



**Haines Economic
Indicators Report**

**2020
Edition**

*Data released in 2020
for the year 2019*

INTRODUCTION

Haines Economic Development Corp. presents the second edition of the Haines Economic Indicators Report, examining economic data released in 2020 for the year 2019.

One of HEDC’s objectives is to “produce and provide objective information to the community surrounding key economic development issues, promote awareness of Haines’s key economic sectors, and promote awareness of threats, opportunities, and achievements in the economy.” To compliment the Baseline Data Report, HEDC aims to produce an annual Economic Indicators Report update with the most recent economic data for Haines.

In 2018, HEDC contracted with McDowell Group to publish the first comprehensive baseline data report for Haines. The 82-page report is dense with data and information on Haines’s economic conditions and trends, and includes demographics, housing, transportation, and industry profiles through early 2018. The Baseline Data Report and survey results continue to provide valuable economic data and guidance for HEDC’s work and for community decision making. In 2019, HEDC compiled the first edition of the Haines Economic Indicators Report. In 2020, HEDC was unable to compile the second edition due to lack of funding. Therefore, the 2020 Economic Indicators Report has retroactively been compiled in 2021.

Thanks to those who helped us make this publication possible by providing data and information, including the Haines Borough, Haines Borough School District, and Alaska Department of Labor and Workforce Development.

We invite you to engage with HEDC’s work and mission and welcome your input on economic development. Please visit www.hainesedc.org or contact us at 766-3130 or director@hainesedc.org.

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Our Mission

Haines Economic Development Corp. is a nonprofit corporation with a mission to realize economic development in Haines Borough through research, community engagement, and strategic planning.

Haines At a Glance

The population of Haines in 2019 continued a slight upward trajectory and school enrollment increased to 274 from 261 in 2018. Median age remained the same at 48.6 years.

While the population changed only slightly, private sector employment was at its highest level in a decade for the second year in a row. Per capita personal income increased to \$71,711 in 2019 compared to \$62,977 in 2017, remaining above state and national average.

Average unemployment in 2019 in Haines was at 7.9%, down from 9.5% in 2018. Haines' unemployment rate remains above the rest of Southeast, Alaska, and the United States, which can largely be explained by the prevalence of seasonal work.

While seasonal and visitor-industry related jobs continue to dominate the private sector job market, education and health services account for most year-round jobs in Haines in 2019. Five sectors account for about 75 percent of local earnings in 2019 - Construction; Trade, Transportation and Utilities; Local Government; Leisure and Hospitality; and Education and Health Services. The sectors with the highest earnings, however, do not necessarily correlate to the sectors with the highest number of employees. For example, the Construction sector accounted for 23 percent of total wages in 2019 but only 9 percent of the workforce, while the Leisure and Hospitality sector accounted for only 13 percent of total wages but provided more than a quarter of the total jobs in Haines.

In 2018 and 2019, personal income in Haines was on the rise and was higher than the national and state average. There was a significant gap in income distribution, although Haines' income distribution became closer to the state average in 2018 compared to 2017.

Haines' gender compensation gap remained significantly wider than the state or national average, as women continue to make 60 percent of men's salary compared to 83 percent in the state of Alaska and 81 percent in the United States. Relevant factors in measuring the gender wage gap include job experience, training, education, hours worked, the choice of a job or industry, and current and historical discrimination. Also of note, several Haines families report (anecdotally) instances of one parent, usually the male, working out of town either seasonally or in weeks on/weeks off schedules in industries where the gender wage gap is significant; Mining, Oil and Gas, Construction, and Commercial Fishing. While these instances may provide high paying jobs to the family, they require the other parent (usually the woman) to choose between working and earning less or spending more on childcare costs, exacerbating the gender pay gap. The [October 2021](#) issue of Alaska Economic Trends highlight gender wage gap data and analysis across Alaska.

Southeast at a glance

Employment and Wages	2019	% change from 2018
Total Payroll (Millions)	\$1,837.7	+2.9%
Government (Millions)	\$720.1	-0.2%
Service Sector (Millions)	\$821.1	+5.4%
Goods-Producing (Millions)	\$296.6	+4.0%
Average Wage	\$49,267	+1.9%
Average Monthly Employment	37,301	+1.0%
Service Sector	20,426	+2.0%
Goods-Production	4,521	+2.8%
State of Alaska	4,705	-1.4%
Local and Tribal	6,257	-0.1%
Federal Civilian	1,392	-3.9%
Fishermen and Crew (SE Residents)	4,286	-4.2%
Unemployment	5.9%	0%

Demographics

Population	72,373	-0.6%
Without Juneau	40,387	-0.7%
Median Age	40.7	0.4%
Without Juneau	41.3	0.3%

Industry Specifics

SE Cruise Passengers Arrivals	1.33 million	+14.0 %
Pounds of Seafood Landed <i>by resident fishermen, in thousands of lbs.</i>	121,677	+0.8%
Ex Vessel Value <i>by resident fishermen</i>	\$144,016	-16.1 %
Total Government Employment	12,994	-1.0 %

Haines at a glance

Employment and Wages

	2019	% change from 2018
Average Monthly Employment	1,181	+1.7%
Total Wages (Millions)		
Government	\$8.6	+.06%
Private Sector	\$28.8	-.01%
Average Yearly Wage		
Government	\$46,547	+4.4%
Private Sector	\$39,188	-3.4%
No. Self-Employed (2018)	390	-1.7% (from 2017)
Self-Employed Total Receipts (2018)	\$16.828 million	-3.6% (from 2017)
Per Capital Personal Income	\$71,711	+.004%

Demographics

Population	2,524	+0.9 %
Median Age	48.6	0%
School Enrollment (Haines Borough School District only)	274	+4.9%

Other Specifics for Haines Borough

Sales Tax Receipts	\$3.404 million	+3.0 %
Cruise Ship Passengers	67,779	+17.0%
All Fisheries, Est. Gross Earnings	\$7.49 million	+20.36%
All Fisheries, Lbs. Landed	5.58 million lbs	+30.07 %

Salmon (all species) represents 89.9% of all seafood caught in Haines Borough in 2019 and 66.5% of gross earnings in 2019.

NOTE: The 2018 data for "All Fisheries, Est. Gross Earnings" and "All Fisheries, Lbs. Landed" was revised by Alaska Commercial Fisheries Entry Commission in late 2019 after being alerted to errors in halibut reporting data. This revision occurred after the publication of HEDC's 2019 report. The calculations in the percent change from 2018 to 2019 in this report uses the updated data, not the data as reported in HEDC's 2019 report.

Employment and Earnings

Several sources of data are required to show a complete picture of employment and earnings for Haines. Traditional wage jobs are shown on the next page in Figures 1 and 2. These earnings are reported by employers who have employees on payroll. The Industry Sectors are categories defined by the federal government. Figure 3 depicts the same Industry Sectors but for Self-Employed, Sole Proprietors or Independent Contractors who do not have employees and do not pay themselves as a regular employee. These earnings are reported in total receipts by establishment, not necessarily how much a self-employed individual takes home in pay. This report uses the most recent available data; most state statistics have updated data for 2019, some federal census data relies on information from 2018.

Traditional Wage Jobs and Earnings

Figure 1 shows the total earnings in wages and salaries for each sector of Haines's economy. Five sectors account for about 75 percent of local earnings in 2019 - Construction; Trade, Transportation and Utilities; Local Government; Leisure and Hospitality; Education and Health Services.

The sectors with the highest earnings do not necessarily correlate to the sectors with the highest number of employees, as seen in Figure 2. The Construction sector accounts for 23 percent of total wages but only 9 percent of the workforce, while the Leisure and Hospitality Sector accounts for only 13 percent of total wages but provides more than a quarter of the total jobs in Haines.

Some company and business information is kept confidential by the state. For example, if there is only one or two companies in one category, earnings information is not listed in that category; however, overall totals are provided. This means while the total earnings for 2019 are reported to be \$41,685,406, the earnings in Figure 1 total less than that. Similarly, while the average monthly employment is reported at 1,029 individuals, Figure 2 does not include every employee to equal that total.

Figure 1

Annual Earnings/Wages by Industry Sector (2019)

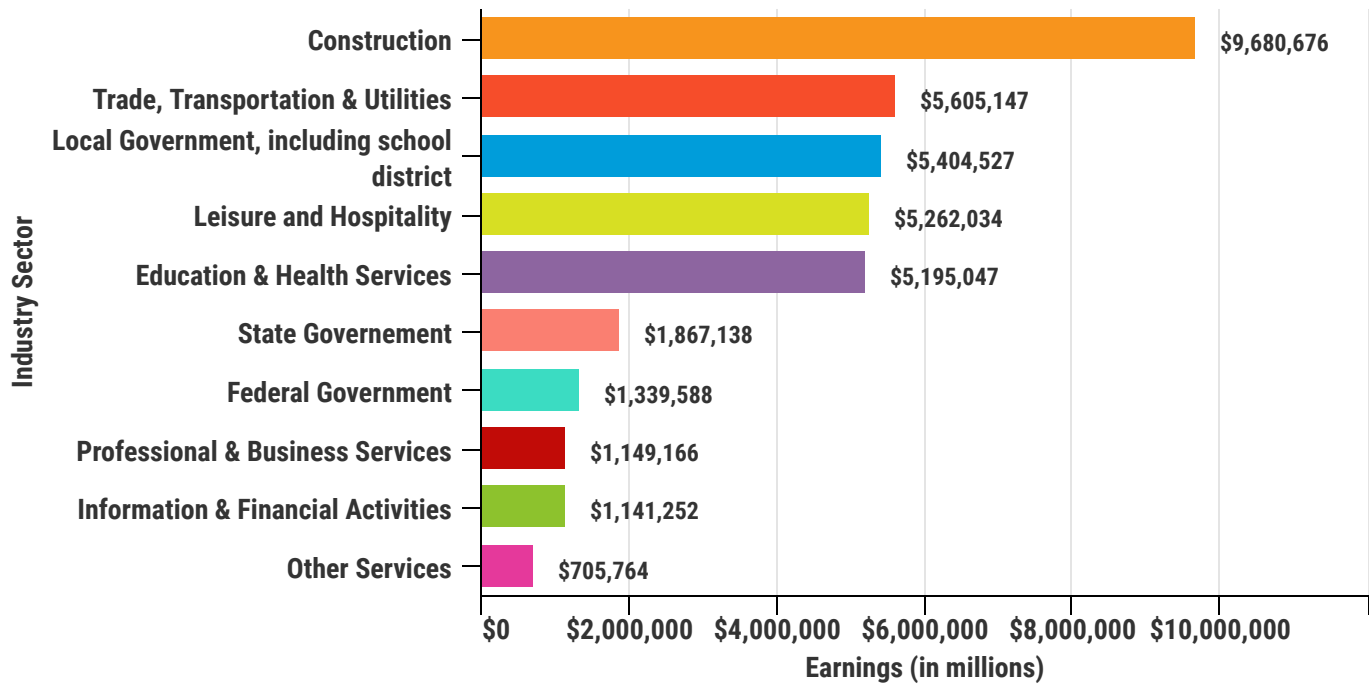
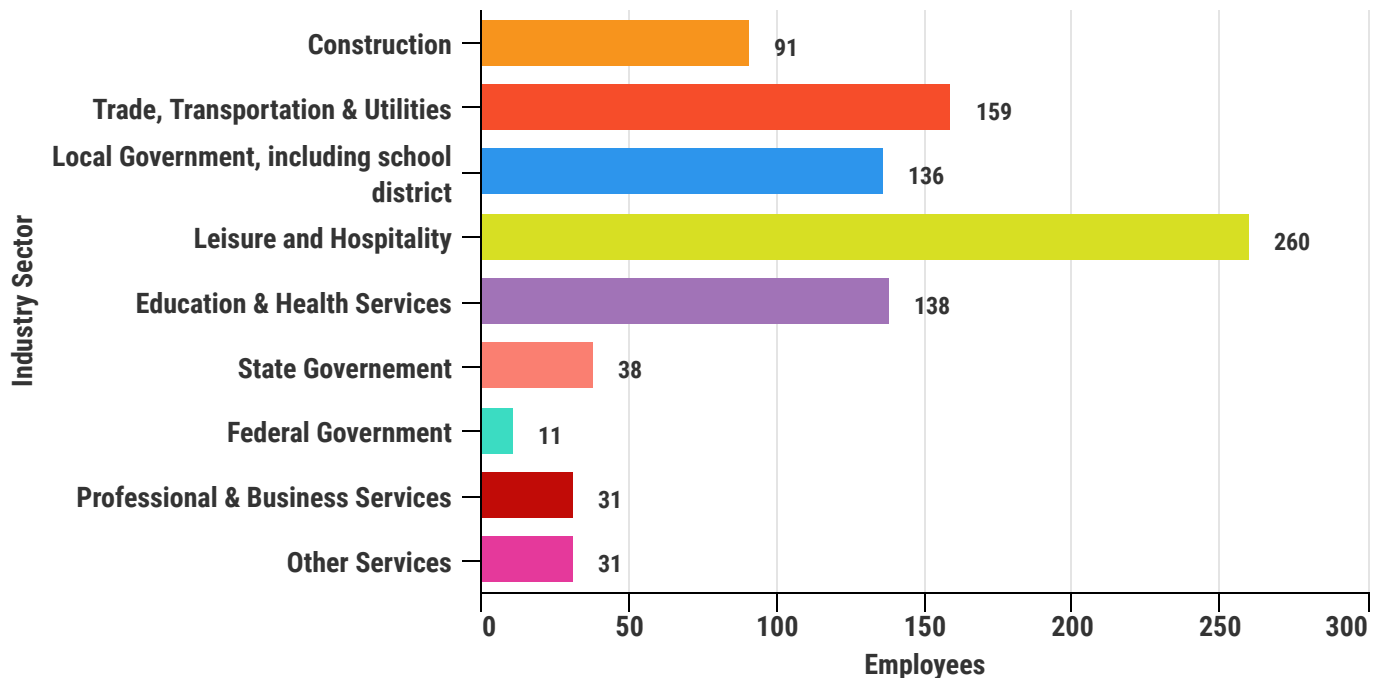


Figure 2

Average Monthly Employment by Industry Sector (2019)



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

Self-Employed, Sole Proprietors and Independent Contractors

Figure 3 illustrates the number of people who are considered self-employed or own businesses with no employees. This sector in Haines experienced growth between 2009 and 2015 but saw decreases in 2016 through 2018 (the most current year for which data is available).

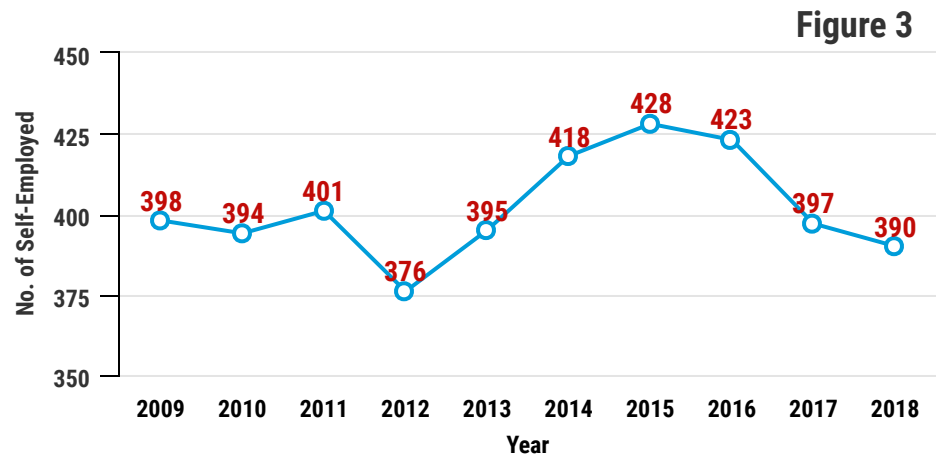
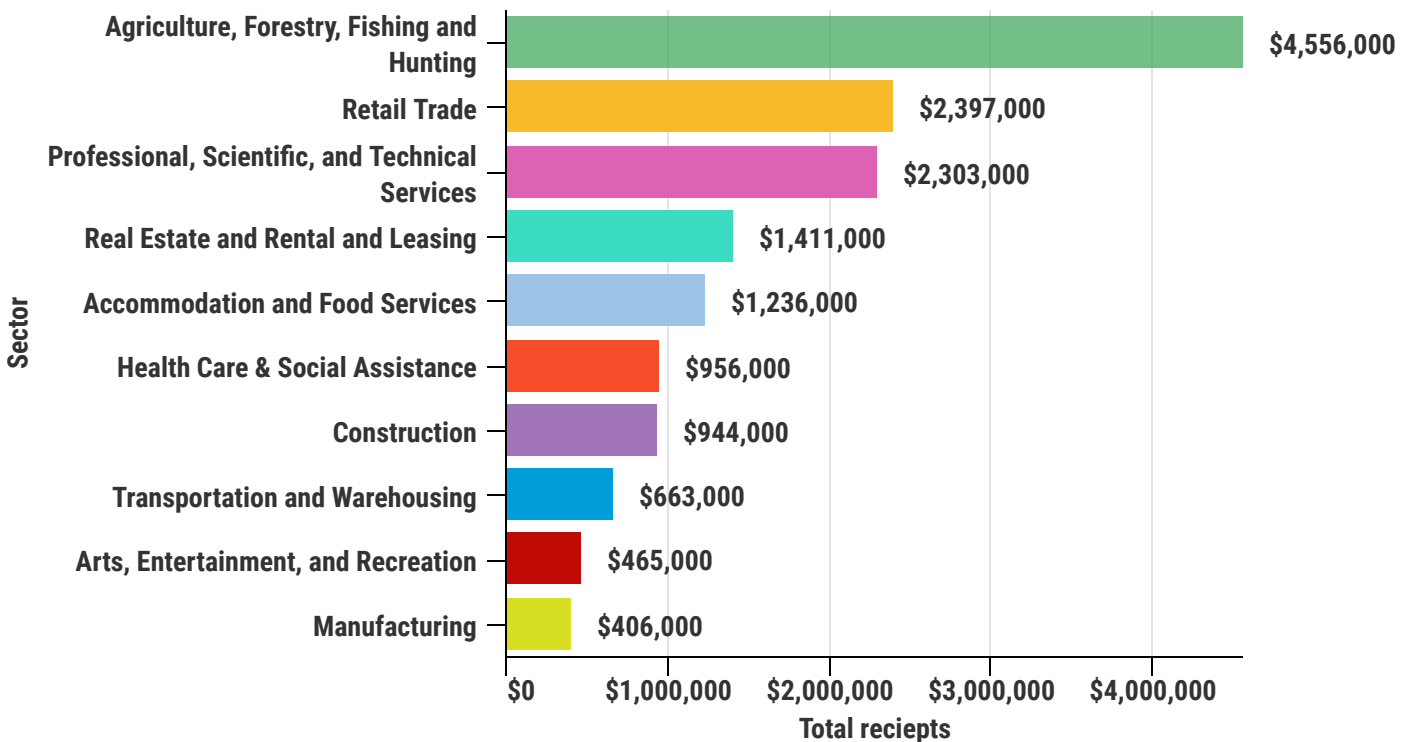


Figure 4 shows that nearly a quarter (94, or 24 percent) of Self-Employed, Sole Proprietor and Independent Contractors were in the Agriculture, Forestry, Fishing and Hunting sectors (this includes individual Commercial Fishermen.) This sector accounted for 94 establishments with an average gross revenue per establishment of \$48,468. Several categories of self-employment fall under \$400,000 in total receipts and were not included in Figure 4. Those categories are Wholesale Trade, Information, Finance and Insurance, Administrative and Support and Waste Management and Remediation Services, Educational Services, and Other Services.

Figure 4

Self-Employment, Sole Proprietor and Independent Contractor Receipts



Source: U.S. Census Bureau, 2017 Non-employer Statistics, Table NS1800NONEMP.

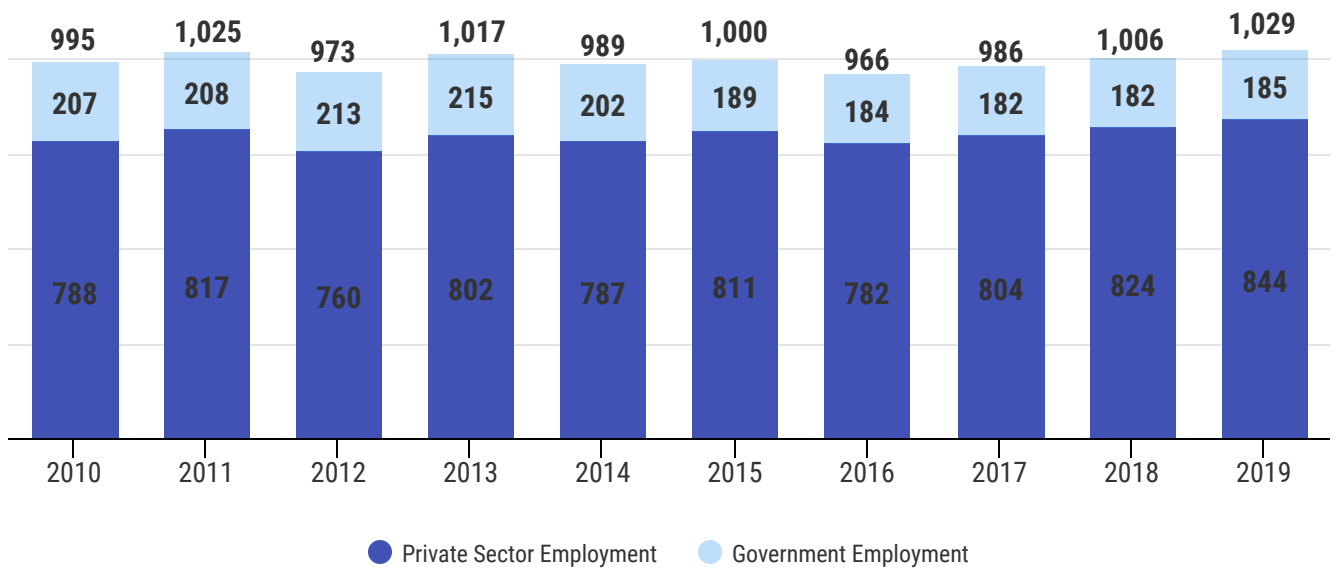
Average Monthly Employment

While government employment in Haines has changed only slightly since 2015, private sector employment increased to its highest in a decade (Figure 5). Haines' total average monthly employment data includes government and private sector jobs. "Government jobs" here includes the Haines Borough School District and local, state and federal jobs.

Figure 5

Average Monthly Employment

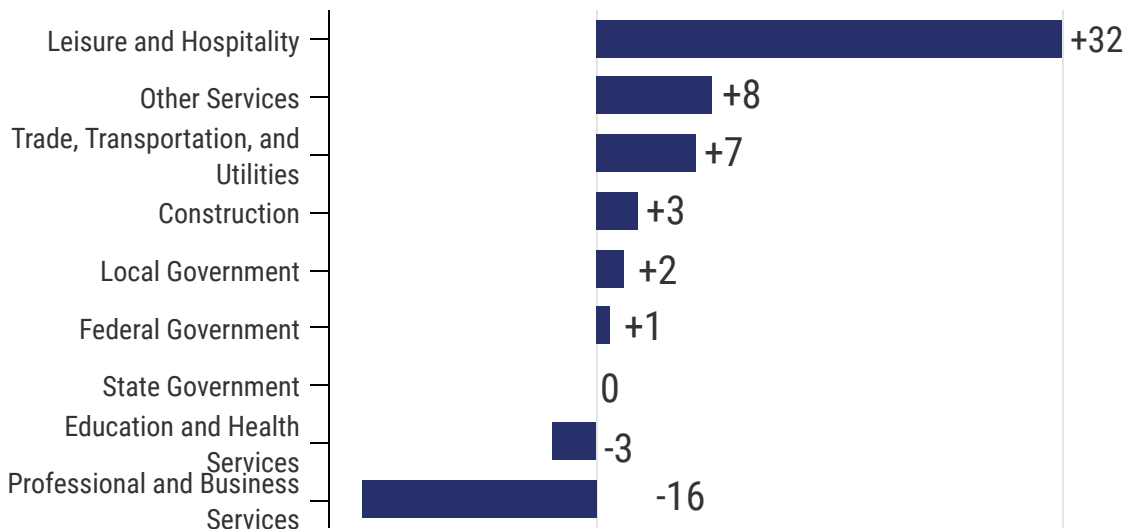
Private sector employment increased to highest in a decade; government jobs remained at lowest level in 10 years. Note: Jobs count is for wage and salary jobs, including full and part-time, temporary or permanent, for all employers.



Source: Alaska Department of Labor and Workforce Development, Quarterly Census of Employment and Wages.

Figure 6

Change in Monthly Employment



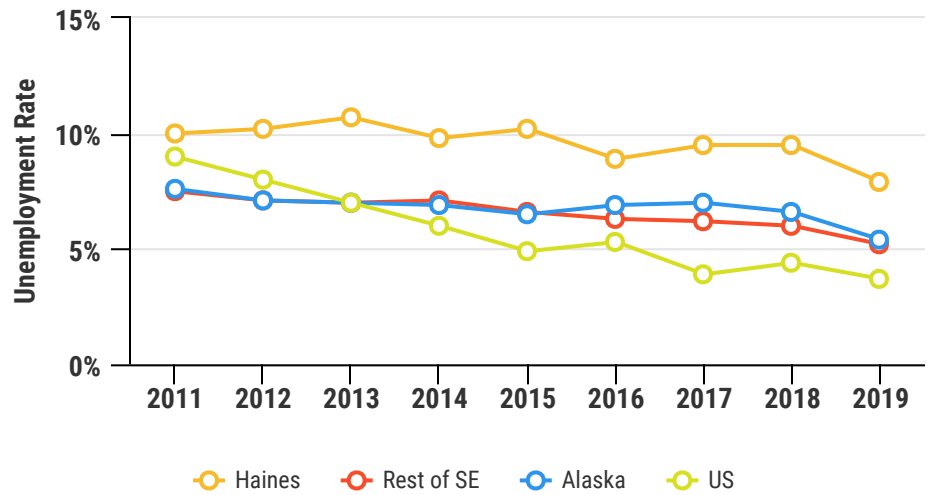
"Leisure and Hospitality" saw the largest positive change in employment during 2019, while the "Professional and Business Services" category lost the most jobs. These figures do not include job gains or losses in self-employment or independent contractor positions.

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

2019 Unemployment

Haines’s unadjusted 2019 annual unemployment rate was 7.9 percent (Figure 7), showing a general downward trend. Haines’s unemployment rate is higher than the rest of Southeast, state and country. The high rate of unemployment can be explained in part by the prevalence of seasonal work.

Figure 7



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

Seasonality of employment

Haines’ average monthly employment has significant seasonal variability (Figure 8). Private sector employment increases with summer hiring for Haines’ tourism, construction, and seafood processing sectors. In 2019, peak average monthly employment was in July and the low was in January. The difference between January and July private sector employment was 868 jobs. (Skagway was added for comparison to a neighboring community and Hoonah/Angoon was added for comparison to a Southeast community with comparable population to Haines.)

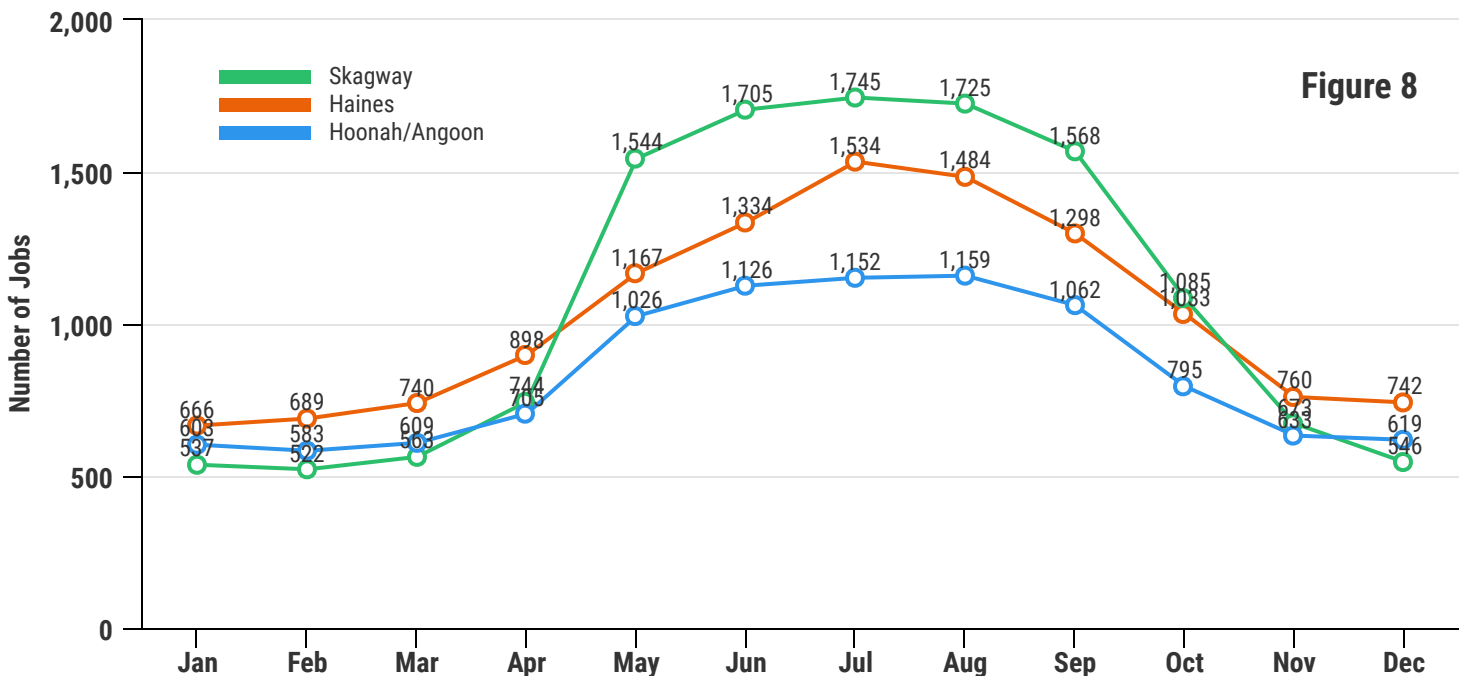


Figure 8

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

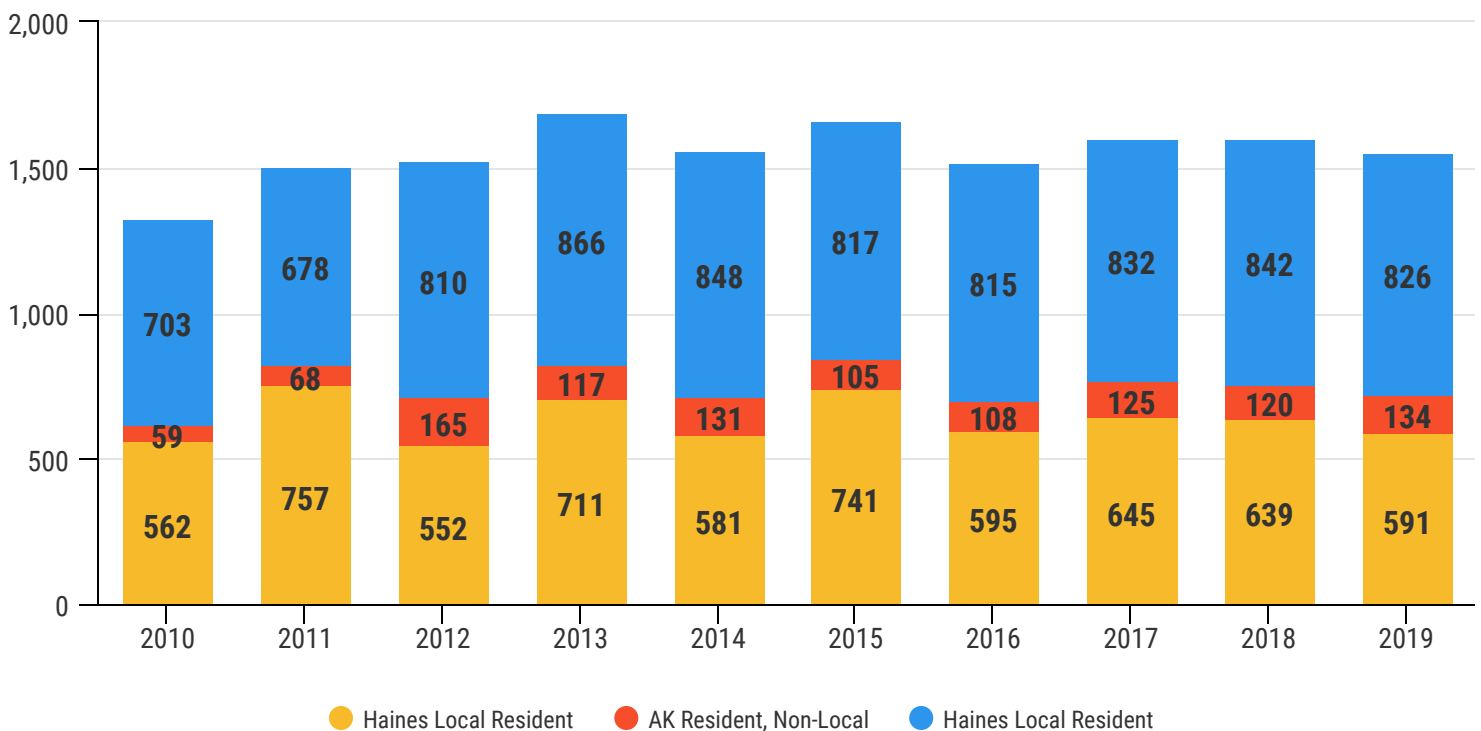
Recent Trends in Non-resident Employment

In 2019, Haines' cumulative workforce (the total number of people who worked over the course of a year) was 1,551 (Figure 9). In the last decade, 2011 saw the lowest number of Haines resident workers at 678, and 2013 saw the highest number of Haines resident workers at 866. The number of those employees who are Haines residents has fluctuated over the last five years, with 826 Haines resident workers in 2019. The number of non-Alaskans in the Haines workforce continues to fluctuate year to year, likely due to seasonal work opportunities. About 90 percent of non-resident workers in the Haines Borough are employed in seafood processing with most of those jobs being with the Ocean Beauty Seafoods cannery in Excursion Inlet (when operating.) Haines Borough is one of seven boroughs in the state with a non-resident workforce of more than 40 percent. Other boroughs with a high percentage of non-resident workforce are home to major visitor attractions, including Skagway and Denali Boroughs, or a high volume of seafood processing, including Bristol Bay, Lake and Peninsula, and Aleutians East and West boroughs.

Figure 9

Non-Resident Employment

Non-Residents accounted for 46.7 percent of workforce in 2019

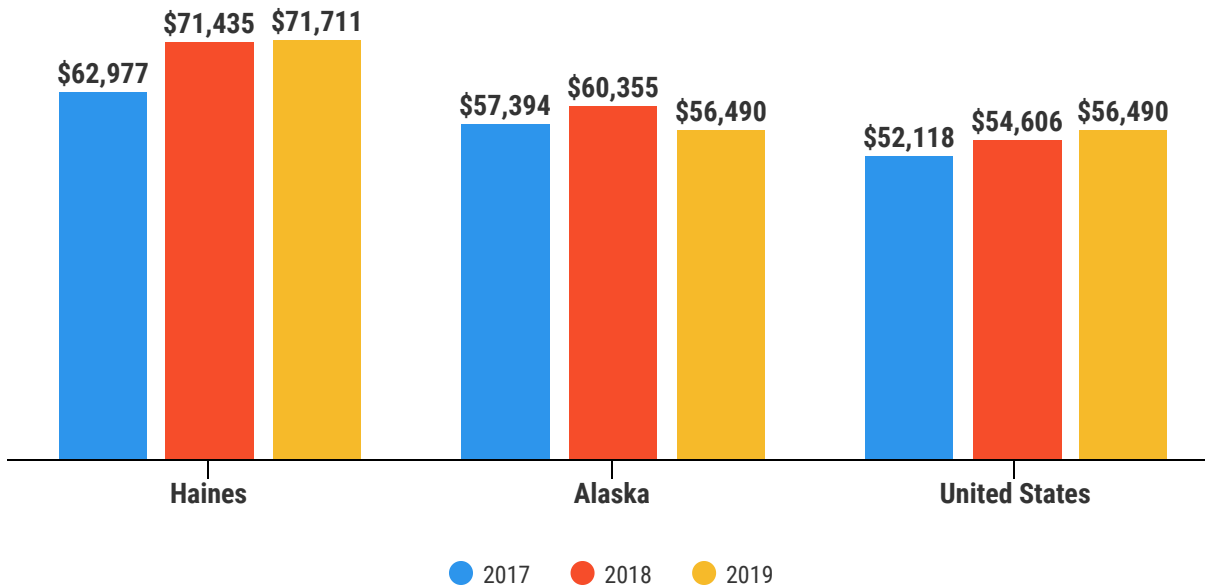


Source: Alaska Department of Workforce Development, Research and Analysis, Alaska Resident Hire Information, "Nonresidents Working in Alaska 2019 and 2020." Note: Worker count shows total cumulative workers.

Per Capita Personal Income and Household Earnings

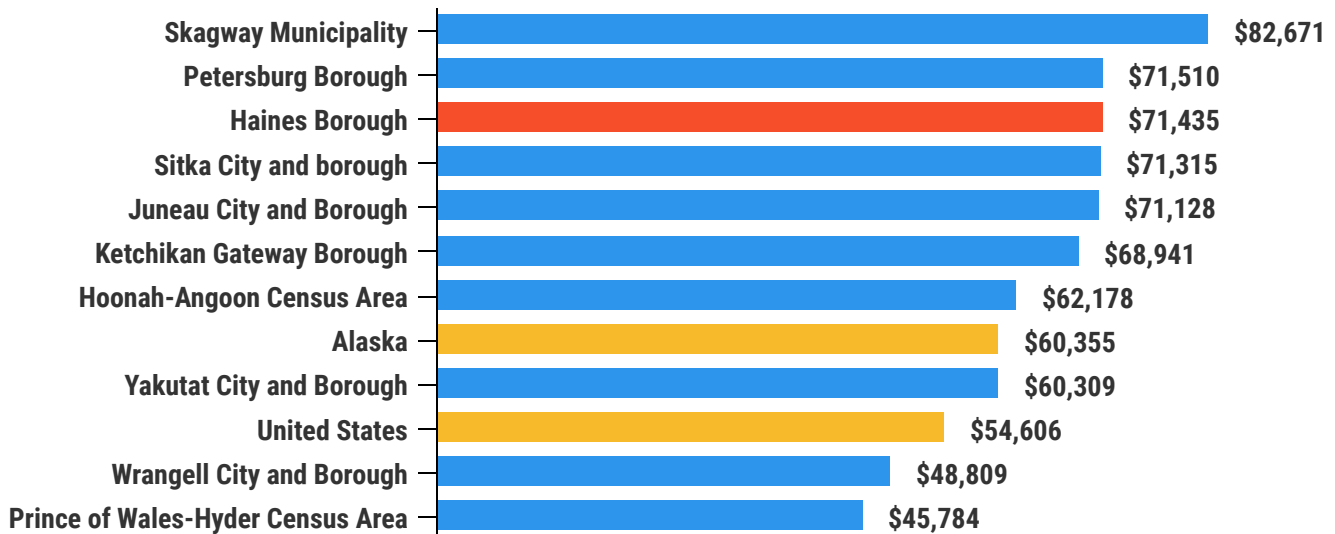
Per capita personal income is calculated as the total personal income of all residents divided by the total population. In 2019, Haines' per capita personal income of \$71,711 was 121 percent of the national average and 110 percent of the state average (Figure 10). In 2018, Haines ranked 3rd in Southeast (out of 10 boroughs or census areas) in average per capita income (Figure 11).

Per Capita Personal Income *(not adjusted for Inflation)*
Increased in 2018 and 2019 **Figure 10**



Source: U.S. Bureau of Economic Analysis, Regional Data, Local Area Personal Income.

Figure 11 **2018 Per Capita Personal Income** *(not adjusted for Inflation)*
Remains above state and national average



Source: U.S. Bureau of Economic Analysis, Regional Data, Local Area Personal Income.

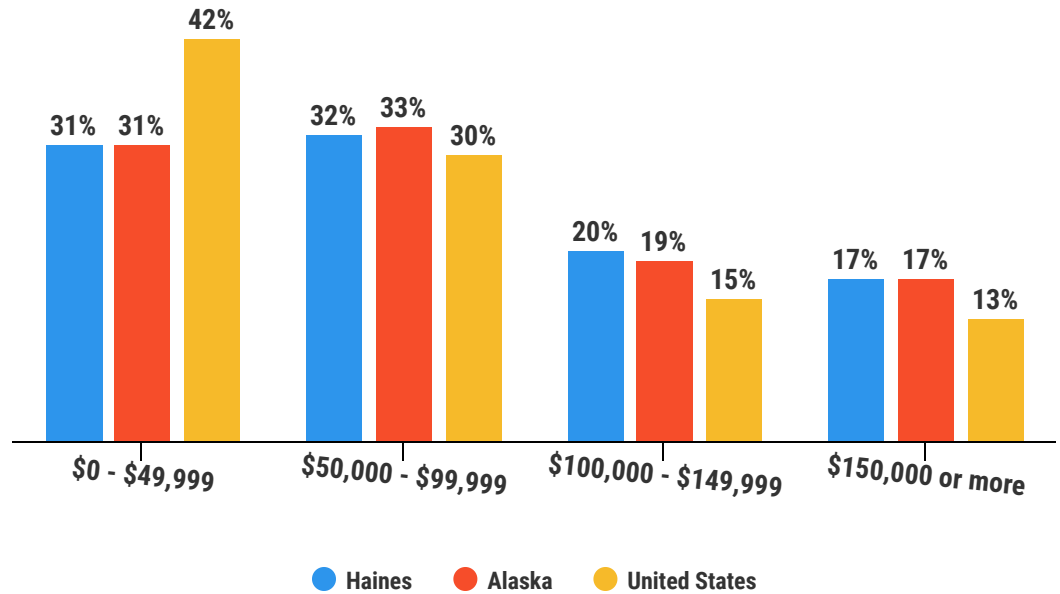
Income Distribution

In 2019, 37% percent of Haines households earned more than \$100,000 per year, while 36 percent of all Alaskan households and 28 percent of all U.S. households earn above this threshold (Figure 12). From 2018 to 2019, Haines saw a decrease from 39% to 31% in households earning less than \$50,000.

Source: U.S. Census Bureau, 2015-2019 American Community Survey 5-Year Estimates DP03 Dataset, 2018 Inflation Adjusted Dollars

Figure 12

Income Distribution *Closer match to the U.S. than Alaska*



Gender Compensation

Women working full-time, year-round jobs in Haines, on average, earn less than their counterparts in Alaska and the United States.

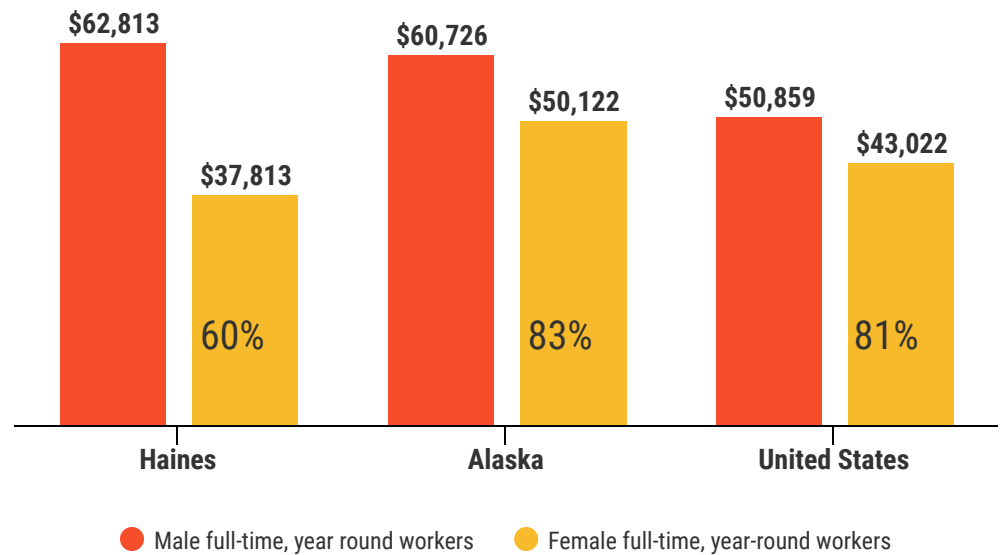
Men earn more than both averages, so the ratio of women's earnings to men's in Haines is wider than the state or national ratio. One significant factor in the difference in pay for men and women in Haines and Alaska is the difference in types of jobs typically held by men and women in the workforce.

Male-dominated industries in Alaska tend to be in resource extraction, construction and building trades that have

higher wages than female-dominated occupations in lower wage service and care-providing sectors.

Figure 13

Gender Compensation *Haines women earn 60 percent of men's salary*



Source: U.S. Census Bureau, DP03 Dataset: Selected Economic Characteristics, 2018: ACS 5-Year Estimate Data Profiles.

Demographics

Haines Population Trends

Demographics are important in determining an economy's growth potential. In 2019, Haines saw a slight positive net population increase for the second year in a row, compared to Southeast Alaska, which continued a slow decline. Haines continued to hold the title of oldest community in the state with the highest median age of 48.6, which stayed steady since 2018. The number of residents over age 60 continues to increase as it has every year in the last decade, while the number of 40-59 year olds continues to decline (Figures 14-16.) Population in the rest of Southeast as a whole continued to decline, down about 2.6 percent since 2014.

Haines Population

Slight positive net population increase since 2017

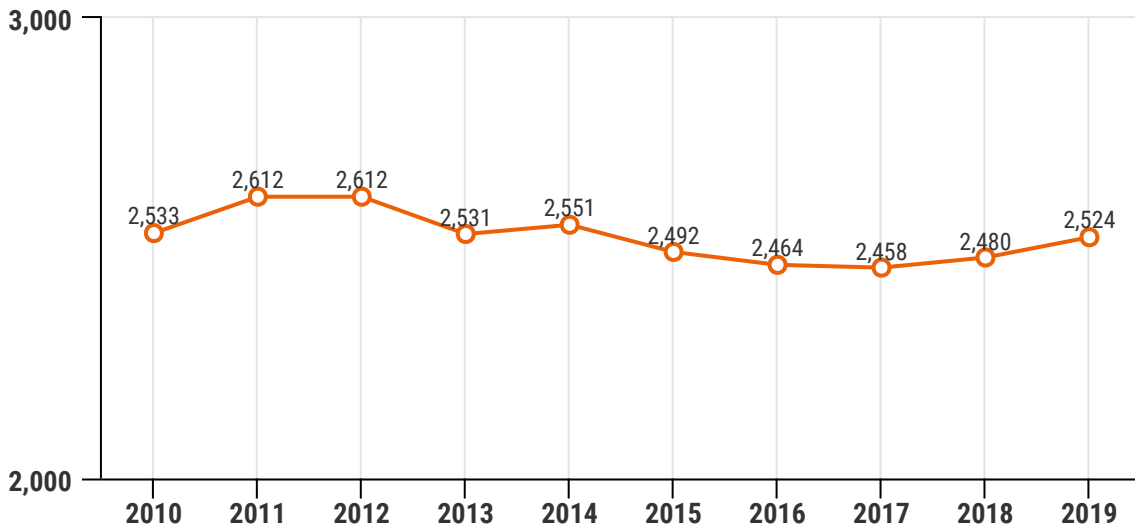


Figure 14

Southeast Population (not including Haines)

Slow decline since 2013

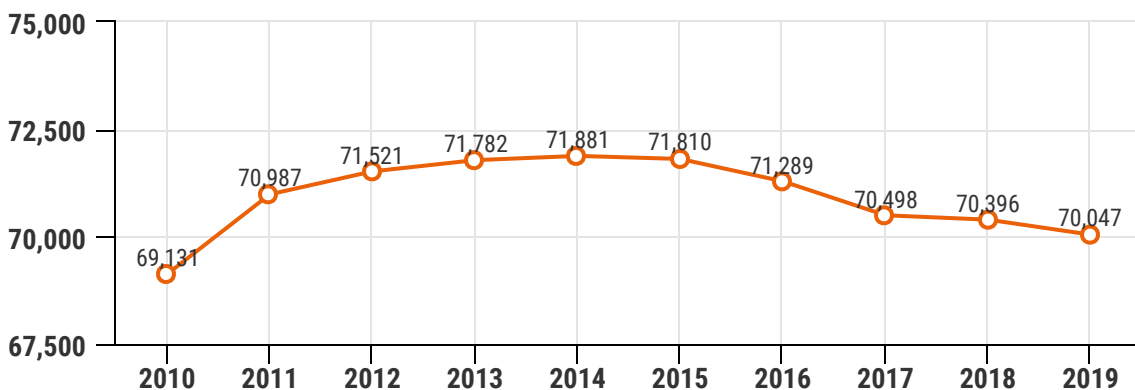


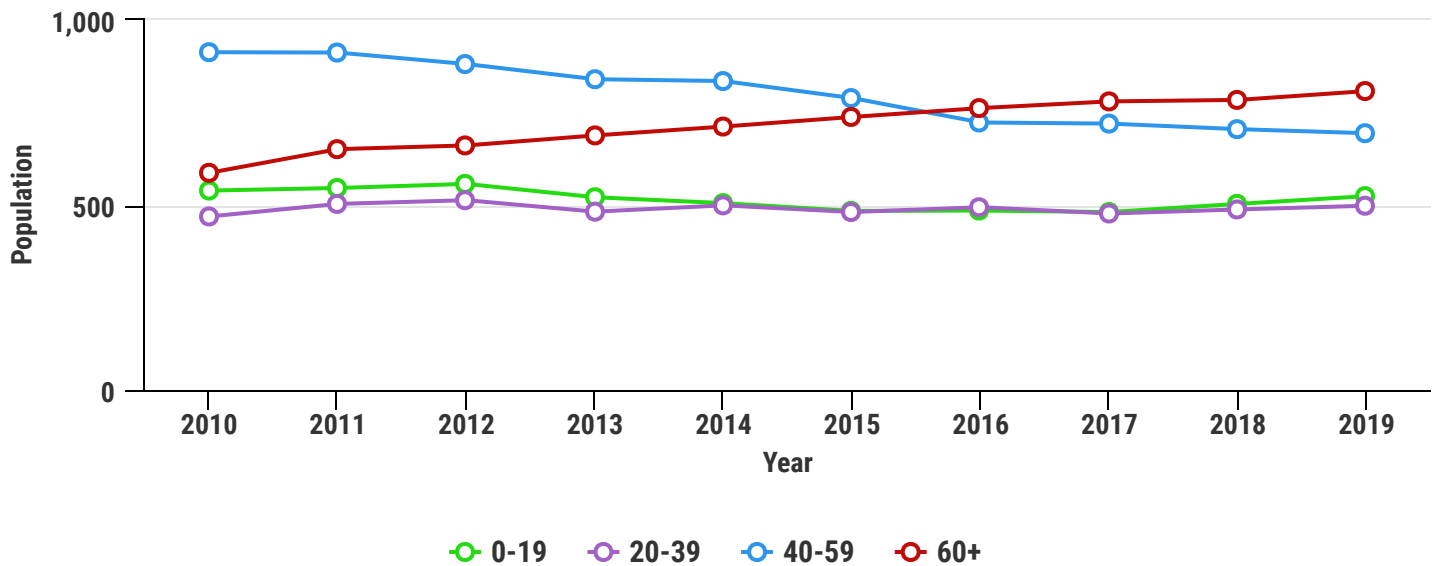
Figure 15

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

Population by Age Group

Figure 16

60+ age cohort accounts for 32 percent of population

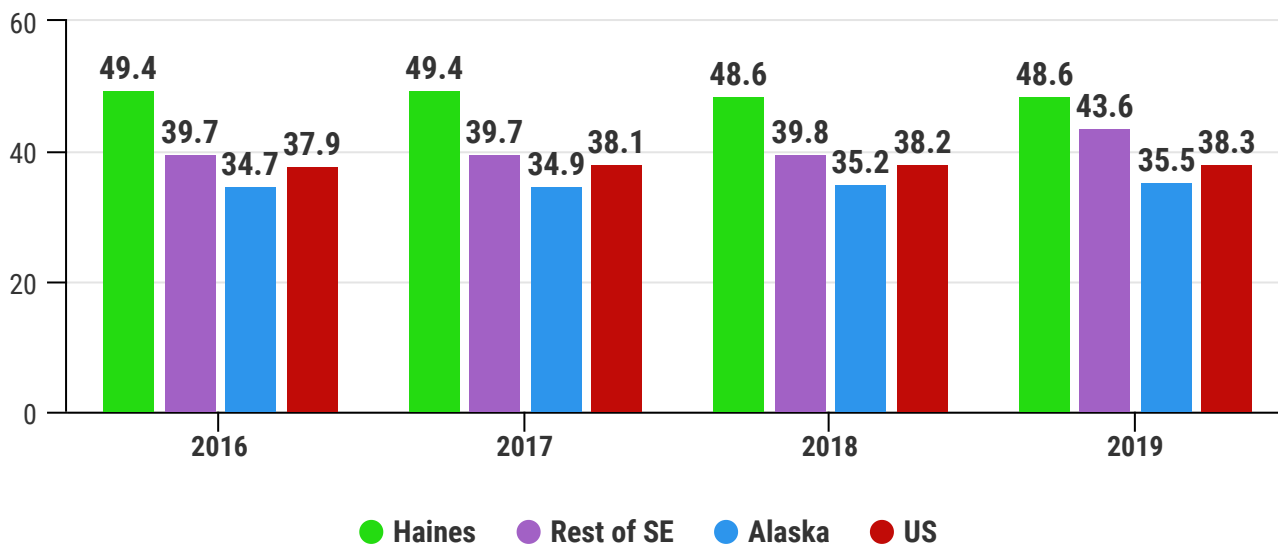


Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section.

Median Age

Figure 17

Haines remains the oldest community in Alaska



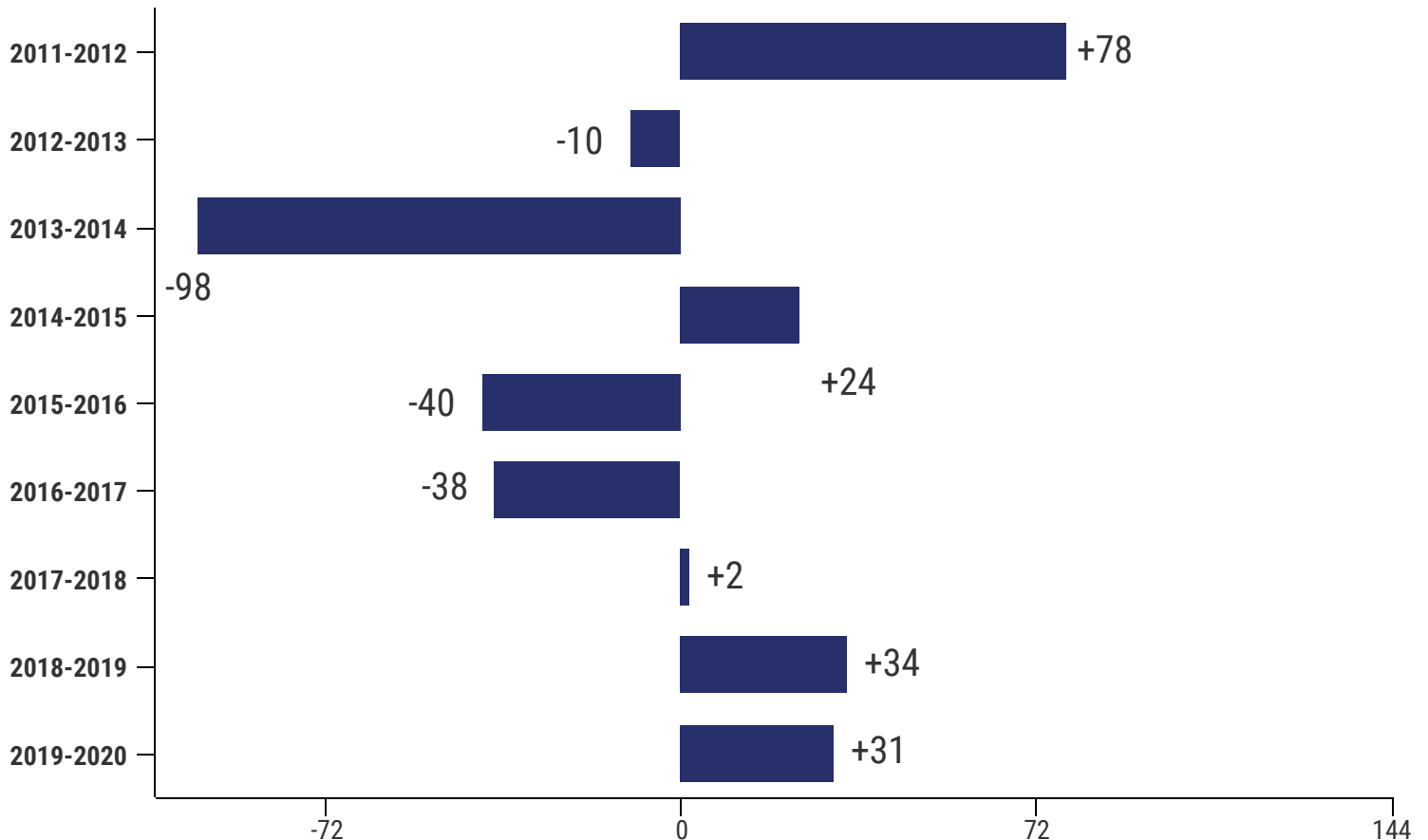
Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section, Alaska Population Estimates, Economic Regions and Boroughs/Census Areas, Age and Sex; U.S. Central Intelligence Agency, The World Factbook, United States, Median Age. *Rest of Southeast median age calculated by average median ages for Southeast Alaskan cities (excluding Juneau) weighted by population.

Haines Migration and Resident Transiency.

The Alaska Department of Labor and Workforce Development uses Permanent Fund Dividend applications to track migration patterns between communities. Based on PFD filings, Haines experienced a net gain of 34 people in 2019 and 31 people in 2020 (Figure 18). PFD data tracks in-state movement of residents with accuracy, but lags data on new migrants from outside the state because of the one year residency required. In 2019, the majority of migration to Haines was from another community within Southeast Alaska. In data showing the breakdown of migration among the census areas within the borough, Lutak (a census area located along Lutak Road past the Alaska Marine Highway ferry dock) saw the largest out migration in 2019 and the Haines townsite saw the largest out migration in 2020. Covenant Life (a census area located about 26 miles northwest of Haines off the Haines Highway) experienced the largest in migration in 2019.

Figure 18

Migration to and from Haines based on PFD data *Increasing since 2017-2018*



Source: Alaska Department of Labor and Workforce Development, Research and Analysis, Migration Data and Information, PFD-Based Migration To and From Cities and Places.

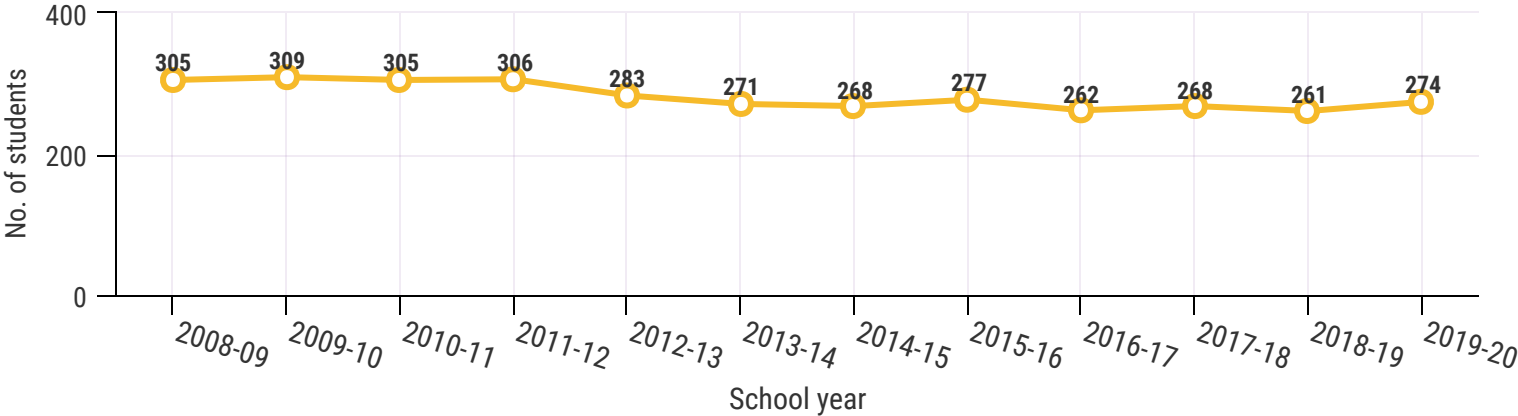
School Enrollment

Haines Borough School District enrollment numbers (Figure 18) have remained relatively flat since 2014-15. Up until the 2014-15 school year, enrollment numbers included Mosquito Lake School, which was closed beginning in Fall 2014. Some of those students transferred to the school in town while others transferred to Klukwan School or started a home school program. Anecdotally, Haines reportedly has a significant number of home school students, but the exact total is unknown. Those enrolled in the HBSD home school program are counted in this data as a portion of a student, depending on what school resources they use. (For the 2019-2020 school year, the HBSD reports the total enrollment includes 15.83 correspondent students.) Those enrolled in other home school programs or correspondent courses are not captured in this data.

Klukwan School is part of the Chatham School District and enrollment is not included in this figure. Klukwan School officials reported enrollment of 15 students for the 2019-2020 school year.

Figure 19

School Enrollment



Source: Haines Borough School District.

Cost of Living Example

Cost of living is difficult to measure in rural communities. In our 2018 Indicators edition, we shared a comparison of Cost of Groceries across some Alaska communities from the University of Alaska Cooperative Extension. That data has not been updated since 2018, but it is in the process of being updated for 2022. Another Cost of Living comparison that has recent data is Annual Average Cost Per Gallon of Heating Fuel.

Beginning in 2005, the Alaska Division of Community and Regional Affairs began collecting prices of heating fuel in 100 select Alaska communities. The communities have remained constant since the project's inception. The prices for heating fuel in these 100 communities are collected via a telephone survey of each fuel retailer. The data in 2019 was collected in January and July of that year. The price reflected in the graph is an average of those two prices. The winter and summer prices do not fluctuate greatly; the greatest difference in price was in Nenana where the price per gallon of heating fuel in July was 83 cents higher than in January of 2019.

Haines is not one of the 100 communities surveyed by the state. Delta Western, the sole Haines fuel distributor, was unable to provide this information because of staff time. A Haines resident provided detailed heating fuel expense records that allowed comparison to the state data. These records include seven heating fuel purchases in 2019 in the months January, February, March, September, October, and December (twice.) The price per gallon for each of these purchases was the same throughout 2019; \$3.52 (including tax.) The graph below compares the cost of Haines fuel to a select group of the 100 communities surveyed by the state. These comparisons were chosen for their proximity to Haines, comparable population, and to illustrate examples of prices statewide. Some of these communities share the same fuel distributor as Haines and those are noted with a "DW" after their name.

Heating Fuel Average Cost Per Gallon (2019)

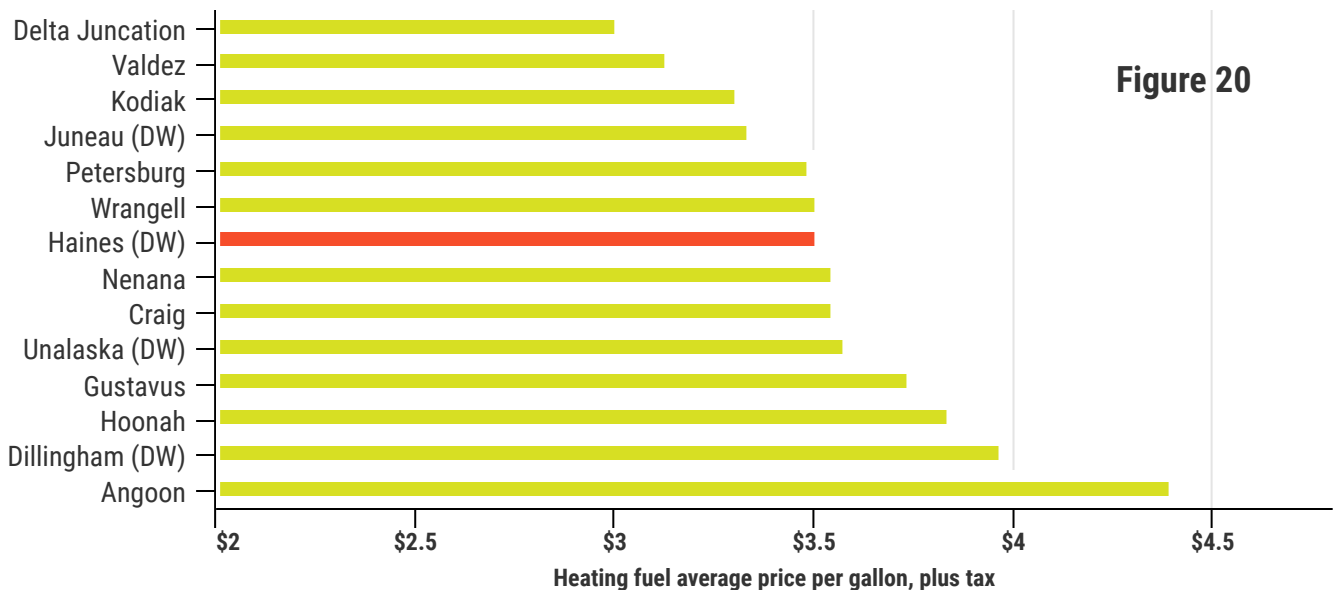


Figure 20

Source: Alaska Division of Community and Regional Affairs and personal fuel records from a Haines resident reviewed by HEDC.

Sales Tax

Haines Borough sales tax receipts provide a barometer of economic conditions in the community. Increased sales tax revenue means increased consumer spending. An increase in consumer spending may indicate more consumer confidence in their economic security, an increased number of people spending money in the community, or a combination of both.

Gross tax receipts have steadily increased in years leading up to 2019. In 2019 compared to 2018, Online & Remote sales tax accounted for the largest increase due to efforts from the Alaska Remote Sellers Sales Tax Commission. The retail and tourism sectors also accounted for a large section of the increase, but caution is urged in interpreting the data at the sector level. For example, the tourism and lodging sectors together provide only a partial measure of the visitor industry's relative contribution to the economy. Substantial visitor spending also occurs in dining and retail sectors, as well as in the service sector. Beginning November 1, 2018 long term rentals became exempt from sales tax, likely accounting for the significant drop in the Lodging & Leases category between 2018 and 2019.

Sales tax receipt data also provides an indication of the seasonality of the Haines economy. In years leading up to 2019, sales tax receipts in July/August are more than three times January/February period.

2018-2020 Calendar Year Sales Tax Receipts by Business Activity **Figure 21**

	2018	2019	% Change
Retail	886,626	968,847	5%
Tourism	624,649	636,751	2%
Petroleum & Auto	464,908	434,153	-7%
Services	441,675	466,865	0%
Eating & Drinking	334,492	352,047	-1%
Construction	315,860	302,379	-3%
Lodging & Leases	227,477	163,060	-28%
Online & Remote	7,017	80,336	1045%
	\$3,302,704	\$3,404,438	3%

Retail: groceries, liquor, clothing, sporting goods and other retail not included below

Tourism: tours, charters, car rentals, and transportation

Petroleum & Auto: auto mechanics, auto parts, and fuel sales

Services: utilities, professional services, personal services, etc.

Eating & Drinking Places: restaurants and bars

Construction: hardware stores, general contractors, carpenters, plumbers, handymen, etc.

Short Term Lodging: hotels, motels, B&Bs, and VRBOs

Long Term Lease: commercial and residential long term rentals

Gift Shops & Art: art galleries, photographers, seasonal gift shops, etc.

Source: Haines Borough. Based on tax return period.

Figure 22

Haines Borough Sales Tax Revenue 2019

