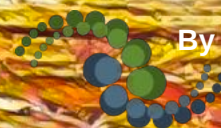


Southeast Alaska Business Climate Survey 2023



May 2023



By Rain Coast
Data

PARTNERSHIPS ACROSS SOUTHEAST ALASKA



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Southeast Alaska Business Survey Results 2023

Each year Southeast Conference conducts a regional business climate survey to track Southeast Alaska business confidence. The survey was developed in a partnership between Southeast Conference and organizations across the region. Rain Coast Data designed the survey instrument on behalf of this partnership. Southeast Alaska business owners and top managers are invited to participate. The web-based survey was administered in April 2023. A total of 370 regional business leaders, representing a combined staff of nearly 10,000, responded to the survey. Survey analysis includes the following key findings:

- **Best Business Climate:** Nearly two-thirds (65%) of regional business leaders currently have a positive view of the Southeast Alaska business climate, the highest positivity rating since recording began in 2010, and a dramatic increase from two years ago when 80% of business leaders called the business climate “poor” or “very poor.” While most sectors and communities have a positive perspective, those in large cruise ship port communities are the most likely to say that the regional economy is “very good.” *In contrast, more than half of those in the seafood and non-tourism transportation sectors report that the business climate is poor.*
- **Outlook is also Strong:** 42% of regional business leaders say that their business or sector is on track for continued growth over the next year, making this the 2nd most positive outlook recorded. The sectors most likely to report that the coming year will be “much better” include food- and beverage-focused businesses, tourism, and Alaska Native organizations. Communities with the most positive outlook include Skagway, Gustavus, Hoonah, and Sitka. *On the other end of the spectrum, the seafood and social service sectors report worsening outlooks.*
- **Businesses are Hiring:** The survey shows that 30% of regional businesses are actively hiring or anticipate adding employees over the next twelve months. Alaska Native organizations and food and beverage businesses are expected to see the most significant job gains. Notably, two-thirds of Hoonah businesses are in a hiring mode. *Only the seafood industry is expecting to reduce its workforce in the coming year.*
- **Housing and Childcare Shortages Create Workforce Shortages:** Business leaders identified housing and childcare shortages as key culprits in workforce turnover, or workers not able to take job offers in the first place. Many of the open-ended responses discussed the fact that while business is good, the lack of workforce remains a limiting factor, such as the following: “The biggest limitation to business growth is housing for employees.” Access to recreation and recruiting staff originally from Alaska are key to attracting and retaining workers in the long term.

65%
positive about
economy
now

42%
say it will
continue to get
even better

30%
of employers
are hiring

52%
say housing is
reducing
workforce

The following pages summarize survey findings.

Southeast Business Respondent Profile

370

Business
Leaders

The 370 responding businesses represent 9,500 Southeast Alaska workers.

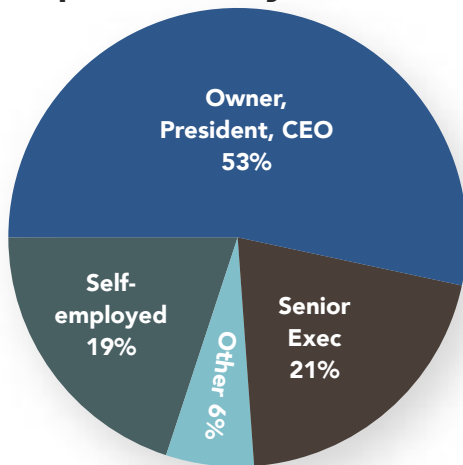
Responding Businesses Profile

Responding Businesses = **370**

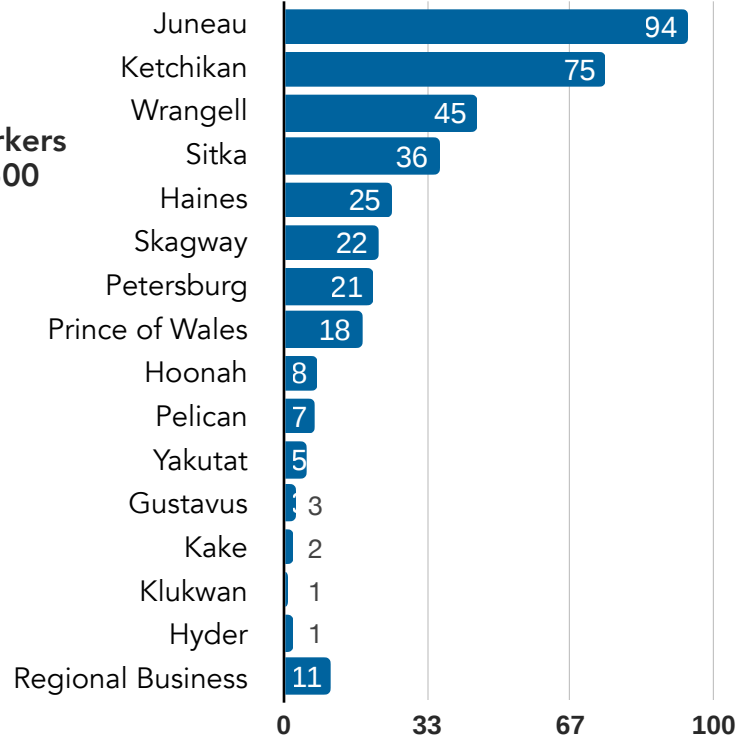
Average Employees Per Business = **26 Workers**

Total Workers Represented by Survey = **9,500**

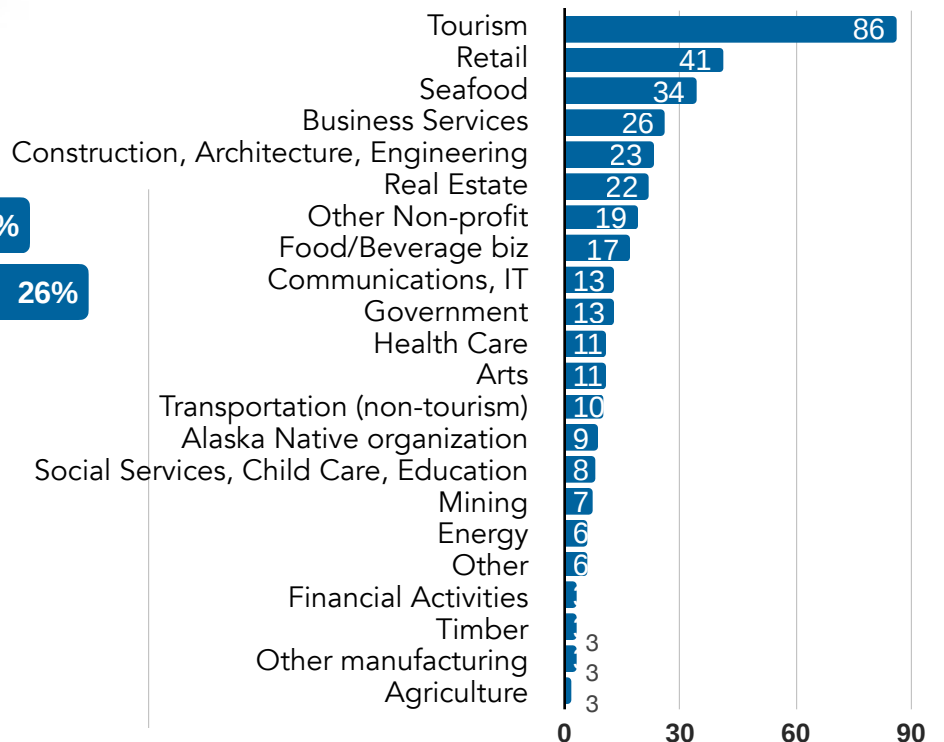
Respondent by Position



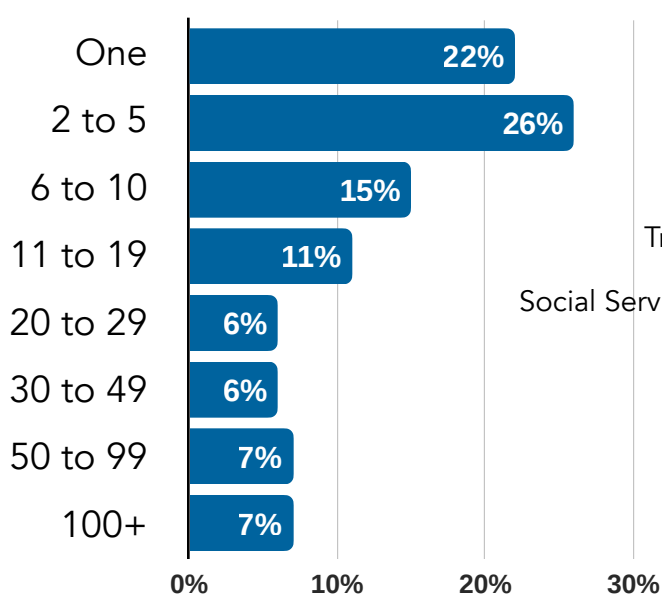
Respondents by Community



Respondents by Sector



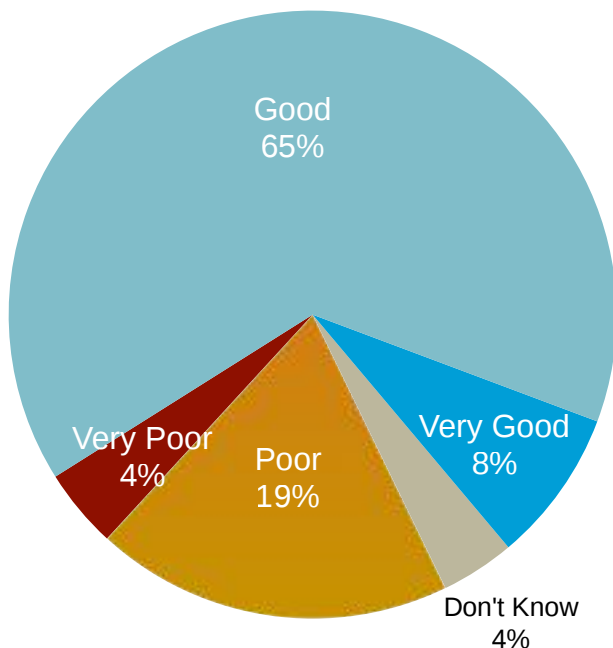
Total Workers



Southeast Business Climate Spring 2023

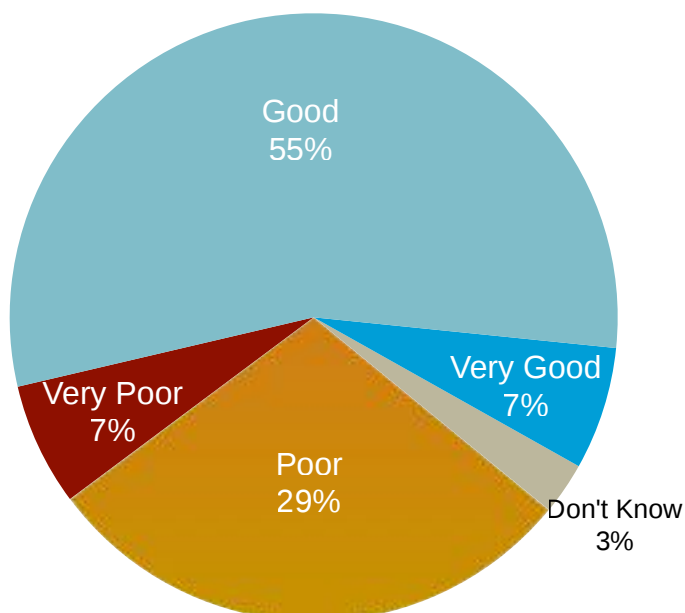
April **2023** Southeast Alaska: **How do you view the overall business climate right now?**

73% Positive / 23% Negative



April **2022** Southeast Alaska: **How do you view the overall business climate right now?**

62% Positive / 36% Negative



Southeast Alaska Annual Business Climate Survey

In April 2023, 370 Southeast Alaska business owners and top managers from 20 communities responded to Southeast Conference's Business Climate Survey.

Economy Now: How do you view the overall business climate right now?

In 2023, Southeast Alaska business leaders reported the best business climate in the history of the survey, which began in 2010. Nearly three-quarters — 73% of all business leaders in the region — called the business climate good or very good; while just 23% called it poor or very poor.

While most sectors have a positive perspective on the current economy, those leading **Alaska Native** organizations, **tourism** enterprises, and **food- or beverage-**focused businesses were the most positive.

In two sectors—**seafood** and **non-tourism transportation**—those calling the business climate “poor” or “very poor” outweighed those with a positive perspective.

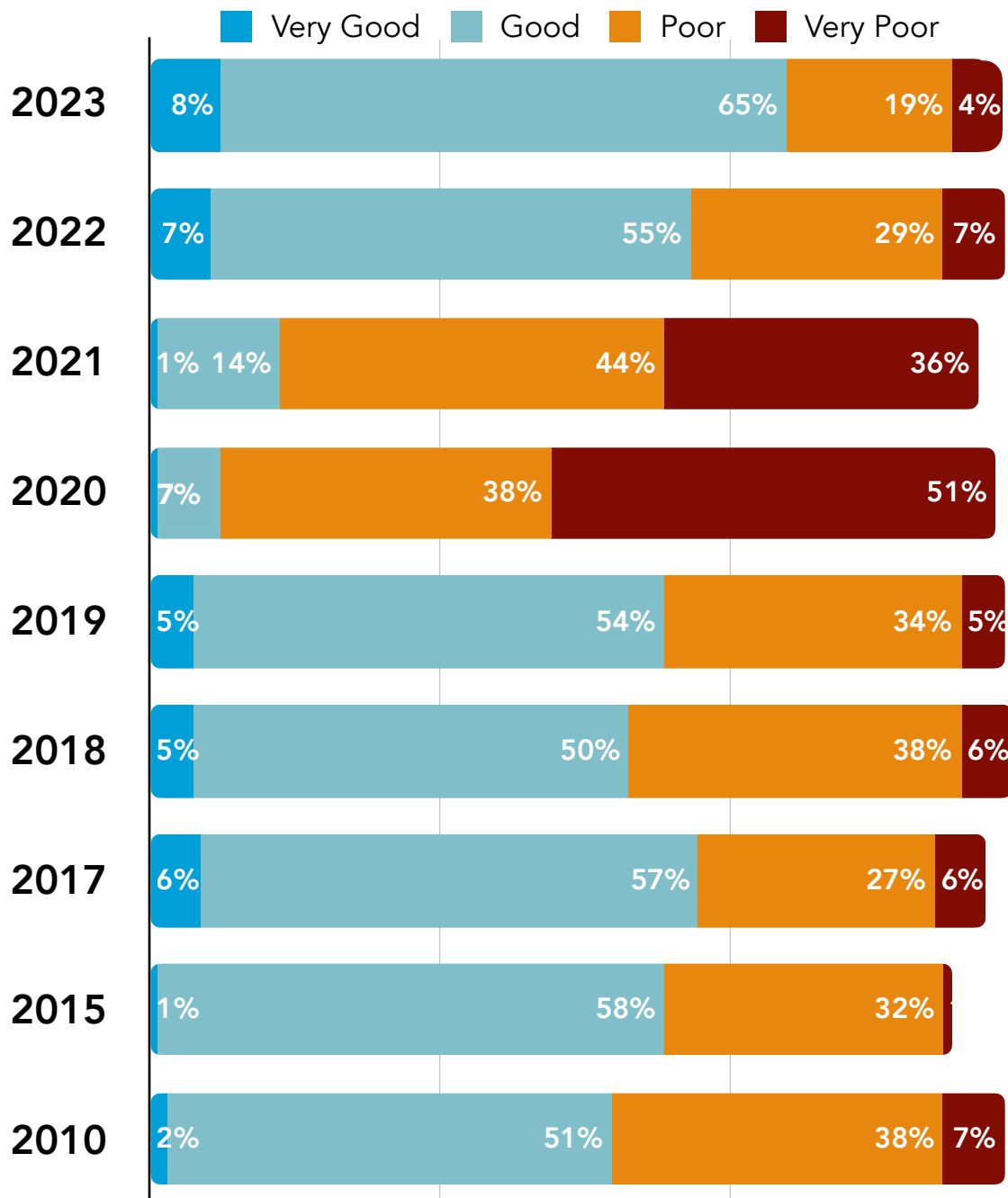
Among communities, business leaders in **Sitka, Hoonah, Pelican, and Skagway** reported the most positive business perspectives.

Wrangell was the only community where business leaders were more likely to report a poor business climate than a positive one.

Southeast Business Climate Results: by Year

Southeast Alaska businesses are rating the current 2023 business climate as the best business climate since the survey began; it is also demonstrably better than last year. Those calling the business climate good or very good rose by 11-points, while those calling it poor or very poor dropped by 13-points. The two COVID-economy years, 2020 and 2021, were demonstrably negative outliers.

How do you view the overall business climate right now?

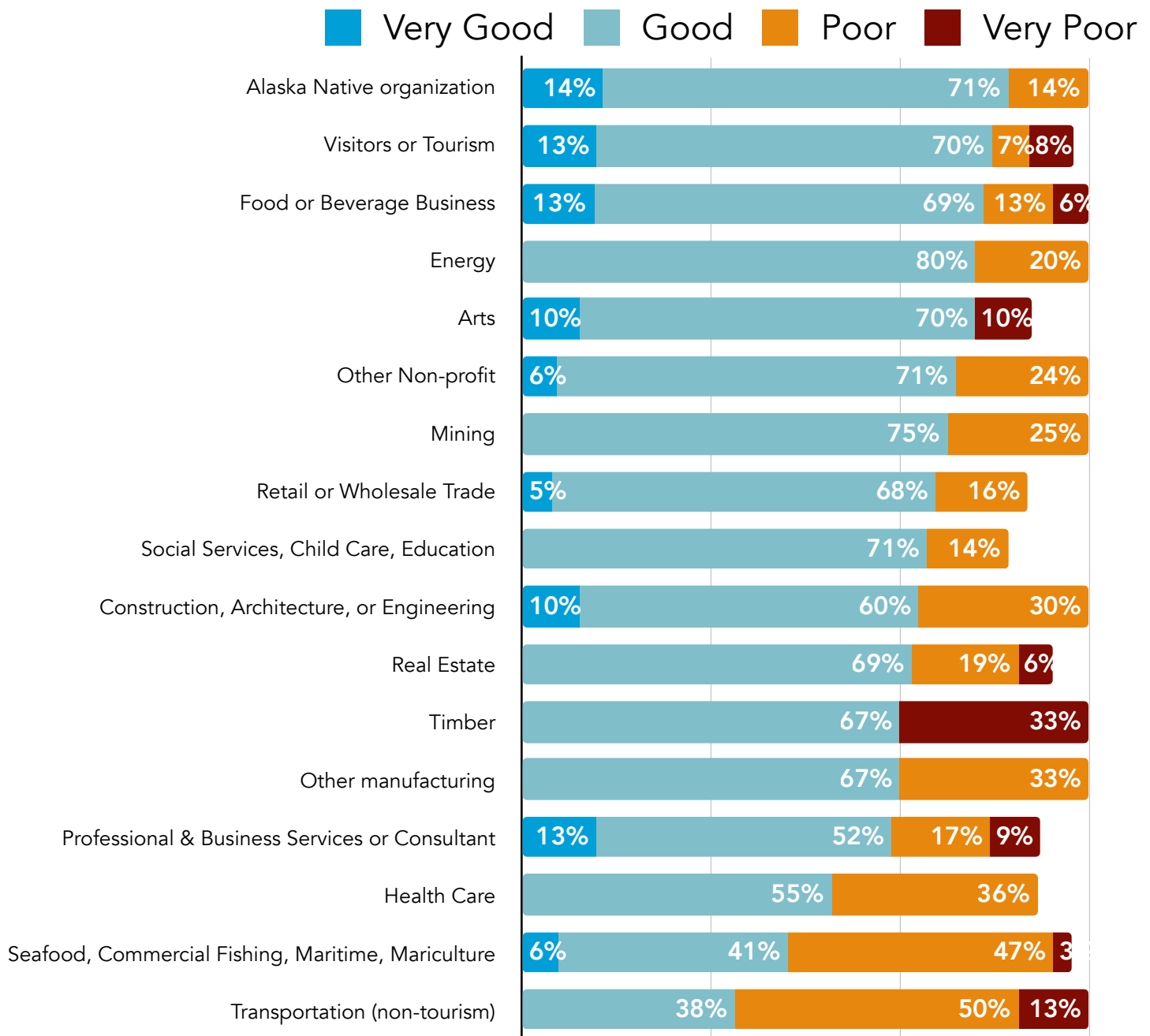


The "don't know" category has been excluded from this chart.

Southeast Business Climate Results: by Industry

The following graphic breaks out how the current Southeast Alaska business climate is viewed by each sector. Alaska Native organizations, those in tourism, or in the food/beverage businesses are most likely to call the current economy good or very good; while the seafood and transportation sectors are most likely to call the economy poor or very poor.

April **2023** Southeast Alaska: **How do you view the overall business climate right now?**

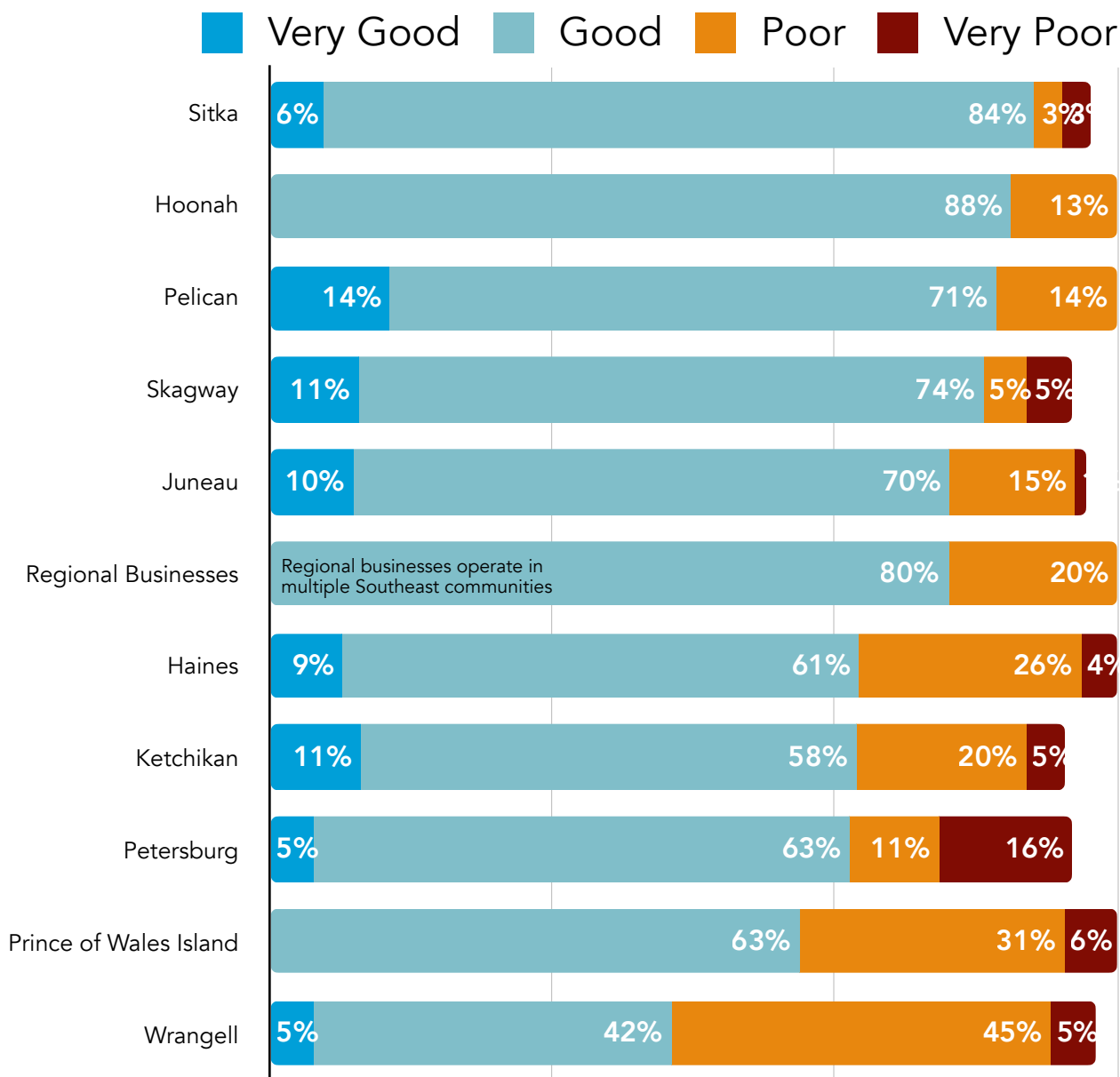


The "don't know" category has been excluded from this chart.

Southeast Business Climate Results: by Community

The graphic below shows how the current regional business climate is being experienced by business leaders in each community. The region's large cruise ship ports, such as Sitka, Hoonah, Skagway, and Juneau, report the most positive perspectives. Skagway moved from last place and a 96% negative view of the economy in 2021 to a 85% positive view in 2023. Communities with the most reliance on a seafood economy reported less positive business climates.

April **2023** Southeast Alaska: **How do you view the overall business climate right now?**



The "don't know" category has been excluded from this chart.

Southeast Economic Outlook

What is the economic outlook for your business/industry over the next year (compared to the previous year)?

Southeast Alaska Economic Outlook

Economic Future: In 2023, 79% of respondents describe the economic outlook for their business or industry over the next 12 months as positive; while 21% have a negative outlook. The regional outlook is similar to 2022.

Nearly a third of survey respondents expect their prospects to be better (31%) over the next year, 11% expect business to be much better, while 37% of regional business leaders say their business outlook is similar to current operations, in a positive way.

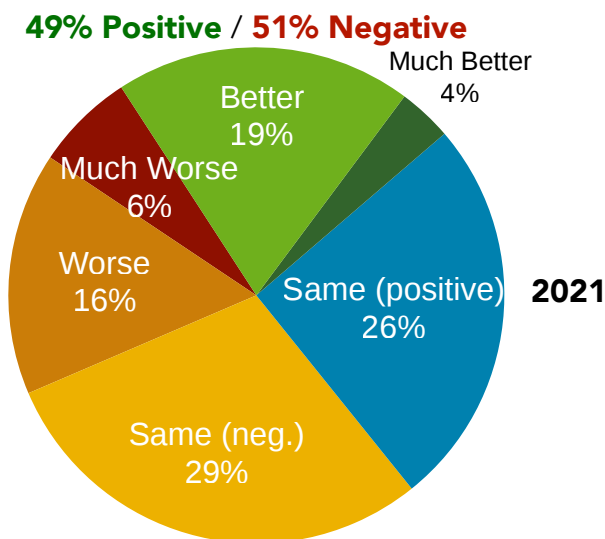
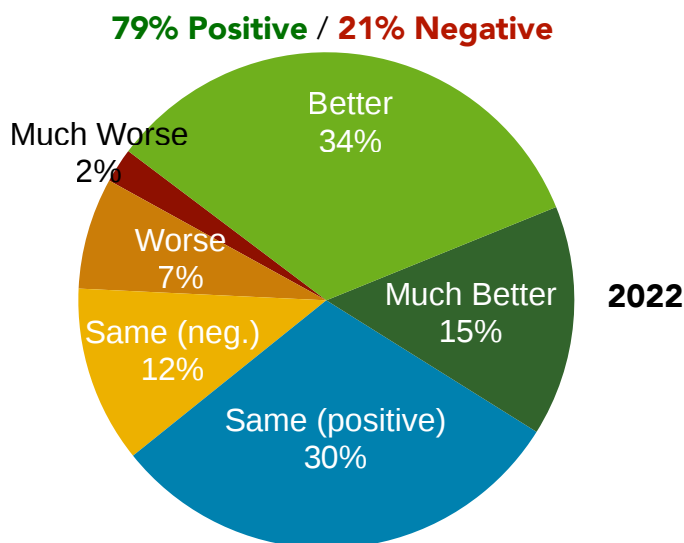
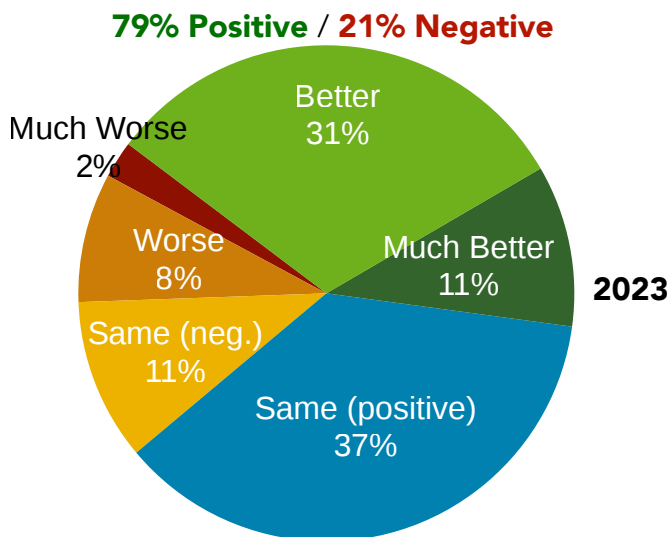
Ten percent expect their businesses to decline in the coming year.

The economic outlook for energy, Alaska Native organizations, tourism, and the food & beverage sector are most positive moving into 2024, followed by the arts.

The seafood and social services sectors are most likely to have a negative outlook.

The communities with the most positive outlook include Skagway, Gustavus, Hoonah, and Sitka.

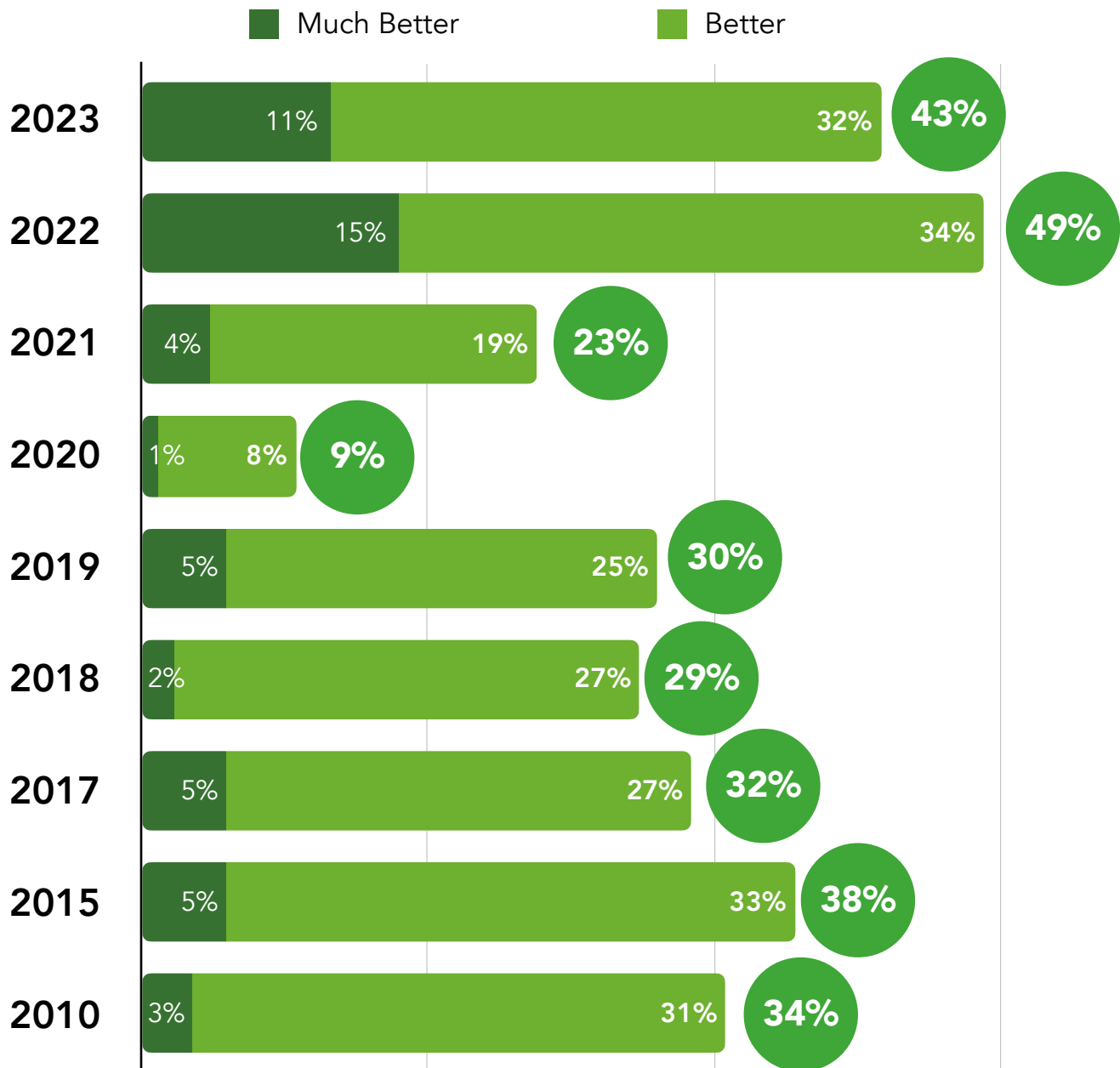
As they did last year, Wrangell and Prince of Wales have the most negative outlook moving forward.



Southeast Business Outlook Results: by Year

Forty-one percent of Southeast Alaska businesses are forecasting that the coming year (2023 through the spring of 2024) is likely to be even better than spring 2023 for their business or industry. Compared to past survey years, it is the second best outlook on record, which is remarkable considering the spring 2023 business climate is rated as the highest since recording began.

What is the economic outlook for your business/industry over the next year (compared to the previous year)?

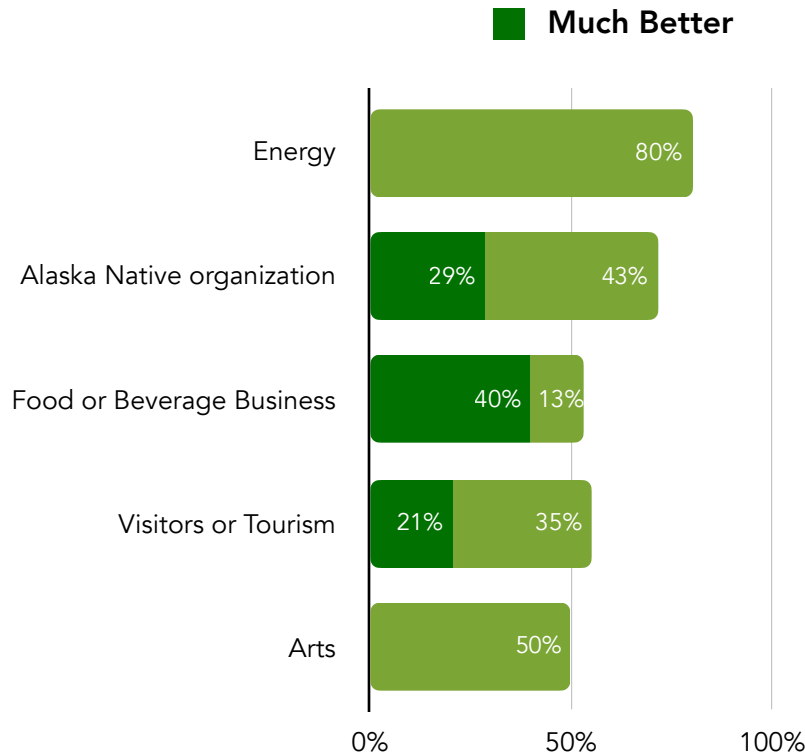


Southeast Economic Outlook: by Community and Industry

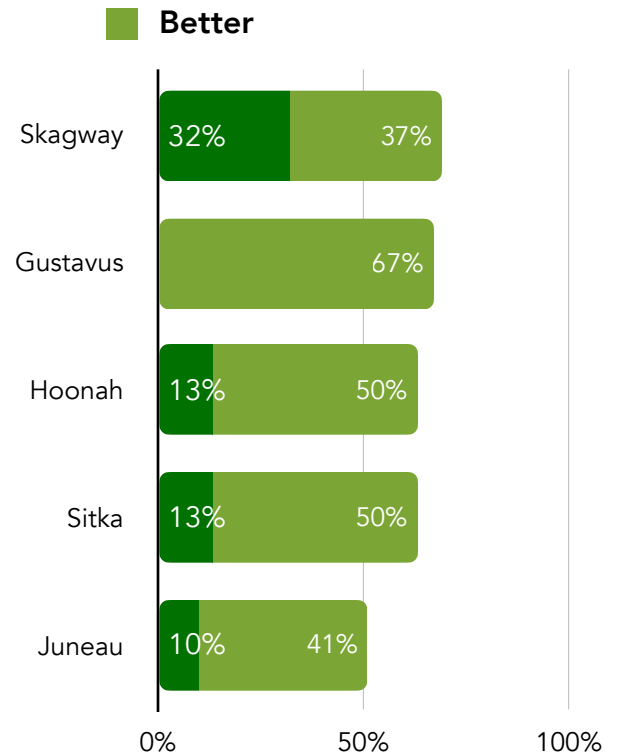
The below graphics show economic outlook breakdowns for the next year by industry as well as by community.

2023: What is the economic outlook for your business or industry?

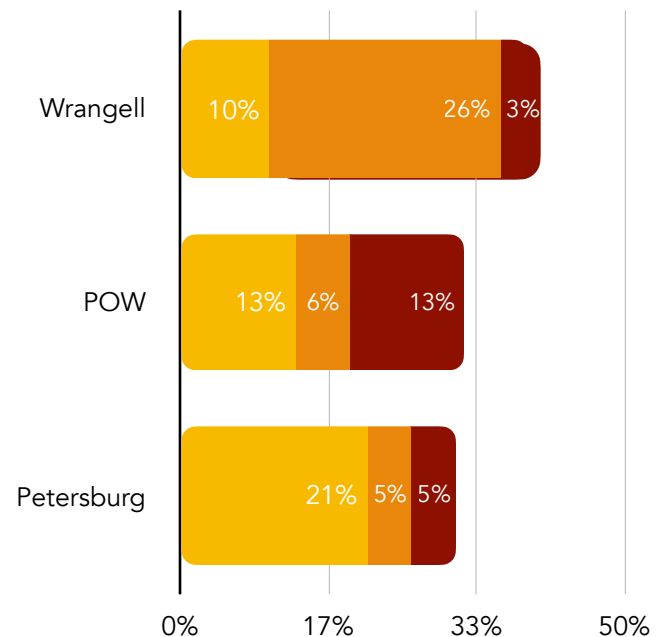
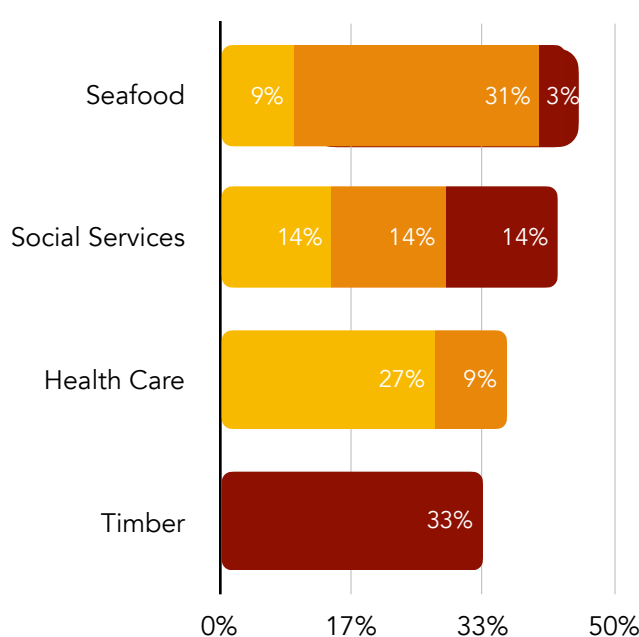
By Industry



By Community



■ **Same (generally negative)** ■ **Worse** ■ **Much Worse**



Southeast Economic Outlook:

In their own words

Please elaborate on the outlook for your business or sector over the next year.

In some ways, no collection of charts is more valuable than the words of the business leaders themselves. Nearly 230 businesses took additional time to write about their expectations and needs for the upcoming year.

- **Visitors, Tourism:** *"With the exception of 2020, the business has achieved year-over-year growth while producing jobs for locals and non-residents and contributing to local supporting business and the tax-base."*
- **Seafood, Maritime:** *"This year's return should be positive for us, but prices have come down considerably from last year, and costs keep rising. The other unknown we contend with are salmon returns. Time will tell how volatile the industry will get. If markets and returns can stabilize, we will be in a good position moving forward."*
- **Food, Beverage:** *"Labor pool is tight and the desire to work is lower than I have ever seen it in 15 years of ownership."*
- **Construction, Architecture, Engineering:** *"We have a pretty solid team and a lot of work right now, but the long-range outlook is dependent on other factors in the community such as sufficient housing. We already have 20% of our staff remote working from outside the region - those are households not being maintained here, kids not going to school here, sales and property taxes not being paid here. It is counter to my professional goals set in establishing our business here."*
- **Retail, Wholesale Trade:** *"Our business is expanding which will mean adding jobs and moderate growth. Supply chain issues have somewhat resolved so we have an improved ability to meet demand with product. Labor/housing availability will be our biggest limiting factor."*
- **Real Estate:** *"There is a minimum inventory of available housing for sale. Coupled with rising interest rates, housing sales will likely decline."*
- **Transportation (non-tourism):** *"Growth is limited by a lack of workforce. Lack of housing and child care are crushing growth."*
- **Communications:** *"Outlook = possible closure."*

Southeast Economic Outlook:

In their own words continued

- **Social Services, Child Care, Education:** *“The outlook for social service nonprofits is grim. For the past 15 years increased administrative requirements and flat funding has brought many social service agencies close to the edge financially. With the pandemic, relief funding was available to help defray increased demand for services, and increased costs. With continued high level of demand for help, and no more relief funding, my agency is in the difficult position of having to make deep cuts to expenses while trying to find creative ways maintain at least some level of services to those in need.”*
- **Health Care:** *“Healthcare is starting to see some growth in our community; however, we have experienced one of the worst economic impacts in FY23 in the history of our organization. I am hopeful that increased childcare in our facility will boost the workforce and increase services to the region.”*
- **Arts:** *“Creative services like photography, design, video etc. are increasingly in demand across the region.”*
- **Mining:** *“The outlook for mining is positive with good metals prices currently and a forecast of higher prices in the years to come. Finding qualified/quality employees continues to be a problem. There are considerable opportunities in the industry for folks that want a new challenge or high paying jobs with on the job training.”*
- **Financial Activities:** *“There is a lack of qualified bookkeepers and tax preparers in SE Alaska. Not enough young people are going into this industry.”*
- **Energy:** *“A big positive factor has been the influx of federal money into the region through the Inflation Reduction Act, Murkowski earmarks, and other federal grant programs.”*
- **Alaska Native Organizations:** *“We see growth in tourism and transportation as the primary factors for job creation.”*
- **Professional Services:** *“Consulting will be more challenging due primarily to the shortage of qualified employees. Additionally, it will be hard to attract them without enough housing and child care providers so that they can accept jobs. We are prepared to pay more but that may not be enough.”*

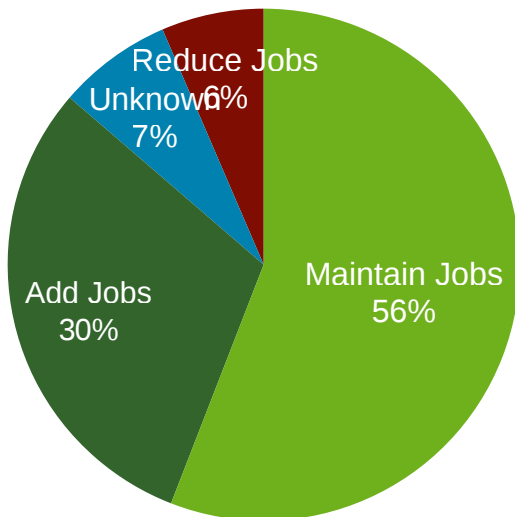
Southeast Economic Outlook: by Industry

The following table shows a detailed economic outlook by industry.

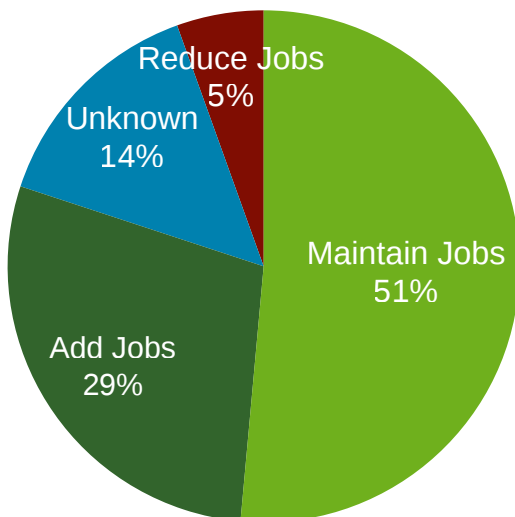
What is the economic outlook for your business or industry?						
Sector	Much Better	Better	Same (generally a positive statement)	Same (generally a negative statement)	Worse	Much Worse
Energy	0%	80%	0%	20%	0%	0%
Alaska Native organization	29%	43%	14%	14%	0%	0%
Food or Beverage Business	40%	13%	40%	7%	0%	0%
Visitors or Tourism	21%	35%	29%	10%	4%	1%
Arts	0%	50%	40%	10%	0%	0%
Retail or Wholesale Trade	3%	46%	33%	10%	8%	0%
Mining	20%	20%	40%	20%	0%	0%
Professional & Business Services or Consultant	17%	22%	30%	9%	22%	0%
Agriculture	0%	67%	33%	0%	0%	0%
Transportation (non-tourism)	0%	38%	38%	0%	0%	25%
Other Non-profit	6%	28%	44%	11%	6%	6%
Construction, Architecture, or Engineering	5%	25%	60%	10%	0%	0%
Real Estate	0%	25%	44%	19%	13%	0%
Health Care	0%	36%	27%	27%	9%	0%
Social Services, Child Care, Education	14%	29%	14%	14%	14%	14%
Communications, Information Technology	0%	9%	64%	0%	18%	9%
Seafood, Commercial Fishing, Maritime, Mariculture	3%	6%	47%	9%	31%	3%
Timber	0%	0%	67%	0%	0%	33%

Jobs Projections in 2023 and 2024

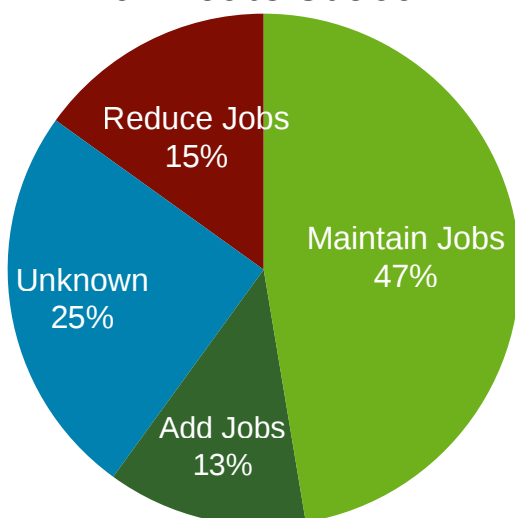
2023: Jobs Outlook



2022: Jobs Outlook



2021: Jobs Outlook



Over the next 12 months, do you expect your organization to add jobs, maintain jobs, reduce jobs, or are you unsure
(For those business with staff)

Employment changes in the next year

When asked about staffing expectations, nearly one-third (30%) expect to add employees, and more than half of business leaders (56%) expect to maintain job levels in the coming year.

Just 6% of business leaders expect to reduce staffing levels in the upcoming year.

The expected job gains will be most significant in **Alaska Native** organizations, the **food & beverage** sector, **mining**, and **health care**.

Employment reductions will be concentrated in **seafood**, **energy**, and **social services**.

Business leaders in **Hoonah**, **Ketchikan**, **Juneau**, and **Sitka** expect the greatest job gains for their businesses moving forward.

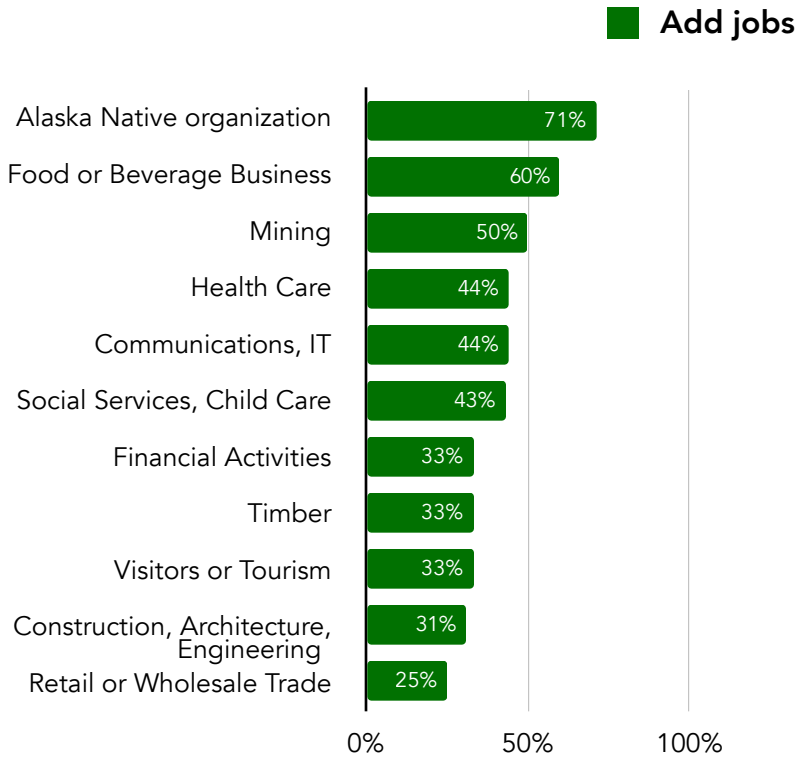
Wrangell, **Yakutat**, and **Petersburg** have the most negative job expectations in the coming year.

Wrangell businesses have a tremendous amount of uncertainty, with a fifth of all businesses unsure if they will add or cut jobs in the next year.

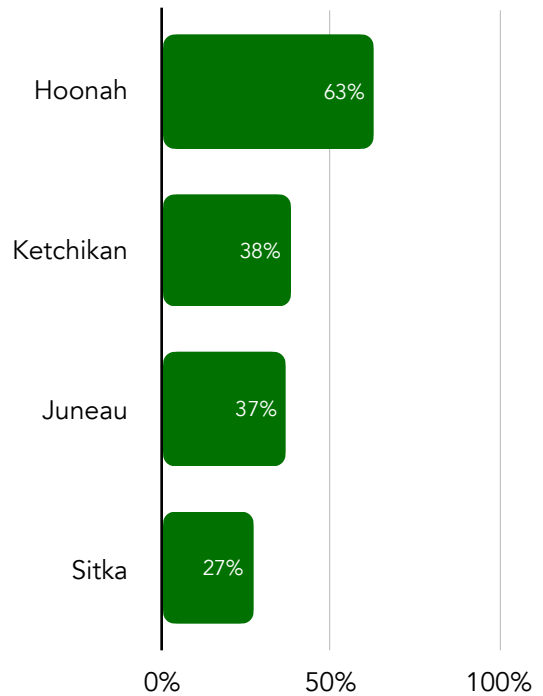
By Community: Jobs in Next 12 Months

Over the next year, do you expect your organization to add jobs, maintain jobs, reduce jobs, or are you unsure?

By Industry

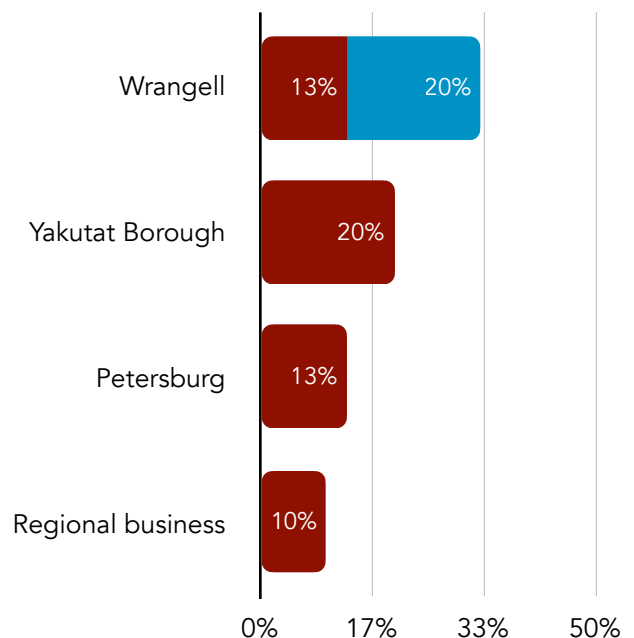
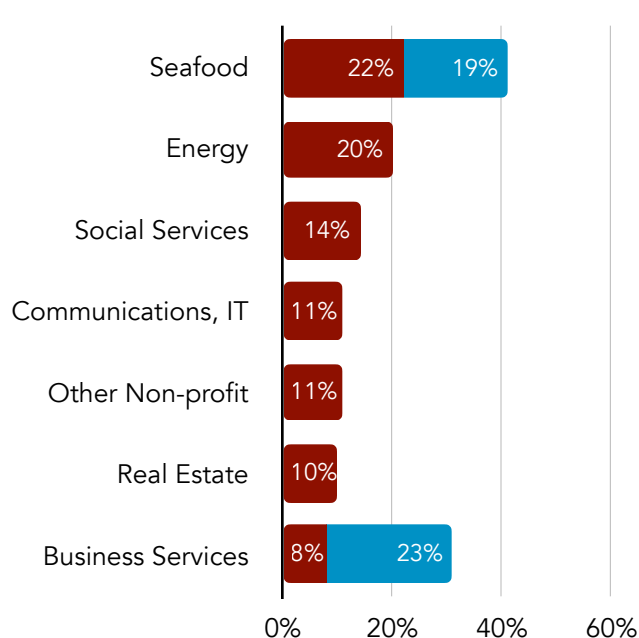


By Community



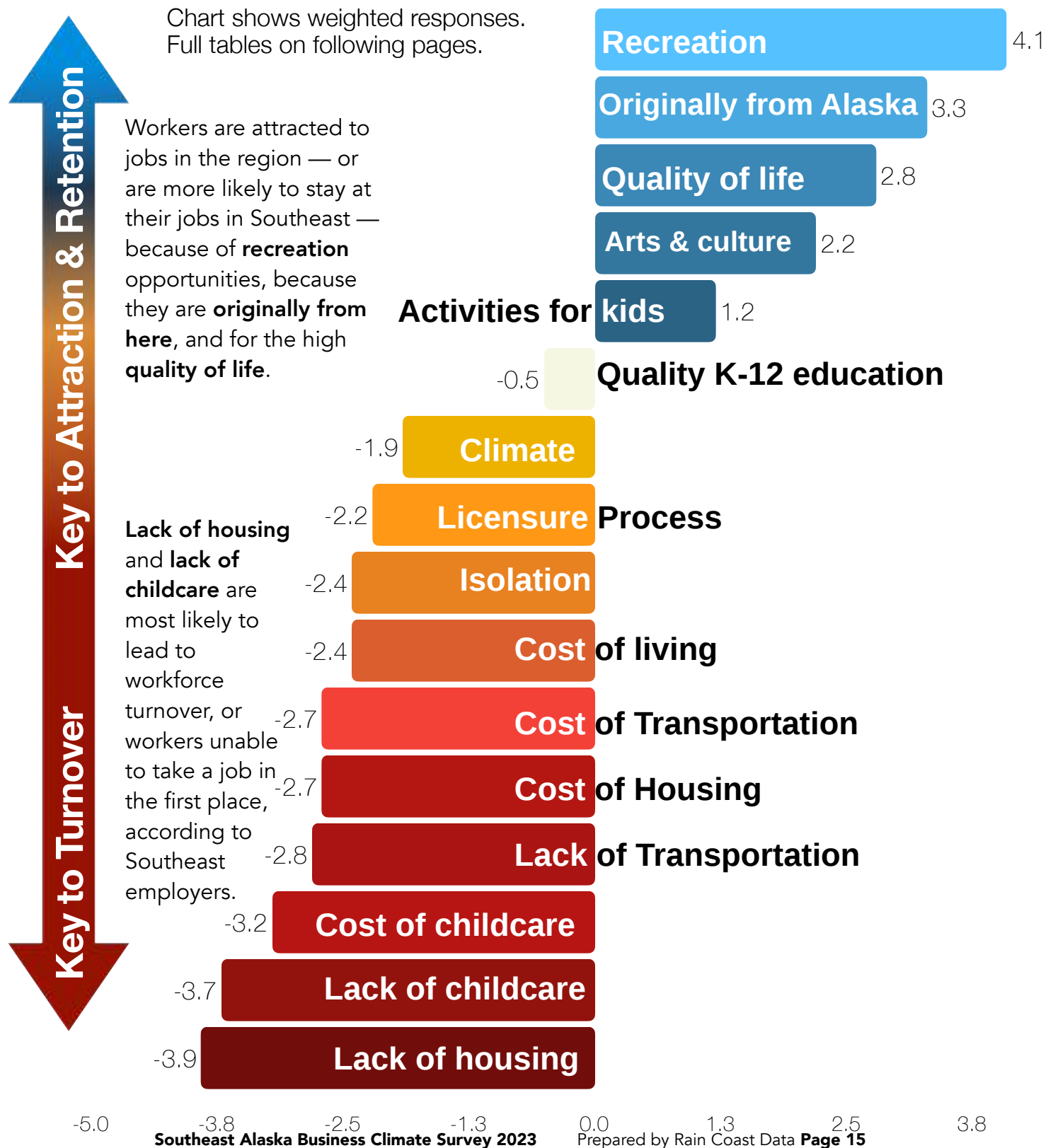
■ Reduce total jobs

■ Unknown at this time



Retention & Turnover: How do these factors impact worker attraction & retention?

Southeast Alaska business leaders were asked to rank the impact of 16 elements on workforce attraction, retention, and turnover. This is a weighted ranking of their responses.



Retention & Turnover: How do these factors impact worker attraction & retention?

Business leaders say that quality of life, recreation, and Alaskan staff are key to worker attraction and retention; while lack of housing and childcare, along with the cost of living (including housing and childcare costs) drive workers and potential workers away from the region. Cost of housing and cost of living were the most likely to cause workers **not** to take jobs, but they also resulted in longterm job retention. While licensure was a factor for sectors like real estate, transportation, and health care, it was the least relevant factor for most business leaders.

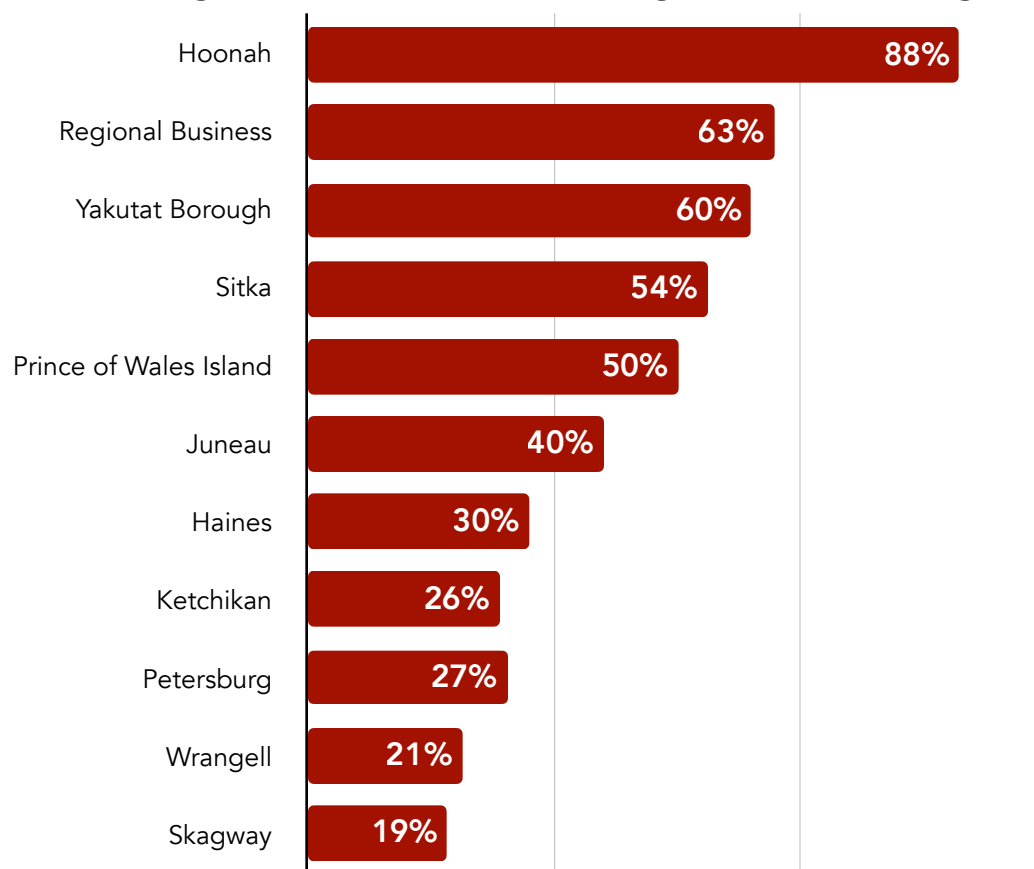
Southeast Alaska Workforce Attraction, Retention & Turnover					
Factor	Significant factor resulting in long-term staff retention (or taking job)	Factor resulting in long-term staff retention (or taking job)	Factor resulting in staff leaving (or not taking job)	Significant factor resulting in staff leaving (or not taking job)	Not a factor
Housing availability (or lack of)	16%	5%	16%	36%	27%
Childcare availability (or lack thereof)	7%	7%	27%	23%	36%
Cost of housing	17%	9%	24%	29%	22%
Cost of living	16%	12%	28%	26%	18%
Cost of childcare	7%	8%	26%	19%	39%
Availability of transportation (or lack thereof)	9%	10%	21%	19%	41%
Cost of transportation	10%	9%	22%	20%	38%
Isolation	7%	11%	32%	13%	37%
Licensure process	4%	5%	13%	6%	71%
Climate & weather	6%	15%	31%	11%	37%
Quality of K-12 education	7%	16%	15%	8%	55%
Activities for kids	6%	23%	8%	4%	59%
Arts and cultural opportunities	13%	22%	8%	3%	54%
Overall quality of life	28%	24%	10%	5%	33%
Originally from Alaska	21%	15%	6%	3%	55%
Recreational opportunities	25%	20%	4%	2%	49%

Attraction and Retention Breakout: Housing Availability

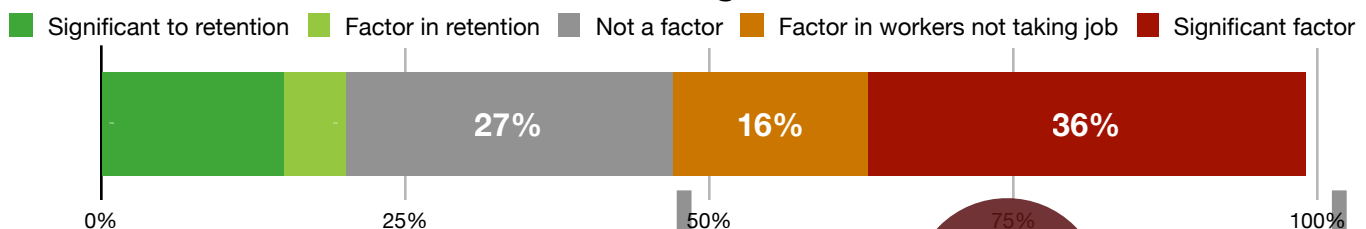
Housing is a significant problem for businesses across the region, and 52% of business leaders say that the lack of housing drives workers and potential workers away from local jobs. Hoonah business leaders are most likely to say lack of housing leads to worker shortages, followed by Yakutat and Sitka. Owners of regional businesses are especially struggling with the impact of the lack of housing on their ability to hire in Southeast.

How does housing availability impact your ability to attract and retain employees?

■ Significant factor resulting in staff leaving (or not taking job)



Region Overall



52% of SE business leaders say that lack of housing availability is a factor or significant in lack of worker attraction or retention.

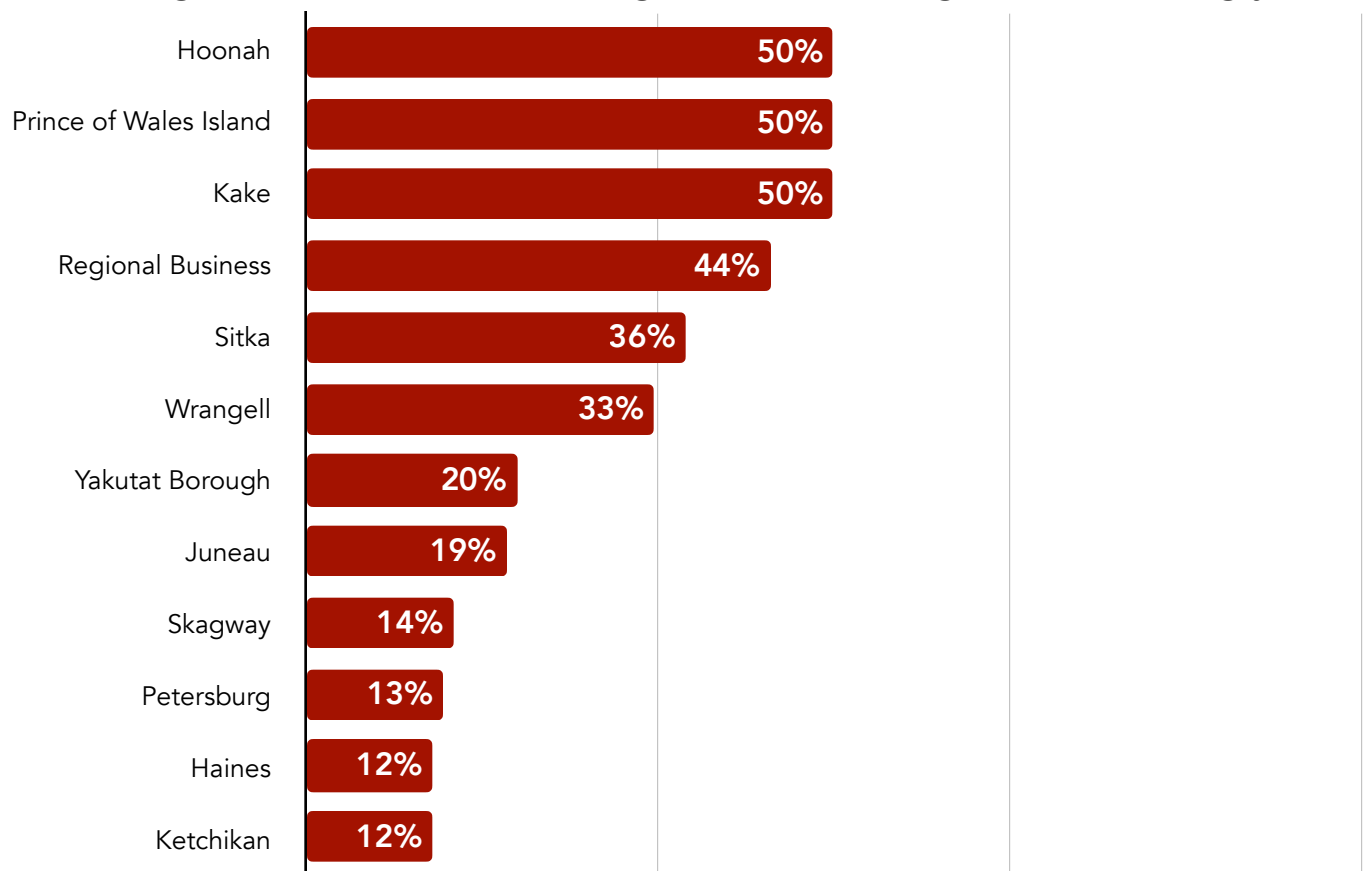
52%

Attraction and Retention Breakout: Childcare Availability

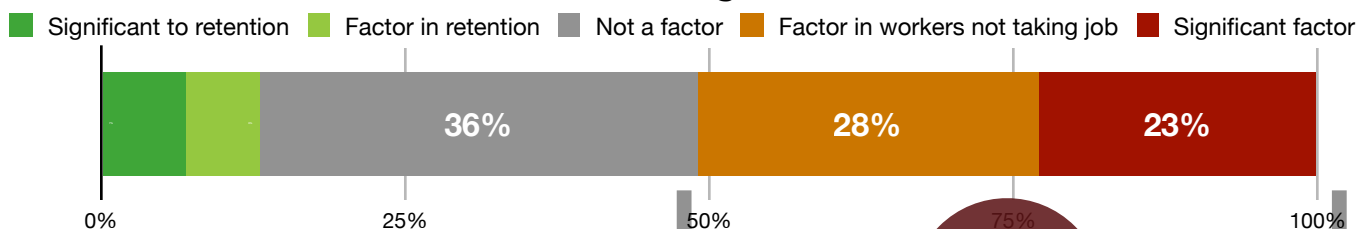
A lack of childcare has also been highlighted as a key reason that hiring and retaining staff can be difficult in the region. This is especially true in Hoonah, Prince of Wales, and Kake.

How does childcare availability impact your ability to attract and retain employees?

■ Significant factor resulting in staff leaving (or not taking job)



Region Overall



51% of SE business leaders say that lack of childcare availability is a factor or significant in lack of worker attraction or retention.

51%

How would you rate the **Quality of Life** in Southeast Alaska?

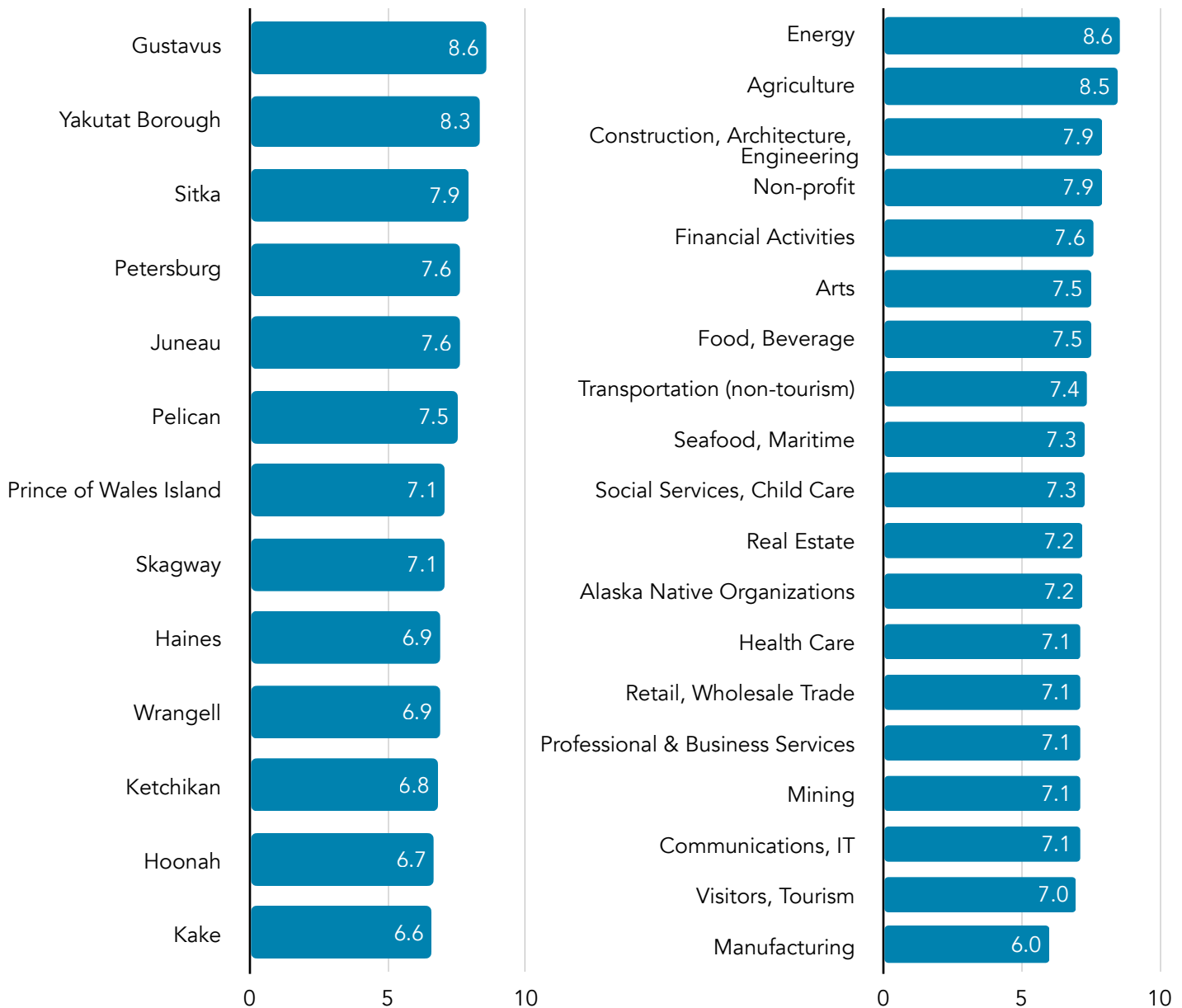
Southeast Alaska is known for its high quality of life ratings. Among business leaders, the overall quality of life rating is 7.3 out of 10. Gustavus, Yakutat, and Sitka business leaders give the region the highest ratings, while Kake, Hoonah, and Ketchikan have the lowest rankings. Those in energy, the construction/architecture/engineering sector, and in nonprofits provide the highest ratings, while those in manufacturing and tourism provide the lowest ratings.

7.3
SE Quality of Life

By Community

By Industry

■ Southeast Quality of Life



Appendix

housing
employees costs economic work
support high services
government economy local
Southeast sales fishing
inflation jobs community tourism
business
state cruise new
lack good growth
need people industry
opportunities outlook
increased

Open Ended Responses

Please elaborate on the outlook for your business or sector over the next year.

Nearly 230 businesses took additional time to write about their expectations, hopes, concerns, and needs for the upcoming year. The ten most frequently used words, among the 12,000 written, includes: ***business new growth local industry tourism cruise employee housing costs.***

The full comments of business leader are presented below:

Agriculture

Gustavus

The outlook is good in terms of sales of locally grown produce. A recent complication is dealing with Pfas contamination in our water supply. We have had to stall production and install costly rain catchment systems. We also continue to push for remediation efforts at the state and federal levels which takes time away from the actual business.

Petersburg

The outlook for our personal business is static but this is solely due to us reaching our desired production capacity. The overall outlook for farms in SEAK is, in my opinion, quite good. Our farm is continuously being asked to fill markets that we just don't have the capacity to serve. Small scale high end vegetable producers have many opportunities in our region. School meals programs, small scale cruise ship/tour boat kitchens, hydroponics, whole sale markets to local food production business and just plain old self marketing with a farm stand all are viable options for local veg growers.

Haines

Agriculture development in the Chilkat Valley-Deishu and Klukwan- does not seem to have the same support found in other local industries like logging, tourism and mining. I would like to feel optimistic, but I do not know how to get traction with CDFI's and the local government.

Alaska Native Organization

- Industry expected to achieve record visitors in 2023. Industry continues to expand with new ship builds. Passenger growth continuing to trend upward. Growth of the industry in Alaska will require new port infrastructure, increased transportation infrastructure, new tour products, and increased lodging capacity. This growth will require a renewed focus on education, curriculum development, and expanded labor pool (from general labor positions to managerial and executive roles).
- Tourism and support services are growing, and our company is adding facilities and employees to support this growth.
- We see growth in tourism and transportation as the primary factors for job creation.
- Federal contracting would be our strength, tough to startup local businesses here in Southeast Alaska. Very poor ferry service, so we cannot depend on people count to support a local business. Need infrastructure!

- We plan on expanding into tourism.
- Too many jobs, not enough infrastructure for support.

Arts

Haines

Outlook remains poor due to lack of regular, reliable, affordable ferry service.

Haines

We have more cruise ships.

Juneau

I am considering hiring, but not sure if I can support that yet, so still waiting.

Juneau

No new opportunities.

Petersburg

Taking away the logging years ago, shutting down the pulp mills, cutting the mining, cutting down oil, putting in myriads of regulations on fishing, putting in idiots running the State of Alaska, have all contributed to the economy demise. We Are a Natural Resources Economy. We had a construction company for 50 years and now we see that you have 10 times the State employed that are needed and all Unions. People are leaving because there are no jobs!! Going left in politics is destroying Alaska. Get The Government Control Out of Our Lives and Give Us back the Tongass and our Freedom. WAKE THE HELL UP!

Sitka

Creative services like photography, design, video etc. are increasingly needed across the region. I have a full-time job at an NGO as well as run my side business and without putting in much effort I am still able to pull in side work pretty regularly to augment my income. I am increasingly able to share work I don't have time for, with other emerging creatives and also contract others to complete projects.

Communications, Information Technology

Haines

I am upgrading my business. Will be needing IT personnel, outside workers.

Juneau

Our business is being limited by the lack of hireable candidates. The IT sector is continuing to grow, and we need to be able to grow with it.

Juneau

State government budgetary outlook is less uncertain than it has been in prior years, allowing agencies to make and execute on their investment plans.

Ketchikan

Outlook = possible closure.

Ketchikan

Satellite and other communications modalities present an ever-changing technological maze. We have been fortunate to stay abreast of changes for 30 years now. Our revenue and our customer base will diminish significantly in 2023 and did for the 2nd half of 2022 with the advent of Starlink, with better delivery of middle mile internet to some villages and islands, and the subsidized delivery of fiber trunks to POW and Yakutat, plus the free subsidized last mile right to the home and business. Our focus will shift to service, installs, and repairs; and perhaps peripheral services like cameras, security and temporary rental type service to short term needs rather than sales and longer contracts. As always, with communication services, competition and performance drive prices down, while our costs and overhead have escalated and will continue to do so. Travel, hotels, meals, fuel, and other expenses are appreciating rapidly. There are opportunities in the overall IT industry; but the sometimes-short-lived window should and does make employment short term. Seaport Telecom ability to adapt to changes has been the main factor in its 30-year history. The relationships with customers and the philosophy of looking after existing customers as opposed to using them for a revenue base with which to attract new customers with discounts and deals has been a major contributor to its success. But with the subsidization given to competitors like AP and T, Cordova Wireless, and others, and the advent of advancing technologies, the forte of satellite communications becomes a less necessary element. We are expanding our footprint to statewide with installs for libraries and schools to standards not achieved by the incumbent types of services. There are opportunities to compete with the larger telcos who are so much less nimble and have secured long term (3–5-year contracts) relations with entities like businesses and schools. We have steadily warned against such contracts because we know companies like OneWeb, Hughes, Viasat, Starlink, Amazon Blue, Norsat, and even fiber rollout many times becoming available within months after the contracts are signed give far better technology at much, much less cost. But companies such as Alascom, GCI, ACS, APT, KPU, and others have secured contracts and relationships using the momentum or lack thereof that has caused stagnation for decades. So, there is opportunity, but the economic factors, lack of enough personnel with necessary knowledge and expertise, and extreme lack of knowledge and understanding on part of customers such as school superintendents and IT admins is a hindrance to our ability to provide and is detrimental to the populations they serve.

Petersburg

A new location is opening up for us to move to which will allow expansion in services and the 'room' to add more employees. Starlink access to the commercial fishing fleet has the possibility of adding quite a few possibilities to our business model. With the added room (that we have been waiting years for) we will have the staffing to advertise in new markets.

Construction, Architecture, or Engineering

Juneau

Construction is looking good. Commercial property rentals are looking a little uncertain.

Juneau

Federal infrastructure funding is helping the AEC industry and with the growth in tourism, the money is helping communities prepare. Additionally, private funding is bringing our industry work throughout southeast Alaska.

Juneau

I remain concerned about the absence of State funding for needed construction, both new facilities and maintenance of existing buildings and infrastructure. Some portions of the economy such as those with tourism links, new federal energy initiatives, or federal support for Native organizations, are providing some vitality to the design and construction community.

Juneau

Our business sector is looking positive for the upcoming year, we have a good backlog of work but recruitment for hiring prospective employees remains a weakness.

Juneau

The lack of employees is crippling me from taking on more work. Cost of living, housing, pressure from unions all contribute to the lack of people in the construction industry at all levels.

Juneau

The outlook would be good if we could find employees.

Juneau

We have a pretty solid team and a lot of work right now, but the long-range outlook is dependent on other factors in the community such as provision of sufficient housing. The further we punt this, but more likely we will continue to see local professional needs provided from remote employees, which is a drain on our local economy. We already have 20% of our staff remote working from outside Juneau - those are households not being maintained here, kids not going to school here, sales and property taxes not being paid here. It's counter to my professional goals set in establishing our business here.

Ketchikan

There are plenty of growth opportunities. However, they are all going to be hampered by lack of skilled employees, lack of affordable housing for new employees, aging work force and inflation. There will be a rapid expansion of government spending that will end in a recession brought on by inflation, lower oil revenues for state government and failed business ventures caused by higher interest rates.

Ketchikan

We have an open position that we're having a hard time finding someone for. It impacts the amount of work we're able to take on.

Pelican

Lots of work to be done. Government contracts require too much paperwork and take a lot of time to go through the process. Individuals all want the work as soon as possible.

Pelican

The demand is high, contractors are difficult to get commitments from. They start enthusiastic but have poor follow through. Feel like they are always looking for a simpler job. Nonprofits have money but are overwhelmed with details like Davis Bacon wages and how you get the job done is secondary.

Prince of Wales Island

Mostly home site development. Forest service contracts and any government work too labor intensive on paperwork.

Prince of Wales Island

We grow our workforce through our electrical apprenticeship program. We have several apprentices that are slated to "turn out" as electricians and then will recruit new apprentices to fill their positions. Federal grant monies continue to flow in which funds a good portion of our work. People continue to buy land and develop homes in some areas of POW (Craig/Klawock not included because land is not available here). Lack of adequate childcare poses quite a challenge though.

Wrangell

I see businesses in Wrangell stagnant. People seem to just start a new business to compete with other ones doing the same thing. This does nothing but drive the existing businesses down farther. We need new industry and a large diversity of different types of businesses in town. Not competing with each other would be a great start. Find ways to complement each other would be a great start and bring in more profits for everyone. A road up the Bradfield to Canada would be a great thing. Freight would be cheaper; transportation would be cheaper, and a greater variety of business could start here. Wrangell can be the hub for southeast Alaska to the rest of the lower 48. Second, the old mill property could bring so much more. I'm not quite sure what but it's not tourism.

Wrangell

We need new industry. Most anything we have now can be gone with a blink of an eye or a pen. Diversity is best. Bring a new industry, create a new industry whatever it takes. For southeast Alaska, a new road into Bradfield area would create a great deal of industry and diversity.

Wrangell

We will be selling the remodel house we have been working on for the last two years and have a client lined up for a float house design and build. We also hope to develop a design for an empty lot we own and plan to develop next summer. We are confident the remodel house will sell given the lack of housing in Wrangell.

Energy

Juneau

A big positive factor has been the influx of federal money into the region through the Inflation Reduction Act, Murkowski earmarks, and other federal grant programs.

Ketchikan

Load growth due to beneficial electrification (electric vehicles, dock electrification, electric heat, etc.) appears to be occurring. Potential for increased generating capacity for Southeast Alaska Power Agency would result in a need for additional employees.

Regional Business

While SE Alaska's economy seems to be on the upswing from COVID, it is not a high-growth region, and there are many risks that make it a challenging place to invest. This is particularly true of making long-term investments in infrastructure. Politics and government funding have an enormous impact on the economic performance of communities. Throughout the history of the region, many of the best and worst economic moments have been brought about by political decisions and government policy. It is encouraging to see large grants for new efforts such as mariculture, broadband development, and support for economic diversification (SASS) in our region; however, it will take some time to execute these projects successfully, and ensure the benefits are sustainable long term. Throughout SE AK's history, many new industries have been temporary, or short-lived (fur farming, guano, uranium) - only a few have had enduring success and provided a long-term source of employment, and of those, few remain today. While grants are becoming available for construction of broadband projects, entities' ability to utilize them will depend upon the future of funding mechanisms that help to cover long-term operational costs. (Ex: ACAM, the Alaska Plan.) In the energy sector, many consumers rely upon Power Cost Equalization to assist with high energy costs. But, just as PCE is first on the scene to help lower energy costs, it is also first in line to absorb the benefits of new projects that seek to lower energy costs. This limits the range of new energy projects that are worth undertaking. Heat pumps pose a tremendous opportunity for the region to have access to cleaner, more affordable energy, and to retain a greater portion of energy-related expenditures within local communities. It is important that federal funds for heat pumps reach SE AK. It is also important that agencies like the USFS and NPS incorporate heat pumps and EV fleet conversions into their budgets, and clean energy plans. While there are many cool concepts one could develop (ex: cruise ship port electrification), many of these defy the realities of conventional finance, and the limitations of regulated industries. It is important to create alternative funding mechanisms to support good ideas that do not currently have realistic options for financing.

Sitka

Tourism is expected to provide a boost in energy sales, yet the threat of a king salmon fishery shutdown looms on the horizon which may offset any gains from tourism. Overall, we may cut a handful of positions through attrition.

Financial Activities

Multiple communities/other

We are expanding to new communities including Yakutat and Angoon which would add two jobs in each community. We are also adding up to 3 new positions at our main office to support our continued growth. We have been trying to open in Yakutat for nearly a year and have been unable to hire locally. Hiring is problematic in all our communities as we continue to grow. We have increased starting wages 19% on average to attract applicants and we still have difficulty hiring.

Sitka

As a financial lending institution, the high interest rate environment will reduce the number of new and current customers who want to borrow money.

Wrangell

There is a lack of qualified bookkeepers and tax preparers in SE Alaska. Not enough young people are going into this industry and the older generations-retired or died in the last 5 years. My boss closed the business I was running in accounting and taxes as he desired to retire. After a year in limbo--trying to help wrap up his old business and also trying to start my own business in the same field-I am now focused on growing the business for myself. I already have potential clients that are asking if I have room for them.

Food or Beverage Business

Hoonah

Sales are expected to increase, and with more revenue, we hope to add at least one more position to our staff.

Juneau

Employees will be the death of small business. Labor pool is tight and the drive to work is lower than I have ever seen it in 15 years of ownership.

Juneau

Freight rates are driving the economy in SE Alaska. Without competition things could get very bad

Juneau

I am taking a 9-week business class with the intention of hiring first staff member this summer. As the business expands, I plan to hire more employee, contract local graphic designers for marketing materials, and other services as well.

Juneau

We depend on cruise ships. Strong sailings will mean more business and more jobs.

Ketchikan

As a manufacturer specializing in shelf-stable pantry favorites created from wild-harvested (and, hopefully mariculture-grown) Alaskan ingredients, we are increasingly seeing the value of the tourism

industry and how it could be a major and more easily entered market for us alongside the traditional grocery store opportunities we've been pursuing.

Pelican

There are three commercial fish buying companies here. There are two more fishing lodges being built this spring. They are in the area. They aren't in city limits. There will be three cruise ships this summer. The largest will have 75 potential passengers. The smallest will have 12 potential passengers.

Sitka

Housing, child care is needed.

Sitka

Our business continues to grow, hindered only by high costs. Food and freight. But also, high utilities that keep going higher.

Sitka

There will be many people visiting Sitka this summer, and it will be good for business.

Skagway

Unless there is a total economic crash or some level of an international conflict the horizon looks bright.

Wrangell

We are hoping to expand but this is hard to do without employees. Focusing on new housing in our community and growth is going to be a big part of it if we are able to grow ourselves.

Government

Over the last 24 months, Federal Funding has significantly increased allowing us to increase development and fully fund construction projects such as housing, greenhouse, community kitchen, tiny homes, and vocational and technical rehabilitation center. With these many developments we anticipate hiring more staff to manage the new programs.

Hiring and housing employees is very difficult.

In the last year we've added additional revenue and additional staff, and we plan to add a few more positions in the coming year.

Wages and benefits for state government workers are stagnant and many essential positions are vacant.

We have struggled to fill key positions due to the highly specialized nature of the work leading to a competitive environment in which wages are at a premium. As our goals shift and diversify based on changing direction from elected officials and their stated priorities, it is likely that additional employees may be needed and/or new positions created.

A lot of aging infrastructure that need major maintenance or replacement. Need specialized laborers for the work.

Petersburg utilities are continuing to provide power, water and sewer services to local businesses as they maintain or grow their operations. Our role is a support role for industry and commerce, and I feel that we will be holding our operations steady over the next year. There is limited information on new business coming into Petersburg, but we stand ready to support current and new business opportunities that come our way. Inflation has resulted in rising utility rates to keep pace with our expenses, but so far, our customers are weathering those increases.

The facility I work at has a steady number of employees with little turnover. Operating costs and facilities maintenance are the main fluctuating factors to our business.

The Municipality of Skagway is taking over management of its port, and with this will come many good-paying municipal jobs. Cruise traffic volumes are increasing, the property market is doing well, and overall, we are seeing moderate to very good growth. However, the employment market is tight and we, like others, are having a hard time finding qualified candidates.

Housing, capital projects are at an all-time high. Economic activity will only be hindered by housing and grant match.

Health Care

Juneau

I am aiming to retire in 3 years. I would like another physician to take over my practice, but the regulation environment is not great in AK. I currently have 2 part time staff. A new owner (young doc) would likely "do everything" until she could afford staff.

Ketchikan

My customer service is excellent, so I expect referrals to drive the continued level of business I want to maintain.

Ketchikan

My health care practice is busy -more clients but I cannot get staff. I'm working more, trying to accommodate the increase in patients. The state Medicaid reimbursement has been challenging this year and I am not collecting revenue - I have not been paid since January and my business is suffering 1. without reimbursements (I rely 80 % on DKC as my insurer) and 2. staff shortage. I am down 50 % from a year ago.

Klukwan

Locating staff is primary challenge but needs are growing for services, and we have filled some positions in our other locations that will help continue growth.

Petersburg

Healthcare is starting to see some growth in our community; however, we have experienced one of the worst economic impacts in FY23 post pandemic in the history of our organization. I am hopeful that new facility infrastructure will add jobs as well as a number of healthcare changes with home-based care, prevention and increases in childcare in our facility to boost workforce and increase services to the region.

Prince of Wales Island

Dismal.

Sitka

Hard to find people.

Sitka

Our local unit of government is not business friendly. As such it is very tough for a new business to get started. The infrastructure charges continue to increase beyond the inflation rate. This is causing the community to age prematurely and many young families with children are moving out of state or to Anchorage and Juneau where the cost of living is much less than Sitka. This decrease in the school age population causes the schools to scale back and the dominos start to fall. The lack of housing is atrocious. The city will not open up any land for development so there is limited inventory of housing to purchase or rent. Basically, the city is in turmoil and transition with no direction.

Mining

Positive potential exists but hindered by divisive political climate, regulatory delays and uncertainty, high operating costs, skilled labor shortages, and more...all dragging business vitality.

We anticipate adding to our full-time employment opportunities in the coming year and our business advances towards development. New business opportunities, also adding jobs, will include construction, engineering/design, expanded environmental studies. We also anticipate modest growth within each department staffing levels, however, while we focus on hiring with SE Alaska, these may involve remote or hybrid employment within or outside Alaska.

The outlook for mining is positive with good metals prices currently and a forecast of higher prices in the years to come. Finding qualified/quality employees continues to be a problem and there are considerable opportunities in the industry for folks that want a new challenge or for those that simply want high paying jobs with considerable on the job training opportunities.

Manufacturing

Haines

New business job opportunities for the future of our business will be dependent on job growth in the developing natural resources industry and the tourism industry.

Juneau

Set in budget to increase manpower to match increase in expected production. Outlook is promising if we are able to fill the positions due to the shortage of skilled workers.

Non-profit

Haines

My sector is waste management, specifically as a recycling and waste reduction non-profit that serves our small community with 2 part time employees, an active Board, and many volunteers. With plastic proliferation and plastic waste and pollution so rampant and the recycling market struggling to implement broad scale solutions, there is much opportunity for improvement. This requires continuous public education because of the mixed messages in the media. It also requires availability of grant funding from the municipality (which benefits greatly from our work) and from environmental resources and agencies, as well as partnerships with the landfill operators and project collaboration with environmental non-profits. We hope to implement plastic upcycling locally to reduce waste and produce useable, desirable products with a Mobile Plastic Waste Recycling System.

Juneau

Not being able to find adequate staff has been a big problem all over Southeast Alaska.

Juneau

Our business focus is in non-profit food insecurity. The feel is that many people are in dire straits and the economy isn't improving allowing for security for their basic needs. Our mission is to help those facing food insecurity. This need is the highest we have ever seen in our region. We have plans to become more sustainable to help people moving forward into the future, but this depends on donations to make that happen. With times being tougher donations are down which affects a lot we can do.

Juneau

We are as big as we can be already. Goal is just to maintain at current levels.

Ketchikan

The pandemic brought home to the community the need for our business creation and expansion services. Now that businesses are recovering, the need is less obvious, but there has been increased recognition of the benefits from the variety of services we offer. Inflation and higher interest rates have added to economic uncertainty. This is especially true in the housing sector which was already at a crisis level. Our organization has facilitated a new 20-unit development that mixes low income and market rate units. We are working on another low income or senior housing possibility. We are also moving toward developing alternative financing mechanisms for housing and business development. Overall, the prospects are encouraging, but may not come to full fruition until 2024. The strong tourist season this year will boost that sector and the sectors that depend on tourism. There is still a need for a broad-

based diversification of business sectors that can balance tourism. Alaska needs to reach for more applications that have global markets, are less dependent on resource extraction, are more oriented toward manufacturing and technology, and are appropriate for Alaska. Our organization is carrying out a strategy for that. We plan to hire one or two contract employees who can help with funding and delivering programs this year.

Ketchikan

We are growing rapidly. While we won't add jobs, we are adding about 30% new members to our roster.

Multiple communities/other

There are too many nonprofits with overlapping missions in the same communities of Southeast. The smartest way for many smaller Southeast nonprofits to move forward without shedding FTE staff or mission-critical operations is to consider ways to merge with affinity nonprofits or share back offices (accounting, IT, joint fund development, management staff/services, governance functions). That way, the jobs and the missions are maintained, and the organizational leadership stays local. If two similar small nonprofits fade away in a community, the void will be filled by outsiders; if the two similar nonprofits join together, they will find efficiencies and remain intact for their community.

Petersburg

I am a nonprofit childcare. I NEED employees, however, cannot attract and retain them due to low wages.

Sitka

Science opportunities are expanding. So is the science economy.

Sitka

We build affordable houses. Interest rates are a barrier, but we have many applicants for homes.

Sitka

We expect to maintain the same number of staff over the next year. One of our big challenges right now for current staff and also some of the independent contractors we coordinate with is the lack of licensed childcare in Southeast Alaska. Several of our staff members or others we work with have kids below school age at home.

Wrangell

Inflation is making everything more challenging. Our nonprofit relies on local financial support and with the huge jump in cost for everything, contributions to our organization are dwindling. The local cost of energy jumped significantly this year and local property assessments more than doubled over the past 12 months. This makes our community very unappealing to new business or as a place to live in general.

Wrangell

We will be identifying new avenues of service but no more employees.

Professional & Business Services or Consultant

Haines

As previous work and surveys have shown, Southeast Alaska is losing population and in general the population is becoming older compared to Alaskan regions. These two factors, along with poor support for infrastructure (ferries and roads, especially) by the current administration does not bode well for many Southeast communities. These factors effect remote and sparsely populated towns that do not have a balanced income source. In my opinion, Alaska is no longer a draw for enterprising young people, and Southeast Alaska is not drawing these young entrepreneurs. There is some encouraging news in the mariculture industry, and other minor reasons to remain somewhat optimistic. For example, tourism is projected to return stronger than pre-COVID-19 years, but that is just one leg of the economic stool (I keep thinking of the FNBA ads showing the out-of-balance three-legged stool). Personally, I am sitting well financially as a retired State employee, and I made out well in the oil and gas sector in Alaska for many years. I am concerned for my fellow townsfolk, and for small Southeast towns with the current slow deterioration of population and increasing age. I appreciate the environmental groups for their work, but I do hope that they understand the ramifications of their actions. I would like to see those groups propose a regional economic plan, one that could be used along with those strategies from the Southeast Conference. We are all in this boat together, so let's all get engaged and agree on a strategic plan that is inclusive and not divisive. Thanks for this opportunity, I appreciate the Southeast Conference's work and I am very engaged in the long-term planning for my little corner of Southeast.

Haines

The economy in Haines is stagnant. There is little or no growth. A community of retired people who mostly go south in the winter. Anti-growth. A lot of our business is for government and Juneau. The business people and commercial fishermen here have very little money to do maintenance and repairs. The Palmer Project would benefit this town greatly but the local sentiment is pretty divided with the anti-people having more time to represent their views and the people who would like the economic benefits are too busy trying to make a living. When we were in Juneau, we did business with Kensington Mine but Greens Creek sent all their machine work out of state. Doing business local is important in SE. We do not have enough business to support a family but for us it is OK since we are semi-retired.

Juneau

There seems to be a lot of work in the construction industry. With the new IRA incentives there will be a lot of additional spending on home improvements and energy upgrades.

Juneau

While I will be adding highly paid professional positions to my team, it is unlikely that any of them will be in Juneau. I rarely, if ever, have qualified candidates in this community, let alone this state. Despite my preference to hire locally, I find myself hiring out of state more frequently now out of necessity. I believe the weakening of our university system and the general brain drain as younger, promising professionals exit the state is a major factor. Five years ago, I did not have these same challenges. My firm has never been so busy. We turn down work often because we lack the workforce to do it and increasingly the work my team does comes from outside of Alaska. The state simply no longer has the capacity or desire to take on the large-scale, innovative projects that we used to work on here. Other states are much more exciting to work with; Alaska feels like it is falling flat.

Ketchikan

As a business development contractor and grant writer, the business climate couldn't be better for my value proposition. I offer capacity building and right now, there is so much \$\$ for this sector.

Ketchikan

Consulting will be more challenging due primarily to the shortage of qualified employees. Additionally, it will be hard to attract them without enough housing and child care providers so that they can accept jobs. We are prepared to pay more but that may not be enough.

Ketchikan

Due to a decline in local businesses, clientele is also sharply reducing.

Ketchikan

The most challenging obstacle is the recruitment of employees and retention. Cannot even consider any form of business growth due to the uncertainty of adequate staffing.

Ketchikan

Tourism is increasing, as tourism increases so does my job security.

Ketchikan

With a tremendous amount of grant funding coming in to evolve the AMHS, there is a lot of work to spread around to support this.

Ketchikan

Without workforce, I will be forced to reduce hours and/or close completely.

Sitka

Fortunately for me my business is not entirely dependent on the health of the community.

Wrangell

Inflation, fuel prices, electric-water-sewer prices outrageous, property taxes too high, not enough income per household including seniors, people can't afford to do anything. Due to no raises and people who are working as peons doing more of other people's jobs because jobs are not filled unless they are in management or supervisor positions where pay is high. Freight and shipping costs are through the roof. Groceries are too high. Things are bad on this island. The people who are the peons don't have enough money to live well. Robbing Peter to pay Paul. You would think that we lived in a big city the way the city is hiking up all rates and essentials.

Wrangell

The loss of local working age demographic is graying our market exponentially. A gradual phasing out of Southeast has been started by our business.

Real Estate

Juneau

As the housing market continues to shift, this isn't easy to answer, but my colleagues believe there will be a downturn in the number of houses sold this year.

Juneau

Real estate is still a strong part of the overall economy. Because so many parts of our industry are regulated and controlled at the whim of politicians, I think overall we will fare better than many parts of the economy. As supply chain wrinkles iron out, I believe the overall outlook is positive.

Juneau

There is a minimum inventory of available housing for sale. Coupled with rising interest rates, housing sales will likely decline in terms of number of units.

Ketchikan

Rising interest rates.

Ketchikan

Too much emphasis on tourism: the national economy is likely to face severe economic headwinds in the not so distant future due to unbridled spending and debt at the federal level. Hyperinflation caused by the Trump/Biden cash palooza is going to decimate the short-term economy really soon and there's signs already. Look at our fuel costs and barge freight, the prices aren't coming down any time soon so labor will have to follow, rotten cycle. Having a local economy tied to discretionary spending is problematic in such a scenario.

Ketchikan

We're looking to expand rentals of apartments.

Petersburg

Rental property demand is high in both residential and to a lesser degree, in the commercial market. Until communities expand access to affordable land for building new homes, we will be seeing an increase in rental rates, with this shortage of housing supply. When more affordable land is made available for personal homes and rental development, it will improve all business sectors in SE Communities.

Sitka

We had looked at expanding because the demand for our business seemed to be more than what we could meet in a timely manner. Lacking available trainee or entry level positions we have decided to be more discriminating about the business we accept and not expand. We expect our gross to shrink but our profitability to remain similar. This is probably more reflective of our business model than the overall economy although our lack of desire to grow is in part reflected by the lack of folks in the job market with adequate education for training.

Sitka

We need more supply, but the demand is there for purchase and rentals.

Skagway

Skagway is different to SE in general. We have serious structural issues with dock development.

Retail or Wholesale Trade

Haines

There is potential for growth but without being able to hire more workers, we can't invest in new opportunities. State budget uncertainty, along with high inflation, make it a challenge to invest in new ideas.

Haines

This past winter was the slowest in 12 years. With possibility of a mine the future could bring increased sales and job opportunities.

Juneau

Our business sells outdoor equipment at retail and saw good growth during the pandemic. We are still trending up but at a lesser rate which I expect to continue at least for another year.

Juneau

Since the pandemic is under control business has picked up this year. Electric outboard sales are off to a good start this year compared to the last two years.

Juneau

The more construction jobs, the better for us as a supplier of heavy-duty parts

Juneau

Juneau, under current CBJ leadership, has become a hostile place to do business. The City of Juneau is routinely overtaxing its population via unprecedented property tax increases. The Assembly is a rubber stamp to City Staff plans. There is no effort to run city operations efficiently or reduce spending. The Assembly ignores public votes. Local businesses are selling to outside acquirers faster than new business are opening and the Assembly is completely unfazed. The community development department is a primary barrier to development and affordable housing cannot be realized without a foundational shift in public policy and a reduction in overregulation. Juneau is a failing community and not a place our children have a future. Over the next year Juneau will hire a new City Manager. If a new manager is selected from outside the CBJ employee roster with the attitude of living within our means and an eye towards making Juneau business friendly, then Juneau will begin to heal.

Ketchikan

Cruise industry connected. More competition than in 6 years. Unknown for future

Ketchikan

Local businesses are competing with cheap overseas part-time companies that keep our commercial downtown rental properties skyrocketing, which doesn't allow local businesses to thrive on original Alaska-made products sold year around.

Ketchikan

Local sales remain strong, visitor industry picking up.

Ketchikan

Retail is holding on in Ketchikan but not showing much growth.

Petersburg

Our business is expanding which will mean adding jobs and moderate growth. Supply chain issues have somewhat resolved so we have an improved ability to meet demand with product. Labor/housing availability will be our biggest limiting factor.

Petersburg

The start of the year (Jan-April) has seen slower retail sales than prior years, excluding 2020. Summer visitor forecast is higher, so we hope that will translate into higher sales during May through September. I don't see much in the way of having excess to invest in new opportunities at this time.

Sitka

As tourism numbers escalate, my retail business experiences a climb in sales.

Sitka

Gradual increase in summer tourism will positively affect downtown and overall economy, but local movement to restrict tourism growth, led by Government sector that emphasizes "stability" and also by a minority of no-growth advocates, may dampen overall positive trends.

Sitka

It's saturated.

Sitka

We are a gallery and cruise ship tourism is higher than ever before. That said, we have not found that the days when we have the really large cruise ships in town provide us with larger revenues. We tend to do better when there are 1000-2000 people in town and our best customers are the independent or small cruise ship passengers.

Skagway

Cruise ship traffic has returned to normal, and jobs added are both short seasonal and "seasonal full time" meaning we try to keep employed for 8 months and offer benefits etc.

Skagway

Our business outlook is closely tied to the ability for ships to dock in the port of Skagway. I believe there is a bit of uncertainty with the rock slide and new management of the port by the Municipality of Skagway. We often have repeat visitors and passengers who say Skagway is their favorite port. In order to remain a place people want to return to, the city must invest in a safe harbor and more cruise friendly infrastructure around the port.

Skagway

Return of full cruise season.

Skagway

Skagway is in a negative place in comparison to rest of SE.

Wrangell

We are a marine/hardware store and the fishing sector in general just seems to be slowly disappearing. No King salmon, slow salmon seasons sea otter slowly destroying the crab industry in our area. We can't survive on tourism.

Wrangell

We noticed a decline in business when the covid money ran out. It is becoming increasingly more difficult to find people willing to work. A lack of viable applicants is a constant stressor.

Seafood, Commercial Fishing, Maritime, Mariculture

Haines

Haines has a stable diversified economy and a stable population. This has been the case for three decades now. Consultants such as McDowell Group, the SBA, Spruce Root, and many others over the years, have looked at Haines and said that we have the kind of stable small-town economy that most other towns would be envious of. We had the best sockeye catches in a generation last year--wild sockeye from the Chilkat and Chilkoot Rivers. Commercial fishing, based right here in Haines, is a profession and an economy that I can pass to my grandchildren. Unless we mess it up with all this road building and maybe a mine up on the Klehini. What a disaster that would be. I'll sure have a much darker view of our economic future if that project moves forward.

Hoonah

Quota for halibut and black cod has been cut and the price paid to fishermen has gone down or stayed the same. Prices have gone up considerably or even doubled. Fuel price is a huge concern and very unpredictable. Finding crew will be a challenge. Usually run a crew of 5, will have a crew of 3 this year. Depending on ADFG, the northern end will probably not be open as has been the trend for the past few years. I did not fish last year, and I am contemplating this year. When you pencil out the cost VS what we are getting paid it just doesn't make sense.

Juneau

Concerned about fish prices and run strength (salmon). Commercial halibut quota cut 10% coast-wide.

Juneau

fewer fish and down price

Juneau

Had a help wanted sign up for 3 months last summer and got 2 applications, neither wanted to work vs collecting unemployment.

Juneau

There's a lot happening in mariculture right now. It will be a challenge for everyone's efforts to be fruitful in the near term due to the lack of market, and rapidly evolving technology and approach toward operations. However, there should be a lot of positive development given a lot of public funding and great effort being put into it.

Juneau

Unknown salmon futures and continued restrictions make it more difficult to make money and invest back into my own business. Inflation of the cost of materials and fuel has made it harder to be profitable. Inflation has caused many families to not be able to afford buying as much of my fish as they used to buy.

Juneau

We are in the Southeast purse seine salmon business with 3 vessels. Also 2 of them spend the winter in the Bering Sea.

Ketchikan

If salmon harvests continue to improve as they have since 2021, the seafood businesses will have increased opportunities to grow new markets and SKU's. Our customers are not comfortable with consistent or low fishermen catch volumes.

Regional Business

Our business is influenced by the global seafood market and is cyclical. However, costs keep rising so when prices are down or returning salmon are low, we will have a harder time with cash flow. This year's return should be positive for us, but prices have come down considerably from last year's unsustainably high prices. If markets and returns can stabilize, we will be in a good position moving forward. The other unknown we contend with that has significant impacts are salmon returns. If the coming El Nino trends to a larger north pacific warming, we may see low returns again in the next few years due to ocean conditions. Time will tell how volatile the industry will get.

Regional Business

This is a cyclical business tied to the fluctuation of global seafood markets.

Pelican

Maintaining our current operations, will need to do some major maintenance or retrofit work. Saving up money to do the work. Will have to go out of state for the work.

Petersburg

ADFG, State and federal fisheries management are doing a terrible job at managing com fisheries. It's at an all-time low. Fixed expenses are way up, and prices and opportunities are way down. This will continue until management and politicians change course. It's at an all-time low.

Petersburg

Outlook is poor due to poor seafood ex-vessel prices.

Petersburg

Selling fish into traditional high margin markets might slow down due to general country wide economic conditions getting more revenue out of increasing tourist numbers could make up for that in short and long term. There are growth opportunities in processing and marketing seafood but cost of labor, lack of labor, lack of housing plenty of opportunities to refine existing footprint don't warrant the risk or personal labor.

Prince of Wales Island

Too much government and NGO interference in the seafood business has cast a dark cloud over the industry and uncertainty about the future.

Sitka

Global economy uncertain. Tough to plan. Pink salmon survival poor. Prices soft. Chum salmon survival mediocre but price's generally good

Wrangell

As long as they don't shut down king salmon should be ok.

Wrangell

Fishing outlook is poor. Overlap on shrimp/crab and salmon so it's more difficult to finish up one then go to the next. Need 2 weeks between crab/shrimp to do both fisheries because they require it.

Social Services, Child Care, Education

Ketchikan

Behavioral health is a growing field. The need for workers continues to grow. The need for mental health services and the demand for improved access to supports is increasing.

Ketchikan

We're still having trouble hiring enough caregivers and having to pay them much more, which makes it impossible to continue without grant help. The instability is causing us to lose families and we may have to close if we can't turn it around.

Regional Business

The outlook for many social service nonprofits is grim. For the past 15 years, many social service nonprofits have been struggling in the face of increased administrative requirements which drive up the cost of doing business (or lead to expensive compliance concerns when the agency cannot find qualified staff to do the work). As these challenges have stacked up, flat government and foundation funding has brought many social service agencies closer to the edge financially. With the pandemic, administrative complexity continued to increase, but CARES and other relief funding was available to help defray the cost of both increased demand for services, and the increased cost of doing business. Many nonprofits (including my own agency) also saw a dramatic jump in community need and request for services during the pandemic. For two years my agency grew to accommodate the increase in community need using CARES and other relief funds. Now that the public health emergency is over (effective May 11 as per President Biden) almost no additional relief funds are being issued by the federal government. With continued high level of demand for help, and no more relief funding, my agency (and many other nonprofits) is in the difficult position of having to make deep cuts to expenses while trying to find creative ways maintain at least some level of services to those in need. This abrupt end to relief funding (without a decrease in community need for help) is simply accelerating the trend we have seen in the non-profit social services industry for the past 15 years. Nonprofits: *reduce services and/or close programs that are no longer viable *are absorbed/acquired by larger businesses *close their doors and dissolve entirely. Over the past year, examples in Juneau include: Juneau Youth Services, Helping Hands Food Bank, Wildflower Court.

Timber

- Bring back jobs lost to COVID. There is a demand for our manufactured products but a lack of willing workers
- Market is poor and there are no people to hire. We can operate at a profit but if we had employees of any value, we would be able to hire more.
- Biggest limitation to business growth is housing for employees.

Transportation (non-tourism)

Haines

Inflation caused by Government Stimulus Money Printing is killing the affordability of living in SE Alaska.

Juneau

Still some unknowns...rising labor costs, economy and long-term effects of inflation are still a concern.

Juneau

The transportation industry is strong in SE AK. I believe the tourism side of our business will be back to if not exceed 2019. The problems we are experiencing are personnel. We cannot find and hire qualified personnel to fill all positions, we have attempted to train unqualified personnel and they end up leaving for 2 reasons; 1 is higher pay or better schedule and 2 is they do not want and cannot afford to live in Juneau.

Ketchikan

We need to get back into harvesting natural resources. Tourism is eating us alive.

Multiple communities/other

Growth is limited by a lack of workforce. Lack of housing and child care are crushing growth.

Prince of Wales Island

I've left my business model & living on subsistence.

Prince of Wales Island

No new business & fewer jobs for workers.

Prince of Wales Island

Staffing issues persist. While revenues and ridership are up, profitability is down due to Fuel Expenses and Wage adjustments to attract and retain employees.

Visitors or Tourism

Haines

Barring major economic downturn, we feel tourism industry is strong for both cruise and independent travel. Multiple businesses dealing with both segments.

Haines

Customer base looks strong over the next year, but the skilled labor shortage makes it hard to create new business opportunities.

Haines

There is potential to increase all capacity on our tours to cruise line shore excursions. Providing more tour departures for independent travelers as private excursions. Increases need to take into consideration the impact to state parks and local residence along the tour route. Overbooking and providing increases may have a negative effect on the experience for guests and locals that live in the area. Larger groups of 30 (2 guides) decreases the number of trips and vehicles along the tour route. Smaller groups and buses with multiple departures likely impact the tour destination as well.

Haines

This upcoming year will be the first year that Covid effects will be minimal for our business, last year was improved but still significantly impacted by travel issues. With the CA border open to pre-Covid standards, we expect continued improvement in business conditions from 2022 and prior. Another positive for this season is a better than expected ferry schedule in our area. There are still improvements needed for ferry service to truly support our visitor economy and quality of life, but this summer schedule is a positive step (specific to the ports that we operate out of). Looking forward to later in 2023 and 2024, I expect economic headwinds will become more significant and we may see a small reduction of business and bookings during this time period.

Haines

We anticipate an increase in revenue over last season, only because we anticipate the ships to be carrying full capacity as opposed to 50 to 75%.

Hoonah

Expanding our offerings, diversifying our tours.

Juneau

BNB reservations are down from last year.

Juneau

BNB seems to have more vacancies than the last few years. Possibly due to people cutting back on major non-essential travel.

Juneau

Employee retention for certain skilled jobs is still a huge challenge.

Juneau

My main focus has been as a naturalist on Disney and Princess cruise ships. Those folks are always looking for additional naturalists to either take full season gigs or fill in gaps when their usual naturalists are unavailable. The ships have proved a good outlet for books I've written as well.

Juneau

Our second year bouncing back from pandemic (lodging). This year will be about like last.

Juneau

The following is possibly a reason there are not increased new businesses and housing in the historic district of downtown Juneau. The City and Borough of Juneau is not proactive for the businesses in the historic district. Despite years of requesting a Circulator, the tourists will still have to walk all the way to the shops in the historic districts. They won't make it which denies the shop owners of a lot of revenue. Also, there are many empty stores in the area, and yet property taxes have been increased. Also, CBJ made it very difficult to add housing on the 2nd floor of the Glory Hall.

Juneau

We are a small not for profit, we won't be adding more jobs to the team.

Ketchikan

All depends on where the taxation base ends up our liberal friends at the borough assembly want to screw the industry by raising taxes every chance they get.

Ketchikan

Been in business in Ketchikan for 52 years. This is the worst business climate I have seen. Mostly due to work ethic not being present. Jobs abound in every sector, and no one will work. Period. Immigration is broken. These surveys are worthless, mainly because there is no resolve or cure.

Ketchikan

As a hotelier, we are already experiencing nights with zero availability. We expect many sold out nights throughout the season.

Ketchikan

I am not reliant on the local government for my business as I work directly with the cruise ships. I do see that the local politicians are trying to limit the local access to the tourists and feel that the local government should support local businesses 100%. It doesn't affect me, but it makes me unhappy that politicians don't seem to have a clue of what it takes to run a business and their decisions are hurting the local businesses.

Ketchikan

Much of our business comes from direct relationships with cruise lines and their guests. We anticipate a strong year as ships return to full occupancy.

Ketchikan

Our local government is imposing zoning permit fees for short term rentals. We already pay a sales tax and a bed tax. It makes it hard for a small business to survive.

Ketchikan

Our sector is combined with Commercial fishing, and we are a sport fishing charter company. Our overall ability to take guests is there, but the regulations restrict us so much that we have had a negative experience for guests, which makes our business decline. It's hard to sell fishing to anyone when the state is regulating what can be kept. As residents and out-of-state guests, we cannot keep Yellow eye rockfish. I found out the other day that the commercial fleet is fishing for them and selling them. So, we cannot sell this as a fishing trip, but we can purchase it. This does not make sense, does it? The commercial fleet is killing millions of halibut a day, yet charter guests are restricted to a one-a-day limit in a reverse slot size. That's a hard sell, especially when the stock is declining in this area. Not to mention the fact that our biggest sales ships are now 8 miles from town in Ward Cove. These guests are still told that they will be in Ketchikan and dock in a completely different zip code. This makes guests upset before they even get to town on the shuttle. So, unless regulations change, I see no growth for us.

Ketchikan

Seasonal, skippers and guides. Housing is an issue. New businesses are starting to crowd our area. Knudson Cove has reached it capacity. Water monitoring

Ketchikan

Ten years ago, our company employed one full-time employee and two seasonal employees operating at one Ketchikan location. Today the company employs four full-time employees and eight seasonal employees operating at three Ketchikan locations. With the exception of 2020, the business has achieved year-over-year growth while producing job opportunities to locals and non-residents and contributing to local supporting business and the tax-base. Never forget the government forced small businesses to close or reduce operational capacity to the extent they became unprofitable while keeping big box stores and "essential businesses" open during the 2020 pandemic.

Ketchikan

There is lots of business opportunity, but no workers.

Ketchikan

We are looking to expand our business, but it is difficult with the cost of shipping our product out of Ketchikan. We are stuck with local options and not being able to export our product at a reasonable cost.

Multiple communities/other

Our "growth" in 2023 over 2022 is more just getting back to where we started in 2019 or where we should have been in 2020.

Pelican

Tourism is going well at the moment due to a large number of people retiring and the stock market staying high. We hope to switch our business away from sport fishing into nature retreats and hopefully expand enough to hire employees.

Petersburg

No new business here

Petersburg

Our business is maximizing available resources providing optimum business value.

Petersburg

We continue to see growth of small cruise ships into Petersburg which require services of the local vendors. This additional business should give opportunities to locals that want to venture into the visitor industry hosting business.

Petersburg

We own a B&B and are almost entirely full for this season. It tells us that people are traveling again after Covid. There is room for more housing, especially for the summer season.

Prince of Wales Island

We will have a good summer this year, but I'm concerned for the future.

Prince of Wales Island

With inflation increasing, it is anticipated that tourism will eventually fall into decline, as fewer and fewer people will be able to afford travel to SE Alaska. It is extremely expensive to travel to SE Alaska, and even more so to travel to POW Island. Eventually people will begin to choose eating and heating their houses over expensive vacations.

Sitka

Based on the information we have from the Cruise Ship Industry; Sitka will experience an increase in tourist visitors this year and for the few years. For our small niche non-profit tourist-oriented business then this should offset any problems with the local fishing industry. Things look promising.

Sitka

Too many people coming to Sitka on the cruise ships. We will end up like KTN, Juneau, and Skagway, no open business downtown in the winter.

Sitka

We are expanding our facility to enhance the visitor experience and attract more guests. We will be hiring data entry people, sales and production workers as well as increasing our bear keeper numbers.

Sitka

We'll have record cruise tourist numbers again this year, so I expect my charter business to increase. However, there are now twice the number of charter operators since last year.

Skagway

I own a tour company in Skagway, AK. We are, unfortunately, beholden to the whims of nature, since our entire customer base relies on Cruise Ships to get here. Travel here otherwise is too difficult (expensive and time consuming) for the standard person. Right now, we're losing tourists to the rockslide that no

cruise ship wants to dock nearby. The ships will come here only for partial days and because they have a modified disembarkation, the amount of time many tourists will spend in town will be less than half of normal. We don't know what to do. IF this rockslide is fully mitigated in the near future and if cruise tourism continues at its current pace, we will hire the number of employees we had pre-Covid. Until then we're operating under strict austerity.

Skagway

Last year was not good due to a slow start to a cruise ship season and the rock slide that caused a major reduction in passengers. So, this year we will look to get back to normal.

Skagway

Tourism has been taken over by the cruise lines in southeast Alaska, wake up people.

Skagway

We are struggling because of the rock slide in Skagway and the loss of the ships on the Railroad dock. We also have eliminated most of the places that our seasonal workers can live. It is ridiculous! Those are the huge problems right now. They will continue to be huge problems until we fix them by building two new structures. A dock and a large campground outside of town.

Wrangell

Although the number of visitors, based on increased cruise ship activity, is predicted to increase, these are based on capacity of each ship multiplied by the number of visits. Increased visitation by ships is achieved by extending the season, adding in stops in April, May, September, and October. The revenue from those months is minimal and we often operate at a loss. Staffing is difficult at best with most seasonal staff back in school. Given the lack of ferry service, the number of independent visitors is down. This affects not only us, but our entire community. Those visitors that do come have a difficult time finding lodging, but that issue will sort itself out by private industry. We could expand our job base and opportunities by having better transportation access to our community. We could also expand if there were more accessible recreation opportunities for both visitors and staff. For example, more hiking trails with camping opportunities, or even maintaining the current trails. Better USFS or State cabins that are accessible without needing specialized equipment or knowledge.

Wrangell

Concerns over raising costs to operate. AMHS not being upgraded. Feeling fearful of the economy and potential travelers

Wrangell

Fishing guide....less fish....more rules...less reason to want to fish under these conditions.

Wrangell

Fuel costs including electricity and the cost of shipping has impacted businesses in a substantial manner. The cost of food rises every month. We are being squeezed to death by State and Federal rules and policies.

Wrangell

High shipping costs and little ferry service is driving me out of business.

Wrangell

I think that despite all the spin, the overall outlook will be stable. More ships but on the shoulder seasons which actually create less of a margin, expense without revenue.

Wrangell

Longer-term rentals are in high demand, especially among new hospital staff with either temporary or with longer contracts.

Wrangell

Tourism in 2023 shows signs of growth for this season, primarily in the increase in the number of small to mid-sized cruise ship stops. The number of independent travelers decreased significantly in 2017 with the break down & de-funding of the Alaska Marine Highway System. It came to a halt during COVID. It has not seemed to return to the strength independent visitor travel was in 2015. Other industries seem to be struggling in various areas from a good workforce base to hire from, cost of material to produce a product, cost of goods sold, shipping costs, consumers having enough cashflow & income to create strong customer demand.

Wrangell

Very much a growth sector however I am concerned about too many ships spoiling what makes Alaska so special. As I have generally been a proponent of industry regulating itself, I am mixed in my feelings on how to manage this for the good of businesses that rely on ship passengers AND passenger and non ship passenger experience, including non-industry locals. Disgruntled non tourism industry locals need to be heard because if ignored it only makes the situation worse. We must protect ourselves from becoming a "theme park", fake, atmosphere. How to do that is far beyond my skill set.

Wrangell

We expect to see increased cruise ship stops.

Yakutat Borough

I would love to expand business. My only resistance is the lack /or no skilled labor to hire.

Other

- The need for solid waste diversion is throughout the SE region, landfills are approaching capacity and transfer stations are at a premium. As we stop paying 3rd parties to displace our resource, we will gain investments in new businesses for resource reclamation and agriculture.
- Fish prices are lower, people have less money to spend for restaurants, fuel cost are restricting effort, timber industry all but gone. USFS has locked up the federal lands and removing roads. This will kill POW.