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Press Release

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New Report Highlights Need for Alaska Hire Policies *Study shows nonresident hire rates and wages grew in 2014*

JUNEAU, Alaska—A new Department of Labor and Workforce Development report shows the nonresident hire rate grew in the year before Governor Walker took office, continuing a five-year trend. Some industries created more jobs for nonresidents than for Alaskans, and one industry saw a contraction in Alaska jobs alongside growth in jobs for nonresidents. Overall, Alaska's nonresident hire rate reached 20.8% and nonresidents took home \$2.6 billion in wages.

"This report highlights the need for Alaska Hire policies, and that is exactly what we're focused on," said Labor Commissioner Heidi Drygas. "Reversing the growth in nonresident hire won't be easy but we will do everything in our power to promote Alaska Hire."

Key Findings on Nonresident Hire During 2014:

- The number of nonresident workers grew by 1,691, to 87,888. This number eclipsed the number of new jobs for Alaska residents (1,478).
- Nonresident wages grew by 4.9%, higher than the 3.5% growth rate for Alaska residents.
- The oil industry created 515 new jobs for nonresidents and only 210 new jobs for Alaska residents, as the percentage of nonresidents in the oil industry grew to 35%.
- The construction industry created 604 new jobs for nonresidents and only 499 new jobs for Alaska residents, as the percentage of nonresidents in the construction industry grew to 22.2%.

Over the past year, the Walker administration has implemented key policies to promote Alaska Hire and reverse the growth in nonresident hire that occurred in 2014:

Alaska Hire Determination: In June 2015, the Walker Administration restored Alaska Hire requirements so Alaskans will get at least 90% of construction jobs on state projects.

Apprenticeship Utilization Administrative Order: In November 2015, Governor Walker signed Administrative Order 278, expanding state Apprenticeship Utilization requirements. Registered Apprenticeship programs directly contribute to higher rates of Alaska Hire and lower rates of unemployment by increasing the supply of trained workers: 92.2% of Registered Apprenticeship

graduates are employed in Alaska the year after program completion, compared to only 73.4% of those who dropped out.ⁱ

Health Care Apprenticeships: The Department of Labor and Workforce Development has won two competitive federal grants to support apprenticeship and pre-apprenticeship in the health care industry. This expansion of apprenticeship is designed to help employers meet workforce needs with Alaska workers in the fast growing health care industry.

The 2014 Nonresidents Working in Alaska report is available on the department's website at <http://laborstats.alaska.gov/reshire/nonres.pdf>.

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ⁱ Longitudinal Employment and Wage Outcomes of Registered Apprenticeship Programs, 5/2015, Alaska Department of Labor and Workforce Development, Research and Analysis Division.