

ALASKA ECONOMIC
TRENDS

August 2005

Eielson AFB

Base Realignment and Closure



Also in this issue:

100
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Alaska Department of Labor
and Workforce Development

Frank H. Murkowski
Governor of Alaska

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**ALASKA DEPARTMENT OF LABOR
& WORKFORCE DEVELOPMENT**

Frank H. Murkowski, Governor of Alaska
Greg O'Claray, Commissioner

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Susan Erben, Editor

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Email Trends authors at: trends@labor.state.ak.us

August *Trends* authors are staff with the Research and Analysis Section, Administrative Services Division, Alaska Department of Labor and Workforce Development

Subscriptions:
trends@labor.state.ak.us
(907) 465-4500

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BRAC Report Challenges Alaskans

by Governor Frank H. Murkowski

The Department of Defense shocked Alaskans on May 13 when it recommended to the Base Realignment and Closure Commission (BRAC) the realignment of Eielson Air Force Base. The Defense Department has recommended the withdrawal of 2,821 troops and the transfer of the aircraft of the 354th Fighter Wing to Nevada, Georgia and Louisiana. The base would be reduced to “warm” status and be retained for training exercises.

Eielson AFB has been located on the outskirts of Fairbanks for more than 60 years and has always been a vital component in our nation’s defense strategy for the Pacific Region. Beyond putting American security at risk, the realignment of the base and the reduction of forces would have a devastating impact on the economy of the Fairbanks North Star Borough.

Let’s look at some of the numbers. In addition to the military job loss, the Defense Department estimates direct and indirect impact on civilian jobs could reach 1,900 jobs and it projects a population loss of more than 6,000. Our own Alaska Department of Labor and Workforce Development says those numbers are low. In dollars, the impact on the Fairbanks-area economy could be hundreds of millions a year.

I began our fight against the decision by immediately creating a task force to coordinate the state’s effort. That task force was headed by Jim Dodson, and he, along with Gen. Craig Campbell of the Alaska National Guard, Fairbanks North Star Borough Mayor Jim Whitaker, Fairbanks City Mayor Steve Thompson, North Pole Mayor Jeff Jacobson and their team did an extraordinary job in delivering a presentation in Fairbanks to the BRAC that demonstrated Alaska’s strategic and training value to our nation’s defense. Additionally, in coordination with our federal delegation, we have challenged the legality of the BRAC’s procedures.

My administration and our federal delegation as well as the residents of the Fairbanks North Star Borough are fighting this decision with every tool at our disposal while simultaneously beginning to prepare for the impact if the decision stands. We believe our ongoing efforts can be successful but it is a very difficult task.

Alaskans have survived devastating fires, floods and earthquakes for generations. By supporting each other, we have always turned adversity into opportunity. We will do it again at Eielson. We will do it again at ANWR and with the gas pipeline. We will do it with our fishing, our timber and our mining industries. Keeping and creating good jobs is the number one goal of my administration. I am proud to be part of these times.

Base Realignment and Closure

By Brigitta Windisch-Cole
Economist

Eielson is an important ingredient in Fairbanks' Economy

In May 2005 the Department of Defense recommended to the Base Realignment and Closure Commission (BRAC) the virtual closure of Eielson Air Force Base, located 26 miles southeast of Fairbanks. The Defense Department recommended the withdrawal of 2,821 uniformed personnel and a transfer of the aircraft inventory of the 354th Fighter Wing to Nevada, Georgia and Louisiana. According to military sources, high operational and infrastructure costs put Eielson AFB on their realignment list. The base has a more than 60-year presence in the Fairbanks area and has been a solid foundation in the local economy.

A base realignment is not the same as a base closure. A realignment is basically a reorganization, similar to a corporate restructuring where parts are taken away or added. A closure often means that once any necessary remediation is done, the base could be used for something else, such as for private industry. In Eielson's case, the realignment means a skeleton military crew and contractors would maintain the base and keep it secure. Air Force officials have said they would use Eielson for periodic training exercises. There is some chance a portion of Eielson AFB would be available for alternative uses; however, the availability of any facilities will not be known until after a final decision is reached.

The impact of the realignment could be larger than initially predicted

Department of Defense analysts assessed that direct and indirect civilian job losses could reach 1,900. Combined with the military reductions, the total impact could amount to an 8.6-percent job loss. This would be the fourth-largest percentage of all economies impacted by the base realignment. The projected population loss in the Fairbanks North Star Borough is estimated by the Defense Department to be more than 6,000, which represents a 7-percent reduction.

Alaska Department of Labor and Workforce Development (DOLWD) analysts estimate employment reductions of well over 10 percent.

BRAC Time Line

- May 13, 2005, Defense Secretary Donald H. Rumsfeld forwarded the Defense Department's recommendations to the Base Realignment and Closure Commission.
- The commission will then forward its report on the recommendations to President Bush by Sept. 8, 2005.
- The president will have until Sept. 23, 2005, to accept or reject the recommendations in their entirety.
- If accepted, Congress will have 45 legislative days to reject the recommendations in their entirety or they become binding on the department.

Source: Department of Defense (www.defenselink.mil/brac/)

The Department of Labor not only anticipates higher job losses but assesses the Fairbanks' employment base as being smaller than do BRAC analysts. Most local economists agree that Fairbanks' economy would suffer greatly if the realignment becomes a reality.

Visualizing some of the effects

Fairbanks' economy is far more isolated than most other economies affected by BRAC. It is more than 350 miles away from a large population center and has not had much population growth in the last decade. The military and its dependents represent roughly 20 percent of the Fairbanks area's population and is the area's second-largest employer of civilians, including Fort Wainwright. Aside from civilian payrolls associated with the base, active-duty military pay on Eielson AFB was \$133.2 million in 2004, which translates to

over 3,600 average-paying jobs in the Fairbanks area. According to the Air Force, active-duty military earnings averaged \$46,283 per soldier in Fairbanks, which is 25 percent above the average civilian pay.

While base pay for lower-ranking military personnel appears to be low (see Exhibit 1), induced benefits augment military paychecks. Those include free housing on base or a housing allowance if off base (see Exhibit 2), health care, cost-of-living adjustments,¹ as well as subsidized recreational services, grocery and travel costs, and a number of other benefits unavailable to civilians.² All these benefits expand a soldier's purchasing power. As consumers, Eielson's military personnel and their dependents represent an affluent group.

¹ For example, the current cost-of-living adjustment for staff sergeants with six years of service is \$375 to \$564 a month, depending on the number of dependents.

² Other benefits include extra pay for uniforms, food for the Air Force member, hazardous duty, among others.

An Excerpt from the Military Monthly Pay Schedule Base Pay 2005



Pay Grade	Years of Service											
	< 2 yrs	2 yrs	3 yrs	4 yrs	6 yrs	8 yrs	10 yrs	12 yrs	14 yrs	16 yrs	18 yrs	20 yrs
Enlisted Personnel												
Airman E-1	1,235.10	1,235.10	1,235.10	1,235.10	1,235.10	1,235.10	1,235.10	1,235.10	1,235.10	1,235.10	1,235.10	1,235.10
Airman E-2	1,384.50	1,384.50	1,384.50	1,384.50	1,384.50	1,384.50	1,384.50	1,384.50	1,384.50	1,384.50	1,384.50	1,384.50
Airman 1 st E-3	1,456.20	1,547.70	1,641.00	1,641.00	1,641.00	1,641.00	1,641.00	1,641.00	1,641.00	1,641.00	1,641.00	1,641.00
Sr Airman E-4	1,612.80	1,695.60	1,787.10	1,877.70	1,957.80	1,957.80	1,957.80	1,957.80	1,957.80	1,957.80	1,957.80	1,957.80
Staff Sgt E-5	1,759.50	1,877.10	1,967.70	2,060.70	2,205.30	2,329.80	2,421.60	2,421.60	2,421.60	2,421.60	2,421.60	2,421.60
Tech Sgt E-6	1,920.30	2,112.60	2,205.90	2,296.50	2,391.00	2,604.30	2,687.10	2,779.20	2,859.90	2,888.70	2,908.20	2,908.20
Master Sgt E-7	2,220.00	2,423.10	2,515.80	2,638.80	2,734.50	2,899.50	2,992.20	3,084.60	3,249.60	3,332.40	3,410.70	3,458.70
Sr Mstr Sgt E-8	-	-	-	-	-	3,193.50	3,334.80	3,422.10	3,527.10	3,640.50	3,845.40	3,949.20
Chf Mstr Sgt E-9	-	-	-	-	-	-	3,901.20	3,989.70	4,101.00	4,232.40	4,364.10	4,575.90
Commissioned Officers												
2 nd Lt O-1	2,343.60	2,439.00	2,948.10	2,948.10	2,948.10	2,948.10	2,948.10	2,948.10	2,948.10	2,948.10	2,948.10	2,948.10
1 st Lt O-2	2,699.40	3,074.70	3,541.20	3,660.90	3,736.20	3,736.20	3,736.20	3,736.20	3,736.20	3,736.20	3,736.20	3,736.20
Captain O-3	3,124.50	3,542.10	3,823.20	4,168.20	4,367.70	4,586.70	4,728.60	4,962.00	5,083.20	5,083.20	5,083.20	5,083.20
Major O-4	3,553.80	4,113.90	4,388.40	4,449.60	4,704.30	4,977.60	5,317.50	5,582.70	5,766.60	5,872.20	5,933.70	5,933.70
Lt Col O-5	4,118.70	4,639.80	4,961.10	5,021.40	5,221.50	5,341.80	5,605.50	5,799.00	6,048.60	6,431.10	6,613.20	6,793.20
Colonel O-6	4,940.70	5,429.90	5,784.00	5,784.00	5,805.90	6,054.90	6,087.90	6,087.90	6,433.80	7,045.50	7,404.60	7,763.40
Brig Gen O-7	6,666.00	6,975.60	7,119.00	7,233.00	7,439.10	7,642.50	7,878.30	8,113.50	8,349.00	9,089.40	9,714.60	9,714.60
Major Gen O-8	8,022.30	8,285.10	8,459.40	8,508.30	8,725.50	9,089.40	9,173.70	9,519.00	9,618.00	9,915.30	10,345.50	10,742.40
Lt Gen O-9	-	-	-	-	-	-	-	-	-	-	-	11,337.90

Note: The cost-of-living adjustment and extra pay, such as for uniforms or hazardous duty, are not included.

Source: *Military Advantage* (www.military.com)

2 Allowances for off-base housing Fairbanks 2005

	Pay Grade	Without Dependents	With Dependents		Pay Grade	Without Dependents	With Dependents
Airman	E-1	\$747.00	\$1,153.00	2 nd Lt	O-1	\$947.00	\$1,433.00
Airman	E-2	747.00	1,153.00	1 st Lt	O-2	1,117.00	1,489.00
Airman 1 st	E-3	747.00	1,153.00	Captain	O-3	1,328.00	1,611.00
Sr Airman	E-4	747.00	1,153.00	Major	O-4	1,500.00	1,788.00
Staff Sgt	E-5	881.00	1,426.00	Lt Col	O-5	1,545.00	1,913.00
Tech Sgt	E-6	961.00	1,491.00	Colonel	O-6	1,613.00	1,929.00
Master Sgt	E-7	1,057.00	1,535.00	Brig Gen	O-7	1,629.00	1,951.00
Sr Mstr Sgt	E-8	1,207.00	1,583.00	Major Gen	O-8	n/a	n/a
Chf Mstr Sgt	E-9	1,292.00	1,661.00	Lt Gen	O-9	n/a	n/a

Source: *Military Advantage* (www.military.com)

The military is a unique economic force

Historically and even today the presence of military installations has been an important economic ingredient in Alaska's development. Their presence in communities such as Fairbanks and Anchorage has supported economic growth in both locations and has represented stability. Their insulation from local economic cycles has helped these communities weather several storms that swept through Alaska's economy. The installations can be viewed as basic sector industries that introduce money from non-Alaskan sources, which circulates in local economies.

Aside from military payroll, contracted services come in strong

In 2004, the Department of Defense recorded Eielson AFB's expenditures as \$374 million. Active-duty military payroll represented nearly 36 percent of the total. Other civilian payrolls added 9 percent while contract activity contributed 33 percent. An additional 10 percent was attributed to secondary or indirect jobs that support the Air Force contingent. The Alaskan Air National Guard, which is stationed on Eielson AFB but excluded from the realignment, claimed 13 percent of the base's total pay impact. (See Exhibit 3.)

Construction – a contracted service that provides a steady work flow

Construction represents a major part of Air Force expenditures. Although amounts fluctuate from year to year, they support a constant flow of work for Fairbanks' construction crews. During the past five years, construction expenditures on Eielson AFB ranged between a low of \$21 million in 2000 to a high of nearly \$95 million in 2004.

The military is an important customer

In 2004, Eielson AFB had about 90 contractor, service or vendor relationships in Fairbanks and elsewhere. While it is difficult to discern the base's entire procurement activity, it is clear that many local businesses count on the military as a reliable and important customer base. The proposed realignment would dampen the business climate and indirectly affect employment in many industry sectors. The public sector might lose the nearly \$10 million the Department of Defense pays in lieu of property taxes. Half of this payment is retained by the state and half goes directly to the local school district. Moreover, the education funding for the district would change because of the loss of roughly 1,300 students. Revenue from other consumer taxes and fees would decrease as well due to the steep decline in population.

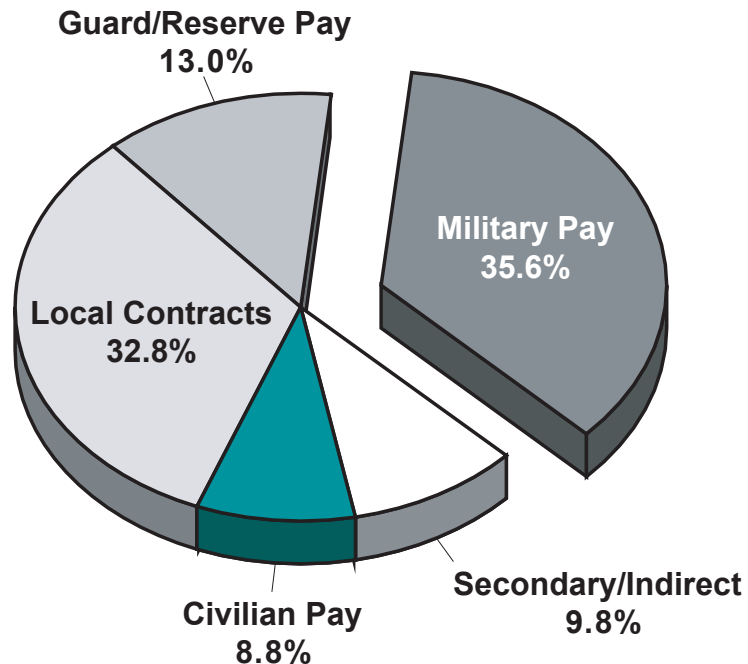
Economic Contribution of Eielson AFB **3**

\$374 million in 2004

The economy behind Eielson's gates – a mixture of direct and indirect services

Although uniformed personnel played the lead role on Eielson, a permanent civilian work force of more than 1,400 supported base functions in 2004. All these jobs are part of the Fairbanks-area job base and in most cases they represent year-round employment.

Nearly 70 percent of the civilian employees on base work for the federal government, representing the typical entourage that accompanies the military. Federal civilian employees perform a broad scope of services that include power generation, maintenance, administrative and social service functions. For example, they work at the family center, where they help soldiers with budgeting, job transitions and provide other services. Other federal civilian employees work at the commissary, the base-exchange store, recreational facilities, hotel and clubs. The other 30 percent of civilian employees work for the Fairbanks North Star Borough School District, which operates three schools on Eielson with a staff of 137, and for the 30 private sector companies that have Air Force contracts and designated work sites on base. Their functions vary from building maintenance to personal services. (See Exhibit 4.)



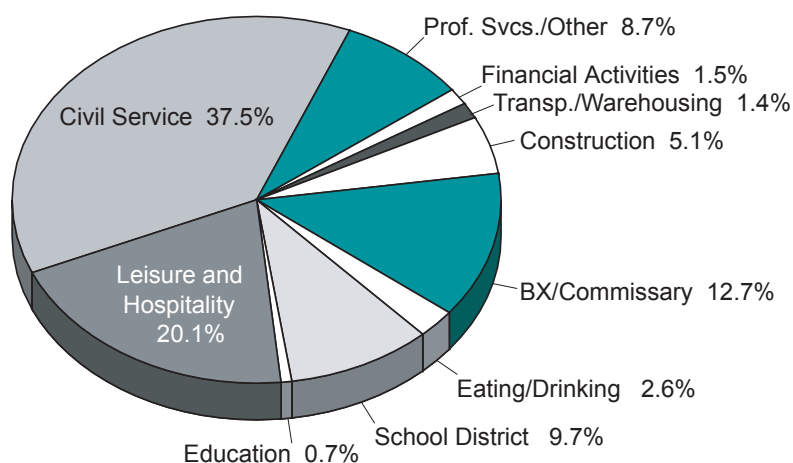
Source: Department of Defense, Air Force, 354th Fighter Wing Comptroller Squadron

Civilian Work Force on Eielson AFB **4**

Over 1,400 employed in 2004

Population, housing and utilities

In 2004, 7,872 residents lived in the Fairbanks North Star Borough's southeast communities of North Pole, Moose Creek, Eielson AFB and Harding-Birch Lakes. These residents represented 9.3 percent of the borough's population. Eielson AFB, with 4,587 residents, was the most populated. All of Eielson's residents are uniformed personnel and their dependents who live in family housing units, or, when single, in dormitories. The Air Force's population, however, is much larger and many live in community housing off base.



Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

Eielson AFB's housing office said that, as of May 2005, uniformed personnel and their dependents, totaling roughly 3,070, lived in community housing off base. That included nearly 300 families with dependents and nearly 900 single soldiers. These military personnel form a large renter group. A precise enumeration of housing units rented to military personnel cannot be established because living arrangements of single soldiers vary and many have roommates. One can, however, assume dependent households occupy one unit. Some Air Force families also own homes. The exodus of this large population could adversely affect local property values. In all, the military's influence on the local housing market is significant.

Community housing not only affects local real estate, but also Fairbanks' utility markets. A troop withdrawal from Eielson would decrease the customer base. It would affect electricity, water and sewer, natural gas and telecommunication providers. Heating-oil distribution firms would also suffer a drop in sales volume.

At Eielson, heat and electricity are generated on base. The Usibelli Coal Mine ships coal via rail to the Eielson power plant. Therefore, the electrical utility company provides only limited services to the base. In contrast, communication services, such as all types of voice telecommunications, Internet, satellite and cable services, are fully provided by local carriers.

Military consumer spending

Military consumer spending differs from that of civilians because the military maintains its own economic network. Typically, commissaries and the base-exchange stores are the principal retailers on the installations. Limited social, personal, educational, housing and leisure

services are available on base for the exclusive use of the military, their families and related personnel. Although the variety of consumer goods and services is limited, they represent additional privileges to the military and their families. The Defense Department subsidizes this unique consumer infrastructure.

In spite of their access to on-base shopping, the military and their families are active consumers in adjacent economies and a sizeable portion of Eielson's payroll flows to the Fairbanks area. How much, exactly, is hard to pinpoint. The greater variety offered by off-base retail outlets attracts these customers. Entertainment establishments, such as dance clubs, movie theaters and other leisure industries, also benefit from the military presence. Restaurants, in particular, frequently cater to this culturally diverse group.

Restaurants in North Pole depend on military patronage. Several restaurant owners have stated that most of their business comes from the military and their families. Other recreational firms and organizations also rely on their business. Many off-duty soldiers take part in boating, hunting, fishing, camping, sports and other recreational activities. Stores and services outfitting these activities count heavily on the military as clientele. The visitor industry most likely also reaps benefits. Although data related to family induced tourism do not exist, there is anecdotal evidence that many visitors come to Fairbanks to visit with their military relatives.

The Air Force's presence in the Fairbanks area is an important economic force. Its influence filters down to all local industry sectors. While it is difficult to delineate, it is clear that the proposed realignment would have a significant negative impact. Fairbanks would suffer a substantial loss of economic stability that would be difficult to replace with private sector economic activity.

Alaska's largest private employers in 2004

Providence Health System in Alaska topped the list of Alaska's 100 largest employers for the fourth year in a row with a work force of 3,518, and there is little chance that will change in the foreseeable future. Wal-Mart/Sam's Club, whose employment grew by 12 percent or 282 employees in the last year, could become a contender when it opens its first Super Centers in the state. Two Anchorage Super Centers are in the works now. Even with the Wal-Mart/Sam's Club growth, Providence will likely keep the top spot for some time.

The last employer to hold the position was Safeway/Carrs in 2000. While it is the only other company that provided more than 3,000 jobs in 2004, Safeway/Carrs, with 3,107 employees, had about the same number in 2003. (See Exhibit 1.)

The 1,000+ club is bigger than ever

In 2004, 16 of Alaska's private businesses employed more than 1,000 workers—three more than last year and more than twice the amount in 1985, when the first list was compiled. The Southcentral Foundation and Alaska Native Tribal Health Consortium — the key health care providers at the Alaska Native Medical Center — reached the 1,000-employee mark in 2004. Ten years ago, neither of the entities was on the list. In fact, the Alaska Native Tribal Health Consortium did not make the Trends 100 list until 2000. Nowadays, nearly a

third of employers in the state with over 1,000 employees are in the health care business. The third employer new to both the 1,000+ club and the Trends 100 list is Trident Seafoods. Trident has long been Alaska's largest seafood processor, but data problems did not allow its inclusion in recent years.

Six new arrivals in 2004

Despite the relative year-to-year employment stability among the state's 100 largest employers, six new companies representing an eclectic group of industries made the Top 100 list in 2004. (See Exhibit 2.) As mentioned, Trident, the state's largest seafood processor, is new only as a result of improved data. The other newcomers made the list the old fashioned way — by growing.

Immediate Care became an important player in the health care market. It not only made the Trends 100 list, it jumped all the way to number 51. Access Alaska has a similar story. The company added a new personal care assistant program, which put them on the list at 78th place. Lithia Motors, which has aggressively bought new dealerships since it entered Alaska's market in 2001, is now on the list at 84th place. Udelhoven Oilfield Systems, with recent growth in its construction and oil field work, just made the cutoff at 98th place. Greens Creek Mining Company, Alaska's third-largest hard-rock mining employer, hovered close to making the list for years. Now it is 100th with 260 employees.

1 Alaska's 100 Largest Private Employers 2004 Employment

Rank	Firm Name	Average Annual Employment	Business Activity	Headquarters or Largest Work Site	Web Site Address
1	Providence Health System in Alaska	3,518	Hospital/Medical Center	Anchorage*	providence.org/alaska
2	Safeway Stores/Carrs	3,107	Grocery	Anchorage*	safeway.com
3	Wal-Mart/Sam's Club	2,725	General Merchandise/Grocery	Anchorage*	walmartstores.com
4	Fred Meyer	2,597	Grocery/General Merchandise	Anchorage*	fredmeyerstores.com
5	Alaska Airlines	1,638	Air Carrier	Anchorage*	jobs.alaskaair.com
6	Trident Seafoods	1,612	Seafood Processing	Akutan	tridentseafoods.com
7	Yukon-Kuskokwim Health Corporation	1,346	Health Care	Bethel*	ykhc.org
8	BP Exploration	1,337	Oil & Gas Production	Anchorage*	bpamocojobs.com
9	Banner Health (incl. Fairbanks Memorial Hospital)	1,287	Hospital/Medical Center	Fairbanks*	bannerhealth.com
10	GCI Communications	1,225	Communications	Anchorage*	gci.com
11	NANA Management Services	1,222	Catering/Lodging/Security	Anchorage*	nana.com
12	ASRC Energy Services	1,197	Oilfield Services	Anchorage*	asrcenergy.com
13	VECO Operations	1,142	Oilfield Services	Anchorage*	veco.com
14	Alaska Native Tribal Health Consortium	1,104	Hospital/Medical Center	Anchorage**	anthc.org
15	Federal Express	1,073	Airfreight/Courier Service	Anchorage*	fedex.com/us/careers
16	Southcentral Foundation	1,023	Health Care	Anchorage**	ak-scf.org
17	Alaska Communications Systems (ACS)	956	Communications	Anchorage*	acsalaska.com
18	Wells Fargo	925	Financial Services	Anchorage*	wellsfargo.com
19	Spenard Builders Supply	899	Building Products	Anchorage*	sbsalaska.com
20	Alyeska Pipeline Service Company	876	Pipeline Transportation	Anchorage*	alyeska-pipe.com
21	ConocoPhillips	861	Oil & Gas Production	Anchorage*	conocophillips.com
22	Alaska USA Federal Credit Union	806	Financial Services	Anchorage*	alaskausa.com
23	Alaska Regional Hospital	779	Hospital/Medical Center	Anchorage*	alaskaregional.com
24	UniSea	764	Seafood Processing	Dutch Harbor	unisea.com
25	Southeast Alaska Regional Health Consortium (SEARHC)	754	Social Services/Health Care	Sitka*	searhc.org
26	First National Bank Alaska	723	Financial Services	Anchorage*	fnbalaska.com
27	Costco	684	General Merchandise/Grocery	Anchorage*	costco.com
28	Job Ready	665	Vocational Rehab Services	Anchorage*	jobready-ak.com
29	Icicle Seafoods	658	Seafood Processing	Petersburg*	icicleseafoods.com
30	Peter Pan Seafoods	650	Seafood Processing	King Cove*	ppsf.com
31	Alaska Commercial Company	647	General Merchandise/Grocery	Anchorage*	alaskacommercial.com
32	McDonald's Restaurants of Alaska	646	Eating Establishment	Anchorage*	mcdonalds.com
33	Tanana Chiefs Conference	621	Social Services/Health Care	Anchorage*	tananachiefs.org
34	Northwest Airlines	620	Air Carrier	Anchorage*	nwa.com/corpinfo
35	The Alaska Club	613	Health Club	Anchorage*	thealaskaclub.com
36	Doyon/Universal Ogden, Joint Venture	612	Catering/Security	Anchorage*	doyon.com
37	ERA Aviation	602	Air Carrier	Anchorage*	era-aviation.com
38	Westward Seafoods	584	Seafood Processing	Unalaska*	westwardseafoods.com
39	Ocean Beauty Seafoods	577	Seafood Processing	Kodiak*	oceanbeauty.com
40	Maniilaq Association	576	Social Services/Health Care	Kotzebue*	manillaq.org
41	Home Depot	575	Building Products	Anchorage*	homedepot.com
42	Hope Community Services	561	Social Services	Anchorage*	hopealaska.com
43	Valley Hospital	558	Hospital/Medical Center	Palmer*	valley-hosp.com
44	Anchorage Daily News	540	Newspaper	Anchorage*	adn.com
45	Alaska Hotel Properties (Princess Hotels)	538	Hotels	Denali Park*	princesslodges.com
46	Alyeska Resort	498	Hotel/Resort	Girdwood/Anch	alyeskaresort.com
47	Chugach Development Corporation	492	Facilities Support Services	Anchorage*	chugach-ak.com
48	Horizon Lines of Alaska	489	Water Transportation	Anchorage*	horizon-lines.com
49	Sears	480	General Merchandise	Anchorage*	sears.com
50	Peak Oilfield Service Company	467	Oil Field Services	Anchorage*	www.ciri.com/jobs/jobs.htm

Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

Alaska's 100 Largest Private Employers

2004 Employment (continued)



Rank	Firm Name	Average Annual Employment	Business Activity	Headquarters or Largest Work Site	Web Site Address
51	Immediate Care Inc.	450	Health Care	Anchorage*	immediatecareak.com
52	PenAir	443	Air Carrier	Anchorage*	penair.com
53	UPS	440	Air Freight/Courier Service	Anchorage*	ups.com
54	Laidlaw Transit	438	School/Charter Bus Company	Anchorage*	laidlawtransitservices.com
55	Norton Sound Health Corporation	432	Health Care	Nome*	nshcorp.org
56	Aramark Leisure Services	429	Catering/Concessionaire	Denali Park*	aramark.com
57	Pizza Hut	428	Eating Establishment	Anchorage*	pizzahut.com
58	Nightingale Nursing Services	421	Home Health	Anchorage*	homehealthnursing.com
59	Fairbanks Gold Mining Company (Fort Knox)	411	Mining	Fairbanks*	kinross.com
¹ 60	Westmark Hotels	410	Hotels	Anchorage*	westmarkhotels.com
¹ 60	Denali Foods (Taco Bell)	410	Eating Establishment	Anchorage*	tacobell.com
62	ASRC Energy Svcs. Pipeline Power & Comm.	404	Oil Field Services	Anchorage*	asrcenergy.com
63	Schlumberger Technologies	387	Oil Field Services	Anchorage*	slb.com
64	Assets	386	Social Services	Anchorage*	assetsinc.org
¹ 65	Nabors Alaska Drilling Company	376	Oilfield Services	Anchorage*	nabors.com
¹ 65	Salvation Army-Alaska	376	Social Services	Anchorage*	salvationarmy.org
67	Royal Highway Tours (Princess Tours)	375	Tour Buses	Anchorage*	princesslodges.com
68	Chugach Electric Association	373	Utility	Anchorage*	chugachelectric.com
69	North Pacific Processors	372	Seafood Processing	Kodiak*	ppsf.com
70	Carlile Enterprises	365	Trucking/Warehousing	Anchorage*	carlilekw.com
71	Lowe's	364	Building Products	Anchorage	lowes.com
72	SMG of Alaska (Sullivan Arena, others)	361	Facilities Support Services	Anchorage*	sullivanarena.com
73	Cominco Alaska (Red Dog Mine)	360	Mining	Red Dog Mine*	cominco.com
74	Bristol Bay Area Health Corporation	358	Health Care	Dillingham*	bbahc.org
75	Hotel Captain Cook	351	Hotel	Anchorage*	captaincook.com
76	NorQuest Seafoods	348	Seafood Processing	Ketchikan*	norquestseafoods.com
77	Tesoro Northstore Company	345	Retail/Gas Stations	Anchorage*	www.tesoropetroleum.com
78	Access Alaska	340	Social Services	Anchorage*	accessalaska.org
79	Ketchikan General Hospital	335	Hospital/Medical Center	Ketchikan	peacehealth.org
80	Hilton Anchorage	332	Hotel	Anchorage	hilton.com/corporate/employment
81	Frontier Community Services	327	Social Services	Soldotna*	-----
¹ 82	Matanuska Telephone Association	323	Utility	Palmer*	mta-telco.com/jobs.htm
¹ 82	Rural Alaska Community Action Program	323	Social Services	Anchorage*	ruralcap.com
¹ 82	Lithia Motors	323	Car Dealership	Anchorage*	lithia.com
85	Nordstrom	319	Department Store	Anchorage*	nordstrom.com
86	Swissport	316	Airport Services	Anchorage	swissport.com/noflash.shtml
87	Union Oil of California (Unocal)	313	Oil Production	Anchorage	unocal.com
¹ 88	JC Penney	312	Apparel	Anchorage*	jcpennyinc.com
¹ 88	Gottschalks	312	Apparel	Anchorage*	gottschalks.com
90	Quality Asphalt Paving	309	Construction	Anchorage*	qualityasphaltpaving.com
91	Alaska Sales and Service	299	Car Dealership	Anchorage*	alaskasalesandservice.com
92	ARC of Anchorage	286	Social Services	Anchorage*	arc-anchorage.org
93	Anchorage Cold Storage (Odom Corp.)	285	Wholesale	Anchorage	odomcorp.com
94	Petro Star	283	Refineries/Retail Gasoline	Fairbanks*	asrcenergy.com
95	Northrim Bank	282	Financial Services	Anchorage*	northrim.com
96	Northern Air Cargo	279	Air Freight	Anchorage*	nacargo.com
97	Association of Village Council Presidents	269	Social Services	Bethel*	avcp.org
98	Udelhoven Oilfield Systems	268	Oil Field Services	Anchorage*	udelhoven.com
99	Blockbuster	263	Entertainment Services	Anchorage*	blockbuster.com
100	Greens Creek Mining Company	260	Mining	Juneau	greenscreek.com

Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

* Has worksites in multiple communities.

** Excludes federal employees.

¹ When two or more employers had the same number of employees, they were given the same ranking.

2 Six New Players Make the Cut

	Employment
Trident	1,612
Immediate Care Inc.	450
Access Alaska	340
Lithia Motors	323
Udelhoven Oilfield Systems	268
Greens Creek Mining Company	260

Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

3 The Big Movers of 2004 Ranking up by at least 10 since 2003

Peter Pan Seafoods	41 to 30
Home Depot	54 to 41
Horizon Lines of Alaska	70 to 48
Nightingale Nursing Services	82 to 58
Schlumberger Technologies	73 to 63
Royal Highway Tours (Princess Tours)	86 to 67
SMG of Alaska (Sullivan Arena, others)	91 to 72

Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

4 Alaska Native Employers 2004 Employment

Yukon-Kuskokwim Health Corporation	1,346
NANA Management Services	1,222
ASRC Energy Services	1,197
Alaska Native Tribal Health Consortium	1,104
Southcentral Foundation	1,023
Southeast Alaska Regional Health Consortium (SEARHC)	754
Tanana Chiefs Conference	621
Doyon/Universal Ogden, Joint Venture	612
Maniilaq Association	576
Chugach Development Corporation	492
Peak Oilfield Service Company	467
Norton Sound Health Corporation	432
ASRC Energy Services Pipeline Power & Comm.	404
Bristol Bay Area Health Corporation	358
Petro Star	283
Association of Village Council Presidents (AVCP)	269

Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

The six that fell off Trends 100

The six employers that dropped off the Top 100 list were Williams Express, First Student, AT&T Alascom, Burger King, Chugach Support Services and Halliburton Energy Services. Most of these companies simply did not have enough employment in 2004 to make the cutoff of 260 employees. The exceptions were Williams Express, which sold its retail operations to Holiday and its refinery to Flint Hills, and Burger King. The franchise owner of most Burger King outlets in Southcentral Alaska closed them temporarily.

Seven leapfrog 10 or more rankings

Every year some dynamic employers leapfrog their earlier ranking by at least 10 spots over the previous year. (See Exhibit 3.) Some moved up the list due to aggressive growth; others merged or bought out existing businesses. For example, Home Depot opened a new store in the MatSu Valley, adding 162 employees and pushing its ranking from 54th to 41st on the Trends 100. Horizon Lines of Alaska added 135 employees, moving it from 70th to 48th. It had 489 employees in 2004. Peter Pan Seafoods hired 126 more workers in 2004, moving from 41st to 30th. Nightingale Nursing Services grew by 96 employees, jumping from 82nd in 2003 to 58th in 2004. Royal Highway Tours, or Princess Tours, added 65 employees, taking it from 86th to 67th. Schlumberger Technologies grew by 42 employees to 387 in 2004, taking it from 73rd place to 63rd. SMG of Alaska, the operator of Sullivan Arena, added new venues — such as the Anchorage Performing Arts Center concessions — as well as 65 employees. It jumped from 91st place to 72nd.

Trends 100 companies employ a third of Alaska's private sector work force

Alaska's largest 100 companies in 2004 employed 67,020 people, representing nearly a third of all private sector wage and salary employees. In 2004 their payroll was \$3 billion

or 35 percent of all private sector payroll. The average annual earnings for employees of the Top 100 was \$44,138 compared to the overall private sector average of \$37,162. This earnings advantage can largely be explained by the strong presence of the high-wage oil industry. The Top 100 oil industry employers represent 82 percent of all oil industry employment in the state; their average annual earnings was \$95,329.

Sixteen Native employers are on Trends 100

There are 16 Native Alaskan nonprofit organizations or subsidiaries of one of Alaska's Native regional corporations among the state's Top 100 employers. (See Exhibit 4.) Ten years ago, only nine were on the list. In 2004, they represented nearly a third of all private sector companies in the state with more than 1,000 employees. This illustrates the growing significance of Native institutions as major employers. Because the Trends 100 list contains individual firms regardless of ownership, the role of regional Native corporations in the state's labor market is often masked. If all the subsidiaries of the regional corporations were combined, most of these parent companies would show up on the Top 100 list. Despite this limitation of definitions, their representation is a sign of their growing significance.

The largest Native organization in 2004 was the Bethel-based Yukon-Kuskokwim Health Corporation, with 1,346 employees. It was also the seventh-largest private sector employer in the state. Six other organizations on this list were also Native health care providers. Interestingly, Bethel, with a population of 5,888, was also home base to the smallest Native player on the Trends 100 list—The Association of Village Council Presidents, which is 97th.

The second Native organization on the Trends 100, NANA Management Services, is involved in a number of ventures, including substantial investments in the visitor industry. The third Native-owned company was ASRC Energy

Services. It is an oil service company that is a wholly owned subsidiary of Arctic Slope Regional Corporation (ASRC). Other Native-owned oil service companies include other ASRC companies, ASRC Energy Services Pipeline Power & Communications and Petro Star, as well as Peak Oilfield Service Company, which is partially owned by CIRI, and Doyon/Universal Ogden, Joint Venture. Most of the remaining players are either health care or social services providers.

Nonprofit Organizations 2004 **5** Nearly a quarter of the Trends 100

	Employment
Providence Health System in Alaska	3,518
Yukon-Kuskokwim Health Corporation	1,346
Banner Health System (incl. Fairbanks Mem. Hosp.)	1,287
Alaska Native Tribal Health Consortium	1,104
Southcentral Foundation	1,023
Alaska USA Federal Credit Union	806
Southeast Alaska Regional Health Consortium (SEARHC)	754
Tanana Chiefs Conference	621
Maniilaq Association	576
Hope Community Services	561
Valley Hospital	558
Norton Sound Health Corporation	432
Assets	386
Salvation Army-Alaska	376
Chugach Electric Association	373
Bristol Bay Area Health Corporation	358
Access Alaska	340
Ketchikan General Hospital	335
Frontier Community Services	327
Rural Alaska Community Action Program	323
Matanuska Telephone Association	323
ARC of Anchorage	286
Association of Village Council Presidents (AVCP)	269

Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

6 Trends 100 by Industry

2004 Employment

NATURAL RESOURCES AND MINING

Mining (except oil and gas)

Fairbanks Gold Mining Company (Fort Knox)	411
Cominco Alaska (Red Dog Mine)	360
Greens Creek Mining Company	260

Oil and Gas Extraction

BP Exploration	1,337
ASRC Energy Services	1,197
VECO Operations	1,142
ConocoPhillips	861
Peak Oilfield Service Company	467
ASRC Energy Services Pipeline Power & Comm.	404
Schlumberger Technologies	387
Nabors Alaska Drilling Company	376
Union Oil of California (Unocal)	313
Udelhoven Oilfield Systems	268

UTILITIES

Chugach Electric Association	373
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CONSTRUCTION

Quality Asphalt Paving	309
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MANUFACTURING

Seafood Processing

Trident	1,612
UniSea	764
Icicle Seafoods	658
Peter Pan Seafoods	650
Westward Seafoods	584
Ocean Beauty Seafoods	577
North Pacific Processors	372
NorQuest Seafoods	348

TRADE AND TRANSPORTATION

Wholesale Trade

Anchorage Cold Storage	285
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Retail Trade

Safeway Stores/Carrs	3,107
Wal-Mart/Sam's Club	2,725
Fred Meyer	2,597
Spennard Builders Supply	899
Costco	684
Alaska Commercial Company	647
Home Depot	575
Sears	480
Lowe's	361
Tesoro Northstore Company	345
Lithia Motors	323
Nordstrom	319
JC Penney	312
Gottschalks	312
Alaska Sales and Service	299
Petro Star	283

Nonprofits play a big role

Twenty-three of the Top 100 employers are nonprofit organizations. Nearly one in four jobs, or 24 percent, of the state's largest employers are in the nonprofit sector. (See Exhibit 5.) Only 16 nonprofits were on the list five years ago. Most of these nonprofits are tied to health care or social services, but some represent other industries such as Alaska USA Federal Credit Union and membership-owned utilities such as Matanuska Telephone Association and Chugach Electric Association.

The large role of the health care industry helps explain why nonprofits are so often found on Trends 100. In fact, many of these health care nonprofits are either the largest or second largest employers in their respective communities. For example, Providence Health System in Alaska is Anchorage's largest private sector employer. The Bristol Bay Area Health Corporation is the largest in Dillingham and the Maniilaq Association is the biggest in Kotzebue. Their labor-intensive nature and the fact that many of these health care providers are providing services around-the-clock explains their large staff levels.

Oil, health care, fish and hard-rock mining reign strong

Alaska's oil industry dominates the Trends 100 list. In 2004, more than three-quarters of all oil industry employees in Alaska worked at one of the state's largest employers. (See Exhibit 6.) No other industry in the state shows such a large concentration of big players.

6 Trends 100 by Industry

2004 Employment (Continued)

Transportation

Alaska Airlines	1,638
Federal Express	1,073
Alyeska Pipeline Service Company	876
Northwest Airlines	620
ERA Aviation	602
Horizon Lines of Alaska (formerly CSX Lines)	489
PenAir	443
UPS	440
Laidlaw Transit	438
Royal Highway Tours (Princess Tours)	375
Carlisle Enterprises	365
Swissport	316
Northern Air Cargo	279

INFORMATION

Publishing

Anchorage Daily News	540
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Telecommunications

GCI Communications	1,225
Alaska Communications Systems (ACS)	956
Matanuska Telephone Association	323

FINANCIAL ACTIVITIES

Finance and Insurance

Wells Fargo	925
Alaska USA Federal Credit Union	806
First National Bank of Alaska	723
Northrim Bank	282

Real Estate, Rental and Leasing

Blockbuster	263
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PROFESSIONAL AND BUSINESS SERVICES

Administrative and Support Services

Chugach Development Corporation	492
SMG of Alaska (Sullivan Arena)	361

EDUCATION AND HEALTH SERVICES

Health Services and Social Assistance

Providence Health System in Alaska	3,518
Yukon-Kuskokwim Health Corporation	1,346
Banner Health (includes Fairbanks Memorial Hospital)	1,287
Alaska Native Tribal Health Consortium	1,104
Southcentral Foundation	1,023
Alaska Regional Hospital	779
Southeast Alaska Regional Health Consortium (SEARHC)	754
Job Ready	665
Tanana Chiefs Conference	621
Maniilaq Association	576
Hope Community Services	561
Valley Hospital	558
Immediate Care Inc.	450
Norton Sound Health Corporation	432
Nightingale Nursing Services	421

Health Services and Social Assistance (cont.)

Assets	386
Salvation Army-Alaska	376
Bristol Bay Area Health Corporation	358
Access Alaska	340
Ketchikan General Hospital	335
Frontier Community Services	327
Rural Alaska Community Action Program	323
ARC of Anchorage	286
Association of Village Council Presidents (AVCP)	269

LEISURE AND HOSPITALITY

Accommodation

Alaska Hotel Properties (Princess Hotels)	538
Alyeska Resort	498
Westmark Hotels	410
Hotel Captain Cook	351
Hilton Hotel	332

Food Services and Drinking Places

NANA Management Services	1,222
McDonald's Restaurants of Alaska	646
Doyon/Universal Ogden, JV	612
Aramark Leisure Services	429
Pizza Hut	428
Denali Foods (Taco Bell)	410

Recreation

The Alaska Club	613
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Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

7 Ten-Year Comparison of Top 10

A 50-percent turnover in the last decade

2004

Rank		Employment
1	Providence Health System in Alaska	3,518
2	Safeway Stores/Carrs	3,107
3	Wal-Mart/Sam's Club	2,725
4	Fred Meyer	2,597
5	Alaska Airlines	1,638
6	Trident Seafoods	1,612
7	Yukon-Kuskokwim Health Corporation	1,346
8	BP Exploration	1,337
9	Banner Health (incl. Fairbanks Memorial Hospital)	1,287
10	GCI Communications	1,225

1994

1	Carr Gottstein Foods	3,320
2	ARCO Alaska	2,354
3	Providence Health System in Alaska	1,918
4	Fred Meyer	1,652
5	VECO	1,566
6	Alyeska Pipeline Service Company	1,288
7	National Bank of Alaska	1,219
8	Wal-Mart/Sam's Club	1,164
9	Trident Seafoods	1,144
10	BP Exploration	1,100

Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

Health care and social assistance, seafood processing and hard-rock mining are also heavily represented on the list of Alaska's largest employers. More than half the employees in these industries work for Top 100 companies. The largest of these players in the health and social assistance side is Providence Health System in Alaska and the smallest is the Association of Village Council Presidents, which provides social services.

Trident Seafoods, with plants around the state, is the biggest seafood processing employer; the smallest on the Trends 100 is NorQuest Seafoods, now owned by Trident. With the addition of Greens Creek Mining Company to the list in 2004, nearly all wage and salary employees working for metal mining companies work for one of Alaska's 100 largest companies. Hard-rock mining's share of the Top 100 should grow a bit more over the next five years. In 2004, Fairbanks Gold Mining Company (Fort Knox) became the largest hard-rock mine employer in the state. Before that, Cominco Alaska, the operator of the Red Dog Mine, had been the largest. There are other industries such as retail trade and transportation that are strongly represented among Alaska's largest employers but their share of overall industry employment is considerably smaller.

8 With Public Sector Included

The top 10 in 2004

Rank		Employment
1	Uniformed Military	20,172
2	Federal Civilians	17,177
3	State of Alaska	16,987
4	University of Alaska	7,072
5	Anchorage School District	6,352
6	Providence Health System in Alaska	3,518
7	Safeway Stores/Carrs	3,107
8	Municipality of Anchorage	2,902
9	Wal-Mart/Sam's Club	2,725
10	Fred Meyer	2,597

Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

The Top 10 looked different 10 years ago

Half of today's top 10 employers were on the Trends 100 list a decade ago if Safeway Stores/Carrs is included in the lineup. (See Exhibit 7.) Nearly all of the current top 10 were somewhere among the Trends 100 a decade ago and have simply grown enough to climb to their present spot. The changes in the list are representative of how Alaska's economy has evolved over the past decade: There are more retailers and health care providers and fewer oil industry players.

Trends 100 companies are all over Alaska

Although most of the Top 100 employers have their headquarters or their largest work site in Anchorage, less than 20 of the employers are exclusively in Anchorage. For example, First National Bank of Alaska maintains its headquarters in Anchorage but it has branches in 15 Alaskan communities. At least a quarter of the Top 100 have no presence in Anchorage.

Top 10 rankings change when the public sector is included

If the list of the 100 largest employers included the public sector, it would look very different. (See Exhibit 8.) Only four of the top 10 are in the private sector. By their very nature, public sector organizations tend to be large — even the Anchorage School District, with 6,352 employees, has more employees than any private organization in the state. It is doubtful the lineup will change much in the foreseeable future.

A quarter of Trends 100 firms are Fortune 500 players

Nearly a quarter of the Top 100 companies are also Fortune 500 employers. Those include UPS, Wells Fargo, Blockbuster, Home Depot and Costco — names most Alaskans can identify. (See Exhibit 9.) Only a few are not as well known, such as Aramark Leisure Services. It is in the hotel and catering business. A number of national players have also recently fallen from the Trends 100: AT&T Alascom, Halliburton, Burger King and Kmart.

The Fortune 500 Trends 100 firms on list **9**

Anchorage Hilton Hotel
Aramark Leisure Services
Alaska Regional Health Corp.
Blockbuster
ConocoPhillips
Costco
Federal Express
Fred Meyer
Home Depot
JC Penney
Lowe's
McDonald's
NANA/Marriott, Joint Venture
Nordstrom
Northwest Airlines
Pizza Hut
Safeway Stores
Sears
Taco Bell
Tesoro Northstore Company
Union Oil of California (Unocal)
UPS
Wal-Mart/Sam's Club
Wells Fargo

Source: Fortune Magazine

Employment growth continues through June

Alaska Employment Scene

by
Dan Robinson
Economist

Alaska's unemployment rate rose four-tenths of a percentage point in June to 6.6 percent, an expected seasonal increase due to the end of the academic school year and a swell in the number of job seekers. (See Exhibit 2.) In a typical year, unemployment will drop significantly in July and August as the state's seasonal employers provide more than enough jobs to absorb the summer boost to the labor force.

The Denali Borough had the state's lowest June unemployment rate at 2.1 percent. Denali's summer job count is often quadruple that of the winter low months, making it one of the state's most dramatically seasonal job markets. The next lowest June unemployment rate was in Bristol Bay at 3.3 percent, although the low rate there is caused by the arrival of the region's prodigious salmon runs rather than tour buses and recreation vehicles.

Preliminary wage and salary employment estimates for June show an increase of more than 12,000 jobs. (See Exhibit 1.) Seafood processing accounted for 4,000 of that number, while the construction and accommodations industries contributed 2,400 and 2,300, respectively.

The state's 323,400 June wage and salary jobs are a 1.4 percent increase over last year's June job count. Health care, construction, retail trade and restaurants/drinking places continue to lead the way, providing 3,000 of the state's approximately 4,400 new jobs. Nine of the state's 11 major economic sectors have grown over the year. Government employment has shown no change, while only the miscellaneous category known as "other services" has recorded job losses over the 12-month period.

Regionally, the Anchorage/MatSu region has supplied the bulk of the job growth. (See Exhibit 3.) Since June 2004 the region has added 3,700 jobs, producing the state's strongest growth rate at 2.2 percent. Despite concerns in Fairbanks about the potential closure of Eielson Air Force Base, healthy economic activity over the last year has created 700 new jobs. The remainder of the state is largely maintaining the status quo, although there have been small signs of improvement for the fishing industry and employment in the North Slope oil fields has increased marginally from last June.

1 Nonfarm Wage and Salary Employment

	preliminary 6/05	revised 5/05	revised 6/04	Changes from:	
Alaska				5/05	6/04
Total Nonfarm Wage & Salary¹	323,400	311,200	319,000	12,200	4,400
Goods Producing	45,700	39,200	44,800	6,500	900
Service-Providing	277,700	272,000	274,200	5,700	3,500
Natural Resources & Mining	10,500	10,500	10,400	0	100
Logging	500	500	600	0	-100
Mining	10,000	10,000	9,800	0	200
Oil & Gas Extraction	8,400	8,400	8,300	0	100
Construction	20,700	18,300	20,100	2,400	600
Manufacturing	14,500	10,400	14,300	4,100	200
Wood Product Mfg	300	300	400	0	-100
Seafood Processing	10,600	6,600	10,300	4,000	300
Trade, Transportation, Utilities	66,700	64,200	65,900	2,500	800
Wholesale Trade	6,500	6,300	6,500	200	0
Retail Trade	37,600	35,800	36,900	1,800	700
Food & Beverage Stores	6,300	6,000	6,300	300	0
General Merchandise Stores	9,600	9,200	9,500	400	100
Trans/Warehousing/Utilities	22,600	22,100	22,500	500	100
Air Transportation	6,800	6,400	7,000	400	-200
Truck Transportation	3,300	3,100	3,200	200	100
Information	7,000	6,900	6,900	100	100
Telecommunications	4,300	4,200	4,200	100	100
Financial Activities	15,400	14,900	15,100	500	300
Professional & Business Svcs	24,700	23,700	24,400	1,000	300
Educational & Health Svcs	36,300	36,300	34,900	0	1,400
Health Care	26,200	26,000	25,200	200	1,000
Leisure & Hospitality	35,900	31,800	34,900	4,100	1,000
Accommodation	10,700	8,400	10,500	2,300	200
Food Svcs & Drinking Places	20,700	19,500	20,000	1,200	700
Other Services	11,300	11,100	11,700	200	-400
Government²	80,400	83,100	80,400	-2,700	0
Federal Government ³	17,900	17,200	18,000	700	-100
State Government	23,100	24,300	23,000	-1,200	100
State Govt Education	5,700	7,000	5,600	-1,300	100
Local Government	39,400	41,600	39,400	-2,200	0
Local Govt Education	20,900	24,000	20,700	-3,100	200
Tribal Government	4,100	4,000	4,200	100	-100

Notes

¹Excludes self-employed workers, fishermen, domestics and unpaid family workers as well as agricultural workers.

²Includes employees of public school systems and the University of Alaska.

³Excludes uniformed military.

⁴Metropolitan Statistical Area

Prepared in cooperation with the U.S. Dept. of Labor, Bureau of Labor Statistics.

Regional data prepared in part with funding from the Employment Security Division.

Source: Alaska Department of Labor & Workforce Development, Research and Analysis

2 Unemployment Rates By borough and census area

	prelim. 6/05	revised 5/05	revised 6/04
NOT SEASONALLY ADJUSTED			
United States	5.2	4.9	5.8
Alaska Statewide	6.6	6.2	7.8
Anchorage/Mat-Su (MSA)⁴	5.7	5.3	6.7
Municipality of Anchorage	5.4	5.0	6.4
Mat-Su Borough	6.7	6.6	8.1
Gulf Coast Region			
Kenai Peninsula Borough	7.1	7.3	8.9
Kodiak Island Borough	8.4	8.2	9.7
Valdez-Cordova	7.1	8.1	8.2
Interior Region			
Denali Borough	2.1	3.9	3.4
Fairbanks North Star Bor. (MSA) ⁴	5.8	5.2	7.1
Southeast Fairbanks	9.2	9.3	11.2
Yukon-Koyukuk	10.0	9.4	12.9
Northern Region			
Nome	13.1	11.6	17.7
North Slope Borough	10.5	9.6	9.9
Northwest Arctic Borough	15.6	12.7	13.1
Southeast Region			
Haines Borough	7.3	8.9	8.4
Juneau Borough	5.3	4.8	6.0
Ketchikan Gateway Borough	6.0	5.9	7.0
Prince of Wales-Outer Ketchikan	10.5	10.1	13.2
Sitka Borough	5.3	4.7	6.3
Skagway-Hoonah-Angoon	8.1	8.9	8.9
Wrangell-Petersburg	9.5	9.1	13.1
Yakutat Borough	7.7	9.1	7.7
Southwest Region			
Aleutians East Borough	9.4	10.9	10.0
Aleutians West	6.8	10.0	8.4
Bethel	13.7	12.8	14.4
Bristol Bay Borough	3.3	4.3	4.9
Dillingham	10.9	11.5	11.6
Lake & Peninsula Borough	6.6	10.3	7.8
Wade Hampton	30.5	21.6	29.6
SEASONALLY ADJUSTED			
United States	5.0	5.1	5.6
Alaska Statewide	6.4	6.4	7.4

2004 Benchmark

The official definition of unemployment excludes anyone who has not actively sought work in the four-week period up to and including the week that includes the 12th of the reference month. Many individuals do not meet this definition because they have not conducted an active job search due to the scarcity of employment opportunities in rural Alaska.

3 Nonfarm Wage and Salary Employment By Region

	preliminary 6/05	revised 5/05	revised 6/04	Changes from:		Percent Change:	
				5/05	6/04	5/05	6/04
Anch/MatSu (MSA) ⁴	169,200	164,300	165,500	4,900	3,700	3.0%	2.2%
Gulf Coast	32,100	29,350	32,150	2,750	-50	9.4%	-0.2%
Interior	47,300	46,300	46,600	1,000	700	2.2%	1.5%
Northern	15,650	15,750	15,650	-100	0	-0.6%	0.0%
Southeast	39,100	37,350	39,100	1,750	0	4.7%	0.0%
Southwest	19,900	17,850	20,050	2,050	-150	11.5%	-0.7%

For more current state and regional employment and unemployment data, visit our Web site.

almis.labor.state.ak.us