



USDA Economic Diversification in Southeast Alaska

Key Message

U.S. Department of Agriculture and U.S. Department of Commerce agencies are working together to find new ways to collaborate with business leaders, other agencies and partners to support sustainable job growth and healthy communities in Southeast Alaska. This renewed emphasis is focusing on sectors of the economy with good growth potential: fisheries and mariculture, tourism and recreation, forest management, and renewable energy.

Background

Most of the land in Southeast Alaska is publicly owned and comprised in the Tongass National Forest. About 70,000 people reside in 32 towns and villages within the Tongass. Many of these communities are isolated and only accessible by boat or plane. Residents are very reliant on natural resource-based industries. Currently, the fishing, tourism, and mining industries support the largest number of jobs. At its peak, jobs in the timber industry were comparable to the fishing industry. Today, timber jobs are at the lowest level in the last 50 years.

Current Situation

Secretary of Agriculture Tom Vilsack has directed USDA agencies, Forest Service (FS), Rural Development (RD), and Farm Service Agency (FSA) to develop a strategy known as the Transition Framework to help Southeast Alaska diversify and strengthen its economy. Currently, the economy, population, and the health of small communities are in decline. Young people are moving away and schools are closing. Yet the region is rich in natural resources including wild salmon, old growth forests, abundant wildlife, minerals, water, and renewable energy.

The focus of the transition is on supporting job growth and healthy communities through partnerships and alignment of USDA and USDOC resources. Growth opportunities in natural resource based sectors were identified through a series of community listening sessions and a contract with Juneau Economic Development Council (JEDC). The JEDC contract resulted in a report on assets important to economic growth and over 30 action initiatives to create jobs in Southeast Alaska.¹ The action initiatives were developed by economic cluster work groups facilitated by JEDC.² USDA and USDOC agencies have prepared a Strategic Investment Plan³ that outlines priority federal agency investments in support of the cluster initiatives. JEDC was awarded a second year USDA Forest Service contract to further support and develop economic clusters in 2012.

A Southeast Alaska Economic Summit held December 2011 in Juneau was the culmination of a successful first year of the economic cluster process. Over 200 industry, government, and non-government organization leaders participated in this event. Cluster work group leads from Ocean Products, Visitor Products, Forest Products and Renewable Energy presented results and new ideas for cross cluster integration.⁴

Community capacity building grants were awarded in February 2012. This new Forest Service initiative provides \$5,000 to \$24,000 grants to communities and organizations to build capacity and local partnerships.⁵

More Information

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¹ Asset mapping report: <http://jedc.org/assetmapping-seakregionassetmap.php>

² Economic cluster working groups: <http://jedc.org/assetmapping-keyclusters.php>

³ Strategic Investment Plan: http://www.fs.usda.gov/Internet/FSE_DOCUMENTS/stelprdb5339075.pdf

⁴ Report from Economic Summit: <http://www.jedc.org/summit.php>

⁵ Community capacity building grants: <http://nationalforests.org/conserve/grantprograms/capacitybuilding/ccls>