

A photograph of two birds perched on a tree trunk. One bird is on the right, facing left, and the other is on the left, facing right. The tree trunk has a rough, textured bark with some holes. The background is a bright blue sky.

ALASKA ECONOMIC **TRENDS**

MAY 2017

A STEADY HOUSING MARKET

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Children living with grandparents
Slight decline in personal income
More Alaskans hold multiple jobs

ALASKA DEPARTMENT OF LABOR
& WORKFORCE DEVELOPMENT

ALASKA ECONOMIC TRENDS

MAY 2017

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Editor

Sam Dapcevich
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ON THE COVER: A chickadee pair cleans out a nest in Anchorage. Photo by Flickr user Doug Brown

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Promoting wage growth and protecting Alaska workers



Heidi Drygas
Commissioner

Trends this month examines some bread-and-butter issues about Alaskans' livelihoods: What is our personal income? How many Alaskans hold multiple jobs and why? These are important questions. Public policies should promote wage growth, and Alaskans should not have to work multiple full-time jobs just to get by.

Nationally, wages for working families have been stagnant for most of the last four decades. Fortunately, Alaskans' wages have generally grown over that time, with brief exceptions. However, personal income dropped slightly last year. That is consistent with previous recessions in the state, and does not necessarily portend a longer-term trend.

However, I am concerned by data suggesting that more Alaskans are holding multiple jobs, and for shorter periods of time. This is consistent with national data suggesting more Americans have short term, often low-wage work in what experts call an increasingly "fissured" workplace.

Many jobs in the fissured workplace lack crucial protections such as workers' compensation insurance, unemployment insurance, and benefits such as retirement and health coverage. Other characteristics of a fissured workplace include outsourcing of employee positions to independent contractors.

There are steps policymakers can take to support wage growth and economic security. Our department entered into a memorandum of agreement with the U.S. Department of Labor to crack down on worker misclassification, the practice of inappropriately categorizing employees as independent contractors to avoid paying workers' compensation, unemployment insurance, and retirement and health benefits.

We have reformed our Wage and Hour enforcement to be more comprehensive. As a result of these reforms, we have won record wage repayments from a very small number of employers who systematically stole wages. Enforcing the law isn't just good for workers — it ensures that law abiding employers, who are the vast majority, have a level playing field on which they can compete.

Enforcing existing laws is important, but it isn't enough. Governor Walker introduced HB 79/SB 40, which updates workers' compensation laws and defines an independent contractor. This legislation is important to protect workers from misclassification and protect law-abiding contractors who have been undercut by a few bad actors. I appreciate the House committees that have already advanced this legislation, and the business and worker organizations that have worked with the state to advance it.

We also need to continue expanding training models that provide pathways to middle-class jobs. Apprenticeship is an important part of that effort, and we've worked with a wide range of employers from health care providers to maritime shippers to air carriers to expand apprenticeship job opportunities. If our labor market doesn't provide living wage jobs for noncollege workers, then we have failed as policymakers. Most jobs don't require a college degree, but most do require skills and training.

Short-term reductions in income are not surprising during a recession caused by oil prices, but we can't give up on long-term wage gains. With the right policies, we can provide an environment in which Alaskans will continue to earn high wages and be able to support themselves without having to work multiple full-time jobs.



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.

HOUSING: A STEADY MARKET

Alaska recession slows growth, but market remains healthy

By **KARINNE WIEBOLD**

Although Alaska's housing market appears to have slowed somewhat with the state recession, it shows no signs of decline.

Sales prices and rents are stable and foreclosures are down. Fewer new units are being built and sales volume is lower, but that may be helping the market stabilize by reducing supply.

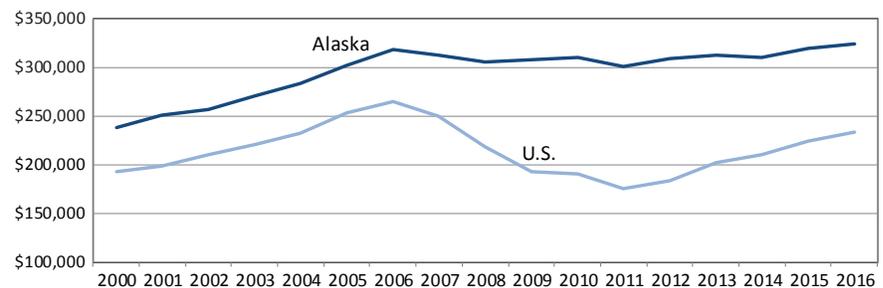
Average price up slightly, sales down

Sales prices for the average single-family house increased by 2.6 percent from 2015 to 2016, from an average of \$316,000 to \$324,000. (See Exhibit 1.) Alaska is more expensive than the U.S. in general, averaging nearly 40 percent more for a single-family home. In 2016, the average home in the U.S. cost \$234,000.

While Alaska prices are essentially holding steady, the number of sales has declined. About 6,500 homes sold in 2016, down 11 percent from 2015.

The nation continues to recover from the past de-

1 Alaska's House Prices Mostly Steady ALASKA AND U.S., AVERAGE SINGLE-FAMILY HOME, 2016



Note: All values are adjusted to 2016 dollars.

Sources: Alaska Department of Labor and Workforce Development, Research and Analysis Section and Alaska Housing Finance Corporation Quarterly Survey of Mortgage Lending Activity; and National Association of Realtors

cade's Great Recession, when house prices tumbled and foreclosures skyrocketed. U.S. inflation-adjusted prices fell 33.5 percent from the peak to the trough while Alaska's dipped just 7.2 percent. By 2016, Alaska's prices were within \$3,000 of the 2006 high of \$327,000 while the U.S. still lagged its 2006 peak by \$31,000.

Single-family home prices are steady throughout most of Alaska, with moderate increases in most markets, including Anchorage (3.3 percent), Matanuska-Susitna Borough (3.4 percent), Fairbanks North Star Borough

(3.4 percent), Kenai Peninsula Borough (5.1 percent), Juneau (2.3 percent), and Ketchikan (14.5 percent). (See Exhibit 2.)

Kodiak and Bethel homes sold for less, at -3.5 percent and -13.4 percent respectively.

Sales prices in Bethel, Ketchikan, and Kodiak are volatile because these areas are so small, a few sales can translate to large percentage swings.

The fact that prices didn't drop during the first four quarters of the statewide recession, and even increased modestly, indicates the state's market is stable right now despite the state's job losses.

In contrast, Alaska home prices tanked during the 1980s recession — but at that time, the market was overheated from a residential construction boom that flooded the state with homes people could no longer afford or simply didn't want as the oil-induced recession caused broad job loss.

Interest rates remain low

Interest rates remain at historic lows, hovering between 3.5 and 4.5 percent over the last five-and-a-half years. (See Exhibit 3.)

In 2015, Alaska's interest rates ranged between 3.75

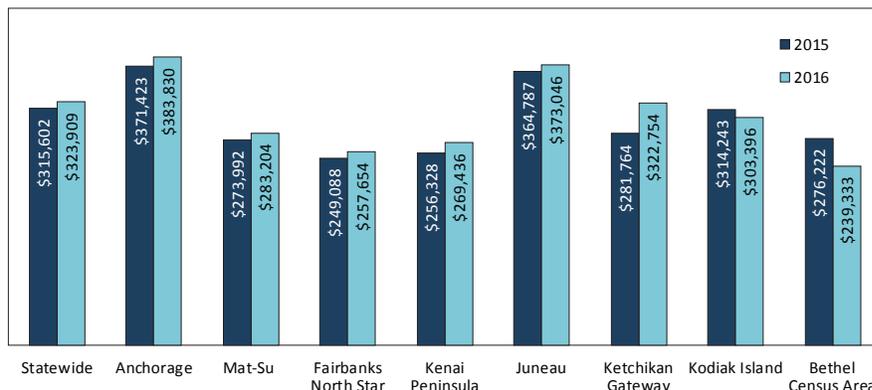
and 4.0 percent, moving upward in the second half of the year. In 2016, rates trended downward again, settling at 3.57 percent in the fourth quarter.

Interest rates are another example of how the national recession affected Alaska's housing market, this time in a positive way.

Mortgage interest rates are determined by a variety of factors, but are heavily influenced by the Federal Reserve lending rate (called the federal funds rate), which has been kept low since late 2008 to stimulate the national economy through inexpensive borrowing.

2 Values Up Modestly in Most Areas

AVERAGE PRICE OF SINGLE-FAMILY HOME, 2016



Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section and Alaska Housing Finance Corporation Quarterly Survey of Mortgage Lending Activity

3 Interest Rates Hover at Historic Lows

30-YEAR FIXED RATES, 1992 TO 2016

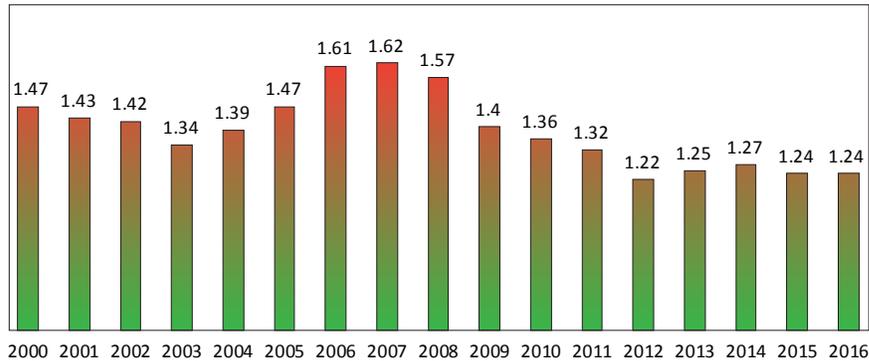


Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section and Alaska Housing Finance Corporation Quarterly Survey of Mortgage Lending Activity

4

Affordability Steady in Recent Years

PAYCHECKS NEEDED TO AFFORD AVERAGE ALASKA HOME, 2000 TO 2016

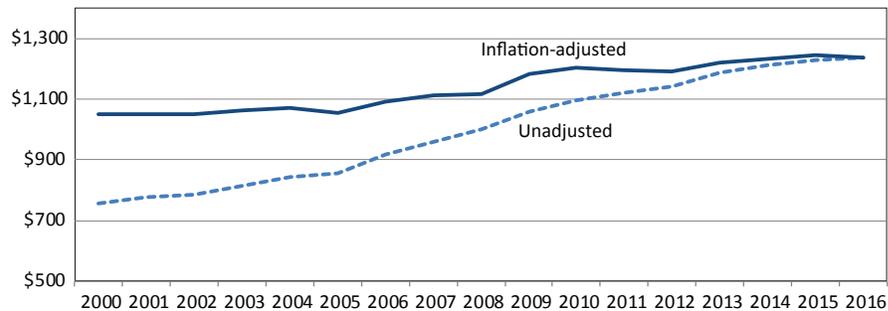


Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section and Alaska Housing Finance Corporation Quarterly Survey of Mortgage Lending Activity

5

Rents Rise, But Not By Much

AVERAGE MONTHLY RENT, ALASKA, 2000 TO 2016



Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section Annual Residential Rental Survey

After keeping the federal funds rate near zero for seven years, the Federal Reserve increased it by a quarter of a percent in December 2015, again in December 2016, and most recently in March 2017. Additional rate increases are likely as the national economy strengthens.

Increases in the federal funds rate will mean higher mortgage interest rates and will increase the cost of purchasing a home. For example, when interest rates rise from 3.5 percent to 4.5 percent on a home loan of \$300,000, the total interest paid will increase by \$62,000 over the 30-year life of the loan.

Mixed local affordability changes

Affordability, measured by the number of average pay-

checks required to afford the average single-family home, is determined by area's wages, sales prices, and interest rates.

Statewide, affordability held steady from 2015 to 2016, at just under one-and-a-quarter average paychecks required to afford the typical home. (See Exhibit 4.) Wages were essentially flat over that period, and declining interest rates offset the moderate increase in sales prices.

At the local level, buying became more affordable in Fairbanks, Juneau, and Kodiak and less affordable in Anchorage, Mat-Su, Kenai, and Ketchikan, although changes were slight for Anchorage and Mat-Su. Kenai's drop in affordability was due to a slight decrease in average wages coupled with an increase in sales prices.

In Ketchikan, wages increased, but sales prices increased more.

Average rent plus utilities is \$1,238

Rents have also plateaued in recent years. Statewide, rents increased just seven-tenths of a percent in 2016, or \$9, bringing the average rent for all unit types to \$1,238, including utilities. (See Exhibit 5.)

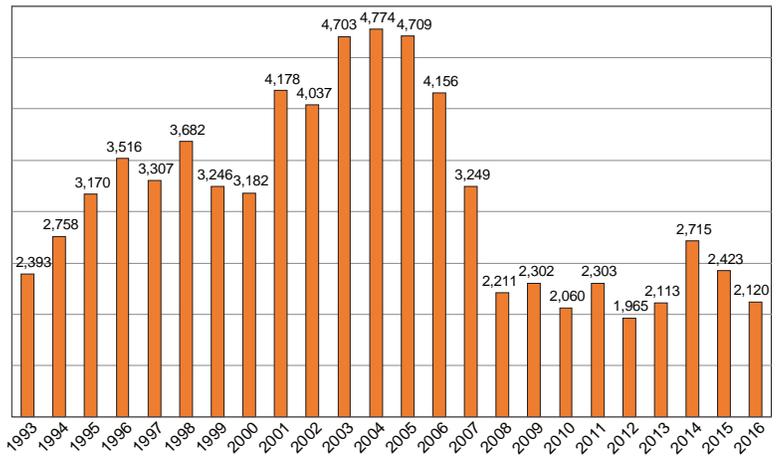
The survey-wide vacancy rate in 2016 was 5.8 percent, down nine-tenths of a percentage point from 2015 but equal to the 10-year average.

Rents went up faster in some areas, such as the Kenai Peninsula Borough (7 percent), Valdez-Cordova Census Area (6 percent), and Ketchikan (4 percent). Anchorage, Kodiak, and Mat-Su rents each increased by less than 1 percent. Fairbanks was the only surveyed area whose rent fell, dropping 1 percent to \$1,199.

Changes in rents and vacancies affect about 92,000 households in Alaska, or about a third of the state. Unlike home ownership, where monthly mortgage payments are established at purchase and remain fixed, rents are flexible and can move up or down in response to changing market conditions such as changes in a community's population, jobs, wages, or the for-sale housing market. Though renters aren't insulated from

6 Fewer New Homes Built in 2016

NEW RESIDENTIAL UNITS, ALASKA, 1993 TO 2016



Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section, New Housing Unit Survey

price changes in the same way as homeowners, they can more easily change their housing costs by moving.

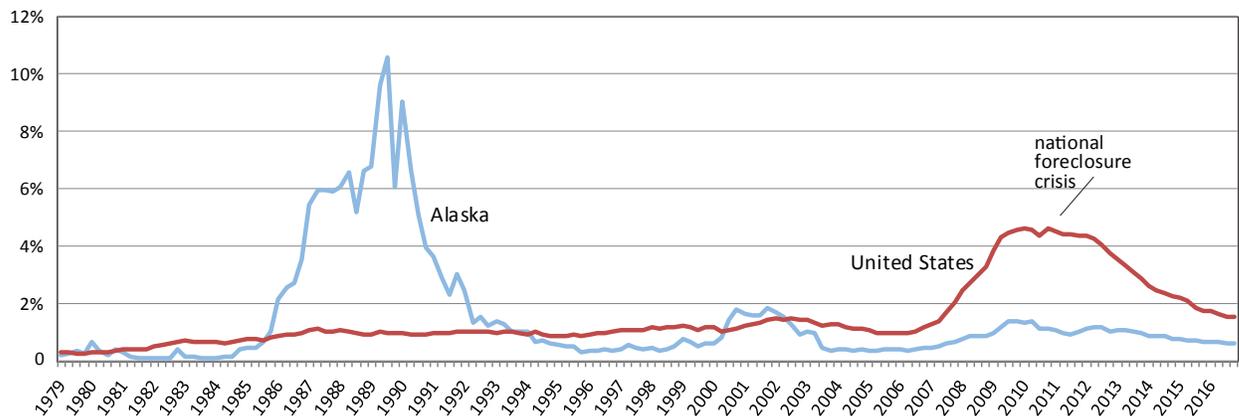
New residential construction slows

New housing construction was tepid at best in 2016. The 2,100 new housing units built across the state represented a 12.5 percent decline from the year before. (See Exhibit 6.) While housing construction was slow in 2016, it was on par with 2013 and slightly higher than 2010 and 2012.

While a long way from the boom years of the early-to-

7 Alaska Foreclosures Remain Low, Nation Continues to Recover

FORECLOSURE RATES, 1979 TO 2016



Sources: Alaska Department of Labor and Workforce Development, Research and Analysis Section; and Mortgage Brokers Association

mid-2000s, slow growth in new housing may help the market weather the state recession because Alaska will be more likely to avoid a housing glut that could have resulted from the combination of job and population loss.

Financing for larger developments as well as individual homes dried up considerably in the aftermath of the national recession and housing crisis, which precipitated Alaska's initial reduction in housing construction. Although Alaska didn't suffer the job losses, increased foreclosures, and drops in value that marked most of the U.S., the state was still hit by the resulting lending contraction.

After Alaska's new units hit a recent high of 2,700 in 2014, the declines in 2015 and 2016 were likely due to Alaska developers' caution as oil prices plummeted and the state braced for the economic aftershocks.

Anchorage's new units declined most, from 850 in 2015 to 423 in 2016. The reduction was most dramatic for multi-family construction, although new single-family construction also dropped significantly.

New units in the Fairbanks North Star Borough fell from 250 to 177, with losses in both single- and multi-family units.

The Mat-Su Borough added 929 housing units in 2016, essentially level with the year before.

Juneau was one of the few areas to build more housing in 2016 than the year before, adding 241 new units to its inventory after building just 96 in 2015. Single-family new units were on par with the prior year, but multi-family units were up considerably and included several projects for special needs populations.

Fewer and fewer foreclosures

Alaska foreclosure rates have been on a downward trajectory since 2010 despite the state recession. This is due to low interest rates, which make refinancing an appealing way to lower housing costs, and to a stable sales market, which gives homeowners an alternative to foreclosure.

At the end of 2016, Alaska's foreclosure rate was 0.60 percent, well below the national rate of 1.53 percent. (See Exhibit 7.)

The nation weathered foreclosure rates three to four times higher than Alaska's during its foreclosure crisis from 2009 to 2012, which was precipitated by an overheated housing market, rapidly increasing sales prices, speculative building, and reckless lending practices.

Alaska's 1980s recession brought even higher foreclosure rates. Thousands of Alaskans lost or left their homes as real estate values tanked, and foreclosures peaked at 10.57 percent in the third quarter of 1989 — more than 10 times the national average at the time. Unemployed property owners who could no longer make payments and owners unable to sell for what they owed foreclosed at alarming rates.

Although we can't predict how the state's housing market will react as the Alaska recession continues, the current state market is unlike the 1980s in several important ways, including less of a pre-recession building boom, less dramatic job losses, lower interest rates, and a more stable and embedded population.

Karinne Wiebold is an economist in Juneau. To reach her, call (907) 465-6039 or email karinne.wiebold@alaska.gov.

Kids living with grandparents

Living in a grandparent's home varies by demographics and area

By **LIZ BROOKS**

Nearly 7 percent of Alaska children lived in a grandparent's home between 2011 and 2015. Most of the time, though, at least one of the child's parents was also living there. Only about 1 percent of all Alaska children were being raised by their grandparents without a parent present, known as a "skipped generation" household.

About 86 percent of children living in a grandparent's home in Alaska lived there with their parents. But whether a parent was present or not, a grandparent was the primary caregiver for about 55 percent.

Most Alaska children who live in a grandparent's home are younger, and 51 percent are under age 6.

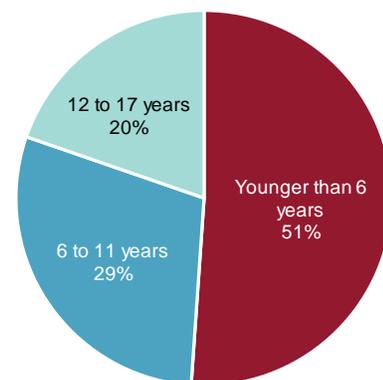
(See Exhibit 1.) Newborns are especially likely to live in a grandparent's home.

(For more on the growing trend of grandparents living with grandchildren nationwide, see the sidebar on page 10.)

About 12,800 children in Alaska live in a grandparent's home. But a parent typically lives there, too.

1 These Grandchildren Are Usually Younger

ALASKA, 2011 TO 2015



Source: U.S. Census Bureau, American Community Survey

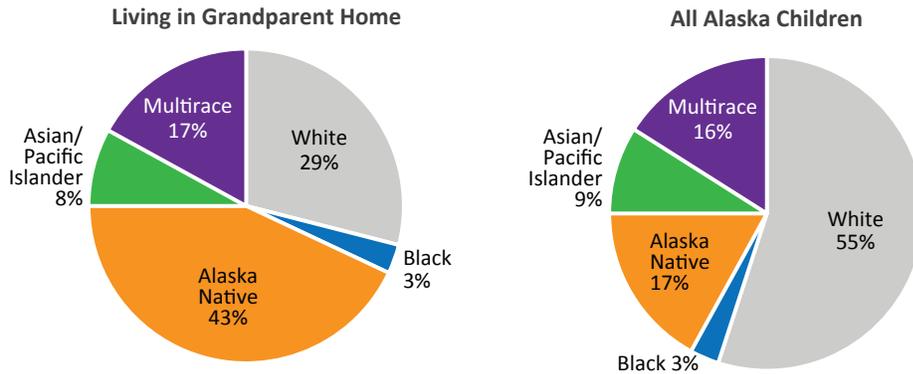
Common for Alaska Native homes

While some children live with grandparents because they need extra care, the reasons can also be economic, related to recent immigration, or cultural.

In Alaska, it's especially common for Alaska Native children to live with their grandparents. Native children make up 17 percent of all children in the state but represent 43 percent of those who live in a grandparent's home. (See Exhibit 2.)

2 Many Native Children Live in Grandparent's Home

ALASKA CHILDREN BY RACE, 2011 TO 2015



Source: U.S. Census Bureau, American Community Survey

In some Native cultures, grandparents adopt their grandchildren — formally or informally — more frequently than the general population. In fact, Alaska leads the nation for its proportion of adopted children, at 4 percent versus 2 percent nationally.

This suggests the numbers of Alaska children living

with a grandparent may be even higher than shown here. A Census Bureau ethnographer found in 2000, for example, that Inupiaq respondents who had adopted one or more of their grandchildren tended to mark “adopted child” rather than “grandchild” when filling out census forms.

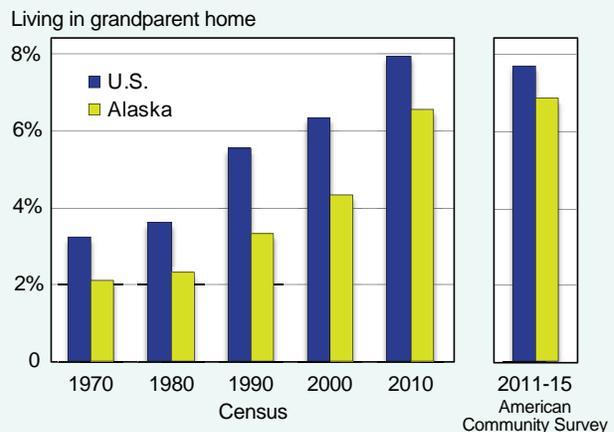
A growing trend nationwide

In Alaska and the nation as a whole, the percentage of children who live with grandparents has steadily increased for decades. The nearly 7 percent of Alaska children who lived in a grandparent's home between 2011 and 2015 was triple what it was in 1970. Nationally, 8 percent of children lived in a grandparent's home as of the most recent census, up from 3 percent in 1970.

A variety of social, economic, and demographic factors is likely driving the increase. A major factor is that more Americans are grandparents than ever before because of the large baby boomer generation, or those born between 1946 and 1964.

The youngest baby boomers turned 50 in 2014, creating what the *New York Times* called “an exceptionally large pool of potential grandparents.” That year, 60 percent of adults over 30 who had a child that was at least 15 were grandparents, and 10 percent had grandchildren living with them. In 2001, just 38 percent of women and 31 percent of men in that category were grandparents.

Some academic literature also point to a 1979 U.S. Supreme Court decision, *Miller v. Youakim*, which made grandparents eligible to receive payment for taking care of their grandchildren in lieu of other foster care, although the growth trend began before that decision and has continued at a steady rate since.



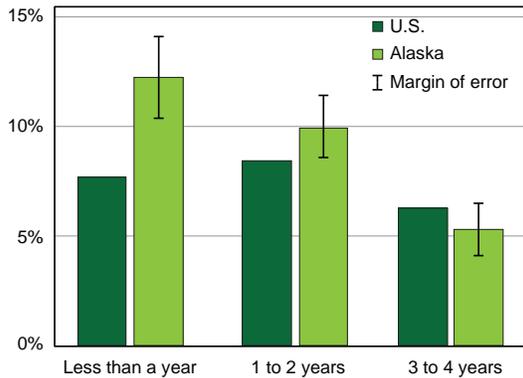
Source: U.S. Census Bureau

The Alaska Office of Children's Services prioritizes placing children with a relative whenever possible. According to OCS, almost 500 of the 3,000 children in foster care in Alaska as of March 2017 were placed with a grandparent or great-grandparent, representing 16 percent of children in foster care and 4 percent of all children who live in their grandparent's home.

The percentage of Alaska children in foster care who are placed with a grandparent has remained fairly steady, fluctuating between 14 and 18 percent since 2008, the first year for which reliable data are available.

3 Average Time Responsible

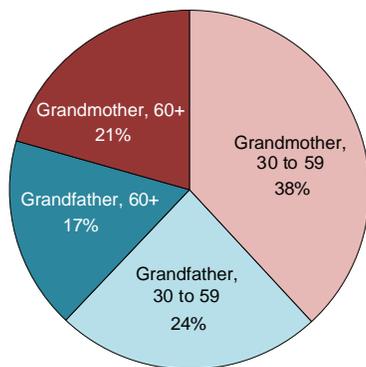
U.S., ALASKA GRANDPARENTS, 2011-15



Source: U.S. Census Bureau, American Community Survey

4 Primary Caregivers Are Usually Grandmothers

ALASKA, AGE AND SEX, 2011-15



Source: U.S. Census Bureau, American Community Survey

The same research also found that the composition of Inupiaq households is especially fluid, changing throughout the year to accommodate family members' seasonal activities, employment, schooling, and other needs. That fluidity fits with the overall finding that when grandparents in Alaska are responsible for their grandchildren, they tend to be responsible for shorter durations than the national averages, as shown in Exhibit 3.

More in Western and Northern Alaska

The percentages by region fit this pattern as well. Larger percentages of children live with their grand-

Which homes are included

Children and grandparents live together in a variety of family scenarios and for different reasons, but here we focus solely on children who live in a grandparent's home – that is, where the grandparent has been identified as the householder on census forms.

This encompasses the majority of children who live in the same home as a grandparent — 60 percent in 2016, according to the Census Bureau's Current Population Survey. The other 40 percent lived in multigenerational households (at least three generations of a family living together) where one of the child's parents was the householder. Even though a grandparent may still be a child's primary caregiver in these homes, they are outside the scope of this article.

Most of this article's data come from the American Community Survey, an ongoing nationwide survey conducted by the U.S. Census Bureau. Each year, the Census Bureau selects 12,000 Alaska households to respond to its survey, which includes the questions shown below.

According to the Census Bureau, "Older Americans are often in different financial, housing, and health circumstances than those in middle age. Estimates about these grandparents help many federal programs understand the needs of this group and design programs that assist both generations."

State and local agencies also use these statistics to plan programs and services, and advocacy groups use them to structure community support.

25

a. Does this person have any of his/her own grandchildren under the age of 18 living in this house or apartment?

Yes

No → SKIP to question 26

b. Is this grandparent currently responsible for most of the basic needs of any grandchildren under the age of 18 who live in this house or apartment?

Yes

No → SKIP to question 26

c. How long has this grandparent been responsible for these grandchildren?
If the grandparent is financially responsible for more than one grandchild, answer the question for the grandchild for whom the grandparent has been responsible for the longest period of time.

Less than 6 months

6 to 11 months

1 or 2 years

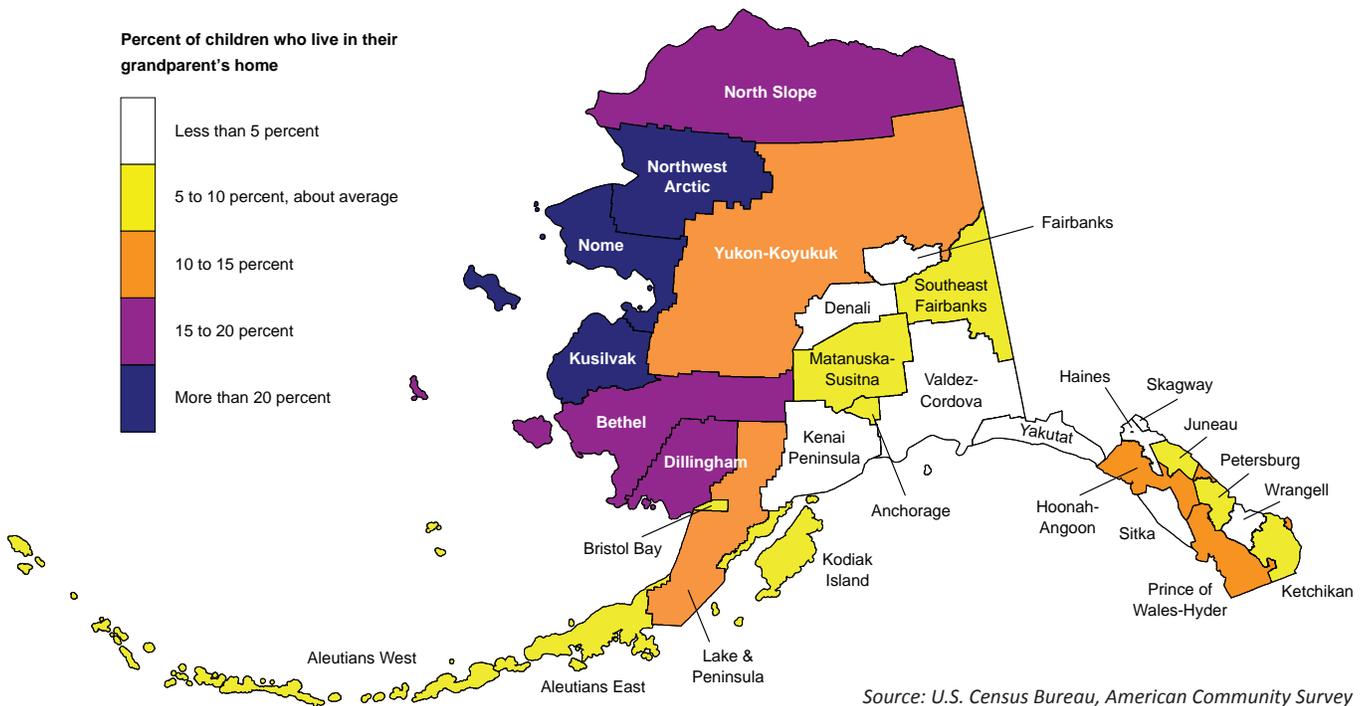
3 or 4 years

5 or more years

Source: U.S. Census Bureau, American Community Survey

5 Percent of Children Living in a Grandparent's Home, by Area

ALASKA, 2011 TO 2015



Further reading

Complex Ethnic Households in America, edited by Laurel Schwede, Rae Lesser Blumberg, and Anna Y. Chan. Published in 2005 by Rowan & Littlefield.

Coresident Grandparents and Their Grandchildren: 2012, by Renee R. Ellis and Tavia Simmons. Published in 2014 by the U.S. Census Bureau and available online at www.census.gov/content/dam/Census/library/publications/2014/demo/p20-576.pdf.

Complex Households and Relationships in the Decennial Census and in Ethnographic Studies in Six Race/Ethnic Groups, by Laurie Schwede. Published in 2003 by the U.S. Census Bureau and available online at www.census.gov/pred/www/rpts/Complex%20Households%20Final%20Report.pdf.

More grandparent facts: <https://www.census.gov/newsroom/facts-for-features/2016/cb16-ff17.html>.

parents in Western and Northern Alaska, whose populations are largely Alaska Native. Over 20 percent of children in Northwest Arctic Borough, Kusilvak Census Area, and Nome Census Area, for example, live with a grandparent. (See Exhibit 5.)

At the opposite end, it's 1 percent or less in the Denali Borough, Skagway, and Wrangell. Southeast Alaska is largely white, and white children are considerably less likely to live with their grandparents, both in Alaska and nationwide. Southeast's population is also much older on average than the rest of the state, so while it's home to more potential grandparents, the region is also home to proportionally few grandchildren.

Liz Brooks is a research analyst in Juneau. To reach her, call (907) 465-5970 or email liz.brooks@alaska.gov.

Personal Income DIPS ^B_Y 1 PERCENT

Smaller PFD, job loss drop Alaska from 5th to 8th place nationally

By **NEAL FRIED**

Alaska has long been among the top states for per capita income, and it still is — but total personal income dropped by 1 percent in 2016. Although the decline was small, it was a departure from the past decade's trend of 4.8 percent growth per year on average.

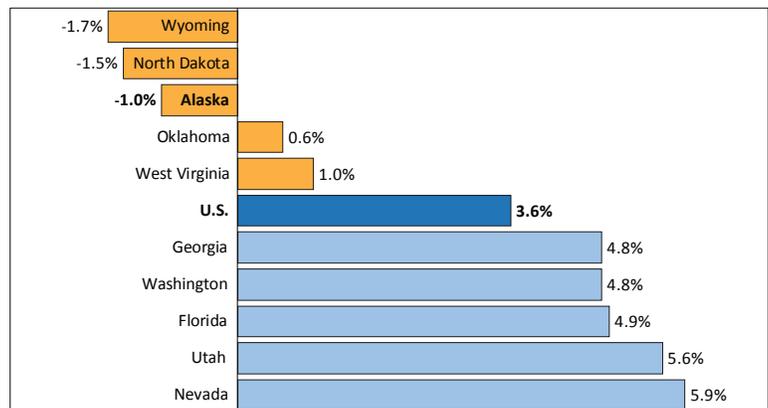
Two other states' incomes also declined, and all three have one thing in common: energy-dependent economies. (See Exhibit 1.) Wyoming lost the most at -1.7 percent, followed by North Dakota, then Alaska. Meanwhile, the national average rose 3.6 percent.

12 percent higher than U.S.

Alaska's 2016 per capita income of \$55,307

1 Alaska Loses A Little Ground

TOTAL PERSONAL INCOME, 2015 TO 2016 CHANGE



Source: U.S. Bureau of Economic Analysis

About the data

Total personal income is the most comprehensive measure of what Alaskans make, and it's considered a good barometer for economic well-being because it's so inclusive.

Personal income encompasses what residents take in from all sources. It includes earnings (mostly from wages and salaries), investment income (corporate dividends,

income from rent, and interest earned from savings), transfer payments (income from government or private social insurance programs and in Alaska's case, Alaska Permanent Fund Dividends), and interest income.

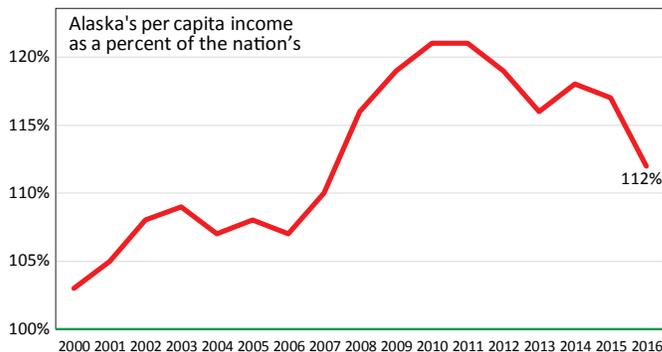
Per capita income is calculated by dividing the total personal income of people in an area by the area's total resident population. Note that none of this article's data have been adjusted for inflation.

2 Per Capita Income by State 2016

1	Connecticut	\$71,033	26	Iowa	\$46,794
2	Massachusetts	\$65,137	27	Florida	\$45,819
3	New Jersey	\$61,968	28	Oklahoma	\$45,682
4	New York	\$60,534	29	Oregon	\$45,049
5	New Hampshire	\$58,322	30	Ohio	\$44,876
6	Maryland	\$57,936	31	Michigan	\$44,347
7	California	\$55,987	32	Maine	\$44,316
8	Alaska	\$55,307	33	Missouri	\$43,723
9	Wyoming	\$55,212	34	Nevada	\$43,637
10	North Dakota	\$55,038	35	Indiana	\$43,492
11	Virginia	\$53,723	36	Louisiana	\$43,487
12	Washington	\$53,493	37	Tennessee	\$43,380
13	Minnesota	\$52,117	38	Montana	\$42,386
14	Illinois	\$52,098	39	North Carolina	\$42,002
15	Colorado	\$52,059	40	Georgia	\$41,835
16	Rhode Island	\$51,576	41	Utah	\$40,744
17	Pennsylvania	\$51,275	42	Arizona	\$40,243
18	Hawaii*	\$50,551	43	Kentucky	\$39,499
19	Vermont	\$50,321	44	South Carolina	\$39,465
20	Nebraska	\$49,636	45	Arkansas	\$39,345
	U.S. Average	\$49,571	46	Alabama	\$39,231
21	Delaware	\$48,697	47	Idaho	\$39,107
22	Kansas	\$48,537	48	New Mexico	\$38,807
23	South Dakota	\$48,049	49	West Virginia	\$37,386
24	Texas	\$47,636	50	Mississippi	\$35,936
25	Wisconsin	\$47,275			

Source: U.S. Bureau of Economic Analysis

3 Income Still High Relative to U.S., But Not as High 2000 TO 2016



Source: U.S. Bureau of Economic Analysis

pushed the state down from fifth to eighth place nationally. (See Exhibit 2.)

Alaskans' per capita income was 17 percent higher than the U.S. average in 2015, and dipped to 12 percent higher in 2016. (See Exhibit 3.)

Fifth place among states was a decade high for Alaska, and the state reached that peak five times. At the opposite extreme, Alaska dropped to 11th place once, in 2006, when many states' incomes grew much faster.

This fluctuation depends on the relative health of the national and state economies, and because Alaska is in a recession now and the nation's economy is relatively healthy, Alaska's ranking is likely to fall further in the short-term.

Job losses and a smaller PFD

The reason for Alaska's modest decline is twofold: job losses and smaller Permanent Fund Dividend checks, both of which were expected. If only one of these factors had been in play, overall personal income might still have increased in 2016, but together the declines were too big.

The PFD fell from \$2,072 in 2015 to \$1,022 in 2016. Total transfer payments, which include PFDs, fell by \$387 million in 2016, or nearly 6 percent.

Net earnings from a job, which represent nearly three-quarters of all personal income, dipped by nearly a percent. That decline was driven by employment losses in oil and gas, which is Alaska's highest-paying industry, and related job losses in construction and professional, scientific, and technical services.

Neal Fried is an economist in Anchorage. To reach him, call (907) 269-4861 or email neal.fried@alaska.gov.

Alaskans working multiple jobs

Having another job became slightly more common before recession

By **JOSHUA WARREN**

More people in Alaska are working multiple jobs, and they're holding additional jobs for shorter periods on average than they did earlier in the decade.

In 2015, 11.2 percent of the state's workers held multiple jobs, up from 10.7 percent in 2010.

While just 32.3 percent had worked in their second job for a year or less in 2010, by 2015 it was 44.8 percent. Those who held multiple jobs for a moderate period, three to six years, also declined over those five years but the longest-term multiple job holders, seven years or more, increased. (See Exhibit 1.)

The increase in multiple job holders predates the state recession, which began around the fourth quarter of 2015. The most likely explanation is that Alaska reached peak employment in recent years, so to fill positions, many employers had to hire someone who already had a job. Most of the occupations with high shares of multiple job holders were also the occupations that grew significantly between 2010 and 2015.

They aren't making more than people with one job

While yearly wages grew for all Alaska workers from 2010 to 2015, they increased less on average for those who held multiple jobs.

1 Shorter Second Job Duration

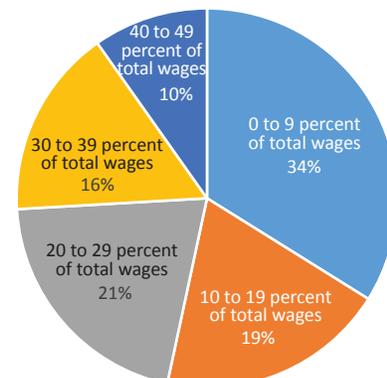
MULTIPLE JOB HOLDERS, 2010 AND 2015

Years held	2010		2015	
	Workers	Percent	Workers	Percent
1	14,139	32.3%	21,128	44.8%
2	8,943	20.4%	9,916	21.0%
3	6,053	13.8%	4,912	10.4%
4	4,313	9.9%	2,980	6.3%
5	3,260	7.4%	1,936	4.1%
6	2,606	6.0%	1,248	2.6%
7	4,458	10.2%	5,052	10.7%

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

2 Small Share of Total Wages

MULTIPLE JOB HOLDERS' OTHER JOBS, 2015



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

People who held extra jobs in 2010 earned almost \$2,000 more than those who worked just one. But although multiple job holders' overall wages had increased by 2015, they were earning about \$250 less than their single-job counterparts.

The fact that people are holding secondary jobs for shorter time periods is a likely reason for the decrease in average wages, as a larger percentage don't stay long enough to move past entry-level pay.

The percentage of total wages people get from their secondary jobs has remained about the same, though, and for most, a second job accounts for a small slice of total income. (See Exhibit 2.)

A majority earned less than 20 percent of their total wages from an additional job in 2015, and only about 10.1 percent came close to earning equal amounts from their primary and secondary jobs.

3 Top Secondary Occupations ALASKA, 2015

	Workers	Avg wage	Total from primary and secondary jobs
Retail Salespeople	2,705	\$4,900	\$30,859
Personal Care Aides	2,074	\$7,621	\$34,444
Cashiers	1,647	\$4,770	\$27,262
Waiters and Waitresses	1,564	\$6,087	\$31,677
Janitors and Cleaners, Exc Maids/Housekeepers	1,292	\$6,407	\$31,489
Food Prep and Serving Workers, Incl Fast Food	1,029	\$4,392	\$23,679
Construction Laborers	775	\$7,711	\$41,536
Office and Administrative Support Workers	773	\$6,944	\$37,947
Laborers/Freight, Stock, and Matl Movers, Hand	722	\$7,065	\$37,115
Bartenders	705	\$4,698	\$31,246

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

4 Wages by Gender ALASKA, 2015

	Workers	% of workers	Total wages	% of wages
Men	20,359	45.8%	\$958,146,269	53.0%
Women	24,055	54.2%	\$848,786,523	47.0%
Total	44,414		\$1,806,932,792	

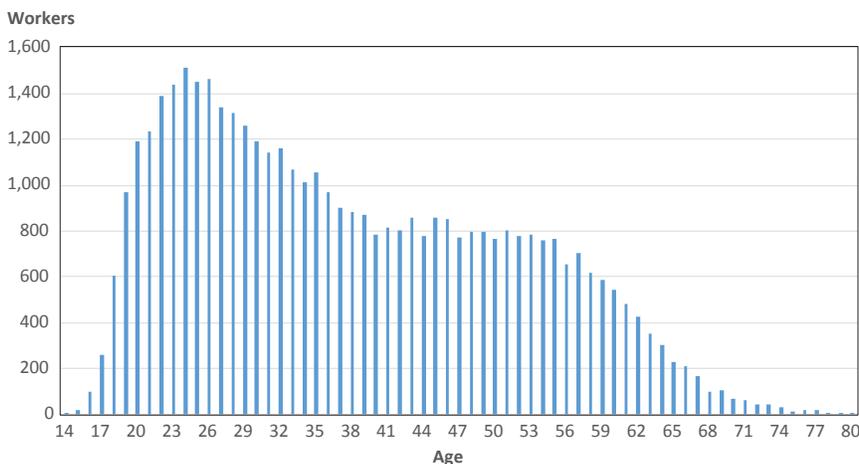
Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

Service industries are most common

The most common secondary occupations didn't change much between 2010 and 2015. They tend to be lower-paying and lower-skill occupations, possibly because many have flexible hours that allow for work outside the typical business day and also have fewer education and training requirements.

The five most common secondary occupations were retail salespeople, personal care aides, cashiers, waiters and waitresses, and janitors or cleaners. (See Exhibit 3.)

5 Most Multiple Job Holders Are Young ALASKA, 2015



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

Workers tend to go outside of their primary job's industry when getting a second job, with the exception of health care and private education, with most finding additional work in the same field. Construction also had a large percentage who worked more than one construction job. At the opposite end, few state government workers held more than one state government job.

Still mostly young and female

Another characteristic that didn't change much over the five-year period was that women are much more likely than men to hold a second job.

In Alaska, just 45.8 percent of multiple job holders were men — that’s nearly 4,000 fewer men than women working a second job. However, men earned a disproportionate share of total secondary wages, at 53 percent. (See Exhibit 4.)

Multiple job holders also remained young on average (see Exhibit 5), although the average age skewed a percentage point or two lower from 2010 to 2015.

In 2010, a higher percentage of multiple job holders were in their 40s and 50s, but in 2015, more were in the younger age groups or over 60. Older workers still tend to make more than their younger counterparts, though, regardless of the type of work or number of jobs held.

Most areas aren’t far from the average

The percentage of multiple job holders by region shifted modestly, with the Lake and Peninsula Borough’s increase the highest at 2.2 percentage points. Multiple job holders were down the most in the Denali Borough and Yakutat, dropping by 3.5 and 4.0 percentage points, respectively. (See Exhibit 6.)

In most regions, between 10 percent and 14 percent of workers hold multiple jobs. Bristol Bay and Aleutians East were the lowest; in fact, just 3.4 percent of workers in Bristol Bay worked a second job in 2015. This is likely somewhat misleading, though, as people in those regions often work second jobs in seafood harvesting, which isn’t included in the data because it’s considered self-employment.

Yakutat, Nome, and the Yukon-Koyukuk Census Area had the highest rates of secondary employment, although none of those areas were much higher than average. The highest was Nome at 15.6 percent.

Joshua Warren is an economist in Juneau. Reach him at (907) 465-6032 or joshua.warren@alaska.gov.

6 Multiple Job Holders by Area

CHANGE FROM 2010 TO 2015

Region	Borough or census area	2015		Percent who held multiple jobs	
		Multiple job holders	Had just one job	2010	2015
Anc/Mat-Su	Anchorage, Municipality	20,633	148,298	11.1%	12.2%
Anc/Mat-Su	Matanuska-Susitna Borough	3,178	27,245	9.8%	10.4%
Gulf Coast	Kenai Peninsula Borough	2,982	25,653	9.7%	10.4%
Gulf Coast	Kodiak Island Borough	1,028	6,878	13.0%	13.0%
Gulf Coast	Valdez-Cordova Census Area	783	6,841	9.0%	10.3%
Interior	Denali Borough	372	4,025	12.0%	8.5%
Interior	Fairbanks North Star Borough	4,900	41,145	10.7%	10.6%
Interior	Southeast Fairbanks CA	292	2,921	8.9%	9.1%
Interior	Yukon-Koyukuk Census Area	493	2,935	14.0%	14.4%
Northern	Nome Census Area	916	4,950	15.8%	15.6%
Northern	North Slope Borough	1,710	22,108	7.0%	7.2%
Northern	Northwest Arctic Borough	504	4,001	11.7%	11.2%
Southeast	Haines Borough	220	1,481	12.1%	12.9%
Southeast	Hoonah-Angoon Census Area	121	963	13.0%	11.2%
Southeast	Juneau, City and Borough of	2,775	18,425	13.5%	13.1%
Southeast	Ketchikan Gateway Borough	1,084	8,490	11.1%	11.3%
Southeast	Petersburg Census Area	205	1,554	10.8%	11.7%
Southeast	Prince of Wales-Hyder CA	365	3,090	10.8%	10.6%
Southeast	Sitka, City and Borough	769	5,211	12.0%	12.9%
Southeast	Skagway, Municipality	207	1,279	14.8%	13.9%
Southeast	Wrangell, City and Borough	133	1,073	11.5%	11.0%
Southeast	Yakutat, City and Borough	56	338	18.2%	14.2%
Southwest	Aleutians East Borough	205	3,754	4.8%	5.2%
Southwest	Aleutians West Census Area	449	4,578	8.1%	8.9%
Southwest	Bethel Census Area	1,336	9,166	12.3%	12.7%
Southwest	Bristol Bay Borough	120	3,362	3.4%	3.4%
Southwest	Dillingham Census Area	397	3,289	11.0%	10.8%
Southwest	Lake and Peninsula Borough	192	1,378	10.0%	12.2%
Southwest	Kusilvak Census Area	482	3,021	15.6%	13.8%

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

About the data

Most of this article’s data are quarterly, which can make it hard to tell whether someone had multiple jobs or simply transitioned from one job to another if they worked two jobs in a single quarter.

To avoid counting people simply changing jobs, we only included workers whose jobs overlapped for multiple quarters — with one exception. A person who held the same job all year but worked an additional job for a single quarter is also considered a multiple job holder.

The Month in Numbers

Unemployment Rates

	Prelim.		Revised	
SEASONALLY ADJUSTED	3/17	2/17	3/16	
United States	4.5	4.7	5.0	
Alaska Statewide	6.4	6.4	6.6	
NOT SEASONALLY ADJUSTED				
United States	4.6	4.9	5.1	
Alaska Statewide	7.2	7.4	7.2	
Anchorage/Mat-Su Region				
Municipality of Anchorage	5.8	5.9	5.5	
Matanuska-Susitna Borough	9.2	9.3	8.9	
Gulf Coast Region				
Kenai Peninsula Borough	9.1	9.5	9.7	
Kodiak Island Borough	4.4	4.4	4.5	
Valdez-Cordova Census Area	10.3	10.8	11.3	
Interior Region				
Denali Borough	20.1	21.3	19.0	
Fairbanks North Star Borough	6.2	6.5	6.2	
Southeast Fairbanks CA	10.8	11.9	12.1	
Yukon-Koyukuk Census Area	19.5	20.9	20.0	
Northern Region				
Nome Census Area	12.6	13.8	12.2	
North Slope Borough	6.5	6.6	5.7	
Northwest Arctic Borough	17.6	18.3	16.0	
Southeast Region				
Haines Borough	11.4	12.5	14.9	
Hoonah-Angoon Census Area	16.8	17.8	18.8	
Juneau, City and Borough	4.9	5.1	4.8	
Ketchikan Gateway Borough	7.4	7.7	8.3	
Petersburg Borough	10.3	10.7	11.1	
Prince of Wales-Hyder CA	12.9	13.8	14.1	
Sitka, City and Borough	4.6	5.4	5.2	
Skagway, Municipality	19.6	21.5	22.6	
Wrangell, City and Borough	8.3	8.7	8.9	
Yakutat, City and Borough	9.1	11.4	11.3	
Southwest Region				
Aleutians East Borough	1.8	1.7	2.2	
Aleutians West Census Area	2.2	2.1	2.3	
Bethel Census Area	13.4	14.0	14.8	
Bristol Bay Borough	12.9	13.9	14.8	
Dillingham Census Area	9.7	9.6	10.6	
Kusilvak Census Area	20.4	21.0	23.8	
Lake and Peninsula Borough	14.3	15.5	15.7	

How Alaska Ranks

Unemployment Rate¹



Average Hourly Earnings, Private Sector²



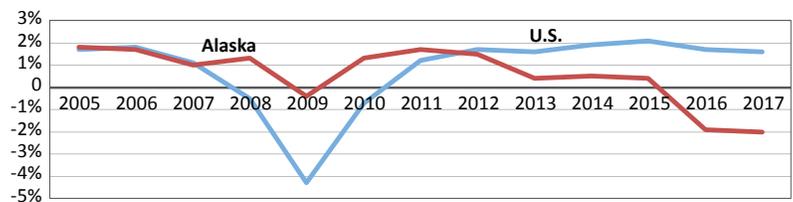
Growth in Average Hourly Earnings, Private²



Retail Trade Job Growth³



Job Growth in Alaska and the Nation



All data sources are U.S. Bureau of Labor Statistics and Alaska Department of Labor and Workforce Development, Research and Analysis Section, unless otherwise noted.

¹March seasonally adjusted unemployment rates

²March average hourly earnings

³Retail trade job growth, March 2016 to March 2017

Employer Resources

Federal program helps firms facing import competition

Trade Adjustment Assistance for Firms is a business retention tool for companies facing import competition. The program focuses on financial assistance and is funded by the U.S. Economic Development Administration.

TAA for Firms is available to U.S. businesses that face import competition in manufacturing, food processing and production, and services. To qualify, a company must also have been in business at least two years and faced recent sales or production declines and current or anticipated job loss.

For eligible businesses, this program offers matching federal assistance to help improve competitiveness, efficiency, marketing efforts, and more.

The Northwest Trade Adjustment Assistance Center operates the TAA for Firms program in Alaska and offers these benefits to companies:

- An initial evaluation to determine grant eligibility

and free, no-obligation application (petition) assistance.

- Help identifying projects for funding and the best ways to implement assistance. Companies define the projects and vendors.
- Up to \$75,000 in matching federal funds for implementation and successful conclusion of funded projects involving outside expertise. Possible business improvement projects include, for example, production process, product design, quality registration, information systems, online presence, and marketing focus and materials.

For more information, contact the NorthwestTAAC by emailing patrick@nwtaac.org or calling toll-free: (800) 667-8087. Visit www.nwtaac.org for testimonials and more information.

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

Safety Minute

Stand-down to prevent falls scheduled for May 8 to 12

Falls are a leading cause of death for construction workers, and it's an increasing trend. Falls accounted for 350 of the 937 construction fatalities the U.S. Bureau of Labor Statistics recorded in Alaska in 2015, and all of these deaths were preventable.

Three steps can save lives: plan, provide, and train.

1. Plan ahead to get the job done safely.
2. Provide the right equipment.
3. Train everyone to use the equipment safely.

The Department of Labor and Workforce Development has designated May 8-12 as the fourth annual National Safety Stand-Down. Stand-Down is nationwide outreach campaign to raise awareness among workers and employers about common fall hazards in construction and how to prevent falls from ladders, scaffolds, and roofs.

Safety Stand-Down is a voluntary event where employers can talk to employees about safety. Any workplace can hold a stand-down by taking a break to focus on fall hazards and reinforce the importance of fall prevention. Employers can also discuss company safety policies and goals.

Alaska Occupational Safety and Health Consultation and Training has participated in Stand-Down since its inception and will sponsor Fall Protection Training as part of this year's event. AKOSH will provide classroom regulations training and hands-on drills for equipment selection, usage, and inspection.

For more information on the event and training, contact Elaine Banda at elaine.banda@alaska.gov.

Safety Minute is written by the Labor Standards and Safety Division of the Alaska Department of Labor and Workforce Development.