

ALASKA ECONOMIC **TRENDS**

FEBRUARY 2013

Alaska's Hispanic Population

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Food and drink manufacturing in Alaska



ALASKA DEPARTMENT OF LABOR
& WORKFORCE DEVELOPMENT

Sean Parnell, Governor
Dianne Blumer, Commissioner

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February 2013
Volume 33
Number 2
ISSN 0160-3345

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Alaska Economic Trends is a monthly publication dealing with a wide variety of economic issues in the state. Its purpose is to inform the public about those issues.

Alaska Economic Trends is funded by the Employment Security Division of the Alaska Department of Labor and Workforce Development. It's published by the Research and Analysis Section.

Alaska Economic Trends is printed and distributed by Assets, Inc., a vocational training and employment program, at a cost of \$1.11 per copy.

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On the cover:
A snowy December day in Anchorage's Far North Bicentennial Park.
Photo courtesy of Douglas Brown

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Alaska's Hispanic and Latino population continues to grow



**By Dianne Blumer,
Commissioner**

This month's *Trends* focuses on Alaska's diverse and growing Hispanic population. Alaska is home to around 40,000 people of Hispanic or Latino origin. At 5.5 percent of Alaska's population, this is a smaller segment of our residents than the 16.3 percent of the national population.

Alaska's Hispanic population increased by almost 52 percent between 2000 and 2010, compared to 43 percent nationwide. This includes many Hispanic immigrants coming to our state for work opportunities, with the majority settling in or near Anchorage.

But immigrants are a small share of our Hispanic population, and that's just one of several differences between Alaska Hispanics and their counterparts down south. In Alaska, almost four out of five Hispanics were born in the U.S. They also have a higher education level, are younger, and have higher income.

Matanuska-Susitna Continues to Grow

This month we also explore the factors that continue to drive the growth in Alaska's Matanuska-Susitna Borough. For the past decade, population and new home construction growth have outstripped the rest of the state — up by more than half and driven by new residents moving to the area.

This growth is driven by the unique relationship between Mat-Su and its larger neighbor, Anchorage. Almost a third of Mat-Su's residents commute to Anchorage daily for work while preferring the lower housing costs and lifestyle of rural living, often with the chance to own a larger piece of land than their peers in urban Anchorage. One tradeoff is a high cost of commuting due to escalating fuel

prices, but that doesn't appear to have slowed Mat-Su's growth yet.

Helping Keep Alaskans and Workplaces Safe

Also in this issue, "Safety Minute" reminds us all to change the batteries in most smoke detectors once a year. The National Fire Protection Association estimates that two-thirds of the 3,500 lives lost each year were in homes without working smoke detectors.

Part of the Alaska Department of Labor and Workforce Development's mission is to help protect Alaska's workers, including wage and child labor protection, workplace safety compliance and enforcement, and inspection of mechanical devices including elevators.

The Alaska Safety Advisory Council promotes health and safety issues with an emphasis on workplaces in Alaska. The council hosts the annual Governor's Safety and Health Conference. This year's conference — Safety Pay\$: at Work, Home, and Play — will be March 18-20 at the Egan Center in Anchorage.

The conference includes training, speakers, and exhibits dedicated to keeping Alaska workers safer and more productive on the job. It will also include a presentation by a woman who kept her courage in the face of immense tragedy. Kina Repp will tell her story about sustaining a horrific injury when she was a young seafood worker in Alaska, but turning the experience into a life of coaching and positive example for others. More information about the Governor's Safety and Health Conference is online at <https://www.signup4.net/public/ap.aspx?EID=GOVE64E&OID=50>.

Alaska's Hispanic Population

Largest U.S. minority is growing part of Alaska

Alaska is home to people from many backgrounds, and its increasing diversity has become more apparent in recent decades as its economy and population have grown and changed rapidly.

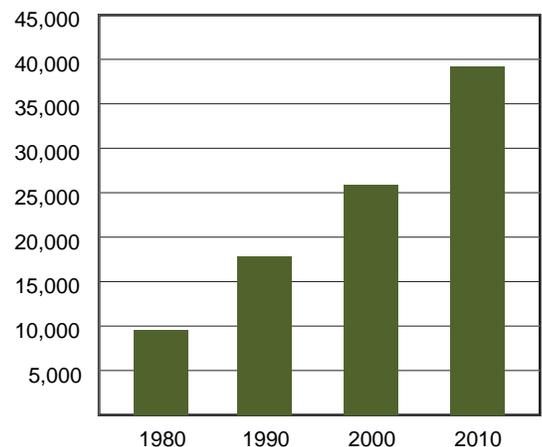
Though people of Hispanic or Latino origin make up a smaller share of the state population than the nation as a whole, they are a growing part of this ever-changing state and its economy. (See Exhibit 1.)

Hispanics are the largest minority group in the nation, at 16.3 percent and rising, making them the subject of much research and discussion. In Alaska, people of Hispanic or Latino origin made up 5.5 percent of the state's population in the 2010 Census, up from 4.1 percent in 2000. In numeric terms, the state's Hispanic representation increased by more than 13,000 people — that's 51.8 percent over the decade, which is considerably higher than the 43.0 percent growth nationwide.

Youth, migration add to growth

Alaska's Hispanic population is growing rapidly due to both net migration and natural increase — births minus deaths. Hispanics have a higher-

1 Hispanic Population Alaska, 1980 to 2010



Source: U.S. Census Bureau

than-average birth rate, which adds a large number of newborns to their population each year, and a lower overall death rate due to few people in the oldest age groups, both in Alaska and nationwide.

Growth by natural increase is closely related to a population's age structure, and similar to the nationwide Hispanic population, Alaskan Hispanics tend to be young. (See Exhibit 2.) Their median age was 24.4 in 2010, significantly younger than the statewide median of 33.8 years.

Part of the reason for the young makeup of Alaska's Hispanic population is that it lacks the large population of "baby boomers," or those born between 1946 and 1964. While the U.S. saw a steep increase in births after World War II, this was not the case for Latin American countries, where much of Alaska's older Hispanic population was born.

Many people from Latin American countries immigrated to the U.S. in the past few decades, and though migration for the group is difficult to esti-

Who is considered Hispanic or Latino

The U.S. Census Bureau defines Hispanic or Latino origin as an ethnicity rather than a race. The race question on census forms is separate from the ethnicity question, and people of Hispanic origin may be of any race.

Hispanics or Latinos are those who classified themselves in one of the following categories on the 2010 Census questionnaire: Mexican, Puerto Rican, Cuban, or "another Hispanic, Latino, or Spanish origin." The latter category includes those whose origins are Spain, the Spanish-speaking countries of Central or South America, or the Dominican Republic. "Origin" is also self-defined, and it can mean heritage, nationality group, lineage, or country of birth of that person or his or her parents or ancestors.

mate and predict, it's clear that Alaska's Hispanic population has grown due to moves. Review of the difference between population change and birth/death data shows that roughly half of Alaska's Hispanic population growth between 2000 and 2010 was due to migration.

Many move to Anchorage

Most immigrants move to the U.S. in search of work and opportunities often found in cities, and a large share of foreign-born Hispanics in Alaska have settled in Anchorage in recent decades. Reflecting the growing presence of Hispanics in the state, a Mexican consulate office was established in Anchorage in 2008.

As of 2010, Anchorage was home to 56.2 percent of Hispanic Alaskans compared to 41.1 percent of all Alaskans. (See Exhibit 3.) Within the Anchorage bowl, the Hispanic population is fairly evenly spread, with few areas being less than 4 percent or more than 15 percent Hispanic.

Beyond Anchorage and Alaska's more densely populated areas, there are somewhat higher shares of Hispanic residents in Aleutians East Borough and Aleutians West Census Area, where many work in the seafood industry. (See Exhibit 4.) The Kodiak Island Borough also has many people of Hispanic origin connected to the Coast Guard at Kodiak Station, just as the Fairbanks North Star Borough has a significant Hispanic population tied to Fort Wainwright.

Most were born in the U.S.

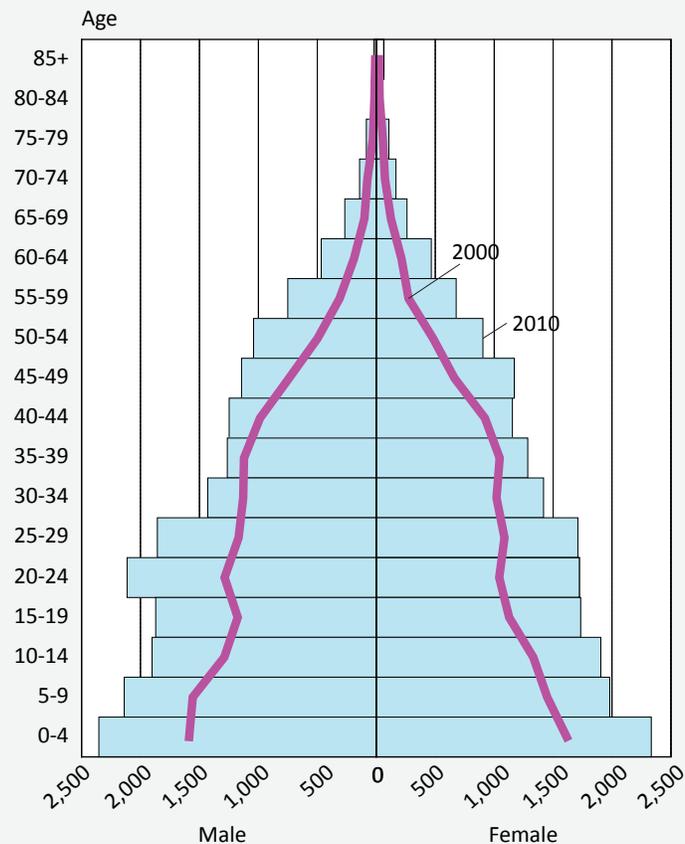
Most Hispanic Alaskans were born in the United States — 77.5 percent according to the 2006-2010 American Community Survey, which is higher than the nationwide percentage of 61.9. Another 9.5 percent in Alaska are naturalized citizens.

Over half the state's Hispanic population reported Mexican origin in the 2010 Census (55.1 percent), followed by Puerto Rican at 11.5 percent and Dominican at 4.9 percent.

Half of Hispanic Alaskans speak only English — 51.1 percent — and 88.0 percent report they speak English well. This is higher than the national average for Hispanics, where just 23.6 percent speak only English, and 77.2 percent speak it well.

2 Hispanics by Age and Sex

Alaska, 2000 and 2010



Source: U.S. Census Bureau

Education higher than Lower 48

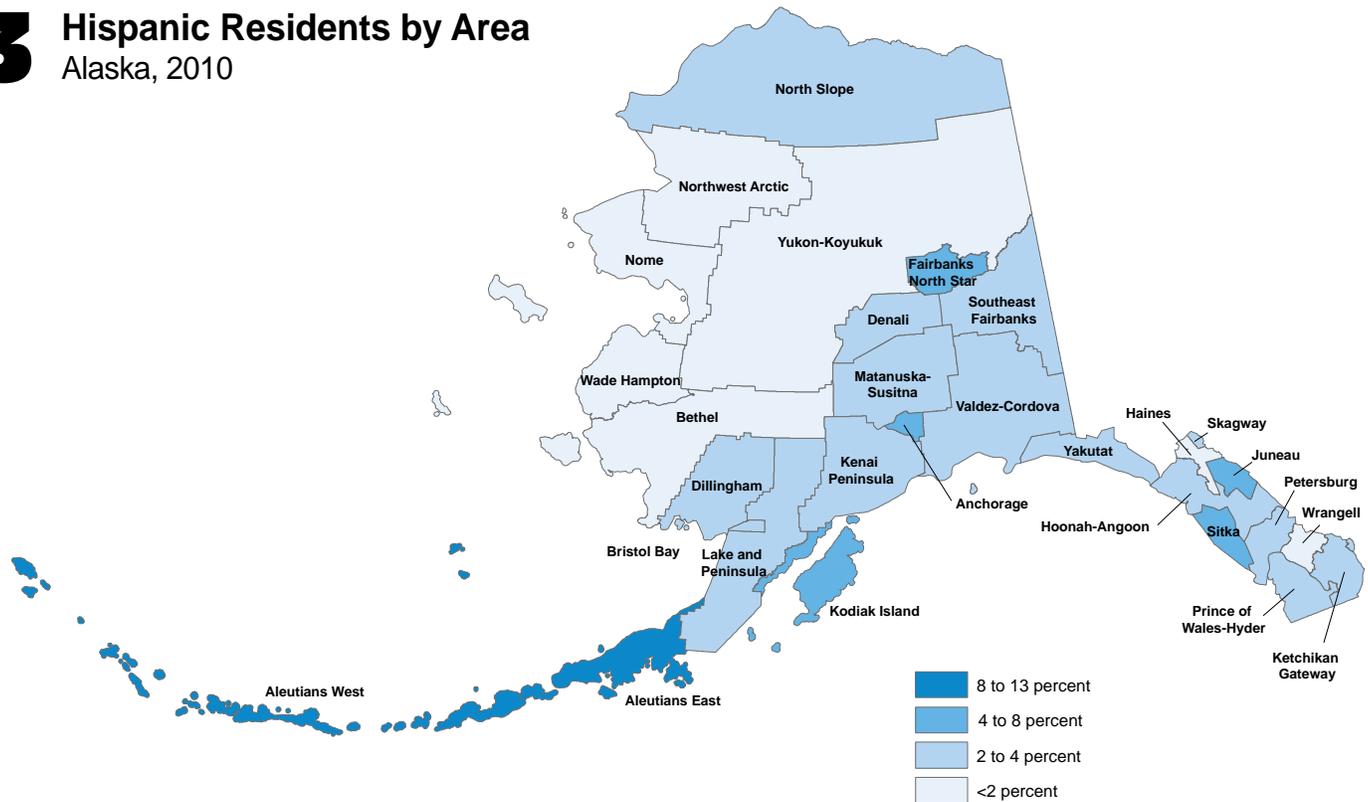
Though educational attainment levels among Hispanic Alaskans are lower than those for the state population as a whole, they have significantly higher education levels than Hispanics nationwide.

Among Hispanic Alaskans ages 25 or older, 76.7 percent have obtained at least a high school diploma, in contrast to 61.5 percent of Hispanics nationally and 90.7 of all Alaskans. Similarly, 18.2 percent of Alaskan Hispanics have at least a bachelor's degree, compared to 13.0 percent of Hispanics nationwide and 27.0 percent of all Alaskans ages 25-plus.

Labor force participation among Hispanics was comparable to that of the state as a whole from 2006 to 2010, at 77.5 percent and 72.0 percent respectively. Hispanics made up 5.2 percent of Alaska's labor force during that period.

3 Hispanic Residents by Area

Alaska, 2010



Source: U.S. Census Bureau

Area Name	Total Population	Hispanic Origin (any race)
State of Alaska	710,231	39,249
Aleutians East Borough	3,141	385
Aleutians West Borough	5,561	726
Anchorage, Municipality of	291,826	22,061
Bethel Census Area	17,013	181
Bristol Bay Borough	997	24
Denali Borough	1,826	42
Dillingham Census Area	4,847	101
Fairbanks North Star Borough	97,581	5,651
Haines Borough	2,508	47
Hoonah-Angoon Census Area	2,150	77
Juneau, City and Borough of	31,275	1,588
Kenai Peninsula Borough	55,400	1,641
Ketchikan Gateway Borough	13,477	538
Kodiak Island Borough	13,592	996
Lake and Peninsula Borough	1,631	43
Matanuska-Susitna Borough	88,995	3,301
Nome Census Area	9,492	115
North Slope Borough	9,430	249
Northwest Arctic Borough	7,523	58
Petersburg Census Area	3,815	130
Prince of Wales-Hyder Census Area	5,559	127
Sitka, City and Borough of	8,881	437
Skagway, Municipality of	968	21
Southeast Fairbanks Census Area	7,029	234
Valdez-Cordova Census Area	9,636	349
Wade Hampton Census Area	7,459	7
Wrangell, City and Borough of	2,369	37
Yakutat, City and Borough of	662	17
Yukon-Koyukuk Census Area	5,588	66

Note: As of April 2010
Source: U.S. Census Bureau

Relatively low poverty

Alaska's Hispanic population had relatively low per capita income from 2006 to 2010, at \$20,010 per year in contrast to Alaska's overall per capita income of \$30,726. However, age has a lot to do with income, and a large share of the young Hispanic population in the state isn't old enough to work. Median household income for Hispanic-headed households over that period — \$57,006 a year — was closer to the statewide median of \$66,521. Alaskans in general had a higher median household income than the national median of \$51,914.

Substantially fewer Hispanics were below the poverty level in Alaska than in the nation as a whole, at 11.6 percent in Alaska versus 22.4 percent nationally. That's a slightly higher poverty rate than the statewide estimate of 9.5 percent.

David Howell, a demographer with the Alaska Department of Labor and Workforce Development, contributed to this article.

The Matanuska-Susitna Boom

Borough's growth continues to eclipse rest of state

The Matanuska-Susitna Borough has been a continual economic standout in Alaska. Even in 2009 when employment stalled in Anchorage and the rest of the state, Mat-Su continued to add jobs. (See Exhibits 1 and 2.)

The borough's population has expanded as well, growing by about 4 percent each year compared to just over 1 percent a year in Anchorage. Although Mat-Su is home to 13 percent of the state's population, it absorbed three-quarters of the state's net in-migration over the past decade. And since 2004, more new housing units were built in Mat-Su each year than anywhere else in the state. (See Exhibit 3.)

A special relationship

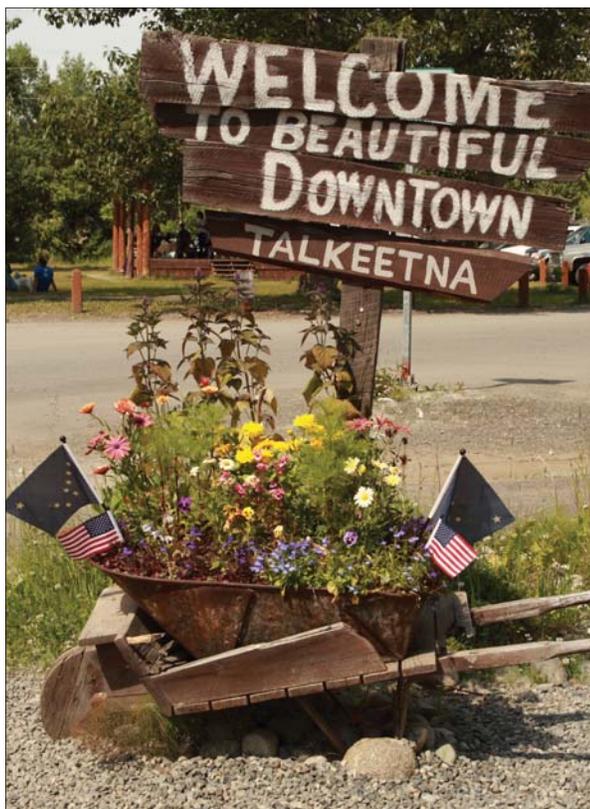
The primary explanation for the area's extraordinary growth is the economic interplay and symbiosis between Mat-Su and Anchorage, the state's largest city. This daily economic interaction between two political jurisdictions is not unusual in many parts of the country, but it is one of a kind in Alaska.

In the combined region, most new homes are built in Mat-Su, and most new residents that move to the area settle there even though many work in Anchorage. Average earnings for jobs in Anchorage are 37 percent higher than earnings in the Mat-Su Borough, and the average single family home in Mat-Su costs a third less than it would in Anchorage.

Nearly a third work in Anchorage

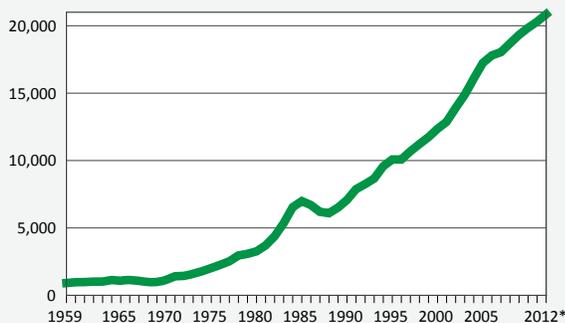
In 2010, approximately 31 percent of employed Mat-Su residents worked in Anchorage, but they took in nearly half the earnings. These commuters' earnings added up to \$576 million, slightly less than the \$596 million that Mat-Su residents earned at home. These numbers exclude commuters who work for the federal government, the uniformed military, and the self-employed, so they are conservative estimates.

It is also important to note that a significant group of



A welcome sign in Talkeetna, one of the communities in the Matanuska-Susitna Borough. Photo by Frank K.

1 History of Strong Growth Mat-Su employment, 1959–2012



*Estimate

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

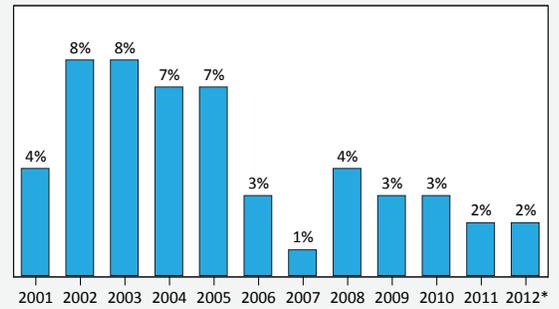
borough residents travel even farther to find work. (See Exhibit 4.) In 2010, 8 percent worked on the North Slope and earned \$236 million, or 16 percent of all Mat-Su resident earnings.

Home affordability in Mat-Su

As used here, “housing affordability” is a combination of a community’s average earnings and the cost of local housing. In other words, it measures how many wage earners it takes to pay the average mortgage.

If one were to look strictly at the number of Mat-Su wage earners it takes to afford the average borough home, the result doesn’t look much different from the affordability of the Anchorage housing market. In the first half of 2012, it took 1.39 wage earners to afford an average single-family home in

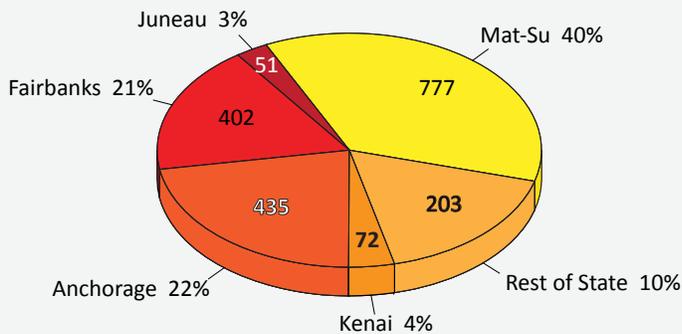
2 Job Growth Didn’t Falter Mat-Su Borough, 2001 to 2012



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

Mat-Su and 1.32 to quality for a home in Anchorage. This is because average earnings were lower in Mat-Su than in Anchorage. However, because so many Mat-Su residents work in Anchorage and other places where earnings are higher, the affordability equation changes considerably — an Anchorage worker needed a little less than one wage earner, or 0.98, to afford a home in Mat-Su.

3 Many New Housing Units Mat-Su vs. other areas, 2011



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

The high cost of commuting

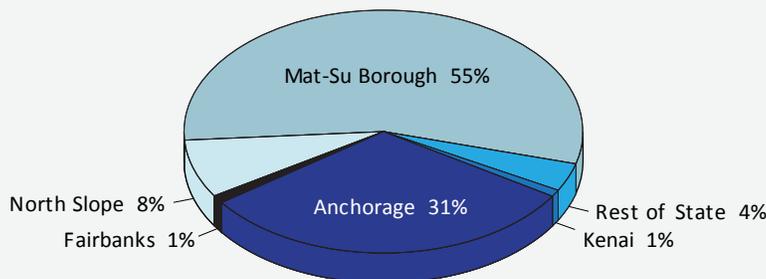
Other factors may make Mat-Su’s relatively affordable housing even more attractive to buyers, such as a more rural life style, the availability of alternative types of housing, and the ability to live on a larger piece of land.

The dramatic rise in gasoline prices is a potential drawback for commuters, though. The average Mat-Su commuter spent an average of \$143 monthly in gasoline in 2000 but spent \$351 in 2011, with prices not adjusted for inflation.

These higher transportation costs change the affordability picture and the desire to commute, but the data don’t show any clear reaction to these higher prices. Regardless, this long-term commuting trend is not likely to change any time soon because the availability of developable land continues to tighten in Anchorage.

The Mat-Su Borough’s competitive advantage is not limited to residential development, either. Mat-Su is likely to capture a significant share of Southcentral Alaska’s other future economic development. The recent opening of the Goose Bay Cor-

4 About Half Work Outside the Borough Mat-Su residents, 2010



Note: Excludes uniformed military, the self-employed, and federal workers.
Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

rectional Center in Wasilla might be an example of this trend.

Migration fuels growth

Between 2000 and 2012, the Matanuska-Susitna Borough's population grew by 58 percent, while Anchorage grew by 15 percent and the state as a whole grew 17 percent. (See Exhibit 5.)

The primary source of Mat-Su's growth was people moving in, making it one of the few places in the state that grew mostly because of migration. Since 2000, three-quarters of the borough's population growth was due to moves, and the balance came from natural increase, or births minus deaths. Over the same time period, Anchorage's population gain due to net migration was near zero.

Because the population in the borough has grown so much faster than in Anchorage, it now represents nearly a quarter of the Anchorage/Mat-Su region's total population, compared to 14 percent in 1990.

Within the borough, a vast majority of its 29 identified places or communities are above-average performers. Most are situated in a core area that begins with Palmer and runs along the Parks Highway through Wasilla, Meadow Lakes, and Knik-Fairview and ends in Houston.

The Knik-Fairview area is the largest census-designated place in Mat-Su, growing the fastest numerically in recent years and the second-fastest on a percentage basis. Growth was above-average even in the more distant communities of Willow and Talkeetna.

The borough's school enrollment numbers also corroborate its population surge. (See Exhibit 6.) Enrollment has continued to grow in Mat-Su, unlike statewide where enrollment peaked in 1999. During the past five years, the number of additional students in Mat-Su was larger than the Sitka school district's entire enrollment.

All industries gained jobs

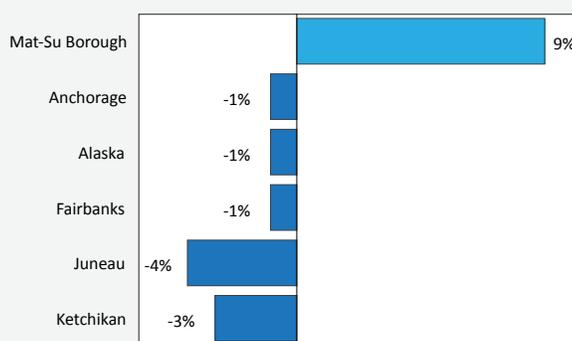
Employment has also grown faster in Mat-Su than anywhere else in the state. During the past decade,

5 Population by Community Matanuska-Susitna Borough, 2000 to 2012

Area	Population Estimate April 2000	Population Estimate July 2012	Population Change 2000-2012	% Change 2000-2012
Alaska	626,932	732,298	105,366	16.8%
Anchorage Municipality	260,283	298,842	38,559	14.8%
Matanuska-Susitna Borough	59,322	93,801	34,479	58.1%
Big Lake	2,435	3,502	1,067	43.8%
Buffalo Soapstone	761	872	111	14.6%
Butte	2,561	3,414	853	33.3%
Chase	43	35	-8	-18.6%
Chickaloon	213	243	30	14.1%
Eureka Roadhouse	28	24	-4	-14.3%
Farm Loop	975	1,036	61	6.3%
Fishhook	2,565	5,033	2,468	96.2%
Gateway	3,802	5,910	2,108	55.4%
Glacier View	238	235	-3	-1.3%
Houston city	1,202	2,012	810	67.4%
Knik-Fairview	6,985	16,126	9,141	130.9%
Knik River	582	744	162	27.8%
Lake Louise	88	50	-38	-43.2%
Lakes	6,604	8,729	2,125	32.2%
Lazy Mountain	1,160	1,558	398	34.3%
Meadow Lakes	4,720	8,188	3,468	73.5%
Palmer city	4,705	6,117	1,412	30.0%
Petersville	16	5	-11	-68.8%
Point MacKenzie	226	565	339	150.0%
Skwentna	111	35	-76	-68.5%
Susitna	37	16	-21	-56.8%
Susitna North	985	1,376	391	39.7%
Sutton-Alpine	1,080	1,427	347	32.1%
Talkeetna	731	894	163	22.3%
Tanaina	5,056	8,623	3,567	70.5%
Trapper Creek	423	475	52	12.3%
Wasilla city	5,504	8,207	2,703	49.1%
Willow	1,657	2,155	498	30.1%
Balance	3,829	6,195	2,366	61.8%

Source: Alaska Department of Labor, Research and Analysis Section

6 Jump in Enrollment Mat-Su vs. other areas, 2007 to 2012



Source: Alaska Department of Education and Early Development

Continued on page 15

Accountants and Auditors

A profile of jobs and wages in Alaska

Financial crisis, recession, “fiscal cliff” — these terms have worked their way into our daily language over the past few years. As a result, many average Americans may have begun to appreciate the importance of accurate and precise financial records and reporting.

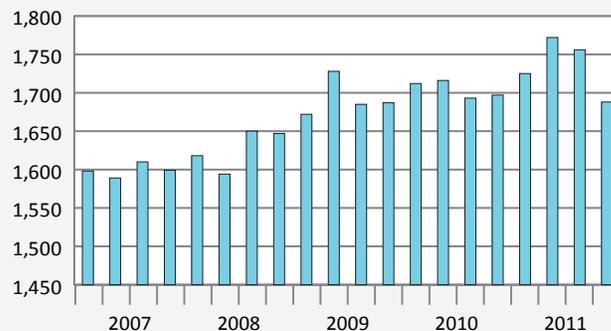
Those things are business as usual for an accountant or auditor, whose job is to maintain, prepare, interpret, and analyze financial documents and information. Their role is likely to become even more significant with changing regulations, a growing cry for fiscal transparency, and increasingly complex economic systems on the state, national, and global levels.

Job can be internal or external

The occupation “accountants and auditors” encompasses a variety of jobs and specializations, adding diversity to this field within the world of financial specialists. Job duties vary greatly depending on

2 Workers by Quarter

Alaska accountants and auditors, 2007–11



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

the organization or industry. While all accountants and auditors work with financial information, some do it strictly for internal use such as ensuring funds aren’t misallocated. Others focus just on taxes — either for individuals, businesses, or from within the government — to regulate and audit those who are expected to pay. Still others specialize in legal issues such as fraud and embezzlement.

External auditors are perhaps the most well-known within this occupation. External auditors usually review the financial information of an outside organization for accuracy and misrepresentation. Determining whether the organization is complying with laws and regulations is the basis of their work.

Work requires more education

Formal academic study is important in this field, as nearly all jobs in this occupation require a bachelor’s degree in accounting or a related field such as finance. Though higher-level degrees are not usually necessary, certifications and licenses for certain specialties can provide an edge when competing for jobs.

1 Financial Specialists’ Jobs and Wages

Alaska, 2011

Occupation	Number of Workers	Median Wage
Accountants and Auditors	1,930	\$53,046
Financial Specialists, All Other	517	\$43,118
Loan Officers	469	\$52,098
Financial Analysts	333	\$76,325
Tax Preparers	232	\$8,061
Appraisers and Assessors of Real Estate	167	\$56,582
Budget Analysts	164	\$62,821
Personal Financial Advisors	157	\$94,948
Insurance Underwriters	151	\$47,459
Financial Examiners	45	\$52,148
Tax Examiners and Collectors, and Revenue Agents	37	\$38,916
Credit Analysts	21	\$44,786
Credit Counselors	9	\$54,244

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

Most workers in the accounting and auditing field become certified public accountants, and in Alaska, 1,319 people have CPA licenses. In addition to a bachelor's degree and passing a four-part national exam, this license requires work experience. As accountants and auditors gain this experience and specialize, they can move into positions with higher responsibility.

Representation in Alaska

Of the 13 occupations in the larger financial specialist category, accountants and auditors are the state's largest by far, with 1,930 employed in 2011. The next-highest job numbers were in the "all other" category (517), followed by loan officers at 469 and financial analysts at 333. (See Exhibit 1.)

Worker numbers have increased by 9.2 percent over the past five years, from 1,768 accountants and auditors in 2007 to 1,931 in 2011. In 2011, they earned a total of \$108 million in wages.

While the total number of workers for each year has increased steadily, the gains were not uniform throughout the year. Though working as an accountant or auditor is generally a year-round, full-time job, more people worked in the second or third quarter in the past five years. (See Exhibit 2.) This may coincide with the fiscal year in most organizations, the peak time of year for many of Alaska's seasonal industries, or with recent college graduates obtaining entry-level jobs in the field.

Portable skills

Though many people end up specializing, their expertise can easily transfer anywhere there's a financial or monetary system. The skills needed to be successful in this field apply to most industries.

The top industries for jobs in this field in 2011 were public administration (490) and professional, scientific, and technical services (489). These were followed by finance and insurance, and health care and social assistance. These four industries have been the top employers in the past five years, though not always in this order. (See Exhibit 3.)

Specialization and high earnings

Accountants and auditors who have specialized industry knowledge, such as health care or min-

3 Workers and Wages by Industry

Alaska accountants and auditors, 2011

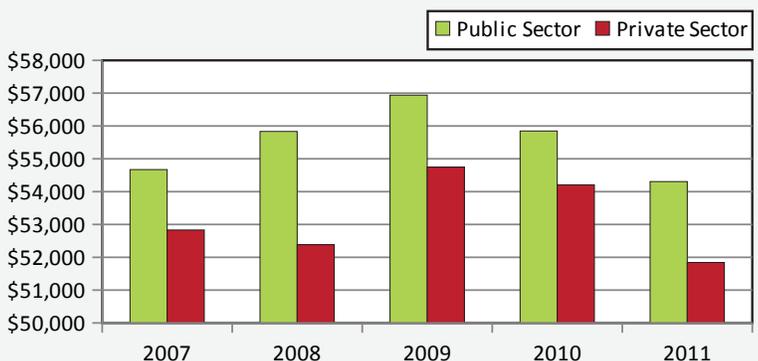
Industry	Number of Workers	Median Earnings	Total Earnings
Public Administration	490	\$54,294	\$25,705,147
Professional, Scientific and Tech Services	489	\$48,477	\$25,034,725
Finance and Insurance	162	\$54,843	\$10,280,289
Health Care and Social Assistance	147	\$48,062	\$7,513,109
Educational Services	88	\$53,930	\$4,552,824
Information	63	\$63,370	\$4,373,392
Administrative Support/Waste Management and Remediation	61	\$57,709	\$3,639,185
Mining	59	\$91,050	\$5,753,886
Construction	55	\$53,341	\$2,968,804
Real Estate and Rental and Leasing	54	\$51,853	\$3,018,388
Transportation and Warehousing	48	\$61,598	\$3,437,059
Utilities	38	\$63,367	\$2,392,485
Manufacturing	37	\$50,624	\$1,867,281
Retail Trade	37	\$47,728	\$2,425,550
Accommodation and Food Services	35	\$36,324	\$1,362,458
Management of Companies and Enterprises	31	\$51,424	\$1,851,700
Other Services	22	\$43,613	\$982,266
Wholesale Trade	10	\$66,749	\$610,275
Arts, Entertainment and Recreation	3	N/D	N/D
Agriculture, Forestry, Fishing and Hunting	2	N/D	N/D

N/D = Not disclosable

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

4 Public vs. Private Sector Wages

Alaska accountants and auditors, 2007 to 2011



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

ing, generally earn more than those in a more traditional or less specialized accountant or auditor position. However, median earnings are much more equal between the public and private sectors. In 2011, median earnings among 611 public sector accountants and auditors were \$54,305, whereas their 1,320 private sector counterparts earned \$51,841. (See Exhibit 4.)

5 Workers and Earnings by Residency

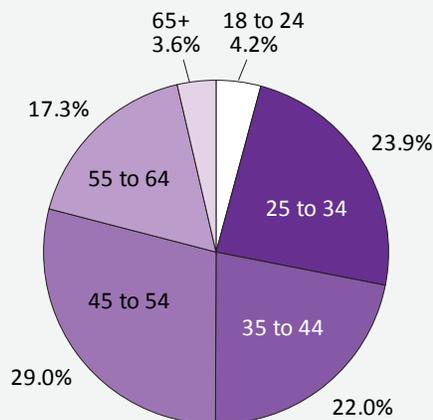
Alaska accountants and auditors, 2007 to 2011

Year	Nonresident Workers	Nonresident Median Earnings	Nonresident Total Earnings	Resident Workers	Resident Median Earnings	Resident Total Earnings
2007	126	\$22,806	\$4,147,165	1,642	\$54,850	\$95,256,057
2008	138	\$19,892	\$4,004,168	1,647	\$55,530	\$96,666,158
2009	147	\$23,419	\$4,677,377	1,697	\$57,020	\$102,407,810
2010	138	\$25,448	\$5,290,950	1,730	\$56,437	\$103,120,836
2011	177	\$16,700	\$5,241,128	1,754	\$54,858	\$102,759,809

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

6 Mostly Middle-Aged

Accountants and auditors, 2011



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

Most are residents

Over 90 percent of accountants and auditors working in Alaska over the past five years were considered residents. In 2011, only 9.2 percent of accountants and auditors were nonresidents, and they earned just 5.1 percent of all occupational wages. Nonresidents also had much lower median annual earnings, at \$16,700 in 2011 compared to \$54,858 for residents.

Like many occupations with higher education and experience requirements, the largest percentage of accountants and auditors are likely to be between the ages of 45 and 54, with more than half of the resident workers falling between the ages of 35 and 54. Younger workers, those ages 18 to 34, made up 28.1 percent and workers age 55 and older represented 21 percent. (See Exhibit 6.)

About these numbers

Worker numbers and income data used for this article are from the Occupational Database, which contains occupation and place of work information on each Alaska wage and salary worker covered by unemployment insurance. Resident information is based on matching data from Alaska Permanent Fund dividend applications to ODB data.

The Alaska Department of Labor and Workforce Development wage file

includes only those workers covered by Alaska unemployment insurance. Therefore, information wasn't available for self-employed workers or federal employees. The data set for this report consists of an unduplicated collection of wage records. In cases where workers had more than one job, their employment and total wages were assigned to the industry, employer, occupation, and area where they earned the majority of their wages in that year. All wages are adjusted for inflation and reported in 2011 dollars.

Employment Scene

Food and drink manufacturing outside of seafood

Seafood processing makes up most of the state's food and drink manufacturing, and it's the most visible piece due to its size and dramatic seasonal patterns. But there's more to the story when it comes to food and drink manufacturing in Alaska. Alaskans create a range of edibles, some for their own consumption and some to send all over the world, from canned meat to fresh tortillas.

Decline after Hostess closure

In 2011, nearly 500 Alaska jobs were in food manufacturing, excluding seafood processing. These jobs made up just 0.2 percent of total state employment — even less than the 1 percent nationwide.

Food manufacturing employment in Alaska has stayed relatively stable over the years, hovering around 450 jobs over the last decade. However, industry employment will decline in 2013 with Hostess job cuts. Anchorage's Sunrise Bakery is owned by Hostess, and it was a casualty of the Hostess bankruptcy and subsequent shutdown. According to the Anchorage Daily News, nearly all of the 90 factory workers were laid off as of Nov. 14, 2012.

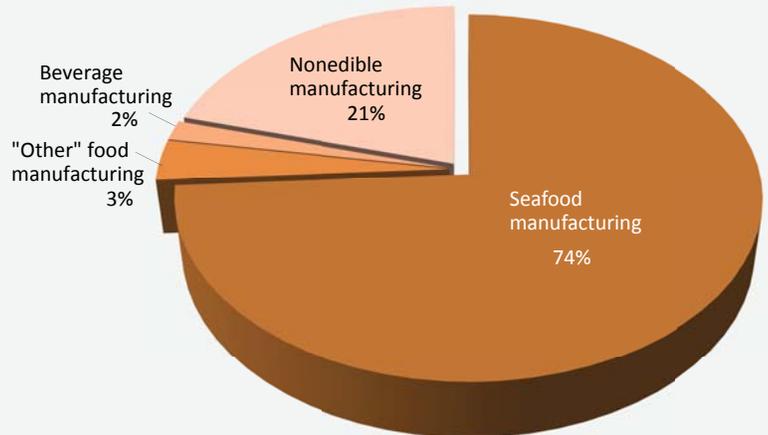
Some of those jobs may be recouped as other bakeries increase their hiring and production to fill the demand, but the closure's long-term effects aren't yet clear.

Businesses brew coffee, beer

Beverage manufacturing has increased its employment by approximately 118 percent since 2007, and now provides about 240 jobs in the state.

Alaskans make several local beverages, with several brands of bottled water as the simplest. Coffee roasting has also grown in recent years, and there are now roasters in Juneau, Soldotna,

1 Types of Manufacturing Employment Alaska, 2011



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

Anchorage, Ketchikan, and Palmer.

Alaska's other notable brews are a little stronger. Beer brewing companies such as Alaskan Brewing in Juneau have been in the state for decades, but the industry has expanded recently to other areas of the state such as Talkeetna, Nikiski, Kodiak, and Anchorage. Distilleries have also come into the spotlight in recent years.

Higher wages in drink than food

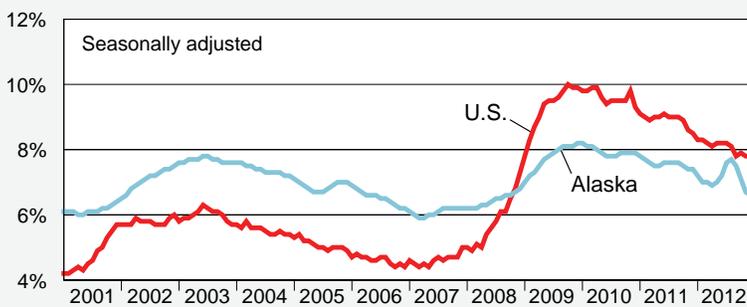
Food manufacturing employees tend to earn less than the average Alaska worker, at about \$26,800 per year versus the \$48,900 statewide average. However, the difference may be due in part to a higher rate of part-time jobs or low experience and education requirements.

Drink manufacturers tend to make more money than those manufacturing food, at \$31,900 a year — closer to the statewide average wage.

Continued on page 14

2 Unemployment Rates

January 2001 to December 2012



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

4 Unemployment Rates

Boroughs and census areas

SEASONALLY ADJUSTED	Prelim. Revised		
	12/12	11/12	12/11
United States	7.8	7.8	8.5
Alaska Statewide	6.6	6.7	7.4
NOT SEASONALLY ADJUSTED			
United States	7.6	7.4	8.3
Alaska Statewide	7.1	6.5	7.6
Anchorage/Mat-Su Region	5.8	5.4	6.3
Municipality of Anchorage	5.2	4.9	5.5
Matanuska-Susitna Borough	8.0	7.4	8.9
Gulf Coast Region	8.9	7.9	10.1
Kenai Peninsula Borough	8.4	7.8	9.4
Kodiak Island Borough	9.4	6.9	12.1
Valdez-Cordova Census Area	11.2	10.1	11.2
Interior Region	7.2	6.6	7.7
Denali Borough	20.5	19.0	20.6
Fairbanks North Star Borough	6.2	5.6	6.6
Southeast Fairbanks Census Area	11.5	10.7	11.1
Yukon-Koyukuk Census Area	15.4	13.6	15.9
Northern Region	8.7	8.4	8.9
Nome Census Area	10.5	10.1	10.8
North Slope Borough	4.6	4.8	4.9
Northwest Arctic Borough	13.9	12.9	13.2
Southeast Region	7.5	6.7	8.0
Haines Borough	10.7	9.3	11.8
Hoonah-Angoon Census Area	22.7	18.9	21.8
Juneau, City and Borough of	5.0	4.7	5.0
Ketchikan Gateway Borough	7.5	6.6	8.2
Petersburg Census Area ¹	13.4	10.8	14.5
Prince of Wales-Hyder Census Area	13.1	12.0	15.5
Sitka, City and Borough of	6.1	5.3	6.8
Skagway, Municipality of	23.5	22.0	26.3
Wrangell, City and Borough of	10.8	8.1	11.6
Yakutat, City and Borough of	9.5	9.2	13.4
Southwest Region	15.1	13.7	15.3
Aleutians East Borough	28.6	18.7	27.5
Aleutians West Census Area	19.7	13.9	19.7
Bethel Census Area	13.5	13.4	13.4
Bristol Bay Borough	8.6	6.3	8.8
Dillingham Census Area	10.8	10.0	10.9
Lake and Peninsula Borough	8.0	6.6	7.9
Wade Hampton Census Area	18.9	19.1	21.0

EMPLOYMENT SCENE

Continued from page 13

Most production is urban

Food and drinks are manufactured around the state, but like most industries in Alaska, the majority of all “other” food and beverage manufacturing — 61 percent — occurs in Anchorage. Other areas with notable production include the Fairbanks North Star Borough, the City and Borough of Juneau, the Matanuska-Susitna Borough, and the Kenai Peninsula Borough.

3 Statewide Employment

Nonfarm wage and salary

Alaska	Preliminary		Revised		Year-Over-Year Change	
	12/12	11/12	12/11	12/11	90% Confidence Interval	
Total Nonfarm Wage and Salary¹	314,900	317,800	313,200	1,700	-4,377	7,777
Goods-Producing ²	33,900	36,400	33,500	400	-2,566	3,366
Service-Providing ³	281,000	281,400	279,700	1,300	—	—
Mining and Logging	16,600	16,700	15,900	700	-535	1,935
Mining	16,300	16,400	15,800	500	—	—
Oil and Gas	13,100	13,200	13,100	0	—	—
Construction	12,100	12,800	12,400	-300	-1,813	1,213
Manufacturing	5,200	6,900	5,200	0	-2,359	2,359
Wholesale Trade	6,400	6,500	6,000	400	61	739
Retail Trade	35,100	34,900	35,100	0	-784	784
Food and Beverage Stores	6,200	6,200	6,300	-100	—	—
General Merchandise Stores	9,900	9,900	10,000	-100	—	—
Transportation, Warehousing, Utilities	20,700	20,600	20,500	200	-634	1,034
Air Transportation	5,700	5,600	5,600	100	—	—
Information	6,300	6,300	6,400	-100	-375	175
Telecommunications	3,900	4,000	4,100	-200	—	—
Financial Activities	15,000	14,600	14,800	200	-667	1,067
Professional and Business Services	26,500	27,100	26,600	-100	-1,456	1,256
Educational⁴ and Health Services	46,800	47,100	45,100	1,700	565	2,835
Health Care	32,700	32,800	31,800	900	—	—
Leisure and Hospitality	27,900	28,000	28,500	-600	-3,269	2,069
Other Services	10,900	11,000	10,800	100	-721	921
Government	85,400	85,300	85,900	-500	—	—
Federal Government ⁵	15,700	15,400	16,300	-600	—	—
State Government ⁶	26,200	26,500	26,200	0	—	—
State Government Education ⁷	8,600	8,600	8,500	100	—	—
Local Government	43,500	43,400	43,400	100	—	—
Local Government Education ⁸	26,200	26,200	25,600	600	—	—
Tribal Government	3,800	3,800	4,000	-200	—	—

A dash means confidence intervals aren't available at this level.

¹Excludes the self-employed, fishermen and other agricultural workers, and private household workers. For estimates of fish harvesting employment and other fisheries data, go to labor.alaska.gov/research/seafood/seafood.htm.

²Goods-producing sectors include natural resources and mining, construction, and manufacturing.

³Service-providing sectors include all others not listed as goods-producing sectors.

⁴Private education only

⁵Excludes uniformed military

⁶This number is not a count of state government positions, but the number of people who worked during any part of the pay period that included the 12th of the month (the same measure used for all employment numbers in this table). The numbers can vary significantly from month to month; when attempting to identify trends, annual averages are more useful.

⁷Includes the University of Alaska. Variations in academic calendars from year to year occasionally create temporarily large over-the-year changes.

⁸Includes public school systems. Variations in academic calendars from year to year occasionally create temporarily large over-the-year changes.

Sources for Exhibits 2, 3, and 4: Alaska Department of Labor and Workforce Development, Research and Analysis Section; and U.S. Department of Labor, Bureau of Labor Statistics

Safety Minute

Change most smoke, carbon monoxide detector batteries yearly

The humble smoke detector has an amazing track record of saving lives. Having a working smoke detector doubles your chances of surviving a home fire. According to the National Fire Protection Association, of the 3,500 annual fire deaths in the U.S., two-thirds were in homes lacking a working smoke detector.

When smoke alarms fail, it's usually because batteries are missing, disconnected, or dead — and nearly a quarter of smoke alarm failures are due to dead batteries. These batteries must be tested on a regular basis and, in most cases, should be replaced at least once a year (except lithium batteries).

Smoke detectors fall under two basic types, ionization and photoelectric, and they each detect different types of fires. The U.S. Fire Administration recommends people equip each floor of every residence and place where people sleep with both kinds of smoke detectors, or with dual sensor alarms.

Smoke alarms are battery-powered or hardwired to the home's electrical system. If the smoke alarm is powered by battery, it runs on either a disposable 9-volt battery or a non-replaceable 10-year lithium ("long-life") battery. Hardwired alarms typically have a backup battery, and it may need to be replaced.

Another relatively inexpensive protector of life in the home is a carbon monoxide detector. Often called the silent killer, carbon monoxide is an invisible, odorless, colorless gas created when fuels such as gasoline, wood, coal, charcoal,

natural gas, propane, oil, and methane burn incompletely. In the home, heating and cooking equipment that burns fuel can produce carbon monoxide. CO poisoning is cumulative. A low level of exposure for a long period of time can be just as dangerous as a high concentration for a short period.

Statistics vary, but carbon monoxide poisoning is estimated to kill between 200 and 700 people per year in the U.S. For every death, another five people require a hospital visit. Even the lower statistics make carbon monoxide the leading cause of poisoning death in the U.S.

Carbon monoxide poisoning presents flu-like symptoms without a fever, making it easy to misdiagnose. Only about one case in 10 appears to be diagnosed at all. In over 60 percent of cases, CO poisoning is discovered only when someone collapses, and 30 to 40 percent of the time it's discovered during equipment repairs. Routine service calls for cleaning or adjustment will uncover CO poisoning in less than 10 percent of cases.

If the carbon monoxide alarm sounds in your home, immediately seek fresh air outside or near an open window or door, ensuring everyone in the home is accounted for. Call for help from a fresh air location and stay there until emergency personnel arrive.

For more information or help developing your business safety and health program, contact Consultation and Training at the Department of Labor and Workforce development's Occupational Safety and Health Section, 3301 Eagle Street, Suite 305, Anchorage, AK, 99503 or (800) 656-4972.

MATANUSKA-SUSITNA

Continued from page 9

area employment grew by over 50 percent, more than four times as fast as Anchorage and state-wide. Every industry contributed new jobs during this period, with gains of 1,000 or more in retail, health care, leisure and hospitality, and government.

Most of this growth was a direct reaction to the area's population gains, with retail and health care as clear examples. During this period, the retail landscape in the borough transformed, and the area added the Mat-Su Regional Medical Center and the Valley Native Primary Care Center. Neither of these facilities existed at the beginning of

the decade, but they now rank among the area's largest employers.

Leisure and hospitality also got a big boost from the growing population and the expansion of the Mat-Su visitor sector. Smaller industries such as financial activities and professional and business services also made a strong showing.

The trend is likely to continue

If Southcentral's economy continues to grow, the Mat-Su Borough is unlikely to relinquish its position as one of the strongest economic performers in the state. And because Mat-Su residents work all over the state, its future is also directly linked to the broader health of the state's economy.