

ALASKA ECONOMIC

TRENDS



September 2004



Ten Year Industry Forecast

Alaska Department of Labor
and Workforce Development

Frank H. Murkowski
Governor of Alaska

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Ten-Year Industry Forecast

by Jeff Hadland, Economist,
and Jack Cannon,
Research Analyst

Look for 43,000 more jobs from 2002 to 2012

The number of jobs in Alaska is expected to grow to 335,500 by 2012, an increase of more than 43,000. The forecast can be characterized by continued growth in the near term, with accelerated expansion near the end of the forecast period. The quickening growth pace during the coming ten years is in part the result of one of the major assumptions in this forecast—that construction of an Alaska gas pipeline will start in 2012.

Alaska's non-military government sector, which represents more than one fourth of wage and salary employment, is expected to decline slightly during the forecast period. Virtually all of the 43,000 anticipated job growth is expected in the private sector. Overall growth is expected to be about 14.8 percent, but not all industries will grow at that pace. The largest number of new jobs is expected to be found in Health Care & Social Assistance and Trade, both of which are impacted by Alaska's growing population, greater availability of goods and services that allows consumers to buy locally rather than Outside, and the growth of Alaska's goods producing or basic industry sectors. Other bright spots include Construction, Mining, and industries supported by visitors, including Transportation and Accommodation.

An average of 4,000 or more new jobs per year is a large number for Alaska. That number should be put in perspective. Each year more than 10,000 young Alaskans enter the working age population. Fortunately for new jobseekers, Alaska also has an aging population, a high migration rate, and significant turnover, so there are many employment opportunities for Alaska workers with the right skills. Although wage and salary jobs numbered fewer than 300,000 in 2003, there were approximately 240,000 new hires. Growth in the number of new jobs, coupled with normal turnover, will result in a wide variety of employment opportunities for the unemployed, under-employed, and recent graduates of Alaska schools.

Mining including Oil & Gas

Oil & gas employment, including support activities for mining, made up more than 85 percent of the state's total mining industry employment in 2002. Though oil & gas employment is expected to grow modestly as the decade unfolds, its hefty percentage of total mining employment may slip a bit to metal mining activities. Total mining is expected to grow 19.4 percent, with metal mining growing more than 50 percent.

Drilling for oil in Alaska is expensive. Though oil prices at the high levels of recent weeks may boost activity, smaller, independent companies are likely to be the primary players in developing new fields.

Production on the North Slope peaked at 2.2 million barrels per day in 1988, declined to 1.1

million barrels in 1999, and is projected by the Alaska Department of Revenue (DOR) to fall to about 408,000 in 2021. DOR expects that other fields, mostly in the National Petroleum Reserve-Alaska, will offset declining production on the North Slope to yield flat or slightly declining total production by the end of the forecast period. DOR is projecting half a dozen new fields to be in production by 2012.

1 Statewide Employment Forecast 2002 to 2012

	2002	2012	Change from 2002 - 2012	Percentage Change
Total Wage and Salary Employment**	292,200	335,500	43,300	14.8%
Agriculture, Forestry	1,100	1,400	300	27.3%
Mining	10,300	12,300	2,000	19.4%
Oil and Gas Extraction	2,800	3,400	600	21.4%
Other Mining (Metal, Coal)	1,400	2,200	800	57.1%
Support activities for Mining	6,000	6,800	800	13.3%
Utilities	1,900	2,100	200	10.5%
Construction	15,900	18,400	2,500	15.7%
Manufacturing	11,200	10,800	-400	-3.6%
Seafood Processing	7,400	6,700	-700	-9.5%
Wood Product Manufacturing	300	600	300	100.0%
Trade	40,100	50,100	10,000	24.9%
Wholesale Trade	6,200	6,800	600	9.7%
Retail Trade	33,900	43,300	9,400	27.7%
Transportation and Warehousing	19,200	25,100	5,900	30.7%
Information	7,200	7,300	100	1.4%
Financial Activities	12,500	13,800	1,300	10.4%
Professional, Scientific, Technical Svcs	10,700	12,000	1,300	12.1%
Management of Companies and Enterprises	1,400	1,700	300	21.4%
Administrative and Support Services	9,400	9,700	300	3.2%
Waste Management and Remediation	1,200	1,800	600	50.0%
Educational Services	2,200	2,500	300	13.6%
Health and Social Services	30,100	39,800	9,700	32.2%
Arts, Entertainment, and Recreation	4,000	5,200	1,200	30.0%
Accommodation	7,300	9,100	1,800	24.7%
Food Services and Drinking Places	17,700	22,200	4,500	25.4%
Repair and Maintenance	2,600	2,700	100	3.8%
Personal and Laundry Services	2,000	2,000	0	0.0%
Religious, Grantmaking, Civic, and Professional	6,500	7,900	1,400	21.5%
Private Housholds	200	300	100	50.0%
Federal Government	16,800	17,000	200	1.2%
State Government	23,900	23,700	-200	-0.8%
Local Government*	36,800	36,600	-200	-0.5%

* Some private sector functions operated by local governments are included in other industry sectors, so local government totals will differ from other published series. ** Rounding will affect sums.

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

At anticipated production levels, oil and gas related employment is forecast to grow at 21.4 percent for the forecast period. Direct employment in the oil industry is forecast to be 10,200 in 2012, an increase of 1,400 over 2002. If recent high oil prices continue and production increases, the result could be even stronger employment growth. The forecast does not assume any oil development in the Arctic National Wildlife Refuge during the forecast period.

Mineral prices have been relatively high for the past few years and this has spurred excitement among hard rock miners. The Red Dog Mine north of Kotzebue is showing a profit on its production of lead and zinc after years of losses. Greens Creek, near Juneau, is producing and beginning a three-year exploration program.

Several new mines are taking the necessary steps to be in production within the forecast period. The Kensington Mine, near Juneau, which could employ 225 workers for 10 to 15 years, and Pogo, northeast of Delta Junction, expected to employ 300 for 12 years, could come on line fairly early in the forecast period. Other possibilities are Rock Creek near Nome and Nixon Fork near McGrath. Donlin Creek in southwest Alaska and the Pebble Gold and Copper Project north of Iliamna—the largest known gold deposit and second-largest copper deposit in North America—are large projects that could produce later in the forecast period.

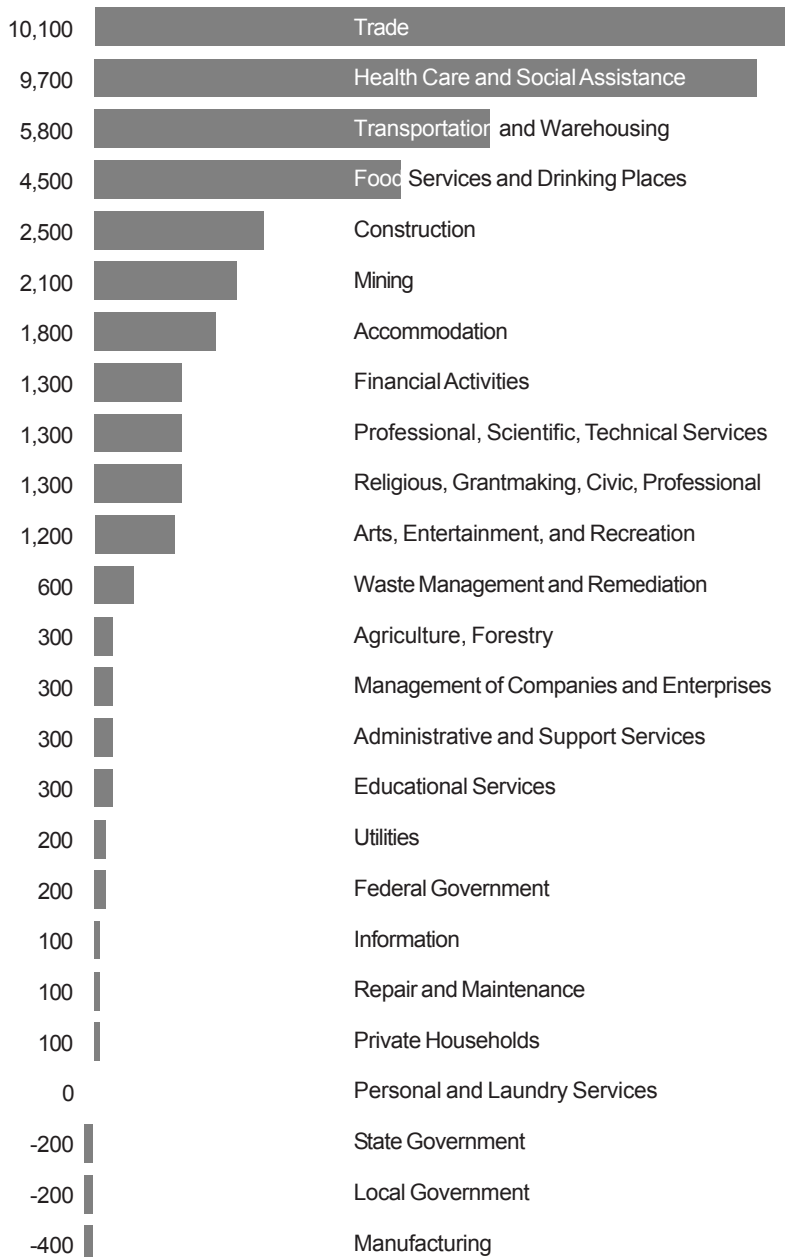
Metal mining employment is expected to enjoy excellent growth but employment gains will be partially offset by the closure of Fort Knox and other mines, which is expected within the forecast period.

Gas pipeline construction

Although timing of the gas pipeline is difficult to predict, the assumption is that initial construction will start at the very end of the forecast period. It takes not only welders, heavy equipment operators and truck drivers to build a pipeline, but also food

service workers, security, and surveyors. Direct and indirect gas line related employment is forecast to average between 4,000 and 5,000 jobs in 2012. The majority of these jobs will be in the Mining (Oil and Gas/Mining Support) and Construction industries, but a wide variety of

Projected Employment Change 2002 to 2012, selected industries **2**



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

other industries including Transportation, Engineering, Trade, and Accommodation will also benefit. Major impact from the gas pipeline on Alaska's economy and labor market will not occur until after this forecast period.

Construction

The Construction industry will grow at about the same pace as the Alaska economy as a whole. It will be affected by two major factors: overall federal construction project funding and initial construction activity of the gas pipeline. Non-

gasline activity is expected to level off or slow as defense projects and major roads and bridges are completed. Overall, Alaska's share of the federal construction project spending pie is expected to decline by the end of the forecast period.

The Construction industry as a whole has been trending generally upward since about 1987, when it began to recover from the recession of the mid-80s. Federal money for public capital projects and low interest rates for residential construction have combined to make construction one of the bright spots of the Alaska economy.

Public funding for the next decade will depend largely on the ability of the Alaska congressional delegation to continue to find funding for Alaska projects. The Denali Commission has helped build infrastructure in Alaska and is expected to continue to create jobs especially in the rural areas of the state.

Robust residential construction depends on economic growth and low interest rates. As the national economy continues to recover, interest rates will likely rise from historic lows, and thus slow residential construction somewhat.

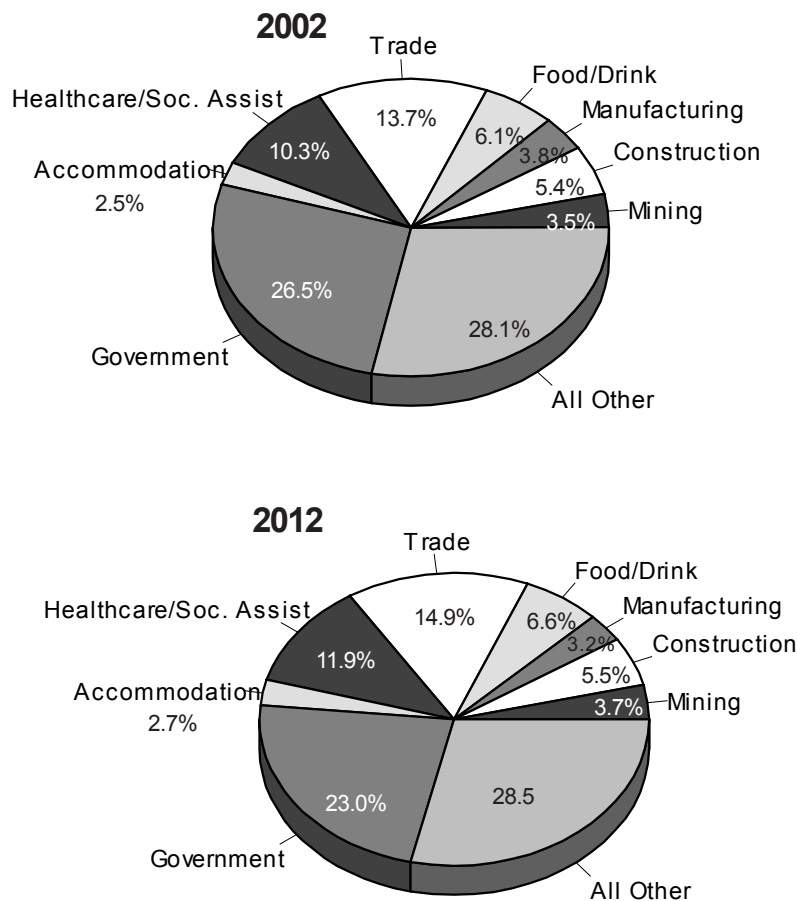
A number of large construction projects could help employment through the decade. Increased military presence would encourage construction on bases; several schools are planned; and dock expansions in Anchorage and Port MacKenzie will add to construction employment. The Gravina Island bridge in Ketchikan and other possible large infrastructure projects are assumed to occur within the forecast period.

Construction is expected to add about 2,500 jobs over the forecast period.

Manufacturing

Seafood processing currently makes up the bulk of manufacturing employment in Alaska. Overall, slight declines in seafood processing employment

3 Employment by Industry 2002 and projected 2012



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

are anticipated over the ten-year period. A small increase in timber related manufacturing jobs is expected.

As Alaska's share of the salmon market has declined, so too has salmon processing activity. Plant closings, consolidations, more efficient processing methods, and better utilization of workforce have resulted in fewer processors and less processor employment.

Bright spots in Alaska include the strong groundfish fishery. This is the largest fishery in the world and accounts for 30 percent of the nation's total catch. A stronger yen and improved Asian economy should increase demand and price for Alaska caught fish. Processors continue to look for ways to improve quality, to put an Alaska imprint on the product, or in some other way to add to its value.

Trade, Food Service, and Accommodation

Population growth, visitor growth, and more purchases at home rather than outside the state have spurred growth in these industry sectors over the last ten years, and will continue to do so over the next ten. The less money that leaks out of the Alaska economy, the more jobs are created in the state. This can have a significant impact on overall employment and has been a major factor in employment growth over the last several years. Continued rapid growth in the number of visitors to Alaska will help spur faster than average growth in the Transportation, Food Services, and Accommodation sectors.

Growth in retail trade has been solid the last ten years and should continue through the next decade. Anchorage, with 40 percent of the state's population, supplies more than half of the jobs for this industry. Future growth in the state's largest city may be moderated by a market nearly full of big-box stores (Costco, Wal-Mart, etc.) and by the growth of neighboring Mat-Su. Retail

tends to follow population and Mat-Su experienced nearly 70 percent employment growth from 1992 to 2002.

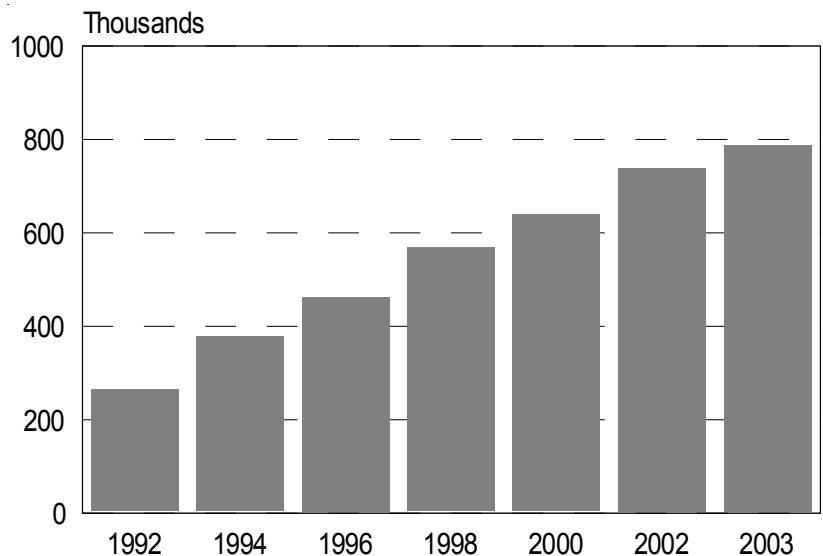
The retail trade industry grew at 23.1 percent from 1992 to 2002 and is expected to grow 27.7 percent by 2012.

Visitor industry

The visitor industry is comprised of several sectors heavily impacted by visitor expenditures, including Transportation, Retail Trade, Food Services and Accommodation. The visitor industry has been one of the bright spots in the Alaska economy for the last decade. In 2003, over a million and a half tourists visited the state. By 2012, over two million are projected.

Cruise ship travelers are expected to provide most of the growth over the next decade. Large

Alaska Cruise Ship Passenger Growth has been strong and steady **4**



Source: Alaska Department of Community and Economic Development, and Cruise Line Agencies of Alaska

ships, frequent sailings, and inexpensive fares have made this form of visiting the state popular. More than 800,000 tourists will visit the state by cruise ship in 2004, up more than 50,000 over 2002. (See Exhibit 4.) This upward trend is expected to continue. Besides cruise ship companies, businesses such as independent onshore tour operators and retail shops benefit from these passengers. Roughly the same number of visitors arrive by domestic air during the summer months as by cruise ship.

The traditional core age group targeted for cruise travel is the 61 and over population, usually traveling in twos. This population is expected to increase to over 40 million in 2012 compared to 34 million in 2000. Affordable cruises are also becoming attractive vacation options for younger couples with families. This shift could cause not only a difference in where money is spent—entertainment versus goods—but also how much.

Travel and tourism is not a standard industry classification, so the World Tourism Organization

has developed the Tourism Satellite Account standard as a consistent measure. This measure shows almost 26,000 full-time equivalency jobs in 2002 in core tourism industries. These account for 9.1 percent of all jobs in the state.

Health Care & Social Assistance

Health Care & Social Assistance has been a steady contributor to the Alaska economy, and one of its stellar performers. The significant investment made in health care facilities now allows Alaskans to meet more of their needs in-state, reducing the need to travel Outside for procedures and creating well paying health care jobs.

In 2002, \$480 million were appropriated for Native health care, much of this translating into jobs. If federal money finds its way to the state at the rate it has in recent years, growth may be higher than expected.

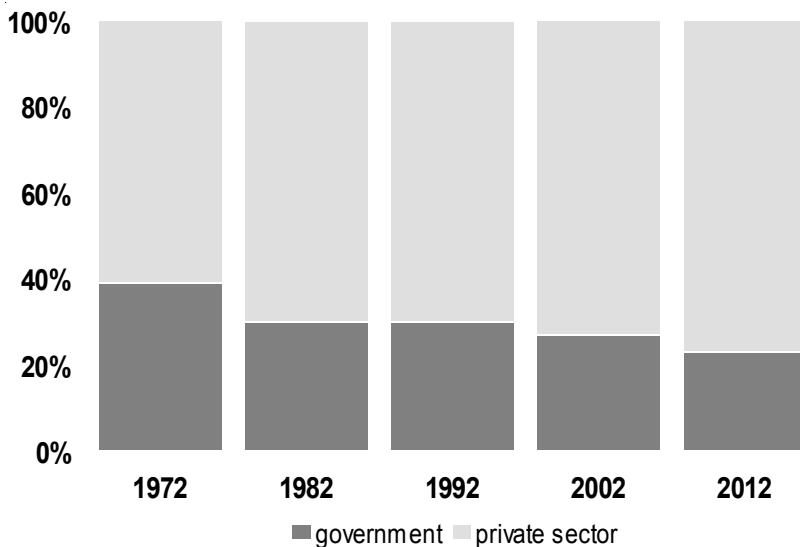
The 65 and over age group in Alaska is projected to grow 40 percent over the next decade, exerting pressure for more health and social services workers. Nearly 40,000 workers are expected in Alaska by 2012, up from 30,000 in 2002. Health Care & Social Assistance employment is projected to grow 32.2 percent by 2012, down from 65.9 percent from 1992 to 2002. Though greater numbers of older Alaskans will certainly need more health services, much of the needed infrastructure and workforce is believed to be in place.

Transportation and Warehousing

The Transportation industry should enjoy better than average growth as the industry adds nearly 6,000 jobs through 2012.

The air transportation sector will supply the largest number of workers. This forecast assumes that Anchorage, which services aircraft for 90 percent of the cargo flown between North America and Asia, will continue to be a major hub for international air cargo. However, the conversion of a

5 Government Employment Declines As percent of total



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

large number of extended range passenger aircraft to cargo could negatively impact air transportation employment.

Tourism will have a positive effect on the industry as more visitors to the state arrive by air and water. While here, tourists will contribute to employment by boarding buses, boats, planes, helicopters, trains, and more to see the state up close. The scenic sightseeing sector will account for 2,400 jobs in 2012, nearly 10 percent of the industry's total employment, nearly double the number in 1992. These gains will be offset somewhat by changes in mail delivery regulations that are expected to hurt some small air carriers.

Assuming no gas line production through 2012, employment will decline in existing oil pipeline transportation as upgrades and automation make delivering oil less labor dependent.

Government

Workers in the government sector represent an ever-decreasing slice of the employment pie in Alaska. Federal (including civilian military), state, and local government workers declined from 39 percent of Alaska's workforce in 1972 to 27 percent in 2002, and are projected to further decline to 23 percent of the workforce by 2012. (See Exhibit 5.) According to a recent study conducted by the University of Alaska's Institute of Social and Economic Research, federal spending, including that of the uniformed military, supports about half of the jobs in the state.

Uncertain oil prices, anticipated drops in oil production in the North Slope, and a shrinking Constitutional Budget Reserve Fund are forcing the state's legislators, administrators, and citizens to consider cutting services or finding alternative ways of funding Alaska's government.

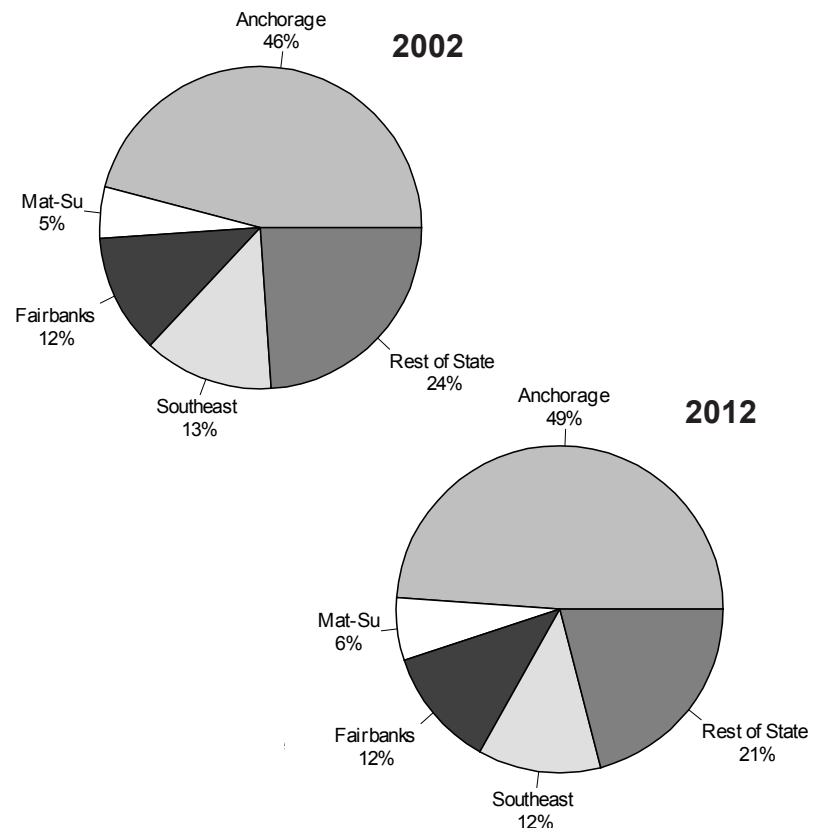
Demographics will play a role in determining government employment for the next ten years. As state employees retire, some positions may go unfilled. At the local level, the population of

school age children is expected to decline through the mid-point of the forecast period, then recover to a slight increase by 2012.

Federal civilian government employment is expected to increase slightly with the addition of the Anti-Ballistic Missile site at Fort Greely and with the Alaska deployment of the Stryker Brigade, anticipated in 2005. The military is one of the largest employers in Alaska. In 2002, 45,300 active duty military and dependents were stationed in Alaska. Almost 40 percent live off-base, creating additional jobs within their local economies.

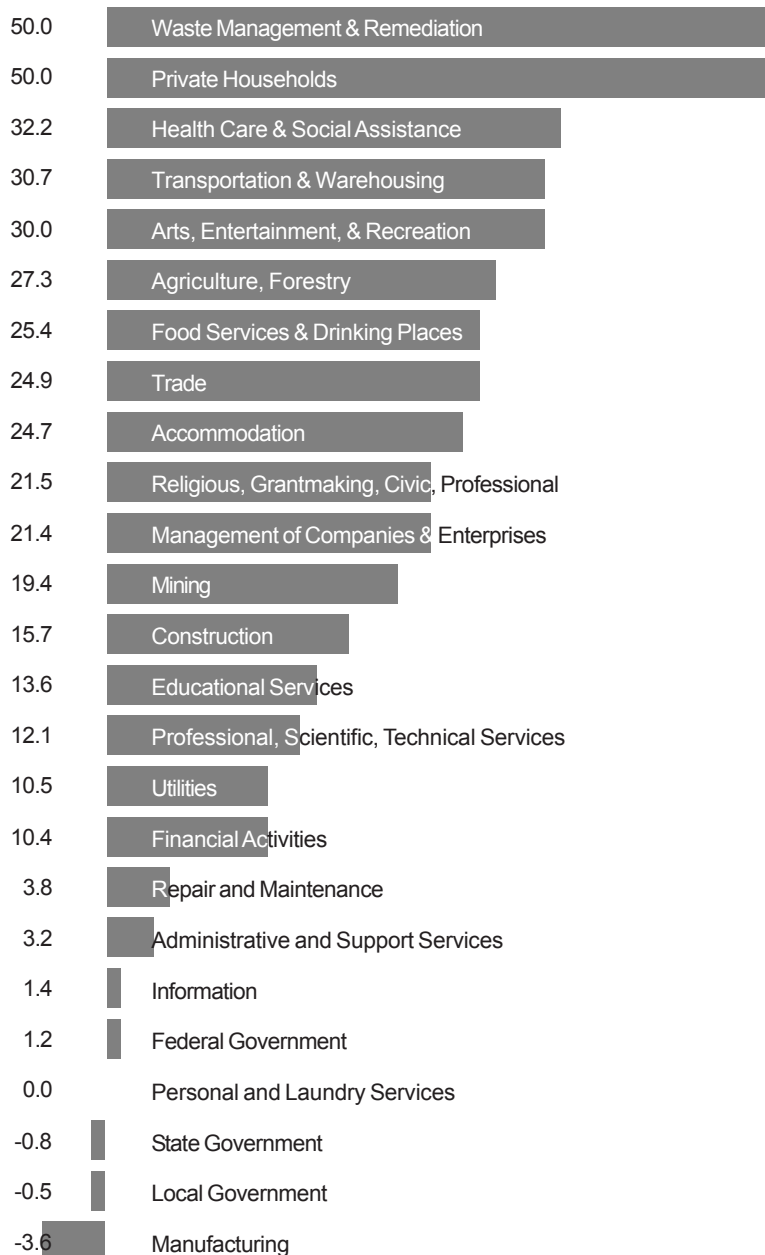
The government sectors are expected to decline slightly or remain flat through 2012. If current very high oil prices continue, state and local

Employment by Region 2002 to 2012 **6**



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

7 Percent Employment Growth Projected 2002–2012



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

government may grow slightly more than projected, but significant growth is unlikely.

Regional differences

The creation of new jobs will be concentrated in Southcentral Alaska. Fully 55 percent of all jobs will be located in the Anchorage/Mat-Su region in 2012, up from 51 percent in 2002. (See Exhibit 6.) Many of the trends that will define growth for the next decade are already in place. Population growth in Anchorage/Mat-Su will spur industries such as Retail Trade and Healthcare & Social Assistance, while timber and seafood problems limit growth in Southeast.

Conclusion

Alaska is expected to continue its steady growth during the next ten years. New mineral development, gas pipeline construction, population growth, and strong construction activity will fuel the growth during the coming decade.

Stability prevails in Alaska's financial industry

Several types of institutions make up Alaska's financial community. Among them are 24 depository-credit institutions, which include banks, credit unions, and savings and loans. These are the financial institutions customers deal with on a regular basis.

There are also 52 non-depository intermediation institutions that provide diverse services in the fields of credit intermediation and related activities involving long and short term lending. Long-term lenders are primarily involved in the finance of real estate and consumer goods sales. Short-term lenders respond to an immediate need for cash. They may provide working capital for industry or advance cash to consumers based on expected paychecks or personal assets. Data for both depository and non-depository institutions are published under Financial Activities in *Alaska Economic Trends* and Bureau of Labor Statistics publications.

Another 60 Alaska firms are engaged in securities, commodity contracts and other financial investments, and related activities.

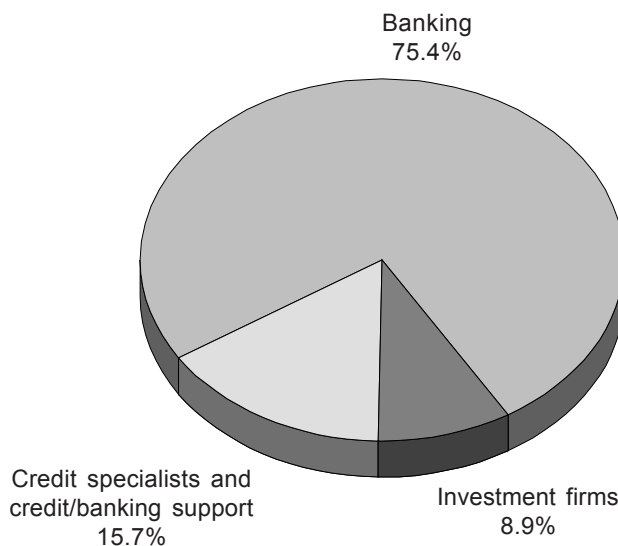
Insurance carriers, funds, trusts and related businesses are also part of the financial world but are not included in this discussion.

Depository institutions are the nucleus of the banking industry

Three Alaska state banks, one mutual savings bank, four national banks, one federal savings association, one state credit union, and 13 federal

credit unions currently comprise Alaska's depository institutions. There is one national bank that no longer maintains a depository facility in the state but retains an office with a few employees. State chartered institutions follow state banking rules and report compliance to the Division of Banking, Securities and Corporations within the Department of Community and Economic Development. The Comptroller of the Currency oversees the conduct of national banks; the National Credit Union Administration supervises federal credit unions; and the Office of Thrift Supervision sets standards for federal

Most are Employed in Banking Wage and salary employment 2003



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

savings and loan associations. Most institutions insure customer deposits with the Federal Deposit Insurance Corporation or the National Credit Union Share Insurance Fund. Both entities require compliance under additional rules.

Financial institutions are the backbone of all economies, but often account for a relatively small share of total employment. In the United States, wage and salary workers in financial institutions handle a tremendous volume of daily transactions but made up only 2.7 percent of all U.S. employment in 2003. In Alaska the finance and banking industry is even smaller, employing just 1.6 percent of the state's workforce. Alaska's depository (banking) institutions are the largest group; they accounted for 3,640 average monthly jobs in 2003. (See Exhibit 1.) Non-depository institutions (credit specialists) and credit or banking support institutions averaged nearly 760 jobs. Other investment firms, those engaged in securities, commodity contracts, and other financial investments and related activities, posted a monthly average of 430 jobs last year.

The blue days of Alaska's banking industry have become a faint memory

The most recent *Alaska Economic Trends* article to analyze the state's banking sector appeared in November 1988. It described the turbulent decade of the 1980s that began with a boom that turned into a bust followed by gradual

recovery. The recession of the mid-1980s sent strong tremors through Alaska's financial community, causing a major shake-out of players and impelling a few of the survivors to form new alliances. Between 1986 and 1990 there were nine closures, five mergers and two formations of financial institutions, indicative of the turbulence that swept through the industry. Mergers and acquisitions continued throughout the 1990s, but a stable climate returned. In 2000, Alaska's oldest and largest commercial bank, National Bank of Alaska (NBA), was sold and became part of Wells Fargo, a large national bank. Since then, only a few organizational changes and one recent merger have been recorded. Still, the remaining financial institutions are changing their ways of doing business and several institutions are expanding their presence, especially in the Anchorage to Fairbanks railbelt area.

Deregulation changes the ways banks operate

The way financial institutions conduct business has changed dramatically. Most institutions were able to broaden their presence and service repertoire when several phases of deregulation lifted most of the restrictions set by the Glass-Steagall Act of 1933. The Reigle-Neal Interstate Banking and Branching Efficiency Act of 1994 permitted interstate banking for the first time and set off a nationwide tidal wave of mergers and acquisitions. This consolidation movement created mega banks connecting webs of branches. A more recent change came in 1999 when legislation aimed at financial service

2 Alaska's Depository Institutions Employment trends

	Avg Monthly Employment 1990	Avg Monthly Employment 2000	Change 1990- 2000	Percent Change 1990-2000	Avg Monthly Employment 2003	Change 2000- 2003	Percent Change 2000-2003
Depository Institutions:							
Commercial Banks	2,655	2,526	-129	-4.9%	2,111	-415	-16.4%
Savings Institutions	98	113	15	15.3%	142	29	25.7%
Credit Unions	944	1,305	361	38.2%	1,386	81	6.2%
Total	3,697	3,944	247	6.7%	3,639	-305	-7.7%

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

modernization removed most of the restrictions placed on product differentiation. Lifting these constraints liberalized the market for financial products and made it highly competitive. As a result, depository institutions can engage in the sale of investments, insurance and other products.

The institutions have become finance retailers and their blending of services reduces the differences among them. But a few differences remain. Credit unions, for example, cannot issue stock and limitations remain on their commercial and real estate lending activities. They are unique in the financial world because of their tax-exempt status as not-for-profit entities. Commercial banks no longer face restrictions regarding financial products and they now offer a vast array. Their forte, however, remains commercial lending. Competition for customers has intensified among financial institutions because their product lines and customer bases have become very similar. While deregulation has opened many new markets for individual financial institutions, regulators insist on high standards of conduct aimed at consumer protection and the functioning of the overall economy. Banking remains one of the most heavily regulated industries in the United States.

Innovation and mergers set the direction of national employment trends

During the 1990s national employment declined by 12 percent in depository institutions, involving job losses of more than 227,000. Mergers contributed to these losses, but technological advances led to significant job displacement as well. The wave of technological innovation that began in the late 1980s dramatically transformed business conduct in the banking world. Automated Teller Machines (ATM) took over most cash transactions because they fulfilled nearly all teller functions. Electronic transfers replaced check writing to a large degree. When electronic banking started to include loans, bank customers had even less reason to visit a financial institution.

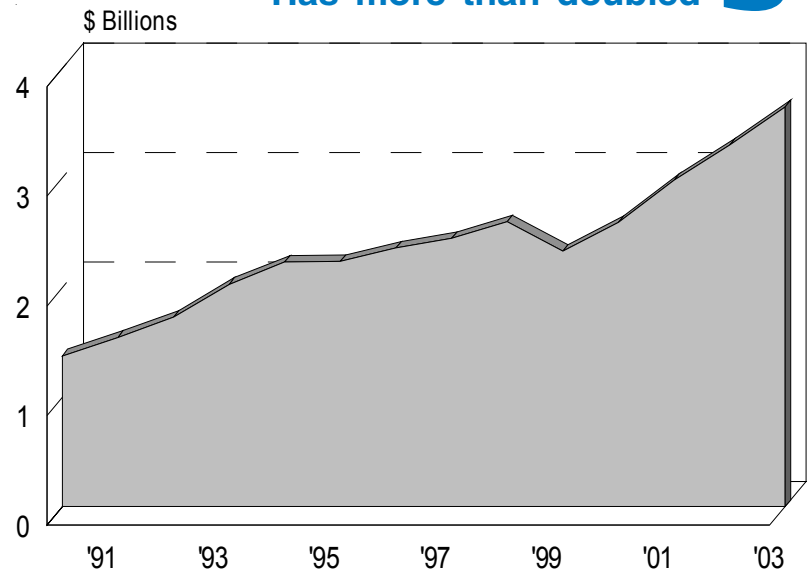
Nationally, employment during the 1990s fell the

most in savings and loan institutions. The late 1980s turmoil in savings institutions harmed their reputation and consumer confidence has never fully recovered. Employment in commercial banking trended downwards as well and has fallen more than eight percent in the past decade. The wave of merger activity, acquisitions, and technological advancement in commercial banking consolidated the industry, which resulted in declines in employment. The big gainers among depository institutions were the credit unions. Nationally, their employment increased by over 36 percent. Credit unions were able to broaden their membership base by offering higher interest rates on deposits and lower interest rates on loans. Their status as not-for-profit entities gives them a comparative advantage over other financial institutions because they can pass on tax savings to their clientele.

Depository banking unfazed by 2001 recession

Employment in savings and loan institutions and commercial banks started to recover in 2001 and has been making steady gains. Credit unions

Credit Unions' Asset Base **3** Has more than doubled



Source: Credit Union National Association, Inc.

have continued on their steady path of growth. It is interesting to note that all three types of depository institutions were unaffected by the recession that took hold of the U.S. economy in March of 2001. Low interest rates, which stimulated financing activity, helped the institutions avoid the usual consequences of such an economic downturn.

Depository banking employment in Alaska follows a slightly different trend

During the 1990s, employment in Alaska's depository institutions grew by 250 jobs, a 6.7 percent growth rate for the decade. Although commercial banking suffered job losses, local credit unions with a little help from the savings institutions made up for the decline. (See Exhibit 2.) Since 2000, commercial banking has lost more than 400 jobs, exceeding all the recent gains posted by credit unions and savings institutions. The combined job loss in banking amounted to 305, a decline of 7.7 percent. The sale of NBA to Wells Fargo and the resulting consolidation was a major contributor to these losses. The acquisition turned NBA into a Wells Fargo branch bank and it lost its role as a headquarters and loan service center. Most positions associated with these functions fell off the local job roster as they were moved out of state. Advances in technology, however, have also exerted significant influence over Alaska's employment growth trends in banking. In spite of the job losses, commercial banks in Alaska are still the largest employer in the financial industry.

Credit unions in Alaska have followed the growth trend in other states. Locally, deposits have grown by 165 percent in the past 13 years and reached nearly \$3.65 billion in 2003. (See Exhibit 3.) Their increase in membership (27 percent since 1990) and product line has worked to their advantage. Several new credit union branches were built in the past few years and a few are under construction. The commercial side of banking is meeting the competition and also is building branches. The brick and mortar expansion of financial institutions is fairly recent because the vogue in the 1990s was mini branch banking. This expansion took place on leased property in shopping malls and retail space in large stores and made banking ubiquitous.

The largest employers in the banking and financial industry

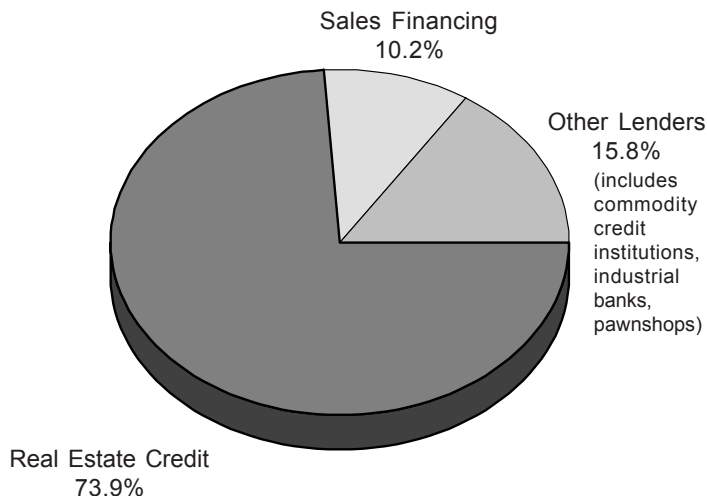
Five banks, three credit unions and two mortgage companies form the list of Alaska's ten largest

4 Ten Largest Finance Employers 2003

Rank	Name	Average Monthly Employment
1	Alaska USA Federal Credit Union	774
2	First National Bank of Alaska	736
3	Wells Fargo Bank	712
4	Northrim Bank	266
5	Denali Alaskan Federal Credit Union	173
5	Credit Union One	173
7	Wells Fargo Home Mortgage	169
8	Keybank National Association	162
9	Residential Mortgage	131
10	First Bank	130

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

5 Mortgage Lenders are Largest Non-depository employers—2003



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

employers in the arena of finance. In 2002, Alaska's largest credit union, Alaska USA Federal Credit Union, took over the top spot from Wells Fargo (formerly NBA) as the state's largest financial institution and retained this ranking in 2003. (See Exhibit 4.) However, if the commercial banking of Wells Fargo were combined with its mortgage division, the bank would still be Alaska's largest financial industry employer.

Lender only institutions are a mixed group

In addition to banking, another group of credit intermediators exists. These establishments specialize in extending credit or lending funds. The type of credit that is being extended reveals their specialty. Credit card issuing, sales, international trade, consumer, real estate and commodity financing, and all activities that lead to lending are considered non-depository finance activities. In Alaska this group had 52 employers and averaged 683 employees in 2003.

Mortgage lending (real estate credit) is the largest specialty among the financiers, claiming 74 percent of all employment. (See Exhibit 5.) This employment level often waxes and wanes with interest rates. Since 1997 the prevailing low interest rates have given the mortgage businesses big boosts. Refinancing and new real estate loans have kept the industry busy over the past six years. Employment growth averaged 7.8 percent per year.

The second largest group is labeled the all other non-depository group and it contains commodity credit institutions, industrial banks and even pawnshops. In 2003, 13 pawnshops employed on average more than 80 workers. Their inclusion into the finance world is very recent and occurred in 2000 when the North American Industry Classification System was adopted. In former years pawnshops belonged to the retail industry. Sales financing employment represents nearly all of the remaining lending business workforce.

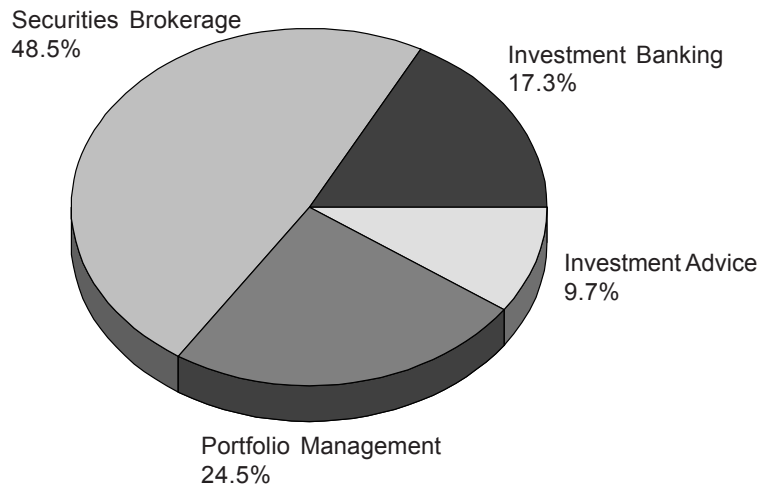
The facilitators of credit form another specialty group

About 17 employers in the state make up the credit facilitator and banking support group with about 75 paid workers. Such personnel arrange loans by bringing lenders and borrowers together. Other activities include servicing loans, check clearing, credit card processing and other related services. Most of these firms are very small; only two employers had average monthly employment of more than 20 employees in 2003.

Securities brokers are the largest employers among investment firms

Alaska's financial investment experts consist of investment bankers and security dealers, securities brokers, commodity contracts dealers/brokers, portfolio managers, and investment consultants. (See Exhibit 6.) On average, this group employed 428 wage and salary workers in 2003. Many firms have only a few employees. Only seven companies employ an average of 20 or more workers. Although this group is small, many prestigious investment firms with Wall Street ties maintain offices in Anchorage.

Securities Brokerage Is investment firms' main specialty 6



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

Among the top five employers in securities, commodity contracts dealing, and portfolio management, four are representatives of big national investment firms. McKinley Capital Management Inc. is the only large local investment firm. (See Exhibit 7.)

staffing patterns for depository institutions. The growing complexity of financial products will require the services of financial experts on an increasing basis.

Employment in Alaska started to grow in 1993, a year after the national industry first began to experience big advances. The dramatic growth of stock values, which initiated heavy trading, became a characteristic of the 1990s and this expansion continued until 2001. Nationally, employment growth averaged 6.2 percent per year during these expansion years. In Alaska, more than 240 new jobs were added in an eight-year period, and employment doubled in the sector. Since then, stock markets have become more volatile and employment has lost some ground, both in Alaska and the nation.

Outlook

The outlook for the financial industry is mixed. Industry employment growth should stay fairly flat in spite of the industry's geographic expansion. Changes in technology, organizational changes and the assimilation of services will probably limit employment growth. Still, the transformation of services into diversified financial product lines in most institutions will likely require a change in

Investment Firms The top five – 2003

Rank	Name	Average Monthly Employment
1	Edward D. Jones & Company	62
2	Morgan Stanley/Dean Witter	49
3	McKinley Capital Management	48
4	Merrill Lynch/Pierce Fenner	45
5	Citigroup Global Markets Inc. (Smith Barney)	40

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

June Greet More Jobs

New jobs more plentiful in Alaska than in the rest of the country

Alaska Employment Scene

by
Neal Gilbertsen
Economist

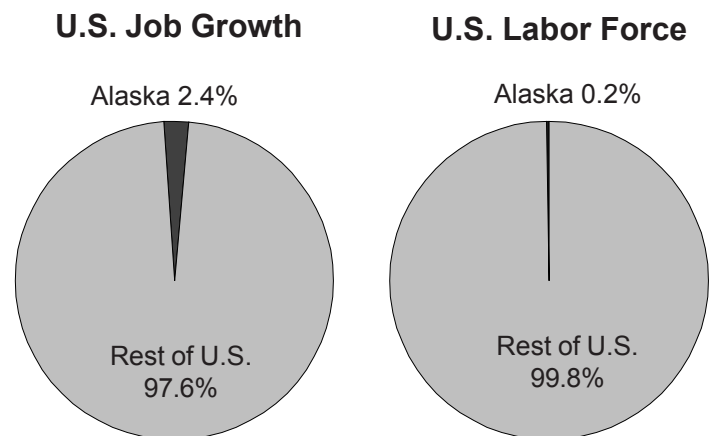
According to U.S. Bureau of Labor Statistics preliminary estimates, the national economy added a seasonally adjusted 112,000 jobs in June. The unadjusted national increase amounted to 484,000 jobs. Alaska, which represents less than one quarter of one percent of the national workforce, accounted for 11,600 of these, or nearly 2.4 percent of the unadjusted increase. Considering the size of the Alaska labor force in relation to that of the other states, new jobs were 10 times more plentiful in Alaska than they were in the rest of the country. (See Exhibit 1.)

Did this mean that the Alaska economy was booming? Not really. In spite of the strong over-the-month gains in employment, Alaska's over-the-year growth rate was 1.1 percent, which amounted to 3,400 jobs. Moreover, Alaska's June unadjusted unemployment rate remained at May's level of 7 percent. Meanwhile, the unadjusted national rate rose five tenths of a percentage point to 5.8 percent.

The over-the-month gains in Alaska employment, while somewhat larger than in recent years, simply followed the normal June pattern of hiring as the state approached its seasonal peak of July and August. Similarly, the growth of the state's labor force was quite normal as students and summer migrants entered the labor market. Nationally, the June influx of students was, as expected, large enough to register as an increase in the unemployment rate. Alaska is one of the few states with enough seasonal job creation to offset the effect of student job seekers.

Another factor that probably contributed to Alaska's continuing high rate of unemployment involves the still struggling economies of the other Pacific states. While June showed Alaska as having the highest seasonally adjusted unemployment rate in the nation at 7.3 percent, Oregon ranked 49th with 6.9 percent, California was 45th with 6.2 percent and Washington finished 44th with 6.1 percent. When these other western states experience high unemployment, job seekers are more likely to migrate north to look for summer work in Alaska. While the numbers involved are insignificant in relation to those states' much larger economies, a slight increase in the number of non-resident workers in Alaska's much smaller labor pool can register as a noticeable percentage increase in the unemployment rate. Since transient and non-resident job seekers traditionally fill many

Job Growth and Labor Force June 2004



Source: U.S. Bureau of Labor Statistics (preliminary estimates)

seasonal jobs, a slightly larger than usual influx could have resulted in sufficient growth in the labor force to offset June's healthy over-the-month job creation. (See Exhibit 2.)

Of the 11,600 Alaska jobs added from May to June, 4,100 or 35 percent were in seafood processing as companies geared up in anticipation of strong salmon catches. If 2004 hiring followed the usual pattern, nonresidents accounted for more than 70 percent of these positions. (See *Trends* February 2004.)

The Alaska Department of Fish and Game 2004 forecast projects a statewide harvest of 196 million salmon, up from the 177 million taken in 2003. The Bristol Bay sockeye catch is expected to more than double last year's disappointing harvest of 14.9 million, while the Southeast pink harvest should again reach the 50 million mark. While volume is expected to be up, prices paid to fishermen remain very low with Bristol Bay sockeye bringing only 40 cents a pound and Southeast pinks averaging 5 to 7 cents a pound. As a result of these low prices, fleet participation has been declining in recent years, which results in fewer crew positions. Fewer fishing opportunities may also contribute to Alaska's unemployment rate as displaced crewmembers seek alternative employment ashore.

If the relatively high unemployment rates of Oregon, Washington, and California represent a

potential negative for Alaska's economy, reports from the remaining Pacific states may hold some positive news. Hawaii registered a 3.1 percent unemployment rate in June. The fact that this was tied for the nation's lowest bodes well for tourist based industries in other states including Alaska. Tourists have apparently overcome much of the uncertainty concerning travel that plagued the industry following the events of 9/11. Moreover, growing consumer confidence in the strength of the national recovery seems to be reflected in an increasing willingness to spend on high-ticket items including vacations.

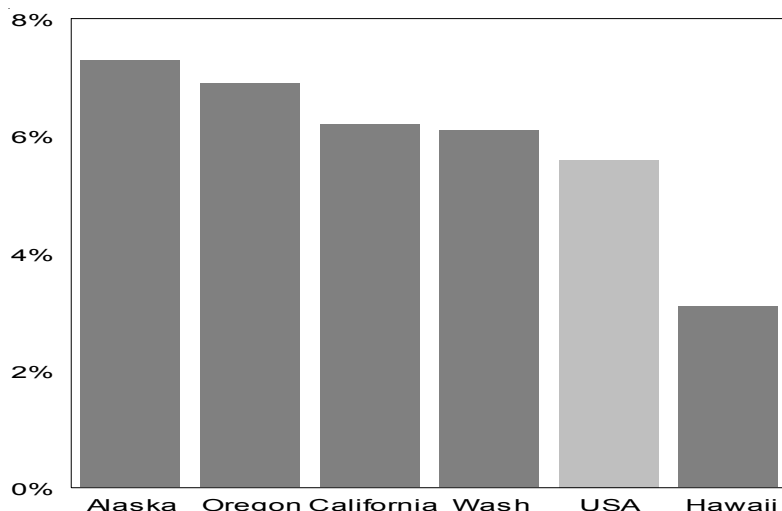
Early Alaska indicators would seem to support this explanation. The cruise ship industry expects to carry 807,000 visitors to Alaska in 2004 or 31,000 more than it did in 2003. Visitor traffic via the Alaska Highway was up 13 percent in May over last year's level. June hiring in the Leisure & Hospitality sector also seems to reflect a degree of optimism with the addition of 3,400 jobs. As in the seafood industry, the impact of these gains on the unemployment rate may be somewhat lessened by the fact that nonresidents tend to fill a high percentage of such jobs. In 2002, nonresidents filled nearly 27 percent of the positions in the sector, accounting for 34.7 percent of the employment in the accommodation industry and 23.3 percent of the jobs in the eating and drinking industry.

Overall the state has gained 3,400 jobs since June of 2003, which exactly matched the over-the-year June increase posted last year. Anchorage/Mat-Su accounted for 3,350 of these new jobs. Southeast and Northern Alaska experienced over the year declines, while the Gulf Coast, Interior and Southwest Alaska all registered small gains.

The Natural Resources & Mining sector suffered an over-the-year decline of 100 jobs largely due to a reduction in logging activity. There were 200 fewer jobs in this industry which was felt most heavily in Southeast. These losses were partially offset by a net gain of 100 jobs in oil & gas extraction. The Gulf Coast and Northern Alaska both registered employment gains in this industry, while Anchorage/Mat-Su shed 100 jobs.

Construction continued its strong performance adding 500 jobs over 2003 levels, with much of the activity taking place in Anchorage.

2 Unemployment in Pacific States June 2004 seasonally adjusted



Source: U.S. Bureau of Labor Statistics

4 Unemployment Rates By region and census area

Health Care & Social Assistance also continued its remarkable growth. June 2004 saw 1,800 more jobs than June 2003, which amounted to a 5.8 percent gain. This was even larger than the 5.5 percent increase posted last year. Much of this growth is associated with Native health care programs. The impressive expansion of this sector over the last several years is partially due to the privatization of federal programs that once served Alaska Natives. It also reflects the fact that a more stable, aging Alaska population requires more health care than the younger more mobile population that characterized the state in earlier years. Between 1990 and 2000, Alaska's senior (over 65) population increased by nearly 60 percent, and continues to grow faster than its national counterpart. Over the same period technological advances have added to the number of medical procedures available. Many health care needs that formerly resulted in trips to Seattle or elsewhere are now met locally. These trends are expected to continue for the foreseeable future.

The most dramatic change in Alaska's June over-the-year employment involved state and local government, which together provided 1,200 fewer jobs in 2004 than they did in 2003. Nearly half of this reduction was due to the timing of temporary hires to fight fires. Fires began earlier in 2003, leading to a jump in last year's June employment. The 2004 fire season began later but seems destined to eventually provide more employment. At the time of this writing, more than 3.85 million acres have already burned, making 2004 the third largest fire loss year while records have been kept. Gains in government employment reflecting expanded fire-fighting efforts are expected to register in July.

Not Seasonally Adjusted	preliminary	revised	
	6/04	5/04	6/03
United States	5.8	5.3	6.5
Alaska Statewide	7.0	7.0	7.3
Anchorage/Mat-Su Region	5.5	5.5	5.7
Municipality of Anchorage	4.9	4.9	5.1
Mat-Su Borough	7.7	7.6	8.2
Gulf Coast Region	9.3	10.4	10.7
Kenai Peninsula Borough	9.3	9.7	11.5
Kodiak Island Borough	10.6	13.0	7.2
Valdez-Cordova	7.6	10.1	11.6
Interior Region	6.4	6.5	7.2
Denali Borough	2.8	5.9	12.8
Fairbanks North Star Borough	5.8	5.6	6.0
Southeast Fairbanks	10.0	10.8	14.7
Yukon-Koyukuk	17.3	18.7	17.6
Northern Region	17.8	16.6	15.2
Nome	18.3	17.5	15.6
North Slope Borough	14.6	13.2	11.9
Northwest Arctic Borough	21.4	20.1	19.1
Southeast Region	6.6	6.5	7.4
Haines Borough	6.6	7.6	11.7
Juneau Borough	5.0	5.0	5.1
Ketchikan Gateway Borough	6.4	7.1	8.5
Prince of Wales-Outer Ketchikan	13.2	10.9	13.3
Sitka Borough	5.3	4.9	5.5
Skagway-Hoonah-Angoon	7.3	8.0	11.1
Wrangell-Petersburg	10.5	10.0	9.9
Yakutat Borough	9.1	10.1	12.8
Southwest Region	16.0	16.6	15.1
Aleutians East Borough	4.9	5.1	3.7
Aleutians West	10.5	13.6	12.5
Bethel	17.1	17.0	15.1
Bristol Bay Borough	11.7	11.9	12.4
Dillingham	12.5	13.1	14.2
Lake & Peninsula Borough	14.8	17.4	20.0
Wade Hampton	30.3	30.1	25.9
Seasonally Adjusted			
United States	5.6	5.6	6.3
Alaska Statewide	7.3	7.3	7.9

3 Nonfarm Wage/Salary Employment By place of work

Northern Region	preliminary		revised		Changes from:	
	6/04	5/04	6/03	5/04	6/03	
Total Nonfarm Wage & Salary¹	15,900	15,900	16,100	0	-200	
Goods Producing	5,350	5,350	5,350	0	0	
Services Providing	10,550	10,600	10,750	-50	-200	
Oil & Gas Extraction	4,700	4,700	4,550	0	150	
Government²	4,950	5,050	4,950	-100	0	
Federal Government ³	200	150	150	50	50	
State Government	350	350	350	0	0	
Local Government	4,450	4,550	4,450	-100	0	
Tribal Government	500	450	550	50	-50	

Southwest Region

Total Nonfarm Wage & Salary¹	19,850	17,400	19,750	2,450	100
Goods Producing	5,500	2,850	5,450	2,650	50
Services Providing	14,350	14,550	14,300	-200	50
Seafood Processing	5,100	2,550	5,050	2,550	50
Government²	7,200	7,650	7,350	-450	-150
Federal Government ³	400	350	400	50	0
State Government	600	600	600	0	0
Local Government	6,200	6,750	6,350	-550	-150
Tribal Government	1,600	1,500	1,650	100	-50

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

2003 Benchmark

Comparisons with previous year's numbers are of very limited use because of the magnitude of year-end revisions. 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.

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

5 Nonfarm Wage and Salary Employment

By place of work

Alaska	preliminary revised		Changes from:			Municipality of Anchorage	preliminary revised		Changes from:		
	6/04	5/04	6/03	5/04	6/03		6/04	5/04	6/03	5/04	6/03
Total Nonfarm Wage & Salary¹	317,200	305,600	313,800	11,600	3,400	Total Nonfarm Wage & Salary¹	148,600	145,400	146,100	3,200	2,500
Goods Producing	43,700	37,300	43,200	6,400	500	Goods Producing	13,800	12,800	13,400	1,000	400
Services Providing	273,500	268,400	270,600	5,100	2,900	Services Providing	134,800	132,600	132,600	2,200	2,200
Natural Resources & Mining	10,100	10,000	10,200	100	-100	Natural Resources & Mining	2,100	2,100	2,100	0	0
Logging	500	400	700	100	-200	Mining	2,000	2,000	2,000	0	0
Mining	9,500	9,700	9,500	-200	0	Oil & Gas Extraction	1,800	1,800	1,900	0	-100
Oil & Gas Extraction	8,000	8,000	7,900	0	100	Construction	9,900	9,000	9,400	900	500
Construction	19,700	17,600	19,200	2,100	500	Manufacturing	1,900	1,800	1,900	100	0
Manufacturing	14,000	9,600	13,800	4,400	200	Trade, Transportation, Utilities	34,100	33,600	33,400	500	700
Wood Products Manufacturing	300	300	300	0	0	Wholesale Trade	4,800	4,800	4,700	0	100
Seafood Processing	9,900	5,800	9,700	4,100	200	Retail Trade	18,100	17,700	17,600	400	500
Trade, Transportation, Utilities	65,500	63,100	64,400	2,400	1,100	Food & Beverage Stores	2,500	2,400	2,500	100	0
Wholesale Trade	6,500	6,200	6,300	300	200	General Merchandise Stores	4,200	4,200	4,200	0	0
Retail Trade	36,200	34,900	35,600	1,300	600	Trans/Warehousing/Utilities	11,200	11,100	11,100	100	100
Food & Beverage Stores	6,200	5,900	6,200	300	0	Air Transportation	3,600	3,500	3,600	100	0
General Merchandise Stores	9,000	8,800	8,700	200	300	Information	4,500	4,500	4,600	0	-100
Trans/Warehousing/Utilities	22,900	22,000	22,500	900	400	Telecommunications	2,700	2,700	2,700	0	0
Air Transportation	7,000	6,700	7,000	300	0	Financial Activities	9,300	9,100	9,000	200	300
Truck Transportation	3,100	2,800	2,900	300	200	Professional & Business Svcs	16,700	16,200	16,700	500	0
Information	7,000	7,000	7,100	0	-100	Educational & Health Services	18,500	18,400	17,400	100	1,100
Telecommunications	4,200	4,100	4,100	100	100	Health Care/Social Assistance	17,300	17,100	16,300	200	1,000
Financial Activities	15,300	14,700	14,800	600	500	Ambulatory Health Care	6,500	6,500	6,200	0	300
Professional & Business Svcs	24,600	23,700	24,600	900	0	Hospitals	5,400	5,400	5,200	0	200
Educational & Health Services	34,600	34,600	32,900	0	1,700	Leisure & Hospitality	15,500	15,100	15,100	400	400
Health Care/Social Assistance	32,600	32,400	30,800	200	1,800	Accommodation	3,300	3,200	3,200	100	100
Ambulatory Health Care	12,900	12,800	12,600	100	300	Food Svcs & Drinking Places	10,400	10,200	10,200	200	200
Hospitals	8,700	8,800	8,400	-100	300	Other Services	6,000	5,800	5,900	200	100
Leisure & Hospitality	34,600	31,200	34,000	3,400	600	Government²	30,200	30,000	30,500	200	-300
Accommodation	10,100	8,400	9,800	1,700	300	Federal Government ³	10,000	9,800	9,900	200	100
Food Svcs & Drinking Places	20,100	18,700	19,900	1,400	200	State Government	9,100	9,000	9,300	100	-200
Other Services	11,600	11,500	11,500	100	100	State Education	1,800	1,900	1,800	-100	0
Government²	80,200	82,700	81,300	-2,500	-1,100	Local Government	11,100	11,200	11,200	-100	-100
Federal Government ³	18,100	17,300	17,900	800	200	Local Education	300	300	300	0	0
State Government	23,000	23,800	23,800	-800	-800	Tribal Government	7,900	8,000	7,900	-100	0
State Education	5,600	6,800	5,700	-1,200	-100						
Local Government	39,100	41,600	39,500	-2,500	-400						
Local Education	4,100	3,900	4,100	200	0						
Tribal Government	20,300	23,800	20,700	-3,500	-400						

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

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

6 Hours and Earnings

For selected industries

	Average Weekly Earnings			Average Weekly Hours			Average Hourly Earnings		
	preliminary 6/04	revised 5/04	revised 6/03	preliminary 6/04	revised 5/04	revised 6/03	preliminary 6/04	revised 5/04	revised 6/03
Mining	\$1,457.59	\$1,330.27	\$1,296.87	48.7	44.7	41.7	\$29.93	\$29.76	\$31.10
Construction	1,178.53	1,125.76	1,276.05	41.6	40.7	43.3	28.33	27.66	29.47
Manufacturing	511.41	454.05	505.38	39.4	35.5	39.7	12.98	12.79	12.73
Seafood Processing	477.60	432.81	491.04	38.3	38.2	44.0	12.47	11.33	11.16
Trade, Transportation, Utilities	483.48	515.03	547.34	34.0	33.4	36.2	14.22	15.42	15.12
Retail Trade	411.19	437.08	462.35	32.2	32.4	35.0	12.77	13.49	13.21
Financial Activities	692.61	733.02	696.00	34.7	38.0	38.2	19.96	19.29	18.22

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 2003

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

7 Nonfarm Wage and Salary Employment

By place of work

	preliminary revised		Changes from:		
	6/04	5/04	6/03	5/04	6/03
Fairbanks					
North Star Borough					
Total Nonfarm Wage & Salary¹	37,650	37,350	37,400	300	250
Goods Producing	4,650	4,100	4,550	550	100
Services Providing	33,000	33,250	32,800	-250	200
Natural Resources & Mining	950	850	1,000	100	-50
Mining	950	850	1,000	100	-50
Construction	3,100	2,700	3,000	400	100
Manufacturing	600	550	600	50	0
Trade, Transportation, Utilities	7,650	7,450	7,300	200	350
Wholesale Trade	600	600	600	0	0
Retail Trade	4,250	4,150	4,050	100	200
Trans/Warehousing/Utilities	2,800	2,700	2,650	100	150
Information	600	600	600	0	0
Financial Activities	1,500	1,450	1,400	50	100
Professional & Business Svcs	2,400	2,000	2,350	400	50
Educational & Health Services	4,050	4,200	4,000	-150	50
Health Care/Social Assistance	3,900	4,000	3,850	-100	50
Leisure & Hospitality	4,700	4,350	4,650	350	50
Accommodation	1,550	1,300	1,500	250	50
Food Svcs & Drinking Places	2,650	2,600	2,650	50	0
Other Services	1,400	1,400	1,350	0	50
Government²	10,700	11,850	11,150	-1,150	-450
Federal Government ³	3,550	3,400	3,550	150	0
State Government	4,650	5,350	5,050	-700	-400
Local Government	2,500	3,100	2,550	-600	-50
Tribal Government	0	0	0	0	0

Southeast Region

Total Nonfarm Wage & Salary¹	39,450	37,450	39,800	2,000	-350
Goods Producing	4,750	4,150	4,900	600	-150
Services Providing	34,700	33,300	34,900	1,400	-200
Natural Resources & Mining	650	650	800	0	-150
Logging	400	350	500	50	-100
Mining	300	300	300	0	0
Construction	2,100	2,000	2,050	100	50
Manufacturing	2,000	1,500	2,050	500	-50
Wood Products Mfg.	150	150	100	0	50
Seafood Processing	1,600	1,100	1,650	500	-50
Trade, Transportation, Utilities	8,450	7,650	8,450	800	0
Retail Trade	5,000	4,600	5,000	400	0
Trans/Warehousing/Utilities	3,000	2,700	3,050	300	-50
Information	500	500	550	0	-50
Financial Activities	1,400	1,350	1,400	50	0
Professional & Business Svcs	1,550	1,450	1,550	100	0
Educational & Health Services	3,550	3,550	3,450	0	100
Health Care/Social Assistance	3,400	3,350	3,300	50	100
Leisure & Hospitality	4,500	3,850	4,500	650	0
Accommodation	1,650	1,350	1,650	300	0
Food Svcs & Drinking Places	2,000	1,800	2,000	200	0
Other Services	1,150	1,150	1,150	0	0
Government²	13,650	13,750	13,800	-100	-150
Federal Government ³	2,200	2,050	2,100	150	100
State Government	5,450	5,650	5,650	-200	-200
Local Government	6,000	6,050	6,050	-50	-50
Tribal Government	850	800	800	50	50

	preliminary revised		Changes from:		
	6/04	5/04	6/03	5/04	6/03
Interior Region					
Total Nonfarm Wage & Salary¹	37,150	39,350	36,550	-2,200	600
Goods Producing	3,100	3,400	3,000	-300	100
Services Providing	34,050	35,950	33,500	-1,900	550
Natural Resources & Mining	850	900	900	-50	-50
Mining	850	900	900	-50	-50
Construction	1,700	1,950	1,600	-250	100
Manufacturing	550	550	500	0	50
Trade, Transportation, Utilities	7,150	7,450	7,400	-300	-250
Information	750	750	800	0	-50
Financial Activities	1,350	1,350	1,300	0	50
Professional & Business Svcs	1,700	1,700	1,700	0	0
Educational & Health Services	3,700	3,700	3,600	0	100
Leisure & Hospitality	3,650	3,950	3,500	-300	150
Accommodation	850	900	800	-50	50
Food Svcs & Drinking Places	2,400	2,600	2,300	-200	100
Other Services	2,100	2,100	2,100	0	0
Government²	13,650	14,900	13,050	-1,250	600
Federal Government ³	3,600	4,250	3,500	-650	100
State Government	5,150	5,400	4,650	-250	500
Local Government	4,900	5,300	4,850	-400	50
Tribal Government	200	200	250	0	-50

Anchorage/Mat-Su Region

Total Nonfarm Wage & Salary¹	165,300	161,650	161,950	3,650	3,350
Goods Producing	16,050	14,850	15,550	1,200	500
Services Providing	149,250	146,800	146,400	2,450	2,850
Natural Resources & Mining	2,100	2,100	2,200	0	-100
Construction	11,700	10,600	11,200	1,100	500
Manufacturing	2,250	2,100	2,150	150	100
Trade, Transportation, Utilities	37,850	36,850	37,000	1,000	850
Information	5,050	5,000	5,150	50	-100
Financial Activities	10,050	9,750	9,650	300	400
Professional & Business Svcs	17,650	17,250	17,500	400	150
Educational & Health Services	21,150	20,900	19,850	250	1,300
Leisure & Hospitality	17,700	16,750	17,250	950	450
Other Services	6,550	6,350	6,450	200	100
Government²	33,300	33,950	33,550	-650	-250
Federal Government ³	10,200	9,950	10,100	250	100
State Government	1,900	2,050	1,950	-150	-50
Local Government	13,050	14,000	13,150	-950	-100
Tribal Government	350	300	300	50	50

Gulf Coast Region

Total Nonfarm Wage & Salary¹	31,500	28,850	31,100	2,650	400
Goods Producing	6,900	5,500	6,750	1,400	150
Services Providing	24,600	23,350	24,350	1,250	250
Natural Resources & Mining	1,150	1,150	1,150	0	0
Oil & Gas Extraction	1,050	1,050	950	0	100
Construction	1,800	1,600	1,850	200	-50
Manufacturing	3,950	2,750	3,800	1,200	150
Seafood Processing	3,200	2,050	3,000	1,150	200
Trade, Transportation, Utilities	6,100	5,650	6,050	450	50
Retail Trade	3,600	3,400	3,550	200	50
Trans/Warehousing/Utilities	2,150	2,000	2,150	150	0
Information	450	450	450	0	0
Financial Activities	850	800	850	50	0
Professional & Business Svcs	1,500	1,500	1,450	0	50
Educational & Health Services	2,250	2,250	2,100	0	150
Health Care/Social Assistance	2,200	2,150	2,050	50	150
Leisure & Hospitality	4,350	3,700	4,300	650	50
Accommodation	1,600	1,300	1,550	300	50
Food Svcs & Drinking Places	2,250	1,900	2,250	350	0
Other Services	1,400	1,400	1,400	0	0
Government²	7,700	7,650	7,750	50	-50
Federal Government ³	1,000	850	950	150	50
State Government	1,600	1,650	1,600	-50	0
Local Government	5,100	5,150	5,200	-50	-100
Tribal Government	350	400	400	-50	-50

<http://almis.labor.state.ak.us>

Links across the top:

Career Center

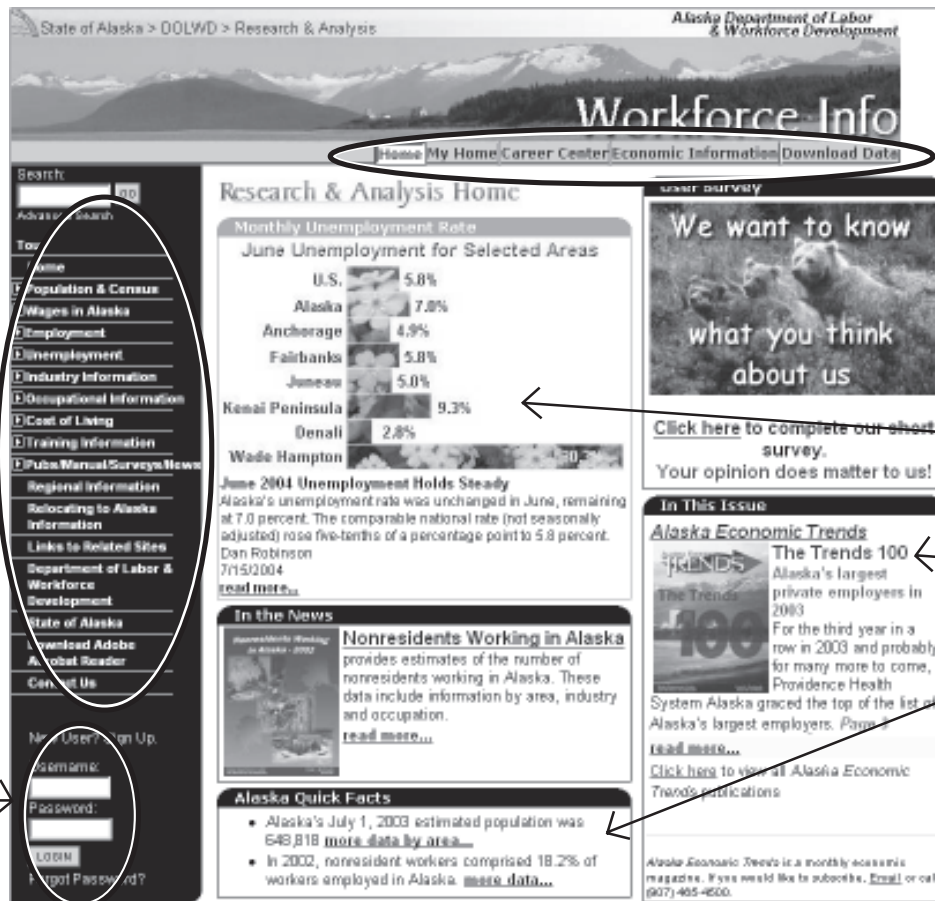
- ♦ Select your skills to come up with a career that fits you.
- ♦ Find out what kind of training you might need for the career you want, and where to get that training.
- ♦ Learn what occupations fit the skills you need as an employer.
- ♦ Career profiles

Economic Information

- ♦ Search for Alaska specific information on occupations, industries or area profiles.
- ♦ Compare two occupations or industries.

Download Data

- ♦ Decide which data you want and download it to your computer.



CREATE your free, personalized web home page with the data you use most in one convenient site.

QUICK LINKS
 Monthly Unemployment News Release
 Alaska Economic Trends monthly publication
 Alaska Quick Facts, and more.

Links on the left access data produced by Research & Analysis including:

Population and Census Data

Employment, Industry and Occupational Data:

- ♦ Current Employment Statistics (CES)
- ♦ Employment & Earnings (202/QCEW)
- ♦ Industry Employment
- ♦ Industry and Occupational Forecasts
- ♦ Injury, Illness & Fatalities
- ♦ Largest Employers
- ♦ Licensed Occupations
- ♦ New Hire
- ♦ Occupational Database
- ♦ Resident Hire

Unemployment:

- ♦ Unemployment Rate
- ♦ Unemployment Program

Cost of Living:

- ♦ Consumer Price Index (CPI)
- ♦ Housing Costs

Training:

- ♦ Training Providers and Performance
- ♦ Statewide Training and Employment Program (STEP)

Wages in Alaska

Publications, manuals, surveys and news releases

Regional information

Relocating to Alaska information

Employer Resources

Employers...could paying taxes get any easier than this? File your Employer Quarterly Contribution Report online by going to <http://labor.state.ak.us/estax/home.htm>. There are many benefits to filing online including: once employee information is input from the previous quarter, it will pre-fill for following quarters; the tax contribution is calculated by the system; and, you will receive email confirmation that your report was received. What a time saver! Check out The Alaska Employer Newsletter put out by Employment Security Tax for more information.

Employment Security Tax
State of Alaska > DOLWD > 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) 448-2527
(888) 448-2937
Relay Alaska TDD/TTY/TT
Services: 1-800-770-8973
Fax: (907) 465-2374

Mailing Address:
Alaska Department of Labor and
Workforce Development
Employment Security Tax
P.O. 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.

Alaska Department of Labor & Workforce Development

Jobs

Job Seekers Workers Employers Researchers Department Shortcuts Search

Fri, Aug 6, 2004

2002 Rates
Office Locations
Laws & Cases
Forms/Publications
Alaska Employer Newsletters
ES Tax Handbook
UI Tax Calculation Cookbook
Unclaimed Refunds
Frequently Asked Questions
Need A Speaker?
Having Problems?

File Alaska Quarterly Contribution Reports online:

Single Account Filing
Employers need the following in order to file:

- State of Alaska Employer Account Number
- Valid FEIN (Federal Employer Identification Number)

Multiple Account Filing
Those filing for multiple accounts need the following in order to file:

- Valid FEIN (Federal Employer Identification Number)
- OR
- Social Security Number

Coming Soon! New Employer Registration.
Employers will need the following in order to file:

- Valid FEIN (Federal Employer Identification Number)

If you need:
Call (888) 448-2527
(Current Alaska)

Employment Security Tax
State of Alaska > DOLWD > Employment Security Tax > Frequently Asked Questions

Alaska Employer Newsletters

Did you know that Tax puts out a quarterly newsletter? If you missed it, or just want another copy, click on the links below. All our newsletters are available in PDF format. You can view and print PDF format forms with ease. All you need is Adobe Acrobat Reader. If you have any problems, questions and/or comments about downloading, installing or using this software please refer to the online documentation provided by the software vendors. Please be aware that these newsletters are posted with the same information that appeared in the print versions. Some information may no longer apply or may be inaccurate. If you would rather not download the files you can always contact us for paper versions. If the link below doesn't work or you are experiencing problems downloading the files on our site please let us know. Our email address is esd_tax@labor.state.ak.us

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