ALASKA ECONOMIC

TRENDS

AGE ANALYSIS OF ALASKA WORKERS, 1995

March
1997

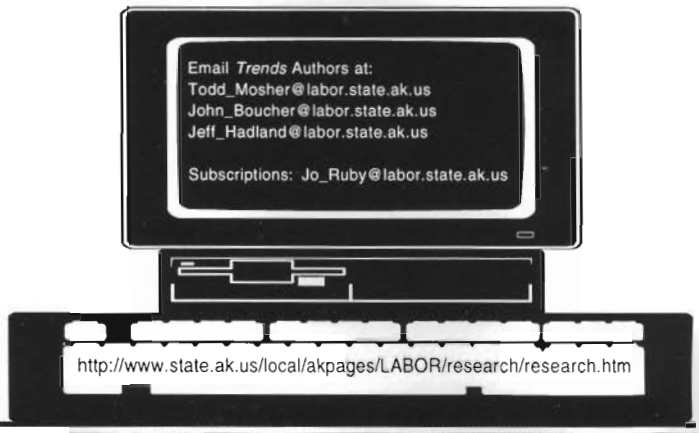
SPRING NEW HIRES TAPER OFF IN 1996

NONRESIDENT WORKERS UP SLIGHTLY FROM 1994

DECEMBER FIGURES CINCH NINTH STRAIGHT YEAR OF GROWTH

ALASKA DEPARTMENT OF LABOR • TONY KNOWLES, GOVERNOR

ALASKA ECONOMIC TRENDS



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Age Analysis of Alaska Workers, 1995

Age is important factor in Alaska's labor market

By Todd Mosher, Labor Economist

Age plays a large role in determining employment and compensation outcomes in economies everywhere, and Alaska is no exception. Circumstances related to life-cycle transitions are important to people's choices of whether to work or not to work, whether to work full-time or part-time, or whether to work seasonally or year-round. Compensation in the form of wages and salaries is also strongly influenced by age, differences in education levels, work experience, child-rearing responsibilities, retirement, and other life-cycle factors.

Typical worker life cycle

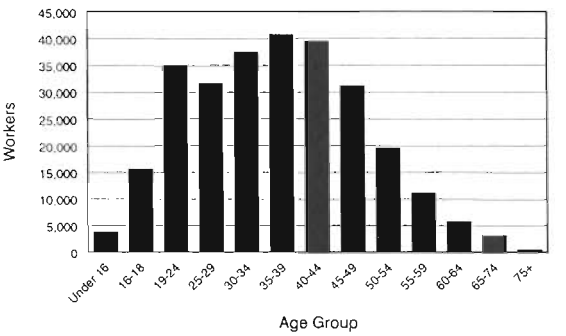
Many younger workers spend the majority of their time in schooling and training programs and, consequently, their employment tends to be seasonal and/or part-time. Younger workers generally have less stable labor force participation. They are more prone to quitting to resume schooling or to try a job with a new employer. They also are more likely to be fired, or laid off, since they lack experience and are often the first ones to go when a company needs to trim payrolls. Most young adult workers are not yet supporting families, so they are generally more willing to relocate or take chances.

The middle years are the peak earnings and labor force participation years for most people. Wages and salaries tend to rise with the number of years of experience, proven dependability on the job, and the attainment of educational degrees and other credentials. As workers get older, on average, they receive higher annual compensation in terms of wages and salaries for their additional years of experience and knowledge. This continues until the retirement years, when labor force participation begins to drop off.

In their later years, workers fully or partially retire, though at varying ages. Some choose to maintain full-time employment, either out of financial need or the desire to continue working. However, most either work seasonally or part-time or retire completely.

Figure • 1

Age Distribution
Alaska Wage & Salary Workers, 1995



Age information was available for those workers who applied for an Alaska Permanent Fund Dividend in at least one year from 1991 through 1996.

Source: Alaska Department of Labor, Research and Analysis Section.

Todd Mosher is a labor economist with the Research and Analysis Section, Administrative Services Division, Alaska Department of Labor. He is located in Juneau.

Gender and the life-cycle

Although gender differences are not the primary focus of this article, it is important to note that women's employment patterns over the life-cycle are often different from men's, especially when young children are at home. During this time, more women than men cut back to part-time employment or leave the labor force completely until their children are of school age or have graduated from high school. Not only does this lower the average annual earnings of women during the childbearing ages, but also the loss of tenure, or years of experience, limits the earning potential of women who return to work after a long absence[1].

Age structure of the Alaska work force, 1995

In 1995, there were 348,686 workers with Alaska wage and salary income. This does not include workers whose earnings in 1995

[1]For more on this subject, see "Alaska's Gender Gap Narrows," *Alaska Economic Trends*, February 1997.

Table • 1

Total, Average, and Median Annual Wages and Salaries
Alaska Wage & Salary Workers, 1995

Age information was available only for those workers who applied for an Alaska Permanent Fund Dividend in at least one year from 1991 through 1996.

Median means half of the group earned more and half earned less than the amount shown.

Source: Alaska Department of Labor, Research and Analysis Section.

	All Workers				Worked in All Four Quarters of 1995			
Age Group*	Workers	Total Wages (millions)	Average Wages	Median Wages	Workers	Total Wages (millions)	Average Wages	Median Wages
Under 16	3,764	$ 10.5	$ 2,784	$ 803	375	$ 5.7	$15,164	$ 5,459
16 to 18	15,531	45.1	2,907	1,990	3,107	19.1	6,162	5,348
19 to 24	34,767	343.2	9,871	6,938	14,867	245.6	16,523	14,780
25 to 29	31,565	578.3	18,320	15,540	19,007	484.8	25,507	23,200
30 to 34	37,414	883.6	23,616	19,971	24,126	765.0	31,709	28,712
35 to 39	40,719	1,168.3	28,692	24,238	27,661	1,032.5	37,328	33,486
40 to 44	39,408	1,293.9	32,834	28,143	27,833	1,155.9	41,531	37,241
45 to 49	31,089	1,122.8	36,114	31,833	22,708	1,003.5	44,189	40,561
50 to 54	19,467	702.7	36,098	31,059	13,964	618.1	44,264	40,129
55 to 59	11,029	363.5	32,957	26,772	7,493	310.6	41,457	36,185
60 to 64	5,718	146.2	25,565	18,861	3,532	122.6	34,701	29,569
65 to 74	3,114	54.5	17,495	8,608	1,574	41.3	26,212	16,879
75 and up	406	3.9	9,682	3,924	159	3.1	19,223	12,025
All ages combined	**273,991**	**$6,716.4**	**$24,513**	**$17,806**	**166,406**	**$5,807.8**	**$34,901**	**$29,878**

Table • 2

Alaska Wage & Salary Workers, 1995
by Age Group & Number of Quarters Worked

Age information was available only for those workers who applied for an Alaska Permanent Fund Dividend in at least one year from 1991 through 1996.

Source: Alaska Department of Labor, Research and Analysis Section.

	Number Working in:					Percent Working in:			
Age Group*	Total Workers	1 Qtr.	2 Qtrs.	3 Qtrs.	All 4 Qtrs.	1 Qtr.	2 Qtrs.	3 Qtrs.	All 4 Qtrs.
Under 16	3,764	1,751	1,185	453	375	46.5	31.5	12.0	10.0
16 to 18	15,531	3,883	4,928	3,613	3,107	25.0	31.7	23.3	20.0
19 to 24	34,767	4,816	7,435	7,649	14,867	13.9	21.4	22.0	42.8
25 to 29	31,565	3,059	4,190	5,309	19,007	9.7	13.3	16.8	60.2
30 to 34	37,414	3,418	4,317	5,553	24,126	9.1	11.5	14.8	64.5
35 to 39	40,719	3,252	4,157	5,649	27,661	8.0	10.2	13.9	67.9
40 to 44	39,408	2,911	3,574	5,090	27,833	7.4	9.1	12.9	70.6
45 to 49	31,089	2,007	2,554	3,820	22,708	6.5	8.2	12.3	73.0
50 to 54	19,467	1,334	1,720	2,449	13,964	6.9	8.8	12.6	71.7
55 to 59	11,029	927	1,170	1,439	7,493	8.4	10.6	13.0	67.9
60 to 64	5,718	726	723	737	3,532	12.7	12.6	12.9	61.8
65 to 74	3,114	616	472	452	1,574	19.8	15.2	14.5	50.5
75+	406	107	76	64	159	26.4	18.7	15.8	39.2
All ages combined	**273,991**	**28,808**	**36,501**	**42,277**	**166,406**	**10.5**	**13.3**	**15.4**	**60.7**

were from self-employment or employment with the federal government. Of those 348,686, age information was obtained for 273,991 workers by matching social security numbers to the Alaska Permanent Fund Dividend (PFD) records for the years 1991 through 1996. Age information is unknown for those workers who did not apply for an Alaska PFD in at least one year between 1991 and 1996. A more complete explanation appears in "Methodology" at the end of this article.

Compared to the rest of the country, Alaska's population is younger, and a larger portion of Alaska's working age population is actively participating in the work force. In 1995, over 85 percent of Alaskan wage and salary workers were between the ages of 19 and 54; over half (about 54 percent) were between the ages of 30 and 49. The largest single group of Alaskan workers were those ages 35 to 39, with 40,719. (See Table 1 and Figure 1.)

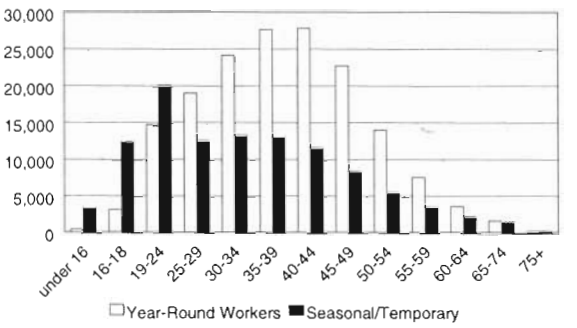
Due to Alaska's prominent seafood and tourism industries, Alaska also has a stronger demand for seasonal spring and summer jobs than most states, which partly explains the upward blip in employment of 19- to 24-year-olds shown in Figure 1. This age group is an important contributor to Alaska's supply of seasonal workers, since many of them look for temporary work in the summer to supplement income or defray the costs of college or other training programs.

Distribution of wages by age group

Not surprisingly, Alaska's youngest workers were the lowest wage and salary earners in 1995. (See Table 1.) The median[2] annual wage and salary income of those under 16 was $803, compared to $1,990 for those ages 16 to 18, $6,938 for those ages 19-24, and $15,540 for those ages 25 to 29. The fast growth over these age ranges reflects significant life-cycle shifts from part-time and/or seasonal work associated with the school-age years toward more full-time, year-round employment after leaving high school, college, or other training institutions.

Figure • 2

Year-round & Seasonal/Temporary Workers by Age Group Alaska Wage & Salary Workers, 1995



Age information was available only for those workers who applied for an Alaska Permanent Fund Dividend in at least one year from 1991 through 1996. A year-round worker is some one who had wage and salary employment in all four quarters of 1995. Seasonal/temporary includes all workers who worked in one, two, or three, but not all four quarters of 1995; includes those who left the state, became unemployed for an entire quarter or longer during 1995, or voluntarily left the wage and salary labor force.

Source: Alaska Department of Labor, Research and Analysis Section.

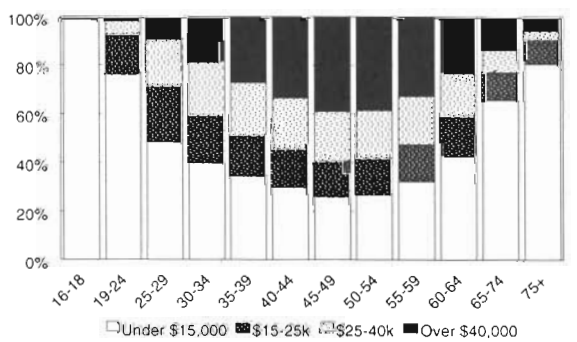
Only 20% of Alaska resident workers ages 16 to 18 had employment in all four quarters of 1995, compared to about 43 percent of those ages 19 to 24, 60% of those ages 25 to 29, on up to a peak of 73% of those ages 45 to 49. (See Table 2 and Figure 2.) Seventy-eight percent of those under 16 and about 57 percent of those ages 16 to 18 worked in only one or two quarters of 1995. (See Table 2.)

Less than one percent of those under the age of 19 earned more than $15,000 in wages and salaries, and only 24% of those ages 19-24 earned more than $15,000 in 1995. (See Figure 3.) This percentage quickly improves to more than 51 percent of those ages 25-29. This jump is partly attributable to the fact that 60% of those ages 25 to 29 worked in all

[2]The median is the middle value in a distribution of values, above and below which lie an equal number of values.

Figure • 3

Distribution of Income by Age Group Alaska Wage & Salary Workers, 1995



Age information was available only for those workers who applied for an Alaska Permanent Fund Dividend in at least one year from 1991 through 1996.

Source: Alaska Department of Labor, Research and Analysis Section.

Table • 3

Median Wages by Age Group & Number of Quarters Worked, Alaska Wage & Salary Workers, 1995

Age information was available only for those workers who applied for an Alaska Permanent Fund Dividend in at least one year from 1991 through 1996. Median means half of the group earned more and half earned less than the amount shown.

Source: Alaska Department of Labor, Research and Analysis Section.

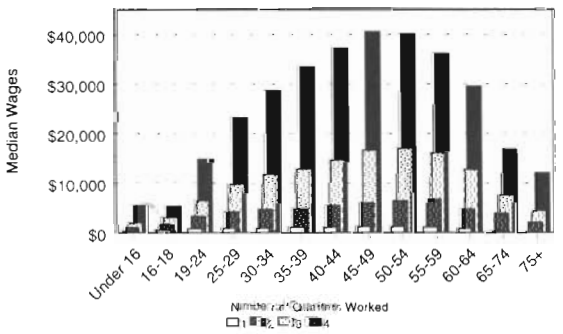
Age Group*	Age Group as a Whole	Median Wages of those working in: 1 Qtr.	2 Qtrs.	3 Qtrs.	4 Qtrs
under 16	$ 803	$ 318	$1,013	$ 1,988	$ 5,459
16 to 18	1,990	482	1,669	3,062	5,348
19 to 24	6,938	804	3,240	6,405	14,780
25 to 29	15,540	884	4,171	9,772	23,200
30 to 34	19,971	891	4,675	11,708	28,712
35 to 39	24,238	1,092	4,835	12,812	33,486
40 to 44	28,143	1,120	5,419	14,600	37,241
45 to 49	31,833	1,200	5,971	16,577	40,561
50 to 54	31,059	1,196	6,401	17,010	40,129
55 to 59	26,772	1,084	6,752	16,105	36,185
60 to 64	18,861	826	4,715	12,694	29,569
65 to 74	8,608	347	3,902	7,537	16,879
75+	3,924	154	2,053	4,389	12,025
All ages combined	**$17,806**	**$ 770**	**$3,527**	**$ 9,569**	**$29,878**

Figure • 4

Median Wages by Age Group & Number of Quarters Worked Alaska Wage & Salary Workers, 1995

Age information was available only for those workers who applied for an Alaska Permanent Fund Dividend in at least one year from 1991 through 1996.

Source: Alaska Department of Labor, Research and Analysis Section.



four quarters of 1995 compared to only 43% of those ages 19 to 24.

Moving up the age ladder, median annual wages continue to climb, driven by increased work experience, continuing educational attainment and diversification of skills, and more full-time year-round employment. The age group with peak median annual wages was 45- to 49-year-olds, with a median of $31,833 for all workers in the group, and a median of $40,561 for those who worked all four quarters. Median annual wages drop to $26,772 for those ages 55 to 59 and continue to fall off sharply thereafter. This is the age group where early and partial retirements become a significant factor.

The relative percentage increase in average and median wages diminishes with each step up the age group ladder. For example, 1995 Alaskan workers ages 35-39 had median wages 21.4% higher than those ages 30-34, while those ages 45-49 had median wages 13.3% higher than those ages 40-44. (See Table 1.) This is even more pronounced for those who worked in all four quarters of 1995. Of those working all four quarters of 1995, those ages 35-39 had median wages 27.5% higher than those ages 30-34, while those ages 45-49 had median wages only 8.9% higher than those ages 40-44.

Wages for year-round workers higher per quarter

Median wages for those working in all four quarters of 1995 were considerably higher than the median wages for workers who worked less than four quarters, regardless of age. (See Table 3 and Figure 4.) This "year-round premium" is not simply a matter of more quarters worked. As shown in Table 3, persons working for the same firm in all four quarters had median wages that were 35 times higher than those working in only one quarter. Intuitively, this shows that workers employed fewer quarters either work fewer hours per quarter, work for less pay per hour, or both.

Compared to older age groups, those age groups under 25, especially those 16 to 18, had lower premiums for year-round employment versus seasonal/temporary employment. For example, those ages 16 to 18 who worked year-round had median earnings of $5,348, a little more than 11 times that of the 16-18 year-olds that worked in only one quarter of 1995. (See Table 3 and Figure 4.) Meanwhile, year-round workers in all age groups over age 34 earned at least 30 times the median annual wages of their age group counterparts who worked in only one quarter.

Industries and occupations with the lowest and highest median age

In 1995, the Alaska industry with the lowest median age was motion pictures (primarily movie theaters) with a median age of 20 years, followed by agricultural production of crops, 21 years; apparel and accessory stores, 24; and eating and drinking places, 26. (See Table 4.) These industries tend to hire a high proportion of young part-time and/or seasonal workers.

The industries with the highest median age were museums, art galleries and botanical/zoological gardens; and pipelines other than natural gas, both with a median age of 44. (See Table 5.) They were followed by educational services, 42 years; chemicals and allied products, 42; executive, legislative and general government other than finance, 41; miscellaneous services, 41; and railroad transportation, 41. Most of these industries, and others with a high median age, have a large proportion of jobs which require a higher level of education and/or many years of specialized experience.

The occupation with the lowest median age was retail sales, 28 years, followed by helpers, 30 years; handlers and laborers, 30; and athletics and sports-related occupations, 30. (See Table 6.) The occupations with the highest median age were supervision of precision production, 46 years; public administration officials and administrators, 46; and postsecondary teaching, 45. (See Table 7.)

Table • 4

Industries with the Lowest Median Age Alaska Wage & Salary Workers, 1995

Industry Title	Median Age
Motion pictures	20
Agricultural production-crops	21
Apparel and accessory stores	24
Eating and drinking places	26
Food stores	29
Agricultural services	29
Justice, public order and safety	29
Automotive repair, services and parking	29
General merchandise stores	29
Apparel and other products from fabrics	30
Amusement and recreation services	30

Industries with 50 or more wage and salary employees. Age information was available only for those workers who applied for an Alaska Permanent Fund Dividend in at least one year from 1991 through 1996. Median means half of the industry's workers were older and half were younger than the age shown.

Source: Alaska Department of Labor, Research and Analysis Section.

Table • 5

Industries with the Highest Median Age Alaska Wage & Salary Workers, 1995

Industry Title	Median Age
Pipelines, except natural gas	44
Museums, art galleries, zoos, botanical gardens	44
Chemicals and allied products	42
Educational services	42
Railroad transportation	41
Miscellaneous services	41
Executive, legislative, general government except finance	41
Coal mining	41
Forestry	40
Heavy construction, except building construction-contractors	40
Paper and allied products	40
Communications	40
Electric, gas and sanitary services	40

Industries with 50 or more wage and salary employees. Age information was available only for those workers who applied for an Alaska Permanent Fund Dividend in at least one year from 1991 through 1996. Median means half of the industry's workers were older and half were younger than the age shown.

Source: Alaska Department of Labor, Research and Analysis Section

Table • 6

Occupations with the Lowest Median Age Alaska Wage & Salary Workers, 1995

Age information was available only for those workers who applied for an Alaska Permanent Fund Dividend in at least one year from 1991 through 1996. Median means half of the occupation group's workers were older and half were younger than the age shown.

Source: Alaska Department of Labor, Research and Analysis Section.

Occupation Title	Median Age
Salespersons; Retail	28
Helpers	30
Handlers and Laborers	30
Athletes & Related Occupations	30
Fishers, Hunters & Trappers	31
Other Service Occupations	31
Writers, Artists, Performers	32
Private Household Occupations	33
Fabricators, Assemblers, & Hand Working Occupations	33
Miscellaneous Occupations	34
Other Agricultural Occupations	34
Machine Operators & Tenders	35
Farm Operators & Managers	35
Sales Related Occupations	35

Table • 7

Occupations with the Highest Median Age Alaska Wage & Salary Workers, 1995

Age information was available only for those workers who applied for an Alaska Permanent Fund Dividend in at least one year from 1991 through 1996. Median means half of the occupation group's workers were older and half were younger than the age shown.

Source: Alaska Department of Labor, Research and Analysis Section.

Occupation Title	Median Age
Supervisors; Precision Production Occupations	46
Officials and Administrators, Public Administration	46
Teachers: Postsecondary	45
Social Scientists and Urban Planners	44
Vocational and Educational Counselors	44
Librarians, Archivists, and Curators	44
Supervisors; Transportation and Material Moving	44
Supervisors; Mechanics and Repairers	44
Officials and Administrators, Other	43
Supervisors; Construction and Extractive Occupations	43
Registered Nurses	42
Plant and System Operators	42
Teachers, except Postsecondary	42
Supervisors; Handlers, Helpers and Laborers	41
Physicians and Dentists	41

Methodology

In 1995, 348,686 individuals were identified with Alaska wage and salary income, according to unemployment insurance wage data. This does not include people whose income was from self-employment, entitlements, and/or federal government employment. Therefore, all total, average and median wage figures in this article only include income from Alaska wages and salaries and exclude income from self-employment, entitlements (including the Alaska Permanent Fund Dividend—PFD), wages and salaries earned working outside Alaska, or employment with the federal government. Ages were identified for 273,991 of the original 348,686 by matching their social security numbers to the Alaska PFD records for the years 1991 through 1996. Information on occupations was obtained by matching employers and workers' social security numbers to Alaska's Occupational Database. Occupations in this article are based on the two-digit Standard Occupational Code, Standard Occupational Classification Manual, 1980. If an employee worked for more than one employer in 1995, occupation and industry information reflects the employer with which he/she made the most wages. However, all wages and salaries earned by such an employee are summed for calculating all total, average, and median wage data.

Alaska Quarterly New Hires Report

Spring New Hires Taper Off in 1996

By Todd Mosher, Labor Economist

The *Alaska New Hires Quarterly Report* measures the number of job opportunities created by business expansions, business start-ups, or job turnover. The report assists employment security personnel and the job-seekers they serve as they develop strategies for job placement in Alaska's economy. A *new hire* is defined as an employee who was not working for the employer in any of the four previous quarters. New hires data include job turnover, and readers are therefore cautioned against drawing broad conclusions about job growth trends based solely on quarterly new hires data.

Spring new hires show strong seasonal spike

In the spring of 1996, there were 69,942 Alaska new hires, up by 30,182 (or about 76 percent) from the winter quarter, but down by 3,123, or 4.3%, from the spring of 1995. (See Table 1.) The first-quarter to second-quarter jump in new hires marks the beginning of the peak spring and summer hiring seasons, buoyed by seasonal spikes in seafood processing, construction, and tourism activity. Figure 1 demonstrates the seasonal fluctuations in Alaska new hires since the first quarter of 1992. The upward spikes on the graph represent the peak spring and summer hiring period.

Despite the drop in new hires from the previous spring, the numbers were higher than expected, given that employment in the high-turnover seafood processing industry was down sharply from 1995 levels. Compared to the previous spring, seafood processing and other manufacturing new hires were down by 1,243 new hires, or about 16 percent. On the other side of the

Todd Mosher is a labor economist with the Research and Analysis Section, Administrative Services Division, Alaska Department of Labor. He is located in Juneau.

Table • 1

Alaska New Hires 2nd Quarter 1996

	2nd Qtr 96	1st Qtr 96	Change from 1st Qtr 96	Change from 2nd Qtr 95[1]
Total New Hires[2]:	**69,942**	**39,760**	**30,182**	**-3,123**
By Region[3]				
Northern	2,904	2,546	358	-924
Interior	11,834	4,414	7,420	12
Southwest	5,590	4,504	1,086	-382
Anchorage	29,383	17,888	11,495	-854
Gulf Coast	9,041	4,029	5,012	-628
Southeast	10,247	4,822	5,425	-286
Offshore	596	982	-386	45
Outside	346	475	-129	-55
Unknown	1	100	-99	-51
By Industry				
Ag./Forestry/Fishing	1,043	259	784	62
Mining	1,391	1,204	187	-771
Oil & Gas Extraction	920	1,055	-135	-737
All Other	471	149	322	64
Construction	7,494	2,735	4,759	-414
Manufacturing	6,469	5,154	1,315	-1,243
Seafood Processing	4,823	4,275	548	-820
All Other	1,646	879	767	-423
Trans./Comm./Util.	5,861	2,786	3,075	290
Tourism Related	2,061	592	1,469	236
All Other	3,800	2,194	1,606	54
Wholesale Trade	1,958	1,105	853	19
Retail Trade	18,787	8,611	10,176	-473
Fin./Ins./Real Estate	2,088	1,400	688	-202
Services	18,958	11,996	6,962	48
Hotels & Lodging	4,124	890	3,234	150
All Other	14,834	11,106	3,728	-102
Public Admin.[4]	5,893	4,510	1,383	-537

[1] Reflects minor revisions for 2nd Quarter 1995

[2] A "new hire" is defined as an employee that was hired by the firm in the report quarter and has not been employed by the firm during any of the previous four quarters. New hires figures include turnover and should not be used to assess job growth trends.

[3] An employee's region is determined by his or her actual place of employment.

[4] Includes all employees of publicly-owned institutions.

Source: Alaska Department of Labor, Research and Analysis Section.

coin, non-oil mining new hires were up by nearly 16 percent from the previous spring, and the transportation and hotels and lodging industries also posted healthy gains in spring-quarter new hires.

It is important to note that 1994 and 1995 were stellar years for spring and summer hiring, thanks to the recent expansion of the retail and services sectors and continued rapid growth in tourism. Even after the dust has long settled from the recent surge in building and staffing of large retail outlets, new hires in the second quarter of 1996 were still well ahead of 1993 levels, perhaps showing that the longer-term "base" level of seasonal hiring has grown. (See Figure 2.)

Oil industry hiring was down

Oil industry new hires were down by 737 from the spring quarter of 1995, when some industry employers were rebuilding employment levels after substantial cutbacks. This likely reflects the timing of the industry's business cycle and specific projects. Since turnover is less of a factor in this industry, new hire counts are more dependent on project start-up and ending dates.

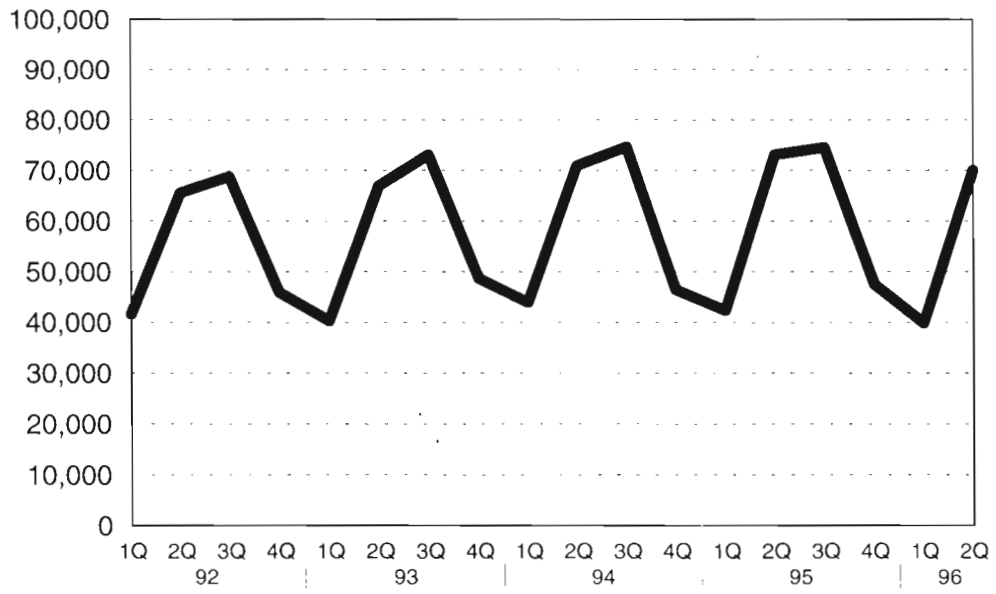
Tourism-driven industries keep Interior rolling

The Interior region was the only region to surpass its spring new hires levels of 1995. In the second quarter of 1996, the Interior region had 717 new hires in the tourism-related transportation categories[1], up 26%, and 1,218 new hires in the hotels and lodging industry, up 24%. Hotel additions in Fairbanks and the Denali Park area and growth in travelers to the Interior region during the "shoulder season" of early May were the impetus for the increased hiring. Interior also got a boost from non-oil mining expansion, which generated 231 second quarter new hires in 1996, up by 101, or 78%, from 1995.

[1] These categories include local passenger transportation, water transportation, nonscheduled air transportation, travel agencies and other travel arrangers. Not all of the employment in these industries is attributable to tourism, but all of these categories are heavily influenced by tourism in most regions.

F i g u r e • 1

Alaska New Hires, 1992-1996



A "new hire" is defined as an employee who was hired by the firm in the report quarter and has not been employed by the firm during any of the previous four quarters. New hires figures include turnover and should not be used to assess job growth trends.

Source: Alaska Department of Labor, Research and Analysis Section.

Services new hires rise in Anchorage

Anchorage new hires were down slightly due primarily to slower hiring in the construction and public sectors. However, these declines were moderated by continued new hires growth in services. Services new hires were up by 327, or 3.6%, in the Anchorage area, getting a boost from job growth in engineering services, health services, and temporary services.

Table • 2

Occupations with the largest year-to-year drop in new hires 2nd Quarter 1996

Occupation Group	Change from 2Q95	Percent Change
Fabricators, Assemblers, and Hand Working Occupations*	-955	-20.5
Retail Salespersons	-717	-10.7
Administrative Support Occupations	-476	-5.7
Material Moving Occupations	-373	-28.4
Handlers and Laborers	-225	-2.9
Forestry and Logging Occupations	-151	-24.8
Mechanics and Repairers	-143	-6.7
Extractive (including Oil and Gas) Occupations	-121	-46.0
Helpers	-118	-12.3
Construction Trades	-91	-2.3
Other Service Occupations	-73	-0.5
Health Technologists and Technicians	-63	-19.0
Precision Production Occupations	-60	-16.7
Supervisors; Admin. Support	-58	-34.1
Engineering Technologists and Technicians	-49	-18.1
Athletes and Sports Related Occupations	-42	-29.0
Officials and Administrators, Public Administration	-38	-36.2
Fishers, Hunters and Trappers	-30	-19.7

*Primarily seafood processing workers.

About 10 percent of employers did not report occupational data for their employees.

Source: Alaska Department of Labor, Research and Analysis Section.

Seafood woes hit many regions of the state

The Southwest region had 229 fewer seafood processing new hires in the spring of 1996 than in the previous spring, and other sectors of its economy were also down. Overall, there were 382 fewer spring new hires in Southwest than in 1995, a decline of more than six percent. The Gulf Coast and Southeast regions of the state were also hard hit by losses in the seafood industry, but both regions got some help from construction

Table • 3

Occupations with the largest year-to-year gains in new hires 2nd Quarter 1996

Occupation Group	Change from 2Q95	Percent Change
Other Sales Related Occupations	85	57.4
Registered Nurses	73	26.0
Pharmacists, Therapists, Physician Assistants	71	64.0
Science Technologists and Technicians	51	50.0
Private Household Occupations	49	46.2
Teachers: Postsecondary	35	31.3
Social, Recreation and Religious Workers	30	5.4
Natural Scientists	30	30.0
Transportation Occupations	28	1.1
Officials and Administrators, Other	27	3.3
Engineers, Surveyors and Architects	23	7.9
Salespersons; Non-Retail Commodities	21	13.4
Writers, Artists, Performers	19	6.4
Other Agricultural Occupations	19	1.8

About 10 percent of employers did not report occupational data for their employees.

Source: Alaska Department of Labor, Research and Analysis Section.

activity. The Gulf Coast region had 88 more construction new hires than in the previous spring, but this was small consolation in the face of 239 fewer seafood processing new hires and a net decline of 628 new hires overall. Southeast was helped substantially by a mini-boom in residential housing construction in Juneau, which helped grow Southeast's construction new hires by 224 over the previous spring. But this was little help to other areas of the region, where manufacturing new hires were squelched by the closure of Pelican's seafood processing plant and timber industry cutbacks. Southeast's spring manufacturing new hires were down by 420, or about 29 percent.

Service sector shows gains in some higher-paying occupations

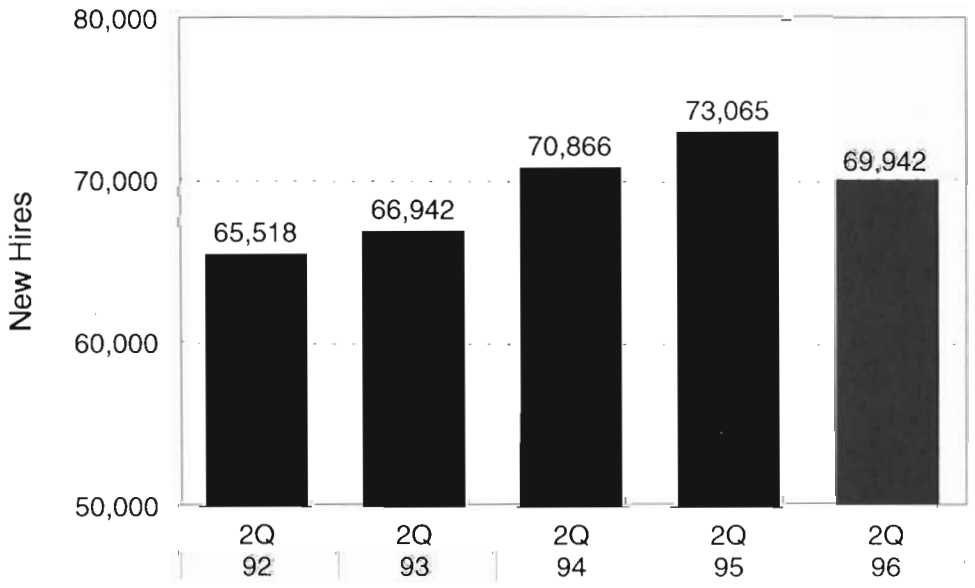
Tables 2 and 3 show the occupations with the largest gains and declines in new hires, comparing the second quarter of 1996 with the second quarter of 1995. Fabricators, assemblers, and hand-working occupations (primarily seafood processing workers) topped the list of occupations with the largest year-to-year declines in second-quarter new hires. (See Table 2.) Other occupations showing substantial declines were retail salespersons, administrative support occupations, material moving occupations, handlers and laborers, forestry and logging occupations, mechanics and repairers, extractive (including oil and gas) occupations, and helpers. Table 3 shows those occupations with gains in second quarter new hires. Many were higher-paying health service, technical, and public administration occupations, such as registered nurses; pharmacists, therapists, and physician assistants; science technologists and technicians; natural scientists; other officials and administrators; and engineers, surveyors and architects. The Anchorage region had most of the new hire gains in these occupation groups.

Figure • 2

Spring Quarter New Hires
Alaska, 1992-1996

A "new hire" is defined as an employee who was hired by the firm in the report quarter and has not been employed by the firm during any of the previous four quarters. New hires figures include turnover and should not be used to assess job growth trends.

Source: Alaska Department of Labor, Research and Analysis Section.



Nonresident Workers Up Slightly from 1994

By Jeff Hadland, Labor Economist

Private industry, and state and local governments employed a total of 78,675 nonresident[1] wage and salary workers[2] at some time during 1995. This represents a very slight increase in total number of workers, dollars earned and percent nonresident workers over 1994. Overall, nonresidents comprised 22.6% of all wage and salary workers in the private sector, and in state and local government in 1995. (See Figure 1.)

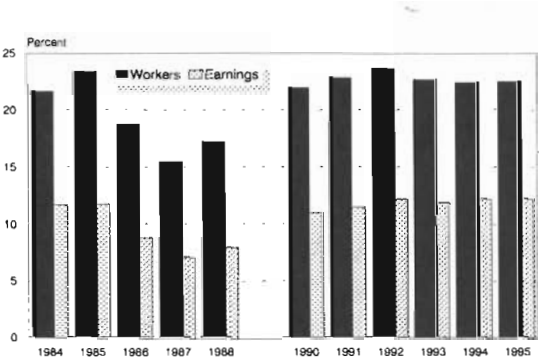
That year, nonresidents earned more than $923 million, a nearly $9 million increase over 1994. Average earnings per worker in 1995 were $21,736, with nonresidents earning on average $11,734 and residents earning $24,657. Nonresidents worked an average of 2.1 quarters in Alaska in 1995 versus an average 3.3 quarters for residents, accounting for part of the earnings differential between residents and nonresidents. Approximately 31,300 nonresident workers were employed in the first quarter of 1995, while 62,800 nonresidents were employed in Alaska in the third quarter of 1995. About 34 percent of total nonresident earnings in 1995 were earned during the third quarter.

A large percentage of new hires are nonresidents

While new hires represent a large base of employment opportunities for Alaskans, more than 30 percent of new hires in 1995 were nonresidents. (See Figure 2.) A new hire is a new worker who was not employed by the same firm at any time during the previous four quarters. More than 27,000 nonresidents were hired in the third quarter of 1995 alone, and a total of 73,800 nonresidents were new hires in 1995. Many new hire positions are seasonal or entry level, just the type of jobs needed by many unemployed Alaskans, students looking for summer jobs, and those on public assistance.

Figure • 1

Percent Nonresident Workers and Earnings, Alaska 1984-1995

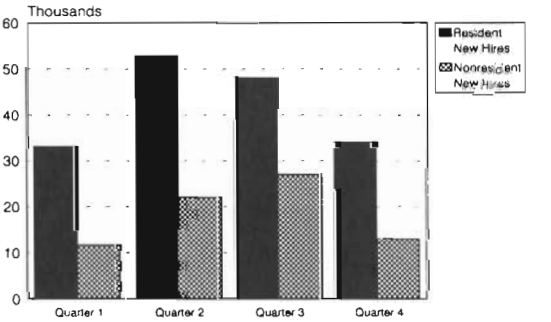


Note: Includes private sector, state and local government workers.

Source: Alaska Department of Labor, Research and Analysis Section.

Figure • 2

New Hires by Quarter Alaska 1995



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

Source: Alaska Department of Labor, Research and Analysis Section.

Percentage of nonresident workers differ by industry

Nonresident workers in Alaska are typically found in industries with faster than average growth, industries with large numbers of seasonal jobs, industries with low paying jobs, and industries with jobs having special

[1]Nonresident workers are defined as those workers who did not receive a Permanent Fund Dividend (PFD) in 1995 or apply for a PFD in 1996.

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

skills. (See Figure 3.) Some jobs may be highly skilled jobs for which Alaskans are not trained or available or for which they have not been recruited. Alaska's seasonal industries continued to dominate the list of those with the highest nonresident earnings and workers.

Seafood processing, lumber and wood products, and hotels and restaurants were the industry sectors with the highest percentage of nonresident workers in 1995, just as they have been for the last several years. Other industries with a large percentage of nonresident workers include repair services, water transportation, eating and drinking establishments and oil and gas.

The largest number and highest percent of nonresident workers in Alaska were found in the seafood processing industry. More than 28 percent of all private sector nonresident workers in Alaska in 1995 were employed in that industry. A total of $166.8 million was paid to nonresident seafood processing workers in 1995. This represents 66.1% of all seafood processing worker earnings. Approximately 77 percent of all workers in seafood processing were nonresidents in 1995.

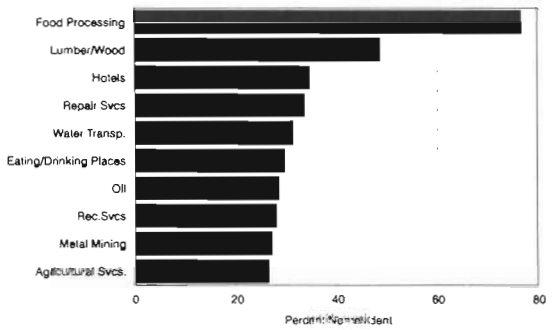
Jeff Hadland is a labor economist with the Research and Analysis Section, Administrative Services Division, Alaska Department of Labor. He is located in Juneau.

Figure • 3

Private Sector Industries with Highest Percentage Nonresident Workers—Alaska 1995

Note: Industries with 1,000 or more workers.

Source: Alaska Department of Labor, Research and Analysis Section.

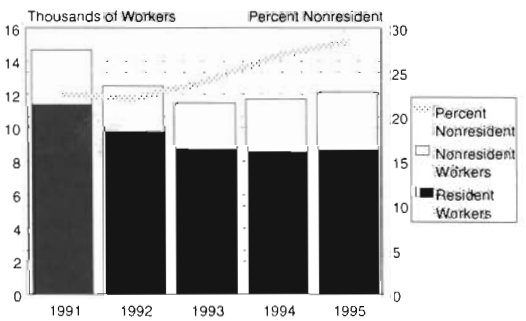


Alaska's oil industry, including major oil companies and oil field service firms, increased the total number of workers employed at any time during the year by 5.8% from 1993 to 1995, but the total number of nonresident workers increased by 25% during the same period. (See Figure 4.) The percentage of nonresident workers has increased steadily since 1992, rising from 22.0% to 28.4% of total workers in 1995. This increase in nonresident workers has occurred in tandem with the downsizing of major oil firms and a shifting of work to oil field service companies. Alaska's oil industry paid $167 million to nonresidents in 1995, nearly 25 percent of total oil industry wages and about 20 percent of all private sector nonresident earnings in Alaska. On average, oil industry workers (part year and year round) earned more than $58,400, while workers employed by major oil companies (excluding oil field service firms) in Alaska *in all four quarters* had average earnings of $102,682 in 1995. These are among the highest paying, year-round jobs in Alaska and are considered a high priority for placement of Alaskan workers.

Figure • 4

Oil Industry Numbers and Percent Nonresident Workers—Alaska 1991-1995

Source: Alaska Department of Labor, Research and Analysis Section.



Complete industry, occupation, geographic area and firm level nonresident hire information, along with the methodology used to estimate nonresident workers, is presented in the annual report *Nonresidents Working in Alaska-1995,* available at the Alaska Department of Labor, Research and Analysis Section.

December Figures Cinch Ninth Straight Year of Growth

by John Boucher

Alaska's statewide unemployment rate increased five-tenths of a percentage point in December, climbing to 8.0%, with 24,374 Alaskans jobless in December. This was a slight improvement over last December when the statewide unemployment rate was 8.2%, and the number of unemployed was 24,498. December was the fifth month in a row when the unemployment rate came in below the previous year's level.

The trend of improving unemployment rates during the last half of the year was not enough to reverse an overall increase in unemployment from 1995 to 1996, but did hold the annual unemployment rate below 8.0% for the fourth straight year. A preliminary comparison between 1995 and 1996 shows that the annual average unemployment rate increased from 7.3% in 1995 to 7.9% in 1996.

Alaska's unemployment rate showed improvement on a seasonally adjusted basis as well. December's seasonally adjusted 7.5% statewide unemployment rate matched November's rate and came in nearly half a percentage point below last December's seasonally adjusted rate of 7.9%.

Unemployment changes reflect rural seasonality

Among the regions, the Anchorage-MatSu area's unemployment rate of 6.0% was the state's lowest rate, actually dropping one-tenth of a percentage point from November. In most urban areas of the state, the unemployment rate fluctuates less with the changing seasons. For example, December rates in Anchorage, Fairbanks and Juneau changed little from November rates.

However, in rural regions dependent on seasonal industries such as fishing and timber, the jobless rate can rise rapidly in the winter. Two examples of this movement in December were the Wrangell-Petersburg area and Kodiak. As fishing activity nearly halted, Kodiak's jobless rate more than doubled from 9.3% to 18.8%, making Kodiak's unemployment rate the highest in the state. The Wrangell-Petersburg census area also saw a sharp increase as unemployment jumped from 9.2% to 12.4%. Unemployment claims data from the Wrangell-Petersburg area indicated that seafood processing and the timber industry played a key role in the increased unemployment rate in that area.

The difference in winter unemployment rates in urban and rural Alaska becomes even sharper when the Anchorage, Fairbanks and Juneau labor markets are factored out of the statewide totals. In December, the average unemployment rate in Alaska's three largest urban areas was 5.8%, while the average unemployment rate elsewhere in the state was at 11.6%.

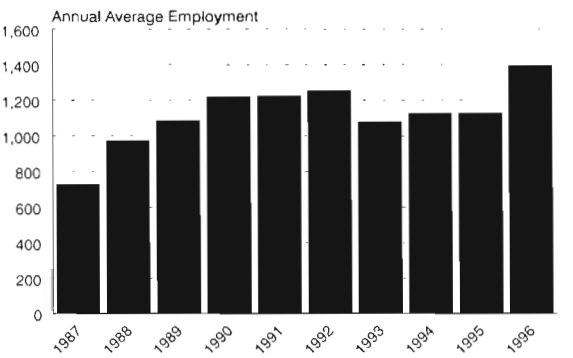
Ninth straight year of employment growth

The primary reason for December's increase in the statewide unemployment rate was the loss of 4,500 wage and salary jobs in Alaska's seasonal industries. The seafood processing, construction and timber indus-

John Boucher is a labor economist with the Research and Analysis Section, Administrative Services Division, Alaska Department of Labor. He is located in Anchorage.

Figure • 1

Non-oil Mining Surges in 1996



Source: Alaska Department of Labor, Research and Analysis Section.

T a b l e • 1

Nonagricultural Wage and Salary Employment by Place of Work

Alaska	p/ 12/96	r/ 11/96	12/95	Changes from 11/96	Changes from 12/95
Total Nonag. Wage & Salary	253,400	257,900	250,600	-4,500	2,800
Goods-producing	31,000	34,600	30,700	-3,600	300
Service-producing	222,400	223,300	219,900	-900	2,500
Mining	9,400	9,600	9,600	-200	-200
Construction	11,400	12,900	11,000	-1,500	400
Manufacturing	10,200	12,100	10,100	-1,900	100
Durable Goods	2,200	3,000	2,400	-800	-200
Lumber & Wood Products	1,300	1,900	1,500	-600	-200
Nondurable Goods	8,000	9,100	7,700	-1,100	300
Seafood Processing	4,900	6,000	4,500	-1,100	400
Pulp Mills	500	500	500	0	0
Transportation	21,500	21,700	21,400	-200	100
Trucking & Warehousing	3,100	3,100	3,100	0	0
Water Transportation	1,600	1,700	1,700	-100	-100
Air Transportation	6,900	6,900	6,600	0	300
Communications	3,800	3,800	3,700	0	100
Trade	54,700	54,900	54,000	-200	700
Wholesale Trade	8,600	8,600	8,400	0	200
Retail Trade	46,100	46,300	45,600	-200	500
Gen. Merch. & Apparel	9,700	9,900	9,900	-200	-200
Food Stores	7,000	7,100	7,200	-100	-200
Eating & Drinking Places	14,700	14,900	14,300	-200	400
Finance-Ins. & Real Estate	11,500	11,500	11,600	0	-100
Services & Misc.	61,400	61,300	59,600	100	1,800
Hotels & Lodging Places	5,400	5,400	5,300	0	100
Health Services	14,000	13,900	13,400	100	600
Government	73,300	73,900	73,300	-600	0
Federal	16,800	16,600	17,200	200	-400
State	21,300	22,100	21,300	-800	0
Local	35,200	35,200	34,800	0	400

Municipality of Anchorage	p/ 12/96	r/ 11/96	12/95	Changes from 11/96	Changes from 12/95
Total Nonag. Wage & Salary	120,500	120,800	120,100	-300	400
Goods-producing	10,100	10,500	10,200	-400	-100
Service-producing	110,400	110,300	109,900	100	500
Mining	2,400	2,400	2,500	0	-100
Construction	5,800	6,200	5,800	-400	0
Manufacturing	1,900	1,900	1,900	0	0
Transportation	11,300	11,300	11,700	0	-400
Air Transportation	4,100	4,100	4,100	0	0
Communications	2,200	2,200	2,300	0	-100
Trade	30,400	30,300	30,000	100	400
Wholesale Trade	6,400	6,400	6,200	0	200
Retail Trade	24,000	23,900	23,800	100	200
Gen. Merch. & Apparel	5,000	5,100	5,000	-100	0
Food Stores	3,100	3,100	3,100	0	0
Eating & Drinking Places	8,400	8,300	8,200	100	200
Finance-Ins. & Real Estate	7,000	6,900	7,100	100	-100
Services & Misc.	33,700	33,600	33,000	100	700
Hotels & Lodging Places	2,500	2,500	2,500	0	0
Health Services	7,100	7,100	6,800	0	300
Government	28,000	28,200	28,100	-200	-100
Federal	10,000	9,900	10,300	100	-300
State	8,200	8,500	8,100	-300	100
Local	9,800	9,800	9,700	0	100

T a b l e • 2

Alaska Hours and Earnings for Selected Industries

	Average Weekly Earnings			Average Weekly Hours			Average Hourly Earnings		
	p/ 12/96	r/ 11/96	12/95	p/ 12/96	r/ 11/96	12/95	p/ 12/96	r/ 11/96	12/95
Mining	$1,092.23	$1,162.13	$1,243.49	43.9	46.3	53.3	$24.88	$25.10	$23.33
Construction	1,060.58	990.07	949.63	42.8	40.1	39.8	24.78	24.69	23.86
Manufacturing	463.98	489.98	462.00	33.5	38.4	35.0	13.85	12.76	13.20
Seafood Processing	316.22	316.13	340.58	32.5	37.5	36.7	9.73	8.43	9.28
Trans., Comm. & Utilities	707.07	686.01	675.37	37.0	35.6	34.3	19.11	19.27	19.69
Trade	402.47	398.31	406.28	33.4	33.0	33.8	12.05	12.07	12.02
Wholesale	622.76	630.04	626.04	38.3	38.3	37.6	16.26	16.45	16.65
Retail	363.02	356.48	366.42	32.5	32.0	33.1	11.17	11.14	11.07
Finance-Ins. & R.E.	521.51	491.35	492.49	36.7	35.4	36.4	14.21	13.88	13.53

Notes to Tables 1-3:

Tables 1 and 2- Prepared in cooperation with the U.S. Department of Labor, Bureau of Labor Statistics.

Table 3- Prepared in part with funding from the Employment Security Division.

p/ denotes preliminary estimates.

r/ denotes revised estimates.

Government includes employees of public school systems and the University of Alaska.

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

Benchmark: March 1995

Nonagricultural Wage and Salary Employment by Place of Work

Southeast Region

	p/ 12/96	r/ 11/96	Changes from 12/95	11/96	12/95
Total Nonag. Wage & Salary	33,300	34,350	33,150	-1,050	150
Goods-producing	4,200	5,150	4,150	-950	50
Service-producing	29,100	29,200	29,000	-100	100
Mining	300	300	250	0	50
Construction	1,450	1,650	1,300	-200	150
Manufacturing	2,450	3,200	2,600	-750	-150
Durable Goods	1,000	1,450	1,150	-450	-150
Lumber & Wood Products	850	1,300	1,050	-450	-200
Nondurable Goods	1,450	1,750	1,450	-300	0
Seafood Processing	700	1,000	700	-300	0
Pulp Mills	450	500	550	-50	-100
Transportation	2,550	2,650	2,600	-100	-50
Trade	6,350	6,350	6,450	0	-100
Wholesale Trade	500	500	550	0	-50
Retail Trade	5,850	5,850	5,900	0	-50
Finance-Ins. & Real Estate	1,400	1,350	1,400	50	0
Services & Misc.	6,400	6,400	6,250	0	150
Government	12,400	12,450	12,300	-50	100
Federal	1,800	1,800	1,850	0	-50
State	5,150	5,300	5,200	-150	-50
Local	5,450	5,350	5,250	100	200

Anchorage/Mat-Su Region

Total Nonag. Wage & Salary	131,550	132,100	130,350	-550	1,200
Goods-producing	10,950	11,550	11,100	-600	-150
Service-producing	120,600	120,550	119,250	50	1,350
Mining	2,400	2,450	2,550	-50	-150
Construction	6,550	7,100	6,500	-550	50
Manufacturing	2,000	2,000	2,050	0	-50
Transportation	12,450	12,450	12,500	0	-50
Trade	33,250	33,200	32,650	50	600
Finance-Ins. & Real Estate	7,400	7,400	7,450	0	-50
Services & Misc.	36,450	36,300	35,500	150	950
Government	31,050	31,200	31,150	-150	-100
Federal	10,150	10,050	10,450	100	-300
State	9,100	9,400	8,950	-300	150
Local	11,800	11,750	11,750	50	50

Gulf Coast Region

Total Nonag. Wage & Salary	23,850	24,850	23,300	-1,000	550
Goods-producing	4,700	5,450	4,300	-750	400
Service-producing	19,150	19,400	19,000	-250	150
Mining	900	900	1,000	0	-100
Construction	1,050	1,250	1,050	-200	0
Manufacturing	2,750	3,300	2,250	-550	500
Seafood Processing	1,700	2,050	1,200	-350	500
Transportation	2,050	2,150	2,050	-100	0
Trade	4,700	4,750	4,650	-50	50
Wholesale Trade	550	550	550	0	0
Retail Trade	4,150	4,200	4,100	-50	50
Finance-Ins. & Real Estate	700	700	650	0	50
Services & Misc.	4,900	4,950	4,850	-50	50
Government	6,800	6,850	6,800	-50	0
Federal	650	600	600	50	50
State	1,600	1,700	1,650	-100	-50
Local	4,550	4,550	4,550	0	0

Interior Region

	p/ 12/96	r/ 11/96	Changes from: 12/95	11/96	12/95
Total Nonag. Wage & Salary	34,850	35,800	34,250	-950	600
Goods-producing	3,150	3,650	2,900	-500	250
Service-producing	31,700	32,150	31,350	-450	350
Mining	900	1,100	800	-200	100
Construction	1,700	2,000	1,550	-300	150
Manufacturing	550	550	550	0	0
Transportation	2,450	2,500	2,400	-50	50
Trade	7,400	7,650	7,450	-250	-50
Finance-Ins. & Real Estate	1,050	1,050	1,050	0	0
Services & Misc.	8,100	8,050	7,850	50	250
Government	12,700	12,900	12,600	-200	100
Federal	3,450	3,450	3,550	0	-100
State	4,700	4,850	4,650	-150	50
Local	4,550	4,600	4,400	-50	150

Fairbanks North Star Borough

Total Nonag. Wage & Salary	30,650	31,450	30,150	-800	500
Goods-producing	2,750	3,300	2,550	-550	200
Service-producing	27,900	28,150	27,600	-250	300
Mining	750	850	600	-100	150
Construction	1,500	1,900	1,450	-400	50
Manufacturing	500	550	500	-50	0
Transportation	2,050	2,100	2,050	-50	0
Trucking & Warehousing	500	550	500	-50	0
Air Transportation	550	550	500	0	50
Communications	300	250	250	50	50
Trade	6,900	7,000	6,950	-100	-50
Wholesale Trade	800	800	800	0	0
Retail Trade	6,100	6,200	6,150	-100	-50
Gen. Merch. & Apparel	1,350	1,350	1,350	0	0
Food Stores	800	800	800	0	0
Eating & Drinking Places	2,000	2,150	2,150	-150	-150
Finance-Ins. & Real Estate	1,000	1,000	1,000	0	0
Services & Misc.	7,550	7,500	7,300	50	250
Government	10,400	10,550	10,300	-150	100
Federal	2,900	2,850	2,950	50	-50
State	4,500	4,650	4,450	-150	50
Local	3,000	3,050	2,900	-50	100

Southwest Region

Total Nonag. Wage & Salary	14,500	15,100	14,100	-600	400
Goods-producing	2,700	3,300	2,750	-600	-50
Service-producing	11,800	11,800	11,350	0	450
Seafood Processing	2,400	2,950	2,450	-550	-50
Government	5,500	5,550	5,450	-50	50
Federal	500	500	550	0	-50
State	500	500	450	0	50
Local	4,500	4,550	4,450	-50	50

Northern Region

Total Nonag. Wage & Salary	15,400	15,500	15,400	-100	0
Goods-producing	5,400	5,500	5,550	-100	-150
Service-producing	10,000	10,000	9,850	0	150
Mining	4,850	4,900	5,100	-50	-250
Government	4,850	4,950	4,900	-100	-50
Federal	200	200	200	0	0
State	300	350	300	-50	0
Local	4,350	4,400	4,400	-50	-50

T a b l e • 4

Unemployment Rates by Region & Census Area

Not Seasonally Adjusted	Percent Unemployed p/ 12/96	r/ 11/96	12/95
United States	5.0	5.0	5.2
Alaska Statewide	8.0	7.5	8.2
Anch.-MatSu Region	6.0	6.1	6.2
Municipality of Anchorage	5.2	5.3	5.4
MatSu Borough	9.9	9.9	10.6
Gulf Coast Region	15.5	13.1	15.8
Kenai Peninsula Borough	15.2	14.8	15.3
Kodiak Island Borough	18.8	9.3	19.5
Valdez-Cordova	11.6	11.3	12.3
Interior Region	8.5	8.3	8.9
Denali Borough	11.8	12.9	15.0
Fairbanks North Star Borough	7.7	7.5	8.0
Southeast Fairbanks	12.2	12.3	15.4
Yukon-Koyukuk	18.0	17.0	16.8
Northern Region	8.2	7.9	9.5
Nome	8.8	7.6	12.5
North Slope Borough	4.1	4.4	3.4
Northwest Arctic Borough	13.3	13.4	13.7
Southeast Region	8.9	7.9	9.0
Haines Borough	15.3	12.6	15.2
Juneau Borough	6.7	6.5	6.5
Ketchikan Gateway Borough	9.8	8.9	9.7
Prince of Wales-Outer Ketchikan	15.3	12.9	15.6
Sitka Borough	7.5	6.0	6.6
Skagway-Hoonah-Angoon	7.0	5.9	8.7
Wrangell-Petersburg	12.4	9.2	13.7
Yakutat Borough	5.9	5.8	8.6
Southwest Region	7.4	6.1	7.9
Aleutians East Borough	7.3	4.4	6.7
Aleutians West	3.9	2.1	2.0
Bethel	8.2	7.1	9.2
Bristol Bay Borough	7.6	8.2	9.2
Dillingham	6.5	6.3	8.3
Lake & Peninsula Borough	8.2	7.3	8.3
Wade Hampton	12.3	10.5	14.6
Seasonally Adjusted			
United States	5.3	5.4	5.6
Alaska Statewide	7.5	7.5	7.9

p/ denotes preliminary estimates
r/ denotes revised estimates

Benchmark: March 1995

- Comparisons between different time periods are not as meaningful as other time series published by the Alaska Department of Labor.
- The official definition of unemployment currently in place excludes anyone who has made no attempt to find work in the four-week period up to and including the week that includes the 12th of each month. Most Alaska economists believe that Alaska's rural localities have proportionately more of these discouraged workers.

Source: Alaska Department of Labor, Research and Analysis Section.

tries all experienced significant job losses. (See Table 1.) However, more important is the fact that wage and salary employment remained 2,800 jobs larger than year-ago levels. This gain assured that Alaska's wage and salary employment numbers will show growth for 1996, extending the state's job growth streak into its ninth year.

In December, all regions of the state lost jobs as a result of the seasonal slowdown. But compared to a year ago, every region but one posted an employment gain. Only the Northern region's year-to-year December employment comparison showed no gain. (See Table 3.) The Interior region, buoyed largely by the resurgent hard rock mining industry, is the fastest growing region of Alaska.

Hard rock mining gains boost employment

While it's difficult to tell from the published employment statistics for mining, the resurgence of Alaska's hard rock mining industry has played a key role in buoying Alaska's economy. (See Figure 1.) The reopening of the Greens Creek Mine in Juneau and the beginning of mining at Fort Knox in Fairbanks increased the employment in this industry nearly 30 percent compared to 1995 levels. This growth comes at a time when many of Alaska's other key industries are struggling.

This year could be another good one for mining, with several projects around the state scheduled to go into production. Additional investment in exploration and expansion projects also is anticipated. One of the coming year's biggest mining-related projects will take place at the Red Dog mine near Kotzebue. Cominco Alaska, Inc., is planning a $200 million expansion which is anticipated to boost the mine's output 40 percent by 1998. It's hoped that this will strengthen the company's position in the world zinc market. By adding another 100 jobs, this will also solidify the mine's position as the largest single mining facility in Alaska.

The enthusiasm in Alaska's mining industry has been somewhat tempered by two recent developments. Echo Bay Alaska, Inc., announced that it would not make the additional investment necessary to continue the development of the AJ mine in Juneau. This project could have added as many as 400 mining jobs to the Juneau economy. The recent drop in gold prices may also influence new developments. As recently as January, gold prices were near the $380-per-ounce level, while as of this writing gold was trading in the $340-per-ounce range.

Alaska Employment Service

Anchorage: Phone 269-4800

Bethel: Phone 543-2210

Dillingham: Phone 842-5579

Eagle River: Phone 694-6904/07

Mat-Su: Phone 376-2407/08

Fairbanks: Phone 451-2871

Glennallen: Phone 822-3350

Kotzebue: Phone 442-3280

Nome: Phone 443-2626/2460

Tok: Phone 883-5629

Valdez: Phone 835-4910

Kenai: Phone 283-4304/4377/4319

Homer: Phone 235-7791

Kodiak: Phone 486-3105

Seward: Phone 224-5276

Juneau: Phone 465-4562

Petersburg: Phone 772-3791

Sitka: Phone 747-3347/3423/6921

Ketchikan: Phone 225-3181/82/83

Alaska Economic Regions

The Alaska Department of Labor shall foster and promote the welfare of the wage earners of the state and improve their working conditions and advance their opportunities for profitable employment.