

ALASKA ECONOMIC

TRENDS

ECONOMIC PROFILES

CORDOVA — SITKA

March 1994



ALASKA DEPARTMENT OF LABOR
WALTER J. HICKEL, GOVERNOR

END OF THE YEAR'S
NUMBERS LOOK
GOOD

ALASKA ECONOMIC TRENDS

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A TRENDS profile — The City of Cordova

by Neal Fried

Abundance of natural resources has always sustained Cordova's economy. At the beginning of this century Cordova developed because it was near oil and fishery resources. The city came into its own in 1906, when it became the rail terminus for copper from the Kennicott mines. In 1938 the mine shut down. This would have been the death blow to many communities, but a developing fishing industry sustained Cordova's economy. Fish harvesting and processing has dominated the city's economy ever since, almost entirely to the exclusion of any other industry.

Fishing defines Cordova's economy

Each year, Cordova's fishers harvest large runs of red salmon headed for the Copper and Bering rivers. In addition to these rich fisheries, they help harvest the abundant pink salmon runs of Prince William Sound. During the 1980s these harvests grew as the natural salmon runs increased. The pink salmon harvests grew substantially in the late 1980s as a result of major hatchery construction in the Sound. Also important to the Cordova fishing industry is a substantial herring harvest. Shell fish, bottomfish, halibut and other fisheries help supplement the salmon and herring harvests.

The domination of Cordova by the fishing industry is reflected in its work force. Nearly half of Cordova's work force is directly employed in fish harvesting or processing. In 1991, nearly 90% of the 421 permits fished in the Sound listed a Cordova residence; the community's processing plants employed more than 240 workers on an annual basis. (See Figure 2 and Table 1.) Most of the remaining work force provides support to this

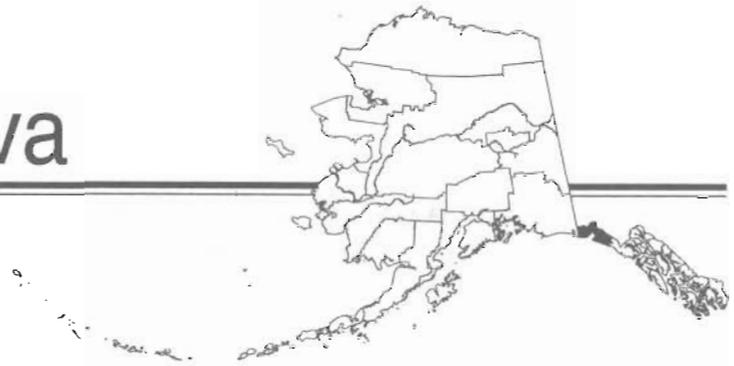
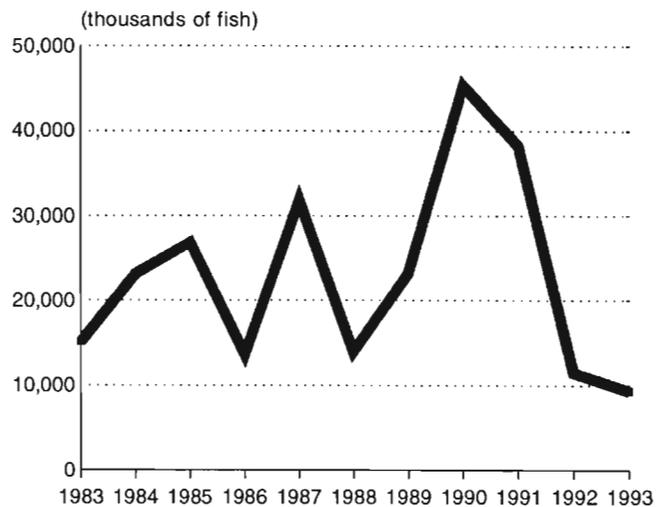


Figure • 1

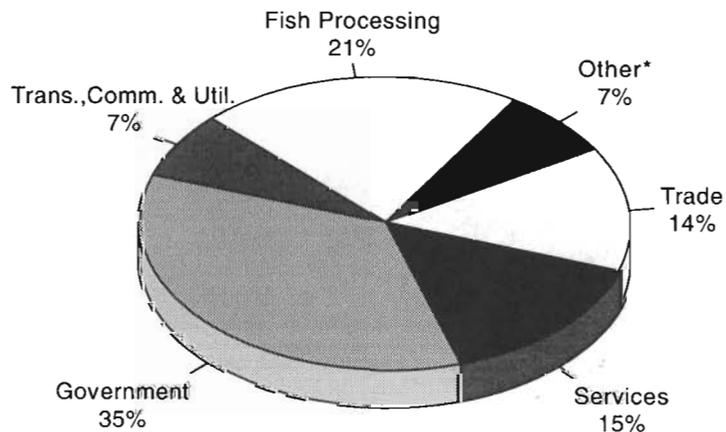
Fish Harvests Decline in Prince William Sound



Source: Alaska Department of Fish & Game.

Figure • 2

Where Cordovans Are Employed

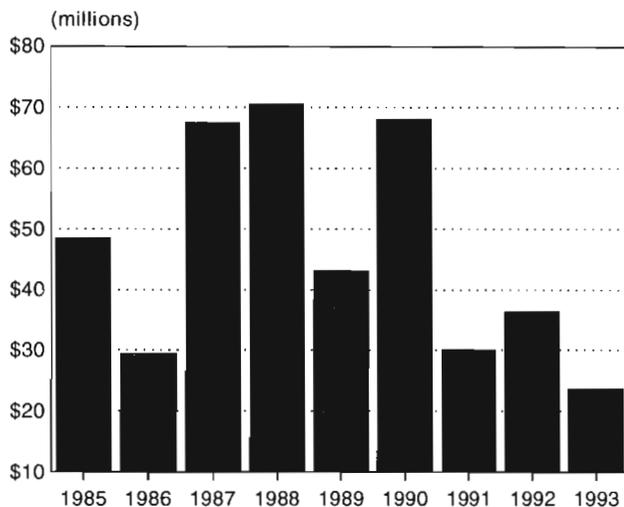


* Other includes construction, finance-insurance and real estate, logging and miscellaneous.

Source: Alaska Department of Labor, Research & Analysis Section, 1992.

Figure • 3

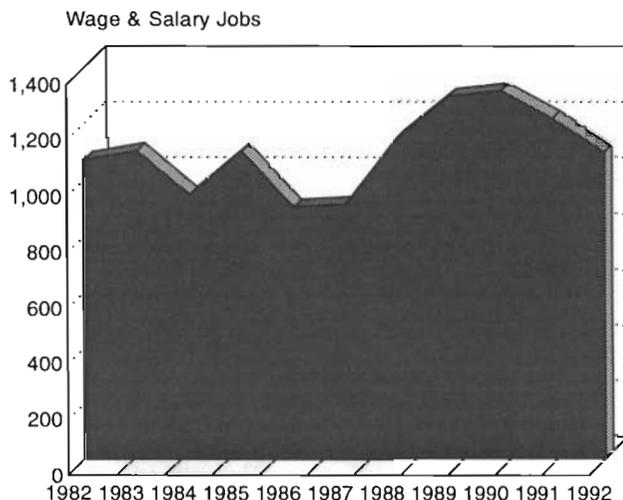
Value of Prince William Sound's Fish Harvests



Source: Alaska Department of Fish & Game.

Figure • 4

Employment is Declining in Cordova



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

industry. Four of Cordova's ten largest employers are tied directly to the fishing industry. (See Table 2.)

Three poor fishing seasons in a row

During the past three years this heavy reliance on the area's fisheries has taken a toll on Cordova's economy. After a near-record salmon harvest coupled with good prices in 1990 it appeared Cordova might be able to put the oil spill-related interruptions to their fishery behind them. But then their fisheries hit upon hard times.

Although the 1991 harvest was not much smaller than 1990's robust harvest, the value fell from \$68 million to \$30 million. (See Figure 3.) One of Cordova's five processors closed their doors that year and another went bankrupt. In 1992 the salmon harvests fell precipitously but prices rebounded slightly. This year was worse. Not only was the 1993 harvest the lowest in more than a decade but the prices for this meager harvest were also at an all time low. To add insult to injury the herring harvest, which supplements many fisher's incomes, also collapsed.

The cumulative impact of three back-to-back bad years is affecting Cordova's economy. After strong employment growth in the last half of the 1980s, the number of Cordovans employed has declined during each of the past three years. (See Figure 4.) Sales statistics have followed close behind. Cordova's population may also be falling.

In the past a lack of housing in Cordova was the norm—there are now 35-40 homes on the market. While Table 3 shows that most households in Cordova have higher-than-average incomes, this data should be treated carefully for two reasons. One is because of what has transpired in Cordova since 1990 when the census was taken. The other is because these

Cordova's Wage and Salary Employment 1983-1992

	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992
TOTAL	1,108	952	1,107	990	977	1,222	1,302	1,321	1,225	1,131
Construction	26	34	37	25	14	19	29	51	32	24
Manufacturing*	293	188	345	269	256	445	329	361	298	287
Transportation, Comm, Util	93	89	78	70	79	83	197	96	92	82
Trade	194	173	194	174	181	171	178	190	173	157
Finance, Ins. & Real Estate	23	23	25	25	26	24	24	24	25	16
Services & Misc.	161	141	129	137	140	179	212	228	212	168
Government	319	305	300	291	282	302	335	372	394	397
Federal	34	32	30	30	31	38	40	49	51	52
State	88	92	96	96	89	90	112	121	128	123
Local	197	181	174	166	162	174	184	202	215	222

* Nearly all of the manufacturing employment is seafood processing employment.

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

numbers were inflated by one-time windfalls earned during cleanup of the 1989 oil spill.

Fishing remains the only game in town

Vagaries in the fishing industry are nothing new for Cordovans. But three bad years in a row and little prospect that salmon prices will bounce back any time soon have created an economic environment of concern.

For a number of years the Eyak Native Corporation ran a logging operation just outside of Cordova. This operation closed down in September, putting 80 people out of work. Some visitor activity supplements other economic activity but is minimal.

Many residents believe there is significant potential for growth in tourism given the area's beauty, along with the recreational, fishing and hunting opportunities. But what is certain is that Cordova's economy will remain almost entirely dependent on its fisheries for years to come.

Cordova's Ten Largest Private Employers

Rank	Firm 1/	1992 Annual Avg. Employment
1	St. Elias Ocean Products	96
2	Prince William Sound Aquaculture	86
3	North Pacific Processors	79
4	Norquest (Silver Lining Seafoods)	42
5	Sound Development	39
6	Reluctant Fisherman	27
7	Cordova Electric Cooperative	20
8	Alaska Commercial (AC Co.)	18
9	Davis Super Foods	17
10	Alaskan Hotel & Bar	13

1/ One of the 10 largest employers in Cordova asked to be excluded from this listing.

Published with permission of employers.

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

T a b l e • 3

A Snapshot of City of Cordova Statistics from the 1990 Census

Cordova's population grew much more slowly...	Cordova	Alaska
Percent change 1980-1990 (1990 Population = 2,110)	10.0%	36.9%
And is a little older...		
Median age	31.6	29.4
Percent under 5 years old	8.8%	10.0%
Percent 21 years & over	69.2%	64.5%
Percent 65 years & over	5.4%	4.1%
There are fewer Alaska Natives...		
Percent White	79.5%	75.5%
Percent American Indian, Eskimo, or Aleut	11.2%	15.6%
Percent Asian/Pacific Islander	8.1%	3.6%
Percent Hispanic (of all races)	3.6%	3.2%
Percent Black	0.4%	4.1%
Labor force participation is high; unemployment low...		
Percent of all 16 years + in labor force	78.4%	74.7%
Percent males 16+ in labor force	86.1%	82.1%
Percent males unemployed (Mar./Apr. 90)	3.4%	10.0%
Percent females 16+ in labor force	69.1%	66.4%
Percent females unemployed (Mar./Apr. 90)	2.7%	7.3%
Most households make more money...		
Median household income in 1989	\$46,304	\$41,408
Percent of households below poverty level	4.3%	8.0%
Percent with less than \$5,000 income	2.7%	3.5%
Percent with \$5,000-\$9,999 income	3.9%	4.8%
Percent with \$10,000-\$14,999 income	4.8%	6.4%
Percent with \$15,000-\$24,499 income	13.3%	13.3%
Percent with \$25,000-\$34,999 income	12.9%	13.6%
Percent with \$35,000-\$49,999 income	16.0%	18.5%
Percent with \$50,000-\$74,999 income	22.6%	21.3%
Percent with \$75,000-\$99,999 income	9.5%	10.9%
Percent with \$100,000 or more income	14.4%	7.7%
Renters pay about the same...		
Median Gross Rent	\$550	\$559
Percent rented for less than \$200	4.0%	1.7%
Percent rented for \$200-\$299	5.8%	5.4%
Percent rented for \$300-\$499	22.8%	27.8%
Percent rented for \$500-\$749	41.5%	29.8%
Percent rented for \$750-\$999	6.3%	12.8%
Percent rented for \$1,000 or more	4.9%	9.1%
Percent with no cash rent	14.7%	13.5%

Source: U.S. Bureau of the Census

Trends profiles are a new feature which will appear periodically in **Alaska Economic Trends**. For more information, contact
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A TRENDS profile — City & Borough of Sitka

by Tom Lane

Sitka, the capital of Russian America, the original U.S. Territorial capital, and a center of Tlingit culture, has a unique and rich heritage. The importance of that heritage matches the area's outstanding scenic beauty, its strategic location on the outer Southeast Alaska coast, and its strong and diversified economy. A major contributor to the city's prosperity has been its largest employer, the Alaska Pulp Corporation. While residents were aware of the problems facing the pulp mill, they were still shocked by the announcement that it would close indefinitely at the end of September 1993. How to weather that closure is the major issue facing Sitka today. The strength and diversity of the other segments of the local economy will help it to do so.

After thirty-four years, the mill shuts down

The distribution of employment and earnings by industry (See Figures 1 and 2.) shows, paradoxically, both the diversity of the Sitka economy and the importance of the pulp mill. Pulp mill employment (at over 400) represented 10.3% of wage and salary jobs. Since the mill paid, on average, 84% more than other Sitka employers, it accounted for 17.5% of the payroll. Additionally, the plant represented about 20% of assessed property values in the community, which helped Sitka to maintain property tax rates (at 6 mills or \$6 per \$1000 valuation in 1993) that are considerably lower than those of other major Southeast communities. To cushion the blow of the closure, the company offered to pay its current level of taxes for two more years.

The mill closure affects other jobs, of course. The number of these affected

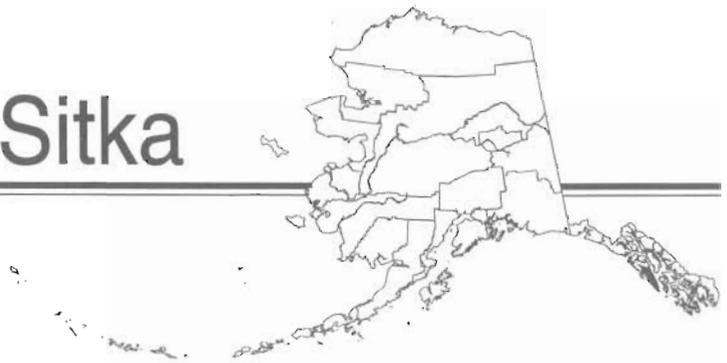
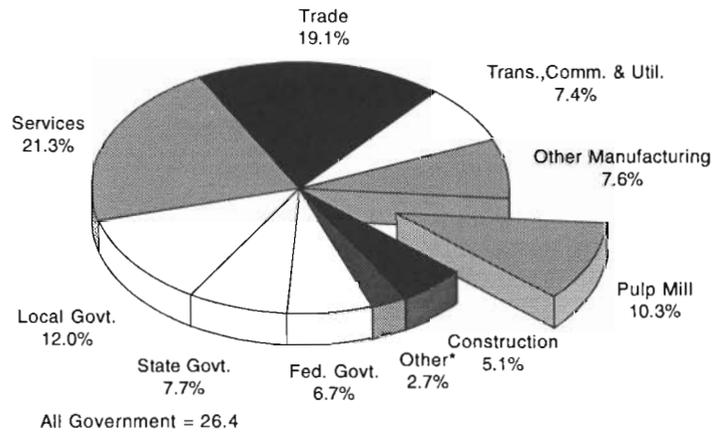


Figure • 1

The Pulp Mill Provided Over 10% of the Jobs... 1992 Wage & Salary Employment

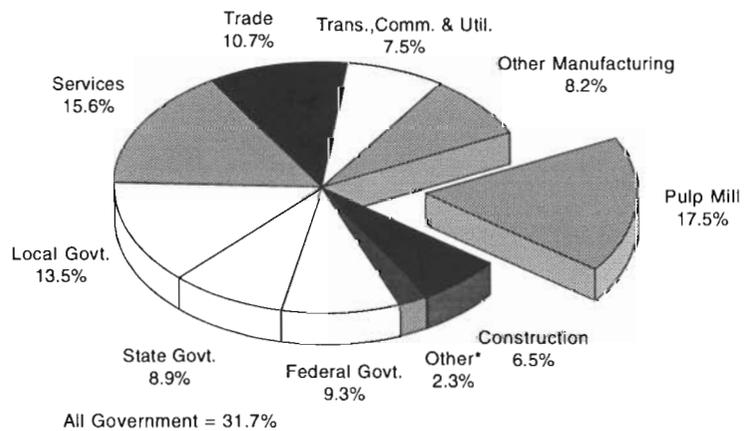


* Other = Mining; finance, insurance and real estate; agriculture, forestry and fishing; and nonclassifiable.

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

Figure • 2

...But More Than 17% of the Payroll in Sitka 1992 Wage & Salary Earnings

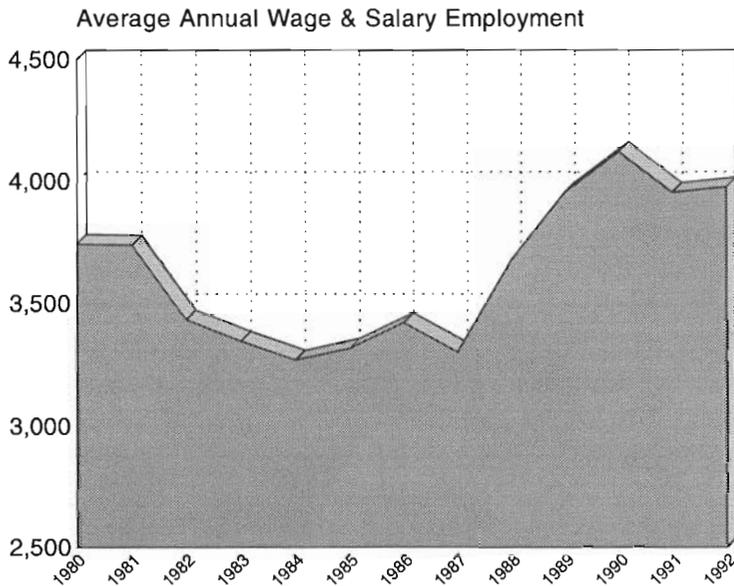


* Other = Mining; finance, insurance and real estate; agriculture, forestry and fishing; and nonclassifiable.

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

Figure • 3

Over 650 New Jobs in Sitka Since 1982-1987 Lull

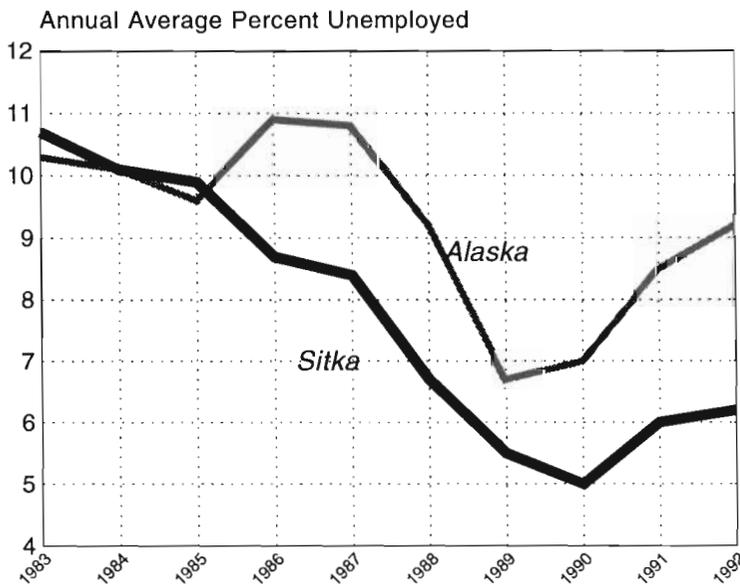


Note: 1990-91 drop due to reporting practice changes by two employers.

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

Figure • 4

Sitka's Unemployment Rate Lower than Alaska's



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

“indirect” jobs is impossible to determine accurately, but one consultant has estimated the job multiplier to be as high as 1.4 other jobs per mill job for a total multiplier of 2.4. A multiplier range of 2.0 to 2.4 implies that as many as 400 to 550 additional jobs would vanish. However, other factors will be in play and Sitka will not lose all those jobs in the immediate future. A lesser, more gradual reduction of workers in support sectors is more likely. Growth in other industries could ensure that at least some of the indirect jobs never disappear.

Many different pieces make up the Sitka economic pie

Past strength will help Sitka face the loss of the mill. Other industries have been expanding: the local economy added over 650 new jobs since 1987. (See Figure 2.) Jobs have been relatively abundant: the unemployment rate in Sitka has been considerably lower than in Alaska as a whole. (See Figure 3.) Moreover, unemployed workers collect unemployment benefits for shorter periods of time.

The list of the top ten private employers (See Table 2.) demonstrates Sitka's economic diversification: not far behind the Alaska Pulp Corporation is the Southeast Alaska Regional Health Corporation (SEARHC). Two fish processors, Sheldon Jackson college, a major hotel, a grocery retailer, a water transportation service, a fast food restaurant (with a nice waterfront location and view) and a non-profit tribal organization are all on the list. Fishing and tourism, particularly cruise ship tourism, are important. The community has also become a major regional health center with a municipally operated hospital, another hospital and medical center operated by SEARHC, and the state's original Pioneers' Home. With two high schools (one, Mt. Edgecombe, providing services to students from all over Alaska), two colleges (the privately operated Sheldon Jackson College and a Uni-

Sitka Borough Wage and Salary Employment 1982-1992

	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992
Total	3,434	3,347	3,270	3,318	3,422	3,302	3,681	3,957	4,124	3,956	3,980
Mining	*	*	*	*	*	*	*	*	*	*	*
Construction	275	221	203	183	171	151	147	222	236	205	204
Manufacturing	*	*	*	505	570	632	701	754	749	736	714
Transportation	280	271	273	323	398	295	264	282	296	321	296
Trade	480	487	498	502	555	569	485	643	691	701	759
Wholesale Trade	36	29	34	37	36	34	52	63	76	81	86
Retail Trade	444	458	465	465	519	535	433	580	616	621	673
Finance-Ins. & R.E.	69	71	67	66	73	74	71	85	77	71	66
Services	512	593	612	664	595	610	906	938	997	806	846
Miscellaneous 1/	*	*	*	*	*	*	*	*	*	*	*
Government	1,117	1,091	1,037	1,043	1,023	936	929	982	1,032	1,041	1,053
Federal	514	463	362	353	309	284	255	260	259	262	267
State	231	240	254	250	279	254	265	281	304	300	308
Local	373	388	420	440	435	399	409	441	469	480	479

* Nondisclosable

1/ Includes Agriculture, Forestry and Fishing as well as Nonclassifiable employment.

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

iversity of Alaska Southeast campus), Sitka is a regional educational center. It is also home for a regional center of the U.S. Forest Service, for the state's Public Safety Academy, for a small National Historical Park, and for major Coast Guard air and sea facilities with about 200 uniformed personnel.

Few of the jobs added since 1987 were in the traditional manufacturing industries (pulp and seafood processing); seafood processing employment actually declined. Expanding tourism helped increase employment in the trade and service industries. Most notable, however, was the dramatic growth in health services jobs, mainly resulting from expansion of SEARHC. By 1992, public and private health services accounted for over 550 jobs (including the Sitka Community Hospital, SEARHC, the Pioneers' Home, and other federal and private health workers).

Sitka's Ten Largest Private Employers

Rank	Firm	1992 Annual Avg. Employment
1	Alaska Pulp Corporation	411
2	Southeast Alaska Regional Health Corp.	248
3	Sitka Sound Seafoods	139
4	Hames Corporation	124
5	Sheldon Jackson College	86
6	Seafood Producers Cold Storage	80
7	Westmark Shee Atika Hotel	61
8	Samson Tug & Barge Co., Inc.	56
9	McDonald's of Sitka	42
10	Sitka Tribe of Alaska	38

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

A Snapshot of City and Borough of Sitka Statistics from the 1990 Census

	Sitka	Alaska
Sitka's population grew more slowly...		
Percent change 1980-1990 (1990 Population = 8,588)	10.1%	36.9%
And is a little older...		
Median age	30.4	29.4
Percent under 5 years old	8.9%	10.0%
Percent 21 years & over	65.5%	64.5%
Percent 65 years & over	5.7%	4.1%
Alaska Natives have a larger role...		
Percent White	74.1%	75.5%
Percent American Indian, Eskimo, or Aleut	20.9%	15.6%
Percent Asian/Pacific Islander	3.9%	3.6%
Percent Hispanic (of all races)	2.4%	3.2%
Percent Black	0.5%	4.1%
Labor force participation is high; unemployment low...		
Percent of all 16 years + in labor force	78.3%	74.7%
Percent males 16+ in labor force	84.4%	82.1%
Percent males unemployed (Mar./Apr. 90)	7.3%	10.0%
Percent females 16+ in labor force	71.6%	66.4%
Percent females unemployed (Mar./Apr. 90)	5.9%	7.3%
Most households make more money, but fewer make over \$100,000...		
Median household income in 1989	\$43,337	\$41,408
Percent of households below poverty level	4.3%	8.0%
Percent with less than \$5,000 income	1.5%	3.5%
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Percent with \$10,000-\$14,999 income	5.8%	6.4%
Percent with \$15,000-\$24,499 income	11.3%	13.3%
Percent with \$25,000-\$34,999 income	15.9%	13.6%
Percent with \$35,000-\$49,999 income	21.1%	18.5%
Percent with \$50,000-\$74,999 income	26.3%	21.3%
Percent with \$75,000-\$99,999 income	11.1%	10.9%
Percent with \$100,000 or more income	4.0%	7.7%
Renters pay more...		
Median Gross Rent	\$610	\$559
Percent rented for less than \$200	1.2%	1.7%
Percent rented for \$200-\$299	6.8%	5.4%
Percent rented for \$300-\$499	19.1%	27.8%
Percent rented for \$500-\$749	41.1%	29.8%
Percent rented for \$750-\$999	18.0%	12.8%
Percent rented for \$1,000 or more	7.1%	9.1%
Percent with no cash rent	6.7%	13.5%

Source: U.S. Bureau of the Census

And the future?

The pulp mill closure is a major setback for Sitka. No new employer is likely to provide as many high-paying, stable jobs to so many residents. Nevertheless, because the rest of the economy is remarkably diversified, Sitka is positioned as well as any to weather the storm. Community and business leaders are looking at possible expansion of strong industries: tourism (e.g., winter tourism, conferences and conventions); the arts; and health and educational services (establishing a nurse training program, developing a long-term care facility). The Alaska Pulp Corporation is also reviewing possibilities for refitting the pulp mill for other uses, such as fiberboard production. Any new use of the mill would probably require at least two years to implement, however.

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End of the Year's Numbers Look Good

By Neal Fried

Although unemployment rose in December and employment declined, 1993 ended on a positive economic note. December's unemployment rate of 7.7% remained a full percentage point below year-ago levels (See Figure 1). December was the 16th month in a row with an unemployment rate below the previous year's. The lower unemployment rate does not attest to a robust labor market but instead to both moderate employment growth and only moderate in-migration of job seekers.

All of the regions within the state are enjoying this improved unemployment picture. However, there are certain communities where the picture was not as bright in December. For example, in Sitka—where a pulp mill shut down in October—the unemployment picture worsened considerably in December. Sitka's December unemployment rate was 3 percentage points above year-ago levels as most of the rest of the pulp mill's 400 workers were laid off.

Employment grows another year

Most of the 2,200 jobs lost in December came as a result of seasonal losses in mining, timber, fishing and construction. More important is the fact that employment in December came in 5,900 jobs higher than last December. (See Figure 2.) Although this year-to-year growth rate of 2.5% does not match the rates of the early 1980s or 1989 and 1990, it does represent an accelerated rate of growth over the previous two years.

Construction, services and—during the latter part of the year—retail trade were the major contributors to this expansion. Construction's big boost is coming largely out of Anchorage as commercial (retail-related), residential and public construction surged in 1993. Services growth is coming from a variety of quarters. The stars include engineering services, a clear beneficiary of construction. Health services continues to grow, although its rate of growth has decelerated some. Social services has experienced a size-

able increase. And business services remains robust as it benefits from the growing trend of businesses utilizing more temporary help, out-sourcing and contracting out work.

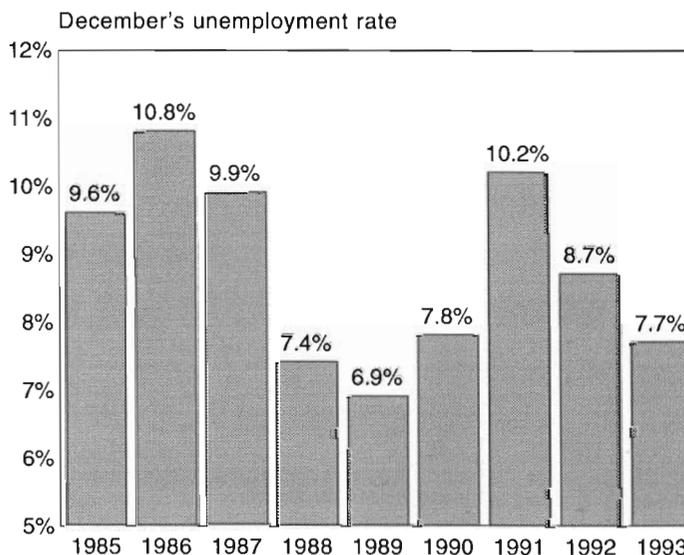
Retail began to rack up some impressive employment gains during the last quarter of the year when many of the new national and regional retailers around the state opened their doors in time for the holiday shopping season. More than 1,000 new jobs were created from these new openings in the last quarter of the year. The more long-term question will be if the state's economy can support all this additional retail capacity and sustain this job growth.

The retail expansion is far from over. Three new Wal-marts within a 50-mile radius (two in Anchorage and one in Wasilla) will be

Neal Fried is a labor economist with the Research & Analysis Section, Administrative Services Division, Alaska Department of Labor. He is located in Anchorage.

Figure • 1

Alaska's Unemployment Picture Looks Pretty Good



Source: Alaska Department of Labor, Research & Analysis

Table • 1

Nonagricultural Wage and Salary Employment by Place of Work

Alaska

	p/		r/			Changes from		
	12/93	11/93	12/92	11/93	12/92			
Total Nonag. Wage & Salary	244,400	246,600	238,500	-2,200	5,900			
Goods-producing	31,300	33,600	31,000	-2,300	300			
Mining	9,700	10,100	10,000	-400	-300			
Construction	10,000	11,200	9,200	-1,200	800			
Manufacturing	11,600	12,300	11,800	-700	-200			
Durable Goods	2,700	3,200	2,600	-500	100			
Lumber & Wood Products	2,100	2,500	2,000	-400	100			
Nondurable Goods	8,900	9,100	9,200	-200	-300			
Seafood Processing	5,600	5,800	5,600	-200	0			
Pulp Mills	500	500	900	0	-400			
Service-producing	213,100	213,000	207,500	100	5,600			
Transportation	22,100	22,300	21,800	-200	300			
Trucking & Warehousing	3,000	3,000	3,100	0	-100			
Water Transportation	1,600	1,600	1,400	0	200			
Air Transportation	7,200	7,100	7,000	100	200			
Communications	3,700	3,800	3,600	-100	100			
Trade	50,200	50,300	47,800	-100	2,400			
Wholesale Trade	7,700	7,800	7,800	-100	-100			
Retail Trade	42,500	42,500	40,000	0	2,500			
Gen. Merch. & Apparel	9,200	9,100	7,500	100	1,700			
Food Stores	7,200	7,300	7,100	-100	100			
Eating & Drinking Places	13,000	13,200	12,800	-200	200			
Finance-Ins. & Real Estate	11,000	11,000	10,700	0	300			
Services & Misc.	54,500	54,100	52,800	400	1,700			
Hotels & Lodging Places	5,000	4,800	4,900	200	100			
Health Services	12,400	12,300	12,000	100	400			
Government	75,300	75,300	74,400	0	900			
Federal	19,200	19,200	19,600	0	-400			
State	22,100	22,200	21,200	-100	900			
Local	34,000	33,900	33,600	100	400			

Municipality of Anchorage

	p/		r/			Changes from		
	12/93	11/93	12/92	11/93	12/92			
Total Nonag. Wage & Salary	118,100	118,400	114,200	-300	3,900			
Goods-producing	10,500	11,200	9,900	-700	600			
Mining	3,200	3,300	3,300	-100	-100			
Construction	5,600	6,100	4,800	-500	800			
Manufacturing	1,700	1,800	1,800	-100	-100			
Service-producing	107,600	107,200	104,300	400	3,300			
Transportation	12,200	12,100	12,200	100	0			
Air Transportation	4,500	4,500	4,500	0	0			
Communications	2,300	2,300	2,200	0	100			
Trade	28,600	28,600	26,800	0	1,800			
Wholesale Trade	5,600	5,700	5,600	-100	0			
Retail Trade	23,000	22,900	21,200	100	1,800			
Gen. Merch. & Apparel	4,700	4,700	3,700	0	1,000			
Food Stores	3,800	3,800	3,700	0	100			
Eating & Drinking Places	7,900	7,900	7,500	0	400			
Finance-Ins. & Real Estate	6,900	6,800	6,600	100	300			
Services & Misc.	30,800	30,600	29,800	200	1,000			
Hotels & Lodging Places	2,300	2,300	2,400	0	-100			
Health Services	6,400	6,300	6,200	100	200			
Government	29,100	29,100	28,900	0	200			
Federal	11,000	11,000	11,300	0	-300			
State	8,400	8,500	8,100	-100	300			
Local	9,700	9,600	9,500	100	200			

Table • 2

Alaska Hours and Earnings for Selected Industries

	Average Weekly Earnings			Average Weekly Hours			Average Hourly Earnings		
	p/		r/	p/		r/	p/		r/
	12/93	11/93	12/92	12/93	11/93	12/92	12/93	11/93	12/92
Mining	\$1,231.41	\$1,227.39	\$1,192.25	50.2	48.9	50.2	\$24.53	\$25.10	\$23.75
Construction	1,034.97	982.41	972.32	41.8	39.0	40.7	24.76	25.19	23.89
Manufacturing	460.08	504.27	465.85	38.5	39.8	38.5	11.95	12.67	12.10
Seafood Processing	353.53	356.94	341.60	41.3	40.7	40.0	8.56	8.77	8.54
Trans., Comm. & Utilities	634.68	641.02	652.24	34.4	34.8	35.7	18.45	18.42	18.27
Trade	365.59	374.98	359.67	32.7	33.6	32.2	11.18	11.16	11.17
Wholesale	600.75	590.10	556.87	37.5	37.9	37.1	16.02	15.57	15.01
Retail	323.09	336.20	321.05	31.8	32.8	31.2	10.16	10.25	10.29
Finance-Ins. & R.E.	460.89	452.32	443.75	35.7	35.7	35.5	12.91	12.67	12.50

Notes to Tables 1-3:

Tables 1&2- Prepared in cooperation with the U.S. Department of Labor, Bureau of Labor Statistics.

Table 3- Prepared in part with funding from the Alaska State Employment Security Division.

p/ denotes preliminary estimates.

r/ denotes revised estimates.

Government includes employees of public school systems and the University of Alaska.

Average hours and earnings estimates are based on data for full- and part-time production workers (manufacturing) and nonsupervisory workers (nonmanufacturing). Averages are for gross earnings and hours paid, including overtime pay and hours.

Benchmark: March 1992

Nonagricultural Wage and Salary Employment by Place of Work

Southeast Region	p/	r/	Changes from		
	12/93	11/93	12/92	11/93	12/92
Total Nonag. Wage & Salary	32,150	32,850	32,250	-700	-100
Goods-producing	4,300	4,950	4,850	-650	-550
Mining	100	100	350	0	-250
Construction	1,200	1,450	1,150	-250	50
Manufacturing	3,000	3,400	3,350	-400	-350
Durable Goods	1,700	2,000	1,700	-300	0
Lumber & Woods Products	1,600	1,950	1,650	-350	-50
Nondurable Goods	1,300	1,400	1,650	-100	-350
Seafood Processing	600	700	550	-100	50
Pulp Mills	550	500	900	50	-350
Service-producing	27,850	27,900	27,400	-50	450
Transportation	2,650	2,650	2,500	0	150
Trade	5,950	5,900	5,700	50	250
Wholesale Trade	550	600	550	-50	0
Retail Trade	5,400	5,300	5,150	100	250
Finance-Ins. & Real Estate	1,200	1,200	1,200	0	0
Services & Misc.	5,400	5,450	5,400	-50	0
Government	12,650	12,700	12,600	-50	50
Federal	2,150	2,150	2,100	0	50
State	5,400	5,400	5,300	0	100
Local	5,100	5,150	5,200	-50	-100

Interior Region	p/	r/	Changes from:		
	12/93	11/93	12/92	11/93	12/92
Total Nonag. Wage & Salary	33,050	33,350	31,900	-300	1,150
Goods-producing	2,350	2,650	2,300	-300	50
Mining	550	650	500	-100	50
Construction	1,200	1,350	1,200	-150	0
Manufacturing	600	650	600	-50	0
Service-producing	30,700	30,700	29,600	0	1,100
Transportation	2,300	2,250	2,200	50	100
Trade	7,050	7,050	6,550	0	500
Finance-Ins. & Real Estate	1,050	1,100	1,100	-50	-50
Services & Misc.	7,000	7,000	6,750	0	250
Government	13,300	13,300	13,000	0	300
Federal	3,950	3,900	3,950	50	0
State	4,800	4,850	4,500	-50	300
Local	4,550	4,550	4,550	0	0

Fairbanks North Star Borough

Total Nonag. Wage & Salary	28,950	29,400	28,050	-450	900
Goods-producing	2,150	2,450	2,150	-300	0
Mining	400	500	400	-100	0
Construction	1,150	1,300	1,150	-150	0
Manufacturing	600	650	600	-50	0
Service-producing	26,800	26,950	25,900	-150	900
Transportation	1,900	1,900	1,900	0	0
Trucking & Warehousing	500	450	500	50	0
Air Transportation	500	500	500	0	0
Communication	250	250	300	0	-50
Trade	6,650	6,700	6,150	-50	500
Wholesale Trade	750	800	750	-50	0
Retail Trade	5,900	5,900	5,400	0	500
Gen. Merch. & Apparel	1,400	1,350	1,200	50	200
Food Stores	700	700	650	0	50
Eating & Drinking Places	2,000	2,000	1,850	0	150
Finance-Ins. & Real Estate	1,000	1,050	1,000	-50	0
Services & Misc.	6,450	6,450	6,250	0	200
Government	10,800	10,850	10,600	-50	200
Federal	3,300	3,300	3,250	0	50
State	4,550	4,600	4,300	-50	250
Local	2,950	2,950	3,050	0	-100

Anchorage-MatSu Region

Total Nonag. Wage & Salary	126,350	126,600	122,250	-250	4,100
Goods-producing	11,150	11,800	10,400	-650	750
Mining	3,400	3,400	3,450	0	-50
Construction	5,950	6,550	5,100	-600	850
Manufacturing	1,800	1,850	1,850	-50	-50
Service-producing	115,200	114,800	111,850	400	3,350
Transportation	12,850	12,900	12,900	-50	-50
Trade	30,550	30,500	28,950	50	1,600
Finance-Ins. & Real Estate	7,200	7,150	7,000	50	200
Service & Misc.	32,550	32,450	31,450	100	1,100
Government	32,050	31,800	31,550	250	500
Federal	11,150	11,100	11,350	50	-200
State	9,250	9,250	8,850	0	400
Local	11,650	11,450	11,350	200	300

Gulf Coast Region

Total Nonag. Wage & Salary	22,950	23,200	22,200	-250	750
Goods-producing	4,750	4,950	4,850	-200	-100
Mining	1,150	1,200	1,150	-50	0
Construction	950	1,100	950	-150	0
Manufacturing	2,650	2,650	2,750	0	-100
Seafood Processing	1,550	1,550	1,850	0	-300
Service-producing	18,200	18,250	17,350	-50	850
Transportation	2,050	2,100	2,050	-50	0
Trade	4,450	4,450	4,000	0	450
Wholesale Trade	500	500	450	0	50
Retail Trade	3,950	3,950	3,550	0	400
Finance-Ins. & Real Estate	600	600	550	0	50
Services & Misc.	4,900	4,850	4,550	50	350
Government	6,200	6,250	6,200	-50	0
Federal	550	550	600	0	-50
State	1,750	1,800	1,700	-50	50
Local	3,900	3,900	3,900	0	0

Southwest Region

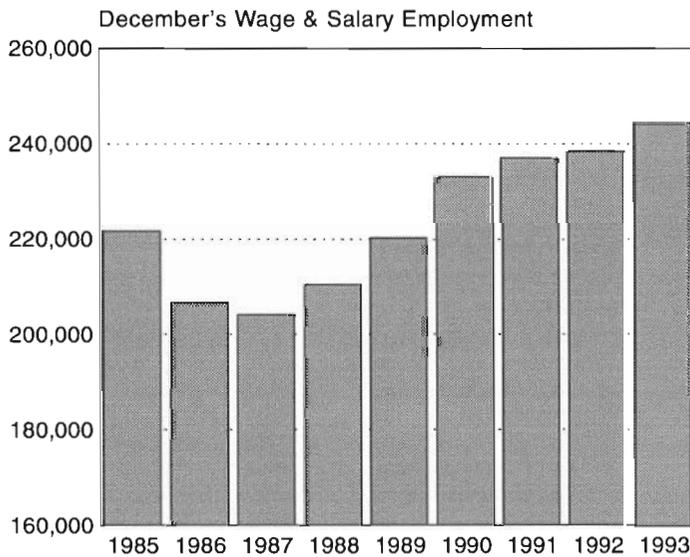
Total Nonag. Wage & Salary	15,500	15,850	15,250	-350	250
Goods-producing	3,600	3,850	3,400	-250	200
Seafood Processing	3,300	3,450	3,050	-150	250
Service-producing	11,900	12,000	11,850	-100	50
Government	6,300	6,400	6,350	-100	-50
Federal	1,200	1,200	1,300	0	-100
State	500	550	500	-50	0
Local	4,600	4,650	4,550	-50	50

Northern Region

Total Nonag. Wage & Salary	14,250	14,400	14,250	-150	0
Goods-producing	4,950	5,100	5,100	-150	-150
Mining	4,550	4,650	4,550	-100	0
Service-producing	9,300	9,300	9,150	0	150
Government	4,800	4,850	4,650	-50	150
Federal	250	250	250	0	0
State	350	350	350	0	0
Local	4,200	4,250	4,050	-50	150

Figure • 2

Alaska's Work Force Keeps Growing



Source: Alaska Department of Labor, Research & Analysis

opening their doors during the first quarter of 1994. Carr-Gottstein Foods recently announced their entry into the Juneau market in 1994 by building a new store. Carrs also bought out the Hanson's Trading Company stores in Kotzebue and Nome. And the Alaska Commercial Company announced they will be building a new store just outside of Nome. What has been largely an urban phenomenon up until now is moving out to rural Alaska.

Good and bad news in the oil patch

The oil patch is continuing to produce mixed news. On the good news front was BP Exploration's Cascade oil find three miles away from Milne point. The find is about the size of the Niakuk field and is economically feasible given its proximity to the Milne Point complex. On the bad news front, British Petroleum announced they will be curtailing their exploration program for 1994 because of low oil prices. And low oil prices is not just causing the oil industry to rethink their immediate plans. With oil prices con-

Table • 4

Unemployment Rates by Region & Census Area

	Percent Unemployed		
	p/ 12/93	r/ 11/93	12/92
Alaska Statewide	7.7	7.0	8.7
Anch.-MatSu Region	6.2	5.8	7.4
Municipality of Anchorage	5.3	5.0	6.5
MatSu Bor.	12.4	11.0	13.3
Gulf Coast Region	12.3	10.9	14.1
Kenai Peninsula Bor.	12.6	11.4	15.1
Kodiak Island Bor.	12.9	10.6	14.7
Valdez-Cordova	10.3	9.1	9.0
Interior Region	9.8	8.7	10.3
Denali Bor.	12.4	13.5	13.4
Fairbanks North Star Bor.	9.2	8.1	9.7
Southeast Fairbanks	14.5	13.2	14.0
Yukon-Koyukuk	14.0	14.2	15.7
Northern Region	8.2	7.9	9.9
Nome	9.7	8.5	10.2
North Slope Bor.	3.2	4.5	4.4
Northwest Arctic Bor.	12.7	11.9	16.7
Southeast Region	8.6	7.3	8.8
Haines Bor.	12.5	8.4	10.7
Juneau Bor.	6.3	5.8	7.5
Ketchikan Gateway Bor.	8.6	7.3	9.5
Pr. of Wales-Outer Ketch	10.6	9.6	11.8
Sitka Bor.	10.1	7.9	7.2
Skagway-Yakutat-Angoon	14.7	11.2	10.3
Wrangell-Petersburg	10.1	8.2	11.0
Southwest Region	5.1	5.1	5.9
Aleutians East Bor.	1.5	1.7	1.5
Aleutians West	1.6	1.8	1.3
Bethel	6.7	6.4	8.2
Bristol Bay Bor.	7.2	8.3	8.6
Dillingham	8.6	7.3	8.7
Lake & Peninsula Bor.	9.0	6.8	7.6
Wade Hampton	8.4	9.2	11.2
Seasonally Adjusted Rates			
Alaska Statewide	7.4	6.9	8.2
United States	6.4	6.4	7.2

p/ denotes preliminary estimates r/ denotes revised estimates
Benchmark: March 1992

- **Comparisons between** different time periods are not as meaningful as other time series published by the Alaska Department of Labor.
- **The official definition of** unemployment currently in place excludes anyone who has made no attempt to find work in the four-week period up to and including the week that includes the 12th of each month. Most Alaska economists believe that Alaska's rural localities have proportionately more of these discouraged workers.

Source: Alaska Department of Labor, Research & Analysis

tinuing to drag along the bottom, the state's revenue gap continues to widen. This is taking the sheen off the present relatively sunny economic picture.

Alaska Employment Service

Anchorage: Phone 269-4800

Kotzebue: Phone 442-3280

Kodiak: Phone 486-3105

Bethel: Phone 543-2210

Nome: Phone 443-2626/2460

Seward: Phone 224-5276

Dillingham: Phone 842-5579

Tok: Phone 883-5629

Juneau: Phone 790-4562

Eagle River: Phone 694-6904/07

Valdez: Phone 835-4910

Petersburg: Phone 772-3791

Mat-Su: Phone 376-2407/08

Kenai: Phone 283-4304/4377/4319

Sitka: Phone 747-3347/3423/6921

Fairbanks: Phone 451-2871

Homer: Phone 235-7791

Ketchikan: Phone 225-3181/82/83

Glennallen: Phone 822-3350



Alaska Economic Regions

The mission of the Alaska Employment Service is to promote employment and economic stability by responding to the needs of employers and job seekers.