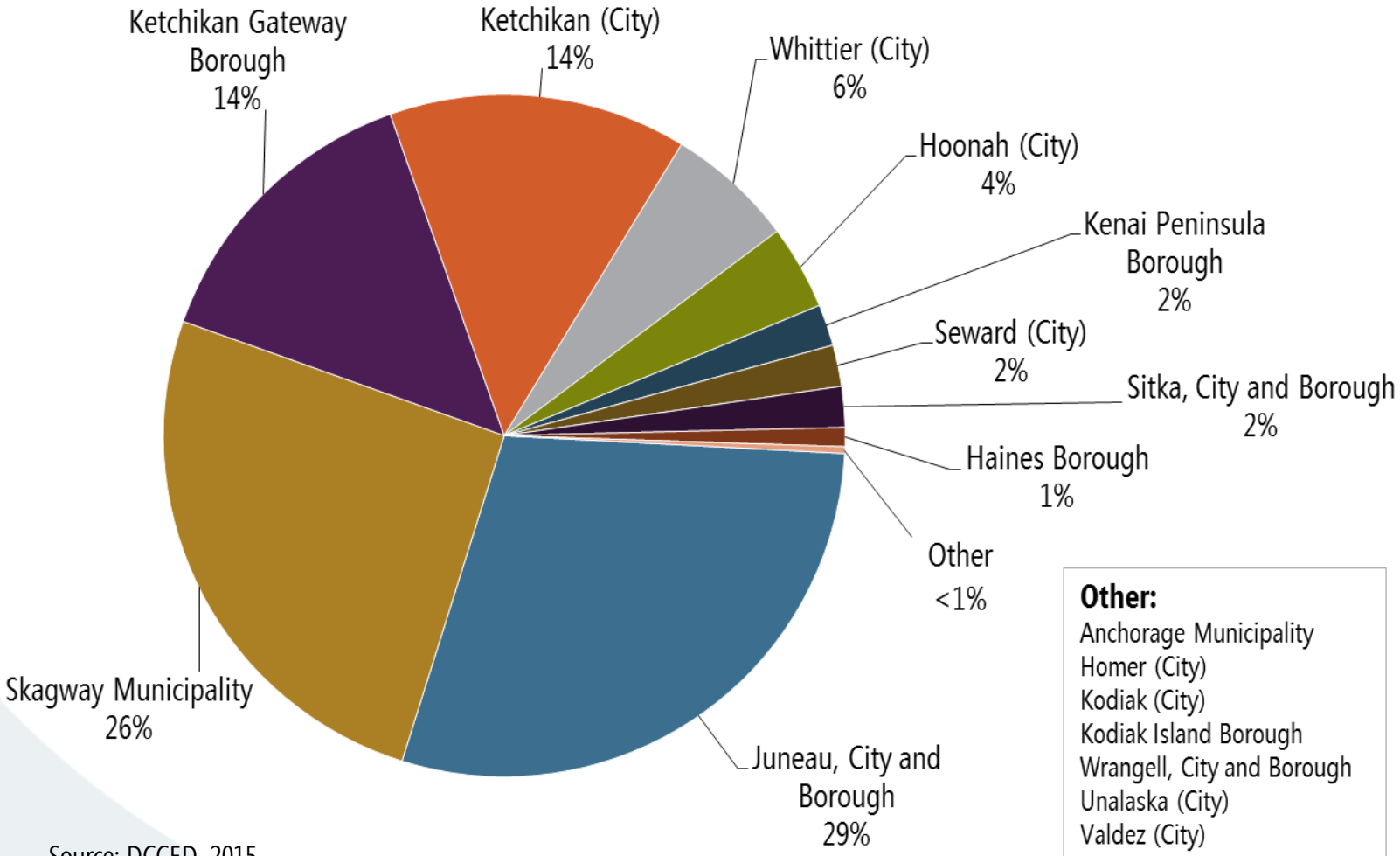
CPV Shared Revenues by City and Borough Governments



Other:
Anchorage Municipality
Homer (City)
Kodiak (City)
Kodiak Island Borough
Wrangell, City and Borough
Unalaska (City)
Valdez (City)

Source: DCCED, 2015.

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Economics Impact of Port and Harbor Facilities

Port and harbor facilities generate economic activity through

- Employment
- Revenues and Expenses
- User Spending

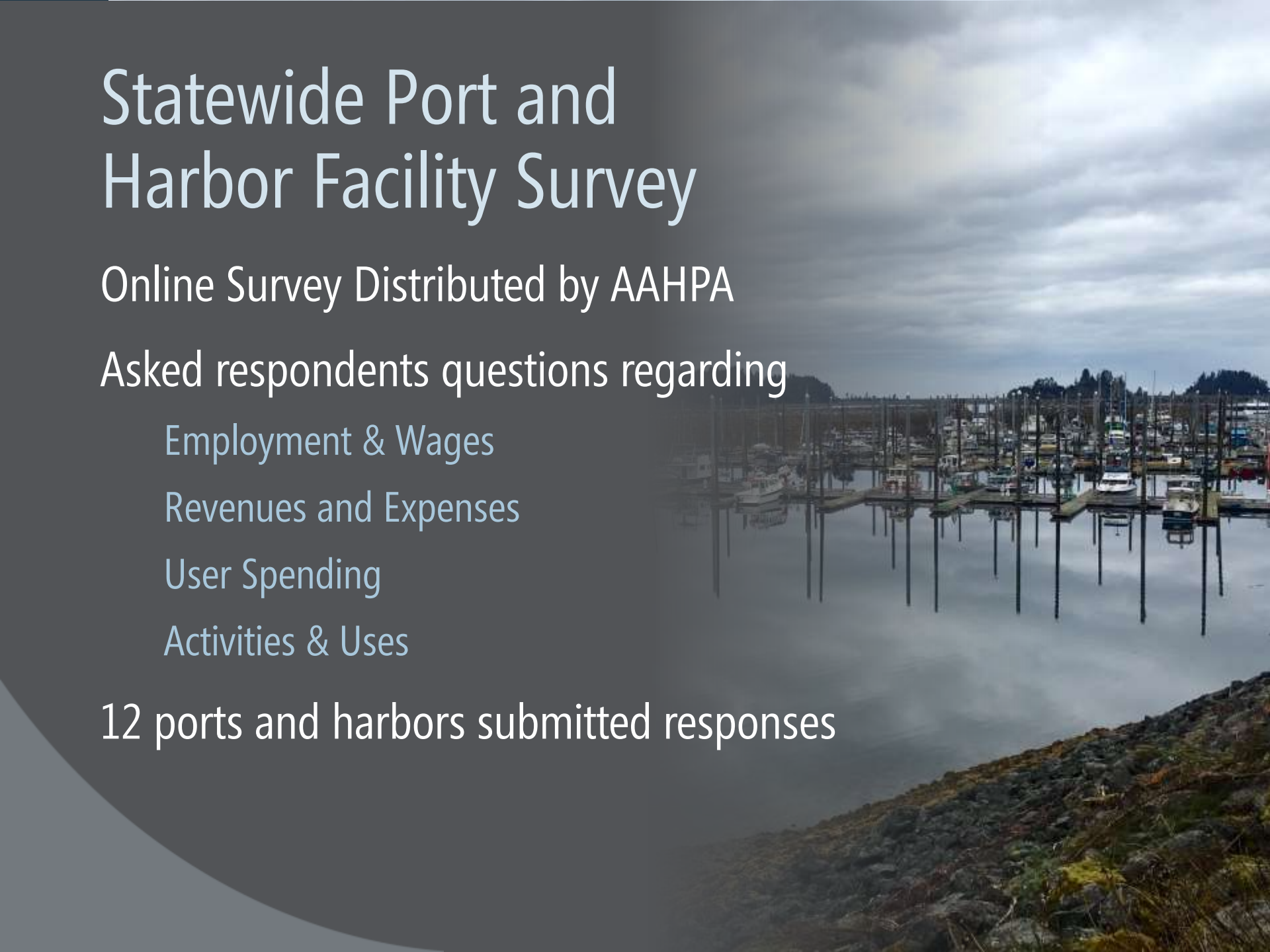
Statewide Port and Harbor Facility Survey

Online Survey Distributed by AAHPA

Asked respondents questions regarding

- Employment & Wages
- Revenues and Expenses
- User Spending
- Activities & Uses

12 ports and harbors submitted responses



Employment and Wages

Employment

Average facility employs

9 year-round employees

7 seasonal employees

Indirect Jobs

maritime industrial support

fishing industry

construction industry

Wages

Average hourly rates between **$22.96** and **$25.15**

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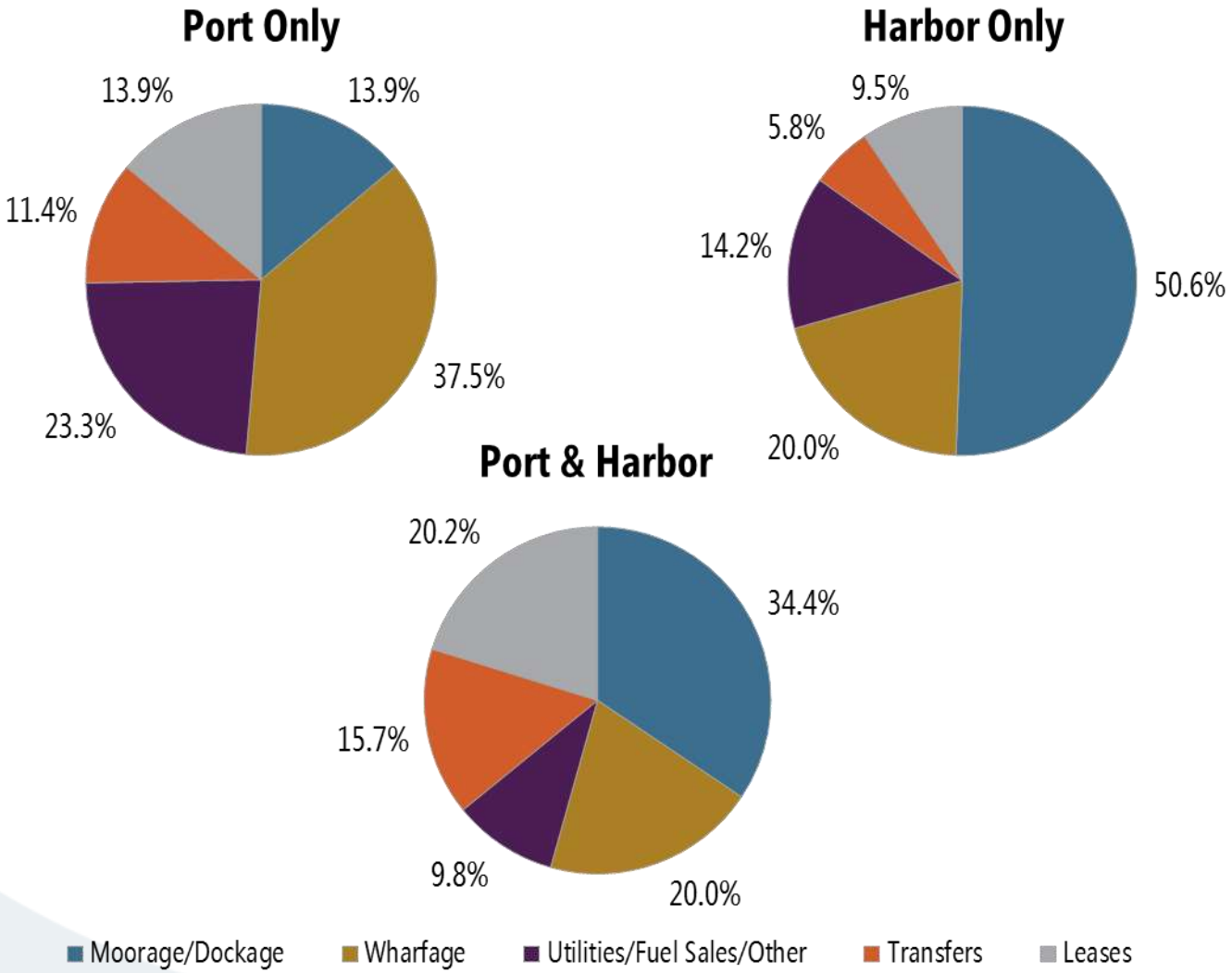
Revenue Sources



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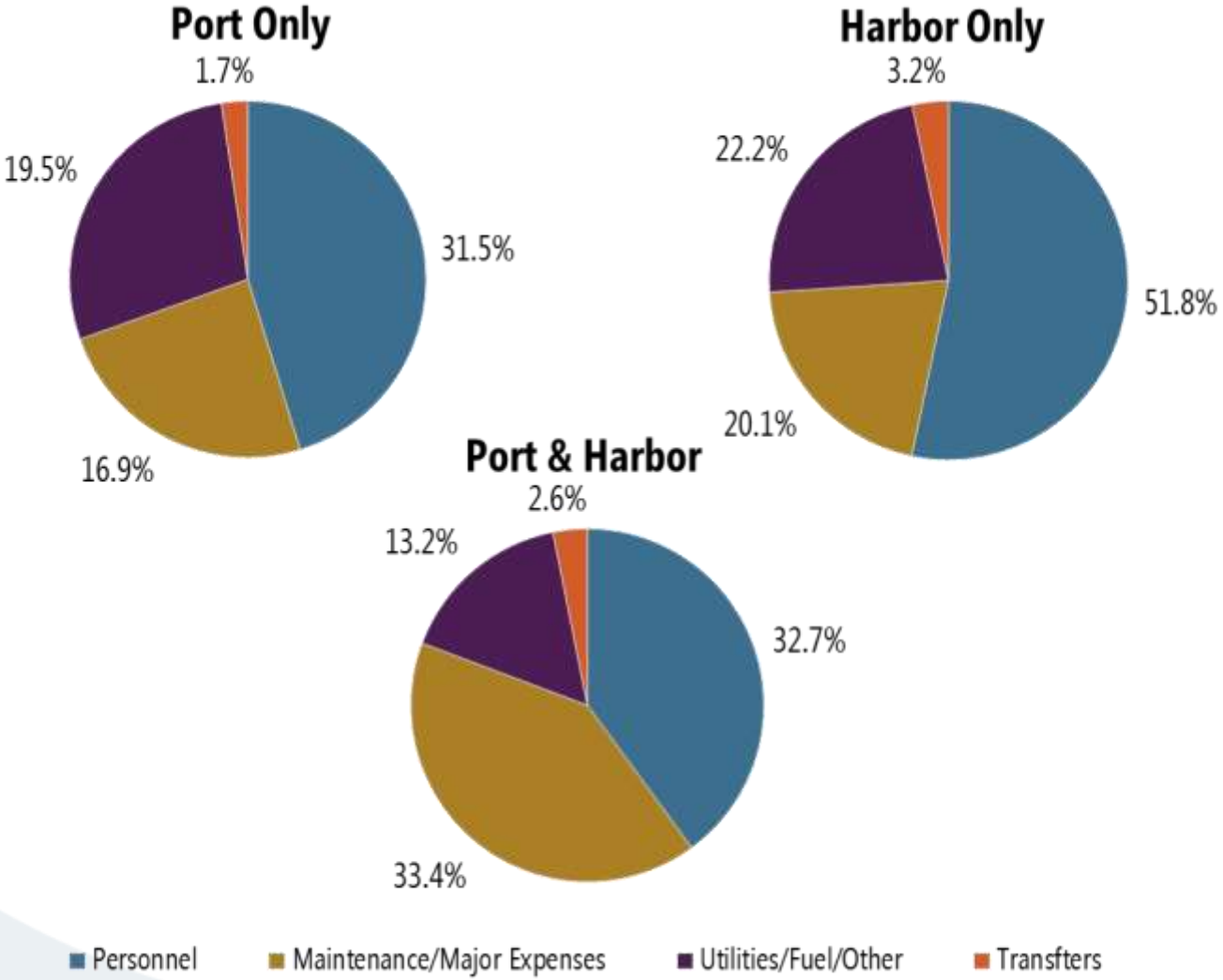
Expenses Sources



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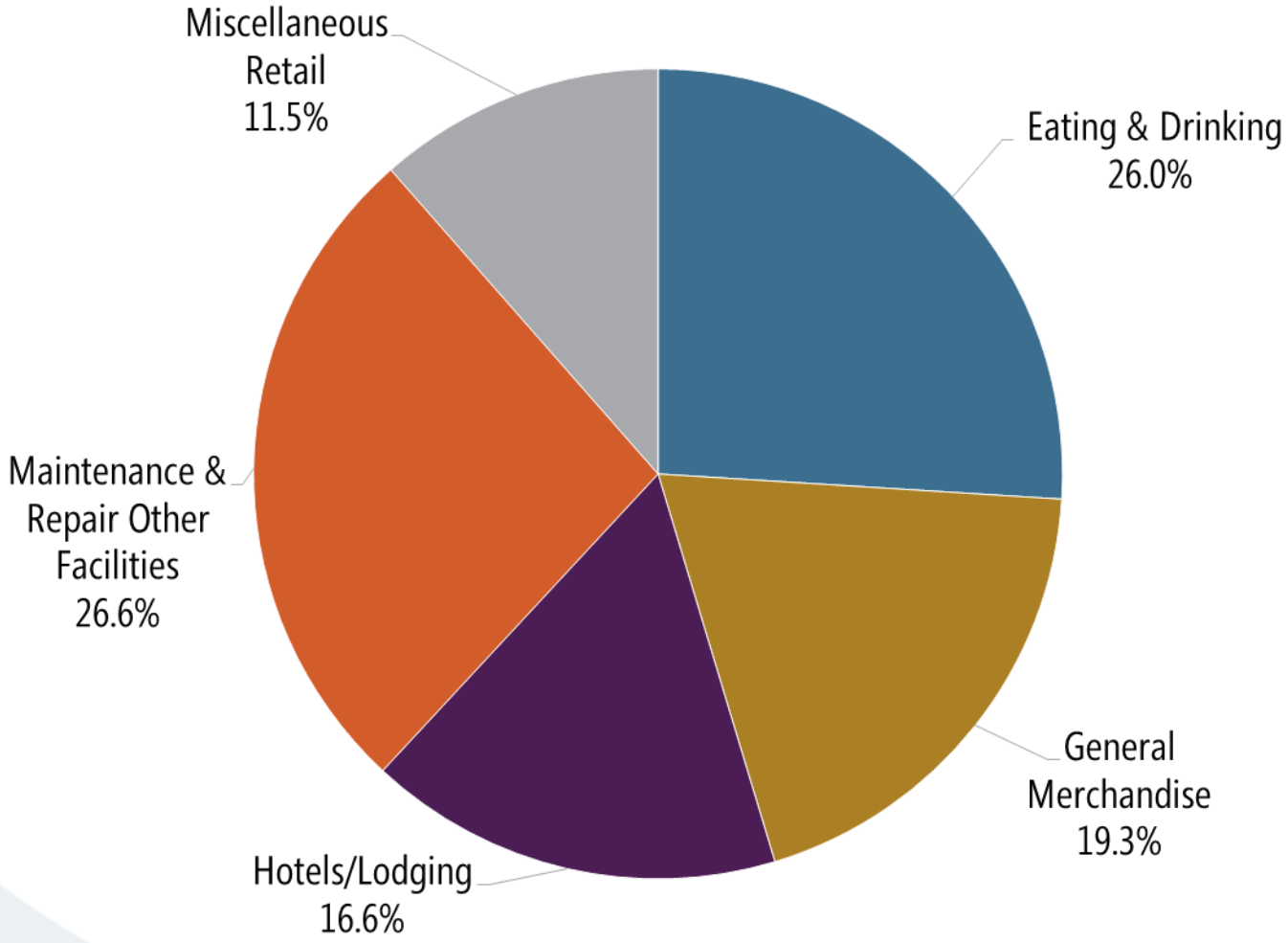
Percentage of Harbor User Spending in Local Economy by Category



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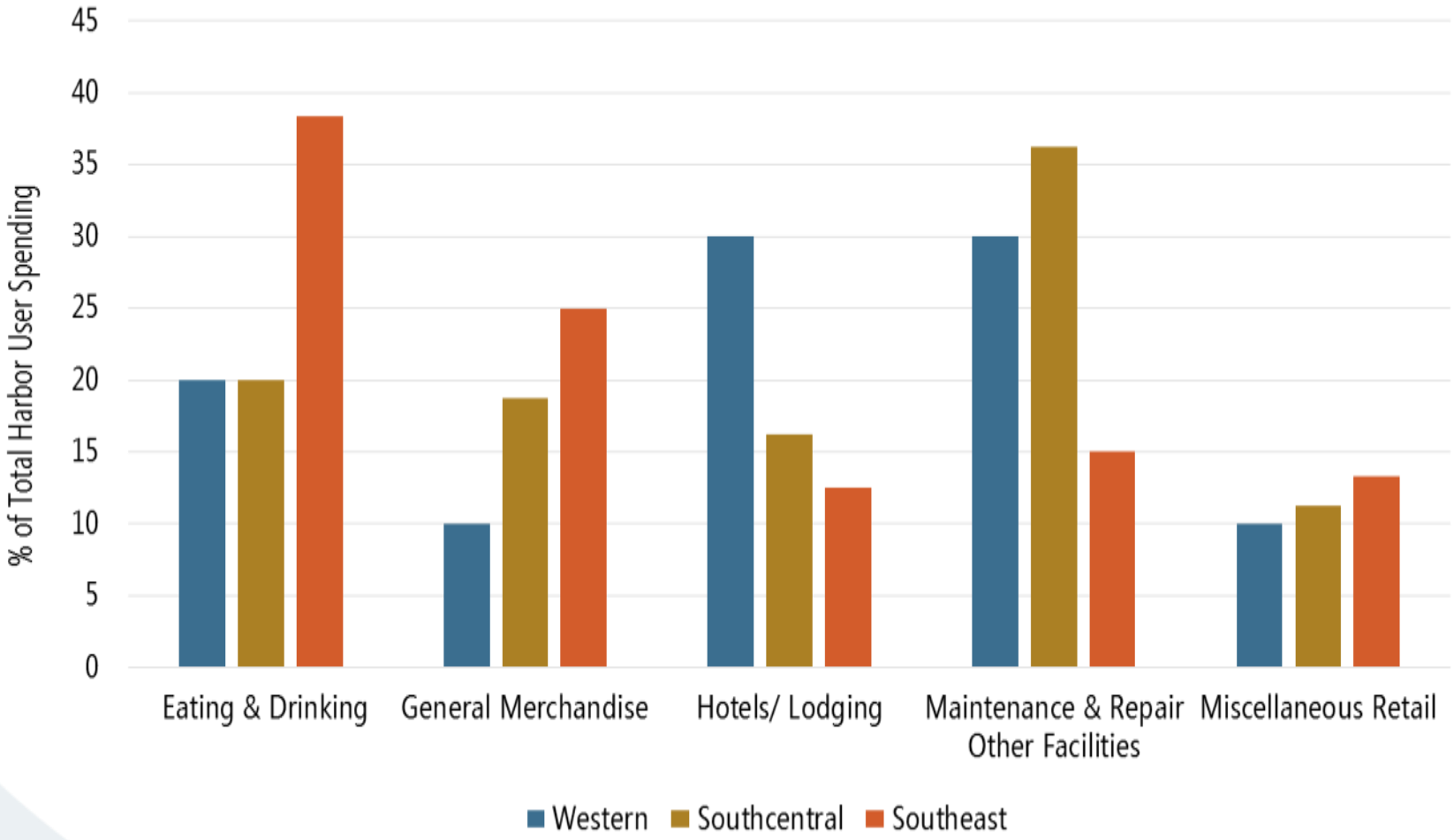
Percentage of Total Harbor User Spending in Local Economy by Region



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Average Non-Labor Port and Harbor Expenditure Impacts by Borough/Census Area

Borough/Census Area	Average Multiplier
Juneau, City and Borough	1.376
Kenai Peninsula Borough	1.571
Ketchikan Gateway Borough	1.458
Kodiak Island Borough	1.354
Nome Census Area	1.170
Petersburg Borough	1.292
Sitka, City and Borough	1.342
Valdez/Cordova	1.376

Source: Northern Economics, Inc. analysis from SPHFS Survey data, 2016 and IMPLAN Group LLC data.

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Thank you!

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