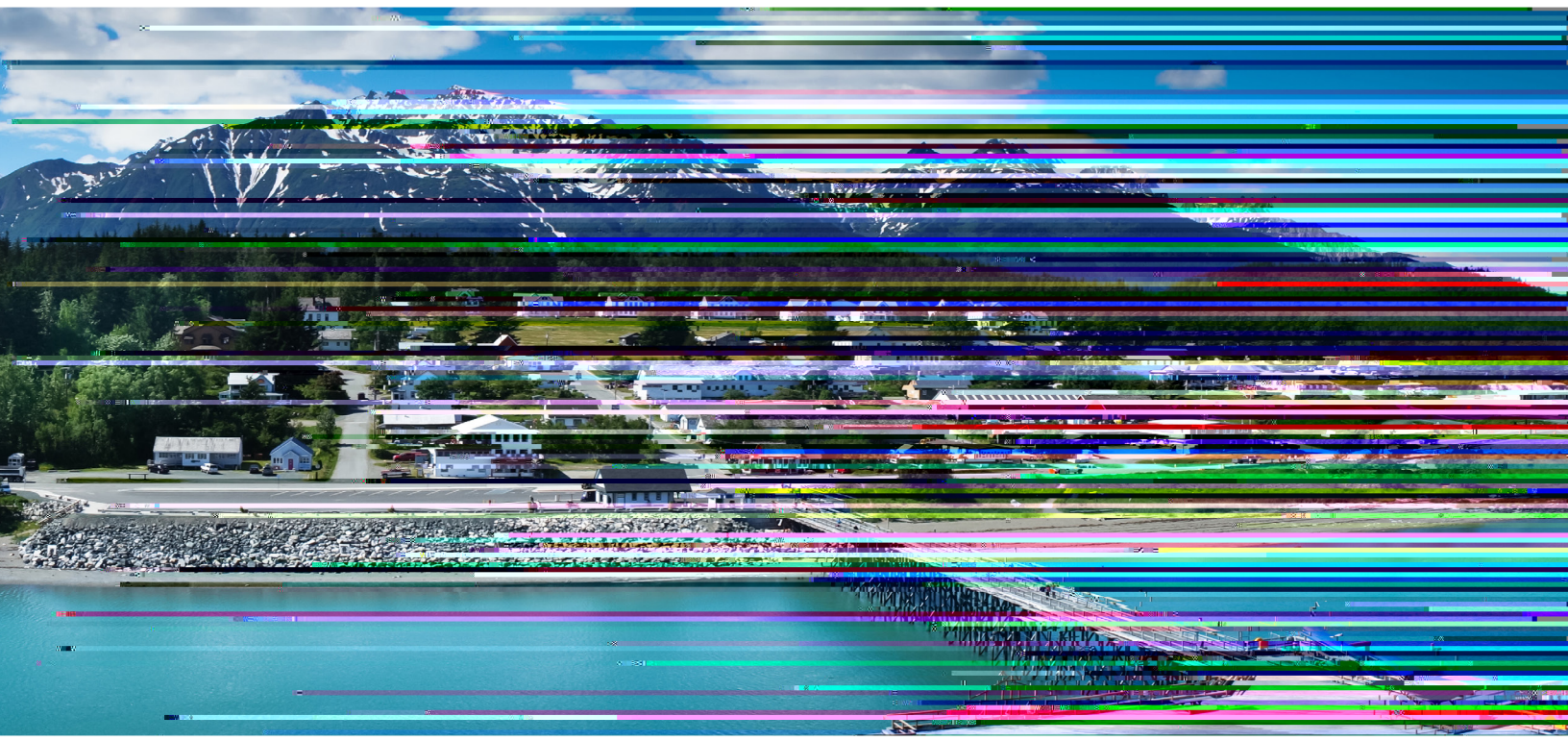
June 2018

Economic Baseline Report

Haines Economic Development Plan



PREPARED FOR

Haines Economic Development Corporation

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McDowell GROUP

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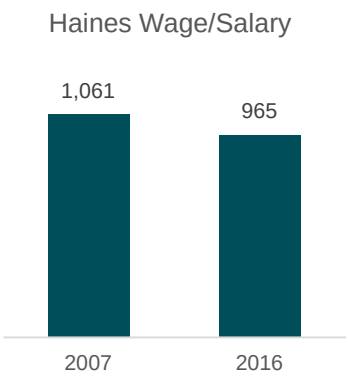
Background

This report is one component of an economic development planning effort being led by the Haines Economic Development Corporation (HEDC). HEDC is a nonprofit corporation formed in 2017 and funded by Haines Borough. Its mission

The Haines Economy:
Baseline Summary

JOBS:
965 wage/salary
1,712 total jobs

(2016)



Haines' 2017 population of 2,459 has beer slowly trending down since 201 2 (2,607) although it is at about the same level as a decade ago (2,464 in 2008).

The recent decline is largely attributable to net out -migration . From 2012 through 2017, 142 more people moved from Haines than moved to Haines.

Haines' population is projected to decline slowly (about 5%) over the next 25 to 30 years.

Haines residents had a median age o f 49.3 in 2017, well above the statewide

AGE:

49.3 years old (median)

(2017)

HEALTH CARE:

162 jobs

$5.7m in wages

(2016)

ARTS & CULTURE:

80 jobs

$1.4m in wages

(2015)

FOREST PRODUCTS

58,000 acres of timber land

OTHER SECTORS

- Government
- Retail
- Accommodation & Food Service
- Entertainment & Recreation

The health care and social services sector is an important part of the Haines economy, accounting for approximately 162 jobs and an estimated $5.7 million in annual wages in Haines.

There are 14 local employers in this sector, notably SoutheastAlaska54-4tdd [(a)-

Chapter 1. Current Economic Conditions and Trends

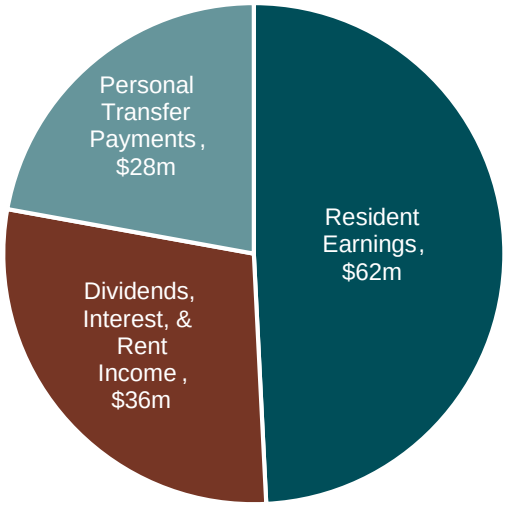
From 2007 to 2016, Haines' personal income growth of 18 percent was slightly ahead of personal income growth in Alaska overall (16 percent). Haines personal income increased by 9 percent over the past five years, compared to statewide growth of 3 percent. Total personal income in Haines dipped slightly in 2016, along with statewide personal income, which reflects Alaska's economy sliding into recession that year.

Total personal income includes three broad categories of income: resident earnings; dividends, interest, and rent; and personal current transfer receipts (also known as transfer payments). "Resident earnings" refer to the income earned by Haines residents from employment (or from business profits). "Dividends, interest, and rent" describes investment income, such as dividend income from stock ownership (including dividends paid to retirement plans), interest earned on savings accounts and bonds, and rental income from property ownership. "Personal current transfer receipts" are payments from government to individuals, including Medicare and Medicaid payments, Social Security payments, food stamps, and similar payments. This category also includes Permanent Fund dividend payments.

Local resident earnings accounted for 49 percent of Haines resident total personal income in 2016; dividends, interest and rent for 29 percent; and transfer receipts for 22 percent.

Haines is unique in its dependence on non-earnings income. Statewide, two-thirds (66 percent) of personal income is from earnings and 18 percent from dividends, interest, and rent. Peer communities of Petersburg and Wrangell are closer to Haines in this regard, as illustrated in the following graph. Haines, Petersburg, and Wrangell all have older populations than the state overall, which accounts for greater reliance on retirement income.

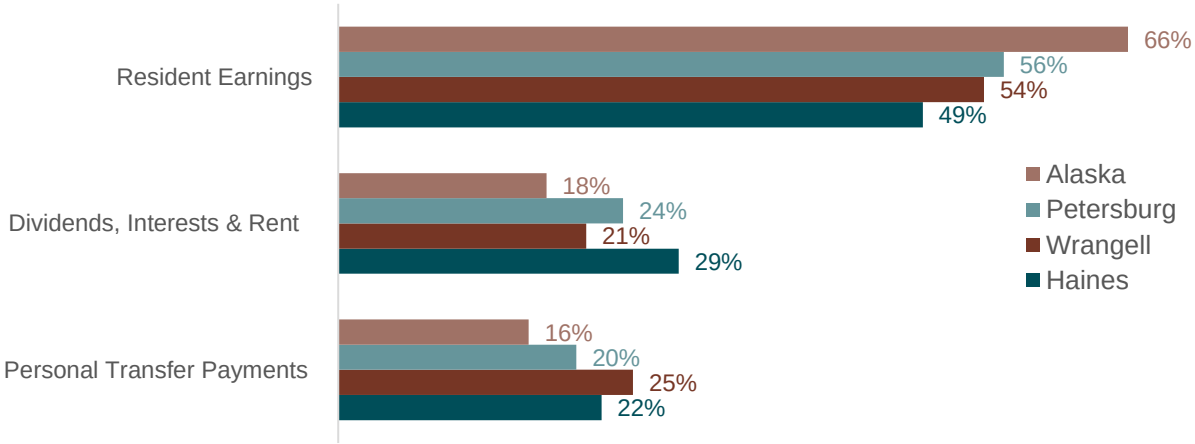
Figure 2. Haines Borough Resident Personal Income, by Source, 2016



Total: $126.5 Million

Source: BEA.

Figure 3. Personal Income by Source, % of Total, Selected Geographies, 2016



Source: BEA.

Between 2007 and 2016, Haines' total real personal income increased by about $20 million. This includes $4.0 million in earnings, $9.4 million in dividends/interest/rent, and $6.3 million in transfer receipts. Three-quarters of the growth in Haines personal income over the past decade was in non-employment-related income.

Statewide, 46 percent of the growth in total real personal income over the 2007 to 2016 period was in resident earnings, 31 percent was in personal transfer receipts, and 23 percent was in dividends, interest, and rent income.

Table 2. Selected Components of Haines Personal Income, 2007 to 2016 (millions)

Component	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Net earnings by place of residence	$48.4	$48.2	$51.2	$53.8	$56.4	$57.6	$61.2	$60.8	$62.7	$62.2
Percent Change YoY										

Per Capita Personal Income

Per capita personal income in Haines was $50,667 in 2016. This is a measure of total personal income divided by Haines' total population. Real per capita personal income increased 13 percent in Haines between 2007 and 2016. Similar to total personal income, per capita income in Haines declined slightly in 2016 compared to 2015.

Table 3. Haines Borough Per- Capita Personal Income (Nominal and Real Dollars), 2007- 2016

Household and Family Income

well below the statewide percentage (10.1 percent) of residents with income below the poverty level and also

Table 13

Table 17. Haines Average Annual Employment by Sector, 2007- 2016

Industry	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Federal Gov.	16	14	13	15	12	10	10	9	8	11
State Gov.	40	42	43	44	45	44	44	44	41	39
Local Gov.	146	147	150	148	152	159	161	149	140	134
Government	202	203	207	207	208	213	215	202	189	184
Private Sector	859	778	810	788	817	760	802	787	811	781
Ave. Annual Employment	1,061	06102	Tw	9	-0	v	a612			

Table 18.

Table 20. Haines Borough Wages by Residency, 2016

	Total Wages	Resident Wages	Nonresident Wages	Percent Nonresident Wages
TOTAL INDUSTRIES	$30,110,088	$24,005,834	$6,104,254	20.3
Accommodation and Food Services	$2,223,249	$1,425,952	$797,298	35.9
Administrative Support/Waste Management and Remediation	(N)	$369,955	(N)	(N)
[redacted]orestry, Fishing and	(N)	(N)	(N)	(N)
[redacted]ment and Recreation	$1,570,365	$892,468	$677,896	43.2
[redacted]	$3,061,509	$2,580,416	$481,093	15.7
[redacted]ervices	(N)	(N)	(N)	(N)
[redacted]nsurance	(N)	$368,808	(N)	(N)
Health Care and Social Services	$4,108,820	$3,904,759	$204,060	5.0

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Table 23. Participation Rates for Selected Geographies, 2017

	Population	Labor Force	Participation Rate
Haines	2,459	1,089	44%
Petersburg	3,147	1,413	45%
Wrangell	2,387	1,050	44%
Alaska	737,080	362,783	49%

Source: DOLWD, Research and Analysis. Compiled by McDowell Group.

Unemployment insurance benefit payments to Haines residents in 2017 totaled just under $440,000. These payments were less than half the total payout in 2010, when about $950,000 was distributed to Haines residents.

BEA Employment and Earnings

BEA provides measures of employment and earnings that include self-employed workers. For 2016, BEA measured 1,001 wage and salary jobs in Haines and 711 proprietors, resulting in total employment of 1,712. Total employment in Haines has been at the 1,700 level since 2013, however self-employment has been on the upswing, increasing by about 10 percent between 2012 and 2016.

Table 25. Total Employment, Haines Borough, 2012-2016

Type of Employment	2012	2013	2014	2015	2016
Wage and salary employment	999	1,041	1,014	1,026	1,001
Proprietors employment [a]	649	660	679	702	711
Total employment (number of jobs)	1,648	1,701	1,693	1,728	1,712

Source: Bureau of Economic Analysis.
a. Includes sole proprietors and individual general partners in partnerships.

Table 26. Total Employment by Industry, Haines Borough, 2012-2016

Category	2012	2013	2014	2015	2016	2016 Compensation ($000)
Total Employment	1,648	1,701	1,693	1,728	1,712	$52,706
Government and government enterprises	227	230	215	201	197	15,685
Federal, civilian	10	10	(L)	(L)	11	1,541
Military	18	18	18	17	17	511
State Government	43	45	44	40	39	3,874
Local Government	156	157	144	136	130	

Subsistence

This economic baseline analysis focuses mainly on Haines' cash economy. However, subsistence hunting, fishing, and gathering, and sharing of subsistence resources, are an important aspect of the local economy, with many households relying on these resources as primary or supplemental sources of food. According to ADF&G data, in 2012 Haines households harvested an average 198 pounds of fish (incmrncmrg2.3 (p)-v so H an ic1ny

Haines Population Profile

Population Size and Trends

Haines Borough had a total population of 2,459 in 2017, according to DOLWD estimates. Haines' population has been trending down since peaking in 2011 at 2,610. The decline is attributable to net out-migration, rather than natural decrease (where the number of deaths exceeds the number of births). Since 2011, 142 more people moved from Haines than moved to Haines. Natural change accounts for a population loss of 9 residents.

Table 29. Haines Borough Population Components of Change, 2008- 2017

Category	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Births	21	18	19	31	24	13	19	18	15	19
Deaths	14	15	14	16	23	21	21	17	20	15
Natural Increase (Decrease)	7	3	5	15	1	(8)	(2)	1	(5)	4
Net Migration	70	(14)	50	63	(4)	(65)	18	(58)	(22)	(11)
Population Change	77	(11)	55	78	(3)	(73)	16	(57)	(27)	(7)
Total Population	2,464	2,453	2,508	2,610	2,607	2,534	2,550	2,493	2,466	2,459

Source: DOLWD. Note: Net migration figures may not sum to the PFD-based migration data presented below.

Figure 6. Haines Borough Population, 2008- 2017

Source: DOLWD.

The State Demographer's projection for the Haines Borough population is for slow decline over the next 25 years. The population projection, prepared in 2015, shows

Borough.

Chapter 3. Housing and Transportation

A broad range of infrastructure facilities and services support the Haines economy, including energy, water

Table 41. Housing Units in Haines Borough

Figure 11. Total Air Passengers Departing Haines, 2008-2017 by Season

Source: BTS, TranStats

AIR FREIGHT

Over 11,000 vehicles embarked at Haines in 2017, two-thirds of them (67 percent) in the summer months. Vehicle embarkations were up 7 percent in 2017 from 2016, but down 17 percent from the peak of 13,685 set in 2013. .

Table 53. Monthly AMHS Haines Traffic, 2017

Month	Passenger Embarkations	Passenger Disembarkations	Vehicle Embarkations	Vehicle Disembarkations
Jan	1,165	1,052	460	341
Feb	1,168	1,234	406	388
Mar	1,544	1,721	507	542
Apr	1,529	1,552	652	637
May	2,883	3,206	983	1,103
Jun	4,320	4,752	1,516	1,628
Jul	6,341	6,049	1,936	1,749
Aug	5,287	4,494	1,865	1,499
Sep	3,562	2,543	1,316	907
Oct	2,332	1,876	826	643
Nov				

Table 56. Highway Vehicle Passenger Entries at U.S. Border, By Vehicle Type, Haines Highway, 2008 -2017

	Personal Vehicle Occupants	Bus Occupants	Truck Occupants	Total Number of Border Crossings
2008	30,365	530	1,306	32,201
2009	32,036	371	928	33,335
2010	34,654	492	2,170	37,316
2011	30,110	492	1,394	31,996
2012	31,776	481	1,155	33,412
2013	31,879	536	1,347	33,762
2014	33,026	971	1,579	35,576
2015	37,850	777	1,531	40,158
2016				

UA is anticipating releasing a Request for Proposals for design/build and repair for the dock in summer 2018 with the dock operational by spring 2019. Such repairs may also provide other opportunities for usage at the

Chapter 4. Industry Profiles

Introduction

This chapter provides a compilation of best available information on key industries in Haines and other notable sectors of the economy. Not all industries are profiled. The study team selected industries that are recognized as important segments of the economy today, may have the potential for future growth, and/or have been the subject of local development efforts in the recent past.

The amount of information available is highly variable from industry to industry. Some industries have been the subject of previous research, which provided te om(c)323 (i)-12 (m)4.6 pb ec shnti(s)1nrot available for

- McDowell Group's 2002 *Haines Tourism Management Plan* included an economic impact analysis which measured 300 jobs and $6.5 million in total wages in 2001, including multiplier effects. The visitor industry then accounted for about one-quarter of all employment in Haines. Visitation to Haines in 2001 included 40,000 large ship passengers, 5,500 small cruise ship passengers, 40,000 cruise passengers from Skagway, and 50,000 to 60,000 independent visitors, plus regional residents attending special events.
- The

Volume and Transportation Market

Haines received an estimated 94,000 out-of-state visitors in summer 2016, representing 4 percent of the overall Alaska visitor market. Three-quarters of visitors (73 percent) were cruise ship passengers, 18 percent were highway/ferry visitors, and 9 percent were air visitors.

Note that the AVSP transportation markets refer to methods of traveling in and out of Alaska, not necessarily in and out of Haines. Air visitors traveled in and out of Alaska via air; highway/ferry visitors traveled in and/or out of Alaska via highway or ferry; and cruise ship passengers overnighted onboard a cruise ship at some point in their trip. Therefore, if a visitor flew from their home state to Juneau, but took a ferry to/from Haines, they would fall into the "air" category.

Visitor Activities

The most popular activities in Haines, among summer 2016 visitors, were wildlife viewing, hiking/nature walk, museums, and city/sightseeing tours.

Table 58. Haines Summer Visitors: Activities in Haines

	% of Visitors
Wildlife viewing	17
Hiking/nature walk	10
Museums	10
Camping	8
City/sightseeing tours	7
Birdwatching	6
Day cruises	5
Rafting	5
Biking	3
Fishing	3
Flightseeing	2
Historical/cultural attractions	2
Native cultural tours/activities	2
Kayaking/canoeing	2

Source: AVSP 7.
Note: Shopping was not recorded at the community level.

ADFG data provides detailed information on non-resident fishing activity. Non-residents purchased 2,435 fishing licenses in Haines in 2016. Nearly half of these (45 percent) were 1-day licenses, while one-third (31 percent) were for longer periods of time. The remainder (24 percent) were purchased by Yukoners in a "reciprocal fishing" system. The data is generally consistent (r) (e)ithThsTV ( )-12SP(s)5.3 m (c)5cte f

Table 59. Non-Resident Fishing License Sales in Haines, 2016

	Number of Licenses
Non-resident 1-day fishing	1,089
Non-resident 3-day fishing	382
Non-resident 7-day fishing	146
Non-resident 14-day fishing	91
Non-resident Annual fishing	139
Non-resident Annual fishing and hunting	1
Yukon reciprocal fishing	587
Total non-resident fishing licenses	2,435

Source: Alaska Department of Fish and Game.

Non-Resident Visitor Demographics

Nearly one-half (47 percent) of Haines visitors were from the Western U.S. Visitors from the South represented 14 percent; from the Midwest, 12 percent; from the East, 5 percent; from Canada, 14 percent; and from other international countries, 8 percent.

The average party size of Haines visitors was 2.3 people; this is the number of people sharing expenses. The

Table 65. Percent of AMHS Passenger Arrivals in Haines, by Passenger Residence, 2009 -2015

	2009	2010	2011

Meetings/conferences are a subset of this non-pleasure, winter market. The Haines Convention and Visitors Bur

Constantine's work on the Palmer project is having an impact on the Haines economy. In 2017 the project employed 64 workers, including Constantine employees and contractor workers such as drillers, pilots, and road construction personnel. About half (33) of those workers are Haines-based.

The economic impact of Constantine's current activity includes purchases of goods and services from Haines business. In 2017, Constantine made purchases with 65 Haines vendors.

Future Work on the Palmer Project

The 2018 budget of $8.8 million will be spent on additional drilling, updating the mineral resource estimate, preparing a preliminary economic assessment (PEA), and initiate planning and permitting for underground exploration.[16]

Conceptual Mine Operations

The potential scale of mining will first be formally considered in the PEA. In the PEA (and in later feasibility studies) the labor force needs will be considered, including trends toward greater automation, which can increase production per worker and enhance safety. Constantine has suggested that the mine would likely include between 150 and 300 direct jobs.[17] In regard to potential socioeconomic impacts, Southeast Alaska's two operating mines, though larger in scale, can serve as examples

Hecla Mining Company's Greens Creek Mine is an underground silver, gold, zinc, and lead mine located in the

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The Skagway Ore Terminal (SOT) provides infrastructure needed to transship Yukon mine concentrates destined for overseas smelters, but the future of that facility is uncertain.

Seafood Industry

Commercial fishing and seafood processing are important sources of jobs, income, and tax revenue thanks to Haines' significant resident fleet and the importance of Ocean Beauty Seafoods' Excursion Inlet plant (XIP). While XIP effectively operates independent of the community of Haines in terms of operations and processing jobs, many Haines fishermen deliver fish there, its Fleet Manager is a Haines resident, and Ocean Beauty is the Borough's largest taxpayer. Within Haines proper, two small processors—Haines Packing Co. and Dejon Delights—purchase fish from the local fleet and support a modest but impactful number of full-time and seasonal jobs each year. Both of these also contribute to the appeal of Haines from a tourism standpoint, selling products to visitors and/or hosting tours. Haines also benefits economically from having a full-time ADFG Area Management Biologist based locally as well as numerous seasonal staff. In terms of regional importance, however, Haines falls significantly behind other Southeast communities in terms of gross earnings for resident

fishermen (80) and number of permits fished (113) of the 2007-2016 period, which averaged 87 active fishermen

Table 71. Haines Resident Crew Member Licenses Purchased, 2007-2016

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Resident Annual Crewmember License	91	88	92	87	83	86	101	93	81	86
Resident Child Crew License	1	1	-	1	2	1	3	1	3	7
Resident 7-Day Crew License	6	4	4	2	5	6	9	8	4	6
Total	98	93	96	90	90	93	113	102	88	99

Source: ADF&G
Note: Crew license sales are categorized by address zip code reported to ADFG at the point of sale. Children under ten years

EARNINGS

Haines commercial fishermen earned nearly $6 million in gross income in 2016 from a total harvest of 6.2 million pounds of fish. Of this, salmon accounted for nearly 70 percent of Haines' commercial fishing income, with $4.1 million in gross earnings in 2016. Halibut was the next most important in terms of gross income, generating $1.4 million in gross earnings (23 percent of total). Other fisheries of importance include crab ($152,367) and

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$76,922. Peak earnings occurred in 2012, when 92 fishermen grossed $8.8 million, or $98,948 per fisherman. The worst year was in 2015, when 85 fishermen grossed $4.9 million, or $58,231 per fisherman.

Table 74. Nominal and Real Earnings per Haines Permit Holder, 2007-2016

Year	# of Fishermen Who Fished	Earnings Per Fisherman (nominal)	Earnings per Fisherman (2016 dollars)	Total	Total (2016 dollars)
2007	84	$69,531	$83,570	$5,840,615	$7,019,875
2008	86	$85,033	$97,747	$7,312,820	$8,406,210
2009	83	$63,535	$72,178	$5,273,373	$5,990,794
2010	90	$79,119	$88,316	$7,120,681	$7,948,479
2011	92	$84,066	$90,912	$7,734,064	$8,363,880
2012	89	$98,948	$104,673	$8,806,407	$9,315,933
2013	91	$76,234	$78,190	$6,937,261	$7,115,248
2014	91	$79,918	$80,668	$7,272,535	$7,340,777
2015	85	$58,231	$58,478	$4,949,648	$4,970,664
2016	80	$74,605	$74,605	$5,968,426	$5,968,426

Source: CFEC, McDowell Group estimates.

PERMIT VALUES

Table 75. Resident Ownership of State of Alaska Limited Entry Permits, Haines Borough, 2016

Species	Gear Type	Region	Permit Holders	Estimated Permit Value	Estimated Total Permit Value
Salmon	Drift Gillnet	Southeast	54	$84,400	$4,557,600
Sablefish	Longline	Northern Southeast	2	$398,900	$797,800
Salmon	Power Troll	Statewide	20	$35,000	$700,000
Salmon	Drift Gillnet	Bristol Bay	3	$109,300	$327,900
Herring Roe	Purse Seine	Southeast	1	$239,000	$239,000

depending on how many canning lines are operating. For example, average peak employment over this period was 369 although peak employment reached 458 in 2013. XIP employment fluctuations have little impact on the community of Haines due to the plant's remote location.

Table 79. Haines Seafood Processing Profile, 2007- 2016

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Workers	441	383	405	238	448	257	458	345	408	311
Alaska Resident[a] Workers	39	26	39	24	32	25	39	29	27	32
Wages	$3,396,483	$2,904,106	$2,757,181	$1,916,365	$3,769,791	$2,459,589	$4,741,367	$3,461d ( )Tj EMC /P i0 Tod ( )T7f 294 31-3 (		

Historical Society was instrumental in establishing the Sheldon Museum. The Historical Society sponsors programs during winter months and leads restoration efforts like the Charles Anway homestead project currently underway.

The Haines Arts Council is a non-profit bringing arts programming to the community and schools. The Alaska Arts Confluence is a non-profit helping the public appreciate the arts through workshops and projects like Art on Main Street and the interpretive sculpture garden at the Fort. The Confluence was awarded grants from ArtPlace America and National Association of Counties to help build arts engagement and a creative economy.

The annual Southeast Alaska State Fair is a multifaceted combination of exhibits, performances, contests, and vendors. The fairgrounds are also home to the Haines Farmers market; small businesses and galleries in Dalton City, and recently upgraded conference and event space at Harriett Hall.

The Chilkat Center for the Arts is used for performances, films, conferences, workshops, and other community gatherings. Also located at the Fort is Alaska Indian Arts, a non-profit dedicated to the preservation and continuation of Northwest Coast art and culture. The former hospital building houses a gallery, retail space, and artists' workshops.

Numerous additional entities support and present local arts including the Hammer Museum, Lynn Canal Community Players, Chilkat Valley Community Foundation, the American Bald Eagle Foundation, and more. The arts community also includes numerous individual artists, art galleries, teachers, event organizers, sponsors, and volunteers.

Economic Activity

As noted above, publicly available data does not fully capture the economic activity generated by the arts sector. The statistics provided below help provide some context about arts-related impacts in the community.

In 2016, DOLWD reported average annual employment of 93 in arts, education, and recreation for the Haines Borough; peak employment was 190 in July. The Alaska Arts Confluence has compiled a list of 105 artists living in Haines.

Preliminary results from McDowell Group's *2018 Haines Household Telephone Survey* revealed that 18 percent of households earned income from home-based activities such as arts and crafts, firewood, wild plants, preserved foods, baked goods, or home maintenance/repair. On average, these activities represented a third of household income.

Southeast Conference produced a publication in 2015 titled *The Arts Economy of Haines, Alaska*, authored by Rain Coast Data. The study found that 80 individuals had full-time or part-time earnings from the arts including artists, museums, art galleries, teachers, and non-profits. Arts-related earnings by artists totaled $1.4 million. On average, the percent of an artists' income derived from art was 41 percent. Avi 01 Tc -w4.4 (m)0.5 (32 Tw 19.711 0 Tm [(Th)

Two other large-scale mills operated in the area in the 1960s and 1970s. Alaska Forest Products opened a mill at Jones Point in 1965 with a reported monthly payroll of $50,000 in 1967. The mill closed in 1976. Buster Benson started a mill in 1976 providing approximately 250,000 board feet of rough-cut lumber annually for local construction projects. The mill closed upon his death in 2008.[23]

From the early 1900s to today, a few small mills have operated in the community to provide lumber for local

The State of Alaska Division of Forestry manages the 286,000-acre Haines State Forest for multiple-use, including recreation, habitat protection, and timber harvest. Approximately 93,500 acres are forested, with 60,194 acres of predominantly western hemlock and Sitka spruce. The current base of operable timber (available for harvest) in the Haines State Forest is 41,650 acres. State foresters estimate the resource will support a sustainable annual harvest of 5.88 million board feet, or 58.8 million board feet per decade. Not included in these operable acres are pure stands of cottonwood that could be made available should market conditions become favorable in the future. In addition to commercial harvest, individuals are permitted to harvest 2,500 lineal feet (

ALASKA MENTAL HEALTH TRUST AUTHORITY

The Alaska Mental Health Trust Authority (AMHTA) owns approximately 2,000 acres of harvestable timber in the Haines area. Revenue from AMHTA lands are used to support providers in Alaska that treat mental illness,

Current Production

Currently, about a dozen Haines growers sell some crops. Three active Haines farmers, one previous farmer, and the Salt & Soil coordinator were interviewed for this project. In addition to providing information regarding their operations, they provided general information re garding other growers in the community.

Most Haines commercial growers are small operations that grow primarily for their household and sell excess product. Except for the Covenant Life Farm, all active farms are reportedly less than one-half acre. The Covenant Life Farm has approximately five to seven acres of land currently or previously in production, including greenhouses. Four Winds Farm, Whiterock Nursery, and Covenant Life Farm combined likely account for the majority of commercial crop sales in the community.

Health Care and Social Services

Health care and social services are an important part of the Haines economy. It provides jobs and income for local residents and access to health care services support other sectors of the economy in attracting and retaining employees. BEA figures indicate the sector accounted for 162 jobs and $5.7 million in wages in 2016.

Somewhat more detailed employment data is available from DOLWD. In the first quarter of 2017 the Health Care and Social Assistance sector accounted for 131 jobs and $1.2 million in total wages in Haines, according to DOLWD data.[25] Data for previous years and for the 2nd and 3rd quarters of 2017 are not available due to confidentiality restrictions.

Employment in 2017 included 56 workers in the Social Assistance area and 75 in Health Care. There are 14 employers in the Haines Health Care and Social Services sector including Southeast Alaska Regional Health Consortium, Haines Assisted Living, the Senior Center, Cornerstone Health, Hospice of Haines, and several others.

Table 81. Haines Health Care and Social Assistance 1

Appendix : Telephone and Online Survey Results

Please see attached for a report detailing the results of the household telephone and online surveys.

Haines Economic Development Plan

Household Survey Report

Prepared for:

Haines Economic Development Corporation

May 2018

Haines Economic Development Plan

Household Survey Report

Prepared for:

Haines Economic
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Table of Contents

Executive Summary 1

Executive Summary

As part of the *Haines Baseline Economic Data Report*, the McDowell Group conducted a telephone survey of Haines residents. To generate results that are statistically representative of the entire community, 205 households were selected randomly from a mix of cell phone and landline numbers. Following are key results of the telephone survey.

State of the Economy

- Haines residents rated the current condition of Haines' economy an average of 4.4 on a 1-to-10 scale, where 1 = "very weak" and 10 = "very strong." Nearly two-thirds (63 percent) gave

Economoup

Economic Development Strategies

- Respondents were asked to rate their level of support/opposition to a variety of economic development strategies that have been suggested in prior planning efforts. Each strategy was supported (or strongly supported) by 60 percent or more of respondents, with one exception: larger-scale mine development was

Household Economic Status

- Haines residents rated their household's economic well-being an average of 6.5 on a 1-to-10 scale, where 1 = "struggling" and 10 = "thriving." Almost half (45 percent) gave middling scores of 4 to 7, while nearly as many (39 percent) gave higher scores of 8 to 10. Fifteen percent gave lower scores of 1 to 3.

- While the scales for the two questions were different, Haines residents gave higher ratings to their household's well-being (average of 6.5) than to Haines' economic condition (4.4).

- Respondents over 60 gave a higher average rating (6.8) compared with those 40-59 (6.1) or those 18-39 (6.6).

- Not surprisingly, those in the highest income bracket ($100,000 or more) gave the highest average rating: 8.3. This compares with 7.3 among those earning $50,000 to $100,000, and 4.8 among those earning less than $50,000.

- White respondents gave a higher average rating (6.8) than non-white respondents (5.3).

Table 3. Overall, how would you rate your household's economic well-being, using a scale of 1 to 10 where 1 means "struggling" and 10 means "thriving"?

- Over half of respondents (60 percent) expect their household's economic well-being to stay about the same over the next five years. Respondents were twice as likely to expect an improvement in their well-being than to expect it to decline (24 versus 12 percent).

- Older respondents were much more likely to expect a decline: 19 percent, compared with 7 percent of those in both the 18 to 39 and 40 to 59 age brackets. In a related finding, those with children in the household were more likely to expect an improvement: 36 percent, compared to 19 percent among other households.

Table 4. Over the next five years, do you expect your household's economic well-being to improve, decline, or stay about the same?

n=205	% of Total
Improve	24
Decline	12
Stay about the same	60
Don't know	4

Comparison with Online Survey

- Online respondents were again much more likely to say they didn't know (14 versus 4 percent). Otherwise responses were very similar between online and telephone responses: 22 percent (online) versus 24 percent (telephone) for improve; 13 versus 12 percent for decline; and 51 versus 60 percent for stay about the same.

Economic Development Objectives

Respondents were asked to rate the importance of various economic development objectives for Haines.

- The highest-rated objective was “more year round jobs,” with 83 percent of respondents rating this as very important. This was followed by “increased local business sales” (64 percent very important), “increased average wages” (53 percent), “school enrollment growth” (51 percent), “growth in year-round population” (34 percent), and “increased Borough tax revenue” (11 percent).
- Differences between subgroups were mostly found among different age groups, including the following:
  - Respondents over 60 were less likely to rate “more year-round jobs” as very important (74 percent, compared with 87 percent of 40-59 year-olds and 90 percent of 18-39 year-olds).
  - Respondents in the middle age group were more likely to rate “growth in year-round population” as very important (42 percent, compared with 36 percent of younger respondents and 25 percent of older respondents).
  - Younger respondents were the most likely to rate “increased average wages” as very important (67 percent, compared with 52 percent of those in the middle age group and 45 percent of older respondents).
  - Older respondents were the least likely to rate “increased school enrollment” as very important (39 percent, compared with 56 percent in the middle age group and 63 percent of younger respondents).
- A subsequent question asked: *Are there other ways Haines could measure the results of its economic development activities?* Verbatim responses are provided in the Appendix.

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Table 5. For each of the following economic development objectivities, please tell me if you think it is vers veteoa is ve F.4 (e)-1 (s)-5.8 d(.)T07 (p)-5.(n a)-91 (c)-1 (d)-6.6542 0 1aTf-11.422 -1

Economic Development Sectors

Respondents were asked to rate their level of support/opposition to growth in ten different economic sectors. (See table, next page.)

- Over half of respondents expressed support for growth in all ten sectors, with between 54 and 94 percent saying they were either supportive or strongly supportive. Support was highest for winter tourism, with 94 percent either supporting or strongly supporting growth, and lowest for mining, at 54 percent.
- "Strong" support was highest for commercial fishing (63 percent), seafood processing (56 percent), and winter tourism (56 percent). These ratings were weakest for large cruise ships (26 percent) and timber harvest (33 percent).
- Opposition was highest to mining, with 35 percene3ee

Table 7. Please tell me if you strongly support, support, are neutral, oppose or strongly oppose growth in the following economic sectors of Haines.

n=2[illegible]	Strongly support

support5

Table 8. A number of economic development strategies have been suggested in prior planning efforts. Please tell me if you strongly support, support, are neutral, oppose or strongly oppose the following potential strategies.

n=205	Strongly support	Support	NET SUPPORT	Oppose	Strongly oppose	NET OPPOSE	Neutral
Improve transportation services to and from Haines	55	30	85	-	1	1	12
Create small business and entrepreneur support programs	50	39	89	<1	-	<1	9
Develop harbor and other commercial fishing facilities	45	40	85	4	-	4	9
Develop trails and outdoor recreation infrastructure	43	35	78	5	2	7	14
Deepwater port redevelopment for freight transshipment	38	36	74	7	2	9	14
Resume downtown revitalization efforts	33	45	78	3	1	4	16
Support larger-scale mine development such as Constantine Mineral's Palmer Project	30	18	48	9	25	34	14
Attract telecommuters, retirees, and others that don't require local employment	22	38	60	7	3	10	27

Note: Rows may not add to 100 percent due to Don't Know and Declined responses.

Comparison with Online Survey

- As with the previous series of questions, the level of support for various economic development 4-1.5 84 .3 (02tv)-((86.3 012(eg)-6.l9.96 220. ep)-2.1 (h(5-)0.5 (9.3.3n)-5t)0.e-2f*s 0 SCN0.2855.08477.D 142 >>BDC

Industries

- The number one source of income among respondents was “retired” at 25 percent, with another 4 percent listing it as a secondary source of income. Other significant sectors included government (17 percent cited it as a top income source, while another 7 percent noted it was a secondary source), professional services (12 and 9 perce2u,-6.29 (s)2.4 (c)1.2 (e)(1)-6.1 p.uui.9 (rv4.4 90.122 Tww -43.892 -12 Tj

Employment Status

x

Self-Employment

- Among employed respondents, 43 percent said they were self-employed. (This figure equates to 28 percent of all respondents.)
- Older (employed) respondents were more likely to be self-employed at 60 percent. This compares with 38 percent of those 40-59, and 40 percent of younger respondents.
- Among those self-employed, nearly two-thirds (64 percent) did not employ anyone besides themselves; the average number of employees was 3.4.

Table 11. Are you self-employed?
(Base: Currently employed)

n=119	% of Base
Yes	43
No	57
Besides yourself, how many employees do you have if any? (n=54)	
None: self only	64
1 to 2	15
3 to 5	9
20+	11
Average	

Home-Based Activities

Respondents were asked whether anyone in their household earned income from home-based activities such as arts and crafts, firewood, wild plants, preserved foods, baked goods, or home maintenance/repair.

x

Area of Residence

- Over half of respondents (57 percent) said they lived in town; 18

Comparison with Online Survey

- The average length of residence in Haines was 23 years among online respondents, similar to the average of 22 years among telephone respondents. Eighty-one percent of online respondents lived in Haines for 12 months of the year, compared with 84 percent of telephone respondents.

Home Ownership

-

Demographics

Note: The results below are based on weighted data, as are the rest of the tables in this report. Please see the Methodology section for a discussion of respondent (unweighted) demographics compared to Census data.

- x Resp

- Respondents reported an average household size of 2.4, with the bulk of households (44 percent) being two-person. Three out of ten respondents (29 percent) reported children living in the house.
- Respondents reported an average household annual income of $69,000. Thirty-eight percent fell into the bottom income bracket (less than $50,000); 34 percent fell into the middle income bracket ($50,000 to $100,000), and 21 percent fell into the top income bracket (over $100,000). Only 7 percent declined to share their income.

Table 19. Household Size and Income

n=205	% of Total
Household Size	
1	25
2	44
3	14
4	11
5+	7

Appendix

Haines EDP Household Opinion Survey

PHONE # _____ **DATE** _____

INTERVIEWER NAME _____ **Cell/landline** **SURVEY #** _____

Hi, this is _____ with McDowell Group. We are working with the Haines Economic Development Corporation to better understand the opinions and priorities of community residents. I'd like to ask you a few questions.

11. Please tell me if you strongly support, support, are neutral, oppose or strongly oppose growth in the following economic sectors of Haines.

ROTATE	**01** *Strongly Support*	**02** *Support*	**03** *Neutral*	**04** *Oppose*	**05** *Strongly Oppose*	**06** *Don't know*	**07** *Refused*
a. Commercial fishing	01	02	03	04	05	06	07
b. st 0 Tc 0 Tw 9.28 157Td ( )Tj 0.00 /LBod/MCID 51 >84DC 0.74 1 Tf -0.002 Tc 0.002 Tw 9.96 -0 0 9.96 239.04 880.44 re f0							

16.