



The Net Return* to the State of Alaska from:



Timber

Tourism

Minerals

**Commercial
Fisheries**

**State of Alaska
Department of Commerce, Community, and Economic Development
Prepared for Senate Labor & Commerce Committee
March 21, 2006**

*Net Return is defined for this report to be the total taxes, fees, federal funds, and royalties received by the State minus expenditures by the state treasury in direct support of the specified industry.

The Net Return to the State of Alaska



State of Alaska



Timber, Mining, Commercial Fisheries and Tourism Revenues and Expenditures in Fiscal Year 2005

Dollars in Thousands

Resource Category	Total Gross Revenues			Total Operating Expenditures	Difference Between Revenues and Expenditures
	General Funds and Other Funds	Federal Funds	Total Funds		
Timber	\$ 2,040	\$ 170	\$ 2,210	\$ 1,614	\$ 595
Minerals	\$ 13,243	\$ 625	\$ 13,868	\$ 1,809	\$12,059
Fisheries	\$ 74,457	\$16,521	\$ 90,980	\$ 79,551	\$11,427
Tourism	\$ 49,667	\$ 83	\$ 49,750	\$ 29,216	\$20,534
Total	\$137,367	\$17,230	\$156,808	\$110,381	\$44,616

Sources: Departments of Revenue, Fish & Game, Natural Resources, Labor Workforce Development, Transportation and Public Facilities, and Commerce Community and Economic Development



Timber

Timber FY05

(In Thousands of Dollars)

Sources (Revenue)

Corporate Income Tax	\$740.2
Subtotal Tax	\$740.2
Timber Sales Receipts	\$1,300.0
Subtotal Receipts	\$1,300.0
DCA National Forest Revenue Sharing Program	\$170.0
Subtotal Federal Funds	\$170.0
TOTAL REVENUES	\$2,210.20

Uses (Expenditures)

	General Fund	Other Funds	Total
Dept. of Commerce	\$126.1		\$126.1
Dept. of Natural Resources	\$778.4	\$710.3	\$1,488.7
Total by Category	\$907.5	\$710.3	\$1,614.8
TOTAL USES			\$1,614.8

Net Surplus for Timber \$595.4



Timber



Sources (Revenue)

Dept. of Revenue – Corporation Income Tax Liability for Timber – Tax liabilities reported on original corporate income tax returns during the fiscal year for timber corporations that harvest or process timber and for reasons of confidentiality also includes the Insurance sector for a combined total tax liability of \$740,200.

Timber – Sources
Permit / Fees

Dept. of Natural Resources – Timber sales receipts on the value of timber sold in fiscal year 2005 amounting to \$1.36 million.

Timber – Sources
Federal Funds

Dept. of Commerce / DCA National Forest Revenue Sharing Program – \$8.8 million in funds comes into Commerce /DCA to distribute to local communities. Approximately \$170,000 remains in DCA to implement the program.

Uses (Expenditures)

Dept. of Commerce – Office of Economic Development
Timber personnel.

Dept. of Natural Resources – General Fund program receipts and GF match totaling \$1.5 million.



Tourism

Tourism FY05

(In Thousands of Dollars)

Sources (Revenue)

Vehicle Rental Tax	\$6,417.9
Corporate Tax	\$1,248.4
Subtotal Taxes	\$7,666.3
Licenses Sold	\$17,728.0
AMHS Passenger Fees	\$24,273
Subtotal Receipts	\$42,001
Federal Funds	\$83.4
Subtotal Federal Funds	\$83.4
TOTAL REVENUES	\$49,750

Uses (Expenditures)

	General Fund	Federal	Other Agency	Total
Dept. of Commerce	\$2,321	\$83	\$50	\$2,454
Dept. of Revenue	\$22			\$22
Dept. of Fish & Game			\$1,151	\$1,151
Dept. of Transportation	\$25,589			\$25,589
Total by Category	\$2,343	\$83	\$1,201	\$29,216
TOTAL USES				\$29,216

Net Surplus for Tourism \$20,534



Tourism

Sources (Revenue)

Dept. of Revenue – Vehicle Rental Tax – An excise tax on the charge for the lease or rental of a passenger or recreational vehicle in Alaska. The final vehicle rental tax total of \$6.4 million reported here represents 85 percent of total reported vehicle taxes collected in 2005 and is based on a three year average of the number of people renting vehicles in one of the following three categories: 1. Vacation & Pleasure; 2. Visiting Relatives; or 3. Business & Pleasure. *Source: Alaska Visitor Statistics Program AVSP).*

Dept. of Revenue – Corporation Income Tax Liability for Tourism – Tax liabilities reported on original corporate income tax returns during the fiscal year covering hotels, lodges, guided tour operations and totaling \$1.3 million.

Tourism – Sources
Permits / Fees

Dept. of Fish and Game Related Revenues – All non-resident fishing, hunting, and trapping licenses sold during fiscal year 2005 totaling \$17.7 million.

Dept. of Transportation / AMHS – Non-resident passenger fees - Revenues cover months of May - September 2005 and include passenger, car deck, staterooms and on board sales adjusted to reflect Commerce's 2004 AVSP Summer Visitor Arrival report showing 71 percent of ferry travelers between the months of May-September are non-resident . Adjusted total is \$24 million.

Tourism – Sources
Federal Funds

Dept. of Commerce – Federal Economic Development Administration to Commerce for rural tourism development initiatives.

Uses (Expenditures)

Dept. of Fish and Game – data entry and licensing accounting personnel to implement the hunting and sport fishing licensing receipts.

Dept. of Commerce – estimated costs for tourism staff, rural tourism development and ATIA contract match.

Dept. of Revenue – estimated staff costs to implement income tax liability activities.

Dept. of Transportation / AMHS - Expenditures reflect costs for the months of May-September while vessels are in revenue status, and do not include overhaul, lay-up or other overhead costs.



Minerals

Minerals FY05

(In Thousands of Dollars)

Sources (Revenue)

Corporate Income Tax	\$120.9
Mining License	\$10,317.2
Subtotal Taxes	\$10,438.1
Production Royalties	\$2,710.6
Subtotal Royalties	\$2,710.6
School Fund	\$21.3
Perm Fund	\$72.8
Subtotal Other Funds	\$94.1
Admin. & Enforce., Abandoned Mine Lands	\$624.8
Subtotal Federal Funds	\$624.8
TOTAL REVENUES	\$13,868

Uses (Expenditures)

	General Fund	Federal	Other Agency	Total
Dept. of Commerce	\$111.6			\$111.6
Dept. of Revenue	\$24.0			\$24
Dept. of Natural Resources	\$994.2	\$624.8	\$54.2	\$1,673.2
Total by Category	\$1,129.8	\$624.8	\$54.2	\$1,808.8
TOTAL USES				\$1,808.8

Net Surplus for Minerals \$12,058.8



Minerals

Sources (Revenue)

Dept. of Revenue – Corporate Income Tax Liability for Minerals – Tax liabilities reported on original corporate income tax returns during the fiscal year covering corporations primarily involved in the extractions of minerals other than oil, such as gold, silver, coal, or sand and gravel. In 2005 tax totaled \$120,000.00.

Dept. of Revenue – Mining license tax collected from the industry - tax is on the net income of all mining property in the state, capped at seven percent, less exploration and other credits. Except for sand and gravel, new mining operations are exempt from the mining license tax for a period of three and one half years after production startup. In 2005 this tax collected \$10.3 million dollars in state revenues.

Minerals – Sources

Royalties / Fees

Dept. of Revenue – Minerals Annual claims rentals – mineral locators and holders of State mining locations are required to pay an annual cash rental to the State that in 2005 totaled \$2.7 million.

Minerals – Sources

Other Funds

Dept. of Natural Resources – DNR receives approximately \$94,000.00 in other funds in the form of school fund and permanent fund revenues that pass through the department. An additional \$54,000.00 is reported as interagency funds.

Mineral – Sources

Federal Funds

Dept. of Natural Resources – Federal funds for Administration and Enforcement and Abandoned Mine Lands are transferred to DNR totaling \$625,000.00 in 2005.

Uses (Expenditures)

Dept. of Commerce / Office of Economic Development, costs of minerals program oversight.

Dept. of Revenue – Tax Division oversight of mineral revenue collection.

Dept. of Natural Resources – Oversight of active mineral operations around the state.



Commercial Fisheries

Commercial Fisheries FY05

(In Thousands of Dollars)

Sources (Revenue)

Taxes	
Dept. of Revenue	
Fishery Business Tax	\$28,309
Salmon Enhancement Tax	\$3,812
Seafood Marketing Assessment	\$3,523
Salmon Marketing Tax	\$2,455
Fishery Resource Landing Tax	\$9,928
Corporate Tax for Processors	\$2,943
Motor Tax Revenue	
Dive Fishery Management	\$411
Subtotal Dept. of Revenue Taxes	\$51,381
Permits / Fees	
Permits/Fees/Revolving Loan CFEC Related Revenues	\$3,857

Uses (Expenditures)

	General Fund	Federal	Total
Dept. of Commerce			
Division of Investments	\$7,227		\$7,227
Return to CFRL	\$5,967		\$5,967
Office of Economic Development	\$100		\$100
Division of Banking and Securities	\$348		\$348
Alaska Seafood Marketing Institute	\$5,735	\$3,983	\$9,719
Dept. of Environmental Conservation			
Food Safety & Sanitation	\$805	\$335	\$1,140
Laboratory Services	\$241	\$200	\$441



Commercial Fisheries

Commercial Fisheries FY05

(In Thousands of Dollars)

Sources (Revenue)

Dept. of Fish & Game	
Crewmember License Fees	\$1,782
Program Receipts	\$1,309
Exxon Valdez Oil Spill Funds	\$170
Test Fishery Receipts	\$1,906
Dept. of Natural Resources	
Aquatic Farming Lease Fees	\$45
Dept. of Commerce	
CDQ Management Fee	\$307
Fisheries Enhancement Revolving Loan Fund Earnings	\$1,826
Commercial Fisheries Revolving Loan Fund (CFRLF) Earnings	\$6,253
Draws from CFRLF	\$5,200

Uses (Expenditures)

	General Fund	Federal	Total
Dept. of Fish & Game			
Division of Commercial Fisheries	\$33,652	\$7,919	\$41,571
Board of Fish	\$408		\$408
Commercial Fish Entry Com	\$2,774		\$2,774
Dept. of Labor and Workforce Development			
Fishermen's Fund	\$904		\$904
Employment and Training Services		\$219	\$219
National Emergency Grant for Fisheries		\$3,865	\$3,865
Department of Natural Resources			
Claims, Permits & Leases	\$100		\$100



Commercial Fisheries

Sources (Revenue)

Dept. of Environmental Conservation	
Shellfish Testing	\$23
Processing Permits	\$400
Subtotal Permit / Fees	\$23,077
Federal Funds	
Dept. of Fish and Game	
U.S. Dept. of Interior	\$1,432
U.S. Dept. of Commerce	\$6,268
U.S. Dept. of Agriculture	\$219
Dept. of Environmental Conservation	
FDA HACCP Seafood Inspections	\$318
USDC/NMFS Inspections	\$17
EPA Tissue Testing	\$200
Dept. of Commerce	
ASMI Alaska Fishermen's Marketing Board	\$1,395
ASMI USDA/FSA	\$2,588

Uses (Expenditures)

	General Fund	Federal	Total
Dept. of Revenue			
Tax Division	\$738		\$738
Fisheries Credits	\$4,032		\$4,032
TOTAL EXPENDITURES			\$79,551



Commercial Fisheries



Sources (Revenue)

Dept. of Labor and Workforce	
Employment Training Services	\$ 219
National Emergency Grant for Fisheries	\$3,865
Subtotal Federal Funds	\$16,522
TOTAL REVENUES	\$90,980

Net Surplus for Commercial Fisheries \$11,427



Commercial Fisheries

Sources (Revenue)

Taxes

Dept. of Revenue

Fishery Business Tax - Tax collected by shore side seafood plants for fish deliveries. Half is paid to communities through Revenue and Commerce/DCA.

Salmon Enhancement Tax - Tax collected by tax on hatchery production. Returned to hatcheries through Div. Of Investments.

Seafood Marketing Assessment - Tax collected for Alaska Seafood Marketing Activities.

Salmon Marketing Tax - Tax collected for Alaska Seafood Marketing Activities. The tax was revoked and may be replaced by regional seafood development association taxes.

Fishery Resource Landing Tax - Tax collected by catcher/processor and floating processors. Half paid to communities through Revenue and Commerce/DCA.

Corporate Tax For Processors - Corporate tax from seafood processors.

Uses (Expenditures)

Dept. of Commerce

Division of Investments - Administrative funds by Division of Investments pulled directly from Fund and shows salmon enhancement tax paid directly to the hatcheries at \$3,811,500.

Return to Fish. Enhance & Commercial Fisheries Revolving Loan - Return to loan fund is the difference between loan fund earnings and the return to the general fund of approximately \$2.1 million.

Office of Economic Development - Estimation of fisheries related activities by Office not covered by federal funds. Primarily includes work on gaining greater access into the USDA.

Division of Banking & Security - CDQ Program - Costs of CDQ oversight.

Alaska Seafood Marketing Institute - Includes two sources of federal funds and seafood and salmon marketing taxes.



Commercial Fisheries

Sources (Revenue)

Motor Tax Revenue - Marine motor Tax Revenue, \$4.3 million in FY05, is split between commercial fishing, tourism, charter fishers, and general transportation.

Dive Fishery Management Assessment - Tax collected by the dive fishery and put through Fish & Game, Div. Of Commercial Fisheries for management.

Permits/Fees/Revolving Loan

CFEC Related Revenues

All CFEC funds collected for permits, vessels and other. \$3.4 million used for CFEC and Com Fish. An additional \$388,567 goes to the Fishermen Fund per Labor.

Dept. of Fish & Game

Crewmember License Fees - Crewmember license fees with \$643,713 going to Labor's Fishermen's' Fund

Program Receipt - Statutory designated program receipts

Exxon Valdez Oil Spill Funds - Funding from Exxon Valdez Oil Spill for research

Uses (Expenditures)

Dept. of Environmental Conservation

Food Safety & Sanitation - Estimated cost of Division of Environmental Health's seafood processing unit.

Laboratory Services - Estimated cost of Division of Environmental Health's laboratory unit.

Dept. of Fish & Game

Division of Commercial Fisheries - Estimated costs for the Division of Com Fish. Many sources.

Board of Fish - Half of Board of Fish and Game enacted Operating Budget for FY05.

Commercial Fish Entry Com - Estimate for costs.

Dept. of Labor & Workforce Development

Fishermen's Fund - Use of Fishermen's fund for FY05

Employment and Training Services - Federal programs

National Emergency Grant for Fisheries - Federal programs



Commercial Fisheries

Sources (Revenue)

Taxes

Test Fishery Receipts - Commercial test fishing receipts

Dept. of Natural Resource

Aquatic Farming Lease Fee - Shellfish farming lease fees

Dept. of Commerce

CDQ Management Fee - Cash received from CDQ groups to cover state CDQ oversight.

Fisheries Enhancement Revolving Loan Fund Earnings - Interest, payments to principal, loan fees earned by loan fund. Fund managed by Revenue with a portion going directly into general fund.

Commercial Fisheries Revolving Loan Fund (CFRLF) Earnings - Interest, payments to principal, loan fees earned by loan fund. Fund managed by Revenue with a portion going directly into general fund.

Draws from CFRLF - Direct legislative draws from the Commercial Fisheries Revolving Loan Fund to pay for Commerce/Division of Investments and a portion for Fish & Game, Division of Commercial Fisheries.

Uses (Expenditures)

Dept. of Natural Resources

Claims, Permits, & Leases - Cost to run the shellfish mariculture program.

Dept. of Revenue

Tax Division - Cost to implement all fisheries related tax programs.



Commercial Fisheries



Sources (Revenue)

Dept. Environmental Conservation

Shellfish Testing - Revenues from shellfish testing for farming and dive fisheries.

Processing Permits - Fees from seafood processing permits. Federal Funds.

FDA HACCP Seafood Inspections - FDA to DEC for seafood inspection services.

USDC/NMFS Inspections – U.S. Dept. of Commerce/NMFS to DEC for seafood inspection services.

Federal Funds

Dept. of Fish and Game

U.S. Dept. of Interior
U.S. Dept. of Commerce
U.S. Dept. of Agriculture

Dept. Environmental Conservation

EPA Tissue Testing - EPA to DEC for fish flesh testing activities.



Commercial Fisheries



Sources (Revenue)

Dept. of Commerce/ASMI

Alaska Fisheries Marketing Board - Federal funds from Alaska Fisheries Marketing Board to ASMI for promotional activity.

USDA/Foreign Service Agency - Federal funds from USDA/Market Access Program to ASMI for export promotions.

Dept. of Fish & Game

Several Agencies - Includes funds from U.S. departments of Interior, Commerce, and Agriculture.

Employment and Training Services – U.S. Dept. of Labor funds for fisheries related employment services.

National Emergency Grant for Fisheries – U.S. Dept. of Labor funds for fisheries related employment services.



State of Alaska

Timber, Mining, Commercial Fisheries and Tourism Revenues and Expenditures in Fiscal Year 2005

Dollars in Thousands

Resource Category	Total Gross Revenues			Total Operating Expenditures	Difference Between Revenues and Expenditures
	General Funds and Other Funds	Federal Funds	Total Funds		
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Sources: Departments of Revenue, Fish & Game, Natural Resources, Labor Workforce Development, Transportation and Public Facilities, and Commerce Community and Economic Development



Community Taxes, Fees and Royalty Revenues: A Local Government Perspective





Mining

Alaska Mineral Industry Payments to Local Governments	
Tax or Payment	Description
Property Tax	Direct payment by the mine operations to local government.
Payment in lieu of Taxes (PILT)	Payments treated as tax dollars and converted back to a true total of all taxable property within a borough. In FY 2005, Teck Cominco's PILT payment to the NW Arctic Borough exceeded \$ 6 million.
Severance Tax	A tax on "the privilege of severing natural resources from the earth." Boroughs in Alaska have the legal authority to levy severance taxes. Presently, two boroughs, Denali and Kodiak Island levy severance taxes against the activity of harvesting or extracting natural resources within their jurisdictions.
Sales Tax	A common source of municipal revenue, this tax is more easily focused on specific activities than a property tax. An example is a tax on local services. In 2003 Juneau's Greens Creek mine paid approximately \$350,000 in sales tax on services.

Source: DCCED Alaska Taxable 2005

Property Taxes Paid by Selected Mine Operators, 2005 Value in Actual Dollars		
Borough	Mining Operation	Tax Revenue Paid
City and Borough of Juneau	Greens Creek-Juneau	\$728,128
Fairbanks North Star	Ft Knox-Fairbanks	\$3,507,610
Northwest Arctic	Red Dog Mine PILT - Negotiated	\$5,850,000
Total		\$10,085,738

Source: Alaska Taxable 2005. 1. Actual runs \$ 5 - 6 million and changes year to year.

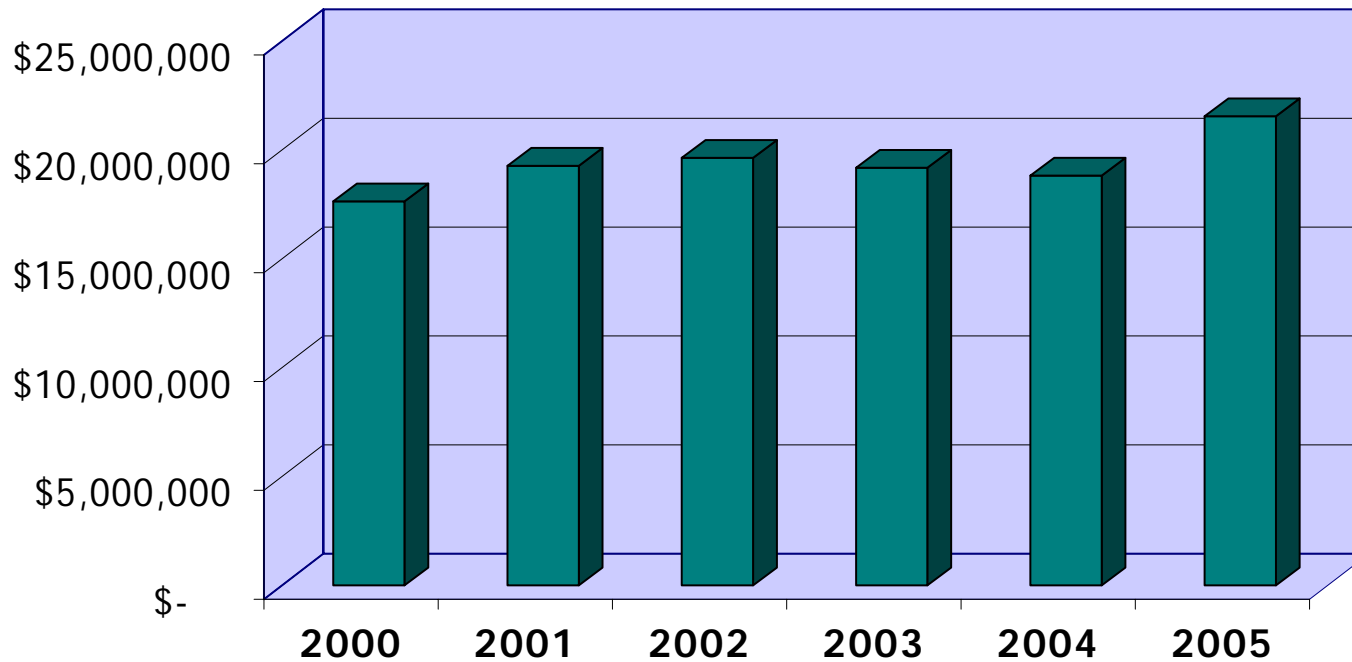


Tourism



Alaska Lodging Taxes, 2000 - 2005

Source: Alaska Taxable 2005 Actual dollars





Commercial Fisheries



2005 Municipal Special Tax and Revenues and Community Development Quota Royalties In Actual Dollars

Municipality	Special Tax	Revenues
Aleutians East Borough	2% Raw Fish Tax	\$2,871,000
Atka	2% Raw Fish Tax	\$23,169
Bristol Bay Borough	3% Raw Fish Tax	\$311,369
Chefornak	2% Raw Fish Tax	\$293
Egegik	2% Raw Fish Tax	\$412,575
Lake & Peninsula Borough	2% Raw Fish Tax	\$857,469
Saint Paul	3% Raw Fish Tax	\$507,446
Sand Point	2% Raw Fish Tax	\$597,372
Togiak	2% Raw Fish Tax	\$25,607
Unalaska	2% Raw Fish Tax	\$3,888,475
Yakutat, City & Borough of	1% Raw Fish Tax	\$26,300
Subtotal Special Tax		\$9,521,075
Estimated Commercial Seafood Property Taxes Paid to Local Communities		\$3,671,462
Total Special and Property Taxes		\$13,192,536
Shared Fish Tax¹		\$19,453,000
Community Development Quota royalties 2004		\$56,500,000
Combined Commercial Fisheries Revenues		\$89,145,536

Source: 2005 Alaska Taxable, and CDQ Program DCCED

(1). The shared fish tax is collected at the state level and then shared among Alaska's communities. They include business tax and landing tax paid to organized and unorganized governments.



Summary Table

Supplemental Report Summary Table	
Actual Dollars (See Attached Supplement)	
Estimated Taxes Collected by the State and Distributed to Local Communities or Paid in 2005 by Selected Industries to Local Governments and Private Entities ¹	
Industry	Total Revenues
Minerals ²	\$57,000,000
Tourism ³	\$29,500,000
Timber ⁴	\$6,841,271
Commercial Fisheries ⁵	\$69,692,536
Shared Fish Tax ⁶	\$19,453,000
Subtotal Commercial Fisheries	\$89,145,536
Total	\$189,486,807

Footnotes: (1). Includes all taxes described in the supplemental including property taxes paid by businesses. (2). Includes Teck Cominco's payments to AIDEA and royalties to NANA, payments to local governments, and AK Railroad. (3). Includes bed tax revenues and estimated cruise ship fees in 2005. (4). Every effort was made to collect timber mill property tax revenue. Four of the seven cities contacted replied in time to be included in this report. The figure reported above is the combined total of property taxes paid in the four reporting communities. (5). Includes CDQ royalties, estimated property taxes paid at local level, and local raw fish taxes. (6). The shared fish tax is collected at the state level and then shared among Alaska's communities. They include business tax and landing tax paid to unorganized and organized governments.



Employment and Revenue Trends: An Industry Perspective





Tourism



The travel and tourism industry has helped the Alaskan economy diversify, helping lower Alaska's dependence on the oil and gas industry.

- In 2002, travel and tourism sales produced \$2.4 billion in Alaska.
- That same year, tourism accounted for 5.6 % of Alaska's Gross State Product.
- Travel and tourism's economic contribution to the state increased 38% from 1998 – 2002.
- In 2002, core travel and tourism employment totaled 26,000 direct jobs ranking this sector fourth in overall statewide employment.
- Anchorage reports an estimated one million visitors passed through the city in 2005 compared with 900,000 the previous year.

Additionally, travel and tourism has had a positive impact by helping to stabilize those economies of communities affected by a downturn in timber and seafood harvesting. For example, a 2005 study undertaken for the Ketchikan Visitors Bureau reports:

- Cruise passenger spending exceeded \$111 million in 2004
- 1150 direct jobs generated by the tourism industry locally accounted for \$36 million in payroll.

Trends

- During the past five years, cruise ship passenger traffic has grown by around 9% annually. This will slow down in the coming years.
- 2004 state-wide cruise ship visitors totaled 876,000 and are expected to increase only slightly more in 2005 to 900,000.
- Between May and September of 2005, 1.5 million visitors came to Alaska; about seven percent more than arrived in 2004. Industry analysts expect this trend to continue but project three to four percent annual growth in the years ahead.



Commercial Fisheries



2004 Employment

- Total seafood harvesting full time employment: 6,740
- Total shore side seafood processing full time employment: 8,500 (Does not include factory trawl processing information)

2004 Ex-Vessel Value

- Ground fish harvests off Alaska totaled \$565 million
- Shellfish totaled \$155 million
- Halibut totaled \$195 million
- Herring totaled \$15 million
- Salmon totaled \$300 million
- Combined fisheries totaled more than \$1 billion
- Generated sales from Alaska seafood harvesting, processing and distribution exceeded \$3 billion in 2004
- Alaska's 2004 international exports of seafood totaled \$1.7 billion, a 21% increase over the previous year

Trends

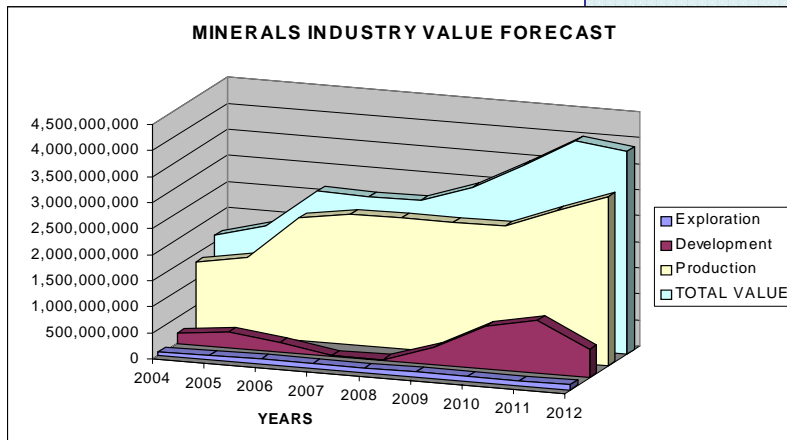
- Salmon is rebounding. Up to \$300 million in ex-vessel value in 2005 from \$140 million in 2002. Outlook is positive.
- Certain species, sablefish, halibut, & Pacific cod – may face challenges over the next 5 to 10 years from direct competition from aquaculture species.
- Stocks remain abundant across the board. Alaska maintains its unique cache in the global seafood market.



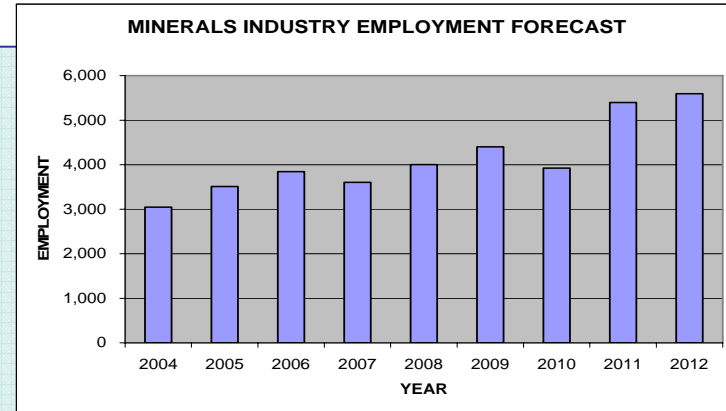
Minerals

- Mining's total economic value to the state in 2004: \$1.6 billion
- Employment in 2004: 3,048

Trends



- In the graph above, expenditures and values are calculated in 2006 metal prices and dollars. The forecast is conservative since no growth is included for what is expected to be significant gains in the non-metallic's sector (rock, sand and gravel), natural gas pipeline, and support of other major infrastructure projects (bridges, roads, other).
- In 2012, the value of the Alaska mining industry (in current dollars) is forecasted at approximately \$4 billion.



The chart above illustrates forecasted employment through 2012. Employment is expected to peak in 2012 at approximately 5,600 and continue at that rate through Pebble Copper construction. It is expected to go down by about 1000 employees in 2013 as construction slows. Such rapid growth will place a considerable strain on current manpower resources, both professional and skilled.

** The current projects and general operations include Ft. Knox, Usibelli Coal, Greens Creek and Red Dog as well as a number of non-metal projects (rock, sand, gravel, peat and limestone) and placer gold mines. Projects now in advanced exploration to late development stages include Pogo, Kensington, Rock Creek/Big Hurrah, Chuitna Coal, Donlin Creek, Pebble Copper and Nixon Fork. Pebble Copper construction is included beginning in 2011, but no production value is included – the schedule for this project is a little uncertain at this time. No growth is projected for non-metallic and placer gold mining.