Seasonal jobs and COVID-19

ALSO INSIDE
First wave of unemployment claims
25-year population projections
Protecting Alaskans while supporting workers, businesses

By Dr. Tamika L. Ledbetter, Commissioner

In January, Alaskans braced themselves when they heard that a jet full of passengers from Wuhan, China was on its way to Ted Stevens Anchorage International Airport. The new coronavirus was little understood at the time, and international health experts had been saying its contagion was minor.

In a move that potentially changed the trajectory of the illness, Gov. Dunleavy ordered protective gear for passengers and airport personnel and initiated extra precautions to prevent the virus’ spread. Deplaning passengers were required to remain in a cordoned-off section of the airport.

Since that fateful day in January, the governor’s team has focused on keeping Alaskans safe while addressing all aspects of the pandemic’s impact.

Despite growing concerns and anxiety amid the daily uncertainties, Alaskans are remaining strong and finding ways to one help another. Now more than ever, Alaskans are pulling together to perform critical services and assist the friends and neighbors who are most affected by the coronavirus pandemic.

In our Unemployment Insurance Division, employees have stepped up to meet this challenge. By April 21, the department had processed more than 57,000 applications for benefits, and more than $80,000,000 in benefit payments have been distributed.

The new federal Pandemic Unemployment Assistance funding provides unemployment insurance relief to the self-employed for the first time ever. Eligible recipients receive $600 per week plus a benefit that mirrors the state unemployment insurance payment. Some payments are even available retroactively, depending on when the self-employed applicant lost business due to COVID-19.

Relief for unemployed workers must be balanced with minimizing the burden on businesses, however. For Alaska’s economic recovery, we need businesses to survive. Seventy percent employ 10 or fewer people, and these businesses form the backbone of our economy. As Alaskans emerge from mandated closures, we need to be mindful of our small business community who are opening under continued spacing and protective gear requirements.

When employers call their employees back to work, those who refuse without “good cause” will become ineligible for unemployment insurance benefits.

We encourage small business owners to explore and apply for the national Paycheck Protection Program, which provides funding to keep their employees on the payroll without added economic strain. If employers comply with program requirements, these loans are forgivable. Click here for more information and application instructions.

Alaskans have faced adversity in the past, and we’ve emerged from each challenge more resilient. We have faced earthquakes and fires as well as personal hardships that have tested us to our core. Each time, the spirit of Alaska is on display: the professionalism, the commitment to others, and the perseverance.

Each day I see heroes in our midst helping others navigate uncharted waters, and this makes me proud to serve and to be an Alaskan. To our everyday heroes: Please know how much we appreciate you and how vital you are to the people of this great state.

Contact Dr. Tamika L. Ledbetter, Commissioner, at (907) 465-2700 or commissioner.labor@alaska.gov.
Alaska Economic Trends

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ON THE COVER:
Downtown Juneau is typically bustling this time of year, but the streets were empty on this sunny afternoon in late April. Photo courtesy of Steven Whitney

Alaska Department of Labor and Workforce Development

Governor Mike Dunleavy
Commissioner Dr. Tamika L. Ledbetter

Trends is a nonpartisan, data-driven magazine that covers a range of economic topics in Alaska.

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ON THIS SPREAD: The background image for 2020 is the aurora borealis in the arctic in Alaska, taken by Noel Bauza.
Update on the economy and COVID-19

What we know in May and what to look for in the coming months

By DAN ROBINSON

At the beginning of May, telling but limited data were available to gauge the economic impacts of COVID-19.

Most relevant was the dramatic increase in claims for unemployment insurance benefits. In the last six weeks, more than 70,000 people filed new claims for unemployment insurance. During those same six weeks in 2019, the number was just 5,345.

That means roughly 65,000 people who normally would have been employed weren’t working by the end of April. For context, Alaska’s entire working-age population numbers around 500,000.

But economic data are rarely without caveats and nuances, and that’s truer now than ever. One of the key questions about the surge in claims is how long those people will be out of work, given that so many couldn’t work due to government mandates that are now being incrementally relaxed or removed.

Many service-sector workers will gradually return to work as stores, bars, restaurants, hair salons, and massage therapy businesses reopen, albeit with new restrictions. Whether customers spend freely or cautiously, though, will have a lot to do with the medium- and long-term impacts of COVID-19.

Another nuance for Alaska, which the cover article details, is the difference between layoffs and seasonal jobs that won’t materialize this year. In the coming months, we’ll analyze job counts by industry and area to see how far down they are from last year — but a city that has 1,000 laid-off workers has different things to consider than a city that anticipated 1,000 out-of-state workers in summer 2020 who ended up staying in their home states or countries.

A key question about the surge in claims is how long those people will be out of work, given that so many couldn’t work due to mandates that are now being relaxed.

What we hope to know soon

Visitor numbers will be dramatically lower this summer even under the most optimistic scenarios, and some of the largest tourism employers have already announced they won’t open or operate in 2020.

Construction will pick up as usual during the summer months, but residential and commercial construction will likely slow substantially.

It’s too early to tell how fishing and seafood processing will manage the new restrictions on travel and social distancing.

On May 22 we’ll release April employment estimates by industry and region. A week earlier, on May 8, the U.S. Bureau of Labor Statistics will release U.S. job numbers and the unemployment rate for April. The national job losses will be historically large, and the U.S. unemployment rate will rise dramatically.

Alaska’s April unemployment rate, which we’ll also release on May 22, may be misleading because of how it’s calculated. At the national level, the unemployment rate is calculated from a household survey that captures the month-to-month change in the number of people working, the number of people not working but looking for work (the definition of “unemployed”), and the number of people who aren’t in the labor force (people who aren’t working but also aren’t looking for work because they’re retired or in school, for example).

We produce state and local unemployment rates using models the Bureau of Labor Statistics creates with limited input from states. The models
struggle to capture short-term dramatic changes in the labor force, especially in small states with high seasonality like Alaska.

Consequently, we don’t expect Alaska’s unemployment rate to be as helpful in assessing the state’s economy as employment estimates and the ongoing monitoring of claims for unemployment insurance, both of which are simpler and cleaner metrics.

Turning to the long-term population projections we recently released and summarized in this issue, another thing we don’t know is whether COVID-19 will affect existing population dynamics.

A state’s population changes based on the combination of births, deaths, and migration in and out. Births and deaths don’t change much from year to year or respond in obvious ways to short-term shocks, but migration rates are volatile. Alaska has seen more people leave the state than move here for the last six years, but we don’t anticipate that will continue in the long term.

The way states navigate COVID-19 challenges — from budget deficits to public health to dependence on certain industries — will shape the relative desirability of living in Alaska, and that will influence migration trends to and from the state.

Because oil industry jobs pay so much and are scattered across the state, losses there disproportionately affect Alaska’s economy.

Big questions about oil and gas

Perhaps as soon as the June issue of Trends, we’ll take an initial look at the state’s oil industry, which faces shockingly low prices, voluntary production cuts, and layoffs. The industry, which peaked at around 15,000 jobs in 2014 before dropping to as low as 9,100 in 2017, had been slowly recovering lost ground and was back up to an estimated 10,500 jobs in March.

One plus is that the state no longer depends almost entirely on oil to fund its budget. Investment revenue made up a much larger share of unrestricted general revenue even before the oil price crash, and the Alaska Department of Revenue forecasts that petroleum revenue will represent just 17 percent of the state’s total unrestricted general revenue in fiscal year 2021. There’s no question, though, that oil is still critical to the state’s economy and is the second-largest revenue contributor.

Because oil industry jobs pay so much and are scattered throughout the state, losses there disproportionately affect the state’s economy. That plus the lost revenue will make oil especially important to monitor in the coming months.

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Seasonal employment and COVID-19

How virus-related disruptions could affect summer economy

By NEAL FRIED and KARINNE WIEBOLD

Seasonal employment swings in Alaska are more dramatic than in any other state, with activity typically peaking in July or August.

Restrictions to prevent the spread of COVID-19 began during this year’s spring ramp-up, when many employers were preparing to hire and train summer workers.

Cruise ship travel, a major part of our busiest season, has been halted until at least July, and several large companies have canceled all sailings in 2020. According to McDowell Group, approximately 86 percent of visitors to Alaska come in the summer, and the majority arrive on cruise ships.

These developments have changed the outlook since January, when we forecasted slight job growth for Alaska in 2020. And while mitigating a pandemic would strain a state any time of year, the timing will hit parts of Alaska’s economy especially hard.

Looking at our typical seasonal patterns can shed light on the types and volume of job losses we face, but it’s important to remember that some of what will look like losses will be jobs that never happened rather than layoffs. For example, about 1,000 tour guides worked in Alaska at the height of summer last year. While we’ll have fewer this year, most won’t be hired in the first place, and a significant number would have come from out of state.

Many seasonal workers are not Alaska residents

Alaska stands out for the numbers of nonresidents we hire, especially in the summer. The state depends on nonresidents to meet the fast and dramatic hiring needs for summer tourism, seafood processing, and to a lesser degree construction. Nearly 21 percent of the state’s annual workforce is nonresident, and that percentage is much higher in some seasonal industries and during summer.

Business closures and restrictions will reduce employment in the coming months, and travel restrictions will create further challenges. In addition to decimating the number of visitors, the measures will prevent some out-of-state workers from getting here — something the oil and seafood processing industries were already grappling with in early spring.

A small silver lining amid the tumult will be more opportunities for Alaskans who recently lost their jobs to find work in seasonal industries that still need workers.

The most seasonal industries

The charts above and on pages 11 and 12 show...
how seasonal some of Alaska’s industries, from their lowest employment month to their peak. They are all connected to tourism, fishing, or construction. All of them peak in the summer and hit their employment nadir in January or December.

Visitor industries often defined by summer season

Jobs created by Alaska’s “tourism industry” are scattered in a number of categories, including accommodation, air transportation, scenic and sightseeing transportation, and food service and drinking places. Nonresident percentages and wages vary widely within each, but nearly a third of their combined workers come from out of state.

Jobs in hotels and other accommodations more than double from winter to summer, and employment in bars and restaurants, which serve both locals and tourists, is 23 percent higher at the summer peak. In 2019, that was an increase of nearly 4,700 jobs in bars and restaurants from the winter low.

While construction and fishing operate at lower levels throughout the year, some visitor-related industries are defined by a summer season that could approach a total loss in 2020.

Processing is most seasonal, depends on nonresidents

Seafood processing’s seasonal employment swings are off the charts compared to all other industries. From the peak month, usually July or August, to the low point in December, the difference in seafood processing employment is nearly sevenfold. Salmon fishing last July pushed 2019 seafood processing employment over the 20,000 mark, and by December it was under 3,000.

Processing has an acute need for nonresidents due to remote processing facilities, relatively low pay, and short seasons with high labor demands. Nearly three-quarters of its workers are nonresidents — the highest among Alaska industries.

The employment patterns for fish harvesting look a lot like processing, although less data are available for fishermen because they’re considered self-employed. In 2018, the most recent estimates available, peak harvesting employment exceeded 23,000 in July and fell to around 800 in December. Just 30 percent were nonresidents, but they took in two-thirds of harvesting earnings.

Assembling this army of processors and harvesting crew will be especially difficult this summer because so many come from the Lower 48 and other countries, and if the current travel restrictions continue into summer, the industry will struggle to find enough workers.

Spending a concern for construction

Construction employment increases substantially in the summer. In 2019, it bottomed out in January at around 13,400 jobs, then grew to more than 19,200 in August. Nearly all components of the construction industry grow in the summer, with the largest swing in heavy
Some industries are less seasonal but not necessarily unaffected

Oil and gas, health care, government, and information maintain stable employment throughout the year. While health care’s stability is intuitive — we need medical care year-round — it might be a surprise that the oil and gas industry isn’t very seasonal overall. In 2019, extraction, drilling, and support services employment remained fairly consistent from month to month. That’s because work that can...
Alaska economy has become less seasonal over time

Source: U.S. Department of Labor, Bureau of Labor Statistics

only be done in the winter roughly offsets summer seasonal activity.

Though not highly seasonal, oil and gas relies on workers from outside Alaska. About a third of the industry’s workers are nonresidents, and travel restrictions, quarantines, and the possibility of virus outbreaks in remote camps may compound trouble in an industry already hammered by low oil prices.

For retail, the large influx of visitors and seasonal workers brings in a considerable amount of extra business, but retail’s overall seasonal pattern is less pronounced because locals shop all year. Still, Alaska’s retail workforce peaks in summer while most states peak around Christmas, and Alaska retail will feel the steep decline in summer tourism this year.

How seasonality varies by area

Seasonality is strongest in areas that depend on tourism or fishing, or both. The map on the previous page shows how much employment changes seasonally in different parts of Alaska and what percentages of their workforces are nonresidents.

Bristol Bay, home to the largest salmon fishery in the world, is an extreme example of an area defined by a single seasonal industry. In 2019, Bristol Bay’s total wage and salary employment peaked near 4,300 in July and hit a low of just over 500 in January. For perspective, the borough’s entire resident population that year was around 900.

Most of this radical seasonal swing is seafood processing, where employment ranged from about 50 in January to 3,300 in July last year. Tourism contributes to the area’s fluctuations as well, but to a much lesser degree.

The Denali Borough, home to the national park and preserve carrying its name, is the next most seasonal area because it depends on tourism. Employment increases nearly fivefold from the low to the high as summer visitors flood the area. Denali’s unemployment rate mirrors its employment pattern: January 2019’s unemployment rate was 21.6 percent, the highest in the state. The rate dropped to 3.3 percent in August, one of the lowest.

Kodiak is an outlier because it’s home to one of the state’s biggest fisheries, but its employment is less seasonal than any other major fishing area. Kodiak’s fishery is one of the most diverse in the state, and its year-round activity means it has a large resident seafood processing workforce. In 2018, 62 percent of Kodiak’s processing workers were residents versus 26 percent for the industry statewide. That will be an asset for Kodiak this year when nonresident workers are harder to come by.

Larger, more urban areas such as Anchorage, the Matanuska-Susitna Borough, Fairbanks, and Juneau have more diverse economies that have smaller
seasonal employment swings.

Rural parts of the state such as the Northwest Arctic Borough and the Nome Census Area are also less seasonal, but in their case it’s because tourism, fishing, and construction play minor roles.

We remain the most seasonal, but that has declined with time

While Alaska’s economy remains the most seasonal in the nation, we’ve become far less seasonal over time, as the chart on the previous page shows.

Alaska’s economy was extremely seasonal in the 1960s and ’70s, with summer employment peaks 35 percent to 40 percent higher than the winter lows. Even into the 1980s, certain years’ swings were historically high. That began to abate in the 1990s as the population grew, the economy diversified, and some seasonal industries’ roles diminished while less volatile industries such as government, retail, health care, and professional services grew.

For example, in the 1960s, construction represented 8 to 9 percent of Alaska’s wage and salary jobs, which jumped during pipeline construction in the 1970s and the construction boom in the first half of the 1980s, reaching a high of 10 percent in 1983.

Since the economic bust that followed in the late 1980s, construction’s percentage has remained below 6 percent, and it’s stayed closer to 5 percent, on average.

Tourism’s role has grown rather than declined, although its presence and growth haven’t been large enough to reverse the overall trend of declining seasonality. Alaska’s visitor industry has grown as a percentage of the total economy over the last two decades with increasing numbers of visitors. The number of cruise ship passengers to Alaska climbed from 480,000 in 1996 to nearly 1.4 million in 2019.

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Seasonal change in employment for select industries

**Construction**
- 19% nonresident
- 5,900 more in summer

**Amusements, gambling, and recreation**
- 36% nonresident
- 2,200 more in summer

**Accommodation**
- 47% nonresident
- 6,900 more in summer

**Gift, novelty, and souvenir stores**
- 30% nonresident
- 700 more in summer

**Scenic and sightseeing transportation**
- 55% nonresident
- 3,600 more in summer

**Tour operators**
- 45% nonresident
- 800 more in summer

*Source:* Alaska Department of Labor and Workforce Development, Research and Analysis Section
Seasonal change in employment for select industries, cont.

Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section
The first wave of benefit payments

Details on the first to receive unemployment insurance checks

By JENNA LUHRS

Initial weekly claims for unemployment benefits set back-to-back records in March as businesses across the state shut down or reduced operations to prevent the spread of the coronavirus.

Initial weekly claims typically fall throughout March and continue the downward trend in April as seasonal industries pick up, but this year the pandemic changed everything. By the second week of March, new claims had jumped 722 percent from the same week in March 2019 (up 7,000, to 7,800 total initial claims).

Increases were even more staggering in the last two weeks of March, with 13,800 and then 14,600 workers filing initial claims.

What initial claims tell us

Initial claims only reveal how many new claimants filed for unemployment insurance benefits in a given week. They don't provide specific information about who they are or who will end up receiving a payment.

The lag between the initial claim and the first benefit payment can stretch up to two weeks, and it's not until that first payment that the state collects additional information from recipients, including age, industry, earnings, education level, and where they live.

This month we'll focus on the first group of filers to receive an unemployment insurance benefit payment after losing their jobs due to the earliest measures to curb COVID-19. That first wave of 7,800 people opened a new claim between March 7 and March 14, and 3,900 received their first payment by March 28.

These 3,900 recipients are the first group for whom we have detailed claimant information, and this helps identify the industries and areas hit immediately by measures to slow virus transmission.

The circumstances surrounding the first wave of new claims

The initial group of 7,800 filers opened claims before official travel restrictions, hunker-down orders, or mandated statewide closures took effect, but state and local governments had taken other initial measures to limit the virus' spread.

On March 11, the governor declared a statewide emergency. The following day, Alaska reported its first positive COVID-19 case, the Anchorage mayor declared a state of emergency, and the University of

<table>
<thead>
<tr>
<th>Region</th>
<th>Number of new payments for the week ending</th>
<th>Amounts of new payments for the week ending</th>
</tr>
</thead>
<tbody>
<tr>
<td>Anchorage/Matanuska-Susitna</td>
<td>2,457</td>
<td>170</td>
</tr>
<tr>
<td>Interior</td>
<td>395</td>
<td>45</td>
</tr>
<tr>
<td>Southeast</td>
<td>379</td>
<td>22</td>
</tr>
<tr>
<td>Gulf Coast</td>
<td>376</td>
<td>36</td>
</tr>
<tr>
<td>Outside Alaska</td>
<td>259</td>
<td>40</td>
</tr>
<tr>
<td>Northern</td>
<td>33</td>
<td>17</td>
</tr>
<tr>
<td>Southwest</td>
<td>23</td>
<td>19</td>
</tr>
<tr>
<td>Total</td>
<td>3,922</td>
<td>349</td>
</tr>
</tbody>
</table>

Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section
First wave of shutdown-related unemployment benefit payments by region, increase in the last week of March from year-ago levels

Alaska system announced plans to move students off campus and shift to distance delivery. On Friday, March 13, the state capitol closed to the public, all Anchorage municipal buildings closed, Fairbanks confirmed its first case, and the governor announced schools would close statewide the following Monday.

It was in response to these earliest precautions that the first wave of new jobless claims were filed for the week ending March 14.

**Anchorage/Mat-Su up the most**

The initial filers were concentrated in the population centers where COVID-19 precautions began. Between March 7 and March 14, the largest claims increases from the prior year were in the Southeast, Anchorage/Mat-Su, Gulf Coast, and Interior regions.

Of the 3,900 first payments, 2,500 were in Anchorage and Mat-Su, or 62 percent. Just under 400 claims each were paid in the Interior, Southeast, and Gulf Coast (each 10 percent), and about 300 were paid to people who had left the state (7 percent).

The Northern and Southwest regions were less affected by early closures than the rest of the state, and each accounted for about 1 percent of payments.

Anchorage and Mat-Su’s 62 percent share was disproportionately high for any given week. The region represented around 39 percent of weekly claims in March over the last three years and 49 percent during the same week last year.

The workers affected most by early social distancing and other preventive measures were concentrated in Anchorage and Mat-Su and worked mainly in food service, health care, accommodation, and other face-to-face services. People living in more densely populated areas also require extra precautions to avoid contracting and spreading viruses.

In terms of the amounts paid to this first wave, Southeast’s total rose the most from last March 28, jumping 1,783 percent, or $83,000. Anchorage and Mat-Su were second, with the region’s payments up.
Initial UI benefit payments by industry in March

<table>
<thead>
<tr>
<th>Industry</th>
<th>Number of new payments for the week ending 3/21/2020</th>
<th>Amounts of new payments for the week ending 3/21/2020</th>
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</thead>
<tbody>
<tr>
<td>Eating and Drinking Places</td>
<td>53</td>
<td>$10,296</td>
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<tr>
<td>Health Care/Social Assistance</td>
<td>29</td>
<td>$11,518</td>
</tr>
<tr>
<td>Accommodation</td>
<td>29</td>
<td>$6,248</td>
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<tr>
<td>Retail and Wholesale Trade</td>
<td>68</td>
<td>$14,614</td>
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<tr>
<td>Other and Unclassified</td>
<td>69</td>
<td>$17,990</td>
</tr>
<tr>
<td>Construction</td>
<td>86</td>
<td>$25,262</td>
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<tr>
<td>Arts, Entertainment, Recreation</td>
<td>10</td>
<td>$1,716</td>
</tr>
<tr>
<td>Administrative</td>
<td>25</td>
<td>$5,878</td>
</tr>
<tr>
<td>Education*</td>
<td>11</td>
<td>$2,420</td>
</tr>
<tr>
<td>Mining (including Oil and Gas)</td>
<td>19</td>
<td>$6,142</td>
</tr>
<tr>
<td>Public Administration</td>
<td>48</td>
<td>$10,700</td>
</tr>
<tr>
<td>Seafood Processing</td>
<td>31</td>
<td>$7,184</td>
</tr>
<tr>
<td>Professional Services</td>
<td>15</td>
<td>$4,852</td>
</tr>
<tr>
<td>Other Manufacturing</td>
<td>6</td>
<td>$2,134</td>
</tr>
<tr>
<td>Information</td>
<td>7</td>
<td>$2,134</td>
</tr>
<tr>
<td>Finance/Insurance</td>
<td>5</td>
<td>$2,134</td>
</tr>
<tr>
<td>Real Estate, Rental, and Leasing</td>
<td>9</td>
<td>$2,134</td>
</tr>
<tr>
<td>Agriculture</td>
<td>2</td>
<td>$2,134</td>
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<tr>
<td>Total</td>
<td>574</td>
<td>$142,192</td>
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</tbody>
</table>

*Private only, includes K-12 through college
Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

1,331 percent, or $560,000, from last year.

Food service and other service jobs were hit first

Statewide, the highest numbers of new jobless claims came from workers in food service, health care and social assistance, accommodation, and retail/ wholesale trade.

Initial benefit checks to food service workers swelled from under 30 to more than 1,000 in the last week of March, an increase of almost 5,000 percent from a year ago.

Of the 1,158 food service workers who received a payment, 810 worked in full-service restaurants, 151 worked in bars and other drinking places, 99 worked in limited-service restaurants, 45 came from snack and nonalcoholic drink businesses, and 40 worked for food service contractors.

In March 2019, Alaska had 20,484 jobs in these types of businesses, meaning about 6 percent were affected by virus-related measures in mid-March.

For health care and social assistance workers, first payments rose from 29 last year to 466, an increase of 1,507 percent. Of those 466, 183 worked in dentist offices, 50 were in child day cares, and about 30 each worked for chiropractors or physicians.

Other workers hit hardest in early March were in scenic and sightseeing transportation (179), oil and gas (95), and private elementary/secondary schools (92).

Continued claims will become more relevant in coming months

The department also receives a weekly count of continued claims, which we will focus on more in the coming months. Continued claims cover those who filed for two weeks in a row. Because these data only reflect consecutive filings, they’ll take longer to capture shutdown-related effects. They will also remain elevated long after initial claims return to their typical levels, as claimants can continue to file and collect benefits for multiple weeks.

For example, in the third week of March, when Alaska had just under 14,000 initial claims, continued claims went up by only about 2,700, to 11,000, before shooting up to 20,000 in week four and then 35,000 in the first week of April.

In the third week of April, the most recent week available, initial claims dropped to 10,000 but continued claims surged to 52,000 as the early flood of initial claims turned into continued claims.

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We developed the newest 25-year population projections for Alaska before COVID-19 hit, but the coronavirus is a good example of a development the long-term projections don't model. Projections are based on Alaska’s population trends over the past decade, and in some cases longer.

We don't yet know whether COVID-19 will alter Alaska's population patterns in the long term — or even in the short term.

Population effects in the short term from the arrival of COVID-19

Between Feb. 20 and March 20 alone, Alaska reported its first case of COVID-19, oil prices fell by 50 percent, and the stock market’s leading index funds declined by a third.

These types of disruptions will affect population numbers somewhat in the short term, but even that is hard to quantify. For example, birth rates will likely decrease again this year, but it will be difficult to tell whether that was tied to COVID-19 or a continuation of recent years’ birth declines.

We also don’t know whether the virus will be severe enough to alter mortality rates, but as of late April it looks unlikely, even for the vulnerable older age groups. While early disease models predicted as many as 1,000 deaths in the state from COVID-19, shelter-in-place mandates and other prevention measures appear to have reduced virus transmission significantly so far, and the state has reported just nine deaths of May 1.

Migration is by the far the most uncertain component of population change. In the short term, a pandemic means fewer people will move both into and out of Alaska, but the biggest shift will be among summer tourism workers, who are largely nonresidents. Oil prices and the health of the state’s economy will be bigger influences on migration rates over the next several years.

The rest of this article will focus on our long-term outlook for Alaska’s population, from 2019 to 2045. For complete projections data, see the full publication available on our website.

Net migration losses will slow, allowing overall growth to resume

Alaska’s population declined in each of the last three years, from a high of 739,649 in 2016 to 731,007 in 2019. The recent losses were mainly due to more people leaving Alaska than moving in, or negative net migration.

Population loss is not Alaska’s norm, and it’s not
Small net migration losses projected to continue

We project Alaska will gain nearly 83,000 people overall between 2019 and 2045. That would be much less growth than Alaska saw over the last 26 years, during which the state’s population grew by about 130,000 people.

We include high and low projections to show a range of possible outcomes (see the prior page). The high scenario projects Alaska’s population would reach more than 1.1 million people by 2045 and the low scenario projects a decline to less than 632,000.

The projected growth is lower than our historical norm based on Alaska’s negative net migration trend over much of the last decade. The state gained more than 13,000 residents from net migration between 2008 and 2012, in the aftermath of the national recession that hit the Lower 48 much harder than it did Alaska, but since then we’ve lost nearly 46,000 people to net migration. Long-term net migration is projected to remain negative, but not at the rates we’ve seen recently.

Alaska’s net migration rate has been about -1 percent over the last three years, and historically it’s remained close to zero. We project a net migration loss of 5,083 people from 2019-2020 that will slow to around 700-800 annually thereafter (-0.1 percent). Net migration losses that small would allow Alaska’s population to resume growing through natural increase, or births minus deaths.

Because migration rates are so uncertain, we also produce high and low scenarios, as the graph on this page shows. The low end projects a net migration rate of -1.0 percent, which would be roughly equivalent to our most recent year’s net migration. The high scenario’s rate is 1.0 percent.

Fewer births, more deaths will slow natural increase

Alaska has one of the highest fertility rates in the nation, but our rate has decreased in recent years. Declining fertility and an aging population have led to fewer births. In 2019, Alaska’s annual number of births fell below 10,000 for the first time in 17 years.

At the same time, the number of deaths has steadily increased despite lower overall mortality rates, and this will continue as Alaska’s large baby boom generation, born between 1946 and 1964, ages into the higher-mortality groups.

The combination of these trends will lead to slower annual natural increase in the longer term. We project Alaska will gain 5,642 people from natural increase from 2019 to 2020, but those gains will dwindle to just 3,156 from 2044 to 2045.

Overview of projected rates by demographics and area

An overview of the projections for age groups, Alaska Natives, and Alaska areas follows. See the full publication for detailed data.

Ages 0-19

Despite Alaska’s high fertility rate, the population from birth to age 19 has been flat or declining since 2000, mainly because baby boomers’ children have matured into the working ages.

The millennials, born between 1981 and 1996, have reached high fertility ages, leading to projected
growth in the 0-19 age group. The projections show a 2 percent increase by 2025 and 6 percent by 2045. This is based on current fertility rates holding steady, however, and recent years’ declines make these numbers more uncertain.

**Ages 20-64**

The population between 20 and 64, roughly the working ages, has decreased since 2013 as the baby boomers have continued to age out of this group. This age group isn’t projected to surpass its 2019 total until 2033; after that, its projected growth rises to 7 percent, which would produce a working-age population of 468,991 in 2045.

Because migration is such a big factor for this age group, there’s a big difference between the three possible scenarios, which range from -23 percent to 59 percent. Alaska has historically gained working-age residents through net migration at the younger end, but lost population to net migration at older working ages.

**Ages 65+**

Alaska’s population of senior citizens is projected to grow rapidly over the next 15 years, driven by the large group of baby boomers who moved to Alaska in the 1970s and 1980s and the fact that Alaska has historically had relatively small numbers of seniors.

Our current senior population represents just 12 percent of the total population, which we expect will reach 17 percent in 2036 when the 65-plus group hits a projected peak of 136,613 people. That would be 45,335 more seniors than we had in 2019.

**Alaska Natives**

We project steady growth for the Alaska Native population through 2045, driven by high birth rates. The Native population is projected to grow from 148,330 in 2019 to 170,783 in 2045 (a 15 percent increase).

Alaska Natives will also increase slightly as a percent of the total population, from 20 percent in 2019 to a projected 21 percent in 2045. Native youths were 28 percent of the population between ages 0 and 19 in 2019, and are projected to reach 29 percent in 2045.

**Anchorage**

Anchorage is projected to add 13,500 people between 2019 and 2045, a 5 percent increase. Negative net migration has led to population declines in five of the last six years. We expect the city’s negative net migration will continue, but natural increase will offset the losses in the long term.

**Mat-Su**

The Matanuska-Susitna Borough has long been the only borough to grow steadily through net migration. Growth has slowed over the last few years, but positive net migration combined with a young population and high fertility rates will help Mat-Su remain the fastest-growing area of the state. We project the borough will grow 44 percent between 2019 and 2045.

**Gulf Coast**

The Gulf Coast region’s projected natural increase is low because it’s the state’s oldest region. We project the region will grow 5 percent by 2045, but the gain of 4,298 people will be entirely in the Kenai Peninsula Borough. The Kodiak Island Borough and Valdez-Cordova Census Area are projected to lose population over the long term.

**Interior**

The Interior Region’s population is smaller than it was in 2010 despite growth early in the last decade, although we expect it will grow in the long term.

Military deployments to the Fairbanks North Star Borough will increase net migration in the short term, and natural increase due to the region’s young population is projected to offset small migration losses over the projections period.

**Northern and Southwest**

The Northern and Southwest regions are the youngest and have the highest fertility rates, which mean steady projected growth.

Southwest is the second-fastest-growing region in the projections, set to grow 17 percent between 2019 and 2045. The Northern Region is close behind at 14 percent.

**Southeast**

Southeast is the only region projected to lose population: a 5 percent decrease by 2045. Southeast is older than most of the state and has the lowest birth rates. The losses will be slow early on but pick up as the population continues to age.

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How to minimize the spread of COVID-19 in an office

By CHRISTINA LEWIS

Alaska Occupational Safety and Health requires employers to provide a safe place to work that is free of recognized hazards, and the spread of COVID-19 has made additional measures necessary to prevent transmission in the workplace. It’s critical to understand the virus, how it spreads, and how to take the proper precautions.

The virus and how it spreads

COVID-19 is a severe acute respiratory distress syndrome caused by the novel coronavirus SARS-CoV-2, to which humans have little to no immunity so far. It can spread through direct human contact, by inhaling or absorbing into the eyes the airborne droplets from coughs and sneezes, or by touching fomites, which are inanimate contaminated objects (usually hard surfaces) and then touching the eyes, nose, or mouth before washing hands.

How long SARS-CoV-2 can survive outside the body depends on the medium. So far, evidence shows it can survive suspended in the air, after a cough or sneeze, for up to three hours. On surfaces, it can survive up to four hours on copper, two to three days on hard and smooth surfaces such as plastic, and up to 24 hours on porous surfaces such as cardboard.

After exposure, the incubation period is typically two to 14 days. The virus is most contagious when the patient is symptomatic, but evidence suggests it can be spread during the incubation period and by people who remain asymptomatic. For those who become ill, the most common symptoms are fever, cough, and shortness of breath. Additional symptoms include sore throat, runny nose, body aches, headache, chills, loss of smell or taste, and fatigue.

Evidence supports that the elderly and people with underlying health conditions such as heart disease, lung disease, diabetes, and suppressed immune systems are at higher risk for severe illness or death. People at lower risk include children, young adults, and people without underlying health problems.

Overview of reducing workplace risk

To prevent virus spread at work, encourage employees to stay home if they are sick and assure them they can take the time off without retaliation. If employees must be in the office, promote physical distancing and personal hygiene, and disinfect regularly touched surfaces frequently.

Distancing and avoiding contact

Physical distancing means staying at least six feet apart and avoiding shaking hands. Encourage employees to try nodding or other ways of acknowledging others without palm-to-palm contact and to avoid touching their eyes, nose, or mouth with unwashed hands. If possible, provide tissues and masks for coughing and sneezing. No-touch trash cans are a good way to minimize the touching of contaminated surfaces.

The proper way to wash hands

Encourage workers to wash their hands frequently with warm water, hand soap, and paper towels. Although cold water works, evidence suggests people will wash their hands longer when using the more comfortable warm water.

To deactivate the virus, it’s important to wash hands correctly:

1. Wet hands with warm or cold running water.
2. Lather and scrub hands with soap for 20 seconds. (Sing “Happy Birthday” twice.)
3. Rinse hands with clean running water.
4. Dry with a single-use paper towel or hand dryer.
5. If possible, use the paper towel to turn off water.

Examples of when to wash hands:

1. After using the restroom
2. After blowing nose, coughing, or sneezing
3. After handling customer money or credit cards
4. Before and after assisting another person
5. After touching frequently touched surfaces

Disinfecting surfaces and using gloves

To minimize virus particles on inanimate objects, disinfect hand contact surfaces frequently. Examples include faucet handles, light switches, coffee makers, telephones, pens, locks on doors and equipment, clipboards, and keyboards. When using disinfectants on the job, wear personal protective equipment.

The most PPE a person might need in an office is a mask, eye protection, and disposable gloves — and they should be donned in that order to minimize risk of exposure. After cleaning, remove PPE in the opposite order: gloves, eye protection, then mask.

How to don gloves:

- Remove one glove from package and inspect.
- Align fingers and thumb to the fit of the glove.
- Insert five fingers into the cuff and pull cuff over wrist.
- Check for secure fit around fingers, palm, and wrist.
- Repeat for other hand.

How to remove gloves without risking contamination:

- Grab the outside edge of the glove near the wrist.
- Peel the glove away from the hand, turning it inside out.
- Hold it in the opposite hand.
- Slide an ungloved finger under the wrist of the remaining glove, being careful not to touch the outside of the glove.
- Peel the remaining glove off from the inside, creating a “bag” of contained gloves. Discard.

Always wash hands after removing PPE or, if not feasible, use a hand sanitizer that’s at least 60 percent alcohol.

References: OSHA, EPA, National Institute of Environmental Health Sciences, and Ansell.

This Safety Minute was written by health consultant Christina Lewis at the Alaska Occupational Safety and Health Consultation and Training Section in Anchorage. https://labor.alaska.gov/oss/oshhome.htm