

The Maritime Economy of Southeast Alaska

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Southeast Alaska is dominated by its ocean, with a region composed of a narrow strip of mainland and a chain of over 1,100 islands, forming the Alexander Archipelago. The region stretches about 500 miles from the Dixon Entrance waters at the southern end of the archipelago to the borough of Yakutat at the northern end, yet its saltwater shoreline extends approximately 18,500 miles. Nearly every community in the region sits along the ocean.

Southeast Alaska's communities heavily rely on waterways for transporting goods and people. Most of

these communities are only accessible by boat or sea-plane, and of the 35 communities in the region, only three—Hyder, Haines, and Skagway—are reachable by road from the Lower 48 states. The region is known for its seafaring population, including fishermen, individuals with work vessels, and those who seek to enjoy the natural beauty of the Pacific. Southeast Alaskans own more than 19,000 boats and vessels, which translates to a ratio of one vessel for every four residents.

The Coast Guard's presence in Southeast Alaska is significant, with 825 active-duty members and civilians,



CGC *Anthony Petit*, a Keeper-class coastal buoy tender is docked in its homeport of Ketchikan, Alaska. Laura Ragsdale | iStock/Getty images



Petty Officer 2nd Class Dylan Young, left, and Chief William Jordan, members of CGC *John Witherspoon* (WPC 1158), conduct cutter boat training in the vicinity of Juneau, Alaska, on January 23, 2025. The *John Witherspoon* is one of three cutters slated to commission in Kodiak, Alaska, to support search and rescue missions, living marine resources, and maritime law enforcement. Coast Guard photo by Petty Officer 3rd Class Cameron Snell

as well as 61 auxiliarists serving in the region. These individuals contribute to the economy, earning nearly \$73 million in wages annually.¹ The region's unique geographical and economic challenges often intersect with the objectives of Sector Southeast Alaska, which is aligned with trends and indicators from the private sector.

While industry trends shed light on why the workforce is booming, it is the quirks of the local economy that really shape the distinctive culture and vibe of Southeast Alaska. It's not just about numbers—it's about how the region's unique challenges and opportunities come together to create something truly one-of-a-kind. One of the most pressing issues in the region is housing. Despite the high cost of materials, the housing shortage can be traced to the fact that only 0.05% of the land in Southeast Alaska is privately owned.² This key piece of data helps the Coast Guard and other organizations understand regional trends, allowing them to anticipate future challenges. Through such insights, the larger context of the region's economy and plan for its ongoing development comes into focus.

Southeast Alaska's Blue Economy

Southeast Alaska has a long-standing history with

maritime jobs, as the maritime sector stands as both the region's largest industry and its oldest. The region has been a maritime economy for more than 11,000 years with a history rooted in seafaring, canoe building, and tidal wealth of the Tlingit, Haida, and Tsimshian—the Alaska Native tribes that inhabited the region for millennia.

The Tlingit—often called the “Tides People,” thrived in the coastal lands of Southeast Alaska, where the ocean provided abundant fish and sea mammals, as well as a transportation corridor. Highly-skilled navigators, the Tlingit developed ocean trade routes using large ocean-going canoes for trading, visiting neighboring villages, and waging war. They built onshore aids to help navigate the many waterways and inlets of Southeast Alaska.

Nearly every element of Southeast Alaska's economy is fueled by ocean commerce. The region depends on barges to import most commodities, including food and fuel. The seafood industry depends on the wealth of the sea and the flotilla of 2,600 commercial fishing vessels homeported in the region. Nearly 2 million visitors come to Southeast Alaska, primarily on around 500 cruise ship voyages in the summer. Freight ships move logs and ore laden with precious metals to market. Alaska Marine Highway ferries provide transportation between

communities. Government workers regulate the fishing industry, teach fisheries courses, manage coastal areas, operate docks and harbors, research ocean species and habitat, and guard its coasts.

Twenty-two percent of all Southeast Alaska wages are directly earned through ocean-related employment.³ In Southeast Alaska, there are more than 8,000 blue jobs—as maritime jobs are sometimes called—with nearly \$600 million in associated wages. Combined, the businesses and government agencies directly connected to the ocean constitute the largest economic sector in Southeast Alaska. If the businesses that benefit from cruise ship tourism were included in that figure, the maritime economy is responsible for one-third of all jobs and wages.⁴

Tourism

Visitors have been coming to Southeast Alaska by ship since John Muir wrote about the region in the 1870s. In 1890, steamships brought 5,000 travelers. In 2025, cruise ships are expected to bring 1.7 million visitors to the region, which offers a unique combination of natural beauty, wildlife, culture, and adventure. Some of the region's most famous natural wonders can only be viewed from the water, like awe-inspiring Hubbard Glacier near Yakutat, the massive icefields of Glacier Bay National Park near Gustavus, the otherworldly beauty of the Misty Fjords National Monument near Ketchikan,

and the Tracy Arm Fjord outside Juneau.

The volume of tourists attracted to the region has given rise to a rich variety of local visitor businesses that benefit from the sea, from sport fishing and whale watching to guided kayak tours and tastings at oyster farms. Those working in the visitor industry earned \$347 million in 2023, comprising 13 percent of all regional employment income, making tourism the top economic sector in the region.⁵

The Coast Guard is a dynamic partner in the regulation of the cruise ship industry, helping to ensure safe and secure voyages for passengers and crew among a myriad of other objectives. The Coast Guard plays a serious role in ensuring the safety and security of cruise ships by conducting regular inspections of safety, security, and engineering systems, as well as enforcing maritime regulations and international treaties. Coast Guard units also provide search and rescue capabilities in case of emergencies. Sector Southeast Alaska saw a 61 percent increase in medical evacuation requests from 2017 to 2024.⁶ Most of these cases come from cruise ships.

Additionally, the Coast Guard monitors cruise ship operations to prevent illegal activities like smuggling or unauthorized entry into U.S. waters. Sector Southeast Alaska's Waterways Management Division was recently authorized to hire a civilian to join our waterways management division, a direct result of the increased



A cruise ship navigates Alaskan fjords. Dimarik | iStock/Getty images

workload associated with new construction projects taking place on water. The Coast Guard works with the U.S. Army Corps of Engineers to review permit applications as a navigation subject matter expert. In 2024, the Waterways Management Division reviewed upwards of 100 waterfront permits for navigational impacts, and local Coast Guard marine inspectors have seen vessel inspections jump from under 400 in 2017 to well over 800 in 2023. The increase can be seen in the growing number of tour vessels in Southeast Alaska that support cruise ship operations in fields like whale watching, charter fishing, and sightseeing.

Nearly 2.2 million passengers arrived in Southeast Alaska by air, ferry, and cruise ship in 2023.⁷ Cruise passenger numbers grew by nearly a half million passengers since 2022, a 42% increase, as the COVID-19 pandemic's impact on tourism eased. The 2023 season's 1.67 million cruise ship passengers marked a new regional record, breaking the previous record of 1.33 million passengers set in 2019. In 2023, tourism sector jobs increased by 26% over 2022, as nearly 1,700 new, year-round equivalent jobs were added, and wages grew by \$105.5 million, a 44% increase.⁸

According to early findings, 2024 was a very good year for tourism businesses, and by extension the regional economy.⁹ Tourism businesses reported record revenues and are becoming competitive with other sectors for workers. In spring 2024, business leaders from the tourism sector reported a strong economic climate, with 81% calling the business climate good or very good. Nearly half—43%—expected business operations to be even stronger heading into 2025.¹⁰

After years of cruise passenger volatility due to the pandemic—cruise numbers dipped to just 48 passengers in 2020 and just over 100,000 in 2021¹¹—a stable supply of passengers is expected in 2025. This will provide tourism businesses a predictable supply of customers. The City and Borough of Juneau is working with the cruise industry on a strategy to limit the number of passengers, ensuring a controlled growth pattern. These strategies, which will begin in 2026, include a five-ship daily limit, daily

caps on passengers of 16,000 on weekdays and 12,000 on weekends, and a shortened cruise ship season. These three changes are intended to cap significant overall cruise passenger growth and include an agreement to meet annually to balance the schedule.

Despite reaching a record high in tourism jobs, regional businesses continue to struggle with attracting enough workers to meet visitor demand, with business leaders primarily attributing the challenge to housing shortages. In a recent analysis, tourism leaders identified the region's greatest weakness—and biggest threat to the industry—as the lack of housing, while the greatest opportunity lies in workforce housing development. Meanwhile, the region's strongest tourism asset remains its natural beauty.

Seafood Industry

Fishing and fish processing have deep historical roots in the region. A stone fish weir, or tidal fish trap, discovered on Prince of Wales Island dates back at least 11,000 years. In the late 1800s, commercial fishing and canneries were the largest economic driver in Southeast Alaska.

Today, there are more than 3,600 commercial fishing seafood processing jobs that typically account for \$300 million in earnings for the regional seafood industry. On average, regional fishermen harvest 250 million pounds of seafood annually. However, the seafood sector maintains a base level of volatility.

The regional seafood industry is currently experiencing economic challenges marked by historically low salmon prices, rising operational costs, consolidation of processing facilities, and unfavorable global dynamics. While seafood was the top private sector wage provider in the region in 2021 and 2022, the value of seafood dropped precipitously in 2023, though not for lack of fish.

In 2023, regional fishermen caught 325 million pounds of seafood, the largest catch since 2013. Yet, it was one of the lowest catch values on record with a value of \$261 million. Fishermen caught 74 million more pounds of seafood in 2023 than the previous year. This includes 78 million more pounds of pink salmon



Pink salmon mature and complete their life cycle within two years, resulting in distinct odd-year and even-year populations. In Southeast Alaska, this creates larger harvests in odd years and smaller harvests in even years.



and 27 million more pounds of dog salmon. But the per pound value of species were down considerably. The overall gross value of the catch decreased 20 percent compared to 2022, a \$66 million decline. Total workforce earnings across the seafood sector dropped by \$77 million.

The COVID-19 pandemic and Russia's near-record salmon harvest in 2023 contributed to an overabundant global salmon supply, leading to depressed prices across all species. Overall job numbers were flat, so workers earned a lot less than in 2022, even after bringing in a bigger harvest. In 2023, the five salmon species—pink, sockeye, chum, coho, and Chinook—represented 82% of the regional seafood catch by pounds landed, and 54% of the overall value. Halibut, black cod, crab, and the dive fisheries accounted for just 10 percent of the pounds landed, but 41 percent of the total harvest value. Most of the statewide catch of Chinook, coho, chum, shrimp, Dungeness crab, and the dive fisheries typically occurs in Southeast Alaska.

Seafood processing values were also down significantly in 2023. Shore-based seafood facilities in Southeast Alaska processed 229 million pounds of seafood in the region, with a wholesale value of \$508 million, including shore-based processors and direct marketers. This represents a 34% decrease in value over 2022, as 28 million fewer pounds of seafood were processed.

While the full 2024 harvest numbers are not in yet, the catch totals are down and fish prices remain low. Nearly three-quarters (73%) of seafood industry leaders called the early 2024 Southeast Alaska business climate poor or very poor, with 43 percent projecting that the next 12 months will be worse or much worse.¹² Continued challenges are expected for regional fishermen and processors moving into 2025.

The Coast Guard plays a decisive role in managing and safeguarding Alaska's fisheries, an industry that earned upwards of \$261 million in Southeast Alaska in 2023.¹³ Coast Guard units such as cutters, boat stations, and shore-based units ensure sustainable practices and enforce fishing regulations by patrolling the waters to prevent illegal, unreported, and unregulated fishing, which can threaten marine ecosystems and deplete fish stocks. Additionally, the Coast Guard supports search and rescue operations for fishermen in distress and has noted a 52 percent increase in search and rescue cases from 2017 to 2024.

Recognizing the demanding work and the uniquely large commercial fishing vessel exam workload in Alaska, headquarters signed a provision to allow marine science technicians in Alaska to use the commercial fishing vessel examiner qualification as an acceptable qualification toward advancement. This is a huge commitment to prioritizing the needs of individual communities.



Fishermen off the coast of Kodiak Island, Alaska, pull in a net full of salmon. Twildlife | iStock/Getty Images

Mining

The discovery of gold in the 1880s brought thousands of miners and their families to the area by ship. By 1920, the Juneau-based AJ Mine was the largest low-grade gold mine in the world. Today, approximately 200,000 tons of concentrate—the processed form of raw ore where valuable minerals have been separated from waste material—containing zinc, lead, gold, and silver continue to ship out of Southeast Alaska annually on freight ships and barges. More than 1,000 people work year-round in the mining industry.¹⁴

Mining jobs in Southeast Alaska were up by 6% and wages were up by 12% in 2023 when compared to 2022.¹⁵ The average annual mining wage was \$126,100 in 2022, more than twice the overall regional wage. Three mines in the region account for nearly all mining employment.

- Hecla Greens Creek is one of the largest silver mines in the world. In 2024, the mine had 520 full-time permanent employees and continues to ramp

up production and employment. Greens Creek is the largest private-sector employer in Juneau, as well as the highest taxpayer.¹⁶ In 2023, Greens Creek produced 9.7 million ounces of silver, 61,000 ounces of gold, 51,500 tons of zinc, and 20,000 tons of lead.¹⁷

- Coeur Alaska Kensington is exclusively a gold mine. In 2023, it produced 84,789 ounces of gold in 2023 and, in 2024, its permanent, full-time staff numbered 369.¹⁸
- Dawson Mine is a smaller gold and silver project on Prince of Wales Island. The mine reported 48 full-time workers in 2024, and gold production of 12,500 ounces.

Additional mining exploration projects are active in the region, including the Palmer Project in Haines, Herbert Gold in Juneau, and Bokan Mountain and Niblack on Prince of Wales Island.

The forecast for mining in the near term is positive with high metals prices and solid production from the areas producing ore. However, the industry continues to be challenged by the shortage of skilled labor. Gold and silver surged in 2024 and are up by 21% since the start of the year. Gold reached a new peak of \$2,800 in October 2024.

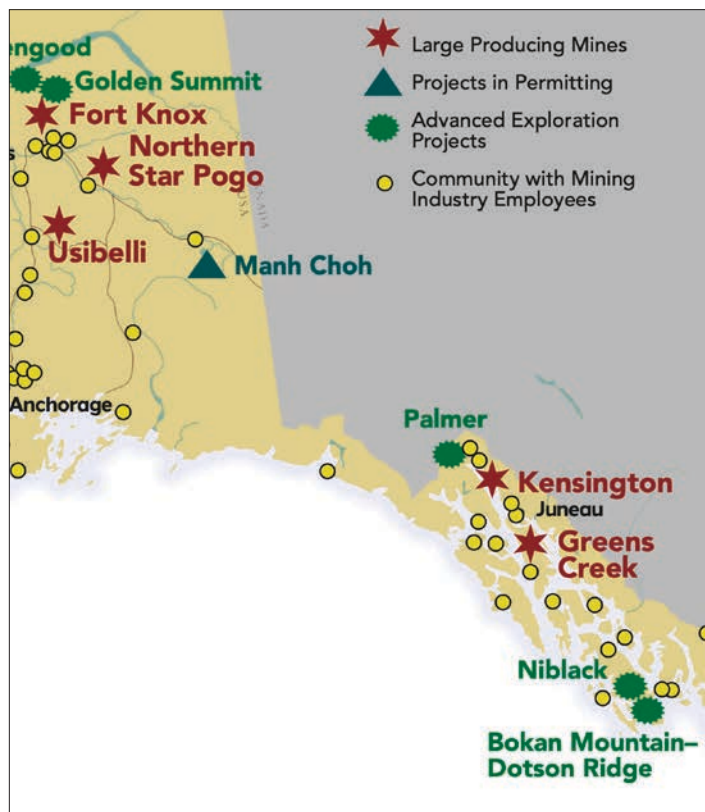
The Coast Guard plays an important role in

supporting mining operations in Alaska, particularly in remote and environmentally-sensitive areas. Coast Guard units ensure safe navigation for vessels transporting mining equipment and cargo by reporting navigation hazards and inspecting support and cargo vessels. It is noteworthy that nearly all the large-scale foreign bulk carriers entering the Southeast Alaska Coast Guard Captain of the Port Zone are in support of mining work. Additionally, the Coast Guard enforces environmental regulations to prevent oil spills and other hazards that could harm Alaska's fragile ecosystems. Most remote mining facilities are unique in that they are set up to receive bulk oil and hazardous materials in pursuit of mining work. These facilities trigger Coast Guard regulations as these goods travel by water and are classified as a waterfront facility.

Alaska Marine Highway System

Ferries are an economic engine for the region's coastal communities. Community, business, and tribal leaders tend to agree that transportation is the lifeblood of coastal communities, and a strong ferry system is essential to local economic development, quality of life, and community well-being.

The Alaska Marine Highway System (AMHS) connects patients to medical providers, shuttles workers to their jobs, and brings visitors, who spend millions on



Operation Mines

- Kensington
- Green Creek
- Dawson

Advanced Exploration

- Palmer
- Niblack
- Bokan

Other Projects/Prospects

- Herbert Gold
- Poorman Prospect
- Woewodski
- Zarembo
- Admiral Calder Calcium Carbonate Mine

Rain Coast Data graphic

hotels, dining, and recreation, to Alaska, creating jobs throughout the state. The ferry system connects markets and customers, providing a way for the residents of smaller towns and villages to purchase items that their local stores don't carry, boosting the economies of coastal communities.

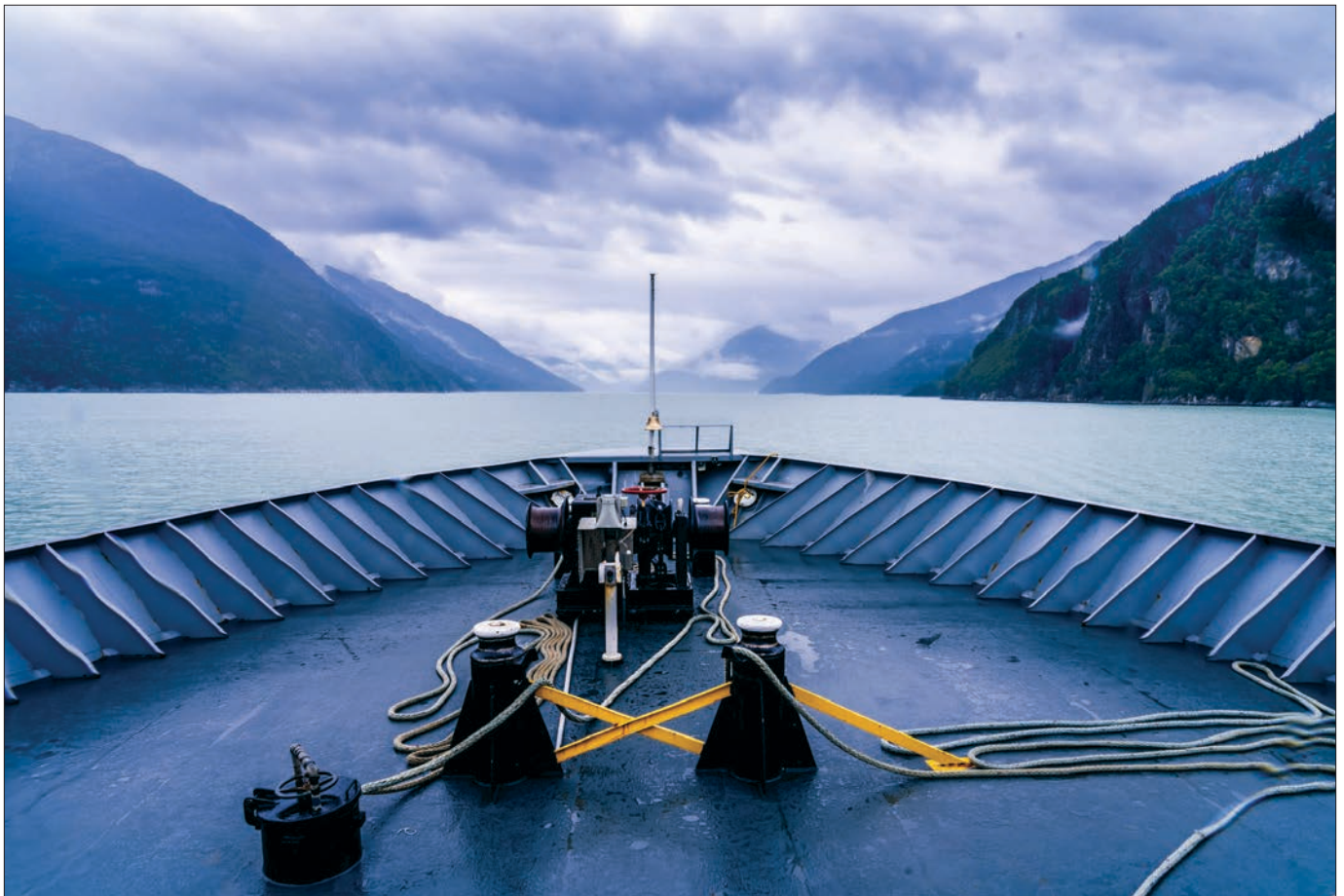
The marine highway also allows fishermen to affordably move seafood to markets and transport building materials and machinery to support community development. The ferry system transports cargo worth hundreds of millions of dollars, but it is more than a way to access necessities. It allows for social and cultural connections as well. Students, tribal members, and other Alaskans ride the ferry to participate in athletic and academic competitions, cultural gatherings, college fairs, celebrations, festivals, and funerals. In a state as vast as Alaska, AMHS creates the opportunities—economic, social, and cultural—that nourish and sustain our coastal communities.

The Coast Guard plays a crucial role in supporting the safety and security of the AMHS, although it is not involved in the system's day-to-day operations. The Coast Guard is responsible for responding to maritime

emergencies for AMHS vessels and conducting inspections to ensure compliance with federal safety standards. This includes checking stability, lifesaving equipment, and firefighting infrastructure. The Coast Guard also maintains navigational aids in Alaska's challenging waters, ensuring safe passage for ferries, and enforces environmental protection regulations to prevent pollution from ferry operations. Additionally, the Coast Guard is involved in maritime security, monitoring for illegal activities and assisting with law enforcement through partnership activities like ferry ride-alongs, essential to fighting the Center for Disease Control's reported 38.68% increase in Alaska for drug overdose-related deaths from 2023 to 2024. Collaborating with the Alaska Department of Transportation and local agencies, the Coast Guard provides critical support in emergencies and works to ensure the overall safety and compliance of the AMHS.

Conclusion

The ocean is central to Southeast Alaska's economic and cultural identity with the region's maritime economy accounting for nearly a quarter of direct regional wages. Subsequently, the maritime sector supports a diverse and



Ferries are vital to Southeast Alaska, providing essential transportation links between remote communities, enabling residents to access goods, services, and opportunities. GRPimagery | iStock/Getty Images.



The 280-foot-long MV *Hubbard*, a ferry operated by the Alaska Marine Highway System, is docked in Ketchikan. The vessel, which entered service in 2023, can carry up to 300 passengers and 53 vehicles. Pabradypphoto | iStock/Getty Images

robust workforce, from fishermen, barge line operators, Coast Guard employees, boat builders, ferry workers, marine welders, whale watching staff, marine biologists, salmon hatchery workers, fish permit clerks, and a host of others.

The maritime industry touches every part of the Southeast Alaska economy, particularly the seafood sector and natural resource industries dependent on maritime logistics, such as the mining sector, as well as the Coast Guard and the AMHS. The maritime economy of Southeast Alaska blends tradition, innovation, opportunity, and challenge. Continued collaboration between industry stakeholders, communities, and regulatory agencies—including the pivotal role played by the Coast Guard—will remain vital to sustainably navigating the region’s economic future. ■ ■

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Meilani Schijvens is the owner and director of Rain Coast Data, a Juneau-based firm specializing in Alaska economic analysis, publications, socioeconomic studies, and surveys. With a master’s degree in science from the University of Oregon and a bachelor’s degree from Colby College, she has authored hundreds of economic publications. She previously served as Southeast Conference’s executive director, taught Alaska natural resource history, worked at a mine, and was a staffer for a U.S. Senate minority leader.

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