ALASKA ECONOMIC TRENDS

ECONOMIC PROFILE

MATANUSKA-SUSITNA BOROUGH

September 1994

ALASKA'S COMMERCIAL FISHING EMPLOYMENT

ECONOMY APPROACHES SEASONAL PEAK

ALASKA DEPARTMENT OF LABOR
WALTER J. HICKEL, GOVERNOR

ALASKA ECONOMIC TRENDS

Contents

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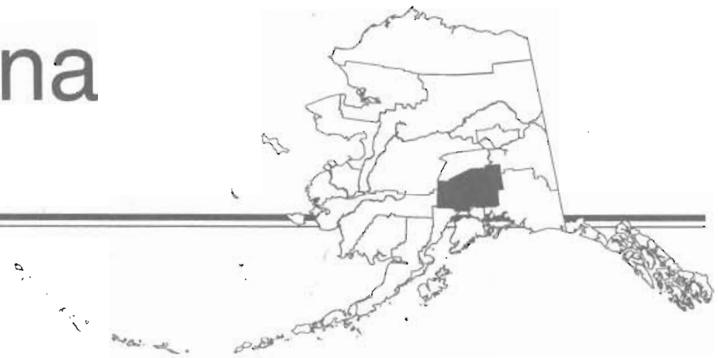
A *TRENDS* profile —

Matanuska-Susitna Borough



by Neal Fried

In the early twentieth century most of the communities in the Matanuska-Susitna Borough (Mat-Su) were established to support farming, gold and coal mining activity. While the Matanuska-Susitna Borough's history is steeped in agriculture and mining, neither dominate the area's economy any longer. Today and for more than twenty years the Mat-Su's economy has become unlike any other in the state.

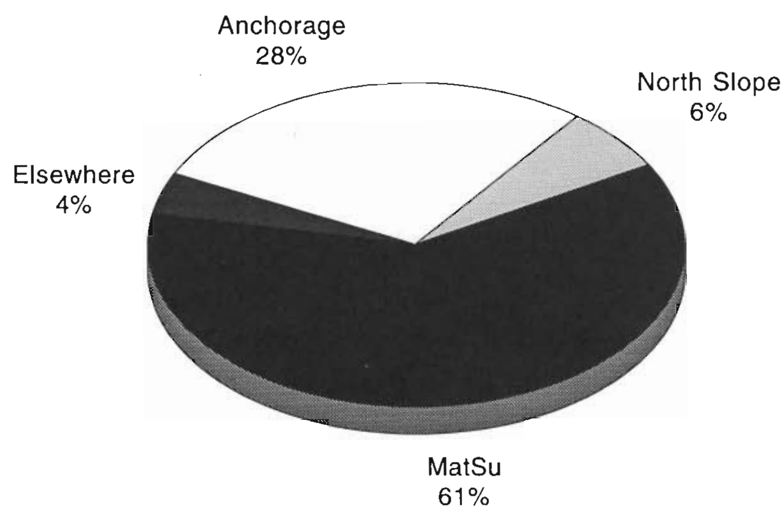
Labor is largest export

In one sense the borough fits the classic metro-suburban commuter national model. That is, many people who live in the Mat-Su Borough commute to work outside of the borough each day. In most cases they commute to the state's largest city, Anchorage, 40 miles south of the borough (See Figure 1). Unlike most other communities which fit this mold, however, a significant number of Mat-Su residents work elsewhere in the state, beyond a daily commute. Of the borough's residents who work, 39% journey to some other corner of the state to make a living and 40% of the income earned by its residents is derived outside the borough. This means the economic health of the area's economy is largely dependent on the vitality of economies elsewhere in the state. Instead of exporting goods and services to generate economic growth, the Mat-Su Borough exports its residents' labor.

There are other characteristics of the borough which set it apart from the Lower 48 commuter model. One is size—the borough is 22,000 square miles, nearly the size of West Virginia. And such far flung communities as Skwentna and Talkeetna hardly

Figure • 1

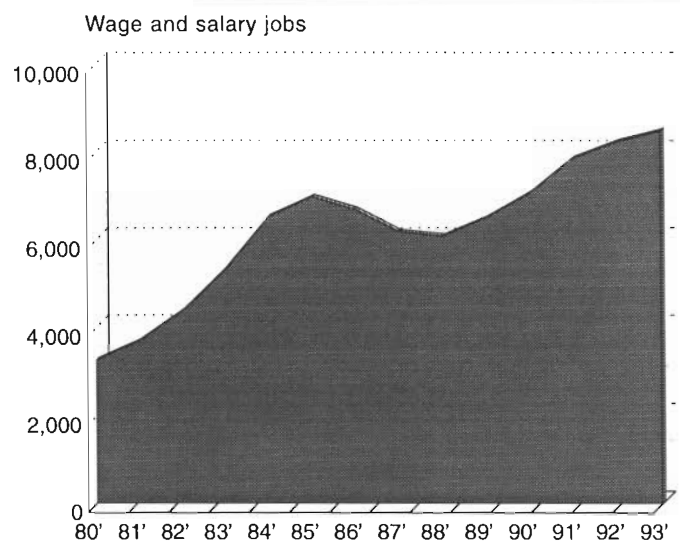
Where Matanuska-Susitna Borough Residents Work



Source: U.S. Bureau of the Census, 1990.

Figure • 2

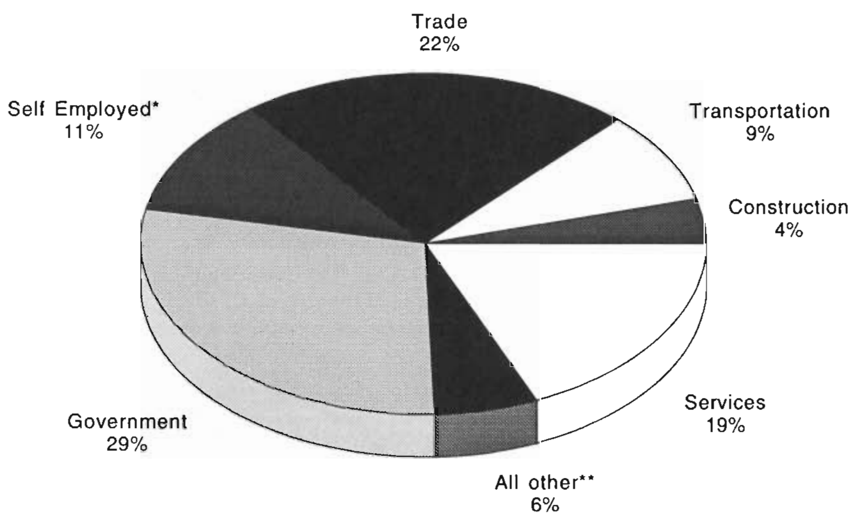
The Matanuska-Susitna Borough's Economy Keeps Growing



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

Figure • 3

Where the Jobs Were in the Matanuska-Susitna Borough—1993



* Estimated using census data.
** Includes manufacturing, financing, insurance and real estate.
Source: Alaska Department of Labor, Research & Analysis Section and the U.S. Bureau of the Census.

resemble the metro-suburban mold. The former is only accessible by plane or boat and the latter is more than 100 miles from Anchorage.

The economy has boomed

In 1980 there were fewer than 3,300 jobs in the Mat-Su Borough compared to over 8,000 today—few other areas of the state can boast such impressive employment growth. (See Table 1 and Figure 2.) Much of this growth was related to the oil revenue boom years of the early 1980s. As this boom got underway an increasing number of residents moved to the Mat-Su because of lower housing costs and the attraction of a more rural lifestyle.

Between 1980 and 1985 the Mat-Su employment base doubled from 3,265 to 6,991. Most of this growth was related to population in-migration. The area's public sector grew as well as the recreational/visitor industry. One measure of the Mat-Su's sizable recreational industry is the number

Table • 1

Matanuska-Susitna Borough Wage and Salary Employment 1980-1993

	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993
Total Industries	3,265	3,701	4,383	5,355	6,542	6,991	6,699	6,193	6,095	6,510	7,078	7,878	8,253	8,667
Mining	*	*	*	21	9	12	*	*	*	*	*	*	*	*
Construction	178	253	518	778	971	710	427	261	179	222	304	397	366	438
Manufacturing	37	106	70	67	111	111	88	83	108	124	96	95	73	85
Trans.Comm. & Util.	319	343	381	525	595	670	680	688	638	639	695	784	815	844
Trade	733	748	898	1,173	1,547	1,736	1,590	1,643	1,523	1,600	1,853	2,012	2,100	2,198
Wholesale Trade	44	44	54	64	97	125	112	83	87	97	134	133	157	167
Retail Trade	689	704	845	1,109	1,450	1,611	1,479	1,560	1,436	1,503	1,720	1,879	1,943	2,031
Finance	120	131	189	208	280	290	296	206	159	174	191	195	209	223
Services	460	537	604	793	991	1,129	1,101	1,019	1,088	1,184	1,316	1,540	1,727	1,824
Government	1,341	1,418	1,564	1,734	1,977	2,229	2,427	2,248	2,357	2,416	2,493	2,640	2,718	2,785
Federal	112	103	101	104	112	100	105	102	99	104	104	107	107	116
State	403	460	545	596	651	737	763	759	791	813	815	810	813	797
Local	826	855	919	1,035	1,214	1,392	1,559	1,387	1,467	1,499	1,574	1,723	1,798	1,872
Misc. & Unclassified	*	*	*	55	62	106	*	*	*	*	*	*	*	22

*Nondisclosable.
Source: Alaska Department of Labor, Research & Analysis Section.

of recreational properties. In 1990 the Census Bureau counted 20,953 housing units in the Mat-Su. Of these, 4,479 or 21%, were for seasonal, recreational or occasional use compared to 7% statewide.

All of this growth temporarily came to a halt with the oil revenue bust of 1986. A bleak economic period ensued. Because the Mat-Su grew much faster than the rest of the state, it fell harder as well. Employment in the borough fell by nearly 1,000 and an unknown number of residents who worked outside of the area lost their jobs. By 1988 the economy began to recover along with the rest of the state. The recovery was boosted with the re-opening of the Cambior mine (formerly Valdez Creek) in 1990 and General Communications Inc. (GCI) which opened its operations service center with 85 personnel. By 1990 the number of jobs in the Mat-Su surpassed the old record set in 1985 and by 1993 there were 8,600 jobs in the borough. In 1994 the borough got an additional boost in employment with the opening of the state's only federal Job Corp Center.

Table • 2

The Population of the Communities in the Matanuska-Susitna Borough

	1992
Matanuska-Susitna Borough	44,582
Alexander	32
Big Lake	1,742
Butte	2,254
Chase	41
Chickaloon	204
Houston city	878
Knik	296
Lazy Mountain	926
Meadow Lakes	2,582
Palmer city	3,039
Skwentna	106
Sutton	311
Talkeetna	267
Trapper Creek	293
Wasilla city	4,381
Willow	300

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

Ample retail and service jobs available

It is not surprising that a large share of jobs in the borough are in trade and services. (See Figure 3.) Many of these jobs exist to provide services to people who live in Mat-Su but do not work there. In fact, 59% of all new jobs in the borough in the past decade were generated by these two industries. A growing visitor/recreation sector also contributed to the growth of these two industries.

A larger number of self-employed work in the Mat-Su. (See Figure 3.) Statewide 8% of the work force is self-employed versus 11% in the borough. This is not unusual since both retail trade and services are home to many small businesses. Small mining, agricultural, and visitor related

Table • 3

The Matanuska-Susitna Borough's Nine Largest Private Sector Employers

Rank	Firm	1993 Annual Avg. Employment
1	Valley Hospital	321
2	Matanuska Telephone Assocation	295
3	Matanuska Electric Association	170
4	Cambior Alaska (Valdez Creek)	161
5	LIFE QUEST	106
6	Tony Chevrolet Geo Buick	70
7	Mat-Su Services for Children & Adults	54
8	Matanuska Valley Federal Credit Union	52
9	Quality Auto Supply	52

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

Table • 4

A Snapshot of the Matanuska-Susitna Borough
Statistics from the 1990 Census

Mat-Su's population grew much faster . . .	Mat-Su	Alaska
Percent change 1980-1990 (1990 Population = 39,683)	122.7%	36.9%
And is a little older . . .		
Median age	30.8	29.4
Percent under 5 years old	9.8%	10.0%
Percent 21 years & over	61.8%	64.5%
Percent 65 years & over	4.7%	4.1%
There are fewer minorities . . .		
Percent White	93.1%	75.5%
Percent American Indian, Eskimo, or Aleut	4.9%	15.6%
Percent Asian/Pacific Islander	0.7%	3.6%
Percent Black	0.8%	4.1%
Percent Hispanic (of all races)	1.9%	3.2%
Labor force participation is lower, unemployment is higher . . .		
Percent of all aged 16+ in labor force	66.5%	74.7%
Percent males 16+ in labor force	76.6%	82.1%
Percent males unemployed (April 1990)	12.9%	10.0%
Percent females 16+ in labor force	55.7%	66.4%
Percent females unemployed (April 1990)	9.6%	7.3%
Most households make less money . . .		
Median household income in 1989	$40,745	$41,408
Percent of families below poverty level	7.5%	6.8%
Percent with less than $5,000 income	4.5%	3.5%
Percent with $5,000-$9,999 income	6.1%	4.8%
Percent with $10,000-$14,999 income	6.3%	6.4%
Percent with $15,000-$24,499 income	12.5%	13.3%
Percent with $25,000-$34,999 income	12.8%	13.6%
Percent with $35,000-$49,999 income	20.1%	18.5%
Percent with $50,000-$74,999 income	22.0%	21.3%
Percent with $75,000-$99,999 income	9.9%	10.9%
Percent with $100,000 or more income	5.6%	7.7%
Renters pay a little less . . .		
Median gross rent	$508	$559
Percent rented for under $200	1.6%	1.7%
Percent rented for $200-$299	6.7%	5.4%
Percent rented for $300-$499	35.5%	27.8%
Percent rented for $500-$749	30.5%	29.8%
Percent rented for $750-$999	11.5%	12.8%
Percent rented for $1,000 or more	3.8%	9.1%
Percent with no cash rent	10.5%	13.5%

Source: U.S. Bureau of the Census

industries are also important sources of self-employment.

Future tied to residents

In both the short and long run the economic future of the Mat-Su will remain closely tied to people's desire to live there. There are a number of factors which should keep this working in the borough's favor. The last segment of a four lane highway between the Mat-Su Borough and Anchorage was completed this year, easing the commute considerably. And a cost advantage continues to exist for Mat-Su. According to Alaska Housing Finance Corporation's most recent data, the average home in the Mat-Su sold for $106,289 versus $145,231 in Anchorage.

There are other opportunities which may not be tied to the economic whims of Anchorage. For example the borough is attempting to develop a port and industrial facility. In concert with this development the borough hopes to attract an iron ore reduction plant which is under study by Midrex Corporation. The area's visitor/ recreational industry will continue to expand along with the possible development of an alpine ski resort at Hatcher Pass.

Trends profiles are a new feature which will appear periodically in ***Alaska Economic Trends.*** For more information, contact
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Alaska's Commercial Fishing Employment

by Richard Kennedy

In 1991, the National Institute for Occupational Safety and Health (NIOSH) initiated a project to determine occupational injury rates in the Alaska commercial fishing industry. Accurate estimates of work force by major Alaska fisheries were needed by NIOSH to assess the magnitude of risk faced by fishers in order to compare rates to other Alaskan industries. The NIOSH project was completed in the fall of 1993. This article presents a summary of the findings of the NIOSH project.

Fisher workforce data scarce

Accurate estimates of the work force in the Alaska commercial fishing industry have always been unusually difficult to obtain. Unlike most other Alaska industries, the seafood industry's employment and payroll are not available on a regular basis through standard economic data systems and reports. The Alaska Department of Labor captures data on most of the Alaska's economy (including seafood processing) through a system of quarterly and monthly nonagricultural wage and salary estimates. One large segment of the industry which is not captured is seafood harvesting (commercial fishing) employment. The seafood harvesting sector is classified as agricultural, and the method of pay most often used (crew shares) does not fit the normal reporting system. A major consequence of this is a lack of regular employment estimates.

Published work force estimates for the Alaska commercial fishing industry for 1977 through 1984 were done by the Department of Labor in collaboration with the Alaska Commercial Fishing Entry Commission. The last fish harvesting employment estimates were done when the McDowell Corporation produced the *Alaska Seafood Industry Study* which presented an employment picture of the state's seafood industry for the year 1986.

Counting fishers is a difficult task

Research methods to obtain employment estimates have most often focused on a formula that includes the systematic counting of the number of fishing vessels, estimating the average vessel crew size by survey or expert opinion, and tallying the length of fishing season (months). To arrive at their estimations, the Alaska Department of Labor combined the number of permit holders who made landings at processors with an average crew size for each fishery and area.

The NIOSH project used a different methodology. The length of the fishing season included not only the actual time fishing, but time spent travelling to and from fishing grounds plus time expended in vessel prepa-

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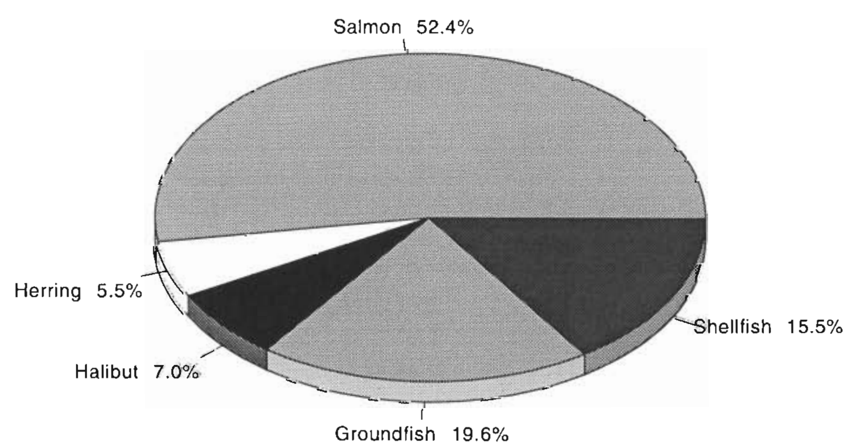
Figure • 1

Most Alaska Fisher Employment is Generated by Salmon—1991



Source: National Institute for Occupational Safety and Health.

ration and offloading by skippers and crew. The resultant work force estimates were then expressed in terms of full-time equivalencies (FTEs). One fisher's FTE (independent of what position the person holds: vessel skipper or deckhand) is the equivalent of one fisher working one full year (52 weeks), or any permutation thereof (e.g., four fishers working 13 weeks each in the course of one calendar year).

Readers should note that these employment estimates cannot be readily compared to the Department of Labor's wage and salary figures because the department's figures are not FTE adjusted.

Table • 1

Employment in Commercial Fisheries Increased Between 1986 and 1991

Fishery/Gear	1986 Employment	1991 Employment	Percent Change
Salmon			
Purse Seine	1,690	1,712	1.3
Drift Gill Net	2,502	2,657	6.2
Set Gill Net	1,747	2,542	45.5
Power Troll	655	700	6.9
Hand Troll	198	268	35.4
Others	44	53	...
Total	6,836	7,932	16.0
Herring			
Purse Seine	233	284	21.9
Gill Net	338	386	14.2
Spawn	...	164	...
Other	...	6	...
Total	571	840	47.1
Halibut	1,012	1,057	4.4
Shellfish	1,857	2,351	26.6
Groundfish	2,345	2,958	26.1
Miscellaneous	...	62	..
Grand Total	12,621	15,200	20.4

Source: National Institute for Occupational Safety and Health and Alaska Seafood Industry Study, *McDowell Corporation.*

Fishers employment has grown

The recent NIOSH project estimated that for 1991 there were approximately 15,200 FTEs in the Alaska commercial fishing industry. (See Table 1.) This represents a 20% increase over the fisher employment reported by McDowell for 1986.

For 1991, the salmon fishery leads all Alaskan fisheries with 52.4% of the total harvesting employment. (See Figure 1.) The groundfish (primarily pollock and cod) fishery employed 19.5% of the fishers, with the shore-based harvester employment more than two and one-half times that of the offshore harvesters.

Employment totals in all major Alaskan fisheries increased between 1986 and 1991. (See Figure 2.) The most noticeable change in the Alaska commercial fishing industry occurred in the groundfish fishery. By 1991,all (legal) foreign off-shore fleet operations which had previously harvested most groundfish stocks in the North Pacific had been totally eliminated. Large-scale harvesting (primarily of groundfish, but in other species as well) has continued by a large, modern, and automated U.S. factory trawler fleet, predominately based out of Washington state. Still commonplace in the groundfish fishery is offshore processing, with much of the product transferred to the buyer at sea or landed in ports outside Alaska. Some Alaska fisheries, such as salmon and herring, continue to have record harvests in one geographical region, while another region experiences very weak returns.

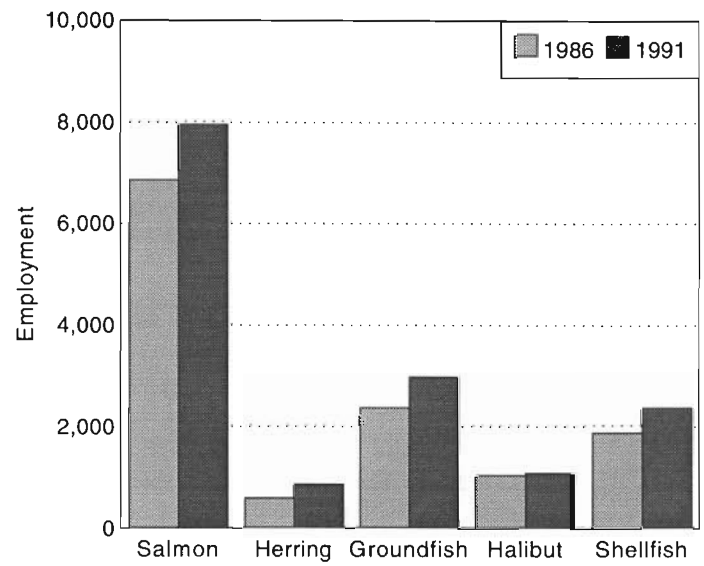
Factors contributing to an increase in the work force may be explained by changes in fisheries management and the diversification of undeveloped or market scarce target species. For example, the shellfish industry between 1986 and 1991 has seen a three-fold expansion in the harvesting of the tanner crab, while harvest statistics for king and dungeness crab were approximately level. Increases in the 1991 work force estimates for salmon and herring may be due, in part, to 1) a slight increase in the number of vessels licensed to catch salmon (2%) and herring (18%), and 2) the methodology used whereby more pre- and post-fishing time was awarded for the 1991 fishery. In spite of the decline of the length of fishing seasons for many fisheries, the commercial fishing workforce actually expanded over the five-year period.

A more detailed comparison of the workforce in the state's salmon and herring fisheries between 1986 and 1991 may be made by examining differences in employment by gear type. Fishing vessel gear type is a general description for the fish harvest equipment used aboard fishing vessels. Common gear types in Alaska include long lines, pots, and nets.

The five-year annualized growth for the salmon fishery is approximately 3% per year, with nearly half (45%) occurring in the set gill net fishery. The FTEs for all gear types for the herring fishery increased from 1986 to 1991, probably reflecting the approximately 300 additional vessels and crew that entered the fishery since 1986.

Figure • 2

Fisher Employment Has Grown in All Fisheries



Source: National Institute for Occupational Safety and Health.

There are data limitations

There are at least two major limitations to the results of the NIOSH study: 1) the definition and calculations of pre- and post-fishing time; 2) the reliability of participating crew and vessel-time-at-sea estimates for the offshore groundfish fishery. Researchers used survey and anecdotal information from a sample of vessel owners, skippers, former and current fishers, and industry officials to estimate the average number of days or weeks individual fishing vessels crews spent in work-related activities outside actual time spent fishing. Results from this sample (approximately 25% of the total fleet) survey varied widely, depending on the home port of the vessel, the number of 'regular' crew, and size and gear of the vessel. The lack of detailed computerized information for the 1991 offshore groundfish fishery complicated the data analysis for this fishery.

Readers should exercise caution in drawing inference from these findings. Random error, as well as sampling error, in at least two variables (number of crew allotted per vessel and amount of pre- and post-fishing time) may substantially affect individual results.

Economy Approaches Seasonal Peak

by Neal Fried and Brigitta Windisch-Cole

Unemployment fell in most regions of Alaska in June as seasonal industries shifted into high gear. Concurrently, wage and salary employment grew 3.7% from May to June. This growth in the work force pushed Alaska's economy toward its seasonal employment peak. The state's economy is still posting over-the-year growth, with wage and salary employment up 1.5% over last June's level. (See Table 1.)

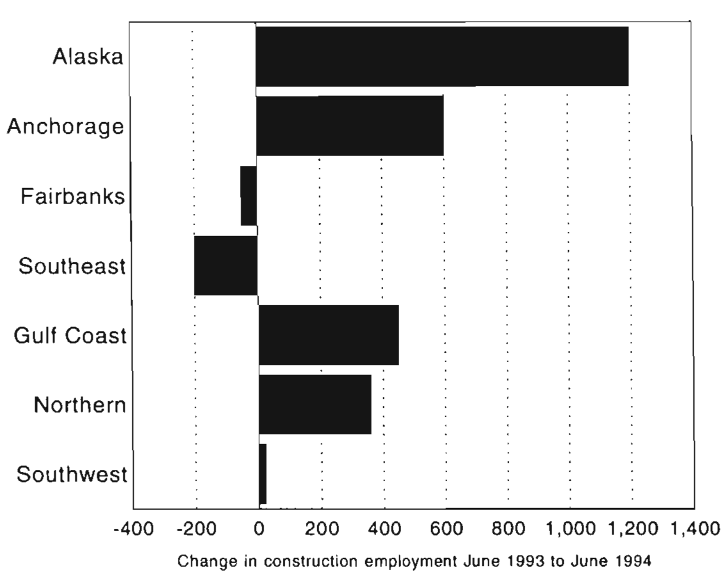
Neal Fried and Brigitta Windisch-Cole are labor economists with the Research & Analysis Section, Administrative Services Division, Alaska Department of Labor. They are located in Anchorage.

Still no good news for forest products industry

Southeast Alaska has lost more than 500 jobs in the forest products sector and the industry's job outlook remains grim. The visitor and fishing industries have offered job seekers some seasonal employment opportunities. This in turn has helped soften the impact of laid-off loggers and mill workers on regional unemployment. In Sitka's case, June's unemployment rate fell 1.8 percentage points. (See Table 4.) However, compared to last June's 4.4% unemployment rate, Sitka's current rate of 9.5% shows that the mill closure continues to be a negative factor in the area's current labor market. Elsewhere, the timber industry lost another mill in July when Seward's sawmill shut down and laid off its last 25 employees.

Figure • 1

A Mixed Construction Picture Around the State



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

Construction is giving the economy a boost

The construction industry remains one of the bright spots in the economy. Construction employment not only posted its usual seasonal gain for June but its job count is 9.0% ahead of a year-ago. (See Figure 1.) Northern Alaska and Anchorage are registering most of the over-the-year construction growth. Construction of the last phase of the GHX-2 project, and some pipeline repair work, are boosting construction employment in the northern region. Construction gains in Anchorage are due to public construction projects. At the moment, construction crews are working on the FBI building, the state courthouse, the Alaska Native Hospital, a number of school projects, and a host of military-related projects. On the heavy construction front, the Seward Highway project is also contributing to Anchorage's robust construction picture.

Fish harvests strong, prices mixed

The first landings of Copper River reds in early June marked the beginning of the frenzied phase of the year for Alaska's salmon fishery. Seafood processing employment climbed 41.7% in June. In Bristol Bay, the state's largest salmon fishery, fishers hauled in the third largest harvest in history.(See Figure 2.) Fisheries in Southeast Alaska and Kodiak are also experiencing a good year.

The False Pass fishery landed only 40.0% of the forecasted sockeye harvest. On the other hand, Prince William Sound enjoyed a strong early harvest of pinks after three consecutive disastrous years. Also on the good news front, prices for sockeye are slightly above last year's level. Chum prices, however, are falling. An unexpectedly strong chum catch in Southeast put pressure on prices for other regions.

ARCO layoffs will show up later in the numbers

There are a number of reasons why the recently announced ARCO layoffs will not immediately appear in either the wage and salary job figures or the unemployment statistics. (See Figure 3.) On the wage and salary side, the ARCO job losses will not be evident for at least two months. This is because everyone laid-off by ARCO is receiving at least 60 days of severance pay. In addition, not all of the ARCO cutbacks will be instantaneous. ARCO postponed at least 100 of the layoffs until individual projects are finished.

On the unemployment side, it will be difficult to point to a certain time period and identify the ARCO layoff distinctly in the state's unemployment figures. Some ARCO job losers will leave the state and others will find jobs in Alaska and never experience unemployment. This will occur against a backdrop of seasonal employment declines which will dwarf the magnitude of the ARCO layoffs.

Tourism is still growing

It is still too early to size up this year's visitor season, but indications are that Alaska is enjoying another banner year. Cruise ship traffic is up 20.0% in Southeast; Seward and Valdez are also enjoying sizable gains. Most operators report strong, in some cases record, numbers of visitors. Employment in the hotel business is running even with last year's level, but services, retail, and transportation are all benefitting from increased visitor activity.

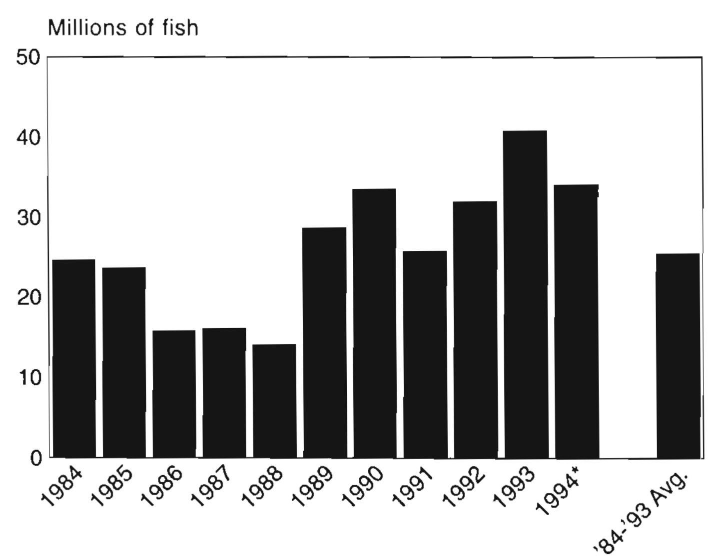
New visitor developments provide evidence of the tourism industry's strength. The Alaska Railroad will begin developing a new visitor property in Fairbanks this summer. The development includes a 75-room hotel, a RV park with 175 spaces, and a restaurant. The facility should be open next summer. Alyeska Resort is gearing up to open its new 307-room hotel in Girdwood in late August. Alyeska plans to hire an additional 150 workers by the time it opens. By next summer, when the hotel is running at full capacity, Alyeska estimates it will need another 150 workers.

Construction, tourism, fishing lead the way in June

The visitor industry is injecting both seasonal and incremental growth into the state's economy. The construction industry is also helping to keep the state's employment numbers in the black. Fishers are finding their nets, but not their pocketbooks, full. And the timber industry continues to take hits.

Figure • 2

Another Good Year in Bristol Bay
Sockeye Harvests 1984-1993



** Preliminary data.*
Source: Alaska Department of Fish & Game.

Table • 1

Nonagricultural Wage and Salary Employment by Place of Work

Alaska

	p/ 6/94	r/ 5/94	6/93	Changes from 5/94	Changes from 6/93
Total Nonag. Wage & Salary	267,900	258,300	264,000	9,600	3,900
Goods-producing	43,200	37,600	43,400	5,600	-200
Mining	10,000	9,700	10,400	300	-400
Construction	14,400	12,900	13,200	1,500	1,200
Manufacturing	18,800	15,000	19,800	3,800	-1,000
Durable Goods	3,500	3,300	3,600	200	-100
Lumber & Wood Products	2,500	2,400	2,700	100	-200
Nondurable Goods	15,300	11,700	16,200	3,600	-900
Seafood Processing	11,900	8,400	12,600	3,500	-700
Pulp Mills	500	500	900	0	-400
Service-producing	224,700	220,700	220,600	4,000	4,100
Transportation	24,600	23,800	24,400	800	200
Trucking & Warehousing	3,200	3,000	3,000	200	200
Water Transportation	2,000	1,900	2,100	100	-100
Air Transportation	7,900	7,500	7,900	400	0
Communications	3,900	3,800	3,800	100	100
Trade	53,500	51,500	50,900	2,000	2,600
Wholesale Trade	8,600	8,500	8,200	100	400
Retail Trade	44,900	43,000	42,700	1,900	2,200
Gen. Merch. & Apparel	9,200	8,700	6,800	500	2,400
Food Stores	7,100	7,000	7,300	100	-200
Eating & Drinking Places	14,900	14,200	14,800	700	100
Finance-Ins. & Real Estate	11,600	11,400	11,300	200	300
Services & Misc.	61,700	58,800	60,500	2,900	1,200
Hotels & Lodging Places	7,200	5,900	7,200	1,300	0
Health Services	12,600	12,500	12,300	100	300
Government	73,300	75,200	73,500	-1,900	-200
Federal	20,500	19,900	20,600	600	-100
State	20,500	21,600	20,900	-1,100	-400
Local	32,300	33,700	32,000	-1,400	300

Municipality of Anchorage

	p/ 6/94	r/ 5/94	6/93	Changes from 5/94	Changes from 6/93
Total Nonag. Wage & Salary	123,500	120,500	120,500	3,000	3,000
Goods-producing	12,700	11,500	12,300	1,200	400
Mining	3,100	3,100	3,300	0	-200
Construction	7,600	6,600	7,000	1,000	600
Manufacturing	2,000	1,800	2,000	200	0
Service-producing	110,800	109,000	108,200	1,800	2,600
Transportation	13,100	12,500	12,800	600	300
Air Transportation	4,800	4,600	4,700	200	100
Communications	2,400	2,400	2,400	0	0
Trade	28,100	27,500	26,700	600	1,400
Wholesale Trade	6,200	6,200	6,000	0	200
Retail Trade	21,900	21,300	20,700	600	1,200
Gen. Merch. & Apparel	4,600	4,500	3,300	100	1,300
Food Stores	3,200	3,200	3,300	0	-100
Eating & Drinking Places	7,400	7,100	7,300	300	100
Finance-Ins. & Real Estate	7,000	7,000	6,900	0	100
Services & Misc.	33,300	32,200	32,700	1,100	600
Hotels & Lodging Places	2,700	2,400	2,600	300	100
Health Services	6,300	6,400	6,400	-100	-100
Government	29,300	29,800	29,100	-500	200
Federal	11,900	11,700	11,900	200	0
State	7,600	8,300	7,600	-700	0
Local	9,800	9,800	9,600	0	200

Table • 2

Alaska Hours and Earnings for Selected Industries

	Average Weekly Earnings			Average Weekly Hours			Average Hourly Earnings		
	p/ 6/94	r/ 5/94	6/93	p/ 6/94	r/ 5/94	6/93	p/ 6/94	r/ 5/94	6/93
Mining	$1,225.64	$1,268.96	$1,189.12	50.5	51.5	49.9	$24.27	$24.64	$23.83
Construction	1,156.44	1,100.23	1,095.98	46.0	44.4	44.3	25.14	24.78	24.74
Manufacturing	483.14	507.55	477.12	40.6	40.8	42.0	11.90	12.44	11.36
Seafood Processing	373.58	369.26	362.53	39.7	40.4	42.5	9.41	9.14	8.53
Trans., Comm. & Utilities	685.22	661.74	654.12	37.2	36.2	36.0	18.42	18.28	18.17
Trade	394.02	387.83	370.27	34.9	34.2	33.6	11.29	11.34	11.02
Wholesale	640.40	613.26	591.39	40.1	39.9	39.4	15.97	15.37	15.01
Retail	347.14	343.58	328.25	33.9	33.1	32.5	10.24	10.38	10.10
Finance-Ins. & R.E	465.62	468.36	444.07	35.9	36.0	35.3	12.97	13.01	12.58

Notes to Tables 1-3:

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

Table 3- Prepared in part with funding from the Alaska State 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 nonsupervisory workers (nonmanufacturing). Averages are for gross earnings and hours paid, including overtime pay and hours.

Benchmark: March 1993

Nonagricultural Wage and Salary Employment by Place of Work

Southeast Region

	p/ 6/94	r/ 5/94	6/93	Changes from 5/94	Changes from 6/93
Total	36,550	35,300	36,650	1,250	-100
Goods Producing	6,450	5,550	6,950	900	-500
Mining	200	200	100	0	100
Construction	1,600	1,500	1,800	100	-200
Manufacturing	4,650	3,850	5,050	800	-400
Durable Goods	1,950	1,900	2,150	50	-200
Lumber & Woods Products	1,850	1,800	2,050	50	-200
Nondurable Goods	2,700	1,950	2,900	750	-200
Seafood Processing	1,900	1,200	1,800	700	100
Pulp Mills	550	550	850	0	-300
Mining	30,100	29,750	29,700	350	400
Transportation	3,250	3,100	3,300	150	-50
Trade	6,950	6,500	6,550	450	400
Wholesale Trade	550	550	550	0	0
Retail Trade	6,400	5,950	6,000	450	400
Finance-Ins. & Real Estate	1,350	1,350	1,350	0	0
Services & Misc.	6,650	6,350	6,400	300	250
Government	11,900	12,450	12,100	-550	-200
Federal	2,100	2,050	2,200	50	-100
State	5,300	5,350	5,350	-50	-50
Local	4,500	5,050	4,550	-550	-50

Anchorage-MatSu Region

	p/ 6/94	r/ 5/94	6/93	Changes from 5/94	Changes from 6/93
Total	133,150	129,750	129,650	3,400	3,500
Goods	13,650	12,300	13,050	1,350	600
Mining	3,300	3,250	3,500	50	-200
Construction	8,250	7,150	7,500	1,100	750
Manufacturing	2,100	1,900	2,050	200	50
Service-producing	119,500	117,450	116,600	2,050	2,900
Transportation	13,800	13,400	13,600	400	200
Trade	30,700	29,850	29,050	850	1,650
Finance-Ins. & Real Estate	7,450	7,400	7,250	50	200
Service & Misc.	35,450	34,100	34,750	1,350	700
Government	32,100	32,700	31,950	-600	150
Federal	12,050	11,750	12,050	300	0
State	8,450	9,200	8,400	-750	50
Local	11,600	11,750	11,500	-150	100

Gulf Coast Region

	p/ 6/94	r/ 5/94	6/93	Changes from 5/94	Changes from 6/93
Total Nonag. Wage & Salary	29,800	26,000	29,250	3,800	550
Goods-producing	9,000	6,250	9,100	2,750	-100
Mining	1,150	1,150	1,200	0	-50
Construction	1,650	1,350	1,200	300	450
Manufacturing	6,200	3,750	6,700	2,450	-500
Seafood Processing	5,000	2,550	5,350	2,450	-350
Service-producing	20,800	19,750	20,150	1,050	650
Transportation	2,300	2,200	2,300	100	0
Trade	5,450	4,850	5,150	600	300
Wholesale Trade	700	600	600	100	100
Retail Trade	4,750	4,250	4,550	500	200
Finance-Ins. & Real Estate	650	600	650	50	0
Services & Misc.	6,250	5,700	5,850	550	400
Government	6,150	6,400	6,200	-250	-50
Federal	700	700	700	0	0
State	1,700	1,750	1,750	-50	-50
Local	3,750	3,950	3,750	-200	0

Interior Region

	p/ 6/94	r/ 5/94	6/93	Changes from: 5/94	Changes from: 6/93
Total Nonag. Wage & Salary	36,650	35,850	36,050	800	600
Goods-producing	3,400	2,950	3,250	450	150
Mining	950	900	700	50	250
Construction	1,800	1,450	1,850	350	-50
Manufacturing	650	600	700	50	-50
Service-producing	33,250	32,900	32,800	350	450
Transportation	3,200	3,000	3,100	200	100
Trade	7,900	7,600	7,600	300	300
Finance-Ins. & Real Estate	1,250	1,100	1,200	150	50
Services & Misc.	8,250	7,900	8,100	350	150
Government	12,650	13,300	12,800	-650	-150
Federal	4,350	4,150	4,250	200	100
State	4,200	4,500	4,500	-300	-300
Local	4,100	4,650	4,050	-550	50

Fairbanks North Star Borough

	p/ 6/94	r/ 5/94	6/93	Changes from: 5/94	Changes from: 6/93
Total Nonag. Wage & Salary	31,500	30,850	30,550	650	950
Goods-producing	3,200	2,750	3,000	450	200
Mining	800	750	550	50	250
Construction	1,750	1,400	1,800	350	-50
Manufacturing	650	600	650	50	0
Service-producing	28,300	28,100	27,550	200	750
Transportation	2,450	2,350	2,300	100	150
Trucking & Warehousing	600	500	500	100	100
Air Transportation	650	600	650	50	0
Communication	300	250	300	50	0
Trade	7,300	7,050	6,950	250	350
Wholesale Trade	850	800	800	50	50
Retail Trade	6,450	6,250	6,150	200	300
Gen. Merch. & Apparel	1,200	1,200	1,000	0	200
Food Stores	750	700	750	50	0
Eating & Drinking Places	2,700	2,600	2,600	100	100
Finance-Ins. & Real Estate	1,200	1,050	1,100	150	100
Services & Misc.	7,350	7,000	7,100	350	250
Government	10,000	10,650	10,100	-650	-100
Federal	3,500	3,400	3,500	100	0
State	3,800	4,200	3,900	-400	-100
Local	2,700	3,050	2,700	-350	0

Southwest Region

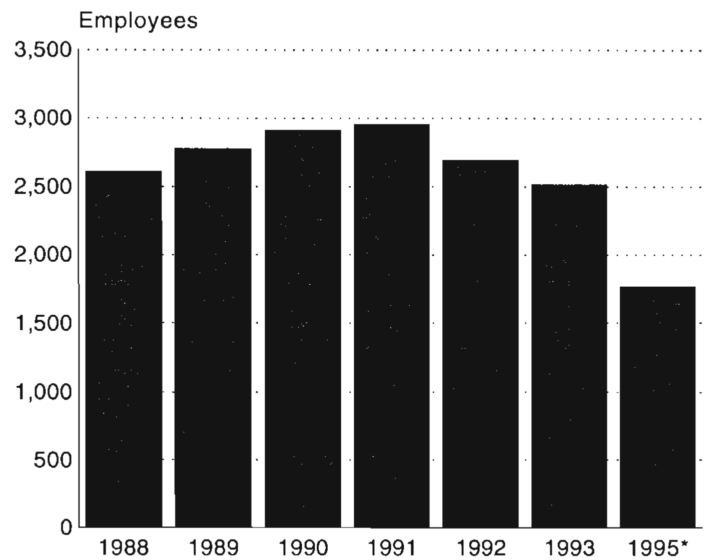
	p/ 6/94	r/ 5/94	6/93	Changes from: 5/94	Changes from: 6/93
Total Nonag. Wage & Salary	17,500	17,200	17,600	300	-100
Goods-producing	5,400	5,050	5,700	350	-300
Seafood Processing	4,900	4,650	5,250	250	-350
Service-producing	12,100	12,150	11,900	-50	200
Government	5,850	6,150	6,000	-300	-150
Federal	1,150	1,100	1,200	50	-50
State	500	500	600	0	-100
Local	4,200	4,550	4,200	-350	0

Northern Region

	p/ 6/94	r/ 5/94	6/93	Changes from: 5/94	Changes from: 6/93
Total Nonag. Wage & Salary	15,050	14,950	15,000	100	50
Goods-producing	5,200	5,450	5,350	-250	-150
Mining	4,350	4,200	4,850	150	-500
Service-producing	9,850	9,500	9,650	350	200
Government	4,700	4,400	4,650	300	50
Federal	250	200	250	50	0
State	350	350	350	0	0
Local	4,100	3,850	4,050	250	50

Figure • 3

ARCO Employment declines



** Estimated ARCO employment after layoffs are completed.*
Source: Alaska Department of Labor, Research & Analysis Section and ARCO Alaska Inc.

Table • 4

Unemployment Rates by Region & Census Area

	Percent Unemployed p/ 6/94	r/ 5/94
Alaska Statewide	7.5	8.6
Anch.-MatSu Region	6.7	7.2
Municipality of Anchorage	5.9	6.3
MatSu Borough	12.0	12.5
Gulf Coast Region	9.5	14.1
Kenai Peninsula Borough	10.2	12.0
Kodiak Island Borough	9.4	22.2
Valdez-Cordova	6.7	9.4
Interior Region	8.2	9.4
Denali Borough	3.9	7.3
Fairbanks North Star Borough	7.9	8.8
Southeast Fairbanks	9.6	13.6
Yukon-Koyukuk	13.7	16.9
Northern Region	11.6	11.5
Nome	12.9	13.4
North Slope Borough	4.7	4.1
Northwest Arctic Borough	19.1	18.5
Southeast Region	7.2	7.9
Haines Borough	6.6	8.2
Juneau Borough	5.8	5.9
Ketchikan Gateway Bor.	7.5	8.6
Pr. of Wales-Outer Ketch	10.4	11.6
Sitka Borough	9.5	11.3
Skagway-Yakutat-Angoon	6.5	9.2
Wrangell-Petersburg	7.1	7.3
Southwest Region	7.2	7.9
Aleutians East Borough	1.3	7.7
Aleutians West	2.2	2.1
Bethel	10.4	10.8
Bristol Bay Borough	2.6	2.8
Dillingham	9.8	9.0
Lake & Peninsula Borough	8.5	7.5
Wade Hampton	14.2	14.0
Seasonally Adjusted Rates		
Alaska Statewide	7.8	8.3
United States	6.0	6.0

p/ denotes preliminary estimates r/ denotes revised estimates
Benchmark: March 1993

- ***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 & Analysis Section.

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 790-4562

Petersburg: Phone 772-3791

Sitka: Phone 747-3347/3423/6921

Ketchikan: Phone 225-3181/82/83

The mission of the Alaska Employment Service is to promote employment and economic stability by responding to the needs of employers and job seekers.