A look at the role that the Juneau International Airport plays in Juneau's economy is part of the 2017 Juneau Airport Sustainability Master Plan.

The Airport is Vitally Important to the Juneau Economy

Demand for air transportation goods and services in Juneau in 2014 created:

- 1,082 jobs
- Over 50 businesses located at the Airport
- $63 million in labor income
- $174 million in income and spending

(These totals include direct, indirect, and induced jobs (average annual), income, Capital, and Operations and Maintenance spending.)

If the Airport were an economic sector, its 2014 direct employment (private, federal, CBJ) and wages would make it the same size as Juneau’s Construction sector, twice as big as Juneau’s Manufacturing sector, larger than Retail Trade’s Food and Beverage sector, and about 80% the size of the Mining sector.

The Airport Plays a Critical Role in Juneau and the Region

Juneau residents, businesses and neighboring Southeast Alaskans depend on the Juneau International Airport to transport people, freight, and mail to and from the region.

In combination with Juneau’s ports, the Airport is critical to ensuring security, public health and safety, unimpeded economic trade, and public confidence.

The Airport Provides Time-Sensitive Transport Needed by Many

Tourism, Commercial Fisheries and Seafood Processors, the State Legislature, State, Tribal, and Federal Governments, Health Care, and Mining are just some of the industries that depend on the airport for time-sensitive delivery of people and supplies.

The Juneau International Airport (“the Airport” or “JNU,” the 3-letter Airport code) is owned by the City and Borough of Juneau (CBJ) and operated by a professional manager and staff, with oversight provided by a 7-member Airport Board of Directors and ultimately by the CBJ Assembly. It is one of only a few airports in Alaska not owned by the State.

This Economic Assessment uses 2014 data because the survey of businesses at the airport gathered 2014 employment, salary, and spending data. Year 2014 is the data set used by the Master Plan.
More Air Freight and Mail Ships to Juneau than Leaves
Depending on the year, up to 27% more air freight arrives in Juneau than is shipped out. Most arriving air freight comes from Anchorage, followed by Seattle then Sitka. While more overall air freight arrives in Juneau than leaves, it is not surprising that this pattern reverses where our Southeast Alaska neighbors are concerned. Juneau typically ships more freight out to these places than it receives. Discussions with the cargo carriers reveal recent growth in air freight linked to online shopping by regional residents.

Air freight departing Juneau is primarily heading to Seattle, followed by Anchorage, then Sitka. Seafood is a primary product shipped from Juneau.

In 2014, Juneau Airport records show that 15.7 million pounds of freight arrived in or departed from JNU on an Alaska Airlines, Delta Air Lines, Empire Airlines, or Alaska Central Express jet. Alaska Seaplanes, Wings of Alaska, Air Excursions, and Ward Air together moved an additional 1.1 million pounds or 7% of Juneau’s total air freight between Juneau and neighboring communities according to US Bureau of Transportation Statistics (BTS) records. Alaska Airlines transported 65% of all freight; in addition to its own freight Alaska Airlines carries UPS and most US mail. Empire Airlines (contractor for FedEx) moved 26% of Juneau’s air freight in 2014.

BTS segment data shows that in 2014, an added 15+ million pounds of freight “flowed” through Juneau onboard a plane but not offloaded. This is freight that was already on an aircraft from another city, but not removed in Juneau, because the cargo was bound for another destination along the route. For example, this is seafood loaded on a jet in Anchorage or Yakutat that is bound for Seattle, but the plane stops in Juneau along the way. This means that when a jet lands in Juneau, on average half the cargo hold is full.

Like freight, more mail arrives in Juneau than leaves. Similar to national trends, mail volume is steadily declining in Juneau as more communication happens electronically and online commerce delivery is often via private service (e.g. FedEx, UPS) rather than US mail. In 2014, mail volume was less than half that of freight, at 6.0 million pounds either arriving in or departing from Juneau, by large carrier and another 1.3 million pounds moved between Juneau and neighboring communities by small air carrier. Similar to freight, mail volume was greatest between Juneau and Seattle, followed by Juneau and Anchorage in 2014. After that, most outgoing mail was to Ketchikan and Haines, while incoming mail hailed from Sitka and Ketchikan.
Airport CIPs Create a Significant Return on Investment for CBJ

The return on investment (ROI) for the CBJ on Airport Capital Improvement Projects (CIP) varies from 3:1 to 28:1. This means that every $1 of CBJ funding brings in from $3 to $28 of federal/state funding.

On the last two large JNU Capital Improvement Projects ($85 million Runway Safety Area construction and $26 million Runway Rehab Project construction) federal sources funded 93%, with the state and local government each at 3.5%. Each dollar of local funding thus leveraged 28 dollars of federal (primarily) funds. The ROI for the CBJ was 28:1.

The largest near-term planned project is the approximately $22 million Snow Removal Equipment Facility (SREF); proposed to be paid with $17 million federal, $3.5 million state, and $2 million local funding. (Local funds include repaying close to $2 million to the FAA.) SREF construction would thus yield a 7:1 ROI for the CBJ; every $1 of local funding will generate $7 from federal or state sources.
In Juneau 620,837 passengers departed or arrived by air in 2014 (not including medevacs), and another 64,903 departed from Juneau by helicopter for work or pleasure. Data for 2015 verifies that the addition of Delta Air Lines jet service to and from Juneau is not cutting into Alaska Airlines travel, rather it is bringing new passengers to town and overall traveler numbers for both carriers have increased.

Almost one-third (29%) of JNU passenger travel was between Juneau and another Southeast Alaskan community.

Nearly half (47%) of all JNU passenger travel is to or from Seattle.

In addition to the passengers listed above, BTS segment data shows that in 2014 there were 155,000 passengers who “flowed” through Juneau onboard a plane but not getting off because they were bound for another destination along the route. For example, these are people who get on in Yakutat but are bound for Seattle though the plane stops in Juneau along the way.

The Juneau International Airport Sustainability Master Plan (AECOM, 2017) forecasts the number of departing (enplaned) passengers from Juneau will increase at an average annual rate of 1.4% through 2035. In 2014, the number of enplaned passengers was 310,945 (does not include helicopter passengers); by 2035 the number is forecast to be 469,780.

The average fare in 2014 for a passenger departing Juneau on a scheduled flight (to all destinations) was $260, which for the 311,945 departing passengers equals $81 million in spending just on airfares.