

ALASKA ECONOMIC

TRENDS

March 1995

DECEMBER NUMBERS
MARK SEASONAL
DOWNBEAT



NUMBER OF NONRESIDENT WORKERS DECLINES IN '93

ALASKA DEPARTMENT OF LABOR • TONY KNOWLES, GOVERNOR

ALASKA ECONOMIC TRENDS

Contents

Alaska Economic Trends is a monthly publication dealing with a variety of economic-related issues in the state.

Alaska Economic Trends is funded by the Employment Security Division and published by the Alaska Department of Labor, Research and Analysis Section, P.O. Box 25501, Juneau, Alaska 99802-5501, Telephone: (907) 465-4500. Telefax: (907) 465-2101.

Editor's Note: The views presented in guest articles in *Alaska Economic Trends* do not necessarily reflect the views of the Alaska Department of Labor.

*Tony Knowles, Governor,
State of Alaska*

*Tom Cashen, Commissioner,
Department of Labor*

*Chuck Caldwell, Chief,
Research and Analysis Section*

J. Pennelope Goforth, Editor

**March 1995
Volume 15
Number 3**

ISSN 0160-3345

**Alaska
Employment
Service**



1 Number of Nonresident Workers
Decline in 1993

5 Alaska's Employment Scene
December Numbers Mark
Seasonal Downbeat

Employment Scene Tables:

6 Nonagricultural Wage and Salary
Employment—Alaska & Anchorage

6 Hours and Earnings for
Selected Industries

7 Nonagricultural Wage and Salary
Employment in Other Economic Regions

8 Unemployment Rates by
Region and Census Area

This publication, released by the Department of Labor's Employment Security Division and Research and Analysis Section, was produced at a cost of \$.50 per copy.

Cover design by Jim Fowler

Printed and distributed by
ASETS*, a vocational training
center and employment
program.



Number of Nonresident Workers Declines in 1993

by Kathryn Lizik

Against the backdrop of an outstanding year (1993) for employment and earnings in Alaska, the number of working nonresidents¹ declined for the first time since 1987. (See Figure 1.) While the decrease was small, 2.9 percent or about 2,300 workers less than 1992, the fact it happened at all is significant. Practically every industry sector was fueling Alaska's economy during 1993 with noteworthy contributions by construction, services and retail trade. Overall, there were 5,300 more wage and salary workers employed at some time in Alaska in 1993 than were employed in 1992. Based on the experience of the prior six years, it was expected that the percent nonresident workers would have increased, or at the very least, held its own.

It is likely that Department of Labor initiatives of the past few years which encouraged the hiring of residents by major outside companies and focused on improving the referral services of putting residents in touch with job openings, started paying off. As a result more Alaskan workers were hired for a greater share of both seasonal and year round jobs. Alaskans were better able to meet the needs of employers and employers were more willing to hire Alaskans.

Each year the Department of Labor estimates the number of residents and nonresidents working by industry, area and occupation by matching workers social security numbers from the Alaska Department of Revenue permanent fund dividend file with earnings and occupation data collected from Alaska's employers. While there are some limitations to the data, the information provides a good approximation of the effect of nonresident workers on the Alaska economy. A more detailed methodological discussion can be found at the end of this article.

Nonresident earnings up, but just slightly

Over \$846 million in wages was paid out to nonresidents in 1993. Although the total amount paid to nonresidents in 1993 was \$6 million more than was paid to nonresidents in 1992, the share of total earnings paid to nonresidents in 1993 declined slightly from the prior year. Nonetheless, nonresidents earned an amount greater than all wages paid to Alaska state government workers in the same year.

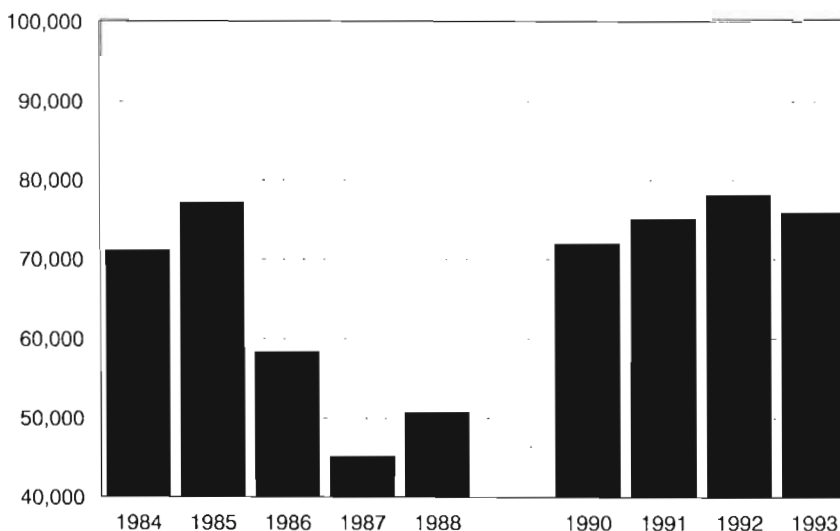
Interestingly enough, in every industry but two, the total wages paid to nonresidents were less than the total wages paid to residents. This is due in part to the seasonality of jobs typically held by nonresident workers, and the lower entry level pay. Many seasonal jobs tend to require a less skilled workforce, which in turn dictates a lower wage. Nonresidents also tend to have less of

Kathryn Lizik is a labor economist with the Research and Analysis Section, Administrative Services Division, Alaska Department of Labor. She is located in Juneau.

¹ Nonresidents are defined as those workers that did not apply or qualify for a Permanent Fund Dividend in 1993 or 1994.

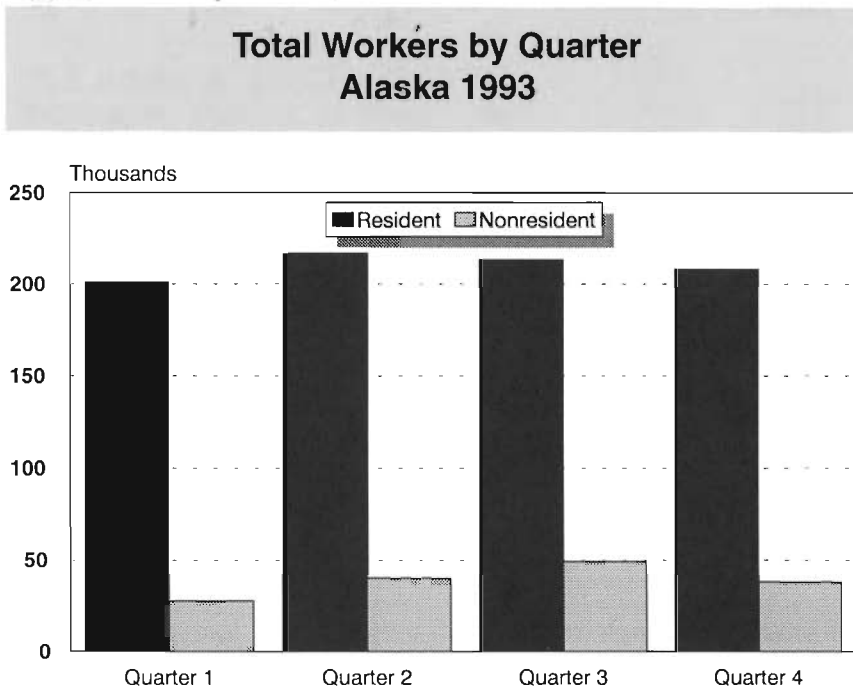
Figure • 1

Number of Nonresident Workers Alaska 1984-1993



Note: Includes private sector, state and local government workers.
Source: Alaska Department of Labor, Research and Analysis Section.

Figure • 2



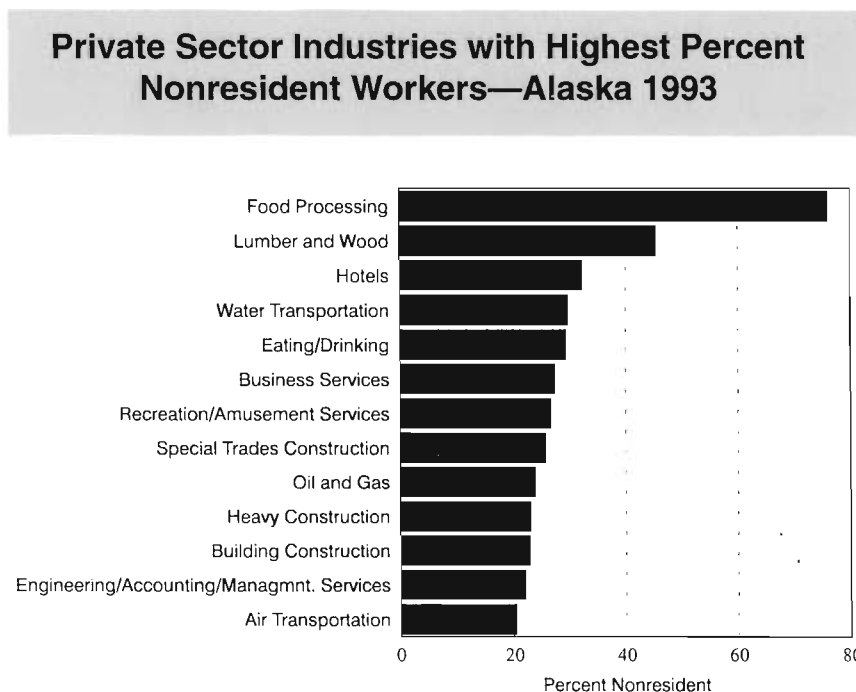
Note: Includes private sector, state and local government workers.
Source: Alaska Department of Labor, Research and Analysis Section.

an attachment to the Alaska labor market. On average nonresidents worked during only two calendar quarters, where residents are found to more likely work 3.3 calendar quarters. During the third quarter of 1993 over 49,000 nonresidents were working in Alaska, while only 27,500 were working in the first quarter of 1993. (See Figure 2.) Nonresidents earned on average 50 percent less than residents in private sector jobs in 1993 or approximately \$11,000 versus \$22,500 for resident workers.

Where do all the nonresidents work?

Of particular interest are those industries and areas of the state which tend to lure the most nonresident workers. (See Figure 3.) Historical data shows a high incidence of nonresidents associated with seafood processing, and any peripheral occupations related to this industry. The year 1993 was no exception even given the overall declines and losses in bottomfish and crab in southwestern Alaska, the bust relating to herring and pink salmon in Prince William Sound and the critically low returns of chum salmon in the Western regions.

Figure • 3



Note: Industries with 2,500 or more workers.
Source: Alaska Department of Labor, Research and Analysis Section.

Of the more than 28,500 workers in the food processing sector of the manufacturing industry, 76% were identified as nonresident. Most of the jobs in this sector are specific to preparing fresh, frozen, or canned fish and seafood. Even given the size differential represented by those working in the canning sector (6,270) and those in fresh and frozen processing (21,754) the relative shares of nonresident workers (77.6% and 76.8% respectively) were remarkably close.

The proportion of earnings in seafood processing also remained high with close to 64% of the \$259 million going to nonresident workers.

As would be expected, the areas of the state which attracted the highest percentage of nonresident workers were those which typically host seafood industry jobs. The Aleutians East Borough led the pack with over 87 percent nonresidents employed in the private sector arena. Close behind were the

Bristol Bay Borough (79.7%), Aleutians West (74.2%), Lake and Peninsula Borough (72.1%), Wrangell-Petersburg (53.7%) and Kodiak Island Borough (47.3%). (See Figure 4). All areas reported substantially higher percentages of nonresident workers than the statewide average of 26.6%

business services (27.4%), motion pictures (29.7%), recreation services (26.7%) and miscellaneous services (32%) within the services industry.

Information can help Alaskans

This report identifies where nonresidents are employed and where new workers are needed to fill shortages in Alaska's labor supply. The information can also be used to target and evaluate placement, training, and other programs that can improve resident employment opportunities throughout the entire economy. Earnings and occupation characteristic information contained in the Alaska Department of Labor Occupational Data Base can enable program planners and policy makers to identify industries, occupations and even firms with large numbers of nonresidents. In addition, the data base can identify occupational turnover as well as new and emerging occupations. By developing and providing comprehensive informa-

The largest total number of nonresident workers were employed in Anchorage, Kenai, and Fairbanks. Almost 35,000 nonresidents were employed in these areas in 1993. In terms of nonresident earnings, Anchorage made up over 37 percent of the statewide private sector total.

Despite overall decline, some industries still attracted many nonresidents

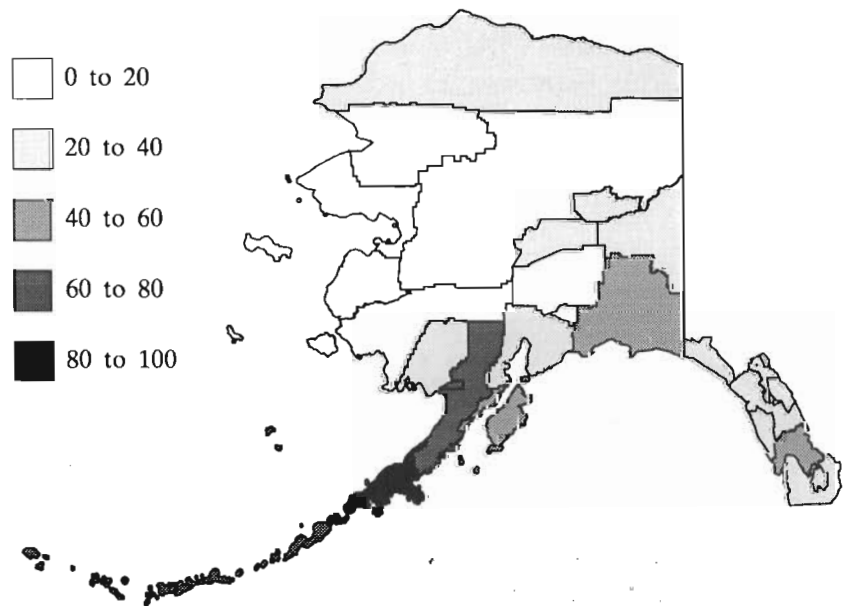
While the total number of nonresident workers was down about 2,300 from 1992, in some industries the numbers or percentages were up. In 1993, nonresident workers in the oil and gas sector of the mining industry earned \$130 million, almost \$13 million more than 1992. While the actual number of nonresident workers barely changed over the two years, a one thousand worker reduction in resident workers served to increase the share nonresidents represented of both total workers and total earnings. The oil industry continues to hold its position as the industry sector with the second highest total dollars paid to nonresidents.

The construction industry was no stranger to growth during 1993 either. Residential, commercial and public projects all were booming statewide. Close to 2,300 more construction jobs were reported over 1992 and the nonresident share of workers and earnings was up as well. Over 5,200 nonresident workers in the building, heavy construction and special trades earned almost \$81 million or 16% of all wages paid in this industry.

Other industries which attracted a larger share of nonresident workers than the statewide average (26.6%) were lumber and wood (45%) in manufacturing; water transportation (29.7%); eating and drinking places (29.4%) in retail trade; and hotels (32%),

Figure • 4

Percent Nonresident Workers Alaska 1993



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

tion to Alaskans, the Department of Labor can help Alaskans plan their careers in the context of job market opportunities and training requirements. This information is also useful in encouraging economic development opportunities in the state.

Methodology

Alaska residency is determined by matching the Alaska Department of Revenue permanent fund dividend (PFD) file with the Alaska Department of Labor wage file. The PFD file is a list of Alaskans who either applied for or received a PFD. The wage file contains quarterly earnings and industry information on workers covered by unemployment insurance within Alaska. Workers included in the wage file are considered Alaska residents if they either received a 1993 PFD or applied for a 1994 PFD. The small number of workers with missing social security numbers are excluded from the analysis. Information from both the 1992 and 1993 calendar years, used to determine dividend eligibility for 1993 and 1994, is used to improve the accuracy of the residency classification.

There are some limitations to the data. Persons who did not provide a social security number on their permanent fund dividend

application or who were eligible for a dividend but did not apply were not counted as residents. Also excluded were persons who established residency during 1993 but did not meet eligibility requirements for the 1994 Permanent Fund Dividend. Finally, if certain ownership, industry or occupation codes were missing from the wage file, those records were excluded from the tally.

The Department of Labor wage file includes only those workers covered by Alaska unemployment insurance. Therefore, information is not available for self-employed individuals or federal government employees. Nevertheless, the workers covered by this analysis are representative of the Alaska work force. The analysis offers a good approximation of the effect of nonresident workers on the Alaska economy.

In this report, each individual is counted only once. If an individual worked for more than one firm or industry, the industry (and associated geographic area) where that individual earned the most money is used to show that industry's resident hire performance. The earnings and industry data contained in this report is by definition different from that contained in other Department of Labor reports.

December Numbers Mark Seasonal Downbeat

by John Boucher

Alaska's unemployment rate increased one-half of one percentage point in December, climbing from 7.4% to 7.9%. The increased unemployment rate was a result of the continuing seasonal slow down in the state's economy. The largest seasonal job losses were counted in construction, timber and fish processing. The comparable national unemployment rate (civilian, not seasonally adjusted) in December was 5.1%. (See Table 4.)

While unemployment increased statewide, the increases tended to be concentrated in areas that are more dependent on seasonal industries for economic activity. For example, the Gulf Coast region's unemployment rate of 14.4% was the highest in the state. Not surprisingly, the fishing and visitor industries are big employers in this region. On the other hand, Anchorage's 6.3% unemployment rate was among the state's lowest, moving up one-tenth of a percentage point from November. Due to a larger year-round employment base, the Anchorage area's economy tends to fluctuate less with the changing seasons than most other areas of the state.

surge was slightly short of its normal pace. The reason is not necessarily a slower economy or lower overall sales. The most likely cause is the huge increase in overall retail capacity added to the Alaskan market during the past two years. Slower retail trade growth in December is likely a harbinger of the industry's outlook for 1995. Most of the new retail facilities have been completed and, as that expansion ends, the year-over-year gains in employment will begin to dissipate.

Southwest fisheries slower in December

Another portion of the economy which did not perform as well as seasonal expectations is Alaska's fishing industry. Fish processing employment in Southwestern Alaska is down more than 20% from last December's levels. Processors in the region attributed this year's lower employment figures to a combination of factors. Shellfish closures combined with

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

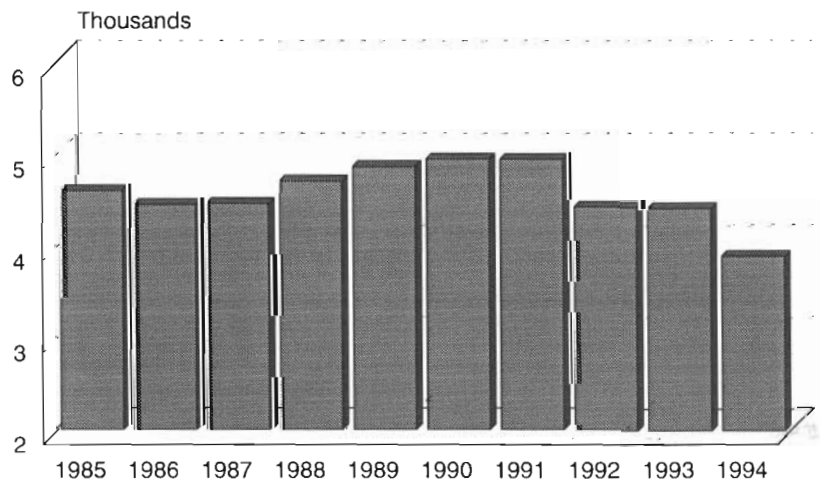
The largest monthly jump in unemployment in December was in the Wrangell-Petersburg area. This was a result of the closure of the Wrangell sawmill. By the middle of December, the mill had lost about half of the expected 200+ jobs and the Wrangell-Petersburg area unemployment rate had climbed from 7.9% in November to 12.8%. The area's rate is likely to climb even higher during the next several months as the full effect of the closure is captured in employment and unemployment statistics.

December retail lacks normal seasonal surge

While most industries normally experience a seasonal drop-off in employment in December, the retail sector typically surges slightly as stores staff up in anticipation of the Christmas season. This year the retail employment

Figure • 1

The Fall of Alaska's Oil Producers
Old Producers Year-End Employment 1985-1994



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

Table • 1

Nonagricultural Wage and Salary Employment by Place of Work

Alaska

	p/	r/	Changes from		
	12/94	11/94	12/93	11/94	12/93
Total Nonag. Wage & Salary	247,600	250,900	246,200	-3,300	1,400
Goods-producing	29,900	33,000	31,900	-3,100	-2,000
Mining	9,300	9,300	10,400	0	-1,100
Construction	11,100	12,600	10,600	-1,500	500
Manufacturing	9,500	11,100	10,900	-1,600	-1,400
Durable Goods	2,100	2,900	2,600	-800	-500
Lumber & Wood Products	1,400	2,200	2,000	-800	-600
Nondurable Goods	7,400	8,200	8,300	-800	-900
Seafood Processing	4,000	4,900	5,100	-900	-1,100
Pulp Mills	600	600	500	0	100
Service-producing	217,700	217,900	214,300	-200	3,400
Transportation	22,300	22,300	21,500	0	800
Trucking & Warehousing	3,000	2,900	2,900	100	100
Water Transportation	1,700	1,700	1,500	0	200
Air Transportation	7,400	7,400	7,000	0	400
Communications	3,700	3,700	3,700	0	0
Trade	52,000	52,200	51,000	-200	1,000
Wholesale Trade	8,100	8,200	8,000	-100	100
Retail Trade	43,900	44,000	43,000	-100	900
Gen. Merch. & Apparel	10,000	10,100	8,900	-100	1,100
Food Stores	7,200	7,200	7,000	0	200
Eating & Drinking Places	13,400	13,600	13,900	-200	-500
Finance-Ins. & Real Estate	11,200	11,300	11,400	-100	-200
Services & Misc.	57,000	57,000	55,100	0	1,900
Hotels & Lodging Places	5,200	5,100	4,800	100	400
Health Services	12,800	12,700	12,300	100	500
Government	75,200	75,100	75,300	100	-100
Federal	19,100	19,000	19,500	100	-400
State	22,000	22,100	21,400	-100	600
Local	34,100	34,000	34,400	100	-300

Municipality of Anchorage

	p/	r/	Changes from		
	12/94	11/94	12/93	11/94	12/93
Total Nonag. Wage & Salary	119,700	119,700	119,300	0	400
Goods-producing	10,700	11,000	11,100	-300	-400
Mining	2,700	2,700	3,600	0	-900
Construction	6,100	6,600	5,800	-500	300
Manufacturing	1,900	1,700	1,700	200	200
Service-producing	109,000	108,700	108,200	300	800
Transportation	12,400	12,400	12,100	0	300
Air Transportation	4,700	4,700	4,400	0	300
Communications	2,400	2,300	2,400	100	0
Trade	28,800	28,600	28,300	200	500
Wholesale Trade	5,900	5,900	5,900	0	0
Retail Trade	22,900	22,700	22,400	200	500
Gen. Merch. & Apparel	4,900	4,800	4,700	100	200
Food Stores	3,500	3,500	3,400	0	100
Eating & Drinking Places	7,400	7,500	7,500	-100	-100
Finance-Ins. & Real Estate	6,800	6,800	7,000	0	-200
Services & Misc.	31,700	31,700	31,000	0	700
Hotels & Lodging Places	2,700	2,700	2,400	0	300
Health Services	6,500	6,400	6,400	100	100
Government	29,300	29,200	29,800	100	-500
Federal	11,400	11,300	11,900	100	-500
State	8,400	8,500	8,200	-100	200
Local	9,500	9,400	9,700	100	-200

Table • 2

Alaska Hours and Earnings for Selected Industries

	Average Weekly Earnings			Average Weekly Hours			Average Hourly Earnings		
	p/	r/		p/	r/		p/	r/	
	12/94	11/94	12/93	12/94	11/94	12/93	12/94	11/94	12/93
Mining	\$1,189.23	\$1,293.31	\$1,237.88	49.0	49.8	50.3	\$24.27	\$25.97	\$24.61
Construction	1,091.77	1,125.02	1,039.57	43.0	41.9	41.8	25.39	26.85	24.87
Manufacturing	442.62	466.05	453.82	34.1	36.1	38.2	12.98	12.91	11.88
Seafood Processing	346.29	319.15	347.78	36.8	36.6	41.6	9.41	8.72	8.36
Trans., Comm. & Utilities	681.63	669.50	647.16	35.8	35.2	34.7	19.04	19.02	18.65
Trade	394.91	388.83	369.47	34.4	33.9	32.9	11.48	11.47	11.23
Wholesale	642.95	598.37	596.86	38.5	37.8	37.8	16.70	15.83	15.79
Retail	349.10	349.54	326.72	33.6	33.1	32.0	10.39	10.56	10.21
Finance-Ins. & R.E.	472.06	454.18	455.24	35.6	35.4	35.4	13.26	12.83	12.86

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 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

	p/		Changes from		
	12/94	11/94	12/93	11/94	12/93
Southeast Region					
Total Nonag. Wage & Salary	32,650	33,800	31,950	-1,150	700
Goods-producing	3,950	5,000	4,550	-1,050	-600
Mining	150	150	100	0	50
Construction	1,150	1,550	1,450	-400	-300
Manufacturing	2,650	3,300	3,000	-650	-350
Durable Goods	1,200	1,750	1,700	-550	-500
Lumber & Woods Products	1,150	1,700	1,600	-550	-450
Nondurable Goods	1,450	1,550	1,300	-100	150
Seafood Processing	650	750	600	-100	50
Pulp Mills	550	550	500	0	50
Service-producing	28,700	28,800	27,400	-100	1,300
Transportation	2,600	2,650	2,350	-50	250
Trade	6,350	6,450	5,800	-100	550
Wholesale Trade	500	550	500	-50	0
Retail Trade	5,850	5,900	5,300	-50	550
Finance-Ins. & Real Estate	1,400	1,400	1,300	0	100
Services & Misc.	5,950	5,900	5,700	50	250
Government	12,400	12,400	12,250	0	150
Federal	1,800	1,800	1,950	0	-150
State	5,400	5,400	5,250	0	150
Local	5,200	5,200	5,050	0	150

	p/		Changes from:		
	12/94	11/94	12/93	11/94	12/93
Interior Region					
Total Nonag. Wage & Salary	34,600	34,900	32,950	-300	1,650
Goods-producing	2,900	3,100	2,250	-200	650
Mining	1,000	1,000	600	0	400
Construction	1,300	1,500	1,100	-200	200
Manufacturing	600	600	550	0	50
Service-producing	31,700	31,800	30,700	-100	1,000
Transportation	2,450	2,450	2,300	0	150
Trade	7,450	7,500	7,650	-50	-200
Finance-Ins. & Real Estate	1,150	1,150	1,100	0	50
Services & Misc.	7,450	7,500	6,950	-50	500
Government	13,200	13,200	12,700	0	500
Federal	3,750	3,850	3,650	-100	100
State	4,900	4,900	4,550	0	350
Local	4,550	4,450	4,500	100	50

Fairbanks North Star Borough

	p/	r/	Changes from:	
	12/94	11/94	12/93	11/94
Total Nonag. Wage & Salary	30,400	30,650	29,050	-250
Goods-producing	2,750	2,900	2,100	-150
Mining	850	850	500	0
Construction	1,300	1,450	1,100	-150
Manufacturing	600	600	500	0
Service-producing	27,650	27,750	26,950	-100
Transportation	2,050	2,050	1,900	0
Trucking & Warehousing	500	450	400	50
Air Transportation	650	600	550	50
Communications	250	250	250	0
Trade	6,950	7,050	7,250	-100
Wholesale Trade	800	850	750	-50
Retail Trade	6,150	6,200	6,500	-50
Gen. Merch. & Apparel	1,300	1,300	1,400	0
Food Stores	750	750	750	0
Eating & Drinking Places	2,200	2,300	2,500	-100
Finance-Ins. & Real Estate	1,100	1,050	1,050	50
Services & Misc.	6,900	6,900	6,450	0
Government	10,650	10,700	10,300	-50
Federal	3,100	3,150	3,050	-50
State	4,650	4,700	4,300	-50
Local	2,900	2,850	2,950	50

Anchorage/Mat-Su Region

	p/	r/	Changes from:	
	12/94	11/94	12/93	11/94
Total Nonag. Wage & Salary	128,800	128,950	128,150	-150
Goods-producing	11,550	12,000	11,700	-450
Mining	2,800	2,900	3,750	-100
Construction	6,750	7,250	6,200	-500
Manufacturing	2,000	1,850	1,750	150
Service-producing	117,250	116,950	116,450	300
Transportation	13,050	13,050	12,900	0
Trade	31,300	31,150	30,550	150
Finance-Ins. & Real Estate	7,200	7,150	7,350	50
Services & Misc.	33,450	33,500	33,000	-50
Government	32,250	32,100	32,650	150
Federal	11,450	11,400	12,000	50
State	9,300	9,300	9,000	0
Local	11,500	11,400	11,650	100

Gulf Coast Region

	p/	r/	Changes from:	
	12/94	11/94	12/93	11/94
Total Nonag. Wage & Salary	22,650	23,200	22,950	-550
Goods-producing	4,100	4,650	4,550	-550
Mining	1,150	1,150	1,100	0
Construction	1,050	1,200	1,000	-150
Manufacturing	1,900	2,300	2,450	-400
Seafood Processing	800	1,000	1,350	-200
Service-producing	18,550	18,550	18,400	0
Transportation	2,100	2,100	2,100	0
Trade	4,600	4,600	4,300	0
Wholesale Trade	450	500	500	-50
Retail Trade	4,150	4,100	3,800	50
Finance-Ins. & Real Estate	600	600	650	0
Services & Misc.	5,000	5,050	4,800	-50
Government	6,250	6,200	6,550	50
Federal	600	600	600	0
State	1,750	1,750	1,750	0
Local	3,900	3,850	4,200	50

Southwest Region

	p/	r/	Changes from:	
	12/94	11/94	12/93	11/94
Total Nonag. Wage & Salary	14,450	15,400	15,400	-950
Goods-producing	2,650	3,550	3,500	-900
Seafood Processing	2,300	3,100	3,100	-800
Service-producing	11,800	11,850	11,900	-50
Government	5,900	5,950	6,400	-50
Federal	1,000	1,000	1,050	0
State	450	500	500	-50
Local	4,450	4,450	4,850	0

Northern Region

	p/	r/	Changes from:	
	12/94	11/94	12/93	11/94
Total Nonag. Wage & Salary	14,900	14,850	14,650	50
Goods-producing	4,800	4,800	5,300	0
Mining	4,200	4,150	4,800	50
Service-producing	10,100	10,050	9,350	50
Government	5,150	5,150	4,650	0
Federal	200	200	200	0
State	350	350	350	0
Local	4,600	4,600	4,100	0

shorter bottomfish seasons meant a slower December this year than last year. Unlike the retail sector though, the seasonal dip does not portend a continuing slowdown in the industry. Most processors, particularly bottomfish plants, reported that January openings were expected to boost employment back up to normal winter levels.

Oil construction falling off, flood reconstruction boosts Interior

Throughout much of 1994 oil-related construction projects have helped offset losses at the major oil producers. In December, work on the GHX-II facility at Prudhoe Bay began to wind down, uncovering the employment losses at the production companies. As of December, the production side of the industry had lost more than 500 jobs. (See Figure 1.) The vast majority of that loss was a result of the layoffs at ARCO. In December, another consolidation occurred on the production side when Marathon Oil sold a portion of its Alaskan interests to Unocal. Not all of the news in the oil patch has been bad, ARCO recently reported that profits during 1994 nearly tripled, and they have renewed their interest in the West Sak Sands field.

While oil-related construction fell off, reconstruction of the villages affected by the August flooding of the Koyukuk River kept construction employment in the Interior region at an abnormally high level. Flood damaged homes, roads, runways and public buildings were all under reconstruction in the villages of Alatna, Allakaket and Hughes. Estimates of total construction spending in the flood damaged areas have exceeded \$70 million. Normally, construction in the region would fall off due to harsh weather conditions, but contractors pushed through the cold weather barriers in an attempt to complete the project in a timely fashion.

Year ends with employment growth slowing

Throughout 1994 the retail and construction sectors of the Alaskan economy were key industries fueling the wage and salary job growth statewide. Largely on the strength of these two industries, the state posted its seventh consecutive year of wage and salary employment growth in 1994. As the economy enters 1995 though, these two industries are beginning to show signs of slowing down. The retail boom that spurred job growth in many of Alaska's urban areas has nearly

T a b l e • 4

Unemployment Rates by Region & Census Area

	Percent Unemployed	
	P/ 12/94	R/ 11/94
Not Seasonally Adjusted		
United States	5.1	5.3
Alaska Statewide	7.9	7.4
Anchorage/Mat-Su Region	6.3	6.2
Municipality of Anchorage	5.5	5.4
MatSu Borough	11.4	10.8
Gulf Coast Region	14.4	13.5
Kenai Peninsula Borough	13.7	12.0
Kodiak Island Borough	19.4	19.9
Valdez-Cordova	9.2	9.3
Interior Region	8.4	7.9
Denali Borough	13.8	15.0
Fairbanks North Star Borough	7.6	7.1
Southeast Fairbanks	13.8	13.7
Yukon-Koyukuk	13.2	13.5
Northern Region	8.9	8.7
Nome	11.7	10.4
North Slope Borough	3.2	3.4
Northwest Arctic Borough	12.6	13.7
Southeast Region	8.9	7.1
Haines Borough	12.1	8.5
Juneau Borough	5.8	5.6
Ketchikan Gateway Borough	9.9	7.0
Pr. of Wales-Outer Ketch	14.7	10.8
Sitka Borough	7.9	7.4
Skagway-Yakutat-Angoon	13.3	10.9
Wrangell-Petersburg	12.8	7.9
Southwest Region	6.4	6.0
Aleutians East Borough	2.4	2.6
Aleutians West	2.4	1.5
Bethel	7.9	8.3
Bristol Bay Borough	9.9	5.5
Dillingham	10.2	7.3
Lake & Peninsula Borough	4.2	6.3
Wade Hampton	11.7	11.7
Seasonally Adjusted Rates		
Alaska Statewide	7.8	7.4
United States	5.4	5.6

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.

played itself out. Along with it, some major construction projects, such as GHX-II, are also drawing to a close. In contemplating what direction the economy is going to take in 1995, two of the major engines of job growth appear to be on the verge of sputtering. This makes the job outlook for next year less certain than at just about any other time in the last five years.

Alaska Employment Service

Anchorage: Phone 269-4800

Glennallen: Phone 822-3350

Homer: Phone 235-7791

Bethel: Phone 543-2210

Kotzebue: Phone 442-3280

Kodiak: Phone 486-3105

Dillingham: Phone 842-5579

Nome: Phone 443-2626/2460

Seward: Phone 224-5276

Eagle River: Phone 694-6904/07

Tok: Phone 883-5629

Juneau: Phone 465-4562

Mat-Su: Phone 376-2407/08

Valdez: Phone 835-4910

Petersburg: Phone 772-3791

Fairbanks: Phone 451-2871

Kenai: Phone 283-4304/4377/4319

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.