

Susan Bell
Commissioner

P.O. Box 110800
Juneau, AK 99811-0800

www.commerce.alaska.gov

STATE OF ALASKA

DEPARTMENT OF COMMERCE,
COMMUNITY & ECONOMIC DEVELOPMENT

Mark Kelsey
Communications
Coordinator

907.269.7387
mark.kelsey@alaska.gov

Press Release

COMMISSIONER'S OFFICE

FOR IMMEDIATE RELEASE
March 9, 2011

No. 11-04

Visitor numbers raise industry optimism

Juneau, Alaska – Visitor volume trends in Alaska are poised to reverse recent downturns in Alaska's tourism industry.

Although the number of visitors decreased in 2010 for the third consecutive year, many indicators showed signs of recovery. The Alaska Marine Highway reported that non-resident passenger volume increased by 8 percent between summer 2009 and summer 2010, and visitors exiting the state via the road system are estimated to have increased by 8 percent, as well.

Additionally, the Municipality of Anchorage reported an increase of 11 percent in both vehicle and RV rental taxes during the 2010 summer tourist season, and several communities reported increases in summer bed tax revenues. Among these, the Denali Borough was up 12 percent in bed tax collections, the City and Borough of Sitka was up 10 percent, and the Municipality of Anchorage and City of Fairbanks were up 9 and 8 percent, respectively.

"We are encouraged by these numbers and the promise they hold for a return to a vibrant tourism sector in Alaska's economy," said Susan Bell, commissioner of the state Department of Commerce, Community, and Economic Development (DCCED). "There is still much work to be done as the global economy stabilizes and consumer confidence increases. But recent efforts to make Alaska more affordable for visitors and industry appear to be paying off."

The summer of 2010 represents the third consecutive season of declining visitor volume. While non-cruise traffic increased by 9 percent, cruise traffic was down 15 percent, attributable largely to five ships being redeployed to other destinations and another ship making half as many voyages. But this decline is in the process of being reversed. Cruise lines have already committed additional ships for the upcoming season and beyond, after the Parnell administration advocated for right-sizing the cruise ship head tax and increasing funding for tourism marketing programs.

"This report, coupled with forecasts for the upcoming tourism season, show we are on our way to recovery," said Julie Saupe, president and CEO of the Anchorage Convention and Visitors Bureau. "We appreciate the efforts of Gov. Parnell to partner with industry to reinvigorate a sector of the economy that can provide \$3.4 billion in direct and indirect

spending, \$208 million in tax revenues for state and local governments, and about 40,000 jobs statewide for Alaskans.”

The tourism industry statistics come from the recently published Visitor Volume Report, which is part of the Alaska Visitor Statistics Program. DCCED has contracted with Alaska research firm McDowell Group to conduct the sixth edition of the *Alaska Visitor Statistics Program*, which will include a 12-month period of visitor surveying starting in May 2011, as well as Visitor Volume Reports for periods both before and after the survey year. This secondary research affords the state and the travel industry the ability to track visitor trends in air, highway, ferry and cruise transportation sectors. The Alaska Travel Industry Association contributed funding for this project, helping to increase its value to communities and businesses.