

Prince William Sound Tourism Economic Indicators

prepared for:

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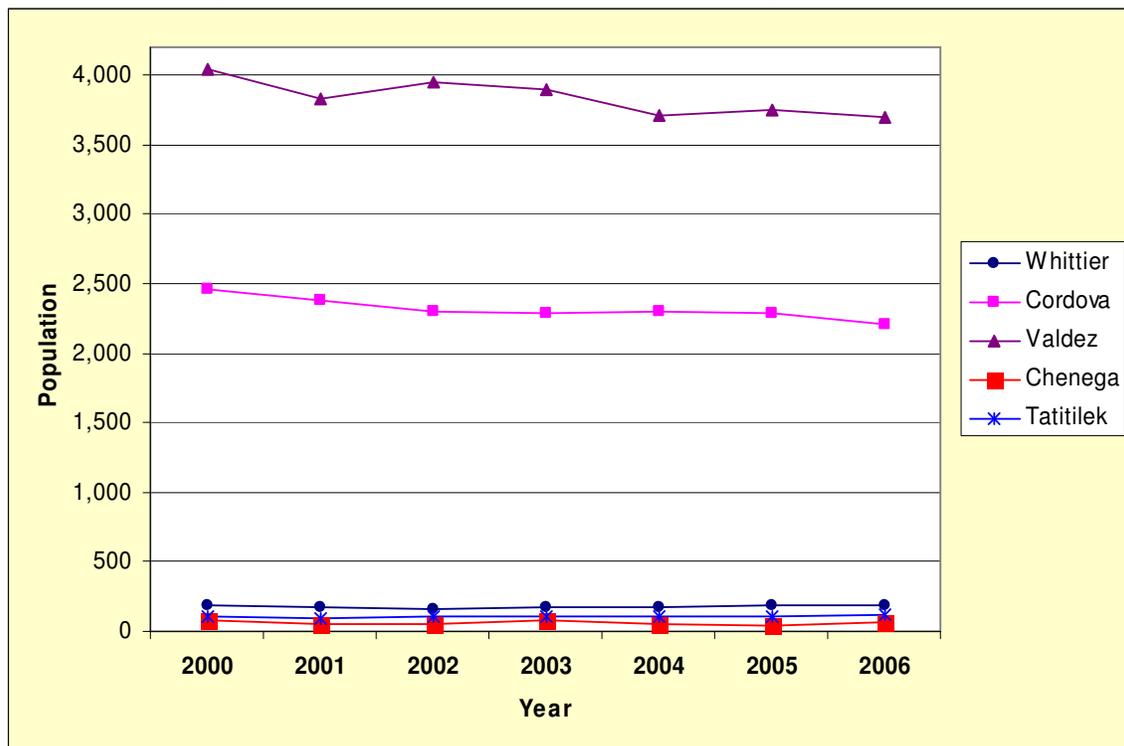
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SUMMARY AND TRENDS

The Prince William Sound tourism indicator data show interesting and upward trends. The indicators provide a baseline for monitoring and evaluating economic development and tourism marketing efforts. In summary, these tourism economic indicators collectively show a relatively slow but steady increase in tourism activity and related employment and earnings in Prince William Sound. Most importantly the assembled data provide a baseline for monitoring economic activity resulting from events likely to have significant effects on access and visitation in Prince William Sound. These events include positioning a fast ferry in the Sound, opening of the Whittier Tunnel, and the shift of a number of cruise ship dockings to Whittier. A concerted cooperative effort to improve the collection and sharing of community visitor statistics would make the monitoring and indicator data compilation effort even more effective.

Population: Shows a generally downward trend for all communities. The exception to this is Whittier that experienced an increase in 2005 and 2006 most likely from the combined tourism influenced of increased cruise ship dockings and steady increases in Whittier Tunnel traffic.

Figure 1. Prince William Sound Community Populations



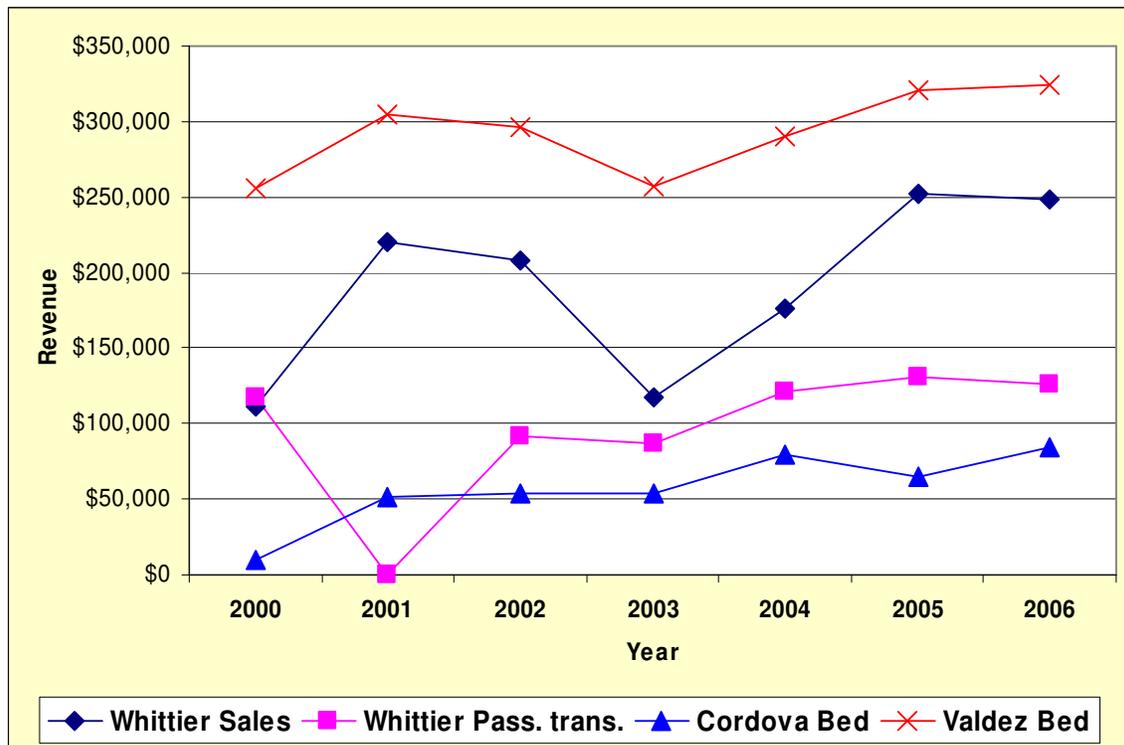
Source: Alaska Department of Work Force Development, 2007.

Visitor numbers: Visitor numbers for Alaska show a strong and consistent increase since the mid 1980s and are driven by steady increases in cruise ship travel. Cruise traffic to Prince William Sound has been less consistent. In 2005, a significant portion of Anchorage and Denali National Park and Preserve bound

cruise passengers making links by bus and train began embarking and disembarking in Whittier, rather than Seward to reduce land travel time. As Whittier is currently not a port of call but a transfer point, there is relatively little impact on the local economy. Over time this may change if Whittier can develop more amenities to attract visitors of all types to linger in town. Alaska visitation will continue to drive the potential for non-resident travel to PWS so monitoring Alaska trends is important for evaluating the potential for PWS tourism development; it is unlikely that non-resident travel to PWS would increase if the overall trend in Alaska visitation is decreasing. While Alaska travel may push PWS travel, Alaska visitation may continue to grow without PWS visitation increases without marketing and efforts to attract non-resident and resident travelers to PWS. Working with the Cordova and Valdez visitor bureaus and chambers of commerce to facilitate improved visitor numbers would address a large void in the indicator data.

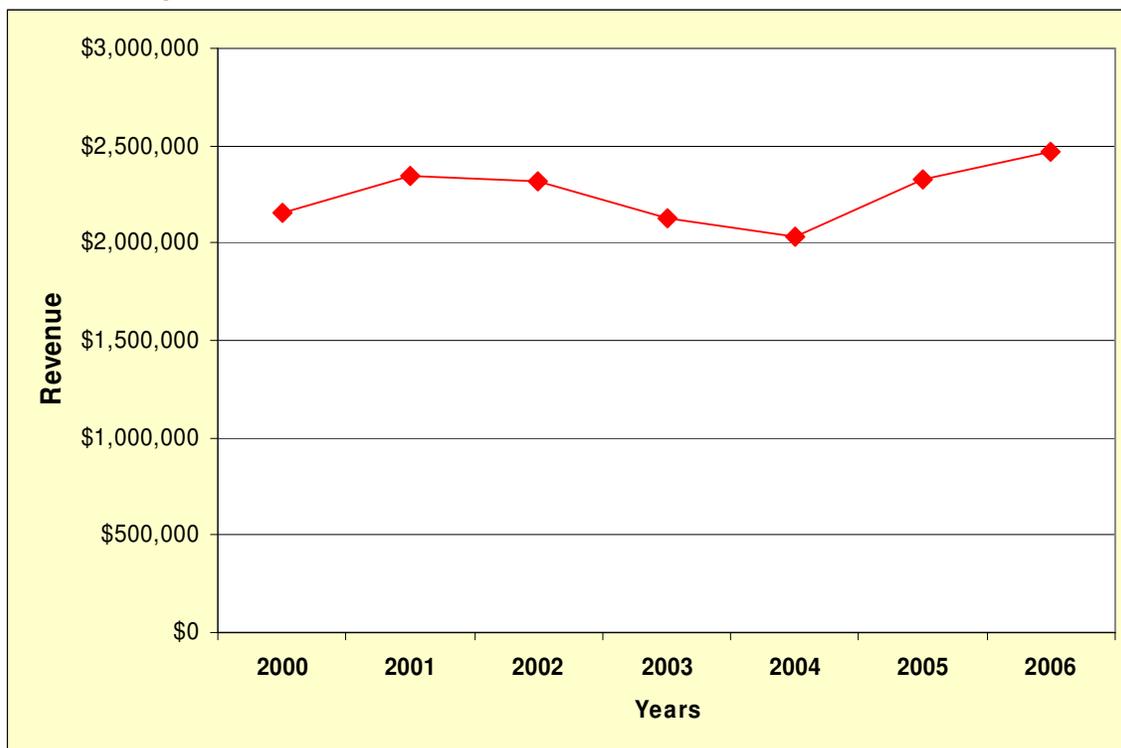
Local Taxes: Without the benefit of visitor counts, local tax revenues, especially sales, car rental and bed taxes, provide reliable surrogates for following trends. Cordova, Valdez and Whittier all have one or more of these forms of taxes, all of which show fairly steady increases since 2000.

Figure 2. Prince William Sound Local Revenues



Source: Alaska Taxable, 2007.

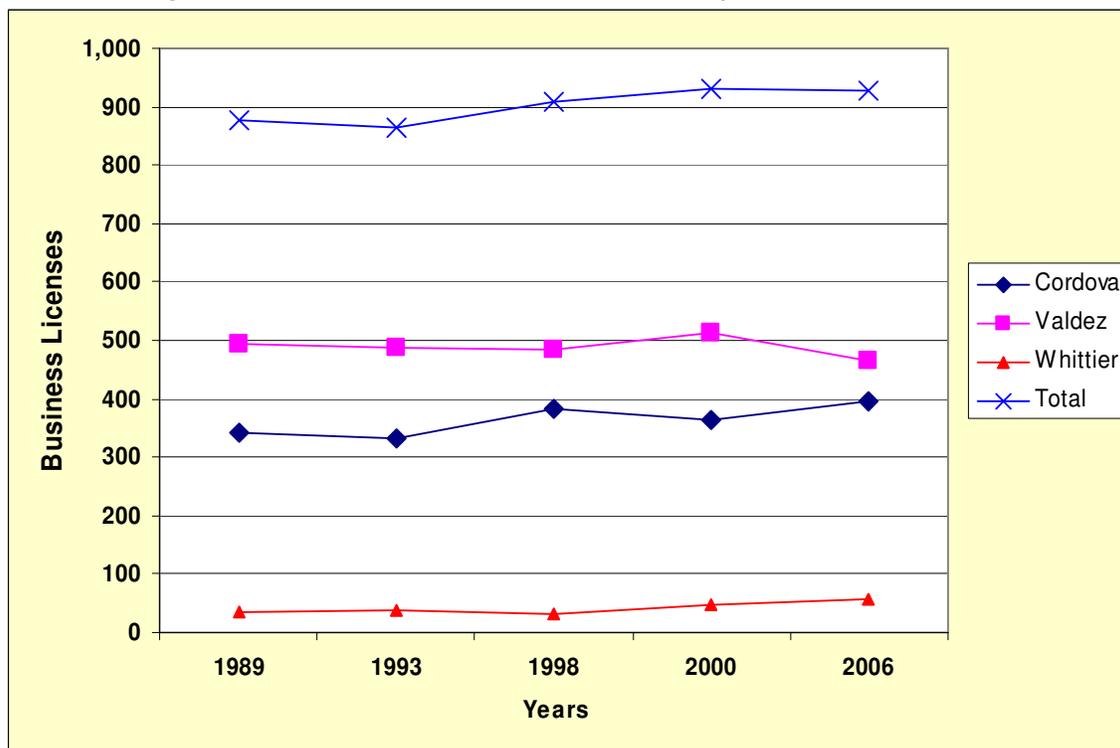
Figure 3. Prince William Sound Local Revenues, Cordova Sales



Source: Alaska Taxable, 2007.

Business Licenses: Alaska Department of Labor and Workforce Development earning and income information does not contain information on self-employed persons. In PWS’ small communities, self employment is an important part of the economy, especially as it pertains to small tourism businesses. Therefore, despite the fact that this information is readily available but difficult to manipulate and manage due to the large file sizes, it is an important indicator to monitor especially because types of businesses are identified in the file. The number of businesses in Chenega and Tatitlek has remained fairly steady, while Cordova and Whittier have seen increases, and Valdez decreases in the number of businesses. The types of businesses remained similar in Chenega and Tatitlek. Tourism related businesses, arts, entertainment and recreation and accommodations and food services, increased in Cordova, Valdez and Whittier, making up for some of the losses in other sectors in Valdez.

Figure 4. Prince William Sound Community Business Licenses

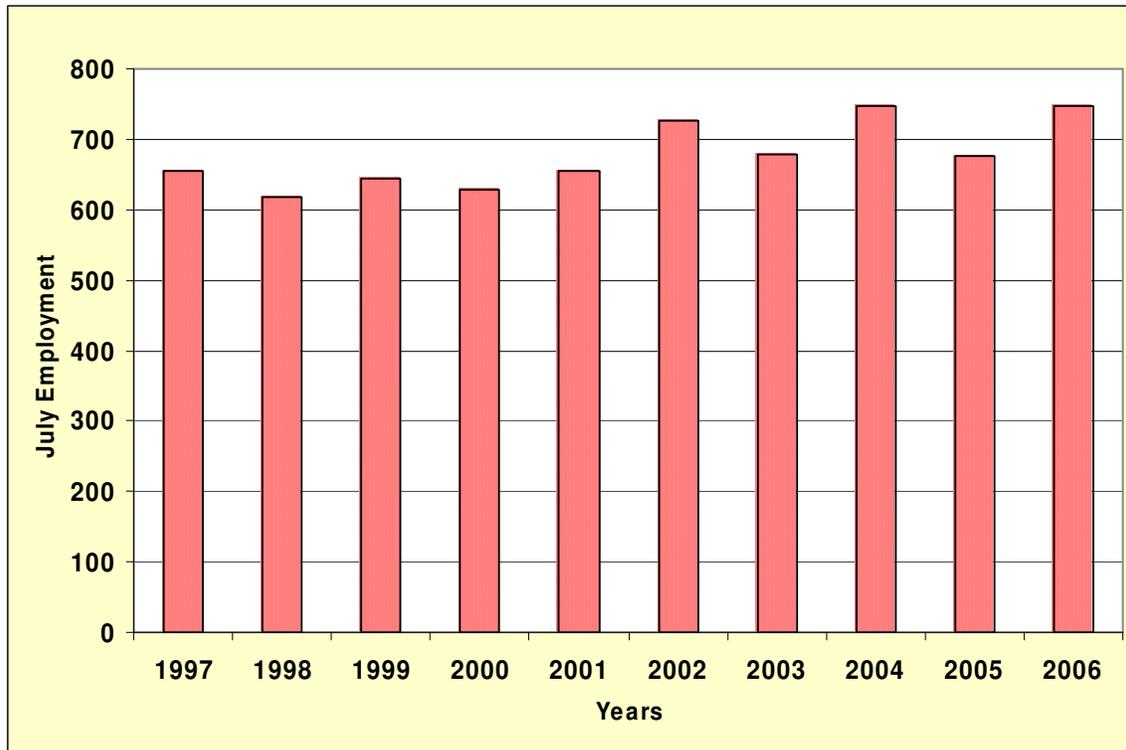


Note: Chenega and Tatitlek business licenses are included in the total but Chenega and Tatitlek business licenses are not shown individually due to chart scaling issues.

Source: Alaska Department of Commerce, Community and Economic Development, Division of Occupational Licensing, Business license files.

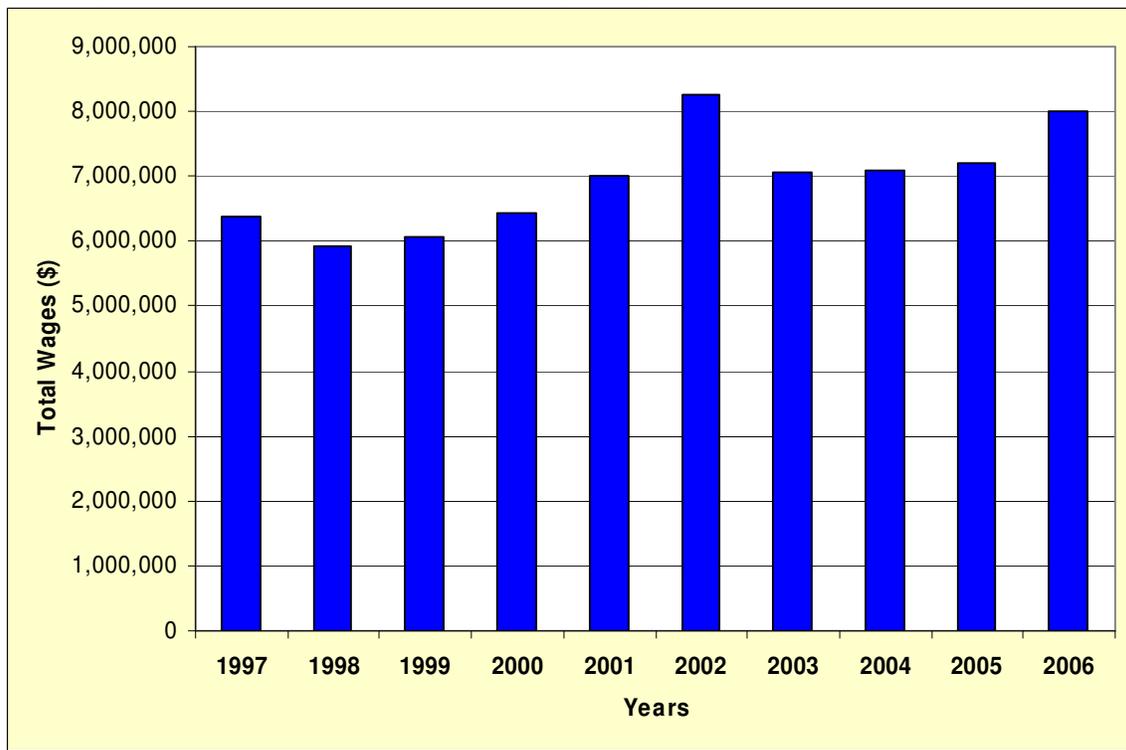
Employment and Earnings. Tourism employment and earnings are some of the most critical measures of economic development efforts. Without a more direct measure, tracking hospitality and leisure earnings and employment in Prince William Sound are the best indirect indicators. Total wages and average July employment in these sectors increased almost every year from 1997 through 2006.

Figure 5. Prince William Sound Hospitality & Leisure Sector July Employment



Source: Alaska Department of Labor and Work Force Development.

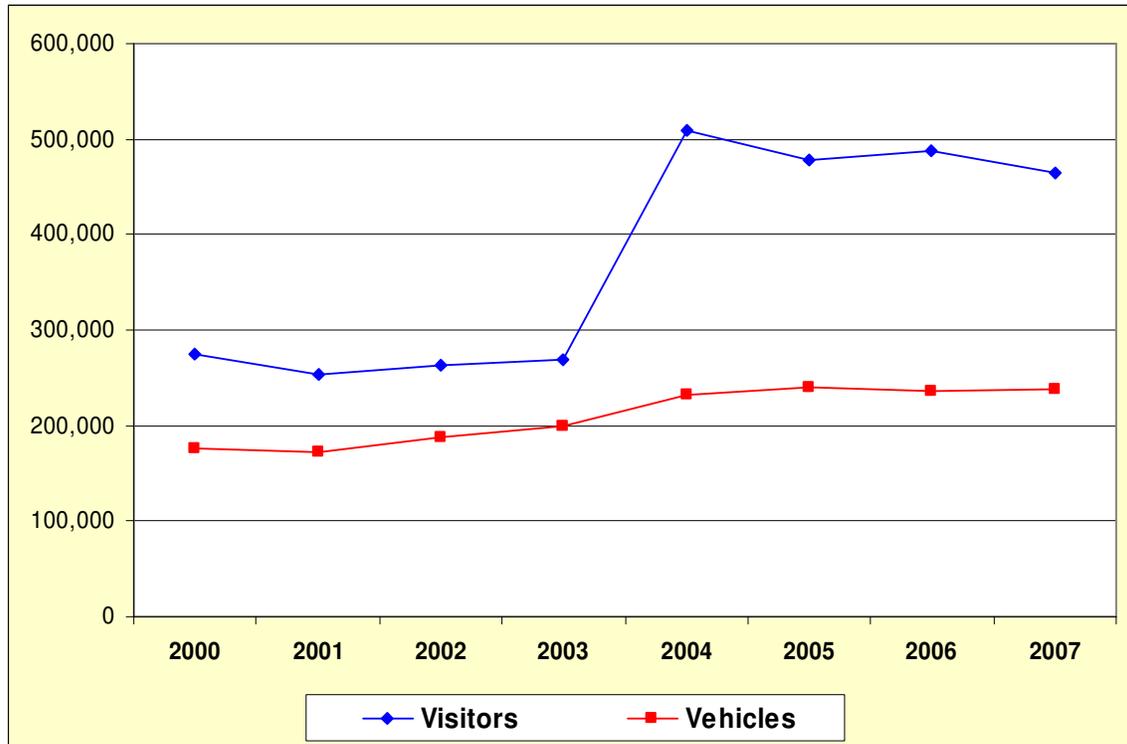
Figure 6. Prince William Sound Hospitality & Leisure Sector Total Wages



Source: Alaska Department of Labor and Work Force Development.

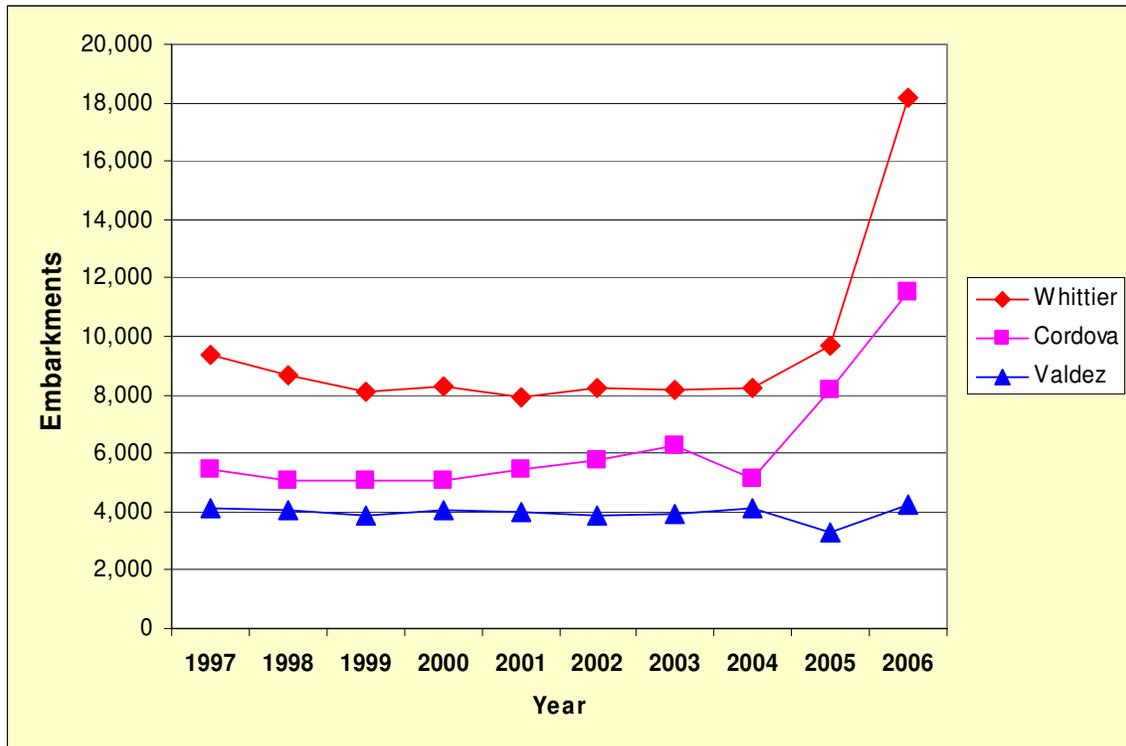
Transportation. Ferry embarkments, Whittier Tunnel, and Alaska Railroad all show relatively steady increases in passengers. The fast ferry shows the largest jump with almost a doubling of ridership in 2006, its first full season of ridership. There is a corresponding but smaller decrease in enplanements, especially in Cordova suggesting that the ferry serves as a lower cost substitute for air travel when the travel time and convenience decrease sufficiently. Ferry ridership and Whittier Tunnel statistics are probably the most important to track to gauge travel to and from Prince William Sound.

Figure 7. Whittier Tunnel Traffic Counts



Source: Alaska Department of Transportation and Public Facilities, 2007.

Figure 8. Prince William Sound Community Ferry Passenger Embarkments

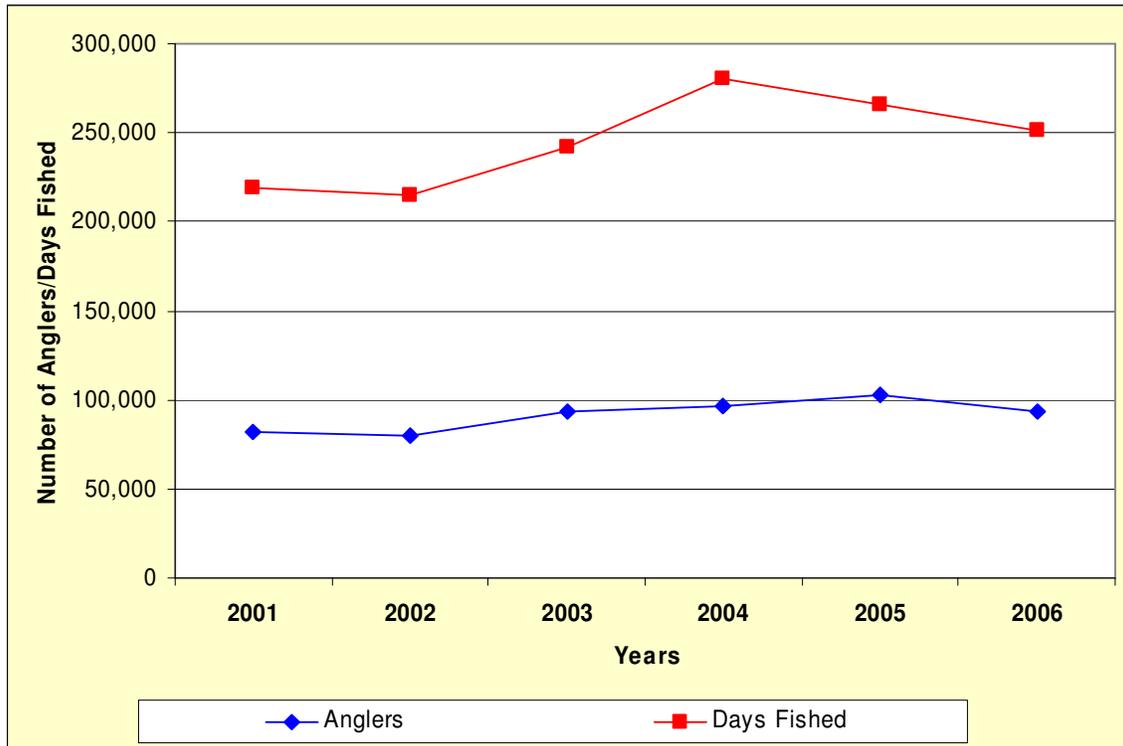


Note: Chenega and Tatitlek passengers are not shown due to chart scaling issues. 2006 increases reflect the deployment of the new fast ferry.

Source: Alaska Department of Transportation and Public Facilities, 2007.

Recreation. Alaska Department of Fish and Game sport fish participation and Alaska State Parks visitor and cabin counts are the two most reliable and available measure of recreation use for Prince William Sound. Both of these measures indicate increases. The sport fishing participation measures are the more accurate and easily accessible but fishing participation, especially among residents, is generally flat or declining while non-resident participation is increasing. State Parks measures are less reliable because of lack of ranger at Prince William Sound marine parks, but worth monitoring because they show signs of large increases in recent years.

**Figure 9. Prince William Sound Sport Fishing Participation,
Fresh and Salt Water**



INTRODUCTION

The purpose of this project is to develop tourism economic indicators to measure the potential effects of economic development efforts. These efforts are directed at developing a sustainable tourism sector to support the communities of Prince William Sound, Chenega, Cordova, Tatitlek, Valdez and Whittier, while maintaining the quality of life and environmental amenities currently enjoyed and valued by the region's residents.

There are two distinct challenges with this endeavor. The first is that tourism is not a distinct economic industry or sector tracked separately in employment and earnings statistics such as mining or finance. Instead, tourism is an amalgam of industries such as transportation, accommodation, food and beverage services, recreation and entertainment and travel agencies. Tourism is a unique phenomenon as it is defined by the consumer or the visitor. Visitors buy goods and services both tourism and non-tourism alike. The key from a measurement standpoint is associating their purchases to the total supply of these goods and services. An in-depth analysis of visitor spending would enable calculations of how much of each standard measure of economic activity by industrial sector is attributable to tourism but that has never been done for Alaska, Southcentral Alaska or the Prince William Sound region.

In addition, tourism is defined as non-resident visitors. For purposes of measuring the benefits to the Prince William Sound communities and economy, however, it does not matter if a visitor and their resulting expenditures are from France, California or Anchorage. Alaska resident and non-resident visitors to Prince William Sound bring money into the region and stimulate economic activities, income, and employment. Similarly, if as recreational opportunities and amenities increase, a Prince William Sound resident decides to stay and vacation in Prince William Sound instead of going to Anchorage or Hawaii, this decreases the leakage of earnings from the region and also stimulates local economic activity.

So the second challenge is that in addition to no industrial sectors specifically defining tourism, there are currently no direct measures or counts of resident or non-resident visitors to Prince William Sound. The most recent Alaska Visitor Statistics Program estimates that for summer 2006, 67,000 tourist visited Valdez, 232,000 visited Whittier (primarily cruise passengers enroute to Anchorage or Denali), and 106,000 visited Prince William Sound. The Valdez Convention and Visitor Bureau estimates that in 2006, 175,000 to 200,000 people, residents and non-residents for business and/or pleasure, visited Valdez.

Ultimately what this means is that there are no direct economic or visitor measures of tourism activities and resulting income and employment for Prince William Sound. Instead, we have collected an array of measures that indirectly provide trends. These include overall Alaska visitation numbers; employment in the hospitality and leisure and transportation sectors; local sales, bed and other special tax revenues; business license numbers; population; and a number of transportation measures including ferry embarkments, Whittier tunnel statistics, airport and Alaska railroad passenger counts, and Richardson

Highway vehicle counts. Collectively these provide measures of the movement of people in and out of the region and employment and income related to resident and non-resident travel.

The most significant complication with the use of these selected measures is the presence of strong commercial fishing and oil transportation sectors in the Sound. While collectively these help to maintain a diverse and robust economy for the region, they complicate the ability to isolate the economic impacts of tourism. Maintaining some sense of commercial salmon prices and harvests as well as the volume and price of oil moved through the TransAlaska pipeline will be important to interpreting the economic role of tourism trends from the indicators.

That said, the next sections provide information and data for economic indicators. Appendix A contains information on contacts and files for updating the indicators in the future. A large Excel spreadsheet accompanies this report and contains the primary data files and more detailed information for a number of the summaries.

ECONOMIC INDICATORS

Population

With the exception of Whittier and Tatitlek, the populations of Prince William Sound communities have been slowly declining since 2000, not an usual trend in rural Alaska. Whittier’s population was declining until 2002. After that year a number of factors have occurred including some cruise companies shifted their terminal docking point from Seward to Whittier. However, these operations are primary logistical passenger transfers to busses and the railroad rather than a port of call. The continued effect on Whittier population, employment and income is likely to be small unless Whittier develops amenities to encourage cruise passengers and companies to pause briefly in town and patronize local businesses. The population changes since 2002 are as likely to be attributable to the opening of the Whittier Tunnel and improved ferry service as cruise ship dockings.

Prince William Sound Communities' Population, 2000-2006					
Year	Whittier	Cordova	Valdez	Chenega	Tatitlek
2000	182	2,454	4,036	86	107
2001	170	2,382	3,825	50	96
2002	161	2,302	3,952	59	103
2003	172	2,290	3,895	77	106
2004	172	2,297	3,714	49	107
2005	188	2,288	3,746	43	102
2006	189	2,211	3,690	69	117
Source: Alaska Department of Labor and Workforce Development, Research and Analysis section, population statistics, 2007.					

Valdez population declines most likely reflect the general decline in oil industry employment in Alaska; similarly, Cordova has felt the impact on Alaska commercial salmon fisheries of international farmed salmon production.

Chenega and Tatitlek both are affected by the small number of employment opportunities available, especially for their young people, in their villages.

Why track this measure? Population change can respond to and contribute to fluctuations in the economy and changes in the character of the community. It is a broad indicator of trends in the economy—few declining economies gain population, and few growing economies lose population. It is an easy measure to obtain and provides a reliable barometer of economic health but little information on the specific causes of change.

Alaska Visitation

Despite the limitations at the local level for visitor numbers, tracking Alaska visitor numbers provides a background on overall trends in the Alaska tourism industry and the potential “pool” of available visitors to Prince William Sound. The number of non-resident visitors to Alaska continues to grow but at less than the rate of the 90s. The growth continues to be pushed by cruise ship

Alaska Visitor Statistics Program Visitor Numbers by Transportation Mode							
Year	Total Alaska Visitors	Domestic Air	Internl Air	Cruise Ship Arrivals	Cruise Ship Passgrs	Ferry	Highway
1985	671,673	416,422	15,100	148,349	--	29,136	62,666
1986	752,775	443,302	19,335	161,300	--	33,348	79,190
1987	742,100	433,000	20,800	171,600	--	36,500	63,600
1988	752,400	428,500	24,400	168,700	--	37,600	76,300
1989	807,121	474,441	27,333	155,514	--	33,673	93,212
1990	886,891	512,728	26,453	194,728	--	35,278	93,827
1991	898,190	548,643	27,232	198,100	--	34,754	66,519
1992	977,173	578,600	20,200	212,800	265,000	32,100	107,849
1993	1,052,782	610,700	18,100	246,967	306,000	33,200	116,715
1994	1,134,800	660,100	18,700	285,100	379,000	31,800	118,700
1995	1,175,200	685,900	19,200	283,500	383,000	30,600	119,400
1996	1,294,800	750,800	27,700	338,000	464,484	27,200	113,500
1997	1,330,200	742,300	25,400	392,200	524,842	21,400	112,700
1998	1,380,000	741,200	25,300	431,400	569,707	24,700	123,000
1999	1,434,200	777,400	26,700	457,300	595,959	23,200	121,100
2000	1,455,400	803,300	23,500	483,750	640,477	20,600	107,550
2001	1,453,475	805,300	19,100	510,000	690,600	18,800	100,500
2002	1,528,800	810,900	20,500	581,000	739,800	18,400	96,800
2003	1,567,200	803,700	28,200	620,900	777,000	17,600	94,300
2004	1,693,900	869,700	--	712,400	884,400	17,800	94,000
2005	1,875,200	1,018,500	--	761,100	953,400	13,600	82,000
2006	1,881,000	1,012,600	20,900	758,100	958,900	13,300	76,100
Notes: Cruise ship arrivals are people who arrive in Alaska via cruise ships. Cruise ship passengers are visitors who are cruise passenger but enter or exit Alaska by another mode, usually air. For 2004 and 2005, international air is combined with domestic air.							
Sources: 2001-02 to 2004-05 data from Alaska Visitor Arrivals studies (conducted by Northern Economics, Inc.); 2005-06 and 2006-07 data based on 2006-07 visitor/resident ratios obtained for AVSP V (conducted by McDowell Group, Inc.).							

visitors. Ferry and highway travelers continue to decline. These visitors tend to stay longer and travel more widely, making them likely sources of growing

visitation to Prince William Sound. The decline in these and other independent visitors makes attracting these visitors a growing challenge.

Why track this measure? Alaska visitation provides a general background on tourism and the sectors that potentially feed Prince William Sound tourism. Data are also routinely collected through the Alaska Visitor Statistics Program.

Community Sales, Bed and Special Taxes

Local sales, bed and other visitor related local special taxes are probably one of the best available measures for tracking local business and visitor activity. In the Prince William Sound region, Whittier, Cordova and Valdez all have sales and/or bed taxes. In addition, Whittier has a passenger transport tax and Cordova has a rental car tax. The sales taxes give an indication of trends in overall retail activity while bed taxes provide a direct measure of overnight stays in each community. While there have been fluctuations, all of these measures show a general upward trend in visitation and retail activity.

Why track this measure? It is the best direct measure of overnight visitation and retail activity at the community level. This information is also readily available from the Alaska state assessor's office and publications.

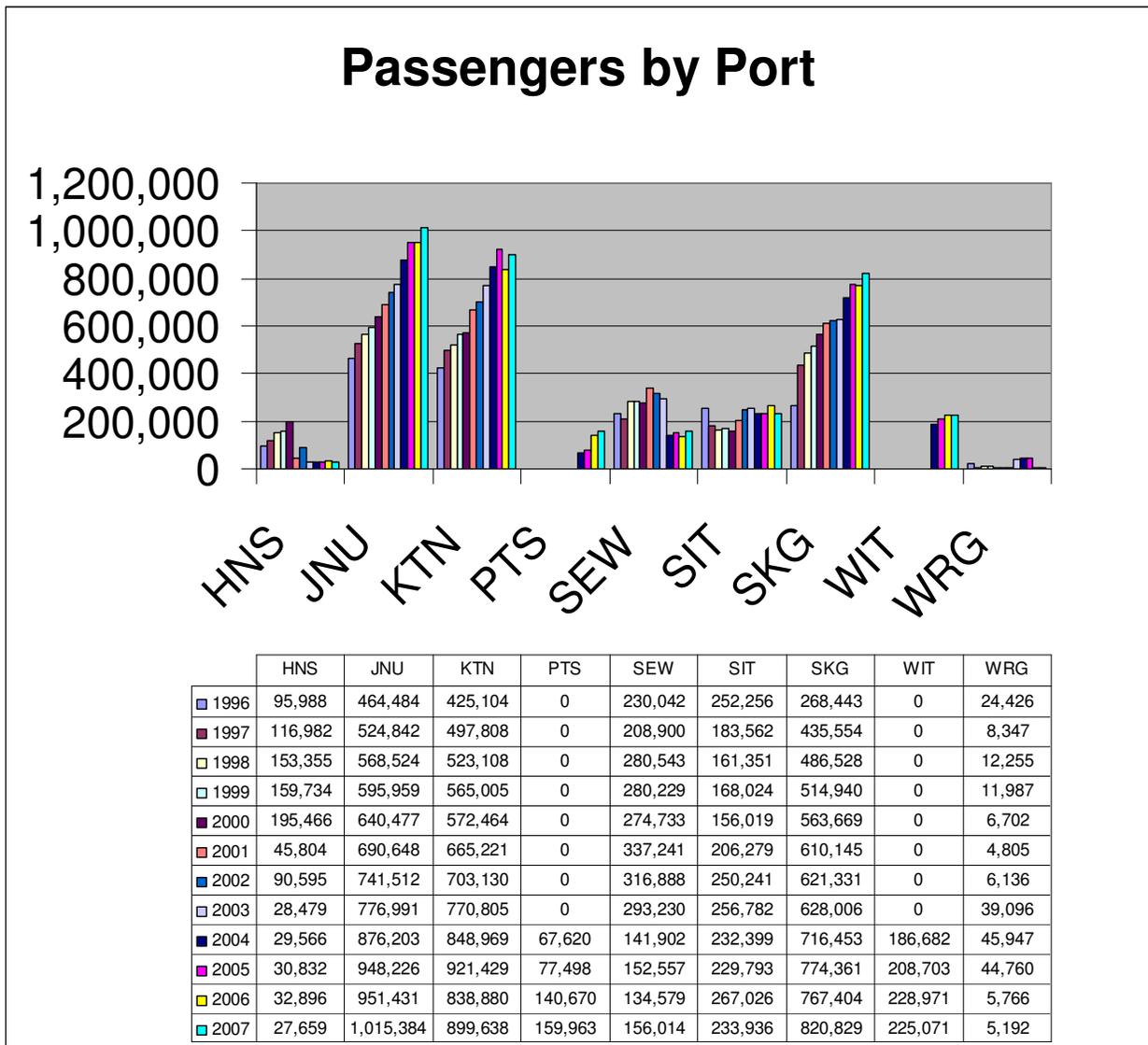
Prince William Sound Community Sales, Bed and Special Taxes, Rates and Revenues							
Community	Year						
	2000	2001	2002	2003	2004	2005	2006
Whittier							
<i>Sales</i>	\$111,857	\$219,940	\$207,500	\$117,418	\$176,461	\$252,195	\$248,256
<i>Tax %</i>	3%	3%	3%	3%	3%	3%	3%
<i>Pass. trans.</i>	\$117,025	No	\$91,287	\$87,296	\$120,887	\$130,728	\$126,181
<i>Tax %</i>			3%	3%	3%	3%	3%
<i>Railroad Shuttle</i>	\$12,036						
<i>Tax %</i>							
Cordova							
<i>Sales</i>	\$2,157,441	\$2,348,268	\$2,320,200	\$2,124,800	\$2,033,859	\$2,325,235	\$2,469,977
<i>Tax %</i>	6%	6%	6%	6%	6%	6%	6%
<i>Bed</i>	\$10,046	\$51,271	\$53,455	\$54,418	\$79,030	\$64,689	\$84,091
<i>Tax %</i>	6%	6%	6%	6%	6%	6%	6%
<i>Car rental</i>	\$3,744	\$11,585	\$14,024	\$12,919	\$13,509	\$12,509	\$17,080
<i>Tax %</i>	6%	6%	6%	6%	6%	6%	6%
Valdez							
<i>Bed</i>	\$255,677	\$305,065	\$296,162	\$256,803	\$289,526	\$320,859	\$323,907
<i>Tax %</i>	6%	6%	6%	6%	6%	6%	6%
Source: Alaska Taxable, 2001-2007.							
Chenega and Tatitlek have no sales or special taxes.							
Cordova bed and car rental taxes were implemented in 2000, thus the lower collections.							

Cruise Ship Passengers

Cruise ship passenger numbers to Alaska have increased steadily over the last two decades. However, with the exception of Juneau, passenger numbers to individual ports has not been as consistent. Cruise Line Agencies of Alaska provides information on cruise dockings and number of passengers for the ports and cruise line they service. These are presented for 1996 through 2007 in the table and chart below. This includes data for Whittier for 2004 through 2007, which showed a fairly consistent increase. Data for Cordova and Valdez

must be obtained directly from those communities and ports, which did not provide the information.

Why track this measure? Cruise passengers are an important and growing segment of the Alaska visitor industry. In 2004, Prince William Sound/Whittier became the recipient of a large portion of cross Gulf of Alaska cruise ships for passengers beginning and ending their cruises. Tracking the number of cruise passengers to Whittier as well as passengers to Cordova and Valdez and the total number of passengers to Alaska, shows the potential contribution of this visitor sector to the Prince William Sound economy. These numbers also provide an indication of the extent to which Prince William Sound communities are interested in hosting and can compete for passengers.



Notes: HNS=Haines, JNU=Juneau, KTN=Ketchikan, PTS=Hoonah/Point Sophia, SIT=Sitka, WIT=Whittier, WRG=Wrangell.
Source: Cruise Line Agencies of Alaska, 2008.

Business Licenses

Business licenses are required to operate businesses in the state of Alaska. Licenses are issued on an annual basis and purchased through the Alaska Department of Commerce, Community and Economic Development, Division of Occupational Licensing. The number of business licenses operating in a community provides some indication of the number of persons who are self employed. Self-employed persons are not covered under Alaska Department of Labor and Work Force Development employment and earnings statistics. Therefore, this information supplements the employment information in Appendix B.

The business line classifications that are most pertinent to tourism are the agriculture, forestry, fish and hunting used by commercial guides; transportation used by fishing and sightseeing vessel charter operators; arts, entertainment, and recreation used for cultural and recreational activities ; and accommodations and food services used by hotels, bed and breakfasts and restaurants.

The activity and industrial codes completed by business license filers, however, are self selected. As a result there is quite a bit of variation. There are also hundreds of classifications to capture complex economic activities, many of which are not pertinent to Alaska, while those more pertinent to Alaska do not exist. In short, so there is significant opportunity for error. As a result, all of the listings, including those not specifically directly tourism related because some business owners may select “other services”. The important thing to track is the total number of business licenses showing trends in business development as well as specific tourism related business license categories both by community and Prince William Sound.

Why track this measure? Business licenses are a measure of the number and type of self-employed persons operating businesses in a community and area. These business activities and their earnings and employment are not report to or recorded by the Alaska Department of Labor and Work Force Development. Therefore, business license information gives a more complete picture of economic activity.

Prince William Sound Annual Business Licenses					
Community	1989	1993	1998	2000	2006
Chenega	4	5	6	4	3
Cordova	341	331	383	363	397
Tatitlek	4	3	3	2	4
Valdez	493	488	484	514	466
Whittier	34	37	32	47	56
Total	876	864	908	930	926

Chenega Annual Business Licenses					
Line of Business					
1989	1993	1998	2000	2006	Codes & Definitions
					11 Ag., Frsty, Fish & Hunting
					21 Mining
					22 Utilities
					23 Construction
					31 Manufacturing
1	2	1			42 Retail Trade
		1	1	2	48 Transport. & Warehousing
					51 Information
					52 Finance and Insurance
	1				53 Real Estate, Rental & Leasing
					54 Prof., Scientific & Tech.
					55 Management of Companies
					56 Waste & Remediation
					61 Education Services
3	2				62 Health Care & Social Assist.
				1	71 Arts, Ent. & Rec.
		1	3		72 Accommodation & Food
		3			81 Other Services
					92 Public Administration
4	5	6	4	3	Total

Cordova Annual Business Licenses					
Line of Business					
1989	1993	1998	2000	2006	Codes & Definitions
20	12	16	14	18	11 Ag., Frsty, Fish & Hunting
				1	21 Mining
5	5	1		1	22 Utilities
12	13	19	19	22	23 Construction
15	20	16	19	20	31 Manufacturing
93	87	72	57	45	42 Retail Trade
30	36	34	35	30	48 Transport. & Warehousing
2	1	5	6	4	51 Information
		2	2	3	52 Finance and Insurance
44	53	50	54	74	53 Real Estate, Rental & Leasing
3	10		15	28	54 Prof., Scientific & Tech.
		11		2	55 Management of Companies
		8	9	12	56 Waste & Remediation
		3	3	4	61 Education Services
13	13	9	10	8	62 Health Care & Social Assist.
9	32	7	34	30	71 Arts, Ent. & Rec.
9	8	22	26	47	72 Accommodation & Food
81	39	99	60	48	81 Other Services
4	2				92 Public Administration
1		9			Missing
341	331	383	363	397	Total

Tatitlek Annual Business Licenses					
Line of Business					
1989	1993	1998	2000	2006	Codes & Definitions
					11 Ag., Frsty, Fish & Hunting
					21 Mining
					22 Utilities
					23 Construction
		1			31 Manufacturing
2	1	1	1	2	42 Retail Trade
					48 Transport. & Warehousing
					51 Information
					52 Finance and Insurance
					53 Real Estate, Rental & Leasing
					54 Prof., Scientific & Tech.
					55 Management of Companies
					56 Waste & Remediation
					61 Education Services
	1				62 Health Care & Social Assist.
2	1				71 Arts, Ent. & Rec.
					72 Accommodation & Food
				1	81 Other Services
		1	1	1	92 Public Administration
4	3	3	2	4	Total

Valdez Annual Business Licenses					
Line of Business					
1989	1993	1998	2000	2006	Codes & Definitions
18	10	7	6	5	11 Ag., Frsty, Fish & Hunting
					21 Mining
9	9				22 Utilities
23	25	34	34	31	23 Construction
29	18	13	22	14	31 Manufacturing
135	101	84	77	63	42 Retail Trade
29	42	37	43	46	48 Transport. & Warehousing
2	4	12	11	6	51 Information
				2	52 Finance and Insurance
17	22	16	26	31	53 Real Estate, Rental & Leasing
4	12	18	39	37	54 Prof., Scientific & Tech.
		1	2	1	55 Management of Companies
		14	27	20	56 Waste & Remediation
		2	7	5	61 Education Services
22	22	23	30	18	62 Health Care & Social Assist.
34	36	12	45	51	71 Arts, Ent. & Rec.
40	76	37	66	77	72 Accommodation & Food
119	104	161	78	57	81 Other Services
12	7		1	2	92 Public Administration
		13			Missing
493	488	484	514	466	Total

Whittier Annual Business Licenses						Line of Business
1989	1993	1998	2000	2006	Codes	Definitions
3	3				11	Ag., Frsty, Fish & Hunting
					21	Mining
	1				22	Utilities
2	1		2		23	Construction
1	5	3	1	4	31	Manufacturing
14	12	4	7	7	42	Retail Trade
6	1	5	10	13	48	Transport. & Warehousing
					51	Information
					52	Finance and Insurance
		1	2	3	53	Real Estate, Rental & Leasing
			4		54	Prof., Scientific & Tech.
			4		55	Management of Companies
			4	5	56	Waste & Remediation
					61	Education Services
	2			1	62	Health Care & Social Assist.
1	3	1	2	6	71	Arts, Ent. & Rec.
	3	5	6	7	72	Accommodation & Food
6	6	11	9	10	81	Other Services
1					92	Public Administration
		2				Missing
34	37	32	47	56	Total	

Prince William Sound Employment and Earnings

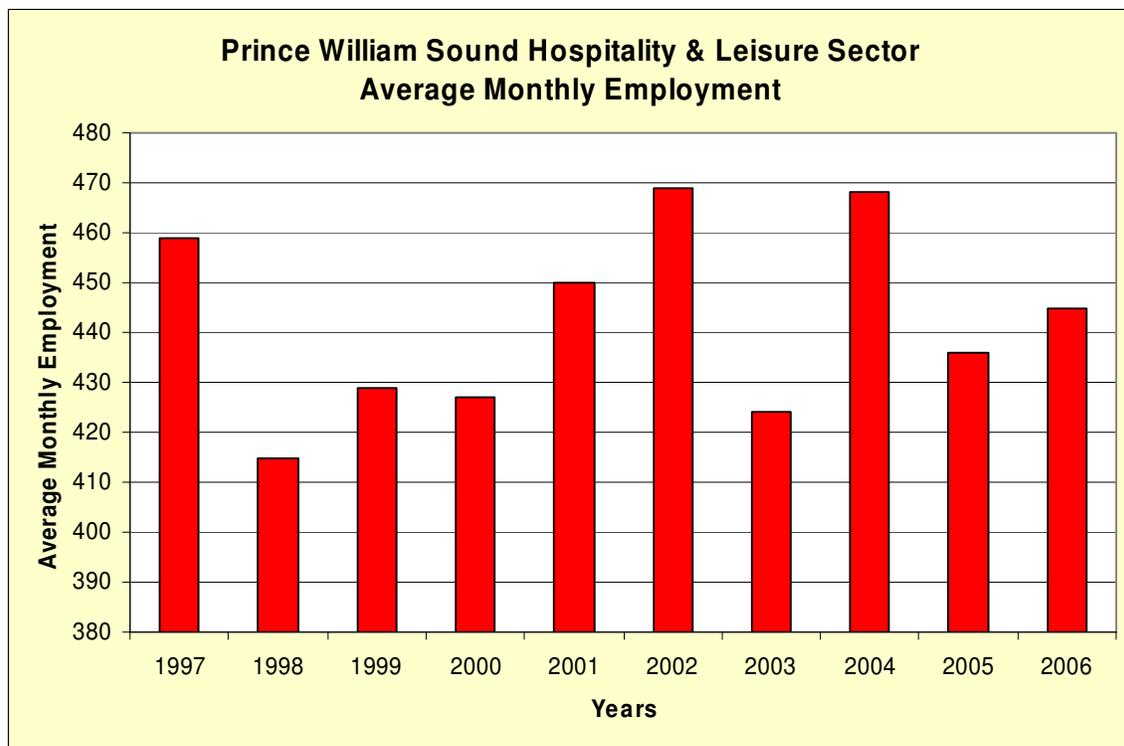
Employment and earnings information is collected and maintained by the Alaska Department of Labor and Work Force Development. As mentioned in the introduction, tourism spans a number of industrial sectors so there are no direct measures of tourism employment and income. To overcome this problem, the hospitality and leisure sector is often used as a proxy. This sector includes hotel and other accommodations, eating and drinking establishments, and recreation and entertainment. As a result, it included activities of local residents as well as non-resident visitors and Alaska residents from other regions. Also included in this section is a summary of the water and air transportation subsectors of the transportation and warehousing sector. As a result of the commercial fishing and marine oil transport industries in Prince William Sound, this is a less reliable indicator of tourism activity compared to other areas of Alaska. However, it is worth tracking as long as trends in fishing and oil prices are also taken into consideration.

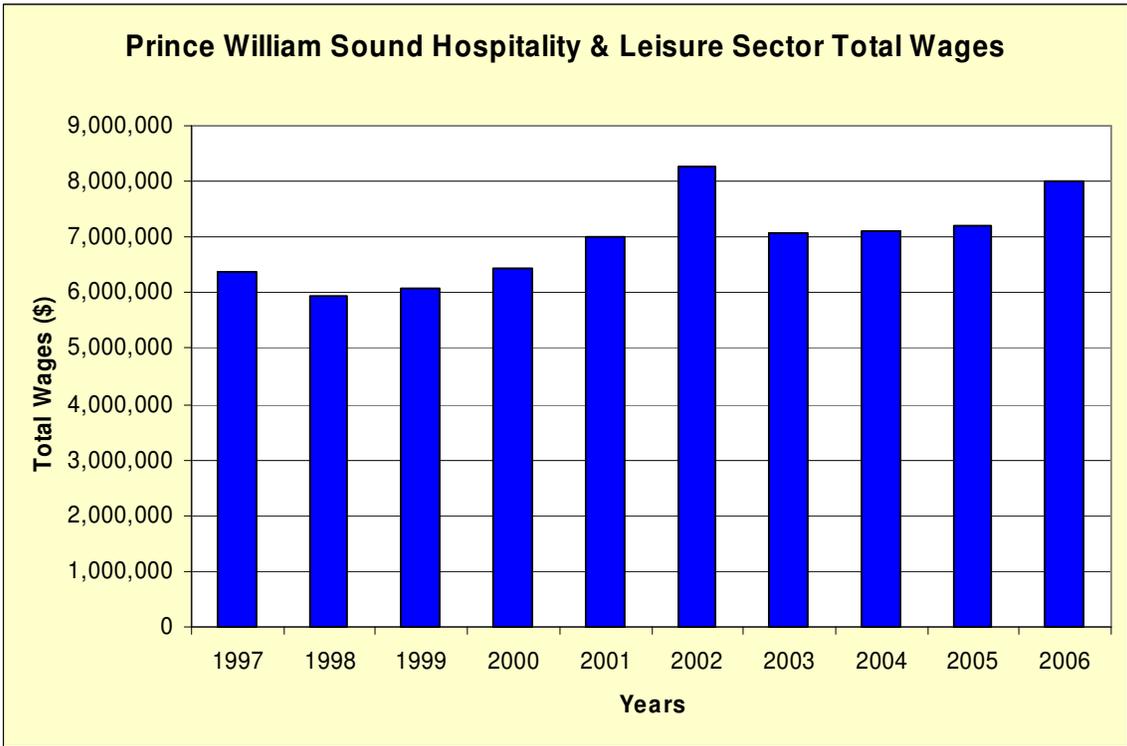
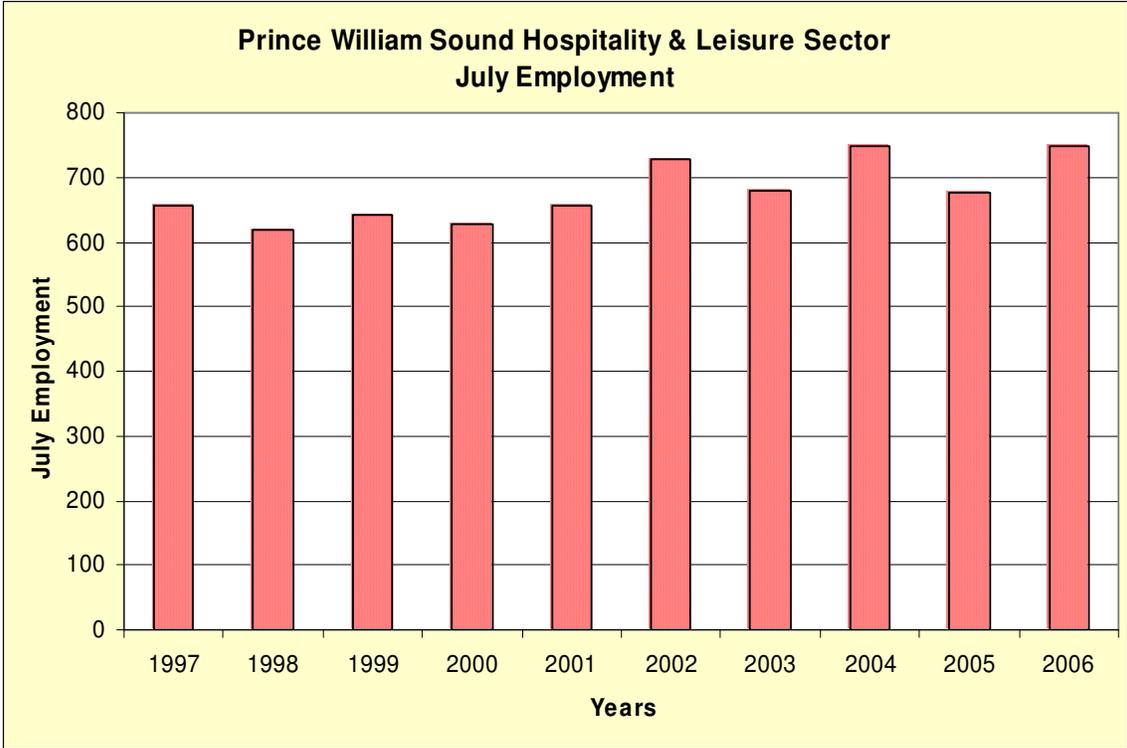
The charts presented below show average annual employment, July employment, and total wages in the hospitality and leisure sector from 1997 through 2006. This sector is most active during the summer months so the average annual figures tend to be diluted by fluctuation in the off season. For this reason, tracking July or average summer and total wages are smoother and more reliable measures. Ultimately, income of local residents is the most important employment related measures and tracking total wages in this sector is most applicable.

Why track this measure? Tourism employment and earnings are some of the most critical measures of economic development efforts. Without a more direct measure, tracking hospitality and leisure earnings and employment in Prince William Sound is the best indirect indicator.

Valdez-Cordova Census Area														Average	Total
Hospitality and Leisure Sector Employment 1997-2004														Mo Emp	Wage
YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC			
2006	259	273	289	343	540	683	747	728	587	357	276	256	445	7,989,303	
2005	248	292	312	359	502	631	675	732	538	368	299	281	436	7,200,253	
2004	276	278	323	384	504	672	748	755	625	440	322	293	468	7,100,902	
2003	286	288	303	330	460	626	679	688	548	321	273	287	424	7,057,844	
2002	298	312	335	399	531	622	727	725	598	443	332	305	469	8,265,201	
2001	325	325	329	392	460	593	656	682	549	400	348	346	450	7,002,666	
2000	297	302	325	364	425	562	628	616	520	357	351	370	427	6,435,719	
1999	286	302	349	393	457	593	643	628	529	340	312	312	429	6,078,737	
1998	292	298	315	356	469	587	619	596	488	352	311	297	415	5,931,289	
1997	309	312	352	406	514	617	656	696	605	394	331	320	459	6,376,677	

Source: Alaska Department of Labor and Workforce Development, Employment and Earnings data.





Valdez-Cordova Census Area													
Transportation Sector Employment 1997-2006													
													Average
YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	Mo Emp
2006	255	270	315	324	354	415	434	436	420	331	313	269	345
2005	277	278	324	321	346	389	388	390	440	324	282	262	335
2004	299	302	331	339	354	396	388	371	353	325	279	293	336
2003	277	265	321	294	302	314	336	327	299	297	282	273	299
2002	246	278	298	333	325	347	404	378	356	263	265	250	312
2001	108	126	134	143	113	117	158	128	152	99	109	96	124
2000	143	160	157	174	175	217	170	198	167	173	128	114	165
1999	194	170	200	187	214	205	195	208	202	204	172	169	194
1998	311	323	312	333	354	363	382	351	340	311	277	286	329
1997	329	335	358	418	399	412	457	496	400	359	366	342	389
Notes: Transportation subsectors are a subset of larger transportation, warehousing, and utility sectors. Subsectors shown include non-tourism related employment.													
Source: Alaska Department of Labor and Workforce Development, Employment and Earnings data.													

Transportation Measures

A number of transportation measures are available that show the movement of visitors and residents in, out and around Prince William Sound. A number of changes have recently occurred to transportation access to Prince William Sound, including the Whittier Tunnel road access and a new fast ferry providing faster and more frequent ferry service. These have reduced the cost of travel both in terms of actual dollars spent and time. In addition, some large cruise ships are docking in Whittier rather than Seward to reduce travel time to Anchorage and Denali National Park and Preserve. It is likely that travel patterns will continue to evolve and shift on the next few years as a result of these changes in access and costs. The transportation measures selected include Whittier Tunnel vehicles and visitors, Richardson Highway counts south of Glennallen and north of Valdez, ferry embarkments, and airport and railroad passenger counts.

Trends show that an increasing number of both vehicles and visitors are using the Whittier Tunnel. Richardson Highway traffic counts seem fairly stable. Regular fast ferry service resulted in a significant jump in ferry ridership and a corresponding reduction in air passengers as a result of the more frequent, lower cost service option.

Why track these measures? Transportation counts are reliable, consistently collected measures of the movement of people, including residents and non-residents, in and out of Prince William Sound and its communities. In the absence of reliable visitor counts, these provide trends over time.

Whittier Tunnel Visitor Estimate and Vehicle Counts		
Year	Visitors	Vehicles
2000	274,577	176,106
2001	253,161	172,986
2002	262,827	188,470
2003	268,149	199,604
2004	509,439	232,136
2005	478,651	240,514
2006	488,684	235,326
2007	463,871	238,059

Notes: Partial 2007 year projection for vehicles; visitors are 8 month estimate. "Visitors" are defined as visitor to PWS and include residents and nonresidents.
Traffic volumes higher for winter 02-03 due to winter ferry traffic
Traffic volumes higher for winter 04-05 due to tank farm remediation
Source: Alaska Department of Transportation and Public Facilities, 2007.

Richardson Highway Traffic Counts					
	May	June	July	August	September
2000	438	847	1,125	1,040	529
2001	434	787	1,081	1,032	561
2002	486	799	1,103	1,061	531
2003	450	768	1,089	1,023	489
2004	459	805	1,093	1,019	556
2005	476	775	1,101	995	539
2006				652	

Notes: Richardson Highway @ Ernestine MP 66 for 2000-2005.
Richardson Highway @ Edgerton Cutoff MP 87 for 2006 adjusted based on the proportion between Ernestine and Edgerton 2000-2005.

Prince William Sound Ferry Embarkments					
Year	Whittier	Cordova	Valdez	Chenega	Tatitlek
1997	9,393	5,414	4,089	7	24
1998	8,669	5,077	4,030	11	18
1999	8,097	5,088	3,874	12	14
2000	8,285	5,075	4,058	22	24
2001	7,891	5,438	3,974	21	25
2002	8,244	5,769	3,840	15	26
2003	8,141	6,293	3,913	5	23
2004	8,240	5,132	4,098	10	22
2005	9,712	8,136	3,292	49	19
2006	18,189	11,532	4,223	20	24

Sources: AMHS, Annual Traffic Reports, 1998-2007.

Airport Passenger Boarding		
Year	Cordova	Valdez
2000	20,354	22,780
2001	19,261	20,384
2002	19,878	18,835
2003	18,275	16,599
2004	19,454	17,613
2005	19,590	15,522
2006	17,442	15,457

Source: Alaska FAA Airport and Air Traffic data.

Alaska Railroad Passengers										
Total Denali Depot Arrivals by Boarding Location										
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Anchorage	51,419	58,265	45,640	38,591	36,647	36,823	43,048	45,367	47,469	50,897
Talkeetna	25,009	26,945	29,764	35,551	38,186	31,516	39,127	21,077	28,647	34,967
Fairbanks	77,474	85,878	76,938	72,803	76,250	69,800	82,099	64,709	72,292	73,955
Whittier	-	-	-	-	-	-	-	12,448	14,920	14,794
Total Arrivals	153,902	171,088	152,342	146,945	151,083	138,139	164,274	143,601	163,328	174,613
Total Denali Depot Arrivals by Type										
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Denali Star	25,822	28,385	27,723	26,257	25,607	24,173	26,385	24,709	25,155	26,013
Pull Contracts	128,080	142,703	124,619	120,688	125,476	113,966	137,889	118,892	138,173	148,600
Total Arrivals	153,902	171,088	152,342	146,945	151,083	138,139	164,274	143,601	163,328	174,613
Arrivals and Departures by Segment and Service										
Denali Star	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Anchorage-Denali	15,697	16,018	13,863	14,560	14,050	13,113	15,529	12,349	13,380	13,544
Denali-Fairbanks	8,722	9,323	8,845	8,846	8,316	7,857	7,104	7,477	6,879	8,213
Talkeetna-Denali			3,696	1,618	2,155	2,128	1,966	2,365	2,776	3,021
Denali-Anchorage	15,287	17,199	13,578	13,744	13,223	12,308	12,617	12,684	13,328	13,559
Denali-Talkeetna			2,318	954	1,853	1,886	3,023	1,560	2,171	2,149
Fairbanks-Denali	10,125	12,367	10,164	10,079	9,402	8,932	8,890	9,995	8,999	9,448
Subtotal	49,831	54,907	52,464	49,801	48,999	46,224	49,128	46,430	47,533	49,934
Glacier Discovery	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Anchorage-Whittier					8,395	8,190	10,626	10,974	11,607	12,612
Whittier-Anchorage					8,062	7,976	8,308	7,514	7,897	7,850
Subtotal	-	-	-	-	16,457	16,166	18,934	18,488	19,504	20,462
Pull Contractor	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Anchorage-Denali	35,722	42,247	31,777	24,031	22,597	23,710	27,519	33,018	34,089	37,353
Talkeetna-Denali	25,009	26,945	26,068	33,933	36,031	29,388	37,161	18,712	25,871	31,946
Denali-Fairbanks	63,387	69,573	62,660	56,514	54,701	49,131	57,229	37,713	46,936	51,556
Fairbanks-Denali	67,349	73,511	66,774	62,724	66,848	60,868	73,209	54,714	63,293	64,507
Denali-Talkeetna	25,810	27,445	28,117	35,730	39,296	36,225	41,598	25,854	28,712	35,676
Denali-Anchorage	32,554	36,531	28,054	24,889	23,824	21,908	30,770	31,623	33,580	36,873
Whittier-Denali								12,448	14,920	14,794
Denali-Whittier								13,057	13,932	14,249
TOTAL Pull	249,831	276,252	243,450	237,821	243,297	221,230	267,486	227,139	261,333	286,954
TOTAL	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
	299,662	331,159	295,914	287,622	292,296	267,454	316,614	273,569	308,866	336,888
Notes: Ridership numbers for 1998 and 1999 were recorded in different ways than 2000 and forward.										
Source: Alaska Railroad Corporation, January 2008.										

Prince William Sound Sport Fishing

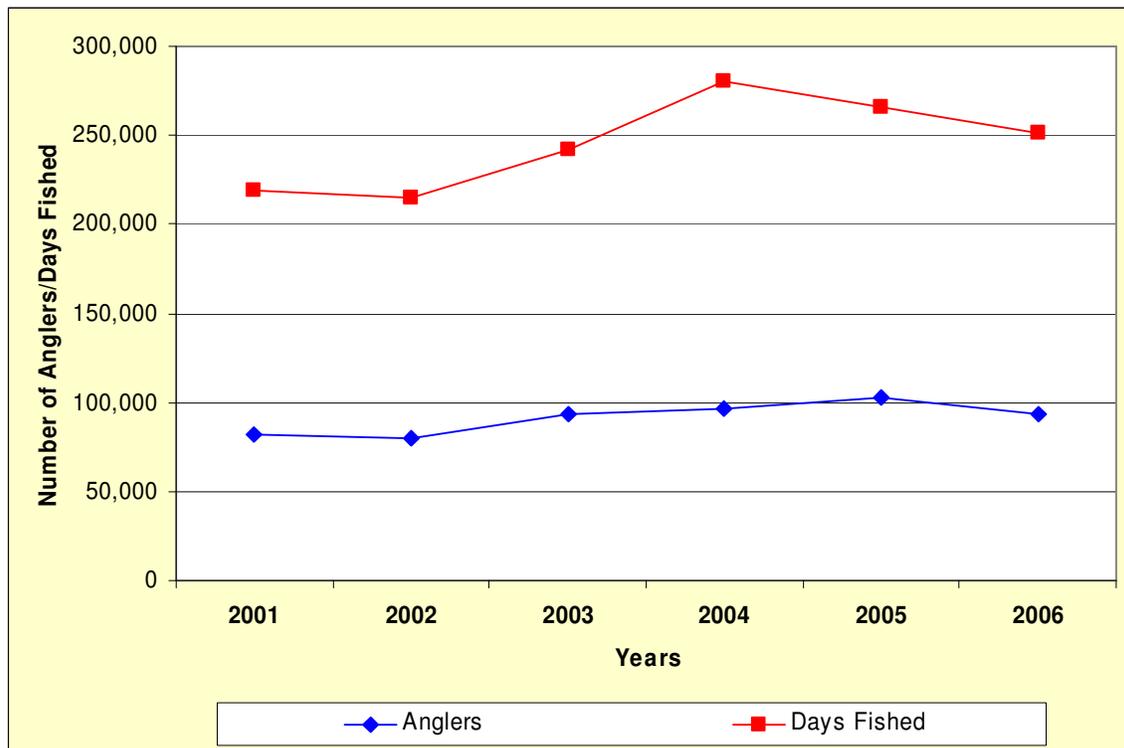
The Alaska Department of Fish and Game, Sport Fish Division tracks sport fishing participation and harvests throughout Alaska. The information includes the number of anglers, trips and days fished in salt and fresh water areas in Prince William Sound. The information in the table and chart below is a summary for the years 2001 through 2006. These years show a general overall increasing trend in participation during this time period, despite year to year variations.

Why track this measure? Sport fishing is an important draw to Prince William Sound for resident and non-residents. Tracking this measure provides a useful direct measure of the level of sport fishing participation in the region.

Prince William Sound Sport Fishing Participation				
		Saltwater	Freshwater	Total
2006	Anglers	91,179	4,345	93,546
	Trips	130,397	8,442	138,839
	Days Fished	236,507	14,541	251,048
2005	Anglers	100,784	4,431	103,148
	Trips	139,513	8,535	148,048
	Days Fished	252,592	13,081	265,673
2004	Anglers	93,740	6,230	96,977
	Trips	135,692	10,856	146,548
	Days Fished	260,665	19,548	280,213
2003	Anglers	106,781	6,230	93,272
	Trips	120,384	13,764	134,148
	Days Fished	220,635	20,892	241,527
2002	Anglers	77,526	3,878	79,523
	Trips	108,146	7,602	115,748
	Days Fished	201,206	13,258	214,464
2001	Anglers	80,050	4,470	82,327
	Trips	109,110	11,158	120,268
	Days Fished	201,698	17,197	218,895

Source: www.sf.adfg.state.ak.us/statewide/participationandharvest/main.cfm

Prince William Sound Anglers and Days Fished, 2001 to 2006



Alaska State Park Visitation

There are 14 Alaska state parks in the Prince William Sound region. Most are marine parks with no rangers or staff assigned to the area and thus no counts of visitors in the field. The PWS marine state parks include the following (with the first three near Cordova, last three near Valdez, and the middle eight near Whittier):¹

- Kayak Island
- Canoe Passage
- Boswell Bay
- Decision Point
- Ziegler Cove
- Entry Cove
- Surprise Cove
- Granite Bay
- South Esther Island
- Bettles Bay
- Horseshoe Bay
- Shoup Bay
- Sawmill Bay
- Jack Bay

¹ For more information and maps on PWS state marine parks see: <http://www.dnr.state.ak.us/parks/units/pwssmp/smppws.htm>

Unfortunately, most Alaska state marine parks have few if any ranger presence due to insufficient funding levels. As a result, visitor counts are not reliable, especially for non-commercial and non-cabin activities. Despite these limitations, data from 1999 through 2007 are presented below and generally shows an increasing trend in use for South Esther Island and Shoup Bay, the only PWS parks for which there are data.

Alaska State Parks User Counts for Prince William Sound Marine Parks, 1999-2007

Year	South Esther Island				Shoup Bay				
	Total	Hikers	Other Commercial	Commercial Vessel	Total	Cabin	Hikers	Other Commercial	Commercial Vessel
1999	0	0	0	0	0	0	0	0	0
2000	0	0	0	0	174	174	0	0	0
2001	0	0	0	0	578	578	0	0	0
2002	0	0	0	0	744	744	0	0	0
2003	0	0	0	0	624	624	0	0	0
2004	0	0	0	0	721	721	0	0	0
2005	9,300	0	0	9,300	687	687	0	0	0
2006	0	0	0	0	892	892	0	0	0
2007	11,162	2,131	9,031	0	3,121	819	819	1,483	0

Why track this measure? Outdoor recreation, including commercial and non-commercial, motorized and non-motorized boating and camping, is a primary draw to Prince William Sound for resident and non-residents. While the measures and data are spotty, they show an increasing trend in activity worth tracking. In addition, as the areas receive more use, they are likely to receive more park management including ranger presence, which will improve the availability and quality of the data.

Appendix A. Sources of Information and Documentation

Visitor Data

Alaska Visitor Statistics Program, 1983-1984, 1993-1994, 2000-2001, 2006-2007 plus secondary arrival studies for intervening years. These provide Alaska numbers and Prince William Sound in 2006 but are not reliable on a place basis for small communities.

<http://www.commerce.state.ak.us/oed/toubus/research.htm>

Cordova Chamber of Commerce & Visitors Bureau

Martin Moe, Executive Director

404 First St., PO Box 99

Cordova, AK 99574

907-424-7260

Fax: 907-424-7259

Cchamber@ctcak.net

<http://www.cordovachamber.com>

Whittier Chamber of Commerce

PO Box 607

Whittier, AK 99693

(907) 472-2493

VALDEZ CONVENTION AND VISITORS BUREAU

David Petersen, Executive Director

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Valdez, AK 99686

(907) 835-4636

Fax: (907) 835-4845

info@valdezalaska.org

Web: www.valdezalaska.org

Prince William Sound Economic Development District

Sue Cogswell, Executive Director

2207 Spenard Rd, Suite 207

Anchorage, Alaska 99503

Phone: (907) 222-2440

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pwsedd.org

Cruise Ship Passengers

Cruise Line Agencies of Alaska

21905 64th Avenue West, Suite 301-A

Mountlake Terrace, WA 98043

(425) 329-1020

Fax: (425) 329-1009

Email: office@sea.claa.com

Dan Blackmore, CEO (206) 440-1130

Jim Lee (360) 874-2984

<http://www.claalaska.com/index.html>

Valdez office:
P.O. Box 1170
224 Kobuk Street - Suite 2
Valdez, AK 99686
(907) 835-8901
Fax: (907) 835-5357
Email: office@vdz.claa.com
Patricia Caples, Port Manager
Mobile Phone: (907) 831-0205
Summer Moore
Mobile Phone: (907) 831-1505

Employment

Alaska Department of Labor and Workforce Development, Research and Analysis Section, Employment and Earnings Data, click on Current Employment Statistics (CES) and download historic data in Excel files by year. Files contain employment data by Alaska census area by NAIC coding.
<http://almis.labor.state.ak.us/>

Population

Alaska Department of Labor and Workforce Development, Research and Analysis Section, Population and Census, Estimates and Projections. Click on estimates and projections, Alaska Population Estimates by place, Excel spreadsheets, places (communities) are broken out by census area.
<http://almis.labor.state.ak.us/>

Business License Information

Alaska Department of Commerce, Community and Economic Development, Division of Occupational Licensing, on-line business license file. Click on “download entire file” but this is an approximately 70,000 record file. Downloaded as a flat file and may have too many records to import directly into Excel.

<http://www.commerce.state.ak.us/occ/search1.htm>

It is also possible to go through the Alaska Community Database

http://www.commerce.state.ak.us/dca/commdb/CF_COMDB.htm

click on “detailed community information” and do a business license search, downloaded into Excel for specific communities. The business license information has a code for business activities that enables a count by community of tourism related businesses in tourism related activity codes.

Annual Sport Fish License information

Alaska Department of Fish and Game, Sport Fish Division, Licensing Section

<http://www.sf.adfg.state.ak.us/statewide/participationandharvest/index.cfm>

Click on the Southcentral Region II, then select the year and Prince William Sound, hit submit. The resulting table can be pasted into the Sport Fishing Excel spreadsheet taking care to make sure that the location line up—this may take some moving around because the locations reported change from year to

year. These data are for all resident and non-resident anglers based on the location where fishing occurred.

Alaska Department of Natural Resources, State Parks, Cabin Reservations

Director's Office
Division of Parks and Outdoor Recreation
550 W 7th Ave, Suite 1380
Anchorage, AK 99501-3561
(907) 269-8700
fax: (907) 269-8907
Director: James King
Chief of Field Operations: Chris Degernes
<http://www.dnr.state.ak.us/parks/>
Data management and information:
Lynn Wibbenmeyer
lynn.wibbenmeyer@alaska.gov
907- 269-8708

U.S. Forest Service, Chugach National Forest, Public Use Cabin Visitor Nights

This most likely would be a good tourism indicator but obtaining information from the US Forest Service is sufficiently frustrating and time consuming that it is not recommended. In addition, due to problems with their national reservation system, the data significantly under reports actual use and is probably not consistent year to year.

Ferry, Railroad, and Highway Traffic Information

**[ALASKA MARINE
HIGHWAY SYSTEM](#)**
6858 Glacier Highway
Juneau, AK 99801
800-642-0066
907-465-3941
Fax: (907) 277-4829
Ask_AMHS@dot.state.ak.us

Alaska Marine Highway System Annual reports:
<http://www.dot.state.ak.us/amhs/Sailing/Reports/>

Whittier Tunnel

Gordon S. Burton

Facilities Manager AAMT
State of Alaska Department of Transportation & Public Facilities
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<http://www.dot.state.ak.us/creg/whittiertunnel/trafficdata.htm>

The information on this website is monthly and annual vehicle counts, which is the number of vehicles recorded in one direction times two—on the assumption that each vehicle goes round trip. This is the standard method for conducting traffic counts. The visitor estimates are from the raw Whittier Tunnel data from

Gordon Burton. These are not doubled but estimates of individual visitors passing through the tunnel based on average occupancy rates for different types of vehicles.

Highway/Road Traffic Counts

<http://www.dot.state.ak.us/stwdplng/highwaydata/traffic.shtml>

Maryann Dierckman is the section lead but the information request ultimately fell to Jennifer Eason via Margaret Carpenter.

At this point in time DOT does not have a permanent traffic recorder (PTR) between Glenallen and Valdez. DOT provided MADT numbers for a couple of count locations on the Richardson Highway south of Glenallen. The count station at the Edgerton Highway is not a permanent installation so information is only available for the month that it was actually counted. Their plan is to have the Ernestine site functioning again at some point in the next few years. The Valdez PTR site is heavily influenced by local traffic and not a good indicator of visitor traffic along the highway in and out of Valdez. The Ernestine location is probably the number that would provide the best long term assessment of visitor traffic in and out of Valdez but that permanent counter was discontinued after 2005. The Northern Region Annual Traffic Volume Report which is published each year includes monthly average daily traffic counts (MADT) for all PTRs in the Northern Region as well as average annual daily traffic counts (AADT) for many seasonal counts. The most recent version includes the years 2004-2006. This document is usually published in the fall of each year.

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Alaska Railroad Passenger Counts

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CARRB@akrr.com
265-2468 (w), 244-9082 (c)

Airport Passenger Boarding Statistics

The Federal Aviation Administration posts airport passenger information by calendar years on its website. Information is available in downloadable Excel spreadsheets and as pdf files. There reference to the pertinent spreadsheets is "[Primary and Nonprimary Commercial Service Airports \(by Rank Order\)](#)". A search will turn up Cordova and Valdez annual statistics.

http://www.faa.gov/airports_airtraffic/airports/planning_capacity/passenger_allcar_go_stats/passenger/

Local Taxes

Steve Van Sant, State Tax Assessor

Division of Community and Regional Affairs

Department of Commerce, Community, and Economic Development

550 West 7th Avenue, Suite 1770

Anchorage, AK 99501

Phone: (907) 269-4605 FAX: (907) 269-4539

e-mail: Steve.VanSant@alaska.gov

<http://www.commerce.state.ak.us/dca/osa/assessor.cfm>

Annual *Alaska Taxable* report, Table 2 for annual sales, bed tax and other special taxes related to visitation such as passenger fees.