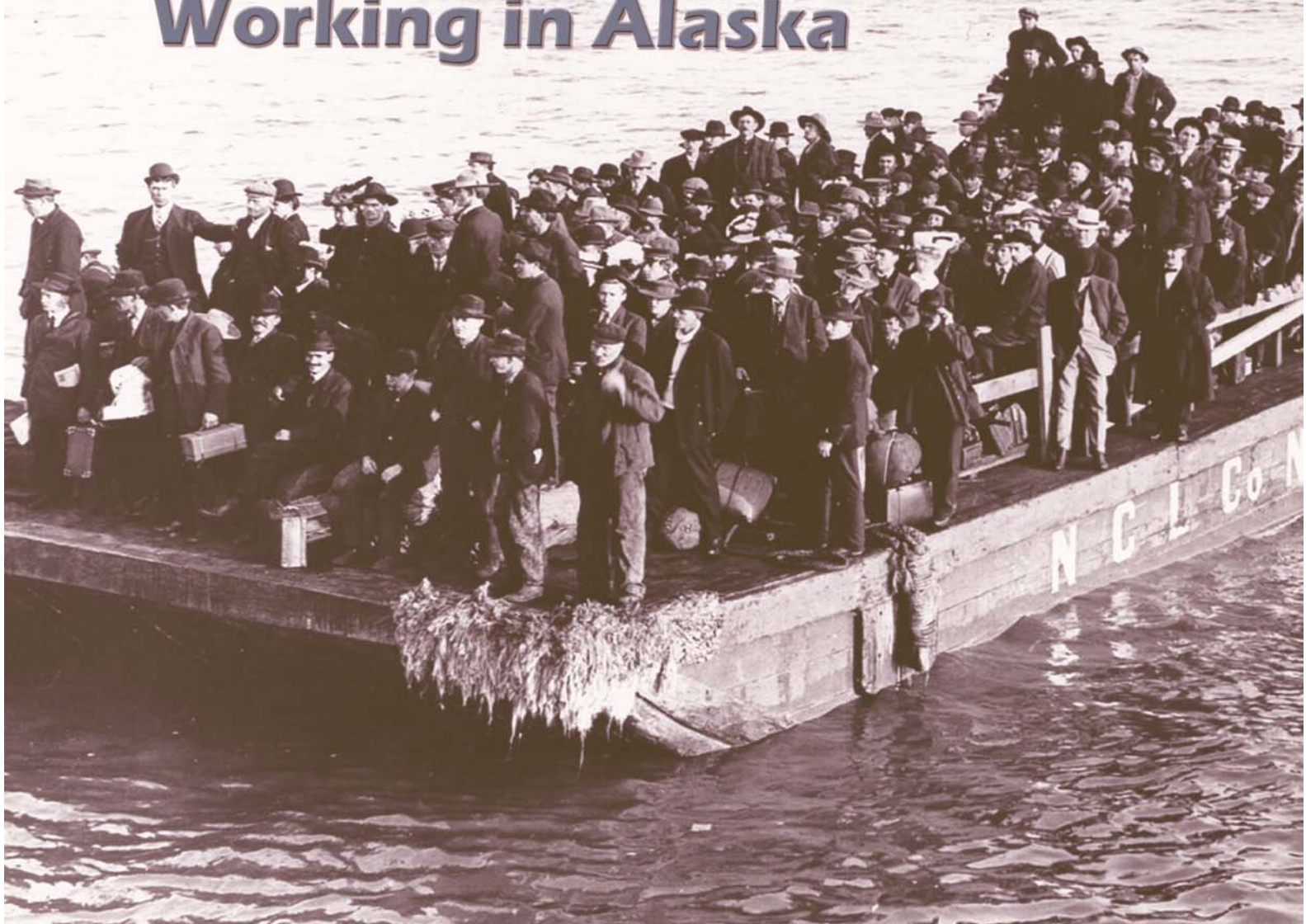


ALASKA ECONOMIC

# TRENDS

February 2004

## Nonresidents Working in Alaska



Alaska Department of Labor  
and Workforce Development

Frank H. Murkowski  
Governor of Alaska

# ALASKA ECONOMIC TRENDS

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## Nonresidents make up 18.2 percent of Alaska workers, taking jobs Alaskans could fill, and sending earnings out of the Alaska economy

**T**hroughout its history, Alaska has had a large number of nonresident workers employed in the state. These workers were required to meet the seasonal demands of resource based industries or to meet the needs associated with major project development. The fast paced growth of the early 1980s, particularly in the construction industry, served as a magnet for a large number of nonresident workers, but also served as an impetus for special Alaska resident hire preference legislation.

In response to Alaska's rising unemployment rate and growing resident labor force, the Alaska legislature in 1986 established resident hire preference for public funded construction projects and asked the Department of Labor to report annually on the status of resident hire in the state. Using unique administrative data, including unemployment insurance (UI) wage records, worker occupation and place of work information, Alaska Permanent Fund Dividend (PFD) information, and other data series, Alaska can monitor the resident hire status of particular employers, industries, occupations, and regions in a way not available to any other state. These data can be used to identify nonresident "hot spots."

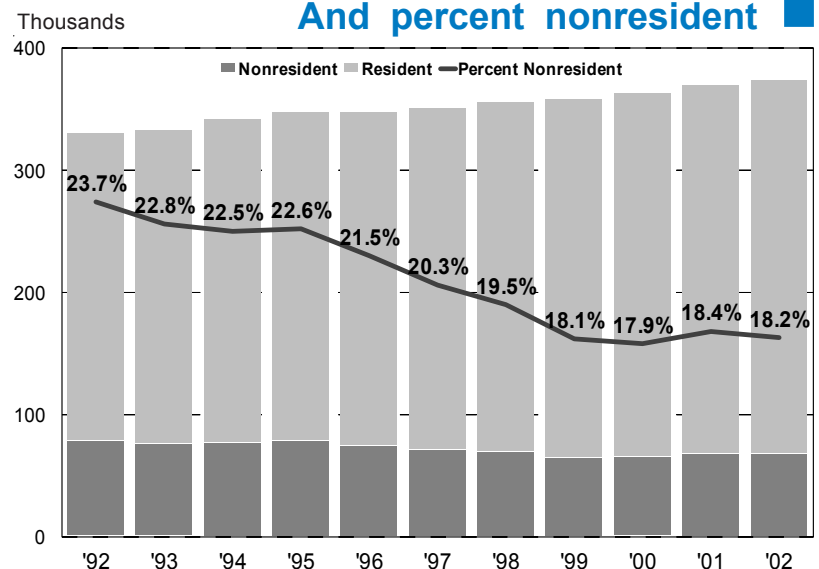
The data generally show that a significant number of high paying jobs are taken by nonresidents for which Alaskans are available or can be trained. Many of these jobs are year-round, rather than one-time, short-term or seasonal employment. Alaska also has many workers that commute from out-of-state on a regular basis to their jobs in Alaska. In the fourth quarter of 2002 (October-December) there were approximately 49,000 newly hired workers in Alaska wage and salary employment. New hires are workers that had not

been employed by that firm at any time in the previous four calendar quarters. About 11,000 of these new hires were nonresidents of Alaska.

Maximizing resident hire may require a variety of solutions, including improved training, industry education, and regulatory enforcement, depending upon the industry or occupation group. Incentives and recognition of industries that succeed in improving their resident hire rates can also have a positive impact.

The Alaska Workforce Investment Board and the University of Alaska use this information to identify unmet training needs. They allocate resources to training programs targeted at industries and occupations with relatively high pay and good potential for advancement and a high percentage of nonresident workers.

## Resident and Nonresident Workers And percent nonresident



Note: Includes private sector, state and local government workers.  
Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

# Highlights

- Resident hire in Alaska in 2002 showed improvement over 2001. In 2002, 18.2% of all workers were nonresidents, a slight decrease from the 18.4% that were nonresidents in 2001.
- While the number of resident wage and salary workers employed in Alaska grew by 4,640 (1.5%) from 2001 to 2002, the number of nonresident workers remained virtually unchanged between those two years.
- Total wage and salary earnings in private sector, state and local government jobs totaled \$9.7 billion in 2002. Nonresidents earned about 11.2% of the total (or \$1.1 billion), a slight increase from the 10.9% of total wages paid to nonresidents in 2001.
- Despite virtually no increase in the number of nonresident workers, total nonresident earnings in Alaska increased by 7.3%, or over \$74 million, from 2001 to 2002. Resident earnings increased 4.2% or \$346 million during the same time period.
- In the oil industry, nonresidents made up 25.6% of all workers in 2002. Total nonresident workers decreased by nearly 22 percent from 4,068 to 3,198. Total earnings paid to nonresidents working in the oil industry decreased from \$239 million in 2001 to \$234 million in 2002. The percent of total earnings paid to nonresident oil workers was 25.9% in 2002, nearly twice the statewide private sector average.
- Alaska's construction industry paid approximately \$709 million to residents in 2002, an increase of \$70 million from 2001. Nonresidents were paid \$111 million, up about \$24.8 million from the 2001 nonresident earnings of \$85.8 million, or an increase of 28.9%. Nearly 13.5% of total earnings in the construction industry was paid to nonresidents, slightly less than the private sector average of 13.6%.
- Alaska's seafood processing industry employed the highest percentage of nonresident workers of any industry sector, 71.0%. Nonresident seafood processing workers earned \$130.8 of the \$217 million paid to seafood processing workers in 2002. More than 12 percent of total wages paid to nonresident workers in Alaska in 2002 were paid to workers in the seafood processing industry.
- Nearly 30 percent of workers employed in the lumber and wood products industry were nonresidents in 2002.
- Alaska industries affected by visitor expenditures have relatively high nonresident hire rates. The hotel industry has a nonresident hire rate about twice that of the total private sector and government average. Nearly 23 percent of all earnings in the hotel/lodging industry went to nonresidents in 2002.
- The highest percentage of nonresident workers is found in the Southwest Region, primarily the Aleutians East, Lake and Peninsula, and Bristol Bay boroughs and Aleutians West census areas. These workers were engaged primarily in seafood processing employment. Other areas with a high percentage of nonresident workers include Denali and Haines boroughs, and Skagway-Hoonah-Angoon and Wrangell-Petersburg census areas.
- Relatively high paying occupations with the largest number of nonresident workers include: general construction workers, carpenters, nurses, operating engineers, pilots, sailors and electricians.

Based upon this information, the department also identifies particular craft occupations that are eligible for a 90 percent resident employment preference based upon provisions and procedures outlined in Alaska statutes and regulations.

## Measuring residency

To calculate residency, quarterly Alaska unemployment insurance wage records (which contain industry, occupation, earnings and place of work) for each worker are matched with Alaska PFD data to identify resident and nonresident workers. The two most recent years' PFD data are used to determine residency. Historical analysis of the PFD file shows that this information is an excellent indicator of residency. Although some workers not eligible for a PFD at the time residency reports are generated become residents in the following year, the most recent data show that these workers represent only about 14 percent of total nonresident workers.

## Number of nonresident workers stable, resident hire percentage improves

A total of 67,972 nonresident<sup>1</sup> wage and salary workers<sup>2</sup> were employed during one or more calendar quarters in Alaska in 2002. This number remained virtually unchanged from 2001, increasing by only 9 nonresident workers, despite a significant increase in the total number of workers employed in the state. Resident workers employed in Alaska in 2002 increased by 4,640 workers to 306,521, a 1.5% increase over 2001.

In 2002, nonresident workers comprised 18.2% of all workers employed during the year, a slight improvement from the 18.4% nonresident workers reported in 2001.

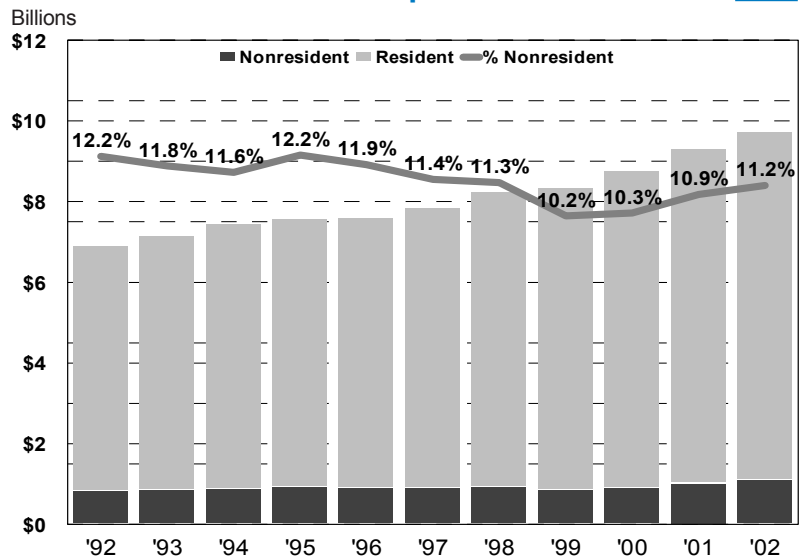
During the last four years, the percent nonresident workers employed in Alaska has ranged from 17.9% to 18.4%. The years with significant oil and construction industry employment growth were the years more nonresident workers were drawn to the state.

The industries with the largest increase in the number of nonresident workers were construction

and services, while the mining industry (including oil and gas) showed a significant decline in total and nonresident worker employment.

Total wage and salary earnings in private sector, state and local government jobs totaled \$9.7

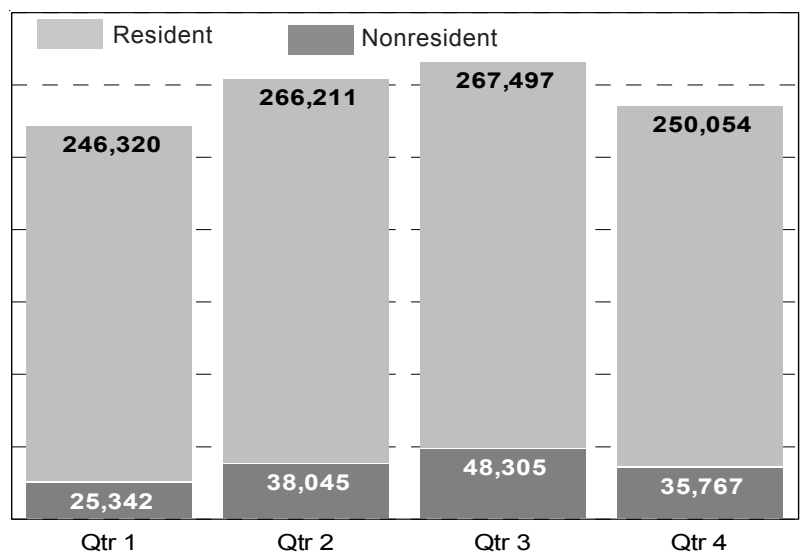
## Resident and Nonresident Wages 2 And percent nonresident



Note: Includes private sector, state and local government workers.

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

## Alaska Workers by Quarter 3 Resident and nonresident



Note: Includes private sector, state and local government workers.

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

## 4 Private Sector Industries with Highest percent nonresident workers

Food and kindred products	69.6%
Hotels	34.7%
Lumber and wood products	29.7%
Amusement/recreation svcs.	28.9%
Water transportation	27.3%
Oil and gas extraction	25.6%
Transportation services	24.2%
Eating & drinking places	23.3%
Local/suburban transit	23.1%
Business services	22.7%
Special trade contractors	22.0%
Agricultural services	21.0%
Metal mining	21.2%
Motion pictures	20.9%
Heavy construction	20.1%

Note: Industries with 1,000 or more workers.

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

billion in 2002. Nonresidents earned about 11.2% of the total (\$1.09 billion), a modest increase from the 10.9% of total wages paid to nonresidents in 2001. Total resident earnings increased by 4.2% over 2001, growing by \$346 million. Nonresident earnings increased at a slightly quicker pace, but from a much lower base, increasing by 7.3% or \$74 million.

With some significant exceptions, nonresidents typically do not work all four quarters of the year, often working only one or two calendar quarters. Many nonresident workers are employed only during the summer months or in short term or seasonal jobs, including those in the seafood processing and visitor related industry sectors. In 2002, residents earned an annual average of \$28,157 while nonresidents earned about 57 percent as much at \$16,007. Total earnings per quarter worked for nonresidents was \$7,400 in 2002, about 88 percent as much as paid to resident workers (\$8,394).

## Nonresident hire rates and earnings by industry

While 18.2% of workers employed in the private sector in Alaska in 2002 were nonresidents of the state, the nonresident employment rate varied

## 5 Workers and Wages Total and nonresident, by selected industries

Alaska 2002	Total Workers	Total Wages (\$Millions)	Nonres. Workers	Nonres. Percent	Nonres. Wages (\$Millions)	Nonres. Percent
Mining	14,696	\$1,006.30	3,609	24.6	\$250.30	24.9
Metal Mining	1,496	\$78.90	314	21.0	\$15.00	19.0
Oil	3,331	\$401.50	696	20.9	\$100.80	25.1
Oilfield Services	9,184	\$501.60	2,504	27.3	\$132.90	26.5
Construction	27,864	\$819.20	5,682	20.4	\$110.60	13.5
Manufacturing	25,300	\$416.60	14,311	56.6	\$148.40	35.6
Seafood Processing	18,675	\$217.20	13,180	70.6	\$130.80	60.2
Lumber/Logging	1,524	\$36.50	453	29.7	\$9.00	24.5
Trans/Comm/Utilities	34,753	\$1,269.00	5,636	16.2	\$166.40	13.1
Transportation	24,402	\$735.30	4,877	20.0	\$141.70	19.3
Wholesale Trade	10,130	\$295.20	1,423	14.0	\$17.70	6.0
Retail Trade	74,630	\$1,089.70	13,350	17.9	\$92.80	8.5
Finance/Insur/Real Estate	14,336	\$449.00	1,241	8.7	\$18.00	4.0
Services	95,134	\$2,152.00	17,095	18.0	\$209.30	9.7
Hotels	11,879	\$135.70	4,124	34.7	\$30.70	22.6
Health Services	24,268	\$804.10	2,581	10.6	\$56.10	7.0
Leisure & Hospitality*	40,895	\$436.50	10,870	26.6	\$72.10	16.5
Local Government	48,336	\$1,288.10	3,082	6.4	\$37.40	2.9
State Government	26,139	\$885.60	1,667	6.4	\$26.40	3.0
Total	374,493	\$9,692.30	67,972	18.2	\$1,061.60	11.0

\* This is a NAICS based industry category that includes hotels, eating and drinking and related sectors

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

significantly by industry. Nearly three quarters of Alaska workers in 2002 were employed in industries where more than 10 percent of the workers were nonresidents.

Nonresident mining workers were paid \$250 million, and nonresident services workers \$209 million in 2002. The mining industry paid about 23 percent of all nonresident earnings in Alaska in 2002, but this was a smaller total amount than paid in 2001, due to overall declines in the industry. The construction, services, and retail trade industries experienced the largest percentage increase in nonresident earnings when comparing 2001 to 2002.

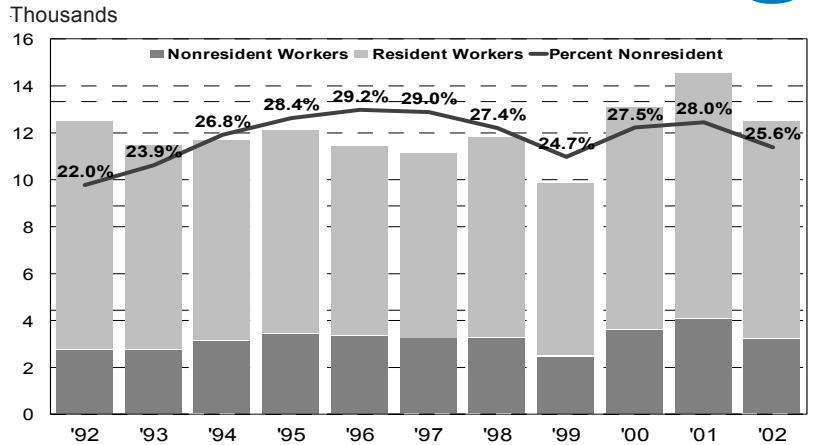
The highest ratios of nonresident to total workers are found in industries with a large number of seasonal jobs (often relatively low paying), industries with faster than average growth, industries with jobs requiring special skills, and industries where the workers may be employed in remote worksites or camps and can commute outside the state to their homes.

In 2002 these industries included seafood processing, hotels, lumber & wood products, amusement & recreation services, water transportation, oil & gas extraction, and transportation services. The Leisure & Hospitality sector, along with other visitor industry categories, has a very high percentage of nonresident workers. Although some of these industries exhibit a highly seasonal employment pattern, others have high nonresident hire rates for other reasons. These same industries have appeared on the top nonresident industry list for the last several years, with most industries showing change in tandem with the overall nonresident hire rate. In terms of total earnings for the major industry sectors, seafood processing, oil/oilfield services, lumber & wood products, and hotels have nonresident earning rates that exceed 20 percent.

### Oil industry hires fewer nonresident workers

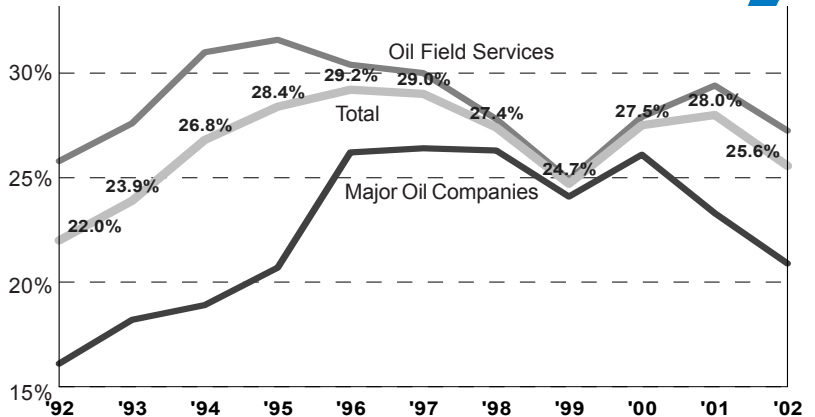
Alaska's oil industry employed 12,512 workers in 2002, a significant decrease from the 2001 total of 14,548 workers. The sharp decline in total workers went hand-in-hand with a significant

## Oil Industry 6 Number and percent nonresident workers



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

## Oil Industry 7 Percent nonresident workers



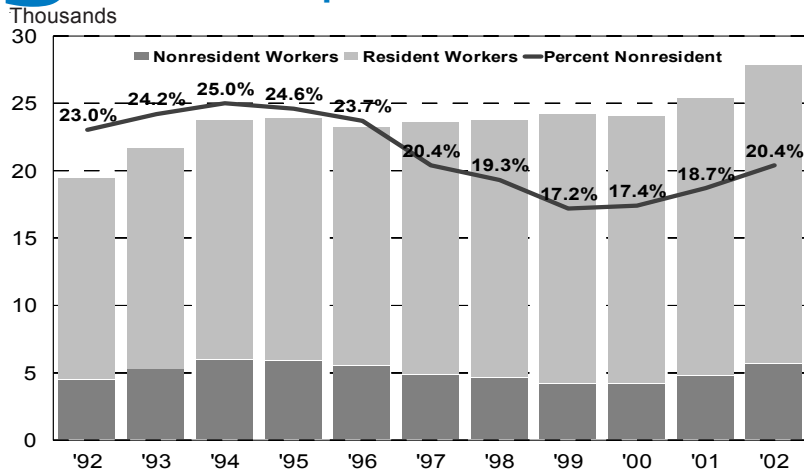
Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

## Oil Industry 8 Top employers of nonresident workers

Alaska 2002	Total Workers	Nonresident Workers	Percent Nonresident
BP Exploration Alaska Inc.	1,832	516	28.2
Alaska Petroleum Contractors Inc.	1,852	515	27.8
VECO Alaska Inc.	1,923	471	24.5
Peak Oilfield Services Co.	1,311	309	23.6
Nabors Alaska Drilling Inc.	896	292	32.6
Schlumberger Technology Corp.	448	139	31.0
Phillips Petroleum Co.	1,028	130	12.6
Halliburton Energy Svcs. Inc.	447	108	24.2
Houston/NANA JV	691	87	12.6
Norton Inc.	390	77	19.7

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

## 9 Construction Industry Number and percent nonresident workers



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

improvement in resident hire performance—less oilfield service and construction activity meant fewer new hires and fewer nonresident workers. Total nonresident workers decreased by 870 workers, or more than 21 percent between 2001 and 2002. Nonresident workers made up 25.6% of total oil industry workers in 2002, a 2.4% decrease from 2001.

Total earnings paid to nonresidents working in the oil industry decreased from \$239 million in 2001 to \$234 million in 2002; however the percent of total earnings paid to nonresidents increased, rising from 25.5% in 2001 to 25.9% in 2002. The oil industry paid nonresidents significantly more than residents on a quarterly basis, with residents earning an average of \$19,248 per quarter, while nonresidents earned \$22,634 per quarter.

Major oil companies showed a significant decline in percent nonresident workers over 2001, dropping from 23.3% to 20.9%. The share of wages paid to nonresidents by the major oil companies increased slightly from 24.0% in 2001 to 25.1% in 2002.

Oilfield service companies showed a decline in the percent nonresident workers employed in 2002 over 2001, moving from 29.4% to 27.3%. Oilfield service companies' share of wages paid to nonresidents remained virtually unchanged with 26.5% of wages going to nonresident workers.

## Construction industry nonresident workers and earnings increase

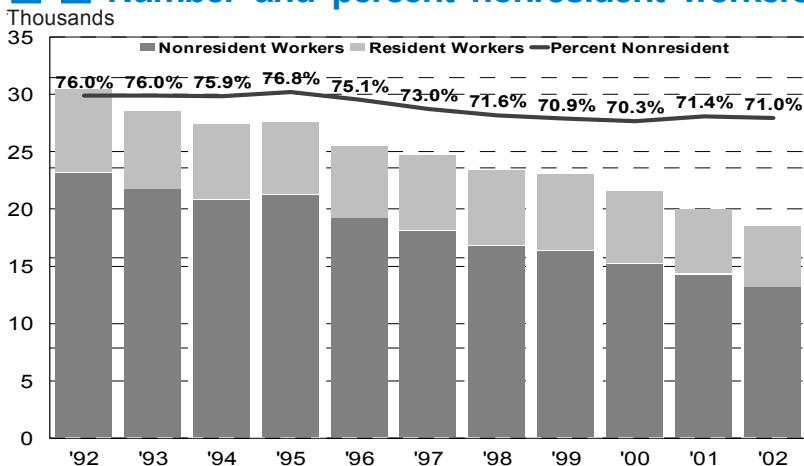
Alaska's construction industry paid approximately \$708.5 million to residents in 2002, an increase of \$70 million from 2001. Nonresidents were paid \$110.6 million, up about \$24.8 million from 2001. Nearly 14 percent of total earnings were paid to nonresidents, slightly higher than the private sector average. The number of resident construction workers increased by 1,531 in 2002 over 2001, while nonresident construction workers increased by 925. A total of 20.4% of all construction workers were nonresident in 2002, a small increase from 2001, but still a large drop from the 1994 peak when 25 percent of all construction workers were nonresident.

## 10 Construction Industry Top employers of nonresident workers

Alaska 2002	Total Workers	Nonresident Workers	Percent Nonresident
Conam Construction Co.	366	181	49.5
Udelhoven Oilfield System Svc.	580	158	27.2
Altair Strickland West Inc.	143	137	95.8
Osborne Construction Co.	698	116	16.6
Houston Contracting Co..	543	87	16.0
Alaska Interstate Construction	490	75	15.3
Kiewit Construction Co.	343	74	21.6
Colaska Inc.	589	72	12.2
Alaska Mechanical Inc.	320	60	18.8
Fluor Federal Services Inc.	73	60	82.2
GBC LLC Contractors	180	53	29.4
Wilder Construction Co.	499	52	10.4
Harpoon Construction Group Inc.	543	50	9.2

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

## 11 Seafood Processing Number and percent nonresident workers



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



## Seafood processing

In 2002, Alaska's seafood processing industry employed the highest percentage of nonresident workers of any industry sector, 71.0%. Nonresident seafood processing workers earned \$130.5 million of the \$217 million paid to seafood processing workers in 2002. Twelve percent of total wages paid to nonresident workers in Alaska in 2002 was paid to workers in the seafood processing industry.

The number of nonresident workers decreased by 1,041 workers between 2001 and 2002. Resident workers increased by only three workers during this same time period, resulting in an overall improvement in resident hire performance. Resident earnings decreased by 4.7% or about \$4.2 million and nonresident earnings decreased by 2.5% or about \$3.3 million. The seafood processing industry is relatively low paying, with nonresident workers earning on average \$4,698 in each quarter that they worked in 2002, an increase of \$18 from 2001. The

## Seafood Processing 12 Top employers of nonresident workers

Alaska 2002	Total Workers	Nonresident Workers	Percent Nonresident
Trident Seafoods Corp.	3,478	2,895	83.2
Icicle Seafoods Inc.	1,588	1,287	81.0
Unisea Inc.	1,446	1,110	76.8
Peter Pan Seafoods Inc.	1,299	1,082	83.3
Wards Cove Packing Co. Inc.	1,418	996	70.2
Norquest Seafoods Inc.	1,091	811	74.3
Westward Seafood Inc.	954	762	79.9
Ocean Beauty Seafoods Inc.	1,351	752	55.7
North Pacific Processors Inc.	1,213	415	34.2
Alyeska Seafoods Inc.	498	410	82.3

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

## Seafood Processing 13 Workers and wages by area

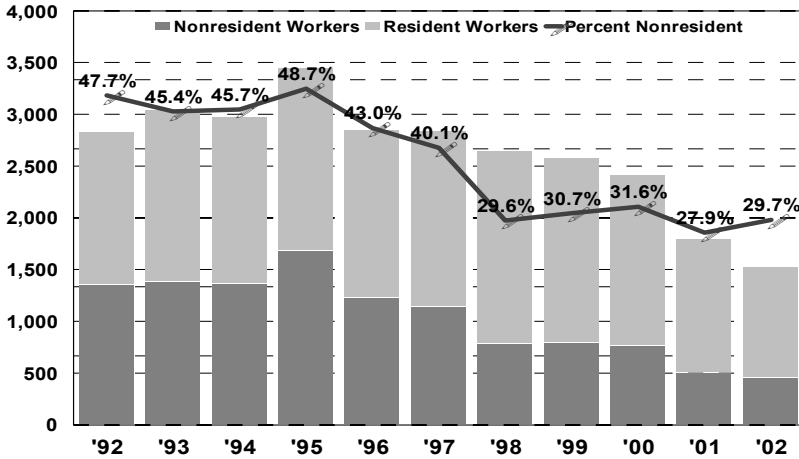
Alaska 2002	Total Workers	Total Wages	Nonresident Workers	Nonresident Percent	Nonresident Wages	Nonresident Percent
Aleutians East	4,583	\$53,706,935	3,970	86.6	\$42,273,574	78.7
Aleutians West	3,055	48,981,639	2,414	79.0	30,907,213	63.1
Anchorage	377	5,218,096	52	13.8	828,542	15.9
Bristol Bay	1,335	12,015,192	1,021	76.5	7,473,304	62.2
Fairbanks	13	ND	3	23.1	ND	ND
Haines	11	36,662	7	63.6	25,036	68.3
Juneau	175	ND	53	30.3	ND	ND
Kenai	1,095	6,090,934	429	39.2	1,693,362	27.8
Ketchikan	1,426	12,583,473	1,131	79.3	8,079,640	64.2
Kodiak	2,290	32,282,854	1,331	58.1	16,369,031	50.7
Lake and Peninsula	230	1,834,010	221	96.1	1,748,850	95.4
Nome	32	295,421	5	15.6	97,225	32.9
Prince of Wales-Outer Ketchikan	212	1,247,424	40	18.9	280,019	22.4
Sitka	166	1,987,458	80	48.2	490,131	24.7
Skagway-Hoonah-Angoon	83	ND	30	36.1	ND	ND
Unknown in Alaska	232	1,797,634	229	98.7	1,775,618	98.8
Valdez-Cordova	1,375	14,940,868	655	47.6	4,307,835	28.8
Wade Hampton	23	ND	9	39.1	ND	ND
Wrangell-Petersburg	1,953	21,540,940	1,496	76.6	13,833,296	64.2
Yakutat	9	206,624	4	44.4	112,218	54.3
<b>Total</b>	<b>18,675</b>	<b>217,187,314</b>	<b>13,180</b>	<b>70.6</b>	<b>130,781,906</b>	<b>60.2</b>

ND: Nondisclosable

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

# 14 Lumber and Wood Products

## Number and percent nonresident workers



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

# 15 Lumber and Wood Products

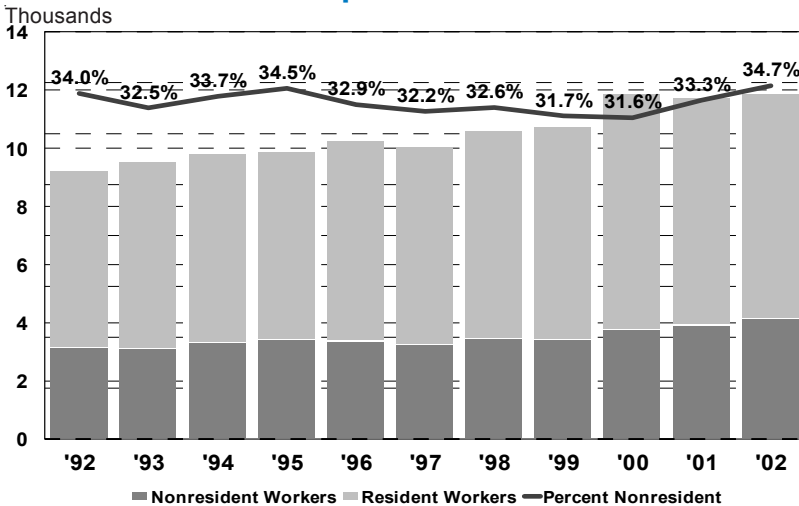
## Top employers of nonresidents

Alaska 2002	Total Workers	Nonresident Workers	Percent Nonresident
Browning Timber of Alaska Inc.	262	120	45.8
Silver Bay Logging Inc.	247	74	30.0
Phoenix Logging Co.	156	67	42.9
Ben A. Thomas Inc. Alaska Div.	111	52	46.8
Whitestone Logging Inc.	194	40	20.6
Columbia Helicopters Inc.	70	34	48.6
Kake Tribal Logging & Timber	132	28	21.2
Alaska Pacific Logging Inc.	75	15	20.0
Northland Wood Products Inc.	76	14	18.4

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

# 16 Hotels and Lodging Places

## Number and percent nonresident workers



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

seafood processing industry has declined in total employment from 29,894 workers in 1992 to 18,522 in 2002. (Fish harvesting workers are generally not covered by unemployment insurance and are not included in these numbers.)

Aleutians East and Aleutians West had the largest number of workers and the most wages paid. In both urban and rural areas of the state the percentage of nonresident workers was very high.

## Lumber and wood products

Nearly 30 percent of workers employed in the lumber and wood products industry were nonresidents in 2002. This rate is comparable to rates seen in the last few years, and actually somewhat less than the 36 percent nonresident worker rates seen in the early 1990s when Alaska's pulp mills were still operating and timber industry (lumber and pulp) payrolls were 3.5 times current levels.

Nonresident workers in lumber & wood products earned nearly \$9 million in Alaska in 2002.

## Visitor related industries

Although there is no "visitor industry" in the federal industry classification system, several industry sectors in Alaska are significantly impacted by visitor expenditures. These include hotels, air transportation, local and suburban transportation, and eating and drinking places. Exhibit 19 shows the nonresident hire performance of these visitor related industries, as well as the newly defined Leisure & Hospitality industry category which includes hotels and eating and drinking establishments.

Air transportation and hotels were the primary employers of nonresident workers in the visitor industry. \$135 million in wages were paid to nonresident workers in these two industries in 2002 alone.

The air transportation industry sector experienced a slight decrease in the percent nonresident workers, decreasing from 19.2% in 2001 to 18.6%

in 2002. More than 40 percent of the workers in the airline pilots, copilots & flight engineers, and commercial pilots occupational groups were nonresident workers, and they earned 43.2% of the total \$137.1 million paid to the pilots occupational group in Alaska in 2002.

The hotel industry has a nonresident hire rate about twice that of the total private sector and government industry average. Nearly 23 percent of all earnings in the hotel/lodging industry went to nonresidents in 2002. The percent nonresident workers employed in this industry sector has remained fairly constant over the last ten years, with more than 31 percent nonresident workers in each of those years.

## Other industry sectors

The Finance, Insurance, and Real Estate sector has a very low percentage of nonresidents. State and local government continues to have among the lowest percent nonresident workers and wages, with less than 6.4% of workers and 2.9% of wages nonresident. Both state and local government experienced a slight increase in nonresident workers over 2001.

## Nonresidents work in jobs that Alaskans can fill

Based upon monthly unemployment estimates, between 16,400 and 26,400 Alaska residents were officially unemployed in 2002. During 2002 the number of nonresident workers employed during each quarter varied from more

## Selected Visitor Related Employers **17** Nonresident workers

Alaska 2002	Total Workers	Nonresident Workers	Percent Nonresident
Northwest Airlines Inc.	669	432	64.6
CIRI Alaska Tourism Corp.	727	253	34.8
Royal Highway Tours Inc.	838	249	29.7
Westours Motorcoaches	612	211	34.5
Alaska Airlines Inc.	2,204	133	6.0
Alaska Travel Adventures Inc.	246	121	49.2
Holland America Line	284	106	37.3
ERAAviation Inc.	826	99	12.0
Tour Alaska	217	89	41.0

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

## Hotel Industry **18** Top employers of nonresident workers

Alaska 2002	Total Workers	Nonresident Workers	Percent Nonresident
Alaska Hotel Properties	1,157	600	51.9
Westmark Hotels	1,020	270	26.5
Alyeska Resort	1,061	232	21.9
Glacier Bay Park Concessions	212	179	84.4
Grande Denali Lodge	197	171	86.8
Waterfall Group Ltd.	94	71	75.5
Fountainhead Development	588	71	12.1
Columbia Sussex Corp.	419	66	15.8

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

## Visitor Related Industries **19** Workers and wages

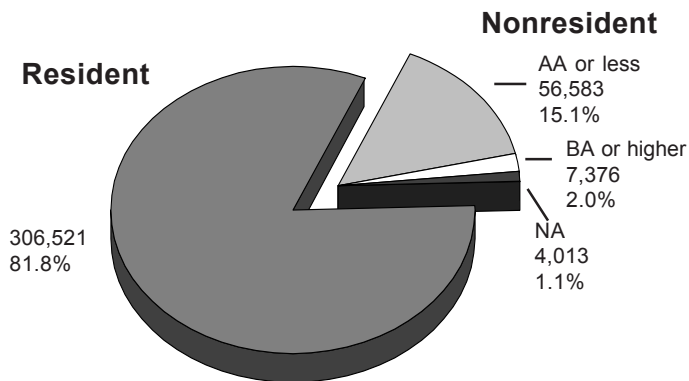
Alaska 2002	Total		Nonresident			
	Workers	Wages (Millions)	Workers	Percent	Wages (Millions)	Percent
Transportation	24,402	\$735.30	4,877	20.0	\$141.70	19.3
Air Transportation	11,741	\$439.60	2,179	18.6	\$104.20	23.7
Transportation Services	1,944	\$33.00	470	24.2	\$4.30	11.5
Local/Suburban Transportation	3,193	\$41.20	739	23.1	\$6.40	15.4
Eating and Drinking Places	28,986	\$301.70	6,744	23.3	\$41.40	13.8
Hotels	11,879	\$135.70	4,124	34.7	\$30.70	22.6
Leisure & Hospitality*	40,895	\$436.50	10,870	26.6	\$72.10	16.5

\*This is a NAICS based industry category that includes hotels, eating and drinking and related industry sectors.

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

# 20 Nonresident Workers

## By education required for occupation



Note: Private Sector only  
 Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

than 25,000 to more than 48,000. Although nonresident workers may take jobs that many in the Alaska labor force may be unwilling, unable or unqualified to fill, the data suggest that there are a significant number of unemployed Alaskans that could be employed if given an opportunity, additional training or better information.

In addition, Alaska has underemployed workers—workers that involuntarily worked less than full-time, or workers that had higher skill levels than those required for the position in which they were working. Other workers live where there are few employment opportunities and so have not looked for work, a requirement to be considered unemployed.

# 21 Nonresidents in Occupations

## With known educational requirement

Alaska 2002

	Education Required	Nonresident Workers	Total Nonresident Wages	Avg. Nonres. Wages
<b>Anchorage/Mat-Su Region</b>				
Anchorage	AA or less	17,379	\$229,049,768	\$13,180
Anchorage	BA or higher	2,908	\$141,406,018	\$48,627
Mat-Su	AA or Less	2,147	\$16,969,594	\$7,904
Mat-Su	BA or higher	343	\$4,855,770	\$14,157
<b>Gulf Coast Region</b>				
Kenai	AA or less	4,192	\$37,369,050	\$8,914
Kenai	BA or higher	391	\$7,586,237	\$19,402
Kodiak	AA or less	1,054	\$11,345,426	\$10,764
Kodiak	BA or higher	119	\$2,182,175	\$18,338
Valdez-Cordova	AA or less	1,865	\$19,719,746	\$10,574
Valdez-Cordova	BA or higher	100	\$2,786,532	\$27,865
<b>Interior Region</b>				
Denali Borough	AA or less	682	\$5,272,130	\$7,730
Denali Borough	BA or higher	25	\$530,078	\$21,203
Fairbanks	AA or less	5,016	\$54,315,155	\$10,828
Fairbanks	BA or higher	956	\$16,986,123	\$17,768
Southeast Fairbanks	AA or less	287	\$3,578,830	\$12,470
Southeast Fairbanks	BA or higher	89	\$3,149,325	\$35,386
Yukon-Koyukuk	AA or less	397	\$5,046,507	\$12,712
Yukon-Koyukuk	BA or higher	82	\$2,060,260	\$25,125
<b>Northern Region</b>				
Nome	AA or less	398	\$4,929,588	\$12,386
Nome	BA or higher	176	\$3,698,409	\$21,014
North Slope Borough	AA or less	2,654	\$125,756,469	\$47,384
North Slope Borough	BA or higher	350	\$19,681,434	\$56,233
Northwest Arctic Borough	AA or less	417	\$12,195,694	\$29,246
Northwest Arctic Borough	BA or higher	145	\$5,098,488	\$35,162

In 2002, many nonresident workers filled good paying jobs that require relatively modest education or training. Based upon an analysis of Alaska occupational wage records and occupational information provided by employers, more than 80 percent of all nonresident workers employed in the private sector were employed in jobs requiring education less than or equal to an associate's degree (approximately two years of postsecondary education).

In 2002, nonresident workers were employed throughout the state, many in jobs with relatively high average earnings requiring less than a four-year degree. The North Slope Borough in particular had a large number of nonresident workers earning a significant amount of money (approximately \$125 million) in occupations that required less than a four-year degree.

### Nonresident occupations

Employers provide the department occupational information on workers on a quarterly basis. For this report, workers were assigned an occupation code based upon the occupation in which they earned the most money in 2002. Nonresident workers were found in large numbers in a wide variety of occupations, especially in occupations related to seafood processing, hotels, eating and drinking places, oil, and construction. Many occupations with large numbers of nonresident

workers have relatively high pay, and although they may require significant training or education, represent an opportunity for training programs in Alaska or a career path for an unemployed Alaskan. Exhibit 24 lists the top nonresident occupations that had average quarterly earnings in excess of \$5,746 in 2002, the median quarterly earnings for those reporting occupational information.

Exhibit 25 shows occupations with the largest number of nonresident workers, irrespective of earnings. Many of these occupations represent an entry-level employment opportunity for unemployed Alaska workers with less work experience or fewer skills. Top nonresident occupations include seafood processing workers, retail sales workers, food service workers, waiters/waitresses, general laborers, and cashiers.

### Nonresident occupations by industry

Although the total number of nonresident workers in an occupation or industry provides a good understanding of where employment and training opportunities exist, training providers and industry groups often want to know where training dollars should be directed within an industry. Exhibit 29 shows the top nonresident occupations for several major Alaska industry sectors with a large number of nonresident workers.

### Resident hire percentages differ by geographic area

The highest percent nonresident workers is found in the Southwest Region, primarily the Aleutians East, Bristol Bay and Lake and Peninsula boroughs, and Aleutians West census area. These workers were engaged primarily in seafood processing. Other areas with a high percentage of nonresident workers include Yakutat, Denali, and Kodiak Island boroughs, and Skagway-Hoonah-Angoon census area.

The areas with the lowest percent nonresident workers include northern and western rural areas of Alaska (excluding the North Slope Borough). These areas are not a magnet for nonresident

workers. The areas that are most urban, economically diverse and offer the most year-around jobs have a moderate or “average” number of nonresident workers. Anchorage/Mat-Su, Fairbanks and Juneau fall into this category.

## Nonresidents in Occupations 21 With Known Educational Requirement (continued)

Alaska 2002	Education Required	Nonresident Workers	Total Nonresident Wages	Avg. Nonres. Wages
<b>Southeast Region</b>				
Haines	AA or less	510	\$3,896,075	\$7,639
Haines	BA or higher	24	\$473,825	\$19,743
Juneau	AA or less	2,354	\$26,376,579	\$11,205
Juneau	BA or higher	414	\$7,360,533	\$17,779
Ketchikan	AA or less	2,062	\$20,166,551	\$9,780
Ketchikan	BA or higher	84	\$1,742,752	\$20,747
POW-Outer Ketchikan	AA or less	543	\$5,417,401	\$9,977
POW-Outer Ketchikan	BA or higher	66	\$1,073,079	\$16,259
Sitka	AA or less	1,010	\$9,236,581	\$9,145
Sitka	BA or higher	132	\$2,027,615	\$15,361
Skagway-Hoonah-Angoon	AA or Less	986	\$8,650,800	\$8,774
Skagway-Hoonah-Angoon	BA or higher	44	\$1,026,703	\$23,334
Wrangell-Petersburg	AA or Less	1,157	\$8,996,072	\$7,775
Wrangell-Petersburg	BA or higher	38	\$777,272	\$20,455
Yakutat	AA or Less	96	\$1,020,179	\$10,627
Yakutat	BA or higher	12	\$365,362	\$30,447
<b>Southwest Region</b>				
Aleutians East	AA or Less	2,435	\$29,118,762	\$11,958
Aleutians East	BA or higher	49	\$1,316,605	\$26,869
Aleutians West	AA or less	2,715	\$39,050,840	\$14,383
Aleutians West	BA or higher	65	\$2,212,428	\$34,037
Bethel	AA or less	644	\$8,352,321	\$12,969
Bethel	BA or higher	256	\$6,342,200	\$24,774
Bristol Bay	AA or less	1,283	\$9,420,145	\$7,342
Bristol Bay	BA or higher	30	\$631,709	\$21,057
Dillingham	AA or less	386	\$3,504,730	\$9,080
Dillingham	BA or higher	72	\$1,849,643	\$25,689
Lake and Peninsula	AA or less	638	\$5,664,160	\$8,878
Lake and Peninsula	BA or higher	27	\$330,118	\$12,227
Wade Hampton	AA or less	159	\$3,061,865	\$19,257
Wade Hampton	BA or higher	84	\$2,179,051	\$25,941

Note: Private sector only

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

## Geographic distribution of local and non-local Alaska residents and nonresidents

For many areas, filling jobs with local residents is a high priority. Worker employment records showing place of work information are matched

with Permanent Fund Dividend applicant address information to determine the number of local residents, non-local Alaska residents and nonresidents working in each Alaska borough or census area<sup>3</sup>. Overall, 70 percent of workers were local residents of the area where they worked in 2002, while about 13 percent were residents of Alaska, but did not live in the borough or census area in which they worked. (See Exhibit 28.)

## 22 Employed and Unemployed Residents and nonresidents

Alaska 2002	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr
Total Resident Workers*	246,320	266,211	267,497	250,054
Total Nonresident Workers*	25,342	38,045	48,305	35,767
Est. Avg. AK Unemployed**	27,202	23,970	22,920	25,756

\*Includes all workers employed in private sector, state and local government.

\*\*Derived from monthly Alaska labor force estimates

Note: Data is derived from series that are not directly comparable due to differing definitions.

The Aleutians East Borough, with its large number of nonresident seafood processing workers, had the lowest percent local resident private sector workers in 2002. The North Slope Borough also had a very significant number of non-local private sector workers, due to the large number of oil industry workers employed on a rotating basis at work sites in the Prudhoe Bay area. Other areas with low percent local resident workers include those with large seasonal seafood processing industries. Rural areas with relatively few job opportunities have the highest level of local resident employment.

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

## 23 Alaska Resident and Nonresident Workers and Wages 2001 and 2002

	Resident Workers			Nonresident Workers			Resident Wages			Nonresident Wages		
	2001	2002	% Change	2001	2002	% Change	2001	2002	% Change	2001	2002	% Change
Ag/Forestry/Fishing	2,095	2,108	0.6	675	774	14.7	\$32,609,546	\$33,660,797	3.2	\$7,770,578	\$9,423,871	21.3
Mining	12,258	11,087	-9.6	4,446	3,609	-18.8	788,651,677	755,945,143	-4.1	255,377,658	250,347,968	-2.0
Construction	20,651	22,182	7.4	4,757	5,682	19.4	638,510,745	708,549,795	11.0	85,849,698	110,626,025	28.9
Manufacturing	10,920	10,989	0.6	15,410	14,311	-7.1	266,565,153	268,174,174	0.6	152,694,249	148,422,426	-2.8
Trans/Comm/Util	29,661	29,117	-1.8	5,704	5,636	-1.2	1,101,685,737	1,102,686,015	0.1	159,594,475	166,362,720	4.2
Wholesale Trade	9,334	8,707	-6.7	1,593	1,423	-10.7	279,217,658	277,500,775	-0.6	17,080,342	17,723,184	3.8
Retail Trade	60,722	61,280	0.9	13,249	13,350	0.8	950,256,808	996,914,841	4.9	81,640,950	92,830,462	13.7
Finance/Ins/R.E.	13,381	13,095	-2.1	1,224	1,241	1.4	420,137,945	430,985,124	2.6	16,451,527	18,021,101	9.5
Services	76,437	78,039	2.1	16,478	17,095	3.7	1,810,014,544	1,942,699,312	7.3	183,134,132	209,310,257	14.3
Public Admin.	45	115	155.6	5	12	140.0	617,617	1,888,838	205.8	39,187	114,361	191.8
Nonclassifiable	302	76	-74.8	81	90	11.1	5,321,833	1,828,424	-65.6	873,583	1,002,897	14.8
Total Private	235,761	236,795	0.4	63,617	63,223	-0.6	6,292,971,646	6,520,833,239	3.6	960,467,192	1,024,185,274	6.6
Local Government	42,517	45,254	6.4	2,750	3,082	12.1	1,174,686,541	1,250,652,282	6.5	29,671,163	\$37,427,333	26.1
State Government	23,603	24,472	3.7	1,596	1,667	4.4	816,561,054	859,189,301	5.2	23,698,021	\$26,397,970	11.4
Total	301,881	306,521	1.5	67,963	67,972	0.0	8,284,219,241	8,630,674,821	4.2	1,013,836,376	1,088,010,577	4.7

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

## Economic and social impact of nonresident workers

Nonresident workers can negatively affect the Alaska economy in many ways, including:

- Depriving an Alaska resident of a job and income

- Taking their nonresident income outside the state, resulting in significant income leakage and reduced multiplier effect
- Increasing the likelihood that an unemployed Alaska resident will remain on unemployment insurance longer than would otherwise be the case
- The receipt and spending outside the state of

## Private Sector Occupations with the Most Nonresidents Paid more than the all-occupations median **24**

Alaska 2002 Occupation	Nonresident Workers	Average Earnings per Qtr
Construction Laborers	1,155	\$6,394
Carpenters	927	7,345
Registered Nurses	747	9,852
Operating Engineers & other Construction Equipment Operators	641	14,400
Airline Pilots, Copilots, and Flight Engineers	585	28,388
Sailors and Marine Oilers	479	7,519
Electricians	459	13,158
Fishermen and Related Fishing Workers *	424	8,386
Maintenance and Repair Workers, General	409	6,183
Truck Drivers, Heavy and Tractor-Trailer	407	10,100
Commercial Pilots	387	11,629
General and Operations Managers	386	13,448
Roustabouts, Oil and Gas	380	12,136
Security Guards	373	5,894
Captains, Mates, and Pilots of Water Vessels	319	12,776
Managers, All Other	318	25,540
1st-Line Supv/Mgr of Construction Trades & Extraction Workers	314	19,364
Service Unit Operators, Oil, Gas, and Mining	298	25,548
Plumbers, Pipefitters, and Steamfitters	291	12,076
Office and Administrative Support Workers, All Other	283	6,866
Truck Drivers, Light or Delivery Services	265	6,834
Welders, Cutters, Solderers, and Brazers	253	12,257
Automotive Service Technicians and Mechanics	248	6,587
Engineers, All Other	216	36,080
Aircraft Mechanics and Service Technicians	211	9,772
Material Moving Workers, All Other	190	6,051
Helpers—Installation, Maintenance, and Repair Workers	182	7,151
Installation, Maintenance, & Repair Workers, All Other	175	13,185
Cooks, Institution and Cafeteria	165	6,073
Chefs and Head Cooks	161	7,329
1st-Line Supv/Mgr of Seafood Processing Workers	154	8,792

Median earnings: \$5,746 per quarter worked

\* Most seafood harvesters are self-employed, and are excluded from these data and analyses.

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

unemployment insurance benefits derived from Alaska employment. In 2002, \$21.5 million was paid in regular UI benefit payments to interstate claimants.

In addition, the increase in unemployment and loss of income to Alaskans can lead to a variety of

social ills including drug abuse, domestic violence and a variety of negative health effects. These social ills are documented in an annual review of resident hire conditions used as part of the determination process to identify construction craft occupations eligible for a 90 percent employment preference on construction projects funded by state or local government.

## 25 Private Sector Occupations With the largest number of nonresidents

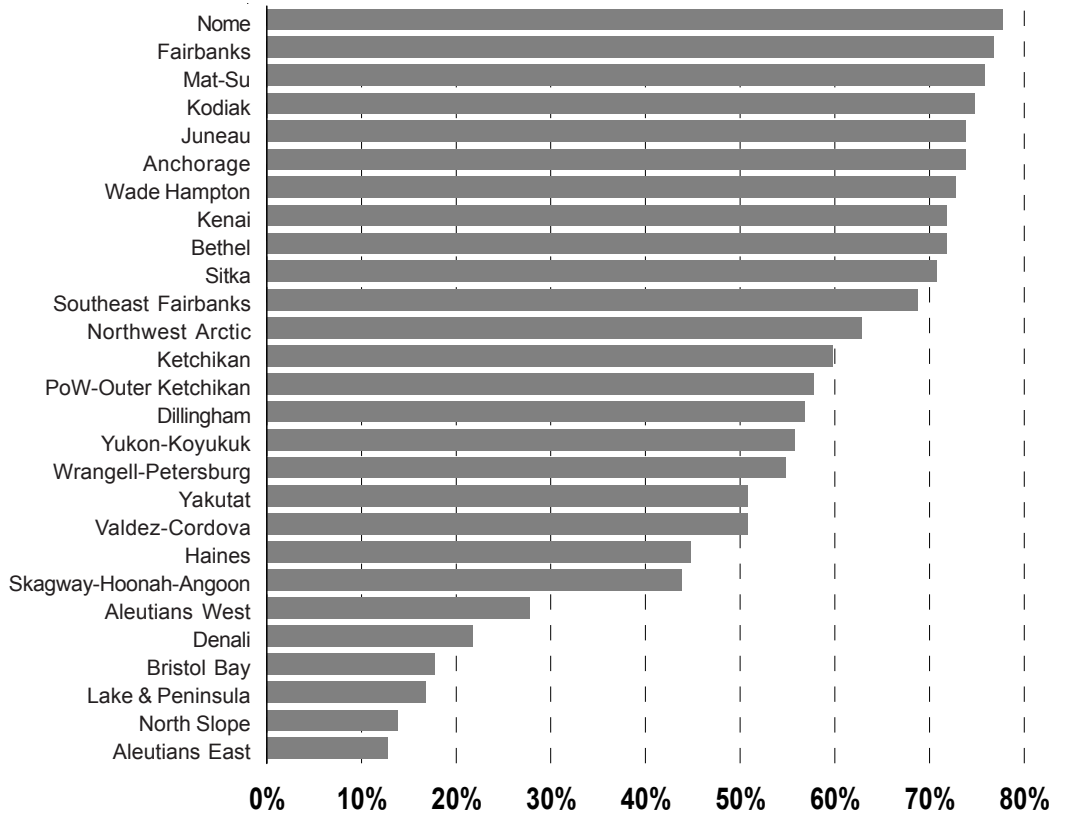
Alaska 2002	Resident Workers	Nonres. Workers	Nonres. Percent	Resident Earnings	Nonres. Earnings	Nonres. Percent
Seafood Processing Workers, exc. Surimi & Fish Roe	3,453	10,123	74.6	\$38,091,430	\$81,107,950	68.0
Retail Salespersons	12,552	2,422	16.2	193,645,707	16,362,642	7.8
Combined Food Prep. & Serving Wkrs, incl. Fast Food	5,892	1,515	20.5	35,520,089	5,794,361	14.0
Waiters and Waitresses	4,008	1,461	26.7	40,775,159	7,689,879	15.9
Laborers & Freight, Stock, & Material Movers, Hand	4,745	1,177	19.9	74,942,375	10,820,520	12.6
Cashiers	6,027	1,162	16.2	59,814,397	5,941,451	9.0
Construction Laborers	5,276	1,155	18.0	113,937,693	14,418,055	11.2
Maids and Housekeeping Cleaners	3,317	956	22.4	36,961,157	6,077,801	14.1
Carpenters	4,186	927	18.1	107,373,778	13,507,071	11.2
Tour Guides and Escorts	708	896	55.9	6,296,053	6,544,937	51.0
Office Clerks, General	5,554	853	13.3	116,454,916	9,531,733	7.6
Cooks, Restaurant	1,847	807	30.4	27,862,422	6,390,776	18.7
Registered Nurses	2,849	747	20.8	130,370,159	16,649,541	11.3
Janitors & Cleaners, exc. Maids & Housekeeping Cleaners	3,624	690	16.0	46,717,471	4,346,549	8.5
Operating Engineers & Other Construction Equipm't Oper.	2,403	641	21.1	105,438,064	24,148,565	18.6
Dishwashers	1,523	617	28.8	10,324,401	2,974,509	22.4
Airline Pilots, Copilots, and Flight Engineers	803	585	42.1	45,728,633	48,884,257	51.7
Customer Service Representatives	3,257	497	13.2	66,304,164	5,402,790	7.5
Sailors and Marine Oilers	500	479	48.9	11,520,684	7,406,367	39.1
Food Preparation Workers	1,802	468	20.6	22,725,461	3,583,613	13.6
Electricians	1,780	459	20.5	78,393,679	14,683,910	15.8
Sales and Related Workers, All Other	2,175	449	17.1	40,419,928	3,307,924	7.6
Fishers and Related Fishing Workers	295	424	59.0	3,056,455	7,127,722	70.0
Child Care Workers	1,729	414	19.3	16,141,044	1,581,029	8.9
Maintenance and Repair Workers, General	2,014	409	16.9	53,708,166	5,459,987	9.2
Receptionists and Information Clerks	2,872	408	12.4	46,620,011	2,970,514	6.0
Truck Drivers, Heavy and Tractor-Trailer	2,341	407	14.8	87,507,335	10,686,252	10.9
Commercial Pilots	633	387	37.9	38,638,630	12,083,001	23.8
General and Operations Managers	3,297	386	10.5	172,935,499	13,528,307	7.3
Roustabouts, Oil and Gas	987	380	27.8	41,680,477	14,296,654	25.5
Security Guards	1,634	373	18.6	41,368,187	5,157,591	11.1
Stock Clerks and Order Fillers	2,177	371	14.6	32,164,740	2,764,018	7.9
Bartenders	1,716	369	17.7	21,902,987	2,453,986	10.1
Counter Attendants, Cafeteria/Food Concession/Coffee Shop	1,864	337	15.3	22,372,233	1,521,173	6.4
Bookkeeping, Accounting, and Auditing Clerks	3,448	336	8.9	87,268,402	3,903,143	4.3

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



## Percent of Private Sector Workers who are local residents **26**

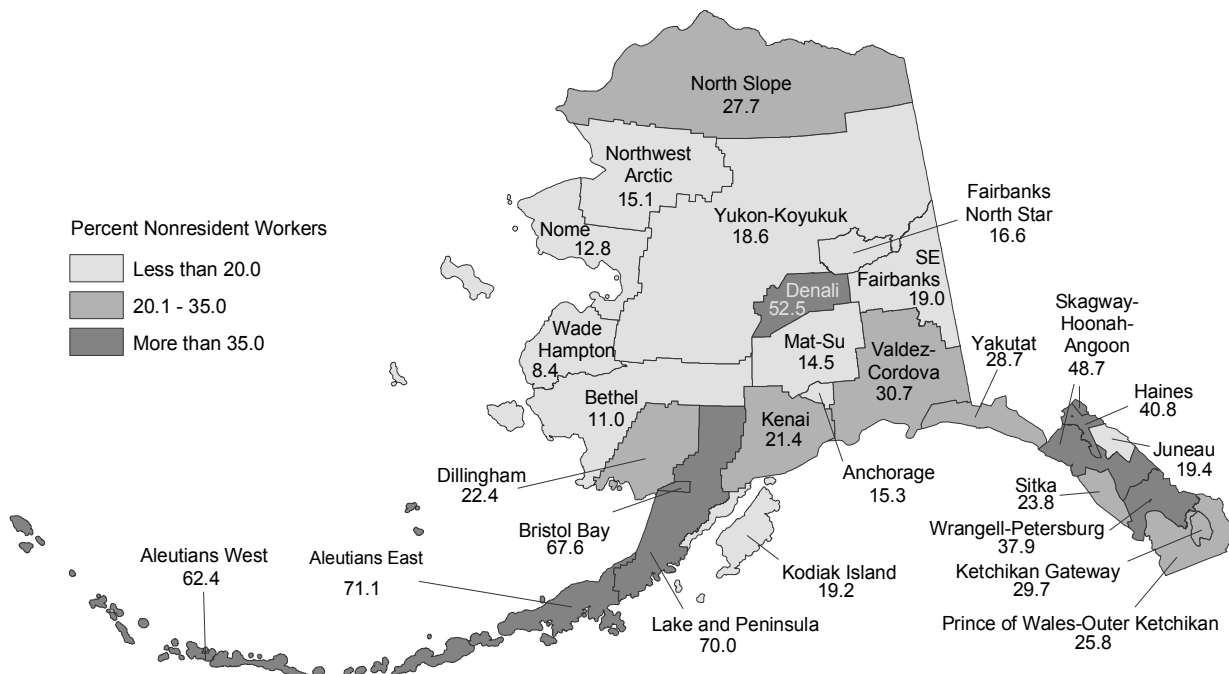
Workers generally spend the bulk of their earnings where they reside. On average, non-residents take a significant portion of their earnings to their home state, depriving Alaska of the full economic benefits of the employment created in the Alaska economy. This has a direct impact on the total growth rate and income of Alaska. This leakage of income out-of-state results in smaller indirect income and employment than would occur if workers lived in Alaska. Many nonresidents work a relatively short time in Alaska (often for just a quarter or two) and generally do not live, own homes or consume the bulk of their earnings in Alaska. They keep the overall economy, including retail sales, services and housing construction at a level less than would otherwise



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

(continued page 21)

## Nonresident Private Sector Workers By place of work **27**



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

# 28 Workers and Earnings by Place of Work & Alaska Residence

## Residents and nonresidents

Alaska 2002		Resident Workers Local	Resident Workers Non-local	Non- resident Workers	Pct. Non- resident Workers	Wages Local Resident	Wages Non-local AK Resident	Non- resident Wages	Pct. Non- resident Wages
<b><u>Anchorage/Mat-Su Region</u></b>									
Anchorage	State Govt	8,419	1,064	440	4.4	\$308,117,387	\$38,831,394	\$6,801,102	1.9
Anchorage	Local Govt	10,831	719	551	4.6	387,120,370	25,506,659	7,080,549	1.7
Anchorage	Private Sector	100,064	17,616	21,334	15.3	3,005,570,776	508,042,840	397,194,619	10.2
Mat-Su	State Govt	879	129	24	2.3	28,703,185	4,053,274	317,890	1.0
Mat-Su	Local Govt	2,646	140	93	3.2	75,137,606	4,313,295	917,006	1.1
Mat-Su	Private Sector	12,410	1,781	2,402	14.5	241,150,206	39,407,493	20,892,786	6.9
<b><u>Gulf Coast Region</u></b>									
Kenai	State Govt	1,084	128	63	4.9	35,392,410	4,105,269	1,025,687	2.5
Kenai	Local Govt	3,402	77	189	5.2	104,523,943	1,815,546	2,750,766	2.5
Kenai	Private Sector	14,608	1,567	4,404	21.4	340,857,804	47,091,104	44,491,760	10.3
Kodiak	State Govt	273	26	22	6.9	9,724,847	469,498	426,379	4.0
Kodiak	Local Govt	810	48	103	10.7	21,455,486	877,753	930,814	4.0
Kodiak	Private Sector	4,170	362	1,074	19.2	88,520,832	6,158,004	12,345,903	11.5
Valdez-Cordova	State Govt	287	79	26	6.6	9,623,706	2,501,936	416,540	3.3
Valdez-Cordova	Local Govt	931	95	83	7.5	24,003,826	1,912,988	1,068,509	4.0
Valdez-Cordova	Private Sector	3,262	1,107	1,938	30.7	105,661,384	38,431,666	21,349,889	12.9
<b><u>Interior Region</u></b>									
Denali Borough	State Govt	24	4	1	3.4	1,155,659	107,345	12,281	1.0
Denali Borough	Local Govt	81	54	7	4.9	2,053,804	1,079,801	27,390	0.9
Denali Borough	Private Sector	464	719	1,310	52.5	15,332,103	17,497,713	10,774,640	24.7
Fairbanks	State Govt	4,632	274	557	10.2	157,549,090	4,694,295	7,931,801	4.7
Fairbanks	Local Govt	3,541	100	177	4.6	101,567,211	1,169,262	1,307,593	1.3
Fairbanks	Private Sector	24,626	2,747	5,464	16.6	629,219,636	65,387,245	63,263,122	8.3
Southeast Fairbanks	State Govt	139	11	22	12.8	4,805,961	227,945	310,518	5.8
Southeast Fairbanks	Local Govt	417	28	24	5.1	8,130,217	395,999	212,908	2.4
Southeast Fairbanks	Private Sector	1,155	266	334	19	19,127,248	7,913,796	6,230,680	18.7
Yukon-Koyukuk	State Govt	71	60	9	6.4	2,695,770	3,015,697	169,746	2.9
Yukon-Koyukuk	Local Govt	1,398	321	141	7.6	22,504,984	7,650,859	1,585,341	5.0
Yukon-Koyukuk	Private Sector	1,017	442	334	18.6	16,893,555	13,361,710	5,402,488	15.2
<b><u>Northern Region</u></b>									
Nome	State Govt	219	28	7	2.8	9,787,793	1,190,280	134,914	1.2
Nome	Local Govt	1,637	142	196	9.9	28,070,812	2,284,019	2,344,691	7.2
Nome	Private Sector	2,247	337	379	12.8	54,176,449	8,643,301	6,183,577	9.0
North Slope Borough	State Govt	19	22	2	4.7	929,819	1,174,227	18,728	0.9
North Slope Borough	Local Govt	2,182	188	167	6.6	70,607,328	6,672,126	2,999,921	3.7
North Slope Borough	Private Sector	1,420	6,081	2,869	27.7	42,118,359	321,801,778	143,258,669	28.2
Northwest Arctic Bor.	State Govt	61	9	3	4.1	2,415,294	298,523	35,780	1.3
Northwest Arctic Bor.	Local Govt	1,273	131	185	11.6	23,709,023	3,446,195	2,196,105	7.5
Northwest Arctic Bor.	Private Sector	1,734	557	406	15.1	50,502,022	28,767,047	15,630,716	16.5

(continued next page)

# Workers and Earnings by Place of Work & Alaska Residence

## Residents and nonresidents (continued)

# 28

Alaska 2002		Resident Workers Local	Resident Workers Non-local	Non- resident Workers	Pct. Non- resident Workers	Wages Local Resident	Wages Non-local AK Resident	Non- resident Wages	Pct. Non- resident Wages
<b>Southeast Region</b>									
Haines	State Govt	48	9	8	12.3	1,406,302	136,270	71,453	4.4
Haines	Local Govt	180	11	12	5.9	3,808,919	390,880	136,839	3.2
Haines	Private Sector	654	97	518	40.8	10,211,357	1,736,317	4,172,635	25.9
Juneau	State Govt	4,287	352	299	6.1	156,133,013	9,360,152	5,236,849	3.1
Juneau	Local Govt	2,174	112	202	8.1	75,341,357	2,132,961	2,387,933	3.0
Juneau	Private Sector	8,767	854	2,312	19.4	212,071,421	19,565,764	26,497,663	10.3
Ketchikan	State Govt	569	78	61	8.6	19,157,697	2,272,569	1,515,567	6.6
Ketchikan	Local Govt	1,143	28	90	7.1	37,590,405	700,915	875,972	2.2
Ketchikan	Private Sector	4,573	479	2,130	29.7	102,394,470	7,282,168	20,086,876	15.5
PoW-Outer Ketchikan	State Govt	33	4	0	0	1,093,429	99,362	0	0.0
PoW-Outer Ketchikan	Local Govt	978	102	115	9.6	18,594,827	2,031,376	1,175,634	5.4
PoW-Outer Ketchikan	Private Sector	1,216	222	500	25.8	23,276,041	4,771,351	5,348,776	16.0
Sitka	State Govt	360	26	45	10.4	10,597,314	502,384	410,089	3.6
Sitka	Local Govt	646	49	72	9.4	20,026,325	530,595	764,903	3.6
Sitka	Private Sector	2,956	335	1,030	23.8	69,552,714	5,848,119	10,115,004	11.8
Skagway-Hoonah-Angoon	State Govt	28	3	0	0	726,761	32,146	0	0.0
Skagway-Hoonah-Angoon	Local Govt	340	42	35	8.4	6,831,486	878,108	364,581	4.5
Skagway-Hoonah-Angoon	Private Sector	834	224	1,005	48.7	14,392,091	3,445,634	9,354,899	34.4
Wrangell-Petersburg	State Govt	82	6	2	2.2	2,418,456	97,848	29,916	1.2
Wrangell-Petersburg	Local Govt	705	27	46	5.9	20,239,783	664,257	736,465	3.4
Wrangell-Petersburg	Private Sector	1,699	182	1,148	37.9	28,885,055	2,513,800	9,012,183	22.3
Yakutat	State Govt	11	2	1	7.1	383,226	34,147	7,250	1.7
Yakutat	Local Govt	104	19	14	10.2	1,688,777	314,720	134,087	6.3
Yakutat	Private Sector	189	54	98	28.7	3,837,786	920,594	1,266,534	21.0
<b>Southwest Region</b>									
Aleutians East	State Govt	14	10	3	11.1	295,617	114,359	33,906	7.6
Aleutians East	Local Govt	237	29	26	8.9	5,000,267	792,832	238,310	4.0
Aleutians East	Private Sector	460	554	2,498	71.1	10,092,500	11,334,375	30,387,374	58.6
Aleutians West	State Govt	35	8	3	6.5	1,279,154	255,976	61,049	3.8
Aleutians West	Local Govt	383	36	31	6.9	14,350,955	1,028,764	456,449	2.9
Aleutians West	Private Sector	1,333	486	3,019	62.4	41,185,800	14,303,834	42,561,160	43.4
Bethel	State Govt	303	47	28	7.4	13,558,528	1,618,876	460,715	2.9
Bethel	Local Govt	3,099	231	250	7	50,711,166	4,502,292	2,953,975	5.1
Bethel	Private Sector	4,099	1,046	634	11	78,076,674	21,350,501	11,352,984	10.2
Bristol Bay Borough	State Govt	24	13	11	22.9	1,097,008	159,713	77,514	5.8
Bristol Bay Borough	Local Govt	119	19	11	7.4	3,441,915	343,032	68,382	1.8
Bristol Bay Borough	Private Sector	322	306	1,308	67.6	8,293,313	4,692,784	9,951,043	43.4
Dillingham	State Govt	81	27	4	3.6	2,965,311	524,539	56,559	1.6
Dillingham	Local Govt	920	90	72	6.7	16,549,415	2,088,322	1,116,478	5.7
Dillingham	Private Sector	1,036	295	385	22.4	25,456,127	7,031,250	4,189,603	11.4
Lake and Peninsula	State Govt	6	6	2	14.3	246,984	74,833	34,720	9.7
Lake and Peninsula	Local Govt	514	130	60	8.5	6,848,645	3,203,773	632,420	5.9
Lake and Peninsula	Private Sector	122	145	622	70	1,881,729	3,090,005	5,606,042	53.0
Wade Hampton	State Govt	42	15	1	1.7	637,619	293,798	7,761	0.8
Wade Hampton	Local Govt	1,464	131	129	7.5	21,297,310	2,718,788	1,906,592	7.4
Wade Hampton	Private Sector	997	272	117	8.4	13,792,010	9,346,216	3,331,045	12.6
Other/Unknown		0	1,230	3,675	74.9	0	48,612,675	84,782,581	63.6
<b>Total</b>		<b>260,619</b>	<b>45,902</b>	<b>67,972</b>	<b>18.2</b>	<b>7,206,632,967</b>	<b>1,424,041,854</b>	<b>1,088,010,577</b>	<b>11.2</b>

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

# 29 Largest Nonresident Occupations

## In selected industries

Alaska 2002

	Occupational Title	Resident Workers	Non-res. Wkrs	Percent Non-resident	Resident Wages	Non-resident Wages	Percent Non-resident
Metal mining	Mining Machine Operators, All Other	230	49	17.6	\$9,553,157	\$970,884	9.2
Metal mining	Millwrights	84	26	23.6	5,386,326	1,970,801	26.8
Metal mining	Loading Machine Operators, Underground Mining	82	26	24.1	5,465,651	1,849,268	25.3
Metal mining	Mobile Heavy Equipment Mechanics, Except Engines	63	11	14.9	4,417,190	566,210	11.4
Metal mining	Crushing/Grinding/Polishing Machine Setters, Oper, Tenders	69	7	9.2	2,944,003	293,433	9.1
Oil and gas extraction	Roustabouts, Oil and Gas	955	370	27.9	40,716,327	14,214,983	25.9
Oil and gas extraction	Service Unit Operators, Oil, Gas, and Mining	727	298	29.1	68,518,687	28,256,363	29.2
Oil and gas extraction	Operating Engineers & Other Construction Equipment Oper	445	177	28.5	24,380,421	9,280,189	27.6
Oil and gas extraction	Engineers, All Other	430	116	21.2	47,826,850	19,063,109	28.5
Oil and gas extraction	Welders, Cutters, Solderers, and Brazers	219	103	32.0	12,635,626	4,634,621	26.8
Building construction	Carpenters	2,344	474	16.8	67,257,551	7,243,135	9.7
Building construction	Construction Laborers	1,921	403	17.3	36,015,825	3,468,742	8.8
Building construction	Operating Engineers & Other Construction Equip Operators	270	60	18.2	10,362,519	1,773,803	14.6
Building construction	1st-Line Supvr/Mgr Construction Trades & Extraction Wkrs	231	44	16.0	15,441,125	1,691,774	9.9
Building construction	Construction Managers	168	40	19.2	13,242,666	2,234,128	14.4
Heavy construction	Operating Engineers & Other Construction Equip Operators	943	245	20.6	43,791,330	9,002,272	17.1
Heavy construction	Construction Laborers	1,022	166	14.0	25,628,495	2,710,562	9.6
Heavy construction	Truck Drivers, Heavy and Tractor-Trailer	295	45	13.2	10,843,294	1,276,265	10.5
Heavy construction	Carpenters	135	27	16.7	3,566,156	593,253	14.3
Heavy construction	Office Clerks, General	126	19	13.1	2,682,108	134,913	4.8
Special trade contractors	Construction Laborers	1,164	360	23.6	21,309,292	3,824,959	15.2
Special trade contractors	Carpenters	749	277	27.0	16,417,454	3,482,683	17.5
Special trade contractors	Electricians	1,310	259	16.5	53,726,208	5,492,505	9.3
Special trade contractors	Painters, Construction and Maintenance	451	170	27.4	8,312,715	1,717,715	17.1
Special trade contractors	Plumbers, Pipefitters, and Steamfitters	904	138	13.2	39,142,565	2,800,117	6.7
Food and kindred products	Seafood Processing Workers, Exc Surimi & Fish Roe	3,343	9,962	74.9	37,218,945	80,216,903	68.3
Food and kindred products	Surimi Technicians	12	309	96.3	325,503	4,589,564	93.4
Food and kindred products	1st-line Supvr/Mgr of Seafood Processing Workers	110	150	57.7	3,754,748	4,156,427	52.5
Food and kindred products	Packaging and Filling Machine Operators and Tenders	142	130	47.8	1,453,786	681,664	31.9
Food and kindred products	Meat, Poultry, and Fish Cutters and Trimmers	109	113	50.9	811,406	568,418	41.2
Lumber and wood products	Fallers	90	84	48.3	2,612,887	1,361,470	34.3
Lumber and wood products	Logging Equipment Operators	85	48	36.1	2,468,240	990,885	28.6
Lumber and wood products	Choker Setters and Chasers	49	48	49.5	714,401	590,577	45.3
Lumber and wood products	Logging Workers, All Other	48	42	46.7	1,299,988	681,085	34.4
Lumber and wood products	Sawing Machine Setters, Operators, and Tenders, Wood	86	15	14.9	1,582,161	84,692	5.1
Water transportation	Sailors and Marine Oilers	311	157	33.5	9,570,191	3,577,528	27.2
Water transportation	Captains, Mates, and Pilots of Water Vessels	246	152	38.2	9,531,500	5,375,944	36.1
Water transportation	Material Moving Workers, All Other	126	78	38.2	4,207,695	708,172	14.4
Water transportation	Laborers and Freight, Stock, and Material Movers, Hand	344	75	17.9	5,243,791	939,344	15.2
Water transportation	Tank Car, Truck, and Ship Loaders	115	3	2.5	6,777,010	136,375	2.0
Transportation by air	Airline Pilots, Copilots, and Flight Engineers	761	572	42.9	41,544,353	48,471,494	53.8
Transportation by air	Commercial Pilots	564	335	37.3	36,261,284	10,781,076	22.9
Transportation by air	Aircraft Mechanics and Service Technicians	966	171	15.0	41,000,553	4,333,627	9.6
Transportation by air	Reservation & Trans Ticket Agents and Travel Clerks	992	85	7.9	20,555,650	936,782	4.4
Transportation by air	Air Transportation Workers, All Other	415	65	13.5	8,085,105	1,359,613	14.4
Transportation services	Tour Guides and Escorts	86	76	46.9	807,226	576,180	41.6
Transportation services	Travel Agents	368	35	8.7	8,332,845	347,502	4.0
Transportation services	Customer Service Representatives	64	26	28.9	798,905	142,065	15.1
Transportation services	General and Operations Managers	67	10	13.0	2,269,347	128,513	5.4
Transportation services	Laborers and Freight, Stock, and Material Movers, Hand	53	11	17.2	868,285	55,084	6.0
Eating & drinking places	Combined Food Prep & Serving Workers, incl Fast Food	5,256	1,342	20.3	29,098,382	4,716,668	13.9
Eating & drinking places	Waiters and Waitresses	3,093	1,050	25.3	30,347,955	5,142,865	14.5
Eating & drinking places	Cooks, Restaurant	1,412	570	28.8	20,579,620	4,371,844	17.5
Eating & drinking places	Dishwashers	1,032	423	29.1	6,227,116	1,981,186	24.1
Eating & drinking places	Food Preparation Workers	1,154	281	19.6	13,031,050	1,813,519	12.2
Hotels, other lodging places	Maids and Housekeeping Cleaners	1,837	605	24.8	16,660,185	2,994,388	15.2
Hotels, other lodging places	Waiters and Waitresses	648	309	32.3	7,611,649	1,834,218	19.4
Hotels, other lodging places	Hotel, Motel, and Resort Desk Clerks	765	245	24.3	9,371,160	1,744,777	15.7
Hotels, other lodging places	Cooks, Restaurant	354	199	36.0	6,160,779	1,678,153	21.4
Hotels, other lodging places	Dishwashers	259	112	30.2	2,500,549	582,041	18.9
Health services	Registered Nurses	2,687	480	15.2	124,261,275	12,004,512	8.8
Health services	Receptionists and Information Clerks	1,030	133	11.4	20,292,539	1,193,009	5.6
Health services	Nursing Aides, Orderlies, and Attendants	1,175	106	8.3	26,067,799	1,067,580	3.9
Health services	Dental Assistants	806	92	10.2	18,603,910	940,382	4.8
Health services	Healthcare Support Workers, All Other	910	63	6.5	23,678,053	637,129	2.6

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

be the case. When nonresidents take jobs that Alaskans could fill, unemployed Alaskans draw upon unemployment insurance and other financial aid programs.

Not only is there a direct job loss and a direct loss of the income those jobs provide, the indirect effects associated with the respending of those dollars is lost as well. The U.S. Bureau of Economic Analysis estimates that Alaska has an economic multiplier of 1.4 to 1.9, depending on the industry<sup>4</sup>. This means that the \$1.1 billion in nonresident worker earnings in 2002 would generate an additional \$440 to \$990 million if those dollars were spent and respent in Alaska.

Because nonresidents spend the greater portion of their earnings outside Alaska, a significant portion of the direct and indirect income amounting to hundreds of millions of dollars and thousands of jobs is lost from the Alaska economy. Typically, only about 14 percent of nonresident workers in private sector, state and local government jobs become eligible for a PFD in the year following this report, showing that most nonresidents do not remain in the state.

### Endnotes

**1** Nonresident workers are defined as those workers who did not receive a Permanent Fund Dividend (PFD) in 2002 or apply for a PFD in 2003. The methodology section of this report provides complete information on workers identified as nonresidents.

**2** The Alaska Department of Labor and Workforce Development unemployment insurance wage file includes only those workers covered by Alaska unemployment insurance. Therefore, all references to resident and nonresident workers exclude self-employed and federal government workers in Alaska.

**3** Workers were assigned to a geographic area based upon the place of work where they earned the most money in 2002. If employers did not provide specific place of work information for the worker, the census area of the primary business location was used to determine the place of work. Place of residence for Alaska residents was derived from the zip code of the most recent PFD mailing address. Even though workers may move during the course of a year and employers may not provide complete and accurate information in all cases, the data provide a good indication of those areas that have a stable, local resident employment base.

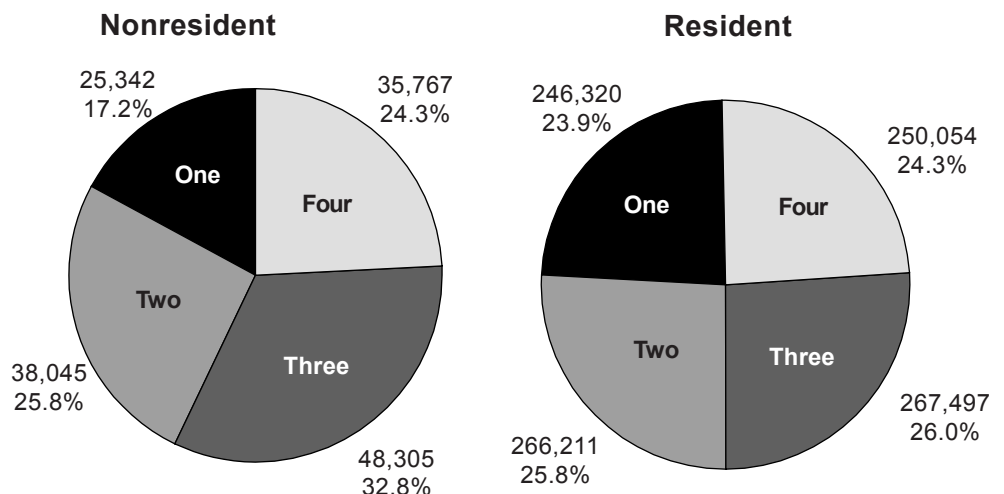
**4** A User Handbook for the Regional Input-Output Modeling System (RIMS II), Bureau of Economic Analysis, March 1997.

## Impact of Earnings 30 Flowing out to nonresidents

Nonresident Earnings in Alaska—2002	\$1.1 billion
Alaska Total Income if earnings stay in Alaska	\$1.44 billion to \$1.99 billion
Income lost to Alaska if half of Nonresident earnings are spent outside the state	\$720 million to \$995 million

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

## Workers by Number of Quarters Worked 31 Residents and nonresidents



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

# Employment Grows for Another Year

## Alaska Employment Scene

by  
Neal Fried  
Labor Economist

**Growth streak approaches a record sixteen years**

**N**earing the end of 2003 there was something besides the holiday season and the coming new year to celebrate—Alaska’s sixteenth consecutive year of employment growth, a new post-statehood record. The longest previous streak of growth took place in the fifteen years beginning in 1962 and ending in 1976.

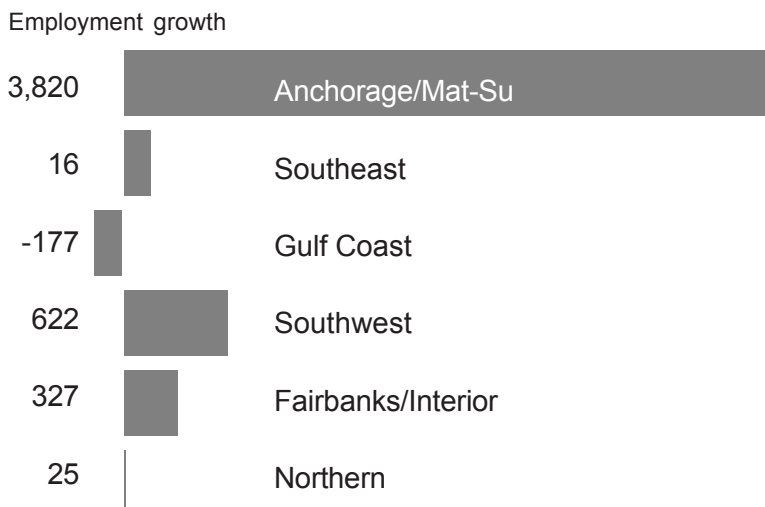
The current expansion is different, however. Although growth has been consistent over the period, in other decades the state added jobs with considerably more gusto. The highest annual

growth rate during the last sixteen years was 4.8 percent in 1994, while the low was 0.6 percent in 1996. For most of this sixteen-year period, the range of annual growth rates has been tight. Outside of 1994 and 1990, annual growth rates did not exceed 2.8 percent. At the low end they have rarely fallen below one percent. This presents quite a contrast with the historic volatility of Alaska’s economy. During the turbulent 1980s, for example, employment grew by 9.5 percent in 1981 and declined by 4.8 percent in 1987.

### Moderate growth remains the best description of the economy

Preliminary numbers suggest that the employment growth rate for 2003 was 1.2 percent, which was less robust than 2002’s 2.2 percent and below the decade average of 1.7 percent. In the aggregate, there were no big losses in 2003 and the gains tended to be small in most industries. Oil industry employment continued to slide in 2003, but its losses moderated as the year progressed. Nearly every other industry either moved little from 2002 levels or produced moderate gains. The one big exception was health care, an industry that now seems to be the perennial star performer. Over a third of the growth in 2003 came from health care. The state also added government and construction jobs and saw healthy growth in two of the new NAICS (North American Industry Classification System) categories: Leisure & Hospitality and Professional & Business Services.

## 1 Jobs Grow in Most Regions November 2002 to 2003



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

Manufacturing employment remained largely unchanged in 2003, which might sound unremarkable, were it not for the fact that this industry has lost ground during nearly every year since 1995. This year's numbers do not, however, herald the end of the Alaska manufacturing industry's struggles. The seafood and timber industries, the state's two largest manufacturing employers, are by no means out of trouble. Additional fish processing plants closed or were consolidated this year, but without net employment losses. Strong salmon and ground fish harvests in 2003 and small increases in timber activity kept employment slightly positive. Given the recent history of these two industries, this year's numbers might provide a glimmer of hope or at least a bit of good news in what otherwise has been a string of relentlessly declining numbers.

### A mixed picture around the state

November's employment estimates continue 2003's trend of contrasting economic pictures among regions. (See Exhibit 1.) Five out of the six regions in the state show over-the-year growth, but with sizeable differences in growth rates. The leader was Anchorage/Mat-Su, which represents more than half (55 percent) of all jobs in the state. Stronger than average growth in Anchorage (1.8 percent) and growth rates in the range of 7 to 8 percent in the Mat-Su Borough are keeping that region's economy out front. The service sector is generating most of this region's growth, followed by the construction industry. Health care remains the most muscular industry, but others such as hotels and restaurants, financial services, and even retail trade were all running firmly in the black in November.

The Interior region's November over-the-year increase in employment numbers was less than one percent; for most months in 2003 the year-ago comparisons have shown considerably stronger growth. A significant number of new jobs have come from the construction activity on Eielson Air Force Base and Fort Wainwright in

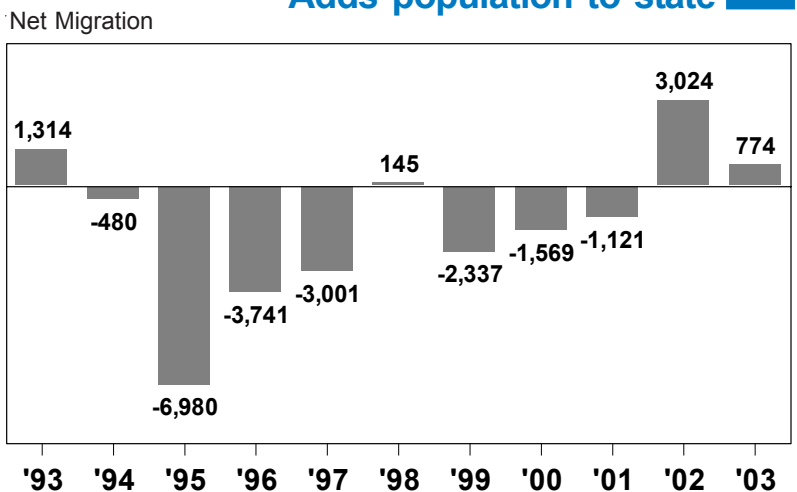
Fairbanks and the missile defense work at Fort Greely near Delta Junction. Health care, government, construction, and even positive fish processing numbers kept the Southwest region's employment numbers in the black. The Southeast and Northern regions barely produced positive over-the-year comparisons in November. While Southeast has been plagued by timber and fishing woes, the Northern region has seen lower employment in the oil industry. Lower employment in the oil industry also helps explain the weakness in the Gulf Coast region's employment picture.

### Labor market shows little change; in-migration cooled in 2003

November's unemployment rate was 7.3 percent. Generally speaking 2003's labor market did not look dramatically different from 2002. Less robust employment growth in 2003 may have been offset by less net migration to the state. (See Exhibit 2.) According to figures recently released by the U.S. Census Bureau, net migration to Alaska was less in 2003 than in 2002. The 2001-

*(continued on page 26)*

## Last Two Years' Net Migration Adds population to state **2**



*Source: U.S. Census Bureau; Alaska Department of Labor and Workforce Development, Research and Analysis Section*

# 3 Nonfarm Wage and Salary Employment

## By place of work

Alaska	preliminary revised		Changes from:			Municipality of Anchorage	preliminary revised		Changes from:		
	11/03	10/03	11/02	10/03	11/02		11/03	10/03	11/02	10/03	11/02
<b>Total Nonfarm Wage &amp; Salary<sup>1</sup></b>	<b>294,900</b>	<b>303,500</b>	<b>289,600</b>	<b>-8,600</b>	<b>5,300</b>	<b>Total Nonfarm Wage &amp; Salary<sup>1</sup></b>	<b>147,100</b>	<b>147,900</b>	<b>144,500</b>	<b>-800</b>	<b>2,600</b>
Goods Producing	33,000	38,400	32,900	-5,400	100	Goods Producing	12,100	13,600	12,200	-1,500	-100
Services Providing	261,900	265,100	256,700	-3,200	5,200	Services Providing	135,000	134,400	132,300	600	2,700
<b>Natural Resources &amp; Mining</b>	<b>9,600</b>	<b>10,000</b>	<b>10,300</b>	<b>-400</b>	<b>-700</b>	<b>Natural Resources &amp; Mining</b>	<b>2,300</b>	<b>2,400</b>	<b>2,700</b>	<b>-100</b>	<b>-400</b>
Logging	600	700	600	-100	0	Mining	2,100	2,300	2,600	-200	-500
Mining	9,200	9,400	9,900	-200	-700	Oil & Gas	2,000	2,100	2,500	-100	-500
Oil & Gas	7,700	7,800	8,400	-100	-700	<b>Construction</b>	<b>7,900</b>	<b>9,200</b>	<b>7,600</b>	<b>-1,300</b>	<b>300</b>
<b>Construction</b>	<b>16,000</b>	<b>18,200</b>	<b>15,500</b>	<b>-2,200</b>	<b>500</b>	<b>Manufacturing</b>	<b>1,900</b>	<b>2,000</b>	<b>2,000</b>	<b>-100</b>	<b>-100</b>
<b>Manufacturing</b>	<b>7,400</b>	<b>10,100</b>	<b>7,000</b>	<b>-2,700</b>	<b>400</b>	<b>Trade, Transportation, Utilities</b>	<b>33,500</b>	<b>33,000</b>	<b>33,200</b>	<b>500</b>	<b>300</b>
Wood Products Manufacturing	300	300	400	0	-100	Wholesale Trade	4,700	4,700	4,700	0	0
Seafood Processing	3,500	6,300	3,400	-2,800	100	Retail Trade	18,200	17,700	17,900	500	300
<b>Trade, Transportation, Utilities</b>	<b>60,500</b>	<b>61,300</b>	<b>59,800</b>	<b>-800</b>	<b>700</b>	Food & Beverage Stores	2,400	2,400	2,300	0	100
Wholesale Trade	6,300	6,300	6,200	0	100	General Merchandise Stores	4,600	4,400	4,600	200	0
Retail Trade	34,500	34,400	34,100	100	400	Trans/Warehousing/Utilities	10,600	10,600	10,600	0	0
Food & Beverage Stores	5,900	6,000	5,700	-100	200	Air Transportation	3,200	3,300	3,200	-100	0
General Merchandise Stores	9,300	9,200	9,800	100	-500	<b>Information</b>	<b>4,700</b>	<b>4,700</b>	<b>4,700</b>	<b>0</b>	<b>0</b>
Trans/Warehousing/Utilities	19,700	20,700	19,500	-1,000	200	Telecommunications	2,700	2,700	2,700	0	0
Air Transportation	5,800	5,900	5,600	-100	200	<b>Financial Activities</b>	<b>8,700</b>	<b>8,700</b>	<b>8,300</b>	<b>0</b>	<b>400</b>
Truck Transportation	2,700	2,800	2,600	-100	100	<b>Professional &amp; Business Svcs</b>	<b>17,800</b>	<b>18,200</b>	<b>17,400</b>	<b>-400</b>	<b>400</b>
<b>Information</b>	<b>7,300</b>	<b>7,200</b>	<b>7,300</b>	<b>100</b>	<b>0</b>	<b>Educational &amp; Health Services</b>	<b>17,800</b>	<b>17,700</b>	<b>16,700</b>	<b>100</b>	<b>1,100</b>
Telecommunications	4,300	4,300	4,200	0	100	Health Care/Social Assistance	16,300	16,200	15,200	100	1,100
<b>Financial Activities</b>	<b>14,000</b>	<b>14,300</b>	<b>13,400</b>	<b>-300</b>	<b>600</b>	Ambulatory Health Care	6,900	7,100	6,400	-200	500
<b>Professional &amp; Business Svcs</b>	<b>23,600</b>	<b>24,700</b>	<b>22,800</b>	<b>-1,100</b>	<b>800</b>	Hospitals	4,900	4,800	4,700	100	200
<b>Educational &amp; Health Services</b>	<b>32,700</b>	<b>32,800</b>	<b>30,700</b>	<b>-100</b>	<b>2,000</b>	<b>Leisure &amp; Hospitality</b>	<b>15,000</b>	<b>15,000</b>	<b>14,500</b>	<b>0</b>	<b>500</b>
Health Care/Social Assistance	30,600	30,700	28,500	-100	2,100	Accommodation	2,800	3,000	2,700	-200	100
Ambulatory Health Care	13,000	13,000	12,200	0	800	Food Svcs & Drinking Places	10,200	10,200	10,000	0	200
Hospitals	8,200	8,200	7,600	0	600	<b>Other Services</b>	<b>6,300</b>	<b>6,300</b>	<b>6,300</b>	<b>0</b>	<b>0</b>
<b>Leisure &amp; Hospitality</b>	<b>27,200</b>	<b>28,500</b>	<b>27,200</b>	<b>-1,300</b>	<b>0</b>	<b>Government<sup>2</sup></b>	<b>31,100</b>	<b>30,800</b>	<b>31,200</b>	<b>300</b>	<b>-100</b>
Accommodation	6,100	7,000	5,900	-900	200	Federal Government <sup>3</sup>	9,900	9,600	9,900	300	0
Food Svcs & Drinking Places	17,300	17,400	16,700	-100	600	State Government	9,900	9,900	9,900	0	0
<b>Other Services</b>	<b>12,700</b>	<b>12,700</b>	<b>12,300</b>	<b>0</b>	<b>400</b>	Local Government	11,400	11,300	11,400	100	0
<b>Government<sup>2</sup></b>	<b>83,900</b>	<b>83,500</b>	<b>83,300</b>	<b>400</b>	<b>600</b>	Tribal Government	300	300	300	0	0
Federal Government <sup>3</sup>	17,200	17,100	17,200	100	0						
State Government	24,500	24,500	24,200	0	300						
Local Government	42,200	42,000	41,900	200	300						
Tribal Government	3,700	3,800	3,600	-100	100						

*Notes to Exhibits 3, 4, 5, & 7—<sup>1</sup>Nonfarm excludes self-employed workers, fishermen, domestics, and unpaid family workers as well as agricultural workers. <sup>2</sup>Includes employees of public school systems and the University of Alaska. <sup>3</sup>Excludes uniformed military. Exhibits 2 & 3—Prepared in cooperation with the U.S. Department of Labor, Bureau of Labor Statistics. Exhibits 4 & 6—Prepared in part with funding from the Employment Security Division.*

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

# 4 Hours and Earnings

## For selected industries

	Average Weekly Earnings			Average Weekly Hours			Average Hourly Earnings		
	preliminary 11/03	revised 10/03	revised 11/02	preliminary 11/03	revised 10/03	revised 11/02	preliminary 11/03	revised 10/03	revised 11/02
Mining	1,379.95	1,298.71	\$1,245.27	44.5	42.4	41.9	\$31.01	\$30.63	\$29.72
Construction	1,094.43	1,269.05	1,030.66	38.2	43.7	38.4	28.65	29.04	26.84
Manufacturing	567.59	489.24	437.76	41.4	40.4	29.8	13.71	12.11	14.69
Seafood Processing	377.34	402.99	308.02	38.0	43.1	27.6	9.93	9.35	11.16
Trade, Transportation, Utilities	529.91	528.05	527.39	34.1	34.2	33.4	15.54	15.44	15.79
Retail Trade	436.92	447.89	461.82	33.0	33.6	32.8	13.24	13.33	14.08
Financial Activities	702.90	723.84	670.20	35.5	34.7	34.6	19.80	20.86	19.37

Average hours and earnings estimates are based on data for full-time and part-time production workers (manufacturing) and nonsupervisory workers (nonmanufacturing). Averages are for gross earnings and hours paid, including overtime pay and hours.

Benchmark: March 2002

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



# 5 Nonfarm Wage and Salary Employment

## By place of work

	preliminary revised		Changes from:		
	11/03	10/03	11/02	10/03	11/02
<b>Fairbanks</b>					
<b>North Star Borough</b>					
<b>Total Nonfarm Wage &amp; Salary<sup>1</sup></b>	34,550	35,650	34,350	-1,100	200
Goods Producing	3,550	4,250	3,450	-700	100
Services Providing	31,000	31,400	30,850	-400	150
<b>Natural Resources &amp; Mining</b>	900	900	850	0	50
Mining	900	900	950	0	-50
<b>Construction</b>	2,150	2,800	2,100	-650	50
<b>Manufacturing</b>	500	550	550	-50	-50
<b>Trade, Transportation, Utilities</b>	6,650	6,800	6,850	-150	-200
Retail Trade	4,050	4,000	4,150	50	-100
General Merchandise Stores	1,000	1,000	1,150	0	-150
Trans/Warehousing/Utilities	2,100	2,200	2,200	-100	-100
Air Transportation	850	850	850	0	0
<b>Information</b>	600	600	550	0	50
<b>Financial Activities</b>	1,250	1,300	1,300	-50	-50
<b>Professional &amp; Business Svcs</b>	1,700	1,800	1,700	-100	0
<b>Educational &amp; Health Services</b>	3,600	3,650	3,500	-50	100
Health Care/Social Assistance	3,400	3,450	3,300	-50	100
<b>Leisure &amp; Hospitality</b>	3,550	3,700	3,550	-150	0
Accommodation	850	900	850	-50	0
Food Svcs & Drinking Places	2,300	2,300	2,250	0	50
<b>Other Services</b>	1,900	1,950	2,000	-50	-100
<b>Government<sup>2</sup></b>	11,750	11,650	11,450	100	300
Federal Government <sup>3</sup>	3,250	3,250	3,250	0	0
State Government	5,300	5,250	4,900	50	400
Local Government	3,200	3,150	3,250	50	-50
Tribal Government	0	0	0	0	0

### Southeast Region

<b>Total Nonfarm Wage &amp; Salary<sup>1</sup></b>	33,850	35,550	33,650	-1,700	200
Goods Producing	3,450	4,150	3,400	-700	50
Services Providing	30,400	31,450	30,300	-1,050	100
<b>Natural Resources &amp; Mining</b>	700	800	600	-100	100
Logging	350	500	300	-150	50
Mining	300	300	300	0	0
<b>Construction</b>	1,500	1,800	1,500	-300	0
<b>Manufacturing</b>	1,250	1,550	1,250	-300	0
Wood Products Mfg.	150	150	200	0	-50
Seafood Processing	850	1,100	850	-250	0
<b>Trade, Transportation, Utilities</b>	6,250	6,550	6,250	-300	0
Retail Trade	3,950	4,150	3,950	-200	0
Trans/Warehousing/Utilities	1,850	1,950	1,850	-100	0
<b>Information</b>	500	500	500	0	0
<b>Financial Activities</b>	1,200	1,300	1,200	-100	0
<b>Professional &amp; Business Svcs</b>	1,350	1,450	1,350	-100	0
<b>Educational &amp; Health Services</b>	3,600	3,550	3,500	50	100
Health Care/Social Assistance	3,400	3,350	3,250	50	150
<b>Leisure &amp; Hospitality</b>	2,750	3,300	2,750	-550	0
Accommodation	950	950	950	0	0
Food Svcs & Drinking Places	1,450	1,550	1,450	-100	0
<b>Other Services</b>	1,150	1,150	1,150	0	0
<b>Government<sup>2</sup></b>	13,650	13,650	13,600	0	50
Federal Government <sup>3</sup>	2,000	2,000	1,900	0	100
State Government	5,550	5,600	5,550	-50	0
Local Government	6,100	6,050	6,150	50	-50
Tribal Government	550	550	550	0	0

	preliminary revised		Changes from:		
	11/03	10/03	11/02	10/03	11/02
<b>Interior Region</b>					
<b>Total Nonfarm Wage &amp; Salary<sup>1</sup></b>	40,000	42,250	39,700	-2,250	300
Goods Producing	3,850	4,600	3,700	-750	150
Services Providing	36,150	37,650	35,950	-1,500	200
<b>Natural Resources &amp; Mining</b>	1,050	1,050	950	0	100
Mining	1,000	1,000	950	0	50
<b>Construction</b>	2,250	2,950	2,200	-700	50
<b>Manufacturing</b>	550	600	600	-50	-50
<b>Trade, Transportation, Utilities</b>	7,450	8,250	7,550	-800	-100
<b>Information</b>	800	900	750	-100	50
<b>Financial Activities</b>	1,300	1,400	1,350	-100	-50
<b>Professional &amp; Business Svcs</b>	1,900	2,050	1,700	-150	200
<b>Educational &amp; Health Services</b>	3,750	3,800	3,650	-50	100
<b>Leisure &amp; Hospitality</b>	4,100	4,500	4,050	-400	50
Accommodation	1,050	1,400	1,000	-350	50
Food Svcs & Drinking Places	2,650	2,700	2,600	-50	50
<b>Other Services</b>	2,200	2,250	2,200	-50	0
<b>Government<sup>2</sup></b>	14,650	14,600	14,650	50	0
Federal Government <sup>3</sup>	3,850	3,850	3,950	0	-100
State Government	5,550	5,500	5,400	50	150
Local Government	5,300	5,250	5,300	50	0
Tribal Government	300	250	250	50	50

### Anchorage/Mat-Su Region

<b>Total Nonfarm Wage &amp; Salary<sup>1</sup></b>	163,050	164,300	159,200	-1,250	3,850
Goods Producing	13,900	15,400	13,750	-1,500	150
Services Providing	149,150	148,850	145,450	300	3,700
<b>Natural Resources &amp; Mining</b>	2,400	2,450	2,700	-50	-300
<b>Construction</b>	9,350	10,700	8,900	-1,350	450
<b>Manufacturing</b>	2,150	2,250	2,150	-100	0
<b>Trade, Transportation, Utilities</b>	37,500	37,150	36,950	350	550
<b>Information</b>	5,150	5,150	5,150	0	0
<b>Financial Activities</b>	9,400	9,400	8,800	0	600
<b>Professional &amp; Business Svcs</b>	18,650	19,100	18,200	-450	450
<b>Educational &amp; Health Services</b>	19,900	19,750	18,550	150	1,350
<b>Leisure &amp; Hospitality</b>	16,500	16,550	16,150	-50	350
<b>Other Services</b>	7,150	7,100	6,700	50	450
<b>Government<sup>2</sup></b>	34,900	34,650	34,900	250	0
Federal Government <sup>3</sup>	10,050	9,750	10,050	300	0
State Government	10,800	10,800	10,850	0	-50
Local Government	14,050	14,100	14,000	-50	50
Tribal Government	350	350	350	0	0

### Gulf Coast Region

<b>Total Nonfarm Wage &amp; Salary<sup>1</sup></b>	25,550	27,150	25,700	-1,600	-150
Goods Producing	4,400	5,550	4,650	-1,150	-250
Services Providing	21,100	21,600	21,100	-500	0
<b>Natural Resources &amp; Mining</b>	1,150	1,200	1,400	-50	-250
Oil & Gas Extraction	1,050	1,050	1,300	0	-250
<b>Construction</b>	1,500	1,750	1,550	-250	-50
<b>Manufacturing</b>	1,800	2,600	1,650	-800	150
Seafood Processing	1,150	1,850	1,000	-700	150
<b>Trade, Transportation, Utilities</b>	5,050	5,200	5,100	-150	-50
Retail Trade	3,100	3,100	3,200	0	-100
Trans/Warehousing/Utilities	1,700	1,800	1,650	-100	50
<b>Information</b>	450	450	450	0	0
<b>Financial Activities</b>	800	850	850	-50	-50
<b>Professional &amp; Business Svcs</b>	1,300	1,250	1,350	50	-50
<b>Educational &amp; Health Services</b>	1,950	1,950	1,850	0	100
Health Care/Social Assistance	1,850	1,850	1,800	0	50
<b>Leisure &amp; Hospitality</b>	2,850	3,100	2,700	-250	150
Accommodation	950	1,150	900	-200	50
Food Svcs & Drinking Places	1,600	1,700	1,550	-100	50
<b>Other Services</b>	1,300	1,350	1,350	-50	-50
<b>Government<sup>2</sup></b>	7,450	7,450	7,400	0	50
Federal Government <sup>3</sup>	800	850	750	-50	50
State Government	1,700	1,750	1,650	-50	50
Local Government	4,950	4,900	5,000	50	-50
Tribal Government	350	400	350	-50	0

# 6 Unemployment Rates

## By region and census area

Not Seasonally Adjusted	preliminary	revised	11/02
	11/03	10/03	
<b>United States</b>	5.6	5.6	5.6
<b>Alaska Statewide</b>	<b>7.3</b>	<b>6.8</b>	<b>7.9</b>
<b>Anchorage/Mat-Su Region</b>	<b>5.6</b>	<b>5.3</b>	<b>6.1</b>
Municipality of Anchorage	5.0	4.9	5.4
Mat-Su Borough	7.8	7.0	9.2
<b>Gulf Coast Region</b>	12.5	10.4	12.8
Kenai Peninsula Borough	11.8	10.9	13.3
Kodiak Island Borough	15.5	8.3	9.9
Valdez-Cordova	11.4	10.9	14.2
<b>Interior Region</b>	<b>7.3</b>	<b>6.5</b>	<b>8.3</b>
Denali Borough	15.5	16.1	17.3
Fairbanks North Star Borough	6.4	5.7	7.2
Southeast Fairbanks	11.8	9.7	13.8
Yukon-Koyukuk	15.5	14.1	17.3
<b>Northern Region</b>	<b>14.2</b>	<b>14.8</b>	<b>14.0</b>
Nome	13.6	13.8	12.7
North Slope Borough	14.0	14.8	12.8
Northwest Arctic Borough	15.6	16.4	17.6
<b>Southeast Region</b>	<b>8.1</b>	<b>7.4</b>	<b>8.3</b>
Haines Borough	12.9	11.3	14.7
Juneau Borough	6.4	5.7	6.0
Ketchikan Gateway Borough	8.4	8.0	10.1
Prince of Wales-Outer Ketchikan	12.0	10.3	11.6
Sitka Borough	7.0	6.0	6.5
Skagway-Hoonah-Angoon	12.9	12.6	14.1
Wrangell-Petersburg	9.6	8.9	8.6
Yakutat Borough	12.5	9.8	13.0
<b>Southwest Region</b>	<b>13.7</b>	<b>12.5</b>	<b>13.7</b>
Aleutians East Borough	4.9	4.3	6.5
Aleutians West	10.7	8.3	12.4
Bethel	14.8	14.0	13.9
Bristol Bay Borough	12.3	8.9	11.1
Dillingham	12.4	10.8	13.1
Lake & Peninsula Borough	15.5	12.5	13.6
Wade Hampton	21.8	21.4	21.3
<b>Seasonally Adjusted</b>			
United States	5.9	6.0	5.9
Alaska Statewide	7.5	7.3	8.2

### 2002 Benchmark

Comparisons between different time periods are not as meaningful as other time series produced by Research and Analysis. The official definition of unemployment currently in place excludes anyone who has not made an active attempt to find work in the four-week period up to and including the week that includes the 12th of the reference month. Due to the scarcity of employment opportunities in rural Alaska, many individuals do not meet the official definition of unemployed because they have not conducted an active job search. They are considered not in the labor force.

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

(continued from page 23)

2002 U.S. recession may have been the cause of 2002's highest net migration to Alaska in over a decade. By 2003 the effects of the national recession eased and net migration to Alaska slowed but remained positive.

## Alaska population reaches 648,818

According to the same U.S. Census Bureau data, Alaska's population reached 648,818 in 2003, an increase of 7,336. Alaska's population grew by 1.1 percent in 2003, ranking Alaska 14th among states in percent population change. The gains came from a combination of natural increase (births minus deaths) of 6,622 and positive net migration of 747. Alaska's population now ranks 47<sup>th</sup> in the nation. The states with fewer residents than Alaska are Vermont, North Dakota and Wyoming.

## 7 Nonfarm Wage/Salary Employment

### By place of work

Northern Region	preliminary	revised	Changes from:		
	11/03	10/03	11/02	10/03	11/02
<b>Total Nonfarm Wage &amp; Salary<sup>1</sup></b>	15,750	15,850	15,750	-100	0
Goods Producing	4,900	4,900	5,250	0	-350
Services Providing	10,850	10,950	10,500	-100	350
Oil & Gas Extraction	4,100	4,100	4,250	0	-150
<b>Government<sup>2</sup></b>	5,350	5,400	5,150	-50	200
Federal Government <sup>3</sup>	150	150	150	0	0
State Government	350	350	350	0	0
Local Government	4,800	4,900	4,650	-100	150
Tribal Government	550	600	500	-50	50
<b>Southwest Region</b>					
<b>Total Nonfarm Wage &amp; Salary<sup>1</sup></b>	16,450	18,500	15,800	-2,050	650
Goods Producing	1,900	3,550	1,650	-1,650	250
Services Providing	14,600	14,950	14,150	-350	450
Seafood Processing	1,650	3,250	1,500	-1,600	150
<b>Government<sup>2</sup></b>	7,700	7,750	7,600	-50	100
Federal Government <sup>3</sup>	400	350	350	50	50
State Government	550	550	500	0	50
Local Government	6,800	6,850	6,750	-50	50
Tribal Government	1,450	1,450	1,550	0	-100

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

# Employer Resources

The Employment Security Tax Section is responsible for providing assistance and information to employers concerning the Unemployment Insurance (UI) tax program and for the collection of UI taxes. The ES Tax page shows office locations, tax rates, laws and cases, forms, etc. to assist you in handling your business tax records more efficiently. From the employer web page of <http://www.labor.state.ak.us/employer/employer.htm>, click on "Employment Security Tax".

The image shows two overlapping screenshots of a Microsoft Internet Explorer browser window displaying the Alaska Department of Labor & Workforce Development website. The top screenshot shows the 'Links for Employers' page, which features a navigation menu at the top (Job Seekers, Workers, Employers, Researchers, Labor Shortcuts) and a list of links. A white arrow points to the 'Employment Security Tax' link in this list. The bottom screenshot shows the 'Employment Security Tax' page, which includes the name of Pat Shier, Chief, and a 'NEW! \*ONLINE\* Employer Quarterly Contribution Reporting' announcement. It also provides contact information (phone, toll-free, fax) and a mailing address for the Alaska Department of Labor and Workforce Development. A 'Quick Links...' section is visible on the right side of the page.

**Links for Employers**

- Alaska Business Handbook (1.6 mbAdobe Acrobat Format)
- Alaska Job Center Network
- Alaska Job Centers
- Alaska UI Tax Calculation Cookbook
- Alaska's Job Bank
- Alien Labor Certifications
- America's Job Bank (Place job orders and search resumes)
- Business Partnerships
- Community and Small Business Development
- Economic, Occupation & Population Information
- Employment Application (Adobe Acrobat Format)
- Employment Practices and Working Conditions
- Employment-Related Posters
- Employment Security Tax
- Fidelity Bonding Program
- Fishermen's Fund
- Government Labor Relations
- Job Order Form
- Job Order Fax Form (Adobe Acrobat Format)
- Laborers' & Mechanics' Minimum Rates of Pay
- Occupational Coding Manual (used for employers' quarterly contribution reports)
- Occupational Safety and Health
- Open Jobs
- Search Jobs

**Employment Security Tax**

State of Alaska > DOLWVD > Employment Security Tax

**Pat Shier, Chief**

**NEW! \*ONLINE\* Employer Quarterly Contribution Reporting**

The Employment Security Tax Section is responsible for providing assistance and information to employers concerning the Unemployment Insurance (UI) tax program and for the collection of UI taxes.

**To Contact Us:**  
Phone: (907) 465-2757  
Toll Free: (888) 448-3527  
(888) 448-2937  
Fax: (907) 465-2374

**Mailing Address:**  
Alaska Department of Labor and Workforce  
Development  
Employment Security Tax  
PO Box 25506  
Juneau, AK 99802-5506

**E-mail**

We are an **equal opportunity** employer/program.  
Auxiliary aids and services are available upon request to individuals with disabilities.

Job Seekers Workers Employers Researchers Department Shortcuts

Page Updated November 25, 2003