

through the airport. In 2009, approximately 373,000 pounds of cargo was transported through HNS. Juneau accounted for 288,000 pounds (77.3 percent) of cargo arriving or departing HNS. Skagway accounted for the remaining 85,000 pounds (22.7 percent) of cargo traffic.

The study estimates that the total initial (first retail) expenditures related to enplanements, mail, and cargo associated with HNS was nearly \$0.5 million in 2009 (see Figure 6). This amount is a conservative estimate of the value of "first retail" equivalent expenditures (i.e., what people and organizations spent to move goods and people to and from HNS) and does not include other expenditures such as

FIGURE 4
Haines: 2009 Mail Volumes by Origin/Destination City

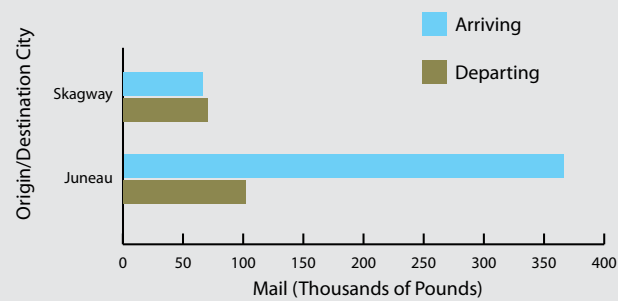
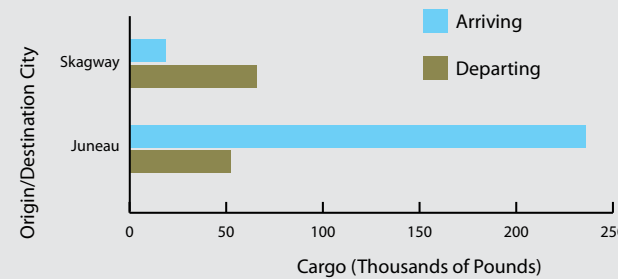


FIGURE 5
Haines: 2009 Cargo Volumes by Origin/Destination City



baggage fees, dining, or other expenses incurred during travel.

Although Haines is accessible by both the Alaska Marine Highway System and the road system, HNS provides some unique benefits, increasing the efficiency of travel and delivery of goods and services. As can be seen in Figure 6, mail shipping accounts for 63 percent of the expenditures, which reflects the reliance of residents on HNS as a primary mechanism for mail and cargo delivery to the area.

FIGURE 6
Air Transport Expenditures, 2009

Expenditures Category	Segment Volume	Enplaned Volume	Enplaned Expenditures (\$Millions)
Passengers (Number)	14,877	11,509	0.0
Mail (Pounds)	602,780	413,916	0.3
Cargo (Pounds)	373,210	254,081	0.1
Total			0.5

The Alaska Aviation System Plan

The Alaska Aviation System Plan (AASP) sets the vision for aviation in Alaska. It documents the existing aviation network, identifies needed airport improvements, sets funding priorities, and proposes aviation policy. The AASP has prepared special studies of important aviation issues, such as this document and 2009's *The Economic Contribution of the Aviation Industry to Alaska's Economy*.

The purpose of this special study is to document the economic contribution and social importance of a diverse set of Alaska airports to their communities. The study can be found at www.alaskaasp.com/documents.aspx

This Alaska Aviation System Plan was conducted in accordance with FAA Advisory Circular 150/5070-7: The Airport System Planning Process. The economic analysis described in this brochure was conducted pursuant to Section 101.a(3) of that document. This report was prepared by Northern Economics, Inc. For more information please call ADOT&PF Aviation Division at (907) 269-0730. www.dot.state.ak.us



Economic Contributions of Alaska Airports

THE HAINES AIRPORT

Aviation: Critical to Alaska

Aviation is a critical component of the state's economy and the vitality of Alaska's communities. The Haines Airport (HNS) serves as the primary vehicle for transporting mail and cargo to the community, enables vital services such as medical evacuations, and is important to the operation of the Haines visitor industry. The Alaska Department of Transportation & Public Facilities (ADOT&PF), Division of Statewide Aviation recently embarked on updating the Alaska Aviation System Plan (AASP). As part of this effort, ADOT&PF and the Governor's Aviation Advisory Board established a goal of documenting the value and contribution of the aviation industry at 12 selected airports around the state to the state's economy and local communities. HNS is one of the airports selected for this analysis.

In late 2010 and early 2011, contractors for ADOT&PF conducted an extensive survey and interview effort targeting on-site leaseholders at

“[Residents] would essentially be without any type of hospital, unless [they] drove the three and a half hours to Whitehorse.”

— Angie Robinson, Haines Convention and Visitors Bureau



Photo courtesy of ADOTPF

selected airports, ADOT&PF airport managers, and local community leaders. This brochure documents the results of this effort and the importance of HNS to the Haines Borough and Alaska's Southeast Region.

A Local Business Ally

ADOT&PF contractors surveyed on-site leaseholders and airport managers at HNS to document as much of the economic activity occurring on-airport as possible. On-site economic activity at airports has far-reaching consequences. The direct spending by on-site businesses and their employees, as well as the money spent operating and maintaining the airports, creates additional employment and income throughout the economy. When one employee brings home a paycheck and spends their wages on food, housing, and entertainment their spending creates more economic activity. The name for this phenomenon is the "multiplier effect." The study estimates that HNS directly generated 35 jobs in 2009, with an estimated \$680,000 in wages and benefits (see Figure 1). Additionally, leaseholders spent \$1.75 million in wages, benefits, capital, and operating expenditures.

As these expenditures flowed through the local and state economies, they created additional jobs, both



Photo courtesy of ADOTPF

FIGURE 1
Leaseholder and Airport Operation Expenditures Summary 2009

	Number of Jobs	Wages & Benefits	Capital Expenditures	Other Operating Expenditures	Total Expenditures
(\$Millions)					
Leaseholder	30	0.66	0.03	1.04	1.73
Operations	5	0.02	0.00	0.0	0.02
Total	35	0.68	0.03	1.04	1.75

FIGURE 2
Haines Airport's Direct, Indirect, and Induced In-State Economic Effects, 2009

Category	Number of Jobs		Labor Income (\$Millions)		Total Output (\$Millions)	
	In-Borough/Census Area	Other Alaska	In-Borough/Census Area	Other Alaska	In-Borough/Census Area	Other Alaska
By Area	40	<10	0.77	0.09	1.13	0.38
Total In-State Effect	40		0.86		1.51	

locally and across Alaska. The study estimates that when direct on-site jobs are combined with the study's estimates of the multiplier effects, approximately 40 direct, indirect, and induced jobs in Haines Borough are attributable to HNS. Additionally, the economic activity at the airport accounted for \$860,000 in labor income, contributing to over \$1.5 million in economic output around the state in 2009 (see Figure 2).



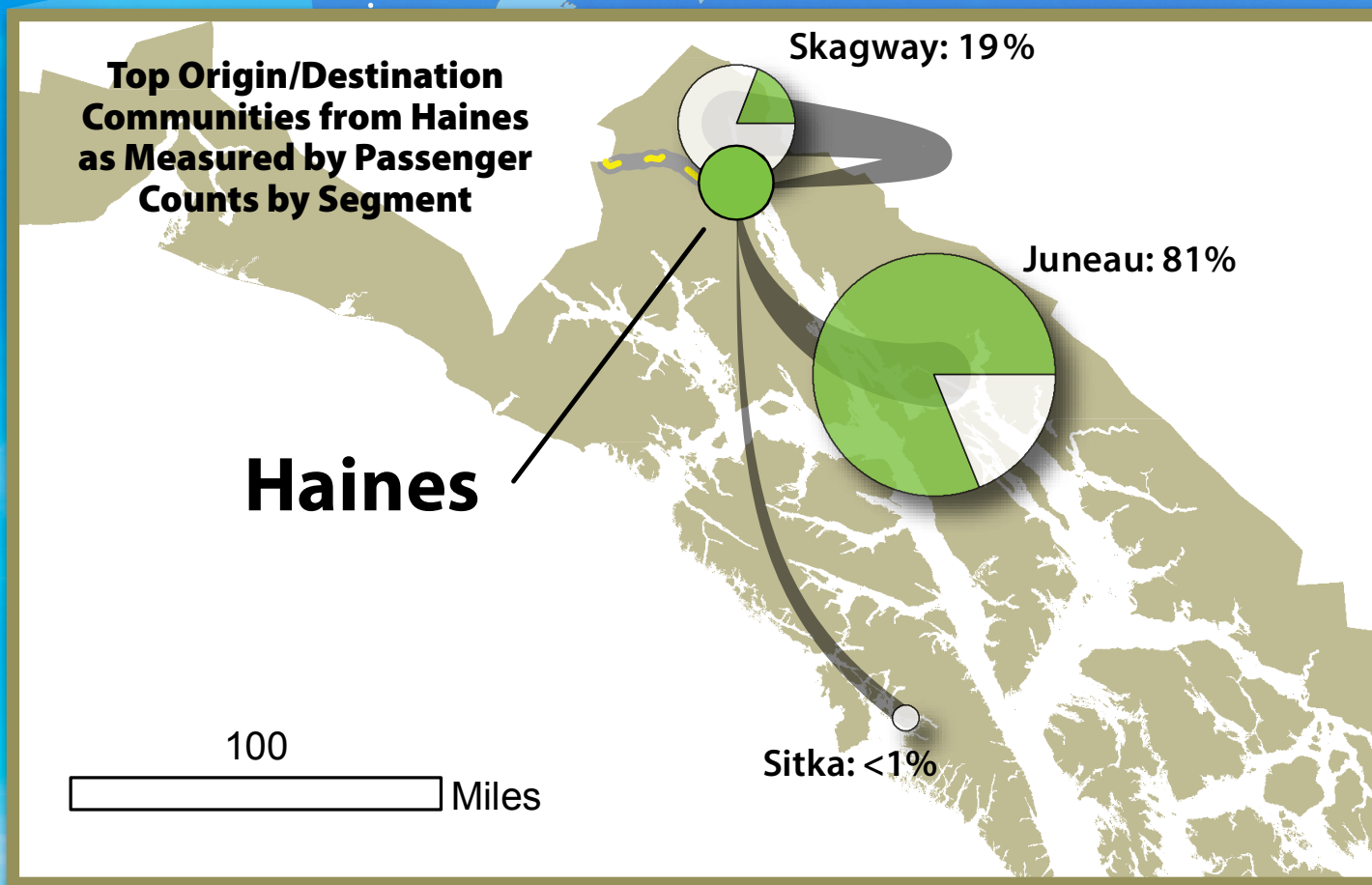
“The ease of getting to Haines would be compromised.”
— Thomas Ely, President of the Sockeye Cycle Co.

Photo courtesy of ADOTPF



The map at left shows Haines relative to the other eleven study cities and Anchorage.

- Study Cities
- Non-Study Travel Hubs
- Focus City



Top Origin/Destination Communities from Haines as Measured by Passenger Counts by Segment

Skagway: 19%

Juneau: 81%

Sitka: <1%

100 Miles

A Quality of Life Enhancer

Haines is a small community in Southeast Alaska, located 80 air miles away from Juneau. The area is accessible through the Alaska Marine Highway System, by air, or through the road system. Although easily reached through various modes of transportation, HNS provides key services that raise the quality of life for nearby residents, ensuring consistent access to mail, cargo, medical care, and travel. In 2009, the Bureau of Transportation Statistics documented that HNS (see Figure 3) had 14,877 passenger segments when including both arrivals and departures. Juneau, being a regional hub for Southeast Alaska, accounted for 81 percent of those enplanements, with Skagway accounting for the remaining 19 percent.

Air travel is the most expedient way for residents in Haines to send and receive their mail. Without ready access to the airport, mail would have to travel by ferry or the road system, which may increase time and costs for delivery. In 2009 over 600,000 pounds of mail moved through HNS (see Figure 4). Mail arriving from Juneau was the largest category by volume.

Similar to the handling of mail, the demand for air cargo in Haines is accommodated primarily

FIGURE 3
Haines: 2009 Passenger Segments by Origin/Destination City

