



ENVIRONMENTAL BASELINE STUDIES

PRELIMINARY SUMMARY STUDIES PERFORMED BY MCDOWELL GROUP ECONOMY

The McDowell Group is working with Kevin Waring Associates on the socioeconomic baseline studies for Pebble Project. The McDowell Group is preparing the economic element and is performing community and regional economy baseline research for the seven communities closest to the Pebble Project vicinity, for the broader region of the Lake and Peninsula and Bristol Bay boroughs, and for Dillingham, as well as a less extensive economy baseline review of Anchorage and the Kenai Peninsula and Matanuska-Susitna boroughs. McDowell also is preparing an overview of the basic industries driving the Lake and Peninsula Borough's economy. The results will be incorporated into the larger socioeconomic baseline report being prepared by Kevin Waring Associates.

1. CORE STUDY AREA, ECONOMIC OVERVIEW

The core study area consists of seven communities in the Lake and Peninsula Borough—Igiugig, Iliamna, Kokhanok, Newhalen, Nondalton, Pedro Bay, and Port Alsworth. For each of these communities, the McDowell Group compiled the following information:

- Brief description of the communities' population, basic industries, location, and infrastructure.
- Employment information, including workforce size, unemployment rates, and job location of residents.
- Peak monthly and average annual employment by employer in each community.
- Description of government-funded capital projects in the planning and construction phase.
- Commercial fishing activity, including number of active permit holders and cruise licences, gross income, and harvest data.
- Work attributes, including highest level of educational attainment and occupation.

- Household income, including sources of income, public assistance, and Medicare/Medicaid payments.
- Preliminary manpower survey: a total of 170 households, representing 363 residents, from six communities (Newhalen declined to participate) were interviewed in person to collect data on employment status, skills and experience, awareness of and interest in training and work on the Pebble Project, and other demographic information. The survey was conducted in February and March of 2005.

2. BALANCE OF BRISTOL BAY REGION, ECONOMIC OVERVIEW

The secondary study area consists of the remaining communities in the Lake and Peninsula Borough (Chignik City, Chignik Lagoon, Chignik Lake, Egegik, Ivanof Bay, Levelock, Perryville, Pilot Point, Pope-Vanoy Landing, Port Heiden, and Ugashik), the Bristol Bay Borough, and Dillingham. For each of these regions, the McDowell Group compiled the following information:

- Employment information, including workforce size and unemployment rates.
- Peak monthly and average annual employment by employer in each community.
- Commercial fishing activity, including number of active permit holders and cruise licences, gross income, and harvest data.
- Work attributes, including highest level of educational attainment and occupation.
- Median household income.
- Preliminary manpower survey: a total of 408 randomly-selected households, representing 770 residents over the age of 18, in Dillingham, the Bristol Bay Borough, and the Lake and Peninsula Borough (excluding the seven core study-area communities) were interviewed by telephone to collect data on employment status, skills and experience, awareness of and interest in training and work on the Pebble Project, and other demographic information. The survey was conducted in February of 2005.

3. COOK INLET REGION STUDY AREA, ECONOMIC OVERVIEW

The Cook Inlet Region study area consists of the economies of the Municipality of Anchorage, the Kenai Peninsula Borough, and the Matanuska-Susitna Borough. For these areas, McDowell Group compiled the following information:

- Employment and earnings, including monthly wages, and employment by sectors.
- Unemployment information.

4. BASIC INDUSTRY OVERVIEW

There are three industries that drive the economy of the Lake and Peninsula Borough: government, commercial fishing, and the visitor industry. McDowell Group is preparing an overview of these key components of the area's cash economy.