

A satellite-style map of Alaska, showing the state's coastline, major rivers, and terrain. The map is oriented vertically, with the top of the state at the top of the page. The colors range from light blue for water to dark green and brown for land.

ALASKA ECONOMIC **TRENDS**

APRIL 2015

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ON THE COVER: Some places in Alaska average more than 340 cloudy days per year, and the south coast is the cloudiest region in the United States. This NASA image was taken on a rare day in June 2013 when the Moderate Resolution Imaging Spectroradiometer, or MODIS, on NASA's Terra satellite was able to acquire a nearly cloud-free view of the state. The absence of clouds exposed a striking tapestry of water, ice, land, forests, and even wildfires. Photo courtesy of Jeff Schmaltz, LANCE MODIS Rapid Response Team, NASA

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. *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. *Trends* is printed and distributed by Assets, Inc., a vocational training and employment program, at a cost of \$1.11 per copy. Material in this publication is public information, and with appropriate credit may be reproduced without permission.

Many Alaskans here to stay, creating more diverse economy



By Heidi Drygas
Commissioner



Follow the Alaska Department of Labor and Workforce Development on Facebook (facebook.com/alaskalabor) and Twitter (twitter.com/alaskalabor) for the latest news about jobs, workplace safety, and workforce development.

We're all in this together. That's my take-away from this month's *Trends*, which examines population changes and migration into and out of Alaska.

I grew up in Fairbanks, where the population boomed with an influx of outsiders during construction on the Trans-Alaska Oil Pipeline. Many of them left after the oil price collapse in the mid '80s, but some stuck around, including my own father.

Alaska is the great state that it is today because of all the different people, with varying backgrounds and stories, who have made this place their home. Whether your family came here to fish, to work on the pipeline, or has been here since crossing the Bering Sea land bridge thousands of years ago, diversity is one of Alaska's greatest strengths.

Our state's population has become more stable in recent years, and that's not a bad thing. Most of us who have remained in Alaska are here to stay. Across the state, Alaskans are creating new businesses and diversifying our economy, investing in their homes and community organizations, and getting involved in local government.

We're rejuvenating a certain element of the pioneer spirit, where we build things to last because we are in it for the long haul. That's what Alaskans are doing now with our increasingly

diverse economy, and that's my goal with the department's focus on an Alaska-grown workforce.

Economic data show we're facing some challenging circumstances: federal and state resources are shrinking, and public sector employment has declined significantly. Low oil prices have led to layoffs as some companies restructure project timelines. Fortunately, our economy is more diverse today than in the past, which means we're better equipped to handle an economic downturn and are unlikely to endure anything like the devastating recession of the 1980s.

The Department of Labor and Workforce Development has a key role to play in these challenging and turbulent economic times. As some job sectors shrink, others are growing. We're seeing a significant expansion in health care and tourism jobs, for example. Our job at the department is to make sure our policies and training programs help dislocated Alaskans find new employment. Of course, part of that effort is encouraging Alaska Hire.

I truly believe Alaska is the best place in the nation to live, work, and raise a family. While there will always be folks who come and go, those of us who stay in Alaska will continue building homes, businesses, communities, and connections that will last for generations.



New Estimates

POPULATION

Alaska had 735,601 people in July 2014, a slight decline

By **EDDIE HUNSINGER**

Alaska's population is in constant flux. Each year, thousands of Alaskans are born, thousands die, tens of thousands move to and from the state, and everyone who lives here ages.

The most recent official estimates put Alaska's population at 735,601 in July 2014. That's a loss of just 61 people from July 2013, but it's notable because it was the first time in more than 25 years that Alaska's population declined. (See Exhibit 1.)

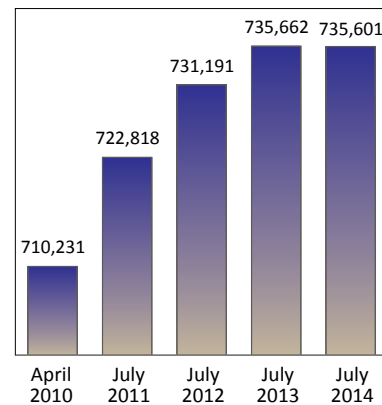
The reasons for the loss aren't simple to define. Population aging and birth and death rates each play key roles in population change each year, and so do troop movements and fluctuations in employment and housing markets. It's also important to note that this decline came before the more recent changes in the price of oil.

Net migration and Alaska's high yearly population turnover

Population change is made up of three components: births, deaths, and migration. Net migration, or in-movers minus out-movers, produced a loss of nearly 7,500 people from July 2013 to July 2014. That's not unusual, as net migration has fluctuated within plus-or-minus 10,000 per year since the late 1980s, and as recently as 2009, the state had a net gain of more than 8,000.

Alaska's turnover remained high. More than 40,000 people moved to the state, which was lower than the year before, and the number of people who left Alaska

1 Population Growth ALASKA, 2010 TO 2014



Sources: Alaska Department of Labor and Workforce Development, Research and Analysis Section; and U.S. Census Bureau

was about the same as the prior year. (See Exhibits 2 and 3.) Alaska's turnover rates are consistently among the highest in the country.

Military always a factor in Alaska

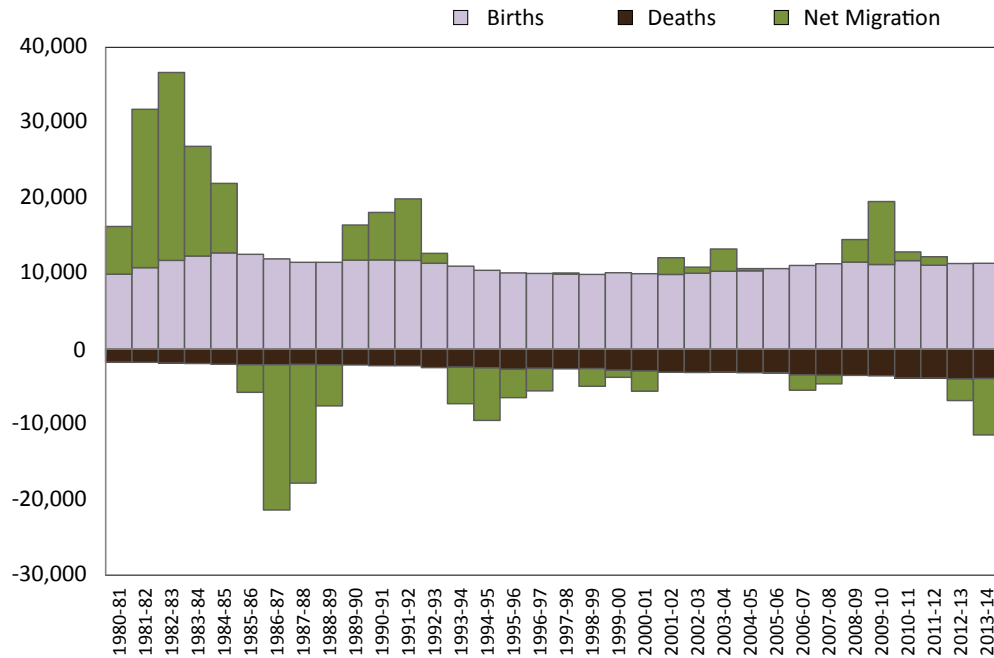
Alaska is home to U.S. Army, Air Force, and Coast Guard installations and a large military population, so troop movements to and from the state add another variable to population change.

In July 2014, Alaska's active duty military population was just under 22,000, down about 1,000 from 2013 but within the range of 20,000 to 25,000 that Alaska has had since the mid-2000s.

2

Migration the Most Volatile Component of Change

ALASKA POPULATION, 1980 TO 2014

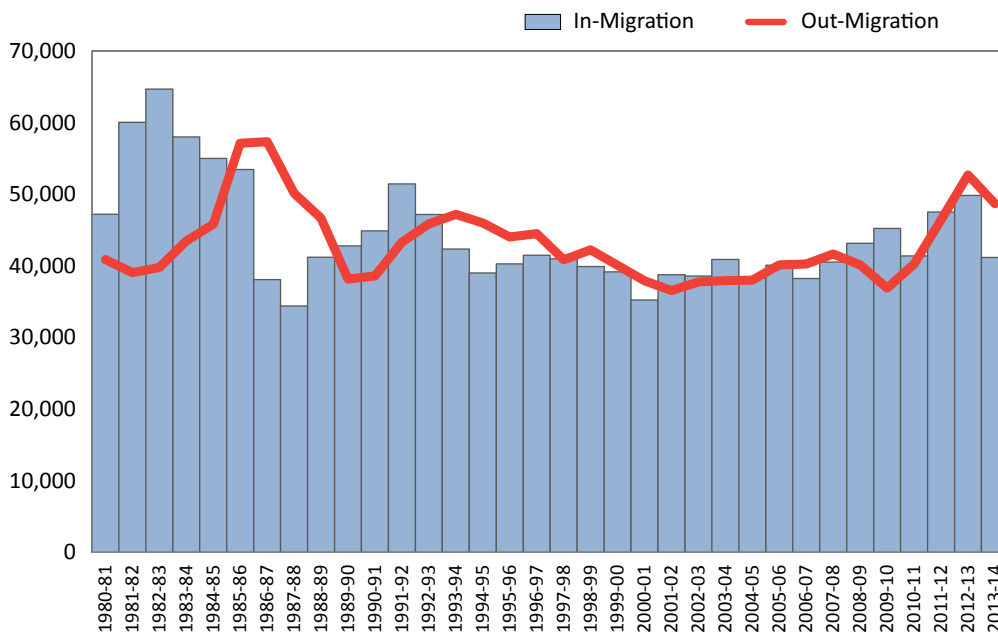


Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

3

Moving In Versus Moving Out

ALASKA, 1980 TO 2014



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

Roles of births and deaths evolve

More than 11,000 Alaskans are born each year, a pattern that's held since the mid-2000s. Birth counts evolve over time with age structure and rates of child-bearing, a trend that's always uncertain, but births haven't been higher than 11,800 per year or lower than 9,800 since the late 1980s.

Deaths, however, have steadily increased with the aging of Alaska's population. From a little more than 2,000 per year in the late 1980s, deaths rose to nearly 4,000 between 2013 and 2014. To give a better sense of what that means for population change, if deaths had instead been at late-1990s levels, the state would have gained nearly 2,000 people overall.

Deaths will play an even bigger role in population change in future decades, as the rate is projected to continue increasing as the population ages.

Aging affects more than just births and deaths

Aging affects education, employment, and consumption of goods and services as well as birth and death rates, and comparing the state's 2014 and 2010 age profiles reveals significant shifts in recent years. (See Exhibit 4.)

The population ages 25 to 34 increased by more than 10,000 people during those four years. This age group typically grows through net migration in Alaska and that, coupled with aging of the large cohort of millennials, meant big gains in recent years.

The 45-to-49-year-old population declined by nearly 8,500 people. Migration typically yields losses before age 45 in Alaska, but in this case, the biggest factor has been "baby boomers" aging past their 40s. It follows, then, that Alaska's 55-plus population increased dramatically — by nearly 28,000 people — between 2010 and 2014.

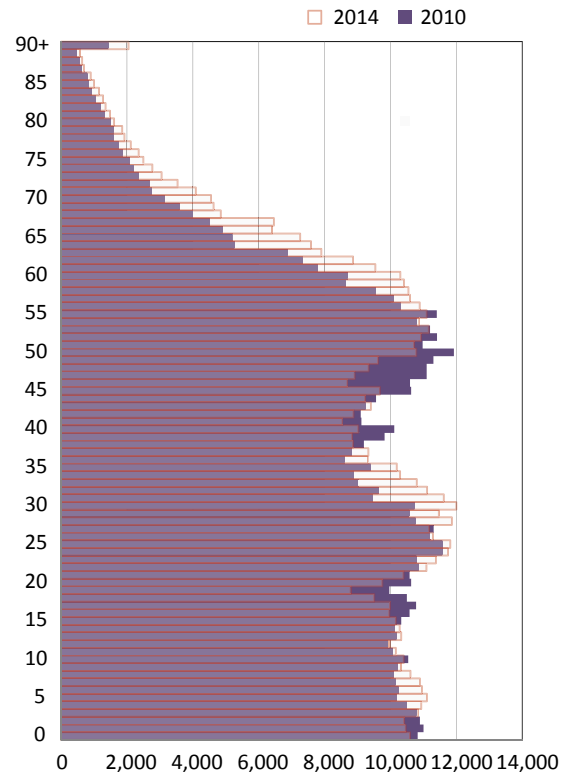
In the 65-plus group, the increase was more than 16,000, or 29 percent. That's a faster growth rate for that group than any other state, and there's much more to come.

Though Alaska loses people between 40 to 70 to net migration each year, people tend to move less the older they get. Because migration is less of a factor with age, cohort size tells a lot — meaning the size of the age group approaching 65 is a much bigger determinant of how big the future senior citizen population will be.

In terms of the senior citizen share of the overall population, we expect Alaska will continue to have

4 Age Profile Shifts Upward

ALASKA, 2010 AND 2014



Sources: Alaska Department of Labor and Workforce Development, Research and Analysis Section; and U.S. Census Bureau

a smaller percentage who are 65 and over than the nation as a whole, despite the state's rapid growth in that age group.

School-age population fluctuates

Alaska's 5-to-9-year-old population also grew, a gain that was smaller but also notable. This age group has increased by about 3,000 since 2010. The 15-to-19-year-old population declined by more than 3,700.

Fluctuations like these are continuous with population aging and the effects of migration but, particularly for the school-age population, they're an important factor in planning.

Mat-Su and Kenai areas grow

Trends varied around the state, with the Matanuska-Susitna Borough by far the state's fastest-growing area and poised to surpass 100,000 residents in the near future. Between 2010 and 2014, Mat-Su gained more than 9,000 residents.

While Mat-Su continues to be the fastest growing area,

5

Alaska's Population by Borough or Census Area

2010 TO 2014

	Census April 2010	Estimate July 2011	Estimate July 2012	Estimate July 2013	Estimate July 2014	Natural Increase (Births-Deaths)		Net Migration (In-Out Migrants)		Total Change	
						2010 to 2014	2013 to 2014	2010 to 2014	2013 to 2014	2010 to 2014	2013 to 2014
Alaska	710,231	722,818	731,191	735,662	735,601	31,801	7,427	-6,431	-7,488	25,370	-61
Anchorage/Mat-Su Region	380,821	387,673	392,048	396,774	398,612	17,174	4,077	617	-2,239	17,791	1,838
Anchorage, Municipality	291,826	295,920	298,308	300,780	300,549	13,658	3,204	-4,935	-3,435	8,723	-231
Matanuska-Susitna Borough	88,995	91,753	93,740	95,994	98,063	3,516	873	5,552	1,196	9,068	2,069
Gulf Coast Region	78,628	80,335	80,624	80,439	80,576	2,428	548	-480	-411	1,948	137
Kenai Peninsula Borough	55,400	56,623	56,668	56,813	57,212	1,442	325	370	74	1,812	399
Kodiak Island Borough	13,592	13,865	14,020	13,815	13,797	689	166	-484	-184	205	-18
Valdez-Cordova Census Area	9,636	9,847	9,936	9,811	9,567	297	57	-366	-301	-69	-244
Interior Region	112,024	112,432	114,991	114,070	112,197	5,802	1,369	-5,629	-3,242	173	-1,873
Denali Borough	1,826	1,837	1,868	1,790	1,785	55	5	-96	-10	-41	-5
Fairbanks North Star Borough	97,581	97,828	100,243	99,549	97,972	5,307	1,275	-4,916	-2,852	391	-1,577
Southeast Fairbanks CA	7,029	7,114	7,208	7,092	6,963	312	65	-378	-194	-66	-129
Yukon-Koyukuk Census Area	5,588	5,653	5,672	5,639	5,477	128	24	-239	-186	-111	-162
Northern Region	26,445	26,942	27,263	27,525	27,437	1,862	393	-870	-481	992	-88
Nome Census Area	9,492	9,728	9,848	9,865	9,952	676	138	-216	-51	460	87
North Slope Borough	9,430	9,585	9,713	9,869	9,711	557	121	-276	-279	281	-158
Northwest Arctic Borough	7,523	7,629	7,702	7,791	7,774	629	134	-378	-151	251	-17
Southeast Region	71,664	73,686	74,287	74,310	74,280	1,842	397	774	-427	2,616	-30
Haines Borough	2,508	2,614	2,614	2,527	2,537	5	-3	24	13	29	10
Hoonah-Angoon Census Area	2,149	2,155	2,205	2,179	2,128	39	15	-60	-66	-21	-51
Juneau, City and Borough	31,275	32,379	32,806	33,030	33,026	951	223	800	-227	1,751	-4
Ketchikan Gateway Borough	13,477	13,741	13,890	13,828	13,825	363	78	-15	-81	348	-3
Petersburg Borough	3,203	3,295	3,261	3,213	3,209	87	23	-81	-27	6	-4
Prince of Wales-Hyder CA	6,172	6,457	6,431	6,443	6,426	150	11	104	-28	254	-17
Sitka, City and Borough	8,881	9,022	9,055	9,034	9,061	183	33	-3	-6	180	27
Skagway Borough, Municipality	968	965	959	981	1,031	22	2	41	48	63	50
Wrangell, City and Borough	2,369	2,412	2,445	2,453	2,406	19	9	18	-56	37	-47
Yakutat, City and Borough	662	646	621	622	631	23	6	-54	3	-31	9
Southwest Region	40,649	41,750	41,978	42,544	42,499	2,693	643	-843	-688	1,850	-45
Aleutians East Borough	3,141	3,229	3,223	3,281	3,070	47	9	-118	-220	-71	-211
Aleutians West Census Area	5,561	5,732	5,873	5,830	5,727	87	26	79	-129	166	-103
Bethel Census Area	17,013	17,461	17,562	17,851	17,991	1,429	348	-451	-208	978	140
Bristol Bay Borough	997	1,025	985	933	942	11	-4	-66	13	-55	9
Dillingham Census Area	4,847	4,942	4,980	5,020	5,044	284	51	-87	-27	197	24
Lake and Peninsula Borough	1,631	1,678	1,671	1,691	1,672	80	29	-39	-48	41	-19
Wade Hampton Census Area	7,459	7,683	7,684	7,938	8,053	755	184	-161	-69	594	115

Note: All numbers are based on 2014 geography.

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

its net migration gains in recent years have slowed to around 1,000 to 1,500 per year from the range of about 1,500 to 3,000 in the 2000s. (See Exhibit 5.)

Within Mat-Su, the Knik-Fairview area stood out for population gains between 2013 and 2014, adding nearly 800 people from the previous year and surpassing 17,000 inhabitants. The Point Mackenzie area was second with a gain of nearly 500, mostly from the recent opening of the Goose Creek Correctional Facility.

The Kenai Peninsula Borough also stood out for its growth during that period, adding nearly 400 people

overall. Aside from Seward, which grew largely because of the population at Spring Creek Correctional Facility, the areas that registered clear gains were Kalifornsky and Ridgeway.

Mixed change across Anchorage, Fairbanks, and Juneau

Anchorage's population dipped in 2014 but remained above the 300,000 threshold it passed in 2013. City and borough populations fluctuate more than the

About these numbers

Each year, the Alaska Department of Labor and Workforce Development prepares population estimates for all boroughs, census areas, cities, census designated places, census tracts, and special areas in the state. The estimates are based on Alaska Permanent Fund Dividend data along with military and group quarters surveys and data from the U.S. Census Bureau.

New estimates for each July, including data by age and sex, are available the subsequent January. Estimates by race and ethnicity become available the following August. Population estimates, as well as population projections, migration data, maps, and GIS data are online at laborstats.alaska.gov.

statewide population, and Anchorage's last annual drop was in 2007, with a loss of 680 people.

Across Anchorage, population change was mixed with growth standouts in parts of Hillside, Fairview, and Muldoon.

After passing the 100,000 mark in 2012, the Fairbanks North Star Borough population decreased through 2013 and 2014. The borough, with its particularly concentrated military and college populations, is always prone to sharp ups and downs. The borough communities that grew were the Goldstream, Steele Creek, Pleasant Valley, and Salcha areas.

Juneau changed little overall between 2013 and 2014, though like the rest of the state, its turnover was considerable. The Auke Bay/Lynn Canal and Douglas Island areas both grew.

Remote and rural Alaska mostly held steady

The hundreds of communities outside the more urban Anchorage, Mat-Su, Juneau, Fairbanks, and Kenai areas made up 20 percent of the state's population in 2014, which was unchanged from 2010. Overall, remote and rural Alaska lost population through net migration, but the losses were less than in the large-population areas.

For small communities in particular, several years of data are necessary to assess trends — but the communities that made up the Bethel and Wade Hampton census areas in western Alaska and Nome Census Area to the north stood out for population growth from 2013 to 2014.

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TWO UNIQUE ALASKA COMMUTES

Most Alaskans work close to home, but two long trips stand out

By **ROB KREIGER**

Most Alaskans work in the same area where they live. According to national statistics, the average Alaskan has a relatively short daily commute¹ at 18.8 minutes, less than the U.S. average of 25.5 minutes. In the larger urban areas, daily commutes can top an hour each way.

The average commute time in Alaska doesn't tell the whole story, though, as commuting here often means something different than it does in the Lower 48. Getting to work in Alaska ranges from a 10-minute daily walk to the office to a flight to a remote work site on a rotating schedule. Alaska's commutes also depend largely on the available road system as well as an area's size.

The only scenario in Alaska that compares to the typical urban commute in the Lower 48 is when residents of the Matanuska-Susitna Borough drive to Anchorage for work. Depending on where in Mat-Su people live, the trip can take from 40 minutes to nearly an hour-and-a-half one way.

This urban commute, though common in other parts of the country, is one of the two main outliers in Alaska. The second, which is unique to Alaska, is the long trip to remote job sites, mainly the North Slope.

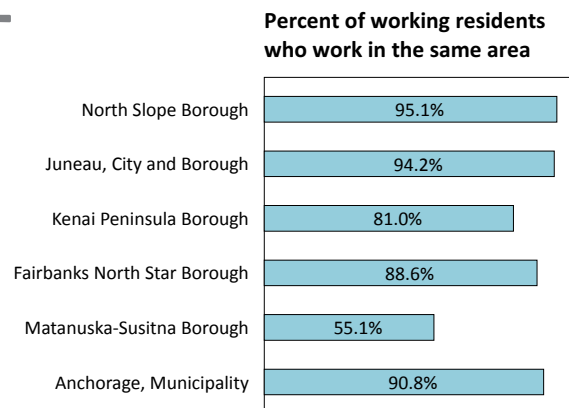
Most work close to home

With the exception of Mat-Su, the vast majority of

¹"Commute" typically refers to a daily trip between home and work, but for this article, a commute means any travel to a job including, for example, flying to a remote job site every few weeks.

1 Most Work Where They Live

BY ALASKA AREA, 2013



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

areas' residents workers stay in their own borough or census area, ranging from 88.6 percent in the Fairbanks area to 95.1 percent for North Slope residents. (See Exhibit 1.)

For example, in Anchorage, about 90 percent of working residents work in the city and can take public transportation, drive, or bike or walk as the weather permits. The remaining 10 percent work somewhere else, and of that group, 3 percent commute to the North Slope and 2 percent to Mat-Su, with the remaining 5 percent spread throughout the rest of the state.

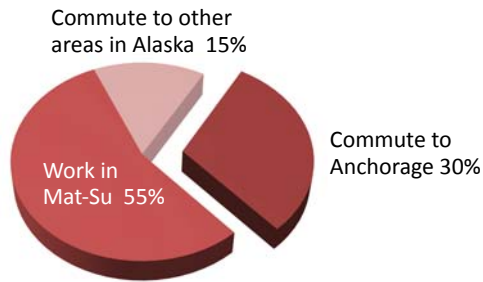
The commute to Anchorage

Mat-Su's suburban relationship to Anchorage means

2

Mat-Su Commuters

NEARLY HALF COMMUTE OUT, 2013



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

only about 55 percent of residents also work in Mat-Su, and over 30 percent commute to Anchorage. Many of the remaining 15 percent of commuters work on the North Slope. (See Exhibit 2.)

The two biggest reasons so many Mat-Su workers leave the borough are its lower housing costs and the availability of higher wages elsewhere. Though Mat-Su has many of the same occupations as Anchorage, Anchorage's earnings run about 30 percent higher.

Mat-Su residents work in more than 500 different occupations in Anchorage, but about 35 percent of commuters earn their living in just 25 occupations. (See Exhibit 3.) Registered nurses were the largest group of commuters, followed by retail salespeople. These types of jobs are plentiful in Anchorage because of Providence Hospital and the abundance of shopping.

Numbers are for residents only

This article focuses on the resident workforce rather than the entire workforce, because place of residence isn't available for those who live outside Alaska.

Alaska residency is determined by matching the Alaska Permanent Fund Dividend file with the Alaska Department of Labor and Workforce Development's wage file. Workers who earned wages in Alaska in 2013 were considered Alaska residents if they applied for a PFD in 2013 or 2014.

The wage file contains quarterly earnings and industry information on Alaska workers covered by unemployment insurance, so it doesn't include the self-employed, uniformed military, or federal employees.

Because many workers have two or more jobs in a year or worked in more than one area, we assigned their employment and earnings to the job and location where they earned most of their wages in 2013.

3

What They Do in Anchorage

TOP JOBS FOR MAT-SU COMMUTERS, 2013

		Number of Workers	Avg Earnings Per Quarter
1	Registered Nurses	330	\$18,241
2	Retail Salespeople	288	\$8,169
3	Construction Laborers	282	\$12,496
4	Carpenters	257	\$15,343
5	Heavy/Tractor-Trailer Truck Drivers	237	\$15,424
6	Operating Engineers and Other Construction Equipment Operators	232	\$18,554
7	Electricians	229	\$17,267
8	Office and Administrative Support	228	\$10,458
9	Office Clerks, General	206	\$8,524
10	General and Operations Managers	190	\$26,058
11	Laborers and Freight, Stock, and Material Movers, Hand	163	\$9,882
12	Maintenance and Repair Workers	161	\$15,365
13	Bookkeeping, Accounting, and Auditing Clerks	157	\$10,175
14	Personal Care Aides	128	\$6,512
15	Combined Food Preparation and Serving Workers, Including Fast Food	125	\$5,686
16	Cashiers	124	\$8,278
17	Executive Secretaries and Executive Administrative Assistants	119	\$11,478
18	Pilots, Copilots, Flight Engineers	119	\$35,167
19	Plumbers, Pipefitters, Steamfitters	117	\$18,337
20	Sales Representatives, Services	115	\$15,222

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

The highest-paid Mat-Su residents working in Anchorage were airline pilots, followed by general and operations managers.

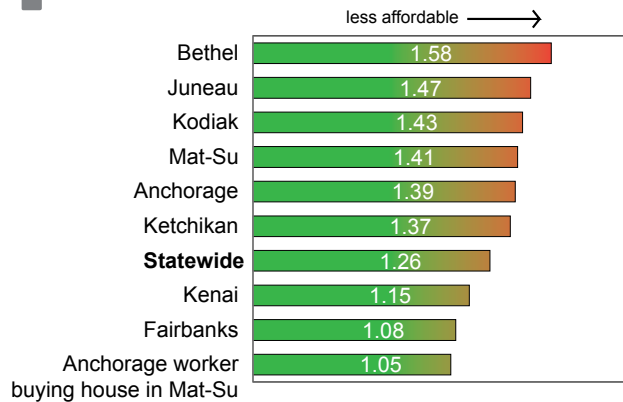
In terms of housing, in 2014 the average single-family home in Mat-Su cost 30 percent less than Anchorage. The Department of Labor and Workforce Development measures an area's housing affordability by taking an area's housing costs into account plus its average earnings and the average interest rate, producing a single value. The resulting Alaska Affordability Index value tells you how many average monthly paychecks it would take to afford a typical home. An index value of 1.0 means exactly one person's income would be necessary. An increasing number means additional income would be required, making housing less affordable.

On their own, Anchorage and Mat-Su both fall toward the middle of the group in terms of affordability; however, housing is significantly more affordable for an Anchorage worker to purchase in Mat-Su. (See Exhibit 4.)

Housing and earnings aren't the only considerations in the decision to commute to Anchorage, though, and for some people, disadvantages can outweigh the financial benefits. For example, there's the commute itself. That's difficult to measure in terms of costs because there are so many variables, but gasoline is the most

4 Housing Affordability

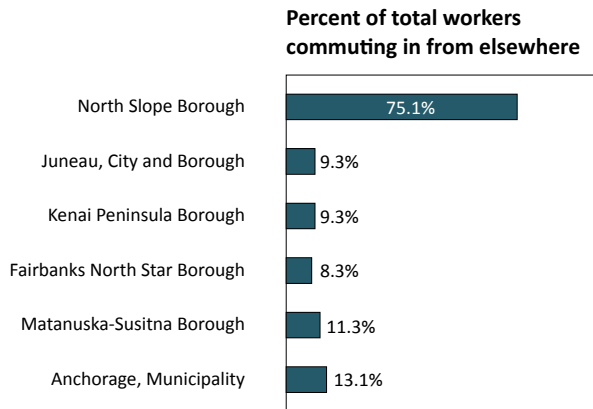
INDEX VALUE BY AREA, JUL TO DEC 2014



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

5 Many Commute to Slope

PERCENT COMMUTING IN BY AREA, 2013



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

obvious expense.

Someone who commutes daily from Palmer or Wasilla drives about 1,800 miles per month to work in Anchorage. While gas prices and miles per gallon vary, gas costs could average between \$250 and \$350 a month, assuming prices between \$3 and \$4 a gallon. Additional costs and possible disadvantages can stack up quickly with wear and tear on a vehicle and the time necessary to drive that far each day.

The commute to the North Slope

The other type of lengthy commute that's unique in Alaska is the trip to remote job sites, mainly to the North Slope to work in its massive oil industry. Work-

6 Where Commuters Work

BY AREA OF RESIDENCE, ALASKA, 2013

Place of Residence	Place of Work	
	Anchorage	North Slope
Anchorage, Municipality	126,682	3,762
Matanuska-Susitna Borough	12,418	3,105
Fairbanks North Star Borough	1,669	878
Kenai Peninsula Borough	1,571	1,753
Juneau, City and Borough	367	30
Bethel Census Area	160	37
Ketchikan Gateway Borough	58	8
Kodiak Island Borough	162	25
Valdez-Cordova Census Area	271	89
Nome Census Area	78	22
Sitka, City and Borough	47	15
Wade Hampton Census Area	70	9
North Slope Borough	54	3,387
Unknown	1,564	94
Northwest Arctic Borough	78	89
Yukon-Koyukuk Census Area	73	125
Prince of Wales-Hyder CA	39	7
Southeast Fairbanks CA	155	75
Dillingham Census Area	66	18
Aleutians West Census Area	41	7
Petersburg Census Area	20	ND
Haines Borough	22	8
Hoonah-Angoon Census Area	15	ND
Wrangell, City and Borough	10	7
Denali Borough	23	23
Lake and Peninsula Borough	43	10
Aleutians East Borough	16	ND
Skagway, Municipality	6	ND
Bristol Bay Borough	12	6
Yakutat, City and Borough	5	ND

Notes: See the sidebar on the previous page for more on residency determination. ND means not disclosable.

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

ing on the North Slope draws in Alaska residents with higher wages and demand for highly skilled workers.

In one sense, the North Slope is similar to most of the state in that very few of its residents commute out — it has the smallest share of out-commuters of any area. But it's the opposite story when you look at those who come in from elsewhere to work. (See exhibits 5 and 6.)

Of all the Alaska residents working in the North Slope Borough, 75 percent live elsewhere in the state: 37 percent come from Anchorage and 30 percent live in Mat-Su. This doesn't take into account the nonresidents who also work on the Slope, who are outside the scope of this article but make up a significant part of the workforce. (See the sidebar on the previous page for more on residency.)

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GROWTH in NONPROFITS

Employment has been on the rise, mainly in health and social assistance

By **CONOR BELL**

Nonprofit organizations have been growing in Alaska and nationwide. The vast majority of nonprofit jobs are in health care and social assistance, a sector that has recorded robust growth for more than a decade.

In 2012, the most recent year available for nonprofit data, health care and social assistance represented 77 percent of all Alaska nonprofit employment and 81 percent of its wages. (See Exhibit 1.) Most of these jobs were in hospitals and services for the elderly or disabled. In private health care and social assistance overall, more than half of all jobs were with nonprofit agencies.

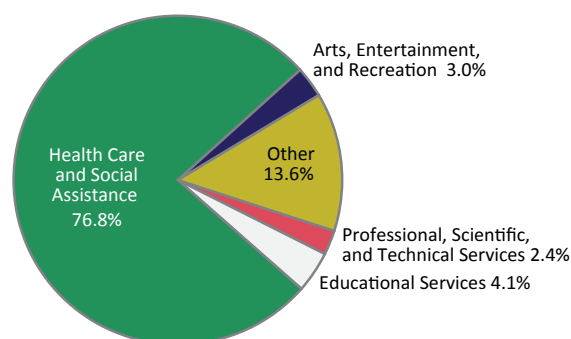
Some of Alaska's largest employers are nonprofit health care providers, but nonprofits vary in size and type from hospitals and Community Development Quota groups to small theater companies and animal shelters. After health care and social assistance, other primary nonprofit categories include educational services; professional, scientific, and technical services; and arts, entertainment, and recreation.

In all, 1,367 organizations provided 32,699 jobs in Alaska, or nearly 10 percent of the state's total employment in 2012. For the U.S., it was 9 percent. (See the sidebar on the next page for more on how these organizations are identified.)

Strong growth in employment

In Alaska and nationwide, nonprofit job growth has outpaced total job growth from 2007 to 2012. Alaska's nonprofit employment grew by 16 percent over that

1 Nonprofit Jobs by Industry ALASKA, 2012



Source: U.S. Bureau of Labor Statistics

period, while overall employment grew by 5 percent. In the U.S. as a whole, nonprofits grew by 8 percent while total employment fell by 3 percent.

Nonprofits across the country weathered the recent U.S. recession without losing net jobs. Though some types of nonprofits sustained losses in Alaska in 2008 and 2009, the recession's two worst years, health care maintained overall stability. Almost all nonprofit growth from 2007 to 2012 was in health care and social assistance, which accounted for 3,900 of the 4,600 new nonprofit jobs.

Some pay more than for-profit counterparts

Nonprofits in Alaska paid an average of \$44,900 in 2012, compared to the state's overall average private wage of \$49,300. (See Exhibit 3.) While the average

nonprofit wage is lower overall, several sectors paid more than their for-profit counterparts.

Nonprofit employees in health care and social assistance made an average of \$2,500 more than their private-sector equivalents because hospitals, which contribute most of the sector's high-wage jobs, are almost exclusively nonprofits. Educational services; other services; and arts, entertainment, and recreation also had higher wages in nonprofits.

In terms of wage growth, though, nonprofit agencies mirrored the statewide average, both growing 4 percent from 2007 to 2012 when adjusted for inflation.

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How nonprofit agencies are defined

In 2014, the U.S. Bureau of Labor Statistics released data for 2007 to 2012 on 501(c)(3) organizations, the most common nonprofit category. This was the first time BLS produced these data, so no information is available before 2007.

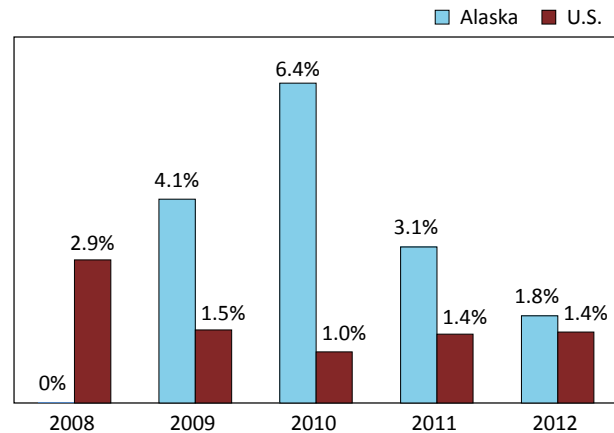
According to Internal Revenue Service statute, the 501(c)(3) designation comprises foundations that are "organized and operated exclusively for religious, charitable, scientific, testing for public safety, literary, or educational purposes, or to foster national or international amateur sports competition (but only if no part of its activities involve the provision of athletic facilities or equipment), or for the prevention of cruelty to children or animals ..."

Only employers required to pay unemployment insurance are included in the data, so not all nonprofit jobs are counted.

2

Continuous Nonprofit Job Growth

PERCENT CHANGE BY YEAR, ALASKA AND U.S.



Source: U.S. Bureau of Labor Statistics

3

Nonprofits Pay Lower Average Wages

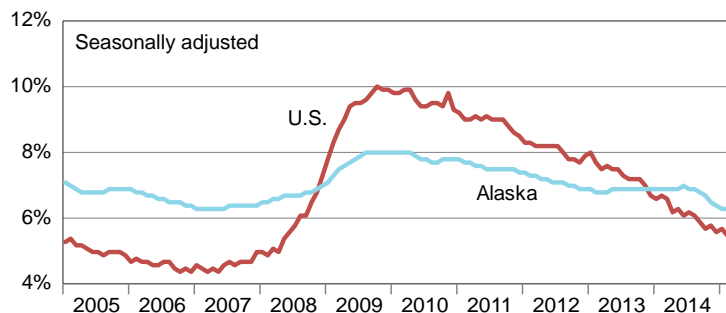
VERSUS THE PRIVATE SECTOR, BY INDUSTRY, 2012

Industry	Average Nonprofit Wage	Average Private Wage
Total Private	\$44,920	\$49,320
Agriculture	\$37,648	\$46,572
Retail Trade	\$25,756	\$29,376
Information	\$38,385	\$58,855
Professional, Scientific, and Tech Services	\$57,557	\$68,733
Educational Services	\$32,296	\$30,931
Health Care and Social Assistance	\$47,619	\$45,124
Arts, Entertainment, and Recreation	\$21,544	\$19,103
Other Services	\$36,077	\$31,178

Source: U.S. Bureau of Labor Statistics

Employment Scene

1 Unemployment Rates JANUARY 2005 TO FEBRUARY 2015

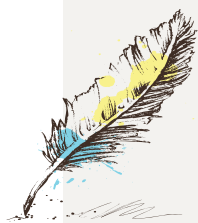


Sources: Alaska Department of Labor and Workforce Development, Research and Analysis; and U.S. Bureau of Labor Statistics

2 Unemployment Rates BOROUGHES AND CENSUS AREAS

	Prelim.	Revised	
	2/15	12/14	2/14
SEASONALLY ADJUSTED			
United States	5.5	5.7	6.7
Alaska Statewide	6.3	6.3	6.9
NOT SEASONALLY ADJUSTED			
United States	5.8	6.1	7.0
Alaska Statewide	7.6	7.1	7.9
Anchorage/Mat-Su Region	6.4	5.9	6.5
Municipality of Anchorage	5.6	5.2	5.7
Matanuska-Susitna Borough	9.2	8.5	9.2
Gulf Coast Region	9.3	8.6	9.4
Kenai Peninsula Borough	9.7	8.8	9.5
Kodiak Island Borough	5.3	5.7	5.9
Valdez-Cordova Census Area	13.0	11.9	13.9
Interior Region	7.8	7.4	8.2
Denali Borough	22.2	20.4	24.9
Fairbanks North Star Borough	6.5	6.2	6.6
Southeast Fairbanks Census Area	14.6	13.8	16.5
Yukon-Koyukuk Census Area	21.9	20.4	23.1
Northern Region	11.7	10.3	12.3
Nome Census Area	13.4	11.8	13.2
North Slope Borough	5.9	5.6	6.1
Northwest Arctic Borough	17.8	15.2	20.1
Southeast Region	8.9	8.4	9.3
Haines Borough	16.8	15.2	16.3
Hoonah-Angoon Census Area	23.9	22.5	22.0
Juneau, City and Borough	5.7	5.4	5.9
Ketchikan Gateway Borough	9.4	8.4	10.2
Petersburg Census Area	13.0	12.7	12.6
Prince of Wales-Hyder CA	17.0	15.9	17.7
Sitka, City and Borough	6.2	6.2	7.2
Skagway, Municipality	25.1	21.7	26.8
Wrangell, City and Borough	11.1	10.9	12.4
Yakutat, City and Borough	11.7	12.4	14.1
Southwest Region	11.9	11.5	12.7
Aleutians East Borough	3.4	3.1	4.6
Aleutians West Census Area	2.6	3.3	3.6
Bethel Census Area	17.0	15.5	17.8
Bristol Bay Borough	20.1	18.9	19.9
Dillingham Census Area	10.1	9.9	10.4
Lake and Peninsula Borough	18.0	17.0	21.6
Wade Hampton Census Area	25.8	24.5	26.1

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



This month in Trends history

Headlines of the past several months haven't been encouraging for the wood products industry. There seems to be consensus that the industry is in its worst shape in 30 years. The Wrangell mill closure in February is another sign that this industry is facing tough times. ...

APRIL 1984

The prolonged slump in the forest products industry is beginning to affect the general economics and employment of the communities where the forest processing plants are located. Only time will tell whether this is a structural change or a temporary downturn due to the weak U.S. and Japanese market for timber products. With the improved worldwide economic outlook and a clearer picture of oil supply, demand, and prices, the fate of the Alaska forest products industry should be resolved.

The Department of Labor and Workforce Development has published *Alaska Economic Trends* as far back as 1961 and other labor market summaries since the late 1940s. Historical *Trends* articles are available at labor.alaska.gov/trends as far back as 1978, and complete issues are available from 1994.

Employer Resources

Workers' Compensation helps employees hurt on the job

Workers' Compensation is a system that requires employers to pay medical and disability costs and part of their employees' lost wages if they are injured on the job. Workers' Compensation also mandates the payment of benefits to dependents in the case of a work-related death.

The Alaska Workers' Compensation Act requires all employers with at least one employee in Alaska to have workers' compensation insurance, unless the employer has at least 100 employees and has been approved as a self-insurer. Executive officers of for-profit corporations are required to have workers' compensation insurance unless they file a waiver with the Workers' Compensation Division.

The division administers the act, as required by law,

in a way that's efficient and fair to all parties. The division also houses the Alaska Workers' Compensation Board, which hears any disputes between employees and employers or their insurance carriers over benefit payments under the act.

For more information or forms, call the Workers' Compensation Division at (907) 465-2790 or visit the department's "Links for Employers" Web site at: labor.alaska.gov/employer/employer.htm and click on "Workers' Compensation."

On the Workers' Compensation page, the "Forms" and "Employer Information" links under "Quick Links" on the right are particularly helpful.

Employer Resources is written by the Employment Security Division of the Alaska Department of Labor and Workforce Development.

Safety Minute

Stand down to prevent construction falls May 4 to 15

May 4 to 15 marks the National Safety Stand-Down to Prevent Falls in Construction. Falls are a leading cause of death and serious injuries in the construction industry, yet the lack of proper fall protection remains one of OSHA's most frequently cited violations.

The Alaska Department of Labor and Workforce Development and the U.S. Department of Labor invite all Alaska construction workers and companies to participate in this year's fall protection stand-down. For more information on the stand-down and how to participate, please visit www.osha.gov/Stop-FallsStandDown/.

Safety consultants with the Alaska Department of Labor and Workforce Development's Occupational Safety and Health Section, or AKOSH, provide free assistance and tools to help you reduce injuries, including help developing and implementing a comprehensive Safety and Health Management program.

For a confidential, cost-free evaluation of your worksite or help developing your business' safety and health program, contact AKOSH Consultation and Training at (800) 656-4972 or visit us at labor.alaska.gov/lss/oshhome.htm.

Safety Minute is written by the Labor Standards and Safety Division, Alaska Occupational Health and Safety Consultation and Training Program of the Alaska Department of Labor and Workforce Development.