

Juneau at a Glance

Government, natural resources buoy capital city



Millions of years ago, the collision of tectonic plates, accretion of exotic terranes,¹ and volcanoes built the mountains near present-day Juneau. Over time, gold mineralized in the young Boundary Range as fluids, heat, and pressure moved through the earth. Glacial ice advanced and retreated, carving the mountains and exposing gold in rock outcrops and streambeds.

In the late 1800s, Tlingits found these gold nug-

¹A *tectonostratigraphic terrane* is a fragment of crust formed on, or broken off from, one tectonic plate and accreted or "sutured" to crust lying on another plate. The fragment preserves its own distinctive geologic history, which is different from that of the surrounding areas – hence the term "exotic" terrane. The suture zone between a terrane and the crust it attaches to is usually identifiable as a fault.

gets and presented them on commission to gold-hungry prospectors. The town sprang up quickly through the availability of innovative mining technology, a cutting-edge hydroelectric power supply, and high wages. In 1906, the Alaska Territorial Government made the recently founded Juneau its home.

Mining has changed drastically in the last century, and now government shapes the local economy. The Alaska Legislature meets in the capital city every winter, and many state agencies are also based in Juneau.

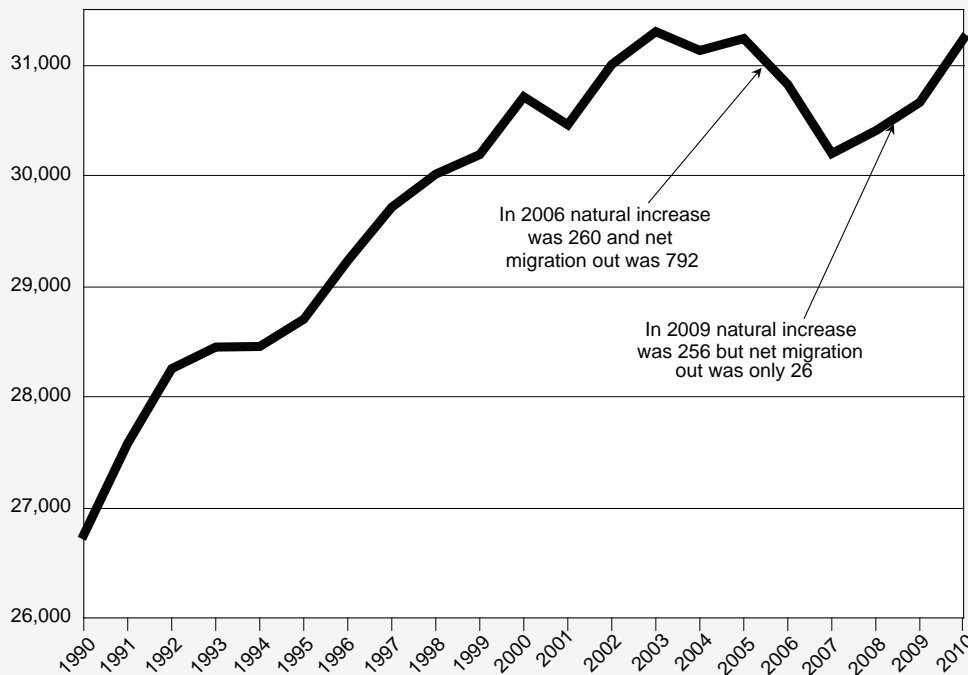
A snapshot of the land and its traffic

The City and Borough of Juneau is 3,248 square miles: about one-half of 1 percent of the entire state. Water covers 704 square miles of that total and includes Lynn Canal, Berners Bay, and Stephens Passage. The Juneau Icefield, a popular flightseeing destination, makes up another 928 square miles of the land.

The area that remains has fewer than 40 miles of state highway, yet Juneau is a transportation hub for all of Southeast Alaska.

Alaska Airlines provides direct jet service to and from Seattle, Anchorage, Sitka, Ketchikan, Wrangell, Petersburg, and Yakutat. Local air carriers serve the region's smaller communities, and the Alaska Marine Highway System transports people and freight to destinations as far flung as Bellingham and Dutch Harbor.

1 Population's Ups and Downs City and Borough of Juneau, 1990 to 2009



Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

A Demographic Snapshot **2**

City and Borough of Juneau, 2005 to 2009

2009 Population Estimates

	Juneau	Alaska
Population	30,661	692,314
Percent female	49.7%	49.0%
Median age	38	33.5
Age under 5	6.9%	8.4%
Age 18+	74.9%	71.1%
Age 65+	8.4%	7.5%
White	71.7%	68.5%
Black or African-American	0.7%	3.7%
American Indian/Alaska Native	11.2%	13.5%
Asian	5.6%	4.7%
Pacific Islander	0.5%	0.6%
Some other race	1.8%	1.7%
Two or more races	8.6%	7.4%

Note: Race information is from the American Community Survey.
¹Although the American Community Survey produces population, demographic, and housing unit estimates, it is the Census Bureau's Population Estimates Program that produces and disseminates the official estimates for the nation, states, counties, cities, and towns; and estimates of housing units for states and counties.

Source: United States Census Bureau

American Community Survey, 2005 to 2009¹

	Juneau	Alaska
Average household size	2.6	2.8
Average family size	3.1	3.4
Born in Alaska	40.2%	39.5%
Median household income	\$76,437	\$64,635
Median family income	\$88,429	\$75,439
Living in poverty	6.7%	9.6%
Less than ninth grade education	1.6%	3.5%
Ninth to 12th grade education	2.8%	5.8%
High school grad or equivalent	25.3%	28.5%
Some college, no degree	28.4%	27.8%
Associate degree	6.1%	7.9%
Bachelor's degree	23.7%	17.1%
Graduate/professional degree	12.1%	9.5%
Veterans	15.0%	10.7%
Owner-occupied housing units	63.7%	63.8%
Median home value, owner-occupied	\$284,000	\$221,300
Renter-occupied housing units	36.3%	36.2%

The regional education center is also based in Juneau. As of spring 2011, 1,856 part-time and 615 full-time students attend the Juneau campus of the University of Alaska Southeast.

An older, more educated population

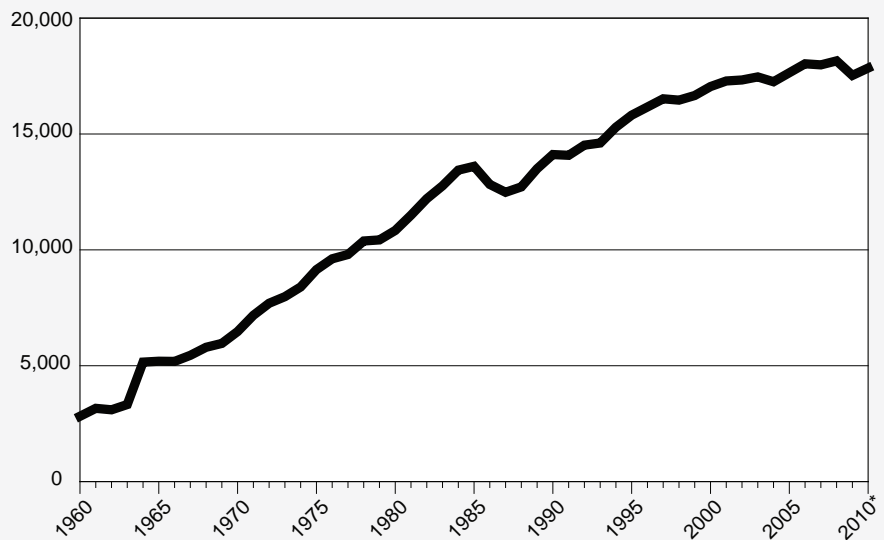
The recently released census shows Juneau's 2010 population at 31,275: about 600 more than 2009 estimates, and nearly as high as the 2003 peak population of 31,300. (See Exhibit 1.)

The 2010 census marks the third year of population recovery for Juneau as the numbers of births and deaths have remained typical but fewer people have moved out.

The 2010 count is a 2 percent increase since the 2000 census. This is counter to the trend for the rest of

50 Years of Juneau Employment History **3**

Wage and salary jobs, 1959 to 2010



*preliminary estimate

Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

Southeast Alaska, whose population has declined by 5 percent since 2000.

Compared to Alaska as a whole, Juneau has similar race, sex, and housing characteristics. But Juneau residents are older and tend to have higher education and income than the average Alaskan. (See Exhibit 2.)

The median age in Juneau is 38: four-and-a-half years older than statewide. The city's median income is about \$12,000 higher, and over 41 percent of residents have a college degree, compared to only 34 percent statewide.

Jobs and population growth

Employment and population are closely tied and, for most of the last 40 years, both have grown. (See Exhibit 3.) Employment shrunk by 3.5 percent in 2009, and rebounded with 1.8 percent growth in 2010.

Overall, the minor ups and downs from year to year in both population and employment translate into a flat trend. (See Exhibit 4.)

Government dominates

Government is by far the largest employer in the borough, representing over 40 percent of jobs compared to the 25 percent government share of statewide employment. (See Exhibit 5.) In 2009, state government employed 4,221 workers in Juneau. Another 2,231 jobs were in local government: city and borough agencies, tribal government, local public schools, and Bartlett Regional Hospital. Federal agencies employed another 832 in the same year.

Private sectors bolster growth

The private industry with the highest employment was retail trade, with slightly more than 2,000 jobs in 2009. The health care and education services industry came in second with 1,696 jobs: roughly 60 percent in health care and 40 percent in social assistance. (See Exhibit 6.)

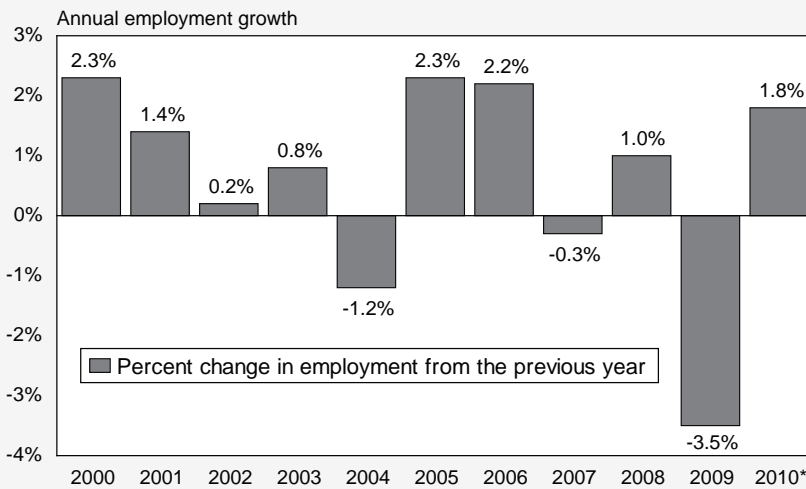
Health care and social assistance are high-growth industries in Juneau and statewide, gaining about 100 jobs locally in 2010. Health care providers and social service networks are also some of the largest employers in Juneau, making up four of the ten largest firms. (See Exhibit 7.)

The mining industry also grew by about 100 jobs in 2010 because of a new extraction operation at Kensington Mine, showing that even a small industry can contribute to sporadic growth patterns.

Lower wages than statewide

Wage levels haven't changed much in recent history when adjusted for inflation. Average annual earnings for all employment in Juneau were \$43,000 in

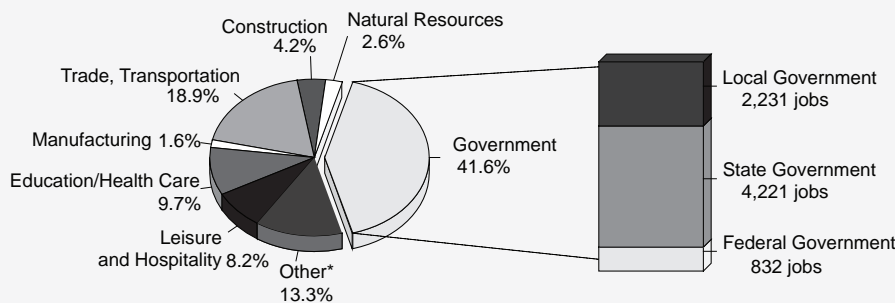
4 Small and Sporadic Changes Juneau wage and salary employment, 2000 to 2010



*preliminary estimate

Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

5 Government Jobs in Juneau Wage and salary employment, 2009



*Other industries include Information, Finance, and Professional and Business Services.

Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

6 Monthly Employment Juneau, 2009

Total	17,528
Natural Resources and Mining	450
Construction	742
Manufacturing	275
Trade, Transportation, and Utilities	3,315
Information	275
Financial Activities	604
Professional and Business Services	848
Education and Health Services	1,696
Leisure and Hospitality	1,438
Other Services	602
Federal Government	832
State Government	4,220
Local and Regional Government	2,231

Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

7 Top Ten Private Employers in Juneau Average monthly employment, 2009

Employer	Range of Jobs	Industry
1. Hecla Mining Company, Greens Creek	250-499	Mining
2. Fred Meyer	100-249	Retail Trade
3. REACH, Inc.	100-249	Social Assistance
4. Walmart	100-249	Retail Trade
5. Southeast Alaska Regional Health Consortium	100-249	Health Care
6. Alaska Airlines	100-249	Transportation
7. The Alaska Club	100-249	Recreation
8. Southeast Regional Resource Center	100-249	Social Assistance
9. Safeway	100-249	Retail Trade
10. Catholic Community Services	100-249	Social Assistance

Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section; Quarterly Census of Employment and Wages.

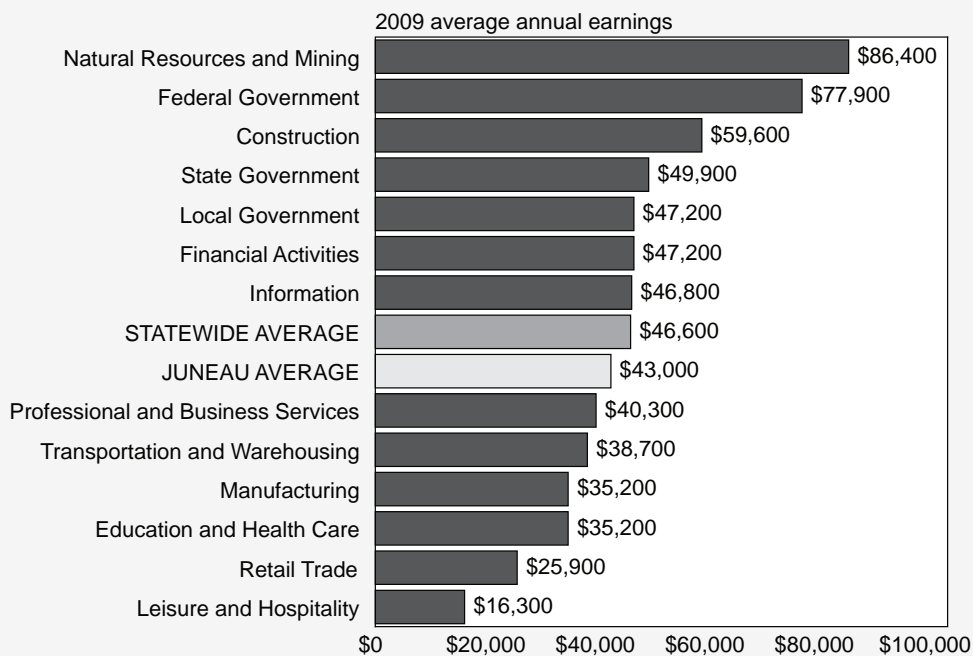
2009, ranging from \$16,300 in leisure and hospitality to \$86,400 in mining. (See Exhibits 8 and 9.)

On average, private-sector workers in Juneau earn less money than government workers, with annual wages of about \$36,500. Government wages are typically higher, as most of the jobs are full-time and have higher education requirements. Federal jobs garnered the highest average annual wage at \$77,900, followed by state government at \$49,900, and local government at \$47,200.

The distribution of wages among the sectors shows the variety of employment and its impact on local economic health. (See Exhibit 8.)

For instance, retail earnings are low on average, but it's likely because there are more part-time workers; it doesn't mean there are no full-time, well-paying jobs in that sector. Seasonality also plays a role in wages, as many jobs are only for a few months during the year.

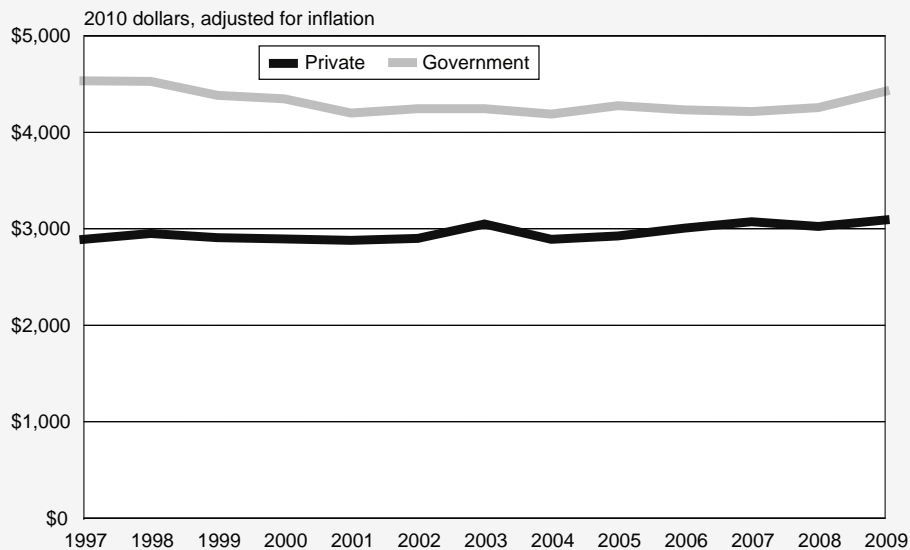
8 A Broad Range of Earnings Juneau select industries



Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

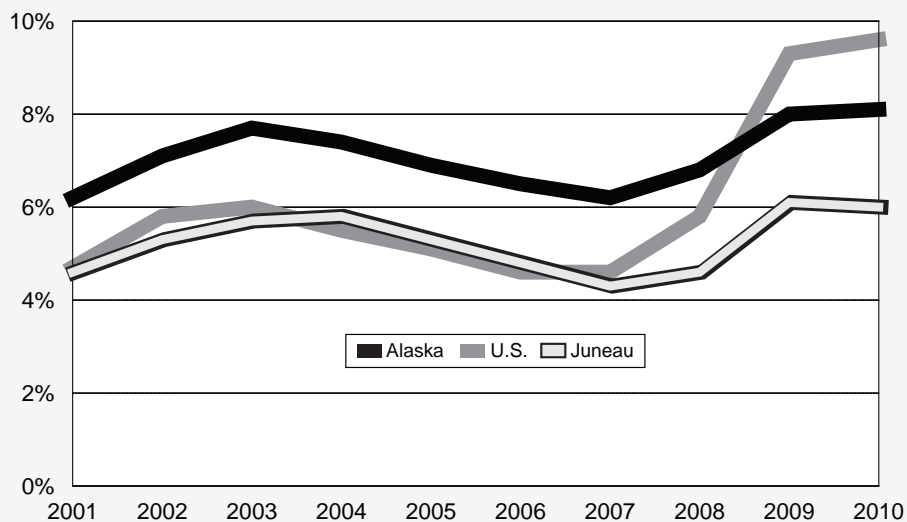
On the other end of the spectrum, natural resource and mining employees earn more than \$80,000 a year, but those jobs represent fewer than 3 percent of borough employment. (See Exhibits 6 and 8.)

9 Government vs. Private Monthly Earnings Juneau, 1997 to 2009



Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

10 Unemployment Rate Comparisons Juneau, Alaska, and the U.S.; 2001 to 2010



Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

Income versus wages

It may be puzzling to see that Juneau's annual median household income shown in Exhibit 2 is higher than the state average, yet Juneau's average annual wages are lower than the Alaska average. This is because the American Community Survey measures a household's entire income from multiple jobs, the permanent fund dividend, or investments.

"Average annual wages" only describes what a firm pays for a specific job. For example, if someone works at Eaglecrest Ski Area in the winter and at the Mount Roberts Tramway in the summer, the income will be the pay received for both jobs. The earnings for those jobs are counted separately, so both the ski area and the tram occupations will show lower wages, effectively lowering the regional average wages shown in Exhibit 8.

Juneau has a higher incidence of part-time workers, seasonal jobs, and people who work multiple jobs, which also brings down the average annual wage and increases the difference between average wages and median income.

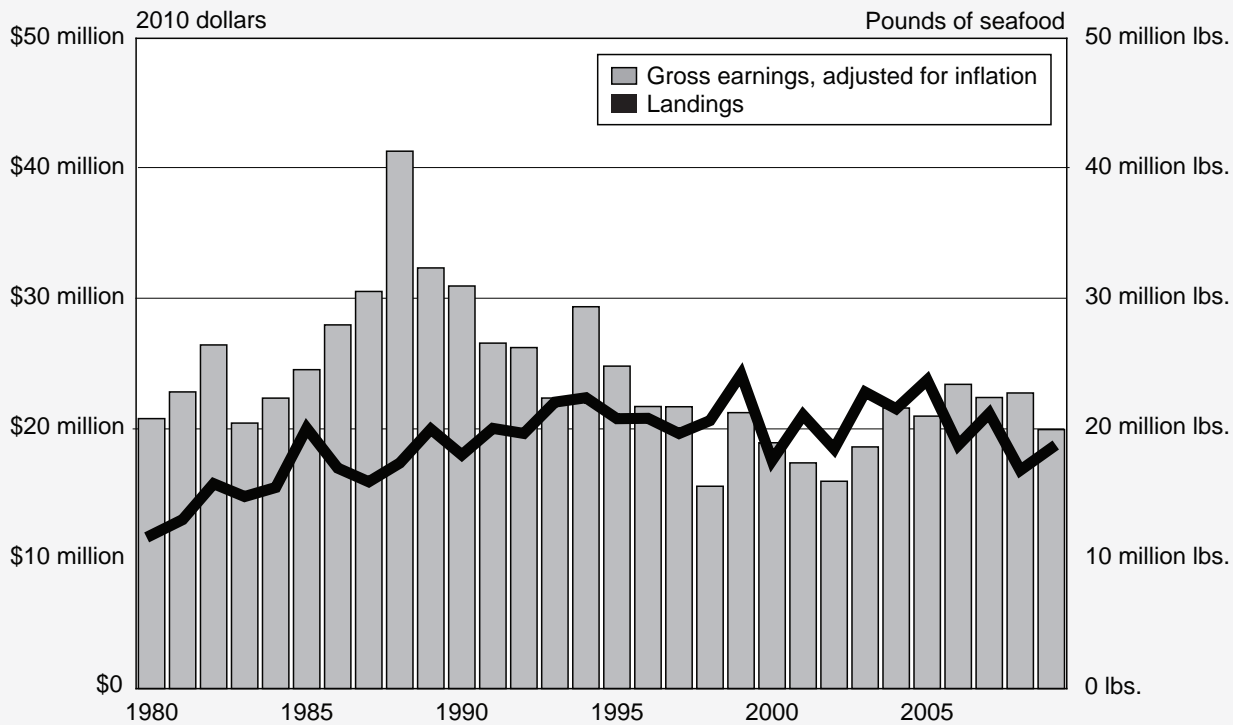
Unemployment stays low

The stability of government jobs in Juneau has led to generally low levels of unemployment. Though the jobless rate hit a new peak in 2009, Juneau has lower unemployment than the state as a whole, and it has largely escaped the global recession that led to persistently high unemployment in the Lower 48. (See Exhibit 10.)

While Juneau has strong seasonal employment in visitor and service industries, continued traffic by legislators and lobbyists keeps winter unemployment low in Juneau, too. This is a sharp contrast to other communities with a strong reliance

Estimated Fishery Landings and Earnings **11**

Juneau permit holders, 1980 to 2009



Source: Alaska Department of Fish and Game, Commercial Fisheries Entry Commission

on tourism, which leads to high unemployment when the season winds down.

A fishing community

Fishing also represents a substantial slice of Juneau's economy. The Commercial Fisheries Entry Commission estimated in 2009 that Juneau permit holders grossed over \$17 million and caught more than 18 million pounds in all fisheries. Seafood prices were favorable in 2010, and though it is difficult to predict fishery success, the industry remains a sustainable and important source of income in the area. (See Exhibit 11.)

Visitors increase aggregate demand

Leisure, trade, hospitality, transportation, and many other sectors serve two masters in Juneau. Residents require goods and services on a daily basis, from groceries to cab rides to child care. A high volume of visitors also come to see the natural beauty and history of the capital city, as anyone who has seen downtown on a sunny June day will know. Whether arriving by boat or plane, these people also require goods and services.

The Juneau Economic Development Council estimates that more than 1.3 million people visited Juneau in 2009. It is impossible to tell how much total employment is attributable to visitors, but seasonal swings indicate they have a big impact. Jobs in transportation more than doubled from a low of 722 in January 2009 to a high of 1,505 in July of that year. Jobs in arts, entertainment, and recreation also roughly doubled during that period, from 268 jobs to 527.

A strong foundation

The economy of Juneau is a diverse arrangement of industries largely contingent on two factors: year-round demand for goods and services, and the stability of a large government sector that sustains year-round employment at good wages.

Despite its relative isolation, the role Juneau plays as Southeast Alaska's service hub is also crucial to many industries. Juneau creates network benefits by providing cheap hydroelectric power to a nearby mine, enough moorage to accommodate thousands of feet of cruise ships, and a hospital that can provide care to the smaller regional communities.